

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

**REPORT
OF THE SELECT COMMITTEE ON
COMMUNICATIONS ON THE 2011
ANNUAL BUDGET ESTIMATES OF THE
MINISTRY OF COMMUNICATIONS**

1. INTRODUCTION

The Draft Budget Estimates of the Ministry of Communications for 2011 was referred to the Select Committee on Communications for consideration and report in accordance with Standing Orders 140 (4) and 182. This followed the presentation of the 2011 Budget Statement and Economic Policy, of the Government, to the House by the Minister of Finance and Economic Planning (MoFEP), Dr. Kwabena Duffuor in accordance with Article 179 of the 1992 Constitution and Order 140 (2) of the Standing Orders of the House. The Minister of Communications, Hon. Haruna Iddrisu and a technical team from the Ministry and its Departments and Agencies assisted the Committee during its deliberations.

2. REFERENCE DOCUMENTS

The Committee consulted the following documents:

- The 1992 Constitution of the Republic of Ghana;
- The Standing Orders of the House;
- The Budget Statement and Economic Policy of the Government of Ghana for the 2011 Financial Year;
- Report of the Select Committee on Communications on the Annual Estimates of the Ministry of Communications for 2010.

3. AIMS AND OBJECTIVES OF THE MINISTRY

The Ministry of Communications (MOC) exists to facilitate the development of a reliable and cost-effective world class communications, infrastructure and services, driven by appropriate technological innovations to promote economic competitiveness in a knowledge-based environment. The vision of the Ministry of Communications (MoC) therefore, is to take advantage of the emergence of Information Communications Technology (ICT) to facilitate the creation of a knowledge economy founded on technological excellence to promote rapid socio-economic growth and wealth creation and, to improve upon the overall global competitiveness of the nation.

In pursuance of this mission statement, MOC has the following objectives among others:

1. To facilitate the development of nationwide communications and technologies, infrastructure and services at minimum cost, to promote accelerated growth in agriculture, industry, trade and services sectors to ensure poverty reduction;

2. To empower the National Information Communications Directorate and its subsidiary agencies to acquire the capacity to implement and promote strategic and tactical ICT initiatives emanating from both the public and private sector;
3. To facilitate the interoperable application of computers and networks on a common platform to improve the quality of service, to strengthen government information flow internally as to promote accountability and transparency in governance; and
4. To review and develop policy regulations and laws that will enhance well functioning and self financed regulatory bodies dedicated to the sustenance of a pro-competitive postal, electronic telecommunications and ICT environment;

4. AGENCIES UNDER THE MINISTRY OF COMMUNICATIONS

The Ministry has the following Departments and Agencies under its purview.

1. National Communications Authority (NCA).
2. Ghana Post Company Ltd.
3. Ghana Meteorological Agency (GMA)
4. Ghana-India Kofi Annan Centre of Excellence in ICT (KACE)
5. National Information Technology Agency (NITA)
6. Postal and Courier Services Regulatory Commission (PCSRC)
7. Ghana Investment Fund for Electronic Communication (GIFEC)
8. IT Enabled Services (ITES) Secretariat
9. Ghana Multimedia Incubation Center (GMIC)

Pursuant to the mandate of the Ministry, these Agencies have the responsibility of handling specific operational functions of the sector, which have substantial impact on the private sector industry players and the nation as a whole.

5. 2010 IN RETROSPECT

The Information and Communications Technology (ICT) sector has emerged globally as a key driver for development, growth and employment and it is to effectively and optimally exploit the opportunities that ICT offers, that Government continued to champion the use of ICT as an effective tool to propel multi-sectoral growth. Indeed, to enhance Ghana's comparative advantage government continued to utilize the numerous tools and opportunities that the Information and Technology age offers.

It is in this regard that GoG further recognized the potential of Information and Communication Technology in modernizing government machinery and increase accountability, transparency and efficiency and facilitating socio-economic growth by focusing on knowledge-based industries that permeate all sectors of the economy of Ghana.

Budget Performance for 2010

The Ministry was allocated the amount of GH¢8,085,472 for the implementation of its 2010 activities with requests and releases as tabled below. The overall performance is discussed thereafter.

