REPUBLIC OF GHANA

THE BUDGET STATEMENT AND ECONOMIC POLICY

of the Government of Ghana for the

2018 Financial Year

Presented to Parliament on
Wednesday, 15th November, 2017
by

Ken Ofori-Atta
Minister for Finance

Theme:
"Putting Ghana back to work"

On the authority of
His Excellency Nana Addo Dankwa Akufo-Addo,
President of the Republic of Ghana

THE

2018 BUDGET STATEMENT

AND ECONOMIC POLICY

OF GOVERNMENT

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ACRONYMS AND ABBREVIATIONS

ABFA	Assets Based Finance Association
ACLP	Ascertainment and Codification of Customary Law on Land and Family Project
ACP	African, Caribbean and Pacific
ADR	Alternative Dispute Resolution
AFZ	Airport Free Zone
AG	Associated Gas
AGI	Association of Ghana Industries
AGOA	African Growth Opportunities Act
AGREDS	Assemblies of God, Relief and Development Services
ALP	Alternative Livelihood Programmes
AMA	Accra Metropolitan Assembly
AMSECS	Agriculture Mechanization Service Enterprise Centres
ARH	Adolescent Reproductive Health
AWS	Automatic Weather Stations
B.Tech	Bachelor of Technology
BDCs	Bulk Oil Distribution Companies
BECE	Basic Education Certificate Examinations
BMI	Business Monitor Index
BoG	Bank of Ghana
BOP	Balance of Payments
bopd	barrels of oil per day
BOST	Bulk Oil Storage and Transportation Limited
BOT	Build Operate and Transfer
BPA	Bui Power Authority
BPO	Business Process Out-Sourcing
BPU	Border Patrol Unit
BR	Benchmark Revenue
Brexit	British exit
BRT	Bus Rapid Transport
BSP	Bulk Supply Point
BVDs	Biometric Verification Devices
C.Is	Constitutional Instruments
CAF	Confederation of African Football
CAPEX	Capital Expenditure
CBM	Conventional Buoy Mooring
CCMC	Conflict and Crisis Management
CDA	Coastal Development Authority
CDP	Community Development Programme

CECs	Civic Education activities in schools
CEDECOM	Central Region Development Commission
CEMS	Central Electronic Monitoring System
CENDLOS	Centre for Distance Learning and Open Schooling
CET	Common External Tariff
CHAN	Championship of African Nations
CHPS	Community Health and Planning Services
CLSs	Customary Land Secretariats
CLTS	Community Led Total Sanitation
COCOBOD	Cocoa Board
CODAPEC	Cocoa Diseases and Pests Control Programme
COP	Child Online Protection
CoSMaP	Comprehensive Sludge Management Programme
CPI	Consumer Price Index
CRIG	Cocoa Research Institute of Ghana
CSIR	Council for Scientific and Industrial Research
CSOs	Civil Society Organisation
CWSA	Community Water and Sanitation Agency
DACF	District Assemblies Common Fund
DDF	District Development Facility
DIP	District Industrialization Programme
DMUs	Diesel Multiple Units
DPs	Development Partners
DSA	Debt Sustainability Analysis
DSD	Department of Social Development
DV	Domestic Violence
DVLA	Driver and Vehicle Licensing Authority
EC	Energy Commission
ECET	ECOWAS Common External Tariff
ECF	Extended Credit Facility
ECG	Electricity Company of Ghana
eCICs	enhanced Community Information Centres
ECOWAS	Economic Community of West Africa States
EDRL	Energy Debt Recovery Levy
EEZ	Exclusive Economic Zone
eGIS	Enterprise Geographic Information System
EITI	Extractive Industries Transparency Initiative
EOCO	Economic and Organised Crime Office
EPA	Economic Partnership Agreement
ERM	Enterprise Risk Management
ESICOME	Expanded Sanitary Inspection and Compliance Enforcement

ESL	Energy Sector Levies
ESLA	Energy Sector Levies Act
ETLS	ECOWAS Trade Liberalisation Scheme
EU	European Union
FBOs	Faith Based Organisations
FDI	Foreign Direct Investments
FEED	Front End Engineering Design
FIC	Financial Intelligence Centre
FIFA	Federation of International Football Association
FOB	Free on Board
FSP	Fertilizer Subsidy Programme
FWSC	Fair Wages and Salaries Commission
GAC	Ghana Aids Commission
GAEC	Ghana Atomic Energy Commission
GAF	Ghana Armed Forces
GAFMS	Ghana Armed Forces Military School
GAMA	Greater Accra Metropolitan Area
GATA	Ghana Aviation Training Academy
GBC	Ghana Broadcasting Corporation
GCAP	Ghana Commercial Agriculture Project
GCF	Green Climate Fund
GCNET	Ghana Community Network
GCX	Ghana Commodities Exchange
GDCP	Ghana Development Cooperation Policy
GDP	Gross Domestic Product
GEBSS	Graduate Entrepreneurial Business Support Scheme
GEDAP	Ghana Energy Development and Access Project
GELIS	Ghana Enterprise Land Information System
GEPA	Ghana Export Promotion Authority
GEPARI	Ghana Economic Policy Analysis and Research Institute
GES	Ghana Education Service
GETFund	Ghana Education Trust Fund
GHACCO	Ghana Alliance for Clean Cooking
GHARH	Ghana Adolescent Reproductive Health
GHEITI	Ghana Extractive Industries Transparency Initiative
GHF	Ghana Heritage Fund
GHS	Ghana Cedis
GIC	Ghana Investment Corporation
GIDA	Ghana Irrigation Development Authority
GIFMIS	Ghana Integrated Financial Management Information System
GIIF	Ghana Infrastructure Investment Fund

GIPC	Ghana Investment Promotion Centre
GIRSAL	the Ghana Incentive-Based Risk Sharing System for Agricultural Lending
GIS	Geographic Information System
GLSS	Ghana Living Standards Survey
GMet	Ghana Meteorological Agency
GMOs	Genetically Modified Organisms
GMP	Gas Master Plan
GNA	Ghana News Agency
GNAT	Ghana National Association of Teachers
GNGC	Ghana National Gas Company
GNPC	Ghana National Petroleum Commission
GoG	Government of Ghana
GPFs	Ghana Petroleum Funds
GPHA	Ghana Ports and Harbours Authority
GPP	Gas Processing Plant
GRA	Ghana Revenue Authority
GRATIS	Ghana Regional Appropriate Technology Industrial
GRCL	Ghana Railway Company Limited
GRIDCO	Ghana Grid Company Limited
GSE	Ghana Stock Exchange
GSE-CI	Ghana Stock Exchange Composite Index
GSF	Ghana Stabilisation Fund
GSGDA II	Ghana Shared Growth and Development Agenda II
GSOP	Ghana Social Opportunities Project
GSS	Ghana Statistical Service
GSWF	Ghana Sovereign Wealth Fund
GWCL	Ghana Water Company Limited
HHs	Households
HOMOFEST	Homogeneous Festival
HR	Human Resource
HRMIS	Human Resource Management Information System
HT	Human Trafficking
ICC	International Coordinating Committee
ICCES	Integrated Community Centers for Employable Skills
ICE	Intercontinental Exchange
ICM	International Capital Market
ICT	Information Communications Technoly
ID	Identification
IE	Inclusive Education
iEPA	Interim Economic Partnership Agreement

IFSC	International Financial Services Centre
IGF	Internal Generated Fund
IGF	Internally Generated Fund
ILD	Infrastructure for Local Development
ILD	Infrastructure for Local Development
IMF	International Monetary Fund
INIR	Integrated Nuclear Infrastructure Review
IPEP	Infrastructure for Poverty Eradication Project
IPP	Independent Power Produce
IUU	Illegal, Unreported and Unregulated
IWAD	Integrated Water Management and Agricultural Development
IWRM	Integrated Water Resources Management
JHS	Junior High School
KG	Kindergarten
KIA	Kotoka International and Airport
KTPP	Kpone Thermal Power Project
L.Is	Legislative Instruments
LAN	Local Area Network
LAP	Land Administration Project
LEAP	Livelihood Empowerment Against Poverty
LGS	Local Government Service
LGSS	Local Government Service Secretariat
LIPW	National Labour-Intensive Public Works
MASLOC	Microfinance and Small Loans Centre
MBA	Middle Belt Development Authority
MDA	Ministries, Departments and Agencies
MDGs	Millennium Development Goals
MDPI	Management Development and Productivity Institute
MiDA	Millennium Development Authority
MiG	Made-in-Ghana
MMDAs	Metropolitan, Municipal and District Assemblies
MMT	Metro Mass Transport
MoF	Ministry of Finance
MOH	Ministry of Health
MOU	Memorandum of Understanding
MPC	Monetary Policy Committee
MPS	Meridian Port Services
MRS	Medical Receptive Stations
MSEs	Micro and Small Enterprises
MTDS	Medium Term Debt Management Strategy
NAB	National Accreditation Board

NACAP	National Anti-Corruption Action Plan
NACOB	Narcotics Control Board
NADMO	National Disaster Management Organization
NAFTI	National Film and Television Institute
NAG	Non-Associated Gas
NAGRAT	National Graduate Teahers Association
NAPP	National Asset Protection Project
NBA	The National Bio-safety Authority
NBSSI	National Board for Small Scale Industries
NCTE	National Council for Tertiary Education
NDA	Net Domestic Assets
NDA	Northern Development Authority
NDC	National Democratic Congress
NDF	Net Domestic Financing
NDMW	National Daily Minimum Wages
NDPC	National Development Planning Commission
NDT	Non-Destructive Testing
NEDCo	Northern Electricity Distribution Company
NEIP	National Entrepreneurship and Innovation Plan
NESL	National Electrification Scheme Levy
NFA	Net Foreign Assets
NFED	Non-Formal Education Division
NFLP	National Functional Literacy Programme
NFS	Net Foreign Assets
NGOs	Non-Governmental Organizations
NHIL	National Health Insurance Levy
NHIS	National Health Insurance Scheme
NIA	National Identification Authority
NIP	National Infrastructure Plan
NITA	National Information Technology Agency
NORST	Northern Regional Small Towns Water and Sanitation Project
NOSH	National Occupational Safety and Health Policy
NPC	National Peace Council
NPRA	National Pensions Regulatory Authority
NPSIP	Network Protection System Improvement Project Phase
NQI	National Quality Infrastructure
NRA	Nuclear Regulatory Authority
NRGP	Northern Rural Growth Project
NSA	National Sports Authority
NSP	National Strategic Plan
NTR	Non-Tax Revenue

NVTI	National Vocational Training Institutions
NYA	National Youth Authority
ODF	Open Defecation Free
OECD	Organisation for Economic Co-operation and Development
OFY	Operation Feed Yourself
OHCS	Head of the Civil Service
OIC-G	Opportunity Industrialisation Center - Ghana
OPEC	Organisation of Petroleum Export Countries
PAC	Public Accounts Committee
PACs	Passport Application Centres
PAYE	Pay-As-You-Earn
PBB	Programmed Based Budgeting
PDA	Project Development Agreement
PFM	Public Financial Management
PFMA	Public Financial Management Act
PFMRS	Public Financial Management Strategy
PGISsA	Power Generation and Infrastructure Support sub-account
PHF	Petroleum Holding Fund
PNDC	Provisional National Defence Council
PPA	Public Procurement Authority
PPP	Public-Private Partnership
PPP	Preferred Primary Providers
PRAAD	Public Records and Archives Administration Department
PRMA	Petroleum Revenue Management Act
PSJSNC	Public Service Joint Standing Negotiations Committee
PSRA	Price Stabilization and Recovery Account
PTA	Parent Teacher Association
PURC	Public Utilities Regulatory Commission
PWD	Public Works Department
PWDs	Persons With Disabilities
QMS	Quality Management System
R&D	Research and Development
RCCs	Regional Coordinating Councils
RCDC	Regional Centre for Disease Surveillance and Control
REDD	Reducing Emissions from Deforestation and forest Degradation
REIT	Real Estate Investment Trusts
RET	Renewable Energy Technology
RLPG	Rural Liquefied Petroleum Gas
RSIM	Research Statistics and Information Management
SADA	Savannah Accelerated Development Authority
SDGs	Sustainable Development Goals

SEA	Strategic Environmental Assessmen
SEC	Securities and Exchange Commission
SHEDS	Shea Development Strategy
SHREP	Scaling-up Renewable Energy Program
SHS	Senior High School
SMEs	Small and Medium Size Entreprises
SOEs	State Owned Entreprises
SOPs	Standard Operating Procedures
SOPSR	State of the Public Service Report
SPM	Single Point Mooring
SPS	Sanitary and Phyto-Sanitary
SRWSP	Sustainable Rural Water and Sanitation Project
SSNIT	Social Security And National Insurance Trust
SSSS	Single Spine Salary Structure
STC	State Enterprise Commission
STEM	Science, Technology, Engineering and Mathematics
SYIP	subsequent Year Investment Programmes
T&CPD	Town and Country Planning Department
TBT	Technical Barriers to Trade
TCD	tonnes cane per day
TEN	Tweneboah, Enyenra, Ntomme
TICAD	Tokyo International Conference on African Development
TOR	Tema Oil Refinery
TSA	Treasury Single Account
TSRP	Transmission System Rehabilitation Project
TTEL	Teachers through Transforming Teacher Education and Learning
TVAET	Technical, Vocational and Agricultural Education and Training
TVET	Technical and Vocational Education Training
UDS	University of Development Studies
UK	United Kingdom
UN	United Nations
UNCRPD	Nations Convention on the Rights of Persons with Disability
UNOHCHR	United Nations Office of the High Commission for Human Rights
US	United States
VAT	Value Added Tax
VLTC	Volta Lake Transport Company
VRA	Volta River Authority
WAAPP	West Africa Agricultural Productivity Programme
WA-EU EPA	West Africa-European Union Economic Partnership Agreement
WAMZ	West African Monetary Zone
WAPCo	West Africa Gas Pipeline Company

WASH	Water Sanitation and Hygiene
WEO	World Economic Outlook
WRC	Water Resources Commission
WTO	World Trade Organisaton
YEA	Youth Employment Agency
YEP	Youth Enterprise Fund
YLSTI	Youth Leadership and Skills Training Institutes
YWCA	Young Women Christian Association
ZDF	Zongo Development Fund

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SECTION ONE: INTRODUCTION

1. Rt. Hon. Speaker, Honourable Members of Parliament, on the authority of His Excellency the President, Nana Addo Dankwa Akufo-Addo, I beg to move that this Honourable House approves the Financial Policy of the Government of Ghana for the year ending 31st December 2018.

2. On the authority of the President, and in accordance with Article 179 of the 1992 Constitution, permit me to present to this august House, the Budget Statement and Economic Policies of government for 2018.

3. I also submit before this august House The 2017 Annual Report on the Petroleum Funds, in accordance with Section 48 of the *Petroleum Revenue Management Act, 2011 (Act 815), as amended.*

4. Mr. Speaker, this year has been a very busy one for all of us. This is the third Budget we are presenting in the year. The first one was in March, the second the mid-year performance review and less than four months down the line we are also presenting the 2018 Budget. In between this period, we have enjoyed the cooperation of this house in passing a number of bills to facilitate the implementation of our agenda for jobs and wealth creation. I wish to on behalf of the President thank this august house for all the support that has brought us this far.

5. Mr. Speaker, in March when I presented the Budget I indicated to this house our commitment to take strategic steps to fix the challenges facing the economy and restore hope to Ghanaians.

6. Our Asempa budget set in motion key policy priority and flagship projects to restore and maintain macroeconomic stability, boost revenue streams, promote private sector led jobs and wealth creation, boost agricultural production and productivity, quality education, develop leadership skills, job skills and creative skills entrepreneurship

7. We are happy to note that our policies are yielding results that have brought back smiles to several Ghanaians who were almost at the point of despair not knowing where to turn to. It is heart-warming when someone runs up to you to say thank you for putting money in their pockets just because they did not have to pay some GH₵2,000.00 for their two children in SHS or when a nurse or teacher runs up to you with excitement to show you the allowance received through a text message.

8. Mr. Speaker, we resolved to be fiscally disciplined and respect the limits this august House set for us within appropriation. We believe that as competent

managers of the economy, we have provided leadership, especially with the management of public funds.

9. Mr. Speaker, I am glad to report we are on course to end the year with the fiscal deficit of 6.5 percent as approved by the House.

10. In just ten (10) months we are witnessing:
- A stable economy;
- Return to robust growth, with a real GDP growth of 7.8 percent in the first half of 2017 against 2.7 percent in 2016;
- Renewed confidence in the economy;
- Decline in inflation; end-September inflation of 12.2 percent from 15.4 percent December 2016.
- Increase in credit to the private sector;
- Relative stability in the exchange rate market (cummulative depreciation of 4.42 percent);
- Cut in policy rate to 21 percent from a peak of 26 percent in 2016;
- Normalization of the domestic yield curve; and issuance of the country's maiden 15-year bond in April 2017;
- Improved external balances, driven by higher export earnings and lower imports;
- Improvement in the gross international reserves, with about 4 months of imports cover;
- Surplus primary balance of 0.3 percent in September 2017 against a deficit of 1.6 in September 2016;
- Positive rating reviews from all three (3) Rating Agencies: Fitch, B/stable; Standard & Poor, B-/positive; and Moody's B3/stable;
- 4th successful review of the IMF-ECF program; and
- Positive developments in the oil & gas sector - favorable ITLOS ruling, and Sankofa achieved 1st oil three months ahead of schedule.

11. Mr. Speaker, to ensure irreversibility of the stability we have achieved, we are implementing structural measures to tackle some of the long-term structural issues. They include the:
- Capping of the statutory funds at 25 percent of government tax revenues,
- Operationalization of the Treasury Single Account (TSA) to consolidate all government funds at the Bank of Ghana,
- Adoption of the competitive tender processes to eliminate wastages,
- tightening of expenditure controls in GIFMIS to minimize inefficiencies and budget overruns and
- Strict enforcement of the PFM Act, as well as the Public Procurement Act to ensure efficiency in public procurement.

12. We issued the energy bond to refinance the energy sector debt to address the energy sector legacy debts and introduced the 'Cash Waterfall Mechanism' to prevent new debt accumulation.

13. Mr. Speaker, over the past seven (7) months we have diligently followed through due process to prepare adequately for the implementation of our initiatives, and I am pleased to report to this august House that after months of intense preparation we have:
- Rolled out the free SHS to ensure equal opportunities for all;
- Rolled-out the National Digital Addressing System to provide a unique address for all properties in Ghana;
- Launched the National Identification Scheme; and
- Restored the teachers and nurses training allowances.

14. Mr. Speaker, with regards to our three big initiatives the Infrastructure for Poverty Eradication Project (IPEP), One District One Factory and the Zongo Development Fund, to date we have setup the three (3) Development Authorities and Parliament has also graciously passed the Zongo Development Fund Bill into an Act. Further to these we have:
- Launched the IPEP; and
- Launched the 'One District, One Factory'; 'One Village, One Dam'; and the Zongo Development Fund.

15. Mr. Speaker, a lot has been done to stabilize the economy, and we remain committed to sustaining the gains made so far and get Ghana working again. In the 2017 Budget we sowed the seeds for growth and jobs as this Administration places high value on improving the wellbeing of Ghanaians.

16. The broad agenda for 2018 and the medium term is to create jobs leading to prosperity and equal opportunities for all Ghanaians. This is contained in His Excellency the President's Coordinated Programme of Economic and Social Development Policies which has been presented to this august House. This will be driven by investments in Agriculture and Agribusiness, Strategic Infrastructure, Human Capital and Entrepreneurship and Innovation Programmes.

17. Specifically, we will continue, as well as expand the following key policy initiatives and flagship projects:
- Planting for Food and Jobs
- Stimulus Package for distressed industries
- One District, One Factory
- Zongo Development Fund
- National Entrepreneurship Programme
- Free Senior High School

- National Identification Scheme
- National School Feeding Programme

18. Mr. Speaker we have prioritized investments in these areas to
    - ensure that we establish a fair and inclusive society, which creates life transforming opportunities for all
    - stimulate growth as a means to stabilizing the economy and placing it on the path of strong and resilient growth.

19. We are confident that these priorities will not only deliver jobs but will improve good health and wellbeing of Ghanaians, increase agricultural growth and development, provide decent work through skill and entrepreneurship development and industrialization as well as increase opportunities for all through the provision of quality education and health delivery.

20. They could could not have been more opportune because they are also consistent with the United Nations Sustainable development goals, especially the goal of eradicating hunger and poverty, Decent Work and Economic Growth, Industry, Innovation and Infrastructure, Quality Education and Reduced Inequalities with special emphasis on Gender.

21. Mr. Speaker, as you know H.E the President is a co-chair the UN advocacy group for the Global Sustainable Development Goals (SDG). This leaves Ghana with a special responsibility to perform on the SDGs, and take a leading role in the African Union (AU) to get the continent on board. Although many of the goals will be achieved with improved policy integration, and the actions of Ghanaian citizens and civil society, we want to use the budget as our main instrument to push the process forward. Therefore, this budget places special emphasis on the SDGs.

22. We are determined to meet the targets set by the world body under the Sustainable Development Goals and to ensure that no Ghanaian is left behind in our development process.

23. To achieve this the budget will also set in motion initiatives to deepen good administrative and economic governance, fight corruption and enhance public accountability as a means to maintaining a stable, united and safe society.

24. Mr. Speaker, the theme for the 2018 Budget is "from stabilization to growth: putting Ghana back to work again". This theme, was carefully chosen to reflect our own aspiration of igniting an entrepreneurial spirit within every Ghanaian and motivating them to go out there to work and earn a living and improve their lives. We plan on providing opportunity for as many Ghanaians as possible to initiate projects on their own.

25. Mr. Speaker, with these few introductory remarks my presentation today will follow this outline:

- I will present a short brief on how the Global economy performed in 2016, the medium-term outlook and the expected impact on the Ghanaian economy;
- This will be followed by the Macroeconomic Performance for 2017 against the target sets;
- I will then present the President's Macroeconomic Targets for 2018 and the Medium-Term Targets;
- In addition, I will briefly talk about some key sector deliverables for 2018 under each of our policy goals;
- And then provide you with the key policy initiatives for 2018; and
- Finally conclude with highlights of the key messages in the Budget.

SECTION TWO: GLOBAL ECONOMIC DEVELOPMENTS AND OUTLOOK

Growth

26. Mr. Speaker, according to the October 2017 World Economic Outlook (WEO) recently released by the IMF, global growth has gained further momentum in 2017. Global growth is projected at 3.6 percent at the end of 2017, up from 3.2 percent growth in 2016. The uptick in growth is broad-based, reflecting economic expansion in all the three global economic blocs—Advanced Economies, Emerging Markets, and Developing Economies.

27. Mr. Speaker, growth in advanced countries is estimated at 2.2 percent in 2017 compared to an outturn of 1.7 percent in 2016. This reflects robust private consumption, investment, and external demand in the Euro area and Japan. Improvements in global trade through hikes in exports and domestic demand growth will support the forecast. However, the policy direction of the US administration, the UK's Brexit saga and the rapid expansion of credit and high levels of corporate debt in China continue to contribute to global uncertainty, given that these developments directly involve three of the world's largest economies. The 2018 forecast for advanced economies is modest: 2.3 percent in the US as uncertainty continues to surround the planned fiscal stimulus, 0.7 percent in Japan and 1.5 percent in the UK (down from 1.7 percent in 2017). However, generally, risks to global growth in the near term are balanced, although possible trade restrictions in the US, faster than planned unwinding of US monetary policy, the post-Brexit UK dynamics with the Eurozone, and greater volatility in global financial markets pose a downside risk.

28. Mr. Speaker, growth rate of emerging markets and developing economies is forecast to increase from 4.3 percent outturn in 2016 to 4.6 percent in 2017, 4.9 percent in 2018, and about 5 percent over the medium-term. Much of this surge is coming from China, where growth is expected to peak at 6.5 percent. The expected sustained recovery in Brazil and Russia will strongly contribute to this growth.

29. Mr. Speaker, economic growth in Sub-Saharan Africa (SSA) is projected to increase from 1.4 percent in 2016 to 2.6 percent in 2017, reaching 3.4 percent in 2018, but with sizeable differences across countries. Beyond the near term, growth is expected to rise gradually, but barely above population growth as large consolidation needs weigh on public spending. Although the effects of idiosyncratic factors in the region's largest economies and delays in implementing policy adjustments continue to weigh on the region's growth, there is scope or opportunity for policymakers to undertake critical reforms to stave off downside risks, raise potential output, and improve living standards more broadly. The African Development Bank's African Economic Outlook of March 2017, also

forecasts SSA's economic growth at 3.4 percent and 4.6 percent in 2017 and 2018, respectively, on account of rising commodity prices, increasing private demand including in domestic markets, sound macroeconomic policy management, a generally improving and favourable business environment, and a more diversified economic structure, particularly towards the services sector and light manufacturing.

Global Inflation

30. Mr. Speaker, since 2016, Global inflation has generally trended downwards, even as employment rates and domestic demand have surged in advanced economies. Core inflation—that is inflation rates excluding fuel and food prices—has leveled at 1.2 percent in Europe and 1.4 percent in the US. Monetary policy in advanced economies is expected to remain largely supportive of growth in the short term, but the pace of monetary policy tightening in the US could increase capital flow reversals. For advanced economies, inflation is projected to increase from a low of 0.8 percent in 2017 at 1.7 percent in 2018.

31. Mr. Speaker, inflation in emerging market economies is forecast to peak at 4.4 percent in 2018, marginally above the 2017 estimate of 4.3 percent. This is driven by stabilising commodity prices, rising productive capacity utilisation in China, and the strengthening in global final demand, especially for durable consumer and investment goods. However, risk factors around high equity values, shocks to energy and commodity prices, and possible policy disruptions may limit global trade recovery. Inflation in Sub-Saharan Africa is expected to moderate slightly from 11.3 percent recorded at the end of 2016 to 11.0 percent at the end of 2017 and further reduce to 9.5 percent by 2018, mainly on account of anticipated tightening of monetary policy stance and greater exchange rate stability.

Commodity Prices in World Markets

32. Mr. Speaker, the IMF projects average crude oil prices of US$50.28 per barrel for 2017 compared to the realised price of US$42.84 per barrel in 2016. Crude oil prices are projected to dip marginally to US$50.17 per barrel in 2018, reflecting the unexpectedly-high shale production in the US, relatively high exports from OPEC countries, and production boost in Nigeria, Libya, and Russia. The World Bank's Commodity Markets Outlook (CMO) of October 2017, however, forecasts a more optimistic price of $56 per barrel for 2018.

33. According to the CMO, Gold prices rose 2 percent in the third quarter of 2017—reaching US$1,350 per troy oz in early September—on the back of strong investment demand reflecting a weakening US Dollar and heightened geopolitical tensions. Gold prices are expected to end 2017 at US$1,250 per troy oz partly reflecting anticipated US interest rates hikes. Gold prices are projected to decline further to US$1,238 per troy oz in 2018 and US$1,226 per troy oz in 2019.

34. Mr. Speaker, cocoa prices have stabilized around US$2,000 per tonne this year, down from US$2,890 per tonne in 2016, according to the World Bank's CMO of October 2017. Provisional figures for the 2017-18 crop season suggests a surplus of nearly 130,000 metric tons, on the back of strong West African output due to favorable weather, and increased production in Latin America. Cocoa prices are forecast to fall nearly 30 percent in 2017 to US$2,050, before increasing 3 percent to US$2,110 in 2018.

DEVELOPMENTS IN THE ECOWAS SUB-REGION

ECOWAS Macroeconomic Convergence in 2016

35. Mr. Speaker, at its 17th Ordinary Session on 19th May, 2015, in Accra, the ECOWAS Authority of Heads of State and Government adopted a new set of rationalized macroeconomic convergence criteria. These formed the basis for assessing macroeconomic convergence, from the beginning of 2015 in all Member States.

36. Mr. Speaker, performance under the convergence criteria did not improve in 2016 compared to 2015, mainly due to internal and external shocks including low commodity prices. A summary of the performance of Member States for 2016 and 2015 under the convergence criteria is presented below.

Primary criteria

37. Mr. Speaker, in 2016, three (3) Member States satisfied the criterion for the Ratio of Budget Deficit (including grants) to GDP (≤3%) as compared to six (6) in 2015. This situation is explained mainly by a more than proportionate increase in public spending compared to total revenue, which in some economies was as much as double, and a drop in grant receipts. The inflation criterion of less than 10 percent was satisfied by twelve (12) Member States compared to fourteen (14) in 2015. The criterion of Central Bank Financing of the budget deficit to a maximum of 10 percent of the previous year's tax revenue was met by thirteen (13) countries in 2016, compared to twelve (12) in 2015. With regards to gross external reserves, twelve (12) Member States covered at least three (3) months of their imports in 2016 and 2015.

Secondary criteria

38. Mr. Speaker, public indebtedness, increased in nearly all the Member States in 2016 compared to 2015. That notwithstanding, eleven (11) member states met the criterion on Debt-to-GDP (≤70%) in both 2015 and 2016.

39. The nominal exchange rate variation for three (3) currencies in relation to the West African Unit of Account (WAUA) experienced an average variation outside the ±10 percent band. The currencies in question are Guinea franc, Naira and Leone which depreciated on average by 16.4 percent, 23.5 percent and 19.1

percent, respectively. Twelve (12) countries were within the band in 2016 as compared to thirteen in 2015.

ECOWAS Trade Liberalization Scheme (ETLS)

40. Mr. Speaker, Ghana continues to take advantage of the ECOWAS Trade Liberalization Scheme (ETLS) which came into force in January 1, 1990, with provisions for tariff reductions on unprocessed goods, handicraft and industrial products of community origin, albeit with some challenges. The scheme, among other things, grants ECOWAS market access to manufactured or processed products made in the ECOWAS region without the payment of import duties or equivalent taxes.

41. Over the last two and half decades, most of the goods traded under the ETLS have been light manufacturing and agro-processed products from mainly four countries, namely, Ghana, Nigeria, Cote d'Ivoire and Senegal.

42. Mr. Speaker, for the year 2017, 20 companies have been granted approval under ETLS as seen in the third quarter. It is expected that more approvals will be granted by the end of December 2017.

43. Mr. Speaker, the implementation of the ETLS has, however, been fraught with many challenges including ineffective operationalization of the ETLS Protocol by member states, inadequate sensitization of businesses on the ETLS, low compliance level, policy incoherence in member states, high number of physical barriers along the corridors, harassment of traders by some security agencies, trade controls policy instruments such as bans and quotas, institutional weakness and lack of political will.

44. Mr. Speaker, to address these challenges, the Task Force on ETLS, which was set up by the Authority of Heads of State and Government in 2016, paid a 5-day working visit to Ghana from 24th–28th April, 2017. The Task Force made a number of recommendations and government is currently reviewing these recommendations for implementation, where appropriate.

Economic Partnership Agreement (EPA)

45. Mr. Speaker, to date, all twenty-eight (28) Member States of the EU and thirteen (13) out of sixteen (16) West African countries have signed the West African-European Union Economic Partnership Agreement (WA-EU EPA). The countries that are yet to sign are Nigeria, The Gambia and Mauritania. To ratify the WA-EU EPA, all the West African countries need to have signed in line with the modalities as enshrined in the EPA negotiations.

46. Mr. Speaker, Ghana ratified the Ghana-EU Stepping Stone Economic Partnership Agreement (commonly referred to as the Interim Economic Partnership

Agreement (iEPA)) in August 2016 to enable Ghanaian exporters to continue to enjoy duty-free quota-free (DFQF) EU market access and protect the future of Ghana's Exports to the EU Market. Cote d'Ivoire also ratified its iEPA in August 2016. Article 2 of Ghana's iEPA states that the WA-EU EPA will supersede Ghana's iEPA anytime the regional EPA is signed and ratified.

47. The iEPA Accompanying Measures Strategy, which was finalised in September 2017, was formulated with extensive consultations from both the public and private sectors across all the 10 regions of Ghana. It provides the roadmap and strategic framework for utilising the Economic Partnership Agreement Development Programme (EPADP) and other resources, to ensure that Ghana fully maximise the opportunities and meet the challenges of implementing the EPA. It identifies and prioritises projects and programmes, which would best enable Ghana to maximise the EPA benefits and mitigate its costs. Noting that regional integration is a key goal of the EPA, the iEPA Accompanying Measures Strategy further targets measures aimed at strengthening Ghana's contribution to, and gains from, regional economic integration in West Africa.

Implementation of ECOWAS Common External Tariff (CET)

48. Mr. Speaker, out of the fifteen (15) member states in the ECOWAS region, thirteen (13) member states including Ghana, are currently applying the CET as at 31st March, 2017. Cape Verde and Sierra Leone are yet to implement the CET.

49. Mr. Speaker, Ghana will continue to play an important role in the adoption and implementation of the ECOWAS Common External Tariff (CET) which is considered a major platform for the establishment of Customs Union that will facilitate free trade and advance greater economic integration within the region. In line with the ECOWAS CET Regulation that provides transitional relief in the form of Import Tax Adjustment (ITA), Ghana has applied the ITA measures on one hundred and six (106) sensitive commodities in order to make them affordable and also give added protection to some key sectors of the economy. The Ministry of Finance is currently monitoring and evaluating the impact of the CET regime on various sectors of the economy.

Presidential Task Force on the ECOWAS Monetary Corporation Programme

50. Mr. Speaker, at the fourth meeting of the Presidential Task Force on the ECOWAS Single Currency Program held in October 2017 at Niamey, Republic of Niger. The Task Force endorsed the recommendations of the Ministerial Committee and took the following decisions:

- Urge member states to pursue the structural reforms to enable their economies to be more resilient to exogenous shocks;

- Urge member states to take necessary measures, including the sustained attainment of the convergence criteria necessary for the creation of the ECOWAS single currency by 2020;
- Urge member states to strengthen multilateral surveillance including the use of international monitoring institutions;
- Ministerial Committee to meet within three months to propose a new roadmap to accelerate the creation of the single currency by 2020. In this framework, a gradual approach where a few countries which are ready can start the monetary union, while other countries can join later; and

51. Mr. Speaker, His Excellency President Nana Addo Dankwa Akufo-Addo will host and co-chair the next meeting of the Presidential Taskforce in Accra in February, 2018 to assess the status of implementation of these decisions and the next steps.

Community Development Programme (CDP)

52. Mr. Speaker, the Community Development Programme (CDP) was developed within a framework for the actualization of the ECOWAS Vision 2020. The programme seeks to strengthen the coherent implementation of regional development projects and programmes in West Africa.

53. Following the decision of the Authority of Heads of State and Government to organize a donor round table for the financing of the CDP, the ECOWAS Commission selected seven (7) priority projects among the two hundred and thirty (230) CDP proposed projects, through a participatory process with stakeholders for implementation.

54. For the next phase, the Commission, in collaboration with the African Development Bank (AfDB) will be organizing the Donors' Round Table on the theme "Mobilizing resources for regional development in West Africa" in December, 2017 at Abidjan, Cote d'Ivoire.

55. The African Development Bank, the leading donor, will be supported by the ECOWAS Bank for Investment and Development (EBID), West African Development Bank (BOAD), and the West Africa Economic and Monetary Union (WAEMU) Commission to fund the total cost of the seven (7) projects at an estimated US$23.3 billion through a Public-Private Partnership (PPP) mode of financing.

SECTION THREE: MACROECONOMIC PERFORMANCE FOR JAN-SEPT 2017

56. Mr. Speaker, our prudent management of the economy under the able leadership of His Excellency Nana Addo Dankwa Akufo-Addo is yielding positive results. All the macroeconomic indicators are now pointing in the right direction. Provisional data on the performance of the economy from January-September, 2017 show that nearly all the macroeconomic indicators are on target. A summary of this performance is as follows:

- Overall real GDP grew at an estimated 7.8 percent in the first half of 2017 (6.6% in quarter one and 9.0% in quarter two) against 2.7 percent in same period in 2016. Overall GDP growth is provisionally estimated at 7.9 percent at the end of 2017, up from the original forecast of 6.3 percent;
- Non-Oil real GDP grew at an estimated 4.0 percent in the first half year of 2017 (4.0% in quarter one and 3.9% in quarter two) compared to 5.9 percent in the same period in 2016. Non-oil GDP growth is provisionally estimated at 4.8 percent at the end of 2017;
- End-period inflation was 11.6 percent in October, 2017 compared to 15.8 percent at the same period in 2016;
- The overall budget deficit on cash basis was 4.5 percent of GDP in September, 2017 against a target of 4.8 percent of GDP and an outturn of 6.4 percent in the same period in 2016;
- The primary balance posted a surplus of 0.3 percent of GDP in September, 2017, as targeted and is a significant improvement over a deficit of 1.6 percent realized during the same period in 2016;
- The current account balance registered a deficit estimated at 0.2 percent of GDP in August, 2017 compared with 2.6 percent in August, 2016; and
- The country's Gross International Reserves (including petroleum funds and encumbered assets), which stood at US$6.9 billion by end-September 2017, could cover 3.9 months of imports compared to the US$4.8 billion or 2.5 months import cover recorded in the same period of 2016.

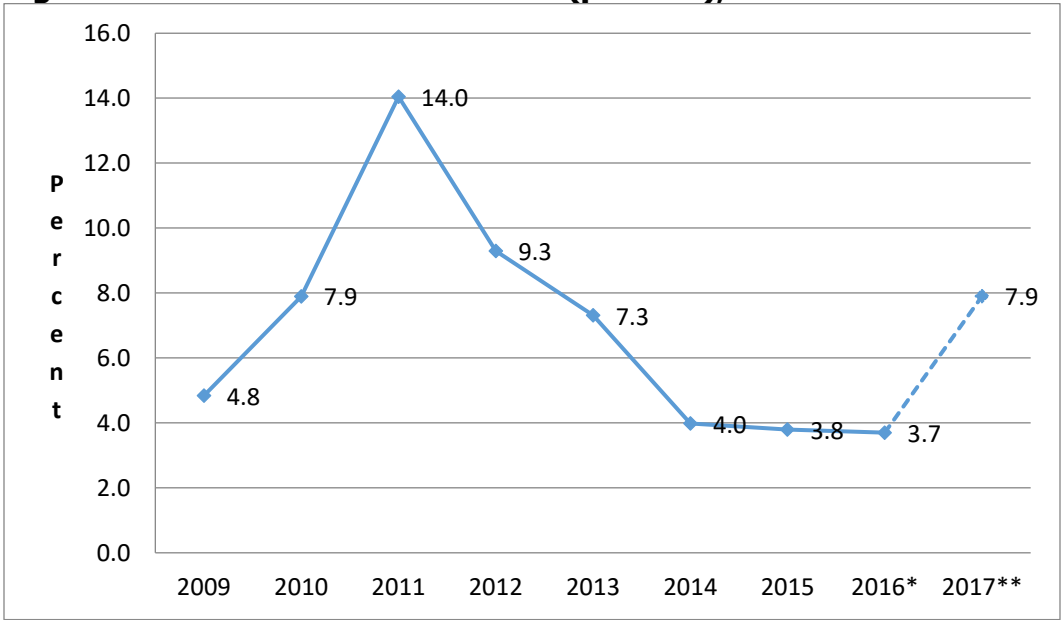
57. Mr. Speaker, we now provide a more detailed account of the performance of the economy in the Real, Fiscal, Monetary, and External sectors.

REAL SECTOR PERFORMANCE

58. Mr. Speaker, year-on-year real GDP growth for the first quarter of 2017 was 6.6 percent, compared with 4.3 percent recorded for the first quarter of 2016. The second quarter recorded a growth (year-on-year) of 9.0 percent, compared with 1.1 percent in the corresponding period of 2016. Overall, year-on-year growth for the first half of 2017 was 7.8 percent, compared with 2.7 percent in the first half of 2016.

59. Mr. Speaker, the real GDP growth for 2017 is provisionally estimated at 7.9 percent, while non-oil GDP growth is estimated at 4.8 percent. These provisional growth rates compare favourably with the 2017 Budget projections of 6.3 percent and 4.6 percent for overall and non-oil GDP, respectively. The strong growth performance in 2017 is due to the larger than planned oil production, following delayed Jubilee FPSO Turret Remediation Project, which would now start in 2018. The recent trend in the growth of real GDP is shown in Figure 1.

Figure 1: Annual Real GDP Growth (percent), 2009-2017

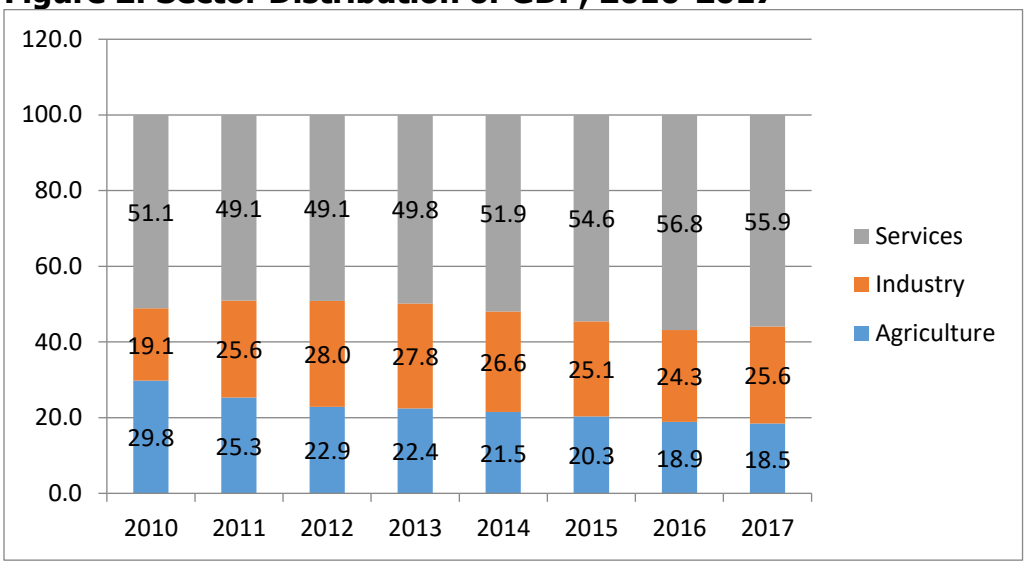


*Revised **Provisional

Structure of the Economy

60. Mr. Speaker, provisional estimates indicate that the structure of the economy remains broadly unchanged from recent years, with a continued dominance of the Services Sector. For 2017, the share of Services in overall output is estimated at 55.9 percent, a marginal decline from 56.8 percent registered in 2016. The share of Industry is estimated at 25.6 percent, compared with 24.3 percent in 2016, while that of Agriculture is estimated at 18.5 percent, compared with 18.9 percent recorded in 2016.

Figure 2: Sector Distribution of GDP, 2010-2017



*Revised ** Provisional

Sector Growth Performance

61. Mr. Speaker, among the main economic sectors, Industry is estimated to grow by 17.7 percent at the end of 2017, making it the best performing sector in terms of growth. This is largely due to an increased production in upstream oil and gas. Agriculture is expected to grow by 4.3 percent, while the Services Sector is projected to grow by 4.7 percent.

