



Report No: RES01265

RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF

Greater Accra Resilient and Integrated Development Project

APPROVED ON 29-May-2019

TO
Government of Ghana

Urban, Resilience and Land
Western And Central Africa

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ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
CERC	Contingent Emergency Response Component
COVID-19	Coronavirus Disease 2019
FM	Financial Management
GAMA	Greater Accra Metropolitan Area
GARID	Greater Accra Resilient and Integrated Development
GoG	Government of Ghana
IDA	International Development Association
MLGCRA	Ministry of Local Government, Chieftaincy and Religious Affairs
MWHWR	Ministry of Works, Housing and Water Resources
M&E	Monitoring and Evaluation
OF	Original Financing
PCU	Project Coordination Unit
PDO	Project Development Objective



BASIC DATA

Product Information

Operation ID P164330	Operation Name Greater Accra Resilient and Integrated Development Project
Product/Financing Instrument Investment Project Financing (IPF)	Geographical Identifier Ghana
Approval Date 29-May-2019	Current Closing Date 31-Dec-2027
Original EA Category Full Assessment (A) (PAD Approval Package-29 May 2019)	

Organizations

Borrower Government of Ghana	Responsible Agency Ministry of Health, Ministry of Local Government, Chieftaincy, and Religious Affairs, Ministry of Works, Housing and Water Resources
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OPERATION STATUS

Project Development Objective (DO)

Current Development Objective

The objective of the project is to improve flood risk management and solid waste management in the Odaw River Basin of the Greater Accra Region, improve access to basic infrastructure and services in the targeted communities within the Odaw River Basin, and to provide immediate and effective response to an eligible crisis or emergency.

Disbursement Summary (in USD million)

Source of Funds	Net Commitment	Disbursed	Undisbursed	% Disbursed
IBRD	--	--	--	0



IDA	347.52	138.18	209.34	39.76
Grants	--	--	--	0

Policy Waivers

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

No



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I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

A. Background

1. **The Greater Accra Resilient and Integrated Development (GARID) Project supports the Government of Ghana (GoG) in strengthening flood risk management, improving solid waste management, and enhancing urban resilience in selected metropolitan and municipal assemblies within the Greater Accra Metropolitan Area (GAMA).** Rapid urbanization, unplanned development, and settlement in flood-prone areas have increased exposure to flooding and environmental health risks. These challenges are compounded by inadequate drainage infrastructure, weak solid waste management systems, and limited institutional capacity for coordinated flood risk management. GARID addresses these constraints through investments in resilient urban infrastructure, institutional strengthening, and capacity-building interventions at national and local levels.

2. **The Project Development Objective (PDO) is to enhance flood risk management, improve solid waste management, and basic urban services in GAMA.** The Project comprises five components: (i) Drainage and Flood Risk Management Infrastructure; (ii) Solid Waste Management; (iii) Improved Urban Upgrading and Institutional Coordination; (iv) Project Management; and (v) a Contingent Emergency Response Component (CERC). Components 1 and 3 are led by the Ministry of Works, Housing and Water Resources (MWHWR), while Components 2 and 3 are jointly implemented with the Ministry of Local Government, Chieftaincy and Religious Affairs (MLGCRA).

3. **The Project is financed through IDA Credit 64100-GH (SDR 144.1 million, US\$200 million equivalent), approved on May 29, 2019, and effective on February 6, 2020.** In March 2020, following the declaration of the COVID-19 pandemic, the GoG requested activation of the CERC, which was approved for SDR 46.99 million (US\$65 million equivalent) to support the national COVID-19 Emergency Preparedness and Response Plan led by the Ministry of Health. To address resulting financing gaps and scale up priority investments, an Additional Financing (IDA Credit 73350-GH, US\$150 million) was approved on May 25, 2023, and became effective on June 27, 2024.

4. **The last restructuring was done in May 2022 to:** (i) revise the implementation arrangements to reflect the dissolution of Ministry of Inner-City and Zongo Development and the reallocation of activities under its implementation; (ii) add resettlement cost and land expenditures as an eligible expenditure; (iii) revise the Project expenditure categories; (iv) revise the scope of activities to reflect changes to planned works; and (v) update the results framework to establish baselines and targets and reflect adjustments to the Project scope.

