

**IN THE FOURTH SESSION OF THE SIXTH
PARLIAMENT OF THE FOURTH
REPUBLIC OF GHANA**



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

ON THE

**COMMERCIAL CONTRACT AGREEMENT BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF GHANA
AND QUEIROZ GALVAO CONSTRUCCIONES S.L.U.,
MADRID, SPAIN FOR THE DESIGN AND
IMPLEMENTATION OF THE OBETSEBI LAMPTEY
INTERCHANGE PROJECT AND RELATED**

WORKS (PHASE 1)

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COMMERCIAL CONTRACT AGREEMENT BETWEEN THE
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1.0 INTRODUCTION

- 1.1 The Commercial Contract Agreement between the **GOVERNMENT OF THE REPUBLIC OF GHANA** (represented by the Ministry of Roads and Highways) and **MESSRS QUEIROZ GALVAO CONSTRUCCIONES S.L.U.**, *Calle Augustin Betancourt, 25 Planta 1a, Chamberi, Madrid, Spain* (acting through its branch in Ghana) for the design and construction of the Obetsebi Lamptey Interchange Project and ancillary works (Phase I) was laid in Parliament on Monday 1st August, 2016 by the Hon. Deputy Minister for Finance, Mr. Cassiel Ato Baah Forson on behalf of the Minister for Finance.
- 1.2 In accordance with Article 181 (5) of the 1992 Constitution and Order 189 of the Standing Orders of the House, the Rt. Honourable Speaker referred the Commercial Contract Agreement to the Select Committee on Roads and Transport for consideration and report.
- 1.3 During the consideration of the Agreement, the Committee was assisted by the Hon. Minister for Roads and Highways, Hon. Alhaji Inusah A.B. Fuseini, the Deputy Minister, Hon. Isaac Adjei Mensah and some officials of the Ministry and the Department of Urban Roads.
- 1.4 At the conclusion of the consideration of the Agreement, the Committee presents its report to the House as follows:

2.0 BACKGROUND

- 2.1 Increased vehicular traffic in the Accra Metropolis in recent times has exceeded the designed capacity of most of the roads within the City resulting in heavy vehicular congestion at many intersections particularly during the peak periods.
- 2.2 Two major links to the arterial roads on the western part of Accra to the Central Business District (CBD) are the Kwame Nkrumah and the Obetsebi Lamptey Circles/Intersections which receive high volumes of vehicular traffic and also experience heavy traffic congestion on daily basis. Indeed, with the construction of the Kwame Nkrumah Interchange and the Ring Road Flyover, it is anticipated that there will be a significant improvement of the traffic flow on the Ring Road West towards the Obetsebi Lamptey Circle which in its present form becomes a bottleneck to swift flow of traffic. The average daily traffic on the Winneba and Graphic roads are estimated at about 50,000 and 40,000 respectively.
- 2.3 In addition to the heavy vehicular traffic that plies the Obetsebi Lamptey Circle and heavy congestion experienced daily on this road intersection, the heavy runoff from Kaneshie/Darkuman, Awudome and part of Mataheko drains which pass through the area occasionally result in flooding at the Circle and its environs. The perennial flooding has been attributed to inadequate sizes of drainage structures and poor interconnections.
- 2.4 The provision of road infrastructure and related facilities would greatly improve traffic flow and the drainage systems at the Obetsebi Lamptey Circle.

3.0 PROJECT DESCRIPTION/COMPONENTS

3.1 The entire Project will consist of the following:

- i. Construction of a three-tier Interchange at the current Obetsebi Lamptey Circle of approximately (950metres) in length.
 - A Flyover on the Graphic Road (550metres) to create and separate traffic on the Kaneshie-Mallam Road towards the Graphic Road, with provision for the Bus Rapid Transit (BRT) lanes in future.
 - Construction of the Kaneshie Flyover (400metres) to create separate left turn traffic from Kaneshie-towards the Kwame Nkrumah Circle.
- ii. Widening of the Ring Road West from the Ring Road Flyover at New Times Corporation Junction to the Obetsebi Lamptey Circle into a three-lane dual carriageway with provision for BRT facilities.
- iii. Widening of the Nii Teiko Din Street from the Pramprom Junction to the Awudome Road into a two-lane dual carriageway.
- iv. Widening of the Awudome Road into a two-lane dual carriageway.
- v. Improvement of critical intersections along the project corridor such as the Beyeeman Junction on the Graphic Road, Abossey Okai Junction on the Ring Road West Extension, Awudome Junction on the Ring Road West.
- vi. Improvement of the Kaneshie Market Transport Terminal with its related traffic management measures.
- vii. Construction of major drainage channels along the catchment area of the Interchange.