Agriculture

62. Mr. Speaker, growth in Agriculture is estimated to be higher than earlier projected. The growth is broad-based, reflecting positive performances in all subsectors. The Crops subsector performed strongly, growing by 4.3 percent in 2017, as shown in Table 1. This is in spite of the challenges posed by earlier reports of the fall army worm invasion. Cocoa is estimated to grow by 3.0 percent, which will be a sharp reversal from the contractions registered in 2015 and 2016. Forestry and Logging is also expected to register an improved performance in 2017 with a projected growth of 3.9 percent, compared to the 2.5 percent recorded in 2016.

Table 1: Agriculture Growth Performance (percent)

	2015	2016*	2017**
Agriculture	**2.8**	**3.0**	**4.3**
Crops	2.5	2.5	4.3
o/w Cocoa	*-8.0*	*-7.0*	*3.0*
Livestock	5.3	5.3	5.3
Forestry and Logging	1.4	2.5	3.9
Fishing	4.3	5.7	3.5

Sources: Ghana Statistical Service, Ministry of Finance
*Revised **Provisional

Industry

63. Mr. Speaker, growth in the Industry Sector for 2017 is projected at 17.7 percent. This will largely be driven by the Mining and Quarrying subsector, of which upstream petroleum constitutes a significant share. Upstream petroleum is expected to grow by 69.2 percent in 2017, a sharp reversal from the negative 16.9 percent recorded in 2016. This figure is higher than previously projected and is principally due to the deferment of the FPSO Turret Remediation Project to 2018, allowing for increased production in 2017 and a lower forecast production in 2018 than originally projected. Manufacturing is estimated to grow by 3.1 percent, compared with 2.7 percent recorded in 2016, as shown in Table 2. Manufacturing is, therefore, expected to slowly recover from the severe hit it took at the height of the power crisis. Water and Sewerage is also expected to recover from the contraction of 3.2 percent in 2016 to a positive growth of 2.1 percent in 2017.

Table 2: Industry Growth Performance (percent)

	2015	2016*	2017**
Industry	**-0.3**	**-0.5**	**17.7**
Mining and Quarrying	-6.1	-7.6	52.3
o/w Petroleum	*0.9*	*-16.9*	*69.2*
Manufacturing	2.2	2.7	3.1
Electricity	-10.2	11.7	6.7
Water and Sewerage	20.0	-3.2	2.1
Construction	2.2	2.9	3.7

Sources: Ghana Statistical Service, Ministry of Finance
*Revised **Provisional

Services

64. Mr. Speaker, the Services Sector maintains its resilience, growing at an estimated 4.7 percent in 2017. The Information and Communication Technology (ICT) subsector will remain key in driving growth in the Services Sector. The subsector is estimated to grow by 10.7 percent. As shown in Table 3, the next high performing subsectors in terms of growth are Education (9.1%), Health and Social Work (5.3%), Trade (4.3%), Business and Real Estate (4.2%), and Finance and Insurance (4.1%). The improved growth performance of Finance and Insurance is indicative of a subsector that is slowly recovering from the severe slowdown it suffered in 2015.

Table 3: Service Growth Performance (percent)

	2015	2016*	2017**
Services	**6.3**	**5.7**	**4.7**
Trade, Repair Of Vehicles, Household Goods	9.7	3.1	4.3
Hotels and Restaurants	1.5	0.9	1.1
Transport and Storage	3.0	2.2	2.3
Information and Communication	21.6	21.7	10.7
Financial and Insurance Activities	3.5	3.6	4.1
Business, Real Estate, and others	7.7	3.8	4.2
Public Administration & Defence; Social Security	1.4	2.2	3.1
Education	7.9	8.3	9.1
Health and Social Work	15.7	16.8	5.3
Community, Social & Personal Service Activities	-6.4	-5.2	-0.5

Sources: Ghana Statistical Service/Ministry of Finance
*Revised ** Provisional

MONETARY SECTOR

65. Mr. Speaker, to address the large macroeconomic slippages in 2016, monetary policy for 2017 was focused on re-anchoring inflation expectations and steering inflation towards a medium-term target band of 8±2 percent. The performance of the key indicators is highlighted below.

Price Developments

66. Mr. Speaker, headline consumer price inflation declined steadily from 15.4 percent in December 2016 to 11.6 percent in October 2017. The downward trend in inflation was largely driven by exchange rate stability, tight monetary policy and prudent fiscal consolidation policies, as well as base drift effects. The slowdown in inflation over the period is reflected in both non-food inflation, which fell from 18.2 percent to 13.6 percent, and food inflation which also fell from 9.7 percent to 8.2 percent.

Monetary Aggregates and Credit Developments

67. Mr. Speaker, broad money supply growth slowed down in 2017 with a 20.0 percent year-on-year growth at the end of September 2017, compared with a 22.3 percent growth a year ago. The growth in broad money supply was mainly driven by buildup in the Net Foreign Assets (NFA) of the Bank of Ghana, which also recorded a 124.4 percent annual growth, but this was partially mitigated by a contraction of 0.7 percent in the Net Domestic Assets (NDA).

68. Mr. Speaker, credit to the private sector and public institutions in the year to September 2017 by Deposit Money Banks (DMBs) recorded a 16.8 percent annual growth compared with 13.0 percent in the same period in 2016. The slower credit growth reflects banks' effort to repair their balance sheets to address the high Non Performing Loans (NPFLs). Of the total credit flow, private sector accounted for 87.9 percent. Outstanding credit to the private sector at the end of September 2017 was GH¢33.5 billion. In real terms, private sector credit expanded by 4.2 percent compared to a 3.6 percent contraction in September 2016.

Money and Capital Markets

69. Mr. Speaker, in the year to September 2017, the Monetary Policy Committee of the Bank of Ghana has cumulatively lowered the Monetary Policy Rate (MPR) by 450 basis points to 21.0 percent. This followed gradual improvement in the macroeconomic fundamentals, exchange rate stability, easing inflation pressures, and improved sentiments. In line with the declining MPR, money market interest rates also declined broadly.

70. Mr. Speaker, also in the year to September, the interest equivalent on the 91-day Treasury bill rate steadily declined to 13.2 percent from 16.8 percent in December 2016, in response to the government's policy to re-profile public debt to the medium and longer end instruments. Similarly, the rate on the 182-day T-bill declined to 14.1 percent from 18.5 percent, while the rate for the 1-year note also fell to 15.0 percent from 21.5 percent in December 2016.

71. Mr. Speaker, on the interbank market, the weighted average interest rate declined to 20.94 percent in September 2017 from 25.26 percent in December 2016. In response to the downward revision in the BoG's policy rates, average lending rates of DMBs also gradually declined to 28.97 percent in September 2017 from 31.68 percent in December 2016. The average 3-month time deposit rate, however, remained unchanged at 13.0 percent throughout the comparative periods.

EXTERNAL SECTOR

Balance of Payments

72. Mr. Speaker, Ghana's external position strengthened significantly in 2017, due to stronger performance in all three major export commodities—oil, gold, and cocoa, as well as higher capital inflows.

73. Mr. Speaker, in the first three quarters of 2017, provisional data showed a significant narrowing of the current account deficit, driven by substantial surplus in the trade balance and higher private transfers. The trade balance recorded a surplus of US$707.6 million (1.5% of GDP) against a deficit of US$1.8 billion (4.3% of GDP) in the same period of 2016. The impressive outturn was largely driven by improved export earnings arising from significant increases in production volumes for cocoa and gold, as well as increased world market prices for crude oil. Total export receipts rose by 25.1 percent year-on-year, while imports declined by 5.3 percent due to lower non-oil imports.

74. Mr. Speaker, the favourable outturn in the trade accounts combined with higher private transfers, resulted in a significant improvement in the current account over the review period. The current account deficit narrowed significantly to an estimated US$1.1 billion (2.4% of GDP) in the first three quarters of 2017, compared to a deficit of US$2.1 billion (4.9% of GDP) for the same period last year. Also, the capital and financial accounts improved on the back of higher portfolio investments inflows. These developments, resulted in an overall balance of payments surplus of US$379.3 million (0.8% of GDP) for the first three quarters of 2017, compared to a deficit of US$1.4 billion (2.9% of GDP) for the same period in 2016.

International Reserves

75. Mr. Speaker, the above developments led to additional buildup of reserves, bring the total Gross International Reserves to US$6.9 billion by end September 2017, translating into 3.9 months of import cover. This compares with US$4.8 billion (2.5 months of import cover) in the same period of 2016 and US$6.2 billion (3.5 months of import cover) at the end of December 2016.

Exchange Rate Developments

76. Mr. Speaker, the Bank of Ghana has continued to moderate volatilities in the foreign exchange market. In the year to October 2017, the cedi cumulatively depreciated by 4.0 percent, compared to a depreciation of 4.3 percent against the US dollar during the same period in 2016, reflecting the strong and improved macroeconomic fundamentals and the stronger external position. These favourable developments in the country's external position, together with the cocoa syndicated loan are expected to help moderate exchange rate volatilities.

FISCAL SECTOR

77. Mr. Speaker, preliminary fiscal data up to the end of September 2017 indicate that the fiscal outturn was broadly in line with expectations despite shortfalls in revenues. The overall deficit on cash basis was 4.6 percent of GDP against a target of 4.8 percent while the primary balance moved into surplus, albeit marginally lower than targeted. Both Total Revenue and Grants and Total Expenditure (including arrears clearance), were below their respective targets as summarized in Table 4.

Table 4: Summary of Central Government Operations and Financing – 2016/2017

Description	2016 (Jan - Sept) Outturn		2017 (Jan - Sept) Budget		2017 (Jan - Sept) Provisional Outturn			% change over 2016
	Amt. (M' GH₵)	% of GDP	Amt. (M' GH₵)	% of GDP	Amt. (M' GH₵)	% of GDP	% Dev	
Total Revenue & Grants	24,465.5	14.6	31,346.4	15.5	28,429.2	14.1	-9.3	16.2
Total Expenditure & Arrears Clearance	35,101.8	21.0	41,036.2	20.3	37,705.0	18.7	-8.1	7.4
Overall Fiscal Balance (Cash)	-10,636.3	-6.4	-9,689.8	-4.8	-9,275.8	-4.6	-4.3	-12.8
Total Financing	10,636.3	6.4	9,689.8	4.8	9,275.8	4.6	-4.3	-12.8
o/w Domestic Financing	7,476.0	4.5	10,093.4	5.0	9,322.6	4.6	-7.6	24.7
Primary Balance	-2,674.1	-1.6	586.7	0.3	434.5	0.2	-25.9	-116.2

Source: MoF

Revenue

78. Mr. Speaker, Total Revenue and Grants for the period amounted to GH₵28,429.2 million, equivalent to 14.1 percent of GDP compared to a target of GH₵31,346.4 million (15.5% of GDP). Although the outturn is 9.3 percent below the target, it represents an annual growth of 16.2 percent compared to 4.1 percent during the same period in 2016.

79. Mr. Speaker, delays in implementation of tax compliance and administrative measures as well as slow real GDP growth in the non-oil sectors of the economy, particularly the Services sector, mainly accounts for the shortfalls in revenue performance.

80. These dynamics mainly affected taxes from corporate profits and trade taxes, which were projected to constitute a combined 31.3 percent of Total Revenue and Grants. The revenue performance is expected to improve during the last

quarter of the year as expected yields from ongoing special audits and compliance measures materialize. Preliminary end-year projections indicate a 95.5 percent attainment of the annual target.

Table 5: Summary of Central Government Revenues and Grants – 2016/2017

Description	2016 (Jan - Sept) Outturn		2017 (Jan - Sept) Budget		2017 (Jan - Sept) Provisional Outturn			% change over 2016
	Amt. (M' GH₵)	% of GDP	Amt. (M' GH₵)	% of GDP	Amt. (M' GH₵)	% of GDP	% Dev	
Total Revenue & Grants	24,465.5	14.6	31,346.4	15.5	28,429.2	14.1	-9.3	16.2
Domestic Revenue	23,490.0	14.0	30,095.7	14.9	27,481.1	13.6	-8.7	17.0
o/w Oil Revenue	519.0	0.3	1,687.3	0.8	1,451.8	0.7	-14.0	179.7
Tax Revenue	18,414.7	11.0	23,898.8	11.8	22,135.6	11.0	-7.4	20.2
o/w Oil Revenue	164.1	0.1	534.8	0.3	545.0	0.3	1.9	232.1
Non-Tax Revenue	3,638.9	2.2	4,428.7	2.2	3,832.7	1.9	-13.5	5.3
o/w Oil Revenue	354.9	0.2	1,152.5	0.6	906.7	0.4	-21.3	155.5
Social Contributions	203.4	0.1	221.9	0.1	296.2	0.1	33.5	45.6
Other Revenue	1,233.0	0.7	1,546.2	0.8	1,216.6	0.6	-21.3	-1.3
Grants	975.5	0.6	1,250.8	0.6	948.1	0.5	-24.2	-2.8

Source MOF

81. Mr. Speaker, of the provisional outturn for Total Revenue and Grants, non-oil Tax Revenue, comprising taxes on Income and Property (excl. oil), Domestic Goods & Services and International Trade constitutes about 76 percent, and amounts to GH₵21,590.55 million (see table 6). Although this outturn is 7.6 percent lower than the period target, it is encouraging to note that this represents an annual growth of 18.3 percent in nominal terms compared to 8.7 percent growth during the same period in 2016.

82. Total receipts from upstream petroleum activities amounted to GH₵1,451.8 million. Although the outturn is lower than the anticipated inflow of GH₵1,687.3 million through the third quarter of 2017, the end-year target of GH₵3,197.2 million is still within reach as crude oil liftings normalize and revert to the original

schedule in the last quarter of the year. Accordingly, oil receipts programmed for distribution to the various channels per the PRMA, are expected to be realized.

83. Mr. Speaker, non-oil Non-Tax revenue amounted to GH¢2,925.9 million, 10.7 percent lower than the budget target of GH¢3,276.2 million, mainly because of lower MDA reported IGF Retention. However, Fees from the sale of goods and services by Government Agencies, as well as dividends, were broadly on track. Preliminary end-year projections indicate a shortfall of about 12 percent from target mainly because of lower MDA reported Retention.

84. Mr. Speaker, Grants are expected to be disbursed as programmed by year end, despite being 24.2 percent lower than the budget target of GH¢1,250.8 million through September of 2017 due to unanticipated administrative bottlenecks during the first half of the year.

Table 6: Total Government Tax Revenue – 2016/2017

Description	2016 (Jan - Sept) Outturn		2017 (Jan - Sept) Budget		2017 (Jan - Sept) Provisional Outturn			% change over 2016
	Amt. (M' GH₵)	% of GDP	Amt. (M' GH₵)	% of GDP	Amt. (M' GH₵)	% of GDP	% Dev	
Total Tax Revenue	18,414.7	11.0	23,898.8	11.8	22,135.6	11.0	-7.4	20.2
o/w non-oil Tax Revenue	18,250.6	10.9	23,364.0	11.6	21,590.6	10.7	-7.6	18.3
Taxes on Income & Property	6,397.7	3.8	9,360.4	4.6	8,871.2	4.4	-5.2	38.7
o/w Personal Income Tax	2,399.4	1.4	3,278.2	1.6	3,322.4	1.6	1.3	38.5
o/w Company Taxes	2,862.9	1.7	4,226.5	2.1	3,649.7	1.8	-13.6	27.5
o/w Company Taxes on Oil	42.0	0.0	115.7	0.1	212.1	0.1		404.8
Taxes on Domestic Goods & Services	8,975.8	5.4	9,853.4	4.9	9,708.1	4.8	-1.5	8.2
o/w VAT	5,060.2	3.0	6,171.8	3.1	6,175.5	3.1	0.1	22.0
o/w Excise	2,868.5	1.7	2,395.6	1.2	2,318.5	1.1	-3.2	-19.2
o/w NHIL	797.4	0.5	1,044.3	0.5	971.9	0.5	-6.9	21.9
o/w CST	249.8	0.1	241.8	0.1	242.1	0.1	0.1	-3.1
International Trade Taxes	3,041.2	1.8	4,685.0	2.3	3,556.3	1.8	-24.1	16.9
o/w Import Duties	2,951.2	1.8	4,685.0	2.3	3,556.3	1.8	-24.1	20.5
o/w Export Duties	90.0	0.1	0.0	0.0	0.0	0.0		-100.0

Source: MoF

Expenditure

85. Mr. Speaker, the Government has significantly improved expenditure management which has contributed positively in minimizing expenditure overruns. These gains were made through the strict enforcement in the use of the GIFMIS for budget implementation and the effective implementation of the quarterly cash allotments to MDAs expenditure, among other measures.

86. Mr. Speaker, provisional data through September of 2017 indicate that Total Expenditure, including the clearance of arrears amounted to GH¢37,705.0 million (18.7% of GDP) compared to the target of GH¢41,036.2 million, 8.1 percent below target. However, on an annual basis, the outturn represents a nominal growth of 7.4 percent. Although marginal overruns are expected from the wage bill, the total expenditure for the full 2017 fiscal year, is projected to remain within the programmed target.

87. Mr. Speaker, for the period under review, the wage bill amounted to GH¢10,696.7 million constituting about 48 percent of Tax Revenues, marginally higher than the target of GH¢10,520.4 million (see Table 7). The overrun on the wage bill is mainly attributed to the payment of higher than programmed wage-related arrears and allowances carried over from previous years.

88. Mr. Speaker, the reported lower domestic revenues for the period, necessitated a scaling down of Government programmed expenditures to ensure our fiscal consolidation objective is not derailed. The lower expenditures on the use of Goods & Services and Domestically-Financed Capital expenditure are also attributed to the successful implementation of expenditure rationalization measures. The main driver of Total Capital Expenditure was Foreign-Financed Capital Expenditure due to timely disbursements of project loans.

89. Mr. Speaker, because of the underperformance of tax revenue, Grants to Other Government Units are correspondently lower than the budget targets. It is, however, important to note that this is not an indication of accumulation of arrears to Statutory Funds. On the contrary, current year transfers due these Funds are on track.

90. Mr. Speaker, Interest Payments through September of 2017, amounted to GH¢9,710.3 million, 5.5 percent lower than the period target. The lower interest payments, especially those in respect of the domestic debt (7% lower than target), indicate potential savings for the period, arising mainly from the re-profiling of maturing domestic debt. Total Interest Payments are expected to remain within programmed estimates by year end.

91. Mr. Speaker, preliminary data as at the end of September indicates that an amount of GH¢763.9 million of arrears have been cleared. We intend to clear significantly more arrears before the end of the year.

92. Mr. Speaker, as I noted in the 2017 Budget as well as in the Mid-Year Fiscal Policy Review Statement to this august House, a special audit to validate the about GH¢7,000 million of outstanding claims and payments at the end of 2016 has been conducted. We are expecting advice on the outcome of this audit from the Auditor-General, following which necessary remedial actions will be taken.

Table 7: Summary of Central Government Expenditures – 2016/2017

Description	2016 (Jan - Sept) Outturn		2017 (Jan - Sept) Budget		2017 (Jan - Sept) Provisional Outturn			% change over 2016
	Amt. (M' GH₵)	% of GDP	Amt. (M' GH₵)	% of GDP	Amt. (M' GH₵)	% of GDP	% Dev	
Total Expenditure & Arrears Clearance	35,101.8	21.0	41,036.2	20.3	37,705.0	18.7	-8.1	7.4
Total Expenditure	34,148.1	20.4	38,827.6	19.2	36,423.0	18.0	-6.2	6.7
Compensation of Employees	10,486.2	6.3	11,975.5	5.9	12,512.1	6.2	4.5	19.3
o/w Wages & Salaries	8,910.5	5.3	10,520.4	5.2	10,696.7	5.3	1.7	20.0
Use of Goods & Services	2,115.2	1.3	1,925.0	1.0	1,832.5	0.9	-4.8	-13.4
Interest Payments	7,962.1	4.8	10,276.5	5.1	9,710.3	4.8	-5.5	22.0
o/w Domestic Interest	6,311.1	3.8	8,128.6	4.0	7,562.8	3.7	-7.0	19.8
Subsidies	0.0	0.0	50.0	0.0	0.0	0.0	-100.0	
Grants to Other Gov't Units	6,232.5	3.7	6,850.4	3.4	6,501.7	3.2	-5.1	4.3
Social Benefits	0.0	0.0	178.0	0.1	22.9	0.0	-87.1	
Other Expenditure	69.0	0.0	1,633.4	0.8	1,047.5	0.5	-35.9	1,418.2
Tax Refunds	958.6	0.6	1,247.5	0.6	1,099.5	0.5	-11.9	14.7
Capital Expenditure	5,314.3	3.2	4,691.4	2.3	3,696.4	1.8	-21.2	-30.4
o/w Domestically Financed	779.1	0.5	1,593.6	0.8	407.3	0.2	-74.4	-47.7
Arrears Clearance (Net)	-641.3	-0.4	-2,208.6	-1.1	-763.9	-0.4	-65.4	19.1
Discrepancy	-312.4	-0.2	0.0	0.0	-518.1	-0.3		65.9

Source: MOF

Overall Budget Balances and Financing Operations

93. Mr. Speaker, the overall budget balance registered a cash fiscal deficit of GH¢9,275.8 million, equivalent to 4.6 percent of GDP against a target of GH¢9,689.8 million (4.8% of GDP). The outturn compares favourably with a fiscal deficit of 6.4 percent recorded during the same period in 2016.

94. The fiscal deficit as shown in table 8 was financed mainly from domestic sources and included a draw down in government deposits with the Bank of Ghana. Total Net Domestic Financing (including the petroleum funds) amounted to GH¢9,322.6 million while Net Foreign Financing constituted a repayment of GH¢46.8 million on net basis.

95. Mr. Speaker, it is important to note that we were broadly on track with the primary balance target, recording a surplus of GH¢434.5 million (0.2% of GDP), against a target of GH¢586.7 million (0.3% of GDP). As we improve on our domestic revenue mobilization and move the primary balance to a higher surplus, the growth of the public debt would decline over time.

Table 8: Summary of Central Gov't Budget Balances & Financing – 2016/2017

Description	2016 (Jan - Sept) Outturn		2017 (Jan - Sept) Budget		2017 (Jan - Sept) Provisional Outturn			% change over 2016
	Amt. (M' GH₵)	% of GDP	Amt. (M' GH₵)	% of GDP	Amt. (M' GH₵)	% of GDP	% Dev	
Total Financing	10,636.3	6.4	9,689.8	4.8	9,275.8	4.6	-4.3	-12.8
Foreign	3,160.2	1.9	-403.6	-0.2	-46.8	0.0	-88.4	-101.5
Domestic	7,476.0	4.5	10,093.4	5.0	9,322.6	4.6	-7.6	24.7
o/w Petroleum Funds/Sinking and Contingency	-93.5	-0.1	-288.5	-0.1	730.8	0.4	-353.3	-882.0
Primary Balance	-2,674.1	-1.6	586.7	0.3	434.5	0.2	-25.9	-116.2

Source: MoF

Petroleum Receipts in 2017

96. Mr. Speaker, up to September 2017, GNPC had lifted six (6) parcels of crude oil (the 36th to 39th Jubilee, as well as the 2nd and 3rd TEN liftings) on behalf of the State, and transported a total of 20,545.44 MMscf of gas to GNGC. Total crude oil lifted was 5,795,014 barrels (3,802,769 barrels of Jubilee oil and 1,992,245 barrels of TEN oil), compared to 2,926,979 barrels (all from Jubilee field) for the same period last year. The overall lifting volume was 97.99 percent higher than that of the previous year.

97. Receipts from crude oil liftings for the period up to September 2017 accruing from the 35th (lifted in December 2016) to the 38th Jubilee liftings and 1st (also lifted in December 2016) to 3rd TEN liftings, was US$339.32 million (GH₵1,451.39 million), as shown in Table 9.

Table 9: Details of Crude Oil Proceeds on Lifting Basis

Item	Unit	1st Qtr		2nd Qtr			3rd Qtr		TOTAL
		JUBILEE	TEN	JUBILEE	JUBILEE	TEN	JUBILEE	TEN	
		35th Lifting	1st Lifting	36th Lifting	37th Lifting	2nd Lifting	38th Lifting	3rd Lifting	
Date of Lifting	dd/mm/yy	27-Dec-16	8-Dec-16	9-Mar-17	13-May-17	20-Mar-17	3-Jul-17	18-Jun-17	
Receipt Date	dd/mm/yy	26-Jan-17	7-Jan-17	7-Apr-17	12-Jun-17	19-Apr-17	2-Aug-17	19-Jul-17	
Volume of lift	barrels	984,163	996,459	947,806	948,931	996,588	952,938	995,657	**6,822,542.00**
Selling Price	US$	53.51	51.19	54.23	48.18	49.19	46.53	45.37	
Value of lift	**US$**	**52,660,594**	**51,008,736**	**51,400,467**	**45,721,393**	**49,020,171**	**44,335,440**	**45,175,945**	**339,322,747**
	GH¢	**224,802,809**	**215,639,432**	**216,313,726**	**198,984,076**	**204,183,716**	**194,029,622**	**197,432,433**	**1,451,385,814**

Sources: Ministry of Finance/Bank of Ghana

98. Mr. Speaker, total petroleum receipts (i.e. proceeds from liftings and other sources) as at September 2017 was US$362.58 million (GH₵1,552.13million), as shown in Table 10. This compares with the receipts of US$172.91 million (GH₵671.49 million) for the same period in 2016.

Table 10: Sources of Petroleum Receipts January to September 2017

ITEM	UNIT	QTR 1	QTR 2	QTR 3	TOTAL
Jubilee Royalties	US$	14,661,506.78	27,040,196.76	12,343,658.02	**54,045,361.56**
Jubilee Carried and Participating Interest	US$	37,999,087.02	70,081,663.87	31,991,782.43	**140,072,533.32**
TEN Royalties	US$	13,249,022.39	12,732,511.83	11,734,011.70	**37,715,545.92**
TEN Carried and Participating Interest	US$	37,759,713.82	36,287,658.71	33,441,933.36	**107,489,305.89**
Gas Royalties	US$	-	-	-	-
Gas Carried and Participating Interest	US$	-	-	-	-
Surface Rentals	US$	262,917.20	344,164.71	238,347.00	**845,428.91**
Corporate Income Tax	US$	-	22,073,745.00	-	**22,073,745.00**
PHF income	US$	78,727.84	107,117.69	148,275.84	**334,121.37**
Interest on Late Payment on TEN Lifting	US$		-	4,274.04	**4,274.04**
Total Petroleum Receipts	US$	104,010,975.05	168,667,058.57	89,902,282.39	362,580,316.01
	GH¢	441,892,131.31	717,710,844.50	392,526,167.12	1,552,129,142.93

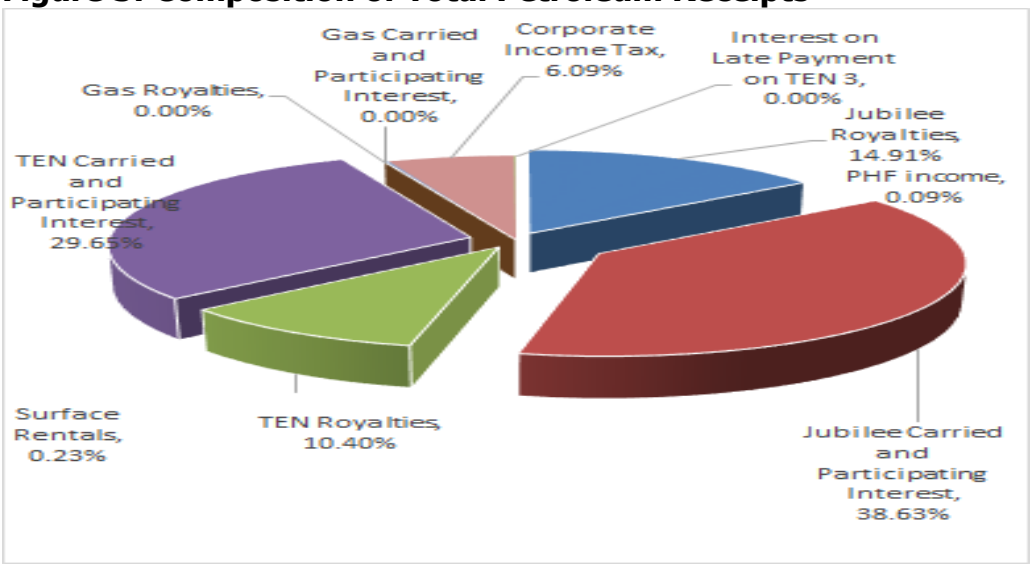
Sources: Ministry of Finance/Bank of Ghana

99. Mr. Speaker the composition of the various sources of petroleum receipts is shown in Figure 3. The share of Carried and Participating Interest of total crude oil receipts, as at September 2017 decreased from 72.3 percent to 68.3 percent for the same period in 2016. Corporate Income Tax (CIT) increased to 6.09

percent, from 1.29 percent in the corresponding year in 2016. Jubilee Royalties, which constituted 14.9 percent of the total petroleum revenue, compared with 25.9 percent in 2016. TEN Royalties constituted 10.4 percent in 2017.

100. There was no receipt of gas royalties as at September 2017 compared to an amount of US$0.38 million in the previous year. Surface Rentals and PHF Interest made up the remaining 0.33 percent, a slight increase from the 0.29 percent recorded in the comparative period, as shown in Figure 3.

Figure 3: Composition of Total Petroleum Receipts



Sources: Ministry of Finance/Bank of Ghana

101. Mr. Speaker, actual receipts for the period up to September 2017 showed a negative variance of US$24.18 million over the Budget estimate for the same period, as shown in Table 11.

Table 11: Analysis of January to September 2017 Petroleum Receipts (US$)

ITEM	BUDGET	ACTUAL	VARIANCE
	A	B	C = B - A
	US$		
Royalties	**134,869,237.97**	**91,760,907.48**	**(43,108,330.49)**
o/w Crude Oil	130,554,722.96	91,760,907.48	(38,793,815.48)
o/w Gas	4,314,515.01	-	(4,314,515.01)
Carried and Participating Interest	**379,308,448.39**	**247,561,839.21**	(131,746,609.18)
o/w Crude Oil	308,589,307.22	247,561,839.21	(61,027,468.00)
o/w Gas	70,719,141.17	-	(70,719,141.17)
Surface Rentals	1,496,558.08	845,428.91	(651,129.17)
Corporate Income Tax	-	22,073,745.00	22,073,745.00
PHF income	-	334,121.37	334,121.37
Interest on Late payment into PHF	-	4,274.04	4,274.04
Total	**515,674,244.44**	**362,580,316.01**	**(153,093,928.43)**

Sources: Ministry of Finance/Bank of Ghana

102. Mr. Speaker, a budgeted amount of US$56.28 million in respect of receipts from gas royalties and CAPI was not realized. However, lifting volumes of 6,822,542 barrels received for the period were higher than the budgeted output of 6,811,496 barrels for the same period. On the other hand, Corporate Income Tax of US$22.07 million (GH₵96.28 million) and PHF Income and Interest on Late Payment both of which were not anticipated for the Budget were received during the period under review.

103. These gains were, however, not enough to compensate for the losses arising from a realised average price of US$49.74 per barrel which was 11.4 percent lower than the budgeted benchmark price of US$56.14 per barrel. This resulted in a negative net variance of 6.25 percent (US$24.18 million). There was also a shortfall in Surface Rental receipts.

Table 12: Analysis of Petroleum Receipts (January-September: 2015-2017)

ITEM	UNIT	2015	2016	2017	Variance
		Jan-Sept	Jan-Sept	Jan-Sept	2017 vrs 2016
Jubilee Royalties	US$	91,738,776.09	44,793,483.31	54,045,361.56	9,251,878.25
Jubilee Carried and Participating Interest	US$	237,764,766.49	116,093,897.84	140,072,533.32	23,978,635.48
TEN Royalties	US$	-	-	37,715,545.92	37,715,545.92
TEN Carried and Participating Interest	US$	-	-	107,489,305.89	107,489,305.89
Surface Rentals	US$	465,919.73	435,094.24	845,428.91	410,334.67
Royalties from SOPCL	US$	-		-	-
Corporate Income Tax	US$	11,617,384.00	2,232,550.00	22,073,745.00	19,841,195.00
PHF income	US$	23,591.40	60,806.40	334,121.37	273,314.97
Price Differentials	US$	-			-
Gas Royalties	US$	22,595.67	379,554.50		(379,554.50)
Gas Carried and Participating Interest	US$	531,219.65	8,923,251.85	-	(8,923,251.85)
Interest on Late Payment on TEN Lifting	US$	-	-	4,274.04	4,274.04
Total Petroleum Receipts	**US$**	**342,164,253.03**	**172,918,638.14**	**362,580,316.01**	**189,661,677.87**
	GH₵	**1,246,166,113.15**	**671,526,738.66**	**1,552,129,142.93**	**880,602,404.27**

Sources: Ministry of Finance/Bank of Ghana

Allocation of 2017 Petroleum Receipts

104. Mr. Speaker, the 2017 petroleum receipts were allocated based on the provisions of the PRMA, (as amended). The PRMA requires that not more than 70 percent of Government's net petroleum receipts is designated as ABFA, and that not less than 30 percent is designated as GPFs. Out of the amount transferred into the GPFs, the GHF received not less than 30 percent, with the rest transferred into the GSF.

105. Mr. Speaker, out of the total revenue of US$362.58 million, GNPC (the NOC) was allocated a total of US$126.67 million made up of Equity Financing Cost of US$74.86 million and an amount of US$51.81 million, representing its share of the net Carried and Participating Interest, as shown in Table 13.

Table 13: Distribution of Petroleum Receipts (Jan.-Sept. 2017)

ITEM	UNIT	Jubilee 35th	Jubilee 36th	Jubilee 37th	Jubilee 38th	TEN 1st	TEN 2nd	TEN 3rd	TOTAL
Date of Distribution		29-Mar-17	12-May-17	23-Jun-17	28-Sep-17	31-Jan-17	30-May-17	28-Aug-17	
Transfer to GNPC	US$	14,437,587.02	11,126,939.62	22,392,488.96	12,872,477.67	21,900,634.02	21,046,842.06	22,896,321.35	126,673,290.70
o/w Equity Financing cost	US$	4,339,801.31	.	17,849,899.18	4,678,489.91	15,103,885.53	14,515,063.49	18,376,773.34	74,863,912.76
o/w Crude oil Net Carried and Participation Interest	US$	10,097,785.71	11,126,939.62	4,542,589.78	8,193,987.76	6,796,748.49	6,531,778.57	4,519,548.01	51,809,377.94
ABFA and GPFs	US$	38,223,006.78	40,627,514.94	23,612,677.13	31,462,962.78	56,452,310.69	27,973,328.49	44,554,528.47	262,906,329.27
o/w Annual Budget Funding Amount	US$	2,848,051.05	28,439,260.46	.	11,176,498.61	39,516,617.49	13,925,408.08	31,188,169.93	127,094,005.60
o/w Ghana Petroleum Funds	US$	35,374,955.73	12,188,254.48	23,612,677.13	20,286,464.18	16,935,693.21	14,047,920.41	13,366,358.54	135,812,323.67
o/w Ghana Stabilisation Fund	US$	24,762,469.01	8,531,778.14	16,528,873.99	14,200,524.92	11,854,985.25	9,833,544.29	9,356,450.98	95,068,626.57
o/w Ghana Heritage Fund	US$	10,612,486.72	3,656,476.34	7,083,803.14	6,085,939.25	5,080,707.96	4,214,376.12	4,009,907.56	40,743,697.10
Total Payments	US$	52,660,593.80	51,754,454.56	46,005,166.09	44,335,440.45	78,352,944.71	49,020,170.54	67,450,849.81	389,579,619.97
	GH¢	228,418,598.04	217,353,182.81	200,425,532.69	195,160,175.36	334,517,021.71	210,695,393.42	296,128,168.55	1,682,698,072.58

Sources: Ministry of Finance/Bank of Ghana

106. Mr. Speaker, a total of US$135.81 million (GH₵ 588.17 million) was transferred into the GPFs for the period up to September 2017, compared to US$32.49 million (GH₵126.54 million) for the same period in 2016. Out of the amount transferred, the GHF received US$40.74 million (GH₵176.45 million), against US$9.75 million (GH₵37.96 million) in 2016, while the GSF received US$95.07 million (GH₵401.72million), against US$22.74million (GH₵88.58 million) in 2016, in conformity with the PRMA.

107. The amount transferred in 2017 from the total proceeds to the ABFA was US$127.09 million (GH₵546.31 million). The allocation to the ABFA was on target as budgeted.

108. An amount of GH₵796.32 million of the ABFA allocation was programmed for utilisation in 2017, of which, GH₵238.89 million and GH₵557.42 million were allocated for Goods and Services and Capital Expenditure, respectively.

109. Mr. Speaker, between January and September 2017, provisional information compiled from the Ministry of Finance and the CAGD, indicates that only GH¢264.90 million of the programmed ABFA for budget implementation (equivalent to 33.3 percent) was utilised. Table 14 provides a summary of utilisation by priority areas. Details are attached in the appendices.

Table 14: ABFA Utilisation by Priority Area (January – September, 2017)

Priority Area	Total
AGRICULTURE	21,156,840.43
PHYSICAL INFRASTRUCTURE & SERVICE DELIVERY IN EDUCATION	202,379,893.20
PHYSICAL INFRASTRUCTURE & SERVICE DELIVERY IN HEALTH	6,044,229.09
ROAD, RAIL, & OTHER CRITICAL INFRASTRUCTURE DEVELOPMENT	34,357,771.92
PUBLIC INTEREST & ACCOUNTABILITY COMMITTEE (PIAC)	1,345,078.00
TOTAL	**265,283,812.64**

Sources: CAGD and Ministry of Finance

DEVELOPMENTS IN PUBLIC DEBT

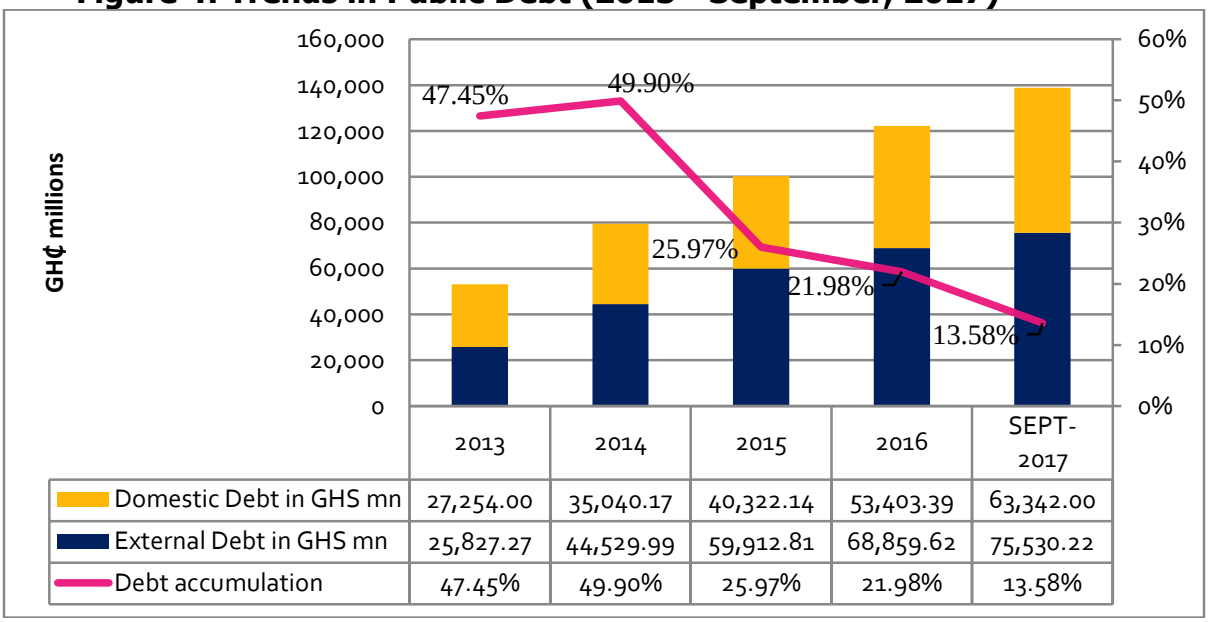
110. Mr. Speaker, the budget deficit for the 2017 fiscal year was financed from both domestic and external sources. External financing was made up of disbursements of project loans for new and on-going projects. In line with the 2017 Medium Term Debt Strategy (MTDS), there was no sovereign bond issuance for the 2017 Budget. Domestic financing was from marketable instruments only as there was zero central bank financing of the budget.

111. Mr. Speaker, it can be recalled that one of the economic situations that our Government inherited was a ballooning debt stock which placed an increasing burden on the budget. Indeed, Ghana's debt-to-GDP ratio had increased from 32 percent at the end of 2008 to 73 percent at the end of 2016 (an increase from GH¢9,746.86 million to GH¢122,263.01 million). This situation resulted in an increasing interest burden, with interest payments alone consuming 45 percent of tax revenue and 6.8 percent of GDP in 2016.

112. Mr. Speaker, our Government, through prudent management of the economy has successfully reduced Ghana's debt burden. This was achieved as a result of a reduction in the fiscal deficit and a policy of debt reprofiling (which involves borrowing at less expensive rates to replace more expensive debt at longer tenor). Consequently, the debt to GDP ratio has declined from 73 percent at the end of December 2016 to 68.6 percent at the end of September 2017. The interest burden of Ghana's debt has also been reduced from 45 percent of tax revenue to 43.9 percent in September 2017 and is projected to further reduce to 41.8 percent at the end of 2017.

113. Mr. Speaker, our prudent debt management has, therefore, improved the debt outlook and restored Ghana's debt trajectory to a sustainable path. Figure 4 provides trends in public debt.

Figure 4: Trends in Public Debt (2013 - September, 2017)

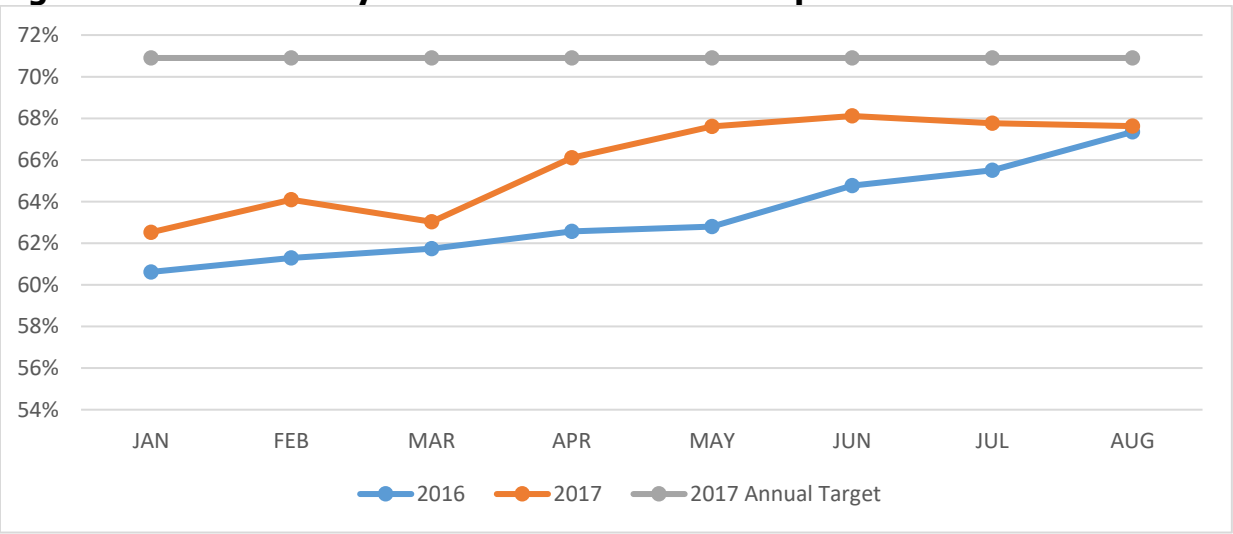


	2013	2014	2015	2016	SEPT-2017
Domestic Debt in GHS mn	27,254.00	35,040.17	40,322.14	53,403.39	63,342.00
External Debt in GHS mn	25,827.27	44,529.99	59,912.81	68,859.62	75,530.22
Debt accumulation	47.45%	49.90%	25.97%	21.98%	13.58%

114. Mr. Speaker, it is important to note that the annual average rate of debt accumulation of 36.0 percent over the last four years, has declined over the last nine months to about 13.58 percent. While government is actively managing the public debt to ensure sustainability through its liability management program, which among others is aimed at reducing the refinancing risk and cost of borrowing, we do not expect this initiative to add to the public debt stock beyond the net financing requirement for the year.

