

IN THE THIRD SESSION OF THE SIXTH PARLIAMENT OF THE  
FOURTH REPUBLIC OF GHANA

REPORT OF THE

FINANCE COMMITTEE

ON THE

~~2015~~  
APPROPRIATION BILL, 201~~5~~<sup>6</sup>

DECEMBER, 2015

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**REPORT OF THE FINANCE COMMITTEE ON THE APPROPRIATION  
BILL FOR THE 2016<sup>e</sup> FINANCIAL YEAR**

**1.0 INTRODUCTION**

The Appropriation Bill for the 2016 financial year was presented to Parliament on behalf of the Hon. Minister for Finance by the Hon. Deputy Minister of Finance, Mr. Cassiel Ato Baah Forson and read for the first time on Tuesday, 22<sup>nd</sup> December, 2015 and referred to the Finance Committee for consideration and report in accordance with Article 179 (2) of the Constitution and Order 169 of the Standing Orders of the House. This follows the presentation of the Budget Statement and Economic Policy of the Government for the 2016 financial year by the Hon. Minister for Finance. The Committee was also to determine whether the Bill was of an urgent nature.

Pursuant to the referral, the Committee met and discussed the Bill with the Hon. Minister for Finance, Mr. Seth Emmanuel Terkper, his Deputies, Mr. Cassiel Ato Baah Forson and Ms. Mona K. Quartey and the technical team from the Ministry of Finance and reports to the House in accordance with article 106(5) of the Constitution.

The Committee is grateful to the Hon. Minister and his Deputy and the technical team for their assistance.

**2.0 REFERENCES**

In examining the Bill, the Committee referred to the following additional documents:

- The 1992 Constitution of the Republic of Ghana;
- The Standing Orders of the Parliament of Ghana;

- The Budget Statement and Economic Policy of the Government of the Republic of Ghana for the 2015 financial year;
- The Budget Statement and Economic Policy of the Government of the Republic of Ghana for the 2016 financial year; and
- Report of Parliamentary Committees on the 2015 Annual Estimates of Ministries, Departments and Agencies (MDAs)

### **3.0 BACKGROUND INFORMATION**

In accordance with Article 179 of the Constitution, the Minister for Finance acting on the authority of His Excellency, the President has requested the House to approve and authorize the withdrawal of monies from the Consolidated Fund and for the withdrawal from other funds for the running of the state for the 2016 financial year. To this end the Minister of Finance acting on authority of the President presented the Budget Statement and Economic Policy of the Government of Ghana for the 2016 financial year to Parliament. Parliament accordingly debated and adopted the Policies outlined in the Budget and the Annual Estimates of Ministries, Departments and Agencies were accordingly approved to allow the MDAs implement the programmes outlined in the Budget. The Minister for Finance has further presented an Appropriation Bill seeking Parliamentary approval for funds to be issued from the Consolidated Fund to support the implementation of the 2016 budget pursuant to Article 179 (7).

### **4.0 OBJECT OF THE BILL**

The object of the Bill is to provide for appropriation for 2016 by seeking Parliamentary approval to enable the sums of moneys not exceeding **Fifty Billion, One Hundred and Nine Million, Eight Hundred and Fifty-one Thousand, Seven Hundred and Thirty-four Ghana Cedis (GH¢50,109,851,734)** to be issued from the Consolidated Fund during the 2016 financial year for the purpose of meeting government expenditure.

The Schedules to the Bill specify the purposes for which the sums shall be appropriated.

## 5.0 CLAUSES OF THE BILL

The Bill has five (5) Clauses and 4 Schedules. Sum of money to be issued from the Consolidated Fund for the 2016 financial year is provided for in Clause 1. Clause 2 deals with Internally Generated Funds which MDAs would be permitted to retain while Clause 3 indicates the payment of money on authorization of Minister for Finance. The commencement date of the Act Clause is specified in Clause 4 and Clause 5 repeals the 2014 Appropriation Act, (Act 881). Schedule 1 provides for the total appropriation expenditure by items while Schedule 2 details IGF retention breakdowns. A summary of Expenditure by MDA, Economic Item and Funding is outlined in Schedule 3 whereas Schedule 4 gives a summary of Expenditure by Programme, Economic Item and Funding.

**Summary of Expenditure covered in Schedules 1 and 3 of the Bill are attached as Appendices A and B.**

## 6.0 OBSERVATIONS

### *Urgency*

The Committee has determined that the Bill is of an urgent nature and should be taken through all the stages of passage in one day. The Committee argues Parliament would be rising for Recess till probably the third week in January, 2016. The government's financial year on the other hand, commences on 1st January, 2016 and since by Article 178 (2) moneys cannot be withdrawn from the Consolidated Fund unless the issue of those moneys has been authorized by or under the authority of an Act of Parliament, there is the need for the bill to be passed under a certificate of urgency and taken through all the stages in one day in accordance with Order No. 119.

