

MEMORANDUM TO PARLIAMENT

BY

MINISTER FOR FINANCE

ON

**THE WAIVER OF APPROVED TAXES FOR THE EXPANSION OF THE
SEKONDI FISHING HARBOUR FACILITIES: PROJECT FOR
FISHERIES PROMOTION AT SEKONDI**

UNDER

A GOVERNMENT OF GHANA CONTRACT

WITH

JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)

UNDER

A

JAPANESE GRANT AGREEMENT NO. 1361000

**26th
JULY, 2016**

1. **ACTION REQUIRED**

Hon. Members of Parliament are kindly requested to consider and approve the waiver of taxes including Customs Duties, VAT, EDAIF and other applicable imposts on procurement of *project related materials both onshore and offshore* for the Sekondi Fishing Harbour, Fishing promotion project estimated at cedi equivalent Six Million, Nine Hundred Thousand Cedis (GH¢6,900,000) .

The request is contained in a Grant Agreement signed between the Japanese International Corporation Agency (JICA) and the Government of Ghana for the project of Fisheries promotion in Sekondi supervised by the Ghana Ports and Harbours Authority [GPHA].

In a letter dated 15th July, 2016 from the Office of the President, H.E the President has granted Executive Approval for the request for both the onshore and offshore procurement of project related materials estimated at Six Million, Nine Hundred Thousand Cedis for consideration of Parliament under the requirement of Article 174 (2) of the Constitution.

2. **BACKGROUND**

The Ghana Ports and Harbours Authority [GPHA], with the approval of Government, is implementing the works involved in the Fisheries Promotion Project – Expansion of the Sekondi Fishing Harbour [The Project]. An Amended Grant Aid Agreement has been executed between the two governments to fund the Project at a contract price of Two Billion, One Hundred and Sixty-Nine Million Japanese Yen [J¥2,169,000,000.00], the equivalent of nearly Sixty-Five Million, Nine Hundred and Fifty Thousand Ghana Cedis [GH¢65,950,000].

The Sekondi-Takoradi, is the Western Regions largest city and industrial and commercial centre with a population of over 450,000 inhabitants. Of the employed population, about 75% are engaged as skilled agriculture, forestry and fishery workers, 8% in service and sales and 5% are engaged in other sectors (2010 Ghana Census).

The Fishing sector is in no doubt one of the key sectors of the Sekondi-Takoradi Metropolis providing social and economic benefits to the inhabitants of which the harbor is the anchor to such economic activity.

Thus the Sekondi Fishing Harbor therefore offers an economic anchor to the many stakeholders engaged in the fishing industry and to a large extent offers other socio-economic opportunities to the inhabitants of Sekondi and its environs.

All stakeholders, especially the large numbers of fisher-folks appreciate the importance of the Sekondi Fishing Harbour (SFH) to the socio-economic standards of users. Therefore such major construction and expansion projects that are needed and funded through Grant Aids, especially where they support Food Security and low-to-middle income socio-economic growth, are highly recommended.

Indeed it is worth mentioning that the Government of Japan has provided the major financial support to upgrade the facilities at the SFH under grant aid programmes. For this Agreement, GPHA, as the implementation agency for the development works, has fulfilled all necessary Conditions Precedent for the development of the works and have given the official concurrence for the re-tendering of the works contract (the contractor yet to be selected).

3. **PROJECT DESCRIPTION**

The works include the following, in summary:

- i. Development of a new wharf of 150-meters length and additional berthing space for fishing vessels,
- ii. Expansion of the administration building, including training in multi-stakeholder consultations for such communities,
- iii. Development of additional capacity for ice-making plants to meet up to 30 metric tons per day,
- iv. Expansion and modification of the fish market shed and net storage areas,
- v. Consolidation of fuel storage and dispensing depots and increased safety of the handling of fuels within the cluster,
- vi. Re-construction of access road to the canoe and landing beach, west of the Sekondi Fishing Harbour.

All utilities related to the works – lighting, water supply, sewage collection systems, etc., would also be developed under the project to be funded by the Grant Aid.

4. COST OF PROJECT

An Amended Grant Aid Agreement has been executed between the two governments to fund the Project to the tune of Two Billion, One Hundred and Sixty-Nine Million Japanese Yen [J¥2,169,000,000.00], the equivalent of nearly Sixty-Five Million. Nine Hundred and Fifty Thousand Gh-Cedis [GH¢65,950,000].

All utilities related to the works – lighting, water supply, sewage collection systems, etc., would also be developed under the project to be funded by the Grant Aid. The GPHA has sustained the Sekondi Fishing Harbour [SFH] cluster with total annual budgetary support as a largely social infrastructure with negligible commercial returns.

