



MINISTRY OF RAILWAY DEVELOPMENT



2021 ANNUAL PERFORMANCE REPORT (JANUARY – DECEMBER, 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 Railway 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
VfM	-	Value-for-Money

EXECUTIVE SUMMARY

The 2021 Annual Performance Report of the Ministry of Railway Development presents a comprehensive report on the key activities undertaken during the period January to December, 2021. The Report accounts for the overall performance of the Railway Sector towards the achievement of the socio-economic development of Ghana.

The Report has been prepared in line with Guidelines and Templates¹ issued by the Office of the Head of Civil Service (OHCS) pursuant to Section 85(1) of the Civil Service Act, 1993 (PNDCL 327).

Profile of Ministry of Railways Development

The Ministry of Railway Development (MoRD) was established in February, 2017 in line with sections 11 and 13 of the Civil Service Act, 1993 (PNDCL 327). The Ministry is tasked with the responsibility of ensuring the rapid development of a modern rail network and associated infrastructure in Ghana.

The Vision of the Ministry is to develop a modern, robust and integrated railways system as well as associated infrastructure to serve as a catalyst and a backbone for the transformation of the economy and make Ghana's rail transport system the lead in Africa.

The Ministry of Railway Development exists to provide leadership and guidance for the development and modernization of Ghana's railway system and associated infrastructure through effective policy formulation, investment promotion and research and development.

Staff Strength

Ministry, Headquarters

The staff strength of the Ministry of Railways Development (Headquarters), who are core Civil Servants, stood at fifty four (54) as at the end of December, 2021. This was made up of forty – one (41) Senior Staff and thirteen (13) Junior Officers who were distributed among the various Directorates and Units. In addition, the Ministry had twenty – one (21) staff seconded from the Ghana Railway Company Limited and three (3) staff also seconded from the Ghana Railway Development Authority. The Ministry also engaged the services of eight (8) Individual Consultants to improve its human resource situation. The services provided by the Individual Experts were in the areas of Transport Planning/Economics & Logistics, Legal, Engineering, Environmental Sustainability, Institutional Reform and Safety & Security. A total of twenty (20) National Service Personnel were posted to assist in the performance of the functions of the Ministry. No recruitment exercise was carried out at the Ministry during the year 2020. Eight (8) officers of the Ministry who were scheduled for promotion interview received letters promoting them to the next higher grade. This consisted of three (3) males and five (5) females. Four (4) officers were posted to the Ministry which was made up of one (1) male and three (3) females. Three (3) officers were also posted out of the Ministry during the year 2021.

¹ Guidelines and Templates for the Preparation and Submission of 2021 Annual Performance Reports by Sector Ministries – Office of the Head of the Civil Service (October, 2021)

Highlights of Key Achievements

The development of the Railway Sector is on course towards achieving the vision of His Excellency the President for a modern, robust and integrated railway system in Ghana. Key among the progress made in 2021 include development of sections of the Western rail line and the Tema to Mpakadan rail line on standard gauge.

The construction of the 22km Kojokrom to Manso section of the Western Line which commenced in 2018 with funding by the Government of Ghana, was about 75% complete as at the end of December, 2021. The project is expected to be fully completed and handed over by the contractor, Messrs Amandi Holding Ltd. by March, 2022. Under a €500 million Deutsche Bank credit facility secured by Government in 2020, the development of the new standard gauge Western Line will continue from Manso to Huni Valley by Messrs Amandi. The Value-for-Money assessment of the project was completed in August, 2021 and the project is expected to commence in 2022. The project will include the construction of a new standard gauge rail line to the Takoradi Port in order to have a continuous standard gauge connection from the Port to the Nsuta and other mines to facilitate the efficient haulage of minerals.

The Government of Ghana (GoG) is also funding the development of an additional 6km of standard gauge rail line from Adum to Kaase in Kumasi, as part of the Western Railway Line development project. As at the end of December, 2021, the contractor, Messrs David Walter Limited has mobilized to site and made 3% progress with respect to the project execution.

The Tema to Mpakadan standard gauge railway line project is expected to be completed before the end of the second quarter of 2022. The project was about 90% complete as at the end of December, 2021 and covers approximately 100km of the proposed Ghana – Burkina Faso Railway Interconnectivity project. The remaining sections of the rail interconnectivity project, spanning about 1,100km from Mpakadan through Paga to Ouagadougou, is being implemented under a PPP arrangement. The Governments of Ghana and Burkina Faso are jointly going through the requisite procurement processes as established by Law in the two countries. As at the end of December, 2021, the procurement process was at the Request for Proposal (RfP) stage and Technical and Financial Proposals were under evaluation.

In order to ensure that Ghana develops adequate local capacity to manage and maintain the railway system which is currently undergoing modernization, the old Railway Central Training Institute located at Sekondi, in the Western Region has been refurbished with GoG funding and has since January, 2021 provided training for over 300 youthful Ghanaians in various engineering degree programmes. The school has been upgraded into a degree awarding institution through collaborative efforts by the Ministry of Railway Development and the George Grant University of Mines & Technology. The academic programmes being offered by the University has been purposefully structured to ensure that the students go through thorough practical and hands-on engineering training to augment the theoretical knowledge in order to strengthen the capacity building programmes.

Government is also currently upgrading the old Railway Workshop Complex at Sekondi to strengthen local capacity for the repairs and maintenance of locomotives, wagons, coaches and other ancillary railway equipment for the efficient operation of railway services in Ghana. The vision is to modernise and equip the facility for it to become a one stop workshop to serve the railway, mining, petroleum, agricultural and other ancillary industries in Ghana. There are

seven (7) separate workshops at the facility and refurbishment works at two (2) of the workshops (the Diesel and Erecting Workshops) have already been completed. As at the end of December, 2021, renovation works at the five (5) remaining workshops were about 65% complete.

Financial Performance for 2021 (January – December, 2021)

SOURCE		APPROVED BUDGET (GHS)	ACTUAL RECEIPTS (GHS)	ACTUAL EXPENDITURE (GHS)	% OF BUDGET EXPENDED
	GOG	A	B	C	%
1	Compensation of Employees	3,759,944.00	3,156,339.48	3,156,339.48	83.95%
	Use of Goods & Services	11,879,665.00	8,702,319.47	8,702,319.47	73.25%
	CAPEX	126,943,815.00	111,833,233.00	102,125,485.51	80.45%
2	IGF	1,584,000.00	2,048,176.00	1,582,164.41	99.88%
3	DEV'T PARTNERS				
	Indian Exim Bank	368,408,268.00	404,958,956.57	404,958,956.57	109.92%
	TOTAL	512,575,692.00	530,699,024.52	520,525,265.44	101.55%

The Ministry and its Agencies' total GoG and Donor expenditure for the year ended 31st December, 2021 amounted to **Five Hundred and Twenty Million Five Hundred and Twenty-Five Thousand Two Hundred and Sixty-Five Ghana Cedis Forty-Four Pesewas (GHS520,525,265.44)** as against a total approved budget amount of Five Hundred and Twelve Million, Five Hundred and Seventy-Five Thousand, Six Hundred and Ninety-Two Ghana Cedis (GHS512,575,692.00), representing 101.55% of the total approved amount.

PART ONE: PROFILE OF THE MINISTRY

1.0 INTRODUCTION

The Ministry of Railway Development (MoRD) was established in February, 2017 in line with sections 11 and 13 of the Civil Service Act, (PNDCL 327). The Ministry is tasked with the responsibility of ensuring the rapid development of a modern rail network and associated infrastructure in Ghana.

The Ministry is also mandated to ensure the development and formulation of policies, plans, and programmes to guide the development of the rail transport sector for movement of passengers and goods, facilitate trade, industrial development and stimulate economic growth.

