



REPUBLIC OF GHANA

THE BUDGET STATEMENT AND ECONOMIC POLICY

of the

GOVERNMENT OF GHANA

for the

2015 FINANCIAL YEAR

presented to

PARLIAMENT

on

WEDNESDAY, 19TH NOVEMBER 2014

by

SETH E. TERKPER

Minister for Finance

on the Authority of

HIS EXCELLENCY

PRESIDENT JOHN DRAMANI MAHAMA

THE
2015 BUDGET STATEMENT
AND
ECONOMIC POLICY

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

Ministry of Finance
Public Relations Office
New Building, Ground Floor, Room 001/003
P. O. Box MB 40
Accra – Ghana

The 2015 Budget Statement and Economic Policy of the Government of Ghana is also available on the internet at: www.mofep.gov.gh

ACRONYMS AND ABBREVIATIONS

ABFA	Annual Budget Funding Amount
ACLP	Ascertainment and Codification of Customary Law Project
ADR	Alternative Dispute Resolution
AFCON	African Cup of Nations
AfDB	African Development Bank
AIDS	Acquired Immune Deficiency Syndrome
AML	Anti-Money laundering
AMSECs	Agricultural Mechanization Services Enterprise Centres
APR	Annual Progress Report
ATMA	Accra-Tema Metropolitan Area
AVIC	Accra Visitor Information Centre
BACs	Business Advisory Centres
BDS	Business Development Services
BIEPC	Bawku Inter Ethnic Peace Committee
BoG	Bank of Ghana
BOP	Balance of Payments
bopd	barrels of oil per day
bps	basis points
BR	Benchmark Revenue
BRICS	Brazil, Russia, India, China, and South Africa
BSPs	Bulk Supply Points
BVDs	Biometric Verification Devices

BVR	Biometric Voter Registration
CAGD	Controller & Accountant General's Department
CBE	Complementary Basic Education
CDB	China Development Bank
CEDECOM	Central Regional Development Commission
CENDLOS	Centre for National Distance Learning and Open Schooling
CENSAD	Community of Sahel-Saharan States
CET	Common External Tariff
CHAN	African Championship of Nations
CHPS	Community Health Planning and Services
CLCS	Commission on the Limits of the Continental Shelf
CLTS	Community Led Total Sanitation
COCOBOD	Ghana Cocoa Board
CODAPEC	Cocoa Disease and Pests Control
COTVET	Council for Technical and Vocational Education and Training
CPI	Consumer Price Index
CRIG	Crop Research Institute of Ghana
CRIG	Cocoa Research Institute of Ghana
CSAUs	Customer Service and Access Units
CSIR	Council for Scientific and Industrial Research
CSOs	Civil Society Organisations
CSR	Corporate Social Responsibility
CSW	Commission on the Status of Women
CTDs	Convention Travel Document

CWSA	Community Water and Sanitation Agency
DAB	Diasporan Affairs Bureau
DDF	District Development Fund
DSA	Debt Sustainability Analysis
DTA	Double Taxation Agreements
DTRD	Domestic Tax Revenue Division
DTT	Digital Terrestrial Television
DV	Domestic Violence
DVD	Digital Versatile Disc
DVLA	Driver and Vehicle Licensing Authority
ECCD	Early Childhood Care Development services
ECOWAS	Economic Community of West African States
EDAIF	Export Development and Agricultural Investment Fund
EFT	Electronic Funds Transfer
EGDC	ECOWAS Gender Development Centre
EHTP	Elimination of Harmful Traditional Practices
EOCO	Economic and Organised Crime Office
EPA	Economic Partnership Agreement
E-Payslip	Electronic-Payslip
E-SPV	Electronic Salary Payment Voucher
ETLS	ECOWAS Trade Liberalization Scheme
e-Transform	Electronic-Transform
EU	European Union
EXIM	Export-Import

FAO	Food and Agriculture Organization
FAR	Financial Administration Regulations
FATF	Financial Action Task Force
FCUBE	Free Compulsory Universal Basic Education
FDA	Food and Drugs Authority
FGM	Female Genital Mutilation
FINSSP	Financial Sector Strategic Plan
FIUs	Financial Intelligence Units
FOAT	Functional and Organisational Assessment Tool
FPSO	Floating, Production, Storage and Offloading
FWSC	Fair Wages and Salaries Commission
GAC	Ghana Aids Commission
GAEC	Ghana Atomic Energy Commission
GAF	Ghana Armed Forces
GAFCSC	Ghana Armed Forces Command and Staff College
GAIMS	Ghana Aid Information Management System
GATA	Ghana Aviation Training Academy
GAX	Ghana Alternative Market
GBC	Ghana Broadcasting Corporation
GCAP	Ghana Commercial Agriculture Project
GCMS	Ghana Customs Management System
GDHS	Ghana Demographic and Health Survey
GDP	Gross Domestic Product
GEBS	Graduate Business Support Scheme

GEPA	Ghana Export Promotion Authority
GES	Ghana Education Service
GHF	Ghana Heritage Fund
GIF	Ghana Infrastructure Fund
GIFEC	Ghana Investment Fund for Electronic Communications
GIFMIS	Ghana Integrated Financial Management and Information System
GIIF	Ghana Infrastructure Investment Fund
GIPC	Ghana Investment Promotion Centre
GIS	Geographic Information System
GLSS	Ghana Living Standards Survey
GNFS	Ghana National Fire Service
GNGC	Ghana National Gas Company
GNHR	Ghana National Household Registry
GNPC	Ghana National Petroleum Corporation
GNS	Ghana Navy Ship
GoG	Government of Ghana
GPEG	Global Partnership for Education Grant
GPFs	Ghana Petroleum Funds
GPP	Gas Processing Plant
GPS	Ghana Police Service
GRA	Ghana Revenue Authority
GRATIS	Ghana Regional Appropriate Technology Industrial Service
GRIDCo	Ghana Grid Company

GSA	Ghana Standards Authority
GSE-CI	Ghana Stock Exchange-Composite Index
GSF	Ghana Stabilisation Fund
GSGDA	Ghana Shared Growth and Development Agenda
GSS	Ghana Statistical Service
GTUC	Guyana Trades Union Congress
GYEEDA	Ghana Youth Employment and Entrepreneurial Agency
HOMOFEST	Homowo Festival
HOTCATT	Hotel Catering and Tourism Training Institute
HQCF	high quality flour
HRMIS	Human Resource Management Information System
HT	Human Trafficking
IBES	Integrated Business Establishment Survey
ICCES	Integrated Community Centres For Employable Skills
ICOMOS	International Council on Monuments and Sites
IEC	International Electrotechnical Commission
IGF	Internally Generated Fund
IGIs	Independent Governance Institutions
IMF	International Monetary Fund
IMMR	institutional maternal mortality ratio
IPPD	Integrated Personnel Payroll Database
ISO	International Organization for Standardization
IUU	Illegal, Unreported and Unregulated
IWRM	Integrated Water Resources Management

JVs	Joint Ventures
KAICE	Kofi Annan International Centre of Excellence
KAIPTC	Kofi Annan International Peace-keeping and Training Center
KIA	Kotoka International Airport
kV	Kilovolt
LAN	Local Area Network
LEAP	Livelihood Empowerment Against Poverty
LI	Legislative Instrument
LIPW	Labour Intensive Public Works
LPG	Liquefied Petroleum Gas
LTE	Long Term Evolution
MATS	Military Academy and Training Schools
MCC	Millennium Challenge Corporation
MDAs	Ministries, Departments and Agencies
MDGs	Millennium Development Goals
MDPI	Management Development and Productivity Institute
METASIP	Medium Term Agriculture Sector Investment Plan
MFN	Most Favoured Nation
MGD	Million Gallons a Day
MLGRD	Ministry of Local Government and Rural Development
mmBtu	British thermal units
MMDAs	Metropolitan, Municipal and District Assemblies
MMDCEs	Metropolitan, Municipal and District Chief Executives
mmscf	Million Standard Cubic Feet

MOE	Ministry of Education
MoF	Ministry of Finance
MOFA	Ministry of Food and Agriculture
MoGCSP	Ministry of Gender, Children and Social Protection
MTDS	Medium Term Debt Strategy
MTEF	Medium Term Expenditure Framework
MVA	Megavolt ampere
MW	Megawatts
NAC	National Approvals Committees
NACAP	National Anti-Corruption Action Plan
NADMO	National Disaster Management Organisation
NAFCO	National Food Buffer Stock Company
NAFTI	National Film and Television Institute
NAHRAP	National Human Rights Action Plan
NBSSI	National Board for Small Scale Industries
NCA	National Communications Authority
NDA	Net Domestic Asset
NDC	National Democratic Congress
NDPC	National Development Planning Commission
NES	National Export Strategy
NFA	Net Foreign Asset
NHIA	National Health Insurance Authority
NIB	National Inspectorate Board
NIP	National Integrity Programme

NITA	National Information Technology Agency
NOC	National Oil Company's
NORST	Northern Region Small Towns Water and Sanitation Project
NPC	National Peace Council
NPRA	National Pensions Regulatory Authority
NQI	National Quality Infrastructure
NRA	Nuclear Regulatory Authority
NRSC	National Road Safety Commission
NSC	National Security Council
NTEs	Non-Traditional Exports
NVTI	National Vocational Training Institute
ODF	Open Defecation Free
ODL	Open and Distance Learning
OGM	Office of Government Machinery
OIC-G	Opportunities Industrialisation Centre- Ghana
OMCs	Oil Marketing Companies
OPD	Out Patient Department
PA	Petroleum Agreements
PANAFEST	Pan African Festival
PASS	Participatory Approach to Student Success
PBB	Programme-Based Budgeting
PCBs	Poly Chlorinated Biphenyls
PFM	Public Financial Management
PHF	Petroleum Holding Fund

PIMS	Public Investment Management System
PIP	Public Investment Programme
PKI	Public Key Infrastructure
PLHIV	Persons Living with HIV
PPBMEs	Policy, Planning, Budgeting, Monitoring and Evaluation Units
PPE	Personal Protective Equipment
PPME	Public Procurement Model of Excellence
PPP	Public Private Partnership
PPS	Personnel Processing Sections
PRG	Partial Risk Guarantee
PRMA	Petroleum Revenue Management Act
PSC	Project Steering Committee
PURC	Public Utilities Regulatory Commission
PVTS	Private Vehicle Test Stations
PWDs	Persons With Disabilities
RCCs	Regional Coordinating Councils
REDD+	Reducing emissions from deforestation and forest degradation
REGSEC	Regional Security Councils
REP	Rural Enterprises Programme
RSD	Real Sector Division
RTIMP	Root and Tuber Improvement and Marketing Programme
SADA	Savannah Accelerated Agricultural Development Authority
SEIP	Secondary Education Improvement Project
SGN	Sankofa-Gye Nyame

SIPs	Social Intervention Programmes
SLEM	Sustainable Land and Environmental Management
SLWMP	Sustainable Land and Water Management Project
SNPA	Street Naming and Property Addressing
SOEs	State Owned Enterprises
Solar PV	Solar Photovoltaics
SPAs	Sales and Purchase Agreements
SPS	Social Protection System
SPVs	Special Purpose Vehicle
SREP	Substations Reliability Enhancement Project
SSNIT	Social Security and National Insurance Trust
SSSS	Single Spine Salary Structure
STDs	Standard Tender Documents
STIs	Sexually Transmitted Infections
SWF	Sovereign Wealth Funds
SWIFT	Society for Worldwide Interbank Financial Telecommunication
T24	TEMENOS 24
TCPD	Town and Country Planning Department
TEN	Tweneboa-Enyenra-Ntomme
TLMs	Teaching and Learning Materials
TOR	Tema Oil Refinery
TPRS	Third Party Reference System
TRAQUE	Trade Related Assistance and Quality Enabling
TRIPS	Total Revenue Integrated Processing System

TVET	Technical and Vocational Education and Training
UN	United Nations
UNAIDS	United Nations AIDs
UNESCO	United Nations Educational, Scientific and Cultural Organization
VAT	Value Added Tax
VCD	Versatile Compact Disk
VMS	Vessel Monitoring Systems
VRA	Volta River Authority
VRPO	VAT Relief Purchase Order
VSAT	Very Small Aperture Terminal
WAGP	West African Gas Power Pool
WAMZ	West Africa Monetary Zone
WAN	Wide Area Network
WASSCE	West Africa Senior Secondary Certificate Examination
WEO	World Economic Outlook
WHO	World Health organization
WMO	World Meteorological Organisation
WTO	World Trade Organization
YLSTIs	Youth Leadership and Skills Training Institutes

CONTENTS

ACRONYMS AND ABBREVIATIONS	iv
LIST OF TABLES	xvii
LIST OF FIGURES	xviii
APPENDICES.....	xix
SECTION ONE: INTRODUCTION	1
SECTION TWO: GLOBAL ECONOMIC DEVELOPMENTS.....	7
SECTION THREE: MACROECONOMIC PERFORMANCE FOR 2014.....	11
SECTION FOUR: MACROECONOMIC FRAMEWORK FOR 2015 AND THE MEDIUM TERM	35
REAL SECTOR.....	35
MONETARY SECTOR	36
EXTERNAL SECTOR.....	37
FISCAL SECTOR.....	37
PUBLIC DEBT	47
SECTION FIVE: SECTORAL PERFORMANCE AND OUTLOOK	49
ADMINISTRATION SECTOR	49
ECONOMIC SECTOR	72
INFRASTRUCTURE SECTOR.....	93
SOCIAL SECTOR	104
PUBLIC SAFETY SECTOR.....	122
SECTION SIX: SOCIAL PROTECTION, POVERTY REDUCTION	131
EXPENDITURES AND PROGRESS TOWARDS ACHIEVING THE MILLENNIUM DEVELOPMENT GOALS.....	131
SECTION SEVEN: PUBLIC FINANCIAL MANAGEMENT REFORMS.....	140
SECTION EIGHT: POLICY INITIATIVES	149
SECTION NINE: CONCLUSION	157

LIST OF TABLES

Table 1: Agriculture Sector Performance.....	12
Table 2: Industry Sector Performance	13
Table 3: Services Sector Performance	14
Table 4: Summary of Central Government Operations and Financing – 2014	20
Table 5: Summary of Central Government Revenues and Grants – 2014	21
Table 6: Total Government Tax Revenue – January to September	22
Table 7: Summary of Central Government Expenditures – JAN to SEPT	24
Table 8: Summary of Central Government Financing – 2014.....	25
Table 9: Details of Jan-Sept 2014 Jubilee Petroleum Receipts on Liftings Basis	26
Table 10: Sources of January-September 2014 Petroleum Receipts	27
Table 11: Analysis of January-September 2014 Petroleum Receipts (US\$)	27
Table 12: Distribution of January-September 2014 Petroleum Receipts (US\$)	29
Table 13: January-September 2014 ABFA Allocation and Variance Analysis.....	30
Table 14: January-September 2014 ABFA Allocation and Variance Analysis.....	30
Table 15: Transfer of Funds in Excess of the Cap on the GSF	31
Table 16: Use of Transferred Amount over the Cap on the GSF	31
Table 17: Eurobond Issue Transaction Summary.....	34
Table 18: Real GDP Growth, 2015-2017	35
Table 19: Summary of Revenue and Grants Estimates for 2015	40
Table 20: Summary of Expenditure Estimates for 2015.....	42
Table 21: Summary of Financing of the 2015 Budget Deficit	43
Table 22: Sources of Expected Petroleum Revenue in 2015	44
Table 23: Distribution of Projected 2015 Petroleum Receipts	45
Table 24: Allocation of ABFA to the Four Priority Areas.....	45

LIST OF FIGURES

Figure 1: Annual GDP Growth Rate, 2009-2014.....	11
Figure 2: Sectoral Distribution of GDP, 2009-2013.....	12
Figure 3: Inflationary Trends	15
Figure 4: Interest Rate Trends.....	16
Figure 5: Trends in Interest Rates on Treasury Securities (%)	16
Figure 6: Composition of Total Petroleum Receipts, January-September 2014.....	28
Figure 7: Public Debt 2009 to August 2014 (Millions of GHS)	32

APPENDICES

- APPENDIX 1A: REAL GDP GROWTH RATES FOR THE MEDIUM TERM
- APPENDIX 1B: REAL GDP FOR THE MEDIUM TERM
- APPENDIX 1C: NOMINAL GDP FOR THE MEDIUM TERM
- APPENDIX 2A: SUMMARY OF CENTRAL GOVERNMENT OPERATIONS – 2014
- APPENDIX 2B: ECONOMIC CLASSIFICATION OF CENTRAL GOV'T REVENUE - 2014
- APPENDIX 2C: ECONOMIC CLASSIFICATION OF CENTRAL GOV'T EXPENDITURE - 2014
- APPENDIX 3A: SUMMARY OF CENTRAL GOVERNMENT OPERATIONS - 2015 - 2017
- APPENDIX 3B: ECONOMIC CLASSIFICATION OF CENTRAL GOV'T REVENUE - 2015 – 2017
- APPENDIX 3C: ECONOMIC CLASSIFICATION OF CENTRAL GOV'T EXPENDITURE - 2015 – 2017
- APPENDIX 4A: MDA EXPENDITURE ALLOCATIONS - 2015
- APPENDIX 4B: MDA EXPENDITURE ALLOCATIONS - 2015
- APPENDIX 5A: SUMMARY OF MDA EXPENDITURE ALLOCATION - 2015
- APPENDIX 5B: SUMMARY OF MDA EXPENDITURE ALLOCATION - 2016
- APPENDIX 5C: SUMMARY OF MDA EXPENDITURE ALLOCATION - 2017
- APPENDIX 5D: BREAKDOWN OF 2015 PROJECTED ABFA SPENDING
- APPENDIX 6: OTHER GOVERNMENT OBLIGATIONS FOR THE 2015 FISCAL YEAR
- APPENDIX 7: POVERTY REDUCTION EXPENDITURE BY SUB-SECTOR IN (GOG ONLY)
- APPENDIX 8A: LOANS SIGNED IN 2014
- APPENDIX 8B: EXTERNAL DEBT SERVICE PER MDA FOR 2015
- APPENDIX 9A: 2014 ACTUALS AND 2015 NON-TAX REVENUE (NTR) PROJECTIONS BY MDAS
- APPENDIX 9B: NON-TAX REVENUE BY MAJOR CATEGORY
- APPENDIX 9C: NON-TAX REVENUE 2015 - 2017 PROJECTIONS
- APPENDIX 9D: NON-TAX REVENUE BY MAJOR CATEGORY

- APPENDIX 9E: 2015 IGFS RETENTION BY MDAS
- APPENDIX 10A: MMDA'S ALLOCATIONS FOR 2015 BUDGET
- APPENDIX 10B: PROGRAMMED EXPENDITURE TO BE FUNDED FROM IGF BY MMDA
- APPENDIX 10C: ACTUAL REVENUE COLLECTIONS BY MMDAS FOR 2012- 2014
PERFORMANCE AGAINST 2014 PROJECTIONS
- APPENDIX 10D: MEDIUM TERM REVENUE PROJECTIONS BY MMDAS
- APPENDIX 10E: SUMMARY MMDA REVENUE COLLECTIONS BY SOURCE OF
REVENUE FOR 2012 - 2014
- APPENDIX 10F: SUMMARY MMDAS REVENUE PROJECTIONS FOR THE MEDIUM
TERM BY SOURCE

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, 2015.
2. Similarly, Rt. Hon. Speaker, on the authority of His Excellency, John Dramani Mahama, President of the Republic of Ghana and, in accordance with Article 179 of the 1992 Constitution, permit me to present the Budget Statement and Economic Policy for the year 2015 to this august House.
3. Furthermore, Rt. Hon. Speaker, in accordance with Section 48 of the Petroleum Revenue Management Act, 2011 (Act 815), permit me to present the 2014 Annual Report on the Petroleum Funds to the House.
4. It will be recalled that, exactly a year ago, precisely on Tuesday 19th November 2013, I had the privilege of presenting the 2014 Budget Statement and Economic Policy of the Government to Parliament. Subsequently, on Wednesday, 16th July, 2014, I presented the Mid-Year Review and Supplementary Estimates to the 2014 Budget to you. Rt. Hon. Speaker, I am grateful to the House for approving both presentations and where necessary, passing relevant laws in support of the measures proposed.
5. Mr. Speaker, in those presentations, I outlined among others, measures to address the major causes of the twin Budget and Current Account deficits that occurred at the end of 2012. Moreover, after consolidating the policies and measures into the Home Grown Policy with inputs from Senchi, we presented them to the Board of the International Monetary Fund (IMF), as part of its consideration of the staff report on Ghana's Article IV Consultations that took place in February this year.
6. Mr. Speaker, I stand before this august House to report that we have made progress in resolving several of these challenges. The successes that the measures have achieved include the following:
 - completion of the migration of almost all public sector workers on the central payroll to the Single Spine Salary Structure (SSSS). This remarkable progress, after many failed attempts in over two decades, will help address many unfair features of the payroll system;
 - clearing of all outstanding SSSS-specific salary arrears of about GH¢3 billion that started to accumulate from the beginning of the programme in 2010.

Moreover, the Scheme now moves into the productivity phase, as part of the on-going public sector-wide improvement or reform Programme;

- virtually eliminating the spectre of long queues for fuel as well as the huge budget overruns of about GH¢339 million in 2012 and GH¢135 million in 2013 that resulted from past failures to adjust prices through the "automatic adjustment" pricing formula; and
- an improvement in the revenue estimation process of the production and sale of crude oil, thus, eliminating another of the major causes of the budget overrun of about GH¢384 million that occurred at the end of 2012; and
- a demonstration of our ability to raise both domestic and external funds to complete several projects that were put on Government budget without adequate source of funds.

7. Mr. Speaker, notwithstanding these successes, however, our resolve at rebalancing the Budget was severely tested again when the economy came under additional significant shocks in 2013. Many of these shocks continued into the 2014 fiscal year. The challenges we continue to face include major exogenous setbacks such as the following:

- the continued disruption in the supply of gas from the West African Gas Power Pool (WAGP) from August 2012 through August 2014, due to the damage caused to the pipeline. This has had significant adverse effects on power supply, national output, foreign exchange reserves, and tax revenues;
- the fall in gold and cocoa prices which has had similar effects and, in particular, required sacrifices by our hardworking cocoa farmers as well as Government in the form of curtailed producer price and export duty. Hence, we have reason to commend our farmers and return the favour with the producer price increase that we announced this year;
- the sluggish inflow of grants from Development Partners for the third year in succession (it is about 75 percent below what was pledged to support the budget); and
- while the slump in petroleum prices during the third quarter of 2014 has benefitted our automatic adjustment policy, it is also a factor that becomes important in our quest to utilize the petroleum funds under the PRMA for savings, stabilization and investment.

8. Mr. Speaker, besides the continuing adverse impact on national output as well as losses in foreign exchange and tax revenues, these latter setbacks have had a major impact on the value of the Cedi in early 2014. It took several additional bold efforts and the reversal of compliance measures announced by the Bank of Ghana (BOG) to reverse and stabilize the currency. Thankfully, the Ghana Cedi has started showing signs of recovery, an explicit enunciation of the recovery and bright near term prospects.
9. Mr. Speaker, it was also at this critical juncture that the Government decided to request the IMF for Balance of Payments support that only comes from a funded IMF Program. Indeed, the enhancements to the Home Grown Policies which would have expired in 2016/17 and outcome of the Senchi consultations have been used as vital input for the on-going Programme discussions with the IMF.
10. Mr. Speaker, the discussions have been progressing well and at the appropriate time, when we expect the IMF Board to approve the Programme, we will return to this August House with an update.
11. Mr. Speaker, while Ghanaians and the markets were taking the essence of Ghana's announcement of an IMF Program in its stride, we achieved another important and significant success in launching our third Sovereign Bond of US\$1 billion in early September 2014. Similarly, on the same day as the Bond issue, the Ghana COCOBOD also signed an agreement for US\$1.7 billion, which was the result of another successful bid to access the international capital markets.
12. I mention these latter events in my update because the success of the Sovereign Bond and COCOBOD programmes was against the expectations of many people both at home and abroad. We do not gloat, rather they provide us with the occasion to put the management of our economy in a more balanced perspective. As with the 2014 Mid-Year Review, the market activities were occasions to make a strong case for our positive and bright medium-term prospects.
13. Mr. Speaker, while we are aware that some deliberately choose to ignore that narrative, permit me to restate some features of that promising outlook for our nation:
 - the economy continued to grow at respectable rates, led by the Agriculture Sector, even during the period that it was undergoing serious setbacks and challenges;
 - the completion of Ghana's own gas pipelines and processing plant to exploit the free 200 billion cubic feet (bcf) of gas from the Jubilee fields;- indeed, the "tie-in" of the pipelines with the FPSO and the Plant has been completed

and, as I speak, the commissioning of gas flows from the oil fields to the plant has started;

- the future coming on stream of additional gas and crude oil production and supplies from the Sankofa and Tweneboa-Enyenra-Ntomme (TEN) fields; and
- the prospects for further boosts to the economy from the energy sector have become even more promising with the signing of the Millennium Challenge Corporation (MCC) Compact II Agreement with the United States of America (USA).

14. Mr. Speaker, indeed, the 2015 Budget will be unique in one major respect. It will usher the country into the gas era and Phase II oil-gas production. Hence, just as with the prudent foresight it exhibited in taking the nation into the crude oil era, the NDC government is poised to:

- propose amendments to enhance effective implementation of the Petroleum Revenue Management Act (PRMA) 2011, Act 815; to harness our oil resources for savings, stabilisation and development,
- outline firm policies for the energy sector that include the following key elements:
 - i. implementation of the over \$ 400million US MCC Compact II under the Power Africa Program, that is planned to attract significant private investment into the energy sector;
 - ii. a major overhaul of the pricing, tax and levy structure for energy utilities and petroleum products;
- a vigorous use of alternative financing instruments for energy and non-energy investments, mainly the insurance and partial risk guarantee (PRG) tools of the African Development Bank (AfDB) and the World Bank to boost private sector participation in the sector and the economy; and
- as part of the new debt management strategy approved by this August House, we will continue to enhance the use of oil and gas resources to leverage the Capital Markets for development of the energy sector.
- This last initiative will involve the issuing of energy bonds through plans that draw on synergies among the Balance Sheets of capable State-Owned Enterprises (SOEs) and the private sector. In this context we will also consider the possibility of a second line of longer term Cocoa Bonds by COCOBOD to fund its long term capital and infrastructure needs.

15. Mr. Speaker, this innovative financing plan is key for the energy sector, where recent negotiations involving gas pricing and GNPC's aggregator arrangements clearly suggest the need for strong Balance Sheets. It is in this context that we must see the relevance of (a) the proposed energy levy in the new pricing structure; and (b) GNPC's recent successful access to the capital markets to raise US\$700 million to support infrastructure development.
16. Mr. Speaker, I would like to emphasise that this loan is a GNPC loan and not a central government loan. The cost of borrowing at around 5 percent is highly competitive. The uses, as outlined by GNPC, are very clear and compelling, both commercially and strategically. Among other investment needs, the pipeline and receiving facility in the Offshore Cape Three Points project, which GNPC will finance with US\$493 million out of the loan proceeds will provide a significant boost to monetizing Ghana's natural gas. It will result in a lower gas price. Similarly, the US\$36 million to US\$45 million investment to link the Tweneboa natural gas to the Jubilee FPSO will enable cheaper processing of the gas by the Atuabo Plant. In addition, GNPC plans to use between US\$200 million and US\$300 million as part of measures to provide adequate financial security for the OCTP gas project.
17. These are all critical to our long term national energy security. In short the facility is expected to be as much game changer as the investment of about 1.0billion in our first gas infrastructure.
18. It is in this vein that Government has approved the takeover of GNGC by GNPC to create a gas subsidiary for the latter. The consolidation of GNPC and GNGC will make it possible to enhance a more integrated management and continue financing of projects in the oil and gas enclave immediately. It will make it possible to ease the conditions that investors impose for the national gas aggregator start financing projects in the oil-and-gas enclave immediately. Government will appoint a transaction advisor for these purposes and request them to advise on a further consolidation involving TOR and BOST.
19. Finally, we will consult with, and learn from, the experiences of Sovereign Wealth Funds (SWF) on the continent (e.g. Nigeria and Angola) and elsewhere as well as start exploratory talks on financing energy and non-energy infrastructure with the newly established Global Infrastructure Fund of the World Bank and the Africa50 (Infrastructure) Fund of the African Development Bank.
20. Rt. Hon. Speaker, against this background, permit me to re-echo H.E. President Mahama in stating that while we see a bright future encompassing the services agriculture, industrial and energy sector, we are not yet out of the woods. Therefore, as we seek to enhance our on-going fiscal consolidation measures and policies under a prospective IMF Program, we are reminded that we will not

be merely continuing our stabilisation effort. In the near term, an IMF Program will dovetail into the promising environment we plan to create for **inclusive growth, value addition, and diversification**. This outlook is embodied in the theme for the 2015 Budget Statement and Economic Policy "**Transformational Agenda: Securing the Bright Medium Term Prospects of the Economy**".

SECTION TWO: GLOBAL ECONOMIC DEVELOPMENTS

Growth

21. Mr. Speaker, according to the IMF's October 2014 World Economic Outlook (WEO), the performance of global economies has been slower than expected in the first half of 2014, reflecting a number of negative unexpected developments, including weaker growth in the U.S.A, China and Latin America, as well as stagnant euro area growth. This has led to a downward revision of the projected growth rate for 2014 from 3.7 percent as reported in the April 2014 edition of the World Economic Outlook to 3.3 percent. The world economic growth is projected at 3.8 percent in 2015.
22. Mr. Speaker, economic growth has remained robust in most economies of sub-Saharan Africa, driven by strong growth in public and private investment, supportive external demand, and strong private consumption. Growth is projected to remain robust at 5.1 percent in 2014 (same as 2013) and 5.8 percent in 2015, on account of strong domestic and net external demand.

Inflation

23. Mr. Speaker, price pressures have been largely contained, with Consumer Price Index (CPI) inflation generally below targets in advanced economies. In emerging market and developing economies, inflation is projected to decline to 5.5 percent in 2014, down from 5.9 percent in 2013 and remain broadly unchanged in 2015, largely on account of the softening of commodity prices, particularly food commodities, which have a high weight in the consumer price index baskets for these countries.

Commodity Prices

24. Mr. Speaker, commodity prices have declined in recent months and are expected to fall further in line with futures markets, owing mostly to improved supply prospects and weak global demand. Crude oil prices have experienced declines in recent times, reaching about US\$82 a barrel in September 2014, before recovering to US\$86 a barrel in November 2014 compared to our Benchmark revenue projection of US\$93.34 a barrel for 2014 and the IMF's October 2014 WEO projections of US\$102.8 a barrel in 2014.
25. According to the October 2014 WEO, crude oil prices are expected to average US\$99.4 a barrel in 2015, falling further to around US\$97.3 in 2016. The 2015 projection is expected to be revised downwards. Metal prices, which have experienced declines in recent times, are projected to fall further by 7.5 percent in 2014 and by 1.8 percent in 2015, before rising by 0.6 percent in 2016. Food prices are also expected to decline by 4.1 percent in 2014 and by 7.9 percent in 2015 and remain broadly unchanged in 2016, reflecting expected favourable harvest conditions.

ECOWAS Activities and Protocols

26. Mr. Speaker, Ghana continues to play an integral role in the integration process of the Economic Community of West African States (ECOWAS). This commitment is reaffirmed by the current status of His Excellency, President John Dramani Mahama as the Chairman of the Authority of Heads of States and Governments of ECOWAS.
27. In 2014, the Heads of Governments of ECOWAS resolved to, among others, work at the abolition of the residence permit and the introduction of the Biometric Identity Card for the Community citizens; rationalization of the ECOWAS Convergence Criteria; the streamlining of ECOWAS Institutions in line with the Vision 2020; and approval of the revised roadmap for the second single monetary zone.

Conclusion of ECOWAS-EPA

28. At the extra-ordinary Summit of ECOWAS Heads of States and Governments held in Accra in July 2014, governments of ECOWAS endorsed the Economic Partnership Agreement (EPA) taking due account of some technical concerns raised by various countries in relation to market access, development assistance, and Most Favoured Nation (MFN) clause. These issues were, subsequently, resolved by the Technical Committee leading to the conclusion of negotiations between the West African Chief Negotiators and their European Union (EU) counterparts.
29. The Heads of States and Governments have, since, approved the ECOWAS-EPA. Member countries are, however, yet to ratify the regional EPA. Government is aware of the implications of the signing of the EPA and is strategically positioning the economy through expansion in exports, while putting in place measures to mitigate possible repercussions on the economy.

ECOWAS Trade Liberalization Scheme (ETLS)

30. Mr. Speaker, Ghana continues to implement the ECOWAS Trade Liberalization Scheme (ETLS) which was started in 1989 to promote intra-West African trade. A number of challenges are still faced by various stakeholders and this explains why trade within the region still remains low. The major challenges that still hamper the success of the ETLS include forged approval certificates; the absence of real time updated records of certified products and registered companies under the scheme; presence of non-tariff barriers; and poor infrastructure.
31. Currently, over 370 eligible Ghanaian companies, with more than 800 products, are in the database of ECOWAS Commission. Nineteen of these companies were given approval during the first half of 2014. However, at the request of the ECOWAS Commission, a clean-up of this database is ongoing in order to reflect the true status of the companies operating under the scheme.

32. Mr. Speaker, to ensure the increase in the number of beneficiaries of ETLs and enhance exports in general, an Exporters Forum will be organized to target the areas where more export companies are located namely Accra, Tema, Kumasi and Takoradi. Government also sees the need to further organize a border operative fora for the three main border points in Ghana, namely Elubo, Paga and Aflao, targeting the Police Personnel, Immigration Officers, Custom Officials, Civil Society Organizations, Market Women Associations, District Assemblies, Media, Freight Forwarders and other Identifiable groups to create awareness.
33. Mr. Speaker, following the recommendations made at the West Africa Monetary Zone (WAMZ) Trade Ministers' Forum held on 13th December, 2013 in Dakar, Senegal, the Ministry of Trade and Industry accepted to host the Secretariat of the National Approvals Committees (NAC) of the scheme. This will help give ETLs activities the required attention and focus in line with the expectations of the ETLs protocols.

ECOWAS Common External Tariffs

34. Mr. Speaker, since 2004, Ghana has supported the regional bloc towards the adoption of an ECOWAS Common External Tariff (CET) which is considered as a major condition needed for the establishment of a Customs Union and the deepening of the integration agenda of the sub-region. All the Member States agreed to adopt and apply the ECOWAS CET rates, effective January 1, 2015.
35. The CET which involves the adoption of a uniform regime of customs and related charges is intended to facilitate free trade and advance greater integration to the level of a Customs Union. When the CETs are implemented, it would help address the problem of cross-border smuggling, combat dumping and also bring economic benefits to the people of the sub-region.

Implications of the Global Developments for Ghana's Economy

36. Mr. Speaker, Ghana has had to endure the harsh economic impact of the recent declines in commodity prices. In particular, the declining prices of gold has had adverse effects on jobs and revenues in the mining sector. The projected decline in oil prices would also impact negatively on the fiscal through lower revenues from oil exports whilst at the same time dampening the effect of foreign exchange pressures arising out of oil lower import bill.
37. Mr. Speaker, as commodity prices decline further, Government will take necessary steps to mitigate potential impacts. To sustain our medium term growth prospects, measures are being put in place to reduce our vulnerability to external shocks through such means as strengthening our tools for risk management, diversifying and adding value to our exports, and supporting local production of imported goods which can be produced domestically. The fiscal frameworks would also be strengthened to foster medium-term planning and

preserve debt sustainability, as well as deepen structural transformation of the economy.

38. Mr. Speaker, the threat of the Ebola virus spreading across West Africa poses significant risk to the region's growth prospects, particularly its effects on the tourism and the hospitality industry. His Excellency, President John Dramani Mahama, in his capacity as the Chairman of Economic Community of West African States (ECOWAS), has been at the forefront of the humanitarian efforts to mobilise both financial and material resources to bring the epidemic under control. Ghana has been designated as the UN centre for coordinating global response to the Ebola crisis, thanks to the sterling leadership of H.E. the President.

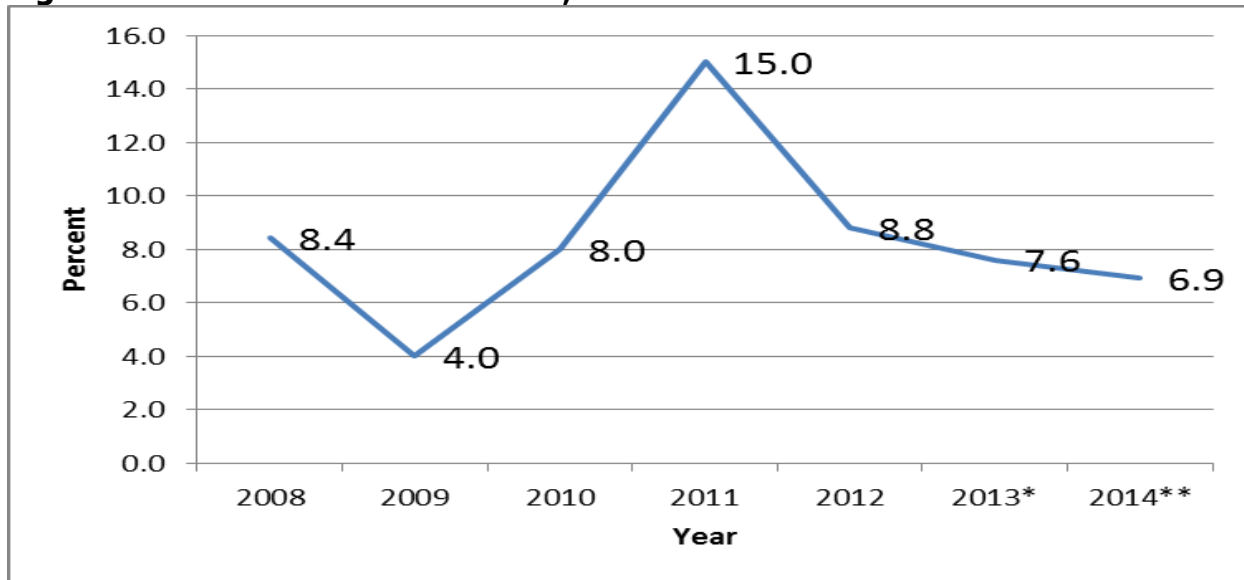
SECTION THREE: MACROECONOMIC PERFORMANCE FOR 2014

39. Mr. Speaker, with your permission, I would now report on the 2014 macroeconomic performance, largely based on January to end-September 2014 provisional data.

REAL SECTOR PERFORMANCE

40. Mr. Speaker, the Ghana Statistical Service (GSS) is revising the GDP data based on improved data and methodology, among others. This notwithstanding, in October 2014, the GSS released provisional GDP data for the year based on available information as at the end of June 2014. According to the release, the economy is estimated to expand by 6.9 percent, down from a revised target of 7.1 percent and the 2013 growth of 7.6 percent as shown in Figure 1.

Figure 1: Annual GDP Growth Rate, 2009-2014



Source: Ghana Statistical Service

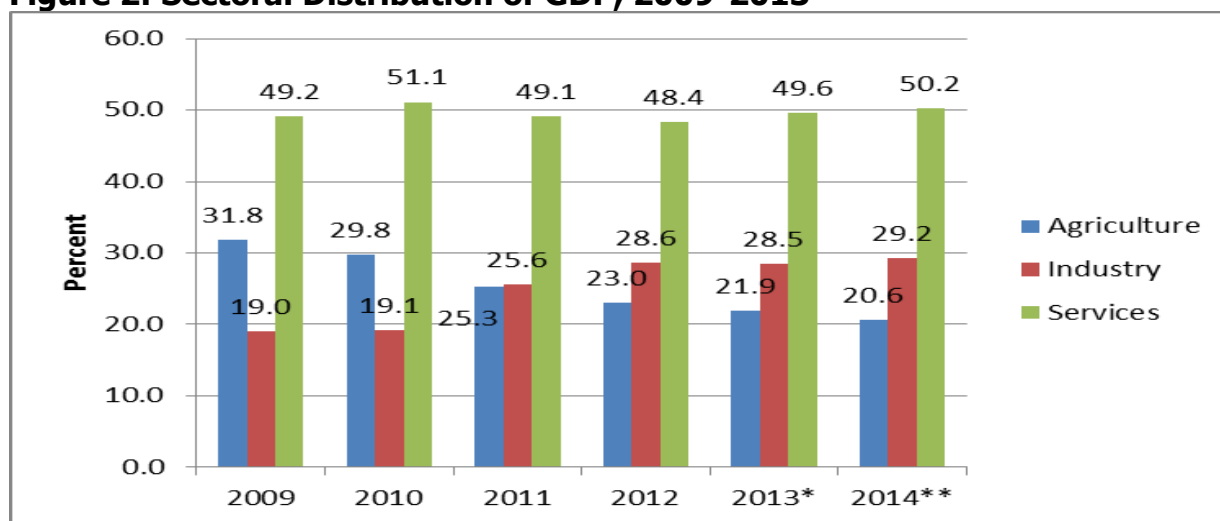
*Revised

**Provisional

Structure of the Economy

41. Mr. Speaker, the Services Sector increased its share of GDP from 49.6 percent in 2013 to 50.2 percent in 2014. The Agriculture Sector, on the other hand, continued to experience a declining share of GDP, after having declined from 31.8 percent in 2009 to 20.6 percent in 2014. The consistent increase in the share of the Industry Sector in GDP continued, increasing from 28.5 percent in 2013 to 29.2 percent in 2014 after growing from 19.0 percent in 2009 to 28.6 percent in 2012, as shown in Figure 2.

Figure 2: Sectoral Distribution of GDP, 2009-2013



Source: Ghana Statistical Service

*Revised

Sub-Sector Growth

42. Mr. Speaker, in a reversal of trends in recent times, the Agriculture Sector recorded the highest growth of 5.3 percent in 2014, followed closely by the Services and Industry Sectors each by 4.6 percent.