5. JUSTIFICATION FOR GOVERNMENT'S INTERVENTION

The Government upon signing the Grant Agreement with JICA is expected to abide by and satisfy all the conditions provided under the Agreement. Article 10 of the Grant Agreement deals with the obligations of the Government of the Republic of Ghana.

Article 10 (1) (d) of the Grant Agreement expressly states that “the Government of the Republic of Ghana shall take the necessary measures to ensure that customs duties, internal taxes and other fiscal levies which may be imposed in the Republic Of Ghana with respect to the purchase of the products and the services referred to in Article 3 be exempted’ (See Agreement). Article 3 deals with the use of the grant which is exclusively for the purchase of such products and services of Japan or Republic of Ghana or as agreed by parties necessary for the implementation of the project.

The import of these provisions is that the Government of Ghana shall be solely and fully responsible for the component of the financing cost covering taxes, duties and other levies on materials and equipment including applicable services necessary for the project.

The list of item areas of the Project and for which tax and duty exemption are being sought is attached and estimated accordingly.

6. **ASSESSMENT OF DUTIES, TAXES AND LEVIES TO BE EXEMPTED**

The Tax Policy Unit of the Ministry has confirmed the item areas for assessment of the applicable taxes, duties and levies for which the exemption is being sought and estimated at cedi equivalent Six Million, Nine Hundred Thousand Ghana Cedis (GH¢6,900,000). The request is in line with grant projects of similar category.

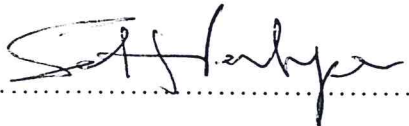
7. **CONSULTATION WITH OTHER STAKEHOLDERS AND OTHER ACTIONS TAKEN**

The GPHA being the supervisory agency has extensively consulted its mother Ministry, Ministry of Transport in facilitating major conditions precedents in the Agreement. The Ministry of Finance on the request of the Ministry of Transport has engaged GPHA on the technical and fiscal positions of the project. The Tax Exemptions Condition precedent (CP) has thus being discussed extensively by key parties culminating in this request to the Hon. House.

8. **CONCLUSION & RECOMMENDATION**

In view of the requirement of the Grant Agreement between the Republic of Ghana and the Japanese International Corporation Agency (JICA) for the project of Fisheries promotion in Sekondi supervised by the Ghana Ports and Harbours Authority [GPHA] and the importance of the project, Hon. Members of Parliament are respectfully invited to approve the exemptions from the payment of taxes, duties and other levies on the onshore and offshore procurement of the project materials and services related to the execution of the Harbour project estimated at cedi equivalent Six Million, Nine Hundred Thousand Ghana Cedis (GH¢6,900,000) .

The request is also in accordance with the requirement of Article 174 of the 1992 Constitution.



.....

HON. SETH E. TERKPER

MINISTER

Attachments

- i. Executive Approval
- ii. Request by the Ministry of Transport dated 21/06/16
- iii. Grant / Contract Agreement for the Project,
- iv. Interim Assessment on item areas Approved by TPU
- v. Letter from GPHA

In case of reply, the
no. and date of this
letter should be quoted.

My Ref No. *OP/KO-1/16*
Your Ref No.

CONFIDENTIAL



FREEDOM AND JUSTICE



OFFICE OF THE PRESIDENT
P.O. BOX 1627
ACCRA
TEL: 0302-201000/2

15th JULY, 2016

REQUEST FOR EXECUTIVE APPROVAL FOR THE TAXES AND DUTY
WAIVERS FOR THE EXPANSION OF THE SEKONDI FISHING HARBOUR
FACILITIES; PROJECT FOR FISHERIES PROMOTION AT SEKONDI
UNDER A GOVERNMENT OF GHANA CONTRACT WITH JAPAN
INTERNATIONAL COOPERATION AGENCY (JICA) UNDER A JAPANESE
GRANT AGREEMENT NO. 1361000

Your letter No. DMD/GRA/00P/045 dated 4th July, 2016 refers.

2. H.E. the President has granted Executive Approval for the payment of taxes, duties and other levies on the onshore and offshore procurement of project materials at the cedi equivalent of **Six Million, Nine Hundred Thousand Ghana Cedis (GH¢6,900,000)**.

