WELCOME ADDRESS BY THE CHIEF EXECUTIVE AT THE 8TH ANNUAL PUBLIC FORUM OF THE PUBLIC PROCUREMENT AUTHORITY ON THURSDAY, 13TH OCTOBER, 2016 AT THE KEMPINSKI HOTEL
THEME: ACT 914: TRANSITIONING INTO A VIBRANT PUBLIC PROCUREMENT SYSTEM IN GHANA.

Mr. Chairman;
Hon. Ministers;
Board Members of the Public Procurement Authority;
Management & Staff of the Public Procurement Authority;
Chief Directors;
Heads of State Owned Enterprises;
Heads of other Public Sector Institutions;
Distinguished Stakeholders in the Private Sector;
Invited Guests;
Friends from the Media;
Ladies and Gentlemen;
I warmly welcome you all to the PPA’s 8th annual public forum. It is with heavy heart that I deliver this speech to mark this years’ Public Forum which sadly would be my last speech at PPA’s annual public fora. Today marks exactly 6 years and 10 months since my assumption as the Chief Executive Officer of the Public Procurement Authority. It has not been all rosy. We have had challenges and I must say even in the midst of all the numerous challenges, we have chalked some monumental success.

A year ago, we met as stakeholders in the Public Procurement process, to discuss and deliberate on the proposed amendment of the public procurement law, Act 663 to change the face of Ghana’s public procurement system in Ghana. I am happy that another challenging yet successful year has gone by and we (Continued on page 4)
Online Activities

List of entities that have submitted their 2016 Procurement Plans Online As at October 31, 2016