Agriculture Sector

43. Mr. Speaker, the Agriculture Sector continued to show signs of recovery, increasing consistently from 2.3 percent in 2012 to 5.2 percent in 2013 and 5.3 percent in 2014. The growth was on account of the Forestry and Logging subsector which rebounded from a decline of 0.04 percent in 2013 to a growth of 16.5 percent in 2014. The Fishing sub-sector also maintained its recent positive growth path, growing by 7.1 percent in 2014, up from 5.8 percent in 2013. However, the Crops sub-sector experienced a declining growth, growing at 3.6 percent, down from 5.9 percent in 2013 as shown in Table 1.

Table 1: Agriculture Sector Performance

Activity	2012	2013*	2014	
			Target	Outturn**
Percent				
AGRICULTURE	2.3	5.2	5.2	5.3
Crops	0.8	5.9	5.8	3.6
o.w Cocoa	-9.5	1.7	4.8	4.3
Livestock	5.2	5.3	5.1	5.3
Forestry and Logging	6.8	0.0	0.5	16.5
Fishing	9.1	5.8	5.8	7.1

Source: Ghana Statistical Service

Industry Sector

44. Mr. Speaker, growth in the Industry Sector is estimated at 4.6 percent in 2014, down from 7.3 percent in 2013 on account of weak performances by the Mining and Quarrying, Electricity and Manufacturing sub-sectors. Upstream petroleum activity grew by 18.2 percent in 2014, compared to 18.0 percent in 2013. The Construction sub-sector, however, registered a robust growth of 12.8 percent in 2014, with the Water and Sewerage sub-sector recording a marginal growth of 0.1 percent in 2014 as shown in Table 2.

Table 2: Industry Sector Performance

Activity	2012	2013*	2014	
			Target	Outturn**
	Percent			
INDUSTRY	11.0	7.3	6.8	4.6
Mining and Quarrying	16.4	12.8	12.1	6.9
o.w Petroleum	21.6	18.0	15.2	18.2
Manufacturing	2.0	0.5	1.6	-8.0
Electricity	11.1	16.1	7.5	6.7
Water and Sewerage	2.2	-1.4	1.1	0.1
Construction	16.4	8.6	6.7	12.8

Source: Ghana Statistical Service

Services Sector

45. Mr. Speaker, the Services Sector grew lower than expected at 4.59 percent compared to 9.6 percent in 2013. The under performance came mainly from the Information and Technology (1.9%); Trade, Repair of Vehicles, Household Goods (-1.5%); Health and Social Work (-7.0%); Business, Real Estates and Others (-2.7%) and Hotels and Restaurants (0.8%) sub-sectors. The Financial Intermediation (20.7%); Public Administration and Defence; and Social Security (11.4%) sub-sectors were the key performing sub-sectors.

Table 3: Services Sector Performance

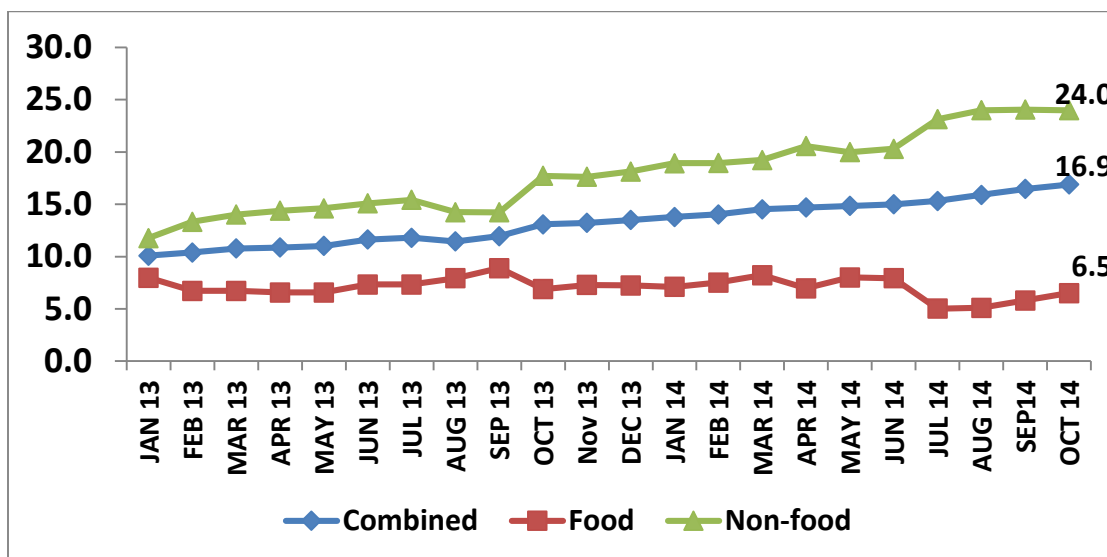
Activity	2012	2013*	2014	
			Target	Outturn**
Percent				
SERVICES	11.0	9.6	7.2	4.6
Trade, Repair Of Vehicles, Household Goods	5.8	3.2	3.4	-1.5
Hotels and Restaurants	5.7	5.8	3.6	0.8
Transport and Storage	9.8	8.7	7.7	6.0
Information and Communication	41.8	24.5	15.5	1.9
Financial Intermediation	21.9	23.2	11.7	20.7
Business, Real Estates, and others	13.1	2.9	5.1	-2.7
Public Administration & Defence; Social Security	4.2	9.1	5.6	11.4
Education	6.7	6.8	6.7	4.8
Health and Social Work	10.9	7.8	7.5	-7.0
Other Community, Social & Personal Services Activities	4.0	9.5	4.5	5.0

Source: Ghana Statistical Service

Inflation

46. Mr. Speaker, inflation rose to 16.9 percent in October 2014, from 16.5 percent in September 2014 and 13.5 percent at end-December 2013. The rise in inflation pressures in 2014 reflected the sharp depreciation of the local currency as well as the pass through effects of fuel and utility price adjustments.
47. Inflation during the first ten months of the year was reflected more in the non-food inflation than in the food inflation. While the food inflation declined by the end of October 2014, non-food inflation increased significantly underpinned mainly by pass through effects of sharp exchange rate depreciation during the review period.

Figure 3: Inflationary Trends



Source: Ghana Statistical Service

MONETARY SECTOR DEVELOPMENTS

Broad Money

48. Mr. Speaker, developments in the monetary statistics showed increased growth in monetary aggregates. Broad Money (M2+) made up of currency in circulation, demand deposits, and foreign currency deposits posted a year-on-year growth of 33.6 percent by the end of September 2014, compared with a growth of 17.6 percent and 19.1 percent at the end of September and December 2013, respectively. The growth in M2+ was driven mainly by 33.9 percent and 32.1 percent increases in Net Domestic Assets (NDA) and Net Foreign Assets (NFA), respectively.

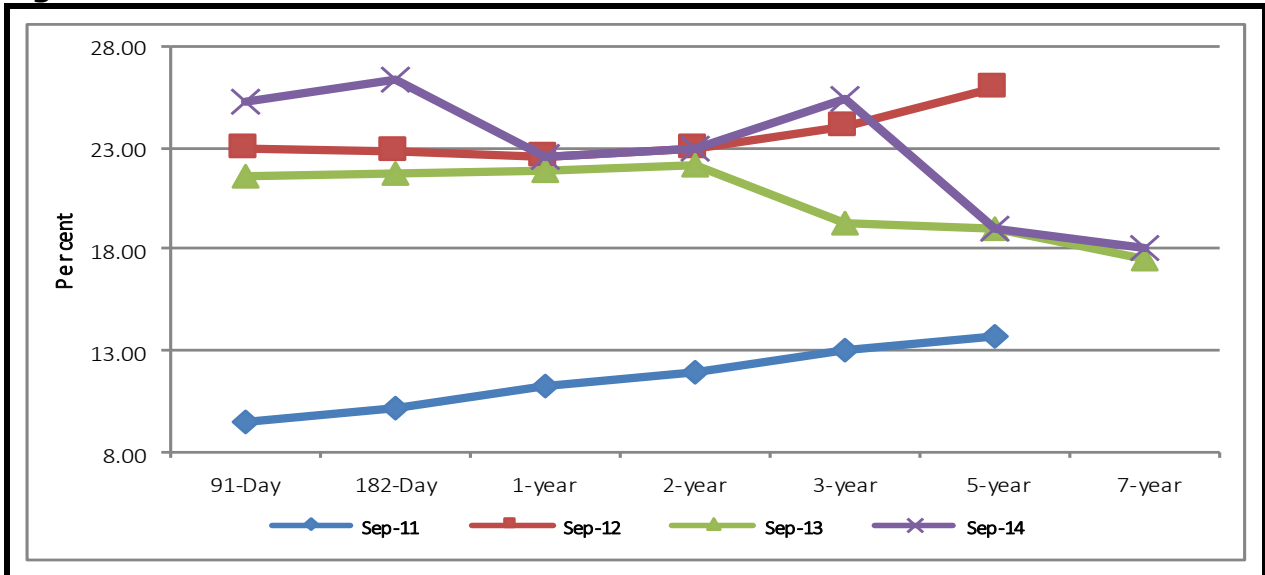
Credit to Public and Private Sector

49. Total outstanding credit to public and private institutions stood at GH¢23,808.5 million at the end of September 2014, indicating a year-on-year nominal growth of 50.6 percent, compared with a growth of 25.1 percent a year earlier. In real terms, the growth rate in credit to public and private sectors increased to 29.3 percent at the end of September 2014 from 11.8 percent at the end of September 2013. The private sector accounted for 87.5 percent of total outstanding credit at the end of September 2014 compared with 89.3 percent in September 2013. In real terms, the annual growth rate of outstanding credit to the private sector increased to 26.6 percent at the end of September 2014 from 13.1 percent at the end of September 2013.

Interest Rate

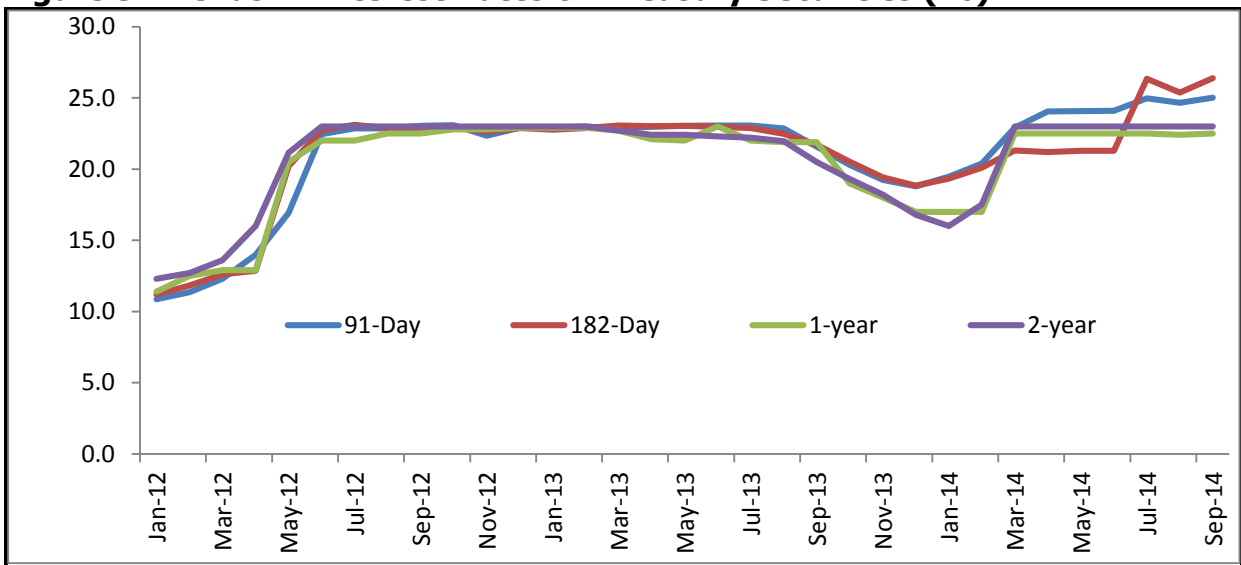
50. Mr. Speaker, interest rate developments on the money market for the period January to September 2014 generally indicated an upward trend. In the review period, the average interest rate on the 91-day Treasury bill rose to 25.5 percent in September 2014, from 21.59 percent in September 2013. The spread between borrowing and lending rates however narrowed on year-on-year basis by 66 basis points (bps) to 14.25 percent in September 2014, while the average base rate of banks went up by 345 bps year-on-year to 25.05 percent as at the end of September 2014 as shown in Figure 4.

Figure 4: Interest Rate Trends



Source: BoG

Figure 5: Trends in Interest Rates on Treasury Securities (%)



Source: BOG

Stock Exchange Market

51. Mr. Speaker, the GSE-Composite Index (GSE-CI) rose by 1.8 percent in September 2014, to bring the year-to-date growth to 4.4 percent, compared with a growth of 69.3 percent recorded in the corresponding period of 2013. The relatively poor performance in the index in 2014 reflects the adverse impact of sharp depreciation in the domestic currency coupled with the relative attractiveness of yields on money market instruments. Market capitalization increased by 5.5 percent in September 2014 to close at GH¢64,515.3 million.

Exchange Rate

52. Mr. Speaker, the Ghana Cedi weakened in the first eight months of the year in the face of demand pressures from official sources, largely for oil imports, amid inadequate foreign exchange supply on the market. The Ghana Cedi, however, strengthened in September, recovering about 19.0 percent of its value.
53. In the Inter-Bank Market, the Ghana Cedi, over the nine month period of 2014, depreciated by 31.19 percent against the US dollar, compared to a depreciation of 4.12 percent recorded during the corresponding period in 2013. The Ghana Cedi also depreciated by 29.32 percent and 23.63 percent against the pound sterling and the euro, respectively, in the review period. This may be compared with the depreciations of 16.73 percent and 20.05 percent against the pound sterling and the euro, respectively, at the end of 2013. The depreciation rates in the Forex Bureau Market were slightly higher than in the trends in the Inter-Bank Market.

EXTERNAL SECTOR

Trade Balance

54. Mr. Speaker, the provisional trade balance for the period January to September 2014 showed a deficit of US\$681.3 million, compared with a deficit of US\$3,848.3 million at the end of 2013. The improvement in trade balance was on account of 18.0 percent reduction in imports.
55. Trade balance is estimated to improve further to a deficit of US\$1,312.87 million compared with the projection of US\$2,670.7 million due to an increase in exports on the back of higher cocoa prices.

Exports

56. The value of merchandise exports for the period was provisionally estimated at US\$10,067.8 million, indicating a decrease of 2.8 percent, compared to the level at the end of the same period in 2013. The decline in the price of gold on the international market accounted for the shortfall in export earnings.

57. Mr. Speaker, crude oil exports was estimated at US\$2,925.7 million, down by 1.7 percent, compared with the level recorded in the corresponding period in 2013. The marginal decrease in value was due to a decrease in volume exported from 27.6 million barrels in 2013 to 27.3 million barrels in 2014. Also, the average realised price of crude oil decreased by 0.6 percent to settle at US\$107.3 per barrel.
58. Gold exports amounted to US\$3,369.3 million, compared to US\$3,708.9 million during the same period in 2013. This change was largely influenced by the fall in gold price. The average realized price declined by 12.1 percent to US\$1,286.5 per fine ounce, while the volume of gold exported increased by 3.4 percent to 2.6 million fine ounces.
59. Mr. Speaker, earnings from Cocoa Beans and Products exported totalled US\$1,921.7 million in 2014, representing an increase of 11.4 percent compared with the outturn of 2013. Earnings from cocoa beans amounted to US\$1,388.6 million, up by 11.8 percent of the outturn of 2013.

Imports

60. Total value of merchandise imports amounted to US\$10,749.1 million, down by 17.8 percent, compared with the level recorded as at the end of September 2013. The decline in imports was attributed to decline in non-oil imports which was affected by the depreciation of the Cedi against the major trading currencies.
61. Total value of oil imports (including gas) amounted to US\$2,668.4 million, compared with US\$2,610.3 million for the same period last year. The total non-oil merchandised imports was provisionally estimated at US\$8,080.7 million, a decline of 22.8 percent compared with the outturn of US\$10,461.3 million the same period in 2013. The decrease was on account of a slowdown in all the broad economic categories of imports.

Gross International Reserves

62. Mr. Speaker, the country's gross international reserves increased from a stock position of US\$5,632.2 million at the end of December 2013 to US\$5,679.1 million in September 2014, indicating a build-up of US\$46.9 million. This was sufficient to provide 3.3 months of imports cover, compared to 2.9 and 3.1 months of imports cover as at end-September and end-December 2013, respectively.

Balance of Payments

63. The BOP is projected to record a deficit of US\$699.7 million at end-December 2014, compared to a deficit of US\$1,165.9 million in 2013. The expected improvement in the BOP is attributed to improvements in the current account, driven by a better trade balance, net service inflows and upsurge in remittances.

FISCAL DEVELOPMENT

Fiscal Policy Objectives and Measures

64. Mr. Speaker, the key objective of fiscal policy as outlined in the 2014 Budget was aimed at ensuring fiscal prudence and debt sustainability by improving revenue mobilization and rationalization, enhancing efficiency of public expenditures, as well as reviewing the financing methods and implementation of new debt management reforms. In this regard, the 2014 Budget targeted a reduction in the fiscal deficit from 10.1 percent of GDP in 2013 to 8.5 percent of GDP in 2014. However, due to both domestic and global economic developments, the deficit target for 2014 was revised to 8.8 percent of GDP in the 2014 Mid-Year Review document.
65. Mr. Speaker, to achieve the fiscal objectives while addressing the nation's fiscal challenges, the 2014 Budget introduced a number of revenue and expenditure measures to compliment the fiscal measures introduced in 2013.
66. The revenue measures included an increase in the VAT rate, an increase in withholding tax on rent on commercial properties, an increase in the withholding tax on management and technical services, and more effective application of the communication service tax.
67. The expenditure measures included payroll management measures such as payroll audits, Electronic Salary Payment Voucher (E-SPV) system to reduce the incidence of 'ghost' workers on government payroll, deepening of the GIFMIS to control commitment, deployment of the HRMIS on pilot basis, and a regular adjustment of utility and petroleum prices.
68. Mr. Speaker, preliminary data for the first nine months of the year indicate that, both revenue and expenditure were below their respective targets for the period. However, the shortfall in revenue was lower than the shortfall in expenditure, and this resulted in a fiscal deficit of 5.9 percent of GDP (cash basis), against a target of 6.4 percent. This compares to a deficit equivalent to 8.1 percent of GDP for the same period in 2013.
69. Government fiscal position for January to September and outlook for 2014 are summarized in Table 4.

Table 4: Summary of Central Government Operations and Financing – 2014

Description	2013 (Jan-Sept) Actual Outturn		2014 Revised Budget Estimate		2014 (Jan-Sept) Estimate		2014 (Jan-Sept) Provisional Outturn		% Dev.	2014 Projected Outturn		% Change over Revised Budget Estimate
	Amt. (GH¢' M)	% of GDP	Amt. (GH¢' M)	% of GDP	Amt. (GH¢' M)	% of GDP	Amt. (GH¢' M)	% of GDP		%	Amt. (GH¢' M)	
	a	b	c	d	e	f	g	h	$i = \frac{(g/e) - 1}{1} * 100$	j	k	$l = \frac{(j/c) - 1}{1} * 100$
Total Revenue and Grants	13,977.6	15.0	26,230.3	22.9	18,414.1	16.0	17,670.2	15.4	-4.0	24,739.2	21.6	-5.7
Total Expenditure and Arrears Clearance	21,504.6	23.0	36,358.3	31.7	25,777.9	22.5	24,438.6	21.3	-5.2	35,669.2	31.1	-1.9
Overall Fiscal Balance	-7,527.0	-8.1	-10,128.1	-8.8	-7,363.8	-6.4	-6,768.3	-5.9	-8.1	-10,930.1	-9.5	7.9
Total Financing	7,527.0	8.1	10,128.1	8.8	7,363.8	6.4	6,768.3	5.9	-8.1	10,930.1	9.5	7.9
o/w Domestic Financing	4,419.5	4.7	4,191.8	3.7	2,672.8	2.3	2,012.2	1.8	-24.7	5,737.5	5.0	36.9

Source: Ministry of Finance

Revenue

70. Mr. Speaker, total revenue and grants for the first three quarters of 2014 amounted to GH¢17,670.2 million, equivalent to 15.4 percent of GDP, against a target of GH¢18,414.1 million, equivalent to 16.0 percent of GDP. The shortfall in total revenue and grants was partly as a result of slow disbursement of project grants from our development partners and, mainly due to lower than anticipated domestic revenue collections. In nominal terms, the outturn was 26.4 percent higher than the outturn for the same period in 2013. For the year as a whole total revenue and grants is projected at GH¢24,739.2 million, 5.7 percent lower than the budget target for the year.
71. Domestic revenue, made up of tax and non-tax revenue for the period under review, amounted to GH¢16,927.6 million, against the budget target of GH¢17,634.5 million. The outturn was 4.0 percent lower than the budget target and 25.8 percent higher than the outturn for the same period in 2013. The shortfall in domestic revenue was mainly due to weak tax revenue performance in almost all the tax types except taxes from oil and mineral royalties. Based on the performance, domestic revenue for the year as a whole is projected at GH¢23,937.0 million, 3.6 percent lower than the budget estimate of GH¢24,839.4 million.
72. Central Government revenues and grants for January to September 2014 and outlook for the year are summarized in Table 5.

Table 5: Summary of Central Government Revenues and Grants – 2014

Description	2013 (Jan-Sept) Actual Outturn		2014 Revised Budget Estimate		2014 (Jan-Sept) Estimate		2014 (Jan-Sept) Provisional Outturn		% Dev.	2014 Projected Outturn		% Change over Revised Budget Estimate
	Amt. (GH¢' M)	(% of GDP)	Amt. (GH¢' M)	(% of GDP)	Amt. (GH¢' M)	(% of GDP)	Amt. (GH¢' M)	(% of GDP)		%	Amt. (GH¢' M)	
	a	b	c	d	e	f	g	h	$i = \frac{(g/e) - 1}{1} * 100$	j	k	$l = \frac{(j/c) - 1}{1} * 100$
Total Revenue and Grants	13,977.6	15.0	26,230.3	22.9	18,414.1	16.0	17,670.2	15.4	-4.0	24,739.2	21.6	-5.7
Domestic Revenue	13,455.4	14.4	24,839.4	21.6	17,634.5	15.4	16,927.6	14.8	-4.0	23,937.0	20.9	-3.6
o/w Oil Revenue	1,150.4	1.2	2,416.5	2.1	1,616.9	1.4	2,182.3	1.9	35.0	2,597.0	2.3	7.5
Tax Revenue	10,126.5	10.8	19,788.6	17.2	13,902.9	12.1	13,388.8	11.7	-3.7	19,399.9	16.9	-2.0
o/w Oil Revenue	560.1	0.6	1,076.2	0.9	723.4	0.6	1,139.5	1.0	57.5	1,361.7	1.2	26.5
Non-Tax Revenue	3,222.9	3.4	4,884.9	4.3	3,607.1	3.1	3,368.0	2.9	-6.6	4,289.2	3.7	-12.2
o/w Oil Revenue	590.3	0.6	1,340.2	1.2	893.5	0.8	1,042.8	0.9	16.7	1,235.3	1.1	-7.8
Others	106.0	0.1	165.9	0.1	124.5	0.1	170.9	0.1	37.3	248.0	0.2	49.5
Grants	522.2	0.6	1,390.8	1.2	779.6	0.7	742.6	0.6	-4.7	802.1	0.7	-42.3

Source: Ministry of Finance

73. Mr. Speaker, non-oil tax revenue, excluding exemptions for the period, amounted to GH¢11,466.4 million, 9.1 percent lower than the budget target of GH¢12,618.8 million. Including oil and exemptions, tax revenue amounted to GH¢13,388.8 million, 3.7 percent lower than the target of GH¢13,902.9 million. The shortfall in tax revenue was partly due to the slowdown in economic activity resulting from the energy challenges as well as lower import volumes arising from the depreciation of the Cedi. On a year-on-year basis the outturn for tax revenue was 32.2 percent higher than the outturn for the same period in 2013. For the year as a whole, tax revenue is projected at GH¢19,399.9 million, 2.0 percent lower than the budget estimate.
74. Mr. Speaker, although the performance of domestic revenue from non-oil sources was weak, oil revenue performance for the period under review was very strong as a result of higher than expected crude oil prices, higher production levels and higher corporate income taxes from the sector. Total oil revenue from January to September 2014, amounted to GH¢2,182.3 million, against a target of GH¢1,576.6 million. For the year as a whole total oil revenue is estimated at GH¢2,597.0 million, 10.2 percent higher than budget estimate.

75. Table 6 shows total Government tax revenue performance for January to September, 2014 and outlook for the year.

Table 6: Total Government Tax Revenue – January to September

Description	2013 (Jan-Sept) Actual Outturn		2014 Revised Budget Estimate		2014 (Jan-Sept) Estimate		2014 (Jan-Sept) Provisional Outturn		% Dev.	2014 Projected Outturn		% Change over Revised Budget Estimate
	Amt. (GH¢' M)	(% of GDP)	Amt. (GH¢' M)	(% of GDP)	Amt. (GH¢' M)	(% of GDP)	Amt. (GH¢' M)	(% of GDP)		%	Amt. (GH¢' M)	
	a	b	c	d	e	f	g	h	i=(g/e)-1*100	j	k	l=((j/c)-1)*100
Total Tax Revenue excluding	9,559.6	10.2	18,996.3	16.5	13,342.2	11.6	12,605.8	11.0	-5.5	18,502.4	16.1	-2.6
Total Tax Revenue including exemptions	10,126.5	10.8	19,788.6	17.2	13,902.9	12.1	13,388.8	11.7	-3.7	19,399.9	16.9	-2.0
Taxes on Income and Property	4,473.3	4.8	9,159.7	8.0	6,485.7	5.7	6,094.1	5.3	-6.0	8,734.3	7.6	-4.6
o/w Personal Income Tax	1,735.9	1.9	3,322.6	2.9	2,419.9	2.1	2,131.6	1.9	-11.9	3,068.3	2.7	-7.7
o/w Company Taxes	1,581.0	1.7	3,561.7	3.1	2,479.9	2.2	2,033.0	1.8	-18.0	3,171.8	2.8	-10.9
Taxes on Domestic Goods and Services	3,524.9	3.8	6,478.3	5.6	4,699.9	4.1	4,552.3	4.0	-3.1	6,458.2	5.6	-0.3
o/w VAT	2,417.8	2.6	4,626.6	4.0	3,347.3	2.9	3,297.9	2.9	-1.5	4,697.5	4.1	1.5
o/w Excise	508.0	0.5	795.8	0.7	580.2	0.5	543.1	0.5	-6.4	749.8	0.7	-5.8
o/w NHIL	478.4	0.5	738.9	0.6	540.2	0.5	554.3	0.5	2.6	785.9	0.7	6.4
o/w CST	120.7	0.1	317.0	0.3	232.3	0.2	156.9	0.1	-32.4	224.9	0.2	-29.1
International Trade Taxes	2,128.3	2.3	4,150.5	3.6	2,717.3	2.4	2,742.4	2.4	0.9	4,207.4	3.7	1.4
Exemptions (non-cash)	566.9	0.6	792.3	0.7	560.7	0.5	782.9	0.7	39.6	897.4	0.8	13.3

Source: Ministry of Finance

76. Grant disbursement from our development partners for the first three quarters of 2014 was GH¢742.6 million, 4.7 percent lower than the budget target of GH¢779.6 million and 42.2 percent higher than the outturn recorded during the same period in 2013. The lower than expected outturn of grants was due to the slow disbursement of project grants. Total 2014 end-year grant disbursements are projected at GH¢802.1 million, 42.3 percent lower than the Budget estimate.

Expenditure

77. 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¢24,438.6 million (21.5 percent of GDP), against a target of GH¢25,777.9 million (22.5 percent of GDP). The outturn was 5.2 percent lower than the budget target and 13.6 percent higher than the outturn for the corresponding period in 2013.
78. As a result of the shortfalls in revenue performance, total expenditure for the year, including provision for the clearance of arrears and commitments, is projected at GH¢35,669.2 million (31.1 percent of GDP), 1.9 percent lower than the revised budget estimate.

79. Expenditure on Wages and Salaries from January to September, 2014 totalled GH¢6,968.3 million, 0.8 percent higher than the budget target of GH¢6,916.1 million and 22.9 percent higher than the outturn for the same period in 2013. In addition to this, an amount of GH¢439.0 million was spent on the clearance of wage arrears. For the year as a whole, wages and salaries is projected at GH¢9,351.3 million, 1.4 percent higher than the revised Budget estimate, and provision made for the clearance of wage arrears is projected at GH¢562.1 million.
80. Mr. Speaker, interest payment for the period totalled GH¢4,868.2 million, 9.8 percent lower than the budget target of GH¢5,397.5 million and 48.2 percent higher than the outturn for the corresponding period in 2013. Of this amount, domestic interest payment was GH¢4,139.6 million, 9.3 percent lower than the budget target. On a year-on-year basis, domestic interest cost grew by 45.6 percent, reflecting high interest rates. Total interest cost for the whole year is projected at GH¢7,844.7 million, same as the revised budget estimate.
81. Expenditure on Goods and Services for the period under review amounted to GH¢798.3 million, against a budget target of GH¢795.2 million. Expenditure on Goods and Services for the whole year is projected at GH¢1,085.0 million, same as the revised budget estimate.
82. Mr. Speaker, total capital expenditure for the first nine months of 2014 amounted to GH¢3,865.5 million, 2.5 percent lower than the budget target for the period. Of the total capital expenditure, domestically-financed capital expenditure was GH¢698.7 million. On account of expected low disbursement of project loans for the rest of the year, total capital expenditure for the year is projected at GH¢5,471.7 million, 8.7 percent lower than the revised budget estimate.
83. During the period under review, a total amount of GH¢2,729.8 million, against a target of GH¢1,742.4 million was spent on the clearance of arrears and outstanding commitments. The over expenditure on arrears clearance was mainly as a result of the clearance of all 2013 arrears owed to the Statutory Funds. For the year as a whole, provision made for the clearance of arrears and outstanding payments is projected at GH¢2,984.1 million.
84. Central Government expenditures for January to September, 2014 and outlook for the year are summarized in Table 7.

Table 7: Summary of Central Government Expenditures – JAN to SEPT

Description	2013 (Jan-Sept) Actual Outturn		2014 Revised Budget Estimate		2014 (Jan-Sept) Estimate		2014 (Jan-Sept) Provisional Outturn		% Dev.	2014 Projected Outturn		% Change over Revised Budget Estimate
	Amt. (GH¢' M)	(% of GDP)	Amt. (GH¢' M)	(% of GDP)	Amt. (GH¢' M)	(% of GDP)	Amt. (GH¢' M)	(% of GDP)	%	Amt. (GH¢' M)	(% of GDP)	%
	a	b	c	d	e	f	g	h	$\frac{i-(g/e)-1}{1} \times 100$	j	k	$\frac{l-(j/c)-1}{1} \times 100$
Total Expenditure and Arrears Clearance	21,504.6	23.0	36,358.3	31.7	25,777.9	22.5	24,438.6	21.3	-5.2	35,669.2	31.1	-1.9
Total Expenditure	18,566.3	19.9	33,783.0	29.4	23,774.2	20.7	20,986.2	18.3	-11.7	32,368.5	28.2	-4.2
Compensation of Employees	6,313.6	6.8	10,793.4	9.4	8,094.0	7.1	7,594.6	6.6	-6.2	11,159.7	9.7	3.4
o/w Wages and Salaries	5,668.8	6.1	9,218.9	8.0	6,916.1	6.0	6,968.3	6.1	0.8	9,351.3	8.2	1.4
Use of Goods and Services	608.8	0.7	1,085.0	0.9	795.2	0.7	798.3	0.7	0.4	1,085.0	0.9	0.0
Interest Payments	3,285.1	3.5	7,884.7	6.9	5,397.5	4.7	4,868.2	4.2	-9.8	7,844.7	6.8	-0.5
o/w Domestic Interest	2,843.3	3.0	6,820.2	5.9	4,565.4	4.0	4,139.6	3.6	-9.3	6,820.2	5.9	0.0
Subsidies	302.1	0.3	618.8	0.5	50.0	0.0	25.0	0.0		618.8	0.5	0.0
Grants to Other Government Units	3,180.9	3.4	6,570.0	5.7	4,877.2	4.2	3,051.7	2.7	-37.4	5,242.6	4.6	-20.2
Social Benefits	0.7	0.0	48.5	0.0	36.5	0.0	-	0.0	-100.0	48.5	0.0	0.0
Others	1,249.2	1.3	792.3	0.7	560.7	0.5	782.9	0.7	39.6	897.4	0.8	13.3
Capital Expenditure	3,626.0	3.9	5,990.2	5.2	3,963.0	3.5	3,865.5	3.4	-2.5	5,471.7	4.8	-8.7
Arrears Clearance and Tax Refunds	2,138.2	2.3	2,575.3	2.2	2,003.7	1.7	2,857.9	2.5	42.6	3,300.7	2.9	28.2
Discrepancy	-800.1	-0.9	-	0.0	0.0	0.0	-594.5	-0.5		-	0.0	

Source: Ministry of Finance

Overall Budget Balance and Financing

85. 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¢6,768.3 million, equivalent to 5.9 percent of GDP. This was against a deficit target of GH¢7,363.8 million, equivalent to 6.4 percent of GDP.
86. Based on the projected revenue and expenditure for end-2014 fiscal year, the fiscal deficit on a cash basis is projected at GH¢10,930.1 million (9.5 percent of GDP), 6.5 percent higher than the revised budget target of GH¢10,128.1 million (8.8 percent of GDP). The projected higher fiscal deficit is mainly as a result of the projected shortfall in revenue and grants arising from the slowdown in economic activity driven mainly by the energy challenges, lower import volumes and the non-disbursement of programme grants from our development partners.
87. Mr. Speaker, the domestic primary balance registered a surplus of GH¢3,253.8 million (2.8 percent of GDP), against a target surplus of GH¢2,164.6 million (1.9 percent of GDP). For the year as a whole, the domestic primary balance is projected to be a surplus of GH¢3,326.8 million, equivalent to 2.9 percent of GDP.

88. 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¢2,012.2 million, against a target of GH¢2,672.8 million. Foreign Financing of the deficit was GH¢4,756.1 million, against a target of GH¢4,690.9 million.
89. For the year as a whole, domestic financing and foreign financing of the budget are projected at GH¢5,737.5 million and GH¢5,192.5 million, respectively. This compares to the 2014 revised budget estimate of GH¢4,191.8 million and GH¢5,936.3 million for domestic financing and foreign financing, respectively.
90. Central Government Financing for January to September, 2014 and outlook for the year are summarized in Table 8.

Table 8: Summary of Central Government Financing – 2014

Description	2013 (Jan-Sept) Actual Outturn		2014 Revised Budget Estimate		2014 (Jan-Sept) Estimate		2014 (Jan-Sept) Provisional Outturn		% Dev.	2014 Projected Outturn		% Change over Revised Budget Estimate
	Amt. (Million GH¢)	(% of GDP)	Amt. (Million GH¢)	(% of GDP)	Amt. (Million GH¢)	(% of GDP)	Amt. (Million GH¢)	(% of GDP)		%	Amt. (Million GH¢)	
	a	b	c	d	e	f	g	h	$i = \frac{(g/e) - 1}{1} * 100$	j	k	$l = \frac{(j/c) - 1}{1} * 100$
Total Financing	7,527.0	8.1	10,178.1	8.9	7,413.8	6.5	6,818.3	5.9	-8.0	10,930.1	9.5	7.9
Foreign	3,107.5	3.3	5,936.3	5.2	4,690.9	4.1	4,756.1	4.1	1.4	5,192.5	4.5	-12.5
Domestic	4,419.5	4.7	4,241.8	3.7	2,722.8	2.4	2,062.2	1.8	-24.3	5,737.5	5.0	36.9
o/w Petroleum Funds & Contingency	-595.3	-0.6	385.3	0.3	439.3	0.38	-399.5	-0.35	-190.9	347.7	0.3	-9.8

Source: Ministry of Finance

Implementation of Voluntary Salary Cut of the Executive

91. Mr. Speaker, in the 2014 Budget Government announced that the President, his Vice President, Ministers and Appointees have decided to take a voluntary 10 percent pay cut for 2014 within the spirit of the Ho Forum on the sustainability of the Single Spine Pay Policy. The realized amount is for special purpose CHPS compounds focusing on maternal and neo natal health.
92. Mr. Speaker, I'm glad to announce that as at the end of October 2014 an amount of GH¢734,530 has been deducted and used for the intended purpose.

Petroleum Receipts (January-September 2014)

93. Mr. Speaker, the Jubilee and Saltpond Fields are currently the only petroleum producing fields. The total number of barrels produced from the Jubilee Field for the period, January to September 2014, was 28,017,990 barrels (102,630 bopd), compared with 27,060,737 barrels for the corresponding period in 2013. Total

production from the Saltpond Field for the same period was 60,728 barrels, compared with 78,376 barrels during the same period in 2013.

94. For the period January to September 2014, the Ghana National Petroleum Corporation (GNPC) lifted crude oil five (5) times (17th - 21st liftings) on behalf of the State. This involved 4,824,715 barrels of oil, down from 4,977,922 barrels in the corresponding period in 2013. Receipts from crude oil liftings for the first nine months of 2014, which accrued from the sixteenth (lifted on 20th December, 2013) to the twentieth liftings, was US\$514.88 million (GH¢1,415.67 million), as shown in Table 9. This involved 4,746,674 barrels and excludes the proceeds from the twenty-first lifting, which was effected on 2nd September 2014, since the proceeds were received in October 2014.

Table 9: Details of Jan-Sept 2014 Jubilee Petroleum Receipts on Liftings Basis

Item	Unit	1st Qtr		2nd Qtr		3rd Qtr	Total
		16th Lifting	17th Lifting	18th Lifting	19th Lifting	20th Lifting	
Date of Lifting	dd/mm/yy	20-Dec-13	29-Jan-14	25-Mar-14	13-May-14	17-Jul-14	
Volume of Lift	barrels	917,189	947,220	947,276	947,574	987,415	4,746,674
Selling Price	US\$	110.965	108.975	107.591	109.25	105.769	
Value of Lift	US\$	101,775,877.39	103,223,299.50	101,918,372.12	103,522,459.50	104,437,897.14	514,877,905.64
	GH¢	244,155,169.10	259,585,953.58	283,526,719.40	311,571,546.36	316,833,248.55	1,415,672,636.99

Source: Ministry of Finance

95. Mr. Speaker, total petroleum receipts (i.e. proceeds from Jubilee liftings and other petroleum receipts) as at the end of the third quarter of 2014 was US\$780.07 million (GH¢2,139.12 million), as shown in Table 10 below. This compares favourably with the total 2014 Budget estimate of US\$777.0 million (GH¢1,709 million).

Table 10: Sources of January-September 2014 Petroleum Receipts

Item	Unit	1st Qtr		2nd Qtr		3rd Qtr	Total	% of Total Receipts
		16th Lifting	17th Lifting	18th Lifting	19th Lifting	20th Lifting		
Date of Lifting	dd/mm/yy	20-Dec-13	29-Jan-14	25-Mar-14	13-May-14	17-Jul-14		
Jubilee Royalties	US\$	28,335,945.51	28,738,929.74	28,375,618.20	28,822,220.42	29,077,092.12	143,349,805.98	18.38
Carried and Participating Interest	US\$	73,439,931.88	74,484,369.76	73,542,753.92	74,700,239.08	75,360,805.02	371,528,099.67	47.63
Surface Rentals	US\$	-	17,864.45	73,207.54	581,978.60	60,000.00	733,050.59	0.09
Royalties from SOPCL	US\$	-	-	-	151,986.14		151,986.14	0.02
Corporate Income Tax	US\$	105,104,943.00	-	46,010,013.00		112,778,217.31	263,893,173.31	33.83
PHF Interest	US\$	96,013.39	-	8,248.94	-	9,767.90	114,030.23	0.01
2013 Price Differential	US\$	-	-	-	-	297,248.72	297,248.72	0.04
Total Petroleum Receipts	US\$	206,976,833.78	103,241,163.95	148,009,841.60	104,256,424.24	217,583,131.07	780,067,394.64	100.00
	Ghc	493,862,843.91	259,630,528.06	412,157,522.88	313,734,693.79	659,736,706.15	2,139,122,294.78	

Source: Ministry of Finance

96. Mr. Speaker, in spite of the fact that the actual data on petroleum receipts is for nine months, ending September 2014, petroleum receipts show an overall positive variance of approximately US\$3.07 million over the 2014 Budget estimate, as shown in Table 11.

Table 11: Analysis of January-September 2014 Petroleum Receipts (US\$)

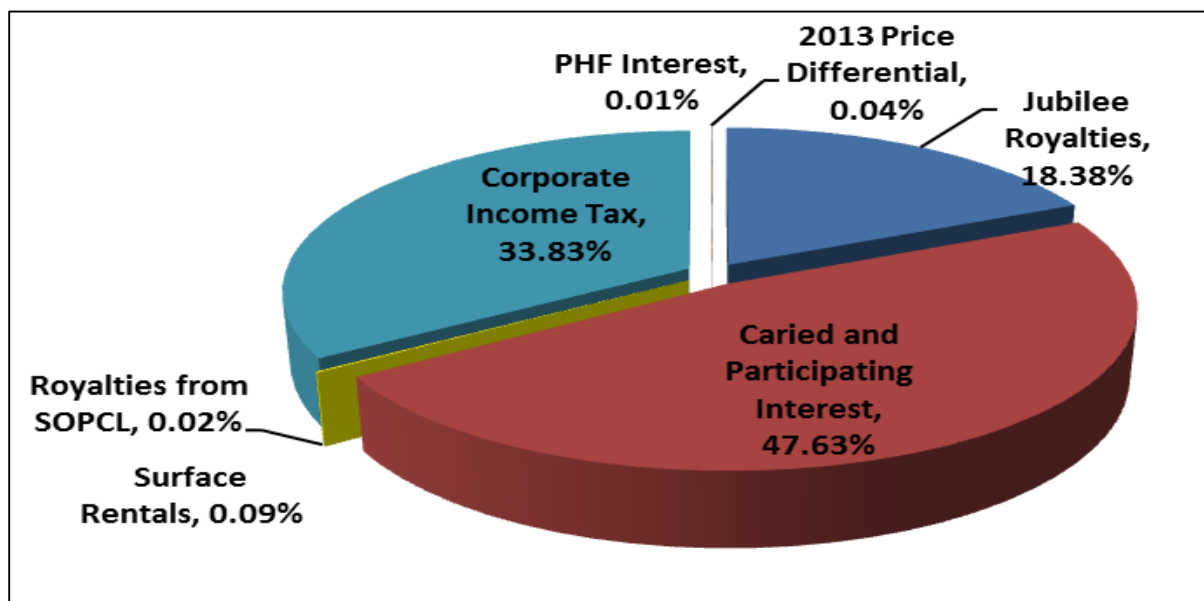
Item	Budget	Actual	Variance
	Jan-Dec 2014	Jan-Sept 2014	
Royalties	158,817,955.00	143,501,792.12	(15,316,162.88)
<i>o/w Jubilee Royalties</i>	<i>158,466,427.00</i>	<i>143,349,805.98</i>	<i>(15,116,621.02)</i>
<i>o/w Saltpond</i>	<i>351,527.00</i>	<i>151,986.14</i>	<i>(199,540.86)</i>
Carried and Participating Interest	410,706,733.00	371,528,099.67	(39,178,633.33)
Corporate Income Tax	187,238,898.00	263,893,173.31	76,654,275.31
Surface Rentals	796,117.00	733,050.59	(63,066.41)
PHF Interest	-	114,030.23	114,030.23
Price Differential	-	297,248.72	297,248.72
Gas Receipt	19,440,000.00	-	(19,440,000.00)
Total	776,999,703.00	780,067,394.64	3,067,691.64

Source: Ministry of Finance

97. The positive variance was influenced mainly by Corporate Income Tax, which exceeded its annual budget amount by US\$76.65 million. This included 2013 additional Corporate Income Tax payments by Tullow and Anadarko of approximately US\$10.52 million in the third quarter of 2014.