115. The total public debt stock as a ratio of GDP fell to 68.27 percent as at end-September 2017, from 73.1 percent at the end of 2016, as shown in Figure 5.

Figure 5: 2017 Monthly Debt to GDP Ratio Developments

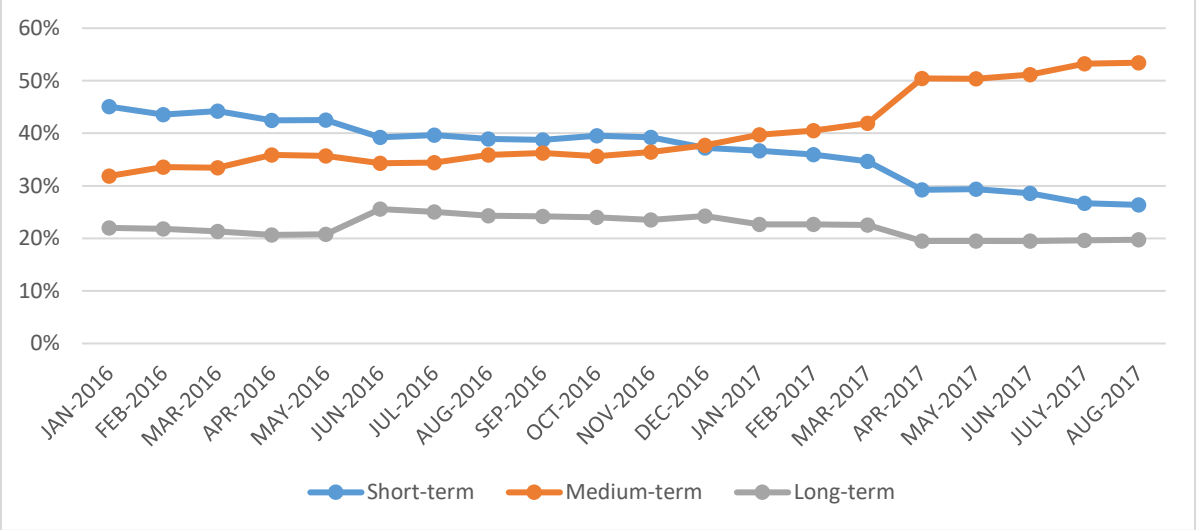


Liability Management and the Debt Re-Profiling Programme

116. Mr. Speaker, Government's liability management programme implementation has been largely successful. This was to reduce refinancing risk of maturing domestic debt in accordance with the MTDS. This programme involved buy-backs and exchanges in addition to maintaining a buffer system. In furtherance of this, Government in April this year issued a new 15-year bond with a debut callable option, together with a second 7-year bond. The proceeds, which is one of Africa's largest issuance in a day, was largely used to re-profile maturing 91-Day and 182-Day Treasury bills.

117. This consequently led to a change in the short and medium to long-term debt mix, thereby reducing the pressure on the monthly gross financing requirement. From January to August, 2017, the share of short-term instruments (particularly 91-day bill and 182-day bill) in total domestic debt stock declined by about 13 percentage points to 26.37 percent, while the share of medium term instruments increased by about 17 percentage points to 53.44 percent, as shown in Figure 6.

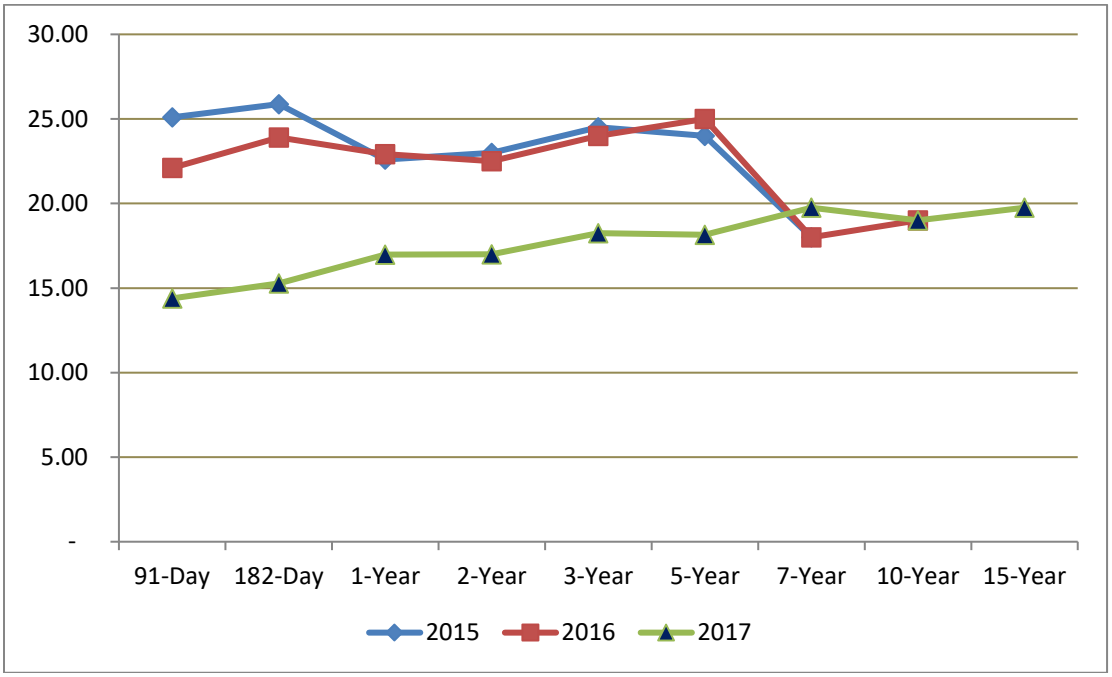
Figure 6: Composition of Domestic Debt: Jan. 2016 – Aug. 2017



118. Mr. Speaker, I am happy to note that the benefits so far have been instrumental for macroeconomic stability. We have achieved one of the major anticipated impacts from the re-profiling operations, in the area of a reduction in interest rates and normalization of the domestic yield curve. Interest rates on all our tradable instruments have declined significantly since the beginning of this year, despite the relatively high monetary policy rate. The 91-day T-Bill rate fell significantly from 16.81 percent in December 2016 to 13.19 as at end September 2017. The 182-day T-bill rate also declined from 18.50 percent in December 2016 to 14.08 as at end September 2017. The 1-year, 2-Year, 3-Year and 5-Year Bonds all declined from 21.50 percent, 22.50 percent, 24.00 percent and 24.75 percent

as at end 2016 to 15.00 percent, 17.00 percent, 18.25 percent and 18.15 percent respectively as at end October 2017. Figure 7 shows the yield curve for the period 2015–October 2017.

Figure 7: Normalization of the Domestic Market Yield Curve: 2015 – 2017



Sovereign Ratings

119. Mr. Speaker, over the last 10 months, Ghana's Credit ratings witnessed some positive momentum after years of deterioration.

120. Although Moody's affirmed its September 2018 rating in 2017, Fitch ratings maintained Ghana's B rating and changed the outlook from "Negative" to "Stable" in May 2017. In a similar way, S & P Ratings maintained Ghana's rating of B- and changed the outlook from "Stable" to "positive" in October 2017. Table 15 shows Ghana's sovereign rating per agency.

Table 15: Ghana's Current Sovereign Rating

Agency	Rating/Outlook	Latest Rating Action
Moody's	B3/ Stable	**September 2016:** Outlook revised to Stable from Negative. Rating Affirmed
Fitch	B/ Stable	**May 2017:** Outlook revised to Stable from Negative. Rating Affirmed
*S&P	B-/ Positive	**October 2017:** Outlook changed to Positive from Stable. Rating affirmed

Implementation of the Credit Risk Assessment Framework

121. Mr. Speaker, as stated in the Budget Statement and Economic Policy of government, the financial state of SOEs continues to be of concern. Government has started the implementation of a Credit Risk Assessment Framework (CRAF) in observance of the provisions of the PFM Act. This framework helps to determine, largely, the ability of SOEs to repay their debt obligations.

122. In this regard, SOEs seeking government support in the form of guarantee and/or on-lending facilities are evaluated through the CRAF before any request is granted. The implementation of this measure is to ensure that SOEs will remain creditworthy over the medium to long term.

Performance of the Energy Sector Levies

123. Mr. Speaker, prior to passing the Energy Sector Levies Act, 2015, (Act 899) (ESLA), Energy Sector State Owned Enterprises (SOEs) including Tema Oil Refinery (TOR), Volta River Authority (VRA), Ghana Grid Company (GRIDCo) and Electricity Company of Ghana (ECG) struggled to effectively manage their legacy debts. Investments in the sector were also not effectively structured and coordinated.

124. These challenges constrained the annual National Budget as Government had to regularly provide financial support to keep the SOEs running. The debt overhang also increased the exposure of these institutions to credit and liquidity risks, and impacted significantly on the balance sheets of their counterpart creditor banks.

125. To address these challenges, the ESLA was passed in December 2015, with full implementation beginning in 2016. The ESLA was enacted to consolidate existing energy sector levies, ensure prudent utilization of proceeds generated from the levies, impose a Price Stabilization and Recoveries Levy (PSRL), and facilitate investments in the sector.

126. Almost two-years into the implementation ESLA has contributed significantly to paying down VRA and TORs debt due banks and trade creditors in the amount of GH¢1,861.17 million as at September 2017. This figure comprises of GH¢1,508.69 million and GH¢352.48 million paid to VRA's and TOR's creditor banks and trade creditors respectively. Additionally, GH¢484.29 million has been transferred to partially settle foreign exchange under-recoveries owed the Bulk Oil Distribution Companies, support the Strategic Stock Reserve programme of Government, and subsidize premix and residual fuel oil.

127. In 2017, a total of ¢934.09 million was transferred to partially settle the debts of energy sector SOEs. These include an amount of GH¢165.43 million in respect of the debt recovery of TOR, GH¢47.0 million for the payment of downstream foreign exchange under-recoveries, and GH¢721.66 million for the payment of

power utility debts. In addition, GH¢701.83 million and GH¢18.26 million were transferred to the Road Fund and Energy Fund respectively to support road maintenance and the activities of the Energy Commission.

Energy Bond Issuance

128. Mr. Speaker, in the 2017 Budget Statement, we highlighted the huge pile up of debt and other payables within the energy sector which continued to impact negatively on our economy. Additionally, as indicated in the Mid-Year Fiscal Policy Review, Government planned to restructure the debt of the energy sector SOEs by leveraging the Energy Debt Recovery Levy component of the ESLA. As a result, the Ministry of Finance this year sponsored the establishment of the E.S.L.A. Plc as a Special Purpose Vehicle (SPV). The SPV established a bond programme to issue Cedi-denominated medium-to-long-term amortizing bonds on the back of ESLA receivables to repay legacy debt to the tune of up to GH¢10,000.00 million.

129. The first tranche of bonds issued under this programme, comprised a 7-year (GH¢2,408.60 million) and a 10-year (GH¢2,375.35 million) bond with coupons of 19.0 percent and 19.5 percent respectively, for a total of GH¢4,783.97 million.

130. E.S.L.A. Plc received Bids of GH¢5,320.00 million (GH¢2,601.74 million for the 7-year and GH¢2,718.26 million for the 10-year), representing 89.0 percent of the targeted amount of GH¢6,000.00 million for the first tranche under the Bond Programme. E.S.L.A. Plc accepted a total amount of GH¢4,783.97 million, representing 80.0 percent of the targeted amount, and within the target price range of 19.0 – 19.5 percent.

131. Mr. Speaker, the bond transaction is a novelty in terms of the uniqueness of its structure in Sub-Saharan Africa for Public Sector/SOEs debt restructuring. It also provides a clear and structured framework for the resolution of legacy debts owed by the SOEs going forward. For the first time in the history of Ghana, local investors hugely participated in a long term issuance which is a clear sign of confidence in the economy.

132. Mr. Speaker, the proceeds from the bond issuance has helped reduce Non-Performing Loans within the banking sector and strengthened the balance sheets of the SOEs in the energy sector. To date the stock of energy sector debt has been almost halved. E.S.L.A Plc will continue to issue bonds to completely pay off the legacy debts.

Post-ESLA Bond Measures

133. Mr. Speaker, Government recognises that merely paying off SOE debts would not guarantee success. Therefore, it is important to complement the funding

solution with other efficiency mechanisms to ensure that entities will not lapse into the same debt-ridden trap in the future.

134. Consequently, the refinancing is being done in conjunction with structural and policy measures aimed at addressing the underlying issues. These include the Cash Waterfall Mechanism (CWM) and a monitoring regime.

135. Mr. Speaker, Cabinet has already approved the CWM and the process for its implementation has commenced under a joint team from the Ministries of Finance and Energy. The rationale for the CWM is to ensure that all active players in the power sector value chain benefit proportionately from revenues collected by ECG and VRA (from its deregulated market, including foreign sales) in a transparent manner.

136. Accordingly, guidelines are being developed to ensure effective implementation of the CWM. The objectives of these guidelines include, developing an equitable mechanism for allocating and paying collected revenue to all utility service providers and fuel suppliers.

137. Mr. Speaker, additionally, Government will implement a robust regime to monitor the activities of SOEs post-restructuring, ensure transparency and effective accountability, as well as avoid moral hazards.

138. Mr. Speaker, effective execution of the above will address the energy sector SOE debt, improve efficiency and strengthen the financial position of the SOEs. This will enable SOEs to secure sustainable working capital to finance their operations and enable the creation of a more financially robust, efficient and reliable power utility sector.

139. Consultations are currently ongoing with the various stakeholder institutions to amend portions of the ESLA to allow a more effective mechanism for collecting, utilisation and reporting on the levies.

SECTION FOUR: MACROECONOMIC TARGETS FOR 2018 AND THE MEDIUM TERM

GOVERNMENT'S MEDIUM TERM VISION AND OBJECTIVES

140. Mr. Speaker, our medium term development programme aimed at providing opportunities for growth and job creation through the private sector is hinged on the priorities of the President's Coordinated Programme of Economic and Social Development Policies which has been presented to this august House, in line with Article 36(5) of the 1992 Constitution. The President's Coordinated Programme has been crafted to be consistent with the United Nations Sustainable Development Goals (SDGs) and the African Union's Agenda 2063.

141. Mr. Speaker, the Vision as outlined in the President's Coordinated Programme is to create "*an optimistic self-confident and prosperous nation, through the creative exploitation of our human and natural resources, and operating within a democratic, open and fair society, in which mutual trust and economic opportunities exist for all*". The vision will be achieved through five pillars, namely:

- restoring the economy;
- transforming agriculture and industry;
- revamping economic and social infrastructure;
- strengthening social protection and inclusion; and
- reforming public service delivery institutions.

142. Mr. Speaker, the implementation of the medium term programmes is expected to contribute to our socio-economic development goals, on the economic, social, human settlement, and environmental fronts. On the Economic front, the goal is to consolidate the macroeconomic stability gains made so far to support broad-based and inclusive growth. On the social sphere, we aim to achieve a fair and inclusive society, with opportunities for all. On the environmental and infrastructure fronts, we aim to safeguard the natural environment, improve infrastructure and ensure a resilient built environment to promote human settlements. On the Governance side, we aim to deepen governance, fight corruption and enhance public accountability as a means to maintaining a stable, united and safe society.

143. The following priorities, among others, will be pursued in the medium-term:

- Consolidating macroeconomic gains to support broad-based and inclusive growth;
- Enhancing a competitive and enabling business environment for private sector led growth;
- Formalizing the informal sector;
- Building a strong and resilient economy able to withstand internal and external shocks;

- Promoting agro-industrial enterprises as the basis for the "One District, One Factory" initiative;
- Creating opportunity for a resource-based industrialization;
- Ensuring friendly public sector agencies supportive of domestic and external investors;
- Creating entrepreneurial and employment avenues for especially the youth.
- Establishment of a national database, using the National Identification System as the primary identifier, with linkages to the databases of institutions;
- Implementing improvement programmes on affordable housing for all working Ghanaians and families in modern communities;
- Implementing public procurement reforms; and
- Public Sector Reforms and Innovation.

144. Mr. Speaker, the 2018 Budget prioritizes, Industrialization, Agriculture, Infrastructure, Entrepreneurship, and strengthening of financial architecture for Industry, Agriculture, and Infrastructure.

MEDIUM TERM MACROECONOMIC OUTLOOK

145. Mr. Speaker, the macroeconomic fundamentals are on the path of economic recovery as the fiscal and current accounts deficits unwind. These positive developments, coupled with tight policy stance, have largely accounted for the declining inflation trends and sustained stability in the local currency. In the medium-term, economic prospects are positive with the commitment to restore macroeconomic stability, ramping up of oil and gas production and growth in the non-oil sectors through our several growth inducing initiatives. In addition, the ongoing structural reforms are expected to make the economy more efficient to deliver high and sustained growth for poverty reduction and employment generation.

146. Mr. Speaker, to achieve our broad medium term macroeconomic objectives of maintaining fiscal and monetary discipline as well as ensuring financial stability, our policy direction will be to:

- Restore and sustain macroeconomic stability;
- Shift the focus of economic management from taxation to production;
- Manage the economy competently; and
- Make the machinery of government work to deliver the benefits of progress for all Ghanaians.

147. Mr. Speaker, the strategies for achieving these broad macroeconomic objectives include the following:

- promoting inclusive growth without compromising fiscal consolidation;
- anchoring fiscal policy on reducing the fiscal deficit to low and sustainable levels, sufficient to reduce the overall public debt burden;

- strengthening the inflation targeting regime and pursuing complementary monetary policy to promote monetary discipline; and
- Pursuing complementary external sector policies to ensure exchange rate stability and favourable current account balance.

148. Mr. Speaker, consistent with our medium-term development policy framework as outlined in the President's Coordinated Programme of Economic and Social Development Policies, our macroeconomic objectives and strategies as well as the structural policies in the coming sections, we set the following macroeconomic targets for the medium term (2018-2021):
- Real GDP to grow at an average of 6.2 percent between 2018 and 2021;
- Inflation to be within the target band of 8±2 percent;
- Overall fiscal deficit to remain within the fiscal rule of 3-5 percent;
- Primary balance is expected to improve from a surplus of 0.2 percent of GDP in 2017 and remain around 2.0 percent in the medium term;
- Gross International Reserves to cover at least 4 months of imports.

149. Mr. Speaker based on our objective of ensuring macroeconomic stability, and growing the economy for job creation whilst protecting social spending, the following macroeconomic targets are set for the 2018 fiscal year:
- Overall GDP growth rate of 6.8 percent;
- Non-oil GDP growth rate of 5.4 percent;
- End-period inflation rate of 8.9 percent;
- Average inflation rate of 9.8 percent;
- Fiscal deficit of 4.5 percent GDP;
- Primary balance (surplus) of 1.6 percent of GDP; and
- Gross Foreign Assets to cover at least 3.5 months of imports of goods and services

150. Mr. Speaker, we now present the detailed medium-term outlook in the real, fiscal, monetary, and external sectors.

REAL SECTOR

151. Mr. Speaker, real GDP is expected to grow by 6.8 percent in 2018, while real non-oil GDP is expected to grow by 5.4 percent over the same period, as shown in Appendix 16. The overall growth takes into account the anticipated reduction in petroleum output as a result of planned maintenance works scheduled for 2018. While the overall projected growth for 2018 is lower than that estimated for 2017, (6.8% compared with 7.9%), the non-oil projected growth for 2018 is higher than that estimated for 2017 (5.4% compared with 4.8%), on account of Government's intervention in the non-oil sectors of the economy.

152. Real GDP is projected to grow by 7.3 percent and 5.6 percent in 2019 and 2020 respectively, yielding an average growth of 6.2 percent over the medium term. Historical outturns and current medium-term projections are shown in real levels in Appendix 1A, and in nominal levels in Appendix 1C.

Agriculture

153. Mr. Speaker, Agriculture is expected to grow by 4.5 percent in 2018, largely driven by a strong growth performance of 4.5 percent in the Crops subsector. Growth in Agriculture is expected to be 5.8 percent, 5.0 percent and 5.3 percent in 2019, 2020 and 2021, respectively. The sector is expected to record an average growth of 5.2 percent over the medium-term.

154. Over the medium-term, the Crops subsector is expected to perform strongly, recording an average growth of 5.4 percent, largely on account of improved grain production. Cocoa, a component of Crops, is also expected to recover from the contraction it recorded in 2015 and 2016. Growth in Livestock is expected to be stable, with a medium-term average of 5.8 percent, while the average for Fishing is projected at 3.4 percent.

Industry

155. Mr. Speaker, Industry is expected to grow by 9.4 percent in 2018 compared with 17.7 percent estimated for 2017. Growth in Mining and Quarrying is projected at 17.9 percent, with upstream petroleum, the dominant component of the subsector, projected to grow at 23.4 percent. Over the same period, Manufacturing and Construction are expected to grow by 4.6 percent and 4.1 percent, respectively.

156. Industry is projected to grow by 9.5 percent, 5.1 percent and 1.2 percent in 2019, 2020 and 2021, respectively, resulting in an average of 6.3 percent over the medium-term. The Manufacturing subsector is expected to remain on a recovery path, having experienced a contraction in output at the height of the energy crisis. The subsector is projected to record an average growth of 5.1 percent over the medium-term, aided by a continued normalization of power supply. Over the same period, Construction is also expected to pick up, achieving an average growth rate of 4.7 percent.

Services

157. Mr. Speaker, the Services Sector is projected to grow by 6.2 percent in 2018, with Information and Communication expected to be the leading subsector recording a growth of 15.9 percent. Education is projected to grow at 8.1 percent, while Health and Social Work is projected to grow at 5.7 percent.

158. Mr. Speaker, Services is expected to grow by 6.5 percent and 6.1 percent in 2019 and 2020 respectively. Overall, the sector is projected to grow at an average rate

of 6.6 percent over the medium term. It is expected that service delivery will be generally enhanced by attempts to achieve greater formalization of the economy, while trade activities will continue picking up in response to a fairly stable exchange rate.

Table 16: Real GDP Growth (Percent), 2018-2021

	2018	2019	2020	2021	Average
Agriculture	4.5	5.8	5.0	5.3	5.2
Industry	9.4	9.5	5.1	1.2	6.3
Services	6.2	6.5	6.1	7.6	6.6
Overall GDP (excl. Oil)	**5.4**	**5.9**	**6.0**	**6.1**	**5.9**
Overall GDP (incl. Oil)	**6.8**	**7.3**	**5.6**	**5.3**	**6.2**

MONETARY AND EXTERNAL SECTORS

159. In line with the medium-term policy objectives, the broad outlook for the monetary and external sectors are as follows:

- Monetary policy will continue to provide an anchor for inflation expectations and steer inflation towards the medium term target band of 8 ±2 percent.
- The monetary aggregates are expected to increase at a moderate pace during the period 2017 - 2019. Annual growth in money supply (M2+) is expected to end 2017 at 22.7 percent. The growth expectations for 2018 and 2019 are to moderate further and average around 15.9 percent.
- The current account deficit is expected to continue to adjust downwards during the period 2017–2019 in line with further fiscal consolidation and better prospects in oil and gas production. The current account deficit is projected to end the 2017 at 4.8 percent of GDP and further down to 4.6 percent in 2018 and settle at some 4.5 percent in 2019.
- Gross international reserves are projected to be at least three (3) months of import cover over the period 2017 - 2019.

FISCAL SECTOR

160. Mr. Speaker, moving into 2018, our fiscal programme is firmly anchored on the ongoing fiscal consolidation. Our prime focus is to ensure that the fiscal deficit, which remains our principal fiscal anchor, is programmed to decline to 4.5 percent of GDP in 2018 from the projected 2017 end-year estimate of 6.3 percent. Over the medium term, the fiscal deficit is expected to stabilize around 3-5 percent of GDP.

161. Mr. Speaker, achieving this objective is not only critical but necessary, if we are to maintain the healthy primary balance surplus required to eventually reduce the rate of debt accumulation.

162. However, in the process some burning issues must be addressed. Domestically, we are faced with rising expenditures over the short to medium-term, as we invest more in programmes that will stimulate economic growth and generate jobs. We will, therefore, need to boost domestic revenues through innovative ways that do not place undue burden on the entire Ghanaian populace.

163. Mr. Speaker, we must make these decisions in good time to ensure that our future generations are bequeathed with a priceless inheritance of a sustainable fiscal environment, for as the saying goes, *"let us build the roof before it rains"*. We are studying all the available feasible options carefully.

164. In this vein, boosting domestic revenue mobilization through improved tax compliance and efficient and effective revenue administration remains an important part of our fiscal strategy for 2018 and the medium term. Consequently, in addition to empowering the Ghana Revenue Authority (GRA) to improve tax administration, we are investing in programmes and infrastructure to widen the tax net. This includes the implementation and rollout of a National Digital Address System, an acceleration of the implementation of the National Identification Programme, deployment of Fiscal Electronic Devices to improve VAT declaration, and special audits, among others.

165. At the same time, this Budget also takes bold steps to start mobilizing revenue by making concrete changes in the tax policy framework, especially in tax exemptions. At the appropriate time, we will return to this august House with our proposed legislative amendments. Other tax measures being considered for the 2018 fiscal year include:

- Review of the Suspense regime;
- Implementation of the Excise Tax Stamp policy;
- Extension of the requirement of Tax Clearance Certificates to cover large private sector contracts; and
- Improving Property Rate collection

166. Mr. Speaker, on the expenditure front, we have demonstrated our commitment to eliminate expenditure overruns and remain committed to continue with the implementation of the Public Financial Management (PFM) reforms with the aim of eliminating unproductive expenditure.

167. Mr. Speaker, currently, the wage bill poses a major risk to budget execution. The current public sector pay policy and the Human Resource management system will be reviewed as part of the measures to ensure the sustainability of the wage bill. Other measures to rationalize expenditure include:

- Streamlining the GIFMIS Business process to facilitate and expedite payments to eliminate arrears build-up to service providers;

- Enforcement of the earmarked funds and capping law to reduce budget rigidities; and
- Strengthening and enforcement of commitment controls.

168. Mr. Speaker, these measures, among others, are expected to improve the efficiency and effectiveness of public spending.

Resource Mobilization for 2018

169. Mr. Speaker, based on our projection of the level of economic activity in 2018 and Government's policy on taxation and donor Grant disbursements, the budget for Total Revenue and Grants for the 2018 fiscal year is estimated at GH¢51,039.1 million, equivalent to 21.1 percent of GDP. This represents a growth of 23.7 percent over the projected end-year outturn for 2017.

170. Mr. Speaker, receipts from upstream petroleum activities are estimated to constitute about 6.2 percent of Total Revenue and Grants, amounting to GH¢3,207.1 million. This is equivalent to 1.3 percent of GDP and represents a 24.8 percent growth over the projected outturn for 2017 (see Table 17).

171. Domestic Revenue, made up of Tax Revenue, Non-Tax Revenue, Social Contributions (SSNIT contribution to NHIL) and ESLA receipts is estimated at GH¢50,452.4 million, representing an annual growth of 26.9 percent. Of this amount, non-oil Tax Revenue of GH¢39,001.9 million, constitutes about 77 percent, mainly reflecting the impact of expected improved tax compliance, as well as proposed tax policy measures such as the Review of the Suspense regimes, and implementation of the Excise Tax Stamp policy, among others.

172. Mr. Speaker, Non-Tax Revenue, is estimated at GH¢8,047.2 million, equivalent to 3.3 percent of GDP. Of this amount, internally generated funds to be retained by IGF-generating institutions amount to GH¢3,761.2 million with a conservative yield of GH¢256 million from IGF capping. Non-oil Non-Tax receipts including one-off proceeds expected from the sale of Electromagnetic Spectrum, and renewal of registration fees by the TELCOs, among others, are estimated at GH¢1,958.3 million.

173. Mr. Speaker, revenue inflows from the Energy Sector Levies, specifically the Energy Debt Recovery Levy and the Price and Stabilization Levy are estimated at GH¢2,104.5 million. These inflows are reported for the purposes of transparency and accountability, although they are not intended to be utilized for budget implementation.

174. Mr. Speaker, Grants from Development Partners will mainly be in support of projects and are estimated at GH¢586.76 million, equivalent to 0.2 percent of GDP.

175. Mr. Speaker, it is important to note that, as a Middle-Income country, these donor resources will cease with time, emphasizing the urgent need to boost domestic revenue mobilization.

Table 17: Resource Mobilization for 2018

Description	2017 Revised Budget		2017 Projected Outlook		2018 Budget		
	Amt. (M' GH₵)	% of GDP	Amt. (M' GH₵)	% of GDP	Amt. (M' GH₵)	% of GDP	% change
Total Revenue & Grants	43,096.7	21.3	41,254.3	20.2	51,039.1	21.1	23.7
Domestic Revenue	41,565.1	20.6	39,739.1	19.5	50,452.4	20.9	27.0
o/w Oil Revenue	2,473.8	1.2	2,570.3	1.3	3,207.1	1.3	24.8
Tax Revenue	33,017.1	16.3	31,788.3	15.6	39,881.6	16.5	25.5
o/w Oil Revenue	732.4	0.4	828.9	0.4	879.7	0.4	6.1
Non-Tax Revenue	6,170.0	3.1	5,613.5	2.8	8,047.2	3.3	43.4
o/w Oil Revenue	1,741.4	0.9	1,741.4	0.9	2,327.4	1.0	33.7
Social Contributions	296.3	0.1	352.0	0.2	419.1	0.2	19.0
Other Revenue	2,081.7	1.0	1,985.3	1.0	2,104.5	0.9	6.0
Grants	1,531.5	0.8	1,515.2	0.7	586.8	0.2	-61.3

Source: MOF

Resource Allocation for 2018

176. Mr. Speaker, Total Expenditure, including provision made for the clearance of arrears is estimated at GH₵62,010.3 million, equivalent to 25.7 percent of GDP. The estimated expenditure for the year represents an annual growth of 14.5 percent.

177. Mr. Speaker, Compensation of Employees, which comprises Wages and Salaries, Allowances, Pensions, Gratuities and Social Security contributions by Government on behalf of its employees, continues to represent the single largest item of government expenditure. It is estimated at GH₵19,595.1 million, representing 8.1 percent of GDP. Of this amount, GH₵16,762.3 million, equivalent to 6.9 percent of GDP, has been provisioned for Wages and Salaries alone.

178. Mr. Speaker, Government budgeted expenditure for the Use of Goods and Services is estimated at GH₵3,532.5 million, representing 1.5 percent of GDP. The annual growth of 56.9 percent reflects a full provision made to cater for the Government's priority programmes, including the flagship Free SHS policy which enters its second year of implementation in 2018.

179. Mr. Speaker, because of our recent debt reprofiling exercise, the risks associated with payments of maturing shorter-dated domestic debt instruments are being

mitigated. We are lengthening the maturity profiles of our debt instruments and this is impacting positively on interest payments. Accordingly, an amount of GH¢14,909.8 million has been provisioned for Interest Payments in respect of public debt. This is equivalent to 6.2 percent of GDP. Of this amount, domestic Interest Payments constitute about 82 percent. As we consolidate our public finances, the annual growth of domestic interest payments is expected to decline considerably.

180. Mr. Speaker, transfers to Statutory Funds as well as all other earmarked funds which are backed by the relevant Laws, are estimated at GH¢12,056.0 million.

181. Mr. Speaker, the object of the Statutory Funds is to provide secured funding to implement critical programmes and projects in the relevant sectors. Over the years, these sectors have been exerting a lot of pressure on the limited available resources despite allocations to the Statutory Funds. In consonance with the PFM Act, 2016 (Act 921) and the Earmarked Funds Capping and Realignment Act, the earmarked Funds will be realigned to national priorities.

182. Mr. Speaker, resources allocated for Capital Expenditure is GH¢6,896.3 million, equivalent to 2.9 percent of GDP. Of this amount, Domestically Financed Capital Expenditure is estimated at GH¢3,339.1 million or 1.4 percent of GDP. This represents an annual growth of about 219 percent mainly because of full budgetary provision made for the implementation of special Government initiatives such as the Infrastructure for Poverty Eradication Programme (IPEP). An amount of GH¢3,557.2 million has been budgeted for Foreign Financed Capital Expenditure and this will be funded by a combination of Project Grants and Loans.

Table 18: Resource Allocation for 2018

Description	2017 Revised Budget		2017 Projected Outlook		2018 Budget		
	Amt. (M' GH₵)	% of GDP	Amt. (M' GH₵)	% of GDP	Amt. (M' GH₵)	% of GDP	% change
Total Expenditure & Arrears Clearance	55,915.6	27.7	54,141.5	26.5	62,010.3	25.7	14.5
Total Expenditure	52,173.1	25.8	51,416.5	25.2	61,151.8	25.3	18.9
Compensation of Employees	16,005.5	7.9	17,031.6	8.3	19,595.1	8.1	15.1
o/w Wages & Salaries	14,047.4	7.0	14,646.6	7.2	16,762.3	6.9	14.4
Use of Goods & Services	2,651.5	1.3	2,251.5	1.1	3,532.5	1.5	56.9
Interest Payments	13,283.5	6.6	13,283.5	6.5	14,909.8	6.2	12.2
o/w Domestic Interest	10,571.2	5.2	10,571.2	5.2	12,165.2	5.0	15.1
Subsidies	50.0	0.0	50.0	0.0	172.0	0.1	244.0
Grants to Other Gov't Units	9,377.6	4.6	10,451.7	5.1	12,046.0	5.0	15.3
Social Benefits	241.2	0.1	241.2	0.1	257.5	0.1	6.8
Other Expenditure	2,181.9	1.1	2,085.5	1.0	2,104.5	0.9	0.9
Tax Refunds	1,937.1	1.0	1,424.1	0.7	1,638.1	0.7	15.0
Capital Expenditure	6,444.7	3.2	4,597.4	2.3	6,896.3	2.9	50.0
o/w Domestically Financed	2,096.7	1.0	1,048.3	0.5	3,339.1	1.4	218.5
Arrears Clearance (Net)	-3,742.6	-1.9	-2,725.0	-1.3	-858.5	-0.4	-68.5

Source: MOF

Budget Balances and Financing Operations for 2018

183. Mr. Speaker, based on the estimates for Total Revenue & Grants and Total Expenditure, the 2018 Budget will result in an overall budget deficit of GH¢10,971.4 million, equivalent to 4.5 percent of GDP (see Table 19).

184. Financing of the fiscal deficit will be from both domestic and foreign sources. Net Foreign Financing will amount to GH¢2,970.8 million (including Eurobond proceeds of GH¢1,000 million), equivalent to 1.2 percent of GDP. Net Domestic Financing will constitute about 73 percent of total financing and includes financing from the bank and non-bank sectors, and other domestic sources. The total NDF is estimated at GH¢8,000.3 million or 3.3 percent of GDP.

185. Mr. Speaker, it is worth noting that in 2018, the Primary Balance, which is an indicative measure of our fiscal sustainability, is estimated to record a larger

surplus of 1.6 percent of GDP from the projected 2017 outturn of 0.2 percent. This signifies our resolve to "breaking the back" of a growing public debt from previous years.

Table 19: Budget Balances and Financing Operations for 2018

Description	2017 Revised Budget		2017 Projected Outlook		2018 Budget		
	Amt. (M' GH₵)	% of GDP	Amt. (M' GH₵)	% of GDP	Amt. (M' GH₵)	% of GDP	% change
Total Financing	12,819.0	6.3	12,887.2	6.3	10,971.1	4.5	-14.9
Foreign	-1,317.4	-0.7	-3,598.3	-1.8	2,970.8	1.2	-182.6
Domestic	14,136.4	7.0	16,485.5	8.1	8,000.3	3.3	-51.5
Primary Balance	464.6	0.2	396.3	0.2	3,938.7	1.6	893.9

Source: MOF

PETROLEUM REVENUE

Benchmark Price

186. Mr. Speaker, the 2018 Benchmark Revenue crude oil and gas prices were projected based on the First Schedule of the PRMA, using data from the following sources:

- ICE Dated Brent Crude Bloomberg Historical Prices from 2013 to 2016;
- A combination of ICE Dated Brent Crude Bloomberg actuals and futures prices for 2017;
- ICE Dated Brent futures from Bloomberg for 2018 to 2019; and
- Gas prices were obtained from the negotiated well-head prices for gas on the respective fields.

187. Mr. Speaker, the Benchmark crude oil price for 2018, calculated as a seven-year moving average of Brent prices for 2013 to 2019, yielded a projection of US$65.85 per barrel. Similarly, the gas price for 2018 is projected at US$$3.94 per MMBtu, up from the 2017 estimate of 3.0433 per MMBtu. This includes gas prices of Jubilee, TEN (associated and non-associated) as well as SGN.

Benchmark Output

188. The 2018 BR crude oil output is projected at 51.18 million barrels (140,220 barrels of oil per day) based on a three-year simple average of each producing field's actual and projected outputs, as follows:

- Historical (2016): Jubilee and TEN crude oil output of 32.21 million barrels;

- Current Year (2017): Jubilee, TEN and SGN crude oil production of 45.95 million barrels
- Forecast (2018): Jubilee, TEN and SGN crude oil production of 67.54 million barrels.

189. This is deduced from field-by-field production averages of Jubilee, TEN and SGN, with actual production periods considered in the averages.

Proposed Revision to the Benchmark Crude Oil Price and Output

190. Mr. Speaker, quite a number of events have taken place since the projection of the BR based on the First Schedule of the PRMA. Crude oil prices started rising in the aftermath of the hurricane that hit Texas is September 2017. The OPEC production cuts have held still, with Russia committing to cut production to ensure its effectiveness. The International Tribunal of the Law of the Sea (ITLOS) gave a favourable ruling to Ghana on the Ghana-Cote d'Ivoire maritime boundary dispute and the Jubilee FPSO Turret Remediation Project was deferred to 2018.

191. These events have implications for both price and production, except for gas prices (which are fairly fixed based on existing petroleum agreements), thus, calling for them to be considered in revisions to the BR, in line with Section 17 of Act 815, as amended.

Prices

192. Mr. Speaker, the Ministry has maintained the gas Benchmark price at US$3.94 per MMBtu but has revised the crude oil Benchmark price downwards to US$57.3642 per barrel. This price is derived from the average futures prices of Brent across the 12 months of 2018. The monthly prices are a 5-day average of the previous five working days for each month. The cut-off date was October 25, 2017, based on Brent futures contracts sourced from Bloomberg. Thus, the 5 days included prices for 25th, 24th, 23rd, 20th and 19th October, 2017.

Output

193. The crude oil and gas output projections too have been revised, due to the deferment of the Jubilee FPSO Turret Remediation Project to 2018, rather than 2017. Thus, Jubilee production in 2017 is projected to be higher than originally projected, while production for 2018 will be lower.

194. That notwithstanding, the overall production forecast for 2018 is higher than the original forecast. Crude oil production for 2018 is projected at 53.25 million barrels (145,887 barrels of oil per day), up from the original forecast of 51.18 million barrels. The increase in the output projection for 2018 is due primarily to a revised 2017 TEN projection from 50,000 bopd to approximately 54,000 bopd and the 2018 SGN projection from 35,441 bopd to 43,000 bopd. Given that the Benchmark output is the average of 2016 to 2018 actual and forecast figures,

the increased output projection had a positive impact on the overall output forecast.

195. The output forecast was computed as follows:
- Historical (2016): Jubilee and TEN crude oil output of 32.21 million barrels;
- Current Year (2017): Jubilee, TEN and SGN crude oil production of 54.97 million barrels
- Forecast (2018): Jubilee, TEN and SGN crude oil production of 63.36 million barrels

196. Mr. Speaker, from the revised price and output revisions, the 2018 petroleum receipts is projected at US$669.41 million, as shown in Table 20. Royalties from crude oil and gas are projected to amount to US$183.61 million, while Carried and Participating Interest (oil and gas) amounts to US$484.20 million.

Table 20: Projected Petroleum Revenue, 2018-2021

ITEM	2018	2019	2020	2021
	US$	US$	US$	US$
TOTAL PETROLEUM RECEIPTS	**669,407,901.85**	**912,405,476.68**	**1,118,613,183.60**	**1,271,505,087.54**
Royalties	183,614,603.78	219,876,637.00	250,954,064.15	269,292,071.73
o/w Crude Oil	165,929,743.07	199,614,169.90	227,022,896.96	241,351,428.57
o/w Gas	17,684,860.71	20,262,467.10	23,931,167.19	27,940,643.16
Carried and Participating Interest	484,200,071.97	571,694,059.21	635,967,130.42	707,007,639.04
o/w Crude Oil	341,497,147.66	403,422,398.91	420,757,066.89	448,296,719.39
o/w Gas	142,702,924.30	168,271,660.30	215,210,063.53	258,710,919.65
Corporate Income Tax	-	119,603,609.37	230,367,167.93	293,634,455.67
Surface Rentals	1,593,226.10	1,231,171.10	1,324,821.10	1,570,921.10

197. The 2018 total petroleum revenue is projected at US$669.41 million, as shown in Table 20. Of the total projected petroleum receipts of US$669.41 million, the Benchmark Revenue is US$335.86 million. Of this amount, the Annual Budget Funding Amount is projected at US$235.10 million and the Ghana Petroleum Funds is projected to receive US$100.76 million. Of this amount the Ghana Stabilisation Fund will receive US$70.53 million, while the Ghana Heritage Fund receives US$30.23 million.

