

**IN 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

**2022 ANNUAL PROGRAMME BASED BUDGET
ESTIMATES OF THE MINISTRY OF FISHERIES AND
AQUACULTURE DEVELOPMENT**

DECEMBER, 2021

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**AFFAIRS ON THE 2022 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 2022 Financial year was presented to Parliament on Wednesday, 17th November, 2021 by Hon. Ken Ofori-Atta, Minister for Finance in accordance with Article 179 and 180 of the 1992 Constitution of Ghana.

Pursuant to Standing Orders 104(4) and 176, Rt. Hon Speaker referred the Estimates which relates to the Ministry of Fisheries and Aquaculture Development (MoFAD) to the Committee on Food, Agriculture and Cocoa Affairs for consideration and report to the House.

2.0 DELIBERATIONS

The Committee met on 9th and 10th December, 2021 with the Minister for Fisheries and Aquaculture Development, Hon. Mavis Hawa Koomson and officials of the Ministry of Fisheries and Aquaculture Development and examined the 2022 Budget Estimates of the Ministry.

The Committee is grateful to the Hon. Minister and the Deputy Minister for Finance, Hon. Abena Osei-Asare and the Officials of the Ministry of Fisheries and Aquaculture Development for their insightful inputs and clarifications during the consideration of the 2022 Annual Budget Estimates.

3.0 REFERENCE MATERIALS

The Committee made reference to the following documents during the consideration of the Budget Estimates:

- i. The 1992 Constitution
- ii. The Standing Orders of Parliament
- iii. The Budget Statement and Economic Policy of the Government for 2022 Financial Year
- iv. The Medium-Term Expenditure Framework for 2022-2025 and
- v. The Budget Statement and Economic Policy of the Government for Year 2021 Financial Year.

4.0 POLICY OBJECTIVES OF THE MINISTRY

The policy objectives of the 2018-2021 National Medium Term

Development Policy Framework (NMTDPF) core to the Ministry of

Fisheries and Aquaculture Development are to;

- i. Conserve marine areas;
- ii. Enhance the application of Science, Technology and Innovation;

- iii. Ensure sustainable development and management of aquaculture;
- iv. Ensure sustainable development and management of Fisheries Resources for National Benefits
- v. Enhance capacity for policy formulation and coordination.

4.1 Goal

The goal of the Ministry of Fisheries and Aquaculture Development is to “Transform the Fisheries and Aquaculture Sector into a viable economic segment to contribute to national development.”

4.2 Core Functions

The core functions of MoFAD are to;

- i. formulate and implement sector development policies and strategies in line with National Development Policy Frameworks;
- ii. facilitate the development of Aquaculture sub-sector to increase domestic fish production;
- iii. enforce fisheries Laws and Regulations to protect fisheries resources;
- iv. promote sustainable management of fisheries resources for national benefits;
- v. develop sector medium-term development plans consistent with National Development Policy Frameworks;

- vi. conduct periodic socio-economic studies/ research on “Topical” Fisheries related development issues for policy formulation and planning;
- vii. coordinate all development interventions to accelerate the transformation of the Fisheries and Aquaculture sector; and
- viii. have oversight responsibility of all Agencies in the sector, including the Fisheries Commission.

5.0 2021 PERFORMANCE

5.1 Financial Performance

The Ministry of Fisheries and Aquaculture Development was allocated an amount of Three Hundred and Seventy-Four Million, Five Hundred and Ninety-Two Thousand, Two Hundred and Three Ghana Cedis (GH¢374,592,203.00) for implementation of the Ministry’s activities. However, the DP allocation of GH¢292,464,735.00 (representing 78.1%) of the 2021 Appropriation which was meant for the construction of Fish Landing Sites was handled by the Ministry of Transport. Forty Million, Five Hundred and Fifty-Three Thousand, Six Hundred and Seventeen Ghana Cedis, Twenty-Nine Pesewas (GH¢40,553,617.29) was released, representing 49.4% of the funds available to the Ministry.

