



MINISTRY OF RAILWAYS DEVELOPMENT



2020 ANNUAL PROGRESS REPORT **(JANUARY – DECEMBER, 2020)**

FEBRUARY, 2021

GHANA RAILWAY MASTER PLAN

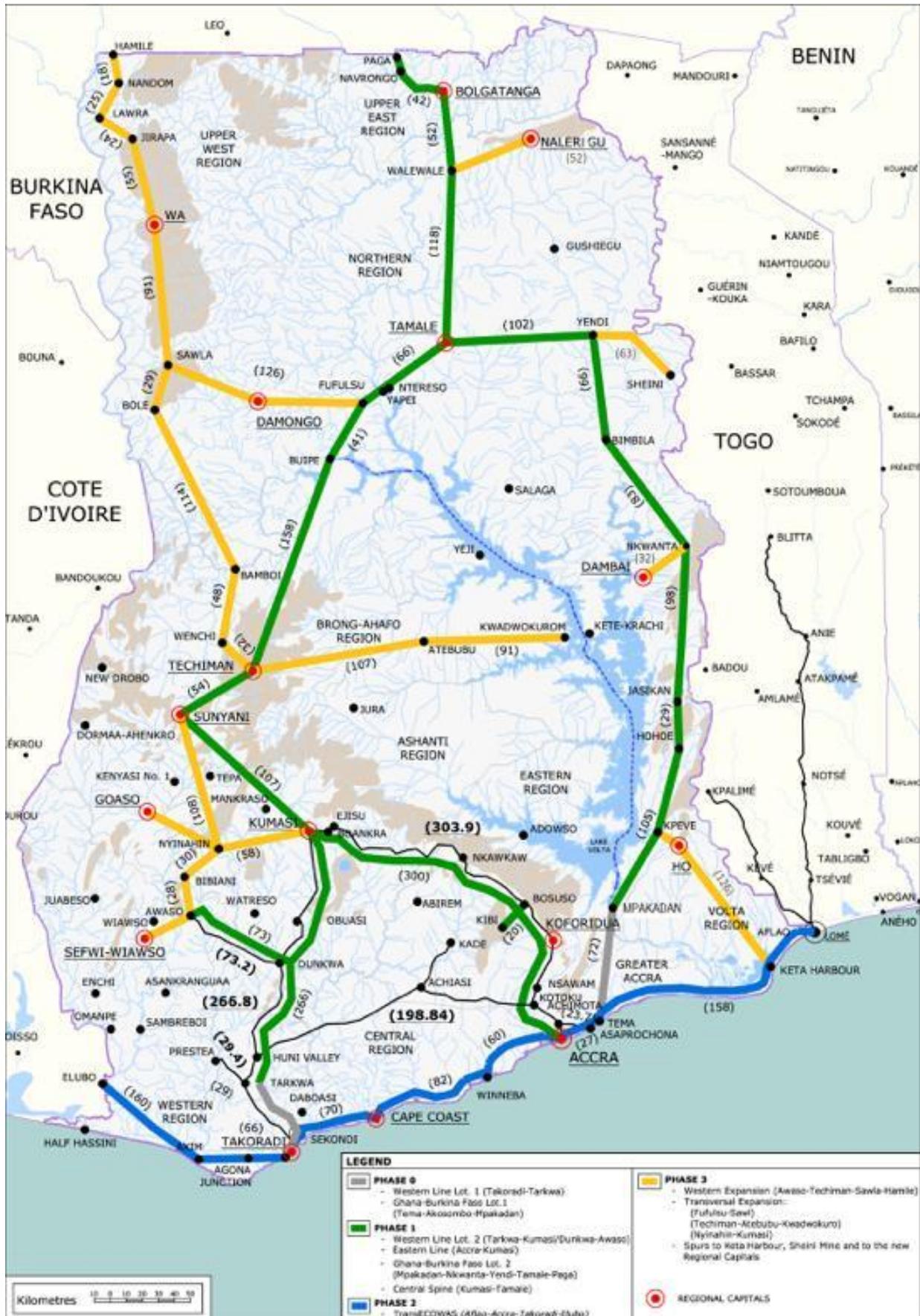


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LIST OF ABBREVIATIONS

| | | |
|--------|---|---|
| ABFA | - | Annual Budget Funding Amount |
| BOT | - | Build, Operate and Transfer |
| CAPEX | - | Capital Expenditure |
| CBD | - | Central Business District |
| CTRC | - | Central Tender Review Committee |
| E. I. | - | Executive Instrument |
| EOI | - | Expression of Interest |
| EPC | - | Engineering, Procurement & Construction |
| FEED | - | Front-End Engineering Design |
| GoG | - | Government of Ghana |
| GRCL | - | Ghana Railway Company Limited |
| GRDA | - | Ghana Railway Development Authority |
| ICT | - | International Competitive Tendering |
| IGF | - | Internally Generated Fund |
| MoRD | - | Ministry of Railways Development Authority |
| MoU | - | Memorandum of Understanding |
| MTNDPF | - | Medium-Term National Development Policy Framework |
| OHCS | - | Office of the Head of Civil Service |
| PNDCL | - | Provisional National Defence Council Law |
| PPA | - | Public Procurement Authority |
| PPP | - | Public-Private Partnership |
| PSC | - | Public Services Commission |
| PwC | - | PricewaterHouse Coopers (Ghana) Limited |
| RFP | - | Request for Proposal |
| RFQ | - | Request for Qualification |
| SMTDP | - | Sector Medium-Term Development Plan |

1.0 INTRODUCTION

1.1 Purpose of M&E for the period January - December 2020

This Annual Progress Report (APR) has been prepared pursuant to Regulation 19 of the National Development Planning (System) Regulations, 2016 (L.I. 2232), under which Ministries or sector agencies are required to submit quarterly and annual progress reports on the implementation of their respective policies, strategies and programmes as they relate to the National Development Goals and the Sector Medium Term Development Plan (2018-2021). This 2020 Annual Progress Report represents the Ministry's APR for the third year of implementation of the Sector Medium Term Development Plan.

The purpose of the Monitoring and Evaluation of the Ministry for the stated period is to continuously gather information and assess it in order to determine whether progress is being made towards pre-specified goals and objectives, and to highlight whether there are any unintended (positive or negative) effects from the project being implemented and its activities during the period under review.

Also, the monitoring and evaluation of the Ministry is to track the implementation of projects and outputs systematically, and to measure the effectiveness of programmes. It also helps to determine exactly when a programme of the Ministry is on track and when changes may be needed.

1.2 Processes involved in Conducting M&E

The approach adopted by the Ministry ensured that monitoring and evaluation activities were conducted in a participatory manner. The table below describes the Ministry's approach in engaging the communities that were affected by rail development activities during the period.

| Activity | Purpose | Audience | Method / Tool | Time-frame | Responsibility |
|-------------------------|--|--|--|------------|--------------------------------|
| Community sensitization | To create awareness on rail transport development and its potential impacts on the communities | Community members, Traditional Authorities, District Assemblies, Opinion Leaders, School Children, Youth etc. | Durbars, Radio/TV announcements and Documentary. | Monthly | RSIM/PR UNIT/ GRCL/ GRDA |
| Stakeholder meetings | To ensure a buy-in/acceptance /cooperation | MDAs, Community members, Traditional authorities, District Assemblies, Utility Service Providers, Public and Private Sector Organizations etc. | Meetings, Workshops, Seminars etc. | Quarterly | PPME/ RSIM/PR UNIT/ GRCL/ GRDA |

| | | | | | |
|-----------------|---|--|---|-----------|--------------------------|
| Staff Durbar | To apprise staff of activities of the rail sector | Staff of the Ministry and Agencies | Staff durbar, meetings | Quarterly | RSIM/PR UNIT/ GRCL/ GRDA |
| Press Briefings | To provide information about railway activities to media for dissemination | Press/print media (both local and international), General Public | Meet-the-Press Series, Radio/TV Interviews etc. | Monthly | RSIM/PR UNIT |
| Website Update | To provide electronic information to the general public about the Ministry and its activities | The general public, investors, students, etc. | Ministry's website and social media platforms | Weekly | RSIM/PR UNIT |

These processes were coordinated and led by the Policy Planning, Monitoring and Evaluation and Research, Statistics and Information Management Division of the Ministry of Railways Development.

1.3 Status of Implementation of SMTDP (2018-2021)

The Ministry, in 2020, continued with the implementation of its Sector Medium-Term Development Plan (SMTDP) 2018-2021. The plan is aimed at accomplishing Ghana's broad national vision as contained in the Medium-Term National Development Policy Framework (MTNDPF, 2018-2021); An Agenda for Jobs: Creating Prosperity and Equal Opportunity for All: (Agenda for Jobs).

The main objective of the SMTDP (2018-2021) is to promote the development of railways and associated infrastructure for the social and economic advancement of the country through appropriate policies and investments to strengthen institutional and human resource capacities for quality service delivery.

A number of issues were identified under the MTNDPF (2018-2021) which falls directly under the mandate of the Ministry of Railways Development. Key among the issues identified are as follows:

- i. Limited and poor rail network
- ii. Poor and unreliable services
- iii. Limited implementation of Railway Master Plan

Government's policy objectives to address the issues identified are as follows:

- i. Modernize and extend railway network
- ii. Ensure effective and efficient flow of goods, services, and related information to meet customer requirements
- iii. Develop associated infrastructure

In achieving the above stated objectives, a number of specific strategies, programmes and projects were proposed in the MTNDPF (2018-2021) to be pursued with the following expected outputs and outcomes:

- Revamp sections of the existing rail network and expand to northern Ghana to support industrialisation and other economic activities.
- Integrate railways in the Tema-Mpakadan multi-modal transport system to the north
- Reconstruct the Western and Eastern lines to facilitate passenger and freight movement, including activation of the Boankra inland port.
- Develop integrated light rail transit system in major urban areas to improve public transportation.
- Integrate rail transport with other modes to ensure a sustainable transport system.

