



GHANA SHARED GROWTH AND DEVELOPMENT AGENDA (GSGDA)

COSTING FRAMEWORK (2010 – 2013)

**VOLUME II
COSTING AND FINANCING OF
POLICIES AND STRATEGIES**

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LIST OF ACRONYMS

ADR:	Alternative Dispute Resolution
BOG:	Bank of Ghana
BRT:	Bus Rapid Transit
CAGD:	Controller and Accountant General's Department
CEDECOM:	Central Regional Development Commission
CHPS:	Community Health Planning and Services
CHRAJ:	Commission of Human Rights and Administrative Justice
COTVET:	Council for Technical and Vocational Education and Training
DACF:	District Assemblies Common Fund
DHMIS:	District Health Management Information System
DPD:	Directorate of Public Defenders
EMMSDAG:	Establishment of Monitoring and Mapping System for Development Activities in Ghana
EOCO:	Economic and Organised Crimes Office
FER:	Foreign Exchange Risk
FP:	Family Planning
GDP:	Gross Domestic Product
GHS:	Ghana Health Services
GIFMIS:	Ghana Integrated Financial Management Information Systems
GIS:	Geographical Information System
GPRS I:	Ghana Poverty Reduction Strategy
GPRS II:	Growth and Poverty Reduction Strategy
GSGDA:	Ghana Shared Growth and Development Agenda
GUTP:	Ghana Urban Transport Project
HIPC:	Highly Indebted Poor Country Initiative
HIRD:	High Rapid Impact Delivery
HIV/AIDS:	Human Immuno-deficiency Virus/Acquired Immune Deficiency Syndrome
ICT:	Information and Communications Technology
IGF:	Internally Generated Funds
ILO:	International Labour Organization
IMF:	International Monetary Fund
IRR:	Interest Rate Risk
LI:	Legislative Instrument
MDAs:	Ministries, Department and Agencies
MiDA:	Millennium Development Authority:
MLGRD:	Ministry of Local Government and Rural Development
MM:	Maternal Mortality
MMDAs:	Metropolitan, Municipal and District Assemblies
MOFEP:	Ministry of Finance and Economic Planning
MOH:	Ministry of Health
MSME:	Micro, Small and Medium Enterprise
MTEF:	Medium Term Expenditure Framework
NDPC:	National Development Planning Commission

NETS:	National Expenditure Tracking System
NGO:	Non Governmental Organization
NHIS:	National Health Insurance Scheme
PPME:	Policy Planning, Monitoring and Evaluation
PPPs:	Public-Private Partnerships
PRAAD:	Public Records and Archives Administration Department
PWDs:	People Living with Disabilities
R&D:	Research and Development
RFR:	Refinancing Risk
RUEAP:	Rural and Urban Entrepreneurship and Artisan Project
SADA:	Savannah Accelerated Development Authority
SHS:	Senior High School
SIEs:	Special Industrial Estates
SMTDP:	Sector Medium Term Development Plans
SSNIT:	Social Security and National Insurance Trust
STI:	Science, Technology and Innovation
STID:	Sexually Transmitted Infections Diseases
SWP:	Sector-Wide Project
TB:	Tuberculosis
U5M:	Under-five mortality
WIFA:	Women In their Fertility Ages

EXECUTIVE SUMMARY

This document is presented as Volume II of the Ghana Shared Growth and Development Agenda (GSGDA). It represents the costing framework for the effective implementation of the policies and strategies outlined in the GSGDA. It briefly reviews the costing framework for the financing of programmes and projects under the GPRS II, identifies some of the constraints in the resource allocation and actual expenditures, and proposes strategic focus of expenditure outlays under GSGDA.

The costing framework is based on the following seven thematic areas of the GSGDA:

- Ensuring and sustaining macroeconomic stability;
- Enhanced competitiveness of Ghana’s private sector;
- Accelerated agricultural modernisation and natural resource management;
- Oil and gas development;
- Infrastructure and human settlements development;
- Human development, employment and productivity; and
- Transparent and accountable governance

The total cost of implementing the GSGDA is estimated at US\$23,891.459 million (GH¢34,642.62 million). The allocation by thematic area is as follows:

Thematic Area	GH¢ (millions)	US\$ (millions)	%
Ensuring and sustaining macroeconomic stability	729.17	502.873	2.10
Enhanced competitiveness of Ghana’s private sector	2,764.01	1,906.211	7.98
Accelerated agricultural modernization and natural resource management	1,314.21	906.354	3.79
Infrastructure and human settlements development	13,656.70	9,418.415	39.42
Oil and gas development	5,222.09	3,601.438	15.07
Human development, employment and productivity	8,727.18	6,018.748	25.19
Transparent and accountable governance	2,229.26	1,537.419	6.44
TOTAL	34,642.62	23,891.459	

The cost related to enabling environment for effective plan preparation and implementation, as well as ensuring effective national monitoring and evaluation, are captured mostly under Governance thematic area. The resource envelope comprises both domestic and external sources of financing the GSGDA.

Overall financing gap of **US\$12,500.676 million (GH¢18,125.980 million)** has been estimated. This resource gap is expected to be financed through various mechanisms including:

- identifying new financing sources including targeted bilateral partnerships in state-to-state arrangements;
- vigorous promotion of Public-Private Partnership;
- introducing new domestic revenue enhancing measures to widen the revenue base;

- scaling up donor inflows; and
- accelerate the capacity expansion of the domestic financial markets and targeted support and incentives for the capital market.

CHAPTER ONE

INTRODUCTION

1.1 Background

Over the years successive governments have provided Medium-Term National Development Policy Frameworks to guide the preparation and implementation of Sector and District Development Plans aimed at reducing poverty and improving the social wellbeing of the people. The Ghana Poverty Reduction Strategy (GPRS I) and the Growth and Poverty Reduction Strategy (GPRS II) are the latest of such national development policy frameworks.

GPRS I was a comprehensive policy document prepared as a pre-condition for Ghana to benefit from a significant measure of debt relief under the Highly Indebted Poor Country Initiative (HIPC). It was primarily aimed at positioning the country in an improved macroeconomic environment to address critical issues of poverty on an emergency basis. It also focused on that component of human development which targeted measures designed to improve access of Ghana's population to basic needs and essential services, with programmes in basic education, safe water and improved health, environmental sanitation, modernized agriculture, private sector development, and good governance.

A general assessment of the overall policy environment which emerged from the implementation of GPRS I indicated a positive and significantly stabilized macroeconomic environment, with a potential for attaining higher rates of growth. Against this background, the GPRS II was adopted and implemented over the period 2006-2009 with a shift in focus and context to accelerated growth of the economy towards sustained poverty reduction and the attainment of middle income status within a measurable planning period. It focused on implementing growth-inducing policies and programmes which have the potential to transform the structure of the economy and maximize the benefits of shared accelerated growth.

Consistent with its commitment to own the development process and provide a successor to the GPRS II, government initiated a process in 2009 to formulate a medium term national development policy framework. With the large fiscal imbalance experienced in 2008 and the difficult macroeconomic situation inherited, the goal of the medium-term national development policy framework, Ghana Shared Growth and Development Agenda (GSGDA), 2010-2013, is to achieve and sustain macroeconomic stability while placing the economy on a higher path of shared growth, and poverty reduction.

1.2 Strategic Focus of GSDA

In the medium-term, the strategic direction is to lay the foundation for the structural transformation of the economy within the decade ending 2020, through industrialization especially manufacturing, based on modernized agriculture and sustainable exploitation of Ghana's natural resources, particularly minerals, oil and gas. The process will be underpinned by rapid infrastructural and human development as well as the application of science, technology and innovation. In this regard expenditure is expected to be prioritized in favour of policies,

programmes and projects in Agriculture, Infrastructure (including energy, oil and gas), Water and sanitation, Health, and Education (including ICT, Science, Technology and Innovation).

This will enhance the creation of employment and income earning opportunities for rapid and sustained economic growth and poverty reduction. Within this context, the thematic areas of the MTDPF are as follows:

- Ensuring and sustaining macroeconomic stability;
- Enhanced competitiveness of Ghana's private sector;
- Accelerated agricultural modernization and natural resource management;
- Oil and gas development;
- Infrastructure and human settlements development;
- Human development, employment and productivity; and
- Transparent and accountable governance.

The GSGDA is presented in two volumes: Volume I, the policy framework, analyses the macroeconomic context and the development policy choices that should be made to attain the goals of GSGDA. It includes a policy matrix, which outlines issues, policy objectives, and strategies, and also identifies the agencies responsible for implementing each component of the strategy. Volume II is the four year costing framework, which shows the indicative financial requirements for the effective implementation of the policies and strategies outlined in the GSGDA.

1.3 Review of the GPRS II Expenditure Framework

GPRS II was formulated around the following thematic areas:

- Continued Macroeconomic Stability;
- Private Sector Competitiveness;
- Human Resource Development; and
- Good Governance and Civic Responsibility

In 2002 a process was initiated to effectively link the GPRS I to annual national budgets through the Medium Term Expenditure Framework (MTEF). However the MTEF, had a major shortcoming in that while it provided a high level of detail, it did not aggregate spending into programmes, thus making it difficult to track the relationship between resource allocations and programme priorities as set out in the GPRS I.

To overcome this constraint a refined mechanism that allows sector priorities to be effectively linked to the GPRS II objectives through the MTEF was instituted in 2006. This new mechanism establishes the links between the sector plans, GPRS II priorities and the annual budget by ensuring that all:

- the objectives of MDAs are properly aligned to the strategic objectives of the GPRS II;
- the objectives of the current MTEF are properly aligned to the GPRS II; and
- resources for financing expenditures associated with the implementation of the GPRS II are consolidated and rationally allocated.

The total cost of implementing the GPRS II was estimated at US\$8.063 billion, of which 35% was expected to go to implementation of policies, and strategies related to Private Sector Competitiveness thematic area, 55% to Vigorous Human Resource Development thematic area, while 10% was allocated to Governance and Civic Responsibility thematic area.

The GPRS II envisaged that the resource envelope would comprise both domestic and external sources of financing. In each of the four years within the GPRS II period, budgetary resources were expected to constitute an average of 35% of annual GDP, with domestic revenue sources making up some 23% of GDP, while grants from bilateral and multilateral sources constituted about 5.5% of GDP. The remaining 6.5% was expected to come from divestiture receipts, programme loans and exceptional financing arrangements. This was to ensure that Ghana gradually weans itself off excessive reliance on donor support. With regard to external inflows, it was expected that HIPC savings and other debt relief as well as resources from the Millennium Challenge Account will augment domestic resources.

The outturn over the four year period shows that budgetary resources constituted an average of 38.4% of annual GDP, with domestic revenue sources making up of 22.8% of GDP, while grants from bilateral and multilateral sources constituting about 5.6% of GDP. The remaining 10% was from divestiture receipts, programme loans and exceptional financing arrangements.

The overall resource allocation (Services and Investment) through the 2008 Annual Budget for the implementation of the GPRS II amounted to US\$9,105.14, representing about 13% increase over the planned GPRS II resource requirements. Nearly 60% of the overall resources spent on the implementation of the GPRS II were from Government of Ghana (GOG) sources, while the remaining 40% were contributed by Development Partners (DPs). Distribution of the resources by thematic area shows that 45.2% were allocated to the implementation of programmes related to Private Sector Competitiveness thematic area, 32.5% to the Human Resource Development thematic area, and 21.8% to Governance and Civic Responsibility thematic area. There were contrary to the pattern of distribution envisaged under the GPRS II costing framework where 35% were expected to go to implementation of policies and strategies related to Private Sector Competitiveness thematic area, 55% to Human Resource Development thematic area, while 10% was allocated to Governance and Civic Responsibility thematic area.

The key conclusion from this observation is that resources were prioritized away from Human Resource Development thematic area, in favour of Private Sector Competitiveness and Governance and Civic Responsibility thematic areas during the implementation period. The sources of this misalignment were both GOG and DPs. When the DPs prioritized their resources in favour of the Private Sector Competitiveness and Good Governance and Civic Responsibility thematic areas, GOG resources were prioritized in favour of Human Resource Development thematic area in the approved budget, however the actual releases were prioritized in favour of Private Sector Competitiveness thematic area.

1.4 GSDA Expenditures

In order to overcome the problem of misalignment of resource allocation observed under the GPRS II, the mechanism for linking the GSGDA to the annual national budget, and the process for managing public expenditure will further be strengthened through:

- preparation of well costed medium term sector development plans based on the GSGDA;
- ensuring that all the objectives of MDAs are properly aligned to the strategic objectives of the GSGDA;
- ensuring that only activities related to the GSGDA receive budgetary resources;
- ensuring that resources for financing expenditures associated with the implementation of the GSGDA are consolidated and rationally allocated;
- ensuring that resources for financing GSGDA implementation can be effectively tracked on an annual basis; and
- ensuring effective Cash Management and Public Financial management Systems

Preparation of a well costed medium term sector development plan: The MTEF mechanism provides the linkage between the sector development plans, GSGDA priorities and the annual budget. The design of the MTEF is largely based on well-prepared and fully costed sector plans and any shortcomings in developing these plans will automatically render the operation of the MTEF dysfunctional, and the linkages between the sector development plans, GSGDA priorities and the annual budget weak.

Alignment of the objectives of MDAs to the strategic objectives of the GSGDA: To ensure that the objectives of MDAs are properly aligned to the strategic objectives of the GSGDA, the MTEF will accordingly be updated with the MDAs policy objectives and cost outlays annually.

Budgetary resources are used finance only GSGDA priorities: The budgeting process has not developed the relevant mechanism to ensure that only MDAs who has approved Sector Medium Term Development Plans (SMTDP) receive budgetary allocations. Neither is there a mechanism to ensure that only programmes and projects from the approved SMTDP receive resource allocation. For the budget to serve as a tool in delivering the objectives of national development policy framework an incentive mechanism will be developed and effectively enforced to ensure that only MDAs who have approved Sector Medium Term Development Plans (SMTDP) receive budgetary allocation.

Effective tracking of Resources for financing GSGDA implementation: The National Expenditure Tracking System (NETS) developed to facilitate the monitoring of release and expenditure of public funds has not been efficient. The format for capturing data from key national institutions responsible for supervising the release of public sector funds including MOFEP, BOG, CAGD and DACF Secretariat, and MLGRD continue to vary, making it difficult to reconcile data from these sources. For effective tracking of public funds, the institutional arrangements would be clearly defined, and the mechanism for reporting be clearly outlined.

Cash Management System will be established, to provide frequent and up-to-date monitoring of revenues, expenditures and cash balances which is critical in setting up monthly cash ceilings for MDAs. Treasury Single Account will be established to link all government accounts to ensure

efficient monitoring and use of cash balances. A user-driven Ghana Integrated Financial Management Information Systems (GIFMIS) will also be implemented to further improve public financial management.

1.5 The Processes for Costing GSGDA

The process for preparing the costing framework involved desk-top research, data capturing, technical analysis of data, and validation of data by key stakeholders. The process lasted for a period of four months, beginning in July, 2010 and ending in November.

The process begun with the formation of task team comprising of technical experts in public finance, national budget preparation and execution processes, Medium Term Expenditure Framework (MTEF), and national development planning in Ghana. The process was led by a task team leader responsible for providing the overall technical direction for the exercise. The process was participatory involving the MDAs who provided inputs for the exercise, while the task team provided the technical guidance and final analysis of data for the report.

Costing guidelines were provided to guide the MDAs in costing their respective medium term development plans. The costing guidelines were informed by the review of the costing frameworks for the GPRS I & II, and the guidelines for preparing the national budget. It outlines the costing methodology, activities that qualify for costing under the framework, identification of inputs, per unit cost application, and method of cost aggregation. This is to ensure uniform costing structure, and easy harmonization of the costings submitted by MDAs.

Inception meeting was organized with MDAs to discuss the costing guidelines and the relevant timelines for the preparation of the costing framework.

MDAs were requested to submit the indicative cost of their respective medium term development plans based on the costing guidelines to NDPC within two weeks after the inception meeting. This was predicated on the fact that MDAs had already costed their draft medium term development plans and required time to adjust them to fit the requirements of the costing guidelines. Technical support was provided by the task team and NDPC technical staff to MDAs who required it.

All costing inputs received from MDAs were forwarded to Ministry of Finance and Economic Planning for them to be captured into the MTEF database. Validation exercise was undertaken by the task team to ensure that the data captured into the MTEF database is the same as submitted by the MDA.

The review of each MDAs MTEF output was undertaken to ensure that they complied with the costing guidelines. Comments on each MDAs indicative cost was compiled, and a validation meeting organized with the MDAs to discuss comments on their respective costing. The exercise was to ensure that: (i) double counting, under-counting and over-costing are eliminated; (ii) sequencing of activities to be implemented is appropriate; and (iii) strategic, catalytic and transformational initiatives are given priority in the costing.

MDAs were then requested to review their indicative costing on the basis of the comments provided by the task team and re-submit. Re-submitted inputs were re-captured into the MTEF database.

The final MTEF output of each MDA was reviewed against their absorptive capacities, and the necessary adjustments made when necessary. MDAs historical expenditure pattern obtained from the database of the Controller and Accountant-General, as well as the average completion time of major national projects were used as proxies for absorptive capacity. On the basis of MDAs historical budgetary expenditure, MDAs (especially in the key infrastructural sectors) ability to utilize more than double of its current resource utilization within a year could not be adequately justified, especially when there are institutional and regulatory procedures which usually slow down the rate of execution of projects.

The final MTEF output was generated and used as the basis of analysis for the resource requirement for the implementation of the medium term national development policy framework, 2010 – 2013.

1.6 Structure of the Document

This document is presented in four chapters. In addition to the introductory chapter, chapter two presents a summary of the GSGDA policies and strategies to be implemented over the period 2010 - 2013, while chapter three presents estimates of resource requirements for the implementation of the policies and strategies. Chapter four presents analysis of the resource envelope and the financing gap.

CHAPTER TWO

SUMMARY OF GSGDA POLICIES AND STRATEGIES

2.1 Introduction

This chapter presents the summary of GSGDA policies and strategies in each thematic area that are expected to be funded and implemented over the GSGDA planning period. It also outlines the key objectives expected to be achieved in each thematic area upon the implementation of policies and strategies.

2.2 Ensuring and sustaining macroeconomic stability

Despite the improvements in the performance of the economy in the last two decades, structural challenges still persist, characterized by large fiscal and balance of payment deficits. The medium term economic growth and development will therefore depend very much on the ability to address existing fiscal and balance of payment imbalances. Over the medium term, therefore, priority policies to ensure and sustain macroeconomic stability will focus on: (i) improving fiscal resource mobilization; (ii) improving public expenditure management; (iii) promoting effective debt management; (iv) ensuring price and exchange rate stability; (v) improving export competitiveness; (vi) diversifying and increasing exports and markets; and (vii) strengthening economic planning and forecasting to ensure synergetic development of strategic sectors.

