



**MINISTRY
OF
ROADS AND
HIGHWAYS**

PRESS RELEASE

For Immediate Release

December 24 2021

Our attention has been drawn to a press statement from the so called “Concerned Road Contractors” of Ghana, signed for and on behalf of the group (unknown to us), by one Yaw Bediako, purporting to be the PRO of the group, making various allegations against the Hon. Minister for Roads and Highways.

The Ministry of Roads and Highways was not part of the distribution list of the said Statement, however in the interest of transparency and public education we wish to state emphatically that the allegations are baseless, malicious and intended to court public disaffection for the Hon. Minister and the Ministry of Roads and Highways.

We respond to the issues as follows:

A. Payments to Road Contractors

1. The Road Fund Act, 1997 (Act 536) as amended by Act 909 sets up the Road Fund Management Board, comprising of persons representing various institutions.
2. The Act further provides that the Board shall be responsible for the management of the Fund including payments to contractors.

3. The Road Fund Management Board is made up of members from the following institutions:
 - Association of Road Contractors
 - Controller and Accountant Generals Department
 - Ministry of Finance
 - Ministry of Local Government and Rural Development
 - Ghana Institution of Engineering
 - Ministry of Energy
 - Ghana Road Transport Coordinating Council
 - Private Enterprise Foundation
 - National Association of Farmers and Fishermen
 - Transport Expert appointed by His Excellency the President
 - Two representatives appointed by the Hon Minister of Roads and Highways
 - Chairman appointed by His Excellency the President

4. A Board of this structure cannot be controlled by the Hon Minister.

5. The Hon Minister is neither a member of the Board nor a Signatory to the Road Fund Account.

6. At no point in time has the Board of the Road Fund or any member complained that Hon Minister has usurped or attempted to usurp the functions of the Board. As a Management Board, there has been a perfect working relationship between the Hon Minister and the Board since 2017.

7. It cannot therefore be suggested that the Hon. Minister can single handedly usurp the role of the Board in paying contractors.

8. The Ministry is not aware of the phenomenon of middlemen arranging payment for contractors.

9. Suffice it to say that the challenges of delayed payments to contractors have severally been explained by the Hon. Minister at various public fora including on the floor of Parliament, during his vetting by the Appointment Committee of Parliament or in answer to questions from Hon members of Parliament and several press conferences.

10. It is illogical to suggest a staff of the Fund can be threatened with a sack merely because he/she reveals payment list to Contractors. This clearly cannot stand the test against the public service laws and regulation.
11. It is not in doubt that contractors face lots of challenges relating to payment of their Interim Payment Certificates (IPCs). However, it is also worth mentioning that the Government has made great strides in addressing the payments challenges in the industry.
12. We strongly challenge the so-called group to come out with clear evidence to substantiate these allegations if they have any.

B. Payment Through Fidelity Bank

1. This is a government initiative sponsored by the Ministry of Finance to ensure regular availability of funds for continuous payment to contractors.
2. The process is not under the management and control of the Ministry of Roads and Highways

C. Signing of Contracts

1. By law, the Hon. Minister, as the representative of the Employer, is clothed with authority to execute all road contracts for and on behalf of the Republic. He may however authorise any other person to do same. He is the representative of the Employer, which is Government.
2. The fact is that not all road contracts entered into by the Ministry of Roads and Highways are signed by the Hon. Minister.
3. Further, it is not accurate that signing of contracts is so much delayed at the Ministry as being suggested. However, the Hon. Minister is well known to be very careful and meticulous in signing Contracts. This is necessary to protect the public purse.

D. Reregistration of Contractors

1. In line with the basic requirements of efficiency, effectiveness and utmost performance, reviews are necessary either through re-registration or reclassification of companies or businesses. Such an exercise eliminates or reduces the risk of fraudsters getting into the industry.
2. The Ministry of Roads and Highways embarked on the reclassification of Contractors to ensure that contractors selected for road construction were duly qualified and ensure value for money.
3. The Ministry set up a committee made up of senior personnel from all relevant agencies and departments of the Ministry, to review the guidelines used for classifying road contractors in the country. Upon the recommendations of the committee, the Ministry has adopted new minimum thresholds for Classification of Road Contractors.
4. The new guidelines have been discussed with the various stakeholders.
5. A new Contractor Classification Committee has been established to consider fresh applications.
6. All the processes leading to the new guidelines were published by the Ministry of Roads and Highways.
7. In a public announcement, the Ministry indicated that notwithstanding the implementation of the new guidelines, any contracts entered into before the coming into force of same shall remain valid and continue in force as if same was made under the new guidelines.
8. It cannot be said therefore that the Minister has exhibited arbitrariness in the decision relating to re-classification of Road Contractors.

9. The reclassification exercise has been well applauded and hailed by all genuine contractors in the industry.
10. As part of the transparency of the exercise all names of reclassified contractors are being published in the Dailies.

CONCLUSION

We encourage all well-meaning Ghanaians and the general public to disregard the issues raised in the press statement and consider same as worthless.

The Ministry of Roads and Highways wishes to assure the good people of Ghana that it shall continue to work in the best interest of Contractors and Ghanaians and the Hon. Minister remains resolute to lead the Ministry to achieve its goals and objectives.

###

**ISSUED BY;
PUBLIC AFFAIRS UNIT
MINISTRY OF ROADS AND HIGHWAYS**