The status of implementation of the various projects and programmes in order to achieve the above stated outputs and outcomes have been elaborated in detail in Section 3 of this APR.

Table 1 overleaf summarises the status of implementation of the specific strategies, programmes and projects towards achieving the expected outputs and outcomes.

Table 1. Status of Implementation of SMTDP

| Policy Objectives | Key Issues Identified in the SMTDP | Proposed Strategies | Status of Implementation |
|--|--|--|---|
| <p>1. Modernize and extend railway network</p> <p>2. Ensure effective and efficient flow of goods, services, and related information to meet customer requirements</p> <p>3. Develop associated infrastructure</p> | <p>1. Limited and poor rail network</p> <p>2. Poor and unreliable services</p> <p>3. Limited implementation of Railway Master Plan</p> | <p>1. Revamp sections of the existing rail network and expand to northern Ghana to support industrialisation and other economic activities.</p> | <ul style="list-style-type: none"> • Rehabilitation of Accra-Tema section of the narrow gauge Eastern Railway line completed in January, 2019. • Rehabilitation of the Achimota-Nsawam section of the narrow gauge Eastern Railway line completed in January, 2020. |
| | | <p>2. Integrate railways in the Tema-Mpakadan multi-modal transport system to the north</p> | <ul style="list-style-type: none"> • Construction of the railway line from the Tema Port to Mpakadan to link with the Volta Lake Transport System is on-going (approximately 80% complete). |
| | | <p>3. Reconstruct the Western and Eastern lines to facilitate passenger and freight movement, including activation of the Boankra inland port.</p> | <ul style="list-style-type: none"> • The construction of the Western Railway line on a new standard gauge is on-going on the section from Kojokrom to Manso (approximately 45% complete). • The procurement process for the engagement of a private sector Concessionaire to partner the Government of Ghana to develop the Eastern Railway line, from Accra/Tema, through the Boankra Inland Port, is on-going and is currently at the Request for Proposal stage. |

| Policy Objectives | Key Issues Identified in the SMTDP | Proposed Strategies | Status of Implementation |
|-------------------|------------------------------------|---|--|
| | | 4. Develop integrated light rail transit system in major urban areas to improve public transportation | <ul style="list-style-type: none"> • Transaction Advisory Services are currently on-going as part of processes for the development of a Metro/Light Rail Transit System in Accra and Kumasi. • Feasibility Studies have been completed and the procurement process is expected to commence in 2021 to engage a developer to undertake the construction of the project. |
| | | 5. Integrate rail transport with other modes to ensure a sustainable transport system | <ul style="list-style-type: none"> • Relevant stakeholder are continuously being engaged to ensure the integration of the light rail with roads (transport terminals) and airports. |

1.4 Difficulties or Challenges Encountered

1.4.1 *Human Resource Capacity Challenges*

The Ministry, upon its creation in February, 2017 has been experiencing challenges with regards to limited office space. Apart from the limited office space, the Ministry does not have the full complement of staff knowledgeable in railways.

Similarly, GRDA is faced with challenges with office accommodation and staffing levels which is having dire impact on the performance of the Railway Sector.

GRCL is also faced with human resource challenges. GRCL's staff strength is currently about 1,122. Out of this number, a total of 706 members of staff (about 67%) are aged between 51-60 years. 252 (about 25%) of the staff strength of the company are aged between 41-50 years. 92 members of staff fell within age bracket of 31-40 years representing about 5%.

1.4.2 *Ineffective Legal, Regulatory and Institutional Regime*

Ghana currently has an ineffective railway legal and regulatory regime. Regulations are yet to be passed to fully operationalize the Railways Act, 2008 (Act 779) that established the GRDA. This is potentially a disincentive to private sector participation in the railway industry.

Furthermore, GRDA, the regulator is also a developer and an asset holder. This no doubts compromises its independence and potentially makes GRDA a judge in its own cause. Since Government is encouraging private sector investors to own railway assets, GRDA cannot be viewed as an impartial arbiter.

1.4.3 *Operational Challenges*

In recent times, the operations of GRCL have declined to an unacceptable level making it difficult to run as a business entity. Owing to poor tracks, obsolete equipment and rolling stock, two (2) commuter train services on the Eastern Railway Line, that is Accra – Tema and Accra – Nsawam had to be suspended in the course of the year due to the COVID-19 pandemic.

The haulage of bauxite from Awaso to the Takoradi Port and other bulk commodities, with the exception of haulage of manganese from Nsuta on the Western Railway Line has ceased since May 2011 due to the poor condition of the tracks. Due to the bad state of the tracks and the subsequent poor turnaround time, GRCL is unable to meet its targets for the haulage of the manganese, which is currently the only freight commodity hauled by rail from Nsuta to the Takoradi Port for export.

1.4.4 *Obsolete Rolling Stock*

Most of the rolling stock are old and have operational difficulties. All the rolling stock available are also narrow gauge.

1.4.5 *Finance*

Inadequate budgetary allocation and delays and/or failing to release budgetary allocation has been a serious challenge.

1.4.6 Encroachment Challenges

Encroachment on railway properties is seriously affecting operations and development of the railway sector. For a long time, the neglect of the railway sector has been accompanied with a 'free for all attitude'. The general public, as well as, others from the public sector, have taken over railway assets including lands within and outside the right-of-way and thus making the development in some areas difficult.

2.0 M&E ACTIVITIES REPORT

2.1 Programme/Project Status for the Year Ended December, 2020

A matrix indicating the list of projects and programmes in the Railway Sector is attached as **Annex 1**. Update on Revenue and Disbursements are also provided in **Annex 2**.

The sections below describe the projects/programmes and the status of implementation:

2.1.1 *Western Railway Line*

Background

The Western Railway Line is the main stay which provides economic and financial support for the Ghana Railway Company Limited. It runs from the Takoradi Port to Kumasi (266.8km) with a branch line from Tarkwa to Prestea (29.4km) and also from Dunkwa to Awaso (73.2km).

It is the major route for the transportation of bulk commodities such as manganese, bauxite, cocoa, timber, cement, petroleum products etc. along the Takoradi to Kumasi corridor. The haulage of such bulk cargo on the line reduces the challenge of deterioration of roads.

Unfortunately, due to several decades of neglect and underfunding, the Western Line is completely broken down, except for partial freight services on the Nsuta - Takoradi section which is used for the export of Manganese through the Takoradi Port.

The Sekondi - Takoradi via Kojokrom section of the Western Line had undergone reconstruction with a new 15km convertible narrow-gauge line to restore rail passenger services between the twin cities of Sekondi and Takoradi in the Western Region.

Rehabilitation of the narrow-gauge section from Kojokrom to Tarkwa

The Ministry, in collaboration with the Ghana Railway Development Authority (GRDA) and the Ghana Railway Company Limited (GRCL) continued with the rehabilitation works on the section of the Western line from Kojokrom to Tarkwa through Nsuta having a distance of 56km.

The objective for the rehabilitation works is to facilitate the haulage of manganese from Nsuta to the Takoradi Port and also to provide passenger rail service along the corridor. By the end of December, 2019, the rehabilitation works were 75% complete. The Ghana Railway Company Limited completed the rehabilitation works in January, 2020. Passenger rail services on the Takoradi to Tarkwa route subsequently commenced in February, 2020 after successful test runs. Passenger rail services on the line have since April, 2020 been suspended due to the COVID-19 pandemic.

Freight operations between the Nsuta mines and the Takoradi Port were affected by intermittent stoppages during the rehabilitation works. The works also intermittently affected the passenger rail services between Takoradi and Sekondi via Kojokrom. The improvement in the tracks, however, led to the spectacular reduction of the number of derailments and incidents that occurred on the line.



Passengers on the Takoradi-Tarkwa train service before its suspension on 24th March, 2020



Takoradi-Tarkwa sub-urban train service before its suspension on 24th March, 2020

Construction of New Standard-Gauge Line

The construction of a new standard gauge line from Kojokrom, through Eshiem to Manso, covering a distance of 22km also saw significant progress in 2020. Before 2020, the project was being implemented in two distinct phases with the first phase covering the section from Kojokrom to Eshiem (5km). The second phase is from Eshiem to Manso (17km).

During the year 2020, the two phases were merged under a single contract dated 1st September, 2020. As at the baseline date of December, 2019, the construction of the first phase from Kojokrom to Eshiem (5km) was 68.43% complete and the second phase from Eshiem to Manso (17km) was 3% complete. By the end of November, 2020, the project, covering the entire 22km section from Kojokrom to Manso was 40.79% complete.



Eshiem Viaduct (Railway Bridge)



Track works at Eshiem on the Western Railway Line

In June, 2020, a contract was signed between the Ghana Railway Development Authority and Messrs Amandi Holding Limited for the continuation of the standard gauge construction works from Manso to Huni Valley. The contract also includes the conversion of the narrow-gauge tracks between Takoradi and Sekondi to standard-gauge and the development of standard-gauge tracks from the Takoradi Station to the Takoradi Port for easy and efficient access for cargo handling.



