

Public Interest and Accountability Committee

REPORT

ON

PIAC MONITORING VISITS

JULY 18-22, 2016

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List of Acronyms

ABFA Annual Budget Funding Amount

GETFUND Ghana Education Trust Fund

IFEJ Financial and Economic Journalists

MMDAs Metropolitan, Municipal and District Assemblies

MoF Ministry of Finance

PIAC Public Interest and Accountability Committee

PRMA Petroleum Revenue Management Act

SHS Senior High School

SHTS Senior High Technical School

Report on the monitoring visits of PIAC to sites of projects funded from the Annual Budget Funding Amount (ABFA)

Introduction

The Public Interest and Accountability Committee (PIAC) in fulfilment of its mandate of providing a platform for the public to discuss spending prospects of petroleum revenues by the Government, the Committee recently held its ninth and tenth public fora in the Upper East and Upper West Regions respectively. The Committee after its public engagements visited some selected projects funded from the Annual Budget Funding Amount (ABFA) in the Upper East, Upper West and Northern Regions to carry out physical monitoring and inspection in accordance with its mandate of monitoring the management and use of Ghana's petroleum revenues. One project site was visited in the Upper East Region, three in the Upper West and two in the Northern Region. Below is a report on field visits for the attention of policymakers.

2.1.0 UPPER EAST REGION: CONSTRUCTION OF TWO-STOREY DORMITORY BLOCK AT ZEBILLA SENIOR HIGH TECHNICAL SCHOOL

Payment for the project was captured as part of expenditure for educational projects in the 2015 disbursements of the ABFA by the Ministry of Finance. The contractors for the project are Alhaji Sofo Sana Construction Limited. The project started in 2012 and stalled due to lack of funds before petroleum revenues were allocated in 2015 to complete it. Officials at the school were not even aware that funds for the completion of the dormitory were part of revenue from Ghana's oil. The project which cost GHØ85,606.48 was started under the Ministry of Education in 2012 undoubtedly in response to the dire need for dormitory facilities, as the school has a student population of about 1, 437 with limited dormitory facilities. The District Engineer could not give the rate of progress on the facility as the project was not under the direct supervision of the District Assembly. The building was however roofed, with windows and door frames fixed and plastering ongoing at the time of the visit by the joint PIAC-IFEJ team.



Figure 1: Progress of work on the two-storey dormitory facility at Zebilla SHTS

2.1.1 Findings/Observations

- The District Engineer should have been able to inform the team on progress of work and cost components of the project if the Assembly was involved in the project contracting and implementation;
- 2. Authorities of the School and the District did not know about the sources of funding as beneficiaries of the 2-storey building project;
- 3. There was no sign post with details of funding and contractor executing the project as required by regulations; and
- 4. Earlier work on the building was already showing signs of deterioration, with leakages in some parts of the roof. It was clear that the structure would require re-roofing.

2.2.0 UPPER WEST REGION: PAYMENT FOR THE REHABILITATION OF SCIENCE RESOURCE CENTRE AT ST FRANCIS GIRLS SENIOR HIGH SCHOOL (SHS), JIRAPA DISTRICT

Total cost of the project as captured in the 2015 PIAC report was GHØ44,086.97. Three science laboratories (Biology, Physics and Chemistry) were renovated from the amount allocated. The rehabilitation involved the painting of the laboratories and fixing of ceilings and floor tiles in all three laboratories and this had been completed at the time of the visit. However, tables, cabinets and other laboratory equipment used for performing experiments were either not existent or in bad conditions. The laboratories do not only serve St. Francis Girls SHS but adjoining Senior High Schools such as Jirapa SHS and Ullo SHS which depend on these labs for their experiments and science lessons. School authorities revealed to the team that, a contractor arrived without any consultation to start work and none of the officials of the school was involved in the project contracting and implementation process. Besides, the school was faced with more pressing needs than the rehabilitation of the Science Resource Centre. The lack of laboratory equipment has made it impossible for the institution to improve the teaching of science regardless of the rehabilitation.



Figure 2: State of facilities at the rehabilitated lab at St. Francis SHS



Figure 3: State of facilities at the rehabilitated lab at St. Francis SHS

2.2.1 Findings/Observations

- 1. Rehabilitation of buildings without provision of equipment, relevant resources and other facilities in the laboratories for the learning of science is of little impact; and
- 2. School authorities would have known the source of funding and demanded accountability if the regulation of mounting sign posts had been adhered to.