Table 21: Distribution of Petroleum Revenue, 2018-2021

ITEM	2018	2019	2020	2021
	US$	US$	US$	US$
ALLOCATION OF PETROLEUM RECEIPTS	669,407,901.85	912,405,476.68	1,118,613,183.60	1,271,505,087.54
Transfer to National Oil Company (NOC)	333,546,021.59	374,768,423.42	384,668,696.08	345,678,545.87
o/w Equity Financing	268,980,000.00	290,371,722.36	276,969,367.08	190,823,220.23
o/w 30% share of Net Carried & Participating Interest	64,566,021.59	84,396,701.06	107,699,329.00	154,855,325.64
Benchmark Revenue (BR)	335,861,880.26	537,637,053.26	733,944,487.52	925,826,541.66
o/w Annual Budget Funding Amount	235,103,316.18	376,345,937.28	513,761,141.26	648,078,579.16
o/w Transfer to the Ghana Petroleum Funds	100,758,564.08	161,291,115.98	220,183,346.25	277,747,962.50
o/w Ghana Stabilisation Fund	70,530,994.85	112,903,781.19	154,128,342.38	194,423,573.75
o/w Ghana Heritage Fund	30,227,569.22	48,387,334.79	66,055,003.88	83,324,388.75

198. The National Oil Company (GNPC) will receive a total of US$333.55 million, made up of its share of the net Carried and Participating Interest (US$64.57 million) and Equity Financing Cost (US$268.98 million). GNPC's Equity Financing Cost is based primarily its share of the following:

- Repair costs for the Jubilee FPSO;
- TEN capital allowance;
- TEN-Jubilee gas pipeline cost; and
- SGN capital allowance.

Capping the Ghana Stabilisation Fund

199. Mr. Speaker, in line with Section 23(3) of the PRMA, we propose to this August House to cap the Ghana Stabilisation Fund at US$300 million. The reason for the cap on the GSF is to use the excess amount over the cap to retire existing debt, in line with the Law.

MEDIUM TERM DEBT MANAGEMENT STRATEGY

200. Mr. Speaker, the debt management strategy for 2018 is consistent with the approved 2017-19 MTDS. The strategy supports the continuation of a fiscal consolidation and monetary tightening policy regime with a financing mix that minimizes cost and addresses portfolio risks.

201. Mr. Speaker, the development of a vibrant domestic capital market will be a top priority of government. This will support domestic financing of the 2018 budget.

202. The government will continue with the implementation of reforms to deepen the domestic debt capital market. Government will continue to build benchmark securities to improve the liquidity of debt instruments in the secondary market and facilitate price discovery. In this regard, tap-ins for existing bonds would be increased to ensure that we build benchmark bonds.

203. Mr. Speaker, in view of the refinancing risk associated with repayment of large benchmark securities, Government will utilise Liability Management Operations (LMOs) including switches, buyback and reverse-auctions to ensure orderly redemption of these benchmark securities.

Debt Sustainability Analysis (DSA)

204. Mr. Speaker, attaining debt sustainability is one of the key objectives of Ghana's debt management policy. The latest DSA reveals a declining public debt to GDP trajectory based on the positive developments in the primary balance.

205. The gradual pick-up in the real sector will ensure that growth in the near term would improve significantly to affect the solvency ratios in the DSA.

206. Moving along the path of sustainable debt levels requires fiscal consolidation measures to run primary budget surpluses, as well as measures to smoothen bullet payments in our public debt portfolio.

SECTION FIVE: SECTORAL PERFORMANCE AND OUTLOOK

207. Mr. Speaker, the 2018 Budget will be implemented under the theme "Putting Ghana Back to Work". We will continue as well as expand some of the programmes we began in 2017 and also initiate a few strategic ones in 2018 to turn around the fortunes of this country. The programmes will be implemented under the five main sectors namely: administration; economic; social; infrastructure and public safety and security sectors.

208. The administration sector will focus on deepening good administrative and economic governance and enhancing public accountability as a means to maintaining a stable, united and safe society.

209. Mr. Speaker, our main drive for the economic sector is to improve agriculture production and productivity to enable it increase its share in the economic growth agenda. A strong agriculture sector will contribute to creating more jobs, and improve food security. Through our flagship "Planting for Food and Jobs Programme", government will improve work opportunities for all, especially women to improve their incomes and address gender inequalities in line with the Sustainable Development Goals.

210. We will take forward the One District-One Factory and the push towards private sector led industrialization in 2018, in order to add value to local production and create more jobs and eventually bring more made in Ghana to the global market.

211. The social sector will focus on investing in human capital and ensuring a fair and inclusive society, which creates life transforming opportunities for all. In this regard government's programme will continue to aim to expand access to and improve quality education at all levels, expand access to quality health and wellbeing, in particular for women and children, improve as well as implement strategies to expand opportunities for job creation.

212. Mr. Speaker, our broad objective for the infrastructure sector is to develop critical infrastructure to stimulate growth and ensure a resilient built environment. Our plan is to prioritize road and rail infrastructure targeting strategically agricultural roads to open up the food areas to facilitate the marketing of agriculture produce and products. We will also embark on developments to strengthen housing and human settlement sector as well as develop sustainable transportation systems for goods and people.

213. Our goal for the Public Safety and security Sector is to strengthen the justice and security systems to enable them exhibit the highest standards of professionalism and engender a high degree of public trust and confidence.

214. Mr. Speaker, if you permit, I will now present the performance for 2017 and outlook for 2018 for each of the MDAs in the five sectors. It is important to note that the programmes are consistent with the social, economic and ecological development goals of the SDGs. The budgetary allocations for each of the MDAs under the programme areas are attached at appendices 4A-C.

ADMINISTRATION SECTOR

OFFICE OF GOVERNMENT MACHINERY (OGM)

2017 Performance and Outlook for 2018

Management and Administration

215. Mr. Speaker, feasibility Studies were conducted on the One District, One Factory (1D1F) Policy which was launched in August, 2017 together with the National Entrepreneurship and Innovation Programme (NEIP) by H.E. the President. In 2018, the National Secretariat will continue with the implementation of the Policy.

Investment Promotion and Management Programme

216. Mr. Speaker, the GIPC continues to play a very important role and a central pivot of government in facilitating foreign and domestic direct investments to support development of our economy. There are clear indications of increasing FDI to Ghana on the back of improving macroeconomic environment and a repositioning of the GIPC to play a more active and aggressive role in making Ghana an attractive and competitive investment destination in Africa. Year to date numbers indicate a marked improvement of FDI recorded of USD4.1billion as against the total recorded FDI of USD2.24billion recorded in full year 2016. It is gratifying to note that the manufacturing sector had the highest number of investments recorded in the third quarter signalling a significantly positive response to government's industrialisation policy.

217. As Ghana prepares to meet its developmental goals, a comprehensive review of the investment and business climate, including the GIPC Act will be undertaken in 2018. This together with significant reforms initiated in the second half of 2017 and those planned for 2018 are expected to position Ghana as the regional hub for business in West Africa. Additionally, these reforms are expected to significantly improve Ghana's ranking in the next Doing Business and Competitiveness report for 2019.

218. Mr. Speaker, the Microfinance and Small Loans Centre (MASLOC) increased its loan recovery from GH¢6,023,599.06 in 2016 to GH¢9,250,441.07 in 2017, representing 53.57 percent. The Centre allocated two vehicles and 19 tricycles. In 2018, MASLOC will disburse micro loans to 41,188 beneficiaries and procure 1,530 tricycles and 482 hire vehicles.

219. The Northern Development Authority (NDA) developed an all year round irrigation facility on a 400ha farm. It also developed and completed District Investment Profiles and Land Management System and secured lands for the take-off of Cotton Apparel and garment projects in line with government's rural industrialization policy. In 2018, NDA will initiate the development of the Nasia-Nabogo dam to propel food production.

Regulatory Services Programme

220. Mr. Speaker, the Internal Audit Agency conducted Special Audit into the payroll of Youth Employment Agency which led to savings of GH¢1,067,700 per month. The Agency also carried out an assignment on financial and procurement activities of Dambai College of Education which led to the discovery of some financial malfeasance and procurement irregularities.

221. Thirty-four internal auditors from 20 MDAs and MMDAs in the Western Region were trained on Risk Based Internal Audit, documentation of working papers, negotiation skills and introduction to the use of Integrated Data Extraction Analysis (IDEA) Software.

222. In 2018, the Agency will review Internal Audit Reports and Annual Audit Plans of Internal Audit Units (IAUs) as well as conduct field inspections and evaluation of internal control systems of MDAs and MMDAs.

HIV and AIDS Management Programme

223. Mr. Speaker, the Ghana Aids Commission (GAC) completed the National Strategic Plan (NSP) for 2016-2020 and advocated for the adoption and passage of the new GAC Bill. In 2018, the Commission will expand and strengthen the implementation of the global HIV prevention campaign and support the dissemination of HIV prevention education through community outreaches in partnership with civil society and Faith Based Organisations through electronic, print and social media platforms.

MINISTRY OF BUSINESS DEVELOPMENT

2017 Performance and Outlook for 2018

224. Mr. Speaker, the Ministry of Business Development began the construction of the largest Green House Estate (75 Units) in West Africa at Dawhenya in the Greater Accra Region. In 2018, the Ministry will develop and implement a comprehensive National Entrepreneurship Policy.

225. The Ministry launched its flagship programme, National Entrepreneurship and Innovation Plan (NEIP) and the National Business Plan Competition. In addition, the Ministry procured Private Sector Implementation Partner for NEIP; established

four Zonal NEIP Operational Offices in Tamale, Kumasi, Takoradi and Accra and 75 Domes at the Greenhouse Estate at Dawhenya. In 2018, the Ministry will continue to facilitate and support private sector business entrepreneurial development.

MINISTRY OF PLANNING

226. Mr. Speaker, the Ministry was established in 2017 to ensure that the government's Coordinated Programme for Economic and Social Development Policies (CP) influences activities of MDAs and MMDAs in line with the National Medium-Term Development Policy Framework.

2017 Performance and Outlook for 2018

227. Mr. Speaker, the Ministry in collaboration with other stakeholders, trained Development Planning Officers in all District Assemblies to monitor and report on projects funded from the Annual Budget Funding Amount.

228. In 2018, the Ministry will create and maintain an information databank for policy formulation and decision-making. It will also carry out research and statistical studies to monitor and evaluate impact of sector policies and programmes.

MINISTRY OF INNER-CITY AND ZONGO DEVELOPMENT

229. Mr. Speaker, the Ministry of Inner-City and Zongo Development was established in 2017 with the mandate of promoting prosperity through inclusive development in the Inner-City and Zongo communities.

2017 Performance and Outlook for 2018

230. Mr. Speaker, Parliament passed the Zongo Development Bill to give authority to the Ministry to access and disburse funds for the development of the Zongos.

231. In addition, 3000 Arabic Teachers were recruited to beef up the staff strength of Islamic schools within the Zongos nationwide. A nationwide stakeholder consultation and conscientisation on the Zongo Development Bill was undertaken.

232. In 2018, the Ministry in collaboration with other stakeholders will undertake vocational skills training for the youth, provide educational infrastructure and scholarships and support tourism to preserve historical, cultural and natural heritage in the inner-city and Zongo communities.

233. Mr. Speaker, under the Greater Accra Resilience and Integrated Development Project, the Ministry will commence the upgrade of water and sanitation facilities, access roads and drains, bailey bridges and street lights in selected communities

along the Odaw Basin. The Ministry will also undertake construction of sports and recreational infrastructure to support youth development and regenerative health initiatives.

MINISTRY of SPECIAL DEVELOPMENT INITIATIVES

234. Mr. Speaker, the Ministry was established to provide oversight and strategic direction for the implementation of Infrastructure for Poverty Eradication Programme (IPEP).

2017 Performance and Outlook for 2018

235. Ten member regional teams were constituted to assist in the implementation of Infrastructure for Poverty Eradication Programme (IPEP). The teams conducted infrastructure needs assessment in 275 constituencies and identified priority projects consistent with government priority areas.

236. Mr. Speaker, the Ministry laid before Parliament the Northern Development Authority (NDA), Middle Belt Development Authority (MBDA), and Coastal Development Authority (CDA) Bills. In 2018, the Ministry will establish the Headquarters and Regional Offices for the three Development Authorities and make them functional. These Authorities will ensure that IPEP and other local initiatives are implemented in a well-coordinated manner.

MINISTRY OF MONITORING AND EVALUATION

237. Mr. Speaker, the Ministry was established to play an oversight and coordinating role in undertaking real time monitoring and evaluation of government high priority programmes to generate real time performance reports for the President, Cabinet, the Economic Management Team (EMT) and Parliament.

2017 Performance and Outlook for 2018

238. The Ministry in collaboration with Monitoring and Evaluation (M&E) focal persons of Ministries prepared a Results Framework for 2017-2020 which was approved by Cabinet. A rapid assessment of implementation of selected high priority interventions such as Free SHS Programme, Planting for Food and Jobs, One District, One Factory, Port Improvement Project, the National Digitisation Programme, the Marine Drive Project, Macroeconomic stability, affordable and reliable energy, among others was also conducted.

239. Mr. Speaker, the Ministry in partnership with the Centre for Learning on Evaluation and Results (CLEAR), GIMPA built the capacity of 70 M&E officers to enhance their knowledge and skills in M&E concepts, tools and methods. In 2018, the Ministry will continue to enhance the M&E capacities of focal persons and key stakeholders (including political appointees, policy makers and civil servants) in data collection and rapid assessments through training, mentoring and coaching.

240. The Ministry will embark on real time monitoring and conduct systematic reviews as well as evaluations of flagship programmes. This is to assess the extent to which the flagship programmes are performing. Similarly, a number of systematic reviews and evaluations of priority programmes will be commissioned to ascertain their impact on the citizenry.

241. Mr. Speaker, to give feedback on M&E results to the citizenry, the Ministry will develop a dissemination and communication plan as well as initiate a quarterly publication that will be called "Delivering Results with Taxed Cedis". The main purpose of disseminating and communicating M&E results is to ensure accountability, improve development interventions, and motivate stakeholders to action.

242. In addition, the Ministry will collaborate with the National Development Planning Commission (NDPC), Ghana Monitoring and Evaluation Forum (GMEF), and other key stakeholders to develop National Evaluation Policy Guidelines. Also, the Ministry, in collaboration with Public Services Commission and Office of the Head of Civil Service, will introduce public sector leadership performance award scheme to boost the morale of public service workers in order to promote efficient and effective service delivery.

MINISTRY OF REGIONAL RE-ORGANIZATION AND DEVELOPMENT

243. Mr. Speaker, the Ministry was established and charged with the responsibility of supervising the creation of new regions in the country.

2017 Performance and Outlook for 2018

244. A Constitutional Instrument 105 (CI 105) was published and gazetted to enable the President appoint a Commission of Inquiry into the Creation of New Regions and a nine Member Commission of Inquiry inaugurated.

245. The Ministry organised regional-based sensitization workshops for members of the Western, Northern, Brong-Ahafo and Volta Regional Houses of Chiefs and other stakeholders to explain the processes and modalities involved in the creation of a region, alteration of regional boundaries or merger of two or more Regions as per Article 5 of the 1992 Constitution.

246. Mr. Speaker, in 2018, the Ministry will facilitate the conduct of stakeholders' consultative meetings by the Commission of Inquiry and collaborate with the Electoral Commission to conduct Referendum. In addition, the Ministry will facilitate the Passage of CI to give effect to the results and undertake socio-economic surveys.

Office of the Minister for Public Procurement

247. Mr. Speaker, the Office of the Minister of State in Charge of Public Procurement was established to promote and ensure professionalism in order to achieve transparency, fairness, efficiency, competition, integrity and value for money to support national growth and development.

2017 Performance and Outlook for 2018

248. The Office embarked on visits to high spending entities to educate them on the need to seek prior cabinet approval for contracts exceeding Fifty million Ghana Cedi (GH¢50million). It also advocated the use of sole sourcing sparingly.

249. The Office visited the Ministry of Education to streamline all procurements in compliance with the Public Procurement Act, 2003 (Act 663) and (Act 914) as amended before the launch of the FREE SHS policy of the Government.

250. Mr. Speaker, the Office commenced the formulation of the policy whereby 70 percent of all government contracts will be allocated to local contractors and suppliers; out of this 70 percent, 30 percent should be allocated to companies owned by women, persons with disability and the youth. The Office collated memoranda from Stakeholders to guide the formulation of the local content policy with preferential consideration for female owned enterprises.

251. In 2018, the Office will facilitate the implementation of the 30 percent of 70 percent policy. It will also organise training sessions for various identifiable groups and entities on the policy.

252. The Minister would organize procurement training for the Heads of all Ministries, Departments and Agencies (MDA's) as well as Metropolitan, Municipal and District Assemblies (MMDA's) on the Procurement rules, procedures, processes and on government's 30 percent of 70 percent policy.

MINISTRY OF NATIONAL SECURITY

253. Mr. Speaker, the Ministry exists to formulate, coordinate, monitor and evaluate the implementation of security and intelligence policies through the deployment of skilled human resources and modern technology to enhance security, freedom of the citizenry and national development.

2017 Performance and Outlook for 2018

Security Advisory Programme

254. Mr. Speaker, the Ministry provided timely and accurate security information to government, institutions and appropriate agencies, for preemptive and other decision measures to advance the safety, well-being and economic prosperity of

the citizenry both locally and abroad. In 2018, the Ministry will continue to initiate actions to formulate policies aimed at ensuring the effective and efficient management of security issues.

Security and Safety Management Programme

255. The Ministry provided 24 hour protection to: The Executive; VIPs; the general public; vital installations and classified materials. In addition, actions were taken to eliminate elements of Subversion, Espionage, Drug Trafficking, Terrorism, E-crime and Organized Crime. It also provided security for the Oil and Gas Installations, the Cocoa Sector and Mining areas. In 2018, the Ministry will continue to provide security for the Oil and Gas installations and the Cocoa Sector, among others.

256. Mr. Speaker, the Ministry of National Security provided a good communication network among all the Government Security Agencies, managed the emergency call centers across the country and liaised with the police to ensure prompt response to critical situations. It also analysed intelligence presented by the Bureau of National Investigations and the Research Department.

257. The Ministry will construct the BNI Academy at Koforidua and Divisional office of Sefwi-Wiawso, Obuasi, Nkawkaw and Anyinam. To improve response time to network problems and maintenance work on cell sites across the country, the communication network stations in the 10 regions will be enhanced.

258. Mr. Speaker, in addition, the Ministry will undertake the following activities: build capacity of its agencies in electronic data analysis and management; open new missions and expand the operations of the existing ones as well as acquire gadgets to fight terrorism and e-Crime.

OFFICE OF THE HEAD OF CIVIL SERVICE

2017 Performance and Outlook for 2018

Management and Administration

259. Mr. Speaker, the Service evaluated the performance of Chief Directors for 2016, out of which 89 percent of them achieved 70 percent and above of the set deliverables in their performance agreements with five of them receiving citation as a result of excellent performance. Implementation of the Civil Service Performance Management System will continue in 2018.

260. In 2018, the OHCS will conduct promotion interviews for Civil Servants, train Personnel Processing Sections (PPS) officers and authorisers in MDAs, revise Civil Service Regulations and Administrative Instructions, conduct management

reviews for selected MDAs, restructure Records Offices of selected MDAs, and decongest and restructure records repositories and repair archival documents. In addition, the Service will procure conservation and preservation equipment for the Regional Records Offices.

NATIONAL DEVELOPMENT PLANNING COMMISSION

2017 Performance and Outlook for 2018

National Development Policy, Planning, Monitoring and Evaluation Programme

261. Mr. Speaker, the Commission continued with the preparation of the Long-Term National Development Plan (2018-2057) and presented the draft plan to the President for review and onward submission to Parliament for approval and adoption.

262. As required by Article 36 (5) of the Constitution, the Coordinated Programme of Economic and Social Development Policies (CP) of the President was approved by Cabinet.

263. The Commission prepared the Medium-Term National Development Policy Framework (2018-2021) based on the President's Coordinated Programme of Economic and Social Development Policies to guide Ministries, Departments and Agencies (MDAs) and Metropolitan, Municipal and District Assemblies (MMDAs) in the preparation of their Medium-Term Development Plans (MTDPs). The Commission issued guidelines and provided technical assistance for the preparation of the MTDPs.

264. Mr. Speaker, the SDGs replaced the Millennium Development Goals (MDGs) as the global development agenda. H.E. the President, is the co-chair of Eminent Group of Advocates for the implementation of the SDGs. The Commission in partnership with the Ghana Statistical Service (GSS) developed a national indicator database for reporting progress towards the SDGs.

265. In 2018, the Commission will coordinate and monitor the implementation of the Medium-Term National Development Policy Framework (2018-2021) as well as the Sustainable Development Goals (SDGs) and African Union's (AU's) Agenda 2063.

266. In 2018, Ghana will participate in the high-level forum on SDGs at the UN, New York. The Commission will support the President's Office to undertake a number of activities related to his role as the co-chair of Eminent Group of Advocates for the implementation of the SDGs' advocate.

267. Mr. Speaker, the Commission will initiate actions to undertake a nation-wide validation and sensitisation exercise on the LTNDP, complete the medium-term national development plan, conduct evaluation of the Ghana Shared Growth and Development Agenda (GSGDA II, 2014-2017) and prepare the 2017 Annual Progress Report on the implementation of GSGDA II. The Ghana Macroeconomic Model developed by the Commission will be reviewed and subjected to broader stakeholder validation to secure national acceptance and usage.

PARLIAMENT OF GHANA

2017 Performance and Outlook for 2018

Parliamentary Business Programme

268. Mr. Speaker, Parliament held 90 sittings to consider Papers namely two Legislative Instruments (L.I.s), nine International Agreements, 103 Reports from the Committees of the House, Ministries, Departments and Agencies (MDA's), among others. Out of the 16 Bills presented to the House, 11 were passed into Law.

269. Parliament admitted 69 Parliamentary Questions and 128 statements on key policy issues of governance, project management and the economy. The Committees of Parliament also undertook 96 monitoring visits to see at first hand the progress of implementation of selected projects approved in sector budgets.

Parliamentary Oversight

270. Mr. Speaker, the Public Account Committee held 23 public sittings to consider and report on the 2015 Auditor-General's Report, Statement of Foreign Exchange Receipts and Payments of Bank of Ghana for the half year of 2016.

271. It also deliberated on reports of Public Boards, Corporations and other Statutory Institutions for the period as well as the performance Audit Report of the Auditor-General on the National Apprenticeship Programme and Implementation of the local content of the Oil and Gas Sector for 2016.

272. In line with the National Anti-Corruption Action Plan (NACAP), a Parliamentary Committee will be established to follow up on PAC recommendations, the Conduct for Public Officers' Bill, the Manual on Standards and Ethics to complement the Code of Conduct for MPs and the Right to Information Bill.

273. Mr. Speaker, in 2018, the Public Accounts and Government Assurance Committees will continue to conduct public sittings to consider the Auditor-General's Reports and Ministerial Assurance, respectively.

274. To enhance the quality and timeliness of information to achieve a more effective monitoring of projects, the development of "Table Office" Management Information Systems (TOMIS) and a Web-Based GIS Database Application for Monitoring Projects will continue under the e-Parliament Project.

AUDIT SERVICE

2017 Performance and Outlook for 2018

Audit Operations Programme

275. Mr. Speaker, in order to control the payroll of government, the Service put in place a Payroll Validation System aimed at minimizing or eliminating the incidence of financial irregularities before payments are made. The Service between the last quarter of 2016 and the first half of 2017, prevented the payment of unlawful and unearned claims totalling GH¢2,948,064.55 during certification of payment of arrears due some MDAs.

276. In addition, the Audit Service will increase its audit coverage on government's new polices such as Free SHS, One District, One Factory, One Village One Dam among others to ascertain value for money. In 2018, the Service will continue with its regular audit of various government institutions.

PUBLIC SERVICES COMMISSION

2017 Performance and Outlook for 2018

Human Resource Management Programme

277. Mr. Speaker, the Commission continued with the implementation of the Human Resource Management Information System (HRMIS) on an Oracle platform for all public service employees on IPPD2 payroll. 20 MDAs, made up of seven Commissions, five Services and eight Ministries went live on the HRMIS and can now update their HR data, such as the processing of recruitment, promotions, resignations and retirement on the system. All these MDAs together constitute 113,938 (about 19 percent) of the entire workforce of the public service. The Commission will roll-out the HRMIS to the remaining MDAs by the end of 2018.

Implementation of the New Performance Management Policy Programme

278. The Commission organised series of training programmes on the Performance Management System for MDAs to enhance performance, productivity and service delivery.

279. In 2018, the Commission will continue its training programme on the Performance Management System for MDAs, monitor and evaluate its compliance. In addition, the Commission will facilitate the preparation and signing of performance contracts between Chief Executive Officers and their respective governing boards and councils.

ELECTORAL COMMISSION

2017 Performance and Outlook for 2018

280. Mr. Speaker, the Electoral Commission in 2017 successfully conducted elections to elect: regional representatives for the Council of State; Chief Executives for all the Metropolitan, Municipal and District Assemblies; and Presiding Members for some MMDAs.

281. In 2018, the Commission will conduct a referendum in four regions namely Western, Volta, Brong–Ahafo and Northern to seek the consent of the people for the creation of additional Regions in Ghana. This referendum will be preceded by a nationwide registration of new voters, the exhibition of the Voter's Register, as well as Voter and Electoral education on the referendum.

MINISTRY OF FOREIGN AFFAIRS AND REGIONAL INTEGRATION

2017 Performance and Outlook for 2018

International Cooperation Programme

282. Mr. Speaker, in line with Government's foreign policy of good neighbourliness, the Ministry facilitated the visits of H.E the President to Togo, Burkina Faso, Cote d'Ivoire, Guinea, Senegal, Cape Verde, Sierra Leone, Liberia, Mali, Niger and Nigeria.

283. His Excellency, the President led a delegation to attend the 28th and 29th Summits of Heads of State and Government and the Executive Council of the African Union in Addis Ababa, Ethiopia. He also signed the following Treaties: the Constitution for the African Civil Aviation Commission; Protocol on the establishment of the African Monetary Fund; the African Union Convention on Cyber Security and Personal Data Protection; and the Road Safety Charter.

284. Mr. Speaker, the Ministry reintroduced the Economic Trade and Investment Bureau (ECTIB) which is the collecting point for the coordination and implementation of Ghana's Economic Diplomacy.

285. To strengthen Ghana's representation abroad, the Ministry opened two new embassies in Abu Dhabi and Kuwait to create new business opportunities. In

2018, the Ministry will open an embassy in Doha, in the State of Qatar and a Consulate–General in Mauritius.

286. The Ministry signed and ratified a number of visa waiver agreements with Cuba, India, Colombia, Turkey, Morocco, Equatorial Guinea and Hungary which exempts officials of these countries carrying diplomatic, service and official passports from applying for visa when visiting each other's countries.

287. Mr. Speaker, His Excellency, the President participated in the G20 Africa Partnership meeting held in Germany. The G20 pledged to renew efforts in expanding economic and financial relations with the "Compact with Africa" countries including Ghana.

288. In addition, the President participated in the 72nd Session of the United Nations General Assembly (UNGA) meeting and met with various world leaders on the margins of the UNGA as well as co-chaired a meeting on the Sustainable Development Goals (SDGs).

Passport Administration Programme

289. Mr. Speaker, in order to eliminate the activities of "middlemen" and also reduce the number of days in acquiring a biometric passport, the Passport Office introduced the on-line passport application process. In 2018, the Office will commence the implementation of an hourly appointment system for on-line applicants which will result in the reduction of queues and congestions at the Passport Application Centres (PACs). The Office will also extend PAC online services to Tema, Koforidua, Bolgatanga, Cape Coast and Wa.

MINISTRY OF FINANCE

2017 Performance and Outlook for 2018

Economic Policy Management Programme

290. Mr. Speaker, the Ministry collaborated with relevant stakeholders to prepare the 2016 and the 2017 Half-Year Macroeconomic Performance Report (MPR). The 2018-2021 Medium Term Macroeconomic Framework and the 2018-2021 Medium Term Fiscal Framework were also completed as inputs into the 2018 Fiscal Strategy Document.

291. The Ministry will continue to undertake key activities with respect to the preparation of the 2019-2022 Medium Term Macroeconomic and Fiscal Framework. It will also prepare the 2019-2021 Fiscal Strategy Document in line with the PFMA 2016, Act 921.

292. Mr. Speaker, the Ministry coordinated two IMF Mission visits and completed the 4th review under the Extended Credit Facility (ECF) leading to an extension of the programme to December, 2018. The Ministry will coordinate the implementation of the 5th review of the programme in 2018.

293. The Ministry prepared and submitted the 2016 ECOWAS Multilateral Surveillance Report and updated the ECOWAS Multilateral Surveillance Statistical Database (ECOMAC). In 2018, the Ministry will prepare the 2017 ECOWAS report and update the ECOMAC for submission to the ECOWAS Commission.

G20 Compact with Africa

294. Mr. Speaker, the G20 Compact with Africa (CwA) Initiative, is the next global coordinated approach to attract private sector investments into our respective African Economies. Under this country-driven initiative, Ghana, together with nine Compact countries (Morocco, Senegal, Cote d'Ivoire, Rwanda, Tunisia, Ethiopia Egypt, Benin and Guinea) developed policy matrices aim at improving the macroeconomic, business and financing frameworks.

295. Mr. Speaker, the Ghana matrix, underpinned by the President's Coordinated Programme of Economic and Social Development Policies, provides concrete actions by Government to tackle key obstacles to private investment with prepared targets and indicators to track progress. Measures under the macroeconomic framework aims at ensuring macroeconomic stability and debt sustainability. Similarly, the business framework aims at improving the ease of doing business. The financing framework aims at enhancing access to affordable and long-term financing and de-risking instruments.

296. These major reforms, among others, are expected to be implemented over the short-to-medium term and will enhance Ghana's attractiveness to the much-needed private investments.

297. In line with the G20 Compact, Germany is to provide financial assistance to Ghana to support projects in renewable energy, and financial sectors, as well as vocational education and training. Other Development Partners are and will partner with Government to implement various components of the reforms.

State Owned Enterprises (SOEs) Sector

298. Mr. Speaker, as part of the Ministry's efforts to enhance fiscal discipline through prudent public resource and debt management, the Governance Framework for the SOEs Sector was reviewed to address the governance challenges, which undermine the SOEs ability to compete.

299. In addition, the policy framework for the establishment of a Single Entity which will exercise the ownership and governance oversight role of the SOE Sector was

developed. The Bill for the establishment of the Single Entity is currently being drafted and it is expected that the law establishing the Single Entity will be in place and operationalized in 2018.

300. In addition, in 2018, the Ministry will begin the development of an SOE Sector Wide Policy and Strategy to guide the operations of the sector as well as bring the sector to the fore of government's economic growth, industrialization and job creation agenda. It will also introduce measures and guidelines which will lead to SOEs performing efficiently and effectively.

301. Mr. Speaker, the Ministry prepared for the first time prepared and published the SOE Annual Aggregate Report covering 18 SOEs on the Ministry of Finance Website which was discussed widely by the media and several stakeholders. In 2018, the Ministry will institutionalise the SOE Annual Aggregate Report to cover all the 84 SOEs as part of measures to improve transparency in the financial governance of SOEs.

302. The Equity Study on government equity holdings will be concluded in 2018 as part of a set of interventions aimed at ascertaining the State's equity holdings in SOEs/JVCs and improving SOE governance.

303. In 2018, the Ministry will develop the Public Investment Management (PIM) Reform Strategy and Action Plan, and establish a functional Public Investment Management System in line with the Public Investment Management Policy. In addition, the Ministry will develop and institutionalise the Public Investment Plan to serve as a basis for prioritising infrastructure projects for inclusion in the Annual Budget. A PIM Operational Manual, Guidelines and Templates as well as PIM Regulations will be developed to ensure that all infrastructure projects are properly prepared, appraised and prioritized as pipeline projects for the Public Investment Plan.

304. Mr. Speaker, the new PPP Bill was prepared and submitted to Cabinet. It is expected that the Bill will be submitted to Parliament for enactment and will be operationalised in 2018. In 2018, the Ministry will also develop the PPP Regulations and present it to Parliament for enactment.

305. The Policy on the National Asset Protection Programme which will lead to the setting up of the Ghana Asset Management Corporation (GAMCORP) was approved by Cabinet. In 2018, the Bill for the establishment of GAMCORP will be presented to Parliament for approval.

306. The Ministry in collaboration with some relevant MDAs developed three proposals for onward submission to the GCF for consideration. The proposals are expected to be submitted by the end of this year.

307. Mr. Speaker, the National Designated Authority (NDA) commenced the process of reviewing the set of climate finance tracking and the monitoring reporting and verification (MRV) tools used for tracking all climate related expenditures by MDAs. In 2018, government will continue to work to ensure that the two potential direct entities get GCF accreditation and approval for at least two climate change projects.

308. The Ministry engaged Parliament on the Ghana Extractive Industries Transparency Initiative (GEITI) Bill as part of stakeholder consultation process for inputs to finalise it. Ghana was adjudged by the EITI Board to have achieved meaningful overall progress in implementing the 2016 standard.

309. Mr. Speaker, Ghana won international recognition for its commitment to expanding the frontiers of transparency, including progress made towards lifting the veil off the actual beneficial owners of companies operating in the country.

310. The recognition came in the form of an award from the Extractive Industries Transparency Initiative (EITI) International Board Chair, at the just ended international conference on Beneficial Ownership (BO) Disclosure held in Jakarta, Indonesia from the 23rd to the 24th October, 2017.

311. Four out of 52 EITI implementing countries joined Ghana in sharing the limelight. They are: The United Kingdom, Indonesia, Kyrgyzstan, and Ukraine. These are countries that have either established national Beneficial Ownership registers or have made significant progress towards their establishment.

312. Mr. Speaker, in 2018, the Ministry will continue to provide the needed support to the GEITI and other relevant institutions such as Registrar Generals Department to establish a register to ensure the implementation of the beneficial ownership regime and transparency in the commodity trading in the extractive sector.

313. The National Financial Inclusion Strategy which seeks to increase access to formal financial services for the adult population from 58 percent to 75 percent by 2023 was finalised.

314. The Ghana Deposit Protection Act, 2016 (Act 931) was passed to establish a Deposit Protection Scheme to protect small depositors. The Act made provision for the establishment of a Deposit Protection Fund and Deposit Protection Corporation. Draft amendments to the Ghana Deposit Protection Act, 2016 (Act 931) was completed and submitted to the Attorney Generals Department.

315. In 2018, the Ministry will focus on the creation of the International Financial Services Centre, establish the Financial Services Council and facilitate the

development of an informal pension scheme which will be piloted in the Cocoa sector.

316. Mr. Speaker, the Ghana Statistical Service (GSS) continued the collection of market price data from 43 market centres nationwide for the purpose of monthly computation of the Consumer Price Index (CPI). The year- long data collection phase for the Ghana Living Standards Survey Round Seven (GLSS-7) was also completed paving the way for the data analysis and report writing phase.

317. The GSS focused on the dissemination of additional outputs of the Integrated Business Establishment Survey (IBES) Phase I which comprised the Register of Establishments by MMDAs, the Employment and Job Creation reports, as well as, the Summary Report of IBES Phase II.

318. Mr. Speaker, the Service conducted the User Satisfaction and Malaria Indicator Survey and disseminated the reports. Activities for the rebasing of the Consumer Price Index (CPI) and the Gross Domestic Product (GDP) also commenced.

319. In addition, the GSS in collaboration with the SDGs Coordinating Committee organised the National Data Roadmap Forum as part of efforts to harness the data revolution, big data and innovative technology in data production, management and dissemination. A workshop on the Sustainable Development Goals was held for various MDAs to review and validate the set of indicators that have been identified for monitoring the SDG's in Ghana.

320. In 2018, the Service will complete the process of rebasing the Consumer Price Index (CPI) by moving the current base year from 2012 to 2017. Also, the Gross Domestic Product (GDP) will be rebased from 2006 to 2013 as base year. This will improve the quality and coverage of the national accounts aggregates to reflect the current economic structure of the country. The Service will commence the use of national accounts application software for compiling the national accounts aggregates as part of the GDP rebasing

321. The field data collection for the Maternal Health Survey was completed while the piloting of Agricultural Integrated Survey (AGRIS) is on-going. The Service will complete Phases 1 and 2 of the Census on Agriculture and the Ghana Living Standards Survey Round Seven (GLSS-7).

322. Mr. Speaker, the Service developed a proposal for the forthcoming 2020 Population and Housing Census and submitted the document to Cabinet for consideration. In 2018, the Service will continue with preparatory activities for the conduct of the 2020 Population and Housing Census.

323. The Financial Intelligence Centre coordinated a stakeholder review of the draft Mutual Evaluation Report which was submitted to Inter-Governmental Action Group against Money Laundering in West Africa (GIABA). The report was adopted by the GIABA Technical Commission and Plenary held in Monrovia, Liberia.

324. An Action Plan to address the strategic deficiencies identified during the National Risk Assessment (NRA) and Mutual Evaluations (ME) was developed and approved for implementation at the 16th meeting of the Inter-Ministerial Committee on Anti-Money Laundering and Combating the Financing of Terrorism (AML and CFT).

Revenue Mobilisation and Management Programme

325. Mr. Speaker, the Ministry instituted measures to improve revenue mobilisation and management. These included strengthening the Transfer Pricing Unit of the GRA to undertake audits; conducting audits of free zone enterprises, warehouses and other specialized sectors.

326. The Excise Tax Stamp Policy was launched whilst the draft bill for the deployment of fiscal electronic devices to facilitate real time monitoring of VAT was submitted to Parliament.

327. To provide assurance in relation to declarations by manufacturers and importers of excisable products and check smuggling and counterfeiting, the Excise Tax Stamp Policy will take-off from January 2018 with full enforcement from March 31, 2018. In an effort to enforce compliance of the policy, the Ministry will provide accelerated depreciation to manufacturers and importers who import machines for the implementation of the policy.

328. Mr. Speaker, the Ministry will develop additional revenue simulation models to assist in determining the effect of tax policies on individuals and businesses. Studies will also be undertaken to review the impact of past policies with the aim of removing those having little or no effect, redesigning others to improve their efficiency, and introducing new ones that would enhance revenue mobilisation.

329. The laws covering tax types and the Revenue Administration Act will be reviewed and updated as well as Regulations prepared for the Revenue Administration Act. The Transfer Pricing Regulations will also be updated to reflect current and international practice. As a means to improving taxpayer awareness and accessibility to the tax laws, abridged versions of the major Acts will be made available to the public.

330. Mr. Speaker, to improve transparency and deepen the fight against tax evasion, the Automatic Exchange of Financial Information Bill will be laid before

Parliament. The Automatic Exchange of Financial Account Information (AEOI) is the new standard for exchange of information through the use of the Common Reporting Standards (CRS). The Standards provide reporting and due diligence rules that are to be imposed on financial institutions to collect and report financial account information to the Competent Authorities in their jurisdictions for onward exchange with other jurisdictions. This will complement the effectiveness of the GRA in identifying foreign-sourced income and addressing international tax evasion.

331. Ghana undertook a review using the Tax Administration Diagnostic Assessment Tool (TADAT) to identify the strengths and weaknesses of its revenue administration. The results of the assessment and other reviews will be synthesised and analysed to aid the GRA prepare a Medium Term Revenue Strategy (MTRS) to address the challenges and improve on the identified strengths.

332. Mr. Speaker, the Fiscal Electronic Device policy for monitoring Value Added Tax (VAT) transactions will commence in 2018. Government will assist with the acquisition of devices for the initial two years.

333. Mr. Speaker Government has made clear the intention to make tax compliance the major tool for enhancing domestic revenue mobilisation. Government will apply a number of instruments for this purpose. Statistics show that out of an estimated taxable population of about 6 million people only a quarter are registered with the GRA. The GRA will provide services that make it easier for tax payers to declare incomes and pay taxes. Applications will be developed to assist taxpayers record and compute their taxes.

334. One of the main instruments for tax compliance is the filing of returns. Section 124(1) of the Income Tax Act, 2015 (Act 896) requires that every person file an income tax return for the previous year not later than four months after the end of the person's basis period. To inculcate this culture of filing returns Government will carry out a comprehensive campaign including having persons who access Government services provide proof of filing of income tax returns.

335. Mr. Speaker, the Ministry took steps to re-engage development partners for increased financial support. New engagement modalities to ensure a more open and transparent arrangement were institutionalised in the draft Development Cooperation Policy. In 2018, the Policy document will be submitted to Cabinet for approval. The Ministry will also develop guidelines to support the implementation of the Policy.

336. The Ministry commenced processes to invigorate non-tax revenue mobilization. These included the review of all existing legislation and administrative instructions. The exercise is expected to lead to the development of a national policy on Non-Tax Revenue (NTR) and Internally Generated Funds (IGF). The roll out of the e-monitor system also commenced.

337. The Ministry will continue to implement the Capping Policy for 2018 which will be varied according to the needs of the MDA. Health and Education Sectors with the exception of the regulatory institutions will be exempted pending the completion of an in-depth analysis into expenditure patterns over a period. This exemption will also be extended to all weaned-off institutions. By this arrangement, the institutions will revert to the pre 2017 retention regime. All other MDAs will remain capped at the level of 66 percent.

Expenditure Management Programme

338. Mr. Speaker, as a requirement of the Public Financial Management Act, 2016 (Act 921), the 2018 maiden Fiscal Strategy Document (FSD) was approved by Cabinet. Key PFM Stakeholders including Cabinet Ministers, Metropolitan, Municipal, District Chief Executives and SOEs were sensitized on the Acts. In 2018, the sensitization on the Act will continue and the PFM Regulation completed.

339. The first Phase of the programme to verify government payroll with Social Security and National Insurance Trust (SSNIT) Biometric data was completed.

340. The Ministry participated in the National Tripartite Committee meetings and negotiated the 2018 National Daily Minimum Wage (NDMW). The minimum wage was concluded and an increase of 10 percent was agreed. To ensure sustainability of the Government wage bill, the Ministry will collaborate with key stakeholders to negotiate the National Daily Minimum Wage (NDMW) and the 2019 Base Pay.

341. Mr. Speaker, the Ghana Integrated Financial Management Information System (GIFMIS) was rolled out to 54 MDAs, 60 MMDAs and IGF receiving institutions including Korle-Bu Teaching Hospital, Komfo-Anokye Teaching Hospital, Cape Coast Teaching Hospital and Tamale Teaching Hospital, Energy Fund, Road Fund and GETFund and four donor funded projects.

342. The restructuring of Government Accounts at Commercial Banks and the Bank of Ghana was completed in support of the implementation of the Treasury Single Account (TSA). The transfer of 4000 GOG Bank accounts at Commercial Banks to Bank of Ghana commenced. In 2018, the TSA will be broadened to cover 90 percent of GOG balances.

343. Mr. Speaker, all the 216 Coordinating Directors, Budget, Planning, and Finance Officers as well as procurement and key staff of MMDAs were trained in Programmed Based Budgeting to facilitate the preparation of the annual budget.

344. The Public Procurement Authority (PPA) established a Due Diligence and Value for Money Unit to conduct background checks on bidders and establish price reasonableness prior to approval of Single Source and Restricted Tenders. In addition, the Standard Tender Documents were revised to include the Sustainable Public Procurement (SPP) criteria and align them with the Public Procurement Act, 2016, (Act 914).

345. Mr. Speaker, to improve procurement planning and management, the PPA online procurement planning software was enhanced to be consistent with the amended Public Procurement Act. In 2018, the Authority will promote local content (sustainable procurement) criteria and enhance value for money in the procurement process.

346. The Authority continued to update the Price Database for common user items to serve as a guide for entities in their procurement activities, especially in the area of value for money analysis.

Public Debt Management Programme

347. Mr. Speaker, the Ministry developed and published the Medium Term Debt Management Strategy (MTDS) for 2017–2019 in accordance with the Public Financial Management Act 2016 (Act 921) to guide debt financing for the medium term. It also started implementation of a Credit Risk Assessment Framework (CRAF) which assesses the ability of SOEs to repay their debt obligations based on audited financial statements.