### *Constitutional Requirement*

The Committee remarks that the Bill is in accordance with the constitutional requirement under Article 179(2) which among others stipulates that "*the estimates of the expenditure of all public offices and public corporations other than those set up as commercial ventures shall be classified under programmes or activities which shall be included in a*

*bill to be known as Appropriation Bill and which shall be introduced into Parliament to provide for the issue from the consolidated fund or such other appropriate fund of the sums of moneys necessary to meet that expenditure and the appropriation of those fund for the purposes specified in that Bill”.*

**7.0 RECOMMENDATION AND CONCLUSION**

The committee having carefully considered the Bill, recommends that the House adopts its report and approve the sum of money not exceeding **Fifty Billion, One Hundred and Nine Million, Eight Hundred and Fifty-one Thousand, Seven Hundred and Thirty-four Ghana Cedis (GH¢50,109,851,734)** to be issued from the Consolidated Fund and for withdrawal from other funds for the purposes of financing all government operations during the 2016 financial year.

Further, having regard to Article 178, the Committee also recommends to the House, to take the Bill through all the stages in accordance with Article 106 (13) of the Constitution and Order 119 of the Standing Orders of the House.

Respectfully Submitted



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

**ROSEMARY ARTHUR SARKODIE**  
**CLERK, FINANCE COMMITTEE**

**December, 2015**



# 1.1. Appropriation Bill

1<sup>st</sup> Schedule - Section 1

Year: 2016

Currency: GH Cedi

	Budget
Total Appropriation	50,109,851,734
Compensation of Employees	14,023,994,590
Wages & Salaries	11,722,807,481
Pensions	788,944,944
Gratuities	222,733,342
Social Security	1,289,508,823
Use of Goods and Services	2,536,775,747
Interest Payments	10,490,600,361
Domestic	8,317,230,361
External	2,173,370,000
Subsidies	50,000,000
Subsidies on Petroleum Products	50,000,000
Grants to Other Government Units	9,651,420,600
National Health Fund	1,497,275,000
GET Fund	1,021,526,914
Road Fund	277,489,961
Petroleum Related Fund	5,935,470
DACF	2,013,913,015
Retention of Internally-generated funds (IGFs)	3,532,373,894
Transfer to GNPC	566,952,440
Other Earmark Funds	735,953,906
Social Benefits	75,434,987
Lifeline consumers of electricity	75,434,987
Capital Expenditure	5,478,773,413
Domestic Financed	585,108,667
Foreign Financed	4,893,664,746
Non Road Arrears	2,313,169,767
Tax Refund Vote	627,438,420
Amortization	3,664,140,000

→ GNPC

1,783,212,516

911 F

→ 1,198,103,849

CAPEX ⇒ 6,676,877,262



**1.3. Appropriation Bill**  
 Summary of Expenditure by MDA, Economic Item and Funding  
 Year: 2016  
 Currency: GH Cedi

