



PIAC

Press Statement

18th January, 2024

STATEMENT BY THE PUBLIC INTEREST AND ACCOUNTABILITY COMMITTEE (PIAC) ON ITS INSPECTION OF ABFA-FUNDED PROJECTS IN THE GREATER ACCRA AND CENTRAL REGIONS

The Public Interest and Accountability Committee (PIAC) has inspected some projects funded with petroleum revenues in the Greater Accra and Central Regions, in line with its mandate of conducting an independent assessment of the management and use of petroleum revenues to ensure maximum impact.

The inspection of oil-funded projects undertaken by PIAC is based on information provided by the Ministry of Finance on projects and the accompanying disbursements of petroleum revenues through the Annual Budget Funding Amount (ABFA).

The inspections in the Greater Accra and Central Regions took place simultaneously. The PIAC Team in Accra was led by the Chair, Emerita Professor Elizabeth Ardayfio-Schandorf. The Team was accompanied on the inspection by officials of the Department of Urban Roads of the Ministry of Roads and Highways, and the Ledzokuku Municipal Assembly.

The projects inspected in the Greater Accra Region were the Rehabilitation of selected roads in Teshie Camp, Southern Command and Mats (now Ghana Military Academy), the Construction of Teshie Link, and the Construction of a Flyover over the Tema Motorway from the Flowerpot roundabout. These three (3) projects, located in the Ledzokuku Municipality are at different stages of progress and received funds from the ABFA between 2019 and 2022.

As part of its itinerary for the day, the PIAC team inspected the rehabilitation of selected roads in the Teshie Camp, Southern Command and Mats. The Team toured the rehabilitated roads, a car park, and a parade ground within the Southern Command in Teshie. Information available to PIAC showed that the contract for this project was awarded on 13th July 2020 and was supposed to have been completed within 24 months. At the time of PIAC's visit, the project was 24% physically complete. Out of the total contract sum of GH¢145,821,272.91, petroleum revenue of GH¢7,394,185.51, representing 5.07 per cent, was disbursed to the project in 2022.

The second project inspected by the team was the construction of the 7.5-kilometre Teshie Link. It involved the construction of a new road and drainage structures, with earthworks and asphaltic concrete surfacing. Awarded on 18th October 2019, the project had an original contract duration of 18 months. Out of the original contract sum of GH¢87,883,590, petroleum revenue of GH¢29,738,282.92, representing 33.84 per cent, was disbursed to the project from 2019 to 2021.

The PIAC Team was informed that the Teshie Link Road is a dual carriageway that commences in the South on the Accra-Tema coastal road, through the LEKMA Hospital, and terminates on the Spintex Road. At the time of PIAC's visit, 95% of all drainage works had been completed, and asphaltic binder and wearing course laid on the road. The team was informed that the contractor



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had suspended work due to non-payment of funds. Outstanding works include the installation of traffic signals and road markings to show a controlled intersection. The absence of these had resulted in several vehicle crashes in the area.

The third project was the construction of a flyover over the Tema Motorway, from the Flowerpot roundabout. Out of the revised contract sum of GH¢284,665,639.27, a total of GH¢141,093,766.84 representing 49.56 per cent, was disbursed from the ABFA in 2022. The project is located at the Flowerpot Roundabout, Spintex and East Legon, and involves creating access from the Motorway to the Boundary Road roundabout and an exit into Cantonments from the Giffard Road Interchange. It consists of one mainline bridge, two ramp bridges, four auxiliary roads, and ancillary works. At the time of PIAC's visit, the project had made physical progress of 70%.

In the Central Region, the PIAC Team, led by Nana Kweku Dei, a member representing the Ghana Journalists Association (GJA), inspected the Anomabo Fisheries College, a 90-bed Hostel Block at Saltpond, and an irrigation infrastructure at Mprumem.

Accompanied by officials of the Mfantseman Municipal Assembly, the team inspected the Anomabo Fisheries College Project, which had received an amount of GH¢9,507,111.52 from the ABFA from 2012 to 2022. The project comprises an 18-Unit Classroom Block, Hostel facility, Administration Block, and a Laboratory. Since the Committee's last visit to the project in 2020, the construction of a teachers' bungalow has started, and a road contract has been awarded. The 4.6km road project, which starts within the campus and ends at the main Accra-Cape Coast highway, is currently at Phase 1 (Sub-base). The road contract, originally valued at GH¢8 million has been through three (3) variation orders and is currently valued at approximately GH¢27 million, primarily due to payment delays.

The Committee also notes that the hostel facility and the 18-unit classroom block had not been fitted with beds and study desks, respectively. Also, the laboratory, classroom block and hostel facilities had developed structural defects at the time of PIAC's inspection.

In line with the Committee's policy of visiting projects that have received funding from the ABFA and have been completed, the team inspected a 90-bed Hostel Block for the Ghana Education Service Development Institute (GESDI) at Saltpond. The project had received an amount of GH¢1,456,960.92 from the ABFA in 2015. GESDI is a Ghana Education Service (GES) Centre for capacity building in education-related programmes and seminars. The project was commissioned in 2020 with a 90-bed capacity hostel block, four (4) washrooms, two conference halls and a 100-person capacity cafeteria. The Committee was satisfied with the overall quality of the project.

Accompanied by the Central Regional Manager of the Ghana Irrigation Development Authority (GIDA), the team inspected a third project, which was the development of an irrigation infrastructure at Mprumem. The project received GH¢45,078,889.89 from the ABFA from 2017



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to 2020. The irrigation project, which was started in 2015, overlaps the Gomoa Central and Gomoa West Districts. It comprises a reservoir area; which stores water from River Bushen for irrigation, and the developed area; which has 70 hectares of irrigable land. At the time of PIAC's visit, the project (now known as the Mprumem Irrigation Scheme) had been completed and was in use by farmers in the vicinity for vegetable farming.

Across all the projects visited, the issue of delayed payments to contractors was noted. The release of funds for the projects to progress uninterruptedly was highlighted by the contractors at the various sites. PIAC believes that the co-mingling of petroleum revenues with other funds for projects that end up getting stalled for a long period does not reflect the prudent use of revenues for impact. The Committee therefore urges the government to consider channelling adequate petroleum revenues to complete earmarked projects going forward.

After the inspection in Accra, the Chair of the Committee expressed concern about the paltry sums of petroleum revenues allocated to some ongoing infrastructure projects in the country.

She noted that the allocated funds, which are channelled to these projects through the Annual Budget Funding Amount, did not indicate significant contributions to the total funds of these projects.

PIAC, she said, will continue to make its case for more prudent use of the country's petroleum revenues, to ensure that enough funds are committed to complete earmarked projects.

Emerita Professor Ardayfio-Schandorf expressed gratitude to the Assembly Officials and stakeholders who contributed to the success of the inspections.

The Committee remains committed to the promotion of transparency and accountability in the management of the country's petroleum revenues, as enshrined in the Petroleum Revenue Management Act (PRMA), 2011 as amended.

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About PIAC

The Public Interest and Accountability Committee (PIAC) was established under Section 51 of the Petroleum Revenue Management Act (PRMA), to among others, monitor and evaluate compliance with the Act. The Committee was inaugurated and commenced work on 15th September 2011.