

NATIONAL ASSEMBLY 7TH PARLIAMENT

PARLIAMENTARY STANDING COMMITTEE ON ECONOMICS AND PUBLIC ADMINISTRATION

REPORT ON THE BENCHMARKING VISIT TO THE PARLIAMENT OF GHANA

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List of Abbreviations

NDPs : Namibia Development Plans

HPP : Harambee Prosperous Plan

SME : Small and Medium Enterprises

FDI : Foreign Direct Investment

CSTC : Civil Service Training Centre

OHCS : Office of the Head of Civil Service

1. BACKGROUND AND INTRODUCTION

The Constitution of the Republic of Namibia established three branches of the state: the Legislature, the Executive, and the Judiciary. Legislative power is vested in the National Assembly, as outlined in Article 44, with the power to pass laws with the assent of the President and the National Council. The Parliamentary Standing Committee on Economics and Public Administration is tasked with oversight of government ministries and agencies related to finance, industrialization, trade, SME development, national planning, public works, and public enterprises. The committee promotes infrastructure development, economic planning, and efficient public administration in Namibia.

Recognizing the need for continual improvement, members of the Parliamentary Standing Committee on Economics and Public Administration undertook a benchmarking visit to Accra, Ghana from 3 to 7 June 2024 to understudy Ghana's public administration system and its contribution to national development.

2. COMMITTEE MEMBERSHIP

The aforesaid Committee is comprised of twenty-three (23) members of Parliament drawn from different political parties represented in the National Assembly. However, due to budgetary constraints, only five members of Parliament and two staff members undertook the visit namely, Honourables; Mathias Mbundu (Deputy Chairperson and Leader of the delegation), Kennedy Shekupakela, Fenni Nanyeni, Bertha Dinyando and Marina Kandumbu. Members were accompanied by Ms Theresia Dimba (Committee Services) and Ms Brigitte Fikunawa (Research, Information and Editorial Services: RIPES).

3. OBJECTIVE OF THE VISIT

The primary objective of the benchmarking visit to Ghana was to study the country's public administration system and its contribution to national development. The committee aimed to understand the drivers of improved public sector performance, inter-agency coordination, and the strategic importance of parliamentary oversight in public sector management and public financial management. The visit also sought to gain insights into the effective practices and methods used by parliamentary committees in Ghana.

4. METHODOLOGY

During the benchmarking visit, the Namibian delegation engaged with the following critical organizations and ministries in Accra:

- (I) Paid courtesy calls to the Honourable First Deputy Speaker of the Parliament of Ghana.
- (II) Briefing meetings with the Standing Committee on Public Accounts and Department of Library, Research, and Data Management Services (DMS)
- (III) Meetings with relevant Ministers, and Agencies within the Ghanaian government, including Ministry of Finance, State Interest and Governance Authority, Akosombo Hydroelectric Dam Company, Office of the Head of Civil Service, Civil Service Training Centre
- (IV) Tour to Kwame Nkrumah Memorial Park and the Chistiansborg Castle

5. PURPOSE OF THE REPORT

The purpose of the report is to inform the National Assembly about the findings of the benchmarking/study visit by the Committee as well as to recommend, discuss, consider and adopt the report.

6. MEETING PROCEEDINGS

6.1. COURTESY CALLS

The delegation paid courtesy call on the First Deputy Speaker of the National Assembly, Honourable Joseph Ose Osu. The Deputy Speaker and Members exchanged views about the excellent existing friendship between Namibia and Ghana as well as the need for the two countries to continue to strengthen bilateral relations.

6.2 MEETING WITH THE PARLIAMENTARY STANDING COMMITTEE ON PUBLIC ACCOUNTS

The members were briefed on the mandate and operation of the Committee on Public Accounts, its composition, and the power vested in the Committee by the Constitution and Standing Rules. The Committee consists of no more than 25 members and is chaired by a member who does not belong to the party controlling the Executive branch of Government. The Committee examines the audited accounts showing the appropriation of sums granted by Parliament to

meet public expenditure, as presented to the House by the Auditor-General of Ghana. The Committee has the power to subpoena and recommend a plan of action to the House if an individual or entity is found at fault.

An important observation about decision making and management of the Committee is that while the Committee is composed based on proportional representation of Parties in Parliament, there is a designated Ranking Member who is from the Party in Government and collaborates with the Chairperson of the Committee in managing the Committee Proceedings.

6.3 DEPARTMENT OF LIBRARY, RESEARCH, AND DATA MANAGEMENT SERVICES

The delegation met with the Coordinating Director for the Department of Library, Research, and Data Management Services (DMS) at the Parliament of Ghana, which comprises of three divisions: Library, Research, and Data Management Services. These divisions provide essential support to Parliamentary Committees by preparing questions, briefing statements, background papers for international engagements, and analyzing loan agreements. During budget discussions, they assist in analyzing budget papers, the medium-term framework, the annual borrowing plan, and sectoral budget briefs. The Research Division has 25 researchers serving 41 Committees, with each researcher typically assigned based on expertise. The department uses an online request system, maintains a database of past work, and occasionally requests data from external stakeholders. Additionally, it offers internship and exchange programs to other parliaments.

