

**IN THE FIRST MEETING OF THE FIRST SESSION OF  
THE EIGHTH PARLIAMENT OF THE FOURTH  
REPUBLIC OF GHANA**



**REPORT OF THE SELECT COMMITTEE ON FOOD,  
AGRICULTURE AND COCOA AFFAIRS ON THE 2021  
ANNUAL BUDGET ESTIMATES OF THE MINISTRY  
OF FOOD AND AGRICULTURE**

**26<sup>TH</sup> MARCH, 2021**

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AFFAIRS ON THE 2021 ANNUAL BUDGET ESTIMATES OF THE MINISTRY OF  
FOOD AND AGRICULTURE**

**1.0 INTRODUCTION**

The Budget Statement and Economic Policy of the Government of Ghana for the year ending 31<sup>st</sup> December, 2021 was presented to Parliament by the Minister for Parliamentary Affairs, responsible for Finance on Friday, 12<sup>th</sup> March, 2021 in accordance with Article 103 of the 1992 Constitution.

Pursuant to Orders 140 and 176 of the Standing Orders of Parliament, the Rt. Hon. Speaker referred the Programme Based Budget Estimates of the Ministry of Food and Agriculture to the Committee on Food, Agriculture and Cocoa Affairs for consideration and report to the House.

**1.1 DELIBERATIONS**

The Committee met on 23<sup>rd</sup> and 24<sup>th</sup> March, 2021 and considered the Programme Based Budget Estimates of the Ministry. Present at the meetings were the Minister for Food and Agriculture, Hon. Dr. Owusu Afriyie Akoto and Mr Robert Ankobiah, the Ag. Chief Director. Other Directors and Project coordinator of the Directorates under the Ministry also present were;

- i. Human Resource Development and Management Directorate,
- ii. Crop Services Directorate,
- iii. Ghana Irrigation Development Authority,
- iv. Grains and Legumes Development Board,
- v. Plant Protection and Regulatory Services Directorate,
- vi. Women in Agricultural Development,
- vii. Animal Production Directorate,
- viii. Agricultural Extension Services Directorate,
- ix. Agricultural Engineering Services Directorate,
- x. National Buffet Stock Company and
- xi. Tree Crops Authority.

The Committee also met with the Chief Executive of Ghana Cocoa Board, Mr Joseph Boahen Aidoo and his officials on the 24<sup>TH</sup> March, 2021 to discuss programme and activities for the management of the Cocoa Sector for the 2021 fiscal year by the Ghana Cocoa Board.

The Committee is grateful to the Minister for Food and Agriculture, the Chief Executive Officer of Ghana Cocoa Board and all other Officials of the Ministry for their insightful input and clarification.

## **1.2 REFERENCE MATERIALS**

In considering the Estimates for the Ministry, 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 Financial Policy of the Government for 2020 financial year;
- iv. The Budget Statement and Financial Policy of the Government for 2021 financial year,
- v. The Medium Term Expenditure Framework for 2021 – 2024 for the Ministry of Food and Agriculture, and
- vi. Reports on 2020 budget performance of the departments under the Ministry.

## **1.3 CORE FUNCTIONS OF THE MINISTRY**

The Ministry of Food and Agriculture exists to perform the following core functions;

- a. Plan and advice the Government on agricultural development policies, administration and management of the agricultural sector of the economy.
- b. Monitor and evaluate the agricultural sector on developments in crops, livestock, irrigation and mechanization.
- c. Develop agricultural programmes and projects and
- d. Collaborate in agricultural research.

## **2.0 2020 REVIEWED PERFORMANCE**

The Ministry under the 2020 year, was allocated an amount of Nine Hundred and Sixty Five Million, One Hundred and Thirty One Thousand, Five Hundred and Sixty Nine Ghana Cedis (GH¢ 965,131,569.00)

The allocated amount consisted of Three Hundred and Fifty Million, Nine Hundred and Forty Six Thousand, Nine Hundred and Thirty Seven (GH¢350,946,937.00) from the Government of Ghana (GoG), Three Hundred and Eighty Four Million, Six Hundred and Forty Thousand, Four Hundred and Forty Eight Ghana Cedis (GH¢384,640,448) from Donor contributions, Two Hundred and Twenty Five Million, Nine Hundred and Eighty Seven Thousand Ghana Cedis (GH¢25,987,000) from the Annual Budget Funding (ABFA) and Three Million Five Hundred and Sixty Six Thousand, One Hundred and Eighty Three Ghana Cedis (GH¢3,566,183) from Internally Generated Funds (IGF).