98. Furthermore, returns on the accumulated amount in the Petroleum Holding Fund (PHF) and the payment of a price differential by Unipecc Asia to the Ghana Group increased the year-to-date proceeds by approximately US\$0.41 million, as shown in Table 11. Altogether, these more than compensated for the shortfalls in the other sources of petroleum revenue, particularly, gas receipts, which were not realised due to the non-completion of the gas infrastructure project.
99. Mr. Speaker, the contribution from Corporate Income Tax to total petroleum receipts as at end-September 2014 was 33.83 percent, compared with 47.63 percent from Carried and Participating Interest, 18.40 percent from Royalties. Surface Rentals, PHF Interest and 2013 price differentials contributed 0.15 percent, as shown in Figure 6.

Figure 6: Composition of Total Petroleum Receipts, January-September 2014



Source: Ministry of Finance

Allocation of 2014 Petroleum Receipts

100. Mr. Speaker, in November 2013, this August House approved the proposal to reduce the National Oil Company's (NOC) share of the Carried and Participating Interest, net of Equity Financing Costs, from 40 percent to 30 percent for 2014-2016, in line with Section 7(3b) of the PRMA. This was in view of the anticipated increase in crude oil volumes for the period.
101. Out of Government's net petroleum receipts, 70 percent is designated as the Annual Budget Funding Amount (ABFA) while 30 percent is transferred into the Ghana Petroleum Funds (GPFs). By the same arrangement, the Ghana Heritage Fund (GHF) and the Ghana Stabilisation Fund (GSF) received 30 percent and 70

percent, respectively, of the total receipts into the GPFs. The transferred amounts to the various destinations are shown in Table 12.

Table 12: Distribution of January-September 2014 Petroleum Receipts (US\$)

Item	1st Qtr		2nd Qtr		3rd Qtr	Total
	16th Lifting	17th Lifting	18th Lifting	19th Lifting	20th Lifting	
	US\$					
Transfer to GNPC	28,656,184.66	26,562,323.35	25,305,824.68	31,931,648.66	24,471,694.21	136,927,675.56
o/w Equity Financing Cost	9,463,193.00	6,024,303.46	4,632,855.00	13,602,252.76	2,662,075.29	36,384,679.51
o/w Net Carried and Participating Interest	19,193,021.66	20,538,019.89	20,672,969.68	18,329,395.90	21,809,618.92	100,543,026.05
GOG Net Receipts for Distribution to ABFA and GPFs	178,320,619.12	76,678,840.60	122,704,016.92	72,324,775.58	193,111,436.86	643,139,689.08
o/w Annual Budget Funding Amount	102,268,194.45	-	102,268,194.45	-	102,268,194.45	306,804,583.35
o/w Ghana Petroleum Funds	76,052,424.67	76,678,840.60	20,435,822.47	72,324,775.58	90,843,242.41	336,335,105.73
o/w Ghana Stabilization Fund	53,236,697.27	53,675,188.42	14,305,075.73	50,627,342.90	63,590,269.69	235,434,574.01
o/w of Ghana Heritage Fund	22,815,727.40	23,003,652.18	6,130,746.74	21,697,432.68	27,252,972.72	100,900,531.72
Total Payments	206,976,803.78	103,241,163.95	148,009,841.60	104,256,424.23	217,583,131.07	780,067,364.64

Source: Ministry of Finance

102. Mr. Speaker, the 2014 petroleum receipts were allocated based on the provisions of the PRMA. Of the total revenue of US\$780.07 million, US\$136.93 million was allocated to GNPC as its share of the Equity Financing Cost (US\$36.38 million) and Net Carried and Participating Interest (US\$100.54 million). The total ABFA amounted to US\$306.80 million between January and September 2014. The quarterly ABFA target was achieved for all the three quarters, with the excess receipts being transferred into the GPFs in accordance with Section 23 (1a) of the PRMA.
103. Thus, a total of US\$336.34 million was transferred into the GPFs in the first nine months of 2014. Out of this amount, the GHF received US\$100.90 million, while the GSF received US\$235.43 million.

Utilisation of the 2014 Annual Budget Funding Amount

104. Mr. Speaker, analysis of the allocation of ABFA in the first three quarters of 2014 shows that a total amount of US\$306.80 million (GH¢888.60 million) was allocated in accordance with the PRMA. The actual ABFA allocation in US dollars was equivalent to the 2014 Budget estimate but higher in cedi terms due to exchange rate differentials, as shown in Table 13.

Table 13: January-September 2014 ABFA Allocation and Variance Analysis

Period	GH¢			US\$		
	Budget	Actual	Variance	Budget	Actual	Variance
Qtr 1	208,657,797.25	272,407,305.88	63,749,508.63	102,268,194.45	102,268,194.45	-
Qtr 2	208,657,797.25	295,759,618.35	87,101,821.10	102,268,194.45	102,268,194.45	-
Qtr 3	208,657,797.25	320,436,933.67	111,779,136.42	102,268,194.45	102,268,194.45	-
Total	625,973,391.75	888,603,857.90	262,630,466.15	306,804,583.35	306,804,583.35	-

Source: Ministry of Finance

105. Mr. Speaker, a total of US\$124.53 million (GH¢270.51 million) was disbursed to the non-CDB component of the ABFA in 2014. Of this amount, expenditure on Road and Other Infrastructure received GH¢260.65 million, while Agriculture Modernisation received GH¢9.85 million. No disbursements were made in the two other priority areas in the referenced period, as shown in Table 14.

Table 14: January-September 2014 ABFA Allocation and Variance Analysis

S/N	Priority Area	Amount (GH¢)
1	Expenditure and Amortisation of Loans for Oil and Infrastructure	-
2	Agriculture Modernisation	9,853,380.97
3	Roads and Infrastructure	260,652,057.23
4	Capacity Building (Including Oil and Gas)	-
5	Total	270,505,438.20

Source: Ministry of Finance

Placement of a Cap on the Ghana Stabilisation Fund

106. Mr. Speaker, paragraph 972 of the 2014 National Budget proposed a cap of US\$250 million on the GSF, in line with Section 23(3) of the PRMA. This was subsequently approved by Parliament [see column 3647 of the Official Report of Parliament (Fourth Series, Vol. 84, No.31) on Tuesday, 17th December, 2013], and the GSF was assessed on quarterly basis and the excess balance transferred for contingency purposes or debt repayment.
107. An amount of US\$176.49 million (which was the amount in excess of the cap of US\$250 million in the first quarter) was withdrawn from the GSF in the second quarter after having assessed the amount standing in the GSF by the end of the first quarter of 2014. Similarly, a total of US\$14.70 million was determined as the excess over the cap on the GSF in the second quarter and US\$114.50 million

for the third quarter, as shown in Table 15. The third quarter excess amount was transferred in October 2014.

Table 15: Transfer of Funds in Excess of the Cap on the GSF

SN	ITEM	Quarter 1	Quarter 2	Quarter 3*
		US\$		
1	Opening Balance	319,034,153	250,000,000	250,000,000
2	Petroleum Receipts During Quarter	106,911,886	14,696,603	114,217,613
3	Net Investment Income	545,298	-	279,136
4	Closing Book Value	426,491,337	264,696,603	364,496,748
5	Less GSF Cap	(250,000,000)	(250,000,000)	(250,000,000)
6	GSF Excess for Contingency Fund and Debt Repayment	176,491,337	14,696,603	114,496,748

Source: Ministry of Finance

*Transfer was effected in October 2014

108. Mr. Speaker, of the excess amount transferred so far, the equivalent of GH¢50.0 million (US\$17.43 million) has been used to establish the Contingency Fund, in line with Articles 175 and 177 of the Constitution, and the remaining balance of US\$288.25 million deposited into the Debt Service Account for debt repayment, in line with Section 23(4) of the PRMA.

109. Of the amount deposited into the Debt Service Account, approximately US\$64.82 million was used to retire some domestic marketable instruments and US\$150 million earmarked for the liquidation of part of the 2017 Eurobond, as shown in Table 16.

Table 16: Use of Transferred Amount over the Cap on the GSF

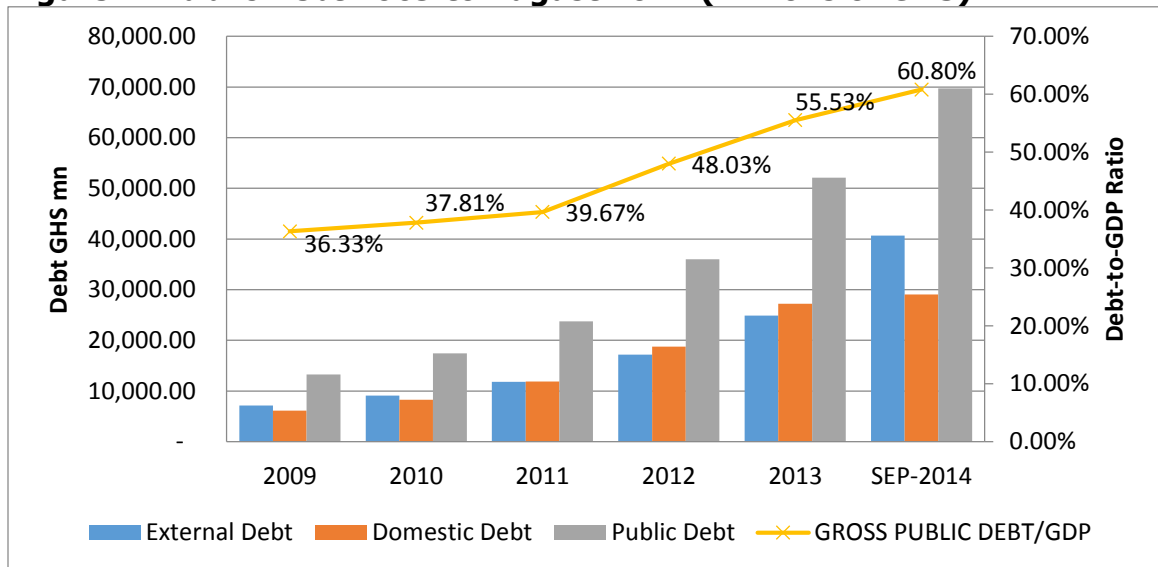
S/N	Item	Allocated Amount (US\$)	Status
1	Contingency	17,433,143.89	Account established in May 2014 by BOG. The equivalent amount of GH¢50 million is in the account
2	Debt Service Account for Debt Repayment	288,251,544.51	Last transfer effected in October 2015
2A	o/w Domestic	64,815,570.55	Used to retire part of domestic marketable instruments in the last year quarter of 2014
2B	o/w Foreign	150,000,000.00	
2B1	o/w Sovereign Bond Liability Management	150,000,000.00	Earmarked for 2017 Eurobond liquidity management in 2015
3	Unused/Unencumbered GSF Excess (2-2A-2B)	73,435,973.96	

Source: Ministry of Finance

Public Debt

110. Mr. Speaker, Ghana's public debt stock as a percentage of GDP has been rising over the years. It increased from 36.3 percent in 2009 to 48.03 percent in 2012 and further to 55.53 percent in 2013. As at end September, 2014 the debt stock stood at 60.8 percent, largely on account of increase in external net disbursements for infrastructure projects and net domestic issuance, and the depreciation of the cedi.
111. Mr. Speaker, the provisional public debt stock as at end September, 2014 stood at GH¢69,705.90 million (US\$21,733.51 million). This was made up of GH¢40,644.15 million (US\$12,678.62 million) and GH¢29,041.75 million (US\$9,054.89 million) for external and domestic debt respectively.

Figure 7: Public Debt 2009 to August 2014 (Millions of GHS)



Source: Ministry of Finance

Self-Financing and On-Lending policies

112. Mr. Speaker, an important element of the Government's New Debt Management Strategy is to recover loans that are used to support commercial projects (or projects that have underlying fees and charges). To date, the Ministry of Finance has undertaken the following actions:

- consulted with the Attorney General's Department, which has since advised that such loans should be approved by Parliament, unless otherwise stated;
- completed the drafting of a standard On-lending Agreement for use by all MDAs and MMDAs;
- escrow and debt Service Accounts have been opened at the BOG into which payment on the on-lent facilities will be made; and
- continuous engagement with SOEs to ensure that the on-lending arrangement is fully implemented.

113. Mr. Speaker, when operational, the process will be linked conceptually to the GIIF mechanism for all commercial projects through a revolving fund that can be used to execute more projects and alleviate the burden of quasi-public debt on the Budget and taxpayers.

Status of On-lent Facilities

114. In accordance with the implementation of the new debt management strategies as outlined in 2014 Budget statement, the Ministry of Finance initiated processes to operationalize all subsidiary/on-lent agreements between the Government of Ghana and State Owned Enterprises (SOEs) since 2000. In all, nineteen (19) on-lent credit agreements have so far been reviewed. The total commitment for the 19 on-lent credit facilities is estimated at US\$853.48million, out of which US\$498.31 million is the disbursed outstanding debt as at September 2014. The disbursed outstanding debt for the on-lent facilities constitutes about 4% of total external debt stock.

Debt Refinancing

115. Mr. Speaker, as noted in the 2014 Budget, a major feature of the Public Debt is its relative short-term nature and high-interest cost. To address this situation, Government is using part of the 2014 Eurobond proceeds and excess over the Cap of the Stabilisation Fund dedicated for debt repayment to refinance part of the short-term domestic debt.

Eurobond Issue

116. Mr. Speaker, you may recall that members of this august House on 31 December, 2013, approved the issue of up to US\$1.5 billion on the Eurobond market in 2014 of which US\$1 billion was for capital expenditure in the 2014 budget and up to US\$ 500million for the refinancing of existing debt. The prospectus is being distributed with this budget.
117. The summary of the transaction is as presented in the table 17.

Table 17: Eurobond Issue Transaction Summary

Issuer:	The Republic of Ghana
Securities:	US\$1,000,000,000 Amortizing Notes due 2026 (the "Notes")
Issue Ratings:	Moody's: B2 (negative)
	Standard and Poor's: B (negative)
	Fitch: B (negative)
Size:	US\$1,000,000,000
Issue Price:	99.161% of the Total Principal Amount
Issue Date:	18-Sep-14
Maturity Date:	18-Jan-26
Coupon:	8.125%
Redemption:	In three instalments of US\$333,000,000 on 18 January 2024, US\$333,000,000 18 January 2025 and US\$334,000,000 on 18 January 2026
Proceeds	US\$988,876,548.00(after discount and estimated issue expenses)
Listing	Irish Stock Exchange
	Ghana Stock Exchange

Source: Ministry of Finance

118. Mr. Speaker, unlike earlier Eurobond transactions, the 2014 transaction coincided with an initiation of programme discussions with the IMF. Despite this complication we were able to achieve an impressive market result reflected in a competitive coupon rate of 8.125 percent and an order book of US\$2.9billion of which Government accepted US\$1billion.

SECTION FOUR: MACROECONOMIC FRAMEWORK FOR 2015 AND THE MEDIUM TERM

119. Mr. Speaker, the 2015 Budget has been developed within the broad framework of the Ghana Shared Growth and Development Agenda (GSGDA II), 2014-2017 Document. 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"**.
120. 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.
121. Ghana's successful structural transformation 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 use of natural resources based on locally processed value addition.
122. The strategic direction for the medium term development policy will be to leverage Ghana's natural resource endowments and enhance agricultural potential and human resource for accelerated economic growth and job creation.

REAL SECTOR

123. Mr Speaker, based on a relatively lower 2014 base compared to the GSS provisional estimates, the Real GDP is projected to grow at an average rate of 6.8 percent over the medium term, with projected growth rates of 3.9 percent in 2015, 6.9 percent in 2016 and 9.6 percent in 2017, as shown in Table 18. Non-oil GDP is projected to grow at an average of 4.4 percent over the medium term, growing by 2.7 percent in 2015, 4.9 percent in 2016 and 5.5 percent in 2017. The details of the GDP projection are presented in Appendix Table 1B.

Table 18: Real GDP Growth, 2015-2017

Item	2015	2016	2017	Average
	Percent			
Agriculture	2.9	3.7	4.3	3.6
Industry	5.2	11.3	17.6	11.4
Services	3.9	6.4	7.7	6.0
Overall GDP (excl. oil)	2.7	4.9	5.5	4.4
Overall GDP (incl. oil)	3.9	6.9	9.6	6.8

Source: Ministry of Finance

124. The projected slow growth in non-oil and overall GDP in 2015 reflects the continuing fiscal consolidation, which is expected to peak in 2015 as the nation moves to rationalize expenditures, improve revenue mobilisation, and implement structural measures in order to achieve set targets. With the commencement of gas production in the medium term, economic activity is expected to be restored to its path in the immediate past years, peaking in 2017.
125. The Industry Sector is projected to be the lead sector with an average growth of 11.4 percent, followed by the Services Sector with 6.0 percent. The growth in the Industry Sector will be mainly on account of increasing growth in the petroleum industry due to expected gas production from the Jubilee Field; and commencement of crude oil and gas production in the Tweneboa-Enyenra-Ntomme (TEN) Field and the Sankofa-Gye Nyame (SGN) Field in 2016 and 2017. The projection is also based on expected improvement in manufacturing with the expected improvement in electricity production. The Construction subsector, however, is projected to experience a bearish growth in 2015 due to the fiscal consolidation in 2015. With the stability of the Cedi, it is projected that private sector construction will remain strong.
126. The Agriculture Sector is expected to grow at an average rate of 3.6 percent over the medium term. Projected growth in the Services Sector will be spurred on mainly by the Financial Intermediation, Information and Communications and Transport and Storage subsectors.
127. The growth in the Agriculture Sector is expected to result mainly from planned Government interventions, including increasing the number of Agricultural Mechanization Services Centres (AMSECs), as well as enhancing the fertilizer and seed subsidy programme.

MONETARY SECTOR

128. Looking ahead to 2015, the main objective for monetary policy would be to re-anchor inflation expectations. Since the last quarter of 2013, the pass through effects of fuel adjustments, exchange rate depreciation and fiscal pressures have steadily pushed up inflation further away from the medium term target band of 8 ± 2 percent. Going forward therefore, the central bank will continue to use its monetary policy rate to signal direction and gradually ease inflation over the policy horizon and steer inflation towards the medium term target of 8 ± 2 . As the Bank maintains a tight policy stance to achieve the inflation target, these efforts will be fully complemented by the strong and effective fiscal consolidation in the outlook.

EXTERNAL SECTOR

129. External sector policy will continue to aim at building up foreign reserves to more comfortable levels from the level of three months of import cover to a minimum of four months of cover in the medium term.

FISCAL SECTOR

130. Mr. Speaker, the 2015 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 in the GSGDA II is: "A stable, united, inclusive and prosperous country with opportunities for all".

131. Ghana's successful structural transformation 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 use of natural resources based on locally processed value addition.

132. Mr. Speaker, the medium term fiscal policy of Government will focus on managing volatilities for a smooth near-term. We will continue to pursue the fundamental policies and measures we have been implementing for some time now.

133. Mr. Speaker, Government is committed to address the short term vulnerabilities that the economy faces to safeguard the nation's bright medium term prospects for strong growth and job creation. Our goal for the medium term is to progressively reduce the fiscal deficit to 3.5 percent of GDP by 2017. This reduction will be driven mainly by improvements in tax policy, revenue administration reforms, improved management of public funds, expenditure rationalization, and the implementation of new debt management strategies.

134. Mr Speaker, in 2015, Government will implement the remaining VAT measures for fee-based financial services and commercial real estate with a change in the VAT on real estate to a flat 5 percent which the House has already passed.

135. In addition, Mr. Speaker we propose the following tax measures for implementation in 2015:

- Imposition of Special Petroleum Tax of 17.5 percent as part of a rationalization of VAT regime and change in the petroleum pricing structure. This policy comes with a mitigation account to manage extremely low and

high prices that result in sporadic price increases or decreases under the automatic adjustment formula;

- Reversal of excise tax on petroleum from Ad Valorem to specific;
- Extension of the National Fiscal Stabilization Levy of 5 percent and special import levy of 1-2 percent to 2017; and
- Increase the withholding tax on Directors' remuneration from 10 percent to 20 percent.

136. Mr. Speaker, we will continue to implement the on-going expenditure measures that we have been vigorously pursuing under our Home-Grown Policy. These include:

- Government's fiscal stance to negotiate public sector wages within budgetary constraints to ensure the sustainability of the Single Spine Pay Policy. Government is also mindful of the signal and pressure that public sector base pay could have on the private sector's application of the minimum wage. In with another decision reached at the Ho forum, we worked hard to complete negotiations on wage adjustments for 2015 before the Budget but could not achieve this goal.
- In a fiscal context, it is necessary that we continue to observe budgetary constraints on the wage bill. Despite the benefits of the new salary scheme, it is the cumulative overrun in the wage bill of over GH¢1.9 billion in addition to over GH¢3 billion overrun in arrears for 3 years in a row that prevented government from paying all its obligations on pensions, contractors and expenditures to run government services smoothly. As noted, however, this was worsened by factors such as the gas supply disruptions and fall in gold and cocoa prices;
- Continuation of the policy of net freeze on employment into all sectors of the public services (excluding education and health) and non-replacement of departing public sector employees in overstaffed areas; and
- We will continue to implement the existing price adjustment mechanisms for utility tariffs and fuel prices which as noted earlier, has eliminated the spectre of long queues for fuel. As the gas supply situation improves, we expect that consumers will also see the benefits of the utility price adjustments.

Macroeconomic Targets for the Medium-Term and 2015

137. Mr. Speaker based on the above medium term macroeconomic framework, the specific macroeconomic targets to be pursued for the medium term (2015- 2017) include the following:

- An average real GDP (including oil) growth rate of at least 6.8 percent;

- An average non-oil real GDP growth rate of at least 4.4 percent;
- An inflation target of 8 percent with a band of ± 2 percent;
- An overall Budget Deficit of 3.5 percent by 2017
- Gross International Reserves which will cover not less than 4 months of imports of goods and services by 2017.

138. Mr. Speaker, the specific macroeconomic targets for 2015 are as follows:

- Non-oil real GDP growth of 2.7 percent;
- Overall real GDP (including oil) growth of 3.9 percent;
- An end year inflation target of 11.5 percent;
- Overall budget deficit equivalent to 6.5 percent of GDP; and
- Gross international reserves of not less than 3 months of import cover of goods and services.

Resource Mobilization for 2015

139. Mr. Speaker, total non-oil revenue and grants for the 2015 fiscal year is estimated at GH¢26,104.6 million, equivalent to 21.2 percent of non-oil GDP representing 31.5 percent increase over the projected outturn for 2014.

140. For the 2015 fiscal year, total revenue from oil that will accrue to the budget is estimated at GH¢4,203.7 million, equivalent to 3.1 percent of GDP.

141. Thus, total revenue and grants including oil for the 2015 budget are estimated at GH¢32,406.2 million, equivalent to 24.0 percent of GDP.

142. Domestic revenue, made up of tax and non-tax revenue is estimated at GH¢30,855.4 million, 28.9 percent higher than the projected outturn for 2014.

143. Mr. Speaker, total tax revenue is estimated at GH¢25,406.0 million, representing 18.8 percent of GDP. This shows an increase of 31.0 percent over the projected outturn for 2014. Of this amount, non-oil tax revenue is estimated to grow by 25.0 percent to GH¢23,124.1 million, equivalent to 18.8 percent of non-oil GDP.

144. Taxes on income and property are estimated to increase by 28.6 percent to GH¢11,228.6 million in 2015, accounting for 44.2 percent of total tax revenue. Of this amount, royalties and corporate income tax from oil is estimated at GH¢2,282.0 million.

145. Taxes on goods and services are estimated at GH¢9,471.7 million, representing 46.7 percent increase over the projected outturn for 2014 and 37.3 percent of the estimated total tax revenue for 2015. The strong growth in taxes on domestic goods is mainly as a result of the policy measures on VAT and Petroleum.

146. The 2014 estimate for taxes on good and services is made up of GH¢5,749.1 million for total VAT, while Excise taxes, National Health Insurance Levy and Communication Service tax are expected to yield GH¢2,426.8 million, GH¢1,003.1 million and GH¢292.8 million, respectively.
147. International Trade taxes, are estimated at GH¢4,705.7 million, representing 3.5 percent of GDP and 18.5 percent of total tax revenue. The estimate reflects an 11.8 percent increase over the projected outturn for 2014. The increase in international trade taxes is expected to be largely driven by import duties, estimated to be about 75.4 percent of the estimated international trade taxes for 2015.
148. 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¢5,266.8 million, equivalent to 3.9 percent of GDP and representing 17.1 percent of domestic revenue. An amount of GH¢2,833.0 million is expected to be retained by MDAs for the funding of their activities and the rest lodged into the Consolidated Fund. A total amount of GH¢1,921.7 million is estimated as non-tax oil revenue.
149. Mr. Speaker, Grants from Development Partners are estimated at GH¢1,550.8 million, equivalent to 1.1 percent of GDP. The expected grants constitutes 4.8 percent to the estimated total revenue and grants for 2015.

Table 19: Summary of Revenue and Grants Estimates for 2015

Description	Including oil			Excluding oil		
	Amount (GH¢ million)	Percent of GDP	Percent of Total Revenue and Grants	Amount (GH¢ million)	Percent of GDP	Percent of Total Revenue and Grants
Total Revenue and Grants	32,406.2	24.0	100.0	28,202.5	22.9	100.0
Domestic Revenue	30,855.4	22.9	95.2	26,651.7	21.7	94.5
Tax Revenue	25,406.0	18.8	78.4	23,124.1	18.8	82.0
Taxes on Income and Property	11,228.6	8.3	34.6	8,946.6	7.3	31.7
Taxes on Domestic Goods and Services	9,471.7	7.0	29.2	9,471.7	7.7	33.6
International Trade Taxes	4,705.7	3.5	14.5	4,705.7	3.8	16.7
Non-Tax Revenue	5,266.8	3.9	16.3	3,345.1	2.7	11.9
Others	182.6	0.1	0.6	182.6	0.1	0.6
Grants	1,550.8	1.1	4.8	1,550.8	1.3	5.5

Source: Ministry of Finance

Resource allocation for 2015

Expenditure

150. Mr. Speaker, total expenditure, including provision made for the clearance of arrears and outstanding commitments in 2015 is estimated at GH¢41,422.0 million, equivalent to 30.5 percent of GDP. The estimated expenditure for the year represents 15.6 percent increase over the projected outturn for 2014. Of this amount, GH¢1,561.3 million, equivalent to 1.2 percent of GDP and 3.8 percent of total expenditure will be used for the clearance of arrears and outstanding commitments.
151. 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¢12,312.9 million, representing 9.1 percent of GDP. Of this amount, GH¢10,286.5 million (7.6 percent of GDP) is estimated for the payment of wages, salaries and allowances, while GH¢750.9 million, GH¢216.0 million and GH¢1,059.5 million is estimated for pensions, gratuities and social security, respectively.
152. Expenditure on goods and services is estimated at GH¢1,970.0 million, representing 1.5 percent of GDP.
153. Total interest payment is estimated at GH¢9,557.2 million, equivalent to 7.1 percent of GDP and 24.4 percent of total expenditure. Of this amount, GH¢1,543.2 million will be expended on external interest, while GH¢8,014.0 million will be for domestic interest payments.
154. An amount of GH¢50.0 million has been provided for the payment of subsidies on petroleum products.
155. 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¢7,408.6 million.
156. Transfers to the DACF and GET Fund are estimated at GH¢1,585.9 million and GH¢843.9 million, respectively.
157. The Road Fund is expected to receive an amount of GH¢257.0 million, while GH¢5.3 million will be transferred into the Petroleum-related Fund.

158. An amount of GH¢1,185.7 million is estimated to be transferred into the National Health Insurance Fund, while GH¢69.7 million from oil revenue, is earmarked to be transferred to the Ghana National Petroleum Corporation for its investments.
159. Mr. Speaker, as part of government efforts to narrow the infrastructure deficit in the country, a total amount of GH¢6,956.8 million is allocated for capital expenditure. This represents a 27.1 percent increase over the projected outturn for 2014 and 17.8 percent of the estimated total spending for 2015. About 36.8 percent of the total amount will be financed from domestic sources and the remaining from foreign sources.

Table 20: Summary of Expenditure Estimates for 2015

Description	Including oil			Excluding oil		
	Amount (GH¢ million)	Percent of GDP	Percent of Total Expenditure and Arrears Clearance	Amount (GH¢ million)	Percent of GDP	Percent of Total Expenditure and Arrears Clearance
Total Expenditure and Arrears Clearance	41,222.0	30.5	100.0	38,050.2	30.9	100.0
Total Expenditure	39,152.6	29.0	95.0	36,303.0	29.5	95.4
Compensation of Employees	12,312.9	9.1	29.9	12,312.9	10.0	32.4
Use of Goods and Services	1,970.0	1.5	4.8	1,233.8	1.0	3.2
Interest Payments	9,577.2	7.1	23.2	9,557.2	7.8	25.1
Subsidies	50.0	0.0	0.1	50.0	0.0	0.1
Grants to Other Government Units	7,408.6	5.5	18.0	6,710.9	5.5	17.6
Capital Expenditure	6,956.8	5.2	16.9	5,561.2	4.5	14.6
Others	877.1	0.6	2.1	877.1	0.7	2.3
Arrears Clearance and Tax Refunds	2,069.5	1.5	5.0	1,747.2	1.4	4.6

Source: Ministry of Finance

Overall Budget Balance and Financing for 2015

160. Mr. Speaker, based on the revenue and expenditure estimates, the 2014 budget will result in an overall budget deficit of GH¢8,815.9 million, equivalent to 6.5 percent of GDP.
161. Financing of the deficit will be from both domestic and foreign sources. Net Domestic Financing is estimated at GH¢7,560.1 million, equivalent to 5.6 percent of GDP, and financing from foreign sources are estimated at GH¢1,255.8 million, equivalent to 0.9 percent of GDP.

Table 21: Summary of Financing of the 2015 Budget Deficit

Description	Including oil			Excluding oil		
	Amount (GH¢ million)	Percent of GDP	Percent of Total Financing	Amount (GH¢ million)	Percent of GDP	Percent of Total Financing
Overall Fiscal Balance	-8,815.9	-6.5		-9,847.7	-8.0	
Total Financing	8,815.9	6.5	100.0	9,847.7	8.0	100.0
Foreign	1,255.8	0.9	14.2	1,255.8	1.0	12.8
Domestic	8,611.8	6.4	97.7	8,611.8	7.0	87.5
Other	-1,051.8	-0.8	-11.9	0.0	0.0	0.0

Source: Ministry of Finance

PROJECTION OF 2015 PETROLEUM RECEIPTS

Benchmark Price

162. Mr. Speaker, the benchmark price for 2015, which is calculated as a 7-year moving average in line with the PRMA, is estimated at US\$99.3760 per barrel, up from US\$93.3373 per barrel in 2014. The increase in the benchmark price is primarily due to the relatively higher historical price levels, starting from 2010.
163. The price data were sourced as follows:
- Historical (2010-2013): ICE Dated Brent prices from Bloomberg;
 - Current Year (2014): ICE Dated Brent prices from Bloomberg (January-July 2014);
 - Current Year (2014): ICE Dated Brent futures from Bloomberg (August-December); and
 - Forecast (2015-2016): ICE Dated Brent futures from Bloomberg.
164. Mr. Speaker, Government is fully aware of the continuous decline of crude oil prices and its implications for our fiscal position for the rest of 2014 and 2015. Dated Brent price declined from a January average of US\$107 to US\$104 in July and below US\$90 per barrel in October 2014. In the early part of November, Dated Brent hit a 4-year low, reaching below US\$80 per barrel. This has serious implications for the 2015 Budget as petroleum revenues could underperform if prices do not pick up to the level of the projected price.
165. Mr. Speaker, the fact that the PRMA sets out the formula for calculating the benchmark price makes it difficult to set the projected price aside, since that could be tantamount to a violation of the Law. Indeed, Government did not revise the projected prices for 2011-2014 in spite of indications at the time that actual prices would be higher than projected.
166. Consistent with Section 12 of the PRMA, shortfalls in petroleum revenue emanating from unexpected volume or/and price declines are mitigated by the

withdrawals from the Ghana Stabilisation Fund. Thus, if crude oil prices remain below the benchmark price, the GSF will be used to augment the ABFA, in line with the PRMA.

167. Going forward, a proposal will be made in the PRMA (which is under review) to allow the Minister for Finance to propose a review of the Petroleum Benchmark Revenue, as stipulated in the First Schedule of the Law, if there are evident indicators that prices and output will change significantly in the course of the year.
168. The expected upstream gas price is US\$2.90/million British thermal units (mmBtu), consistent with the set wet gas price by the regulator, the Public Utilities Regulatory Commission (PURC).

Benchmark Output

169. Mr. Speaker, the 2015 crude oil benchmark output is estimated at 37,242,186 barrels, up from 33,955,644 barrels in 2014. This results in a daily production of approximately 102,033 barrels, up from the 93,029 barrels estimated for 2014. The increase in the projected benchmark output is as a result of the use of higher production volumes for the 3-year average, compared to what was used for 2014.
170. The output data was sourced from GNPC as follows:
- Historical (2013): Actual Jubilee production data for 2013;
 - Current Year (2014): Actual Jubilee production data for January-June;
 - Current Year (2014): Projected Jubilee production data for July-December; and
 - Forecast (2015): Projected Jubilee production data for 2015.

The 2015 Benchmark Revenue

171. Mr. Speaker, the total projected petroleum receipts for 2015 is US\$1,236.37 million, as indicated in Table 22.

Table 22: Sources of Expected Petroleum Revenue in 2015

ITEM	US\$
TOTAL PETROLEUM RECEIPTS	1,236,371,543.12
Royalties	185,227,862.53
o/w Jubilee Royalties	185,048,985.72
o/w Saltpond Royalties	178,876.81
Carried and Participating Interest	479,602,309.41
Corporate Income Tax	485,942,661.18
Surface Rentals	1,447,960.00
Gas Receipts	84,150,750.00

Source: Ministry of Finance

172. Of the expected petroleum receipts of US\$1,236.37 million, US\$205.20 million will be ceded to the National Oil Company (NOC) for its Equity Financing obligations (US\$87.60 million) and its 30 percent share of the net Carried and Participating Interest (US\$117.60 million). This leaves a Benchmark Revenue of US\$1,031.17 million, to be distributed as Annual Budget Funding Amount of US\$721.82 million and Ghana Petroleum Funds of US\$309.35 million. Thus, the quarterly allocation to the Annual Budget Funding Amount is expected to be US\$180.45 million.
173. Out of the total amount projected for the Ghana Petroleum Funds, the Ghana Heritage Fund's 30 percent share will yield US\$92.81 million, while the Ghana Stabilisation Fund is expected to receive US\$216.55 million, as shown in Table 23.

Table 23: Distribution of Projected 2015 Petroleum Receipts

ITEM	US\$
ALLOCATION OF PETROLEUM RECEIPTS	1,236,371,543.12
Transfer to National Oil Company (NOC)	205,202,522.87
o/w Equity Financing	87,602,614.36
o/w 30% share of Net Carried & Participating Interest	117,599,908.52
Benchmark Revenue (BR)	1,031,169,020.25
o/w Annual Budget Funding Amount	721,818,314.17
o/w Transfer to the Ghana Petroleum Funds	309,350,706.07
o/w Ghana Stabilization Fund	216,545,494.25
o/w Ghana Heritage Fund	92,805,211.82

Source: Ministry of Finance

174. Of the amount allocated to the ABFA, US\$47.0 million will be spent on Expenditure and Amortisation of Loans for Oil and Gas Infrastructure; US\$555.61 million for Road and Other Infrastructure; US\$89.85 million for Agriculture Modernisation and US\$29.4 million for Capacity Building (including Oil and Gas), as shown in Table 24. Details of projects can be found in **Appendix 5 D**.

Table 24: Allocation of ABFA to the Four Priority Areas

S/N	Priority Area	Amount (US\$)
1	Expenditure & Amortization of Loans for Oil and Gas Infrastructure	47,004,460
2	Road and Other Infrastructure	555,607,147
3	Agriculture Modernization	89,852,941
4	Capacity Building (Including Oil and Gas)	29,353,766
5	Total	721,818,314

Source: Ministry of Finance

Medium Term Prices

175. The respective benchmark prices for 2016 and 2017 are projected at US\$102.3726 and US\$99.9044 per barrel, up from the projected 2015 price of

US\$99.3760 per barrel. The data sources are the same as those used for the 2015 price estimation. Upstream gas price is maintained at US\$2.90/mmBtu, as set by the regulator.

Medium Term Output

176. The 2016 and 2017 benchmark outputs are 42.31 million and 54.96 million barrels, respectively. This is expected to stem from an average daily production of 115,915 barrels for 2016 and 150,585 barrels for 2017, up from 102,033 barrels for 2015. In addition to Jubilee Field output, the 2016 projection includes a projected output of 10.38 million barrels (28,446 bopd) for the Tweneboa-Enyenra-Ntomme (TEN) Fields, while the 2017 output includes projected volumes for both TEN (27.36 million barrels, approximately 74,959 bopd) and the Sankofa-Gye Nyame (7.46 million barrels, approximately 20,449 bopd) Fields.
177. Gas output is projected to increase from the 2015 daily average of 77.18 mmscf to 108.06 mmscf in 2016 and further to 138.93 mmscf in 2017. The 2016 daily production assumes a 75 percent capacity usage by the GNGC's gas processing facility, while the 2017 level assumes a 90 percent capacity usage. The 2016 and 2017 gas projections are exclusively attributed to the Jubilee Field since it will take about 12 months after crude oil production before gas will be lifted from the TEN Field. Furthermore, a second processing plant will be needed to handle additional gas output. Due to possible delays in the installation of this plant, the gas projections assume no further addition from the TEN Field.

Medium Term Benchmark Revenue

178. In 2016 and 2017, total petroleum receipts are projected to reach US\$1,438.01 million and US\$1,709.90 million, respectively, up from US\$1,236.37 million in 2015. Of this amount, the Benchmark Revenue is expected to increase from the 2015 level of US\$1,031.17 million to US\$1,176.65 million in 2016 and further to US\$1,311.48 million in 2017.

Setting a New Cap on the GSF

179. Mr. Speaker, the long term plan is to build the GSF to enable it perform its function of cushioning the Budget in periods of unanticipated petroleum revenue shortfalls, in line with Section 9(2) of the PRMA. That notwithstanding, the Budget is still faced with serious rigidities which need to be addressed. It is, thus, being proposed that starting from the 2015 fiscal year, the cap on the GSF be revised to a moving cap, beginning with US\$300 million from January 1, 2015 and, rising to a maximum of US\$400 million during the year. The target cap of US\$400 million will continue into 2016 if it is not achieved in 2015. This is meant to achieve the twin benefit of gradually boosting the GSF and the Contingency Fund, while making room for the building of reserves to retire some of the nation's debts.

180. As indicated earlier, in the first quarter of 2015, the cap on the GSF shall be raised to US\$300 million and, subsequently, the excess amount over the cap will be treated as follows:
- 50 percent will be sent into the Sinking Fund to build up resources to repay the 2017 Eurobond and other debts;
 - 25 percent will be sent into the Contingency Fund, which was established in May 2014 with GH¢50 million of the excess over the cap of the GSF; and
 - the remaining 25 percent will be deposited back into the GSF.
181. Subsequently, the accrued amount from the 25 percent that goes into the GSF, when added to the cap of US\$300 million will represent a new cap based on which the excess over the cap shall be determined.
182. When the cap reaches US\$400 million (i.e. the initial cap of US\$300 million and the incremental inflows from the 25 percent), 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 to build up resources to repay the 2017 Eurobond and other debts; and
 - 25 percent will be sent into the Contingency Fund, which was established in May 2014 with GH¢50 million of the excess over the cap of the GSF.

PUBLIC DEBT

Debt Management Outlook 2015

Debt Management Strategy

183. Mr. Speaker, with the Country's attainment of middle income status and it attendant dwindling access to concessional resources, the strategy will be to continue to ensure debt sustainability. The recent analysis of Ghana's debt sustainability reveals moderate risk of debt distress. However, if fiscal consolidation goes on as planned, Ghana may not be in risk of debt distress. Although most indicators of external debt sustainability will remain below their indicative thresholds, debt service to domestic revenue ratio will deteriorate in the medium to long term if measures are not put in place to smoothen the amortization of the Eurobond facilities in 2023 and 2024.
184. Total public debt is projected to assume unsustainable trajectory if primary deficit is at its past 10 year average of about 4.3 percent or the local currency depreciates by 30% in 2015. Present value of public debt to GDP ratio is expected to breach its indicative threshold with increasingly high amount of domestic revenue devoted to debt service payments. Prudent fiscal management will be required to correct fiscal imbalances in order to move the economy along the path of sustainable level of public debt in the medium to long term.

