

**IN THE THIRD SESSION OF THE SEVENTH  
PARLIAMENT OF THE FOURTH  
REPUBLIC OF GHANA**

**REPORT OF THE  
COMMITTEE ON EDUCATION**

*ON THE*

**CONTRACT BETWEEN THE GOVERNMENT OF THE  
REPUBLIC OF GHANA (REPRESENTED BY THE  
MINISTRY OF EDUCATION) AND A CONSORTIUM OF  
SUMEC COMPLETE EQUIPMENT & ENGINEERING  
COMPANY LIMITED AND PLANET ONE EDUCATION  
LIMITED FOR AN AMOUNT OF ONE HUNDRED AND  
FIFTY-EIGHT MILLION, NINE HUNDRED AND ONE  
THOUSAND, TWO HUNDRED AND SEVENTY-THREE  
EUROS (€158,901,273.00) FOR THE CONSTRUCTION  
OF NINE (9) STATE-OF-THE-ART TECHNICAL AND  
VOCATIONAL TRAINING INSTITUTES IN GHANA**

## 1.0 INTRODUCTION

The Contract between the Government of the Republic of Ghana (represented by the Ministry of Education) and a consortium of SUMEC Complete Equipment & Engineering Company Limited and Planet One Education Limited for an amount of One Hundred and Fifty-Eight Million, Nine Hundred and One Thousand, Two Hundred and Seventy-Three Euros (€158,901,273.00) for the construction of nine (9) State-of-the-Art Technical and Vocational Training Institutes (Phase 1) in Ghana was presented to the House on Thursday, 19<sup>th</sup> December, 2019 pursuant to Article 181(5) of the 1992 Constitution.

Subsequently, the Hon. First Deputy Speaker, in accordance with Order 186 of the Standing Orders of the House, referred the Agreement to the Committee on Education for consideration and report.

## 2.0 DELIBERATIONS

A Deputy Minister for Education, Hon. Gifty Twum-Ampofo, officials of the Council for Technical and Vocational Education and Training (COTVET), and officials of the Ministry of Education attended upon the Committee to assist in its deliberations.

The Committee is grateful to the Hon. Deputy Minister and her technical team for attending upon the Committee.

## 3.0 REFERENCE DOCUMENTS

The Committee made reference to the following documents during its deliberations:

- i. The 1992 Constitution of the Republic of Ghana.
- ii. The Standing Orders of the Parliament of Ghana.
- iii. The Public Financial Management Act, 2016 (Act 921).
- iv. The Public Procurement Act, 2003 (Act 663).
- v. The Master Framework Agreement for Establishment of 32 Nos. of State-of-the-Art Technical and Vocational Education Training Centres in Ghana between the Government of Ghana acting through the Ministry of Education (MoE) and Planet One Education Limited, Hong Kong.

#### 4.0 BACKGROUND

Although Ghana has attained a lower middle-level income status, the level of skills and competencies required by the nation's manpower/workforce to meet the growing industrial demands for the realisation of the full benefits of a middle income level country remains a challenge.

This unfortunate situation has been attributed largely to the lack of the right structures and facilities needed to train and adequately equip our younger population with the skills and competencies that will enable them become industry-relevant, sufficiently self-employable and competitive within the global skills and job market.

Against this background, Government has recognised the need to prioritise Technical and Vocational Education and Training (TVET) as a means of shifting the focus of our education from theoretical dimension to a practical hands-on competency-based system that will enable Ghana build a broad range of highly trained and skilled manpower to speed up its socio-economic development and provide opportunities for decent livelihoods.

Although it is acknowledged that successive Governments have, over the years, contributed through the annual budget allocation, the GETFund and various ways to promote and enhance TVET education, this is yet to achieve the desired results in view of the considerable level of investments required to radically transform and position TVET as a catalyst for job creation and development.

It is against this background that the Government is seeking to enter into a Contract to enable it secure the needed funds to embark on a project aimed at transforming the TVET sector to bridge the skills gap in the youth of the country, and leading to the creation of a large talented pool of trained youth for the development of high quality manpower, to support Ghana's economic development.