Contract signing for Manso-Huni Valley Section of the Western Railway Line

Furthermore, funding has been secured by Government for the development of sections of the Western Railway Line from Kumasi (Adum) to Obuasi with a branch line from Eduadin to Ejisu on standard gauge totalling 83.5 km. The contract for the first phase involving the section of the line from Kumasi (Adum) to Kaase, covering a distance of 6km was signed on 18th August, 2020 between the Ghana Railway Development Authority and Messrs David Walter Limited. Contract for the second phase of the project involving the section from Kaase to Eduadin (approximately 12km) was signed on 1st December, 2020.



Contract signing for Kumasi-Kaase Section of the Western Railway Line

Additionally, Government, through the Ghana Railway Development Authority has also signed a contract dated 29th September, 2020 with Messrs AFCONS Infrastructure Limited for the development of the section of the Western Railway Line from Eduadin to Obuasi, a distance of approximately 51km.

These projects are currently going through the necessary due processes like Value-for-Money Assessment, Environmental and Social Impact Assessment, among others which will be completed to enable the commencement of construction works in 2021.



Contract signing for Eduadin-Obuasi Section of the Western Railway Line

2.1.2 Eastern Railway Line

Background

The Eastern Railway Line links Accra to Kumasi with a branch line from Achimota to Tema. The total track length is 303km, and currently a narrow-gauge of 1,067mm. Apart from the stretch from Accra to Nsawam and Accra to Tema which are being used for passenger traffic, the line is currently not operational due to its poor state.

The concept is to develop the Eastern Railway Line to modern standards (i.e. standard gauge) in order to provide an alternative, faster, safer and more efficient mode for the transportation of freight from Tema Port through an Inland Port at Boankra terminating at Kumasi. A new branch line from Busoso to Kyebi/Atiwa would also be developed as part of the project. The reconstruction of the Eastern Railway Line would include financing, development and operation of the 330km line and would include the provision of rolling stock, station upgrades, signalling and communication equipment.

Rehabilitation of the narrow-gauge section from Achimota to Nsawam

The section of the Eastern Railway line from Achimota to Nsawam was rehabilitated and test runs commenced in December 2019. Following successful test runs, the line was reopened for commercial passenger rail services in March, 2020. Unfortunately, in April, 2020, the passenger rail services were suspended due to the COVID-19 pandemic.



Passengers on the Accra-Nsawam train service before its suspension on 24th March, 2020

Construction of New Standard-Gauge Line

Government is developing the Eastern railway line from Accra/Tema to Kumasi, with a branch line from Busoso to Atiwa, through Kyebi on a PPP basis with Government taking a 30% interest in the entity that would be established to develop the line.

Transaction Advisors, made up of Messrs PwC (Gh) Limited, Fugar & Co. of Ghana, AECOM of South Africa, Patton Boggs of USA and Vision Consult Ltd. of Ghana were engaged by Government with funding by the World Bank to undertake Pre-feasibility and Feasibility Studies and go through a procurement process to select a private sector investor(s) to partner Government to undertake the construction of the line.

By the end of December, 2019, the procurement process for the engagement of a strategic private sector investor(s) to partner the Government of Ghana to develop the project was at the negotiation stage. At the time, the Public Procurement Authority (PPA) was undertaking an administrative review of the procurement process following petitions from some of the bidders challenging the procurement process.

On 16th March, 2020, PPA delivered its decision/ruling regarding the petition annulling the third stage of the procurement proceedings (i.e. the Request for Proposals). PPA further directed the Ministry to relaunch the Request for Proposals and invite Technical and Financial Proposals from the firms that participated in the procurement proceedings to conclusion.

The Ministry proposed to the Ministry of Finance to work together with GRDA and the Transaction Advisors to develop a new Request for Proposal document to be issued to the firms.

2.1.3 Tema - Mpakadan Railway Line

Background

The Tema-Mpakadan Railway Line project is part of a multimodal transport system from the Tema Port to Buipe via the Volta Lake to serve the Northern parts of Ghana and the landlocked countries of Burkina Faso, Mali and Niger. It consists of a railway line between Tema and Mpakadan to join the Volta Lake transport system. This corridor experiences major congestion because the transport of domestic and transit freight from Tema to the Northern parts of Ghana is via roads.

Construction of standard-gauge railway line

The project was designed and submitted to Parliament and approved as the Tema to Akosombo project. It was to start at the Port of Tema and terminate at Akosombo, where the Dodi Princess docks. A review of the project, however, revealed several problems leading to a variation in the scope of works.

Approval was subsequently conveyed for the variation resulting to an additional scope of construction works due to the increase in route length from 84.832 km to 97.625 km and the associated construction of a rail bridge over the Volta River.

Parliament at its Thirty-First Sitting of the First Meeting held on Thursday, 19th March, 2020 approved by resolution, the Supplementary Buyer's Credit Agreement between the Government of the Republic of Ghana and the Export-Import Bank of India under the National Export Insurance Account (BC-NEIA) for an amount of Forty-Eight Million, Eight Hundred and Forty-Three Thousand, Four Hundred and Ninety United States Dollars and Fifty-Four Cents (US\$48,843,490.54) for the financing of the variation of the project.

In terms of the status of implementation, the construction works on the Tema – Mpakadan standard gauge railway line which was 55% complete as at December, 2019, is currently 71% complete and this includes the construction of a 300m major viaduct (railway bridge) across the Volta River which was necessitated by the variation explained above.



Track Laying Works on the Tema-Mpakadan Railway Line



Construction of Rail Bridge (Viaduct) across Accra-Aflao near Tema Motorway Interchange



Construction of Rail Bridge (Viaduct) across Volta River Between Senchi and Old Akrade

2.1.4 Ghana – Burkina Faso Railway Interconnectivity Project

Background

The development of the Ghana-Burkina Faso Railway Interconnectivity project is being carried out in the following four (4) phases:

- i. Phase 1: Feasibility Studies
- ii. Phase 2: Procurement of Private Sector Partner
- iii. Phase 3: Analysis of Technical Studies by Private Partner
- iv. Phase 4: Construction and Supervision

Project Implementation Status

The Feasibility Studies commenced in December, 2018, as part of the first phase of the project development. So far, the Transaction Advisors have submitted five (5) deliverables or reports, which have been reviewed and validated by the Joint Committee of Experts from both countries.

By the end of December, 2019, the Transaction Advisors had submitted the Inception Report, Preliminary Alignment Report and the Pre-feasibility Report.

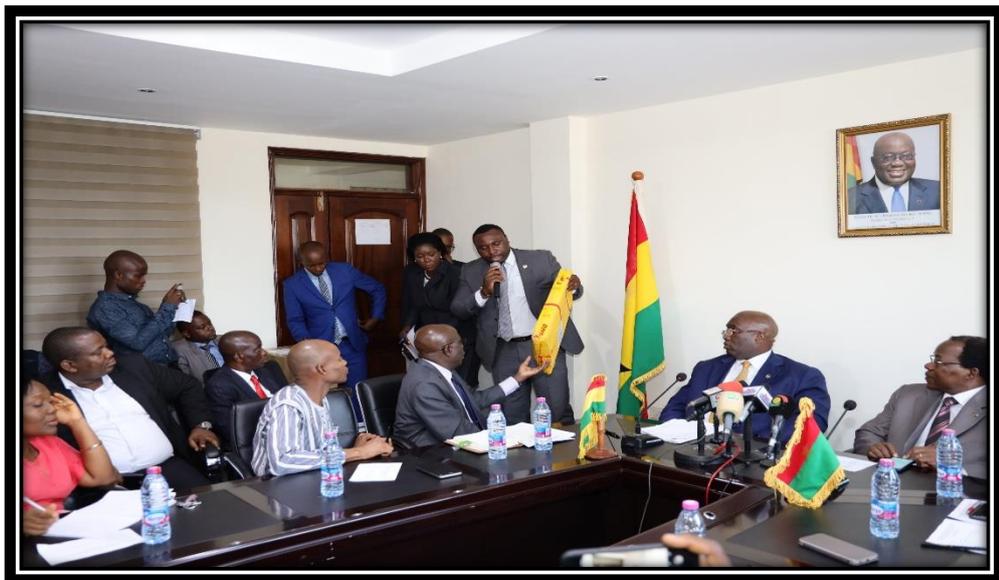
In March, 2020, the Joint Committee of Experts, led by the respective Minister's responsible for railway development in Ghana and Burkina Faso, met in Bolgatanga, to review and validate the draft Final Report of the Feasibility Studies.

The comments and inputs from the Technical Experts have been incorporated in the Final Report and was submitted by the Transaction Advisors in June, 2020. The submission of the Final Feasibility Study Report concludes the first phase of the project development.

The second phase of the project development, involving the procurement process for the private sector partner has also commenced simultaneously with the conduct of the Feasibility Studies. The two countries, through the Joint Committee of Experts, agreed to the following procurement process:

- i. Expression of Interest
- ii. Request for Qualification
- iii. Request for Proposal

By the end of December, 2019, the two countries, through the Joint Committee of Experts completed the first two stages of the procurement process, that is, the Expression of Interest (EoI) and the Request for Qualification (RfQ).



Tender Opening Session for Request for Qualification

The draft Request for Proposal document and the draft Concession Agreement which will be issued to pre-qualified firms at the final stage of the procurement process was reviewed by the Experts from both countries in November, 2020. The comments and inputs are currently being incorporated by the Transaction Advisors for further action.

