

**ACT 702**  
**MILLENNIUM DEVELOPMENT AUTHORITY ACT, 2006**

ARRANGEMENT OF SECTIONS

*The Millennium Development Authority*

1. Establishment of Millennium Development Authority.
2. Objectives of the Authority.
3. Functions of the Authority.
4. Management of similar programmes.
5. Responsibility for Authority.
6. Collaboration with institutions of relevance.
7. Governing body of the Authority.
8. Functions of the Board.
9. Tenure of office of members.
10. Meeting of the Board.
11. Disclosure of interest.
12. Appointment of committees.
13. Non-liability for acts or omissions.

*Administration and Staff of Authority*

14. Divisions within the Authority.
15. Appointment of chief executive officer.
16. Functions of the chief executive officer.
17. Performance contracts.
18. Appointment of other staff and delegation of power of appointment.

*Finances*

19. The Fund and its management.
- 19A. Moneys approved by Parliament.
20. Expenses of the authority.
- 20A. Authority exempted from tax.
21. Accounts and audit.
22. Financial year.
23. Annual report and other reports.
24. Offences.
25. Regulations and by-laws.

**ACT 702**  
**MILLENNIUM DEVELOPMENT AUTHORITY ACT, 2006(1)**

**AN ACT to establish the Millennium Development Authority to oversee and manage the implementation of the Ghana Programme under the Millennium Challenge Account for the sustainable reduction of poverty through growth as contained in the agreement between the Government of Ghana and the Millennium Challenge Corporation acting for and on behalf of the Government of the United States of America and to provide for related matters.**

*The Millennium Development Authority*

**1. Establishment of Millennium Development Authority**

- (1) There is established by this Act the Millennium Development Authority.
- (2) The Authority is a body corporate with perpetual succession and a common seal and may sue and be sued in its corporate name.
- (3) The Authority may for the discharge of its functions under this Act acquire and hold movable or immovable property and may enter into a contract or other transaction.
- (4) Where there is any hindrance to the acquisition of property under subsection (3) the property may be acquired for the Authority under the State Lands Act, 1962 (Act 125) or the State Property and Contract Act 1960 (C.A. 6).

**2. Objectives of the Authority**

The objectives of the Authority are:

- (a) to oversee and manage the implementation of the Ghana Programme under the Millennium Challenge Account of the United States Government for sustainable poverty reduction through economic growth;2(2)
- (b) to secure the proper and effective utilisation of the Fund established under section 19 (1);3(3)
- (c) to oversee and manage other national development programmes of similar nature funded by the Government of Ghana, Development Partners or by both.

**3. Functions of the Authority**

For the purpose of achieving its objectives the Authority shall

- (a) undertake activities to build human resource capacity for successful implementation of development projects by Ministries, Departments and Agencies of the Government of Ghana;
- (b) take necessary steps to ensure the reduction of poverty through modernisation of agriculture;
- (c) implement measures that ensure active participation by the private sector in national

development including access to financial resources

- (d) provide as determined by the Board and within the terms of the Compact, infrastructure facilities including, schools, healthcare, water, sanitation and electricity;
- (e) establish an accounting, reporting and auditing arrangement that is transparent and conforms to the best international practices;
- (f) put in place a mechanism by which there is exchange of information to and from the public on the activities of the Authority;
- (g) perform functions that may be required by subsequent investments made by the Millennium Challenge Corporation, the Government and other Development Partner; and
- (h) perform functions ancillary to the objectives stated in section 2 and the functions stated in this section.

#### **4. Management of similar programmes**

The Authority may on the expiry of the Compact Term undertake programmes of similar nature determined by the President.<sup>4(4)</sup>

#### **5. Responsibility for Authority**

The Authority shall operate under the Office of the President and the President may assign oversight ministerial responsibility to a Minister determined by the President.

#### **6. Collaboration with institutions of relevance**

The Authority shall in the performance of its functions collaborate with such institutions of relevance to the Authority's functions as the Board may direct.<sup>5(5)</sup>

#### **7. Governing body of the Authority**

(1) The governing body of the Authority shall be composed of not less than nine nor more than eleven voting members during the Compact Term, including:

- (a) the chairperson,
- (b) the Ministers or the representative of the Ministers not below the rank of a director of the following Ministries:
  - (i) Food and Agriculture,
  - (ii) Trade, Industry, Private Sector and PSI,
  - (iii) Local Government, Rural Development and Environment, and
  - (iv) Finance and Economic Planning,
- (c) the chief executive appointed under section 15,
- (d) two representatives of the Private Sector selected by the Private Enterprise Foundation through a transparent process, and
- (e) one representative of civil society organisations selected by the Ghana Association of Private Voluntary Organisations in Development through a transparent process.