The following report, covering the period January to December, 2021, has been prepared in line with Guidelines and Templates issued by the Office of the Head of Civil Service (OHCS) dated October, 2021 pursuant to Section 85 (1) of the Civil Service Act, 1993 (PNDCL 327).

1.1 Vision

To develop a modern, robust and integrated railways system as well as associated infrastructure to serve as a catalyst and a backbone for the transformation of the economy and make Ghana's rail transport system the lead rail transport system in Africa.

1.2 Mission

The Ministry of Railways Development exists to provide leadership and guidance for the development and modernization of Ghana's railway system and associated infrastructure through:

- Effective Policy Formulation
- Investment Promotion
- Research and Development

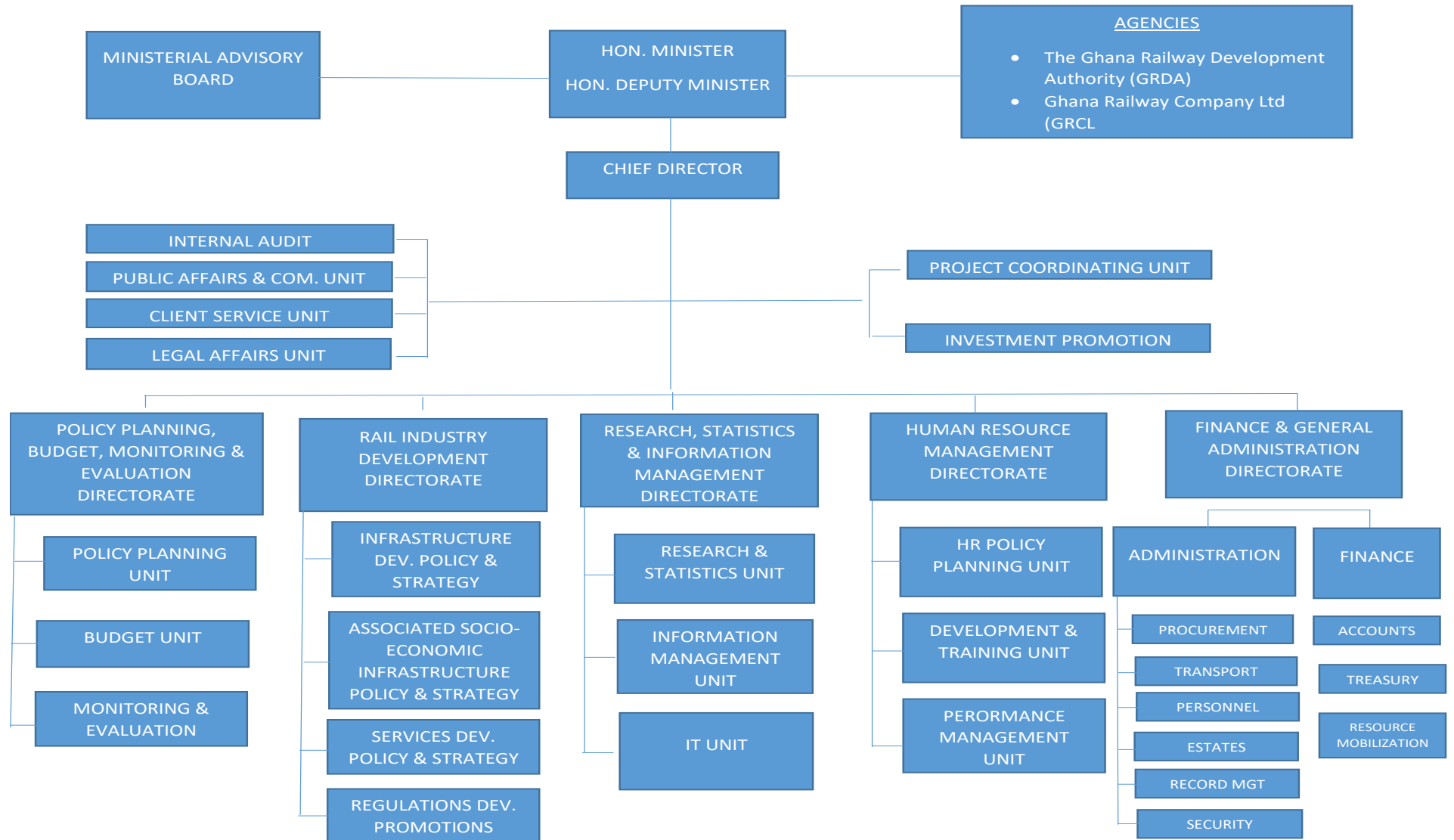
1.3 Functions

The Ministry of Railways Development was created to focus exclusively on rail transportation and therefore mandated to perform the following functions:

- a. Development and formulation of policies, plans, and programmes to guide the development of the rail transport sector as a facilitator of economic activities, trade and stimulant for economic growth;
- b. Promotion of investment in the railways sector and investment in associated infrastructure;

- c. Development of the appropriate human resources capacity for the rail transport sector;
- d. Coordination of the sector's budget activities, as well as, the sub-vented agencies under the rail transport sector;
- e. Provision of oversight responsibility for the rail transport sector;
- f. Negotiation of Bilateral and Multilateral Agreements on railways development and promotion for the country;
- g. Provision, facilitation and supervision of research and dissemination of information within and outside the railway sector;
- h. Ensuring programme/project implementation;
- i. Monitoring and evaluation of plans, programmes and projects within the sector.

1.4 Organizational Structure of the Ministry of Railway Development



1.5 *List of Sector Departments and Agencies*

The Ministry of Railway Development was created to focus exclusively on the rail transportation mode and therefore has oversight responsibility over two (2) public sector agencies of the Railway Sector as follows:

1.5.1 Sub-vented Agency

Ghana Railway Development Authority (GRDA)

The Ghana Railway Development Authority was established under the Railways Act 2008, Act 779.

The objects of the Authority are to:

- promote the development of railways and railway services
- hold, administer and improve the Railway Assets
- promote the development and management of suburban railways

1.5.2 Public Service Organization

Ghana Railway Company Limited (GRCL)

The Ghana Railway Company Limited was established in March, 2001 under the Companies' code 1963 (Act 179) to provide freight, parcel and passenger rail services.

The services, as originally planned and envisaged, to be provided by the company include the following:

- Rail freight transport services on the main lines (Western, Eastern and Central Railway Lines)
- Passenger services on the main lines

Currently however, the services provided by the company are only limited to the following:

- Rail freight services between the Nsuta and Takoradi section of the Western Railway Line for the haulage of Manganese from the Nsuta mines for export through the Takoradi Port.
- Sub-urban rail services on the Accra-Nsawam and Accra-Tema sections of the Eastern Railway Line.
- Sub-urban rail services on the Takoradi-Sekondi via Kojokrom and Takoradi-Tarkwa sections of the Western Railway Line.

