

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



REPORT OF THE COMMITTEE ON COMMUNICATIONS

ON THE

**2021 ANNUAL BUDGET ESTIMATES OF
THE MINISTRY OF COMMUNICATIONS AND
DIGITALISATION**

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MARCH, 2021

REPORT OF THE COMMITTEE ON COMMUNICATIONS ON THE 2021 ANNUAL BUDGET ESTIMATES OF THE MINISTRY OF COMMUNICATIONS AND DIGITALISATION

1.0 INTRODUCTION

The Budget Statement and Economic Policy of Government of Ghana for the 2021 financial year was presented to Parliament by the Minister for Parliamentary Affairs, Majority Leader & Leader of Government Business, Hon. Osei Kyei-Mensah Bonsu, on Friday, 12th March 2021 in accordance with Article 179 of the 1992 Constitution. The Rt. Hon. Speaker in pursuance of Order 140(4) and 182 of the Standing Orders of the House, referred the Annual Budget Estimates of the Ministry of Communications and Digitalization to the Committee (MoCD) on Communications for consideration and report.

Consequently, the Committee met with the Hon. Minister for Communications and digitalization, Mrs. Ursula Owusu-Ekuful and her team on Tuesday, 23rd March 2021 and considered the referral. Officials from the Ministry of Finance availed themselves to offer clarification to the committee.

2.0 REFERENCE DOCUMENTS

The Committee made reference to the following documents during deliberations:

- ii. The 1992 Constitution of the Republic of Ghana.
- iii. The Standing Orders of Parliament
- iv. The 2021 Annual Budget Estimates of the Ministry of Communications.
- v. The Budget Statement and Economic Policy of the Government of Ghana for the 2021 Financial Year.
- vi. The Budget Statement and Economic Policy of the Government Ghana for the 2020 Financial Year.

3.0 MISSION STATEMENT

The Ministry exists to facilitate the development of reliable and cost effective world-class communications infrastructure and services, driven by appropriate technology innovations and accessible by all citizens to enhance the promotion of economic competitiveness in knowledge-based environment.

4.0 POLICY OBJECTIVES

The policy objectives of the ministry are to:

- i. Improve ICT infrastructure in rural areas.
- ii. Promote electronic transactions for public and private businesses.
- iii. Provide access to electronic public information and services.
- iv. Mitigate the impacts of climate variability and change.

5.0 IMPLEMENTING DEPARTMENTS AND AGENCIES

The Agencies and Institutions responsible for the execution of the policies and programmes of the Ministry include:

- a. Ghana Meteorological Agency (GMet)
- b. Data Protection Commission (DPC).
- c. Ghana-India Kofi Annan Centre of Excellence in ICT (GI-KACE)
- d. National Information Technology Agency (NITA)
- e. Postal and Courier Services Regulatory Commissions (PCSRC)
- f. Ghana Investment Fund for Electronic Communication (GIFEC)
- g. National Communication Authority (NCA)
- h. Ghana Post Company Limited (GPCL)
- i. National Cyber Security Centre

6.0 PERFORMANCE FOR YEAR 2020

6.1 The Ministry of Communications in year 2020 was allocated a total amount of **Two Hundred and Fifty-One Million and Eighty Thousand, Three-Hundred and Fifty-Eight Ghana Cedis, Nineteen Pesewas (GH¢251,080,358.19)** comprising an initial

budgetary allocation of **GH¢151,840,492.00** and a supplementary budget of **GH¢99,239,866.09** for the implementation of its programmes and activities.

Table 1 below shows a summary of expenditure by Economic Classification as at December 2020.