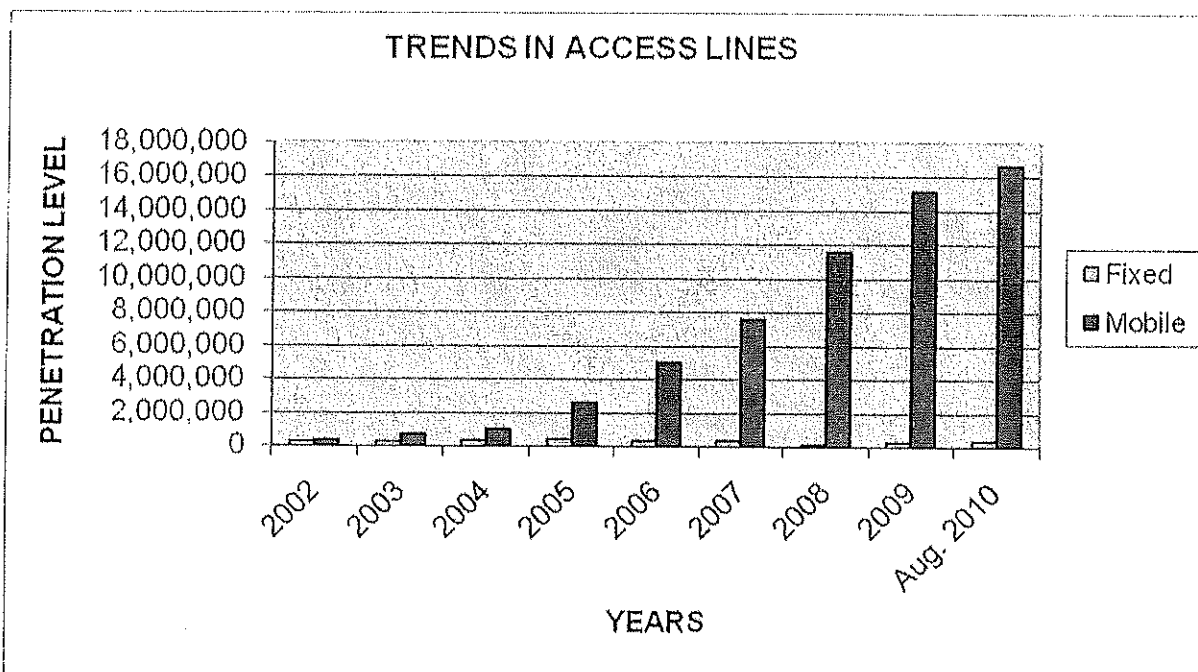
Table 1: 2010 Budget Allocations

	Admin.	Service	Investment	Total
Budget Allocation	442,961.00	220,351.00	3,643,249.00	4,356,561.00
Request to MOFEP		122,084.44	2,970,346.24	3,092,430.68
Releases	657,701.54	107,217.49	610,965.59	1,375,884.62
Payments	476,841.73	70,907.58	555,951.24	1,103,700.00

5.1 Telecom Sector

There has been a continued increase in telephone subscription for both fixed and mobile access lines as a result of the growth in infrastructure development and the positive sustenance of competition in the telecom sector. For instance, statistics indicate that the telecom market by the end of August 2010 experienced a growth of 10.8% over the 2009 figure of 15,376,305. The total access lines stood at 16,992,460 at the end of August 2010. This represents a penetration rate of 73.8% with mobile telephony accounting for 97.97% of the total access lines of about 16,651,168.

On the other hand, fixed access lines increased from 267,389 in the fourth quarter of 2009 to 341,292 by the end of August 2010 representing about 27.6% increase.



The penetration level as accomplished by the end of August 2010 was 73.8%, which is well over the 25% established by the Millennium Development Goals (MDGs) and the World Summit on the Information Society (WSIS) to be achieved by the year 2015.

The growth in mobile telephony has resulted in major benefits such as staying connected with family members/clients and also providing direct and indirect employment to the citizens.

5.2 Telecom Privatization

Bharti Airtel, an Indian Telco purchased the entire Shareholding of Zain Africa BV Netherlands and to ensure efficiency in service delivery as well improve the contribution of telecom to GDP, the Ministry monitored this transaction. The Ministry has also been monitoring the on-going labour rationalization exercise at GT now Vodafone.

5.3 Issuance of Mobile License

To enhance extended services to subscribers, the Worldwide Interoperability Microwave Access (WiMAX) and 3G Licenses guidelines were launched in 2009 to improve communications in the country. In the pursuit of fair competition therefore, the National Communications Authority (NCA) auctioned a sixth mobile license on a competitive basis to Globacom (Glo) Mobile. It is expected that this would strengthen competition and provide value-added services for the benefit of the ordinary Ghanaian.

5.4 Telecommunication Gateway Project

The Ministry through the NCA facilitated the installation of a Consolidated National Gateway Monitoring System to help the sector accelerate the development of mobile telephony throughout Ghana and also create the environment for a competitive terrain for the delivery of affordable ICT services. The objective of this project is to enhance government revenue and prevent fraud within the communication sector.

So far, Government of Ghana between June and August 2010 has detected a total of over 245 million minutes of traffic translating into over US\$3 million revenue to Government every month.

5.5 SIM Card/Chip Registration

In line with Government's commitment to pursuing a policy of registering SIM Cards to address security concerns and to help in phone user identification, the Ministry ensured, through the NCA, that all Telephone Network Operators complied with the directive of de-activating their pre-activated SIM Cards/Chips on the market by 30th June 2010.

SIM Card registration will facilitate the smooth implementation of Mobile Number Portability and reduce criminal activities.

5.6 Implementation of Mobile Number Portability (MNP)

As part of ensuring the effective implementation of MNP, the National Communications Authority (NCA) continued with its public consultative workshops with the view to enhancing the success of the deployment of MNP. The NCA has also drafted an MNP Implementation Policy and has selected Porting Access of Netherlands and its local partner, CIS-Ghana Limited, to provide equipment and services for the implementation of MNP, which is expected to be operational by 1st July 2011.

The benefits that will accrue from the implementation of the Mobile Number Portability are:

- Improved quality of service
- Freed up numbers for reuse in other service networks
- Enhanced innovative and value-added services.

The implementation of MNP will encourage healthy operator competition as well as offer customers the opportunity to have a choice of service as we move towards the deployment of Next Generation and convergence of networks.

5.7 Development of National ICT Standards and Type Approvals

To effectively implement the Electronic Communications Act, Act 775 of 2008, the Ministry, through the NCA, has developed two regulatory documents namely the National Specifications and Technical Standards and Equipment Type Approval Guidelines. These regulations have become increasingly important, as Ghana has begun assembling, developing and importing ICT equipment for network services.

This step in the right direction is also in response to trade and development requirements by the International Telecommunications Union (ITU), International Standards Organization (ISO) and World Trade Organization (WTO). The implementation of these standards will prevent the importation of sub-standard ICT equipment and generate employment.

5.8 Environmental Management Issues

To address the numerous concerns expressed over the indiscriminate construction of masts by telecom service providers across the country, the inter-ministerial Committee in collaboration with the Industry Technical Committee developed guidelines for the deployment of communication Masts and has been operationalized.

5.9 Spectrum Monitoring

Spectrum is a vital natural resource that needs to be monitored and managed efficiently. In view of this, a joint team of officials from the NCA and the Bureau of National Communications (BNC) undertook a nationwide exercise to clear all illegal spectrum occupants in the 450 MHz band. In furtherance of this, the Ministry and the NCA collaborated successfully to migrate BNC from the 800 MHz band to the 450 MHz band to pave way for the rolling out of the sixth mobile network operator, GLOBACOM, who would operate on the 800 MHz band. Efficient management of the spectrum will prevent interferences within networks and safety of air transportation.