The priority initiatives implemented under the Ministry's Budget Programmes were:

- a. Planting for Food and Jobs (PFJ),
- b. Rearing for Food and Jobs (RFJ),
- c. Planting for Export and Rural Development (PERD),
- d. Greenhouse Villages,
- e. Plant Protection and Regulation,
- f. Promotion of Mechanization Services,
- g. Irrigation development and
- h. Post – Harvest Management.

### 3.0 Expenditure Trends

The Ministry was allocated a total budget of GH¢965.131, 568 in the year under review and was revised upwards to 1,378,855,456 in the mid- year review. The revision was to accommodate payment of 2019 outstanding arrears and 2020 commitments. As at 31<sup>st</sup> December, 2020, a total of GH¢1,200,328,364 was released to the Ministry and an amount of GH¢1,113,669,183 representing 93% was expended.

**Table 1: Breakdown of the 2020 Budgetary Allocation, Releases and Actual Expenditure**

Funding Source	Approved Budget (¢millions)	Revised (¢million)	Release (¢millions)	% Exp. Of Release	Actual Expenditure (¢)
GOG	86,319,789	87,739,028	74,405,581	84.8	74,405,581
GOODS & SERVICES	264,627,148	657,578,820	652,116,003	99.2	638,242,418
CAPEX		132,616,191	71,746,183	54.1	26,976,824
IGF	3,566,183	3,410,929	3,037,528	89.1	2,982,448
ABFA	225,978,000	112,870,040	113,318,832	100.4	85,357,675
DONOR	384,640,448	384,640,448	285,704,000	74.3	285,704,000
<b>Grand Total</b>	<b>965,131,568</b>	<b>1,378,855,456</b>	<b>1,200,328,364</b>	<b>93</b>	<b>1,113,669,183</b>

Source: Ministry of Food and Agriculture

## **4.0. 2020 PERFORMANCE**

### **4.1. Crops and Livestock Development Programme**

As at the end of 2020, a total of 1,736,510 farmers have benefited from subsidized fertilizers and improved seeds under PFJ programme. Improved seeds distributed to farmers increased by 60%, from 18,333MT in 2019 to 29, 500MT in 2020. Similarly, subsidized fertilisers, both organic and inorganic, distributed to farmers also increased by 28% from 331,354MT in 2019 to 424,000MT in 2020.

### **4.2. Planting for Export and Rural Development (PERD)**

In 2020, the Tree Crops Development Authority was inaugurated to develop and regulate the tree crop sub sector.

### **4.3. Livestock Development-Rearing for Food and Jobs (RFJ)**

In the first half of the year, contracts to procure 531,100 improved breeds of small ruminants, pigs and poultry to farmers' procurements were late due to the Covid- 19 pandemic. Delivery of these procurement are now being carried out in 2021. Initiated processes for the construction of 11 livestock housing units and mechanized boreholes for livestock breeding stations works are now in progress.

### **4.4. Agricultural Mechanization**

Machinery and equipment imported from Brazil under the "More Food Programme" 806 machines were distributed at subsidized prices to farmers. Additionally, 10% of the simple hand-held and medium scale farm equipment imported from Czech Republic have been distributed.

As part of efforts to reduce the drudgery in rice harvesting, the Ministry in 2020 took delivery of 1,000 rice harvesters and 700 multifunctional thresher from china for distribution to rice farmers.

### **4.5. Irrigation Development**

The Ministry has a number of irrigation projects at various phases of completion namely: Tamne phases I & II at 90% and 50% respectively and Mprumen phase II at 95% completion. Rehabilitation, modernization and expansion works of existing schemes at Tono, Kpong Irrigation and Kpong left banks are 95%, 61% and 72% respectively completed. These projects are expected to make available a total land areas of 7,690ha for all year round production. Additionally, the Ministry has invested and completed 10 out of 14 small earth dams in the Northern, Upper East, Upper West and Savannah Regions to provide easy access to water for domestic use all year round.