Increasing revenue mobilization effort through reforms to tax collection (i.e. single revenue authority, taxation of natural resources, reduction of tax exemptions); enhancing central government control over expenditures and the wage bill through the introduction of treasury single account, information and financial management system, payroll management, hiring controls, payroll audits; and ensuring efficient resource utilization through improved procurement and internal auditing review are expected to contribute about 1% of GDP to fiscal deficit reduction on a sustainable basis.

The medium term debt strategy, on the other hand, will focus on managing the risk exposure associated with the existing debt portfolio and taking the necessary and prudent steps to mitigate the potential risk that would be embedded in current and future borrowing. The debt strategy will cover all external public and publicly guaranteed debts and domestic debts. It will also cover all market risks, including Interest Rate Risk (IRR), Foreign Exchange Risk (FER) and Refinancing Risk (RFR). Significant consideration will be given to operational risk in debt management, which is a major improvement on the previous strategy which concentrated on achieving debt sustainability by sourcing for only concessional loans with grant element of at least 35%.

In the medium-term, policies will be implemented to ensure that inflation is brought down and maintained at single digit. The commitment to reversing the negative impact of the global financial crisis and its domestic pass-through effect on macroeconomic indicators including inflation and exchange rate expectations remains high. The risk-based supervision of banks will be consolidated, with a commitment to sustaining the major financial sector reforms over the

medium term. The Financial Services Bill will be passed to provide the legal and regulatory framework for providing non-bank financial services to non-residents.

Within the framework of trade liberalization, trade policy will be used to promote the international competitiveness of domestic enterprises, including: improving export competitiveness; diversifying markets and increasing exports; and accelerating economic integration with other regional and/or sub-regional states. Priority policies therefore shall focus on: maintaining competitive real exchange rates; improving the import/export regime; establishment of the Ghana Competition Commission to deal with unfair international trade practices; promoting new goods and services; and strengthen links between industrial and trade policies.

2.3 Enhanced competitiveness of Ghana's private sector;

Ghana's private sector remains uncompetitive in spite of several attempts by succeeding Governments to enhance its competitiveness. The private sector under this policy framework is expected to partner Government and other stakeholders in the transformation of the economy through industrialization and modernized agriculture. The overall objective is to ensure that private sector work for Ghana, and share the benefits of growth and transformation process.

The focus of medium term priority policies therefore is to:

- improve private sector competitiveness domestically and globally
- develop micro, small and medium enterprise (MSME)
- ensure rapid industrialization driven by strong linkages to agriculture and other natural resource endowments
- develop tourism as a major industry; and
- develop and strengthen Ghana's creative arts industry

These are to be achieved through: improving the investment climate; reducing the cost and risk of doing business; providing modern, efficient and competitive infrastructure; creating the financial sector which is responsible to the private sector; and making available human resources with relevant skills and competences. Others include:

- attracting private capital from both domestic and international sources
- promoting an enabling environment and effective regulatory framework for public sector management
- ensuring that businesses behave as good corporate entities which uphold the tenets of human rights, social responsibility and environmental sustainability; and
- ensuring consumer safety and welfare.

The many barriers that confront investors and investments will be removed to make Ghana a more attractive investment destination. The various business registration requirements, levies for business registration, and several investment legislations, will be rationalised while MDAs that administer business regulations will be made more responsive to the needs and imperatives of the private sector.

To enhance productivity and efficiency, and reduce the cost of doing business, continued effort will be made to remove value chain constraints to improve service delivery through urgent and aggressive investment in both physical and social infrastructure as a national priority to improve efficiency and reliability in the production chain. In the medium-term, priority areas will include water, health and education, energy, roads and transport, ports and harbours, information technology and science, technology and innovation.

Priority will also be given to investment in relevant and quality human resource development to provide modern skills and competencies required for the industrial economy envisaged over the medium term. Priority skills and competencies will include specialized skills often missing in our domestic economy and which reduces opportunities for top leadership positions in business for locally trained professionals.

Special Industrial Estates (SIEs) focusing on the exploitation of industrial minerals and other resource endowments to drive SME-based industrial and commercial value chains shall be promoted. Fiscal and regulatory space will be created to facilitate the incubation of SMEs into champions which can spearhead substantial job creation and accelerated industrial development.

2.4 Accelerated agricultural modernization and natural resource management

Ghana's agriculture is dominated by subsistence small holder production units with weak linkages to industry and the services sector. It is characterized by low productivity, low income and un-competitiveness in production, processing and distribution. Given its central role in generating income and providing subsistence for majority of the people as well as its potential to lead the transformation of the economy, agriculture is expected to drive the new development agenda.

The main focus of agricultural development policy, over the medium-term, will be to accelerate the modernisation of agriculture and ensure its linkage with industry through the application of science, technology and innovation. The modernised agriculture sector is expected to underpin the transformation of the economy through job creation, increased export earnings, food security, and supply of raw materials for value addition and rural development as well as significant reduction in the incidence of poverty. This will be complemented by an effective natural resource management and environmental governance regime.

The broad objectives to be achieved under the medium term development strategy include:

- improved agricultural productivity;
- increased agricultural competitiveness and enhanced integration into domestic and international markets;
- reduced production and distribution risks/ bottlenecks in agriculture and industry
- promote selected crop development for food security, export and industry;
- promote livestock and poultry development for food security and income;
- promote fisheries development for food security and income; and
- improved institutional coordination for agricultural development.

Some of the specific interventions to be implemented over the medium term include:

- Scaling-up support for agricultural producers through the establishment of an Agricultural Development Fund;
- Establishment of the National Food Buffer Stock Company and Ghana Commodities Exchange to enhance the marketing of agricultural produce and incomes of farmers;
- Provision of subsidies for the procurement of improved seeds, grade breeders and stocks, pesticides, fertilizers and other inputs;
- Promotion of selected crop development for food security and for export;
- Supporting the production of adequate quantities of agricultural raw materials focusing on shea nuts, dawadawa, cotton, pineapple, bananas, rubber, vegetables, and ornamental plants to feed existing local firms as well as new ones;
- Supporting livestock farmers to substantially increase the scale of production, including larger scale production of guinea fowls;
- The development of aquaculture;
- Promotion of small holder productivity; and
- Promotion of irrigation-based agriculture with the rehabilitation of existing facilities and the phased irrigation of the Accra Plains.

Ghana is endowed with abundant natural resources, which must play an important role in the agricultural and industrial development efforts of the country. The fast growing population is presently exerting immense pressure on national resources, as well as creating waste management problems in the major towns and cities. There is a rapid loss of biological diversity and wildlife populations. The key priority areas for policy interventions over the medium term are:

- Environmental Degradation (land, forest, etc)
- Biodiversity and Protected Areas
- Coastal Erosion and Marine Ecosystem
- Wetlands and Water Resources Management
- Climate Variability and Change

Environmental Degradation (land, forest, etc)

In the medium-term, the focus of policy interventions aimed at reducing environmental degradation shall include:

- application of appropriate agriculture intensification techniques that provide irrigation infrastructure and promote correct soil conservation techniques;
- encourage afforestation of degraded forests and off-reserve areas, including the adoption of a medium to long-term plan for public and private programmes;
- encourage investments in industrial scale tree farming in specific depleted forest reserves and on degraded land, and in commercial forestry outside forest reserves and along dried up and flowing streams and rivers;
- monitoring the activities of both large and small scale mining companies in order to protect the environment;
- strengthen and enforce existing environmental laws and regulations including the passage of regulations under the current Minerals and Mining Act 2006 (Act 703);

- vigorously pursue the reclamation and plantation development measures in areas mined-out especially by illegal miners;
- ensuring environmental stewardship by mining companies; and
- introduce and enforce economic instruments for mining sector environmental management.

Biodiversity and Protected Areas

The key policy strategies identified for addressing the challenges associated with loss of biodiversity and protected areas are:

- maintaining and enhancing the protected area system;
- strengthening the legal framework on protected areas.
- implement national buffer zone policies for rivers and protected areas, incorporating the education of potential users on dangers their activities pose to wildlife and water bodies;
- fast-tracked the identification of river basins and corridors best suited for connectivity and acquisition of lands that could possibly serve as landscape corridors; and
- promulgating strict national legislation on initiation of bush fires to enable District Assemblies to enforce bye-laws on bush fires.

Coastal Erosion and Marine Ecosystem

Over the medium-term, interventions to be implemented to control coastal erosion and maintain marine ecosystem will include:

- investing directly in control structures and construction;
- establishment of gabions and boulder revetments to arrest erosion;
- promotion of mangrove forests replanting and planting of other vegetative cover to contain erosion;
- encouraging investments in upgrading and maintenance of waste treatment and small-scale waste collection facilities in order to reduce the impacts of pollution on the coastal environment;
- designing appropriate policies to promote recycling, recovery, re-use and reduction of all types of waste;
- monitoring and enforcing regulations contained in the newly enacted Legislative Instrument against inappropriate fishing methods, such as the use of light for fishing and the use of small mesh size;
- strengthening enforcement against illegal fishing by trawlers;
- strengthening institutional capacity for research, monitoring and enforcement of all bye-laws;
- improving coastal zone management by ensuring proper location of industries in developing coastal towns; and
- establishing a Coastal Zone Commission with strong stakeholder participation.

Wetlands and Water Resources Management

To ensure efficient management of wetlands and water resources policy measures interventions to be implemented will include:

- promotion of decentralization and participatory wetlands management;
- acceleration of national capacity building, and institution of appropriate legal and institutional framework to regulate the sustainable use of wetlands;
- supporting comprehensive wetlands inventory, backed by research and monitoring;
- instituting mechanisms to restore and rehabilitate degraded and badly altered wetlands;
- establishing appropriate institutional structures for enhanced water resources management.;
- ensuring that planning for water resources is made with due recognition of “environmental flow” requirements as well as the adoption of sustainable practices that avoid damage to critical natural capital and irreversible ecological processes; and
- promoting partnership with the private sector for the protection and conservation of water resources.

Climate Variability and Change

The key policy measures to achieve the objective of adapting to the impacts of, and reduced vulnerability to climate variability and change include:

- identifying and enhancing early warning systems;
- enhance national capacity to adapt to climate change through improved land use management; and
- adapt to climate change through enhanced research and awareness creation.

2.5 Energy, Oil and Gas Development

The focus of priority policies in the energy sector is to increase access of households and industry to reliable and adequate energy supply, and diversify the national energy mix to include the use of indigenous sources of energy. To achieve this, energy infrastructure will be rehabilitated and expanded to ensure adequate and reliable supply of energy and increased access to the modern forms of energy to the poor and vulnerable through the extension of the national electricity grid. In addition, national policy will promote energy efficient technologies that safeguard the health of domestic users especially women and children.

On the other hand, oil and gas resources will be developed to ensure that the industry becomes a major anchor for national growth and development. The oil and gas will provide opportunity for diversification of the economy, as well as capacity development to support the needs of a modern industrial society. Priority policies will focus on increasing access to petroleum products at prices that support the development objectives of the nation, paying attention to protecting the environment and implement a transparent revenue management policy to ensure the oil and gas resources benefit Ghanaians.

A local content law will be enacted to optimise the use of local goods, services, and associated resources in all segments of the oil and gas industry value chain, in order to retain a significant

part of the benefits within Ghana. Priority will also be given to the redevelopment of existing settlements as part of the new urban settlements expected from the developments associated with the exploitation of oil and gas resources.

Owing to the huge investment requirements, attracting requisite investment capital into oil and gas exploration and development will continue to be an important step towards increased benefits to the people of Ghana. The oil and gas industry will provide the impetus to strengthen the capacity of local financial institutions to compete with their foreign counterparts for opportunities. It will also build capacity to improve domestic resource availability to fund further exploration as well as the establishment of other strategic industries.

The key policy interventions to support the achievement of these policy objectives are as follows: provide a conducive legal, fiscal and regulatory environment to attract investors into the energy sector; encourage Ghanaian investors to use the capital markets, including the Ghana Stock Exchange, to raise financing for investments in the energy sector; establish transparent and non-discriminatory practices in the implementation of rules and regulations; and ensure efficient and transparent pricing regimes for energy services.

2.6 Infrastructure and human settlements development

The critical role of infrastructure in propelling economic growth and development has become more crucial as Ghana transition into a middle-income country. Policies in this thematic area seek to expand existing social and economic production infrastructure to ensure that services provided are reliable, affordable and efficient. The medium term policies on infrastructure and human settlement development focus on the following key areas:

- Transportation (including road, rail, air, maritime and inland transport)
- Science, Technology and Innovation to Support Productivity and Development
- Information and Communications Technology (ICT)
- Water and Sanitation
- Human Settlements
- National Land Use

Transportation (including road, rail, air, maritime and inland transport)

Ghana's transport sector needs a massive infusion of resources and policy interventions to enable it support national development. Policies identified for implementation are aimed at addressing the constraints in road, rail, air, maritime and inland water transports in an integrated manner. The key objectives of the transport sector policies over the medium term focus on:

- establishing Ghana as a transportation hub for the West African Sub-Region
- creating and sustaining an efficient transport system that meets user needs;
- integrating land use, transport planning, development planning and service provision;
- creating a vibrant investment and performance-based management environment that maximise benefits for public and private sector investors;
- developing and implementing comprehensive and integrated Policy, governance and institutional frameworks;
- ensuring sustainable development in the transport sector; and

- developing adequate human resources and apply new technology.

In the road sector interventions to be implemented include:

- prioritize the maintenance of existing road infrastructure to reduce vehicle operating costs (VOC) and future rehabilitation costs;
- improve accessibility by determining key centres of population, production and tourism;
- re-instate labour-based methods of road construction and maintenance to improve rural roads and maximize employment opportunities;
- implement urban transport projects such as the Ghana Urban Transport Project (GUTP) including the Bus Rapid Transit (BRT) and school busing schemes;
- explore Public-Private Partnerships (PPPs) and concession options for investment in transport infrastructure and services (single and multi-modal options);
- build capacity of local road contractors and consultants, and ensure their proper classification and use; and
- develop the institutional and regulatory arrangements for ensuring the most effective and efficient movement of freight and passengers.

Special initiatives will be launched to re-construct, rehabilitate or modernise as appropriate, the Eastern and Western Corridors, as well as the Bawku-Tumu-Lawra and Tamale-Ffulso-Sawla-Wa roads. Additionally, a natural resource road network will be constructed to upgrade the rural roads that support Ghana's production infrastructure.

In the rail sector, the existing railway network will be rehabilitated in some cases, and totally rebuilt in others, and upgraded, modernized and expanded to support accelerated industrial growth. This will reduce the increasing pressure on urban transportation in the major metropolitan areas of Accra, Kumasi, Tema and Sekondi-Takoradi and provide industrial freight haulage to the new oil and gas-driven industries anticipated to spearhead accelerated growth. A general result will be to ease pressure and congestion on the roads and highways.

The facilities at the national airport in Accra will be sustained and progressively improved to make Accra a West African hub and gateway that will lead to growth in exports and tourism. Domestic air services will be encouraged through tax incentives for locally-based airlines. Attention will also be given to ensure that Ghana complies with, and sustains international safety and security standards at all its airports.

A modern deep sea port will be developed at a suitable location in the Western Region to serve the oil and gas services industry as well as the requirements of new processing industries. In addition, the existing Takoradi and Tema ports will be rehabilitation and upgraded.

The Volta Lake Transport system will be transformed into an effective transport hub by addressing its problems including dredging, removal of tree stumps from the Lake and the procurement of additional boats, ferries etc. In addition, the on-going Debre Marine Project to build a mini-harbour at Debre on the Lake will, when completed, enable all year round movement of bulk petroleum products from Akosombo to the North via pipelines and barges to reduce costs and the environmental consequences of road haulage.

Science, Technology and Innovation to Support Productivity and Development

Government has prioritized Science, Technology and Innovation (STI) as a principal vehicle to drive Ghana's development agenda. The thrust of the STI policy is to harness the nation's science and technology capacity to achieve accelerated economic growth and sustained poverty reduction.

The key policy objectives to be achieved are:

- promote the application of Science, Technology and Innovation in all sectors of the economy; and
- strengthen the appropriate institutional framework to promote the development of scientific and technological research.

These are to be achieved through the implementation of the following policy interventions:

- encouraging the diffusion and transfer of technology;
- promoting the establishment of two national science and technology theme parks: one in Cape Coast and the other on the Akuapim-Ridge;
- initiating a Young Researchers Programme to stimulate interest in research and technological innovation among pupils in second cycle schools;
- promoting and establishing national systems of innovation to support the technology development cycle;
- establishing a Science and Technology Fund to support research activities in tertiary and research institutions;
- providing support for businesses to adopt R&D as a critical component of production;
- providing incentives to strengthen the linkage between research and industry, and facilitate their collaboration; and
- establishing a mathematics, science and technology scholarship scheme to support brilliant but needy students who study science, mathematics and technology-based subjects at the second cycle and tertiary levels of education.

Information and Communications Technology (ICT)

The accelerated development of ICT infrastructure is a catalyst for Ghana's modernisation and rapid growth. The key policy objectives to be pursued for the purpose are to:

- promote rapid development and deployment of the national ICT infrastructure;
- strengthen the institutional and regulatory framework for managing the ICT sector;
- promote the use of ICT in all sectors of the economy; and
- facilitate the provision of quality meteorological data and forecast in support of weather sensitive sectors of the economy.

The key strategic interventions to be implemented to achieve these policy objectives include:

- facilitating the development of the ICT sector through the use of local capabilities in STI;
- providing affordable equipment/accessories to encourage the mass use of ICT;

- encourage ICT training at all levels and ensure that the broadband high speed internet connectivity is available in every district to increase adequate coverage of ICT infrastructure;
- implement a national e-Governance programme by deploying ICT infrastructure in all Government institutions;
- periodically review the existing institutional and legal framework to ensure effective meteorological service delivery and forecasting;
- utilization in the process of education and in the provision of health services at all levels through the gradual introduction of electronic health records; and
- the establishment of public centres to provide access to computers and the internet for those who do not own ICT equipment.

Water and Sanitation

Priority policy interventions to be implemented are aimed at achieving the following key objective:

- ensuring efficient management of water resources; accelerating the provision of safe and affordable water;
- accelerating the provision and improve environmental sanitation;
- ensuring the implementation of health education programmes as a component of all water and sanitation programmes;
- improving sector coordination through a sector-wide approach to water and environmental sanitation delivery; and
- improving sector institutional capacity.

