

**IN THE SECOND SESSION OF THE EIGHTH
PARLIAMENT OF THE FOURTH
REPUBLIC OF GHANA**

**REPORT OF THE
COMMITTEE ON ROADS AND TRANSPORT**

ON THE

**2023 ANNUAL BUDGET ESTIMATES
OF THE MINISTRY OF
ROADS AND HIGHWAYS**

1.0 INTRODUCTION

1.1 The Hon Minister for Finance, Mr Ken Ofori-Atta on Thursday, 24th November 2022 presented to Parliament the Budget Statement and Economic Policy of the Government of Ghana for the 2023 financial year in accordance with article 179(1) of the 1992 Constitution of the Republic of Ghana and Order 140(2) of the Standing Orders of Parliament.

Pursuant to Standing Orders 140(4) and 189 of Parliament, the Annual Budget Estimates of the Ministry of Roads and Highways was referred to the Committee on Roads and Transport for consideration and report.

1.2 On Tuesday, 6th December 2022, the Committee engaged the Deputy Ministers for Roads and Highways, Hon Stephen Pambiin Jalulah and Hon Mavis Nkansah Boadu, Heads of Agencies and other officials of the Ministry as well as representatives of the Ministry of Finance to consider the referral.

1.3 The Programme-Based Budget for 2023 covers the Headquarters and the under listed Agencies of the Ministry:

- I. Ghana Highway Authority (GHA);
- II. Department of Feeder Roads (DFR);
- III. Department of Urban Roads (DUR);
- IV. Ghana Road Fund (GRF); and
- V. Koforidua Training Centre (KTC).

2.0 REFERENCE DOCUMENTS

The Committee referred to the following documents during the consideration of the Estimates:

- I. The 1992 Constitution of the Republic of Ghana;
- II. The Standing Orders of the Parliament of Ghana;
- III. The Budget Statement and Economic Policy of the Government of Ghana for the 2022 Financial Year;

- IV. The Budget Statement and Economic Policy of the Government of Ghana for the 2023 Financial Year;
- V. Programme-Based Budget Estimates of the Ministry of Roads and Highways for 2023; and
- VI. Report of the Committee on Roads and Transport on the 2022 Annual Budget Estimates of the Ministry of Roads and Highways.

3.0 VISION OF THE MINISTRY OF ROADS AND HIGHWAYS

To play a lead role in providing integrated, efficient, cost-effective and sustainable transportation system responsive to the needs of society, supporting growth and poverty reduction and capable of establishing and maintaining Ghana as a transportation hub of West Africa.

4.0 MISSION AND POLICY OBJECTIVES

4.1 Mission

To provide an integrated and well-maintained road infrastructure and other related services that meet national requirements and international standards on a sustainable basis.

4.2 Policy Objectives

The Ministry of Roads and Highways seeks to achieve the following objectives:

- I. Improve efficiency and effectiveness of road transport infrastructure and services;
- II. Build a competitive and modern construction industry;
- III. Enhance safety and security for all categories of road users;
- IV. Develop and implement effective maintenance systems for all transport modes; and
- V. Promote equal opportunities for people with disability in social and economic development.

5.0 FINANCIAL PERFORMANCE FOR 2022

During the year under review, the Ministry of Roads and Highways was allocated an initial amount of GH¢4,000,673,000.00 which was revised to GH¢3,568,318,458.00. As at September, 2022, the Ministry had expended an amount of GH¢1,931,989,582.47.

An allocation of GH¢4,526,271,586.22 was made to the Road Fund for year 2022. As at 30th September 2022, a sum of GH¢612,111,078.21 representing 13.52 per cent of the allocation had been released by the Ministry of Finance and same expended by the Ministry of Roads and Highways.

Table 1 provides a breakdown of the total budgetary allocation and releases for year 2022.

Table 1: Year 2022 allocation to the Ministry by economic classification

EXPENDITURE CLASSIFICATION	2022 APPROVED BUDGET/ APPROPRIATION (GH¢)	2022 REVISED APPROPRIATION (GH¢)	2022 AMOUNT RELEASED AS AT SEPT. 2022 (GH¢)	ACTUAL PAYMENTS AS AT SEPT. 2022 (GH¢)
<i>Compensation of Employees</i>	67,206,000.00	67,206,000.00	50,116,667.80	50,116,667.80
<i>Good & Services</i>	2,201,000.00	1,543,979.00	146,746.00	98,062.00
<i>Capital Expenditure (Assets)</i>	1,735,272,000.00	1,303,574,480.00	627,889,248.00	549,044,988.00
<i>Sub-Total (GoG)</i>	1,804,679,000.00	1,372,324,459.00	678,152,661.80	599,259,717.80
IGF	24,531,000.00	24,531,000.00	18,274,210.00	18,274,210.00

