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

**REPORT OF THE  
FINANCE COMMITTEE**

**ON THE**

**2013 BUDGET ESTIMATES OF THE  
OFFICE OF GOVERNMENT  
MACHINERY**

MARCH, 2013

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ESTIMATES OF THE OFFICE OF GOVERNMENT MACHINERY**

**1.0 INTRODUCTION**

Following the presentation of the Budget Statement and Economic Policy of the Government for the year ending 31<sup>st</sup> December, 2013 by the Minister for Finance, Hon. Seth Terkper on Tuesday, 5<sup>th</sup> March 2013, the **2013 Annual Budget Estimates** of the **Office of Government Machinery** were *referred* to the Finance Committee for consideration and report in accordance with Article 179 of the Constitution and Order no. 140(4) of the Standing Orders of the House.

The Committee was assisted during its deliberations by the Hon. Minister of Finance, Mr. Seth Terkper, the Ministers of State at the Presidency, Hon. Alhassan Azong and Hon. Mustapha Ahmed (Rtd.)(Maj.) (Dr.) (Alh.), Chief Director at the Presidency, heads and technical teams from the various Departments and Agencies under Government Machinery and officials from the Ministry of Finance and reports as follows:

**2.0 REFERENCE DOCUMENTS**

In considering the Estimates for the Government Machinery, the Committee referred to and was guided by the following documents:

1. The 1992 Constitution of the Republic of Ghana;
2. The Standing Orders of the House;
3. The Budget Statement and Economic Policy of the Government of Ghana for the 2013 Financial Year; and
4. The 2013 Budget Estimates for the Government Machinery.

### **3.0 BACKGROUND**

Government Machinery embraces the Office of the President as the seat of Government, the Regional Co-ordinating Councils (RCCs) and those Organizations whose operations fall outside traditional areas of sectoral responsibility, for which the Office of the President (Government Machinery) exists to provide administrative, managerial and technical services.

The Office of Government Machinery comprises:

- i. Office of the President;
- ii. Office of the Head of Civil Service;
- iii. Management Services;
- iv. Scholarships Secretariat;
- v. Public Records and Archives Administration Department;
- vi. Ghana Aids Commission;
- vii. Commissions and Councils;
- viii. National Identification Authority;
- ix. National Population Council;
- x. Ghana Investment Promotion Centre;
- xi. Internal Audit Agency;
- xii. Savannah Accelerated Development Authority;
- xiii. National Pensions Regulatory Authority;
- xiv. Microfinance and Small Loans Centre;
- xv. Office of the National Security; and
- xvi. Regional Co-ordinating Councils.

The main focus of the Government Machinery is efficient service delivery for good governance through ensuring that all MDAs become transparent, accountable, efficient and responsive to the needs and direction of the country. This is to be achieved, through the following activities:

1. Researching and collating information for Executive policy formulation and review;

2. Conveying Executive policies and decisions to MDAs and other public sector Organisations as well as monitoring the private sector's performance;
3. Ensuring by systematic monitoring, the implementation of Executive decisions and programmes and improving the quality of life of Ghanaians;

Some other objectives are:

- ❖ To formulate, implement, co-ordinate and evaluate government policies and to preserve and conserve public records for the benefit of the general public;
- ❖ To promote political tolerance, stability, and peace in Ghana and the sub-region;
- ❖ To provide institutional capacity and enabling environment for effective, efficient and sustainable service delivery.

#### **4.0 2012 BUDGET ALLOCATIONS**

The Office of Government Machinery (OGM) was allocated a ceiling of GH¢236,064,961.00 for the 2012 financial year. The breakdown at item level is as follows:

Employee Compensation	-	GH¢ 65,662,743.00
Goods and Services	-	GH¢ 84,256,901.00
Asset	-	GH¢ 21,145,317.00
ABFA	-	GH¢ 65,000,000.00
<b>TOTAL</b>		<b>GH¢236,064,961.00</b>



## Summary of 2012 allocation

	ITEM	GOG (GH¢)	IGF (GH¢)	Donor (GH¢)	Total
1	Employee Compensation	65,662,743	-	-	<b>65,662,743</b>
2	Goods and Services	63,760,637	11,318,930	9,177,334	<b>84,256,901</b>
3	Asset	20,836,417	303,900	-	<b>21,145,317</b>
4	ABFA	-	-	-	<b>65,000,000</b>
5	<b>TOTAL</b>	<b>150,259,797</b>	<b>11,627,830</b>	<b>9,177,334</b>	<b>236,064,961</b>

### 5.0 2012 PERFORMANCE

Under-listed activities were undertaken by the agencies during the year under review:

#### 5.1 Office of the Head of the Civil Service

The Office of the Head of the Civil Service organized a sensitization workshop on the revised Annual Performance Reporting System for MDAs with the aim of improving the Performance Assessment Report of the Ghana Civil Service. In addition, the Annual Performance Report on the activities of all MDAs and RCCs for the year 2011 was prepared and submitted to the Office of the President.

The Office of the Head of Civil Service with the support of the Office of the President organized a one week induction course for the newly appointed Chief Directors of the Civil Service. In addition, the signing of Performance Agreement by Chief Directors to assess their performance was re-introduced.

#### 5.2 Scholarships Secretariat

About **GH¢100.0 million** was released by the Ministry of Finance and the Ghana Education Trust Fund (GETfund) to the Secretariat to administer various

scholarships at the senior high school and tertiary institutions, in pursuit of Government's objective of human resource development for sustainable national growth and development.

### **5.3 National Pensions Regulatory Authority**

The Basic National Social Security Scheme and the Occupational and Personal Pensions Schemes (General) Regulations were completed, passed into law and gazetted.

Orientation and sensitization workshops were held for organized labour, employers, service providers, senior officials of MDAs, security services and the general public on the Three-Tier Contributory Pension Scheme.

