

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

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

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**2023 ANNUAL BUDGET ESTIMATES OF
THE MINISTRY OF TRANSPORT**

1.0 INTRODUCTION

The Hon Minister for Finance, Mr Ken Ofori-Atta, presented the Budget Statement and Economic Policy for the 2023 Financial Year to Parliament on Thursday, 24th November 2022 in fulfilment of article 179 of the 1992 Constitution.

In accordance with Standing Orders 140 (4) and 189 of the House, the Budget Estimates of the Ministry of Transport was referred to the Committee on Roads and Transport for consideration and report.

The Committee on Roads and Transport met with the Sector Minister Hon Kwaku Ofori Asiamah, the Chief Director and officials of the Ministries of Transport and Finance on Monday, 5th December 2022 to consider the referral.

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

1.1 Maritime and Inland Water Transport

- i. Ghana Ports and Harbours Authority
- ii. Ghana Maritime Authority
- iii. Ghana Shippers Authority
- iv. Regional Maritime University (RMU)
- v. PSC Tema Shipyard
- vi. Volta Lake Transport Company Limited

1.2 Road Transport Service

- i. Driver and Vehicle Licensing Authority (DVLA)
- ii. National Road Safety Authority (NRSA)
- iii. Metro Mass Transport Limited (MMTL)
- iv. Inter-City STC Coaches Limited
- v. Government Technical Training Centre (GTTC)

1.3 Aviation

- i. Ghana Civil Aviation Authority (GCAA)
- ii. Ghana Airports Company Limited (GACL)
- iii. Aircraft Accident and Incident Investigation and Preventive Bureau

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 Parliament;
- 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. The National Medium-Term Development Framework 2022-2025; and
- vi. The Report of the Committee on Roads and Transport on the 2022 Annual Budget Estimates of the Ministry of Transport.

3.0 VISION OF THE MINISTRY OF TRANSPORT

The vision of the Ministry of Transport is to create an integrated, modally complementary, cost effective, safe, secure, sustainable and seamless transportation system responsive to the needs of the Ghanaian society, supporting growth and poverty reduction and capable of establishing Ghana as the transportation hub of West Africa.

4.0 MISSION AND POLICY OBJECTIVES

4.1 Mission

The Ministry's mission is to provide leadership and guidance for the development of the Transport Sector through effective policy formulation, market regulation, asset management and service provision.

4.2 Policy Objectives

The Policy Objectives of the Transport Sector are to achieve the following:

- i. Improve airport and seaport infrastructure and services to increase capacity and efficiency of operations;
- ii. Make Ghana the aviation hub for the West African Region;
- iii. Develop mechanisms to ensure free movement of people and goods within the tenets of international and sub-regional protocols;
- iv. Improve efficiency and effectiveness of road transport infrastructure and services;
- v. Establish mass transportation systems in urban areas with inter-modal facilities and interchanges;
- vi. Apply new and appropriate technology and innovations to transport infrastructure and service delivery;
- vii. Ensure safety and security for all categories of road users.

5.0 FINANCIAL PERFORMANCE FOR 2022

For the year 2022, the Ministry of Transport was initially allocated a total budgetary amount of GHC921,843,000.00. This amount was subsequently revised to GHC832,028,321.00. As at September 2022, the Ministry had expended an amount of GHC461,824,396.84.

Table 1 gives a breakdown of the initial allocation of GH¢921,843,000.00 to the Ministry of Transport for the year 2022.

Table 1: Year 2022 Allocation to the Ministry of Transport by Economic Classification

ECONOMIC CLASSIFICATION	GoG GH¢	IGF GH¢	ABFA	DONOR PARTNERS GH¢	TOTAL GH¢
EMPLOYEE COMPENSATION	10,073,000	60,225,000	-	-	70,298,000
GOODS AND SERVICES	12,600,000	144,584,000	-	-	157,184,000
CAPEX	199,344,000	28,789,000	-	466,228,000	694,361,000
TOTAL	222,017,000	233,598,000	-	466,228,000	921,843,000

Source: Ministry of Transport's 2023 Programme-Based Budget Estimates

Table 2 gives a breakdown of the revised budget and disbursements as at 30th September 2022.

