

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

REPORT OF THE COMMITTEE OF THE WHOLE

ON THE

**PROPOSED FORMULA FOR THE DISTRIBUTION OF THE
GETFUND FOR 2024**

**PARLIAMENT OF GHANA LIBRARY
PARLIAMENT HOUSE
OSU - ACCRA**

**REPORT OF THE COMMITTEE OF THE WHOLE ON THE PROPOSED
FORMULA FOR THE DISTRIBUTION OF THE GHANA EDUCATION TRUST
FUND (GETFund) FOR THE YEAR 2024**

1.0 INTRODUCTION

The Proposed Formula for the Distribution of the Ghana Education Trust Fund (GETFund) for the year 2024 was presented to Parliament on Wednesday, 13th March, 2024 by the Hon. Majority Chief Whip, Mr. Frank Annoh-Dompreh on behalf of the Majority Leader, pursuant to section 8(2) of the Ghana Education Trust Fund Act, 2000, (Act 581).

Pursuant to Order 261 of the Standing Orders of the House, the Hon Deputy Speaker referred the Proposed Formula to the Committee of the Whole for consideration and report.

The Committee met on Monday, 18th March, 2024 and considered the referral. The Committee expresses its appreciation to the Hon. Minister for Education, Dr. Yaw Osei Adutwum, the Administrator of the GETFund, Dr. Richard Boadu and officials of the GETFund for attending upon the Committee.

2.0 REFERENCE DOCUMENTS

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

- i. The Standing Orders of the House
- ii. The Ghana Education Trust Fund Act, 2000 (Act 581)
- iii. Earmarked Funds Capping and Realignment Act, 2017 (Act 947)
- iv. The Ghana Education Trust Fund (Amendment) Act, 2018 (Act 972)
- v. The Proposed Formula for the Distribution of the GETFund for the year 2023.
- vi. The Report of the Committee of the Whole on the Proposed Formula for the Distribution of the GETFund for the year 2023, and
- vii. The Proposed Formula for the Distribution of the GETFund for the year 2024.

3.0 BACKGROUND

Section 8(2) of GETFund Act (Act 581) mandates the Board of Trustees of the GETFund to submit annually to Parliament for approval, a Formula for the distribution of funds in respect of the following:



- a) Tertiary Education
- b) Second-cycle Education
- c) Basic Education
- d) Investment
- e) Other related aspects of education such as distance education, school and public libraries and special education.

Section 8(3) of the GETFund Act (Act 581) further requires the Board of Trustees of the Fund to take into account, some crucial factors to the delivery and development of education in preparing the Formula for the distribution of the Fund. These relevant factors are:

- Promotion of the study of Mathematics, Science and Technology
- Advancement of female education
- Reduction in the high level of illiteracy in historically disadvantaged areas
- Promotion of Computer, Vocational/Technical Education and Training
- Equitable allocation of funds to the Districts at the Pre-Tertiary level of education.

Together with the related critical factors, the structure of spending was calibrated to support and achieve expansion of access, improvement of quality, and bridging the social and spatial gaps that tend to generate inequities in the education sector, especially at the pre-tertiary level and, also in deprived and hard to reach communities.

The allocations to the Fund are made based on the Government's Annual Budget Statement and Economic Policy approved by Parliament for the 2023 fiscal year in accordance with the GETFund Act 2000, Act 581 as amended by Act 972, and the Earmarked Funds Capping and Realignment Act 2017, Act 947.

4.0 PERFORMANCE FOR 2023

4.1 GETFund Allocation and Disbursement for the year 2023

For the 2023 fiscal year, an amount of **One Billion, Eight Hundred and Sixty-Nine Million, Five Hundred and Sixty-Three Thousand, Two Hundred and Eighty-One Ghana Cedis** (GH¢1,869,563,281) was initially allocated to the GETFund. This amount was however increased to **Two Billion, Three Hundred and Eighty-One Million, Five Hundred and**

Seventy-Three Thousand Ghana Cedis (GH¢2,381,573,000.00) in the 2023 Mid-Year Budget Review. Table 1 shows the breakdown of the allocation:

Table 1: 2023 Allocations and Disbursements of the GETFund

Sub-sector	Disbursements (GH¢)
Debt Service	764,738,656
Tertiary Education	290,555,680
Second Cycle Education	1,003,575,057
Basic Education	117,834,413
Others	144,755,505
GETFund Admin.	73,279,345
Total	2,394,738,656

Source: Distribution Formula for 2023

4.2 Disbursement of Funds

A total amount of Two Billion, Three Hundred and Ninety-Four Million, Seven Hundred and Thirty-Eight Thousand, Six Hundred and Fifty-Six Ghana Cedis (GH¢2,394,738,656.00) was released in the 2023 fiscal year. The total disbursement and outstanding arrears provided in Tables 2 and 3.