2.1.5 Kumasi-Paga Railway Line (Central Spine)

Background

The proposed Kumasi - Paga railway line (also known as the Central Spine) is a 670km Greenfield project which seeks to develop a standard gauge railway line from Kumasi to Paga. The project however requires financial, economic, environmental and social feasibility including surveying and mapping out of the right of way for the railway line before the procurement of a contractor for the development of the project.

To this end, Messrs Vision Consult Ltd. of Ghana, Gauff Ingenieure and ILF Consulting both from Germany, were engaged in December 2017 to undertake feasibility studies for the development of the railway corridor between Kumasi and Paga. The Government of Ghana is funding the feasibility studies.

Implementation Status of Project

By the end of December, 2019, the Consultants had completed the feasibility studies and submitted the draft Final Feasibility Study Report.

In October, 2020 the draft Final Feasibility Studies Report was subjected to review and inputs by stakeholders at a forum held in Kumasi. The report is expected to be finalized, incorporating comments by the stakeholders.



Alignment for the Kumasi to Paga Railway Line (Central Spine)

2.1.6 Aflao-Elubo Railway Line (Trans-ECOWAS Line)

Background

Government has decided to develop the Trans-ECOWAS Railway Line from Aflao, on the Ghana - Togo border, through the southern parts of Ghana to Elubo, on the Ghana - Ivory Coast border.

The development of the Trans-ECOWAS rail project will result in a direct rail connectivity with the neighbouring States, Togo (on the East) and Ivory Coast (on the West) to boost trade and facilitate economic growth and development in the West African countries affected by the project.

The development of the project is in line with the objective of the Economic Community of West African States (ECOWAS) to link all member states by rail. It will also facilitate the achievement of the broad objective of the Union of African Railways to link member countries by rail.

Implementation Status of Project

The Ministry has procured the services of a Consulting consortium to undertake feasibility studies for the development of the project through a contract dated 19th December, 2018. The feasibility studies are being funded by the Government of Ghana through the Ministry's annual budget allocations.

By the end of December, 2019, the Consultants had submitted the Inception Report and the Data Analysis Report and have both been reviewed and validated by key stakeholders.

In June, 2020, the Consultants submitted the Survey Report and later in September, 2020 followed up with the draft Final Feasibility Studies Report. These reports are currently being subjected to a stakeholder review and validation process before finalization.



Route Options for the Aflao to Elubo Railway Line (Trans-ECOWAS Line)

2.1.7 Kotoku-Huni Valley Railway Line (Central Line)

Background

The Central Line runs from Kotoku on the Eastern Line to Huni Valley on the Western Line, a distance of about 198.7km and branches from Achiase Junction to Kade, a distance of about 40.2km. The operations on the Central Line started declining in the 1970s when the Railway was separated from the Ports and Harbours. Although some rehabilitation works were undertaken on the Central Line in December 1995, the operations on the line eventually ceased on 12th March, 2002. Government is however, desirous of redeveloping the Central Line depending on its bankability.

Implementation Status of Project

The Ministry procured the services of a consulting firm to undertake feasibility studies for the defunct railway line to assess or determine the financial and/or socio-economic and environmental viability of the line to justify its re-development. The feasibility studies seek to develop a business case that could attract private sector interest in its re-development. Following the validation of the Inception Report by key stakeholders in 2019, the Data Analysis Report and Survey Report, which were submitted in December, 2020, are to be reviewed and validated. This will be followed by the submission of the Draft Final Feasibility Study Report and the Final Report.

2.1.8 Metro/Light Rail Transit Systems in Accra and Kumasi

Background

Over the years, due to urban sprawl and increasing mobility needs of the people caused by ineffective transport system, the respective Central Business Districts (CBDs) of the two major cities of Accra and Kumasi are getting choked with congestion. This is as a result of the influx of people and other commercial activities in the cities and the use of vehicles which have low carrying capacities.

There is therefore a dire need for a rail-based mass rapid transport system in the two cities to take the traffic off the roads and provide fast and efficient movement of people within the Accra and Kumasi Metropolis. The Ministry is therefore pursuing a program which promotes the development of a rail-based mass transit system on priority corridors in Accra and Kumasi through strategic partnership arrangements with the private sector.

Implementation Status of Project

Contracts were signed with two independent consulting consortia to undertake feasibility studies in Accra and Kumasi and also assist Government to go through a procurement process to select private sector investors to develop metro/light rail transit systems in the two cities as a pilot.

Both assignments are currently at their final stages and the draft Final Feasibility Studies Reports have been subjected to stakeholder review and validation. The Final Reports are expected to be submitted by the respective consultants to bring the first phase of the development of the projects to a close.

2.1.9 Review of Railway Master Plan

In order to guide the systematic and effective development of the railway network in the country, the 2013 Railway Master Plan had been reviewed. The purpose of the review was to improve the Master Plan to meet present demands. It was also to ensure the expansion of the rail network in the country to create an efficient rail transportation link to important mineral potentials and centers of economic development such as free zone enclaves, as well as, industrial parks. Furthermore, as a policy direction, all regional capitals in the country are to be linked by rail.

The Final Report of the 2020 Master Plan has been submitted and is to be subjected to stakeholder review. The revised Master Plan envisages that over 3,800km of rail network will be constructed in 15years from 2020 to 2035.

Some of the key highlights of the new Master Plan are as follows:

- Design speed has been revised from 120km per hour to 160km per hour
- Minimum axle load has been increased from 22.5 tons to 25 tons
- The new Master Plan connects all regional capitals and also economic zones such as the iron ore deposits at Sheini, near Yendi, the Oppon Mansi iron ore deposits, Kyebi bauxite deposit and the free zone at Shama, which were left out in the 2013 Master Plan.

2.1.10 Railway Training School and Location Workshops

Background

The GRCL has a Railway Training School with two (2) campuses located at Sekondi and Takoradi, both in the Western Region. The School was established to train the staff of GRCL to enable them operate efficient railway system.

The Railway Location Workshop Complex, also situated at Essikado, Sekondi, is the main workshop for the maintenance of locomotives, wagons, coaches and other ancillary railway equipment for efficient operation of railway services in Ghana.

Implementation Status of Project

The School was in a poor condition due to the lack of maintenance. Government provided funding for a major rehabilitation/refurbishment of the School including drainage works.



On-going drainage works around Railway Training School and Location Workshop Complex

Following the rehabilitation works and facelift of the school, the Ministry signed a Memorandum of Understanding (MoU) with the University of Mines and Technology (UMaT), Tarkwa to upgrade the Railway Training School into an accredited institution of higher learning for the award of certificates and diplomas in Engineering and other related courses.

Two (2) technical workshops, located at the Location Workshop Complex, Essikado have also received major upgrades.

2.1.11 Refurbishment of Locomotives and Coaches

The Ministry, through the Ghana Railway Company Limited, is undertaking the refurbishment of old railway locomotives and coaches in Tema and Sekondi-Takoradi. The refurbishment works are being undertaken in-house by the Ghana Railway Company Limited with funding by the Government of Ghana.

Implementation Status of Project

As part of the contract for the rehabilitation of sections of the existing narrow-gauge railway lines, fifteen (15) existing passenger coaches and locomotives were to be refurbished by GRCL. So far, ten (10) of the coaches have been refurbished and some have commenced traffic duties on the Accra-Tema-Nsawam sub-urban rail services which was relaunched in January 2019. The remaining are being used for the Takoradi-Tarkwa sub-urban passenger rail services which also commenced in February, 2020.

2.1.12 Procurement of Standard-Gauge Rolling Stock

Background

In view of the need to obtain standard-gauge rolling stock on time for testing, commissioning and subsequent operation on the new standard gauge railway lines which are currently under construction, it has become imperative for Government to consider the urgent supply of some new standard gauge Rolling Stock.

Implementation Status of Project

A contract was signed in June, 2020 for the supply of the following standard gauge rolling stock:

- 9 passenger locomotives
- 15 freight locomotives
- 11 shunting locomotives
- 32 coaches
- 330 wagons

2.2 Update on Disbursements from Funding Sources

2.2.1 *Financial Performance for 2020 (January – December, 2020)*

Table 2: Approved Budget versus Expenditure (January-December, 2020)

| SOURCE | | APPROVED BUDGET (GHS) | ACTUAL RECEIPTS (GHS) | ACTUAL EXPENDITURE (GHS) | VARIANCE |
|--------|---------------------------|-----------------------|-----------------------|--------------------------|-------------------------|
| GOG | | A | B | C | D = (A-C) |
| 1 | Compensation of Employees | 3,759,943.00 | 3,003,186.20 | 3,003,186.20 | 756,756.80 |
| | Use of Goods & Services | 8,826,648.00 | 6,990,392.73 | 6,990,392.73 | 1,836,255.27 |
| | CAPEX | 112,581,252.00 | 111,049,510.09 | 111,049,510.09 | 1,531,741.91 |
| 2 | IGF | 1,190,281.52 | 985,828.00 | 722,736.13 | 467,545.39 |
| 3 | DEV'T PARTNERS | | | | |
| | Indian Exim Bank | 308,809,800.00 | 575,658,315.40 | 575,658,315.40 | (266,848,515.40) |
| | TOTAL | 435,167,925.11 | 697,687,232.42 | 697,424,140.55 | (262,256,215.44) |

Table 2 above depicts the annual budget estimates for the year 2020 budget releases and actual expenditure from January to December 2020 fiscal year on priority projects and programmes for the Ministry and its Agencies. A total amount of Four Hundred and Thirty-Five Million, One Hundred and Sixty-Seven Thousand Nine Hundred and Twenty-Five Ghana Cedis, Eleven Pesewas (GH¢435,167,925.11) was allocated to the Ministry of Railways Development. In terms of expenditure, January to December 2020, a total amount of Six Hundred and Ninety-Seven Million, Four Hundred and Twenty-Four Thousand, One Hundred and Forty Ghana Cedis, Fifty-Five Pesewas (GHS697,424,140.55) was spent. This represents 160.27% of the Ministry's approved budget. It can be seen that the Ministry over-spent its Budget by (GHS262,256,215.44) as a result of the excess amount of GHS266,848,515.40 released by Exim Bank against the budget of GHS308,809,800.00 for the implementation of Tema – Mpakadan project. The amount represents about 186.41% of the approved budget.