185. Mr. Speaker, Government will continue to conduct Debt Sustainability Analysis (DSA) and review its Medium Term Debt Strategy (MTDS) and publish annually to serve as a guide for total borrowing. The outcomes of these reports will inform policy decisions which will insulate government against fiscal vulnerabilities.
186. The strategies for external financing will continue to be the following
- Concessional borrowing (grant element of not less than 35 per cent);
 - Non-concessional borrowing to be restricted to mainly economically viable and self-financing projects on a competitive basis and explore hedge options to improve the predictability of debt of variable loans
 - Enforce strict embargo or limit for new loan financing
187. The strategy for domestic financing will continue to aim at maintaining a well-functioning domestic debt market. To this end the strategies will be as follows;
- Moderating/reduction in the growth of domestic debt;
 - Lengthening the maturity profile of domestic debt to reduce the rollover and refinancing risk;
 - Develop a benchmark yield curve by implementing instrument targeting to ensure transparency and predictability
 - Issue Infrastructure bonds for self-financing projects
188. Mr. Speaker, to improve accountability in line with sound debt management practice, the Ministry will continue to publish the Annual Public Debt Financing Report to inform the public on the status of the public debt.
189. Government to continue to develop and publish the issuance calendar in a bid to promote transparency towards the development of the domestic debt market.

SECTION FIVE: SECTORAL PERFORMANCE AND OUTLOOK

ADMINISTRATION SECTOR

OFFICE OF GOVERNMENT MACHINERY (OGM)

190. The Office of Government Machinery 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 2014 and Outlook for 2015

Institutional Development Programme

191. In the year under review, the Office of the Head of Civil Service analysed the 2013 Annual Reports of MDAs, conducted 5 management reviews and undertook 20 job inspection exercises for various Public Services whilst the Scholarship Secretariat undertook 2 monitoring activities of award of scholarships in foreign and local Institutions.
192. The Management Services Department continued the progressive implementation of the performance improvement measures across the public service in order to increase productivity. The Department strengthened Central Management Agencies to clarify roles and eliminate duplication and also carried out service delivery improvement programmes across the public sector.
193. Mr. Speaker, in 2015, the Department will institutionalize international best practices in public sector reform and service delivery and put in place enhanced human resources management information systems. The Department will also organise, publicise consultative and outreach programmes and establish a Monitoring and Evaluation Framework for reforms. In addition, the progressive implementation of performance improvement measures across public service will be continued.

Regional Services Programme

194. Mr. Speaker, the Regional Coordinating Councils (RCCs) continued to monitor, evaluate, harmonize and co-ordinate the activities of MDAs and MMDAs in the regions to ensure quality of work and judicious utilization of the funds.
195. In addition, the Regional Security Councils (REGSEC), continued to deal with issues of illegal chainsaw lumbering, chieftaincy and land disputes as well as armed robberies, and organized series of swoops on sites used by illegal miners resulting in the seizure of their heavy equipment including excavators and dumping machines.

Security and Safety Management Programme

196. Mr. Speaker, through the activities of the National Security Council (NSC) subversion, espionage, drug trafficking and organized crime were reduced. The Council also provided 24 hour protection to the Executive, VIPs, general public and vital installations as well as classified materials. In 2015, the National Security Council will seek to promote political tolerance, stability, security and peace in Ghana and the sub-region.

Investment Promotion and Management Programme

197. Mr. Speaker, the government and the Millennium Challenge Corporation (MCC) signed MCA Ghana Compact II which is geared towards increasing private sector investment in power generation, strengthening the distribution sector and improving access to electricity. Implementation of MCA Ghana Compact II will commence in 2015.
198. Mr. Speaker, in the year under review, the State Enterprise Commission negotiated, signed, monitored and evaluated performance contracts of 36 State Owned Enterprises (SOEs) and provided feedback on 150 quarterly reports from SOEs.
199. Mr. Speaker, to address duplication in functions and roles of regulators and institutions, deterrence of double dipping by investors, and to promote effective registration, facilitation and monitoring of investments across all sectors, the Ghana Investment Promotion Centre (GIPC), undertook regional sensitization workshops and institutional seminars. The Centre also received and reviewed proposals of 27 private projects for Joint Ventures (JVs) and 3 others from MMDAs for Public Private Partnership (PPP).
200. Mr. Speaker the Microfinance and Small Loans Centre (MASLOC) disbursed a total amount of GH¢ 8,415,855.50 to 4,592 beneficiaries across the country with repayment rate increasing from 62.69 percent in December 2013 to 65.60 percent by September 2014. Key areas of intervention include the distribution of 25 tractors to rice farmers, 55 taxis on hire purchase, 35 TVS King tricycles for rural transportation in the Northern Region and assembled 1,000 tricycles for distribution to beneficiaries.
201. The Centre also assisted 709 Kantamanto fire victims with GH¢ 1,364,509.00 and 302 (second hand cloth sellers) fire victims at Tema Station in Accra with an amount of GH¢ 430,700.00 to help them revamp their businesses. In addition, an amount of GH¢ 161,160.00 was disbursed to Ayensu Cassava Block Farmers which assisted them cultivate over 400 acres of cassava for processing into starch by the Ayensu Starch Factory.

202. Mr. Speaker, in 2015, MASLOC will continue to support farmers, fishermen, micro and small enterprises, and young men and women in the rural community to set them up for livelihood empowerment in areas such as shoemaking, shea butter processing and small trading.
203. Mr. Speaker the Savannah Accelerated Development Agency (SADA) trained artisans in 51 communities in the use of hydraform machines leading to the construction of over 100 housing units in partnership with Water and Sanitation Africa. The Agency also supported over 28,000 households with 270 tractors and improved seeds to cultivate maize, rice and soya and secured 307 acres of land for the establishment of solar farm.
204. Mr. Speaker, in 2015 the Agency in consultation with stakeholders will focus on ensuring accelerated, integrated and comprehensive development of the Northern Savannah Ecological Zone. In this regard the Agency will mobilize human, financial and other resources for the implementation of the accelerated development strategy.

Regulatory Services Programme

205. Mr. Speaker, the Internal Audit Agency (IAA) undertook audit review and inspection of 326 reports out of a total of 465 internal audit reports submitted by Internal Audit Units in MDAs and MMDAs. The Agency carried annual evaluation of the work of Internal Audit Units and monitored the work of Audit Reports Implementation Committees (ARICs) in the MDAs and MMDAs.
206. Mr. Speaker, in 2015 the Agency will undertake a payroll audit of 12 districts in Ashanti, Brong Ahafo and Northern Regions. It will also continue its quality assurance work by monitoring internal audit reports of MDAs and MMDAs. The Agency will train 500 internal auditors in value for money audits and staff of 50 MDAs and MMDAs in enterprise risk management.

HIV and AIDS Management Programme

207. Mr. Speaker, the Ghana Aids Commission (GAC), through increased Government Commitment in advocacy, policy and funding, gradually and consistently managed to reduce HIV prevalence from 1.5 percent in 2010 to 1.37 percent in 2014. The Commission also increased the number of prevention of Mother-to-Child transmission sites from 793 in 2009 to 1,656 in 2014 and reduced mother-to-child transmission of HIV from 31 percent to 9 percent for the same period.
208. The Commission recorded a reduction in the new infections among the youth by over 25 percent from 2009 to 2014 and also increased treatment coverage for Persons Living with HIV (PLHIV) from 30.5 percent to 63 percent over the same period.

209. Mr. Speaker, in 2015, Government will ensure that the relevant supplies are procured on time to maintain the momentum of prevention intervention and sustain PLHIV on treatment. Government will also continue to engage the private sector through the Ghana AIDS Commission to strengthen the pharmaceutical production base and raise additional resources for the national HIV response.
210. For the implementation of the above programmes and activities, an amount of GH¢453,889,073.00 has been allocated. Out of this, GH¢427,545,287.00 is GoG, GH¢13,914,028.00 is IGF and GH¢12,429,758.00 is from Development Partners.

PARLIAMENT OF GHANA

211. The Mandate of the Parliament of Ghana is to perform legislative, financial, oversight of the Executive, representational and deliberative functions.

Performance in 2014 and Outlook for 2015

Parliamentary Business Programme

212. Mr. Speaker, Parliament continued to discharge its constitutional mandate of passing required legislations. A total of 124 Sittings of the House were held, during which 1 Legislative Instrument and 29 international agreements were received and considered. Committees of parliament also conducted a total of 131 Sittings and issued a total of 34 reports to the Plenary. In addition, 6 Bills were laid before the House out of which 4 were passed into law.
213. Mr. Speaker, in 2015, Parliament will continue with its legislative functions and complete the review of the Standing Orders which makes provisions for the opening of committee meetings to the public and permit media coverage of proceedings, empower committees to undertake independent investigations as well as summon witnesses and government officials to appear before it.
214. Mr. Speaker, in exercising its mandate of effective oversight over the use of state resources, a Monitoring and Evaluation Guide was developed and various Parliamentary Committees undertook monitoring visits to assess the quality of service delivery in education, health and sanitation across the country. The Public Accounts Committee held 10 sittings and made 15 recommendations to the House.
215. Mr. Speaker, in 2015, Parliament will undertake monitoring activities at the local level with the involvement of service providers and community members to increase the effectiveness of the Public Accounts Committee.
216. In order to solicit public input on improving the relationship between Parliament and the general public as well as educate them on Parliamentary activities, the Leadership of the House held Public Sittings at Ada and Sunyani. The Women

Caucus of Parliament also held an international seminar with their counterparts from the British House of Commons to deliberate on key issues affecting women.

Information Support Services Programme

217. Mr. Speaker, Parliament established the Office of Scrutiny to serve as an independent and non-partisan analytical support unit in its legislative, representative and oversight functions. The Office is expected to increase capacity and effectiveness of Parliament in the budget process and national poverty reduction efforts. The development of the concept and the scheme of service was completed whilst the identification of office location and staff recruitment is ongoing. The Office will be fully functional in the first quarter of 2015.
218. For the implementation of the above programmes and activities, an amount of GH¢185,194,572.00 has been allocated. Out of this, GH¢184,180,572.00 is GoG, and GH¢1,014,000 is from Development Partners.

GHANA AUDIT SERVICE

219. Mr. Speaker, the Audit Service provides independent assurance to Parliament, other stakeholders, civil society organizations and the general public or citizenry that public funds are not only fully received and accounted for, but also used judiciously. It is therefore one of the key oversight, accountability, and monitoring and evaluation institutions in the governance process of this country.

Performance in 2014 and Outlook for 2015

Audit Operations Programme

220. Mr. Speaker, as a statutory requirement, Audit Service completed and presented the 2013 public account reports on the Internally Generated Funds of selected MDAs and District Assemblies Common Fund to Parliament. The Service also completed the audit of 1,758 institutions of MDAs, 187 MMDAs, and 473 Educational Institutions representing 70 percent of planned audits.
221. In 2015, the Service will continue with its traditional regularity and financial audit of 3,450 audit entities which include MDAs, MMDAs, Pre-University Educational Institutions as well as special audits.
222. The Service also conducted audits in procurement and contract administration; GSGDA programmes, MDBS, DDF, Urban Development Grant and Food Security; computerized and electronic systems in the public sector including GIFMIS and IPPD 2; revenue management including the proceeds of taxation and grants; public debt and loans/advances; Capitation Grant and School Feeding Programme; performance of international audit assignments; and performance

audits including physical infrastructure projects. In 2015, the Service will continue to conduct audits as outlined above.

223. For the implementation of the above programmes and activities, an amount of GH¢125,527,610.00 has been allocated.

PUBLIC SERVICES COMMISSION

224. Mr. Speaker, the Commission is the body mandated to formulate and monitor the implementation of policies and guidelines for the efficient management and development of the public services' human resource, with the view of improving the capacities of public servants to increase productivity and efficient service delivery.

Performance in 2014 and Outlook for 2015

Human Resource Management Programme

225. Mr. Speaker, as part of efforts to improve human resource management, the Commission sensitized 200 HR Directors\Managers of MDAs on the comprehensive Human Resource Management Policy Framework and Manual. In addition, 70 HR Directors of MDAs were trained under the new Performance Management System, to train other staff on the new performance appraisal instrument. In 2015, the Commission will roll out the implementation of the comprehensive Human Resource Management Policy Framework and Manual across the Public Services by undertaking on-site training and sensitization for MDAs.
226. Mr. Speaker, under the Human Resource Management Information System (HRMIS), 9 MDAs were piloted and data on 70 percent captured and validated into the system. The Service commenced an HR audit to determine establishment levels of positions in the 9 pilot MDAs to enhance the credibility and enforcement of controls of the payroll system. In 2015, the first phase of the HRMIS involving the pilot MDAs will go live in the first quarter and by the end of the year all MDAs on Controller's payroll will be rolled onto the system. The Commission will carry out an HR audit on the rest of the MDAs to determine their establishment levels to ensure payroll controls.
227. For the implementation of the above programmes and activities, an amount of GH¢12,656,582.00 has been allocated.

ELECTORAL COMMISSION

228. Mr. Speaker, the Commission as set up under Article 43 (1) of the 1992 Constitution of the Republic of Ghana and established by an Act of Parliament, Act 451 of 1993, is to organize and supervise all public elections and referenda

to advance the course of democracy and good governance through free, fair and transparent elections.

Performance in 2014 and Outlook for 2015

Electoral Services Programme

229. Mr. Speaker, the Commission expanded and maintained its VSAT Wide Area Network nationwide to support the Continuous Voters' Registration and the Voter Management System. The Commission also upgraded and procured additional Biometric Voter Registration (BVR) Kits for the voters' registration exercise and procured Biometric Verification Devices (BVDs) in line with the policy of two BVDs per polling station.
230. In 2015, the Commission will conduct the District Assembly and Local Governance elections in all 216 MMDAs. In this regard, the Commission will sensitize the public to increase awareness of the district level electoral process and the conduct of the District Assembly and Unit Committee Elections. The Commission will also audit political party accounts to enforce legal and financial compliance for political organization.
231. For the implementation of the above programmes and activities, an amount of GH¢35,700,455.00 has been allocated. Out of this, GH¢31,976,919.00 is GoG, and GH¢3,723,536.00 is from Development Partners.

MINISTRY OF FOREIGN AFFAIRS AND REGIONAL INTEGRATION

232. The Ministry, together with its 57 Diplomatic Missions and Consular Posts abroad, constitute the principal organ of state responsible for advising Government on the initiation, formulation, co-ordination and implementation of Ghana's Foreign Policy.

Performance in 2014 and Outlook for 2015

International Cooperation Programme

233. Mr. Speaker, in pursuit of peace and security in the West African sub-region, the Ministry hosted a meeting to review multidimensional responses and initiatives taken to help resolve the Mali crisis, and held two meetings of Security Chiefs and Heads of States and Governments of the ECOWAS region to find robust responses to the threat posed by Boko Haram to Nigeria and the entire sub-region.
234. Ghana also participated in the Cote D'Ivoire meeting of the ECOWAS Mediation and Security Council to review the situation in Guinea Bissau.

235. In 2015, the Ministry will continue to develop, coordinate and articulate Ghana's position at regional, continental and international conferences on matters relating to the promotion of international peace, security and sustainable development.
236. Mr. Speaker, to influence and promote favourable perceptions about Ghana, the Ministry will sustain the trust and goodwill among principal political and economic actors abroad, including major companies with branches in Ghana.
237. Mr. Speaker, the Ministry pursued the policy of ensuring peace and stability in the West African sub-region for the promotion of sustainable development, trade, investments, tourism and greater integration. Ghana was thus recognized by our West African neighbours and rewarded with the election of H.E. President John Dramani Mahama as Chairman of ECOWAS due to the pivotal roles played in Côte d'Ivoire, Mali, Guinea and Equatorial Guinea. The Ministry also hosted the 45th Session of the ECOWAS Authority of Heads of States and Governments.
238. Mr. Speaker, the Ministry facilitated the hosting of 20 Trade Fairs and Solo Exhibitions in China, Turkey, Côte d'Ivoire, Liberia, Burkina Faso, Nigeria and South Africa among others. The Ministry also registered 19 Ghanaian companies and 38 products under the ECOWAS Trade Liberalization Scheme (ETLS), to enhance Ghana's exports to the sub-region and assisted in the co-ordination of divergent positions of ECOWAS States on the signing of the Economic Partnership Agreement (EPA) with the European Union (EU).
239. Mr. Speaker, in 2015, the Ministry will continue to participate and report on ECOWAS meetings aimed at promoting peace, stability and accelerating the economic integration of the sub-region, including the effective implementation of the ETLS.
240. The Ministry will also facilitate the participation of Ghanaian companies in trade fairs abroad and vice versa as well as report on multilateral and trade meetings in order to take full advantage of preferential access to markets abroad. In that connection, Ghana will lead the ECOWAS team to ensure the formal signing of the EPA with the EU as soon as possible.
241. Mr. Speaker, Ghana hosted some high-level visits of African leaders including the President of Guinea, Alpha Conde and the Ethiopian Foreign Minister Dr. Tedros Adhanom Ghebreyesus to discuss sub-regional, continental and global issues, as well as enhance bilateral relations. A delegation participated in the CENSAD Meeting of 27 African countries in Khartoum, Sudan to discuss threats posed to countries of the Sahelian region by extremists.

242. The Ministry on behalf of Ghana signed General Cooperation Agreements in tourism and fisheries as well as visa waiver agreements with Seychelles and Mauritius, whilst that of Democratic Republic of Congo and Liberia covered infrastructure development, energy, tourism and transport.
243. Mr. Speaker, Ghana was among 5 countries selected to work on the implementation of the Africa Union's Bahisdar Retreat on the AU's Agenda for 2063. This Agenda is a programme of social, economic and political rejuvenation that links the past, present and the future in order to create a new generation of Pan Africanists that will harness the lessons learnt and use them as building blocks to consolidate the hope and promises of the founding parents for a true renaissance of Africa.
244. In the area of multilateral diplomacy, the Ministry actively facilitated and participated in summits, meetings, conferences and workshops of International Organizations including that of the United Nations, the African Union, the Commonwealth and the Non-Aligned Movement to articulate Ghana's views on the promotion of mutual understanding on global issues and sought solutions to challenges that currently confront international peace, stability and development.
245. In 2015, the Ministry will continue to facilitate the strengthening of Ghana's bilateral diplomacy especially with African and BRICS countries as well as other Development partners by leveraging our democratic and governance credentials to promote political and economic interests abroad.
246. In line with the newly developed Diaspora Engagement Policy, the Ministry created the Diasporan Affairs Bureau (DAB) as an interface between Government machinery and Diasporan populations by enhancing the promotion and protection of the welfare of Ghanaian nationals abroad, in order to address their concerns and effectively integrate them in the national development effort.
247. Mr. Speaker, Ghanaian citizens abroad were provided with consular assistance. In 2015, the Ministry will continue to enhance the promotion and protection of the welfare of Ghanaian Citizens abroad, provide consular services, negotiate migration partnership agreements with destination countries and mobilize Ghanaian communities abroad to participate in national development.

Passport Administration Programme

248. Mr. Speaker, the Passport Office in the first half of the year, produced 226 diplomatic passports, 120 service passports and 109,232 ordinary passports for applicants in the country to facilitate their travels outside the country and for identification.

249. In 2015, the Ministry will employ the use of ICT to establish online application systems to facilitate applications for biometric passports, national identification cards and visas both locally and internationally. The Ministry will also set up Biometric Passport Application Centres in selected Ghanaian Missions abroad. These measures are aimed at improving the delivery of services.
250. For the implementation of the above programmes and activities, an amount of GH¢271,324,509.00 has been allocated. Out of this, GH¢210,696,969 is GoG, and GH¢60,627,540.00 is IGF.

MINISTRY OF FINANCE

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

Performance in 2014 and Outlook for 2015

Economic Policy Management Programme

252. Mr. Speaker, the Ministry with the support of other relevant stakeholders, estimated the 2015-2017 Gross Domestic Products (GDP) which forms the basis for domestic revenue projections, debt strategy and general government expenditure plans, as well as the computation and establishment of budget targets, including the various budget balances.
253. The Ministry estimated and certified the 2015 Petroleum Benchmark Revenue and published and gazetted quarterly Petroleum Receipts and prepared the 2013 Annual Report on the Petroleum Funds as part of measures for the implementation of the Petroleum Revenue Management Act (PRMA).
254. A consultative workshop for the review of PRMA was organised for Parliamentary Select Committees on Mines and Energy and Petroleum and Finance for their inputs.
255. In 2015 crude oil production is projected **to 39.06 million barrels**. It is expected that the first gas from Jubilee field will be realized in 2015. Upstream gas production is projected at 77.18 mmscf with the Ghana National Gas Company's (GNGC) processing facility operating at 50 percent capacity.
256. Mr. Speaker, the Ministry undertook a mini survey on the effect of illegal mining activities on agricultural production in Ghana to inform policy-makers about the extent to which the illegal mining activities have affected agriculture and the economy.

257. Mr. Speaker, in furtherance of Government policy to use Public Private Partnership (PPP) as an alternative source of financing infrastructure development in the country, the Ministry organised sensitization workshops for SOEs. To ensure the successful implementation of PPP, Project Development Fund, Infrastructure Facility Fund and Viability Gap Scheme are being established. In addition, a comprehensive capacity development programme was organized for MDAs and MMDAs on the use of the Public Investment Management System (PIMS) software to facilitate the smooth development and management of Public Investment Programme (PIP).
258. Mr. Speaker, the Ministry continued to implement the recommendations of the Financial Sector Strategic Plan Phase II (FINSSP II) 2012-2016 with a view to deepen, broaden and strengthen the financial sector. In this regard, the Ministry established the Ghana Alternative Market (GAX) to provide a window for SMEs to access the capital market and introduced the cash-upon-service system (no cash no premium) for the insurance industry to address the issue of insolvency. In addition, Bank of Ghana established the Department for Other Financial Institutions Supervision (OFIS) to supervise microfinance institutions.
259. Mr. Speaker, the Ghana Statistical Service commenced the implementation of activities under the Ghana Statistics Development Project to strengthen the National Statistical System and ensure the timely provision of adequate policy-oriented statistics. In 2015, the Service will continue implementing activities outlined in the Project.
260. The Service focused on the implementation of the post 2010 Population and Housing Census activities; specifically, re-demarcation of the 46 newly-created districts; preparation of District Census analytical reports for the 216 MMDAs, finalized and disseminated the national and regional census analytical reports in addition to the Census Atlas and the demographic, social and economic and housing tables.
261. Mr. Speaker, during the period under review, key activities of the Ghana Living Standards Survey 6 (GLSS 6), such as the preparation of the consumption aggregates for the construction of the poverty line, and the main GLSS 6 report as well as reports on Ghana's poverty profile, labour force, child labour and community facilities were completed and the key findings disseminated.
262. Mr. Speaker, the Service implemented the Integrated Business Establishment Survey (IBES) Phase I activities, which entailed a census of all establishments in the country. The expected key outputs from IBES Phase I are an Establishment Register and statistics on employment in Ghana.

263. The Service also initiated the 2014 Ghana Demographic and Health Survey (GDHS). Activities that were implemented included the pilot survey, training and the commencement of the main field data collection.
264. Mr. Speaker, in 2015, implementation of the Census of Agriculture, the Ghana Demographic and Health Survey as well as IBES Phase II which seeks to collect detailed operational data from a nationally representative sample will continue.
265. The Service will also focus on the production of crucial economic indicators such as the Consumer Price Index, Producer Price Index and related monthly inflation rates, Prime Building Cost Indices, annual and quarterly GDP estimates, among others.
266. Mr. Speaker, the Financial Intelligence Centre attained membership of the Egmont Group of Financial Intelligence Units (FIUs) in accordance with Regulation 42 of the Anti-Money Laundering Regulations, 2011 (LI 1987) and Financial Action Task Force (FATF) Recommendations 29 and 40. This will enable the Centre access and share intelligence with 146 other FIUs to help fight money laundering, terrorist financing and other related crimes. In addition, the Anti-Money Laundering Act, 2012 (Act 874) was amended and passed to make the Act more effective to conform to international standards.
267. In 2015, the Centre will secure a new server for Egmont Secured Web server which would ensure secure exchange of information among member FIUs and prepare a policy document on the National Risk Assessment project to enable the nation identify its AML/CFT risks (threats, vulnerabilities, impact and probability) in all sectors of the economy.

Revenue Mobilization and Management Programme

268. Mr. Speaker, in line with effort to increase domestic tax revenue the Ghana Revenue Authority (GRA) commenced the preparation of a new strategic plan for 2015-2017. The Codification of Tax Procedures and branding of GRA continued. The use of Geographic Information System (GIS) technology to identify potential taxpayers and the re-registration and re-issuing of Tax Identification Numbers for existing taxpayers continued. The authority also continued to implement Change Management training and sensitization programmes. Meanwhile the customs modernization program took off within the period.
269. Mr. Speaker, the implementation of GRAs 2015-2017 strategic plan will commence in earnest in 2015. The Authority will intensify efforts to shore up revenue through special tax audits of companies and the operations of the Rent Tax task force will be enhanced throughout the country.

270. Mr. Speaker, the Ministry pursued the mobilization and disbursement of external resources to support the national budget, improved on its operational efficiency, managed and enhanced Ghana's economic relationships with key stakeholders.
271. To improve its operational efficiency, the Ministry initiated the tender process to procure and install the Ghana Aid Information Management System (GAIMS) to support the management of donor funded interventions. The GAIMS will improve the capturing and reporting of aid information in the national budget and support the issuance of warrants for the payments under all donor funded projects/programmes.
272. To enable the Ministry to effectively plan and manage all relations with partners, the Ghana Aid Policy and Strategy (2014-2017) was revised and submitted for cabinet approval. In 2015, the Ministry will pursue the implementation of the Ghana Aid Policy and Strategy by preparing the requisite guidelines and sensitizing relevant stakeholders.
273. In 2015, the Ministry will explore the establishment of a pool-funded and well-coordinated arrangement of monitoring of projects/programme in addition to improving its Summer School Concept. The Project Readiness Filter will also be deployed to bolster efforts aimed at communicating development results with stakeholders. Quarterly bulletins and donor compendiums will be compiled and published.

Expenditure Management Programme

274. Mr. Speaker, the Ministry successfully implemented the new budgeting approach, the Programme Based Budgeting (PBB). To this end, the 2014 Budget Statement and Economic Policy and the Annual Estimates of all MDAs were presented in PBB format, and subsequently approved by Parliament.
275. Mr. Speaker, the Ministry continued to facilitate and coordinate the budget development process by reviewing and circulating the 2015-2017 budget preparation calendar, as required by section 153 of the Financial Administration Regulations (FAR). In addition, the Budget Framework Paper was prepared and submitted to H.E the President outlining the anticipated macro-fiscal challenges to the development of the 2015 budget.
276. Mr. Speaker, in compliance with section 152 (1) of the FAR, the Ministry prepared and circulated the 2015-2017 Budget Preparation Guidelines to all MDAs and MMDAs. Furthermore, the Ministry conducted policy and technical hearings for all MDAs to discuss their budget submission. The Ministry also held stakeholder consultations to solicit inputs for the preparation of the 2015-2017 Budget.

277. The Ministry also organized a production workshop for all MDAs to facilitate the preparation of 2015-2017 Programme Based Budget Estimates on the new Budget Preparation System, the Hyperion. In addition, the Ministry trained all Ministry of Finance Budget Officers to improve the budget preparation and coordination process, as well as collaborated with NDPC to ensure better linkage between the Budget and National priorities as contained in the National Policy Framework.
278. The Ministry coordinated the preparation of the Mid-year Review of the Budget Statement and Economic Policy and Supplementary Estimates for the 2014 financial year, which was subsequently approved by Parliament.
279. Mr. Speaker, as part of efforts to strengthen commitment control and reduce arrears build-up, the Ministry educated key stakeholders in the private sector especially, Contractors and Suppliers, on the new contract award and management processes required by the GIFMIS before commitment, works and payments as part of measures to streamline the budget execution process.
280. In 2015, the Ministry will strengthen the coordination of the preparation of the national budget by organizing training workshops to build the capacity of PPBMEs of all MDAs to deepen the budgeting process. The Ministry will continue to prepare and circulate the Budget Calendar and Guidelines as well as prepare and submit the Budget Framework Paper in line with the legal framework.
281. Mr. Speaker, the Ministry commenced the development of a strategic plan and performance management framework, including improvement of work plans and job-descriptions for the Budget Division to enhance the entire budget management process, and improve service delivery. In 2015, the strategic plan and performance management framework will be completed and implemented in line with the activities of the Budget Division.
282. Mr. Speaker, the Electronic-Payslip (E-Payslip) System that enables Government employees receive early information about their salaries and also allow them to send feedback to CAGD was deployed countrywide. Over 80 percent of government employees are using the system.
283. Mr. Speaker, an Electronic Salary Payment Voucher (E-SPV) to help in efficient payroll management and its user manual were developed and deployed in the Greater Accra and Ashanti Regions. The Department operationalized the decentralized payroll printing and piloted the processing of selected payroll transactions at four zonal centres in Sekondi, Tamale, Ho and Kumasi. In 2015, the E-SPV will be deployed to the rest of the country.

284. As part of implementation of GIFMIS the Electronic Funds Transfer (EFT) system of payment that enables direct payment into the accounts of suppliers was deployed and this has improved the efficiency in the payment system.
285. Mr. Speaker, a Third Party Reference System (TPRS) to improve the credibility and reliability of management of third party transactions on the payroll system was developed and stakeholders sensitized. The system enables banks, non-bank financial institutions, insurance companies and hire purchase companies check the affordability of employees before granting facilities and will be deployed in 2015.
286. Mr. Speaker, the development and set-up of the Fixed Assets Module of GIFMIS was completed and data is being populated by five pilot MDAs. In 2015, the module will be deployed to other MDAs to enable the Controller and Accountant-General's Department take inventory of public assets and create an assets database.
287. As part of automation, the department will in 2015 replace the manual Payroll input forms with Electronic Payroll Input Forms (EP-Forms) for use by all accounts and Personnel Processing Sections (PPS) at the MDAs. The system is aimed at granting access to the electronic version of the salary input form to reduce printing cost involved in the manual input forms.
288. Mr. Speaker, the Public Procurement Authority collaborated with the Public Services Commission, Office of the Head of Civil Service and the Local Government Service Secretariat and other key stakeholders to implement the Scheme of Service for Procurement Practitioners which is critical for the establishment of the Procurement Units within the public sector.
289. The Authority continued its training programme aimed at building procurement capacity within the Public Service and the Private Sector and trained 172 officials from 8 Institutions on Public Procurement Act, 2003 (Act 663).
290. Mr. Speaker, the Authority continued to update the Price Database for common user items which measures average prices across the country to serve as a guide for entities in their procurement activities especially in the area of value for money analysis.
291. Mr. Speaker, in 2015, the Authority will continue to build procurement capacity within the Public and Private Sectors. Standard Tender Documents (STDs) which are being reviewed will be completed and operationalized.

292. The Public Procurement Model of Excellence (PPME) Tool will be redesigned to enhance its features to enable Entities conduct self-assessments and improve on their performance prior to an annual assessment by the PPA.
293. The Authority will also continue with the processes for the amendments of the Act and promulgation of Regulations to the Act. Following the amendments and passage of the Regulations, sensitisation programs will be organised for various stakeholders.

Public Debt Management Programme

294. Mr. Speaker, as part of fiscal policy measures to promote effective debt management, government has a policy of borrowing at a minimal cost, consistent with prudent levels of risk.
295. The 2014 Debt Management Strategy adopted a financing strategy where non-concessional loans were highly restricted to commercially viable projects with on-lending and escrow mechanisms to ensure their recovery.
296. Mr. Speaker, with the passage of the Ghana Infrastructure Investment Fund (GIIF) Bill into law GIIF Act, 2014 (Act 877), Government will put the necessary institutional structures in place to make the Fund operational in 2015.
297. Mr. Speaker, to ensure public debt remains sustainable in the medium to long term, the Ministry together with officials from the Bank of Ghana and Controller and Accountant Generals' Department conducted a Debt Sustainability Analysis (DSA) in September, 2014. The analysis showed the public debt to be at moderate risk of debt distress. The analysis also showed an increasing debt service to revenue ratio and this will require swift fiscal adjustments in order to put the economy along the path of sustainable level of public debt in the medium term.
298. In 2015, the Ministry, will conduct, publish and implement Debt Sustainability Analysis (DSA) and revise the Medium Term Debt Strategy (MTDS) to guide borrowing. The recommendations from these reports will inform policy decisions leading to the reduction in the debt burden and insulation against other fiscal vulnerabilities.
299. Mr. Speaker, government this year again developed and published the issuance calendar in a bid to promote transparency and improve active participation in the domestic market by market participants.
300. In line with the strategy to reduce market and refinancing risks associated with the debt portfolio, government issued 4 medium-term bonds (3-Year Bond).

However, due to unstable market conditions, government suspended the 5 and 7 year issue.

301. Mr. Speaker, in 2015, government will continue to implement on-lending and escrow arrangements which started in 2014 as part of measures to ensure loan recovery from beneficiary MDAs. Additionally, government will seek to extend the maturity profile of domestic debt through the issuance of longer dated instruments to reduce the rollover and refinancing risk.
302. As part of measures to improve public debt management, the draft borrowing guidelines will be finalised and disseminated to MDAs and the investor public to facilitate the process of procuring loans.
303. For the implementation of the above programmes and activities, an amount of GH¢705,388,052.00 has been allocated. Out of this, GH¢628,273,859.00 is GoG, GH¢15,164,866.00 is IGF and GH¢61,949,327.00 is from Development Partners.

MINISTRY OF LOCAL GOVERNMENT AND RURAL DEVELOPMENT

304. Mr. Speaker, the Ministry exist to achieve a sustainable, equitable economic growth and poverty reduction through citizen participation and accelerated service at the local level within a decentralized environment.

Performance in 2014 and Outlook for 2015

Decentralization Programme

305. Mr. Speaker, a draft Consolidated Local Government Bill which seeks to harmonize conflicting laws and consolidate 5 major legislations on decentralisation into one Act, was developed to deepen local governance and decentralization. In addition, the laws establishing 6 of the Schedule II departments identified in LI 1961 were reviewed and draft legislations submitted to Cabinet for approval.
306. To improve the performance of MMDAs, indicators of the Functional and Organisational Assessment Tool (FOAT) VII were reviewed and subsequently a nationwide performance assessment of all the 216 MMDAs was conducted.
307. Mr. Speaker, in 2015, the Ministry will continue its nationwide performance assessment by conducting the FOAT VIII. The Ministry will also continue the implementation of the report on the reviewed, amended and consolidated legislation affecting local government to enhance effective and efficient service delivery and the deepening of Local Governance and Decentralization. In addition, Human Resource Units will be established in 66 District Assemblies, whilst monitoring and evaluation missions will be conducted in MMDAs and RCCs using the Results Based Management System.

308. Mr Speaker, as part of efforts at deepening fiscal decentralization, the Ministry in collaboration with the Ministry of Finance organised a national stakeholders meeting on Internally Generated Funds (IGFs). The objective was to explore innovative strategies to IGF mobilization, utilization and service delivery at the MMDAs. An Intergovernmental Fiscal Framework (IGFF) was developed to enhance transfer of funds from central government to local governments.

Local Level Development and Management Programme

309. Mr. Speaker, to provide the youth with entrepreneurial, technical and vocational skills, a total of 2,989 youth consisting of 848 males and 2,141 females were trained. Tools and equipment for catering, dressmaking, carpentry, plumbing, and electrical were distributed to all the 25 Community Development Institutions.

310. Mr. Speaker, the Ministry initiated a comprehensive Rural Development Policy to guide the overall development of rural communities. Under the Labour Intensive Public Works initiative, 24 roll-over subprojects made up of 1 school block, 13 feeder roads, 5 small earth dams and 5 climate change interventions were completed, whilst 43 small earth dams and dugouts and 2 climate change activities are at various stages of completion. The implementation of these subprojects has provided employment to 13,775 people of which 61 percent are females.

311. Mr. Speaker, in 2015, the Ministry will train 3,000 youth in vocational and technical skills whilst 300 community educators will be equipped to provide technical backstopping to RCCs and MMDAs. In addition, 400 Technical Instructors will be trained in TVET Reforms, whilst a report on the Rationalization of National Social Protection will be finalized. A policy on the Labour Intensive Public Works (LIPW) will be formulated whilst a total of 210 sub-projects will commence under the LIPW.

312. Mr. Speaker, following the Presidential directives to Assemblies to complete the implementation of the Street Naming and Property Addressing (SNPA) exercise, a Policy Guidelines and Operational Manual for Street Naming and Property Addressing (SNPA) for MMDAs was developed. In line with the directive, various equipment were provided to all Assemblies to speed up work on the street naming exercise and as such most principal streets in our cities and towns are properly named and signage properly erected.

313. Mr. Speaker, in 2015, the Ministry will continue to facilitate the implementation of the street naming exercise by MMDAs in line with street naming policy and guidelines with emphasis on spatial data capture and installation of signage.

314. Mr. Speaker, the Department of Parks and Gardens continued its core mandate of ensuring proper landscaping and beautification of our cities. In this regard, the grounds and gardens of the Flagstaff House, the Peduase Lodge, State House and all R.C.Cs' throughout the country were maintained. Maintenance works were also carried out on landscaped areas of roundabouts, road medians and shoulders as well as some recreational parks in the country including Nationalism Park, the Independence Square and the Asomdwee Park.
315. In 2015, the Department of Parks and Gardens will continue with the promotion of landscape beautification in the built and natural environment, develop programmes for floral beautification of our cities and towns, collaborate with MMDAs in the establishment of public parks and promote ecotourism.
316. Mr. Speaker, medicinal and aromatic plant species were cultivated for conservation, whilst rare and endangered plant species were also identified for multiplication. Various communities, districts and other organized groups were supplied with over 54,100 tree seedlings for urban afforestation. The Department in collaboration with the Botany Department of the University of Ghana undertook a collection of plant species to feed the Biodiversity Information Facility.
317. In 2015, the Department in collaboration with the Botany Department of the University of Ghana and other stakeholders will continue the documentation of national information facility for the sharing of digital biodiversity data.

Environmental Sanitation and Management Programme

318. Mr. Speaker, the Ministry under the Community Led Total Sanitation (CLTS), undertook activities in 7 regions, except in Ashanti, Western and Greater Accra. In all, 3,000 out of over 5,000 communities were declared Open Defecation Free (ODF). In addition, 1,500 CLTS field officers were trained in facilitation, supervision, monitoring and evaluation. An information management system called BASIS was developed and rolled out in 5 of the current 7 CTLS regions to aid reporting. In 2015, the Ministry will scale up activities under the CLTS to cover all regions in the country. A results-based M&E system for environmental sanitation to accurately capture, process and analyse data for national statistics will be deployed.
319. Mr Speaker, in 2015, the Ministry will scale up activities under the CLTS programme to cover all regions in the country. As part of the implementation of the Urban Renewal Programme, the Ministry will deploy the bio-fill toilets to households and institutions as part of measures to increase access to improved sanitation in the country. This will be done through micro- finance/credit schemes to ensure flexible and affordable payment terms.

320. A 3-way solid waste segregation program was piloted within the Ministry. The program is to ensure waste reduction, reuse and recycling to facilitate value addition to the waste we generate. It involves the provision of Green, Blue and Brown coloured bins to receive organic, plastic and paper wastes, respectively. In 2015, the program will be rolled-out to all MDAs and MMDAs. In collaboration with the private sector, Community Buy-back Centres will be set-up to buy sorted materials to feed relevant domestic factories.
321. Mr Speaker, the proper treatment and disposal of waste in the country is still a major challenge to Government. In this light, a sewerage treatment plant was constructed at Legon to serve the University of Ghana and its environs. A sewage dewatering plant was also installed at Korle Gonno to reduce the amount of sewage that is discharged into the sea.
322. Mr Speaker, in 2015, the Ministry through PPP arrangements will provide more compost and recycling plants in the country in order to address the solid waste menace confronting the nation.

Socio-Economic Interventions Programme

323. Mr. Speaker, a total of 1,677 compared to a target of 200 farmers adopted the Zai technology for maize and soya production which resulted in the increase of yields of maize from 350kg/acre to 1,199 kg/acre. A total of 1,133 acres of maize was cultivated. Improved variety of Onions such as the "Galmi" was introduced to farmers in the Bawku West District which resulted in improved incomes.
324. Mr. Speaker, to streamline the activities and deepen the operations of the School Feeding Program, a National School Feeding Policy was developed and submitted to Cabinet for approval. Beneficiaries of the Programme increased from 1,582,402 pupils in 4,545 schools in 2013 to 1,740,000 pupils in 4,881 schools in 2014. The programme provided ready market to farmers and employed 20,000 caterers and cooks nationwide. In 2015, the Policy will be launched and implemented.
325. Mr Speaker, the Ministry will roll- out the small and medium enterprise development program in selected Districts in 2015. The objective of this program is to reduce poverty through productive employment opportunities in beneficiary Districts.

Births and Deaths Registration

326. Mr. Speaker, a total of 358,378 births and 36,341 deaths were registered and issued with certificates during the period ending September, 2014. All regions were computerized and local area networks established with the exception of the Upper East region whilst 54 additional registration centres were also established in 54 communities.

327. In 2015, the Registry will continue to register births and deaths whilst the turnaround time for issuing of true certified copies of entries of births and deaths will be reduced from two weeks to one week.
328. For the implementation of the above programmes and activities, an amount of GH¢290,983,971.00 has been allocated. Out of this, GH¢47,721,742.00 is GoG, and GH¢243,262,229.00 is from Development Partners.

NATIONAL MEDIA COMMISSION

329. Mr. Speaker, the goal of the Commission is to promote free, independent and responsible media to sustain democracy and national development. In line with this, the Commission ensures professional media practice by setting, monitoring and enforcing standards.