1.6 Political and Administrative Heads of the Ministry, Department and Agencies

i. POLITICAL & BUREAUCRATIC HEADS OF THE MINISTRY

Position	Name	Period in Office
Hon. Minister	Hon. John-Peter Amewu (MP)	March, 2021 - Date
Deputy Minister	Hon. Kwaku Asante-Boateng (MP)	June, 2021 - Date
Bureaucratic Head	Mr. Desmond Boateng	January, 2020 - Date

ii. HEADS OF DEPARTMENT AT THE NATIONAL LEVEL

S/N	Name of Department	Name of Bureaucratic Head	Substantive Grade	Period of Office
1.	Ghana Railway Development Authority	Mr. Yaw Owusu	Chief Executive Officer	February, 2021 - Date
2.	Ghana Railway Company Limited	Ing. Dr. Michael Adjei Anyetei	Managing Director	April, 2021 - 22 nd December, 2021

PART TWO – HUMAN RESOURCE DATA AND ANALYSIS

2.1 *Staff Distribution*

The staff strength of the Ministry of Railway Development (Headquarters), who are core Civil Servants, stood at fifty –four (54) as at the end of December, 2021. This was made up of forty –one (41) Senior Staff and thirteen (13) Junior Officers who were distributed among the various Directorates and Units as indicated below:

- Finance & Administration	- 28
- Human Resource Management & Development	- 6
- Research, Statistics & Information Management	- 8
- Policy Planning, Monitoring & Evaluation	- 5
- Internal Audit	- 4
- Engineering Unit	- 3
Total	54

In addition, the Ministry had twenty – one (21) staff seconded from the Ghana Railway Company Limited and three (3) staff also seconded from the Ghana Railway Development Authority. The Ministry also engaged the services of seven (7) Individual Consultants to improve its human resource situation. The services provided by the Individual Experts were in the areas of Transport Planning/Economics & Logistics, Legal, Engineering, Environmental Sustainability, Institutional Reform and Safety & Security. A total of twenty (20) National Service Personnel were posted to assist in the performance of the functions of the Ministry. No recruitment exercise was carried out at the Ministry during the year 2021 eight (8) Officers from the Ministry were interviewed for promotion and awaiting results. This consisted of three (3) males and five (5) females. Four (4) Officers were posted to the Ministry which consisted one (1) male and three (3) females. Three (3) officers were posted out of the Ministry during the year 2021.

Table 1. Age/Sex Distribution (Ministry of Railway Development)

AGE RANGE	20 – 30 YRS	31 – 40 YRS	41 – 50 YRS	51 – 60 YRS	60 YRS +	TOTALS
MALE	4	11	6	10	-	31
FEMALE	-	10	11	2	-	23
TOTAL	4	21	17	12	-	54

From **Table 1** above, analysis of the age distribution of the staff of the Ministry reveals that as at end of December 2021, a total of twenty-one (21) members of staff fell within the 31 – 40 age bracket representing over 50% of the total staff strength, most of whom

were senior staff twelve (12) members of staff were above 50 years, while four (4) and seventeen (17) fell between the age bracket of 20-30 and 41-50 respectively.

A detailed Staff Distribution including the Staff List, Staff Categorization, Sex and Age Distribution are attached in **Appendix 1**.

2.2 Staff Movements

2.2.1 Recruitments

No recruitment exercise was carried out in the Ministry during the period under review. Moreover recruitment is been done at OHCS and staff are posted to the Ministry.

2.2.2 Promotions

During the year under review, eight (8) officers went for promotion interview and awaiting results. This consisted of three (3) males and five (5) females.

2.2.3 Postings

Four (4) Officers were posted to the Ministry which was made up of one (1) male officer and three (3) female officer. Three (3) officers were posted out of the Ministry during the year 2021.

2.2.4 Staff Upgrade

No officer upgraded and converted during the year.

2.2.5 Staff on Contract

The Ministry did not engage any contract staff during the year and one (1) staff exited the Service through retirement,

No resignation, dismissal, interdiction or death as at the end of the year.

2.2.6

One (1) officer was seconded from the Ministry, however, twenty-one (21) were on secondment from the Ghana Railway Company Limited and three (3) from Ghana Railway Development Authority during the reporting year.

2.2.7 Leaves

No member of staff was granted study leave with or without pay during the period under review.

A detailed list relating to the movement of staff, as well as, promotions, postings, conversions, contract staff have been provided in **Appendix 2**.

2.3 Training and Development

Training development and learning are keys to ensuring that the Civil Servants are equipped to meet present and future needs and challenges. As such, the Ministry considers staff development as an essential ingredient to promote efficiency, quality and timely service delivery.

At the end of the year, a total of thirty – one (31) members of staff underwent various Scheme of Service and Competency-based training programmes. No officer was offered training in Academic. Also thirty – six officers were offered training in both Seminars

and Workshop. Funding for all the training programmes were borne by the Government of Ghana. Linchpin

Following the ongoing COVID-19 pandemic in Ghana, most of the training programmes were held virtually through ZOOM video conference in adherence to safety protocols like physical contact and social distancing.

The training courses attended by officers equipped them to acquire the requisite skills and competencies relevant to the performance of their jobs, thereby assisting them to be more committed to achieving the Ministry's goals and objectives, and in turn enhancing employee's effectiveness within the organization.

The details of the training and development programmes, including scheme of service & competency-based training programmes, workshops, seminars & conferences, as well as, academic training programmes embarked upon by the respective officers are attached in **Appendix 3**.

PART THREE: KEY ACHIEVEMENTS, REFORMS AND SUSTAINABLE DEVELOPMENT GOALS (SDGs) OF THE SECTOR

3.1 Key Achievements

3.1.1 The Railway Sector Medium-Term Development Plan and its intended Objectives

The Ministry 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

In line with the key issues identified, Government's policy objectives to address these issues are to:

- 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 have been elaborated in detail in section 3.2.

3.1.2 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 Railway 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

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 did not plan to undertake any major rehabilitation works the existing narrow gauge network.

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. 151km 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 (70km), as well as, the Takoradi-Tarkwa (66km) and Takoradi-Sekondi via Kojokrom (15km) sections of the Western Railway Line.

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, 2021, about 102km of new standard gauge railway tracks had been laid out of the planned 119km. The new standard gauge lines laid include sections of the Tema-Mpakadan and Kojokrom-Manso railway projects which are currently on-going at 90% and 75% completion stage respectively.

Passenger Throughput

The Ghana Railway Company Limited carried a total of 150,017 passengers over the period against a target of 1,200,000 passengers. The recorded passenger numbers represent a negative variance of 87.50% of the 2021 target but an increase by 70.56% from the 2020 figure.

Passenger train services on the Accra-Tema, Accra-Nsawam and Takoradi-Tarkwa sections of the railway network are yet to resume following their suspension in March, 2020 due to the COVID-19 pandemic. The delay in the resumption of the services are due to the maintenance works carried out on the lines during the year 2021. Test runs were being carried out in December, 2021 ahead of the operationalisation of the lines.

Table 4 below shows the passenger traffic performance for the year as compared to the target and the previous years. **Figure 1** also presents a graphical view of the passenger traffic performance.

Table 4: Passenger Traffic

INDICATOR	Units	2019	2020	2021 (Actual)	2021 (Target)	Actual % of Target	Actual % of 2020
Passenger	No. (000)	173.59	87.95 ²	150.02 ³	1200.00	-87.50%	70.56%