2.3 Update on Indicators and Targets

2.3.1 *Operational Performance (Key Performance Indicators)*

A Key Performance Indicator (KPI) is a measurable value that demonstrates how effectively a company is achieving key business objectives/targets. The Ministry of Railways development has nine (9) KPIs and are listed below.

- Total Length of Railway Lines Rehabilitated
- Total Length of Railway Lines Maintained
- Total Length of Railway Lines Constructed
- Passenger Throughput
- Freight Traffic

- Operational Incidents
- Train Turnaround Time
- Revenue: Passenger Services
- Revenue: Freight Services

The Ministry's overall performance in 2020 was negatively impacted by the COVID-19 pandemic at the implementation, operational and monitoring levels. In spite of these setbacks some key achievements were made and are discussed below using the KPIs.

2.3.2 *Total Length of Railway Lines Rehabilitated*

Rehabilitation refers to the major works done on the rail lines to ensure safe and secure operations. It involves earthworks and track works like the removal and replacement of defective rails, sleepers and stabilization of the formation, ballasting among others. It is very capital intensive. For the period under review the Ministry intended to rehabilitate 50km of railway lines, particularly, the section of the Eastern Railway Line from Nsawam to Koforidua. However, a survey conducted by the Ghana Railway Company Limited on the existing condition of the line revealed a very high cost. This informed a decision to suspend the rehabilitation works and await the construction of the new standard gauge line from Accra/Tema through Nsawam and Koforidua to Kumasi.

2.3.3 *Total Length of Railway Lines Maintained*

The maintenance of railway lines involves the routine/periodic works undertaken to keep the tracks in a safe and secure condition for operations. 140km of operational narrow gauge rail lines were maintained during the period under review. These included the Accra-Tema and Achimota-Nsawam sections of the Eastern Railway Line, as well as, the Takoradi-Tarkwa and Sekondi-Kojokrom sections of the Western Railway Line.

2.3.4 *Total Length of Standard Gauge Railway Lines Constructed*

This is the length of new standard gauge railway lines constructed. It includes the new standard gauge rail lines constructed along the existing rail corridors and the greenfield rail lines constructed outside the existing rail network. By the end of December, 2020, about 65km of new standard gauge railway tracks had been laid out of the planned 115km. The new standard gauge lines laid include sections of the Tema-Mpakadan and Kojokrom-Manso railway projects which are currently on-going. This represents 56.52% of the target.

It is important to mention that the rail sector was one of the sectors seriously affected by the COVID-19 pandemic as a lot of workers, particularly on the Tema-Mpakadan project were infected by the virus resulting in the closure of the two (2) working Camps of the Contractor and suspension of construction works for about three (3) months. This affected the Contractor's programme of works and as a result the time schedules had to be revised accordingly.

2.3.5 Performance of Sector Indicators

Table 3: Policy Outcome Indicators and Targets

| Indicator (Categorised by Development Dimension of Agenda for Jobs) | Baseline | Target | Actuals | | |
|---|----------|----------|----------|-----------|-----------|
| Key National Indicators | | | | | |
| | 2017 | 2020 | 2018 | 2019 | 2020 |
| ENVIRONMENT, INFRASTRUCTURE AND HUMAN SETTLEMENTS | | | | | |
| Passenger traffic and goods traffic by railways: | | | | | |
| - Passenger traffic (1,000 passengers-km) | 5,100.00 | 20,330.0 | 630.00 | 2,110.00 | 980.00 |
| - Goods traffic (1,000 tonnes-km) | 39,710.0 | 44,100.0 | 44,620.0 | 35,669.40 | 29,613.28 |
| Sector Specific Indicators | | | | | |
| Passenger traffic (No. '000) | 261.08 | 600.00 | 77.42 | 173.59 | 87.95 |
| Freight Traffic (Tonnes '000) | 630.37 | 700.00 | 708.28 | 566.18 | 470.05 |
| Major Operational Incidents (No.) | 1 | - | 0 | 60 | 48 |
| Minor Operational Incidents (No.) | 82 | - | 52 | 36 | 29 |
| Train Turnaround Time (Hours) | 14.4hrs | 8hrs | 10hrs | 8hrs | 10hrs |
| Revenue: Passenger Operations (GHS '000) | 589.40 | 1,500.00 | 129.50 | 402.87 | 179.53 |
| Revenue: Freight Operations (GHS '000) | 15,663.9 | 22,074.5 | 19,391.4 | 17,546.3 | 15,900.56 |

2.3.6 Passenger Throughput

The Ghana Railway Company Limited carried a total of 87,947 passengers over the period against a target of 600,000 passengers. The recorded passenger numbers represent 14.66% of the 2020 target but a 49.55% decline from the 2019 position. The outbreak of the COVID-19 pandemic in Ghana largely accounts for the negative performance of the railways in terms of passenger throughput.

On 24th March, 2020, all passenger train services on the Accra-Tema, Accra-Nsawam, Takoradi-Tarkwa and Takoradi-Sekondi via Kojokrom were suspended. This decision was taken due to the fact that passengers failed to adhere to social distancing protocols despite several education and caution by train attendants. The services still remained suspended as at the end of December, 2020.

2.3.7 Freight Throughput

Manganese is the only cargo hauled by the Ghana Railway Company Limited from the mines at Nsuta to the Port of Takoradi for export. The 2020 actual performance shows a three year low in a systematic decline over the past three years. The following reasons accounts for the negative performance:

- The Ghana Manganese Company Limited suspended its operations in the mines on 5th December, 2019 and resumed in April, 2020.
- GRCL occasionally suspended its operations to allow contractors working on the new standard gauge line to construct culverts between Kojokrom and Eshiem.
- Engineering occupation to allow repair works to be undertaken on the rail line.

- Occasionally, derailments occurred which sometimes took several hours for the line to be restored.
- Tipping delays due to loading of different grades of manganese.

2.3.8 Operational Incidents

Obstructions of operations on the rail tracks which leads to accidents or incidents including derailments. For the year under review, the Ministry intended to reduce its 2019 Operational Incidents (major and minor) by hundred percent. For 2019 the Ministry recorded 60 major Operational Incidents and 36 Minor Incidents. As the end of the year 2020 a total of 48 major and 29 minor incidents were recorded. This shows a reduction by 20% and 19.44% of major and minor incidents respectively.

2.3.9 Train Turnaround Time

Train turnaround time means the time it takes for trains to unload/load and complete a return trip. It is a measure of efficiency. The Ghana Railway Company Limited targeted to maintain the 2019 turnaround time of 8 hours. The current turnaround time has instead increased to 10 hours. Performance therefore declined by 25% over 2019 actuals as well as the 2020 target. This performance may be attributed to tipping delays and the track condition which limits the operating speed of the trains.

2.3.10 Revenue from Passenger Services and Freight

The indicator for revenue has a direct relationship with passenger traffic and freight traffic. This means an increase in recorded passenger and freight traffic leads to an increase in revenue.

The revenue generated from both rail passenger and freight operations declined in 2020 from the previous year 2019. For instance, revenue generated from passenger operations was only 11.97% of the targeted amount and also represented 44.56% of the passenger traffic revenue generated in 2019.

Similarly, revenue generated from freight operations in 2020 was 72.03% of the expected revenue and also represented 90.62% of the revenue generated from freight operations in 2019.

The poor revenue generation originates from the reasons assigned for the negative passenger and freight traffic performance as indicated above.

2.4 Update on Critical Development and Poverty Issues

The MTNDPF (2018-2021) identifies three (3) key development issues which directly affects the development of the Railway Sector. These development issues include:

- i. Limited and poor rail network
- ii. Poor and unreliable services
- iii. Limited implementation of Railway Master Plan

A number of strategies have been initiated by the sector which are aimed at addressing these developmental issues. These strategies are explained in the paragraphs below:

2.4.1 *Encroachment on railway lands*

The Ministry discovered that large tract of railway lands and property were encroached upon and had initiated policies to reclaim such encroached lands. Encroachment on railway properties is also seriously affecting operations and development of the railway sector.

The Ministry has enhanced its collaboration with major stakeholders like the Lands Commission, traditional authorities, individual property owners, District Assemblies and so on through community engagements and sensitization exercises. These are aimed at reclaiming the railway right of way and also to protect it from further encroachments. Steps are also being taken to perfect titles to all railway landed properties across the country to ensure smooth implementation of the railway development plan.

2.4.2 *Review of the Railway Master Plan*

In order to guide the systematic and effective development of the railway network in the country, the 2013 Railway Master Plan has been reviewed. The purpose of the review is to improve the Master Plan to meet present demands. It is also to ensure the expansion of the rail network in the country to create an efficient rail transportation link to important mineral potentials and centers of economic development such as free zone enclaves, as well as, industrial parks. Furthermore, in line with Government policy, all regional capitals in the country are to be linked by rail and provision has been made in the revised Master Plan link the capitals of the recently created six (6) regions.

