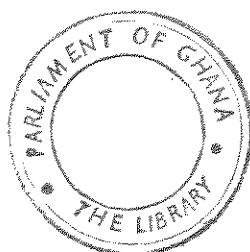


**IN THE FOURTH SESSION OF
THE THIRD PARLIAMENT OF
THE FOURTH REPUBLIC OF
GHANA**



**REPORT OF THE COMMITTEE ON
TRADE, INDUSTRY AND TOURISM
ON THE 2004 ANNUAL ESTIMATES
OF THE MINISTRY OF TOURISM
AND MODERNIZATION OF THE
CAPITAL CITY.**

.5TH MARCH 2004

**IN THE FOURTH SESSION OF THE THIRD PARLIAMENT OF THE
FOURTH REPUBLIC OF GHANA.**

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THE 2004 ANNUAL ESTIMATES OF THE MINISTRY OF TOURISM AND
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1.0 INTRODUCTION

In accordance with Article 179 of the 1992 constitution of Ghana the Minister of Finance on 5th February 2004 presented to the House, the budget statement and Economic Policy of the Government of Ghana for the 2004 financial year. Subsequently, Mr. Speaker referred the Annual Estimates of the Ministry of Tourism and Modernization of the Capital City to the Committee on Trade, Industry and Tourism pursuant to standing orders 140 (4) and 159 of the House

2.0 TERMS OF REFERENCE

The Committee was charged to examine the Annual Estimates of the Sector Ministry and report.

3.0 DELIBERATIONS

In response to this the Committee met and deliberated on the Annual Estimates with the Minister of Tourism and Modernization of the Capital City, Mr. Jake Obetsebi Lamptey, the Chief Director of the Ministry Mrs. Bridget Katsriku and other officials of the Ministry including representatives of the Ghana Tourist Board (GTB), Hotel Catering and Training Institute (HOTCATT).

Officials from the Ministry of Finance and Economic Planning were also present and the committee is grateful for their useful contributions.

4.0 REFERENCE DOCUMENTS

The Committee in its deliberations referred to the following:

1. The 1992 Constitution of Ghana
2. The Standing Orders of the House
3. The Budget statement And Economic Policy of the Government of Ghana for the 2004 financial year.

5.0 MISSION STATEMENT

The Ministry of Tourism and Modernization of the Capital City exists to ensure the development and promotion of tourism and improvement of the Capital City on the sustainable basis, in order to derive optimum socio-economic growth and positive environmental impact for the benefit of deprived communities in particular and the country as a whole.

6.0 OBJECTIVES

- I) To up-grade the standard, quality and effectiveness of Tourism Marketing, to reach the goal of increased Tourist Arrivals & Receipts (Foreign Exchange Earning & Revenue)
- II) To facilitate the development and Modernization of the Capital City in order to attract tourists and investment.
- III) To improve the standard and Quality of Human Resource and provide Quality Training in the Tourism Sector on a sustainable basis.
- IV) To ensure the up grading and expansion of the stock of tourism facilities and supporting basic infrastructure on a sustainable basis.

- V) To promote domestic Tourism in order to foster cultural cohesion and national integration as well as the re-distribution of income.
- VI) To improve the standard and Quality of Tourism Services particularly in Small and Medium Scale Enterprises (SME's) towards wealth creation.
- VII) To improve Tourism Management information system to ensure Tourism Development and Promotion particularly in the Rural Areas.
- VIII) To promote inter-sectoral co-ordination within the plan period.

7.0 NATIONAL GOAL

To transform the economy to achieve growth, accelerated poverty reduction, the protection of the vulnerable and the excluded within a decentralized democratic environment.

7.1 SECTORAL GOAL

To make Ghana a competitive tourist destination to contribute substantially towards wealth creation and poverty reduction.

8.0 EXPENDITURE ESTIMATES FOR MOTMC

- a. In the year 2004 the ministry plans to undertake major activities and programmes under the G.P.R.S.
- b. The Ministry will undertake aggressive marketing of Ghana by participating in tourism fairs and exhibitions and the dissemination of tourism promotional materials so as to increase tourist arrivals from 550,000 in 2003 to 650,000 in

2004. In so doing, foreign exchange receipts are expected to increase from US \$600 million in 2003 to US \$800 million in 2004. The Ministry plans to complete 22 tourism receptive facilities for the convenience of tourists.

c. The Ministry in collaboration with the Assemblies in furthering the objective of providing safe and sanitary environment to Ghanaians as envisioned in the GPRS will evacuate 400,000 tons of refuse.

f. Finally as part of the Ministry's function to modernize the Capital City, the Ministry will undertake street lighting of all ceremonial streets, and undertake a project in Bukom Square, and Ga Mashie.

9.0 SUMMARY OF EXPENDITURE

A total amount of **sixteen billion seven hundred and seventy seven million cedis (¢16,777,000,000.00)** has been allocated to the Ministry of Tourism and Modernization of the Capital City.

MINISTRY OF TOURISM	-	¢4,813,135,000.00
GHANA TOURIST BOARD	-	¢10,159,479,000.00
HOTCATT	-	¢1,804,336,000.00
TOTAL	-	¢16,777,000,000.00

9.1 GENERAL ADMINISTRATION

A total amount of **¢4,813,135,000** has been allocated for the activities of general administration of the Ministry.