1. Abor Senior High School
2. Accra Polytechnic
3. Accra College of Education
4. Adembra Senior High School
5. Adisadel College
6. Aduman Senior High School
7. Afasokro South District Assembly
8. Afua Kobi Ampem Girls Senior High School
9. Agona West Municipal Assembly
10. Ahanteman Senior High School
11. Akatsi South District Assembly
12. Akatsi College of Education
13. Akim Oda Municipal Assembly
14. Akoabo Day Senior High School
15. Akosombo Senior High School
16. Akosombo College of Education
17. Akuse Government Hospital
18. Akwamipim South Municipal Assembly
19. Akwetey Senior High School
20. Baidoo Bonsoe Senior High Technical School
21. Ayirebi Secondary School
22. Bawku West District Assembly
23. Benso Senior High Technical School
24. Biamile District Assembly
25. Bia East District Assembly
26. Bodi District Assembly
27. Bolgatanga Municipal
28. Bolgatanga Polytechnic
29. Bompafi Boys Senior High School
30. Breman Askum Senior High School
31. Bulk Oil Storage and Transportation
32. Cape Coast Metropolitan Assembly
33. Cape Coast Nursing and Midwifery Training College
34. Central Regional Co-ordinating Council
35. Centre for Scientific Research into Plant Medicine
36. Chiana Senior High School
37. Cocoa Marketing Company (Ghana) Limited
38. College of Health Sciences
39. Community Health Nurses Training School - Tamale
40. Controller and Accountant General Department
41. Copyright Administration
42. Council for Law Reporting
43. Council for Scientific and Industrial Research
44. Council for Technical and Vocational Education and Training
45. Council of State
46. Dabobo Senior High Technical School
47. Department Of Urban Roads
48. Diabene Senior High Technical School
49. District Assembly Common Fund
50. Driver and Vehicle Licensing Authority
51. Dunkwa Senior High Technical School
52. Economic and Organised Crime Office
53. Efe Kwahu Hospital
54. Effutu Municipal Assembly
55. Ekuom District Assembly
56. Electoral Commission
57. Elimela District Assembly
58. Enchi District Hospital
59. Encyclopedia Africa Project
60. Enyinna Nkwanta Regional Hospital
61. Environmental Protection Agency
62. Environmental Monitoring and Assessment
63. Environmental Research
64. Environmental Science and Technology
65. Environmental Sustainability
66. Environmental Studies
67. Environmental Technology
68. Environmental Toxicology
69. Environmental Protection
70. Environmental Sciences
71. Environmental Systems
72. Environmental Education
73. Environmental Impact Assessment
74. Environmental Conservation
75. Environmental Planning
76. Environmental Management
77. Environmental Engineering
78. Environmental Legislation
79. Environmental Monitoring
80. Environmental Policy
81. Environmental Economics
82. Environmental Geology
83. Environmental Health
84. Environmental History
85. Environmental Impact
86. Environmental Justice
87. Environmental Law
88. Environmental Planning
89. Environmental Policy
90. Environmental Regulation
91. Environmental Sanitation
92. Environmental Science
93. Environmental Sociology
94. Environmental Studies
95. Environmental Technology
96. Environmental Toxicology
97. Environmental Management
98. Environmental Planning
99. Environmental Policy
100. Ghana Library Board
101. Ghana National Fire Service
102. Ghana National Gas Company
103. Ghana National Petroleum Corporation
104. Ghana National Senior High School
105. Ghana Police Service
106. Ghana Ports And Harbours Authority
107. Ghana Prisons Service
108. Ghana Railway Development Authority
109. Ghana Reinsurance Company Ltd
110. Ghana Revenue Authority
111. Ghana Road Fund Secretariat
112. Ghana School of Law
113. Ghana Shippers Authority
114. Ghana Standards Authority
115. Ghana Tourist Board
116. Ghana Water Company Limited
117. Ghana-India Kofi Annan Center of Excellence
118. Gomoa East District Assembly
119. Gomoa Senior High School
120. Gomoa West District Assembly
121. Grants And Legumes Development Board
122. Half Assini Senior High School
123. Ho Municipal Assembly
124. Ho Polytechnic
125. Holy Child College of Education
126. Internal Audit Agency
127. Jasper District Assembly
128. Judicial Service
129. Keta Business Senior High School
130. Keta District Hospital
131. Keta North District Assembly
132. Ketu South District Assembly
133. Kibi Government Hospital
134. Kintampo North (Kintampo) District Assembly
135. Koforidua General Hospital
136. Koforidua Polytechnic
137. Komena/ Edina /Ejura (Abirem Municipal Assembly
138. Komfo Anokye Teaching Hospital
139. Konongo Odumase Senior High School
140. Korle Bu Teaching Hospital
141. Krachi West District Assembly
142. Krachi West District Hospital
143. Kumasi Municipal Assembly
144. Kumasi Metropolitan Assembly
145. Kumasi Polytechnic
146. Kwabenya District Assembly
147. La Dade Kotopon Municipal Assembly
148. La General Hospital
149. Lands Commission
150. Local Government Service Secretariat
151. Management Development And Productivity Institute
152. Mankessim Senior High Technical School
153. Maternal and Child Health Hospital
154. Mantansin Girls Senior High School
155. Minerals Commission
156. Ministry Of Education
157. Ministry Of Employment And Labour Relations
158. Ministry Of Finance And Economic Planning
159. Ministry Of Fisheries And Aquaculture Development
160. Ministry Of Foreign Affairs And Regional Integration
161. Ministry Of Gender Children And Social Protection
162. Ministry Of Health
163. Ministry Of Lands And Natural Recources
164. Ministry Of Local Government And Rural Development
165. Ministry Of Power
166. Ministry Of Roads And Highways
167. Ministry Of The Interior
168. Ministry Of Tourism Culture And Creative Arts
169. Ministry Of Trade and Industry
170. Ministry Of Transport
171. Ministry Of Water Resources, Works And Housing
172. Ministry Of Youth And Sports
173. Mount Mary College
174. Mpraeso Senior High Technical School
175. Mpohor District Assembly
176. Mpohor Senior High School
177. Nampong Senior High School
178. Narumah North District Assembly
179. Narcotics Control Board
180. National Accreditation Board
181. National Board For Professional And Technical Examinations
182. National Commission For Civic Education
183. National Communication Authority
184. National Council For Tertiary Education
185. National Development Planning Commission
186. National Film and Television Institute
187. National Health Insurance Authority
### Online Activities

