

**IN THE FIRST SESSION OF THE SIXTH PARLIAMENT OF  
THE FOURTH REPUBLIC OF GHANA**

**REPORT OF THE  
FINANCE COMMITTEE**

**ON THE**

**2014 ANNUAL BUDGET ESTIMATES OF THE  
NATIONAL DEVELOPMENT PLANNING  
COMMISSION (NDPC)**

**5<sup>TH</sup> DECEMBER, 2013**

**REPORT OF THE FINANCE COMMITTEE ON THE 2014 ANNUAL BUDGET  
ESTIMATES OF THE NATIONAL DEVELOPMENT PLANNING  
COMMISSION (NDPC)**

**INTRODUCTION**

Following the presentation of the Budget Statement and Economic Policy of the Government for the year ending 31<sup>st</sup> December, 2014 by the Minister for Finance, Hon. Seth Emmanuel Terkper on Tuesday, 19<sup>th</sup> November, 2013, the 2014 Annual Estimates of the National Development Planning Commission (NDPC) were referred to the Finance Committee for consideration and report in accordance with Article 179 of the Constitution and Standing Order 140(4) of the Standing Orders of the House.

The Committee met and discussed the Estimates with the Director-General of the NDPC, Mrs. Regina O. Adutwum and a technical team from the Commission and the Ministry of Finance. The Hon. Deputy Minister for Finance, Mr. George Kwaku Rickkettts- Hagan was also in attendance to assist the Committee.

The Committee expresses its gratitude to the Hon. Deputy Minister, Director –General of the Commission and the technical team for attending upon the Committee to assist with the deliberations.

**BACKGROUND**

The National Development Planning Commission (NDPC) was established under Article 86 and 87 of the 1992 Constitution with a mandate to advise the President on development planning policy and strategy. The Legal frameworks relating to NDPC are

further elaborated in the National Development Planning Commission Act, 1994 (Act 479), which formally establishes the NDPC under the Office of the President, and the National Development Planning (Systems) Act, 1994 (Act 480), which makes the NDPC, the national coordinating body of the newly-established Decentralized Development Planning System in Ghana. NDPC therefore exist to advise the President of the Republic of Ghana (and Parliament upon request) on development policy and strategy, to prepare and ensure the effective implementation of approved national development Plans and Strategies and coordinate economic and social activities country-wide in a manner that will ensure accelerated and sustainable development of the country to enhance continuous improvement in the living standards of all Ghanaians.

### **GOAL AND OBJECTIVES**

The goal of the Commission is to promote and sustain accelerated growth and poverty reduction towards achieving the Millennium Development Goals and middle income status. To achieve this goal, the Commission has identified seven policy objectives namely;

- ❖ Strengthen economic planning and forecasting.
- ❖ Reduce spatial and income inequalities across the Country and among different socio-economic groups.
- ❖ Strengthen policy, planning and monitoring and Evaluation process for equitable balance Socio economic development.
- ❖ Enhance development communication across the public sector and policy cycle.
- ❖ Improve the responsiveness of the Public service in service delivery.
- ❖ Enhance institutional arrangements for sectorial collaboration on poverty reduction.
- ❖ Promote and improve the efficiency and effectiveness of performance in the public Services.

## **PERFORMANCE IN 2013**

The Commission during the year 2013 achieved among others, the following:

- ❖ Prepared a draft vision document to provide a long term framework to guide development planning and strategy for the country
- ❖ Prepared a National Long-Term Infrastructure Plan to address the challenge of inadequate and depreciating infrastructural facilities which constitutes a key obstacle to attaining socio-economic development.
- ❖ Prepared a successor National Medium Term Development Framework (2014-2017) to the Ghana Shared Growth and Development Agenda (GSGDA 2010 – 2013).
- ❖ Developed planning guidelines for the preparation of both Sector and District Medium -Term Development Plans.
- ❖ Monitored the implementation of strategies to achieve the policy objectives in the GSGDA 2010–2013 and produced 2012 Annual Progress Report;
- ❖ Prepared a National Monitoring and Evaluation Manual to assist MDAs and
- ❖ MMDAs improve upon their M&E function and address identified weaknesses in M&E reporting; and
- ❖ Provided technical services to Members of programme/project Steering/ Implementing committees/ Boards of MDAs, Metropolitan, Municipal, District Assemblies, Civil Society Organization and Private Sector.

## **SUMMARY OF BUDGET ALLOCATION AND PERFORMANCE IN**

### **2013**

In the year 2013 the National Development planning Commission was allocated an amount of *Eight Million, Nine Hundred and Ninety-four Thousand, Seven Hundred and Thirty-four Ghana Cedis (GH¢8,994,734.00)*

Below is the Expenditure returns for the period ended 31<sup>st</sup> October, 2013:

Table 1: Summary of 2013 Budget Allocation and Expenditure as at 31<sup>st</sup> Oct. 2013

No		Approved Budget GH¢ (A)	Releases Jan-Oct GH¢ (B)	Balance on Annual budget GH¢ (A - B)	Variance % $\frac{A - B}{A}$
	Compensation	2,124,386	1,194,624	929,762	43.77
	Goods & Service	3,225,898	1,768,602	1,457,296	45.17
	Non-financial Assets	1,659,710	-	1,659,710	100
	Donor	1,950,000	1,950,000	-	0
	<b>TOTAL</b>	<b>8,959,994</b>	<b>4,913,226</b>	<b>4,046,768</b>	