Table 1

Summary of Financial Performance by Economic Classification

ITEM	Summary of Performance by Economic Classification			
	2020 Budget (GH¢)	Actuals as at 31 st Dec, 2020 (GH¢)	Variance as at 31 st Dec, 2020 (GH¢)	Utilisation as % of budget
Compensation of Employees (CoE)	25,077,750.00	21,111,796.00	3,965,954.00	84.19
Goods and Services	62,420,505.00	46,742,099.47	15,678,405.53	74.88
Capital Expenditure (CAPEX)	163,582,103.19	133,280,137.16	30,301,966.03	81.5
Total	251,080,358.19	201,134,032.63	49,946,325.56	80.11

Source: Ministry's Presentation on year 2020 performance

Table 1 shows that as at 31st December, 2020, an amount of **GH¢201,134,032.63**, representing 80.11% of the total budgetary allocation of **GH¢251,080,358.09** had been expended. The Ministry utilized **GH¢21,111,796.00** representing 84.19. % of the budgetary amount on Compensation, **GH¢46,742,099.47** representing 74.88% on Goods and Services and **GH¢133,280,137.16** representing 81.5% of the allocation on Capital Expenditure.

In response to a question on why there is a variance of **GH¢3,965,954.00** under Compensation, the Ministry explained that the Ghana Indian Kofi Annan Centre of Excellence in ICT received

clearance from the Ministry of Finance to recruit 70 staff in year 2020. Unfortunately, due to the emergence of the Covid-19 pandemic and its associated problems, the Centre was able to recruit only 34 staff.

Table 2

Summary of Financial Performance by Sources of Funding

ITEM	2020 Budget (GH¢)	Actuals as at 31st December 2020 (GH¢)	Variance as at at 31st December....., 2020	Utilization as % of Budget
GoG	135,960,517.19	127,994,194.66	7,966,322.53	94.14
IGF	37,240,147.00	5,417,391.45	31,822,755.55	14.55
Development Partners	77,888,694.00	67,722,446.52	10,166,247.48	86.95
Total	251,089,358.19	201,134,032.63	49,955,325.56	80.10

Source: Ministry's Presentation on year 2020 performance

The Committee observed that as at December 2020, an amount of **GH¢127,994,194.00** representing 94.14% of budgeted GoG funding had been spent by the Ministry. 86.95% of budgeted Donor funds had been expended while 14.55% of budgeted IGF had been utilized. The Ministry explained that the Covid-19 pandemic affected the ability of its Agencies particularly, Ghana Meteorological Agency to generate projected funds.

In spite of the difficulties of the COVID-19 and its impact on world economies in the year 2020, the Ministry through its agencies realized the following, among others:

- i. Invested in critical ICT infrastructural development to facilitate easy retrieval and proper storage of information resulting in the digitization of 12 million records at the Births and Deaths Registry, 5.5 million at the Judicial Service of Ghana, 6.4 and 6.2 million at the Registrar General's Department and Ghana Immigration Service respectively.

- ii. Improved infrastructure in rural areas and introduced measures to bridge the digital gap between the served and underserved areas. The Ministry in order to ensure access to Universal Mobile Telecommunications Systems (UMTS) directed the National Communications Authority (NCA) to permit Mobile Network Operators (MNOs) with existing 2G Licenses to deploy UMTS which is 3G technology, at no cost, to unserved and underserved communities across the country. This marks a first step towards technology neutrality conversations currently underway with stakeholders.
- iii. Eased network congestion of the radio access networks of MTN and Vodafone Ghana arising from increase in data traffic of online activities due to the Covid-19 pandemic. The Ministry, through the National Communications Authority temporary assigned a 2x5MHz block of spectrum in the 800MHz Band to Vodafone and a 2x5MHz block spectrum in the 2600MHz Band to MTN to improve the quality of experience and provide relief to data users of both networks.
- iv. The Postal and Courier Services Regulatory Commission licensed 72 new operators as against 32 in 2019 and renewed the licenses of 56 existing operators. The increased revenue generated by the Commission is attributed to the increased sale in application forms, licensing fees for new operators and renewed licenses of existing courier operators.
- v. GMet in line with its mandate of providing meteorological information, advice and early warnings, introduced among others, the use of text messaging for dissemination of weather forecast to the public. It also installed Automatic Weather Stations at various places including Akuse, Ada, Abetifi, Oda, Sefwi, Bekwai, Enchi and Takwa which has improved the period of transmission of accurate weather information from an hour to every fifteen minutes.
- vi. Data Protection Commission (DPC) as at December 2020 had licensed 206 new Data Controllers and renewed the licenses of 324 data controllers. It also

registered 74 new Data Protection Supervisors across the country and accredited three (3) institutions to train Data Protection Supervisors.

