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In the Second Session of the Seventh Parliament of the
Fourth Republic of Ghana

**REPORT OF THE PARLIAMENTARY SELECT
COMMITTEE ON FOOD, AGRICULTURE AND COCOA
AFFAIRS**

ON THE

**2019 BUDGET ESTIMATES OF THE MINISTRY OF
FISHERIES AND AQUACULTURE DEVELOPMENT**

December, 2018

**REPORT OF THE COMMITTEE ON FOOD, AGRICULTURE
AND COCOA AFFAIRS ON THE 2019 ANNUAL BUDGET
ESTIMATES OF THE
MINISTRY OF FISHERIES AND AQUACULTURE
DEVELOPMENT**

1.0 INTRODUCTION

The Budget Statement and Economic Policy of the Government of Ghana for the year ending 31st December, 2019 was presented to Parliament, by the Minister for Finance, Mr. Ken Ofori-Atta on Wednesday, November, 15, 2018 in accordance with Article 179 of the 1992 Constitution of Ghana and Standing Order 138.

Pursuant to Standing Orders 140(4) and 176, Rt. Hon Speaker referred the estimates of the Ministry of Fisheries and Aquaculture Development to the Committee on Food, Agriculture and Cocoa Affairs for consideration and report to the House.

1.1 DELIBERATIONS

The Committee met with the Minister for Fisheries and Aquaculture Development, Hon. Elizabeth Afoley Quaye, the Chief Director, Dr. Francis E. Nunoo, directors and officials of the Ministry for Fisheries and Aquaculture Development and examined the 2019 Draft Annual Estimates of the Ministry.

The Committee is grateful to the Minister and the Officials of the Ministry of Fisheries and Aquaculture Development for their insightful inputs and clarifications.

1.2 REFERENCE MATERIALS

In considering the 2019 budget estimates of the Ministry of Fisheries and Aquaculture Development, the Committee was guided by the following documents:

- I. The 1992 Constitution of Ghana;
- II. The Standing Orders of Parliament;
- III. The Budget Statement and Economic Policy of the government of Ghana for 2018 Financial Year;
- IV. The Budget Statement and Economic Policy of the government of Ghana for 2019 Financial Year; and
- V. The Medium Term Expenditure Framework for 2019-2022 for the Ministry of Fisheries and Aquaculture Development
- VI. 2018 Budget performance report of the Ministry of Fisheries and Aquaculture Development

1.3 MISSION STATEMENT OF THE MINISTRY

The overall goal of the fisheries sector is to increase domestic fish production to offset import of fish and fish products and develop or transform the fisheries and aquaculture sector into a viable economic segment to contribute to national development.

1.4 CORE FUNCTIONS

The core functions of the Ministry of Fisheries and Aquaculture Development are as follows:

- ❖ Formulate and implement sector development policies and strategies in line with the National Development Policy Framework
- ❖ Facilitate Aquaculture Development to contribute to domestic fish production and National Development

- ❖ Enforce fisheries laws and regulations to protect fisheries resources
- ❖ Promote sustainable management of fisheries resources for national benefits
- ❖ Develop sector medium term development plans consistent with National development Policy Frameworks
- ❖ Conduct periodic socio-economic studies or research on topical sector issues to inform sector policy formulation and planning
- ❖ Co-ordinate all interventions to accelerate the development of the fisheries and aquaculture sub-sector and industry
- ❖ Develop fishery infrastructure including landing sites, fishing harbours, laboratories, educational centres and fish processing facilities.
- ❖ Have oversight responsibility of all agencies in the sector including the Fisheries Commission

1.5 POLICY OBJECTIVES OF THE MINISTRY

The policy objectives of the Ministry are as follows:

- ❖ Ensure sustainable development and management of aquatic fisheries resources
- ❖ Ensure sustainable development and management of aquaculture
- ❖ Conserve marine areas
- ❖ Enhance capacity for policy formulation and coordination

2.0 PERFORMANCE REVIEW FOR THE 2018 FISCAL YEAR

2.1 Financial Overview for 2018

For the 2018 fiscal year, the Ministry of Fisheries and Aquaculture Development was allocated an amount of Fifty Seven Million, One Hundred and Seventy Nine Thousand, Six Hundred and Six Ghana Cedis (**GH¢57,179,606.00**) for their earmarked activities.

