

**GUIDELINES FOR THE PREPARATION OF THE 2016 - 2018 BUDGET**

In accordance with Article 179 (1) of the Constitution and Regulation 152 (1) of the Financial Administration Regulations, we circulate on behalf of H.E. the President, for your information and necessary action, guidelines for the preparation of the 2016-2018 Budget Proposals which will inform the preparation of the Government's Budget and Economic Policy.

2. The 2016-2018 Budget will be based on the Medium Term Development Plans of MDAs and MMDAs which have been developed using the Ghana Shared Growth and Development Agenda (GSGDA) II, 2014-2017.

3. The 2016-2018 Budget for MDAs will be prepared using the Programme Based Budgeting (PBB) process and format whilst that of MMDAs will be Activity Based. MDAs will continue to use the GIFMIS Budget Module (HYPERION) to prepare the 2016-2018 Estimates whilst MMDAs will prepare their budgets using the Activate software. MMDAs are however to note that as part of the Public Financial Management Reforms, PBB will be rolled out to the MMDA level effective 2017. Hence their capacity will be built to facilitate the rollout.

4. Specific instructions have been provided in the guidelines for Compensation of Employees, Goods and Services and Capital Expenditure Estimates amongst others.

5. A timetable has been provided in the guidelines for the Budget Preparation Production Workshop and Budget Hearing Meetings. Colleague Ministers and Chief Directors are to please take note of the dates that relate to their institutions with respect to these meetings and co-operate accordingly since there will be no room for rescheduling of the meetings due to the limited time available for the budget preparation process.

6. Chief Directors are also to ensure that the content of these guidelines are strictly adhered to and all issues therein addressed in their Draft Budget Estimates. Chief Directors are also to ensure that all budget documents requested for in the Guidelines reach the Office of the Director of Budget, (Room 417) Ministry of Finance, one week before the date scheduled for the Budget Hearings of their respective MDAs in both hard and soft copies.

7. Counting on your co-operation.



**HON. SETH E. TERKPER**  
**MINISTER**

**ALL SECTOR MINISTERS**  
**ALL REGIONAL MINISTERS**  
**ALL DISTRICT CHIEF EXECUTIVE**

Cc: His Excellency, the President  
His Excellency, the Vice-President  
The Chief of Staff,  
The Chairman, NDPC,  
Hon. Deputy Ministers, MOF  
The Director-General, NDPC  
The Head of Civil Service  
The Auditor-General  
The Controller and Accountant General  
All Chief Directors