

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

**REPORT OF THE FINANCE COMMITTEE ON
THE 2013 ANNUAL BUDGET ESTIMATES OF
THE NATIONAL DEVELOPMENT PLANNING
COMMISSION (NDPC)**

MARCH, 2013

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1.0 INTRODUCTION

The Budget Statement and Economic Policy of the Government of Ghana for the year ending 31st December 2013 was presented to the House by the Hon. Minister for Finance, Mr. Seth Terkper, on Tuesday 5th March, 2013; and further to Article 179 of the Constitution and Order 140 (4) of the Standing Orders of the House, the 2013 Annual Estimates of the National Development Planning Commission (NDPC) were *referred* to the Finance Committee for consideration and report.

The Committee subsequently met with the Hon. Minister for Finance, Mr. Seth Terkper, the Director-General of the NDPC, Mrs. Regina O.

Adutwum and a technical team from the Commission and the Ministry of Finance to consider the Estimates and hereby presents this report.

2.0 BACKGROUND

The National Development Planning Commission (NDPC) exists to advise the President of the Republic of Ghana on national development planning policy and strategy by providing a national development policy framework and ensuring that strategies and programs are effectively carried out for the accelerated development of the country which will provide continuous improvement in the living standards of all Ghanaians.

3.0 OBJECTIVES

The objectives of the Commission as derived from the Medium-term Development Policy Framework include the following:

- to deepen on-going institutionalization and internalization of policy formulation, planning and monitoring and evaluation (M&E) systems at all levels;
- institutionalize the mainstreaming of sustainable development principles in national development planning processes;

- to ensure the reduction of HIV/AIDS/STI/TB transmission, and their proper management as well as promote healthy lifestyle;
- to develop and retain human resource capacity at national, regional and district levels;
- to harmonise on-going and emerging poverty reduction initiatives;
- to promote co-ordination, harmonization and ownership of the development process;
- to minimize the negative impact and optimise the potential impact of migration for Ghana's development; and
- to promote a sustainable, spatially integrated and orderly development of human settlements to support socio-economic transformation.

4.0 PERFORMANCE IN 2012

In pursuit of its mandate the Commission during the year 2012 carried out or achieved the following among others:

- Prepared the 2011 National Annual Progress Report on the implementation of the Ghana Shared Growth and Development Agenda (GSGDA);
- Vetted Sector and District Annual Progress Reports and prepared the National Monitoring & Evaluation Manual, the National Infrastructure Plan and assisted MDAs and MMDAs in the preparation of their sector plans;
- Organised a Baseline Assessment Study Dissemination Workshop to provide feedback on Monitoring & Evaluation Plans; and
- Commenced preparation of a successor to the Ghana Shared Growth and Development Agenda (GSGDA)

5.0 Outlook for 2013

To achieve its stated objectives the NDPC will undertake the following activities for the 2013 financial year:

- i. Recruit additional 45 new staff to augment the staffing position. Four substantive Directors for the 4 main units of the Commission namely Plan Coordination, Monitoring & Evaluation, Administration and Policy will also be employed;
- ii. Carry out stakeholder consultative meetings to prepare a successor to the Ghana Shared Growth and Development Agenda (GSGDA)-Ghana's Medium Term Development Framework ;
- iii. Continue its monitoring and evaluation programmes and activities at all levels of governance; and
- iv. Commence work on a six storey office complex for the Commission

6.0 2013 BUDGET ESTIMATES OF THE NATIONAL DEVELOPMENT PLANNING COMMISSION

For the implementation of the above stated objectives and planned activities, a sum of ***Eight Million, Nine Hundred and Ninety-four Thousand, Seven Hundred and Thirty-four Ghana Cedis (GH¢8,994,734)*** has been allocated. Out of this, ***Five Million, Five Hundred and Sixty-one Thousand, Four Hundred and Thirty-four Ghana Cedis (GH¢5,561,434)*** is GOG and ***One Million and Five Hundred Thousand Ghana Cedis (GH¢1,500,000)*** is ABFA, with ***One Million, Nine Hundred and***

**Thirty-three Thousand, Three Hundred Ghana Cedis
(GH¢1,933,300) being donor support.**

The breakdown is presented below:

Government of Ghana (GoG)

| | | |
|-----------------------|----------------|---------------------|
| Employee Compensation | - GH¢2,124,386 | |
| Goods and Services | - GH¢1,777,338 | |
| Assets | - GH¢1,659,710 | |
| Sub-total | - | GH¢5,561,434 |

Donor

| | | |
|-------------------|----------------|---------------------|
| Goods & Services | - GH¢ 386,660 | |
| Assets | - GH¢1,546,640 | |
| Sub- total | - | GH¢1,933,300 |
| ABFA | | GH¢1,500,000 |
| TOTAL | | GH¢8,994,734 |

7.0 OBSERVATIONS AND RECOMMENDATIONS

Inadequate funding

The Committee observed that inadequate funding has been a major challenge the Commission has been facing over the years. This is evident in the budgetary requirements, allocations and actual releases. Table A (below) for instance, indicates the Commission's budgetary requirements, allocations and the actual releases in 2012 and 2013 requirement and approved allocations.