### **5.4 Internal Audit Agency**

The Internal Audit Agency assisted the National Health Insurance Authority in their regional financial and operational audits of the Mutual Health Insurance Schemes around the country. It also facilitated and promoted the establishment and functionality of the Audit Report Implementation Committees (ARIC). Nine new ARICs were established while three existing ARICs were reconstituted bringing the total to 302.

### **5.5 Microfinance and Small Loans Centre (MASLOC)**

MASLOC disbursed an amount of GH¢24.9 million as direct loans to 52,922 beneficiaries. The amount comprised GH¢2.9 million as individual loans (Small loans and school feeding) and GH¢21.95 million as group loans (microcredit). Total income realized from interest and processing fees amounted to GH¢2.2 million. A total of 1,000 outboard motors were distributed to fishermen in all the fishing communities in Ghana for the fishing industry. It is estimated that, at least 13,000 new direct jobs and additional 20,000 indirect jobs were created.

### **5.6 Ghana Aids Commission (GAC)**

A total of 3,934,449 people were reached with HIV messages and information through activities implemented under the NSP 2011-2015. Some of these activities include community outreach and mobilization for HIV tests and counseling through the "Know your status campaign", working with the media on Stigma and Discrimination and film shows and drama.



## **5.7 Public Records and Archives Administration Department PRAAD**

PRAAD developed a (Draft) Records Management Policy/ Regulations. Training programmes were also held for middle level personnel of the Civil Service at the Civil Service Training Centre. In addition, Orientation course was organised for newly recruited records class staff. Appraisal of semi current records at the National Records Centre to ascertain their value as well as decongest the records centre is currently on-going.

## **5.8 National Population Council (NPC)**

The NPC was actively involved in the analysis of the 2010 Population and Housing Census data with respect to the publication of the main and thematic reports.

The final report of a research on Tourism, Sexual Violence and HIV & AIDS in selected districts in the Central and Greater Accra regions was also produced.

The Council also produced a Population Stabilization Report with the support of Partners in Population and Development (PPD).

A draft National Migration Policy was developed in collaboration with the Centre for Migration Studies at the University of Ghana.

## **6.0 THE 2013 ANNUAL ESTIMATES OF THE GOVERNMENT MACHINERY**

Key focus areas and policy objectives of Government Machinery for the 2013 financial year include:

- *Ensuring and sustaining of macroeconomic stability* - through sound fiscal policy management and improved fiscal resource mobilization.
- *Human development, productivity and employment* – Enhanced management of HIV/AIDS, STI and TB response to promote healthy lifestyles.

- *Transparent and accountable governance* – Foster civic advocacy to nurture the culture of democracy, upgrade the capacity of the public and civil service for transparent, accountable, efficient, timely, effective performance and service delivery as well as deepen on-going institutionalization and internalization of policy formulation, planning and monitoring and evaluation (M&E) systems at all levels. Government Machinery will also ensure public safety and security and employ the use of evidenced based decision-making.

For the implementation of the various programs and activities, a total amount of **Three Hundred and Twelve Million, Three Hundred and Forty-five Thousand, Five Hundred and Twenty-one Ghana Cedis (GH¢312,345,521)** has been allocated to Government Machinery for the year 2013. Out of this, **Two Hundred and Seventy-five Million, Six Hundred and Nine Thousand, Five Hundred and Forty-one Ghana Cedis (GH¢275,609,541)** is GOG, **Nine Hundred and Sixty-six Thousand, Six Hundred and Fifty Ghana cedis (GH¢966,650)** is Donor, **Twenty Million Ghana Cedis (GH¢20,000,000)** is ABFA and **Fifteen Million, Seven Hundred and Sixty-nine Thousand, Three hundred and Thirty Ghana Cedis (GH¢15,769,330)** is IGF.

The breakdown is as follows:

	GH¢	GH¢
<b>Government of Ghana</b>		
Compensation for Employees	- 135,572,334.00	
Goods and Services (MDAs)	- 98,113,522.00	
Assets	- 41,923,685.00	
<b>Sub-Total</b>		<b>275,609,541.00</b>
<b>Internally Generated Funds(IGF)</b>		
Goods and Services	- 15,415,571.00	
Assets	- 353,759.00	
<b>Sub-Total</b>		<b>15,769,330.00</b>



<b>Donor</b>		
Goods and Services	-	193,330.00
Assets	-	773,320.00
<b>Sub-Total</b>		<b>966,650.00</b>
<b>ABFA</b>		<b>20,000,000.00</b>
<b>TOTAL</b>		<b><u>312,345,521.00</u></b>

## **7.0 THE 2013 ALLOCATION BY SECTOR**

### **7.1 Office of the President**

The Office of the President caters for the following Departments; General Administration, Office of the Chief of Staff (COS), Vice-President's Secretariat, Cabinet Secretariat, Press Secretariat, Millennium Development Authority (MiDA), African Fund for Bio Fuels Development, State Enterprises Commission, Divestiture Implementation Committee, Policy Evaluation and Oversight Unit, Public Sector Reform Secretariat and Policy Coordination and Delivery Unit.

