



**Public
Procurement
Authority**
*Improving Efficiency and
Transparency in Public Procurement*

SEPTEMBER - OCTOBER 2023 EDITION

In This Edition

Thresholds in Perspective: Since 2016

PPA Interviews a procurement practitioner on her views on thresholds



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Public Procurement Authority, Ghana

e-Bulletin

Theme: Thresholds in Perspective-Since 2016

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THRESHOLDS IN PERSPECTIVE: SINCE 2016



The Public Procurement Act, 2003 (Act 663) as amended Act, 2016 (ACT 914) is an act of Parliament that guides procurement activities in public institutions in Ghana. The Public Procurement Authority (PPA) is the Body mandated to regulate procurement activities in all public institutions in Ghana. The Procurement Act has a schedule that prescribes thresholds that determine the type of procurement method to be used for the procurement of goods, works, non-consulting, and consulting services. The thresholds also address issues of approving authorities for various contracts.

The Act which came into operation in the Year, 2003 was amended in the Year, 2016 through an Act of Parliament (Act 914). This write-up seeks to give an overview of the thresholds since its upward review in the Year, 2016. The focus areas include the conditions under which entities operated under the original thresholds, the challenge(s) the amended thresholds sought to address, its advantages (benefits), challenges or relevance in current economic conditions, and the way forward.

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PROCUREMENT PLAN SUBMISSION ON GHANEPS AS AT 9TH OCTOBER 2023

Abuakwa South Municipal Assembly	58	Central Regional Health Directorate
2 Accra Psychiatric Hospital	59	Central Tongu District Assembly
3 Achimota Hospital	60	Centre For Plant Medicine Research
4 Ada East District Hospital	61	Civil Service Training Centre
5 Agona West Municipal Assembly	62	Coastal Development Authority
6 Agortime-Ziope District Assembly	63	College Of Health And Wellbeing
7 Ahafo Ano-North Municipal Assembly	64	College Of Health Science Yendi
8 Ahanta West Municipal Assembly	65	College Of Nursing And Midwifery Nalerigu
9 Aircraft Accident And Incident Investigation And Prevention	66	College Of Nursing And Midwifery Tanoso
Bureau	67	Commission On Human Right And Administrative Justice
10 Akatsi College Of Education	68	Community Health Nurses Training College - Tamale
11 Akenten Appiah-Menka University Of Skills Training And	69	Controller And Accountant General Department
Entrepreneurial Development	70	Council For Scientific And Industrial Research
12 Akrofuom District Assembly	71	Daffiama-Bussie-Issa District Assembly
13 Akuapem South Municipal Assembly	72	Denkyemba District Assembly
14 Akuse Government Hospital	73	Department Of Social Welfare