The key strategic interventions to be implemented to achieve these policy objectives therefore include:

- enhancing trans-boundary water resources cooperation and management;
- developed and implement legislative instruments for efficient water resources management;
- develop mechanisms and measures to support, encourage and promote rainwater harvesting;
- improved data collection and management for water resources assessment and decision-making;
- support the provision of safe water in rural and urban areas with investments for the construction of new facilities as well as the rehabilitation and expansion of existing water facilities;
- strengthen public-private and NGO partnerships in water provision as well as improve community-owned and managed water supply systems;
- facilitate the extension of distribution networks especially to low income consumers;
- support public-private partnerships in solid and liquid waste management;
- promote cost-effective and innovative technologies for waste management;
- Implement health education as a component of all water and sanitation programmes, through incorporation of hygiene education in all water and sanitation programmes.

- adoption of a sector-wide approach to planning, implementation, monitoring and evaluation of sector activities
- development and implementation of a Sector Strategic Development Plan;
- develop a Strategic Environmental Sanitation Investment Plan;
- implementation of the National Environmental Sanitation Strategic and Action plan; and
- Strengthen Water Directorate and the Environmental Sanitation and Hygiene Directorate with adequately trained personnel and other resources to enable them take ownership and lead roles of the sector.

Human Settlements

The overall goal of human settlements development is to ensure that all organized human activities within our cities, towns and villages are undertaken in a planned and spatially determined manner in order to bring about equity and enhance socio-economic development. Policy interventions therefore focus on addressing issues relating to: housing and shelter; settlement disaster prevention; hierarchy of human settlements; and institutional arrangement for human settlements management.

The key strategies to be implemented in the housing and shelter policy area include:

- launch a new national housing initiative to begin the rationalisation of the housing market in order to provide affordable housing for Ghanaians;
- promote the manufacture and use of local building materials and appropriate technologies in housing;
- establishing standards for local construction materials to guarantee the appropriate use of these materials for construction;
- ensuring the enforcement of standards for architectural designs and building codes;
- establishment of a legal framework to support the construction of condominiums;
- promote savings and investments in housing.
- review and implement the existing rural housing policy;
- promote erosion control and prevention schemes, and drainage construction programmes;
- foster the growth of settlements which can support the rural economy and its transformation;
- promote self-help building schemes organized by trade associations.

In the area of settlements disaster prevention, key strategies to be implemented include:

- proper planning of drainage systems;
- undertake educational and sensitization programmes to make Ghanaians more conscious of how to prevent and manage disasters;
- review and modernize building codes; and
- strengthen institutions to enforce building and planning laws.

The urban system in Ghana is characterized by an over-concentration of towns within the southern zone as compared to fewer towns in the northern part of the country. This state of affairs is largely attributed to lack of effective intermediate cities between key urban settlements and the rural settlements; and the uncontrolled urban sprawl in cities and other urban settlements

as a result of their attractiveness to rural migrants. The strategies to be implemented to address these problems include the establishment of a new hierarchy of urban centres, with clearly defined set of functions for each hierarchy having. All regions and districts, will be physically integrated, especially their respective capitals; and accelerated growth of medium-sized towns to large urban centres promoted.

To ensure effective institutional arrangement for human settlements management, a framework for effective coordination and development of the capacities of key national institutions for effective planning of human settlements shall be established. In the medium-term a National Human Settlements Commission or a National Housing Board to coordinate the activities of all institutions involved in housing development will be established.

National Land Use

In the medium-term, priority interventions will be implemented under the national land use policy to address existing and emerging problems and issues as they relate to urban development and management; rural development and management; and slum upgrading.

Key strategic interventions to be implemented under urban development and management include:

- introducing a modern street naming and property address system;
- providing adaptive space in the urban areas for commercialization;
- reinforcing spatial planning in urban management;
- ensuring linkages between urban and rural areas; and
- the institution of a nationwide urban renewal programme.

Key strategic interventions to be implemented under rural development and management include:

- improve the supply of a critical mass of social services and infrastructure to meet the basic needs of the people;
- establishment of rural service centres to promote agriculture and agro-based industries; and
- attraction of investment for the growth and development of the rural areas.

Key strategic interventions to be implemented under slum upgrading include:

- strengthening the legal framework on urban development;
- establishment of guidelines for the planning and development of urban areas;
- improving upon existing infrastructure and facilities within slum communities; and
- introduction of major slum renewal programmes.

2.7 Human development, employment and productivity

The acquisition and application of knowledge and skills in solving problems in society have remained essential aspects of national development efforts. The medium term policies on human development, employment and productivity focus on the following key areas:

- Education

- Skills Training
- Health and Nutrition
- Youth and Sports Development
- Social Protection and Inclusion
- Population Management
- Labour Productivity and Employment

Education

Although school enrolments are increasing, the quality of education is declining. Priority policy interventions to be implemented over the medium term are aimed at achieving the following objectives:

- increased equitable access to, and participation in education at all levels;
- improved quality of teaching and learning;
- bridging the gender gap in access to education;
- improved access to quality education for persons with disabilities; and
- improved management of education service delivery.

The key policy interventions to be implemented to improve equitable access to, and participation in quality education include:

- the provision of infrastructural facilities for schools across the country particularly in deprived areas;
- strengthening of enrolment drives in communities;
- promoting collaboration with the private sector to expand school facilities within the set guidelines for the establishment of schools; and
- enhancing teaching and learning in schools through increasing the deployment of trained teachers.

The key policy measures to be implemented to improve quality of teaching and learning include:

- upgrading training facilities in the colleges of education;
- upgrading the qualifications of staff;
- introducing a national programme of education quality assessment and increasing management capacity to support and implement it;
- implementing a diversified mix of incentives, including housing, training and professional development;
- a clear career structure through the establishment of a Teacher Coordinating and Licensing body for teacher motivation and retention;
- strengthening of supervision and management in schools to constantly monitor quality with the support of district assemblies, communities and parents; and
- providing academic counseling services in schools.

The key policy measures to be implemented to bridge the gender gap in access to education include:

- expanding the incentive schemes to increase girls' enrolment, retention and completion particularly in deprived areas;

- enforcing a ‘no-tolerance’ policy for sexual harassment and publicized disciplining of recalcitrant teachers;
- intensifying community mobilization and sensitization to create awareness of the importance of girls’ education; and
- re-introducing science and technology workshops for girls in second cycle institutions.

The key policy measures to be implemented to improve access to quality education for persons with disabilities include:

- ensuring that rehabilitated/new infrastructure are disability-friendly to students;
- enhancing the pedagogical skills of teachers of special education; and
- improving the supply of logistics for special education on a regular basis.

The key policy measures to be implemented to promote science and technical education at all levels include:

- providing incentives for science, mathematics, technical and vocational teachers;
- supporting science and research development by increasing funding for research and technology development;
- upgrading tools and equipment for teaching science, technical and vocational subjects; and
- encouraging the private sector to support initiatives in science education.

The key policy measures to be implemented to strengthen linkages between tertiary education and industry include:

- establishing industry/university collaborative programmes to increase opportunities for practical training/internship and human resource planning;
- determining the skills and human resource requirements necessary for accelerated growth and restructuring of the economy;
- the creation of opportunities for students to study and work; strengthening collaboration between polytechnics and industry; and
- creating opportunities for industry to participate in curriculum development in the polytechnics.

Skills Training

A purposeful national shift in skills development is necessary to produce employable manpower for an industrial economy. The key policy measures to be implemented to improve skill development include:

- developing and implementing a modern National Apprenticeship Policy;
- empower the Council for Technical and Vocational Education Training (COTVET) to provide a more skills competency-based technical and vocational education;
- restoring the vacation workshops for second cycle girls aspiring to careers in science and technology; and
- modernization and expansion of technical schools to provide a well-developed stream as an alternative to second cycle academic education in collaboration with the private sector.

Health and Nutrition

Priority policy interventions to be implemented, under health and nutrition, over the medium term are aimed at achieving the following objectives:

- ensure sustainable financing arrangements that protect the poor;
- bridging equity gaps in access to health care and nutrition services;
- improving governance and strengthening efficiency in health service delivery, sustainable financing arrangements that protect the poor;
- intensifying prevention and control of non-communicable and communicable diseases;
- improving access to quality maternal, child and adolescent health services;
- strengthening mental health service delivery;
- providing support for HIV and AIDS/STI/TB patients; and
- improving nutrition and food security.

The key policy measures to be implemented to ensure sustainable financing arrangements that protect the poor include:

- introduce the payment of a one-time premium under the National Health Insurance Scheme;
- reviewing and implementing a comprehensive health financing strategy;
- strengthening institutional capacity for Internally Generated Funds (IGF) generation and management;
- advocating for 'sin' taxes as part of health revenue generation; and
- fully integrating private medical practice into the operations of the NHIS.

The key policy measures to be implemented to bridge equity gaps in access to health care and nutrition services include:

- accelerating Community Health Planning and Services (CHPS) expansion in underserved areas;
- establishing new district hospitals in districts without such facilities;
- upgrading, equipping and staffing existing district hospitals;
- constructing new health facilities in underserved areas;
- scaling-up the implementation of the medical waste management programme;
- establishing infectious diseases management centres;
- establishing intensive care units in regional and districts hospital;
- expanding pre-service health training facilities; and
- expanding infrastructure and equipment to support effective and efficient maternal and child delivery services.

The key policy measures to be implemented to strengthen efficiency in public health service delivery include:

- improving financial management systems (e.g. budget, procurement and audit);
- strengthening intra and inter-sector processes for policy dialogue, review, collaboration, coordination, planning and accountability;

- reviewing and aligning data collection tools and linking District Health Management Information System (DHMIS) to regional/headquarters to build essential data depositories for effective action e.g. MOH, GHS (ICD, PHD, PPME etc); and
- monitoring and evaluating the performance of the health sector.

The key policy measures to be implemented to improve access to quality maternal, child and adolescent health services include:

- re-introducing certificate midwifery training and ensuring midwifery service in Community Health Planning and Services (CHPS) compounds;
- providing comprehensive emergency obstetric care (including blood transfusion, ambulances) at the district level;
- providing basic emergency obstetric care at all health centres; scaling up community case management and strengthening High Impact Rapid Delivery (HIRD) for under-five mortality (U5M), maternal mortality (MM) and malnutrition; and
- instituting essential newborn care.

The key policy measures to be implemented to prevent and control the growth of non-communicable and communicable diseases include:

- establishing screening and management programmes (for diabetes, hypertension, cancers, sickle cell, and asthma); and
- developing capacity for research into communicable and non-communicable diseases and adolescent health programming;

The key policy measures to be implemented to strengthen Mental Health service delivery include:

- advocating for the passage of the Mental Health Bill and implementation of the mental health law;
- promoting community-based services and ensure stakeholder collaboration;
- training and deploying more mental health personnel;
- scaling up mental health promotion;
- establishing services for treatment and rehabilitation of alcohol and drug addiction and other psychiatric conditions in all age groups, especially young people;
- establishing and upgrading mental health facilities and infrastructure; and
- establishing stress management centres at all levels.

The key policy measures to be implemented to address the adverse effects of HIV and AIDS/STI/TB and other related conditions include:

- ensure the reduction of new HIV and AIDS/STI/TB transmission;
- ensure reduction of the impact of HIV and AIDS-related morbidity and mortality; and
- mitigate the negative socio-cultural effects of HIV and AIDS, and enhance their proper management.

The key policy measures to be implemented to address the persistent high malnutrition rate among children, particularly in rural areas and northern Ghana include:

- reducing malnutrition-related disorders and deaths among infants and young children and Women In their Fertility Ages (WIFA);
- promoting the consumption of locally available and nutritionally adequate food including the consumption of micro-nutrient rich foods among children and WIFA;
- ensuring increased food security and social protection for vulnerable households including smallholder farmer households;
- developing a comprehensive national nutrition and food security policy; and
- mitigating the impacts of rising food prices as well as climate change on food security of the poor and vulnerable households.

Youth and Sports Development

The key policy measures to be implemented to improve youth and sports development include:

- mainstreaming youth development into national development policy framework;
- ensuring the implementation of the recently formulated youth policy;
- equipping youth with employable skills;
- introducing new initiatives for youth development;
- review and pass the Sports Bill; and
- provide support for the further development of academics/schools and juvenile sports.

Social Protection and Inclusion

The key policy measures to be implemented to ensure social protection and inclusion include:

- prepare a comprehensive national social policy framework to provide social safety nets, especially, for the poor, vulnerable and excluded;
- strengthen coordination of social sector policies and programmes across sectors;
- provide adequate resources for social policy formulation, implementation and evaluation;
- improve targeting of existing social protection programmes;
- mainstream social protection into sector and district planning; and
- strengthen monitoring of social protection programmes.

Population Management

Priority policy interventions to be implemented, under this broad policy area are aimed ensuring that: population variables are integrated into all aspects of development planning at all levels; family planning is re-positioned as a national development issue; and demographic database on population and development are regularly updated.

The key policy measures to be implemented to ensure effective population management include:

- Introduce measures that can improve the livelihoods in places of origin
- Strengthen capacity of relevant stakeholders to integrate population issues into development planning
- Integrate family planning into plans and activities of MDAs and MMDAs
- Strengthen partnerships among stakeholders including the private sector to promote FP
- Integrate Sexual and Reproductive Health and HIV and AIDS

- Increase the number of trained professionals in reproductive health and family planning services delivery
- Strengthen capacities for research, monitoring and evaluation
- Strengthen the capacity of institutions to collect, analyze, coordinate and disseminate population and other relevant statistical data
- Build capacity to effectively coordinate population management
- Establish a regulatory body for effective migration management

Child Development And Protection

The key objectives of policies on child development and protection are to promote effective child development in all communities, especially deprived areas; enhancement of children's physical, social, emotional and psychological development; and enhancement of institutional arrangements for inter and intra sectoral collaboration. The specific policy interventions to be implemented to achieve these objectives include:

- creation of appropriate platforms for institutional collaboration on child survival, development and protection;
- strengthening of the capacity of oversight institutions for children; and
- enhancing the implementation and reporting of international conventions and protocols.

The Aged

The key objective for policy on the aged is to ensure that the issues on ageing is integrated in the development planning process. The specific policy interventions to be implemented to achieve this objective include:

- promoting the development and effective implementation of a comprehensive ageing policy; and
- improving funding of programmes for older persons.

Disability

The key objective for policy on the disability is to ensure a more effective appreciation of and inclusion of disability issues both within the formal decision making process and in the society at large. The specific policy interventions to be implement to achieve this objective include:

- mainstream issues of disability into the development planning process at all levels
- promote continuous collection of data on PWDs;
- implement the provisions of the Disability Act; and
- promote universal access to infrastructure by PWDs.

Labour Productivity and Employment

Priority policy interventions to be implemented, under this broad policy area are aimed at achieving the following key objectives:

- national policy for enhancing productivity and income in both formal and informal economies;

- mainstreaming employment issues in national development planning process;
- strengthening the legal and institutional framework for labour administration;
- implementing a functional labour market information and statistics system; and
- implementing policies and strategies to promote workers rights, social dialogue and social protection.

The specific policy interventions to be implemented to achieve the objective of enhancing productivity and income in both formal and informal economies include:

- developing and implementing productivity measurement and enhancement programmes for the formal and informal sectors of the economy;
- supporting the development and implementation of capacity enhancement programmes that take into consideration the specific needs of men and women in both the formal and the informal sectors of the economy;
- supporting the establishment of participatory and cooperative mechanisms to enhance income and job security in the informal economy; and
- adopting measures to integrate formal and informal economies.

The specific policy interventions to be implemented to ensure that employment issues are mainstreamed in national development planning process include:

- maintain prudent macroeconomic management to promote growth with employment;
- review planning, budgeting and procurement guidelines to reflect employment generation as a requirement;
- support MMDAs to develop and implement employment generation programmes within the national employment framework;
- formulate and implement employment policy; and
- review existing private sector development strategies and programmes in line with Government's employment policy.

The specific policy interventions to be implemented to promote more and better jobs in both the formal and informal economies include:

- supporting selected industrial products to be produced domestically in labour-intensive environment (e.g. construction and building materials, agricultural equipment, motor vehicles, etc);
- developing and implementing a Rural and Urban Entrepreneurship and Artisan Project (RUEAP) to provide capital and technical support to potential businesses;
- developing and implementing labour-based housing and public works scheme to reduce unemployment;
- instituting labour-based constructional projects in urban and rural roads, drainage and environmental sanitation systems;
- establishing ICT trainers programme to train SHS graduates in ICT applications (e. g. repair of mobile phones and other related gadgets);
- promoting Ghana as a major destination for ICT Business outsourcing by establishing ICT parks of international grade in selected locations;

- supporting artisans and other professionals including fitters and mechanics, carpenters and electricians; hairdressers and beauticians to form strong district, regional and national associations to enable them qualify for Government support;
- expanding nursing and midwifery colleges and increase new students intake for health-care-related jobs;
- building the capacity of local publishing and printing industries to generate employment; and
- establishing a system to identify, promote and reward innovation and creativity at all levels.

The specific policy interventions to be implemented to strengthen the legal and institutional framework for labour administration and employment management include:

- strengthening the capacity of labour institutions;
- enforcing rules and regulations governing labour administration including international standards, conventions and instruments; and
- ensuring adequate employment generation provisions in national laws and regulations.

The specific policy interventions to be implemented to ensure a functional labour market information system include:

- continuing the design and implementation of a labour market information system;
- supporting organization and dissemination of labour market information for informed decision making;
- strengthening the research and gender analysis capacity of the Ministry of Employment and Social Welfare;
- promoting collaboration among users of labour market information; and
- restructuring and developing the institutional capacity of the Ministry of Employment and Social Welfare and its departments and agencies for the effective management of labour and employment policy issues.

The specific policy interventions to be implemented to promote workers rights, social dialogue and social protection include:

- strengthening institutions for social dialogue and social protection;
- building the capacity of tripartite partners;
- facilitating the enforcement of labour laws which protect the security, health and welfare of workers, and especially stemming the tide of casualisation of employment;
- enhancing the capacity of both public and private sector agencies, including the Factories Inspectorate of the Ministry of Employment and Social Welfare to facilitate work-place occupational safety and health standards; and
- support the Social Security and National Insurance Trust (SSNIT) to expand the Informal Sector Fund to cover the risks and pension requirements of informal sector workers.