For the 2013 financial year, **the Office of the President** has been allocated the following amounts to cater for the respective expenditure items:

Compensation of Employees	-	GH¢ 7,303,753.00
Goods and Services	-	GH¢ 47,491,219.00
Assets	-	GH¢ 8,322,775.00
<b>TOTAL</b>	-	<b>GH¢ 63,117,747.00</b>

### **7.2 Allocations to Departments and Units under Office of the President**

The following represent allocations to the various Divisions and Agencies under the Office of the President:

General Administration	-	GH¢11,474,674.00
Office of the Chief of Staff	-	GH¢14,799,119.00

Vice President's Secretariat	-	GH¢ 7,323,560.00
Cabinet Secretariat	-	GH¢ 2,433,000.00
Press Secretariat	-	GH¢ 600,000.00
Millennium Development Authority (MiDA)	-	GH¢21,278,800.00
African Fund for Bio Fuels Development	-	GH¢ 289,606.00
State Enterprises Commission	-	GH¢ 705,234.00
Divesture Implementation Committee	-	GH¢ 308,910.00
Policy Evaluation and Oversight Unit	-	GH¢ 406,390.00
Public Sector Reform Secretariat	-	GH¢ 1,468,654.00
Policy Coordination and Delivery Unit	-	GH¢ 2,029,800.00
<b>Total</b>		<b>GH¢63,117,747.00</b>

### **7.3 Office of the Head of Civil Service (OHCS)**

The Office of the Head of Civil Service has been allocated a total budgetary provision of **GH¢7,104,320.00** to be disbursed in the 2013 financial year as follows:

Compensation of Employees	-	GH¢1,188,540.00
Goods and Services	-	GH¢5,415,780.00
Assets	-	GH¢ 500,000.00
<b>TOTAL</b>	-	<b>GH¢7,104,320.00</b>

This figure would be allocated to the various departments of the OHCS as follows:

Finance and Administration Directorate	-	GH¢5,309,180.00
Planning, Budgeting, Monitoring & Evaluation	-	GH¢ 132,920.00
Career Management Directorate	-	GH¢ 119,000.00
Recruitment, Training Development Directorate	-	GH¢1,431,920.00
Research, Statistics & Information Mgt	-	GH¢ 111,300.00
<b>TOTAL</b>	-	<b>GH¢7,104,320.00</b>

#### **7.4 Management Services**

Management Services has been allocated an amount of **GH¢823,620.00** to be disbursed as follows:

Compensation of Employees	-	GH¢515,120.00
Goods and Services	-	GH¢238,500.00
Assets	-	GH¢ 70,000.00
<b>Total</b>	<b>-</b>	<b>GH¢823,620.00</b>

#### **7.5 Public Records and Archives Administration Department (PRAAD)**

An amount of **GH¢1,027,040.00** has been allocated to the Public Records and Archives Administration Department. This will be disbursed as follows:

Compensation of Employees	-	GH¢ 718,620.00
Goods and Services	-	GH¢ 308,420.00
<b>Total</b>	<b>-</b>	<b>GH¢1,027,040.00</b>

#### **7.6 Commissions and Councils**

For the 2013 financial year, an amount of **GH¢2,861,040.00** has been allocated to Commissions and Councils (i.e. Council of State and Office of the Chief of State Protocol) to be disbursed as follows:

Compensation of Employees	-	GH¢ 1,110,640.00
Goods and Services	-	GH¢ 1,385,200.00



Assets	-	GH¢ 365,200.00
<b>Total</b>	-	<b>GH¢2,861,040.00</b>

This amount would be divided as follows:

Council of State	-	GH¢1,142,600.00
Office of the Chief of State Protocol	-	GH¢1,718,440.00
<b>Total</b>	-	<b>GH¢2,861,040.00</b>

### **7.7 Office of the National Security**

The Office of the National Security has been provided with a total of **GH¢134,286,591.00** for the 2013 financial year to be disbursed as follows:

Compensation of Employees	-	GH¢109,111,125.00
Goods and Services	-	GH¢ 21,475,177.00
Assets	-	GH¢ 3,700,289.00
<b>Total</b>	-	<b>GH¢134,286,591.00</b>

### **7.8 Regional Coordinating Councils**

A total amount of **GH¢ 16,999,549.00** were allocated to Regional Coordinating Councils for the 2013 financial year to be disbursed as follows:

Compensation of Employees	-	GH¢ 5,692,807.00
Goods and Services	-	GH¢ 9,124,321.00
Assets	-	GH¢ 2,182,421.00
<b>Total</b>	-	<b>GH¢16,999,549.00.</b>

Specific allocations to the various Regional Co-ordinating Councils are as follows:

Greater Accra Region	-	GH¢1,697,536.00
Volta Region	-	GH¢1,520,250.00
Eastern Region	-	GH¢1,764,451.00
Central Region	-	GH¢1,660,042.00
Western Region	-	GH¢1,731,168.00
Ashanti Region	-	GH¢2,016,240.00
Brong Ahafo Region	-	GH¢1,832,742.00
Northern Region	-	GH¢1,762,392.00
Upper East Region	-	GH¢1,564,464.00
Upper West Region	-	GH¢1,450,264.00
<b>TOTAL</b>		<b>GH¢16,999,549.00</b>

#### **7.9 Ghana AIDS Commission**

A budgetary amount of **GH¢1,967,850.00** has been allocated to Ghana AIDS Commission to be disbursed as follows:

Compensation of Employees	-	GH¢810,790.00
Goods and Services	-	GH¢935,060.00
Assets	-	GH¢222,000.00
<b>Total</b>	-	<b>GH¢1,967,850.00</b>

#### **7.10 Scholarships Secretariat**

An amount of **GH¢32,465,305.00** has been allocated to the Scholarships Secretariat to be disbursed as follows:

Compensation of Employees	-	GH¢ 1,516,855.00
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Goods and Services	-	GH¢ 30,440,450.00
Assets	-	GH¢ 500,000.00
<b>Total</b>	-	<b>GH¢32,465,305.00</b>

The total budget of the Scholarships Secretariat would be spent as follows:

(1) General Administration	-	GH¢30,998,390.00
(2) London Office	-	GH¢ 1,466,915.00
<b>Total</b>	-	<b>GH¢32,465,305.00</b>

#### **7.11 National Identification Authority**

An amount of **GH¢2,405,630.00** has been allocated to the National Identification Authority (NIA) to be disbursed as follows:

Compensation of Employees	-	GH¢ 847,850.00
Goods and Services	-	GH¢ 1,557,780.00
<b>Total</b>	-	<b>GH¢2,405,630.00</b>

