

MEMORANDUM TO PARLIAMENT

SUBMITTED BY:

**KEN OFORI-ATTA
(MINISTER FOR FINANCE)**

TITLE:

**REQUEST FOR TAX AND DUTY WAIVER ON MATERIALS/GOODS AND
EQUIPMENT TO BE PROCURED FOR:**

- (1) THE RECONSTRUCTION OF THE BECHEM-TECHIMANTIA-
AKUMADAN ROAD PROJECT (40.4KM) AND**
- (2) THE TARKWA-AGONA NKWANTA ROAD PROJECT (66.0KM).**



22ND JULY, 2022

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1.0 ACTION REQUIRED

1.1 Hon. Members of Parliament are respectfully requested to consider and approve the request for the waiver of taxes and duties specifically, Import Duties, Import NHIL, Import VAT, GETFund Levy, EXIM Levy, Special Import Levy and Covid-19 Health Recovery Levy amounting to a total cedi equivalent of **€14,704,154.00** on materials/goods and equipment to be imported for:

- (a) the Reconstruction of the Bechem-Techimantia-Akumadan Road Project (40.4km); and
- (b) the Reconstruction of the Tarkwa-Agona Nkwanta Road Project(66.0km) by Messrs. Gabriel Couto-Rango Consortium.

1.2 H. E. The President on July 20, 2022 granted Executive approval for the request for tax exemption to enable Parliament consider and approve same.

2.0 BACKGROUND TO THE PROJECT

2.1 Parliament, at the Forty-Third Sitting of the Second Meeting held on Wednesday, July, 29 and at the Forty-Fourth Sitting of the Second Meeting held on Thursday, July 30, 2020 respectively, approved by resolution, the following agreements:

- (a) the Term Loan Facility Agreement between the Government of Ghana (represented by the Ministry of Finance) and Deutsche Bank AG, Frankfurt Branch (as Arranger and Original Lender) and TMF Global Services (UK) Limited (as Facility Agent) for an amount of **€147,505,734.00** for the Reconstruction of the Bechem-Techimantia-Akumadan(40.4km) and the Tarkwa-Agona Nkwanta (66.0km) Road Projects; and

- (b) the Design-Build Contract between the Government of Ghana (represented by the Ministry of Roads and Highways (represented by the Ghana Highway Authority) and Messrs. Gabriel Couto-Rango Consortium for an amount of €50Million for the implementation of the Reconstruction of the Bechem-Techimantia-Akumadan(40.4KMm) and €95Million for the Tarkwa-Agona Nkwanta (66.0km) Road Projects.

2.2 The Bechem-Techimantia-Akumadan road runs in the South-North direction from Bechem in the Bono Region through Dwomo and Techimantia all in the same region to Akumadan in the Ashanti Region. The road connects the Bono Region in Akumadan in the Ashanti Region joining the main Kumasi-Techimantia road at Akumadan through the main agricultural towns and villages.

2.3 Currently, the proposed 40.4km section to be re-constructed is in an advanced state of deterioration. This has resulted in a very high vehicle operating cost, dust pollution in the settlement areas, road accidents and low utilisation of the main road in terms of traffic volumes. Traffic safety measures such as pedestrian crossings and pavement and road markings and signages, are all absent along this section.

2.4 The Tarkwa-Agona Nkwanta road, also runs in the South-North direction from Agona Nkwanta to Tarkwa through Bonsa and Nsuta all of which have rubber and mineral prospects. The road forms part of the N1 link between Ghana and Cote D'Ivoire as well as other ECOWAS countries. The road also connects to the main roads in the seaport of Takoradi.

3.0 OBJECTIVE OF THE PROJECT

3.1 The main objective of the project includes inter alia:

- To improve road infrastructure;
- To help reduce cost of transportation of people and goods;

4.0 SCOPE OF PROJECT

4.1 The re-construction of the 40.4 km Bechem-Techimantia-Akumadan and 66.0 km Tarkwa-Agona-Nkwanta Road Projects includes the following:

- Site clearing;
- Earthworks;
- Pavement layers including natural gravel layers, asphalt and double bituminous surfacing;
- Relocation and/or protection of existing services within the road reserve;
- Access points along the route;
- Drainage structures; and
- Provision of road furniture, streetlights, signage, crash barriers, road markings etc.

5.0 JUSTIFICATION FOR GOVERNMENT'S SUPPORT FOR TAX EXEMPTION

5.1 Government of Ghana represented by the Ghana Highway Authority (GHA), signed a Commercial Agreement with the contractor, Messrs. Gabriel Couto-Rango Consortium for the implementation of the project and is thus expected to abide by and satisfy fully, the conditions provided under it.

5.2 Under Clause 14.1(b) of the Particular Conditions of Contract which has been amended by the Supplementary Agreement dated April 20, 2022, it is stipulated that 'it is understood that the accepted contract amount excludes taxes and duties. However, the Contractor shall pay all other taxes and fees required to be paid by him under the Contract, and the Contract Price shall not be adjusted for any of these costs, except as stated in sub-clause 13.7 (Adjustment for changes in legislation);

Notwithstanding the provisions stated above and sub-clause 1.13 (Compliance with Laws), all the Contractors equipment, plant, materials and vehicles imported by the Contractor under the Contract, shall be exempted from the payment of Import taxes and duties, specifically Import Duties, Import GETFund, Import NHIL, Import VAT,

EXIM levy, COVID-19 Levy and Special Import Levy subject to the approval of the Parliament of the Republic of Ghana'.

5.3 Based on the commitment made above, the Government of Ghana acting through the Ministry of Roads and Highways/Ghana Highway Authority is requesting for exemption of taxes, duties and other levies on the items to be imported under the project to ensure its smooth implementation.

6.0 ASSESSMENT OF TAXES, DUTIES AND LEVIES TO BE WAIVED

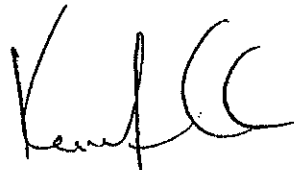
The Ghana Revenue Authority (GRA), has assessed the quantum of Customs Duty and Taxes payable on the materials/goods and equipment to be imported under the (2) projects at a total cedi equivalent of **€14,704,154.00** (Fourteen Million, Seven Hundred and Four Thousand, One Hundred and Fifty-Four Euros) made up of Import Duties, Import VAT, NHIL/GETFund, Exim Levy, Special Import Levy and Covid-19 Health Recovery Levy.

SUMMARY TABLE OF TOTAL EXEMPTION BEING SOUGHT

TARKWA-AGONA NKWANTA PROJECT	Taxes assessed	Tax waiver amount (€)
Tax type		
Imports (A)	Import Duty	2,608,130.00
	NHIL/GETFund	1,769,664.00
	Import VAT	4,645,368.00
	EXIM Levy	389,300.00
	Special Import Levy	661,312.00
	Covid-19 levy	545,147.00
Sub-Total (A)		10,618,921.00
BECHEM TECHIMANTIA- AKUMADAN PROJECT		
Tax type		
Imports (B)	Import Duty	1,306,678.00
	NHIL/GETFund	602,056.00
	Import VAT	1,580,398.00
	EXIM Levy	151,627.00
	Special Import Levy	229,239.00
	Covid-19 Health Recovery Levy	215,236.00
Sub-Total (B)		4,085,233.00
TOTAL (A+B)		14,704,154.00

7.0 CONCLUSION

Considering the anticipated socio-economic benefits envisaged when the projects are fully completed and put to use, Hon. Members of Parliament are respectfully requested to consider and approve the request for tax exemption amounting to the cedi equivalent of **€14,704,154.00** so as to ensure the smooth implementation of the projects.

A handwritten signature in black ink, appearing to read 'Ken Ofori-Atta', written in a cursive style.

**KEN OFORI-ATTA
(MINISTER FOR FINANCE)**

ATTACHMENTS:

- Copy of Executive approval for tax exemption;
- Application letters from the Ministry of Roads and Highways;
- Copy of Executive Approval for Commercial Contract and Credit Facility;
- Copy of Parliamentary resolution of the Commercial Agreement;
- Copy of the Parliamentary approval of the Loan Facility;
- Copy of relevant sections of the Commercial Agreements containing tax provisions;
- Copy of signed Supplementary Agreements dated April 20, 2022; and
- GRA's tax assessment.





**OFFICE OF
THE PRESIDENT**

SECRETARIAT TO THE PRESIDENT

Jubilee House, Accra
Tel: +233 (0) 302 758 500
Tel: +233 (0) 302 758 501
Digital Address: GA-000-0388

Handwritten signature

20th July, 2022

**RE REQUEST FOR EXECUTIVE APPROVAL FOR TAX EXEMPTION ON MATERIALS/GOODS
AND EQUIPMENT TO BE PROCURED FOR THE RECONSTRUCTION OF (1) THE TARKWA-
AGONA NKWANTA AND (2) BECHEM-TECHIMANTIA-AKUMADAN ROAD PROJECTS**

Refer to your letter dated 18th July, 2022 with reference number RPB/TPU/EN/MRH/022 in respect of the above subject matter.

The President has granted approval for the waiver of taxes and duties specifically, Import Duties, Import NEIL, Import VAT, GET Fund Levy, EXIM Levy, Special Import Levy and COVID-19 Health Recovery Levy amounting to a total cost equivalent of G14,704,354.00 on materials/goods and equipment to be imported for the (a) reconstruction of the Bechem-Techimantia-Akumadan Road Project (40 km); and (b) reconstruction of the Tarkwa-Agona Nkwanta Road Project (65 km) by Messrs. Gabriel Ombu-Rango Consortium.

I shall be grateful if you could take requisite action on the above.

Handwritten signature

**ODIA SEDIATUO ASANTE
SECRETARY TO THE PRESIDENT**

**THE HON. MINISTER
MINISTRY OF FINANCE
ACCRA**

ATTN: MR. KEN OGBELATTA

The Vice President
Jubilee House, Accra

The Chief Justice
Jubilee House, Accra

Secretary to the Cabinet
Jubilee House, Accra

The Hon. Minister
Ministry of Roads and Highways, Accra

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PUBLIC OF GHANA

MINISTRY
OF
ROADS AND
HIGHWAYS

P. O. Box M57, Ministries - Accra
Digital Address: GA-107-2101
Kindly quote this number and date on all correspondence

My Ref. No. MRA/PD317/323/c1

Your Ref. No. _____

Date. 7TH JUNE 2022

RECONSTRUCTION OF BECHEM – TECHIMANTIA – AKUMADAN ROAD PROJECT
SUBMISSION OF SUPPLEMENTARY AGREEMENT NO 1

We forward herewith, with a copy of the signed Supplementary Agreement on the above-mentioned project for your information and further action, please.