DONOR	2,171,463,000.00	2,171,463,000.00	1,571,772,067.61	1,571,772,067.61
Total Appropriation	4,000,673,000.00	3,568,318,458.00	2,268,198,939.41	1,931,989,582.47
Road Fund	4,526,271,586.22	1,424,755,601.33	612,111,078.21	612,111,078.21
FIDELITY			791,200,069.82	791,200,069.82
BONDS			256,421,176.98	256,421,176.98
Grand Total	5,425,428,601.33	4,993,074,060.33	3,927,931,264.42	3,591,721,907.48

SOURCE: THE MINISTRY OF ROADS AND HIGHWAYS PRESENTATION (2022)

6.0 NON-FINANCIAL PERFORMANCE FOR THE 2022 FISCAL YEAR

For Non-Financial Performance, the Ministry of Roads and Highways accomplished the following:

6.1 Road Rehabilitation and Maintenance Programme

6.1.1 Continued routine maintenance activities comprising grading, pothole patching, shoulder maintenance and vegetation control on 5,533km of trunk roads, 1,811km of feeder roads, and 3,223km of urban road networks.

6.1.2 Undertook periodic maintenance activities, comprising re-gravelling/spot improvement and resealing works on 31km of trunk roads, 131km of feeder roads and 1,124km of urban road networks.

6.1.3 Completed 158km of asphalt overlay works.

Table 2 shows the Regions and areas which benefitted from these works.

Table 2: Rehabilitation Works

Region	Area
Greater Accra	Osu, Labone, Airport Residential Area, Tesano, Madina, Tema, Ayawaso, Gbawe, Ngleshie Amanfrom, Shiashie, Burma Camp and Adenta.
Eastern	Anyinam – Kwabeng, Kyebi- Bunso, Suhum, Kwabeng, Akropong, Akim Oda and Akwatia
North East	Nalerigu, Walewale and Gambaga
Western	Adietem – Mpatado, Apollo- Aprembo, Davies Street (Anaji)

Ashanti	KNUST, Juaben, Asokore, Suame Maakro, Effiduase and Effiduase Asokore, Suame Roundabout- Airport Roundabout,
Central	Winneba, Kasoa and Swedru
Upper East	DVLA Road

Source: The Budget Statement and Economic Policy of the Government of Ghana for 2023 Financial Year

6.1.4 Carried out minor rehabilitation works covering minor upgrade and construction of culverts and drainage structures on 225km of trunk roads, 349km of feeder roads and 328km of the urban road networks.

6.2 Road and Bridge Construction Programme

Continued with work on the La Beach Road Project which involves improving capacity along the Accra-Tema Beach Road. The construction of a 3-tier interchange at Nungua Barrier is progressing smoothly and stood at 62 per cent as at September 2022. Progress on Lots 1 and 2 are at 49 per cent and 65 per cent complete respectively.

6.2.1 Commenced work on the Tema-Aflao highway as part of efforts to dualise and improve safety along major trunk roads. Progress of work on the Tema-Akosombo and Tema-Aflao legs is about 30 per cent complete.

6.2.2 Continued the rehabilitation of Assin Fosu-Assin Praso road involving the dualisation of 1.2km of Assin Fosu township roads into a 4-lane carriageway. The reconstruction of the railway underpass bridge and drainage structures between Assin Fosu and Assin Praso is steadily progressing.

6.2.3 Continued the reconstruction of Bechem-Techimantia-Akomadan road which is 21 per cent complete and the Agona Nkwanta-Tarkwa roads which is also 7 per cent complete.

6.2.4 Carried out work on Phase II of the Obetsebi Lamptey Circle Interchange and its ancillary works which is 71 per cent complete. Phase I of the Tema Motorway Roundabout was completed and the construction of a 3 tier interchange as part of Phase II commenced.

6.2.5 Continued the construction of a Flyover across the Accra-Tema Motorway from the Flower Pot roundabout which is 56 per cent complete.

6.2.6 Continued the construction of 50No. prefabricated bridges to improve connectivity within areas cut-off by waterways in 2022 at various locations in all 16 Regions. A total of 31No. of these bridges were launched and 13No. are at the sub-structure level. A contract was awarded for the design, fabrication and delivery of 87No. steel panel bridges out of which 27No. were delivered. Progress of work on the new bridge being constructed over River Pra to separate vehicular traffic from the rail along the Twifo Praso-Dunkwa road is about 87 per cent complete.

