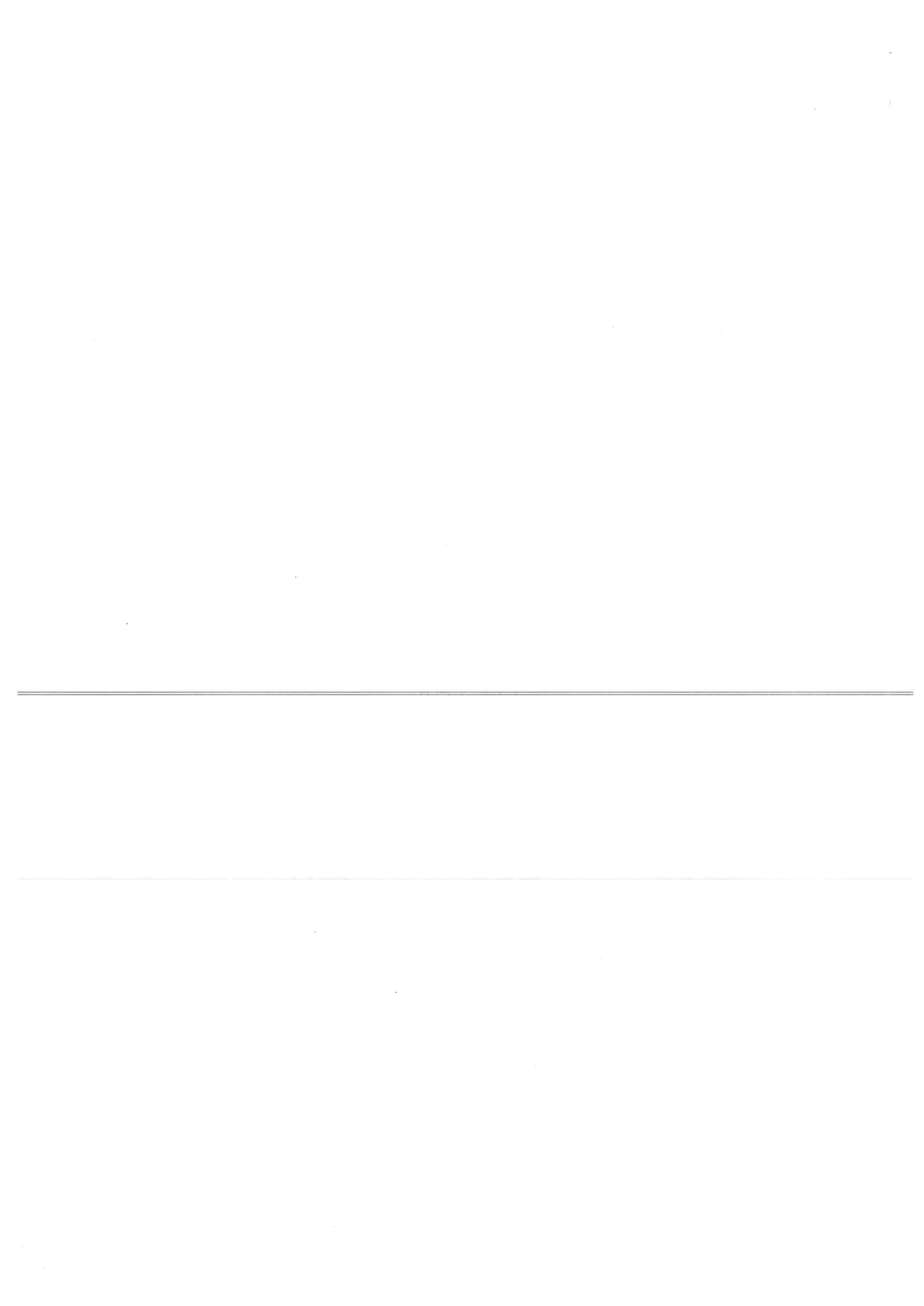


**IN THE FIRST SESSION OF THE SEVENTH
PARLIAMENT OF THE FOURTH REPUBLIC OF GHANA**

**REPORT OF THE
COMMITTEE OF THE WHOLE**

ON THE

**PROPOSED FORMULA FOR THE
DISTRIBUTION OF THE GHANA
EDUCATION TRUST FUND (GETFund)
FOR THE YEAR 2017**



REPORT OF THE COMMITTEE OF THE WHOLE ON THE PROPOSED FORMULA FOR THE DISTRIBUTION OF THE GHANA EDUCATION TRUST FUND (GETFund) FOR THE YEAR 2017

1.0 INTRODUCTION

1.1 In fulfilment of the provisions of section 8 (2) of the Ghana Education Trust Fund Act, 2000, (Act 581) the Distribution Formula for monies expected to accrue to the Ghana Education Trust Fund (GETFund) for year 2017 was laid in Parliament on Wednesday, 7th June, 2017 and referred to the Committee of the Whole for consideration and report.

Subsequently, the Committee met on Thursday, 8th June, 2017 and considered the referral.

1.2 The Committee is grateful to the Hon. Minister for Education, Dr. Matthew Opoku Prempeh, and the Acting Administrator of the Fund, Mr. Richard Boadu, for providing clarifications on the proposed Formula.

2.0 REFERENCE DOCUMENTS

In preparing its Report, the Committee availed itself of the following documents:

- i. The Standing Orders of the House.
- ii. The Ghana Education Trust Fund Act, 2000 (Act 581).
- iii. The Formula for the Distribution of Proceeds of the GETFund for year 2016.
- iv. The Formula for the Distribution of Proceeds of the GETFund for year 2017.