- vii. Government websites hosted at the Data Centre by NITA increased from 157 in 2019 to 450 in 2020. The deployment of the primary site was completed while the secondary site is still under construction. This project, expected to be completed in March 2021 would improve the security of the digital space for online government transactions.

The Ministry through NITA introduced SMART Workplace to assist public and civil servants who had to work remotely. Through this initiative, 350 Public Institutions comprising 170 MDAs and 180 MMDAs were enrolled on the system. Additionally, 400 staff were trained on the use of the SMART Workplace. Local Area Network connectivity for 350 MDAs and MMDAs has been completed. This would enable 350 Public Institutions to be connected to the SMART Workplace System and in effect help reduce the rate of infection of the COVID-19 in the work place.

- viii. The Ghana–Kofi Annan Centre of Excellence in ICT (AITI KACE) with the aid of Ministry also provided training in Diploma in Business Computing, International Attacks and Prevention Technologies, Cyber Security and Malware Analysis, and Certified Auditor (CISA) programs. The beneficiaries included 410 males and 92 females.

7.0 BUDGETARY ALLOCATION FOR YEAR 2021

7.1 An amount of Three Hundred and Fifty-One Million, Two Hundred and Sixteen Thousand, Seven Hundred and Fifty-Six Ghana Cedis (GH¢351,216,756) has been allocated to the Ministry of Communications for its programmes and activities for the fiscal year ending 2021. This comprises of GH¢63,506,015 as GoG, GH¢249,933,322 as Donor funds and GH¢37,777,419 as IGF.

Table 3 gives a breakdown of the allocation by both economic classification and sources of funding.

Table 3:
2021 Budgetary allocation by sources of funding and economic classification

Economic Classification	SOURCES OF FUNDING					%
	GOG (GH¢)	ABFA (GH¢)	IGF (GH¢)	Development Partners (GH¢)	Total (GH¢)	
Compensation	23,920,684	-	1,200,506		25,121,190	7.2
Goods and service	9,585,331	-	15,021,763	5,095,020	29,702,114	8.4
Capex	30,000,000	-	21,555,150	244,838,302	296,393,452	84.4
Total	63,506,015	-	37,777,418	249,933,322	351,216,756	100
%	18.1		10.7	71.2	100	

Source: Budget Statement and Economic Policy of the Government for the 2021 financial year

The Committee observed that the Donor component of GH¢249,933,322 constitute 71.2% of the total budgetary allocation to the Ministry. The Ministry informed the Committee that the increase in the CAPEX allocation involved additional World Bank funding to support the second phase of the e-Transform project. It is worth mentioning that the first phase of the project is almost completed.

Table 4:

**Comparison by economic classification of the 2020 and
2021 budgetary allocations**

Item	2020 Budget		2021 Budget	
	GH¢	%	GH¢	%
Compensation	25,077,750	9.9	25,121,190	7.2
Goods and Services	62,420,505	24.9	29,702,114	8.5
CAPEX	163,582,103.19	65.2	296,393,452	84.3
Total	251,080,358.09	100.00	351,216,756	100

Source: Budget statement and economic policy of the government for 2020 & 2021 Financial Years

A comparison of the figures for Goods and Services show a 52.4% decrease in budgetary allocation from **GH¢62,420,505** in 2020 to **GH¢29,702,114** in 2021. On the other hand, the allocation for CAPEX has seen a 44.8% percentage increase from **GH¢163,582,103.19** to **GH¢296,393,452.00**. The Committee observed that the increase in the CAPEX allocation for 2021 is to support phase of the e-transform project.

