

IN THE FIRST SESSION OF THE SEVENTH PARLIAMENT OF THE
FOURTH REPUBLIC OF GHANA

PARLIAMENT OF GHANA 13301/17

REPORT OF THE
FINANCE COMMITTEE

ON THE

2017 ANNUAL BUDGET ESTIMATES

OF THE

OFFICE OF
GOVERNMENT MACHINERY

21st MARCH, 2017

Acc No 627

Class No AE/OGM/2017 (1)

1.0 INTRODUCTION

The Annual Estimates for the Office of Government Machinery was laid in the House and referred to the Finance Committee for consideration and report, in accordance with Article 179 of the Constitution and Standing Orders of the House. This follows the presentation of the Budget Statement and Economic Policy of the Government by the Minister of Finance, Hon. Ken Ofori-Atta for the year ending 31st December 2017.

The Committee met with the Deputy Chief of Staff, Mr. John Jinapor, the Chief Director Mr. Kizito Ballans and their technical team from the Office of Government Machinery and reports as follows:

1.1 REFERENCE 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 for the 2017 financial year

1.0 BACKGROUND

Government Machinery embraces the constitutional view of the Office of the President as the seat of Government, those Organizations whose operations fall outside traditional areas of sectoral responsibilities, for which the Office of the President (Core Government Machinery) exists to provide administrative, managerial and technical services.

The Office of Government Machinery comprises:

- i. Office of the President
- ii. Scholarships Secretariat
- iii. Ghana AIDS Commission
- iv. Commissions and Councils
- v. National Population Council
- vi. Ghana Investment Promotion Center
- vii. Internal Audit Agency
- viii. Savannah Accelerated Development Authority
- ix. Microfinance and Small Loans Center
- x. Office of the Administrator – General
- xi. Millennium Development Authority
- xii. Public Sector Reform Secretariat
- xiii. African Fund for BIO Fuels development

- xiv. State Enterprises Commission
- xv. Divestiture Implementation Committee

2.1 GOALS AND OBJECTIVES

The Office of Government Machinery exists to institutionalize open, transparent and accountable governance for the attainment of government's development agenda of improving the quality of life of Ghanaians. The Office of Government Machinery's policy objectives among others include:

- a) Improve the balance among arms of government, governance institutions and their functioning
- b) Ensuring inclusive and equitable political system
- c) Ensuring effective implementation of the decentralization policy and programme
- d) Ensuring efficient and effective resource mobilization, internal revenue generation and resource management
- e) Strengthen policy and development planning processes for equitable and balanced spatial and economic development
- f) Rational and define structures, roles and procedures for state institutions
- g) Enhance supervision and productivity in the public service
- h) Improve the responsiveness of the public service in service delivery
- i) Mainstream development communication across the public-sector policy cycle

3.0 2016 PERFORMANCE

The under listed activities were some of the activities undertaken by the agencies under the Office of Government Machinery during the year under review:

3.1 Office of the Administrator -General (OAG)

The Office played a leading role in the re-registration of a number of Government vehicles and captured over eighteen thousand (18,000) data on government vehicles for the Ministries, Departments and Agencies (MDAs), Metropolitan, Municipal and District Assemblies (MMDAs) and Independent Constitutional Bodies.

The Office also developed template for writing of Handing-Over Notes and commenced the compilation of a register of public lands and other lands vested in the President.

3.2 Scholarships Secretariat

The Scholarships Secretariat cleared outstanding payment in respect of feeding grants for the third term of 2014/15 academic year for One hundred and Forty-six thousand, four hundred and thirty-eight (146,438) students in the second cycle level. The Secretariat also paid the first and second terms feeding grants for One hundred and Thirty seven thousand, and three hundred (137,300) students of the 2015/16 Academic year. Part-payment for West African Examination Council (WEAC) examinations for Forty-four thousand, nine hundred and eighteen (44,918) students was also made.

The Secretariat also paid bursary and thesis grant for Thirteen thousand, fifty-five (13,055) post graduate students. It also paid bursary for Two hundred and Thirty-three (233) physically challenged students in the tertiary institutions. Payment for long courses and practical training allowances for One thousand, two hundred and twenty-six (1,226) medical students was made.

The Secretariat paid air tickets, tuition and accommodation fees as well as other allowances for Two hundred and forty two (242) students for language immersion programmes in Benin, Togo, Tanzania, Egypt, Russia, Cuba and China.

