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 CONTRACTA
CONSTRUCTION UK LIMITED FOR THE
DESIGN AND EXECUTION OF WORKS IN
RESPECT OF THE DEVELOPMENT OF THE
KUMASI INTERNATIONAL AIRPORT

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REPORT OF THE COMMITTEE ON ROADS AND TRANSPORT ON THE COMMERCIAL CONTRACT AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF GHANA AND CONTRACTA CONSTRUCTION UK LIMITED FOR THE DESIGN AND EXECUTION OF WORKS IN RESPECT OF THE DEVELOPMENT OF THE KUMASI INTERNATIONAL AIRPORT

1.0 INTRODUCTION

- 1.1 The Commercial Agreement between the Government of the Republic of Ghana (represented by the Ministry of Transport and Ghana Airports Company Limited) and Contracta Construction UK Limited for the design and execution of works in respect of the development of the Kumasi International Airport, was laid in the House on Tuesday, 25th October, 2016 by the Hon. Minister for Foreign Affairs and Regional Integration, Ms. Hannah Serwaah Tetteh on behalf of the Minister for Finance.
- 1.2 The Rt. Hon Speaker referred the Commercial Agreement to the Committee on Roads and Transport for consideration and report in accordance with Article 181(5) of the 1992 Constitution and Order 189 of the Standing Orders of Parliament.
- 1.3 The Committee met with the Hon. Minister for Transport, Hon. Fifi Fiavi Kwetey and officials from the Ministry of Transport and the Ghana Airports Company Limited (GACL) and considered the Agreement. The Committee presents its Report to the House in accordance with Order 161 of the Standing Orders of the House.

2.0 **BACKGROUND**

2.1 The city of Kumasi is the largest commercial centre in the Northern sector of the country and it is the intention of the Ghana Airports Company Limited to upgrade the Kumasi Airport to facilitate safe air travels both internationally and domestically.

Subsequently, the Airport received marked upgrade in terms of rehabilitation of the existing runway, the Taxiway and the Apron. Aeronautical Ground Lighting System

and Air Navigational Instruments among others have been fixed to facilitate safety at any time of the day. However, there are a number of facilities that need to be upgraded, in particular, the main Terminal Building which does not meet modern standards that ensures security, safety and comfort of passengers.

2.2 Works to be undertaken for the Phase 2 of the Project will include the construction of a new Terminal building to be undertaken by Messrs Contracta Construction UK Limited and the Project is to be financed by the Banco Santander S.A with export credit support from United Kingdom Export Finance Agency, for onward lending to the Ghana Airports Company Limited (GACL).

3.0 PURPOSE OF THE PROJECT

3.1 The development of the Kumasi Airport would complement the multi-modal transport system, comprising the rail, road and aviation link to support the development of the proposed inland port at Boankra, for facilitating the movement of goods and people to the middle and northern belts of the country and into the sub-region, particularly, the Sahelian countries. It will also help boost and sustain the already vibrant commercial activities in the Metropolis and beyond.

4.0 **JUSTIFICATION FOR PROJECT**

- 4.1 The development of the Kumasi Airport as a strategic commercial airport, linking the sub-region and facilitating the movement of people and goods. It is all expected to catalyse industrialization and rapid socio-economic development in the following areas:
 - (i) the development of the Airport will facilitate the export of fresh agricultural produce and support the agricultural sector,

- (ii) the development of Kumasi Airport will facilitate the growth of domestic air travel and also serve as one of the key national spokes to Kotoka International Airport and open up the potential growth of traffic in domestic travel; and
- (iii) the exploration of the national historic heritage and the development of ecotourism and cultural tourism will support the realization of the great tourist and cultural potential in the Ashanti and Brong Ahafo Regions.

5.0 **PROJECT SCOPE**

5.1 The Project will consists of:

- (a) A new Terminal building of 7,000 square metres of space based on a 400 passengers per hour and an annual passenger traffic forecast of one million, five hundred thousand (1,500,000). The building shall have VVIP and VIP lounges, Three (3) boarding gates, Airline offices, Commercial/Retail areas, Baggage Handling System that meet IATA standards, Central Passengers Screening System, among others.
- (b) Construction of new Apron of area 17,500 metres square to add to the existing one including surface markings. The Parking area of the Apron is concrete surface whilst the surrounding has asphaltic surfacing.
- (c) Construction of new link Taxiway of asphaltic surfacing.
- (d) Construction of new access roads of 6.0 metres wide with drainage system and of bituminous surface dressing including Car Parks.
- (e) External/complementary works such as Electric Substation Generators, High Voltage Distribution, Sewer Treatment Station, External Illumination, Water Reservation Steel Tanks, among others.

The project is expected to be completed in 30 months.

