



**IN THE SECOND SESSION OF THE SIXTH
PARLIAMENT OF THE FOURTH REPUBLIC**

**REPORT OF THE COMMITTEE ON
LANDS AND FORESTRY AND MINES AND ENERGY**

**ON THE ANNUAL BUDGET ESTIMATES OF THE
MINISTRY OF LANDS AND NATURAL RESOURCES
FOR THE YEAR ENDING 31ST DECEMBER, 2015**



1.0 INTRODUCTION

1.1 The Budget Statement and Economic Policy of the Government of Ghana for the 2015 Financial year was presented to Parliament by the Hon. Minister for Finance, Mr. Seth Tekper on Wednesday, 19th November, 2014 in accordance with Article 179 of the 1992 Constitution of Ghana. The Budget Estimates of the Ministry of Lands and Natural Resources were accordingly referred to the Committee on Lands & Forestry and Mines & Energy for consideration and report pursuant to Orders 140(4), 177 and 188 of the Standing Orders of the House.

During the consideration of the referral, the Committee met with the Hon. Minister for Lands and Natural Resources, Hon. Nii Osah Mills, other Officials of the Ministry of Lands and Natural Resources and Schedule Officers from the Ministry of Finance. The Committee is grateful to them for their assistance.

2.0 REFERENCES

- 2.1** The Committee used the under-listed as reference materials during its deliberations:
- (i) The 1992 Constitution of Ghana
 - (ii) The Standing Orders of the House
 - (iii) The Budget Statement and Economic Policy of Government of Ghana for the 2014 Financial Year
 - (iv) The Budget Statement and Economic Policy of Government of Ghana for the 2015 Financial Year
 - (v) The Medium Term Expenditure Framework (MTEF) for 2013-2015 and the draft Annual Estimates for 2014 of the Ministry of Lands and Natural Resources

- (vi) Report of the Committee on Lands & Forestry and Mines & Energy on the Annual Budget Estimates of the Ministry of Lands and Natural Resources for the Year ending 31st December, 2014
- (vii) The Medium Term Expenditure Framework (MTEF) for 2015-2017 and the Programme Based Budget (PBB) Estimates for 2015

3.0 AGENCIES UNDER THE MINISTRY OF LANDS AND NATURAL RESOURCES

3.1 The Ministry has three (3) Sectors namely, Land, Forestry and Mines. The Land Sector is managed by two (2) agencies, that is, the Lands Commission (LC) and the Office of the Administrator of Stool Lands (OASL). The Forestry Sector is also managed by the Forestry Commission (FC). The Mines Sector is managed by three (3) agencies and these are the Minerals Commission (MC), the Geological Survey Department (GSD) and the Precious Minerals Marketing Company (PMMC).

4.0 MISSION STATEMENT OF THE MINISTRY

4.1 The Mission Statement of the Ministry of Lands and Natural Resources is to ensure sustainable management and utilisation of the Nation's land, forest, wildlife and mineral resources for the socio-economic development and growth of Ghana. This is to be achieved through:

- (i) Efficient formulation, implementation, co-ordination, monitoring and evaluation of policies and programmes of the sector agencies.
- (ii) Efficient management of public and stool lands as a means to ensure equitable land delivery.
- (iii) Promoting effective inter-agency and cross-sectoral linkages.
- (iv) Promoting sustainable and efficient forest, wildlife and mineral resource management and utilisation.
- (v) Creating an enabling environment for effective private sector participation.

- (vi) Promoting effective community participation in multiple uses of land, forest, wildlife and mineral resources.

5.0 OBJECTIVES OF THE MINISTRY

5.1 The Mission of the Ministry will be realized through the pursuit of the under-listed objectives:

- (i) Develop and manage sustainably, land, forest, wildlife and mineral resources;
- (ii) Facilitate equitable access, benefit sharing from and security to land, forest and mineral resources;
- (iii) Promote public awareness and local communities' participation in sustainable management and utilization of forest, wildlife, land and mineral resources;
- (iv) Review, update and consolidate existing legislation and policies affecting natural resource management;
- (v) Promote and facilitate effective private sector participation in land service delivery, forest, wildlife and mineral resource management and utilization;
- (vi) Develop and maintain effective institutional capacity and capability at the national, regional, district and community levels for land, forest, wildlife and mineral service delivery;
- (vii) Develop and research into problems of forest, wildlife, mineral resources and land use; and
- (viii) Build regional and global linkages toward the management of natural resources.

