

**IN THE FIRST SESSION OF THE EIGHTH PARLIAMENT OF THE FOURTH
REPUBLIC OF GHANA**

**REPORT OF THE SPECIAL BUDGET COMMITTEE
ON THE 2021 BUDGET ESTIMATES OF THE
ELECTORAL COMMISSION**

1.0 INTRODUCTION

The Majority Leader and Minister for Parliamentary Affairs, Hon. Osei Kyei-Mensah-Bonsu presented the Budget Statement and Economic Policy of the Government for the 2021 financial year to Parliament on Friday 12th March, 2021 in accordance with Article 179 of the 1992 Constitution and Section 21(3) of the Public Financial Management Act, 2016 (Act 921).

Pursuant to Order 140 (4) of the Standing Orders of the House, the Rt. Hon. Speaker referred the Annual Budget Estimates of the Electoral Commission (EC) to the Special Budget Committee for consideration and report.

In the consideration of the estimates, the Committee was assisted by the Chairperson of the Electoral Commission, Mrs. Jean Mensa, two Deputy Commissioners, Officials of the Ministry of Finance and the Electoral Commission.

The Committee is grateful to the Officials for the assistance.

2.0 REFERENCE DOCUMENTS

The Committee referred to the following documents in its deliberations:

- a. The 1992 Constitution of the Republic of Ghana;
- b. The Standing Orders of the Parliament of Ghana;
- c. The Electoral Commission Act, 1993 (Act 451);
- d. The Political Parties Act 2000 (Act 574);
- e. The Budget Statement and Economic Policy of the Government of Ghana for the 2020 Financial Year;
- f. Report of the Special Budgets Committee on the Annual Estimates of the Electoral Commission for the 2020 financial year; and
- g. Medium Term Expenditure Framework (MTEF) for 2020 –2023;

3.0 MISSION STATEMENT

As provided under Article 43(1) of the 1992 Constitution and the Electoral Commission Act, 1993 (Act 451), EC is mandated to organize and supervise all public elections and referenda in Ghana to advance the course of democracy and good governance through free, fair and transparent Democracy elections.

4.0 THE GOAL OF THE ELECTORAL COMMISSION

The goal of the Commission is to be an institution adequately resourced, staffed with professionally trained and motivated personnel, totally independent in the performance of its functions and dedicated to efficient delivery of free, fair and transparent elections to advance the cause of democracy and good governance for sustainable development.

5.0 CORE FUNCTIONS OF THE ELECTORAL COMMISSION

The core functions of the Electoral Commission as captured under Article 45 are to:

- i. compile the register of voters and revise it at such periods as may be determined by law;
- ii. demarcate the electoral boundaries for both national and local government elections;
- iii. conduct and supervise all public elections and referenda;
- iv. educate the people on the electoral process and its purpose;
- v. undertake programmes for expansion of the registration of voters; and
- vi. perform such other functions as may be prescribed by law.

6.0 2020 BUDGET PERFORMANCE

For the implementation of its core mandate, programmes and activities in the 2020 financial year, an amount of **One Billion, Three Hundred and Sixty-Three Million, One Hundred and Seventy-five Thousand, Six Hundred and Twenty-Nine Ghana Cedis (GH¢1,363,175,629.00)** was allocated to the Electoral Commission for its operational expenses in 2020. The amount was allocated to the various expenditure items of the Commission as follows:

Expenditure Item	2020 allocation (GH¢)
Compensation of Employees-	GH¢ 58,926,602.27
Goods and Services -	GH¢780,443,632.87
CAPEX -	GH523,805,393.86
Total	<u>GH¢1,363,175,629.0</u>

As at 31st December, 2020 the Electoral Commission had received its total allocation for the year amounting to GH¢1,363,175,629.0. The actual expenditure however stood at GH¢1,328,437,648.97 representing 97.39% of the releases. The undisbursed balance therefore stood at GH¢34,737,980.03 or 2.61% of releases. The 2020 Budget releases and actual expenditure of the Commission as at 31st December, 2020 is shown in Table 1:

Table 1: 2020 Allocation and Actual Releases as at 30/12/2020

Item of Expenditure	2020 Release (GH¢)	Actual Expenditure (GH¢)	Variance (GH¢)	% (Expenditure)
Compensation	58,926,602.27	50,928,004.95	7,998,597.32	86.4
Goods and Services	780,443,632.87	762,188,869.16	18,254,763.71	97.7
CAPEX	523,805,393.86	515,320,774.86	8,484,619.00	98.4
Total	1,363,175,629.0	1,328,437,648.97	34,737,980.03	97.4

Out of this appropriation, the Commission undertook the following activities:

- Procured modernized biometric voter management system
- Procured voter registration, exhibition and election materials
- Procured 167 operational vehicles for the Commission.
- Constructed Data and Disaster Recovery Center
- Successfully conducted the nationwide voter registration exercise.
- Displayed the Provisional Voters Register in all Polling Stations
- Exhibited the Voter Register to clean the register for the conduct of the 2020 General elections.
- Recruited and trained staff for the conduct of the 2020 Presidential and Parliamentary Elections.
- Successfully conducted the 2020 Presidential and Parliamentary Elections
- Gazetted the 2020 Presidential and Parliamentary elections results