3.0 BACKGROUND INFORMATION

3.1 Section 8(2) of Act 581 provides that the Board of Trustees of the Fund is required to submit annually to Parliament for approval, a Formula for the distribution of funds to the following sub-sectors of education:

- a. Tertiary;
- b. Second Cycle;
- c. Basic; and
- d. Other related agencies of education, such as distance education, school and public libraries and special education.

3.2 In arriving at the 2017 Formula for the distribution of the Fund, the Board was guided by the following crucial factors that relate to education delivery and development in the country, as provided for in Section 8 (3) of Act 581:

- i. Promotion of the study of Mathematics, Science, and Technology.
- ii. Advancement of female education.
- iii. Reduction in the high level of illiteracy in historically disadvantaged areas.
- v. Promotion of computer, vocational and technical education and training.
- vi. Equitable allocation of funds to the Districts at the Pre-Tertiary level of education.

4.0 PROJECTED ACCRUALS FOR THE 2017 FISCAL YEAR

For year 2017, an amount of **seven hundred and ninety million, two hundred and twenty-four thousand, one hundred and forty-nine cedis (GH¢790,224,149.00)** is expected to accrue into the GETFund. The distribution of the amount of GH¢790,224,149.00 per the various

sub-sectors of education and other related areas is shown in the Table below:

GETFund Distribution Formula for year 2017

| SUB-SECTOR | AMOUNT (GH¢) | PERCENTAGE (%) |
|--|-----------------------|-----------------------|
| Tertiary | 255,500,000.00 | 32.33 |
| Secondary | 242,019,149.10 | 30.63 |
| Basic | 222,755,000.00 | 28.19 |
| Others (GETFund, Ministry of Education) | 50,400,000.00 | 6.38 |
| MPs: Emergency Projects | 15,125,000.00 | 1.91 |
| Monitoring (Including the Select Committee on Education) | 4,425,000.00 | 0.56 |
| T O T A L | 790,224,149.00 | 100 |

5.0 OBSERVATIONS AND RECOMMENDATIONS

5.1 Disbursement of Accruals for year 2016

The Committee was informed that an amount of one billion, twenty-one million, five hundred thousand cedis (GH¢1,021,500,000.00) was approved by the House for the Fund for year 2016. However, nine hundred and forty-eight million, nine hundred and forty-one thousand, three hundred and forty-nine cedis, thirty-three pesewas (GH¢948,941,349.33) representing 92.9% of the total approved funds was the actual outturn for year 2016.

It is worth noting that an amount of ninety-four million, five hundred and fifty-four thousand, nine hundred and seventy-nine cedis, ninety-three pesewas (GH¢94,554,979.93) in respect of GETFund's actual outturn is yet to be released to the GETFund.

The Committee expressed concern about the delays in the payment of accruals to GETFund. In the opinion of the Committee, delays in the

payment of accruals adversely affect the implementation of planned projects and programmes.

The Committee therefore urges the Ministry of Finance to release the outstanding amount of GH¢94,554,979.93 in respect of year 2016 as a matter of urgency to enable GETFund meet its 2016 commitments and liabilities.

5.2. **Focus Areas for year 2017**

The Committee noted that the new areas of focus of the Fund for year 2017 are as follows:

- i. Fencing of schools with high risk of encroachment.
- ii. Provision of white boards in schools.
- iii. Construction of kindergarten facilities.
- iv. Regulatory and Policy reforms.

Additionally, the structure of spending for the year 2017 Formula is aligned to the Education Sector's priority projects and programmes.

These are academic facilities and infrastructure; scholarships; allocation of funds to the Students Loan Trust Fund; procurement of teaching and learning materials; and demystifying and popularising Science, Technology, Engineering and Mathematics (SMET)/Information Communication Technology (ICT).

The Hon. Minister of Education informed the Committee that notwithstanding the new areas of focus of the Fund for year 2017, attention would be given to priority needs at all levels of education.

5.3 **Amendment of Act 581**

The Committee observed that there is the urgent need to amend the GETFund Act, 2000 (Act 581) to enable the Fund perform more efficiently. The Committee expressed concern about the membership of the Board of Trustees of the Fund comprising seventeen (17) persons

as provided in section 6 of Act 581. In the opinion of the Committee, the present composition is too large and must be reviewed.

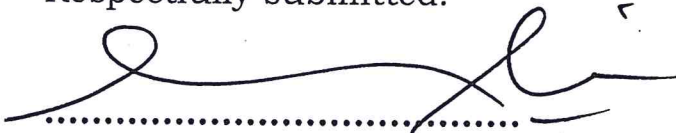
The Minister for Education assured the Committee that measures are being put in place to amend Act 581 in its entirety.

6.0 CONCLUSION

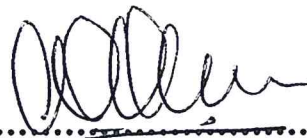
The GETFund, undoubtedly, plays an important role in the development of education in the country. The Committee, having examined the Distribution Formula of expected inflows into the Fund for year 2017, observed that the Fund would certainly support critical programmes and projects in the Education Sector. In order not to defeat the purpose for which the Fund was set up, the Committee urges the Ministry of Finance to ensure timely payments of accruals to enable GETFund meet its objectives.

The Committee hereby recommends to the House to approve its Report on the 2017 GETFund Distribution Formula for an amount of **seven hundred and ninety million, two hundred and twenty-four thousand, one hundred and forty-nine cedis (GH¢790,224,149.00)** to enable the GETFund Secretariat distribute same to the specified areas of the Education Sector.

Respectfully submitted.



.....
HON. JOSEPH OSEI-OWUSU
(FIRST DEPUTY SPEAKER AND
CHAIRMAN, COMMITTEE OF THE WHOLE)



.....
ABIGAIL ABA ANSO
(CLERK, COMMITTEE ON EDUCATION)