**List of entities that have submitted their 2016 Procurement Plans Online As At October 31, 2016**

| 188. | National Information Technology Agency | Western |
| 190. | National Lottery Authority | 221. Ola College of Education |
| 191. | National Pensions Regulatory Authority | 222. Opoku Ware Senior High School |
| 194. | National Service Secretariat | 225. Petroleum Commission |
| 197. | Navrongo Community Health Nurses Training College | 228. Prempeh College |
| 199. | Nitroful Agric Senior High School | 230. Presby Senior High School - Legon |
| 200. | Non Formal Education Division | 231. Presby Women’s College of Education - Aburi |
| 201. | North Tongu District Assembly | 232. Presetra District Hospital |
| 203. | Notre Dame Sem/Senior High School | 234. Public Procurement Authority |
| 204. | Nsabab-Presby Senior High School | 235. Public Service Commission |
| 205. | Nsawam Government Hospital | 236. Public Utilities Regulatory Commission |
| 206. | Nurses and Midwifery Training College - Sekondi | 237. Registrar Generals Department |
| 207. | Nursing and Midwifery Council of Ghana | 238. Savannah Accelerated Development Authority |
| 208. | Nursing and Midwifery Training College - Koforidua | 239. School of Medicine and Dentistry |
| 209. | Nyakrom Day Senior High School | 240. Securities and Exchange Commission |
| 210. | O’relly Senior High School | 241. Sefwi Wiaeso Senior High School |
| 211. | Obuasi District Hospital | 242. Sekondi-Takoradi Metropolitan Assembly |
| 212. | Office of the Head of Civil Service | 243. Sene District Assembly |
| 213. | Office Of The President - Main | 244. Shama District Assembly |
| 214. | Office of the Regional Health Directorate – Ashanti Region | 245. SIC Life Company Limited |
| 216. | Office of the Regional Health Directorate – Eastern Region | 247. Sagakope District Hospital |
| 217. | Office of the Regional Health Directorate – Northern Region | 248. St. Augustine’s College |
| 219. | Office of the Regional Health Directorate – Western Region | 250. St. Martin’s Senior High School |
| | | 251. St. Martins Senior High School |
| | | 252. St. Mary’s Boys Senior High School, |
| | | 253. St. Monica Training College |
| | | 254. St. Theresa’s Hospital - Nandom |
| | | 255. Students Loan Trust Fund |
| | | 256. Suaman District Assembly |
| | | 257. Suhum Government Hospital |
| | | 258. Suhum Municipal Assembly |
| | | 259. Sunyani Polytechnic |
| | | 260. Sunyani Senior High School |
| | | 261. Sunyani West District Assembly |
| | | 262. T.I. Ahmaduya Senior High School - Kumasi |
| | | 263. Tain District Hospital |
| | | 264. Takoradi district Hospital |
| | | 265. Takoradi Polytechnic |
| | | 266. Tamale Polytechnic |
| | | 267. Tamale Teaching Hospital |
| | | 268. Tarkwa Nuqaen Municipal Assembly |
| | | 269. Tarkwa Senior High School |
| | | 270. Techimmon Municipal Assembly |
| | | 271. Tema Development Corporation |
| | | 272. Tema Metropolitan Assembly |
| | | 273. Tepa district Hospital |
| | | 274. Tepa Senior High School |
| | | 275. University For Development Studies |
| | | 276. University Of Cape Coast (UCC) |
| | | 277. University of Energy and Natural Resource |
| | | 278. University Of Ghana (UG) |
| | | 279. University of Ghana Business School (UGBS) |
| | | 280. University of Health and Allied Sciences |
| | | 281. University of Mines -Tarkwa |
| | | 282. University of Professional Studies Accra |
| | | 283. University Of Science And Technology (KNUST) |
| | | 284. Upper Denkyira East Municipal Assembly |
| | | 285. Ultman Bin Afan Senior High School |
| | | 286. Volta River Authority |
| | | 287. Wa East District Assembly |
| | | 288. Wa General Hospital |
| | | 289. Wa Polytechnic |
| | | 290. Wesley Girls High School |
| | | 291. West Akim Municipal Assembly |
| | | 292. West Mamprusi District Assembly |
| | | 293. Wiawso College of Education |
| | | 294. Youth Employment Agency |
have met to brainstorm again about how we can move public procurement forward, this time transitioning into a Vibrant Public Procurement System in Ghana with Act 914.

