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

REPORT OF THE FINANCE COMMITTEE

ON THE

2017 ANNUAL BUDGET ESTIMATES

OF THE

MINISTRY OF FINANCE

PAPER PROPERTY OF THE PARTY OF

23rd MARCH, 2017

Arr Ho 626 Class Ho X+ MOF/ 2017

1.0 INTRODUCTION

The 2017 Annual Budget Estimates for the Ministry of Finance was laid in the House on Thursday 2nd March, 2017 and referred to the Finance Committee for consideration and report in accordance with article 179 of the Constitution and order 140 (4) of the Standing Orders of the House. This followed the presentation of the Budget Statement and Economic Policy of the Government for the 2017 Financial Year by the Minister for Finance, Hon. Ken Ofori-Atta.

The Chief Director and other officials from the Ministry of Finance attended upon and assisted the Committee in its deliberations on the Estimates.

The Committee expresses its gratitude to the Chief Director and the officials from the Ministry of Finance for attending upon the Committee.

2.0 REFERENCE DOCUMENTS

In considering the estimates, the Committee referred to and was guided by the following documents:

- i. The 1992 Constitution of the Republic of Ghana
- ii. Standing Orders of the House
- iii. The Budget Statement and Economic Policy of the Government of Ghana for the 2017 Financial Year.
- iv. Public Financial Management Act, 2016 (Act 921)

(ASSESSED OF CHAIN HE DAVE.)

Bornet of the Dinama Committee on the 2017

3.0 BACKGROUND

The Ministry of Finance exists to ensure macro-economic stability for the promotion of sustainable growth and development of Ghana and her people through:

- > The formulation and implementation of sound financial, fiscal and monetary policies;
- > The efficient mobilization, allocation and management of financial resources;
- Establishing and disseminating performance-oriented guidelines and accurate user-friendly financial management information system.
- > Creating an enabling environment for investment.

In furtherance of the foregoing, the ministry is committed to the pursuit of excellence, transparency, probity and accountability in the management of financial resources.

4.0 OBJECTIVES AND FUNCTIONS

The goal of the Ministry is to ensure efficient and effective management of the economy towards the attainment of upper middle income status and poverty reduction.

Dona Donat of the Finance Committee on the 2017

Pursuant to the Ghana Shared Growth and Development Agenda (GSGDA II), the ministry is pursuing nine (9) Policy Objectives that are relevant to its functions. These are to:

- i. Ensure price and exchange rate stability
- ii. Deepen the capital market

- iii. Improve access to the capital market
- iv. Improve fiscal revenue mobilization and management
- v. Improve public expenditure management
- vi. Improve capacity for effective public sector debt management
- vii. Develop a financial sector which is more efficient and responsive to private sector needs
- viii. Enhance production and management of statistical information
- ix. Improve availability of quality data for policy formulation, analysis and decision-making

The core functions of the Ministry include the following:

- Mobilization of external and internal resources
- Allocation of resources to all sectors of the economy
- Ensuring sustainability of public debt
- Preparation and implementation of the annual budget and economic and financial statement of Government
- Management of public expenditure
- ❖ Development and implementation of financial sector policies
- ❖ Develop an efficient financial sector integration into the global financial system
- Enhance the institutional capacity of the Ministry and provide public financial management training for public and private sectors

5.0 2016 BUDGET PERFORMANCE

Bright State of the State of the State of

1, 3, 3, 3, 3, 3,

 $(1, \dots, 1, \dots, 1, \dots, 1)$

ITEM	2016 PROVISION GH¢	2016 ACTUAL EXPENDITURE GH¢	VARIANCE GH¢	%UTILISATION
Compensation of Employees	196,324,071	191,715,074.54	4,608,996.46	97.65
Goods and Services	9,334,676	7,581,876.63	1,752,799.37	81.22
Capex	0	0	0	0
SUB-TOTAL	205,658,747	199,296,951.17	6,361,795.83	96.91
IGF Retained	14,775,826	17,265,875.74	(2,490,049.74)	116.85
ABFA	967,774	967,000.00	774.00	99.92
Donor	51,015,436	101,430,314.90	(50,414,878.90)	198.82
GRAND TOTAL	272,417,783	318,960,142.81	(46,542,358.81)	117.08

Same of the second of the seco

(1) 14 (1) 12 (1) 14 (

Table 1: Source - Ministry of Finance

SANTANDO DE MARIO

(200,100)