5.10 Quality of Service (QoS)

As in the past few years, the Ministry has had to respond to public complaints regarding poor quality of telecommunication services. To alleviate this, the NCA intensified its monitoring activities and not only instituted appropriate penalties to defaulting operators to serve as deterrent, but also resorted to publishing QoS evaluation results in the national media in order to 'Name and Shame' Service Providers who provided sub-standard service. The National Communications Authority (NCA) continued to ensure that all the mobile operators complied with their license conditions on call completion, call congestion and call drop rates. Additionally, as part of its consumer protection obligations, the NCA also organized a forum to address complaints related to operator networks.

The NCA has also begun the process of opening regional offices to enhance quality of service monitoring.

The constant monitoring of the networks is to improve value-for-money service and reduce tariffs for consumers. This is also in furtherance of the NCA's compliance guidelines and interconnection tariffs between fixed and mobile networks.

5.11 Digital Broadcasting Migration

As part of a policy directive on National Digital Broadcasting Migration, a Technical Committee, including representatives of all stakeholders was constituted in January 2010 to facilitate the technical process of the migration and a Report on policy recommendations was submitted to Cabinet for approval.

The country will have the following benefits in the digital domain:

- Preventing the dumping of obsolete analogue transmission equipment into the country;
- Enhancing the quality of terrestrial TV transmission and reception; and
- Promoting environmental sanity through co-location of broadcast transmission infrastructure

Ghana's compliance to International Technical Standards will be adopted by December 2013 ahead of the International deadline of 2015.

5.12 Enabling Legal Environment

The Ministry continued to pursue the policy of ensuring an enabling legal and regulatory environment aimed at increasing the competitiveness of Ghana's E-economy in line with global best practices. This was also to attract and protect investment in the ICT sector. In the light of this, the Ministry monitored the implementation of the four Communications sector Acts and also facilitated the development of the Data Protection and Electronic Communications Regulation Bills, which have been validated by key stakeholders has been laid before Parliament for consideration

5.13 National Fibre Backbone and Broadband Project

The Ministry has been supervising the implementation of the 2nd phase of the Fibre Backbone project and so far 90% of the Kumasi-Techiman-Sunyani and Tamale-Bolga stretches have been completed. Additionally, the Navrongo-Paga path as well as the Tumu-Wenchi stretch have also witnessed 90% and 50% completion rate respectively. The completion of this project will make available adequate bandwidth capacity for both voice and data at affordable rates.

5.14 Provision of Universal Access

As part of the universal access obligation, the Ministry continued to support the extension of ICT infrastructure and services to underserved and un-served areas of the country to bridge the digital divide between the urban and rural areas. This involved the use of universal funds to subsidize the cost of providing services to designated areas.

5.15 Schools Connectivity Project

In line with the above commitment, the Ghana Investment Fund for Electronic Communications (GIFEC) has distributed computers and air conditioners to beneficiary schools. 760 Computers were supplied to thirty-eight (38) colleges which colleges have been provided with Internet connectivity. Again thirty-five (35) out of thirty-seven (37) National Vocational and Technical Institute (NVTI) were provided with twenty (20) Desktop Computers and UPS each. Twenty-three (23) out of twenty-six (26) Technical Institutes were supplied with desktop computers and UPS. Similarly, 240 computers were also supplied to twelve (12) selected Senior High Schools. Further five (5) out of ten Youth Leadership Training Centres were supplied with ten (10) computers and ten (10) UPS each.

5.16 Library Connectivity

As part of the connectivity agenda, GIFEC intends to provide ICT equipment and Internet connectivity to the ten regional libraries and ten mobile libraries. In line with this, an orientation course for all the Librarians at the regional libraries was held with the object of introducing the Librarians to the management of computer laboratories.

100 computers were distributed to all the 10 Regional Libraries. In addition, GIFEC also inaugurated the mobile library project. This programme will enable the deprived communities have access to educational materials and thereby enhance their learning capabilities.

5.17 Prisons Connectivity Project

This project is being done in collaboration with the Ghana Prisons Service to equip all the prisons across the country with ICT equipment within three (3) years (from 2010 to 2012). So far desktop computers and ICT equipment have been deployed to five (5)

centres at Ho, Kumasi, Tamale, Ankafu, Female Prisons at Nsawam and the Prisons Training Schools in Accra.

5.18 Development of Technology Park

Regarding the development of the Technology Park, the final Report on the feasibility study/business/marketing and promotional strategies have been developed and the design for the 50-acre land acquired at Tema has also been finalized. A country analysis/survey has also been conducted and a consultant engaged to design the Technology Park.

The completion of this technology park will attract foreign direct investment, create jobs and generate revenue

5.19 Community Information Centres (CICs)

Government, as part of its commitment in promoting an all-inclusive information and knowledge society continued to sustain the construction of CICs in all constituencies and provided infrastructure and equipment support for the completed ones. Forty-six (46) existing CICs were equipped with Internet facilities bringing the total number of CICs with Internet connectivity in the country to seventy-one (71) while another twenty (20) have been provided with equipment. The CICs will enhance the socio-economic livelihood of the community members. In addition, GIFEC in collaboration with the UNDP organized two (2) training programs in entrepreneurship and basic networking for CIC Managers.

5.20 Rural Payphone Project

Under this project, GIFEC targeted to provide two thousand five hundred (2,500) payphones to under-served and un-served communities across the country. To date, GIFEC through MTN Ghana and Airtel Ghana Limited have deployed two thousand (2,000) units out of two thousand five hundred (2,500) across the country. Vodafone has also expressed the interest in deploying the rest of the five hundred (500) rural payphones.

5.21 Easy Business Centres

GIFEC is implementing the Easy Business project in collaboration with the Kumasi Institute of Technology and Renewable Energy. The pilot phase of the project, which involves the deployment of twenty (20) Easy Business Centres across the country, has been completed. Amongst them are: Old Ningo, Kpone, Nsawam, Kibi, Afienya, Dawenyena and Aveyime. This project is expected to empower local entrepreneurs in ICT business services and to also enhance their revenue generation.

