



REPUBLIC OF GHANA

THE BUDGET STATEMENT AND ECONOMIC POLICY

of the

GOVERNMENT OF GHANA

for the

2016 FINANCIAL YEAR

presented to

PARLIAMENT

on

FRIDAY, 13TH NOVEMBER 2015

by

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Minister for Finance

on the Authority of

H. E. JOHN DRAMANI MAHAMA

President of the Republic of Ghana

THE
2016 BUDGET STATEMENT
AND
ECONOMIC POLICY

For copies of the Statement, please contact the Public Relations Office of the Ministry:

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The 2016 Budget Statement and Economic Policy of the Government of Ghana is also available on the internet at: www.mofep.gov.gh

ACRONYMS AND ABBREVIATIONS

| | |
|---------|---|
| ARH | Adolescent Reproductive Health |
| ABFA | Annual Budget Funding Amount |
| ADR | Alternative Dispute Resolution |
| AESCC | Agro Eco System to Climate Change |
| AIS | Automatic Identification System |
| APR | Annual Progress Report |
| AU | African Union |
| AWS | Automatic Weather Stations |
| BACs | Business Advisory Centres |
| BDCs | Bulk Distribution Companies |
| BECE | Basic Education Certificate Examinations |
| BNI | Bureau of National Investigation |
| BOAD | Banque Ouest Africaine de Development |
| BOG | Bank of Ghana |
| BOP | Balance of Payments |
| BOPD | Barrels of Oil Per Day |
| BRT | Bus Rapid Transit |
| BVDs | Biometric Verification Devices |
| CAGD | Controller and Accountant-General Department |
| CBE | Complementary Basic Education |
| CBTOS | Competency Based Training Occupational Standards |
| CCAFS | Climate Change, Agriculture and Food Security |
| CCMC | Crisis Management |
| CDP | Community Development Programme |
| CDVTIs | Community Development Vocational and Technical Institutes |
| CEDECOM | Central Region Development Commission |
| CENDLOS | Centre for National Distance Learning and Open Schooling |
| CET | Common External Tariff |
| CHPS | Community Health Planning and Services |
| CIP | Costed Implementation Plan |
| CLCS | Commission on the Limits of the Continental Shelf |
| CLSs | Customary Land Secretariats |
| CLTS | Community Led Total Sanitation |
| CMAs | Central Management Agencies |
| CMS | Customer Services Management |
| CODAPEC | Cocoa Diseases and Pests Control Programme |
| CPI | Consumer Price Indices |

| | |
|---------|--|
| CRIG | Cocoa Research Institute of Ghana |
| CSA | Climate Smart Agriculture |
| CSAUs | Client Service and Access Units |
| CSD | Central Securities Depository |
| CSIR | Council for Scientific and Industrial Research |
| CSOs | Civil Society Organisations |
| CSPGs | Cross-Sectoral Planning Groups |
| CWSA | Community Water and Sanitation Agency |
| DACF | District Assemblies Common Fund |
| DDF | District Development Facility |
| DPs | Development Partners |
| DSA | Debt Sustainability Analysis |
| DTT | Digital Terrestrial Television |
| DVLA | Driver Vehicle and Licensing Authority |
| ECA | Economic Commission of Africa |
| ECG | Electricity Company of Ghana |
| ECOWAS | Economic Community of West African States' |
| EEZ | Exclusive Economic Zone Management |
| EMI | ECOWAS Monetary Institute |
| EOCO | Economic and Organised Crime Office |
| EPA | Economic Partnership Agreement |
| ERM | Enterprise Risk Management |
| E-SPV | Electronic Salary Payment Voucher |
| ETLS | ECOWAS Trade Liberalisation Scheme |
| FDA | Food and Drugs Authority |
| FEED | Front End Engineering Design |
| FOAT | Functional and Organisational Assessment Tool |
| FPSO | Floating Production Storage and Offloading |
| FWSC | Fair Wages and Salaries Commission |
| GAEC | Ghana Atomic Energy Commission |
| GAF | Ghana Armed Forces |
| GAPTE | Greater Accra Passenger Transport Executive |
| GATA | Ghana Aviation Training Academy |
| GDP | Gross Domestic Product |
| GEDAP | Ghana Energy Development and Access Project |
| GETF | Ghana Education Trust Fund |
| GETFund | Ghana Education Trust Fund |
| GFA | Gross Foreign Assets |

| | |
|---------|--|
| GFIM | Ghana Fixed Income Market |
| GGC | Ghana Gas Company |
| GHANAP | Ghana National Plan of Action |
| GHS | Ghana Health Service |
| GICCS | Ghana Integrated Cargo Clearance System |
| GIDA | Ghana Irrigation Development Authority |
| GIFMIS | Ghana Integrated Financial Management Information System |
| GIIF | Ghana Infrastructure Investment Fund |
| GIS | Geographic Information System |
| GNAT | Ghana National Association of Teachers |
| GNFS | Ghana National Fire Service |
| GNPC | Ghana National Petroleum Corporation |
| GOG | Government of Ghana |
| GPFs | Ghana Petroleum Funds |
| GRA | Ghana Revenue Authority |
| GRIDCo | Ghana Grid Company Limited |
| GRN | Geodetic Reference Network |
| GSA | Ghana Standard Authority |
| GSE | Ghana Stock Exchange |
| GSE-CI | Ghana Stock Exchange Composite-index |
| GSF | Ghana Stabilisation Fund |
| GSGDA | Ghana Shared Growth and Development Agenda |
| GSOP | Ghana Social Opportunities Project |
| GSS | Ghana Statistical Service |
| GTTC | Government Technical Training Centre |
| HOTCATT | Hotel Catering and Tourism Training Institute |
| HRMIS | Human Resource Management Information System |
| ICT | Information and communications technology |
| IEC | International Electrotechnical Commission |
| IFMIS | Integrated Financial Management and Information System |
| IGFF | Intergovernmental Fiscal Framework |
| IGFs | Internally Generated Funds |
| IIR | Institute for Industrial Research |
| IMF | International Monetary Fund |
| IPPD | Integrated Personnel and Payroll Database |
| IPSO | Integrated Peace Support Operations |
| ISO | International Organization for Standardization |
| ITTUs | Irrigation Technology Transfer Units |

| | |
|---------|--|
| ITU | International Telecommunication Union |
| KACE | Kofi Annan Centre of Excellence in ICT |
| KAIPTC | Kofi Annan International Peace-keeping and Training Centre |
| KBTH | Korle-Bu Teaching Hospital |
| KIA | Kotoka International Airport |
| KNUST | Kwame Nkrumah University of Science and Technology |
| LAP | Land Administration Project |
| LDMs | Licensed Dealing Members |
| LEAP | Livelihood Empowerment Against Poverty |
| LIBOR | London Interbank Offered Rate |
| LiPW | Labour-intensive Public Works |
| LMIC | Lower Middle Income Country |
| LMIS | Labour Market Information System |
| LPG | Liquefied Petroleum Gas |
| LTE | Long-Term Evolution |
| LUPMIS | Land Use Planning and Management Information System |
| M&E | Monitoring and Evaluation |
| MASLOC | Microfinance and Small Loans Centre |
| MDAs | Ministries, Departments and Agencies |
| MDBS | Multi-Donor Budget Support |
| MDG | Millennium Development Goal |
| MDPI, | Management Development and Productivity Institute |
| MiDA | Millennium Development Authority |
| MINUSMA | Multidimensional Integrated Stabilization Force in Mali |
| MIS | Management Information System |
| MMDAs | Metropolitan/Municipal/District Assemblies |
| MOE | Ministry of Education |
| MOF | Ministry of Finance |
| MOU | Memorandum of Understanding |
| MRT | Mass Rapid Transit |
| MSD | Management Services Department |
| MSEs | Micro and Small Enterprises |
| MTDPs | Medium Term Development Plans |
| MTDS | Medium Term Debt Strategy |
| MTFF | Medium Term Fiscal Framework |
| NACAP | National Anti-Corruption Action Plan |
| NADMO | National Disaster Management Organization |
| NAFTI | National Film and Television Training Institute |

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|--------|---|
| NAGRAT | National Association of Graduate Teachers |
| NBSSI | National Board for Small Scale Industries |
| NCA | National Communications Authority |
| NCC | National Coordinating Committee |
| NC-CDP | National Committee of the Community Development Programme |
| NDA | The Net Domestic Assets |
| NDPC | National Development Planning Commission |
| NECC | National Employment Coordinating Council |
| NEDCo | Northern Electricity Distribution Company |
| NEP | National Employment Policy |
| NFA | Net Foreign Assets |
| NGLs | Natural Gas Liquids |
| NGOs | Non-Governmental Organizations |
| NHIA | National Health Insurance Authority |
| NHIF | National Health Insurance Fund |
| NPRA | National Pensions Regulatory Authority |
| NQI | National Quality Infrastructure |
| NRSC | National Road Safety Commission |
| NSC | National Security Council |
| NSD | National Sanitation Day |
| NSDF | National Spatial Development Framework |
| NSDI | National Spatial Data Infrastructure |
| NSS | National Service Secretariat |
| NTR | Non Tax Revenue |
| NVTI | National Vocational Training Institute |
| OMCs | Oil Marketing Companies |
| OPEC | Organization of the Petroleum Exporting Countries |
| OSH | Occupational Safety and Health |
| OTCMS | Over the Counter Medicine Sellers |
| PAC | Public Accounts Committee |
| PBB | Programme Based Budgeting |
| PCBs | Poly Chlorinated Biphenyls |
| PCs | performance criteria |
| PFM | Public Financial Management |
| POS | Point of Sales |
| PPD | Personnel Processing Directorate |
| PPDU | Project Preparation and Development Unit |

| | |
|--------|--|
| PPME | Public Procurement Model of Excellence |
| PPP | Public Private Partnership |
| PPS | Personnel and Processing Sections |
| PRAAD | Public Records and Archives Department |
| PRMA | Petroleum Revenue Management Act |
| PSCMD | Procurement and Supply Chain Management Department |
| PURC | Public Utilities Regulatory Commission |
| PVTS | Private Vehicle Testing Stations |
| PWDs | Persons With Disability |
| QoS | Quality of Service |
| R&D | Research and Development |
| RCC | Regional Coordinating Councils |
| REGSEC | Regional Security Councils |
| RLPGPP | Rural LPG Promotion Programme |
| RLSL | Resilient Landscape for Sustainable Livelihood |
| SADA | Savannah Accelerated Development Authority |
| SAs | Subvented Agencies |
| SDGs | Sustainable Development Goals |
| SEC | Securities & Exchange Commission |
| SEIP | Secondary Education Improvement Project |
| SGN | Sankofa Gye Nyame |
| SHS | Senior High Schools |
| SIT | Social Inclusion Transfer |
| SMEs | Small and Medium-sized Enterprises |
| SMMC | Supply and Materials Management Class |
| SNPA | Street Naming and Property Addressing |
| SOEs | State Owned Enterprises |
| SoPSR | State of the Public Service Report |
| SPS | Sanitary and Phyto-Sanitary |
| SREP | Substations Reliability Enhancement Project |
| SSNIT | Social Security National Insurance Trust |
| SSSS | Single Spine Salary Structure |
| STBs | Set-Top-Boxes |
| STDs | Standard Tender Documents |
| TEN | Tweneboa-Enyenra-Ntomme |
| TEWU | Teachers and Educational Workers Union |
| TIN | Tax Identification Numbers |
| ToR | Terms of Reference |

| | |
|--------|---|
| TRAQUE | Trade Related Assistance and Quality Enabling |
| TSA | Treasury Single Account |
| TVET | Technical Vocational Education and Training |
| UAT | User Acceptance Test |
| UEMOA | Union Economique et Monetaire Ouest Africaine |
| UNIFIL | United Nations Interim Force in Lebanon |
| UNMISS | United Nations Mission in South Sudan |
| UNWTO | United Nations World Tourism Organization |
| VAT | Value Added Tax |
| VCD | Video Compact Disc |
| VMS | Vessel Monitoring Systems |
| VRA | Volta River Authority |
| VSAT | Very Small Aperture Terminal |
| VSD | Veterinary Services Directorate |
| WAEC | West African Examination Council |
| WAMZ | West African Monetary Zone |
| WAPP | West African Power Pool |
| WEO | World Economic Outlook |
| WMO | World Meteorological Organisation |
| WSR | Weather Surveillance Radars |
| WTO | World Trade Organization |

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SECTION ONE: INTRODUCTION

1. Rt. Hon. Speaker and Honourable Members of Parliament, on the authority of His Excellency John Dramani Mahama, President of the Republic of Ghana, I beg to move that this Honourable House approves the Financial Policy of the Government of Ghana for the year ending 31st December, 2016.
2. Again, Rt. Hon. Speaker, on the authority of His Excellency and in accordance with Article 179 of the 1992 Constitution, permit me to present the Budget Statement and Economic Policy for the year 2016 to this august House.
3. Mr. Speaker, in accordance with Section 48 of the Petroleum Revenue Management Act, 2011 (Act 815), I also submit the 2015 Annual Report on the utilisation of the Petroleum Funds to this august House.
4. Mr. Speaker, in 2012, H. E John Dramani Mahama was elected for his first four-year mandate to lead our dear country. Under his able leadership, the Government has been working tirelessly to transform the economy. We are focused on improving the well-being of Ghanaians by honouring the pledges made to the good people of Ghana in the 2012 Manifesto of the National Democratic Congress.
5. Mr. Speaker, notwithstanding the major shocks to the economy in the last three years, Government remained steadfast in pursuing the economic vision of leading the country through a transformational agenda to consolidate our Middle Income Country (MIC) Status. The shocks include disruption in gas supply for two-and-a-half years and the simultaneous fall in cocoa, gold and crude oil prices.
6. We have also remained resolute in our commitment to correcting the major budget overruns which occurred at the end of the 2012 fiscal year. We are implementing several programmes to secure the bright medium term prospects for the economy, notably through substantial investments in the oil and gas sector, among others.
7. Mr. Speaker, 2016 is significant in many respects. The country will go through Presidential and Parliamentary elections. Let me assure this House that the Electoral Commission and other governance institutions will be adequately resourced to ensure the conduct of free, fair and transparent elections. Despite being an election year, let me also reiterate President Mahama's assurance of sustaining fiscal discipline whilst investing prudently in infrastructure and social development. We will resist the temptation of election year overspending.

8. Mr. Speaker, the Post-Ho Forum held in Takoradi was successful. For the first time in decades, Government and its social partners, notably Organised Labour/Association and the Ghana Employers Association led by their Secretary-General and President, respectively, concluded in September, the national minimum wage and public sector wage negotiations for the 2016 fiscal year ahead of the Budget. The essence of this remarkable achievement is to avoid any compensation related slippages or overruns, that could compromise our fiscal consolidation programme. It is also to shift focus of the Single Spine Pay Policy to aspects of productivity, in the context of the Public Financial Management (PFM) reforms related to payroll and human resource management.
9. Mr. Speaker, permit me, on behalf of the President and the Government, to express our profound appreciation to this august House for its cooperation and support in the management of the economy. The House demonstrated true partnership in the discharge of its legislative, and oversight functions, including admitting several critical and urgent statements on this floor.
10. Mr. Speaker, the vision and commitment of Government over the medium term is to build a sustainable, prosperous and equitable society, in line with our social democratic agenda. This vision is anchored on the thematic areas of the Ghana Shared Growth and Development Agenda (GSGDA) II, 2014-2017 and, particularly, on the Government's priority of:
 - Putting People First;
 - Building a Strong and Resilient Economy;
 - Expanding Infrastructure; and
 - Ensuring Transparent and Accountable Governance.
11. Mr. Speaker, in our determination to transform the economy, we draw lessons from past experiences of our country's economic journey including some paradoxes:
 - despite numerous and unexpected setbacks the country has experienced positive growth over the last 30 years;
 - the declaration of HIPC status generated intense debate and many believed it could have been avoided with bold measures. Yet it provided us with fiscal space to help our path to positive growth;
 - in contrast with the HIPC experience, it is relieving for this Government to be leading the development agenda that has restored our pride of place among the "African rising" and renaissance Nations.

- the recent setbacks from commodity price shocks did not make us reverse our course on consolidation even as it reminded us of our vulnerability in transitioning to a MIC status;
 - we are returning to another growth path and our fiscal performance so far clearly show that we can plan to manage and reverse periodic setbacks as and when they occur.
12. Therefore, Mr. Speaker, our resolve is to manage the transition setbacks and paradoxes with perseverance and effective planning. Consequently, we now see brighter prospects ahead, mainly from the investments that we have been making in the energy and other sectors of the economy.
13. Mr. Speaker, permit me to recount some of the macroeconomic successes chalked since we began the programme of fiscal consolidation under our "Home-Grown" policies and the IMF programme. In so doing, however, not even the successful first and second reviews under an IMF programme will make us complacent:
- there is a clear sign that our fiscal consolidation efforts are yielding positive results, making the economy more efficient. Accordingly, the GSS estimates that GDP will grow at 4.1 percent at the end of 2015 compared to the 3.5 percent initially projected;
 - as a result of good revenue performance (including GRA's Compliance efforts), containment of overruns in the wage bill and other spending; as well as withdrawal of energy-related subsidies, our fiscal consolidation programme is on course with the deficit set to be on target at 7.3 percent;
 - for the first time in many years, the domestic primary balance in the first half of 2015 achieved a surplus equivalent to 2.8 percent of GDP, whilst the budget deficit was down to 2.3 percent of GDP, same as the level attained a decade ago;
 - the current account deficit as a percentage of GDP has stabilized whilst the foreign reserve position has significantly improved;
 - in line with Government's Medium Term Debt Strategy and Debt Management policies, the pace at which we have been accumulating public debt as a percentage of GDP has slowed down in the first half of the year;
 - in October this year, we issued our fourth sovereign bond which was over-subscribed by US\$1 billion, the 15-year tenor of the bond is the first by any Sub-Saharan African country besides South Africa;

- in this instance, Ghana is also leading its contemporaries in using a guarantee instrument that the World Bank wants to use to create an asset class for market assets by middle income countries;
 - after some initial implementation difficulties, we are now on course to making the proceeds from commercial and quasi commercial projects, pay fully or partially for the loans that finance them; this will stop the unsustainable habit of relying on the tax payer to pay for all the nation's debt service commitments; and
 - Mr. Speaker, against this background Ghana successfully went through the first performance review in August 2015 under the three-year Extended Credit Facility (ECF) with the IMF. All performance criteria under the programme for the second review were also successfully met and documentation are being prepared for the IMF Board to complete the review in December 2015. Hence, Ghana continues to win the confidence of the business community, Development Partners and of the international financial markets with our efficient management of the economy.
14. Mr Speaker, the achievements so far, are not just macroeconomic. We have made far-reaching and significant investments in all sectors of the economy and these have led to considerable improvements in the lives of our people. These include:
- **Education:** After the success of the "Schools Under Trees Programme", we begun the construction of 123 Community Day Senior High Schools (SHS) to provide space for hundreds of thousands of JHS graduates. We have added to the stock, two new functioning universities and implemented many other social interventions in education;
 - **Health:** The health sector has witnessed massive infrastructure development and retooling in the last few years. Work is on-going on the construction of new hospitals, including the nearly completed University of Ghana Teaching Hospital and the Ridge Hospital. These will deliver about 6,000 hospital beds by 2017 which will guarantee access to improved healthcare for our people;
 - **Water:** Following the huge investments made in the sector, 77.5 million gallons of water per day was added to the generation capacity as at the end of July 2015. By end of 2016, this should increase to 109.7 million gallons per day and will result in a coverage of 76 percent for both urban and rural communities;

- **Roads:** We made significant progress in funding and completing many of the "Gang of six" roads and launched the GH¢3 billion Cocoa Road Improvement Project; we have constructed thousands of kilometres of roads across the country. These include the Suhum-Apedwa and Kyebi town roads. Recent additions include the Kwame Nkrumah Interchange, the Ffulso-Sawla road, the Kasoa interchange and the Eastern corridor road;
 - **Transport:** We are investing in the modernisation and expansion of the aviation and maritime infrastructure. These include the expansion of the Kotoka and Tamale International airports, the aerodrome in Ho, the expansion of the Tema harbour and provision of 116 buses for public road transport. Permit me to note that in line with our new debt management policies, the airport and harbour project are designed on self-financing basis;
 - **Communications:** We have successfully deployed 800 kilometres optic fibre infrastructure which runs through 126 communities along the eastern corridor from Ho to Bawku with a link from Yendi to Tamale. The fixed and mobile telephony and internet subscriptions as at August 2015 stood at over 33 million and 17 million, respectively;
 - **Housing:** Through a combination of direct government investments and public private partnerships, an aggressive housing programme has been rolled out to provide more Ghanaian families in the lower to middle income brackets with decent homes. About 18,000 housing units are at different stages of completion; and
 - **Energy:** We are bringing on stream 845 MW of power to add to the generation capacity by the close of the year and providing the necessary investments and guarantees to permanently address our perennial power generation shortfall.
15. Mr. Speaker, these investments have not only provided critical social services to improve the lives of our people, they have resulted in the creation of tens of thousands of jobs for the youth.
16. Notwithstanding these successes, we are mindful of the fact that some risks to the budget and medium term macroeconomic projections persist and new ones could emerge. The major global and domestic setbacks include:
- the tumbling of crude oil prices to a low of US\$45.0 per barrel compared to a bench mark revenue projection of US\$99.38 per barrel in the 2015 Budget. Mr. Speaker, it will be recalled that this prompted Government to

revise its revenue targets and related expenditures that were to be funded from the Annual Budget Funding Amount (ABFA);

- gold spot price is yet to recover and even though cocoa prices are now recovering, prices and output keep fluctuating on the global markets. We have had to sacrifice government revenue in some years to fulfil our commitment to improve the welfare of farmers;
- the US economic recovery and appreciation of the dollar, coupled with pressures on our foreign exchange reserves from declining commodity prices, continue to weaken the Cedi, thus making imports more expensive; this is fuelling inflationary pressures and increasing the external debt service burden in Cedi terms;
- the global financial uncertainty that hit emerging and peripheral economies, including Ghana, pushed us into headwinds at the time of issuing the 2015 sovereign bond. We managed to navigate the turbulence, and in the process, added to our store of experience. As a Middle Income Country, we will be in the capital and financial markets in both good and bad times;
- concessional terms of some facilities from Bilateral and Multilateral Partners including the WB and AfDB have hardened. The WB, AfDB and other lenders also changed the repayment period of facilities to Ghana whilst interest payments and financial costs have increased (e.g. the repayment period has reduced from 40 to 25 years). The basis for calculating loan concessionality to include commitments and risks of floating exchange rates has also changed;
- the disruption in gas supply and the low level of water in the Bui, Akosombo and Kpong dams due to climate change continue to pose power supply challenges, reduction in generation capacity and recurring power outages. However, it is now clear that investments in the sector is rapidly changing the situation; and
- finally, the recommended overall budget deficit target of 5.3 percent of GDP, under the IMF Extended Credit Facility (ECF) programme, provides a tighter fiscal space than anticipated in the original programme. It is against this background that we must even be more prudent in 2016 and avoid the consequential cycle of huge election year budget overruns and deficit. And in this regard, we call on all social partners especially, organised labour, to support Government.

17. Mr. Speaker, we will focus on these risks and adopt appropriate measures to minimise their likely adverse impacts on the economy. Our approach is not to

bemoan our challenges, offer excuses or fail to act decisively. Instead, over the years we have come to this august House with several structural initiatives and strategies to change the way we manage the economy.

18. In particular, the national debt and consequent burden of debt service will continue to rise only if we do not emulate the success with which many Middle Income and Advanced countries finance infrastructural, economic and social development on a sustainable basis. To this end, Government will continue to implement the debt management measures that were approved by this House. As noted earlier, as a result of these measures, the public debt is now increasing at a slower pace.
19. Secondly, Mr. Speaker, we have always bemoaned our narrow export base and the resultant depreciation of the Cedi when we lose reserves from falling commodity prices. As part of our transformational agenda to achieve an export led economy, the Ghana Export and Import Bank (EXIM) Bill has been laid before Parliament. The primary purpose is to finance export (notably high industrial and agricultural products); guarantee loans; provide export insurance, support SMEs and other businesses, and strengthen economic cooperation. The operations of the Bank will support the nurturing and growth of the private sector in Ghana to address the longstanding problem of access to credit for expanded exports.
20. Rt. Hon. Speaker, the 2016 Budget will build on the foundation laid to restructure and transform the economy towards sustained and inclusive growth; minimise our exposure to volatilities; and position Ghana to consolidate its status as a Middle Income Country.
21. Thirdly, it is our expectation that the investments by the public and private sectors including the emergency power; World Bank PRG for Sankofa field; commissioning of FPSO J.E.A Mills for the TEN fields; and onset of Jubilee Gas will contribute to the positive outlook embodied in the theme for the 2016 Budget Statement and Economic Policy: **"Consolidating Progress towards a Brighter Medium Term"**.
22. Mr. Speaker, I will now proceed to present additional key highlights of the 2016 Budget.

SECTION TWO: GLOBAL ECONOMIC DEVELOPMENTS

Growth

23. Mr. Speaker, according to the IMF's October 2015 World Economic Outlook (WEO), global growth in the first half of 2015 was 2.9 percent, 0.3 percentage point lower than projected in April of this year. This reflects lower than expected recovery in advanced countries and further slowdown in emerging market economies for the fifth consecutive year. The declines suggest that medium-term and long-term challenges including low productivity growth since the previous financial crisis; and the current financial sector weakness, low investment, growth realignment in China and the downturn in commodity prices still exist.
24. Global growth is projected at 3.1 percent for 2015, which is 0.3 of a percentage point lower than the outturn in 2014 and 0.3 percentage point below the April 2015 forecast. In 2016, global growth is expected to strengthen at 3.6 percent reflecting a rebound in economic activity in a number of distressed economies. Advanced economies are expected to grow at 2.2 percent while developing and emerging economies are projected to grow at 4.5 percent.
25. Mr. Speaker, Sub-Saharan Africa experienced a robust economic growth of 5.0 percent in 2014 driven by strong investment in mining and infrastructure as well as strong private consumption, especially in low-income countries. Economic growth is, however, expected to decelerate in 2015 to 3.8 percent according to the 2015 October WEO, compared to the 4.5 percent forecasted in July 2015. The slowdown mainly reflects the impact of declining oil prices on the economies of oil exporting countries, as well as lower demand from China (the largest single trade partner of sub-Saharan Africa), and the impact of Ebola on affected countries. Growth is expected to pick up in 2016 to 4.3 percent.

Inflation

26. Mr. Speaker, inflation remained largely subdued in advanced economies, mostly reflecting the decline in oil prices and softer prices for other commodities. Average inflation is projected to decline to 0.3 percent in 2015, down from 1.4 percent in 2014, and thereafter rise to 1.2 percent in 2016 in advanced economies. In emerging markets and developing countries, lower commodity prices including oil and food, have generally contributed to lowering headline inflation, except in countries where large currency depreciations offset the impact of lower commodity prices. In Sub-Saharan Africa, average inflation is projected to inch up marginally to 6.9 percent in 2015, up from 6.4 percent in 2014 and further to 7.3 percent in 2016.

Commodity prices

27. Mr. Speaker, oil prices have declined significantly, after experiencing large swings in the second quarter of 2015. The decline is on account of strong supply from members of the Organization of the Petroleum Exporting Countries (OPEC) and the Islamic Republic of Iran's nuclear deal. Global excess supply of oil has continued to increase in 2015, in spite of the fall in investment in the oil sector.
28. Crude oil prices reached US\$59.82 a barrel in June 2015 and fell further to US\$42.46 a barrel in September 2015 compared to Ghana's annual benchmark revenue projection of US\$99.38 a barrel for 2015 which was later revised to US\$57 per barrel. However, the IMF's October 2015 WEO projects an average¹ crude oil price of US\$51.62 a barrel in 2015, US\$50.36 in 2016, and US\$55.42 in 2017.
29. Mr. Speaker, Cocoa prices rose in the second quarter of 2015 as a result of weather-related supply shortfalls in Ghana, but demand remains strong. According to the Business Monitor International report of October 2015, cocoa prices are expected to peak in 2015 before lowering in the beginning of 2016 to the end of the forecast period in 2019. The market is projected to register a small surplus in the 2015/16 season, on account of: (1) a rebound of production in Ghana, due to greater use of inputs and expectations for better weather and (2) weak growth in global demand in 2016, as grinding margins remain poor.
30. According to the ICBC Standard Bank estimates, Gold prices are generally expected to trend downwards peaking around \$1,160 per ounce in 2016 as the Federal Open Market Committee (FOMC) normalises US monetary policy.

ECOWAS Activities and Protocols

31. Mr. Speaker, on May 19, 2015, H.E President John Dramani Mahama, successfully ended his term as the ECOWAS Chairman of the Authority of Heads of State and Government after exhibiting visionary leadership and handed over to President Macky Sall of Senegal.
32. As Chair, President Mahama worked diligently with the support of member states to ensure peace and security in the sub-region, thereby overseeing successful elections in Nigeria and Togo. Other successes chalked under President Mahama's term include: establishment of a common border between Ghana and Togo at Noepe; implementation of the ECOWAS Common External Tariff (CET); Fight against EBOLA virus and terrorism (Boko Haram); and the signing of peace and reconciliation agreement in Mali.

¹ The baseline assumptions for the IMF's average petroleum spot price, which is based on futures prices.

ECOWAS Trade Liberalization Scheme (ETLS)

33. Mr. Speaker, the ECOWAS Trade Liberalisation Scheme (ETLS) seeks to provide impetus to the process of economic integration and development in the West African sub-region. It is expected to provide easier access to markets in other ECOWAS countries and thereby encourage local manufacturing outfits to compete favourably with cheap imported products. The scheme is also expected to encourage entrepreneurial development through the provision of preferential treatment in specific areas among member states.
34. Ghana's export to the Sub-region, under the ETLS, has seen a steady increase over the years. The ETLS has offered Ghanaian export manufacturers the opportunity to expand their market share in the Community. For example, the number of ECOWAS certificates of origin issued increased from a little over 3,000 in 2012 to 4,286 in 2013 and 5,951 in 2014. Trade between Ghana and Nigeria has improved over the period. Export to Nigeria stood at GH¢365.6 million as at June 2015 compared to an estimate of GH¢210.7 million as at June 2014. The scheme has also introduced competition among community industries leading to reasonable product price to the consumer.
35. However, Mr. Speaker, in spite of the regional backing and benefits that accrue to member countries, its objectives to a large extent have not been achieved. Both tariff and non-tariff barriers to trade between Member States still persist. While some progress has been made in reducing tariffs, they have not been fully eliminated. Progress towards removing non-tariff barriers, such as seasonal import and export bans, has been slower. The failure to implement the instruments on the ECOWAS Trade Liberalization Scheme (ETLS) is affecting economic growth in the sub-region. There is the urgent need for the removal of bottlenecks impeding the implementation of ECOWAS protocols.
36. The screening and updating of the current database of Ghanaian companies with ETLS status is on-going and is expected to be completed by 30th June, 2016. Since the beginning of 2015, about 18 Ghanaian industrial companies have been given approval to benefit from the scheme. Ghana will continue to vigorously pursue the implementation of the ETLS.

Implementation of ECOWAS Community Development Programme (CDP)

37. Mr. Speaker, the Authority of Heads of State and Government enjoined the ECOWAS Commission to take all necessary measures for the mobilization of resources for financing of the ECOWAS Community Development Programme (CDP), adopted at its 45th Session in July 2014, Accra. In this regard, the Commission initiated preparatory work for the organisation of a high level conference and a round table for the financing of the CDP.

38. Mr. Speaker Ghana has submitted four priority projects to the ECOWAS Commission to be included in the CDP for consideration. The projects are in the area of:
- the creation of sustainable tsetse-free areas as part of six countries in support of the eradication of tsetse and Trypanosomiasis in sub-Saharan Africa;
 - raising the level of science, technology and innovation in industry as well as establishment of science and technology parks;
 - rehabilitation of western railway line; and
 - development of inland valleys for rice production.
39. Mr. Speaker, Ghana is actively cooperating with the ECOWAS Commission and its institutions to expedite actions on the implementation of the CDP.

Revised Roadmap for the Second Single Monetary Zone

40. Mr. Speaker, the Authority of Heads of State and Government in June 2007 directed the Commission to re-examine the monetary integration process and expedite the process of creating a common currency for ECOWAS. The implementation of this directive led to the development of the roadmap for the ECOWAS Single Currency Programme by the ECOWAS Convergence Council on 25th May 2009. The roadmap had two major milestones: West African Monetary Zone (WAMZ) in 2015, and a Common Currency in 2020 for the ECOWAS single currency.
41. However, a one track approach has been adopted for the achievement of a single currency by 2020 and a related costed roadmap has been developed. One key component of the roadmap is the establishment of an ECOWAS Monetary Institute (EMI) by January 2018.

Rationalized Macroeconomic Convergence Criteria

42. Mr. Speaker, the ECOWAS Authority of Heads of State and Government at its 17th Ordinary Session on 19th May, 2015, in Accra revised the existing convergence criteria and adopted a new set of rationalised macroeconomic convergence criteria for effective implementation of the ECOWAS Multilateral Surveillance mechanism. The rationalized convergence criteria, which are outlined in Table 1, constitute the basis for assessment of the macroeconomic convergence, from the beginning of 2015 in all member states. A draft Supplementary Bill on the newly adopted rationalised criteria has been prepared for the consideration of council members.

Table 1: Rationalised Macroeconomic Convergence Criteria

| S/N | CONVERGENCE CRITERIA | TARGET |
|---------------------------------------|---|--|
| Primary Convergence Criteria | | |
| 1 | Budget deficit (including grants and on commitment basis)/GDP | ≤ 3% |
| 2 | Average annual inflation | ≤10% with a long term goal of ≤ 5% by 2019 |
| 3 | Gross reserves | ≥ 3 months of imports |
| 4 | Central Bank financing of budget deficit | ≤10% of previous year's tax revenue |
| Secondary Convergence Criteria | | |
| 1 | Public debt/GDP | ≤ 70% |
| 2 | Nominal exchange rate variation | ± 10% |

Source: ECOWAS

Implications of Global Developments for Ghana's Economy

43. Mr. Speaker, a sustained decline in commodity prices, triggered by deceleration of global demand and medium term excess capacity poses a risk to the Ghanaian economy. Commodity exports account for about 75 percent of total merchandize exports. The further fall in commodity prices, in particular oil and gold, in the fourth quarter of 2015, could result in a sharp contraction of exports and a further widening of the current account deficit. An increase in the current account deficit would therefore reduce the already low reserve buffer, triggering increased exchange rate pressures, which could raise inflationary pressures and the cost of foreign debt service. Additionally, the drop in gold and crude oil prices could reduce production thereby causing decline in fiscal revenue.
44. Mr. Speaker, surges in global financial market volatility, triggered by a deterioration of market confidence and/or market expectations on Federal Reserve's tightening may also weigh down on macroeconomic stability.
45. Mr. Speaker, the government is already implementing measures to control possible impacts of the commodity price shocks. The three-year Extended Credit Facility Programme with the IMF, which is based on Government's Home Grown Programme is one of such measures to ensure macroeconomic stability in the short to medium term. Government's focus on fiscal consolidation is intended to achieve macroeconomic stability which will significantly support our shared growth and development agenda.

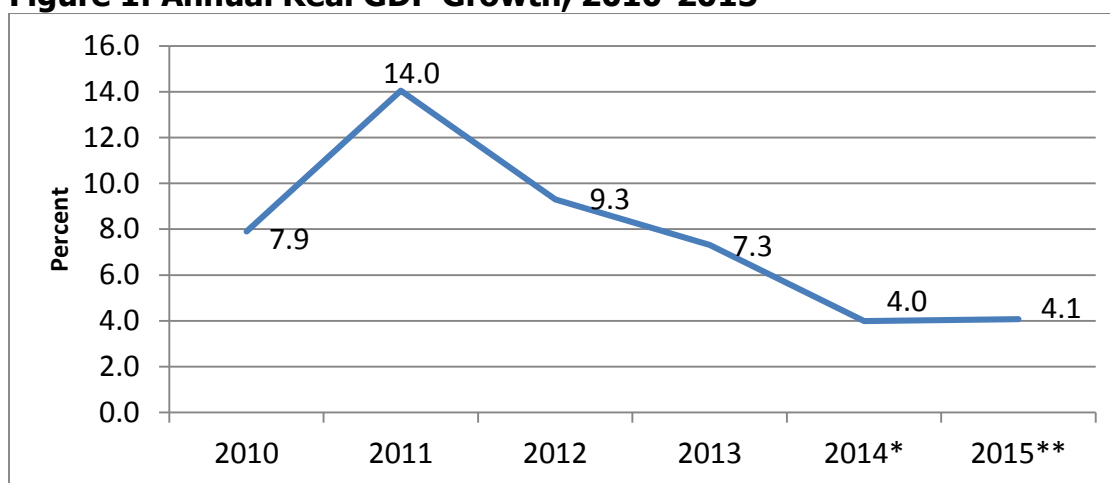
SECTION THREE: MACROECONOMIC PERFORMANCE FOR 2015

46. Mr. Speaker, permit me to present to this august House, the macroeconomic performance of the domestic economy for 2015, based on provisional data for January to end-September 2015.

REAL SECTOR PERFORMANCE

47. Mr. Speaker, provisional data from the Ghana Statistical Service (GSS) show real GDP is expected to grow by 4.1 percent in 2015, representing a slight increase from the revised figure of 4.0 percent recorded in 2014 and the revised 2015 Mid-Year GDP growth target of 3.5 percent.

Figure 1: Annual Real GDP Growth, 2010-2015



Source: Ghana Statistical Service

*Revised

**Provisional

Sector Growth Performance

48. The GSS data pegs Industry Sector growth at 9.1 percent, followed by the Services Sector (4.7%) and Agriculture Sector (0.04%).

Agriculture Sector

49. Mr. Speaker, all subsectors in the Agriculture Sector, apart from the Crops subsector, are expected to record positive growth rates in 2015, led by the Livestock and Fishing subsectors. Agriculture, however, is expected to register a growth of 0.04 percent, a decline from the revised target of 3.6 percent recorded, as shown in **Table 2**. The Crops subsector, in spite of being the only subsector that is expected to record a negative growth, will be the source of this decline on account of the subsector's large weight.

Table 2: Agriculture Growth Performance (Percent)

| Activity | 2013 | 2014* | 2015** | |
|----------------------|------------|------------|------------|-------------|
| | | | Target | Outturn |
| Percent | | | | |
| Agriculture | 5.7 | 4.6 | 3.6 | 0.04 |
| Crops | 5.9 | 5.7 | 4.1 | -1.7 |
| o/w Cocoa | 2.6 | 4.3 | 3.0 | 3.5 |
| Livestock | 5.3 | 5.3 | 3.3 | 9.3 |
| Forestry and Logging | 4.6 | 3.8 | 1.1 | 1.6 |
| Fishing | 5.7 | -5.6 | 1.9 | 5.3 |

Source: Ghana Statistical Service

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Industry Sector

50. Growth in the Industry Sector is expected to be driven by strong growth performances in the Construction and Water and Sewerage sub-sectors, as shown in **Table 3**. These sub-sectors are expected to record growth rates of 30.6 percent and 15.6 percent, respectively. This is in stark contrast to their performances in 2014 when Construction stagnated, and Water and Sewerage contracted. Manufacturing and Mining and Quarrying, are both expected to record negative growth rates. However, petroleum, which is a part of the latter, is expected to record a growth of 2.0 percent.

Table 3: Industry Growth Performance (Percent)

| Activity | 2013 | 2014* | 2015** | |
|----------------------|------------|------------|------------|------------|
| | | | Target | Outturn |
| Percent | | | | |
| Industry | 6.6 | 0.8 | 1.2 | 9.1 |
| Mining and Quarrying | 11.6 | 3.2 | 3.3 | -3.8 |
| o/w Petroleum | 18.0 | 4.5 | 3.0 | 2.0 |
| Manufacturing | -0.5 | -0.8 | -1.8 | -2.0 |
| Electricity | 16.3 | 0.3 | 0.5 | 3.2 |
| Water and Sewerage | -1.6 | -1.1 | -0.7 | 15.6 |
| Construction | 8.6 | 0.0 | 1.7 | 30.6 |

Source: Ghana Statistical Service

*Revised

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Services Sector

51. Mr. Speaker, the provisional data indicate that seven out of ten service sub-sectors are expected to record positive growth rates. The Public Administration & Defence, Social Security sub-sector is expected to record a growth rate of 20.3

percent, the highest among all the sub-sectors. The next highest growth performers will be Financial Intermediation and Information and Communication subsectors. Transport and Storage is expected to record the highest contraction of -6.3 percent, in contrast to the modest positive growth of 0.3 percent it recorded in 2014.

Table 4: Services Growth Performance (Percent)

| Activity | 2013 | 2014* | 2015** | |
|--|-------------|------------|------------|------------|
| | | | Target | Outturn |
| % | | | | |
| Services | 10.0 | 5.6 | 4.9 | 4.7 |
| Trade, Repair Of Vehicles, Household Goods | 14.5 | 1.6 | 1.2 | 2.0 |
| Hotels and Restaurants | 24.6 | -1.2 | 0.5 | -4.8 |
| Transport and Storage | -0.5 | 0.3 | 3.5 | -6.3 |
| Information and Communication | 24.3 | 38.4 | 21.2 | 14.2 |
| Financial Intermediation | 23.2 | 22.9 | 5.0 | 15.8 |
| Business, Real Estates, and others | -17.5 | -1.5 | 1.7 | 5.1 |
| Public Administration & Defence; Social Security | 8.4 | -4.7 | 2.1 | 20.3 |
| Education | 6.9 | 7.1 | 2.4 | 9.3 |
| Health and Social Work | 7.8 | -1.7 | 0.5 | 10.9 |
| Other Community, Social & Personal Services A | 36.5 | -1.6 | 2.1 | -1.5 |

Source: Ghana Statistical Service

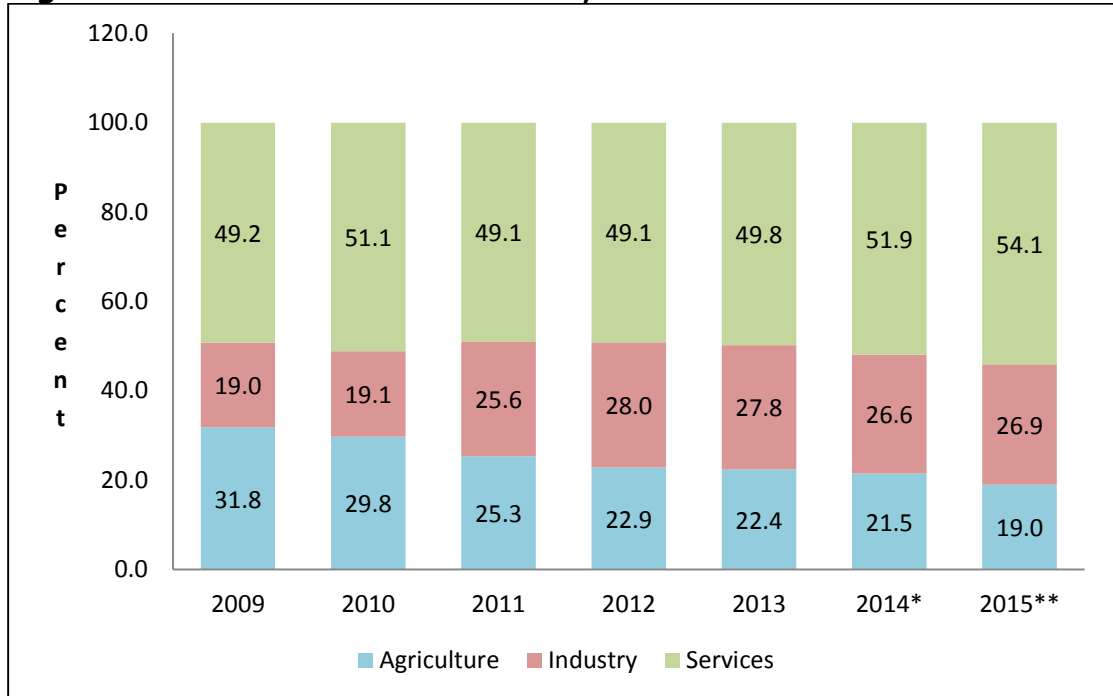
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Structure of the Economy

52. Mr. Speaker, the Services sector is expected to increase its share of GDP from 51.9 percent in 2014, to 54.1 percent in 2015, according to the provisional data. Industry will have a share of 26.9 percent, which represents a slight increase from the 26.6 percent recorded in 2014. The expansion in the shares of Services and Industry will be at the expense of Agriculture, which is expected to record a share of 19.0 percent in 2015, as compared with the 21.5 percent it recorded in 2014. Recent historical shares are shown in **Figure 2**.

Figure 2: Sector Distribution of GDP, 2009-2015



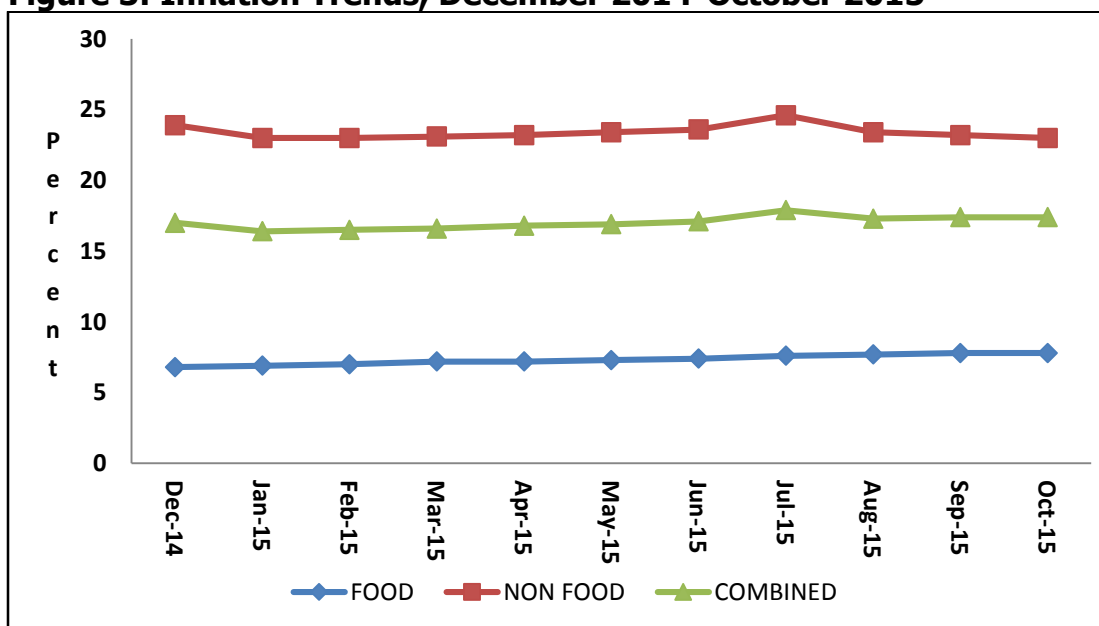
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Inflation

53. Mr. Speaker, inflationary pressures remained elevated over the first nine months of 2015. After declining from 17.0 per cent at the end of December 2014 to 16.4 percent at the end of January 2015, headline inflation recorded a 7-month successive increases to 17.9 per cent in July 2015 as a result of exchange rate pressures and utility price adjustments before moderating to 17.4 per cent in October 2015. Over the review period, food inflation increased from 6.8 per cent in December 2014 to 7.8 percent in October 2015 while non-food inflation experienced a decline from 23.9 percent in December 2014 to 23.0 per cent in October 2015, as shown in **Figure 3**.

Figure 3: Inflation Trends, December 2014-October 2015



Source: Ghana Statistical Service

54. Given the challenges in the exchange rate market coupled with base effects of utility price adjustments during the year, the rate of inflation is expected to peak during the beginning of the fourth quarter and moderate towards target at the end of 2015. The up-side risks to inflation include exchange rate depreciation and energy supply challenges.

MONETARY SECTOR DEVELOPMENTS

Broad Money

55. Mr. Speaker, developments in the monetary sector showed slower growth in monetary aggregates during the first-nine months of 2015. Broad money supply (M2+), made up of currency in circulation, demand deposits, and foreign currency deposits grew at 23.3 percent (GH¢7,473.9 million) year-on-year in September 2015 compared to a growth of 33.6 percent (GH¢8,054.3 million) in September 2014. The performance of M2+ was driven largely by the growth in the Net Domestic Assets (NDA), which went up by 38.7 per cent (GH¢9,969.1 million) at the end of September, 2015. The Net Foreign Assets (NFA) however, decreased by 39.7 per cent (GH¢2,495.2 million). At the end of September 2015, M2+ stood at GH¢39,526.2 million, compared with GH¢32,052.3 million in September 2014.
56. Going forward, monetary growth is projected to be moderate in 2015 compared to 2014. M2+ is projected to grow at 22.3 percent at the end of 2015 compared to a growth of 36.8 per cent in 2014. Similarly, reserve money growth is projected to moderate to 18.6 per cent year on year compared to a growth of

30.1 per cent in 2014. The expected moderation in monetary growth is expected to exert a dampening effect on inflation.

Credit to Public and Private Sector

57. Mr. Speaker, total outstanding credit to the public and private sectors stood at GH¢28,730.7 million at the end of September 2015, compared with outstanding credit of GH¢23,769.0 million as at September 2014. This showed a nominal year-on-year growth in credit of 20.9 per cent (GH¢4,961.7million) in September 2015, compared with a growth of 50.6 percent (GH¢8,000.7 million) in September 2014. In real terms, however, credit from banks declined from 26.6 per cent year-on-year in September 2014 to 3.7 percent in September 2015. The private sector accounted for 82.4 percent of total outstanding credit at the end of the review period compared with 87.4 percent in September 2014.

Interest Rate

58. Mr. Speaker, interest rates on the money market during the review period generally showed mixed performance. The Bank of Ghana Policy Rate was increased from 21.0 percent in December 2014 to 25.0 percent in September 2015. Rates on the 91-day and 182-day Treasury bills however declined from 25.8 percent and 26.4 percent respectively in December 2014 to 25.2 percent and 25.9 percent in September 2015. The interbank weighted average rate however declined from 23.9 percent in December 2014 to settle at 23.6 percent in September 2015, while the average base rate increased from 25.7 percent to 26.8 percent over the same period. The 3-month time deposit rates declined from 13.9 percent to 13.0 percent, while the average lending rate remained stable at 29.0 percent.

