

*In case of reply the
number and date of this
letter should be quoted*
Our Ref. No **B.159/MOF/BPPU/BPG/17/1**
Tel. No. +233 0302 662448
+233 020 2030344
+233 050 1290125



REPUBLIC OF GHANA

MINISTRY OF FINANCE
P. O. BOX MB 40
ACCRA

15th August, 2017

BUDGET GUIDELINES FOR THE PREPARATION OF THE 2018 - 2021 BUDGET

Pursuant to Article 179 (1) of the 1992 Constitution and Section 20 (1) of the Public Financial Management Act, 2016 (Act 921), the 2018-2021 Budget Preparation Guidelines are being circulated for the information of Honourable Sector Ministers, Heads of Institutions, Chief Directors and members of the Budget Committees.

2. The attached Budget Preparation Guidelines provide clear instructions on the macroeconomic constraints and the processes and procedures for preparing Ministries, Departments and Agencies (MDAs) and Metropolitan, Municipal and District Assemblies (MMDAs) Budgets for the 2018 – 2021 medium term.

3. The President's Coordinated Programme of Economic and Social Development Policies (2017-2024) with a medium term focus (2018-2021) on growth and development will be the basis for the preparation of MDAs and MMDAs' Medium Term Development Plans. Consequently, the 2018-2021 budget will also be based on the respective MDA sector and MMDA district medium-term plans.

4. In line with the medium term focus of government, priority has been given to the following projects and programmes, among others, in the allocation of the expenditure ceilings:

- a. Infrastructure for Poverty Eradication Programme;
- b. Intervention programmes in key sectors of Education and Health, such as the Free Senior High School Programme;
- c. Social Protection Programmes;
- d. Planting for food and jobs Programme; and
- e. Road and Rail Development.

5. The expenditure ceilings provided in the guidelines are therefore "hard constraints" within which MDAs/MMDAs should prepare their Budgets. In view of the limited space, Honourable Ministers and District Chief Executives are reminded to ensure that their MDAs/MMDAs allocate resources to strategic and critical programmes in their 2018-2021 Budget.

6. You are also requested to ensure that your respective MDAs and MMDAs budget appropriately for the use of Internally Generated Revenues (IGFs) and Development Partner (DP) Funds since they are also public funds. Failure to Budget for such funds, will result in the inability to utilize them during budget implementation.

7. Honourable Ministers are further urged to take ownership and lead the entire budget preparation process, to ensure that all government priority programmes are fully captured within the approved expenditure ceilings provided for each MDA.