8.0 OUTLOOK FOR 2021

The Ministry of Communications and Digitalisation recognizing the need to close the digital gap would in the year 2021, introduce the following initiatives among others, with the object of supporting and empowering citizens:

- i. Further to the upgrade of the e-Government Network Infrastructure platform to provide a more secured and robust digital system, the Ministry would ensure that all MDAs and MMDAs are moved onto the new platform by the end of 2021.
- ii. By the end of the first quarter, the Ministry is expected to complete the system configuration of the installation of the e-Ministry of Communication (eMOC) which was deployed last year. The eMOC comprises of the Registry Automation System, Project Portfolio Management System, Advance Human Identity, and Movement and Security Tracking Management System.
- iii. The Cybersecurity Act, 2020, (Act 1038) was passed in 2020. To achieve its object of protecting citizens, particularly children against cybercrime, the National Cyber Security Center (NCSC) launched a 5-year National Cybersecurity Awareness Programme, dubbed “A Safer Digital Ghana”. The NCSC would in year 2021 continue this awareness programme and reach out to more people.
- iv. The Ministry through the Ghana Investment Fund for Electronic Communications (GIFEC) under the Rural Telephony Project, which is aimed at connecting at least 25% of the population would continue with the development of the remaining 1,606 solar powered cell sites to cover the unserved population. Out of the initial projected 2,016 solar powered cell sites, 410 were built across the country. The rest are expected to be completed by June 2022.
- v. Scancom Ghana Ltd. (MTN) was declared a Significant Market Power (SMP) operator in June 2020. This meant that the company controlled more than 40% of the telecommunications service market segment. The Ministry through the National Communications Authority (NCA) took certain remedial actions which, included but not limited to the reviewing and approving of all pricing by MTN as required by law, ensuring that MTN’s access to information does not disadvantage any value-added service of non-SMP operators, and an application of a 30% asymmetrical interconnect rates for two years.

- vi. In accordance with its mandate to implement and monitor compliance with the provisions of the Data Protection Act, 2012 (Act 843), the Commission between 2017 and 2020 trained 221 Certified Data Supervisors whose duties were to ensure that their institutions renew their licenses and monitor their obligations under the Data Protection Act, 2012 (Act 843). The Commission through its sensitization programme will continue to empower individuals to understand their rights and enable them assert themselves legally.
- vii. GMet will continue to improve on its operations at the various airports to guarantee the safety enjoyed in the airspace and reduce disaster risk through the provision of early warnings in 2021. GMet is in the process of expanding its service to other potential customers, such as, the offshore oil industries. In this regard, GMet through the Ghana Maritime Authority is looking forward to fully deploy marine meteorology in the year 2021.
- viii. The Data Exchange Hub (DEH) programme would be implemented to connect all databases on Government e-Services Infrastructure and ensure smooth service delivery of Government applications. It is aimed at collating information from Birth and Death Registry (BDR), Driver and Vehicle Licensing Authority (DVLA), and the Environmental Protection Agency (EPA), among others for verification purposes. It is envisioned that individuals, corporate and business organisations will subscribe to this service. The DEH will integrate systems and applications managed by MDAs and MMDA's and improve access to government data by 60%, by the end of December 2021.

9.0 OBSERVATIONS AND RECOMMENDATIONS

9.1 HEADQUARTERS

The importance of digital equity in the ICT ecosystem cannot be over-emphasized. Consequently, government in acknowledgment of this, continues to initiate measures to bridge the digital gap. These initiatives have led to the expansion of the Ministry's mandate to include the digitalization agenda. The successful application of this agenda will no doubt position Ghana as a sub-regional Hub for ICT.