3.2 The Project is divided into two Phases that are complementary and the **Phase 1** will follow the sequence outlined under Heading 4.0.

4.0 PHASE 1 – SCOPE OF WORKS

- i. The design and construction of a 550metre long and 22metre wide Interchange, Ramps and Approaches at the Obetsebi Lamptey Circle. This structure provides the 2nd Tier of the Interchange and is dubbed Graphic bridge,
- ii. A 620metre long Dual Carriageway road with asphaltic concrete surfacing,
- iii. Piling and Foundation for the 3rd Tier Loop,
- iv. Construction of major box culverts; and
- v. Erection/Construction of Road Safety Measures – Street and Traffic Lighting, Road Markings, Road Signs and New Jersey Barriers.

5.0 COST OF THE PROJECT

5.1 The estimated total cost of the Project is Ninety-Eight Million United States Dollars (US\$98,000,000.00), and it will be implemented in two phases as earlier indicated.

- 5.2 The total cost of the **Phase 1** of the Project is estimated at Thirty-Five Million United States Dollars (**US\$35,000,000.00**) with the breakdown indicated below:

Phase 1 – Cost Component Break Down

Description	Length	Amount US\$
Bridge 1 – Graphic Road Bridge (Interchange) and Ramps including Foundation works for 3 rd Tier	22m width 550m long	\$25,294,968.11
Road Works (Dual Carriageway – Asphalt)	620metre	\$1,736,000.00
Road Safety Measures – Street & Traffic Lighting, Road Line Markings, Roads Signs, Jersey Barriers		\$438,768.66
Major Box Culverts		\$1,069,917.50
Design and Supervision cost		\$2,100,000.00
Relocation of Utilities		\$860,345.73
Physical Contingencies		\$3,500,000.00
Total		\$35,000,000.00

6.0 JUSTIFICATION OF THE PROJECT

6.1 The Obetsebi Lamptey Circle is a natural link to the Kwame Nkrumah Circle and the Ring Road Flyover Projects. With the current implementation of the Kwame Nkrumah Interchange and Ring Road Flyover, there is an urgent need to begin the process of addressing the Obetsebi Lamptey Interchange, which may become a major bottleneck for the flow of traffic on the Ring Road.

6.2 Whilst debating on the Ring Road Flyover Project near Kwame Nkrumah Circle on 2nd October, 2014 the Committee on Roads and Transport in its report recommended to the Ministry of Roads and Highways to address the traffic congestion at the Obetsebi Lamptey Circle by providing an Interchange.

7.0 BENEFITS

7.1 The benefits of the implementation of the Project include the following:

- i) The removal of traffic bottleneck and congestion between Winneba Road/Graphic Road and Ring Road West,
- ii) Provision for free flow of traffic between the Ring Road Flyover and Ring Road West Extension and some of the roads that connect with them,
- iii) Significant improvement of traffic flow around the Kaneshie Market,
- iv) Significant reduction of the incidence of perennial flooding as a result of drainage problems around the Obetsebi Lamptey Circle and its immediate environs; and
- v) Reduce travel times of motorists and air pollution by emissions from vehicles.

8.0 IMPLEMENTATION PERIOD/ARRANGEMENTS

8.1 The first (1st) Phase of the Project is estimated to be completed within a period of eighteen (18) months from the commencement date.