The entire Project will include the establishment of 32 State-of-the-Art TVET Centres of Excellence across the 16 regions of the country in three (3) phases. Phase 1 of the Project, which is the focus of this Contract, will be made up of 9 State-of-the Art Centres as detailed out in the scope of work.

## 5.0 KEY OBJECTIVES OF THE PROJECT

The main objective of the Project is to increase youth employment in Ghana through TVET skills acquisition to develop the high-quality middle and high-level manpower needed in the Ghanaian economy. The specific objectives of the Project are as follows:

- i. Improving youth employment particularly in the rural areas.
- ii. Expanding equitable access to public TVET institutions targeting females and the rural poor.
- iii. Improving relevance, and quality of TVET delivery.
- iv. Building technical and management capacity of COTVET and other skills training centres.
- v. Equipping the youth with entrepreneurship skills.
- vi. Adopting the cooperative approach to skills training for the youth to create their own jobs.
- vii. Retraining current workers who have skills gap.
- viii. Imbuing in master craftsmen, the aptitude for productivity and credibility.

## 6.0 SCOPE AND COMPONENTS OF THE PROJECT

As indicated earlier, the scope of work of the Project involves the establishment of thirty-two (32) State-of-the-Art TVET Centres of Excellence across the sixteen (16) regions of the country. This comprises 1 National Centre of Excellence, 16 Category A Centres of Excellence and 15 Category B Centres of Excellence. To accomplish the above, the Project will have the following components:

- **Component 1** - Infrastructure Development Training, Administration and Accommodation, Common Area, Playground, Furniture, Fittings and External Works. The Infrastructure work will be done locally.
- **Component 2** - Training Tools and Equipment, including ICT Equipment for thirty-three (33) Trades across eleven (11) sectors.
- **Component 3** - Competency Based Training (CBT) course, curriculum alignment and content development for thirty-three (33) Trades and six (6) classroom subjects. The curriculum and courseware shall be aligned to the local and global industry requirements.

- **Component 4** - CBT based Master training to cover 1,000 trainers across thirty-two (32) Centres.
- **Component 5** - Project Management and Governance. This will create employment options for Ghanaians who will be deployed as part of the Project staff.

## 7.0 PROJECT IMPLEMENTATION PERIOD

The Project would be implemented in three (3) phases with each phase spanning over a period of thirty (30) months. Phase 1 is expected to commence in February 2020 and end in August 2022. Phase 2 will commence in 2021 while Phase 3 will commence in 2022.

## 8.0 SCOPE OF WORK OF PHASE 1 OF THE PROJECT

The scope of work of Phase 1 of the Project, which will comprise nine (9) State-of-the-Art Centres of Excellence is as follows:

- 1 Centre of Excellence, offering 26 courses with an intake capacity of 780 per year.
- 6 Category A State-of-the-Art Centres of Excellence, offering an average of 10 courses with an average intake capacity of 300 trainees per year in each Centre.
- 2 Category B State-of-the-Art Centres of Excellence, offering an average of 6 courses with an average intake capacity of 180 trainees per year in each Centre.

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A total of 310 Master Trainers will be trained to run these Centres.

## 9.0 EXPECTED OUTPUTS OF PHASE 1 OF THE PROJECT

The main expected outputs of Phase 1 of the Project are as follows:

- Establishment of 9 State-of-the-Art Technical and Vocational Centres of Excellence in Ghana.
- Revision of TVET curricula for 33 selected demand-driven skill areas.

- Establishment of modern workshops, laboratories, and classrooms with world class training equipment to cover 33 different trades.
- Training of about 310 instructors including managers of the Institutes to enhance their instructional and managerial skills. The instructional training will follow the competency-based training methodology.
- Procurement of instructional materials for theory and practical, courseware and content for effective skills training of the 33 trades.
- Provision of hostel facilities to cover 1,200 training candidates (Centre of Excellence: 600 beds for males and 300 beds for females; and Category B: 200 beds for males and 100 beds for females).
- Provision of a Principal and Vice-Principal's Quarters with a 24-unit Staff Quarters in the Centre of Excellence, and a 12-unit Staff Quarters in the Category B State-of-the-Art TVET Centres.