6.0 THE MINISTRY'S PERFORMANCE FOR 2014

6.1 LAND ADMINISTRATION AND MANAGEMENT

In the year 2014, the Lands Commission developed a framework to streamline land registration processes in order to remove duplications and also ensure a standardised and decentralised procedure for land registration across the Country. This will reduce bottlenecks in acquiring land titles and deeds and minimise direct contacts between clients and service providers. The framework will be implemented through the establishment of Customer Service and Access Units (CASUs) and piloted in the Regional and District Offices of the Commission in Wa, Bolgatanga, Tamale, Sekondi, Koforidua, Accra, Tarkwa, Winneba, Savelugu and Goaso.

The Lands Commission also developed three (3) policies, namely, the Survey and Mapping Policy, the Geodetic Reference Network (GRN) and the National Spatial Data Infrastructure (NSDI) Policy, to provide for the regulation, development, sharing and coordinating of all spatial products generated in the Country. The overall objective of the Policies is to ensure sustainable and integrated geo-spatial infrastructure framework for Ghana. The Commission is currently awaiting approval from Cabinet for their implementation.

The OASL in the year under review increased its Operational Districts which also serve as Collection Points from eighty-one (81) to eighty-five (85) and refurbished ten (10) of the already existing ones with funds from the Land Administration Project (LAP Project). The OASL, at the time of the Budget Consideration, had also been able to mobilise an amount of Thirty-Three Million, Three Hundred and Forty-Nine Thousand, One Hundred and Twenty-Six Ghana Cedis, Eleven Pesewas (GH¢33,349,126.11) which is about 87% of the targeted revenue of Thirty-Eight

Million, Two Hundred and Thirty-Fortyt Thousand, Six Hundred and Ninety Ghana Cedis (GH¢38,234,690.00).

6.2 FORESTRY & WILDLIFE DEVELOPMENT AND MANAGEMENT

As part of efforts to strengthen law enforcement in the forestry sector, thirty-one (31) officers of the Forestry Commission were trained as Public Prosecutors and deployed to the various regions to prosecute forest offences which hitherto were performed by the Ghana Police Service.

A national wood tracking system under the Voluntary Partnership Agreement between the Government of Ghana and the European Union (EU) was installed by the Forestry Commission to enable Ghana export timber products to the EU.

6.3 LAND AND MARITIME BOUNDARY MANAGEMENT

The Ministry continued the defence of Ghana's submission before the United Nations (UN) Commission on the Limit of the Continental Shelf (CLCS) in a series of sessions. In the year under review, the Ministry was able to finalise issues regarding submission and subsequently took its turn at the Plenary of the UN CLCS in New York in March to affirm recommendations of the sub-commission established to examine Ghana's submission. Ghana is currently awaiting the UNs final determination of its claim to extend the Country's Continental Shelf beyond two hundred (200) Nautical Miles of the Exclusive Economic Zone.

6.4 MINERAL RESOURCE DEVELOPMENT AND MANAGEMENT

The Minerals Commission collaborated with the mining industry to develop the First Edition of the Local Procurement List comprising of eight (8) products including grinding media, explosives, cement and cement products, electric cables, quick and hydrated lime, HDPE and PVC pipes and general lubricants, to increase local content in the mining industry.

The Commission in an effort to improve monitoring of health and safety standards in the mining industry, as well as assaying of mineral samples collected from exploration, installed some modern equipment in its Laboratory in Takoradi.

7.0 THE MINISTRY'S OUTLOOK FOR 2015

7.1 LAND ADMINISTRATION AND MANAGEMENT

In 2015, the Ministry through the Lands Commission will continue to undertake map production to facilitate land administration and management. The Ministry will also strengthen Alternative Dispute Resolution (ADR) Mechanisms in land administration and facilitate the passage of the Land and Land Use Planning Acts which will among other objectives provide for efficient land use.

7.2 FOREST & WILDLIFE DEVELOPMENT AND MANAGEMENT

The Ministry through the Forestry Commission will continue to explore measures to attract potential investors to participate in developing other potential ecotourism destinations in addition to the existing ones in the Country.