348. In 2018, the Ministry will continue to carry out its mandate of managing public debt to achieve sustainability and ensure that government funding requirement is raised at least cost at a prudent levels of risk. In addition, it will conduct and publish a revised Debt Sustainability Analysis (DSA) and Medium Term Debt Strategy (MTDS) to guide borrowing. A borrowing guideline document will also be developed to outline the procedures for borrowing by MDAs, MMDAs and SOEs; and the issuance of guarantees and on-lending arrangements by government.

349. Mr. Speaker, in accordance with Act 921, the first Annual Public Debt Report was published and submitted to Parliament. A Quarterly Debt Bulletin was also prepared and published. The publication of the debt information has promoted transparency, better understanding of debt management operations among Ghanaians and aided investors' understanding of the country's risk.

350. To strengthen reporting and communications on debt management activities, the Ministry will prepare and publish on the Ministry's website, periodic information on the public debt portfolio. The issuance calendar to inform market participants of government borrowing plans will be issued periodically and a report on Credit Risk Assessment of some selected SOEs also published.

351. The Ministry paid off the first 10-Year Eurobond issued in 2007 at a coupon rate of 7.5 percent. Ghana by this feat has improved its credit worthiness in the eyes of the investor community.

Fiscal Decentralisation of Education and Health

352. Mr. Speaker, a precondition for the provision of good public services for education and health requires strong institutional structures at the local level. Fiscal decentralisation is key to achieve the national objectives for these two services, as well as meeting the Sustainable Development Goals 3 and 4 and African Union Agenda 2063 Goal (4). In this regard, consultations on health decentralisation bill was completed while Education Bill was reviewed and approved by Cabinet.

353. Under the Bill, Assemblies will be responsible for construction, equipment and maintenance of basic public schools and primary health care facilities. The Education and Health budget will form part of the composite budgeting process of the Assembly. The District Medium Term Development Plan (DMTDP) and the district's Composite Annual Action Plan will contain the plans and operations of the Education and Health Departments of the Assembly.

354. Mr. Speaker, upon approval of the Composite Budget by the Assembly both Education and Health budgets and funds (including IGF) will be ring-fenced to enable the departments deliver on critical national assignments. In addition, the procedure for disbursement of fund will comply with the system and controls in place at the district finance office.

355. To ascertain the revenue and expenditure levels of basic education and primary health care, the Ministry, in 2018, will disaggregate the revenue and expenditure allocations and actuals of Ministries of Education and Health.

Auditor-General's Report

356. Mr. Speaker, in Section 21 (6b) of the Public Financial Management Act 2016 (Act 921), the Minister of Finance is required in presenting the annual budget to include a memorandum specifying the measures taken by government to implement in the ensuing financial year the recommendations of Parliament in respect of the report of the Auditor-General.

357. Find in appendix 12 the responses to the recommendations of Parliament on the Auditor-General's report on the foreign exchange receipt and payment statement for the half year ended June 2015 and December 2015.

MINISTRY OF LOCAL GOVERNMENT AND RURAL DEVELOPMENT

2017 Performance and Outlook for 2018

Decentralization Programme

358. Mr. Speaker, to reinstate the President's powers to revoke appointments to District Assemblies, the Ministry reviewed the Local Governance Act, 2016 (Act 936). In line with the Government's vision to ensure election of MMDCEs, a technical committee was setup to carry out an extensive study and recommend appropriate legislative reviews. A road map was developed to guide the legislative reviews and stakeholder consultations towards the election of MMDCEs.

359. In compliance with Government's directive to abolish levies imposed on Kayayei by local Authorities, all MMDAs have accordingly abolished all forms of levies that were imposed on Kayayei within their jurisdictions.

360. In order to promote decent working environment at the MMDAs, a total of 20 administration blocks were completed and handed over to newly created District and Municipal Assemblies. Additional 27 of these blocks are at various levels of completion across the country.

Local Level Development and Management Programme

361. Mr. Speaker, the Ministry developed and launched the District Centre of Agriculture, Commerce and Technology (DCACT) to promote agribusiness and facilitate the interface between the private sector and public sector at the District level. This will promote private investment into the agricultural sector through sustainable value chains to produce the best quality of output to meet export standards.

362. A total of 3,289 youth consisting of 1,549 males and 1,740 females are currently receiving training to sharpen the technical and vocational skills of the youth under the employment and job creation for poverty reduction module. This was done in 24 Community Development Vocational and Technical Institutes (CDVTIs) across the country. In addition, 218 Community Educators, comprising 98 males and 120 females graduated in Technical and Vocational Education Training (TVET) Reforms. 960 Social Workers were also trained on community engagement in 50 pilot MMDAs.

Rural Development and Management Programme

363. Mr. Speaker, to improve job creation and reduce poverty in rural areas, a total of 247 rural sub-projects were completed. A total of 32,091 jobs were created under the LIPW with gross wage payment of GH¢14,897,841 to beneficiaries.

364. In addition, GH¢4,632,449 was disbursed under the revolving loan fund through six Partner Finance Institutions (PFIs) to a total of 6,223 beneficiaries. These beneficiaries were made up of 3,189 males and 3,034 females in the agricultural value chain within the 21 beneficiary MMDAs.

365. To boost infrastructure development in rural areas, 30 socio-economic projects (i.e. Schools, Clinics, Teacher's and Nurses Quarters, among others) were completed in four districts in Upper West and Volta Regions.

Urban Development and Management Programme

366. Mr. Speaker, in order to enhance community upgrading and development, these projects were completed: construction of an Abattoir in Tamale; Aboabo Heavy Goods and Lorry-Park; and upgrading of Tishiegu and Moshie Zongo. In Kumasi, construction of modern markets at Atonsu, Asawase and Old Tafo were also completed and 2No. cells added to the Landfill site at Oti. An Abattoir and Landfill site were completed in Ho.

367. In 2018, government will continue with the implementation of the second phase of the redevelopment of the Kumasi Central Market and Kejetia Infrastructure. The second phase consisting of the construction of over 10,000 additional stores and stalls will commence. Also, the construction and re- development of model markets under Public Private Partnerships in Tamale, Nkoranza, Asokore-Mampong and Asesewa will commence in 2018.

368. Under the Urban Development Grant (UDG), 34 sub-projects including Millennium School project at ATRACO, Accra; a 2-storey High Court Office complex at Dunkwa-on-Offin and 2No. 200 seater library complex in Kumasi were completed.

369. In 2018, the Ministry will review the National Urban Policy and reflect the transformative commitment for sustainable urban development to meet the objectives of the Sustainable Development Goals (SDGs) and the Urban Agenda.

Births and Deaths Registration Programme

370. Mr. Speaker, as part of efforts to improve statistics for national planning, a total of 359,993 births representing 42 percent and 33,166 deaths representing 11 percent out of 861,447 projected births and 293,116 projected deaths respectively were registered. In addition, Community Registration Programme

was expanded to 30 Communities. Registration Centres were also established in 26 rural communities.

371. The Ministry in 2018 will ensure the passage of the Birth and Deaths Act to improve quality and completeness of vital events registration and associated services. The Registry will expand Community Population Register Programme to additional 50 communities.

Decentralization Programme

372. Mr. Speaker, the Ministry initiated process to create additional Municipal and District Assemblies as well as declare some Districts as Municipals to increase participation of the citizenry in democratic governance and promote development. The effective establishment of these newly created Assemblies would be carried out in 2018.

373. On fiscal decentralisation, the new Fee Fixing Guidelines will be deployed to all MMDAs. The Ministry in collaboration with the Ministry of Finance will develop a Local Government Financing Act. The new Act will aim at harmonizing and integrating relevant public financial management legislations for MMDAs including the Financial Memorandum and the draft Municipal Borrowing Bill.

OFFICE OF THE HEAD OF LOCAL GOVERNMENT SERVICE

2017 Performance and Outlook for 2018

374. Mr. Speaker, the Service reviewed key areas and indicators of Performance Management Contracts (PMC) for OHLGS, Regional Coordinating Councils (RCCs) and Metropolitans, Municipal, and District Assemblies (MMDAs) and assessed the 2016 PMC for the 10 RCCs and 216 MMDAs. In 2018, the Service will sign the 2018 PMC and assessed the implementation of the 2017 PMC at all levels.

375. The OHLGS developed and validated an Information Technology Policy to be disseminated and implemented in 2018. It also consolidated the HRMIS data at all the three levels (LGSS, RCCs, MMDAs) and organised refresher training for IT and other 303 staff in all the 10 RCCs and 216 MMDAs. The Service will also undertake HR planning to inform recruitment, appointment and promotion.

NATIONAL MEDIA COMMISSION

2017 Performance and Outlook for 2018

376. Mr. Speaker, the Commission established and inaugurated Regional Media Advisory Committees in five regions; Ashanti, Central, Eastern, Northern, Volta and Upper East to bring justice in the media complaints settlement process to the door steps of the people,. The members of the Committees were trained to carry out complaints settlement.

377. In order to strengthen its mandate, the Commission undertook a legislative review. Other activities included passage of the Broadcasting law as well as passing subsidiary legislation. In 2018, the Commission will undertake a stakeholder consultation on the new Technology-Content Policy on Digital Migration.

378. The Commission continued its ongoing interactions with key stakeholders including the Ghana Journalists' Association, Ghana Independent Broadcasters Association, Ghana Community Radio Network, Private Newspaper Publishers Association of Ghana and the political parties to deepen collective commitment to peace building and national development.

379. Mr. Speaker, in 2018, media ombudsman services will be provided in the regions and districts where there are considerable electronic media presence as well as deploy NMC members and other experts into the regions to assist in media and peace-building efforts.

380. The Commission received 20 complaints, 13 were resolved with seven outstanding. In 2018, the Commission will democratize citizens' access to media justice by establishing complaints and adjudication centres in the rest of the four regions and possibly in the new regions to be curved out.

MINISTRY OF INFORMATION

2017 Performance and Outlook for 2018

381. Mr. Speaker, the Ministry organised two National Policy Summits, 50 Town Hall Meetings and two Meet-the-Press Series to inform and engage the media and citizens on government policies, programmes and projects aimed at empowering the citizenry with information to ensure increased political inclusion and social ownership of public policies.

382. To deepen transparency and accountability in 2018, the Ministry will organise four National Policy Summits and two Town Hall meetings in each district as well as collaborate with the Attorney-General's Department to submit the Right to Information Bill to Cabinet.

383. The Information Services Department (ISD) organised two public education campaigns to sensitize the public on key policies in the 2017 budget and the dangers of 'galamsey'. In 2018, the Department will continue to organise public education campaigns on key policies in the 2018 Budget as well as the menace of 'galamsey'.

384. A National Call Centre will be established in 2018 to serve as a vehicle for receiving direct feedback on public policies and facilitate the review of the broadcasting and advertising Bills for Cabinet approval.

MINISTRY OF PARLIAMENTARY AFFAIRS

2017 Performance and Outlook For 2018

385. Mr. Speaker, the Ministry held meetings with the Leadership of Parliament on enhancing the effectiveness of Parliament in Ghana's democracy and Good Governance. It also organised Leadership seminar for Members of Parliament (MPs), Metropolitan, Municipal and District Chief Executives (MMDCE's).

386. In addition, the Ministry organised a media workshop in collaboration with the Parliamentary News Africa and Parliament Training Institute to build capacity and solidify media understanding of Parliamentary proceedings. In 2018, the Ministry will facilitate collaboration between the Executive and the Legislature.

ECONOMIC SECTOR

MINISTRY OF FOOD AND AGRICULTURE

2017 Performance and Outlook for 2018

Food Security and Emergency Preparedness Programme

387. Mr. Speaker, to increase production of selected crops for food security and create jobs, especially for the teeming youth, the 'Planting for Food and Jobs Programme' was made a flagship programme in the 2017 budget.

388. As part of the Programme, 201,000 farmers were registered across the country, 2,160 university graduates and 1,070 youth were recruited. In addition, 121,000MT out of a target of 233,356MT of subsidised fertilizers and 4,454.98 MT out of a target of 5,767.50MT of subsidised seeds of maize, rice, sorghum, soybean and vegetables were distributed to beneficiary farmers.

389. In 2018, 500,000 farmers are targeted to be registered whilst 2,700 extension agents are expected to be recruited to support the Programme. Government will continue with the Fertilizer and Seed Subsidy Programme.

390. To promote agricultural mechanization, 220 tractors and accessories comprising 141 maize shellers, and 77 Multi-crop threshers were distributed to farmers and service providers. In 2018, the Ministry will distribute 200 tractors and matching implements, 1,000 power tillers and walking tractors, 30 tractor mounted rippers, 10 tractor drawn rear blade, 10 tractor mounted slashers, 60 boom and orchard sprayers, 4000 motorised sprayers, 60 mechanical and pneumatic planters, 50 cereal harvesters, 200 multi-crop threshers, 400 irrigation kits (engine and solar powered sprinklers sets), and 100 green house technology for horticulture production.

391. Mr. Speaker, to increase productivity and reduction in post-harvest losses, the Ministry will establish 50 Farmer Service Centres (FSC) for timely and enhanced access to mechanization services. The Centres will provide the following services: farm machinery; input supply; farmer training; machine manufacturing and repair; and storage services.

392. The Ministry in collaboration with Ghana Irrigation Development Authority (GIDA) completed the rehabilitation of the Mprumen dam and continued works on the other schemes which are at various stages of completion. These are Tamne phase -1 headworks (70% complete); Sakpe Zakpalsi (50% complete); Kornorkle (90% complete) and Uasi (45% complete). Additionally, feasibility studies on Kamba, Kpeli, Ho-Keta plains and Saabaar irrigation schemes were completed.

393. To facilitate the provision of community-owned and managed small-scale irrigation facilities across the country, especially in northern Ghana, the Ministry identified 192 small dams and dugouts in 64 districts for development under the 'One-Village-One Dam' initiative.

394. Mr. Speaker, in 2018, the Ministry will continue to facilitate and promote double cropping by constructing 50 small dams and dugout as well as complete Phase I of the Tamne, Kornorkle and Uasi Irrigation schemes, making available additional 147ha of irrigable land for crop production. In addition, 30 pumping schemes and 100 boreholes will be developed and feasibility study conducted for water transmission lines in Northern Ghana.

395. The invasion of the Fall Army Worm (FAW) was successfully managed and kept under control. The Ministry procured chemicals for distribution to farmers, recruited spraying gangs and undertook monitoring and surveillance. Through this intervention, 123,232ha of farm lands were recovered out of a total area of 137,479ha affected farms. A strategic stock of insecticide and other logistics will be built to ensure ready availability of chemicals during future outbreaks as well as intensification of farmer education, monitoring and surveillance.

Increased Growth in Incomes Programme

396. Mr. Speaker, to improve livelihood of livestock farmers and increase meat production, 70 livestock farmers were supported with 350 superior breeds of small ruminant in the Eastern and Central regions.

397. In 2018, about 2,000 livestock farmers will be supported with 70,000 small ruminants (Sheep and Goats) in all 10 regions. The Ministry will also support six National Livestock Breeding Stations to produce and distribute 200 crossbred heifers, 1,700 improved pigs and 100,000 cockerels.

398. To reduce the incidence of diseases and increase production in small ruminants, 430,000 small ruminants and 335,000 cattle were vaccinated against Pest des Petite Ruminants (PPR) and Contagious Bovine Pleuro Pneumonia (CBPP) respectively, throughout the country. In addition, 110,000 dogs were vaccinated against rabies nationwide. In 2018, the Ministry will produce 26 million doses of various vaccines (ND1-2, La Sota etc.) for poultry and PPR vaccines for small ruminants.

Marketing of Agricultural Produce / Product Programme

399. Mr. Speaker, to provide warehouses for storage of fertilizer, improved seed and strategic output stocks, work started on the rehabilitation of five warehouses at Yendi, Tamale, Wenchi, Sunyani and Kumasi. In 2018, the Ministry will rehabilitate at least 140 existing warehouses and construct 18 new ones and equip each with seed cleaners, dryers and weighing scales.

400. The National Buffer Stock Company was revitalised to procure, store and distribute the outputs from the Planting for Food and Jobs and other programmes of the Ministry. The company in collaboration with the Agricultural Development Bank registered over a thousand licensed buying companies to procure foodstuffs from farmers including those participating in the Planting for Food and Jobs Programme.

401. The Ministry in collaboration with Ministry of Education and other MDAs registered suppliers to distribute farm produce from the Planting for Food and Jobs Programme to public institutions including the School Feeding Programme, the Free Senior High School Programme, Prisons, Defence and Police, among others. This will ensure that quality food is supplied in a timely manner to these institutions.

COCOA SECTOR

Loan Syndication

402. Mr. Speaker, for the 2017/18 crop year, an amount of US$1.3 billion was raised in the syndicated loan market. The loan was acquired to fund purchases of cocoa as well as support other key interventions in the cocoa sector. COCOBOD repaid the US$1.8 billion syndicated loan for the 2016/17 cocoa season.

403. During the 2016/17 season, COCOBOD purchased 969,000 metric tonnes of cocoa. For the 2017/18 season, a crop size of 850,000 tonnes is targeted. The average Free on Board (FOB) price of cocoa in the past season witnessed a 30 percent drastic decline from US$2,950 to US$2,080. This situation compelled other countries to reduce their producer prices of cocoa.

404. Mr. Speaker, Government, however, maintained the producer price of cocoa at GH¢7,600 per tonne, in order to minimise the harsh effects the drastic decline in international cocoa prices could have on the earnings of our hardworking cocoa farmers. This price represents 88.66 percent of the net FOB price (83.04 percent of gross FOB price), a clear demonstration of this Government's commitment to enhancing the welfare of cocoa farmers.

405. Because of the huge drop in the world price, cocoa revenues have diminished to a level that Government had to forfeit its share of the FOB price (in export duty payments), as part of efforts to protect our cocoa farmers from market shocks.

Cocoa Consumption

406. Mr. Speaker, COCOBOD embarked on a campaign of promoting the consumption of cocoa both domestically and internationally. In collaboration with relevant stakeholders, COCOBOD is seeking new markets and strengthening the demand for cocoa products produced in the country.

407. As part of measures to promote industrialization, government modified the incentives to increase processing of cocoa in Ghana, through progressive discounts to encourage tertiary processing, thus, raising value addition to cocoa and creating jobs.

Cocoa Rehabilitation and Intensification Programmes

408. Mr. Speaker, Government is committed to the modernization of Ghana's Cocoa Sector. COCOBOD introduced initiatives aimed at increasing productivity and adapting to climate change without compromising the integrity of the environment.

409. In addition, it re-energised the rehabilitation of existing farms, replanting of old and moribund cocoa farms as well as cutting and replanting diseased cocoa trees. To this end, an efficient, cost effective and targeted supply of free hybrid cocoa seedlings to farmers is being carried out.

410. Mr. Speaker, during 2017/18 cocoa season, government will re-introduce compensation payments under the Cocoa Disease and Pest Control Programme (CODAPEC) along with an inducement package that takes care of the bottlenecks in the customary land tenure system.

Cocoa Mass Spraying and Hi-Tech

411. Government redesigned the cocoa diseases and pests control programme (CODAPEC) to ensure that it is accessible to the majority of farmers in order to have the maximum impact on productivity. The re-designed cocoa mass spraying programme, which enhances private sector participation took off.

412. All inputs for the Hi-tech programme (including subsidized fertilizers), have been procured and evacuated to the various cocoa districts. A stringent and efficient fertilizer testing regime that guarantees the quality of all approved fertilizers was put in place.

Artificial Pollination

413. Mr. Speaker, for the first time, COCOBOD introduced hand pollination on cocoa farms, with the aim of enhancing productivity per hectare. This initiative is to raise the number of pods per tree by at least three folds, and to increase productivity from an average 450kg per hectare to more than 1,300kg per hectare.

414. COCOBOD began training the youth on the technique of artificial pollination on a mass scale in all cocoa growing regions. The first batch of 10,000 youth was trained and deployed in the 2016/17 season. Recruitment will be scaled up to provide jobs for 30,000 youth in the 2017/18 cocoa season.

Cocoa Farm Irrigation

415. Mr. Speaker, through public-private partnership, COCOBOD will introduce solar-powered pump irrigation on cocoa farms in the 2017/18 cocoa season. Piloting was carried out in COCOBOD-owned experimental farms, and the programme is ready to be rolled-out in 2018.

Cocoa Roads

416. COCOBOD, over the past three years, awarded cocoa road contracts to the tune of GH¢5.1 billion against a budget of GH¢1.6 billion resulting in excess budget of GH¢3.5 billion. The entire programme is under 'value for money' audit to ensure that the tax payers' monies are used judiciously and efficiently. The construction and maintenance of cocoa roads will resume after the audit of outstanding contracts.

Scholarship Scheme

417. Mr. Speaker, COCOBOD's Scholarship Trust Fund, Child Education support programme and the support for the elimination of worst forms of Child Labour will be continued in 2018. The programme will be re-designed to align with the Free Senior High School Programme in the 2017/2018 academic year.

Coffee Programme

418. In 2010, government developed a 5-year coffee revamping programme to raise coffee production in Ghana. The project was effective in increasing coffee production from 1,700 tonnes per annum to 6,000 tonnes per annum, as well as increasing incomes of coffee farmers in Ghana through effective minimum pricing. Government in collaboration with stakeholders will implement a new project in2018, i.e. the Ghana Coffee Development Programme, with the aim of raising production to about 25,000 tonnes per annum over four years.

419. To ensure the long-term sustainability of coffee production, reforms in the marketing of coffee will be strengthened to assure farmers of ready market and remunerative prices for the coffee produced.

The Shea Programme

420. Mr. Speaker, Government will continue to implement programmes aimed at improving the shea sector of Ghana. As part of Ghana's programme for reduction of emissions from deforestation and forest degradation, COCOBOD in collaboration with the Forestry Commission will undertake interventions to accelerate conservation of shea parklands, increase shea production and processing as well as improve the marketing of shea that benefits shea value chain actors.

421. The Shea unit of COCOBOD will remain pivotal in the implementation of these programmes. COCOBOD will therefore continue funding the Shea Unit as part of its operational activities to revamp the Shea industry.

MINISTRY OF FISHERIES AND AQUACULTURE DEVELOPMENT

2017 Performance and Outlook for 2018

Aquaculture Development Programme

422. Mr. Speaker, under the Aquaculture Development Programme which seeks to "increase domestic fish production to offset fish imports and eventually make Ghana a net exporter of fish by 2030", a total fish production of 58,880mt was recorded. This shows a 12.2 percent increase over the 2016 production figure of 52,470mt.

423. In 2018, under the "One Village One Dam" initiative, the Ministry will roll out the Fisheries Nucleus-Outgrower Scheme and restock a total surface area of 2,950ha in the three northern regions. The restocking intervention is expected to provide additional 10,380mt of fish to enhance nutrition intake of the target communities. At full operation, the Fisheries Nucleus-Outgrower Scheme will add an estimated 16,128mt of fish to Aquaculture production.

424. The Scheme will also create 833 additional jobs, made up of 273 direct and 560 indirect jobs respectively for unemployed rural youth, women fish processors and traders along the Aquaculture Value Chain. In 2018, the private sector will be supported with extension services to boost aggregate aquaculture production from 58,880mt in 2017 to over 73,220mt, an increase of 24.35 percent.

Fisheries Resource Management Programme

425. Mr. Speaker, the Marine sub-sector recorded 243,933.52mt of fish compared to 294,627.07mt in 2016. This shows a 17.21 percent production decline which could be attributed to depleting fish stock levels combined with negative climate change effects. On the other hand, Inland fish production increased from 84,344.68mt in 2016 to 86,297.22mt in 2017.

426. In 2018, the Ministry will implement climate change resilient and fish stock recovery measures under the Marine Resource Conservation initiatives. The Landing Beach Committees (LBCs) will be supported with 1,566,000 litres of premix fuel as production input to achieve the 2018 fish production targets of 302,300mt and 90,100mt for Marine and Inland sub-sectors respectively.

Fisheries Monitoring, Control and Surveillance Programme

427. Mr. Speaker, the Ministry will intensify its collaboration with stakeholders to reduce illegal fishing in our inland and marine water bodies, with focus on halting

"saiko" and light fishing. In this regard, sea and land patrols will be increased from 30 and 25 in 2017 to 35 and 30 in 2018, respectively. Fisheries Observer Missions will be expanded to cover 80 percent of vessels. The existing "two-month Closed Season" will be extended to cover semi-industrial vessels.

428. Mr. Speaker, as part of the Ministry's Effective Fisheries Law Enforcement Partnership Initiatives, two Law Enforcement Volunteer Committees were inaugurated at James Town and Patukope. In 2018, four additional Law Enforcement Volunteer Committees will be established at Nyanyanor, Dzelukope, Abutiakope and Biriwa.

429. Under the Fisheries Sector Infrastructural Development Programme, the Ministry will commence the development of four landing sites at Jamestown, Winneba, Mumford and Axim; rehabilitate three public hatcheries at Vea, Sankana and Dormaa-Ahenkro; rehabilitate three fish health laboratories at Takoradi, Koforidua and Kumasi. The Ministry will also complete and commission the Anomabo Fisheries College; and refurbish the Tema Boat Yard to increase productivity of fishers. These economic infrastructure projects are meant to support the private sector to increase domestic fish production.

Aquatic Animal Health and Postharvest Management Programme

430. Mr. Speaker, to reduce mortality in fingerling production and to prevent the spread of fish diseases at farm level, the Ministry trained 25 hatchery operators in the Ashanti Region in good hatchery husbandry practices. In 2018, additional 46 operators from public and private hatcheries will be trained in biosecurity measures and hatchery management. 75 processors will also be trained in improved fish processing technologies.

431. To prevent and control the outbreak of fish diseases in Aquaculture establishments and inland water bodies, the Aquatic Animal Health Policy will be implemented in 2018. Adequate fish farm certification and regulatory measures will be enforced to ensure strict adherence to biosecurity measures and sanitary standards in all aquaculture production units.

MINISTRY OF LANDS AND NATURAL RESOURCES

2017 Performance and Outlook for 2018

Mineral Resource Development and Management Programme

432. Mr. Speaker, a fully-fledged Computerized Cadastral System was established to assist in the management of mineral rights. An online repository was launched to assist investors to apply for mineral rights (www.ghana.revenuesystems.org).

433. An alternative livelihood project was undertaken to provide jobs to reduce the menace of environmental degradation and unemployment in mining communities. A total of 450,000 oil palm seedlings were produced out of which 440,250 were distributed for planting. In addition, 7,337.50 acres of oil palm plantation were established and this created about 7,500 direct jobs. In 2018, the Ministry will increase the number of jobs created in mining communities from 7,500 to 10,000.

434. Mr. Speaker, a reference laboratory for Gold Dore Assays was established and operationalised at the Kotoka International Airport and also acquired capacity to verify the actual amount of gold in bullions exported to maximize revenue collection from the gold mining sector.

435. An evaluation of industrial mineral deposits continued over the period to establish commercial viability of clay, kaolin, and limestone and pave way for the local industry. The investigations indicate that an estimated 500,000 tonnes of clay can be mined from the Birim North District of the Eastern Region, 800,000 tonnes of limestone from the Afram Plains area in the Eastern Region and about 1,000,000 tonnes of Kaolin from Teleku-Bokazo and New Aluku area in the Western Region.

436. The Ministry will continue to implement the local content procurement policy by increasing the number of Goods and Services procured locally by mining companies from 19 to 21.

Forest and Wildlife Development and Management Programme

437. Mr. Speaker, under the Forest sub-Sector, 450ha of degraded landscape including mining sites, illegal farms in Forest Reserves and enrichment planting were restored. In addition, 6,300ha of forest plantations were established and 2,458.75ha of existing plantations maintained. In 2018, the Forestry Commission in collaboration with the Youth Employment Agency will establish 30,000ha forest plantations throughout the country. This is expected to create 15,000 jobs for the youth and also contribute to food production.

438. In order to reduce illegalities in forest reserves and wildlife protected areas, the Commission formed and deployed 14 Rapid Response Teams to patrol forest reserves and protected areas in 10 Forest Districts including Sakumono Ramsar Site and Achimota Forest Reserve among others. This led to the destruction of 225ha of illegal farms, seizure of 21,487 assorted lumber and 70 chainsaws, arrest of 49 vehicles involved in illegalities and 128 suspects involved in various forest and wildlife offences.

Lands Administration and Management Programme

439. Mr. Speaker, in order to consolidate and strengthen the current land tenure arrangement and also ensure an effective and efficient land administration, the Lands Commission will pursue processes leading to the enactment of the Land Bill and implementation of the Land Act.

MINISTRY OF TRADE AND INDUSTRY

2017 Performance and Outlook for 2018

Trade Development Programme

440. Mr. Speaker, the e-payment of the Import Declaration Form (IDF) was incorporated into the operations of the Pre–Arrival Assessment Reporting System (PAARS) and Monitoring reports show that the IDF is being processed directly on the PAARS. A new IDF on Pre-Arrival Assessment Reporting System (PAARS) linked with the banking system to reduce under invoicing and capital flight was introduced. The system allows IDF used for establishing Letters of Credit at the banks for Customs declaration.

Business Development and Promotion Programme

441. To address the challenges faced by small and medium enterprises, Ghana Regional Appropriate Technology Industrial Service (GRATIS) Foundation trained about 660 apprentices and manufactured over 900 agro and non-agro equipment, with about 820 being used in the sanitation and waste management sector. In 2018, GRATIS will continue to train craftsmen and apprentices as well as manufacture agro-processing equipment.

442. The National Board for Small Scale Industries (NBSSI) provided 2,968 tailor-made programmes for 56,669 entrepreneurs comprising 18,238 males and 38,430 females. In addition, 1,982 new businesses were established, 1,277 clients adopted new improved technology, 666 Business assisted to access institutional credit, development of one in-house Business Incubator in Accra and 2,599 new jobs were created.

Trade and Industry Promotion Programme

443. Mr. Speaker, under the government's Industrial Transformation Agenda, the implementation of the 'One District, One Factory' (1D1F) initiative commenced. A programme implementation framework which sets out the modalities of implementation of the programme was developed. The Ministry completed technical, financial and commercial viability analysis of 462 proposals out of which 191 covering 102 Districts were selected for implementation. It is envisaged that, these 191 District Enterprise Projects will collectively generate about 250,000 direct and indirect jobs.

444. The Ministry participated in the 14th Konya Industrial Summit and Fair and also organised a mini exhibition of "Made-In-Ghana" products as part of the African Union Celebration Day in Ankara. In addition, the Ministry facilitated trade between the UK and Ghana; participated in the Non-Deal Roadshow highlighting government's commitment to adopt and implement policies that will boost investor confidence in the economy to drive growth and create jobs.

445. Mr. Speaker, Ghana Export Promotion Authority (GEPA) has reached an understanding with the Cashew Industry stakeholders to implement a 5-year development plan to boost cashew production and export. Regional Coordinating Councils and MMDAs in Eastern, Volta, Northern, Upper East and Upper West regions were engaged to discuss the National Export Strategy (NES) and encourage them to identify and develop at least one potential exportable product for promotion. In collaboration with Fresh and Processed Pineapple Exporters, GEPA re-launched the development and promotion of smooth cayenne pineapple variety for exports.

446. The Ministry initiated comprehensive plans to develop Industrial Parks and Special Economic Zones in each region. The Ministry is facilitating the development 2000 acres Dawa Industrial Park by LMI Holdings near Ada Kpetoe; 2325 acres Apolonia Business Park by Rendeavour Company Limited at Oyibi; 400 acres WestPark Industrial Enclave by BlackIvy LLC in Shama; 4900 acres Boankra Industrial City; Special Economic Zone in the Ejisu Juaben Municipal Assembly; Sekondi Economic Processing Zone; Tamale Industrial Park Complex; and Ashanti Technology Park.

Standardization and Conformity Assessment Programme

447. Mr. Speaker, the Ghana Standards Authority undertook the first ever certification of purified gold which coincided with the establishment of the Gold Coast Refinery in Accra, making Ghana the second country after South Africa with a gold refinery in Africa. The Ministry in collaboration with the Ghana Standards Authority developed the Ghana Standards for "standard gold" and "purified gold" both of which are in line with international gold standards.

448. To address issues relating to standardisation and conformity assessment, Ghana Standards Authority inspected and verified the weighing and measuring devices used for trading purposes. These include, 1,384 trading scales, 41,192 motorized pumps and accessories, 225 weigh bridges, 3,188 cocoa scales and test weights.

449. Mr. Speaker, in addition, 6,586 weighing and measuring instruments were calibrated to promote industrial development; 3,904 trading devices were randomly inspected to promote fair trading practices; 12,851 products and forensic samples were tested and analysed to ascertain their conformance to

applicable standards as well as 35,073 imported high risk goods to ensure consumer safety.

450. The Ministry issued 582 Health Certificates to Fish Exporters and 1,067 Export Certificates to Exporters. Export consignments were also inspected to improve their competitiveness. In addition, it inspected 258 fish consignments, 15 scrap metals towards export as well as 168 facilities and other export consignments. Similarly, fish establishments and frozen vessels were inspected towards the issuance of health certificate.

Industrial Development Programme

451. Mr. Speaker, the Ghana Free Zones Board (GFZB) participated in the Corporate Council on Africa Business Forum and signed a lease agreement for 105 acres of land for the construction of cement factory to support the provision of infrastructure.

452. A Stimulus Package was created to support viable existing local companies that are currently distressed or are facing operational challenges. Over 350 applications from business operators were received, out of which 80 were selected for support in the first phase of the programme.

453. Mr. Speaker, the Ministry in collaboration with other stakeholders will continue to implement initiatives expected to improve the competitiveness of Ghana's industrial and private sectors. Five targets are expected to be attained in 2018 and these are: 100 factories established and operational in 100 districts across the country, 80 distressed local companies revived through the provision of stimulus packages and three industrial parks established in Ashanti, Western and Northern Regions and the development of a petro-chemical industry in the Western Region.

454. To participate effectively in the new African Growth Opportunities Act (AGOA), the USAID initiated a programme to assist the Ministry to develop an AGOA Strategy for Ghana. The AGOA Strategy document was completed, validated and presented at the Lome, Togo AGOA Conference.

Ghana International Trade Commission

455. Mr. Speaker, the Ministry is taking decisive steps to protect local industries by enhancing the country's capacity to deal with dumping as a means to ensure fair competition for locally produced goods. In pursuit of this, a five member Commission was appointed by the President to serve as Commissioners for the Ghana International Trade Commission, which will be formally inaugurated before the end of the year.

MINISTRY OF TOURISM, ARTS AND CULTURE

2017 Performance and Outlook for 2018

Tourism Product Development Programme

456. Mr. Speaker, the Ministry organised the Chocolate Day, Paragliding Festival, Emancipation and PANAFEST Day with the Diasporas and local communities to boost domestic tourism, promote the local economy and income generation as well as National cohesion and international appreciation of Ghana's culture and tourists' attractions.

457. As part of the Ministry's activities to commemorate the UN year of sustainable tourism, the Ministry engaged and sensitized MDAs, MMDAs, traditional authorities and the private sector in the tourism industry. To follow up, 40 seminars and durbars will be organised in 2018 for traditional rulers and opinion leaders for conservation of community based eco-tourism to create an opportunity for mutual benefit between host communities and tourists.

Tourism Research and Marketing Programme

458. Mr. Speaker, the World Tourism Day was celebrated under the theme "Sustainable tourism, a tool for development" and climaxed at Kintampo.

459. In order to position Ghana's tourism in the global market, the Ministry participated in eight international fairs including, 51st Internationale Tourismus-Bourse (ITB) Tourism Fair-Berlin, Germany, China's Outbound travel and tourism market (COTTOM) in Beijing, China and the Akwaaba Fair in Nigeria.

460. In 2018, the Ministry will use the international Tourism, Arts and Culture Fairs and fora to pursue robust investment drive. It will also use the Single Portal Window to promote and market tourism.

461. Mr. Speaker, the 'See Ghana, Eat Ghana, Wear Ghana and Feel Ghana' programme to boost the local economies and enable Ghanaians appreciate their heritage was launched. In 2018, a gastronomic festival will be organised to showcase Ghanaian foods and recipes through cooking competitions throughout the country as part of efforts to promote the local Ghanaian cuisine. It will continue to pursue the "Wear Ghana, See Ghana, Feel Ghana, Eat Ghana" campaign in 2018 to promote our beloved country in diverse ways.

Tourism Quality Assurance Programme

462. The Tourism Levy was approved by Parliament. In 2018, the Ministry will initiate a Public-Private Partnership programme to facilitate the construction of the Ghana Hospitality Institute (HOTCATT). It will also partner the private sector to

construct a Hotel Management Training School and develop standards for new tourism enterprises.

Culture, Creative Arts and Heritage Management Programme

463. Mr. Speaker, Government will continue its initiatives to improve the Creative Arts Sector with the set-up of a fully functional Creative Arts Secretariat and commencement of a feasibility to set up a Creative Arts Fund.

464. The Ministry in collaboration with the Bureau of Ghana Languages celebrated International Mother Language Day to promote patronage of local languages, cultural values and identity.

Tourism Product Development

465. Mr. Speaker, the Ministry will collaborate with Infrastructure for Poverty Eradication Programme (IPEP) for a major sanitation drive in a number of selected public beaches and construct toilet facilities. These will include Elmina, Sakumono, Kokrobite, La, Nungua, Brenu Akyenu, Busua, Princess Town, Botianor, Keta among others.

466. In order to attract more tourists into the country, the Ministry will upgrade the paragliding site to include facilities such as restaurants, hot balloon take-off points at Atibie (Kwahu), design and build the iconic "Centre of Ghana" facility at Kintampo.

MINISTRY OF ENVIRONMENT, SCIENCE, TECHNOLOGY AND INNOVATION (MESTI)

2017 Performance and Outlook for 2018

Research and Development Programme

467. Mr. Speaker, the Council for Scientific and Industrial Research (CSIR) developed postharvest handling model for tomato, pepper and orange; released four varieties of yam (CRI-AfaseBiri, CRI-AfaseSoayinto, CRI-AfaseAdepa, CRI-AfaseHoodenfoo); seven maize hybrids (Kpariyura, Salin-kawana, SARI MAZ 1, Denbea, Similenu, Kum-naaya, Wang-Basig); and raised 120,000 seedlings of bamboo for Environmental Protection Agency (EPA) to restore degraded lands around water bodies in the North.

468. The Council trained 10 artisans in construction supervision using local building materials for construction of affordable housing units. In addition, 60 engineers and architects were trained in the control of building deterioration and termite infestation both in Accra and Kumasi.

469. Baseline surveys and adoption studies were conducted on crop varieties and the observed adoption rates are: sweet potato (59 percent); cassava (41 percent); cocoyam (21 percent) and yam (6 percent).

470. Mr. Speaker, as part of the Ministry's efforts to control and eliminate water and soil borne diseases, microfilaria prevalence infection was reduced from 13.2 percent to 12.5 percent, Onchocerciasis infection in the highest communities reduced from 26 percent to 24.6 percent, while the lowest also reduced from 1.5 percent to 1.36 percent.

471. In addition, soil transmitted helminth infection studied in 10 communities also showed reduction in the prevalence of hookworm infection from 15 percent to 13.5 percent; Schistosomiasis studied in some 28 communities had an average prevalence reduction from 15 percent to 13.8 percent.

472. Mr. Speaker, CSIR will promote climate change, environmental management and green technology by developing adoptive strategies to combat the effect of climate change that foster resilient rural livelihoods for sustainable landscape restoration through climate smart agriculture.

473. The Council will improve biomedical and public health through the prevention of animal and plant pests and diseases, control and eliminate air, water and soil borne diseases as well as undertake air and water pollution research.

474. Mr. Speaker, in 2018, CSIR will develop essential materials and industrial products using local raw materials, develop renewable energy systems for both domestic and commercial buildings and also promote and install biogas toilet systems in second cycle schools.

475. The Ghana Atomic Energy Commission (GAEC) irradiated 25 tonnes of agricultural produce, medical and herbal products using the Gamma Irradiation Facility for improved postharvest management; monitored 700 sites to ensure public safety from EM radiation from RF and FM cell sites; assessed safety on 500 stations for EM radiation; monitored three sites for Naturally Occurring Radioactive Materials (NORMS) and monitored 2000 officers for radiation exposures for mines/industrial workers.

476. In 2018, GAEC will construct a nuclear Imaging Centre and a P3 facility. It will complete feasibility studies for the establishment of a radiotherapy facility in Tamale for the management of cancer in the Northern part of the country.

477. GAEC will complete site investigation for the construction of Ghana's first nuclear power plant to add 1000 MW of power to the national grid. It will also construct

one Gamma Irradiation Facility (GIF) at Kintampo, cotton scale production plant at Manya Krobo and expand facility for mutation breeding.

478. In addition, GAEC will complete studies and construct the country's first radioactive waste disposal facility to ensure public and environmental safety, establish a National Professional Training Institute for welding and Non-destructive testing (NDT) to train and certify welders and professionals.

Environmental Protection and Management Programme

479. Mr. Speaker, the Environmental Protection Agency (EPA) monitored 36 mining companies as part of its compliance monitoring programme; developed draft standards for use of Oxo-biodegradable additives in the production of flexible plastics and initiated development of regulations for both pesticide and industrial chemicals.

480. In 2018, the Agency will develop and operationalise regulations on pesticides and industrial chemicals for the entire life cycle including handling of used containers and develop and operationalize (Ghana) standard for use of oxo-biodegradable additives in production of flexible plastics nationwide.

481. The Agency monitored air quality at 13 sites. The results indicated that PM10 levels were above the EPA 24hour level of 70µg/m^3. Additionally, the EPA monitored 45 industries in the Accra and Tema region for effluent quality and the results were higher than the EPA recommended guideline levels 50mg/l, 75NTU and 1500 µS/Cm. The EPA will resource and retool at least two Agency regional laboratories to undertake air quality and effluent monitoring programmes.

482. Mr. Speaker, the Ministry through the Nuclear Regulatory Authority (NRA) drafted five regulations for the control and use of radiation and carried out 80 inspections on radiation facilities throughout the country.

483. The EPA will develop and implement awareness creation programmes for Hazardous and Electronic Waste Control and Management Act, 2016 (ACT 917), facilitate and co-ordinate the establishment of collection and processing centres for electronic waste as per the mandate of the Act.

484. The Agency will ensure the mainstreaming of the environmental component of the Sustainable Development Goals (SDGs) into District Development Plans and monitor its implementation and collaborate with the Non-Formal Education Directorate to intensify hands-on awareness raising and capacity building programmes on environmental management.

Illegal Mining (Galamsey)

485. Mr. Speaker, the fight against illegal mining was initiated in March this year. The elements of the fight included public education, suspension of small scale mining operations to allow polluted water bodies to recover, training of 400 small scale miners in sustainable mining practices at the University of Mines and Technology, Tarkwa. To maintain security in mining districts and enforce the ban, an Operation Vanguard made up of 400 strong security force was established. Studies were also undertaken to determine the scale of pollution of water bodies and land degradation.

486. In addition, government prepared a list of all licenced small scale miners to facilitate the vetting of the miners in respect to their location and size of their concessions, compliance to mining and environmental requirements and validity of the licences.