The Final Report of the 2020 Master Plan has been submitted and is to be subjected to stakeholder sensitization. The revised Master Plan envisages that over 3,800km of rail network will be constructed in 15years from 2020 to 2035.

Some of the key highlights of the new Master Plan are as follows:

- Design speed has been revised from 120km per hour to 160km per hour
- Minimum axle load has been increased from 22.5 tons to 25 tons
- The new Master Plan connects all regional capitals and also economic zones such as the iron ore deposits at Sheini, near Yendi, the Oppon Mansi iron ore deposits, Kyebi bauxite deposit and the free zone at Shama, which were left out in the 2013 Master Plan.

2.4.2 *Legal framework limited in scope*

The absence of Regulations has over the years also been a challenge that is affecting the development of the Railway industry in the country. The operationalization of the Railway Act 2008, Act 779 mandates the Ghana Railway Development Authority to be the Regulator and Infrastructure/Asset Manager. The establishment the Authority was to create a conducive environment to attract local and foreign investors to support the development of the railway sector. It has however been realized that this arrangement compromises the independence of the GRDA and is a disincentive to private investment.

The Ministry, in line with international best practice, has therefore initiated a restructuring process to decouple the regulatory functions from the infrastructure development functions of the Ghana Railway Development Authority.

To this end, the Railway Act 2008 (Act 779) will be reviewed and new Railway Regulatory Authority and Railway Infrastructure Development Authority will be established through Acts of Parliament.

2.5 Evaluation and Participatory M&E

The Ministry involved stakeholders, general public and other relevant institutions in a participatory manner in conducting the Monitoring and Evaluation activities of the Ministry.

The Tables below show provides information relating to Evaluations and Participatory M&E Conducted by the Ministry in 2020.

Table 4: Participatory M&E Conducted

| Name of the PM&E Tool | Policy/Programme/ Project involved | Consultant or Resource Persons involved | Methodology Used | Findings | Recommendations |
|----------------------------|---|---|--|--|---|
| Review of Progress Reports | Construction of Kojokrom to Manso section of the Western railway line | Internal (PPME Staff) | Desktop review of monthly progress reports submitted by Contractor (January – December, 2020). | <ul style="list-style-type: none"> - Significant delays experienced following the outbreak of COVID-19 in March, 2020. - Construction delays being experienced at sections where land is yet to be handed over to the Contractor. - Land acquisition plan submitted by the Consultant for review by the Client. - Cadastral survey undertaken from Eshiem to Manso to facilitate the acquisition of land outside the existing right of way. - Morphology of the Eshiem Station area generally dominated by alluvial valleys features. - Main activities undertaken during the period included; excavation, soil stabilization, embankment filling, construction of culverts, construction of access roads to railway stations. - Permanent way activities progressed steadily during the period. - Discussions on-going with utility service providers like ECG, Ghana Water, Ghana Gas, Telcos and GRIDCO for the relocation of utilities to enable construction to continue. | <ul style="list-style-type: none"> - Processes for land acquisition need to be expedited to prevent further construction delays. - Relocation of utilities needs to be completed to enable the continuation of construction works. - Client need to ensure the payment of approved outstanding Interim Payment Certificates. |

| Name of the PM&E Tool | Policy/Programme/ Project involved | Consultant or Resource Persons involved | Methodology Used | Findings | Recommendations |
|----------------------------|---|---|--|--|---|
| Review of Progress Reports | Construction of Tema to Mpakadan railway line | Internal (PPME Staff) | Desktop review of monthly progress reports submitted by Contractor (January – December, 2020). | <ul style="list-style-type: none"> - The COVID-19 pandemic affected progress of works for about 65 days between April and June, 2020. - The construction of rail bridge across the Volta Rover commenced in July, 2020. - The payment of compensation to some affected property owners along the right of way was undertaken at the following sections: km 68+000 to km 72+500 and km 81+000 to km 97.7km. - Relocation of utilities remain outstanding at several sections. - Supply of rail, turnouts and the production of concrete sleepers have all been completed. - Laying of ballast bed, concrete sleepers and skeleton track has been executed to cover 80.06 km out of the 97.7km tracks length. - Top ballast distribution and tamping operation commenced in November, 2020. - Sections of the right of way is yet to be handed over to the contractor for the continuation of the construction works. - Contractor has requested for extension of time due to delays resulting from the COVID-19 induced restrictions and the non-availability of land for the works. | <ul style="list-style-type: none"> - Community engagements need to be intensified to ensure the expected impacts of the project are realised. - Processes for the acquisition of the right-of-way (RoW) and associated compensation payments need to expedited. - Relocation of utilities needs to be completed to enable the continuation of construction works. - Client need to ensure the payment of approved outstanding Interim Payment Certificates. |

| Name of the PM&E Tool | Policy/Programme/ Project involved | Consultant or Resource Persons involved | Methodology Used | Findings | Recommendations |
|------------------------------------|--|---|--|---|--|
| Focus Group (Stakeholder Workshop) | Feasibility studies for the development of the Kumasi to Paga railway line (Central Spine) | Vision Consult / Gauff Ingenieure / ILF Consult | <ul style="list-style-type: none"> - Feasibility studies report was shared with stakeholder institutions to enable them do an independent review of the report for their comments and inputs. - A stakeholder workshop was held subsequently with representatives of major stakeholder institutions in attendance to validate the report. - The Consultant facilitates the workshop and presents a summary of the contents of the report. - Comments and inputs were then collated and shared with the Consultant for incorporation. | <ul style="list-style-type: none"> - Savings of transport cost for passengers and freight. - Savings on road maintenance due to the reduced traffic and less damage as a result of the fewer heavy vehicles in circulation. - Agriculture is the mainstay of the economies of towns along the line and employs 46.5%. Other important sectors of the local economies along the line include Manufacturing which employs 15%, retail business has 7% and industries also employ 27.4%. - Rail project is comparatively more environmentally friendly than other alternative transport modes. | <ul style="list-style-type: none"> - Community engagements need to be intensified. - Processes for the acquisition of the right-of-way (RoW) need to commence immediately. - The project is economically viable and funding needs to be secured for the commencement of construction works. |

| Name of the PM&E Tool | Policy/Programme/ Project involved | Consultant or Resource Persons involved | Methodology Used | Findings | Recommendations |
|------------------------------------|---|---|--|---|---|
| Focus Group (Stakeholder Workshop) | Feasibility studies for the development of the Ghana to Burkina Faso railway line | TEAM Engineering / Vision Consult | <ul style="list-style-type: none"> - Feasibility studies report was shared with stakeholder institutions to enable them do an independent review of the report for their comments and inputs. - A stakeholder workshop was held subsequently with representatives of major stakeholder institutions, including representatives from Burkina Faso, in attendance to validate the report. - The Consultant facilitates the workshop and presents a summary of the contents of the report. - Comments and inputs were then collated and shared with the Consultant for incorporation. | <ul style="list-style-type: none"> - Three (3) alternative alignments (Variants A, B and C) of the proposed railway corridor from the technical, economic and environmental perspectives were proposed. - There are differences in the cost per kilometer estimates from the various sections of the line which are largely attributed to the differences in topography in the various sections of the line. - 60metres width right of way is to be acquired. - Traffic studies relied on secondary data from the Railway Master Plan as well as traffic data of imports and exports from a number of organizations including the Ghana Ports & Harbours Authority, Ghana Shippers' Authority, Burkina Faso Shippers' Council, among other trade unions and associations in Ghana and Burkina Faso. | <ul style="list-style-type: none"> - Alignment Variant A is recommended for development. - Act 125, the State Lands Act and its provisions must be clearly stated and complied with. - Pre-acquisition processes such as constitution of the Permanent Site Advisory Committee, survey of the entire stretch and the preliminary valuation by the Land Valuation Division to determine the quantum of compensation, must be carried out. - At each station the width of the acquisition is increased to between 120metres to 240metres, over a stretch of about one (1) kilometer to cater for future associated infrastructure around the station. |

| Name of the PM&E Tool | Policy/Programme/ Project involved | Consultant or Resource Persons involved | Methodology Used | Findings | Recommendations |
|------------------------------------|---|---|--|--|--|
| Focus Group (Stakeholder Workshop) | Feasibility studies for the development of metro/light rail transit system in Kumasi and its surrounding environs | PwC (Gh) Ltd. | <ul style="list-style-type: none"> - Feasibility studies report was shared with stakeholder institutions to enable them do an independent review of the report for their comments and inputs. - A stakeholder workshop was held subsequently with representatives of major stakeholder institutions in attendance to validate the report. - The Consultant facilitates the workshop and presents a summary of the contents of the report. - Comments and inputs were then collated and shared with the Consultant for incorporation. | <ul style="list-style-type: none"> - The project is economically viable since the Economic Internal Rate of Return (EIRR) is higher than the 12% discount rate benchmark currently used by the World Bank to demonstrate economic value of investments. - Rail project is more environmentally friendly – decarbonisation. - Savings of transport cost for passengers and freight. - Savings on road maintenance due to the reduced traffic and less damage as a result of the fewer heavy vehicles in circulation | <ul style="list-style-type: none"> - Procurement Process to be launched for the procurement of a private Sector developer |

| Name of the PM&E Tool | Policy/Programme/ Project involved | Consultant or Resource Persons involved | Methodology Used | Findings | Recommendations |
|------------------------------------|--|---|--|---|--|
| Focus Group (Stakeholder Workshop) | Feasibility studies for the development of metro/light rail transit system in Accra and its surrounding environs | Systra/Transtech/ Rebel | <ul style="list-style-type: none"> - Feasibility studies report was shared with stakeholder institutions to enable them do an independent review of the report for their comments and inputs. - A stakeholder workshop was held subsequently with representatives of major stakeholder institutions in attendance to validate the report. - The Consultant facilitates the workshop and presents a summary of the contents of the report. - Comments and inputs were then collated and shared with the Consultant for incorporation. | <ul style="list-style-type: none"> - EPC is the recommended PPP structure. - Rail project is more environmentally friendly – decarbonisation. - Savings of transport cost for passengers and freight. - Savings on road maintenance due to the reduced traffic and less damage as a result of the fewer heavy vehicles in circulation | <ul style="list-style-type: none"> - Procurement Process to be launched for the procurement of a private Sector developer |

3.0 THE WAY FORWARD

3.1 Key Issues Addressed and those yet to be Addressed

3.1.1 *Human Resource Capacity Issues*

There is an urgent need to address the human resource capacity challenges facing the Railway Sector in order for it to effectively achieve its mandate. As a stop-gap measure, some key personnel have been engaged on contract basis by the Ministry to support the sector.