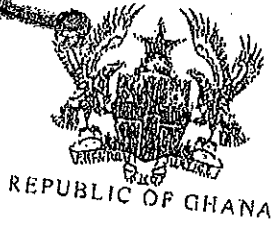

KWASI AMOAKO-ATAH (MP)
HON. MINISTER

THE HON. MINISTER
MINISTRY OF FINANCE
ACCRA

ATTN: MINISTER OF STATE

Cc:
Chief Director (MRH)
Chief Director (MOF)
Chief Executive (GHA)





REPUBLIC OF GHANA

MINISTRY
OF
ROADS AND
HIGHWAYS

P. O. Box M57, Ministries - Accra

Digital Address: GA-107-2101

Kindly quote this number and date on all correspondence

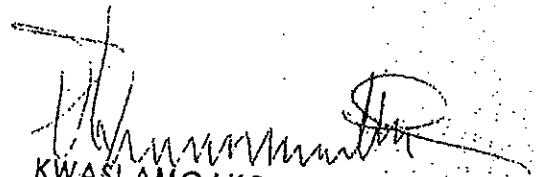
My Ref. No. MRH/PDS/17/323/c

Your Ref. No.

Date 7TH JUNE 2022

RECONSTRUCTION OF TARKWA - AGONA NKWANTA ROAD PROJECT
SUBMISSION OF SUPPLEMENTARY AGREEMENT NO 1

We forward herewith, with a copy of the signed Supplementary Agreement on the above-mentioned project for your information and further action, please.

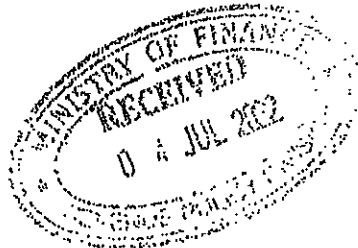

KWASI AMOAKO-ATTAH (MP)
HON. MINISTER

THE HON. MINISTER
MINISTRY OF FINANCE
ACCRA

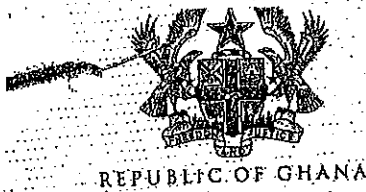
ATTN: MINISTER OF STATE

Cc:

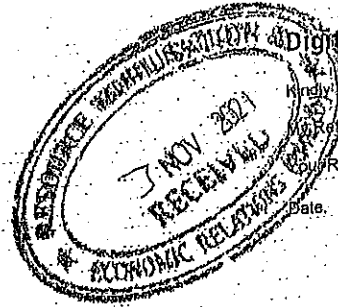
- Chief Director (MRH)
- Chief Director (MOF)
- Chief Executive (GHA)



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MINISTRY OF ROADS AND HIGHWAYS



Digital Address: GA-107-2101

Kindly quote this number and date on all correspondence

Ref. No. NA-150/418/21

Date 26TH OCTOBER 2021

RECONSTRUCTION OF TARKWA - AGONA NKWANTA ROAD PROJECT (66KM)

REQUEST FOR ASSESMENT OF TAXES FOR APPROVAL FOR WAIVER OF THE REQUIRED TAXES, CUSTOMS DUTIES, EDAF, LEVIES, PROCESSING FEES, INSPECTION FEES AND OTHER APPLICABLE FEES AND CHARGES ON THE MATERIALS AND EQUIPMENT

The Government of Ghana acting through the Ghana Highway Authority signed the attached Credit and Commercial Agreement Facility with Gabriel Couto-Rango Consortium for the rehabilitation of the Tarkwa to Agona Nkwanta Road project to enhance the road network of Ghana.

Clause 14.1 (b) of the Agreement signed on 10th November 2020 stipulates that the Government of Ghana will provide tax waiver covering taxes, duties and other levies on construction equipment and materials for the execution of the Project.

We kindly request you to assess the applicable taxes for the attached list of materials and equipment required by the project for the preparation of the necessary Parliamentary Approvals for the waiver of taxes and applicable fees for the Project.

Counting on your cooperation



ING. DR. ABASS M. AWOLU
CHIEF DIRECTOR
FOR MINISTER

THE CHIEF DIRECTOR
MINISTRY OF FINANCE
ACCRA

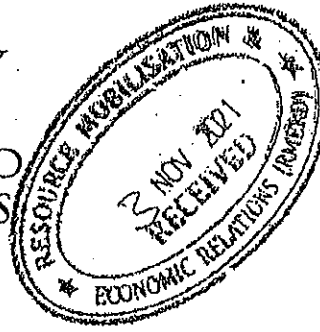
ATTN: DIRECTOR ERMERD

cc: Director Policy & Planning - MRH
The CEO - GHA



REPUBLIC OF GHANA

MINISTRY
OF
ROADS AND
HIGHWAYS



Digital Address: GA-107-2101

Kindly quote this number and date on all correspondence

My Ref. No. NA 150/418/01

Your Ref. No. _____

Date. 26TH JUNE 2021

RECONSTRUCTION OF BECHEM - TECHIMANTIA - AKUMADAN ROAD PROJECT

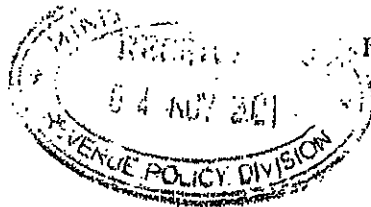
REQUEST FOR ASSESMENT OF TAXES FOR APPROVAL FOR WAIVER OF THE REQUIRED TAXES, CUSTOMS DUTIES, EDAF, LEVIES, PROCESSING FEES, INSPECTION FEES AND OTHER APPLICABLE FEES AND CHARGES ON THE MATERIALS AND EQUIPMENT

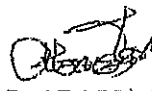
The Government of Ghana acting through the Ghana Highway Authority signed a Credit and Commercial Agreement Facility with Gabriel Couto-Rango Consortium for the rehabilitation of the Bechem-Techimantia-Akumadan Road project to enhance the road network of Ghana.

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We kindly request you to assess the applicable taxes for the attached list of materials and equipment required by the project for the preparation of the necessary Parliamentary Approvals for the waiver of taxes and applicable fees for the Project.

Counting on your cooperation




ING. DR. ABASS M. AWOLU
AG. CHIEF DIRECTOR
FOR: MINISTER

THE CHIEF DIRECTOR
MINISTRY OF FINANCE
ACCRA

ATTN: DIRECTOR ERMERD

cc: Director Policy & Planning - MRH
The CEO - GHA



PARLIAMENTARY SERVICE

Parliament House - Accra (Ghana)

In case of reply the number and date of this letter should be quoted

My Ref. No. OP/T/R/0657

Your Ref.

Telephone Nos. 0302 633 030
0302 664 530
0302 664 042

E-mail: clerk@parliament.gh
Website: www.parliament.gh

10th August, 2020

THE HON. MINISTER,
MINISTRY OF ROADS AND HIGHWAYS,
ACCRA.

Hon. Minister,

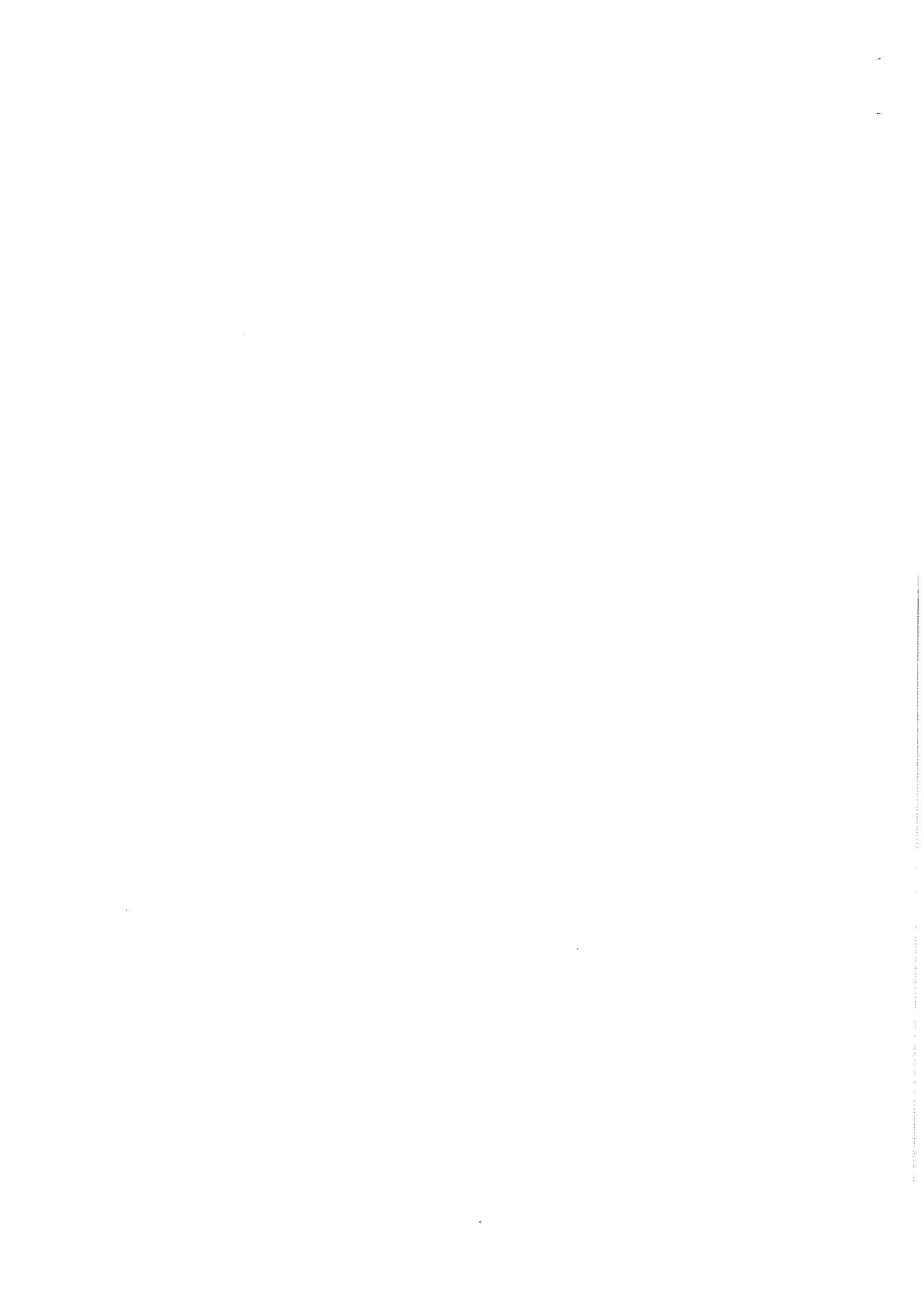
DESIGN-BUILD CONTRACT AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF GHANA (REPRESENTED BY THE MINISTRY OF ROADS AND HIGHWAYS [REPRESENTED BY THE GHANA HIGHWAY AUTHORITY]) AND MESSRS GABRIEL COUTO-RANGO CONSORTIUM FOR AN AMOUNT OF NINETY-FIVE MILLION EUROS (€95,000,000.00) FOR IMPLEMENTATION OF THE RECONSTRUCTION OF THE TARKWA - AGONA NKWANTA (66.0KM) ROAD PROJECT