Table 1: 2018 Budgetary Allocation by Funding Sources

	GOG	DONOR	IGF	ABFA	TOTAL
WAGES AND SALARIES	9,743,210	-	749,063	-	10,492,273
GOODS & SERVICES	2,684,640	4,647,270	9,212,602	-	16,544,512
CAPEX	2,306,500	18,589,080	7,247,241	2,000,000	30,142,821
TOTAL	14,734,350	23,236,350	17,208,906	2,000,000	57,179,606

Source: The 2018 Budget Estimates of the Ministry of Fisheries and Aquaculture

Table 2: 2018 BUDGET ALLOCATION BY PROGRAMME & ECONOMIC CLASSIFICATIONS

Budget Programme/ Economic Classification	Wages Salaries	& Good Services	CAPEX	ABFA	DONOR	TOTAL
Management & Administration	3,865,321	6,131,284	1,700,040	-	-	11,696,646
Fisheries Resource Management	3,996,498	141,8593	3,729,446	-	14,126,514	23,271,052
Aquaculture Development	1,793,856	3,639,964	3,500,000	2,000,000	2,407,457	13,341,277
Fisheries Monitoring Control & Surveillance	478,762	159,200	300,000	-	1,959,843	2,897,805
Aquatic Animal Health & Post Harvest Management	357,836	548,200	324,255	-	4,742,536	5,972,827
Total	10,492,273	11,897,242	9,553,741	2,000,000	23,236,350	57,179,606

Source: The Budget Statement and Economic Policy of GOG for 2018 fiscal year

Table 3: BUDGET PERFORMANCE BY ECONOMIC CLASSIFICATIONS AS AT AUGUST 2018

Budget Economic Classification	By	2018 APPROVED Budget	BUDGET AMOUNT RELEAASED	PERCENAGE OF FUNDS RELEASED	VARIANCE	AMOUNT YET TOO BE RELEASED
WAGES AND SALARIES		10,492,273.00	6,634,390.68	63.2	3,857,882.32	3,857,882.32
GOODS & SERVICES		16,544,512.43	17,469,614.93	105.6	-925,102.50	-
CAPEX		30,142,821.00	6,208,855.33	20.6	23,933,965.67	909,224.65
TOTAL		57,179,606.00	30,312,860.94	53.0	26,877,745.49	909,224.65

Source: The Budget Statement and Economic Policy GOG for 2018 fiscal year. Funds include those of the Premix Secretariat.

3.0 PROGRAMMES EARMARKED FOR 2018, PERFORMANCE AND PROJECTIONS FOR 2019

The Ministry of Fisheries and Aquaculture Development committed its 2018 budgetary allocation to the following activities and had the following out comes:

3.1 Aquaculture Development Programme

Projections for 2018

In 2018, under the “One Village One Dam” initiative, the Ministry envisaged to roll out the Fisheries Nucleus Out grower Scheme and restock a total surface area of 2,950ha in the three Northern Regions. The restocking intervention was expected to provide additional 10,380mt of fish to enhance nutrition intake of the target communities. At full operation, the Fisheries Nucleus Out-grower Scheme was to add an estimated 16,128mt of fish to Aquaculture production.

The Scheme was also to create 833 additional jobs, made up of 273 direct and 560 indirect jobs respectively for unemployed rural youth, women fish processors and traders along the Aquaculture Value Chain. In 2018, the private sector was to be supported with extension services to boost aggregate aquaculture production from 58,880mt in 2017 to over 73,220mt, an increase of 24.35 percent.

Aquaculture was to be developed further in support of the “Programme for Food and Jobs”.

It was planned that the Aquatic health policy will be launched

Performance in 2018

The Aquaculture Development programme is aimed at increasing domestic fish production and creating additional job opportunities for unemployed youth. To this end, about 1,671 fish farms out of a target of 1,800 were provided with extension services to enhance the productive capacity of aquaculture operators.

In addition, 50 hatchery operators and 100 grow-out farmers were trained on biosecurity measures; modern hatchery management techniques; and good aquaculture production practices. Three public hatcheries at Ashaiman, Kona-Odumase and Veve were rehabilitated to increase fingerling production to meet the demand of fish farmers. These interventions resulted in 62,718mt of aquaculture production against a target of 88,512mt.

Projection for 2019

In 2019, two public hatcheries at Sankana and Dormaa-Ahenkro will be rehabilitated, and three additional ones constructed at Asankragua, Sefwi Wiawso and Nkawie to support aquaculture operators with fingerlings to increase fish production.

The Ministry will also partner the private sector to build a National Aquaculture Centre at Shama for learning fish farming.

To support the National Agenda for Jobs, the Ministry will roll out the “Aquaculture for Food and Jobs” (AFJ) flagship programme in 2019 to complement the ongoing “Planting for Food and Jobs” (PFJ) initiative. The AFJ Programme will be implemented in collaboration with “Feed Ghana” (module 3) and “Enterprise Ghana” (module 5) of the Nation Builders Corps (NaBCo).