5.22 Recruitment, Retention and Career Development of IT/IM Personnel into the Public Service

The Ministry collaborated with the Office of the Head of the Civil Service and with the support of the Public Services Commission concluded the validation of the Scheme of Service for IT/IM class. A proposed budget for the implementation of the IT/IM Scheme of Service has been submitted by the National Information Technology Agency (NITA) to the Ministry of Finance to serve as a guide for hiring IT/IM Staff to support the deployment of IT in the Public Services commencing 2011.

5.23 Employment for Persons with Disability

The Ministry through GIFEC has begun the construction of round huts in communities to serve as business centers for the disabled persons. Ten (10) pilot Centres will be ready for use by the close of the year.

5.24 Human Resource Development

The Ministry continued with its policy of encouraging ICT education and literacy by giving the necessary support and devising strategies that would attract the private sector to develop core ICT skills in a regulated and accredited manner.

In line with this ICT Capacity Building program, the Ghana-India Kofi Annan Centre of Excellence for ICT (KACE) trained 112 students in the ICDL program; 416 people participated in the CCNA Professional programme; and 89 students from nine tertiary institutions participated in the sandwich course on ICT and Business.

Under the IT-Enabled Services (ITES), a sub-Committee of the Governing Council was inaugurated to review the criteria/procedure for ITES Curriculum accreditation as well to negotiate the cost of accreditation with the National Accreditation Board. The Committee is also expected to review the selection of 50 institutions for the nationwide 'Train the Trainer' programme.

5.25 Business Process Outsourcing (BPO)

Business Process Outsourcing industry is beginning to grow and there has been a net gain of about 2000 jobs since 2007 with 61.1% being women. The Ministry through the Ghana Multimedia Incubation Centre (GMIC) trained 56 NYEP Data Entry Clerks from the Volta and Greater Accra Regions.

5.26 Automation of Revenue Agencies

To speed up tax assessment and mobilization as well as enhance transparency in public service delivery, the Ministry of Communications, in collaboration with the Ministry of Finance, concluded arrangements for the automation of the Revenue Agencies (IRS, VATS, and RGD) through a Public-Private Partnership arrangement with the Ghana Community Network (GCNet). Eleven (11) pilot sites were selected for automation, including the GRA

Head Office, the VAT offices at Ashiaman, Spintex Road, Legon, Makola, Agbogbloshie Adabraka, Achimota and Tema, as well as the Registrar-General's Department Head Office. Workshops were organized for GRA Staff to define and finalize business process re-engineering activities. Further 300 staff of GRA were trained in computer literacy. The automation will enhance revenue collection and address issues of revenue leakages when the networked platform becomes fully operational.

5.27 Meteorological Services

The Ghana Meteorological Agency (GMA), which has the responsibility of providing weather information to help our Aviation, Agriculture as well as Aquatic industries, rendered various services to forty-eight (48) of its clients. Key amongst them were the Ghana Civil Aviation Authority, Ghana Airport Company and the Volta River Authority.

5.28 Postal Sector Transformation

I. Postal and Courier Services Regulatory Commission (PCSRC)

The Postal and Courier Services Regulatory Commission (PCSRC) continued to play its mandatory role. In this regard, twelve (12) new operators made up of nine (9) International operators and three (3) Domestic operators were licensed. The total number of licensed operators therefore stands at sixty (60) as at June 2010.

In addition to this, twenty-six licensed private operators had renewed their licences by the end of the second quarter of 2010 as compared to three in 2009.

II. Ghana Post

The Ghana Post continued to deliver government services nationwide on account of its universal service obligations that mandate a ubiquitous presence in all districts and towns in the country. To improve services therefore, a new Managing Director was appointed and a strategic plan is being developed by Management to give Ghana Post a better focus.

5.29 Development of Enterprise Architecture and e-Government Interoperability Framework (EA/e-GIF)

The Ministry continued to facilitate and monitor the full integration of ICT as an enabler and driver of the entire Socio-economic and political sectors of the nation to help promote efficient and effective service delivery. The Ministry developed and launched the Enterprise Architecture (EA) and e-Government Interoperability Framework. This is expected to improve efficiency, transparency and accountability as well as to address challenges facing government agencies. The deployment of an IT architecture and interoperability standard will result in effective and efficient data interchange thereby enhancing e-government service delivery.

5.30 E-Government Network Infrastructure

The Ministry in collaboration with the National Information Technology Agency (NITA) is pursuing the e-government network infrastructure project aimed at creating a platform for sharing services among MDAs nationwide so as to facilitate communication within government.

In pursuit of this, eight (8) communication masts were constructed to facilitate the deployment of WIMAX and sixteen (16) new ones are at various stages of completion. This project when operationalised will effectively facilitate connectivity to MDAs, Schools, Hospitals and the Police for enhanced service delivery.

The impact of this project will help to reduce cost and delays within the MDAs thereby improving service to the people and fostering the availability of information conducive to democracy, transparency and better citizens.

5.31 E-Ghana Project

As part of the E-Ghana project, two hundred and ninety (290) laptop computers were procured for Parliament to enhance the efficiency of Parliamentarians in the discharge of their duties. Similarly, an e-Justice study tour to Turkey to benchmark best practices in using ICT in the delivery of Justice was undertaken.

The Ministry has also initiated an e-Immigration process that is expected to use ICT as a tool to improve upon immigration service delivery to the general public as well as foreigners.

6 EXPECTATIONS FOR 2011

The breakdown of the Ministry's allocations for the 2011 financial year is **GH¢6,280,126** and is broken down as follows:

Table 2: Allocation for the 2011 Budget

	PE	Admin.	Service	Investment	Total
MoC	414,803	200,864	46,757	1,115,361	1,777,785
NITA	172,067	53,635	26,680	238,399	490,781
KACE	589,942	80,432	40,011	149,946	860,331
PCSRC	100,628	35,743	10,357	42,842	189,570
IAU	16,899	2,652	1,949	-	21,500
GMA	2,546,431	62,541	31,111	300,076	2,940,159
Total	3,840,871	435,867	156,865	1,846,624	6,280,126

The Sector has been allocated a ceiling of **GH¢6,280,126** for its planned activities even though the real amount needed, and requested was **GH¢ 37,605,219**, as indicated below in Table 3. Clearly, this allocated ceiling is totally inadequate if the Sector intends to carry out its planned activities aimed at taking the use of ICT to the next level. It is understood that there are budgetary constraints undermining the issuance of the ceiling.