7.0 OUTLOOK FOR 2021

In 2021 financial year, the Electoral Commission intends to pursue the following programmes among others:

- a. Reform the Electoral laws of Ghana including a review of CI 27 to clarify the provisions on the operations of political parties
- b. Commence work on the construction of 52 District offices in selected district across the country
- c. Refurbish and renovate existing offices and staff bungalows in ten regions

- d. Re-equip the offices of the commission with modern office equipment and internet connectivity to improve efficiency in service delivery
- e. Review staff conditions of service
- f. Conduct District Level Election (DLE) for Nkoranza North and Nkoranza South Districts
- g. Undertake audit and inspection of political party offices across the country

8.0 2021 BUDGETARY ALLOCATION

The Electoral Commission has been allocated the sum of **One Hundred and Sixty-Five Million, Nine Hundred and Fifteen Thousand and Forty-eight Ghana Cedis (GH¢165,915,048)** for the implementation of its activities for the 2021 financial year. Out of this allocation, GOG is GH¢158,170,793 and development partners fund is GH¢7,744,255

The 2021 allocation will be expended on the various expenditure items of the Commission as follows:

Compensation of Employees-		GH¢48,267,770
Goods and Services	-	GH¢89,744,255
CAPEX	-	GH¢27,903,023
Total	-	<u>GH¢165,915,048</u>

9.0 OBSERVATIONS AND RECOMMENDATIONS

The Committee after a careful scrutiny of the estimates made the following recommendations:

9.1 Enforcement of Electoral Laws

The Committee noted that, the Electoral Commission allocated an amount of GH¢1,500,000 as part of its 2021 allocation for Goods and Service for the monitoring and inspection of activities of Political parties in Ghana.

The Committee expressed concerns about the inability of EC to enforce and ensure compliance with electoral laws by Political parties, especially the constitutional requirement that political parties should exist and establish offices in all the regions of Ghana and in addition, be organized in not less than two-thirds of the districts in each region of the country.

The Committee noted that the Commission sought for and was allocated GH¢1,000,000.00 in 2015, GH¢1,000,000.00 in 2016 and a further GH¢2,880,225 was allocated in 2019 for the same activity. However the Commission was unable to undertake the exercise of ensuring the existence and operation of the registered political parties in the Regions.

The Committee further noted that the activity aimed at ensuring compliance with Section 15 of the Political Parties Act 2000 (Act 574) and Article 55(7)(b) of the 1992 Constitution. The Committee noted

that the failure of the Electoral Commission to monitor the activities of political parties has resulted in the mushrooming of political parties most of which cannot be properly described as political parties.

The Committee call on the Electoral Commission to take the necessary steps to clean the political space and ensure that political parties comply with the requirements in Section 15 of the Political Parties Act so as to eliminate from our political space institutions set up as vehicles to be driven only in election year.

The Committee further urges the EC to invoke the sanctions regimes in the political Parties Act on all defaulting political parties to bring sanity to the political landscape.

9.3 Shortfall in Budget Allocation

The Committee noted that the Electoral Commission requires an amount of GH¢396,594,864.98 to meet its operational activities for 2021 and also to settle outstanding obligations arising out of the conduct of the 2020 Presidential and Parliamentary elections and other operational expenses in 2020. The amount is made up of GH¢180,565,517 for 2021 operational activities and GH¢216,029,347.98 for the settlement of outstanding arrears.

Officials from EC explained to the Committee that, the Commission was allocated the sum of GH¢211,899,188 in the 2019 budget to procure biometric devices and to upgrade the data center for the

conduct of voter registration exercise and the conduct of the 2020 general elections. However, due to procurement challenges, the Commission was unable to commit the resources by the end of the 2019. It was agreed at the 2020 budget hearing that the amount should be ring-fenced as part of the expenditure requirements of the Commission for 2020 to enable it procure the critical electoral equipment for the conduct of the 2020 General elections. The Committee made recommendations to the Ministry of Finance in respect of the amount to be ring fenced. The Ministry of Finance however failed to release the amount to the Commission thereby compelling the EC to vire its Goods and Services allocation to enable it procure the devices for the smooth and efficient conduct of the 2020 General elections leaving other budget items unpaid for.

The Committee noted that the Electoral Commission has an outstanding debt relating to allowances to be paid persons contracted to work as election officials, printing of election materials, payment for the construction of data center among other operational expenses amounting to GH¢216,029,347.98. Details of the outstanding obligations are as follows:

Table 2: Outstanding obligations of the Electoral Commission

SN	ACTIVITY	OUTSANDING AMOUNG (GH¢)
1	Allowance to Election Officials	120,699,650.00
2	Contract Printing	25,981,736.61
3	Election Materials	15,638,879.20
4	Computer and Accessories	2,989,178.98

5	Official Building – Prefabricated District offices	10,898,734.71
6	Software licensing, redevelopment and Customization	10,338,193.18
7	Office Furniture	4,588,602.59
8	Cartridges	16,933,007.00
9	Design, Supply and Installation at Data Centre	1,582,462.86
10	Non Salary Related Allowances	1,471,850.57
11	Procurement of Vehicles	4,907,052.28
	Total	216,029,347.98

Notwithstanding the enormous outstanding obligations incurred by the Commission in 2020 the Ministry of Finance did not allocate sufficient funds in the 2021 Budget to enable the Commission meet its operational requirements and also to settle its debt obligations.