#### **7.12 Office of the Administrator General**

The office of the Administrator General has been allocated an amount of **GH¢726,360.00** for the implementation of its programs and activities for the 2013 financial year. The breakdown is as follows:

Compensation of Employees	-	GH¢237,960.00
Goods and Services	-	GH¢189,200.00
Assets	-	GH¢299,200.00
<b>Total</b>	-	<b>GH¢726,360.00</b>



### **7.13 National Population Council**

The National Population Council has been allocated an amount of **GH¢1,881,224.00** for implementation of its programmes and activities for the 2013 financial year as follows:

Compensation of Employees	-	GH¢	816,624.00
Goods and Services	-	GH¢	769,100.00
Assets	-	GH¢	295,500.00
<b>Total</b>	-	<b>GH¢</b>	<b>1,881,224.00</b>

### **7.14 Ghana Investment Promotion Centre**

A budgetary amount of **GH¢12,609,175.00** (this includes Donor Funds of GH¢693,330.00 and IGF of GH¢10,592,650.00) has been provided for the Ghana Investment Promotion Center (GIPC) to be utilized in the 2013 financial year as follows:

Compensation of Employees	-	GH¢	834,300.00
Goods and Services	-	GH¢	10,921,116.00
Assets	-	GH¢	853,759.00
<b>Total</b>	-	<b>GH¢</b>	<b>12,609,175.00</b>

### **7.15 Internal Audit Agency**

For purposes of fulfilling its mandate, the Internal Audit Agency has been allocated an amount of **GH¢2,631,250.00** for the year 2013 to be spent as follows:

Compensation of Employees	-	GH¢1,279,950.00
Goods and Services	-	GH¢1,151,300.00
Assets	-	GH¢ 200,000.00
<b>Total</b>	<b>-</b>	<b>GH¢2,631,250.00</b>

### **7.16 Savannah Accelerated Development Authority**

The Savannah Accelerated Development Authority (SADA) has been allocated an amount of **GH¢20,473,000.00** for the year 2013. This is to be spent on the following items:

Compensation of Employees	-	GH¢ 350,000.00
Goods and Services	-	GH¢ 123,000.00
Assets	-	GH¢20,000,000.00
<b>Total</b>	<b>-</b>	<b>GH¢20,473,000.00</b>

### **7.17 National Pensions Regulatory Authority (NPRA)**

A budgetary allocation of **GH¢3,017,200.00** (this includes an IGF of **GH¢700,000.00**) has been provided for the National Pensions Regulatory Authority to be disbursed as follows:

Compensation of Employees	-	GH¢ 987,400.00
Goods and Services	-	GH¢1,763,500.00
Assets	-	GH¢ 266,300.00
<b>Total</b>	<b>-</b>	<b>GH¢3,017,200.00</b>

## **7.18 Microfinance and Small Loans Center**

For the implementation of the programmes and activities of the Microfinance and Small Loans Center (MASLOC), a budgetary amount of **GH¢7,675,300.00** has been allocated to the Center for the year 2013 to be disbursed as follows:

Compensation of Employees	-	GH¢2,250,000.00
Goods and Services	-	GH¢ 425,300.00
Assets	-	GH¢5,000,000.00
<b>Total</b>	-	<b>GH¢7,675,300.00</b>

### **ATTACHMENT (Summary of Expenditure By Departments)**

A summary of the total budget allocation to the Government Machinery for 2013 is **attached** as *Appendix A*.

## **8.0 OBSERVATIONS AND RECOMMENDATIONS**

The Committee was informed that the **Office of Government Machinery** exists to provide administrative, managerial and technical services to the Presidency of Ghana leading to improvement in social, economic and political direction of the nation in the best interest of Ghanaians.

The Committee observed that, as at 30<sup>th</sup> November 2012, the **Office of the President** has spent an amount of **GH¢20,655,653.55** in excess of its approved budget for 2012. The Committee was informed that, **GH¢20,540,991.79** of the over expenditure was in respect of Employee Compensation and **GH¢114,661.76** in respect of Asset. The expenditure overrun was as a result of the implementation of the single spine salary Scheme in 2012.



### ***Millennium Development Authority***

The Committee was informed that the objectives of the Millennium Development Authority (MiDA) were fully achieved and the Authority was able to draw all funds allocated to Ghana at the end of the compact on 16<sup>th</sup> February, 2012. The Defect Liability Period for all the projects is also due to end by March 29<sup>th</sup>, 2013. In 2012, the Authority received an amount of US\$188,230,934.00 from the Millennium Challenge Corporation to complete ongoing projects. The Authority further requested for additional Funds from government to help complete projects that were at various stages of completion at the end of the compact. They again informed the Committee that, for the implementation of Compact 2, MiDA requires an additional amount of US\$7million for the payment for consultancy and general administration. The 2013 budgetary allocation is part of counterpart fund from government and also for the implementation of Compact two (2).

### ***Office of the Head of Civil Service***

The Office of the Head of Civil Service will continue to implement programmes aimed at improving efficiency of the Civil Service. It was revealed to the Committee that the Office of the Head of Civil Service could not implement critical training programmes meant to build the capacity of Civil Servants due to inadequate budgetary allocations. The Committee was informed that the OHCS is in discussions with the Public Services Commission on the possibility of opening up its training facilities to other public institution. This, OHCS intimated, would help generate additional funds to support the institution. The OHCS emphasized on the need to continually build capacity and operational competence of Civil Servants and proposed the establishment of Public Services Training Fund to guarantee adequate funding in support of capacity building programmes for Public Servants.

The Committee was informed that The OHCS intends to create a comprehensive Human Resource Database of all Civil Servants to facilitate efficient human resource planning and management and operationalise the Annual Performance reporting system. The Committee considers this laudable and urges the OHCS to speed up the process since a good customer service experience can encourage the public to volunteer positive feedback and change public perception about Civil Service.