Parliament at its Forty-Fourth Sitting of the Second Meeting held on Thursday, 30th July, 2020 approved by resolution, the Design-Build Contract Agreement between the Government of the Republic of Ghana (represented by the Ministry of Roads and Highways [represented by the Ghana Highway Authority]) and Messrs Gabriel Couto-Rango Consortium for an amount of Ninety-Five Million Euros (€95,000,000.00) for implementation of the reconstruction of the Tarkwa - Agona Nkwanta (66.0km) Road Project.

I am directed to forward to you the text of the Resolution as follows:

WHEREAS

1. By the provisions of Article 181(5) of the Constitution the terms and conditions of any International business or economic transaction to which the Government of Ghana is a party shall not come into operation unless the said terms and conditions have been laid before Parliament and approved by Parliament by a Resolution supported by the votes of a majority of all Members of Parliament;
2. Pursuant to the provisions of the said Article 181(5) of the Constitution, and at the request of the Government of Ghana acting through the Minister responsible for Roads and Highways, there has been laid before Parliament the terms and conditions of a Design-Build Contract Agreement between the Government of the Republic of Ghana (represented by the Ministry of Roads and Highways [represented by the Ghana Highway Authority]) and Messrs Gabriel Couto-Rango Consortium for an amount of Ninety-Five Million Euros



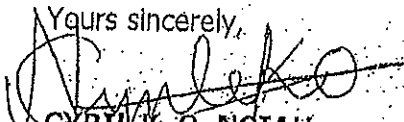
(€95,000,000.00) for implementation of the reconstruction of the Tarkwa – Agona Nkwanta (66.0km) Road Project.

THIS HONOURABLE HOUSE HEREBY RESOLVE AS FOLLOWS:

In accordance with the provisions of the said Article 181(5) of the Constitution, this House approves, by resolution, the Design-Build Contract Agreement between the Government of the Republic of Ghana (represented by the Ministry of Roads and Highways [represented by the Ghana Highway Authority]) and Messrs Gabriel Couto-Rango Consortium for an amount of Ninety-Five Million Euros (€95,000,000.00) for implementation of the reconstruction of the Tarkwa – Agona Nkwanta (66.0km) Road Project.

The Resolution is respectfully submitted for your appropriate action.

Yours sincerely,


CYRIL K. O. NSIAH
Clerk to Parliament

Cc: Hon. Minister for Parliamentary Affairs;
Hon. Attorney-General and Minister for Justice;
Hon. Minister for Finance.



PARLIAMENTARY SERVICE

Parliament House - Accra (Ghana)

In case of reply the number
and date of this letter should
be quoted

My Ref. No. OP/T/R/0656

Your Ref.:

Telephone Nos. 0302 633 030
0302 664 530
0302 664 042

E-mail: clerk@parliament.gh
Website: www.parliament.gh

10th August 2020

THE HON. MINISTER,
MINISTRY OF ROADS AND HIGHWAYS,
ACCRA.

Hon. Minister,

**DESIGN-BUILD CONTRACT AGREEMENT BETWEEN THE GOVERNMENT OF
THE REPUBLIC OF GHANA (REPRESENTED BY THE MINISTRY OF ROADS
AND HIGHWAYS [REPRESENTED BY THE GHANA HIGHWAY AUTHORITY])
AND MESSRS GABRIEL COUTO-RANGO CONSORTIUM FOR AN AMOUNT
OF FIFTY MILLION EUROS (€50,000,000.00) FOR IMPLEMENTATION OF
THE RECONSTRUCTION OF THE BECHEM – TECHIMANTIA – AKUMADAN
(40.4KM) ROAD PROJECT**

Parliament at its Forty-Fourth Sitting, of the Second Meeting held on Thursday, 30th July, 2020 approved by resolution, the Design-Build Contract Agreement between the Government of the Republic of Ghana (represented by the Ministry of Roads and Highways [represented by the Ghana Highway Authority]) and Messrs Gabriel Couto-Rango Consortium for an amount of Fifty Million Euros (€50,000,000.00) for implementation of the reconstruction of the Bechem – Techimantia – Akumadan (40.4km) Road Project.

I am directed to forward to you the text of the Resolution as follows:

WHEREAS

1. By the provisions of Article 181(5) of the Constitution the terms and conditions of any international business or economic transaction to which the Government of Ghana is a party shall not come into operation unless the said terms and conditions have been laid before Parliament and approved by Parliament by a Resolution supported by the votes of a majority of all Members of Parliament;
2. Pursuant to the provisions of the said Article 181(5) of the Constitution, and at the request of the Government of Ghana acting through the Minister responsible for Roads and Highways, there has been laid before Parliament the terms and conditions of a Design-Build Contract Agreement between the Government of the Republic of Ghana (represented by the Ministry of Roads and Highways [represented by the Ghana Highway Authority]) and Messrs Gabriel Couto-Rango Consortium for an amount of Fifty Million Euros

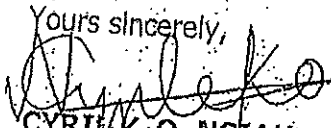
(€50,000,000.00) for implementation of the reconstruction of the Bechem – Techimantla – Akumadan (40.4km) Road Project.

THIS HONOURABLE HOUSE HEREBY RESOLVE AS FOLLOWS:

In accordance with the provisions of the said Article 181(5) of the Constitution, this House approves, by resolution, the Design-Build Contract Agreement between the Government of the Republic of Ghana (represented by the Ministry of Roads and Highways [represented by the Ghana Highway Authority]) and Messrs Gabriel Couto-Rango Consortium for an amount of Fifty Million Euros (€50,000,000.00) for implementation of the reconstruction of the Bechem – Techimantla – Akumadan (40.4km) Road Project.

The Resolution is respectfully submitted for your appropriate action.

Yours sincerely,


CYRIL K. O. NSIAH
Clerk to Parliament

Cc: Hon. Minister for Parliamentary Affairs.

Hon. Attorney-General and Minister for Justice.

Hon. Minister for Finance.



PARLIAMENTARY SERVICE

Parliament House - Accra (Ghana)

In case of reply the number and date of this letter should be quoted.

My Ref. No. OP/T/2/0655

Your Ref.:

Telephone Nos. 0302 633 030

0302 664 530

0302 664 042

E-mail: clerk@parliament.gh

Website: www.parliament.gh

10th August, 2020

THE HON. MINISTER,
MINISTRY OF FINANCE,
ACCRA.

Hon. Minister,

**TERM LOAN FACILITY AGREEMENT BETWEEN THE GOVERNMENT OF THE
REPUBLIC OF GHANA (REPRESENTED BY THE MINISTRY OF FINANCE)
AND DEUTSCHE BANK AG, FRANKFURT BRANCH (AS ARRANGER AND
ORIGINAL LENDER) AND TME GLOBAL SERVICES (UK) LIMITED (AS
FACILITY AGENT) FOR AN AMOUNT OF ONE HUNDRED AND FORTY-
SEVEN MILLION, FIVE HUNDRED AND FIVE THOUSAND, SEVEN HUNDRED
AND THIRTY-FOUR EUROS (€147,505,734.00) FOR THE
RECONSTRUCTION OF THE BECHEM - TECHIMANTIA - AKUMADAN
(40.4KM) AND THE TARKWA - AGONA NKWANTA (66.0KM) ROAD
PROJECTS**

Parliament at its Forty-Third Sitting of the Second Meeting held on Wednesday, 29th July, 2020 approved by resolution, the Term Loan Facility Agreement between the Government of the Republic of Ghana (represented by the Ministry of Finance) and Deutsche Bank AG, Frankfurt Branch (as Arranger and Original Lender) and TME Global Services (UK) Limited (as Facility Agent) for an amount of One Hundred and Forty-Seven Million, Five Hundred and Five Thousand, Seven Hundred and Thirty-Four Euros (€147,505,734.00) for the reconstruction of the Bechem - Techimantia - Akumadan (40.4km) and the Tarkwa - Agona Nkwanta (66.0km) Road Projects.

I am directed to forward to you the text of the Resolution as follows:

WHEREAS

1. By the provisions of Article 181 of the Constitution and Sections 55 and 56 of the Public Financial Management Act, 2016 (Act 921), the terms and conditions of all government borrowings shall be laid before Parliament and shall not come into operation unless the terms and conditions are approved by a resolution of Parliament in accordance with article 181 of the Constitution;
2. Pursuant to the provisions of the said Article 181 of the Constitution and Sections 55 and 56 of the Public Financial Management Act, 2016 (Act 921), at the request of the Government of the Republic Ghana acting through the Minister responsible for Finance, there has been

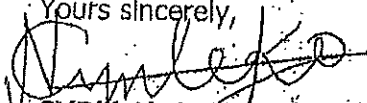
laid before Parliament a Term Loan Facility Agreement between the Government of the Republic of Ghana (represented by the Ministry of Finance) and Deutsche Bank AG, Frankfurt Branch (as Arranger and Original Lender) and TMF Global Services (UK) Limited (as Facility Agent) for an amount of One Hundred and Forty-Seven Million, Five Hundred and Five Thousand, Seven Hundred and Thirty-Four Euros (€147,505,734.00) for the reconstruction of the Bechem – Techimantia – Akumadan (40.4km) and the Tarkwa – Agona Nkwanta (66.0km) Road Projects.

