

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

REPORT OF THE COMMITTEE ON FOOD, AGRICULTURE AND COCOA
AFFAIRS

ON THE

2019 BUDGET PERFORMANCE REPORT OF THE MINISTRY OF FISHERIES
AND AQUACULTURE

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REPORT OF THE COMMITTEE ON FISHERIES AND AQUACULTURE ON THE 2019 BUDGET PERFORMANCE REPORT OF THE MINISTRY OF FISHERIES AND AQUACULTURE

1.0 INTRODUCTION

In accordance with Section 27(1) (2) of the Public Financial Management Act, 2016, (ACT 921), the Hon. Minister responsible for Parliamentary Affairs, Hon. Osei Kyei-Mensah-Bonsu on behalf of the Minister for Fisheries and Aquaculture, Hon. Elizabeth Afoley Quaye on Tuesday, 2nd June, 2020, laid before the House, the 2019 Budget Performance Report of the Ministry of Fisheries and Aquaculture.

Pursuant to Article 103 (3) of the 1992 Constitution of Ghana and Standing Orders 176, Mr. Speaker referred the laid 2019 budget performance report to the Committee on Food, Agriculture and Cocoa Affairs and report.

2.0 ACKNOWLEDGEMENT

The Committee met with officials of the Ministry of Fisheries and Aquaculture to deliberate on the 2019 Budget Performance Report of the Ministry of Fisheries and Aquaculture and was assisted by the following persons:

1. The Deputy Minister for Fisheries and Aquaculture, Hon. Francis Kingsley Ato Codjoe

2. The Chief Director, Ms. Levina Owusu
3. Directors and officials of the following departments and agencies:
 - a. Ministry Headquarter
 - b. Fisheries Commission
 - c. Pre-mix Fuel Commission

The Committee is grateful to the Deputy Minister, Chief Director and all other officers of the Ministry of Fisheries and Aquaculture Development for their insightful inputs and clarifications.

3.0 REFERENCE MATERIALS

In considering the 2019 budget performance report of the Ministry of Fisheries and Aquaculture Development, the Committee was guided by the following documents:

- I. The 1992 Constitution of Ghana;
- II. The Standing Orders of Parliament;
- III. The Budget Statement and Economic Policy of the government of Ghana for 2019 Financial Year;
- IV. The Medium Term Expenditure Framework for 2019-2022 for the Ministry of Fisheries and Aquaculture Development and
- V. 2019 Budget performance report of the Ministry of Fisheries and Aquaculture Development

4.0 MISSION STATEMENT OF THE MINISTRY

The overall goal of the fisheries sector is to increase domestic fish production to offset import of fish and fish products and develop or transform the fisheries and aquaculture sector into a viable economic segment to contribute to national development.

4.1 CORE FUNCTIONS

The core functions of the Ministry of Fisheries and Aquaculture Development are as follows:

- ❖ Formulate and implement sector development policies and strategies in line with the National Development Policy Framework
- ❖ Facilitate Aquaculture Development to contribute to domestic fish production and National Development
- ❖ Enforce fisheries laws and regulations to protect fisheries resources
- ❖ Promote sustainable management of fisheries resources for national benefits
- ❖ Develop sector medium term development plans consistent with National development Policy Frameworks
- ❖ Conduct periodic socio-economic studies or research on topical sector issues to inform sector policy formulation and planning
- ❖ Co-ordinate all interventions to accelerate the development of the fisheries and aquaculture sub-sector and industry

- ❖ Develop fishery infrastructure including landing sites, fishing harbours, laboratories, educational centres and fish processing facilities.
- ❖ Have oversight responsibility of all agencies in the sector including the Fisheries Commission

4.2 POLICY OBJECTIVES OF THE MINISTRY

The policy objectives of the Ministry are as follows:

- ❖ Ensure sustainable development and management of aquatic fisheries resources
- ❖ Ensure sustainable development and management of aquaculture
- ❖ Conserve marine areas
- ❖ Enhance capacity for policy formulation and coordination

