



Ghana Energy Sector Transformation Initiative Project (P163984)

WESTERN AND CENTRAL AFRICA | Ghana | Energy & Extractives Global Practice |
IBRD/IDA | Investment Project Financing | FY 2019 | Seq No: 8 | ARCHIVED on 29-Jun-2022 | ISR52237 |

Implementing Agencies: Ministry of Energy, The Republic of Ghana

Key Dates

Key Project Dates

Bank Approval Date: 13-Jul-2018

Effectiveness Date: 08-Feb-2019

Planned Mid Term Review Date: 01-Sep-2020

Actual Mid-Term Review Date: 14-Aug-2020

Original Closing Date: 31-Dec-2022

Revised Closing Date: 31-Dec-2022

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project development objectives is to: strengthen the capacity of the energy sector to implement sector reforms, and improve energy sector planning and coordination in Ghana

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

No

Components Table

Name

Component 1: Management of energy sector financial flows:(Cost \$5.30 M)

Component 2: Sector Planning and coordination:(Cost \$3.50 M)

Component 3: Energy access:(Cost \$2.00 M)

Component 4: Natural gas:(Cost \$3.20 M)

Component 5: Project management:(Cost \$2.00 M)

Follow up activities and Contingencies:(Cost \$4.00 M)

Overall Ratings

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

Implementation Status and Key Decisions

GESTIP has been restructured per the request of the Government of Ghana because: (i) some of the newly added activities require a change in safeguards risk rating; (ii) some originally planned activities have been dropped but are associated with project indicators; (iii) the Results Framework needed to be updated; and (iv) the project would not disburse the full allocation nor achieve PDO fully unless an extension was granted. Accordingly, the restructuring, which was approved on June 24, 2022, reflects various changes, including (i) change in the close date; (ii) change in component name and cost; (iii) change in disbursement estimates; (iv) revisions to the results framework; (v) change to the safeguards risk rating and categorization; (vi) change to legal covenants; and (vii) change of implementation schedule. The changes have been reflected in an amendment to the Financing Agreement. GESTIP activities are aimed at strengthening the capacity of the energy sector to implement sector



reforms and improve energy sector planning and coordination in Ghana; the activities are essential to the implementation of the Energy Sector Recovery Program (ESRP), dedicated to improving sector finances, and are also key inputs to the forthcoming Program for Results operation under preparation. Three key results have been achieved so and include: (a) 100 percent of power sector revenues are allocated to sector entities through the Cash Waterfall Mechanism; (b) Gas supply and demand study is now complete; and (c) roughly 126 sector staff (of a targeted 50) have received training in relevant topics. It is expected that Clean Cooking strategy is adopted and communicated to stakeholders by end August 2022.

Risks

Systematic Operations Risk-rating Tool

| Risk Category | Rating at Approval | Previous Rating | Current Rating |
|--|--------------------|-----------------|----------------|
| Political and Governance | ☐ Moderate | ☐ Moderate | ☐ Moderate |
| Macroeconomic | ☐ Moderate | ☐ Moderate | ☐ Moderate |
| Sector Strategies and Policies | ☐ Substantial | ☐ Substantial | ☐ Substantial |
| Technical Design of Project or Program | ☐ Low | ☐ Low | ☐ Low |
| Institutional Capacity for Implementation and Sustainability | ☐ Moderate | ☐ Moderate | ☐ Moderate |
| Fiduciary | ☐ Substantial | ☐ Substantial | ☐ Substantial |
| Environment and Social | ☐ Low | ☐ Low | ☐ Low |
| Stakeholders | ☐ Moderate | ☐ Moderate | ☐ Moderate |
| Other | -- | -- | -- |
| Overall | ☐ Moderate | ☐ Moderate | ☐ Moderate |

