

Understanding Ghana's Budget: A Step-by-Step Guide for Citizens

How to follow the money every year, for every citizen.

budgIT



Purpose of this Guide

Ghana's national budget is the second most important document in the country, second only to the 1992 Constitution of Ghana. The national budget is a plan of the government's spending that maps out projected revenues and expenditure priorities over a fiscal year. The budget affects every Ghanaian citizen; however, most citizens do not engage with it at any point.

This guide offers a useful skill for citizens to follow any year's budget through the four legal stages of the budget preparation process, helping them engage before implementation and track its implementation.

Step 1: Know the Budget Cycle.

Before the government presents its budget for a particular fiscal year, the budget goes through four legal stages:

Stage	What goes on here?
Formulation	The formulation process is where the government, through the Ministry of Finance, sets economic targets and calls for inputs from MDAs, CSOs, and the general citizenry. This informs the preparation of the draft budget.
Approval	At this stage, the draft is presented to Parliament for deliberations, review, and amendment. The draft, when approved by Parliament, becomes enacted as the Appropriation Act.
Implementation	The actual execution of the budget happens at this stage. This is done through fund releases, procurement activities, and service delivery. MDAs are authorised to spend the funds released at this stage.
M&E and Reporting	This is a continuous stage where the spending is tracked and audited against the approved budget throughout the fiscal year.



Step 2: Have Your Say

Each year, the Ministry of Finance issues an open invitation for public opinion. So before drafting the budget, the Ministry of Finance invites ideas from the general public, business groups, professional institutions, and various stakeholders through open announcements.

↗ How to engage

1. Watch out for the notice.
The Ministry of Finance, ahead of the budget's drafting, publishes a call for input on its website, in national newspapers, and on its various social media pages.

2. Submit what matters to you.
Once the invitation for input on the budget has been published, all individuals, Civil Society Organisations, and other associations can submit their proposals directly to the Ministry of Finance for consideration.

3. Let CSOs amplify your voice.
Civil Society Organisations serve as a link between the citizenry and government. Organisations such as BudgIT Ghana and others in Ghana, through their advocacy efforts, are able to extend grassroots concerns and inputs to the ministry.

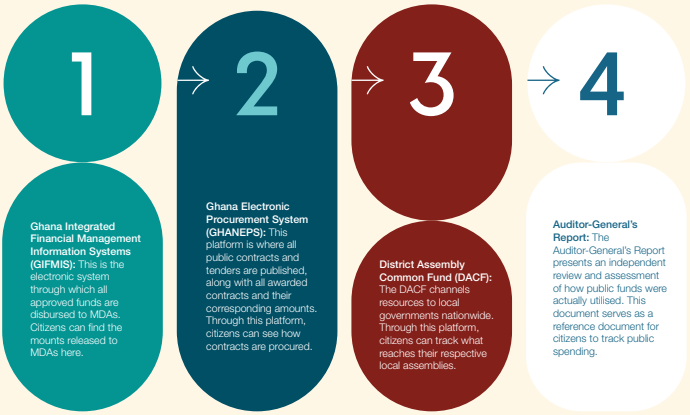
Step 3: Follow the Approval Process

After the budget has been successfully drafted, the complete draft is sent to parliament to commence the approval process. The process is as follows:

Stage	What Happens?
Presentation	Under the 1992 Constitution, the President is required to present the budget to Parliament a month before the close of the financial year. In practice, the Finance Minister usually presents the budget on behalf of the President, mostly in November.
Debate	At this stage, the various Members of Parliament assess and debate the feasibility of the budget statement and the Economic Policy. This is done across various parliamentary committees in plenary sessions.
Passage	Following the review of the budget by all committees, it is passed into law by parliament as the Appropriation Act.
Authorisation	The Appropriation Act is presented to the President for signature. The President, appending his signature to the Appropriation Act, gives Ministries, Departments, and Agencies (MDAs) the legal go-ahead to spend.

Step 4: Follow the Money

Once the budget has been approved, clearance has been given for public funds to be spent. It is therefore imperative to track every expenditure. Citizens can use these public tools to monitor budget implementation.



Step 5: Use the Right Tools

When tracking public spending, different tools help at different stages. Here are some tools for citizens:

BudgIT Ghana's Citizens' Budget: a simplified and plain-language summary of what's in the current year's budget.

BudgIT Ghana's Tracka Platform: This platform helps track all ongoing public projects and know their actual status.

Ministry of Finance website: the official Budget Statement, Appropriation Act, and other supporting documents are all available on the MoFEP website.
ghana.budgit.org: this platform presents simplified tools, visualisations and guides for tracking public spending.