Mr. Chairman, ladies and gentlemen, I believe we could not have chosen a better theme for this important public forum which seeks to bring the operations of the authority through the lenses of the new law, Act 914.

Mr. Chairman, Ladies and Gentlemen, the choice of this theme for our 8th public forum was informed by our belief in the fact that procurement can make or unmake all the beautiful and well intentioned policies aimed at ensuring good governance in our dear country Ghana. Most stakeholders, especially the private sector, development partners and the civil society have all yearn for the amendment of Ghana’s procurement Law, the Act 663,hence the birth of Act 914.

The role Public Procurement plays in good governance and the entire public financial management cannot be underestimated. My speech will therefore highlight on what the Public Procurement Authority has done to make this vision possible.

PASSAGE OF AMENDMENT

We are doing our best to mainstream good governance through effective public procurement. It is for this reason that the Authority has feverishly worked to ensure that Act 663’s objective of transparency and open competitiveness is facilitated at minimal cost. You will agree with me, ladies and gentlemen that the more open the process is, the less prone it is to abuse. In this regard every effort will have to be made to protect business people from being “cheated” while the public officer is protected from the temptation to “abuse” his/her office while conducting the tender process “under cover”.

Am happy to announce that the law has been amended. The passage of the Public Procurement Amendment Act, Act 914, 2016 therefore calls for the reinforcement of our core mandate as we transition into the future.

SUSTAINABLE PUBLIC PROCUREMENT (SPP)

As part of our efforts to create an efficient public sec-
tor procurement system, the Government of Ghana, under the auspices of the PPA secured a grant of about US$2.7million over a 3-year period to support the integration of SUSTAINABILITY issues into our public procurement processes; i.e Sustainable Public Procurement from the Government of the Swiss Confederation to introduce the concept of sustainability into the practice of public procurement in the country.

The concept-Sustainable Public Procurement (SPP), seeks to address the environmental, social and economic consequences of public procurement actions. This, we also believe resonates with the government of Ghana’s interest and drive towards Sustainable development as captured in the Ghana Shared Growth and Development Agenda .As a new concept a lot of stakeholder engagements were held to sensitize, deliberate and solicit ideas to ensure a successful implementation. This sensitization programme covered Ministers, Parliamentarians, Chief Directors, and Heads of state institutions, procurement practitioners, civil society and the media.

Governments annual procurement budget is huge (over 15% of GDP). It is evident that what and how government buys and acquires in terms of goods, services and works, contribute significantly to its ability to deliver sustainable developments. African communities (including Ghana) are face with worsening climatic conditions, poverty, deforestation, etc. mainly due to sustainable production and consumption patterns.

PP is about spending public funds on products/services/projects that foster Sustainable Production and Consumption (SCP)

To ensure a success implementation of this all important policy, a taskforce comprising of 25 members were appointed .These were professional men and women who were drawn from both the public and private sector who had distinguish themselves in their various fields of endeavors. It worthy to note that, the concept of SPP has been incorporated in the newly amended act to ensure strict compliance.

