

WATER AND SANITATION 2010 BUDGET TRACKING REPORT OF FINDINGS

PRESENTED AT THE WASH SECTOR NATIONAL LEARNING
ALLIANCE PLATFORM 26TH MAY 2011

BY

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Introduction-1

The Budget Tracking and Advocacy project started in 2009 by GrassRootsAfrica in partnership with Water Aid Ghana.

The 2009 budget tracking looked at GoG allocation for investment and services to the MWRWH, MLGRD, GWCL and CWSA.

The tracking established that :

1. there is a huge funding gap in the sector.
2. revealed that the water and sanitation sector is the least tracked in Ghana - since advocacy by civil society was limited to policy and management options for the sector and little about investments and the accountability of public officials and key stakeholders in respect of disbursements and the appropriateness of technologies and projects

Introduction-2

At a validation workshop in February 2010 GrassRootsAfrica was tasked by participants to widen and deepen the tracking of the 2010 budget to determine not only the actual investments in the WASH sector but also the absorptive capacity of the WASH services delivery agencies particularly the GWCL, the CWSA and the Local Government Authorities.

In pursuance of the above mandate, GrassRootsAfrica proposed the tracking of the 2010 budget to establish:

- The overall budget allocation to the water and sanitation sector
- A comparison of the WASH sector allocation as against that of the MOE and MOH.
- The percent thereof of the approved national budget

Introduction-3

- The specific allocations to:
GWCL, CWSA, WRC, EHSD, SHEP, MLGRD and MWRWH.
- Actual receipts as against budgetary allocations
- Problems associated with contracting and procurement procedures
- The absorptive capacity of implementing agencies in relation to services including procurement and investments

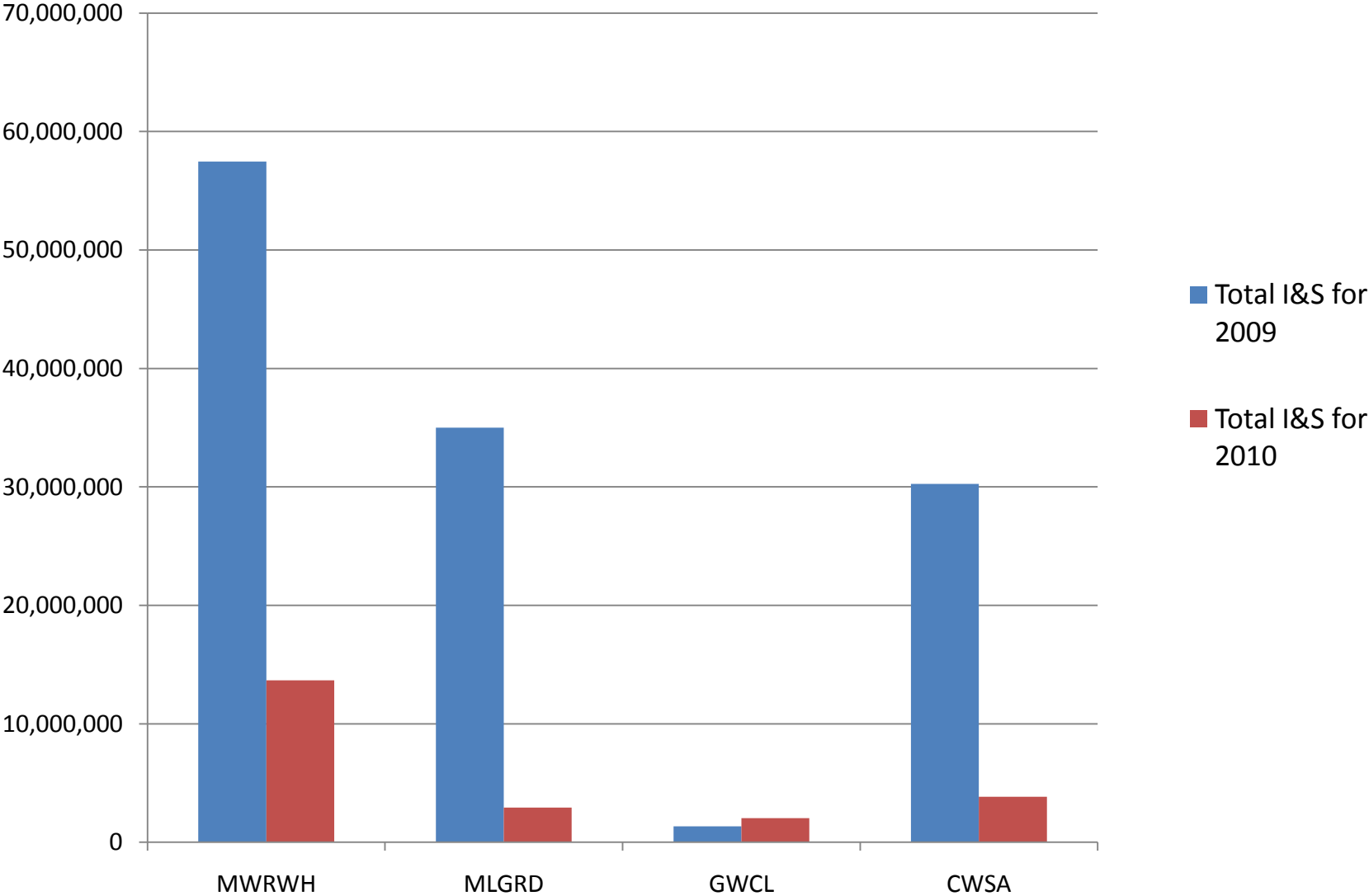
KEY ACTIVITIES

- Data collection, collation and analysis of information on approved sector allocation on water and sanitation for the year 2010
- Tracking of budget disbursements at the ministerial level to implementing agencies
- Find out actual received by implementing agencies
- Verification and discussion of problems associated with disbursement process.
- Verification and discussion of absorptive problems associated with implementation
- Peer consultation on findings
- Confirmation with Target agencies
- workshop of stakeholders to discuss and validate findings
- Press briefing