Figure 1: Graphical presentation of Passenger Traffic Performance

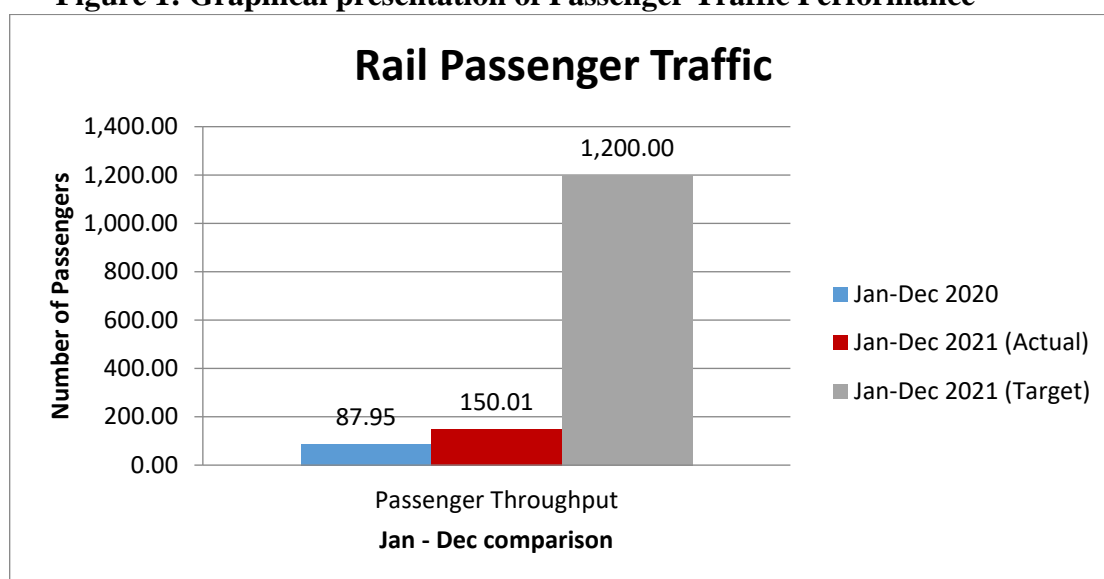


Table 5: Freight Traffic

INDICATOR	Units	2019	2020	2021 (Actual)	2021 (Target)	Actual % of Target	Actual % of 2020
Freight Traffic	Tonnes '000)	566.18	470.09	587.00	850.00	-41.30%	24.87%

Manganese is the only cargo hauled by the Ghana Railway Company Limited from the mines at Nsuta to the Port of Takoradi for export. **Table 5** above compares a three (3) year performance with regards to the haulage of manganese from 2019-2021. It is clear that the year 2020 was the least performing year. The following reasons accounts for the negative performance against the target:

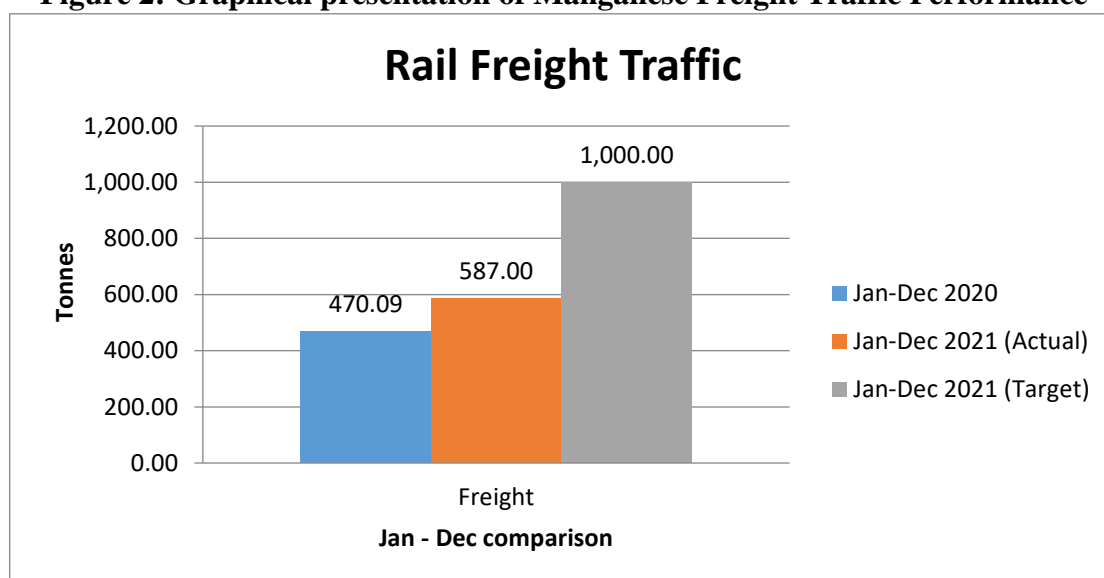
² Accra-Tema, Accra-Nsawam, Takoradi-Tarkwa and Takoradi-Sekondi via Kojokrom passenger services suspended in April, 2020 due to COVID-19 pandemic.

³ Passenger service on the Takoradi-Sekondi via Kojokrom only.

- Suspension of operations from 15th to 30th September, 2021 and also from 1st to 15th November, 2021 to allow Amandi Holding Ltd. to undertake culvert construction works as part of the new standard gauge line be constructed between Eshiem and Manso.
- One major incident which involved collision of two manganese trains at Wassa Manso.
- 58 minor incidents which took 836 hours for the line to be restored.
- Frequent delays at the loading point.
- Insufficient number of locomotives and wagons to haul larger quantities of manganese from the mines.
- Tipping delays due to loading of different grades of manganese.
- Civil engineering blockage of the rail line for maintenance works.

Figure 2 below depicts the performance of the manganese freight traffic between 2019 and 2021.

Figure 2: Graphical presentation of Manganese Freight Traffic Performance



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 2020 Operational Incidents (major and minor) by hundred percent. For the year 2020, the sector recorded 48 major operational incidents and 29 minor operational incidents. During the year 2021 however, a total of 58 minor incidents occurred on the rail network with 1 major incident which occurred during the last quarter of the year 2021.

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 target train turnaround time for the year 2021 of 8 hours was achieved by the Ghana Railway Company Limited.

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.

Table 6: Revenue Generated from Operations

INDICATOR	Units	2019	2020	2021 (Actual)	2021 (Target)	Actual % of Target	Actual % of 2020
Revenue: Passenger Services	GHS '000)	402.87	179.53	228.45	3,600.00	-93.65%	27.25%
Revenue: Freight Services	GHS '000)	17,546.29	15,900. 56	20,311. 15	29,333.5	-30.76%	27.74%

From **Table 6** above, it is seen that the revenue generated from both rail passenger and freight operations increased from the previous year. For instance, revenue generated from passenger operations was 27.25% higher than the revenue generated in 2020. However, the revenue fell short of the 2021 target by 93.65%.

Similarly, revenue generated from freight operations in 2021 was 30.76% less than the expected revenue. The performance however, represented 27.74% in excess of the revenue generated from freight operations in 2020.

3.1.3 Implementation Status for Projects and Programmes

3.1.3.1 Western Railway Line (Standard Gauge)

The Western Railway Line, which is from Takoradi to Kumasi with a branch line from Dunkwa to Awaso (340km), is the major route for the transportation of major minerals and other bulk commodities. The haulage of such bulk commodities (manganese, bauxite, cocoa, timber, cement, petroleum products etc.) on the line reduces the challenge of using road transport which causes road deterioration.

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

Government has adopted a systematic approach to gradually develop the Western Railway Line in accordance with the Railway Master Plan. The construction of the new standard gauge section of the Western Line from Kojokrom to Manso, which is a double line and having a distance of approximately 22km is on-going. The construction is being undertaken by Messrs Amandi Holding Ltd. with funding by the Government of Ghana under the Consolidated Fund. As at the end of December, 2021, the project was 75% complete with an expected completion date of June, 2022. Although the target was to complete the construction works in 2021, the performance represents a significant progress from the 2020 status of completion of 42%.

Disbursement of a Deutsche Bank credit facility commenced in November 2021 with the advance payment for the implementation of the contract dated 30th June, 2020 between the Ghana Railway Development Authority and Messrs Amandi Investment Limited for the continuation of the new standard gauge Western Line from Manso to Huni Valley. The project includes the development of a new standard gauge rail connection to the Takoradi Port and the conversion of the existing convertible narrow gauge line from the Takoradi Station to Kojokrom.

On-going Construction of the Kojokrom-Manso Section of the Western Line





Government has decided to develop the Western Railway Line southwards from Kumasi to Takoradi. The first phase, 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 with funds being provided by the Government of Ghana for the works. The contractor has mobilized to site and clearance of the right-of-way is currently underway to allow for the earth works to commence. The target for the year 2021 was to complete the necessary due processes towards the removal of encroachers and commence civil/earthworks. Notifications and publications regarding the vacation of the site by the various encroachers between Adum and Kaase have been completed awaiting the site clearance. The overall progress of work as at the end of December, 2021 is 3%.