Out of a budgetary requirement of GH¢396,594,864.98 only GH¢165,915,048 representing 41.83% of the budgetary requirement was allocated to the EC in the 2021 budget leaving a funding gap of GH¢230,679,816.98. Details of the budgetary requirements of the Commission and allocation for the 2021 financial year is presented in table 3 below.

Table 3: 2021 EC Budget Requirement and Allocation

Programme	Budget Requirement (GH¢)	Actual Allocation (GH¢)	Funding Gap (GH¢)	% Allocation
Compensation	62,918,239	48,267,770	14,650,469	76.72
Goods and Services	89,744,255	89,744,255	0	100.00
Capex	27,903,023	27,903,023	0	100.00
Sub Total	180,565,517	165,915,048	14,650,469	91.89
Outstanding Obligations	216,029,347.98	0	216,029,347.98	0.00
GRAND TOTAL	396,594,864.98	165,915,048	230,679,816.98	41.83

The Committee urges the Ministry of Finance to allocate resources to the Commission in its mid-year budget review to enable it settle its outstanding obligations especially the ones relating to the conduct of the 2020 General elections.

9.4 Representation Of People In Parliament

The Committee observed with worry, the rate at which the Commission is violating the provisions of the 1992 constitution by continuously expanding the number of constituencies. In the past constituencies have been created for some reasons other the population size as required by the 1992 Constitution. This practice has now led to a situation where some Members of Parliament are

representing few people whilst others are representing rather overly huge numbers of people.

The Committee therefore recommends to the Commission and Government to consider opening up a national dialogue and debate on the matter so as to put an end to the breaches of the Constitution and to give a logical meaning to representation of people in Parliament.

9.5 declaration of 2020 Presidential Election Results

The Committee enquired into the circumstances that led to the inaccuracies in the declaration of the results of the 2020 Presidential Elections by the Chairperson of the Electoral Commission.

The Electoral Commission emphasized that the situation occurred only once and this was necessitated by an unanticipated challenge suffered by the Coalition Centre in the Greater Accra Region and stated that the Commission was under an obligation to update the records. The Commission reiterated that the corrected figure did not have the effect of changing the outcome of the election.

Notwithstanding, the Committee observed that the situation which resulted in the correction was avoidable and recommended to the Commission to, in future, carry out this important function with caution even if it has to delay the declaration of results so as to ensure that Ghanaians will not have any reason to doubt or be suspicious of what is presented as final election results.

The Committee further recommends to the Electoral Commission to be undertaking a routine exercise of inspecting offices of political parties in order to ensure that the existence of political parties in the regions and districts is a continuous one as the responsibilities of political parties in national development do not end after general elections.

The Committee therefore urges the Ministry of Finance to give financial clearance to the Commission to enable it recruit additional hands to enable it perform its monitoring functions over political parties in the regions and constituencies of the Country..

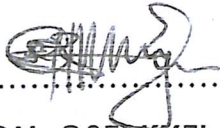
Finally, the Committee recommends to the Ministry of Finance to take it as a matter of urgency to release the sum of Gh¢216 Million to the Commission to enable the Commission clear the outstanding debts it carried over from 2020 in order to avert any possible unrest and possible law suits from its clients.

10. CONCLUSION

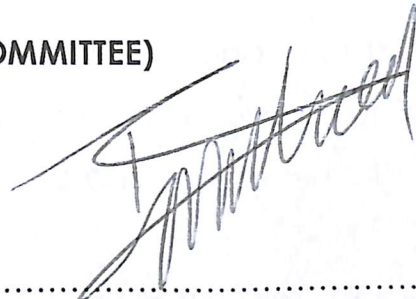
The Committee having carefully scrutinized the estimates of the Electoral Commission is convinced that the allocation is sufficient to meet only the expenditure requirement of the Commission 2021 financial year leaving the outstanding obligation of GH¢216,029,347.98 unpaid. The Committee therefore recommends to the House to adopt its report and approve the sum of **One Hundred and Sixty-Five Million, Nine Hundred and Fifteen Thousand and Forty-eight Ghana Cedis (GH¢165,915,048)** for the implementation of the

programs of the Electoral Commission for the 2021 Financial Year and cause the Ministry of Finance to deal with the outstanding expended amount in 2020 in order to avoid any cost escalations

Respectfully submitted.



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HON. OSEI KYEI-MENSAH-BONSU
(CHAIRMAN, SPECIAL BUDGET COMMITTEE)



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INUSAH MOHAMMED (MR.)
(CLERK, SPECIAL BUDGET COMMITTEE)

Friday 26TH March, 2021