487. To address issues relating to small scale mining, District Committees will be formed to fight illegal mining in all mining communities. In addition, a code of practice for small scale mining operations will be out doored whilst the Inter-ministerial Committee against illegal mining will interact with small scale mining associations to discuss all outstanding issues.

Spatial Planning and Human Settlement Programme

488. Mr. Speaker, in addressing Human Settlement Issues, the Ministry completed the Regional Spatial Development Framework (RSDF) for Greater Accra and Ashanti Regions. In 2018, the RSDF for Central, Brong Ahafo, Eastern and Volta Regions will be prepared.

489. In addition, the Spatial Development Framework (SDF), Structure Plans (SP) and Local Plans (LP) for the Kumasi Metropolitan Assembly and the Sekondi-Takoradi Metropolitan Assembly will be prepared.

Biotechnology Development Programme

490. The Ministry through the National Biosafety Authority (NBA) established appeals tribunal to address public concerns on biosafety issues. Three public awareness programmes on Biosafety were conducted.

491. The Authority will undertake nationwide biosafety public education, recruit and train biosafety personnel; strengthen the operations of the Genetically Modified Organisms (GMO) detective laboratory and review the Biosafety Act and strengthen the Biosafety administrative system. The GMO detection laboratory is 80 percent complete

MINISTRY OF ENERGY

2017 Performance and Outlook for 2018

Power Sector Development and Management Programme

492. Mr. Speaker, a total of 445MW of power capacity was added to the country's installed generation capacity, to bring the installed capacity from 4,132 MW in 2016 to 4,577MW in 2017. The existing 225MW Karpowership was replaced by a 450MW Karpowership resulting in an addition of 225MW capacity. The 340MW CenPower Power Project is 85 percent complete. Works also commenced on 400MW Early Power project and 240MW Amandi Power Project. In 2018, government will continue to increase the installed generation capacity by about 484MW (Cenpower; 340MW, Early Power Phase 1; 144MW) to meet the growing demand of electricity.

493. Under the Transmission System Improvement Projects, GRIDCo continued with the Transmission System Reinforcement Project to improve operational reliability, security and control among others. Key among these include:

- Kpando-Kadjebi 161kV Transmission Line which was completed;
- The Aboadze-Prestea 330kV Transmission Line is about 70 percent complete;
- The Prestea-Kumasi 330kV Transmission Line which is about 70 percent complete; and
- The Kumasi-Bolgatanga 330kV Transmission Line which is about 50 percent complete.

494. In 2018, GRIDCo will continue work on the Kumasi-Bolgatanga 330kV Transmission Line and complete Aboadze-Prestea 330kV and Prestea-Kumasi 330kV Transmission Lines.

495. Under the Rural Electrification Programme, 289 out of a targeted 2,185 communities were connected to the national grid with other projects at various stages of completion. The national electricity access rate increased from 83.24 percent in 2016 to 83.62 percent. In 2018, a total of 1,796 communities will be connected to the national grid.

496. Mr. Speaker, the Ministry will distribute 12million LED Lamps as part of energy conservation under a cost recovery programme.

497. Under the Regional Capitals Street Lighting Project, the replacement of 250W high pressure sodium (HPS) lamps with 150W LED and fixing of faulty photo switches on poles, cubicles, broken poles and stolen or damaged cables and other related installations in Accra and Kumasi is 87 percent complete. In 2018, 69,250 150W LED Streetlights complete with fixtures will be supplied to various MMDAs across the country. In addition, 300,000 Timer Switches will be

distributed to help users of deep freezers to cut down cost of energy consumption particularly during peak periods of the evenings.

498. The construction of a new 10km 80MVA capacity 33kV from Dodowa to Akwapim Mampong to replace the existing 40 year old 20MVA 33kV line is 85 percent complete. When completed, the new line will stabilize power supply to the Akwapim Ridge.

499. Mr. Speaker, as part of efforts to improve the governance of the power sector, Cabinet granted approval for the full operationalization of the Wholesale Electricity Market (WEM) and its associated mechanisms. In addition, Cabinet approved the establishment of the Electricity Market Oversight Panel (EMOP) to ensure smooth operation of the WEM.

500. To enhance the development of a competitive power market, Cabinet approved the restructuring of Volta River Authority (VRA) to include: a wholly owned entity to manage the hydroelectric facilities separately and invite private sector participation in the ownership and management of state -funded thermal power plants.

501. In addition to being a critical factor to the successful implementation of the WEM, the restructuring of VRA will also enable the use of the cheap electricity from the legacy hydro to support the requisite government subsidy objectives to targeted category of consumers in a transparent manner.

502. Mr. Speaker, in order to align the ECG Private Sector Participation (PSP) Programme with the concerns raised by the citizenry, government secured key amendments to the ECG PSP arrangements. The concession period was reduced from 25 to 20 years. A threshold of 51 percent (up from 20 percent) Ghanaian shareholding in the ownership of the Concessionaire was also established.

503. The concession arrangement is expected to significantly improve the technical and commercial performance of ECG. It is expected that the concessionaire will reduce total distribution system loss of 18 percent by the end of the first five years, from the current loss level of 24 percent; 15 percent by the end of the 10^{th} year and 12 percent by the end of the 15^{th} year and thereafter. These system loss reductions will translate into substantial reduction in electricity tariffs as the revenue of the utility increases.

504. In 2017, VALCO operated a single pot line, employed 532 persons and produced 40,500 tonnes of aluminum. In 2018, an additional 75MW of hydro power will be allocated to the Volta Aluminum Company (VALCO) to enable it expand production to two pot lines in January 2018. The additional power at a global

competitive price of USD$ 0.035/KWH will enable VALCO doubled its output to 81,500 tonnes per annum and earn USD$150.75 million per annum.

505. VAT payment is expected to increase from USD$7.6 million to USD$16.1 million. VALCO will be able to employ 200 more people, which will cascade into an additional 1,000 jobs at the downstream industries such as Aluworks, Western Rods and Allied Industries. A proposed LED manufacturing venture which will use aluminum from VALCO will create an additional 330 direct jobs.

Renewable and Alternative Energy Development Programme

506. Mr. Speaker, in line with the Ministry's goal of increasing the penetration of renewable energy in the energy generation mix and the promotion of distributed solar power for government and public buildings, the Ministry will embark on MDAs Solar Rooftop Programme to reduce Government's expenditure on utilities. The first Phase of the Programme will cover Parliament House and Office of the President. This will eventually be extended to most public institutions.

507. As part of strategies to increase penetration of renewable energy in the energy mix, 52,191 out of 70,000 units of portable solar lanterns (with phone charging functionality) were sold at 70 percent subsidy to poor off-grid rural households. In 2018, the Ministry will procure additional 50,000 solar lanterns for distribution to poor off-grid rural households.

508. Under the Ghana Energy and Development Access Project (GEDAP), five mini-grids were completed and technically commissioned in the following districts: Ada East District (Pediatorkope), Krachi East (Kudorkope), Krachi West (Aglakope) and Sene East District (Atigagome and Wayokope). In 2018, the Ministry will commence the construction of three additional mini-grids in the Ada East District.

Petroleum Sector Development and Management Programme

509. Mr. Speaker, the Jubilee FPSO turret remediation work is progressing steadily with the interim spread mooring operation successfully executed. The three tug boats aiding the heading control for production and lifting operations on the FPSO Kwame Nkrumah were also released.

510. Production from the Jubilee Field as at 30th September, 2017 was 24,302,185 barrels, compared to 19,832,097 barrels for the same period in 2016, representing an increase of 23 percent. Jubilee Field production is expected to average 89,000 bopd by end of 2017 (with the postponement of the planned shutdown to 2018 for the remediation works).

511. A total of 31,812 MMscf of associated gas was produced as at 30th September, 2017 out of which 20,195.85 MMscf was exported to the Gas Processing Plant at Atuabo for power generation.

512. Production from the Tweneboa-Enyera-Ntomme (TEN) field as at 30th September, 2017 was 14,253,478 bbls. Average daily oil production achieved for the period stood at 52,211 bbls against a planned daily average of 50,000 bopd.

513. The Sankofa Gye Nyame Field attained first Oil on 20th May 2017, ahead of schedule with two oil producer wells (OP-3 and OP-4). Total oil production from the field from inception (20th May, 2017) to 30th September 2017 stood at 2,154,214 bbls. Gas production from the field is expected to commence in the second quarter of 2018.

514. Mr. Speaker, GNPC continued to intensify its exploration activities on the inland Voltaian basin. The Ministry negotiated and signed two contracts with two companies and also completed the environmental impact statement to EPA and all the 24 projects districts.

515. To promote Liquefied Petroleum Gas (LPG) as a healthier, safer and cleaner fuel in semi-urban and rural areas in a bid to reduce deforestation, the Ministry distributed 17,000 cylinders, stoves and accessories under the Rural LPG Promotion Programme (RLPGPP).

Commercialization of Natural Gas

516. Mr. Speaker, in 2018, the Ministry will undertake the following: completion of the tie-in of the Ghana Gas pipeline and the West African Gas pipeline and associated modification works at both Regulation and Metering Stations (R&M) in Takoradi and Tema; completion of the Offshore Receiving Facility (ORF) to receive OCTP gas; installation of three Compressors on the existing Ghana Gas pipeline; completion of gas pipeline to connect the 450MW Karpower to be stationed in Takoradi to the R&M station in Takoradi; and full implementation of the Gas Master Plan recommendations.

Energy Sector Regulation Programme

517. Mr. Speaker, following the successful passage of the Petroleum (Exploration and Production) Act, 2016, (Act 919), a draft Data Management and Health Safety and Environment regulations was finalised and will soon be presented to Parliament. Guidelines for the bidding of exploration blocks are being developed and is expected to be completed by end of the year. In 2018, the Ministry will coordinate the first bidding rounds for the award of blocks to prospective bidders.

518. A Local Content Policy was developed to ensure active participation of Ghanaians in all activities in the petroleum downstream value chain. In line with this, the

Ministry developed a Local Content Legislation for the power sector and drafted financial services guidelines to boost the participation of Ghanaian financial institutions in the oil and gas sector. In addition, Ghana Upstream Services Internship Programme (GUSIP) was launched and 43 interns placed in Upstream Companies.

519. Mr. Speaker, in 2018, a Technical and Vocational Education and Training (TVET) programme will be launched with the objective of training and developing technicians required in the Oil and Gas industry. In addition, a local content legislation for downstream petroleum industry and procurement guidelines for Upstream Sector will be developed. The Ministry will also pursue an Accelerated Oil and Gas Capacity Building Programme in 2018.

520. A new National LPG Promotion Policy was approved by Cabinet. The Policy seeks to abolish the current LPG Marketing model and replace it with the Cylinder Recirculating market model. The policy seeks to consolidate activities in the LPG value chain with the view to reducing Health, Safety, Security and Environmental risks exposure.

521. Mr. Speaker, in 2018, implementation of the cylinder recirculation model will begin with the construction and operation of some LPG Bottling Plants and other infrastructure required for the roll out of the new model. This includes the setting up of cylinder distribution centres and cylinder exchange vendor points.

522. Under the Policy, and through the Recirculation Model, households and commercial users will no longer send their empty cylinders to gas stations for filling but to exchange the empty cylinders for filled cylinders from LPG distribution companies. This arrangement apart from helping to address some of the safety issues will also create business opportunities and jobs for Ghanaians in the LPG value chain. Adequate measures will be put in place to ensure the safety of the transportation and handling of the facility.

National Fuel Quality Policy

523. Mr. Speaker, a National Fuel Quality Policy is being developed to provide the framework for the development of guidelines, standards and regulations on the quality of petroleum products produced or imported into the country. This is also to ensure that the quality of petroleum products sold to consumers do not negatively impact on the environment and the public health of consumers. Implementation of the policy will begin in 2018.

INFRASTRUCTURE SECTOR

MINISTRY OF WORKS AND HOUSING

2017 Performance and Outlook for 2018

Infrastructure Management Programme

524. Mr. Speaker, the coastal protection works at Aboadze and Nkontompo was completed whilst the Adjoa, Blekusu, New Takoradi and Elmina Phase II and Dansoman are at 65 percent, 45 percent, 40 percent and 45 percent complete, respectively. In 2018, the Ministry will commence the construction of Sea Defence Projects at Axim, Cape Coast, Ningo-Prampram, Shama and Mensa Guinea in Accra.

525. The Ministry's drainage improvement projects to solve the perennial flooding and erosion problems affecting most communities at flood prone areas including Akora River Drainage Project at Agona Swedru, Sakaman Lot 1, Ejura, Tepa and Goaso Lot 1 and 2 are at various stages of completion.

526. In 2018, construction of various reinforced concrete drains will be undertaken in Abuakwa South, Tano North, Subin, Effiduase in Sekyere East District, Okaikoi Central, Asutifi, Hwidiem, Tafo, Tamale, Ofoase-Korkorben, Odorkor, Bodi, Boanim, Dwinase, Asankragua, Nkrankwanta, among others.

Human Settlement and Development Programme

527. Mr. Speaker, to reduce the housing deficit, the Ministry will continue to work on the provision of safe and affordable housing. In this regard, the second phase of the Security Agencies Housing Project comprising 368 housing units for the Ghana Navy was completed and ready for commissioning.

528. In addition, 216 of the affordable housing units at Kpone were allocated to the Ghana Police Service for completion. The stalled Government Affordable Housing Projects at Borteyman-Greater Accra and Asokore-Mampong, Kumasi were handed over to SSNIT for completion. Work resumed at the Asokore Mampong site for 1,030 housing units and the project is progressing steadily.

529. In addition, the first phase of 5,000 housing units at Saglemi–Old Ningo for 1,502 housing units is 75 percent complete. In 2018, about 10,000 housing units of various types shall be executed in all the regional capitals of the country.

MINISTRY OF ROADS AND HIGHWAYS

2017 Performance and Outlook for 2018

Road Rehabilitation and Maintenance Programme

530. Mr. Speaker, the Ministry maintained its focus on routine and periodic maintenance activities to protect the huge investment made by government in the provision of road infrastructure. Routine maintenance were undertaken on 10,250km of the trunk road network, 10,679km feeder road network, and 7,200km urban road network.

531. In addition, periodic maintenance activities, comprising re-gravelling, spot improvement and resealing works were carried out on 199km, 205km and 295km on the trunk, feeder and urban road networks, respectively. Periodic maintenance activities on the urban roads mostly focused on resealing and asphalt overlay works which saw 100km of roads asphalted in Tema and Accra.

532. Minor rehabilitation works covering minor upgrading, construction of culverts and drainage structures were carried on 47km for trunk roads, 313km on the feeder and 26km urban road networks.

533. Mr. Speaker, in 2018, the Ministry will undertake 11,900km, 22,500km and 6,500km of routine maintenance activities on trunk, feeder and urban road networks, respectively. In addition, periodic maintenance activities which include spot improvement, re-gravelling, resealing, asphaltic overlay, partial reconstruction, maintenance of bridges will be undertaken. This will cover 36km, 500km, 400km of periodic maintenance activities on trunk, feeder and urban roads, respectively.

534. In addition, the Ministry will undertake minor rehabilitation works on 100km of trunk roads, 300km of feeder roads and 60km of urban roads.

Road and Bridge Construction Programme

535. Mr. Speaker, the development activities undertaken include rehabilitation, reconstruction, upgrading and construction of bridges. The details of progress on some of the projects are shown in table 22:

Table 22: Details of progress on road projects, 2016-2017

Project	2016	2017
Nsawam - Apedwa Road, Kwafokrom – Apedwa	77%	87%
Tarkwa Bogoso-Ayamfuri	96%	100%
Agona Junction – Elubo	98%	100%
Ayamfuri – Asawinso	92%	97%
Wa – Han	58%	74%
Kansaworodo Bypass Phase 3	0%	30%
Kasoa Interchange and Ancillary Works	58%	100%
Dualisation of Ho Main Road	0%	21%
Construction of Ho Bypass	9%	67%
Bolgatanga-Bawku-Polmakom	0%	13%
Nkwanta-Oti Damanko (Km0 -50)	35%	39%
Nkwanta-Oti Damanko (Km50-62.3)	13%	35%
Berekum-Seikwa	81%	88%

536. In 2018, Some of the key roads programmed for continuation include:
- Construction of Bridge on the Volta River at Volivo
- Nsawam - Apedwa Road(Kwafokrom – Apedwa Road)
- Tamale – Yendi Road
- Bolgatanga – Bawku - Polmakom
- Nkwanta - Oti Damanko Road
- Oti Damanko - Nakpanduri Road
- Berekum – Seikwa Road
- Enchi - Dadieso Road
- Kasoa Interchange and Ancillary Works
- Dualisation of Ho Main Roads
- Construction of Ho Bypass
- Construction of Pokuase Interchange
- Kumasi Roads and Drainage Extension Project

537. In addition, the Ministry will construct 1No. bridge on a trunk road, 24No. feeder roads and 3No. urban road networks as well as undertake 30No. engineering studies.

Road Safety and Environment Programme

538. Mr. Speaker, the Ministry pursued the implementation of the Law on Axle Load Limit as stipulated in the Road Traffic Regulation LI 2180. The implementation of the axle load programme over the years resulted in the significant decrease in the incidence of overloading which currently stands at 10 percent.

539. In addition, 30No. road warning signs, 5km line markings, 17km vegetation control were completed. Similarly, 29km of pedestrian crossing, 33No. Speed humps, 9No. Traffic Signals were also installed.

540. In 2018, the Ministry will install 20No. traffic signals and maintain 350 No. of installed signals. 150No. road safety hazard sights are expected to be treated. Overloading is also expected to be kept below 6 percent.

Road Financing

541. Mr. Speaker, the Ministry's Public Private Partnerships (PPP) programme for the financing, construction and management of road infrastructure is progressing steadily. Three projects are at difference stages of preparation:

542. Accra – Takoradi: The update of Pre-feasibility studies on this project will be completed in November, 2017. Thereafter, the full feasibility will commence and be completed in 2018 to enable procurement process to begin.

543. Accra – Tema Motorway: The feasibility studies for Accra-Tema motorway which includes sections of the N1 (Apenkwa – Tetteh Quarshie), N6 (Accra – Nsawam) and N2 (Tema Roundabout– Afienya is in progress).

544. Mr. Speaker, the Request for Qualifications from potential developers will be issued in November, 2017 followed by the Request for Proposals in February, 2018.

545. Accra – Kumasi Dualization: The Transaction Advisor will commence an update of the feasibility study and restructure the project for potential developers.

546. The Anwiankwanta-Obuasi road project will commence in 2018 as one of the priority roads of government.

547. In 2018, the Ministry will continue the maintenance of road asset to protect the huge investment made in the provision of the road infrastructure, improve road maintenance financing by implementing electronic tolling of roads to improve revenue generation into the road fund for the maintenance of the road network and Axle Load Control to reduce the overall maintenance budget for the road infrastructure.

MINISTRY OF SANITATION AND WATER RESOURCES

2017 Performance and Outlook for 2018

Water Management Programme

548. Mr. Speaker, the Ministry through the Water Resources Commission (WRC) undertook public awareness and education campaigns to sensitize the public on the proper use of water resources. Over 170 water managers and practitioners in 18 districts in the Central, Northern, Upper East, Upper West and Volta regions were trained on water conservation and protection.

549. The Dam Safety Regulations LI 2236 was adopted to support the development, management, commissioning and decommissioning of diverse water storage facilities throughout the country and is expected to enhance the implementation of the "One-Village-One-Dam" initiative. In addition, the Ministry continued with the management of the 10.2km buffer zone created in the White Volta basin to protect, conserve and sustain fresh water resources. In 2018, the Ministry will ensure the continuous implementation and enforcement of the buffer zone policies.

550. Mr. Speaker, the fight against illegal mining (Galamsey) resulted in improvements in water quality according to data available. The Flood Early Warning System (FEWS) was improved to aid accurate flood forecasting in the White Volta basin in the course of the year. This led to the development of a new FEWS for the Oti Basin to serve as a trans-boundary model for both Ghana and Togo.

551. The Ministry commissioned the Wa Water Supply Project and completed the Cape Coast Water Supply Project, Essakyir Water Supply Project - Addendum 1, Akim Oda, Akwatia and Winneba Water Supply Project.

552. The Ministry also brought to closure the implementation of the initial Phase of the World Bank supported Sustainable Rural Water and Sanitation Project. The Phase 1 and 2 of the STRABAG Project (Five District Water Supply Scheme) was completed as well as the Akrokeri Water Project in the Ashanti Region.

553. Mr. Speaker, in 2018, the Ministry through Community Water and Sanitation Agency will implement Phase 2 of the Sustainable Rural Water Supply Project, which will lead to the construction of about 50 small town water pipe schemes and over 300 boreholes.

554. In addition, expansion works in Kpong Water Supply Expansion Project – Phase 2, Aqua Africa Water Project, Yendi Water Project, Damongo Water Project, Tamale Water Supply Project, Sunyani Water Project, Sekondi-Takoradi Water

Project, Essiama Water Project, Navrongo Water Supply Project will be undertaken.

Sanitation Management Programme

555. Mr. Speaker, six unauthorized dump sites in the Accra Metropolis were evacuated and plans for solid and liquid waste management developed. In 2018, the Ministry will acquire and develop material recovery sites such as waste transfer stations and final disposal sites in every region to ensure the sorting and temporary holding of solid waste prior to treatment at the waste processing plants.

556. The Ministry expanded the Community Led Total Sanitation (CLTS) programme to include 200 additional communities and developed draft guidelines on the sanitation brigade concept.

557. In 2018, the Ministry will continue the roll out and implementation of the Total Sanitation Campaign to make Accra and all regional capitals clean and continue with the reduction of open defecation in selected communities by providing 200,000 household toilets and 20,000 Institutional latrines through the 'Toilet for All' agenda.

MINISTRY OF COMMUNICATIONS

2017 Performance and Outlook for 2018

ICT Infrastructure Development Programme

558. Mr. Speaker, to accelerate growth of the nation's economy and competitiveness, the Ministry acquired a land at Dawa to construct the ICT Technology Park to create an entrepreneurial and innovative culture.

559. In 2018, the Ministry will undertake the construction of the ICT Park to promote Research and Development and entrepreneurship among the youth. The Park will provide a multi-tenant facility and infrastructure to meet the needs of interested tenants.

560. Mr. Speaker, the three phases of the Digital Terrestrial Television (DTT) Network project were completed with six sites in Greater Accra and Ashanti Regions, 16 sites in Volta, Northern, Upper East and Upper West Regions and 20 sites in Brong-Ahafo, Eastern, Central and Western Regions.

561. In 2018, the Ministry will ensure the smooth process of migration from analogue to digital television transmission. In addition, it will monitor the digital television

transmission service nationwide before analogue switch-off. The sensitization and public education campaign nationwide will also be intensified.

562. To build confidence and protect the use of electronic communications for national development, the Ministry launched National Cyber Security in October. In 2018, it will continue with the implementation of the National Cyber Security Policy and Strategy plan by establishing the National Cyber Security Centre and also facilitate the re-delegation of the Ghana Domain Name Registry.

563. Mr. Speaker, the National Digital Addressing System was launched and implementation started. In 2018, the Ministry through Ghana Post will continue with the implementation of the System to develop postal codes to feed into the National ID system and also make it mandatory to use Ghana Post as the preferred government agency for address verification.

564. The Accra Digital Centre was established to accommodate IT-Enabled Services/BPO companies and provide job opportunities and also nurture digital entrepreneurs. In 2018 the Centre will accommodate 100 start-up companies to commence operations. The companies will include Technology start-ups and Non-Technology start-ups. Consideration will be given to women and individual start-ups from deprived communities.

565. Mr. Speaker, in 2018, the Ministry through Ghana Investment Fund for Electronic Communications (GIFEC) will pursue the implementation of the digital for inclusion (D4I) programme in 50 districts across the country. The programme will provide points of presence for internet access and use of digital financial services in the communities. GIFEC will also establish 400 telephony sites to provide voice signals in underserved and unserved communities where coverage is limited or non-existent.

ICT Capacity Development Programme

566. Mr. Speaker, to enhance creativity and innovation, 400 girls from 50 selected Junior High Schools from four districts within the Brong-Ahafo region participated in ICT capacity building programme. In 2018, the Ministry will celebrate the 'Girls in ICT' by training 500 girls from various educational institutions in digital entrepreneurship programme, digital skills and smart phone usage, basic digital entrepreneurship and social media for marketing.

567. The Ghana-India Kofi Annan Centre of Excellence in ICT will aggressively focus on research, development, and capacity building in Information and Communication Technology. The Ministry will also facilitate the passage of the KACE Bill to give it the needed mandate to operate as an autonomous institution.

568. Following the completion of the 780km Eastern Corridor fibre optic project linking Ho to Bawku and Yendi to Tamale, the Ministry supported National Information Technology Agency (NITA) to extend the fibre link to Accra to provide high-speed internet services to areas stretching from Legon-Madina-Tema.

569. Mr. Speaker, in 2018, the Ministry will complete the commercialisation of 50 percent of the public infrastructure managed by NITA to raise the needed revenue to maintain, expand and improve upon its operations for MDAs and MMDAs.

570. To improve our infrastructure and enhance digital inclusion, the Rural Telephony Project of the Ministry will extend mobile network services to all areas where access is currently unavailable, and where existing licenced operators are unwilling or unable to provide services for commercial or other constraints. The ultimate objective of this is to achieve 100 percent network coverage throughout Ghana.

571. The Ministry completed and commissioned 20 e-Community Information Centres (CICs) and intends to construct 20 more facilities in under-served areas across the country that suffer from low connectivity, interconnection difficulties, high cost of access and lack of ICT services. The CICs will be operationalised, along with Post Offices and equipped as e-Services Centres to spread the benefits of digitisation throughout the country.

Meteorological Services Programme

572. Mr. Speaker, the Ghana Meteorological Agency installed 18 Automatic Weather Stations in the Volta, Central, Western, Greater Accra and Eastern Regions to enhance weather forecasting. In 2018, the Ministry will facilitate the acquisition of radar and other equipment to improve weather reporting.

573. In addition, the Agency through the Ministry will facilitate the passage of the following: GMET Amendment Act by Parliament to empower the Agency increase the generation of revenue; certification and implementation of Quality Management System (QMS); installation of Automatic Weather Observatory Systems in Tamale to meet International Civil Aviation Organization (ICAO) and World Meteorological Organization (WMO) standards.

MINISTRY OF RAILWAYS DEVELOPMENT

2017 Performance and Outlook for 2018

Railway Development and Services Programme

574. Mr. Speaker, the construction of the sub-urban railway line from Sekondi to Takoradi via Kojokrom which consist of 10.1km double track and 4.5km single track lines was completed. This led to the re-introduction of rail passenger services with two sets of Diesel Multiple Unit (DMU) trains.

575. In addition, the detailed design for the part of the Western Line (from Kojokrom-Kumasi) commenced and procurement for further works for the continuation of the construction works from Kojokrom to Eshiam is in progress.

576. Mr. Speaker, in 2018, works for the development of the Western Line (Kojokrom-Kumasi with branch lines to Dunkwa-Awaso-Nyinahin) will continue.

577. The Ministry commenced work on the 85km railway line from the Tema Port to link the Volta Lake via the Akosombo Port, as part of a multi-modal transport system to facilitate the transfer of containerized cargo by rail to and from the Tema Port. In 2018, the Ministry will continue the construction of the Tema – Akosombo rail line.

Railway Investment Management Programme

578. Mr. Speaker, feasibility Studies for the development of the Eastern Railway Line and the Boankra Inland Port on a PPP basis was completed and approval granted. The Ministry is in the process of procuring a strategic investor(s) for the project.

579. In 2018, the Ministry's Railway Master Plan developed in 2013, will be reviewed and new rail line extensions incorporated to guide railway development. In addition, the Ghana Railway Act, 2008 (Act 779) will be reviewed and the Ghana Railway Development Authority re-structured into an Infrastructure Authority and a Regulatory Authority to strengthen the Railway Sector.

MINISTRY OF TRANSPORT

2017 Performance and Outlook for 2018

Maritime Services Programme

580. Mr. Speaker, to increase the capacity of the Ports through the provision of more berths and increased draft to enable them take bigger vessels and also improve vessel turn-around time, the Ministry continued with the Tema and Takoradi Ports Expansion. The construction of a new container terminal at the Tema Port

is on-going. Also, the dredging, reclamation and construction of Breakwater and container Terminal at the Tema Port commenced. Construction of Dry Bulk Jetty at Takoradi Port is 60 percent complete.

581. To improve efficiency at the Ports, the Ministry introduced paperless transaction system at the Ports. The implementation of the paperless system significantly reduced transaction time and increased revenue from the Ports.

582. Mr. Speaker, to provide access and efficient delivery of health services within the Tema Community, a one-stop referral Medical Centre of excellence with 130 bed capacity is almost completed to serve the Port's Community and the General Public.

583. In order to improve lake transportation services on the Volta Lake, a phased programme was designed for rehabilitation and re-construction of the ferry landing sites at Dambai, Agordeke and Yeji. In 2018, a programme of seafarers' employment will be launched to give opportunity for new and existing seafarers without employment to be refreshed to enable them seek employment on board vessels.

Road Transport Management Programme

584. Mr. Speaker, the Government Technical Training Centre (GTTC) in collaboration with the Private Sector trained 415 drivers including 77 Bus Rapid Transit (BRT) drivers, 285 MMT drivers and 53 drivers from Corporate Institutions.

585. As part of an overall strategy to improve road safety, particularly among the most vulnerable group which includes children, 850 sites were identified nationwide for the provision of road crossing aids (Lollipop stands) for safe crossing. The National Road Safety Commission (NRSC) will ensure compliance with road safety recommendations with the passage of a new bill in 2018.

MINISTRY OF AVIATION

2017 Performance and Outlook for 2018

Aviation Facility Management Programme

586. Mr. Speaker, the expansion and refurbishment of the arrival hall (Terminal 2) at the Kotoka International Airport (KIA) was completed. The construction of a new terminal (Terminal 3) is about 57 percent complete and is expected to handle up to 5 million passengers per annum to address congestion and ensure passenger comfort. The project is expected to be completed in 2018.

587. To open up the country for socio-economic activities, the construction of Greenfield airports and rehabilitation of existing ones are in progress. In this regard, the first Phase of the construction of a new airport in Ho is currently about 87 percent complete. The project is expected to be completed in 2018.

588. Rehabilitation works on the Wa Aerodrome including the conversion of a building to serve as a terminal building was completed. It is expected that the facility will become operational in the first quarter of 2018 after the installation of navigational equipment.

589. Mr. Speaker, in 2018, the Ministry will commence the construction of a new terminal building, extension of the existing runway and other ancillary facilities at the Kumasi Airport.

590. The Phase II works of the Tamale Airport which involves the construction of a modern airport terminal building with approximately 5000m2 Hajj Terminal, access road, Air Traffic Control Tower, Fire Station and other ancillary facilities received Parliamentary and Cabinet approval and will commence in 2018.

Aviation Regulation and Safety Operations Programme

591. Mr. Speaker, the Ghana Aviation Training Centre continues to provide professional development of the human resource capacity of the industry in the sub-region especially in the areas of Air Traffic Control, Aviation Safety and Security, Aviation English Proficiency and Aviation Management. Currently, personnel from Benin, Liberia, Nigeria, Gambia and Sierra Leone have benefitted.

592. An ultra-modern Air Navigation Services Centre currently under construction is 20 percent complete and is expected to be completed in 2018.

593. Mr. Speaker, installation of critical equipment is ongoing to enhance navigation and safety of aircraft and related operations at various airports. Among these are the supply and installation of New Control Tower at Wa aerodrome (40 percent), installation of Instrument Landing System (ILS) at Tamale Airport (95 percent) and Air Traffic Management (ATM) system upgrade at KIA (85 percent).

SOCIAL SECTOR

MINISTRY OF EDUCATION

2017 Performance and Outlook For 2018

Management and Administration Programme

594. Mr. Speaker, to improve the quality of basic education and equip the Ghanaian child with basic literacy, numeracy and critical thinking skills, by the time they exit primary education, the Ministry of Education commenced the process for the review of the basic level curriculum to emphasise on the 4 R's (Reading, wRriting, aRithmetic and cReativity).

595. In 2018, the Ministry will complete work on the curriculum reform, define national pupil standards in literacy, numeracy and creativity. In addition, the common national assessment system will be implemented to measure pupil achievement against set benchmarks.

596. In accordance with the Education Act 2008, (Act 778) government is implementing measures to ensure Continuous Professional Development (CPD), improve the professional standing of teachers through registration and licensing under the Pre-Tertiary Teacher Professional Development and Management (PTPDM) Scheme.

597. Mr. Speaker, the National Teaching Council (NTC) engaged various stakeholders including the Teacher Unions, Colleges of Education, Directors of Education, Ghana Education Service (GES) management, Universities and Development Partners to finalise the policy and develop a National Teacher Standard, Kindergarten (KG) Teacher's INSET Framework, and an Inclusive Education INSET Manual for implementation.

598. Under the Pilot Phase of the PTPDM in five districts, the National Teaching Council issued 15,500 registered numbers to Newly Qualified Teachers, 14,200 from Colleges of Education and 1,300 teachers from Education Universities.

599. Mr. Speaker, in 2018, the NTC will extend implementation of the policy to cover the entire country and also embark on a series of activities to license teachers. In addition, guidelines will be issued to Continuous Professional Development (CPD) providers and the content for CPD INSET programmes at the pre-tertiary level will also be developed.

600. Cabinet approved the National Teacher Standards (NTS) for pre-service teachers and the National Teacher Education Curriculum Framework (NTECF) that leads to a new curriculum and a new 3+1 year Diploma.

601. Mr. Speaker, in line with government's goal of strengthening accountability in schools for quality learning outcomes, the National Inspectorate Board (NIB) visited 1,799 basic schools in 63 districts. The Board is also reviewing the quality indicators for school inspection and the guidelines for inspectors to make them meet international standards. In addition, the new Education Bill will give them the mandate to license and accredit both public and private pre-tertiary institutions.

602. In 2018, the Board will inspect at least five percent of public schools and establish the quality of leadership, teaching and learning outcomes, and school and community relationships to come out with a composite report to inform policy decision making in the education sector.

603. As part of the Ministry's legislative agenda to ensure an effective and efficient regulatory system for the pre-tertiary education, approval was given by Cabinet for the Pre-Tertiary Education Bill. The Bill proposes the devolution of the management of Basic Schools to the Assemblies and management of Senior High Schools at GES and Ministry of Education (MoE) Headquarters. In 2018, the draft Bill will undergo additional stakeholders' consultation under the auspices of the Parliamentary Select Committee on Education.

The National Service Scheme

604. Mr. Speaker, the National Service Scheme continues to build a strong and vibrant enabling environment to provide opportunities for young people to participate in national development, and inculcate the consciousness of civic duty and the spirit of patriotism. In this regard, the number of service personnel deployed by the National Service Scheme for the 2017/18 service year increased from 78,939 in 2016/17 to 103,343. This shows an increase of 31 percent over the previous service year.

605. The Scheme acquired and cultivated new farm lands covering a total of 240 hectares in Yagaba in the Northern Region for the cultivation of maize and a total of 1,200 hectares in Gomoa Lome in the Central Region under its agricultural module. In addition, the Scheme is also reviving and expanding its existing crop and animal husbandry farm projects as well as establishing new farm projects across the country to enhance its Youth in Agriculture Programme now called the "National Services Scheme Planting for Food and Jobs Programme".

Basic Education Programme

606. Mr. Speaker, the number of basic schools (both public and private) increased at all levels. KGs increased from 22,052 to 23,239, Primary from 22,289 to 23,489 and Junior High Schools from 14,767 to 15,804 representing 5.4 percent, 5.4 percent and 7 percent, respectively between 2015/2016 and 2016/2017

academic years. During the period, total enrolment at the basic level increased from 7,736,145 to 7,778,842 representing 0.55 percent.

607. Government released funds for the payment of all outstanding Capitation Grant from the previous academic year to public basic schools. In fulfilment of government's promise to make basic education free and ensure participation by all, the Capitation Grant was increased by 100 percent from GH¢4.50 per capita to GH¢9.00.

608. Mr. Speaker, starting from this academic year, government introduced the Base Grant in the disbursement of Capitation Grant to ensure equity for all schools. In this connection, funds were released for disbursement equally to 14,432 public KGs, 14,923 public Primary and 10,382 public Junior High schools for the first term of the 2017/18 academic year.

609. In 2018, government will continue to alleviate the plight of parents and improve the management of public basic schools with the Capitation Grant. A projected number of 6,371,975 pupils from public basic schools are expected to benefit from the Capitation Grant.

610. Mr. Speaker, Government absorbed 70 percent of the 2017 BECE registration fees as subsidies for all registered candidates in both public and private JHSs. In 2018, government will absorb 100 percent BECE registration fees for registered candidates from only public Junior High Schools.

611. The implementation of the Complementary Basic Education (CBE) Programme is in its fourth cycle. The programme is operational in 43 districts in the three Northern Regions, Brong Ahafo and Ashanti Regions. In addition, access was provided to 182,652 out-of-school children over the last four-years (2013/14-2016/17) with 49.4 percent female participation. The CBE recorded a cumulative completion rate of 67 percent of which 92 percent have transitioned to formal school system.

612. Mr. Speaker, in 2018, the CBE Programme will be expanded to 14 more districts to benefit an estimated 40,000 out-of-school children. As part of the preparation for the GES to take over the project after its completion in 2018, the GES is piloting the CBE in 20 districts.

613. To further enhance the provision of quality education at the basic level, a total of 350,000 Class Attendance Registers, 230,000 Teacher's Note Books and 2,400,000 boxes of white chalk were distributed to public basic schools across the country. In 2018, the Ministry will provide 25.2 million pieces of assorted exercise books to public basic school pupils in addition to the provision of various basic school establishment supplies.

614. Mr. Speaker, to improve the quality of education, government proposes to introduce the teaching of Science, Technology, Engineering and Mathematics (STEM) in all basic schools. This initiative is intended to strengthen the foundational skills and generate interest in mathematics, science and technology. This is expected to improve upon the current poor performance of pupils at the basic level in these subjects and create a pipeline of science and technology oriented students ready to feed Senior High Schools and help achieve the intended Science: Humanities ratio of 60:40 in our tertiary institutions, which currently stands at 38:62.

615. The Ministry will within the next five years equip approximately 38,715 public basic schools with Science, Technology, Engineering and Mathematics equipment and train over 38,000 basic school teachers in the delivery of STEM. As part of its efforts to improve Science Education, the Ministry will commence the development of 10 Regional STEM centres in 2018.

616. Mr. Speaker, Ghana was approved to host UNESCO's Centre of Excellence in mathematics and allied sciences under the auspices of the Africa Institute of Mathematical Sciences (AIMS).The Institute will cooperate with basic and high education institutions, scientific establishments, public and private institutions for the successful realization of its mission.

617. AIMS Ghana in collaboration with UNESCO will foster the development of activities in STEM education and research areas, including science learning and teaching at national, sub-regional and regional levels. The overarching aim is to reduce the deficit in schooling and foster the blossoming of talented young African Scientists and Mathematicians.

618. Mr. Speaker, Government commenced work on the rehabilitation and reconstruction of 76 dilapidated school structures across the country. In addition, the construction of 80 kindergarten blocks for primary schools without KGs also started.

619. In 2018, the Ministry will continue to work with development partners to rehabilitate 50 school structures and construct an additional 200 KG blocks to further reduce the deficit of primary schools without KGs.

Secondary Education Programme
Free Senior High School Programme

620. Mr. Speaker, implementation of the Free SHS Programme commenced in September with first year students in public Senior High Schools and Technical and Vocational Institutions. Every Ghanaian child who was placed into a public second cycle institution by the Computerized School Selection and Placement

System (CSSPS) during the 2017 school placement is eligible to enjoy the Free SHS.

621. Government absorbed all fees approved by GES Council for 353,053 first year students made up of 113,622 Day students and 239,431 Boarding students. As part of the implementation of the Programme, boarding students are being given three square meals whilst day students enjoy one hot meal each day.

622. In addition, government supplied the full complement of core textbooks, supplementary readers and core English Literature books to all first year students. Government also released subsidy for continuing students in Senior High Schools.

623. Mr. Speaker, in 2018, the implementation of the Free SHS will continue with the second cohort of beneficiaries. Additional infrastructural facilities will be provided to accommodate the increasing enrolment numbers.

624. The Ministry continued with implementation of the Secondary Education Improvement Programme (SEIP) to expand equitable access and improve the quality of education in low performing schools. 86 percent overall progress was achieved on the construction of the 23 new Senior High Schools. In addition, 46 out of the 50 facilities being upgraded under the SEIP were also completed and handed over.

625. As part of measures to improve quality of education in 125 low performing senior high schools, a total of 1,000 Science and Mathematics teachers were trained in modern methods of delivery. In addition, ICT-based instruction for SHS 1 and 2 core-subjects were also rolled out in 70 Senior High Schools through the deployment of the iBox, which is an ICT package containing lesson texts, video, interactive exercises and practical lessons.

626. The project provided scholarships to a total of 10,027 students in the beneficiary schools. All Senior High Schools (both public and private) were mapped and a website portal established to make information on SHSs available online for all stakeholders. (www.ghanaschoolsinfo.org)

627. Mr. Speaker, in 2018, Government will initiate the upgrading of 42 public Senior High Schools into model schools as well as the construction of 180 Canteen Blocks in existing Day Senior High Schools.

628. The strategic goal of Technical and Vocational Education and Training is to make Ghana a world-class center for skills development, a leading country in TVET delivery in Africa. A TVET strategic policy document leading to TVET Bill and the creation of a TVET Service was developed and submitted to Cabinet for approval.

629. The Council for Technical and Vocational Education and Training (COTVET) developed occupational standards for six generic courses namely English, Mathematics, General Science, Entrepreneurship, Interpersonal Studies and ICT for National Certificate I and II.

630. In addition, Competency Based Training (CBT) packages for Electronics and Mechanical Engineering Technology for National Certificate II were developed and 230 Facilitators and Assessors, Internal and External Verifiers trained in CBT Quality Assurance. In 2018, the Ministry will continue with TVET reforms leading to the alignment of public TVET institutions under the Ministry of Education. The construction of 20 modern TVET schools and 10 Regional STEM centers will also commence in 2018.

Non-Formal Education Programme

631. Mr. Speaker, the National Functional Literacy Programme (NFLP) was expanded to reduce illiteracy rate especially in the rural communities. A total of 91,586 learners were registered in 3,982 classes. In 2018, the Ministry will continue with the provision of functional literacy and numeracy education for adults. Training will be given to a total of 112,500 learners in English and Local Language.

Inclusive and Special Education Programme

632. In line with the implementation of the Social Intervention Programmes, funds were released for the payment of Feeding Grant arrears for the 2016/17 academic year. Funds were also released for the payment of Feeding Grant for the first term of 2017/18 academic year to cover over 7,000 pupils in all Public Special Schools.

633. In addition to the Feeding Grant, government will extend the payment of Capitation Grant to cover all Public Special Schools in 2018. As part of its commitment towards providing quality education for all children including those with special educational needs, the Ministry will provide textbooks and other teaching and learning materials to all Public Special Schools across the country.