Poverty and Income Inequalities Reduction

Priority policy interventions to be implemented, under this broad policy area are aimed at achieving the following key objectives:

- develop targeted social interventions for vulnerable and marginalized groups
- enhanced public awareness on women's issues
- reduce poverty among food crop farmers and other vulnerable groups, including PWDs

The specific targeted social interventions for vulnerable and marginalized groups to be developed include:

- coordinate and redistribute development projects and programmes in a manner that ensures fair and balanced allocation of national resources across ecological zones, gender, income groups including groups of PWDs;
- designate a special development area for the coastal savannah region of Ghana;
- Implement local economic development activities to generate employment and social protection strategies;
- develop district infrastructure plans and improve business development services to facilitate local economic growth and private sector engagement;
- develop harmonized regional infrastructure and investment plans and provide opportunities for private sector participation, especially in the tourism industry;
- ensure accelerated development of social and economic infrastructure and services in rural areas and poor urban communities including education and training, health, roads, good housing, water and sanitation; and
- improve agricultural productivity and incomes, and transform rural agriculture management and practices into viable business ventures.

The specific interventions to be implemented to enhance public awareness on women's issues include:

- promote the economic empowerment of women through access to land, labour, credit, markets, information, technology, business services and networks, and social protection; and
- Promote the social empowerment of women through access to education.

The specific interventions to be implemented to reduce poverty among food crop farmers and other vulnerable groups include:

- link food crop farmers to the Ghana School Feeding Programme, second cycle institutions, prisons for it to serve as ready market for their produce;
- develop and implement a programme to expand access of extremely poor farmers to complimentary farm inputs and services; and
- provide comprehensive business support to farmers benefiting from credit schemes, especially training.

2.8 Transparent and accountable governance

Transparency, accountability and participation are the cornerstones for good democratic governance. The overarching goal of this thematic area is to entrench participatory democratic governance by empowering state and non-state actors to participate effectively in the governance and development processes at all levels of the society. Consequently the medium term priority policies focus on addressing constraints in the following key areas:

- Deepen Practice of Democracy and Institutional Reform Agenda
- Local Governance and Decentralization
- Economic growth and Plan coordination in special development areas to reduce poverty/ inequalities
- Public Policy Management and Public Sector Reforms
- Development Communication
- Women Empowerment
- Corruption and Economic Crimes
- Rule of Law and Justice
- Public Safety and Security
- Access to Rights and Entitlement
- National Culture for Development
- International Relations (Partnership) for Development
- Evidence-Based Decision Making

Deepen Practice of Democracy and Institutional Reforms

The specific interventions to be implemented to deepen practice of democracy and institutional reforms include:

- strengthening the arms of the independent governance institutions such as Parliament, CHRAJ and the Economic and Organised Crimes Office (EOCO);
- carrying out the constitutional review process;
- build capacity of governance institutions and Parliament to draft laws and perform oversight responsibilities;
- ensuring that civil society and private sector organizations participate effectively in the governance and development processes; and
- ensure the enactment of the Transition Bill.

Local Governance and Decentralization

The specific interventions to be implemented to strengthen local governance and decentralization include:

- reviewing the Local Government Service Act, 2003 (Act 656) and Local Government Act, 1993 (Act 462) to eliminate areas of conflicts and implement the National Decentralization Policy and Plan;
- operationalisation and strengthening of the sub-district structures by reviewing and restructure the numbers and composition of the unit committees and ensure that the unit committees perform the functions assigned to them under LI 1589 of 1994;
- fully operationalize the Local Government Act 1993, Act 462 and institute attractive incentives for Assembly members to enable them perform the duties assigned to them under the Act;
- establish the proposed Constituency Development Fund for Members of Parliament; and
- ensuring efficiency and transparency in the management of district and local resources.

Economic growth and Plan coordination in special development areas to reduce poverty/ inequalities

The specific interventions to be implemented to reduce spatial and income inequalities across the country and among different socio-economic classes include:

- ensuring accelerated rural development at the district level aimed at improving rural infrastructure and increasing access to social services;
- enhance planning and coordination of the development of Ghana's oil basin, and other special development areas including SADA, MIDA, CEDECOM/Coastal Savannah, Bui City, etc;
- Review legislative frameworks for special development areas to conform to the national development planning system; and
- Enhance monitoring and evaluation of special development areas and programmes.

Public Policy Management

The scope of efforts required to ensure effective public policy management entails:

- strengthening the coordination of the development planning system for equitable and balanced spatial and socio-economic development;
- upgrading the capacity of the public and civil service for transparent, accountable, efficient, timely, effective performance and service delivery;
- rationalizing and defining structures, roles and procedures for state and non-state actors; and
- provision of an efficient e-governance structure to ensure best practice.

The specific policy measures to be implemented include:

- strengthening the coordinating function of the NDPC to enhance evidence-based decision-making and resource allocation at all levels;
- reviewing the current status of the on-going public sector reform programmes to enhance accelerated implementation;
- develop a comprehensive human resource development policy for the public sector to include reasonable remuneration;
- undertake a comprehensive review and clarify the mandate and functions of state and non-state actors;
- integrate the institutional networks within public sector and shared resources; and
- make automation and networking compulsory as a tool to reduce fraud.

Public Sector Reforms

The specific policy measures to be implemented to bring about reforms in the public sector include:

- the introduction of Ministerial Advisory Boards with private sector and civil society representation;

- the establishment of a Public Sector Reform Secretariat and the Policy Evaluation and Oversight Wing of the Policy Unit at the Office of the President; and
- the establishment of Project Advisory Committees and Project Management Units in each Ministry as well as the optimum deployment of capacity and expertise to implement specific reform initiatives.

Development Communication

The key objectives of priority interventions in this policy area is to:

- ensure that development communications is mainstreamed into national planning system;
- promote media and public relations accountability for national development;
- enhance information dissemination on Government policies and programmes;
- increased partnership with the media based on a mutual principled relationship of fairness, objectivity and truthfulness; and
- promote an efficient communication strategy.

The specific policy measures to be implemented to ensure that development communications is mainstreamed into national planning system include:

- streamlining development communications across MDAs and MMDAs;
- create awareness of opportunities for engagement with local and national governance structures; and
- strengthening the implementation of the National Development Communication Policy

The specific policy measures to be implemented to promote media and public relations accountability for national development include:

- promoting social responsibility among media houses; and
- developing behaviour change communication models in support of development.

The specific policy measures to be implemented to enhance information dissemination on Government policies and programmes include:

- enact law on right to public information;
- expand the structures of the PRAAD to function effectively in the collation, storage and retrieval of information;
- initiate a process of public and media education on the right to information law after its passage; and
- publish and disseminate materials in local language on the Right to Information Act.

The specific policy measures to be implemented to increase partnership with the media include:

- organise regular press/media briefings;
- improving media encounters//bi-monthly interactions with media;
- identifying key authorities/professionals to speak to issues on behalf of Government; and
- capacity building for media personnel and organizations.

The specific policy measures to be implemented to promote an efficient communication strategy include:

- build capacity of ministers and members of Government on media relations and communication skills;
- develop and implement a comprehensive and inter-sectoral communication policy to address all government communication needs including public feedback;
- improve Government information dissemination and management machinery to take charge of Government information policy and public feedback;
- maintain a policy of proactive communication and prompt response to public feedback;
- expand opportunities for community and public ownership of radio; and
- make use of indigenous communication channels e.g. drama, theatre, local dialects, etc.

Women's Participation in Governance

The specific interventions to be implemented to improve women's participation in Governance include:

- increasing the pace of the implementation of the policy of affirmative action for women including strengthening the institutions dealing with women's and children's issues;
- ensuring gender parity in education at all levels;
- reviewing and enforce existing laws protecting women's rights and introduce new legislations to take care of existing gaps; and
- continue to formulate and implement gender policies and legislative reforms aimed at attaining a minimum of 40% women's representation in Government and public sector appointments.

Rule of Law and Justice

The specific interventions to be implemented to ensure the rule of law and justice include:

- improving case management systems of the courts including scaling- up mechanisms;
- enhanced human resource levels; expanding infrastructure and revise and implement rules of procedure;
- effectively mainstream the alternative dispute resolution (ADR) mechanism; and
- review the Legal Aid Act, 1997, Act 542, and create under the Legal Aid Scheme a Directorate of Public Defenders (DPD) analogous to the Directorate of Public Prosecutions at the Attorney General's Department as well as Citizens' Advisory Bureaux to give free legal advice to citizens.

Public Safety and Security

The key objectives of priority interventions in this policy area is to:

- ensure that the capacity of security agencies is improved to provide internal security for human safety and protection;
- the intelligence agencies are strengthened to fight social and economic crimes; and
- territorial integrity is safeguarded.

The specific interventions to be implemented to promote public safety and security include:

- monitoring and regulating the operations of internet service providers as well as strengthening and supporting intelligence agencies;
- reviewing existing laws and regulations on spatial and infrastructural development;
- forestalling civil strife and external aggression in order to secure the country for growth and poverty reduction; and
- build operational, human resource and logistics capacity of the security agencies.

Corruption and Economic Crimes

Over the medium term, efforts at fighting corruption and economic crimes are aim at promoting transparency and accountability and reducing opportunities for rent-seeking among public officials.

The specific interventions to be implemented to fight corruption and economic crime include:

- enforcing existing enactments pertaining to public procurement, internal audit, public financial management and the whistle blower law;
- ensuring the enactment of the Freedom of Information Bill; and
- finalize and implement a fair wage policy.

Access to Rights and Entitlement

The specific interventions to be implemented to improve access to right and entitlement include:

- developing and designing special capacity building programmes for the unemployed graduates, the vulnerable and excluded;
- increase the provision and quality of social services;
- Strengthen capacity for public education and dissemination of information on rights and entitlement;
- Collect and document data on rights and entitlements of children;
- Develop capacity building programmes for institutions responsible for children's rights;
- Enhance the capacity of relevant agencies to adequately enforce laws on family life (Domestic Violence etc);
- Intensify advocacy for ratification of charters and domestication of international conventions, e.g. child labour (ILO Convention 182);
- Mainstream Human Rights perspective into National Development
- Promote human rights education at all levels; and
- Implement National Disability Act, Early Childhood Care and Development Policy, Children's Act, Gender and Children's Policy and Human Trafficking Act, Juvenile Justice Act.

National Culture and Development

Recognising the important role that national culture plays in national development, medium term priority policies are aimed at creating appreciation of, and love for national culture. The specific policies to be implemented therefore include:

- strengthening of both the National and Regional Houses of Chiefs to contribute appropriately to national development;
- documentation of chieftaincy and cultural history,
- review the national culture policy to ensure it takes into account the strategic role of culture in development;
- mainstream culture in the nation's social and economic development agenda;
- promote the implementation of a dynamic culture development programme;
- complete the development of fully-functional Centres for National Culture in all regional and district capitals; and
- develop the capacity of Centres of National Culture to effectively promote cultural activities across the country.

International Relations (Partnership) for Development

The key objectives of priority interventions in this policy area is to:

- accelerate economic and social integration with regional and/or sub-regional states;
- sustain Government's commitment to international peace and security, adherence to international protocols and conventions, and incorporate them into national laws;
- institute mechanisms to manage external economic shocks; and
- promotion of domestic trade and effective enforcement for standards and regulations.

The specific policies to be implemented therefore include:

- Work towards establishing a common customs union;
- Mainstream international protocols into local laws for the promotion of international peace and sustainable developments; and
- Strengthen the Sub- Regional/Global collaboration among security agencies

Evidence-Based Decision Making

The key objective of priority interventions in this policy area is to improve accessibility and use of existing database for policy formulation, analysis and decision making. The specific policies to be implemented for the attainment of this objective therefore include:

- rationalize the production of data within the statistical system;
- define the roles and mandates of the various data producing institutions;
- adopt common definitions, methods and classifications;
- review the Statistical Service law, develop and adopt a statistical master plan;
- adopt international standards and good practices system-wide, including the United Nations Principles for Official Statistics and the IMF's General Data Dissemination Standards;
- support MDA's to generate data for effective planning and budgeting;
- build capacity of MDAs in electronic data analysis and management;
- Re-engineer and fully automate the operations of government strategic institutions;
- establish strategic partnership between MDAs to harmonize and standardize government sector spatial databases for planning and monitoring development activities;

- support the maintenance of an up-to-date spatial database for Mapping and Monitoring Development Activities (EMMSDAG);
- support the development of a web-based system for accessing the EMMSDAG Spatial Database by strategic government institutions;
- building capacity within MDAs, MMDAs and strategic government institutions in the use of the EMMSDAG Spatial Database for development planning and monitoring; and
- strengthen MIS systems of MDAs and MMDAs.

Managing migration for national development

The key objective of priority interventions in this policy area is to minimise the negative impact and optimising the potential impact of migration for Ghana's development. The specific policies to be implemented for the attainment of this objective therefore include:

- formulate and promote national migration and development policy;
- mainstream migration into national development frameworks;
- establish national institution for the management of migration for development; and
- establish a database on Ghanaians in the Diaspora.

CHAPTER THREE

ESTIMATED RESOURCE REQUIREMENTS FOR THE IMPLEMENTATION OF GSGDA POLICIES AND STRATEGIES

3.1 Introduction

This chapter presents the methodology employed in estimating the resource requirements for the implementation of policies and programmes, as well as the guidelines for costing the Sector Medium Term Development Plans (SMTDPs).

3.2 Costing Methodology

The starting point for costing the GSGDA, 2010 – 2013 is the Sector Medium Term Development Plans (SMTDPs), 2010 – 2013. The process of national development planning in Ghana involves the preparation of national development policy framework on the basis of which Planning Guidelines are issued to MDAs and MMDAs to prepare their respective Sector and District Development Plans. The Sector and District Development Plans are synthesized and harmonized into the National Medium-Term Development Plan.

Consequently the consolidation of the costs of implementation of individual medium-term Sector or District Development Plans provides the overall resources required to implement a National Medium-Term Development Plan derived from the National Development Policy Framework. These costs which are normally outlined by strategy and policy objective within the sector or district medium term development plans can be aggregated at the national level by the following categorization:

- Thematic Area;
- Key Focus Area;
- Policy Objectives;
- Strategies; and
- Implementing and Collaborative agencies

Diagram 1 shows a hierarchy reflecting how a thematic area can be further broken down into key focus areas, objectives, strategies, activities and inputs.

In 2009 the Ministries, Department and Agencies (MDAs) were assisted by NDPC to prepare their respective SMTDPs, for the period 2010 – 2013 based on the GSGDA, 2010 - 2013. The SMTDPs are the basis of the logical framework for the GSGDA's cost estimate.

The SMTDPs consist of the following:

- Mission Statement;
- Adopted Sector Objectives from the MTDPF, 2010 – 2013;
- Sector Strategies in line with the Medium-Term Development Policy Framework (2010-2013);
- Formulated broad sector programme;
- Set of outputs based on broad sector programme; and

- Set of activities which are aligned to the strategies and policy objectives of the GSGDA.

The activities to be costed by MDAs were expected to be SMART:

Specific: should clearly state exactly WHAT is to be accomplished and for whom in terms of end results

Measurable: should clearly state the desired LEVEL of accomplishment of end results

Achievable: should not be so tight that it cannot be achieved

Relevant: they should be consistent with MTDPF policy objectives, strategies and higher goals

Timely: should include time scales of WHEN the objective will be achieved

The MDAs were expected to define the activities to be undertaken in order to realize the objectives using the following approach:

- Identify for each thematic area the objectives specified in the sector medium-term strategic plan.
- For each objective, list the results expected or the outputs i.e. what are the specific things that will be delivered as a result of this project?
- Identify the activities to be undertaken to implement the strategy, i.e. what will actually be done in order to deliver the intended outputs?

In the context of the GSGDA, 2010 – 2013, activities are limited to Service (Item 3) and Investment (Item 4). Personnel Emoluments (Item 1) and Administration (Item 2) are not to be included in the GSGDA cost estimates.

For each activity, an estimate of the *input* costs was provided. These *Inputs* were valued according to *Quantities, Frequencies* and *Unit* cost. The inputs were standardized and classified as the national account segment of the government chart of account. It is the product of the Unit Cost, the Quantity and the Frequency of the Input that will give the Total Input Cost.

The sum of the Input Costs for each Activity gives the Activity Cost. These are further aggregated to obtain the Strategy cost, the Policy Objective Cost, Key Focus Area Cost and eventually Thematic Area Cost as depicted in Diagram 2. Since there are cross cutting issues, MDAs were required to be careful to avoid double counting of activities to be shared with collaborating MDAs. Cost associated with MDAs role in achieving the cross-cutting policy objective were accounted for by the relevant MDA.

3.3 Guidelines for Costing the SMTDPs

The guiding principle derived from the costing methodology was summarized into the following to guide the MDAs in the costing of their SMTDPs:

- The costs of both new and on-going programmes and projects necessary for meeting the targets were included in the total cost of implementation.
- There is a basic assumption with regard to personnel and administration costs associated with the execution of the action plan. They are assumed to be included in the normal budgetary resources and are not included in the costing of the priority themes. Therefore, the activities costed consisted mainly of Service and Investment expenditures associated with the programmes and projects.

- The implementation of SMTDPs (2010 – 2013) involves activities that may be carried out by the public sector alone, or by the private sector in partnership with the public sector. In the case of the latter, only the public sector activities are costed.

The costing of the SMTDP (2010 – 2013) was also guided by the Guidelines for the 2011-2013 Annual National Budget. The budget guidelines provide the boundaries within which a cost centre is allowed to budget and its elements such as exchange rate among others are therefore applied by cost centres during costing. The cost centres for the accumulation of costs are the same as the cost centres in the Annual National Budget, currently at 35 (Schedule 1).

Costs aggregated by Key Focus Area and Thematic Area are to be summarized using Schedule 2.