The Ministry will evaluate the operations of eight (8) existing Rapid Response Teams, establish and resource five (5) more Teams to guard forest reserves in the Country.

The Ministry will also ensure the reduction of impacts of climate change through forest adaptation and mitigation activities. This will enable the Ministry to access results-based finance for the full implementation of REDD + activities to address drivers of deforestation and forest degradation.

7.3 LAND AND MARITIME BOUNDARY MANAGEMENT

The Ministry will in 2015, inspect buffer zones and checks on the status of planted teak trees. It will also inspect and ensure the maintenance of regional and district boundaries, facilitate planting and re-planting of teak trees, survey and re-fix posts along all the international boundaries that have been destroyed. It will also continue technical and diplomatic negotiations with Cote d'Ivoire, Togo and Benin on maritime boundaries delimitation.

7.4 MINERAL RESOURCE DEVELOPMENT AND MANAGEMENT

The Minerals Commission will facilitate the implementation of the Corporate Social Responsibility (CSR) Guidelines with annual tracking system to ensure compliance and also to reduce social conflicts in mining areas.

In 2015, the Commission will review the Country's mining and environmental Guidelines, intensify monitoring visits to illegal small-scale mining sites and educate miners with the aim of mainstreaming their activities and facilitating the formation of more District Mining Committees.

8.0 APPROVED BUDGET ESTIMATES AND RELEASES FOR 2014

8.1 Approved Budget Estimates for 2014 and Releases as at September, 2014 is shown in the following Table (Table 1).

TABLE 1

ITEM	Approved Budget Estimates for 2014 (GH¢)	Actual Releases as at September, 2014 (GH¢)	Differences (what is yet to be disbursed)	<i>Difference as a Percentage of the Approved Budget Estimates</i>
Compensation	78,498,215	66,612,611	(11,885,604)	15.14%
Goods and Services	122,093,279	84,198,092	(37,895,187)	31.04%
Assets	79,064,540	6,963,529	(72,101,011)	91.19%
TOTAL	279,656,034	157,774,232	(121,881,802)	43.58%

TABLE 2
THE BUDGETARY ALLOCATION FOR THE MINISTRY OF LANDS AND
NATURAL RESOURCES

ITEM	Budget allocation for 2015 GH¢
COMPENSATION	GOG – 88,837,739 IGF – 17,042,369 SUB-TOTAL – 105,880,108
GOODS AND SERVICES	GOG – 4,321,848 IGF – 73,834,579 DONOR – 10,591,846 SUB-TOTAL – 88,748,273
ASSETS	GOG – 800,000 IFG – 38,438,955 DONOR – 42,367,388 SUB-TOTAL – 81,606,343
TOTAL	276,234,724

9.0 OBSERVATIONS AND RECOMMENDATIONS

9.1 BUDGETARY ALLOCATION TO THE MINISTRY

The Committee observed that the overall Budgetary Allocation to the Ministry for the implementation of its activities in 2015 which is Two Hundred and Seventy-Six Million, Two Hundred and Thirty-Four Thousand, Seven Hundred and Twenty-Four Ghana Cedis (GH¢276,234,724.00) is lower than its 2014 Allocation of Two Hundred and Seventy-Nine Million, Six Hundred and Fifty-Six Thousand, Thirty-Four Ghana Cedis (GH¢279,656,034) by Three Million, Four Hundred and Twenty-One Thousand, Three Hundred and Ten Ghana Cedis (GH¢3,421,310) which translates into about 1.2%. The reason was that, the GoG and IGF Component of the Expenditure Items were reduced.

The Committee lamented the reduction of the overall Budgetary Allocation because it was rather expecting the contrary since that would enable the Ministry discharge its roles and responsibilities effectively. The Committee therefore appeals to the Ministry of Finance to consider the Ministry in any Supplementary Budget Allocation.

9.2 RELEASES TO THE MINISTRY

The Committee noted that fund releases as at September, 2014 were all lower than what was approved for the Ministry in the year under review but Assets was the worst hit since 91.19% was yet to be disbursed as shown in Table 1.

The Committee was informed that normally projects come under Assets which involved several processes including procurement before monies were released for execution. Delays in procurement procedures resulted in delays in the releases of funds to the sector.