#### **OUTLOOK FOR 2014**

In furtherance of its mandate and stated objectives, the NDPC will undertake the following activities for the 2014 financial year:

- ❖ Develop a planning model to guide long term development planning in Ghana;
- ❖ Establish special development zones to address peculiar development challenges and finalize the National Long Term Development Policy Framework;
- ❖ Prepare the 2013 National Annual Progress Report and the National M & E
- ❖ Plan as well as review the national core indicators to monitor the implementation of National Development Policy Framework; and
- ❖ Coordinate the decentralize national development planning system by prescribing the content and format for developing plans for Districts, Ministries and Sector agencies to reflect integration of economic, spatial and environmental principles.

## 2014 BUDGET ALLOCATION

For the implementation of the above programmes and activities an amount of *Six million, Five Hundred and Forty- Eight Thousand, Four Hundred and Seventy Nine Ghana Cedis (GH¢6,548,479)* has been allocated from GOG for the National Development Planning Commission for the year 2014 .

Summary of the allocation for 2014 financial year is as follows:

Employee Compensation	-	GH¢3,420,533
Goods and Services	-	GH¢1,944,393
Capital Expenditure	-	<u>GH¢1,183,553</u>
Total allocation	-	<b>GH¢6,548,479</b>

## OBSERVATIONS AND RECOMMENDATIONS

### *Inadequate funding*

The Committee in its deliberations observed that inadequate funding has been a major challenge to the Commission. The Committee was informed that during the year under review, Commissioners of NDPC were paid only for the first quarter. As a result of inadequate resources, Commissioners met only once in 2013 as against the required six meetings in a year. It was observed that, while the Commission's requirement for 2014 is GH¢17,345,122.00 a budgetary provision of only GH¢6,548,479 was made for the NDPC in the 2014 budget. This amount constitutes only 37.75% of the Commissions requirement for the period. The Committee further observed a continuous dwindling in budgetary allocation for the NDPC. The Commission has experienced a 27% reduction in its 2014 allocation as against 2013. Whilst the Commission was allocated an amount of GH¢8,994,734 for its activities in 2013, this amount was further reduced to GH¢6,548,479 in 2014.

In view of the enormous task and responsibility assigned to the Commission, the Committee calls on the Ministry of Finance to ensure allocation of adequate financial resources to enable the NDPC carry out its mandate. The Committee suggests that the problems confronting the Commission should be considered in a holistic manner, to ensure that adequate financial resources are made available to NDPC to enable it perform its core mandate of national development planning.

#### ***Over Aged Vehicles and Inadequate Office Equipment***

The Committee observed that the work of the Commission involves extensive travelling all over the Country to provide technical services to Metropolitan, Municipal and District Assemblies and other stakeholders, however the available vehicles to facilitate the performance of these duties are over aged which result in frequent breakdown with high maintenance cost. The Commission also lack adequate office equipment for effective execution of its mandate.

#### ***Spatial Planning***

The Committee noted that spatial planning is one of the core functions of the Commission, yet the Commission has not performed this function adequately. The Committee was however informed that NDPC in collaboration with the Town and Country Planning Department has engaged the services of an expert to develop a National Spatial policy for the country. The main objective of the policy is to ensure that land resources are utilized in an organized manner to ensure that there is proper location and distribution of land use activities.

#### ***Inadequate staffing levels***

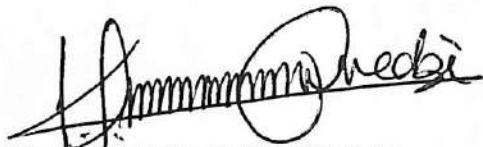
The Committee was informed that as a result of logistical constraints, the Commission could not hire the required human resources to enable it deliver on its mandate. The NDPC currently has only 15 technical staff as against the 52 required to effectively execute its mandate. This situation if not corrected could halt the operations of the Commission in the near future. For the Commission to perform its mandate of developing

a sustainable national development policy framework for the Country, there is the need to adequately resource it to enable it recruits the requisite technical staff.

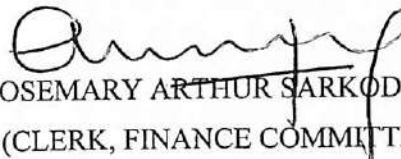
### CONCLUSION

The Committee, after careful examination of the 2014 Annual Estimates of the National Development Planning Commission and having regards to the strategic role of the Commission in the development drive of the country, recommends that, the House approves the sum of *Six Million, Five Hundred and Forty- eight Thousand, Four Hundred and Seventy-nine Ghana Cedis (GH¢6,548,479.00)* to enable the Commission implement its programmes and activities for the 2014 financial year.

Respectfully submitted



HON. JAMES KLUTSE AVEDZI  
(CHAIRMAN, FINANCE COMMITTEE)



ROSEMARY ARTHUR SARKODIE (MRS.)  
(CLERK, FINANCE COMMITTEE)

December, 2013