Stock Market Performance

59. Mr. Speaker, developments on the stock market indicate a subdued performance during the review period compared with 2014. The Ghana Stock Exchange Composite-index declined by 6.7 percent (145.3 points) during the period to close the month of September 2015 at 2,099.5 points compared with a gain of 4.4 percent (94.5 points) to 2,239.7 points in the same period of 2014. The slump reflects the sluggishness in the market with most investors, particularly, retailers selling to cut losses. Total market capitalization declined by 3.8 percent to settle at GH¢62,164.6 million compared with the same period in 2014 when market capitalization was GH¢64,515.3 million.

Exchange Rate

60. Mr. Speaker, developments in the exchange rate over the nine month period showed a general weakness in the Ghana cedi against the major trading partners except for the month of July during which the cedi regained some value. In the interbank market, over the nine month period, the Ghana cedi depreciated cumulatively by 14.8 percent, 12.6 percent and 7.8 percent against the US dollar,

the Pound sterling and the Euro, respectively, compared to a much higher depreciation of 31.2 percent, 29.3 percent and 23.6 percent recorded in the corresponding period of 2014. Increased demand for foreign exchange for loan repayments and imports, however, means that demand pressures still remain, though much more contained.

EXTERNAL SECTOR

61. Mr. Speaker, the value of merchandise exports for January to September 2015 was provisionally estimated at US\$7,750.8 million, indicating a decrease of US\$2,312.1 million (23.0%) compared with US\$10,062.9 million recorded for the same period in 2014. Falling commodity prices (gold, cocoa and oil) coupled with decreased production of all the major export commodities resulted in a low turnout in exports.
62. Mr. Speaker, the value of crude oil exports was estimated at US\$1,468.8 million for the period January to September, 2015 compared to US\$2,925.7 million recorded for the same period in 2014. The average realized price of oil decreased significantly by 48.8 per cent to US\$54.9 per barrel while volume exported also decreased by 2.0 percent to 26.7 million barrels during the review period.
63. Gold exports amounted to US\$2,445.2 million during the review period compared to US\$3,369.3 million in the corresponding period of 2014. The average realized price decreased by 8.2 per cent to US\$1,181.6 per fine ounce while the volume exported decreased by 21.0 per cent to 2.1 million fine ounces.
64. Mr. Speaker, earnings from cocoa beans and products exports amounted to US\$1,921.7 million at end-September, 2015, almost equal to US\$1,921.7 realized in the same period in 2014. Earnings from cocoa beans amounted to US\$1,340.4 million. The realized price of cocoa beans increased by 22.2 per cent to settle at US\$2,990.9 per ton while volume exported decreased by 21.0 per cent to 448,148.4 tons.
65. Mr. Speaker, total value of merchandise imports for the first nine months of 2015 amounted to US\$10,091.1 million, down by 6.3 percent (US\$682.5 million). The decline was due to a drop in the importation of oil and gas.
66. Total value of oil and gas imports amounted to US\$1,574.4 million compared with US\$2,702.5 million recorded for the same period in 2014, mainly on account of the decline in crude oil prices. The total non-oil merchandised imports (including electricity) was provisionally estimated at US\$8,516.7 million for the review period compared to an outturn of US\$8,071.0 million recorded in the corresponding period in 2014. This rise in non-oil imports reflected in all the broad economic categories.

67. Mr. Speaker, the provisional trade balance for the first nine months of 2015 showed a deficit of US\$2,340.3 million compared with a deficit of US\$710.7 million recorded during the same period in 2014. The declines in exports which outpaced the drop in imports led to the worsening deficit position. The poor performance of exports was mainly as a result of the worsening commodity prices and lower export volumes of key export commodities.
68. Mr. Speaker, by the end of 2015, it is expected that the country will register a trade deficit of US\$3,537.0 (9.8% of GDP) and a current account deficit of US\$2,927.0 (8.1 percent of GDP). This will be financed from net capital and financial account inflows, leading to an overall balance of payments surplus of US\$57 million.

Gross Foreign Assets

69. Mr. Speaker, the country's gross foreign assets² stood at US\$4,521.0 million at the end of September 2015, sufficient to cover 2.8 months of imports compared to US\$5,679.20 million (3.9 months import cover) at the end of September 2014. It is projected to rise to US\$6,469 million at the end of 2015, sufficient to cover 4.0 months of import of goods and services.

FISCAL DEVELOPMENTS

Fiscal Policy Objectives and Measures

70. Mr. Speaker, consistent with Government's fiscal policy objectives outlined in the 2015 Budget, the 2015 Budget targeted a reduction in the fiscal deficit from 10.2 percent of GDP in 2014 to 6.5 percent of GDP in 2015. However, due to the decline in crude oil prices, the deficit target for 2015 was revised to 7.3 percent of GDP in the 2015 Mid-Year Review.
71. Mr. Speaker, to achieve the fiscal objectives while addressing the nation's challenges, the 2015 Budget introduced a number of revenue and expenditure measures to complement the fiscal measures introduced in 2013 and 2014. These measures include:
- imposition of the 17.5 percent Special Petroleum Tax;
 - the VAT on fee-based financial services;
 - extension of the National Fiscal Stabilization Levy of 5 percent and special import levy of 1-2 percent to 2017;
 - increase in the withholding tax on Directors' remuneration from 10 percent to 20 percent; and
 - change in the VAT on Real Estate from 17.5 percent to a flat rate of 5 percent.

² Includes foreign encumbered assets and oil funds

72. Mr. Speaker, preliminary data for the first nine months of the year indicate higher than projected revenues and contained expenditures for the period. Due to the strong performance of revenues, a fiscal deficit of 5.1 percent of GDP (cash basis), against a target of 5.7 percent was recorded during the period. This compares to a deficit equivalent to 6.4 percent of GDP for the same period in 2014, an indication that Government's fiscal consolidation efforts are taking hold.
73. Government fiscal position for January to September and outlook for the rest of 2015 are summarized in **Table 5**.

Table 5: Summary of Central Government Operations and Financing – 2015

| Item | 2014 (Jan-Sept) Actual Outturn | | 2015 Revised Budget Estimate | | 2015 (Jan-Sept) Target | | 2015 (Jan-Sept) Prov.Outturn | | Jan.-Sept. 2015 | 2015 Proj. Outturn | | % Change over Revised Budget Est. | % Change over 2014 |
|--|-----------------------------------|-------------|---------------------------------|-------------|---------------------------|-------------|---------------------------------|-------------|--------------------|--------------------|-------------|---|-----------------------------|
| | Amt. (GH¢ M) | % of GDP | Amt. (GH¢ M) | % of GDP | Amt. (GH¢ M) | % of GDP | Amt. (GH¢ M) | % of GDP | % Deviation | Amt. (GH¢ M) | % of GDP | % | % |
| | a | b | c | d | e | f | g | h | i=(g/e) | j | k | l=(j/c) | m=(f/a) |
| Total Revenue & Grants | 17,721.7 | 15.6 | 30,526.2 | 22.8 | 21,918.4 | 16.3 | 22,724.6 | 17.0 | 3.7 | 32,189.2 | 24.1 | 5.4 | 28.2 |
| Total Expenditure & Arrears Clearance | 24,951.1 | 22.0 | 40,253.6 | 30.0 | 29,501.8 | 22.0 | 29,469.5 | 22.1 | -0.1 | 41,931.4 | 31.5 | 4.2 | 18.1 |
| Overall Fiscal Balance | -7,229.4 | -6.4 | -9,727.4 | -7.3 | -7,583.4 | -5.7 | -6,744.9 | -5.1 | -11.1 | -9,742.2 | -7.3 | 0.2 | -6.7 |
| Total Financing | 7,229.4 | 6.4 | 9,727.4 | 7.3 | 7,583.4 | 5.7 | 6,744.9 | 5.1 | -11.1 | 9,742.2 | 7.3 | 0.2 | -6.7 |
| o/w Domestic Financing | 1,982.2 | 1.7 | 4,978.5 | 3.7 | 2,905.7 | 2.2 | 4,680.4 | 3.5 | 61.1 | 4,501.1 | 3.4 | -9.6 | 136.1 |

Source: Ministry of Finance

Revenue

74. Mr. Speaker, total revenue and grants for the first three quarters of 2015 amounted to GH¢22,724.6 million, equivalent to 17.0 percent of GDP, against a target of GH¢21,918.4 million, equivalent to 16.3 percent of GDP. The over performance in total revenue and grants is mainly due to the on-going tax administration reforms, implementation of new tax measures, particularly, the 2.5 percentage points increase in VAT, special petroleum tax and improvement in the efficiency in tax collection. In nominal terms, the outturn was 28.2 percent higher than the outturn for the same period in 2014. Total revenue and grants, for the year as a whole, is projected at GH¢32,189.2 million, 5.4 percent higher than the revised Budget target for the year.
75. Domestic revenue, made up of tax and non-tax revenue for the period under review, amounted to GH¢21,216.8 million, against the budget target of GH¢20,224.2 million. The outturn was 4.9 percent higher than the budget target

and 25.0 percent higher than the outturn for the same period in 2014. The performance of domestic revenues was mainly due to the strong performance of taxes on domestic goods and services. Based on this performance, domestic revenue for the year as a whole is projected at GH¢30,171.9 million, 5.8 percent higher than the revised budget estimate of GH¢28,524.5 million.

76. Central Government revenues and grants for January to September 2015 and outlook for the year are summarized in **Table 6**.

Table 6: Summary of Central Government Revenues and Grants – 2015

| Item | 2014 (Jan-Sept) Actual Outturn | | 2015 Revised Budget Estimate | | 2015 (Jan-Sept) Target | | 2015 (Jan-Sept) Prov.Outturn | | Jan.-Sept. 2015 | 2015 Proj. Outturn | | % Change over Revised Budget Est. | % Change over 2014 |
|-------------------------------|--------------------------------|----------|------------------------------|----------|------------------------|----------|------------------------------|----------|-----------------|--------------------|----------|-----------------------------------|--------------------|
| | Amt. (GH¢ M) | % of GDP | Amt. (GH¢ M) | % of GDP | Amt. (GH¢ M) | % of GDP | Amt. (GH¢ M) | % of GDP | % Deviation | Amt. (GH¢ M) | % of GDP | % | % |
| | a | b | c | d | e | f | g | h | i=(g/e) | j | k | l=(j/c) | m=(f/a) |
| Total Revenue & Grants | 17,721.7 | 15.6 | 30,526.2 | 22.8 | 21,918.4 | 16.3 | 22,724.6 | 17.0 | 3.7 | 32,189.2 | 24.1 | 5.4 | 28.2 |
| Domestic Revenue | 16,979.1 | 15.0 | 28,524.5 | 21.3 | 20,224.2 | 15.1 | 21,216.8 | 15.9 | 4.9 | 30,171.9 | 22.6 | 5.8 | 25.0 |
| o/w Oil Revenue | 2,182.3 | 1.9 | 1,766.9 | 1.3 | 1,353.7 | 1.0 | 1,260.2 | 0.9 | -6.9 | 1,740.1 | 1.3 | -1.5 | -42.3 |
| Tax Revenue | 13,388.8 | 11.8 | 23,127.9 | 17.3 | 16,076.5 | 12.0 | 17,287.0 | 13.0 | 7.5 | 25,119.9 | 18.8 | 8.6 | 29.1 |
| o/w Oil Revenue | 1,139.5 | 1.0 | 498.3 | 0.4 | 381.1 | 0.3 | 381.7 | 0.3 | 0.2 | 488.3 | 0.4 | -2.0 | -66.5 |
| Non-Tax Revenue | 3,419.4 | 3.0 | 5,214.0 | 3.9 | 4,027.5 | 3.0 | 3,669.8 | 2.8 | -8.9 | 4,753.7 | 3.6 | -8.8 | 7.3 |
| o/w Oil Revenue | 1,042.8 | 0.9 | 1,268.6 | 0.9 | 972.5 | 0.7 | 878.5 | 0.7 | -9.7 | 1,251.8 | 0.9 | -1.3 | -15.8 |
| Others (Social Contributions) | 170.9 | 0.2 | 182.6 | 0.1 | 120.2 | 0.1 | 259.9 | 0.2 | 116.2 | 298.3 | 0.2 | 63.4 | 52.1 |
| Grants | 742.6 | 0.7 | 2,001.8 | 1.5 | 1,694.1 | 1.3 | 1,507.9 | 1.1 | -11.0 | 2,017.3 | 1.5 | 0.8 | 103.0 |

Source: Ministry of Finance

77. Mr. Speaker, total tax revenue including oil, amounted to GH¢17,287.0 million, 7.5 percent higher than the target of GH¢16,076.5 million. Total non-oil tax revenue for the period amounted to GH¢16,905.3 million, 7.7 percent higher than the budget target of GH¢15,695.3 million. On a year-on-year basis, the outturn for tax revenue was 29.1 percent higher than the outturn for the same period in 2014. For the year as a whole, total tax revenue is projected at GH¢25,119.9 million, 8.6 percent higher than the revised budget estimate of GH¢23,127.9 million.
78. Total oil revenue from January to September 2015, amounted to GH¢1,260.2 million, against a target of GH¢1,353.7 million. For the year as a whole, total oil revenue is estimated at GH¢1,740.1 million, 1.5 percent lower than the revised budget estimate.

79. Table 7 shows the details of total Government tax revenue performance for January to September, 2015 and outlook for the year.

Table 7: Total Government Tax Revenue – January to September

| Item | 2014 (Jan-Sept) Actual Outturn | | 2015 Revised Budget Estimate | | 2015 (Jan-Sept) Target | | 2015 (Jan-Sept) Prov.Outturn | | Jan.-Sept. 2015 | 2015 Proj. Outturn | | % Change over Revised Budget Est. | % Change over 2014 |
|---|-----------------------------------|-------------|---------------------------------|-------------|---------------------------|-------------|---------------------------------|-------------|--------------------|--------------------|-------------|---|-----------------------------|
| | Amt. (GH¢ M) | % of GDP | Amt. (GH¢ M) | % of GDP | Amt. (GH¢ M) | % of GDP | Amt. (GH¢ M) | % of GDP | % Deviation | Amt. (GH¢ M) | % of GDP | % | % |
| | a | b | c | d | e | f | g | h | i=(g/e) | j | k | l=(j/c) | m=(f/a) |
| Total Tax Rev. excl. exemptions | 12,605.8 | 11.1 | 22,374.6 | 16.7 | 15,534.8 | 11.6 | 15,678.1 | 11.8 | 0.9 | 23,022.5 | 17.3 | 2.9 | 24.4 |
| Total Tax Rev. incl. exemptions | 13,388.8 | 11.8 | 23,127.9 | 17.3 | 16,076.5 | 12.0 | 17,287.0 | 13.0 | 7.5 | 25,119.9 | 18.8 | 8.6 | 29.1 |
| Taxes on Income & Property | 6,094.1 | 5.4 | 9,410.8 | 7.0 | 6,412.9 | 4.8 | 6,117.8 | 4.6 | -4.6 | 9,488.2 | 7.1 | 0.8 | 0.4 |
| o/w Personal Income Tax | 2,131.6 | 1.9 | 3,812.1 | 2.8 | 2,724.5 | 2.0 | 2,480.9 | 1.9 | -8.9 | 3,764.3 | 2.8 | -1.3 | 16.4 |
| o/w Company Taxes | 2,033.0 | 1.8 | 3,753.7 | 2.8 | 2,378.1 | 1.8 | 2,463.1 | 1.8 | 3.6 | 4,167.4 | 3.1 | 11.0 | 21.2 |
| Taxes on Domestic Goods & Services | 4,552.3 | 4.0 | 9,348.4 | 7.0 | 6,766.6 | 5.0 | 7,434.8 | 5.6 | 9.9 | 9,538.7 | 7.2 | 2.0 | 63.3 |
| o/w VAT | 3,297.9 | 2.9 | 5,760.7 | 4.3 | 4,216.5 | 3.1 | 4,627.0 | 3.5 | 9.7 | 5,808.9 | 4.4 | 0.8 | 40.3 |
| o/w Excise | 543.1 | 0.5 | 2,303.5 | 1.7 | 1,638.1 | 1.2 | 1,882.0 | 1.4 | 14.9 | 2,446.3 | 1.8 | 6.2 | 246.6 |
| o/w NHIL | 554.3 | 0.5 | 1,003.1 | 0.7 | 701.5 | 0.5 | 743.3 | 0.6 | 6.0 | 1,003.1 | 0.8 | 0.0 | 34.1 |
| o/w CST | 156.9 | 0.1 | 281.1 | 0.2 | 210.5 | 0.2 | 182.5 | 0.1 | -13.3 | 280.5 | 0.2 | -0.2 | 16.3 |
| International Trade Taxes | 2,742.4 | 2.4 | 4,368.7 | 3.3 | 2,897.0 | 2.2 | 3,734.4 | 2.8 | 28.9 | 6,093.0 | 4.6 | 39.5 | 36.2 |
| o/w Import Duty | 1,959.5 | 1.7 | 3,275.3 | 2.4 | 2,355.3 | 1.8 | 2,044.9 | 1.5 | -13.2 | 3,555.0 | 2.7 | 8.5 | 4.4 |
| o/w Exports | 0.00 | 0.00 | 340.0 | 0.3 | 0.00 | 0.0 | 80.6 | 0.1 | 0.0 | 440.6 | 0.3 | 29.6 | 0.0 |
| o/w Exemptions (non-cash) | 782.9 | 0.7 | 753.3 | 0.6 | 541.7 | 0.4 | 1,608.9 | 1.2 | 197.0 | 2,097.5 | 1.6 | 178.4 | 105.5 |

Source: Ministry of Finance

80. Grant disbursement from our development partners for the first three quarters of 2015 was GH¢1,507.9 million, 16.4 percent lower than the budget target of GH¢1,694.1 million but 103.0 percent higher than the outturn recorded during the same period in 2014. It is worth noting that for the first time in the last three years Development Partners have disbursed their budget support pledges as planned. Total 2015 end-year grant disbursements are projected at GH¢2,017.3 million, 0.8 percent higher than the Budget estimate.

Expenditure

81. Mr. Speaker, total expenditure, including payments for the clearance of arrears and outstanding commitments for the first three quarters of the year amounted to GH¢29,469.5 million (22.1 percent of GDP) against a target of GH¢29,501.8 million (22.0 percent of GDP). The outturn was 0.1 percent lower than the budget target and 18.1 percent higher than the outturn for the corresponding period in 2014. Total expenditure for the year, including provision for the clearance of arrears and commitments, is projected at GH¢41,931.4 million (31.5 percent of

GDP) and 4.2 percent higher than the revised budget estimate on account of the clearance of more arrears than budgeted.

82. Expenditure on Wages and Salaries from January to September, 2015 totalled GH¢7,659.4 million, 0.9 percent lower than the budget target of GH¢7,732.0 million and 10.0 percent higher than the outturn for the same period in 2014. In addition to this, an amount of GH¢613.0 million was spent on the clearance of wage arrears. Wages and salaries, for the year as a whole, is projected to remain the same as budgeted i.e. at GH¢10,286.5 million.
83. Expenditure on Goods and Services for the period under review, amounted to GH¢1,133.2 million, against a budget target of GH¢1,192.6 million. Expenditure on Goods and Services for the whole year is projected at GH¢1,856.4 million, same as the revised budget estimate.
84. Mr. Speaker, interest payment for the period totalled GH¢6,385.0 million, 3.6 percent lower than the budget target of GH¢6,624.1 million and 31.2 percent higher than the outturn for the corresponding period in 2014. Of this amount, domestic interest payment was GH¢5,105.9 million, 3.9 percent lower than the budget target. The lower than estimated spending on interest cost was mainly as a result of lower than planned domestic financing for the period. On a year-on-year basis, domestic interest cost grew by 23.3 percent. Total interest cost for the whole year is projected at GH¢7,734.0 million, same as the revised budget estimate.
85. Mr. Speaker, total capital expenditure for the first nine months of 2015 amounted to GH¢4,787.6 million, 8.4 percent higher than the budget target for the period. Of the total capital expenditure, domestically-financed capital expenditure was GH¢790.0 million. On account of more disbursement of project loans than anticipated in the Budget, total capital expenditure for the year as a whole is projected at GH¢6,584.0 million, 3.6 percent higher than the revised Budget estimate.
86. Grants to other government units which includes transfers to the District Assemblies Common Fund (DACF), Ghana Education Trust Fund (GETFund) among others is projected to be GH¢6,926.7 million, 3.7 percent lower than the revised budget target of GH¢7,190.1 million. This is mainly on account of projected lower retained internally generated funds.
87. During the period under review, a total amount of GH¢2,047.2 million, against a target of GH¢2,186.9 million was spent on the clearance of arrears and outstanding commitments.

88. Central Government expenditures for January to September, 2014 and outlook for the year are summarized in **Table 8**.

Table 8: Summary of Central Government Expenditures – January to September

| Item | 2014 (Jan-Sept) Actual Outturn | | 2015 Revised Budget Estimate | | 2015 (Jan-Sept) Target | | 2015 (Jan-Sept) Prov.Outturn | | Jan.-Sept. 2015 | 2015 Proj. Outturn | | % Change over Revised Budget Est. | % Change over 2014 |
|--|-----------------------------------|-------------|---------------------------------|-------------|---------------------------|-------------|---------------------------------|-------------|--------------------|--------------------|-------------|---|-----------------------------|
| | Amt. (GH¢ M) | % of GDP | Amt. (GH¢ M) | % of GDP | Amt. (GH¢ M) | % of GDP | Amt. (GH¢ M) | % of GDP | % Deviation | Amt. (GH¢ M) | % of GDP | % | % |
| | a | b | c | d | e | f | g | h | i=(g/e) | j | k | l=(j/c) | m=(f/a) |
| Total Expenditure & Arrears Clearance | 24,951.1 | 22.0 | 40,253.6 | 30.0 | 29,501.8 | 22.0 | 29,469.5 | 22.1 | -0.1 | 41,931.4 | 31.5 | 4.2 | 18.1 |
| Total Expenditure | 21,938.6 | 19.3 | 37,930.3 | 28.3 | 27,318.9 | 20.4 | 27,490.8 | 20.6 | 0.6 | 39,238.0 | 29.4 | 3.4 | 25.3 |
| Compensation of Employees | 7,591.2 | 6.7 | 12,312.9 | 9.2 | 9,207.0 | 6.9 | 8,936.9 | 6.7 | -2.9 | 12,312.9 | 9.2 | 0.0 | 17.7 |
| o/w Wages & Salaries | 6,965.0 | 6.1 | 10,286.5 | 7.7 | 7,732.0 | 5.8 | 7,659.4 | 5.7 | -0.9 | 10,286.5 | 7.7 | 0.0 | 10.0 |
| Use of Goods & Services | 742.9 | 0.7 | 1,856.4 | 1.4 | 1,192.6 | 0.9 | 1,133.2 | 0.9 | -5.0 | 1,856.4 | 1.4 | 0.0 | 52.5 |
| Interest Payments | 4,865.4 | 4.3 | 9,349.8 | 7.0 | 6,624.1 | 4.9 | 6,385.0 | 4.8 | -3.6 | 9,349.8 | 7.0 | 0.0 | 31.2 |
| o/w Domestic Interest | 4,141.4 | 3.7 | 7,734.0 | 5.8 | 5,313.5 | 4.0 | 5,105.9 | 3.8 | -3.9 | 7,734.0 | 5.8 | 0.0 | 23.3 |
| Subsidies | 473.7 | 0.4 | 50.0 | 0.0 | 50.0 | 0.0 | 25.0 | 0.0 | -50.0 | 50.0 | 0.0 | 0.0 | |
| Grants to Other Gov't Units | 3,102.5 | 2.7 | 7,190.1 | 5.4 | 5,226.8 | 3.9 | 4,614.2 | 3.5 | -11.7 | 6,926.7 | 5.2 | -3.7 | 48.7 |
| Social Benefits | 0.0 | 0.0 | 60.8 | 0.0 | 60.1 | 0.0 | 0.0 | 0.0 | -100.0 | 60.8 | 0.0 | 0.0 | |
| Others (Exemptions) | 782.9 | 0.7 | 753.3 | 0.6 | 541.7 | 0.4 | 1,608.9 | 1.2 | 197.0 | 2,097.5 | 1.6 | 178.4 | 105.5 |
| Capital Expenditure | 4,379.9 | 3.9 | 6,357.0 | 4.7 | 4,416.7 | 3.3 | 4,787.6 | 3.6 | 8.4 | 6,584.0 | 4.9 | 3.6 | 9.3 |
| o/w Domestic | 733.8 | 0.6 | 1,834.5 | 1.4 | 1,219.4 | 0.9 | 790.0 | 0.6 | -35.2 | 1,834.5 | 1.4 | 0.0 | 7.7 |
| o/w Foreign | 3,646.1 | 3.2 | 4,522.5 | 3.4 | 3,197.3 | 2.4 | 3,997.6 | 3.0 | 25.0 | 4,749.5 | 3.6 | 5.0 | 9.6 |
| Arrears Clearance & Tax Ref. | 2,888.8 | 2.5 | 2,323.4 | 1.7 | 2,182.9 | 1.6 | 2,047.2 | 1.5 | -6.2 | 2,693.4 | 2.0 | 15.9 | -29.1 |
| Discrepancy | -123.8 | -0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 68.4 | 0.1 | | 0.0 | 0.0 | | -155.3 |

Source: Ministry of Finance

Overall Budget Balance and Financing

89. Mr. Speaker, based on revenue and expenditure outturns for the first three quarters of the year, the overall budget balance on cash basis registered a deficit of GH¢6,744.9 million, equivalent to 5.1 percent of GDP. This was against a deficit target of GH¢7,583.4 million, equivalent to 5.7 percent of GDP.
90. Based on the projected revenue and expenditure for end-2015 fiscal year, the fiscal deficit on a cash basis is projected at GH¢9,742.2 million (7.3 percent of GDP).

91. Mr. Speaker, the domestic primary balance for the period, registered a surplus of GH¢3,791.1 million (2.8 percent of GDP), against a target surplus of GH¢2,405.2 million (1.8 percent of GDP). For the year as a whole, the domestic primary balance is projected to be a surplus of GH¢4,571.2 million, equivalent to 3.4 percent of GDP.
92. Mr. Speaker, the overall budget deficit for the first three quarters of the year was financed from both domestic and foreign sources. Domestic Financing amounted to GH¢4,680.4 million, against a target of GH¢2,905.7 million. Foreign Financing of the deficit was GH¢2,064.5 million, against a target of GH¢4,677.7 million.
93. Of the Domestic Financing of GH¢4,680.4 million, Bank of Ghana financing amounted to GH¢1,860.3 million while financing from commercial banks was GH¢516.8 million. The non-bank sector financed GH¢2,161.6 million, and GH¢141.6 million was withdrawn from the Ghana Stabilisation Fund.
94. By type of instrument, the 91-day Treasury Bills accounted for GH¢1,163.1 million (39.6%), 182-day Treasury Bills accounted for GH¢1,707.1 million (58.1%) and marketable instruments with maturities of one year and above accounted for GH¢ 69.87 million (2.4%) for the first three quarters of 2015.
95. For the year as a whole, domestic financing and foreign financing of the budget are projected at GH¢4,501.1 million and GH¢5,241.1 million, respectively. This compares to the 2015 revised budget estimate of GH¢4,978.5 million and GH¢4,749.0 million for domestic financing and foreign financing, respectively.
96. Central Government Financing for January to September, 2015 and outlook for the year are summarized in **Table 9**.

Table 9: Summary of Central Government Financing – 2015

| Item | 2014 (Jan-Sept) Actual Outturn | | 2015 Revised Budget Estimate | | 2015 (Jan-Sept) Target | | 2015 (Jan-Sept) Prov.Outturn | | Jan.-Sept. 2015 | 2015 Proj. Outturn | | % Change over Revised Budget Est. | % Change over 2014 |
|-----------------|-----------------------------------|-------------|---------------------------------|-------------|---------------------------|-------------|---------------------------------|-------------|--------------------|--------------------|-------------|---|-----------------------------|
| | Amt. (GH¢ M) | % of GDP | Amt. (GH¢ M) | % of GDP | Amt. (GH¢ M) | % of GDP | Amt. (GH¢ M) | % of GDP | % Deviation | Amt. (GH¢ M) | % of GDP | % | % |
| | a | b | c | d | e | f | g | h | i=(g/e) | j | k | l=(j/c) | m=(f/a) |
| Total Financing | 7,229.4 | 6.4 | 9,727.4 | 7.3 | 7,583.4 | 5.7 | 6,744.9 | 5.1 | -11.1 | 9,742.2 | 7.3 | 0.2 | -6.7 |
| o/w Foreign | 5,247.3 | 4.6 | 4,749.0 | 3.5 | 4,677.7 | 3.5 | 2,064.5 | 1.5 | -55.9 | 5,241.1 | 3.9 | 10.4 | -60.7 |
| o/w Domestic | 1,982.2 | 1.7 | 4,978.5 | 3.7 | 2,905.7 | 2.2 | 4,680.4 | 3.5 | 61.1 | 4,501.1 | 3.4 | -9.6 | 136.1 |

Source: Ministry of Finance

Petroleum Receipts (January-September 2015)

97. Mr. Speaker, between January and September 2015, GNPC lifted five parcels of crude oil (i.e. the 25th–29th liftings) on behalf of the State. This involved 4,781,972 barrels of oil, down from 4,824,715 barrels in the corresponding period in 2014. Receipts from crude oil liftings for the first nine months of 2015, which accrued from the 23rd and 24th liftings (lifted in December 2014) to the 28th lifting, was US\$329.5 million (GH¢1,202.0 million), as shown in **Table 10**. This involved 5,741,429 barrels and excludes the proceeds from the 29th lifting, which although was undertaken on 9th September 2015, the proceeds were received in October 2015.

Table 10: Details of Crude Oil Proceeds, January-September 2015

| Item | Unit | 1st Qtr | | | 2nd Qtr | | 3rd Qtr | Total |
|-----------------|----------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | | 23rd Lifting | 24th Lifting | 25th Lifting | 26th Lifting | 27th Lifting | 28th Lifting | |
| Date of Lifting | dd/mm/yy | 9-Dec-14 | 28-Dec-14 | 5-Feb-15 | 25-Mar-15 | 26-May-15 | 30-Jun-15 | |
| Volume of lift | barrels | 912,346 | 995,165 | 986,276 | 988,069 | 948,230 | 911,343 | 5,741,429 |
| Selling Price | US\$/bbl | 61.49 | 54.50 | 50.63 | 53.06 | 64.75 | 60.80 | |
| Value of lift | US\$ | 56,096,506 | 54,239,478 | 49,937,126 | 52,422,989 | 61,395,996 | 55,411,477 | 329,503,573 |
| | GH¢ | 180,602,702 | 187,836,736 | 175,169,452 | 201,291,171 | 265,681,963 | 191,424,489 | 1,202,006,514 |

Source: Ministry of Finance

98. Total petroleum receipts (i.e. proceeds from Jubilee liftings and other petroleum receipts) as at the end of the third quarter of 2015 was US\$341.50 million (GH¢1,243.65 million), as shown in **Table 11**. This compares unfavourably with the January-September 2014 figure of US\$780.07 million (GH¢2,139.12 million).

Table 11: Sources of January-September 2015 Petroleum Receipts

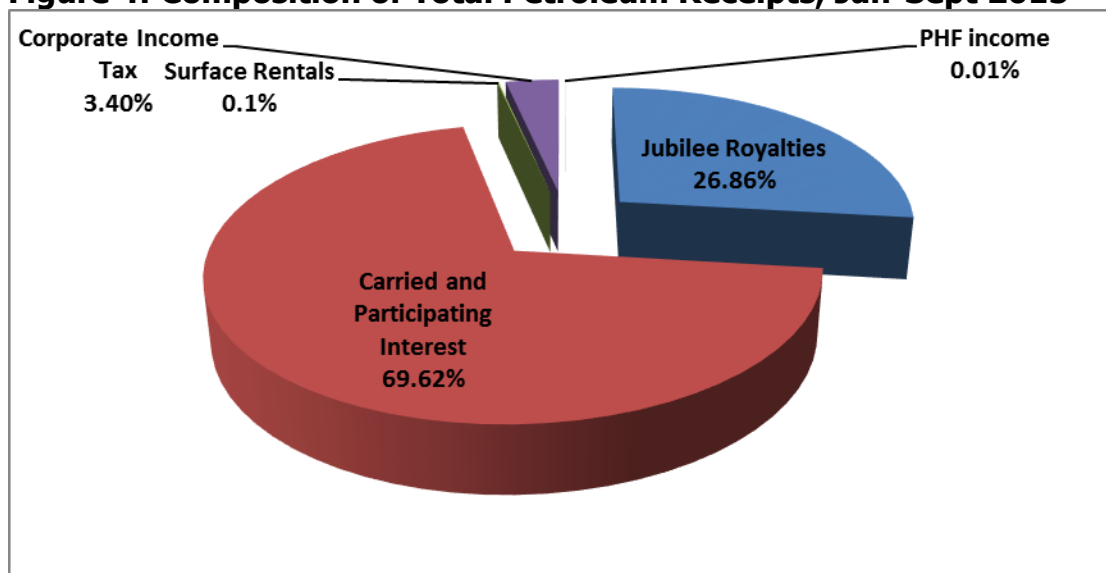
| Item | Unit | Quarter 1 | | | Quarter 2 | | Quarter 3 | Total |
|------------------------------------|------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | | 23rd Lifting | 24th Lifting | 25th Lifting | 26th Lifting | 27th Lifting | 28th Lifting | |
| Date of Lifting | | 9-Dec-14 | 28-Dec-14 | 5-Feb-15 | 25-Mar-15 | 26-May-15 | 30-Jun-15 | |
| Jubilee Royalties | US\$ | 15,618,117 | 15,101,092 | 13,903,252 | 14,595,354 | 17,093,575 | 15,427,394 | 91,738,784 |
| Carried and Participating Interest | US\$ | 40,478,389 | 39,138,386 | 36,033,874 | 37,827,635 | 44,302,421 | 39,984,083 | 237,764,788 |
| Surface Rentals* | US\$ | | 17,797 | - | - | 338,997 | - | 356,794 |
| Royalties from SOPCL | US\$ | - | - | - | - | - | - | - |
| Corporate Income Tax | US\$ | - | - | - | - | - | 11,617,384 | 11,617,384 |
| PHF income | US\$ | 5,154 | 3,658 | 1,537 | 4,509 | 3,860 | 3,314 | 22,033 |
| Gas | US\$ | - | - | - | - | - | - | - |
| Total Petroleum Receipts | US\$ | 56,101,660 | 54,260,934 | 49,938,664 | 52,427,498 | 61,738,852 | 67,032,175 | 341,499,783 |
| | GHC | 180,619,252 | 187,909,631 | 175,175,047 | 201,308,781 | 267,064,567 | 231,571,034 | 1,243,648,313 |

Source: Ministry of Finance

*Excludes 2011 undistributed Surface Rentals receipts captured in December 2014

99. Mr. Speaker, the share of Carried and Participating Interest in total petroleum receipts as at end-September 2015 increased from 47.6 percent in 2014 to 69.62 percent. The Corporate Income Tax share fell to 3.4 percent from 33.8 percent in 2014. Jubilee Royalties constituted 26.9 percent of the total petroleum revenue, while Surface Rentals and PHF Interest made up the remaining 0.11 percent, as shown in **Figure 4**.

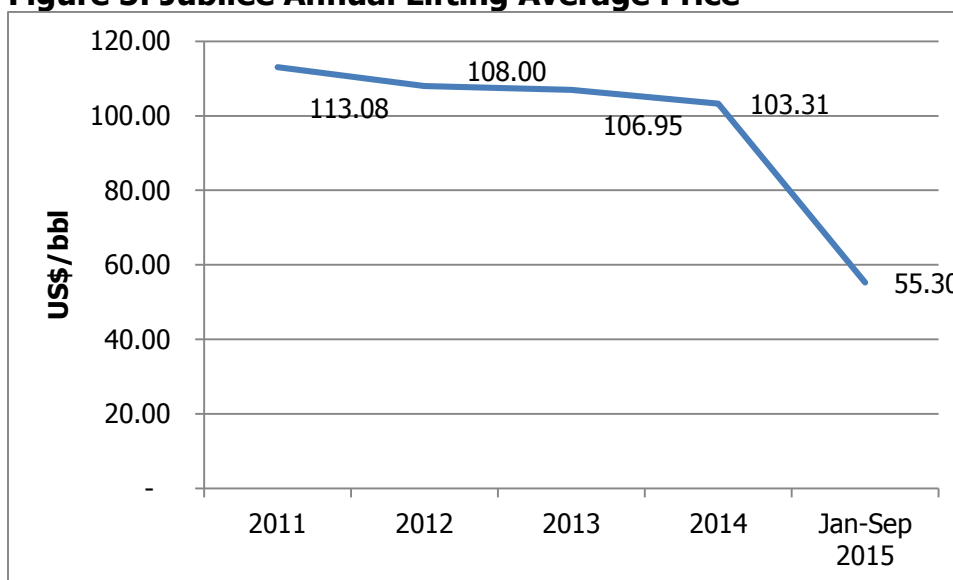
Figure 4: Composition of Total Petroleum Receipts, Jan-Sept 2015



Source: Ministry of Finance

100. Overall, petroleum revenue which fell by over 50.0 percent from January to September 2015, compared to the same period in the two previous years, as shown in **Table 12**, was also below the budget target. The under-performance of petroleum revenues for the period stemmed from the decline in crude oil prices (as shown in **Figure 5**) and the rigid nature of the Benchmark Revenue (BR) estimation, using the formula set out in the PRMA, which did not allow for a revision to the BR once estimated. With the amendment to the PRMA, the BR price was revised from US\$99.38 per barrel to US\$57 per barrel in the 2015 mid-year review to the Budget.

Figure 5: Jubilee Annual Lifting Average Price



Source: GNPC

101. There were no receipts from the Saltpond Field in the first nine months of 2015 because the field was not operational. There were also no receipts for gas in the first half-year. However, an amount of US\$0.554 million was realised in the third quarter and distributed together with the 29th lifting proceeds in October 2015. This will be fully accounted for in the 2015 Reconciliation Report on the Petroleum Holding Fund (PHF).

Table 12: Analysis of Petroleum Receipts for the First 3 Quarters of 2013-2015

| Item | Unit | Jan-Sep 2013 | Jan-Sep 2014 | Jan-Sep 2015 | Variance: 2015 vrs 2014 |
|------------------------------------|-------------|----------------------|----------------------|----------------------|----------------------------|
| Jubilee Royalties | US\$ | 148,634,519 | 143,349,806 | 91,738,784 | (51,611,022) |
| Carried and Participating Interest | US\$ | 385,224,801 | 371,528,100 | 237,764,788 | (133,763,312) |
| Surface Rentals* | US\$ | 797,777 | 733,051 | 356,794 | (376,257) |
| Royalties from SOPCL | US\$ | 403,831 | 151,986 | - | (151,986) |
| Corporate Income Tax | US\$ | 172,216,932 | 263,893,173 | 11,617,384 | (252,275,789) |
| PHF income | US\$ | - | 114,030 | 22,033 | (91,997) |
| Price Differentials | US\$ | - | 297,249 | - | (297,249) |
| Gas | US\$ | - | - | - | - |
| Total Petroleum Receipts | US\$ | 707,277,860 | 780,067,395 | 341,499,783 | (438,567,612) |
| | GH¢ | 1,358,182,220 | 1,415,672,637 | 1,243,648,313 | (172,024,324) |

Source: Ministry of Finance

*Excludes 2011 undistributed Surface Rentals receipts captured in December 2014

Allocation of 2015 Petroleum Receipts

102. Mr. Speaker, out of Government's net petroleum receipts, the PRMA requires that not more than 70.0 percent is designated as ABFA, while the rest is transferred into the GPFs. By a similar arrangement, of the amount transferred into the GPFs, the GHF receives not less than 30.0 percent, with the rest transferred into the GSF. Allocation for the first half of the year was based on this formula. The Petroleum Revenue Management (Amendment) Act, 2015 (Act 893), however, requires that the net petroleum receipts to the State is split between the ABFA and GPFs, irrespective of the quantum of amount, with not less than 30.0 percent going to the GPFs and the remainder designated as ABFA. This effectively guarantees a constant transfer into the GPFs for all petroleum receipts, net of the allocation to the National Oil Company (NOC).
103. The 2015 petroleum receipts were allocated based on the provisions of the PRMA, as amended. Out of the total revenue of US\$341.5 million, US\$98.3 million was allocated to GNPC (the NOC) as its share of Equity Financing Cost (US\$38.7 million) and Net Carried and Participating Interest (US\$59.6 million), as shown in **Table 13**. The utilisation of funds allocated to GNPC can be found in the 2015 Annual Report on the Petroleum Funds, which is being laid in Parliament with this Budget, in line with the PRMA.

Table 13: Distribution of January-September 2015 Petroleum Receipts (US\$)

| ITEM | Unit | Quarter 1 | | | Quarter 2 | | Quarter 3 | Total |
|--|-------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------------------|
| | | 23rd Lifting | 24th Lifting | 25th Lifting | 26th Lifting | 27th Lifting | 28th Lifting | |
| Transfer to GNPC | US\$ | 14,463,863 | 21,750,758 | 16,081,548 | 14,038,271 | 20,276,722 | 11,689,093 | 98,300,254 |
| Equity Financing Cost | US\$ | 3,314,780 | 14,298,917 | 7,530,551 | 3,842,829 | 9,979,994 | (306,132) | 38,660,938 |
| 30% Net Carried & Participating Interest | US\$ | 11,149,083 | 7,451,841 | 8,550,997 | 10,195,442 | 10,296,728 | 11,995,225 | 59,639,315 |
| Net GOG Receipts | US\$ | 42,506,515 | 32,510,176 | 33,857,116 | 38,389,227 | 41,462,130 | 55,343,082 | 244,068,246 |
| Annual Budget Funding Amount | US\$ | 42,506,515 | 32,510,176 | 33,857,116 | 38,389,227 | 41,462,130 | 38,740,158 | 227,465,322 |
| o/w Ghana Infrastructure Investment Fund | US\$ | 7,438,640 | 5,689,281 | 5,924,995 | 6,718,115 | 7,255,873 | 6,779,528 | 39,806,431 |
| Transfer to Ghana Petroleum Funds | US\$ | - | - | - | - | - | 16,602,925 | 16,602,925 |
| o/w Heritage Fund (30%) | US\$ | - | - | - | - | - | 4,980,877 | 4,980,877 |
| o/w Stabilization Fund (70%) | US\$ | - | - | - | - | - | 11,622,047 | 11,622,047 |
| TOTAL PAYMENTS | US\$ | 56,970,378 | 54,260,934 | 49,938,664 | 52,427,498 | 61,738,852 | 67,032,175 | 342,368,500 |
| | GHC | 183,406,583 | 187,909,631 | 175,175,047 | 201,308,781 | 267,064,567 | 231,571,034 | 1,246,435,645 |

Source: Ministry of Finance

*Includes 2011 undistributed Surface Rentals receipts paid in December 2014 but distributed in 2015 (US\$0.869 million)

104. Mr. Speaker, a total of US\$16.6 million (GH¢67.1 million) was transferred into the GPFs in the first nine months of 2015, compared to US\$336.3 million (GH¢957.32 million) for the same period in 2014. Out of the amount transferred, the GHF received US\$4.98 million or GH¢20.2 million (against US\$100.9 million or GH¢287.19 million in 2014), while the GSF received US\$11.6 million or GH¢46.89 million (against US\$235.43 million or GH¢670.12 million in 2014).
105. The total amount transferred between January and September 2015 from petroleum liftings and related proceeds to the ABFA was US\$227.47 million (GH¢834.76 million). Of this amount, the Ghana Infrastructure Investment Fund (GIIF) received a total of US\$39.81 million.
106. For the first time since petroleum revenue accounting began in Ghana, an amount of US\$53.69 million was withdrawn from the Ghana Stabilisation Fund in the second quarter of 2015 to meet the first quarter ABFA shortfall. This brings the total amount transferred to ABFA to US\$281.15 million (GH¢1,041.50 million). An allocation of US\$9.39 million was made to GIIF from this amount, in line with the PRMA, as amended, and the GIIF Act, bringing the total allocation to GIIF for the period to US\$49.20 million.
107. The 2015 Budget established a quarterly ABFA of US\$180.45 million. This was revised downwards to US\$59.13 million during the mid-year review, due mainly to the persistent decline in crude oil prices, as shown in **Table 14**. The quarterly

ABFA determines what the ABFA shortfalls for every quarter will be. Thus, the withdrawal from the GSF in the second quarter in respect of the first quarter shortfall in the ABFA was based on a quarterly ABFA of US\$180.45 million.

Table 14: January-September 2015 ABFA Allocation and Variance Analysis

| Period | GH¢ | | | US\$ | | |
|--------------|----------------------|----------------------|----------------------|--------------------|--------------------|----------------------|
| | Budget | Actual | Variance | Budget | Actual | Variance |
| Qtr1 | 613,545,567 | 258,060,666 | (355,484,901) | 180,454,579 | 108,873,807 | (71,580,772) |
| Qtr2* | 613,545,567 | 489,314,577 | (124,230,990) | 180,454,579 | 133,536,936 | (46,917,642) |
| Qtr3 | 201,045,979 | 294,128,662 | 93,082,683 | 59,131,170 | 38,740,158 | (20,391,013) |
| Total | 1,428,137,113 | 1,041,503,906 | (386,633,207) | 420,040,327 | 281,150,901 | (138,889,427) |

Source: Ministry of Finance

*Includes amount withdrawn from GSF to meet ABFA shortfall in the first quarter (US\$53.69 million)

108. Technically, there could have been a withdrawal from the GSF in the third quarter of 2015 in respect of the second quarter ABFA shortfall. However, this was not carried out, partly due to the downward revision of the cap on the GSF from US\$300.0 million to US\$150.0 million during the mid-year review.

Utilisation of the 2015 Annual Budget Funding Amount

109. The closing balance on the ABFA Account as at 31st December, 2014, was US\$222.93 million (GH¢666.06 million). This amount was, however, swept by the Bank of Ghana to assess Government's position for the 2014 financial year.
110. Total programmed ABFA spending for the 2015 fiscal year was GH¢2,009.17 million. Of this amount, GH¢736.25 million was programmed for Goods and Services, while GH¢1,272.9 million was programmed for capital spending. This amount was revised in the mid-year review to the 2015 Budget to reflect commodity price shocks that impacted heavily on petroleum receipts for the year. Consequently, the total programmed ABFA for Goods and Services and CAPEX, were revised downwards by 43.31 percent and 58.45 percent to GH¢318.88 million and GH¢744.06 million, respectively, as shown in **Table 15**.

Table 15: 2015 Annual Budget Funding Amount

| Item | 2015 Budget | 2015 Revised Budget |
|------------------------|----------------------|----------------------|
| | GH¢ | GH¢ |
| ABFA Goods and Service | 736,254,680 | 318,884,448 |
| ABFA CAPEX | 1,272,913,171 | 744,063,713 |
| Total ABFA | 2,009,167,852 | 1,062,948,161 |

Source: MoF

111. Of the total budgeted amount for the year, actual receipts for the period amounted to GH¢258.06 million, GH¢489.31 million, and GH¢294.13 million in the first, second and third quarters, respectively. Actual utilisation, on the other hand, amounted to GH¢84.52 million, GH¢576.0 million, and GH¢353.57 million at the end of the first, second and third quarters of 2015, respectively. This brings the total actual receipts at the end of September 2015 to GH¢1,041.5 million and, actual utilisation to GH¢1,005.10 million, leaving an unutilised balance of GH¢36.41 million, as shown in **Table 16**.

Table 16: Summary of Actual ABFA Receipts and Utilisation for Jan-Sept 2015

| Period | GH¢ | | |
|--------------|----------------------|----------------------|---------------------|
| | Actual Receipts | Actual Utilisation | Balance |
| Qtr 1 | 258,060,666 | 84,523,585 | (173,537,081) |
| Qtr 2 | 489,314,577 | 567,001,880 | 77,687,303 |
| Qtr 3 | 294,128,662 | 353,570,354 | 59,441,692 |
| Total | 1,041,503,906 | 1,005,095,819 | (36,408,086) |

Source: Ministry of Finance

112. Utilisation of the ABFA by the priority areas was in line with the provisions of the PRMA. **Table 17** provides a summary of utilisation by the priority areas, with the details shown in the 2015 Annual Report on the Petroleum Funds.

Table 17: January-September 2015 ABFA Utilisation by Priority Area

| S/N | Priority Area | 2015 Revised Budget (GH¢) | Actual Utilisation (GH¢) |
|----------|---|---------------------------|--------------------------|
| 1 | Expenditure and Amortisation of Loans for Oil and Gas | 322,306,372.57 | 390,517,533.49 |
| 2 | Road and Other Infrastructure | 492,917,039.43 | 451,586,162.80 |
| 3 | Agriculture Modernization | 30,567,167.50 | 27,043,457.48 |
| 4 | Capacity Building (including Oil and Gas) | 217,157,581.99 | 135,948,665.69 |
| 5 | Total | 1,062,948,161.49 | 1,005,095,819.46 |

Source: Ministry of Finance

113. Of the total ABFA spending for the period, an amount of GH¢390.52 million was spent on **Expenditure and Amortisation of Loans for Oil and Gas Infrastructure**, as against a budget of GH¢322.31 million. This was made up of an amount of GH¢43.14 million spent in respect of China Development Bank (CDB) matching fund requirements for the provision of Gas Infrastructure and GH¢347.4 million principal and interest payments for the CDB Master Facility Tranche B.
114. Total spending for **Roads and Other Infrastructure** amounted to GH¢451.59 million, against a budget of GH¢492.92 million. Of this amount, GH¢76.21 million

was spent on the emergency rehabilitation, upgrading, and construction of roads infrastructure. An amount of GH¢75.7 million was spent on energy infrastructure, mainly in respect of the supply of electrical materials and equipment for the nationwide emergency power project and the SHEP National Electrification Projects.