### ***National Identification Authority (NIA)***

The Committee was informed that the National Identification Authority (NIA) is mandated to establish a National Identification System (NIS) by creating a national database on Ghanaians and foreigners lawfully resident in Ghana, issuing national ID cards and promoting the use of the cards.

The Committee was informed that only **GH¢1,883,685.49** out of the total budgetary allocation of **GH¢2,220,430.00** was released in 2012. It was further revealed that NIA spent **GH¢1,114,797.49** out of the total release on compensation of employees leaving the Authority with meager 768,888.00 to carry out its programmes and activities. Though the NIA has completed the printing of National Identity Cards for all registered persons in the Greater Accra Region, distribution of the cards was however, stalled due to lack of funds. Further, the intended mass registration exercises in the Brong Ahafo and the three Northern Regions could not be undertaken due to lack of funds.

For year 2013, the NIA has planned to conduct mass registration exercises in the three Northern Regions of the country. It will also continue with the production and distribution of the National Identity Cards to registered persons across the country. However, out of a total budgetary requirement of **GH¢36,675,063.54**, a paltry **GH¢2,405,630.00** has been allocated. The Committee was again informed that the Authority is indebted to suppliers and service providers to the tune of **GH¢980,000.00**. The Committee recommends that to avoid payment of needless interest charges and possible judgment debt, the sum of **GH¢980,000.00** being the total indebtedness of the Authority should be paid by the Ministry of Finance from the contingency vote. Also the Minister should take steps to arrange a facility to enable the NIA undertake this important national exercise.

### ***Divestiture Implementation Committee (DIC)***

The Divestiture Implementation Committee (DIC) in the year 2012 successfully divested the Subri Industrial Plantation to an investor. The DIC will, in the year 2013, pursue the divestiture of other 'listed' state-owned enterprises to viable investors. Mention was made of Eredex Hotel and Gama Films Company. The Committee however, learnt that DIC has not been able to bring closure on the divestiture due to lack of funds for the payment of severance award to the staff of the affected companies.



The Committee observed that inadequate logistics continues to be a major challenge to DIC. The DIC lacks proper office equipment and other logistical support for the effective discharge of its functions. This situation, the Committee learnt, is adversely affecting the efficient performance of its mandate. The Committee calls on the Government to, as a matter of urgency, evaluate the structure and mandate of DIC so as to take appropriate decision regarding its continuous existence. .

### ***Scholarships Secretariat***

Officials from the Scholarships Secretariat informed the Committee that as at the end of December, 2012 the Secretariat spent an amount of **GH¢103,111,237.38, US\$7,094,131.36, £36,309.50** and **€118,188.00** as against a budgeted amount of **GH¢64,723,459.61** for scholarship payments. The breakdown of the expenditure is as follows:

**Table 1. Breakdown of Scholarship payments in 2012**

	<b>PURPOSE</b>	<b>GH¢</b>	<b>US\$</b>	<b>£</b>	<b>€</b>
1	1 <sup>st</sup> (Oct-Dec. 2011 and part payment for 2 <sup>nd</sup> term second cycle fees	21,999,997.00			
2	Second Cycle and Local Tertiary	22,756,808.36			
3	250 Medical Students in Cuba	14,677,561.02			
4	Bilateral Awards		2,386,393.62		
5	London Office Student Allowances			36,309.50	
6	3 <sup>rd</sup> Term Second Cycle Fees	15,701,448.00			
7	Bilateral Awards and Year Abroad		2,425,339.70		
8	Ghana-Germany Corporation Awards				118,188.00
9	1 <sup>st</sup> Term 2012/2013 Second Cycle Fees	27,975,423.00			
10	All'ce for Bilateral Awards (Oct-Dec.)		2,282,398.00		
11	<b>TOTAL</b>	<b>103,111,237.38</b>	<b>7,094,131.36</b>	<b>36,309.50</b>	<b>118,188.00</b>



The Committee was further informed that inadequate budgetary allocations particularly that of Goods & Services continue to pose a serious challenge to the Secretariat. The Committee was informed that in year the 2012, the budgetary requirements for Goods and Services for the Accra and London offices were **GH¢245,887.00** and **GH¢211,160.00** respectively. Budgetary amounts of **GH¢168,450.00** and **GH¢98,000.00** respectively were however, approved and only **GH¢132, 344** and **GH¢73,503.00** were released to cater for the Accra and London offices respectively. This situation, the Committee learnt adversely affected implementation of the Secretariat's planned activities.

Again, the 2013 budgetary requirement for Employee Compensation and Goods and Services for the London Office are **GH¢1,186,914.26** and **GH¢280,900.00** and the approved amounts are **GH¢1,186,915.00** and **GH¢280,000.00** respectively. The Committee however, calls on the Secretariat to reassess the relevance of the London Office to its operations.

The Committee noted that the Secretariat has programmed to monitor the academic progress of the awardees both local and foreign and also ensure that they return home upon completion. The Secretariat will, in addition, continue to collaborate with the Ministry of Foreign Affairs and Regional Integration and its missions abroad and other relevant bodies, to explore more avenues for bilateral and multilateral scholarship awards for the benefit of Ghanaians.

### ***Internal Audit Agency***

The Committee was informed that in line with its mandate, the Agency will continue to contribute to the improvement of transparent and accountable governance, re-brand the internal audit activity for improved visibility, public acceptability and support. In addition, the Agency will also effectively promote internal audit practice, increase public access to information on internal audit activities and create a congenial environment for high performance work and position managements of MDAs and MMDAs to actively support internal audit practice. The Committee supports the initiative and encourages the Agency to as part of the rebranding, intensify public education of its activities. This, the Committee believes will help demystify the Agency and make it more accessible.

