

1. INTRODUCTION

On July 16, 2013, a Ministerial Report on the operation of the NYEP/GYEEDA, prepared by a committee set up by the Minister of Youth and Sports for that purpose, was presented to His Excellency, the President John Dramani Mahama. Ordinarily, as a Report of a Ministerial Committee, this would have required only a ministerial action, but there are embedded in the Report, certain matters that demand Presidential consideration and directives.

After very careful consideration of the issues raised in the report and assessment of the root causes and consequences of the reported developments Government is accordingly directing far-reaching measures to deal with the institutional and systemic failures that have been identified. These measures will also strengthen and introduce effectiveness, accountability and sustainability to this very important social and economic programme designed to alleviate the suffering of the youth of our dear country for whom the NYEP/GYEEDA was introduced some seven years ago.

To restore sanity and confidence to the scheme a serious attempt is being made by Government to address all faulty legal, institutional and operational arrangements that have bedeviled the scheme in ways that will secure the sustainability and justification for the continuation of the GYEEDA Scheme and also impact on the future role of all stakeholders of the Scheme.

2. CRITICAL MATTERS ARISING OUT OF THE REPORT

The following are the critical issues, which were raised by the Report.

2.1 Inadequate Institutional/legal framework

- No law backing the establishment of NYEP/GYEEDA;
- No Legislative (enabling) Instrument to operationalize the law;
- No Governing Board/Executive Management Team
- Ill-defined/inadequate organizational structure;
- No Conditions of Service to regulate employee relations;
- No Code of Conduct to regulate employee conduct;
- No Scheme of Service;

2.2 Poor Corporate Governance Practices

- Extreme focus of power and authority at the top echelons of power leading to situations where the Deputy National Coordinator, Monitoring & Evaluation teams and Regional Coordinators were not aware of new modules which had been approved and were being implemented.
- Service Providers disregarded Regional Coordinators who insisted on value-for-money.

2.3 Human Resource deficiency and inadequate operational and administrative processes and procedures

- Inadequate recruitment procedures - recruitment without recourse to relevant guidelines and laid-down procedures in the Public Services.
- Disregard for best practices in the recruitment, placement of personnel, promotion and performance management etc.
- Recruitment not being based on qualification, experience or competence and therefore leading to the recruitment of untrained/unqualified, inexperienced personnel, some with fake certificates.
- Inadequate system to regulate allocation of duties and responsibilities, and monitoring of performance.
- Unsatisfactory information flow and feedback amongst staff.
- Poor human resource management practices/lack of human resource management policies.
- Lack of commitment on the part of the leadership to protect public funds allocated to the NYEP/GYEEDA.

2.4 Lack of adequate financial management framework

- The Communication Service Tax, District Assemblies Common Fund, Road Fund, National Health Insurance Levy, are statutory and no provisions had been made specifically for such purposes as GYEEDA but were improperly allocated to GYEEDA without going through necessary procedures.
- Payment of unnecessary financing costs (100%) by GYEEDA as a result of pre-financing the activities of the Service Providers.
- Poor/inadequate/lack of requisite structures and systems to effectively manage the amount of national resources received.
- Inadequate capacity of accounting personnel, particularly the Chief Financial Officer/Deputy National Coordinator-Finance (CFO/DNC-Finance) and his inability to supervise accounting operations.
- In-adequate cost-benefit analysis of contract sums to ensure value-for-money.
- Poor/Inadequate financial controls – lack of budgeting and financial planning, and monitoring of finances.
- Lack of capacity to control income and expenditure (receipts and payments).
- Poor/inadequate documentation, irregular preparation of financial statements monthly, quarterly and annually.
- Lack of any system for recording all financial transactions undertaken by GYEEDA.

2.5 Inadequate financial oversight.

- No Audit Report Implementation Committee or an internal audit function although MOYS and GYEEDA are involved in financial decisions (especially with respect to procuring Service Providers).

- Disregard for Auditor-General's findings on weaknesses in the financial practices of GYEEDA.
- Payments to Service Providers were not done after checks to ensure payments were actually in respect of beneficiaries who actually benefited from the programme.