B. Project Status

5. **Overall Project Status.** The implementation of GARID has been significantly constrained by fiscal measures introduced by the Ministry of Finance (MoF) during Calendar Year (CY) 2025, including a funding ceiling on project disbursements and the temporary sweeping of GHS 13.8 million from the Designated Account. The resulting cash-flow constraints led to accumulation of unpaid Interim Payment Certificates (IPCs), delayed contractor payments, and a slowdown in civil works execution. While the Project retains sufficient total financing to achieve its objectives, the interruption in funding flows has had material operational consequences, including increased exposure to time-related cost overruns (such as claims, price adjustments, and penalties), additional procurement and contract-management pressures, and delays in resettlement-linked works.

6. As a result, resources under Category 1 (Works) of the Original Financing (IDA 64100) have been fully exhausted, while significant payment obligations to Project Affected Persons and to pay ongoing contracts remain outstanding. This situation was exacerbated by the fact that, although Additional Financing (AF) (IDA 73350-GH) became effective in June 2024, the Project has not received the necessary MoF authorization to disburse against the AF, requiring the PCU to continue financing eligible works under the Original Financing until Category 1 resources were depleted.



7. Following the February 2026 implementation support mission, the MoF initiated corrective actions, including: (i) processing a withdrawal application of US\$10.5 million, the first since November 2023; (ii) submitting a formal restructuring request to enable reallocation between expenditure categories; and (iii) returning the previously swept GHS 13.8 million to the Project in March 2026. These actions have partially eased liquidity constraints but have not fully addressed the financing gap affecting works implementation.

8. Notwithstanding these steps, the Project continues to face a short-term cash-flow constraints and delays in accessing available Project financing. Based on existing contractual commitments, the Project Coordination Unit (PCU) estimates financing needs of approximately US\$40.8 million for CY2026, while MoF has allocated only about US\$17.5 million for the same period. In addition, a commitment authorization request amounting to US\$79.8 million for civil works contracts has been submitted by MWHWR and remains pending approval. Continued delays in securing authorizations pose a risk to maintaining implementation momentum and avoiding further contract disruptions.

9. **Progress toward the PDO.** Progress toward achieving the PDO remains broadly aligned with expectations under the current constraints, consistent with the Moderately Satisfactory PDO rating, as of January 2026 ISR. Two PDO indicators have been achieved: PDO#3 the Flood Early Warning System has been fully established and is operational; and PDO#4 the quantity of solid waste collected from underserved low-income communities and disposed of in sanitary landfills has exceeded annual targets. For PDO#1, the dredging of the Odaw Channel continues in unencumbered areas, with 194,082 cubic meters dredged to date, and progress remains aligned with end-target expectations. For PDO#2, the designs for detention ponds have been finalized, with tendering expected to proceed in CY2026 once commitment authorization is granted. PDO #5, however, faces delays in improving public service provision to targeted vulnerable communities because contractors are behind on community updating works. The PDO rating will be reassessed in the next ISR following the recently concluded Implementation Support Mission.

10. **Implementation Progress (IP).** Overall implementation progress remains constrained and is rated Moderately Unsatisfactory, as reported in January 2026 ISR. While detailed engineering designs for most authorized civil works, excluding the Ayidan landfill, have been completed, execution on the ground has been slow. Several contractors remain behind their contractual schedules, and decisions on terminating or restructuring persistently non-performing contracts have not yet been taken by the GoG. The IP rating will also be reassessed in the next ISR following the recently concluded Implementation Support Mission.

11. **Environmental and Social (E&S) Performance.** Environmental and social risk performance is rated Moderately Unsatisfactory, consistent with the January 2026 ISR. Several contractors have not deployed the full complement of qualified E&S specialists required under their contracts, and some have not yet secured all mandatory national environmental permits. Site observations identified gaps in community health and safety measures, including insufficient warning signage and traffic management at active worksites. The issues that have been identified should be resolved by mid-May, and the Bank team will carry out monthly site visits to ensure compliance.

12. Implementation of the Resettlement Action Plan (RAP) has progressed more slowly than anticipated due to funding-related constraints, which have affected the timing of compensation payments and are causing negative economic and livelihood impacts for the more than 3,370 Project Affected Persons (PAPs) that have been profiled but kept in limbo due to the funding constraints. As compensation has not yet been disbursed, affected households have not been physically relocated, resulting in a sequencing and scheduling challenge for linked civil works. These delays have contributed to implementation constraints and, if prolonged, could heighten sensitivities at the community level. The PCU is prioritizing RAP implementation and compensation payments for priority sites once liquidity constraints are eased. Environmental and social performance will be reviewed and reassessed in the next ISR.