Results

PDO Indicators by Objectives / Outcomes

| | | | | |
|--|-------------|-------------------|------------------|-------------|
| Strengthen the capacity of the energy sector to implement sector reforms | | | | |
| ▶ Power sector revenue allocated to sector entities through the Cash Waterfall Mechanism. (Percentage, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 60.00 | 100.00 | 100.00 |
| Date | 31-May-2018 | 25-Oct-2021 | 27-Jun-2022 | 31-Mar-2022 |
| ▶ E-billing/e-payment system is communicated to stakeholders and rolled out by NEDCo (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |



| | | | | |
|--|-------------|-------------------|------------------|-------------|
| Value | No | No | No | Yes |
| Date | 31-May-2018 | 25-Oct-2021 | 25-Oct-2021 | 31-Mar-2022 |
| ▶ Electrification strategy and investment plan for remote areas is adopted and communicated to stakeholders (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | No | No | Yes |
| Date | 31-May-2018 | 25-Oct-2021 | 25-Oct-2021 | 31-Mar-2022 |
| ▶ Clean Cooking strategy is adopted and communicated to stakeholders (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | No | No | Yes |
| Date | 31-May-2018 | 25-Oct-2021 | 25-Oct-2021 | 31-Mar-2022 |

| | | | | |
|---|-------------|-------------------|------------------|-------------|
| Improve energy sector planning and coordination in Ghana | | | | |
| ▶ Sector coordination body has endorsed a least-cost power expansion plan (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | Yes | Yes | Yes |
| Date | 31-Oct-2017 | 25-Oct-2021 | 25-Oct-2021 | 31-Mar-2022 |
| ▶ Strategy for competitive tendering of gas/LNG volumes for balancing gas supply and demand for power plants is adopted and communicated to stakeholders (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | Yes | Yes | Yes |
| Date | 31-Oct-2017 | 25-Oct-2021 | 25-Oct-2021 | 31-Mar-2022 |

Intermediate Results Indicators by Components

| | | | | |
|---|----------|-------------------|------------------|------------|
| Management of power sector financial sector flows | | | | |
| ▶ No. of sector staff trained (male and female). (Number, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 0.00 | 126.00 | 50.00 |



| Date | 31-Oct-2017 | 25-Oct-2021 | 27-Jun-2022 | 31-Mar-2023 |
|--|-------------|-------------------|------------------|-------------|
| ☐ of which female. (Number, Custom Breakdown) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 0.00 | 17.00 | 10.00 |
| Date | 31-Oct-2017 | 25-Oct-2021 | 27-Jun-2022 | 31-Mar-2023 |
| ▶ Citizen engagement: Number of citizen engagement meetings held (Number, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 0.00 | 0.00 | 5.00 |
| Date | 31-Oct-2017 | 25-Oct-2021 | 25-Oct-2021 | 31-Mar-2023 |
| ☐ Percentage of participants in citizen engagement meetings who consider their views have been taken into account. (Percentage, Custom Supplement) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 0.00 | 0.00 | 50.00 |

| Sector planning and coordination | | | | |
|--|-------------|-------------------|------------------|-------------|
| ▶ Electricity sector assessment concluded and report adopted. (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | No | No | Yes |
| Date | 31-Oct-2017 | 27-Oct-2021 | 27-Oct-2021 | 31-Mar-2022 |
| ▶ Gas sector assessment concluded and report adopted. (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | No | No | Yes |
| Date | 31-Oct-2017 | 27-Oct-2021 | 27-Oct-2021 | 31-Mar-2022 |

| Energy access | | | | |
|--|----------|-------------------|------------------|------------|
| ▶ NEDCo's distribution system plan updated. (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | No | No | Yes |



| | | | | |
|--|-------------|-------------------|------------------|-------------|
| Date | 31-Oct-2017 | 27-Oct-2021 | 27-Oct-2021 | 31-Mar-2022 |
| ► NEDCo's distribution specifications and construction standards approved. (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | No | No | Yes |
| Date | 31-Oct-2017 | 27-Oct-2021 | 27-Oct-2021 | 31-Mar-2022 |
| ► GRIDCo's grid resilience and reinforcement study concluded (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | No | No | Yes |
| Date | 31-Oct-2017 | 27-Oct-2021 | 27-Oct-2021 | 31-Mar-2022 |
| ► Gender. The strategic assessment of electrification options outlines the impacts of different electrification strategies on women and women's entrepreneurship/income generation. (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | No | No | Yes |
| Date | 31-Oct-2017 | 27-Oct-2021 | 27-Oct-2021 | 31-Mar-2023 |

| | | | | |
|--|-------------|-------------------|------------------|-------------|
| Natural gas | | | | |
| ► Gas supply and demand study completed (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | No | Yes | Yes |
| Date | 31-Oct-2017 | 25-Oct-2021 | 28-Feb-2022 | 31-Mar-2022 |

Performance-Based Conditions

Data on Financial Performance

Disbursements (by loan)