Table 2: 2022 Revised Budget and Disbursements as at September 2022

FINANCIAL PERFORMANCE				
ITEMS	2022 REVISED BUDGET GHC (A)	AMOUNT RELEASED AS AT SEPT. 2022 GHC (B)	ACTUAL EXPENDITURE AS AT SEPT. 2022 GHC (C)	VARIANCE GHC C=A-B
Compensation of Employees	70,298,000.00	52,034,293.63	48,040,533.38	18,263,706.37
GoG	10,073,000.00	6,865,419.09	6,865,419.09	3,207,580.91
IGF	60,225,000.00	45,168,874.54	41,175,114.29	15,056,125.46
Goods and Services	152,730,321.00	103,010,105.14	89,378,860.55	49,720,215.86
GoG	8,146,321.00	845,337.16	536,695.98	7,300,983.84
IGF	144,584,000.00	102,164,767.98	88,842,164.57	42,419,232.02
Capex	609,000,000.00	343,361,683.43	324,405,002.91	265,638,316.57
GoG	113,983,000.00	23,113,623.74	7,624,506.87	90,869,376.26
IGF	28,789,000.00	8,525,834.41	5,058,270.76	20,263,165.59
DP	466,228,000.00	311,722,225.28	311,722,225.28	154,505,774.72

Source: Ministry of Transport's Presentation (2022)

6.0 ACHIEVEMENTS OF THE MINISTRY OF TRANSPORT FOR YEAR 2022

6.1 Maritime Services Programme

The Ministry in the year under review undertook the construction of twelve (12) fish landing sites and two (2) fishing ports, which are at various stages of completion as indicated below:

- Axim - 95.74%
- Dixcove - 94.85%
- Moree - 96.78%

- Mumford - 97.68%
- Winneba- 88.82%
- Elmina - 95.40%
- Senya Beraku - 97.64%
- Gomoa Fetteh - 96.51%
- Teshie - 98.89%
- Keta - 99.86%
- Osu - 97.32%
- Ekumfi - 98.73%
- Mfantseman - 94.62%
- Jamestown - 56%

6.1.1 The Ministry carried out the construction of complementary projects such as fish smoking pavilions, health centres, multiple purpose market facilities, sanitary facilities and drainage systems at various locations as shown below in table 3:

Table 3: Complementary Projects Undertaken

Project	Location	Status
6 No. classroom block • 20-seater toilet facility • 550-metre storm drain	Moree	Completed
Dormitory block for Gomoaman SHS	Gomoa Fetteh	Completed
Fish smoking pavilion	Dixcove	Completed
Community Health center	Asadame, Keta	Completed
• Police Station	Mumford	Completed

• Fish smoking pavilion		
32-seater toilet facility	Axim	Completed
Health Post	Gomoa West	35% complete
Construction of 7.806 km Town Roads	Gomoa Fetteh, Senya Beraku, Winneba Prisons Road and Arkaah St., Lower and Upper Dixcove, and Lower and Upper Axim	Completed

Source: Ministry of Transport's Presentation (2022)

6.1.2 Work on the Phase I of the container and multi-purpose terminal with a 600m quay wall at the Takoradi Port, capable of accommodating bigger vessels has been fully completed. This project is to increase port traffic, revenue generation, job creation and development.

6.1.3 The Ministry completed feasibility studies for the Volta Lake Transport Improvement Project and received Cabinet and Parliamentary approvals for a loan facility. The main components of the project include: Supply of five (5) Vessels; a Slipway Shipyard; an Integrated Management System (IMS); and Education and Training. Other infrastructure facilities include 10 landing sites with accommodation, reception facilities and access roads in the following areas:

- Yeji
- Makango
- Kojokrom
- Kete-Krachi
- Dambai
- Dodoikope
- Kpando
- Torkor
- Agordeke

- Akateng
- Kwame Dwamena

6.1.4 To decongest the Port of Tema and facilitate transit trade through Ghana's transit corridor, the Ministry embarked on the construction of Boankra Integrated Logistics Terminal (BILT) which is currently 80 per cent complete. Additionally, two Transit Truck Parks at Paga and Elubo were constructed and commissioned for operation as part of efforts to improve trade and facilitate smooth flow of cargo to neighbouring landlocked countries.

6.1.5 The Maritime University as part of its efforts to enhance knowledge in the maritime sector, admitted students for diploma, degree and masters programmes in the year under review. Applicants were also considered for short courses in Oil and Gas.

6.2 Road Transport Management

6.2.1 A draft Legislative Instrument to operationalise the National Road Safety Act 2019, (Act 993) was finalised and submitted to Subsidiary Legislative Committee of Parliament for consideration.

A stakeholder consultation has been completed for the amendment of the Road Traffic Act, 2004 (Act 683) and the review of the Road Traffic Regulation 2012, L.I 2180.

6.2.2 The NRSA distributed 160,000 road safety materials and organised 3,089 television and radio programmes, as part of the nationwide road safety campaign, 'Arrive Alive.' In addition, the Authority organised 1,957 road safety outreach programmes. The Authority further updated its comprehensive database on road traffic crashes.