6.0 OBSERVATIONS AND RECOMMENDATIONS

- 6.1 The Committee noted that Kumasi Airport has a limited space therefore constructing a single storey structure which will be expanded laterally in future is not advisable, hence the design should be relooked at. The Committee proposes that GACL should consider building more than a single Storey Terminal Building and in phases.
- 6.2 The Committee observed that emphasis was not placed on local content and advised that indigenous Ghanaian Contractors should be given the opportunity to participate in the construction works.
- 6.3 The Committee again observed during its inspection visit of the Kumasi Airport in 2015 that the issue of land encroachment was a major challenge for future expansion of the Facility. The Committee reiterates its advice to GACL to ensure that titles for lands earmarked for the Kumasi Airport are secured to forestall further encroachment of its land.
- 6.4 It was also observed that the work contained in this Phase will upgrade the infrastructural status of the Airport especially in ensuring safety and security of the travelling public.
- 6.5 Besides, the extension of the runway from 1,981 metres to 2,500 metres is being taken care of under different contract and do not fall under this phase.
- 6.6 Again, the conditions governing the Contract Agreement and the Employers Specific Requirements are in conformity with International Standards, these the Committee observed.

7.0 CONCLUSION

- 7.1 The Committee having carefully examined the request, is of the view that the project would help attain the over-all national objective of promoting international and domestic air travel which has the great propensity to open up the country for development.
- 7.2 The Committee respectfully recommends to the House to adopt its report and approve the Commercial Contract Agreement between the Government of the Republic of Ghana and Contracta Construction UK Limited for an amount up to Sixty-Six Million, Three Hundred and Fifty Thousand Euros (€66,350,000.00) for the Design and Execution of Works in respect of the Development of the Kumasi International Airport.

Respectfully submitted.

MATTHEW ABREFA TAWIAH CLERK, COMMITTEE ON ROADS AND TRANSPORT HON. KWAME GOVERNS AGBODZA VICE-CHAIRMAN, COMMITTEE ON ROADS AND TRANSPORT

27th October, 2016

APPENDIX 'A'

		CONTRACTA
1/1 10 6	A CLAUDDODY	CONTRACTA
	ASI AIRPORT	
NEW	TERMINAL, RUNWAY EXTENTION AND RELATED SERVICES	
ITEM	SERVICES	
1.	PRELIMINARY SERVICES	1,642,650
	Mobilization, Site Offices and production areas, topographic services, soil survey, demolitions and interference removal	
2.	TECHNICAL SERVICES	6,791,850
	EIA and other technical reports required by the financing agent, Architectural Designs, Conceptual Designs, Basic and Execution Designs, Foundations, Installations, Airport Operation and Systems Designs, Air Conditioning and Equipment Designs, Contractor Construction Management and Indirect Costs	
3.	EARTHWORKS & FOUNDATIONS	4,414,700
	Site clearing and pavement removal, Excavations and Landfill for access roads, terminal and parking Lot, Deep foundations, piles and blockwork	
5.	PASSENGER TERMINAL, CIVIL WORKS (7,000 M² OF CONSTRUCTED AREA)	22,203,700
	Steel Structure, Roofing with steel structure and double insulated metal sheets, glazing facades, Masonry, floors, finishing, doors, windows, toilets, painting, check-in booths, retail areas partitioning and finishing	
6.	EQUIPMENTS AND FURNITURE Elevators and Escalators	2,168,000
7.	Electrical, Hydraulic, Air Conditioning, Fire Fighting Systems	6,980,000
	Electrical Installations, including generator, electronic installations, air conditioning, lightening protection system, hydraulic installations	
8.	Security and Control	4,813,000
	CUTE/CUPPS Systems, Flight information Display System, Paging/Announcements system, Baggage Handling / reconciliation system, Fiber and Copper IT cable infrastructure, 2 X-ray for carry-on bags, 2 Walk through Metal Detectors, Explosive trace detector for bags, 2 X-Ray for checked baggage,	

	baggage handling system, 1 baggage reclaim conveyor, including training	
9.	Asphalt Paving	4,674,300
	New access road, including base, pavement and sidewalks; parking lot	
10.	APRON (17,500m²)	6,607,020
	Excavation and clearing, excavation, earthworks, gravel base, steel mesh, Concrete, finishing, joints, drainage, signage	
11.	Landscaping	260,000
12.	Associated Works Electric Substation and Generators, high voltage distribution, water reservation steel tanks, sewer treatment station, external illumination, partial airport fencing, final cleaning	3,865,030
	SUB TOTAL	64,420,250
-	Employers Fee for Supervision	1,929,750
	CONTRACTA WORKS AND SUPPLIES	66,350,000

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