The Secretariat also paid for Nine hundred and Ninety-eight (998) post graduates and undergraduates studying abroad under bilateral cooperation agreements as well as Sixty-one (61) post graduate students studying in Germany on GoG-DAAD scholarships.

3.3 Microfinance and Small Loans Center (MASLOC)

MASLOC distributed an amount of **Thirteen Million, Six Hundred and Forty-Five Thousand, Nine Hundred and Twenty Ghana Cedis (GH¢13,645,920)** to Twenty-six thousand, five hundred and five (26,505) beneficiaries across the whole country as at December, 2016. **Five Million, One Hundred and Seventy-Four Thousand**

Nine Hundred Ghana Cedis (GH¢5,174,900) was also disbursed to One hundred and fifty-six (156) in the small and project loan category.

Key areas of intervention include the disbursement of Two hundred and seventy-five (275) TVS tricycles amounting to **Eight Hundred and Forty-Seven Thousand Ghana Cedis (GH¢847,000)** and One thousand, three hundred and fifty-two (1,352) Open Bucket tricycles amounting to **Four Million, Nine Hundred and Forty Thousand and One-fifty Ghana Cedis (GH¢4,960,150)** was disbursed to beneficiaries.

Two hundred and forty-eight (248) new commercial vehicles amounting to **Thirteen Million, Four Hundred and Seventy-Five Thousand, Nine Hundred and Ninety-Six Ghana Cedis (GH¢13,475, 996)** as well as Thirty-nine (39) van tricycles amounting to **Three Hundred and Eight-Four Thousand, One Hundred and Fifty Ghana Cedis (GH¢384, 150)** were procured.

3.4 Millennium Development Authority (MiDA)

MiDA successfully met all the conditions precedent to the entry into force of the Compact and the Compact was officially and legally entered into force by 6th September, 2016.

MiDA also substantially met the conditions precedent to first disbursement of Program Funding and accessed funds, as required. Communications and outreach continued throughout the year. Activities included engagement with the Council of State, Civil Society Organizations, as well as other stakeholders.

MiDA also received approval from Cabinet on the Transaction Structuring Report (TSR) for the ECG Private Sector Participation. The TSR was initiated by MiDA and submitted jointly by the Ministry of Finance and the Ministry of Power with a submission of Draft Request for Qualification (RfQ) by the International Finance Corporation to MiDA Board for approval.

The RfQ for the ECG Private Sector Participation (PSP) transaction was successfully launched, prequalification applications were received and evaluation completed. An Environmental and Social Management System was

completed, approved and put into effect. This related to determination of how environmental and social issues would be handled during the implementation of the Compact in accordance with the program requirements

3.5 Savanna Accelerated Development Authority

During the year under review, the Authority co-invested in three potential solar energy plants namely a Twenty (20) megawatt farm at Gushie, Twenty (20) megawatt plant around Yapei and another Twenty (20) megawatt plant with green Electric.

The Authority initiated discussions with a German Company and the Tamale Metropolitan Assembly for another Twenty (20) Megawatt waste to energy plant in Tamale.

The Authority has acquired land and successfully attracted private investment interest for the construction of a multi-purpose real estate facility.

Other efforts towards facilitation of investment in the agricultural sector include:

- Production of a comprehensive Agricultural Development Master Plan for the zone with Irrigation sites and maps
- Signed a Memorandum of Understanding with China National Textiles and Apparel Council for the cultivation of Fifty thousand (50,000) hectares of land for cotton, establishment of a textiles training institute and processing factories worth Thirty Million Dollars (US\$30 million)
- A Rice Sector Support Programme has been established through the facilitation of SADA in collaboration with the Northern Rural Growth Project and the Savanna Agricultural Research Institute (SARI)

SADA has also developed a twenty-five (25) year Northern Savanna Ecological Zone Regional Development Plan including two urban master-plans with high quality support by the Singapore Urban and industrial planning agency, Surbana Jurong

The Authority has organized national and regional social protection forums and has developed a SADA protection web-based platform for improving social protection targeting and coordination.

SADA and the Ministry of Gender, Children and Social Protection developed a concept note for the expansion of livelihoods of coastal and in-land fishing communities.

3.6 Ghana Investment Promotion Authority

The total Foreign Direct Investment recorded by the center for the year 2016 amounted to Two Billion, Two Hundred and Forty Million US Dollars (US\$2.24 Billion). Total jobs created out of this was Eleven thousand, four hundred and nineteen (11,419).