13. **Financial Management (FM).** Financial Management performance is currently rated Moderately Unsatisfactory, since the November 2025 FM assessment. Progress has been made on key actions, including the return of swept funds and submission of the formal restructuring request to address inter-loan funding constraints. In addition, the first draw



down since November 2023 was made on April 2, 2026, for US\$10.5 million. However, several internal and external audit recommendations remain outstanding and require resolution within the fiscal year.

14. **Disbursement.** As of April 14, 2026, cumulative disbursements amount to US\$137.66 million, representing approximately 40 percent of the total project financing of US\$350 million. Disbursement activity had been limited throughout 2024–2025, with the April 2026 withdrawal representing a resumption following an extended lull. The Project experienced no disbursements for approximately 16 months (November 2023–March 2026) due to Government fiscal controls affecting access to Project funds. Disbursements resumed in April 2026 following the Government’s decision to proceed with Project implementation and restore funding flows.

15. **Procurement.** The procurement arrangements remain unchanged and procurements will be carried out in accordance with the World Bank’s Procurement Regulation for IPF Borrowers for Good, Works, Non-consulting and Consulting services, dated September 2025 (Procurement Regulations), and the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January 2011 and as of July 1, 2016, and other provisions stipulated in the Financing Agreement.

16. While the key procurement activities remain unchanged, delays in payments to contractors resulting from funding interruptions have adversely affected contract implementation. These delays have contributed to reduced contractor performance, partial demobilization in some cases, and slower progress on ongoing works. They have also increased exposure to time-related costs, including claims, price adjustments, and potential penalties, which place additional pressure on procurement planning and overall project management. Under the MWHWR leadership, the PCU is actively working with the MoF to restore payment flows, prioritize settlement of outstanding Interim Payment Certificates, and strengthen contract management and supervision to mitigate further delays and manage the impacts of accumulated contract liabilities as implementation resumes.

17. **Monitoring and Evaluation (M&E).** The M&E function within the PCU has strengthened and now includes systematic tracking of civil works progress. The PCU is developing a Geo-Enabling initiative for Monitoring and Supervision (GEMS) to support real-time monitoring, supervision, and risk management.

C. Rationale for Restructuring

18. **Summary of Proposed Restructuring.** *This restructuring proposes a technical reallocation of proceeds between expenditure categories to address an exhausted works category and enable continued implementation of ongoing contracts.*

19. **Borrower’s Request.** By its letter dated April 10, 2026, the Government of Ghana requested a reallocation of US\$20 million under the Original Financing (IDA 64100) from Category 2 to Category 1, as set out in the table in Section III.A of Schedule 2 to the Financing Agreement. The request aims to restore liquidity for civil works payments, to clear outstanding IPCs, and prevent further contractor demobilization. The Government has indicated that additional fiscal space for the Project would be reassessed at mid-CY2026, subject to overall budget conditions. The World Bank has underlined that confirmation of adequate funding for the implementation of the project at a sustained rate of execution in CY2026 and until the closing date is a pre-requisite for satisfactory implementation and, therefore, for the continuation of the project.

20. **Justification for Reallocation and Exhaustion of Category 1.** Funds under Category 1, related to drainage and flood risk management infrastructure, of the Original Financing have been fully utilized due to continued payments for ongoing civil works contracts during 2024–2025 and early 2026. At the same time, Category 2, related to the solid waste management activities, retains uncommitted balances, reflecting slower than planned execution of some activities. Although the Additional Financing became effective in June 2025, the Project did not receive the required authorization from MoF to disburse against the AF. As a result, eligible expenditures for works continued to be charged against the Original Financing, accelerating the depletion of Category 1 resources.



21. **Description of Proposed Change.** The restructuring proposes a reallocation of US\$20 million from Category 2 to Category 1 under the Original Financing. This reallocation will allow the Project to meet urgent payment obligations for existing contracts, stabilize ongoing works, advance the Resettlement Action Plan, and sustain implementation momentum. The proposed change does not affect the Project Development Objective, scope of activities, implementation arrangements, or environmental and social risk classification.

22. **Forward Implementation Considerations.** The proposed restructuring constitutes a technical adjustment intended to stabilize ongoing contracts, facilitate the settlement of outstanding payment obligations, and prevent further loss of implementation momentum. In parallel, the Government has indicated its intention to resume the issuance of commitment authorizations, including selected new procurement processes, in line with available fiscal space and agreed implementation priorities. Once full and sustained disbursement levels are defined and the Government has confirmed a predictable rhythm of implementation through Project closing, a more substantive review may be required to reassess timelines, reflect the cost implications of past implementation delays, and ensure that the Project can be completed in a manner consistent with its development objectives.

