

# UK export guarantee facilitates development of health sector in Ghana

Government of Ghana, Ministry of Finance and Economic Planning to replace district hospitals and address critical infrastructure gaps

## Case Study

<b>The Challenge</b>	The Government of Ghana (GoG) has a plan to replace existing district hospitals, which are at the end of their usable life and are no longer fit for purpose, as part of a strategy to address large infrastructure gaps in the country. As part of this plan, the Ministry of Health of Ghana signed an export contract with the UK company NMS Infrastructure Limited for the design and construction of seven district hospitals in various regions of Ghana. The contract also includes the procurement of medical equipment and IT systems, training, and three years maintenance and after sales support. Financing was required to enable the project to proceed.
<b>The Solution</b>	Citi acted as co-mandated lead arranger together with Barclays and JP Morgan for a \$192 million term facility, split between a 13-year \$163 million tranche (funded by Citi and JP Morgan), which is 100% guaranteed by the Export Credits Guarantee Department of the United Kingdom (ECGD), and a five-year \$29 million local currency tranche (funded by Barclays).
<b>The Result</b>	<p>The financing was successfully completed. The ECGD-supported tranche, which offered a door-to-door tenor of 13 years, is one of the longest-dated issues for GoG. Both tranches secured highly competitive pricing compared to the prevailing market conditions.</p> <p>This deal directly supports GoG in one of its strategic objectives: by developing Ghana's health sector it is addressing a large infrastructure gap and helping to ensure the long-term growth of the country. The direct benefits of the project for the Ghanaian population are that it will gain access to hospitals that have been built in an environmentally friendly way and at a quicker than usual pace of construction. The new hospitals will help to lower costs and improve operating efficiency and will also enhance patients' experience and reduce bacterial cross-contamination.</p>