3. I shall be grateful if you could take requisite action on the approval in paragraph (2) above.

Roger K. Angsomwine
ROGER K. ANGSOMWINE
SECRETARY TO THE CABINET

THE HON. MINISTER
MINISTRY OF FINANCE
ACCRA

- cc: Chief of Staff
- Secretary to the President
- Secretary to the Vice President
- Senior Policy Advisor and Head of Presidential Delivery Unit

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



MINISTRY OF TRANSPORT
MINISTRIES POST OFFICE
PRIVATE MAIL BAG
MINISTRIES
ACCRA, GHANA
TEL. 021-681780. FAX: 021-681781
E-MAIL: info@mot.gov.gh
WEBSITE: www.mot.gov.gh

MY REF. NO. DL-195/2016

YOUR REF. NO.

DATE 21 Feb 2016

THE HON MINISTER
MINISTRY OF FINANCE
ACCRA

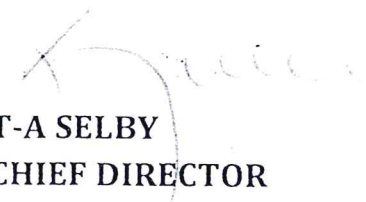
ATT: TAX POLICY ADVISER

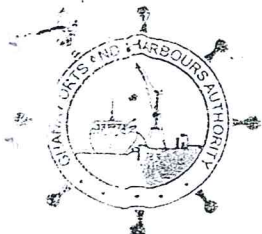
**THE PROJECT FOR FISHERIES PROMOTION-GOVERNMENT OF JAPAN GRANT AID
EXPANSION OF SEKONDI FISHING HARBOR FACILITIES
APPLICATION FOR EXEMPTION FROM IMPORT TAXES AND CUSTOM DUTIES IN
FAVOUR OF THE ABOVE PROJECT**

We forward herewith, for your kind consideration letter no DG/HQ/C.3/V.3/048 dated 16th March, 2016, from the Ghana Ports & Harbours Authority, seeking exemption from the payment of import and other Custom duties in respect of the afore-mentioned Project.

The expected waiver is estimated at **Six Million, Nine Hundred Thousand Ghana Cedis (GHC6,900,000.00)** covering the value-added taxes and import duties and related levies and fees.

We count on your usual cooperation.


T-A SELBY
CHIEF DIRECTOR
FOR: MINISTER



GHANA PORTS AND HARBOURS AUTHORITY

HEADQUARTERS

P O BOX CO 150

Tema, Ghana

Telephone: (233) 0303 - 202631-9

Fax: (233) 0303 - 202812

Website: www.ghanaports.gov.gh

Email: headquarters@ghanaports.net

OUR REF: DG/HQ/C.3/V.3/048

16th MARCH, 2016

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

THRO' & COPY
**THE HON. MINISTER
MINISTRY OF TRANSPORT
ACCRA.**

**SUBJECT: THE PROJECT FOR FISHERIES PROMOTION - GOVERNMENT OF
JAPAN GRANT AID
EXPANSION OF THE SEKONDI FISHING HARBOUR FACILITIES**

**APPLICATION FOR EXEMPTION FROM IMPORT TAXES AND
CUSTOM DUTIES IN FAVOUR OF THE ABOVE PROJECT**

The Ghana Ports and Harbours Authority [GPHA], with the approval of Government, is implementing the works involved in the Fisheries Promotion Project – Expansion of the Sekondi Fishing Harbour [The Project]. An Amended Grant Aid Agreement has been executed between the two governments to fund the Project to the tune of Two Billion, One Hundred and Sixty-Nine Million Japanese Yen [¥2,169,000,000.00], the equivalent of nearly Sixty-Five Million, Nine Hundred and Fifty Thousand Gh-Cedis [GH¢65,950,000].

The Government of Japan, through the coordination of the Japan International Cooperation Agency (JICA) is also providing funds for the Engineering design and construction supervision of the works at no extra cost to the Government of Ghana or the GPHA. The consortium of ECOH Corporation and OAFIC Company Limited of Japan have sustained the engineering process for the expansion works, which should have begun in June 2013 but for the outbreak of the Ebola epidemic.

The works include the following, in summary:

- i.* Development of a new wharf of 150-meters length and additional berthing space for fishing vessels,
- ii.* Expansion of the administration building, including training in multi-stakeholder consultations for such communities,
- iii.* Development of additional capacity for ice-making plants to meet up to 30 metric tons per day,
- iv.* Expansion and modification of the fish market shed and net storage areas,
- v.* Consolidation of fuel storage and dispensing depots and increased safety of the handling of fuels within the cluster,
- vi.* Re-construction of access road to the canoe and landing beach, west of the Sekondi Fishing Harbour.

All utilities related to the works – lighting, water supply, sewage collection systems, etc., would also be developed under the project to be funded by the Grant Aid.