Table 2: Summary of Disbursement as at 31st December 2023

SECTOR	AMOUNT GH¢
Debt Service	764,738,656
Tertiary	290,555,680
Second Cycle	1,003,575,057
Basic	117,834,413
Others	144,755,505
GETFund Admin.	73,279,345
Total	2,394,738,656

Table 3: Releases and outstanding arrears.

PERIOD	AMOUNT DUE (GH¢)	AMOUNT RECEIVED (GH¢)	AMOUNT OUTSTANDING (GH¢)
2016 Balance B/F	57,425,808.00	-	57,425,808.00
2022 Balance B/F	914,418,867.00	914,418,867.00	-
2023 Actual	2,331,573,431.00	1,480,319,789.00	851,253,642.00
TOTAL	3,303,418,106.00	2,394,738,656.00	908,679,450.00

4.3 Proceeds from the Bond Programme

The Committee was informed that the Domestic Debt Exchange Programme undertaken by Government has effectively truncated the Daakye Bond Programme which provided additional funds for infrastructure development. The outstanding bond is presented in Table 3.

Table 3: Bonds Outstanding

Company	Total Bonds Exchanged (GHC)	Total Bonds in Register (GHC)	Percentage (%)
Daakye Trust Plc	-	2,622,531,961.00	100
Bonds Exchanged on 2022	1,358,016,281.00	-	51.78
Bonds Exchanged in 2023	1,129,089,103.00	-	43.06
Total Bonds Exchanged	2,487,105,384.00	2,487,105,384.00	94.84
Total Outstanding Bonds		135,426,577.00	5.16

5.0 Major Projects Undertaken by the Fund in year 2023.

5.1 Construction and completion of academic facilities

The Fund undertook some major projects which are at various stages of completion in the year 2023. These include construction and completion of academic facilities in the various public tertiary institutions, rehabilitation of dormitories, classrooms, dining halls and other facilities at various Senior High Schools. A total of 2,731 projects were completed by 31st December, 2023 as shown in Table 4.

Table 4: Completed Projects as at 31st December, 2023

Sub-Sector	PRE 2017	2017 to Date	Total
Tertiary	127	1	128
Second Cycle	541	602	1,143
E-Blocks	15	-	15
Model Schools	-	2	2
TVET Centers	-	2	2
Basis	907	534	1,441
Total	1,590	1,141	2,731

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5.2 Provision of Local Scholarships

For the year 2023, the GETFund awarded a number of scholarships to eligible applicants to pursue studies in various institutions locally. No scholarships were awarded for students to study abroad due to budgetary constraints. The breakdown is indicated in Table 5 below.

Table 5: Scholarships Awarded in 2023

Program Category	Local	Foreign	Total
Doctorate	192	-	192
Masters	1,136	-	1,136
Undergraduate	2,744	-	2,744
Others	207	-	207
Total	4,279	-	4,279

6.0 ALLOCATION FOR 2024

For the 2024 fiscal year, a total projected amount of **Three Billion, Nine Hundred and Thirty-Five Million, Seven Hundred and Eighty Thousand Ghana Cedis (GHC3,935,780,000.00)** has been allocated to the fund from the 2024 Appropriation, the Debt Service Account (DSA) by Dakye Trust PLC and other sources. The sources of funding for the 2024 allocation are presented in Table 4.

Table 4: Sources of funds for 2024 Allocation

Sources of Funds	Amount (GHC)
2024 Appropriation	3,273,770,485.00
Debt Service Account by Daakye PLC	500,000,000.00
Additional Funding from Government in 2023 (unallocated)	162,010,000.00
Total Allocation	3,935,780,000.00

For the fiscal year 2024, an amount of **Three Billion, Two Hundred and Seventy-Three Million, Seven Hundred and Seventy Thousand, Four Hundred and Eighty-Five Ghana Cedis (Ghc3,273,770,485)** was allocated to the **Fund by the 2024 Appropriation**. In addition, an unallocated amount of **Ghc162,010,000** from 2023 is available for distribution in this formula. The successful completion of the Domestic Debt Exchange Programme by Government has resulted in the exchange of a total of 94.84% of the Daakye bonds. This has

made it possible for the Board of Directors of Daakye Trust PLC to approve an amount of **Gh¢500,000,000** from its Debt Service Account (DSA) for the payment of contractor obligations in 2024.

