

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



REPORT OF THE FINANCE COMMITTEE
ON THE APPROPRIATION BILL, 2019

1.0 INTRODUCTION

The **Appropriation Bill, 2019** was *presented and read the first* time in the House on Saturday 21st December, 2019 by the Minister responsible for Finance, Hon. Ken Ofori-Atta. The Bill was subsequently *referred* to the Finance Committee for consideration and report in accordance with Article 179 (2) of the 1992 Constitution and the Standing Orders of the House. This followed the presentation of the Budget Statement and Economic Policy of Government for the 2020 Financial Year by the Minister for Finance.

The Committee met and considered the Bill with the Deputy Minister for Finance, Hon. Abena Osei-Asare and a team of officials from the Ministry of Finance and the Attorney General's Department.

The Committee is grateful to the Hon. Deputy Minister for Finance and the officials from the Ministry of Finance and the Attorney-General's Department for attending upon the Committee.

1.1 URGENCY OF THE BILL

The Committee determined and hereby certifies that the Bill is of an urgent nature and may be taken through all the stages of passage in one day in accordance with Article 106(13) of the 1992 Constitution and Order 119 of the Standing Orders of the House.

2.0 REFERENCES

The Committee referred to and was guided by the following documents *inter alia* during its deliberations on the Bill:

- The 1992 Constitution of the Republic of Ghana
- The Standing Orders of the Parliament of Ghana
- Interpretation Act, 2009 (Act 792)
- The Budget Statement and Economic Policy of the Government of Ghana for the 2020 Financial Year.
- Reports of Parliamentary Committees on the 2020 Annual Estimates for the various Ministries, Departments and Agencies (MDAs).

3.0 BACKGROUND INFORMATION

Pursuant to 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 other funds for the running of the State during the Financial Year commencing on the 1st day of January 2020 and ending on 31st day of December 2020.

Upon Parliament's approval of various sums as Budget Estimates for Ministries, Departments and Agencies of Government for the 2020 financial year, it has become imperative that the Minister for Finance be given authority to withdraw such approved funds for the purposes thereof.

4.0 OBJECT OF THE BILL

Pursuant to Article 179 (2) (a) of the Constitution, the Appropriation Bill, 2019 is seeking Parliamentary authority to enable a sum of money not exceeding **Ninety-Eight Billion, Thirty-Six Million, Six Hundred and Ninety-Two Thousand, Three Hundred and Fifty-Eight Ghana Cedis (GH¢98,036,692,358)** to be issued from the Consolidated Fund and such other public funds during the Financial Year commencing the **1st day of January 2020** and ending on the **31st day of December 2020** for the purpose of meeting Government expenditure.

The specific purposes for which the sum shall be appropriated have been specified in the **schedules** to the Bill, all of them geared towards efficiently carrying out the services of the Government for the 2020 Financial Year.

The summary of expenditures covered in the Bill is captioned "**1st Schedule – Section 1**" and attached to this Report as **APPENDIX**.

5.0 OBSERVATIONS

5.1 Retained Internally Generated Funds

The Committee observed that Ministries, Departments and Agencies shall be permitted to retain and use an amount of **Four Billion, Nine Hundred and Ninety Million, One Hundred and Seventy-One Thousand, Five Hundred and Eighty Ghana Cedis (GH¢4,990,171,580)** of Internally Generated Funds (IGFs) during the 2020 Financial Year.

5.2 Other Government Obligations

Out of the total amount of **Ninety-Eight Billion, Thirty-Six Million, Six Hundred and Ninety-Two Thousand, Three Hundred and Fifty-Eight Ghana Cedis (GH¢98,036,692,358)** estimated expenditure in 2020, the Committee noted that **Fifty-Three Billion, Two Hundred and Ninety-Four Million, Eight Hundred and Thirty-Four Thousand, One Hundred and Forty-Seven Ghana Cedis**

(GH¢53,294,834,147) would constitute payments of *Other Government Obligations* whilst the rest would cover discretionary payments.

5.3 Repeal

The Bill repeals the Appropriation Act, 2018 (Act 984).

Act 984 authorized the withdrawal of moneys from the Consolidated Fund and other public funds for the implementation of the Budget for the 2019 Financial Year.

7.0 AMENDMENTS PROPOSED

The Committee respectfully recommends the following amendments to the Bill:

- i. After Clause 3, insert the following new Clauses:

Repeal

4. The Appropriation Act, 2018 (Act 984) is hereby repealed.

Commencement

5. This Act shall come into force on the 1st day of January, 2020.

- ii. **First Schedule - Section 1 – Amendment Proposed** – *Delete* “Student Loan Trust” and *insert* “Student Loan Trust Fund”
- iii. **Second Schedule – IGF Retention Breakdown – Amendment Proposed** – *Delete* “02651 - Kofi Annan Center of Excellence in ICT” and *insert* “02651 - Ghana-India Kofi Annan Center of Excellence in ICT”

8.0 RECOMMENDATION AND CONCLUSION

The Committee recommends that the sum of money *not exceeding Ninety-Eight Billion, Thirty-Six Million, Six Hundred and Ninety-Two Thousand, Three Hundred and Fifty-Eight Ghana Cedis (GH¢98,036,692,358)* be approved and authorized to be issued from the Consolidated Fund and for withdrawal from other funds for the purposes of financing Government operations during the Financial Year commencing the **1st day of January 2020** and ending on the **31st day of December 2020**.

Respectfully Submitted.


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


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MS. EVELYN BREFO-BOATENG
(CLERK, FINANCE COMMITTEE)

23RD DECEMBER 2019



1.1. Appropriation Bill

First Schedule - Section 1

Year: 2020

Currency: Ghana Cedis (GHS)

Version 1

	Budget
Total Appropriation	98,036,692,358
Compensation of Employees	26,565,153,899
Wages and Salaries	22,917,544,093
Pensions	1,103,762,411
Gratuities	458,350,882
Social Security	2,085,496,512
Use of Goods and Services	8,330,827,244
o/w Annual Budget Funding Amount.	1,300,854,795
Interest Payments	21,691,482,220
Domestic	16,557,622,240
External (due)	5,133,859,980
Subsidies	229,332,274
Subsidies on Petroleum products	229,332,274
Grants to Other Government Units	15,635,154,175
National Health Insurance Fund	2,191,615,926
Ghana Education Trust Fund	1,228,038,448
Road Fund	1,014,255,457
Petroleum Related Funds	25,356,386
District Assemblies Common Fund	2,312,706,550
Retention of Internally-generated funds	4,990,171,580
Transfer to Ghana National Petroleum Corporation	1,673,161,548
Other Earmarked Funds	2,199,848,280
Ghana Revenue Authority Retention	1,024,821,553
Youth Employment Agency	213,440,932



1.1. Appropriation Bill

First Schedule - Section 1

Year: 2020

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Version 1

	Budget
Student Loan Trust	2,668,012
Export Development Levy	271,015,031
Ghana Airport Company Limited	556,230,564
Minerals Development Fund	128,616,326
Plastic Waste Recycling Fund	3,055,862
Social Benefits	150,076,365
Lifeline consumers of electricity	150,076,365
Other Expenditure	2,646,795,827
Energy Sector Levies Act Transfers	2,646,795,827
Capital Expenditure	9,260,040,870
Domestic Financed	3,775,538,533
o/w Annual Budget Funding Amount	3,035,327,854
Foreign Financed	5,484,502,336
Arrears	1,443,227,466
Amortisation	12,084,602,019