5.0 PERFORMANCE REVIEW FOR THE 2019 FISCAL YEAR

2.1 Financial Overview for 2019

For the 2019 fiscal year, the Ministry of Fisheries and Aquaculture Development was allocated an amount of Fifty Nine Million, Five Hundred and Ninety Two Thousand, Four Hundred Forty Seven Ghana Cedis (**GH¢59,592,447.00**) for their earmarked activities. Out of the allocated amount, Eleven Million Six Hundred and Twenty Nine Thousand, Eight Hundred and Thirty Three Ghana Cedis (**GH¢11,629,833.00**) was to come from GOG, Twenty Four Million and Fifty Thousand Ghana Cedis (**GH¢24,050,000.00**) from Donor, Fifteen

Million Eight Hundred and Sixty Nine Thousand, Nine Hundred and twenty Four Ghana Cedis (**GH¢15,869,924.00**) from IGF and **Eight Million, Forty two Thousand, Six Hundred and Ninety Ghana Cedis (GH¢8,042,690.00)** from ABFA.

Further breakdown by funding sources, programme and Economic Classification are as follows:

Table 1: 2019 Budgetary Allocation by Funding Sources

	GOG	DONOR	IGF	ABFA	TOTAL
WAGES AND SALARIES	10,099,588	-	880,600	-	10,980,188
GOODS & SERVICES	1,530,245	-	8,401,917	-	9,932,162
CAPEX	-	24,050,000	6,587,407	8,042,690	38,680,097
TOTAL	11,629,833	24,050,000	15,869,924	8,042,690	59,592,447

Source: The 2019 Budget Estimates of the Ministry of Fisheries and Aquaculture

Table 4: 2019 BUDGET ALLOCATION BY PROGRAMME & ECONOMIC CLASSIFICATIONS

Budget Programme/ Economic Classification	Wages & Salaries	Good & Services	ABFA	TOTAL
Management & Administration	5,330,738	5,599,280	37,317,541	48,247,559
Marine Fisheries Resource Management	2,938,203	882,374		3,820,577
Aquaculture Development	2,143,909	1,959,268	1,033,506	5,136,684
Fisheries Monitoring Control & Surveillance	337,926	1,167,360		1,505,286
Aquatic Animal Health & Post Harvest Management	229,412	323,881	329,051	882,344
Total	10,980,188	9,932,162	38,680,098	59,592,448

Source: The Budget Statement and Economic Policy of GOG for 2019 fiscal year

3.0 PROJECTED PERFORMANCE FOR 2019

The Ministry of Fisheries and Aquaculture Development committed its 2019 budgetary allocation to the following activities and had the following out comes:

3.1 AQUACULTURE DEVELOPMENT PROGRAMME

In 2019, it was projected that two public hatcheries at Sankana and Dormaa-Ahenkro will be rehabilitated and three additional ones constructed at Asankragua, Sefwi Wiawso and Nkawie will be developed to support aquaculture operators with fingerlings to increase fish production.

The Ministry will also partner the private sector to build a National Aquaculture Centre at Shama for learning fish farming.

To support the National Agenda for Jobs, the Ministry will roll out the "Aquaculture for Food and Jobs" (AFJ) flagship programme in 2019 to complement the ongoing "Planting for Food and Jobs" (PFJ) initiative. The AFJ Programme will be implemented in collaboration with "Feed Ghana" (module 3) and "Enterprise Ghana" (module 5) of the Nation Builders Corps (NaBCo).

Under the AFJ programme, 10,200 unemployed youth will be mobilized nationwide into Aquaculture Enterprise Groups. Successful beneficiaries will be trained in modern aquaculture production techniques and supported with inputs such as fish feed, fingerlings, tanks and cages to engage in commercial fish farming.

As a demand-driven market strategy, the AFJ was to be linked to the National School Feeding Programme to enhance the availability of fish to improve the protein intake of these schools. An estimated 7,000

additional direct and indirect jobs were also to be created, and 33,628mt extra fish produced.

The Ministry proposed to provide support schemes to potential but financially distressed small and medium scale fish farmers to enable them enhance their productive capacity and expand their operations. These interventions were anticipated to increase total aquaculture production from 62,718mt to 122,140mt in 2019.

3.2 Fisheries Resources Management Programme

The Ministry envisioned to expand the two-month "Closed Season" for industrial fishing vessels to three months for all fleet in 2019.

In 2019, the Ministry projected to facilitate regular supply of 92,259,000 litres of premix fuel, and collaborate with the private sector to facilitate the provision of 5,000 outboard motors and 55,250 bales of prescribed fishing gears to enhance the operations of marine and inland fishers.

