

# ■ Infrastructural Projects Implementation Challenges in Ghana

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## ABSTRACT

*The lack of efficient systems in the Ministries, Departments and Agencies to analyze and report on both Government and donor funded infrastructural projects has hampered the rate of infrastructural project implementation in the country. To make matters worse, the challenge of MDAs having to deal with different reporting rules, multi DP procurement processes and lending conditions have been overwhelming, eating up scarce administrative resources that could be put to better use.*

*This study sought to investigate the role of administrative, leadership, and project management competencies in infrastructural project implementation challenges in Ghana. It provides appropriate recommendations to relevant stakeholders, such as the government, Private Sector, development partners, and relevant NGOs.*

*The research covered six key sectors, namely: the Ministries of Finance and Economic Planning; Roads and Highways; Local Government and Rural Development; Energy; Transport; and Water Resources; Sanitation, Works and Housing. It engaged six key development partners (both bi lateral and multilateral agencies) namely the World Bank; Chinese Republic, African Development Bank; German Development Agency (KfW); the French Development Agency, and the European Union Delegation. The Ministry of Finance and Economic Planning (MoFEP) was the main fulcrum of this study.*

*The study unravelled administrative, leadership and project management challenges in the*

## 1. INTRODUCTION

The American President John F. Kennedy once said "America has roads not because it is rich but America is rich because it has roads."

The Paragraph 8, Section 1, of the 2012 Budget Statement and Economic Policy of the Government of Ghana reads: "... the macroeconomic stability achieved has provided the appropriate platform for

*accelerated growth. The priority of government over the medium term is to find a solution to our infrastructure deficit that has hampered the country's accelerated development over the past decades."*

It continues in paragraph 9 as: *"...The focus of the 2012 Budget is, therefore, on the provision of key infrastructure in various sectors of the economy, to further stimulate growth, support the private sector to create more jobs, and improve the incomes of Ghanaians."* It further states: "For these reasons, the 2012 Budget has been crafted around the theme **"Infrastructural Development for Accelerated Growth and Job Creation."**

The success story of the Chinese conscious development of its infrastructure is told and retold. The Eastern giants are into aggressive developments of their infrastructure. No country loses in infrastructure development.

The critical role of infrastructure in propelling economic growth and development has become more crucial as Ghana transitions into a middle-income nation status. The nation's budgetary medium term policies on infrastructure and human settlement development focus on the following key areas:

- Transportation (including road, rail, air, maritime and inland transport)
- Science, Technology, and Innovation to Support Productivity and Development
- Information and Communications Technology (ICT)
- Water and Sanitation
- Human Settlements
- National Land Use (GSGDA, 2009-2013)

A nation's infrastructure development plays a significant role in its economic growth. A fast growing economy warrants an even faster

development of its infrastructure. There is dire need for housing, health facilities, education, roads, power, irrigation projects, and drinking water facilities for millions of underprivileged people.

The provision of infrastructure is a prerequisite for inducing investment and production in any nation, thereby sustaining economic growth. Good infrastructure encourages additional foreign investment, creates jobs, drives GDP growth, and improves private sector competitiveness (World Bank, 2004). However, the government of Ghana loses substantial amounts of money while undertaking infrastructural projects. The World Bank has reported in July, 2011 that Ghana stood to lose US\$ 128 million in the last three years as a result of ineffective implementation of projects.

Lack of efficient systems in the Ministries, Departments, and Agencies to analyze and report on both government and donor-funded infrastructural projects has hampered the rate of infrastructural project implementation in and full disbursements of committed infrastructural project funds to the country. To make matters worse, the challenge of MDAs' having to deal with different reporting rules, multi development partner procurement processes and lending conditions have been overwhelming, eating up scarce administrative resources that could be put to better use.

### 1.1. PROBLEM STATEMENT

Project failure rates in Ghana are high, and have been attributed to many reasons such as socio-political, economic, technological, macro and micro-economic and global reasons without much empirical evidence (AfDB, 2006). There is no known empirical study on

the causes of failure and success of infrastructural projects and low disbursement challenges in Ghana.

Professor Gyan Baffour, former Deputy Minister of Finance in July 2006 confirmed in his address at Africa Development Bank (AfDB) project review meeting the substantial amount of money that Ghana loses through ineffective implementation of projects.

