

**REPORT OF THE FINANCE COMMITTEE ON THE
2008 BUDGET ESTIMATES OF THE NATIONAL
DEVELOPMENT PLANNING COMMISSION (NDPC)**

1.0 INTRODUCTION

The 2008 Annual Estimates of the National Development Planning Commission (NDPC) was laid in the House on *Thursday, 15th November, 2007* and referred to the Finance Committee for consideration and report in accordance with the Constitution and Standing Orders of the House.

This followed the presentation of the 2008 Budget and Financial Policy of the Government by the Minister for Finance and Economic Planning, Hon. Kwadwo Baah-Wiredu.

The Committee met with the Director General of the National Development Planning Commission, Dr. Regina O. Adutwum and officials from the Commission and reports as follows:

2.0 BACKGROUND

The National Development Planning Commission exists to advise the President (and Parliament on request) on national development planning policy and strategy by providing framework for accelerated development of the country to promote continuous improvement in the living standards of all Ghanaians.

3.0 OBJECTIVES

The objectives of the Commission include the following:

- To institutionalize and internalize policy formulation, planning and M&E systems at all levels
- To promote research and development at all sectors of the economy
- Develop and retain Human Resource capacity at National, Regional and District levels
- Institutionalize the mainstreaming of sustainable development principles
- To promote coordination, harmonization and ownership of development process
- Deepen pluralistic involvement in support of growth and poverty
- To strengthen database for policy formulation and decision making

4.0 2008 BUDGET ESTIMATES FOR THE NATIONAL DEVELOPMENT PLANNING COMMISSION

Pursuant to the above stated objectives, the sum of **GH¢1,990,551** has been allocated to the Commission for the 2008 financial year. The breakdown is presented below:

Personnel Emoluments	-	GH¢178,178
Administration	-	GH¢278,002
Service	-	GH¢809,304
Investment	-	GH¢725,067
TOTAL GOG	-	GH¢1,990,551
Donor	-	-
GRAND TOTAL	-	GH¢1,990,551

5.0 OBSERVATIONS AND RECOMMENDATIONS

The Committee observed that the Commission made the following achievements in the year 2007:

Long Term National Development Plan

- Prepared eight technical reports to provide the background for public consultation processes towards building national consensus on the formulation of a long-term national development plan.
- Held series of national consultative dialogues with a cross section of civil society groups and policy makers on the proposed long-term National Development Plan to strategize further on the key components of modernising agriculture, industrial development and developing Ghana's human settlements towards a middle income status.

- Engaged Leadership of Parliament and Members of the Parliamentary Committees on Finance and Ghana Poverty Reduction Strategy (GPRS) in a 2-day dialogue on a national long term development vision and emerging strategies for the realization of the goal of middle-income status

On Gender and Sustainable Development, the Committee observed that the NDPC assisted 138 Metropolitan, Municipal and District Assemblies (MMDAs) to mainstream the dimensions of gender, vulnerability and sustainable development into their medium-term development plans.

Again, the Committee noted that the Commission collaborated with Ministry of Finance and Economic Planning (MOFEP) to ensure that the financing of development programmes implemented by MDAs are consistent with the national priorities outlined in GPRS-II

The Commission also prepared and distributed the 2006 Annual Progress Report (APR) on the implementation of GPRS II to stakeholders and the general public at the national, regional and district levels.

District Monitoring and Evaluation Guidelines were prepared and 1,780 members of the District and Regional Planning Coordinating Units were trained in the use of the Guidelines to prepare their own District Annual Progress Reports on the implementation of the GPRS II.

Outlook for 2008

The Committee noted that in 2008, the NDPC will continue to perform its central role of coordinating the preparation, monitoring and evaluation of policies, plans and programmes at all levels of governance for the realization of the goal of accelerated growth and poverty reduction.