115. Of the total spending on Roads and Other Infrastructure, an amount of GH¢29.55 million was spent on Water Infrastructure. This was mainly for the construction of drainage facilities, sea defence and coastal protection works. Similarly, an amount of GH¢41.8 million was spent on transport infrastructure in respect of the redevelopment and construction of railway lines, railway stations, and the supply of rolling stock. In addition, a total amount of GH¢45.14 million was spent on education infrastructure, mainly on the construction of facilities for basic and secondary schools, and the upgrading of Science Resource Centres in 100 schools across the country.
116. An amount of GH¢183.2 million (US\$49.2 million) was transferred to the GIIF to finance infrastructure projects.
117. Total spending on **Agriculture Modernisation** amounted to GH¢27.04 million against a budget of GH¢30.57 million. Of this amount, spending on Food and Agriculture infrastructure amounted to GH¢26.24 million. This was particularly for the construction and rehabilitation of dams and irrigation infrastructure and fertiliser subsidy. Additionally, GH¢0.80 million was advanced towards the construction of the Fisheries College and aquaculture development.
118. Total spending on **Capacity Building (including Oil and Gas)** amounted to GH¢135.95 million against a budget of GH¢217.16 million. Spending in this area was geared towards improving the capacity of teachers across the country, supply of teaching and learning materials to basic and secondary schools, feeding and capitation grant, BECE and SHS subsidy for 2015 examinations and scholarships for advanced learning including oil and gas training.

Withdrawal from the Ghana Stabilisation Fund for Budget Support

119. Mr. Speaker, at the end of the first quarter of 2015, total transfers for ABFA was US\$108.87 million, compared to the quarterly ceiling of US\$180.45 million, resulting in a shortfall of US\$71.58 million. The balance standing to the credit of the GSF as at 1st January, 2015, was US\$286.64 million.
120. An amount of US\$53,685,578.98 was withdrawn from the GSF to make up for the shortfall in the first quarter ABFA, in line with the PRMA.

Use of Funds in Excess of the Cap on the Ghana Stabilisation Fund

121. Mr. Speaker, the 2014 Reconciliation Report on the PHF indicated that an amount of US\$305.68 million had been determined as the excess amount over the cap on the GSF. Of this amount, US\$17.43 million was used to set up the Contingency Fund and US\$288.25 million was transferred into the Debt Service Account for debt repayment. Of the amount deposited in the Debt Service Account, US\$179.81 million was used to retire some domestic marketable debt instruments, leaving a balance of US\$108.44 million by end-December 2014.
122. An amount of US\$100.0 million of this balance was used as seed money for the Sinking Fund, leaving the balance of US\$8.44 million in the Debt Service Account. However, both the Sinking Fund and the Debt Service Account were swept by Bank of Ghana to assess Government's position for the end of the 2014 financial year. The Bank of Ghana restored a portion to the Sinking Fund Account later. The Ministry of Finance is working with Bank of Ghana to ring-fence the petroleum-based and other funds from sweeping, as part of the Public Financial Management reforms.
123. As earlier on indicated, the 2015 Mid-Year Review pegged the cap on the GSF at US\$150.0 million. As at 30th September, 2015, the balance on the GSF was US\$245.02 million, leaving an excess over the cap of US\$95.02 million, which was shared among the Sinking Fund, Contingency Fund and Ghana Stabilisation Fund in October 2015, as shown in **Table 18**.

Table 18: Excess Amount over the Cap on the GSF

| SN | ITEM | US\$ |
|-----------|---|-----------------------|
| 1 | Closing Book Value (30th September, 2015) | 245,020,291.38 |
| 2 | Less GSF Cap | 150,000,000.00 |
| 3 | GSF Excess for Contingency Fund and Debt Repayment | 95,020,291.38 |
| 4 | o/w Sinking Fund (50%) | 47,510,145.69 |
| 5 | o/w Contingency Fund (25%) | 23,755,072.85 |
| 6 | o/w Ghana Stabilisation Fund (25%) | 23,755,072.85 |
| 7 | New GSF Cap for 2015Q4 (2+6) | 173,755,072.85 |

Source: Ministry of Finance

DEVELOPMENTS ON PUBLIC DEBT

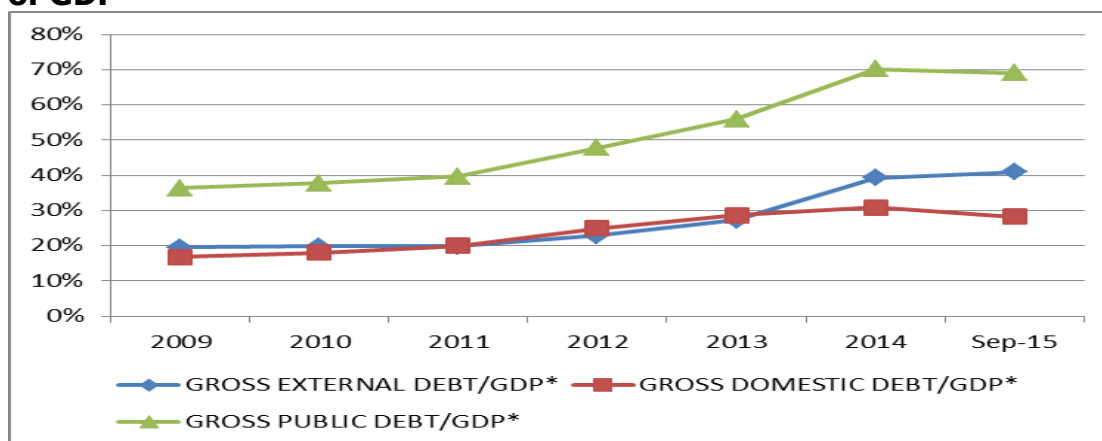
The 2015-2017 Medium Term Debt Management Strategy

124. Mr. Speaker, Government's Medium Term Debt Management strategy (MTDS) for the period 2015-2017 was approved by Cabinet and guided the gross financing requirements for 2015.
125. The MTDS was consistent with the macroeconomic framework. This financing strategy incorporated the risk elements identified in the debt portfolio, aimed at reducing challenges associated financing the budget.

Developments in Public Debt

126. Mr. Speaker, the public debt stock stood at 69.12 percent of GDP as at the end of September, 2015 from 70.15 percent of GDP in December, 2014.

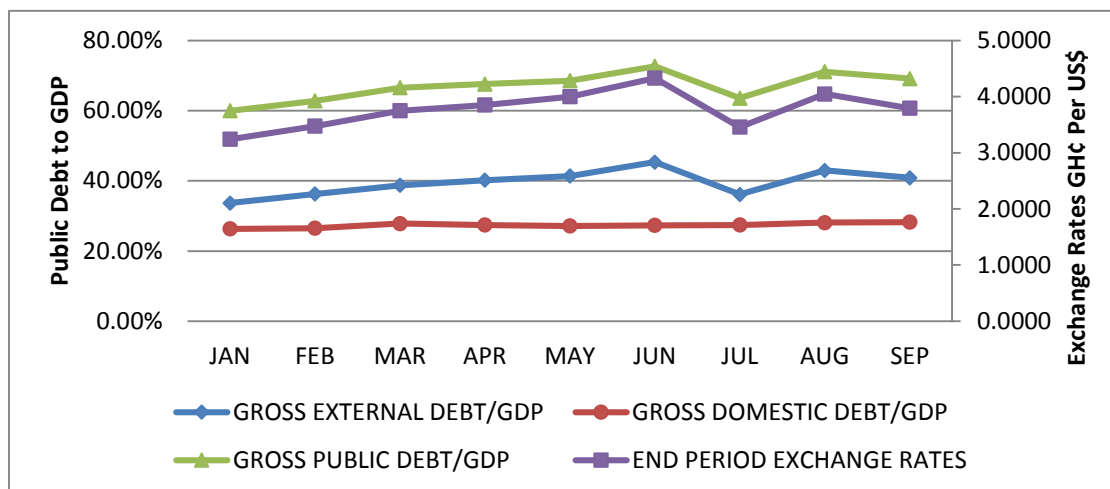
Figure 6: Developments in Public Debt (2009 –Sept2015) in Percent of GDP



Source: Ministry of Finance

127. On nominal basis, the provisional debt stock as at September, 2015, stood at GH¢92,161.84 million (US\$24,285.07). This is made up of GH¢54,488.26 million (US\$14,357.91million) for external debt and GH¢37,673.58 million (\$9,927.16 million) for domestic debt.
128. Mr. Speaker, on a monthly basis, the developments in the provisional public debt as a percent of GDP has moved in line with exchange rate developments for the period.

Figure 7: Public Debt as % of GDP and Exchange Rate Developments (Jan-Sept 2015)



Source: MOF

129. From **Figure 6**, the domestic debt as a percentage of GDP has remained flat for the period. However, the external debt to GDP ratio has trended and mimicked exactly the exchange rate developments for the period as shown in **Figure 7**.

Eurobond Issue

130. Mr. Speaker, as you may recall, members of this august House in July 2015 approved the Eurobond issue of up to US\$ 1,500 million on the Eurobond market.
131. Government secured US\$1 billion Eurobond at a coupon rate of 10.75 percent with a maturity of fifteen years. The bond is a soft amortizing bond to be repaid in three instalments of US\$333 million in years 2028 and 2029, and US\$334 million in 2030.
132. Ghana has once again issued a landmark bond and has become the first sub-Saharan African country outside South Africa to issue a 15-year bond. The International Development Association provided a partial guarantee of US\$400 million to enable Ghana borrow on reasonable terms.
133. Government stated its intention to obtain long-term funds from the Eurobond market in 2015 Budget Statement, proceeds of which will be used for debt restructuring and financing of capital expenditure. In line with this, government has decided to use the proceeds of the recently issued Eurobond to refinance maturing short-term domestic debt.

SECTION FOUR: MACROECONOMIC FRAMEWORK FOR 2016 AND THE MEDIUM TERM

134. Mr. Speaker, the 2016 Budget has been developed within the broad framework of the Ghana Shared Growth and Development Agenda (GSGDA II), 2014-2017. The medium term vision of Government as enshrined in the GSGDA II document is **"A stable, united, inclusive and prosperous country with opportunities for all"**. The goal is to achieve a per capita income of GH¢3,000 by 2020 consistent with the long term vision for the country.
135. Mr. Speaker, the attainment of the medium term vision of government is based on the medium-to-long term national development policies which are aimed at accelerating socio-economic transformation.
136. Mr. Speaker, the vision and commitment of government over the medium term is to build a sustainable, prosperous and equitable society in line with the government's social democratic agenda. This vision is anchored on the seven thematic areas of the GSGDA II 2014-2017 and on the government's priority of:
- Putting People First;
 - A Strong and Resilient Economy;
 - Expanding Infrastructure; and
 - Transparent and Accountable Governance.
137. Ghana's structural transformational agenda rests on three strategic interventions namely:
- strengthening and deepening the essential elements and institutions of good governance;
 - promoting export-led growth through products that build up on Ghana's comparative strength in agricultural raw materials; and
 - anchoring industrial development through prudent exploitation of natural resources based on value addition.

REAL SECTOR

138. Real GDP is expected to achieve an average overall growth of 8.2 percent over the medium term (2016-2018), with projected growth of 5.4 percent in 2016, 9.9 percent in 2017 and 9.3 percent in 2018. Non-oil GDP is projected to grow at an average of 6.9 percent over the medium term, growing by 5.4 percent in 2016, 7.1 percent in 2017 and 8.5 percent in 2018.

Table 19: Real GDP Growth, 2016-2018 (Percent)

| | 2016 | 2017 | 2018 | Average |
|--------------------------------|-------------|-------------|-------------|----------------|
| Agriculture | 3.5 | 3.5 | 3.0 | 3.3 |
| Industry | 7.0 | 18.3 | 14.3 | 13.2 |
| Services | 6.0 | 8.1 | 9.0 | 7.7 |
| Overall GDP (excl. oil) | 5.2 | 7.1 | 8.5 | 6.9 |
| Overall GDP (incl. oil) | 5.4 | 9.9 | 9.3 | 8.2 |

Source: Ministry of Finance

139. The Agriculture Sector is expected to record an average growth rate of 3.3 percent in the medium term. The Sector is expected to record a growth of 3.5 percent for both 2016 and 2017, declining to 3.0 percent in 2018. Details of sub-sector performances are shown in **Appendix 1**.
140. The Industry Sector is projected to record an average growth rate of 13.2 percent in the medium-term, the highest rate among the sectors. The Sector is expected to grow by 7 percent in 2016, 18.3 percent in 2017, and 14.3 percent in 2018. The petroleum sub-sector is expected to record an average growth rate of 26.3 percent over 2016-2018, with the expected coming on stream of the Tweneboa-Enyenra-Ntomme (TEN) and Sankofa Gye Nyame (SGN) fields.
141. The Services Sector is projected to grow at an average rate of 7.7 percent in the medium term, spurred on by strong growth performances in Information and Communication, and Financial Intermediation. The Services Sector is projected to grow by 6 percent in 2016, 8.1 percent in 2017, and 9 percent in 2018. Information and Communication is projected to register an average growth of 31 percent over 2016-2018, thus making it the best performing sub-sector, in terms of growth, in the medium term.

MONETARY POLICY

142. Monetary policy will continue to be guided by the Bank of Ghana's inflation targeting framework, which aims to maintain headline inflation at the midpoint of the target range (8 ± 2 percent) in the medium term, in the context of a floating exchange rate regime. The Bank of Ghana will continue to use the policy tools available to guide its policy decisions and strengthen its monetary policy formulation process to ensure that inflation and inflation expectations move gradually towards the target band in the medium term.
143. In addition, the Bank of Ghana will continue to reform its monetary operations, in order to facilitate money market development and enhance the effectiveness of the inflation targeting framework.

EXTERNAL SECTOR

144. For the year 2016, it is expected that the country will realize a balance of payments surplus of US\$1.01 billion resulting mainly from net capital and financial account inflows of US\$3.9 billion, which will more than cover the current account deficit of US\$2.9 billion (7.4% of GDP). There will be a build-up in Gross Foreign Assets to US\$6,985.0 million to provide cover for 4.1 months of imports.
145. The projections for 2016 have taken into account the commencement of production at the TEN fields in the latter part of 2016, expected increased inflows from cocoa exports as a result of increased domestic production and favourable international prices as well as expected inflows from DP commitments and the ECF programme with the IMF. The downside risks to the projection include further worsening in international commodity prices of our major export commodities below what is projected; delays in commencement of crude oil production at the TEN fields and possible non-disbursements of DP inflows. Over time, we expect a boost in export revenue on account of increased production and exports of crude oil following the discovery of more oil and gas. Extra savings would also be made on oil imports when the Atuabo Gas Processing Plant finally becomes fully operational.

FISCAL POLICY

146. Mr. Speaker, the medium term fiscal policy of Government, is designed to consolidate the gains made so far in achieving macroeconomic stability, particularly in an uncertain external economic environment. There is greater need for a paradigm shift in the management of fiscal policy, by considering a set of policies that will assist us to fully achieve and sustain fiscal and macroeconomic stability.
147. Mr. Speaker, in safeguarding the nation's bright medium term prospects characterised by strong growth, it has become imperative to strengthen the fiscal adjustment process to ensure fiscal and debt sustainability over the medium term.
148. Consequently, fiscal policy over the medium-term will aim to progressively reduce the fiscal deficit from 5.3 percent of GDP in 2016 to 3.0 percent of GDP by 2018. This reduction in the fiscal deficit will be driven mainly by the revenue and expenditure measures which we have been implementing since 2013, strengthening the ongoing revenue administration reforms, improving public financial management and expenditure rationalization to enhance the efficiency of public spending, and the implementation of new debt management strategies.
149. Mr. Speaker, in addition, the following revenue enhancing and expenditure rationalization measures, among others, will be reinforced over the short to medium term to ensure the achievement of the nation's fiscal objectives:

- Following the approval by the authority of Heads of States and Governments of ECOWAS states, the implementation of CET came into effect on 1st January, 2015. As outlined later in this document, Ghana will join eight ECOWAS countries which are already implementing the CET when this august House passes the CET Bill which is currently before this House. The implementation of the CET will imply that some tariff lines will change which will result in net increase in import duties.
- The Income Tax Act, 2015 (Act 896) which was recently passed by Parliament will be fully implemented in January 2016. The new Act which replaces Act 592 seeks to simplify the income tax regime and improve tax compliance, is expected to yield additional revenue equivalent to 0.3 percent of GDP.
- Realignment of Statutory Funds: To address the increasing rigidities in the budget that limits the room for policy manoeuvre, Government announced a policy of aligning the statutory and internally generated funds to national fiscal goals in the 2014 Budget. Consequently, in 2016, Statutory Funds expenditures totalling GH¢564.6 million will be realigned to the central Government budget.
- Internally Generated Funds: As part of the rationalization of IGFs, MDAs that are authorised to retain IGFs will be required to transfer a minimum of 15 percent of their revenue for use by their sector Ministries and/or umbrella organisations (e.g. Commissions and Councils) to fund programmed activities.
- As part of measures to make public institutions fully autonomous and self-financing, government will implement its 'weaning off' policy. In 2016, at least four subvented agencies will be weaned off from government subvention. As a result, budgetary resources related to the wean-off will no longer be transferred to these agencies.

Macroeconomic Targets for the Medium-Term and 2016

150. Mr. Speaker, based on the medium term macroeconomic framework, the specific macroeconomic targets to be pursued for the medium term (2015- 2018) include the following:

- An average real GDP (including oil) growth rate of at least 8.2 percent;
- An average non-oil real GDP growth rate of 6.9 percent;
- An inflation target of 8.0 percent with a band of ± 2 percent;
- An overall Budget Deficit of 3.0 percent by 2018; and
- Gross International Reserves which will cover not less than four months of imports of goods and services.

151. Mr. Speaker, the specific macroeconomic targets for 2016 are as follows:
- Overall real GDP (including oil) growth of 5.4 percent;
 - Non-oil real GDP growth of 5.2 percent;
 - An end year inflation target of 10.1 percent;
 - Overall budget deficit equivalent to 5.3 percent of GDP; and
 - Gross international reserves of not less than three months of import cover of goods and services.

Resource Mobilization for 2016

152. Mr. Speaker, total revenue and grants including petroleum for the 2016 fiscal year is estimated at GH¢38,038.1 million (24.0 percent of GDP), indicating a 26.4 percent increase over the projected outturn for 2015.
153. Total non-petroleum revenue and grants for the 2016 fiscal year is estimated at GH¢36,029.7 million, equivalent to 24.1 percent of non-oil GDP representing 27.1 percent increase over the projected outturn for 2015.
154. The total receipts from petroleum is estimated at GH¢2,008.4 million (1.3 percent of GDP), representing a 15.4 percent increase over the projected outturn for 2015.
155. Domestic revenue, made up of tax and non-tax revenue is estimated at GH¢36,430.2 million, 29.8 percent higher than the projected outturn for 2015.
156. Mr. Speaker, total tax revenue is estimated at GH¢28,868.5 million, representing 18.2 percent of GDP. This shows an increase of 25.4 percent over the projected outturn for 2015. Of this amount, non-petroleum tax revenue is estimated to grow by 25.6 percent to GH¢28,310.1 million, equivalent to 18.9 percent of non-oil GDP.
157. Taxes on income and property are estimated to increase by 27.2 percent to GH¢12,071.9 million in 2016, accounting for 41.8 percent of total tax revenue. Of this amount, royalties and corporate income tax from oil is estimated at GH¢558.4 million.
158. Taxes on goods and services are estimated at GH¢11,323.9 million, representing 18.7 percent increase over the projected outturn for 2015 and 39.2 percent of the estimated total tax revenue for 2016.
159. The 2016 estimate for taxes on good and services is made up of GH¢6,971.5 million for total VAT, while Excise taxes, National Health Insurance Levy and Communication Service tax are expected to yield GH¢6,971.5 million, GH¢2,893.5 million and GH¢1,458.8.6 million, respectively.

160. International Trade taxes, are estimated at GH¢5,472.6 million, representing 3.5 percent of GDP and 19.0 percent of total tax revenue. The estimate reflects a 37.0 percent increase over the projected outturn for 2015. The increase in international trade taxes is expected to be largely driven by the growth in import duties of 33.7 percent due partly from the impact of the implementation of the ECOWAS Common External Tariff.
161. Mr. Speaker, Non-tax revenue, comprising mainly fees and charges by Ministries, Departments and Agencies (MDAs), dividend received from public enterprises and other internally-generated funds (IGFs) is estimated at GH¢7,209.7 million, equivalent to 4.6 percent of GDP and representing 19.8 percent of domestic revenue. An amount of GH¢3,523.4 million is expected to be retained by MDAs for the funding of their activities and the rest lodged into the Consolidated Fund. Of the total non-tax revenue, an amount of GH¢1,450.0 million is estimated as non-tax petroleum revenue.
162. Mr. Speaker, Grants from Development Partners are estimated at GH¢1,607.9 million, equivalent to 1.0 percent of GDP. The expected grants constitute 4.2 percent to the estimated total revenue and grants for 2016.

Table 20: Summary of Revenue and Grants Estimates for 2016

| Item | Including oil | | | Excluding oil | | |
|------------------------------------|-----------------|-------------|-----------------------------|-----------------|-------------|-----------------------------|
| | Amount (GH¢ M) | % of GDP | % of Total Revenue & Grants | Amount (GH¢ M) | % of GDP | % of Total Revenue & Grants |
| Total Revenue and Grants | 38,038.1 | 24.0 | 100.0 | 36,029.7 | 24.1 | 100.0 |
| Domestic Revenue | 36,430.2 | 23.0 | 95.8 | 34,421.8 | 23.0 | 95.5 |
| Tax Revenue | 28,868.5 | 18.2 | 75.9 | 28,310.1 | 18.9 | 78.6 |
| Taxes on Income & Property | 12,072.0 | 7.6 | 31.7 | 11,513.6 | 7.7 | 32.0 |
| Taxes on Domestic Goods & Services | 7,434.8 | 4.7 | 19.5 | 11,323.9 | 7.6 | 31.4 |
| International Trade Taxes | 5,472.6 | 3.5 | 14.4 | 5,620.8 | 3.8 | 15.6 |
| Non-Tax Revenue | 7,209.7 | 4.6 | 19.0 | 5,759.7 | 3.9 | 16.0 |
| Others (Social Contributions) | 352.0 | 0.2 | 0.9 | 352.0 | 0.2 | 1.0 |
| Grants | 1,607.9 | 1.0 | 4.2 | 1,607.9 | 1.1 | 4.5 |

Source: Ministry of Finance

Resource allocation for 2016

Expenditure

163. Mr. Speaker, total expenditure, including provision made for the clearance of arrears and outstanding commitments in 2016 is estimated at GH¢46,445.7 million, equivalent to 29.3 percent of GDP. The estimated expenditure for the year represents 16.6 percent increase over the projected outturn for 2015. Of this amount, GH¢2,940.6 million, equivalent to 1.9 percent of GDP and 6.8 percent of total expenditure will be used for the clearance of arrears and outstanding commitments.
164. Mr. Speaker, Compensation of employees which comprises wages and salaries, allowances, pensions, gratuities and social security contributions by Government on behalf of its employees is estimated at GH¢14,023.9 million, representing 8.9 percent of GDP. Of this amount, GH¢11,722.8 million (7.4 percent of GDP) is estimated for the payment of wages, salaries and allowances, while GH¢788.9 million, GH¢222.7 million and GH¢1,289.5 million is estimated for pensions, gratuities and social security, respectively.
165. Expenditure on goods and services is estimated at GH¢2,536.8 million, representing 1.6 percent of GDP.
166. Total interest payment is estimated at GH¢10,490.6.0 million, equivalent to 6.6 percent of GDP and 24.1 percent of total expenditure. Of this amount, GH¢2,173.3 million will be expended on external interest, while GH¢8,317.2 million will be for domestic interest payments.
167. Mr. Speaker, Grants to other Government units, comprising statutory payments into the National Health Insurance Fund, Ghana Education Trust Fund, the District Assemblies Common Fund, Road Fund, Petroleum-Related Funds, transfer to the Ghana National Petroleum Company and retention of internally-generated funds by MDAs is estimated at GH¢9,651.4 million.
168. Transfers to the DACF and GET Fund are estimated at GH¢2,013.9 million and GH¢1,021.5 million, respectively.
169. The Road Fund is expected to receive an amount of GH¢277.5 million, while GH¢5.9 million will be transferred into the Petroleum-related Fund.
170. An amount of GH¢1,497.3 million is estimated to be transferred into the National Health Insurance Fund, while GH¢566.9 million from oil revenue, is earmarked to be transferred to the Ghana National Petroleum Corporation for its investments.

171. Mr. Speaker, a total amount of GH¢6,676.9 million is allocated for capital expenditure. About 26.7 percent of the total amount will be financed from domestic sources and the remaining from foreign sources.

Table 21: Summary of Expenditure Estimates for 2016

| Item | Including oil | | | Excluding oil | | |
|--|-----------------|-------------|--|-----------------|-------------|--|
| | Amount (GH¢ M) | % of GDP | % of Total Expenditure & Arrears Clearance | Amount (GH¢ M) | % of GDP | % of Total Expenditure & Arrears Clearance |
| Total Expenditure & Arrears Clearance | 46,445.7 | 29.3 | 100.0 | 44,567.0 | 29.8 | 100.0 |
| Total Expenditure | 43,505.1 | 27.5 | 93.7 | 41,626.4 | 27.8 | 93.4 |
| Compensation of Employees | 14,024.0 | 8.9 | 30.2 | 14,024.0 | 9.4 | 31.5 |
| Use of Goods and Services | 2,536.8 | 1.6 | 5.5 | 2,234.1 | 1.5 | 5.0 |
| Interest Payments | 10,490.6 | 6.6 | 22.6 | 10,490.6 | 7.0 | 23.5 |
| Subsidies | 50.0 | 0.0 | 0.1 | 50.0 | 0.0 | 0.1 |
| Grants to Other Government Units | 9,651.4 | 6.1 | 20.8 | 9,084.5 | 6.1 | 20.4 |
| Capital Expenditure | 6,676.9 | 4.2 | 14.4 | 5,667.9 | 3.8 | 12.7 |
| Social Benefits | 75.4 | 0.0 | 0.2 | 75.4 | 0.1 | 0.2 |
| Arrears Clearance and Tax Refunds | 2,940.6 | 1.9 | 6.3 | 2,940.6 | 2.0 | 6.6 |

Source: Ministry of Finance

Overall Budget Balance and Financing for 2016

172. Mr. Speaker, based on the revenue and expenditure estimates, the 2016 budget will result in an overall budget deficit of GH¢8,407.7 million, equivalent to 5.3 percent of GDP.
173. Financing of the deficit will be from both domestic and foreign sources. Net Domestic Financing is estimated at GH¢5,441.2 million, equivalent to 3.4 percent of GDP, and financing from foreign sources are estimated at GH¢3,398.9 million, equivalent to 2.1 percent of GDP. An amount of GH¢432.4 million, equivalent to 0.3 percent of GDP is estimated to be saved in the Ghana Petroleum Funds, the Sinking Fund and the Contingency Fund.

Table 22: Summary of Financing of the 2016 Budget Deficit

| Item | Including oil | | | Excluding oil | | |
|-------------------------------|-----------------|-------------|----------------------|-----------------|-------------|----------------------|
| | Amount (GHc M) | % of GDP | % of Total Financing | Amount (GHcM) | % of GDP | % of Total Financing |
| Overall Fiscal Balance | -8,407.7 | -5.3 | | -8,537.4 | -5.7 | |
| Total Financing | 8,407.7 | 5.3 | 100.0 | 8,537.4 | 5.7 | 100.0 |
| Foreign | 3,398.9 | 2.1 | 40.4 | 3,398.9 | 2.3 | 39.8 |
| Domestic | 5,441.2 | 3.4 | 64.7 | 5,441.2 | 3.6 | 63.7 |
| Other | -432.4 | -0.3 | -5.1 | 0.0 | 0.0 | 0.0 |

Source: Ministry of Finance

PROJECTION OF 2016 PETROLEUM RECEIPTS

Benchmark Price

174. Mr. Speaker, in line with the PRMA, the 2016 Benchmark Revenue (BR) crude oil price is calculated as a 7-year moving average, the seven years comprising the four historical years immediately preceding the current financial year, the current financial year and the two years immediately following the current year. This resulted in a price of US\$86.0204 per barrel, down from US\$99.3760 per barrel. The BR price was estimated based on ICE Dated Brent prices from Bloomberg.
175. In line with the First Schedule of the PRMA, as amended, the BR price for gas is calculated as a 7-year moving average of the average well-head prices for domestic natural gas from all domestic Fields. For the medium term, this includes Jubilee associated gas (AG), TEN and SGN associated gas and non-associated gas (NAG). The well-head gas prices were determined as follows:
- Jubilee Field: Public Utilities Regulatory Commission (PURC)-determined price of US\$2.9/MMBtu for the first 200 bcf of gas, which is free to the State;
 - TEN Field: Based on the Petroleum Agreement (AG: US\$0.50/MMBtu; NAG: US\$3.0/MMBtu); and
 - SGN Field: Based on the Gas Sales Agreement (US\$9.80/MMBtu).
176. Mr. Speaker, given that Jubilee first gas was produced in November 2014 and, prices become effective only after production, there are no historical gas prices before 2014. The projected upstream gas price for 2016 is, therefore, maintained at US\$2.90/MMBtu for the Jubilee Field and US\$0.50/MMBtu for TEN associated gas in 2017.

177. The application of the 7-year moving average formula on average prices of gas in the three Fields gives a BR price of US\$2.60/MMBtu, US\$3.0433/MMBtu and US\$3.3389/MMBtu for 2016, 2017 and 2018, respectively. These prices, together with the production, form the basis for the determination of the gas BR.

Proposed Revision to the Benchmark Crude Oil Price

178. Mr. Speaker, concerns over slowing economic growth, especially, in emerging markets, crude oil supply glut, increases in global inventories, and the prospective impact of Iranian crude oil entering the market, are expected to keep crude oil prices relatively low, compared to the first half of 2014.
179. Brent crude price forecasts point to a range of US\$50 to US\$65 per barrel in 2016. The ICE/Bloomberg's forward curve, the source of Brent crude prices for the BR, quoted US\$53.06 per barrel on October 22, 2015, close to that of the IMF's WEO (US\$53.0482) for the month of October 2015. The United States Energy Information Agency projected a price of US\$58.00 per barrel on August 19, 2015, while Standard and Poor's quoted a projected price of US\$55.06 in the first week of October 2015. All point to the fact that the estimated 2016 BR price of US\$86.02 per barrel (using the formula set out in the First Schedule of the PRMA) will not be attained, necessitating a revision.
180. Section 17 of the Petroleum Revenue Management (Amendment) Act, 2015 (Act 893), allows the Minister for Finance to propose an alternative BR to Parliament when there is material evidence that the BR price and/or output (estimated based on the formula in the PRMA) may not be attained. Consequently, the Minister has adopted a crude oil price of US\$53.05 per barrel for 2016, in line with the forecasts by ICE/Bloomberg and the WEO, our traditional sources of Brent crude pricing data. The ensuing projected revenue using the BR price of US\$86.04 per barrel and the one using the price of US\$53.05 per barrel have been duly certified by an independent certifier, in line with the PRMA, as amended.
181. Brent crude oil price averaged US\$49.56 per barrel in the month of October 2015 and opened November at US\$48.79 per barrel. ICE/Bloomberg forecasts indicate a 2016Q1 price of about US\$50.61 per barrel, rising to US\$52.49 per barrel and further to US\$53.88 per barrel in 2016Q2 and 2016Q3, respectively.
182. Given that the first crude oil receipts for 2016 will be a carry-over from December 2015 at a price possibly below US\$50 per barrel and, prices are projected to be slow in picking up in 2016, the Ministry is of the view that a price of US\$53.05 per barrel is more reflective of petroleum revenue inflows in 2016, compared to the higher market forecasts.

Benchmark Output

183. Mr. Speaker, consistent with the PRMA, the 2016 BR crude oil output estimation is based on a 3-year average, being, 2014, 2015 and 2016. The 2016 BR output is thus estimated at 38.73 million barrels (106,115 bopd), up from the 2015 BR output of 37.24 million barrels (102,033 bopd).
184. Given that gas production began only in November 2014, the 2016 BR output projection for natural gas is based on an average of the 2015 and 2016. The BR gas output for 2016 is thus 26,319,270 MMBtu.

The 2016 Benchmark Revenue

185. Mr. Speaker, based on the MOF revised price, the total projected petroleum receipts for 2016 is **US\$502.10 million**, down from the original 7-year moving average BR price projected revenue of US\$969.57 million, giving a negative variance of US\$467.47 million, as shown in **Table 23**. The petroleum receipts of US\$502.10 million amount is expected to be contributed by Royalties (US\$111.72 million), Carried and Participating Interest (US\$293.03 million), Corporate Income Tax (US\$27.87 million), Surface Rentals (US\$1.05 million) and Gas Receipts (US\$68.43 million).

Table 23: Sources of Petroleum Revenue in 2016

| ITEM | Revised BR Price: | 7-Year Mov. Av. BR | VARIANCE |
|------------------------------------|-----------------------|-----------------------|-------------------------|
| | US\$53.05/bbl | Price: US\$86.02/bbl | US\$ |
| TOTAL PETROLEUM RECEIPTS | 502,099,200.85 | 969,571,650.22 | (467,472,449.37) |
| Royalties | 111,718,302.35 | 181,156,916.51 | (69,438,614.16) |
| o/w Jubilee Royalties | 98,239,964.23 | 159,301,104.86 | (61,061,140.63) |
| o/w TEN Royalties | 13,478,338.12 | 21,855,811.65 | (8,377,473.53) |
| o/w Sankofa-Gye Nyame Royalties | - | - | - |
| Carried and Participating Interest | 293,027,540.72 | 475,159,079.68 | (182,131,538.96) |
| Corporate Income Tax | 27,871,978.53 | 243,774,274.79 | (215,902,296.26) |
| Surface Rentals | 1,051,277.25 | 1,051,277.25 | - |
| Gas Receipts | 68,430,102.00 | 68,430,102.00 | - |

Source: Ministry of Finance

186. Of the projected petroleum revenue for 2016, GNPC is allocated US\$141.74 million for its Equity Financing Cost (US\$76.90 million) and its share of the net Carried and Participating Interest (US\$64.84 million). This brings the Benchmark Revenue to US\$360.36 million (down from US\$541.24 million based on the BR price of US\$86.02 per barrel) to be distributed between the Annual Budget Funding Amount (US\$252.25 million) and the Ghana Petroleum Funds (US\$108.11 million). The Ghana Stabilisation Fund is expected to receive US\$75.68 million, while the Ghana Heritage Fund receives US\$32.43 million, as shown in **Table 24**.

Table 24: Distribution of Petroleum Receipts in 2016

| ITEM | Revised BR Price: | 7-Year Mov. Av. BR | VARIANCE |
|---|-----------------------|-----------------------|-------------------------|
| | US\$53.05/bbl | Price: US\$86.02/bbl | US\$ |
| ALLOCATION OF PETROLEUM RECEIPTS | 502,099,200.85 | 969,571,650.22 | (467,472,449.37) |
| Transfer to National Oil Company (NOC) | 141,738,109.91 | 196,377,571.60 | (54,639,461.69) |
| o/w Equity Financing | 76,899,782.42 | 76,899,782.42 | - |
| o/w 30% share of Net Carried & Participating Interest | 64,838,327.49 | 119,477,789.18 | (54,639,461.69) |
| Benchmark Revenue (BR) | 360,361,090.94 | 773,194,078.62 | (412,832,987.68) |
| o/w Annual Budget Funding Amount | 252,252,763.66 | 541,235,855.03 | (288,983,091.38) |
| o/w Transfer to the Ghana Petroleum Funds | 108,108,327.28 | 231,958,223.59 | (123,849,896.30) |
| o/w Ghana Stabilisation Fund | 75,675,829.10 | 162,370,756.51 | (86,694,927.41) |
| o/w Ghana Heritage Fund | 32,432,498.18 | 69,587,467.08 | (37,154,968.89) |

Source: Ministry of Finance

187. Of the amount allocated to the ABFA, GH¢587.60 million will be spent on Road and Other Infrastructure, with a projected amount of GH¢176.58 million (i.e. 25% of 70% of ABFA) for GIIF. Agriculture Modernisation is expected to receive GH¢284.45 million and Capacity Building (including Oil and Gas) is allocated GH¢136.96 million, as shown in **Table 25**. Per the PRMA, as amended, the Public Interest and Accountability Committee's budget is netted off the entire ABFA amount. This comes to GH¢0.97 million.
188. Mr. Speaker, there is no allocation for Expenditure and Amortisation of Loans for Oil and Gas Infrastructure given that the Ghana National Gas Company Limited is fully operational and is expected to take over the amortisation of the CDB loan. Details of the use of the 2016 ABFA are shown in **Appendix 7**.

Table 25: Allocation of ABFA to the Four Priority Areas in 2016

| S/N | Priority Area | Amount (GH¢) |
|----------|--|-------------------------|
| 1 | Expenditure and Amortisation of Loans for Oil and Gas Infrastructure | - |
| 2 | Road and Other Infrastructure | 587,604,967.00 |
| | o/w Ghana Infrastructure Investment Fund | 176,576,935.00 |
| 3 | Agriculture Modernization | 284,450,130.00 |
| 4 | Capacity Building (including Oil and Gas) | 136,955,958.00 |
| | o/w Public Interest and Accountability Committee | 967,774.00 |
| 5 | Total | 1,009,011,055.00 |

Source: Ministry of Finance

Medium Term Prices

189. The 7-year moving average BR crude oil prices for 2017 and 2018 are projected to be US\$79.2207 and US\$72.5302 per barrel, respectively. However, market

forecasts suggest that these prices may not be attained. Therefore, the Ministry has adopted the WEO prices of US\$58.42 per barrel and US\$62.54 per barrel for 2017 and 2018, respectively. Similarly, the BR prices for gas in 2017 and 2018 have been maintained at US\$3.0433/MMBtu and US\$3.3389/MMBtu, respectively.

Medium Term Output

190. The 2017 and 2018 BR outputs are 47,147,479 (129,171 bopd) and 58,648,020 (160,680 bopd) barrels, respectively. In addition to Jubilee Field output, the 2016 projection includes a projected output from the TEN Field, while the 2017 output includes projected volumes for both the TEN and SGN Fields.
191. Gas output is projected to increase from the 2016 BR of 26,664 MMScf to 34,980 MMScf in 2017 and further to 35,640 MMScf in 2018.

Medium Term Benchmark Revenue

192. In the medium term, petroleum receipts are expected to rise from US\$502.10 million in 2016 to US\$960.73 million in 2017 and further to US\$1,330.02 million in 2018, as shown in **Table 26**.

Table 26: Medium Term Petroleum Receipts

| ITEM | 2016 | 2017 | 2017 |
|------------------------------------|-----------------------|-----------------------|-------------------------|
| | US\$ | | |
| TOTAL PETROLEUM RECEIPTS | 502,099,200.85 | 960,731,001.54 | 1,330,015,949.40 |
| Royalties | 111,718,302.35 | 164,357,494.18 | 213,365,127.38 |
| o/w Jubilee Royalties | 98,239,964.23 | 110,024,825.17 | 120,491,461.17 |
| o/w TEN Royalties | 13,478,338.12 | 37,274,087.40 | 47,905,717.31 |
| o/w Sankofa-Gye Nyame Royalties | - | 17,058,581.60 | 44,967,948.90 |
| Carried and Participating Interest | 293,027,540.72 | 422,094,388.34 | 529,758,389.09 |
| Corporate Income Tax | 27,871,978.53 | 278,820,208.75 | 419,315,231.07 |
| Surface Rentals | 1,051,277.25 | 1,017,776.38 | 1,017,776.38 |
| Gas Receipts | 68,430,102.00 | 94,441,133.89 | 166,559,425.48 |

Source: MOF

193. The BR for 2017 and 2018 are estimated at US\$774.20 million and US\$1,124.92 million, respectively, as shown in **Table 27**.

Table 27: Allocation of Petroleum Receipts

| ITEM | 2016 | 2017 | 2018 |
|---|-----------------------|-----------------------|-------------------------|
| | US\$ | | |
| ALLOCATION OF PETROLEUM RECEIPTS | 502,099,200.85 | 960,731,001.54 | 1,330,015,949.40 |
| Transfer to National Oil Company (NOC) | 141,738,109.91 | 186,527,161.59 | 205,096,042.07 |
| o/w Equity Financing | 76,899,782.42 | 85,569,778.70 | 65,955,036.21 |
| o/w 30% share of Net Carried & Participating Interest | 64,838,327.49 | 100,957,382.89 | 139,141,005.87 |
| Benchmark Revenue (BR) | 360,361,090.94 | 774,203,839.95 | 1,124,919,907.33 |
| o/w Annual Budget Funding Amount | 252,252,763.66 | 541,942,687.96 | 787,443,935.13 |
| o/w Transfer to the Ghana Petroleum Funds | 108,108,327.28 | 232,261,151.98 | 337,475,972.20 |
| o/w Ghana Stabilisation Fund | 75,675,829.10 | 162,582,806.39 | 236,233,180.54 |
| o/w Ghana Heritage Fund | 32,432,498.18 | 69,678,345.60 | 101,242,791.66 |

Source: Ministry of Finance

Cap on the Ghana Stabilisation Fund

194. Mr. Speaker, the Government would like to reiterate its commitment to leveraging the Ghana Stabilisation Fund in its new debt management strategy, while building the Fund to mitigate unanticipated petroleum revenue shortfalls. To this end, Government proposes to maintain the moving cap concept to cater for this twin objective.
195. The mid-year review to the 2015 Budget reduced the cap on the GSF to US\$150 million, down from US\$300 million. However, with the transfer of US\$23.76 million of the excess amount over the US\$150 million in October 2015, the cap is now at US\$173.76 million.
196. Government proposes to set the GSF cap at US\$200 million in 2016, while maintaining the moving cap concept, with the aim to growing the GSF to US\$400 million in the medium term. The excess amount over the cap will be treated as follows:
- 50 percent will be sent into the Sinking Fund;
 - 25 percent will be sent into the Contingency Fund; and
 - the remaining 25 percent will be deposited back into the GSF.
197. When the cap reaches US\$400 million (i.e. the initial cap of US\$200 million and the incremental inflows from the 25 percent to the GSF), the GSF will be capped at US\$400 million and the excess will be treated as follows:
- 75 percent will be sent into the Sinking Fund; and
 - 25 percent will be sent into the Contingency Fund,

PUBLIC DEBT

Debt Management Outlook 2016

198. The debt management strategy for the medium term (2016-2018) aims to support fiscal consolidation and monetary tightening through a financing mix that minimizes cost while taking due account of the risks.
199. In the past financing had not fully reflected a comprehensive debt management strategy. Going forward, the debt management strategy will fully inform financing choices. Government will incorporate domestic interest rate and refinancing risks in its debt management strategy.
200. The strategy for external debt will continue to maximize concessional borrowing, while limiting non-concessional borrowing to commercially viable projects.
201. To ease domestic financing constraint over the medium term, the government is implementing reforms to deepen the domestic debt market. The auction calendar has been calibrated to ensure consistency with the MTDS, with the frequency of the 1-year and 2-year notes reduced to promote active secondary market trading of these instruments.
202. Benchmark securities will be introduced to improve the liquidity of the securities in the secondary market and facilitate price discovery. To this end, benchmark securities will be issued to refinance fragmented maturing securities.
203. Refinancing risk will be managed ahead of time through liability management transactions including switches, buyback and reverse-auctions in line with international best practices.
204. Fiscal consolidation measures, combined with a more ambitious medium-term adjustment and measures to smooth out principal repayments including the Sinking Fund would greatly reduce the risk of further worsening debt and debt-service indicators. Any sizable deviation from the fiscal consolidation programme would stall the projected decline in the public debt path and increase further public debt vulnerabilities.

SECTION FIVE: SECTORAL PERFORMANCE AND OUTLOOK

205. Mr. Speaker, Government is in the third year of the implementation of the Ghana Shared Growth and Development Agenda 2014 – 2017 (GSGDA) II which provides the policy framework for our national development programme. In spite of major challenges faced by the economy at the initial stages of implementation, there have been significant progress so far. We are however resolved and optimistic that we will achieve most of the critical targets outlined in the GSGDA II. The seven thematic areas upon which the 2016 budget is anchored are:
- Ensuring and sustaining macroeconomic stability,
 - Enhancing competitiveness of Ghana's private sector
 - Accelerated agriculture modernization and sustainable natural resource management
 - Oil and gas development
 - Infrastructure and human settlements development
 - Human Development, Productivity and Employment
 - Transparent, Responsive and Accountable Governance
206. In 2015, Government initiated a sizeable number of infrastructure projects in the quest to facilitate the necessary economic activity for the expansion of the economy and job creation. For instance, major road constructions were embarked upon to open up the country to facilitate trade and the movement of people.
207. Significant investments were also made in the power sector to address the perennial power and energy challenges. In addition, efforts were made to address structural weaknesses in the management of public resources especially related to payroll management to improve the efficiency of the use of public funds.
208. In pursuit of our commitment to reduce vulnerabilities, social and economic exclusion among our very poor people, our flagship social intervention programme, the LEAP was expanded to cover over 150,000 households. We believe that we are making progress in implementing the necessary interventions that will enable us achieve our transformational Agenda as stated in our 2015 budget.
209. Specifically for 2016, Government priorities which are reflected in our expenditure plans are to:
- hold a peaceful, free, fair and transparent elections;
 - resolve the energy crises;
 - continue and complete key infrastructure projects in the roads, education and rail sectors;

- provide critical social protection programmes; and
- continue with the implementation of measures that will lead to improved public financial management and service delivery.

ADMINISTRATION SECTOR

OFFICE OF GOVERNMENT MACHINERY

210. The Office exists to provide accountable, transparent, managerial, technical and administrative services to the Presidency and other stakeholders for the attainment of government's development agenda of improving the quality of life of Ghanaians.

Performance in 2015 and Outlook for 2016

Institutional Development Programme

211. Mr. Speaker, the Public Sector Reform Secretariat facilitated the implementation of measures to improve service delivery in MDAs and MMDAs in line with international charters and protocols and reviewed the status of the public sector reform programme. The Secretariat also continued the implementation of the Subvented Agencies (SAs) Reform Programme.
212. A Monitoring and Evaluation Framework for public sector reforms was established. In addition, the Secretariat reviewed the mandates, functions and terms of reference of Central Management Agencies (CMAs) to remove structural inconsistencies and ensure institutional efficiency.
213. Mr. Speaker, the National Population Council in collaboration with Non-Governmental Organizations (NGOs) as well as Development Partners (DPs) reviewed the 1994 National Population Policy and the 2000 Adolescent Reproductive Health (ARH) Policy. The Council also initiated the development of an operational plan to guide the implementation of the ARH Policy.
214. The Council together with the Ghana Health Service (GHS) developed a Costed Implementation Plan (CIP) that harmonizes the various family planning strategies over the next five years. To establish the linkage between population, reproductive health and sustained socio-economic development, the Council developed an evidence-based multimedia presentation titled "Ghana on the Rise". It aims at repositioning family planning as an essential strategy to achieve national developmental goals.

Security and Safety Management Programme

215. Mr. Speaker, the Bureau of National Investigation (BNI) continued its core mandate of forwarding processed information to the National Security Council (NSC) and other agencies. The Executive, VIPs, general public and other key installations were also protected leading to the reduction of subversion, espionage, drug trafficking and organized crime.

Investment Promotion and Management Programme

216. Mr. Speaker, the Microfinance and Small Loans Centre (MASLOC) disbursed 362 personal loans and 5,192 group loans whilst five companies benefited from its on-lending activities and hired out 20 new vehicles and 965 tricycles. It also monitored 649 group and 181 personal loans beneficiaries. The activities of the Centre led to the creation of 985 new jobs.
217. The State Enterprise Commission (SEC) supervised the signing of 29 contracts by State Owned Enterprises (SOEs) with four paying dividend. The Commission held four workshops on Corporate Governance, trained 20 staff in relevant courses, updated four databases and monitored and evaluated 29 SOEs.

Regulatory Services Programme

218. Mr. Speaker, the Internal Audit Agency reviewed documentary evidence of mainstreaming Enterprise Risk Management (ERM) into their operations. A total of 107 institutions were surveyed resulting in the establishment of a database for future training. In addition, the Agency trained 25 personnel in Risk-Based Internal Control, IT auditing and Report Writing whilst 23 were trained in revenue and expenditure controls, risk management and fraud assessment.
219. The Agency reviewed 518 Internal Audit Reports and, in collaboration with the Controller and Accountant General's Department (CAGD), conducted head counts of selected MDAs in the Greater Accra Region with 30,231 employees in 653 management units verified.

HIV and AIDS Management Programme

220. Mr. Speaker, the Ghana AIDS Commission ensured that HIV-Positive pregnant women received anti-retroviral medication to reduce the risk of mother to child transmission. The Commission also continued to support testing of people for HIV and distributed male and female condoms to the general population.

Regional Service Programme

221. Mr. Speaker, the Regional Coordinating Councils (RCC) continued to carry out their mandate to ensure peace, effective and efficient implementation of government policies and programmes. In collaboration with their respective Regional Security Councils (REGSEC), monthly and emergency meetings were held to deal with issues such as chieftaincy disputes, chain saw lumbering, armed robbery and the menace of Fulani herdsmen. In 2016, the RCCs will continue to carry out their mandate under the Local Government Service.
222. For the implementation of the above programmes and activities, an amount of GH¢718,854,911.00 has been allocated. Out of this, GH¢714,836,341.00 is GoG and GH¢4,018,570.00 is IGF.

OFFICE OF THE HEAD OF THE CIVIL SERVICE

223. The Office, as a Central Management Agency, has the distinct mandate to provide the requisite leadership, manage the human resources and promote the organizational development of the Civil Service to enable it respond positively to the needs and aspirations of all its stakeholders.

Performance in 2015 and Outlook for 2016

Institutional Development Programme

224. Mr. Speaker, as part of efforts to improve efficiency and effectiveness in the delivery of public services, Annual Performance Agreements are signed with all Chief Directors to provide the Head of the Service with a broad view of their performance in terms of the administration and management of their respective Sector Ministries. An evaluation exercise was conducted on the performance of 26 Chief Directors who signed agreements in 2014 and a report submitted to the Office of the President. The 2015 Performance Agreements were signed with 27 Chief Directors.
225. The Head of Service spearheaded the signing of 204 Performance Agreements between Chief Directors and their key officers, and rolled out the new Staff Performance Appraisal Instrument to all Ministries to facilitate the achievement of sector goals. In addition, the 2014 edition of the Annual Performance Report (APR) was prepared and 200 copies distributed to the Office of the President, MDAs and other key stakeholders.
226. Mr. Speaker, in line with the training and development policy of the Ghana Civil Service, orientation programmes were organised for 120 newly appointed officers whilst 843 civil servants were trained at the OHCS Training Schools. The Service is also implementing a number of measures to streamline and infuse greater efficiency into the running of the Civil Service Training Institutions, to reposition them to deliver customised and job-related training in a timely and affordable manner to all civil servants.
227. Mr. Speaker, in 2016, the Service will continue to pursue organisational development and restructuring, human resource management, training and capacity development of civil servants, performance management system, and production of the Civil Service Annual Performance Report.
228. In addition, the Service will coordinate the 13th Forum of Commonwealth African Heads of Public Service to be hosted in Ghana. The forum provides a platform to dialogue, network, share knowledge and experiences on good practices and contemporary issues in public sector management.