The resultant payments of commitment fees and counterpart funding on loans are all causes of the loss Ghana incurs in the implementation of projects. Delays in disbursements of donor funds to contractors often result in devaluation of the contract amounts which ultimately affects the quality of work. For example, a reduction in the quality of a road project shortens its economic life which is an eventual cost to the nation.

It is estimated that at least one out of every three infrastructural development projects in Ghana either fails or is challenged to achieve one of the objectives of scope, cost, or time. In a few cases, they do not achieve the intended purpose for which they were undertaken.

## 1.2. OBJECTIVE OF THE STUDY

This study sought to investigate the *administrative, leadership and project management* causes of infrastructural project implementation challenges.

## 1.3 RESEARCH QUESTIONS

The following are the three research questions investigated or addressed by the study:

1. What are the administrative and leadership problems of infrastructural project implementation in Ghana?

2. What are the project management problems of infrastructural project implementation in Ghana?
3. What are some of the steps that could be taken to tackle infrastructural project implementation problems in Ghana?

## 1.4 SCOPE OF THE STUDY

The research had a scope of engaging six key sectors namely, the Ministries of Finance and Economic Planning, Roads and Highway, Transport, Local Government and Rural Development, Water Resources, Sanitation, Works and Housing and Energy. It engaged 6 key Development Partners (both bi and multi-lateral agencies) namely The World Bank, Chinese Republic, African Development Bank, German Development Agency (KfW), the French Development Agency, and the European Union Delegation. The Ministry of Finance and Economic Planning (MoFEP) was the main target of this study. The study duration was from 25<sup>th</sup> January 2011 to 20<sup>th</sup> February 2012.

The research employed the case study approach. Five infrastructural project cases cutting across 5 key sectors were studied; focusing on administrative, leadership and project management challenges of infrastructural project implementation in Ghana.

## 2. LITERATURE REVIEW

A review of the works of various researchers (Dirie, 2005; Kumar, et. al., 2006; Cleveland, 2008; Foster et. al., 2008, 2009; and Nicolosi, 2009.), indicated that infrastructure plays an important role in society to the extent that a lack of infrastructure facilities is considered to be a major structural weakness which holds back economic growth and development. It is



often said that infrastructure can be considered, if not the engine, then the "wheels" of economic growth (Estache, 2004).

The term infrastructure refers collectively to the roads, bridges, rail lines and similar public works that are required for an industrial economy to function (Moteff, et. al., 2003). Sheffrin (2003) defined infrastructure as the services and facilities necessary for an economy to function. It is an important term for judging a country's or region's development. The critical role of infrastructure in propelling economic growth and sustainable poverty reduction has become more crucial as Ghana moves to entrench its middle-income status.

Estache (2004) further argues that infrastructure helps to spread the benefits of growth, which makes the development process more inclusive. The development of infrastructure needs to be sustained to support future economic growth, poverty reduction in general, and achievement of the millennium development goals (MDGs) in particular (Calderon and Serven, 2004; Foster, 2008). Many researchers have discussed the importance of infrastructure development in achieving the MDGs. Overall findings show that infrastructure projects deliver high economic and social returns. Economic returns on investment projects average over 30 to 40 per cent for telecommunication and more than 200 per cent for roads (Estache, 2004).

African Ministers of Finance, Planning and Economic Development affirmed at the 2005 ECA Conference in Abuja, Nigeria, that "It is clear that Africa's progress towards significant Development by way of implementing infrastructural project and the reduction of poverty and achieving the MDGs has been hampered by insufficient economic growth

resulting from project management challenges, leadership and administrative bottlenecks" (United Nations, 2006c).

Project Management is the discipline of planning, organizing, securing and managing resources to achieve specific goals. A project is a temporary endeavour with a defined beginning and an end (usually time-constrained, and often constrained by funding or deliverables), undertaken to meet unique goals and objectives, typically to bring about beneficial change or add value.

The primary challenge of project management is to achieve all the project goals and objectives while honouring the preconceived constraints. Typically constraints are scope, time, and cost.