THIS HONOURABLE HOUSE HEREBY RESOLVES AS FOLLOWS:

In accordance with the provisions of the said Article 181 of the Constitution and Sections 55 and 56 of the Public Financial Management Act, 2016 (Act 921), this House approves, by resolution, the Term Loan Facility Agreement between the Government of the Republic of Ghana (represented by the Ministry of Finance) and Deutsche Bank AG, Frankfurt Branch (as Arranger and Original Lender) and TMF Global Services (UK) Limited (as Facility Agent) for an amount of One Hundred and Forty-Seven Million, Five Hundred and Five Thousand, Seven Hundred and Thirty-Four Euros (€147,505,734.00) for the reconstruction of the Bechem – Techimantia – Akumadan (40.4km) and the Tarkwa – Agona Nkwanta (66.0km) Road Projects.

The Resolution is respectfully submitted for your appropriate action.

Yours sincerely,


CYRIL K. O. NSIAH
Clerk to Parliament

Cc: Hon. Minister for Parliamentary Affairs.

Hon. Attorney-General and Minister for Justice.

Hon. Minister for Roads and Highways.



Republic of Ghana

MINISTRY OF ROADS AND HIGHWAYS
GHANA HIGHWAY AUTHORITY

DESIGN-BUILD CONTRACT

FOR

RECONSTRUCTION OF TARKWA - AGONA - NKWANTA
ROAD PROJECT (66.0Km)

CONTRACT NUMBER: GHA/HO/TRC/51/2020

Employer:

MINISTRY OF ROADS AND HIGHWAYS
P.O. BOX M57, MINISTRIES,
ACCRA, GHANA

Represented by

GHANA HIGHWAY AUTHORITY
P. O. BOX 1641,
ACCRA, GHANA

Contractor:

GABRIEL COUTO-RANGO CONSORTIUM
No 1 SAM NUJOMA CLOSE, NORTH RIDGE
ACCRA, GHANA

NOVEMBER 2020



Contract Agreement

THIS CONTRACT (AGREEMENT) is made the 9th day of November, 2020
BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF GHANA acting through THE MINISTER OF ROADS AND HIGHWAYS of P.O. Box M57, MINISTRIES - ACCRA, represented by the ~~GHANA HIGHWAY AUTHORITY (GHA)~~, the implementing Agency; hereinafter referred to as "the Employer" on one hand,

AND

GABRIEL COUTO-RANGO CONSORTIUM, a consortium between Rango Construction Company Ltd and Construções Gabriel AS Couto SA, with its Head Office and registered place of business and head office at No 1 SAM NUJOMA CLOSE, NORTH RIDGE - ACCRA hereinafter referred to as "the Contractor" on the other hand.

WHEREAS:

1. The Ministry of Finance representing the Government of Ghana as the Borrower, has commenced processes with the relevant financial arrangers and institutions to secure a Credit Facility and intends to apply funds from the Credit Facility for eligible payments under this agreement for the implementation of the Project, known as RECONSTRUCTION OF TARKWA - AGONA - NKWANTA ROAD PROJECT (66.0 Km).
2. The Employer desires that the Works, known as RECONSTRUCTION OF TARKWA - AGONA - NKWANTA ROAD PROJECT (66.0 Km), with: CONTRACT NUMBER: GHA/HO/TRC/51/2020 be executed by the Contractor, under its programme for the implementation of priority road projects and related facilities;
3. The Contractor has submitted a proposal to design, execute and complete the Works and the remedying of any defects therein;
4. The Employer has accepted the Contractor's proposal to design, execute and complete the Works and the remedy any defects therein in accordance with the terms and conditions of this Contract.

[Handwritten signature]

[Handwritten initials]

THE EMPLOYER AND THE CONTRACTOR AGREE as follows:

1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement.
 - a) The Contract Agreement
 - b) The Letter of Acceptance
 - c) The Letter of Proposal including the Appendix to the
 - d) The Particular Conditions of Contract
 - e) The General Conditions of Contract – "Conditions of Contract for Plant and Design Build", First Edition, 1999, ISBN 2-88432-023-7, Published by the International Federation of Consulting Engineers (FIDIC)"
 - f) Employer's Requirements
 - g) The Schedules
 - h) The Contractor's Proposal
 - i) Other Relevant Documents:
 - a. Copy of Public Procurement Authority's (PPA) Approval
 - b. Copy of Parliamentary Approval of the Financing and Contract Agreements
3. In consideration of payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to design, execute and complete the Works and remedy any defects therein, in conformity with the provisions of the Contract.
4. The Employer hereby covenants to pay the Contractor, in consideration of the design, execution and completion of the Works and the remedying of defects herein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

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5. The Contract Price is ~~Ninety-Five Million~~ **Ninety-Five Million** Euros (€95,000,000.00) for completion in One Hundred and Twenty-Five (1095) days from the Commencement date of the Contract.
6. The Contract shall come into full force and effect on the date when all the following conditions precedent have been fulfilled and satisfied:
 - ~~(a) Cabinet and Parliamentary Approvals of the Financing Agreement and the Commercial Contract Agreement in accordance with Article 181 of the 1992 Constitution and Sections 55(1) and 56(1) of the Public Financial Management Act 2016 (ACT 921);~~
 - (b) Execution of the Contract Agreement by both Parties;
 - (c) A Value for Money Assessment;
 - (d) Public Procurement Authority's approval for single-sourcing of the Contractor herein for the implementation of the Project;
 - (e) Legal Opinion issued by the Attorney-General and Minister of Justice on the validity and legal enforceability of the Credit Facility between the Republic of Ghana and the Bank;
 - (f) Notification from the Bank to the Borrower and the Employer that all the conditions precedent to effectiveness of the Credit Facility and disbursement have been fully satisfied.
7. The Employer shall promptly confirm to the Contractor the date on which all of the conditions in paragraph 6 above have been satisfied. If any of these conditions have not been satisfied within a period of Twenty-Four (24) calendar months from the date on which this Agreement is signed, this Agreement shall be void and ineffective and any securities issued in relation to the above Works shall be returned.

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IN WITNESS whereof the parties hereto have caused this Agreement to be executed the day, month and year first before written in accordance with the laws of the Republic of Ghana.

FOR AND ON BEHALF OF THE EMPLOYER

Signature *[Handwritten Signature]*

Name HON. KWASI AMOAKO ATAH
MINISTER

Title MINISTRY OF ROADS & HIGHWAYS

FOR AND ON BEHALF OF THE CONTRACTOR

Signature *[Handwritten Signature]*

Name THEODORE ADIMAZOYA

Title DIRECTOR
GABRIEL CUOTO RANGO CONSORTIUM

IN THE PRESENCE OF:

Signature *[Handwritten Signature]*

Name N. D. BROWN

CHIEF EXECUTIVE
Address GHANA HIGHWAY AUTHORITY
P. O. BOX 1641
ACCRA

IN THE PRESENCE OF:

Signature *[Handwritten Signature]*

Name MÁRCIO GIL RODRIGUES ABREU

Address Nº 1 SA M. NUSOMA CLOSE

NOATH RIDGE - ACCRA

[Handwritten Initials]

Without prejudice to Sub-Clause 13.3. (a), (b), and (c), the Contractor shall be entitled to review the prices of Bill of Quantities in respect of the request variation if the said quantities vary by plus/minus twenty-five percent (+/-25%)

13.5(b) Percentage for Adjustments of Provisional Sums 15%

13.8 Adjustments for Changes in Cost Not Applicable

14.1 (a) Contract Price *Sub-clause 14.1 (a) is reworded as follows:*

"The Contract Price shall be Lump Sum in accordance with the agreed Cost Component Breakdown, performed and measured in accordance with this Contract."

Add the following to the Sub-clause:

"Prior to final completion and acceptance of the Design for Works and upon presentation of Final Detailed Design Documents to the Employer for final review as per Sub-Clause 5.24, the Contractor shall also provide to the Employer a proposed final Cost Component Breakdown using the Unit Rates submitted in the Contractor's Cost Component Breakdown for constructing the agreed scope of construction for the Works within the Accepted Contract Amount. This final cost shall guarantee to the Employer the price for which all construction work will be completed within the time for completion and the Accepted Contract Amount.

If the Employer and the Contractor cannot mutually agree to the Final Detailed Design Report and Cost Component Breakdown within the Accepted Contract Amount, any of the Parties shall notify the other Party in writing, granting a period of 14 days for the other Party analysis and response of the matter. If the Party that received the notice does not provide a response and/or the Parties do not reach a

Contractor shall refer to the Employer for this dispute in 30 days from the receipt of such notice, then the dispute shall be resolved in accordance with Clause 20.

The Contract however, agrees and guarantees that the Accepted Contract Amount shall not exceed Ninety-Five Million Euros (€95,000,000:00).

The Accepted Contract Amount, unless changed subject to Clause 13 [Variations and Adjustments], represents the absolute limit of obligation or liability that the Employer may ever have insofar as (i) the cost for full and final completion of the Works established in the agreed Cost Component Breakdown, and (ii) the total of all payments to the Contractor, are concerned. The Employer's limitation of obligation or liability set out in this Paragraph shall be incontrovertible and unequivocal; any term or provision of the Contract, the Exhibits, attachments, or provisions incorporated by reference in or to this Contract, or of any Sub-Contract executed in furtherance of the anticipated Works under the Contract shall not be construed or deemed to alter or waive this absolute condition.

Likewise, the Contractor's absolute responsibility for the completion of the Works in accordance with the agreed Cost Component Breakdown, as well as the Contractor's agreement to bear all cost in excess of the Accepted Contract Amount without recourse to the Employer, if such excess costs are not as a result or consequence of the Employer's risks or obligations under this Contract or due to force majeure events, shall be incontrovertible and undisputed, and shall take precedence over all other terms and provisions of this Contract and no part of which shall be deemed to alter, diminish or waive such obligations.