229. Mr. Speaker, the Management Services Department (MSD) supported the restructuring of seven MDAs, revised organizational manuals for nine MDAs and developed schemes of service for six institutions to promote efficiency and effectiveness in the delivery of their mandates.
230. The Public Records and Archives Department (PRAAD) restructured five records centres, decongested three records offices in MDAs and provided training for 80 officers of the Records Class to enhance effective records management.
231. Mr. Speaker, in 2016, PRAAD will restructure 13 records management systems, decongest 10 records offices in MDAs and train 100 records staff of the various MDAs and MMDAs. In addition, the Department will embark on sensitization programmes in good recordkeeping in selected RCCs and MMDAs.
232. Mr. Speaker, the Procurement and Supply Chain Management Department (PSCMD) trained 30 officers in procurement planning to provide relevant contemporary professional development and facilitate the adherence to ethical standards in procurement and supply chain management.
233. In 2016, the PSCMD will develop and launch three strategic handbooks on procurement and supply chain management. This will harmonize and guide operations of Procurement and Supply Chain Officers in MDAs to ensure consistency. MDAs will be monitored to ensure compliance with the Procurement Law and Financial Administration Regulations. The Department will also commence the placement of tenders on the electronic procurement platform with the aim of increasing transparency and effectiveness of the contract management process.
234. For the implementation of the above programmes and activities, an amount of GH¢10,399,524.00 has been allocated. Out of this, GH¢8,932,801.00 is GoG and GH¢1,466,723.00 is IGF.

PARLIAMENT OF GHANA

Performance in 2015 and Outlook for 2016

Parliamentary Business Programme

235. Mr. Speaker, Parliament continued to discharge its mandate through Plenary and Committee Sittings to consider and approve legislative proposals. In this regard, the House held a total of 43 Plenary Sittings, 118 Committee Sittings and considered 117 Papers presented to the House for consideration and approval.

236. Mr. Speaker, The Public Accounts Committee conducted seven public sittings to consider and report on Auditor-General's Reports and made a total of 13 recommendations involving retrieval of misappropriated public funds in line with Parliament's oversight role on the use of state resources. The Government Assurances Committee also held two public sittings for the first time to follow up on assurances made by Ministers of State on the Floor of Parliament.
237. Mr. Speaker, 110 Parliamentary Questions and 18 Statements were admitted. Committees of Parliament also undertook a total of 12 monitoring visits to assess the progress of implementation of selected projects approved in sector budgets.
238. In 2016, Parliament will continue to strengthen the capacity of MPs to effectively scrutinise policy proposals; widen public engagement in legislation; improve representation for effective public understanding of Parliamentary business; and adequately monitor the implementation of national policies as well as exercise effective oversight over the implementation of programmes and projects approved in the budget. Parliamentary Service will also improve on processes and procedures for effective service delivery.
239. Mr. Speaker, the Public Accounts and Government Assurances Committees will continue to conduct public sittings to consider the Auditor General's Report and Ministerial Assurances respectively, as well as host dedicated websites that will provide the public access to reports on actions taken on their recommendations.
240. With the refurbishment and inauguration of the Job 600 facility, Mr. Speaker, Members of Parliament were provided with offices and secretariats to facilitate their work. The facility also provides for committee meeting rooms, restaurants, an auditorium, banking services and Members' Services Centre which will be a one-stop-shop facility to provide information and other services to Members.
241. Mr. Speaker, as part of the implementation of the National Anti-Corruption Action Plan (NACAP), a Parliamentary Committee will be established to follow up on recommendations of Public Accounts Committee (PAC), ensure the passage of the Conduct for Public Officers and the Right to Information Bills as well as conclude the Code of Ethics for MPs.
242. The Table Office will install ICT applications for the dissemination of information to the public as well as design and operationalize electronic transmission of the Order Paper, Votes and Proceedings, Business Statements, Agenda, Standing Orders, the Constitution, Interpretation Act and other relevant enactments for access by Members in the Chamber and their offices in real time.

243. Mr. Speaker, Parliament will also develop a Web-Based GIS database application for effective monitoring of the implementation of projects specified in the annual budgets through timely delivery of spatial data for evidence based oversight.
244. Mr. Speaker, in 2016, the Office of Scrutiny will be established to provide expert analysis of policy measures including bills, budgets, loan agreements and international financial transactions brought before the House for approval. In addition, the second phase of implementation of the Parliamentary Training Institute will be completed to provide continuing education, training and development of MPs and staff. The Institute will also serve as a Regional Centre for providing training in Parliamentary practice, procedures, ethos, and research into parliamentary democracy for local and regional participants.
245. For the implementation of the above programmes and activities, an amount of GH¢255,885,717.00 has been allocated from GoG.

AUDIT SERVICE

246. The Service is responsible for promoting good governance and protecting the tax payer's interest through the audit function that ensures accountability whilst demanding propriety on the part of public officials in line with Article 35 (8) of the Constitution.

Performance in 2015 and Outlook for 2016

Audit Operations Programme

247. Mr. Speaker, the Service conducted 1,690 audits representing 52 percent of planned audits of 3,250. This included 1,182 MDAs, 103 MMDAs, 357 educational institutions, 95 public boards and corporations, and five Special and IT audits. As part of measures to clean up the payroll data, out of a total of 47,186 employees whose salaries were suspended by the Controller and Accountant-General's Department (CAGD), 44,496 employees were restored onto the payroll after verification by the Service. Names of the remaining 2,690 employees who did not present themselves for validation have been forwarded to the investigative bodies for further investigation and necessary action.
248. Mr. Speaker, in 2016, the Service will continue with its regular audit of 3,335 audit entities which include MDA's, MMDA's, Pre-University Educational Institutions as well as Special Audits. The Service will also conduct audits in the areas of procurement and contract administration, GSGDA programmes, MDBS, DDF, Urban Development Grant, Food Security, GIFMIS, IPPD; revenue management including the proceeds of taxation, grants as well as oil and gas exploration. In addition, the Service will conduct Performance Audits on physical

infrastructure projects, loans, advances and public debt, capitation grant and school feeding programme, as well as performance of international audit assignments.

249. For the implementation of the above programmes and activities, an amount of GH¢140,611,756.00 has been allocated from GoG.

PUBLIC SERVICES COMMISSION

250. The Commission is the central management and governance agency responsible for effective and efficient human resource management of the Public Services of Ghana. Its responsibilities impact the country's public administration system, especially in the areas of human resource management, and transparent and accountable governance.

Performance in 2015 and Outlook for 2016

Human Resource Management Programme

251. Mr. Speaker, as part of the implementation of the reform programme aimed at improving human resource management and development in the public service, the Commission developed a Human Resource Policy Framework and Manual which was approved by Cabinet and more than 800 copies distributed to public service organisations.
252. The Commission will fully roll out the implementation of the comprehensive Human Resource Management Policy Framework and Manual across the public services by undertaking training and sensitisations for MDAs in 2016.
253. Mr. Speaker, the Commission organized a training of trainers' course in the new Performance Management System for 471 HRM Directors, Managers and staff from 10 agencies to enable them train other staff of their respective organisations in the use of the system.
254. In 2016, the Commission will continue its training programme on the Performance Management System for MDAs to improve performance and productivity in the Public Service.
255. Mr. Speaker, as part of the processes to establish a robust Human Resource Management Information System (HRMIS), data of eight out of the nine piloted MDAs were collected and are being validated for capturing onto the HRMIS. The system set-up was completed and is currently being used to generate positions and position hierarchy for pilot MDAs whose data are complete.

256. Mr. Speaker, a number of capacity building programmes were organised for the HRMIS functional and technical teams of the Commission. User Acceptance Test (UAT) for the three HR functionalities, namely Establishment Management, Employee Profile and Employee Cost Management, were also carried out. The UAT for the payroll is about 90 percent complete. In 2016, it is envisaged that all MDAs on the Controller and Accountant-General's Department payroll will be rolled onto the system.
257. Mr. Speaker, the Commission began a process to produce the maiden edition of the State of the Public Service Report (SoPSR) which will provide evidence-based and comprehensive information on the state of the Ghana Public Service to the Government and other relevant stakeholders. In 2016, the Commission will continue with the production of the State of the Public Service Report.
258. Mr. Speaker, the guidelines for the Human Resource Audit was developed and 35 selected public servants were trained. A Technical Committee with membership from PSC, MOF, CAGD, IAA, FWSC and OHCS was constituted to guide the implementation of the HRMIS Project. The second phase of the Project, which will cover the rest of the public service organizations will commence in 2016.
259. For the implementation of the above programmes and activities, an amount of GH¢2,250,099.00 has been allocated. Out of this, GH¢2,234,389.00 is GoG and GH¢15,710.00 is IGF.

ELECTORAL COMMISSION

260. The Commission is set up to organize and supervise all public elections and referenda and advance the course of democracy and good governance through institutionalizing free, fair and transparent elections.

Performance in 2015 and Outlook for 2016

Electoral Services Programme

261. Mr. Speaker, the Commission conducted the District Assembly and Unit Committee elections in all 216 MMDAs as well as one by-election in Talensi, using the two Biometric Verification Devices (BVDs) per polling station policy.
262. The Commission continued to expand and maintain its VSAT (Very Small Aperture Terminal) Wide Area Network nationwide in preparation towards the Continuous Voters Registration exercise. The expansion of this VSAT equipment has significantly enhanced the Commission's Voter Management System.

263. Mr. Speaker, in 2016, the Commission will conduct the presidential and parliamentary elections in all 275 constituencies. To ensure better voter management, additional polling stations will be created to ensure that voters per polling station do not exceed 850. In addition, the Biometric Voters' Register will be expanded to include persons who qualify to be registered in accordance with the law and the public sensitized on the electoral process.
264. Following complaints from some stakeholders on the quality of the voters register, the Commission will take the requisite steps to ensure a credible register prior to the general elections. In addition, the Commission will fully enforce the Political Parties Law to ensure compliance with all provisions in the law especially the submission of audited accounts and maintaining the requisite number of offices nationwide.
265. For the implementation of the above programmes and activities, an amount of GH¢826,897,772.00 has been allocated. Out of this, GH¢822,897,500.00 is GoG and GH¢4,000,272.00 is from Development Partners.

MINISTRY OF FOREIGN AFFAIRS AND REGIONAL INTEGRATION

266. The Ministry is the principal organ of the State responsible for the initiation, formulation, co-ordination and implementation of Ghana's Foreign Policy.

Performance in 2015 and Outlook for 2016

International Cooperation Programme

267. Mr. Speaker, the Ministry facilitated Ghana's participation in the ECOWAS meetings aimed at promoting peace and stability to accelerate economic integration of the sub-region. The Ministry also registered 21 Ghanaian Companies and 50 Products under the ECOWAS Trade Liberalization Scheme (ETLS) and continued to sensitize the public on ECOWAS protocols and decisions. Consultations between the ECOWAS national focal point, stakeholder MDAs and the private sector is to address bottlenecks to the free movement of goods and services within the sub-region.
268. Mr. Speaker, in 2016, the Ministry will continue to promote peace and stability to accelerate the economic integration of the sub-region to enhance the free movement of goods and services as well as organise public sensitisation programmes in the three northern regions on ECOWAS protocols and decisions.
269. The Ministry continued to coordinate the activities of various national stakeholders in the drafting of the pleadings for the merits stage of the on-going

arbitration towards an amicable resolution of the maritime boundary dispute between Ghana and Cote d'Ivoire.

270. Mr. Speaker, Ghana was nominated alongside Algeria, Angola, Cameroon and Rwanda to serve on the Ministerial Committee of the Agenda 2063 to produce the Agenda 2063 Framework Document. The Framework and its popular version "The Africa We Want" was adopted by the 24th Ordinary Session of the AU Assembly of Heads of State and Governments held in Addis Ababa. The Ministry is coordinating efforts among key stakeholders to domesticate the First Ten Year Implementation Plan of the Framework.
271. The Ministry continued to facilitate trade and investment activities through its Missions abroad by organising trade and investment promotion activities. This resulted in the visit of a Japanese Trade and Investment delegation to Ghana with interest in a number of areas including Oil and Gas, Agriculture infrastructure, Energy, Infrastructure, ICT Industry/Solar Business, Telecommunication, Medicare/Cosmetics, General Insurance and Transport. In 2016, the Ministry and its Missions will continue to showcase Ghana abroad as a preferred destination for tourism and investment activities in West Africa.
272. The Ministry and its Missions abroad provided Consular services including assistance in repatriation, provision of passports, visa processing and registration and welfare of Ghanaians as well as solicited for scholarships from India, Israel, China, South Korea, and Russia, among others for the development of the country's human resources.
273. Mr. Speaker, in 2016, the Ministry will continue to promote and protect the welfare of Ghanaians abroad and provide consular services, negotiate migration partnership agreements with destination countries and mobilize Ghanaian communities abroad to participate in national development.
274. In line with the Diaspora Engagement Policy, the Ministry initiated a diaspora community survey to obtain reliable data and information on the size and characteristics of the Ghanaian diaspora to assist in national development planning.
275. In 2016, the Ministry will increase the level of engagement with the Ghanaian Diaspora by organizing a Home Coming Summit, coordinate comprehensive data collection from its Missions abroad, and review migration and Diaspora Policies of destination countries such as UK, USA, Germany, the Netherlands, Italy, Belgium, Canada, Nigeria, South Africa, Kenya, Japan and China.

Passport Administration Programme

276. Mr. Speaker, the Passport Office printed 115,177 passports including a backlog of 30,000 passports from 2014 and installed two new printers each with the capacity of printing a minimum of 1,000 passports a day to improve the delivery of passport services.
277. In order, to reduce the number of people converging at the Passport Application Centres especially in Accra and to facilitate passport acquisition by Ghanaians, the Ministry initiated a programme to roll out an on-line passport application process.
278. Mr. Speaker, to facilitate the standardization of Ghana's passport regime, the Ministry granted approval for selected Ghana Missions abroad to procure the relevant equipment for the processing and issuing of biometric passports. The Abuja/Lagos, Beijing, Berlin and Rome Missions are already equipped whilst the process to equip the London, New York and Washington Missions is on-going.
279. In 2016, the processing and issuing of biometric passports will be extended to Ghanaian Missions in Pretoria, Brussels, Madrid, Moscow, Paris, The Hague and Toronto.
280. For the implementation of the above programmes and activities, an amount of GH¢300,893,183.00 has been allocated. Out of this, GH¢234,085,340.00 is GoG and GH¢66,807,843.00 is IGF.

MINISTRY OF FINANCE

281. The Ministry exists to ensure macroeconomic stability for the promotion of sustainable economic growth and development through the formulation and implementation of sound financial, fiscal and monetary policies.

Performance in 2015 and Outlook for 2016

Economic Policy Management Programme

282. The Ministry in collaboration with the Institute of Statistical, Social and Economic Research (ISSER) and the Overseas Development Institute (ODI) carried out a climate change public expenditure and institutional review.
283. A National Designated Authority (NDA) Technical Advisory Committee was constituted to facilitate effective engagement with the Green Climate Fund (GCF) and to advise the NDA on country policies, programmes and projects vis-a-vis the operations of the Fund.

284. Mr. Speaker, in 2016, the Ministry in collaboration with Ministry of Environment, Science, Technology and Innovation (MESTI) and other relevant stakeholders will implement measures to position Ghana in readiness to access global climate funds specifically the Green Climate Fund to undertake low emission and climate resilient programmes and projects.
285. A survey was conducted on the impact of the decline in Gold price on the economy, particularly on Government Revenue and Employment and also suggested measures to manage such impacts. In 2016, the Ministry will conduct a survey on the effect of the power outages on the Small and Medium Scale Enterprises in some selected regions.
286. Mr. Speaker, to eradicate extreme poverty and hunger and to achieve universal primary education, the Ministry undertook an evaluation on the impact of the Ghana School Feeding Programme, from its inception till the year 2015 in 50 selected districts. The findings revealed that the Ghana School Feeding Programme has significantly increased enrolment, especially girl child enrolment and overall performance in beneficiary schools, despite its challenges.
287. In 2016, a planned evaluation of the Capitation Grant to ascertain whether the programme has succeeded in eliminating fees and charges, and improving the livelihood of beneficiary communities, and finally its impact on school enrolment and performance will be carried out.
288. Mr. Speaker, in addition, government will continue to work with all stakeholders in the agriculture and agribusiness sector to define relevant areas that require policy analysis and research to support decisions geared towards the growth and development of the agriculture sector. In this regard, the Ministry will carry out a research in agricultural financing and insurance and undertake public expenditure review of the agriculture sector.
289. Mr. Speaker, the Ministry developed a financial programming model for Ghana and conducted a number of training and capacity building programmes in financial programming for officers of the Bank of Ghana, Ghana Statistical Service, National Development Planning Commission and the Ministry of Finance. Two workshops were organized to finalize the Ghana Financial Programming Model, which will serve as an analytical tool for macroeconomic analysis and forecasting.
290. The Ministry with the support of other relevant stakeholders revised the macroeconomic framework for 2015 and also developed the 2016 framework.
291. Mr. Speaker, the Ministry initiated the 'Brown Bag' Policy Seminar Series to create a platform for policy makers and academia to interact and share ideas on topical

research publications and to promote evidence-based policy formulation as well as capacity building within the Ministry. Four seminars were held covering areas such as the Bank of Ghana inflation targeting regime, fiscal decentralisation, implications and lessons of the falling oil prices, and the Tax Incidence Analysis. The Ministry will continue the seminars in 2016.

292. To ensure effective implementation of government policies and programmes, the Ministry set up a technical team to track and monitor the status of implementation of these policies and programmes.
293. Mr. Speaker, the GSS focused on the implementation of the outstanding post 2010 Population and Housing Census activities; specifically, finalising the 2010 Census Gazetteer and updating and digitizing all the Enumeration Area (EA) maps of Ghana.
294. The Service produced a disaggregated consumption-based poverty estimates for the 216 districts and 29 sub-metropolitan areas in Ghana. This is referred to as the Ghana Poverty Mapping Report, 2015. In addition, the Service completed the data processing, analysis and report writing activities of the 2014 Ghana Demographic and Health Survey (GDHS) as well as, published and disseminated the main report and key findings of the GDHS during the year under review.
295. Mr. Speaker, the Service produced the main outputs of the Integrated Business Establishment Survey (IBES) Phase I which included a register of establishments in the country, a report on employment, job creation report and the summary report. Key activities relating to IBES Phase II, such as the sample design and selection of establishments, pilot survey, training of trainers' workshop, the main training of field personnel and commencement of field work were implemented.
296. Mr. Speaker, the Service also initiated the annual Labour Force Survey. Activities implemented were the development of survey instruments, sample design, pilot survey, training of field personnel and the commencement of the main field data collection exercise using Computer Assisted Personal Interviewing (CAPI) technique. Preparatory activities for the implementation of the Census of Agriculture were also carried out.
297. In 2016, the Service will commence the process of rebasing of the Consumer Price Index (CPI) by moving the current base year from 2012 to 2014 and the estimation of quarterly Gross Domestic Product (GDP) using the expenditure approach. Furthermore, the results of the 2014 Labour Force Survey will be published and the disaggregated consumption-based poverty estimates for the districts and sub-metropolitan areas will be updated. The Service will also use the Survey of Well-being via Instant Frequency Tracking (SWIFT) methodology to inform policy decision-making, planning, monitoring and evaluation of programmes.

298. Mr. Speaker, to facilitate the development and amendment of laws, regulations and codes of conduct for the financial sector, proposed suggestions for amendment on the draft Credit Union Regulations were forwarded to the Attorney-General's Department (A-G) for consideration and resubmission to Parliament.
299. The Securities Industry Bill was submitted to Parliament for consideration. The Stakeholder report on the new Insurance Bill and Regulations has also been submitted to the management of National Insurance Commission (NIC) for their review, and if acceptable, resubmit the Bill to the Ministry.
300. Mr. Speaker, the drafts of the Deposit Protection Bill as well as Banks and Specialized Deposit-Taking Institutions Bill (SDI) were submitted to Parliament for consideration. The Bank of Ghana developed proposals for the amendment of the Bank of Ghana Act, 2002, (Act 612) with the view to strengthening the operational independence of the central bank.
301. Mr. Speaker, the Ministry continued with the implementation of the recommendations of the five-year Financial Sector Strategic Plan phase II (FINSSP II) which began in 2012 and will come to an end in 2016. While the implementation of the FINSSP recommendations have contributed immensely to the stability and integration of our financial sector into the global financial system, government will evaluate the implementation of FINSSP II with a view to developing another financial sector strategy that will take into account the exigencies of the time and make our financial sector more responsive to the needs of the private sector.
302. In addition, it is expected that the National Financial Inclusion Strategy being developed will be completed for implementation. Similarly, the National Bond Market Committee II (NBMC II) will continue to monitor the implementation of the recommendations aimed at developing the Bond Market with particular focus on the Corporate Bonds.
303. The Securities and Exchange Commission (SEC) granted approval for the sale of 20,000,000 existing ordinary shares and subscribed 60,000,000 ordinary shares of no par value at GH¢0.05 per share on the Ghana Alternative Exchange (GAX). In addition, the Commission approved for issuing and listing of GH¢26,725,101 million notes under the GH¢100 million Note programme.
304. Mr. Speaker, the Financial Intelligence Centre launched and implemented the National Anti-Money Laundering and Combating Financial Terrorism (AML/CFT) Strategy and Action Plan, reviewed and consolidated the draft reports of the National Risk Assessment (NRA) Working Group. To strengthen the capacity of

financial regulatory bodies, a number of officers were trained on AML/CFT, Financial Investigation and promotion of Financial Inclusion. Also, an AML/CFT Policy/Guideline for Designated Non-Bank Financial Institutions (DNBFIs) and others were developed.

305. The Centre will establish, initiate and coordinate the operations of the Asset Management Office which will receive and take possession of restrained and abandoned assets and manage the assets including the power to transfer or dispose of the assets just as it pertains in many jurisdictions.

Revenue Mobilization and Management Programme

306. Mr. Speaker, the Ministry procured an aid management system: Ghana Development Cooperation Management Information System (Gh-DCMIS), which is expected to help capture aid information efficiently as well as support the management of DP funded projects and programmes.
307. The Ministry will roll out the system in 2016 and continue its engagement with DPs with the view to further deepening and enhancing development cooperation in the light of new and emerging financing sources. Engagement between the Government and the Development Partner Group (G-DPG) will be strengthened to ensure higher level participation in aid management dialogue.
308. Mr. Speaker, in 2016, the Ghana Development Corporation Policy will be revised to pave way for the development of guidelines for sourcing, allocation, utilisation and coordination of all DP funded projects and programmes. In addition, the Ministry will continue to pursue the Aid Effectiveness Agenda under the BUSAN Protocol to better coordinate and manage the principles of ownership, alignment, harmonization, managing for results, and mutual accountability.
309. Mr. Speaker, to improve the capacity of the public services for transparent, accountable, timely, efficient and effective performance and service delivery, the Ghana Capacity Development Mechanism (CDM) supported 19 public sector organizations in enhancing organizational and administrative frameworks; improving human resource management and development; increasing capacity for policy planning, budgeting, monitoring and evaluation; and strengthening communication systems. In 2016, CDM will expand their support to other public sector organizations.
310. As part of measures to improve NTR/IGF collections, accounting and reporting, the Ministry will deploy an electronic monitoring system dubbed e-monitor across regional and district collection points of a number of MDAs and interface the system with the Integrated Financial Management and Information System (IFMIS).

311. Mr. Speaker, the Ghana Revenue Authority also commenced the process of widening the tax net using Geographic Positioning Systems to map the location of unregistered taxpayers and to include them in the tax register. Businesses in the Greater Accra Region have been mapped.
312. As part of efforts to enhance revenue mobilisation, a special Task Force was instituted to deal with recalcitrant taxpayers. In addition, special tax audits of companies, re-registration and re-issuing of Tax Identification Numbers for existing taxpayers continued. In 2016, efforts to increase revenue through special tax audits of companies and the Rent Tax Task Force will be intensified.

Expenditure Management Programme

313. Mr. Speaker, pursuant to Regulations 152 and 153 of the Financial Administration Regulation, the Ministry developed and circulated the 2016-2018 Budget Preparation Calendar and Budget Guidelines to all MDAs and MMDAs as part of the budget development process.
314. Mr. Speaker, to enhance policy discussions and ensure alignment of MDA policies with the GSGDA II, this year's policy hearings were held separately from technical hearings. The Ministry collaborated with NDPC and organized hearings with various sectors to discuss development policies, eliminate duplication of efforts and also leverage knowledge as sector players. The Technical Hearings were later held to discuss issues in relation to the 2016-2018 Budget estimates of all MDAs.
315. Mr. Speaker, the 2015 Mid-year Review and Supplementary Budget was prepared and subsequently approved by Parliament. In addition, the maiden edition of the Annual Budget Performance Report of the 2014 financial year was prepared, published and distributed to key stakeholders to enhance budget transparency, monitoring and evaluation.
316. Mr. Speaker, to deepen participatory governance, stakeholder consultation meeting was also held with civil society organizations to solicit for inputs for consideration into the 2016 Budget Statement and Economic Policy.
317. Mr. Speaker, CAGD in 2013 introduced the Electronic Salary Payment Voucher (E-SPV) and E-Payslip as a major step in controlling payroll cost. The system is operational in eight regions. The roll out to the remaining two regions (Eastern and Volta Regions) will be completed by the end of the year. In 2016, the Department will undertake post implementation review and continuous monitoring and evaluation.
318. Mr. Speaker, the Department will replace the manual payroll input forms with an Electronic Input Forms which will be rolled out to CAGD Personnel Processing

Directorate (PPD) and all the Personnel and Processing Sections (PPS) at the MDAs and MMDAs. This will provide speedy processing of public servants entitlements, and reduce cost of printing the manual inputs forms as well as provide an improved audit trail.

319. Mr. Speaker, all MDAs and some MMDAs now process transactions financed from the Consolidated Fund through the GIFMIS. In 2016, the scope of the system will be expanded to cover the processing of transactions relating to other public funds such as Internally Generated Funds (IGFs), Statutory Funds, and Development Partner (DP) Funds. This expansion of the GIFMIS P2P process will contribute to the quest of government to ensure a comprehensive reportage on all public funds.
320. Mr. Speaker, to improve procurement activities of public entities, the Public Procurement Authority undertook a nationwide assessment of procurement activities of over 1,000 Public Entities in compliance with the provisions of the Public Procurement Act, 2003 (Act 663). In addition, the Authority developed detailed Contract Management Manuals for Goods, Works and Services. The Authority also continued its training programme aimed at building procurement capacity within the Public Service and the Private Sector.
321. Mr. Speaker, the Authority in collaboration with the Public Services Commission, Office of the Head of Civil Service and the Local Government Secretariat and other key stakeholders successfully developed a document for the implementation of the Scheme of Service for Procurement Practitioners which is critical for the establishment of the Procurement Units within the Public Sector. In addition, a Migration Criteria was developed for the migration of the staff of the Supply and Materials Management Class (SMMC) onto the established Procurement Class in close consultation with SMMC.
322. Mr. Speaker, the Authority will implement and review the Standard Tender Documents (STDs) which include framework agreement provisions as well as sustainability criteria to ensure cost savings through economies of scale and collaborative procurement.
323. In 2016, the Authority will continue the assessment of procurement activities of Procurement Entities to ensure compliance with the provisions of the Public Procurement Act, 2003 (Act 663) and is expected to cover about 1,300 Entities using an enhanced Public Procurement Model of Excellence (PPME) Tool.

Public Debt Management Programme

324. Mr. Speaker, government prepared and published the Medium Term Debt Management Strategy (MTDS) for the period 2015-2017. The objective is to lengthen the maturity profile of the entire debt portfolio and reduce refinancing

risks associated with rollover of maturing debt within a shorter period. In addition, government developed and published the issuance calendar, in a bid to promote transparency and improve active market participation in the domestic debt market.

325. Mr. Speaker, the 2-year Treasury note was opened to non-resident investors as part of the measures to reduce the issuance of short term instruments, particularly 91-day T-bills.
326. Mr. Speaker, the debt sustainability analysis conducted this year, reveals a high risk of debt distress as a result of increased coverage to include SOEs debt without recognizing their assets. The Ministry will continue the implementation of fiscal consolidation measures combined with a more ambitious medium-term adjustment to reduce the risk of further worsening debt and debt-service indicators.
327. Mr. Speaker, the Ministry will update and publish the Debt Sustainability Analysis (DSA) report and revise the Medium Term Debt Strategy (MTDS) document in 2016 to guide future borrowing. Recommendations from these reports will also serve as useful inputs into the budget statement and economic policy of government.
328. For the implementation of the above programmes and activities, an amount of GH¢272,417,782.00 has been allocated. Out of this, GH¢206,626,521.00 is GoG, GH¢14,775,826.00 is IGF and GH¢51,015,436.00 is from Development Partners.

MINISTRY OF LOCAL GOVERNMENT AND RURAL DEVELOPMENT

329. The Ministry exists to achieve a sustainable, equitable economic growth and poverty reduction through citizen participation and accelerated service at the local level within a decentralised environment.

Performance in 2015 and Outlook For 2016

Decentralization Programme

330. Mr. Speaker, the Ministry conducted the performance assessment of MMDAs and approved the results and allocation of 2013 funds under the Functional and Organisational Assessment Tool (FOAT). In 2016, the 9th FOAT assessment of the performance of the 216 MMDAs for 2015 will be conducted.
331. Mr. Speaker, the Ministry developed guidelines for Assets Management and Internally Generated Funds (IGF) for MMDAs. The Assets Management Guidelines seeks to ensure that the assets created out of investment are maintained and utilized efficiently. The IGF guidelines will also help to identify

potential sources of local revenue, revenue estimation, and mobilization as well as Public Private Partnership (PPP) options in revenue administration.

332. In 2016, the Ministry will also pursue strategies aimed at resolving all District Boundary disputes in the Country to ensure co-existence and improve revenue generation capacity of MMDAs. The Ministry will further pursue the implementation of recommendations as contained in Benin's Committee Report on District Boundary Disputes.

Local Level Development and Management Programme

333. Mr. Speaker, the Ministry through the Department of Community Development trained about 2,900 youth in technical and vocational skills. In addition, 69 Community Educators were trained to provide technical backstopping to MMDAs in community and youth skills development programmes.
334. Mr. Speaker, the Department of Community Development will train 1,240 youth in technical and vocational education, train 400 Technical Instructors on TVET Reforms, upgrade Rural Development College (RDC) at Kwaso in Ashanti Region to run programmes leading to the award of BSc. Community Development and Social Protection and revise the curricula of Community Development Vocational and Technical Institutes (CDVTIs) to include Child and Family Welfare for Child Protection at all levels.
335. Mr. Speaker, the Department of Parks and Gardens maintained the Flagstaff House, the Peduase Lodge, State House and all R.C.Cs' grounds and gardens. The landscaped areas of roundabouts, road medians and road shoulders in the cities and towns as well as recreational parks including Nationalism Park, the Independence Square and the Asomdwee Park were also maintained. In all, a total land area of 1,580,524m² was landscaped and beautified.
336. In 2016, the Department will continue with the promotion of landscape beautification in the built and natural environment and develop programmes for floral beautification of our cities and towns.
337. Mr. Speaker, the medicinal and aromatic plant species were cultivated for conservation whilst rare and endangered plant species were identified and multiplied. Various communities, districts and other organized groups were supplied with 352,556 tree seedlings for urban afforestation.
338. Mr. Speaker, the Department from 2016 will also diversify its operations by introducing event management activities, pest and disease control (fumigation) services, urban afforestation, landscaping of open spaces and recreational centres in each of the ten regional head offices. In addition, the Department will launch the National Beautification Week to coincide with the National Sanitation

Week programme. A forty footer capacity cold room facility for storage of fresh flowers at the national head office will be constructed and the Medie nursery converted into a mini botanical garden and recreational facility as well as revamp the 120,000m² of Ceylon tea plantation at Amedzope.

339. Mr. Speaker, the Ministry initiated the formulation of a comprehensive Rural Development Policy to guide the overall development of rural communities. The Ghana Social Opportunities Project (GSOP) which is part of the community development policy initiative commenced implementation of 533 sub-projects. Out of this total, 399 were completed leaving a total of 134 on-going sub-projects. These projects resulted in the employment of 105,665 people from 832 communities in 60 districts.
340. Mr. Speaker, in 2016, farmers in 10 communities in selected districts in Northern and Upper East Regions will be introduced to dry season farming through the Food Security and Environmental Facility under the sustainable farming techniques programme. The Ministry will construct 2No. Modern Farmers Markets, in Northern and Brong Ahafo regions.
341. Mr. Speaker, several interventions geared toward enhancing Urban Development and Management were pursued which include the Ghana Urban Management Pilot Project involving the construction of Gumani Storm Drain, upgrading of Aboabo heavy goods and lorry-park and construction of an abattoir in Tamale. Other projects are the construction of Integrated Social Centre and upgrading of Kokompe enclave (garages, skills development centres and roads) in Sekondi-Takoradi; reconstruction of Ho market complex, construction of Abattoir and engineered landfill site at Ho; and construction of engineered landfill site and 3No. market complex in Kumasi. These projects are at various stages of completion and will continue in 2016.
342. In addition, construction of new cells at Oti landfill site, construction of school toilet and public toilet facilities and community upgrading for Tishiegu and Moshie Zongo in Tamale will be completed.
343. Mr. Speaker, the Street Naming and Property Addressing (SNPA) by MMDAs is 41 percent complete. In addition, all MMDAs installed signage and named at least 10 streets in their jurisdiction with eleven MMDAs in the Greater Accra Region supported to acquire satellite maps to facilitate the implementation process.
344. The Ministry will assist MMDAs to procure satellite maps to facilitate the implementation of the Street Naming and Property Addressing Policy and build the capacity of key staff on the Land Use Planning and Management Information System (LUPMIS). The Ministry will also collaborate with other institutions to create a common GIS platform.

345. Mr. Speaker, the Greater Accra Passenger Transport Executive (GAPTE) was established to coordinate the roll out of Bus Rapid Transit (BRT) Pilot project in Accra. GAPTE will roll out the Bus Rapid Transit system on pilot on the Accra - Amasaman corridor in the Greater Accra Region. This will be preceded with the acquisition of additional 74No. high-occupancy buses.

Environmental Health and Sanitation Programme

346. Mr. Speaker, under the Community Led Total Sanitation (CLTS) programme, a total of 70,000 people gained access to improved household toilet facilities in seven regions excluding Greater Accra, Ashanti and Western regions.
347. To further deepen access to improved sanitation, the Ministry engaged a number of private sector stakeholders through innovative financing mechanisms to roll out the bio-fill toilet technology as public toilets and toilets in some selected basic schools. A total of 12,503 improved latrines were provided.
348. Mr. Speaker, a sewage dewatering plant was installed at Korle Gonno to reduce the amount of sewage that is discharged into the sea. The Ministry will install more cells to further reduce the volumes of raw faecal matter channelled into the sea.
349. Mr. Speaker, the National Sanitation Day campaign sensitized Ghanaians to address sanitation challenges in cities and towns through clean up campaigns and public education activities. The Ministry successfully organised seven National Sanitation Day exercises throughout the country. In 2016, the Ministry will collaborate with the private sector to roll out waste segregation to all MDAs and selected Metropolitan and Municipal Assemblies (MMAs).
350. Two Modern Anaerobic Digester Treatment facilities will be constructed under the Greater Accra Metropolitan Area Water and Sanitation Project and four more final treatment and disposal sites for solid waste will be completed. The Ministry will continue with the National Sanitation Day (NSD) campaign and assist the RCCs to undertake regional campaign's in districts and all sub-district councils.

Births and Deaths Registration Programme

351. Mr. Speaker, a total of 226,744 out of the target of 429,648 births, and 27,538 out of the target of 139,496 deaths were registered and certificates issued in 2015. These represent 53 percent and 20 percent of birth and deaths registration targets, respectively. Additional Registration Centres were established in 56 rural communities and mobile registration undertaken in Eastern, Ashanti and Brong Ahafo regions with 6,715 infant births registered in 96 communities.

352. Mr. Speaker, the Registry will expand the Community Population Register Programme in 100 communities, establish registration centres in additional 100 rural communities, and complete the computerization programme aimed at linking the regional offices to the Head Office and train 300 field staff in registration duties.
353. For the implementation of the above programmes and activities, an amount of GH¢605,039,658.00 has been allocated from GoG.

NATIONAL MEDIA COMMISSION

354. The role of the Commission is to promote free, independent and responsible media to sustain democracy and national development.

Performance in 2015 and Outlook for 2016

Media Regulation Management Programme

355. Mr. Speaker, the Commission scaled up efforts towards media and peace building by improving policy and legislation on media regulation as well as establishing effective monitoring systems to track and address professional deficits in the media. The Commission will review existing guidelines for the operations of the media to strengthen its regulatory role taking into consideration the 2016 elections and its establishment legislation to provide appropriate remedies for media infractions.
356. Mr. Speaker, the Commission continued the sensitization of journalists and media owners across the country to deepen its partnership with other stakeholders to ensure professionalism in the media and held series of dialogue with the Ghana Journalists' Association, Ghana Independent Broadcasters Association, Ghana Community Radio Network, Private Newspaper Publishers Association of Ghana and the political parties on national development and peace efforts.
357. The Commission also commenced the process of decentralization by establishing media monitoring centres in all the regional capitals starting with Ashanti, Volta and Northern regions to ensure proper monitoring of the media. In 2016, the Commission will establish Regional Advisory Councils to collaborate with the Regional Security Councils to deal with issues of media responsibility in the regions. Members of the Commission will be deployed to the regions to assess activities before, during and after the general elections in collaboration with the Regional Media Advisory Councils.

358. Mr. Speaker, the Commission developed a draft Constitutional Instrument on Content Authorization which will seek to regulate the content of the electronic media especially the television when Ghana migrates onto the digital platform.
359. For the implementation of the above programmes and activities, an amount of GH¢1,755,975.00 has been allocated from GoG.

NATIONAL DEVELOPMENT PLANNING COMMISSION

360. The Commission was established to advise the President of the Republic of Ghana (and Parliament upon request) on development planning, policy and strategy. The Commission also coordinates and regulates the decentralized planning system in accordance with the National Development Planning System, Act 1994 (ACT 480) to ensure effective preparation and implementation of approved national development plans and strategies in a manner that will ensure accelerated and sustainable development.

Performance in 2015 and Outlook for 2016

National Development Policy, Planning, Monitoring and Evaluation Programme

361. Mr. Speaker, the National Development Planning Commission launched the preparation of a Long-Term National Development Plan (2018-2057) on 4th August, 2015 at the Accra International Conference Centre. In furtherance to that, the Commission carried out four regional consultations on the Long-Term National Development Plan preparation, together with political party representatives, members of parliament and some council of state members.
362. In addition, the Commission monitored the implementation of strategies to achieve the policy objectives in the Second Ghana Shared Growth and Development Agenda (GSGDA II) and reported progress on the core national indicators in the 2014 Annual Progress Report (APR). It further monitored and launched the final report of the Millennium Development Goals which ended this year. The Commission also carried out a citizens' assessment on the School Feeding Programme and the capitation grant. The final report was launched and disseminated in all regional capitals across the country.
363. Mr. Speaker, the Commission hosted the high level inter-Ministerial Committee meetings to coordinate Ghana's position on the inter-governmental negotiations on the Sustainable Development Goals (SDGs) and its subsequent adoption at the UN General Assembly in September, 2015.
364. Mr. Speaker, the Commission reviewed 170 out of 216 MMDAs Medium Term Development Plans (MTDPs) and all the Sector Medium Term Development

Plans. The Commission also collaborated with the Ministry of Finance in the 2016-2018 Budget preparation to ensure that MDAs budgets are linked to the GSGDA II.

365. Mr. Speaker, in 2016, the Commission will continue with the stakeholder consultations on the Long-Term National Development Plan. There will be Cross-Sectoral Planning Groups (CSPGs) and district level consultations on the plan. It is expected that the plan will be completed by the end of 2016.
366. In addition, the Commission will prepare the 2015 National APR on the implementation of the GSGDA II; policy, planning and M&E guidelines for districts and sectors to enhance their capacity in planning functions will be disseminated.
367. For the implementation of the above programmes and activities, an amount of GH¢4,993,001.00 has been allocated from GoG.

ECONOMIC SECTOR

MINISTRY OF FOOD AND AGRICULTURE

368. Mr. Speaker, the Ministry exists to promote sustainable agriculture and thriving agribusiness through research and technology development, effective extension and other support services to farmers, processors and traders for improved livelihood.

Performance in 2015 and Outlook for 2016

Food Security and Emergency Preparedness Programme

369. Mr. Speaker, to increase access to the use of certified seeds made up of rice, sorghum, cowpea, soybean, groundnut, and citrus foundation seeds, a total of 42.5mt out of a target of 45.5mt of foundation seeds were produced in 2015. In 2016, a total of 3,057.5mt of the same seeds will be produced. In addition, 50,000 planting material of yam and 3,000 suckers of plantain are targeted for production.
370. Mr. Speaker, under the enhanced access to quality rice seed initiative, 200mt of improved rice seed were distributed to 10,000 farmers in the Volta, Northern, Upper East and Upper West Regions to increase productivity.
371. In 2015, 90,000mt, out of a target of 180,000mt of fertilizer was procured and distributed to farmers countrywide. This is expected to increase the use of fertilizer in the country and also enhance crop production especially in the Northern Sector where soil nutrients are low.
372. Mr. Speaker, in compliance with the Plant and Fertilizer Act, 2010 (Act 803), the Ministry in collaboration with relevant stakeholders analysed 11 out of 60 newly introduced fertilizer samples. Out of the 11 samples analysed, only four met the technical and regulatory requirements. In 2016, the remaining 49 fertilizer samples will be analysed in order to ensure good quality fertilizers and increased productivity.
373. To boost local rice production, Mr. Speaker, 77 SAME tractors, 49 power tillers, 20 rice threshers, 11 rice reapers and six rice mills with their respective components were assembled and sold to farmers. In addition, 100 units of Cabrio tractors with multi components were assembled for sale to farmers on hire purchase. In 2016, the Ministry will procure 50 tractors with the requisite components to support Agricultural Mechanization Services Enterprise Centres (AMSECs).

374. Mr. Speaker, the Ministry led the establishment of Irrigation Technology Transfer Units (ITTUs) at two agricultural colleges and in one community. The ITTUs are demonstration models to showcase latest irrigation technology using ground and surface water resources. Approximately 7,500ha of land out of a target of 10,046ha was developed and cropped under the irrigation and flood recession scheme and water conservation methods. This was expected to yield 165,665mt of rice, maize, onions, pepper, tomatoes and leafy vegetables under the schemes in the 2015 cropping season.
375. The Ministry also provided technical support to WIENCO and SADA to deliver the initial 400ha Sissili Kulpawn Irrigation Project in the West Mamprusi District with cowpea being grown on 50ha of the project's land as test crop.
376. Mr. Speaker, Ghana Irrigation Development Authority (GIDA) in collaboration with the Ghana Social Opportunities Project completed the construction and rehabilitation of 66 dams and dugouts for crop production and livestock watering whilst 80 others are on-going. In all, 1,050ha of land will be irrigated. In addition, GIDA provided a 20ha irrigation infrastructure (94% complete) in selected zones of Yendi, Bawku and Wa for farming.
377. Mr. Speaker, the Ministry through GIDA provided technical support for the feasibility study of 20,000ha of the Pwalugu multipurpose dam. The rehabilitation of Adiembra, Tordzinu and Baafikrom irrigation schemes were completed. In addition, the rehabilitation of the other schemes earmarked for the year are at various stages of completion. These are Agorveme (20%), Volo (36%), Afaode (20%), Dordoekope (95%), Koloe-Dayi (70%), Tokpo (77%), Ekotsi (20%) and schemes. When completed, these will increase the irrigable land available to farmers to promote crops production all year round.
378. Mr. Speaker, Government will establish Green House capacity building and training centres in the country. The Green House capacity building and training centres will be centres of excellence for training farmers, youth, women and agricultural graduates in commercial, modern greenhouse vegetable production.
- Increased Growth in Incomes Programme**
379. To increase guinea fowl production and livelihood in 2015, Mr. Speaker, 320 female guinea fowl out-grower farmers were given hands-on-training in improved Guinea fowl production and received 1,600 (eight-week old) grower birds as a start-up stock for production in the Northern, Upper East and Upper West regions.
380. In 2016, as part of government's effort to boost local production of poultry, commercial poultry (broiler) farmers will be supported with subsidized inputs (maize, vaccines and drugs) to produce 45,000 metric tonnes of poultry meat.

In addition, 1,500 farmers in five regions will be supported with 30,000 brooded cockerels. It is anticipated that these interventions will reduce the nation's meat deficit, which is, currently 126,610mt, by 35.5 percent.

381. Mr. Speaker, under the West Africa Agricultural Productivity Programme, superior breeds of 650 sheep and 450 goats were procured and distributed to 90 farmers in the Central, Western and Eastern regions. In 2016, 90 farmers will be supported with 450 animals of superior breed quality. This forms the third phase of a credit in kind scheme being implemented under the West Africa Agriculture Productivity Programme.
382. Mr. Speaker, to achieve the target of increasing pig production from 682,000 in 2014 to 730,000, in 2015, about 700 start-up stocks were distributed to farmers at a subsidized rate for the production of pigs.
383. The Ministry also cultivated 6ha of land at Ejura Sheep Breeding Station with *Stylosanthes hamata* to reduce the negative impact of climate change in communities experiencing overgrazing.

Marketing of Agricultural Produce/Products Programme

384. Mr. Speaker, the Ministry in collaboration with the private sector established 2,500ha of cotton farms with an expected yield of 1,500mt of seed cotton. This is expected to improve cotton production in the country.

Management of Land and Environment Programme

385. Mr. Speaker, 63 communities in 10 Districts of the Upper East, Upper West, and Northern regions were supported to implement various sustainable land and water management technologies under the Sustainable Land and Water Management Project (SLWMP). Under this project, over 104,000 tree seedlings were planted by 5,000 farmers in 2015.
386. Under the Adaptation of Agro Eco System to Climate Change (AAESCC) project, 16 communities in Northern and Brong Ahafo regions were supported to implement various climate change adaptation interventions. These included training of 1,200 farmers in seed production, training of 1,000 firefighting volunteers in collaboration with Ghana National Fire Service (GNFS), promotion of agro-forestry and soil fertility management technologies to 16 communities.
387. Mr. Speaker, the Ministry collaborated with the Climate Change, Agriculture and Food Security (CCAFS) platform to develop the Climate Smart Agriculture (CSA) and Food Security Action Plan to operationalize the National Climate Change Policy.

388. In 2016, the Ministry will expand the SLWMP to 46 new communities to implement SLWM technologies for increased productivity. The Resilient Landscape for Sustainable Livelihood (RLSL) will implement farmer field schools on major crops such as cereals and dry season vegetables in the 10 selected communities. Village savings and loans will also be implemented. This is to promote alternative livelihood, build financial resources of farmers and encourage group formation which will create a common platform for farmers to market their produce.

Science and Technology in Food and Agricultural Development Programme

389. Mr. Speaker, in 2015, the Ministry produced 16 million doses of ND1-2 vaccines out of a target of 32 million for the control of Newcastle disease in poultry. A total of 5,750,000 doses were also distributed countrywide.
390. In order to manage Avian Influenza outbreak, the Ministry destroyed a total of 37,143 birds in 18 affected farms in 3 regions. Stringent measures such as destruction, disinfection and compensation of farmers was put in place.
391. Mr. Speaker, the Ministry in collaboration with CSIR, released 5 new hybrid maize varieties (Sika Aburo, Kunjor-Wari, Suhudoo, Warikamana and Kpari-Faako) and six new cassava varieties were recommended for release. The released varieties have average potential yields of 6tons/ha and 20tons/ha for maize and cassava, respectively.

COCOA SECTOR

392. Mr. Speaker, cocoa continued to play its pivotal role in the development of the economy. Several broad policy measures to support the cocoa sub-sector were implemented. These measures were to ensure efficiency through streamlining of activities, introduction of new interventions and programmes in order to contribute efficiently to growth in the cocoa sector.

Loan Syndication

393. For the 2015/16 crop year an amount of US\$1.8 billion was raised in the syndicated loan market. The loan was acquired to fund the purchasing of the 2015/16 cocoa.
394. During the 2014/15 season, COCOBOD purchased 740,000 tonnes compared to a target of 850,000 tonnes. For the 2015/16 crop season a crop size of 850,000 tonnes is projected.

Producer Price

395. Mr. Speaker, Government reviewed upward the producer price by 21.74 percent from GH¢5,520.00 per tonne to GH¢ 6,720.00 per tonne for the 2015/16 cocoa

season. In addition, a bonus of GH¢5.00 per bag of 64kg gross weight is to be paid to cocoa farmers at the time of sale of their produce. This brings the price and bonus per 64kg bag gross weight to GH¢425, representing 74.11 percent of the net FOB.

Free Hybrid Cocoa seedlings, Agrochemicals and Fertilizer

396. COCOBOD is undertaking vigorous rehabilitation of cocoa farms. To this end, farmers have been supplied with 50million free hybrid cocoa seedlings for replanting in 86 cocoa growing communities. For the 2015/16 cocoa season, COCOBOD will produce and freely distribute 60 million hybrid cocoa seedlings to cocoa farmers. This initiative will be sustained in the coming years to replace over-aged trees, which are a drag on production.

Youth in Cocoa farming

397. The COCOBOD initiated a programme to attract the youth into cocoa farming. So far a total of over 30,000 youth have been identified and supported to undertake cocoa farming as a business.

Hi-Tech Fertilizer Application

398. COCOBOD continued with the Cocoa Hi-Tech Fertilizer Application during the 2014/2015 cocoa season. The free fertilizer application (Hi-tech) programme for cocoa farmers will continue during the 2015/16 crop year to encourage cocoa farmers to boost and sustain production.