CONTRACT MANAGEMENT AND RECORD KEEPING

The Public Procurement Authority since its establishment has instituted a number of pragmatic and far-
reaching initiatives aimed at ensuring maximum compliance with the provisions of the Public Procurement Act, 2003 (Act 663) and safeguarding the taxpayers’ money. Despite these efforts, the annual procurement assessment conducted by the PPA in the entities continue to reveal challenges relating to contract management and contract documentation by most Entities, in regard to section 28 of Act 663 which mandates Entities to keep records of procurement proceedings in a structured and systematic manner.

The observation has been that, procurement records administration and management in public procurement entities usually involves disjointed processes, unfortunately resulting in loss of vital procurement and contract information. To this end, the Authority engaged the services of Public Records and Archives Administration Department (PRAAD) to develop a procedural step-by-step procurements Records Management Procedures Manual in keeping with Act 663 taking into consideration, acceptable international best practices, as a guide to practitioners of procurement entities, address weakness in the management of procurement records and provide guidelines and directions for best practices. This manual is being incorporated in the contract management manual. Nationwide training of all entities would be carried out after the training of trainers which would be organized by GIMPA immediately after this forum.

Appeals and Complaints

The inauguration of the Appeals and Complaints Panel of the Authority in February, 2007 has had a positive impact on the success of the implementation process of Act 663. A number of suppliers and contractors have had occasions to use the appeals process to lodge complaints on tenders they had participated in and felt the Entities concerned had inappropriately acted against their submissions.

The Appeals and Complaints process has enhanced transparency in the procurement system. Tenderers now feel more empowered to readily seek administrative review of procurement complaints, without fear of victimization in future tenders.

Capacity Development

The object of the Authority’s Capacity Development Policy has been to equip and train the Entities at all levels to develop their skills and expertise to effectively undertake their procurement activities.

Currently, the Authority through its short term training programme trained as much as 14,466 procurement practitioners and members of Entity Tender Committees. This is an ongoing programme which will cover all identified stakeholders in the public procurement system. These cover suppliers, contractors, consultants, civil society organizations, the Media, oversight bodies and institutions.

The authority is currently embarking on vigorous tailor made training for entities with special needs. This comes with payment of a token fee to take care of administrative cost. Am happy to announce to you that this initiative is bearing fruits as our office is flooded with numerous requests. A lot of institutions have benefitted from this initiative and I will urge you all to take advantage of this programme to continually build your capacities to enhance your output.

Procurement Curricula for Tertiary Institutions

The educational curricula and module on public procurement for tertiary institutions which forms part of our medium and long term training programme was launched and is currently been implemented throughout our tertiary institutions. This programme, which was supported by MiDA / MCC, has a component which covers intensive training for procurement practitioners with varied academic and professional backgrounds who will want to attain academic and professional qualifications in procurement.

The programme has been designed in different modules ranging from three months intensive training and 15 to 24 months designed to provide further training to HND Purchasing and Supply students seeking to acquire professional qualifications in procurement, as well as obtaining a Bachelors degree. There is also a programme for a four-year Bachelor in Procurement degree to be offered by the Universities and Polytechnics.

GUIDELINES ON FRAMEWORK CONTRACTING

Section 3(t) of the Public Procurement Act, 2003 (Act 663) enjoins the PPA to promote efficient use of state resources in public procurement whiles developing the local business community to become competitive and efficient suppliers to the public sector.

In view of this, the Authority has developed Guidelines on Framework Contracting which was piloted as
part of the procurement processes in the 2nd Cycle Institutions and College of Educations from September, 2012.

Currently our procurement law frowns at bulk breaking of requirements. A Procurement Plan indicating packages for different items is not expected to have two or three packages of same item description in the Plan.

Our E-Procurement Planning Software will not take on any package number which deals with an item description already captured by an earlier package number.

The tendency therefore is that Entities are forced to collate their annual requirements of individual items and procure them in one process whether all those items are immediately required or not.

Bulk deliveries will amount to holding large stocks and huge sums of state resources would have to be made available to pay for these seemingly large deliveries some of which may end up becoming obsolete. In Framework Agreements, the Supplier becomes the Stockist/Stockholder over the period of the Agreement and the Buyer has the comfort and flexibility of calling off the quantities required to meet its immediate requirements thereby saving it from holding unwanted stock and also freeing significant amount of resources for other purposes.