15 Al-Faruq College Of Education-Wenchi	74	Dormaa Central Municipal Assembly
16 Amansie Central District Assembly	75	Dr. Hilla Limann Technical University Wa
17 Anyaa Polyclinic	76	East Gonja Municipal Assembly
18 Asamankese Government Hospital	77	East Mamprusi Municipal Assembly
19 Asante Akim South Municipal Assembly	78	Eastern Regional Health Directorate
20 Asene Manso Akroso District Assembly	79	Eastern Regional Hospital
21 Asokwa Municipal Assembly	80	Effia-Kwesimintsim Municipal Assembly
22 Asonomanso Government Hospital	81	Ejura Government Hospital
23 Assin Foso Municipal Assembly	82	Electoral Commission Of Ghana
24 Asunafo North Municipal Assembly	83	Enchi College Of Education
25 Asutifi North District Assembly	84	Enchi Government Hospital
26 Asutifi South District Assembly	85	Environmental Protection Agency
27 Atebubu College Of Education	86	Essam Government Hospital
28 Atiwa East District Assembly	87	Fair Wages And Salaries Commission
29 Atiwa West District Assembly	88	Financial Intelligence Centre
30 Atua Government Hospital	89	Fisheries Commission
31 Audit Service	90	Food And Drugs Authority
32 Awutu Senya East Municipal Assembly	91	Forestry Commission
33 Ayawaso North Municipal Assembly	92	Ga West Municipal Hospital
34 Babile Polyclinic	93	Gambaga College Of Education
35 Bank Of Ghana	94	Gbewaa College Of Education
36 Bawku Municipal Assembly		Ghana Aids Commission
37 Bawku West District Assembly	96	Ghana Airports Company Limited
38 Bekwai Municipal Hospital	97	Ghana Book Development Council
39 Berekum College Of Education	98	Ghana Colleg Of Pharmacists
40 Berekum East Municipal Assembly	99	Ghana College Of Nurses And Midwifery
41 Bia East District Assembly	100	Ghana College Of Physicians And Surgeons
42 Biakoye District Assembly	101	Ghana Commodity Exchange
43 Bibiani Anhwiaso Bekwai Municipal Assembly	102	Ghana Communication Technology University
44 Bibiani College Of Health Sciences	103	Ghana Cylinder Manufacturing Company
45 Birim Central Municipal Assembly	104	Ghana Education Service (HQ)
46 Birim South District Assembly	105	Ghana Enterprise Agency
47 Bole District Hospital	106	Ghana Exim Bank
48 Bolgatanga Midwifery Training College	107	Ghana Free Zones Authority
49 Bolgatanga Municipal Assembly	108	Ghana Geological Survey Authority
50 Bomaa Government Hospital	109	Ghana Grid Company Limited
51 Bongo District Hospital	110	Ghana Health Service - HQ
52 Bosome Freho District Assembly	111	Ghana Highway Authority
53 Bui Power Authority	112	Ghana Institute Of Journalism
54 Builsa North Municipal Assembly	113	Ghana Institute Of Languages
55 Bureau Of Ghana Languages	114	Ghana Institute Of Management And Public Administration
56 Cape Coast Metropolitan Assembly	115	Ghana Integrated Aluminium Development Corporation
57 Central Regional Co-ordinating Council	116	Ghana Investment Fund For Electronic Communications