3.7 National Population Council

The NPC reviewed the 1994 National Population Policy and the 2000 Adolescent Reproductive Health Policy. The review of the ARH policy was undertaken through a multi-stakeholder process with input from government, non-governmental organizations, as well as development partners

The NPC in collaboration with the Ghana AIDS Commission under the leadership of the Ministry of Health (MOH) developed the National Condom and Lubricants Strategy, NCLS 2016-2020. The strategy represents Ghana's commitment to comprehensive condom programs with the purpose of ensuring that all sexually active population can be motivated to choose and use condoms and lubricants when they need to have access to good quality condoms. It is expected that the strategy would address the low condom use in the country especially as it offers a dual protection against pregnancy and HIV.

3.8 2016 EXPENDITURE PERFORMANCE OUTTURN

For the implementation of the various programmes and activities, a total amount of **Seven Hundred and Nineteen Million, One Hundred and Eight Thousand, Nine Hundred and Eleven Ghana cedis (¢ 719,108,911)** was released to the Office of Government Machinery for the 2016 financial year. The breakdown is shown in table 1.

Table 1: Summary of 2016 allocation by item

Item	GoG (GHC)	IGF (GHC)	Donor (GHC)	Total
Employee Compensation	288,005,865	0	0	288,005,865
Goods and Services	291,096,292	135,988,184	2,358,807	1,659,763
Assets	0	1,659,763	0	1,659,763
Total				719,108,911

4.0 2017 ANNUAL ESTIMATES FOR THE OFFICE OF GOVERNMENT MACHINERY

For the implementation of the various programmes and activities, an amount of **One Billion, Five Hundred and Sixty Million, Nine Hundred and Twenty-Six Thousand, Six Hundred and Seventy-Two Cedis (1,560,926,672)** has been allocated to the Office of Government Machinery for the year 2017 as shown in Table 2.

Table 2 – Summary of Estimates for 2017

	GoG	IGF	Total
Compensation of Employees	79,392,760	4,397,262	83,790,022
Goods and Services	388,478,545	4,469,745	392,948,290
CAPEX	1,082,876,609	1,311,751	1,084,788,360
Total			1,560,926,672

4.1 2017 ALLOCATION BY SECTOR

Table 3 gives the sectoral allocations under the Office of Government Machinery as shown below.

Table 3 - ALLOCATION TO SECTORS UNDER THE OFFICE OF GOVERNMENT MACHINERY

		Compensation of Employees	Goods and Services	Capex	Total
1	General Administration	37,291,287	12,885,696		50,176,983
2	Office Of The Chief Of Staff		132,178,635	1,080,397,784	1,212,576,419
3	Vice President Office		4,625,000		4,625,000

4	Cabinet Secretariat		1,725,000		1,725,000
5	Press Secretariat		200,000		200,000
6	Policy Coordination And Delivery Unit		125,000		125,000
7	Council Of State	6,528,928	490,000	2,478,825	9,497,753
8	State Protocol	1,910,713	475,000		2,385,713
9	Divestiture Implementation Committee	13,112,015	175,000		13,287,015
10	Public Sector Reform Secretariat	964,850	450,000		1,414,850
11	State Enterprises Commission	1,106,163	425,001		1,531,168
12	African Fund For Bio Fuels Development	261,915	40,000		301,915
13	Ghana Aids Commission	1,725,254	8,125,000		9,850,254
14	Scholarship Secretariat	1,375,202	204,048,267		205,423,469
15	Office Of The Administrator General	843,987	278,500		1,112,487
16	Internal Audit Agency	3,987,912	492,500		4,480,412
17	National Population Council	2,181,746	490,000		2,671,746
18	Savanna Accelerated Development Authority	2,268,332	50,000		2,318,332
19	Microfinance And Small Loans Center	4,766,538	1,000,000		5,766,538
20	Ghana Investment Promotion Center	5,465,175	4,519,692	1,311,751	11,296,618
21	Millennium Development Authority		20,150,000		20,150,000
	TOTAL	83,790,017	392,948,291	1,084,188,360	1,560,916,672

5.0 OUTLOOK FOR 2017

5.1 Millennium Development Authority

The Authority planned to

- Hold bidders conference for the ECG PSP, Virtual and Physical Data rooms fully opened to bidders and resolving other challenges with the PSP, etc
- Complete all remaining IEAs that are conditions precedent to disbursements
- Sign Contracts for program Management Consultancy Services, Geographic Information System (GIS) for ECG, Upgrade of ECG data center and Communication Networks, Power Sector Capacity Scan (Capscan), and Consultancy for streetlight design, procurement and construction supervision.
- Launch RfP to procure Technical Advisors for ECG and a preferred bidder selected.
- Launch tender for the replacement of legacy meters with prepayment meters
- Put in place a procurement plan for the period 1st April, 2017 to 30th September, 2017 as well as various activities to implement same.