Pest Control

399. COCOBOD acknowledges the importance of the need to control pests and diseases that attack the cocoa crop. Government is therefore committed to the continuation of the mass cocoa spraying exercise under the Cocoa Diseases and Pests Control Programme (CODAPEC). This will help control cocoa diseases and pests such as black pod and capsids.

Cocoa Roads

400. Government is committed to improving the road network in the cocoa growing communities. For the 2015/16 cocoa season, COCOBOD has set aside US\$150,000 for the rehabilitation of cocoa roads. This programme will help improve the quality of life, which will motivate the youth to stay in these communities and engage in cocoa farming.

Scholarship Scheme

401. COCOBOD provided support for the Scholarship Trust Fund, Child Education support programme for the Elimination of Worst Forms of Child Labour, cocoa roads, replanting and rehabilitation of over-aged cocoa farms and farms affected by the swollen shoot disease. In the 2015/16 crop year, COCOBOD will continue to support the aforementioned programmes.

Coffee Programme.

402. Mr. Speaker, Government in its 2010/11 Budget Statement, allocated GH¢4.2 million through Ghana Cocoa Board for a four-year pilot coffee rehabilitation programme aimed at improving the livelihood of farmers in areas where coffee cultivation has comparative advantage over the cultivation of other cash crops.
403. The 4-year pilot programme assisted farmers in parts of Volta, Brong Ahafo, Eastern, Ashanti and Western Regions to rehabilitate old and abandoned coffee farms and establish new ones. During the pilot phase of the programme, 1,514,470 improved planting materials were raised and distributed to 3,260 farmers to either rehabilitate old and abandoned farms or establish new farms. During the four-year pilot programme, 1,044 hectares of old farms were rehabilitated, while 1,112 hectares of new coffee farms were established. Coffee production as a result, increased from less than 2,000 metric tonnes per annum to about 4,500 metric tonnes at the end of the pilot phase of the programme in 2014/15.
404. Mr. Speaker, Government is poised to accelerate the promotion of coffee cultivation for it to become a major cash crop in Ghana that will support livelihoods and provide additional revenue for farmers in areas in the Volta, Brong Ahafo, Eastern, Ashanti, Western and Central regions that have conducive climatic and edaphic conditions to support coffee cultivation.
405. In the 2015/16 cropping season, COCOBOD has made a budgetary allocation of GH¢ 2.0 million to support activities in the coffee sector including raising of two million (2,000,000) improved coffee planting materials for free distribution to farmers and this number will be substantially increased in subsequent years.
406. Mr. Speaker, Coffee farmers will also be supported with fertilizers to hasten the growth of young plants and improve the productivity of mature coffee plants. Coffee farmers will also be supported with extension services. This special Presidential initiative will be aimed at attracting the youth to take up coffee cultivation as a lucrative business in the identified areas.
407. To ensure the long-term sustenance of coffee production, reforms in the marketing of coffee will be introduced to assure farmers of ready market at remunerative prices for the coffee produced.

Shea Programme

408. Shea is increasingly becoming an international commodity. Therefore, Government and COCOBOD are committed to developing the Shea sector to enhance the livelihood and standard of living of people in the three northern regions. Government facilitated the establishment of a Shea processing factory at Buipe to add value and increase foreign exchange earnings from the sector. COCOBOD will continue funding the Shea Unit as part of its operational activities

to revamp the Shea industry. The Shea Development Strategy (SHEDS) has been formulated by COCOBOD in close collaboration with stakeholders provide a long-term development perspective for the Shea sector. The road map for the evolution of the Shea Development Board has also been laid.

409. For the implementation of the above programmes and activities, an amount of GH¢501,501,708.00 has been allocated. Out of this, GH¢322,094,227.00 is GoG, GH¢4,065,650.00 is IGF and GH¢175,341,831.00 is from Development Partners.

MINISTRY OF FISHERIES AND AQUACULTURE DEVELOPMENT

410. The Ministry is mandated to formulate and implement policies and strategies to accelerate the development of the fisheries sector to contribute effectively to national development.

Performance in 2015 and Outlook for 2016

Aquaculture Development Programme

411. Mr. Speaker, in 2015, 126,450,000 fingerlings were produced out of a target of 150,000,000. This boosted aquaculture production from 38,547mt (2014) to 46,250mt (an increase of 20%) in 2015. Subsequently, fish imports reduced from 145,910.3mt (2014) to 102,874.95mt (2015). This yielded a net savings of US\$38.79 million. In addition, 65 percent of work was completed on the zonation of the Volta Lake into feasible aquaculture production areas to attract private sector investment.
412. In 2016, the Ministry will collaborate with relevant stakeholders including the Private Sector to roll out the Fisheries Nucleus-Out grower Input Support Scheme in 25 fishing communities along the Volta Lake. At full operation, the scheme will increase Aquaculture fish production from 46,250mt to a target of 85,000mt. In addition, about 2,252 indirect jobs for women within the fish value chain and 900 direct jobs will be created. These measures are intended to support Government's job creation and poverty reduction efforts.
413. Mr. Speaker, the Ministry will partner the Private Sector to promote the production of shrimps, Mollusca, clams and tilapia earning an estimated amount of US\$500.0 million annually. To achieve this target, 20 extension service officers will be trained in hatchery management and fish husbandry practices.
414. In addition, Government will collaborate with the private sector to establish two fish feed production units to support aquaculture and shrimp production. Furthermore, three public hatcheries at Kona-Odumase, Ashaiman and Dormaa-Ahenkro will be rehabilitated to boost fingerling production for aquaculture.

Fisheries Resource Management Programme

415. Mr. Speaker, to control fishing efforts by aligning vessels to available fish stock, 10,207 out of 12,728 marine canoes were registered, of which 7,302 were embossed in 2015. A national sensitization campaign on vessel registration and embossment was also carried out along coastal fishing communities of Ghana to enhance voluntary compliance in reducing fishing efforts.
416. In 2016, the Ministry will rehabilitate six fish landing sites at Mumford, James Town, Teshie, Anloga, Tapa-Abotoase and Dzemeni under the West Africa Regional Fisheries Project (WARFP). In addition 25 landing sites will be constructed. The sites include Axim, Dixcove, Elmina, Komenda, Moree, Kpando-Torkor, Winneba, Senya-Breku, Fete, Ada, Keta, Cape Coast and Tema New Town.
417. Mr. Speaker, with regard to fisheries infrastructure development, 75 percent of the Turnkey Fish Processing Plant at Elmina and 70 percent of the first phase of Fisheries College at Anomabo were respectively, completed in 2015. The Anomabo Fisheries College in particular will provide skills training in fishing technology, fish disease detection, prevention and control, biosecurity measures, and fisheries resource management.
418. Mr. Speaker, a functional data centre was established at the Ministry to promote research and provide information on the entire aquatic environment including fish stock levels, water quality and fish disease. The Centre will also promote evidence-based policy decision-making and planning. A functional vessel registry and licensing database was also established in 2015.
419. Mr. Speaker, the Ministry in collaboration with corporate private sector, supported artisanal fishermen with 1,000 outboard motors to enable them increase fish catch and their income levels. In 2016, an additional 2,000 outboard motors will be supplied.

Monitoring, Control and Surveillance Programme

420. Mr. Speaker, to enforce Fisheries Laws and Regulations to protect aquatic resources, 18 additional Vessel Monitoring Systems (VMS) were installed on industrial trawlers bringing the total to 97 in 2015.
421. The Fisheries Law Enforcement Unit carried out 360 and 240 hours of sea and land Patrol/Surveillance exercises respectively, and 60 arrests were made regarding illegal, unreported and unregulated fishing activities. Seventeen judicial officers were trained in maritime law and fisheries adjudication including Alternative Dispute Resolution (ADR).

422. Mr. Speaker, to promote speedy adjudication of fisheries infractions, five additional judges will be trained in 2016. Three Fisheries Law Enforcement Units will be created at Kpando-Torkor, Yeji, and Elmina. In addition, two VMS control centres will be established at Takoradi and the Ghana Navy Headquarters in Accra. Furthermore, an Aerial Surveillance System will be installed at Tema to promote effective law enforcement and compliance. Electronic monitoring of semi-industrial fleets using Automatic Identification System (AIS) will also be commissioned at Tema to enhance safety at sea and sustainable fisheries management.

Aquatic Animal Health and Post-Harvest Management Programme

423. Mr. Speaker, a National Association of Fish Processors and Traders (NAFPTA) was established in 2015. Members of the association were introduced to modern techniques in fish handling, processing and storage aimed at reducing post-harvest losses whilst strengthening the management of fishery resources.

424. In 2015, improved fish smoking facility was commissioned at New Nzulezu for fish processors at Ekpu in the Jomoro District of the Western Region. The Ministry also collaborated with stakeholders to introduce fish processors to new fish processing technologies to promote the export of safe and quality smoked fish.

425. Mr. Speaker, to prevent and control aquatic animal diseases, a national list of diseases was developed in 2015. A survey was also conducted and contaminants of fish flesh were determined. These interventions were intended to promote increased production and safety of fish and fishery products. A total of 3,884.61mt of fish feed and 205.94mt of other fish species were exported.

426. In 2016, the Ministry will rehabilitate public laboratories at Koforidua, Kumasi, Tamale and Ho. Fish extension service delivery will focus on disease detection, prevention and control particularly in the Aquaculture sub-sector.

427. For the implementation of the above programmes and activities, an amount of GH¢52,706,712.00 has been allocated. Out of this, GH¢28,857,495.00 is GoG, GH¢11,875,210.00 is IGF and GH¢11,974,008.00 is from Development Partners.

MINISTRY OF LANDS AND NATURAL RESOURCES

428. The Ministry exists to ensure the sustainable management and utilisation of the nation's natural resources for socio-economic growth and development.

Performance in 2015 and Outlook for 2016

Forest and Wildlife Development and Management Programme

429. Mr. Speaker, a Consolidated Wildlife Bill, which is expected to make wildlife laws and management more effective and efficient across the country was approved by Cabinet.
430. In 2015, the Forestry Commission established 2,314ha of forest plantations under a Public-Private Partnership (PPP) arrangement. The Commission will continue with the maintenance of all established forest plantations including coppice management of harvested areas across the country in 2016.
431. Mr. Speaker, as part of the Ministry's efforts to promote the utilisation of lesser used timber species and the development of the Bamboo and Rattan Industry, a Craft Village was commissioned at Ayi Mensah in Accra to relocate all artisans producing bamboo and rattan products. In 2016, the Ministry will continue with this promotion efforts.
432. In 2015, the Ministry signed an agreement with a strategic investor to convert the Achimota forest into an eco-tourism facility under a Public Private Partnership arrangement. The Accra Eco-park project is scheduled to commence in 2016.
433. Mr. Speaker, as part of measures to strengthen law enforcement, 14 Rapid Response Teams (RRT) were resourced and deployed to curb illegal activities in Ho, Bekwai, Bibiani, Ankasa Conservation Area, and Bui National Park. In addition, 125 ha of illegal farms within forest reserves were also destroyed nationwide. In 2016, the Commission will intensify law enforcement and deploy more Rapid Response Teams to hotspots across the country to stem illegal activities, especially chainsaw and galamsey operations.
434. Mr. Speaker, Voluntary Partnership Agreement (VPA) between the Government of Ghana and the European Union (EU), is expected to ensure that only legally produced timber is exported to the EU market. Over 92 percent of the Wood Tracking System was completed and rolled out in Western, parts of Brong-Ahafo and Eastern regions. The implementation of the VPA will continue in 2016.
435. In 2016, the new Public Wood Procurement Policy and the revised Forestry Development Master Plan will be implemented along-side the Forest and Wildlife

Policy of 2012. The Commission will continue with policy and legislative reforms in the forestry sector.

Minerals Resource Development and Management Programme

436. Mr. Speaker, in 2015, the Ministry enforced the purchase and utilisation of eight local items by 10 mining companies operating in Ghana. The items included grinding media, explosives, cement and cement products, electric cables, quick and hydrated lime, HDPE & PVC pipes and general lubricants. This strategy is to ensure that mining companies comply with the local content requirements under the Ghana Public Procurement Act, 2003 (Act 663).

437. Cabinet approved the Mineral Development Fund (MDF) Bill and was submitted to Parliament for consideration. The passage of the bill will ensure timely disbursements of mineral generated funds to local mining communities and key mining sector agencies.

Land Administration and Management Programme

438. Mr. Speaker, the Land Administration Project (LAP) completed the development of a National Spatial Development Framework (NSDF) to guide development for the next 20 years (from 2015 to 2035). Nineteen Customary Land Secretariats (CLSs) were established throughout the country.

439. Mr. Speaker, an Integrated and Re-engineered Business Process of all the four divisions of the Lands Commission was completed. The integrated process is being piloted through the Client Service and Access Units (CSAUs) by the Lands Commission in five regions (Greater Accra, Eastern, Western, Northern and Upper East Regions).

440. Policy documents for Survey and Mapping, National Spatial Data Infrastructure (NSDI) and Geodetic Reference Network (GRN) were completed in 2015. The National Geospatial Policy will be finalised and submitted to Cabinet for consideration and approval in 2016.

441. Mr. Speaker, the Ministry cleared the backlog of land title applications pending at the Land Registration Division of the Lands Commission in Accra. A computerised database containing all applications covering the years 1988 to 2010 was created to facilitate the categorized backlog. Approximately 52,000 files were cleared and over 4,000 title certificates issued in 2015.

Land and Maritime Boundary Management Programme

442. Mr. Speaker, following a successful defence of Ghana's submission to the United Nations Commission on the Limits of the Continental Shelf (CLCS), the UN extended the Continental Shelf beyond the Exclusive Economic Zone (i.e. beyond 200 Nautical Miles).

443. In 2016, the Ministry through Ghana Boundary Commission will continue with the inspection of buffer zones and checks on status of planted teak trees along Ghana's International Land boundaries, planting and re-planting of teak trees in buffer zones, surveying and re-fixing of destroyed boundary posts along all the international boundaries, inspection and maintenance of regional, and district boundaries.
444. For the implementation of the above programmes and activities, an amount of GH¢293,846,645.00 has been allocated. Out of this, GH¢102,479,461.00 is GoG, GH¢145,037,202.00 is IGF and GH¢46,329,982.00 is from Development Partners.

MINISTRY OF TRADE AND INDUSTRY

445. The Ministry's mandate is to develop, implement, monitor and evaluate trade, industry and private sector policies to make Ghana a major manufacturing, value added, competitive and export-oriented economy and thus contribute significantly to inclusive and sustainable economic growth and employment creation.

Performance in 2015 and Outlook for 2016

Trade Development Programme

446. Mr. Speaker, this programme seeks to create competitive advantage on a more diversified range of products with higher levels of value-addition and also to ensure Ghana's global competitiveness in terms of cost, price, quality, design and logistics management.
447. A strategy document to enable Ghana maximize benefits from the implementation of the Economic Partnership Agreement (EPA) was developed. Stakeholder views across the ten regions of Ghana, was also solicited to fine-tune the document. The finalization of the strategy document is on-going.
448. Mr. Speaker, to strengthen anti-dumping measures to deal with unfair trade practices in line with WTO rules, the Ministry signed an MOU with the United States (US) Government to expand bilateral trade and investment cooperation under the new US Trade Africa Initiative. In addition, the Ministry engaged in bilateral trade agreements with strategic countries including United Kingdom, Kenya, Belgium, Togo, Vietnam, Chile and the Czech Republic to take advantage of business opportunities as well as encourage foreign direct trade investments.
449. In 2016, the Ministry will take advantage of benefits under the various bilateral cooperation arrangements to implement capacity building initiatives to support

Ghanaian exporters to meet Sanitary and Phyto-Sanitary (SPS) requirements and deal effectively with Technical Barriers to Trade (TBT) in key trading partner markets.

450. The Ministry will also continue to engage relevant MDAs with trade-related functions and also with neighboring countries for effective implementation of the ECOWAS Trade Liberalization Scheme (ETLS), the ECOWAS Common External Tariff (CET) and other ECOWAS Trade-related Protocols. It will also advance Ghana's interest within the ongoing negotiations in the World Trade Organization (WTO).
451. Mr. Speaker, GCNet has fully deployed the web-based Ghana Integrated Cargo Clearance System (GICCS) Phase 2, to make declaration submission efficient. A final report to streamline port clearance procedures was submitted to cabinet for consideration. In 2016 the Ministry will continue to play its key role in trade facilitation by expanding GCNet connectivity to all key MDAs, border posts, freight forwarders and other users.
452. Mr. Speaker, the Ministry through its Made-in-Ghana promotion campaign developed and submitted a strategic document to the National Made-in-Ghana (MiG) Steering Committee for consideration in 2015. A Made-in-Ghana Logo was launched to serve as a seal of quality and excellence. The scope of the programme was expanded to include sugar, rice and poultry.
453. The Ministry's Web-Based Product Gallery supported 832 SMEs comprising 650 manufacturing enterprises and 182 service providers to showcase their goods and services free of charge. This represents an increase of 174 percent compared to 2014.
454. Mr. Speaker, the Ministry completed the development of a Consumer Protection Policy. In 2016, a consumer protection law will be enacted to enhance confidence and strengthen consumer position in the marketplace.
455. The development of a Competition Policy is on-going. In 2016, the Ministry will complete the Policy and initiate enactment processes into law. The policy is intended to promote fair competition by ensuring that consumers are adequately protected from exploitation.
456. Mr. Speaker, the Ministry, through the Ghana Export Promotion Authority (GEPA), assisted 18 manufacturing companies to obtain approval for 21 products to be exported to the West African sub-region under the ECOWAS Trade Liberalization Scheme.

Business Development and Promotion Programme

457. Mr. Speaker, GRATIS Foundation continued to execute its mandate of providing training in various engineering and processing fields to the Ghanaian youth. The Foundation trained 114 vulnerable persons in various food processing and other income generating activities, 23 in mechanical craft practice, 122 master craftsmen in engineering, 157 in welding and fabrication and 40 in metal machining. Various agro-processing equipment and spare parts for both local and West African markets to support the activities of SMEs were manufactured.
458. In 2016, Gratis Foundation will design, develop and market a wide range of agro-processing plants for shea butter; oil palm; groundnut; cassava; and a cocoa pod breaker.
459. The National Board for Small Scale Industries (NBSSI) assisted 193 MSEs (133 males and 80 females) to access institutional credit. It provided Business Development Services (BDS) to a total of 19,300 MSEs (7,172 males and 12,128 females) to enhance their operations and make them competitive through the Business Advisory Centres (BACs) located in the 134 districts across the country. In 2016, NBSSI will continue to facilitate Micro, Small and Medium Enterprises (MSMEs) access to Business Improvement Programs and institutional credit.
460. Mr. Speaker, the Rural Enterprises Programme (REP) in collaboration with NBSSI and GRATIS Foundation provided Business Development Services to strengthen the capacity of 23,638 rural Micro and Small Enterprises (MSEs) and their associations within various rural communities at the district level. In addition, 80 members of staff of financial institutions were trained. Fourteen training programmes were organized for MSEs to support institutions at district, regional and national levels. A total of 2,232 rural master craft persons and apprentices were supported with Technology services.
461. In 2016, REP will establish 95 new Business Advisory Centres (BACs) at the district level and train about 35,000 rural poor people in community-based income generating activities, small business management and marketing. Business counselling services will be provided to 15,000 operators of rural micro and small enterprises.
462. Mr. Speaker, CEDECOM started works on the construction of a 6 Seater W/C and a nursery as part of a Community market project at Bisease. It refurbished Swedru SHS Assembly Hall and Library as well as completed Phase 1 of the rehabilitation works on the Agona Swedru Sports Stadium. Construction works are on-going for 32 CHPS Compounds across the Region. Eight ICT Centres in selected districts in the region were completed.

463. In 2016, CEDECOM will continue its social intervention programmes to facilitate the growth and development of the Region. It will also collaborate with GEPA to provide training in product development in support of the National Export Strategy.

Trade and Industry Promotion Programme

464. Mr. Speaker, the Ministry through its regional offices undertook regular monthly monitoring of price trends of selected products for analysis to inform policy. It also supported the Integrated Business Establishment Survey for the establishment of an Industrial Register. In 2016, the regional offices will be strengthened to facilitate the implementation of the National Export Strategy, the Promotion of Made-in-Ghana programme and other regional specific interventions.

465. The Ministry's Trade Mission in Lagos facilitated the admission of seven Ghanaian companies into the ECOWAS Trade Liberalization Scheme. In 2016, the Ministry's Overseas Trade and Investment Missions will continue to identify and promote investment opportunities to new and existing investors.

Standardization and Conformity Assessment Programme

466. Mr. Speaker, the Ministry under the Trade Related Assistance and Quality Enabling (TRAQUE) programme supplied laboratory equipment to 28 laboratories at Ghana Standard Authority (GSA), Food and Drugs Authority (FDA), Plant Protection and Regulatory Services Directorate (PPRSD) and Veterinary Services Directorate (VSD) of Ministry of Food and Agriculture (MoFA), Food Research Institute (FRI) and Institute for Industrial Research (IIR) of Council for Scientific and Industrial Research (CSIR) and Customs Laboratory.

467. In 2016, the process to support the National Quality Infrastructure (NQI) is expected to be completed with testing equipment for food (chemical and microbiology) and non-food (plastics, textiles, fertilizer, cosmetics etc.). There will be calibration of equipment for mass, temperature, pressure, volume, time and frequency among others.

468. Mr. Speaker, to safeguard the health, safety and economic interest of consumers, the Ghana Standards Authority inspected 43,791 imported high risk goods at the port of entry, conducted 392 market surveillance activities throughout the country and also tested and analysed 13,513 product samples to ascertain their conformance to applicable standards.

469. The Authority inspected and verified 27,456 weighing and measuring devices used for trading purposes to ensure consumer safety. It issued 1,394 export certificates, inspected 376 export consignments and certified 288 locally manufactured products to improve their competitiveness. In addition, 401

standards were developed to guide industry and other stakeholders whilst 16 training programmes were organized for industrial operators to build their capacity in industrial production.

470. In 2016, the Authority plans to issue 1,500 health certificates, 2,000 export certificates to cover export consignments, certify 750 locally manufactured products as well as certify 6 management systems to relevant standards in order to improve competitiveness of industry domestically and globally. It will also issue accreditation to cover Metrology and testing laboratories to ISO/IEC 17025:2005 to ensure that reports issued are recognized and accepted globally.

Industrial Development Programme

471. Mr. Speaker, the Ministry collaboration with Ministry of Food and Agriculture identified, Shea nut, soya beans, cassava, cotton and groundnut for large scale commercial cultivation to promote the development of adequate agricultural raw material base for local manufacturing activities. Data on location and deposits of selected non-agricultural raw materials such as limestone, clay, salt, aluminium and gold were collected from relevant agencies. In 2016, the Ministry will update the regulation, legislation and the policies of the salt sector and also train salt producers on best practices of salt production for enhanced quality.
472. Mr. Speaker, construction of the Komenda Sugar factory is about 70 percent complete. In order to ensure adequate supply of raw material for the factory, a credit facility for irrigation and sugarcane plantation was submitted to the Ministry of Finance for onward submission to Cabinet for consideration. In 2016, the Komenda Sugar Factory will become fully operational. The Ministry through PPP arrangements will establish another sugar factory with irrigation facility in Savelugu in the Northern Region.
473. The Ministry has developed a Corporate Social Responsibility Policy to encourage corporate entities to enhance their contributions towards the development of communities where they operate. Its implementation in 2016 will serve as the framework within which government and industry, through a collaborative effort can improve the health, safety and well-being of the people.
474. For the implementation of the above programmes and activities, an amount of GH¢259,360,239.00 has been allocated. Out of this, GH¢30,142,909.00 is GoG, GH¢92,367,628.00 is IGF and GH¢136,849,701.00 is from Development Partners.

MINISTRY OF TOURISM, CULTURE AND CREATIVE ARTS

475. The Ministry is mandated to provide a firm, stable policy environment for effective mainstreaming of Ghanaian culture into all aspects of national life and to ensure the emergence of a strong and vibrant creative economy to improve and advance the tourism industry.

Performance in 2015 and Outlook For 2016

Tourism Product Development Programme

476. Mr. Speaker, the Ministry completed the construction of the Accra Visitor Information Centre (AVIC) and will commission the facility by the end of the year to provide one-stop shop information to tourists. Stakeholders were engaged for the preparation of the Marine Drive Tourism Development Plan which is aimed at transforming the entire stretch of Land from the Osu Castle to the Arts Centre area with variety of tourism facilities.
477. The Ministry organized a number of activities to boost domestic tourism and stimulate hospitality and cultural businesses, as well as creating employment for the teeming youth of Ghana. These included the National Chocolate Day dubbed: Chocofest 2015, the 10th Paragliding Event organized at Atibie Kwahu in the Eastern Region, Emancipation Day Celebration in Accra, Cape Coast and Assin Manso and the Greater Accra Homogenous Festival dubbed HOMOFEST which seeks to promote unity and peace for development in the Ga-Adangbe communities.
478. The Ministry commissioned three District Tourism Offices in Kuntananse-Bonsomtwe in the Ashanti, Techiman in the Brong-Ahafo and Mpraeso-Kwahu in the Eastern Regions as part of the decentralising tourism administration in the country.
479. The Ministry commissioned the Tourism Development Fund Secretariat to facilitate financing of tourism, culture and creative arts programmes and projects.
480. Mr. Speaker, in 2016, the Ministry will continue with its engagement with key stakeholders including MDAs/MMDAs, Traditional Authorities and the Private sector to mobilize support for the development and packaging of tourism, culture and creative arts products. The District Tourism Offices will be commissioned to decentralize tourism administration in the country.

Tourism Research and Marketing Programme

481. Mr. Speaker, the Ministry and its Agencies showcased Ghana's Tourism, Culture and Creative arts products for patronage of international tour operators, travel

agents, investors and tourists. The Ministry hosted the UNWTO Regional Seminar on 'Enhancing Brand Africa'. In 2016, the Ministry will continue to position Ghana's tourism in the global market at various international fairs through international exhibitions and cultural events.

Tourism Quality Assurance Programme

482. Mr. Speaker, in order to improve quality service delivery, the Ghana Tourism Authority inspected and licensed 4,997 tourism enterprises, out of which 129 are new facilities (101 accommodation and 28 catering units).
483. A web-based software for managing the collection of the one percent tourism levy and development fund was developed and integrated with the receiving platforms of the receiving banks. In 2016, the Ministry and its implementing agencies as well as other tourism practitioners will be trained on the use of the software to improve levy collection for the tourism development fund.
484. The Ghana Tourism Authority facilitated capacity building workshops for 798 industry practitioners in food and beverage, customer care and house-keeping operations, whilst the Hotel Catering and Tourism Training Institute (HOTCATT) also trained 8000 hospitality service providers to improve service delivery in the industry.
485. Mr. Speaker, in 2016, the Authority will step-up supervision, inspection and licensing of over 5000 tourism enterprises as well as develop standards for new tourism enterprises including conference centres, SPAs, parks, health farms, off-shore catering establishments, tour guides and tourist attractions. Other interventions will include the training of hospitality service providers and school leavers to service the industry.

Culture, Creative Arts and Heritage Management Programme

486. Mr. Speaker, in pursuance of developing and promoting Ghana's culture and creative arts, the Ministry in collaboration with its Cultural Agencies undertook an Art Compilation and Exhibition programme for Senior High Schools at the Volta Regional Museum. The Ministry also organised the 'International Mother Language Day' to promote patronage of local languages, cultural values and identity. A contemporary Arts and Science Exhibition dubbed "The Gown Must Go To Town" was organised in collaboration with KNUST College of Painting and Sculpture.
487. In 2016, the Ministry will finalise the legal and regulatory framework for the culture and creative arts industry for submission to Cabinet and Parliament for consideration and approval. It will also organise cultural exchange programmes for entrepreneurs; creative artistes overseas; National Festival of Arts and

- Culture (NAFAC); Regional and National Drama Festivals for Schools and Colleges; and KIDDAFEST International Youth Programme.
488. For the implementation of the above programmes and activities, an amount of GH¢38,918,393.00 has been allocated. Out of this, GH¢28,761,706.00 is GoG, GH¢10,156,687.00 is IGF.

MINISTRY OF ENVIRONMENT, SCIENCE, TECHNOLOGY AND INNOVATION

489. The Ministry is committed to promote sustainable development by deepening and strengthening market driven Research and Development (R&D) for sound Environmental Governance, Science, Technology and Innovation; through intensive awareness creation, collaboration and partnership.

Performance in 2015 and Outlook for 2016

Research and Development Programme

490. Mr. Speaker, to increase job creation opportunities and also promote the use of local materials in the building industry, the CSIR-BRRI set up two brick factories in Bawku and Sandema. About 50 brick layers, 13 works supervisors and 30 artisans were trained on the use of burnt bricks and pavement slabs in the construction of affordable houses.
491. The CSIR also established Guinea Fowl Resource Centres (GFRC) in Katamanso in Accra and Nyankpala for technology generation, demonstration and business incubation throughout the guinea fowl value chain. In 2016, the GFRC will facilitate the creation of competitive guinea fowl related agri-businesses through technology development and commercialization.
492. In 2016, the CSIR will support efforts in rural electrification through the use of lesser known wood species for electric poles, bio-fuels (from agricultural waste) for generators; hybrid solar and wind energy systems for households; reclamation of degraded land and mine sites; and also scale-up the biogas technology to cover 550 Senior High Schools (SHS).
493. Mr. Speaker, the CSIR will further identify and analyse all accident prone (black spots) locations on roads in the five markets cities (Accra, Kumasi, Sekondi-Takoradi and Tamale) and investigate road materials; as well as promote processing of fruit through solar drying for local consumption and export.
494. Mr. Speaker, the Ghana Atomic Energy Commission (GAEC) trained technicians on how to check leakages in oil/LPG transporting and storage vessels, in accordance with ISO 9712. Over 56 gas oil storage tanks were examined and

certified countrywide. Additionally, feasibility studies were conducted towards the siting of a nuclear power plant in the country.

495. In 2016, GAEC will procure a ground receiving station for the Space Science and Technology Institute to support the fight at curbing the illegal small-scale mining (galamsey) menace across the country and upgrade the Gamma Irradiation Facility (GIF) to at least 500kCi capacity for commercial activities.

Environmental Protection and Management Programme

496. Mr. Speaker, under the Sustainable Land and Water Management Project (SLWMP), 3200 farmers were supported to adopt sustainable land and water management practices which cover an area of 1500ha. Community Resource Management Area (CREMA) management plan for site 1 within the western wildlife corridor was also developed and 26 community watershed management plans were developed and currently being implemented. Reforestation of 400ha of Kulpawn and Ambalara forest reserves were undertaken.

497. The EPA implemented a project on the elimination of Poly Chlorinated Biphenyls (PCBs) in collaboration with the ECG, VRA, GRIDCo and NEDCo to gather stocks of PCBs for disposal abroad. 160 metric tons of PCBs and obsolete pesticides are in the Tema Harbour ready to be shipped abroad for environmentally sound disposal.

498. Mr. Speaker, in 2016, the EPA will extend the AKOBEN ratings to cover 2 to 5 star hotels and Oil Marketing Companies (OMCs); monitor and analyse air quality indicators namely particulate matter (PM10), NO₂, SO₂ and Ozone (O₃) as well as effluent from industries and hotels in the Accra-Tema Metropolis. This will enable the Agency to establish the relevant environmental indicators for effective compliance monitoring of activities of manufacturing industries and hotels within the two metropolitan areas.

499. Mr. Speaker, in 2016, the EPA will develop pesticides, industrial and consumer chemicals register to enhance monitoring and prevention of imports of unregistered and banned chemicals into the country; as well as undertake vigorous environmental compliance and monitoring in accordance with environmental legislation. This will ensure that enforcement actions are taken against companies who are non-compliant under provisions of the EPA Act and Environmental Assessment Regulations.

Spatial planning and Human Settlement Programme

500. Mr. Speaker, work on the Land Use and Spatial Planning Bill has received Cabinet approval for onward transmission to Parliament. The bill when approved will empower the Town and Country Planning Department to ensure well planned human settlement schemes at the national, regional and metropolitan/municipal/district levels.

501. In 2016, the Town and Country Planning Department will complete and distribute guidelines on development and building permitting, train stakeholders on the application of permitting guidelines; competency and academic training on land use and spatial planning; and establish the Land Use and Spatial Planning Authority (LUSPA).
502. For the implementation of the above programmes and activities, an amount of GH¢274,215,152.00 has been allocated. Out of this, GH¢167,642,050.00 is GoG, GH¢85,648,279.00 is IGF and GH¢20,924,824.00 is from Development Partners.

MINISTRY OF POWER

503. The Mandate of the Ministry is to formulate, monitor and evaluate policies for the provision of secure, safe and reliable supply of electrical energy to meet Ghana's developmental needs in an efficient, competitive and environmentally sustainable manner.

Performance in 2015 and Outlook for 2016

Generation, Transmission and Distribution Programme

504. Mr. Speaker, Government through the Ministry took measures to address the power supply challenges currently facing the country. Work on the 110MW TICO expansion was completed and the commissioning and commencement of commercial operations are expected shortly.
505. Under the 220MW Kpone Thermal Power Project, mechanical completion was achieved and it is expected to be commissioned for operations to commence before the end of the year.
506. Mr. Speaker, installation works on the 360MW Sunon Asogli expansion project are on-going. The first half of this project with an installed capacity of 180MW is to be commissioned before the end of 2015. The second half of another 180MW would be completed by the second quarter of 2016.
507. The Volta River Authority (VRA) is expanding the existing Siemens plant (49.5MW) by the addition of 38MW. The project is about 90 percent complete and is expected to be completed before the end of 2015.
508. Mr. Speaker, as part of measures to address the on-going power supply challenges, government is working on selected fast-track projects, two of which are the 250MW Ameri and the 225MW Karpower Projects. Installation works are

- progressing steadily and the projects are expected to be commissioned before the end of the year.
509. In 2016, Government will continue to pursue its objective of increasing the installed generation capacity of the country to meet the growing demand for electricity. In this regard a total of 1,053MW installed capacity is scheduled to be added to the existing installed capacity of the country.
510. Mr. Speaker, in line with Government policy to create a non-congested transmission system, GRIDCO is continuing with the Substations Reliability Enhancement Project (SREP) to improve operational reliability, security and control, among others. Work on the Tumu-Han-Wa 161kV line is 95 percent complete. The Wa and Tumu sub-stations were energised. The Prestea-Bogoso 161kV line is completed whilst the Kpandu-Kadjebi 161kV line is 50 percent complete. Design and survey works commenced under the Prestea-Kumasi 330kV Line Project.
511. In 2016, the Ministry will ensure that ongoing projects such as the Substations Reliability Enhancement Project (SREP), Kpandu-Kadjebi 161kV and the extension of the 161kV system to Berekum to enhance power delivery are completed. The Ministry will also ensure that the Prestea-Kumasi 330kV Line Project is executed on schedule.
512. On the distribution front, ECG undertook the following activities to improve supply reliability, reduce system losses and improve operational reliability in 2015:
- one hundred and twenty Medium/Low Voltage System Improvement Projects were completed;
 - seven new primary substations, two bulk supply points, upgrade works at 12 existing primary substations, 50 circuit km 33kV overhead network and 20km 33kV underground cable were completed;
 - the electrification and servicing of customers of Prestea Township were completed;
 - additional 560 communities were connected to the national grid under the ongoing SHEP programme;
 - the reconstruction of networks in three major markets in Accra and Kumasi were completed;
 - the Secondary Automation Project Phases 3 and 4 were completed.
 - special Revenue Protection exercise to check the integrity of all energy meters and service connection in order to reduce system losses from 24 percent to 21 percent is ongoing;
 - installation of prepayment meters for public tertiary institutions and hospitals non-sensitive accounts is on-going. The project is completed on Legon campus of the University of Ghana; and

- prepayment meters were installed for a total of 2,938 MDA offices and bungalows.
513. In 2016, ECG will continue with the sub-transmission, automation (SCADA) and distribution projects and the implementation of Ghana Compact II to put ECG and NEDCo on the path towards operational turn around. The global coverage of prepayment metering is expected to increase from 40 percent to 75 percent by the end of 2016. As a result of the interventions, the ECG revenue collection is envisaged to increase to 95 percent of current year sales and the debt stock reduced by 10 percent.
514. Mr. Speaker, the implementation of the six projects under the Millennium Challenge Compact progressed steadily. Under the Ghana Power Compact, a Transaction Advisor was engaged to advise the Government on the ECG Private Sector Participation activity. The Government will continue to work with the Millennium Development Authority (MiDA) and the MCC on the six Compact projects namely; ECG Financial and Operational Turnaround project, NEDCo Financial and Operational Turnaround Project, Access to Electricity Project, Regulatory Strengthening Project, Capacity Building Project, Power Generation Sector Improvement Project and Demand Side Management and Energy Efficiency Project.
515. The Ghana Energy Development and Access Project (GEDAP) 1 and 2 are almost complete with outstanding activities being the prepayment metering projects and ECG Customer Services Management (CMS) system deployment which is 80 percent complete.
516. Mr. Speaker, in 2016, distribution improvement and intensification in ECG and NEDCO operational areas; Geographical Information System (GIS) deployment in ECG & NEDCO areas; Institutional development and capacity building in ECG, NEDCO and regulatory agencies and the Ministry will be implemented under the GEDAP 3 Projects.
517. In line with the goal to achieve universal access to electricity by 2020, 550 communities were energised or connected to the national grid as at the end of September, 2015. The national electricity access rate increased from 75.6 percent in 2014 to 80.5 percent as at September 2015. In 2016, the Ministry intends to connect over 1,500 communities to the national grid from various interventions.
518. Mr. Speaker, the Northern Electricity Distribution Company (NEDCo) constructed and commissioned 2x 7.5 MVA 34.5/11kV substation at the University for Development Studies (UDS) in Tamale and Kotokrom in Sunyani to improve the quality of supply to its customers. To improve revenue collection, NEDCo initiated

the procurement of 90,000 prepayment meters out of which 45,000 meters are currently being installed throughout the NEDCo operational Areas.

519. Mr. Speaker, to improve quality of supply, the Tamale Airport sub-station was upgraded from 2.5MVA to 5.5MVA and Water plant substation from 6MVA to 16MVA. NEDCo completed and commissioned these two critical substations in the Tamale Area. To meet the regulatory requirements, NEDCo will commence the construction of seven primary substations at selected sites in 2016.

Renewable Energy Development Programme

520. In 2015 a total of 272 solar systems were installed in public facilities including schools and community centres located in remote communities without electricity nationwide. In addition, 375 solar systems in remote health facilities (CHP compounds) in 23 districts were also rehabilitated. Government will continue to pursue this programme in 2016.
521. During the year, 51,000 solar lanterns were procured out of which 41,000 lanterns were distributed at subsidized rates to off-grid communities. The remaining lanterns will be distributed by the end of this year. In 2016, the government will continue to pursue the deployment of solar lanterns nationwide.
522. The Energy Commission will continue the National Solar Rooftop Programme to bring to reality the government's commitment to the deployment of renewable energy solutions and achieve the target of having 200,000 rooftops in the country equipped with solar panels. The target for the coming year is to implement rooftop systems of up to 20,000 buildings.
523. The Ministry has also mandated the Energy Commission to lead the process of undertaking a competitive Tender for the procurement of an Independent Power Producer (IPP) to build a 20MW solar plant for supply of electricity to the Electricity Company of Ghana. It is expected that this Tender will ensure that solar power is procured at a competitive price, and this will set the scene for cost-effective power procurement in the country.
524. Mr. Speaker, installation works commenced for the four pilot mini-grid electrification projects on the islands of Peditorkope, Aglakope, Atigagome and Kudorkope. Installation works are about 65 percent complete. Work is expected to be completed by the end of the year. In 2016, the Ministry will scale up this effort to get more mini-grids and stand-alone Renewable Energy Systems deployed in identified remote communities including islands and lakeside communities.

525. The draft final report of the feasibility study for the Pwalugu Multipurpose Hydro Project was submitted for review. It is expected that the tendering process for the development of the project will commence in 2016.
526. Mr. Speaker, Efficient use of electricity is a key aspect of making electricity affordable and safeguard the environment. The Energy Commission has been tasked to lead an initiative to enable MDAs and MMDAs tackle energy use within their offices to ensure that wastage of electricity can be eliminated. This initiative empowers the MDAs and MMDAs to take control of their spending on electricity and reduce these costs by at least 30 percent in the next three years.
527. Government has initiated a major programme to reduce the frequency and duration of power outages experienced by electricity consumers. The initial programme is targeting the three regions of the Electricity Company of Ghana (ECG) that have the worst outages record. Working together with the ECG, the programme aims to identify the interventions required to reduce the level of outages occurring and agree on a plan for implementation with the ECG that will be monitored by the Energy Commission.
528. For the implementation of the above programmes and activities, an amount of GH¢884,269,444.00 has been allocated. Out of this, GH¢84,261,186.00 is GoG, GH¢30,645,519.00 is IGF and GH¢769,362,740.00 is from Development Partners.

MINISTRY OF PETROLEUM

529. The mandate of the Ministry is to sustain and optimize the exploration, development and utilization of oil and gas endowment for the overall benefit of Ghanaians.

Performance in 2015 and Outlook for 2016

Management and Administration

530. Mr. Speaker, the Petroleum Exploration and Production Bill to better regulate the upstream activities was finalised and laid before Parliament for approval.
531. Drafting of Upstream Regulations to ensure efficient conduct of petroleum activities in accordance with international best practices is in progress. These regulations include: Fiscal Metering, Data Management, Health Safety Security and Environment. The regulations and guidelines on fiscal metering have been completed and forwarded to the Attorney-General's Department.

532. Mr. Speaker, petroleum upstream regulations on Fiscal Metering, Data Management, Health Safety Security and Environment will be finalised and submitted to Parliament. This will provide the relevant regulatory regime to operationalise the Petroleum Exploration and Production Act.
533. A Gas Master Plan intended to provide broad guidance on the utilisation of gas in power and non-power sectors is being finalised for presentation to Cabinet. Once approval is granted by Cabinet, the Ministry will develop a Gas Policy and subsequently a Gas Bill for consideration by Parliament in 2016.
534. Mr. Speaker, the Ministry in 2016 will take steps to address infrastructure planning and delivery requirements in a comprehensive Gas Master Plan and will also commence implementation of instructional, regulatory and commercial reforms to harmonise activities in the Gas Sector. In addition, Natural Gas Implementation Strategy will be developed to address infrastructure requirement, funding and institutional mandates for Gas Sector Agencies.

Petroleum Sector Development Programme

535. Mr. Speaker, Jubilee Field Production for 2015 is set to average at 110,000 barrels (bopd) at end of year as against 102, 000 bopd for 2014. The total production from January to September 2015 was 27,668,675 barrels with average daily production for the period at 101,463 bopd.
536. The Atuabo Gas Infrastructure Project is complete. Commercial operation of the plant commenced on 1st April, 2015 and was officially commissioned by His Excellency the President on September 16, 2015. The plant is currently delivering about 100mmscf/day to thermal plants at Aboadze for power generation.
537. Mr. Speaker, the Plant is also on track to produce Liquefied Petroleum Gas (LPG) of more than 180,000 metric tons per year which amounts to over 50 percent of the present estimated 360,000 metric tons annual LPG national demand. Currently LPG production from the plant is about 500 tons per day. In addition, a bituminised road network, including a bridge for the safe disposal of the natural gas liquids (NGLs) and other condensates from the gas processing plant, and a by-pass pipeline to ensure speedy evacuation and delivery of gas from the Jubilee fields to Aboadze were constructed.
538. In 2016, the installation of FPSO J.E.A Mills and the completion of all subsea installations will pave the way for oil and gas production in the Tweneboa-Enyenra-Ntomme (TEN) Project which will deliver about 60,000 bopd and 60 mmscf of gas daily. First Oil is expected in the third quarter of 2016.
539. The Sankofa Gye Nyame (SGN) Project has been negotiated and concluded. The project has recoverable reserves of 162mmbbls of oil and 1.07 TCF of gas. Two

development wells have been drilled as at September. Production of first oil is expected in 2017 and gas in 2018.

540. Mr. Speaker, a 10 MW mainline compressor on the Atuabo - Aboadze pipeline will be installed to increase pipeline capacity from 135mmscf/d to 405 mmscf/d. In addition, exploration activities in the Voltaian Basin will be intensified with GNPC leading the role to establish the Petroleum Systems in the basin.
541. Mr. Speaker, the on-going Rural LPG Promotion Programme (RLPGPP) which distributed 13,000 cylinders and cook stoves in 2014 were scaled up in 2015 with planned distribution of 40,000 cylinders and cook stoves. So far, 20,000 cylinders and cook stoves was distributed in six districts. The remaining 20,000 cylinders and cook-stoves will be distributed by the end of the year.
542. In 2016, the on-going Rural LPG Promotion Programme will be scaled up to cover more communities in deprived areas to have access to clean energy and to reduce their dependence on wood-fuel. The Ministry will scale-up the Programme in 2016 with the distribution of additional 50,000 cylinders and cook stoves in more about 25 communities. This will bring to a total of about 110,000 cylinders and stoves in fulfilment of the promise made by His Excellency the President to distribute 100,000 cylinders and cook stoves by end of 2016.
543. The Petroleum Commission undertook a number of activities in the implementation of the Local Content Regulations. They include: Baseline study and skills gap analysis; Database for Ghanaian professionals (Local and Foreign); Framework for internship and placement programme; Annual Local content plans and Review of over 20 local content plans and performance reports. In 2016, the local content Policy draft for the Petroleum Downstream sector would be finalised and presented to Cabinet for approval.
544. Mr. Speaker, to address the issue of government's indebtedness to the Bulk Distribution Companies (BDCs,) in respect of accumulated under recoveries and forex losses, which often resulted in product shortages, Cabinet approved the Petroleum Price Liberalization in June and it became operational in July 2015. Petroleum product prices have been trending downwards with improved services since the policy implementation.
545. For the implementation of the above programmes and activities, an amount of GH¢40,298,331.00 has been allocated. Out of this, GH¢1,692,620.00 is GoG, GH¢23,523,689.00 is IGF and GH¢15,082,022.00 is from Development Partners.

INFRASTRUCTURE SECTOR

MINISTRY OF WATER RESOURCES, WORKS AND HOUSING

546. The Ministry exists to ensure sustainable management of the nation's water resources; provide safe, adequate and affordable water and water related sanitation; drainage works, coastal protection works and affordable housing.

Performance in 2015 and Outlook for 2016

Water Resource Management Programme

547. Mr. Speaker, the Ministry acting through the Water Resources Commission (WRC) created new buffer zones at Pwalugu, Djentiga 1 and 2, and Yarigungu, and extended the buffer zones at Mognori and Bazua in the Upper East Region. A buffer area of about 4.3km out of the targeted 30.7km on both sides of the White Volta River was created.
548. In 2016, the development and management of buffers in degraded river basins will be intensified. A Legislative Instrument to enforce the implementation of the Buffer Zone Policy will be pursued.
549. Mr. Speaker, to regulate and coordinate the design, construction, operations, maintenance, and decommissioning of dams, the Ministry in 2015, developed regulations on Dam Safety. The ultimate goal is to ensure uniform and adequate level of safety for all dams throughout the country.
550. Two documentaries with respect to water resources management on the Pra and Tano River Basins were developed and are being aired on the national television networks and social media. The last batch of 25 police prosecutors in the Volta Region and 59 media personnel in the Volta and Central regions were trained to assist in enforcing compliance of water use regulations, educating the public and improving on media reportage. To date, 211 police prosecutors and investigators, and 289 media personnel have been trained throughout the country.
551. Mr. Speaker, in 2016, the Ministry will continue the implementation of the Rainwater Harvesting Strategy for Ghana and pursue through field demonstration of 'no/low regret' investments of water conservation and utilization schemes in the White Volta Basin.

Urban Water Management Programme

552. Mr. Speaker, the Kpong Water Supply Expansion and rehabilitation works was completed and handed over to GWCL in 2015 and is currently producing 20 million gallons per day (MGD) of water for the Greater Accra Metropolitan Area

(GAMA). In addition, intake structure, dedicated powerline, 73km transmission pipelines, booster stations at Dodowa and Boi and reservoirs at Dodowa, Boi and Madina were completed. In 2016, GWCL will undertake distribution extensions within the metropolis to ensure that the full capacity of the water treatment plant is utilized.

553. The Essakyir Water Supply Project received approval by parliament in 2015 for the following communities: Gomoa Maim, Ekumfi, Otuam, Esuehyia, Akra, Asaafa, Etwaa, Nakwa, Asokwa, Abeka, Ekumfi Swedru, Essakyir, Ekroful, Otabenadze and Ataakwa. Works on this project will commence in 2016.
554. Mr. Speaker, the Nsawam Water Supply Expansion Project was completed and is currently being test run. The water treatment plant will add 1.63MGD of water to the supply system. The Kumawu and Konongo water supply project is 82 percent complete. Akim Oda and Akwatia water supply project is on-going and is expected to add 6.58MGD of water to the supply system. The rehabilitation works on the Winneba Water supply system is on-going and is 39 percent complete.
555. In 2016, Government will complete the construction of the water treatment plant at Kumawu and Konongo. It will also complete rehabilitation works on the Kwahu Ridge Water supply system. The project will add 8.47MGD of water to the supply system. The construction of water treatment plant in Akim Oda and Akwatia will continue.
556. Mr. Speaker, in 2015, the Ministry continued the construction works on Wa Water Supply Project and is currently laying the 15km transmission pipeline. In 2016, Government will complete the construction of water treatment plant and laying of the distribution network which will add 3.3MGD of water to the Upper West water supply system.
557. The Cape Coast Water Supply Project, which links the Sekyere Heman water system and the Brimsu Water Treatment Plant, commenced and is currently 20 percent complete. In 2016, Government will complete the project to improve the reliability of water supply in the Cape Coast Municipality. The project will also supply water from the Sekyere Heman Water Treatment Plant to the VRA Aboadze Thermal Plant. The ministry will continue distribution extension works at Accra (Teshie, Nungua, Madina, Ashaley-Botwe, Ashongman, Kwabenya, Boi, Adenta), Kumasi, Cape Coast and some other identified towns. Similarly, minor works to improve water supply to University of Health and Allied Sciences in Ho will commence under this programme.