Contractor's Mobilization construction for the Kumasi (Adum) – Kaase Project



3.1.3.2 Tema - Mpakadan Railway Line

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.

The construction of the 97.7km new standard gauge railway line is currently 90% complete. This line forms part of the Ghana – Burkina Faso Railway line and has the objective to develop a railway interconnectivity from the Port of Tema to Ouagadougou to improve the passenger and freight transport and logistics chain on the corridor to accelerate development and economic growth of both countries. The status of construction of the rail line was 75% as at the end of December, 2020 and the target was to complete the works and hand over to Government by August, 2021. However, issues relating to land acquisition on some sections have led to considerable delays in the project completion.

On-going Construction of Tema – Mpakadan Standard Gauge Railway Line







3.1.3.3 Ghana – Burkina Faso Railway Interconnectivity Project

The project is in furtherance of an agreement between H.E. Nana Addo Dankwa Akufo-Addo and his counterpart in Burkina Faso, H.E. Roch Marc Christian Kabore that rail interconnectivity between the two West African neighbours is an important factor to accelerate economic growth and development for the mutual benefit of the two nations and their people.

Further to the Agreement by the two Heads of States, a Joint Committee of Experts (JCE) was constituted to facilitate the implementation of railway project 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

Upon the recommendation of the Joint Committee of Experts (JCE), a team of Transaction Advisors were engaged to assist the Governments of the two countries to review/undertake feasibility studies, including survey works, mapping out the right of way, as well as, undertaking engineering designs of the development of the project.

The first phase of the project development, involving the feasibility studies for the approximately 1,200km railway line between the Port of Tema and Ouagadougou was completed in June, 2020. The second phase of the project, involving the procurement process for the private sector concessionaire also commenced concurrently with the feasibility studies.

On 21st June, 2021, Request for Proposals were issued to three (3) pre-qualified bidders who successfully qualified from the previous stages of the procurement process, that is, Expression of Interest (EoI) and Request for Qualification (RfQ). Technical and Financial Proposals were received from the pre-qualified bidders on 7th October, 2021 and evaluation is currently on-going as part of the procurement process for the engagement of a strategic investor to develop the project on a Build, Operate and Transfer (BOT) basis.

Technical and Financial Proposals Bid Opening Session, 7th October, 2021



3.1.3.4 Procurement of New Standard Gauge Rolling Stock

It has become imperative for Government to consider the urgent supply of standard gauge rolling stock in view of the need to obtain trains in time for testing and commissioning of the construction works and the subsequent operation of the new standard gauge railway lines which are currently under construction.

Government has therefore approved a Supplier's Credit facility which is being arranged by Messrs Dongfang Electric International Corporation for the supply of a total of thirty-five (35) new standard gauge locomotives and rolling stock.

Parliament, in October, 2020, approved the facility for implementation by the Ministry. In August, 2021, the Ministry of Finance completed the Value-for-Money (VfM) assessment on the contract for the supply of the rolling stock. By the end of December, 2021, discussions on the finalization of the Supplier's Credit Facility Agreement was on-going between the Ministry of Finance and the financiers. The quantities and categories of rolling stock which will be delivered are as follows:

- 9 Passenger Locomotives
- 48 Passenger Coaches
- 15 Freight Locomotives
- 330 Wagons
- 11 Shunting Locomotives

A Lease Purchase Agreement was also signed in November, 2020 with Messrs VAOB Group for the supply of two (2) sets of Diesel Multiple Unit (DMU) Trains, Equipment and accompanying Spare Parts within 8 to 12 months. The contract for the supply of the rolling stock was undergoing VfM assessment as at the end of December, 2021.

3.1.3.5 Upgrade of Railway Central Training Institute

As part of efforts to develop capacity in order to maintain and sustain the railway system in Ghana, Government took a decision to develop the old Railway Central Training Institute located in Sekondi into a degree awarding institution to provide training in Railway Engineering and other ancillary programmes.

As at the end of December, 2020, the school, which was in a bad state due to poor maintenance has been upgraded and equipped with modern teaching and learning facilities to enhance capacity building and skills development. In partnership with the George Grant University of Mines and Technology (UMaT), in January, 2021, the first batch of students commenced the 2021/2022 academic year with the following programmes being offered:

- BSc Mechanical Engineering
- BSc Electrical and Electronic Engineering
- BSc Computer Science and Engineering
- BSc Geomatic Engineering
- BSc Geological Engineering
- BSc Environmental and Safety Engineering

Plans are also on course to introduce the BSc Railway Engineering programme, as well as, other relevant programmes in the 2022/2023 academic year.

UMaT School of Railway & Infrastructure Development



3.1.3.6 Modernization of Location Workshop Complex

The Railway Location Workshop Complex, also situated at 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.

The Workshop Complex was constructed during the colonial era and has seven (7) sheds, namely; Diesel Shop, Erecting Shop, Smithy & Generator/Traction Motor Repair Cell, Boiler Shop, Machine Shop, Tender & Machine Shop, and Millwright/Foundry Shop

The Workshop Complex is being upgraded and equipped to become a one stop workshop to serve the railway, mining, petroleum and agricultural industries in the Western Region. By the end of December, 2020, refurbishment works at two (2) of the workshops (the Diesel and Erecting Workshops) had been completed. As at the end of December, 2021, modernization works at the remaining five (5) workshops were about 65% complete.

State of the Workshop Before Modernization



On-going Modernization Works at the Railway Location Workop Complex



Table 7: Summary of Achievements (Policy, Project or Programme)

No.	Achievement (Policy, project or programme)	Start Date	Status of work done for each year	Outputs for 2021	Outcome(s) (Should be listed or bulleted)
1.	<i>Development of the Western Railway Line on Standard Gauge</i>	2018	<p>2019:</p> <ul style="list-style-type: none"> Construction of the 5km section of the Western Line from Kojokrom to Eshiem was 68.43% complete as at the end of December, 2019. Contractor mobilized to site to commence construction works for the 17km section of the Western line from Eshiem to Manso. 	<ul style="list-style-type: none"> 6km out of 22km of standard gauge tracks laid as part of the Kojokrom to Manso section of the Western Railway Line completed. 	<ul style="list-style-type: none"> The new railway line to be operationalised upon completion by the end of 2022 in order to access the impact/outcome.
			<p>2020:</p> <ul style="list-style-type: none"> The two contracts were merged as a 22km project from Kojokrom to Manso and was averagely 40.79% completed by the end of December, 2020. Contract was signed in June, 2020 for the development of the section of the line from the Takoradi Port, through Manso to Huni Valley covering a total distance of 78km. The construction of the Kumasi (Adum) to Kaase section covering 6km also commenced in September, 2020. 	<ul style="list-style-type: none"> Value for Money (VfM) assessment completed for the contract for the development of the 78km Takoradi Port, through Manso to Huni Valley project. Site clearance works commenced as part the Kumasi (Adum) to Kaase project. 	<ul style="list-style-type: none"> The completion of the VfM led to the partial achievement of the conditions precedent for the effectiveness of the contract. Contract implementation has delayed due to issues of encroachment on the right-of-way.