- 9.1.1 The Committee was informed that the Ministry's actual budgetary requirement to enable it effectively execute its planned programmes for the year 2021, was GH¢1,287,695,447.91. However, in compliance with the ceiling requirement set by the Ministry of Finance, the Ministry was compelled to scale down its forecasted figures. The Committee noted that though the Ministry's mandate has been expanded, the budgetary allocation of GH¢353, 216,765 did not cater for the added function of digitalization.
- 9.1.2 The Committee was informed that the Ministry of Finance is considering the possibility of allocating some funds under the GhanaCARES programme in the budget to support the Ministry's expanded mandate. The Ministry of Finance has indicated further support for the digitalization agenda in the supplementary budget. The Committee expressed grave concern that the non-allocation of funds to cater for the Ministry's additional responsibility will greatly hamper the implementation of its digitalization programmes. The Committee recommends that the Ministry of Finance as a matter of urgency, honour its commitment to the MoCD.
- 9.1.3 On the issue of the closure of radio stations, the Minister gave assurances to the Committee that a process of evaluating applications from those affected had commenced and would be completed as soon as the National Communications Authority had a Board in place.

9.2 GHANA-INDIAN KOFI ANNAN CENTRE OF EXCELLENCE

- 9.2.1 A total amount of GH¢6,114,663.00 made up of a GoG allocation of GH¢4,165,435.00 and an IGF of 1,949,228.00 has been allocated to the Ghana- Indian Kofi Annan Centre of Excellence (GI-KACE) in ICT for year 2021. The GoG allocation comprises compensation of GH¢2,870,482.00, Goods and Services, GH¢294,953.00 and CAPEX GH¢1,000,000.00. The 2021 allocation to the Centre represents a 16.6% reduction in the 2020 allocation of GH¢7,334,633.00. Whereas no allocation was made for CAPEX in 2020, an amount of GH¢1,000,000.00 has been provided for Capital Expenditure for the procurement of vehicles for their regional offices in 2021.

9.2.2 The Centre disclosed to the Committee that in year 2020, it developed an Election Monitoring and Results Collation for GBC and completed the new eLearning platform, payment and invoicing platform, and the AITI-KACE Mobile App. The Centre also commenced piloting of the eLeave system, and the Nyansapo Operating System (NOS).

9.2.3 It is worthy of mention that the Nyansapo Operating System (NOS) is Ghana's first Computer Operating System developed by the GI -KACE. The aim of the project is to provide an innovation platform and tools for the Ghanaian to innovate without any restriction with software use and its related licenses. The Nyansapo Operating system comes with two variants – EduNOS and NOS Desktop. The Committee was informed that EduNOS is a version of NOS specifically designed and packaged for Educational Institutions in Ghana. EduNOS comes with lots of educational applications for all levels of education with simulation software to support the teaching and learning of STEM in pre-tertiary institutions. The educational version will be free for schools in Ghana. GI-KACE will continue to improve the EduNOS and develop software packages specifically suited for teaching and learning using ICT systems.

NOS Desktop on the other hand is a version of NOS designed for general purpose use and especially for the Public Sector organisations in Ghana. It comes with an office suite called LibreOffice which is compatible with Microsoft Office suite and all necessary applications required to be productive in an office setting. The Committee observed that a lot of money is expended to purchase and renew proprietary licenses for software for schools, MDAs and MMDAs. In 2020 for instance, an amount of GH¢10,575,200.00 was spent to procure license for Microsoft office for MDAs and MMDAs. The development of the Nyansapo software is also to support government's digitalization agenda and reduce government expenditure on proprietary software and license.

9.2.4 The Committee highly commends GI-KACE for the development of the NOS and recommends that public institutions patronize the software which is adapted to our environment. This will invariably lead to savings on government expenditure used in procuring other software and licenses. The Committee recommends that the Ministry

of Finance makes available funds to the Centre to ensure continuous improvement of NOS and the development of home grown solutions for the nation's IT solution needs.