The breakdown is as follows:

Personnel Emoluments	-	¢587,135,000
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Service	-	¢2,200,000,000
Investment	-	¢900,000,000
Administration	-	¢1,126,000,000
Total	-	¢4,813,135,000

9.2 GHANA TOURIST BOARD

An amount of **ten billion one hundred and fifty nine million four hundred and seventy nine thousand cedis (¢10,159,479,000.00)** has been allocated to the Ghana Tourist Board for its activities for the year 2004.

Please find the breakdown below:

Personnel Emolument	-	¢2,929,479,000
Administration	-	¢2,580,000,000
Service	-	¢3,150,000,000
Investment	-	¢1,500,000,000
Total	-	¢10,159,479,000.00

9.3 HOTEL CATERING & TRAINING INSTITUTE (HOTCATT)

A total sum of **one billion eight hundred and four million three hundred and eighty six thousand cedis (¢1,804,386,000.00)**, has been allocated to HOTCATT for the financial year 2004.

The breakdown is as follows:

Personnel Emolument	-	¢345,386,000
Administration	-	¢209,000,000
Service	-	¢650,000,000
Investment	-	¢600,000,000
Total	-	¢1,804,386,000.00

10.0 Government of Ghana allocation to Ministry of Tourism for 2003.

Cost Center	Personnel Emolument ¢	Administration ¢	Service ¢	Investment ¢	Total ¢
Gen. Administration Min.of Tourism	760,409,00	1,175,600,000	1,986,000,000	648,900,000	4,570,909,000
Ghana Tourist Board	2,840,413,000	1,607,000,000	2,527,500,000	810,000,000	7,784,913,000
HOTCATT	401,451,000	231,400,000	501,500,000	162,100.00	1,296,451,000
TOTAL	4,002,273,000	3,014,000,000	5,015,000,000	1,621,000,000	13,652,273,0

10.1 Government of Ghana Allocation to Ministry of Tourism and Modernization of the Capital City for 2004.

Cost Center	Personnel Emolument ¢	Administration ¢	Service ¢	Investment ¢	Total ¢
Gen. Admin. MDTMCC	587,135,000	1,126,000,000	2,200,000,000	900,000,000	4,813,135,000
GTB	2,929,479,000	2,580,000,000	3,150,000,000	1,500,000,000	10,159,479,000
HOTCATT	345,586,000	209,000,000	650,000,000	600,000,000	1,804,586,000
TOTAL	3,862,200,000	3,915,000,000	6,000,000,000	3,000,000,000	16,777,200,000
GRAND TOTAL					

This year's allocation is **¢3,124,927,000.000** more than the previous year's allocation of **¢13,652,273,000.00** and this represents an increment of 23%.

11.0 OBSERVATIONS

The Committee in deliberating the Annual Estimates made the following observations.

1. INADEQUATE ALLOCATION

The Committee realized that even though the mandate of the Ministry has been expanded with the addition of the Modernization of the Capital City, the budgetary allocation does not reflect the expanded mandate of the new Ministry.

Only a little over **¢3.0bn** has been added to the previous year's allocation of **¢13,625,273,000** to the Ministry for its programme for this year.

The amount is ridiculously below the **¢81.0bn** requested by the Ministry of Tourism and Modernization of the Capital City. The low budgetary allocation cannot help the Ministry to realize its goals for the year.

2. TOURIST BOARD

The Committee noted that the Ghana Tourist Board has no governing Board to direct and supervise its activities. It is the view of the Committee that immediate steps should be taken to appoint people to serve on the Board.

3. HOTEL CATERING & TRAINING INSTITUTE

The Committee was informed that due to the low budgetary allocation, HOTCATT which has been mandated to train basic and middle level human resource, cannot perform its role effectively and efficiently. This situation is adversely affecting the human resource capacity of the Tourism Industry.

13.200 RECOMMENDATIONS

The Committee, however, recommends the following:

- 11) Since Tourism is a dynamic industry in Ghana, and has the potential to attract more foreign exchange for the Nation, the need for budgetary allocation to the Ministry to be increased cannot be over emphasized.

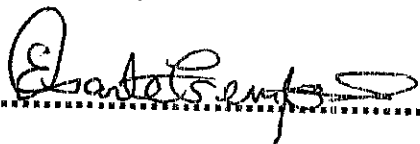
Budgetary allocation to the Ministry must be increased to reflect the importance the Nation attaches to the Ministry. **The sixteen billion seven hundred and seventy seven million cedis (¢16,777,000,000)** allocated to the Ministry cannot help the Ministry to undertake all its programme for the year.

- 2) The Committee recommends that officials of the Tourist Board who have been acting in certain positions for several years, should have their appointment regularized so they can offer their best service to the Industry.

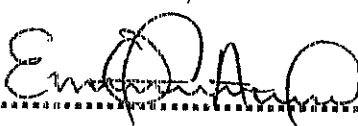
13.0 CONCLUSION

In view of the fact that Tourism is a fast growing industry and currently the fourth foreign exchange earner for the country the committee, after thoroughly examining the facts and figures in the Annual Estimates, recommends that the House approves the total sum of **sixteen billion seven hundred and seventy seven million cedis (¢16,777,000,000)** for the activities of Ministry of Tourism and Modernization of the Capital City for the financial year 2004.

Respectfully Submitted


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**Hon. Nana Asante-Frempong,
Chairman, Committee on Trade, Industry & Tourism**


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**E. Opoku-Acheampong
Clerk to the Committee**

5th March 2004.