Processes for cadastral survey for the Pwalugu Multipurpose Dam have been initiated and sensitization of beneficiary communities are ongoing.

#### **4.6. Post-Harvest Management**

Under the One District One Warehouse programme, the Ministry has completed twenty-one (21) ware houses. In addition, forty - two (42) out of fifty (50) warehouse were constructed by the Ministry of Special Development Initiative (MSDI) to provide 80,000MT of storage capacity to accommodate anticipated increase in production under the PFJ.B

#### **4.7. Plant Protection and Regulatory Services**

As part of effort to reduce the Fall Army Worm (FAW) infestation to the barest minimum, 89,060 litres and 11,630 kg strategic stocks of insecticides were procured and sprayed with the aim of controlling all affected land areas. In all a total of 261,147 Ha was sprayed and recovered, preventing the loss of about 652,86mt of maize.

#### **4.8. Promoting Greenhouse Technology**

Three greenhouse training centres with commercial components have been established on five hectare land each at Dawhenya, Akumadan and Bawjiase. The Ministry established a 100-kit commercial greenhouse production unit at Dawhenya.

In the year under review, 180 graduates received training at the Bawjiase and Akumadan training facilities. In addition, 122 students received paid internship in Kibbutzen.

#### **4.9. Farm Access Roads**

In 2020, under the Ghana Agricultural Sector Investment Project, (GASIP), the Ministry constructed 74km feeder roads and farm tracks in the follow communities;

- i. Nyapeinya Cottage- Teflekope farm track, Adadekope Junction, Dunyokope Junction feeder roads in the Greater Accra Region,
- ii. Bawjiase Starch Factory road, Old Odonase-Obusume feeder Road, Tropical Starch Company Limited accesss road, Brebia-Old Ebu feeder Road in the Central Region
- iii. Atonuagya-Abrimau Forest Reserve feeder Road, Bunusa –Nkodua feeder Road and Woraso-Sekruwa feeder road in the Ashanti Region,
- iv. Hodzo Agomle-Hodzo Achiase feeder road, Hodzo Aviepe-Atipui feeder road, Takla-Akulette feeder road, Block H-Tanyigbe Eto and Caltech Junction factory farm track, Caltech barrier- Hedzo Achiase Feeder road in the Volta region and
- v. Afrefreso-Duabone feeder road in the Bono East Region.

#### 4.10. Climate Change Mitigation and Resilience Scheme

As at the end of 2020, two projects the Savannah Zone Agriculture Productivity Improvement (SAPIP) and the Savannah Improvement Programme (SIP), implemented by the Northern Savannah Ecological Zone and funded by the African Development Bank supported 76 commercial farmers to develop a total of 8, 148 Ha of maize and soya bean production under minimum soil disturbance. It is expected that this programme would improve soil nutrients in support of increasing nutrients and yield.

The programme provided farmers with 17,000 seedlings of economic trees for planting within the alleys of farmers' fields covering an area of 42.5 ha. Again, a total of 106 Training of firefighting volunteers numbered One Hundred and Six (106) comprising three females and 103 males were trained.

With collaboration with Food and Agriculture Organisation, the Ministry sensitized 1,306 farmers (818 males and 488 females) from 11 districts on establishment of 33 conservation agriculture demonstration.

#### 5.0. OUTLOOK FOR 2021

The Ministry for 2021 was allocated a total budget of GH¢1,183,592,230. Out of this, GoG is GH¢612, 242,113, IGF is GH¢4,042,433 ABFA is GH¢8,000,000 and Donor Component of GH¢559,307,684.