The Public Services Commission (PSC) has conveyed approval for the recruitment of some requisite staff to strengthen the capacity of GRDA and the Ministry of Finance has accordingly issued financial clearance for the engagement of the staff. The Authority has recently gone through the necessary processes and recruited some key staff to augment its workforce. The recruitment process needs to continue until the requisite establishment levels are reached.

In order to address the challenge of technical skills in GRCL, a number of young Engineers have recently been recruited on contract basis and are currently going through capacity development to augment the staff strength, especially, at the Engineering Department of the Company.

3.1.2 *Legal, Regulatory and Institutional Reforms*

The Ministry, in line with international best practice and practice in the transport sector, as well as, other sectors in Ghana, where the regulatory body is not engaged in any activity other than regulation of the sector, has initiated a restructuring process to decouple the regulatory functions from the infrastructure ownership and management functions of GRDA. This will result in the establishment of new institutions for regulation and another one for asset ownership. This process needs to be pursued.

3.1.3 *Operational Challenges of GRCL*

Currently, GRCL's mandate is to operate freight and passenger rail services on the existing operational narrow gauge railway lines which are as follows:

- Takoradi to Nsuta – manganese freight services
- Takoradi to Tarkwa – passenger services
- Takoradi to Sekondi via Kojokrom – passenger services
- Accra to Tema – passenger services
- Accra to Nsawam – passenger services

Sections of the existing narrow gauge railway network which is used to provide the above-mentioned rail services have recently been rehabilitated to enhance the efficiency of operations. For instance, the section of the Western Line between Kojokrom and Tarkwa through Nsuta has been rehabilitated and this has resulted in a significant reduction in the derailments that previously occurred on the line due to the poor state of the tracks. The rehabilitation works have enhanced the capacity of GRCL

to increase its haulage of manganese from the Nsuta mines to the Takoradi Port and also resulted in the resumption of passenger services between Takoradi and Tarkwa which had not been operational since 2012.

Track tools and other maintenance equipment need to be procured to facilitate the maintenance of the tracks to keep the operations of GRCL at efficient and effective level.

3.1.4 Availability of Standard Gauge Rolling Stock

Efforts are being made by Government to provide funding for the acquisition of new rolling stock. This needs to be pursued to enable the delivery of the new standard-gauge rolling stock to operationalise the new standard gauge railway lines being constructed across the country.

3.1.5 Financial Constraints

The way forward is to explore other alternative sources of financing for the development of railway infrastructure and services. Private financing through PPPs is the most common alternative funding source for public infrastructure projects like the railways. The model of financing is currently being explored for the development of some sections of the railway network including the Eastern Railway Line, the Ghana – Burkina Faso Railway Interconnectivity Project and the Metro / Light Rail Transit Systems in Accra and Kumasi.

3.1.6 Encroachment on the existing Right-of-Way

The Ministry needs to pursue its collaboration with major stakeholders like the Lands Commission, Traditional Authorities, District Assemblies, public and private property owners, and so on, to reclaim the railway right-of-way and also to protect it from further encroachments. The steps being taken to perfect titles to all railway landed properties across the country need to be rigorously pursued to ensure smooth implementation of the railway development plan.

3.2 Recommendations

The following key priority programmes and projects is being recommended and have been included in the 2021 Budget of the Railway Sector for implementation.

3.2.1 Development of sections of the Western Railway Line on Standard Gauge

Kojokrom to Manso - The on-going construction of a standard gauge railway line from Kojokrom to Manso, covering a distance of 22km will be continued. The project is expected to be substantially completed by the end of 2021 for the official handing over in February, 2022.

Manso to Huni Valley - The implementation of the contract signed in June, 2020 for the continuation of the standard gauge construction works from Manso to Huni Valley will be pursued in 2021. The contract also includes the conversion of the narrow-gauge

tracks between Takoradi and Sekondi to standard gauge and the development of standard gauge tracks from the Takoradi Station to the Takoradi Port for efficient and effective access for cargo handling.

Kumasi (Adum) to Kaase – The contract for the development of the section of the Western Railway Line from Kumasi (Adum) to Kaase, covering a distance of 6km was signed on 18th August, 2020 and would be funded by the Government of Ghana in 2021.

Kaase to Eduadin - The section of the Western Railway Line from Kaase to Eduadin (approximately 12km) was also signed on 1st December, 2020 for commencement in 2021.

Eduadin to Obuasi - With regard to the section from Eduadin to Obuasi, covering a distance of 51km, the contract dated 29th September, 2020 which is to be financed through a loan facility from Deutsche Bank AG will commence in 2021.

3.2.2 Development of the Eastern Railway Line on Standard Gauge

The procurement process will be finalized to enable contractors to mobilize on site in 2021 to undertake the construction of the new 330km standard gauge Eastern Railway Line from Accra/Tema to Kumasi under a Public-Private Partnership arrangement.

3.2.3 Development of the Tema to Mpakadan Railway Line

The on-going construction of a new 97.7km standard gauge railway line from the Tema Port to Mpakadan to connect with the Volta Lake transport system will be completed in 2021. This line includes the construction of a major railway bridge measuring 300m across the Volta River between Senchi and Old Akra.

3.2.4 Development of the Ghana - Burkina Faso Railway Line

Following the completion of the feasibility studies as the first phase of the Ghana - Burkina Faso Railway project in 2020, the two (2) countries through its Joint Committee of Experts, will pursue and complete the procurement process in 2021 for the engagement of a strategic private sector investor to develop the project. It is the expectation that the project will reach a financial closure to enable the Concessionaire to mobilize on site to commence construction works in 2021. The project covers a distance of approximately 1,000km from Mpakadan to Ouagadougou.

3.2.5 Maintenance of Sections of the Narrow Gauge Railway Network

The Ministry has also earmarked funds under the 2021 budget to be used to undertake maintenance works on sections of the narrow gauge railway network which have recently been rehabilitated. They include the sections of the existing Eastern Railway Line from Accra to Tema and Achimota to Nsawam. Sections of the existing Western Railway Line from Takoradi to Tarkwa and Kojokrom to Sekondi will also be maintained in 2021 to ensure a safe and secure operations of both passenger and freight services.

3.2.6 Procurement of New Standard Gauge Rolling Stock

The supply contract for the delivery of a total of thirty-five (35) new standard gauge passenger/cargo trains, will be effective in 2021. The Ministry will pursue the delivery of the set of nine (9) trains within eighteen (18) months as the first phase of the contract and the remaining twenty-six (26) to be supplied within another eighteen (18) months for operation on the new standard gauge lines being constructed across the country.

Furthermore, in order to ensure the availability of standard gauge rolling stock for the testing and commissioning of the Tema to Mpakadan railway line which is scheduled to be completed in July, 2021, a lease purchase agreement will be implemented in 2021 to enable the delivery of two (2) sets of Class IC4 High Speed Diesel Multiple Unit (DMU) Trains, Equipment and accompanying Spare Parts within 8 to 12 months.

3.2.7 Land Acquisition for Railway Development

The 2021 Budget makes provision for the Railway Sector to go through the necessary processes for the release of unencumbered land to contractors in advance of project commencement. The carrying out of cadastral surveys, publication of Executive Instruments (E.I.) for compulsory land acquisition and the payment of compensation to project affected persons often take time to complete and often leads to delays in site possession and consequently triggers delayed payment clauses.

3.2.8 Railway Asset Inventory and Valuation

One of the objects of the GRDA is to hold, administer and improve the Railway Assets. Section 107 of the Railways Act, 2008 (Act 779) defines Railway Assets to include “assets which are vested in the Ghana Railway Development Authority by law or otherwise, and includes the assets of the Ghana Railway Company Limited transferred to the Authority under Section 32 and those acquired by the Authority pursuant to Act 779”.

With the current state of the railways, most of these assets have been abandoned and some are advertently or inadvertently being taken over by private sector individuals and organizations. The Ministry will therefore pursue a programme to identify and ascertain the state/condition of all railway assets across the country and take steps to reclaim these assets, as well as, update the railway asset register or database for proper inventory and management.

