

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

**REPORT  
OF THE  
FINANCE COMMITTEE**

**ON THE**

**2019 ANNUAL BUDGET ESTIMATES**

**FOR THE**

**MINISTRY OF BUSINESS  
DEVELOPMENT**

**DECEMBER, 2018**

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## **1.0 INTRODUCTION**

The ***2019 Annual Budget Estimates for the Ministry of Business Development*** were laid in the House on Thursday 15<sup>th</sup> November, 2018 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 2019 Financial Year by the Minister for Finance, Hon. Ken Ofori-Atta.

The Hon. Minister for Business Development, Alhaji Dr. Ibrahim Mohammed Awal and officials from the Ministries of Finance and Business Development attended upon and assisted the Committee in its deliberations on the Estimates.

The Committee expresses its gratitude to the Hon. Minister and the officials 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 2019 Financial Year.
- iv. Public Financial Management Act, 2016 (Act 921)

### **3.0 BACKGROUND**

The Ministry of Business Development exists to create a sustainable and most business-friendly entrepreneurial, innovative and business enabling environment that fosters private sector-led investment for job creation and livelihoods.

The National Medium Term Development Policy Framework (NMTDPF) contains three (3) objectives that are relevant to the Ministry of Business Development. They are:

- To improve the entrepreneurial and technical skills of Micro, Small and Medium Enterprises (MSMEs) particularly those owned by the youth
- To enhance the performance of Micro, Small and Medium Enterprises (MSMEs), focusing on improving their operational efficiency and competitiveness
- To enhance access to finance for Micro, Small and Medium Enterprises (MSMEs)

### **4.0 OBJECTIVES AND FUNCTIONS**

The core functions of the Ministry are as follows:

- To promote the development of an entrepreneurial culture in Ghana
- To facilitate the improvement in the ease of doing business in Ghana
- To promote the development of the MSME sector for job creation
- To increase the entrepreneurial capacity of the youth

- To nurture and promote the growth of medium to large size indigenous Ghanaian business giants
- To enhance the image of Ghana as the most business-friendly country in Africa.

## 5.0 2018 BUDGET PERFORMANCE AS AT END SEPTEMBER, 2018

ITEM	2018 BUDGET GH¢	2018 ACTUAL EXPENDITURE AS AT SEPTEMBER 2018 GH¢	VARIANCE GH¢	%UTILISATION
Compensation of Employees	350,000.00	99,000.00	251,000.00	28.3
Goods and Services	51,410,000.00	20,222,544.00	31,187,456.00	39.3
CAPEX	500,000.00	-	500,000	0
<b>GRAND TOTAL</b>	<b>52,260,000.00</b>	<b>20,321,544.00</b>	<b>31,938,456</b>	<b>38.9</b>

Table 1: Source – Ministry of Business Development

### 5.1 ACHIEVEMENTS FOR 2018

#### 5.1.1 NEIP Business Support Programme

Under the NEIP Business Support Programme, the *National Business Plan Competition* was launched and 7,000 entrepreneurs who applied online were trained across the 10 Regions of the country by selected Hubs.

Also, 1,350 entrepreneurs who successfully presented innovative and bankable business plans were selected for financial support ranging from *Ten Thousand Ghana Cedis* (GHS10,000.00) to *One Hundred Thousand Ghana Cedis* (GHGS100,000.00). It is expected that each of the entrepreneurs under the programme would create a minimum of 3 jobs, thus totaling 4,050 direct jobs.

### **5.1.2 Presidential Pitch**

The Presidential Pitch was launched in the year 2018 to promote the entrepreneurial spirit among the youth towards job creation. The Pitch is to provide financial support to young entrepreneurs between the ages of 15 and 35 years. So far, 20 entrepreneurs have been selected and given financial support to develop their entrepreneurial ideas into businesses. The prizes were personally awarded by His Excellency the President of the Republic.

### **5.1.3 School Entrepreneurship Initiative (SEI)**

The Ministry in collaboration with the Ghana Education Service successfully launched the SEI at the Achimota School to inculcate the entrepreneurial mindset and encourage students to develop an interest to become business owners after school. On a pilot, ten (10) entrepreneurship clubs were inaugurated in selected Senior High Schools in all the ten regions of Ghana to support the initiative. In all, over 10,000 Senior High School students have so far benefited from the School Entrepreneurship Initiative (SEI).

#### **5.1.4 Women Entrepreneurship Development**

In 2018, The Ministry launched the Women Entrepreneurship Conference as part of initiatives targeted at promoting economic empowerment of women and unleashing their entrepreneurial potentials.

The 2018 celebration of the National Entrepreneurship Month in November focused on financial inclusion for women entrepreneurship. About 200 young women entrepreneurs benefited from capacity building in areas such as access to finance, marketing, insurance, risk management and accounting.

#### **6.0 THE 2019 ANNUAL ESTIMATES FOR THE MINISTRY OF FINANCE**

A total amount of **GH¢49,168,950** has been allocated to the Ministry of Business Development, for the year 2019. The breakdown of the allocation is as follows:

<b>COMPENSATION OF EMPLOYEES</b>	-	<b>GH¢390,250</b>
<b>GOODS AND SERVICES</b>	-	<b>GH¢47,278,700</b>
<b>CAPITAL EXPENDITURE</b>	-	<b>GH¢1,500,000</b>
<b>GRAND TOTAL</b>	-	<b><u>GH¢49,168,950</u></b>

## **7.0 OBSERVATIONS AND RECOMMENDATIONS**

### **7.1 Policy focus for 2019**

The Committee observed that pursuant to the National Medium Term Development Policy Framework, the Ministry will in 2019 pursue programmes aimed at promoting the development of the MSME sector for job creation, creating an overall entrepreneurial culture especially among the youth, supporting young businesses and start-ups and facilitating the improvement in the ease of doing business in Ghana.

### **7.2 Training for Start-Ups**

The Committee was informed that the Ministry of Business Development has reached an agreement with the Institute for the Creation and Development Enterprise (INCYDE) to provide training opportunities to 2,000 young entrepreneurs and start-ups across the ten regions of Ghana. This programme is expected to commence in early 2019.

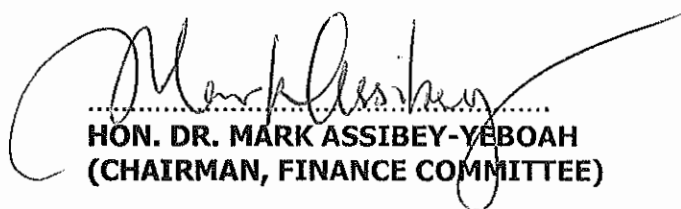
### **7.3 Green House Project**

The Committee noted that the Ministry is implementing the biggest Green House Estate Project in West Africa at Dawhenya Irrigation Site in the Greater Accra Region with seventy-five (75) domes established. Each dome employs twenty (20) workers. It is expected that fifty (50) units of the domes would be established in 2019 with the number rising to a total of five hundred (500) across all the Regions of Ghana by the end of 2022.

## **8.0 CONCLUSION**

The Committee, after critical examination of the 2019 Annual Estimates for the **Ministry of Business Development**, respectfully recommends to the House to adopt this report and approve the sum of ***Forty-Nine Million, One Hundred and Sixty-Eight Thousand, Nine Hundred and Fifty Ghana Cedis (GH¢49,168,950)*** for the implementation of the programmes and activities of the Ministry of Business Development for the 2019 financial year.

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)**

12<sup>TH</sup> DECEMBER, 2018