**Table 2: Breakdown of 2021 Budget**

ITEM	SOURCE OF FUNDING					Percent allocation
	GoG	ABFA	IGF	DP	TOTAL	Percent allocation
Compensation of Employee	87,739,028.0			-	87,739,028.00	7.4
Goods & Services	466,419,440.0		2,675,077.00	20,709,846.00	489,804,363.00	41.4
Capital Expenditure	58,083,645.0	8,000,000.0	1,367,356.00	538,597,838.00	606,048,839.00	51.2
Total	612,242,113.00	8,000,000.00	4,042,433.00	559,307,684.00	1,183,592,230.00	100

Source: 2021 Budget for Ministry of Food and Agriculture

#### 5.1. Crops and Livestock Development

In 2021, the Ministry will procure and distribute 40,015MT of improved seeds and 526,000MT of fertilizers to 1.5 million beneficiary farmers. This is estimated to produce a total volume of 3,613,554MT of maize, 1,149,708MT of rice, 232,600MT of soya, 67,500MT of sorghum, 12,500MT of cowpea and 10,000MT of groundnut.

## **5.2. Planting for Export and Rural Development (PERD)**

The Authority in 2021 will focus on developing its structures and rollout activities to develop the tree crop sector.

## **5.3. Livestock Development -Rearing For Food and Jobs (RFJ)**

In 2021, the Ministry will distribute 531,100 improved breeds of small ruminants, pigs and poultry to farmers, procure 3 each of bailers and forage harvesters to set up 3 forage bailing centers, 14000 improved breeds of small ruminants and 8,000 grower pigs to farmers on credit-in-kind basis. In addition, 5 million broiler day old chicks, 20,000 kuroiler birds to farmers at 50% subsidy.

Government would again, initiate procurement processes to construct and rehabilitate 20 houses and 25 staff quarters in 16 livestock stations.

## **5.4. Agricultural Mechanization**

Under the mechanization programme, importation of agricultural machinery and 3 equipment worth USD30 million from Brazil under the final tranche of the More Food Programme would be completed. Consultancy works on a USD150 million on AMSEC project would be completed for the commandment of the project.

## **5.5. Irrigation Development**

The Tamne phase I & II and Mprumen phase II would be completed in 2021. The Ohawu irrigation scheme and dam spillway of Ashiamen irrigation scheme will be rehabilitate. Completion of works on the cadastral on the Pwalugu irrigation project would be carried out.

In 2021, the irrigable areas of the 10 completed dams would be developed to make available 260ha of land for agriculture production, aquaculture and domestic use.

Pipes and sprinkler systems would be installed to support maize foundation seed production at Gyakiti under Planting for Food and Jobs programme. 30 Water Users Association on 10 selected schemes would be trained to operate, maintain and manage the schemes.

## **5.6. Post -Harvest Management**

In 2021, procurement processes for the construction of additional 30 warehouses of 1000MT with seed cleaners, scales and dryers have be earmarked to increase national storage capacity all year round.

## **5.7. Plant Protection and Regulation Service**

The procurement of 2 screen houses and 3 mass biological rearing facilities for rearing and the release of 3 million parasitoid for the control of Fall Army Worm.



## **5.8. Promotion of Green House Technology**

In 2021, 60 youths would be trained in the greenhouse technology in Akumadan and Bawjiase.

## **5.9. Farm Access Roads**

The Ministry would partner with the Department of Feeder Roads to improve access to farming communities for transportation of agricultural produce to marketing centres.

## **5.10. Climate Change Mitigation and Resilience Scheme**

The Savannah Zone Agriculture Productivity Improvement Project (SAPIP) will support participating farmers of conservation agriculture with farm mechanization to help reduce the drudgery in farming. The project would establish 3 mechanized service canters with ten 18 roll capacity seed rills, 1000kg grain tank combine harvesters (5 clawer type), and 163 cm square Bailers, 1500liter capacity fertilizer spreaders, and self-propelled rice reapers to provide mechanization through a Public Private Partnership.

In addition, SAPIP in a PPP arrangement would procure one 1000kg/hr solar powered rice mill and two (2)1500kg/hr diesel powered rice mills to support rice processing in the savannah zone.

As part of measure for environmental protection, the Ministry would provide economic tree seedling to cover 12.5ha within farm alley of beneficiaries in addition to training extension officers to enhance the climate change responsiveness.

