

IN THE FOURTH SESSION OF THE FIFTH PARLIAMENT OF THE FOURTH
REPUBLIC OF GHANA

**REPORT OF THE JOINT COMMITTEE ON FINANCE
AND HEALTH ON THE FINANCING AGREEMENT
BETWEEN THE GOVERNMENT OF THE REPUBLIC
OF GHANA AND STANBIC BANK (GHANA)
LIMITED FOR AN AMOUNT OF €15,800,000.00
FOR THE PURCHASE OF 200 AMBULANCES FOR
THE NATIONAL AMBULANCE SERVICE (NAS)**

1.0 INTRODUCTION

The Financing Agreement between the Government of the Republic of Ghana and Stanbic Bank (Ghana) Limited for an amount of *fifteen million, eight hundred thousand Euros* (€15,800,000.00) for the purchase of 200 ambulances for the National Ambulance Service (NAS) was laid in the House on Tuesday 22nd May, 2012.

In accordance with the Standing Orders of the House, the Agreement was referred to a Joint Committee on Finance and Health for consideration and report.

The Committee met and considered the Agreement with the Minister of Health, Hon. Alban Sumana Bagbin and his Deputy, Hon. Robert Joseph Mettle-Nunoo, Deputy Minister of Finance and Economic Planning, Hon. Fifi Fiavi Kwetey and officials from the Ministries of Finance and Economic Planning and Health and hereby presents this report to the House pursuant to order 161(1) of the Standing Orders of the House.

2.0 BACKGROUND

The National Ambulance Service (NAS) has a national mandate to help reduce untimely deaths, post incident complications and unnecessary suffering of victims of road traffic accidents. Its services have been limited to Accra, Kumasi, Sekondi/Takoradi and Tamale and a few districts.

The National Ambulance Service (NAS) has, since its inception, executed its mandate effectively and has therefore been roped into the fold of other national health and emergency service providers.

An assessment of the activities of the NAS shows an exponential growth in emergency and distress calls. In 2007 for instance, the service received a total of 8,463 emergency and distress calls which culminated into a total of 7,995 cases against 4,442 cases handled in 2006. The yearly increase in the call for ambulance services shows that the NAS is working under pressure with limited logistics.

Again, the NAS currently does not cover every corner of the country in view of the limited number of ambulances. Frequent breakdown of the ambulances have also dragged back the activities of the service.

The facility before Honourable Members is aimed at acquiring 200 ambulances to augment the ambulance fleet of the service to help provide adequate hospital care and to handle inter-facility transfer for the critically ill, victims of road traffic accidents, domestic accidents and for other medical purposes.

3.0 PURPOSE OF THE LOAN

The purpose of the facility is to obtain funds for the acquisition of two hundred (200) ambulances to augment the ambulance fleet of the National Ambulance Service (NAS).

4.0 TERMS OF THE LOAN

The terms of the facility are as follows:

LOAN AMOUNT	:	€15,800,000.00
Grace Period	:	6 months
Repayment Period	:	30 months
Maturity Period	:	36 months
Interest Rate	:	6 month Euribor + 4% margin p.a.
Arrangement Fee	:	0.50% flat
Facility Fee	:	0.75% flat
L/C Establishment Fee	:	0.75% on the L/C amount

5.0 OBSERVATIONS

The Committee observed that with the acquisition of the ambulances, the cost and risks associated with the transportation of emergency cases to distant hospitals would be minimized.

It was noted that the long term objective of the NAS is to have an average of four (4) ambulance stations in each Metropolitan/Municipal/District Assembly (MMDA). To meet this requirement however, about one thousand (1000) ambulances would need to be acquired.

The Committee was informed that out of the 200 ambulances being acquired, each MMDA would be allocated one.

The Ministry of Health has projected an annual inflow of 200 ambulances between 2012 and 2014. In 2012, the Ministry is expecting 161 ambulances in order to increase the existing fleet from 33 to 194. The National Ambulance Service has a plan of training 600 Emergency Medical Technicians in 2012 out of which 300 have already passed out. 600 and 800 would be trained in 2013 and 2014 respectively to meet the requirement of a minimum of 6 personnel per ambulance station.

The Committee noted that many people lose their lives from avoidable causes of death largely due to delay they encounter and the poor care they receive before reaching the hospitals where they can get the needed care. Those mostly affected are children under five years, pregnant women and victims of road traffic accidents. A good ambulance service covering all districts of the country would therefore contribute significantly towards saving lives, especially of pregnant women and children and thereby helping in the attainment of Millennium Development Goals (MDGs) 4 and 5.

The Committee noted that as part of the conditions precedent to the Agreement, the Government of Ghana is required to enter into a supply contract with a supplier for the supply of the Ambulances.

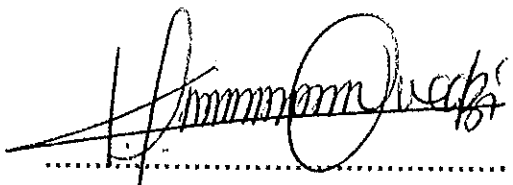
The Committee therefore requested and was furnished with copies of the Agreement between Republic of Ghana and Big Sea General Trading LLC for the supply of 200 Ambulances and Related Services.

6.0 CONCLUSION

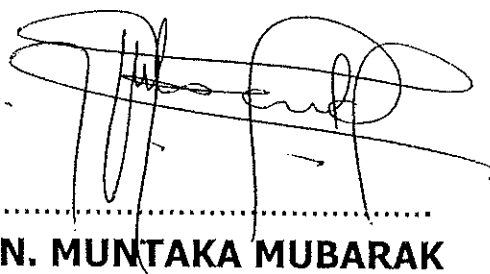
The Committee, in view of the critical need for ambulances in the effective management of emergency clinical cases, recommends to the House to

adopt this report and approve by resolution, the **Financing Agreement** between the **Government of the Republic of Ghana** and **Stanbic Bank (Ghana) Limited** for an amount of *fifteen million, eight hundred thousand Euros* (€15,800,000.00) for the **purchase of 200 ambulances** for the **National Ambulance Service (NAS)** in accordance with article 181 of the 1992 Constitution and sections 3 and 7 of the Loans Act, 1970 (Act 335).

Respectfully submitted.



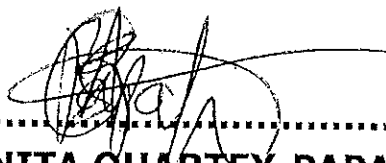
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HON. JAMES KLUTSE AVEDZI
CHAIRMAN, FINANCE COMMITTEE



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HON. MUNTAKA MUBARAK
CHAIRMAN, COMMITTEE ON
HEALTH



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PEACE A. FIAWOYIFE
CLERK, FINANCE COMMITTEE



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ANITA QUARTEY-PAPAFIO
CLERK, COMMITTEE ON
HEALTH

25TH OCTOBER, 2012