Table 1: A Comparative Analysis of the 2009 and 2010 GoG Allocation to the Sector

Year	Ministry/Agency	Investments GH¢	Services GH¢	Total Investment & Service GH¢	Total National Budget GH¢	% of Total national Budget GH¢
2009	MWRWH	57,175,184	302,033	57,477,217	6,462,770,000	0.88%
	MLGRD	35,000,000	No Data	35,000,000	6,462,770,000	0.00005%
	GWCL	1,342,277	6,319	1,348,596	6,462,770,000	0.02%
	CWSA	30,231,134	30,533	30,261,667	6,462,770,000	0.46%
	GWCL+CWSA(TI+TS)			31,610,263	6,462,770,000	0.48%
2010	MWRWH	13,336,000	342,807	13,678,807	6,584,781,600	0.20%
	MLGRD	2,389,040	561,308	2,950,348	6,584,781,600	0.04%
	GWCL	2,041,359	7,172	2,048,531	6,584,781,600	0.03%
	CWSA	3,803,265	34,655	3,837,920	6,584,781,600	0.05%
	GWCL+CWSA(TI+TS)			5,886,451	6,584,781,600	0.08%

Chart 1 Showing a Comparison of the Total Allocation for Investment and Services for 2009 and 2010



Notes on Table 1 and Chart 1

From the above one can see that:

- the allocation to the MWRWH reduced in 2010 by GH¢43,798,410 (0.68% of the total national budget) from GH¢57,477,217 representing 0.88% of the total national budget to GH¢13,336,000 representing 0.20% of the total national budget.
- the figure for services for the MLGRD for 2009 was not available and this explains the low percentage (0.00005%). One can however conclude from the foregoing that the total allocation for investment and services for MLGRD in 2009 was perhaps a little higher than 2010 given that the allocation for investment for 2010 was GH¢2,389,040 as against GH¢35,000,000 for 2009.
- GWCL had an increase of GH¢699,935 in the GOG allocation for investment and services representing 0.01% of the total national budget.
- The 2010 budget also saw a reduction in GOG allocation for investment and services to CWSA from 0.46% of the total national budget representing (GH¢30,261,667) in 2009 to 0.05% of the total national budget representing (GH¢3,837,920) in 2010 showing a significant decrease of 0.41% (GH¢26,423,747).

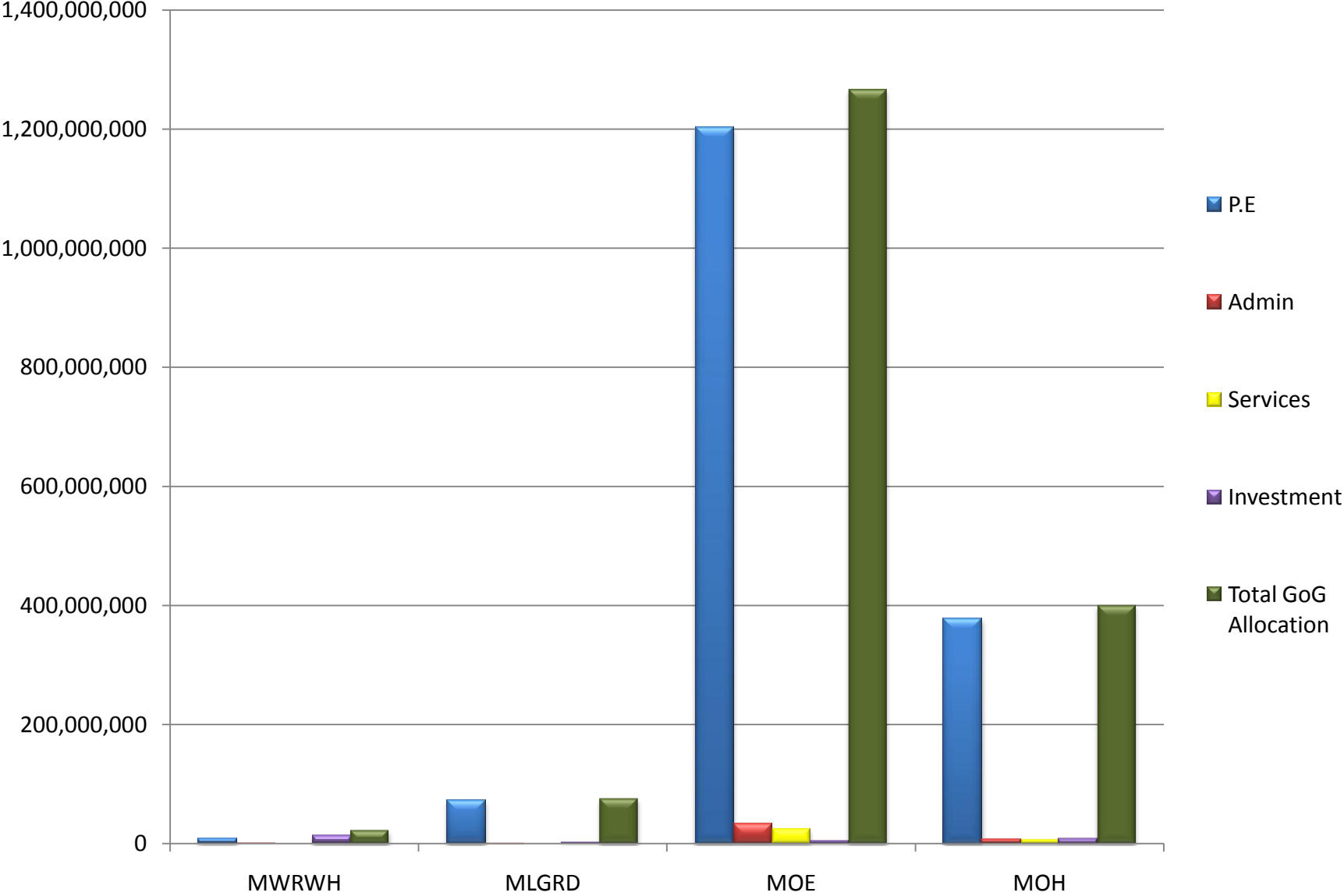
It is worth noting that the allocation to the MWRWH and the MLGRD includes other allocations beyond WASH. The limitation of the 2009 budget tracking is that it only looked at the allocation to CWSA and GWCL which are only two water units within the MWRWH.