Table A.

| ITEM | 2012 | | | 2013 | | |
|--------------------------|---------------------|-----------------------------|---------------------------|----------------------|-----------------------------|---------------------|
| | Request (GH¢) | Approved Budget (GH¢) | Actual Expend (GH¢) | Request (GH¢) | Approved Budget (GH¢) | Variance (GH¢) |
| Employee Compensation | 2,647,580.00 | 1,708,876.00 | 1,991,484.58 | 3,624,740.61 | 2,124,386.00 | 1,500,354.61 |
| Goods and Services | 3,772,441.00 | 2,507,906.00 | 1,652,272.51 | 7,386,461.00 | 3,663,998.00 | 3,722,463.00 |
| Assets | 2,925,000.00 | 649,620.00 | 101,685.08 | 4,851,000.00 | 3,206,350.00 | 1,644,650.00 |
| TOTAL | 9,295,021.00 | 4,866,402.00 | 3,745,442.17 | 15,862,201.61 | 8,994,734.00 | 8,367,467.61 |

It can be seen from the table that though the Commission's 2012 budgetary requirement was GH¢9,295,000, only GH¢4,866,402 was approved. An amount of GH¢3,745,442.17 representing 40.3% of the budgetary requirement was however, released. The picture is not different in 2013, thus, while the Commission's 2013 budgetary requirement is GH¢15,862,201.61, only GH¢8,994,734 has been allocated to it. This represents 56.7% of the year's requirement.

Though the allocation is an improvement over that of the year 2012, it is still inadequate considering the planned activities for the year particularly, M & E, research and the construction of an office complex to ease the overcrowding the Commission currently faces.

The Committee appeals to the Ministry of Finance to endeavor to release all the 2013 approved budget allocations to enable the Commission carry out its planned activities. Further, the Ministry of Finance is entreated to raise additional funds to fill the funding gap.

Untimely and delays in the release of fund

The Committee learnt that untimely and delays in the release of approved funds have been obstructing planned activities and programmes of the Commission. The Committee calls on the Ministry of Finance to ensure timely release of approved funds to enable the Commission carry out its scheduled activities and programmes on time.

Inadequate staffing levels

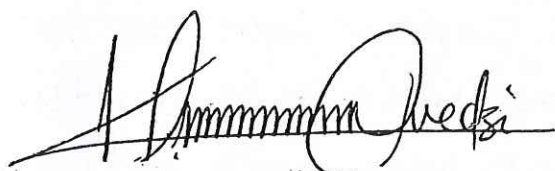
Closely linked with the inadequate funding is inadequate staffing level. The Committee was informed that the staff and Commissioners of the Commission are among the poorly paid employees of comparable organisations in the country. This situation, it was further added, has made it difficult to entice/recruit and retain qualified professionals to work for the Commission. As a result of the above, the Commission does not have the full complement of staff particularly, the technical staff. The Committee learnt that the Commission currently has only fourteen (14) out of the fifty-two (52) technical and critical staff required for its optimal functioning. The Committee views this as unfortunate and believes that for the Commission to be able to perform its primary function of providing a national development policy framework and ensuring that strategies are effectively carried out, it should have the requisite technical staff. To this end, the Committee recommends to the Minister for Finance to, as a matter of urgency, provide funds and grant the Commission special dispensation to recruit the requisite staff needed for its optimal functioning.

5.0 CONCLUSION

The Committee, having examined the 2013 Annual Estimates of the **National Development Planning Commission**, recommends that

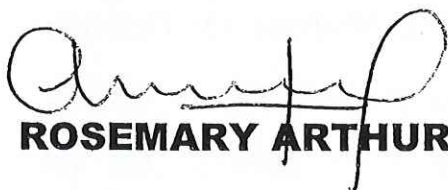
the House approves the amount of *Eight Million, Nine Hundred and Ninety-four Thousand, Seven Hundred and Thirty-four Ghana Cedis (GH¢8,994,734)* for the implementation of the programmes and activities of the Commission for the 2013 financial year.

Respectfully submitted.



HON. JAMES KLUTSE AVEDZI

CHAIRMAN



ROSEMARY ARTHUR SARKODIE (MRS.)

CLERK

MARCH, 2013