Table 3: Proposed Budget Allocations

	PE	Admin.	Service	Investment	Total
MoC	543,997	414,399	719,088	22,611,394	24,288,878
NITA	255,047	382,420	119,220	710,500	1,467,187
KACE	642,470	504,592	453,598	629,867	2,230,527
PCSRC	296,189	234,667	188,500	123,557	842,913
Internal Audit	19,284	6,670	18,750	100,000	144,704
GMA	4,291,703	481,697	229,610	3,628,000	8,631,010
Total	6,048,710	2,011,445	1,728,765	27,803,316	37,605,219

6.1 E-Government Platform

The Ministry will pursue the implementation of the E-applications to facilitate efficient and effective service delivery to the public in support of the broad goal of transparent and accountable governance. To this end, the Ministry will continue with the E-government network infrastructure project aimed at creating a platform for the deployment of ICT on a shared government IT architecture and will among other projects

build WIMAX last-mile access networks to serve government agencies in all the 10 regional capitals.

It is also expected that the WIMAX network will connect up to 550 MDA facilities throughout the country and also offer data rates of up to 20 Megabits per second (Mbps).

The 1st phase of this project, when completed, will effectively facilitate the rollout of E-Services Applications such as E-Cabinet System and E-Justice as well as one-stop E-Service centres in Takoradi, Kumasi, Accra/Tema and Tamale. This roll out of E-applications will increase the country's competitiveness and improve government business in a more transparent and effective manner. The extension of access to every corner of the country, with the private sector concentrating on last mile solutions, will foster E-governance application in all parts of the country.

6.2 Development of Enterprise Architecture and E-Government Interoperability Framework (EA/e-GIF)

The Ministry intends to ensure the effective implementation of the Enterprise Architecture (EA) as well as the E-Government Interoperability Framework by all MDAs to enable them meet the challenges of the digital economy. These documents are expected to serve as strategic roadmaps that will guide MDAs in deploying efficient, cost effective and citizen centred IT solutions that optimizes value gained across government.

6.3 Transformation of Ghana's Internet Registry

The transformation of the Internet Registry from a private enterprise to a public and multi-stakeholder managed registry in order to effectively and efficiently control the Country Code Top Level Domain Names (ccTLD) will be pursued by the Ministry. The establishment of this registry will facilitate the major uptake of e-government and create real jobs in the private and public sectors of the economy.

Furthermore, the Ministry will develop policy guidelines to guide the smooth migration from the exhaustion of the numbering capacity of IPv4 to IPv6 with larger address space and flexibility in routing traffic.

6.4 Review of National ICT for Accelerated Development Policy Document

The Ministry intends to undertake a review of the National ICT Policy that was developed in 2002 in consultation with key stakeholders of the Information Society to expand the scope of policy to cover emerging technologies such as Geo-Information Systems, and also the District Level ICT Policy so as to facilitate effective decentralization and create the space for ICT planning at the District level. Additionally, the Ministry will pursue the greening ICT policy to ensure that ICT products are resource-efficient and environmentally friendly designed throughout the entire product life cycle.

6.5 Creation of Computer Emergency Response Team (CERT)

The Ministry will facilitate the establishment of a Network Operation Centre (NOC) where computer servers and routers will be installed to receive reports of computer fraud

incidence on a 24/7 basis and also provide remedial actions. This institutional arrangement will be responsible for addressing possible issues such as computer malfunction, cyber crime, and virus attacks among others.

6.6 Recruitment, Retention and Career Development of IT/IM Personnel into the Public Service

The need to attract skilled IT/IM experts into the Civil/Public Service to support the implementation and deployment of new technologies and systems in pursuit of ICT driven public sector reform continues to attract the attention of government. In this regard, the Ministry intends to ensure the actualisation of the scheme's implementation in 2011 by facilitating remuneration packages for professional IT/IM personnel who will carry out the e-Government agenda.

6.7 ICT Skills and Human Resource Development

Aligned with Government's plan of investing in people, the Ministry will pursue a policy aimed at supporting every Ghanaian to become ICT literate and would continue encouraging the private sector to develop core ICT skills in a regulated and accredited manner. Regarding R&D, the Ghana-India Kofi Annan Centre of Excellence for ICT will be monitored to focus on capacity development in the areas of artificial intelligence and open-source technologies so that many more institutions can adapt to the use of ICT and also enhance the innovative capacity of the youth in ICT.

6.8 Development of Standards and Accreditation in ICT Skills

The Ministry is committed to pursuing the development of policy guidelines and set skills standards for the IT Industry geared towards the attainment of the following objectives:

- A uniform set of ITES Skill Set Standards
- A blueprint of ITES/BPO curriculum based on the skills set defined in the internationally recognized skill set dictionary.
- The development of a procedure for matching grants to support private and public institutions in ICT/ITES training for at least 12,000 workers, professionals, and ITES trainers within 2 years.
- The development of niche areas for the training to cover; data entry and data processing, electronic payment processing and data conversion: medical transcription and customer services in email/chat etc.

6.9 Development of Technology Park:

To support ICT research and development in order to stimulate the production of ICT products, the Ministry intends to aggressively promote the development of the ICT Park under the MSME project to facilitate not only the growth of the technology industry but springboard ICT SMEs in Ghana and create the environment for real job creation in the area of ICT/ITES business initiatives. The design and construction phase of the project will begin very soon at the Tema Multi-Purpose Industrial Park. It is expected to attract new business set-ups, IT International Consortiums and other public private partnerships into the country when completed.