Findings of the 2010 Budget Tracking-1

Table 2: Showing Budget Allocations for items 1-4 from GoG and IGF to the MWRWH, MLGRD, MOE, & MOH

MINISTRY	P.E	ADMIN	SERVICES	INVESTMENT	TOTAL
	GH¢ 000	GH¢ 000	GH¢000	GH¢000	GH¢000
MWRWH	8,478,338	984,524	342,805	13,336,000	23,141,667
MLGRD	72,748,751	660,918	561,308	2,389,040	76,360,018
MOE	1,203,398,827	33,465,257	24,846,000	4,346,589	1,266,054,673
MOH	377,600,000	7,033,629	7,356,788	8,460,295	400,450,711
		IGF			
MINISTRY	P.E	ADMIN	SERVICES	INVESTMENT	TOTAL
MWRWH	-	-	139,451	705, 979	845,430
MLGRD	-	-	-	-	-
MOE	-	89,,824,722	167,860,508	13,248,000	270,933,230
MOH	15,547,850	50,572,724	85,963,203	56,096,523	208,180,300

Chart 2: Showing Approved GoG Allocation to MWRWH, MLGRD, MOE & MOH



Findings of the 2010 Budget Tracking-2

Table 3: Showing Allocation to the MWRWH, MLGRD, MOE, MOH from Other Funds and Donor

MINISTRY	STATUTORY GH¢000	HIPC GH¢000	NREG GH¢000	MDRI GH¢000	TOTAL GH¢000
MWRWH	-	15,164,000	-	-	15,164,000
MLGRD	-	69,000,000	-	-	69,000,000
MOE	326,693,250	81,422,000	-	21,800,000	429,915,250
MOH	480,907,660	8,000,000	-	-	488,907,660
		DONOR			
MINISTRY	P.E	ADMIN	SERVICES	INVESTMENT	TOTAL
MWRWH	-	-	15,000,000	123,857,802	138,857,802
MLGRD	-	-	-	88,451,781	88,451,781
MOE	-	-	51,436,596	37,801,589	89,238,185
MOH	-	8,549,613	67,580,366	34,110,450	110,240,429

Table 4: Grand Total Allocation to the Four Sectors (GOG, IGF, FUNDS/OTHERS, DONORS)

MINISTRY	TOTAL GOG GH¢000	TOTAL IGF GH¢000	TOTAL FUNDS/ OTHERS GH¢000	TOTAL DONORS GH¢000	GRAND TOTAL GH¢000
MWRWH	23,141,670	845,430	5,164,000 (HIPC)	138,857,802	178,008,902
MLGRD	76,360,018	-	69,000,000 (HIPC)	88,451,781	233,811,799
MOE	1,266,054,673	270,933,230	429,915,250 (Statutory, HIPC & MDRI)	89,238,185	1,729,450,088
MOH	400,450,711	208,180,300	488,907,660(Statuto ry & HIPC)	110,240,429	726,871,440

Chart 3: Showing the Total Allocation(GoG, IGF, Funds/Others, & Donors) to the Four Sectors