6.2.7 Continued the Critical Regional and Inter-Regional Road Projects initiated in 2019 some of which have completed with others at various stages of completion.

The completed projects are captured in table 3.

Table 3: Completed Projects

Region	Project	Length (km)
Eastern	Reconstruction of Osiem - Begoro Road - Lot 5	24.8
Volta	Upgrading of Golokwati-Wli Road (km10-km27)	17.0
Ashanti	Upgrading of Nsuta - Beposo, Lot3	7.0
Oti	Rehabilitation of Nkonya Wrumpong - Kwamikrom	21.0
Central	Partial Reconstruction of Bawjiase - Adeiso	15.0
Northern	Resealing of Tamale - Salaga Road - Lot 1	25.4

Source: *The Budget Statement and Economic Policy of the Government of Ghana for the 2023 Financial Year*

Other Road Projects which have achieved significant progress are presented in table 4.

Table 4: Road projects at various stages of completion

REGION	PROJECT NAME	LENGTH (KM)	% PROGRESS AS AT SEPTEMBER, 2022
Upper East	Upgrading of Navrongo - Naga Road (km 2.7 - km 42.2) - Lot 1	39.5	45
Upper West	Upgrading of Wa-Bulenga-Yaala Road (Km 6.0- km 37.0) - Lot 1	31.0	52
Northern	Upgrading of Salaga - Ekumdiye - Kpandai Road (Km 26.7 - km 45.3) and Kpandai - Nkanchina Road (10.8km) - Lot 2	29.4	69
North East	Upgrading of Yagaba - Mankarigu Road (Km 12.0 - km 24.0) and Upgrading of Mankarigu - Nawuni Road (Km 0.0 - km 17.5) - Lot 4	29.5	76
Savannah	Upgrading of Daboya - Mankarigu Road (Km 30.0 - km 63.1) - Lot 5	33.1	52
Bono East	Rehabilitation of Atebubu - Kwame Danso Roads	35.0	30
North-East	Upgrading of Nalerigu - Gbintri Road (Km 6.0 - km 46.0) - Lot 2	40.0	70
Eastern	Rehabilitation of New Abirem - Ofoasekuma Road (Km 0.0 - km 33.2) - Lot 2	33.2	99
Western	Upgrading of Bogoso - Insu Siding-Huni Valley Road - Lot 4	26.0	83
Western North	Upgrading of Sefwi Wiawso - Akontombra Road (Km 0.0 - km 15.0)- Lot 2	15.0	75
Ahafo	Upgrading of Akrodie - Sayereso Road (Km 0.0 - km 20.0) - Lot 1	20.0	85
Bono	Upgrading of Menji - Bui Road (Km 0.0 - km 30.0) - Lot 1	30.0	98.4

Greater Accra	Rehabilitation of selected roads in Greater Accra	25.0	78
Ashanti	Upgrading of Anwiankwanta - Obuasi Road	30.0	90

Source: The Budget Statement and Economic Policy of the Government of Ghana for the 2023 Financial Year

6.2.9 Sinohydro Projects

The Ministry informed the Committee that contract works under the Master Project Support Agreement (MPSA) with Sinohydro Corporation Limited were at the different stages of completion.

Table 5 shows the projects and level of progress as at September, 2022.

Table 5: Sinohydro Projects

PROJECT NAME	UNIT	SCOPE	PROGRESS AS AT SEPTEMBER, 2022 (%)
Tamale Interchange Project	No.	1	100
PTC Roundabout Interchange Project, Takoradi	No.	1	60
Sunyani Inner City Roads	km	39	63
Western Region and Cape Coast Inner City Roads	km	32.19	100
Upgrading of Selected Feeder Roads in Ashanti and Western Regions	km	68	100
Construction of Hohoe-Jasikan-Dodi-Pepesu	km	66.4	100
Kumasi Inner City Roads	km	100	10

Source: The Budget Statement and Economic Policy of the Government of Ghana for the 2023 Financial Year

6.3 Road Safety and Environment Programme

The Ministry implemented the axle load programme in the year under review which resulted in a significant decrease of less than 2.2 per cent in incidence of overloading.

6.4 Road Financing – PPP Arrangements

6.4.1 Accra-Tema Motorway and Extension PPP projects (31.7km)

Ministry of Roads and Highways together with the Ministry of Finance are discussing and negotiating the best options for the scope and funding of the project.