There is donor communities' reluctance to the provision of aid for infrastructure projects due to the disappointing results of project outcomes (Daily Graphic, 2007). World Bank report (2007) suggests that there is generally donor apathy. The reasons could be several, one of which is disappointment in the outcomes of projects. Africa's good governance is partly a function of the effective and efficient management of projects (World Bank Report, 2006).

This leads to the question of infrastructural project failures in Africa as a whole and Ghana in particular. It could be argued that Africa's cultural values, economic and political conditions, and organizational environments often negatively affect implementation of projects. Specific examples of such cultural values include "relationships being more important than task"; "one's extended family offering protection in exchange for loyalty"; "learning being considered as a one-time process only"; "Emphasis being on tradition"; "material success and progress are considered

dominant values in society" (Hofstede, 1991). International donor organizations that fund projects along with the host countries prepare detailed ex-post evaluations of all projects. The results of these evaluations are published every year for the purpose of learning from experience.

The following is a list of problems selected from a number of years of World Bank project evaluation reports.

- Lack of shared perception and agreement on the objectives of the project by donor, government staff, and beneficiary stakeholders.
- Lack of commitment to the project by the project team, management, and beneficiary stakeholders.
- Lack of detailed, realistic, and current project plans (schedules, budgets and procurement).
- Unclear lines of authority and responsibility (organization not structured for project management).
- Lack of adequate resources, especially from government.
- Poor feedback and control mechanisms for early detection of implementation problems.
- Poor or no analysis of major risk factors.
- Delays caused by bureaucratic administrative systems; approvals, procurement, personnel, land acquisition and release of funds (IDA, 2000).

### 3. METHODOLOGY

Case study approach was most suited for the research. Yin (1994) indicates that it is the most appropriate when the researcher has little

control over events and the focus is on current phenomenon in a real-life context. It is purely a description of varying management situations. Bonoma (1985), Yin (1994) indicated that when there are too many variables to be considered, experiment or survey methods of research are inappropriate to use. The case study design is a type 3 of Yin (1994:46) case study approach that involves multiple case designs and multiple analysis. Three infrastructural project cutting across 5 key sectors were studied. The study focused on administrative, leadership and project management challenges of infrastructural projects in Ghana.

Both primary and secondary data were collected through interviews, focus group discussions, and facilitation workshops. Semi-structured interviews and questionnaires were designed to elicit the views of the research participants on the causes of project failures in Ghana. The research participants included: Project Implementation teams within the 5 sectors researched, sector committees, selected bilateral and multilateral donor partners, relevant MOFEP staff, etc.

The researcher obtained a list of project implementation challenges from the perspective of the research participants (MDAs and DPs) as the initial study. Thereafter, the selected five cases were critically analysed based on known theoretical concepts. The collection of data on the cases involved multiple sources such as verbal, reports, personal interviews, facilitation workshop, and observation as primary data sources and documentation review as secondary data source.

#### 4. INITIAL FINDINGS

**Table 1. CATEGORY OF PERSONNEL ENGAGED (DPs)**

Below are the categories of personnel engaged, numbers and types of engagement.

CATEGORY OF PERSONNEL ENGAGED	NUMBERS OF PERSONNEL	TYPES OF ENGAGEMENTS
Mission Heads/Deputies	6	Face-to-face Interviews, round table meetings
Task Managers	6	Face-to-face Interviews, round table meetings
Staff at DP Agencies	18	Face-to-face Interviews, round table meetings
TOTAL	30	

Source: Field work, 2013

**Table 2. DEVELOPMENT PARTNERS**

Below are the findings of challenges from the engagements with the Donor Partners.