6.1 THE DISTRIBUTION FORMULA FOR FISCAL YEAR 2024

The Formula for distributing the amount which is aligned to the education sector priority projects and programmes is presented in Table 6 (see appendix one for the detailed Formula).

Table 6: GETFund Distribution Formula for 2024

Sub Sector	Amount (GH¢)	Percentage
Debt Service	88,987,000.00	2.26
Shortfall Recovery	-	-
Tertiary Education	1,093,399,000.00	27.78
Second Cycle Education	1,551,959,000.00	39.43
Basic Education	800,341,000.00	20.34
Others (GETFund, Ministry of Education, Youth Employment Agency etc.)	332,344,000.00	8.44
Members of Parliament (Emergency projects and monitoring)	68,750,000.00	1.75
Total	3,935,780,000.00	100

Source: 2024 Distribution Formula

6.2 SECTORAL ALLOCATIONS

6.2.1 Tertiary Education

Tertiary education has been allocated **27.78% (Gh¢1.093 billion)** of total available inflows to support a range of activities and interventions. A percentage of **72.47** representing a total amount of **Gh¢792.39 million** has been earmarked for payment of arrears and completion of ongoing projects within the tertiary sub sector.

To cater for continuing students under the GETFund scholarship scheme and the award of new sponsorships for students to pursue various programmes locally and abroad, an amount of **Gh¢176 million** has been allocated for 2024.

6.2.2 Secondary Education

For secondary education an amount of **Gh¢1.552 billion** has been allocated representing **39.43%** of total spending for the year 2024. A percentage **86.98** representing an amount of **Gh¢1.349 billion** will be spent on the settlement of arrears and completion of second cycle projects and programmes including, E-Blocks and Models schools.

6.2.3 Basic Education

A total allocation of **Gh¢800.34 million** representing **20.34%** of the total projected spending from the available funds has been made for funding various projects and programmes in Basic Education. Out of this, a percentage of **62.83** representing an amount of **Gh¢502.84 millions** of spending is towards the settlement of arrears and completion of Basic school infrastructure.

The Committee noted that due to the deficit in Basic School infrastructure, namely classrooms, and toilet facilities, a total amount of **Gh¢130 million** has been allocated in the 2024 Formula to construct new facilities. A further amount of **Gh¢100 million** has been allocated to procure furniture for basic schools to reduce the furniture deficit.

6.2.4 Support for the Ministry and its Agencies

A total of **8.44%** (**Gh¢332,344 million**) of total projected spending has been allocated to the Ministry of Education and Institutions and Agencies within the Education Sector. This includes allocations for GETFund operations, Youth Employment Agency, and the Scholarship Secretariat. An allocation has also been made for the completion of the GETFund office building, IT infrastructure and furnishing.

6.2.5 MP's Emergency Projects and Monitoring

The **Fund** also made provisions for Members of Parliament to enable them to undertake and monitor in their constituencies. For this year, a percentage of **1.75** representing an amount of **Sixty-Eight Million, Seven Hundred and Fifty Thousand Ghana Cedis (Gh¢68,750)** of the total amount has been allocated for that purpose.

7.0 OBSERVATIONS

7.1 COMPLETION OF OUTSTANDING PROJECTS AND PAYMENT OF ALL ARREARS

The Committee was informed that the principal objective underpinning the 2024 Distribution Formula is to fully pay all outstanding arrears, complete all ongoing projects and commence work on stalled projects. According to the Fund, there is a total of 3,606 ongoing projects scattered across the various regions at various stages of completion. These include construction and completion of academic facilities in the various public tertiary institutions, rehabilitation of dormitories, classrooms, dining halls and other facilities at various Senior High Schools. To this end, a significant allocation of **Gh¢1,047,085,000** has been made for this purpose. The details are provided in Table 7.

Table 7: Details of payment of arrears/ completion of on-going projects

Item	Allocation – 2024 (GHC)
Payment of Arrears on Tertiary Projects/ Programmes	249,377,000
Completion of Tertiary On-going Projects	166,116,000
Payment of Arrears on Second Cycle Projects/ Programmes	172,911,000
Completion of SHS On-going Projects	197,875,000
Payment of Arrears on Basic School Projects/ Programmes	136,869,000
Completion of On-going Basic Projects	123,937,000
TOTAL	1,047,085,000

Source: Distribution Formula 2024

The Fund informed the Committee that the projects would be executed through the Regional Coordinating Councils (RCCs) and district assemblies. While the Committee commended the Fund on this initiative, it urged Hon. Members to liaise with their respective RCCs and district assemblies to monitor the implementation of the projects.