Rural Water Management Programme

558. Mr. Speaker, under the Sustainable Rural Water and Sanitation Project, the Community Water and Sanitation Agency (CWSA) continued with the provision of potable water to rural communities and small towns. In 2015, a total of 1,068 boreholes, out of the target of 1,200, were drilled in Central, Western, Northern, Upper East and Upper West Regions. In addition, drilling of boreholes in the Brong Ahafo Region; construction of 52 small towns' water systems are at various levels of completion. A total of 385 institutional latrines out of the 450 were completed. In 2016, all civil works on the entire project will be completed.
559. Mr. Speaker, five projects under the Northern Regional Small Towns Water and Sanitation Project (NORST) were completed and commissioned at Bunkpurugu – 1, Karaga – 1, Yendi – 2, Tatale-Sanguli – 1 and Nanumba North (Bincheratanga) – 1. Eight other projects were completed and ready for commissioning in Nanumba North (Makayili), Nanumba South (Lungni), Gushegu, Saboba, Kpandai – 2 systems, Chereponi and West Mamprusi Districts. Five other projects are at various stages of completion will be completed in 2016.
560. The Ministry is also undertaking water supply rehabilitation and expansion works at Akrokeri (Ashanti Region) and Nsawkaw – Nkona - Kwaja (Tain District in the Brong Ahafo Region). The Nsawkaw-Nkona-Kwaja system is completed whilst the Akrokeri system will be completed in 2016.

Infrastructure Sector Management Programme

561. Mr. Speaker, coastal protection works which is aimed at protecting the land, preventing further erosion and protecting life and property are at various stages of completion - Aboadze 70 percent, Sakumono 100 percent, Nkontompo 50 percent. In 2016, work will commence on Dansoman, Adjoa-New Takoradi, New Takoradi, Amanful Kumah and Blekusu.
562. The Ministry commenced drainage improvement works to solve the perennial flooding and erosion problem and mitigate the disaster risk associated with flooding in various parts of the country. The projects and their respective levels of completion are as follows: Akora River Drainage Project at Agona Swedru - 40 percent, construction of reinforced concrete drains at Sakaman Lot 1- 81 percent, construction of reinforced concrete drains at Goaso phases I and II of Lots 1, 2 and 3 are 68 percent and 76 percent respectively. Construction of earth drains at Taifa, Lots 1 and 2 -100 percent complete. In 2016, construction of reinforced concrete drainage will be undertaken in Asankragua, Ejura, Tamale, Tepa, Kumawu, Hwidiem, Tafo, Ofoase-Kokoben, Winneba, among others.

Human Settlement and Development Programme

563. Mr. Speaker, Phase II of the construction of 368 housing units for the security services is on-going. The current work rate on the project is about 38 percent

and is expected to be completed in 2016. In addition, construction of 5,000 Affordable Housing Unit at Saglemi-Ningo Prampram is progressing. Works on Phase I of the project consisting of 1,502 housing units commenced and will be completed in 2016.

564. The 4,720 government affordable housing units in the Greater Accra, Ashanti, Northern, Upper West and Eastern regions are at various stages of completion. Seventy-two units which were allocated to the State Housing Company Limited (SHCL) at Borteyman were completed.
565. In 2016, the Department of Rural Housing will commence the construction of 100 housing units for rural and peri-urban households using improved locally manufactured building materials. The use of indigenous building materials will help reduce construction cost by approximately 30 percent.
566. For the implementation of the above programmes and activities, an amount of GH¢1,418,584,338.00 has been allocated. Out of this, GH¢129,322,964.00 is GoG, GH¢3,973,131.00 is IGF and GH¢241,485,516.00 is from Development Partners.

MINISTRY OF ROADS AND HIGHWAYS

567. The Ministry has the oversight responsibility for the development, maintenance and rehabilitation of the road network in Ghana.

Performance in 2015 and Outlook for 2016

Road Rehabilitation and Maintenance Programme:

568. Mr. Speaker, the Ministry maintained its focus on routine and periodic maintenance activities to protect the huge investment made by Government in the provision of the road infrastructure. In 2015, routine maintenance works were carried out on 7,228km of trunk road, 7,471km of feeder road, and 5,900km of urban road networks.
569. During the same period, periodic maintenance activities, comprising re-gravelling/spot improvement and resealing works were carried out on 18km, 326km and 2,450km of the trunk, feeder and urban road networks, respectively. Minor rehabilitation works covering upgrading and construction of culverts and drainage structures were also carried out on; 10km, 404km and 72km of the trunk, feeder and urban road networks, respectively.
570. In 2016, routine maintenance activities will be undertaken on 11,199km, 22,500km and 10,200km of trunk, feeder and urban road networks, respectively.

In addition, periodic maintenance will be undertaken on 450km, 1,000km and 4,200km of trunk, feeder and urban roads, respectively. Minor rehabilitation works on 150km of trunk roads, 350km of feeder roads and 100km of urban roads will also be undertaken. Some of the roads to be rehabilitated are:

- Sawla – Wa Road ;
- Kasoa By pass;
- Kpone Katamanso and Golf City Area;
- Winneba-Sankor-Akotsi; and
- Dalive-Agortaga.

Road and Bridge Construction Programme

571. Mr. Speaker, the development activities undertaken included rehabilitation, reconstruction, construction and upgrading of bridges. In all, a total of 67km and 25km of development works were executed on the trunk and urban road networks, respectively. The details of progress on some of the projects are shown below;

| Project | 2014 | 2015 |
|--|-------------|-------------|
| Nsawam - Apedwa Road, Kwafokrom - Apedwa | 68% | 73% |
| Buipe – Tamale | 98% | 100% |
| Fufulso-Sawla | 60% | 100% |
| Dodi-Pepesu Nkwanta | 58% | 98% |
| Tarkwa Bogoso-Ayamfuri | 11% | 81% |
| Agona Junction – Elubo | 11% | 94% |
| Ayamfuri – Asawinso | 36% | 80% |
| Enchi – Dadieso | 53% | 57% |
| Wa – Han | 15.2% | 48% |
| Awoshie-Anyaa Road Project | 96.9% | 100% |
| Anyaa – Pokuase Road Project | 90.7% | 96% |
| Burma Camp Roads | 77% | 93% |
| Giffard Road | 71.8% | 97% |
| Sunyani Road (in Kumasi) | 85% | 98% |
| Kansaworodo Bypass | - | 77% |
| Kwame Nkrumah Interchange Phase 1 | - | 100% |
| Kwame Nkrumah Interchange Phase 2 | - | 45% |
| Bridge over Benya Lagoon at Elmina | - | 85% |

572. Additionally, construction of the following roads in the Western region Oil Enclave are being executed to support the operations of the Gas Plant:

- Alabokazo – Ekwei- Tikobo No.1 (53km) – 77 percent complete; and
- Princess Junction – Princess Town road (18km) – 13 percent complete.

573. In 2016, about 200km of trunk roads and 40km of urban roads will be constructed. Some of the key roads programmed for construction are:
- Nsawam – Apedwa Road;
 - Kwafokrom – Apedwa;
 - Enchi – Dadieso;
 - Kwame Nkrumah Interchange;
 - Kasoa Interchange;and
 - Eastern Corridor Roads.

Road Safety and Environment programme

574. The Ministry pursued the implementation of the Law on Axle Load Limit as stipulated in the Road Traffic Regulation LI 2180. Intensive education and sensitization on the axle load regulation is ongoing. In 2015, education campaigns were held in Brong Ahafo and Greater Accra regions. Workshops were organised for transporters and owners of warehouses, quarries and companies generating cargo. As a result of these activities, the incidence of overloading decreased significantly to less than 10 percent. However, we wish to note that, truckers still use alternative routes to avoid the Permanent Weigh Stations. Operations of the mobile weighing vans have been stepped up to counter the activities of non-compliant truckers.
575. The Ministry's Public Private Partnerships (PPP) programme for the financing, construction and management of road infrastructure is progressing steadily. Three major road projects are at different stages of preparation:
- **Accra – Takoradi:** Pre-feasibility studies was completed and selection of a Transaction Advisor to carry out feasibility studies and procurement of a concessionaire is underway;
 - **Accra – Kumasi:** The Transaction Advisor has submitted the draft final report on the project; and
 - **Accra-Tema Motorway:** Discussions on the project design concept and the draft agreement are on-going with the project proponents. The detailed feasibility studies and designs will commence in 2016.
576. Mr. Speaker, the Ministry will continue the following policy initiatives to improve on operations and the overall condition of the road network during the 2016 fiscal year:
- maintenance of road asset to protect investment of the road infrastructure;
 - improving road maintenance financing by the implementation of Electronic Tolling of Roads in revenue generation; and
 - axle Load Control to reduce the maintenance budget for the road infrastructure.

577. For the implementation of the above programmes and activities, an amount of GH¢624,624,197.00 has been allocated. Out of this, GH¢206,816,749.00 is GoG, GH¢9,534,264.00 is IGF and GH¢408,273,183.00 is from Development Partners.

MINISTRY OF COMMUNICATIONS

578. The Ministry exists to facilitate the development of a reliable and cost effective world class communications infrastructure and service, driven by appropriate technological innovations and a two way free flow of timely information to promote economic competitiveness.

Performance in 2015 and Outlook for 2016

ICT Infrastructure Development Programme

579. The telecommunications sector continued to register impressive growth rates in subscription as a result of favourable enabling environment and investment in infrastructure development. In 2015, the total telephone subscription for both cellular and fixed lines stood at 33,099,511 representing 8.09 percent growth whilst mobile data subscription was at 17,089,034, representing about 65 percent increase.
580. Mr. Speaker, the Ministry in 2016 will monitor the implementation of the following four policies namely: the Interconnect Clearing House, the Mobile Virtual Network Operating Licence, International Wholesale Carrier Licence and the Unified Telecom Licence. The Ministry will also develop a Legislative Instrument for the analogue-to-digital broadcasting migration process.
581. The Ministry through the National Communications Authority (NCA) continues to monitor and enforce Quality of Service (QoS) requirements by way of measuring Operators performance in the delivery of services. The NCA undertook regular monitoring exercises to ensure that service providers comply with the licence conditions related to the assigned frequencies. These exercises have led to greater customer responsiveness and satisfaction. The NCA has also developed and adopted the use of Monthly Verification of Operators' Marketing Activities, which has reduced consumer complaints and enforced compliance.
582. Mr. Speaker, the Ministry is managing the analogue-to-digital broadcasting migration process to ensure that every Ghanaian is able to watch TV in the digital domain. The Ministry this year signed a supply and installation contract for the implementation of the Digital Terrestrial Television (DTT) network project. The first phase of the project which covers the Headend and Digital Broadcast Service in Greater Accra and Ashanti Regions will be completed by the end of the year.

583. The Ministry as part of the transition arrangement advertised for the procurement of Set-Top-Boxes (STBs) to enable analogue TVs receive the digital signals. It commenced the process for the auctioning of the first Digital Dividend in 800MHz frequency band. The generated revenue will be utilized to fund the DTT network infrastructure. The educational and awareness campaign also commenced with Bill Boards mounted at strategic locations on the digital migration process.
584. Mr. Speaker, the Ministry will pursue the phased rollout plan of the DTT project and complete phase two (Volta, Northern, Upper East & Upper West Regions) and phase three (Central, Western, Eastern and Brong Ahafo Regions) by March 2016.
585. The Ministry is implementing the e-Government infrastructure platform project to provide effective connectivity to MDAs and MMDAs. In 2015, the Ministry targeted to construct 90 Long Term Evolution (LTE) sites and completed 45. This improved internet connectivity for all MDAs/MMDAs, enhanced information flow and service delivery as well as increase revenue generation.
586. Mr. Speaker, the 808.35km Eastern Corridor fibre optic project linking Ho to Bawku and from Yendi to Tamale was completed and commissioned this year. The project will improve coverage of telecom services, boost businesses and create employment.
587. In 2016, the Ministry will expand the national broadband infrastructure to cover the western corridor and offshore oil and gas exploration areas. The project is expected to provide terrestrial fibre optic in the south-western part of the country which is rich in agriculture and mining activities.
588. Mr. Speaker, the Ministry in 2015 completed the construction of the Secondary Data Centre in Kumasi to serve as a redundancy to the Primary Data Centre in Accra. The physical infrastructure of the Primary Data Centre was also completed. The wiring, networking and installation of all relevant electronic equipment will be completed by the end of 2015.
589. In 2016, deployment of the 600 rack capacity Primary Data Centre will be completed to serve as data repository for both public and private entities in Ghana. It will provide safe and reliable space for data storage for both public and private sector organisations as well as disaster recovery services. When completed, the Primary Data Centre will generate revenues from hosting these services.
590. Mr. Speaker, in 2015, the Ministry continued to deploy e-Government applications in government establishments as part of the e-Transform Project.

These include the one stop service centre, e-Immigration, e-Cabinet, e-Parliament, e-Justice, and e-Health. Seven out of 23 Departments earmarked for the intervention at the Korle Bu Teaching Hospital have gone live on the system. Eight departments out of the 16 earmarked at the Wa Regional Hospital and 11 at Zebilla District Hospital have gone live.

591. In 2016, the Ministry will continue to deploy a portal infrastructure to provide a platform for content management, e-Forms, document workflow and online payments for various government agencies. The Ministry will continue with the deployment of e-Government applications.
592. Mr. Speaker, successful trial runs in e-Health applications in most of the departments of the piloted hospitals have been carried out. The Ministry will complete the following projects:
- conduct trial run of the 16 remaining departments at the Korle Bu Teaching Hospital by the end of 2016;
 - monitor the Go live and rollout to the 11 Departments at Zebilla District Hospital; and
 - conduct Trail-run of the remaining eight departments at the Wa Regional Hospital.
593. In addition, the Ministry will establish one m-Lab in Accra and two m-Hubs in Kumasi and one other location in the northern region to promote an environment where entrepreneurs can participate in launching new products and services, scaling up e-applications services and increasing patronage of e-applications.
594. Mr. Speaker, the Ministry is collaborating with the International Multi Party Against Cyber Security Threat (IMPACT) under the auspices of the International Telecommunication Union (ITU) to fight the menace of cybercrime within the country. In addition, the National Computer Emergency Response Team (CERT-GH) continues to monitor threats and attacks in the Ghanaian cyberspace in real time.
595. Mr. Speaker, to bridge the digital gap between the served and unserved/underserved areas of the country, the Ministry completed the construction of 21 enhanced Community Information Centres (e-CICs) throughout the 10 regions of Ghana. The selected areas were: Keta, Battor, Techiman-Krobo, Twifo Atti-Morkwa, Bodi, Effiduase, Glefe, Pantang, Amanfrom, Drobonso, Anum, Bekwai, Nandom, Welembelle, Sagnarigu, Pusiga, Gambaga, Kpetoe, Talensi, Ofoase, and Lassia-Tuolu. Sixteen out of the 21 have been commissioned and handed over to the beneficiary communities. The remaining 5 e-CICs will be commissioned before the end of 2015.

ICT Capacity Development Programme

596. Mr. Speaker, the Kofi Annan Centre of Excellence in ICT (KACE) trained 327 students in areas of software, security and networking. The centre also organised sandwich programmes for tertiary students, executives and corporate entities. In 2016, KACE plans to train 3,000 participants in similar programmes.
597. The Ministry continued to promote the celebration of "Girls-in-ICT" programme to provide the platform for as many girls as possible to interact with mentors within the ICT sector to generate interest of girls in technology, computer science, new communication media and engineering. In 2015, 907 girls from public schools in Volta Region were brought together and trained in the use of ICT tools and equipment. The programme created the opportunity for the girls to interact with the mentors and to work together with other girls from other districts in the Volta Region. There was also an awareness creation on Child Online Protection (COP). In 2016, 900 girls will be trained in ICT programmes as part of Girls in ICT Celebration to be held in Tamale.
598. In recognition of the important role the internet is playing in the provision of quality education for children, the Ministry will continue to collaborate with the International Telecommunication Union (ITU); Commonwealth Telecommunications Organization (CTO); the Ghana Police Service, the Ministry of Gender, Children and Social Protection, and the National Communications Authority (NCA) to pursue the COP initiative as a platform to raise awareness about child online safety issues.
599. Mr. Speaker, the Ministry has entered into a partnership agreement with the Republic of Mauritius to invest over USD200m in the ICT Park at the Tema Free Zone Enclave which when completed will create several thousands of jobs for the youth.
600. The Ministry, in collaboration with the private sector, will set-up three medical call centres in the Greater Accra Region, the middle and the northern belts to provide essential linkages with physicians and urban healthcare centres, and provide urgent and emergency healthcare advice to patients seeking medical care. In 2016, the Ministry will provide internet connectivity to 100 priority district and regional health centres in the less developed parts of the country to address a critical connectivity needs.
601. Mr. Speaker, similarly, internet connectivity to the bottom 200 secondary schools will be provided to improve quality of teaching and learning. The selected schools will be eligible for a high-speed internet access and equipment for their computers laboratories.

602. The Ministry will implement a tertiary institutions network programme in eight institutions to strengthen ICT capacity at the tertiary level. The programme consists of the provision of infrastructure, connectivity and applications to the following public institutions:

- University of Ghana
- University of Cape Coast
- Kwame Nkrumah University of Science and Technology
- St. Theresa Training College, Hohoe
- OLA Training College, Cape Coast
- University College of Education, Winneba
- University of Development Studies
- Sunyani Polytechnic

Film and Television Production Training Programme

603. Mr. Speaker, the National Film and Television Training Institute (NAFTI) also trained 385 students in film and television production, media and creative arts. In 2016, NAFTI will train 178 students in film and television production, other media and creative arts.

Meteorological Services

604. Mr. Speaker, in line with the World Meteorological Organisation (WMO) standards for quality management systems, the Ghana Meteorological Agency will, in 2016, improve upon its service delivery in the country by undertaking the following:

- recruit and train 50 meteorologists in aeronautics, agromet, hydromet, weather forecasting and climate services;
- procure and install three Weather Surveillance Radars (WSR) and 144 Automatic Weather Stations (AWS) in the Country; and
- procure and install three vertical wind profilers and weather communication systems and data processing equipment.

605. For the implementation of the above programmes and activities, an amount of GH¢292,861,427.00 has been allocated. Out of this, GH¢75,020,826.00 is GoG, GH¢71,404,334.00 is IGF and GH¢146,436,267.00 is from Development Partners.

MINISTRY OF TRANSPORT

606. The Ministry is committed to create an integrated, cost effective and seamless transportation system responsive to the needs of the society.

Performance in 2015 and Outlook for 2016

Aviation Services Programme

607. Mr. Speaker, the expansion and refurbishment of the Arrival Hall at the Kotoka International Airport (KIA) which seeks to improve infrastructure is 60 percent complete. Additionally, the construction of the southern apron at KIA for eight wide body aircrafts is 95 percent complete. The project will be completed in 2016. The site for the commencement of the construction of Terminal 3 has been handed over to the contractor.
608. The first phase of the upgrading of the Tamale airport as an alternative international airport to Kotoka International Airport includes the reconstruction and extension of the Tamale runway. The project is 65 percent complete and it will be completed in 2016.
609. Mr. Speaker, as part of Government Policy to have aerodromes/airstrips in all the 10 regions and create efficient transport system to open up the country for socio-economic activities, H. E. The President cut the sod for the development of an aerodrome in Ho. Preparatory works for Wa aerodrome is on-going for domestic airline operations to commence in 2016.
610. The construction of a seven-storey Ghana Aviation Training Academy (GATA), which will support the development of the human resource capacity of the industry, is 95 percent complete.
611. Mr. Speaker, in respect of the establishment of a national carrier, a feasibility report has been submitted and discussed by stakeholders. Request for Proposals are currently being prepared for the selection of a Strategic Investor.

Maritime Services Programme

612. Mr. Speaker, the three 50-Seater high speed passenger ferries and one Modular Passenger/Freight Vessel which were procured to improve passenger and cargo transport services along the Volta Lake were assembled and underwent trials ready for deployment. In 2016, the transport services on the Volta Lake will carry 27,000 workers and 6,000 school children.
613. As part of the upgrading and expansion of the Takoradi Port, works was completed on the 1.1km break water extension the dredging of berths and basins to 14meters. In addition, construction of the Takoradi logistics platform for

warehousing of materials for the oil fields is 97 percent complete. The project will be fully completed and commissioned in 2016.

614. At the Tema Port, construction of a jetty is on-going and is about 65 percent complete and will be completed in 2016 to handle bulk cargo vessels and free the berths. A Memorandum of Understanding has been signed with an investor company, (MPS) to construct 4 container terminals, an access road from the port to the motor way and expansion of the motor way from 4 lanes to 6 lanes.

Rail Transport Programme

615. Mr. Speaker, the Ghana Railway Development Authority is undertaking the re-construction of the Sekondi-Takoradi via Kojokrom section of the Western Line to provide sub-urban passenger rail transport service between the twin cities of Sekondi-Takoradi. The works is about 50 percent complete and will be completed by the end of 2016. Additionally, the Front End Engineering Design (FEED) of the Western railway line was completed. The FEED on the Eastern railway line will commence in 2016.
616. A PPP Transaction Advisor selected for the reconstruction of the Eastern Railway line to link the Boankra inland port has submitted a pre-feasibility report and is currently conducting a full feasibility study. This project will help to decongest the Tema port and bring import and export services closer to shippers in the northern part of the country as well as to the neighbouring land-locked countries.

Road Transport Management Programme

617. Mr. Speaker, the National Road Safety Commission (NRSC) produced and distributed educational materials which included 100,000 Posters, 100,000 Handbills and 150,000 stickers to improve public education on road safety. Additionally, 500 Schools were visited and 170,000 school children and 900 teachers educated in safe road crossing practices. About 1,088 outreach programmes were undertaken at communities, market centres, lorry terminals, churches and mosques throughout the country.
618. Ghana has been ranked first among 23 countries in Africa by the Economic Commission of Africa (ECA) for developing and implementing the National Road Safety Strategy III (2011-2020) and the African Road Safety Action plan within the framework of the United Nations Decade of Action for Road Safety (Decade) initiative. The implementation of the plan has improved Ghana's road traffic situation over the period. Data for 2014 indicates a 2.21 percent reduction in fatalities from the 2013 situation. Provisional data for 2015 indicates a 16 percent reduction in fatalities from the 2014 situation.
619. Mr. Speaker, the Driver Vehicle and Licensing Authority (DVLA) commenced the implementation of an electronic road worthy certification of vehicles to replace

the manual system. Additionally, Accra, Weija, Tema, Winneba, Kumasi and Takoradi stations have automated this service and will be expanded to cover all the other regional offices in 2016.

620. In addition to the existing four Private Vehicle Testing Stations (PVTS), 13 more have been granted licenses to set up throughout the country. Two out of the 13 have started operations in Tema and Somanya bringing the total to six. The garages which are fully equipped with state-of-the-art facilities have improved the standard of testing and road safety.
621. Mr. Speaker, as part of Government Policy to improve public transportation in the country, a total of 495 Mass Rapid Transit (MRT) buses installed with electronic ticketing devices were procured for use by Metro Mass Transit Company Limited and Intercity STC. The Ministry has taken delivery of 126 buses out of which 10 were deployed for training of drivers for the BRT pilot programme. Eighty Four additional buses will be delivered in the first quarter of 2016.
622. The Government Technical Training Centre (GTTC) which runs an academic programme in driver training, auto mechanic, auto body and auto electricals will train artisans and mechanics for the BRT. To upgrade the existing facilities of GTTC to expand its services, the construction of a 4-storey eight unit classroom block was completed. Additionally, modern training equipment for vulcanizing, air-conditioning and automobile diagnostics was procured to aid the training of artisans at the Centre.
623. For the implementation of the above programmes and activities, an amount of GH¢126,317,102.00 has been allocated. Out of this, GH¢23,082,605.00 is GoG, GH¢53,252,151.00 is IGF and GH¢49,582,346.00 is from Development Partners.

SOCIAL SECTOR

MINISTRY OF EDUCATION

624. The mandate of the Ministry is to provide equitable access and quality education to all Ghanaians to make them functional citizens in order to contribute to the growth and development of the country.

Performance in 2015 and Outlook for 2016

Management and Administration Programme

625. Mr. Speaker, the enforcement of the policy of zero tolerance for Teacher Absenteeism through increased school inspection, supervision and awareness creation has led to an improvement in Teacher Attendance Rate from 89 percent in 2013/2014 to 90.2 percent in 2014/2015 academic years.
626. In 2016, the Ministry will intensify school supervision and inspection to further improve the rate of teacher attendance from the current level of 90.2 percent to a projected 92 percent in the 2015/2016 academic year.
627. Mr. Speaker, the working group of the Ministry on Education Decentralization, in conjunction with the legislative review taskforce of the Inter Ministerial Coordinating Committee (IMCC) completed work on the consolidation of the Ghana Education Service Act, 1995 (Act 506) and the Education Act, 2008 (Act 778).
628. Nationwide stakeholder consultative meetings were held on the draft Education Service Bill with various Teacher Unions (GNAT, NAGRAT, CCT) and the GES Council. In 2016, the final document will be submitted to Parliament for consideration and approval.
629. Mr. Speaker, to ensure compliance with the Ministry's policy on Standardization of School Fees at the Senior High School (SHS) level, a country-wide seminar was held for all Regional Directors of Education, Regional Accountants and Auditors, Metropolitan, Municipal and District Directors of Education, Heads of Second-cycle Institutions and School Accountants in the Ghana Education Service. The standardized fees were published as part of the placement document into SHS.
630. In 2016, the Ministry will continue to collaborate with the various stakeholders to ensure that approved fees are charged to increase access to higher participation in education especially at the second cycle level.

631. Mr. Speaker, in 2014, the Ministry introduced a new policy to give opportunity to unsuccessful BECE candidates to re-sit the examinations. A total of 1,181 candidates took part in the maiden edition in March 2015 and were part of the 2015 placement into SHS and Technical institutes.
632. Mr. Speaker, under the National Literacy Acceleration Programme, Government is implementing a language policy which states that the medium of instruction at kindergarten and Primary one to three should be the Ghanaian language with English language taught as a subject. The full implementation of this policy has faced challenges due to non-availability of qualified language teachers and appropriate teaching and learning materials.
633. To overcome these challenges, the Ministry in 2014/2015 academic year trained 24,520 teachers from 75 deprived districts at the KG and primary levels in eleven Ghanaian Languages. In 2016, the language policy will be reviewed and streamlined as part of the Learning Project. Under the project, 52,000 teachers will be trained and 2.8 million children supported to improve reading over the next 5 years.
634. Mr. Speaker, in 2015, 13,637 teachers went through various in-service training programmes in the 75 deprived districts as part of their development. In addition, 1,500 mathematics teachers were trained on innovative approaches in the teaching of mathematics.
635. To enforce discipline and professionalism in the teaching career, the Ministry, through the National Teaching Council is piloting the scheme for the registration and licensing of teachers in Shai Osudoku, Upper Manya Krobo, Ajumako-Enyan-Essiam, Kassena-Nankana East and Savelugu-Nanton districts in accordance with the new Teachers' Licensing Policy under Act 778.
636. In 2016, the Ministry will engage Fair Wages and Salaries Commission and the Public Services Commission to finalise the draft Teachers Professional Development and Career Progression Scheme.
637. Mr. Speaker, to enable teachers and students have equal access to quality educational resources nationwide, the Centre for National Distance Learning and Open Schooling (CENDLOS) distributed 3,437 folders of audio-visual lessons on VCDs in English Language, Mathematics, Integrated Science, Physics, Chemistry and Biology to 565 Senior High Schools. Under the Open School system, the Centre also provided learning opportunities to 597 learners in its 13 study centres. In 2016, the number of learners will be increased to 925 and 400,000 VCDs will be produced as supplementary teaching and learning materials for Junior High and Senior High Schools.

638. Mr. Speaker, as a means of streamlining the operations within the National Service Secretariat (NSS), the e-Zwich platform for the processing and payment of service personnel allowances was introduced in place of the direct cash payment. This was in addition to an Electronic Payment Voucher system which was introduced to facilitate the identification and validation of personnel on monthly basis.
639. The NSS deployed a total of 69,000 Service personnel to various institutions across the country. A total of 30,994 Service personnel representing 45 percent were posted to the Education sector to make up for the shortfall in the supply of teachers.
640. Mr. Speaker, the Ministry in collaboration with Ghana Book Development Council is developing standards for book publishing and printing. A working group comprising representatives of Ghana Association of Writers, Ghana Book Publishers Association, Ghana Printers and Paper Converters Association, Ghana Book Sellers Association and other relevant stakeholders was formed in June 2015 to develop standards for book publishing and printing. The group submitted its first draft of the standards for book publishing and the second phase is expected to be completed in 2016.

Basic Education Programme

641. Mr. Speaker, between 2013/2014 and 2014/2015 academic years, the number of KGs increased from 20,100 to 20,960, Primary from 20,502 to 21,309 and Junior High Schools from 13,082 to 13,840 representing 4.3 percent, 3.9 percent and 5.8 percent, respectively. During the period, total enrolment at the basic level increased from 7,236,614 to 7,700,309 representing 6.4 percent.
642. In fulfilment of our commitment to ensure Education for All, a total of 54,850 out-of-school children in the Northern, Upper East, Upper West and Brong Ahafo regions, enrolled under the Complementary Basic Education (CBE) programme in the 2014/2015 academic year whilst 47,517 learners were mainstreamed into the formal system. In 2015/2016 academic year, 52,625 learners were enrolled. The coverage of the CBE programme will increase from 120,000 to 200,000 out-of-school children.
643. Mr. Speaker, to aid effective and efficient teaching under the CBE programme, 129 motor bikes and eleven cross country pickups were provided for monitoring and supervision at the district and community levels. In addition, 1,437,500 readers in eleven local languages for learners, 16,100 facilitators teaching manuals and guides in eleven languages were distributed.
644. Mr. Speaker, government continued with the implementation of the various social intervention programmes in an effort to further improve access, raise the quality

of education and reduce the burden on parents. In this connection, government provided funding for the payment of Capitation Grant to pupils in public basic schools and subsidy for the registration of 438,000 candidates for the 2015 Basic Education Certificate Examinations (BECE). In 2016, government will continue to provide Capitation Grant and subsidy for registration of 451,000 BECE candidates in both public and private institutions.

645. Government procured and distributed school uniforms to 504,070 pupils in selected deprived communities to boost enrolment and retention in government basic schools. These interventions among others contributed to an increase in enrolment at all levels of basic education between 2013/14 and 2014/15 academic years.
646. In fulfilment of the Millennium Development Goal 3 (MDG), government put in place a number of interventions such as scholarships for girls and take home food ration to bridge the gender gap in access to education. This resulted in the attainment of gender parity at the KG and primary levels. Between 2013/2014 and 2014/2015 academic years, the gender parity index increased from 1.01 to 1.04 at the KG level and 0.99 to 1.00 at the Primary level.
647. Mr. Speaker, as part of measures to bridge the gender gap in access to education at the JHS level, 55,000 girls in 75 deprived districts were provided with scholarship package under the Girls Participatory Approach to Student Success (Girls PASS). In addition, 800 girls from distant places were provided with bicycles. This contributed to an improvement in gender parity at this level from 0.95 in 2013/2014 to 0.96 in the 2014/2015 academic years.
648. Mr. Speaker, to ensure adequate supply of teaching and learning materials at the beginning of the 2015/2016 academic year, a total of 42,000 Teacher Note Books, 98,736 Class Attendance Registers and 1,195,250 boxes of white chalk and other supplementary reading materials were procured and distributed to public basic schools across the country. This is to supplement Teaching and Learning Materials expected to be provided by schools under the Capitation Grant. In the course of the academic year, additional establishment supplies will be provided to schools.
649. In 2015, the conduct of the Basic Education Certificate Examination (BECE) was characterised by widespread leakage of some examination papers, even though the West African Examination Council (WAEC) had earlier organised a stakeholder's conference on measures to avert such occurrences. In 2016, the Ministry will engage WAEC to implement proposals from the conference and pursue additional measures to avert recurrence in the 2016 BECE and beyond.

650. Mr. Speaker, private sector participation in the provision of education service is on the ascendency. This imposes additional responsibility on the Ministry to ensure effective, efficient and quality service delivery by all education institutions. In 2016, the Ministry will review the regulatory regime for private schools, register all private schools and strengthen monitoring to ensure that quality standards are not compromised.
651. Mr. Speaker, as part of efforts to improve facilities in schools at the basic education level, government continued to eliminate Schools Under Trees. Under this programme, a total of 1,714 school projects out of the 2,578 were completed and handed over. Government plans to complete the remaining 864 Schools Under Trees projects within the medium term.

Secondary Education Programme

652. Mr. Speaker, to increase access to quality second cycle education, government provided funding to Senior High Schools as subsidy for 2014/15 academic year. In 2016, government will continue to provide subsidy to 745,864 Senior High Schools and 31,921 TVET students.
653. Mr. Speaker, in fulfilment of the Constitutional provision of making secondary education progressively free, His Excellency the President launched the Progressively Free Secondary Education Programme at Ekumfi Otum. Government provided funding for the first term of 2015/16 academic year to absorb the examination, entertainment, library, SRC, sports, culture, science development, science and mathematics quiz, ICT and co-curricular fees for 320,488 day students in public senior high schools. This commitment will be sustained.
654. Mr. Speaker, government committed itself to upgrade facilities in 100 Science Resource Centres and train 450 Science teachers under phase II of the Science Resource Project. In 2015, 250 science teachers and laboratory technicians from the 100 beneficiary schools were trained in ICT, audio visuals, physics, chemistry, biology and general laboratory whilst a contract for the supply of science equipment was awarded. In 2016, installation of the equipment in all the 100 beneficiary schools will be completed and the second batch of 200 science teachers trained.
655. In fulfilment of government commitment to construct 200 Community Day Senior High Schools to improve access and equity in secondary education in under-served districts, government initiated the construction of 123 schools. President Mahama has begun commissioning the completed schools for use.
656. In addition, works on the upgrading of facilities in 50 existing Senior High Schools are at various stages of completion. Works being undertaken include

rehabilitation and or provision of science laboratories, libraries, canteen and classroom blocks.

657. Mr. Speaker, to resolve the long standing under-performance of students in Mathematics and Science, 125 existing low-performing senior high schools were selected and are being assisted to improve performance in the two subject areas. In 2016, the Ministry will implement additional measures including re-training of mathematics and science teachers from additional 200 schools and supply both manuals and digitized instructional materials on 60 lessons considered as the four core subjects to complement face-to-face instructions.
658. Mr. Speaker, under the Secondary Education Improvement Project (SEIP), the first batch of 2,300 needy students out of a target of 10,400 were presented with scholarship packages. In 2016, 4,300 additional students will be provided with scholarships for the 2015/16 academic year.
659. To improve technical and vocational education, Competency Based Training Occupational Standards (CBTOS) were developed and validated for Welding and Fabrication and Mechanical Engineering under the Oil & Gas Capacity Building Project. In addition, rehabilitation and repair of workshops and laboratories including installation of tools were carried out in three institutions namely; Regional Maritime University, Kikam and Takoradi Technical Institutes.
660. Mr. Speaker, under the National Apprenticeship Programme (NAP), 3,000 apprentices were matched with 800 Master Craft persons in the Database Creation Exercise. In addition, a total number of 1,670 poor but skilful apprentices in Auto-mechanics, Electronics, Welding and Fabrication, Garments and Cosmetology across 38 districts nationwide were supported with bursaries. Similarly, under the Development of Skills for Industry Project Bursary Scheme, a total number of 2,500 apprentices were supported.
661. In 2016, the Ministry, through Council for Technical and Vocational Education and Training (COTVET) will expand the Trainer of Trainers programme to include chief apprentices to facilitate capacity building of 400,000 apprentices in the non-formal sector. In addition, the Ministry in consultation with relevant stakeholders will continue to rebrand TVET with a focus on the review of subject combinations offered in Secondary Technical Schools and Technical institutions to facilitate progression of technical students into tertiary institutions.

Non-Formal Education Programme

662. Mr. Speaker, under the National Functional Literacy Programme (NFLP), the number of classes increased from 2,540 in 2014 to 3,700 in 2015 whilst the number of learners also increased from 63,000 to 80,000 during the same period.

In 2016, it is expected that the number of classes and learners will increase to 4,000 and 87,500 respectively.

Inclusive and Special Education Programme

Mr. Speaker, under the Inclusive and Special Education Programme, a total of 6,385 pupils in the Special Schools benefited from Feeding Grants in the 2014/15 academic year. In addition, 14 buses were also distributed to selected Special Schools and needy institutions nationwide. In 2016, government will provide feeding grant to cater for 7,000 pupils in special schools.

Tertiary Education Programme

663. Mr. Speaker, in the 2014/2015 academic year, enrolment in universities increased by 6.7 percent, 8.9 percent for polytechnics and 9.05 percent for Colleges of Education. Government's decision to remove the quota system and introduce the Students Loan Trust Fund to the Colleges of Education contributed significantly to the rise in enrolment. Total student enrolment increased from 318,607 to 319,659 in 2013/2014 and 2014/2015 academic years, respectively.
664. The Student Loan Scheme was expanded to cover the Colleges of Education, as a result, a total of 23,298 students benefitted, out of which 8,909 were from Colleges of Education. In 2016, the scheme will be further expanded to cover 89 Public Nursing Institutions. A total of 55,000 students are estimated to benefit from the scheme.
665. In 2015, government continued with the construction of facilities at the University of Health and Allied Sciences. The construction of the School of Basic and Biomedical Sciences, a hostel block and staff quarters for the University of Health and Allied Sciences at its new site at Sokode in the Volta Region were completed.
666. The Bill for the establishment of the University of Environment and Sustainable Development in the Eastern Region was passed by Parliament in 2015. Construction works for the university which will focus on addressing the serious environmental challenges will commence in 2016.
667. Mr. Speaker, the Tertiary Education Research Fund Bill is currently under consideration by Cabinet. The Bill is expected to be passed into law by Parliament in 2016 to support Research and Development. A dedicated research fund will ensure that Universities and Polytechnics have assurances of uninterrupted source of funding for research and procurement of academic related materials.
668. Mr. Speaker, to improve the linkage between education and industry, 63,421 students from the various tertiary institutions were placed on industrial attachment in various industries and organizations during vacations. In 2016,

75,000 students will be placed on industrial attachment to equip them with first-hand experience in industry.

669. Mr. Speaker, as part of the process to upgrade polytechnics into Technical Universities, an expert panel was set up to assess polytechnics' readiness for conversion into technical universities. The expert panel has completed its work and made recommendations for consideration of government. The effective start date is September 2016. The Bill for the conversion of polytechnics into technical universities has been finalized and is before Cabinet and will be laid before this august House in due course.
670. Mr. Speaker, as part of the pledge to establish 10 new Colleges of Education in areas that are not well served, government absorbed five existing private Colleges of Education namely, Al-Farouq in Wenchi, St. Ambrose in Dormaa Akwamu, Gambaga in East Mamprusi, St. Vincent in Yendi and Bia Lamplighter in the Western Region. In 2016, government will expand and upgrade facilities in these newly absorbed colleges and commence the construction of two new Colleges of Education in the Central and the Greater Accra Regions to improve access.
671. Government provided funding for the payment of feeding grant to cover 27,786 first and second year students of all public Colleges of Education for the 2014/2015 academic year.
672. For the implementation of the above programmes and activities, an amount of GH¢6,532,352,029.00 has been allocated. Out of this, GH¢4,862,412,944.00 is GoG, GH¢1,525,416,520.00 is IGF and GH¢144,522,564.00 is from Development Partners.

MINISTRY OF EMPLOYMENT AND LABOUR RELATIONS

673. The Ministry is mandated to coordinate employment policies, manage labour relation interventions across sectors and promote decent work for national development. It also ensures that children are removed from hazardous work as well as regulate the payment of pensions and youth employment interventions in the country.

Performance in 2015 and Outlook for 2016

Management and Administration Programme

674. Mr. Speaker, a draft Occupational Safety and Health (OSH) Policy Bill was revised and submitted to the Attorney General's Department for advice. A draft Labour-

intensive Public Works (LiPW) Policy and Implementation Plan was also revised and submitted to Cabinet for approval.

675. Mr. Speaker, the Ministry will launch the LiPW and OSH Policies and initiate processes to establish a National Occupational Safety and Health Authority. It will also collaborate with the Ministries of Local Government and Rural Development and Roads and Highways to strengthen the implementation of existing Labour-intensive Public Works Projects to provide employment opportunities for the poor.

Job Creation and Development Programme

676. The Ministry continued with policy development to promote job creation and reduction of decent work deficits. A total of 47,000 youth were engaged under various modules of the Youth Employment Agency (YEA). The Department of Cooperatives organized 600 economic groups across sectors into vibrant cooperative societies, audited 305 and trained 200 artisans in various employable skill categories.
677. Mr. Speaker, in 2016, the Ministry will strengthen the Graduate Entrepreneurial Business Support Scheme (GEBSS) to create more job opportunities for young graduate entrepreneurs to establish and grow their businesses.

Skills Development Programme

678. Mr. Speaker, to address the skills mismatch challenges to national development, the Ministry collaborated with the Ministry of Education in rebranding TVET. The Skills Development Agencies namely, Management Development and Productivity Institute (MDPI), National Vocational Training Institute (NVTI), Integrated Community Centre for Employable Skills (ICCES) and Opportunity Industrialization Centre, Ghana (OIC-G), trained 15,051 youth in various vocational trades.
679. Furthermore, the NVTI tested 24,883 candidates in vocational skills, ICT and secretary-ship. In addition, 2,425 master-craft persons were trained, accredited 384 vocational schools and 3,643 informal apprenticeships registered. To enhance productivity, 377 employees in both the private and public sectors were trained in management development skills.
680. In 2016, the Ministry will train 15,453 youth in technical and vocational skills, organize testing and certification for 43,320 candidates in vocational skills, ICT and secretary-ship to meet emerging trends. A total of 750 persons will be trained in management development skills to enhance their productivity.

Labour Administration Programme

681. The Ministry acquired computers and accessories, installed a server and trained district labour and research officers in STATA analysis with the aim of establishing a functional Labour Market Information System (LMIS). The Ministry developed Terms of Reference (ToR) and procured consultants to develop a framework for the LMIS and Monitoring and Evaluation (M&E) plan.
682. The Labour Department conducted 196 establishment inspections to ensure the enforcement of law on standards and regulations. Additionally, the Department facilitated the employment of 3,941 jobseekers, issued 15 Collective Bargaining Certificates and addressed 167 labour complaints. In 2016, the Ministry will revamp its Public Employment Centres in selected districts.
683. The Ministry through the Department of Factories Inspectorate inspected 1,633 registered factories, registered 345 new ones, conducted 67 safety and health talks and also conducted 42 industrial hygiene surveys.
684. Mr. Speaker, the Ministry together with other key stakeholders held a Consultative Tripartite meeting as a follow up to the implementation of the recommendations of the Ho Forum on the Single Spine Pay Policy (SSPP). A Communique issued from the consultations came out with recommendations for addressing emerging challenges associated the implementation of the SSPP.
685. Mr. Speaker, the Fair Wages and Salaries Commission (FWSC) submitted migration report of four remaining public institutions yet to be migrated onto the Single Spine Salary Structure (SSSS) to the Parliamentary Select Committees on Finance and Legal Affairs. The Commission negotiated and concluded agreement on Categories two and three allowances and the Base Pay on the SSSS for 2016.
686. The National Pensions Regulatory Authority (NPRA) organized stakeholder education and sensitization workshops on the National Pension Act, 2010, (Act 866) for 50 trade unions and also inspected 46 Trustees, Custodians and Employer Sponsored Schemes.
687. In 2016, the Ministry will continue with its supervisory function, inspections and monitoring programmes to ensure better benefits for pensioners in the country, as well as monitor Trustees and various types of Pensions Schemes to enforce the pension law and ensure adherence to good practices.
688. Mr. Speaker, the Ministry will collaborate with domestic and external partners to implement the National Plan of Action on the elimination of the worst forms of Child Labour. This is to ensure that children are not unduly exploited in economic ventures that may have an adverse effect on their health and education, especially in cocoa, fisheries, quarrying and mining sectors of the economy.

689. Mr. Speaker, the National Pensions Regulatory Authority (NPRA) will continue with supervisory, inspection and monitoring programmes to ensure better benefits for pensioners. The Authority will continue to monitor trustees and the various types of pension schemes to enforce provisions of the law and ensure adherence to good practices.
690. For the implementation of the above programmes and activities, an amount of GH¢47,925,146.00 has been allocated. Out of this, GH¢31,831,566.00 is GoG and GH¢16,093,580.00 is IGF.

MINISTRY OF YOUTH AND SPORTS

691. The Ministry exists to create an enabling environment for effective youth and sports development and promotion through policy formulation, implementation, coordination, monitoring and evaluation.

Performance in 2015 and Outlook for 2016

Management and Administration Programme

692. Mr. Speaker, the Ministry facilitated the participation of the Senior National Football Team, the Black Stars at the African Nations Cup held in Equatorial Guinea in January. The team placed second at the tournament. In 2016, the Ministry will facilitate the preparation and participation of the various national teams in major international tournaments.
693. Mr. Speaker, the draft National Sports and College Bills were completed and submitted to Cabinet and the Attorney-General's Department, for approval and necessary amendments, respectively. In 2016, the Ministry will finalize the National Sports College bill and develop the National Sports Policy.
694. The construction work at the Cape Coast Sports Stadium is about 80 percent complete and is expected to be fully completed by the end of the year. The Ministry will commence the rehabilitation of Accra Sports Stadium, renovation of Ministry's Office Complex, the National Sports College, and preparatory works for the construction of the Ho Sports Stadium in 2016.

Youth Development Programme

695. Mr. Speaker, in order to provide a framework for a systematic implementation of programmes and activities, the Ministry began the implementation of the National Youth Policy and Action Plan. A draft National Youth Authority Bill was also completed and submitted to Cabinet. In 2016, the Ministry will carry out dissemination on the policy and action plan to all relevant stakeholders.

696. In the area of Vocational and Skills Training, the National Youth Authority provided training for 1,646 youth in the eleven Youth Leadership and Skills Training Institutes, out of which 200 youth will be writing the Technical Vocational Education Training (TVET) Certificate examination. In 2016, the eleven Youth Leadership and Skills Training Institutes will be renovated and 2,250 Youth will be trained in Leadership, Vocational, and Technical Skills.

Sports Development Programme

697. Mr. Speaker, to promote and sensitize the public on the usefulness of mass sports and physical exercise, the Ministry in collaboration with other stakeholders organised marathons in all the regional capitals except Greater Accra which culminated in the first international marathon being organized in Accra.
698. Mr. Speaker, the Ministry is exploring ways to turn the National Sports College at Winneba into a centre of excellence by expanding the infrastructure stock through a Public Private Partnership (PPP) arrangement. The new centre will comprise hostels and other hospitality facilities, new classroom blocks, gym and sports hall, playing fields and tennis courts, accommodation for staff and an Olympic-size swimming pool. Prefeasibility studies are currently being undertaken by the Transaction Advisor engaged by the Ministry.
699. Mr. Speaker, the National teams participated in the Badminton and the International Basketball Federation (FIBA) Africa Zone III Championships in Nigeria, the Cycling tournaments in Togo and Benin, Cricket championship in Benoni, South Africa, Judo Championship in Cote D'Ivoire among others, and won a total of eight trophies, two gold medals and one bronze.
700. For the implementation of the above programmes and activities, an amount of GH¢22,560,058.00 has been allocated. Out of this, GH¢22,318,088.00 is GoG and GH¢241,970.00 is IGF.

NATIONAL COMMISSION FOR CIVIC EDUCATION

701. The Commission is mandated to promote and sustain democracy and inculcate into the Ghanaian citizenry the awareness of their rights and obligations.

Performance in 2015 and Outlook for 2016

Civic Education Programme

702. Mr. Speaker, prior to the conduct of the District Level and Unit Committee Elections, the Commission organised over 7,000 stakeholder meetings across the country. It also produced animations in two languages and a radio jingle in six languages among others, aimed at sensitizing the public.

703. The Commission launched reports on "*Assessing the Effectiveness of Ghana's Parliament*" and "*Assessing the effectiveness of District Assemblies in Ghana's Democracy*" at the second and third editions of the NCCE Dialogue series respectively.
704. Mr. Speaker, the 2015 Citizenship Week was organised under the theme "*A Disciplined Ghana*" with the slogan "*A Disciplined Ghana: My Responsibility*". The week was observed in 6,000 basic schools, 10 regional and the 216 Metropolitan, Municipal and District Offices nationwide.
705. In 2016, the Commission will continue to perform its mandate by creating and sustaining awareness among citizens in good governance at all levels of society and particularly on the Presidential and Parliamentary elections.
706. For the implementation of the above programmes and activities, an amount of GH¢32,552,578.00 has been allocated from GoG.

MINISTRY OF CHIEFTAINCY AND TRADITIONAL AFFAIRS

707. The Ministry exists to promote effective interface between Central Government on the one hand and traditional rulers on the other, on matters relating to Chieftaincy and Traditional Affairs for the enhancement of peace, good governance and international partnership for the overall development of Ghana.

Performance in 2015 and Outlook for 2016

Chieftaincy and Traditional Affairs Programme

708. Mr. Speaker, a total number of 1,112 names of Chiefs were entered into the National Register of Chiefs as required by the Chieftaincy Act and the 1992 Constitution. The Ministry completed the collation of the data for the Chieftaincy Bulletin for publication.
709. The Ministry also finalized work on eleven draft Legislative Instruments (L.I.s) to codify the lines of succession to Stools and Skins. In 2016, 10 reports will be converted to draft L.I.s.
710. Mr. Speaker, in collaboration with the Ministry of Gender, Children and Social Protection, sensitization workshops on Child and Juvenile Policy were organised for Chiefs and Queen Mothers from the National House of Chiefs, as well as the Brong- Ahafo, Volta and Western Regional Houses of Chiefs. The workshops also addressed unity among Queen Mothers.

711. The Ministry adjudicated 20 cases by judicial process and three by Alternative Dispute Resolution (ADR). In 2016, 40 cases are targeted to be resolved.
712. Mr. Speaker, the Upper East Regional House of Chiefs successfully admitted seven Divisional Chiefs from the Bawku Traditional Council and five from the Sandema Traditional Council after a long lag, bringing the current membership of the Regional House to 32.
713. The first phase of the Elimination of Harmful Traditional Practises Project (EHTPP) is in its final stage. In 2016, the second phase of the Project will be implemented based on recommendations from the stakeholders.
714. For the implementation of the above programmes and activities, an amount of GH¢20,145,103.00 has been allocated to GoG.

MINISTRY OF HEALTH

715. The mandate of the Ministry is to promote good health for all Ghanaians through the prevention of diseases and injuries, and restore health of the sick and the incapacitated.