6.4.2 Development of Tema Arterial Roads

Ministry of Roads and Highways and the Ministry of Transport have developed a deed of transfer to be executed between the Ministry of Roads and Highways and the Ministry of Transport. The project when implemented will improve the capacity of the Hospital road to serve the expanded Tema Port to promote trade and transit.

7.0 OUTLOOK FOR THE YEAR 2023

The Ministry in the ensuing year plans to undertake the following projects:

- 7.1** Carry out maintenance and development of road assets.
- 7.2** Install additional stations or use mobile axle weighbridges to further reduce incidence of overloading.
 - Continue construction of 50km of trunk road and 25km of urban roads
 - Continue construction of 5No. trunk, 5No. feeder roads & 5No. urban road network.
 - Undertake 15 No. engineering studies with 5 on trunk roads, 5 on feeder roads and 5 on urban roads.

- Continue routine maintenance activities (grading, pothole patching, shoulder maintenance, vegetation control) on 25,048km trunk, 5,000km feeder and 3,500km urban road networks.
- Periodic maintenance activities (Spot Improvement, Re-gravelling, Resealing, Asphaltic Overlay, Partial Reconstruction, Maintenance of Bridges) on 325km of trunk roads, 300km of feeder roads and 800km of urban roads.
- Minor rehabilitation works on 200km of trunk roads, 350km of feeder roads and 30km of urban roads.
- Install 30 No. traffic signals and maintain 341 No. signalised junctions.
- Treat 50 No. road safety hazard sites.
- keep overloading below 5%
- Improve the effectiveness and efficiency of the performance delivery of the sector.
- Replace 138 technical staff and 194 non-technical staff.
- Train 365 technical staff and 537 non-technical staff in various disciplines.

7.3 The following pipeline projects are earmarked for active works in 2023.

Roads

- Construction of Accra – Kumasi Road: Osino Bypass (11.5km);
- Construction of Accra – Kumasi Road: Anyinam Bypass (6.10km);
- Construction of Accra – Kumasi Road: Enyirisi Bypass (9.10km);
- Construction of Accra – Kumasi Road: Konongo Bypass (13.6km);
- Construction of Ofankor – Nsawam Road (14.1km);

- Construction of Adidome – Asikuma Junction (39.2km) and Asutsuare – Aveyime (23.9km) including 2No. interchanges at Dufor Adidome and Asikuma Junction;
- Kasoa – Cape Coast Dualisation (116km);
- Takoradi (PTC) – Daboase (38km);
- Dualization of Sekondi and Adiembra Roads (30km);
- Peduase-Mamfe-Koforidua (40.5km);
- Takoradi -Agona-Nkwanta- Apemanim; and
- Kumasi Outer Ring Road.

Construction of Interchanges

- Ahodwo (as part of the completion of Kumasi Inner Ring Road);
- Santasi (as part of the completion of Kumasi Inner Ring Road);
- Kumasi Airport Roundabout (as part of the completion of Kumasi Inner Ring Road); and
- Oforikrom Roundabout (as part of the completion of Kumasi Inner Ring Road).

Bridges

- Construction of Bridge over the Volta River at Volivo;
- Buipe, Yapei and Daboya Bridges;
- Adawso-Ekyi Amanfrom Bridge; and
- Dikpe, Iture and Ankobra Bridges.

8.0 BUDGETARY ALLOCATION FOR YEAR 2023

A total amount of **GHC5,295,359,626.00** has been allocated to the Ministry of Roads and Highways to execute its planned programmes for the 2023 fiscal year.

Table 6 provides a breakdown of the total budgetary allocation to the Ministry for the year 2023.

Table 6: Total budgetary allocation to the Ministry of roads and Highways for year 2023

Economic Classification	GOG GHC	IGF GHC	ABFA GHC	Donor Partners GHC	Total GHC
Employee Compensation	74,681,224.00	-	-	-	74,681,224.00
Goods And Services	1,247,249.00	17,210,399.00	-	165,900,000.00	184,357,648.00
CAPEX	433,090,082.00	11,046,775.00	2,206,383,898.00	2,385,800,000.00	5,036,320,755.00
Total	509,018,555.00	28,257,174.00	2,206,383,898.00	2,551,700,000.00	5,295,359,627.00

Source: The Budget Statement and Economic Policy of the Government of Ghana for the 2023 Financial Year

9.0 OBSERVATIONS AND RECOMMENDATIONS

9.1 Variation in Figures for Total Budgetary Allocation

The Committee observed that the total allocation to the Ministry of Roads and Highways as captured in the Budget Statement and Economic Policy of the Government of Ghana for the 2023 financial year is GHC5,295,359,626.00. However, the total sum of allocations to GoG, IGF, ABFA and Donor Partners amounts to GHC5,295,359,627.00. The Committee was informed that the

difference of GH¢1.00 is as a result of the GIFMS budget module (hyperion) used in capturing the budget which rounds decimal figures to the nearest whole numbers.

