



RESTRUCTURING PAPER  
ON A  
PROPOSED PROJECT RESTRUCTURING  
OF  
SOUTHEASTERN CORRIDOR ROAD ASSET MANAGEMENT PROJECT  
APPROVED ON DECEMBER 18, 2018  
TO  
REPUBLIC OF LIBERIA

TRANSPORT

AFRICA

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**The World Bank**

Southeastern Corridor Road Asset Management Project (P149279)

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## ABBREVIATIONS AND ACRONYMS



**Note to Task Teams:** The following sections are system generated and can only be edited online in the Portal.

**BASIC DATA**

**Product Information**

Project ID P149279	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 18-Dec-2018	Current Closing Date 30-Jun-2026

**Organizations**

Borrower Republic of Liberia	Responsible Agency Infrastructure Implementation Unit
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**Project Development Objective (PDO)**

Original PDO

The project aims to support the Recipient’s efforts to enhance road connectivity for residents living along selected sections of the Ganta-to-Zwedru Road Corridor, and to improve institutional capacity to manage the road sector.

**Summary Status of Financing**

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net Commitment	Disbursed	Undisbursed
IDA-63590	18-Dec-2018			30-Jun-2026	29.00	0	29.00
IDA-G2780	18-Dec-2018			30-Jun-2026	48.00	0	48.00
TF-A9104	18-Dec-2018	16-Jan-2019	16-Jan-2019	30-Jun-2021	.83	.14	.68
TF-B1347	18-Dec-2018			30-Jun-2020	21.00	0	21.00



### Policy Waiver(s)

Does this restructuring trigger the need for any policy waiver(s)?

No

## I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

The Southeastern Road Asset Management Project (SECRAMP) was approved by the World Bank Board on December 18, 2018 with IDA financing and optional IDA Guarantees for the planned Ganta-Zwedru road Public-Private Partnership (PPP) contract in Liberia. In addition to IDA financing, the Global Infrastructure Facility (GIF) provided Grant TF0A9104 to finance transaction advisory services for preparation of the project PPP and the Liberia Reconstruction Trust Fund (LRTF) provided Grant TF0B1347 to finance construction costs of road civil works and Institutional strengthening activities. The challenges surrounding the road fund and later the COVID-19 pandemic have significantly impacted the procurement process of the PPP transaction. The Request for Proposals has been issued for procurement of the PPP and the revised date of proposal submission is August 14, 2020. The PPP transaction, IDA and LRTF financing, and potential IDA Guarantee Agreement(s) could become effective by December of 2020 or early 2021.

- (a) GIF Grant: The GIF Grant was signed on January 16, 2019. The Trust Funds Account Clearance Team (TACT) made the Grant effective within the Bank systems on October 25, 2019. To date, the Recipient has expended US\$982,868 towards the transaction advisory services financed by the GIF Grant, including approximately US\$622,000 for services delivered before the Grant signing (i.e. 'retroactive' expenditures) against the Grant retroactive financing amount of US\$330,128 (40 percent of the total Grant). A combination of technical and procedural problems prevented the Government from making withdrawals for expenses made prior to the date of signing of the agreement TF0A9104. Specifically, the Grant Letter established a retroactive financing date of January 15, 2018, but the Grant signing was unexpectedly delayed to January 16, 2019, resulting in a retroactive financing period of one year and one day. As World Bank policy limits the retroactive financing period to one year, TACT could not complete the internal administrative steps necessary to enable retroactive disbursements under the Grant.
- (b) LRTF Grant: The LRTF Grant, Grant TF0B1347, was signed in October 2019. Its effectiveness is linked to successful financial closure of the PPP contract. Although award and signing of the PPP is on track to be completed by December 2020 or early 2021, the cumulative delays have shifted the start of civil works until after the closing date of the LRTF Grant. As the LRTF Grant is a critical source of financing for payments during the construction phase of the PPP, the Government of Liberia has requested extension of the closing date for the LRTF Grant to ensure the LRTF funds can be used to support the project as intended. Whereas the original closing date of the LRTF Grant Agreement was limited by the closing date of LRTF Administrative Agreement (AA), a revised LRTF AA was recently signed, thereby allowing extension of the closing date of Grant TF0B1347.

## II. DESCRIPTION OF PROPOSED CHANGES

Following changes are proposed:

- (a) This restructuring establishes a new retroactive financing date of March 1, 2018 for GIF Grant No. TF0A9104. With this change, the Recipient will be eligible to withdraw the retroactive financing intended to be available under the Grant.
- (b) The closing date of the LRTF Grant No. TF0B1347 is proposed to be extended from June 30, 2020, to May 31, 2022.
- (c) The disbursement estimates have been amended to reflect the delay in the implementation schedule.
- (d) The SORT ratings are updated to reflect the recent guidance on risk levels issued May of 2020.



**III. SUMMARY OF CHANGES**

	Changed	Not Changed
Loan Closing Date(s)	✓	
Disbursement Estimates	✓	
Overall Risk Rating	✓	
Implementation Schedule	✓	
Other Change(s)	✓	
Implementing Agency		✓
DDO Status		✓
Project's Development Objectives		✓
Results Framework		✓
Components and Cost		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Safeguard Policies Triggered		✓
EA category		✓
Legal Covenants		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓

**IV. DETAILED CHANGE(S)**



**LOAN CLOSING DATE(S)**

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-63590	Not Effective	30-Jun-2026			
IDA-G2780	Not Effective	30-Jun-2026			
TF-A9104	Effective	31-Oct-2019	30-Jun-2021		
TF-B1347	Not Effective	30-Jun-2020		31-May-2022	30-Sep-2022

**DISBURSEMENT ESTIMATES**

Change in Disbursement Estimates

Yes

Year	Current	Proposed
2018	0.00	0.00
2019	11,250,000.00	0.00
2020	16,750,000.00	0.00
2021	13,750,000.00	15.75
2022	5,500,000.00	13.50
2023	2,750,000.00	13.75
2024	2,750,000.00	4.75
2025	2,250,000.00	4.75
2026	0.00	2.50

**SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)**

Risk Category	Rating at Approval	Current Rating
Political and Governance	● High	● Moderate
Macroeconomic	● High	● Moderate
Sector Strategies and Policies	● Substantial	● Low
Technical Design of Project or Program	● Substantial	● Moderate



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Institutional Capacity for Implementation and Sustainability	● High	● Moderate
Fiduciary	● High	● Moderate
Environment and Social	● Substantial	● Substantial
Stakeholders	● Moderate	● Low
Other	● Low	● Low
Overall	● High	● Moderate