Performance in 2015 and Outlook for 2016

Management and Administration Programme

716. Mr. Speaker, to address the financial sustainability of the NHIS and improve efficiency in implementation of its mandate, a task team was put in place to review the scheme and make recommendations to government.
717. The National Health Insurance Authority (NHIA) extended the capitation provider payment method to the Volta, Upper East and Upper West regions with beneficiaries of the Scheme selecting their Preferred Primary-care Provider (PPP). The PPP enrolment will be rolled-out across the country by the end of the year. In 2016, the Ministry will focus on bridging equity gaps in access to healthcare services, and ensure a sustainable healthcare financing arrangements focusing on strengthening the NHIS.
718. Mr. Speaker, the Inter-Ministerial and Technical Committees for emergency preparedness are all functional. The Emergency Operational Centre established during the Ebola outbreak has expanded its scope in coordinating support for emergency preparedness for other diseases, to ensure better harmonization and coordination of activities. Preparatory work for establishing an Infectious Disease Control Centre will start in 2016.

719. The draft Health Financing Strategy and Implementation Plan was completed following engagement with the Parliamentary Select Committee on Health to address the financing and supply chain issues within the health sector. The Supply Chain Master Plan, which was developed in 2012, is being revised and will be submitted to Parliament in 2016 as part of efforts to improve the supply chain management system.

Health Service Delivery Programme

720. Mr. Speaker, government continues to improve on the delivery of health care to the people. Significant investment in infrastructure, equipment and personnel in the health sector is being undertaken. Health infrastructure projects embarked on across the country are at various levels of completion as follows:

- the 600-bed University of Ghana Teaching Hospital is 65 percent complete;
- the civil works on 420-bed Ridge Hospital Expansion Project - 60 percent;
- the Dodowa District Hospital in the Greater Accra region is about 80 percent complete whilst Fomena, Kumawu, Abetifi and Takoradi European District Hospitals are between 15 and 35 percent complete; and
- the Upper West Regional Hospital is also at 67.56 percent and is scheduled to be completed in 2016.

721. Mr. Speaker, OPD per capita increased by 0.4 percent over the 2014 actual to 0.55 percent, whilst the rate of admissions reduced by 2.8 percent which indicates that less people are now being admitted to the hospitals. Immunization coverage for Penta 3 increased by 1.1 percent to 43.4 percent whilst that of measles increased by 0.6 percent to 44.4 percent.

722. Mr. Speaker, family planning coverage as at June 2015 was 29.7 percent, an increase of 14.9 percent over the same period in 2014. Antenatal visits and skilled delivery rates fell from 77.6 to 76.1 percent and 30.5 to 28.5 percent, respectively. Efforts are being made to achieve the annual target of 78 percent for Antenatal Care (ANC) and 60 percent for skilled delivery by the end of the year.

723. The revision of the Community Health Planning and Services (CHPS) Policy and Strategy as well as a model design for CHPS Compound was completed. Government intends to construct 1,600 CHPS compounds spread in all 10 regions with a good proportion dedicated to maternal and neonatal services over the medium term. In 2016, the first 250 compounds will be constructed.

724. Mr. Speaker, a total of 8,418 emergency ambulance cases were recorded comprising of 6,919 inter hospital transfers and 1,499 roadside, residence, industrial and recreational emergencies. In order to ensure timely health care for all medical emergencies, four new ambulance stations were established bringing

the total number to 130. In 2016, government intends to increase the number of ambulance stations across the country to 370.

725. The Ministry completed the Tarkwa District Hospital, five Polyclinics Phase III project at Nkrankwanta, Wamfie, Kwatre, Bomaa and Techimantia in the Brong Ahafo Region and Phase II of Bolgatanga Regional Hospital.
726. Mr. Speaker, the rehabilitation and upgrading of the Phase II of the Tamale Teaching Hospital commenced during the year and will continue in 2016. The project will increase the bed capacity to 800 when completed.
727. The Pediatric Operating Theatres, the Medical Oxygen Plants for the main surgical theatres, Maternity and Neonatal Intensive Care Units as well as the kitchen at the Korle-Bu Teaching Hospital (KBTH) were refurbished.
728. Decentralization of high-end medical imaging services to the Koforidua, Sunyani, Ridge, Effia-Nkwanta and Cape-Coast regional hospitals as well as the introduction of non-invasive treatment of kidney stones at KBTH, Tamale Teaching Hospital and Ridge Hospital were completed. The Ministry launched Mobile clinics for the National Medical Outreach Services.
729. Mr. Speaker, work commenced on the construction and equipping of 10 polyclinics in the Central region (Besease, Gomoa Dawurampong, Biriwa, Etsii Sunkwa, and Esikuma Gyamera, Agona Duakwa, Bimpong Akunfude, Ekumfi Naakwa, Twifo Atimokwa, Gomoa Potsin.), and five polyclinics in Greater Accra (Adentan, Ashaiman, Bortianor, Oduman, Sege) and will continue in 2016.
730. The Ministry will increase utilization coverage of antenatal care services and delivery by skilled attendants from a 2015 target of 78 percent and 53 percent to 80 percent and 55 percent, respectively in 2016. The target for fully immunized children will also be maintained at above 90 percent.

Human Resources for Health Development and Management Programme

731. Mr. Speaker, the Ministry established two more Colleges, the Ghana College of Nurses and Midwives and the Ghana College of Pharmacy both in Accra.
732. Government will continue to invest in medical schools and training institutions to ensure a reduction in the doctor to population, midwife to population and nurse to population ratios. The doctor to population and midwife to population ratios are targeted to reduce from 1:9,000 to 1:7,500 and 1:1,350 to 1:1,300 in 2016 respectively.

Health Sector Regulation Programme

733. Mr. Speaker, the Legislative Instruments to operationalize the Health Institutions and Facilities Act, (Act 829) 2011 was submitted to Parliament for approval.
734. The Ministry, during 2016 will continue to strengthen the regulatory environment to enforce compliance and maintenance of agreed standards of health professionals, facilities and medicinal and non-medicinal products in order to ensure provision of quality and affordable healthcare to all living in the country.
735. Mr. Speaker, a total of 1,712 applications for pharmacies and Over the Counter Medicine Sellers (OTCMS) were processed, out of which 609 comprising of 158 pharmacies and 451 OTCMS were given license to operate. Additionally, 2,638 pharmacies and 2,154 OTCMS were inspected. A total of 549 pharmacies and 6,826 OTCMS also had their licenses renewed.
736. The development of a code of practice for the Allied Health Professions is expected to be completed by the end of the year.
737. The Food and Drugs Authority safely disposed-off about 70 percent of fake and expired medicinal products and 1,178 unwholesome food products and will in 2016 intensify the inspection of products and pursue legal action against recalcitrant food and medicinal manufacturers.
738. For the implementation of the above programmes and activities, an amount of GH¢3,386,762,864.00 has been allocated. Out of this, GH¢1,646,366,584.00 is GoG, GH¢1,293,579,755.00 is IGF and GH¢446,816,525.00 is from Development Partners.

MINISTRY OF GENDER, CHILDREN AND SOCIAL PROTECTION

739. The Ministry is mandated to ensure gender equality through the mainstreaming of gender considerations, promote the welfare and protection of children and empower the vulnerable, excluded, aged and persons with disabilities by social protection interventions to contribute to national development.

Performance in 2015 and Outlook for 2016

Gender Equality and Equity Programme

740. Mr. Speaker, the Ministry launched the celebration of 40 years of the Women's National Machinery in Ghana and hosted a national gender dialogue under the theme "*40 Years of Ghana's Women's Machinery; Achievements, Challenges and the Prospects*". The Ministry also participated in the 59th session of the Commission on the Status of Women and presented the key achievements of

Ghana, 20 years after the adoption of the Beijing Declaration and Platform for Action.

741. A seminar to commemorate the International Women's Day was also organised at Hohoe under the theme "Breaking barriers towards gender equality and women's empowerment; picture it" and a platform was provided for Junior High School (JHS) students to debate on the theme.
742. Mr. Speaker, to address gender equality, equity and empowerment of women and girls, the National Gender Policy was approved by Cabinet.
743. The Ministry in 2016 will review the Ghana National Plan of Action (GHANAP) on the UN Resolution 1325 on Women in Peace and Security and sensitize stakeholders including traditional authorities, women groups, youth, educational institutions, media etc. on the pillars of GHANAP 1325. It will initiate gender dialogue sessions on the role of women in ensuring peaceful elections.

Child Rights Promotion, Protection and Development Programme

744. Mr. Speaker, to promote the interest of children, the Child and Family Welfare Policy was launched and will be implemented in 2016.
745. The Ministry conducted national, regional and community consultations including a high level meeting with stakeholders on the Justice for Children Policy. About 4,000 persons were consulted. The Policy is being finalized for Cabinet's consideration.
746. The Ministry provided shelter, care, counselling and education for 648 orphans and vulnerable children and trained 70 managers of Residential Homes for children, in best practices for effective management of the children homes.
747. Ghana's 3rd, 4th and 5th Consolidated Reports on the implementation of the Convention on the Rights of the Child which highlight strides made in addressing concerns of children in Ghana were submitted to the UN Committee in Geneva.
748. The African Union (AU) Day of the African Child was celebrated nationwide with the national commemoration held in Accra and Bonakye in Nkwanta District in the Volta Region under the theme: "Ending Child Marriage in Ghana through strengthening of family and community structures".
749. Mr. Speaker, the Ministry drafted the Adoption and Foster Care Regulations and also established the Central Adoption Authority. In 2016, the process for the Amendment of the Children's Act, 1998 (Act 560) will be initiated and communities sensitized on the rights of children.

Social Development/Protection Programme

750. Mr. Speaker, the Ministry prepared and submitted 554 Social Enquiry Reports to the Family Tribunals and Juvenal Courts for the determination of adoption and custody cases.
751. The Ministry provided bi-monthly cash grants to a total of 116,000 households in 180 Districts in 10 Regions under the Livelihood Empowerment Against Poverty (LEAP) Programme. To ensure timely and efficient transfer of cash to beneficiaries, 9,658 households in nine districts in seven regions received electronic payments of the LEAP Grants in three piloted ecological zones.
752. Under the LEAP 1000 project, enrolment of additional 6,006 beneficiary households was completed in seven and three districts in the Northern and Upper East regions, respectively. About 382 children in Children's Homes, 12 Elderly persons in Elderly Homes, 405 lepers in Leprosaria and 751 persons in Witches Camps also received LEAP grants.
753. Mr. Speaker, following the June 3rd flood and fire disaster, the Ministry set up an emergency LEAP intervention programme for the victims and an amount of GH¢3.9 million was disbursed to support 10,274 households affected by the disaster. The Ministry in partnership with Direct Aid Africa also donated relief items to 1,000 victims of floods in Keta, Osu and Kumasi.
754. The Ministry facilitated effective targeting for all social intervention programmes in Ghana, and established the National Targeting Unit to develop the Ghana National Household Registry (GNHR) database and Management Information System (MIS). Consultations are on-going in the Upper West region to develop the regional register.
755. A five year Strategic plan was developed to facilitate the upgrading and affiliation of the School of Social Work to the University of Development Studies.
756. Mr. Speaker, a total of 1,925 elderly persons were registered in Ashanti (Asawase), Eastern (Akropong) and Volta (Ho, Keta) regions as part of the NHIS biometric registration exercise initiated in 2014. The Ministry also launched the "Eban" welfare card which will allow elderly persons board Metro Mass transit buses nationwide at a 50 percent rebate.
757. In 2016, the Ministry will expand the implementation of the LEAP to cover over 250,000 beneficiary households as well as strengthen the institutional arrangements for social protection. It will also operationalize the National Targeting Unit to undertake data collection exercise in Upper East and Northern regions and develop a Ghana National Household Registry at the regions.

Domestic Violence and Human Trafficking Programme

758. Mr. Speaker, to address the concerns in respect of protection of victims, the Human Trafficking Legislative Instrument was submitted to Parliament. The Ministry also signed a Child Protection Compact Partnership Agreement with the US State Department to support Ghana to fight Child Trafficking in Greater Accra, Volta and Central Regions and proposals for implementation are being evaluated.
759. The Domestic Violence Legislative Instrument was finalized and a national campaign to "End Early Marriage" was launched. In 2016, the LI will be submitted to Parliament for consideration. A new Human Trafficking National Plan of Action was also initiated

Inclusion of Persons with Disability Programme

760. The Ministry in collaboration with the Ghana Standards Authority developed a draft Ghana Accessibility Standards in built environment with the objective of making the environment disability friendly.
761. Mr. Speaker, in line with the UN Convention on the Rights of PWDs, the Ministry developed a proposal for the amendment of the Persons with Disability Act (Act 715) 2006. A draft Affirmative Action Plan on representation of PWDs in the district assemblies was also submitted to the Office of the President for consideration.

School Feeding Programme

762. Mr. Speaker, the Ministry submitted a national school feeding policy to Cabinet for consideration. The programme is currently providing one hot and adequately nutritious meal to 1,693,698 pupils in 4,881 schools per each school day. The programme provides ready market to farmers and jobs to about 20,000 caterers and cooks nationwide. In 2016, the school feeding programme will be expanded to cover 3,000,000 pupils nationwide. To facilitate transparency and accountability in the management of funds, a comprehensive, financial and performance audit will be conducted in addition to the institution of an electronic payment system to contractors.
763. For the implementation of the above programmes and activities, an amount of GH¢49,520,377.00 has been allocated. Out of this, GH¢20,956,956.00 is GoG, GH¢54,737.00 is IGF and GH¢28,508,684.00 is from Development Partners.

NATIONAL LABOUR COMMISSION

764. The Commission exists to develop and sustain a peaceful and harmonious industrial environment by promoting and protecting the rights and responsibilities of employers and employees. The Commission also facilitates and

settles industrial disputes through the use of effective disputes resolution mechanisms.

Performance in 2015 and Outlook for 2016

Facilitation and Settlement of Industrial Disputes Programme

765. The Commission received a total of 406 complaints by end of August 2015 from over 1,000,000 complainants cumulatively out of which 170 representing 41.9 percent were fully settled. These complaints were from individual workers, workers organizations/associations, trade unions and employers. The complaints were settled through facilitation, mediation, arbitration and summary hearings. In addition, 124 complaints rolled over from previous years were handled.
766. The Commission paid compensation to beneficiaries upon settlement of their cases. In 2016, the Commission plans to fully settle 65 percent of all complaints that would be filed through timely and proactive interventions in labour agitations.
767. For the implementation of the above programmes and activities, an amount of GH¢2,203,811.00 has been allocated from GoG.

PUBLIC SAFETY SECTOR

MINISTRY OF JUSTICE AND ATTORNEY GENERAL'S DEPARTMENT

768. The Ministry exists to provide a legal and policy framework within which legal services are efficiently and effectively delivered to ensure justice for all.

Performance in 2015 and Outlook for 2016

Management and Administration Programme

769. Mr. Speaker, the Council for Law Reporting reprinted 5 volumes of "Out of stock" Ghana Law Reports totalling 2,500 copies and sold out 749 copies. It also published 1,000 copies of the [2010-2012] vol. 1. In 2016, the Council for Law Reporting seeks to reprint 3,500 copies of "Out of stock" Ghana Law Reports.
770. The Attorney-General's Department succeeded in limiting a claim of GH¢352,623,144.40 and US\$1,006,093.00 to GH¢100,000.00 by appealing and applying for a stay of execution for judgment in favour of China Jinlin International Economic and Technical Corporation (CJIETC) against the State.
771. Mr. Speaker, in the case of TJGEM LLC Versus the Republic of Ghana, AMA, Alfred Vandapuje, Kwabena Duffuor, Conti Group and 6 others, The Attorney-General's Department defended the State, and the District Court in Columbia dismissed TJGEM's claims of damages in excess of US\$425 million.
772. The Attorney General's Department successfully defended the case of Dunkwa Goldfields Versus Government of Ghana and successfully avoided the claim of US\$200 million and rather gained an award of US\$4,000,000 in legal costs and other expenses.
773. In 2016, Mr. Speaker, the Attorney-General's Department will continue to defend the State and avoid all forms of illegitimate judgment debts and ensure value for money in all Government contracts and agreements that are reviewed by the Office.
774. Mr. Speaker, the Registrar-General's Department registered over 42,000 businesses and over 2,200 marriages. In 2016, the Registrar-General's Department envisages to register 63,000 businesses and 2,885 marriages.
775. The Copyright Office organized public education programmes on copyright and related rights in the print and electronic media. It also provided copyright education to three second cycle institutions. In 2016, the Copyright Office envisages to hold eight sessions of public education on copyright and carry out further copyright education in more second cycle institutions.

776. The Legal Aid Scheme received 4,156 cases and disposed of 978 cases through Alternate Dispute Resolution (ADR). In 2016, the Legal Aid Scheme anticipates receiving 8,727 cases and disposing of 2,561 cases through ADR.

777. Mr. Speaker, the Law Reform Commission drafted three proposals on new laws, received two proposals for improvement in Law and reviewed one of the proposals. In 2016, the Commission plans to draft two proposals on new laws, receive three draft proposals and review one of the proposals.

Law Administration Programme

778. Mr. Speaker, the Economic and Organised Crime Office (EOCO) developed and operationalised intranet facility to enhance effective communication. It also established a well-equipped library to support investigations and reference. The EOCO investigated 186 cases, out of which 46 cases are being prosecuted. The Office also recovered an amount of GH¢2,419,443.72 as at mid-year. In 2016, EOCO will continue to investigate cases of Economic and Organised crimes and ensure that accruals from such activities are confiscated and recovered.

Legal Education Programme

779. Mr. Speaker, the General Legal Council (the Ghana School of Law) successfully trained 254 lawyers who were called to the bar. In 2016, the Ghana School of Law will train and call 300 law students to the bar. The General Legal Council will also ensure that the ethical standards of the legal profession is upheld and maintained.

780. For the implementation of the above programmes and activities, an amount of GH¢74,687,584.00 has been allocated. Out of this, GH¢56,726,164.00 is GoG and GH¢17,961,420.00 is IGF.

MINISTRY OF DEFENCE

781. The Ministry is charged with the duty of initiating, formulating, implementing, monitoring and evaluating policies aimed at safeguarding the sovereignty and territorial integrity of the nation as well as ensuring the protection of life and property.

Performance in 2015 and Outlook for 2016

Ghana Armed Forces (GAF) Programme

782. Mr. Speaker, Ghana Armed Forces (GAF) successfully rescued a ship hijacked by pirates off the coast of Nigeria, arrested the eight heavily armed pirates and handed them over to the BNI. Efforts will be made to intensify GAF's operation in this area in 2016.

783. Mr. Speaker, Naval Detachments operated along the Volta Lake from six boat landing and embarkation stations at Tapa Abotoase, Kete Krachi, Dambai, Yeji, Dzemeni and Kpando-Torkor to check overloading or improper loading, drunkenness by boat operators and to prevent boat sailing in bad weather and after sunset. This exercise will continue in 2016.
784. Mr. Speaker, GAF acquired Diamond Surveillance Aircraft, the MI 171 helicopters, CASA 295 troop carrier aircraft and the construction of new ultra-modern hangars in Accra and Takoradi. Four Z-9 Helicopters from China were acquired specifically to support the Ghana Gas Company (GGC) in the inspection of their gas pipelines. The collaboration between GAF and GGC to protect the gas pipelines will continue in 2016.
785. Mr. Speaker, GAF sent troops, military observers and staff officers to conflict areas on request by the United Nations. Currently, about 3,000 Ghanaian military of all ranks are involved in peacekeeping across the globe. This exercise will continue in 2016.
786. To enable the GAF operate the Wet Lease System which is now a UN requirement for each troop contributing country, Mr. Speaker, Government arranged financing for the procurement of new or complementary equipment for all the missions. For United Nations Interim Force in Lebanon (UNIFIL) and United Nations Multidimensional Integrated Stabilization Force in Mali (MINUSMA), equipment were inspected and shipped. Equipment for United Nations Mission in South Sudan (UNMISS) were inspected.
787. Mr. Speaker, construction of the new Officers' Mess for the Military Academy is about 40 percent complete and will continue in 2016.
788. Army Mess Projects are being undertaken under Public Private Partnership (PPP) including the construction of an ultra-modern Officers' Mess Complex, an apartment for 96 single-officers and a 48 three-bedroom married quarters for officers in Burma Camp, the construction of a Specialist Hospital and a commercial joint venture component.
789. Mr. Speaker, GAF is undergoing restructuring to ensure that there is a military barracks in every region. The Army is currently based in six out of the 10 regions of the country and being reorganized from two to three commands i.e. the Southern Command (Headquarters in Accra), Central Command (Headquarters in Kumasi) and Northern Command (Headquarters in Tamale).
- Armed Forces Capacity Building Programme**
790. Mr. Speaker, the Ministry trained 120 officers from the Armed Forces, other security services and MDAs in Conflict and Crisis Management (CCMC) and

Integrated Peace Support Operations (IPSO) as well as Exclusive Economic Zone Management (EEZ).

791. Mr. Speaker, the Kofi Annan International Peace-keeping and Training Centre (KAIPTC) trained 91 Police personnel in Ghana, Burkina Faso and Malawi in partnership with the respective government agencies responsible for police training in support of the UN and AU Missions in Darfur (UNAMID) and the AU Mission in Somalia (AMISOM).
792. Mr. Speaker, a total of 67 students graduated in KAIPTC Master of Arts Degree Programmes namely Conflict, Peace & Security; and Gender, Peace & Security and 61 students from Ghana and nine African countries on the Senior Division Course successfully graduated from the Ghana Armed Forces Command and Staff College (GAF CSC).
793. In 2016, Military Academy Training School (MATS) will train 140 Officers and Men at Foreign Military Institutions and 120 Officers and Men at Local Institutions of higher learning as well as organise two resettlement and exit training. In addition, 65 Officers at Senior Division and 55 Officers at Junior Division will be trained.
794. A total of 110 officers from the Armed Forces, Sister Security services and MDAs will be trained in Peace Support Operations (PSO). GAF will conduct African Study Tour for 70 student officers and 30 academic staff as well as organise Regional and Environmental study tours for 150 officers by December 2016. The Ministry will sponsor 80 staff for academic, professional and technical skills locally in 2016.

Military Health Service Programme

795. Mr. Speaker, the construction of the new 500-bed Military Hospital at Afari near Kumasi is progressing steadily and it is expected to be completed on schedule. It is expected that the project will be completed in 2016. MOD will conduct PULHEEMS (military medical assessment) for troops by December 2016.
796. For the implementation of the above programmes and activities, an amount of GH¢760,959,724.00 has been allocated. Out of this, GH¢624,328,114.00 is GoG, GH¢15,598,380.00 is IGF and GH¢121,033,230.00 is from Development Partners.

COMMISSION ON HUMAN RIGHTS AND ADMINISTRATIVE JUSTICE

797. The Commission exists to enhance the scale of good governance, democracy, integrity, peace and social development by promoting, protecting and enforcing fundamental human rights and freedoms and administrative justice for all persons in Ghana.

Performance in 2015 and Outlook for 2016

Promote and Protect Fundamental Human Rights Programme

798. Mr. Speaker, the Commission received 6,575 human rights complaints and investigated and resolved 6,275. In addition, the commission conducted 719 public education programmes on human rights in communities and schools.
799. Mr. Speaker, to strengthen the Commission's protection mechanisms of the vulnerable in the regions and districts, the Commission trained Regional and District Directors on the web-based Discrimination Reporting System and its Privacy and Confidentiality Policy.
800. As part of monitoring the "Obligation of the State" under international human rights, treaties and conventions, the Commission in collaboration with UNICEF and other stakeholders completed the mapping of Institutions, Agencies and Organisations involved in Child Protection nationwide.

Administrative Justice Programme

801. Mr. Speaker, the Commission received 229 administrative justice complaints out of which 185 complaints of maladministration, unfair treatment and abuse of office by public officials were investigated and resolved.
802. The Commission conducted 379 public education programmes to enable citizens demand better service delivery from duty bearers and trained 125 members of staff on Ombudsman investigations (Panel Hearings). In 2016, the Commission will continue to strengthen its oversight role as public sector Ombudsman to improve governance and public service delivery, and to build capacity the citizenry to hold duty bearers accountable and sustain effective citizen's engagement.

Anti-Corruption Programme

803. Mr. Speaker, the Commission, in collaboration with the Office of the President, rolled out implementation of the National Anti-Corruption Action Plan (NACAP) by organizing sensitization workshops for the Regional Coordinating Councils (RCCs) and Heads of Decentralized Departments (MDAs and MMDAs).

804. To increase public awareness on the role of NACAP, the Commission developed and disseminated public education materials to MDAs, MMDAs, Private Sector and Civil Society and organized 251 outreach programmes via the media.
805. Mr. Speaker, the Commission received 43 complaints and allegations of corruption out of which 13 were investigated and resolved in 2015. In 2016, the Commission will co-ordinate and monitor the implementation of the National Anti-Corruption Action Plan (NACAP) adopted as the blueprint for fighting corruption in Ghana and intensify public education on NACAP.
806. Mr. Speaker, in compliance with the Conduct of Public Officers' Law, the Commission will enforce the law and assist MDAs and MMDAs to develop internal Codes of Conduct for their staff. The Commission will also conduct training for ethics and compliance officers and Heads of departments on the Conduct of Public Officers Law and assist public offices to strengthen internal mechanisms for preventing and reducing opportunities for corruption, including Whistle blowing reporting mechanisms.
807. In 2016, the Commission will continue to investigate complaints and allegations of corruption, conflict of interest, breaches of code of conduct, and impropriety under the whistle-blowers Act.
808. For the implementation of the above programmes and activities, an amount of GH¢30,523,777.00, has been allocated. Out of this, GH¢15,722,770.00 is GoG and GH¢14,801,007.00 is from Development Partners.

JUDICIAL SERVICE

809. The Judicial Service exists to resolve legal conflicts according to law, impartially and efficiently to all persons without fear or favour, affection or ill-will through true and proper interpretation, application and implementation of the laws of Ghana.

Performance in 2015 and Outlook for 2016

Court Administration Programme

810. Mr. Speaker, in 2015 the Service disposed of 98,635 cases against an annual target of 95,500 cases nationwide. In 2016, the Service expects that a total of 101,448 cases will be tried and judgments delivered.
811. The computerization coverage of the courts is 94 percent complete whilst the services of 28 percent of courts nationwide were automated. In 2016, court automation will be expanded to cover 96 courts out of a total of 346 courts.

812. Mr. Speaker, the "Justice for all" programme was intensified. Out of seven prisons visited, 397 cases were reviewed. This was interspersed with training of Judges within those jurisdictions. In 2016, a permanent secretariat will be set up for effective coordination and management of the exercise. Further, Judges will be appointed to each region to sit on remand prisoners' cases regularly.

813. The construction of a 42 Court Complex located at the Victoriaborg is completed. All courts located at the Cocoa Affairs premises and other locations under poor conditions were relocated to the commercial and specialized court houses.

Alternative Dispute Resolution (ADR) Programme

814. Mr. Speaker, 1,047 out of a targeted 4,321 cases were mediated and settled successfully. Ten new courts were connected to ADR and training for 26 Mediators from selected circuit and district courts were conducted. In 2016, a total of 4,985 cases will be mediated and settled. It is anticipated that 20 new courts will be connected to ADR during the year.

815. For the implementation of the above programmes and activities, an amount of GH¢193,702,296.00 has been allocated. Out of this, GH¢188,500,668.00 is GoG, GH¢3,455,159.00 is IGF and GH¢1,746,469.00 is from Development Partners.

MINISTRY OF THE INTERIOR

816. The Ministry is charged with the responsibility of ensuring the maintenance of internal security within the laws of Ghana to promote peace for national development.

Performance in 2015 and Outlook for 2016

Conflict and Disaster Management Programme

817. Mr. Speaker, the National Peace Council engaged all the political parties and other stakeholders on strategies to ensure peaceful general elections.

818. To reduce chieftaincy related violence in the country, the Council engaged a select side of the Regional Houses of Chiefs in Northern, Brong Ahafo, Upper East and Upper West regions on ascension trends. These engagements will be extended to the Western, Volta, Central, Ashanti and Greater Accra regions in 2016.

819. Mr. Speaker, in 2016 the Council will mediate actual and potential conflicts, create awareness on non-violent responses to conflicts, and organize trainings for Regional and Districts Peace Councils.

820. Mr. Speaker, NADMO attended to various disasters (Domestic, Market, Industrial, Gas and chemical explosions and Bush fires) in Tema Central Medical Stores, Circle Goil fuel filling station, Ablekuma North, Kokompe Industrial Spare Parts Shops, Okai Koi North, New Achimota Market, Ablekuma North, Odorkor and other parts of the country.
821. NADMO responded to 15,000 victims of flood disasters as against the 2014 figure of 18,550 as a result of desilting of drains in major flood prone areas and aggressive public education on disaster prevention and mitigation.
822. Mr. Speaker, in 2016, NADMO will organize media discussions on disaster risk reduction and public education campaigns on disaster management. NADMO will continue to equip district disaster volunteer groups and support disaster victims with relief items.
823. Mr. Speaker, the Ghana National Fire Service attended to 2,187 fire outbreaks saving many lives and several properties as a result of improvement in time spent to respond to fire and other emergencies averaging between 10-15 minutes compared to previous years' response time of 20-30 minutes as against the international standard of four minutes. The Service carried out public education on fire safety and prevention on 104 Radio and Television programs, five market and lorry parks, eight public institutions and other organizations.
824. Mr. Speaker, to ensure the compliance of Building Regulations, the Service inspected and issued 600 fire certificates to various organizations and establishments nationwide and issued 1,200 Fire Certificates to public and commercial premises. In 2016, the Service will continue the inspection and re-inspection of premises to issue new and renew fire certificates, train fire volunteer squads in the rural communities and intensify fire prevention and safety education.
825. Mr. Speaker, the National Commission on Small Arms (NACSA) marked and recorded 10,000 weapons into the database system installed at the Ghana Armed Force and also installed another database system at the Ghana Police Service.
826. The Commission also continued with the public education and sensitization on the dangers and impact of illicit arms and gun violence using some selected radio stations in Accra and also facilitated the submission of the Arms Trade Treaty (ATT) to Parliament for consideration and ratification.
827. In 2016, Mr. Speaker, the commission will continue the national arms marking project, collect, sensitise and destroy confiscated weapons, intensify public education and raise awareness of the effects of armed violence on development.

The commission will also mobilize blacksmiths into associations and pursue skills development and alternative livelihood schemes.

Crime Management Programme

828. Mr. Speaker, the Ghana Police Service expanded the Police Visibility and Accessibility to all regional capitals and selected urban areas. The Service also created 309 police stations, 75 Districts and 30 Divisions across the country and deployed 1,900 personnel to 186 newly created duty points and increased their involvement in traffic management and public engagement.
829. In 2016, the Service will continue to intensify visibility, day and night patrols across the country, expand the intelligence-led policing through the Reward to Informant System and collaborate with other security agencies to apprehend and prosecute offenders.
830. The service expanded the highway Patrol units through the establishment of 12 operational structures at major roads to fight armed robbery and intensified the operations of the Marine Police Unit by procuring 33 boats for the Western, Greater and Eastern regions to secure our waters.
831. Work on the Intensive Care Unit at the Police hospital was completed and commissioned whilst the construction of the police hospital expansion project is ongoing.
832. Mr. Speaker, the Narcotic Control Board recorded a total of 23 narcotics drug arrest cases and a total weight of 760.64kg postal seizures were made. The Board sensitized 80 communities and media houses, 281 schools nationwide with a total audience of 47,567 and 44 faith-based institutions with a total audience of 12,525 on narcotics and psychotropic substances under the community based sensitization programme. It counselled 450 drug addicts under the counselling, rehabilitation and social reintegration programme.
833. In 2016, the Board will continue with their sensitization programmes for schools and MMDAs. There will also be TV and Radio Talk shows nationwide. In addition, the Board will organize special operation for interdiction, running of informants, Inter-Agency Collaboration and Monitoring and Control of Precursor Chemicals.
834. Mr. Speaker, the Ghana Prisons Service completed the special court project under the "Justice for all" programme at the Nsawam Medium Security Prisons resulting in the release of 132 remand prisoners. This together with normal discharges reduced the overcrowding rate from 48.16 to 44.40 percent during the period under review.

835. The Service provided inmates with skills training and formal education, prepared and presented 17 candidates for the BECE and 34 candidates for the NVTI Exams in fulfilment of its mandate to rehabilitate prisoners and successfully reintegrate them into society.

836. In 2016, the Service will undertake measures to ensure safe custody of prisoners and acquire agricultural machinery to revamp the agricultural projects of the service. The service will continue to provide skills training and formal education for convicted prisoners and juveniles in custody and provide welfare needs of prisoners.

Migration and Refugee Management Programme

837. Mr. Speaker, the Ghana Immigration Service organized targeted and promotional courses for 77 officers and men in different disciplines and trained revenue collectors in the use of e-monitor machines. These resulted in the reduction in time spent in checking documents from 3 minutes in 2014 to 1 minute 45 seconds in 2015 and increased revenue generation by 14.6 percent.

838. The Service carried out intelligence lead operations resulting in the arrest of 168 illegal immigrants of which 110 were repatriated. In 2016, the Service will continue rigorous enforcement of immigration laws by inspecting factories, hotels, churches, dwelling places and mining sites among others.

839. Mr. Speaker, in 2015, the National Migration Policy was approved by Cabinet and the Service organized educational campaigns to sensitize the public on the policy in the three northern regions. The Service intends, in 2016, to continue with this exercise in the in the seven remaining regions.

840. Mr. Speaker, the Ghana Refugee Board completed the Draft National Policy on Refugee Management (Refugee Commission Bill). The Board granted Refugee Status Determination to 74 asylum seekers from various countries, continued with the issuance of refugee Identity Card and completed local integration process for over 2000 former Liberian refugees

841. In 2016, Mr. Speaker, the Board will assist in the general wellbeing, care, maintenance, management of refugees and protection of asylum seekers in the country. The Board will facilitate the registering and issuing of Convention Travel Documents (CTDs) and ID cards to refugees to minimize the negative impact and optimize the potential impact of migration for Ghana's Development.

Gaming Regulation Programme

842. Mr. Speaker, the Gaming Commission conducted an inventory of all gaming machines in use in the country resulting in the discovery of 660 Slots Machines, 137 Tables and 67 Roulettes in use by Gaming Operators. The Commission licensed 18 casinos of good standing, 13 sports betting companies and five route

operation facilities that are scattered in major cities notably Accra, Kumasi, Tema, Sunyani, Aflao, Swedru, Tarkwa, Obuasi, Ho and Takoradi.

843. Mr. Speaker, the Commission will in 2016, organise public sensitization campaigns and undertake monitoring visits to casinos and gaming centres across the country.
844. Mr. Speaker, the Gaming Commission facilitated the drafting of its Legislative Instrument to support the Gaming Act 2006, (Act 721).
845. For the implementation of the above programmes and activities, an amount of GH¢1,370,488,656.00 has been allocated. Out of this, GH¢1,316,160,582.00 is GoG, GH¢31,403,958.00 is IGF and GH¢22,924,116.00 is from Development Partners.

SECTION SIX: SOCIAL PROTECTION, POVERTY REDUCTION EXPENDITURES AND SUSTAINABLE DEVELOPMENT GOALS

a. Progress on the Achievement of the Millennium Development Goals and Outlook on the Sustainable Development Goals (SDGs)

846. Mr. Speaker, fifteen years ago, Ghana, with the rest of the world, adopted the United Nations' Millennium Declaration which committed nations to a global partnership and a series of time-bound goals and actions with an achievement deadline of 2015. These goals, known as the Millennium Development Goals (MDGs), provided the world with an important framework for development and a broad vision to fight poverty. The MDGs led to the adoption of eight time bound and quantifiable goals which aimed to eradicate extreme poverty and hunger; achieve universal primary education; promote gender equality and empower women; reduce child mortality; improve maternal health; combat HIV/AIDS, malaria and other diseases; ensure environmental sustainability; and develop global partnerships for development.
847. The MDGs did not only positively influence policy and programme interventions, but they also brought together development partners to build innovative alliances for enhanced effectiveness and mutual accountability. In Ghana, the MDGs was mainstreamed into the National Medium Term Development Plans. Monitoring of the progress made on the MDGs were reflected in all major national documents including the Annual Progress Reports (APR) of both phases of the Ghana Shared Growth and Development Agenda, and also in the Annual Budget and Economic Policy statement of Government.
848. In this last year of implementation, assessment of Ghana's performance in the attainment of the MDGs remains reassuring although some goals were marginally missed. Over the fifteen years of implementation of the MDGs, Ghana experienced immense progress on poverty reduction, eradication of inequalities and infrastructural development. However, just as is the case in the rest of the world, our progress was uneven, particularly in the rural areas, as well as the three Northern Regions of the country. Some of the MDGs which were not fully achieved include targets under the goals for Gender Equality; Maternal Health; combating HIV/AIDS, Malaria and Other Diseases; and Sustainability of the Environment.
849. The MDG target of reducing extreme poverty by half was achieved in 2006. Broadly, this was attained in both urban and rural areas, and in seven regions while the situation has improved remarkably in the three northern regions. As at 2013, extreme and overall poverty had both been reduced to more than half of their 1992 levels. Indications are that by end-2015, Ghana would have attained the goals for Universal Primary Education; under-5 mortality; and the safe water supply component of the environmental sustainability goal. However, by close of

2015, it may not be likely for Ghana to attain the goal for maternal mortality; the target for sanitation under the environmental sustainability goal; the goal for global partnerships; and that of gender equality and women empowerment.

850. Mr. Speaker, in September this year, the NDPC together with the UNDP carried out a performance assessment exercise to determine Ghana's performance with respect to its achievement of the eight MDGs over the past 15 years. Permit me to share with you, a summary of Ghana's progress as at end September, 2015 as contained in the final report.

Goal 1: Eradicate extreme poverty and hunger –Largely achieved

- Ghana broadly halved the proportion of people living in extreme poverty in 2006, ahead of target.
- On average, this was achieved in both urban and rural areas, and in seven regions.
- Prospects have improved for the three northern regions to meet the target following a revision of the poverty line, which resulted in a substantial drop in national extreme poverty incidence.
- However, the prevalence of low-quality employment and considerable numbers of working poor remain cause for concern.

Goal 2: Achieve universal primary education –Largely achieved

- Ghana Exceeded the Gross Enrolment and Completion Target but Net enrolment is a challenge.
- Gross enrolment reached 107 percent in 2013/2014 while net enrolment made slow progress from 88.5 percent in 2008/09 to 89.3 percent in 2013/14.
- The completion rate at primary level exceeded the target by 12.4 percentage points.

Goal 3: Promote gender equality and empower women –Not achieved but significant progress was made

- Gender parity has been achieved in kindergarten, and is on track at primary, junior and senior high school levels and in private tertiary institutions.
- The proportion of women Members of Parliament increased from 8.3 percent in the 2008 elections to 10.9 percent in 2012.
- Women's access to wage employment in non-agricultural sectors rose from 25.4 percent in 2006 to 30.5 percent in 2013.

Goal 4: Reduce child mortality –Largely achieved

- In spite of considerable gains made in child health since 1990, the targets for infant and under-5 mortality are unlikely to be met and signal the need for accelerated progress.

- The under-5 mortality rate improved from 122 per 1,000 live births in 1990 to 82 per 1,000 live births in 2012 but this was well short of the MDG target of 40 per 1,000 live births.
- Infant mortality fell marginally from 57 to 53 per 1,000 live births between 1994 and 2012 but was short of the target of 22 deaths per 1,000 live births.

Goal 5: Improve maternal health –Not achieved

- The institutional maternal mortality ratio fell from 216 per 100,000 live births in 1990 to 144 per 100,000 live births in 2014, short of the global target of 54 per 100,000 live births in 2015.
- Overall maternal mortality is thought to be higher, when non-institutional maternal deaths are considered. An official survey in 2008 reported an average maternal mortality ratio of 451 deaths per 100,000 live births for the seven preceding years.

Goal 6: Combat HIV/AIDS, malaria and other diseases – Not achieved but significant progress

- National HIV and AIDS prevalence has fallen from 3.6 percent in 2007 to 1.3 percent by 2013 but regional disparities persist.
- Expanded access to antiretroviral therapy (ART) has contributed greatly to fewer HIV and AIDS-related deaths and mother-to-child transmission.
- Malaria remains a public health concern as the leading cause of mortality and morbidity in Ghana, especially among children under 5 years and pregnant women. It is a leading cause of poverty and low productivity, accounting for about 32.5 percent of all outpatient attendance and 48.8 percent of under-5 admissions.

Goal 7: Ensure environmental sustainability –Not achieved

- The target of halving the proportion of the population without access to safe water has been achieved, but poor sanitation remains pervasive.
- Critical challenges also exist with regard to reversing the loss of environmental resources and reducing the proportion of population living in slums in urban areas.

Goal 8: Develop a global partnership for development –Largely achieved

- Aid inflows have fallen since 2009 while public debt has been rising, with implications for debt sustainability. However, aid flows fell from 6.09 percent of GDP in 2009 to 2.8 percent of GDP in 2014, following the designation of Ghana as a lower middle-income country.
- Public debt as a percentage of GDP was 36.3 percent in 2009, rising to 67.2 percent in 2014, mostly owed to external creditors. Debt service-to-

domestic revenue surged from 13.8 percent in 2010 to 31.4 percent in 2014, cutting into development spending.

- Mobile phone and internet usage has risen steeply over the past decade. Mobile-cellular phone subscriptions accelerated from about 1.26 per 100 inhabitants in 2001 to 114.8 per 100 inhabitants in 2014. Internet subscribers have in turn risen from 0.15 percent of the population in 2000 to 18.9 percent in 2014.

Sustainable Development Goals (SDGs)

851. Mr. Speaker, while we take stock, draw lessons and celebrate the achievements, there is the need to acknowledge that there exist many areas of unfinished business with the MDGs. As we conclude with the MDGs in 2015, Ghana has joined the world in coming up with the Sustainable Development Goals (SDGs) which will be implemented by countries from 2016 to 2030. The SDGs, which was endorsed by the United Nations at its 70th Session on 18th September, 2015, seek to build on the Millennium Development Goals (MDGs) and to complete what the MDGs did not achieve, particularly in reaching the most vulnerable. The SDGs seek to balance the three dimensions of sustainable development: the economic, social and environmental.
852. The new Agenda, which has 17 broad goals, with 169 targets, is guided by the purposes and principles of the Charter of the United Nations, including full respect for International Law and is grounded in the Universal Declaration of Human Rights, International Human Rights Treaties, the Millennium Declaration, the 2005 World Summit Outcome Document as well as instruments such as the Declaration on the Right to Development.
853. Government agrees with the United Nation's position that each country has the primary responsibility for its own economic and social development and that, the role of national policies and development strategies in the achievement of these goals cannot be overemphasized. To this end, Government will continue to reflect in its development plans, policies that will help eradicate poverty and ensure sustainable development, while remaining consistent with relevant international rules and commitments. We will continue to make national development efforts that are mutually consistent and coherent with world trade, monetary and financial systems, and global economic governance which are the prerequisites of the collective commitment to the achievement of the SDGs by 2030.

854. A List of the 17 SDGs is shown in **table 28**.

Table 28: List of Sustainable Development Goals

| SDGs | Description |
|-------------|---|
| Goal 1: | End poverty in all its forms everywhere; |
| Goal 2: | End hunger, achieve food security and improved nutrition and promote sustainable agriculture; |
| Goal 3: | Ensure healthy lives and promote well-being for all at all ages; |
| Goal 4: | Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all; |
| Goal 5: | Achieve gender equality and empower all women and girls; |
| Goal 6: | Ensure availability and sustainable management of water and sanitation for All; |
| Goal 7: | Ensure access to affordable, reliable, sustainable and modern energy for all; |
| Goal 8: | Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; |
| Goal 9: | Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation; |
| Goal 10: | Reduce inequality within and among countries; |
| Goal 11: | Make cities and human settlements inclusive, safe, resilient and sustainable; |
| Goal 12: | Ensure sustainable consumption and production patterns; |
| Goal 13: | Take urgent action to combat climate change and its impacts* |
| Goal 14: | Conserve and sustainably use the oceans, seas and marine resources for sustainable development; |
| Goal 15: | Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat land degradation and halt biodiversity loss; desertification, and halt and reverse |
| Goal 16: | Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels; |
| Goal 17: | Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development. |
| | * This goal acknowledges that the United Nations Framework Convention on Climate Change is the primary international, intergovernmental forum for negotiating the global response to climate change |

Source: Ministry of Finance

855. Mr. Speaker, government recognizes that the 17 SDGs and their 169 associated targets are integrated and indivisible. In this regard, Government, together with its stakeholders, would in 2016 begin the process of incorporating the SDGs into its subsequent national development policy frameworks just as it was the case for the MDGs. We will systematically align expenditures with the SDGs and ensure effective monitoring and evaluation (M&E) to enable us track the targets within our planning system.

a. Social Protection

856. Mr. Speaker, government recognizes the significance of social protection in our efforts at sustainable development. As a country, we have adopted social protection as a major tool to address poverty, vulnerability and exclusion. In this regard government has, over the years, implemented various programmes to address extreme poverty and vulnerabilities in our society as part of a broader national development strategy.

857. Social protection programmes implemented over the years have sought to provide some of our compatriots respite from hardships and, further, equipped them to participate in the basic socio-economic activities. However, these programmes have not always achieved the expected outputs and outcomes due to poor targeting and uncoordinated approach to their delivery. To address these weaknesses, among others, a social protection policy document has been prepared to serve as a coordinated approach towards the effective and efficient provision of social protection, in whole, and ensure that programmes are better targeted.

858. The policy document seeks to structure and anchor social protection with accompanying institutional reforms to deliver identified priority interventions. It seeks to clarify social protection objectives to which Ghana can aspire at each stage of our development. The document, therefore, defines social protection for Ghana as "*a range of actions carried out by the state and other parties in response to vulnerability and poverty, which seek to guarantee relief for those sections of the population who for any reason are not able to provide for themselves*". It identifies three main vulnerability categories as follows:

- The **Chronically Poor**: such as the severely disabled, terminally ill, rural unemployed, urban unemployed, subsistence smallholders;
- The **Economically at Risk**: including food crop farmers, persons on the street (children, young persons and people in working age and older persons), internally displaced persons, orphans, informal sector workers, widows, older persons and migrants;

- The **socially vulnerable**: consisting of groups such as tuberculosis sufferers, victims of domestic violence, homeless persons, people living on the street, internally displaced persons, female headed households.

859. It further proposes a Social Protection Floor and provides an institutional framework for coordination, as well as collaborations among relevant institutions in monitoring and ensuring accountability. Ghana's social protection floor will seek to cater for the entire life-cycle of the citizens; fill social protection gaps and strategically balance all the intervention areas.

860. Mr. Speaker, the social protection floor, which will be subjected to further stakeholder inputs before the finalization of the document, and approval by Cabinet will consist of:

- Access to basic essential health care for all, with particular attention to maternal health;
- Minimum income security to access the basic needs of life for children;
- Minimum income security for people in working age; and
- Minimum income security for older persons.

Expenditures on Social Protection

861. Mr. Speaker, recognizing the challenges of social protection expenditures posed by the current macro-economic constraints and fiscal consolidation programmes, government has sought to ensure that resources allocated are used in the most cost-effective and pro-poor manner. To this end, government continues to rationalize social protection programs and expand the coverage of well-targeted programs in order to mitigate the potential impact of fiscal consolidation on the vulnerable in society.

862. Even though concerns still exist on the efficiency and adequacy of coverage of the existing social intervention programmes, achievements made cannot be over-emphasized.

863. Under Social Assistance, the main interventions currently being implemented include the LEAP, Social Inclusion Transfers (SITs), School Feeding, Take-home Rations for Girls, Free School Uniforms, Free Exercise Books, Programme on Elimination of Child Labour, Education Capitation Grants, Supplementary Grant (GEP), NHIS Exemptions, Government Subsidy for SHS, GETFund Scholarships, Senior Secondary Scholarships and Girls-PASS Scholarships. Government continued to maintain these programmes as priority areas of spending in 2015.

864. The main Social Insurance interventions currently being implemented in Ghana are the National Health Insurance Scheme (NHIS), and the Social Security and National Insurance Trust (SSNIT). At the end of September 2015, an amount of

GH¢929.69 million had been transferred to the National Health Fund while SSNIT received GH¢650.47 million for the same period. In 2016, an amount of GH¢1,497.28 million is projected for NHIS transfers, while SSNIT will receive GH¢1,289.51 million.

LEAP

865. In 2016, government will seek to scale up spending on the LEAP. The programme would be expanded to cover over 250,000 beneficiary households as well as strengthen the institutional arrangements for social protection. The National Target Unit would be operationalized to undertake data collection exercise in the Upper East and Northern regions and develop a Ghana National Household Registry at the regions. An amount of GH¢50.00 million will be spent on the LEAP Programme in 2016.

MASLOC

866. Mr. Speaker, the Microfinance and Small Loans Centre (MASLOC) was inaugurated in September, 2006 to serve as the agency responsible for the prudent and judicious management of the government micro and small-scale credit programmes. The Centre was established by the government in response to the acute lack of financial support for micro, small and medium enterprise sector. In the last five years, MASLOC has disbursed GH¢97.51 million to 129,340 beneficiaries of which 88.88 percent were women. This is in line with the core mandate of MASLOC to support more women who are usually the sources of livelihood within our traditional family settings and keep the family unit together. An amount of GH¢9.47 million has been disbursed to 7,949 micro loan beneficiaries in the first nine months of 2015. The disbursements have created an estimated 4,500 direct and indirect jobs in 2015.
867. Currently, the Centre is embarking on a number of programmes aimed at empowering the vulnerable to protect them from falling below the poverty line in times of shocks. The Disaster Support programme, such as the 'June 3rd Flood Victims Loans', has helped traders, who lost their livelihood, restore their businesses. An amount of GH¢4.84 million has so far been disbursed to these flood victims. Additionally, the vehicle and taxi facility, since its inception, has created about 862 jobs to the youth. One thousand bucket tricycles are being disbursed to improve the transportation of farm produce from farm gates to main roads for onward transportation from areas such as Afram Plains, Prampram, Ksoa and Awutu Senya to market centres.
868. In 2016, government will continue to provide resources to improve the standard of livelihood of residents of deprived communities by providing financial facilities and other means of transforming and touching the lives of vulnerable Ghanaians, especially women across the country.

b. Government Spending on Poverty Reduction Related Activities in 2015 and Outlook for 2016

869. Mr. Speaker, spending on poverty related activities has, over the years, shown government's commitment in the eradication of poverty through its expenditures. These are government of Ghana (GoG) expenditures incurred on activities of MDAs and MMDAs which are considered to be poverty related. These have, each year, gone to support the provision of basic education, primary health care, poverty-focused agriculture, rural water, feeder roads and rural electrification.
870. Mr. Speaker, out of a total budget for 2015 of GH¢34,402.43 million (which excludes tax expenditures and foreign-financed capital expenditures), an amount of GH¢7,594.34 million, representing 22.08 percent was earmarked for poverty reduction activities. By the end of September, 2015, a total of GH¢5,290.87 million had been spent, representing 24.18 percent of the total Government expenditures of GH¢21,884.32 million.
871. Total Government spending on pro-poor activities for 2016, is estimated at GH¢8,754.13 million representing 22.67 percent of GH¢38,611.44 million total Government Expenditure.