DONOR	DEVELOPMENT PARTNERS' CHALLENGES DEVELOPMENT PARTNERS' CHALLENGES		
WORLDBANK	ADMINISTRATIVE	LEADERSHIP	PROJECT MANAGEMENT
	<ol style="list-style-type: none"> <li>1. Process flow, including parliamentary approvals, project designs and action plans create too many delays.</li> <li>2. There are delays in obtaining legal opinions on issues from the Attorney General's Department.</li> <li>3. Procurement Procedures in the Selection of Contractors</li> <li>4. Communication between the Project Planning and Implement team and the Bank office staff is poor</li> </ol>	<ol style="list-style-type: none"> <li>1. Delays in honouring Government of Ghana (GOG) counterpart fund obligations undermine early commencement of project and disbursements of funds.</li> <li>2. Lack of commitment, dedication, and ownership on the part of top management (including project coordinators) affects project implementation at the grass-roots</li> </ol>	<ol style="list-style-type: none"> <li>1. Processing of documentations – such as release requests, certificates for payments, etc... to DPs by MDAs is too slow and affects project work plans and executions.</li> <li>2. About one out of every two projects had suffered poor design and scoping problems.</li> <li>3. Lack of comprehensive scoping of projects</li> </ol>
CHINESE	<ol style="list-style-type: none"> <li>1. Ineffective Communication between MoFEP and DP</li> </ol>		



DONOR	DEVELOPEMENT PARTNERS' CHALLENGES DEVELOPEMENT PARTNERS' CHALLENGES		
	ADMINISTRATIVE	LEADERSHIP	PROJECT MANAGEMENT
AfDB	1. Project management teams in MDAs often lack the necessary dedication to see the projects through due to lack of motivation	1. Frequent changes of project staff	Inability of MDAs to justify disbursement requirements. Lack of proper justification of disbursement requests.
AFD	<p>1. MDAs are not encouraged or directed to process disbursements on-time by Sector Leaderships - hence, delayed projects always end-up seeking time extensions.</p> <p>2. Too many decision-making powers concentrated in one individual in the MDAs - with his or her absence from office causing several weeks' of delays to project implementation.</p>	1. Parliamentarians still require hard copies of every project funding agreement of documents instead of electronic copies.	<p>1. Poor project design that normally has cost implications</p> <p>2. Lack of capacity on project delivery or management within the MDAs.</p>
EU	1. Delays in replying to simple correspondence to express official views on professional matters often occur and when they do, the comments are more often unrelated to the subject matter.		1. Some funded projects often lack measurable indicators thus making monitoring and evaluation difficult.
GER	1. There is no delegation of authority by top management to subordinates to ensure easy flow of project management processes.	1. There is no established systems as lines of inter-ministerial communication with respect to project management, e.g. Project Focal Points or delivering PMOs within MDAs	1. Underestimation and / or overestimation of essential components of projects.

Source: Field work, 2013

**Table 3. CATEGORY OF PERSONNEL ENGAGED AT THE MDAs**

Below are the categories of personnel's engaged, numbers and types of engagement at the MDAs.

CATEGORY OF PERSONNEL	NUMBERS OF PERSONNEL	TYPES OF ENGAGEMENTS
Chief Directors/Directors	10	Face-to-face Interviews, Facilitation Workshop,
Unit Heads	12	Round table meetings
Coordinators	5	Face-to-face Interviews, round table meetings, Facilitation workshop
Other Officers	14	Face-to-face Interviews, round table meetings
TOTAL	41	Face-to-face Interviews, round table meetings

Source: Field work, 2013

**Table 4. MINISTRIES, DEPARTMENTS AND AGENCIES (MDAs)**

Below are the findings from the engagements with the MDAs as challenges

DONOR	PROBLEMS FACING MDAs		
	ADMINISTRATIVE	LEADERSHIP	PROJECT MANAGEMENT
MOFEP	<ol style="list-style-type: none"> <li>1. Policies, Processes and Procedures are cumbersome.</li> <li>2. Delayed start of approved projects that often lead to the extension of project period</li> <li>3. Recruitment of inexperienced consultants that lead to the selection of unqualified contractors to execute donor projects.</li> </ol>	<ol style="list-style-type: none"> <li>1. Commitment fees being tied to amount undisbursed in the year under-review and not to the entire undisbursed portfolio</li> <li>2. Full compensation payments of or to Stakeholders, a requirement of the AfDB</li> <li>3. Inability to pay counterpart funding for projects approved</li> </ol>	<ol style="list-style-type: none"> <li>1. MDAs are in a hurry to initiate projects for the sake of doing so – and these fail to address triggers and targets of the country's developmental goals.</li> <li>2. Poor contractor performance and supervision of contractors in relation to road projects.</li> </ol>
MRH	<ol style="list-style-type: none"> <li>1. Policies, Processes and Procedures are cumbersome</li> <li>2. Delays in securing no objections from both MOFEP and DPs for implementation of projects.</li> </ol>		
MOT	<ol style="list-style-type: none"> <li>1. Policies, Processes and Procedures are cumbersome</li> </ol>		<ol style="list-style-type: none"> <li>1. Underestimation and / or overestimation of components of projects.</li> </ol>
MWRSWH	<ol style="list-style-type: none"> <li>1. Policies, Processes and Procedures are cumbersome</li> </ol>		
MOE	<ol style="list-style-type: none"> <li>1. Policies, Processes and Procedures are cumbersome</li> </ol>		