Table 1: 2021 Financial Performance by Economic Classification & Funding Source

Item	Approved Budget (A)	Actual Release(B)	Actual Payment (C)	Variance =(A-C)	% Released
Comp. o Emplo f yee	11,380,13 5.00	7,320,8 86.31	7,320,886. 31	4,059,248.6 9	64.3
Goods & Servic es	45,470,14 7.00	26,168,8 46.45	18,940,7 73.66	26,529,37 3.34	57.6
Capital Expendi ture	317,741,9 21.00	7,063,88 4.53	5,029,98 1.09	312,711,9 39.91	2.2
Total	374,592,20 3.00	40,553,61 7.29	31,291,641 .06	343,300,561 .94	10.8

Source: 2021 Programme Based Budget Estimates of MoFAD

5.2 PROGRAMME PERFORMANCE FOR 2021

The Ministry of Fisheries and Aquaculture Development committed its 2021 budgetary allocations to the following activities and had the following outcomes.

5.2.1 Management and Administration

The Ministry through the infrastructural development programme completed civil works on the administration, Classrooms, Hostel and Laboratory Blocks of the Anomabo

Fisheries College which are key for the operationalization of the college. The construction of 0.63km internal and 4km access road from the Nsanfo Junction (Accra-Cape Coast Highway) are at 25% level of completion. The Ministry has also initiated the necessary actions towards furnishing of the blocks as well as equipping the laboratory.

In order to bridge the gap in staff numbers and technical skills, the Ministry recruited 170 new fisheries personnel for the Fisheries Commission after the Public Services Commission and the Ministry of Finance granted Technical and Financial Clearance respectively for recruitment.

5.2.2 Fisheries Resource Management

The Ministry during the Closed Season, distributed some relief items which were 15,000 bags of rice and 6,250 cartons of oil to the fishers.

Under the implementation programs and operations in 2021, there was a total marine fish production of 362,292mt, with a total value of GH¢3,246,941,807.99 as against end of the year production target of 373,571.72mt, representing 97%. The total inland fish production also stood at 86,353.33mt, with a total value of GH¢1,338,476,687.14 as against end of year target of 85,007.71mt, representing 101.6%.

A total of 69,009,000 litres (5,114 trucks) of subsidized Premix Fuel were distributed to fishers in 308 Landing Beach Committees nationwide for fishing expedition under the

Fisheries Input Support Scheme. Again, 6,000 pieces of outboard motors and 6,000 pieces of fishing nets were distributed to fishers to support their business.

5.2.3 Aquaculture Development

The Ministry continued with the implementation of the Aquaculture for Food and Jobs initiative. During the year under review, a total of thirty-two (32) earthen ponds (300m² each) were constructed, 10 each at the Ve-Golokwati and Akpafu Mempeasem in the Volta region, 4 at Osei-Tutu Senior High School in the Ashanti region and 8 in the Bono East region. It is worth noting that so far, a total of 180 aquaculture holding facilities have been provided under the Initiative to 35 beneficiary institutions and groups comprising six (6) Senior High Schools, one (1) Training College, four (4) Prison Camps, twenty-three (23) Youth Groups and one (1) Fish Farmers' Association.

The Ministry also procured a total of 17,440 bags of assorted fish feed to be distributed to fish farmers, particularly the youth in aquaculture and distressed fish farmers across the country.

The Ministry has completed civil works on two (2) Public Hatcheries at Sefwi Wiawso and Dormaa Ahenkro. In addition, existing public hatcheries at Kona Odumase in the Ashanti region and Ashaiman in the Greater Accra Region were upgraded.

Fisheries Extension Officers were distributed to 2,420 fish farms as against end of year target of 2,200.

With these interventions, aquaculture production as at September 2021 stood at 98,884.83mt as against an end of the year target of 83,150.00mt.