- 6.2.3** The Ministry of Transport through the Metro Mass Transit Limited (MMTL) embarked on a project for the procurement of 100 Intercity Buses for MMTL to improve public mass transport. A contract was signed with VDL Bus Roeselare N.V for the supply of 45 Intercity Buses to MMTL. The procurement process was completed for the supply of the remaining 55 Intercity Buses.
- 6.2.6** The Driver and Vehicle Licensing Authority (DVLA) worked on the digitalisation of vehicle records to improve data management systems and service delivery. The digitalisation exercise was done in phases. The Phase I and II of the digitalisation of DVLA records covering 1995 to 2016 and 2017 to 2019 were completed.
- 6.2.7** The Ministry completed and operationalised four (4) berth dedicated Container Terminal at the Tema Port. Three (3) Trash Skimmer vessels were also delivered (one at Ada and two at Kpong) to harvest plastics and other debris on waterbodies. The construction of an On-dock Multipurpose Container Terminal at Takoradi Port has been completed.

6.3 Aviation Development and Management Programme

For the year 2022, the Ministry of Transport continued to make strides in the following areas:

- 6.3.1** Increased passenger movement in the domestic aircraft industry from 12,110 to 16,110 passengers as at September 2021 and 2022 respectively. This marks a 33.03 per cent increase in passenger movement.
- 6.3.2** Signed a Shareholders and Partnership Agreement with a selected Strategic Partner for the Home-Based Carrier “GhanaAirlines”.
- 6.3.3** Completed the construction of Phase II of the Kumasi and Tamale Airports while Phase III of the Kumasi Airport Project is 89.33 per cent complete.

The rehabilitation of the Sunyani Airport, involving the overlay of the runway and rehabilitation of the terminal building as well as other ancillary works were completed, commissioned and operationalised.

7.0 PROGRAMME OUTLOOK FOR 2023

The Ministry in the year 2023 plans to undertake the following projects:

- 7.1** Operationalise the “GhanaAirlines” as the Home-Based Carrier for the country.
- 7.2** Deliver fifty-five (55) Intercity Buses to Metro Mass Transit Limited to augment its fleet.
- 7.3** Print and distribute Six Hundred Thousand (600,000) road safety materials and undertake 3,800 radio and television programmes to enhance education of the public on road safety in the ensuing year.
- 7.4** Complete and open the Air Navigation Services (ANS) complex at the Kotoka International Airport for use by the Air Navigation Service Providers.
- 7.5** Organise periodic training sessions for aircraft accident investigators to meet International Civil Aviation Organisation (ICAO) standards and recommended practice in the course of the year.

8.0 BUDGETARY ALLOCATION FOR 2023

A total amount of GH¢1,226,619,067 has been allocated to the Ministry to undertake its programmes and activities for the 2023 fiscal year. This represents a 33.06 per cent increase from the 2022 budgetary allocation. The breakdown is shown in Table 4.

Table 4: 2023 Allocation to the Ministry of Transport by Economic Classification

ECONOMIC CLASSIFICATION	GOG GH¢	IGF GH¢	ABFA GH¢	DONOR PARTNERS GH¢	TOTAL GH¢
Employee Compensation	9,973,161	67,710,334	-	-	77,683,495
Goods And Services	3,442,000	218,393,695	-	-	221,835,695
CAPEX	26,037,280	59,110,597	20,352,000	821,600,000	927,099,877
Total	39,452,441	345,214,626	20,352,000	821,600,000	1,226,619,067

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

9.0 OBSERVATIONS AND RECOMMENDATIONS

9.1 Budgetary Allocation

The Committee observed that the Ministry has since 2020 seen an upward trend in its annual budgetary allocation. The Ministry was allocated an amount of GH¢402,819,897 in 2020, GH¢657,839,197 in 2021 and GH¢921,843,000 in 2022. The Committee noted that for the 2023 financial year, a total sum of GH¢1,226,619,067 has been allocated to the Ministry of Transport, representing an increment of 33.06 per cent as against the 2022 allocation of GH¢921,843,000.00.

The Committee further noted that Donor Funding increased from GH¢466,228,000.00 in year 2022 to GH¢821,600,000 in year 2023 representing an increment of 76.2 per cent. The increase is to enable the Ministry undertake and complete certain critical projects.

The Committee was informed of an increase of GH¢7,385,495.00 in the allocation for employee compensation for the year 2023. The Ministry explained that the increment is as a result of staff promotion and the replacement of promoted staff. The Ministry indicated that no new recruitment would be considered in line with Government policy for 2023.

9.2 Review of Airport Passenger Service Charge (APSC)

The Committee observed that the current charges pertaining to APSC was not competitive. The Ministry brought to the attention of the Committee the need for the APSC to be reviewed to enable the Ghana Airport Company Limited(GACL) generate revenue to complement Government's efforts in supporting the implementation of activities of the Ministry

9.3 Maritime Sub-Sector target

It was observed by the Committee that the maritime traffic target from January to September 2021 was 22,631,256 tonnes while the traffic target from

January to September 2022 was 20,783,598 tonnes. This shows a reduction of 1,847,658 tonnes in year 2022.

