



Friday, 08 February 2019

**DR. K.K. SARPONG  
CHIEF EXECUTIVE OFFICER  
GHANA NATIONAL PETROLEUM CORPORATION  
PRIVATE MAIL BAG  
TEMA-GHANA**

Dear Dr. Sarpong,

**RE: RECRUITMENT OF PROCUREMENT MANAGER AT GNPC**

1. I acknowledge receipt of your letter dated 5<sup>th</sup> February 2019 titled “Recruitment of Procurement Manager at GNPC”. I find the contents unfortunate. More particularly, I find your deliberate and misspent attempts to personalise the issue of the recruitment of the Procurement Manager and the several accusations you make against me and as the Chairman of the GNPC Board extremely inappropriate.
2. Ordinarily, I would have preferred not to dignify the said letter with a response in respect of the matters you have raised and the allegations you made against my person and as the Chairman of the Board of Directors of an important national corporation of which you, Dr. K.K. Sarpong, are the Chief Executive. However, for the records of the Corporation, and considering that you chose to copy the allegations to various personalities, it is appropriate at least in my capacity as the Chairman of the Board to correct the several misrepresentations and to set the records straight.
3. As you very well know, the Ghana National Petroleum Corporation (GNPC) is a corporate entity set up by law. The office of the Chief Executive Officer (CEO) is subject to the direction of the Board of Directors. The day-to-day management role and business of GNPC, delegated by the Board of Directors to the Chief Executive Officer, cannot and does not cease when the CEO is temporarily absent from the country or on vacation. Indeed, best corporate practice worldwide, enjoins a good and competent CEO to have a management succession plan. Within that context, the CEO hands over to a Deputy, who continues with the day-to-day corporate management functions in his or her absence. In the specific case of the GNPC the law requires that “a Senior Officer of the Corporation shall be designated by the Board” to perform the functions of the CEO in his absence. Vide P.N.D.C.L 64 (Ghana National Petroleum Corporation Act 1993) section 10 (6).

**GHANA NATIONAL PETROLEUM CORPORATION**  
PRIVATE MAIL BAG, TEMA, GHANA. TEL: (233-303) 206020, 204654  
Fax: (233-303) 206592, 202854 E-mail: [info@gnpcghana.com](mailto:info@gnpcghana.com)  
Website: [www.gnpcghana.com](http://www.gnpcghana.com)

4. The Chief Finance Officer is the Senior Officer designated to act and run affairs of the corporation in your absence. As you rightly stated, but in the twisted logic of your letter, I deal with the office of CEO and not the person. In that context and based on the collective decisions of the Board, I have within the confines of my legal authority as Chairman, directed the office of the CEO, to implement decisions of the Board. To suggest that you must be personally informed or consulted in your absence, points to a very personalised and dysfunctional management style. This should not be tolerated in a public corporation. GNPC is neither and must not be managed as a sole proprietorship entity.
5. The emergency meeting you refer to with disdain was duly and rightly convened in your absence. Let me emphasise that in the light of recent and widespread discussions in the public space, we needed to ascertain that your job contract, appointment and continued tenure, sanctioned by the Board, did not violate any provisions of the 1992 Constitution of the Republic of Ghana with particular reference to its Article 199. Thus, and even if you were at post, you would have been recused from participating in the discussion of this particular matter. However, and as CEO, you have the right and access to, and must call for the minutes of the meeting to fully apprise you of the exact proceedings and discussions. Rather than facts, which you can freely obtain from the minutes, you chose in your own words, to rely on a third party account, which is obviously tendentious, and proceeded to act on that basis. This is not only unprofessional but also amounts to a major error of judgment and a dangerous modus operandi for a CEO of an institution such as GNPC. I will advise that you call for, read the minutes, get the facts and avoid the fiction in your letter.
6. I find the rest of your allegations about interference, involvement in procurement, instructions to your subordinates, festering parallel authorities et cetera, to be malicious, wicked and spurious fabrications. If these ever occurred, it must be in the figment of someone's imaginations. Indeed, the "undue stress" on your administration and the "low morale of hard working staff", which you refer to in your letter, are rather direct consequences and hallmarks of your management style, which supplants teamwork with individual ego, clanism, intimidation and victimization of staff.
7. Without mincing my words, I find your allegation that I am using my position of Chairman of the ruling party to force my way "through on matters that must be handled professionally", to be malevolent as it is mischievous. It is deftly calculated to damage my name and reputation, impugn the independence of the Board and its decisions. I seriously take great exception to it.