Performance in 2014 and Outlook for 2015

Media Regulation Management Programme

330. Mr. Speaker, in line with the policy to sensitize journalists and media owners and deepen its partnership with other stakeholders to ensure professionalism in the media, the Commission held series of dialogues with the Ghana Independent Broadcasters Association, Ghana Journalist Association and the Private Newspaper Publishers Association. This resulted in the reduction of the number of complaints received by the Commission. In 2015, the Commission will continue its ongoing interactions with key stakeholders in order to deepen our collective commitment to peace building and national development.
331. In 2015, the Commission will strengthen efforts towards media and peace building by improving policy and legislation on media regulation. Media monitoring systems will be established in all regions to help rectify weaknesses in professional media practice whilst media stakeholders will continue to be engaged on how to use the media to promote national development.
332. Mr. Speaker, the Commission will continue efforts at reducing hate speech and factional incitement in the media, by setting up functional regional offices in the Ashanti, Volta, Upper East and Northern regions, to monitor the media and provide back up for peace building initiatives in politically sensitive regions and those currently recovering from conflict.
333. Mr. Speaker, to ensure effective regulation of the media, the Commission will contribute towards the passage of the Broadcasting law and subsidiary legislation to clarify the operational strategies and approaches of its work.
334. The Commission will establish Regional Media Advisory Committees, to advice on matters pertaining to media professional standards, language and broadcasting

policy, and dynamics of culture, politics and media. The Committees will be trained in the media complaints settlement process to bring justice to the door steps of the people.

335. For the implementation of the above programmes and activities, an amount of GH¢2,899,648.00 has been allocated.

NATIONAL DEVELOPMENT PLANNING COMMISSION

336. Mr. Speaker, 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 2014 and Outlook for 2015

National Development Policy, Planning, Monitoring and Evaluation Programme

337. Mr. Speaker, the National Development Planning Commission finalized the Ghana Shared Growth and Development Agenda (GSGDA) II 2014-2017, the successor framework to GSGDA I 2010-2013. Furthermore, the Commission developed and provided orientation on the planning guidelines for preparation of the Medium-Term Development Plans by Sector MDAs and District Assemblies.
338. The Commission monitored the implementation of strategies to achieve the policy objectives in the GSGDA I and reported progress on the core national indicators in the 2013 Annual Progress Report (APR). It further reviewed the national core indicators to track the implementation of the GSGDA II. A Legislative Instrument was drafted in line with Act 479 and 480 to strengthen coordination of the decentralized planning system.
339. Mr. Speaker, the Commission trained Members of the Special Committee on Poverty Reduction and the Select Committees on Local Government, Finance and Public Accounts on the National Monitoring and Evaluation Manual. This is to strengthen Parliament's oversight responsibility in tracking the implementation of development programmes at the national and district levels. All MDAs and MMDAs were also trained on the manual in order to address the weaknesses in M&E reporting.
340. Mr. Speaker, in 2015, the Commission will develop a comprehensive planning model to guide long-term development planning and policy framework to provide

strategic direction for the development of the country and coordinate the implementation of the Senchi Consensus.

341. In addition, the Commission will build the capacity of all Regional Ministers and District Chief Executives in the use of the National Monitoring and Evaluation Manual. It will also review and integrate Sector and District Medium-Term Development Plans and prepare the 2014 National Annual Progress report to monitor implementation of the GSGDA II.
342. For the implementation of the above programmes and activities, an amount of GH¢6,173,672.00 has been allocated.

ECONOMIC SECTOR

MINISTRY OF FOOD AND AGRICULTURE

343. 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 2014 and Outlook for 2015

Food Security and Emergency Preparedness Programme

344. Mr. Speaker, to consolidate food security and accelerate effort towards food self-sufficiency through modernized agriculture, 40 hectares of primary materials of cassava and 5 hectares of yam mini-set technology of newly released varieties were established. Even though the area cultivated fell below the target, it led to a marginal increase in yield from 16.78mt/ha in 2013 to 16.83mt/ha and 18.27mt/ha in 2013 to 19.13mt/ha for yam and cassava respectively. In 2015, 115ha of cassava and yam planting materials will be established. This is expected to increase yield as well as enhance farm level productivity from 19.13mt/ha to 20.01mt/ha for cassava and 16.83mt/ha to 17.21mt/ha for yam.
345. A total of 60,135.5mt of maize, rice, sorghum, cowpea, soybean, groundnut, cassava, yam, plantain and citrus were targeted to be produced in 2014. However, out of 50ha targeted for maize, a total area of 36.0 ha of breeder seed maize (Obatanpa) was planted in the southern sector during the major cropping season to produce 30mt of foundation seed. The foundation seed will be used by seed growers to cultivate 133mt of certified seed for farmers. In 2015, 60,000mt of rice, sorghum, cowpea, soybean, groundnut, cassava, yam, plantain and citrus foundation seeds is targeted for production in 2015.
346. Mr. Speaker, to reduce post-harvest losses, the Ministry in collaboration with the private sector increased the National Food Buffer Stock Centres from 7 to 10 and facilitated the establishment of 2 new warehouses with a capacity of 100,000mt each. In 2015, NAFCO will construct 25,000mt capacity warehouses to store 10,000mt of rice, 10,000mt of maize and 5,000mt of soya beans and other cereals which will be held as strategic stocks.
347. Mr. Speaker, under the Ghana Commercial Agriculture Project (GCAP), US\$5 million was provided to 31 investors as matching grants to improve infrastructure in the areas of land acquisition, warehousing and marketing, productivity for agribusiness investments in the Savannah Accelerated Agricultural Development Authority (SADA) area and the Accra plains.

348. Mr. Speaker, to improve access to mechanised agriculture services, the 89 AMSECs which consist of tractors and implements, maize shellers continued to operate in the 62 MMDAs. This enabled 267,500 small holder farmers to access mechanised services on time, resulting in the cultivation of about 107,000ha of maize, rice and soya beans and other crops. In 2015, 41 more AMSECs will be established bringing the total to 130. In addition, the Ministry will carry out training programmes to improve technical skills and competence of managers and machine operators to avert premature and frequent break down.

349. Mr. Speaker, a total of 12,715.48ha of land was developed for irrigation agriculture as against a target of 9,132ha. This is expected to yield 20,370mt of rice, maize and vegetables under the irrigation/flood recession schemes and water conservation methods in 2014 cropping season. The Ministry in its effort to enhance collaboration in the agriculture sector, organized a joint sector review meeting with its key stakeholders and developed an action plan from the key recommendations. The action plan will be implemented and the reviewed Medium Term Agriculture Investment Program (METASIP I) updated in 2015.

Increased Growth in Incomes Programme

350. Mr. Speaker, this program seeks to increase incomes from livestock and cash crops by the provision of improved production inputs and enhancing value chain development. To this end, the Ministry through the production and application of 18 million doses of ND1-2 vaccines for the control of diseases in poultry, the population of poultry (including guinea fowls) increased from 63,732,000 to 67,961,000 in 2014. It will further facilitate the production of 32 million doses of ND1-2 vaccines to help control poultry diseases and thereby increase the poultry population by 8 percent to 73,423,000 in 2015.

Marketing of Agricultural Produce and Products Programme

351. Mr. Speaker, a total of 10,748ha cotton farms were established against a target of 25,000ha and this has improved cotton production in the country. In 2015, the Government in collaboration with private sector will continue to support cotton farmers to produce for export. In other to explore the full potential of the cotton crop as a cash income source for farmers, government will establish a Cotton Development Authority as a regulator for the sector.

352. Under the Root and Tuber Improvement and Marketing Programme (RTIMP), the Ministry fabricated a home-made GRATIS dryer for the production of high quality cassava flour (HQCF) for the bakery and pastry industry.

Management of Land and Environment Programme

353. Mr. Speaker, under this program, the Ministry will facilitate the implementation of Sustainable Land and Environmental Management (SLEM) practices in agriculture. Emphasis will be laid on increasing the resilience of agricultural

production systems against global climate change. The Ministry in collaboration with Environmental Protection Agency (EPA) evaluated and recommended a total of 247 pesticides for registration by the Pesticide Technical Committee. Out of this, 130 attained full registration whilst 117 had partial status.

354. In 2015, the remaining 117 pesticides will be registered and this will eventually enhance productivity. Furthermore, in collaboration with the Ministry of Local Government and Rural Development (MLGRD), MOFA will start issuing "Green Label" certificates to vegetable farmers who produce under hygienic conditions to ensure food safety.

Science and Technology in Food and Agricultural Development Programme

355. Mr. Speaker, the Ministry produced and exported 2.54 million doses of ND1-2 to Niger and Gambia. Furthermore, a Memorandum of Understanding (MoU) has been signed with Niger to supply 2 million doses of the same vaccine by the end of the year. In view of the increased demand for the ND1-2 vaccines in the sub-region, the Ministry plans to produce 32 million doses for both domestic and international markets in 2015.
356. The Ministry launched the e-Agriculture program countrywide. Approximately 350,000 subscribers have accessed the platform on test-run which resulted in 38,000 active members who received electronic extension messages in their local dialects. An increased understanding of the messages disseminated will lead to improved productivity.
357. Mr. Speaker, in collaboration with CSIR, 5 new varieties of cassava were released for food and industrial use. New technologies adopted included the root stock of cashew raised at Wenchi Agricultural Station and Cocoa Research Institute of Ghana (CRIG) at Bole. Furthermore, adaptive trials were conducted on Guar gum, a new crop introduced by MoFA, at the Asuansi Agricultural Station. The station preliminary result revealed that the crop has no potential pest or disease that will affect our indigenous crop. The Ministry is collaborating with FAO on various varieties of Quinoa grain crop for adaptability trials in the agricultural stations. In 2015, the technologies being adapted will be closely monitored to ensure that the crops are released for cultivation.

COCOA SECTOR

358. 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 continued. These measures were to ensure efficiency through streamlining of activities, interventions and programmes and contribute efficiently to growth in the cocoa sector.

359. Mr. Speaker, for the 2014/15 crop year an amount of US\$1.7 billion was raised in the syndicated loan market, as compared with the US\$1.2 billion drawn during the 2013/14 cocoa season. The loan was acquired to facilitate the implementation of programmes and activities in the cocoa sector.
360. COCOBOD during the 2013/14 season purchased 896,187 tonnes compared to a target of 830,000 tonnes. For the 2014/15 crop season a crop size of 850,000 tonnes is estimated.
361. Mr. Speaker, Government reviewed upward the producer price by 62.74 percent from GH¢3,392.00 per tonne to GH¢ 5,520.00 per tonne for the 2014/15 cocoa season. Government together with COCOBOD also agreed to pay a bonus of GH¢5.00 per bag of 64kg gross weight to farmers at the time of sale of their produce.
362. COCOBOD continued with the Cocoa Hi-Tech Fertilizer Application and the Cocoa Disease and Pests Control (CODAPEC) programmes and provided operational inputs in the 2013/2014 cocoa season. The Seed Production Unit of COCOBOD also provided planting materials to cocoa farmers to ensure high productivity.
363. The free fertilizer application (Hi-tech) programme for cocoa farmers will continue during the 2014/15 crop year to encourage cocoa farmers to boost and sustain production.
364. Government and COCOBOD acknowledge the importance of the need to control pests and diseases that attack the cocoa crop. It is therefore committed to the continuation of the mass cocoa spraying exercise under the Cocoa Diseases and Pests Control Programme (CODAPEC). This will help manage cocoa diseases and pests such as black pod and capsids.
365. COCOBOD provided support for the Scholarship Trust Fund, 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 2014/15 crop year COCOBOD will continue to support the aforementioned programmes.
366. The Government will continue activities to boost cocoa consumption and utilisation through the sensitisation of the citizenry on the health and nutritional benefits of cocoa.
367. The Cocoa Research Institute of Ghana (CRIG) spearheaded the implementation of the Coffee Revamping Programme and provided technical backstopping to increase production for export and local consumption. It will also continue to develop new products from by-products of cocoa, coffee and shea.

368. To enhance the livelihood and standard of living of people in the 3 northern regions, the Shea Unit was established to revamp the shea industry. COCOBOD will continue funding the Unit as part of its operational activities.
369. For the implementation of the above programmes and activities, an amount of GH¢411,821,430.00 has been allocated. Out of this, GH¢263,630,080.00 is GoG, GH¢1,805,913.00 is IGF and GH¢146,385,437.00 is from Development Partners.

MINISTRY OF FISHERIES AND ACQUACULTURE DEVELOPMENT

370. Mr. Speaker, 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 2014 and Outlook for 2015

Fisheries Resource Management Programme

371. Mr. Speaker, to sustainably manage our fisheries resources, 9,000 canoes were registered and 530 vessels of all categories licensed. Phase 1 of the Fisheries College at Anomabo and the Turnkey Fish Processing Factory at Elmina are about 30 and 35 percent complete respectively. The construction of Fisheries cold store at New Takoradi is completed, bringing the total number of cold stores constructed to six.
372. The Ministry also collaborated with the private sector to conduct a study on Fishermen Life Insurance Scheme to protect fishers in the sector. The Pilot phase of the scheme will be implemented in 20 coastal and 10 inland fishing communities including Kpong, Ada, Axim, Dixcove and Elimina in 2015 with private sector participation.
373. Mr. Speaker, to promote effective and efficient management of fisheries resources, community-based committees will be formed in Teshie, Keta, Kpong and Elimina. About 139,155 fishers will be sensitized on climate change mitigation measures and a functional database established on aquatic fisheries resources as well as 13,000 marine canoes registered and embossed.
374. A national campaign will be organized on new guidelines on vessels licensing and registration. The construction of the Fisheries College at Anomabu and the Turnkey Fish processing factory at Elmina will be continued. Two fishing harbours will be constructed in Accra and Elmina, and 25 fish landing sites (marine and inland) developed at various fishing communities including Axim, Abotoase, Keta, Teshie, James Town, Gomoa Fetteh and Kpando Torkor.

Aquaculture Development Programme

375. Mr. Speaker, over 27,000mt representing 67.5 percent of the fish from aquaculture production target of 40,000mt was achieved. A National Aquaculture Guidelines and Code of Practice for the issuance of aquaculture permits as stipulated in the Fisheries Regulations, 2010, (LI 1968) was developed. The Ministry collaborated with the private sector to conduct feasibility studies on accelerating aquaculture fish production through a nucleus-out grower, input credit and start-up credit schemes. The objective is to augment domestic fish production, increase fish export and reduce the importation of fish and fishery products in the medium to long term.

Monitoring, Control and Surveillance Programme

376. Mr. Speaker, to enforce Fisheries Laws and Regulations on Illegal, Unreported and Unregulated (IUU) fishing, 79 fishing vessels were fitted with Vessel Monitoring Systems (VMS). The VMS aided the arrest of 14 vessels that were prosecuted for their involvement in IUU fishing activities. In addition, over 1000 illegal fishing nets and 300 generators and accessories were confiscated by the Fisheries Enforcement Unit. The Ministry will continue to undertake these monitoring activities to reduce the incidence of illegal fishing activities on our waters.
377. Mr. Speaker, in 2015, the Ministry will also review the Fisheries Act, Act 625, 2002, train 20 judges and prosecutors on adjudication of fisheries law infractions, conduct monthly patrols and establish fisheries enforcement units at Kpando-Torkor, Yeji, Buipe, Keta and Elmina.

Aquatic Animal Health and Post-Harvest Programme

378. Mr. Speaker, the Ministry rolled out a Fish Inspection System at Takoradi, Tema and Elmina to ensure the production of safe and quality fish and fish products for domestic consumption and export to prevent and control the spread of fish diseases. Fifty fish processing establishments were inspected, 30 farms and hatcheries certified, 126 staff sensitized on fish health and sanitation and modern technologies to reduce post-harvest losses. The Laboratory for Fish Health Inspection is 75 per cent complete and will be fully operational in 2015.
379. For the implementation of the above programmes and activities, an amount of GH¢72,514,577.00 has been allocated. Out of this, GH¢43,395,345.00 is GoG, GH¢11,154,940.00 is IGF and GH¢17,964,292.00 is from Development Partners.

MINISTRY OF LANDS AND NATURAL RESOURCES

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

Performance in 2014 and Outlook for 2015

Forest and Wildlife Development and Management Programme

381. Mr. Speaker, a new Forest and Wildlife Policy was launched and implementation has commenced. The new policy has shifted focus from over reliance on timber harvesting to conservation of biodiversity and watershed management which will provide long term benefits to all Ghanaians. The policy also encourages reforestation and restoration of degraded landscapes.
382. Ecotourism continued to be promoted as part of efforts to diversify revenue sources within the forestry sector. In this regard a number of initiatives including the transformation of the Achimota Forest into a World Class ecotourism facility to be known as Accra Eco-park was initiated. The Ministry will continue to explore measures to attract potential investors to participate in developing other potential ecotourism destinations in the country.
383. Mr. Speaker, a national wood tracking system under the Voluntary Partnership Agreement between the Government of Ghana and the European Union was installed. Under the agreement, Legality Audit and verification was conducted in four forest districts to enable Ghana export timber products to the EU.
384. As part of efforts to strengthen law enforcement in the forestry sector, 31 officers of the Forestry Commission were trained as Public Prosecutors and deployed to the regions to prosecute forest offences which hitherto were performed by the Ghana Police Service. The Ministry will evaluate the operations of 8 existing Rapid Response Teams, establish and resource 5 more teams to cover other forest reserves in the country.
385. The Ministry will ensure the reduction of impacts of climate change through forest adaptation and mitigation activities. This will enable the Ministry access result-based finance for the full implementation of REDD+ activities to address drivers of deforestation and forest degradation.

Minerals Resource Development and Management Programme

386. Mr. Speaker, to increase local content in the mining industry, the Minerals Commission collaborated with industry to develop the first edition of the local procurement list which comprises 8 products including grinding media, explosives, cement and cement products, electric cables, quick and hydrated lime, HDPE & PVC pipes and general lubricants.
387. The Minerals Commission is facilitating implementation of Corporate Social Responsibility (CSR) guidelines developed through extensive stakeholder collaboration. The Commission is currently reviewing the CSR reports to ensure compliance with the guidelines. The Commission will continue the

implementation of the guidelines with annual tracking system to reduce social conflicts in mining areas.

388. The Commission in an effort to improve monitoring of health and safety standards in the mining industry, as well as assaying of mineral samples collected from exploration, installed some modern equipment in its laboratory in Takoradi.
389. Mr. Speaker, in 2015, the Commission will review the country's mining and environmental guidelines, intensify monitoring visits to illegal small scale mining sites to educate miners with the aim of mainstreaming their activities and facilitate the formation of more District Mining Committees.

Land Administration and Management Programme

390. Mr. Speaker, the Ministry through the Lands Commission developed a framework to ensure a standardized decentralized procedure for land registration across the country. This will reduce bottlenecks in acquiring land titles and deeds and minimize direct contacts between clients and providers. The framework will be implemented through the establishment of Customer Service and Access Units (CSAUs) and piloted in selected regional and district offices in Wa, Bolgatanga, Tamale, Sekondi, Koforidua, Accra, Tarkwa, Winneba, Savelugu and Goaso.
391. The Ministry is generating base maps of the country through aerial photography and captured a total area of 13,000 and 12,000 sq. kms in the Northern and Southern sectors respectively. The Lands Commission is processing the orthophoto maps from the captured data to serve as inputs in developing a number of spatial activities to facilitate street naming and housing address system throughout the country and development of tourism guide maps.
392. Mr. Speaker, the Ministry in 2015 will continue to support map production for land administration; customary boundary demarcation and registration of allodial boundaries for stools, skins and families; strengthen public land management; improve land titling in Accra, Tema and Kumasi; strengthen Alternative Dispute Resolution (ADR) mechanisms in land administration and facilitate the passage of the Land and Land Use Planning Acts. The Ministry will also facilitate the refurbishment and automation of selected courts in Sekondi-Takoradi, Tamale and Kumasi, the production of Regional Spatial Development Frameworks and District Structure Plans for 4 regions and 20 districts respectively.

Land and Maritime Boundary Management Programme

393. Mr. Speaker, the Ministry continued the defence of Ghana's submission before the UN Commission on the Limits of the Continental Shelf (CLCS) in a series of sessions. The Ministry finalized issues regarding submission and subsequently took our turn at the Plenary of the UN CLCS in New York in March this year to affirm recommendations of the sub-commission established to examine Ghana's

submission. Ghana is currently awaiting the United Nations' final determination of its claim to extend the Continental Shelf beyond 200 Nautical Miles of the Exclusive Economic Zone.

394. Mr. Speaker, the Ministry will in 2015 aid the inspection of buffer zones and checks on the status of planted teak trees. It will also inspect and ensure maintenance of regional and district boundaries, facilitate planting and re-planting of teak trees, surveying and re-fixing of destroyed boundary posts along all the international boundaries. It will also continue technical and diplomatic negotiations with Cote d'Ivoire, Togo and Benin on maritime boundaries delimitation.
395. For the implementation of the above programmes and activities, an amount of GH¢276,234,724.00 has been allocated. Out of this, GH¢93,959,587.00 is GoG, GH¢129,315,903.00 is IGF and GH¢52,959,234.00 is from Development Partners.

MINISTRY OF TRADE AND INDUSTRY

396. Mr. Speaker, the Ministry exists to formulate, implement, monitor and evaluate trade, industry and private sector policies and programmes to make Ghana a major manufacturing, value added, competitive and export-oriented economy and thus contribute significantly to inclusive sustainable economic growth and development.

Performance in 2014 and Outlook for 2015

Trade Development Programme

397. Mr. Speaker, the Ministry through its Made-In-Ghana promotions of Goods and Services via initiatives such as the National Everyday Wear Programme and the Web-Based Product Gallery which enables SMEs exhibit their products on the world wide web, succeeded in displaying over 5000 products from 700 enterprises in Upper East, Upper West, Northern, Brong Ahafo and the Central Regions on the website.
398. The Ministry in 2015 will further support the initiatives and expand the scope to cover other strategic products such as rice and poultry. The five remaining regions will also be covered under the Web-Based Product Gallery initiative.
399. Mr. Speaker, Cabinet approved the Consumer Protection Policy aimed at creating the policy space for increased consumer confidence and strengthen consumer position in the marketplace. The policy is also expected to address concerns and needs of consumers. In 2015, the framework law will be enacted to establish a public agency that will ensure effective consumer redress to enhance their welfare.

400. Mr. Speaker, the Ministry in collaboration with the Ghana Export Promotion Authority (GEPA) and other trade-related institutions carried out the inception phase of the National Export Strategy (NES). The Ministry will in 2015 commence full implementation of the strategy.
401. Mr. Speaker, GEPA trained about 320 producers and exporters on export fundamentals with the aim of improving their competitiveness. The Authority will in 2015 design and implement tailor-made training programmes to address specific challenges of exporters. It will also pursue other trade promotion programmes to ensure that Ghana remains the preferred supplier of non-traditional export products, and a major investment destination within the ECOWAS sub-region.
402. The Ministry engaged in bilateral trade arrangements and agreements with strategic countries including Canada, USA, Burkina Faso, Botswana, South Korea, Guinea, Iran, Brazil and Japan to take advantage of opportunities in their markets, foster business cooperation and technology transfer as well as encourage Foreign Direct Investments.
403. Mr. Speaker, in 2015, the Ministry will continue to deepen its relations with these countries and engage relevant MDAs with trade-related functions and neighbouring countries for effective implementation of the ECOWAS Trade Liberalization Scheme (ETLS), the ECOWAS Common External Tariff (CET) and other ECOWAS Trade-related protocols.
404. Mr. Speaker, with the expected coming into force of the ECOWAS-EU Economic Partnership Agreement (EPA) in January 2015, the Ministry plans to adopt recommendations resulting from a study on managing the possible impact of the EPA on the economy for implementation. The Ministry will also continue its efforts to advance Ghana's interest within the ongoing negotiations in the World Trade Organization (WTO).

Business Development and Promotion Programme

405. Mr. Speaker, GRATIS Foundation in collaboration with Plan Ghana, Korea International Cooperation Agency and Hyundai successfully completed infrastructural works at the GRATIS Centre in Koforidua in the Eastern Region. The Centre which consists of a computer laboratory, library, science laboratory and 3 fully furnished lecture halls, offers practical training in modern automobile technology.
406. Mr. Speaker, the Foundation continued to execute its mandate of providing training in various engineering and processing fields to the Ghanaian youth. In this light it trained 241 vulnerable persons in various food processing and other

income generating skills, 120 in occupational safety health and environmental issues in food processing and 65 master craftsmen in various engineering skills.

407. The Foundation also manufactured 824 agro-processing equipment to support the activities of SMEs, 8 new products for use in the agro processing sector were also successfully designed, manufactured and tested and are currently available for sale. GRATIS in 2015 will continue to train craftsmen and apprentices as well as manufacture agro-processing equipment.
408. Mr. Speaker, the National Board for Small Scale Industries (NBSSI) provided Business Development Services (BDS) through 170 Business Advisory Centres (BACs) across the country. A total of 21,797 entrepreneurs made up of 9,832 males and 11,965 females were trained to enhance their competitiveness. The NBSSI also assisted 256 SMEs to formalize their businesses with the Registrar General's Department and the Ghana Standards Authority, as a means to improving access to credit for business growth leading to employment creation.
409. Mr. Speaker, the Ministry under the Small Medium Enterprise and Entrepreneurship Development Programme, continued to facilitate the participation of emerging and existing small businesses in mainstream economic activities. The Rural Enterprises Programme (REP) in collaboration with NBSSI and GRATIS Foundation carried out business development services within rural communities at the district level. The joint institutions trained 1,619 people in the identification of self-employment opportunities and 914 owners and operators of existing businesses in management development skills to improve their business performance.
410. In 2015, REP will complete the establishment of 95 new Business Advisory Centres (BACs) to provide business development services to SMEs at the district level. In addition, 30,400 rural poor people will be provided with skills training in community-based income generating activities, small business management and marketing. Furthermore, 16,500 operators of rural, micro and small enterprises will be given all year round business counselling services.
411. Mr. Speaker, the Ministry under CEDECOM supported 10 salt producers to rehabilitate salt pans to boost salt production in the Central Region and also supported 277 farmers in the Ekumfi District to cultivate organic sugarloaf pineapple for export. The Commission also installed a 10mt per day fish storage capacity with ice block making facility at Anomabo and a storage container to support the fishing communities at Komenda. In 2015, CEDECOM will continue its social and economic intervention programmes to facilitate the growth and development of the Central Region.

Trade and Investment Promotion Programme

412. Mr. Speaker, the Export Development and Agricultural Investment Fund (EDAIF) Act was reviewed to increase its resource envelop to support manufacturing, particularly agro-processing and start-ups. An amount of GH¢154.7 million was approved to support 55 projects, of which GH¢69.5 million was allocated to 18 companies under the Export Credit and Projects Facility for manufacturing of export products including pharmaceuticals, wood processing, food processing, domestic plastic wares, alcoholic beverages and pineapples.
413. A total of GH¢32.8 million was approved under the Agriculture, Agro-Processing Development and Credit Facility for 15 companies to boost the production and processing of various agriculture products for both local and export markets. The remaining GH¢52.3 million was approved for 22 projects of MMDAs, trade associations and farmer based organizations under the Export Development and Promotion Facility. In 2015, EDAIF will establish its presence in all the 10 regions to ensure that it supports businesses in all parts of the country.
414. Mr. Speaker, to diversify market for exports, particularly the Non-Traditional Exports (NTEs) and promote trade and investment, the Ministry established four new trade offices in China, Turkey, South Africa and Japan. It is expected that these offices will help increase Ghana's exports into those countries.

Standardization and Conformity Assessment Programme

415. Mr. Speaker, the Ministry under the Trade Related Assistance and Quality Enabling (TRAQUE) Programme initiated a process to support the National Quality Infrastructure (NQI) by procuring testing and calibration equipment for Ghana Standards Authority (GSA), Food and Drugs Authority (FDA) among others. The equipment is expected to be supplied in 2015.
416. Mr. Speaker, to safeguard the health, safety and economic interest of consumers, the Ministry through the Ghana Standards Authority (GSA) developed 150 standards to guide industry and other stakeholders. It inspected 51,420 imported high risk goods at the port of entry, conducted 392 market surveillance activities and tested 10,604 product samples. The Authority also issued 690 Export Certificates and 494 Health Certificates to cover export products. In addition, 677 medical equipment were calibrated to ensure accurate results.
417. The Authority in 2015 plans to issue 1,200 Health Certificates and 1,500 Export Certificates to cover export consignments and also certify 650 locally manufactured products and 6 management systems to relevant standards. It will in addition issue accreditation to cover metrology and testing laboratories to ISO/IEC 17025:2005 to improve competitiveness of the industry worldwide.

Industrial Development Programme

418. Mr. Speaker, the Ministry initiated the Small Scale District Industrialization Initiative programme to deal with severe poverty and under-development through the promotion of accelerated economic growth and development in rural communities. The programme which is being implemented on a pilot basis in 30 districts with 3 projects in each region will achieve its objective by facilitating the development of commercially viable, export oriented and import substitution business activities at the district level. Implementation schedules for the 30 pilot projects have been prepared for roll-out in 2015.
419. Mr. Speaker, the cashew industry was supported to set up plantations to promote value addition for export. In this regard, 12,700 small holder cashew farmers in Bole, Jaman and Wenchi districts benefited from the support. Government will continue to support the industry in 2015 with the cultivation and processing of the product for export.
420. Mr. Speaker, the Ministry has prioritized among others, initiatives aimed at expanding local production of manufactured, value-added and primary agricultural products for domestic consumption and export. To this end, work commenced on the construction of the new Komenda sugar factory.
421. The Ministry will partner the private sector to develop industrial parks at strategic locations across the country with the aim of creating "industry specific" parks that take advantage of the economic and knowledge potential of that particular location. In 2015, the ministry will commence preparatory works to attract private investors into establishing an ICT Park at the Cape Coast University to take advantage of the central region as a knowledge-based hub.
422. For the implementation of the above programmes and activities, an amount of GH¢183,831,356.00 has been allocated. Out of this, GH¢39,746,660.00 is GoG, GH¢82,196,609.00 is IGF and GH¢61,888,087.00 is from Development Partners.

MINISTRY OF TOURISM, CULTURE & CREATIVE ARTS

423. Mr. Speaker, the Ministry of Tourism, Culture & Creative Arts has the mandate 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 2014 and Outlook for 2015

Tourism Product Development Programme

424. Mr. Speaker, the sector's contribution to economic growth in Ghana continued to be phenomenal. The sector continues to maintain its position as the fourth

highest foreign exchange earner after Gold, Cocoa and foreign remittances. International arrivals, which was 993,600 in 2013 is projected to reach 1,093,000 by the end of the year. In terms of employment, a total of 319,000 jobs were created in both formal and informal tourism enterprises and establishments out of which 91,000 was direct employment. In 2015, a total of 1,202,200 tourists are expected to arrive in the country and will create 392,000 jobs contributing 4.8 percent to GDP.

425. The Ministry continued working on the Accra Visitor Information Centre (AVIC) which is about 95 percent complete to provide one-stop shop information to tourists. Interventions to boost domestic tourism and stimulate hospitality and cultural businesses included; the National Chocolate Day, 9th Okwahu Hang and Paragliding Festival, Emancipation Day Celebration in Accra, Cape Coast and Assin Manso, the Grand Greater Accra Homowo Festival (HOMOFEST) alongside World Tourism Day Celebration.
426. Mr. Speaker, in 2015, the Ministry will continue the organization of the 'Ghana Carnival', Grand Greater Accra Homowo Festival (HOMOFEST), World Tourism Day Celebration and 11 festivals and special events in the regions. The Ministry will also organize sensitization seminars/durbars for traditional rulers and opinion leaders on conservation of community based eco-tourism.

Tourism Research and Marketing Programme

427. Mr. Speaker, the Ministry showcased Ghana's rich and diverse tourism and cultural products to policy makers, international travel trade practitioners, the media and investors, among others at 8 international tourism & cultural fairs in Spain, Germany, Nigeria, Morocco, South Africa, Niger, Angola and USA. Newly appointed Ambassadors and High Commissioners were engaged to assist in the promotion of tourism, culture and creative arts products in their respective missions.
428. In 2015, the Ministry will continue its efforts to position Ghana's tourism in the global market while promoting Ghana as the preferred tourist destination in Africa. Activities will include participation in International tourism and cultural conferences, fairs and exhibitions, and organization of special events such as Emancipation Day Celebration/ PANAFEST, 10th Okwahu Paragliding, National Chocolate Day and HOMOFEST.

Tourism Quality Assurance Programme

429. Mr. Speaker, in order to improve quality service delivery, the Ghana Tourism Authority inspected and licensed 3,834 tourism enterprises. The Hotel Catering and Tourism Training Institute (HOTCATT) also carried out training programmes for 79 school leavers and staff of existing service providers.

430. In 2015, the Ministry will develop standards for new tourism enterprises including conference centres, SPAs, parks, health farms, off-shore catering establishments, tour guides and tourist attractions. The Ministry will upgrade the software for the collection of national tourism levy and make it operational, provide extension services to tourism enterprise developers in 10 regions, inspect and license 4,500 informal tourism enterprises and highway rest stops. Other interventions will also include the production of 2000 pieces of plaques for licensing up-market hotels, organize 10 mobile training for hospitality service providers and school leavers to service the industry.

Culture, Creative Arts and Heritage Management Programme

431. Mr. Speaker, in pursuance of promoting Ghana's culture, the Ministry in collaboration with its cultural agencies organised 10 Regional Senior High School Drama Festivals and the National Drama Festival. It also organised 10 Regional Festivals of Arts and Culture and launched the African Cultural Renaissance Campaign for Ghana.

432. Under the auspices of the Ministry, the Ghana Museums and Monuments Board collaborated with ICOMOS to update the profile on Tongo Hills and Tengzug Shrine to be listed as world heritage sites. A round-table discussion was also organised on strategies for the sustainable management of the Forts and Castles.

433. Mr. Speaker, the Ministry implemented a number of activities to develop the creative arts industry. There were consultative meetings on the draft legal and regulatory framework. The Ministry also ratified the UNESCO Cultural Conventions which was approved by Cabinet and organized a retreat for key stakeholders on the Cinematography Bill.

434. Mr. Speaker, to harness culture and develop a competitive creative arts industry for national development, key interventions for 2015 will include the organization of cultural exchange programmes for creative artistes and officials, National Festival for Schools and Colleges, the Pappoe Thompson Choral Festival for industrial choir and Kiddafest.

435. The Ministry will also research into new dance forms to promote Ghanaian culture, develop museums, interactive programmes and organize seminars on the use of Ghanaian Languages as a potent tool for nation building. The draft legal and regulatory framework for the Creative Arts Council will be subjected to further stakeholder consultations and submitted to Cabinet for consideration.

436. For the implementation of the above programmes and activities, an amount of GH¢33,296,543.00 has been allocated. Out of this, GH¢24,727,359.00 is GoG, and GH¢8,569,184.00 is IGF.

MINISTRY OF ENVIRONMENT, SCIENCE, TECHNOLOGY AND INNOVATION

437. Mr. Speaker, the Ministry is mandated to promote sustainable development by deepening and strengthening market-driven research and development for sound environmental governance, science, technology and innovation; through intensive awareness creation, collaboration and partnership.

Performance in 2014 and Outlook for 2015

Research and Development Programme

438. Mr. Speaker, the Council for Scientific and Industrial Research (CSIR) developed pest management strategies using seed extracts of Jatrofa and Neem plants to protect groundnut pods from insects damage for a storage period of 6 months in order to reduce post-harvest loses.
439. The CSIR also developed potentially cost effective feed packages for small ruminants to improve productivity of sheep and goats as well as using root and tuber crop by-products to develop feed for livestock production, specifically for pigs. In addition it developed feed packages for commercial rearing of grasscutters to enhance meat production and livelihood of small-scale farmers.
440. Mr. Speaker, the CSIR promoted the utilization of Biochar among farmers to improve soil fertility and crop productivity. The Council established that, a combined rainwater management and soil fertility improvement techniques have better effect on seed and Biomass yields of maize and soya beans in the three Northern Regions.
441. The Council will continue the production and supply of improved breeds of tilapia and catfish fingerlings, integrated fish and poultry production, production of high quality fish feed and the extension of use of FRISMO fish smoker to female fish processors.
442. Mr. Speaker, the Ghana Atomic Energy Commission (GAEC), in its efforts to integrate nuclear power into the country's energy mix, carried out preliminary studies to zone out areas for the determination of candidate sites for nuclear power plant operation. In this regard, a Nuclear Power Unit was created at the Ministry of Energy and Petroleum to coordinate all nuclear power planning issues. In 2015, the Commission will ensure the passage of the Nuclear Regulatory Authority (NRA) Bill which is currently in Parliament for approval.

Environmental Protection and Management Programme

443. Mr. Speaker, the Environmental Protection Authority (EPA) organized awareness creation on oil spill contingency planning and response in Ellembelle, Jomoro,

Sekondi-Takoradi, Nzema East, Ahanta West and Shama districts in the Western Region and completed the Strategic Environmental Assessment of the oil and gas sector.

444. Mr. Speaker, the Authority trained 163 agricultural input dealers and 100 Agricultural Extension Assistants in pesticide regulations, safe handling of pesticide and the proper management of pesticide retail outlets. Agricultural scientists and pesticide importers were also trained and awareness created on the use of the ECOWAS harmonized pesticide bio efficacy trial protocols and the pesticide registration manual. A national capacity building project for the elimination of Poly Chlorinated Biphenyls (PCBs) from electric transformers is being implemented by EPA, Electricity Company of Ghana (ECG), Volta River Authority (VRA) and Ghana Grid Company (GRIDCo).
445. Mr. Speaker, the Authority will extend the AKOBEN, a system for rating environmental performance of organisations, to cover 2 to 5 Star Hotels and Oil Marketing Companies (OMCs), monitor and analyse air quality indicators for compliance by manufacturing industries and hotels in the Accra-Tema Metropolis.
446. Mr. Speaker, the Authority will develop a register of pesticides, industrial and consumer chemicals to enhance monitoring and prevention of imports of unregistered and banned chemicals into the country.
447. Mr. Speaker, government has shown commitment to climate change issues over the years and has regularly featured on United Nations Framework Convention on Climate Change (UNFCCC) meetings and engaged in various climate change negotiations.
448. In July 2014, H.E the President launched the National Climate Change Policy and National Environmental Policy to demonstrate the country's commitment to sustainable development devoid of pollution, environmental degradation and deforestation.
449. Mr. Speaker, in 2015, government will implement measures to undertake climate change and green economy programmes and projects that promote clean environment, job creation and poverty reduction. In addition, government will undertake Climate Public Expenditure and Institutional Review (CPEIR) leading to climate sensitive budgeting in the medium term.

Spatial Planning and Human Settlement Programme

450. Mr. Speaker, the Town and Country Planning Department (TCPD) collected data from 20 MMDAs on permitting indices and baseline data on the state of development and building permitting to ensure compliance to lay down

development schemes. In addition, 25 stakeholders were trained in Geographic Information Systems (GIS) applications related to street addressing.

451. Mr. Speaker, the Department will finalise the National Spatial Development Framework which is about 70 percent complete. Stakeholders will be trained in GIS applications related to property tax administration, street addressing and development permitting. The Department will also review and disseminate the development permitting procedures and guidelines, process the Land Use and Spatial Planning Bill and undertake public education and awareness creation on spatial planning.
452. For the implementation of the above programmes and activities, an amount of GH¢243,399,833.00 has been allocated. Out of this, GH¢146,900,650.00 is GoG, GH¢65,523,052.00 is IGF and GH¢30,976,131.00 is from Development Partners.

MINISTRY OF ENERGY AND PETROLEUM

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

Performance in 2014 and Outlook for 2015

Management and Administration Programme

454. Mr. Speaker, the Ministry as part of measures towards efficient use of energy, launched 3 energy conservation programmes namely Switch-off-deep freezers, Save-a-Watt and Save Energy/Money.
455. An energy efficiency strategy and a public education campaign documents which look at the long term strategy to reduce demand and address the current power shortage challenges were developed. Under the Energy Efficiency and Transformation of Refrigerating Appliance Market Programme, over 4,000 used refrigerators were turned in and replaced with new ones.

Power Generation, Transmission and Distribution Programme

456. Mr. Speaker work on the Kpone Thermal Power Plant is progressing and commissioning of one unit (110MW) is expected to commence by the end of the year with commercial operations for the entire 220MW starting by the first quarter of 2015. Work on the 110MW TICO expansion is about 90 percent complete and also expected to be completed by the end of the year. Feasibility studies and Environmental and Social Impact Assessment were completed on the proposed 12 MW Solar PV plant in the Upper West Region.

457. Mr. Speaker, in 2015, an additional power generation of 770MW from thermal sources and 33.5MW from renewable energy sources will be installed.
458. Mr. Speaker, pursuant to Government's policy to create a non-congested transmission system, GRIDCO commenced the Substations Reliability Enhancement Project (SREP) to improve operational reliability, security and control among others. The Sunyani-Mim 161kV line Upgrade and the Kumasi 2nd Bulk Supply Point (BSP) were completed. Work on the Tumu-Han-Wa 161kV line is 80 percent complete. The Wa and Tumu sub-stations are to be commissioned by the end of 2014. The Prestea-Bogosu 161kV line is 90 percent complete whilst the Kpando-Kadjebi 161kV line is 35 percent complete.
459. Mr. Speaker, in 2015 the Ministry will ensure the completion and commissioning of the Kpando-Kadjebi and Kpone power evacuation lines. Other projects to enhance the transmission system include the construction of 225kV Bolgatanga-Ouagadougou and 330 kV Kumasi-Bolgatanga lines. Construction of the Kumasi-Prestea 330kV line will also commence.
460. Mr. Speaker, to improve supply and operational reliability and reduce system losses, ECG undertook system loss and network improvement projects in Accra West and Teshie, upgraded 8 primary sub-stations and migrated 2,100 out of 2,555 MDAs to the prepayment metering system whilst 3 new Bulk Supply Points (BSPs) and construction of 11 new primary sub-stations commenced.
461. Mr. Speaker, in 2015, these distribution improvement projects namely 3 new BSPs, 11 new primary sub-stations, construction and upgrade of sub-stations will be completed. In addition, prepayment metering will be extended to all urban communities in 2015.
462. Mr. Speaker, in line with the goal to achieve universal access to electricity by 2016, 1,081 communities were connected to the national electricity grid in 2014. The breakdown is as follows; Self Help Electrification Project (94), Outstanding Upper West Electrification Projects (8), Northern Regional Electrification by Hunan (82), Upper East Regional Electrification (120), Extension of Upper West Electrification Project (363) and the US-Exim Bank funded Electrification Project by Weldy Lamont (414).
463. The national electricity access rate has increased from 72 percent in 2013 to 76 percent in 2014. In 2015, over 1,500 communities will be connected to the national grid from various interventions with an expected average access to electricity to 80 percent.

