

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



**REPORT OF THE FINANCE COMMITTEE ON THE 2022 BUDGET
ESTIMATES FOR THE NATIONAL DEVELOPMENT PLANNING
COMMISSION (NDPC)**

1.0 INTRODUCTION

The 2022 Programme Based Budget Estimates for the National Development Planning Commission (NDPC) was presented to the House on 17th November, 2021 and *referred* to the Finance Committee for consideration and report in accordance with the Constitution and Standing Orders of the House. This referral followed the presentation of the 2022 Budget Statement and Economic Policy of the Government to the House by the Hon. Minister for Finance, Mr. Ken Ofori-Atta.

The Committee, in considering the Estimates, met with the Director-General of the Commission, Dr. Kodjo Mensah-Abrampah and a technical team from the Commission as well as officials from the Ministry of Finance and hereby presents this report to the House.

2.0 BACKGROUND

The National Development Planning Commission (NDPC) exists to advise the President on national development planning policy and strategy, to prepare and ensure the effective implementation of approved national development plans and to coordinate the decentralized planning system.

3.0 OBJECTIVES AND FUNCTIONS

The objectives of the Commission as derived from the Medium-Term Development Policy Framework: the 2022-2025 National Medium-Term Development Policy Framework (NMTDPF) are as follows:

- Build an effective and efficient government machinery.
- Enhance capacity for policy formulation and coordination.

- Strengthen plan preparation, implementation and coordination at all levels.
- Strengthen monitoring and evaluation systems at all levels.
- Improve research and development (R&D), innovation and sustainable financing for industrial development.

Pursuant to Act 479, the core functions of the National Development Planning Commission (NDPC) are to advise the President on development planning policy and strategy and to do any of the following *suo motu* or at the request of the President or Parliament.

- Formulate comprehensive national development policy frameworks and ensure that the strategies, including consequential policies and programmes, are effectively carried out.
- Undertake studies and strategic analysis of macro-economic and structural reform options and make recommendations on development and socio-economic issues.
- Make proposals for the development of multi-year rolling plans taking into consideration the resource potential and comparative advantage of the different districts of Ghana.
- Make proposals for the protection of the natural and physical environment with a view to ensuring that development strategies and programmes are in conformity with sound environmental principles.
- Make proposals for ensuring the even development of the districts of Ghana by the effective utilization of available resources.
- Monitor, evaluate and co-ordinate development policies, programmes and projects.
- Undertake studies and make recommendations on development and socio-economic issues.
- Prepare broad national development plans.
- Keep under constant review national development plans in the light of prevailing domestic and international economic, social and political conditions and make recommendations for the revision of existing policies and programmes where necessary and perform such other functions relating to development planning as the President may direct.
- Coordinate the decentralized national development planning system by prescribing the format and content of development plans for the districts, ministries and sector agencies to reflect integration of economic, spatial and environmental principles and ensure their compatibility.

4.0 2021 BUDGET PERFORMANCE

The budget estimates approved for the Commission for the 2021 financial year amounted to **GH¢14,491,269.00**. The breakdown was as follows:

Compensation of Employees	GH¢5,793,051.00
Goods and Services	GH¢6,605,718.00
CAPEX	<u>GH¢2,092,500.00</u>
TOTAL	<u>GH¢14,491,269.00</u>

Outturn for January to October 2021 shows the following:

Compensation of Employees	GH¢2,639,381.00
Goods and Services	GH¢3,157,323.00
CAPEX	GH¢1,613,468.00

TOTAL **GH¢7,410,172.00**

Achievements of the Commission as at October 2021 include, but not limited to the following:

- Effective implementation of the national medium-term development policy framework leading to achievement of 46% national medium-term development policy framework targets compared to a target of 50%.
- 100% of District and Sector Budgets complied with planning and budgeting regulations.
- Enhanced the efficiency and effectiveness of the national policy, planning and M&E system at all levels.
- Reviewed and completed the 2020 Annual Progress Report (APR).
- Received, reviewed and certified 14 out of 44 MDAs' development plans and 158 out of 260 MMDAs' development plans.
- Developed and completed the NDPC's Business Continuity Plan.
- Launched and published Public Policy Guidelines.
- Produced and published 2 Policy Briefs on road accidents and integration of digitization.
- Partially updated the macro-economic model and prepared a policy brief on the impact of COVID-19 on the attainment of selected macroeconomic projections in the 2021 budget.
- Completed 2 reports on the Development Monitor.
- Produced and disseminated a final report on the Mid-Term Evaluation of Policy Framework (2018-2021).