PROCUREMENT PLAN SUBMISSION ON GHANEPS AS AT 9TH OCTOBER 2023

117	Ghana Investment Promotion Centre	175	Maternal And Child Health Hospital
118	Ghana Library Authority	176	Mfantseman Municipal Assembly
119	Ghana Meteorological Agency	177	Minerals Commission
120	Ghana National Gas Company Limited	178	Minerals Income Investment Fund
121	Ghana National Petroleum Corporation	179	Ministry Of Chieftaincy And Religious Affairs
122	Ghana National Service Scheme	180	Ministry Of Communications And Digitalisation
123	Ghana Reinsurance Plc	181	Ministry Of Defence
124	Ghana Revenue Authority	182	Ministry Of Education
125	Ghana Shippers' Authority	183	Ministry Of Employment And Labour Relations
126	Ghana Standards Authority	184	Ministry Of Energy
127	Ghana Tourism Authority	185	Ministry Of Environment Science Technology And Innovation
128	Ghana Tvet Service	186	Ministry Of Finance
129	Ghana Water Company Limited	187	Ministry Of Fisheries And Aquaculture Development
130	Goaso Municipal Hospital	188	Ministry Of Food And Agriculture
131	Greater Accra Regional Co-Ordinating Council	189	Ministry Of Foreign Affairs And Regional Integration
132	Greater Accra Regional Hospital	190	Ministry Of Health Headquarters
133	Guan District Assembly		Ministry Of Information
134	Gushiegu Municipal Assembly	192	Ministry Of Parliamentary Affairs
135	Ho Municipal Assembly	193	Ministry Of Railways Development
136	Ho Polyclinic	194	Ministry Of Sanitation And Water Resources
137	Hohoe Municipal Assembly	195	Ministry Of Tourism Arts And Culture
138	Institute Of Local Government Studies	196	Ministry Of Transport
139	Internal Audit Agency	197	Ministry Of Works And Housing
140	Jaman North District Assembly	198	Ministry Of Youth And Sports
141	Jasikan Municipal Assembly	199	Mion District Assembly
142	Juaben Municipal Assembly	200	Mother And Child Hospital Kasoa
143	Kade Government Hospital	201	Mount Mary College Of Education
144	Kadjebe District Assembly	202	Nanumba North Municipal Assembly
145	Karaga District Assembly	203	National Commission For Civic Education
146	Kasoa Polyclinic	204	National Commission On Culture
147	Kenyasi Government Hospital	205	National Communications Authority
148	Keta Municipal Assembly	206	National Council For Curriculum And Assessment
149	Keta Municipal Hospital	207	National Development Planning Commission
150	Ketu North Municipal Assembly	208	National Film And Television Institute
151	Ketu South Municipal Assembly	209	National Health Insurance Authority
152	Ketu South Municipal Hospital	210	National Information Technology Agency
153	Kibi Government Hospital	211	National Insurance Commission
154	Ko Polyclinic	212	National Labour Commission
155	Koforidua Technical University	213	National Peace Council
156	Komfo Anokye Teaching Hospital	214	National Pensions Regulatory Authority
157	Kpando Municipal Assembly	215	National Petroleum Authority
158	Kpone Katamanso Municipal Assembly	216	National Road Safety Authority
159	Krachi East Municipal Assembly	217	National Sports Authority
160	Krowor Municipal Assembly	218	National Teaching Council
161	Kumasi Technical University	219	New Abirem Government Hospital
162	Kumbungu District Assembly	220	New Juaben South Municipal Assembly
163	Kwabre East Municipal Assembly	221	Nkoranza North District Assembly Busunya
164	Kwadaso Municipal Assembly	222	Nkoranza South Municipal Assembly
165	Kwahu Afram Plains North District Assembly	223	Nkwanta North District Assembly
166	Kwahu Afram Plains South District Assembly	224	Nkwanta South Municipal Hospital
167	Kwahu East District Assembly	225	North East Regional Coordinating Council
168	Kwame Nkrumah University Of Science And Technology	226	North Tongu District Assembly
169	Lands Commission	227	Northern Electricity Distribution Company Limited
170	Law Reform Commission	228	Nsawam Adoagyiri Municipal Assembly
171	Ledzokuku Municipal Assembly Hospital	229	Nsawam Government Hospital
172	Lekma Polyclinic	230	Nuclear Regulatory Authority
173	Lower Manya Krobo Municipal Assembly	231	Nurses And Midwives Training College - Tamale
174	Mampong Government Hospital	232	Nurses Training College - Ho