Petroleum Development Programme

464. Mr. Speaker, oil production from the Jubilee Field was stepped up this year with a total production of 28,017,990 barrels with an average daily production of 105,000 barrels per day. To enhance the pace of exploration activities, 8 new Petroleum Agreements (PA) were ratified by Parliament. In addition, a draft bill to replace the Petroleum Exploration and Production Law, 1984 (PNDC Law 84) to better regulate the upstream sector has been laid in Parliament for consideration and passage into law.
465. Mr. Speaker, preparatory activities for the Tweneboa, Enyenra and Ntomme (TEN) project is far advanced and is expected to come on stream in 2016. Contracts for long lead items have been awarded including the construction of the second Floating, Production, Storage and Offloading (FPSO) unit. In 2015, development activities on TEN would be accelerated to achieve the projected targets.
466. Mr. Speaker, the Gas Infrastructure Project reached a climax on 10th November, 2014 when gas reached the Gas Processing Plant (GPP) site after a successful completion of the tie-in work of the offshore pipeline to the FPSO. This marked the commencement of the pre-commissioning work on the offshore pipeline and GPP section of the project. The Energy and Petroleum Commissions have given a temporary permit to Ghana National Gas Company for gas to pass through the offshore pipeline and the GPP for commissioning. It is expected that commercial operations will commence in 2015.
467. Mr. Speaker, the Rural LPG Promotion Project entered its second phase this year. Thirteen thousand 6kg LPG cylinders and cook stoves were distributed in Tano South, Ajumako-Anyan-Essiam, Central Gonja and Tolon districts, under the Programme. The Programme will be intensified in 2015 to cover more districts.
468. Mr. Speaker, the implementation of the Local Content Regulation (L.I. 2204) commenced in 2014. This was followed by the inauguration of the Local Content Committee responsible for overseeing the implementation of Local Content regulations in the Petroleum Upstream sub-sector. A committee is developing a local content policy for the power and petroleum downstream sub-sectors which will be finalized and submitted to Cabinet in 2015.

Renewable Energy Development Programme

469. Mr. Speaker, the Ministry undertook an assessment of solar stand-alone power systems for 150 off grid basic schools in 98 districts. Fifty solar energy systems are expected to be installed by the end of the year and the remaining 100 to be installed in 2015 to power ICT facilities in off grid basic schools.

470. Three hundred and three solar street lights and 35 solar energy service centres are to be installed by the end of 2014. A total of 275 were also installed on some selected roads in Accra in 2014. An additional 100 Solar Streetlights will be installed in 2015.
471. Under Solar Lantern Promotion programme, 10,372 lanterns were distributed at subsidized rate. Procurement for additional 50,000 is at 98 percent complete and expected to be distributed in 2015.
472. For the implementation of the above programmes and activities, an amount of GH¢799,615,234.00 has been allocated. Out of this, GH¢157,665,230.00 is GoG, and GH¢641,950,004.00 is from Development Partners.

INFRASTRUCTURE SECTOR

MINISTRY OF WATER RESOURCES, WORKS AND HOUSING

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

Performance in 2014 and Outlook for 2015

Water Resources Management Programme

474. Mr. Speaker, to conserve and preserve water bodies as well as provide valuable socio-economic services, a Buffer Zone Policy was officially launched and pilot schemes set up in the Densu, Tano and White Volta river basins. In 2015, the Ministry will develop more buffers zones in degraded river basins and institute measures to enforce its implementation.
475. Mr. Speaker, to ensure uniform and adequate level of safety for all dams throughout the country, a Regulation on Dam Safety was developed and will be laid before Parliament in 2015.
476. Decentralized secretariats and Basin Boards will be set up for the Black Volta and Birim Basins. The Ministry will initiate the implementation of Integrated Water Resources Management (IWRM) plans for the Densu, White Volta and Ankobra Basins to address water resources management problems specific to each of the basins.

Urban Water Management Programme

477. Mr. Speaker, the Ministry continued with its major expansion and rehabilitation works on the following projects; Kpong Water Supply Expansion to add 40MGD of water to the supply system is about 98 percent complete. Production of water from the system will commence in 2015. The Accra Tema Metropolitan Area (ATMA) Rural Water Supply Rehabilitation & Expansion Project is completed. The Project added 9.24MGD of water to the supply system this year.
478. Mr. Speaker, the Mampong Water Supply Project was completed in May this year. Also, the Five Towns (Kibi, Osenase, Apedwa, Anyinam and Kwabeng) Water Supply Project to produce a total of 1.5MGD was completed. Boreholes are being sunk for the Anyinam system, due to pollution of the surface water source.
479. The 3.16MGD Essakyir Water Supply Project was completed. In 2015, Government will extend the supply to other communities including Gomoa Maim, Ekumfi, Otum, Mumford, Dago, Mbroboto, Ekumpono, Muna, Aboano, Sefara, Esuehyia, Akra, Asaafa, Etwaa, Nakwa, Asokwa, Abeka, Ekumfi Swedru, Essakyir, Ekroful, Otabenadze, Ataakwa and also extend to Apam Township.

480. Mr. Speaker, the Nsawam Water Supply Expansion Project to add 1.63MGD of water is expected to be completed this year whilst the Kumawu, Kwahu Ridge, Konongo Water Supply Project is 60 percent complete and will add 8.47MGD of water to the supply system when completed. The rehabilitation and expansion works of the Wa Water Supply Project and the Akim Oda, Akwatia, Winneba Water Supply Project are on-going. Work on the supply of water from Sekyere-Heman to Cape Coast and Sekondi-Takoradi is in progress.

481. Mr. Speaker, in 2015, Government will initiate actions of the Upper East Regional water supply, and Sunyani Water Supply Expansion Project, Essiama Enclave Water Supply Project, rehabilitation and expansion of water systems in Obuasi, Acherensua, Yendi, Agordome, Sogakope, Dwomo, Winneba, Begoro, Akwatia, Berekum and Dormaa Ahenkro.

Rural Water Management Programme

482. 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 with the following achievements: - 782 boreholes out of the target of 1,200 in Central, Western, Northern, Upper East and Upper West Regions were successfully drilled. Drilling of boreholes in the Brong Ahafo Region, rehabilitation of 9 small town water systems in Upper West and Northern Regions, construction of 47 small town water systems are at various levels of completion. 250 institutional latrines out of the 450 were completed. In 2015, all civil works on the entire project will be completed.

483. Mr. Speaker, under the Peri-Urban, Rural and Small Towns Water and Sanitation Project in the Brong Ahafo Region, 11 out of 15 small town piped systems were completed whilst 79 out of 101 institutional latrines were also completed.

484. Mr. Speaker, five projects under the Northern Region Small Towns Water and Sanitation Project (NORST) were completed in Bunkpurugu-1, Karaga-1, Yendi-2, and Nanumba North -1. Three other projects at Binkera, Tanga, Makayili, and Tatali were completed. Fifteen more projects are at various stages of completion and will be commissioned in 2015.

485. Mr. Speaker, Government is also undertaking water supply extension works at Akorkeri and Nkawkaw-Nkona-Kwaja small town water supply rehabilitation and expansion programmes which are at various stages of completion. In 2015, Government will continue work on both projects.

Infrastructure Management Programme

486. Mr. Speaker, the Ministry completed works on the Atorkor/ Dzita/ Anyanui Coastal Protection works in the Volta Region. Similarly, the Ngyiresia Coastal Protection Works to protect the main Sekond-ESSIPONG road from erosion and an

eventual transportation disconnect between Essipong and Sekondi was completed. Additionally, other coastal protection works were initiated at various locations such as Aboadze, Sakumono, Nkontompo, Dansoman, Adjoa (New Takoradi) to protect the land, prevent further erosion and protect life and property are at various stages of completion.

487. Mr. Speaker, the Ministry commenced drainage improvement works to solve the perennial flooding and erosion problems and to mitigate the disaster risks associated with flooding in various parts of the country including Agona Swedru, Nima, Sakaman and Goaso. In 2015, works will be undertaken in Asankragua, Winneba, Ejura, Tepa, Taifa, Kumawu, Hwidiem and Tamale among others.

Human Settlement and Development Programme

488. Mr. Speaker, under the Phase 1 of the construction of housing units for the Security Services, 168 housing units of 2 and 3 bedrooms were completed in Sakumono near Tema in the Greater Accra Region. The Phase II, comprising of 368 housing units commenced and will continue in 2015.

489. The construction of the 5,000 housing units at Saglemi-Ningo Prampram and the completion of 4,720 affordable housing units in Greater Accra, Ashanti, Northern, Upper West and Eastern Regions are on-going and will continue in 2015.

General Maintenance and Management Programme

490. Mr. Speaker, the Ministry rehabilitated and refurbished 56N^o prestige bungalows. Six hundred and eighteen out of a target of 836 housing units under the Keta Sea Defence Resettlement Programme were completed. The resettlement programme will continue in 2015.

491. For the implementation of the above programmes and activities, an amount of GH¢463,103,420.00 has been allocated. Out of this, GH¢209,364,187.00 is GoG, GH¢4,171,784.00 is IGF and GH¢249,567,449.00 is from Development Partners.

MINISTRY OF ROADS AND HIGHWAYS

492. Mr. Speaker, the Ministry has the oversight responsibility for the development, maintenance and rehabilitation of the road network portfolio of Ghana.

Performance in 2014 and Outlook for 2015

Road Rehabilitation and Maintenance Programme

493. Mr. Speaker, the Ministry maintained its focus on routine and periodic maintenance, and minor rehabilitation activities to protect the huge investment made by Government in the provision of the road infrastructure.

494. Routine maintenance was undertaken on 13,459km trunk, 7,269km feeder and 3,096km urban road networks. Periodic maintenance activities, comprising re-gravelling, spot improvement and resealing works were carried out on 76km, 776km and 645km trunk, feeder and urban road networks respectively. Minor rehabilitation works were done on 450.44km stretch of roads.
495. In 2015, the Ministry will undertake routine maintenance on 11,199km, 22,500km and 8,200km of trunk, feeder and urban road networks respectively. In addition, periodic maintenance activities will be undertaken on 6,675km, 1,000km and 940km of trunk, feeder and urban roads respectively. Minor rehabilitation and improvement works will also be undertaken on 900km of trunk, 350km of feeder and 150km of urban roads.

Road Construction Programme

496. Mr. Speaker, the Ministry continued the rehabilitation, reconstruction and construction of roads and bridges. A total of 50.2km, 286km and 10km of development works on targeted trunk, feeder and urban road networks respectively were completed during the year. Twelve Bridges at various locations were completed on feeder road networks.
497. The details of progress on some of the projects are shown below;

Project	Dec 2012	Sept 2013	Sept. 2014
Tetteh Quarshie – Madina	88%	93%	96%
Asankragwa-Enchi Road	78%	94%	94%
Buipe – Tamale	37%	80%	98%
Ffulso-Sawla	20%	39%	92%
Dodi-Pepesu Nkwanta	Commenced	22%	63%
Tarkwa Bogoso-Ayamfuri	6%	15%	46%
Agona Junction – Elubo	Commenced	14%	58%
Awoshie – Pokuase Road Project	24%	80%	97%
Burma Camp Roads	Contract Signed	43%	89%
Giffard Road	Contract Signed	43%	88%
Sunyani Road (in Kumasi)	70%	80%	95%

Source: Ministry of Finance

498. Other projects which have achieved significant progress include:
- Kasoa By-pass – 37 percent

- Kwame Nkrumah Interchange – 62 percent
 - Polo Grounds By-pass – 92 percent
 - Ayamfuri – Asawinso - 36 percent
499. The Tetteh Quarshie-Madina, Asankragwa-Enchi, Fufulso-Sawla, Dodi-Pepesu Nkwanta, Agona Junction-Elubo, Burma Camp, Giffard and Sunyani Roads (in Kumasi) will be completed in 2015.
500. Mr. Speaker, the Ministry commenced the use of Public Private Partnership (PPP) model for the financing, construction and management of the following road infrastructure projects:
- **Accra – Takoradi:** The Pre- feasibility study on the dualization of the Accra-Takoradi road was completed. Procurement for the Feasibility and Transaction Advisory Services will commence in 2015.
 - **Accra – Kumasi:** Packaging and documentation by a Transaction Advisor will be completed by the end of the year and further approvals will be obtained to finalise the contract in 2015.
 - **Accra-Tema Motorway:** The procurement of Transaction Advisor to undertake feasibility study for the widening and rehabilitation of the Accra-Tema Motorway is in progress.
501. The Ministry will construct 200km of trunk roads, 20km of urban roads, undertake 6 engineering studies and construct bridges and interchanges on 5 trunk, 20 feeder and 4 urban road networks. The following road projects will also commence in 2015:
- Construction of the Kasoa Interchange
 - Construction of Kintampo-Buipe Road
 - Construction of Tamale-Paga Road
 - Ring Road Interchange to link with the Kwame Nkrumah Interchange
 - Major asphaltic overlay of 76km of road network in Accra
 - The Lake Road in Kumasi
 - Lining of the Suhyen stream in Kumasi
502. Mr. Speaker, the Ministry will collaborate with ECOWAS on the development of the ECOWAS and the Trans-African Highways which includes Ghana's coastal and central corridors.
503. The Government of Ghana is negotiating for funding for the following road projects:
- Completion of Have – Dodo Pepesu Road

- Completion of Nankpanduri – Bawku Road
- Completion of Nsawam – Apedwa Road
- Completion of Sofoline Interchange and Kumasi – Abuakwa Road
- Construction of Dodowa – Adenta Road
- Construction of Pokuase – Ritz Jn – Motorway
- Construction of Accra Outer Ring Road
- Construction of Mankessim – Swedru – Bawjiase – Nsawam Road

Road Safety and Environment Programme

504. Mr. Speaker, intensive education and sensitization on Axle Load Limit as stipulated in the New Road Traffic Regulation LI 2180 was undertaken for key stakeholders. Overloading is now reported at less than 10 percent of vehicles weighed.
505. For the implementation of the above programmes and activities, an amount of GH¢931,657,410.00 has been allocated. Out of this, GH¢361,260,365.00 is GoG, GH¢5,721,063.00 is IGF and GH¢564,675,982.00 is from Development Partners.

MINISTRY OF COMMUNICATIONS

506. Mr. Speaker, the Ministry exists to facilitate the development of a reliable and cost-effective world-class communications infrastructure and services, driven by appropriate technological innovations and a two-way free flow of timely information.

Performance in 2014 and Outlook for 2015

ICT Infrastructure Development Programme

507. Mr. Speaker, the Ministry through the National Communications Authority (NCA) collaborated with the Ghana Standards Authority to develop the Ghana Minimum Technical Specifications in line with the ECOWAS common specifications for the Digital Terrestrial Television (DTT) receivers. The specifications were published in January 2014 for implementation. In addition, the procedure for the award of the Conformance Logos for the Digital TV sets and decoders were published and the NCA signed Conformance Test Agreements with 9 test laboratories.
508. In 2015, the Ministry will create awareness, seek Parliamentary approval for the DTT loan agreement as well as conduct final site survey for commencement of project construction.
509. Mr. Speaker, the telecommunications sector continued to register impressive growth as a result of investment in infrastructure development and the favourable enabling environment rate in subscription. The total telephone subscription for both cellular and fixed lines in 2014, stood at 29,796,777

representing 7.2 percent growth over the 2013 figure of 27,803,710. Mobile data subscription in 2014 stood at 14,615,048.

510. The Ministry through the Ghana Investment Fund for Electronic Communications (GIFEC) provided internet connectivity for 100 institutions. In addition, ICT Centres were established at Ghana Fire Service Regional Offices whilst 600 desktop computers were distributed to 40 Community Information Centres. The Ministry also facilitated capacity building for 62 nursing training schools and trained 42 Community Information Centre managers.
511. Mr. Speaker, to offer girls the opportunity to opt for the study of science, engineering and mathematics subjects, the national girls in ICT celebration was held in Koforidua. Out of a target of 500, a total of 411 girls from 48 public schools participated in the programme. In 2015, the celebration will be replicated in the Northern part of Ghana.
512. Mr. Speaker, the Ministry reviewed the Draft Broadcasting Bill aimed at strengthening and sanitizing the broadcasting industry and forwarded it to the Ministry of Justice and Attorney-General's Department for finalization and subsequent submission to Cabinet.
513. In 2015, the Ministry will facilitate the passage of the Broadcasting, Kofi Annan International Centre of Excellence (KAICE) and GTUC Bills to empower citizens to obtain information from public institutions, sanitize the broadcasting landscape and also provide strong regulatory framework for the film industry.
514. Meet-The-Press Series were organized for 12 Ministries to promote transparency and accountability in the operations of MDAs and MMDAs and to keep the citizens informed about development programmes. In 2015 the Ministry will organise two Meet-The-Press series for each Ministry.
515. Mr. Speaker, in 2015, the Ministry will continue to implement the e-Transform Ghana Project. The project will be implemented over a 5 year period and focus on employing ICT-based interventions, provide a platform to nurture new businesses, create job opportunities and promote entrepreneurship.
516. The Ministry through National Information Technology Agency (NITA) will consolidate its infrastructure gains by developing strategic projects and applications including the establishment of the national Public Key Infrastructure (PKI) which involves the issuance of Digital certificates and signatures for a secured authentication of documents and the electronic space of Government.

ICT Capacity Development Programme

517. Mr. Speaker, the KAICE continued its core training activities on software development, security and networking among others, as well as organized sandwich programmes for tertiary students, executive and corporate institutional bodies. Over 2,000 participants benefited from the training. The Centre also established distance learning and launched a number of distance education courses to support ICT skills acquisition and e-government functions.

ICT Infrastructure Development Programme

518. The construction of the 780km Eastern Corridor fibre optic project linking Ho to Bawku and from Yendi to Tamale is on-going. Some of the areas so far covered are: Yendi to Tamale link is fully completed and ready for use. Bawku to Gushegu is 65 percent, Gushegu to Yendi is 95 percent, Yendi to Bimbila is 90 percent, Bimbila to Nkwanta is 70 percent, Nkwanta to Jasikan is 40 percent, Jasikan to Kpando is 30 percent and Kpando to Ho is 55 percent complete.
519. The Ministry plans to pursue the construction of an offshore fibre optic network in the Western corridor in the medium term. When completed, the Project will connect offshore platforms to parent companies on mainland as well as provide telecommunication and oil and gas content to the oil industry.
520. Mr. Speaker, under the e-Government Infrastructure Project, an additional 90 Long Term Evolution (LTE) sites are being built across the country. Thirty of these sites were completed and work on the remaining 60 is ongoing.
521. Mr. Speaker, the Ministry through NITA embarked on the deployment of an enterprise level hospital administration, radiology information and communications systems for managing the health care provision needs of Korle Bu, Wa Regional and Zebilla District Hospitals. This centralized electronic medical record system will provide unique patient ID that can be used by a patient to access medical care nationwide.
522. Mr. Speaker, the Ghana Meteorological Agency will acquire a radar to enable them provide real time information which will meet World Meteorological Organisation (WMO) standards for quality management systems.
523. To facilitate effective dissemination of information in the local languages and to enhance the coverage of programmes nationwide, GBC will establish 20 new district community radio stations and also upgrade their various training schools into a tertiary institution.

Film and Television Production Training Programme

524. Mr. Speaker, 123 persons graduated with Bachelor of Fine Arts (BFA) degree, Diploma and Certificate in film and video production and in media and creative

arts from NAFTI. The Institute will refurbish an abandoned studio and several lecture halls to enable it increase admission and generate enough revenue to sustain its operations.

525. For the implementation of the above programmes and activities, an amount of GH¢298,635,991.00 has been allocated. Out of this, GH¢68,199,696.00 is GoG, GH¢52,348,480.00 is IGF and GH¢178,087,815.00 is from Development Partners.

MINISTRY OF TRANSPORT

526. Mr. Speaker, the Ministry of Transport is committed to create an integrated, cost effective and seamless transportation system responsive to the needs of the society.

Performance in 2014 and Outlook for 2015

Aviation Services Programme

527. Mr. Speaker, to improve infrastructure at the Kotoka International Airport (KIA), the Ministry commenced work on the expansion of the arrival hall, construction of the southern apron and completion of 3 new boarding gates bringing the total to five. Work on the new bay to accommodate wide boarding aircrafts will commence in 2015.
528. Mr. Speaker, the construction of a 7-Storey Ghana Aviation Training Academy (GATA), which will support the development of the human resource capacity of the industry, is about 80 percent complete.
529. Work on the upgrading of the Tamale Airport as an alternative international airport to KIA commenced. The runway and installation of the Air Ground Lighting System are on-going.
530. Mr. Speaker, rehabilitation of the Kumasi Airport runway is about 48 percent complete. Installation of the Instrument Landing System was completed, whilst that of the Airfield Lighting System commenced in 2014. In 2015 the runway will be completed and the airfield will be extended from 1,981 metres to 2,500 metres to improve service delivery.

Rail Transport Programme

531. Mr. Speaker, with regards to railway infrastructure, the Ghana Railway Development Authority is undertaking the re-construction of the Sekondi-Takordai via Kojokrom section of the Western Line to provide sub-urban passenger rail transport service between the twin cities of Sekondi-Takoradi. Re-construction works is about 35 percent complete and expected to be completed by the end of 2015.

532. Mr. Speaker, to decongest the Tema port and bring import and export services closer to shippers in the northern part of the country, a PPP Transaction Advisor was selected for the reconstruction of the Eastern Railway line to link the Boankra inland port.

Maritime Services Programme

533. Mr. Speaker, the Ministry procured 3No. 50-Seater high speed passenger ferries, to improve passenger and cargo services along the Volta Lake. One was delivered to Akosombo port and the other two are yet to be cleared at the Tema port. In addition, one Modular Passenger/Freight Vessel will be delivered by the end of the year.
534. Mr. Speaker, to improve transportation services on the Volta Lake, construction work on the Eastern Corridor Multi-Modal Transport project is on-going whilst landing sites, access roads, ship building, ports and floating docks have commenced.
535. The Ghana Maritime Authority will continue the vessel Tracking Management Information System project to control activities relating to piracy, illegal-unreported-unregulated fishing and other maritime crimes.
536. Mr. Speaker, Ghana ranked 67th out of a total of 189 countries in the 2014 Global Ease-of-doing Business Report. To improve upon port management, Cabinet has decided to set up a panel comprising the Ministries of Finance, Trade and Industry and Transport to work out modalities to ease clearing of goods at the Ports and minimize delays. Government is also considering proposals to enable the ports operate 24 hours a day on shift basis to reduce time and cost of clearing goods.

Road Transport Management Programme

537. Mr. Speaker, to reduce revenue leakages and improve generation, the Metro Mass Transit Company Limited embarked on computer aided receipt verification processing system. The company also constructed depots and workshops in Ho, Bolgatanga, and Cape Coast to ensure that the buses are maintained regularly. School children carried by the Metro Mass Transit Company increased from 20,000 to 30,500.
538. Procurement of 200 new buses to increase the number of existing fleet will commence in 2015. This will help to increase the bus schedules on the existing 324 routes and re-align operations on Intra-City as well as Rural-Urban services.
539. Mr. Speaker, the National Road Safety Commission (NRSC) will produce and distribute 100,000 posters, 58,000 handbills, 18,500 road safety teaching

materials and 13,000 education materials for schools to create awareness on road safety.

540. Mr. Speaker, automation of the Driver and Vehicle Licensing Authority (DVLA) services in all regional offices is 90 percent complete. Thirteen firms were licensed to set up Private Vehicle Test Stations (PVTS) to decongest DVLA offices across the country.
541. For the implementation of the above programmes and activities, an amount of GH¢361,652,706.00 has been allocated. Out of this, GH¢193,043,287.00 is GoG, GH¢19,336,271.00 is IGF and GH¢149,273,148.00 is from Development Partners.

SOCIAL SECTOR

MINISTRY OF EDUCATION

542. The Ministry is mandated to establish and ensure quality, access and equity in an educational system that provides the requisite knowledge, skills and values to Ghanaians to become functional and productive citizens for the socio-economic development and the democratic advancement of the nation.

Performance in 2014 and Outlook for 2015

Management and Administration Programme

543. Mr. Speaker, the Ministry adopted a policy of zero tolerance for teacher absenteeism, to enhance accountability in schools, improve teacher presence and time on task. Quarterly monitoring and unannounced visits by the MOE, NIB and GES were carried out to about 11,594 Basic Schools. The School Report Card System was also introduced nationwide to improve monitoring of schools, teachers and students. Additionally, IPPD deduction forms were introduced to deduct unjustified days of absence from salaries of absentee teachers/workers. These measures resulted in the drop of the rate of teacher absenteeism from 27 percent at the beginning of the year to 11 percent.
544. The Ministry undertook activities including payroll monitoring to help redeploy and redistribute excess teachers in the urban to rural areas. About 14,895 excess staff in 62 districts were identified and redeployed, whilst 4,688 separated staff were deleted from the GES payroll.
545. Mr. Speaker, the Centre for National Distance Learning and Open Schooling (CENDLOS) continued to provide learning opportunities to increase access to education at all levels. These included 13 study centres with 514 learners are offering programmes in JHS, SHS and NVTI under the Pilot Open School System.
546. In 2015, the Ministry in collaboration with NCTE, CENDLOS, Open University of UK and Commonwealth of Learning will finalize the policy on Open and Distance Learning (ODL) for Ghana. Audio-visual lessons will be produced for Mathematics, English, Science and Social Studies at JHS 1, video lessons dubbed onto VCD/DVD for distribution to schools, and interactive e-exercises produced for SHS and TVET.
547. The National Service Secretariat (NSS) continued to play a critical role in the supply of personnel to support nation building and improve the quality of teaching and learning, particularly in deprived communities. In this regard, the Secretariat deployed personnel to various public and private institutions across the country for the 2013/2014 service year.

548. Mr. Speaker, in view of recent developments within the Service, government has adopted the following measures with effect from 2014/2015 service year:
- abolish the voluntary component of the Scheme;
 - abolish all direct cash payments to service personnel. CAGD in collaboration with NSS, Ghana Interbank Payment Settlement System (GHIPSS) is taking measures to register and pay all NSS personnel using the e-zwich payment platform; and
 - Electronic Payment Voucher will be used to validate the identity of the personnel on monthly basis.
549. Government will implement additional measures upon completion of the ongoing investigation.
550. The Ghana Library Authority will continue to provide static and mobile library facilities at the regional, district and community levels to support teaching and learning.

Basic Education Programme

551. Mr. Speaker, the Ministry increased the number of schools across this sub-sector and thereby expanded access to children in Kindergarten, Primary and Junior High Schools. The number of KGs, Primary and JHS increased by 4.23, 3.26 and 5.20 percent, respectively. In 2015, government will continue the removal of schools under trees and replacement of dilapidated structures.
552. Under the Complementary Basic Education (CBE) Programme initiated to reduce the number of out-of-school children and mainstream them into the regular school system, 24,117 children were enrolled in Northern, Upper East, Upper West and Brong Ahafo regions and are due for graduation.
553. To achieve quality basic education and attain the target of 95 percent of trained teachers at the Basic level by 2015, efforts were made to train more teachers. These resulted in increase in the number of trained teachers from 112,512 representing 51.6 percent to 152,632 representing 56 percent at the basic level.
554. Government procured and distributed Teaching and Learning Materials (TLMs) to 10,924 Basic Schools in 75 deprived districts whilst 30,000 teachers were trained in ICT under the Basic School Computerization Programme, bringing the total number of teachers trained to 50,000.
555. The Government released capitation grant and paid subsidy for Basic Education Certificate Examination (BECE) for 423,000 final year JHS pupils. These

interventions among others, contributed significantly towards Ghana's efforts at attaining the MDGs on education. Specifically, gross enrolment rate at Basic Education increased from 100.4 percent in 2012/13 to 104.1 percent in 2013/14 academic year.

556. In 2015, Government will continue to provide capitation grant for pupils in all Public Basic Schools while schools in 75 deprived districts will receive additional grants through the Global Partnership for Education Grant (GPEG) to boost enrolment and retention. Government will also continue to subsidize the conduct of the BECE examination.
557. Mr. Speaker, in 2015, 500,000 school uniforms will be procured and distributed to needy pupils in basic schools across the country while 15 million exercise books will also be procured for distribution to 36,685 basic schools.
558. To improve and sustain the gender parity, enhance completion and transition rates, Government under the Global Partnership for Education project will provide scholarships, school uniforms, sandals, bags and stationery for 55,000 girls in JHS.
559. Mr. Speaker, to sustain the current pupil-core textbook ratio of 1:1 achieved at the basic level, the Ministry will procure and distribute 6 million textbooks in 2015/2016 academic year to children enrolled in public basic schools.
560. Government will continue to support the early grade years of schooling and improve the quality of Kindergarten education by providing Teaching and Learning Materials (TLMs) in the form of pupil core textbooks. It will also prioritize the training of teachers and improve on their professionalism and redeployment at this level.
561. As part of the programme to reform the teaching and learning of Mathematics and Science at the basic level, the Ministry will resource national and regional centres, equip teacher education institutions and provide equipment in basic science and mathematics. The Ministry will also train teachers, build capacity of master coaches as well as teacher educators. In all, teachers and pupils in 35,000 schools will benefit from the programme which is expected to be implemented in phases.
562. It is envisaged that, the reform of the teaching and learning of mathematics and science at the basic level will help reverse the current trend of enrolment of 62:38 ratio of Humanities to Science and technical related students at the tertiary institutions and help create jobs and drive economic growth.

Second Cycle Education Programme

563. Under the Secondary Education Improvement Project (SEIP), Government secured donor funding to construct 23 new schools and upgrade facilities in 50 existing schools. In addition, 125 existing schools will be supported to improve their quality. Under the project, 10,400 brilliant but needy students will be provided with scholarships.
564. Government paid feeding subsidy to all public Senior High Schools for the 2013/14 academic year. In 2015, government will continue to provide subsidy to reduce the burden on parents and students.
565. Mr. Speaker, in 2015, the last phase of the Science Resource Centre project to benefit 100 schools will be implemented to improve the teaching of science and increase the ratio of science students at the tertiary level.
566. Mr. Speaker, the Ministry registered 22 Technical and Vocational Education and Training (TVET) providers and provided grant to institutions under the Skills Development Fund. It also developed Competency Based Training (CBT) unit specifications for Welding & Fabrication, and Mechanical Engineering for Oil and Gas. Occupational Standards for building and CBT curriculum for trades were developed whilst 23 CBT Quality Assurance manuals were approved.
567. In 2015, COTVET will continue to re-brand TVET and undertake outreach programmes in order to attract more JHS graduates and continue the implementation of the Skills Development Fund programme. It will also coordinate the informal sector providers of TVET, promote career guidance and roll-out Competency Based Training (CBT) to new trade areas.
568. Scholarships were provided to 10,000 JHS Girls from 21 deprived districts in 2013/14 academic year under the Participatory Approach to Student Success (PASS) Programme to improve gender parity at the pre-tertiary level. In 2015, 45,000 additional girls will benefit from the Girls PASS Programme.

Non-Formal Education Programme

569. Mr. Speaker, the programme enrolled 35,000 learners into its 18-month functional literacy programme. In 2015, the current cohort of 35,000 learners will be supported to complete the cycle. It will also conduct 2 monitoring exercises, develop a revised English literacy curriculum and instructional materials. The programme will increase trained local language and English literacy facilitator population from 1,400 to 2,000.

Inclusive and Special Education Programme

570. Mr. Speaker, enrolment in special schools increased from 6,180 in 2013 to 6,385 this year. The construction of the National Assessment Centre is about 90 percent

complete. In 2015, the Ministry will rehabilitate 5 special schools, complete the National Assessment Centre and increase enrolment target to 8,100.

Tertiary Education Programme

571. Mr. Speaker, enrolment into all the tertiary institutions increased by 7.1 percent for Universities, 3.4 percent for Polytechnics and 26.9 percent for Colleges of Education. A total number of 55,568 students across the various tertiary institutions were enrolled in Science and Technology and ICT programmes. In 2015, the programme will enrol 57,428 students in Science and Technology and ICT programmes.
572. Mr. Speaker, to improve linkage between Polytechnics and Industry, 52,167 students out of a target of 72,400 were placed on industrial attachment to equip them with first-hand experience in industry. In 2015, 75,000 students will benefit from industrial attachment. The Ministry will also initiate work mobility for industrial practitioners to teach for agreed periods in tertiary institutions to help align training and industrial needs.
573. Mr. Speaker, with regards to the establishment of a National Research Fund, a draft Bill was prepared and is currently undergoing stakeholders' consultation and review. In 2015, measures will be intensified to operationalize the National Research Fund.
574. In 2015, the Ministry will facilitate the passage of the Bill for the conversion of Polytechnics into Technical Universities. Conversion of each Polytechnic will be based on assessment in the areas of equipment/ facilities, faculty and programmes in collaboration with industries.
575. The replacement of allowances to trainees of Colleges of Education with the option to apply for students' loan resulted in significant increases in enrolment at the Colleges of Education from 9,000 to 15,400 in 2014.
576. Mr. Speaker, the Presidential Taskforce put in place to develop a roadmap for the establishment of the University of Environment and Sustainable Development in the Eastern Region has secured land in Somanya and Donkorkrom for the siting of the university. Stakeholders' forum was held to review the draft report covering the academic/ curricula development, ICT infrastructural development, governance and administration, environmental and agricultural development presented by the Taskforce.
577. In 2015, constructional works of the new university will commence after the passage of the Bill whilst construction work on the University of Health and Allied Sciences at Ho and University of Energy and Natural Resources at Sunyani will continue.

578. For the implementation of the above programmes and activities, an amount of GH¢6,740,437,383.00 has been allocated. Out of this, GH¢5,277,919,300.00 is GoG, GH¢1,306,754,981.00 is IGF and GH¢155,763,101.00 is from Development Partners.

MINISTRY OF EMPLOYMENT AND LABOUR RELATIONS

579. The Ministry is mandated to coordinate all employment opportunities and labour-related interventions in all sectors, as well as promote decent jobs and harmonious industrial relations for national development.

Performance in 2014 and Outlook for 2015

Job Creation and Development Programme

580. Mr. Speaker, Government recognizes the incidence of unemployment as a threat to national security and implemented various employment creation interventions to address the unemployment challenge. In 2014, about 398 economic groups' across sectors were organised into vibrant cooperative societies. The Ghana Cooperatives Council trained 210 artisans whilst the Department of Cooperatives audited activities of 412 Cooperative Societies.

581. In 2015, the Ministry will ensure the mainstreaming of Ghana Youth Employment and Entrepreneurial Agency (GYEEDA) in the administrative structures and revise GYEEDA modules and apply a new 'Triangular Model' that links beneficiaries to skills development institutions, and viable cooperative societies to enhance their employment opportunities.

582. Mr. Speaker, the Ministry will also strengthen and revamp the Graduate Business Support Scheme (GEBSS) and provide entrepreneurial/business development skills to 4,000 unemployed graduates.

Skills Development Programme

583. Mr. Speaker, the Skills Development Agencies (MDPI, NVTI, ICCES and OIC-G), trained 8,227 youth in various vocational and technical trades. The NVTI also tested 25,742 candidates in vocational skills, ICT and secretaryship. In addition, 3,425 master-craft persons were trained and 384 vocational schools were accredited.

584. The Ministry will revamp its demand-driven vocational and technical employable skills training programmes to equip artisans with the requisite skills needed by industries. Under this, a total of 47,809 persons will be trained in various trades.

585. Mr. Speaker, the Ministry will ensure the implementation of the National Employment and Labour-Intensive Public Works Policies through its coordinative

functions and establish the necessary structural frameworks that will ensure effective and efficient implementation.

Labour Administration Programme

586. Mr. Speaker, the maintenance of peaceful and harmonious labour relations in the country is critical and fundamental to national development. The Labour Department conducted 139 establishment inspections to ensure the enforcement of law on standards and regulations. The Department also issued 18 Collective Bargaining Certificates, settled 84 labour disputes out of 90 reported cases and registered 3 new trade unions.
587. The Department of Factories Inspectorate, inspected 1,209 factories, registered 197 new ones, conducted 67 safety and health talks as well as 13 industrial hygiene surveys.
588. The Fair Wages and Salaries Commission (FWSC) developed an instrument on the new Public Service-Wide Performance Management System to facilitate its implementation. This enjoins employers to pay for work done and compensate for increases in productivity of employees. In line with subsections 2 and 4 of Section 168 of the Labour Act of 2003, Act 651, government will henceforth pay only for work done.
589. In 2015, the Commission will establish a Public Service-Wide Performance Management System with effective rewards and sanction mechanism that will ensure high productivity in the public services.
590. The Commission also produced a report on the harmonization and standardization of categories 2 and 3 allowances. A capacity and readiness assessment was conducted for 8 subvented agencies to be weaned off government subvention.
591. The Ministry will continue to pursue the strengthening of the Occupational Safety and Health system to protect workers from industry injuries and fatalities. The Ministry will finalize the draft Occupational Safety and Health Policy to replace the obsolete Factories, Offices and Shops Act (1970), Act 328 and propose the promulgation of legislative instrument with appropriate powers to address occupational safety and health issues in all sectors.
592. The Ministry will collaborate with domestic and external partners to implement the National Plan of Action on the elimination of worst forms of Child Labour. This is to ensure that children are not unduly exploited in economic ventures that may have adverse consequences on their health and education especially in the cocoa, fisheries, quarrying and mining sectors of the economy. Regulatory Services Programme

593. Mr. Speaker, the National Pensions Regulatory Authority (NPRA) organized stakeholder education and sensitization workshops for organized labour, employers, service providers, senior officials of MDAs, security services, media and the general public on the Contributory 3 –Tier Pension Scheme and the National Pension Act, 2008 Act 766.
594. The Authority licensed 1 Corporate Trustee, renewed the license of 25 Corporate Trustees, 51 Fund Managers, and 15 Custodians. It also registered 100 Schemes and inspected all the 25 Corporate Trustees and 50 stand-alone employer sponsored schemes.
595. Mr. Speaker, the NPRA will build a robust integrated pensions management and compliance system by acquiring ICT infrastructure for office automation, and undertake off and on site monitoring and supervision in line with international standards.
596. For the implementation of the above programmes and activities, an amount of GH¢43,787,365.00 has been allocated. Out of this, GH¢35,340,436.00 is GoG, and GH¢8,446,929.00 is IGF.

MINISTRY OF YOUTH AND SPORTS

597. The Ministry of Youth and Sports exists to create an enabling environment for effective youth and sports development and promotion through policy formulation, implementation, co-ordination, monitoring and evaluation.

Performance in 2014 and Outlook for 2015

Management and Administration Programme

598. Mr. Speaker, the Ministry finalized an Action Plan of the National Youth Policy which provides a framework for the implementation of its priority areas for the development and progress of the youth. A Draft Sports Bill was also validated by key stakeholders of the Ministry and forwarded to the Attorney General's Department for finalization.
599. The Ministry facilitated the participation of the National Football Teams in various competitions, both locally and internationally. Notable amongst them were the participation of the Black Stars in the 2014 FIFA World Cup Tournament in Brazil, the Local Black Stars participation in the 2014 CHAN Tournament in South Africa, the Black Maidens participation in the FIFA U-17 Women's World Cup Tournament in Costa Rica and the Black Princesses participation in the 2014 FIFA U-20 Women's World Cup Tournament in Canada.
600. The National Football Teams will participate in various qualifiers for their respective World Cup and African Cup Tournaments including the AFCON 2015

in Morocco, the 2015 African World Youth Championships in Senegal, and the 2015 World Youth Championship in New Zealand.

601. The Ministry continued works on the construction of a modern stadium at Cape Coast which will be completed in 2015.
602. Mr. Speaker, in 2015, the rehabilitation of the Accra, Kumasi, Essipong and Tamale sports stadia will commence whilst preparatory works for the construction of 5 new stadia in Ho, Koforidua, Bolgatanga, Wa and Sunyani will be initiated.

Youth Development Programme

603. Mr. Speaker, the National Youth Authority in collaboration with the Office of the President organized Presidential Dialogue Sessions for the Youth to commemorate the International Youth Day. This was preceded by Regional and District Youth Dialogues with relevant stakeholders at the local level.
604. The Authority is currently providing Vocational/ Skills Training to 1,430 students in all the 11 Youth Leadership and Skills Training Institutes (YLSTIs). In addition, National Youth Patriotism lectures were organized at Tamale and Kumasi to instil in young people a sense of nationalism and patriotism.
605. Mr. Speaker, in 2015, the National Youth Authority will organize 21-day voluntary work camps in 80 districts across the country. It will also organize a regional and a national Presidential Youth Dialogue to encourage youth participation in decision making and also train 2,250 Youth in Leadership, Vocational, and Technical Skills.

Sports Development Programme

606. Mr. Speaker, the National Sports College in collaboration with its stakeholders is at the final stages of developing a National Community Coaching Education and Development Framework to retrain the technical experts and coaches of the College.
607. The National Sports Authority participated in the 2014 Commonwealth Games held in Glasgow, Scotland, Team Ghana also participated in the 2nd Africa Youth Olympics Games in Botswana and won a total of 9 medals (8 silver and 1 bronze). Ghana also won 1 Gold in Athletics at the World Youth Olympics held in China.
608. In 2015, the National Teams will prepare and participate in the National Unity Games, the 11th All Africa Games in Brazzaville, Congo and the qualification to the 2016 Olympics in Rio de Janeiro, Brazil.

609. For the implementation of the above programmes and activities, an amount of GH¢36,186,217.00 has been allocated. Out of this, GH¢35,906,402.00 is GoG, and GH¢279,816.00 is IGF.

NATIONAL COMMISSION FOR CIVIC EDUCATION

610. The Commission is established to promote and sustain democracy and inculcate into the Ghanaian citizenry the awareness of their rights and obligations through civic education.