It came to the attention of the Committee that the Centre only utilized an amount of **GH¢3,111,887.64** out of a sum of **GH¢5,018,637.00** approved for compensation. It was explained that the Centre in its quest to broaden its operations in consonance with the government's digitilisation agenda towards the realisation of the Sustainable Development Goals (SDG) is focusing on Research and Innovation, IT Consultancy and Business Development, and Human and Institutional Capacity Building.

9.2.5 To execute the above, the Centre is establishing five (5) state-of-the-art research facilities by applying a 1million dollar grant from the Indian Government. Three of the Centres are to be set up in Accra while the other two have already been set up in Sunyani and Bolgatanga. The establishment of these Centres require that GI-KACE recruits new staff and regularize the appointment of existing ones on temporary appointment who meet the manpower needs of the Centre.

9.2.6 Consequently, the Center received clearance from the Ministry of Finance in 2020 to recruit 70 critical staff to augment its staff strength. However, due to the Covid-19 pandemic and its attendant problems, the Centre was only able to recruit 34. Subsequently, the Centre has received authorization from the Ministry of Finance for an extension of the financial clearance to recruit the remaining 36 positions in year 2021.

The Committee noted that GI-KACE continues to operate without legal backing. This situation has adversely affected the Centre's ability to have deeper collaborations with other business organisations and entities. The Committee was informed that the Centre lost a contract it bided for and won due to its current status.

9.2.7 The Committee was informed that the delay in presenting the Bill to Parliament for consideration has been due to an on-going discussion to move the Centre which is seen as a training institute, from the Ministry of Communications and Digitalisation to the Ministry to Education. The need for GI-KACE to have an Act to give legal effect to its existence is long overdue. The Committee urges the sector ministers to conclude discussion on the matter as early as possible.

9.3 DATA PROTECTION COMMISSION

9.3.1 The Committee observed that the Data Protection Commission (DPC) depends solely on funds generated internally to execute its programmes. The Commission has been provided an amount of GH¢3,339,280 for year 2021. Out of this allocation, GH¢1,200,506.00 constitute Compensation, GH¢1,577,306.00, Goods and Services and GH¢561,468.00 as CAPEX.

The Committee noted that the activities of the Commission is undermined by the lack of requisite manpower to effectively execute its mandate under section 3 of the Data Protection Act, 2012 (Act 843). Currently, out of the total staff strength of 20, the executive director remains the only permanent staff. The Committee urged the Commission to regularize the employment status of its contract staff.

9.3.2 The Committee noted with concern that the Commission has no operational vehicle to work with. Officers of the Commission therefore rely on commercial vehicles for their operations thereby resulting in high transportation cost to the Commission which is a drain on its meagre resources.

9.3.3 It came to the attention of the Committee that apart from the fact that the Commission's head office operates from a rented premises at a high cost, it does not also have offices in the regions. This impedes their efforts at providing support to Data Controllers and Processors. The Committee expressed grave concern about monies expended to rent private office accommodation and strongly recommends that the Commission explores the possibility of renting office space from other public institutions.

9.3.4 The Commission disclosed to the Committee that although it is constrained by inadequate funds to regularly advertise to promote its work, it was able to undertake sensitization programmes such as drop-in sessions, annual conference, training and media engagements, through which individuals gained an awareness and understanding on data protection. The Committee is of the view that the Commission is not too visible and therefore ought to be given the needed resources to effectively execute its mandate. The Committee also urges the Commission to identify additional sources to boost revenue generation.

9.4 GHANA METEOROLOGY AGENCY

- 9.4.1 The Committee acknowledged some improvements in the operations of Ghana Meteorology Agency (GMet) with regard to daily forecasts to the marine and artisanal fishing communities, the provision of three times daily forecast of temperatures, relative humidity and rain and improvement in the lead time of weather warning from 2 hours to 4 hours.