5.2.4 Fisheries Law Enforcement

The Ministry intensified sea and land patrols from forty (40) patrols in 2020 to fifty-two (52) patrols in 2021. Quayside inspections also increased marginally from 868 in 2020 to 880 in 2021. These operations resulted in 77 infraction cases, which are at various stages of prosecutions. The total number of Observer Missions carried out on board industrial vessels to monitor and report compliance with fisheries legislations at sea increased by 6% from 519 in 2020 to 550 in 2021.

The Ministry carried out sensitization on Fisheries Laws and Regulations in 84 fishing communities including Sedorm, Akosombo, Jomoro, Ellembelle, Kpong, Akwidaa, Akateng, Dixcove, Dzemeni among others, to promote voluntary compliance by fishers.

It is worth noting that the Ministry has drafted a Fisheries and Aquaculture Policy. The new Act is expected to ensure flexibility in responding to emerging technical fisheries issues in a timely manner and improve the capacity of management to adapt to changes with the requisite legal authority to undertake its mandate.

5.2.5 Aquatic Animal Health and Post-harvest Management

The Ministry through the fish health unit trained thirty (30) stakeholders in biosecurity, disease detection and reporting to enhance the Implementation of Aquatic Animal Biosecurity. Also, Sixty-five (65) Aquaculture establishments in the Central, Western, Eastern and Ashanti Regions were inspected for biosecurity compliance.

To ensure the hygienic and safe consumption of fish, the Ministry procured and distributed fifty (50) pieces of Torrymeters to detect the use of chemicals across the various beaches. It is worth noting that forty-six (46) fisheries officers and thirty (30) stakeholders have been trained on the use of the device.

A total of 360 fish processors and traders have been trained on the use of improved fish processing technologies, hygienic handling of fish and group dynamics in the Upper East and West Regions. This is to ensure compliance with health and sanitary processes.

Twenty (20) Fish Disease Surveillance Exercises were conducted and sixteen (16) Fisher Based Organizations were trained in basic business management skills to build the capacity of Fisheries Officers on Aquatic Animal Health.

6.0 OUTLOOK FOR 2022

6.1 Financial Requirement

The budget ceiling for the Ministry of Fisheries Aquaculture Development for the year 2022 stands at GH¢80,121,000.00 of which compensation of employees is GH¢15,818,000.00 (19.7%), Goods and Services GH¢32,035,000.00 (40%) and Capital Expenditure is GH32,268,000 (40.3%). The detailed breakdown is shown in the Tables 2 and 3 below.

Table 2: 2022 Budget Ceilings by Economic Classification and Funding Source

ITEM	2022 budget Ceilings (GH¢)				
	GoG	ABFA	IGF	DP	TOTAL
Compensation of Employee	15,818,000	-	-	-	15,818,000
Goods & Services	1,499,000	-	30,536,000	-	32,035,000
Capital Expenditure	3,500,000	2,000,000	20,282,000	6,486,000	32,268,000
Total	20,817,000	2,000,000	50,818,000	6,486,000	80,121,000

Source: 2022 Programme Based Budget Statement of MoFAD

TABLE 3: 2022 BUDGET ALLOCATION BY PROGRAMME AND FUNDING SOURCE

Programme	GoG (GH¢)	IGF (GH¢)	ABFA (GH¢)	DONOR (GH¢)	TOTAL (GH¢)
Management of Administration	6,328,915.00	30,301,738			36,630,653.00
Fisheries Resource Mgt.	4,438,863.00	5,558,083.00			9,996,946.00
Aquaculture Development	8,867,979.00	10,695,136.00	2,000,000.00	6,486,000.00	28,049,115.00
Fisheries Law Enforcement	870,924.00	3,137,308.00			4,008,232.00
Aquatic Animal Health & Post Harvest Mgt	310,319.00	1,125,735.00			1,436,055.00
Total	20,817,000.00	50,818,000.00	2,000,000.00	6,486,000.00	80,121,000.00

Source: 2022 Programme Based Budget Estimates of MoFAD

6.2 Programme Outlook for 2022

6.2.1 Management and Administration

The Ministry intends to host the 37th Meeting of Ministers-In-Charge of Fisheries and Aquaculture of the Organization of African, Caribbean and Pacific States (OACPS) from 5th to 8th April, 2022 in Accra. The meeting is expected to discuss relevant issues related to the sector, including illegal fishing, climate change and ocean pollution. The host country stands to benefit from the shared experiences of participants from OACPS and European Union Member States among others in

addressing some of the pertinent issues in the fisheries sector.

