

MINISTRY OF FINANCE AND ECONOMIC PLANNING (MOFEP) **NEGOTIATES THREE NEW CREDITS WITH THE WORLD BANK.**

Ministry of Finance and Economic Planning (MOFEP) in collaboration with several MDAs have negotiated three projects in the first quarter of the year. Five more projects are expected to be negotiated by the end of this year. The three projects negotiated are as follows:

Urban Transport Project

The project was negotiated on 18th and 19th April, 2007 in Accra and Washington DC. The amount of World Bank credit for the project is US\$45.0 million (¢417,307.50 million equivalent) representing 50 per cent of the total project cost of US\$90 million for 5 years. Other donors supporting the project are Global Environment Facility (GEF) and Agence Française de Développement (AFD).

Project Objective:

- i. To improve mobility in areas of participating Municipal and Metropolitan District Assemblies (MMDAs)
- ii. To promote a shift to more environmentally sustainable urban transport modes and encourage lower urban transport-related Green House Gas (GHG) emissions along the pilot Bus Rapid Transit (BRT) corridors in Accra.

Implementation Agency:

The Department of Urban Roads will be responsible for the co-ordination of project activities on behalf of the Ministries of Transportation (MOT); and Local Government, Rural Development and Environment (MOLGRDE).

Project Components:

- i. Institutional Development: This is to build capacity in the key implementing agencies like the Ministries of Transportation and Local Government, Rural Development and Environment
- ii. Traffic Engineering, Management and Safety: Reorganizing the intersections to reduce congestion as such points including installing new traffic lights
- iii. Development of a BRT System: Provide infrastructure and enter into contracts with operators of buses with the support of MMDAs.
- iv. Urban Development and Transport Planning: Supporting MLGRDE to undertake an integrated urban and transport development plans.
- v. Project Outcome Monitoring: Carrying out of specific studies to examine travel and related social and economic benefits or impacts.

Health Insurance Project

The project was negotiated on 23rd and 24th April, 2007 in Accra and Washington DC. The amount of World Bank credit for the project is US\$15.0 million (¢138,940.50 million equivalent). This amount covers the whole cost of the project.

Project Objective:

- i. To strengthen the financial and operational management of the National Health Insurance Scheme (NHIS) by improving the policy adaptation and implementation capacity of the National Health Insurance Scheme in addressing ongoing core policy issues related to contribution collection, risk equalization and provider payment mechanisms.
- ii. To strengthen the financial and operational management of the NIS by improving the purchasing functions of the National Health Insurance Council (NHIC), and District Mutual Health Organizations and also improving the billing function of the provider network among others.

Implementation Agency:

The National Insurance Council will be responsible for the implementation of project activities. The Inter-Agency Steering Committee chaired by the Minister of MOH will oversee the implementation of the project.

Project Components:

- i. Component A– Enabling Environment for Implementation. This component will strengthen policy adaptation and implementation capacity of the National Health Insurance Scheme.
- ii. Component B – Financial and Operational Management Tool. This component seeks to improve the purchasing function by the Schemes and the billing function by the provider network by moving the billing and claims process from a paper- based to electronic-based system.
- iii. Component C – Financial and Operational Management Training. This component will improve the skills in health insurance administration for staff working in both the NHIS and provider network.

Fifth Poverty Reduction Support Credit

The credit was negotiated between 11th and 24th April, 2007 in Accra and Washington DC. It is a budget support credit of US\$110 million (¢1.0 billion). The credit is to be disbursed into the Consolidated Fund to support the 2007 Budget of the Government.