Under such arrangements (Framework Agreements), the Buyer is only obliged to procure the minimum quantities stated in the Agreement. This will bring about significant savings in transaction cost (cost of procurement) as a result of reduction in repetitive tendering processes. Ultimately, this arrangement will bring about significant cost savings on the overall procurement expenditure as a result of the benefits of Economies of Scale both to the Entities and the nation as a whole.

Workshops were organized by PPA for CHASS members and well as suppliers to discuss their role in the supply chain of institutions under these Guidelines. Success has been chalked under this policy as it is been fully implemented by the various College of Educations as well as the Senior High Schools across the country.

**Submission of Procurement Plans**

Only 280 out of the estimated 1,500 procurement entities under the law have submitted their procurement plans for approval by the Public Procurement Authority as at the end of August, 2016. This is a clear violation of the Act. Entities such as metropolitan, Municipal and District Assemblies, educational institutions as well as all ministries, departments and agencies of government submit their plans late to the authority. From the authority’s investigation, we have found out that most of these entities have deliberately refused to comply with the law to create a leeway for the use of the sole source window provided under the law for emergency procurements.

The PPA finds the refusal of entities to submit their plans as unacceptable, unfortunate and a deliberate attempt to circumvent the law which was meant to check the huge fraudulent practices that emanate from the procurement process. Consequently the PPA has issued out directives to all defaulting entities to submit their procurement plans on scheduled or have their applications under sole source disregarded. The authority will want to state categorically that no approval will be given if the package is not captured in the procurement plan and hence non-compliance to this notice will attract appropriate sanctions as specified in the law.

The PPA has also realized that some of the entities were finding it difficult to constitute procurement structures such as entity tender committees and tender review boards, as stipulated in the Act 663, and that some of the proposed members could not be found in their localities. The way forward to the authority is to integrate procurement reforms into the broader workings for the public sector to ensure that changes within procurements systems were aligned and properly sequenced with changes occurring in other parts of the public sector. This has also been taking care of by the amendment.

Going forward, now that we have two procurement law working side by side, there is the need to consolidate the amendments with Act 663. This will harmonize the smooth operationalization of both laws without any inconsistencies.

Efforts were made to get a Legislative Instrument (LI) to back Act, 663. This however was not fruitful. I will therefore make a passionate appeal and urge management to intensify their efforts in ensuring that a Legislative Instrument (LI) is passed to streamline the operations and give teeth to the law to
be able to bite. This initiative will make the public procurement Act an effective part of the Public Financial Management laws of which Public Procurement is major component of Public Financial Management Reform Programme.

The PPA is worried with the growing concerns over the existence of corrupt practices in public procurement, notwithstanding the clear guidelines that have been established. These include the practices of suppliers offering inducement to procurement officials, the creation of artificial shortages in the sale of tender documents and non-adherence to “same day “closure and opening of tenders by tender entities. To solve this difficulties, the Authority believes the initiative taking in amending Public Procurement Act, 2003(Act 663) will be the panacea to this problem.

Since my assumption of office, a lot of efforts were made to secure a permanent office accommodation for the Authority. Since the creation of PPA, we have operated from rented premises for all these years. The situation is having a heavy financial toll on the Authority’s scarce resources and gradually is becoming unsustainable. A parcel of land adjacent to the Ministry of Foreign Affairs has been secured. I will therefore appeal to Government and Partners to help PPA to develop this land into a permanent office accommodation. This will ensure efficient operations of PPA to deliver on its mandate.

I have observed with keen interest the efforts made by some individuals to rejuvenate CIPS. It is important to note that looking at the critical role procurement plays in Ghana developmental drive; it is my wish that CIPS becomes a formidable cadre of strong professionals who will champion the cause public procurement in Ghana.

