

**IN THE SECOND SESSION OF THE EIGHTH
PARLIAMENT OF THE FOURTH REPUBLIC OF GHANA**

**REPORT OF THE FINANCE COMMITTEE ON THE
ANNUAL ESTIMATES OF OTHER GOVERNMENT
OBLIGATIONS FOR THE 2023 FINANCIAL YEAR**

1.0. INTRODUCTION

The Expenditure Estimates of ***Other Government Obligations*** for the **2023 Financial Year** were *laid* in the House on 24th November 2022 and *referred* to the Finance Committee for consideration and report in accordance with the Constitution and the Standing Orders of the House following the presentation of the Budget Statement and Economic Policy of the Government for the 2023 Financial Year.

The Committee subsequently met and considered the Estimates with a Deputy Minister for Finance, Hon. Abena Osei-Asare, the Chief Director and other officials from the Ministry of Finance and hereby presents this report to the House pursuant to Order 161(1) of the Standing Orders of the House.



2.0. 2023 ESTIMATES

A total amount of **One Hundred and Fifty Billion, Six Hundred and Forty-One Million, Nine Hundred and One Thousand, Six Hundred and Seven Ghana Cedis (GH¢150,641,901,607)** has been allocated to be expended on the under-listed Government Financial Obligations also referred to as **Statutory Payments** for the 2023 financial year.

General Government Services	GH¢6,999,053,084*
Social Contribution	GH¢6,259,247,412
Subscriptions	GH¢158,659,152
Contingency Vote	GH¢533,837,840*
Interest Payments	GH¢52,550,368,539
Subsidies on Petroleum Products	GH¢350,548,297
Grants to Other Government Units (Earmarked Funds)	GH¢19,696,418,374
Social Benefits	GH¢545,070,000
Other Expenditure	GH¢26,739,907,256
Arrears Clearance	GH¢14,435,333,333
Amortisation	GH¢22,373,458,321
TOTAL	(GH¢150,641,901,607)

* *Adjusted in accordance with the direction of the Committee*

ATTACHMENT

Please find attached as **APPENDIX 1** the detailed assumptions underlying the **2023 Budget Estimates of *Other Government Obligations***.

3.0. OBSERVATIONS AND RECOMMENDATIONS

3.1. District Assemblies' Common Fund

- 3.1.1. The Committee took note of the judgment of the Supreme Court in Suit No. J1/3/2018 dated the 12th day of June, 2019 regarding the computation of revenue for purposes of allocation to the District Assemblies' Common Fund. The Committee thus enquired to know whether the DACF allocation for 2023 had complied with the said judgment.
- 3.1.2. To this, officials of the Ministry of Finance explained to the Committee that the allocation to DACF for 2023 had indeed been in compliance with article 252(2) of the 1992 Constitution and the said decision of the Supreme Court.
- 3.1.3. Accordingly, the DACF allocation for 2023 has not been subjected to capping.

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3.2. Capping Weights for the 2023 Financial Year

3.2.1. The Committee noted that the Earmarked Funds Capping and Realignment Act, 2017 (Act 947) provides a cap on specified Earmarked Funds to ensure that revenue encumbered by the Earmarked Funds as a result of allocations is twenty-five percent of tax revenue.

3.2.2. The Ministry of Finance has however programmed to reduce the threshold of the earmarked funds from twenty-five percent to **seventeen and a half percent** of tax revenue.

Please find attached as APPENDIX 2, the weights for earmarked funds for the 2023 financial year.

3.3. Contingency Vote

3.3.1. The Committee observed that an amount of **GH¢1,067,675,680** has been allocated to the *Contingency Vote* for the 2023 financial year. This represents funds set aside for unforeseen expenditure. The Committee however advised that half of the said amount should be added to *General Government Services*, thereby leaving a Contingency Vote of **GH¢533,837,840**.

4.0. CONCLUSION

The Committee, having carefully examined the Estimates of the *Other Government Obligations*, recommends to the House to adopt this report and approve the sum of **One Hundred and Fifty Billion, Six Hundred and Forty-One Million, Nine Hundred and One Thousand, Six Hundred and Seven Ghana Cedis (GH¢150,641,901,607)** for the discharge of the *Other Government Obligations* (also referred to as **Statutory Payments**) for the Financial Year commencing on the **1st day of January 2023** and ending on the **31st day of December 2023**.

Respectfully submitted.



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HON. KWAKU AGYEMAN KWARTENG
(CHAIRMAN, FINANCE COMMITTEE)



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MRS. JOANA A.S. ADJEI
(CLERK, FINANCE COMMITTEE)

21ST DECEMBER, 2022