6.10 Monitoring of Enlarged GT and Bharti Airtel:

The monitoring of the Enlarged GT and Bharti Airtel, in which the Government has 30% and 25% shares respectively, will be pursued to ensure efficiency in service delivery and improvement in their GDP contributions. The NCA will also be monitored to ensure that a healthy and competitive platform for all private sector players in the industry is created to foster efficient QoS of the operators.

With regard to the Enlarged GT, the Ministry will focus attention on:

- Labour Rationalization
- Transformation of the GT University to a full fledged University

6.11 Quality of Service

The National Communications Authority would continue to be monitored to further enhance its impact on the delivery of quality of service. In this regard, the Ministry intends to ensure that the NCA take steps to continuously address the service deficiencies observed in operators' networks such as:

- Inadequate service coverage
- Network congestion
- Network unavailability
- High call drop rates
- Delays in call set up time.

6.12 Mobile Number Portability Solution

The Ministry, mindful of the need for the customer to be given the opportunity to have choice of service, will ensure that the NCA intensifies its policy dialogue with the Telecom Industry players to address challenges associated with implementing MNP in a market environment that is moving towards the deployment of Next Generation and converged networks. The benefit of this deployment is to foster customer choice of service and help promote effective competition in the Telecom Industry by enabling subscribers to switch between service providers without cost and inconvenience of changing telephone numbers. Currently, all processes are on course for the successful soft launch of Mobile Number Portability by July 2011.

6.13 National Digital Migration

Additionally the Ministry will continue to monitor the national digital broadcasting migration Committee to ensure the smooth migration process from analogue to digital terrestrial broadcasting in line with international convergence standards. The completion of this process will lead to improved choice and quality of service for consumers by 2015 and this will include higher video and audio quality, greater spectrum efficiency and more programme channels on one frequency.

6.14 Monitoring of Telecommunication Gateway Project

The NCA will be monitored to effectively and efficiently implement the Consolidated National Gateway Monitoring System to help enhance Government revenue generation

potential and also to achieve the objective of having an efficient regulatory oversight on telephone service clearing house for the country.

In addition, the project is currently providing:

- International Market Information to the NCA
- Detection of fraud lines on two-hourly periods for the NCA to ensure disconnection by the operators
- Training and capacity building services to the NCA
- Skills in monitoring quality of service
- Help to resolve Next-Generation Networks interconnection challenges.

6.15 SIM Card/Chip Registration

The Ministry will continue to monitor the NCA under this project to ensure that all Telephone Network Operators comply with the directive so that by 30th June 2011 owners of all existing SIM Cards/Chips would have been identified. This exercise will curb incidents like nuisance text messages, threats and other crank calls.

6.16 Development of National ICT Standards and Type Approvals

The Ministry intends to ensure the effective and efficient implementation of the National Specifications and Technical Standards and Equipment Type Approval Guidelines in line with Electronic Communications Act, Act 775 of 2008 so as to meet International Standards.

6.17 Construction of National Data Centre

The establishment of a centralized data centre for the storage of vital information for national development is an important project, which the Ministry will continue to pursue. The Data Centre will consolidate the storage of Data needed for critical decision-making by government and also reduce cost of keeping data in different silos. The National Data Centre is essential to ensure effective applications of ICT to facilitate government business.

6.18 Construction of Regional ICT Innovation Centres

As part of its efforts to pursue the policy of Government to expand infrastructure to promote access to ICT, the Ministry will construct in each of the ten (10) Regional Capitals, one major ICT Innovation Centre to facilitate the application of ICT for learning and research and through the process equip the citizenry with IT skills.

It is intended that the project, aimed at expanding ICT access, will bring about the following added advantages:

- Access to information technology support in real time with fast and robust connectivity solution
- Provide users a one-stop online resource and reference centre to aid distance learning and studies

- Promote human resource capability in the development of ICT software and hardware applications that address the needs of communities
- Develop ICT research and development capacity among the youth and women
- Make ICT opportunities accessible

It is expected that with the support of the Business Incubation as well as the IT Enable Services Secretariat of the Ministry, many users of the facility will be trained to gain expertise in creating local solutions through software and product development.

6.19 Common Telecom Facilities

The development of twenty (20) Common Telecom Facilities that will enable Telecom Operators extend their services to many more communities, in addition to the 378 communities under the scheme, will be pursued. This programme would also be used to further encourage mutual technical collaboration like co-location, among the Telecom service providers to enable them benefit from economies of scale and improve communication penetration to rural areas.

Further, the Ghana Investment Fund for Electronic Communications (GIFEC) will accelerate the implementation of the schools connectivity project so as to enhance community and distance learning. The private sector will also be encouraged to provide ICT infrastructure especially to the deprived schools.

6.20 Community Information Centres (CICs)

The Ministry in pursuance of the commitment of Government to promote an all-inclusive information and knowledge society to benefit the under-served and un-served rural areas intends to continue to sustain the construction of CICs in all constituencies and provide infrastructure and equipment support for the completed ones. The CICs will serve as local resource centres for public and private sector personnel in ICT training in areas they are cited. For 2011, thirty (30) of such centres will be constructed.

Additionally, last mile initiatives with ICT access to organized productive groups in rural Ghana would be pursued to enhance sustainable livelihood.

6.21 Community Business Sustainable Development Programme

As part of efforts to provide IT services to rural communities, GIFEC will pursue the implementation of the Community Business and Sustainable Development (CBSD) programme, which will seek to expand access through the deployment of environmentally sound energy and telecommunications services.

The CBSD programme establishes Easy Business Centres (EBCs); an innovative package using refurbished 20 feet-shipping containers that offer ICT products and services. Twenty (20) sites will be established in 2011 and will be cited in the northern part of the country. This will ensure that ICT is provided to the remotest part of the country to create employment for the youth in remote communities

6.22 Business Process Outsourcing (BPO)

The rapid growth in global outsourcing has made the IT Enabled Services and Business Process Outsourcing industries essential new growth frontiers in Africa. In this light therefore, the Ministry intends to continue to expand BPO training in collaboration with the GT University College to include Medical Transcription and Management Level Training for Data Entry and Call Centre Operators.