### ***Public Records and Archives Administration Department (PRAAD)***

The Committee was informed that as part of the efforts to improve the records keeping practices in the public service, PRAAD will decongest 10 Record Offices of semi-current records at the Ministries of Justice and Attorney General's Department, Local Government and Rural Development, Finance, Water Resources Works and Housing, Lands and Natural Resources and Transport. Further, an Electronic Records Management Unit will be established and a training programme organized for public service personnel in Electronic Records Management.

The Committee however, noted that a meager **GH¢308,420.00** has been allocated for goods and services for 2013. The Committee holds the view that the implementation of the Electronic Record Management system will help protect important national records from fire and other disasters. The Committee therefore appeals to the Minister of Finance to make allocation in the supplementary budget if any for this activity.

### ***National Population Council***

The Council will update demographic database on population and development which will include the revision of Population and Reproductive Health Policies together with key demographic indicators and population goals, targets and strategies.

Furthermore, it will create awareness on the implications of population dynamics on development through effective advocacy; support development of programmes on key emerging issues such as urbanization, migration and climate change.

### ***Pensions Regulatory Authority***

The National Pension Regulatory Authority was set up to regulate and monitor the operations of pension schemes and ensure effective administration of pensions in the country. The Committee was informed that the Authority has so far issued twelve (12) Operational Guidelines for the purpose of giving guidance for the registration of Service Providers. The Authority also received 215 applications for registration as pension schemes and has approved 108 schemes. The Committee noted that the Authority received an amount of



**GH¢689,061,600.50** as contributions to the Second Tier Occupational Pension Scheme and invested same. Returns realised on the investment as at 31<sup>st</sup> December, 2012 amount to **GH¢70,972,627.49**. Officials from the Authority further informed the Committee that, the National Pension Act, 2008 (Act 766) enjoins the Authority to bring its activities close to the people by establishing regional and district offices. The Authority has also registered 50 trustees and need logistics and robust ICT infrastructure to supervise their activities. To undertake these activities, the Authority requires an amount of **GH¢11,192,844.95** for 2013 financial year. An amount of **GH¢3,017,200.00** only has been allocated in the 2013 Budget with a shortfall of **GH¢8,175,644.95**.

Considering the significant role of pension funds in any financial system, the Committee calls for speedy implementation of the pension reforms to help unlock investible fund currently locked up at the Bank of Ghana into the financial system.

#### ***Micro Finance and Small Loans Centre (MASLOC)***

MASLOC was established to extend low cost credit facilities to Small and Medium Scale Enterprises. The Committee was informed that MASLOC will consolidate the value chain in the fishing sector by financing the construction of Cold stores at James Town. It will also acquire one thousand (1,000) outboard motors and fishing nets to support the fishing industry.

Further, MASLOC will collaborate with special agencies and experts to intensify training of credit officers in best microfinance lending operations to build the capacity of staff and management in agricultural financing, especially value chain financing in agriculture.

The Committee noted that MASLOC disbursed an amount of **GH¢45,015,968.21** to some 53,999 beneficiaries in 2012. This is made up of direct lending of **GH¢24,056,723** to 52,322 beneficiaries and special project of **GH¢20,959,245.21** to 1,677 beneficiaries. The Committee was informed that as a result of measures put in place, the Centre has increased its credit recovery rate from 6% to about 70% by December 2012. As at December, 2012 an amount of **GH¢2.2m** was realized from interest and loan repayments.



The Committee urges MASLOC to intensify its recovery efforts to make the organisation self-sustaining.

***Savanna Accelerated Development Authority (SADA)***

SADA has stimulated interest in agriculture and facilitated the cultivation of 8000 hectares of maize involving more than 10,000 households. The Committee was informed that SADA intends to expand its agricultural programme to cover 25,000 hectares involving some 30,000 households. The Committee noted that in 2012, SADA spent an amount of **GH¢91,249,000.00** on its activities. Out of this amount, operational expenses amounted to **GH¢20,029,000.00** and the balance representing part of Investment Expenditure for the year 2012. The Committee was informed that an amount of **GH¢165,000,000.00** facility was released to SADA in 2012 for its investment activities. The investment fund was disbursed as follow:

<b>Expenditure Area</b>	<b>Amount (GH¢)</b>
1. Agricultural Input Support	- 11,531,000
2. Key Human Development	- 288,000
3. Afforestation	- 33,000,000
4. Guinea Fowl Project	- 12,000,000
5. Roads and Highways	- 1,000,000
6. Tractors	- 19,786,000
7. Admin. Compensation	- 1,244,000
8. Business Development	- 3,000,000
9. Governance	- 567,000
10. Building Equipment	- 4,482,000
11. Motor Vehicle	- 904,000
<b>Total</b>	<b>87,802,000</b>

The Committee was also informed that the facility is a privately placed bond for **GH¢ 200 million** for SADA to be used as seed money to attract further investment to the SADA area. An amount of **GH¢165 million** has been disbursed under the facility into the SADA Account at the Bank of Ghana after a three-year bond certificate was issued and duly registered at the Central Securities Depository (CSD). The remaining **GH¢35 million** was yet to be disbursed.

The facility did not go through Parliamentary approval process like all external and domestic funded loans because, like all government bond issues, the Net Domestic Financing (NDF) was the main factor of consideration.

### ***The Council of State***

The Committee was informed that the budget approved for the Council of State for the 2013 fiscal year falls short of the budgetary requirement submitted by the Council. The Council informed the Committee that a budgetary allocation of **GH¢1,142,600.00** has been approved for 2013 instead of the Council's requirement of **GH¢6,935,000.00**. It was explained that the Council is currently constrained in terms of office accommodation and therefore requested an amount of **GH¢3,046,300.00** to enable it complete an office complex which was started in 2010 which is about 50% complete. Only **GH¢200,000.00** allocation is made in 2013 for the completion of the project.