Walter Bridge Control

S. F. E. M. Market Parket, No.

San Barrell

Section 18 (Eggs)

· Jan

6.0 THE 2017 ANNUAL ESTIMATES FOR THE MINISTRY OF FINANCE

A total amount of **GH¢573,251,781** has been allocated to the Ministry of Finance and its Departments and Agencies for the year 2017. The breakdown of the allocation is as follows:

COMPENSATION OF EMPLOYEES:

Government of Ghana - GH¢215,170,788

Internally Generated Funds - GH¢4,322,877

Donor Sources - 0

Subtotal: GH¢219,493,665

GOODS AND SERVICES:

Government of Ghana - GH¢ 265,078,652

Internally Generated Funds - GH¢7,567,972

Donor Sources - <u>GH¢14,578,698</u>

- Subtotal: - GH¢287,225,322

CAPITAL EXPENDITURE:

4,647 (174)

化氯羟基二氏氯甲烷

Government of Ghana - GH¢ 4,000,000

Internally Generated Funds - GH¢2,318,004

Donor Sources - GH¢58,314,790

Subtotal: - GH¢64,632,794

Funds/others (ABFA) GH¢1,900,000

GRAND TOTAL - GH¢573,251,781

美国教育 1000 1000 1000 1000 1000 1000 1000

5 | Page Report of the Finance Committee on the 2017 Budget Estimates for the Ministry of the Finance

6.1 ALLOCATIONS TO DEPARTMENTS AND AGENCIES OF THE MINISTRY

The amounts stated below represent allocations to the various Departments, Divisions and Agencies of the Ministry of Finance:

6.1.1 Finance Headquarters

The Headquarters of the Ministry has been allocated a total of GH¢337,197,121 to prosecute its activities for the 2017 financial year:

Compensation of Employees:

GH¢30,815,416

我就会这个人的时间 计通信

Goods and Services:

·克尔克克克克·克尔克克克克

GH¢252,264,236

Capex:

GH¢52,217,469

Other Funds (ABFA):

减少数以下的 人名英格兰

 $(\hat{\mathcal{Y}}_{i,k}) = (\hat{\mathcal{Y}}_{i,k}) = (\hat{\mathcal{Y}}_{i,k})$

180

GH¢1,900,000

Total

GH¢337,197,121

The first of the same

 $(A_{i},A_{i}) = A_{i} = A_{i} = A_{i} = A_{i}$

10 m 3

This amount would be spent on the various units of the Headquarters as follows:

General Administration	GH¢39,555,284
Budget Division	GH¢11,810,000
Debt Mgt Division	GH¢520,000
External economic relations	GH¢33,549,687
Economic research and forecasting	GH¢460,000
Real sector Division	GH¢3,863,802
Financial Sector Division	GH¢225,791,097
Public investment Division	GH¢9,459,722
Monitoring and Evaluation	GH¢360,000
Revenue policy Division	GH¢11,827,529

6 Page Report of the Finance Committee on the 2017 Budget Estimates for the Ministry of the Finance

6.1.2 Controller and Accountant General's Department (CAGD)

For the year 2017, the Controller and Accountant General's Department (CAGD) has been provided the following allocations:

er and a garage of a

ΤΟΤΔΙ:	GH¢183 840 444
Other Funds (ABFA):	<u> </u>
Сарех:	GH¢10,885,378
Goods and Services:	GH¢10,793,326
Compensation of Employees:	GH¢162,161,740

6.1.3 Ghana Statistical Service (GSS)

C + A Sap, & govern Coo 1900 A

Assets the second

高速 海 水石 (水)

\$4.1 to 1

An amount of **GH¢37,821,267** has been allocated to the Statistical Service for the 2017 Financial year. The breakdown is as follows:

	and the second second	
Compensation of Employees:	GH¢18,703,019	
Goods and Services:	GH¢18,818,248	
Capex:	GH¢300,000	
Other Funds (ABFA):	0	
IN AN OLD THE RESERVE	FÎ	
TOTAL	GH¢37,821,267	
	and the second s	

TEMPORISTE OF CHARLES AND A CONTROL OF STREET

7. Page. Report of the Finance Committee on the 2017 Budget Estimates for the Ministry of the Finance

6.1.4 Public Procurement Authority (PPA)

For the year 2017, an amount of GH¢3,266,520 has been allocated to the PPA as follows:

Compensation of Employees:

GH¢1,410,418

Goods and Services:

GH¢1,556,102

Capex:

GH¢300,000

Other Funds (ABFA):

(

TOTAL :

GH¢3,266,520

6.1.5 Institute of Accountancy Training (IAT)

The institute of Accountancy Training (IAT) has been allocated an amount of **GH¢1,586,517** as budget estimate for the 2017 financial year to be spent as follows:

Compensation of Employees

GH¢1,064,709

Goods and Services

GH¢321,808

Capex

GH¢200,000

Other Funds (ABFA)

動性変数などいかはけられた

The state of the alternation of the course

Pagaran Pakaban

机双式烧炸剂 医成功性病 网络亚

n

三十二人 医内支孔 网络种欢迎 经人名挪拉姆克

TOTAL

数一型 经收收证据

GH¢1,586,517

8 | Page - Report of the Finance Committee on the 2017 Budget Estimates for the Ministry of the Finance

TOTAL

6.1.6 Securities and Exchange Commission (SEC)

The Securities Funds and Exchange Commission (SEC) will for the year 2017 generate internally and retain an amount of GH¢7,414,019 to be spent on its programmes and activities as follows:

Compensation of Employees: GH¢4,322,877

Goods and Services: GH¢2,561,195

Capex: GH¢529,947

Other Funds (ABFA):

TOTAL GH¢7,414,019

6.1.7 Financial Intelligence Center (FIC)

製造 性質性 (2015年) 新 和 [] (2015年) 中部 (2015年) - 「 (2015年) 年 (2015年) (2015年)

Established Andrews

Carlo Carlos Alexander

Transference (s. 1971) Dansprijer (s. 1947)

Company of the

Charles Service Comment

Carrier Co

Jan D. C. Breed and Carlo

The financial Intelligence Center has been allocated a Budget Estimate of $GH\phi2,125,893$ for the implementation of its programmes and activities for the 2017 financial year. The breakdown is as follows:

Compensation of Employees: GH¢1,015,486

Goods and Services: GH¢910,407

Capex: GH¢200,000

Other Funds (ABFA):

TOTAL GH¢2,125,893

9 Page Report of the Finance Committee on the 2017 Budget Estimates for the Ministry of the Finance

Significant of the second of th

7.0 OBSERVATIONS AND RECOMMENDATIONS

7.1 Policy Formulation and Implementation

The Committee observed that the Ministry of Finance has a key responsibility of formulating and implementing sound macro-economic policies, effective mobilization and efficient allocation of internal and external resources to all sectors of the economy and ensuring sustainable debt management.

7.2 IMF Extended Credit Facility

In the year 2016, three (3) programme reviews were conducted under the current IMF Extended Credit Facility (ECF) Programme, and performance was adjudged satisfactory. The Ministry also hosted the 2016 West African Monetary Zone's (WAMZ) Statutory Meetings in Accra and participated in the mid-year WAMZ meetings in Guinea.

7.3 Capacity Building in Economic Policy Analysis

The Ministry in 2016 established the Ghana Economic Policy Analysis and Research Institute (GEPARI) to build capacity of both state and non-state actors in public policy analysis and promote policy-relevant and evidence-based research to inform policy. This institute is programmed to become fully operation in the course of 2017.

The Control Marketing Association

Commence of the Commence of

to be the contract of the

10 | Page Report of the Finance Committee on the 2017 Budget Estimates for the Ministry of the Finance

The Market State of the State o

Expense of State of the Control of the State of the State

美国 经营业的证券

A Para Grander Commence

Million Commence of the

18 1 1 1 1 1 1 1 1 1 1 1

MARKET BOOK STATE OF STATE

7.4 Deposit Protection

The Ministry facilitated the passage of the Ghana Deposit Protection Act, 2016 (Act 931) to establish a Deposit Protection Scheme to protect small depositors. The Act also made provision for the establishment of a Deposit Protection Fund and Deposit Protection Corporation to manage the scheme. The Bank of Ghana would begin the implementation of the Act in 2017.

7.5 Financial Inclusion Strategy

The Committee noted that the Ministry will in 2017 implement the National Financial Inclusion Strategy to address issues relating to access, usage and quality of financial services and products.

7.6 National Financial Risk Assessment Blueprint

The Financial Intelligence Center (FIC) will in 2017 continue implementation of the National Risk Assessment Action Plan and build capacity of all relevant stakeholders including the Police Service and other security agencies to enhance their investigative skills.

