

STOP MAHAMA DRAINING THE COFFERS IN ANOTHER ELECTION YEAR
A NEWS CONFERENCE, ADDRESSED BY BOAKYE AGYARKO, NPP, POLICY ADVISOR

Good morning Ladies and Gentlemen.

Thank you for joining us this morning for a briefing on startling details of President John Mahama's commitment to paying nearly Half a Billion Ghana Cedis (GH¢448,150,762), being a purported management service fees, to a company with no contractual engagement with the State. Already, GH¢62 million of this illegal amount has been paid.

And to make matters worse, Cabinet has given go ahead for the use of the 10% of the District Assembly Common Fund allocated to the Youth Employment Agency (YEA) to make this illegal payment. This amount is meant to pay for 45,000 workers who are actually on the payroll of the various District Assemblies. So, the Assemblies are responsible for paying the wages of the 45,000 and not the service provider.

This act of corruption is a matter for which Ghanaians must demand, and deserve answers to. We also need to note the fact that the Board of the Youth Employment Agency is being asked to take all necessary steps to ratify the sanitation contract for 2013 – 2015. Since this contract has expired and not in operation, why would they ratify it by backdating? They try to justify the necessity but claiming that sanitation activities could not be brought to an abrupt end country-wide, yet this is not the case with nurses, teachers and other essential services workers who have active on-going contracts yet have not been paid their salaries which are many months in arrears.

This illegal payment for a nonexistent contract is related to a previous scheme dating back to 2012, the same year that some \$2 billion of unbudgeted funds were spent in a reckless and corrupt way to fund John Mahama's election bid. The Auditor General's report on the infamous Ghana Youth Employment and Entrepreneurial Development Agency (GYEEDA) highlighted the misappropriation of public funds, fraudulent transfers, and illegal payments to various entities linked to friends and family of John Mahama.

We do so painfully recall that at the end of the first term of the National Democratic Congress in December 2012, under President John Mahama, the NDC gave away about One Billion Ghana Cedis (GH¢949,661,017) through GYEEDA, for mainly little or no work done, with the organization "owing" another GH¢259,000,000 in arrears when the elections were over. Thus, as much as One Point Two Hundred and Ten Billion Ghana Cedis (GH¢1,208,661,017) was spent on an elaborate, corrupt scheme, created mainly to assist President John Mahama hold on to power in 2012, using the false excuse of creating jobs for the young people of Ghana. Four years on, still, every one in two young persons is unemployed.

It is useful to recollect that the NPP's National Youth Employment Programme was launched on October 3rd, 2006. In under two years, by the time the NPP left office on January 7, 2009, 110,000 young people were employed under the scheme, earning incomes and not a single allegation of scandal was linked to the NYEP. The first innovative policy initiated by the NDC when they took office was to change the name from NYEP to GYEEDA, after which they proceeded to lay off all the 110,000 young Ghanaians under the NYEP. Yet, after spending an equivalent of nearly half a billion dollars, the NDC has not been able to employ more than 70,000 young Ghanaians under the scheme in eight years.

It was by this time in 2012 that hundreds of millions of Ghana Cedis were released for unbudgeted expenditure, including the payments to rLG, for distribution of laptops embossed with President Mahama's campaign pictures.

The amounts fraudulently abused under these so-called employment schemes went to companies with very close links to the Presidency, such as cousin companies Zoomlion Ltd and Better Ghana Services Ltd, LESDEP, SADA, NADMO, and, offspring companies from the womb of the AGAMS Group such as rLG, Craftpro and Asongtaba. Some of the payments made to AGAMS, for instance, were laundered and rechanneled to fund campaign spending on billboards, newspaper, TV and radio adverts for the President and his party, the National Democratic Congress.

Indeed, such was the impunity used in abusing public funds that the benefiting media houses did not even bother to question why cheques from AGAMS were issued to them for payments of adverts done for the ruling party. An illegal loan of GH¢50 million was also advanced to the AGAMS Group by GYEEDA. Ghana paid for laptops from rLG of which only a small number was eventually supplied. The Ghana National Education Coalition in 2013 complained about the fact that the laptop contract, sole-sourced to rLG, using a cheap Ubuntu software, was twice as expensive as other similar computers on the local retail market.

GYEEDA, which replaced the National Youth Employment Programme of the NPP, was set up ostensibly to offer jobs for young Ghanaians. Instead, it became a conduit for looting state funds and funding the President's 2012 campaign. To date, not a single person has been successfully prosecuted for this blatant, systematic theft of state funds.

The President could not prosecute because he directly benefited from the theft. His good friend Roland Agambire was allowed to move to set up offices and home in Dubai where he continues to do business with the President.

On April 12, 2013, a 5-member Impact Assessment Committee was set up by the Minister for Youth & Sports at the time, Elvis Afriyie Ankrah. The Committee's report, which was prepared on July 16, 2013, recommended that the specific contract involving Zoomlion and Better Ghana Services be referred to the

Attorney-General for advice on prosecution.

Also, a Value-for-Money Committee was formed, with Kobby Acheampong heading it, which recommended the cancellation of the GYEEDA modules, affecting also Zoomlion's sanitation modules. In a memorandum that Elvis Afriyie-Ankrah sent to Cabinet in May this year, he stressed, "It is this Value-for-Money Committee that recommended the cancellation of Modules after having properly scrutinized the activities of the modules and engaged the Executives of the affected modules. I carried out the recommendation to cancel the affected modules exactly two days after the Value-for-Money Committee's Recommendation to do so was brought to my attention."