9.2 Delay in Payments to Contractors

The Committee was informed that the Ministry encountered some challenges with its arrangement with Fidelity Bank where Interim Payment Certificates (IPCs) are purchased at discounted rates. The Ministry explained that IPCs which exceeded GH¢1 million did not qualify for payment under this arrangement. Delays in payment to contractors for projects executed sometimes resulted in the accumulation of IPCs of individual contractors exceeding GH¢1 million and thus rendering such contractors unqualified for payment under this arrangement.

The Committee recommended that IPCs should be paid individually rather than accumulating them to cross the GH¢1 million threshold.

9.3 Reintroduction of Road Tolls

The Committee was informed about the reintroduction of the road tolls in 2023 on selected public roads with possible deployment of electronic technology. The Ministry intends to engage Parliament to seek approval before the reintroduction. The Ministry informed the Committee that though the 2023 Budget targets only selected roads for toll collection, it would in the future engage in stakeholder consultations on possibly widening the scope of roads for toll collection to include urban and feeder roads.

The Committee further urged the Ministry to consider a Public Private Partnership (PPP) arrangement for the collection of the tolls to ensure effectiveness.

9.4 Inadequate and Untimely Release of Funds

The Committee observed that the budgetary allocation to the Ministry of Roads and Highways (MRH) for the 2023 fiscal year is woefully inadequate considering the size of the sector. The Committee was informed that the Ministry's budgetary requirement to undertake its activities for 2023 was GH¢15,484,477,784.59 (excluding Road Fund). However, the Ministry of Finance allocated a ceiling of GH¢5,295,359,627.00. The inadequate budgetary allocation, delay and non-release of funds resulted in huge backlog of unpaid bills for administrative activities such as maintenance of vehicles and utility services. It also affected the Ministry's ability to effectively undertake some of its basic service activities such as monitoring and evaluation and local training.

Furthermore, the Committee observed that inadequate and untimely release of funds to pay contractors adversely affected cash flow for planned projects. The Committee therefore recommends the Ministry of Finance and the Ministry of Roads and Highways to explore additional sources of funding such as Public Private Partnership (PPP) arrangement for the road sector. It further urged the Ministry of Finance to ensure timely release of funds to enable the Ministry of Roads and Highways undertake its planned projects.

9.5 Indebtedness of the Ministry

The Committee noted with concern the high level of indebtedness of the Ministry of Roads and Highways. It came to the fore that the Ministry's inability to service its debt had resulted in the accrual of interest on delayed payments. The Committee noted that the Ministry's indebtedness to contractors at Ghana Road Fund Secretariat pending payment as at September 2022 was GH¢5.97 billion.

9.6 Capping of Road Fund

The capping of the Road Fund under the Earmarked Funds Capping and Realignment Act, 2017 (947) continues to affect the amount of funds available for use under the Road Fund by the Ministry. It came to the attention of the

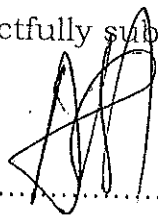
Committee that the level of indebtedness of the Ministry of Roads and Highways and inadequacy of funds is largely attributed to the capping of the Road Fund. The Committee expressed concern about this development and strongly recommends that the Ministry of Finance grants a special dispensation for the Ministry of Roads and Highways to be exempted from the capping of funds. This would enable the Ministry retain enough IGF to carry out some programmes and activities.

10.0 CONCLUSION

The road sector is crucial in delivering efficient road transportation system in Ghana. The Ministry's mandate of providing a road transport system that is responsive to the needs of society, supporting growth and reducing poverty while establishing and maintaining Ghana as the transportation hub of West Africa can be realised if the Ministry is adequately resourced.

The Committee hereby recommends that the House adopts its report and approve the sum of **Five Billion, Two Hundred and Ninety-Five Million, Three Hundred and Fifty-Nine Thousand, Six Hundred and Twenty-Six Ghana Cedis (GH¢ 5,295,359,626.00)** for the activities of the Ministry of Roads and Highways for the financial year ending 31st December, 2023.

Respectfully submitted.



**HON KENNEDY NYARKO OSEI
(CHAIRMAN, COMMITTEE ON
ROADS AND TRANSPORT)**



**MRS EUNICE K ABEKA
(SENIOR ASSISTANT CLERK,
COMMITTEE ON ROADS AND
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DECEMBER 2022