The NYEP Data Entry and District Level Data Entry programmes extended to selected CICs will be linked and increased from 13 to 20. The Ministry will also strengthen its collaboration with the NYEP in the roll out of the ICT module of the NYEP to cover the whole country by:

- Expanding the Data Entry training programme
- Assisting in the implementation of the central MIS solution for the NYEP
- Assisting in the deployment of the MIS solution across the country
- Linking the BPO training programme of the NYEP with the GTUC BPO training to add value to the trainees

In addition, the Ministry intends to renovate the Public Works Department warehouses at Ring Road as a Business Process Outsourcing Centre. It is anticipated that this initiative will provide about 10,000 jobs when fully operational.

In this direction, the continuous nurturing and growth of the private sector industry association, GASSCOM would be pursued to help develop entrepreneurial skills in BPO operations.

6.23 ICT Entrepreneurship Development through Incubation

The encouragement of ICT for Accelerated Development to enhance government service delivery will be facilitated. The Ministry in this regard will continue to facilitate and promote the development of entrepreneurship in ICT aimed at increasing growth of the ICT sector of the economy and create jobs.

In line with this, the linkages between tertiary education and industry will be strengthened by establishing industry/university collaborative programmes including pre-incubation at the tertiary institutions to increase opportunities for knowledge commercialisation and also create opportunities for industry to participate in curriculum development in the polytechnics.

In addition, a regional certification training programme in collaboration with the National Business Incubation Association (NBIA) for incubator professionals in Africa will be organized.

6.24 Software Quality Assurance Standards

In the globally competitive ICT industry, software quality and standardization continues to be of much significance. In this direction, the Ministry intends to pursue its collaboration

with the Ghana Standard Board to work towards the development of a comprehensive industry standard and quality assurance policy and action plan for IT/ITES industry of Ghana. This will ensure the development and production of quality information, knowledge and innovative technology products and services for GASSCOM and the public.

6.25 Postal Sector Transformation

The enactment of the Postal and Courier Sector Policy into law would be pursued to further strengthen the industry to be transformed to meet the challenges of using ICT in postal service delivery. The main objectives of the National Postal Policy are to ensure universal access to postal services, promote new service development and strengthen the role of the postal sector as an instrument of economic and social development in an era of ICT.

6.26 Environmental Management Issues

The Ministry in collaboration with the NCA intends to monitor the implementation of the guidelines after it's been approved by Cabinet to ensure the concerns expressed over the indiscriminate construction of masts by telecom service providers across the country are adequately addressed and adhered to.

6.27 Meteorological Services

The issue of global warming and climate change and their effects on the environment further calls for new strategic directions to provide insights into what governments, companies and indeed the citizenry ought to do to address these challenges. In this regard, there is the need for the Ghana Meteorological Agency (GMet) to continue collaborating with research and scientific agencies to protect the ecosystem and the environment.

In view of this, the Ministry plan to support the GMet to acquire a state-of- the-art Radar to continue with its provision of effective forecast and reliable information for weather sensitive sectors of the economy and also meet its international obligations. In addition, the Agency intends to acquire and install an automatic weather station for its 22 synoptic stations. The Agency if well equipped can attain a measure of self-sufficiency and generate some income to support some of its services to the public.

6.28 Enabling Legal Environment

The Ministry continues to pursue the policy of developing an enabling legal and regulatory environment to increase the competitiveness of Ghana's e-economy in line with global best practice and to protect and secure investment in the ICT sector. In this regard, the Ministry will monitor the implementation of the four Communications sector Acts and also ensure that the Data Protection Bill is passed into law.

6.29 The E-Ghana Project

The Ministry will continue with the implementation of the e-Ghana Project to attain the required deliverables through the delivery of the following:

- Increased employment and income generation in the ICT/ITES sector
- Increased competitiveness in the ICT/ITES industry in Ghana and opportunities for local businesses
- Increased engagement of the private sector with government
- Strengthening of policy and regulatory frameworks

7. COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

The Committee made the following observations during its deliberations:

7.1 LOW BUDGET CEILINGS/ALLOCATIONS

Cognisant of the significant number of projects which are either on-going or yet to be implemented in the course of the ensuing year to prop up the communications sector and ultimately boost the development efforts of the country, the Committee observed, with a sense of dissatisfaction, the drastic reduction of the Ministry's total GoG budget for 2011 from the proposed **GH¢37, 605,219.00** to **GH¢6,280,126.00**. This represents a reduction of **83.3%** and with this development the Committee is apprehensive of the number of very important projects which may not be implemented at all. It also represents an **18.05%** reduction from the 2009 GoG levels of **GH¢8,085,473.00**.

These programmes include the construction of the National Data Centre; the provision of the counterpart funding for accessing facilities towards the creation of the E-Government platform; and the purchase of the Weather Surveillance Radar System.

I. Schools Connectivity Project

The Committee observed that the low budget ceiling will also adversely affect the schools connectivity project. This project has been designed to facilitate teaching, learning and research and thereby prepare the youth with the requisite skills not only to feed the various sectors of the economy with labour but also to be creative enough to generate innovative ideas necessary for establishing their own businesses to create employment for the teeming unemployed population.

Of very significant concern to the Committee was the one laptop per child policy which risked being neglected on account of low funding.

II. Community Information Centres (CICS)

Again, the Committee was displeased to learn that the low budgetary allocation would have a negative effect on the CIC Project which was intended to connect the entire country with internet connectivity through the establishment of 127 CICs across the country.

Having noted the progress of work thus far, with the completion of 85 centers and the provision of computers and connectivity in 77 of them, the Committee observed the need to provide funding for the completion of the entire project for the realization of the intended benefits.

III. Development of Technology Park

Furthermore, the low funding will render the realization of the Technology Park difficult thereby denying the country of the enormous benefits therein in terms of foreign direct investments, employment and income generation. Besides, the Business Process Outsourcing Services that were supposed to be marketed abroad for foreign exchange will also elude us as a country in the event of our inability to develop the proposed Technology Park for reason of low GoG funding.