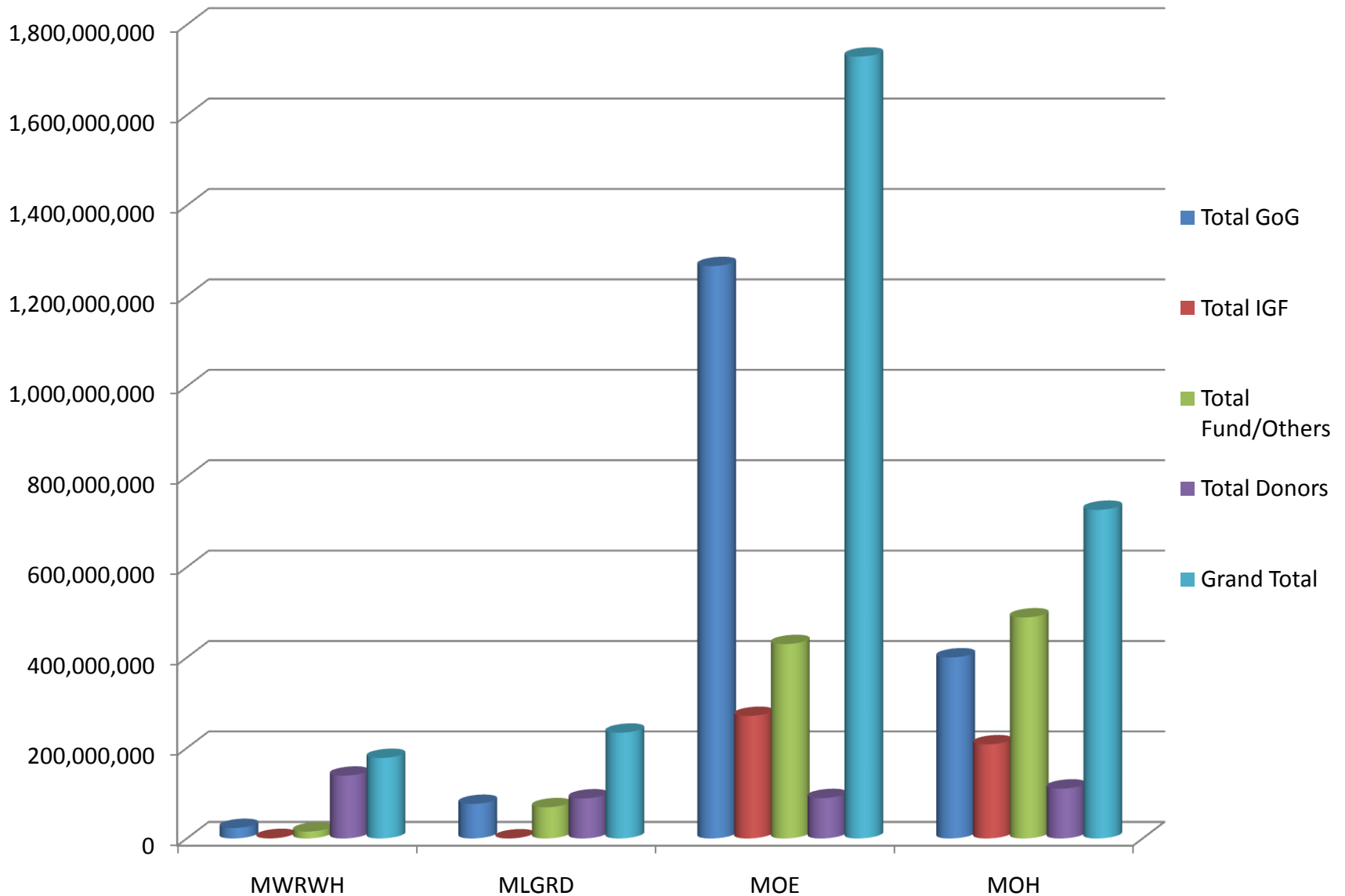
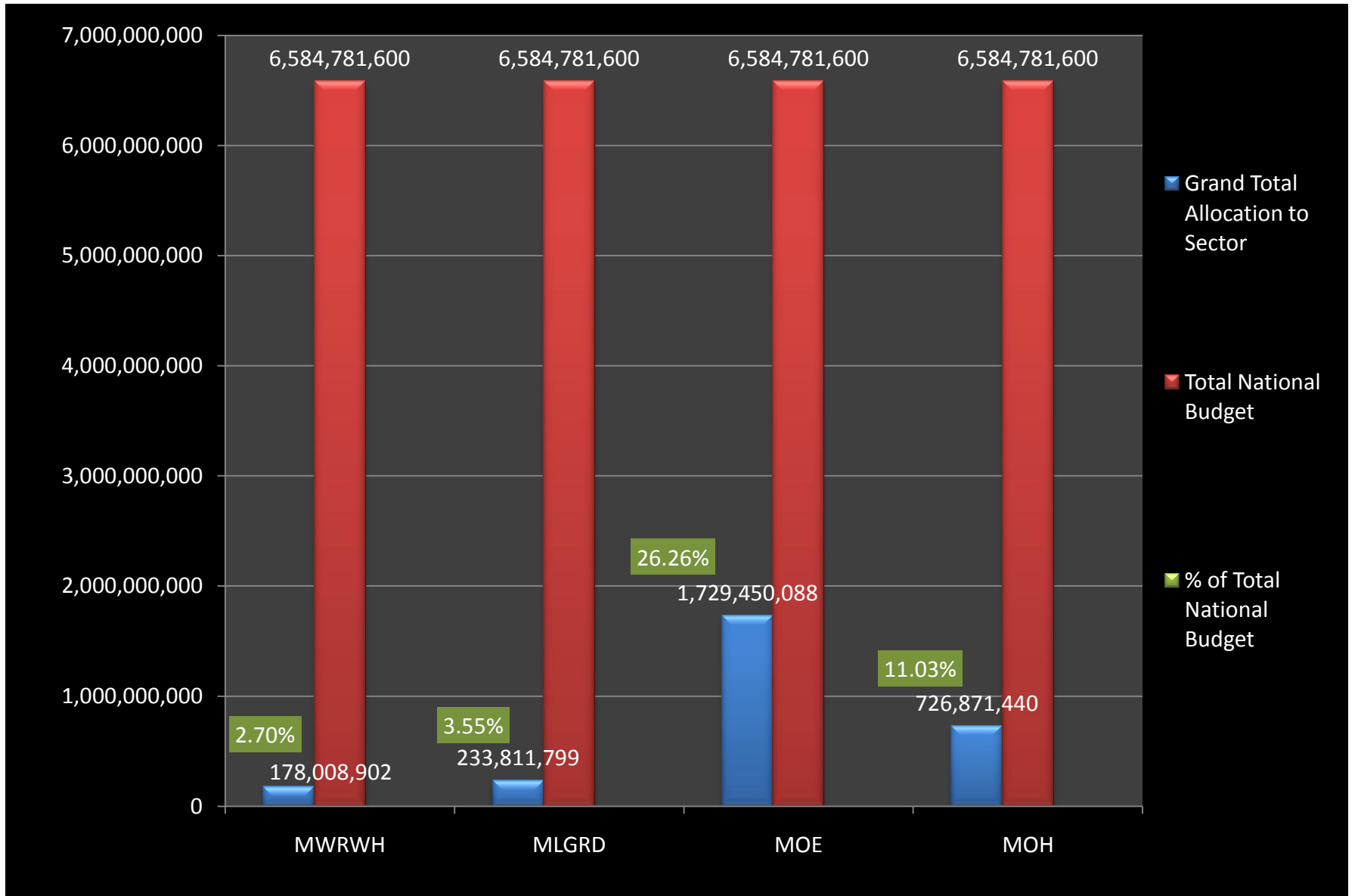