APPENDIX B

	GAG				IGF				Funds / Others			Dinars			Grand Total
	Compensation of employees	Goods and Services	Capex	Total	Compensation of employees	Goods and Services	Capex	Total	Statutory	ABFA	Others	Goods and Services	Capex	Total	
01 - Administration	1,552,127,923	1,328,266,455	31,832,069	2,912,226,447	4,079,119	60,090,568	22,914,985	87,084,672		136,955,958		51,992,581	207,970,337	259,962,908	3,396,229,986
001 - Office of Government Machinery (OGM)	288,005,655	290,842,292		578,848,157		2,358,807	1,659,763	4,018,570		135,988,184					718,854,911
002 - Office of the Head of Civil Service (OHCS)	6,932,801	2,000,000		8,932,801		1,286,723	170,000	1,466,723							10,399,524
003 - Parliament of Ghana	182,438,614	57,814,219	15,612,884	255,865,717											355,865,717
004 - Local Government Service	19,195,994	8,000,000		27,195,994											27,195,994
005 - Audit Service(AS)	122,009,511	14,496,057	4,106,188	140,611,756											140,611,756
006 - Public Services Commission	1,606,425	627,964		2,234,389				15,710							2,250,099
007 - District Assembly Common Fund(DACF)	399,537			399,537											399,537
008 - Electoral Commission	15,218,621	800,000,000	7,648,879	822,897,500								800,054	3,200,218	4,000,272	826,897,772
009 - Ministry of Foreign Affairs and Regional Integration(MFARI)	221,908,594	12,116,745		234,025,339		49,093,934	17,713,809	66,807,843							300,809,182
010 - Ministry of Finance (MoF)	196,327,071	9,334,676		205,661,746	4,079,119	7,335,394	3,371,313	14,775,826		967,774		10,203,087	40,812,349	51,015,436	272,417,782
011 - Ministry of Local Govt and Rural Development (MLGRD)	14,331,681	9,376,194		23,707,875								40,989,440	169,957,760	204,947,200	228,655,075
030 - National Media Commission	1,454,600	301,375		1,755,975											1,755,975
039 - National Development Planning Commission (NDPC)	3,220,804	1,772,197		4,993,001											4,993,001
044 - Ghana Revenue Authority	479,050,803	121,524,736	4,464,118	605,039,658											605,039,658
02 - Economic	388,918,458	12,569,066		401,487,524	51,688,068	199,742,161	151,889,534	403,319,663		364,450,130		323,473,774	852,391,334	1,175,865,107	2,345,116,624
012 - Ministry of Food and Agriculture (MOFA)	57,045,535	2,733,788		59,779,323		2,810,326	1,285,324	4,065,650		262,317,904		60,102,522	115,299,309	175,341,830	501,501,707
013 - Ministry of Lands and Natural Resources (MLNR)	100,318,537	2,160,924		102,479,461	20,498,970	76,572,426	47,965,806	145,037,202				9,265,996	37,063,986	46,329,982	293,846,645
014 - Ministry of Petroleum	1,092,620	600,000		1,692,620		23,523,689		23,523,689							49,059,379
015 - Ministry of Trade and Industry (MoTI)	29,420,928	721,981		30,142,909	18,260,812	25,360,569	48,746,247	92,367,628				32,254,143	2,637,879	15,082,022	40,296,331
016 - Ministry of Tourism, Culture and Creative Arts	26,617,668	2,144,038		28,761,706		5,869,563	4,287,124	10,156,687				81,398,799	55,450,902	136,849,701	359,260,236
017 - Ministry of Environment, Science, Technology and Innovation (MESTI)	164,516,725	3,125,325		167,642,050	1,710,979	49,812,871	34,124,428	85,648,279		22,132,226		4,184,965	16,739,859	20,974,824	274,215,152
019 - Ministry of Fisheries and Aquaculture Development	6,315,826	409,443		6,725,269		6,999,505	4,875,705	11,875,210				2,394,802	9,579,206	11,974,008	52,706,713
020 - Ministry of Power	3,593,619	667,567		4,261,186		8,793,212	10,693,000	30,645,519		80,000,000		153,872,547	615,490,193	769,362,740	884,286,444
03 - Infrastructure	132,960,087	3,255,026		136,215,113	14,025,999	76,221,384	47,916,496	138,163,879		298,028,032		169,235,462	676,941,851	846,177,313	1,418,284,336
021 - Ministry of Water Resources, Works and Housing (MWRWH)	13,512,233	623,946		14,136,179	3,000	2,485,122	1,485,009	3,973,131		115,186,786		48,297,403	193,138,413	241,485,516	374,281,612
022 - Ministry of Roads and Highways (MoRH)	33,652,108	323,395		33,975,503		5,076,111	4,458,153	9,534,264		172,841,246		81,654,637	326,618,547	408,273,184	624,624,197