7.2 SPECIAL SHS/TVET DIGITALIZATION (INNOVATION) PROGRAMME-PROVISION OF TABLETS

The Government of Ghana through the Ministry of Education introduced the Special SHS/TVET Digitalization (Innovation) Programme in 2023. The programme's objective is to procure tablets for students in second cycle institutions. In 2023, the Fund allocated an amount of GH¢740,000,000 as part payment for the procurement of 450,000 tablets. The Committee observed that the 2024 Formula has a provision of GH¢747,500,000 to pay for the outstanding arrears.

The Committee noted that although the project cost represents 18.99 per cent of the total allocation to the Fund, the project details are not known to the House. The Committee therefore requested among other things the contract documents, the total contract sum, the cost per unit of the tablet, the procurement method, content on the tablets, and the policy on the utilization of these tablets.

The Minister assured the Committee that all relevant details in relation to the contract, policy guidelines for the utilization of these tablets would be made available to the House in due course.

7.3 LAPTOP FOR TEACHERS

The Committee observed that an amount of GH¢96,535,000.00 constituting 2.45 per cent of the Fund has been allocated for the payment of arrears for the procurement of laptops for teachers.

While the Committee considered the programme as a laudable idea, it requested for details relating to the cost per unit, the contract sum, the procurement method, content on the laptops, and the policy on the utilization of these laptops.

The Minister assured the Committee that all relevant details in relation to the contract and policy guidelines for the utilization of these laptops would be made available to the House in due course.

7.4 GETFUND OPERATIONAL AND MONITORING COSTS

The Committee observed that an amount of GH¢108,106,000 has been allocated for operational and monitoring costs of the Fund. This amount represents 53.2 per cent increase of last year's allocation of GH¢57,544,000. On what has accounted for the huge jump in the allocation, the Administrator of the Fund explained that the allocation is to cater for the expenses and operational cost of the Secretariat of the Fund in the first five (5) months of the ensuing year, 2025. According to the Administrator, since it usually takes a while for the Board of the Fund to be constituted after a new Government is formed, the provision is to ensure that the Fund is able to carry out its mandate prior to the constitution of a new Board.

7.5 PROVISION OF FURNITURE

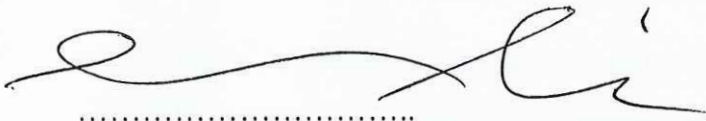
The Committee observed that the Fund made a total allocation of GH¢145,000,000 for the provision of furniture for both basic and second cycle institutions. The Committee was commended the Fund for the increase in allocation, especially the allocation of GH¢100,000,000.00 made for basic schools, which is an increase of last year's GH¢15,000,000. However, the Committee noted with worry the quality of furniture being procured for the basic and secondary schools considering the quantum of allocations made to this project and recommended that the provision of furniture should be the sole mandate of the Regional Coordinating Councils.

8.0 CONCLUSION

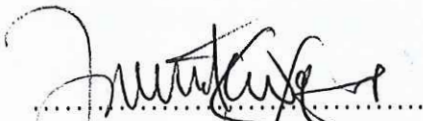
Having examined the Distribution Formula for the Fund for the year 2024, the Committee believes that GETFund Distributing Formula has allocated fairly the resources across the various levels of education in line with Government’s objective of improving access, equity and quality of education delivery.

The Committee therefore recommends to the House to adopt its Report and approve the sum of **Three Billion Nine Hundred and Thirty-Five Million, Seven Hundred and Eighty Thousand Ghana Cedis (GH¢3,935,780.00)** for the year 2024 in line with the Distribution Formula.