SCHEDULE 1: COST CENTRES

- 1 Ministry of Food and Agriculture
- 2 Ministry of Lands & Natural Resources
- 3 Ministry of Trade & Industry
- 4 Ministry of Tourism
- 5 Ministry of Energy
- 6 Ministry of Environment, Science & Technology
- 7 Ministry of Water Resources, Works & Housing
- 8 Ministry of Transport
- 9 Ministry of Roads & Highways
- 10 Ministry of Communications
- 11 Ministry of Education
- 12 Ministry of Youth and Sports
- 13 Ministry of Employment and Social Welfare
- 14 Ministry of Health
- 15 Ministry of Women and Children's Affairs
- 16 Ministry of Local Government and Rural Development
- 17 Office of Government Machinery
- 18 Office of Parliament
- 19 Audit Service
- 20 Public Services Commission
- 21 District Assemblies Common Fund
- 22 Electoral Commission
- 23 Ministry of Foreign Affairs and Regional Cooperation
- 24 Ministry of Finance and Economic Planning
- 25 National Commission for Civic Education
- 26 Ministry of Chieftaincy & culture
- 27 National Media Commission
- 28 Ministry of Information
- 29 National Development Planning Commission
- 30 National Labour Commission
- 31 Ministry of Justice & Attorney-General's Department
- 32 Ministry of Defence
- 33 Commission on Human Rights & Administrative Justice
- 34 Judicial Service
- 35 Ministry of Interior

DIAGRAM 1: IDENTIFICATION OF INPUTS AND COSTS

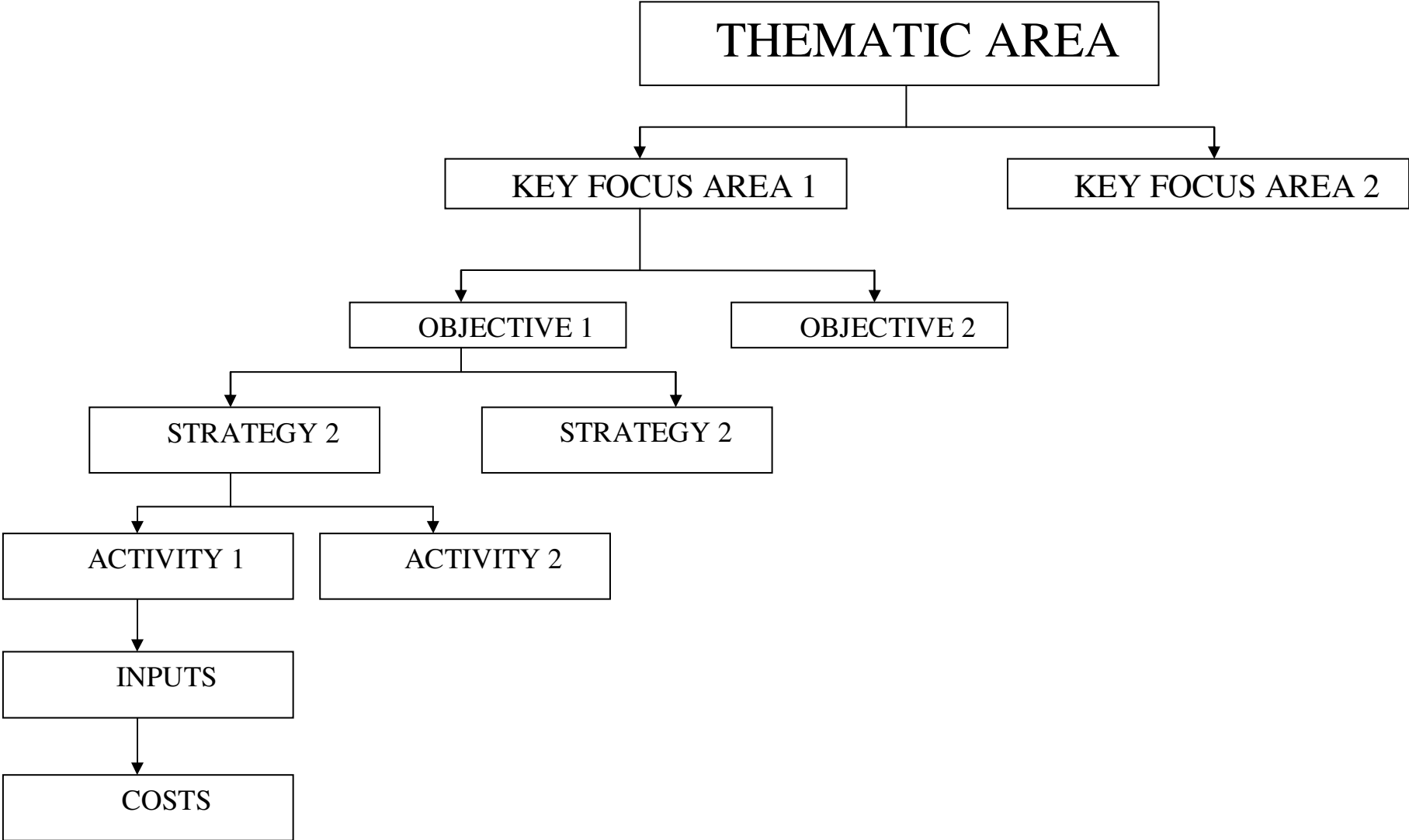
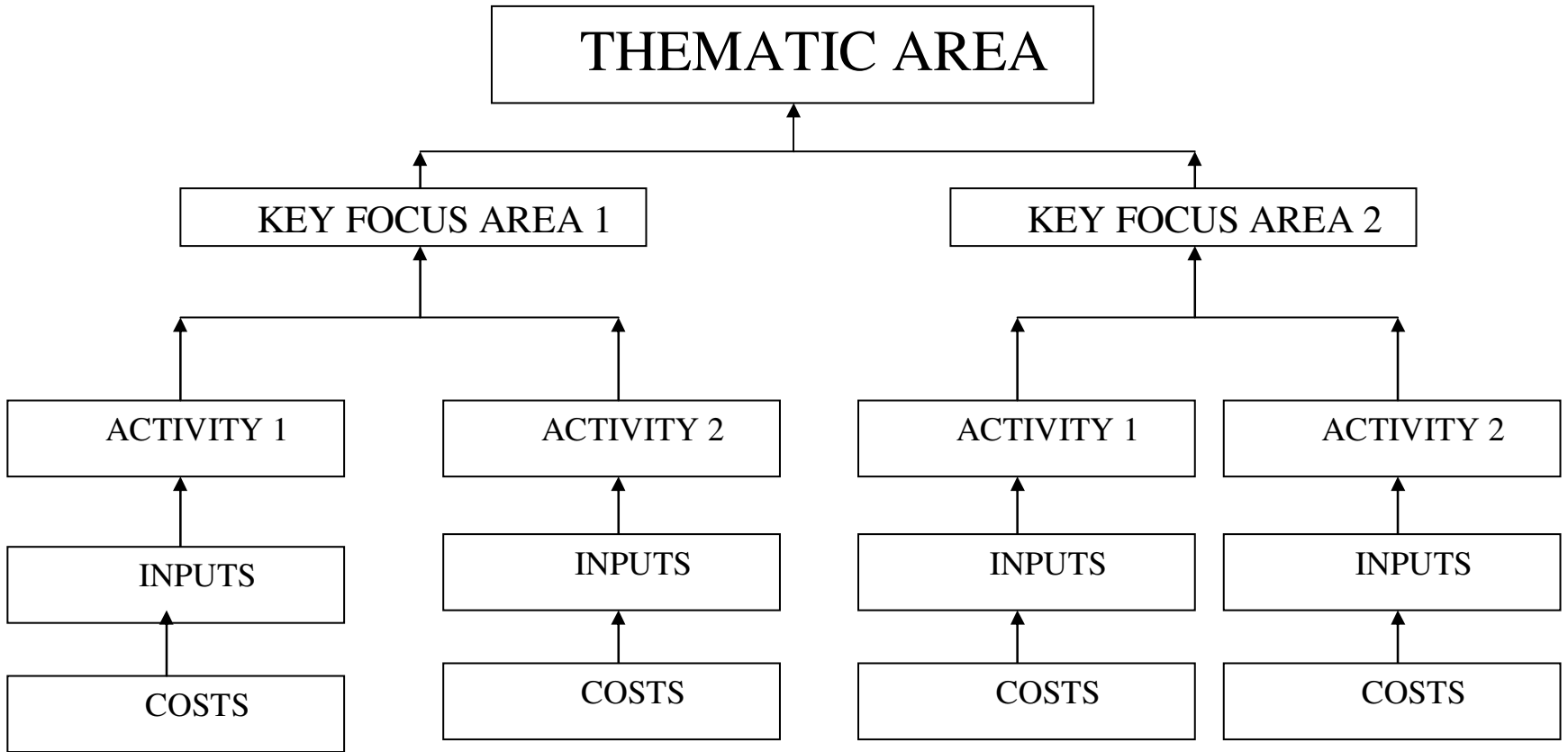


DIAGRAM 2: AGGREGATION OF COSTS



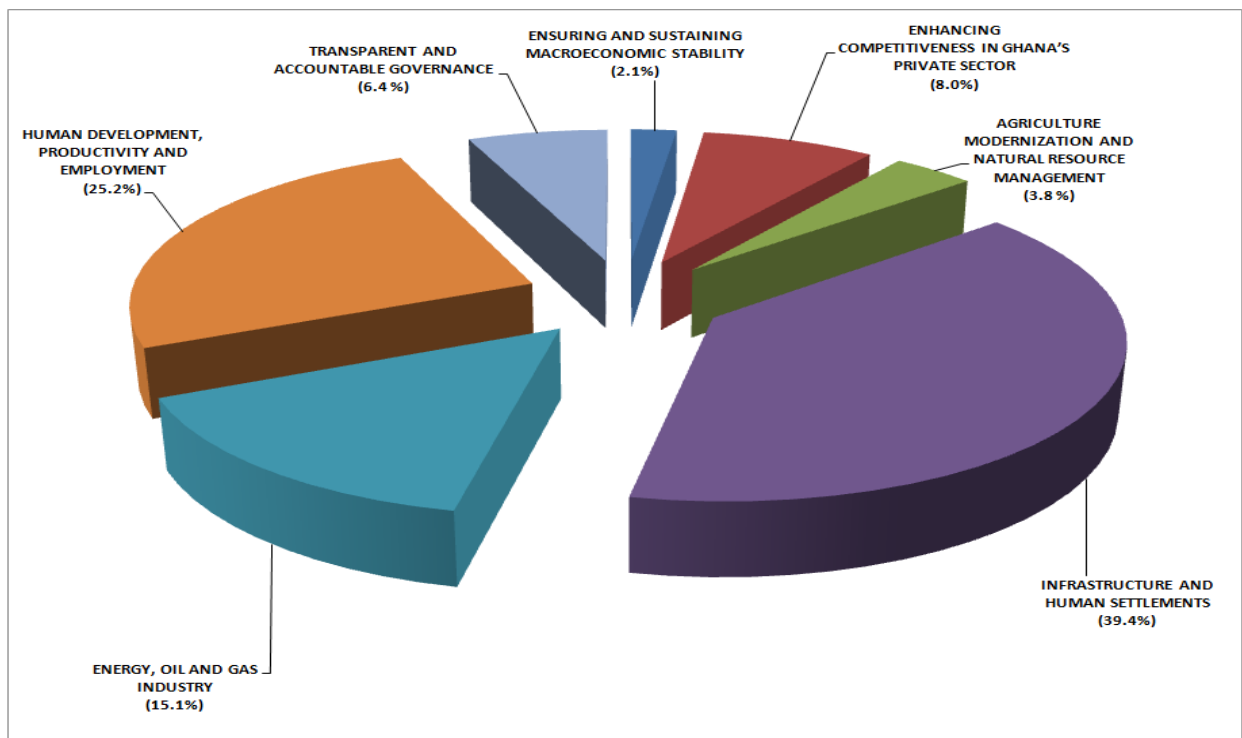
3.4 Resource Requirement

The policies and strategies that underline the activities in each thematic area are summarized in the Policy Matrix of the GSGDA, 2010 – 2013. These are categorized under the seven main thematic areas, namely:

- Ensuring and sustaining macroeconomic stability;
- Enhanced competitiveness of Ghana’s private sector;
- Accelerated agricultural modernization and natural resource management;
- Oil and gas development;
- Infrastructure and human settlements development;
- Human development, employment and productivity; and
- Transparent and accountable governance.

The total costs for implementing the GSGDA over the period 2010 – 2013 is estimated at US\$23,891.459 million (GH¢34,642.616 million), which amounts to about US\$5,972 million per annum. About 54.5% of the total resource requirement is expected to go into the implementation of activities related to the provision of economic and social infrastructure, human settlements development, as well as the development of the oil and gas industry. Resources to implement activities related to human development, productivity and employment constitutes 25.2%, while those to enhancing the competitiveness of Ghana’s private sector and also for promoting agriculture modernization and efficient natural resource management constitute about 12%. Resources allocated to ensuring and sustaining macroeconomic stability constitute the least of about 2%, while those for promoting transparent and accountable governance constituted 6.4% (Figure 3.1).

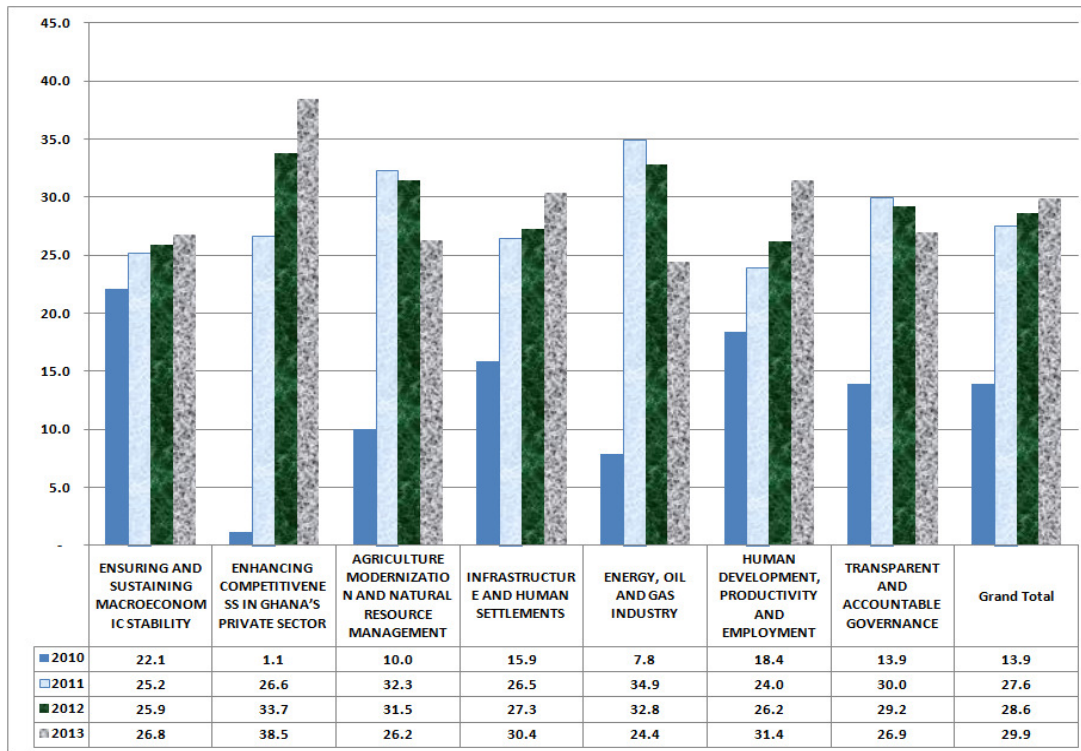
FIGURE 3.1: ALLOCATION OF RESOURCES UNDER THE GSGDA, 2010 – 2013 (PERCENT)



Source: MTEF Database, MOFEP, 2010

The resource flow is expected to be evenly distributed, particularly during the outer years with an average resource requirement of about 28.7% per annum. The resource requirement for 2010 is expected to be the lowest, constituting about 14%, and increasing gradually to 29.9% in 2013 (Figure 3.2).

FIGURE 3.2: PATTERN OF RESOURCE FLOW OF EACH THEMATIC, 2010 - 2013 (PERCENT)



Source: MTEF Database, MOFEP, 2010

Ensuring and sustaining macroeconomic stability

In order to ensure and sustain macroeconomic stability, total cost of implementing policies and strategies is estimated at US\$502.873 million over the period 2010 – 2013 (Table 3.1). About 87.1% of this amount is expected to be spent on interventions related to ensuring efficient fiscal policy management, and 8.2% to efficient management of monetary and financial policies. Resources for ensuring effective economic policy management including strengthening economic planning and forecasting, constitute 2.4%, while those for promoting international trade and integration to the ECOWAS constitute 2.3%. Resource requirement in this thematic area is expected to be evenly distributed over the plan period, with about 22.1% required in 2010 and increasing gradually to 26.8% in 2013.

Enhancing the competitiveness of Ghana's private sector

In the area of enhancing the competitiveness of Ghana's private sector, total resource requirement amounts to US\$1,906.211 million (Table 3.1), of which about 95.6% is expected to be spent on activities related to developing the industrial base of the economy. This entails ensuring rapid industrialization driven by strong relationship to agriculture, and transforming the extractive industry for economic development including implementing the Eastern corridor counterpart industrial mineral processing initiative as well as the salt-based and

bauxite driven industries initiative. The remaining 4.4% is expected to be spent on activities related to promoting the development of the private sector, good corporate governance, tourism industry and the creative industry. The resource flow is expected to be evenly distributed, particularly during the outer years, with about 1.1% required in 2010 and increasing gradually to 38.5% in 2013.

Agriculture modernization and natural resource management

Total resource requirement for implementing interventions related to the agriculture modernization and natural resource management thematic area over the plan period amounts to US\$906.354 million (Table 3.1). About 80% of this amount is expected to go into implement activities aimed at modernizing agriculture including minimizing production and distribution risks and bottlenecks, increasing agricultural competitiveness and enhance integration into domestic and international markets, and promoting selected crop development for food security, export and industry. The remaining 20% is expected to go into activities aimed at ensuring efficient natural resource management and environmental governance. Nearly 10% of the resource in this thematic area is expected to be spent in 2010, while 32.3% and 31.5% are required for the 2011 and 2012 respectively. The resource required for 2013 is estimated at 26.2%.

TABLE 3.1: ESTIMATED COST FOR IMPLEMENTING THE GSGDA, 2010 – 2013 (PERCENT)

THEME AREA	Expenditure Summary									
	2010		2011		2012		2013		Total	
	Value (in Million US\$)	%	Value (in Million US\$)	%	Value (in Million US\$)	%	Value (in Million US\$)	%	Value (in Million US\$)	%
I. ENSURING AND SUSTAINING MACROECONOMIC STABILITY	111.129	3.34	126.579	1.92	130.371	1.91	134.795	1.89	502.873	2.10
II. ENHANCING COMPETITIVENESS IN GHANA'S PRIVATE SECTOR	21.467	0.65	507.513	7.71	643.298	9.41	733.933	10.26	1,906.211	7.98
III. AGRICULTURE MODERNIZATION AND NATURAL RESOURCE MANAGEMENT	90.755	2.73	292.616	4.44	285.102	4.17	237.882	3.33	906.354	3.79
IV. INFRASTRUCTURE AND HUMAN SETTLEMENTS	1,493.714	44.96	2,497.376	37.93	2,568.205	37.57	2,859.120	39.99	9,418.415	39.42
V. ENERGY, OIL AND GAS INDUSTRY	281.699	8.48	1,257.948	19.11	1,182.371	17.30	879.421	12.30	3,601.438	15.07
VI. HUMAN DEVELOPMENT, PRODUCTIVITY AND EMPLOYMENT	1,109.410	33.39	1,441.495	21.89	1,577.153	23.07	1,890.690	26.44	6,018.748	25.19
VII. TRANSPARENT AND ACCOUNTABLE GOVERNANCE	214.076	6.44	460.711	7.00	448.417	6.56	414.216	5.79	1,537.419	6.44
GRAND TOTAL	3,322.250	100.00	6,584.238	100.00	6,834.916	100.00	7,150.056	100.00	23,891.459	100.00

Source: MTEF Database, MOFEP, 2010

Infrastructure and human settlements

In the infrastructure and human settlements thematic area, about US\$9,418.415 million is required to implement policies and programmes over the plan period, of which 55.2% is expected to be spent on activities related to the provision of efficient and integrated transport infrastructure including the rehabilitation of the central and western railway lines,

modernization of Takoradi Harbour, re-construction of the Eastern and Western corridor roads, development of a new deep sea port to serve the oil and gas industry, and improvement of the domestic and national airport as well as the air strips.