The GPHA has sustained the Sekondi Fishing Harbour [SFH] cluster with total annual budgetary support as a largely social infrastructure with negligible commercial returns. All stakeholders, especially the large numbers of fisher-folks appreciate the importance of the SFH to the socio-economic standards of users. Therefore such major construction and expansion projects that are funded through Grant Aids, especially where they support Food Security and low-to-middle income socio-economic growth, are highly recommended. Indeed the SFH infrastructure has been developed largely by the Government of Japan financial support. GPHA, as the implementation agency for the development works, has fulfilled all necessary Conditions Precedent for the development of the works and have given the official concurrence for the re-tendering of the works contract.

The executed amendment to the Grant Aid, Article 10.1.(d), recognizes the need to exempt the project from local taxes in order to secure the effectiveness of the Grant Aid, disbursements and performance of the works by the (yet to be appointed) contractor. Apart from the major construction equipment and lead-experts, majority of the works components would be procured from local sources, with attendant job opportunities for people within the Sekondi Takoradi Metropolitan locality.

It is for the above reasons therefore that we kindly submit this application for the SFH works under the Project to be exempted from all taxes, Customs Duties and other fiscal levies / charges during the construction period to be incurred by the Contractor and for disbursements covered under the Grant Aid. Our prayer is that the contractor and the Project be granted the waiver completely in line with the governing Grant Aid Agreement.

The expected waiver is estimated at Six Million, Nine Hundred Thousand GH-Cedis (GH¢6,900,000.00) covering value-added-taxes and import duties and related levies and fees. Please find attached the summary of estimations as advised by the consultants.

Referring to previous engagements between us on such matters, we confirm once again that our contractor(s) will submit, and regularly update, all related importation and procurement documents for validation and verification as required.

Respectfully submitted for your consideration.

Yours faithfully,

FOR: GHANA PORTS AND HARBOURS AUTHORITY


RICHARD A.Y. ANAMOO
DIRECTOR-GENERAL

cc. *The Commissioner General, GRA, Accra*



ECOH CORPORATION

Address: Ueno-Takeuchi Bldg., 2-6-4, Kita-Ueno, Taito-ku, Tokyo 110-0014, Japan
Tel. +81-3-5828-8412 Fax. +81-3-5828-8418

Date: 4 February 2016

Ref No. GPHA/ECOH OAFIC JV 4/02/2016

Mr. Richard Anamoo,
Director General
Ghana Ports and Harbours Authority (GPHA)

Project: THE PROJECT FOR FISHERIES PROMOTION IN SEKONDI
Re: Submission of Estimated Tax Amount

Dear Mr. Anamoo,

We would like to submit you the estimated tax amount calculated by the Consultant for this project as attached.

Summary of tax amount are shown as follows.

1. VAT	4,500,000 GHS
2.1 Import Duty	700,000 GHS
<u>2.2 Import VAT</u>	<u>1,700,000 GHS</u>
Total	6,900,000 GHS

I would appreciate very much if you would apply to Ghana Parliament for tax exemption.

Attached:

1. Estimated Tax Amount (PDF file)
2. Estimated Tax Amount (Excel file)

Sincerely yours,

Hitoshi Takemoto
Chief Consultant
THE CONSORTIUM OF
ECOH CORPORATION AND OAFIC CO., LTD.
(REPRESENTED BY ECOH CORPORATION)

Estimated Tax Amount

Exchange Rate

US\$= 125.00 Yen
 US\$= 3.80 GHS
 GHS= 32.89 Yen

1. Tax (VAT) for Local Procurement Materials

(1) Civil Works

VAT= 17.5 %

No.	Items	Unit	Q'ty	Unit Price (GHS)	Amount (GHS)	VAT[17.5%] (GHS)	Remarks
1	Ready-mixed concrete (18 N/mm2)	m3	412	795.00	327,540	57,320	
2	Ready-mixed concrete (24 N/mm2)	m3	2,813	900.00	2,531,700	443,048	
3	Interlocking blocks	pcs	82,722	2.28	188,606	33,006	
4	Stone material	m3	12,866	180.00	2,315,880	405,279	
5	Sub-contracted works	ls	1	8,510,930.00	8,510,930	1,489,413	including material, labour, equipment, works, etc
	Total				13,874,656	2,428,066	

(2) Building Works

No.	Items	Unit	Q'ty	Unit Price (GHS)	Amount (GHS)	VAT[17.5%] (GHS)	Remarks
1	Ready-mixed concrete (18 N/mm2)	m3	441	795.00	350,595	61,354	
2	Ready-mixed concrete (27 N/mm2)	m3	1,359	1,050.00	1,426,950	249,716	
3	Hollow concrete blocks	pcs	16,075	6.58	105,774	18,510	
4	Interlocking blocks	pcs	113,220	2.28	258,142	45,175	
5	Sub-contracted works	ls	1	9,665,405.00	9,665,405	1,691,446	including material, labour, equipment, works, etc
	Total				11,806,866	2,066,201	