Education

872. In the Education Sector, planned expenditure for 2015 was GH¢7,058.32 million. Of this amount, GH¢3,542.47 million, representing 50.19 percent was expected to go into basic education expenditure. By the end of September 2015, a total of GH¢4,776.62 million had been utilized, out of which GH¢2,400.12 million, representing 50.25 percent, went into basic education expenditure.
873. For 2016, an amount of GH¢6,909.36 million is allocated for the Education sector. Of this amount, GH¢3,390.46 million, representing 49.07 percent, will go into basic education expenditure.

Health

874. Of a total of GH¢2,749.26 million budgeted for the Health Sector in 2015, 52.37 percent, representing GH¢1,439.79 million, was earmarked for Primary Health Care programmes. Out of the total amount of GH¢2,072.43 million spent by end of September, 2015 within the Health Sector, Primary Health Care programmes received GH¢1,335.47 million representing 64.44 percent of total Health Sector expenditure.
875. An estimated GH¢3,402.15 million has been earmarked for the Health sector for 2016. About 63.04 percent of this allocation, representing GH¢2,144.74 million, will go into the funding of Primary Health Care programmes.

Agriculture

876. Total budgeted expenditure for the Agriculture Sector was GH¢395.19 million. By the end of September 2015, GH¢91.54 million had been spent. About GH¢82.57 million of this actual sector expenditure, representing 90.21 percent, was spent on poverty focused expenditures such as the Fertilizer Subsidy programme and the establishment of Agricultural Mechanisation Service Centres, among others to boost agricultural production.
877. For 2016, a total of GH¢355.14 million has been allocated for this sector. About GH¢302.46 million of this allocation, representing 85.17 percent, is to be spent on the Fertilizer Subsidy programme and the Agricultural Mechanisation Service Centres, among others.

Water, Housing and Works

878. For the Water Resources, Works and Housing sector an amount of GH¢230.47 million was budgeted for 2015. By the end of September, 2015 an amount of GH¢64.17 million had been spent on the entire sector, out of which GH¢25.12 million was spent to improve the access of Rural dwellers to potable water, promote good health and promote economic usage of water in rural areas.
879. An amount of GH¢143.99 million has been budgeted for the Water Resources, Works and Housing sector for fiscal year 2016; of this, GH¢52.01 million, is to be spent on Rural Water.

Transport

880. The Transport Sector, with an annual budgeted expenditure of GH¢697.25 million for 2015 had by the end of September 2015, spent GH¢423.85 million. Of this, Feeder Roads projects utilised GH¢68.74 million constituting about 16.22 percent of the actual sector expenditure of GH¢68.74 million.
881. For 2016, an amount of GH¢151.60 million is planned to be used on Feeder Roads projects under the Roads and Transportation sectors. This represents about 28.12 percent on the annual budgeted expenditure of GH¢539.17 million for the entire road sector.

Energy

882. The amount budgeted for the Energy Sector in 2015 was GH¢310.57 million. Of this, planned expenditures for providing electricity for rural dwellers was GH¢247.51 million. Actual Energy sector expenditures, by the end of September, 2015 was GH¢158.70 million out of which GH¢115.40 million went into poverty focused activities including rural electrification.

883. The amount budgeted for the Power Sector for 2016 fiscal year is GH¢238.47 million, out of which GH¢201.17 million is planned to be spent on rural electrification, consumer lifeline for electricity and subsidies.

Other poverty

884. At the end of the first three quarters of 2015, a total amount of GH¢1,263.46 million was spent on "Other Poverty" related activities representing 5.78 percent of total government expenditure. The "Other Poverty" expenditures include spending on social welfare, public safety, drainage, human rights, environmental protection, rural housing, legal aid, decentralisation among others.
885. For 2016, an amount of GH¢2,511.70 million is projected to be spent on "Other Poverty" and this represents 6.51 percent of total government expenditure.

SECTION SEVEN: PUBLIC FINANCIAL MANAGEMENT REFORMS

886. Mr. Speaker, the Ghana Integrated Financial Management Information System (GIFMIS) project was implemented from 2010 to 2014 as part of the Public Financial Management (PFM) Reform programme to improve accounting, controlling, auditing and reporting of the Budget Appropriation. Budget Reforms were also implemented as part of the GIFMIS project and focused on the introduction of Programme Based Budgeting (PBB) and Fiscal Decentralization. A new budget preparation and management system which integrates seamlessly with the accounting system was implemented. Other areas include Revenue Reforms, Human Resource Management Information System (HRMIS), and a review of the PFM legal framework as well as the preparation of a PFM Strategy.

PFM Strategy

887. Mr. Speaker, to further enhance the efficiency, transparency and accountability of the Public Financial Management System, a comprehensive PFM Strategy (2015 to 2018) and accompanying action plan and results framework were developed, approved by Cabinet and now being implemented. The current PFM reform is very comprehensive in scope comprising Budgeting, Cash and Debt Management, Accounting, Auditing, Financial Oversight, Procurement as well as Payroll Management. The initiative also provides a framework for guiding the prioritization and sequencing of PFM reforms whilst consolidating and deepening the gains made from the implementation of the GIFMIS. Key institutions involved in the implementation of the strategy include MOF, PSC, GRA, CAGD, IAA, PPA, GAS and Parliament.

888. In 2016, the Ministry will scale up the implementation of the PFM strategy to achieve the following objectives in the medium term.

- **Enhance budget credibility** by addressing weaknesses in macro-fiscal policy formulation through reliable revenue forecasts and controlled expenditure;
- **Improve comprehensiveness and transparency** in PFM by systematic inclusion of all public funds in budgeting, accounting and reporting frameworks;
- **Improve MDA budgeting and sectorial management by developing the PBB system** and establishing programme appropriation and performance management in all public sector organisations as part of efforts to improve service delivery.
- **Increase control, predictability, accounting and reporting of budget execution** by strengthening the GIFMIS and deploying to all MDAs and MMDAs;

- **Strengthen Treasury and Cash Management** by consolidating the development of the TSA and utilizing GIFMIS cash management functionality effectively; and
- **Enhance auditing and risk management** by strengthening internal and external audit and parliamentary review, establishing risk management review and reporting across government, and establishing risk assessment as part of the annual and medium-term budget processes.

Public Financial Management Reform Project (PFMRP)

889. Mr. Speaker, following the development of the PFM Strategy, Ghana secured a US\$45million support facility from the World Bank to implement some aspects of the Strategy document. The objectives are to improve budget management, financial control and reporting of public funds to enhance fiscal discipline, strategic allocation of resources and efficient service delivery.
890. The main components of the project are enhancing budget credibility, PFM systems and control; reinforcing financial oversight and accountability and PFM reform coordination and change management. In this regard, work and procurement plans as well as draft Terms of Reference to secure the services of Consultants were prepared to commence the implementation of programmed activities. Consultations were also made with other Development Partners to solicit their support in other areas of the PFM Strategy.
891. In 2016, Mr. Speaker, key activities to be implemented will include the deployment of the new budget module (Hyperion) to MDAs for Budget preparation and management; continue with the IFMIS implementation to further improve accountability and reporting during budget execution; interfacing of Hyperion with Human Resource Management Information System (HRMIS) to improve estimation of Compensation of Employees. Fiscal risk statements will be developed and risk monitoring institutionalized as part of the budget process as well as strengthen Performance Auditing. In addition, the project will seek to strengthen Parliamentary oversight through capacity building of the Public Accounts Committee and the research department of Parliament.

New PFM Bill

892. Mr. Speaker, Government in implementing the GIFMIS project identified the need to improve the legislative framework as part of addressing gaps between budget intentions and performance. It recognised the importance to provide a stronger regime for budget planning and formulation, execution and monitoring and for this to be properly codified in an integrated PFM Law. This will incorporate some best practices already established since the passage of FAA in 2003 and benefit from adopting some internationally recognised best practices.

893. It is expected that the comprehensive PFM Law will among other things, provide an integrated basis to cover all phases of the budget cycle, more effective supervision, oversight and reporting of the wider public sector as well as a sanctions regime. The new law will also assist in meeting several strategic objectives including tying expenditures to realistic medium and long term strategies, ensuring borrowings are within fiscal capacity as well as integrating into one budget system the parallel expenditure systems of statutory funds. The key principles on which the legal framework is based are credibility, transparency, accountability and results.
894. In 2016, the Ministry will complete the new overarching PFM Bill and submit to Parliament through Cabinet for approval. The Ministry will also organise sensitization programmes for all stakeholders and ensure consensus on all major provisions in the Bill.
895. The Bill will also focus on:
- provisions to strengthen the Medium Term Macro Fiscal Framework through a more structured engagement with Cabinet and Parliament by codifying some of the fiscal rules in the legislation;
 - strengthening the process of budgeting through a robust budget calendar and clearly specified role of Cabinet;
 - expansion of the coverage of national accounts to include all public funds;
 - stronger commitment control to regulate the medium term expenditure framework;
 - strengthening the debt management functions within the MoF with a stronger oversight of all borrowing across sectors to ensure more sustainable debt levels consistent with the medium term macro fiscal framework;
 - strengthening cash management to support a more reliable and predictable budget release;
 - stronger framework for external scrutiny to improve government wide accountability; and
 - introduction of a stronger sanctions regime to ensure efficient management of public resources.

896. It is envisaged that the new law will ensure:
- transparent consultative fiscal policy formulation process to garner support for government's fiscal policy to improve budget credibility;
 - tighter commitment control to reduce budget overruns and accumulation of arrears;
 - predictable and timely release of funds through improved cash and treasury management;
 - more sustainable debt through tighter borrowing controls and systems;
 - improved service delivery through the effective monitoring of results and performance of public sector institutions.

BUDGET REFORMS

897. To improve Public Financial Management Systems at all levels of government and ensure efficient, effective and accountable use of public resources as a basis for improved service delivery, the following achievements were made under budget reforms.

Implementation of Programme Based Budget (PBB)

898. Mr. Speaker, in 2015, 339 key staff of MDAs were trained to deepen their understanding of the PBB processes and help ensure the provision of quality performance information and targets in their respective annual estimates. This is to facilitate effective monitoring and evaluation, improved service delivery as well as ensure value for money. In addition, other stakeholders including Development Partners and Civil Society Organisations (CSOs) were also engaged on the implementation of PBB.
899. This effort will be sustained in 2016 to deepen the PBB process, strengthen MDAs ownership to actively support and participate in the implementation of their respective budget as well as facilitate the decentralized management of the budget and accountability systems.
900. Mr. Speaker, to facilitate the selection of the appropriate standardized operations and projects, the Ministry developed a draft glossary for the standardized operations and projects. In addition, the Ministry reviewed the standardized operations to include Ministries of Power and Petroleum.
901. In 2016, a series of stakeholder engagements will be undertaken to validate the glossary developed and review the standardized operations and projects to guide MDAs in the budget preparation process.

Review of Institutional Arrangement of MDAs

902. Mr. Speaker, as part of the Ministry's efforts to ensure programme management practices and results orientation within the Civil Service, a Technical Committee was set up to help review the organizational structure of MDAs to ensure consistency with Programme Based Budget principles. The performance contracts of Chief Directors' was also reviewed to reflect targets and indicators set for service improvements in budget documents of MDAs.
903. The Technical Committee will complete the review of the institutional structures to help strengthen performance management practices, facilitate improved results and service delivery within the Civil Service.

New Budget Preparation and Management System

904. Mr. Speaker, the New Budget Software (Hyperion) was successfully launched and used to prepare the 2015-2017 budget estimates. As part of the implementation support, key staff of MDAs involved in budget preparation were further trained in the use of the new budget system to enable them prepare their MDAs' 2016-2018 Annual Budget Estimates.
905. Mr. Speaker, in 2016, the Ministry will complete the implementation of the second phase of the new Budget Preparation and Management System to improve the accuracy of budget information, enhance data consistency and better management of the Budget. To ensure the full utilization of the system which is web based at the MDA level, the system will be deployed to all MDAs to reduce the reliance on MoF in budget preparation process. Further training will also be provided to equip MDAs on the use of the system.

Other Budget Reform Activities

906. Mr. Speaker, the Ministry commenced the implementation of the component relating to enhancing Budget credibility under the Ghana PFM Reform Project (PFMRP). The component includes strengthening budgetary planning, macro-fiscal and debt management, public investment management capacity, budget operational framework and fiscal risk management and reporting. A costed Work Plan was developed to facilitate the attainment of the objectives of the project.
907. The Ministry will continue the implementation of the various activities under the PFMRP geared towards attainment of the objective of the project.

Non-Tax Revenue Reforms

Mr. Speaker, a comprehensive national policy on the mobilization and management of NTR/IGF was approved under the PFM Strategy and will be introduced under the proposed overarching new PFM Bill. This will provide for:

- enhanced definition of NTR/IGF;

- integration and consolidation of existing legislations under a single enactment to provide MDAs with revenue mobilisation vision/focus and increase the scope and quality of goods and services from which the revenues are derived;
- gross lodgement of all NTR/IGF receipts before disbursement of portions allowed to be retained under explicit legislative authorisation;
- establishment of criteria for granting of retention as well as its periodic review;
- framework for costing and pricing of goods and services provided by MDAs as well as for the achievement of full/partial cost recovery for selected MDAs and cost recovery plus a margin for others;
- framework for regular review of rates, fees and charges;
- inclusion of NTR/IGF as part of the Medium Term Fiscal Framework (MTFF) and for periodic ministerial reporting on NTR/IGF to Cabinet; and
- intensification of electronic monitoring of NTR/IGF collection.

Fiscal Decentralization

908. Mr. Speaker, the Ministry continued the implementation of the Intergovernmental Fiscal Framework (IGFF) which seeks to empower and facilitate MMDAs to assume their mandated roles and responsibilities for good governance, improved service delivery and local economic development. The Framework provide for a long-term development of intergovernmental fiscal arrangements including the assignment of expenditure and revenue responsibilities, intergovernmental transfers, borrowing and institutional arrangements.

Sector Fiscal Decentralization of Education and Health Financing

909. Mr. Speaker, the Ministry undertook a study on education and health fiscal decentralization financing. The study was to enable government design systems and structures for decentralizing education and health to the MMDAs. In 2016, the Ministry will undertake consensus building with relevant stakeholders on the recommendations in the report to enhance smooth implementation.

Budget Reforms Activities

910. The transitioning from Activity-Based Budgeting to Programmed-Based Budgeting by MMDAs is on course. In 2015, the composite budget manual was reviewed to reflect the Programmed Based Budgeting approach. This revision has provided clearer approach to the introduction of PBB in MMDAs. In 2016, the Ministry will initiate the roll out of the Programmed-Based Budgeting (PBB) to all MMDAs. Key activities include sensitization of key stakeholders and the training of key staffs of MMDAs in the preparation of PBB.

Compensation of Employees

911. Mr. Speaker, in 2015, the Ministry initiated actions to realign the personnel nominal and payroll of the decentralised departments of the Assemblies to ensure the efficient management of Compensation of Employees. In 2016, the Ministry will continue and complete the alignment of Compensation of Employee's budget of the decentralised departments from the MDAs to the MMDAs.

Local Government Borrowing

912. Mr. Speaker, effective local government borrowing can stimulate local economic development, fiscal discipline and revenue mobilization. Given the limited opportunity for local government borrowing, Government initiated a consultation process to review the 2008 draft Local Government Finance Bill. The Bill seeks to provide a comprehensive law to guide MMDAs to raise private capital, enter into partnerships and joint ventures as well as mobilize other financial resources. It is also to empower MMDAs to move away from over-reliance on central government transfers to undertake productive infrastructural development.
913. A draft Local Government Lending Agency Bill was developed and is ready for consultation with relevant stakeholders for onward submission to this august House after approval by Cabinet. The Ministry in 2016, will initiate the process for preparing the accompanying regulations, implementation, monitoring and evaluation framework for the operationalisation of the law.

Implementation of the Internally Generated Fund (IGF) Strategy

914. Mr. Speaker, following the national conference on IGF, an IGF strategy with a reference guide was developed and is being piloted in seven MMDAs. The lessons learnt and challenges encountered will guide the rollout of the strategy to all MMDAs. In 2016, the Ministries of Finance and Local Government and Rural Development will roll out the IGF strategy for implementation by all MMDAs to improve IGF identification, collection, utilization and reporting.

Integrated Financial Management Information System

915. Mr. Speaker, under the GIFMIS project, our PFM Reforms was further strengthened through the implementation of the Integrated Financial Management Information System (IFMIS). Key achievements included:
- deployment of Electronic Funds Transfer (EFT) to 33 MDAs at both headquarter and regional levels; and
 - deployment of Fixed Assets Module to 5 pilot MDAs at headquarters level. The Account receivable module will be deployed to all GRA collection points.

916. Mr. Speaker, as part of the PFM reform programme, government will develop an electronic platform to link up with parliament to facilitate the exchange of information and increase transparency and accountability in the use of public funds.

Revenue Reforms

917. Mr. Speaker, GRA reforms concentrated on setting up the organisation, restructuring the Support Services Division and strengthening the Domestic Tax Division. In addition, the Authority implemented other reform programmes including the review of the tax laws, segmentation of taxpayers, introduction of Self-Assessment to Medium Taxpayers and the setting up of the Post Clearance Audit functions.

918. Through the implementation of the second phase of the GRA Strategic Plan, the integration process was deepened by expanding systems for sharing data between the Domestic Tax and Customs Divisions. Measures were also put in place to improve compliance by strengthening internal processes as well as increasing the use of third party information. The Customs Law (ACT 891) and Income Tax law (Act 896) were also passed during the year.

919. Mr. Speaker, in 2016, GRA will continue to conduct an extensive review of internal and Customs processes, Free Zones activities and strengthen the regimes to minimise revenue leakages. In addition, schemes for taxing the informal sector will be formulated and the implementation of the presumptive tax will commence. GRA will continue the process to determine the Tax Gap and data collection to facilitate the assessment of the difference between potential levels of tax that could be collected against what is being collected. Compliance Strategy will also be developed to assess the level of tax compliance in line with the principle of determining the tax gap.

SECTION EIGHT: POLICY INITIATIVES

920. Mr. Speaker, Government is committed to promoting fiscal discipline that hinges on prudent public expenditure management, improved debt management and the implementation of reforms in key areas of the economy.
921. Our middle income status requires the country to rely increasingly on domestic resource mobilization to meet its development needs. The pursuit of this agenda takes account of persistent budget deficits; the dwindling access to concessional financing; and requirements under the Financing for Development (FfD) component of the Sustainable Development Goals (SDGs).
922. The new United Nations (UN) Sustainable Development Agenda (notably the FfD component) places emphasis on domestic resource mobilization as a more reliable way of ensuring and sustaining development.
923. Mr. Speaker, over the past three years a number of policy initiatives have been pursued, among others to:
- address the macroeconomic imbalances that have emerged since 2012;
 - deal with the new challenges of financing our development through a sustainable debt management strategy;
 - consolidate our transition to middle income country (MIC) status; and
 - enable government deliver on its transformational agenda
924. Mr. Speaker, I would like to present an update on the status of some key initiatives and outline some new policy initiatives for 2016.

TAX POLICY AND ADMINISTRATION

925. Improvements in the tax revenue effort have been constrained by the fall in commodity prices and power supply challenges that led to a slowdown in the growth of business activity in the economy. Additionally, Ghana has high tax exemptions regime, collection leakages, low compliance, inadequate taxpayer information and weak linkages among public agencies.
926. Mr. Speaker, to enhance resource mobilization to close the funding gap, government introduced a number of tax policy and administration initiatives. The overarching goal was to create additional fiscal space for sustainable budget expenditures in ways that are more efficient, fairer and better promote good governance. Most of the policies were also to enhance efficiency in tax administration, compliance and increase tax revenue.

Tax Identification Number (TIN)

927. GRA continues to insist that importers quote their TIN and tax office code whenever they are transacting business at the ports. The TIN and the tax office code will ensure that every importer, exporter and agent will be identified with their domestic tax office to ensure that they meet their tax obligations. Efforts are being made to extend the TIN to other sectors to facilitate the identification of eligible taxpayers. Eventually, the TIN will form part of the relaunch of the National Identification Number initiative to serve multiple national requirements.

Sliding Scale Excise Duty

928. To provide an incentive for brewery companies to use local raw materials for the production of beer and malt, a sliding scale excise duty was introduced for brewery companies that substitute local raw materials for imported ones. After implementing the policy for three years, Government has reviewed the policy and is proposing to reduce the scale from 4 bands to 3 bands to improve the efficiency of administration.

Excise Duty on Tobacco

929. Mr. Speaker, to reduce the consumption of tobacco and its related health hazards, Parliament amended the excise duty rate from 150 percent to 175 percent.

Review of Tax Laws

930. As part of the GRA modernization and reforms, the various tax laws were reviewed and harmonized. The Income Tax Act was passed in 2015 to complement the Value Added Tax Act, the Customs Act and the Excise Duty Act. The Revenue Administration Bill will be laid in Parliament in 2016. The accompanying Regulations and Practice Notes are currently under preparation.

Amendment of National Health Insurance Act

931. In order to ensure that transfers to the NHIF conform to the taxable base of the VAT Act 2013 (Act 870), the NHIS Act amendment Bill was passed by Parliament.

Common External Tariff

932. Mr. Speaker, Ghana continues to work towards the implementation of the ECOWAS Common External Tariff (CET) which is a major platform for a Customs Union that will facilitate free trade and ensure greater economic integration within the region. Ghana has completed several activities to ensure the smooth implementation of the new regional tariff early next year. The CET Bill is currently before this august House for consideration.

933. It is envisaged that the passage of the Bill will enable Ghana join the other eight countries already implementing the CET. The CET when implemented would also

help address the problem of cross-border smuggling, combat dumping and also bring economic benefits to the people of the sub-region.

Review of Tax Exemptions

934. Mr. Speaker, Government is continuously reviewing the tax exemption regime in the country in order to create the appropriate fiscal space for development. Various studies have been conducted to estimate the quantum of Ghana's tax expenditure for the 8-year period (2008-2015). For instance a report by MoF/GRA team estimates the average tax expenditure to GDP ratio to be 2.01 percent. The tax expenditure to GDP ratio for 2013-2015 are 1.68 percent, 1.82 percent and 1.98 percent, respectively.
935. The various studies also observed that MDAs and MMDAs include tax exemption provisions in contracts and dispensations to businesses and NGOs without authorisation and do not effectively verify or audit the exemptions granted. Based on the recommendations of the various studies, Government has agreed to progressively use tax credit schemes instead of outright exemptions and explore the use of Double Taxation Agreement (DTA) provisions to our advantage instead of granting outright exemptions.
936. GRA and MoF will reinforce the measures taken so far to reduce the negative impact on exemptions on the tax base which also lead to uneven playing fields for businesses and tax payers in general. These measures include:
- drastic limits on the use of "permits" to clear goods from our ports;
 - improved coordination between MoF and GIPC leading to possible amendment of the GIPC Act;
 - administrative review of the free zones regime following recent amendments;
 - abolition of the VAT relief purchase order and the establishment of the General Refund Account;
 - improvement in warehousing practices including the licensing of software requirements; and
 - Customs and Domestic tax office to revalidate all existing exemptions on file leading to a new list and new implementation guidelines from January 2016.
937. Mr. Speaker, henceforth, no MDA should negotiate and conclude contracts that grant exemptions without the necessary approval from the Ministry of Finance. Exemptions granted without approval from the Ministry of Finance will not be recognized and processed to Parliament for ratification.
938. Government will also put in place strict measures to curb abuses in customs exemptions. Furthermore, Government will consider replacing upfront

exemptions with a tax credit note and treasury credit note after a comprehensive study in 2016.

939. Mr. Speaker, for 2016 and the medium term, the following additional measures will be implemented to ensure compliance and improve tax administration:

- moving all processes to an electronic platform and accelerating the shift to a functional form of administration in all tax offices;
- reviewing the current thresholds for classification of persons as large, medium or small to reflect current trends;
- establishing joint audit/investigation teams with membership drawn from both Domestic Tax Revenue Division (DTRD) and Customs Division to conduct audits and investigations;
- intensifying the monitoring of Free Zones Enterprises by rolling out the Integrated Free Zones Unit in line with the 2nd GRA Strategic Plan 2015 - 2017;
- rolling out fully the excise tax stamp project and implementing the Electronic Point of Sale device project for taxable supplies of goods and services;
- scaling up of the use of third party information/data, particularly from the Ghana Customs Management System (GCMS), Trade-Related Aspects of Intellectual Property Rights (TRIPS) and GIFMIS data to follow up on importers and Government suppliers to ensure full accountability in respect of domestic taxes; and
- Implementing measures to address revenue leakages resulting from illicit financial flows.

940. Mr, Speaker, other policy measures being proposed include:

Re-imposition of Excise duty on Cider beer

- To promote the product as a local and infant industry, the excise duty on cider was fixed at zero percent. After four years of the incentive, local manufacturers have been provided with the requisite policy support to compete effectively. Therefore, there will be a re-imposition of an excise duty rate of 17.5 percent on cider.

Review of Income Tax Threshold Bands

- Mr. Speaker, in line with our social democratic principles, the personal income tax has been used as a major tool for equitable distribution of income and the protection of low income earners. To improve the fairness, progressivity and also provide tax relief to the minimum wage earners, the existing minimum income which is exempted from income tax will be increased from GH¢1,584 to GH¢2,592.

VAT Threshold

- Mr. Speaker, a new threshold of GH¢200,000 is being proposed to reduce the number of VAT registered persons. The goal is to improve VAT administration and ensure that only large and medium taxpayers who are more capable of complying with VAT accounting and invoicing requirements, are mandatorily required to be registered for the VAT.

General Refund Account

- The General refund account which is 4 percent of GRA collections will be increased to 6 percent.

National Single Window

941. Mr. Speaker, in September 2015, Government introduced the National Single Window Project to;

- reduce the time and cost of Customs clearance and in general that of doing business in the country;
- put all customs operations notably classification, valuation and inspection under the GRA; and
- improve government revenue through the harmonization and simplification of international trade processes and procedures.

942. The first phase of the Project has been completed. This includes the takeover of the core functions and allied services of valuation, inspection, classification and risk management from the Destination Inspection Companies by the Customs Division of the GRA. The completion of this phase also places Customs practice within the World Customs Organization's recommendation of separating core customs operations from support services. The full deployment of the Customs Pre-Arrival Assessment Report System has been successfully executed and we commend all stakeholders for their cooperation.

943. Government will impose sanctions on Agents and Declarants who attempt to feed the Customs Classification and Valuation Report system with fictitious information in an attempt to defraud the state.

944. Mr. Speaker, the second phase focuses on the full integration or interface of all services related to customs clearance with the National Single Window. A blue print will be developed for the implementation of the National Single Window.

Non-Tax Revenue

945. Mr. Speaker, the Non-Tax Revenue/Internally Generated Funds (NTR/IGF) performance has been growing at an annual average rate of 22.7 percent over the past three years. In 2016, Government will implement a number of initiatives

to streamline IGF collection, accounting and reporting to harness the potentials of IGFs.

946. The objective is also to increase the scope and quality of service delivery, and gradually reduce the dependence of subvented organizations on GOG. To this end Government will:
- Wean-off the Driver and Vehicle Licensing Authority (DVLA); Environmental Protection Agency, Energy Commission, Data Protection Commission, Gaming Commission and Securities and Exchange Commission out of 12 Agencies identified. These agencies have been identified to be commercially viable and can contribute to the growth of IGF and national revenue through restructuring.
 - In 2016, Government will continue to engage the remaining Agencies with the view to changing the institutional, administrative, legal and regulatory arrangements on NTR/IGF mobilization and management.

EXPENDITURE MANAGEMENT INITIATIVES

The goals of expenditure management includes exercise of fiscal prudence, keeping expenditures within budget and cash ceilings; non accumulation of arrears and completion and containment of ongoing projects within current budget allocations

Sustaining the New Pay Policy

947. Mr. Speaker, seven years into the implementation of the Single Spine Pay Policy (SSPP), particularly the Single Spine Salary Structure (SSSS), distortions and inequities that characterized public service pay administration have largely been addressed. The process has also led to the abolition of over 123 different salary structures and 50 allowances in the Public Service. These have impacted positively on fiscal management. Government remains committed to the implementation of the policy and is pursuing measures to eliminate leakages in the payroll system.
948. Mr. Speaker, for the first time in many years, negotiations on the determination of both the National Daily Minimum Wage and the Base Pay on the SSSS was concluded before the finalization of the Budget.
949. Mr. Speaker, Government also made some progress in the following areas:
- **Market Premium:** Government undertook a Labour Market Survey to determine critical skills that qualify for market premium in the public sector.

The basis for this study is to abolish the payment of Market Premium as a mass allowance scheme. The report on the Survey is currently being reviewed to ensure a successful implementation. The Nation will be updated on the status of implementation decisions that will be taken by Cabinet.

- **Categories 2 & 3 Allowances:** To streamline and bring fairness in the administration of allowances in the public sector, Government has successfully concluded negotiations with Organized Labour to facilitate the implementation of Categories 2 and 3 allowances in 2016. The implementation of these allowances will be guided by administrative instructions developed by MoF in collaboration with the FWSC.
- **Book and Research Facility:** In order to encourage and support research in tertiary institutions government is reviewing the system of payment of Book and Research allowances to replace it with the Tertiary Education Research Fund. To this end, a draft bill for the establishment of the Tertiary Education Research Fund is before Cabinet and will soon be laid in Parliament.

Payroll Management

950. Mr. Speaker, to ensure efficiency in salary administration, work is ongoing to ensure that the Integrated Personal Payroll Database (IPPD) interfaces seamlessly into the Ghana Integrated Financial Management and Information System (GIFMIS). In 2013, an Electronic Salary Payment Voucher System (e-SPV) and Electronic Pay Slips were also introduced as part of a major step in controlling payroll costs. The equipment and software were installed and deployed in eight regions (Greater Accra, Ashanti, Brong Ahafo, Northern, Upper East, Upper West, Central and Western). The roll out to the remaining two regions (Eastern and Volta Regions) will be completed by the end of the year. A post implementation review will be undertaken in 2016 to consolidate the gains made as part of the GIFMIS phase two reforms.
951. Mr. Speaker, Government will manage the impact of the compensation bill in 2016 by the continuing the implementation of the following measures:
- **Electronic-Payroll Input Forms (e-Forms):** In 2016, CAGD will replace the manual payroll input forms with electronic input forms. This will provide speedy processing of public servants entitlements, reduce cost of printing the manual inputs forms as well as provide an improved audit trail. CAGD will also continue to ensure that all the relevant approval levels, as existing in the various MDAs, are maintained on the platform to prevent abuse.

- **Interfacing Payroll Database with SSNIT Biometric data:** The process of interfacing the payroll database with the SSNIT biometric database to facilitate regular validation and update of the payroll database was started and will be completed in 2016.
- **Nationwide Pension Payroll Head Count:** To ensure credible payroll database, Government will undertake a nationwide pension head count to validate the pension database in 2016.
- **Enhancing control and oversight:** In 2016, the Public Services Commission (PSC) will begin to exercise oversight responsibility for HR functions associated with the payroll. These include the establishment of new posts, recruitments, promotions and inputting data of new employees unto the payroll. In this regard, a draft legislative instrument that clearly spells out the procedures of recruitment, promotion, replacement and reengagement of staff will be submitted to Parliament for enactment.
- **The progressive roll out of the Human Resource Management Information System (HRMIS):** The first phase of the HRMIS will go live in 2016, and it is envisaged that, by the end of the year, all MDAs on the Controller and Accountant-General's Department Payroll will be rolled onto the system.

CASH MANAGEMENT

952. Mr. Speaker, to effectively manage public expenditure and make funds available in a timely manner to meet planned expenditures, a number of Policy initiatives are being undertaken to strengthen the cash management system. These include the B-Tracking, e-Travel Card, e-Fuel Card, and the Treasury Single Account.

B-Tracking and e-Monitor System

Mr. Speaker, CAGD is developing a platform which will provide real time visibility of all Government accounts with BoG and the commercial banks. This will facilitate the monitoring of GoG revenues deposited in transit accounts with the commercial banks. It will also ensure prompt transfer of such revenues to the designated GoG accounts at Bank of Ghana, reduce the cost of borrowing by the Government as well as facilitate the transfer of VAT on financial services from the Commercial Banks to BoG. The system has been installed and the training of staff has commenced towards full implementation in 2016.

Similarly, an electronic monitoring system, E-Monitor, which was deployed on pilot basis by the CAGD to monitor and track revenue collections by selected

MDAs in the Greater Accra, Ashanti and Western regions will be replicated to the regional and district offices of the MDAs in 2016.

e-Travel Card

Mr. Speaker, government is developing a credit card known as the e-Travel Card to be used by officials who travel outside the country on assignments. The purpose is to minimise risks, provide security and ensure effective management and accounting for advances granted to them. Funds required for the travel will be loaded on the card and will be accessed by the officials at ATMs and Point of Sale Terminals. The platform will eliminate the risk of carrying bulk cash and provide better security and record keeping. The system is being piloted with MOF and CAGD after which it will be rolled out to all agencies that subsist on government funds.

e-Fuel Card

Mr. Speaker, a platform to administer and manage fuel allocation to government officials through an electronic fuel card (e-Fuel Card) is also being developed by CAGD. The card is to replace the current fuel coupons system and will be used at designated filling stations across the country. The system will be piloted with MOF, CAGD and selected MDAs after which it will be rolled out to all agencies that subsist on government funds.

Treasury Single Account

Mr. Speaker, the CAGD has developed a Treasury Single Account (TSA) Strategy document with the view to unifying the structure of government bank accounts. The purpose is to consolidate and optimize utilization of cash resources. The TSA is a set of linked bank accounts through which government recognises all its receipts and payments and obtains a consolidated view of its cash position at the end of each day.

The implementation of the TSA commenced in 2013 following the signing of the Loans and Fiscal Agency Agreement with Bank of Ghana (BoG). As part of the implementation, Government embarked on an exercise to rationalize GoG accounts with the aim of closing dormant accounts. As at September 2015, about 11,500 bank accounts had been identified, out of which 5,500 are held at BoG and 6000 at Commercial Banks. Out of the 5,500 accounts at BoG, 3,160 have been closed, 700 have been set up under the GIFMIS, whilst a decision will be taken soon on the remaining 1,640. Efforts are also being made to streamline the 6,000 held by Commercial Banks.

953. Mr. Speaker, an electronic payment system was piloted in three zones to ensure timely and efficient transfer of cash to beneficiaries. The system will be deployed in 2016 and the use of electronic devices extended to the school feeding programme under the Ministry.

DEBT MANAGEMENT

954. Mr. Speaker, to safeguard the overarching goal for debt and fiscal sustainability, and ensure that Government's financing needs and its payment obligations are met at the lowest possible cost over the medium to long term, Cabinet approved the Medium Term Debt Management Strategy (MTDS) for 2015-2017 to provide a more cost-efficient access to the international and domestic capital markets. It will guide gross financing requirements and incorporate the risks elements identified in the debt portfolio. Progress made on implementing the strategy include the following:

On-lending and Escrow Arrangements

955. Mr. Speaker, Government has made significant progress in ensuring that loans signed for SOEs and MDAs for commercial projects are matched with on-lending agreements to ensure recovery.
956. In 2016, government will continue with the on-lending and escrow mechanism for commercial projects including State Owned Enterprises (SOEs) projects to ensure that we move from sovereign guarantees to project-based financing guarantees for debt sustainability.

Sinking Fund

957. Mr. Speaker, to manage the orderly redemption of sovereign bonds and other foreign and domestic debt instruments, the Sinking Fund Account has been set up with funds from excess over the cap of the Stabilization Fund. The fund will form the basis for spreading repayment of principal and interest for numerous debt resulting from the floating of Treasury Bills, Domestic bonds and Eurobonds over the tenor of the facility, in order to minimise the rate of accumulation and roll over risks.

Interest Rate Hedging

958. Ghana has a sizeable stock of external debt with floating interest rate. The volatility of LIBOR and flexibility of other interest rates could affect debt service costs. Over the past few years, LIBOR rates have been at historic lows, thereby benefiting the country in terms of low interest cost. Based on recent signals from the US Federal Reserve amid the growing strength of the U.S. economy, there are indications that the LIBOR rate will start rising, exposing Ghana to interest rate risk. The consequential impact on Ghana's debt servicing could be worrisome. To mitigate this risk, we intend to hedge the interest rates through swap arrangements to allow for enhanced predictability of debt service.

Sovereign Guarantees

959. Mr. Speaker, Government will continue to encourage SOEs and SPVs to borrow on the strength of their own balance sheet. This approach does not only ensure

the efficient running of these SOEs but also remove the need for Government to backstop SOE payment default in purely commercial agreements, a situation that increases the State's contingent liability and potentially, when they crystalize, add to public debt stock.

Partial Risk Guarantee (PRG)

960. Mr. Speaker, Government is moving away from the provision of Sovereign Guarantees to project financing approach. It is in the light of this that Government is leveraging its IDA resources to provide underlying security for critical projects through Partial Risk Guarantees (PRGs). A case in point is the use of PRG in the sum of US\$700 million (i.e. US\$150 million of the State's IDA envelope) to mitigate the State's performance risks in the Sankofa-Gye Nyame project. It is important to note that PRG is second in a waterfall that starts with an escrow arrangement.
961. Government, as part of its debt management strategy, intends to use this approach for qualifying projects on a competitive and secured basis, with the aim of reducing the State's financial exposure in purely commercial projects.
962. Mr. Speaker, previously, debt management strategies were prepared after the budget has been approved and published. This adversely affected the linkage between the budget and the financing strategy. Going forward, Government has integrated the MTDS in the budget process. In this regard, the 2016 Budget takes into account the Medium Term Debt Strategy.

Eurobond Issue

963. Mr. Speaker, in July 2015, you may recall that, this House approved the issue of up to US\$1.5 billion on the International Capital Market. In spite of difficult market conditions, Government secured US\$1 billion Eurobond at a coupon rate of 10.75 percent with a maturity of 15 years. The bond is a soft amortizing bond to be repaid in three instalments of US\$333 million in 2028 and 2029, and US\$334 million in 2030.
964. The 2015 issue is the fourth Eurobond, and was oversubscribed to the tune of US\$2 billion, of which US\$1 billion was accepted. Similar to the three previous issues, the 2015 bond had many new investors participating in the transaction, thereby expanding Ghana's investor base. The bond was backed by a World Bank guarantee and will be used to refinance our domestic bonds.
965. Ghana became the first sub-Saharan African country outside South Africa to issue a 15-year bond. The International Development Association partial risk guarantee of US\$400 million enabled Ghana to borrow on reasonable terms in a

rather turbulent global market. More importantly, it establishes an asset class for use by MICs for years to come

966. Nonetheless, the bond issuance is in line with Ghana's new debt management strategy guided by the principle of financing capital expenditures with long-term debt and using a sinking fund mechanism for the smooth redemption of maturing debt obligations.
967. Mr. Speaker, we have gained enough experience from this bond issuance and will help in our MIC preparations. We expect that the relative success of our fiscal consolidation to date under both the Home Grown and IMF programme, will aid this process through regaining our marketing status.

FINANCIAL SECTOR

Capital Market Development

968. Mr. Speaker, Government stated in the 2015 Budget Statement and Economic Policy its intention to use the book building approach in allocating issuance on the domestic capital market similar to the approach used for the Eurobond on the International Capital Market.
969. This approach is to promote a more active engagement between Government and its Book runner as well as large institutional investors such as pension funds, insurance companies and mutual funds. Preparatory activities are advanced and we expect the first issue using the book building approach to be rolled out by the end of this year.
970. Mr. Speaker, as part of measures to enhance secondary trading of all fixed income securities, Government has established the Ghana Fixed Income Market (GFIM). The market is expected to ensure greater efficiency, better price discovery, increased liquidity and greater transparency. A Governing Committee has been constituted to exercise oversight responsibility for the secondary trading of fixed income securities.

Dormant Assets Scheme

971. Mr. Speaker, preliminary evidence indicates that significant amount of assets lie unclaimed. These include dormant bank accounts and unclaimed dividends, interest payments, pensions and insurance benefits. There is currently no regulatory framework to govern the management of this large pool of assets which represents a significant portion of private savings in the economy and which are often forgone without a structure to consciously trace the beneficiary's next of kin.

972. Members will recall that, in 2007, the Government of the day announced an unclaimed assets initiative which was not implemented. In 2016, government intends to revisit the initiative with a view to implementing a Dormant Asset Scheme by the end of the year.

973. Mr. Speaker, the implementation of this scheme will be based on very sound principles that will respect the perpetual right of the lawful owner of an asset to receive the fair market value of the asset at any point in time. The scheme will proactively take measures to improve the tracing of beneficiary owners and will provide for the sound investment of scheme asset. We propose to secure Cabinet approval for an interim plan, pending a more comprehensive system that may require legislation.

Sovereign Wealth Fund (Fiscal Trust)

974. Mr. Speaker, Government owns a significant amount of assets ranging from equity interest in commercially oriented companies, state-owned enterprises and physical assets such as real estate. Many of the assets are badly managed and frequently not properly accounted for. Consequently, the State has been unable to realize the full value of its assets.

975. In order to create better value for the State, Government will explore the consolidation of significant commercial assets under sovereign wealth fund or fiscal trust that will be managed at arm's length from Government. Such a structure will bring professional management and market-based principles into the management of State assets. The scheme will take account of the fact that GIIF is a form of wealth fund that focus on investment in specific assets.

Infrastructure Development Initiatives

976. Mr. Speaker, Government recognises infrastructure development as a key ingredient in its development agenda. Having attained a MIC status in 2010, conscious efforts are being made to expand, upgrade and modernize our social and economic infrastructure, with the aim of closing the wide infrastructure gap, estimated at about US\$1.5 billion per annum.

977. Over the past three years the following initiatives have been implemented.

National Infrastructure Plan

978. A draft National Infrastructure Plan has been developed by the National Development Planning Commission (NDPC) in collaboration with the Ministry of Finance. The plan links naturally to the Public Investment Management System (PIMS) that the MoF is launching as part of the GIFMIS-Budget system.

Public Private Partnerships

979. Government has adopted the PPP approach to financing infrastructure development, following Cabinet's approval of the Policy, a PPP Bill is being finalised to be laid before Parliament. At the same time a number of PPP projects will be implemented in the course of the year. The feasibility studies have been conducted on at least 18 PPP projects whilst a number of them are at various stages of completion.

Ghana Infrastructure Investment Fund (GIIF)

980. Mr. Speaker, the GIIF, was set up as a quasi-fiscal body to deal with the huge infrastructure deficit and to focus on strategic infrastructure that will stimulate the growth of the economy and lead to job creation following the passage of the Ghana Infrastructure Investment Fund Act, 2014 (Act 877).
981. The Board and the Advisory Council of the GIIF as well as management are in place. In addition, a GIIF debt service account has been opened at the BoG for designated domestic and sovereign debt. The Ministry of Finance is in the process of transferring projects that are commercially viable to the GIIF for management.
982. Proposals have also been submitted to the GIIF Board to finance a number of fuel tanks as part of the strategic steps in the decentralisation of petroleum prices.
983. Under the proposal approved by Cabinet, the establishment of the Airport city phase two, the land rights will be vested in GIIF which will then enter into appropriate commercial arrangements with the developers.

Restructuring of the Power Sector

984. Mr Speaker, we need to reform our energy-related SOEs to position them for the emerging oil and gas era. Programmes and instruments such as the WB PRG, MCC Compact II and IPP investments will not materialise until we have healthy and functional SOEs that run on better organisational, operational, technical and financial best practice.
985. Mr. Speaker, Government is fully committed to addressing the power sector challenges and in particular has taken note of the issue of legacy debts as a major drain on the potential of the state to realise its objectives. The magnitude of the debt overhang continues to weigh down heavily on the sector's potential and need a well-capitalised, efficient and cost-effective petroleum and power utility sector to anchor our economic transformation.
986. As an important first step towards resolving the problem, in August of this year, Cabinet authorized Ministry of Finance, Ministry of Power, and the Public Utilities

Regulatory Commission (PURC) to seek proposals for the appropriate funding structure to put the sector on a sound financial footing.

987. The process, which is on-going, has resulted in the need for a comprehensive review of utility prices and tariff structure. An earlier study leading to the liberalisation of petroleum prices established the need for a new pricing structure for that product. Therefore, it is important to put in place credible restructuring plans that encompass a reformed, fair and market-responsive pricing structure to ensure that the sector does not slip back into a position of weakness. We therefore propose, among others, a mitigation and an Energy Levy which will be used to support the debt restructuring and pricing regime.
988. Government will continue the investments in the energy and power sectors to boost power supply as the main element of establishing an industrial base, be it in agro-processing; downstream petrochemical; and other forms of light and heavy industry.

OTHER INITIATIVES

National Identification Initiative

989. Mr. Speaker, in 2011, the Office of the President established a committee to address the implementation challenges of the National Identification system. The recommendations of the committee could not be fully implemented for various reasons including the existence of parallel identification systems. Recent developments point to the need for a unique and comprehensive national identification system which, among others, absorbs existing identification systems including Tax Identification Numbers, voter identification numbers, and Public sector employee identification numbers.
990. Consequently, the Office of the President has directed a re-launch of the national identification numbering system which will address the weaknesses in the current identification system.

Job Creation/ Youth Employment Initiative

991. Mr. Speaker, the National Employment Policy was launched with focus on the employment of youth, women and the vulnerable. Subsequently, the Youth Employment Act, 2015 (Act 887) was passed with dedicated funding sources. Under the Community Improvement Programme, a total of 100,000 youth will be engaged in six different areas, namely:
- Waste and Sanitation;
 - Security Services;
 - Community Teaching Assistant;
 - Community Health Assistant;
 - Youth in Afforestation; and
 - Youth in Apparel.

992. In addition, the Youth Employment Agency will collaborate with the National Vocational Training Institute (NVTI) to organise certificated courses for JHS/SHS graduates in carpentry, masonry, tile laying, aluminium fabrication and hairdressing. The programme will also target young girls and women, including "Kayayes". The graduates will be provided with the requisite tools to enable them start their own businesses. Additionally, we are collaborating with the Ghana Federation of the Disabled to engage 1,000 physically challenged persons in gainful employment.
993. Mr. Speaker, these are targeted initiatives. Ultimately these job creation opportunities are embedded in our public investment programmes (e.g. roads, energy and housing) and support for the private sector.

SECTION NINE: CONCLUSION

994. Rt. Hon. Speaker, in conclusion, I wish to emphasise that under the able leadership of President John Dramani Mahama, we have acted decisively to address significant economic challenges and implemented socio-economic programmes with the view to "**Changing Lives and Transforming Ghana**". The interventions outlined in this Budget will no doubt contribute significantly to the realisation of our brighter medium term prospects.

995. Mr. Speaker, the Government has taken responsible action to enable Ghana attain its vision, and have produced tangible results in the following broad areas:

- as part of the wide ranging **structural reforms** hinged on our "home grown policies" and consolidated by the IMF programme, we have commenced the process for the preparation of a new PFM bill to strengthen our Public Financial Management system, strategically increased investment in agriculture in order to reduce the importation of rice and poultry in particular to save our currency from dipping further and also implemented other measures to stabilize the Cedi;
- we have taken steps at bolstering our **infrastructure** by setting up the GIIF to take on huge but economically viable capital infrastructure that cannot be put on the budget; improved upon our road, rail and aviation networks; expanded access to potable water throughout the country; expanded and upgraded our ports to improve service delivery and handle more cargo; improved upon our ICT infrastructure; and provided quality affordable housing; provided decent office accommodation for Honourable members by completing the refurbishment and inaugurating the Job 600;
- we have and will continue to **improve health service delivery** by constructing, expanding and upgrading of teaching, regional and district hospitals as well as polyclinics, CHPS compounds; we have expanded emergency services; and improved upon regulation of the sector;
- in our resolve to eradicate schools under trees and **improve access to education**, we have replaced 1,714 out of 2,578 schools under trees with decent accommodation and facilities; started the implementation of the progressively free SHS; procured and distributed free school uniforms and other educational materials; and expanded the school feeding programme which will continue in 2016;
- we are expanding and upgrading the **power** generation, transmission and distribution networks to completely address the perennial supply challenges we face as a country as well as exploiting renewable energy sources;

- we have expanded the **LEAP programme** to cover over 190,000 households and the cash grant per head increased from GH¢36.00 to GH¢44.00. The programme will be expanded in 2016 to cover 250,000 households;
- we continued to invest in **human resource management and development** and increased access to vocational training for the old and young alike; developed a Human Resource Policy Framework and Manual to improve human resource management and development in the public service; improved the Performance Management System; and introduced a comprehensive Human Resource Management Information System to improve performance and productivity in the Public Service;
- we have strengthened public protection of our citizens and improved upon general **security** in the country. We will ensure that human lives and property are protected before, during and after the 2016 general elections.

996. Mr. Speaker, we are clearly on track to achieving our goals and the evidence justifies our bold new approach. The results are crystal clear and we are committed to consolidating the gains towards a brighter future as embodied in our theme "**Consolidating Progress towards a Brighter Medium Term**". In 2016, we will be seeking another mandate to lead the development process of our beloved country. We will stand proudly before our people with confidence in our choices and results achieved so far, and we will ask once again for their mandate and cooperation as we move forward to complete the job we started together.

997. Mr. Speaker, the Government will require support from this august House and cooperation of the good people of Ghana as we are resolute in our drive towards providing a better Ghana for us all. We believe that this budget provides yet another opportunity for all of us to work hand in hand to achieve the objectives we have set for ourselves.

998. Mr. Speaker, I so move.

APPENDICES