The Committee is of the view that the traffic target of 28,561,923 tonnes set for the year 2023 is overly ambitious and may be difficult to achieve considering the economic situation currently facing businesses worldwide. The Committee therefore urged the Ministry to set achievable and realistic targets.

9.4 Boankra Integrated Logistics Terminal

It came to the attention of the Committee that the Ministry has programmed to complete the construction of the Boankra Integrated Logistics Terminal (BILT) in year 2023. The Committee further noted that for the Boankra Integrated Logistics Terminal (BILT) to function optimally and be economically viable to Ghana, there is the need to connect the terminal to the Tema Harbour.

The Committee therefore urged the Transport Ministry to collaborate with the Ministry of Railways Development to ensure that rail lines are extended through the Boankra Terminal to the Tema Port.

9.5 Construction of Coastal Fish Landing Sites and Fishing Ports

This Ministry briefed the Committee about the Construction of coastal fish landing sites and fishing ports which were at various levels of completion. These interventions were being carried out to ensure safe launching and landing of artisanal fishing canoes and to also create and maintain hygienic environmental sustainability. The expectation of the Ministry is that by 2023, all sites would be 100 per cent complete and operational.

9.6 Arbitrary Charges by Shipping Lines

The Committee noted with concern the arbitrary fees charged by the various shipping lines at the port, resulting in significant increase in import cost and ultimately the high cost of doing business. The Committee further observed that there was no regulation supporting these supply charges resulting in

shipping lines charging exorbitant amount. The Committee therefore urges the Ministry of Transport to take immediate steps to ensure that the existing shipping laws are reviewed.

9.7 Legislation on Road Traffic Act, 2004 (683) and Road Traffic Regulations, 2012 (L.I 2180)

It came to the attention of the Committee that the Ministry was spearheading the review of the Road Traffic Act (683) and Road Traffic Regulations, 2012 as the existing legislation is facing implementation challenges. The Committee noted that the new legal regime would accommodate emerging trends and best practices in the sector.

9.8 Procurement of Buses for Public and Private Transport Operators

The Committee observed that the Ministry in collaboration with the Ministry of Finance had completed Value for Money Assessment on Contract Agreements for the supply of 500 buses to improve public mass transport system. In furtherance of this, the Ministry intends to seek Parliamentary approval to sign the contract in year 2023. The Committee urged the Ministry to ensure that the Agreements are considered for signing in 2023.

9.9 Acquisition of Vehicle Road Worthiness Certificates

The Committee expressed concern about the acquisition of Vehicle Road Worthiness certificates by vehicle owners without going through the required processes. The Committee admonished the Driver and Vehicle Licensing Authority (DVLA) to ensure that all vehicles go through the required processes before road worthy certificates are issued to ensure safety on our roads.

9.10 Operations of the Metro Mass Transit (MMT) Buses

It was observed that the MMT buses are used to transport corrosive luggage and animals making the buses unfavorable for public use. The Committee urged the Ministry to take steps to formulate regulations to curb such

activities. The Committee also urged MMTL to ensure Value for Money (VfM) Audit on the procurement of buses to guarantee the efficient use of resources and accountability.

9.11 Road Traffic Accidents

The Committee expressed concern at the rate at which motorbikes and tricycles are involved in accidents, resulting in the high rate of injuries and deaths. The Committee recommended that the activities of motorbikes and tricycle operators be regulated to help reduce tricycle involvement in accidents.

9.12 Construction of a New Airport

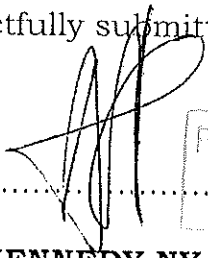
The Committee was informed about the Ministry's intention to construct a new airport either in the Central region, the Western region, or at a location in between the two regions. The Ministry indicated that a draft feasibility study had been concluded following which a strategic investor would be engaged.

10.0 CONCLUSION

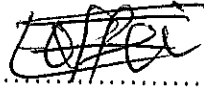
The Transport Sector plays a critical role in the socio-economic development of the country. The sector's role in the movement of people, goods and services contributes significantly to the country's economic fortunes. It is important for the sector to be adequately resourced to enable it achieve its vision of establishing Ghana as the transportation hub of West Africa.

The Committee hereby recommends that the House adopts its report and approve the sum of **One Billion, Two Hundred and Twenty-Six Million, Six Hundred and Nineteen Thousand and Sixty-Seven Ghana Cedis (GH¢1,226,619,067)** for the Ministry of Transport for the financial year ending 31st December, 2023.

Respectfully submitted.



PARLIAMENT OF GHANA
PARLIAMENT HOUSE
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**HON KENNEDY NYARKO OSEI
(CHAIRMAN, COMMITTEE ON
ROADS AND TRANSPORT)**

**MRS. EUNICE K. ABEKA
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DECEMBER 2022