(3) Total VAT Amount

Total	VAT[17.5%] (GHS)
(1)+(2)=	4,494,267

2. Tax (Import Duty and Import VAT) for Imported Materials

Import Duty= 10.0 %
 Import VAT= 22.5 % (including Import VAT 17.5% + other tax 5.5%)

(1) Civil Works

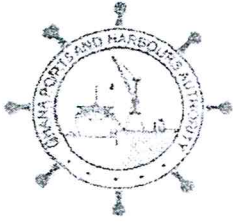
No.	Items	Unit	Q'ty	CIF Unit Price (US\$)	CIF Amount (US\$)	CIF Amount (GHS)	Import Duty [10%] (GHS)	CIF+Import Duty (GHS)	Import VAT [22.5%] (GHS)
1	Reinforcing steel bar	ton	200	1,187.00	237,400	902,120	90,212	992,332	223,275
2	Berth accessories (fender, bollard, etc)	ls	1	151,715.00	151,715	576,517	57,652	634,169	142,688
	Total				389,115	1,478,637	147,864	1,626,501	365,963

(2) Building Works

No.	Items	Unit	Q'ty	CIF Unit Price (US\$)	CIF Amount (US\$)	CIF Amount (GHS)	Import Duty (10%) GHS	CIF+Import Duty(GHS)	Import VAT (22.5%) GHS
1	Ice making plant	ls	1	1,002,295.00	1,002,295	3,808,721	380,872	4,189,593	942,658
2	Reinforcing steel bar	ton	170	1,187.00	201,790	766,802	76,680	843,482	189,783
3	Reservoir tank by FRP panel	ls	1	178,944.00	178,944	679,987	67,999	747,986	168,297
4	Water pump	ls	1	5,450.00	5,450	20,710	2,071	22,781	5,126
	Total				1,388,479	5,276,220	527,622	5,803,842	1,305,864

(3) Total Import Duty and Import VAT Amount

Total	Import Duty (10%) GHS	Import VAT (22.5%) GHS
(1)+(2)=	675,486	1,671,827



GHANA PORTS AND HARBOURS AUTHORITY

HEADQUARTERS

P. O. BOX CO 150
Tema, Ghana
Telephone: (233) 0303 - 202631-9
Fax: (233) 0303 - 202812
Website: www.ghanaports.gov.gh
Email: headquarters@ghanaports.net

OUR REF: DG/HQ/C.3/VOL.3/030

15th February, 2015

THE CHIEF CONSULTANT
THE CONSORTIUM OF ECOH CORPORATION & OAFIC CO. LTD.
UENO-TAKEUCHI BLDG.
2-4-6, KITA-UENO,
TAITO-KU, TOKYO
110-0014, JAPAN

Dear Sir,

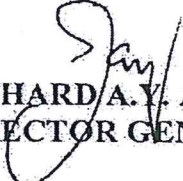
**RE: THE PROJECT FOR FISHERIES PROMOTION, SEKONDI
APPROVAL OF DRAFT AMENDMENT OF CONSULTANT AGREEMENT**

We kindly refer to your letter referenced GPHA/ECOH OAFIC JV dated 12/02/2016 and hereby grant approval of the Draft Amendment of Consultant Agreement.

Kindly submit the Final Amendment document for our execution.

Yours faithfully,

FOR: GHANA PORTS AND HARBOURS AUTHORITY


**RICHARD A. Y. ANAMOO
DIRECTOR GENERAL**

*cc: Director of Port, Takoradi
Project Engineer*



JICA/GN) 10-20005

Japan International Cooperation Agency

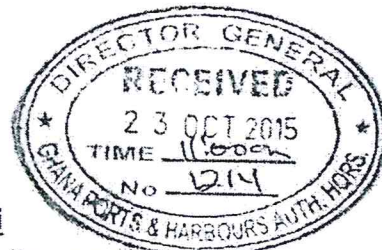
JICA Ghana Office
2nd Floor, The Elizabeth,
No. 68A, Senchi Link,
Airport Residential Area, Accra, Ghana
(P. O. Box 6402 Accra-North, Ghana)
TEL: +233-(0)30-2760781/2
FAX: +233-(0)30-2760954
URL: <http://www.jica.go.jp>

20th October, 2015

The Chief Director
Ministry of Foreign Affairs and Regional Integration
The Government of Ghana

Dear Sir,

**Amendment of Grant Agreement for the
Project for Fisheries Promotion in Sekondi**



Japan International Cooperation Agency (JICA) presents its compliments to the Ministry of Foreign Affairs and Regional Integration of the Republic of Ghana and has the honour to enclose herewith the draft Amendment to the Grant Agreement (G/A) for the Japanese Grant named "Project for Fisheries Promotion in Sekondi".