(2) The members of the Board specified in subsection (1) shall be appointed by the President in consultation with the Council of State.

(3) The following are members of the Board without voting right:

- (a) one representative of the MCC,
- (b) three persons representing the District Assemblies within each Intervention Zone selected by the District Assemblies in the zones through a transparent process.<sup>6(6)</sup>

## **8. Functions of the Board**

(1) The Board has the responsibility to ensure the implementation of the functions of the Authority and the achievement of the objectives of the Authority.

(2) Without prejudice to subsection (1), the Board shall

- (a) approve annual operating plans and budget of the Authority,
- (b) review the quarterly performance of the Authority including statement of account of monies disbursed from the Fund.
- (c) ensure adequate accountability to the stakeholders in compliance with the terms of the Compact,
- (d) approve an audit plan and monitor its implementation; and seek the full implementation of the external auditor's report within the specified time frame for action, and
- (e) approve the remuneration of the staff of the Authority.

## **9. Tenure of office of members**

(1) The chairperson and the other voting members of the Board shall hold office for a period of five years except that the representatives from the Private Sector and of non-governmental organisations shall hold office for a period of two and one half years and shall upon the expiry of that period be replaced by new members for the same period.

(2) A voting member of the Board may be removed from office by the President by reason of mental or physical incapacity or for stated misconduct.

(3) A member of the Board may at any time resign from office in writing addressed to the President through the chairperson.

(4) Where a member of the Board resigns, dies, is removed from office or is for a sufficient reason unable to act as a member, the chairperson shall within one month of the occurrence of the vacancy notify the President of the vacancy and the President shall, acting on the advice of the nominating authority and in consultation with the Council of State appoint another person to hold office for the unexpired period of the member's term of office.

(5) A member of the Board who is absent from three consecutive meetings of the Board without reasonable cause ceases to be a member of the Board.<sup>7(7)</sup>

## **10. Meeting of the Board**

(1) The Board shall ordinarily meet for the dispatch of business at a time and place the chairperson may determine but shall meet at least once every two months.

(2) The chairperson shall at the request in writing of not less than one-third of the members of the Board convene a special meeting of the Board.

(3) At every meeting of the Board, the chairperson shall preside and in the absence of the chairperson, a member elected by members present from among their number shall preside.

(4) The quorum for a meeting of the Board consists of not less than half of the voting members present.8(8)

(5) The Board may co-opt a person to attend a board meeting except that a co-opted person does not have voting rights.

(6) Decisions at meetings of the Board shall be determined by a majority of the votes of the members present and voting and where the votes are equal the chairperson or the member presiding shall have a second vote.

(7) The proceedings of the Board shall not be invalidated by reason of a vacancy among the members or a defect in the appointment or qualification of a member.

(8) Subject to this section, the Board may determine the procedure for its meetings.

#### **11. Disclosure of interest**

(1) A member of the Board who has an interest directly or indirectly in a contract or in other transaction proposed to be entered into with the Authority, shall disclose that interest to the Board and is disqualified from participating in any deliberations of the Board in respect of the contract or transaction.

(2) A member who fails to disclose an interest under subsection (1) shall be removed from the Board.

#### **12. Appointment of committees**

(1) The Board may appoint committees consisting of members of the Board or non-members of both

(a) to perform a function of the Board assigned to the committee, or

(b) to advise the Board on a matter referred to the committee.

(2) A committee of the Board may be chaired by a member of the Board.

#### **13. Non-liability for acts or omissions**

Members of the Board and committees of the Board are not personally liable for any act or omission in the performance of a function under this Act.

#### *Administration and Staff of Authority*

#### **14. Division of the Authority**

(1) The Board may establish divisions or units it considers necessary within the Authority for the effective performance of the functions of the Authority.

(2) There shall be appointed for each Unit a director who is the head of the Unit.