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233	Nurses Training College Damongo	292	Sic Life Company Limited
234	Nursing And Midwifery Council Of Ghana	293	Simon Diedong Dombo University Of Business And Integrated
235	Nursing And Midwifery Training College		Development Studies
236	Nursing And Midwifery Training College Asankrangwa	294	Social Security And National Insurance Trust
237	Nursing And Midwifery Training College Bole	295	Sogakope Hospital
238	Nursing And Midwifery Training College Hohoe	296	South Dayi District Assembly
239	Nursing And Midwifery Training College Koforidua	297	St Annes Hospital Damongo
240	Nursing And Midwifery Training College Korle Bu	298	St. Joseph Hospital Jirapa
241	Nursing And Midwifery Training College Kpembe	299	St. Teresa's College Of Education
242	Nursing And Midwifery Training College Sekondi	300	St. Theresa's Hospital-Nandom
243	Nursing And Midwifery Training College- Tarkwa	301	St. Vincent Colleg Of Education
244	Nursing And Midwifery Training College Teshie	302	Suaman District Assembly
245	Nursing And Midwifery Training College Twifo Praso	303	Suame Municipal Assembly
246	Nursing And Midwifery Training College Zuarungu	304	Suhum Municipal Assembly
247	Nursing Training College Sampa	305	Sunyani Municipal Assembly
248	Nursing Training College-Kwapong	306	Tain District Assembly
249	Obuasi Government Hospital	307	Takoradi Technical University
250	Obuasi Municipal Assembly	308	Tamale Central Hospital
251	Oda Government Hospital	309	Tamale College Of Education
252	Office Of The Administration Of Stool Lands	310	Tamale Technical University
253	Office Of The Attorney-General And Ministry Of Justice	311	TDC Development Company Limited
254	Office Of The Head Of Civil Service	312	Techiman Municipal Assembly
255	Office Of The Head Of The Local Government Services	313	Tema General Hospital
256	Office Of The Registrar Of Companies	314	Tetteh Quarshie Memorial Hospital
257	Offinso College Of Education	315	Tolon District Assembly
258	Okere District Assembly	316	Tree Crop Development Authority
259	Old Tafo Municipal Assembly	317	Tumu College Of Education
260	Oti Regional Health Directorate	318	University Of Ghana
261	Peki Government Hospital	319	University Of Ghana - College Of Humanities
262	Petroleum Commission	320	University Of Health And Allied Sciences
263	Pharmacy Council	321	University Of Mines And Technology
264	Presby Women College Of Education- Aburi	322	University Of Professional Studies Accra
265	Presbyterian College Of Education- Akropong	323	Upper Denkyira West District Assmebly
266	Presbyterian Midwifery Training College Duayawnkwanta	324	Upper East Regional Health Directorate-Bolgatanga
267	Pru East District Assembly	325	Upper West Akim District Assembly
268	Psc Tema Shipyard Limited	326	Volta Regional Hospital
269	Psychiatric Nurses Training College Ankaful	327	Volta River Authority
270	Public Interest And Accountability Committee	328	Wa Municipal Assembly
271	Public Procurement Authority	329	Wa Municipal Hospital
272	Public Records And Archives Administration Department	330	Wassa Akropong Government Hospital
273	Public Sector Reform Sec	331	Wassa Amenfi Central District Assembly
274	Public Utilities Regulatory Commission	332	Wassa Amenfi East Municipal Assembly
275	Public Works Department Hq	333	Wesley College Of Education
276	Quality Control Company Limited	334	West Akim Municipal Assembly
277	Regional Health Directorate Ghana Health Service	335	West Gonja District Assembly
278	Regional Health Directorate Tamale	336	Yendi Municipal Assembly
279	Regional Hospital Bolgatanga	337	Yilo Krobo Municipal Assembly
280	Rent Control Department	338	Zabzugu District Assembly
281	Right To Information Commission		
282	Sagnarigu Municipal Assembly		
283	Savannah Regional Coordinating Council		
284	Savelugu Municipal Hospital		
285	Sda College Of Education-Asokore Koforidua		
286	Sda Nursing And Midwifery Training College		
287	Securities And Exchange Commission		
288	Sefwi Wiawso Municipal Assembly		
289	Sene East District Assembly		
290	Sene West District Hospital		
291	Shai-Osudoku District Hospital		



Welcome to the September/October 2023 Edition. The theme for this edition is ***Thresholds in Perspective: Since 2016***. In this edition, we will look at Ghana's Public Procurement thresholds, discussing, and critically examining them from the perspective of procurement practitioners and professionals. Here's a brief description and benefits of procurement thresholds:

Procurement thresholds are the prescribed threshold values set for the supply of goods, works and services under a regulation. The World Bank Group recommends using monetary thresholds for determining the most efficient way to procure.

Act 663 as amended specifies the procurement threshold as outlined in sections 18,20,34,42,66 and 72, which determines the procurement methods for any specific contract and the authorities that approve them. If an item is estimated to exceed a certain amount, it is important to comply with the threshold requirements.

