

**In The First Session Of The Fifth Parliament
Of The Fourth Republic Of Ghana**

Report

**Of The 2010
Annual Budget Estimates
Of The**

MINISTRY OF INFORMATION

(11/12/09)

1.0 INTRODUCTION

1.1 The Annual Estimates of the Ministry of Information (MOI) were referred to the Select Committee on Communications for consideration and report in accordance with Order 140 (4) and 182 of the Standing Orders of the House. This followed the presentation of the Budget Statement and Economic Policy of the Government for 2010 to the House by the Minister of Finance and Economic Planning, Dr. Kwabena Duffuor on Wednesday, 18th November, 2009 in accordance with Article 179 of the Constitution and Order 140 (1) of the Standing Orders of the House.

The Committee met on Tuesday, 8th December, 2009 to consider the referral. The Hon. Minister for Information, Mrs. Zeta Okaikwei accompanied by her two Deputies and officials of the Ministry and its Agencies attended the sitting. The sitting was also attended by officials from the Ministry of Finance and Economic Planning (MOFEP) and the Audit Service.

2.0 REFERENCE DOCUMENTS

- i. Constitution of the Republic of Ghana, 1992.
- ii. The Standing Orders of the Parliament of Ghana.
- iii. The Budget Statement and Economic Policy of the Government of Ghana for the 2010 Financial Year.
- iv. Report of the Select Committee on Communications on the Annual Estimates of the Ministry of Information for 2009.

3.0 MISSION STATEMENT AND MEDIUM TERM OBJECTIVES

The Vision of the Ministry of Information is "a free, united, informed and prosperous society with good governance through Development Communication (DevCom)."

The Mission of the Ministry is therefore to ensure an effective two-way free flow of timely and reliable information and feedback between the government and its publics, to develop a national communication policy, coordinate, monitor and evaluate the implementation of programmes and activities of its agencies. It also exists to create the right environment to generate necessary understanding and support of the public for the policies and programmes of government and to facilitate their realization through adequately trained, motivated and committed staff.

In pursuit of this mission, the Ministry has the following objectives under its medium term plan:

- I. To strengthen institutional capacity for effective policy formulation and execution.
- II. To ensure free flow of relevant public information in pursuance of the open government policy.
- III. To effectively and efficiently monitor and evaluate public responses to government policy, programmes and activities and provide timely feedback to government.
- IV. To provide human resource development programmes to facilitate increased efficiency in the media.

- V. To project the image of the country, in collaboration with other government agencies to attract foreign investment in consonance with government policy of promoting Social Equity.

4.0 AGENCIES AND INSTITUTIONS UNDER THE MINISTRY

The Ministry has responsibility for the following agencies and institutions.

- a. Information Services Department (ISD)
- b. Ghana News Agency (GNA)
- c. Ghana Broadcasting Corporation (GBC)
- d. National Film and Television Institute (NAFTI)

5.0 PERFORMANCE IN 2009

A sum of **GH¢41,255,208.00** was approved by this Honourable House for the operations of the Ministry in 2009 with a GOG component of **GH¢15,027,100.00**. Releases to the Ministry as at the end of July 2009 stands at GH¢14,368,801.78. This was supplemented by some donor inflows and some IGF which some agencies are authorized to retain. According to the Ministry, it has not received anything from HIPC this year for its programmes. Generally, the low levels of budgetary resources approved coupled with late release of funds resulted in the non-performance of some activities planned by the Ministry for 2009. However, the Ministry was able to carry out the following activities, among others:

- a. 12 weekly "Meet the Press" sessions and 7 Press conferences for MDAs were organised.
- b. Regional tours to explain government policies and programmes to the public.

