

**IN THE THIRD SESSION OF THE SEVENTH  
PARLIAMENT OF THE FOURTH REPUBLIC OF  
GHANA**

**REPORT OF THE COMMITTEE ON ROADS AND  
TRANSPORT**

**ON THE**

**DESIGN-BUILD CONTRACT AGREEMENT  
BETWEEN THE GOVERNMENT OF THE  
REPUBLIC OF GHANA (REPRESENTED  
BY THE MINISTRY OF ROADS AND  
HIGHWAYS) AND BHM CONSTRUCTION  
INTERNATIONAL (UK) LIMITED FOR AN  
AMOUNT (US\$105,000,000.00) FOR THE  
FINANCING, DESIGN AND  
CONSTRUCTION OF THE TEMA – AFLAO  
ROAD (17KM) PHASE I – TRANCHE 1  
(SERVICE ROADS AND INTERCHANGES)**

December, 2019

**REPORT OF THE COMMITTEE ON ROADS AND TRANSPORT ON THE DESIGN-BUILD CONTRACT AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF GHANA (REPRESENTED BY THE MINISTRY OF ROADS AND HIGHWAYS) AND BHM CONSTRUCTION INTERNATIONAL (UK) LIMITED FOR AN AMOUNT (US\$105,000,000.00) FOR THE FINANCING, DESIGN AND CONSTRUCTION OF THE TEMA - AFLAO ROAD (17KM) PHASE I - TRANCHE 1 (SERVICE ROADS AND INTERCHANGES)**

## **1. INTRODUCTION**

The commercial contract Agreement between the Republic of Ghana represented by the Ministry of Roads and Highways and BHM construction (UK) Ltd in the amount of USD 105.00 million (One Hundred and Five Million United States Dollars for the design and construction of the Tema-Aflao Road (17km) phase 1 (service Roads and interchanges) was laid in the House on Thursday 13<sup>th</sup> December 2019.

The Rt Hon Speaker referred the Agreement to the Committee on Roads and Transport for consideration and report in accordance with Article 181 of the 1992 constitution and order 189 of the standing order of the Parliament of Ghana

The committees met with the Hon Minister of Roads and Highways Hon Kwesi Amoako Attah, his Chief Director, Mr Edmund Offei-Annor and officials from the Ministry of Roads and Highways and considered the contract Agreement.

The committee presents its report to the House in accordance with order 161 of the standing orders of the House.

## **2. REFERENCE DOCUMENT**

The committee made references to the following documents during the consideration of the Budget Estimate:

- i. The 1992 Constitution of the Republic of Ghana

- ii. The standing Orders of Parliament of Ghana
- iii. The Facility Agreement and Commercial Contract for the design and construction of the Tema-Aflao Road (17km) phase I.

### **3. BACKGROUND**

The Tema-Aflao road is a priority road project and forms part of the Trans-Coastal Highway Corridor (N1). The N1 is part of the Abidjan-Lagos Priority road for ECOWAS and its listed on the PIDA high priority projects for the Africa Union (AU).

The road section to be developed is part of an important international route which traverses eight (8) political/administrative districts from Tema in the Greater Accra Region to Aflao in the Volta Region.

The road links Ghana with neighbouring countries, Togo, Benin and Nigeria.

The development of the joint Border with Togo which enhances the timelines of transit trade at the border will be positively impacted when the road corridor is improved.

The project supports the ECOWAS agenda for regional integration and cooperation and will benefit agriculture, industry and the transport sectors for international trade.

### **4. PROJECT OBJECTIVES**

The core objectives of the project include:

- 1) Enhancing the flow of regional and inter-regional traffic and trade.
- 2) Facilitating easy access by farmers and traders to markets and support income generation and boost Government efforts in achieving economic development and poverty reduction.