No.	Achievement (Policy, project or programme)	Start Date	Status of work done for each year	Outputs for 2021	Outcome(s) (Should be listed or bulleted)
			2021: <ul style="list-style-type: none"> Construction of the 22km section of the Western Line from Kojokrom to Manso was 75% complete by the end of December, 2021. Advance mobilization amounting to 15% of the contract sum was paid to Messrs Amandi Investment Ltd. in December, 2021. Preparatory works on-going towards the commencement of the Takoradi Port, through Manso to Huni Valley project. Part payment of the 15% advance mobilization was paid to Messrs David Walter Ltd. in respect the Kumasi (Adum) to Kaase railway project. The project was 3% complete as at the end of December, 2021 		
2.	<i>Development of the Tema to Mpakadan Standard Gauge Railway Line</i>	2018	2019: <ul style="list-style-type: none"> Construction of the 97.7km standard gauge railway line was 55% complete as at the end of December, 2019. 	<ul style="list-style-type: none"> 96km out of 97.7km of standard gauge tracks laid. 	<ul style="list-style-type: none"> The railway line is expected to be operationalised in the before the end of 2022.

No.	Achievement (Policy, project or programme)	Start Date	Status of work done for each year	Outputs for 2021	Outcome(s) (Should be listed or bulleted)
			2020: <ul style="list-style-type: none"> The project was 75% complete as at the end of December, 2020. 		
			2021: <ul style="list-style-type: none"> As at 31st December, 2021, the project was 90% complete. 		
3.	<i>Development of the Ghana – Burkina Faso Railway Interconnectivity Project</i>	2017	2019: <ul style="list-style-type: none"> Pre-feasibility Study Report which was prepared by the Transaction Advisor was reviewed and validated in 2019 by the Joint Committee of Experts from Ghana and Burkina Faso as part of Phase 1 of the project development. Phase 2, involving the procurement process for the private sector Concessionaire was at the Request for Proposal stage as at the end of December, 2019. 	<ul style="list-style-type: none"> Request for Proposal. Draft Concession Agreement. Technical and Financial Proposals. 	<ul style="list-style-type: none"> Evaluation of Technical Proposals on-going.
			2020: <ul style="list-style-type: none"> Final Feasibility Study Report submitted by the Transaction Advisor in June, 2020 to bring Phase 1 of the assignment to an end. 		

No.	Achievement (Policy, project or programme)	Start Date	Status of work done for each year	Outputs for 2021	Outcome(s) (Should be listed or bulleted)
			<ul style="list-style-type: none"> By the end of December, 2020, the Transaction Advisor completed the Request for Proposal and Draft Concession Agreement for issuance to pre-qualified bidders as part of Phase 2 of the project development. 		
			<p>2021:</p> <ul style="list-style-type: none"> Request for Proposals were issued to three (3) pre-qualified bidders in June, 2021 to submit Technical and Financial Proposals for consideration as part of Phase 2 of the project development. Technical and Financial Proposals received from two (2) out of the three (3) pre-qualified bidders in October, 2021 and were under evaluation at the end of December, 2021. 		
4.	Procurement of New Standard Gauge Rolling Stock	2019	<p>2019:</p> <ul style="list-style-type: none"> Due Diligence undertaken to inspect the manufacturing plants and offices of the supplier, Messrs Dongfang Electric International Corporation, in China in April, 2019. 	<ul style="list-style-type: none"> Value-for-Money (VfM) assessment was completed in August, 2021 on the Contract with Messrs 	<ul style="list-style-type: none"> The completion of the VfM led to the partial achievement of the conditions precedent for the

No.	Achievement (Policy, project or programme)	Start Date	Status of work done for each year	Outputs for 2021	Outcome(s) (Should be listed or bulleted)
			<p>2020:</p> <ul style="list-style-type: none"> Contract was signed June, 2020 with Messrs Dongfang Electric International Corporation for the supply of a total of 35 new standard gauge trains for operations on the new standard gauge railway lines being developed. A Lease Purchase Agreement was also signed in November, 2020 with Messrs VAOB Group Ltd. for the supply of two (2) sets of Diesel Multiple Unit (DMU) trains for passenger operations on the Tema to Mpakadan Railway Line when completed. 	Dongfang Electric International Corporation for the supply of 35 trains.	effectiveness of the contract.
			<p>2021:</p> <ul style="list-style-type: none"> Value-for-Money (VfM) assessment was completed in August, 2021 on the Contract for the 35 trains by the Ministry of Finance and discussions on the Supplier's Credit Agreement were on-going as at the end of December, 2021. 		

No.	Achievement (Policy, project or programme)	Start Date	Status of work done for each year	Outputs for 2021	Outcome(s) (Should be listed or bulleted)
5.	<i>Upgrade of the Railway Central Training Institute</i>	2018	<p>2019:</p> <ul style="list-style-type: none"> • Renovation/modernization works on the physical infrastructure at the Training Institute which was in a deplorable state were completed as at the end of December, 2019. • Additional works involving the construction of drainage systems around the Training Institute commenced in 2019. <p>2020:</p> <ul style="list-style-type: none"> • Construction of the drainage systems were completed in 2020. • A Memorandum of Understanding was signed between the Ministry and the George Grant University of Mines and Technology (UMaT) to commence certificate, diploma and degree programs at the facility. <p>2021:</p> <ul style="list-style-type: none"> • In January 2021, the first batch of students commenced the 2021/2022 academic year with students studying various engineering related programs. 	<ul style="list-style-type: none"> • Studies commenced in the following Engineering programs: <ul style="list-style-type: none"> - <i>BSc Mechanical Engineering</i> - <i>BSc Electrical and Electronic Engineering</i> - <i>BSc Computer Science and Engineering</i> - <i>BSc Geomatic Engineering</i> - <i>BSc Geological Engineering</i> - <i>BSc Environmental and Safety Engineering</i> 	<ul style="list-style-type: none"> • Over 300 students admitted in the first year who are currently undergoing theoretical/practical training.

No.	Achievement (Policy, project or programme)	Start Date	Status of work done for each year	Outputs for 2021	Outcome(s) (Should be listed or bulleted)
6.	<i>Modernization of Location Workshop Complex</i>	2018	2019: <ul style="list-style-type: none">• Renovation/modernization works on two (2) out of seven (7) Workshops at the Complex was completed in March, 2019.• Renovation of Senior Mechanical Engineer’s Office Block also commenced in July, 2019. 2020: <ul style="list-style-type: none">• Renovation of Senior Mechanical Engineer’s Office Block was completed by the end of December, 2020. 2021: <ul style="list-style-type: none">• Renovation/modernization works on the remaining five (5) Workshops at the Complex commenced and was 65% complete by the end of December, 2021.	<ul style="list-style-type: none">• Renovation works on-going on the following five (5) workshops:<ul style="list-style-type: none">- <i>Smithy & Generator/Traction Motor Repair Cell</i>- <i>Boiler Shop</i>- <i>Machine Shop</i>- <i>Tender & Machine Shop</i>- <i>Millwright/Foundry Shop</i>	<ul style="list-style-type: none">• Repair and maintenance capacity of the Ghana Railway Company Ltd. enhanced.

3.2 Reforms

The Ministry instituted and implemented a number of major reforms which were instituted over the past 2-3 years. These are listed in **Table 7** below.