(3) Each director shall be responsible for the management of the Unit under the director and shall answer to the chief executive in the performance of the functions of the director under this Act.

(4) The qualifications for appointment as a director shall be determined by the Board.

(5) The staff strength, duties and functions of each Unit shall be determined by the Board.

(6) For the purpose of determining the duties and functions of each Unit, the chief executive officer shall draw up for the consideration of the Board a service charter which shall set out the duties and responsibilities of the Units.

(7) The service charter is subject to approval by the Board.<sup>9(9)</sup>

### **15. Appointment of chief executive officer**

(1) There shall be a chief executive officer of the Authority who shall be appointed for a term not exceeding five years.

(2) The chief executive shall be appointed by the President in accordance with article 195 (1) of the Constitution.<sup>10(10)</sup>

(3) The chief executive shall possess the requisite qualifications, experience and skills determined by the Board.

(4) The terms and conditions of appointment of the chief executive shall be as stated in the chief executive's letter of appointment.

### **16. Functions of the chief executive officer**

The chief executive officer is responsible for the day to day management of the Authority and shall for this purpose,

- (a) direct and coordinate the work of the Authority,
- (b) with the assistance of the directors of the Units draw up the implementation plans, budget and programme of activities of the Authority for the approval of the Board,
- (c) direct and coordinate the Units of the Authority to achieve set targets,
- (d) ensure that procurement practices and processes are in compliance with the procurement agreement between the Authority and the Millennium Challenge Corporation,
- (e) collaborate with the Ministry of Finance to fully account for all funding in accordance with the Fiscal Accountability Plan under the Compact,
- (f) assist the Board to appraise the performance contracts of other management staff of the Authority, and
- (g) perform other duties determined by the Board for the achievement of the objectives of the Authority.

### **17. Performance contracts**

The Board shall enter into performance contracts with staff of the managerial level in the Authority.

### **18. Appointment of other staff and delegation of power of appointment**

(1) There shall be appointed for the Authority other staff or employees necessary for the effective performance of the functions of the Authority in accordance with article 195(1) of the Constitution.

(2) The President may in writing delegate in accordance with article 195(2) the power of appointment of public officers under this Act.

### *Finances*

#### **19. Establishment of the Fund, its management and budgetary provision<sup>11(11)</sup>**

- (1) There is established by this Act the Millennium Challenge Corporation Fund.
- (2) The Fund shall consist of monies granted to the Government of Ghana under the Compact.
- (3) The Fund is exempt from the taxes and duties specified under the Compact.

#### **19A. Moneys approved by Parliament<sup>12(12)</sup>**

Parliament shall approve such monies as may be required of the Government under the Compact.

#### **20. Expenses of the Authority**

The expenses for the administration and management of the Authority shall be paid from the Fund for a period of five years and after that from monies provided by Parliament.

#### **20A. Authority exempted from tax<sup>13(13)</sup>**

The Authority is exempted from payment of the taxes and duties specified under the Compact.

#### **21. Accounts and audit**

(1) The Board shall establish an accounting and internal audit mechanism that achieves a transparent accountability of the monies of the Fund.

(2) Without limiting the scope of subsection (1) the Board shall keep books of account and proper records in relation to them in the form approved by the Auditor-General.

(3) The Board shall submit the accounts of the Authority to the Auditor-General for audit within three months after the end of each financial year.

(4) The Auditor-General shall, not later than three months after the receipt of the accounts, audit the accounts and submit a copy of the audit report to Parliament

(5) The Board may with the approval of the Auditor-General appoint an external auditor for the purpose of this section.

#### **22. Financial year**

The financial year of the Authority is the same as the financial year of the Government.

#### **23. Annual report and other reports**

(1) The Board shall within one month after the receipt of the audit report of the Auditor-General submit to the Minister an annual report that covers the activities and the operations of the Authority for the year to which the report relates.

(2) The annual report shall include the report of the Auditor-General.

(3) The Minister shall, within one month after the receipt of the annual report, submit the report to Parliament with a statement that the Minister considers necessary.

(4) The Board shall also submit to the Minister any other reports which the Minister may require in writing.

## 24. Offences

A person who

- (a) when required to submit a report to the Authority knowingly submits a false report, or
  - (b) knowingly misrepresents a matter to the Authority in pursuance of an activity under this Act,
- commits an offence and is liable on summary conviction to a fine not exceeding five hundred penalty units.