Table 5: Grand Total Allocations to the Four Sectors as a Percentage of the Total National Budget

Ministry	Grand Total Allocation to Sector GH¢ 000	Total National Budget GH¢000	% of Total National Budget
MWRWH	178,008,902	6,584,781,600	2.70%
MLGRD	233,811,799	6,584,781,600	3.55%
MOE	1,729,450,088	6,584,781,600	26.26%
MOH	726,871,440	6,584,781,600	11.03%

Chart 4: Showing the Grand Total Allocation to the Four Sectors as a Percentage of the Total National Budget



Notes on Table 5 and Chart 4

From the above, one can see that:

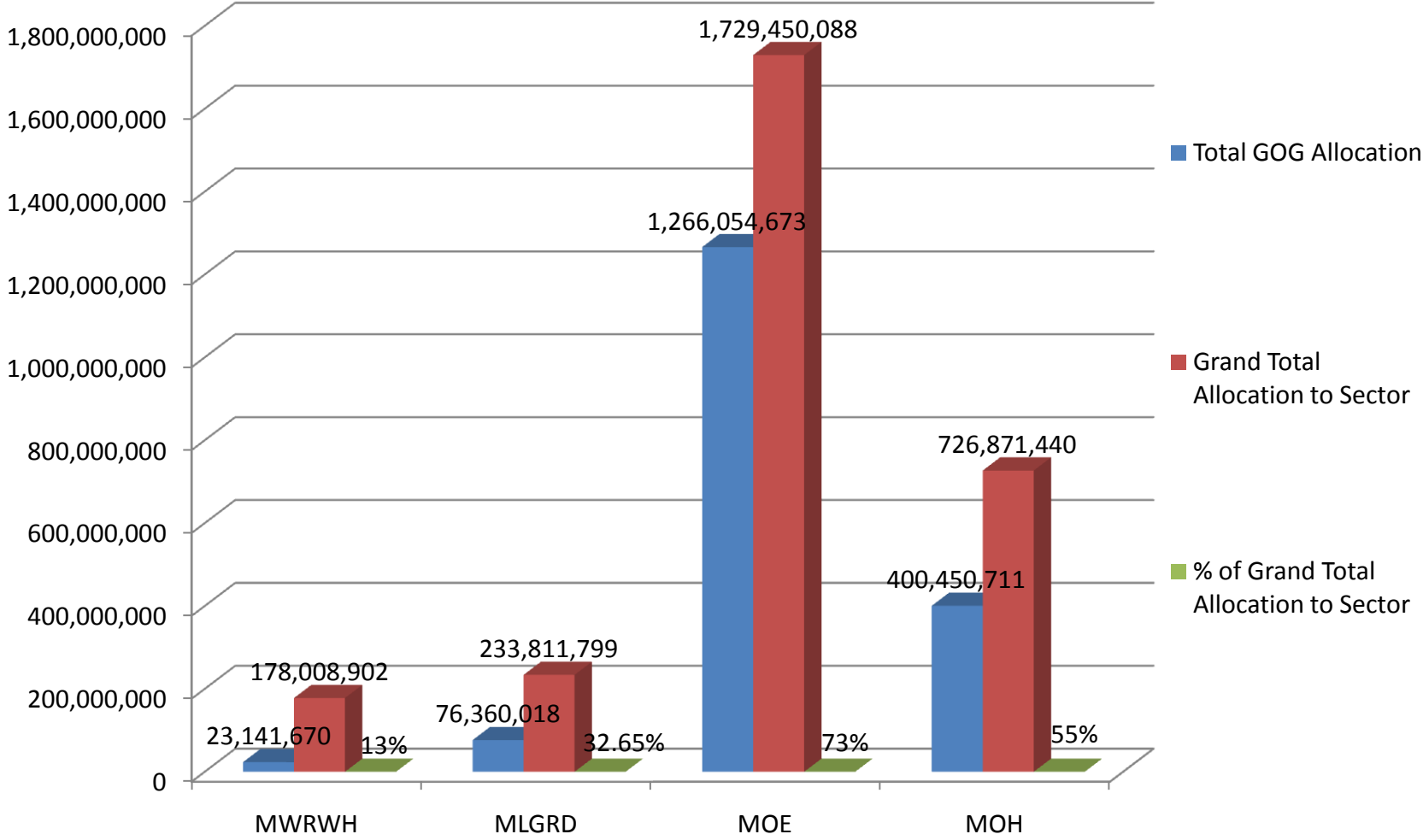
- the Ministry of Education (MOE) and the Ministry of Health (MOH) are among the sectors that take the largest portion of the Total National Budget (GOG+IGF+FUNDS/OTHERS+DONOR) with MOE having the largest allocation amounting to 26.26% of the total national budget.
- MOH has the second largest allocation amounting to 11.03% of the total national budget.
- Whereas the Ministry of Water Resources Works and Housing (MWRWH) and the Ministry of Local Government and Rural Development (MLGRD) among the sectors with the lowest allocation of 2.70% and 3.55% of the total national budget respectively.

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Table 6: Total GOG Allocation As A Percentage Of Grand Total Allocation To The Four Sectors

Ministry	Total GOG Allocation GH¢000	Grand Allocation to the Sector GH¢000	Total to the Sector %
MWRWH	23,141,670	178,008,902	13%
MLGRD	76,360,018	233,811,799	32.65%
MOE	1,266,054,673	1,729,450,088	73%
MOH	400,450,711	726,871,440	55%

Chart 5 Showing Total GOG Allocation as a Percentage of Grand Total Allocation to the Four Sectors



Notes on Table 6 and Chart 5

The above table and chart shows the total GOG allocation as a percentage of the Grand Total allocation to the four sectors.