II. DESCRIPTION OF PROPOSED CHANGES

A. Reallocation of Funds between Categories

23. **The Restructuring Paper (RP) proposes reallocation of funds in the Original Financing (IDA Credit 64100-GH) from category 2 to 1.** Due to exhaustion of funds in category 1, USD20 million equivalent to SDR 14,597,000¹ will be reallocated from category 2 to 1. All other allocations will remain unchanged. The proposed reallocation of funds between categories is shown in Table 3.

Table 3: Proposed reallocation between categories

Category No.	Current Allocation (SDR)	Actuals + Committed (SDR)	Proposed Allocation (SDR)
1	13,429,848.00	13,935,573.52	28,026,848.00
2	29,994,500.00	6,821,216.67	15,397,500.00
3	34,436,300.00	8,919,807.22	34,436,300.00
4	3,747,000.00	1,702,848.34	3,747,000.00
5	2,341,000.00	1,459,890.80	2,341,000.00
6	46,990,000.00	45,954,256.43	46,990,000.00
7	667,952.00	667,951.79	667,952.00
8	12,493,400.00	1,752,833.43	12,493,400.00
	144,100,000.00	81,214,378.20	144,100,000.00

¹ Based on client connection exchange rate on the date in which the request letter was received (April 10, 2026)



III. PROPOSED CHANGES

Operation Information	Proposed Changes	Operation Information	Proposed Changes
Development Objective	No	Reallocations	Yes
Safeguard Policies Triggered	No	Loan Closing Date Extension	No
ISDS	No	Loan Cancellations	No
MFD/PCE	No	Financial Management	No
Results	No	Procurement	No
Risks	No	Institutional Arrangement	No
Legal Covenants	No	Implementation Schedule	No
Conditions	No		
Implementation Modalities	No		
Disbursements Estimates	No		
Disbursements Arrangements	No		
DDO	No		
Additional Regional Institutions	No		
Clients	No		
Appraisal Summary	No		
Components	No		

IV. DETAILED CHANGE(S)

COSTS & FINANCING

Private Capital Facilitation

Is this an MFD-Enabling Project (MFD-EP)?

Is this project Private Capital Enabling (PCE)?



Reallocations

IDA-64100-001	Currency: XDR	Cancellations (if any): 0.00	New Allocation: 0.00
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Category No.	Expenditure Category	Current Allocation	Actuals + Committed	Proposed Allocation	Financing % (Type Total)	
					Current	Proposed
1	Gds,Wrks,Cs,Ncs,TC, OC pt 1 & 4;	13,429,848.00	13,935,573.52	28,026,848.00	100.00	0.00
2	Gds,Wrks,Cs,Ncs,TC, OC pt 2;	29,994,500.00	6,821,216.67	15,397,500.00	100.00	0.00
3	Gds,Wrks,Cs,Ncs,TC, OC pt 3.1 & 3.2;	34,436,300.00	8,919,807.22	34,436,300.00	100.00	0.00
4	Gds,Wrks,Cs,Ncs,TC, OC pt 3.3(a);	3,747,000.00	1,702,848.34	3,747,000.00	100.00	0.00
5	Grants under part 3.3 (b);	2,341,000.00	1,459,890.80	2,341,000.00	100.00	0.00
6	Emergency Exps under part 5;	46,990,000.00	45,954,256.43	46,990,000.00	100.00	0.00
7	PPF REFINANCING;	667,952.00	667,951.79	667,952.00	0.00	0.00
8	RESET.COMPENSATI ON Pt6;	12,493,400.00	1,752,833.43	12,493,400.00	100.00	0.00
Total		144,100,000.00		144,100,000.00		
		0		0		

IDA-73350-001	Currency: USD	Cancellations (if any): 0.00	New Allocation: 0.00
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Category No.	Expenditure Category	Current Allocation	Actuals + Committed	Proposed Allocation	Financing % (Type Total)	
					Current	Proposed
1	Gds,Wk,Cs,Ncs,TC,OC pt 1 & 4;	137,000,000.00	0.00	137,000,000.00	100.00	0.00
		0		0		
2	Gds,Wk,Cs,Ncs,TC,OC pt 2;	13,000,000.00	0.00	13,000,000.00	100.00	0.00
Total		150,000,000.00		150,000,000.00		
		0		0		