Source: Field work, 2013



## 5. RESEARCH CASES

### 5.1. CASE 1: ACHIMOTA-OFANKOR ROAD

Some of the reasons for selecting this project include:

1. The level of environmental pollution (dust and noise) and associated health implications around the project environs have disrupted commercial/economic activities and eventual collapse of some businesses around the area. Peace FM, a popular radio station, has had to relocate to Abeka Junction for the same reasons.
2. Some homes on the stretch of the road have been abandoned.
3. Inconvenience to motorist
4. Accident rates have increased

significantly on that stretch of the road

5. Theft and cases of armed robbery have increased around the area
6. Loss of man hours (time wastage)
7. Relocation of electricity and water service lines (utilities)
8. Government incurring additional cost (i.e. supplementary budget)
9. Bad image and reputation of the Government

#### 5.1.1. Objective

The 5.7km road was to ease traffic congestion on the main entry point to Accra from the northern part of the country and to enhance driving on the corridor at the initial cost of US\$ 37.0 million to be completed in 3 years.

**Table 5. Completion scope and observed variations**

THE ORIGINAL SCOPE	THE COMPLETION SCOPE	OBSERVED VARIATIONS
i. 3 Lane Dual Carriage	i. 3 Lane Dual Carriage	i. Redesigning of the foundation of a footbridge
ii. 3 Interchange Service	ii. 3 Interchange Service	ii. Construction of a storm drain
iii. Service road	iii. Service road	iii. Bicycle lanes
iv. Weight Bridge Station	iv. Weight Bridge Station	iv. Pedestrian walkways
v. Street Light	v. Street Light	v. Several lay-bys
vi. Bicycle Lanes	vi. Bicycle Lanes	vi. Cost variations of over US\$75 million
vii. Pedestrian Walkway	vii. Pedestrian Walkway	vii. Schedule variation of 2 years 6 months on the assumption that the project is completed in May, 2012.
viii. Lay-by	viii. Lay-by	
	ix. Storm drain at Taifa	
	x. Completed footbridge foundation re-designed	

Source: Field work, 2013

### 5.1.2. Discussions

A huge variation like what is observed on the project is not normal, regardless of the initial assumptions made. In project management, some degree of variations are allowable but a variation that results in 100 per cent cost increase and 2 years and 6 months schedule slip cannot be treated as normal. It is clear that something was not done right.

First, the scope variation of a whole redesigning of the foundation of a footbridge for example, was improper. It clearly shows that the scope planning and definition at the beginning of the project was not properly done. Ashley et. al. (1987) indicated that poorly defined scope is the most frequently mentioned barrier to project success. The new additional deliverables were quite huge and so, should have been considered from the onset of the project. Unfortunately, it was not done, and since scope variations or changes have adverse effects on project cost and schedule, the project cost had to increase by over 300 per cent and the time by 83 per cent.

These translate into variations of over US\$75 million and two and half years of cost and schedule respectively. These were obvious challenges on the project. For government of Ghana funded projects, a cost variation of over US\$75 million would certainly be huge constraint on the coffers of government. Therefore, the release of the project funds from government for the project was indeed very slow, affecting the project overall performance.

The above project management failures could have been avoided by undertaking high-quality design and scoping of the project at the beginning of the project. A poor project design and scoping will certainly not give an accurate estimation of project cost on initiation. Under this situation, the government could not know from the onset the exact amount that would be needed to complete the project so as to properly budget for it. The government perhaps accepted the responsibility of fully funding the project based on the initial estimated cost of US\$37 million. The government was thereafter constrained to match the release of funds to match the project new cost and time schedule affecting the overall project performance.