6.4 MEETING WITH AKOSOMBO HYDROELECTRIC DAM COMPANY

The Akosombo Dam has an installed capacity of 1,020 megawatts (MW) with actual production of 960 MW, accounting for 25% of Ghana's domestic electricity supply. The project was initiated to provide hydroelectric power, control flooding, and support agricultural and industrial activities in Ghana. Additionally, the electricity generated is exported to neighbouring countries such as Togo and Benin, contributing to regional energy security. However, the project has also led to environmental and social issues, such as community dislocation, health-related issues, and loss of wildlife habitats and biodiversity.

To address these issues, the government provided farmland to those displaced due to the dam's construction. The plant has also taken on social responsibilities related to health in consultation with the Ministry of Health, establishing health facilities for the displaced and affected

communities. Efforts were made to provide free electricity to resettled communities for a period of 25 years, improving their quality of life. A community development fund managed by local leaders supports various developmental projects.

6.5 MEETING WITH THE MINISTRY OF FINANCE

The delegation engaged with the Chief Director and officials of the Ministry of Finance to comprehend Ghana's approach to Public Financial Management which includes budget process, revenue distribution, Consumer Protection, and Pension Management. The discourse delved into Ghana's budget process, which is designed to ensure the transparent and efficient allocation of resources. The process includes preparation by the Ministry of Finance in consultation with various ministries and agencies. Ministerial budgets are presented to the sectoral Standing Committee in Parliament. Once cleared, they are returned to the Ministry of Finance for rectification and adjustments. The proposed budget is then presented to the Committee of Finance and Budget for approval. Following this, the Appropriation Bill is tabled in Parliament and becomes law. As part of the budget approval process, the Ministry conducts budget retreats with the assistance of independent experts for members of Parliament to ensure they are well-informed before budget debates begin.

The meeting also highlighted, as per the Constitution and Public Financial Management Act, the importance of the District Assemblies Common Fund. The Ministry of Finance is mandated to allocate 5% of government revenue to District Assemblies for their operations. Constituencies are seen as critical in delivering services to people at the grassroots level as such a small proportion the Assemblies Common Fund is allocated to Constituencies (Please note that some Districts/ Municipalities/ Metropolitan areas cover more than 1 Constituency).

Additionally, the government of Ghana supports entrepreneurship and the development of Small and Medium-sized Enterprises (SMEs) as vital components of the economy. Initiatives include VAT exemptions for SMEs and tax breaks for SMEs in the agricultural sector to foster entrepreneurial ventures. The delegation was also briefed on pension management in Ghana, which aims to provide financial security to retirees. Ghana has a three-tier pension system: Tiers 1 and 2 are mandatory pension funds, while Tier 3 is based on voluntary contributions. Funds under Tiers 1 and 2 are preserved until the age of 55 or until retirement at age 60.

6.6 MEETING WITH THE OFFICE OF THE HEAD OF CIVIL SERVICES

The committee learned about the performance appraisal of public servants in enhancing public service efficiency. All public servants, regardless of their position, enter into performance agreements to ensure accountability. Performance appraisal is conducted online, and non-compliance results in penalties. A compensation reward system based on employee performance is in place. Employees with unsatisfactory appraisals undergo remedial training and capacity building. Chief Directors with two unsatisfactory appraisals are dismissed.

6.7 MEETING WITH THE STATE INTERESTS AND GOVERNANCE AUTHORITY (SIGA)

The entity holds ownership of the state in all public and Public-Private Partnership (PPP) entities. Various state entities report to the State Interests and Governance Authority (SIGA). SIGA enforces performance agreements with Chief Executive Officers (CEOs) and Boards of Directors. Additionally, SIGA ensures that State Enterprises (SEs) adhere to governance issues, including the submission of audited financial statements and annual reports. The Act allows SIGA to impose monetary penalties on CEOs for non-compliance. However, the penalties are not considered stringent enough to ensure compliance.

The entity advises the government on issues related to investment and disinvestment in State Enterprises. Members were informed that in Ghana, Boards of Directors of almost all SOEs are appointed by the President in consultation with relevant line ministries. However, the SIGA Act provides that SIGA is responsible for the appointment of directors. Directors are restricted to serving on no more than two boards of listed State Enterprises. For other State Enterprises, there is no such limitation. It was further indicated that board fees are determined by the individual entities based on their financial standing. However, plans are in place to standardize board fees.

6.8 MEETING WITH THE CIVIL SERVICE TRAINING CENTRE (CSTC)

CSTC is mandated by the Civil Service Act subsection 1 (PNDC Law 327, 1993), to assist OHCS to build the human resource capacity of personnel in the Civil / Public Service in Ghana. The centre is responsible to nurture first-class civil servants through an integrated suite of department programmes that emphasize management and development in the service, research new approaches/practices in organizational excellence that would improve capacity of the Civil/Public sectors to deliver sustainable results, facilitate peer learning and sharing by

identifying, capturing and disseminating healthy practices and norms in the Public/Civil Service, link agencies with good practices with those in earlier stages of organizational development, conduct entrance and promotion examinations to strengthen the recruitment and promotion processes of the Public Service.