Over the last decade our Authority have been working and collaborating on a number of fronts to promote excellence in Public Procurement in the continent and beyond. During my stay at PPA, I have witnessed the dedication and professionalism of PPA which has led to tremendous growth and achievement in better understanding of Public Procurement in Ghana. As an organization, we have benefitted from the study tours and exchange of knowledge between PPA and other sister regulatory bodies and I believe this has been one of the pillars in our growth. Going forward, I will call for deeper, stronger, sustainable and mutual beneficial relationships with other Government regulatory bodies.

CONCLUSION

In conclusion, Mr. Chairman, ladies and gentlemen, I wish to admit that the success of our efforts in other activities outlined in these remarks has not come by the singular effort of the PPA, but with the active support and collaboration of others. I therefore wish to acknowledge the immense contribution of the Members of the Governing Board, Management and Staff of PPA, the Swiss Government, MIDA, GTZ (Germany), UNDP, The Media, Civil Society, not forgetting our sector ministry, the Ministry of Finance, among others. It is their financial, political and technical support that has brought PPA this far.

On behalf of Management and staff of PPA and, on my own behalf, we say we appreciate you and wish you all the best in your endeavours.

_Long live Ghana, long live PPA._

_Thank you._

_Hon. Samuel Sallas-Mensah_

_CEO, PPA_
Some of the large crowd that attended the PPA Public Forum 2016 at the Kempinski Hotel, Accra.

Mrs Rhoda Appiah, Head of Public Relations at the PPA, Welcoming people to the 2016 Public Forum.
Mrs Mona Quartey, the Deputy Minister of Finance, addressing the forum.

Mr. Chairman;
Colleague Ministers;
Current and Past Members of the Governing Board of the Public Procurement Authority;
Chief Directors;
Heads of State-Owned Enterprises;
Heads of Other Public Sector Institutions;
Distinguished Guests;
Friends from the Media;
Ladies and Gentlemen;

Preamble

It gives me great pleasure to be part of the 8th annual Public Procurement Forum organized by the Public Procurement Authority. I wish to use this opportunity to congratulate PPA and their stakeholders for the efforts being made to ensure that government procurement is centered on value for money, fairness and transparency.

I consider these fora very significant, considering the opportunities it offers for interaction on issues that border on public financial management and its implications on the national economy.

The promulgation of the Public Procurement Act in 2003 (Act 663) has been of immense benefit to our economy by sanitizing the entire procurement system. I must say this has come with its associated challenges and complaints from our varied stakeholders ranging from entities complaining of low approving thresholds, local business complaining of unfair competition and CSO’s perception of corruption surrounding the procurement processes. In the mist of all these, I must commend the PPA for remaining resolute to its core mandate.

THEME

Mr. Chairman, the theme for this year’s forum, “ACT 914: Transitioning into a Vibrant Public Procurement System in Ghana.” is most appropriate. Since the 1990s, the Government embarked on a number of initiatives to reform the public procurement system as a key component of public financial management reforms. The passage of the Public Procurement Act, 2003 (Act 663) and the establishment of the Public Procurement Authority (PPA) set the tone for a massive take-off of effective procurement management in Ghana. A cursory look at the operations of the procurement law for a decade shows that PPA has since not relented to make the reforms work.

Mr. Chairman, it is therefore worthy to note that having operated the existing law for over a decade and identifying the challenges that came with it, there were numerous calls for the amendment of the procurement law. These calls came from Entities, Practitioners, Civil Society as well as the Private Sector. This Government led by His Excellency John Mahama took the bold step of amending Act, 663. There were a number of consultations held with varied stakeholders. This broad consultation was to ensure that the views collated was representative enough. Am glad to announce to once again as some of you may be aware that the public procurement Act 2003 (Act 663) has been amended and since received presidential assent making it effective hence public procurement amendment Act,(Act 914),2016.

In all 58 sections, headings and schedules were amended. The core to this amendment is that some
provisions have been repealed while others strengthened and clarified to ensure effective operationalization of the law.