Performance in 2014 and Outlook for 2015

Civic Education Programme

611. Mr. Speaker, the Commission focused on its work of strengthening the pillars of democracy. The work and functions of state institutions and Ghana's democratic process were explained to institutions such as Parliament, District Assemblies, the Media, the Judiciary, the Executive and the Independent Governance Institutions (IGIs). The Commission also undertook research into public perceptions of the effectiveness of the Media, Parliament and District Assemblies.
612. The Commission organized Citizenship Week in 4,000 schools across all districts in the country to educate school children on good citizenship values and planted trees in most of the schools. It also undertook advocacy and community engagements to end child, early and forced marriage for media personnel and youth groups.
613. In 2015, the Commission will educate and sensitize the public on the principles of the 1992 Constitution to increase awareness, advocacy and enforcement of citizen's rights and responsibilities. It will collaborate with the Electoral Commission to sensitize the citizenry to reduce acrimony and create a free political environment to ensure successful district level elections.
614. The Commission will intensify its civic programmes in 42,500 communities across all districts involving all demographic groups. Awareness creation will continue and encourage many citizens to exercise their civic rights and responsibilities to improve tolerance levels within the society.
615. For the implementation of the above programmes and activities, an amount of GH¢29,356,503.00 has been allocated.

MINISTRY OF CHIEFTAINCY AND TRADITIONAL AFFAIRS

616. The Ministry exists to promote effective interface between government and Civil Society 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 2014 and Outlook for 2015

Chieftaincy and Traditional Affairs Programme

617. Mr. Speaker, 764 Chiefs were entered into the National Register of Chiefs as part of measures to strengthen the management of Traditional Authorities. The Ministry intends to collate and enter 950 Chiefs into the National Register of Chiefs in 2015.
618. During the period under review, 16 reports on findings on codification of lines of succession were summarized into draft Legislative Instruments and forwarded to the Attorney-General's Department for onward submission to Parliament. In 2015, another batch of 15 draft Legislative Instruments on codification of lines of succession would be forwarded to Attorney General's Department for further action.
619. Mr. Speaker, the Ministry in collaboration with the Ministry of Gender, Children and Social Protection organised a workshop for Queen Mothers from each region with the aim of empowering them to play frontline roles in addressing challenges of infant mortality, early marriage and school dropouts.
620. Mr. Speaker, the Ministry adjudicated 4 Chieftaincy cases through the judicial process and facilitated the appointment of 6 Counsels to the National House of Chiefs as well as 5 Regional Houses of Chiefs. In 2015, the Ministry will adjudicate cases by judicial process and Alternative Dispute Resolution (ADR), respectively to reduce the backlog of cases before the Houses of Chiefs.
621. Mr. Speaker, 6 Traditional Areas in 6 regions were identified for the Second Phase of the Ascertainment and Codification of Customary Law Project (ACLP). Field enumerators are being selected and data collection will begin in 2015.
622. Mr. Speaker, a project on the Elimination of Harmful Traditional Practices (EHTP) was launched in the Northern Region and questionnaires for the project were reviewed with stakeholders for administration. The final report will be completed in 2015.
623. For the implementation of the above programmes and activities, an amount of GH¢19,546,785.00 has been allocated.

MINISTRY OF HEALTH

624. 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 2014 and Outlook for 2015

Management and Administration Programme

625. Mr. Speaker, the Legislative Instruments for the Health Institutions and Facilities Act, Act 829, 2011 was submitted to the Attorney-General's Department. The process of decentralising the health service is ongoing and the draft Bill was completed and disseminated.
626. Mr Speaker, Government continues to deliver on the healthcare needs of our people from an expanded NHIL and allocations from the central budget. We continue to make significant investment in the infrastructure, equipment and personnel needs of our health sector. We have vigorously embarked on the following infrastructure to expand access to health care in all parts of the country.
- The 600-bed University of Ghana Teaching Hospital
 - The 420-bed Ridge Hospital Expansion Project
 - The 500-bed Military Hospital Project in Kumasi
 - The Second phase of the Tamale Teaching Hospital after the completion of the 400-bed first phase of the project
 - The Police Hospital Project
 - The Ashanti Regional Hospital at Sewua-Kumasi
 - The Upper West Regional Hospital

Health Service Delivery Programme

627. Mr. Speaker, in 2014 OPD per capita increased marginally above the previous year's level of 0.51 percent to 0.58 percent, Penta 3 vaccination coverage increased slightly from 41.2 percent to 41.6 percent, whilst skilled delivery increased from 28.7 percent to 30 percent.
628. Mr. Speaker, family planning coverage increased from 13.9 percent in 2013 to 16.6 percent as at September 2014. New ambulance stations were established at Kasoa, Atomic Junction in Accra, Tarkwa and Axim bringing the total to 126. A total of 14,322 cases were recorded comprising of 8,232 inter-hospital transfers and 6,090 emergencies.
629. Mr. Speaker, Ghana attained a Guinea Worm free status for the past 5 years. An evaluation was conducted by the WHO this year and their findings indicated that Ghana has successfully eradicated Guinea Worm Disease pending certification.
630. Mr. Speaker, the Community Health Planning and Services (CHPS) concept remains the Ministry's main strategy of bringing basic health services to the community level. In this regard, a total of 724 CHPS zones were made functional. To harmonise the various activities of the different actors in the provision of

CHPS, stakeholder meetings were organised to streamline and optimise investment in this area.

631. In 2015, the Ministry will pursue the expansion and construction of CHPS zones and compounds nationwide to bring basic healthcare to the doorsteps of the people.
632. Mr. Speaker, to bring sanity in utilization, claims management and improved operations, the National Health Insurance Authority (NHIA) embarked on an aggressive biometric registration exercise that brought active membership to 10.14 million and a new prescription level was also introduced.
633. Mr. Speaker, the NHIA began a process to scale up capitation to Volta, Upper West and Upper East Regions. Stakeholder engagement and facility mapping were undertaken. Selection of Preferred Primary Provider in the 3 regions will be completed this year. Capitation will be scaled up to Eastern, Central, Western and Brong Ahafo Regions in 2015.
634. Mr. Speaker, Ghana developed a comprehensive preparedness and response plan for the Ebola Virus Disease. Inter-Ministerial and Technical Committees are in place to review strategies on preventing the entry of the deadly virus into the country and a possible outbreak.
635. Mr. Speaker, all hospitals have designated isolation units. The Tema treatment centre to cater for the southern belt was completed and equipped whilst Kumasi and Tamale centres to cater for the middle and northern belts are at various stages of completion.
636. Mr. Speaker, Government procured and distributed 10,000 Personal Protective Equipment (PPE) to all 4 teaching hospitals, 10 regional hospitals who will in turn distribute to the lower level clinics across the country and also maintained a strategic stock at the national level. Other quasi government hospitals including Christian Health Association of Ghana, Port Health, 37 Military, Police and SSNIT Hospitals also benefited from the PPEs.
637. Mr. Speaker, a Walk through, non-contact infra-red thermometer was installed at Kotoka International Airport as part of Ghana's preparedness and response for any possible Ebola outbreak. Staff training in case management and other preventive activities are also ongoing.
638. Mr. Speaker, the Ministry completed the Tarkwa District Hospital, 5 Polyclinics Phase III project at Nkrankwanta, Wamfie, Kwatre, Bomaa and Techimantia in the Brong Ahafo Region and Phase II of Bolgatanga Regional Hospital.

Tertiary and Specialised Health Services Programme

639. The Ministry completed the Phase I of the Rehabilitation and Upgrading of Tamale Teaching Hospital whilst 4 out of the 8 housing components and the supply and installation of 5MVA, 34.5/11 Bulk Power at the hospital were also completed. The Phase II of the rehabilitation and upgrading will commence in 2015.
640. Mr. Speaker, construction of an eye care centre at Komfo Anokye Teaching Hospital and Water Improvement Project in selected health facilities in Brong Ahafo, Northern and Upper East Regions were completed.
641. Mr. Speaker, all 10 regional hospitals, 4 Teaching hospitals and 90 primary health care facilities received assorted medical equipment under the national medical equipment replacement project. This resulted in the decentralisation of high end medical imaging infrastructure to regional hospitals across the country.
642. Mr. Speaker, the Cobalt and Simulator installation and retrofitting works were completed in Korle-Bu and Komfo Anokye as part of the activities to upgrade the radiotherapy centres. To improve access to radiotherapy and nuclear medicines services, a linear accelerator equipment will be installed in the 2 centres in 2015.
643. Mr. Speaker, the following projects will continue in 2015; Emergency Trauma and Acute Care Centre at Korle-Bu, 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 5 polyclinics in Greater Accra (Adentan, Ashaiman, Bortianor, Oduman, Sege).

Human Resources for Health Development and Management Programme

644. Mr. Speaker, the Ministry completed and submitted the Human Resource policy document to the National Development Planning Commission for approval. The guidelines for Postgraduate medical training for the sector was completed whilst the health sector staffing norms is at the final stages of completion.
645. Mr. Speaker, 1,582 Pharmacists were trained nationwide as part of the Ministry's continuing education programme for pharmacists whilst 221 house officers were posted to various community Pharmacy sites nationwide. About 4,469 Licensed Chemical Sellers were trained whilst 206 newly qualified Pharmacists were registered and inducted.

Health Sector Regulation Programme

646. Mr. Speaker, the Ministry submitted to the Attorney-General's Department the Legislative Instruments (LIs) to operationalize the tobacco control part of the Public Health Act, Act 851, 2012 for consideration.
647. Mr. Speaker, the Traditional Medicine Practice Council intensified special enforcement exercises in the regions for practitioners to conform to approved standards and practices.
648. The Ministry, in 2015, will 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 Ghana.
649. For the implementation of the above programmes and activities, an amount of GH¢3,068,244,628.00 has been allocated. Out of this, GH¢1,351,681,802.00 is GoG, GH¢1,003,783,071.00 is IGF and GH¢712,779,755.00 is from Development Partners.

MINISTRY OF GENDER, CHILDREN AND SOCIAL PROTECTION

650. 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, the aged and persons with disabilities by social protection interventions to contribute to national development.

Performance in 2014 and Outlook for 2015

Gender Equality and Equity Programme

651. Mr. Speaker, the Ministry finalized the Affirmative Action Bill and validation is on-going. The Ministry also co-sponsored the Intestate Succession and Property Rights of Spouses Bills with the Ministry of Justice and Attorney-General. The Bills are currently being considered in Parliament.
652. The Ministry in collaboration with a team of doctors facilitated fistula repairs for 82 women from the Upper East, Upper West, Volta and Central Regions and organized regional advocacy and sensitization durbars on fistula and Female Genital Mutilation (FGM) for 600 women in the Volta, Northern and Upper West Regions.
653. Mr. Speaker, the Ministry participated and presented a status report on gender issues at the 57th and 58th sessions of the UN Commission on the Status of Women (CSW) and hosted a side event on 'Assessing Ghana's implementation of the Millennium Development Goals for Women and Girls'. In addition the

Ministry submitted and defended Ghana's 6th & 7th CEDAW Report to the UN CEDAW Committee in October, 2014.

654. The Ministry will engage in Women's Rights and Empowerment operations by conducting advocacy and sensitization programmes on the need to include women at all levels of decision making using the Affirmative Action Legislation. It will also step up the implementation of activities under the ECOWAS Gender Development Centre (EGDC) support by providing scholarship of Excellency to 10 young girls in specialised technical and professional training in the 10 regions.
655. Mr. Speaker, about 80 women groups engaged in processing of handicraft and agricultural products will receive technical and microcredit facility support. It will also extend medical and financial support to women and girls suffering from obstetric fistula.

Child Rights Promotion, Protection and Development Programme

656. Mr. Speaker, the Ministry started work on the National Child and Family Welfare Policy, which will ensure the holistic development and welfare of the Ghanaian child within a functional family welfare system. Stakeholder consultations were held in 20 Districts and 40 Communities in the 10 Regions to obtain community inputs from over 7,000 Ghanaians to galvanise public support for the policy.
657. The Ministry finalized and submitted the initial and second report to the African Union and Expert Committee on the Rights and Welfare of the Child. The Ministry prepared the 3rd, 4th and 5th Consolidated Report on the implementation of the Convention on the Rights of the Child, highlighting practical strides made to address the concerns of children.
658. A Justice for Children's Policy is being developed and an Advisory Board has been inaugurated to guide the process. It is also seeking Cabinet approval to amend the Children's Act of 1998 to conform to the Child and Family Welfare Policy. Foster care and adoption regulations have also been finalized for consideration of Parliament. The Ministry also placed moratorium on child adoption to address current challenges and protect adopted children and their foster parents. A review of the Early Childhood Care and Development Policy has been initiated.
659. In 2015, the Ministry will finalize and disseminate the National Child and Family Welfare Policy and Justice for Children Policy. It will also review Early Childhood Care and Development Policy to improve Early Childhood Care Development services (ECCD) for children aged 0-3 years. It will continue to promote and advocate the rights of children by creating public awareness in communities and among stakeholders.

660. Mr. Speaker, the Ministry initiated plans to renovate the Efua Sutherland and Dansoman Children's Parks as recreational centres for children. It also provided shelter and care for 800 orphans and trained 1,406 caregivers in all regions, assisted in reuniting 2,234 children in orphanages with their families and closed down 45 orphanages that did not meet the requirements.

Social Development Programme

661. Mr. Speaker, as part of efforts to tackle extreme poverty and achieve the United Nations Millennium Development Goal 1, the Ministry provided cash grants to a total of 77,006 households in 100 Districts in all 10 Regions under the Livelihood Empowerment Against Poverty (LEAP) Programme. Out of the total payment, 7,616 beneficiary households in 9 districts and 7 regions received electronic payments of the LEAP Grants in 3 piloted ecological zones for the purposes of ensuring timely and efficient transfer of cash to beneficiaries.

662. Mr. Speaker, in 2015, the Ministry will expand the implementation of the LEAP to cover over 150,000 household beneficiaries to improve their socio-economic status and ensure the survival and development of children as well as to promote the welfare of the vulnerable and excluded in society.

663. To enhance hearing capabilities of persons with hearing difficulties, the Ministry equipped 2,100 beneficiaries with hearing aids to enable them communicate better.

664. The Ministry will provide timely, reliable and disaggregated data on Persons With Disabilities (PWDs), mainstream their issues into the national planning processes and facilitate the enactment of the L.I on Persons With Disability Act.

Domestic Violence and Human Trafficking Programme

665. Mr. Speaker, the Human Trafficking Management Board (Anti-Human Trafficking) was inaugurated to fully implement the Human Trafficking Act and the National Plan of Action.

666. Mr. Speaker, the Human Trafficking LI and the Domestic Violence LI was finalized for submission to Parliament. In 2015, the Ministry will facilitate the enactment of the Human Trafficking (HT) and Domestic Violence (DV) Legislation Instruments (LIs), and continue implementation of the National Plan of Action. It will also sensitize stakeholders in the use of the Domestic Violence Act to expand the knowledge base of stakeholders and thus contribute substantially to the prevention and protection of DV cases.

667. For the implementation of the above programmes and activities, an amount of GH¢43,631,694.00 has been allocated. Out of this, GH¢23,725,775.00 is GoG, GH¢15,204.00 is IGF and GH¢19,890,715.00 is from Development Partners.

NATIONAL LABOUR COMMISSION

668. 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 dispute resolution mechanisms.

Performance in 2014 and Outlook for 2015

Facilitation and Settlements of Industrial Disputes Programme

669. Mr. Speaker, the Commission received 428 complaints from individual workers, group of workers, workers' associations, trade unions and employers out of which 216 were settled and compensation paid.
670. In 2015, the Commission will focus on the prevention of industrial disputes through the promotion of collective bargaining; engagement of partners to discuss and negotiate in good faith, promotion of effective co-operation between labour and management, and the use of alternative dispute resolution mechanisms in the settlement of industrial disputes.
671. Mr. Speaker, the Commission will embark on public education campaign through engagement of parties at the enterprise level and the production of documentaries and dramatization of the obligations of the parties in the employment relationship to promote social dialogue and partnership.
672. For the implementation of the above programmes and activities, an amount of GH¢2,700,476.00 has been allocated.

PUBLIC SAFETY SECTOR

MINISTRY OF JUSTICE AND ATTORNEY–GENERAL’S DEPARTMENT

673. 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 2014 and Outlook for 2015

Law Administration Programme

674. Mr. Speaker, the Council for Law Reporting reprinted 4,500 copies of Ghana Law Reports and published 1,000 copies of the 2008 – 2009 Volume 2 of Ghana Law Reports to improve the training and practice of the legal profession.
675. In 2015, the Council will reprint 6,000 copies of out-of-stock Ghana Law Reports, print 1,000 copies of the 2006 – 2007 Ghana Law Reports, publish 2,000 copies of the 2010 – 2012 Volumes 1 and 2 of Ghana Law Reports and 500 copies of the 2011 – 2012 Review of Ghana Law.
676. In pursuant to various Supreme Court decisions on wrongful payments, the Ministry will continue to pursue the full recovery of various sums owed to the state by institutions and individuals.
677. In 2015, the Attorney-General’s Department will be prosecuting 1,385 criminal cases and deal with 345 petitions. The Department will also continue to vigilantly scrutinize government contracts and agreements to ensure value for money.
678. Mr. Speaker, the Registrar-General’s Department registered 20,141 sole proprietorships, 169 partnerships, 12,069 companies limited by shares, 3,258 companies limited by guarantee, 108 external companies, 275 subsidiary business names and 3,079 marriages. In 2015, the Department projects to register about 75,000 businesses.
679. The Copyright Office mediated 46 copyright disputes, registered 1,650 copyright works and undertook 30 anti-piracy exercises. In 2015, the Copyright Office plans to register 1,700 copyright works, conduct 35 anti-piracy exercises and mediate 56 copyright cases.
680. Mr. Speaker, the Legal Aid Scheme provided legal aid to 1,500 out of 4,300 received cases. The Scheme used Alternative Dispute Resolution (ADR) to resolve 8,000 cases within the year and targets to provide legal aid for 2,000 cases and use ADR to handle 13,000 cases in 2015.
681. Mr. Speaker, the Law Reform Commission drafted 3 proposals on new laws, 2 proposals on existing legislations that require amendments, and reviewed 1 out

of 2 proposals received for improvement in Law. In 2015, the Law Reform Commission will conduct research on the Law of Torts and Contract Law.

Management of Economic and Organized Crime Programme

682. Mr. Speaker, the Economic and Organised Crime Office (EOCO) recovered proceeds from crime representing 30 percent of the cases investigated, facilitated the prosecution of 20 percent of the cases investigated and organised 6 sessions to sensitise the general public about their activities. In 2015, EOCO will seek to recover proceeds from economic crime from 30 percent of the cases they will investigate and facilitate the prosecution of 20 percent of those cases.

Legal Education Programme

683. Mr. Speaker, the General Legal Council investigated 30 complaints relating to alleged misconduct of Lawyers and trained and called to the Bar 225 law students. In addition, 21 students were trained in the career Magistrate programme. In 2015, the Council plans to train and call to the Bar 300 lawyers.

684. For the implementation of the above programmes and activities, an amount of GH¢74,350,282.00 has been allocated. Out of this, GH¢62,574,986.00 is GoG, and GH¢11,775,297.00 is IGF.

MINISTRY OF DEFENCE

685. The Ministry is charged with the responsibility of formulating and managing the implementation of policies aimed at safeguarding the sovereignty and territorial integrity of the nation as well as ensuring the protection of life and property.

Performance in 2014 and Outlook for 2015

Ghana Armed Forces (GAF) Programme

686. Mr. Speaker, the GAF collaborated with the other security agencies to check illegal logging and mining to curb environmental degradation and helped in the maintenance of law and order in the country.

687. Mr. Speaker, new command and staff vehicles were acquired during the year and the procurement process for the acquisition of fighting vehicles was initiated to enhance the efficiency of the GAF. As part of the re-equipping of the GAF, more equipment will be acquired in 2015. In addition, some units of training aircrafts will be received to enhance the new Flight Training School to be established in Tamale.

688. Mr. Speaker, the Ministry commissioned a number of housing units in Burma Camp for occupancy and initiated the construction of 15 No. 4 - storey 16 flats housing projects in Burma Camp, Teshie, Tema and Takoradi. The projects are about 90 percent complete. In 2015, the Ministry will complete the housing

projects and rehabilitate the existing structures and roads within the barracks and the Ghana Armed Forces Headquarters.

689. Mr. Speaker, as part of efforts to upgrade the working environment of service personnel, the Ghana Air Force continued work on the hangar project at the Air Force Base in Accra. In 2015, the project will be completed and will be fully operational.
690. Mr. Speaker, in 2014, the Ghana Navy successfully docked the GNS BONSU. To ensure the maintenance of maritime security, the Ghana Navy will intensify efforts to dock the GNS ANZONE, GNS NAA GBEEWA and GNS YAA ASANTEWAA in 2015.
691. Mr. Speaker, to fully utilize the UN Wet Lease System and enhance the effectiveness of GAF peacekeeping duties in the 6 Operation Theatres, GAF will acquire new equipment for these theatres in 2015. Furthermore, the Ministry will review and harmonize GAF peacekeeping processes and accounts to maximize the gains accruing from the sacrifices of our gallant men and women for global peace.

Armed Forces Capacity Building Programme

692. Mr. Speaker, in line with the capacity training programmes of the Military personnel, 66 Officers including foreign students passed out at Ghana Armed Forces Command and Staff College (GAF CSC). In addition, 80 Officers completed their training programme in Conflict, Peace and Security and Gender studies at Kofi Annan International Peace-keeping and Training Centre (KAIPTC). Also, 106 Officer Cadets were trained and commissioned at the Military Academy and Training Schools (MATS). The Ministry will continue to sponsor Officers and Men for various local and foreign courses in 2015.

Military Health Service Programme

693. Mr. Speaker, as part of efforts to expand the health service delivery to the Military personnel and the general public, work commenced on the construction of the 500 bed capacity Military Hospital in Afari, Kumasi. It is expected that 70 percent of the work will be completed by the end of 2015.
694. For the implementation of the above programmes and activities, an amount of GH¢880,461,222.00 has been allocated. Out of this, GH¢667,010,250.00 is GoG, GH¢13,974,055.00 is IGF and GH¢199,476,917.00 is from Development Partners.

COMMISSION ON HUMAN RIGHTS AND ADMINISTRATIVE JUSTICE

695. 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 2014 and Outlook for 2015

Human Rights Programme

696. Mr. Speaker, as a key requirement for the development of the National Human Rights Action Plan (NAHRAP), the Commission completed the baseline survey into the human rights situation in Ghana to mainstream rights-based approach in national development planning and ensure a more coordinated approach to promoting and protecting human rights.
697. The Commission conducted human rights education and sensitization programmes in 1,555 rural communities and schools to build a culture of respect for human rights. The Commission also investigated about 6,000 human rights complaints and conducted special investigations into human rights abuses that were systemic and cultural.
698. Mr. Speaker, in 2015, the Commission will continue the development and implementation of the National Human Rights Action Plan, investigate and redress human rights violations in the regions, carry out public education and sensitization programmes on human rights in the regions and districts and strengthen international cooperation with other Human Rights institutions.

Administrative Justice Programme

699. Mr. Speaker, a total number of 548 public education and sensitization programmes were organized to assist the public to demand high quality service from public service institutions and hold their officials accountable. In addition, the Commission investigated 482 complaints of abuse of power, unfair treatment of persons by public officers, injustice, hardship and general maladministration.
700. In 2015, the Commission will continue to investigate complaints of administrative injustice in the regions, conduct public education on principles of good administrative justice and strengthen international cooperation with other ombudsman institutions and bodies.

Anti-Corruption Programme

701. Mr. Speaker, the Commission facilitated the adoption of National Anti-Corruption Action Plan (NACAP), which was approved by Parliament and conducted a number of training programmes for Chief Executives of SOEs and Chief Directors of MDAs as part of efforts to build capacity to secure high integrity in the public service under the National Integrity Programme (NIP).

702. Mr. Speaker, to hold public officers accountable, the Commission investigated 25 complaints and allegations of corruption, conflicts of interest and contravention of and or non-compliance with the Code of Conduct. In addition, the Commission prepared memorandum on the Conduct of Public Officers Bill towards improving the legal framework for fighting corruption.
703. Mr. Speaker, in 2015, efforts will be made to further decrease the incidence of corruption, public perception of corruption and increase the integrity of public office. In addition, the Commission will coordinate the implementation of the National Anti-corruption Action Plan.
704. For the implementation of the above programmes and activities, an amount of GH¢24,429,260.00 has been allocated. Out of this, GH¢15,244,538.00 is GoG, and GH¢9,184,722.00 is from Development Partners.

JUDICIAL SERVICE

705. The Judicial Service exists to resolve legal conflicts according to law, impartially and efficiently for 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 2014 and Outlook for 2015

Court Administration Programme

706. Mr. Speaker, against a target of 110,000, the Service recorded a total of 202,469 cases of which 100,824 were disposed-off. To reduce the incidence of courts without Judges and Magistrates by 5 percent and facilitate speedy disposal of cases, a total of 31 Judges and Magistrates were recruited. In 2015, it is estimated that 95,500 cases will be disposed-off to help reduce backlog of cases by 5 to 7 percent.

Alternate Dispute Resolution Programme

707. Mr. Speaker, to reduce congestion and long litigation in courts, the Service referred 7,016 cases to ADR against a target of 10,000. The ADR also mediated a total of 5,924 cases, out of which 4,181 of those cases were settled against an overall target of 7,000 cases.
708. In 2015, a total of 10 Courts will be connected to ADR to enhance the settlement of cases outside the traditional court system. The Service plans to increase referred cases to 7,611 to facilitate speedy delivery of cases.
709. For the implementation of the above programmes and activities, an amount of GH¢199,576,867.00 has been allocated. Out of this, GH¢193,090,719.00 is GoG, GH¢2,737,016.00 is IGF and GH¢3,749,132.00 is from Development Partners.

MINISTRY OF THE INTERIOR

710. The Ministry exists to ensure the maintenance of internal security within the laws in Ghana to promote peaceful development of the country.

Performance in 2014 and Outlook for 2015

Conflict and Disaster Management Programme

711. Mr. Speaker, the National Peace Council inaugurated 7 Regional Peace Councils and trained 91 members. The Council also organized awareness programme for 20 Journalists in the Northern, Upper East and Upper West regions. In addition, the Council undertook an intervention in Bawku to invigorate the stalled peace process by reviving the Bawku Inter Ethnic Peace Committee (BIEPC) and completed a study to map out conflict zones in Ghana as well as compiled a national database of peace actors and initiatives.
712. In 2015, the Council plans to organize training programmes for Regional and Districts Peace Councils and operationalize the NPC Act. Furthermore, the Council will continue to create awareness on non-violent responses to conflicts and mediate actual or potential conflicts.
713. Mr. Speaker, the National Disaster Management Organisation (NADMO) undertook public education on Disaster Risk Reduction and Climate Change Adaptation. The Organization formed volunteer groups and supported disaster victims with relief items. The Organization helped reduce the number of flood disaster victims through desilting of drains in major flood prone areas and public education on disaster prevention and mitigation.
714. Mr. Speaker, NADMO will continue to support disaster victims with relief items in the coming year and equip District Disaster Volunteer Groups. The organization will also continue to intensify public education campaigns on disaster management.
715. Mr. Speaker, in 2014, the Ghana National Fire Service procured 80 fire tenders and associated equipment, acquired 1,000 drums of foam compound, 1,500 pieces of delivery hoses, camouflage uniform and accoutrements. The Service responded to 3,468 fire outbreaks and attended to 390 accidents, as well as issued 4,574 Fire Certificates to various organizations and establishments nationwide.
716. Mr. Speaker, the Service trained and equipped 623 people from 20 companies with firefighting and safety techniques and organized fire safety educational programmes for market operators, schools and hotels to educate them on the menace of fires and how to prevent its occurrence.

717. In 2015, the GNFS will inspect and re-inspect premises to issue new and renew fire certificates, carry out anti-bush fire campaign and train fire volunteer squads in the rural communities.
718. Mr. Speaker, the National Commission on Small Arms ensured that 70 percent of all weapons in 16 units of the Ghana Armed Forces were marked and captured electronically to promote gun accountability, easy identification, tracing and retrieval of lost or stolen weapons. The Commission successfully undertook a Small Arms Baseline Survey across the country to understand the extent of weapon proliferation and the dynamics of armed conflict.
719. In 2015, the Commission will continue with the National Small Arms Marking Project and the collection, sensitisation and destruction of confiscated, obsolete and surplus weapons. The Commission will also intensify public education and raise awareness on the effect of armed violence on development.

Crime Management Programme

720. Mr. Speaker, the Ghana Police Service expanded the Police Visibility and Accessibility Programme to all regional capitals and selected urban areas leading to a reduction in major crimes. To this end, many of the hardened criminals were arrested and successfully prosecuted. The GPS also established a Patrol Department and Marine Police Unit.
721. In 2015, the Service in collaboration with other security agencies will expand the intelligence-led policing through the informant system, apprehend and prosecute offenders. The Service will intensify visibility project and day and night patrols across the country. It will also expand the capacity of the Police Hospital to provide quality health service.
722. Mr. Speaker, the Narcotics Control Board sensitised over 183 schools, 47 communities on the dangers of drug abuse and trafficking and offered counselling to inmates in rehabilitation homes and hospitals. In addition, the Board renewed licenses of 65 and registered 9 new companies that deal in precursor chemicals. The Board also recorded a total of 41 narcotic drug arrest cases, 24 postal seizures with 1 arrest as well as 9 convictions for narcotic drug offences.
723. In 2015, the Board will organize sensitization programmes for MMDAs and schools as well as TV and Radio talk shows. The Board will also organize special operations for interdiction, running of informants, strengthen Inter-Agency collaboration and continue to monitor and control precursor chemicals.
724. The Ghana Prison Service completed some residential facilities to house officers who provide security at the 2,000 capacity Maximum Security Prison at Ankaful.

This increased the inmate population from about 200 to 831, thereby reducing the overcrowding situation at the Medium Security Prison in Nsawam.

725. Mr. Speaker, the Service provided inmates with vocational training in pottery, blacksmithing, vulcanizing, carpentry, sewing and auto-mechanics. The Service also provided skills training and formal education for convicted prisoners and juveniles in custody.
726. The Service in its quest to rehabilitate prisoners and successfully reintegrate them into society, prepared and presented 13 candidates for the BECE, 62 candidates for the NVTI and 10 candidates for the 2014 November/December WASSCE.

Migration and Refugee Management Programme

727. The Ghana Immigration Service (GIS) organized educational campaigns to sensitize the public on migration and work permits and inspected factories, hotels, churches, dwelling places and mining sites leading to the arrest of 168 persons of various nationalities for breach of immigration laws, illegal mining and employment. In addition, 380 Ghanaians were refused entry into various destinations abroad for failing to meet entry requirements and 38 foreign nationals were not admitted into Ghana whilst 16 foreign nationals were repatriated to their respective home countries for various immigration offences.
728. In 2015, the Service will undertake rigorous enforcement of immigration laws through on-the-spot-checks and investigations.
729. Mr. Speaker, the Ghana Refugee Board drafted the National Policy on Refugee Management (Refugee Commission Bill), the operational manuals for the Secretariat and Scheme of Service for staff to restructure the Board into a Commission. The Board completed the local integration process of 1000 former Liberian refugees and facilitated voluntary repatriation of Ivorian refugees.
730. In 2015, the Board will submit National Policy on Refugee Management (Refugee Commission Bill), the operational manuals for the Secretariat and Scheme of Service to Cabinet and Office of Head of Civil Service for approval.
731. The Board will also assist in the general wellbeing, care, maintenance and management of refugees and asylum seekers in the country as well as continue the registration and issuance of Convention Travel Document (CTDs) and ID cards to Refugees.

Gaming Regulation Programme

732. Mr. Speaker, the Gaming Commission licensed 25 Casinos, 16 sports betting companies and 8 Route Operation facilities that are operating across the country.

733. In addition, the Commission partnered the Financial Intelligence Centre and organised sensitization campaigns for stakeholders in the gaming industry on the Anti-Money Laundering Act (2008).
734. In 2015, the Commission will install a central electronic monitoring system in betting facilities in Ghana to facilitate better assessment of taxes to be paid by operators.
735. For the implementation of the above programmes and activities, an amount of GH¢1,195,558,180.00 has been allocated. Out of this, GH¢1,135,118,927.00 is GoG, GH¢13,958,874.00 is IGF and GH¢46,480,379.00 is from Development Partners.

SECTION SIX: SOCIAL PROTECTION, POVERTY REDUCTION EXPENDITURES AND PROGRESS TOWARDS ACHIEVING THE MILLENNIUM DEVELOPMENT GOALS

Social Protection

736. Mr. Speaker, Ghana has made significant progress in the process of developing its Social Protection System (SPS). The objective of the SPS is to reduce and alleviate poverty and vulnerability, ill health and social exclusion. Social protection programmes have not been efficient and an attempt is being made to rationalise these programmes through improved targeting mechanisms. This will stimulate an inclusive growth by improving the health and capacity of the vulnerable segments of the society. In addition, the efficient delivery of social protection in the poorest households will help increase their productivity, support domestic demand and, thereby, contribute to the structural transformation of the Ghanaian economy.
737. Mr. Speaker, the issue of social protection has become even more paramount on the back of government's renewed commitment to an accelerated fiscal consolidation. The impact may affect the poorest households because of their low capacity to respond to such shocks. Mitigating the negative impacts of fiscal adjustment has therefore become a key priority of government for 2015 and beyond. Some of the key social protection programmes include the National Health Insurance Scheme (NHIS), the Livelihood Empowerment Against Poverty (LEAP) and the School Feeding Programme, without which the gains made in education and the reduction in extreme poverty could be reversed.
738. In 2015, Government will continue to expand the existing targeted social protection programmes to reach more beneficiaries. The Ghana National Household Registry (GNHR), initiated by the Ministry of Gender, Children and Social Protection (MoGCSP) will play a pivotal role in the identification of beneficiaries to facilitate their efficient and effective targeting in the delivery of the social protection programmes.
739. Mr. Speaker, the implementation of appropriate social protection strategies by government will enable the vulnerable in the society obtain the minimum benefits needed to rise above the poverty line. These areas include access to basic health care and a minimum income security for children, the working age group and the aged.

GOVERNMENT SPENDING ON POVERTY REDUCTION RELATED ACTIVITIES

740. Government continued to improve on pro-poor spending in basic education, primary health care, poverty-focused agriculture, rural water, feeder roads and rural electrification.

741. Mr. Speaker, in 2014, GH¢6,313.2 million, representing 23.97 percent of planned total Government expenditure of GH¢26,343.5 million (excluding tax expenditures and foreign-financed capital) was earmarked for poverty reduction activities. By the end of September, 2014 GH¢4,568.77 million being 26.8 percent of actual total Government expenditure of GH¢17,036.44 million had been spent on these poverty programmes.
742. Government provided funds for a number of Social Intervention Programmes in 2014. These included programmes in support of education, improvement of sanitation and waste management in cities and towns, the Savannah Accelerated Development Authority programmes, rural water, disaster management and youth employment programmes among others.
743. Mr. Speaker, total Government spending on pro-poor activities for 2015, is estimated at GH¢7,594.34 million or 22.1 percent of planned total Government Expenditure of GH¢34,402.43. This amount is intended to support the provision of basic services.

Education

744. In the Education Sector, planned total expenditure for 2014 was GH¢6,147.5 million. Of this amount, GH¢2,781.7 million, representing 45.3 percent was expected to be spent on basic education. By the end of September 2014, the total Education Sector expenditure was GH¢4,270.34 million out of which GH¢2,260.1 million, representing 52.9 percent was the share of basic education.
745. For 2015, an amount of GH¢7,058.32 million has been allocated for the Education sector. Out of this, an amount of GH¢3,542.47 million, representing 50.2 percent has been allocated for Basic Education. These expenditures from various sources including the Ghana Education Trust Fund will support the payment of Capitation Grants, Senior and Junior High School subsidies, scholarships, and the elimination of schools under trees etc.
746. As part of planned Social Intervention Programmes for the education sector in 2015, an amount of GH¢8.01 million has been set aside to provide about 10 million free exercise books to Public Basic Schools across the country. Also, an amount of GH¢8.00 million will be used for the provision of free school uniforms to pupils in deprived communities. The Capitation Grant scheme will receive GH¢25.11 million while GH¢15.54 million has been allocated for Basic Education Certificate Examination (BECE) Subsidy for 2014/2015 academic year while GH¢66.13 million has been provided as subsidy for senior high schools. Also, in line with government's plan of progressively making senior high schools free, an amount of GH¢18.00 million has been provided to kick-start the programme in 2015. An amount of GH¢4.5 million has been allocated for as feeding grants for special schools.

Health

747. Of a total amount of GH¢2,288.7 million budgeted for the Health Sector in 2014, 34.01 percent, representing GH¢778.4 million was earmarked for Primary Health Care programmes. By end of September 2014, total actual expenditure of the Health Sector was GH¢1,757.24 million, out of which actual expenditure on Primary Health Care-related programmes was GH¢986.23 million representing 56.1 percent of the total Health Sector expenditure.
748. For 2015, GH¢2,749.26 million has been earmarked for the Health sector. About 52.4 percent of this allocation, amounting to GH¢1,439.79 million will be spent on Primary Health Care programmes.
749. In respect of the Health Sector's Priority Intervention Programmes, a number of allocations have been made for the 2015 fiscal year. An amount of GH¢21.00 million has been provided for the implementation of the Community-based Health Planning and Services (CHPS) Compound programme with the aim of providing community-based primary health care to the people.

Agriculture

750. The total planned budgeted amount in 2014 for the Agriculture Sector was GH¢226.0 million. By the end of September 2014 GH¢121.80 million had been spent. About GH¢111.81 million of this actual sector expenditure, representing 91.8 percent, was spent on poverty-related agricultural programmes such as the Fertilizer Subsidy, Extension Services and the establishment of Agricultural Mechanisation Service Centres among others to boost agricultural production.
751. For 2015, a total of GH¢395.19 million has been allocated for the agriculture sector. About GH¢347.16 million of this allocation representing 87.9 percent, is to be spent on Fertilizer Subsidy, Agricultural Mechanisation Services and the Youth in Agriculture Block Farm Programme among others.
752. Specifically, in 2015, an amount of GH¢144.00 million has been set aside to fund poverty-related agricultural interventions such as fertilizer subsidy, the tsetsefly programme, seed subsidy, among others.

Water, Housing and Works

753. Planned expenditure in 2014 for Water Resources, Works and Housing was GH¢90.9 million. By the end of September 2014 GH¢65.91 million had been spent out of which GH¢16.67 million was spent on community water and sanitation programmes.
754. For 2015, GH¢230.47 million has been allocated for Water Resources, Works and Housing out of which GH¢92.21 is earmarked for the provision of Rural Water.

Roads

755. Total budget for the Road Sector for 2014 was GH¢503.7 million. By the end of September, 2014 GH¢392.8 of it had been utilised. Out of the amount GH¢71.40 million representing 18.2 per cent of the actual sector expenditure, was spent on Feeder Roads.
756. For 2015, planned expenditure for feeder roads is GH¢697.25 million. That constitutes about 36.6 percent of GH¢255.05 million of total Road Sector planned expenditure.

Energy

757. In 2014 GH¢604.4 million was budgeted for the Energy Sector of which the share of rural electrification was GH¢303.7 million. Actual Energy sector expenditures, by the end of September 2014 amounted to GH¢167.82 million out of which GH¢128.71 million went into Rural Electrification.
758. In 2015, the Energy Sector has been allocated GH¢310.57 million out of which GH¢241 million is planned to be spent on rural electrification by the end of the year. An amount of GH¢247.51 million has been set aside to, specifically, fund SHEP infrastructure projects in 2015, while GH¢15.00 million has been provided for the Rural LPG Promotion Project.

Other poverty

759. "Other Poverty" expenditure amounted to GH¢1,018.83 million or 6.0 per cent of total Government expenditure. "Other Poverty" expenditure includes spending on social welfare, public safety, drainage, human rights, environmental protection, rural housing, legal aid, decentralisation among others. An amount of 38 million has been provided for the implementation of the LEAP programme in 2015.

PROGRESS ON THE ACHIEVEMENT OF THE MILLENNIUM DEVELOPMENT GOALS

760. In September 2000, Ghana committed itself to attaining the eight MDGs by the end of 2015 and mainstreamed them into its successive Medium Term Development Policy Frameworks. The MDGs aim 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.
761. Current assessment of the progress on the attainment of the MDGs in Ghana shows a mixed performance as follows:

762. The MDG target of reducing extreme poverty by half was achieved nearly a decade ago. As at 2013, extreme and overall poverty have both been reduced to more than half of their 1992 levels. By 2013, the target for the HIV/AIDS component of the HIV/AIDS, malaria and other diseases goal was also attained.
763. Current trends indicate that by end-2015 Ghana would have attained the goals for Universal Primary Education, under-5 mortality, the safe water supply component of the environmental sustainability goal.
764. However, it may not be likely for Ghana to attain the goal for maternal mortality, the target for sanitation under the environmental sustainability goal and the goal for global partnerships.
765. Mr. Speaker, permit me to elaborate more on Ghana's performance in the achievement of the MDGs since its inception:

Goal 1: Eradicate Extreme Poverty and Hunger

766. The MDG target of reducing extreme poverty by half was achieved by Ghana nearly a decade ago. Since then, we have managed to sustain this achievement. The latest Living Standards Survey indicates that the national poverty incidence declined from 39.5% in 1998/99 to 8.4% in 2013. However, geographical disparities in the incidence of poverty still persist with the three northern regions having the highest incidence of poverty and with their share of poor comprising about 80% of the total. Various pro-poor interventions currently being implemented such as the Livelihood Empowerment Against Poverty (LEAP) are aimed at improving the livelihood of people in these regions.
767. The improvements in the availability of food have impacted positively on nutritional status of the population, particularly young children. Ghana has already met the target of reducing by half, the number of underweight children under 5 years. Social programmes such as the Ghana School Feeding Programme, as well as the breast feeding campaign are being implemented vigorously to improve nutrition in children. The following interventions will be implemented in 2015 to sustain the gains made on MDG Goal 1:
- Ensure the provision of reliable poverty data at all levels through the Ghana Statistical Development Project;
 - Expand direct cash transfers under the LEAP programme from the projected figure of 100,000 in 2014 to 200,000 in 2015 with more effective targeting;
 - Expand the School Feeding Programme from the current figure of 1,740,000 in 4,881 schools to 2,500,000 by 2015; and
 - Intensify efforts at monitoring children at risk of malnutrition in Child Welfare Clinics in the districts

Goal 2: Universal Primary Education

768. One of the major successes of the education sector in recent times has been the significant improvements made in ensuring access to education, particularly at the basic school level as part of the government's commitment to Free Compulsory Universal Basic Education (FCUBE). Enrolment at the kindergarten (KG) level improved significantly in 2012/13 academic year to reach 113.8%, exceeding the target of 100.0% set for 2015.
769. Latest data shows the enrolment and access to education continue to improve from kindergarten (KG) to University with over 1.6 million children currently enrolled in KG, 4.1 million pupils enrolled at primary level, and 1.5 million pupils enrolled in junior high school.
770. There has also been consistent progress in increasing access at the primary level of education over the years. At the end of the 2012/13 academic year, the primary school enrolment for children in the age group 6-11 years reached 105.0% compared to 96.5% in the previous academic year. The result suggests that most children in the country now have access to primary school education and Ghana is gradually approaching universal primary enrolment. This observation is confirmed by the 2011 Multiple Indicator Cluster Survey, which showed that by the age of 10 years about 90.0% of children have entered primary school, and this figure climbs to about 95.0% by age 14 years. Enrolment at the JHS level for children of age 12-14 years also continued to improve. It increased from 80.6% in the last academic year to 82.2%, in the current academic year.
771. The following interventions will be implemented in 2015 to improve on Ghana's progress towards the achievement of Universal Primary Education:
- Continue with Teacher redeployment and staff rationalization at GES and start the planned review of automatic recruitment of newly trained teachers to further improve teacher deployment;
 - Continue to work towards zero tolerance for absenteeism, improvement in staff management and Time on Task. In line with this, the Ministry of Education will also facilitate possible synchronization of the sandwich programme calendar of Universities with the Pre-tertiary schools. These interventions are expected to increase teacher attendance from 89% to 92% in 2015 and also improve on Time on Task.
 - Expand the Complimentary Basic Education (CBE) Programme to cover 420,000 out-of-school children currently not covered by the Programme over the medium term with the collaboration of the MMDAs;
 - Replace sub-standard school structures with new ones through Secondary Education Improvement Project (SEIP) and other programmes;

- Continue the provision of the capitation grant, school uniforms and the supply of free text books;
- Expand the Complimentary Basic Education (CBE) Programme to cover 420,000 out-of-school children currently not covered by the Programme over the medium term.