Establishing procurement thresholds has really helped governments around the world, and Ghana is no exception. By setting different thresholds for different procurement methods, thresholds have encouraged competition among suppliers, contractors, and consultants, leading to Value for Money (VFM). By setting clear thresholds, procurement processes have become more transparent since open and competitive contracts reduce corruption and favoritism opportunities. It is also important to note that thresholds lead to efficiency. Low-value procurement may follow a less complex procedure while high-value contracts may undergo more rigorous scrutiny. This allows public entities to allocate resources efficiently. Procurement thresholds hold public officials accountable

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for spending decisions. By adhering to predetermined thresholds, public officials must justify their procurement choices, ensuring that public funds are used wisely. Lastly, competitive procurement processes driven by thresholds often result in savings for the government.

Keep Reading.

Written by Marian Abena Oteng

Officer, Corporate Affairs

PPA e-BULLETIN



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THRESHOLDS IN PERSPECTIVE: SINCE 2016

Starts from Pg. 2

Conditions of Public Entities- Original Thresholds

Public Entities in Ghana comprise of various institutions that fall into different categories in terms of sizes (organizational structures) and spend levels. All such institutions are bound to operate with the same thresholds provided in the Act. The operationalization of the thresholds crippled the procurement activities of entities which fall within the bracket of large size and high spend levels since such entities procure a lot of goods and services for their activities.

Some operational difficulties that confronted entities include the following:

- Low levels of the thresholds which did not allow entities to approve high contracts in-house (by Entity Tender Committees-ETCs) affected the realization of entities core businesses.
- The threshold levels hampered the needs of large entities which have high spending levels.
- High inflation rates and other economic conditions in the country meant that entities could buy few goods and services with the existing thresholds.
- Unavailability of external Members (Members of Parliament and Government Appointees) on ETCs due to other equally important engagements haltered entities procurement activities. This situation made it practically impossible for ETCs to meet frequently to approve contracts to support organizational activities.
- Regional and Ministerial Tender Review Boards were driving the procurement agenda of entities since the low levels of the approving thresholds compelled entities to forward all high contracts to those review Boards for approval.
- The execution of entities contracts was delayed since the Boards (ie Regional and Ministerial Boards) had more approval requests from entities in regions and national levels. This created traffic jams as entities contracts were placed in queues waiting for approvals.
- In some cases, contracts were delayed between three (3) months to one (1) year before approval were given.

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The situation was so serious that sometimes by the time contracts were approved suppliers, contractors or service providers could not execute same due to expiration of tender validity.

Threshold

As stated in the foregoing paragraph, the Act (Law) has thresholds for both procurement method and approving authority.

The threshold for method defines the level point or value above which a particular procurement method could be used while that of approval relates to the person or body authorized to approve procurement contracts.

The old thresholds which were quoted in Old Ghana Cedis (as contained Act, 2003 (Act 663) had operational difficulties as the years went by due to changes in economic conditions.

Amendment of the Thresholds and its Purpose

In the Year, 2016 the Public Procurement Authority through an Act of Parliament (Act 914) made amendments to the thresholds after its operation over a decade. (i.e. Act 914).

The thresholds for methods are captured in the Fifth Schedule and that of approving authorities is captured in the Second and Third Schedules of the Procurement Act, (Act 663 as amended).

The amendment increased thresholds across Board (i. e. Goods, Works, and Services) for both procurement methods and approvals.

A Presentation at an Open Forum for stakeholders on “Overview of Amendments to Public Procurement Act, 2003 (Act 663)” with the theme “Act 914: Transitioning into a Vibrant Public Procurement System in Ghana” by Mrs. Lesley Doodoo (Dir. Legal/Board Secretary, PPA) in the Year, 2016, stated the following as some of the reasons for the amendment of the threshold:

- Thresholds increased in line with the changed market environment and Pricing.
- To address the functional needs and spending levels of entities (i.e. for entities in high spend, medium, and low spend).
- Removal of Ministerial & District Tender Review Boards.

