

REPORT OF THE COMMITTEE ON FOREIGN AFFAIRS ON THE 2011 ANNUAL ESTIMATES OF THE MINISTRY OF FOREIGN AFFAIRS AND REGIONAL INTEGRATION

1.0 INTRODUCTION

The Budget Statement and Economic Policy of the Government of Ghana for 2012 Financial Year was presented to Parliament on Wednesday 16th November 2011 by the Hon. Minister of Finance and Economic Planning, Hon. Kwabena Duffour (Dr.) in accordance with Article 179 of the 1992 Constitution of Ghana and Standing Order No. 140(1) of the House.

The Estimates of the Ministry of Foreign Affairs and Regional Integration was subsequently referred to the Committee on Foreign Affairs for consideration and report in accordance with Article 103(3) of the 1992 Constitution and Standing Order No. 188 and 140 (4) of the House.

The Committee met on Monday 5th December, 2011 to deliberate on the estimates of the Ministry of Foreign Affairs and Regional Integration. The sector Minister, Hon. Alhaji Mohammed Mumuni, the Chief Director and technical officers of the Ministry were in attendance.

The Committee therefore wishes to express its gratitude to the Minister and his team for attending upon the Committee.

2.0 MISSION

The Ministry of Foreign Affairs and Regional Integration is the principal organ of state responsible for advising government on the formulation and implementation of Ghana's Foreign policy in the most efficient and cost effective manner. The Ministry also establishes, develops and sustains international goodwill and solidarity between Ghana and the rest of the world.

3.0 PERFORMANCE OF 2011

The Ministry was allocated an amount of **Eighty-two million, Eight hundred and Seventy-five thousand, Five hundred and Seventy-three Ghana cedis, Sixty pesewas (GH¢82,875,573.60)** by Parliament for the year 2011, but as at October 2011, the Ministry expended about **Eighty-nine million, One hundred and Ninety thousand, Two**

hundred and Sixty-six Ghana Cedis, Fifty-four pesewas (GH¢89,190,266.54). The increase in the expenditure by the Ministry of Foreign Affairs was as a result of budgetary re-allocation to the Ministry by the Ministry of Finance and Economic Planning in the year 2011.

The breakdown of the approved budget for 2011 and actual expenditure in relation to re-allocations by the Ministry of Finance are provided in Table "A" below:

TABLE A

ACTIVITIES	APPROVED BUDGET 2011 GH¢	ACTUALS AT OCTOBER 2011 GH¢	CUMULATIVE RE-ALLOCATION GH¢	VOTE BALANCE GH¢
P E	56,107,071.00	47,906,739.91	-	8,200,331.09
ADMIN.	15,054,578.00	31,691,058.20	16,745,422.00	108,941.80
SERVICE	2,500,000.00	354,960.91	-	2,145,039.09
INVEST.	5,463,924.60	5,487,507.52	23,583.52	-
SUPPLEMENTARY BUDGET (Ministry)	3,750,000.00	3,750,000.00	-	-
TOTAL	82,875,573.60	89,190,266.54	16,769,005.52	10,454,311.98

3.1 POLICY OF GOOD NEIGHBOURLINESS

The Committee was informed that the relationship between Ghana and its neighbours remained cordial pursuant to the policy of "Good Neighbourliness". Unfortunately, the political impasse following the election in Cote D'Ivoire continues to present a challenge to the stability of the Sub-region. However, Ghana's Intervention led to the reconvening of the constitutional Court for the successful swearing-in of President Alassane Ouattara.

3.2 SUPPORTS FOR THE AU

The Committee was also informed that the Ministry of Foreign Affairs and Regional Integration worked hard together with other African Nations for the promotion of peace, stability and economic development of the African Continent.

3.3 ECONOMIC DIPLOMACY

The Committee was also informed that the Ministry, in collaboration with other Ministries such as the Ministry of Trade and Industry, harnessed opportunities of diplomacy to promote both traditional and non-traditional trade as well as attract foreign direct investments into the country.

The Ministry also used its presence abroad to seek markets for Ghanaian products. The Ministry facilitated bilateral economic cooperation agreements between MDAs and our numerous development partners.

The Ministry also supported the diversification and expansion of the tourism industry for job creation.