For instance, the amendment largely repealed part II of Act 663 which is about procurement structures and roles. The innovation is that, the functions of the Entity tender committees (ETCs) are backed by legislation by outlining both general and specific functions for the procurement unit. The days of which ETC’s were considered as rubber stamp is over. A lot of professionalism is expected from the ETC’s members.

The office of the Head of Procurement or the Procurement Officer is also strengthened. The law states that the Head of Procurement or the Procurement Officer shall be the secretary to the entity tender committee. It is our utmost wish that this will boost the confidence of our practitioners and also streamline their functions at the various entities.

To instill confidence in the private sector, the administrative review has also been strengthened. This will ensure that not only is the private sector given adequate and proper avenue to air their grievances but also to be given a fair hearing as well as believing that they have been treated fairly. This will harmonize the entire procurement process by promoting transparency and fairness.

Again following the passage of the amendments by Parliament, existing hierarchical structures within the public procurement system which cause undue delays have been adjusted and also make way for decentralized procurement in line with the Decentralization Policy of Government. The amendments will also address challenges identified in the implementation of the Act and introduce other initiatives like sustainable public procurement, Framework Contracting and electronic procurement.

Key areas amended, includes the reconstitution of the membership of ETCs (and Tender Review Boards as applicable) to comprise only internal staff of Entities, in order to encourage and deepen ownership of purchasing decisions.

Furthermore, substantial increases have also been made to the approving threshold limits of Entities. Heads of Entities will have approval limits of up to GH¢100,000.00 for Goods & Services and GH¢150,000.00 for Works. Entity Tender Committees will also have approval limits of up to GH¢1,000,000.00 for Goods & Services and GH¢2,000,000.00 for Works.

Finally, to reduce excessive administrative costs and enhance efficiency, all tender review boards with the exception of the Central Tender Review boards has been dissolved and Ministries, Departments and Agencies will have to work towards the Central Tender review Committees whiles the Metropolitan, Municipal and District Assemblies will have the Regional Tender Review Committees to review all their procurement activities with reference to the new thresholds among others.

In fact, the Ministry will continue to support initiatives of the Public Procurement Authority aimed at ensuring that public procurement is conducted with due attention to the economy, efficiency and value for money.

To the Public Procurement Entities, which are the implementers of the Act, I would want to encourage you to collaborate closely with the PPA, and avail yourself of the numerous tailored training opportunities that the Authority puts across from time to time to develop institutional capacity for procurement. This is the surest means of enhancing your performance levels and ensuring better accountability of the State’s resources.

Mr. Chairman, ladies and gentlemen, Ghana continues to face significant and external vulnerabilities on the back of a large fiscal deficit, a slowdown in economic growth and the rising inflation level. These vulnerabilities are putting Ghana’s medium-term prospects at risk. Therefore, seeking support from the International Monetary Fund (IMF) will call for proper financial discipline. The main goal of the medium term macro-economic programme is to achieve and sustain macro-economic stability for the promotion of growth and development. In this regard, fiscal policy will aim at consolidation to achieve sustainable fiscal deficit and public debt. The reduction in fiscal deficit will be driven mainly by expenditure rationalization and revenue enhancing measures. The strategy for achieving macro-economic stability includes:

I look forward to very fruitful collaborations among all stakeholders. On this note, I wish you a fruitful deliberation at this public forum

Hon. Mona Quartey
Deputy Minister of Finance
Some of the enthusiastic PPA Staff in their PPA Cloth attending the forum
Procurement Humour

The new thresholds for Category A & B are high oo.....Our time for chop chop

No, ETC is stronger to check and make public officials more accountable. The new PFMR law, Act 921 can put individuals in jail.
Tendering and Contract Information for periods indicated

Tendering Opportunities for Nov - Dec 2016
Contracts Awarded for Jan - Dec 2016
Restricted Tender Awards Jan - Dec 2016
Expression of Interest Requests Nov - Dec 2016

The links above will take you directly to the PPA Website Reports for the months of period indicated.

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