THRESHOLDS IN PERSPECTIVE: SINCE 2016

- Framework to support Fiscal Decentralisation- (for Metropolitan, Municipal, and Assemblies -MMDAS).
- Changes in the composition of Entity Tender Committee (ETC) Membership.
- ETCs re-categorized according to function and spending Levels.
- ETC Membership re-composed -mainly internal staff.
- Representative of members of Parliament removed from ETCs.
- CEOs (Account Holders as Chair of ETCs) .
- Ministerial Review Board abolished.

According to Mrs. Lesley Dodoo, the theme of that Public Forum “Act 914; Transitioning into a vibrant Public Procurement System in Ghana”, the amendment was to empower ETCs to operate efficiently.

Benefits of the Amendments

The amended thresholds brought some benefits to procurement activities in public institutions. Notable among these were:

- Enhancement of procurement of goods and services in large quantities which makes entities enjoy economies of scale on costs that are incurred on frequent ordering.
- Procuring entities procured goods and services on time to support their activities.
- Shortages of resources were virtually eliminated since entities could procure without hindrances.
- This eliminated or reduced holding large (buffer) stock which locks up the capital of entities.
- Elimination of central bodies procuring and dumping items on subsidiary organizations which may not be needed immediately (ie due to the non-existence of threshold for those Entities).
- Entities could approve and award high contract values that would have been reviewed and approved by higher bodies. This happened because of the elimination or reduction of bureaucracy in approval levels.
- Entities procured goods and services in line with available budget and funds. Budget overruns which occur as a result of wanting to acquire more because of threshold challenges were eliminated.
- Elimination or reduction of frequent ordering of materials in similar quantities to avoid particular procurement methods or approval authority (bulk breaking).

THRESHOLDS IN PERSPECTIVE: SINCE 2016

- Time spent on procurement processes had been reduced drastically.

Challenges of the Amended Thresholds

The upward review of the thresholds (Act 914) in the Year, 2016 made procurement activities vibrant in Public Entities.

The Entity Tender Committees (ETCs) became the key actors in public procurement since the increased thresholds empowered their members to handle complex procurement contracts or assignments without recourse to review bodies (external involvement).

The main challenge of the 2016 amended thresholds is fluctuations in market prices of goods and services (as being experienced in current economic conditions) in and outside the country. The prevailing economic and market conditions have rendered the same (thresholds) irrelevant putting entities in similar situation as existed before the amendment in 2016.

The average inflation rate (Consumer Price Index, CPI) for the Year, 2016 was 17.46% and the United States Dollar (USD) to Cedi Exchange Rate was \$1: GHS 3.90. The economic conditions were favourable then therefore, public entities could do many procurement operations with the thresholds.

Inflation (CPI) as of 6th October, 2023, was 40:1% and the USD to Cedi Exchange Rate was 1\$: GHS 11.71 (Source: Ghana Statistical Service). The inflation from 2016 to the Year, 2023 (October, 6) is about 22.64% increase while the exchange rate is about 200% depreciation. The analysis reveals that the gains that accompanied the revised thresholds have been eroded drastically by the current economic conditions.

The current economic conditions have made it impossible for procuring entities to do many procurement activities with the same thresholds now. Eight (8) procurement practitioners who were randomly selected and interviewed on the subject matter affirmed the challenges that are associated with the thresholds as amended as elaborated in this write-up.

Conclusion

THRESHOLDS IN PERSPECTIVE: SINCE 2016

It could be deduced from the fore-ongoing analysis that the procurement revised thresholds are no longer relevant in the current economic conditions of the country. Therefore, there is the need to revise the same to reflect current trends of the economy to bring back the vibrant procurement systems that accompany Act 914.

Way Forward or Recommendation

The write-up provides enough justification for adjustment of the procurement threshold to reflect current economic conditions (inflation, exchange rate, taxes, and disposable income).