Table 8: Reforms undertaken

No.	Reforms	Type of Reform	No. of Years in Existence	Baseline (As at December, 2020)	Status of Implementation (Specific activities undertaken in 2021)	Impact of Reforms	Indicators to Monitor the Reforms	Challenges	Mitigating Strategies
1.	Development of new policy document	ICT Policy	Two (2) weeks	Nil	Policy document printed, circulated and sensitization fora held	Effective and efficient use of ICT equipment	No of issues implemented	Constraints in development of the policies	Provision of adequate and timely budgetary support for the implementation of recommendations
2.	Development of new policy document	Communication Policy	Four (4) months	Approved in August, 2021	Policy document printed, circulated and sensitization fora held	Effective Communication	Number of references	-	-
3.	Development of new policy document	Clients Service Charter	One (1) year	Approved in 2020	Implementation of Charter on-going	Informed & empowered Stakeholders	Number of requests met	Limited office space to accommodate fully functional Client Service Unit	-

No.	Reforms	Type of Reform	No. of Years in Existence	Baseline (As at December, 2020)	Status of Implementation (Specific activities undertaken in 2021)	Impact of Reforms	Indicators to Monitor the Reforms	Challenges	Mitigating Strategies
4.	Introduction of shift system for staff	Human Resource Management system	Eighteen (18) months	Commenced in May, 2020	On-going	Reduced congestion	No. of staff on duty	Limited office space to accommodate staff	-
5.	Virtual meetings, conferences, seminars, training etc.	ICT policy implementation	Eighteen (18) months	Commenced in May, 2020	On-going	Reduced the need for face-to-face interactions as a measure to control to spread of COVID-19	No. of virtual meetings held	NITA Internet/ service instability	Acquisition of alternative internet service to serve as a back-up for NITA
7.	Use of official staff e-mails for official correspondences	ICT policy implementation	Three (3) years	All staff have been assigned official e-mail addresses for official use	On-going. First post-implementation study on usage undertaken in December, 2020	Increased patronage	No. of official communications	- Unreliable Internet service - Unavailability of back-up internet service	Acquisition of alternative internet service to serve as a back-up for NITA
8.	Management control mechanism	Audit control tools	Two (2) years	Management control document approved in 2021	On-going	Reduction in financial irregularities	Reduced threats	Following the management control can be difficult	Re-enforcement by management

3.3 Sustainable Development Goals (SDGs)

Considerable progress has been recorded in the key indicators relevant to the Railway Sector towards the achievement of the SDGs target 9.1 which relates to “Develop quality, reliable, sustainable, and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all”. The data on the implementation of the SDG target is indicated in **Table 8** below:

Table 9: Implementation of SDG target by the Railway Sector

No.	SDGs	Indicators	Status of Implementation	Challenges	Mitigating Strategies
1.	Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	9.1.2 Passenger and freight volumes, by mode of Transport (Rail Transport)	<ul style="list-style-type: none"> No. of Passengers transported by rail in 2021 was 150,017 against a target of 1,200,000 passengers. Volume of freight transported by rail in 2021 was 587,000 tonnes against a target of 850,000 tonnes. 	<ul style="list-style-type: none"> Poor condition of track infrastructure Obsolete equipment and rolling stock High turnaround time Limited rail services provided on the operable sections of the existing rail network On-going construction of new standard gauge railway line which intermittently affects operations on the narrow gauge section, particularly on the Western Line 	<ul style="list-style-type: none"> Rehabilitation and upgrade of track infrastructure Replacement of obsolete equipment and refurbishment of rolling stock Construction of new standard gauge railway lines and the installation of modern signalling and communications equipment Acquisition of new standard gauge rolling stock and maintenance equipment

3.3 *Aftermath of COVID-19 (Impact on Work Process and Performance)*

For many Civil Servants, COVID-19 has changed the location of their work, their work tasks, the demands at work and the demands they face beyond work.

The impact of the COVID-19 crises on working lives was enormous. Following the spread of the virus, organizations quickly witnessed fundamental changes to work and social lives.

The COVID-19 pandemic made working from home the new way of working around the world of which the Ghana Civil and for that matter, the Ministry of Railway Development was not an exception. Due to the pandemic, many workers and employers had to switch quite suddenly, to remote work for the first time.

As a result of the above, employees of the Ministry of Railway Development now telework, not because they chose to do so, but because they were obliged to, because of social distancing to avoid the spread of the virus.

Availability of tools for working remotely (laptops, internet access etc.)

Staff worked from home using laptops, desktops with recourse to internet connectivity among others to execute their assigned roles on daily basis and as and when needed.

Strategies adopted to monitor work from home

Quite a number of measures were put in place to monitor remote work including but not limited to the following:

- The Ministry created a platform for information dissemination, and also as an avenue for colleagues to get in touch;
- Workers submitted draft assignments via e-mail to their supervisors/bosses on daily basis, and as and when needed for review;
- The Ministry instituted a strategy where teleworkers occasionally had the opportunity to engage in face-to-face interactions with coworkers, directors and supervisors;

Assessment of targets being achieved as compared to working from office

Despite for the fact that the Ministry had instituted work-life balance by employing the shift system, over 99% of targets set by officers for the year under review were achieved. The achievement was as a result of the strategic measures put in place to enable worker deliver on their mandate.

Challenges

- At home, the presence of partners and children greatly affected remote workers, especially where female workers had to contribute towards household chores. Employees had to regularly prepare meals three times a day;
- Workplace isolation was another important key challenge resulting in social isolation which was one of the main drawbacks of remote work. The pandemic had exposed remote workers to social confinement with no in-person contact with colleagues;
- Another peculiarity of work-life balance was that remote workers had to share their workspace with family members such as partners and school-age children engaged in distance learning and this affected service delivery

- In some rare cases and scenarios, remote workers faced challenges in the delivery of their duties especially when they needed assistance from co-workers;
- Supervisors could not monitor whether teleworkers were working or not;
- Some remote workers rode on the back of work-life balance for moonlighting;

Recommended solutions

The Ministry should:

- Strengthen the shift system so that remote workers will be in the office every other week for face-to-face interactions with supervisors and directors;
- Solicit for the services of other internet providers as back up

3.4 Financial Performance for 2021 (January – December, 2021)

Table 10: Approved Budget versus Expenditure (January-December, 2021)

SOURCE		APPROVED BUDGET (GHS)	ACTUAL RECEIPTS (GHS)	ACTUAL EXPENDITURE (GHS)	% OF BUDGET EXPENDED
	GOG	A	B	C	%
1	Compensation of Employees	3,759,944.00	3,156,339.48	3,156,339.48	83.95%
	Use of Goods & Services	11,879,665.00	8,702,319.47	8,702,319.47	73.25%
	CAPEX	126,943,815.00	111,833,233.00	102,125,485.51	80.45%
2	IGF	1,584,000.00	2,048,176.00	1,582,164.41	99.88%
3	DEV'T PARTNERS				
	Indian Exim Bank	368,408,268.00	404,958,956.57	404,958,956.57	109.92%
	TOTAL	512,575,692.00	530,699,024.52	520,525,265.44	101.55%

The Ministry and its Agencies' total GoG and Donor expenditure for the year ended 31st December, 2021 amounted to **Five Hundred and Twenty Million, Five Hundred and Twenty Five Thousand, Two Hundred and Sixty Five Ghana Cedis Forty Four Pesewas (GHS520,525,265.44)** as against a total approved budget amount of Five Hundred and Twelve Million, Five Hundred and Seventy-Five Thousand, Six Hundred and Ninety-Two Ghana Cedis (GHS512,575,692.00) representing **101.55%** of the total approved budget.

The excess expenditure over the approved 2021 budget was as a result of the releases made in respect of the Tema-Mpakadan Railway project which is being funded under the Indian EXIM Bank credit facility.

Actual expenditure for compensation of employees of the Ministry and its Agencies for the period stood at Three Million, One Hundred and Fifty-Six Thousand Three Hundred and Thirty-Nine Ghana Cedis, Forty-Eight Pesewas (GHS3,156,339.48) from the Budgeted amount of Three Million, Seven Hundred and Fifty-Nine Thousand Nine Hundred and Forty-Four Ghana Cedis GHS3,759,944.00, representing 83.95% of the budget.

Expenditure for goods and services amounted to Eight Million, Seven Hundred and Two Thousand Three Hundred and Nineteen Ghana Cedis, Forty-Seven Pesewas (GHS8,702,319.47) for the same period against a budgeted amount of Eleven Million, Eight Hundred and Seventy-Nine Thousand Six Hundred and Sixty-Five Ghana Cedis (GHS11,879,665.00) representing 73.25% of the total approved amount.