The Contract Price shall include the cost of the Consultancy Services for supervision of the Works by a local Ghanaian firm which amount shall not exceed three percent (3%) of Accepted Contract Amount.

The Consultant's request for payment shall be included in the Contractor's Payment Certificates. The Contractor's Advance Payment on the Accepted Contract Amount shall be inclusive of the Consultant's amount for Advance Payment.

The Contract Price shall include a Design Fee of three percent (3%) for the overall Cost of the Works.

14.1(b)

Amend Sub-Clause 14.1(b) as follows:

"The Contractor shall give all notices, pay all taxes, duties and fees and obtain all permits, licenses and approvals as required by the applicable law in relation to the design execution and completion of the Works and the remedying of any defects; and hold the Employer harmless against and from the consequences of any failure to do so.

However, upon request from the Contractor for exemption of such taxes, duties and levies, the Employer will employ its best efforts to facilitate such request with the relevant authorities in Ghana to obtain such exemptions, permits, licenses and approvals. Clearing of all goods at ports shall be the Contractor's responsibility.

14.2

Advance Payment 20% of the Accepted Contract Amount.

Insert the following at the end of the second paragraph of Sub-Clause 14.2:

"The Contractor shall obtain and submit a valid Advance Payment Guarantee in form and substance acceptable to the Employer as provided in Annex C to this Particular Conditions. The Guarantee must be obtained from a Bank which is acceptable to the Employer. A foreign bank providing the Advance Payment Bank Guarantee shall have a correspondent bank located in Ghana.

Paragraph 5(b) is deleted and replaced with the following:



Republic of Ghana

MINISTRY OF ROADS AND HIGHWAYS
GHANA HIGHWAY AUTHORITY

DESIGN-BUILD CONTRACT

FOR

RECONSTRUCTION OF BECHEM – TECHIMANTIA-
AKUMADAN ROAD PROJECT (40.4Km)

CONTRACT NUMBER: GHA/HO/TRC/50/2020

Employer:

MINISTRY OF ROADS AND HIGHWAYS
P.O. BOX M57, MINISTRIES,
ACCRA, GHANA

Represented by

GHANA HIGHWAY AUTHORITY
P. O. BOX 1641
ACCRA, GHANA

Contractor:

GABRIEL COUTO-RANGO CONSORTIUM
No 1 SAM NUJOMA CLOSE, NORTH RIDGE
ACCRA, GHANA



NOVEMBER 2020

THE EMPLOYER AND THE CONTRACTOR AGREE as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement:
 - a) The Contract Agreement
 - b) The Letter of Acceptance
 - c) The Letter of Proposal including the Appendix to the Proposal
 - d) The Particular Conditions of Contract
 - e) The General Conditions of Contract --"Conditions of Contract for Plant and Design Build", First Edition, 1999, ISBN 2-88432-023-7, Published by the International Federation of Consulting Engineers (FIDIC)"
 - f) Employer's Requirements
 - g) The Schedules
 - h) The Contractor's Proposal
 - i) Other Relevant Documents:
 - a. Copy of Public Procurement Authority's (PPA) Approval
 - b. Copy of Parliamentary Approval of the Financing and Contract Agreements
3. In consideration of payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to design, execute and complete the Works and remedy any defects therein, in conformity with the provisions of the Contract.
4. The Employer hereby covenants to pay the Contractor, in consideration of the design, execution and completion of the Works and the remedying of defects herein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.
5. The Contract Price is Fifty Million Euros (€ 50,000,000.00) for completion in Seven Hundred and Thirty (730) Days.

6. The Contract shall come into full force and effect on the date when all the following conditions precedent have been fulfilled and satisfied:
- (a) Cabinet and Parliamentary Approvals of the Financing Agreement and the Commercial (Contract) Agreement in accordance with Article 181 of the 1992 Constitution and Sections 55(1) and 56(1) of the Public Financial Management Act, 2016 (ACT 921);
 - (b) Execution of the Contract Agreement by both Parties;
 - (c) A Value for Money Assessment;
 - (d) Public Procurement Authority's approval for single-sourcing of the Contractor herein for the implementation of the Project;
 - (e) Legal Opinion issued by the Attorney-General and Minister of Justice on the validity and legal enforceability of the Credit Facility between the Republic of Ghana and the Bank;
 - (f) Notification from the Bank to the Borrower and the Employer that all the conditions precedent to effectiveness of the Credit Facility and disbursement have been fully satisfied.
7. The Employer shall promptly confirm to the Contractor the date on which all of the conditions in paragraph 6 above have been satisfied. If any of these conditions have not been satisfied within a period of Twenty-Four (24) calendar months from the date on which this Agreement is signed, this Agreement shall be void and ineffective and any securities issued in relation to the above Works shall be returned.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed the day, month and year first before written in accordance with the laws of the Republic of Ghana.

FOR AND ON BEHALF OF THE EMPLOYER

FOR AND ON BEHALF OF THE CONTRACTOR

Signature *[Handwritten Signature]*

Signature *[Handwritten Signature]*

Name HON. KWASI ANOKYE AITA
MINISTER
Title MINISTRY OF ROADS & HIGHWAYS

Name THEODORE ADIMAZOYE
Title DIRECTOR
GABRIEL CUOTO - RANGO CONSORTIUM

IN THE PRESENCE OF:

IN THE PRESENCE OF:

Signature *[Handwritten Signature]*

Signature *[Handwritten Signature]*

Name N. B. BROWN

Name MARCIO GIL ABRIGUES A BREU

Address CHIEF EXECUTIVE
GHANA HIGHWAY AUTHORITY
P. O. BOX 1641
ACCRA

Address Nº 5 SAM NUSOMA CLOSE,
NORTH RIDGE, ACCRA

[Handwritten mark]

Accra, 30th May, 2020

Ref: RCCL/GHA-Proposal/001

The Chief Executive
Ghana Highway Authority
Head Office, Accra

Attn: Mr. Nicholas D. Brown

Dear Sir,

DESIGN AND EXECUTION OF THE BECHEM-TECHIMANTIA-AKOMADAN ROAD PROJECT (40.4KM) - TECHNICAL AND COMMERCIAL PROPOSAL

We, on behalf of the Consortium, comprising Rango Construction Company Limited and Construções Gabriel AS Couto SA ("GABRIEL COUTO-RANGO CONSORTIUM") hereby submit this proposal for the captioned project. We have been duly authorised by the members of the Consortium to submit this proposal on behalf of the Consortium and to correspond with and receive communication from the Ghana Highway Authority.

We on behalf of the Consortium declare that:

- (i) We have examined the "Conditions of Contract for Plant and Design Build", First Edition, 1999, ISBN 2-88432-023-7, Published by the International Federation of Consulting Engineers (FIDIC) and the Particular Conditions of Contract, Employer's Requirements, Schedules, the attached Appendix and Addenda (if any) for the above-mentioned Works. We have examined, understood and checked these documents and have ascertained that they contain no errors or other defects;
- (ii) We accordingly offer to design, execute and complete the above Works and remedy any defects therein, in conformity with such documents and our enclosed Proposal (including this letter) for the Lump Sum of FIFTY MILLION EUROS (€50,000,000.00) to execute the Works as follows:

(i) Design and Execution of the RECONSTRUCTION OF BECHEM-TECHIMANTIA-AKOMADAN ROAD INFRASTRUCTURE PROJECT (40.4KM)

In consideration of the payment of an amount of Fifty Million Euros (€50,000,000.00) to be made by the Employer to the Contractor, the Contractor hereby covenants with the Employer to:

- a) Design and execute the RECONSTRUCTION OF THE BECHEM-TECHIMANTIA-AKOMADAN ROAD INFRASTRUCTURE PROJECT (40.4KM)-within 24 (twenty-four) calendar months after the Commencement Date, after the Engineer has given prior written instruction for approved portions of the Design to be executed in accordance with Sub Clause 8.1 of the Particular Conditions of Contract., subject to any interim periods for Employer's comments and approvals.
 - b) The approval of the Design by the Engineer shall enable the Consortium to execute the Works in a timely manner in accordance with the programme.
- (iii) We agree to abide by this Proposal until the Contract becomes effective and it shall remain binding upon us and may be accepted at any time before the expiration of that period or date.
 - (iv) We acknowledge that the Appendix, including, but not limited to, the Cost Component Breakdown for the Works, forms part of this letter of Proposal.
 - (v) If this offer is accepted, we commit to obtain and provide the specified Performance Security required and commence the Works as soon as is reasonably practicable after the Commencement Date and complete the Works in accordance with the Contract within the Time for Completion.
 - (vi) Unless and until a formal Agreement is prepared and executed, this Letter of Proposal, together with your written acceptance thereof, shall constitute a binding contract between us.
 - (vii) We shall make available to the Ghana Highway Authority any additional information it may consider necessary or require to supplement this proposal.
 - (viii) declare that we or any member of the Consortium directly or through any of the respective group companies, have not submitted a proposal in respect of the Bechem-Techimantia-Akomadan Road Project, nor are we a member of any other consortium that has submitted an expression of Interest in respect of the captioned project;
 - (ix) All members of the Consortium are bound by the terms of this proposal.

We understand that you are not bound to accept this proposal.

Name MÁRCIO GIL RODRIGUES ABBEU

Signed Márcio Gil Rodrigues ABBEU

Duly authorized to sign the proposal for and on behalf of the GABRIEL COUTO-RANGO CONSORTIUM.

Dated on 11 day of June 2020

RANGO CONSTRUCTION
COMPANY LIMITED

C/C:

Dy. Chief Executive (M/TCE)
Dy. Chief Executive (Dev.)
Dy. Chief Executive (Adm.) ✓
Director of Planning
Director of Contracts, GHA
Director of Survey and Design

PARTICULAR CONDITIONS

All references in this Particular Conditions are made to the clauses contained in the "Conditions of Contract for Plant and Design Build", First Edition, 1999, ISBN 2-88432-023-7, published by the International Federation of Consulting Engineers (FIDIC).

In any case of discrepancies between the clauses contained in the General Conditions, and the amendments stipulated in this document, the amendments in this document shall prevail. All articles, clauses and sub-clauses that are not amended or deleted under this document, shall remain unchanged and shall apply.

