



Ghana: Public Financial Management Reform Project (P151447)

AFRICA WEST | Ghana | Governance Global Practice |
IBRD/IDA | Investment Project Financing | FY 2015 | Seq No: 13 | ARCHIVED on 25-Aug-2021 | ISR47333 |

Implementing Agencies: Government of Ghana, Ministry of Finance

Key Dates**Key Project Dates**

Bank Approval Date: 15-May-2015

Effectiveness Date: 18-Aug-2015

Planned Mid Term Review Date: 31-Oct-2017

Actual Mid-Term Review Date: 22-Nov-2017

Original Closing Date: 30-Jun-2019

Revised Closing Date: 31-Dec-2021

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The project development objective (PDO) is to improve the budget management, financial control and reporting of the Government of Ghana.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components Table

Name

Enhancing Budget Credibility:(Cost \$1.72 M)
Public Financial Management Systems and Control:(Cost \$38.78 M)
Reinforcing Financial Oversight and Accountability:(Cost \$3.90 M)
PFM Reform Coordination and Change Management:(Cost \$3.40 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Risk Rating	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

Implementation Status and Key Decisions

The overall progress towards the achievement of the Project Development Objective (PDO) is Satisfactory. The slight dent in PDO3 needs to be rectified through an active follow-up with Public Accounts Committee, Parliament Secretariat, and the Ghana Audit Service. The intermediate results indicators have been met except for those due at the end of 2021, and which are mostly delayed due to slow-down caused by the pandemic. The progresses in HRMIS and GIFMIS have been noteworthy, exceeding the target. Lack of disbursement under the SECO TF had been an issue, but has now been resolved and will expedite the activities related to IPSAS readiness

The SECO TF was declared effective in February 2019 with an approved allocation of \$2,350,000 to support the implementation of IPSAS and related financial reporting activities. The activities include Chart of Accounts revision, GIFMIS update to meet IPSAS requirements, fixed assets register, and IPSAS trainings. Furthermore, the following issues require quick action by the authorities between now and the project closing to fully achieve the PDO:



1. A new 5-year PFM Strategy which was originally planned to be completed in 2020, has not yet been published. A new draft covering years 2021-2025 is now prepared and is expected to be published in 2021.
2. A Fiscal and Budget office was established after the passage of the Fiscal Responsibility Law, whose mission is to advise the legislature on the social and financial impact of bills and policies that are taken to the legislature for adoption. The office needs to be adequately budgeted and operationalized.
3. Gaps still remain in GIFMIS compliance with IPSAS, including the need for reconfiguration of the GIFMIS fixed Assets Module, update to the Chart of Accounts (COA), implementation of the Inventory module, and implementation of the Receivable module.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Macroeconomic	<input type="checkbox"/> High	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Sector Strategies and Policies	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Technical Design of Project or Program	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Institutional Capacity for Implementation and Sustainability	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Fiduciary	<input type="checkbox"/> Substantial	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Environment and Social	<input type="checkbox"/> Low	<input type="checkbox"/> Low	<input type="checkbox"/> Low
Stakeholders	<input type="checkbox"/> Low	<input type="checkbox"/> Low	<input type="checkbox"/> Low
Other	--	--	--
Overall	<input type="checkbox"/> Substantial	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

Results

PDO Indicators by Objectives / Outcomes

Proportion of Budgetary expenditures in Annual Financial Statements of CAGD(including Consolidated				
► Proportion of budgetary expenditures in Annual Financial Statements of CAGD (including Consolidated Funds, Statutory Funds, Internally Generated Funds and Donor Funds) processed through GIFMIS (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	98.99	98.99	90.00
Date	22-Nov-2019	30-Sep-2020	30-Sep-2020	31-Dec-2021
Comments:	The indicator could not be updated as the 2020 Annual Financial Report, to be prepared by CAGD, is not yet publicly available.			



► Percentage of Central GOG Cash Cash accounts in TSA at Bank of Ghana (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	90.00	90.00
Date	31-Dec-2020	30-Sep-2020	28-May-2021	31-Dec-2021
Comments:	The previous actual value (30-Sep-2020) was collected during the first wave of data collection by the GIFMIS secretariat and was provisional.			
► Limitation in supplementary appropriations (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	6.20	8.09	8.08	3.00
Date	16-Jul-2015	30-Sep-2020	28-May-2021	31-Dec-2021
Comments:	Steps taken to mainstream Programme-Based Budgeting (PBB), including the review of the PBB Manual and implementation of related training, are expected to enhance budget credibility. Furthermore, the World Bank Task Team is recommending to introduce hard budget ceilings for each FY to be set upfront by the Ministry of Finance (MoF).			