Based on the further request of Government of Ghana for additional budget for the Project and upon discussions with the relevant ministries of the Republic of Ghana, the Government of Japan has decided to amend the Grant Agreement No 1361000 dated April 29, 2014. In order to make the grant available, JICA shall conclude with Ministry of Foreign Affairs and Regional Integration the amended Grant Agreement following the amended Exchange of Notes (E/N).

In view of this, JICA kindly requests the Ministry of Foreign Affairs and Regional Integration of the Republic of Ghana to confirm (in writing) the contents of enclosed draft amendment not later than 30th October, 2015. The consent letter should include 1) Name of Signer and his/her capacity, 2) Signing date (same day as E/N or later), 3) Statement on the consent to the G/A amendment. In case the designated signer is different from that on the original G/A, please provide 4) evidence that the designated signer has the right to sign on behalf of the Government of Ghana. Please note that the grant availability will be changed according to the signature date.

JICA Ghana Office avails itself of this opportunity to renew the assurances of its highest consideration to the Ministry of Foreign Affairs and Regional Integration of the Republic of Ghana.

cra, Ghana



Thank you for your esteem cooperation.

Yours faithfully,

Koji MAKINO
(CHIEF REPRESENTATIVE)
JICA GHANA OFFICE

Attachment:

1. Draft Amendment to the Grant Agreement for Project for Fisheries Promotion in Sekondi
2. Signed Grant Agreement

CC:

1. The Director,
Asia and Pacific Bureau,
Ministry of Foreign Affairs and Regional Integration, Accra
2. The Chief Director,
Ministry of Finance, Accra
3. The Chief Director,
Ministry of Transport, Accra
- ✓ 4. The Director General,
Ghana Ports and Harbour Authority, Tema
5. The Director,
External Resource Mobilization (Bilateral) Division,
Ministry of Finance, Accra
6. Head of Japan Desk,
External Resource Mobilization (Bilateral) Division,
Ministry of Finance, Accra

**Amendment to the Grant Agreement for
the Project for Fisheries Promotion in Sekondi**

On the basis of the Exchange of Notes between the Government of Japan and the Government of the Republic of Ghana dated (signing date) concerning the amendment to the Exchange of Notes dated April 29, 2014 on Japanese grant assistance for the Project for Fisheries Promotion in Sekondi by the Government of the Republic of Ghana, the Japan International Cooperation Agency and the Government of the Republic of Ghana have hereby agreed that:

1. Article 1 of the Grant Agreement for the Project for Fisheries Promotion in Sekondi between the Japan International Cooperation Agency and the Government of the Republic of Ghana dated April 29, 2014 (G/A No. 1361000), "Amount and Purpose of the Grant" shall be amended as follows:

The term "one billion eight hundred and twenty-five million Japanese Yen (JPY 1,825,000,000)" shall be deleted and "two billion one hundred and sixty-nine million Japanese Yen (JPY 2,169,000,000)" shall be substituted in lieu thereof.

2. This amendment shall become effective as of the date of the signature of this amendment; and
3. This amendment shall not be construed to modify any provisions other than those mentioned above.

(signing place), (signing date)

For

JAPAN INTERNATIONAL
COOPERATION AGENCY

For

THE GOVERNMENT OF
THE REPUBLIC OF GHANA

Koji Makino
Chief Representative
JICA Ghana Office

(Name)
(Title)

Grant Agreement No. 1361000

GRANT AGREEMENT

For

THE PROJECT FOR FISHERIES PROMOTION IN SEKONDI

Between

JAPAN INTERNATIONAL COOPERATION AGENCY

And

THE GOVERNMENT OF THE REPUBLIC OF GHANA

Dated April 29, 2014

On the basis of the Exchange of Notes between the Government of Japan and the Government of the Republic of Ghana dated April 29, 2014 (hereinafter referred to as "the E/N") concerning the Japanese grant assistance for the Project for Fisheries Promotion in Sekondi (hereinafter referred to as "the Project") by the Government of the Republic of Ghana, the Japan International Cooperation Agency (hereinafter referred to as "JICA") and the Government of the Republic of Ghana have agreed to conclude the following grant agreement referred to in sub-paragraph (2) of paragraph 1 of the E/N:

Article 1 Amount and Purpose of the Grant

For the purpose of contributing to the implementation of the Project, JICA shall extend a grant of the amount up to one billion eight hundred and twenty-five million Japanese Yen (JPY1,825,000,000) (hereinafter referred to as "the Grant") to the Government of the Republic of Ghana in accordance with the relevant laws and regulations of Japan and within the scope of the E/N.