Clause Reference	Heading	Amendment
1.1.1.8	Tender	References to "Tender" shall be interpreted as references to the negotiated and agreed Contractor's Proposal as included in the Contract.
1.1.2.2	Employer	MINISTRY OF ROADS AND HIGHWAYS acting through GHANA HIGHWAY AUTHORITY , P. O. BOX 1641 Accra, Ghana
1.1.2.3	Contractor	M/S GABRIEL COUTO-RANGO CONSORTIUM No 1 Sam Nujoma Close, North Ridge - Accra
1.1.2.4	Engineer	The Chief Executive The Ghana Highway Authority P.O. Box 1641 Accra
1.1.3.1	Base Date	The Base Date shall be 28 days prior to the date of submission of the Contractor's Proposal.
1.1.3.3	Time for completion	Seven Hundred and Thirty (730) Days from the Commencement Date
1.1.3.6	Tests after Completion	As indicated in the Employer's Requirements

1.1.3.7	Defects Notification Period	Three hundred and Sixty-Five (365) days.
1.1.4.1	Accepted Contract Amount	Fifty Million Euros (€50,000,000.00)
1.1.4.6	Foreign Currency	Euros (€)
1.1.4.8	Local Currency	Not Applicable
1.1.6.2	Country	The Republic of Ghana
1.1.7	Bank	<p><i>Add the following Sub-Clause:</i></p> <p>"Bank" means the DEUTSCHE BANK A FRANKFURT BRANCH, GERMANY (as the Origin Lender)</p>
1.2(e)	Cost plus reasonable profit	<p><i>Add a new Sub-Clause 1.2e as follows:</i></p> <p>In the Contract, provisions including the expression "Cost plus reasonable profit requires this profit" to be 5% of this Cost.</p>
1.4	Law and Language	<p>Law of the Republic of Ghana</p> <p>English Language</p>
1.5	Priority of Documents	<p><i>This Sub-Clause shall be deleted and replaced with the following:</i></p> <p>"The documents forming the Contract are to be taken as mutually explanatory of one another. For the purposes of interpretation, the priority of the documents shall be in accordance with the sequence stated in the Contract Agreement.</p> <p>If an ambiguity or discrepancy is found in the documents, the Engineer shall issue any necessary clarification. If the Contractor disagrees with the clarification, the dispute should be subject to Clause 20 [Claims, Disputes and Arbitration]."</p>

1.13 (b)

Compliance with
Laws

Add the following at the end of Sub-Clause 1.13 (b)

However, upon request from the Contractor exemption of such taxes, duties and levies, the Employer will employ its best efforts to facilitate such request with the relevant authorities in Ghana to obtain such exemptions, permits, licenses and approvals. Clearing of all goods at ports shall be the Contractor's responsibility.

1.15

Inspection and
Audit by the Bank

Add a new Sub-Clause 1.15 as follows:

"If required by the Employer, the Contractor shall permit the Bank and/or persons appointed by the Bank to inspect the Site and/or the Contractor's records relating to the performance of the Contract and to have such records audited by an auditor appointed by the Bank if required by the Bank."

2.1

Right of Access to
site

The Employer shall give the Contractor right of access to, and possession of, all parts of the Site seven (7) days prior to the Commencement Date and after the approval of the Performance Security.

2.4

Employer's
Financial
Arrangement

Add the following at the end of the Sub-Clause:

"In addition, if the Bank has notified the Employer that the Bank has suspended disbursements under its loan, which finances in whole or in part the design and execution of the Works, the Employer shall give notice of such suspension to the Contractor with detailed particulars, including the date of such notification, with a copy to the Engineer, within Fourteen (14) days of the Borrower having received the suspension notification from the Bank. If alternative funds will be available to the Employer to continue making payments to the Contractor beyond a date sixty (60) days after the date of Bank notification of the suspension, the Employer shall provide reasonable evidence in such notice of the extent to which such funds will be available."

of this Contract and no part of which shall be deemed to alter, diminish or waive such obligations.

The Contract Price shall include the cost of the Consultancy Services for supervision of the Works by a local Ghanaian firm which amount shall not exceed three percent (3%) of Accepted Contract Amount.

The Consultant's request for payment shall be included in the Contractor's Payment Certificates. The Contractor's Advance Payment on the Accepted Contract Amount shall be inclusive of the Consultant's amount for Advance Payment.

The Contract Price shall include a Design Fee of three percent (3%) for the overall Cost of the Works.

Amend Sub-Clause 14.1(b) as follows:

14.1(b)

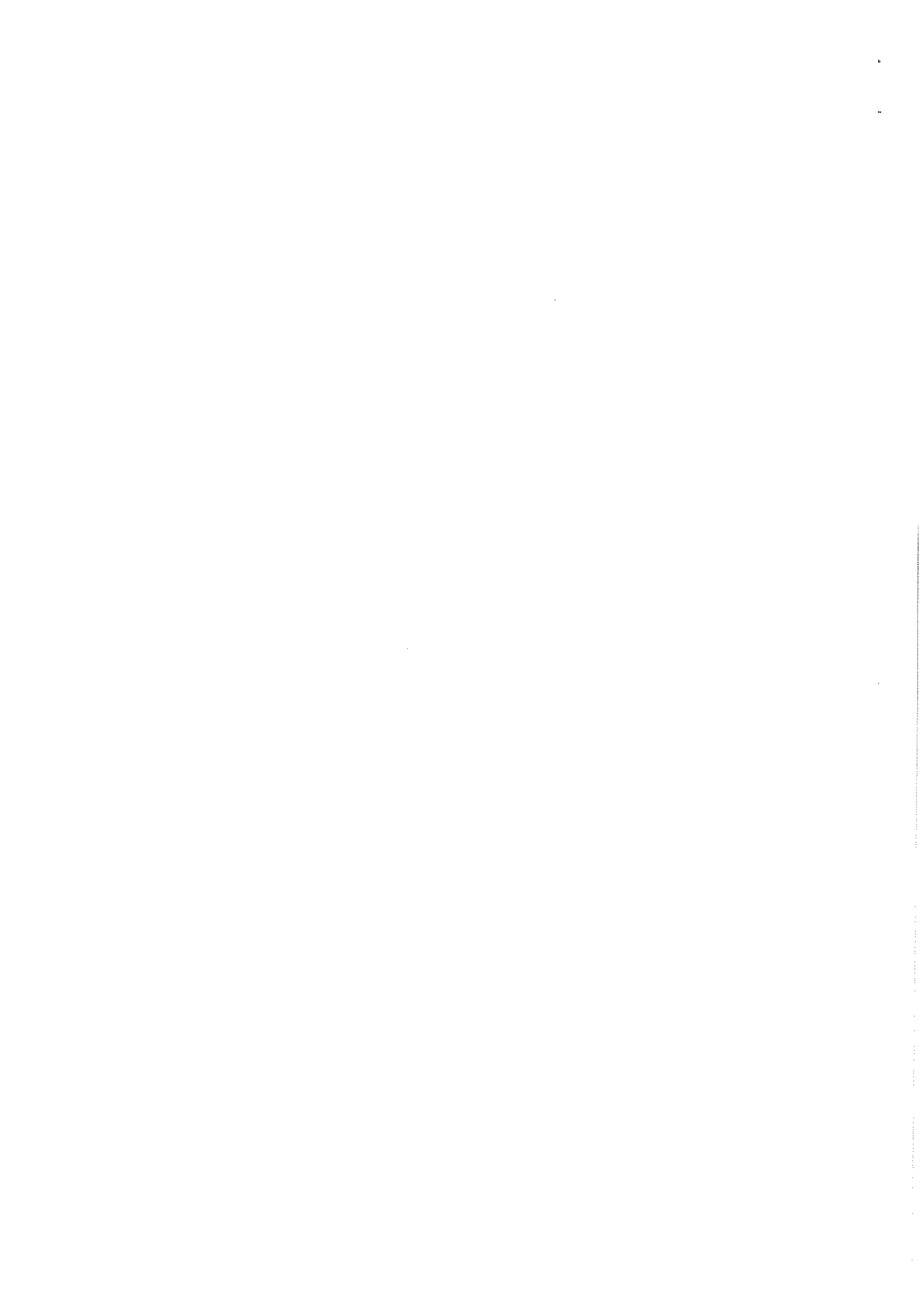
"The Contractor shall give all notices, pay all taxes, duties and fees and obtain all permits, licenses and approvals as required by the applicable law in relation to the design execution and completion of the Works and the remedying of any defects, and hold the Employer harmless against and from the consequences of any failure to do so.

However, upon request from the Contractor for exemption of such taxes, duties and levies, the Employer will employ its best efforts to facilitate such request with the relevant authorities in Ghana to obtain such exemptions, permits, licenses and approvals. Clearing of all goods at ports shall be the Contractor's responsibility.

14.2 Advance Payment 15% of the Accepted Contract Amount.

Insert the following at the end of the second paragraph of Sub-Clause 14.2:

"The Contractor shall obtain and submit a valid Advance Payment Guarantee in form and substance acceptable to the Employer as provided in Annex C





REPUBLIC OF GHANA

MINISTRY OF ROAD AND HIGHWAYS

GHANA HIGHWAY AUTHORITY

SUPPLEMENTARY AGREEMENT NO. 1

TO

DESIGN BUILD AGREEMENT

FOR

RECONSTRUCTION OF TARKWA - AGONA NKWANTA ROAD PROJECT

(66.0Km)

CONTRACT NO: GHA/GOG/TRC/51/2020

EMPLOYER: MINISTRY OF ROADS AND HIGHWAYS
REPRESENTED BY GHANA HIGHWAY AUTHORITY
P.O. BOX M57, MINISTRIES
ACCRA-GHANA

CONTRACTOR: GABRIEL COUTO-RANGO CONSORTIUM
No.1 SAM NUJOMA CLOSE,
NORTH RIDGE
ACCRA, GHANA

APRIL, 2022

THIS SUPPLEMENTARY AGREEMENT is made the 20th day of APRIL 2022 between

THE GOVERNMENT OF THE REPUBLIC OF GHANA acting through THE MINISTRY OF ROADS AND HIGHWAYS of P.O. Box M57, MINISTRIES – ACCRA, represented by the GHANA HIGHWAY AUTHORITY (GHA), the implementing Agency; hereinafter referred to as “the Employer” on one hand,

AND

GABRIEL COUTO-RANGO CONSORTIUM, a consortium between Rango Construction Company Ltd and Construções Gabriel AS Couto SA, with its Head Office and registered place of business and head office at No. 4 SAM NUJOMA CLOSE, NORTH RIDGE – ACCRA hereinafter referred to as “the Contractor” on the other hand.