5.2 Ghana Investment Promotion Center

The Center projects to attract foreign direct investments of Five (5) billion dollars (US\$5b) into the country by the end of 2017.

Expected jobs to be created from the Center's activities is projected at Sixteen thousand, five hundred and fifty eight (16, 558) jobs

5.3 National Population Council

The Council intends to continue its advocacy programmes using its own advocacy tools to illustrate the centrality of population to national socio-economic development and to mobilize support for the implementation of the revised population policies and strategic documents.

The Council would also promote the utilization of population data in policy planning and programming and provide technical support to partner agencies at all levels to integrate population variables into planning and programming.

NPC would also undertake capacity building of relevant national and district officials to ensure the use of population integration modules and software

application for policy planning and resource mobilization. Staff of NPC would also undergo some training programmes.

NPC would also participate in mandatory United Nations and other international and national meetings and pay annual subscriptions. It would also organize advocacy seminars for targeted groups including Parliament, Ministries and other identifiable groups, among others.

5.4 Office of the Administrator-General (OAG)

The Office of the Administrator-General plans to procure a software to capture and manage database of State lands, properties and other official assets.

The Office would also recruit senior grade experts in Policy, Research, Statistics and Information Management.

It would also develop and promulgate a comprehensive state vehicle fleet management policy. It would also develop a website, finalize draft organizational manual and prepare a Scheme of Service for the office.

5.5 State Enterprises Commission

The Commission plans to organize and sign performance contracts with forty-three (43) state owned enterprises. It would also conduct monitoring visits and prepare evaluation reports to all the state owned enterprises.

The Commission would organize Corporate Governance workshops for the newly appointed Board Members and Chief Executives. It would also train its staff and integrate the database of all Forty-three (43) state owned enterprises.

5.6 Savanna Accelerated Development Authority (SADA)

SADA plans to establish a development office to aid in resource mobilization and to oversee the implementation of the Authority's master plan in accordance with government priorities.

SADA would plan aggressively to market the priority investment projects and to strengthen capacity for investment promotion and resolving problems on the ground.

The Authority would roll out an e-ADAPP in collaboration with MoFA and others and pursue investments into strategic agriculture infrastructure.

SADA hopes to secure support for the construction of its offices and expand its capacity to support the implementation of its master plan and the delivery of government priority projects

6.0 GENERAL OBSERVATIONS

6.1 Total Expenditure outturn for 2016

The Committee observed from the Annual Estimates for 2016 that the total expenditure as at 31st December, 2016 stood at **One Million, Three Hundred and Six Million, Three Hundred and Twenty-Five Thousand and Seventy-Six Ghana Cedis Twenty-Three Pesewas (GH¢1,306,325,076.23)** as against an approved budget of **Seven Hundred and Nineteen Million, One Hundred and Eight Thousand, Nine Hundred and Eleven Ghana Cedis (GH¢719,108,911)**.

The technical team explained that the excess expenditure were in respect of a number of Agencies such as the National Security, Bureau of National Investigation (BNI) and Research Department which used to be under the Office of Government Machinery in 2016.

As a result of policy changes, these Agencies are no longer under the OGM and therefore their budgets are no longer part of the 2017 budget. The agencies would also account for their expenditure for 2016 under the Ministries that would supervise them. It was therefore prudent to take them out of the OGM in order to avoid double counting.

6.2 Programmes under the Office of Government Machinery

The Committee was informed that out of the Budgetary allocation of **One Billion, Five Hundred and Sixty Million, Nine Hundred and Twenty-Six Thousand, Six Hundred and Seventy-Two Ghana Cedis (GH¢1,560,926,672)** a total amount of **One Billion, Eighty-Two Million, Eight Hundred and Seventy-Six Thousand, Six Hundred and Nine Ghana Cedis (GH¢1,082,876,609)** (representing 69.4%) has been allocated for capital expenditure.