6.2.2 Fisheries Resource Management

The incidence of diversion of premix fuel has reduced steadily over the years and to consolidate that, the Ministry would automate the distribution of premix fuel to all the 308 landing beaches to enhance the operation of fishers across the country.

The Ministry developed a new marine management plan to replace the expired plan. The Ministry would kick start the process towards the development for a similar plan for the inland subsector.

Four thousand (4,000) identification cards for the marine subsector would be printed for distribution to fishers.

6.3.3 Fisheries Law Enforcement

The Ministry and its agency would continue to conduct observer missions on all industrial trawlers during fishing trips and a 24-hour Vessel Monitoring System (VMS) and Automatic Identification System (AIS) monitoring. It would further intensify sea and land patrols, sensitize 120 fishing communities on Fisheries Laws and Regulations and undertake emergency Illegal, Unreported, and Unregistered (IUU) reduction operations in 2022.

6.3.4 Aquatic Animal Health and Post - harvest Management

The Ministry plans to conduct biosecurity audit and certification of aquaculture establishments, develop legal instruments and frameworks on biosecurity at fish farm levels and train 200 para professional officers in aquatic animal disease detection, control and management. In addition, the Ministry will continue to carry out sensitization of Aquatic Animal Health management at District and Regional levels.

6.3.5 Aquaculture Development

The Ministry plans to continue the implementation of its flagship programme of “Aquaculture for Food and Jobs“, build capacity of extension officers on improved technologies. They also intend to develop the 2022-2026 Aquaculture Development Plan and enhance logistical support for extension services. The Ministry also plans to complete the Construction of a new Regional Office at Savanna/Oti, procure furniture and equipment for new Regional Offices as well as demolish and reconstruct Asuogyaman zonal office at Akosombo, among others.

7.0 OBSERVATIONS AND RECOMMENDATIONS

7.1 Transfer of Appropriated Funds to the Ministry of Transport

The Committee observed that an amount of Three Hundred and Seventy-Four Million, Five Hundred and Ninety-Two Thousand, Two Hundred and Three Ghana Cedis (GH¢374,592,203) was appropriated to the Ministry of Fisheries and Aquaculture Development to carry out its activities for the year 2021. The Committee was informed that an amount of Two Hundred and Ninety-Two Million, Four Hundred and Ninety-Four Thousand, Seven Hundred and Thirty-Five Ghana Cedis (GH¢292, 494,735) representing 78% was mistakenly appropriated under MoFAD instead of Ministry of Transport.

The Ministry of Finance explained that the Capex amount of Two Hundred and Ninety-Two Million, Four Hundred and Ninety-Four Thousand, Seven Hundred and Thirty-Five Ghana Cedis (GH¢292, 494,735) was for the construction of Landing Sites. This was captured under the CDB Loan Agreement which was brought to the House for approval with GPHA as the Implementing Agency. The said amount was therefore, put under Ministry of Fisheries and Aquaculture Development in error.

7.2 Budgetary Allocation by Programmes

The Committee observed that an amount of **Eighty Million, One Hundred and Twenty-One Thousand Ghana Cedis (GH¢80,121,000)** was allocated for Ministry of Fisheries and Aquaculture Development to carry out its programmes for the 2022 financial year. The Committee was surprised that an amount of Thirty-Six Million, Six Hundred and Thirty Thousand, Six Hundred and Fifty-Three Ghana Cedis (GH¢36, 630,653) representing 46% is allocated for Management of Administration programme. The Ministry explained that the 46% of the budgetary allocation to Management of Administration programme covers the main Ministry, the Premix Fuel and Administration of Fisheries Commission.