The project is about 85 per cent complete, but it has just been realized that the overall design is a bit faulty. The constructed road is very dangerous to both motorist and pedestrians. The accident rate is very high on some portions of the road and can be attributed to the poor or inappropriate project design.

Secondly, the environmental management plan was poorly designed and executed on the project. Many businesses on the stretch of the road had been collapsed by the activities of the project which should not have been the case. One wonders whether an environmental impact assessment was conducted before the start of the project. An environmental impact report should have outlined the environmental mitigation measure that should have been

undertaken during the project implementation phase. Even if it was not considered at the beginning of the project, at some point, the EPA should have intervened to cause the contractors to carry out such a plan.

## 5.2. CASE 2: AWOSHIE-POKUASE ROAD REHABILITATION

### 5.2.1. Objective

The objectives of this project are to enhance urban mobility; promote efficient and affordable transport services along the Awoshie - Pokuase Road; and improve livelihoods in the project's area of influence. It aims at constructing the 15 km long road, secondary roads, and key socioeconomic infrastructure, such as drainage, markets, water supply, schools, health centres and lorry parks.

The road, when completed, is expected to enhance regional integration and cooperation between Ghana and its neighbours by facilitating cross border international traffic. It is intended to link the Accra-Kumasi road to the Accra-Tema motorway extension at Awoshie. The Awoshie-Pokuase road will connect the Tema-Ouagadougou- Bamako corridor with the Trans-West African Coastal Highway.

For nearly two years, the contractors have not been reimbursed for funds they advanced for compensation purposes. The project scope has been changed without proper consideration of the consequences. It was originally conceived as a single carriage way but has been revised to be a dual carriage way with bridges and overpasses.

The original loan could only fund the Kumasi bound carriage way. The AfDB could not have provided a supplementary loan even if the government had requested this because these are only available for original scopes of work, not additions made after the projects has commenced.

During the early interactions with the African Development Bank, it came to light that the Awoshie-Pokuase Road Rehabilitation and Community Development Project was about to foreclose due to the inability of the government of Ghana (i.e. Lands Valuations Board) to conduct valuation assessments and pay required compensations to persons affected by the project. This was threatening a loss of US\$ 80million to the government of Ghana. There needed to be an intervention of a taskforce team to avert the loss. It took a quick intervention by the Hon. Minister of Finance, to financially resource the Land Valuation Board to carry out the outstanding valuation assignments and follow ups with the payments of compensation to affected persons thereby averting the potential loss. This was a clear case of administrative incompetence, which has delayed the implementation process. Generally, delays in the release of project resources hamper the progress of a lot of infrastructural projects in Ghana. Resources and payments are scheduled based on either phases or time and therefore a delay in their release impacts on the achievement on project management success. The committed funds tend to devalue with time affecting the overall project performance. There



are cases of deliberate acts of certain officials to delay contractors and, in effect, the project.

Another administrative blunder was the fact that the financier, the African Development Bank, was not consulted when or before changes were made to the project scope and contract on further works, which was awarded to the same contractor without open to order. This was a clear case of lack of communication between the donor agencies and government agencies.

There were lack of tracking systems for incoming and outgoing correspondence. These result in delays in replying to simple correspondence to express official views on professional matters.

The time it takes for the Land Valuation Division to complete documentation for compensation payments is unacceptably too long and cannot be accepted as normal. Approval must be made before compensation is paid. Currently, this process alone can take up to two years and it is a major bottleneck on this and many other infrastructure projects.

The African Development Bank cannot insulate itself from the problems for the very fact that its policy, which required the Government to pay compensation to all affected stakeholders before project implementation is started is not only unrealistic but is almost impossible. The reason is that in the management of projects, stakeholders identification process travels from the start of the project to the end and even at the closing of the project. This obviously

makes it almost impossible to compensate all stakeholders before the implementation of the project begins. The argument is that, stakeholder compensation could be done in parallel or simultaneously with the implementation of the project. That looks more feasible than the current policy and requirement of the African Development Bank. The recommendation is that the government should be assertive and ask for a review with regard to that policy of the African Development Bank.