3.2.9 Operationalization of the Railway Training School

In order to develop capacity for the maintenance and sustenance of the railway system in the country, the Ministry of Railways Development is collaborating with the George Grant University for Mines and Technology in Tarkwa to provide tertiary training at the refurbished Railway Training School, at Sekondi which is now called the UMaT School of Railways and Infrastructure Development. The first batch of students will commence studies in the 2021/2022 academic year. This programme will be pursued by the Ministry.

ANNEX 1: Project Register

| PROJECT DISCRPTION | DEVELOPMENT DIMENSION OF POLICY FRAMEWORK | LOCATION | CONTRACTOR/ CONSULTANT | CONTRACT SUM GH¢ | SOURCE OF FUNDING | DATE OF AWARD | EXPECTED DATE OF COMPLETION | EXPENDITURE TO DATE GH¢ | OUT STANDING BALANCE GH¢ | IMPLEMEN- TATION STATUS (%) | REMARKS |
|---|--|---|--|---------------------|---------------------------|---------------|-----------------------------|----------------------------|-----------------------------|-----------------------------|--|
| Construction of Kojokrom-Manso Railway Line (22km) | Environment, Infrastructure and Human Settlement | Kojokrom-Manso | Amandi Holdings Limited | 902,219,137.00 | GoG | 1-Feb-2018 | 22-Feb-2022 | 368,605,315.27 | 533,613,821.74 | 42.01% | On-going |
| Final Design for the Western Railway Line (Phase 2) | Environment, Infrastructure and Human Settlement | Takoradi - Kumasi (Western and Ashanti Regions) | Team Engineering S.p.A | 267,400,000.00 | GoG | 20-Sep-2017 | 19-Mar-2019 | 30,274,210.96 | 237,125,789.04 | 36% | On-going |
| Supervision for the Western Railway Line (Phase 3) | Environment, Infrastructure and Human Settlement | Takoradi - Kumasi (Western and Ashanti Regions) | Team Engineering S.p.A | 90,300,000.00 | GoG | 1-Feb-2018 | 22-Feb-2022 | - | 90,300,000.00 | 45% | Contract represents supervision for the entire Western Line. Completion date subject to review in consonance with the Contractors' contract. |
| Construction of Single standard gauge railway line from Tema to Mpakadan on Engineering EPC basis | Environment, Infrastructure and Human Settlement | Tema - Mpakadan (Greater Accra and Volta Regions) | AFCONS Infrastructure Ltd | 2,571,247,570.61 | Loan (EXIM Bank of India) | 18-Nov-2016 | 30-Jul-2021 | 1,874,653,772 | 696,593,798.70 | 75.53% | On-going |
| Vetting and Supervision for the Tema - Akosombo Railway Line | Environment, Infrastructure and Human Settlement | Tema - Mpakadan (Greater Accra and Volta Regions) | Team Engineering S.p.A | 57,500,000.00 | Loan (EXIM Bank of India) | 18-Nov-2016 | 30-Jul-2021 | 44,148,704.7 | 13,351,295.3 | 75.53% | On-going |
| Consultancy Services for Feasibility Studies for the Development of Kumasi to Paga line (Central Spine) | Environment, Infrastructure and Human Settlement | Kumasi - Paga (Ashanti, Brong Ahafo, Northern and Upper East Regions) | Vision Consult/Gauff Ingenierie/ILF Consulting | 6,405,746.25 | GoG | 28-Dec-2017 | 24-Jul-2018 | 5,765,171.63 | 640,574.62 | 90% | Inception, Analysis, Survey and draft Final Feasibility Studies Reports submitted. Awaiting submission of Final Feasibility Studies Report to complete assignment. |

| PROJECT DISCRPTION | DEVELOPMENT DIMENSION OF POLICY FRAMEWORK | LOCATION | CONTRACTOR/ CONSULTANT | CONTRACT SUM GH¢ | SOURCE OF FUNDING | DATE OF AWARD | EXPECTED DATE OF COMPLETION | EXPENDITURE TO DATE GH¢ | OUT STANDING BALANCE GH¢ | IMPLEMENTATION STATUS (%) | REMARKS |
|---|--|---|--|---------------------|-------------------|---------------|-----------------------------|----------------------------|-----------------------------|---------------------------|--|
| Consultancy Services for Feasibility Studies for the Development of the Central Railway Line from Huni Valley to Kotoku | Environment, Infrastructure and Human Settlement | Kotoku - Huni Valley (Greater Accra, Central and Western Regions) | ABP Consult Ltd./Ardanuy S.A. | 1,995,352.73 | GoG | 27-Dec-2018 | 31-Aug-2019 | 798,140.9 | 1,197,211.83 | 50% | Inception, Data Analysis and Survey Reports submitted. Awaiting submission of draft Final and Final Feasibility Studies Reports to complete assignment. |
| Consultancy Services for Feasibility Studies for the Development of the Trans-ECOWAS Railway Line from Aflao to Elubo | Environment, Infrastructure and Human Settlement | Aflao - Elubo (Volta, Greater Accra, Central and Western Regions) | M. R. Technofin Consultants / West African Railway Engineers Ltd. / Derby Company Ltd. | 8,104,134.81 | GoG | 19-Dec-2018 | 30-Jun-2019 | 2,846,232.23 | 5,257,902.58 | 90% | Inception, Analysis, Survey and draft Final Feasibility Studies Reports submitted. Awaiting submission of Final Feasibility Studies Report to complete assignment. |
| Transaction Advisory Services for the Development of Metro/Light Rail System in Accra | Environment, Infrastructure and Human Settlement | Accra (Greater Accra Region) | Systra/Transtech/Rebel | 11,701,882.15 | GoG | 20-Sep-2018 | 30-Jun-2-19 | 2,397,178.7 | 9,304,702.89 | 60% | Inception, Analysis, Survey and draft Final Feasibility Studies Reports submitted. Awaiting submission of Final Feasibility Studies Report to complete first phase of the assignment. |
| Transaction Advisory Services for the Development of Metro/Light Rail System in Kumasi | Environment, Infrastructure and Human Settlement | Kumasi (Ashanti Region) | PwC (Gh) Ltd. | 11,584,495.50 | GoG | 21-Dec-2018 | 30-Jun-2019 | 4,054,212.88 | 7,530,282.63 | 70% | First phase of assignment completed following submission of Inception, Analysis, Survey and draft Final and Final Feasibility Studies Reports by Consultant. Procurement Process to be launched for the procurement of a private Sector developer |

| PROJECT DISCRPTION | DEVELOPMENT DIMENSION OF POLICY FRAMEWORK | LOCATION | CONTRACTOR/ CONSULTANT | CONTRACT SUM GH¢ | SOURCE OF FUNDING | DATE OF AWARD | EXPECTED DATE OF COMPLETION | EXPENDITURE TO DATE GH¢ | OUT STANDING BALANCE GH¢ | IMPLEMENTATION STATUS (%) | REMARKS |
|---|--|----------------------|---------------------------------------|---------------------|-------------------|---------------|-----------------------------|----------------------------|-----------------------------|---------------------------|--|
| Transaction Advisory Services for the Development of the Ghana - Burkina Faso Railway Interconnectivity Project | Environment, Infrastructure and Human Settlement | Ghana - Burkina Faso | Team Engineering S.p.A/Vision Consult | 71,252,626.9 | GoG | 16-Nov-2018 | 30-Sep-2019 | 16,031,846.17 | 55,220,780.73 | 75% | First phase of assignment, involving feasibility studies completed in June, 2020. Second phase of assignment, involving procurement process is at the Request for Proposal stage. |
| Review of the Ghana Railway Master Plan 2013 | Environment, Infrastructure and Human Settlement | Nation-wide | Team Engineering S.p.A | 9,911,997.9 | GoG | 29-Aug-2018 | 31-Dec-2018 | - | 9,911,997.9 | 90% | Final Report submitted. Stakeholder sensitization exercises to be undertaken. |

Exchange Rate: US\$1 = 5.75
 €1 = 7.00

ANNEX 2: Update on Revenue and Disbursements

Revenue Analysis (Ghana Cedis)

| REVENUE SOURCES | Baseline | Target | Actual | | |
|------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2017 | 2020 | 2018 | 2019 | 2020 |
| Central Government Transfers | 92,090,622.47 | 124,777,053.29 | 105,409,807.66 | 95,709,522.41 | 121,043,089.02 |
| IGF | - | 1,190,281.52 | 1,165,338.40 | 1,171,306.00 | 985,828.00 |
| DP Support | 347,303,927.00 | 308,809,800.00 | 496,933,542.61 | 409,570,447.17 | 591,184,437.23 |
| TOTAL | 439,394,549.47 | 434,777,134.81 | 603,508,688.67 | 506,451,275.58 | 713,213,354.25 |

Expenditure Analysis (Ghana Cedis)

| EXPENDITURE ITEM | Baseline | Target | Actual | | |
|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2017 | 2020 | 2018 | 2019 | 2020 |
| Compensation | 3,101,828.25 | 3,759,943.00 | 1,237,010.47 | 2,845,307.29 | 3,003,186.20 |
| Goods and Services | 6,726,675.00 | 9,626,139.81 | 3,583,978.86 | 2,209,546.00 | 7,976,220.73 |
| CAPEX | 429,566,046.22 | 421,391,052.00 | 598,591,086.80 | 501,396,422.29 | 702,233,947.32 |
| TOTAL | 439,394,549.47 | 434,777,134.81 | 603,508,688.67 | 506,451,275.58 | 713,213,354.25 |