

# GHANA NATIONAL MEDICAL EQUIPMENT MODERNIZATION PROJECT

## INFORMATION SUMMARY FOR THE PUBLIC

<b>Host Country:</b>	Ghana
<b>Name of Insured Investor:</b>	Belstar Development, LLC, a Florida limited liability company (“Belstar”)
<b>Investment Amount and Type:</b>	Up to \$267,000,000 (Equipment and Services)
<b>Project Description:</b>	Supply of modern medical equipment and technical training to equip 100 hospitals.
<b>Total Project Costs:</b>	Up to \$267,000,000
<b>Proposed OPIC Insurance Amount:</b>	Up to \$250,000,000 in limited expropriation and inconvertibility coverage (transfer only): <ul style="list-style-type: none"><li>• Nonpayment of arbitral award, and denial of justice - \$240,300,000; tenor – 18 years</li><li>• Performance Guaranty: wrongful calling – \$9,700,000; tenor – 24 months</li><li>• Inconvertibility – \$240,300,000; tenor – 18 years</li></ul>
<b>Private Insurer Participation:</b>	Private market political risk insurance is not available for this project on terms sufficient for the project’s viability.
<b>Developmental Effects:</b>	The project will have a positive developmental impact in Ghana as Belstar will provide medical equipment to Ghana’s Ministry of Health. The project will result in the transfer of modern healthcare technology not readily accessible in Ghana to various hospitals throughout the country which serve both low and middle income segments of the population.
<b>Environment:</b>	Projects involving installation and technical support of medical equipment are screened as Category B projects under OPIC’s environmental and social guidelines because the impacts are site specific and readily mitigated. The primary environmental and social impacts associated with the project include the need for appropriate regulatory approval for distribution, appropriate occupational health and safety procedures during installation and maintenance of equipment and proper vehicle maintenance for the mobile medical units. <u>Applicable Standards.</u> The project will be required to

comply with applicable sections of the International Finance Corporation's ("IFC") 2007 General Environmental, Health, and Safety ("EHS") Guidelines and all applicable environmental, health, and safety requirements of Ghana with respect to the project.

The project will not be located in or near any internationally designated protected areas and will not have any significant adverse impacts on endangered or threatened species. The project will not result in any physical or economic displacement, or impacts on indigenous people or any cultural sites. Therefore, the project is not subject to IFC Performance Standards 5, 7, or 8. Based on conservative assumptions regarding vehicle fuel economy and miles traveled, direct greenhouse gas emissions from the facility are estimated to be less than 5,000 tons CO<sub>2eq</sub> per year.

Impacts and Mitigation Measures. The project involves pre-installation works, installation, user and application training, four year warranty technical support, and seed consumable stocks of various types of medical equipment. The equipment includes oxygen generator systems, MRI machines, CT scanners, digital R/F units, color Doppler ultrasound and digital image management systems, critical care packages, medical waste treatment plants, and mobile clinics.

Pursuant to Ghanaian law, all medical equipment provided to national medical clinics must be certified by the U.S. Food and Drug Administration or the European Union equivalent, or be ISO 9000 certified. OPIC will require that all equipment involved in the project that is covered by OPIC insurance be certified by the U.S. Food and Drug Administration or the European Union equivalent. Ghanaian law, under the Employer's Association law, mandates that companies adhere to international occupational health and safety standards such as World Bank standards. Therefore, Belstar and its subcontractors are required by national law to operate in accordance with international occupational health and safety standards.

The project involves 80 mobile medical clinics and 20 refrigerated vans for vaccines transport. The vehicles will be operated by employees or contractors of the Government of Ghana. Belstar will not be responsible for maintenance of the vehicles once the title is passed onto the Government of Ghana. The mobile clinics will have back-up generators (10 kVA) that will be used periodically when unable to connect

to the national electricity grid. Conservatively, assuming a fuel economy of 10 miles per gallon and average miles traveled of 15,000 miles per year, and taking into account periodic use of the mobile clinics' back-up generators, greenhouse gas emissions are estimated to be less than 5,000 tons CO<sub>2eq</sub> per year.

**Worker Rights:**

OPIC's statutorily required standard worker rights language will be supplemented with provisions concerning the right of association, organization and collective bargaining and minimum wage. Standard and supplemental contract language will be applied to all workers of the project.

**Human Rights:**

In consultation with the Department of State, the project received a Human Rights Clearance on November 15, 2010.

**U.S. Effects:**

The project involves insurance coverage for currency inconvertibility and expropriation risk associated with a medical equipment sales contract and therefore is not expected to have a negative impact on the U.S. economy. Products covered under this insurance contract are expected to involve both U.S. procurement and U.S. exports to Ghana, but will not include exports to the U.S. This insurance coverage is expected to have a positive impact on U.S. employment and the U.S. balance of payments.