FIC Freezing Orders

The Financial Intelligence Centre (FIC) informed the Committee that in 2016 they froze ten (10) accounts / transactions out of four hundred and twenty (420) Suspicious Transactions Reports received in that year.

学の特別を開発している。 - 1993年の第二十二十四

11 | Page Report of the Finance Committee on the 2017 Budget Estimates for the Ministry of the Finance

Ghana Statistical Service (GSS) data show that persons in employment in Ghana totaled 3,383,206. However, only about one million of these persons are reflected on the records of the Ghana Revenue Authority (GRA). In order to bridge the gap, the Ministry would ensure that all employers file Annual Employee Returns. The Ministry would also reconcile SSNIT records with GRA *Pay As You Earn (PAYE)* data and also identify self-employed persons including practicing professionals for purposes of PAYE obligations.

The second of th

the state of the thirty of the state of

والإرادة والمحاربة والإنجاء والإنجاز كالمراوات

医二甲基甲基二酚二苯甲基甲基甲基

化环烷 化聚氯化物 医满足遗嘱

Company of the control of the control of

to the test of the second

7.8 ICT-led Government Payroll Management

 $\label{eq:definition} \mathcal{H}^{2}(\mathcal{A}, \mathcal{A}, \mathcal{A$

TO THE MARK THAT IS

The Art State

要进行,最后联系的第三人称单数。 1

医神经氏质感觉 化自由流

Frank Bry Branch Frank

The Committee was informed that the Controller and Accountant General's Department (CAGD) will enhance the use of Information and Communication Technology (ICT) in the management of the government payroll to ensure efficiency and integrity of the system. The CAGD intends to roll out a *GoG Staff Card* and operationalize E-Forms in addition to the E-Payslips.

7.9 Agencies weaned off Government Subvention

The Committee noted that the Ministry has taken steps to fully wean off the National Pensions Regulatory Authority (NPRA) and the Securities and Exchange Commission (SEC) from government payroll and also ensure a net transfer of their IGF into the Consolidated Fund to help free up fiscal space.

12 Page. Report of the Finance Committee on the 2017 Budget Estimates for the Ministry of the Finance

7.10 Cost of Value Books Not Provided For

The Committee's examination of the Estimates disclosed that that no provision has been made to cover the cost of value books for the year 2017. In response, officials of the Ministry of the Ministry assured the Committee that funds have been allocated under "Other Government Obligations" to meet that purpose.

7.11 Debt Sustainability Analysis

Strain Albertain Control

province by

医氯化氯 医二甲二甲基

Set with the

1 th Duga English

True War year

And a family of the s

1. \$2. 1. 18 P. 18

STANDARD COLLEGE

EQUIPMENT AND A CONTRACTOR

The Ministry of Finance proposes to conduct and publish Debt Sustainability Analysis (DSA), revise the Medium Term Debt Strategy (MTDS) to guide borrowing, and manage public debt at the lowest cost and at prudent levels of risk.

House the second of the second

一点点的 1.1.1 1.1.1 1.1.1 1.1.1 1.1.1 1.1.1

2000年,1月1日 - 1月20日 - 100日 - 100日本東京大学

医二甲二氏性 医髓管 医多种性皮肤 医皮肤结婚

and the party of the fire of the

1. 1966重像设备、44、17、17、14村的20

13 | Page Report of the Finance Committee on the 2017 Budget Estimates for the Ministry of the Finance

8.0 CONCLUSION

The Committee has critically examined the 2017 Annual Estimates for the Ministry of Finance and found the objectives for which the sums have been allocated to be laudable and achievable.

The Committee, in view of the foregoing, respectfully recommends to the House to adopt this report and approve the sum of *five hundred and seventy-three million, two hundred and fifty-one thousand, seven hundred and eighty-one Ghana Cedis* (GH¢573,251,781) for the Ministry of Finance and its Agencies for the 2017 financial year.

Respectfully Submitted

Compared to the c

Strategy Mills for a

สหรัชที่ เมืองกับที่ 🤫 🦠 เก็บ

Burger and a term of the

ally to the same

HON. DR. MARK ASSIBEY-YEBOAH (CHAIRMAN, FINANCE COMMUTEE) MS. EVELYN BREFO-BOATENG (CLERK, FINANCE COMMITTEE)

Sugar a la description de