### **5. PROJECT DESCRIPTION AND SCOPE**

The project covers 17km of the total 170km Tema to Aflao Road. The road would be designed to expressway standards and would start with a three

(3) lane carriageway with hand shoulders in both directions and with full access control for a design life of twenty years (20yrs)

Settlements along the project corridor would be connected with exits and entries to the expressway at grade separated interchanges.

This will be supplemented with parallel service roads on each side of the expressway with connecting overbridges.

All work would be constructed within the 90 meter N1 road reserve from the Tema Roundabout and would terminate at the Central University.

The initial 4km section of the road from Tema roundabout would be a 3-lane dual carriageway with 3 No Grade separated interchanges and includes about 28km of service roads with associated connecting overbridges.

#### **5.1 PROJECT DETAIL ON FREEWAY**

The freeway project details include the following works.

- Design speed 120km/h
- 2.5m surfaced slow lane shoulder (could be decreased to 2m to link to JICA design)
- 3-lane per direction of 3.65m width.
- Vertical clearance of 5.5m
- 0.5 fast lane surfaced shoulder
- 4m median
- 3 interchanges

The project will incorporate a two (2) raised roundabout type design incorporating box culvert with a freeway underpass (if geometry allows) and one underpass with raised crossroad including diamond entry and exit ramps with minor roundabout at intersections.

## 5.2 SERVICE ROAD DETAILS

The project service roads will be moved to the extreme end of the road to protect expansion of the freeway on the slow lane shoulder for future expansion when required.

- Two (2) lanes per direction (one-way system) with appropriate shoulder for 60-80km/h design speed.
- Three (3) meter sidewalk incorporating a bicycle lane surfaced with seal including non-mountable kerbs.

## 5.3 OTHER KEY ASPECTS

These include:

- Fencing off the Main freeway to limit movement between the service road and throughway to limit pedestrian movement to the service roads
- Provision of two (2) pedestrian bridge at Dawhenya.

## 5.4 SUMMARY OF THE PROJECT BUDGET

Table 1: Summary of project Budget

ITEM	BILL DESCRIPTION	TOTAL AMOUNT	TRANCHE 1	TRANCHE 2
A	SECTION A - PRELIMINARIES AND GENERALS	37,942,139.67	25,294,759.79	12,647,379.88
B	SECTION B - ROADWORKS (MAIN CARRIAGEWAY)	74,823,085.66		74,823,085.66
C	SECTION C - INTERCHANGES	36,559,315.66	24,372,877.10	12,186,438.56
D	SECTION D - DRAINAGE STRUCTURES	13,099,555.40	7,279,644.32	1,819,911.08
E	SECTION E - ELECTRICAL (STREET LIGHTING)	5,676,262.71		5,676,262.71

F	SECTION F - SERVICE ROADS	29,727,576.24	29,727,576.24	
G	SECTION G - PRICE FLUCTUATION	5,691,396.77	4,571,590.45	5,119,806.32
H	SECTION H - RESETTLEMENT	5,000,000.00	5,000,000.00	
I	EMPLOYERS CONTINGENCY	12,584,696.18	7,739,797.45	4,844,898.73
J	EMPLOYERS PROVISIONAL SUMS	1,487,359.02	1,000,000.00	487,359.02
	<b>TOTAL</b>	<b>222,591,387.31</b>	<b>104,986,245.35</b>	<b>117,605,141.96</b>

## 6.0 OBSERVATIONS ON CONTRACT AGREEMENT

### 6.1 Implementation/Institutional Arrangement

The committee was informed that the Ghana Highway Authority will be the implementing agency under the MRH to oversee the smooth execution of the project and deal with all issues and project related matters during the implementing period.

The Ministry of Roads and Highways will provide policy direction and high-level coordination for the execution of the project. Further, a Project Coordination Unit will be established comprising technical officers from the Ministry of Highways, Ghana Highway Authority, Ministry of Finance and other related MDAs for the purpose of addressing project issues or related challenges to ensure that the project is completed as planned.