# 1.3. Appropriation Bill

Summary of Expenditure by MDA, Economic Item and Funding

Year: 2016

Currency: GH Cedi

	SOG			IGF			Funds / Others			Donors		Grand Total		
	Compensation of employees	Goods and Services	Capex	Total	Compensation of employees	Goods and Services	Capex	Total	Statutory	ABFA	Others		Goods and Services	Capex
026 - Ministry of Communications (MoC)	73,637,769	1,383,057		75,020,826	570,800	54,725,570	16,107,964	71,404,334				29,287,353	117,149,014	146,436,267
043 - Ministry of Transport (MoT)	12,157,977	924,628		13,082,605	13,452,199	13,934,582	25,865,370	53,252,151		10,000,000		9,996,469	39,985,877	49,982,346
04 - Social	6,577,825,997	27,961,632		6,605,787,629	149,083,333	2,370,928,350	315,374,278	2,835,386,562		33,000,000		123,581,325	495,866,448	619,847,773
023 - Ministry of Education (MOE)	4,855,888,734	6,524,210		4,862,412,944	22,230,057	1,288,582,212	234,604,250	1,525,416,520				28,904,053	115,618,511	144,522,564
024 - Ministry of Employment and Labour Relations (MELR)	29,657,445	2,174,121		31,831,566	2,183,722	7,511,076	6,398,782	16,093,580						47,925,145
025 - Ministry of Youth and Sports (MoYS)	11,960,238	10,357,850		22,318,088		155,267	86,703	241,970						22,560,058
027 - National Commission for Civic Education (NCCE)	31,394,424	1,158,154		32,552,578										32,552,578
028 - Ministry of Chieftaincy and Traditional Affairs (MCTA)	19,809,891	335,212		20,145,103										20,145,103
029 - Ministry of Health (MoH)	1,609,719,924	3,646,660		1,613,366,584	124,670,154	1,094,625,058	74,284,543	1,289,579,755		33,000,000		89,363,305	357,453,220	446,816,525
032 - Ministry of Gender, Children and Social Protection (MGCSPP)	18,206,956	2,750,000		20,956,956		54,737		54,737				5,713,567	22,794,717	28,508,684
041 - National Labour Commission (NLC)	1,188,386	1,015,425		2,203,811										2,203,811
05 - Public Safety	2,104,188,023	84,742,277		2,201,438,295	2,932,112	43,601,186	21,885,620	68,418,918				31,332,371	129,172,452	160,504,823
033 - Ministry of Justice (MoJ)	55,711,019	1,015,145		56,726,164	1,560,324	9,896,240	6,504,856	17,961,420						74,687,584
034 - Ministry of Defence (MoD)	600,288,910	24,039,203		624,328,113		15,598,380		15,598,380				22,623,034	98,410,197	121,033,231
035 - Commission on Human Rights and Admin. Justice (CHRAJ)	13,722,770	2,000,000		15,722,770								2,960,201	11,840,806	14,801,007
036 - Judicial Service (JS)	141,357,536	34,635,136		188,500,667		492,692	2,962,467	3,455,159				1,164,313	582,156	1,746,469
037 - Ministry of Interior (MINT)	1,293,107,789	23,052,793		1,316,160,582	1,371,787	17,613,874	12,418,297	31,403,958				4,584,823	3,833,293	22,924,116
09 - Multi Sectoral	966,786,993	777,283,974		1,755,108,766								366,261,364	1,465,045,457	1,831,306,821
068 - General Government Services	560,504,453	651,901,740		1,212,406,193								366,261,364	1,465,045,457	1,831,306,821
072 - Subscription		50,000,000		50,000,000										50,000,000
074 - Contingency		67,025,646		67,025,646										67,025,646
080 - MIMDA Transfer	406,282,540	8,356,588		414,639,128										414,639,128
99 - Other Government Obligations	2,301,487,109	16,210,520,115		20,824,876,991					6,014,244,209					26,839,121,200
050 - Debt Management		14,154,740,361		14,154,740,361										14,154,740,361
051 - Tax Refund		627,438,420		627,438,420										627,438,420
052 - DACF									2,013,913,015					2,013,913,015
053 - GET Fund									1,021,526,914					1,021,526,914





### 1.3. Appropriation Bill

Summary of Expenditure by MDA, Economic Item and Funding

Year: 2016  
Currency: GH Cedi

	GoG			IGF			Funds / Others			Donors			Grand Total		
	Compensation of employees	Goods and Services	Capex	Total	Compensation of employees	Goods and Services	Capex	Total	Statutory	ABFA	Others	Goods and Services		Capex	Total
054 - National Health Fund									1,497,275,000						1,497,275,000
055 - Pensions	788,944,944			788,944,944											788,944,944
056 - Gratuities	222,733,342			222,733,342											222,733,342
057 - Social Security	1,289,508,823			1,289,508,823											1,289,508,823
059 - Non Road Arrears			2,313,169,767	2,313,169,767											2,313,169,767
061 - Subsidies on Petroleum Products		50,000,000		50,000,000											50,000,000
062 - Lifetime consumers of electricity		75,434,987		75,434,987											75,434,987
065 - Transfer to Ghana National Petroleum Company (GNPC)		566,952,440		566,952,440					277,489,961						566,952,440
066 - Road Fund									5,935,470						5,935,470
067 - Petroleum Funds and Contingency Fund									1,198,103,849						1,198,103,849
073 - Intra Sectorial															
075 - Other Earmark Fund		735,953,906		735,953,906											735,953,906
<b>Total Organisations</b>	<b>14,023,994,590</b>	<b>18,444,592,546</b>	<b>2,368,547,630</b>	<b>34,837,134,766</b>	<b>221,809,231</b>	<b>2,750,583,649</b>	<b>559,981,014</b>	<b>3,532,373,894</b>	<b>6,014,244,209</b>	<b>832,434,120</b>		<b>1,066,276,877</b>	<b>3,827,387,869</b>	<b>4,893,664,746</b>	<b>50,109,851,734</b>