2.6 Inadequate project definition, evaluation and award procedures

- No strategic plan to form the basis for the acquisition and provision of services by GYEEDA.
- Initiatives from conceptualizing modules, planning and execution were largely controlled by the Service Providers and not based on properly identified and defined demands by GYEEDA/Government.
- Modules approved individually without recourse to a general programme direction and coordination of the process for initiating, planning, execution, monitoring, controlling and closing the modules.
- Duplication of programmes, particularly with those being run by other institutions such as COTVET, LESDEP, NVTI, and the Department of Social Welfare.
- Lack of adequate framework for service delivery.
- Poor value-for-money evaluation

2.7 Inadequate policy direction, control and supervision

- Lack of strategic direction.
- Ministerial execution of MOUs without proper recourse to the Attorney-General (and GYEEDA).
- Requisite level of influence, commitment, circumspection and/or leadership required of the political leadership of MoYS and the National Coordinators of GYEEDA was not exercised at all times.

2.8 Loss of (Government) Documents

The Committee could not locate copies of contracts signed by MoYS - and other vital documents between 2006 and 2008 in order to determine the regularity or otherwise of all the contracts executed prior to 2008.

3. INSTITUTIONAL REFORMS & TRANSITIONAL MEASURES

Government shares the observation of the Committee that the NYEP/GYEEDA has from its inception in 2006, lacked the requisite legal, institutional and operational framework that could have provided the needed direction. The broad objectives of NYEP/GYEEDA from inception through subsequent developments have been understood to:

- Serve as a skills and basic entrepreneurial development scheme for the many un-employed youth not able to access employment for lack of employable skills.

5. CONCLUSIONS

It should be noted that the Committee, admitted certain constraints it faced including limited time for investigation, and non-availability of vital documentation. These constraints should have been taken into consideration to ensure that all persons and organizations mentioned in the report are treated fairly.

The Government wishes to commend the members of the Ministerial Assessment and Review Committee established by the Ministry of Youth & Sports for undertaking such an important national exercise and urge all persons and institutions assigned with responsibilities in this Government Action Paper to act expeditiously and with a sense of urgency.

- Serve as an incubation scheme for the youth who may be encouraged to switch from employment-seeking to employment generation through entrepreneurship development.
- Serve as an avenue for mobilizing and exposing the youth to employable skills originally outside their field of preference, and
- To stem the spate of youth un-employment during the transitional period of national economic development adjustment by channeling the enthusiasm and energies of the youth into essential national programmes.

These objectives are as valid today as when the scheme was conceived and must therefore be sustained as recommended by the Committee. As the Scheme undergoes serious review and restructuring, efforts will be made to preserve the noble objectives while purging the scheme of the many problems, which the investigation has revealed. Therefore in the absence of a legal and institutional framework the following actions are directed:

3.1 The process of drafting a GYEEDA Bill for consideration by cabinet and subsequently by Parliament, which began in 2012 must immediately be reactivated and completed. The Chief of Staff is accordingly instructed to coordinate work on this exercise to ensure the draft bill is ready for consideration by Cabinet not later than 6 weeks, and subsequently to Parliament.

3.2. In drafting the GYEEDA Bill the issue of ministerial responsibility should be revisited. It should be ascertained if the Ministry of Youth and Sports has the right orientation and operational capacity to supervise GYEEDA as a Youth Employment Scheme interfacing with the Private Sector.

3.3 The GYEEDA Bill shall take into account the weaknesses identified in the Committee's report and shall in particular provide for the following, among others, a Governing Board, funding sources, accounting, properly defined functions/objects and for the making of regulations.

3.4 Pending the establishment of formal institutional and operational framework for GYEEDA, Government has undertaken to immediately establish an Interim Management Committee.

4. ACTIONS & DIRECTIVES

The Ministerial Impact Assessment & Review Committee admits that they did not have access to all information they would required and did not have enough time to get into greater details on certain other aspects of the report. It also known that the Committee was unable to interrogate some of the individuals mentioned in the report. Consequently, and in compliance with the principles of natural justice, EOCO and the Attorney General's Department as well as the Police CID have been directed to commence action against all persons and organizations cited in the Ministerial Committee Report in respect of financial and administrative improprieties, as well as retrieval of monies to state.