

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

REPORT OF THE

COMMITTEE ON FOOD, AGRICULTURE AND COCOA
AFFAIRS

ON THE

2013 ANNUAL BUDGET ESTIMATES OF THE
MINISTRY OF FISHERIES AND AQUACULTURE
DEVELOPMENT

March, 2013

**REPORT OF THE COMMITTEE ON FOOD, AGRICULTURE
AND COCOA AFFAIRS ON THE 2013 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 2013 financial year was presented to Parliament, by the Minister of Finance and Economic Planning, Hon. Seth Terkper, on Tuesday 5th March 2013 pursuant to Article 179 of the 1992 Constitution.

The Speaker subsequently referred the Estimates of the Ministry of Fisheries and Aquaculture Development to the Committee on Food, Agriculture and Cocoa Affairs for consideration and report in accordance with Orders 140(4) and 176 of the Standing Orders of Parliament.

1.1 DELIBERATIONS

The Committee met on the 18th March 2013 and discussed the draft Estimate of the Ministry. Present at the meeting were the Hon. Minister for Fisheries and Aquaculture Development, Hon. NanyonBilijo, the Chief Director Mrs. Rebecca Amu-Aboagye and other officials from the Ministry. The Committee extends its gratitude to the Hon. Minister and his staff for their inputs.

1.2 REFERENCE MATERIALS

- 1 The 1992 Constitution of Ghana.
- 2 The Standing Orders of the Parliament of Ghana.
- 3 The Budget Statement and Economic Policy of the Government of Ghana for 2013 Financial Year

4 The 2012 Annual Budget Estimates of the Ministry of Food and Agriculture.

2.0 Performance of the Sector for 2012

During the year under review, the sector was able to chalk the following successes:

- i. Increased fish production from 440,990.27mt in 2011 to 455,697mt in 2012;
- ii. Procured and sold 2,000 outboard motors to fishermen at subsidized prices
- iii. Increased aquaculture production from 19,000mt in 2011 to 27,000mt in 2012 and fingerlings production from 37m in 2011 to 79m in 2012;
- iv. A total of 189 new ponds were constructed in 2012 as against the 2011 figure of 170;
- v. Translated the Fisheries Regulation 2010 (LI 1968) into Ewe, Adangbe, Ga, Fanti and Nzema languages; and
- vi. Landing Beach Committees in all coastal regions were established to manage problems that are often associated with premix fuel distribution.

3.0 Outlook for 2013

Within the 2013 financial year, the Ministry plans to pursue policies and programmes aimed at improving the implementation of the existing laws and regulations in the fisheries industry and to promote aquaculture development in a decentralized environment. Specifically, the Ministry intends to pursue policies in the following areas:

3.1 Improving Fisheries Governance

The Fisheries Commission will be assisted to implement the West Africa Regional Fisheries Programme designed to revitalize and inject the needed

investments into the fisheries sector over a five year period. Investment for 2013 will be targeted at building governance structures and processes such as the establishment of vessel registry, conducting research to establish sustainable levels of stocks and piloting community fisheries management units.

3.2 Controlling Illegal Fishing

The Ministry will also establish and put into operation the Fisheries Enforcement Unit as specified in the Fisheries Law, Act 625(2002) to collaborate with the Ministries of Defence, the Interior and the Attorney-General's Department to intensify monitoring, control and surveillance activities on all water bodies.

3.3 Accelerated Aquaculture Development

The Ministry has also planned to pursue policies and programmes to accelerate the development of aquaculture with the view to achieving self-sufficiency in fish production. Some of these policies will include supply of improved feed and credit to fish farmers. Fish pond productivity is expected to increase from 1.5mt/ha to 2.5mt/ha and a total output to increase from 27,000mt to 40,000mt in 2013. The Youth in Aquaculture Project will also train 3,200 Youth in the Eastern, Ashanti, Western and Volta Regions to establish fish ponds.

3.4 Capacity Building

Capacity building programmes would also be pursued vigorously. Specialization programmes are to be intensified in the areas of fish health and fisheries management. Zonal secretariats of the Fisheries Commission will be opened in areas with high potential for fisheries and aquaculture development.

3.5 Fisheries College at Anomabo

The construction of the administration block, hostels, laboratories and lecture halls of the Fisheries College at Anomabo will be continued and hopefully completed to commence studies and training.

3.6 Fisheries Refrigeration Network

The Ministry also intends to complete its Cold Store Project to provide additional cold storage capacity of 3,000m³ and 35tons of ice flake daily. The cold stores at Prampram, Shama, Half Assini and New Takoradi will also be completed.

3.7 Fish Processing Plant at Elmina

The Ministry also plans to complete the turnkey fish processing plant at Elmina in order to add value to fish and increase the profitability of the fish business.