#### 10.0 **CONTRACT SUM AND PAYMENT SCHEDULE**

The Government of Ghana has committed to pay the contractor, an amount of One Hundred and Fifty-Eight Million, Nine Hundred and One Thousand, Two Hundred and Seventy-Three Euros (€158,901,273.00) for the implementation of Phase 1 of the Project. The payment schedule of the contract sum is as follows:

- i. An Advance payment of €55,615,445.55 amounting to 35% of the contract price within five (5) days upon the submission of the Notice to Proceed (NTP) by the Employer.
- ii. The remaining portion of the contract price (comprising 65% of the contract price) shall be paid in equal instalments on a quarterly basis over a period of ten (10) quarters. Accordingly, the Contractors would be paid an amount of €10,328,528.75 on a quarterly basis upon the expiration of 90 calendar days from the ending of the preceding quarterly instalment date.

The summary of the contract price across the different components of Phase 1 is provided below:

### Summary of Contract Price

	Description	Amount (€)
1.	Infrastructure Development for 9 Centres (includes the design, construction, external works, furniture and smart classrooms)	82,657,776
2.	Tools and equipment for the 9 Centres	55,761,742
3.	Curriculum and content development for a total number of 33 Courses + 6 Classroom Based	16,024,658
4.	Competency Based Training – Master training	2,485,189
5.	Technology Solutions and Project Management	1,971,908
	<b>Contract Price</b>	<b>158,901,273</b>

## 11.0 OBSERVATIONS

### 11.1 Justification for the Project

The Committee was informed that the rapidly growing population of the country and its attendant youth unemployment has culminated in the need for the establishment of State-of-the-Art Technical and Vocational Centres of Excellence across the country. Youth unemployment is gradually becoming an issue of national security concern which requires the State to urgently find a lasting solution to. It is in this light that Government, among other interventions, proposes repositioning TVET in education and human development, developing competency-based curriculum, providing incentive mechanisms that would attract the private sector into TVET, support TVET institutions to be financially independent and also explore other funding sources to support TVET institutions. There is therefore the need for Government to increase the capacity and quality of existing technical and vocational institutions to sustain skills development and job creation as a response measure to curb the rising unemployment rate in the country particularly among the youth.

### 11.2 Benefits of the Project

The Committee observed that Planet One Education Limited has been at the forefront of partnering with various governments to help them transform their educational system as well as create a human capital which is capable of competing in the technologically driven global environment, among others.

The Committee was informed that taking cognisance of the above, Planet One Education Limited will introduce best practices of TVET from across the globe into Ghana. According to officials of the Ministry, this will create highly trained professionals who would be abreast with the latest technologies and trends in the global market place. Having a pool of qualified and trained candidates will be essential to promoting economic growth in the country. Furthermore, candidates that would be trained will be exposed to better quality employment opportunities.

#### 11.3 Performance Security

The Committee noted that adequate provisions have been made in the Agreement to ensure that the Contractors deliver on their obligations. The Agreement stipulates that the Contractors, or any person on behalf of the Contractors, or the relevant sub-Contractor(s) shall issue a performance security in a form mutually acceptable to the Parties. The performance security shall be issued within 15 days from the commencement date and shall cease to be valid immediately upon the issuance of Taking Over Certificate. The Employer also has the right to invoke the performance guarantee upon the occurrence of a Contractor Event of Default.

#### 11.4 Competency Based Training

It came to the attention of the Committee that the Centres will run on the principle of Competency Based Training (CBT) modules. Planet One Education Limited therefore would be expected to run its programme as per the guidelines of the CBT Framework. The Committee was informed that all the trainers of the 32 Centres that would be established will undergo training and certification under the CBT Framework using newly acquired tools and machinery. To augment the training quality and continuous capacity building, Planet One Education Limited will organise need based overseas training programmes for selected trainers and officials.