Out of this capital Expenditure allocation, a total amount of **Nine Hundred and Ninety-Two Million, Eight Hundred and Seventy-Six Thousand, Six Hundred and Ten Ghana Cedis (GH¢992,876,610)** has been specifically allocated to finance the unlisted Social Intervention Programmes:

- One District One Factory - GH¢433,435,120
- Small Business Development - GH¢104,786,513
- Agric Inputs - GH¢ 66,682,326
- One Village One Dam - GH¢ 89,723,825
- Water for all Projects - GH¢ 44,561,913
- Sanitation Projects - GH¢ 44,861,913
- Zongo Development Fund - GH¢ 208,525,000

6.3 Capital Expenditure for the Twenty-Two Agencies

The Committee was informed that a total amount of **Ninety Million Ghana Cedis (GH¢90, 000,000)** has been allocated to all the twenty two (22) cost centers under the OGM for their CAPEX. This amount represent the balance left after deducting the **Nine Hundred and Ninety-Two Million, Eight Hundred and Seventy-Six Thousand, Six Hundred and Ten Ghana Cedis (GH¢992,876,610)** for social intervention programmes) from the Capital expenditure budget of **One Billion, Eighty-Two Million, Eight Hundred and Seventy-Six Thousand , Six Hundred and Nine Ghana Cedis (GH¢1,082,876,609)**.

The Deputy Chief of Staff informed the Committee that in view of the quantum of the balance, the Office has directed that the entire amount be held at the Office of the Chief of Staff. Agencies that require assets may make an

application to the Chief of Staff. He expressed the view that in this way, the utilization of the money would be more beneficial to the office.

6.4 Payment of critical items

The committee was informed that a total amount of **Three Hundred and Eighty-Eighty Million, Four Hundred and Seventy Eight Thousand, Five Hundred and Forty-Five Thousand Ghana Cedis (GHC388, 478,545.00)** was allocated for Goods and Services under Government of Ghana (GoG) Funds.

The Deputy Chief of staff indicated that the Office was faced with the payment of critical items. These were made up of outstanding scholarships payments and the Counterpart Funding for MCA Compact II. Provision has also been made for the new ministers under the office as well as other important Commitments.

The Committee was informed that in view of the critical nature of these items, a total amount of **Three Hundred and Twenty-Six Million, Six Hundred and Eight-Six Thousand, Nine Hundred and Thirty-One Ghana Cedis (GH¢326,686,931)** was allocated from the Goods and Services vote for the items as follows:

▪ Scholarships	- GH¢203,533,267
▪ Counterpart Funding for MCA Compact II	- GH¢ 20,000,000
▪ New Ministers at the Presidency	- GH¢ 7,000,000
▪ Infrastructure for Poverty Eradication Programme	- GH¢ 18,469,289
▪ One District One factory	- GH¢22,812,375
▪ Zongo Development Fund	- GH¢ 10,975,000
▪ National Entrepreneurship and Innovation programme	- GH¢ 43,900,000
Total	- GH¢326,686,931

The balance of **Sixty-One Million, Seven Hundred and Eighty-Eight Thousand, Six Hundred and Fourteen (GH¢61,788,614)** for Goods and Services has been allocated to all the twenty-two (22) cost centers under the Office of Government Machinery.

6.5 Donor Support for some Agencies

The Committee observed that there was no allocation for Donor support to the OGM even though some of the agencies such as Ghana AIDS Commission had budgeted for donor support for some of their activities.

The technical team confirmed that some of the agencies would require donor support. The Committee was informed that all the necessary information concerning the Estimates including Donor Support were submitted to the Ministry of Finance for inclusion in the Budget. Unfortunately the provision for donor support was inadvertently left out in the Estimates.

6.6 Ghana AIDS Commission

The Committee observed that the Ghana AIDS Commission projected a total of **Thirty Million, Three Hundred and Fifty Seven Thousand, Seven Hundred and Thirty-Seven Ghana Cedis, Fifty Pesewas (GH¢30,357,737.50)** as Goods and Services. This provision included the counterpart funding for activities that are Donor Funded. However the Ceiling provided by the Ministry of Finance under Goods and Services amounted to **Sixty-Eight Million, One Hundred and Twenty-Five Thousand Ghana Cedis (GH68,125,000)**.

The Committee was made aware that this amount would not be enough to cover Ghana's counterpart funding requirements. The non-payment of the counterpart funding would affect the disbursements of these donor funding which is significant to their operations. They therefore called on Parliament to urge the Finance Ministry to review the ceiling to enable them access the donor funds.