7.3 Allocation of Compensation, Capex and Goods and Services

The Committee noted that the 2021 budgetary allocation to compensation component increased from **Eleven Million, Three Hundred and Eighty Thousand, Four Hundred and Seventy-Six Ghana Cedis (GH¢11,380,476)** in 2021 to **Fifteen Million, Eight Hundred and Eighteen Thousand Ghana Cedis (GH¢15,818,000)** in 2022 representing 38.9%. Allocation to Capex recorded a decrease of 89.9% whilst Goods and Services recorded 29.5%. The Ministry explained that the increase in the Compensation Component is as a result of the recruitment exercise currently going on at the Ministry and the decrease in Goods and Services is due to

decrease in the Internal Generated Funds (IGF). Additionally, the transfer of Donor Component to the Ministry of Transport largely contributed to the decrease in Capex and this development may affect the smooth implementation of the 2022 programmes.

7.4 Reduction of 2022 Allocation to the Ministry

For the 2022 financial year, a total amount of GH¢80,121,000 has been allocated to the Ministry and its Agencies. The Committee further noted that out of the allocation for 2022, **GH¢6 Million** will be sourced from Development Partners, leaving the actual amount to **GH¢74,121.000 Million** representing 7% reduction of the Ministry's total allocation. The Committee expressed serious concerns about the allocation since it is woefully inadequate and may affect the Ministry's ability to transform the Fisheries and Aquaculture sub-sector into a viable economic segment.

7.5 Premix Fuel Secretariat

The Committee was informed that the Premix Fuel Secretariat under the Ministry facilitated the regular supply of 77,341,500 litres to all three 308 landing beaches across the country as at September 2021. It came to the attention of the Committee that hoarding and diversion of premix fuel are major challenges confronting the workings of the Secretariat. This challenge if not addressed may affect the service delivery of the Secretariat. The Committee lauded the steps taken by the Secretariat under the Ministry to automate the

distribution of premix fuel in 2022 as this will ensure effective and efficient distribution of premix fuel nationwide.

7.6 Potentials of the Ministry

The Committee indicated that considering the potentials of the Ministry which is to sustain Fisheries and Aquaculture industry for accelerated National Development, the Ministry is not taking full advantage of its potentials to increase fish production in the country. The Committee therefore recommends that the Ministry spreads its fullest potentials across the country and they will support in this endeavor.

7.7 General Recommendations

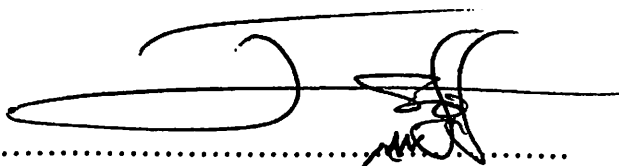
- The Committee recommends that the Donor component cannot be fully relied upon, therefore, the Ministry of Finance should find alternative ways to support the Ministry possibly in the Mid-Year Budget Review.
- The Committee recommends that the Secretariat under the Ministry should continue to attach urgency in the process of automating the distribution of premix fuel in 2022.
- In order for the Ministry to increase fish production in the country, the Committee recommends that the Ministry should give special attention to the Aquaculture Sector in order to improve fish production in the country, to reduce the importation of fish which puts pressure on our foreign exchange.

- Government should increase the budgetary allocation to enable the Ministry carry out its planned activities to improve the food security in the Country

8.0 CONCLUSION

The Committee has thoroughly examined the estimates of the Ministry and recommends the adoption of its report and the approval of an amount of **Eighty Million, One Hundred and Twenty-One Thousand Ghana Cedis (GH¢80,121,000.00)** for the implementation of programmes and activities of the Ministry of Fisheries and Aquaculture Development for the 2022 financial year.

Respectfully Submitted.



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



.....
EVELYN BREFO-BOATENG (MS)
(CLERK TO THE COMMITTEE)

DECEMBER, 2021