## **6.0 Cocoa Sector**

The Committee was informed of various interventions being carried out by the Ghana Cocoa Board to ensure increased production of cocoa including replacement of overaged trees, domestic production of cocoa, mass pruning, hand pollination, supply of subsidized customized fertilizers which were delivered at the doorstep of cooperative farmers group for effective distribution. The Cocoa Farm Irrigation commenced with 117 boreholes drilled with additional 3,000 hectares of cocoa farms being irrigated in the 2020/2021 crop year. The introduction of good agronomy practices were also carried out.

The Committee noted that in 2020, cocoa production went down to 750,000MT due to hoarding of cocoa by the Produce Buying Companies in anticipation of higher cocoa prices after the signing of the agreement between Cote D'voire and Ghana.

Ghana's consumption of chocolate has moved from less than 0.4kg in 2017 to 0.53kg in 2020. This was as a result of the stepped up local and international campaign with the recent celebration of National Chocolate Week in February and participation in the 2020 2020 Tea-Coffee-Cocoa Expo in China.

COCOBOD has initiated policies to have deeper private sector involvement in expanding cocoa processing in the country. To this end, a revolving working capital fund has

been acquired through the AfDB loan facility to support qualified indigenous processors with the view of promoting domestic cocoa industrialisation.

The Committee, again noted that the Cocoa Roads Programme has allocated an amount of GH¢456.6million to provide access road to farm lands to ensure ease evacuation of cocoa from the hinter lands to the takeover centers and improve livelihoods in the cocoa farming areas.

The Committee recommends that the cocoa roads should be in addition to the feeder roads as has been the case over the ease to enable farm trucks to ply the farm ares.

In 2021 COCOBOD has earmarked an amount of GH¢5.0million to be allocated to support Child Education Support Programme and tertiary education.

## **6.1 Coffee and Shea**

COCOBOD is setting up the Coffee and Shea Division (CSD) with an initial funding amount of GH¢64 million, to improve production of coffee and shea, through distribution of certified planting materials, expansion of extension delivery and other productivity enhancement support services.

The Cocoa Research Institute of Ghana (CRIG) has produced a high quality planting material in both coffee and shea for distribution to farmers. The new division will facilitate further value addition to enable Ghanaian businesses to manufacture finished products from shea, particularly in the cosmetics industry where shea has the competitive advantage. It will also facilitate market access for shea and coffee products of Ghanaian origin within and outside Africa.

This new division is to promote savanna agroforestry and parkland conversation, to halt the desertification of the north and rejuvenate shea parklands for environmental, social and economic benefits.

In the coffee areas, adequate provision of shade trees will be made to promote a conducive environment for coffee and enhance carbon sequestration.

## **7.0 OBSERVATIONS AND RECOMMENDATIONS**

### **7.1. Grains and Legumes Development**

7.1.1. The Committee observed that even though the Directorate retained about 66% of their total IGF collected, it was inadequate to support their activities as significant portion of their allocations go to support seed farms which is key in all the flagship programmes earmarked for the year. Indeed the amount spent on maintenance of overaged machinery and equipment greatly affected the budgetary allocations of the Directorate.

7.1.2. The Committee recommends that the Ministry of Finance should allow the directorate to retain its IGF to ensure availability of funds for the development

of increased quantities of improved seeds to support the country's flagship programme of 'Planting for food and jobs'.

## **7.2. Ghana Irrigation Development Authority**

- 7.2.1. The Committee was informed that a variance of GH¢60,377,599.78 was mainly due to advance payment made for the Pwalugu irrigation project. The Committee's attention was drawn to the need for separate funding to be ring fenced for the Pwalugu project to facilitate timely release of funds so the project can be completed on time. Work on the Tamne dam is at the final phase and if not completed on time before the setting in of the rains, we stand a chance of losing earlier works.
- 7.2.2. The Committee strongly recommends that the cost of GH¢141,228,427.24 should be released to the directorate to enable it complete work on the Tamne dam to prevent loss of capital and already completed work that could be washed away at the onset of rains and possible overflow of the river banks.
- 7.2.3. Again, the Committee noted that the level of encroachment of GIDA lands was hampering its continuous work and therefore advises the Ministry to consider rezoning of agricultural lands to forestall further encroachment and allow for smooth continuity of work.

