

## SSNIT responds to Hon. Samuel Okudzeto Ablakwa's comments on sale of hotels

The attention of the Management of Social Security and National Insurance Trust (SSNIT) has been drawn to a discussion on Metro TV's Good Morning Ghana Programme on Friday, 17<sup>th</sup> May 2024. The discussion partly covered SSNIT's strategic decision to divest 60% of its stake in the six (6) hotels in its investment portfolio.

The Management of SSNIT wishes to comment as follows:

- 1** The Trust is seeking to partner a strategic investor to raise capital to invest in the hotels, and also assist in their management.
- 2** The primary objective of finding a strategic investor is to increase efficiency, profitability, shareholder value, and the long-term sustainability of the SSNIT Pension Scheme.
- 3** Accordingly, SSNIT went through International Competitive Tendering (ICT) processes as prescribed by the Public Procurement Act, 2003 (ACT 663), as amended by ACT 914, for the selection of a strategic investor.
- 4** The Trust commenced the process with the engagement of a **Transaction Advisor** through the ICT method of procurement, with publication of advertisements in the Daily Graphic on **14<sup>th</sup> November 2018** and in the Ghanaian Times on **15<sup>th</sup> November 2018**. The advertisement was also published in an international magazine, The Economist in its **5<sup>th</sup> to 11<sup>th</sup> January 2019** edition.
- 5** As of 16<sup>th</sup> January 2019 deadline, fifteen (15) firms had expressed interest in submitting bids. Of these, six (6) were shortlisted and issued with Request for Proposal (RFP) documents.
- 6** Approval was sought from the Central Tender Review Committee (CTRC) for the selection of a Transaction Advisor on 12<sup>th</sup> December 2019 and that was granted on 24<sup>th</sup> December 2019.
- 7** Following the selection of the independent Transaction Advisor to guide the selection of a Strategic investor amongst others, further advertisements for an Expression of Interest (EOI) for a **Strategic Partner** for the SSNIT Hotels were placed in the Daily Graphic on **3<sup>rd</sup> February 2022** and in the Ghanaian Times on **7<sup>th</sup> February 2022**. The advertisement was also published in The Economist Magazine on **26<sup>th</sup> February 2022**.

# Media Release

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- 8 A total of nine (9) companies responded to the advertisements by submitting proposals on the **23<sup>rd</sup> March 2022** deadline. Six (6) out of the nine (9) were then shortlisted and issued with Request for Proposal (RFP) documents.
- 9 The qualifying firms were invited for the opening of their financial proposals. Based on the technical and financial evaluation, the Rock City Hotel emerged the best.
- 10 Based on the criteria set out in the RFP, Rock City Hotel submitted the best and strongest technical and financial proposal amongst those received. Consequently, it is in negotiation with SSNIT to buy a 60% stake in each of the four (4) hotels (Labadi Beach Hotel, La Palm Royal Beach Resort, Ridge Royal Hotel and Elmina Beach Resort). Bids for Busua Beach Resort and the Trust Lodge were considered to be unsuccessful so they are no longer part of the hotels covered in this process.
- 11 The process of getting a strategic investor is in its final stages and therefore not yet concluded.
- 12 It was mentioned on the Metro TV discussion that the Commission on Human Rights and Administrative Justice (CHRAJ) has been petitioned to conduct a full-scale investigation into the sale of SSNIT hotels.
- 13 Given the impending investigation by CHRAJ, Management of SSNIT will not comment further. SSNIT will cooperate fully with CHRAJ throughout its investigation process.

SSNIT further wishes to assure pensioners, contributors and the public of its commitment to managing the affairs of the Trust prudently for the sustainability of the Pension Scheme.

Thank you.

SSNIT, we deliver on our promise!

**Issued by Management**