Under the AFJ programme, 10,200 unemployed youth will be mobilized nationwide into Aquaculture Enterprise Groups. Successful beneficiaries will be trained in modern aquaculture production techniques and supported with inputs such as fish feed, fingerlings, tanks and cages to engage in commercial fish farming.

As a demand-driven market strategy, the AFJ will be linked to the National School Feeding Programme to enhance the availability of fish to improve the protein intake of these schools. An estimated 7,000 additional direct and indirect jobs will be created, and 33,628mt extra fish produced.

Government will continue to provide support schemes to potential but financially distressed small and medium scale fish farmers to

enable them enhance their productive capacity and expand their operations. These interventions will increase total aquaculture production from 62,718mt to 122,140mt in 2019.

3.2 Fisheries Resources Management Programme

Projections for 2018

In 2018, the Ministry planned to implement climate change resilient and fish stock recovery measures under the Marine Resource Conservation initiatives. The Landing Beach Committees (LBCs) were to be supported with 1,566,000 litres of premix fuel as production input to achieve the 2018 fish production targets of 302,300mt and 90,100mt for Marine and Inland sub-sectors respectively.

The Ministry was also to support fishermen with fishing inputs

Performance in 2018

To protect, conserve and sustainably manage marine and inland fisheries resources, the Ministry implemented a two-month “Closed Season” for industrial fishing vessels. Under the Ministry’s Fisher-to-Fisher Dialogue Initiative, 11 cluster communities were sensitized on sustainable fishery resource exploitation.

Under the Fisheries Input Support Scheme, marine and inland fishers were provided with 69,713,125 litres of premix fuel to boost their operations. Total marine fish production stood at 152,132.05mt as against a target of 302,300mt, while the inland sub-sector recorded 46,601.17mt of fish against a target of 90,100mt.

The Ministry facilitated the construction of the Anloga fish landing site to enhance the productivity of fishers. In addition, detailed construction designs and Environmental Impact Assessment studies were completed for landing sites at Teshie, Axim, Winneba, Mumford and a fishing harbour complex at James Town.

Projections for 2019

The Ministry intends to expand the two-month “Closed Season” for industrial fishing vessels to three months for all fleet in 2019.

In 2019, the Ministry will facilitate regular supply of 92,259,000 litres of premix fuel, and collaborate with the private sector to facilitate the provision of 5,000 outboard motors and 55,250 bales of prescribed fishing gears to enhance the operations of marine and inland fishers.

Construction of the landing sites at Teshie, Axim, Winneba, Mumford and a fishing harbour complex at James Town as well as the Phase II of the Anomabo Fisheries College will commence in 2019.

3.3 Fisheries Monitoring, Control and Surveillance Programme

Projections for 2018

The Ministry proposed to intensify its collaboration with stakeholders to reduce illegal fishing in our inland and marine water bodies, with focus on halting “saiko” and light fishing. In this regard, sea and land patrols were to be increased from 30 and 25 in 2017 to 35 and 30 in 2018, respectively. Fisheries Observer Missions were to be expanded to cover 80 percent of vessels. The

existing “Two-month Closed Season” was to be extended to cover semi-industrial vessels.

Four (4) additional Law Enforcement Volunteer Committees were to be established at Nyanyano, Dzelukope, Abutiakope and Biriwa.

Performance in 2018

The Fisheries Law Enforcement Unit conducted 16 sea and 11 land patrols as against a target of 35 and 30, respectively. In addition, 42 vessels involved in various forms of infractions were arrested and prosecuted. A 100 percent observer mission coverage on industrial fishing vessels was achieved.

Projections for 2019

Electronic monitoring systems will continue to operate on all Ghanaian and foreign flagged fishing vessels to enable effective surveillance in the Economic Exclusive Zone (EEZ) of the country. In 2019, two marine fish stock assessment surveys will also be conducted to enable the Ministry align fishing efforts to available marine fish stock.

The Ministry will deepen collaboration with appropriate stakeholders to enhance effective fisheries law enforcement, and establish two specialized Fisheries Prosecution Courts at Tema and Cape Coast to reduce adjudication time of fisheries infractions. In addition, over 150 fishing communities will be sensitized on fisheries laws and regulations as well as the negative effects of illegal fishing.

These interventions are intended to reduce illegal, unregulated and unreported fishing activities by 70 percent and increase the fisheries law compliance rate by 80 percent.

3.4 Aquatic Animal Health and Post-Harvest Management Programme

Projections for 2018

In 2018, the Ministry planned to train additional 46 operators from public and private hatcheries in biosecurity measures and hatchery management. 75 processors were also be trained in improved fish processing technologies.