Respectfully submitted



**HON. JOSEPH OSEI OWUSU
(FIRST DEPUTY SPEAKER AND
CHAIRMAN OF THE COMMITTEE**



**DR. ERNEST DARFOUR
SENIOR ASSISTANT CLERK
AND CLERK TO THE COMMITTEE**

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APPENDIX I

DISTRIBUTION FORMULA - GETFUND 2024

REVENUE	2024		2023	
	(GH¢' 000)	%	(GH¢' 000)	%
2023 Amount unallocated	162,010	4.12	-	
Amount from Daakye Programme DSRA	500,000	12.70		
Revenue Allocation from MoF	3,273,770	83.18	2,169,563	
Total Expected Revenue	3,935,780	100.0	2,169,563	
SUB-SECTOR ALLOCATION				
LONG TERM LOAN FACILITY				
Debt Service Account (Syndicated Loans)	88,987	2.26	-	
	88,987	2.26	-	-
SHORTFALL RECOVERY				
Recovery of 2022 shortfall	-	-	619,690	28.56
	-	-	619,690	28.56
TERTIARY EDUCATION				
Payment of Arrears on Tertiary Projects/Programmes	249,377	6.34		
Completion of Tertiary On-going Projects	166,116	4.22		-
Academic Facilities & Infrastructure - Priority/New	70,000	1.78	45,000	2.07
Upgrade of TVET Workshops - Technical Universities	216,826	5.51	-	-
Scholarships (Continuing Students and New)	176,000	4.47	75,000	3.46
Students Loan Trust	40,000	1.02	15,000	0.69
Faculty Development & Research	15,000	0.38	10,000	0.46
Completion of 46 Hostels in Colleges of Education	80,000	2.03	20,000	0.92
Special Interventions - 5 Hostels /SPI	80,080	2.03	15,000	0.69
Sub-total	1,093,399	27.78	180,000	8.30
SECOND CYCLE EDUCATION				
Payment of Arrears on Second Cycle Projects/Programmes	172,911	4.39	-	0.69
Completion of SHS On-going Projects	197,875	5.03	15,000	0.69
New SHS Targeted & Emergency Projects,	50,000	1.27	50,000	2.30
Completion of Community Day SHS	88,721	2.25	-	-
Rehabilitation of Dilapidated Structures	20,000	0.51	20,000	0.92
Completion of Model Schools	99,852	2.54		-
SHS Laboratory Equipment	83,000	2.11	30,000	1.38
Motor Vehicles - Arrears	30,000	0.76	5,000	0.23
TVET Centres - Arrears	13,000	0.33	25,002	1.15
Furniture for SHS	45,000	1.14	27,000	1.24
Science Technology Engineering & Mathematics (STEM)/AIMS/IEPA	2,000	0.05	-	-

Smart School (WAN, Internet, LAN) Pilot Project	2,100	0.05	-	
Special SHS/TVET Digitalisation(Innovation) Programme - Arrears	747,500	18.99	740,000	34.11
Sub-total	1,551,959	39.43	912,002	42.04
BASIC EDUCATION				
Payment of Arrears on Basic School Projects/Programmes	136,869	3.48	-	1.07
Completion of On-going Basic School Projects	123,937	3.15	20,000	1.07
New Basic School Projects	100,000	2.54	90,952	4.19
Construction of KG Classrooms	30,000	0.76	30,000	1.38
Textbooks Arrears	120,000	3.05	85,000	3.92
Furniture for Basic Schools	100,000	2.54	15,000	0.69
ICT in Early Childhood Education - Arrears	25,500	0.65		-
White Boards for Basic Schools	45,000	1.14	15,000	0.69
Laptops For Teachers - Arrears	96,535	2.45		-
Water and sanitation for Schools (Boreholes & Toilets)	3,000	0.08	1,000	0.05
Institutions of the Handicapped	5,000	0.13		-
Rehabilitation of Dilapidated Structures	10,000	0.25	10,000	0.46
Promotion of French	3,000	0.08	2,000	0.09
Special Programs to promote Girl Child Education and Maths/Science	1,500	0.04	1,500	0.07
Sub-total	800,341	20.34	270,452	12.61
OTHERS				
MOE and Subvented Agencies	23,000	0.58	10,000	0.46
Scholarship Secretariat	7,000	0.18	3,000	0.14
Completion of GETFund Office Building	53,000	1.35	20,000	0.92
I.T. Infrastructure & Furnishing of New Office Building	36,238	0.92	-	-
GETFund Operational and Monitoring Costs	108,106	2.75	57,544	2.65
Youth Employment Agency	100,000	2.54	55,000	2.54
Contingencies	5,000	0.13	2,000	0.09
Sub-total	332,344	8.44	147,544	6.80
MEMBERS OF PARLIAMENT				
MPs Emergency Projects	41,250	1.05	27,500	1.27
MPs Monitoring	27,500	0.70	12,375	0.57
Sub-total	68,750	1.75	39,875	1.84
GRAND TOTAL	3,935,780	100	2,169,563	100