6.7 Scholarships Secretariat

The Committee was informed that a total amount of **Two Hundred and Sixty-One Million, Two Hundred and Sixty Thousand, Eight Hundred and Fort-five Ghana Cedis Forty Pesewas (GHC261,260,845.40)**, **Fifteen Million, Two Hundred and Fifty-Eight Thousand, Seven Hundred and Fifty-Five US Dollars Twenty Cent US\$15,258,755.20** and **One Million, Ten Thousand and Hundred Euros**

(EUR1,010,100) was required to meet outstanding scholarship payments and 2017 commitments.

The breakdown is as follows:

Table 4 - Scholarship Requirements up to 2017

	GHC	US\$	EUR
Arrears as at 2016	115,824,952.80	4,170,512.50	-
2017 Commitments	145,435,892.60	11,088,242.70	1,010,100
Total	261,260,845.40	15,258,755.20	1,010,100

Total budgetary allocation for 2017 amounted to **Two Hundred and Five Million, Forty-Eight Thousand, Two Hundred and Sixty-Seven Ghana Cedis (GH¢ 205,048,267)**.

It was explained that the arrears dates back two years ago and indicated that in view of the challenges that the students are in, a total amount of **Two Hundred and Three Million, Five Hundred and Thirty Three Thousand, Two Hundred and Sixty-Seven Ghana Cedis (GH¢203,533,267)** from the allocation would be used to pay the arrears. This would, however, not be sufficient to finance the funding requirement of the Secretariat.

6.8 Council of State

The Committee observed that for 2017, a total amount of **Two Million, Four Hundred Seventy Eight Thousand, Eight Hundred and Twenty-Five Ghana Cedis (GH¢2,478,825)** has been allocated for Goods and Services.

The technical team informed the Committee that this amount would be applied to complete the on-going construction of Council of State building.

6.9 Divestiture Implementation Committee (DIC)

The Committee was informed that DIC has not been able to bring closure on the divestiture of state owned companies due to lack of funding. The DIC is also inundated with a number of lawsuits mainly from severance packages and land titles. Further, DIC is also faced with a number of challenges including loss of key staff, inadequate budgetary allocations, dwindling divestiture proceeds as well as logistic challenges.

The Committee was informed that divestiture is one of government policy and that Government may undertake divestiture of any entity at any time. There was therefore the need to resource the DIC in order to undertake its mandate effectively.

6.10 Microfinance and Small Loans Centre (MASLOC)

For the year 2017, the MASLOC plans to undertake the following programme with loanable Funds:

	Estimated Cost	No. of Beneficiaries
Small Loans	4,300,000	660
Micro loans	20,200,000	25,250
Taxis/ GPRTU project	36,000,000	600
Outboard Motors	12,000,000	1,000
Pin Project	10,000,000	20,000
Poultry Project	6,309,140,	482
Others	4,000,000	2,000
Bucket Type	25,155,835	2,862
TVS	3,515,840	400
Street Cleaning (for sanitation project)	2,636,880	300
Total	124,117,695	53,554

The technical team informed the Committee that total loanable funds stood at **One Hundred and Twenty-Four Million, One Hundred and Seventeen Thousand, Six Hundred and Ninety-Five Ghana Cedis Twenty Pesewas (GH¢24, 117,695.20)** with a cumulative repayment rate at 49.69% covering 2007-2017.

The Committee was informed that the Centre requested for **Four Million and Five Hundred Thousand Ghana Cedis (GH¢4.5 million)**. This is to provide for logistics as well as monitoring and recovery of loans. However the ceiling given to the Centre was **One Million Ghana Cedis (GH¢1Million¢)**. The amount would adversely affect the Centre's ability to deliver on its programme of activities especially in the areas of monitoring and recovery of loans.

Ghana Private Road and Transport Union (GPRTU) Contract

The Technical Team informed the Committee that as part of the programme of activities, the Centre enters into contracts with corporate bodies. For instance, the centre entered into agreement with the GPRTU to supply the Union with vehicles. A total of three hundred and fifty (350) vehicles were to be procured namely Chevy Aveo Saloon cars, Chevy Sparklite, 33- Seater IZUSU Buses. The technical team explained that this initiative was to support the Transport Sector.

The cost and quantity of the vehicles are provided for in the table below.