The Ministry proposed to implement the Aquatic Animal Health Policy in 2018 to prevent and control the outbreak of fish diseases in Aquaculture establishments and inland water bodies.

Adequate fish farm certification and regulatory measures were also to be enforced to ensure strict adherence to biosecurity measures and sanitary standards in all aquaculture production units.

Performance in 2018

To enhance the production of safe and quality fish and fishery products, 56 fisheries officers and 60 members of the National Fish Processors and Traders Association (NAFPTA) were trained in Fish Audit Certification and Hygienic Fish Handling methods.

In addition, 250 Improved Fish Processing Facilities (Ahotor ovens) were provided to 26 fishing communities in Greater Accra, Central, Western, Eastern and Volta Regions.

Projections for 2019

In 2019, two fish health laboratories at Akosombo and Pong-Tamale will be rehabilitated to improve fish disease diagnosis and detection.

A national biosecurity guideline will be developed to assist fish disease prevention and detection in all aquaculture establishments.

Training will be provided for 50 para professional officers in aquatic animal disease detection, surveillance, control and management.

An early warning fish disease detection system will also be established to provide timely preventive measures in the event of fish disease outbreaks.

4.0 Financial Outlook for 2019

For the 2019 fiscal year, the Ministry of Fisheries and Aquaculture Development has been allocated an amount of Fifty Nine Million, Five Hundred and Ninety Two Thousand, Four Hundred and Forty Seven Ghana Cedis (**GH¢59,592,447.00**) for their earmarked activities.

The breakdown of the allocation is as follows:

Table 3: 2019 Budgetary Allocation by Funding Sources

	GOG	DONOR	IGF	ABFA	TOTAL
WAGES AND SALARIES	10,099,588	-	880,600	-	10,980,188
GOODS & SERVICES	1,530,245	-	8,401,917	-	9,932,162
CAPEX	-	24,050,000	6,587,407	8,042,690	38,680,097
TOTAL	11,629,833	24,050,000	15,869,924	8,042,690	59,592,447

Source: The 2019 Budget Estimates of the Ministry of Fisheries and Aquaculture

Table 4: 2019 BUDGET ALLOCATION BY PROGRAMME & ECONOMIC CLASSIFICATIONS

Budget Programme/ Economic Classification	Wages & Salaries	Good & Services	ABFA	TOTAL
Management & Administration	5,330,738	5,599,280	37,317,541	48,247,559
Marine Fisheries Resource Management	2,938,203	882,374		3,820,577
Aquaculture Development	2,143,909	1,959,268	1,033,506	5,136,684
Fisheries Monitoring Control & Surveillance	337,926	1,167,360		1,505,286
Aquatic Animal Health & Post Harvest Management	229,412	323,881	329,051	882,344
Total	10,980,188	9,980,162	9405248	59,592,448

Source: The Budget Statement and Economic Policy of GOG for 2019 fiscal year

5.0 OBSERVATIONS AND RECOMMENDATIONS

5.1 Budgetary Allocation for 2019

The Committee noted that the budgetary allocation for Good and Services has drastically reduced from a provision of GH¢16,544,512 in 2018 to GH¢9,932,162 in 2019. This, in the

opinion of the Committee would affect the function of the Ministry of Fisheries and Aquaculture Development since it may not be able to obtain certain office consumables. The Committee therefore urges the Ministry of Finance to ensure that the Ministry is provided more funds when the budget is reviewed in the 2019 fiscal year.

5.2 Management and Administration

The Committee noted that out of the allocation of GH¢59,592,448 made to the Ministry of Fisheries and Aquaculture for its earmarked activities for the 2019 fiscal year, and amount of GH¢48,247,559 has been allocated to Management and Administration. It was explained that the Ministry was not provided any allocation under CAPEX so most of its capital expenditure for 2019 have been captured under Management and Administration. According to the Ministry, the funds would be committed to activities like the completion of the first phase of the Anomabo Fisheries College, Completion of the Office complex of the Ministry of Fisheries and Aquaculture Development, establishment of a fisheries data centre and construction of a fishing harbour complex and four landing sites.

The Committee considers the appropriation inappropriate and urges the Ministry of Finance to ensure that the allocation is captured under the appropriate programme head to safeguard its use.

5.3 ANOMABO FISHERIES COLLEGE

The Committee also realised that although the Anomabo Fisheries College has been under construction for so many years, it is only 68% complete. In the year 2017, it was reported to be 66% complete and currently it is 68% complete. The Committee considers the situation on acceptable because attention is not being devoted to the completion of the school. The continuous delay of the project may lead to an increase in the final cost. The Committee therefore urges the Ministry of Finance to allocate adequate funds to the project to ensure its early completion.

