



**Ghana Integrity Initiative (GII)**  
Local Chapter of Transparency International



# POLICY BRIEF

## ADDRESSING CORRUPTION RISKS IN PUBLIC PROCUREMENT IN GHANA

Issued by Ghana Integrity Initiative (GII) &  
Ghana Anti-Corruption Coalition (GACC)

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DEVELOPMENT COOPERATION

The Ghana Integrity Initiative (GII) and the Ghana Anti-Corruption Coalition (GACC), with the support of the Strengthening Transparency, Accountability and Responsiveness in Ghana (STAR-Ghana), carried out a Corruption Risks Assessment in the Achievement of the Sustainable Development Goals 3, 4 and 16 (SDGs 3, 4 & 16) between July and October, 2019. The Corruption Risks Assessment was part of a project titled “Creating Anti-Corruption Voices in the Implementation of the Sustainable Development Goals (SDGs)” aimed at generating recommendations for anti-corruption advocacy to help deal with corruption in relation to the implementation of interventions towards achieving the SDGs 3, 4 & 16.

The overall goal of the intervention is to reduce corruption in the implementation of SDGs 3, 4 & 16, which have to do with Health, Education and the promotion of peaceful, just and strong institutions for sustainable development, especially increased access to justice and effective, accountable and inclusive institutions.

The project seeks to make the SDGs anti-corruption targets visible and known by the CSO platform on SDG 3, 4 and 16 and the general public at large. It also seeks to strengthen CSOs to mainstream SDG 16 targets - 16.5.1 and 16.5.2 into SDGs-related service delivery engagements and to promote sustainable procurement in the implementation of the SDGs.

As Ghana has signed on to the global commitment to sustainable development goals, it must address all the goals, including eradicating corruption as required by SDG 16.5, seriously. This is because it is virtually impossible to achieve any of the SDGs without dealing successfully with corruption. Ghana’s inability to successfully deal with corruption has, therefore, drawn the attention of many stakeholders, including the government and its agencies and Civil Society Organizations (CSOs), hence the need to take up the fight against corruption much more seriously than has been done so far.



## METHODOLOGY

The Methodology for conducting the CRA started by identifying the key stakeholders in the delivery of the SDGs 3, 4 and 16, particularly with regards to procurement. These stakeholders included the Ministries of Health, Education and Justice and Attorney-General’s Department, the Ghana Education Service, the Ghana Health Service, Audit Service and the Judicial Service. Other stakeholders included the National Procurement Authority, the Economic and Organized Crime office, the CHRAJ, the GETFund, the National Health Insurance Authority, and some hospitals and schools. The rest were the CSO Platform on SDGs 3 and 4 as well as CSOs working on these Goals, including GACC, GII, SEND Ghana and experts and individuals working on procurement, among others.

These stakeholders were then surveyed to help identify the types of corruption that exist or can arise within their sectors, the probability of the occurrence of these corrupt acts and their impact if they do occur. The study also examined the control measures that exist to minimise their occurrence and assessed how effective these measures are. In addition, the stakeholders also proposed additional control measures that could be introduced and assessed how effective they would be in curbing corruption in their sectors.

**C**ollusion, Bribery, Kickbacks And Illegal Payments, Sole/single Sourcing and restricted tendering and procurement fraud were all rated as having a high probability of occurrence in public procurement in Ghana.

Both collusion and procurement fraud have a high negative impact as they lead to over-pricing of goods and services, lack of value for money, low quality goods/below specifications/under-delivery or even failure to deliver, depriving the state of needed and quality infrastructure as well as unhealthy competition and the killing of local industries.

The impact of bribery, kickbacks and illegal payments is also high as they result in the inflation of costs with the country losing money to individuals, poor quality of public goods and services procured and the use of unqualified service providers as the contractors and suppliers also want a cut.

**T**he impact of sole/single sourcing and restricted tendering is rated high as the country loses money which goes to enrich individuals and leads to the procurement of poor quality public goods and services/lack of value for money and unfair competition or the deprivation of qualified bidders of the opportunity to compete.

The impact of procurement fraud is high as shoddy goods and services are procured and the non-delivery of goods and services paid for and over-expenditure on projects and programmes leads to possible collapse of some public ventures and programmes. Political patronage and other influences, such as cronyism, ethnicism and other social networks were also identified as corruption risks with high impact on society, the economy and the country at large.



**KEY FINDINGS OF CORRUPTION RISKS IN PUBLIC PROCUREMENT**

01

The government needs to enforce Ghana's public procurement laws, which include competitive bidding, openness in bidding processes, and application of **stiffer sanctions**

02

The use of **electronic procurement** should be used as the main method for all public procurements as it will open up sourcing procedures and ensure fairness in the process

03

All procurement entities should ensure that all goods supplied **meet the specifications** in the contract and that all supplies are the same as the samples used for evaluation

04

The government needs to ensure that it certifies, licenses and recruits **only procurement professionals**, motivates them and allows them to work without interference

05

Finally, all government entities must use only **qualified procurement officers** and allow them to work freely and without interference.

*Based on the findings of the CRA, a number of recommendations have been made:*

## CONCLUSION

The corruption risks that were identified as being most likely to occur include bribery, extortion and illegal payments, collusion such as tender rigging, contract splitting, procurement fraud, political patronage and interference in procurement and management of the relevant MDAs and favouritism and nepotism. Although Conflict of Interest is not corruption just by itself, most of the respondents saw it as a corruption risk and treated it as such in their responses. The impacts of all these corruption risks, which include loss of public funds, decreased access to social services and even loss of lives, are very high, making it imperative that efforts are taken to minimise them.

In order to help curb procurement corruption in the country, it is important to ensure that all procurement entities comply with the Public Procurement Act and the Public Procurement Manual which are seen as a strong regulatory framework that, if allowed to work, will be effective in curbing procurement corruption. However, there is a need for political commitment in the fight against procurement corruption so as to save the country from heavy losses of state revenues that are needed for an expanded infrastructure and quality delivery of basic social services like health and education.