- c. Production, for publication in the media, feature articles on social, political, environmental, scientific, economic and other development issues for the public.
- d. Production and broadcast of TV and Radio programmes on government policies and programmes.
- e. Publicity campaign on the 2009 budget, premix fuel, national unity, HINI influenza and malaria control.
- f. Opening of offices in 7 newly-created districts for Information Services Division (ISD) and renovation of some Regional and District offices.
- g. Refurbishment and rehabilitation of GBC's radio and TV studios.
- h. "Face book" interaction on the internet to explain government policies and programmes to Ghanaians home and abroad.
- i. Signing of agreements with foreign Media houses to air GBC programmes abroad.
- j. Organized ANIWA, Africa 2009 festival for film and Television Training Institutions in Africa.
- k. Initiated a new form of press interaction known as "Matters Arising" platform to respond to topical issues and also speak to what government is doing in a timely manner.

6.0 OUTLOOK FOR 2010

6.1 Programmes

For 2010, the Ministry has programmed the following activities, among others:

- a. Strengthen government-public relations machinery and continue vigorous education campaign on national unity, environment and sanitation.
- b. Educate the public on policies and programmes of Government including the provision of free school uniforms, the Savanna Accelerated Development Programme, incentives for teachers in deprived areas, payment of one time insurance premium under the NHIS and increase in the Capitation Grant.
- c. Adequately cover state events including parliamentary public hearings and continue to organize the weekly Meet-the-Press for MDAs.
- d. Embark on regional tours, media interactions and assignments for government officials and open 3 Information Desks in Overseas Missions to market Ghana

6.2 Budget Estimates for 2010

For its operations in 2010, the Ministry has been allocated the sum of **Thirty-Five Million, One Hundred and Twenty-Two Thousand, Eight Hundred and Thirty-Three Ghana Cedis (GH¢35,122,833.00)**.

Sources of funding:

a)	Government of Ghana (GOG)	GH¢17,821,543.00
b)	Internally Generated Funds (IGF)	GH¢17,301,290.00
	Total	<u>GH¢35,122,833.00</u>

The Table below shows the allocations to the various agencies:

Summary of Budget Allocations for 2010 Fiscal Year

Cost Centers	PE (GH¢)	Adm. (GH¢)	Service (GH¢)	Investment (GH¢)	Total GoG (GH¢)	Total IGF (GH¢)	Donor (GH¢)	Grand Total (GH¢)
Gen. Adm.	269,612	482,531	134,671	206,040	1,092,853	-	-	1,092,853
GBC	7,408,428	157,607	-	-	7,566,035	17,301,290	-	24,867,325
NAFTI	590,153	235,638	42,655	249,921	1,118,367	-	-	1,118,367
GNA	873,552	298,645	40,100	77,738	1,290,035	-	-	1,290,035
ISD	5,851,389	557,028	82,574	258,301	6,749,292	-	-	6,749,292
Int. Audit	-	4,961	-	-	4,961	-	-	4,961
Total	14,993,134	1,736,410	300,000	792,000	17,821,543	17,301,290	-	35,122,833

7.0 OBSERVATIONS AND RECOMMENDATIONS

The Committee made the following observations:

7.1 Personnel Emoluments (P.E.)

The Committee observed that while there was generally no problem with the issue of P.E. of the Ministry, GBC has rather experienced a consistent reduction of its P.E. vote over the last couple of years. Even at the current wage rate, GBC pegged its P.E. requirement for 2010 at **GH¢14,261,457.68**. However, it has been allocated an amount **GH¢7,408,428.00** which represents a shortfall of about 48%.

The Committee was concerned about similar shortfalls in the past years which caused GBC to borrow to augment its GOG subvention for P.E. pending refund by the Ministry of Finance.

The Committee accordingly recommends that such anomaly be addressed and that government should strengthen the corporation to enable it generate more revenue and to eventually wean itself from government subvention.

7.2 Administration

The Committee observed that the Ministry has been allocated an amount of GH¢1,736, 410 for Administration for the 2010 Fiscal Year which is woefully inadequate. The amount represents only about 16.50% of the Ministry's request for the year and would seriously affect its efforts at providing useful services to the country.

A closer observation by the Committee even revealed that the vote for the administrative expenses as approved by the Ministry of Finance was mainly for P.E. related expenditure. This situation, the Committee observed, would compel the Ministry to use a significant portion of its IGF to finance other administrative expenditures at the expense of channelling them to very important sectors of the Ministry which would positively impact future generation of the IGF.