5.0 2022 BUDGET ESTIMATES OF THE NATIONAL DEVELOPMENT PLANNING COMMISSION

For the pursuit of its programmes and the above stated objectives, the sum of **GH¢22,409,000** has been allocated to the Commission for the 2022 financial year. The breakdown is presented below:

Compensation of Employees	-	GH¢6,329,000
Goods and Services	-	GH¢12,624,000
Capex	-	GH¢3,456,000
TOTAL	-	<u>GH¢22,409,000</u>

6.0 OBSERVATIONS

6.1 Prioritized Policies for Medium Term

The Committee noted that the Commission's prioritized policies for the medium term include building an effective and efficient government machinery, enhancing the capacity for policy formulation and coordination, strengthening plan preparation, implementation and coordination at all levels, strengthening monitoring and evaluation systems at all levels and improving research and development, innovation and sustainable financing for industrial development.

6.2 Review of Development Plans

The Committee was informed that the Commission has successfully reviewed draft sector and district medium term development plans to assist MDAs and MMDAs to finalize their development plans to serve as the basis for their annual budget estimates. Further to the review, the Commission provided follow-up technical assistance to the MDAs and MMDAs.

6.3 Use of CAPEX

As to how the Commission intended to spend its Capital Expenditure (CAPEX) allocation for 2022, the Committee was informed that the Commission would apply the funds primarily towards the renovation, including the replacement of the wiring system of the Commission's office building which is about 60 years old.

Whilst there are plans underway to construct a new office complex for the Commission in the medium to long term, there is the need to undertake repairs and maintenance on the existing building to make it safe for habitation and conducive for work.

6.4 2022 Programmes

In the year 2022, the Commission will continue to perform its constitutional mandate of advising the President on national development planning policy and strategy. Other specific operations to be undertaken by the Commission would include building the capacity of MDAs and MMDAs in application of ICT in plan preparation, finalizing the Ghana Infrastructure Plan, preparing the Annual Progress Report (APR) on the implementation of the NMTDPF, preparing field monitoring reports on sectors and MMDAs, coordination of environmental policies and mainstreaming development communication.

6.5 National Economic Modelling

The Committee observed that the NDPC has in collaboration with Oxford Economic Team of Experts and the Economics Department of the University of Cape Coast instituted a national economic modelling system for Ghana. The Commission in 2021 undertook a partial update of the model to prepare a policy brief on the impact of the COVID-19 on the attainment of selected macroeconomic projections in the 2021 budget.

In the year 2022, the Commission will continue with the update of the model.

6.6 Tracking the Progress of Development

Under the National Development Policy, Planning, Monitoring and Evaluation Programme (NDPPM&EP), the Commission will in 2022 track the implementation of policies, programmes, projects and activities in relation to national development policy framework and plans and provide feedback on attainment of targets to stakeholders.

6.7 Digitization of National M&E System

The Committee was informed that the Commission would put measures in place to ensure that by the close of the 2022 financial year, all Ministries Departments and Agencies (MDAs) and Metropolitan, Municipal and District Assemblies (MMDAs) would be using the National Monitoring and Evaluation Information System (NaMEIS) to undertake monitoring and evaluation.

6.8 National Social Policy

The Commission will in 2022 organize stakeholder review and validation meetings on the National Social Policy. This policy when validated and implemented, is expected to lead to enhanced participation in the development process and improvement in livelihoods.

6.9 Challenges

The Committee was informed that key challenges facing the Commission include inadequate and old trekking vehicles, inadequate and obsolete office equipment, inadequate resources for human capacity building and difficulty in attracting and retaining staff due to relatively poor conditions of service.

The Committee recommends to the Commission to liaise with the Ministry of Finance to find lasting solutions to these challenges.

7.0 CONCLUSION

The Committee, upon a thorough consideration of the Budget Estimates of the **National Development Planning Commission (NDPC)**, respectfully recommends that the House approves the sum of ***Twenty-Two Million, Four Hundred and Nine Thousand Ghana Cedis (GH¢22,409,000.00)*** for the implementation of the programmes and activities of the Commission for the 2022 financial year.

Respectfully submitted.



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HON. KWAKU KWARTENG
(CHAIRMAN, FINANCE COMMITTEE)



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MRS. JOANA SAKYI-ADJEI
(CLERK, FINANCE COMMITTEE)

13TH DECEMBER, 2021