

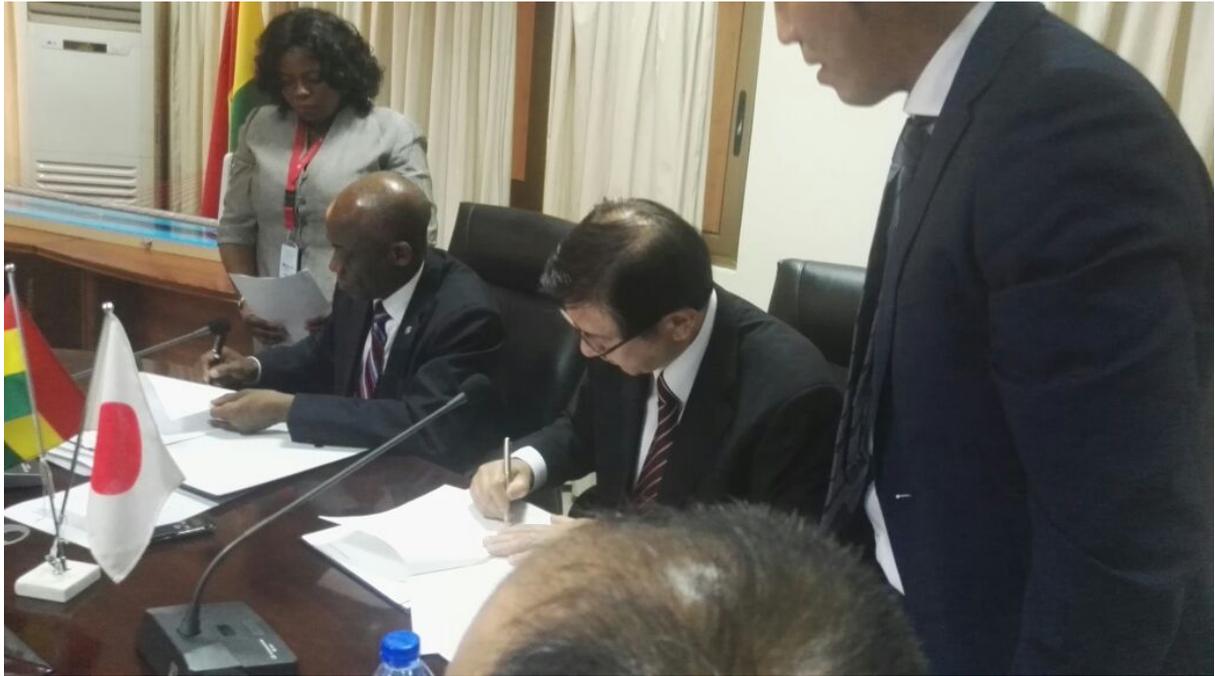
## Government Secures US\$100m to Construct Bridge over Volta Lake



Ghana has signed a \$100-million (11,239 billion Yen) loan agreement with the Japan International Co-operation Agency (JICA) for the construction of a 540-metre long cable-stay steel bridge over the Volta River at Volivo and Dofor Adidome in the Volta Region.

The agreement marks the resumption of the Yen loan Scheme after it was suspended when Ghana joined the league of the Heavily Indebted Poor Countries (HIPC) in 2001.

The loan has an interest rate of 0.1 per cent for the construction and 0.01 per cent for the consulting services with repayment period of 40 years, including 10 years grace period.



The project seeks to complement the government's effort to develop the Eastern Corridor road which is the shortest route connecting the Greater Accra, Volta, Northern and Upper East regions.

The Minister of Finance, Mr. Seth Terkper, , signed on behalf of Ghana while Mr. Kaoru Yoshimura, Japan's Ambassador to Ghana, signed for his country.

The project is also expected to construct approach roads of 1,000 metres long, and ancillary facilities such as rest-stops, toll plaza, and navigation and illumination lights for aesthetic touristic value for the users.

The African Development Bank (AfDB) will co-finance the connecting roads from Asutuare Junction to Asikuma Junction to link the bridge.

Mr. Terkper said the new bridge across the Volta River was part of the larger government strategy of making Ghana the transportation hub of West Africa.



He said the completion of the Eastern Corridor roads would improve accessibility to key centres of the country and also provide an efficient and effective transport system.

“The bridge project is expected to serve as a catalyst for regional integration and contribute to the overall growth of the economy,” he said, adding that it would open up the corridor and boost the export of Ghana’s non-traditional crops, mainly sheatnuts, cocoa butter and mango.

It would also help reduce travel time, congestion, vehicle operation costs and directly improve the socio-economic well-being of the road users.

Mr. Terkper said as part of government’s new debt management strategy, tolling arrangements had been factored in the project to raise revenue to contribute to the repayment of the loan.

Mr Yoshimura said while Japan would construct the new bridge, AfDB would construct the surrounding roads connecting to the bridge.

He said the loan agreement had further strengthened the already existing relationship between the two countries.

Mr. Koji Makino, Chief Representative, JICA Ghana Office, said an estimated 51 per cent of the cargo trucks were expected to shift from the central corridor to the eastern corridor when the bridge was completed.

He said the project, with its ancillary facilities, was expected to boost the economic activities and local economy of the project areas thereby reducing poverty.

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