7.2.1 Administration - ISD

The Committee particularly took notice of the effect of the low Administration vote on the Information Services Department which intends to establish twenty new District offices and open three strategic new offices in Moscow, New Delhi and Cairo to effectively promote investment and Ghanaian cultural values abroad.

7.2.2 Administration - GNA

In the same way, the insufficient Administration vote also brings to the fore the perennial problem of non-payment of journalists and stringers of the GNA covering the entire country for purposes of news production. This will certainly affect news production and will throw out of balance the Long Service Award Scheme which is established in the GNA CBA for motivating personnel of the Agency to be efficient and effective.

7.2.3 Administration - NAFTI

Again, the low Administration vote will pile up debt on the institute due to increased rent charges, run down vehicles to the state of disrepair and also pile up staff salary-related allowances. This, the Committee observed, could trigger off a high staff attrition rate and ultimately lead to the closure of the institute.

Having regard to the importance of the Ministry's role in projecting the image of the country and also providing useful information in the form of news which impacts on our security as a nation, the Committee recommends that efforts should be made by the Ministry of Finance to augment the Ministry's Administrative vote in a supplementary budget and in all future budgets.

7.3 Services Activities

It was observed that the Ministry has been allocated an amount of **GH¢300,000.00** for the 2010 Financial Year as against **GH¢4,198,561.00** requested. The Committee noted that the low budgetary allocation for Services would affect the general performance of the Ministry and its various Departments and Agencies.

7.3.1 Foreign Transfers

The Committee observed that the reduction in service allocation in relation to the projections of the Ministry working up to 98% for ISD and 72% for GNA will seriously affect their operations with particular regards to their foreign activities. It is the considered view of the Committee that the nation stands to lose greatly in the event of the agencies' inability to cover our foreign programmes.

7.3.2 Training

Again, the low service vote will translate into low training for officers of the various agencies which results in poor performance. Training does not only expose personnel of the Ministry to best practices but also motivates them to be efficient.

7.4 Investment

Investment expenditure has been a lingering problem facing the Ministry. For its operations in 2010 for example, only **GH¢792,000.00** has been allocated for Investment out of the total amount of **GH¢75,118,883.00** requested, representing about 98.9% reduction.

The Committee noted that even with the meagre investments allocation in the last few years, some of the Departments and Agencies could not access their investments allocations.

7.4.1 NAFTI

NAFTI has serious problems regarding its investment. The Committee noted that whereas an amount of **GH¢244,041.00** was approved for investment in

2009, the Institute was yet to receive such allocation. In the 2010 financial year, the investment allocated has been further reduced to **GH¢249,921.00** compared to the **GH¢629,550.00** requested.

The Committee was informed that such reduction would compound NAFTI's problem of acquiring modern equipment and studios to enable it assume its responsibility as a center of excellence in film production in the sub-region. The Committee observed that the institute has not received funding to complete its studio complex for well over 10years, compelling it to remain in rented premises paying huge amounts as rent. Besides, work on its Studio II project intended to provide additional lecture rooms has also been abandoned for lack of budgetary support.

7.4.2 ISD

In the same vein, the ISD faces a chronic challenge of financing its huge investment deficit. The construction of a duty post accommodation facility for Directors and Transit Quarters for staff remain abandoned for lack of budgetary support. District information offices need to be constructed in five districts while equipment including computers, cameras, workshop tools and zoom lenses need to be purchased. With all these, among others, to be done, the Committee viewed the significant reduction in investment allocation from **GH¢8,577,520.30** to **GH¢258,301.00** to be woefully inadequate which needs urgent remedial action.

7.4.3 GBC

The Committee noted that the investment activities of GBC has not been given serious attention over the past few years. In particular, the Corporation plans to convert its television broadcast from analogue to digital transmission by 2010 to be able to run test transmission and ensure its efficacy prior to the 2015 global deadline for migration to digital transmission.

However, this digitalisation multi project and other important ones such as the short wave transmitters project, the replacement of some FM and TV transmitters and the studio rehabilitation project have not been considered in the 2010 financial year.