5.4 AQUACULTURE FOR FOOD AND JOBS PROGRAMME

The Committee was informed that in the 2019 fiscal year the Ministry would implement government's flagship programme of "Aquaculture for food and jobs" and a Fisheries Nuclear out-grower scheme. The two programmes are expected to create 2,833 jobs for the youth of the country and lead to the production of an additional 22.28mt of fish in 2019.

Under the programme selected youth will be trained for about three weeks in aquaculture and provided fingerlings, seed funds and other incentives to go into aquaculture fish production.

The Committee was informed that funding for the programme would be from the African Development bank and the Norwegian government programme "Fish for Development. The programme has also been allocated a budgetary amount of GH¢2,924,655.74 under the Aquaculture Development Programme.

The Committee lauds the Ministry of Fisheries and Aquaculture Development to ensure that adequate funds are obtained to support the programme to ensure its success.

5.5 REVIEW OF LICENSING FEES

The Committee was informed that the Industrial Vessel Licensing Fee would be increased from GH¢30.00 per gross tonnage to GH¢200.00 per gross tonnage. This is because the rate has been the same for the past 14 years. The increase in fees would assist the Ministry raise revenue to support its operations.

The Ministry also intends to make foreign vessels pay royalties for fishing in our waters. The request would be in line with international best practice and also help the Ministry conserve and manage the fishery resources in waters for the benefit of present and future generations.

The West Africa Regional Fisheries Project that provides financial support for the surveillance on our high seas is expected to end in August, 2019. It is therefore necessary that the Ministry secures adequate funds to recruit and resource observers who monitor our seas. The Committee recommends that The Ministry of Finance should allow the Ministry to retain 100% of its Internally Generated Funds (IGF) to be used to remunerate the sea observers, law enforcement operations (Sea and land patrols) and aquaculture development.

In the light of all the above the Committee recommends that the Ministry of Finance allows the Ministry to retain all of its IGF and increase vessel license fees as requested..

5.6 CLOSED SEASON

The Committee noted with concern the resistance that met the proposal and enforcement of the closed season in 2018. The Committee was informed that the Ministry has begun consultations with the National Fishers Association of Ghana on the closed season expected to be observed in 2019. The Ministry will collaborate with the associations in the management of the closed session in 2019.

The Committee urges the Ministry to properly manage the process to ensure collaboration and a peaceful closed season.

5.7 PREMIX FUEL SECRETARIAT

The Committees was informed that no diversions of premix fuel have been recorded in 2018. However, there have been reports of shortages caused mainly by hoarding of the product by members of the landing beach committees. To stop the practice the landing beach committees have been restructured and stations have been restricted to market centres.

The premix secretariat also reported of the adverse effect the capping of its IGF has had on its operations. According to the secretariat because it depends on the commission it generates from the sale of the premix fuel to manage all its operations, the capping of the IGF is creating financial inadequacies that may eventually bring its activities to a halt.

The Committee recommends that the Ministry of Finance should allow the secretariat to retain its IGF to ensure efficiency in the operations of the premix fuel secretariat.

5.8 INADEQUATE NUMBER OF STAFF

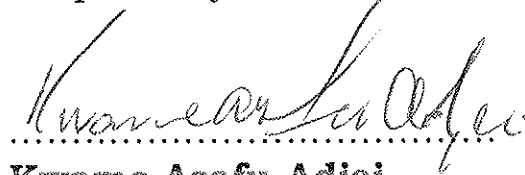
The Committee noted that the number of staff in the Ministry has reduced from 384 in 2018 to 322 in 2019 representing a decline of 16%. The number of technical staff of Fisheries Commission in particular has been reduced since 2016 without replacement. The Ministry requested clearance from the Ministry of Finance to recruit but was granted permission to recruit only 26. The Committee recommends that the Ministry of Finance should grant them clearance to recruit more technical staff to enhance their operations.

6.0 CONCLUSION

To ensure that the fishery resources of our country are preserved and all the fishery needs of the country are met, it is proper that adequate funds are committed to the protection, conservation and sustainable management of marine and inland fisheries resources of our country.

In this regard, the Committee recommends that its report be adopted and the amount of Fifty Nine Million, Five Hundred and Ninety Two Thousand, Four Hundred and Forty Seven Ghana Cedis (**GH¢59,592,447.00**) be approved for the implementation of earmarked activities of the Ministry of Fisheries and Aquaculture Development for the 2019 fiscal year.

Respectfully submitted



Kwame Asafu-Adjei

Chairman



Anita Quartey Papafio

Clerk