IV. National Digital Migration

The Committee observed that the National Digital Migration project, which requires the development of infrastructure to ensure the country's readiness at the point of the global switch-off of the analogue equipment, would also be adversely affected. The effect of this development cannot be overemphasized as accessories for the maintenance of the analogue system would even be non-existent after the switch-off date.

V. Ghana Internet Registry

In the face of the cyber crimes and the theft of national data across the globe, the Committee observed the need to establish the Ghana Internet Registry to be able to manage the Country Code Top Level Domain Names (ccTLD) and also help manage the national cyber security arrangements, including the establishment of computer incidence reporting team. The Committee therefore observed with discontentment the drastic reduction of the Ministry's budget proposal, an indication to the effect that the proposed establishment of the said Internet Registry may not materialise and the country may be unduly exposed to cyber crimes and data loss.

VI. E-Government Programme

Also, the lack of funding resulting from the low budgetary allocation would prevent the pursuit of the implementation of the E-applications for purposes of facilitating efficient and effective service delivery to the public in furtherance of the broad aim of achieving transparent and accountable governance, the Committee observed. Indeed, the inability of the Ministry to pursue the afore-mentioned projects and programmes will obliterate the impact already made in the communications sector thereby slowing down the rate of the country's development in that avenue.

The Committee is not oblivious of the financial position of the country in relation to the ever-increasing needs of the other equally important sectors of the economy. Nevertheless, the Committee believes that the role of ICT and Communication Sector in general is rather pivotal and its improvement can really spiral improvement in all other

sectors of the country especially industry, agriculture, tourism and the petrol-chemical sector which have great potential in employment and income generation for the country.

The Committee accordingly recommends that arrangements be made to make spending in the Communication Sector a greater priority in the future. In respect of the year under consideration, however, the Committee recommends that the Ministry of Finance arranges to provide additional funding by way of supplementary budgeting in the course of the year.

7.2 DONOR FUNDING

The Committee observed that in spite of the necessity to prioritize the development of the communications sector with particular regard to the ICT sub-sector, expectation is so much on donor funding as opposed to GoG sources. While the release of donor funds is not fully guaranteed, some donor funds, the Committee observed, needed counterpart spending by the Ministry. Here again, the low budgetary allocation will prevent the availability of these counterpart funds and the cumulative effect would be a precarious communication environment which will adversely affect our economic development in the long term.

The Committee, having regard to the inability of the Ministry of Finance to immediately increase funding, recommends the virement of funds to raise the needed counterpart funds in order to secure the donor funds. The Committee further recommends that the Ministry of Finance takes steps to raise additional funds in the course of the year by means of supplementary budgeting to enable the Ministry meet its objectives slated for the year in question.

7.3 INTERNALLY GENERATED FUNDS (IGFs)

The Committee was pleased to note the growth of IGFs over the years and observed the capacity of the Ministry to even generate more than it had done given the necessary inputs.

I. Meteorological Services

The Committee was particularly convinced that the Meteorological Services could triple its IGF generation if it were able to acquire the Weather Surveillance Radar which is of much benefit to the agricultural and aviation sectors of the country.

II. The Postal and Courier Services

Similarly, the postal and courier sector has the capacity to perform better in terms of IGF generation than it was doing as facilities abound and so is demand for the services of the sector all over the country.

Given improvement from the postal sector reforms, the sector is expected to be highly rewarding financially and technically by enhancing communication to the unserved areas of the country.

III. Ghana –Indian Kofi Annan Centre of Excellence in ICT

In the same vein, the Committee observed with some degree of satisfaction the improvement of the IGF generation of the Centre from GH¢426,284.44 in 2009 to GH¢496,941.35 by the end of September 2010. However, the Committee noted that the Centre could have performed better if it were better resourced.

The Committee therefore reiterates its call for Agencies under the Ministry to be given a special dispensation to apply their IGFs to develop their respective capacities for improved performance.

7.4 IMPROVED FUNDING AND ECONOMIC DEVELOPMENT

The Committee observed that the Ministry had the potential to spearhead the rapid development of the economy given the needed support. The Committee was particularly enthused about the result of a global study which was captured in a 2009 World Bank Information and Communication for Development report which confirmed that the 10 percentage points of broadband penetration results in 1.21% increase in per capital Gross Domestic Product (GDP) growth in developed countries and 1.38% growth in developing countries.

The increased network of broadband and ICT, in general, will further impact positively on health, education, commerce, industry, aviation and many other important sectors of the economy which have a bearing on living standards and therefore, on the human development index of the country.

The Committee therefore recommends a total overhaul of the Ministry's Budget with proper arrangements, where necessary, to secure sufficient donor facilities to effectively transform the communication sector noting that investment in the sector is worthwhile and of immense benefits to the country as a whole.


8. CONCLUSION

Technology is fast changing by the day and yet, it is at the base of the rather fast-paced global development. The basics of technology cannot be dispensed with if a country is determined to be abreast with the ever-increasing technological advancement for development.

The communication sector, it is noted, holds the key to hooking the nation to the high-paced technological path given the needed support.

It is in the light of this, that the Committee recommends that the House approves the amount of Twenty-nine Million, Five Hundred and Forty-seven Thousand, Five Hundred and Fifty-eight Ghana Cedis (**GH¢29,547,558.00**) made up of Six Million, Two Hundred and Eighty Thousand, One Hundred and Twenty-seven Ghana Cedis (**GH¢6,280,127.00**) from GoG sources and Twenty-three Million, Two Hundred and Sixty-seven Thousand, Four Hundred and Thirty-one Ghana Cedis (**GH¢23,267,431.00**) from Donor sources to enable the Ministry of Communications carry out its programme for the 2011 Financial Year.

Respectfully Submitted



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HON. FELIX TWUMASI-APPIAH
CHAIRMAN, COMMITTEE ON COMMUNICATIONS



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RICHARD ACHEAMPONG
CLERK TO THE COMMITTEE