No supplementary appropriations are made for the annual budget

► Percentage of payroll subjected to annual payroll verification (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	100.00	100.00
Date	16-Jul-2015	30-Sep-2020	28-May-2021	31-Dec-2021
► Expenditure arrears as a percentage of Central Government budgetary expenditures (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	19.70	0.92	1.07	10.00
Date	16-Jul-2015	30-Sep-2020	28-May-2021	31-Dec-2021

Intermediate Results Indicators by Components

Enhancing Budget Credibility				
► Number of MDAs reporting ex-post on program performance (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	0.00	45.00	45.00	45.00
Date	03-Aug-2015	30-Sep-2020	28-May-2021	31-Dec-2021
► Percentage of Budgetary Spending Units submitting Cash forecasting plans (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	40.00	96.00	95.83	85.00
Date	15-Jul-2016	30-Sep-2020	28-May-2021	31-Dec-2021
► MDAs integrating procurement planning as part of budget preparation process (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	7.00	45.00	45.00	45.00
Date	17-Jul-2015	30-Sep-2020	28-May-2021	31-Dec-2021

Public Financial Management Systems and Control				
► GIFMIS expenditure management functionality established in MMDAs(for CF, statutory and IGFs (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	5.00	260.00	260.00	160.00
Date	17-Jul-2015	30-Sep-2020	28-May-2021	31-Dec-2021
► Percentage of Public Service staff captured on the HRMIS (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	26.43	88.00	88.00	86.00
Date	17-Jul-2015	30-Sep-2020	28-May-2021	31-Dec-2021
► Strengthening the internal audit institution and capacity through establishment of internal audit teams in MDAs focusing on risk-based and systemic issues (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	30.00	30.00	25.00
Date	17-Jul-2015	30-Sep-2020	28-May-2021	31-Dec-2021
► Number of Government Staff that have completed IPSAS Business Process Training (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	0.00	0.00	2,500.00	250.00
Date	01-Mar-2019	30-Sep-2020	19-Aug-2021	31-Dec-2021
Comments:	1,665 male and 835 female			
► Percentage of Government staff who are female (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	35.00	33.40	45.00
Date	01-Mar-2019	30-Oct-2020	19-Aug-2021	31-Dec-2021
► Unified chart of accounts prepared to meet GFS.budget and IPSAS needs;operational policies for GFS, PIM, and budget established (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No existence of unified chart of accounts	No unified chart of accounts prepared to meet GFS, budget and IPSAS needs; operational policies for GFS, PIM, and budget established and approved.	No unified chart of accounts prepared to meet GFS, budget and IPSAS needs; operational policies for GFS, PIM, and budget established and approved.	Evidence of the establishment of unified chart of accounts prepared to meet GFS, budget and IPSAS needs; operational policies for GFS,PIM
Date	01-Mar-2019	22-Nov-2019	28-May-2021	31-Dec-2021
Comments:	Two TORs - one for design and another for implementation - of the COA have been developed, and consultants are expected to be mobilized.			
► Preparation Opening 2020 Balance sheet (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Evidence of 2020 balance sheet IPSAS compliant
Date	24-May-2019	30-Apr-2020	28-May-2021	31-Dec-2021
Comments:	This indicator has not yet been met. As a first time adopter of accrual accounting, the country will be permitted to apply transitional exemptions and provisions that may impact fair presentation-mostly in the first three years. Where these transitional exemptions and provisions have been determined and are applied, Ghana will be required to disclose information about the transitional exemptions and provisions adopted, and progress towards fair presentation and compliance with accrual basis IPSASs. Opening balance work will only happen after preliminary aspects of determining the accuracy of the opening balances have been done.			

Reinforcing Financial Oversight and Accountability

► Average time taken to complete external audit of MMDAs using modern audit techniques. (Months, Custom)

Baseline	Actual (Previous)	Actual (Current)	End Target
----------	-------------------	------------------	------------



Value	12.00	6.00	6.00	6.00
Date	17-Jul-2015	30-Sep-2020	28-May-2021	31-Dec-2021
► Strengthened Parliamentary Oversight Capacity (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Lack of analytical capacity to review budgets ex ante and audit reports implementation	Published PAC reviewed audit reports within 12 months of end of year of audit.	Published PAC reviewed audit reports within 15 months of end of year of audit.	Published PAC reviewed audit reports within 12 months of end of year of audit.
Date	17-Jul-2015	30-Jun-2020	28-May-2021	31-Dec-2021
Comments:	The capacity of the Public Accounts Committee (PAC) of Parliament has been strengthened as a result of the interventions of the Project which will, over time, lead to reduced number of months.			