Article 2 Availability of the Grant

The Grant shall be made available by concluding the present grant agreement (hereinafter referred to as "the G/A") during the period between the date of entry into force of the G/A and June 30, 2017, unless the period is extended by mutual consent between JICA and the Government of the Republic of Ghana or the designated authority (hereinafter referred to collectively as "the Authority").

Article 3 Use of the Grant

(1) The Grant shall be used by the Government of the Republic of Ghana properly and exclusively for the purchase of such products of Japan or the Republic of Ghana and such services of Japanese or Ghanaian nationals necessary for the implementation of the Project as listed below (The term "nationals" whenever used in the G/A means Japanese physical persons or Japanese juridical persons controlled by Japanese physical persons in the case of Japanese nationals and Ghanaian physical or juridical persons controlled by Ghanaian physical persons in the case of Ghanaian nationals.):

- (a) products and services necessary for expansion of wharf, its access road, administrative office, ice making facility and some related facilities (hereinafter

referred to collectively as "the Facilities");

- (b) services necessary for the transportation of the products referred to in (a) above to ports in the Republic of Ghana and those for internal transportation therein; and
- (c) services necessary for the guidance in managing the Facilities.

(2) Notwithstanding the provisions of sub-paragraph (1) above, when JICA and the Authority deem it necessary, the Grant may be used for the purchase of the products of the kind referred to in (a) of sub-paragraph (1) above, which are products of countries other than Japan or the Republic of Ghana and the services of the kind referred to in (a), (b) and (c) of sub-paragraph (1) above, which are services of nationals of countries other than Japan or the Republic of Ghana.

Article 4 Procurement Guidelines

The Authority shall ensure that the products and / or the services referred to in Article 3 are procured in accordance with JICA's Procurement Guidelines of the Japanese Grant Aid (Type I-G) (hereinafter referred to as "the Procurement Guidelines").

Article 5 Verification of Contracts

The Authority shall enter into contracts in Japanese Yen with Japanese nationals for the purchase of the products and services referred to in Article 3. Such contracts shall be verified by JICA to be eligible for the Grant.

Article 6 Payments

JICA shall execute the Grant by making payments in Japanese Yen to cover the obligations incurred by the Authority under the contracts verified in accordance with Article 5 (hereinafter referred to as "the Verified Contracts") to an account to be opened in the name of the Government of the Republic of Ghana at a bank in Japan designated by the Authority (hereinafter referred to as "the Bank").

Article 7 Banking Arrangement

The sole purpose of the account referred to in Article 6 is to receive the payments in Japanese Yen from JICA and to pay to the Japanese nationals who are parties to the Verified Contracts. The procedural details concerning the credit to and debit from the account referred to in Article 6 will be agreed upon through consultation between the

Bank and the Authority.

Article 8 Authorization to Pay

The payments referred to in Article 6 shall be made when payment requests are presented by the Bank to JICA under an authorization to pay issued by the Authority.

Article 9 Modification of the Project

When the plan and / or design of the Project is to be modified, the Authority shall have a prior consultation with and obtain the consent to the modification of JICA, in accordance with the Procurement Guidelines.

Article 10 Obligations of the Government of the Republic of Ghana

(1) The Government of the Republic of Ghana shall take necessary measures:

- (a) to secure a lot of land necessary for the implementation of the Project and to clear the site;
- (b) to provide facilities for distribution of electricity, water supply and drainage and other incidental facilities necessary for the implementation of the Project outside the site referred to in (a) above;
- (c) to ensure prompt unloading and customs clearance of the products referred to in Article 3 at ports of disembarkation in the Republic of Ghana and to assist internal transportation of the products referred to in Article 3 therein;
- (d) to ensure that customs duties, internal taxes and other fiscal levies which may be imposed in the Republic of Ghana with respect to the purchase of the products and the services referred to in Article 3 be exempted;
- (e) to accord Japanese physical persons and / or physical persons of third countries whose services may be required in connection with the supply of the products and the services referred to in Article 3 such facilities as may be necessary for their entry into the Republic of Ghana and stay therein for the performance of their work;
- (f) to ensure that the Facilities referred to in Article 3 be maintained and used

properly and effectively for the implementation of the Project;

- (g) to bear all the expenses, other than those covered by the Grant, necessary for the implementation of the Project; and
 - (h) to give due environmental and social consideration in the implementation of the Project.
- (2) Upon the request of JICA, the Government of the Republic of Ghana shall provide JICA with necessary information on the Project.
- (3) With regard to the shipping and marine insurance of the products referred to in Article 3, the Government of the Republic of Ghana shall refrain from imposing any restrictions that may hinder fair and free competition among the shipping and marine insurance companies.
- (4) The products referred to in Article 3 shall not be exported or re-exported from the Republic of Ghana.
- (5) The Government of the Republic of Ghana shall ensure that any official of the Government of the Republic of Ghana does not undertake any part of the Japanese nationals' work on the purchase of the products and the services referred to in Article 5.