The Committee noted that the aviation industry is a major user of the services provided by GMet. In 2020, GMet projected to realize an amount of GH¢25,702,620.00 as funds generated internally from the provision of aeronautical services. However, as at 31st December 2020, the Agency had collected a sum of GH¢969,775.00 and utilized an amount of GH¢644,493.00. The records do show that but for the unexpected outbreak of the COVID-19 pandemic in early 2020, GMet would have made significant improvement in its generation of internal funds. The Covid-19 pandemic impacted negatively on the operations of the Agency.

- 9.4.2 The Agency under Section 2(b) of the Ghana Meteorological Agency Act, 2004 (Act 682) is mandated to “*issue weather forecasts for the safe operation of air-craft, ocean going vessels, oil rigs and the other socio-economic activities*”. The Committee was informed of an on-going discussion between GMet and the Ghana Maritime Authority to fully deploy meteorology services to the maritime industry which hitherto depended on foreign agencies for their daily weather forecasts.

GMet over the past six months has piloted the project and it is set to sign a Memorandum of Understanding with the Maritime Authority. The Committee is happy to note that this initiative would aid GMet expand its services and eventually increase its financial fortunes.

- 9.4.3 The Committee noted with concern that a planned activity of the Agency over the years to install Automatic Weather Observatory System (AWOS) in Tamale and Kumasi Airports in conformity with ICAO and WMO standards and protocols has not been

executed. The installation of AWOS is very critical for the Agency to gather and disseminate weather information. The continuous absence of these equipment is therefore worrisome. Consequently, the Committee recommends that the Ministry of Finance release funds required to purchase these equipment in order to prevent any unfortunate event.

- 9.4.4 The Ghana Meteorology Agency (Amendment Act), 2019 (Act 1002) makes provision for the Agency to be paid 10% landing and over-flight charges as well as the 5% passenger service charges collected by the Ghana Civil Aviation. These payments, the Committee learnt have not been forthcoming.

The Committee strongly advocates the setting up of a joint inter-ministerial working group collaborating with the Committee to secure a greater degree of transparency and timeliness in the enforcement of this Act. The Committee is of the firm view that if the appropriate level of revenue was collected from this source, GMet would eventually be weaned of government subvention.

The revenue generated would go a long way to help the Agency fund the replacement of obsolete equipment and purchase new equipment. The Committee urges the Agency to exercise its powers under the Act to recover all outstanding payments due them.

9.5 POSTAL AND COURIER SERVICES REGULATORY COMMISSION

- 9.5.1 The primary objective of the Postal and Courier Services Regulatory Commission is to create a more liberalized and competitive postal and courier services environment. In line with this mandate, the Commission registered 72 new operators as against its projected target of 50. However, the attention of the Committee was drawn to the fact that out of the 121 existing operators only 56 renewed their licenses. The Committee expressed its concern on the decline in renewals.

It came to fore that the COVID-19 pandemic had a positive impact on the operations of local courier service operators as the public increasingly relied on their services. This led to the increase in the number of new licenses obtained. Unfortunately, same could not be said of existing operators, majority of whom were foreign operators. The closure of

the airports and the reduction in the number of flights had adverse effects on their operation and thus, could not renew their licenses.

In order to make the sector more vibrant and reliable, the Commission intends to invest in support systems such as mobile apps, trackers and also leverage on the GhanaPost GPS app for use by operators, to enhance their work. In addition the Commission intends to extend its operations to Tamale, Takoradi and Kumasi.

- 9.5.2 The Committee recognized that the Commission's lack of resources to effectively intensify its monitoring effort affected its ability to clamp down on illegal operators. Having regard to the skeletal staff of the Commission and the need to sanitize the system and weed out illegal operators, it is important that the Commission receives financial clearance to recruit. The Committee encourages the Commission to hold stakeholder engagements and intensify efforts at educating the public to bring attention to the activities of illegal operators, for sanctioning. The Committee commends the Agency for its performance in year 2020 and implore the Ministry of Finance to consider providing additional funds to compliment efforts so far made.

