



RESPONSE BY EDUWATCH TO STATEMENTS MADE ON THE EDUCATION SECTOR BY THE MINISTER OF FINANCE DURING THE 2022 MID-YEAR BUDGET REVIEW PRESENTATION.

Introduction

To promote accountable management of public funds in the education sector, Eduwatch makes the following queries and demands on the 2022 mid-year budget presented to Parliament by the Hon. Minister of Finance on 25th July 2022.

The SHS Food Supply

1. In Section 60 of the budget, the Minister of Finance submits that "We are aware of reported challenges in ACCESSING and TRANSPORTING food for students in SHS and we are fixing it". Last week, stakeholders were informed by the Ministry of Education that the food shortage is caused by INFLATION.
2. This is in addition to the widely acknowledged fact that, the shortage in food supplies to SHS is due to the accumulated debt of GHC 340 million owed food suppliers with some dating as far back as last year. Food suppliers are simply not motivated to continue supplying until their arrears have been settled.
3. Surprisingly, the Minister of Finance did not mention a single intervention being put in place by his Ministry to resolve the poor disbursement of approved funds for feeding under the Free SHS programme, and how it intends to mitigate the inflationary effect on prices.
4. We call for further details on specific strategies being deployed by the Minister of Finance to:
 - a. Ensure the GHC 340 million arrears are cleared in the short-term.
 - b. Ensure prompt disbursement of funds for uninterrupted food supply.
 - c. Mitigate inflationary impacts on the free SHS food budget.



Distortions in Free SHS expenditure

5. There continue to exist disturbing inconsistencies in the expenditure data for the Free SHS programme. Yesterday, in section 60 of the 2022 Mid-Year Budget, the Minister of Finance submitted that, from the inception of the Free SHS programme in 2017 to the end of 2021, government spent a total amount of **GHC 5.3 billion**. This amount is inconsistent with previous figures provided by the Minister of Finance in July 2021 when he presented the mid-year budget and the Minister of Education around the same period of the year 2021.
6. In Section 284 (Page 49) of the 2021 Mid-Year Budget Statement, the Minister of Finance indicated that a total amount of **GHC 7.62 billion** had been allocated to Free SHS since 2017.
7. On Sunday 7th June 2021, during the Minister of Education's Meet the Press Briefing at the Ministry of Information, the Minister submitted that a total amount of **GHC 7.7 billion** had been spent on the Free SHS programme.
8. These conflicting expenditure accounts on the Free SHS programme with a variance of over GHC 2 billion does not auger well for accountability of public funds. The Minister of Finance must:
 - a. Clarify the actual Free SHS expenditure incurred by the Government of Ghana between 2017 and 2021.
 - b. Provide explanation for the variance in free SHS expenditure data at the Ministry of Finance and the Ministry of Education.

Data credibility, especially financial data, is critical for accountability in the management of public policies. We call for closer collaboration between the Ministries of Finance and Education in the management and reporting of Free SHS and education expenditure.

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Accra, 26/07/2022