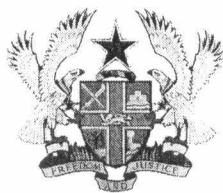


*In case of reply the
number and date of this
letter should be quoted*

Our Ref. **MOF/PFM/04/17**
Your Ref. No.



REPUBLIC OF GHANA

MINISTRY OF FINANCE
P. O. BOX MB 40
ACCRA

9th May, 2017

ALL HONOURABLE MINISTERS
MINISTRIES/DEPARTMENTS/AGENCIES

2017 BUDGET IMPLEMENTATION INSTRUCTIONS

Following the passage of the Appropriation Act, 2017, (Act 945) by Parliament, the Ministry has issued the Budget Implementation Instructions in accordance with the PFM Act 921 to guide all Ministers (Principal Account holders) and Chief Directors (Principal spending officers) in the implementation of the budget.

2. The Instructions provide information on the procedures for the expenditures in relation to Compensation of Employees, Goods and Services and Capital Expenditures.

3. In line with the provisions in the new PFM law, colleague Ministers are kindly requested to note especially the following;

a. Compensation

The policy of Net recruitments is still in place for all MDAs except Education and Health Ministries.

b. Capital expenditure

In accordance with section 33 of the PFMA, all multi-year contracts for any project must first seek clearance with the Ministry of Finance to ascertain fiscal space and available funding for outer year commitments. This is to avoid over commitments, delayed payments of projects and arrears build-up.

c. Issue of Purchase Order under the PFMA 921

It is an offence to issue any purchase order outside the GIFMIS system or any other electronic platform in use by Government.

d. Externally Financed Projects

In view of our debt levels, there is limited space for external financing of the budget. However, other areas can be explored for infrastructure financing that will not directly impact on the public debt levels. This includes the use of