#### 11.5 Youth Unemployment

The Committee noted that unemployment is a challenge among all age groups however, its impact is particularly severe among the youth. Young people between the ages of 15 and 35 who are estimated to constitute about a third



(33.5%) of Ghana's population, encounter challenges in securing adequately paid and productive jobs after school, particularly, second cycle schools because they lack the requisite employable skills. This situation tends to increase the vulnerability of young people in the country. Thus, it is important for the country to establish world-class training centres with state-of-the-art modern infrastructure and technology in all regions of the country that will train and equip the youth who do not have the desire to pursue academic laurels, with employable skills.

The Committee is therefore of the view that the new centres must focus on reaching out to industries and align their course delivery to the needs of the industry.

#### 11.6 Location of the Centres

It came to the attention of the Committee that the Centres as per Phase 1 of the Project would be sited in the following regions as detailed below:

<b>Region</b>	<b>Centre Category Type</b>
Ashanti	Centre of Excellence
Upper East	Category B
North East	Category A
Savannah	Category A
Bono East	Category A
Ahafo	Category A
Western North	Category A
Eastern	Category B
Oti	Category A
<b>Total Centres</b>	<b>9</b>

As to the measures put in place to ensure a fair distribution of the Centres across the country, the Ministry assured the Committee that modalities will be instituted to ensure that all districts in the country benefit from a world-class TVET Centre that will train the underprivileged and socio-economically challenged youth. The Committee urges the Ministry to ensure that the new centres are sited at places within the country that could be accessed by all.

### 11.7 Procurement Approval

The Committee noted that by a letter dated 20<sup>th</sup> December, 2019, the Public Procurement Authority granted approval to the Ministry of Education to use the Single Source Procurement Method to engage Messrs SUMEC Complete Equipment & Engineering Company Limited and Planet One Education Limited, for the establishment of State-of-the-Art Technical and Vocational Institutions. This is in line with Section 40(1)(b) of the Public Procurement Act, 2003 (Act 663), and provides that *“a procurement entity may engage in single source procurement under section 41 of Act 663 with the approval of the Board where there is an urgent need for the goods, works or services and engaging in tender proceedings or any other method of procurement is impractical due to unforeseeable circumstances giving rise to the urgency which is not the result of dilatory conduct on the part of the procurement entity”*.

### 11.8 Value for Money Audit

The Committee sought to find out whether value for money assessment had been carried on the Contract. Officials of the Ministry informed the Committee that as a condition precedent, a Value for Money Audit would be conducted before the final Contract Agreement is signed. That notwithstanding, the Ministry has put in place measures to engage the Crown Agents to conduct a value for money assessment on the Contract, and a copy of the Report would be forwarded to the House when duly completed.

### 12.0 **CONCLUSION AND RECOMMENDATION**

The Committee has thoroughly examined the Contract for the establishment of 9 State-of-the-Art Technical and Vocational Centres of Excellence in the country.

The Committee notes with satisfaction that the 9 Centres, when established would provide the youth of the identified regions, demand-driven skills that will render them employable, enhance their livelihoods, reduce poverty and ultimately, lead to the socio-economic development of those regions and the country as a whole.

Accordingly, the Committee recommends to the House to adopt its Report, and in accordance with Article 181(5) of the 1992 Constitution of the Republic of Ghana, approve the Contract Agreement between the Government of the Republic of Ghana (represented by the Ministry of Education) and a consortium of SUMEC Complete Equipment & Engineering Company Limited and Planet One Education Limited for an amount of One Hundred and Fifty-Eight Million, Nine Hundred and One Thousand, Two Hundred and Seventy-Three Euros (€158,901,273.00) for the construction of nine (9) State-of-the-Art Technical and Vocational Training Institutes (Phase 1) in Ghana.

Respectfully submitted.



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**WILLIAM AGYAPONG QUAITTOO (HON.)**  
**(CHAIRMAN, COMMITTEE ON**  
**EDUCATION)**



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**ABIGAIL ABA ANSO**  
**(CLERK TO THE COMMITTEE)**

DECEMBER 2019