Article 11 Applicable Laws

The validity, interpretation and performance of the G/A shall be governed by the relevant laws and regulations of Japan.

Article 12 Amendments

The G/A may be amended within the scope of the E/N by written agreement between JICA and the Government of the Republic of Ghana. The amendment to the G/A shall enter into force on the date of signature of such written agreement by JICA and the Government of the Republic of Ghana.

Article 13 Consultation

JICA and the Government of the Republic of Ghana shall consult with each other in

respect of any matter that may arise from or in connection with the G/A.

Article 14 Effectiveness and Termination

- (1) The G/A shall enter into force on the date of signature by JICA and the Government of the Republic of Ghana, provided that the E/N is in force.
- (2) When JICA recognizes any of the following situations, JICA may, by notification to the Government of the Republic of Ghana, suspend in whole or in part the rights of the Government of the Republic of Ghana and / or require the Government of the Republic of Ghana to remedy the situation. When the Government of the Republic of Ghana will not remedy the situation within the period of thirty (30) days from the date of receipt of such notification, JICA may, with the consent of the Government of Japan, terminate the G/A:
 - (a) default of the Government of the Republic of Ghana in fulfillment of any obligations or in compliance with the terms and conditions under the E/N or the G/A;
 - (b) a fundamental change of circumstances relating to the Authority which has occurred with regard to those existing at the time of the entry into force of the G/A; and
 - (c) any emergency, unforeseen circumstances or force majeure, such as war, civil war, earthquake and flood which cause serious difficulties in implementing the Project.

Accra, April 29, 2014

For

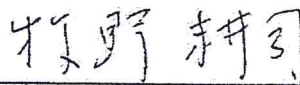
THE GOVERNMENT OF
THE REPUBLIC OF GHANA



Hanna Serwaah Tetteh
Minister of Foreign Affairs and
Regional Integration

For

JAPAN INTERNATIONAL
COOPERATION AGENCY



Koji Makino
Chief Representative
JICA Ghana Office

27 October 2015

The Project for Fisheries Promotion in Sekondi
Schedule for approval of Re-tender documents and Confirmation
of Project Site

Date			Mr. Hitoshi TAKEMOTO (Chief Consultant)	Stay
1	Dec. 5	Sat	Narita (Tokyo) 22:00 (EK319)→	
2	Dec. 6	Sun	Dubai 05:00 Dubai 07:35 (EK787)→Accra 12:05	Accra
3	Dec. 7	Mon	AM: Courtesy call to JICA and Japanese Embassy 15:00 Courtesy call to GPHA HQ (Mr. Anamoo) (Submission of Re-tender documents and Retender Schedule in Japan)	Accra
4	Dec. 8	Tue	Courtesy Call to Ministry of Transport (Mr. Selby) and Ministry of Fisheries	Accra
5	Dec. 9	Wed	Moving from Accra to Takoradi 14:00 Courtesy call to GPHA Sekondi (Mr. Cudjoe)	Takoradi
6	Dec. 10	Thu	10:00 Courtesy call to GPHA Takoradi (Mr. Koranteng and Mr. Asamoah) PM: Site inspection in Sekondi	Takoradi
7	Dec. 11	Fri	Site inspection in Sekondi	Takoradi
8	Dec. 12	Sat	Site inspection in Sekondi	Takoradi
9	Dec. 13	Sun	Moving from Takoradi to Tema	Tema
10	Dec. 14	Mon	10:00 Approval of Re-tender documents by GPHA (Mr. Anamoo)	Tema
11	Dec. 15	Tue	Reporting to Ministry of Transport (Mr. Selby) and Ministry of Fisheries	Tema
12	Dec. 16	Wed	AM: Reporting to Japanese Embassy Reporting to JICA Office PM: Reporting GPHA HQ (Mr. Anamoo)	Tema
13	Dec. 17	Thu	Accra 18:30 (EK788)→	
14	Dec. 18	Fri	Dubai 08:25 Dubai 08:25 (EK312)→Haneda (Tokyo) 22:45	