Total GoG Capital Expenditure of the Ministry for the year 2021 amounted to One Hundred and Two Million, One Hundred and Twenty-Five Thousand, Four Hundred and Eighty-Five Ghana Cedis, Fifty-One Pesewas (GHS102,125,485.51) as against the total Budget of One Hundred and Twenty-Six Million, Nine Hundred and Forty-Three Thousand Eight Hundred and Fifteen Ghana Cedis (GHS126,943,815.00) representing 80.45% of the total approved budget for the year.

The 2021 budget with respect for Internally Generated Funds (IGF) for the Ghana Railway Development Authority was One Million, Five Hundred and Eighty-Four Thousand (GHS1,584,000.00). However, by the end of December, 2021, a total amount of Two Million, Forty-Eight Thousand, One Hundred and Seventy-Six Ghana Cedis (GHS2,048,176.00) was realized as revenue collection for the year, a total amount of Seven Hundred and Twenty-Two Thousand Seven Hundred and Thirty-Six Ghana Cedis, Thirteen Pesewas GHS722,736.13 was retained and expended.

In addition to the above, an amount of Four Hundred and Four Million, Nine Hundred and Fifty-Eight Thousand, Nine Hundred and Fifty-Six Ghana Cedis, Fifty-Seven Pesewas (GHS404,958,956.57) was released from our development partners (India Exim Bank) as against the total budget of Three Hundred and Sixty-Eight Million, Four Hundred and Eight Thousand, Two Hundred and Sixty-Eight Ghana Cedis (GHS368,408,268.00) for the implementation of Tema – Mpakadan railway line construction project.

PART FOUR: CHALLENGES

4.1 Staffing and Accommodation

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.

Strategies to address Human Resource Capacity Challenges:

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 to support the sector.

The implementation of shift policy over the past two (2) years has also helped to address the issue of accommodation and congestion to some extent. However, a long-term solution needs to be implemented like the construction of additional office block to accommodate staff to enable effective work performance.

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. The Authority has also taken steps to construct a new office complex to accommodate existing and new staff being engaged.

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.

Strategies to address Ineffective Legal, Regulatory and Institutional Regime:

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, is currently going through 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. A memorandum is currently before Cabinet for consideration and approval to proceed with the process.

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, passenger rail services are currently limited to sections of the Eastern Line between Accra and Tema, as well as, Accra and Nsawam. Passenger rail services on the Western Line are also only provided by GRCL between from Takoradi through Kojokrom to Sekondi and also from Takoradi to Tarkwa.

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.

Strategies to address Operational Challenges:

Sections of the existing Western Line between Takoradi and Tarkwa through Nsuta have been rehabilitated. This has significantly improved the haulage capacity of GRCL which is now able to haul significant quantities of manganese from the Nsuta mines to the Takoradi Port. The haulage capacity of GRCL will continue to be enhanced and sustained to improve and increase the economic fortunes of GRCL.

The development of the new standard gauge railway network across the country in line with the Railway Master Plan is also expected to bring a total transformation in the operation of railways in Ghana. The new standard gauge network has potentials to haul large volumes of freight/cargo and passengers at averages of 80-120km per hour. In effect, the train turnaround time for both passenger and freight trains will significantly improve.

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.

Strategies to address enhance Rolling Stock Capacity:

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.

4.5 Finance

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

Strategies to address Financing 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.

4.6 Encroachment of Railway Lands and Right-of-Way

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.

Strategies to address other Developmental Challenges:

The Ministry needs to enhance its collaboration with major stakeholders like the Lands Commission, traditional authorities, individual property owners, District Assemblies and so on, to reclaim 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.

PART FIVE: PROGRAMMES AND PROJECTS 2022

The Railway Sector continues to be a high priority area of the Government. To this end, the 2022 Budget for the Ministry of Railway Development will be applied to activities geared toward the revitalization and modernization of Ghana's railway system to facilitate the efficient and effective movement of both cargo and passengers.

The focus of the Ministry's 2022 budget will therefore be utilized for the implementation of the following key projects, among others:

i. Continuation of the on-going development on the Western Railway Line on standard gauge;

The construction of the 22km Kojokrom – Manso section of the Western Railway Line expected to be completed and put into operations in 2022.

The development of the Takoradi Port to Huni Valley section of the Western Railway Line, which has a forty-two (42) month construction period is expected to commence in 2022 and is expected to progress significantly by the end of December, 2022.

The development of the 6km standard gauge rail line from Adum to Kaase in Kumasi as part of the Western Railway Line development project will also be pursued vigorously in 2022 to ensure its timely completion by the end of December, 2022.

Meanwhile, discussions and financing arrangements for the development of the following sections of the Western Railway on standard gauge will be concluded in 2022 to enable the commencement of construction works:

- a) Kaase to Eduadin (approximately 12km)
- b) Eduadin to Obuasi (approximately 51km)
- c) Obuasi to Dunkwa (approximately 38km)
- d) Huni Valley to Dunkwa (approximately 75km)

ii. Continuation of the construction works for the standard gauge railway line from Tema to Mpakadan;

The 97.7km Tema – Mpakadan Railway Line is also expected to be completed and put into operations in 2022. This rail line, together with the Kojokrom – Manso section of the Western Line will be the first standard gauge railway lines to be operated in Ghana.

iii. Development of the Eastern Railway Line on standard gauge;

The Eastern railway line links Accra to Kumasi with a branch line from Achimota to Tema Port. Following years of neglect by successive Governments, large portions of the existing narrow gauge line was not operational with the exception of the Accra to Tema and Accra to Nsawam sections which are used to provide passenger commuter rail services. The passenger services which have been suspended since March, 2020 due to the COVID-19 pandemic will resume in 2022. This follows the successful completion of concrete drain/culvert

construction works as part of efforts to address the perennial flooding that occurs at Avenor and Taifa along the rail corridor.

The Ministry is also going through the required approval processes to effect a contract with Messrs KEC to utilize an Indian Exim Bank facility for the development of a standard gauge line from Accra to Achimota through Kotoku to Nsawam to begin the development of the entire Eastern Rail Line on a new standard gauge.

The new Eastern Line will run from Accra to Kumasi and will serve the Boankra Integrated Logistics Terminal and will also have branch lines from Bosuso to Kyebi and also from Achimota to Tema to facilitate the haulage of bauxite under the Ghana Integrated Aluminium Development project.

iv. Pursue the on-going processes towards the engagement of a strategic investor as part of the development of the Ghana – Burkina Faso Railway Line from Mpakadan to Ouagadougou through Paga.

The procurement process for the engagement of a strategic private sector investor is at the final stages for the development of the Ghana-Burkina Faso Railway Interconnectivity Project on Build, Operate and Transfer (BOT) basis.

The Ministry of Railway Development will continue to collaborate with its counterparts from Burkina Faso to pursue the development of the railway interconnectivity project between the Port of Tema and the Capital City of Ouagadougou to facilitate trade and economic development in line with the vision of the Heads of States of the two (2) countries.

The evaluation of Technical and Financial Proposals, which commenced in the last quarter of 2021, will be completed in the first quarter of 2022. Negotiations will also be concluded to enable the signing of a Concession Agreement with a preferred private sector partner to commence railway construction works before the end of December, 2022.

v. Modernization of Workshop Facilities for the maintenance of rail tracks and rolling stock.

The Ministry will supervise the completion of modernization works at the old Railway Workshop Complex at Sekondi to strengthen local capacity for the repairs and maintenance of tracks, locomotives, wagons, coaches and other ancillary railway equipment for the efficient operation of railway services in Ghana. The vision is to modernise and equip the facility for it to become a one stop workshop to serve the railway, mining, petroleum, agricultural and other ancillary industries in Ghana.