The Committee learnt that the Council has been allocated **GH¢185,000.00** for goods and services as against a budgetary requirement of **GH¢2,525,000.00**. With the amount provided, the Council would be constrained in carrying out effectively, its Constitutional mandate since the work of the Council has increased in scope.

The Committee advises the Council of State to liaise with the Office of Government Machinery and the Minister of Finance on the possibility of raising additional funds for the completion of the office building.

### ***General Observation***

The Committee noted that, most of the agencies/units under the Office of Government Machinery do not have any direct ministerial supervision/responsibility. This arrangement the Committee realised is making accountability and parliamentary oversight difficult. It is the considered view of the Committee that many of these Agencies perform functions that directly fall under the purview of one ministry or the other. Therefore, to ensure proper accountability and effective oversight, the Committee recommends to the Office of Government Machinery to consider realigning some of these agencies to

appropriate ministries or assign appropriate Ministers of State to oversee their activities.

## **9.0 CONCLUSION**

The Committee, having critically examined the 2013 Annual Estimates of the Government Machinery, respectfully recommends to the House to approve the sum of *Three Hundred and Twelve Million, Three Hundred and Forty-five Thousand, Five Hundred and Twenty-one Ghana cedis (GH¢312,345,521)* for the running of the **Government Machinery** for the Financial Year commencing 1<sup>st</sup> January and ending 31<sup>st</sup> December, 2013.

Respectfully submitted.



**HON. JAMES KLUTSE AVEDZI  
CHAIRMAN, FINANCE COMMITTEE**



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

**21<sup>st</sup> MARCH, 2013**



APPENDIX A

2013 APPROPRIATION SUMMARY OF EXPENDITURE BY DEPARTMENT, ECONOMIC ITEM AND FUNDING SOURCE

(In GH Cedis)

SECTOR / MDA / MMDA	Compensation of Employees	Central GOG and CF Goods/Service Other Expense	Assets (Capital)	Total GOG	Comp. of Emp	I	G	F	Assets (Capital)	Total IGF	FUNDS/OTHERS				D	O	N	O	R	Assets (Capital)	Tot Donor	Grand Total Less NEGF/ STATUTORY
											ABFA	MREG	MDF/Cocoa	Comp. of Emp								
Office of Government Machinery	155,572,334	27,286,219	9,322,715	42,892,747	0	0	0	0	0	20,000,000	0	0	0	0	0	0	0	0	0	0	0	312,245,521
Office of the President	7,303,753	3,520,865	2,086,800	11,246,674	0	0	0	0	0	20,000,000	0	0	0	0	0	0	0	0	0	0	0	63,117,747
General Administration	5,842,009	9,974,384	4,924,735	14,799,119	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	11,614,674
Office of the Chief of Staff (COS)	0	6,723,580	600,000	7,323,580	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	14,799,119
Vice-President's Secretariat	0	2,069,000	384,000	2,453,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7,323,580
Cabinet Secretariat	0	600,000	0	600,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,453,000
Press Secretariat	0	625,000	0	625,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	600,000
Millennium Development Authority (MMDA)	653,800	208,900	0	1,278,800	0	0	0	0	0	20,000,000	0	0	0	0	0	0	0	0	0	0	0	21,278,800
African Fund for BIO Fuels Development (AF)	80,706	380,650	60,000	705,234	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	289,606
State Enterprises Commission (SEC)	284,584	167,330	10,000	308,910	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	705,234
Dvestiture Implementation Committee (DIC)	131,580	154,390	30,000	406,390	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	308,910
Policy Evaluation & Oversight Unit	222,000	912,320	247,240	1,468,654	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	406,390
Public Sector Reform Secretariat	309,094	2,029,800	0	2,029,800	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,468,654
Policy Coordination and Delivery Unit	0	1,284,520	500,000	2,953,060	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,029,800
Office of the Head of Civil Service (OHCS)	1,188,540	688,800	500,000	2,357,340	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7,104,320
Finance and Administration Directorate	1,188,540	132,920	0	132,920	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	132,920
Planning, Budgeting, Monitoring and Evaluation	0	119,000	0	119,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	119,000
Recruitment, Training Development Directora	0	232,500	0	232,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	119,000
Research, Statistics and Information Manage	0	111,300	0	111,300	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1431,920
Management Services	515,120	146,500	70,000	731,620	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	111,300
Management Services Division	515,120	146,500	70,000	731,620	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	823,620
Public Records and Archives Administration Departmen	718,620	300,000	0	1,018,620	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	823,620
General Administration	718,620	300,000	0	1,018,620	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,027,040
Commissions and Councils	1,110,640	1,385,200	365,200	2,861,040	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,027,040
Council of State	757,800	185,000	200,000	1,142,800	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,861,040
Office of the Chief of State Protocol	353,040	1,280,200	165,200	1,718,440	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,142,800
Office of the National Security	109,114,125	21,475,177	3,700,289	134,286,391	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,718,440
National Security Council	24,924,181	12,214,727	1,389,289	42,508,197	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	134,286,391
Research Department HQ	13,489,240	1,803,550	320,000	15,612,790	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	42,508,197
BNI	36,337,704	3,316,800	1,816,000	41,270,504	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15,612,790
Research Department FM	30,360,000	2,254,000	300,000	32,914,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	41,270,504
Bureau of National Communications	0	1,886,100	95,000	1,981,100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	32,914,000
Greater Accra Reg Co-ordinating Council	657,240	746,000	294,296	1,697,536	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,981,100
General Administration	417,120	623,500	294,296	1,339,916	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,697,536
Budget Division	240,120	117,500	0	357,620	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,339,916
Volta Regional Co-ordinating Council	499,650	890,600	130,000	1,520,250	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	357,620
General Administration	341,780	803,600	130,000	1,275,680	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,520,250
Budget Division	157,870	86,700	0	244,570	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	357,620
Eastern Regional Co-ordinating Council	587,310	973,800	203,341	1,764,451	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,275,680
General Administration	157,870	86,700	0	244,570	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,275,680
Budget Division	587,310	973,800	203,341	1,764,451	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	244,570



