

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

**REPORT OF THE FINANCE COMMITTEE ON THE
2018 BUDGET ESTIMATES FOR THE MINISTRY OF
PLANNING**

1.0 INTRODUCTION

The **2018 Annual Estimates for the Ministry of Planning** were laid in the House on Wednesday 15th November 2017 and referred to the Finance Committee for consideration and report in accordance with the Constitution and Standing Orders of the House. This referral followed the presentation of the 2018 Budget Statement and Economic Policy of the Government to the House by the Hon. Minister for Finance Mr. Ken Ofori-Atta.

The Committee, in considering the Estimates, met with the Minister for Planning, Hon. Professor George Gyan-Baffour, Chief Director and other officials of the Ministry of Planning and hereby presents this report to the House.

2.0 BACKGROUND

The Ministry of Planning exists to provide executive direction to the formulation and coordination of National Plans including the Coordinated Programme, the Medium-Term Plan and other National Plans.

The core functions of the Ministry are to:

- Facilitate the preparation of Coordinated Programme of Economic and Social Development Policies of the President for submission to Parliament.
- Facilitate the preparation of the Medium-Term Development Policy Framework
- Undertake Development Planning in consultation with the National Development Planning Commission



- Co-ordinate the implementation of the national plans, and the monitoring and evaluation of the efficiency and effectiveness of the performance of the sectors
- Provide strategic direction for the delivery of effective planning for all sectors of the economy
- Undertake research and collate research as may be necessary for effective planning and knowledge sharing
- Facilitate and make proposals or provide policy direction on population growth, spatial and infrastructure expansion
- Communicate national plans to stakeholders with the aim of influencing public policy
- Coordinate and ensure the integration of international and universal benchmarks such as the SDGs and the AU Agenda 2063 in national plans
- Facilitate and coordinate a national project appraisal system through the establishment of the national project bank
- Work towards achieving the overall goal of facilitating industrialization, job creation and balanced spatial development for rapid socio-economic growth.

3.0 OBJECTIVES AND FUNCTIONS

The objectives of the Ministry of Planning, in line with the National Medium Term Development Policy Framework, include ensuring that the Coordinated Programme (CP) influences activities of government institutions and are in line with the NMTDPF whilst also ensuring that the priorities of government as expressed in the Coordinated Programme and the NMTDPF are mainstreamed in the Sector and Districts Medium-Term development plans, annual national budgets and sub-national budgets.

4.0 2017 BUDGET PERFORMANCE

The budget estimates approved for the Ministry for the 2017 financial year amounted to **GH¢1,000,000** all of which was to be provided from Government of Ghana (GOG) sources. The breakdown was as follows:

Compensation of Employees	GH¢ 0
Goods and Services	GH¢ 1,000,000
Capital Expenditure	GH¢ 0
Total	<u>GH¢ 1,000,000</u>

Outturn for the year shows the following:

Compensation of Employees	GH¢ 0
Goods and Services	GH¢ 825,000
Capital Expenditure	GH¢ 0
Total	<u>GH¢ 825,000</u>

Achievements of the Ministry for the 2017 Financial Year:

- The Ministry facilitated the completion of the document on Coordinated Programme of Economic and Social Development Policies
- The ministry also coordinated the development of the Medium-Term Development Policy Framework which is at final stage of preparation
- The Ministry initiated a monthly Policy Planning Series to discuss major issues affecting national planning and development. Four of these dialogues have since been held. They discussed national project implementation and tracking, national economic modeling and project appraisal.
- The Ministry in 2017 also provided support to other Sector ministries in developing their Medium-Term Strategic Plans.