3.4 RENOVATION OF MISSIONS ABROAD

In the year under review, the Ministry made part payment for the renovation of our Chancery at New York. It paid fully for refurbishment of our Chancery building at Ottawa and also made part payment for the official residence of the High Commissioner to the UK at High Gate Archway, London.

3.5 PASSPORT OFFICE

The Ministry implemented the biometric passport project, commissioned the Tamale, Takoradi, Kumasi, Sunyani, Accra and Ho application centres and expanded the Accra passport application centre.

3.6 NEW OFFICE COMPLEX

In the year under review, the Ministry of Foreign Affairs commenced the construction of the new office complex near Airport.

3.7 SUPPORT FOR REGIONAL INTEGRATION

Ghana actively participated in all regional deliberations where matters relating to sub-regional integration at ECOWAS were been considered in 2011.

3.8 JOINT COMMISSION FOR CO-OPERATION

The Ministry of Foreign Affairs also coordinated a joint commission for cooperation as a framework for promoting bilateral cooperation to enhance the regional integration effort. Some of such co-operations involved Ghana-Mali-Burkina Faso as well as Nigeria-Benin-Togo-Ghana, the latter was initiated by President Olusegun Obasanjo of Nigeria under President Kufour and which the current administration considered relevant to pursue. The Ministry involved MDAs and private sector institution in the preparatory and negotiating processes of the joint commissions.

3.9 DEVELOPING AND SUSTAINING INTERNATIONAL GOODWILL AND SOLIDARITY

Through Exchange high level visit between Ghana and other countries, Ghana avail itself of the opportunities to exchange views and its coordinated positions on issues of national, regional and international concern.

3.10 THE WELFARE OF GHANAIAAN CITIZENS ABROAD

The Ministry continues to provide consular assistance, process appeals, receive complains and petitions against other foreign embassies and international organisations in order to ensure justice and respect for their human rights of Ghanaians abroad.

The Ministry's assisted in the evacuation of 17,000 Ghanaians from Libya during the political crisis in that country. It also brought to closure the gruesome murder of Ghanaians in Gambia with the support of the UN and AU.

4.0 OUTLOOK FOR 2012

In the year 2012, the Ministry and missions abroad intend implementing the following identified objective under the Ghana Shared Growth and Development Agenda:

- i. Strengthen Ghana's bilateral diplomacy by leveraging its democratic and governance credentials to promote political and economic interest abroad in order to influence and promote favourable perception about Ghana.
- ii. Promote the diversification and increase of export in external markets by working with other MDAS to promote new goods and services by facilitating the participation of Ghanaian companies in trade fairs abroad and also facilitating foreign companies' participation in trade fairs in Ghana.

- iii. Participate in and report on ECOWAS meetings aimed at promoting peace and stability and accelerating the economic integration of the sub-region.
- iv. Develop, coordinate and articulate Ghana's position at regional, continental and international conferences on matters relating to the promotion of international peace, security and sustainable development.
- v. Promote and protect the welfare of Ghanaian citizens abroad, provide consular services, negotiate migration partnership agreements with destination countries and mobilize Ghanaian communities abroad to participate in national development.
- vi. Implement the national E-governance programme as part of the strategy to promote the use of ICT by setting up biometric passport processing centres abroad in consultation with the National Information Technology Agency and establish online application systems for biometric passports and visas.
- vii. Develop human resource capacity through recruitment of staff and provide relevant training to achieve the national policy objective of upgrading the capacity of the public and civil service for transparent, accountable, efficient, timely, effective performance and service delivery.
- viii. Complete ongoing projects for refurbishing of Ghana's mission abroad and construction of new Head Quarters building of the Ministry.
- ix. Improve Government Information dissemination and management machinery by establishing a website for the Ministry.

5.0 2012 BUDGETARY PROVISION

An amount of **Ninety-three Million, Four hundred and Thirty-eight thousand, Seven hundred and Thirty-five Ghana Cedis (GH¢93,438,735.00)** was allocated to the Ministry of Foreign Affairs to undertake the above objectives and activities set by the Ministry for the fiscal year 2012 .