Key policies to be pursued in the ensuing year include the following:

- Effectively coordinating and promoting ownership of the development process
- Institutionalizing and internalizing policy formulation, plan preparation and M&E at all levels
- Deepening the participatory process in promoting growth and poverty reduction
- Developing and retaining human resource capacity
- Strengthening the research and data base for policy formulation and decision making

Priority activities for the implementation of these policies include Completion of the preparation of a Long Term National Development Plan, Preparing the 2007 Annual Progress Report on the implementation of GPRS II, completing the preparation of a National Spatial Development Policy Framework, implementing the GPRS II Development Communication Strategy, preparing policy briefs and reports on emerging national development issues and developing and strengthening the human resource capacity of the Commission.

The Committee also noted that in 2008, the Commission would initiate the preparation of a medium term national development policy framework as a successor to GPRS II.

The Committee further observed that since the 2008 Budget derives most of its objectives from the GPRS Medium Term Policy Objectives document which is to be monitored and evaluated by the Commission, the Commission needs to be well resourced to be able to perform its monitoring, evaluation and co-ordinating functions effectively and efficiently.

On **Personnel Emoluments (PE)**, the committee observed that actual P.E expenditure of the Commission for the first three quarters of 2007 is GH¢205,884.68. However, the Commission has been allocated only GH¢178,178 for the whole of 2008. This in the opinion of the Committee is obviously inadequate and therefore implores the Ministry of Finance and Economic Planning to take measures to bridge the gap.

The Director General of the Commission informed the Committee that due to poor conditions of service of the personnel of the Commission, the Commission is finding it difficult to attract, motivate and retain the required caliber of staff. Out of the Minimum 50 technical personnel required for the effective performance of its functions, the Commission currently has only 15.

It was further observed that the Commission has programmed to recruit about 17 staff to replace those who have left the Commission, but the reduction in the Commissions Personnel Emolument allocation would make this recruitment impossible.

Administration: Whilst the Commission requested an amount of GH¢680,843 for Administration activities for the year 2008, it was only allocated GH¢278,002. The technical staff of the Commission explained that this would affect the Commissions ability to pay newly reviewed allowances to Commissioners and Staff of the Commission.

Service: The 2008 Financial Year would see the Commission implementing very significant Service Activities which are necessary Multi Donor Budget Support (MDBS) triggers. These activities include the finalization of the long-term national development Plan, drafting a new medium term national development framework, operationalising the Ghana Info data, conducting a Poverty and Social Impact Assessment (PSIA) and finalizing the GPRS II Citizens Assessment Report.

Due to these activities, the commission budgeted an amount GH¢2,002,795 for service activity. The Ministry of Finance and Economic Planning however allocated only GH¢809,304. This, the Committee noted is far inadequate to meet the programmed service activities of the Commission.

Investment: The Director General of the Commission further informed the Committee that rent agreement covering the current office premises of the Commission would come to an end on 31st December, 2007. There is therefore the need for the Commission to acquire its own permanent office accommodation since the new owners of the property are no more renting it out to the Commission.

There is also the need to provide accommodation for the Director General and other Directors of the Commission.

But in view of the fact that the Commission's total investment allocation for year 2008 is GH¢725,067, it would not be able to embark on these infrastructural projects.

The Committee recommends that should a supplementary appropriation be brought before the House in the course of the 2008 financial year, the Ministry of Finance and Economic Planning should endeavour to provide the funds needed to solve these problems of the Commission.


Members were of the view that since the NDPC does the technical aspect of the work on poverty reduction, they should be allocated some of the HIPC funds to help solve their problems.


6.0 CONCLUSION

The Committee has critically examined the budget estimates for the National Development Planning Commission (NDPC) and recommends to

the House to adopt the Committee's report and approve the amount of **GH¢1,990,551** being the Commission's annual budgetary allocation from Government of Ghana (GoG) for the 2008 financial year.

Respectfully submitted.


HON. NII ADU DAKU MANTE
CHAIRMAN


LOUIS YIADOM BOAKYE
FOR CLERK, FINANCE COMMITTEE

3RD DECEMBER, 2007.