The review could be done through the understated means:

The thresholds must be revised at least every four (4) years.

To that effect the thresholds should be attached as annexes to the Act, (2003) Act 663 as amended, and powers given to the Minister of Finance to amend same to reflect current economic and market conditions as and when necessary.

The threshold (if possible) should be quoted in US Dollars instead of the Ghana Cedis similar to the financial classification on the Works and Housing Certificate Classification.

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PPA INTERVIEWS A PROCUREMENT PRACTITIONER ON HER VIEWS ON THRESHOLDS

The Editorial Team interviewed Madam Alice Zu, Chief Procurement Officer, Ministry of Information (MoI) on Thresholds. This article captures the responses from the interview.

Question: Thank you once again for your time. The theme for the September/October Edition is Thresholds in Perspective: Since 2016. In this edition, we will discuss procurement thresholds and their impact on procurement activities among public entities since 2016. Let me begin by asking your opinion on how the procurement thresholds have affected your work as the Chief Procurement Officer of MoI.

Response: The procurement thresholds since 2016 by far have been very helpful in procurement activities, especially in my organization but are currently a bit problematic and I can cite an instance of why I say so. Let's take the threshold of GHS100,000 for the approval of the Head of Entity (HoE) for instance. The country has in recent times had very galloping prices for goods and services. Thus, procurement has become challenging with the approval amount given to the head of the entity as per the PPA Act 2003 (Act 663). It has made procurement quite difficult since most of our procurement is above GHS100,000 simply because the cost of goods and services have generally gone up and thus, we would need another approval channel, perhaps the ETC, to ensure we do not contradict the provisions of the Act.

Question: Can you give us insights on what MOI has done or measures its procurement unit has instituted to ensure compliance with the thresholds as stated in the PPA Act 2003 (Act 663) as amended?

Response: As I mentioned earlier, restrictions of the thresholds handicap us, but our Procurement Unit is finding ways to better cope with the situation. MoI recently instituted a cut in our procurement budget, mainly because of the economic times and because the thresholds will simply not permit us to go through the procurement process quickly. This is also because most of the contracts we seek to award are over the amount stated for the HoE to approve. So far, we are coping with budget cuts and help from other government agencies.

PPA INTERVIEWS A PROCUREMENT PRACTITIONER ON HER VIEWS ON THRESHOLDS

Question: So you are asking for an upward review of the thresholds in the PPA Act and you have also highlighted the stress you have to go through as a procurement practitioner in reducing the quantity of the goods you would need because of the constraints of the thresholds due to inflation and high cost of goods and services. With that mentioned, can you enlighten us with an example of how the established thresholds influenced the choice of a procurement method in a recent procurement decision you made with the MoI?

Response: I quite remember we conducted a National Competitive Tender (NCT) for the procurement of a 500Kva generator plant for the ministry. After we did the evaluation, we realized it was taking too long for the ETC to approve it since it was above GHS100,000. We knew we had hit the wall. We also realized that the funds which would have been readily available for us to immediately procure if it was the Head of Entity's approval had been used for something else to the benefit of the ministry. The Minister of Information had to plead with the Ministry of Energy (MoE) to intervene. We received a plant from MoE, but it was not the capacity we had wanted to procure. We had to manage what we had received regardless. These challenges would have been avoided if we had an initial approval from the HoE as well as an upward review of the procurement thresholds.

Question: Can you identify some challenges and present possible solutions regarding thresholds in the PPA Act 2003 (Act 663) as amended that you have noticed in your procurement practice?

Response: As I have said earlier concerning the challenges, the threshold amounts for HoE approvals are too low and it is making the procurement process cumbersome because to get the ETC to sit every time a contract is estimated to be above GHS100,000 is cost to the organization as well as time-consuming for the Procurement Officer. I think the PPA should present an upward review of the threshold amounts and enhance better monitoring to ensure that entities comply with the suggested new thresholds.

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