- The ministry successfully coordinated the establishment of the Inter-Agency Modeling and Analysis Team (IMAT) to review existing models, build the capacity of the modelers in the Ministry of Finance, Bank of Ghana, Ministry of Planning, Office of the Vice President, Ghana Statistical Service and the National Development Planning Commission among others to ensure consistency in national economic and non-economic estimates.
- In line with the Petroleum Revenue Management Act, the Ministry of Planning in collaboration with the Ministries of Finance and Local Government and Rural Development trained 236 Development Planning Officers in all District Assemblies to monitor and report on the expenditure/investment of the Annual Budget Funding Amount (ABFA) for all projects funded from petroleum revenue. This is part of the Petroleum Revenue Information System Project which seeks to enhance transparency, accountability, reduce ghost projects, monitor and help decentralize petroleum revenue investments.

5.0 2018 BUDGET ESTIMATES OF THE MINISTRY OF PLANNING

For the pursuance of its programmes and the above stated objectives, the sum of **GH¢3,262,720** has been allocated to the Ministry for the 2018 financial year. The breakdown is presented below:

Compensation of Employees	-	GH¢350,000
Goods and Services	-	GH¢2,412,720
Capex	-	GH¢500,000
TOTAL	-	<u>GH¢3,262,720</u>

6.0 OBSERVATIONS AND RECOMMENDATIONS

6.1 Coordinated Programme

The Committee noted that the ministry will in 2018 ensure that the Coordinated Programme (CPESDP) influences activities of Government Institutions and that the activities are in line with the Medium-Term Development Policy Framework.

The Ministry will also work to ensure that the priorities of Government as expressed in the CPESDP and the NMTDPF are mainstreamed in the Sector and Districts Medium-Term Development Plans, the 2019 Annual Budget and sub-national budgets.

6.2 Liaising with NDPC

The Ministry will serve as a liaison and facilitator between the National Development Planning Commission (NDPC) and the Office of the President on the implementation of planned activities in line with the CPESDP.

6.3 National Project Planning

The Ministry will in 2018 establish and coordinate an effective system of national project planning – the National Public Investment System (NPIS). A platform of Prioritized Projects of Government will be put in place in 2018 through the establishment of a national public investment system.

6.4 International Benchmarks

In the year 2018, the Ministry would further facilitate the integration of international benchmarks such as the sustainable Development Goals (SDGs) and the African Union (AU) Agenda 2063 into national plans. In this regard, the Ministry will establish an SDG Unit to facilitate discussions on national and international commitments including the SDGs, and how they are aligned with Ghana's development policies.

6.5 Inadequate Budgetary Allocation

In view of the importance of the mandate of the Ministry and the programmes outlined to be undertaken in the year 2018, the Committee finds the allocation of **GH¢3,262,720** to be woefully inadequate. The Committee recommends that additional allocation be made to the Ministry to enable it to successfully

execute its programmes and to effectively perform the Economic Planning function which used to be performed by the Ministry of Finance.

6.6 Key Challenges

Key challenges facing the Ministry were brought to the attention of the Committee during the Committee's deliberations on the Estimates. These include inadequate financial resources to hire and retain specialized staff, lack of adequate office space for effective functioning, absolutely no means of transport, inadequate equipment and logistics among others.

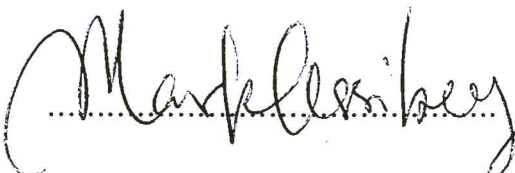
As already articulated above, the Committee finds the 2018 allocation to the Ministry to be incapable of solving these challenges and hence advises that the Ministry of Finance assists the Ministry to obtain the necessary logistics to effectively deliver on its mandate.

7.0 CONCLUSION

The Committee has carefully considered the Budget Estimates of the **Ministry of Planning**, and recommends to the House *subject to the foregoing observations*, to adopt this report and approve the sum of **Three Million, Two Hundred and Sixty-Two Thousand, Seven Hundred and Twenty Ghana Cedis (GH¢3,262,720)** for the implementation of the programmes of the Ministry for the 2018 financial year.

Respectfully submitted.

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



EVELYN BREFO-BOATENG
(CLERK, FINANCE COMMITTEE)

8TH DECEMBER, 2017