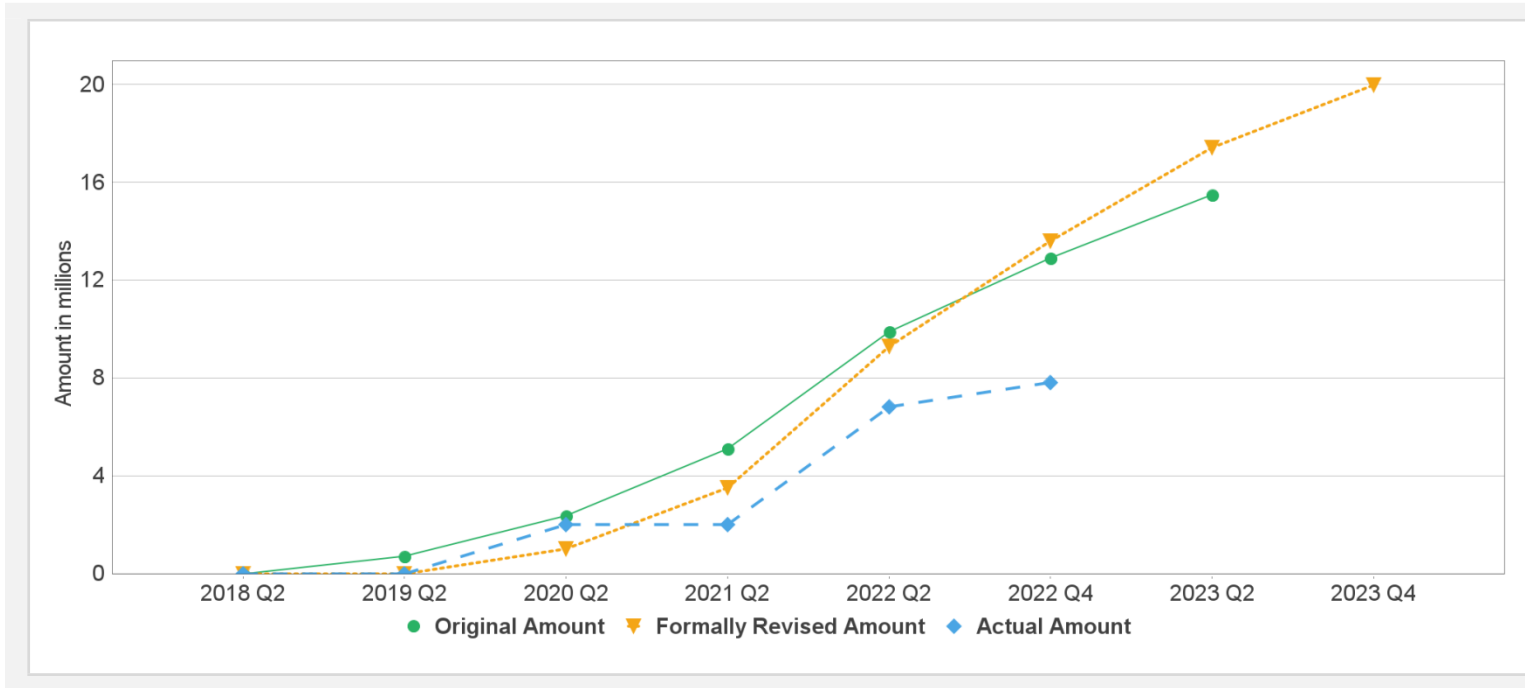
| Project | Loan/Credit/TF | Status | Currency | Original | Revised | Cancelled | Disbursed | Undisbursed | % Disbursed |
|---------|----------------|-----------|----------|----------|---------|-----------|-----------|-------------|-------------|
| P163984 | IDA-63030 | Effective | USD | 20.00 | 20.00 | 0.00 | 7.80 | 11.52 | 40% |



Key Dates (by loan)

| Project | Loan/Credit/TF | Status | Approval Date | Signing Date | Effectiveness Date | Orig. Closing Date | Rev. Closing Date |
|---------|----------------|-----------|---------------|--------------|--------------------|--------------------|-------------------|
| P163984 | IDA-63030 | Effective | 13-Jul-2018 | 12-Dec-2018 | 08-Feb-2019 | 31-Dec-2022 | 31-Dec-2022 |

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.