Having regard to the huge gaps in investment allocation for the sector Ministry vis a vis the resource constraints of the country, the Committee recommends that the Ministry, in consultation with the Ministry of Finance, take the necessary steps to source loans to be injected into the productive sectors of the Ministry. The Committee also recommends, as an alternative initiative, the introduction of Public-Private Partnership concept into the identified productive sectors to improve upon their output and thereby improve upon their earnings.

7.4.4 GNA

The Committee noted that GNA also has constraints regarding its investment expenditure due to budgetary shortfalls as well as delay in releases. It was revealed that out of **GH¢831,740.00** requested, only **GH¢77,738.00** has been allocated, creating a shortfall of **GH¢754,002.00**.

The Committee observed that the Agency intends to apply part of its investment allocations to pay the Cocoa Processing Company as rent for its Kumasi office and to rehabilitate some of its offices which experience regular leakages. However, the shortfall could affect these investment activities.

7.5 IGF

The Committee observed that the Ministry has the potential to generate adequate amount of the IGF. However, the low budgetary ceilings and inflows rather work to put the Ministry in a quagmire of low IGF generation. It is the considered view of the Committee that given a refocus of the Ministry's orientation coupled with enhanced budgetary support, the Ministry can significantly be weaned off government subvention. The savings accruing thereto could then be re-channelled to the very key social sectors of the Ministry.

The Committee was particularly concerned about NAFTI's inability to enhance its facilities and programmes and thereby attract increased patronage to generate more IGF given that the film industry is ranked among the most lucrative in recent times.

In a similar vein, ISD and GNA have the expertise and the capacity to generate enhanced IGF considering their nation-wide coverage and the spread of private sector media houses across the country which continue to need reliable news bulletins for their networks.

In this regard, the Committee recommends that the Ministry of Finance take steps to grant NAFTI, ISD and GNA the dispensation to retain their IGF to enable them invest in productive activities for improved IGF generation.

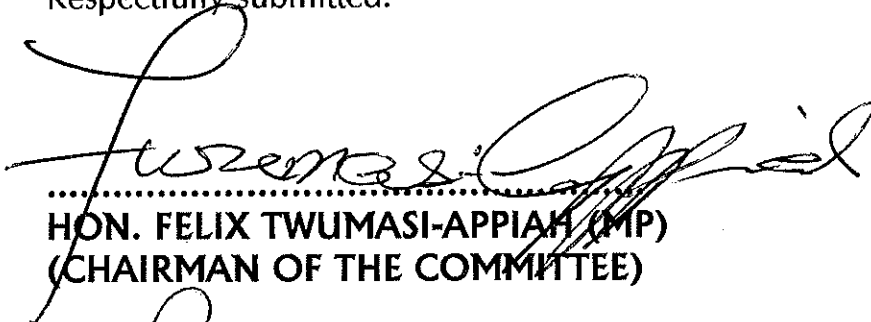
8.0 CONCLUSION

The Committee recognises the vital role of the Ministry in projecting a good image for the country and realising the impact of good corporate image in

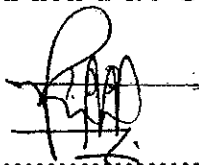
attracting investment, and generating employment and income to the country, the Committee has no doubt that the Ministry is strategically placed to ensure a better Ghana for all.

The Committee accordingly recommends that the House approves the sum of Thirty-five Million, One Hundred and Twenty-two Thousand, Eight Hundred and Thirty-three Ghana Cedis (GH¢35,122,833.00) made up of Seventeen Million, Eight Hundred and Twenty-One Thousand, Five Hundred and Forty-three Ghana Cedis (GH¢17,821,543.00) from GoG sources and Seventeen Million, Three Hundred and One Thousand, Two Hundred and Ninety Ghana Cedis (GH¢17,301,290.00) from IGF sources to enable the Ministry of Information carry out its intended projects and programmes for the 2010 financial year.

Respectfully submitted.



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HON. FELIX TWUMASI-APPIAH (MP)
(CHAIRMAN OF THE COMMITTEE)



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RICHARD ACHEAMPONG
(CLERK TO THE COMMITTEE)

11th December 2009.