

SECRET & CONFIDENTIAL

PARLIAMENT OF GHANA LIBRARY

PARLIAMENTARY MEMORANDUM

BY THE

MINISTER OF HEALTH

ON

THE COMMERCIAL AGREEMENT

FOR THE

**PROJECT FOR IMPROVING ACCESS TO QUALITY HEALTH CARE
IN THE WESTERN REGION, GHANA,**

THROUGH

**THE CONSTRUCTION OF TWO DISTRICT HOSPITALS IN
AKONTOMBRA AND ELUBO, AN ENHANCED POLYCLINIC IN
BOGOSO AND THE REFURBISHMENT AND UPGRADING OF THE
EXISTING FACILITIES IN MPOHOR TO ATTAIN POLYCLINIC
STATUS AND TWO OTHER HEALTH FACILITIES AT NSUAEM
AND WASSA DUNKWA**

UNDER THE CREDIT FACILITY AGREEMENT BETWEEN
GOVERNMENT OF GHANA & THE NETHERLANDS FOR A TOTAL AMOUNT
OF €26,290,429.00 (ING BANK LOAN OF €17,088,778.00; ORIO GRANT OF
€9,201,651.00)

29th January, 2019

respectively

1.0 ACTION REQUIRED

Parliament is respectfully invited to consider and approve the Commercial Agreement between Ministry of Health, Ghana and Vamed Engineering GmbH, Austria under the project for "Improving Access to Quality Health Care in the Western Region", amounting to **Twenty-Six Million and Two Hundred and Ninety Thousand Four Hundred and Twenty-Nine Euros (€26,290,429.00)**

2.0 BACKGROUND

The Western Region faces important shortages in the provision of health facilities especially in the most deprived areas of the region. This problem is further compounded by the lack of critical human resources for health especially with regard to doctors, medical assistants, nurses and midwives. The unavailability of these critical human resources is directly linked to the deplorable and sometimes nonexistence of quality health facilities in the region. According to research, the region has three times less doctors than the national average and almost seven times less nurses. This makes it one of the most deprived regions in terms of access to health care facilities in Ghana.

Extensive study conducted by the Ghana Health Service demonstrates that existing health care facilities are inadequate to achieve significant improvements in quality health service delivery. The range of quality of services is insufficient to meet the needs and demands of the population in the region.

This project is therefore aimed at reducing the gap in health care service delivery by building/upgrading health infrastructure in six project sites. The project entails the provision of both hard-ware (construction/upgrading of health facilities) and soft-ware (capacity building) facilities.

The project would involve the construction of two district hospitals in Akontombra and Elubo, an enhanced polyclinic in Bogoso and the refurbishment and upgrading of the existing facilities in Mpohor to attain polyclinic status while two smaller facilities will be constructed in Nsuaem and Wassa Dunkwa.

The Ministry has sought and received Cabinet and Parliamentary approvals on the Financing Agreement dated 21st October 2016 and 10th November 2016 respectively. The Ministry subsequently went through International Competitive Tender to procure Vamed Engineering GmbH, Austria to execute the project.

3.0 OBJECTIVES

The overall objective of the project is to:

Improve access to quality health care in a deprived area leading to decreased morbidity, disability and mortality and leading to economic gains (e.g. improved economic productivity, micro economic growth and increased household income).

The project aims to do this by investing in health infrastructure and to promote quality driven and results oriented health care delivery tailored to local health needs resulting in a high quality primary health care system.

The project's specific short and long-term objectives are as follows:

Short-term:

- a. improve access to emergency,-referral-primary health services by the poor in the six project catchment areas;
- b. improvements in access to quality equipment and medicines;
- c. improvement in the human resource base of the beneficiary health facilities;
- d. improvement in quality health care delivery; and
- e. increase involvement of local health industry in health system.

Long-term:

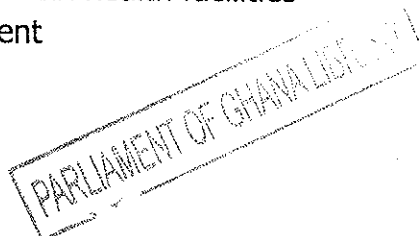
The long term objective of the project is to achieve the Sustainable Development Goals (SDGs) 3.8 which is to achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.

Monitoring and Evaluation (M&E) is an integral part of the project. Key M&E indicators have been identified and measured at baseline. This will allow for structured monitoring and evaluation of input (e.g. investments), throughput (e.g. implementation of quality management systems), output (e.g. quality of services, utilization and enhance performance indicators) and outcome (e.g. decreased morbidity and mortality; health impact) levels throughout the entire project (including operations and maintenance phase).

4.0 PROJECT DESCRIPTION

The project has two main phases which include:

- a. Implementation phase which consists of two components of;
 - i. Construction/upgrading and equipping of six health facilities
 - ii. Quality management system development
- b. Operations and Maintenance phase



The construction/upgrading and equipping component (hard-ware) of the project would involve the actual construction works and installation of equipment in the health facilities while the quality management system development (soft-ware) would involve the development of quality managerial tools and guidelines (human resource management, quality assurance system, health information system and investment performance monitoring and evaluation system) and training of key staff at facility and district levels.

5.0 EXPECTED BENEFITS

The provision of health care to the 6 communities will typically lead to a reduction of the prevalence of common diseases as well as a decrease of maternal mortality.

Additionally, all facilities to be constructed/upgraded under this project will be accredited in the National Health Insurance Scheme. The NHIS accreditation will allow the newly built/ upgraded facilities to reach the lower economic segments of the population by offering reduced cost health care.

Furthermore, the investment will offer quality health care that is more closely located to the target population, thus saving them transport costs to farther located facilities. Further to this, the investment will also integrate the emergency response system in order to also reduce the costs associated with emergency transportation.

6.0 COST OF PROJECT/IMPLEMENTATION SCHEDULE

The total cost of the Project is €26,290,429.00 (Twenty-six Million, Two Hundred and Ninety Thousand, Four Hundred and Twenty-nine Euros), comprising of €17,088,778.00 loan from ING Bank N.V. and €9,201,651.00 grant from Netherlands Government through ORIO.

The project is scheduled to be implemented in thirty (30) months.

7.0 CONSULTATION WITH STAKEHOLDERS AND OTHER ACTIONS TAKEN

Approvals for the execution of the project including, Cabinet and Parliamentary approvals of the loan agreement have been given on 26th October 2016 and 1st November, 2016 respectively.

All the relevant stakeholders especially the Ministry of Finance and Attorney-General's Department have been consulted in all the relevant aspects of the project to ensure smooth execution.

8.0 CONCLUSION

In view of the benefits to be derived from the implementation of the project "Improving Access to Quality Health Care in the Western Region", Parliament is respectfully requested to consider and approve the Commercial Agreement as stated in paragraph one (1) above.



KWAKU AGYEMAN-MANU (MP)
MINISTER FOR HEALTH

29th JANUARY 2014