Performance-Based Conditions

Data on Financial Performance

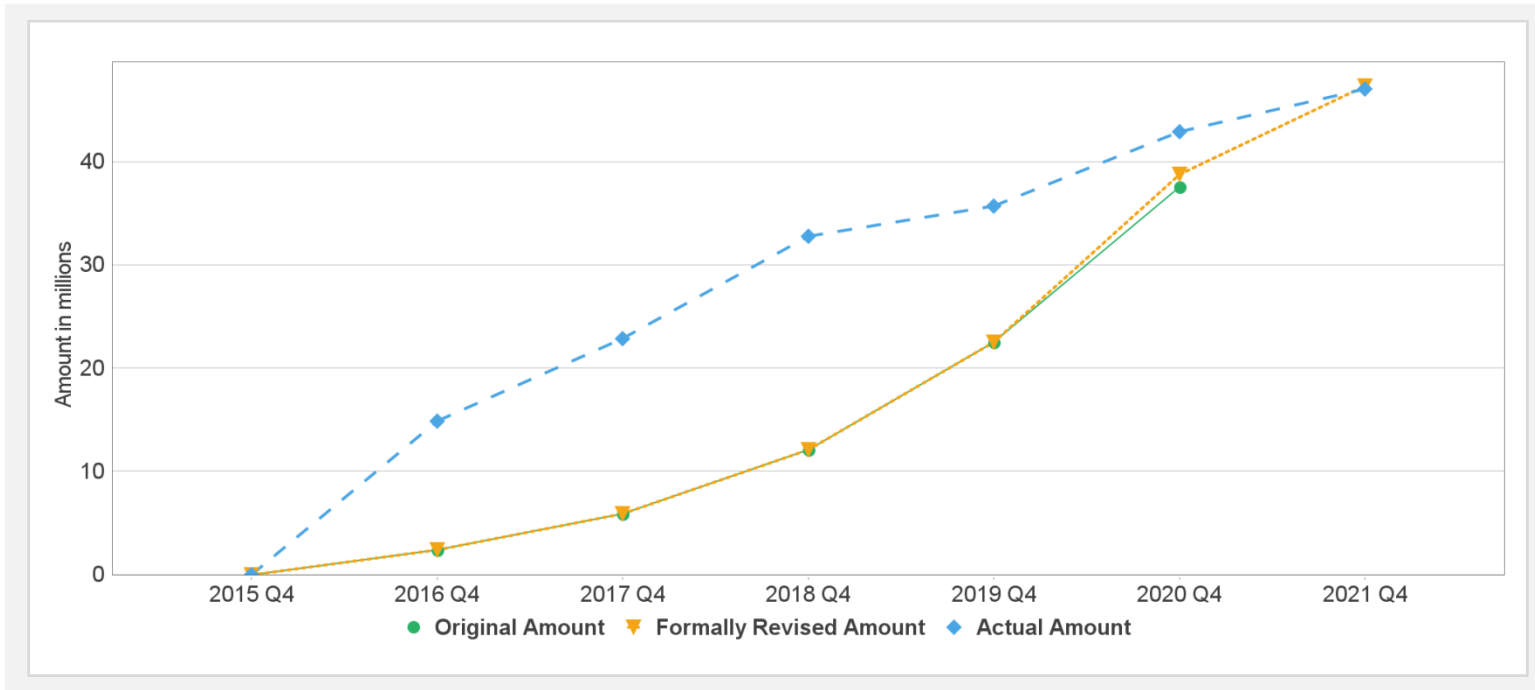
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P151447	IDA-56400	Effective	USD	45.00	45.00	0.00	45.56	0.00	100%
P151447	TF-A8960	Effective	USD	2.35	2.35	0.00	1.50	0.85	64%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P151447	IDA-56400	Effective	15-May-2015	05-Aug-2015	18-Aug-2015	30-Jun-2019	31-Dec-2021
P151447	TF-A8960	Effective	11-Feb-2019	25-Feb-2019	25-Feb-2019	31-Dec-2020	31-Dec-2021

Cumulative Disbursements



PBC Disbursement

PBC ID	PBC Type	Description	Coc	PBC Amount	Achievement Status	Disbursed amount in Coc	Disbursement % for PBC

Restructuring History

Level 2 Approved on 15-Sep-2020 ,Level Approved on 23-Nov-2020

Related Project(s)

P162886- AF - Ghana: Public Financial Management Reform Project - Additional Financing