I find it insulting not only to me personally, but also to the Board. I was appointed by His Excellency The President to serve on the Board not as Chairman of NPP, but in my own right as citizen Freddie Blay.

8. As Chairman of the Board, I am hugely embarrassed by the fact that the Central Tender Board has raised issues about the Corporation's procurement practices, to the point where the Honourable Sector Minister, found it necessary to write to Board to take immediate steps to address the anomalies. The truth is, under your leadership and watch; our Corporation has had no Procurement Manager, for so long, in spite of several directives from the Board to your office to take the necessary steps to fill that vacancy. This dereliction of duty can simply not continue. Playing the blame game, which you are now engaged in, will not pass. The buck stops with you Dr. K.K. Sarpong, as the CEO. Please understand and very clearly, that the recent Board directive and two-week ultimatum on this matter was conveyed to the Chief Finance Officer, also in her capacity as Acting CEO, when we held that particular emergency meeting. The ultimatum stands and it is up to you to comply or chose to ignore it.
9. I also wish to draw your attention to Sections 8 (1), 8 (2) subsection 1, and Section 11 of the GNPC Act 1983. It is absolutely wrong for you to think that you are the appointing authority and can nullify decisions and directives of the Board. It should be clear to you that the Board and not the CEO is the appointing authority. Professionalism, which you refer to in your letter, requires that the CEO of a state-owned entity operate within and respect the law. While you must take the initiative, you are legally and professionally obliged to seek approval of the Board for all recruitments and any restructuring. I am aware that in the last 18 months you have employed over 200 persons in addition to the existing workforce of the corporation, mainly without the knowledge and approval of the Board. Interestingly, for reasons best known to you and in spite of the insistence of the Board, you have never bothered to fill the vacant Procurement Manager position.
10. Without any equivocation, I wish to make it clear to you that as CEO, you are not above the law and the Board of Directors. You must be guided by the prescriptions and proscriptions of the law, take due cognizance of and accept the reality and fact that you are subordinate, subject to the directives and responsible to the Board. To operate outside the ambit of the law, usurp, arrogate, circumvent or attempt to emasculate the functions and authority of the Board, and manipulate members by all manner of actions, is subversive of the very Corporation you are supposed to lead. It is damaging to the corporate and public interest and to the very authority that appointed you to this high position of trust.

11. In deed and as noted earlier, it is the need to ensure that the Board acted within the law and complied with the Constitution, which triggered the emergency meetings regarding your contract and tenure. The Board has since referred the matter to the sector Minister for advice and direction and there will be a follow up by the Board, on it.
12. To conclude, I am a totally at a loss as to the purpose and intent of this letter, which you circulated even to your subordinates and also diabolically and subtly leaked to hostile media and entities. I must state that your letter to me is riddled with innuendos, posturing and grandstanding. In any corporate environment, this is completely unacceptable, especially from a CEO to a Board Chairman. I demand its formal withdrawal forthwith, and an unqualified apology to the Board and to me.

Yours sincerely,



**F.W.A. BLAY**  
**CHAIRMAN**

**Cc:**

1. The Chief of Staff, Office of The President, Jubilee House
2. The Honourable Minister, Ministry of Energy
3. The Executive Chairman, State Enterprise Commission
4. The Board of Directors, GNPC
5. The Chief Finance Officer, GNPC
6. The General Manager, Legal & Human Resource, GNPC
- ✓ 7. The General Manager, Administration, GNPC
8. The Internal Auditor, GNPC