SECTOR / MDA / MMDA	Central GOG and CF		I G F		FUND/OTHERS		D O N O R		Grand Total Less NREG/ STATUTORY
	Compensation of Employees	Goods/Service Other Expense	Assets (Capital)	Total GoG	Comp. of Emp	Goods/Service (Capital)	Assets (Capital)	Tot Donor	
General Administration	346,680	872,600	203,341	1,422,821	0	0	0	0	1,422,821
Budget Division	240,430	101,200	0	341,630	0	0	0	0	341,630
Central Regional Co-ordinating Council	543,910	928,932	187,200	1,660,042	0	0	0	0	1,660,042
General Administration	372,350	827,332	187,200	1,386,882	0	0	0	0	1,386,882
Budget Division	171,560	101,600	0	273,160	0	0	0	0	273,160
Western Regional Co-ordinating Council	610,768	920,400	200,000	1,731,168	0	0	0	0	1,731,168
General Administration	372,588	836,400	200,000	1,408,988	0	0	0	0	1,408,988
Budget Division	238,180	84,000	0	322,180	0	0	0	0	322,180
Ashanti Regional Co-ordinating Council	806,940	947,300	260,000	2,016,240	0	0	0	0	2,016,240
General Administration	536,370	849,800	260,000	1,646,170	0	0	0	0	1,646,170
Budget Division	272,570	97,500	0	370,070	0	0	0	0	370,070
B.A.Regional Co-ordinating Council	630,310	949,848	252,584	1,832,742	0	0	0	0	1,832,742
General Administration	448,820	855,851	252,584	1,557,255	0	0	0	0	1,557,255
Budget Division	181,490	93,987	0	275,477	0	0	0	0	275,477
Northern Regional Co-ordinating Council	498,610	958,782	305,000	1,762,392	0	0	0	0	1,762,392
General Administration	371,210	858,904	305,000	1,535,114	0	0	0	0	1,535,114
Budget Division	127,400	99,878	0	227,278	0	0	0	0	227,278
Upper East Regional Co-ordinating Council	429,353	925,111	210,000	1,564,464	0	0	0	0	1,564,464
General Administration	335,465	826,491	210,000	1,371,946	0	0	0	0	1,371,946
Budget Division	93,888	98,630	0	192,518	0	0	0	0	192,518
Upper West Regional Co-ordinating Council	426,716	833,548	140,000	1,450,264	0	0	0	0	1,450,264
General Administration	328,140	793,829	140,000	1,261,969	0	0	0	0	1,261,969
Budget Division	98,576	89,719	0	188,295	0	0	0	0	188,295
Ghana AIDS Commission	810,790	935,060	222,000	1,967,850	0	0	0	0	1,967,850
Finance & Administration	810,790	935,060	222,000	1,967,850	0	0	0	0	1,967,850
Scholarship Secretariat	1,516,855	30,448,450	500,000	32,465,305	0	0	0	0	32,465,305
General Administration	329,940	30,168,450	500,000	30,998,390	0	0	0	0	30,998,390
London Office	1,186,915	280,000	0	1,466,915	0	0	0	0	1,466,915
National Identification Authority (NIA)	847,850	1,557,780	0	2,405,630	0	0	0	0	2,405,630
General Administration	847,850	1,557,780	0	2,405,630	0	0	0	0	2,405,630
Office of the Administrator-General	237,960	189,200	299,200	726,360	0	0	0	0	726,360
General Administration	237,960	189,200	299,200	726,360	0	0	0	0	726,360
Western Corridor Development Authority	0	0	0	0	0	0	0	0	0
General Administration	0	0	0	0	0	0	0	0	0
National Population Council	816,624	769,100	295,500	1,881,224	0	0	0	0	1,881,224
General Administration	816,624	769,100	295,500	1,881,224	0	0	0	0	1,881,224
Ghana Investment Promotion Centre (GIPC)	834,300	488,895	0	1,323,195	0	0	0	0	1,323,195
General Administration	834,300	488,895	0	1,323,195	0	0	0	0	1,323,195
Internal Audit Agency	1,279,950	1,151,300	200,000	2,631,250	0	0	0	0	2,631,250
General Administration	1,279,950	1,151,300	200,000	2,631,250	0	0	0	0	2,631,250
Savannah Accelerated Development Authority (SADA)	350,000	123,000	20,000,000	20,473,000	0	0	0	0	20,473,000
General Administration	350,000	123,000	20,000,000	20,473,000	0	0	0	0	20,473,000
National Pensions Regulatory Authority (NPRA)	987,400	1,063,500	266,300	2,317,200	0	0	0	0	2,317,200
General Administration	987,400	1,063,500	266,300	2,317,200	0	0	0	0	2,317,200

SECTOR / MDA / MIDA

	Central GOG and CF			I G F			FUNDS / OTHERS			D O N O R			Grand Total Less NREG / STATUTORY	
	Compensation of Employees	Goods/Service Other Expense	Assets (Capital)	Comp. of Emp	Goods/Service (Capital)	Assets (Capital)	STATUTORY	ABFA	NREG	MDF/Cocoa /SIP/Others	Comp. of Emp	Goods/Service (Capital)		Tot. Donor
General Administration	987,400	1,063,500	265,300	0	700,000	0	0	0	0	0	0	0	0	3,017,200
Microfinance and Small Loans Centre (MASLCO)	2,250,000	425,300	5,000,000	0	0	0	0	0	0	0	0	0	0	7,675,300
General Administration	2,250,000	425,300	5,000,000	0	0	0	0	0	0	0	0	0	0	7,675,300