From the figures above one can see that:

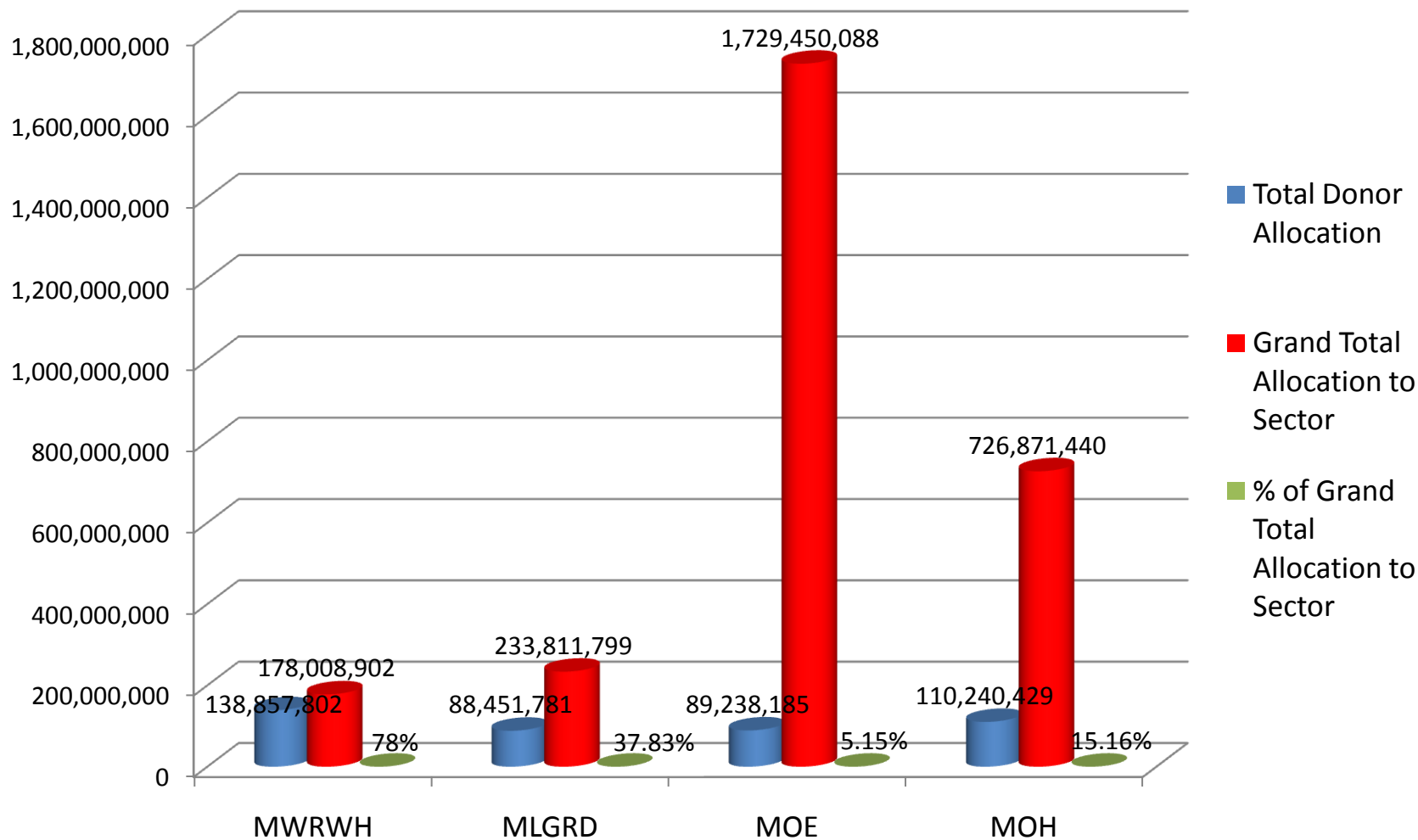
- out of a total allocation of GHc178,008,902 to the MWRWH, GOG component was only GHc23, 141,670 representing 13%.
- the GOG component for the MLGRD is GHc71,360,018 representing 32.65% out of a Grand total of GHc233,811,799.
- while the GOG component for MOE and MOH represents 73% and 55% respectively of the Grand total allocation to the sector.

This shows that the government of Ghana puts in more money in the last two sector ministries than in the first two. This leads one to think that perhaps the WASH sector is not a priority for the Government. Given the important nature of the WASH sector i.e. being a pivot around which all other sectors revolve, it will be prudent if such a sector is highly resourced to carry out its mandate of providing safe water and adequate sanitation to the citizens of the country since their health basically depends on safe water and adequate sanitation.

Table 7: Total Donor Allocation As A Percentage Of Grand Total Allocation To The Four Sectors

Ministry	Total Donor Allocation GH¢000	Grand Total to the Sector GH¢000	% of Grand Total to the Sector
MWRWH	138,857,802	178,008,902	78%
MLGRD	88,451,781	233,811,799	37.83%
MOE	89,238,185	1,729,450,088	5.15%
MOH	110,240,429	726,871,440	15.16%

Chart 6 Showing Total Donor Allocation as a Percentage of Grand Total Allocation to the Sectors



Notes on Table 7 and Chart 6

The above table and chart goes to confirm the notion that the water sub-sector in particular is basically funded by the Donor Partners with very little from the government of Ghana.

A look at the figures above show that:

- the MWRWH was 78% donor funded in 2010 with a figure of GHc138,857,802 out of a Grand total figure of GHc178,008,902
- while the MLGRD was 37.83% donor funded with a figure of GHc88,451,781.

The above figures also show that the other two sector ministries receive less from donors with MOE receiving 5.15% and 15.16% for MOH. This further indicates that the two receive more from GOG.