## 25. Regulations and by-laws

(1) The Minister may on the advice of the Board by legislative Instrument make Regulations generally for the effective implementation of the provisions of this Act.

(2) The Board may subject to existing laws by internal by-laws prescribe,

- (a) qualifications for employment of staff,
- (b) matters on accounting and reporting on activities of the Authority to the Board,
- (c) matters that relate to internal auditing,
- (d) method for achieving transparency in procurement and fiscal accounting,
- (e) mechanism for flow of information between the public and the Authority on the activities of the Authority;
- (f) matters on the management of infrastructure facilities built under the Compact from the Fund,
- (g) for the provision of credits and grants from the Fund; and
- (h) for administrative matters necessary for the performance of the functions of the Authority.

## 26. Interpretation<sup>14(14)</sup>

In this Act, unless the context otherwise requires,

“**Authority**” means the Millennium Development Authority established under section 1;

“**Board**” means the governing body of the Authority provided for under section 7;

“**chief executive officer**” means the chief executive officer of the Authority appointed under section 15;

“**Compact**” means the Millennium Challenge Compact made between the United States of America, acting through the Millennium Challenge Corporation, a United States Corporation and the Government of the Republic of Ghana;

“**Compact Term**” means five years commencing from the date of Entry into Force of Compact unless earlier terminated under the Compact;

**“Fund”** means the MCC Fund set up under section 19 (1);

**“Intervention Zone”** means zones set out under the Compact as Intervention Zones;

**“MCC”** means the Millennium Challenge Corporation;

**“MCC Fund”** means the fund granted by the MCC to the Government of Ghana subject to terms and conditions of the Compact;

**“Minister”** means the Minister for the time being assigned responsibility for this Act by the President; and

**“PSI”** means the President’s Special Initiative.

**27. Transitional provision**<sup>15(15)</sup>

The Minister may, at least twelve months before the expiry of the initial Compact Term, introduce, by legislative instrument, such measures as the Minister considers necessary to regulate the post-Compact period.

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## Endnotes

### **1 (Popup - Footnote)**

1. This Act was assented to on 23rd March, 2006.

### **2 (Popup - Footnote)**

2. Amended by section 1 (*a*) of the Millennium Development Authority (Amendment) Act, 2006 (Act 709).

### **3 (Popup - Footnote)**

3. Substituted by section 1 (*b*) of the Millennium Development Authority (Amendment) Act, 2006 (Act 709).

### **4 (Popup - Footnote)**

4. Amended by section 2 of the Millennium Development Authority (Amendment) Act, 2006 (Act 709).

### **5 (Popup - Footnote)**

5. Substituted by section 3 of the Millennium Development Authority (Amendment) Act, 2006 (Act 709).

### **6 (Popup - Footnote)**

6. Substituted by section 4 of the Millennium Development Authority (Amendment) Act, 2006 (Act 709).

### **7 (Popup - Footnote)**

7. Amended by section 5 of the Millennium Development Authority (Amendment) Act, 2006 (Act 709).

### **8 (Popup - Footnote)**

8. Substituted by section 6 of the Millennium Development Authority (Amendment) Act, 2006 (Act 709).

### **9 (Popup - Footnote)**

9. Amended by section 7 of the Millennium Development Authority (Amendment) Act, 2006 (Act 709).

### **10 (Popup - Footnote)**

10. Substituted by section 8 of the Millennium development Authority (Amendment) Act, 2006 (Act 709).

### **11 (Popup - Footnote)**

11. Substituted by section 9 of the Millennium Development Authority (Amendment) Act, 2006 (Act 709).

### **12 (Popup - Footnote)**

12. Inserted by section 10 of the Millennium Development Authority (Amendment) Act, 2006 (Act 709).

### **13 (Popup - Footnote)**

13. Inserted by section 11 of the Millennium Development Authority (Amendment) Act, 2006 (Act 709).

### **14 (Popup - Footnote)**

14. Substituted by section 12 of the Millennium Development Authority (Amendment) Act, 2006 (Act 709).

### **15 (Popup - Footnote)**

15. Added by section 13 of the Millennium Development Authority (Amendment) Act, 2006 (Act 709).