9.0 OBSERVATIONS AND RECOMMENDATIONS

9.1 The Committee is gratified that its recommendation to the Ministry of Roads and Highways during the consideration of the Kwame Nkrumah Interchange on 2nd October, 2014 to urgently consider the initiative that would ease the heavy traffic congestion at Obetsebi Lamptey Circle, has been taken by the Ministry. Indeed, the implementation of the Project under discussion would add up to those being constructed nation-wide for sustainable socio-economic development.

9.2 The Committee noted that the Value for Money Audit for the Commercial Agreement was undertaken by an indigenous entity, that is the Ghana Institute of Surveyors instead of the premium most often placed on foreign entities. The Committee notes that it is high time local professional entities were given the needed recognition to enhance their capabilities for the good of our national development.

Indeed, the Committee finds the Project acceptable as it is a good intervention in providing efficient road infrastructure whose completion would significantly increase the operating capacities of both private and public transportation, in particular, to the Central Business District of the City of Accra and also add beauty and modernity to the City's landscape.

9.3 The Committee requested for and was provided with the Value for Money Audit Report. The Committee is satisfied with the report. The audit indicates the total contract price is within the Estimated Fair Market Price (EFMP). Therefore in order to mitigate a potentially significant level of risk, all partners should adhere to the Contract Agreement.

9.4 The Committee stressed the need for the Department of Urban Roads to ensure that drainage structures are adequate to contain and carry huge runoffs in the Obetsebi Lamptey Circle and its environs and provide efficient discharge points for easy flows. Secondly, the Agency is advised to liaise with officials of the Ministry of Local Government and Rural Development in effectively synchronizing all drainage networks to the Odaw channel to avoid back flow of water that results in flooding.

9.5 The Committee notes that new technologies would be introduced in the design and construction of the infrastructure and recommends that adequate training should

be given to the local technical staff to enable them carry periodic maintenance works on the Interchange after completion.

9.6 The Committee suggested to the Ministry of Roads and Highways to consider creating an access lane to Korle-bu Teaching Hospital area that the Bus Rapid Transit services could use. The Committee believes that it would help in emergencies and ease time spent to reach the Teaching Hospital. Secondly, the provision of walkways and bicycle lanes as part of the project would go a long way to separate vehicular traffic from pedestrian traffic to ensure safety especially on the leg from Kwame Nkrumah Circle to Obetsebi Lamptey Circle.

9.7 Assessment by the Ghana Institute of Surveyors showed that delays caused by traffic during peak periods projecting to the year 2020 is expected to cost the Nation a colossal amount of \$244,677,265.75 at Obetsebi Lamptey if the current traffic situation persists. If the situation however improves, the cost would reduce to \$19,416,462.91 saving the Nation an amount of Two Hundred and Twenty-Five Million USD (\$225,000,000.00). This savings is significant and would be a positive gain for the Nation.

9.8 The Committee also drew the Ministry's attention to other traffic congested areas in Takoradi, namely; Paa Grant Junction, Kwame Nkrumah Traffic Light and the Apramdo Traffic Light that may also require the construction of a number of interchange to ease the growing traffic congestion.

10.0 CONCLUSION

10.1 The Committee having fully satisfied itself unanimously recommends to the House to adopt its report and approve the Commercial Contract Agreement between the Government of the Republic of Ghana and Queiroz Galvao Construcciones S.L.U., Madrid, Spain for an amount of **Thirty-Five Million United States Dollars**

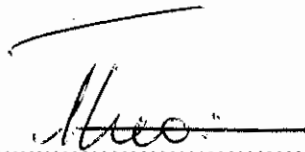
(US\$35,000,000.00) for the implementation of the Obetsebi Lamptey Interchange Project and Ancillary Works (Phase 1).

10.2 In view of the immense socio-economic, environmental and financial benefits to be derived from this Project, Parliament is respectfully requested to consider and approve the Commercial Contract Agreement in accordance with Article 181 Sections 3 and 7 of the 1992 Constitution.

Respectfully submitted.



MATTHEW ABREFA TAWIAH
CLERK, COMMITTEE ON
ROADS AND TRANSPORT



HON. THEOPHILUS TETTEH CHAIE
CHAIRMAN, COMMITTEE ON
ROADS AND TRANSPORT

3RD AUGUST, 2016