WHEREAS:

1. The Parties have entered into a Contract dated 9th November, 2020 for Design-Build for the RECONSTRUCTION OF TARKWA – AGONA NKWANTA ROAD PROJECT (66.0Km) (“Principal Agreement”);
2. Funding for the implementation of the Works under the Principal Agreement has been arranged through DEUTSCHE BANK AG, FRANKFURT for a total amount of Fifty Million Euros (EUR 50,000,000.00);
3. The required Cabinet and Parliamentary approvals have been obtained for the Financing Agreement for the Project;
4. The Parties deem it necessary to amend Sub-Clause 14.1(b) and 14.2 of the Particular Conditions of Contract for the Project.

NOW THEREFORE the Parties hereby agree as follows:

1. Clause 14.1(b) of the Particular Conditions of Contract shall be deleted and substituted with the following:

“It is understood that the Accepted Contract Amount excludes import taxes and duties. However, the Contractor shall pay all other taxes and fees required to be paid by him under the Contract, and the Contract Price shall not be adjusted for any of these costs, except as stated in Sub-Clause 13.7 [Adjustments for Changes in Legislation];”

Notwithstanding the provisions stated above and sub-Clause 1.13 [Compliance with Laws], all the Contractor's equipment, plant, materials, and vehicles imported by the

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Contractor under the Contract, shall be exempt from the payment of import taxes and duties, specifically Import duties, Import GETFUND, Import NHIL, Import VAT, EXIM levy, COVID-19 Levy and Special Import Levy) subject to the approval of the Parliament of the Republic of Ghana

The Contractor shall be required to pay an amount equivalent to the full import duties and taxes which would be payable on the assessed import value of the Contractor's equipment, plant, and vehicles in the event that the Contractor's equipment, plant, and vehicles are not re-exported from Ghana on completion of the Contract"

2. The Total Advance Payment under the Principal Agreement pursuant to Clause 14.2 of the Particular Conditions of Contract shall be fifteen percent (15%) of the Accepted Contract Amount in accordance with Regulation 113(1)(b) of the Public Financial Management Regulations, 2019 (L.I 2378). This amount shall be inclusive of 15% Advance Payment for Employer's Supervision.
3. This Supplementary Agreement is supplemental to the Principal Agreement which shall remain valid to the extent that it is not amended by this Supplementary Agreement.

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IN WITNESS whereof the parties hereto have caused this Supplementary Agreement to be signed in their respective names in the day, month, and year first before written in accordance with the laws of the Republic of Ghana.

FOR AND ON BEHALF OF THE EMPLOYER

Signature: 

Name: Hon. Kwasi Awoke-Antah (M.C.)

Title: MINISTER
MIN. OF ROADS & HIGHWAYS
P. O. BOX M 57
ACCRA

FOR AND ON BEHALF OF THE CONTRACTOR

Signature: 


Name: THEODORE ADIMATAWA

Title: DIRECTOR

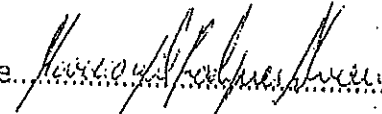
IN THE PRESENCE OF:

Signature: 

Name: CHRISTIAN NTI

Address: 

IN THE PRESENCE OF:

Signature: 

Name: MARCO GIL RODRIGUES ABRU

Address: 14 SAM NUTOMA CLOSE

NORTH KINGE, ACCRA.

PARLIAMENT OF GHANA LIBRARY

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7/11/14



REPUBLIC OF GHANA

MINISTRY OF ROAD AND HIGHWAYS

GHANA HIGHWAY AUTHORITY

SUPPLEMENTARY AGREEMENT NO. 1

TO

DESIGN BUILD AGREEMENT

FOR

RECONSTRUCTION OF BECHEM – TECHIMANTIA – AKUMADAN ROAD
PROJECT (40.4Km)

CONTRACT NO: GHA/GOG/TRC/50/2020

EMPLOYER: MINISTRY OF ROADS AND HIGHWAYS
REPRESENTED BY GHANA HIGHWAY AUTHORITY
P.O. BOX M57, MINISTRIES
ACCRA-GHANA

CONTRACTOR: GABRIEL COUTO-RANGO CONSORTIUM
No.1 SAM NUJOMA CLOSE,
NORTH RIDGE
ACCRA, GHANA

APRIL, 2022

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THIS SUPPLEMENTARY AGREEMENT is made the 20th day of APRIL 2022 between

THE GOVERNMENT OF THE REPUBLIC OF GHANA acting through THE MINISTRY OF ROADS AND HIGHWAYS of P.O. Box M57, MINISTRIES – ACCRA, represented by the GHANA HIGHWAY AUTHORITY (GHA), the implementing Agency; hereinafter referred to as “the Employer” on one hand,

AND

GABRIEL COUTO-RANGO CONSORTIUM, a consortium between Rango Construction Company Ltd and Construções Gabriel AS Couto SA, with its Head Office and registered place of business and head office at No. 4 SAM NUJOMA CLOSE, NORTH RIDGE – ACCRA; hereinafter referred to as “the Contractor” on the other hand.

WHEREAS:

1. The Parties have entered into a Contract dated 9th November, 2020 for Design-Build for the RECONSTRUCTION OF BECHEM – TECHIMANTIA – AKUMADAN ROAD PROJECT (40.4Km) (“Principal Agreement”);
2. Funding for the implementation of the Works under the Principal Agreement has been arranged through DEUTSCHE BANK AG, FRANKFURT for a total amount of Fifty Million Euros (EUR 50,000,000.00);
3. The required Cabinet and Parliamentary approvals have been obtained for the Financing Agreement for the Project;
4. The Parties deem it necessary to amend Sub-Clause 14.1(b) and 14.2 of the Particular Conditions of Contract for the Project.

NOW THEREFORE the Parties hereby agree as follows:

1. Clause 14.1(b) of the Particular Conditions of Contract shall be deleted and substituted with the following:

“It is understood that the Accepted Contract Amount excludes import taxes and duties. However, the Contractor shall pay all other taxes and fees required to be paid by him under the Contract, and the Contract Price shall not be adjusted for any of these costs, except as stated in Sub-Clause 13.7 [Adjustments for Changes in Legislation];

Notwithstanding the provisions stated above and sub-Clause 1.13 [Compliance with Laws], all the Contractor’s equipment, plant, materials, and vehicles imported by the

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Contractor under the Contract, shall be exempt from the payment of import taxes and duties, specifically Import duties, Import GETFUND, Import NHIL, Import VAT, EXIM levy, COVID-19 Levy and Special Import Levy) subject to the approval of the Parliament of the Republic of Ghana

The Contractor shall be required to pay an amount equivalent to the full import duties and taxes which would be payable on the assessed import value of the Contractor's equipment, plant, and vehicles in the event that the Contractor's equipment, plant, and vehicles are not re-exported from Ghana on completion of the Contract"

2. The Total Advance Payment under the Principal Agreement pursuant to Clause 14.2 of the Particular Conditions of Contract shall be fifteen percent (15%) of the Accepted Contract Amount in accordance with Regulation 113(1)(b) of the Public Financial Management Regulations, 2019 (L.I 2378). This amount shall be inclusive of 15% Advance Payment for Employer's Supervision.
3. This Supplementary Agreement is supplemental to the Principal Agreement which shall remain valid to the extent that it is not amended by this Supplementary Agreement.

IN WITNESS whereof the parties hereto have caused this Supplementary Agreement to be signed in their respective names in the day, month, and year first before written in accordance with the laws of the Republic of Ghana.

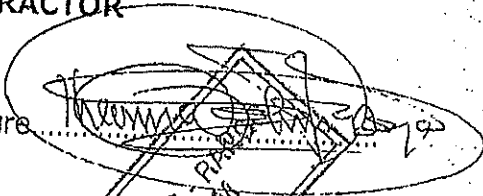
FOR AND ON BEHALF OF THE EMPLOYER

Signature  MINISTRE MIN. OF ROADS & HIGHWAYS P. O. BOX 1641 ACCRA

Name HON. KWASI AMETIA ATTAKPA (MP)

Title MINISTER MIN. OF ROADS & HIGHWAYS P. O. BOX 1641 ACCRA

FOR AND ON BEHALF OF THE CONTRACTOR

Signature 

Name GABRIEL QUOTO FRANK COMFORTIUM

Title DIRECTOR


IN THE PRESENCE OF:

Signature 

Name CHRISTIAN NTI

Address 

IN THE PRESENCE OF:

Signature 

Name MARCIO GIL ROMÃO ABREU

Address N-4 SAM AUSONA CLOSE,

NORTH RIDGE, ACCRA

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TAX ASSESSMENT

RECONSTRUCTION OF BECHEM-TECHIMANTIA-AKUMADAN ROAD PROJECT (40.4KM)