### 5.3. CASE 3: THE CENTRE FOR URBAN TRANSPORT (CUT) OF (URBAN TRANSPORT PROJECT (UTP)

#### 5.3.1. Objectives

The objective of the UTP is to improve mobility in areas of participating MMDAs through a combination of traffic management measures (including area traffic signal control); regulation of urban public/passenger transport; and implementation of a pilot Bus Rapid Transit System (BRT).

It also aims to promote a shift to more environmentally sustainable urban transport modes and encourage lower transport-related greenhouse gas emissions along the pilot BRT corridor in Accra.

It was quite interesting to note that some designs for BRT infrastructure were carried out within the project implementation period instead of the planning or initiating stage.

There were delays in procurement of large value contracts. The bid price for the BRT trunk route was higher than

available funding by about US\$3million. Additional US\$3million was required for bridge construction works.

On this project, the issue of delays in the release of GoG counterpart funding was raised as one of the causes of the overall delays in the project. There was also delay in the acquisition of land for depots and terminals.

The above challenges were clear cases of acute project management flaws, which could have been anticipated and dealt with. For example, the BRT infrastructure design should have been taken care of at the initial scoping and design stage if proper project planning had been done. In project management, as much as possible, a thorough scope planning and definition should be done with an output of a "Scope Statement", which contains a detailed description of what is inclusive (deliverables) of the project and what is not. All activities are defined and sequenced with resources required and durations of activities in a document referred to as the project management plan. The lack of such a detailed and sequential planning is likely to result in the challenges the project is currently experiencing.

## 6. DISCUSSIONS ON OTHER FINDINGS

The MDAs lacked the necessary dedication in the execution of the project. They attribute that to lack of motivation. Communication among MoFEP, MDAs, and the other project stakeholders was found to be a major

challenge. Information flow is not direct and is often short circuited by ministry staff. There were also cases of frequent change of project staff. In some cases, in the middle of a project, a key staff is changed. It obviously takes some time for the replacement to learn on the project. Thus adversely affects the project schedule.

There was delay in honouring counterpart, fund obligations which affected the project schedule. One other challenge identified was the processing of document-such as release of requests, certificates for payments, etc. to DPs by MDAs which was slow affecting project work plans and executions. It was also observed that there is lack of commitment, dedication, and ownership on the part of top management, including directors. There was also the case of MDAs inability to justify disbursement requirements by the donor partners. There is clear lack of assertiveness on the part of sector leadership of the MDAs to direct the processing of funds disbursement. There is no established line of Inter-ministerial communication system with respect to project implementation.

### 6.1. PUBLIC-PRIVATE-PARTNERSHIP POLICY

There are arguments as to the most suitable means of financing infrastructure projects in Ghana. The one that seems to be more feasible and had been successful in other places had to do with the concept of public private partnership. The policy of the public-private-partnership project for the Republic of Ghana, launched in

2011, seeks to improve the legislative, institutional, financial, fiduciary, and technical framework to generate a pipeline of bankable PPP projects (Dr. Kwabena Duffuor, Minister of Finance and Economic Planning, March, 2012). The goal is to attract investors to Ghana's rapidly growing economy, with the injection of additional technical and infrastructural support from the private investor to stimulate the infrastructure needs for the Ghanaian economy.

Yusupha B. Crookes, The World Bank Country Director for Liberia, Ghana and Sierra Leone, pointed out in March 2012 that Ghana lags behind its Sub-Saharan African peers in terms of private sector investment in infrastructure, attracting far less private finance than other African peers. Countries such as Benin, DRC, Kenya, Nigeria, Senegal, Tanzania and Uganda all captured between 1.0 and 1.6 percent of GDP for infrastructure investment, while the most successful country in this regard has been Mozambique which captured in excess of 3.5 percent of GDP. Meanwhile, Ghana registered just less than 1.0 percent during the same period.

The Government's effort to speedily build the country's infrastructure through partnerships with the private sector had a shot in the arm on 27<sup>th</sup> March 2012, following the approval of US\$ 30 million from the World Bank to kick start the project (Daily Graphic, April 2, 2012 edition, p69). This is one of the positive collaborations between the Government of Ghana and the World Bank, to resolve the

administrative, leadership and project management challenges facing infrastructural projects in Ghana.