Tertiary Education Programme

634. Mr. Speaker, Government continued to initiate policies and programmes in the Polytechnics (most now Technical Universities), Colleges of Education and Universities to enhance the capacity of graduates from our tertiary institutions to advance the socio-economic transformation of the country. Reform of teacher training and consideration of the legal and regulatory environment within the tertiary space were prioritised.

Teacher Trainee Allowance

635. Mr. Speaker, Government restored the Teacher Trainee Allowance covering over 49,000 trainees from 41 public Colleges of Education for the 2017/18 academic year. In addition, funds were released for the payment of outstanding Feeding Grant to all Public Colleges of Education for the 2015/16 and 2016/17 academic years. In the 2017/18 academic year, a projected number of over 52,000 Trainees will benefit from the allowance.

636. The review of curriculum and the setting of teacher standards in Teacher Training Institutions were completed and the document on Transforming Teacher Education and Learning (T-Tel) approved by Cabinet. In 2018, the Ministry will continue with the Teacher Training Reforms leading to the upgrade of the Colleges of Education into campuses of existing Public Universities to make them degree awarding institutions.

637. A report was submitted for the enactment of a law to establish a unified Commission for Tertiary Education to deal with policy formulation, implementation and accreditation, among others. In 2018, the Ministry will begin implementing recommendations that will reform university accreditation and affiliation policies towards introducing equity and fairness in the setting up of public and private universities.

638. Mr. Speaker, to strengthen governance and improve efficiency of education service delivery, the National Films and Television Institute (NAFTI) Bill is being reviewed to convert the Institute to a full fledge university under the Ministry of Education. Also, the College of Technology Education (COLTEK) of the University of Education, Kumasi Campus will be converted into a University for Technical and Vocational Education and Training.

639. An international conference on technical education will also be held where reports will be heard from technical universities in Africa and other part of the world to help chart the path for technical university education in Ghana. Amendment will be made to the Technical Universities Act, to complete the conversion of Tamale and Cape Coast Polytechnics to Universities.

MINISTRY OF EMPLOYMENT AND LABOUR RELATIONS

2017 Performance and Outlook for 2018

Management and Administration Programme

640. Mr. Speaker, the Ministry validated and finalised the Labour-Intensive Pubic Works (LiPW) Policy to aid the mainstreaming of Labour-intensive intervention into the MDAs and MMDAs plans for job creation and local economic

development. In addition, the second National Plan of Action (NPA II 2017-2021), which provides a coordinated framework for the Elimination of Worst Forms of Child Labour was developed and submitted to Cabinet.

641. The Ministry revised the Occupational Safety and Health (OSH) Policy and the corresponding Bill to serve as a central authority for the management of OSH issues in all sectors for Cabinet approval. Stakeholder consultations were also organised on the Ghana Cooperatives Bill aimed at revitalizing and transforming the system to make cooperative societies more proactive and business oriented.

642. The second National Plan of Action (NPA II 2017- 2021), which provides a coordinated framework for the Elimination of Worst Forms of Child Labour, was developed and submitted to Cabinet.

643. Domestic Workers' Bill, which seeks to protect the right of domestic workers' was revised and submitted to the Attorney General's Department. In 2018, the Ministry will develop a comprehensive National Labour Migration Policy to facilitate labour migration and protect Ghanaians who embark on work related foreign travels.

Job Creation and Development Programme

644. Mr. Speaker, a total of 107,115 young persons were engaged under the Youth Employment modules. This was made up of 62,115 Youth Employment Agency (YEA) modules and 45,000 Youth in Sanitation module being implemented by MMDAs.

645. In 2018, the Youth Employment Agency will increase its enrolment levels from 62,115 to 120,000.

646. The Department of Cooperatives facilitated the formation of 220 new co-operative societies and audited 201 existing ones. The Ghana Cooperatives Council also trained 80 farmer groups while Ghana Cooperatives College on the other hand trained 61 cooperative officers. In 2018, the Cooperatives Bill will be passed into law and 1,200 cooperative societies with an estimated membership of 24,000 registered.

647. Mr. Speaker, the Labour Department through the national employment services facilitated placement of 16,238 jobseekers who registered with its Public Employment Centres (PECs) and Private Employment Agencies (PEAs). Whereas the PECs placed 6,345 out of the 11,856 registered jobseekers, PEAs also placed 9,893 out of 10,800. About 90 percent of persons placed by the PEAs were linked to international migration jobs before the ban against foreign recruitment.

648. The Ministry, in collaboration with relevant stakeholders developed a National Youth Employment Framework. In 2018, the Ministry will collaborate with stakeholders to develop specific programmes and projects in the areas of Agribusiness, Green Jobs, Industrial Parks, Business Incubation, ICT, Apprenticeship and Skills Development. These interventions are expected to generate 65,000 job opportunities for the Youth.

Skills Development Programme

649. Mr. Speaker, the Technical and Vocational Skills Training Institutions under the Ministry; National Vocational Training Institute (NVTI), Opportunities Industrialisation Centres-Ghana (OIC-G), Management Development and Productivity Institute (MDPI) and Integrated Community Centres for Employable Skills (ICCESS) trained 7,639 youth in various vocational trades and Management Development and Productivity programmes. The NVTI also tested 35,051 vocational skills, registered 1,057 master craft persons, 2,007 apprentices and accredited 170 Master Craft persons.

650. In 2018, the three Technical and Vocational Training Institutions will together train 8,000 person in various vocational trades. NVTI will test and certify 45,000 vocational skills candidates. MDPI will train 1,400 persons from all sectors of the economy in managerial and productivity enhancement skills and develop national productivity index.

Labour Administration Programme

651. Mr. Speaker, the Labour Department conducted 110 workplace and establishment inspections, registered 30,059 job seekers, placed 729 in gainful employment, issued 31 Collective Bargaining Certificates and resolved 84 labour complaints.

652. In 2018, the Department will conduct 350 establishment inspections and place 4,000 job seekers in gainful employment. Sensitisation and public awareness creation on the Ghana Labour Market Information System (GLMIS) will be intensified to get all stakeholders on board and the system will be made functional. The Department will also resolve at least 90 percent of all reported labour complaints.

653. The Department of Factories Inspectorate inspected 611 workplaces, registered 78 new ones, renewed 625 certificates and addressed 84 out of 100 complaints received.

654. Mr. Speaker, the Fair Wages and Salaries Commission (FWSC), in collaboration with the Public Service Joint Salaries Negotiation Committee (PSJSNC), negotiated the National Daily Minimum Wage (NDMW) for 2018 at GH¢9.68 and

2018 Base Pay and Pay Point Relativity (BPPPR) ahead of the appropriation of the 2018 budget.

655. The Commission, in partnership with other stakeholders will complete negotiations of NDMW and BPPPR before the appropriation of the 2019 Budget in accordance with the Public Financial Management (PFM) Act, 2016 (Act 921). The Commission will continue to monitor payroll of all institutions migrated onto the Single Spine Salary Structure (SSSS) and re-evaluate 200 jobs in the public service.

656. Mr. Speaker, the National Pensions Regulatory Authority (NPRA) licensed 952 Trustees, registered 98 Pensions Fund Managers and Custodians, and organised 33 pension sensitisation programmes.

657. The Authority will license 1,128 Trustees, register 78 Pensions Fund Managers and Custodians, and organise 55 pension sensitisation programmes across the country. A minimum of 250,000 informal economy operators will be sensitised to enrol on 3rd Tier Pension schemes.

658. The Ministry will establish the National Occupational Safety and Health Authority (NOSHA) for the harmonisation of all workplace safety and health issues, following the passage of the National Occupational Safety and Health Bill into law by Parliament.

MINISTRY OF YOUTH AND SPORTS

2017 performance and outlook for 2018

Management and Administration Programme

659. Mr. Speaker, the Ministry facilitated the qualification of the Senior National Football Team, the Black Stars to the 31st edition of the African Cup of Nations Tournament that was held in Gabon. The Black Stars placed fourth at the tournament whilst the Black Stars 'B' beat Nigeria to win the 2017 WAFU Cup of Nations Tournament hosted by Ghana. The Black Starlets also placed second in the African U-17 Youth Championship held in Gabon.

660. In 2018, the Ministry will continue the process of passing the Legislative Instruments of the National Youth and Sports Act, pursue the enactment of the draft National Sports College Bill and create a Sports Fund to improve sports development in the country.

661. In addition, the Ministry will facilitate the Black Stars preparation in the qualifiers to the 2019 African Cup of Nations Tournament in Cameroon and the Satellites

qualification and participation in the 2018 U-20 African Cup of Nations Tournament. Ghana will host and participate in the 2018 African Women Championship. The Black Princesses will be supported to qualify and participate in the FIFA U20 Women's World Cup Tournament in France. The Ministry will also facilitate the qualification and participation of the Black Maidens in the FIFA U17 Women's World Cup in Uruguay.

Youth Development Programme

662. Mr. Speaker, the National Youth Authority launched the STEP (Steps Towards Employment and Productivity) Project which aims at equipping 5,000 young persons between the ages of 15 and 35 with artisanal skills. The Authority organised a coaching and mentorship programme for 250 students from selected Senior High Schools in Accra and also provided skills and vocational training to 1,558 trainees at the 11 Youth Leadership and Skills Training Institutes (YLSTIs).

663. The Authority hosted and facilitated the establishment of the West Africa Secretariat of the Commonwealth Alliance of Young Entrepreneurs (CAYE-WA) whose activities revolve around formulating national entrepreneurship strategy for member countries; optimizing the regulatory environment on entrepreneurship; enhancing entrepreneurship education and skills development; facilitating technology exchanges and innovation; improving access to finance and promoting awareness and networking.

664. In 2018, Mr. Speaker, the Authority will implement the STEP Project under the Informal Youth Enterprise Development Programme and also commence the development of a National Youth Work Policy and Licensing. The Authority will establish Youth in Sports Development Programme to create a platform for the youth to contribute to sports development.

665. In addition, the Authority will facilitate the establishment of the Ghana Youth Federation per the National Youth Authority Act 2016, (Act 939) and hold Advocacy Seminars with relevant stakeholders to push for youth development especially the vulnerable and socially excluded among others. The Authority will facilitate the establishment of Districts, Regional and National Youth Parliaments as well as the organisation of the annual Youth Patriotism Lectures.

Sports Development Programme

666. Mr. Speaker, to unearth young and budding talents, the Authority revived and organised the National Sports Festival in Kumasi in Ashanti Region and supported a number of sports Associations and Federations to participate in various international and local competitions.

667. The National Sports College hosted the GFA License C and B Soccer Coaching Courses in which 70 Coaches participated in the License C and 69 for the License B Courses.

668. In 2018, the National Sports Authority will prepare and participate in Buenos Aires Youth Olympic Games in Argentina, the African Youth Games in Algeria and the Commonwealth Games in Australia. In addition, the National Sports Festival will be organised to hunt and nurture young sports talents.

669. The National Sports College, Winneba will continue to nurture the soccer and tennis academy players and prepare them for the National Teams and also organise professional training courses for the technical workforce in the sports industry.

MINISTRY OF CHIEFTAINCY AND RELIGIOUS AFFAIRS

2017 Performance and Outlook for 2018

670. Mr. Speaker, the Ministry organised two training workshops for Paramount Queen-mothers in the Eastern, Greater Accra and Central Regions to sensitise them on the Chieftaincy Act 2008, Act 759 and the Child Protection Policy.

671. A draft Legislative Instruments in respect of Lines of Succession to Stools and Skins and Membership of Regional Houses of Chiefs was submitted to Ministry of Justice and Attorneys General's Department.

672. In addition, the 2nd edition of the Chieftaincy Bulletin was published and registered 1,511 Chiefs in the National Register of Chiefs. There were also 665 vacation and 846 enstoolments. The Research and Traditional Affairs Committee of the National House of Chiefs processed a total of 173 Chieftaincy Declaration (CD) Forms and recommended 171 out of the 173 forms to the General House for approval to facilitate entry of their names in the National Register.

673. The Ministry organised a sensitisation workshop for Chiefs, Queen-mothers and Opinion Leaders to seek their support in the fight against illegal mining (Galamsey). It also undertook monitoring exercises to galamsey communities in the Western and Central Regions which revealed that the menance has reduced.

674. Mr. Speaker, in 2018, the Ministry will organise sensitisation workshops for traditional authorities on the following: Chieftaincy Act 2008, Act 759; the Local Governance Act 2016, Act 940; and Alternative Dispute Resolution.

675. In addition, the Ministry will organise sensitisation workshops for Traditional Authorities on the dangers of environmental pollution and the need for the

elimination of harmful traditional practices, ascertainment of Customary Law and continuation of the codification of lines of succession to stools and skins

676. The Ministry will carry out research and demarcation of Paramouncies to establish proper and reliable demarcation as well as delineation of Traditional Paramouncies.

MINISTRY OF GENDER, CHILDREN AND SOCIAL PROTECTION

2017 Performance and Outlook for 2018

Gender Equality and Equity Programme

677. Mr. Speaker, the Ghana National Action Plan (GHANAP) on the UN Resolution 1325 on Women, Peace and Security was reviewed. This is to ensure the active participation of women in conflict prevention and resolution, peace and security management as well as negotiation, mediation and crisis management.

678. In 2018, sensitisation and awareness creation programmes will be undertaken to ensure peace during and after the District Assembly Elections. Capacity of women will also be built to effectively mediate in conflict situations for amicable solution.

679. Mr. Speaker, to ensure mainstreaming of the National Gender Policy across all sectors, capacity building workshop was organised for 28 Gender Desk officers from MDAs and 40 officers from MMDAs on the rights, interests and special needs of women and girls.

680. In 2018, the Ministry will continue the training of MDAs and MMDAs on issues of gender mainstreaming into sector plans and policies. In addition, an awareness creation will be carried out through the launch of "He-For-She" Ambassadorial Campaign to encourage the involvement of men in the promotion of gender equality and empowerment.

681. Sensitisation programmes on fistula were organised targeting Chiefs, Queen mothers, traditional rulers, opinion and religious leaders, to create awareness and mark the World Fistula Day.

682. To improve livelihood and pre-employment skills, 400 kayayei were trained. In collaboration with Ministry of Health and other stakeholders, Medical outreach was organised for 500 kayayei in Ashanti Region to meet their health needs.

Child Rights Promotion, Protection and Development Programme

683. Mr. Speaker, the Ministry celebrated the African Union Day, Safer Internet Day and National Children's Day with about 10,000 participants to promote the prevention of violence, abuse and exploitation of children. In 2018, the Ministry will use these calendar events days to create awareness on emerging child protection issues.

684. Operational plans for the Justice for Children and the Child and Family Welfare Policies were consolidated into one for implementation. As part of the implementation of the consolidated policy (Child Protection Policy), a mapping of laws and legislations was undertaken to amend the Children and Juvenile Justice Acts.

Social Development and Protection Programme

685. Mr. Speaker, the Ministry registered 248 Day Care Centres and issued 362 certificates to existing ones. In addition, 184 children in difficult situations and 279 People With Disabilities (PWDs) were provided with family welfare services and employable skills, respectively. In 2018, the Ministry will continue to support family integration, training in employable skills as well as ensure that Day Care Centres conform to the standards set for their operations.

686. The Ministry, under its Livelihood Empowerment Against Poverty (LEAP) programme, conducted five bimonthly LEAP Grant payments and upgraded the LEAP Management Information System to do an automatic payment reconciliation with payment information from Ghana Interbank Payment and Settlement System (GHIPSS) after every payment cycle.

687. Forty Thousand beneficiaries were migrated onto the E-zwich Platform to enhance LEAP grant disbursement. Targeting was completed on 93,000 households and will be enrolled onto the E-zwich platform.

688. Under the Ghana National Household Registry (GNHR), over 70 percent of Biometric Deduplication and Adjudication Platform was completed for Upper West single register. The Ministry also designed and developed Data Sharing Interface that allows access to GNHR data sets for implementation of social programmes. A draft Ageing Bill was prepared to facilitate the promulgation of Aged Persons Law.

Securing Inclusion for Persons with Disability Programme

689. Mr. Speaker, nation-wide registration of PWDs was completed in Central, Greater Accra, Eastern, Western and Upper East Regions. The exercise will be replicated in the remaining regions. The Ministry developed an implementation framework and strategies on mainstreaming disability in plans and programmes of

Metropolitan, Municipal and District Assemblies (MMDAs) to ensure that their concerns are adequately addressed.

Human Trafficking and Domestic Violence Programme

690. Mr. Speaker, the Human Trafficking National Plan was disseminated and the Human Trafficking Fund resourced to cater for victims. A total number of 139 child victims of trafficking and nine adult victims were rescued and are receiving care and protection in various shelters.

691. As part of the implementation of National End Child Marriage Campaign, the Ministry developed a documentary which featured traditional, political and religious leaders, celebrities and survivors of child marriage on seven TV stations and 19 radio stations across the country. Other social media platforms were developed and used to achieve same purpose. In 2018, the Ministry will roll out activities aimed at fully implementing the National Strategic Framework on End Child Marriage.

Ghana School Feeding Programme

692. Mr. Speaker, under the Ghana School Feeding Programme, 1,677,322 pupils in the existing beneficiary schools in all 216 districts were provided with one meal per school day. The Ministry will continue with the implementation of programme in 2018.

693. The Ministry implemented new caterer contracting guidelines which required caterers to purchase food items from local farmers and fishermen. The new guidelines was used to recruit 5,528 caterers.

MINISTRY OF HEALTH

2017 Performance and Outlook for 2018

Management and Administration

694. Mr. Speaker, the Ministry paid GHS 0.6bn out of the total government indebtedness to the National Health Insurance Scheme (NHIS) and this has improved funding and smoothen running of hospitals. In line with government commitment to revive the NHIS, the Ministry setup technical teams to review the recommendations of the NHIS Review report.

695. The Ministry implemented priority activities in the supply chain master plan aimed at improving procurement, distribution and related issues in the health sector. In addition, it developed the warehousing strategy, decentralized storage of health commodities and increased the number of facilities implementing Last Mile Delivery. The target of 50 percent of all health facilities implementing the Last

Mile Delivery was achieved. In line with reducing risk associated with centralizing the bulk of health commodities at the Central Medical Stores, the Ministry decentralized the storage of 50 percent of all health commodities to its regional Medical Stores.

696. Mr. Speaker, in the area of infrastructure, the following were achieved in 2017:

- Construction of classroom blocks for Health training institutions at Sampa, Asankragua, Pantang and Korle-Bu Critical Care and Peri-operative were completed;
- Four District Hospitals are at various stages of completion. These include Kumawu 60%, Fomena 72%, Abetifi 35%, Takoradi European Hospital 50%, and staff residential apartments is about 89 percent complete; Civil works on Second phase of the Tamale Teaching Hospital commenced and at about 55 percent complete;
- Delivery of two Regional and 6 District Hospitals at Wa, Sewua, Salaga, Konongo, Tepa, Nsawkaw, Atomic and Twifo Praso are at various stages of completion; Progress on civil works on the sites stand at about 40 percent at Sewua, 70 percent at Wa, 55 percent at Salaga, 40 percent at Konongo, 71 percent at Tepa, 69 percent at Nsawkaw, 35 percent at Atomic and 35 percent at Twifo Praso;
- Construction of 10 Polyclinics at Bisease, Gomoa Dawurampong, Binpong Egya, Ekumfi Nakwa, Etsii Sunkwa, Biriwa, Akunfude, Jamra Mankrong and Potsin; all in the Central Region, currently the overall progress stands 63%; and
- Construction of five Polyclinics at Oduman, Sege, Bortianor, Ashaiman and Adenta; in the Greater Accra Region is progressing. Current overall progress also stands at 25%. Works on these facilities will continue in 2018 and Phase 2 of Bolga Regional Hospital will commence.

Health Service Delivery

697. Mr. Speaker, in line with the goal of the Ministry to ensure healthy population, malaria case fatality rate reduced from 0.36 in 2016 to 0.22 in 2017. The number of antenatal visits increased from 9,658 to 10,101 between the period January to June 2016 and 2017 respectively. One significant achievement is the increase in the couple year of protection (CYP) from 1,139,409 to 3,646,041 in the periods June 2016 and June 2017 respectively. The percentage of pregnant women attending at least four antenatal visits increased by one percentage points, from 77 percent to 77.1 percent between June 2016 and 2017 respectively. The number of institutional maternal deaths per 100,000 live births reduced from 167.5 in June 2016 to 149.7 in June 2017. However, institutional infant mortality per 1000 live births increased from 5.8 to 7.5.

698. The implementation of the last mile delivery contributed to the increase in performance of tracer drug availability from 92.3 percent in 2016 to 94.8 percent

in June 2017. Considering challenges in funding to the health sector which affected the purchase of vaccines, some immunization indicators in the first half of 2017 were lower than targeted compared to the same period in 2016. The percentage of children immunized by age one fell from 94.4 in June 2016 to 93.7 between January and June 2017. Similarly, percentage of children immunized by age line year for OPV3 fell from 89 to 88.2.

699. The deployment of Mental Health Coordinators at regional and district levels started with Community Mental Health Nurses being deployed to the community level, with the objective of decongesting the national psychiatric hospitals.

700. Mr. Speaker, in 2018, the Ministry will continue to address the vaccines challenges that the country has faced over the last eight years and develop a clear sustainability plan for vaccines and antiretroviral medicines in an anticipation of the GAVI graduation. This will give a traction to the implementation of the policy on HIV Test, Treat and Track (90 90 90) Prevention of Mother to Child Transmission (PMTCT) Option B plus and reduction of Mother to Child Transmission (MTCT) of HIV.

701. To achieve the Ministry's priorities in 2018, the impact of the Health sector activities will be directed at reducing mortality, especially maternal and neonatal, disability and improve quality of life. This will be achieved through increasing access to quality health services and improving efficiency in governance and management of the health system.

Health Trainee Allowance

702. Mr. Speaker, Government restored the Health Trainee Allowance covering 54,840 trainees from 77 Public Health Training Institutions across the country. This covered trainees who successfully completed the registration process with the National Health Insurance Authority and the e-zwich payment system.

Human Resource for Health

703. The training and skill building of the health workforce is primary to the achievement of the goals of the health sector. In this respect, the Ministry approved the recruitment of 15,667 staff, comprising 11,573 nurses, 247 doctors, 1,883 support staff, 938 allied health staff and 14 physician assistants. This has resulted in significant increase in the number of functional CHPS Zones and corresponding increase in the outpatient attendance, the nurse to population ratio and the doctor to population ratio.

Health Sector Regulation

704. Mr. Speaker, Parliament passed the legislative instrument on Tobacco Control Regulations, 2016 (L.I 2247). The Ministry also expanded the list of pharmaceutical products reserved for local manufacturers. The FDA Laboratory

installed and commissioned two new HPLC quality control laboratory equipment to enable the Food Microbiology Laboratory to gain ISO 17025:2008 Accreditation and ISO 9001:2015 Certification.

705. In 2018, government will explore the possibility of granting financial autonomy, "Weaning off" some selected agencies of the Ministry. Comprehensive studies will be undertaken to see which facilities could be rolled on board. In addition, the Ministry in collaboration with other stakeholders will work to develop the medical tourism policy framework and other relevant standards of operations.

NATIONAL COMMISSION FOR CIVIC EDUCATION

2017 Performance and Outlook for 2018

Civic Education Programme

706. Mr. Speaker, Basic schools across the country were visited during the 2017 Citizenship Week celebration and an estimated 2,000,000 pupils were engaged. The Commission also organised a Constitution Spelling Bee competition among some basic schools.

707. The Commission continued to create and increase the awareness of the provisions of the Constitution and how to hold duty bearers accountable.

708. The Commission will continue civic engagements on the restoration of the Ghanaian identity and values, sensitise the public on effects of Early and Forced Marriage and collaborate with the Ministry of Regional Re-organisation and Development to educate the public on the creation of new regions as prescribed by the 1992 Constitution.

NATIONAL LABOUR COMMISSION

2017 Performance and Outlook for 2018

Facilitation and Settlement of Industrial Dispute Programme

709. Mr. Speaker, the Commission resolved 51 percent of all the cases brought before it through facilitation, mediation, arbitration and adjudication services.

710. In 2018, the Commission will embark on the following: sensitise Members of the Bench; Bar and Court Registrars to ensure expedient discharge of the Commission's cases in the law courts; the Parliamentary Select Committee on Employment; Social Welfare and State Enterprises; and engage the informal sector unions on the provisions of the Law regarding management of the employment relationship.

PUBLIC SAFETY SECTOR

OFFICE OF THE ATTORNEY-GENERAL AND MINISTRY OF JUSTICE

2017 Performance and Outlook for 2018

Management and Administration Programme

711. Mr. Speaker, a legal team, with the support of technical experts successfully defended Ghana's Maritime boundary dispute with La Cote D'Ivoire at International Tribunal for the Law of the Sea (ITLOS) thereby, forestalling the loss of potential revenue from the disputed oil fields. In the fight against corruption, the Office of the Special Prosecutor's Bill was drafted and is currently in Parliament.

712. In 2018, the Office of the Attorney-General's Department will operationalise the Office of the Special Prosecutor, review all agreements for MDA's and MMDA's and secure successful convictions in 75 percent of the cases referred to the Office by the Police.

Law Administration Programme

713. Mr. Speaker, the Civil Division of the Attorney-General's Department represented the State in 221 civil cases in various courts across the country, dealt with 208 petitions, 106 International cases and reviewed 75 agreements.

714. The Legislative Drafting Division successfully drafted the Legal Profession (Amendment) Bill, the Legal Aid Commission Bill and Companies Bill, among others. These Bills were submitted to Cabinet for approval.

715. The Public Prosecutions Division initiated criminal prosecutions in 554 cases in various courts across the country. The Division also prepared 225 advices on various dockets and made 72 extradition requests to the International Cooperation Unit.

716. The Council for Law Reporting published 1,000 copies of the 2013-2015 Vol. 1 of Ghana Law Reports. The Vol. 2 of 2013-2015 Ghana Law Reports is camera ready. In 2018, the Council for Law Reporting will publish 500 copies of 2006-2007 Review of Ghana Law and 1,000 copies of 2013-2015 Vol. 2 Ghana Law Reports.

717. The Legal Aid Scheme received 1,675 cases and resolved 762 in various courts across the country. In addition, the Scheme received 7,178 cases and resolved 3,296 using Alternative Dispute Resolution (ADR). In 2018, the Scheme intends to assist 10,730 applicants in court and resolve 5,400 cases through ADR.

718. Mr. Speaker, the Copyright Office carried out a training workshop for stakeholders on Copyrights and related laws. The Office also undertook Anti-piracy activities in the Greater Accra and Ashanti Regions. In 2018, the Copyright Office will embark on 12 anti-piracy activities and 16 sensitisation workshops in Second Cycle Institutions.

719. The Registrar-General's Department registered 66,168 entities and introduced electronic certificates for the registration of businesses. In 2018, the Department envisages to register 67,000 businesses and 3,500 marriages.

Management of Economic and Organised Crime Programme

720. Mr. Speaker, the Economic and Organised Crime Office (EOCO) investigated 211 cases with 18 cases at various stages of prosecution in court. Three convictions were secured and five confiscation hearings are pending. Also an amount GH¢26,749,458.00 was recovered from two companies on behalf of BOST and Ghana Revenue Authority, respectively. In 2018, EOCO will continue its investigative work.

Legal Education Programme

721. The Ghana School of Law enrolled and called to the Ghanaian Bar 252 lawyers comprising 47 Mini-Call and 205 in Main Call. The admission quota of the School was increased from 477 to 600 students this year. The School successfully automated students' records.

722. The Disciplinary Committee of the General Legal Council handled 20 disciplinary cases. In 2018, the School hopes to enrol 425 lawyers and dispose of all cases brought before the Disciplinary Committee of the General Legal Council.

MINISTRY OF DEFENCE

2017 Performance and Outlook for 2018

Ghana Armed Forces Programme

723. Mr. Speaker, the Ghana Air Force provided surveillance for Ghana's airspace and its international borders. The Army improved in combating violent crimes in collaboration with other security agencies, checked illegal logging and mining (Operation Vanguard) to curb environmental degradation and pollution of water bodies. In 2018, the Ministry will continue to provide adequate surveillance for Ghana's airspace and its international borders as well as collaborate with other security agencies to maintain law and order.

724. To mitigate the accommodation and housing deficit in the Service, the Ministry reactivated the construction of stalled SSNIT Housing Projects and will continue in 2018.

725. The Ministry also initiated the revision of the Ghana Armed Forces (GAF) Regulation Bill, on prolongation of Service. Cabinet granted approval of the draft Bill which was submitted to the Attorney General's Department.

726. Mr. Speaker, GAF continued to contribute troops and equipment towards international peace efforts and this projected the image of the country on the International scene.

727. The Ghana Armed Forces will support the construction of roads, railways, dams, borehole drilling and tree planting as well as engage in farming to supplement the cost of feeding.

728. To curb encroachment on Military Lands, the Ministry in 2018 will establish a database of all military lands and properties and also initiate a process to properly acquire and document them.

729. In view of emerging contemporary security threats within the Sub-region, the Ministry in 2018, will facilitate the establishment of Special Forces Units to counter terrorism and ensure a high state of combat readiness.

Ghana Armed Forces Capacity Building Programme

730. The Ghana Armed Forces conducted operational level training for 154 Staff Officers at junior and senior levels at the Ghana Armed Forces Command and Staff College (GAFCSC) and also provided assistance to civil authority to maintain law and order. In 2018, the Ministry will continue to recruit and conduct operational level training for Staff Officers at Junior and Senior levels.

Military Health Programme

731. To improve Health Service delivery for Military and Civilian personnel, the Ministry continued with the construction of the new 500 bed Military Hospital at Afari near Kumasi which will be commissioned in 2018.

COMMISSION ON HUMAN RIGHTS AND ADMINISTRATIVE JUSTICE

2017 Performance and Outlook for 2018

Promote and Protect Fundamental Human Rights Programme

732. Mr. Speaker, the Commission investigated and resolved 300 Administrative Justice complaints out of 350 received, and organized sensitisation workshops

for participants from the Security Services. It also investigated 4,831 complaints under Human Rights and resolved 4,809 of these.

733. In 2018, the Commission will continue to intensify the promotion and protection of rights and help to improve standards and service delivery in Public Service through the implementation of Client Service Charters.

Anti-Corruption Programme

734. Mr. Speaker, as part of the Commission's effort to disseminate the National Anti-Corruption Action Plan (NACAP), 5,000 copies were printed and distributed. The first draft of 2016 NACAP report for validation was also completed by the High Level Implementation Committee (HILIC).

735. In 2018, the Commission will continue to strengthen the coordination and monitoring of the implementation of NACAP as part of continuous effort to build strong foundation for good governance to make Ghana's democracy sustainable.

736. In addition, the Commission will intensify coordination and implement 32 key actions under NACAP including investigation of about 11,800 cases; 4,200 public education and sensitization activities to improve standards and service delivery in the Public Service through the implementation of Client Service Charters.

JUDICIAL SERVICE

2017 Performance and Outlook for 2018

Court Administration Programme

737. Mr. Speaker, the "Justice for all Programme" was held in nine prison houses for remand prisoners and in all, 550 cases were heard and reviewed. In 2018, three new courts will be opened and the "Justice for all Programme" will be extended to cover more prison houses and introduce the E-Justice programme as well as undertake rehabilitation exercise of dilapidated court houses nationwide.

738. A total of 271 Court staff and 290 Judges and Magistrates were trained on various issues on Court administration and two new courts were also opened during the period. The Chief Justice's forum for Eastern and Greater Accra regions for court officers towards effective justice delivery was successfully held.

Alternative Dispute Resolution (ADR)

739. The Service trained 100 mediators under the ADR 2. The ADR Directorate in collaboration with the Judicial Training Institute (JTI) trained 298 Mediators and Registrars selected from Circuit and District Courts across the country.

740. To ensure effective and efficient justice delivery, the Service in 2018 will entrench the principles of ADR to reduce the backlog of cases in the courts, develop and implement policies for the expansion and mainstreaming of ADR services to all courts as well as organise refresher courses for ADR officers and regional coordinators.

MINISTRY OF INTERIOR

2017 Performance and Outlook for 2018

Conflict and Disaster Management Programme

741. Mr. Speaker, the National Commission on Small and Light Weapons carried out public education and sensitisation on selected media houses and conducted a post-election evaluation of the community awareness creation campaigns on armed-violence-free elections.

742. The Commission initiated the revision process of the small arms legislation review to ensure that it conforms to the adopted treaties and international instruments as well as standard and best practices in small arms control. In 2018, the Commission will continue the review and monitor the operations of Licensed Arms Dealers.

Ghana National Fire Service

743. Mr. Speaker, in intensifying fire prevention and safety education for the year, the Service organised 333 fire prevention education in various languages on radio and television stations and trained 842 fire volunteers drawn from Ashanti, Upper West, Western and Brong-Ahafo Regions on rural fires. Also, the Service issued 4,739 fire certificates to various organisations nationwide.

744. In 2018, the Ghana National Fire Service will conduct research on the safety, rescue, industrial violations of safety standards, and public reaction during emergency situations. It will create an Intelligence Gathering Unit for speedy detection and prevention of fires and other disasters. In addition, the Service will establish a Research Library and Data Base Management Unit for the co-ordination of information on public policies and legislation on fire.

745. An ultramodern Fire College and Residential accommodation for personnel and standard fire stations in districts will be constructed. Firefighting equipment and accessories to enhance operational efficiency will be procured. In addition, the Service will continue to organise regular fire prevention and safety education in various languages and institute an award system for best professional conduct to enhance professionalism.

National Peace Council

746. Mr. Speaker, the National Peace Council organised sensitisation programmes for women in Upper West and Volta Regions to encourage them to participate in conflict prevention and management. The Council also organised capacity building programmes in conflict prevention and management for Traditional and Religious leaders in the Central, Upper East and Eastern regions.

747. In 2018, the Council will establish one additional Regional Peace Council and Secretariat and five more District Peace Councils and a National Secretariat in the country. The Council will implement conflict interventions in existing and potential conflict areas, carry out peace education programmes in the media, schools and communities on the need to use non-violent means of resolving disputes and conflicts. The Council will also engage and provide support for women in conflict prevention and management.

National Disaster Management Organization

748. Mr. Speaker, to sensitise people about flood and its related diseases, National Disaster Management Organization (NADMO) organised over 200 public education campaigns, 167 media discussions and also carried out pre-flood management activities nationwide.

749. In 2018, NADMO will intensify public awareness on various disaster types through TV and Radio discussions, community durbars and schools programmes, among others. It will also carry out clean-up exercises in collaboration with the MMDAs by desilting drains and cleaning gutters.

Crime Management Programme

750. Mr. Speaker, the Ghana Prisons Service recruited 499 new personnel to augment its existing staff strength and undertook capacity building for staff in various areas. The Service also prepared and presented 305 inmates for exams in NVTI, JHS and SHS.

751. In addition, the Service procured five tractors and ancillary equipment to enhance its agricultural operations and cultivated 1,059.8 acres of various crops as well as produced 936 livestock.

752. In 2018, the Service will facilitate the speedy passage of the non-custodial sentence bill into law to help in the decongestion of the prisons and continue construction works on remand Prison Projects to reduce the incidence of escapes and ensure the safety of officers, inmates and visitors.

753. The Ghana Police Service intensified public awareness on crime trends particularly on funds transfer; established a Cyber Crime Unit and Financial

Forensic Unit at CID headquarters to deal with the emerging cybercrime; investigated financial and procurement fraud and other economic related crimes.

754. The Service expanded the patrols, accessibility and visibility, set up drones units in all the regions and took delivery of four drones to improve operational efficiency and intensified marine patrols on our waters and sea to protect the oil and gas industry.

755. Mr. Speaker, in 2018, the Ghana Police Service will improve the police-people ratio by recruiting additional 4,000 personnel, intensify public awareness and education on crime prevention through the usage of flyers, radio and Television programmes. The Service will also expand the community policing programme through training of about 36,000 Community Police Officers.

756. The Narcotics Control Board issued 229 import permits, 61 purchase authorization and 14 re-exportation permits to companies dealing in precursor chemicals. In addition, the Board embarked on 166 sensitization programmes for District Assemblies, communities, schools, faith-based organisations and rehabilitation centres. In 2018, the Board will facilitate the passage of the Narcotics Control Bill, conduct export profiling, Airports and Seaports Interdiction and conduct precursor field monitoring.

Migration and Refugee Management Programme

757. Mr. Speaker, the Ghana Immigration Service visited and inspected 444 companies, 503 hotels, 14 educational institutions and 20 dwelling places and other sites, to ensure compliance with the Immigration Laws resulting in the arrest of 32 offenders. In addition, the Service investigated 17 cases of alleged illegal immigrants, resulting in the repatriation of 15 foreign nationals.

758. In 2018, the Service, as part of its Border Management Strategy will procure and deploy border surveillance systems, identify other border Posts to restructure the sector system and revamp the Border Patrol Unit (BPU).

759. The Ghana Refugee Board assisted in ensuring the general wellbeing and care, maintenance and management of refugees and asylum seekers in the country. It registered 48 asylum seekers and issued 50 Convention Travel Documents (CTD's) for refugees. In 2018, the Board will continue to assist in the maintenance and management of refugees and asylum seekers.

Gaming Regulations

760. Mr. Speaker, the Commission conducted operations into illegal gaming activities and seized 516 illegal slot machines and closed down two facilities.

761. The Commission organised sensitisation programs for stakeholders on Anti-Money Laundering (AML) regulations and Suspicious Transaction Reports (STR) and educated the public about legal gaming and also provided capacity building programmes for 30 staff in their respective disciplines. The Commission licensed six new companies, created Local Access Network (LAN) and developed data warehouse.

762. In 2018, the Commission will purchase and install Central Electronic Monitoring System (CEMS), intensify monitoring of gaming operations to increase mobilization of non-tax revenue, implement laws on Casinos and any other Game of Chance as well as carry out public education on gaming regulations.

SECTION SIX: POLICY INITIATIVES

763. Mr. Speaker, Government made a commitment in the 2017 Budget Statement and Economic Policy, to structurally transform the economy through investment in agriculture, development of strategic infrastructure, investment in human capital and a deliberate push towards industrialisation with active private sector involvement to create jobs and wealth, and improve incomes, thereby improving the standard of living of the Ghanaian.

764. Mr. Speaker, to achieve this transformation we will continue with the implementation of our flagship programmes and initiatives commenced in 2017 and also outline new initiatives for implementation in 2018.

STATUS OF THE 2017 BUDGET POLICY INITIATIVES

765. Mr. Speaker, in our maiden Budget Statement and Economic Policy, we outlined a number of short to medium term policy initiatives, to set the stage for our agenda for inclusive growth and job creation.

766. Mr. Speaker, permit me to present an update on these policy initiatives.

IMPROVING THE BUSINESS ENVIRONMENT

Tax Incentives

767. Mr. Speaker, Government promised in the 2017 Budget to remove some taxes to free additional capital for businesses and provide relief to consumers. In line with this, the following taxes were abolished:

- one percent Special Import Levy imposed on imported raw materials and machinery;
- 17.5 percent VAT/NHIL on Financial Services;
- 17.5 percent VAT/NHIL on domestic airline tickets;
- Excise duty on Petroleum;
- Import duty on specified vehicle spare parts;
- five percent VAT/NHIL on Real Estate sales;
- 17.5 percent VAT/NHIL on selected imported medicines not produced
- locally; and
- Levies imposed on 'kayayei' by local authorities.

768. The following taxes were reduced:

Special Petroleum Tax reduced from 17.5 percent to 15 percent;

- Energy sector levy rates for National Electrification and Public Lighting also reduced from 5 percent to 2 percent and 5 percent to 3 percent respectively;

769. Others include:

- Exemption from tax, gains from realisation of securities listed on the Ghana Stock Exchange for a period of 5 years;

- Replacement of 17.5 percent standard rate with a 3 percent flat VAT/NHIL rate for supplies by retailers and wholesalers.

770. The following tax measures were also implemented:
- As part of measures to streamline tax exemptions, Government piloted a refund policy. Based on the lessons learnt, structures, including a paperless system will be implemented for granting and monitoring tax exemptions. Government, in 2018, will introduce a comprehensive policy on the tax exemption regime.
- The Fiscal Electronic Device Bill was laid before Parliament; and
- The Excise Tax Stamp policy was launched.

Paperless Port System

771. To improve efficiency at the Ports, the Ministry introduced paperless transaction at the Ports. The implementation of the paperless system significantly reduced transaction time from 2 days to 8 hours (of compliant transactions) whilst revenue from the Port increased by 35.4 percent.

Banking Sector Initiatives

772. Mr. Speaker, government resolved in the 2017 Budget Statement to address the challenges in the financial sector to enable strong private sector credit growth. In this regard, the Bank of Ghana addressed the challenge that UT Bank and Capital Bank posed to the entire banking system by agreeing to a Purchase and Assumption Agreement by GCB Bank. This intervention was made with clear policy intent to protect the deposit public and prevent any contagion effect on the entire industry. The government is proud to announce that despite the failure of these two banks in 2017, the confidence and trust in the financial sector remain strong.

773. The Bank of Ghana increased the minimum capital requirement of universal banks from GH¢120m to GH¢400m, and all such banks have up to December 2018 to meet the minimum capital requirements. This was done to ensure that these banks have more capacity to lend to businesses, especially within the purview of their single obligor limits which the Bank of Ghana must enforce strictly.

774. Mr. Speaker, government streamlined ESLA flows to accommodate all the existing legacy debts (about GH¢10 billion) owed by the energy sector firms to banks and suppliers, and took steps to issue an ESLA-backed bond to pay off these debts. ESLA Plc successfully issued GH¢4.7 billion in 7 and 10 year bonds on the back of these levies, proceeds of which will be used to settle a portion of the legacy debts. This initiative is very important in resolving the liquidity challenges faced by the banks and will enable stronger credit to the private sector especially as banks Non-Performing Loans (NPLs) improve.

775. Government also prepared the Payment Systems and Electronic Transfer Bill to support transition from cash dominant to cash-lite economy. In 2018, this Bill will be laid before Parliament.

INFRASTRUCTURE DEVELOPMENT INITIATIVES

Infrastructure for Poverty Eradication Programme (IPEP)

776. Government introduced the IPEP to direct capital expenditure towards local, constituency-level specific infrastructure and economic development priorities with particular emphasis on rural and deprived communities. In this regard, the Ministry of Special Development Initiatives (MSDI) was created to provide oversight and strategic direction for the implementation of IPEP.

777. IPEP projects were selected through standardised guidelines in the categories provided below:

- One Village, One Dam;
- Small Business Development;
- Agricultural inputs, including equipment;
- "Water For All" Projects; and
- Sanitation Projects.

778. A ten-member regional team was constituted for each of the 10 Regions to oversee the implementation of the IPEP. The teams conducted constituency infrastructure needs assessment to identify projects in all 275 constituencies that are consistent with government priority areas.

779. The Law establishing the three Development Authorities (DAs) namely, Northern Development Authority (NDA), Middle-Belt Development Authority (MDA) and Coastal Development Authority (CDA) was passed by Parliament.

Establishment of the Zongo Development Fund

780. Mr. Speaker, Parliament passed the Law establishing the Zongo Development Fund which seeks to speed up the development of Zongo communities into centres of opportunities.