Construction of the landing sites at Teshie, Axim, Winneba, Mumford and a fishing harbour complex at James Town as well as the Phase II of the Anomabo Fisheries College were targeted to commence in 2019.

3.3 Fisheries Monitoring, Control and Surveillance Programme

Electronic monitoring systems were expected to continue to operate on all Ghanaian and foreign flagged fishing vessels to enable effective surveillance in the Economic Exclusive Zone (EEZ) of the country. In 2019, two marine fish stock assessment surveys were to be conducted to enable the Ministry align fishing efforts to available marine fish stock.

The Ministry was also to deepen collaboration with appropriate stakeholders to enhance effective fisheries law enforcement, and establish two specialized Fisheries Prosecution Courts at Tema and Cape Coast to reduce adjudication time of fisheries infractions. In addition, over 150 fishing communities will be sensitized on fisheries laws and regulations as well as the negative effects of illegal fishing.

The interventions were intended to reduce illegal, unregulated and unreported fishing activities by 70 percent and increase the fisheries law compliance rate by 80 percent.

3.4 Aquatic Animal Health and Post-Harvest Management Programme

In 2019, two fish health laboratories at Akosombo and Pong-Tamale was to be rehabilitated to improve fish disease diagnosis and detection.

A national biosecurity guideline was also to be developed to assist fish disease prevention and detection in all aquaculture establishments.

Further, training was to be provided for 50 para professional officers in aquatic animal disease detection, surveillance, control and management.

An early warning fish disease detection system was also to be established to provide timely preventive measures in the event of fish disease outbreaks.

4.0 2019 BUDGET PERFORMANCE FOR 2019

Table 3: 2019 Budgetary Performance by Funding Sources

	2019 APPROVED BUDGET	AMOUNT RELEASED	ACTUAL EXPENDITURE	ACTUAL PAYMENTS	PROJECTIONS FOR 2020
EMPLOYEE COMPENSATION	10,980,188.00	7,582,376.74	7,540,433.51	7,540,433.51	10,980,188.00
GOODS & SERVICES	9,932,162.00	12,329,340.69	12,232,382.51	12,150,651.93	54,817,113.00
CAPEX	38,680,098.00	7,665,172.55	7,482,550.32	7,253,825.78	63,580,895.00
TOTAL	59,592,448.00	27,576,889.98	27,255,366.34	26,944,911.22	128,879,095.00

Source: The 2019 Budget Performance of the Ministry of Fisheries and Aquaculture

4.1 ACTUAL PERFORMANCE BY KEY PROGRAMME AREAS IN 2019

Out of the allocated fund for the year 2019, The Ministry of Fisheries and Aquaculture Development performed the following activities under its key programme areas:

4.1.1 Aquaculture Development Programme

In the area of Aquaculture development, the pilot phase of the “Aquaculture for Food and Jobs” initiative was implemented. The object of the initiative was to increase aquaculture production and create additional jobs along the aquaculture value chain. The initiative realised the training of 321 youth in best aquaculture practices and are currently in a position to start fish farming on their own.

Institutions and Youth Associations as well as the James Town Prisons have been supported with fingerlings, fish feed and the construction of fish ponds.

4.1.2 Fisheries Resources Management Programme

The Ministry implemented an all fleet Closed Season in 2019 as one of the strategies aimed at reducing the excessive pressure on marine fishery resources and help replenish the dwindling fish stock in our seas.

The sector continued with the construction of the Phase 1 of the Fisheries College at Anomabo. The college when completed will help build capacities in the fisheries sector in the area of fisheries management

4.1.3 Fisheries Monitoring, Control and Surveillance Programme

With regards to combating illegal unreported unregulated (IUU) fishing, the Ministry continued to sensitise and educate fishing

communities on fisheries laws and regulations, best fishing practices as well as the effect of illegal fishing on sustainable fisheries management.

Electronic monitoring systems (VMS and AIS) continued to operate on all Ghanaian and Foreign Flagged Fish Vessels. This reduced significantly the incidents of fishing by trawlers in the inshore Exclusive Zone, fishing on gas pipelines, oil installations and fishing in third party states without license.

4.1.4 **Aquatic Animal Health and Post-Harvest Management Programme**

The Ministry also completed the preparatory works for the construction of an Aquaculture Centre. The centre is to provide skills training in various aspects of aquaculture including production, farm management and fish health, feed formulation and processing for the youth to take up aquaculture as a viable economic enterprise.