Type of vehicle	No. of vehicles	Unit Cost (GH¢)	Cost (GH¢)
Chevy Aveo Saloon cars	150	74,495	11,174,250
Chevy Sparklite	100	65,095	6,509,500
33- Seater IZUSU Buses	100	445,560	44,556,000
Total			62,239,750

7.0 RECOMMENDATIONS

7.1 Donor support

The Committee noted that even though some of the Agencies under the Office of Government Machinery (OGM) have budgeted for Donor inflows, these were not captured in the Budget.

The Committee recommends to the House to urge the Chief of Staff to engage the Ministry of Finance in order to include it when submitting the supplementary budget estimates during the course of the year.

7.2 Scholarships Secretariat

The Committee noted that the Government was taking steps to address the issue of outstanding payments facing the Secretariat.

The Committee however noted that the Scholarships Secretariat would require more funding given the projections above as well as additional support to achieve its 2017 set objectives.

The Committee therefore recommends to the Chief of Staff and the Finance Minister to explore more avenues in order to address the issue of funding facing the Secretariat.

7.3 Micro Finance and small Loans Centre (MASLOC)

The Committee observed that the unit cost of each vehicle would amount to GH¢74,495, Gh¢65,095, GH¢445,560 for Chevy Aveo, Chevy Sparklite and 33 Seater Isuzu Bus respectively. The Committee expressed concern about the relatively high costs of the vehicles and noted that offloading the vehicles to the intended beneficiaries might be difficult.

The Committee recommends that MASLOC take another look at the contract, especially in the area of price quotation to see whether they reflect market prices and whether any person is guilty of misconduct in the award of the Contract.

Further, the Committee expressed concern on the operations and functions of MASLOC and therefore recommends that MASLOC gets a legal backing.

7.4 Ghana Investment Promotion Centre (GIPC)

The Committees' attention was drawn to the fact that the GIPC was self-sufficient, since it retains 100% of its internally generated funds (IGF). The committee therefore recommends that the Centre be taken off government Subvention.

7.5 Savannah Accelerated Development Authority (SADA)

It was revealed that SADA did not capture its internally generated funds and donor components of its budgets. It is therefore recommended that SADA captures its internally generated funds and donor components in its future budget estimates. The Agency should also seek for authorization to use its internally generated funds.

7.6 Divestiture Implementation Committee (DIC)

The Committee was made aware that due to the non-release of funds, DIC is saddled with the payment of **Eighteen Million, Three Hundred and One Thousand, Three Hundred and Five Ghana Cedis Eighty Nine pesewas (GH¢8,301,305.89)** in respect of severance and liabilities.

The Committee was informed that some of the assets divested by DIC have not been fully paid. The committee therefore recommends to DIC to ensure that payments are fully effected.

The Committee recommends to the office of the President and the Ministry of Finance to ensure the release of funds to pay DIC's outstanding severance to workers.

7.7 Office of the President

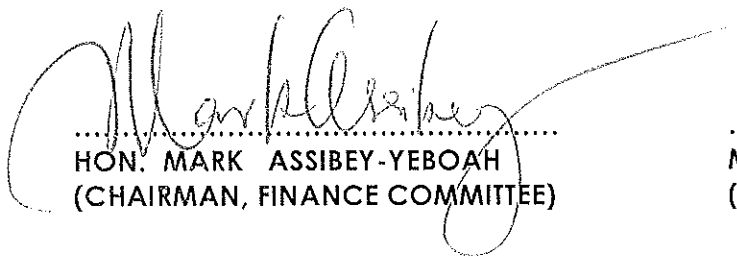
The Committee realised that most of the Agencies under the Office of the President used their internally generated funds (IGF) without seeking authorization from the Ministry of Finance.

The Committee therefore recommends to the Chief of Staff to organize a seminar on the new Public Financial Management (PFM) law for all the Departments and Agencies under her jurisdiction.

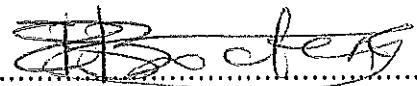
8.0 CONCLUSION

The Committee after critically examining the 2017 Annual Estimates of the Office of Government Machinery recommends that the House approves the sum of (GH¢ 1,560,926,672)for the 2017 financial year.

Respectfully submitted.



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HON. MARK ASSIBEY-YEBOAH
(CHAIRMAN, FINANCE COMMITTEE)



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MS EVELYN BREFO-BOATENG
(CLERK, FINANCE COMMITTEE)