

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



REPORT OF THE

FINANCE COMMITTEE

ON THE

ANNUAL BUDGET ESTIMATES

FOR THE

MINISTRY OF SPECIAL DEVELOPMENT INITIATIVES FOR THE 2019 FINANCIAL YEAR

DECEMBER 2018

ARC No 854 C₃
Class No BF / MSDI 119

1.0 INTRODUCTION

The *2019 Annual Budget Estimates* for the **Ministry of Special Development Initiatives** were laid in the House on Thursday 15th November, 2018 and referred to the *Finance Committee* for consideration and report in accordance with Article 179 of the 1992 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 Minister for Special Development Initiatives, Hon. Mavis Hawa Koomson and a team of officials from the Ministries of Finance and Special Development Initiatives 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 Parliament of Ghana
- 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 Special Development Initiatives (MSDIs) exists to promote the implementation of Government Priority Initiatives to accelerate socio-economic development for poverty eradication and reduction of inequality for national development.

In accordance with the Coordinated Programme of Economic and Social Development Policies (2017-2024), Government has identified poverty eradication, access to clean water and sanitation, agricultural transformation, reduction of inequalities and local infrastructure development as priorities in Ghana's development process.

Accordingly, the Ministry of Special Development Initiatives has been established to accelerate the development of these priority areas through the implementation of the Infrastructure for Poverty Eradication Programme (IPEP).

The Ministry's long term strategic orientation is to become a hub of sustained implementation of special development initiatives in Ghana for accelerated national development.

4.0 OBJECTIVES AND FUNCTIONS

The goal of the Ministry is to formulate and implement policies, plans and programmes for the implementation of Government's priority initiatives and flagship projects through the Development Authorities.

The Ministry has adopted six (6) policy objectives from the Medium Term National Development Policy Framework 2018-2021. These are to:

- Improve production yield and efficiency
- Improve post-harvest management
- Enhance access to improved and reliable environmental sanitation services
- Ensure affordable, equitable, easily accessible and universal health coverage
- Eradicate poverty in all its forms and dimensions, and
- Reduce income disparities among socio-economic groups and between geographical areas.

5.0 2018 BUDGET PERFORMANCE AS AT END NOVEMBER, 2018

ITEM	2018 BUDGET GH¢	2018 ACTUAL EXPENDITURE Jan-Nov GH¢	VARIANCE GH¢	%UTILISATION
Compensation of Employees	350,000.00	139,200.00	210,800.00	39.8
Goods and Services	71,059,970.03	3,922,959.10	67,137,010.93	5.5
CAPEX	1,167,999,999.00	37,043,610.71	1,130,956,388.29	3.2
GRAND TOTAL	1,239,409,969.03	41,105,769.81	1,198,304,199.22	3.3

Table 1: Source – Ministry of Special Development Initiatives

5.1 KEY ACHIEVEMENT FOR 2018

Establishment of Development Authorities

The work of the Ministry in 2018 contributed to the establishment and operationalization of the three (3) Development Authorities as the main vehicle for Infrastructure for Poverty Eradication Programme (IPEP) implementation. These Authorities are:

- i. **The Northern Development Authority (NDA)** - made up of
 - Northern Region
 - Upper West Region
 - Upper East Region
- ii. **Middle Belt Development Authority** - comprising
 - Ashanti Region
 - Eastern Region
 - Brong Ahafo Region
- iii. **The Coastal Development Authority (CDA)** - comprising
 - Greater Accra Region
 - Volta Region
 - Central Region
 - Western Region

These Authorities would be the vehicles through which Government's commitment to spend *One Million United States Dollars (US\$1,000,000.00)* per Constituency would be implemented.

6.0 THE 2019 ANNUAL ESTIMATES FOR THE MINISTRY OF SPECIAL DEVELOPMENT INITIATIVES

A total amount of **GH¢1,321,543,928** has been allocated to the Ministry of Special Development Initiatives (MSDIs) and the *Development Authorities* for the year 2019.

The breakdown of the allocation is as follows:

COMPENSATION OF EMPLOYEES	GH¢1,543,928.00
GOODS AND SERVICES	GH¢66,000,000.00
CAPITAL EXPENDITURE	GH¢1,254,000,000.00
GRAND TOTAL	- GH¢1,321,543,928.00

7.0 OBSERVATIONS AND RECOMMENDATIONS

7.1 Operationalization of Development Authorities

The Committee was informed that as part of efforts to operationalize the newly created Development Authorities, the Ministry has secured office accommodation for the Coastal and Middle Belt Development Authorities. Also, office equipment, furniture and fittings, computers and accessories have been acquired for these two Authorities.

Again, Organizational Development Consultants have been engaged to assess the Human Resource needs and to develop Organizational Framework for all the three (3) Authorities.

7.2 Formation of Inter-Ministerial Committee on IPEP

To ensure proper coordination of Government programmes for poverty eradication, an Inter-Ministerial Task Force on Infrastructure for Poverty Eradication Programme (IPEP) has been constituted by Government.

The Inter-Ministerial Committee is to ensure that IPEP implementation compliments similar Government initiatives and to avoid duplication in the location of projects.

7.3 On-Going Infrastructure Projects

The Committee observed that the following IPEP priority projects are currently on-going across the country.

- i. 1,000 No. Community-Based Water Systems
- ii. 1,000 No. 10-Seater Water Closet Institutional Toilets
- iii. 50 No. 1,000 metric tonne Warehouses
- iv. 570 No. Small Dams
- v. 275 No. Ambulance Vehicles

7.4 US\$1 Million Per Constituency

The Committee noted that out of the total sum of **GH¢1,321,543,928.00** allocated to the Ministry for the 2019 financial year, an amount of **GH¢1,126,771,424.00** has been earmarked for the *Infrastructure for Development* Programme to be utilized by the three Development Authorities for infrastructural development within their respective areas.

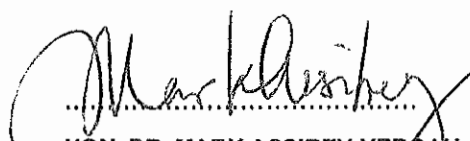
8.0 CONCLUSION

The Committee has critically examined the 2019 Annual Estimates for the Ministry of Special Development Initiatives (MSDIs) and found the objectives for which the sums have been allocated to be appropriate and development oriented.

The Committee, in view of the foregoing, respectfully recommends to the House to adopt this report and approve the sum of **One Billion, Three Hundred and Twenty One Million, Five Hundred and Forty-Three Thousand, Nine Hundred and Twenty-Eight Ghana Cedis (GH¢1,321,543,928)** for the implementation of the

programmes and activities of the **Ministry of Special Development Initiatives** for the 2019 financial year.

Respectfully Submitted.



HON. DR. MARK ASSIBEY-YEBOAH
(CHAIRMAN, FINANCE COMMITTEE)



MS. EVELYN BREFO-BOATENG
(CLERK, FINANCE COMMITTEE)

13TH DECEMBER, 2018