### 6.2 Communication Plan

The Committee noted that to achieve the project objectives, the Ministry will engage the MMDAs, the relevant Regional Coordinating Councils, opinion leaders including chiefs, Transport unions and Project Affected Persons(PAPs) along the corridor to address genuine concerns and interest for a smooth and successful completion of the project.

### 6.3 Benefits of the Project

The Committee was informed that the project when completed would:

- Facilitate easier access by farmers and traders to market and will help generate income, hence augment governments' effort in achieving economic development and reduce poverty.
- Ease congestion and improve traffic flow along the road corridors.
- The road safety measures that would be put in place will enhance safety standards on the project road.
- Reduce vehicle operating cost for road users.
- The project will enhance the flow of regional and inter-regional traffic and trade; thereby strengthening regional economic integration.

### 6.4 Project Type

The Committee noted that the project being implemented is on a turnkey basis and the total stretch of all the phases of the ECOWAS project has almost 50% of the construction running through Ghana's territory.

That phase I consist of service roads and interchanges of the Main road project.

### 6.5 Local Content

The Committee was informed that the use of local content in the agreement was not clear. The Committee sought clarification as to what percentage of local content would be engaged and that local contractors would not be short-changed by the Main contractor or offset with lower rate figures in their charges for the supply of goods and services.

The Committee advised the Ministry that indigenous Ghanaian contractors be given the opportunity to participate in the construction work.

The Committee reiterates its advice to the Ministry to ensure that the agreement specifies local content and specifically be incorporated in the agreement.

## **6.6 Project Vehicles**

The Committee enquired if the contract agreement specifies the purchase of vehicles for the projects. The Ministry assured the Committee that vehicles purchased for the project would be solely for monitoring and would be identifiable with the contract.

## **6.7 Project Duration**

The Committee was informed that the period for the execution of the project would span a period of 18 months.

The Committee noted that given the nature and importance in executing the projects over an 18 months period, it urges the House that notwithstanding project monitoring by the Ministry of Roads and Highways and its implementing agencies, the House should dutifully exercise its oversight responsibility over the project.

## **6.8 Compensation**

The Committee noted that the project makes room for compensation to be paid to persons whose properties lie within the area of construction and noted that the contract make provision for those whose properties would be affected by the project execution.

## **6.9 Value for Money**

The Committee was informed that value for money audit of the project will be undertaken by Ghana Institute of Surveyors (GIS) and is on a condition precedent for effectiveness of the contract.

## **7.0 Tax Waivers**

The Committee was informed that import related costs including import duties (GETFL) are included in the cost of the project. The Committee recommends that the Roads and Transport and Finance Committees should monitor the project to prevent the company from coming to Parliament for tax waiver.



## 7.1 Open Drains

The Committee observed that there are provisions made for the design and construction for open drains in the project. The Committee noted that in this modern day the construction of open drains need not be encouraged due to its attendant problems particularly, collection of solid and liquid waste in them might cause their blockage. The Committee recommends that the drains should be covered.

## 8.0 CONCLUSION

The Committee having examined the Contract Agreement and satisfied with the contract arrangement and of the consideration opinion that it will bolster the economy through infrastructural development and the priority that the section of the road corridor occupies in ECOWAS economic integration process, and akin to oversee social transformation, recommends to the House to adopt its report and approve, in accordance with article 181 of the 1992 Constitution, the Commercial Agreement amounting up to **One Hundred and Five Million United States Dollars (US\$105,000,000.00)** between the Government of the Republic of Ghana, represented by the Ministry of Roads and Highways and BHM Construction International (UK) Limited for the construction of the Tema - Aflao (17km) Phase I (Service Roads and Interchanges).

Respectfully submitted.

  
MR. SAMUEL AYEH-PAYE  
CHAIRMAN, COMMITTEE ON  
ROADS & TRANSPORT



MR. ASANTE AMOAKO-ATTA  
CLERK, COMMITTEE ON  
ROADS & TRANSPORT



December, 2019