The centre offers the following services; provision of general and customized training for Civil Service organizations, public service organizations and the general public; conduct of impact surveys; facility rentals and training in management consultancy (Local and international).

There are 3 categories of courses offered at the centre namely; scheme of service training, competency courses and customized courses. The centre also offers training to Civil servants, and students from other countries.

7. KEY LEARNINGS AND TAKEAWAYS/LESSONS LEARNT

Building on the insights and experiences gained during the benchmarking visit, the Namibian Parliamentary Committee on Economics and Public Administration has identified pivotal learnings and takeaways that warrant thoughtful consideration such as the following:

Public Administration System and National Development:

- Effective inter-agency coordination and strategic parliamentary oversight are essential for public sector management and financial management.
- Ghana's performance appraisal system for public servants, including online performance agreements and consequences for non-compliance, drives public service efficiency.
- The budget approval process in Ghana, involving consultations and retreats with independent experts, ensures transparent resource allocation and effective debate in Parliament prior to approval of the appropriations bill.
- The District Assemblies Common fund with a proportion earmarked for Constituency support and grassroots service delivery.

Public Sector Productivity:

• Human resource management policies that align individual efforts with organizational goals are crucial for public sector productivity.

• SIGA's role in enforcing governance standards and managing the appointment of directors and CEOs was a key area of focus.

Public Sector Challenges and Solutions:

- The Akosombo Dam project provided insights into managing environmental and social impacts of large infrastructure projects, including community resettlement and health initiatives.
- Ghana's support for SMEs through VAT exemptions and tax breaks is vital for economic growth.

Public Sector Best Practices:

- Compulsory Online performance appraisal systems and performance-based compensation rewards in Ghana's civil service enhance efficiency.
- SIGA's role in governance and investment management offers valuable lessons for Namibia.

8. CONCLUSION

The benchmarking visit to Ghana provided valuable insights into effective public sector management practices that can be adapted and implemented in Namibia. The emphasis on performance management, inter-agency coordination, and strategic parliamentary oversight were particularly notable. Ghana's approaches to managing the environmental and social impacts of infrastructure projects, supporting SMEs, and enhancing public service efficiency offer valuable lessons for Namibia.

9. RECOMMENDATIONS

In light of the insights gained, the Committee puts forth the following recommendations:

Performance Management Systems:

- Implement compulsory online performance appraisal systems for public servants in Namibia, with clear consequences for non-compliance and rewards for outstanding performance.
- Develop capacity-building programs to support public servants who need improvement based on their performance appraisals. This may be done between the PSC and NIPAM,

Public Financial Management:

- Strengthen the budget process to ensure transparent and efficient resource allocation, including consultations with offices, ministries and agencies, budget retreats with experts, and parliamentary committee involvement.
- Ensure the distribution of Constituency Funds to support grassroots service delivery and local development projects.

Governance of State Enterprises:

- Establish a governance authority similar to SIGA to enforce performance agreements, ensure compliance with governance standards, and manage the appointment of directors and CEOs in state enterprises.
- Standardize board fees for state enterprises based on the seize of the entity and financial standing to ensure fairness and transparency.

Support SME Development:

- Introduce tax incentives and VAT exemptions for SMEs, particularly in key sectors like agriculture, to foster entrepreneurship and economic growth.
- Develop policies and programs to provide financial and technical support to SMEs.

Environmental and Social Impacts:

NamPower can develop comprehensive plans to manage the environmental and social
impacts of large infrastructure projects, including community resettlement programs,
health initiatives, and community development funds for the Communities in Epupa to
promote community buy-in and success of the much-needed electricity generation from
the Epupa Fall.

Enhance Research Capacity:

• The National Assembly need to speed up the formation of the Parliamentary Research Unit and increase the number of researchers to reduce the burden on individual researchers and ensure more focused support for each Committee, as the current pool of staff in the research division is not sufficient to support the Legislative process and the oversight work. In addition, there is a need for continuous training and development

programs with international bodies and other Parliaments to enhance the expertise of researchers.

Optimize Information Management:

 The National Assembly should establish Data Management Services to provide researchers with access to comprehensive and up-to-date data. This will enable researchers to perform their duties more effectively, enhance support to Parliamentary Committees, and improve overall data management and accessibility.

10. SIGNATURE	- 13/ns/2008-
Hon. Natangue Ithete (Chairperson)	Date: JOS
Hon. Mathias Mbundu (Deputy Chairperson)	
Hon. Marina Kandumbu	
Hon. Dr. Tobie Aupindi	
Hon. Apius !Auchab	· · · · · · · · · · · · · · · · · · ·
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