## **7.3. Plant Protection and Regulatory Services Directorate**

- 7.3.1. The Committee observed that the Directorate spent close to GH¢60, 000. 00 on maintenance and repairs of official vehicles, this the Committee was not pleased with the fact that the Directorate was working with a thirty year old pickup to do monitoring of their activities across the country. The role of the directorate is crucial in plant protection and to support sustainable growth of the country's agricultural sector in the prevention of introduction of infected and unauthorised plant breeds into the country and must be supported.
- 7.3.1. The Committee urges the Ministry of Finance to increase the IGF retention rate and capital expenditure to ensure the directorate acquires new vehicles for its monitoring purposes.

## **7.3. Agricultural Extension Services Directorate**

The Committee was informed of the commencement of importation of equipment worth about USD29.9 million to be imported for onward distribution to farmers, Farmer Based Organisations under the 3<sup>rd</sup> tranche of the Brazil facility, to improve access to appropriate farm equipment by farmers. Indeed, other facilities including the India Exim facility for strengthening of AMSECs and the distribution of 100 Cabrio tractors and 100 handheld machinery under the Czech facility will improve access to appropriate farm equipment by smallholder farmers.

#### **7.4. Statistics, Research and Information Directorate**

The Committee noted with worry the challenge of data transmission due to internet connectivity and unstable internet supply to the directorate. Another challenge observed which was of concern to the Committee was the unparalleled data reporting in real time to support the flagship Planting for Food and Job Programme (PF-J).

#### **7.5. Veterinary Services Directorate**

7.5.1 The Committee observed the interventions in the midst of the COVID-19 pandemic by the directorate. However, still in the books of the directorate is the outstanding payment of compensation of affected farmers in the control of bird flu infestation. In as much as the directorate is poised to undertake and enforce the Meat Inspection Regulations, 2020 (LI 2405) passed by Parliament, it is undated with inadequate laboratory and field staff to carry out vaccine health and animal health delivery.

7.5.2 The Committee noted that Disease of Animals Act 1961 is outlived its usefulness and needed to be amended to reflect current exegesis in the industry. The Committee recommends that the Ministry takes the necessary steps to ensure the amendment of same.

#### **7.6. Animal Production Directorate**

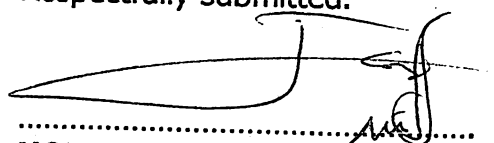
7.6.1. The Committee observed that the directorate had contracted to procure 1,300 broiler guinea fowls to be distributed to the farmers in the course of the year. The directorate had projected to expend a total of GH¢1, 464,500.54 from import permit and sale of livestock and milk as it anticipated that its request of retaining 50% of its IGF would be granted. The Committee recommends that Ministry of Finance approves the request to ensure the directorate carries out its plan programme for the year.

### 3.0 CONCLUSION AND RECOMMENDATION

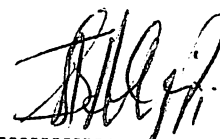
The Committee has thoroughly examined the budget estimates of the Ministry of Food and Agriculture for the 2021 financial year and is satisfied that the policies and programmes outlined for the year will go a long way to ensure adequate growth of agricultural sector.

The Committee accordingly recommends to the House to adopt its Report and approve the total sum of **One Billion, One Hundred and Eighty Three Million, Five Hundred and Ninety Two Thousand, Two Hundred and Thirty Ghana Cedis (GH¢1, 183,592,230.00)** to support the programmes and activities of the Ministry of Food and Agriculture for the 2021 financial year.

Respectfully submitted.



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**HON. JOHN OSEI FRIMPONG (MP)**  
**CHAIRMAN SELECT COMMITTEE ON**  
**FOOD, AGRICULTURE**  
**AND COCOA AFFAIRS**



.....  
**JOANA A. S. ADJEI (MRS)**  
**CLERK TO THE COMMITTEE**  
**26<sup>TH</sup> MARCH, 2021**

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