Table 8: Allocations to the WASH Sector Agencies-GWCL, CWSA, WRC, EHSD, SHEP from GoG and Donor

SECTOR AGENCY	P.E. GH¢000	ADMIN GH¢000	SERVICES GH¢000	INVESTMENT GH¢000	TOTAL GH¢000
GWCL	-	-	7,172	2,041,359	2,048,531
CWSA	2,281,463	562,190	34,655	3,803,265	6,681,573
WRC	153,076	16,751	8,755	204,136	382,718
EHSD	1,397,225	32,877	35,157	100,000	1,565,259
SHEP	-	-	-	-	-
		DONOR			
SECTOR AGENCY	P.E.	ADMIN	SERVICES	INVESTMENT	TOTAL
GWCL	-	-	-	69,346,510	69,346,510
CWSA	-	-	15,000,000	27,549,862	42,549,862
WRC	-	-	-	-	-
EHSD	-	-	-	-	-
SHEP	-	-	GH30,108.60	-	*GH30,108.60

*This amount came from UNICEF towards SHEP Strategic Framework Development

There was no IGF component for the other four agencies with the exception of WRC which had GH¢30,522 from IGF

The Total water budget for 2010 was GHc9,112,822 out of GHc23,141,667 GOG allocation to the MWRWH representing – 39% whiles EHSD budget – GH¢1,565,259 out of GH¢76,360,018 GOG allocation to the MLGRD representing 2.04%

Notes on Table 8

The table above indicates an annual average investment of about 2.9m from GoG to GWCL and CWSA respectively

Meanwhile according to their respective SIP's:

- GWCL requires an annual investment inflow of GHC102.57m from GoG
- CWSA requires GHC61.88m from GoG annually

A total investment of GH164.45m is needed annually for the two agencies to meet water demands. But the two agencies were allocated only GH31,573,411 in 2009 and GH5,844,624 in 2010

Even with these half-hearted allocations, the two agencies did not receive all the money allocation for 2009. For instance:

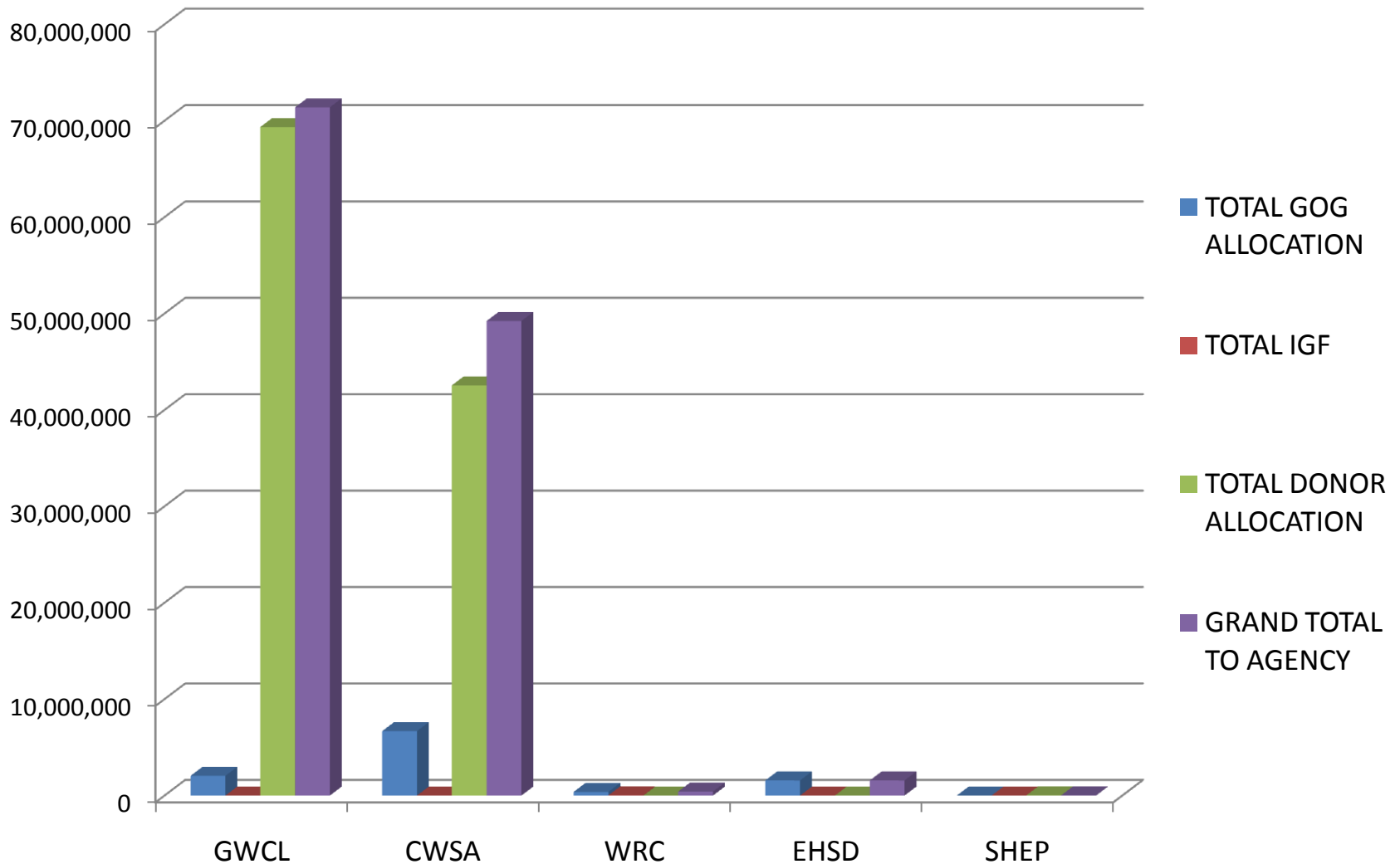
GWCL accessed 85.75% of the amount allocated and
CWSA accessed only 10.02%.