The breakdown of the allocation for 2012 in relation to the budgetary requirement of the Ministry is provided in table "B" below:

TABLE B

ITEM	BUDGET	APPROVED	SHORTFALL /	PERCENTAGE
------	--------	----------	-------------	------------

	REQUIRED GH¢	ALLOCATION GH¢	VARIANCE GH¢	SHORTFALL (%)
Compensation of Employees	77,222,439.360	57,790,283.00	19,432,156.60	25%
Goods and Services	45,992,933.89	18,224,578.00	27,768,335.69	60%
Assets	25,176,900.44	7,463,923.00	17,712,976.44	70%
IGF		9,959,951.00		
TOTAL	148,392,273.89	93,438,735.00	64,913,488.89	

6.0 OBSERVATION AND RECOMMENDATION

The Committee observed that the Ministry of Finance under-allocated funds to the Ministry of Foreign Affairs in 2011 and later re-allocated funds from reserved sources to meet their requirements.

The Committee was not satisfied with the practice as such re-allocations are not usually brought to the attention of Parliament, thus making it difficult for effective oversight.

For instance whilst **Fifteen million, Fifty-four thousand, Five hundred Seventy-eight Ghana Cedis (GH¢15,054,578)** was approved by Parliament, the Ministry's actual expenditure was **Thirty-one Million, Six hundred and Ninety-one thousand, Fifty-eight Ghana Cedis and Twenty peswas (GH¢31,691,058.20)**, that is more than twice the original allocation.

The Committee therefore wishes to recommend to the Minister of Finance to give room for proper and realistic projection to be made by Ministries, instead of squeezing them and later providing funds without the knowledge of Parliament and its Committees.

The Committee further observed that the Ministry was allocated **Eighteen million, Two hundred and Twenty-four thousand, Five hundred and Seventy-eight Ghana Cedis (GH¢18,224,578)** for goods and services even though it requested for **Forty-five million, Nine hundred and Ninety-two thousand, Nine hundred and Thirty-three Ghana Cedis, Eighty-nine peswas (GH¢45,992,933.89)** that is a shortfall of about 60%.

The main purpose of the Ministry and its Missions is to render services to the nation abroad, but the allocations for services are not commensurate with the investments and emoluments being paid for the running of the missions.

In effect, our diplomats are being paid to sit in their offices without rendering adequate services to the nation.

The Committee therefore wishes to urge the Ministry of Finance to consider resourcing our Missions adequately to enable them work for the hard currency the nation spends for the maintenance and running of our Missions.

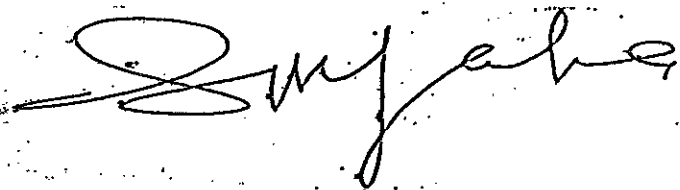
6.1 ESTABLISHMENT OF FOREIGN SERVICES

The Committee wishes once again to recommend to Government to consider taking bold initiatives towards taking the Foreign Ministry from the civil service and establish it as an independent foreign service due to the specialise nature of the Ministry. This is to enable the Ministry harness its potentials to recruit and train required professionals to enable the Ministry optimise the economic, social and political benefits of the Ministry.

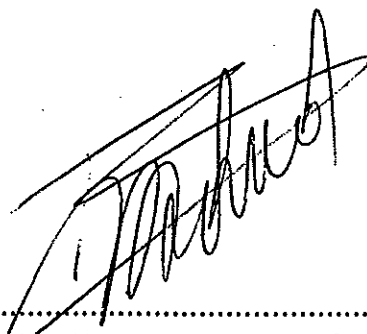
7.0 CONCLUSIONS

Considering the global socio-economic and political benefits the Ministry of Foreign Affairs brings to our nation, the Committee wishes to recommend to the House to adopt its report and approve the amount of **Ninety-three Million, Four hundred and Thirty-eight thousand, Seven hundred and Thirty-five Ghana Cedis (GH¢93,438,735.00)** to enable the Ministry implement its programme of activities for the year 2012.

Respectfully submitted.



.....
HON. FRANCIS OSEI-SARFO
CHAIRMAN



.....
INUSAH MOHAMMED (ALHAJI)
CLERK