It would be useful to consult authorities and beneficiaries of petroleum funded projects if petroleum revenues are to be optimally utilized.

2.3.0 UPPER WEST REGION: REHABILITATION OF IRRIGATION DAM AT DOURI, JIRAPA DISTRICT

An amount of GHØ52, 950 was allocated for the rehabilitation of the Douri Irrigation Dam in 2014. When the joint PIAC-IFEJ team visited the project site, an opinion leader in the community informed the team that no further works had taken place at the site since 1998 when a Japanese Grant was released for the construction of the existing irrigation project. Community members around were surprised to learn that money had been allocated for the rehabilitation of the dam from petroleum revenue.



Figure 4: State of Douri Irrigation Dam in Upper West Region

2.3.1 Findings/Observations

- 1. Opinion leaders and local authorities in the community were unaware of the release of funds for the rehabilitation of the dam:
- 2. Opinion leaders and local authorities did not know that funds from petroleum revenues were being used for the project; and
- 3. There was no involvement of the community in the project selection and/or implementation making tracking and demand for accountability difficult.

The Committee is calling on the Ministry of Finance to provide further information on the project in order to determine what the funds have been used for.

2.4.0 UPPER WEST: REHABILITATION OF IRRIGATION DAM AT NAKORI, WA MUNICIPALITY

The Nakori Irrigation Dam was allocated an amount of GHØ 15,970.00 for rehabilitation works but no work had been done on the dam at the time of the visit. An opinion leader in Nakori who conducted the PIAC-IFEJ team around the dam site told the team that the project had stalled since 2006. According to him, the rehabilitation of the dam was being undertaken by one Alhaji Adamu, a contractor but since 2006, only a bridge had been constructed over the dam and two holes which had been dug are yet to have pipes fixed to convey water through canals for irrigation. The team was unable to tell what the GHØ15,970.00 was used for.



Figure 5: State of Nakori Dam as Journalists interview PIAC Chair

2.4.1 Findings/Observations

- 1. PIAC would want to know what had happened to the GHØ15,970.00 allocated for this project as there was no sign of work done recently at the site;
- 2. PIAC is also concerned about the paltry sum allocated for this project given the strategic importance of this project as a source of employment and livelihood particularly in the dry season; and
- 3. The involvement of stakeholders is key in the success of projects and petroleum revenues funded projects are not an exception. If the community were informed and involved in this project, they would have been able to track progress and demand accountability.

The Committee is calling on the Ministries of Finance and Water Resources, Works & Housing to provide further information on the project in order to determine what the funds have been used for The Committee is of the view that a larger sum than allocated would have been appropriate for this project to be effectively undertaken to the benefit of the people.

2.5.0 NORTHERN REGION: ELECTRICAL WORKS FOR UPGRADE OF ELECTRICAL POWER SUPPLY AT BAGABAGA COLLEGE OF EDUCATION, TAMALE METROPOLIS

This project according to the Technician at the Bagabaga College of Education became necessary as a result of the low and unstable power supply to the institution. An amount of GHØ248, 245.00 was allocated from petroleum funds for the upgrade of electrical power supply. The team observed that new electrical cables had been fixed alongside the old cables. However, a transformer which was meant to be installed to step up the voltage supplied to the College of Education was sitting at the administrative block of the institution whiles the school still suffered unstable power supply. The Technician who conducted the team around the project could not explain why the transformer was not installed.



Figure 6: New cables fixed alongside old cables at Bagabaga College



Figure 7: Transformer lying idle at administration block of Bagabaga College

2.5.1 Findings/Observations

- **1.** Extension of electricity cables with the transformer sitting unfixed would not result in adequate power supply to the institution;
- 2. The contractor has vacated site for the past three months without any reason given; and
- **3.** As with other projects visited by the team, authorities of the College were unaware that petroleum revenues had been used to fund this project and no signage could be found at the project site indicating same.

PIAC recommends that the contractor is made to return to site immediately to install the transformer to ensure stable power supply to the College as a matter of urgency.