In 2010 even though GWCL has accessed more than 100% of their allocation for investment, it is still way below the amount they need annually to increase service delivery

Table 9: Grand Total Allocation to the Wash Agencies (GOG, IGF, Donor)

AGENCY	TOTAL GOG ALLOCATION	TOTAL IGF	TOTAL DONOR ALLOCATION	GRAND TOTAL
	GH¢000	GH¢000	GH¢000	GH¢000
GWCL	2,048,531	-	69,346,510	71,395,041
CWSA	6,681,573	-	42,549,862	49,231,435
WRC	382,718	30,522	-	413,240
EHSD	1,565,259	-	-	1,565,259
SHEP	-	-	30,108.60	30,108.60

Chart 7 Showing the Grand Total Allocation (GOG, IGF, DONOR) to the WASH Agencies



Notes on Table 9 and Chart 7

The table and chart above shows the specific allocation for WASH. The WASH agencies that were considered in the 2010 budget tracking are:

- GWCL, CWSA and WRC within the MWRWH;
- EHSD within the MLGRD and
- SHEP within GES-MOE.

From the above one can see that:

- the total allocation to GWCL was GH71, 395,041; CWSA was GH49, 231,435 and WRC was GH413, 240 giving a total of GH121, 039,716 out of a Grand Total of GH178, 008,902 to the MWRWH. Here again, it is worth noting that the large chunk of the funds is from donors. For instance, out of the GWCL total of GH71, 395,041, GH2,048,531 is from GOG against GH69, 346,510 from donors.
- the total allocation to the EHSD was GH1, 565,259 out of a Grand Total of GH233, 811,799 to the MLGRD. There are however components of funding for sanitation within the MLGRD budget and under the DACF that was not traced. This therefore does not give a complete picture of exactly how much is allocated for sanitation within the local government ministry.
- the only allocation to SHEP in 2010 came from UNICEF amounting to GH30, 108.60 and was towards the development of a Strategic Framework. This therefore explains why the bars for SHEP are completely flat

Table 10: GOG DISBURSEMENTS FROM MOFEP TO THE WASH SECTOR FROM 1ST JANUARY TO 31ST DECEMBER 2010

Ministry/Agency	P.E GH¢000	ADMIN GH¢000	SERVICES GH¢000	INVESTMENT GH¢000	TOTAL DISBURSED GH¢000
MWRWH	13,157,397.42	1,070,856.92	164,988.03	27,733,428.69	42,126,671.06
MLGRD	No data	same	same	same	same
CWSA	1,301,506.18	562,623.56	17,328	318,101	2,199,558.74
GWCL	-	-	13,762	5,509,013.04	5,522,775.04
WRC	283,301.85	19,362.59	2,188.48	42,949.39	347,802.31
EHSD	637,506	32,000	35,157	100,000	804,663
SHEP	-	-	-	-	-

Notes on Table 10

- As at December 2010, MWRWH received over 100% (155%) of the GOG allocation for P.E, over 100% (108%)for administration, 48% for service and more than double the allocation for investment(207%).
- CWSA received just 33.9% of the GOG allocation
- Whiles GWCL has received more than 100% of the allocated budget for investment and service allocation.
- WRC received more than 100% for P.E, 90% for Admin, 24.9% for service and21% for investment.
- EHSD had received 45.6% for P.E, 97.3% for Admin, 100% for service and 100% for investment.
- The team could not get the disbursement data for the MLGRD –that explains the absence of figures under MLGRD

There was no GOG allocation to SHEP. The only money to SHEP came from UNICEF for the development of their Strategic Framework.

Problems Associated with Disbursement Process

The major problem with the disbursement process is:

DELAY

Particularly with the GOG component. The delay in disbursement of funds from GoG makes it difficult for the sector agencies to carry out their mandate efficiently. For instance:

The request made by WRC in 2008 for investment was never received and because of that no request was made for 2009. The 2008 allocation is what is repeated in the 2010 budget.

Absorptive Problems Associated with Implementation

All the officers at the sector ministries and agencies we visited indicated that they did not have a problem with absorption

CWSA however, indicated that there may be a problem of absorptive capacity at the DA level due to delays in awarding contracts – This all boils down to the delay in disbursement of funds to the sector agencies.

General Observations & Challenges

1. Anomalies in figures from the MTEF and figures received from some agencies
2. Difficulties in accessing budget information particularly funds received by the sector Ministries and agencies- e.g. the MLGRD refused to give us information
3. Difficulty in tracking the receipts of the different line items.
4. A major challenge we faced is lack of adequate funding to carry out a more thorough work.

CONCLUSION

The lack of legislation on access to information could be a drawback for budget tracking considering the difficulty we faced in trying to obtain information from official sources.

The difficulties we encountered also indicated to us that perhaps the information gatekeepers at the Ministries and Agencies have not been sufficiently sensitized on the relevance of budget tracking as a monitoring and evaluation tool and the usefulness of tracking results for Government planning and project prioritization.

The Way Forward-1:

1. An information and knowledge sharing workshop/round table involving relevant Ministries and Agencies, particularly the Finance and Budget Officers and other stakeholders including donors (DPs)etc on the relevance of budget tracking in the WASH SECTOR.
2. The need for us to develop creative and innovative ways of obtaining information from Government Agencies. More alliances will have to build with relevant officials in the sector.
3. Adequate funding must be found to deepen and widen the scope of the tracking and to seek for alternative sources of information

The Way Forward-2

4. It was suggested at the validation workshop that RCN, WSMP, WASH Health solutions should work with GrassRootsAfrica to package a workable proposal To the Ministry.

- In doing that, effort must be made to contact Ministries like Finance to receive information on what works. Also other specialized institutions must be contacted for advice. For example it came out that in Burkina Faso some level of tax is slapped on Business Registration for the water sector.

5. It was also suggested that we monitor how effectively funds allocated to the sector were utilized. It is only then that the roles of who takes it forward and the advocacy bit will be assigned.

Thanks For Your Attention