Industrialising Ghana from the Ground Up: "One District, One Factory"

781. Mr. Speaker, the One District, One Factory Programme was launched by H.E. the President on 25th August, 2017. The Ministry of Trade and Industry completed technical, financial and commercial viability analysis of 462 proposals out of which 191 covering 102 Districts were selected for implementation. It is envisaged that, these 191 District Enterprise Projects will collectively generate about 250,000 direct and indirect jobs.

782. Out of the 191 projects selected for implementation, 104 of these companies will be operating in the agribusiness sector whilst 20 are businesses in the meat and poultry sector. 40 of these companies will be operating in the construction and building materials sub-sector, whilst the remaining 27 are businesses operating in the Cosmetics and Pharmaceuticals sectors.

783. The regional breakdown of the companies are as follows:

- Ashanti 35
- Brong Ahafo 19
- Central 21
- Eastern 34
- Greater Accra 28
- Northern 17
- Upper East 4
- Upper West 5
- Western 10
- Volta 18

784. In 2018, government will allocate a minimum of GH¢2 million to each district assembly for the implementation of the 1D1F.

The National Industrial Revitalisation Programme- A Stimulus Package for Industry

785. Mr. Speaker, a Stimulus Programme was designed to support viable existing local companies that are currently distressed or are facing operational challenges but are deemed viable. To date, over 350 applications from business operators were received, out of which 80 were assessed to be eligible for support in the first phase of the programme. The second phase will involve the provision of a stimulus package consisting of technical and financial support to these eligible companies.

786. These beneficiary firms operate in the following sectors: Agri-Business 48; Chemicals and Pharmaceuticals 10; Electrical and Electronics 3; Garment and Textiles 5; Building Materials 6; Plastics and Packaging 6; and Services 2.

Building an Entrepreneurial Nation

787. Mr. Speaker, Government engaged a Private Sector Implementation Partner (PSIP) to manage the USD10million National Entrepreneurship and Innovation Programme (NEIP) and to raise additional funding from the private sector. This programme was launched by H.E. the President on 25th August, 2017. The Ministry for Special Development Initiatives advertised and received 5,500 applications from young Ghanaian entrepreneurs. These applications are being vetted and successful entrepreneurs will receive business advisory services.

About 500 of these will receive financial support in addition. Each enterprise will employ a minimum of 12 persons.

Planting for Food and Jobs

788. Mr. Speaker, the Planting for Food and Jobs Campaign, anchored on five strategic pillars - provision of improved seeds, fertilizers, dedicated extension services, marketing and e-Agriculture was launched by H.E. the President on 19th April, 2017.

789. Major milestones achieved nationwide include:

- the distribution of about 80,000 bags of cereal and legume seeds, 36,000 sachets of vegetable seeds and about 2,000,000 bags of fertilizer;
- recruitment of 822 agricultural extension personnel;
- establishment of a taskforce to assess status of warehouses and storage facilities nationwide for rehabilitation;
- creation of market opportunities for farmers by linking them with institutional buyers such as School Feeding Programme and Prisons Service; and
- electronic registration of over 34,000 farmers out of more than 200,000 manually registered.

National Digital Addressing System

790. Mr. Speaker, government implemented the much-awaited National Digital Addressing System on October 18, 2017 to help formalise the economy. In 2018, government through Ghana Post will develop postal codes to feed into the National Identification System. About 4,000 National Service Personnel will be engaged to emboss digital addresses on all landed properties nationwide.

National Identification Programme

791. Mr. Speaker, after eight long years of inaction, the National Identification Programme was revived and on 15th September, 2017 the first ID card was issued to H.E. the President. The National Identification Authority will commence issuing 'The Ghanacard' after the amendment of the National Identification Authority Act, 2006 (Act 707) and subsequent passage of the relevant LI. It will be the first ever multi-purpose card issued in Ghana to support government's efforts at formalising the economy.

EXPENDITURE MANAGEMENT AND COMMITMENT CONTROL

Enforcement of the PFMA

792. Mr. Speaker, the Ministry undertook a major sensitisation drive to educate key PFM stakeholders. These included MDAs, MMDAs, SOEs, Boards of Corporations, Media and CSOs among others focusing on provisions such as multi-year commitments that result in contingent liability captured in section 33 of the

PFMA. Over 3,000 copies of the Act were distributed to public officers. To operationalize the PFM Act 2016(Act 921).

793. As part of the sensitisation drive, all members of Cabinet were taken through the business process of GIFMIS to ensure strict adherence to the PFM Law and fiscal discipline. The Ministry will take steps to review and simplify the business process with respect to GIFMIS to speed up budget implementation.

794. In 2018, the Ministry will engage key PFM stakeholders to solicit views and inputs for the completion of the Regulation. In addition, the Ministry will embark on sensitisation of the Act and Regulation to promote and enhance effective implementation of the law.

795. Mr. Speaker, the Ministry will continue with operations under the Public Financial Management Reform Project (PFMRP) to ensure budget credibility, predictability and comprehensiveness.

796. In addition, the Ministry will continue to undertake the following activities: provide refresher training and technical support to MDAs and MMDAs in Programme Based Budgeting (PBB); roll out GIFMIS to 156 MMDAs, 4 Statutory Funds Institutions, 48 Development Partners Funded Projects and 421 IGF Institutions (210 MoH Regional and Districts Hospitals, 140 MoH training institutions and 71 MoE Tertiary Institutions); extend coverage of GIFMIS P2P functionality to 600 offices within the MDAs, 54 Foreign Missions and deploy the Electronic Funds Transfer to institutions. The Ministry will also extend coverage of the HRMIS Phase 1 to more public institutions.

Treasury Single Account (TSA)

797. Mr. Speaker, the CAGD identified a total of 12,891 bank accounts of MDAs/MMDAs, 5,500 of which were held at BoG whilst the remaining 7,391 were with Commercial Banks. As at 31st October, 2017 a total of 5,244 GoG bank accounts with both Bank of Ghana and Commercial Banks were closed, leaving 7,746 operational accounts.

798. The next phase of the TSA implementation will be to extend the transfer of GoG's bank accounts with commercial banks to cover donor funds of MDAs as well as the bank accounts of subvented agencies such as Universities and other institutions. The transfer of Donor Funds of MDAs will, however, be done after agreeing with Development Partners on modalities of transfer. The next key phase which is also to be undertaken in 2018 will be the linking of all bank accounts residing with BoG to form a comprehensive TSA to establish a consolidated view of Government's cash position.

IMPROVING DEBT AND LIABILITY MANAGEMENT

- A maiden 15-year domestic bond was issued to lengthen maturity profile of public debt;
- The Domestic Debt re-profiling exercise which contributed to improving the debt mix and lowered domestic interest payments will be continued; and
- The next phase of the liability management programme will include:
  - External debt re-profiling based on market conditions.
  - Issuance of Euro Bond and use of some of the proceeds for reprofiling more expensive domestic debt
  - Creation of benchmark domestic bonds through tap-ins rather than new issuances. This will improve secondary market trading.
  - Improving liquidity and reducing yields on the domestic market.
  - Exploring the opportunity to deepen the domestic market by making domestic bonds more tradable on the international market

Free Public Senior High School

799. Mr. Speaker, in fulfillment of our pledge to provide free SHS education to every eligible Ghanaian child, the free SHS was implemented, beginning September 2017. As expected, there was a significant increment of SHS-1 enrolment from 300,195 in the 2016/17 academic year to 396,951 in the 2017/18 academic year representing 32.2 percent. Government absorbed all fees approved by GES Council and supplied the full complement of core text books to all first year students.

Fighting Corruption

800. Mr. Speaker, as we are all aware, a major source of corruption has been with malfeasance in public procurement and the extensive human inter-face in the provision of public services. In this regard, a number of major interventions were undertaken, including but not limited to the following:

- Enhanced oversight responsibility for public procurement with the appointment of a Minister of State for Public Procurement;
- The introduction of e-procurement by the Public Procurement Authority;
- Implementation of a paperless system at Port;
- Implementation of smart vehicle registration and drivers license by the DVLA;
- Enhanced investigation of corruption in the public service by the Office of the Auditor General, EOCO, National Security, and other State Investigative Institutions. Methodical and thorough investigations are being conducted to avoid claims of witch-hunting; and
- The passage of the Bill of the Office of the Special Prosecutor

POLICY INITIATIVES FOR 2018

INFRASTRUCTURE DEVELOPMENT AND JOB CREATION

The Akufo-Addo Programme for Economic Transformation (AAPET)

801. Mr. Speaker, with your permission I will now turn to the President's plan to drive economy-wide growth by fundamentally transforming Ghana's economy to create jobs and prosperity for all Ghanaians.

802. Having stabilize the economy and sown the seeds for growth and jobs, government intends to radically shift gears in a three-pronged economic development programme that will focus on, integrate, and accelerate investments in Agriculture, Infrastructure Development and Industrialization as the primary vehicles to fundamentally transform our economy.

803. Mr. Speaker, the "Akufo-Addo Program for Economic Transformation (AAPET)" will, by mobilizing and leveraging public, private, and public-private partnership investments, modernize and transform agriculture, develop linkages that will accelerate the industrialization of our economy, and develop major infrastructure projects that support the agricultural zones of the country and industrialization agenda of Government.

804. Under the "Akufo-Addo Program for Economic Transformation (AAPET)," government will:

- Ramp up investments under the Planting for Food and Jobs;
- abolish duties on some agricultural produce processing equipment and machinery;
- Support the development of agribusiness start-ups through the establishment of a grant funding facility;
- Establish a GH¢400 million fund to de-risk the agriculture and agribusiness sector through sustainable agriculture financing and crop insurance schemes;
- Increase the pace of mechanization;
- Provide specific technical assistance and tax incentives to support agro-processing, packaging, and market access;
- Launch a major pension scheme for cocoa farmers;
- Develop modern storage facilities through the "One District, One Warehouse" programme;
- Launch the commodities exchange, and
- Open up key food basket zones through road construction and irrigation projects.

805. Over the next three years, the following roads and bridges will be constructed the "Akufo-Addo Program for Economic Transformation (AAPET):

- Nyinahin-Awisesu

- Nyinahin-Kyekyewere
- Asuboni Rails-Ekutuaze-kadoaso-Akoari
- Kasotie Junction-Kasotie
- Wulugu-Kpasenke-Wa
- Lawra-Han-Tumu
- Nandom-Hamile
- Tamale -Karaga
- Karaga-Gushegu
- Bunkpurugu-Nalerigu
- Nalerigu-Gbintiri
- Twifo-Praso-Dunkwa on Offin
- Nkawkaw-New Abirem-Ofoase-Akim Oda
- Elubo-Asemkrom-Enchi
- Dome-Maamekrobo-Donkorkrom-Riverside
- Ewiase-Bosomoise
- Wiawso-Amfie-Aboyaa
- Asafo-Acheachen
- Dwenase-Nsonua-Anglo-Kwabenakwa
- Datano-Ahokwaa-Suhenso
- Asawinso-Kajina-Essakrom
- Kessekrom-Adiembra
- Penakrom-Futa
- Bechemaa-Nkwanta-Asuontaa-Oseikrom
- Akwakrom-Amissano (Ekumfi)
- Haveh-Hohoe
- Tamale-Salaga- Bimbilla
- Nkwanta-Damanko
- Attebubu-Kwame Danso-Kwadwokrom-Riverside
- Komfo Anokye/Bekwai Roundabout Interchanges and Apatrapa-Abuakwa
- Tamale Point 7 Interchange
- Suame Interchange
- PTC Interchange, Takoradi
- Daboya Bridge, Nawumi Bridge, Yapei Bridge, Buipe Bridge, Lawra- Dikpe bridge, Prima-Misio Bridge
- 99 Steel Bridges

Nation Builders Corps (NBC)

806. Mr. Speaker, the most critical economic problem of our time is youth unemployment, and in particular graduate unemployment. Available data from the Institute of Statistics, Social and Economic Research (ISSER) in March 2017 revealed that only 10 percent of graduates find jobs after their first year after national service. It takes up to 10 years for a large number of graduates to secure employment due to varied challenges that range from lack of employable skills, unavailability of funding capital for entrepreneurship, poor attitudes of graduates

towards job opportunities, as well as the low capacities of industry to absorb the huge numbers. In this context, a large number of potential nation builders are not contributing to development of the nation.

807. Mr. Speaker, we note that several transition programmes run under the various government institutions and agencies including the Ministry of Local Government and Rural Development, the National Vocational and Technical Institute (NVTI), Council for Technical and Vocational Education and Training (COTVET), Youth Enterprises Support and the Youth Employment Authority, have targeted non-tertiary graduates. With this background, our government is proposing a new jobs programme, the Nation Builders Corps, to focus on graduate unemployment.

808. The Nation Builders Corps programme will be a major government initiative to address livelihood empowerment and graduate unemployment to solve economic and social problems. The focus of the initiative will be solving public service delivery in health, education, agriculture, sanitation and drive revenue mobilization and collection.
The objectives of the programme will be to:

- Provide employment to unemployed graduates
- Improve skills and employability
- Improve public service delivery
- Improve government revenue mobilisation.

809. Under the Nation Builders Corps Programme, graduates will be trained, equipped with the necessary work tools and deployed around the country to be engaged as:

- Graduate Teachers in a "Teach Ghana" programme focused on Science, Technology, Engineering and Mathematics (STEM) and other relevant subjects in primary and secondary schools across the country;
- Sanitation Inspectors in a "Clean Ghana" programme focused on enforcing sanitation laws and inspection to ensure clean communities;
- Trained nurses and other healthcare workers in a "Heal Ghana" programme that will provide healthcare delivery to deprived and rural communities across Ghana;
- Trained Agricultural extension and other allied workers in a "Feed Ghana" programme that will provide extension support to farmers along the agriculture value chain; and
- Tertiary graduates in a "Revenue Ghana" programme that will mobilize the youth to collect taxes that have been difficult to mobilize and enforce collection for the development of Ghana.

810. Mr. Speaker, the Nation Builders Corps Programme will hire 100,000 graduates in 2018 to be posted to various districts across the country. On average, every district should be able to provide jobs for 462 graduates.

811. Mr. Speaker, the Nation Builders Corps will be housed under the Office of the President as a special initiative.

Infrastructure through PPP

812. Mr. Speaker, government will also enhance the role of the private sector in the provision of infrastructure through Private Public Partnerships (PPP). In line with this, government has attracted investor interest in, and will initiate a number of infrastructure projects in 2018 of about US$8.35 billion including the following:

- Western Railway Line (Takoradi- Kumasi);
- Eastern Railway Line (Accra-Kumasi);
- Central Railway (Kumasi – Paga);
- Accra City Rail;
- Kumasi City Rail;
- Pwalugu Multi-purpose Dam and Solar Hybrid Project;
- Accra-Kumasi Highway;
- Volta Lake Transportation Project; and
- Integrated Bauxite and Aluminum Development Project with aluminium refineries (and bauxite mines) at Nyinahin and Kyebi.

Collaboration with Faith Based Organisations

813. Mr. Speaker, Faith Based Organisations (FBOs) are a significant part of our economic and social construct. Indeed, across the length and breadth of the country, they have more visible presence than our state institutions. Every hamlet has an FBO of one form or the other. It is our considered view that engaging them to invest in viable economic ventures in our communities will be an effective way to expedite business development and job creation, especially for the youth.

814. In 2018, government intends to partner these FBOs not only to deliver critical social services in education, health and water, but also to support provision of skills and entrepreneurial training for the youth and the establishment of commercial enterprises.

ENERGY SECTOR POLICY INITIATIVES

Electricity Tariff Reforms

815. Mr. Speaker, we have all too soon forgotten how the menace of dumsor from 2012- 2016 crippled the economy. It contributed to the lowest growth rate recorded in the past decade, the loss of jobs, reduced economic output and the loss of consumer and investor confidence in the economy. Dumsor was also compounded by high electricity tariffs, increasing the cost of doing business in the country.

816. Mr. Speaker, during the 2016 election campaign, H.E. the President, Nana Addo Dankwa Akufo-Addo, promised Ghanaians that with prudent management of the economy, the NPP government would ensure that electricity tariffs are reduced. In fulfilment of this promise, government has reviewed the tariff setting methodology and cost structure of power production. This review has resulted in recommendations that will be made to the PURC for consideration.

817. In this regard, in 2018, efforts will be geared towards keeping the lights on at affordable rates to consumers, particularly industries and small businesses through reform and policy interventions over a two-year period. The electricity tariff structure will be realigned with government's developmental goals of industrial transformation, growth and job creation.

818. To give relief to the poor whose individual consumption actually falls in the subsidised life-line category but who live in a compound house, the existing 4-tier tariff classification of residential consumers will be collapsed into Lifeline and Non-Lifeline consumers in phases.

819. On the basis of these interventions, if government recommendations to PURC are accepted, consumers will be expected to benefit from reductions in electricity tariffs. The expected average tariff reductions across various customer categories will be as follows:

Table 23: Expected average tariff reductions across various customer categories

2018 Electricity Tariff Proposals	
Customer Category	**Average Reduction**
Residential	13%
Non Residential	13%
Special Load Tariff- Low Voltage	13%
Special Load Tariff -Medium Voltage	11%
Special Load Tariff -High Voltage	14%
High Voltage Mines	21%

Upstream Petroleum Policy Initiatives 2018

Enhancement of Petroleum Legal and Contractual Framework

820. Government will enhance the petroleum legal framework to deepen transparency and predictability in contracting and operations.

821. To ensure full implementation of the Petroleum (Exploration and Production) Act, 2016 (Act 919), government will develop the following regulations and guidelines for the industry:

- Guidelines for Competitive Bidding Rounds for oil and gas blocks;
- Revised Model Petroleum Agreement;
- Data Management Regulations; and
- Health Safety Security and Environment Regulations.

Accelerated Oil and Gas Capacity (AOGC) Programme

822. Mr. Speaker, H.E the President recently launched the Accelerated Oil and Gas Capacity (AOGC) programme to bring full realization to continuing Government policy to enhance the human resource capacity in the oil and gas sector, including attracting skilled Ghanaian professionals in the diaspora. Government will collaborate with upstream petroleum operators to support local training and technical institutions to develop the requisite capacity to international standards. This will enable Ghanaians to effectively participate in the oil and gas sector.

National LPG Promotion Policy

823. In 2018, government will roll out a national LPG promotion policy and implement a new Cylinder Recirculation Model in order to promote the marketing and distribution of LPG in a safe and efficient manner, and facilitate an increase in access to LPG nationwide.

Petroleum Products Trading Policy

824. In 2018, a comprehensive policy framework will be developed to manage the trading of petroleum in view of the growing export trade and government policy to develop a petroleum hub and halt the illicit trade in petroleum products.

Petroleum Price Risk Management Programme

825. Mr. Speaker, government intends to institute a petroleum price risk management programme that will hedge the net exposure of the country to crude oil prices. The primary objective is to use financial products to help manage crude oil price volatility so as to achieve price stability for petroleum products on the Ghanaian market. This will involve the purchase of options using the Petroleum Stabilisation Fund.

Renewable and Alternative Energy Development

826. In line with the Ministry's goal of increasing the penetration of renewable energy in the energy mix and the promotion of distributed solar power for government and public buildings, the Ministry will embark on an MDA Solar Rooftop Programme dubbed "**Government goes Solar"** to reduce government's expenditure on utilities.

FINANCIAL SECTOR INITIATIVES

827. Mr. Speaker, a strong and efficient financial sector is fundamental to realising "Ghana Beyond Aid". This requires innovative and long term financing

instruments to support economic development for higher productivity, jobs and inclusive growth.

828. Mr. Speaker, to achieve this, Government will design the requisite financial architecture that is capable of mobilising resources to help rapidly advance the country's development through the following:

- Launch a national development bank, with the capacity to mobilize private capital towards agricultural and industrial transformation, among others. Government has set-up a task force to develop a roadmap for its establishment;
- Restructure the Ghana Infrastructure Investment Fund (GIIF) with the capability to mobilise foreign private capital for critical infrastructure development using a private sector model; and
- Enhance the capacity of Ghana Exim Bank to support agriculture and industrialisation for export.

829. Mr. Speaker, the financial sector of the country remains heavily dominated by banks. The total banking sector assets to GDP ratio as at September 2017 is 50 percent. This compares unfavourably with the total market capitalization of the Ghana Stock Exchange (GSE) to GDP ratio of 30 percent as well as the total corporate debt to GDP ratio of 0.36 percent on the Ghana Fixed Income Market (GFIM), for the same period.

830. Mr. Speaker, in effect, access to long-term funds by the private sector is not sufficient to drive accelerated economic growth of the country. To address this challenge, Government will strengthen the pensions, insurance and securities industries, which are the key agents of providing long-term capital for the economy.

831. In this regard, the key policy objectives for the medium term for the financial sector are:

- Increase minimum capital and improve risk based supervision and corporate governance practices in the insurance, pensions and securities industries;
- Improve market depth, which includes the size of the industry relative to GDP, market liquidity, and product diversity; and
- Enhance market infrastructure, transparency and the regulatory environment to ensure confidence and trust in the sector.

832. Mr. Speaker, the following specific reforms will aim at addressing some of these challenges in the financial sector.

National Pensions, Insurance and Securities Industry Reforms

833. Mr. Speaker, Government will initiate reforms to the investment guidelines of pensions, insurance and collective investment schemes to enable them support

capital market growth. This reform will encourage Banks to issue fixed income securities through the capital market instead of private placement in fixed deposits. In addition, pensions and insurance firms will be encouraged to invest in private equity and Real Estates Investment Trusts (REITs).

National Informal Sector Pension Scheme

834. The Cocoa Board Law, 1984 (section 26) enjoins the Board of Directors of the Ghana Cocoa Board to establish a contributory pension scheme for the nation's Cocoa, Coffee, and Sheanut farmers. In this regard, government started a process of setting up a broader Informal Sector Pension Scheme under the third tier of the National Pension Scheme to cover cocoa farmers among others. The framework to operationalise the scheme will be developed in 2018.

835. This Scheme will complement the effort of private sector corporate trustees and provide social protection for a large segment of Ghanaians who are in the informal sector especially the hardworking cocoa farmers.

Establishment of an Agriculture Commodities Exchange

836. Work on setting up the Ghana Commodity Exchange (GCX) and Warehouse Receipt System has been on-going for a decade. The Exchange, is expected to enable easy access to markets, fair pricing for smallholder farmers and formalise informal agriculture trading activities. Government's priority is to operationalise the Commodities Exchange in 2018 to support agriculture transformation including the Planting for Food and Jobs initiative.

Development of the Housing and Mortgage Finance Industry

837. Mr. Speaker, developing a vibrant mortgage and housing finance market is key for social equity and economic development and job creation. To support private sector efforts in expanding access to housing, the Ministry of Finance will partner with banks, pension trustees and securities market players to start a process of developing and deepening the local mortgage and housing finance market to offer affordable mortgages at subsidised interest rate beginning with public sector workers. The policy objective is to reduce the cost of local currency mortgage offered by banks and to encourage the use of technology to lower the cost of housing by the private sector. This is expected to contribute to the reduction of Ghana's housing deficit which currently stands at about 1.7 million.

Positioning Ghana as a Regional Financial Services Hub

838. Over the past decades, Ghana has positioned itself as a pillar of stability in the sub-region, with relatively strong institutions and entrenched democracy. Government intends to capitalise on this success by positioning Ghana as a regional financial services hub.

839. Mr. Speaker, positioning Ghana as an international financial services centre is intended to make it the preferred headquarters for all international banks operating in the sub-region. Ghana is also becoming the hub for the financial technology and payment systems for the region. The Hub is intended to host the international private equity and venture capital firms to support entrepreneurship and access to long term capital by the private sector in the sub-region.

840. Mr. Speaker, a special task force will be set up to provide government with a strategy and framework for the establishment of Ghana as a regional financial services hub.

Collective Investment Schemes and REITs

841. Mr. Speaker, deepening the domestic capital market is very important for the long-term growth of the economy. Accordingly, government has identified the following as critical for providing long term funds for the economy and will take steps to ensure the growth of these industries; insurance, pensions and collective investment schemes.

842. In many countries, the problems in real estate sector and ability of citizens to own houses have been solved by REITs. These TRUSTS are completely tax exempt and pay substantial parts of their profits as dividends to investors which then becomes taxable at that level. For this reason, this vehicle is able to attract huge amount of funds from pension funds, sovereign wealth funds, endowments, insurance companies, mutual funds and high net-worth individuals from home and abroad to finance real estate transactions. Also, mutual funds enable many financially excluded individuals to invest in financial markets, they help provide social protection for many people who can only invest small amount at a time. With many Ghanaians in the informal sector, it is important for government to promote long-term savings opportunities for Ghanaians.

843. In this regard, government will exempt collective investment schemes and REITs from taxes to give additional stimulus to the mobilization of domestic capital through savings and investments.

844. It is the goal of government to improve the legal and regulatory frameworks of the Ghanaian financial markets in order to boost market transparency and enhance liquidity in the bond and equities market. To enhance the repo market and secondary market bond trading activities, government will work towards the adoption of the following key standard financial markets arrangements:

- The Global Master Repurchase Maser Agreement (GMRA); and
- The Global Master Securities Lending Agreement.

845. In collaboration with the Bank of Ghana, government will also engage key stakeholders to explore the feasibility of linking Ghana's Central Securities

Depository (CSD) system with the Euroclear platform. Some of the benefits are increased market liquidity and reduction in settlement and clearing costs.

Other Policies to Strengthen the Financial Sector Architecture

846. These include:

- Feasibility study for the establishment of a rating agency to rate banks and insurance companies;
- Development of a framework for the establishment of an investor protection fund for the securities industry;
- Fast tracking of the implementation and operationalization of a financial stability council;
- Feasibility study for the establishment of a national financial sector data hub that will make it mandatory for all financial institutions to provide relevant data and information to financial services consumers, regulators and analysts; and
- Comprehensive studies on cryptocurrency and block-chain technology industry to enable the country position itself against any adverse effect on the economy and to provide appropriate regulatory environment.

REVENUE MEASURES

Improving Domestic Resource Mobilisation

847. Mr. Speaker, consistent with Government's objective of ensuring fiscal consolidation without compromising growth as well as our resolve to consolidate our LMIC status and move towards a Middle Income country, and eventually wean ourselves from donor dependency, the need to significantly improve our domestic resource mobilisation has become imperative. There is, therefore, the need to reverse the flat trend on tax-to-GDP ratios in the last few years. Mr. Speaker, in doing so we will keep a balance across all sources of revenue and improve burden sharing across tax payers using the most equitable and efficient administrative procedures and also make the tax system more transparent and fair.

848. Against this background, Government will embark on the following measures with the assistance of this august House to improve domestic resource mobilisation:

- create fiscal space by reducing budget rigidities. In this light, the Earmarked Funds Capping and Realignment Act was passed this year to cap all earmarked funds to 25 percent of tax revenues to free resources for priority programmes;
- broaden the tax base to rope in more tax payers into the tax net. The implementation of the National Identification Scheme, the National Digital Addressing System, Tax Identification Number System, and the Presumptive Tax System, among others, will significantly contribute to the broadening of the tax base;

- improve tax compliance through the review of suspense regimes, special audits, use of fiscal electronic devices, implementation of the excise tax stamps, and the implementation of common reporting standards for exchange of information, among others;
- strengthen the design and administration of property taxes;
- examine the design of our VAT system, and address significant policy shortcomings; and
- overhaul the exemptions system to curtail large revenue losses which occur due to special regimes, reduced tax rates, and other exemptions which do not serve social or economic purpose and are exploited by insiders.

Tax Compliance Measures

849. Mr. Speaker, government's strategy to shift the focus of economic policy from taxation to production must necessarily come with greater need to broaden the tax base and ensure compliance. That is the only way to spread the national tax burden evenly across the population and lessen the tax burden on compliant tax payers. Accordingly, in 2018, the following tax compliance measures, among others, will be applied with greater urgency:

- **Reform of the Customs Warehousing Regime**: The customs warehousing regime permits importers to suspend payment of import duties because the imports are to be kept in bonded warehouses. There is evidence that these trade facilitation arrangements are being abused. To remedy this and reduce the risk to revenue, importers will be required to submit Letters of Credit (LC), guarantees or insurance cover from participating financial institutions before their goods are warehoused. The duties paid on goods removed from the warehouses will be set-off against the LC sum. Further to this new policy, current defaulters will be required to settle all their arrears including penalties before they will be permitted to warehouse additional goods.

- **Reform of the Transit Regime**: The transit regime permits the clearing of transit goods without payment of duty. Modalities will be developed to ensure that transit importers pay the duties on imports in Ghana, which will be transferred to the designated destination country.

- **Deployment of Fiscal Electronic Device:** The frequent audit (or control verification) of businesses has been a source of concern for the business community. In response to these concerns, government, in 2018, will deploy the Fiscal Electronic Device to VAT registered businesses. This will have positive effect on VAT compliance and record keeping.

- **Withholding Tax on VAT Supplies:** To improve the compliance of VAT accounting and payment process, 7 percent of VAT on taxable output value of standard VAT supplies will be withheld on taxable supplies made to:
    - VAT registered entities whose supplies are zero-rated.
    - Selected Government and other VAT registered entities.

850. In this regard, the Commissioner-General of the Ghana Revenue Authority will appoint selected agencies and businesses as VAT Withholding Agents.

Curbing Dumping of Marine Gas Oil on the Domestic Market

851. Mr. Speaker, the lack of taxes and levies on Marine Gas Oil (MGO) Foreign creates a price gap between the product and regular gasoil and provides an incentive to dump the product on the domestic market as regular gasoil in order to evade the tax. The volume of MGO-Foreign increased significantly from 2.4 million litres in the last quarter of 2016 to 18.3 million litres in the second quarter of 2017, representing a 653 percent increase in demand. With effect from 2018, taxes and levies on MGO Foreign will be restored to curb the dumping of illegal acquired gasoil on the domestic market.

Improving Property Tax Collection

852. The Constitution enjoins MMDAs to mobilise revenue for provision of services. A major source of revenue is property tax, collection of which is low due to insufficient valuation capacity and the high cost of valuation.

853. To enhance efficiency both in the valuation of properties and revenue collection process from this source, in 2018, GRA will collaborate with the Ministry of Local Government and Rural Development (MLGRD) to support the MMDAs in the assessment and collection of property taxes.

Tax Initiatives for Economic Growth

854. Mr. Speaker, in the 2017 Budget Statement and Economic Policy, Government stated its intention to use tax policy as a tool to stimulate investment and to shape economic behaviour. In furtherance of this objective, the following policies will be introduced in 2018:

- **Tax Breaks to help Position Ghana as a Higher-Education Hub:** The education sector represents a high growth potential with multiplier effects on the economy as confirmed by a recent "Country Private Sector Diagnostic" study by the World Bank Group. This is also borne out by the rapid growth in privately-owned and managed universities as well as in the inward flow of students from the West Africa sub-region. It is government's intention to support the sector in order to position Ghana as the premier higher education hub of the sub-region and to attract critical foreign direct investment into the sector. In view of this, and also as part of government's strategy for the long-

term development of a local human capital base fit for a changing world, government will grant relief from corporate income tax paid by privately-owned and managed universities to the extent that profits are ploughed back to expand or maintain facilities.

- **Tax Incentives for Young Entrepreneurs:** As a further commitment to creating a supportive ecosystem for young Ghanaian entrepreneurs of age 35 years and below who start their own businesses, government will, through the National Entrepreneurship and Innovation Plan (NEIP), grant tax holidays based on the number of persons employed by a start-up or early-stage business. A preferential tax rate of between 3 to 5 years will be granted after the tax holiday. They will also be allowed to carry forward losses for five years.

- **Income Tax Threshold**: To protect low-income earners and ensure fairness in our income tax administration, government will review the current income tax thresholds by pegging the tax-free threshold to the current minimum wage. In effect, government will abolish income tax on the incomes of minimum wage earners.

- **Taxation of Lottery:** The ongoing reform of the lotteries industry will continue, and the measures against illegal lottery business intensified. To remove the incentives for people to engage in illegal lottery, the 7.5 percent income tax on the commission of lotto agents will be abolished and the tax on lotto winnings removed. The VAT on lotto stakes will also be removed.

- **Voluntary Disclosure Procedures:** The best form of tax compliance is voluntary compliance as it places a lighter administrative burden on government. As a first step, government will introduce Voluntary Disclosure Procedures (VDP) in the Revenue Administration Act, 2016 (Act 915) to waive penalty on voluntary disclosures and payment of unreported and understated taxes by taxpayers. However, taxpayers will be required to arrange to pay such taxes within a period agreed with the Commissioner- General of GRA.

- **Tax Amnesty:** In 2018, Parliamentary approval will be sought to exempt taxpayers who register and file returns within a targeted period from paying penalties and interests for late or non-submission of returns and late payments. This includes exemption from prosecution. GRA will, after the amnesty period, wage an intense campaign to prosecute continuing defaulters and offenders.

- **Alternative Dispute Resolution (ADR) in resolving tax disputes:** Alternative Dispute Resolution (ADR) is widely accepted as the best and more cost effective approach to resolving tax disputes. In order to instill confidence

in investors, government will introduce an ADR mechanism to resolve tax disputes.

- **Extension of National Fiscal Stabilisation Levy (NFSL) and Special Import Levy (SIL):** Government removed and reduced some taxes in 2017 to support businesses and provide relief to individuals. Government is still committed to carrying out social interventions to improve the well-being of citizens especially the poor and the vulnerable. As such, some tax handles have to be maintained in the short term as efforts are made to improve compliance. In this regard, the NFSL and SIL will be extended to the end of 2019.

Partial Monetisation of Ghana's Gold Royalties

855. Mr. Speaker, gold is one of Ghana's major exports. However, unlike other countries, Ghana has not been able to leverage her gold deposits to attract additional funding for accelerated growth and development and minimize exposure to the volatile gold prices. Government, in 2018, will adopt a policy for leveraging the future wealth of this resource to support current developmental needs. This will be accomplished through factoring (an up-front payment instrument).

EXPENDITURE MEASURES

Comprehensive Review of Pay Systems

856. Mr. Speaker, despite successive attempts by various governments to address salary disparities, poor conditions of service that exist in the Public Service and labour agitations on low pay, inequalities in pay structure and poor conditions of service still continue to bedevil the public sector.

857. Eight years after implementation of the Single Spine Pay Policy, it has become necessary to review the policy to ascertain if it has achieved its objective to pay wages that can attract and retain staff and increase productivity in the public service. Consequently, Government, Ghana Employers Association and Organised Labour set up a 12-Member Advisory Group to review the public pay system with the following Terms of Reference:

- examine and review the current pay policy;
- examine and review issues of productivity across sectors;
- examine the sustainability of the current pay policy;
- examine and review the Pension Scheme System, particularly the Second Tier System;
- identify best practices of pay systems in other jurisdictions for possible adoption; and

- make proposals and recommendations with the view to addressing the gaps in the Single Spine Salary Structure (SSSS) and strengthening the Public Sector Pay System.

General Policy Measures on Payroll:

858. Mr. Speaker, government will accelerate the full roll out of the Human Resource Management Information system (HRMIS) to cover all MDAs, MMDAs and Subvented institutions by the end of June 2018. The Ghana Education Service and Ghana Health Service which together constitute about 70 percent of the payroll, will be on HRMIS by February 2018. Implementation of the HRMIS will eliminate the perennial issue of arrears. In addition, interfacing the payroll of public tertiary institutions with the government-mechanized payroll will be completed by June 2018.

859. Mr. Speaker, government will engage with key stakeholders to begin work towards the unification of Pension Schemes, as required by the National Pensions Act, 2008, Act 766. This will rationalize the pensions regime and create some fiscal space for government and streamline the pensions payment process.

860. As a means of streamlining the payroll processes and systems, the Controller and Accountant-General will by the end of 2018 work towards bringing all payroll processes under the direct control of the Controller and Accountant-General's Department. All payroll systems will be fully integrated in order to have an end-to-end solution, including linking HRMIS and GIFMIS.

861. Government will continue to explore every necessary measure to find an efficient way of managing the public sector payroll. Studies will be undertaken to evaluate various options including outsourcing the payroll.

862. Mr. Speaker, as a continuous measure to decentralise salary validation and ownership by management units across the country, government will leverage the existence of Internal Audit Units in the various MDAs and MMDAs across the country to provide assurance on Electronic Salary Payment Validation (eSPV) and HR validation. Internal Audits shall include in their annual work plan, a Payroll and eSPV audits on a quarterly basis.

Remuneration of Chief Executive Officers (CEOs) and Boards of State Owned Enterprises (SOEs)

863. Issues of inconsistencies in emoluments of Chief Executives Officers (CEOs) of public sector institutions, their Boards and Councils continues to be the subject of public debate with calls by the public for government to rationalise and standardize these emoluments. Government is in the process of establishing a committee to develop a broad policy on the remuneration of CEOs and Boards of public sector institutions and make recommendations for Government's

consideration. Government's aim is to instill the underlying principles of equity, fairness, transparency and productivity in remuneration.

Rationalisation of administrative cost of public institutions

864. As part of measures to cut back on the administrative overheads of all public institutions including State Owned Enterprises, government will undertake comprehensive rationalisation of all administrative costs. This will include vehicle running cost, capacity building, printing, workshops and seminars among others. As a first step, effective 2018, the production of dairies and calendars by public institutions will be discontinued.

Leasing of Office Equipment and Motor Vehicles

865. As part of Government's continuing efforts at prudent liquidity management, reducing cost, deepening the leasing sector and accelerating the drive towards a more efficient public sector, government will adopt leasing as the main vehicle for financing the acquisition and use of government assets.

Government Travels

866. As part of measures aimed at curbing public expenditure, government will rationalise its travel expenditure, by introducing the use of a corporate travel tool to consolidate official travel and ensure transparency in ticket pricing and policy compliance.

OTHER POLICY INITIATIVES

National Health Insurance Scheme

867. Mr. Speaker, provision of health services is essential for a productive economy. The National Health Insurance Scheme exists to ensure that citizens obtain quality health care at all times. Mental Health is also of paramount importance to government. Studies have indicated that the current revenue sources do not guarantee the sustainability of the Fund given that enrolment to the Scheme has increased over the years. To ensure sustainability of the Scheme there is the need to review the sources of funding to increase the revenue flow into the Fund. Government will consult the relevant stakeholders and make proposals based on the consultations.

Voluntary Education Fund

868. Mr. Speaker, with the successful launch of the FREE SHS programme, government received proposals from the public, several of which encourage the establishment of a fund to receive voluntary contributions to support education. Thankfully, the GETFund Law allows for the setting up of other education-related funds. In 2018, the Ministry will work with GET FUND to set up this education fund to enable Ghanaians make voluntary contributions to support education.

Promoting Economic Opportunities for Women

869. Mr. Speaker, empowering women and achieving gender equality is fundamental to the realisation of the SDG goals. The President is committed to empowering women and creating opportunities for their participation in the job and wealth creation agenda. In order to promote economic opportunities for women, special considerations will be given to women in government's procurements.

Ghana Beyond Aid

870. Mr. Speaker, at the heart of our government's vision for Ghana is an "An Agenda for Jobs: Creating Prosperity and Equal opportunity for All". We are committed to pursuing this agenda of inclusive growth by implementing strategies, policies, and programmes to grow our economy and promote the creation of good jobs at a much faster pace than ever before.

871. To this end, we envision a Ghana beyond aid where Government and the people of Ghana take full ownership and responsibility for the nation's economic growth and transformation, in a new partnership with our development partners.

872. Mr. Speaker, whilst government greatly appreciate and will continue to welcome assistance from our external development partners, we envisage a new partnership:

- where development assistance is targeted and strategically aligned with our national growth and economic transformation priorities;
- where domestic resource mobilization is enhanced through higher private savings and higher government revenues raised in a more efficient and equitable manner;
- where there is resolute efficiency and accountability in the use of all public resources by government, including resources from external partners;
- where strong support is given to the private sector, both domestic and foreign, to drive economic growth and job creation; and
- where our engagement with our external partners transitions from one based on aid to one increasingly based on trade and strategic political cooperation.

873. Mr. Speaker, government envisions a Ghana beyond aid where within a generation, Ghana, through rapid and inclusive growth that respects gender equity, safeguards the environment and mitigates climate risk exposure, has attained upper middle-income status. This will be:

- a Ghana where each child has the opportunity to graduate from at least a senior secondary school or polytechnic and be equipped with the skills to succeed in the modern work-place;
- a Ghana with an economy based on a transformed and highly productive agriculture, a dynamic and competitive manufacturing sector, and high-value services that provide productive employment opportunities for all our young people entering the job market;

- a Ghana where no one goes hungry and everyone has access to the necessities of life including good health care, water and sanitation in line with the Sustainable Development Goals (SDGs);
- a Ghana that provides reliable and affordable supply of infrastructure, including power;
- a Ghana that is a hub for manufacturing, financial services, and other high-value modern services; and
- a Ghana that is a preferred location for international businesses that are operating in mutually beneficial linkages with vibrant local businesses, and serving the rest of Africa and the global market.

SECTION SEVEN: CONCLUSION

874. Mr. Speaker, we have very good reasons to be optimistic about our country again. Government has shown and will continue to show strong commitment towards restoring and sustaining fiscal credibility and macroeconomic stability. Plans to restore and sustain faith with Ghanaians and external partners. This is evident in our decision to extend the IMF ECF Program to December 2018 to ensure that all our targets are met.

875. Mr. Speaker, we would like to assure Ghanaians that the government of Nana Addo Dankwa Akufo-Addo is a government which delivers on its promises:

- We promised to implement a free senior high school policy and we have delivered.
- We promised to restore nursing training allowances, and we have delivered.
- We promised to end dumsor and we have delivered
- We promised to reduce fertilizer prices by 50 percent and we have delivered
- We promised to establish a Ministry of Zongo and Inner City Affairs and we have delivered
- We promised to increase peacekeeping allowances from $31 to $35 and we have delivered
- We promised to increase the share of the DACF to persons with disabilities from 2 percent to 3 percent and we have delivered
- We promised a stimulus package to support local industry and we have delivered
- We promised to implement a National Entrepreneurship and Innovation Plan and we have delivered
- We promised a more efficient port system and we have delivered
- We promised to reduce the rapid rate of borrowing and accumulation of the public debt and we have delivered
- We promised to restore economic growth and we have delivered
- We promised to reduce inflation and we have delivered.
- We promised to reduce interest rates and we have delivered
- We promised to improve Ghana's sovereign credit rating and we have delivered
- We promised to enhance fiscal discipline in the management of our economy and we have delivered
- We promised to reduce taxes and we have delivered
- We promised to stay current on statutory obligations like the NHIS, DACF, GETFUND, SSNIT and we have delivered
- We promised a National Digital Address System and we have delivered
- We promised to institute measures to deal with corruption (including the Office of the Special Prosecutor) and we have delivered
- We promised to issue National ID Cards and we are delivering
- We promised to establish a Zongo Development Fund and we are delivering

- We promised to establish 3 Development Authorities – Northern, Middle Belt, and Coastal, as vehicles for the allocation of the $1 million per constituency and we are delivering
- We promised to revive the collapsed railway sector and we are delivering
- We promised one district one factory and we are delivering
- We promised to implement a strategy to curb the menace of galamsey and we are delivering
- We promised to pursue policies that will create jobs in the economy and we are delivering. This budget, by the grace of God, will deliver handsomely on jobs!
- We promised to restore Teacher training allowances and we are on course to deliver.

APPENDICES