About 20.5% is also estimated to be spent on activities related to the provision of improved water and adequate sanitation, while 11.9% is estimated for the accelerated development of affordable housing and shelter. The remaining 12.4% is estimated to be spent on activities related to science and technology development, development of information communication technology, human settlement development and provision of recreational infrastructure. Resource requirement in this thematic area is expected to be evenly distributed over the plan period, with about 16% required in 2010 and increasing to 30.4% in 2013.

Energy, oil and gas

Total resource requirement for the energy, oil and gas thematic area over the plan period is estimated at US\$3,601.438 million (Table 3.1). The resource requirement for the development of the necessary infrastructure and human resource to support the development of the oil and gas industry, including developing the relevant local capacity to take advantage of the local content law, constitutes about 21.5% of total resource requirement of the thematic area. The remaining 78.5% of the resources in this thematic area, is however, expected to be spent on activities related to the provision of a reliable and adequate energy supply to households and industry. This will entail rehabilitation and expansion of existing energy infrastructure, diversifying of the national energy mix, development of selected small river dams, and integrating energy infrastructure with sub-regional infrastructure. Nearly 8% of the resource in this thematic area is expected to be spent in 2010, while about 68% is required during the 2011 and 2012. The resource required for 2013 is estimated at 24.4%.

Human resource, productivity and employment

Total resource requirement for the human resource, productivity and employment thematic area over the plan period is estimated at US\$6,018.748 million (Table 3.1), of which about 61.3% is expected to be spent on activities related to the provision of quality health care and nutrition, especially improving access to quality maternal, child and adolescent health services, as well as bridging equity gaps in access to health care. On the other hand, 33.6% is expected to be spent on activities related to the provision of quality education, while the remaining 5% goes into programmes aimed at improving productivity and employment, developing the youth and sports, population management, and social protection and expansion of safety net. Resource requirement in this thematic area is expected to be evenly distributed over the plan period, with about 18.4% required in 2010 and increasing gradually to 31.4% in 2013.

Transparent and accountable governance

In the transparent and accountable governance thematic area, total resource requirement for implementing interventions over the plan period is estimated at US\$1,537.419 million (Table 3.1), of which 26.8% is expected to be spent on activities related to public policy management and public sector reforms, 20.6% to public safety and security and 19.8% to the promotion of the practice of democracy and institutional reforms. In order to implement policies aimed at reducing regional development gaps and income inequalities about 8% of the resources in this thematic area is expected to go into promoting the special development areas initiatives, while 6.6% is expected to be allocated to the promotion of local governance

and decentralization. About 6.7% is expected to be spent on interventions aimed at ensuring evidence-based decision making, while the remaining 18.2% is expected to be spent on activities related to promoting women empowerment, development communication, rule of law and justice, national culture in development, international relations and partnerships, access to right and entitlements, and fighting corruption and economic crimes. Nearly 13.9% of the resource is expected to be spent in 2010, while 30% and 29.2% are required for the 2011 and 2012 respectively. The resource required for 2013 is estimated at 26.9%.

CHAPTER FOUR

THE RESOURCE ENVELOPE AND THE FINANCING GAP

4.1 Resource Envelope

The resource envelope comprises both domestic and external sources of financing. In each of the four years of the GSGDA implementation period, budgetary spending excluding net lending is projected at an average of 40.3% of annual GDP. Domestic revenue sources including oil revenue make up some 31.8% of GDP, while grants from bilateral and multilateral sources constitute about 4.3% of GDP on the average. The remaining 4.2% of GDP is expected to come from programme loans and exceptional financing arrangements (Tables 4.1 & 4.2).

About 86.5% of total receipts over the period of implementation of the GSGDA are expected to be generated from domestic sources (i.e. domestic tax and non-tax sources). Revenue from oil and gas over the plan period is expected not to be less than 6% of the domestic receipt.

Table 4.1: REVENUE (Million Ghana Cedis)

	2010 Budget Estimate	2011 Budget Estimate	2012 Projected Estimate	2013 Projected Estimate
TAXES ON INCOME & PROPERTY	2,235.386	3,334.799	4,471.376	5,056.159
Personal	938.811	1,334.200	1,478.200	1,842.480
Self employed	103.736	119.050	138.950	152.480
Companies	881.756	1,128.900	1,355.940	1,514.398
Oil Revenue	0.000	198.448	813.498	697.398
Others	311.083	554.202	684.787	849.404
Other direct taxes /1	249.193	416.224	520.347	667.324
o/w Royalties from Oil	0.000	123.406	199.877	213.944
o/w Mineral Royalties	0.000	192.940	0.000	0.000
NRL (Arrears)	0.000	0.000	0.000	0.000
NFSL / (Arrears)	35.080	97.478	17.580	8.790
Airport tax	26.810	40.500	146.860	173.290
TAXES ON DOMESTIC GOODS	444.305	455.400	534.633	609.705
Excise Duty	91.905	125.400	147.510	177.020
Petroleum tax	352.400	330.000	387.123	432.685
TAXES ON INTERNATIONAL TRADE	1,141.444	1,335.864	1,436.134	1,563.938
Imports	1,089.622	1,273.677	1,361.510	1,478.620
Import duty	1,089.622	1,273.677	1,361.510	1,478.620
Special tax	0.000	0.000	0.000	0.000
Other taxes/2	0.000	0.000	0.000	0.000
Exports	51.822	62.187	74.624	85.318
Cocoa	51.822	62.187	74.624	85.318
Lumber	0.000	0.000	0.000	0.000
VAT	1,675.350	1,937.650	2,309.600	2,650.780
Domestic	609.400	829.250	1,009.980	1,211.980

	2010 Budget Estimate	2011 Budget Estimate	2012 Projected Estimate	2013 Projected Estimate
External	1,065.950	1,108.400	1,299.620	1,438.800
National Health Insurance Levy (NHIL)	480.908	477.673	565.132	644.306
CEPS Collection	216.710	226.300	259.920	287.800
VATS Collection	121.820	161.600	202.000	242.400
SSNIT Contribution	142.378	89.773	103.212	114.106
Other revenue measures	132.990	0.000	0.000	0.000
Import Exemptions	237.228	260.838	292.105	320.522
Tax Revenue	6,072.243	7,712.451	9,505.768	10,731.304
Non-tax revenue	1,916.403	1,355.668	1,659.061	1,899.685
TOTAL REVENUE	8,264.013	9,299.521	11,441.281	12,952.985
GRANTS	1,364.515	1,301.601	1,306.873	1,489.123
Project grants	832.880	784.183	736.211	838.411
Programme grants	296.205	281.387	318.928	385.398
HIPC Assistance (multilaterals)	131.595	128.746	135.227	132.487
Multilateral Debt Relief Initiative (MDRI)	103.835	107.286	116.508	132.826
International Monetary Fund	0.000	0.000	0.000	0.000
World Bank	93.930	97.440	105.995	112.667
African Development Bank	9.905	9.846	10.513	20.159
TOTAL REVENUE & GRANTS	9,628.527	10,601.123	12,748.154	14,442.108

Source: Ministry of Finance and Economic Planning, 2010

The greater proportion of investments under GSGDA is expected to be funded through programme and project loans, special bilateral financing arrangements and public-private partnership arrangements in view of the large capital requirements of major economic and social infrastructure projects envisaged under the GSGDA which the national budget cannot support. About 54.8% of capital investment envisaged under the GSGDA is expected to be financed through the traditional domestic and foreign financed arrangements. The remaining 45.2% is expected to be financed through special financing arrangements including the Sino-Ghana Bilateral Investment Initiatives, Korea-Ghana Bilateral Initiative and Public-Private Partnerships.

Traditional foreign finance capital investment is expected to average, at least, US\$1,168.228 million per annum during the planned period, while domestic financed capital expenditure (excluding statutory expenditure) is estimated at US\$1,365.972 million per annum. HIPC and MDRI financed expenditure is expected to average US\$182.59 million per annum, while Programme and Project loans on the other hand is expected to average, at least, US\$897.609 million per annum during the planned period (Table 4.2).

Table 4.2: EXPENDITURE (Million Ghana Cedis)

	2010 Budget Estimate	2011 Budget Estimate	2012 Projected Estimate	2013 Projected Estimate
Recurrent	7,625.049	8,924.861	10,059.795	10,471.373
Non-interest expenditure	6,278.891	7,093.561	8,643.645	8,950.523
Wages & Salaries	3,112.950	3,732.762	4,740.607	6,020.571
Goods & Services	635.082	604.230	717.867	802.355
o/w Administration	408.608	400.604	473.792	529.555
o/w Service	226.474	203.626	244.075	272.801
Transfers	1,972.559	2,352.688	2,685.395	1,569.000
Pensions	254.153	282.300	358.864	455.757
Gratuities	103.736	94.400	105.861	118.320
Social Security	233.406	363.300	461.261	585.802
National Health Fund (NHF)	480.908	477.673	565.132	644.306
o/w Social Intervention Programmes	0.000	93.624	0.000	0.000
Other transfers	900.357	1,107.766	1,194.278	1,376.179
Retention of Internally-generated funds (IGFs)	595.700	818.118	866.980	1,016.322
Safety net for deregulation	41.494	0.000	0.000	0.000
Lifeline consumers of electricity	25.934	28.810	35.193	39.335
Tax Expenditure (Exemptions)	237.228	260.838	292.105	320.522
Subsidies to utility companies	0.000	27.250	0.000	0.000
o/w TOR for under-recovery/Debt	0.000	27.250	0.000	0.000
Reserve Fund	558.300	403.881	499.776	558.596
	0.000	0.000	0.000	0.000
Interest Payments	1,346.157	1,831.300	1,416.150	1,520.850
Domestic	1,038.300	1,372.200	1,090.983	1,180.050
External (Due)	307.857	459.100	325.167	340.800
Capital expenditure	2,839.498	3,745.903	3,645.366	4,427.882
Capital (domestic financed)	1,311.071	1,587.503	2,349.318	2,656.410
Development	1,311.071	1,587.503	2,349.318	2,656.410
Education Trust Fund	326.693	376.880	449.225	515.586
o/w Social Intervention Programmes	0.000	101.757	0.000	0.000
Road Fund	145.230	154.300	176.950	197.776
Petroleum Related Fund	5.187	6.100	7.039	7.867
Dist. Ass. Common Fund	434.485	530.738	610.261	706.994
o/w Social Intervention Programmes	0.000	159.221	0.000	0.000
Other cash expenditure	399.476	257.300	633.474	708.030
Oil-financed Expenditure	0.000	262.185	472.369	520.157
o/w transfer to GNPC	0.000	262.185	472.369	520.157
Capital (foreign financed)	1,528.427	2,158.400	1,296.048	1,771.472
HIPC financed expenditure	209.312	0.000	250.212	246.334
MDRI financed expenditure	103.835	0.000	116.508	132.826

	2010	2011	2012	2013
	Budget Estimate	Budget Estimate	Projected Estimate	Projected Estimate
Financing	1,945.050	2,336.914	1,667.501	1,189.458
Foreign (net)	553.211	998.952	768.150	481.039
Borrowing	1,110.947	1,618.716	1,377.094	1,099.376
Project loans	695.547	1,374.217	1,210.779	933.061
Programme loans	415.400	244.499	166.315	166.315
Amortisation (due)	-557.736	-619.764	-608.944	-618.337
Exceptional financing	130.045	118.175	114.985	113.847
HIPC Relief (Cologne terms)	130.045	118.175	114.985	113.847
Domestic (net)	1,261.794	1,219.787	784.367	594.573
Other Financing	0.000	0.000	0.000	0.000
Memorandum items				
Taxes on income and property	8.6	10.7	12.7	12.9
Taxes on domestic goods	1.7	1.5	1.5	1.6
Taxes on international trade	4.4	4.3	4.1	4.0
Tax revenue	23.4	24.8	27.0	27.3
Nontax revenue	7.4	4.4	4.7	4.8
Domestic revenue	31.9	29.8	32.5	32.9
Grants	5.3	4.2	3.7	3.8
Total revenue and grants	37.1	34.0	36.2	36.7
Total Oil Revenue	0.000	584.039	1,485.745	1,431.498
Recurrent	29.4	28.6	28.6	26.6
Goods and services	2.4	19.4	2.0	2.0
Subvention	0.0	0.0	0.0	0.0
Transfers	7.6	75.5	7.6	4.0
Interest payments	5.2	58.8	4.0	3.9
Capital	10.9	120.2	10.4	11.3
Total expenditure & net lending (% of GDP)	41.6	40.7	40.0	38.8
TOTAL EXP. & NET LENDING	10,777.694	12,670.764	14,071.881	15,278.414
Total Non Salary Recurrent and Investment	3,547.841	3,251.325	4,447.785	5,038.907
Total Non Salary Recurrent and Investment in US Dollars	2,481.008	2,242.293	3,067.438	3,475.108
Exchange Rate	1.43	1.45	1.45	1.45

Source: Ministry of Finance and Economic Planning, 2010

4.2 The Resource Gap

The estimated total resources required to finance the GSGDA is US\$23,891.459 million (GH¢34,642.616 million) over the period 2010-2013. This cost excludes wages and salaries expenses associated with project and programme implementation. A comparison of the projected resource inflows to the estimated cost of implementing the GSGDA provides an indication of the resource gap that must be filled to ensure full implementation of the programmes and projects identified under the GSGDA.

Over the period, total revenue and grants is expected to rise by an average of 17.9% per annum from US\$6,088.545 million in 2010 to US\$9,960.074 million in 2013. The GOG budgetary resources allocated for expenditures in Services and Investment is estimated to rise at average of 15.2% per annum from US\$2,271.403 million in 2010 to US\$3,418.921 million in 2013, thereby accounting for 47.7% of the total resource requirement over the period.

Table 4.3: Resource Gap Analysis

	Amount (in million US\$)				
	2010	2011	2012	2013	Total
1. SERVICES	285.740	276.279	326.753	365.210	1,253.982
2. INVESTMENT	1,985.663	2,583.381	2,514.045	3,053.711	10,136.801
- Domestic Financed(excluding statutory)	916.833	1,094.829	1,620.219	1,832.007	5,463.889
-Foreign Financed	1,068.830	1,488.552	893.826	1,221.705	4,672.913
3. SERVICES + INVESTMENT	2,271.403	2,859.660	2,840.798	3,418.921	11,390.783
4. ESTIMATED COST OF THE GSGDA	3,322.250	6,584.238	6,834.916	7,150.056	23,891.459
5. RESOURCE GAP	1,050.847	3,724.577	3,994.118	3,731.134	12,500.676

Source: Derived from data, 2010

Based on the projected total revenue and expenditures in Investments and Service over the period, overall resource gap of US\$12,500.676 million (GH¢18,125.980 million) and an average of US\$3,125.169 million per annum was estimated. This represents an overall financing gap of about 52.3% over the period 2010-2013, which is expected to be filled by:

- identifying new financing sources including targeted bilateral partnerships in state-to-state arrangements, vigorous promotion of Public-Private Partnership, etc;
- introducing new domestic revenue enhancing measures to widen the revenue base;
- scaling-up donor inflows; and
- accelerate the capacity expansion of the domestic financial markets and targeted support and incentives for the capital market

New Financing Sources/Bilateral State-to-State Partnerships: Inadequate budgetary as well as financial market resources to fund large infrastructural projects have been a big constraint to the national develop effort. In other to fully finance the GSGDA it is important to diversify from the traditional sources of funding to more innovative ones. This will create

the necessary fiscal space for investments in the large economic and social infrastructure required for economic and social transformation.

Bilateral partnerships will be forged to focus on state-to-state initiatives in specific areas of the economy. About 45.2% of capital investment envisaged under the GSGDA is expected to be financed through special financing arrangements including the Sino-Ghana Bilateral Investment Initiatives, Korea-Ghana Bilateral Initiative and Public-Private Partnerships.

Many of the interventions outlined in the GSGDA lend themselves easily to private sector involvement. To complement the traditional sources for funding GSGDA, the necessary space will be created for private sector participation through the vigorous promotion of Public Private Partnership (PPP). This will involve access to technology and technical know-how and large financing, as well as risk-sharing to reduce the pressure on the nation's budgetary resources.

Scaling-up Donor Inflows: An analysis of ODA inflows to Ghana shows that aid inflows have increased from US\$578.96 million in 2001 in nominal terms to US\$1,698.21 million in 2009, constituting an average annual increment of about 23% during the period. The Multi-Donor Budgetary Support (MDBS) which currently constitute about 30% of donor inflows in Ghana, has improved commitment and predictability of aid inflows. However in real terms, ODA inflows have stagnated between 2002 and 2009. With the shift of most of the Development Partners from Project Support and Sector-Wide Project (SWP) approach to the Programme/Budget Support approach, and the adoption of the Multi-Donor Budgetary Support (MDBS) System by the GOG, there are positive prospects for mobilizing more DPs resources for the effective implementation of the GSGDA. The country financial management and mechanisms for value for money will be strengthened to increase the confidence of Development Partners in the country systems.

Introducing new revenue enhancing measures: With the medium term objective of increasing government revenue through a number of revenue enhancing mechanisms, the prospect for scaling-up GOG resources in support of the implementation of the GSGDA is high. Revenue enhancing mechanisms including introduction of a single revenue authority, improving VAT collection, taxation of natural resources, reduction of tax exemptions, etc will be pursued.

Expansion of Domestic Financial Markets: To expand domestic financial market for increase availability and pace of domestic resource mobilisation to support investments by the private sector, the financial sector reforms and capacity strengthening will be accelerated. The banking sector capitalisation will be increased to expand banks' risk capacity and their capability to fund the private sector in order to ensure they can take advantage of existing and emerging opportunities in the economy to grow and create jobs. In addition, the incentive mechanism for the Ghana Stock Exchange and investors on the exchange will be deepened to encourage the private sector to access long-term capital.