## 7.0

## CONCLUSIONS

Infrastructure development is critical in the current state of the country's development. It is obvious that there are challenges in the implementation of infrastructural projects in Ghana. The challenges are a combination of administrative, leadership and project management, and others in incompetencies. There are also challenges with the disbursement of donor funds for the implementation of these infrastructural projects.

The challenges identified in the individual cases reviewed are common to most infrastructural projects in Ghana. The recommendations provided are applicable to most Public Sector infrastructural projects in Ghana. We strongly believe that should the government, development partners, and other relevant stakeholders implement these recommendations, it will go a long way to avert some of these challenges.

## 7.1 RECOMMENDATIONS

The following policy implications and recommendations have been drawn from the study:

What do these finding mean for the practice of project management of infrastructural projects in Ghana and other developing countries whose conditions are similar to Ghana? First, in view of the sheer numberS and the monetary values involved, the



projects undertaken by the government sector and private organizations, it is important for both to focus on addressing the general problems of project management.

#### 7.1.1 Project Management

- MoFEP should ensure that MDAs prepare a clear and comprehensive procurement schedules in respect of all goods, service and works to be procured.
- Proper project design and painstaking planning should be carried out by competent staff.
- Ensure adequate attention to the time, scope and cost of projects to avoid unreasonable variations.
- Thorough stakeholder analysis needs to be performed before commencement of project.
- There is a need for strong project management capacity in planning and designs of projects
- Environmental impact assessment needs to be done for all major road projects.

#### 7.1.2 Leadership

- Secured and dedicated funding should be obtained for projects before their commencements
- The government must aim to avoid paying compensation in the first place by ensuring proper planning of urban

communities and enforcing such plans.

- Raise the necessary financing for GoG contributions both to infrastructural and institutional development
- Factors that are delaying the payment of compensation should be reviewed and acted on immediately or prompting to avoid further delays to projects.

#### 7.1.3 Administrative

- The general lax in planning and enforcement of the law in town planning must be revisited as a matter of urgency.
- The Land Valuation Board and other project relevant agencies who play key roles must be adequately resourced.
- Maintain a strong focus on contract management, both of large value works contracts and consultancy services to be delivered.
- Strengthen communications with stakeholders and project partners.
- Ensure that resettlement issues for the construction works are fully addressed.
- Care should be taken in selecting contractors for projects

## 7.2 RECOMMENDATIONS FOR THE MEDIUM-TERM TO LONG-TERM

- There must be a comprehensive

policy regarding all new donor funded projects being brought into the GoG portfolio from inception to successful closure. It should include how the projects fit into the country's overall development agenda and goals. Determine counterpart or compensation payment requirements and ensure their availability before the project is signed or approved to go ahead.

- The majority of project implementation and disbursement challenges relates one way or another to the lack of a good monitoring system for all donor-funded projects in the GoG portfolio. Furthermore, any system adopted or created, should include triggers to alert the stakeholders on when to file for extensions volume of funds lost, and other serious issues. Access to the information by MoFEP and other key stakeholders must be automated or at least be electronically communicated in time. Adequate provisions should be made to build the capacity of project implementing officers under the business driven project management office that is rolled out for all MDAs.
- Development partners (Dps) have communicated their concerns for lack of project ownership on the part of MDAs. This is somehow caused by absence of motivation. We recommend that a reward and recognition system be put in place in the MDAs to encourage

greater participation, patriotism and dedication to duty at all times.

- Government should fully embrace and implement the PPP financing arrangement for infrastructure projects where possible

### 7.3 RECOMMENDATIONS FOR THE LONG-TERM

Government agencies will continue to deliver projects. In other words projects will continue to be used in the delivery of government's policy agendas. Those officials implementing government projects merit particular consideration in education and training. As a means of confronting and correcting the skills and knowledge deficit apparent in Project Management, this study argues for investment in PM education and training; it envisions the embedding of education and training into normal academic training throughout tertiary Institutions. There are specific training needs like those that have emerged from this study. These could be seen as gaps that ought to be filled by intervention by appropriate stakeholders. Training in areas such as project scoping and planning; feasibility analysis; stakeholder analysis; project detailed planning and management are clearly required.

An investment in training of public officials in Project Management is a worthwhile investment that will strengthen the economy and societies.

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