9.6 NATIONAL CYBER SECURITY CENTRE

- 9.6.1 The legal framework to regulate cyber security activities and promote the development of cyber security came into force in December, 2020. The Authority under the power of the Cybersecurity Act, 2020 (Act 1038) has a mandate to regulate cybersecurity activities, promote the development of cybersecurity, and protect critical information infrastructure of government's digitalization initiatives. Despite the passage of the Act, the Centre is yet to transition into an Authority due to financial constraints.
- 9.6.2 The Committee, however, took note of the inadequate budgetary allocation to the Ministry. This in the Committee's view will hamper the implementation and operationalization of planned projects earmarked to be carried out by this infant Authority, whose programmes are critical to the maintenance and security of investments made to ensure the sanctity of the digital ecosystem.

The Committee was however informed of on-going consultations to determine the operationalization of section 31 of Act 1038 which provides various sources of funding the Cybersecurity Fund. The Centre is engaging relevant authorities to gather data and determine the proportion of fees to be levied on potential clients of the Centre. These include persons licensed by the Bank of Ghana to carry on business and all government e-services operators. The Centre is hopeful to generate some funds from these sources to support its activities.

- 9.6.3 The Committee was informed that the Ministry of Finance has made some commitment to allocate funds to the Centre in the Mid-year budget. It is the firm belief of the Committee that the provision of resources would enable the Centre protect the integrity of the investments made to consolidate the digitalization agenda.

9.7 NATIONAL INFORMATION TECHNOLOGY AGENCY

- 9.7.1 In line with its mission to create an enabling environment for effective deployment and use of ICT by all sectors, the National Information Technology Agency (NITA) between 2019 and 2020 increased the number of websites hosted at the Data Centre from 157 to 450. It also deployed Smart Workplace solution comprising of email, intranet portal, document, management systems and correspondence management system to 350 MDAs.

The Committee noted that the Smart Workplace solution is a laudable project and NITA plans to deploy the solution to additional 100 MDAs in 2021. The Committee was informed that the continues deployment of the solution to more MDAs is contingent on the payment of Microsoft license, deployment and annual support and maintenance fees by the Ministry of Finance by the first quarter of 2021.

- 9.7.2 NITA continues to face challenges with the non-payment of services rendered to some key government agencies. It must be emphasized that NITA spends money to meet the cost of network consumables, purchase bandwidth and maintain the network. The refusal of these government agencies to honour their financial obligations to NITA negatively affects their operations.

In view of the above, the Committee recommends to the Ministry of Finance to surcharge the goods and service allocations of the defaulting agencies to settle the debt owed NITA.

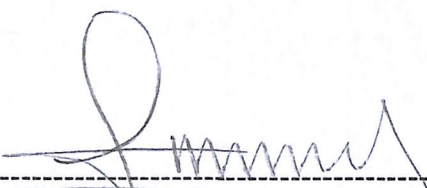
10.0 CONCLUSION

The Communications sector is fast becoming a driving force in today's digital eco-system by seamlessly connecting governments, business, communities and families. The sector has the potential to generate huge revenue to support socio economic growth.

The digitalization agenda is at the heart of government's economic development plan. The timely addition of this portfolio to the Communications and Digitalization Ministry's mandate would help achieve this goal. In light of this, the Committee urges the Ministry of Finance to make the requisite financial allocation to the Ministry of Communications and Digitalization.

The Committee hereby recommends that the House approves the sum of **Three Hundred and Fifty-One Million, Two Hundred and Sixteen Thousand, Seven Hundred and Fifty-Six Ghana Cedis (GH¢351,216,756)** for the services of the Ministry of Communications and Digitalization for the year ending 31st December, 2021.

Respectfully submitted.



CYNTHIA MAMLE MORRISON (HON)
(CHAIRPERSON, COMMITTEE ON
COMMUNICATIONS)

PARLIAMENT OF GHANA LIBRARY



JANET FRIMPONG
(CLERK TO THE COMMITTEE)

DECEMBER 2021