We have a copy of the letter dated November 29, 2013, signed by the Minister, Elvis Afriyie-Ankrah, to the CEO of Zoomlion, copied to the Chief of Staff, Attorney-General and the Executive Director of GYEEDA at the time, Kobby Acheampong. This letter suspended payment of the contracts on the ICT and Sanitation modules.

In his May 2016 memo to Cabinet, Minister of State Elvis Afriyie-Ankrah made it clear that the GH¢448m that the NDC has prioritized payment for Zoomlion now is for a period that the sanitation company had no contract with the state.

In fact, the Minister said in the memo that the Executive Chairman of Zoomlion Ltd admitted in a meeting with the Committee that Zoomlion's two-year renewable contract, which began in 2006, was not renewed in 2013. Mr Afriyie-Ankrah wrote, "He confirmed to the meeting that payment had not been made for services rendered from 2013 to 2015 (i.e. the period for which a binding contract did not exist between the company and the State."

The memo also further informed Cabinet that the Board of YEA was looking at a payment plan "to offset the indebtedness to Zoomlion by using the 10% allocation disbursed to it under the Regulation of the National Youth Agency by the DACF."

Since then, the Youth Employment Agency has been instructed "to take all necessary steps to ratify the sanitation contract for 2013-2015 [that never existed]" and to go ahead and "negotiate and sign a value for money contract for 2015-2017."

Cabinet has also given the go-ahead for "YEA Board's decision to allow the District Assemblies Common Fund to continue to service the debt owed Zoomlion Ltd by using part of the 10% allocation made to it under the new YEA Regulation 2016 to amortise the accumulated debt due Zoomlion Ltd."

In effect, the public was told after the ministerial committee report on GYEEDA in 2013 that the contract had been terminated. However, this pre-election decision to pay off GH¢448m demonstrates that the associated presidential directives were a lie.

Zoomlion, on the average, earns a management fee of GH¢4,979.45 per employee per year. This means that each worker has to earn GH¢414.95 in order to match the monthly management fee earned by Zoomlion for managing each worker! In actual fact most of these workers earn a meagre amount, between GH¢200-300 per head per month.

You may recall that in August 2016, the President issued a number of directives regarding the corruption and blatant abuse of public funds at GYEEDA. Among the directives were: (i) Place a moratorium on the creation of new modules; (ii) suspend all payment on GYEEDA contracts; (iii) secure refund of all monies wrongfully paid to or appropriated by any individual or company; undertake a complete review of all GYEEDA modules and accompanying contracts to ensure value for money and; (v) cancel all contracts that do not stand the value for money test.

Why should Ghanaians be saddled with a debt to the tune of GH¢448m when both the government and Zoomlion admit that there was no contract to that effect? The NPP sees this clearly as just another creative means of resurrecting a scheme created in the mode of bogus judgment debts.

We wish to remind President Mahama that Ghanaians will not just sit idly by for him to recreate that huge record budget deficit of 12% in the 2012 election year, which completely dislocated the economy and the country is yet to recover from after a whole four years.

Elections, Mr President, is not a do or die affair for you to bankrupt the country in a desperate pursuit to buy votes and to create, loot and share. We have seen how in the last few weeks alone, in the dying moments of your party's eight year rule, how you have embarked on another mad rush to saddle the nation with loans.

For example:

Oct 2016 – a \$24 million Kuwaiti loan facility to refurbish 26 existing Senior High Schools. This translates into some GH¢3.5 million being ostensibly spent to refurbish each school.

Aug 2016 – a \$50 million Société Générale loan facility to refurbish some of Ghana's embassies abroad.

Within two hours in one parliamentary sitting last month, four loans of dubious integrity were approved. These are (a) \$112 million Japanese loan for the construction of a bridge across the Volta River at Volivo; (b) \$83 million for the Accra Urban Transport Project (c) €16 million for ICT facilities for the Ghana Audit Service.

The NDC brought to Parliament a €38 million loan facility to complete the Eastern Region University project. Part of the loan was that three houses are to be built for three principal staff of the university at the cost of €1.2 million (GH¢6 million) per house. Yes, President Mahama's government sees nothing wrong in using GH¢24 million to build just three accommodation facilities, whiles he cannot find money for

food to keep boarding students on campus. The only motivation for this kind of expenditure is that it is highly inflated and stuffed with kickbacks.

Ladies and gentlemen, on top of this, we have information on the John Mahama involved in shady goings on at the National Health Insurance Scheme (NHIS) which has contributed to its collapse. This includes a US\$3.2 Million that was paid to STL, the same infamous firm involved in the collation of the 2012 Elections, for the supply of an Oracle accounting software in 2015 which, to date, is unusable by the NHIS!.

The same STL is involved in the supply of NHIS ID cards at a unit cost of US\$4, which should be 90 cents each.

Zoomlion is also alleged to be involved with a bogus Malaria Control Programme with the NHIS, and has a preferential payment treatment over suppliers of services to the scheme, such as private medical practitioners/clinics and pharmacies. This year alone, Zoomlion is alleged to have been paid GH¢35 Million at the expense of providers of critical services to NHIS. No wonder the scheme has collapsed under John Mahama's watch.

In conclusion, we wish to urge all Ghanaians to demand accountability from their government and prevent President Mahama from ending this term as he ended the last NDC term in 2012, by saddling Ghanaians with billions of corrupt deals and suffocating debts.

Ladies and gentlemen, thank you for coming.