APPENDICES

APPENDIX 1: INDICATIVE COST FOR IMPLEMENTING THE GDGSD, 2010 – 2013, BY FOCUS AREA

I. ENSURING AND SUSTAINING MACROECONOMIC STABILITY

Theme / Key Focus Area	Expenditure Summary									
	<u>2010</u>		<u>2011</u>		<u>2012</u>		<u>2013</u>		<u>Total</u>	
	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%
1. Monetary Policy and Financial Management	8.398	7.56	10.078	7.96	10.950	8.40	11.852	8.79	41.278	8.21
2. Fiscal Policy Management	97.067	87.35	110.418	87.23	113.184	86.82	117.236	86.97	437.905	87.08
3. Economic Policy Management	2.923	2.63	2.963	2.34	3.067	2.35	3.136	2.33	12.089	2.40
4. International Trade Management and ECOWAS Community Development	2.741	2.47	3.119	2.46	3.170	2.43	2.571	1.91	11.601	2.31
Sub-total	111.129	100.00	126.579	100.00	130.371	100.00	134.795	100.00	502.873	100.00

II. ENHANCING COMPETITIVENESS OF GHANA'S PRIVATE SECTOR

Theme / Key Focus Area	Expenditure Summary									
	<u>2010</u>		<u>2011</u>		<u>2012</u>		<u>2013</u>		<u>Total</u>	
	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%
1. Private Sector Development	5.913	27.54	6.299	1.24	12.627	1.96	13.076	1.78	37.915	1.99
2. Good Corporate Governance	7.849	36.56	7.974	1.57	6.625	1.03	6.783	0.92	29.231	1.53
3. Industrial Development	3.210	14.95	489.553	96.46	620.214	96.41	710.210	96.77	1,823.186	95.64
4. Developing the Tourism Industry	3.997	18.62	3.172	0.62	3.238	0.50	3.188	0.43	13.595	0.71
5. Promoting the Creative Industry for Economic Development	0.499	2.32	0.515	0.10	0.594	0.09	0.676	0.09	2.284	0.12
Sub-total	21.467	100.00	507.513	100.00	643.298	100.00	733.933	100.00	1,906.211	100.00

III. AGRICULTURE MODERNIZATION AND NATURAL RESOURCE MANAGEMENT

Theme / Key Focus Area	Expenditure Summary									
	<u>2010</u>		<u>2011</u>		<u>2012</u>		<u>2013</u>		<u>Total</u>	
	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%
1. Accelerated Modernization of Agriculture	76.197	83.96	235.255	80.40	232.672	81.61	184.353	77.50	728.478	80.37
2. Effective Natural Resource Management and Environmental Governance	14.557	16.04	57.360	19.60	52.430	18.39	53.529	22.50	177.877	19.63
Sub-total	90.755	100.00	292.616	100.00	285.102	100.00	237.882	100.00	906.354	100.00

IV. INFRASTRUCTURE AND HUMAN SETTLEMENTS

Theme / Key Focus Area	Expenditure Summary									
	<u>2010</u>		<u>2011</u>		<u>2012</u>		<u>2013</u>		<u>Total</u>	
	<i>Value (in Million US\$)</i>	<i>%</i>	<i>Value (in Million US\$)</i>	<i>%</i>	<i>Value (in Million US\$)</i>	<i>%</i>	<i>Value (in Million US\$)</i>	<i>%</i>	<i>Value (in Million US\$)</i>	<i>%</i>
1. Human Settlements Development	131.483	8.80	153.336	6.14	198.166	7.72	110.802	3.88	593.787	6.30
2. Accelerated Housing and Shelter Development	124.537	8.34	249.274	9.98	342.048	13.32	409.087	14.31	1,124.946	11.94
3. Institutional arrangement for implementing human settlements development	0.550	0.04	0.708	0.03	0.406	0.02	0.448	0.02	2.111	0.02
4. Water and Environmental Sanitation and hygiene	383.701	25.69	486.662	19.49	461.021	17.95	603.526	21.11	1,934.910	20.54
5. Transport Infrastructure: Road, Rail, Water and Air Transport	772.795	51.74	1,441.265	57.71	1,420.878	55.33	1,567.515	54.83	5,202.454	55.24
6. Recreational Infrastructure	56.516	3.78	102.597	4.11	102.533	3.99	102.533	3.59	364.178	3.87
7. Science, Technology and Innovation to Support Productivity and Development	8.089	0.54	33.846	1.36	23.884	0.93	46.356	1.62	112.175	1.19
8. Information Communication Technology Development for real growth	16.043	1.07	29.688	1.19	19.270	0.75	18.854	0.66	83.854	0.89
Sub-total	1,493.714	100.00	2,497.376	100.00	2,568.205	100.00	2,859.120	100.00	9,418.415	100.00

V. ENERGY, OIL AND GAS INDUSTRY

Theme / Key Focus Area	Expenditure Summary									
	<u>2010</u>		<u>2011</u>		<u>2012</u>		<u>2013</u>		<u>Total</u>	
	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%
1. Oil and Gas Development	23.069	8.19	342.229	27.21	203.838	17.24	204.697	23.28	773.833	21.49
2. Energy Supply to Support Industries and Households	258.630	91.81	915.719	72.79	978.533	82.76	674.724	76.72	2,827.606	78.51
Sub-total	281.699	100.00	1,257.948	100.00	1,182.371	100.00	879.421	100.00	3,601.438	100.00

VI. HUMAN DEVELOPMENT, PRODUCTIVITY AND EMPLOYMENT

Theme / Key Focus Area	Expenditure Summary									
	<u>2010</u>		<u>2011</u>		<u>2012</u>		<u>2013</u>		<u>Total</u>	
	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%	<i>Value (in Million US\$)</i>	%
1. Education	413.792	37.30	543.287	37.69	511.576	32.44	555.161	29.36	2,023.816	33.63
2. Human Resource Development	3.735	0.34	16.726	1.16	17.446	1.11	11.731	0.62	49.639	0.82
3. Health	645.343	58.17	789.848	54.79	990.200	62.78	1,262.505	66.77	3,687.897	61.27
4. HIV, AIDS, STDs, and TB	2.482	0.22	2.496	0.17	3.855	0.24	4.014	0.21	12.847	0.21
5. Sports Development	2.274	0.20	2.274	0.16	3.133	0.20	3.148	0.17	10.829	0.18

Expenditure Summary

Theme / Key Focus Area	<u>2010</u>		<u>2011</u>		<u>2012</u>		<u>2013</u>		<u>Total</u>	
	<i>Value (in Million US\$)</i>	<i>%</i>	<i>Value (in Million US\$)</i>	<i>%</i>	<i>Value (in Million US\$)</i>	<i>%</i>	<i>Value (in Million US\$)</i>	<i>%</i>	<i>Value (in Million US\$)</i>	<i>%</i>
6. Productivity and Employment	13.622	1.23	44.003	3.05	19.447	1.23	19.262	1.02	96.334	1.60
7. Social Protection and Expansion of Safety Net	6.483	0.58	19.867	1.38	7.759	0.49	7.725	0.41	41.834	0.70
8. Population Management	2.672	0.24	3.101	0.22	0.805	0.05	0.331	0.02	6.909	0.11
9. Child Survival, Development and Protection	1.470	0.13	1.470	0.10	1.470	0.09	1.470	0.08	5.879	0.10
11. Youth Development and Participation in National Development	14.345	1.29	14.345	1.00	15.907	1.01	19.297	1.02	63.895	1.06
12. Protecting the Social Wellbeing of the Aged	0.117	0.01	0.601	0.04	0.715	0.05	0.872	0.05	2.303	0.04
13. Protection and Participation of PWD in National Development	2.081	0.19	2.482	0.17	3.564	0.23	3.867	0.20	11.994	0.20
14. Poverty and income inequalities Reduction	0.994	0.09	0.996	0.07	1.276	0.08	1.307	0.07	4.573	0.08
Sub-total	1,109.410	100.00	1,441.495	100.00	1,577.153	100.00	1,890.690	100.00	6,018.748	100.00

VII. TRANSPARENT AND ACCOUNTABLE GOVERNANCE

Theme / Key Focus Area	Expenditure Summary									
	<u>2010</u>		<u>2011</u>		<u>2012</u>		<u>2013</u>		<u>Total</u>	
	<i>Value (in Million US\$)</i>	<i>%</i>	<i>Value (in Million US\$)</i>	<i>%</i>	<i>Value (in Million US\$)</i>	<i>%</i>	<i>Value (in Million US\$)</i>	<i>%</i>	<i>Value (in Million US\$)</i>	<i>%</i>
1.Practice of Democracy and Institutional Reform Agenda	61.089	28.54	71.883	15.60	94.244	21.02	77.828	18.79	305.044	19.84
2. Local Governance and Decentralization	20.645	9.64	26.721	5.80	29.794	6.64	23.937	5.78	101.097	6.58
3. Economic growth and Plan coordination in special development areas to reduce poverty/ inequalities	11.117	5.19	33.352	7.24	32.621	7.27	45.603	11.01	122.693	7.98
4. Public Policy Management and Public Sector Reforms	46.472	21.71	149.272	32.40	119.762	26.71	95.865	23.14	411.371	26.76
5. Development Communication	0.210	0.10	0.556	0.12	0.817	0.18	0.717	0.17	2.299	0.15
6. Women Empowerment	2.060	0.96	2.386	0.52	4.314	0.96	3.979	0.96	12.740	0.83
7. Corruption and Economic Crimes	2.202	1.03	15.344	3.33	15.391	3.43	18.156	4.38	51.093	3.32
8. Rule of Law and Justice	2.863	1.34	24.545	5.33	24.035	5.36	24.089	5.82	75.532	4.91
9. Public Safety and Security	25.204	11.77	90.854	19.72	98.848	22.04	101.252	24.44	316.158	20.56
10. Access to Rights and Entitlement	1.764	0.82	3.546	0.77	3.808	0.85	4.351	1.05	13.469	0.88
11. National Culture for Development	3.796	1.77	5.706	1.24	5.707	1.27	6.004	1.45	21.213	1.38

Expenditure Summary

Theme / Key Focus Area	<u>2010</u>		<u>2011</u>		<u>2012</u>		<u>2013</u>		<u>Total</u>	
	<i>Value (in Million US\$)</i>	<i>%</i>	<i>Value (in Million US\$)</i>	<i>%</i>	<i>Value (in Million US\$)</i>	<i>%</i>	<i>Value (in Million US\$)</i>	<i>%</i>	<i>Value (in Million US\$)</i>	<i>%</i>
12. International Relations (Partnership) for Development	0.457	0.21	0.517	0.11	0.518	0.12	0.649	0.16	2.141	0.14
13. Evidence-Based Decision Making	36.198	16.91	36.030	7.82	18.557	4.14	11.786	2.85	102.571	6.67
Sub-total	214.076	100.00	460.711	100.00	448.417	100.00	414.216	100.00	1,537.419	100.00

APPENDIX II:

INDICATIVE COST FOR IMPLEMENTING THE GDGSD, 2010 – 2013, BY THEMATIC AREA, FOCUS AREA AND POLICY OBJECTIVE

THEME / KEY FOCUS AREA / POLICY OBJECTIVE	Expenditure Summary (in Million US\$)				
	2010	2011	2012	2013	Total
I. ENSURING AND SUSTAINING MACROECONOMIC STABILITY	111.129	126.579	130.371	134.795	502.873
1. Monetary Policy and Financial Management	8.398	10.078	10.950	11.852	41.278
<i>Deepen the capital markets</i>	1.566	1.879	1.931	1.931	7.307
<i>Create a more diversified financial sector and improve access to financial services</i>	6.833	8.199	9.019	9.921	33.971
2. Fiscal Policy Management	97.067	110.418	113.184	117.236	437.905
<i>Improve fiscal resource mobilization</i>	63.305	67.962	68.635	70.166	270.069
<i>Institute mechanisms to manage external shocks</i>	-	0.345	0.345	0.345	1.034
<i>Improve public expenditure management</i>	33.465	41.766	43.825	46.242	165.298
<i>Promote effective debt management</i>	0.296	0.345	0.379	0.483	1.503
3. Economic Policy Management	2.923	2.963	3.067	3.136	12.089
<i>Strengthen economic planning and forecasting to ensure synergetic development of strategic sectors</i>	2.923	2.963	3.067	3.136	12.089
4. International Trade Management and ECOWAS Community Development	2.741	3.119	3.170	2.571	11.601
<i>Improve export competitiveness</i>	2.632	2.895	2.924	2.299	10.751
<i>Diversify and increase exports and markets</i>	0.109	0.120	0.132	0.147	0.508
<i>Accelerate economic integration with other regional and/or sub-regional states</i>	-	0.103	0.114	0.125	0.342
II. ENHANCING COMPETITIVENESS IN GHANA'S PRIVATE SECTOR	21.467	507.513	643.298	733.933	1,906.211
1. Private Sector Development	5.913	6.299	12.627	13.076	37.915
<i>Improving the Investment Climate</i>	0.001	0.015	0.016	0.018	0.050

THEME / KEY FOCUS AREA / POLICY OBJECTIVE	Expenditure Summary (in Million US\$)				
	2010	2011	2012	2013	Total
<i>Increasing opportunity for the poor</i>	0.430	0.650	0.520	0.469	2.069
<i>Remove internal value chain constraints</i>	0.634	0.702	0.772	0.139	2.247
<i>Remove obstacles and improve trade and investment</i>	0.220	0.288	0.317	0.349	1.175
<i>Ensure consumer safety</i>	4.628	4.644	11.001	12.101	32.375
2. Good Corporate Governance	7.849	7.974	6.625	6.783	29.231
<i>Promote an enabling environment and effective regulatory framework for public sector management</i>	0.036	0.162	0.162	0.162	0.522
<i>Ensure businesses behave as good corporate entities which uphold the tenets of human rights, social responsibility and environmental sustainability</i>	7.812	7.812	6.625	6.783	21.220
3. Industrial Development	3.210	489.553	620.214	710.210	1,823.186
<i>Ensure rapid industrialization driven by strong relationship to agriculture</i>	2.848	306.937	355.532	405.532	1,070.848
<i>Facilitate Technology transfers and research and development to drive industrial transformation</i>	0.280	2.526	4.583	4.569	11.958
<i>Decentralise industrial development to exploit the resource endowments of Districts</i>	0.082	0.090	0.099	0.109	0.380
<i>Transforming the Extractive Industry for economic development</i>	-	180.000	260.000	300.000	740.000
4. Developing the Tourism Industry	3.997	3.172	3.238	3.188	13.595
<i>Diversify and Expand the tourism industry for revenue generation</i>	3.694	2.945	2.989	2.993	12.621
<i>Promote Domestic Tourism to foster National Cohesion as well as redistribution of income</i>	0.086	0.094	0.094	0.094	0.367
<i>Promote sustainable and responsible tourism in such a way to preserve historical, cultural and natural heritage.</i>	0.217	0.133	0.156	0.101	0.607
5. Promoting the Creative Industry for Economic Development	0.499	0.515	0.594	0.676	2.284
<i>Develop and strengthen Ghana's creative arts industry</i>	0.499	0.515	0.594	0.676	2.284
III. AGRICULTURE MODERNIZATION AND NATURAL RESOURCE	90.755	292.616	285.102	237.882	906.354

THEME / KEY FOCUS AREA / POLICY OBJECTIVE	Expenditure Summary (in Million US\$)				
	2010	2011	2012	2013	Total
MANAGEMENT					
1. Accelerated Modernization of Agriculture	76.197	235.255	232.672	184.353	728.478
<i>Increase agric productivity through Minimization of production and distribution risks and bottlenecks in agriculture and industry</i>	53.767	145.840	146.999	106.864	453.470
<i>Improve agriculture productivity</i>	7.350	70.993	66.739	59.498	204.580
<i>Increase agricultural competitiveness and enhance integration into domestic and international markets</i>	0.020	1.383	3.411	0.952	5.766
<i>Promote selected crop development for food security, export and industry</i>	0.153	0.153	0.153	0.153	0.614
<i>Improved Institutional Coordination for Agricultural Development</i>	14.907	16.886	15.369	16.886	64.048
	14.557	57.360	52.430	53.529	177.877
2. Effective Natural Resource Management and Environmental Governance					
<i>Ensure the restoration of degraded natural resources</i>	0.031	26.757	26.924	27.085	80.797
<i>Promote sustainable natural resource management</i>	10.378	25.375	20.332	21.297	77.382
<i>Building institutional capacities for sustainable environmental resource management</i>	4.148	5.228	5.174	5.147	19.698
IV. INFRASTRUCTURE AND HUMAN SETTLEMENTS	1,493.714	2,497.376	2,568.205	2,859.120	9,418.415
1. Human Settlements Development	131.483	153.336	198.166	110.802	593.787
<i>Promote a sustainable, spatially integrated and orderly development of human settlements to support socio-economic development</i>	0.759	11.803	14.945	18.777	46.283
<i>Revamp the spatial/land use planning system in Ghana</i>	0.313	0.313	0.333	0.278	1.237
<i>Facilitate ongoing institutional, technological and legal reforms under the LAP/TCPD-LUPMP in support of land use planning</i>	0.912	0.912	0.957	0.910	3.692
<i>Enhance the human and institutional capacities for effective land use planning and management through science and technology.</i>	0.215	10.369	13.432	17.375	41.391
<i>Promote structured integrated urban development</i>	2.273	2.273	2.483	1.724	8.753
<i>Promote resilient urban infrastructure development, maintenance and provision of basic services</i>	55.928	55.928	72.437	13.807	198.100
<i>Promote and facilitate private sector participation in disaster management (e.g,</i>	3.483	4.138	4.103	4.138	15.862