Description	unit	Qty	Clf (EURO)	I/D Rate	Imp. Duty	Nhit/ Gfund %	Imp. VAT 12.5%	EXIM Levy 0.75%	SIL 0%/2%	COVID Levy 1%	TOTAL (EURO)
Aggregate Distributor	Un	2	20,000	5%	1000	1050	2756	150	400	210	5,566
AIR COMPRESSOR 200-300 PCM Or Equivalent	UN	1	40,000	10%	4000	2200	5775	300	0	440	12,715
Ambulance	Un	1	100,000	20%	20000	6000	15750	750	2000	1200	45,700
Backhoe Loader	Un	2	200,000	5%	10000	0	0	1500	0	2100	13,600
Baldan Disc Harrow	Un	6	72,000	5%	3600	0	0	540	0	756	4,896
Bitumen Distributor Truck	Un	2	300,000	5%	15000	15750	41344	2250	6000	3150	83,494
Bitumen Container Up To 40000l	Un	2	80,000	5%	4000	0	0	600	0	840	5,440
Bulldozer	Un	3	1,155,000	5%	57750	0	0	8663	0	12128	78,540
Bus	Un	2	340,000	5%	17000	17850	46856	2550	6800	3570	94,626
Self Loading Concrete Mixer 4-6 M3	Un	3	450,000	5%	22500	0	0	3375	0	4725	30,600
Concrete Vibrators	Un	5	12,500	5%	625	0	0	94	0	131	850
Crane Truck	Un	1	140,000	5%	7000	7350	19294	1050	2800	1470	38,964
Diamond Saw Machine	Un	1	15,000	5%	750	0	0	113	0	158	1,020
Diesel Mixer 300-600 L	Un	6	60,000	5%	3000	0	0	450	0	630	4,080
Excavator - 20-30 Ton	Un	6	1,320,000	5%	66000	0	0	9900	0	13860	89,760
Farm Tractor	Un	6	600,000	0%	0	0	0	4500	12000	6000	22,500
Fuel Tanker Truck	Un	1	100,000	5%	5000	5250	13781	750	2000	1050	27,831
Generator - Up To 40 Kva	Un	1	20,000	5%	1000	1050	2756	150	0	210	5,166
Generator - 40-90 Kva	Un	1	25,000	5%	1250	1313	3445	188	0	263	6,458
Generator - 90-140 Kva	Un	1	36,000	5%	1800	1890	4961	270	0	378	9,299
Generator - 140-160 Kva	Un	1	40,000	5%	2000	2100	5513	300	0	420	10,333
Generator - 160-250 Kva	Un	1	57,000	5%	2850	2993	7855	428	0	599	14,724
Hydropneumatic Breaker Hammer - For Excavator	Un	2	100,000	5%	5000	0	0	750	0	1050	6,800
Lab Equipment	Set	1	170,000	5%	8500	8925	23428	1275	3400	1785	47,313
Light Tower With Generator	Un	2	40,000	5%	2000	2100	5513	300	0	420	10,333
LIGHT TRUCK 5M3 Or Equivalent	UN	1	75,000	5%	3750	3938	10336	563	1500	788	20,873
Low Flat Bed	Un	2	150,000	5%	7500	0	0	1125	0	1575	10,200
Lubrication/Maintenance Truck	Un	1	120,000	5%	6000	6300	16538	900	2400	1260	33,398
Mechanical Broom	Un	2	20,000	5%	1000	0	0	150	0	210	1,360

Metal Formwork Panels	Set	1	400,000	20%	80000	24000	63000	3000	8000	4800	182,800
Mobile Crane 60t	Un	1	525,000	5%	26250	0	0	3938	0	5513	35,700
MOTOR GRADER - CAT140M Or Equivalent	Un	4	1,520,000	5%	76000	0	0	11400	0	15960	103,360
Pneumatic Hammer	Un	2	6,000	5%	300	0	0	45	0	63	408
Pneumatic Tire Compactor	Un	1	160,000	5%	8000	0	0	1200	0	1680	10,880
Rammers Compactors	Un	3	9,000	5%	450	0	0	68	0	95	612
Recycler/Soil Stabilizer	Un	1	650,000	5%	32500	0	0	4875	0	6825	44,200
Soil Compactor Smooth/Paw	Un	6	810,000	5%	40500	0	0	6075	0	8505	55,080
Steel Bar Bending Machine	Un	1	10,000	5%	500	0	0	75	0	105	680
Steel Bar Cutting Machine	Un	1	10,000	5%	500	0	0	75	0	105	680
Steel Wheel Asphalt Roller	Un	1	130,000	5%	6500	0	0	975	0	1365	8,840
Surveying Equipment	Set	1	70,000	5%	3500	3675	9647	525	1400	735	19,482
Tipper Truck	Un	20	3,000,000	5%	150000	157500	413438	22500	60000	31500	834,938
Trailer Tractor Head	Un	1	110,000	5%	5500	5775	15159	825	2200	1155	30,614
Vibratory Plate Compactors	Un	3	30,000	5%	1500	0	0	225	0	315	2,040
Water Browser Truck	Un	6	870,000	5%	43500	45675	119897	6525	17400	9135	242,132
Water Pump	Un	3	37,500	5%	1875	1969	5168	281	0	394	9,687
Welding Machine	Un	1	5,000	5%	250	0	0	38	0	53	340
Wheel Loader	Un	4	960,000	5%	48000	0	0	7200	0	10080	65,280
Aluminium Guard Rails	Set	1	200,000	20%	40000	12000	31500	1500	4000	2400	91,400
Bitumen	Kg	7,752,000	1,162,800	5%	58140	61047	160248	8721	23256	12209	323,622
Concrete Additive	T	2,875	3,337,875	10%	333788	183583	481906	25034	66758	36717	1,127,785
Reflective Vertical Signs	Un	350	96,250	20%	19250	5775	15159	722	1925	1155	43,986
Steel Crash Barriers	Set	1	250,000	20%	50000	15000	39375	1875	5000	3000	114,250
TOTAL			20,216,925		1306678	602056	1580398	151627	229239	215236	4,085,233

This is to certify that the assessment given is true and correct.

CERTIFICATE

TOTAL TAX LIABILITY 4,085,233 EUROS

Signature

Importer/Agent's Name & Designation

For Official Use

AUTHORITY

Signature

OFFICER'S SIGNATURE

OFFICER'S NAME & RANK

ACCPA

(SNR-REV OFFICER)

Assessment rechecked and found correct and complete

Date 22-11-2021

Date

TAX ASSESSMENT
RECONSTRUCTION OF TARKWA-AGONA NKWANTA ROAD PROJECT (66.0KM)

Description	unit	Qty	CF (EURO)	I/D Rate	Imp. Duty	Mhl/Gfund 5%	Imp. VAT 12.5%	EXIM Levy 0.75%	SIL 0%/2%	COVID Levy 1%	TOTAL (EURO)
Ambulance	Un	1	100,000	20%	20000	6000	15750	750	2000	1200	45,700
AIR COMPRESSOR 200-300 PCM Or Equ	UN	4	168,000	10%	16800	9240	24255	1260	0	1848	53,403
Asphalt Batch Plant 100-200 Ton/Hr	Un	1	965,000	5%	48250	0	0	7238	0	10133	65,620
ASPHALT PAVER VOGELE 130 KW Or E	UN	2	950,000	5%	47500	0	0	7125	0	9975	64,600
Backhoe Loader	Un	6	486,000	5%	24300	0	0	3645	0	5103	33,048
Baldan Disc Harrow	Un	4	48,000	5%	2400	0	0	360	0	504	3,264
Birumen Distributor Truck	Un	2	416,000	5%	20800	21840	57330	3120	8320	4368	115,778
Bulldozer 18-25 Ton	Un	6	2,100,000	5%	105000	0	0	15750	0	22050	142,800
Bus 20-50 Seat	Un	2	352,000	5%	17600	18480	48510	2640	7040	3696	97,966
Concrete Batch Plant 40-100m3/Hr	Un	1	440,000	5%	22000	0	0	3300	0	4620	29,920
Concrete Truck 5-8 M3	Un	6	1,056,000	5%	52800	55440	145530	7920	21120	11088	293,898
Crane Truck	Un	5	985,000	5%	49250	51713	135745	7388	19700	10343	274,138
Farm Tractor 70-150 Kw	Un	2	212,000	0%	0	0	0	1590	4240	2120	7,950
Fuel Tanker Truck	Un	3	489,000	5%	24450	25673	67390	3668	9780	5135	136,095
Generator - 100-300 Kva	Un	4	160,000	5%	8000	8400	22050	1200	0	1680	41,330
Generator - 20-100 Kva	Un	8	152,000	5%	7600	7980	20948	1140	0	1596	39,264
Generator - 300-500 Kva	Un	4	352,000	5%	17600	18480	48510	2640	0	3696	90,926
Generator - 500-700 Kva	Un	2	284,000	5%	14200	0	0	2130	0	2982	19,312
Hidroneumatic Breaker Hammer - For Exc	Un	2	72,000	5%	3600	0	0	540	0	756	4,896
Material Testing Lab Equipment	Set	1	170,000	5%	8500	0	0	1275	0	1785	11,560
MOTOR GRADER - 140KW Or Equivalent	UN	8	2,480,000	5%	124000	0	0	18600	0	26040	168,640
Pneumatic Tire Compactor	Un	3	480,000	5%	24000	0	0	3600	0	5040	32,640
Reclaimer/Soil Stabilizer 2.20m Width	Un	2	1,580,000	5%	79000	0	0	11850	0	16590	107,440
Self-Loading Concrete Mixer 2-4 M3	Un	5	330,000	5%	16500	17325	45478	2475	6600	3465	91,843
Skid Steer Loader	Un	4	248,000	5%	12400	0	0	1850	0	2604	16,864
Steel Wheel Asphalt Roller	Un	3	390,000	5%	19500	0	0	2975	0	4095	26,520
Tipper Truck	Un	25	4,450,000	5%	222500	233625	613266	33375	89000	46725	1,238,491
Tracked Excavator 20-25 Ton	Un	6	1,008,000	5%	50400	0	0	7560	0	10584	68,544
Tracked Excavator 30-35 Ton	Un	4	1,360,000	5%	68000	0	0	10200	0	14280	92,480

Truck + Lowboy	Un	3	672,000	5%	33600	0	0	5040	0	7056	45,696
Vibratory Compactor 13-18 Ton	Un	10	1,330,000	5%	66500	0	0	9975	0	13965	90,440
Water Browser Truck	Un	10	1,920,000	5%	96000	100800	264600	14400	38400	20160	534,360
Wheel Excavator 18-22 Ton	Un	6	978,000	5%	48900	0	0	7335	0	10269	66,504
Wheel Loader	Un	8	1,968,000	5%	98400	0	0	14760	0	20664	133,824
Bimben	T	19,600	22,755,600	5%	1137780	1194669	3136006	170667	455112	238934	6,333,168
Electric Cables *	M	40,000	200,000	20%	40000	12000	31500	1500	0	2400	87,400
TOTAL			52,106,600		2648130	1781664	4676868	390800	661312	547547	10,706,321

CERTIFICATE
TOTAL TAX LIABILITY=10,706,321 EUROS

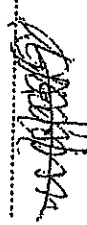
This is to certify that the assessment given is true and correct.

Importer/Agent's Name & Designation:

Signature:

For Official Use
GHANA REVENUE AUTHORITY
CUSTOMS DIVISION
ACCRA

Assessment rechecked and found correct and complete
Date: 22-11-2021

Signature: 
GIDEON GLEY
(SNR REV. OFFICER)