2.6.0 NORTHERN REGION: CONSTRUCTION OF 6-UNIT CLASSROOM BLOCK AT FARIKIYA ISLAMIC INSTITUTE, TAMALE METROPOLIS

The Ministry of Finance reported in the information provided to PIAC in 2014 that Farikiya Islamic Institute had been allocated an amount of GHØ 30,276.70 for the construction of a Six Unit Classroom Block, which was subsequently captured in the 2015 PIAC Report. However, the PIAC-IFEJ team in a fact finding mission could not trace any such project in the School as having been undertaken during the reporting period. An authority in the school told the team at the school that he had no knowledge of an allocation of ABFA funds for the construction of a Six Unit Classroom Block for the school. According to the authorities, the most recent project undertaken at the School was a Ghana Education Trust Fund (GETFUND) project which was completed in 2014.

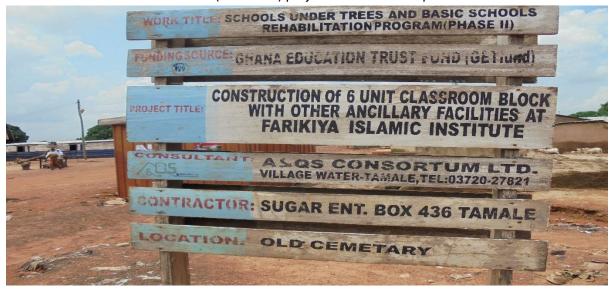


Figure 8: Sign post of most recent project funded by GETFUND at Farikiya Islamic Institute

2.6.1 Findings/Observations

- 1. Having been unable to identify this project, the Committee would seek further details from the Ministries of Finance, Education and Works & Housing including the date of award of contract, the contractor(s) for the project, other source(s) of funding for this project and other relevant information to enable PIAC trace the whereabouts of the project or funds allocated; and
- 2. Authorities of the School were unaware of the release of funds for the building of a Six Unit Classroom Block at the School.

2.7.0 GENERAL RECOMMENDATIONS

- The Ministry of Finance should make public, components of all other funds committed to petroleum funded projects. This would enable PIAC and citizens to demand better accountability for the projects executed with ABFA funds;
- 2. The responsible Ministries and Agencies under which ABFA funded projects are undertaken should comply with the regulation of mounting sign posts at project sites to inform citizens of details of contracts and funding sources for projects so as to enable concerned citizens

- demand accountability. Where petroleum revenues are the only source of funding, projects should be branded as petroleum projects;
- 3. Project selection should be more inclusive. Stakeholders and beneficiaries should be informed and involved in the project selection and implementation process in line with best practices. This would enable citizens track progress and report irregularities as well as ensure project acceptability and value for money for ABFA projects;
- 4. Authorities at the Metropolitan, Municipal and District Assemblies (MMDAs) should be informed and empowered to monitor progress of work and inform the implementing agencies accordingly; and
- 5. As has been indicated in PIAC Reports, the allocation of paltry amounts of petroleum funds to several projects should as a matter of urgency be reviewed. The experience of PIAC and feedback from public fora suggest that the impact of such allocations as little as GHZ15,000.00 yields minimal impact and should be avoided if petroleum revenues are to be judiciously used.
- 6. The Ministry of Finance must indicate the percentage contribution of petroleum revenue to projects. The criteria for the allocation of projects and the formula should also be identified; and
- **7.** Citizenry participation in the selection, supervision and completion of projects should be encouraged.

Appendix I PIAC & IFEJ FIELD VISITS

SELECTED ABFA FUNDED PROJECTS IN UPPER EAST, UPPER WEST AND NORTHERN REGIONS

The programme will include six (6) field visits to ABFA Funded projects in Upper East, Upper West and Northern Regions with a team of journalists from the Institute of Financial and Economic Journalists (IFEJ).

No.	Project Name	Year Funded	Region	Amount (GH ¢)
1	Construction of two-Storey Dormitory Block at Zebilla Senior High Technical School	2015	Upper East	85,606.48
2	Payment for the rehabilitation of Science Resource Centre at St Francis Girls SHS, Jirapa	2015	Upper West	44,086.97
3	Payment to cover the rehabilitation of Irrigation Dam at Nakori in Wa Municipality	2014	Upper West	15,970.00
4	Rehabilitation of Irrigation Dam at Douri, Jirapa District	2014	Upper West	52, 950
5	Electrical works for upgrade of electrical power supply at Bagabaga College of Education		Northern	248,245.00
6	Construction of 6-Unit classroom Block at Farikiya Islamic Institute	2015	Northern	30, 276.70