The primary activities included the completion of drawings and designs as well as signing of the Technical Plan and agreement for the construction of the James Town Fishing Harbour Complex.

5.0 OBSERVATIONS AND RECOMMENDATIONS

The Committee during the review meeting made the following observations:

5.1 EMPLOYEE COMPENSATION

5.1.1 The Committee observed that the Ministry did not expend all its allocation for Employee Compensation. Out of an appropriation of Ten Million, Nine Hundred and Eighty Thousand, One Hundred and Eighty Eight Cedis (**GH¢10,980,188.00**) the Ministry expended an amount of Seven Million, Five Hundred and Eighty Two Thousand, Three Hundred and Seventy Six Ghana Cedis, Seventy Four Pesewas (**GH¢7,582,376.74**). The Committee was informed that the shortfall in disbursement was owing to the inability of the Ministry to hire 23 staff for the Fisheries Commission as envisaged. It was also because the Fisheries Commission was then being restructured to operate according to law. The Committee recommends that the Ministry should ensure that it completes the process to pave way for the hiring of the staff.

5.1.2 The Committee also realized that an amount of Twenty Four Thousand, Three Hundred and Fifty Five Thousand, Eighty Nine pesewas (**GH¢24,355.89**) was paid as Ex-Gratia to a past Chief Director. The Committee found the situation very grave considering the fact that the Chief Director was not an Article 71 Office Holder. The Ministry explained that the nomenclature was used in the Ministry

of Finance's release letter. The Ministry also informed the Committee that such awards form part of contracts of Chief Directors. Besides the request was approved by the Office of Civil Service and the Ministry of Finance. The Committee considers the use of the nomenclature "Ex-gratia" unacceptable and urges the Ministry to use a different terminology for similar payments in future.

5.2 CAPITAL EXPENDITURE

5.2.1 The Committee noted that most of the allocation under Capital Expenditure was not spent. Out of an allocation of Thirty Eight Million Six Hundred and Eighty Thousand Ninety Eight Ghana Cedis (**GH¢38,680,098.00**) approved only Seven Million, Six Hundred and Sixty Five Thousand, One Hundred and Seventy Five Ghana Cedis Fifty Five Pesewas (**GH¢7,665,172.55.00**) was expended. The Committee was informed that Twenty Four Million of the allocated amount was a Chinese grant geared towards the development of the James Town Harbour. The grant was however not released, hence the shortfall. The Committee urged the Ministry to ensure that all the necessary administrative processes are completed to ensure release of the funds.

5.2.2 The Committee again noted that, out of the Seven Million, Six Hundred and Sixty Five Thousand, One Hundred and Seventy Five Ghana Cedis Fifty Five Pesewas (**GH¢7,665,172.55.00**) expended under Capital Expenditure, an amount of One Million, One Hundred and Eight Thousand, Six Hundred and Eighty Eight Ghana Cedis

Ninety One Pesewas (**GH¢1,180,688. 91**) was used in the repair of an Aquaculture Centre and Commercial Farm bequeathed to the Ministry of Fisheries and Aquaculture by the Ministry of Food and Agriculture. The Ministry was however not able to provide the necessary documentation to support the claim. The Committee found the situation unacceptable and urged the Ministry to ensure that the necessary documentations are acquired to support the transfer of the property to defuse the impression of using state funds to develop a private property.

5.2.3 The Committee further realized that various sums of money were released towards the clearance of the area earmarked for the construction of the James Town Harbour Project. Clearance of the project area was awarded to the same contractor several times within the year. The Ministry explained that the project site was cleared severally because squatters returned to the sight anytime clearance was done. The Committee considers the situation untenable and needless since the only major clearance done at the project area was in the year 2020.

6.0 CONCLUSION

The Fish and Aquaculture industry continue to be of utmost importance to the development of the health of the Ghanaian. The industry however continues to experience decline in production due to the outbreak of disease and irregular fishing activities in our waters.

There is therefore the need for government to provide adequate resources towards greater surveillance on our high seas and monitoring of our aquaculture sector to ensure growth.

In this regard, the Committee recommends the adoption of its report on the 2019.

Respectfully submitted



HON. KWAME ASAFU AGYEI

Chairman

Committee on Food, Agriculture and Cocoa Affairs



ANITA QUARTEY-PAPAFIO

Clerk

Committee on Food, Agriculture and Cocoa Affairs