4.0 BUDGETARY ALLOCATION FOR THE 2013 FISCAL YEAR

Table 1: Breakdown of the 2013 Budgetary Allocation

Expenditure	GOG (GH¢)	IGF (GH¢)	Donor (GH¢)	Total (GH¢)
Compensation of Employees	5,000,000	-	-	5,000,000
Goods & Services	1,750,000	8,966,620	4,523,922	15,240,542
Assets	10,000,000	-	18,095,688	28,095,688
Total	16,750,000	8,966,620	22,619,610	48,336,230

For Ministry of Fisheries and Aquaculture Development to undertake its planned activities for the year 2013, an amount of **Forty Eight Million, Three Hundred and Thirty-six Thousand, Two Hundred and Thirty Ghana Cedis (GH¢48,336,230)** has been allocated. The allocation comprises of a GOG component of **GH¢16,750,000**, a donor element of **GH¢22,619,610** and IGF of **GH¢8,966,620**.

5.0 OBSERVATIONS AND RECOMMENDATIONS

5.1 Fish Feed

The Committee noted that about 75% of the expenditure of aquaculture farming was the cost of feed. It was observed that there had not been specific initiatives to attract private sector investment into fish feed production, notwithstanding the high demand for feed in the country. The Committee noted that there was currently only one company located in Prampram, which is engaged in the production of fish feed, but this was insufficient to meet local demand. The Committee therefore recommends that the Ministry institutes policy measures that will provide incentives to local producers of fish feed.

It was also noted that aquaculture is an expensive business venture requiring huge capital outlay, which most ordinary farmers are unable to provide. The Committee therefore recommends that the Ministry should support farmers source for credit from Agencies setup by Government to provide financial support to small to medium scale aquaculture enterprises.

5.2 Internally Generated Funds (IGF)

The Committee noted from the Budget Statement that the Ministry's projected IGF for 2013 was GH¢89,666,230. The Committee was informed by the officials of the Ministry that the said figure was a typographical error

The Ministry noted that the IGF target of GH¢8,966,620 was unrealistic. The officials argued that out of a projected IGF of GH¢5,700,000 for year 2012, only GH¢2,900,000 was realised. According to the Ministry, its main source of IGF is fish vessel licensing fees. The Ministry noted that the number of vessels licensed to fish in Ghanaian waters was almost at the optimum level and that licensing additional vessels might lead to over exploitation of the country's marine resources.

The Committee recommends that the Ministry of Finance and Economic Planning takes a second look at the Ministry's IGF estimate for 2013 so as not to unduly distort implementation of planned programmes of the Ministry given that over 50% of the allocation for Goods and Services is expected to be funded from the IGF.

5.3 Proportion of the Donor Fund

The Committee expressed concern about the proportion of the total sector budget, which is expected to come from donors. It was noted that out of the total budgetary provision of GH¢48,336,230 for the Ministry, an amount of GH¢22,619,610 or 47% of the total budget, was expected to come from donors. The Committee considers this arrangement as a serious challenge towards achieving the targets the Ministry has set for 2013 financial year in view of uncertainties associated with the disbursement of donor funds over the years.

The Committee recommends that the Ministry should commence the drawdown processes for these funds early in order to secure full disbursement.

5.4 Alternative Livelihood Programmes

The Committee also expressed concern about the poverty levels at the fishing communities and the possible worsening of the current status in view of the exploitation of the marine resources. The Committee recommends that the Ministry take urgent steps and develop alternative livelihood programmes for the people in these communities whilst encouraging them to use modern technologies of fishing and aquaculture development.

5.5 Illegal Fishing

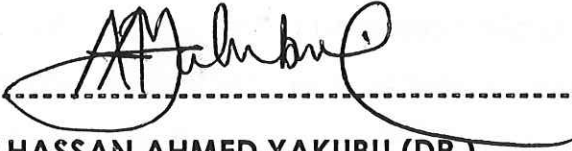
The Committee was informed that the Ministry will establish and put into operation the Fisheries Enforcement Unit as provided for in the Fisheries Act, 2002 (Act 625) in an effort to control illegal fishing. The Committee urges the Ministry to ensure that the Unit is provided with adequate resources to deal effectively with all illegal fishing activities in our water bodies.

6.0 CONCLUSION

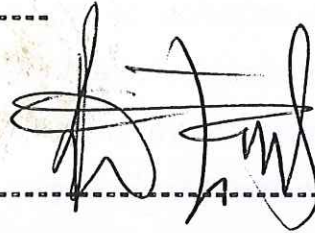
The Committee has thoroughly scrutinised the budget estimates of the Ministry of Fisheries and Aquaculture Development for the 2013 fiscal year and is satisfied that the policies and programmes outlined for the year could achieve the objective of self-sufficiency in fish production and help meet the nation's protein requirements.

The Committee accordingly recommends to the House to adopt this Report and approve the total sum of **Forty Eight Million, Three Hundred and Thirty Six Thousand, Two Hundred and Thirty Ghana Cedis (GH¢48,336,230)**, to enable the sector undertake its planned programmes and activities for the year 2013.

Respectfully submitted.



HON. ALHASSAN AHMED YAKUBU (DR.)
CHAIRMAN



CAMILLO PWAMANG (MR.)
CLERK TO THE COMMITTEE

21st March 2013