Goal 3: Gender Equality and Empower Women

772. The Millennium Development Goal (MDG) of gender parity states that gender parity should be achieved at the primary level by 2005 and at all the other levels of education by 2015. Ghana missed the target for primary level and is likely to miss the target for all the other levels in 2015. The most recent data show that progress towards achieving parity at the various levels of education is mixed. During the 2012/2013 academic year, the Gender Parity Index (GPI) increased at the Kindergarten (KG) level from 0.98 in 2011/12 to 1.03 in 2012/13, surpassing the target of 1.00. This means that more girls are being enrolled at KG compared to boys.
773. At the primary level, the GPI increased from 0.97 to 0.99 during the year, showing that gender parity has been achieved at this level, while at the JHS level, the GPI fell slightly from 0.93 in 2011/12 to 0.91 in 2012/13, indicating the persistence of disparity in access in favour of males. The observed disparity at the JHS level may partly be due to the attraction of the informal labour market for many students, particularly when they reach an age where they are expected to either contribute to family income or make it on their own. This effect is likely to be larger for girls compared to boys.
774. Enrolment remains unequal for boys and girls in senior high school. In 2012/13 the proportion of SHS female enrolment was 45.9%, and the GPI remains low at 86 females per 100 males.
775. Government will commence its policy of making secondary education progressively free in the 2015/2016 academic year.

Goal 4: Reduce Under-five Mortality

776. The most recent round of the Multiple Indicators Cluster Survey (MICS) conducted in 2011 reported an under-five mortality rate (U5MR) of 82 per 1,000 live births and an infant mortality rate (IMR) of 53 per 1,000 live births. Even though progress has been slow, indications are that the target may be achieved.
777. In order to accelerate Ghana's progress towards achieving this goal, government will intensify its activities to:
- Bridge the equity gaps in geographical access to health services;

- Enhance national capacity for the attainment of the health-related MDGs and sustain the gains;
- Promote effective child development in all communities, especially deprived ones; and
- Continue to improve the Community-based Health Planning and Services (CHPS).

Goal 5: Maternal mortality

778. The institutional maternal mortality ratio (IMMR) reported through the routine health information system (and used as proxy) shows a drop in IMMR from 155 maternal deaths per 100,000 live births in 2012 to 150 maternal deaths per 100,000 live births in 2013. The improvement in IMMR is an indication of better access to obstetric services and improved referral health system. It is unlikely that this target will be achieved by 2015.
779. In 2015, through the implementation of various policies, maternal mortality will be reduced from an estimated 514 in 2014 to about 460 by end of 2015. Government will vigorously pursue the expansion and construction of CHPS Compounds nationwide to bring basic healthcare to the doorsteps of the people. In order to further improve on service delivery through the National Health Insurance Scheme (NHIS), Government will scale up the NHIS Capitation to three regions (Volta, Upper West and Upper East) and also review tariffs to meet current trends.

Goal 6: HIV/AIDS and Malaria

780. Ghana's HIV situation is classified as a low prevalence epidemic with pockets of high prevalence in certain populations. The national median HIV prevalence rate has continued to decline since 2009, when it was 1.9%, to 1.3% in 2013, while the prevalence rate among pregnant women also declined from 2.1% in 2012 to 1.9% in 2013. With regards to prevalence by age, the age group of 35-39 years recorded the highest prevalence rate of 3.2% while the lowest prevalence rate of 0.8% was recorded for the age group 15-19 years. HIV prevalence among the age group 15-24 years, which is used as proxy for new infections, declined from 1.3% in 2012 to 1.2% in 2013. The estimated number of new HIV infections decreased by 2.2% from 7,991 in 2012 to 7,812 in 2013.
781. This target has been met. However, to avoid slippages government will continue to improve on HIV and AIDS/STIs case management while improving institutional capacity for efficient and effective delivery of HIV and AIDS/STIs services.
782. Government continues to step up disease control activities, particularly for HIV & AIDS, TB, Malaria, GW & polio eradication.

Goal 7: Environmental Sustainability

783. Government's efforts to increase the proportion of the Ghanaian population with access to safe drinking water continue to yield positive results. Access continued to improve in both rural and urban areas since 2011. The percentage of the population with access to safe water in the urban areas improved from 62.27% in 2010 to 63.37% in 2011, while in the rural areas the increase was from 60.84% in 2010 to 63.34% in 2011. On the other hand progress on the attainment of the MDG 7b target of halving the proportion of persons with sustainable access to improved sanitation continued to be slow. The percentage of the population with access to improved sanitation services increased from 14% in 2010 to 16% in 2011, but fell short of the target of 20% set for 2011.
784. The target on Safe Water is likely to be achieved by the year 2015 while the sanitation target will be missed by Ghana.
785. In order to improve on Ghana's performance on this goal, government will implement the following in 2015:
- Promote improved sustainable management of forests, leading to emissions reductions and the protection of forest carbon stock, through the Forest Investment programme;
 - Implementation of guidelines with annual tracking system to reduce social conflicts in mining areas;
 - Ensure the development of individual knowledge and skills in sustainable land management practices, crop and livestock production techniques including good animal husbandry through the Sustainable Land and Water Management Project (SLWMP);

Goal 8: Global Partnership for Development

786. Receipt of aid money continues to follow the downward trends of recent times. Ghana's debt strategy acknowledges a limited access to grants and concessional loans on the back of achieving the status of Lower Middle Income Country. The main strategies for the management of public debt include:
- Channelling commercial loans to finance commercially viable projects;
 - Channelling grants and concessional loans to finance social infrastructure; and
 - Restructuring expensive short-term and high-interest bearing debt by extending repayment period and lower interest costs.

SECTION SEVEN: PUBLIC FINANCIAL MANAGEMENT REFORMS

787. Mr. Speaker, in pursuit of its commitment to ensuring improved results, efficiency, transparency, accountability and performance in the public service, for value for money and quality service delivery, Government has been implementing key Public Financial Management (PFM) reform initiatives. Notable among these initiatives are the Ghana Integrated Financial Management Information System (GIFMIS), Budget Reforms including the introduction of Programme-Based Budgeting (PBB) and a new Budget Preparation and Management System, Fiscal Decentralization and Modernization of Revenue Management and Administration.

PROGRAMME BASED BUDGETING

Performance in 2014

788. Mr. Speaker, to further strengthen and enhance the efficiency of the PFM system, the following performance outputs were achieved out of the overall medium-term targets for budget reforms.

Implementation of Programme Based Budget (PBB)

789. To deepen the processes and strengthen the performance management, monitoring and evaluation systems in all Ministries, Departments and Agencies (MDAs), the Ministry reviewed the key performance information in the PBB of all MDAs. To this end, the Ministry engaged with key staffs of all MDAs to discuss the key performance information and measures to improve the quality of information to enable them review the performance indicators and targets to enhance monitoring of MDAs performance.

Change Management

790. Mr. Speaker, for effective programme management requires significant change in roles played by all stakeholders. In line with this and to facilitate effective and efficient implementation of the budget reforms, a Change Management and Communication Strategy was developed to enhance the transition from Activity Based Budget to PBB. As part of the implementation of the strategy, the Ministry trained Budget Officers in the MDAs, engaged with Directors and Chief Directors of all MDAs on PBB to facilitate leadership commitment and participation in the budget reform process. In addition, other stakeholders including Development Partners and Civil Society Organisations (CSOs) were also engaged on the implementation of PBB.
791. The Ministry also conducted an assessment of MDAs performance in the preparation of PBB as part of the change Management process and developed strategies to further deepen the process.

New Budget Preparation Software

792. Mr. Speaker, a principal milestone of the introduction of PBB and to ensure overall improvement in the entire budget process, a new Budget Preparation and Management System, Oracle Hyperion was procured to replace the Microsoft Access based Activate software.
793. Consistent with PFM reform objectives of the Ghana Integrated Financial Management Information System, the design and development of the new budget software, ORACLE HYPERION, which integrates seamlessly, with the GIFMIS Oracle Financials platform, was successfully completed and launched for the preparation of the 2015-2017 Annual Budget Estimates of MDAs. The system was also configured to link with the Ghana Shared Growth and Development Agenda II.
794. Officers involved in budget preparation in all MDAs were trained in the use of the new budget system to enable them prepare their MDAs' 2015-2017 Annual Budget Estimates.
795. Mr. Speaker, the Ministry, as part of the development of the budget system for the preparation of the 2015-2017 Budget and beyond, undertook the Standardisation of over 26,000 budget activities in the 2014 Budgets of all MDAs to about 400 activities to reduce the incidence of repetition and similar activities with different coding as per the chart of Accounts for improved budget analysis. In line with this, a validation and training workshop was organised for key Staffs of MDAs to facilitate the use of the standardized activities for the 2015-2017 budget estimates.
796. The new budget preparation and management system has facilitated and improved the accuracy of budget information and estimates, improved consistency of data effectiveness in the entire budget preparation cycle.

Rollout of PBB to MMDAs

797. Mr. Speaker, as part of efforts to strengthen the financial management system and synchronize the budgeting systems across governments, the Ministry commenced preliminary activities towards the introduction of PBB in MMDAs in 2016. To this end, a tentative programme based budget structure for MMDAs has been developed and in the process of reviewing and harmonizing the training manuals for Programme Based Budgeting and Composite Budgeting. The Ministry also held a sensitization programme for MMDCEs and 245 Budget Officers of MMDAs on PBB.

Other Reform Initiatives

798. The Ministry continued to coordinate and provide leadership in the implementation of other budget reforms. This included

Review of PFM Legislation

799. The review of the legal framework of Ghana's PFM system to establish a programme of reform for rules and regulations that: (1) are appropriate to the major changes in PFM practice as a result of the ongoing reforms; and (2) can support the needed changes in business processes as part of the ICT platform, is currently on going.

PFM Reform Strategy

800. Mr. Speaker, to strengthen the PFM system and enhance the implementation of the budget reforms, the Ministry is developing a PFM reform strategy for implementation.

Outlook for 2015

801. The Ministry will continue to pursue its medium term focus of implementing various budget reform programmes to further strengthen and enhance the efficiency of Ghana's PFM system. Key programmes for the 2015 are as follows:

- **Review of Budget Execution Processes**

To deepen the processes and strengthen the implementation of the budget reforms in all MDAs, the Ministry will undertake a review of the budget execution processes and implement a streamlined and revised budget execution process. In this regard, the Ministry will develop a Terms of Reference for a comprehensive review of the current budget execution processes in line with the new budget reforms.

- **Full Configuration and Consolidation of New Budget System**

To consolidate and fully roll out the implementation of the new budget system, the Ministry will prepare a comprehensive rollout plan to deploy the system to 5 pilot MDAs and later to all other MDAs. This will facilitate the full utilization of the system which is web based at the MDA level thereby minimizing the reliance on Ministry of Finance in budget preparation process.

To further deepen the Medium Term Expenditure Framework (MTEF) process, the Ministry will also undertake the development of the new budget system to capture the Medium Term Fiscal Framework. The ministry will also reconfigure the system to adequately capture Internally Generated Funds (IGFs). In addition, the functionality in the system for project management will be fully activated and utilized including contract management.

The Ministry will also undertake further training of Budget Officers of MoF and all MDAs to improve MTEF Budget Estimation and Monitoring

- **Deepen and Strengthen the Implementation of Programme Based Budgeting**

The Ministry will procure a consultant to undertake capacity needs assessment of all MDAs and train MoF Schedule Officers to understand and appreciate the change roles and provide technical support to MDAs budget process. The Ministry will also review the Programme Structure and Performance measurement of all MDAs within the broader functions and objectives of the MDA to ensure efficient and effective fiscal management and budgetary controls.

FISCAL DECENTRALISATION

Performance in 2014

802. Mr. Speaker, government's efforts at putting in place the institutional and regulatory framework to guide MMDAs revenue assignments, inter-governmental fiscal transfers, borrowing arrangements and financial management processes is very much on course.

Revision of Intergovernmental Fiscal Framework

803. Mr, Speaker, Ministry of Finance completed the revision of the Intergovernmental Fiscal Framework which was approved by Cabinet. The framework clearly outlines the vision for fiscal decentralization as well as the strategies to accelerate the fiscal decentralization reforms to empower District Assemblies to assume their mandated roles and responsibilities for enhanced governance, improved service delivery and local economic development.

National Debate on Internally Generated Revenue

804. In 2014, the Ministry began the implementation of the IGFF by organizing regional and national debates to reflect on the strategies for improving MMDAs' internally generated revenues to enhance their capability to perform their assigned roles. To this end, the Ministry in collaboration with the Ministry of Local Government and Rural Development is developing IGF strategic guidelines and corresponding Reference Guides for MMDAs.

Revision of Local Government Finance Bill

805. Mr Speaker, Government recognises the need for MMDAs to have the ability to access credit within defined risk limitations to fund long-term capital assets. Given the limited opportunity for local government borrowing, the Ministry initiated discussions in 2014, to review the Local Government Finance Bill in order to clarify the purposes for allowable local debt, legal debt limitations, disclosure requirements and options for debt recourse in cases of default.

Public Financial Management Reforms

806. Mr. Speaker, a study on MMDA budgeting, reporting and auditing systems was completed, and strategy papers developed for improving the PFM systems at the MMDA level.

Citizens Public Financial Management Templates

807. As part of the on-going reforms, Citizens Public Financial Management Templates were developed and deployed to 46 Metropolitan and Municipal Assemblies. This is to ensure that financial information is made available to citizens in formats they can understand to enhance their participation in the MMDAs financial management process and to hold MMDAs accountable.

Outlook for 2015

808. Mr Speaker, to advance the fiscal decentralization reforms, the Ministry will undertake the following:

- initiate a study which will lead to the development of systems and structures for education and health fiscal decentralization to the MMDAs, when the administrative reforms that are being implemented in those sectors come into effect;
- rollout the PFM templates to all Districts to deepen citizens participation in the financial management of the MMDAs across the country;
- continue budget reform activities to make MMDAs budgets consistent with National Budgeting processes and formats;
- complete revision of the Local Government Finance Bill and seek Parliament approval to enable government put the necessary structures in place for MMDAs to borrow for infrastructure provision; and
- complete and rollout the IGF strategic guidelines.

Ghana Integrated Financial Management Information System (GIFMIS)

Performance in 2014

809. Mr Speaker, GIFMIS remains the key pillar of public financial management reforms for the Government of Ghana. The system has been used successfully to execute the 2014 budget. The Annual Public Accounts (on the consolidated funds) for 2013 was prepared using the GIFMIS. Monthly accounts for 2014 are also being prepared using the GIFMIS.

810. In 2014, the system was connected to seventy (70) Spending Units who were processing transactions at the Transactions Procession Centres in Accra bringing the total connected Spending Units to 231 out of 250 targeted under GIFMIS Phase I.

811. Mr Speaker, to achieve the full benefits of having an integrated system, GIFMIS interface with T24 and SWIFT at BoG were completed and the interface for other major legacy systems such as Total Revenue Integrated Processing System (TRIPS) and Ghana Customs Management System (GCMS) at GRA are on schedule.
812. To improve performance of the IPPD system and ensure budgetary control over payroll cost, the IPPD software was upgraded and integrated with the GIFMIS General Ledger and the system was operationalized for processing salaries in June.

Outlook for 2015

813. Mr Speaker, the GIFMIS Phase I ends in December, 2014. Despite the achievements, there are still significant deliverables to be accomplished in order to realize the desired medium to long term PFM goals. Key activities in 2015 will include the:
- upgrade of existing data centres at CAGD and MoF,
 - completion of disaster recovery site;
 - expansion of LAN and WAN connectivity to MDA and MMDA sites through NITA;
 - procurement and installation of Inventory Modules;
 - acquisition of additional software user licenses for the Hyperion Module;
 - implementation of the GIFMIS Fixed Assets Module and bringing on board of IGF, Statutory and Donor Funds;
 - rollout of P2P to at least 50 more MMDAs;
 - implementation of IPSAS;
 - rollout of HRMIS; and
 - completion of all remaining system interfaces.

Contracts and Public Investment Management

814. Mr Speaker, one major challenge in managing our public finances is the difficulty in relating the contracts awarded by MDAs to their budget allocations. The Contracts Database established since 2011 will in 2015 be linked electronically to budget allocations.

Upgrade of the Payroll

815. Mr Speaker, in 2013, the Payroll upgrade under GIFMIS was fast-tracked to help resolve many issues that were impeding the smooth implementation of the Single-Spine Salary Structure (SSSS). In 2015, the Ministry will continue with the setting up and piloting of a complementary electronic HRMIS under the Public Services Commission (PSC). The integration of the Payroll and HRMIS systems will resolve many issues surrounding effective payroll administration, including

recruitment, transfers, promotion, and termination of staff from the public services.

Use of Electronic Warrants

816. Mr Speaker, at the moment, the majority of MDAs have replaced the manual warrants with electronic applications. In 2015, the use of electronic warrants will be extended to all recurrent and capital expenditures. The second measure is to enforce the use of warrants for all Internally Generated Funds (IGFs) to ensure proper application of funds.

Coding and classification

817. Mr. Speaker, in the 2011 Budget, Government launched an element of the PFM system, to make MDAs and MMDAs adopt a uniform way of classifying revenues, expenditures, functions and institutions in budget estimates, and public accounts. The coding and classification systems adopted is consistent with international standards.

818. Mr Speaker, one of the benefits of the coding and classification system is that the Controller and Accountant-General's Department (CAGD) and all public sector bodies that are not classified as SOEs or government business entities (GBEs) are using the same basis or classifications to present their financial accounting records to Parliament.

Accounting Standards

819. Mr. Speaker, regulation 186 of the Financial Administration Regulation requires that CAGD and all public sector institutions prepare their accounting records on accrual basis. It has been difficult to comply with this requirement. This has resulted in the qualification of the public accounts presented by the Controller and Accountant-General to the Auditor-General.

Adoption of International Public Sector Accounting Standards (IPSAS)

820. Mr. Speaker, government recognises the importance of high quality financial reporting standards in shaping the relevance, reliability and quality of the general purpose financial statements. The PFM Laws of Ghana require the application of accrual basis accounting system. Compliance with these provisions will require the adoption of the accrual basis of the International Public sector Accounting Standards (IPSAS).

821. Mr. Speaker, in 2015, the Controller and Accountant-General's Department will begin work towards the implementation of the Accrual IPSAS. The adoption of accrual basis will ensure that all transactions with respect to revenue earned, expenses incurred, assets controlled, liabilities incurred whether impacting immediately on cash or not, paid or not are recognised and included in the financial statements of government.

822. The information provided by accrual basis IPSAS enables users to assess the true and fair view of performance, financial position and cash flows of government. It also shows how government finances its activities and meets its liabilities and commitments. It further compels government to maintain complete records of assets and liabilities which are necessary for effective management of those assets and liabilities while helping government maintain a sustainable debt level.
823. Mr. Speaker, in 2015, the Payroll management measures such as payroll audits, electronic salary payment voucher (e-SPV) and e-Pay slips will be intensified to reduce the incidence of "Ghost" workers on government payroll.

Performance in 2014

824. Mr. Speaker, since its formation in 2009, the GRA has succeeded in integrating the former Revenue Agencies into a new organisation as specified in ACT 791, which includes the formation of a Domestic Tax Revenue Division (DTRD), Customs Division as well as a Support Services Division.
825. In 2014, the VAT law (Act 870) and Excise Law (Act 878) were passed. The tax reforms continued with the concept of segmentation and creation of medium and small taxpayer offices. Operational manuals were developed, printed and distributed and all DTRD staff have been trained in the manuals. An evaluation of the integration of DTRD has been completed.
826. A project has been initiated to locate taxpayers using a Geographic Information System and to date, 57,000 taxpayers have been captured on the database.
827. Mr. Speaker, the automation system for the Domestic Tax processes (TRIPS) is operational in two offices (the Large Taxpayer Office and Spintex Road Office) and expected to be rolled out to 4 other offices in Greater Accra by December 2014. The project has also launched online registration for taxpayers and a portal on the internet which gives access to e-filing, e-payment and other services such as appointments scheduling.
828. A Post Clearance Unit has been created in the Customs Division to promote compliance in the areas of valuation, origin tariff classification, drawback and exemption regimes.
829. An evaluation of the first GRA Strategic Plan, which spanned the period 2012-2014 has been completed. The second Strategic Plan, 2015-2017 will be completed by December 2014.

Outlook for 2015

830. Mr. Speaker, GRA will continue to review and strengthen its processes and procedures to improve efficiency in order to increase revenue collection and ensure cost effectiveness in the tax administration.
831. To increase revenue collection, the extractive (mining, oil and gas) and informal sectors will be given special attention in the second strategic plan period. A customs valuation system, administered by the GRA will be deployed in 2015, and the deployment of the TRIPS system will be extended to major DTRD offices.
832. Mr. Speaker, attention will be given to enforcing the tax laws in a transparent way. Taxpayers will be treated fairly, consistently and transparently while increased quality of service will be used to encourage compliance.
833. The Authority will ensure it has effective segmented compliance management strategies to facilitate taxpayer adherence to their tax obligations. GRA will monitor sector-wise tax compliance behaviours to identify economic sectors manifesting high degrees of non-compliance and undertake requisite measures.
834. Mr. Speaker, resources that can be realigned to high-priority enforcement work with the highest compliance risk will be given priority through implementation of risk management practices throughout the organisation.
835. During this Plan period, GRA will put in place strategies to implement the statutory obligations as well as enhancing trade facilitation and preventive services to reduce clearance time at the ports and protect society.

Improving Efficiency in the Management of Vehicles and Fuel by Public Institutions

836. Mr. Speaker, inefficiencies in the procurement and use of vehicles and fuel by public institutions has been identified as one of the causes of waste and abuse in the use of national resources.
837. In 2014, Government started a process to re-register government vehicles in an effort to improve their management in the delivery of government programmes.
838. In 2015, electronic solutions will be used to rationalize the procurement and use of fuel for public institutions. This solution will ensure among others that fuel procured by government is used only in designated vehicles. Full accounting for all fuel purchases will also be ensured. This will be done in conjunction with the on-going vehicle re-registration exercise.

SECTION EIGHT: POLICY INITIATIVES

839. Mr. Speaker, a number of policy initiatives will be pursued in 2015 to broadly address the prospects for the near term to enable government deliver on its transformational agenda. These include existing and new initiatives. Specifically, the areas to be covered will include initiatives in the following Strategic areas, Energy, Tax Policy, Structural Measures, New Debt Management, Export-Led Development, and Community Day SHS that leads progressively to Free SHS.

COMPLETION OF WESTERN CORRIDOR GAS INFRASTRUCTURE PROJECT

840. Mr. Speaker, I am pleased to announce that the Western Corridor Gas Infrastructure Project has been successfully tied-in to the FPSO Kwame Nkrumah.
841. Technical activities to facilitate the phased introduction of raw natural gas commenced on November 10, 2014. Before the end of 2014, the full commissioning of the gas processing plant using the base stock gas will allow for the production and full supply of up to 150 million standard cubic feet of lean gas per day to the Aboadze Thermal Power plant. Government also expect to produce various natural gas liquids including over 500 metric tons of Liquefied Petroleum Gas (LPG) per day.
842. Mr. Speaker, this milestone of bringing gas on-stream will provide better power generation flexibility for our country. Indeed, the new gas infrastructure will position the nation to make significant savings over crude oil imports for power generation. Government plans to expand the existing gas infrastructure facilities to receive gas from the upcoming Tweneboa-Enyenra-Ntomme (TEN) and Sankofa fields.

TAX POLICY INITIATIVES

Sliding Scale Excise Duty

843. Mr. Speaker, in November 2012, government introduced a sliding scale excise duty on beer and malt. This was to provide an incentive for brewery companies which use local raw materials as substitutes for imported raw materials. The object of this local content policy is to increase employment opportunities, reduce import bill, as well as increase capital investment and acquisition of new technology. Subsequently, a four-tier excise regime was introduced. In 2015, government will review the policy to ensure greater efficiency and compliance by the beneficiaries. In the process, GRA will introduce appropriate guidelines and make recommendations for improvement.

Excise Duty on Tobacco

844. Mr. Speaker, Ghana's excise tax as a percentage of cigarette prices is one of the lowest in the region. It has been estimated that the excise tax as a percentage of retail price is 14 percent while the average for Africa is 33 percent. It has also been established that to reduce the consumption of tobacco and its related health hazards, excise tax should be 70 percent of the retail price. In pursuance of these goals the excise duty rate will be increased from 150 percent to 175 percent.

Tax Identification Number (TIN)

845. Mr. Speaker, in 2014, the GRA made it mandatory for all taxpayers to acquire TIN before transacting business at the various ports. In conjunction with the National Identification Authority (NIA), the requirement of the TIN will be extended to other sectors to facilitate the identification of eligible taxpayers. Again, to ensure that the status of persons on the Taxpayer Register is accurate, the data will be validated every two years.

Amendment of National Health Insurance (NHIS) Act

846. Mr. Speaker, with the passage of the VAT Act 2013, (Act 870) which includes fee based financial services and real estates taxable activities, the National Health Insurance Act will be amended to conform to the new provisions. This will generate additional resources for the scheme.

Support to Local Industries

847. Mr. Speaker, as part of its policy to support local industries, Government, in the 2014 Budget removed import duties and VAT on raw materials used for locally produced exercise and textbooks under the supervision of Ministry of Education and HIV/AIDS drugs under the supervision of the Ministry of Health. In addition to these measures, Government in 2015 proposes to remove VAT on specified locally produced pharmaceuticals and some of the raw materials used for the production of these pharmaceuticals. The exemption policy will be based on a selected list of essential medicines not manufactured in Ghana and approved by the Minister of Health. This will ensure neutrality and reduce the cost of pharmaceuticals sold in Ghana and make them more affordable to Ghanaians.
848. Government will also remove import duty and VAT on inputs for the production of machetes and also the production of exercise books and textbooks. This will benefit both our farmers and the printing industry.
849. Mr. Speaker, mobile phone penetration is high in Ghana. However smartphones form only 15 percent of this penetration. Communication is shifting from voice to data and mobile data is projected to grow 6.3 times between 2013 and 2018. It is being proposed that in order to increase smartphone penetration, and in line with Government's policy of bridging the digital divide within the country, import

duties on smartphones will be removed. It is expected that the increase in smartphone penetration will increase revenue from Communication Service Tax, VAT and corporate taxes.

Review of Exemptions

850. Mr. Speaker, government recognizes the role that tax incentives play in creating an enabling investment climate. Ghana still needs investments in critical areas of the economy. However it is necessary to reduce abuses and the granting of excessive exemptions.
851. The Free Zones Act will be reviewed in 2015 to enhance the relevance of activities in the sector so that greater emphasis is placed on manufacturing and value addition. Additionally, the corporate tax rate of companies after the enjoyment of the ten years tax holiday will be increased from 8 percent to 15 percent.
852. In 2015, government will abolish the use of the VAT Relief Purchase Order (VRPO) in granting of relief. The Refund system will be beefed up to pay refunds when the request are duly vetted and certified. Tax exemptions granted in loan agreements will also be reviewed to reduce the scope of exemption granted and the use of special permit will be drastically reduced. The terms of draft Agreements must refer to the application of tax treaties, where necessary.
853. A more efficient refund system will be put in place to cover duty drawback, VAT refund and corporate tax overpayments. The current VAT Refund Account, into which 5 percent of VAT revenue is paid, will be replaced with a General Refund Account into which up to 5 percent of GRA collection will be paid for tax and duty refunds. The General Refund Account will be audited annually and any balance standing in the account at the close of the financial year, will be transferred into the Consolidated Fund.
854. Mr. Speaker, the upfront exemptions will be replaced by Tax Credit System for entities benefiting from exemptions. Under Tax Credit System, exempted entities will pay all import duties and taxes in full and apply for a Tax Credit Note which will be used to offset future tax liabilities.

Compliance

855. In 2014, the GRA initiated a taxpayer compliance monitoring measure which involved the use of taxpayer and third-party data to match taxpayers' declaration in order to ascertain their compliance levels. This measure is designed to improve taxpayer compliance using information reported to the GRA by tax payers and a range of third parties. The exercise started first with the use of data on importation from the Ghana Customs Management System (GCMS) and was subsequently extended to GIFMIS data covering payments made to government's suppliers.

856. Against the backdrop of the modest gains made, the GRA will scale up the project in 2015, with a view to making it a permanent and a routine compliance monitoring tool. In this regard, Customs procedures for the clearance of goods at the Ports are being reviewed to include the requirement for importers to indicate their TIN numbers and which domestic tax offices they pay taxes.
857. Also, the GRA will interface directly with the GIFMIS infrastructure so as to acquire data in real time for the exercise. GIFMIS platform can subsequently be used to validate Taxpayer Identification Numbers (TIN).

STRUCTURAL MEASURES

Review of Tax and Financial Management Laws

858. Mr. Speaker, government has been reviewing all the tax and financial laws and regulations currently in operation in the country to ensure that they boost revenue, enhance fiscal performance, and enforce sanctions for non-compliance.
859. In this respect, the Ministry of Finance worked with Parliament to pass the VAT and Excise Bills. Currently, the Customs Bill is before this august House and the Income Tax and Revenue Administration Bills would be tabled soon. The Ministry will, in the medium term, submit to Cabinet and subsequently to Parliament, a new Loans Bill and a Financial Responsibility Bill which will contain comprehensive provisions on budgeting and integrate the Financial Administration Act and Financial Administration Regulation.

Enhancing Flexibility in the Budget

860. Mr. Speaker, the national budget is increasingly becoming inflexible to manage as well as to accommodate shocks and changes in government priorities. These are mainly due to the earmarking of a huge component of the budgetary resources as statutory transfers in addition to existing statutory liabilities, such as wages and salaries, amortisation, and interest payments.
861. Most of the expenditures for which these transfers are made invariably have to be funded from the Consolidated Fund, causing duplication of efforts. Furthermore, as a result of these inflexibilities, during downturns almost all the discretionary expenditures which are predominantly in the MDAs budget are funded by loans from domestic and foreign sources.
862. Mr. Speaker, in the medium term, government will realign expenditures under the Statutory Funds hitherto being catered for under the Consolidated Fund. Starting with the 2015 Budget and as a transitional arrangement, government will enhance the administrative process for aligning statutory fund expenditures to national policies and priorities.

Introduction of Pre-Budget Statement

863. Mr. Speaker, to facilitate better engagement with the Legislature and improve participation of the Citizenry in fiscal policy management, Government will enhance the use of Budget guidelines for MDAs by piloting a Pre-Budget Statement in 2015. The pre-budget statement will provide the broad framework as well as parameters which will be the basis of the budget to be presented to Parliament. It will also signal government policy. The Ministry of Finance will engage Parliament to work out modalities with the view to introducing the Pre-Budget Statement as part of the budget process.

Debt Management Strategy

864. Mr. Speaker, Government debt management strategy will continue to focus on providing a more cost-effective access to the international and domestic capital markets. It will also support external as well as improvements of the domestic capital market to meet national development needs.
865. As you may recall, in 2014, Government tapped the Eurobond market to obtain long-term funds for debt restructuring, counterpart funding and financing of capital expenditure. This is in line with the objective of diversifying sources of funding, extending the tenure of public debt and reducing the overall cost of borrowing.
866. In 2015, government will consolidate its policy of using short-term borrowings primarily for liquidity management purposes and long term borrowings for capital expenditure. In this regard, government will continue to work towards extending the yield curve to 10 years.
867. Key initiatives to consolidate sustainability and efficiency in debt management are indicated as follows:

Sinking Fund

868. Mr. Speaker, government will operationalize the Sinking Fund to manage the orderly redemption of Sovereign Bonds and other debt instruments in 2015 in accordance with Regulations 88-93 of the Financial Administration Regulations (2004) L.I. 1802. Under the Sinking fund, Government will set aside funds to liquidate maturing debt.
869. The experience with the capping of the Stabilisation Fund that Parliament approved, clearly shows that the Sinking Fund can be financed from the excess over the cap set aside for debt servicing. In this regard, we are proposing the concept of a moving cap and percentage allocation to address all the goals of the Stabilization Fund.

On-lending and Escrow Arrangements

870. Mr. Speaker, in 2014, Government introduced an on-lending and escrow account initiative to minimize the impact of loans on the public debt portfolio with debt service accounts opened at the Bank of Ghana. In this regard, a number of on-lending agreements have been signed with some SOEs and MMDAs to facilitate the recovery of these loans. Government will continue with the on-lending and escrow arrangements in 2015, as a sustained feature of the debt strategy. We will tie the policy firmly to counter-guarantees and standing orders from reputable banks. We propose to extend the recovery to prices that MDA charge for use of debt financed projects. The use of these fees as IGFs without setting aside funds for maintenance and replacement is an anomaly that must stop.

Capital Market Development

871. Mr. Speaker, a well-developed domestic capital market is critical to Government's ability to mobilize the necessary funds to support infrastructure projects. In addition, such markets are necessary for enhanced financial stability, better integration into the global financial system, and provide a platform for private sector firms to diversify their sources of capital by tapping into the domestic capital market.
872. Mr. Speaker, Government is widening the scope of financing opportunities through measures such as the issuance of the 7-year domestic bond and the regular publication of an issuance calendar among others. Government will use the book building approach in allocating the issuance on the domestic capital market similar to the method used for the Eurobond on the international market. Government in collaboration with Bank of Ghana and Securities and Exchange Commission (SEC) will continue to list the Government 3-year, 5-year and 7-year bonds on the stock exchange.

Ghana Infrastructure Investment Fund (GIIF)

873. Mr. Speaker, thanks to this august House, the GIIF was established by the Ghana Infrastructure Investment Fund Act, Act 877 of 2014. The Fund is to mobilise, manage, coordinate and provide financial resources for investment in infrastructure projects. The GIIF is to begin effective operations in 2015 after the announcement of the Board and Advisory Council members. An executive search is underway for the Chief Executive. The World Bank and the AfDB have pledged their support in setting up the GIIF.
874. Mr. Speaker, in the interim government will transfer key projects on government balance sheet that meet the GIIF primary commercial loans criteria to the Fund to manage. These escrow and on-lending associated projects include Bui Dam and the Gas Processing Plant and Pipelines. Furthermore, funding requirements of some of these self-financing projects being undertaken with loans contracted by government will be passed on to GIIF. In addition, counterpart funding for

some selected projects will be provided from the Fund. Special Purpose Vehicle (SPVs), Joint Ventures and PPP projects will also qualify for funding under GIIF. Most of the projects to be covered by GIIF will be in the energy, roads and transport sectors.

Ghana EXIM Bank

875. Mr. Speaker, the transformation agenda, which has been articulated by His Excellency the President clearly indicates the need to transform our economy into an export oriented economy. It is necessary to adopt policies that tilt our economy predominantly towards exports. To achieve the desired transformation, Cabinet has approved the creation of a Ghana Export-Import Bank to lead in the strategic positioning of Ghana as an export-led economy.
876. The establishment of the EXIM, will also enable us to take advantage of international trade initiatives such as African Growth and Opportunity Act (AGOA) and Economic Partnership Agreement (EPA). The Cabinet approval includes the use of 50 percent of EDAIF funds to set up the bank. Ghana Exim will be a vehicle for the consolidation of the current export finance activities of the EDAIF, Exim Guaranty Company and Export Finance Company. In this regard, Cabinet also approved the setting up of a Presidential Committee to implement the establishment of the Ghana EXIM Bank.

Export-led Development Strategy

877. Mr. Speaker, over the years, Ghana has been relying on a few primary products, especially gold and cocoa and in recent times oil as the main export commodities. As part of the strategies to boost foreign exchange earnings, in 2015 and in the medium term, government will facilitate the expansion of non-traditional exports from about US\$2.3 billion to US\$5 billion. The strategy will be to take advantage of the purchasing power of consumers in the ECOWAS, BRICS and other markets.
878. Mr. Speaker, as part of the expanded export-led development strategy, government will intensify the campaign to promote made-in-Ghana goods and services.

ENHANCING DOMESTIC PRODUCTION TO REDUCE IMPORTS

879. Mr. Speaker, in 2013, import of rice, fish, poultry and tomato products was almost US\$1 billion. Government will continue with its policy to enhance the local production of these commodities as follows:

- **Revamping of the Broiler Programme**

Mr. Speaker, this programme is aimed at reducing the importation of chicken by 40 percent by the end of 2016. This is being implemented by the Ministry of Food and Agriculture in collaboration with the Ministry of Trade and Industry and the Ghana National Poultry Farmers Association. Under this

programme, 20 million broilers will be produced and this will result in 60,000mt of Poultry meat. It is expected that Ghana will save about US\$132 million and reduce poultry import by 38.9 percent.

- Mr. Speaker, during the year, government initiated the process of modernising the mode of grains and tuber trading as announced in the 2014 Budget. Two new markets for the trading of agriculture commodities were started. A taskforce was set up and the services of a consultant procured to provide technical advice for the implementation.

- **Fish Production**

Mr. Speaker, government will rationalise the fisheries regulations and EU issues to enable the country accrue over 500 million dollars in export earnings in 2015 and beyond. The tuna industry will also be revamped to increase foreign exchange earnings for Ghana. The export of other fishery products including smoked fish, tilapia and ornamental fish will earn over US\$100 million US dollars as additional export revenue for the country.

SANITATION AND WASTE MANAGEMENT

880. Mr. Speaker, development and operation of compost and recycling plants present an efficient and effective way of managing waste for the future. Compost and recycling plants offer MMDAs a feasible and cost effective alternative to landfilling. Solid waste helps meet the growing demand for organic fertilizer and contribute to saving the environment by an efficient method of disposing municipal solid waste. Compost and recycling plants also package and process recyclable products like plastic, pellets and scrap metal for industries. Over the medium term, government will encourage MMDAs to partner the private sector to deliver compost and recycling plants in some selected regions of the country.

COMMUNITY DAY AND PROGRESSIVELY FREE SHS

881. Mr. Speaker, in fulfilment of our promise to construct more Community Day Senior High Schools, Government began the construction of the first 73 Senior High Schools in as many selected districts across the country. In 2015, the second phase of the construction of the Community Day Senior High School Project will commence with an additional 50 Schools.
882. Mr. Speaker, Government is committed to making secondary education progressively free starting from 2015/2016 academic year. In this regard, in 2015, Government will absorb GES-approved examination, library, entertainment, SRC, science development, sports, culture, and internet fees charged to secondary level students. This is expected to benefit about 367,565 day students in the 2015/2016 academic year.

SECTION NINE: CONCLUSION

884. Mr. Speaker, I wish to conclude by giving a firm assurance on behalf of H.E., President Mahama, to this august House and to all Ghanaians, that the medium term prospects for this country's economy is bright, and that the transformational agenda of the NDC government is on course. In the near term, we will have access to additional oil and gas revenue, employ risk management tools, smoothen forex flows and increase value addition through diversification and effective tariff classification and variation. In addition, government will put in place measures to boost Ghana's foreign exchange resources so as to improve its foreign exchange reserves and maintain exchange rate stability even after the IMF programme.
885. We believe that the measures we have outlined in this budget to address the structural and fiscal weaknesses, will lead to an improved fiscal situation, strengthened rules for PFM, and an enabling environment for increased local production and an expansion of the economy.
886. Mr. Speaker, I wish to renew government commitment to the people of Ghana that with this budget,
- We will stabilise the economy;
 - We will introduce new rules and deploy systems to strengthen expenditure management which will reduce waste and corrupt practices;
 - We will strengthen state institutions and improve the governance of this country;
 - we will build the 50 secondary schools and begin the progressively free education programme we promised;
 - We will expand health facilities and complete the over 100 CHPS compound;
 - We will complete a number of roads and water systems we started;
 - We will increase the generation capacity of energy to reduce the perennial power outages and complete various ongoing infrastructure projects;
 - We will address comprehensively the issue of sanitation;
 - We will provide cash grant to over 150,000 households so that the extreme poor will not go to bed hungry; and
 - We will ensure that we increase opportunities for Ghanaians to have a better life.
887. Mr. Speaker, we are strengthened in our resolve to implement this budget. However to do this we will need help and support from this august House and the entire people of Ghana. We have not wavered in our commitment to provide a better Ghana for our people, and we believe that this budget offers another opportunity for us to work together to achieve this noble objectives.
888. Mr. Speaker, I so move.