THEME / KEY FOCUS AREA / POLICY OBJECTIVE	Expenditure Summary (in Million US\$)				
	2010	2011	2012	2013	Total
<i>flood control systems and coastal protection)</i> <i>Create an enabling environment that would enhance the development of the potential of rural areas</i>	67.600	67.600	89.476	53.793	278.469
2. Accelerated Housing and Shelter Development	124.537	249.274	342.048	409.087	1,124.946
<i>Increase access to safe, adequate and affordable shelter</i>	123.148	247.543	339.914	406.400	1,117.005
<i>Improve and accelerate housing delivery in the rural areas</i>	1.389	1.732	2.134	2.687	7.941
3. Institutional arrangement for implementing human settlements development	0.550	0.708	0.406	0.448	2.111
<i>Establish an institutional framework for effective coordination of human settlements development</i>	0.550	0.708	0.406	0.448	2.111
4. Water and Environmental Sanitation and hygiene	383.701	486.662	461.021	603.526	1,934.910
<i>Accelerate the provision of affordable and safe water</i>	358.507	453.633	436.147	578.831	1,827.117
<i>Ensure proper management of water resources</i>	0.450	1.992	1.381	1.440	5.263
<i>Accelerate the provision of adequate and disability friendly sanitation facilities</i>	0.028	0.186	0.186	0.103	0.503
<i>Improve environmental Sanitation.</i>	23.910	30.044	21.731	21.700	97.386
<i>Ensure the implementation of health education program as a component of all sanitation programmes</i>	0.655	0.655	1.424	1.300	4.034
<i>Ensure sustainable financing of environmental sanitation services</i>	0.152	0.152	0.152	0.152	0.607
5. Transport Infrastructure: Road, Rail, Water and Air Transport	772.795	1,441.265	1,420.878	1,567.515	5,202.454
<i>Establish Ghana as a Transportation Hub for the West African Sub-Region</i>	238.378	216.691	149.954	66.034	671.057
<i>Create and sustain an accessible, affordable, reliable, effective and efficient transport system that meets user needs</i>	508.463	1,190.656	1,250.543	1,487.357	4,437.020
<i>Integrate Land use, transport planning, development planning and service provision</i>	4.179	4.034	4.228	4.228	16.669
<i>Create a vibrant investment and performance-based management environment that maximise benefits for public and private sector investors</i>	2.069	1.310	1.379	0.034	4.793
<i>Develop and implement comprehensive and integrated Policy, Governance and</i>	5.405	8.379	5.091	2.387	21.262

THEME / KEY FOCUS AREA / POLICY OBJECTIVE	Expenditure Summary (in Million US\$)				
	2010	2011	2012	2013	Total
<i>Institutional Frameworks</i>					
<i>Ensure Sustainable Development in the Transport Sector</i>	8.376	14.560	6.650	4.917	34.503
<i>Develop adequate Human Resources and apply New Technology</i>	5.924	5.634	3.034	2.558	17.150
6. Recreational Infrastructure	56.516	102.597	102.533	102.533	364.178
<i>Ensure that urban centres incorporate the concept of open spaces, and the creation of green belts or green ways within and around urban communities</i>	0.210	0.210	0.179	0.179	0.778
<i>Develop recreational facilities and promote cultural heritages and natural conservation in both urban and rural areas</i>	56.306	102.388	102.353	102.353	363.400
7. Science, Technology and Innovation to Support Productivity and Development	8.089	33.846	23.884	46.356	112.175
<i>Promote the application of Science, Technology and Innovation in all sectors of the economy</i>	8.089	33.846	23.884	46.356	112.175
8. Information Communication Technology Development for real growth	16.043	29.688	19.270	18.854	83.854
<i>Promote rapid development of the national ICT infrastructure</i>	13.526	26.943	16.943	16.943	74.355
<i>Strengthen the institutional and regulatory framework for managing the ICT sector</i>	0.698	0.617	0.617	0.617	2.549
<i>Promote the use of ICT in all sectors of the economy</i>	0.742	1.052	0.804	0.568	3.166
<i>Facilitate the provision of quality meteorological data and forecast in support of weather sensitive sectors of the economy</i>	1.076	1.076	0.906	0.726	3.785
V. ENERGY, OIL AND GAS INDUSTRY	281.699	1,257.948	1,182.371	879.421	3,601.438
1. Oil and Gas Development	23.069	342.229	203.838	204.697	773.833
<i>Convert the opportunities offered by the oil and gas sector to create jobs for the populace.</i>	20.700	339.750	200.700	200.700	761.850
<i>Ensure that the practices of the Oil and Gas Industry are consistent with</i>	0.862	0.862	1.034	1.241	4.000

THEME / KEY FOCUS AREA / POLICY OBJECTIVE	Expenditure Summary (in Million US\$)				
	2010	2011	2012	2013	Total
<i>international standards of environmental sustainability.</i>					
<i>Effectively manage the potential revenue from oil and gas production.</i>	1.069	1.069	1.283	1.539	4.960
<i>Transform the structure of the economy from production and export of primary products to a diversified industrial based economy.</i>	0.128	0.238	0.448	0.769	1.583
<i>Strengthen institutional capacity.</i>	0.310	0.310	0.372	0.447	1.440
2. Energy Supply to Support Industries and Households	258.630	915.719	978.533	674.724	2,827.606
<i>Ensure increased access of households and industries to efficient, reliable and adequate energy supply</i>	254.860	871.075	942.791	649.724	2,718.449
<i>Diversify the national energy mix including the use of indigenous sources of energy</i>	3.770	44.644	35.742	25.000	109.156
VI. HUMAN DEVELOPMENT, PRODUCTIVITY AND EMPLOYMENT	1,109.410	1,441.495	1,577.153	1,890.690	6,018.748
1. Education	413.792	543.287	511.576	555.161	2,023.816
<i>Increase equitable access to and participation in quality education at all levels</i>	362.067	480.451	443.133	482.260	1,767.911
<i>Improve quality of teaching and learning</i>	14.086	14.155	16.285	16.916	61.442
<i>Improve access to quality education for people with disability</i>	1.578	1.589	1.736	1.910	6.812
<i>Promote science and technical education at all levels</i>	2.803	6.599	6.603	6.603	22.609
<i>Strengthen linkage between tertiary education and industry</i>	0.046	0.386	0.390	0.390	1.211
<i>Integrate essential knowledge and life skills into school curriculum to ensure civic responsibility</i>	0.497	7.393	7.443	7.498	22.831
<i>Improve Management of Education service delivery</i>	32.714	32.714	35.986	39.584	140.999
2. Human Resource Development	3.735	16.726	17.446	11.731	49.639
<i>Develop and retain Human Resource capacity at National, Regional and District levels</i>	3.735	16.726	17.446	11.731	49.639
3. Health	645.343	789.848	990.200	1,262.505	3,687.897
<i>Bridge the equity gaps in access to health care and nutrition services and</i>	63.214	83.866	159.688	168.900	475.668

THEME / KEY FOCUS AREA / POLICY OBJECTIVE	Expenditure Summary (in Million US\$)				
	2010	2011	2012	2013	Total
<i>ensure sustainable financing arrangements that protect the poor</i>					
<i>Improve governance and strengthen efficiency and effectiveness in health service delivery</i>	126.852	140.579	155.723	172.285	595.439
<i>Improve access to quality maternal, neonatal, child and adolescent health services</i>	230.941	275.101	319.859	365.214	1,191.115
<i>Prevent and control the spread of communicable and non-communicable disease and promote healthy lifestyles</i>	119.939	163.454	205.634	384.361	873.388
<i>Expand access to and improve the quality of institutional care, including mental health service delivery</i>	104.398	126.847	149.296	171.745	552.286
4. HIV, AIDS, STDs, and TB	2.482	2.496	3.855	4.014	12.847
<i>Ensure the reduction of new HIV and AIDS/STI/TB transmission</i>	2.339	2.354	3.723	3.882	12.298
<i>Promote reduction of the impact of HIV and AIDS related morbidity and mortality</i>	0.136	0.136	0.129	0.129	0.530
<i>Enhance management of HIV, AIDS, STI and TB response to promote healthy lifestyles</i>	0.007	0.006	0.003	0.003	0.019
5. Sports Development	2.274	2.274	3.133	3.148	10.829
<i>Develop comprehensive sports policy and legislation</i>	0.264	0.264	0.310	0.381	1.218
<i>Improve sports infrastructure</i>	2.010	2.010	2.823	2.768	9.611
6. Productivity and Employment	13.622	44.003	19.447	19.262	96.334
<i>Adopt a national policy for enhancing productivity and income in both formal and informal economies</i>	-	0.150	0.114	0.345	0.609
<i>Adopt a comprehensive employment Policy</i>	-	0.032	-	-	0.032
<i>Promote decent work in formal and informal economies</i>	0.007	0.049	0.050	0.009	0.115
<i>Strengthen the legal and institutional framework for labour administration and employment management</i>	0.058	2.403	2.046	2.046	6.553
<i>Conduct a labour market survey to generate relevant data</i>	-	0.024	0.069	-	0.093
<i>Implement a functional labour market information and statistics system to support relevant decision making</i>	-	0.275	0.275	-	0.549
<i>Implement policies and strategies to strengthen tripartism and social dialogue</i>	0.591	0.668	0.472	0.982	2.713

THEME / KEY FOCUS AREA / POLICY OBJECTIVE	Expenditure Summary (in Million US\$)				
	2010	2011	2012	2013	Total
<i>Bridge the mismatch between training and labour market demand</i>	-	0.668	0.905	0.430	2.003
7. Social Protection and Expansion of Safety Net	6.483	19.867	7.759	7.725	41.834
<i>Develop a and implement a comprehensive social policy</i>	6.467	6.492	1.054	1.054	15.066
<i>Develop a comprehensive care policy for the country</i>	0.017	0.049	0.050	0.019	0.135
<i>Finalize and implement the National Social Protection Strategy</i>	-	13.327	6.655	6.652	26.633
8. Population Management	2.672	3.101	0.805	0.331	6.909
<i>Update demographic data base on population and development</i>	2.078	2.078	0.145	0.026	4.326
<i>Create awareness on implication of rapid population growth</i>	0.050	0.050	0.050	0.050	0.199
<i>Minimize the negative impact and optimize the potential</i>	0.544	0.974	0.611	0.255	2.384
9. Child Survival, Development and Protection	1.470	1.470	1.470	1.470	5.879
<i>Strengthen policy, legal and institutional frameworks for child survival, development, protection and participation</i>	1.470	1.470	1.470	1.470	5.879
11. Youth Development and Participation in National Development	14.345	14.345	15.907	19.297	63.895
<i>Ensure co-ordinated policy and institutional framework for youth development</i>	8.868	8.868	9.956	12.219	39.911
<i>Enhance youth skills and employment services</i>	0.991	0.991	0.991	0.991	3.964
<i>Mobilize the youth for accelerated national development</i>	2.395	2.395	2.679	3.287	10.756
<i>Promote social well being of vulnerable youth</i>	2.091	2.091	2.282	2.800	9.264
12. Protecting the Social Wellbeing of the Aged	0.117	0.601	0.715	0.872	2.303
<i>Reduce poverty among older persons</i>	0.117	0.601	0.715	0.872	2.303
13. Protection and Participation of PWD in National Development	2.081	2.482	3.564	3.867	11.994
<i>Implement the Disability policy</i>	2.081	2.482	3.564	3.867	11.994
14. Poverty and income inequalities Reduction	0.994	0.996	1.276	1.307	4.573
<i>Reduce feminised poverty</i>	0.862	0.862	0.862	0.862	3.448
<i>Implement preventive, promotional and protection interventions to deal with</i>	0.132	0.134	0.414	0.445	1.125

THEME / KEY FOCUS AREA / POLICY OBJECTIVE	Expenditure Summary (in Million US\$)				
	2010	2011	2012	2013	Total
<i>chronic poverty, vulnerability and exclusion</i>					
VII. TRANSPARENT AND ACCOUNTABLE GOVERNANCE	214.076	460.711	448.417	414.216	1,537.419
1.Practice of Democracy and Institutional Reform Agenda	61.089	71.883	94.244	77.828	305.044
<i>Strengthening Arms of governance and independent governance institutions</i>	7.634	20.584	37.620	29.692	95.530
<i>Enhancing civil society participation in governance</i>	0.911	1.196	1.342	1.581	5.029
<i>Promoting coordination, harmonization and ownership of the development process</i>	1.049	1.251	1.448	1.183	4.930
<i>Ensuring true transparency in the electoral process</i>	51.330	48.347	52.981	45.140	197.797
<i>Foster Civic Advocacy to nurture the culture of democracy</i>	0.166	0.506	0.853	0.232	1.757
2. Local Governance and Decentralization	20.645	26.721	29.794	23.937	101.097
<i>Ensure commitment to the implementation of Local Government Service Act</i>	1.758	1.390	1.301	1.301	5.749
<i>Strengthen the capacity of MMDAs for accountable, effective performance and service delivery</i>	4.841	8.244	11.315	5.637	30.038
<i>Integrate and Institutionalize district level planning and budgeting through participatory process at all levels</i>	0.028	0.024	0.024	0.024	0.100
<i>Strengthen functional relationship between assembly members and citizens</i>	0.630	0.630	0.631	0.665	2.555
<i>Operationalise and strengthen the sub-district structures and ensure consistency in local government laws</i>	10.360	10.360	10.386	10.379	41.486
<i>Ensure efficient internal revenue generation leading to</i>	3.008	6.030	6.111	5.905	21.053
<i>Ensure transparency in local resource management</i>	0.020	0.044	0.026	0.026	0.116
3. Economic growth and Plan coordination in special development areas to reduce poverty/ inequalities	11.117	33.352	32.621	45.603	122.693
<i>Reducing spatial and income inequalities across the country and among different socio-economic classes</i>	11.117	33.352	32.621	45.603	122.693
4. Public Policy Management and Public Sector Reforms	46.472	149.272	119.762	95.865	411.371

THEME / KEY FOCUS AREA / POLICY OBJECTIVE	Expenditure Summary (in Million US\$)				
	2010	2011	2012	2013	Total
<i>Strengthen the coordination of development planning system for equitable and balanced spatial and socio-economic development</i>	0.546	0.756	1.246	1.046	3.592
<i>Upgrade the capacity of the public and civil service for transparent, accountable, efficient, timely, effective performance and service delivery</i>	37.251	137.126	107.882	88.474	370.732
<i>Rationalize and define structures, roles and procedures for state and non state actors</i>	0.046	0.041	0.037	0.040	0.164
<i>Deepen on-going Institutionalization and internalization of policy formulation, planning, and M&E system at all levels</i>	7.576	9.825	9.717	5.474	32.592
<i>Strengthen monitoring and enforcement mechanism of environmental legislation</i>	0.814	0.817	0.186	0.190	2.007
<i>Enhance policy and regulatory framework and effective coordination among key government agencies to improve the performance of the environment sector</i>	0.240	0.707	0.694	0.642	2.284
5. Development Communication	0.210	0.556	0.817	0.717	2.299
<i>Mainstream development communications into national planning system</i>	0.014	0.130	0.130	0.122	0.397
<i>Promote media and Public Relations accountability for national development</i>	0.113	0.113	0.113	0.113	0.451
<i>Increased partnership with the media based on a mutual principled relationship of fairness, objective and truthfulness to promote national cohesion and sustainable development</i>	0.083	0.313	0.574	0.482	1.451
	2.060	2.386	4.314	3.979	12.740
6. Women Empowerment					
<i>Empower women and mainstream gender into the socio-economic development</i>	1.454	1.558	3.453	3.173	9.638
<i>Introduce and strengthen gender budgeting</i>	0.361	0.567	0.577	0.497	2.002
<i>Enhance women's access to economic resources.</i>	0.245	0.261	0.285	0.309	1.100
	2.202	15.344	15.391	18.156	51.093
7. Corruption and Economic Crimes					
<i>Promote transparency and accountability and reduce opportunities for rent seeking</i>	1.412	14.206	14.287	16.882	46.787
<i>Strengthen and empower anti-corruption institutions</i>	0.790	1.138	1.104	1.274	4.306
	2.863	24.545	24.035	24.089	75.532
8. Rule of Law and Justice					

THEME / KEY FOCUS AREA / POLICY OBJECTIVE	Expenditure Summary (in Million US\$)				
	2010	2011	2012	2013	Total
<i>Increase the capacity of the legal system to ensure speedy and affordable access to justice for all</i>	2.041	1.070	1.113	1.143	5.366
<i>Strengthen the capacity of judges, lawyers, the police and para-legal staff in both public and private sectors to promote the rule of law</i>	0.562	21.512	21.493	21.496	65.063
<i>Increase national capacity to ensure safety of life and property</i>	0.261	1.963	1.429	1.450	5.102
9. Public Safety and Security	25.204	90.854	98.848	101.252	316.158
<i>Improve the capacity of security agencies to provide internal security for human safety and protection</i>	12.888	40.701	42.471	48.393	144.453
<i>Strengthen the intelligence agencies to fight social and economic crimes</i>	2.838	13.538	14.040	8.121	38.537
<i>Increase national capacity to ensure safety of life and property</i>	0.598	0.598	0.619	0.643	2.458
<i>Forestall external aggression, safeguard territorial integrity and contribute to international peace keeping efforts</i>	8.880	36.017	41.719	44.094	130.709
10. Access to Rights and Entitlement	1.764	3.546	3.808	4.351	13.469
<i>Identify and equip the unemployed graduates, vulnerable and excluded with employable skills</i>	0.188	0.290	0.327	0.361	1.166
<i>Strengthen the Children's Department to promote the rights of Children.</i>	0.934	0.934	0.934	0.934	3.738
<i>Effective public awareness creation on laws for the protection of vulnerable and excluded</i>	0.256	1.000	1.326	1.456	4.037
<i>Create an enabling environment to ensure the active involvement of PWDs in mainstream societies</i>	0.141	0.141	0.141	0.141	0.563
<i>Strengthen institutions responsible for enforcement of children's right</i>	-	0.221	0.214	0.203	0.638
<i>Protect the rights and entitlements of women and children</i>	0.245	0.457	0.362	0.787	1.851
<i>Entrench culture of respect for Human Rights</i>	-	0.503	0.503	0.469	1.476
11. National Culture for Development	3.796	5.706	5.707	6.004	21.213
<i>Strengthen the National House of Chiefs and all regional Houses of Chiefs</i>	1.660	3.790	3.371	3.543	12.364
<i>Strengthen the regulatory and institutional framework for the development of national culture</i>	2.136	1.916	2.336	2.461	8.849

THEME / KEY FOCUS AREA / POLICY OBJECTIVE	Expenditure Summary (in Million US\$)				
	2010	2011	2012	2013	Total
12. International Relations (Partnership) for Development	0.457	0.517	0.518	0.649	2.141
<i>Accelerate economic and social integration with regional and/or sub-regional states</i>	0.012	0.013	0.015	0.016	0.056
<i>Sustain government's commitment to international peace and security, adherence to international protocols and conventions, and incorporate them into domestic laws</i>	0.445	0.504	0.504	0.633	2.085
13. Evidence-Based Decision Making	36.198	36.030	18.557	11.786	102.571
<i>Improve accessibility and use of existing data-base for policy formulation, analysis and decision making</i>	36.198	36.030	18.557	11.786	102.571
Grand Total	3,322.250	6,584.238	6,834.916	7,150.056	23,891.459