9.3 COMPENSATION OF EMPLOYEES

The Committee further observed that last year, no allocation was made to Compensation of Employees from the Internally Generated Fund (IGF) however, in year 2015, an amount of **Seventeen Million, Forty-Two Thousand, Two Hundred and Sixty-Nine Ghana Cedis (GH¢17,042,269.00)** has been allocated to the Expenditure Item from IGF.

The Committee was also informed that the additional amount drawn from the IGF was to meet salary arrears of Staff who had been promoted and also arrears of the Members of the Lands Commission who have not been placed on the Mechanised Pay Roll since the new Lands Commission was established.

The Committee was however, worried that the Ministry had taken such a decision at the time that the IGF and other Components of its Budgetary Allocation for 2015 had been reduced by the Ministry of Finance with the reason that the IGF projections of the Ministry were not realistic.

9.4 PLANTATION DEVELOPMENT

Plantation development which involves the maintenance and planting of new trees is normally catered for under the Government of Ghana (GOG) Component of Goods and Services. However, the Committee observed that no allocation had been made for it in 2015 with the reason that plantation development is capital intensive and about **Forty Million Ghana Cedis (GH¢40,000,000.00)** would be needed every year to undertake the Programme.

Unfortunately, the Ministry was given a Ceiling of Four million, **Three Hundred and Twenty One Thousand, Eight Hundred and Forty Eight cedis (GH¢4,321,848.00)** from the GOG Component of Goods and Services which is woefully inadequate to cater for the Programme and other expenditure items.

The Ministry, in its quest to ensure that the Programme does not come to a halt, made efforts to get funding from oil revenue under the Annual Budget Funding Amount (ABFA) but this proved futile. In addressing the situation, the Ministry had to solicit for an amount of **Two Million Ghana Cedis (GH¢2,000,000.00)** from the Minerals Development Fund in the 2015 Budget. The Forestry Commission also intends to support the Programme from its IGF as it did last year and is also encouraging private investors to come on board.

The Committee is mindful of the fact that Ghana stands to benefit immensely from the Programme since it would enable Ghana extend its forest cover, increase carbon credit and raw-material base for local timber industries if well-implemented.

The Committee therefore urges the Ministry to find pragmatic and sustainable ways of dealing with the issue.

9.5 ILLEGAL LOGGING

The Committee observed that the issue of illegal logging was still a problem especially in the remote areas and so the Ministry through the Forestry Commission has established a Rapid Response Unit to undertake regular patrols to combat the scourge.

The Committee recommends that the Ministry intensifies its efforts aimed at addressing the problem and also collaborate with the communities to bring the situation under control.

9.6 ROSEWOOD

The Committee raised serious concerns on the ban on the harvesting and exportation of Rosewood species. It observed that there were some timber firms and individuals that had genuine permit for harvesting and exporting the specie at the time of the ban. These affected persons and firms have therefore had their investments wasted.

The Committee was however, informed that the Ministry was fully aware of the situation and had taken stock of all Rosewood species harvested in the Country. The Committee was assured that the Ministry was reviewing the ban so that those who already had permits would be treated fairly.

9.7 STAMP DUTIES

Monies collected by the Lands Commission as Stamp Duties are all paid to the Ghana Revenue Authority and none is retained by the Commission.

The Committee in its previous years reports on budget estimates had recommended that the Ministry should make arrangements by way of Legislative proposals to allow the Commission to retain some portion of its Internally Generated Fund.

It is the expectation of the Committee that the Ministry will take urgent steps to address the issue to improve the financial situation of the Commission.

9.8 ECOTOURISM PARK

The Committee observed that there was an arrangement to transform the Achimota Forest into a World Class Ecotourism Facility. The Committee congratulates the Ministry and the Forestry Commission for the initiative to tap the economic potentials of the only forest belt in Accra.

9.9 STAFFING

The Committee observed that almost all the agencies under the Ministry, had low Staff strength since they were unable to replace Staff who had retired. As a result of the problem, the OASL for instance was considering the option of engaging contract staff to collect revenue for the Commission.

The Committee is urging the Ministry to take immediate steps to address the problem.

10.0 INADEQUATE OFFICE ACCOMMODATION

The Committee observed that the lack of adequate office accommodation had adversely impacted on the operations of the Minerals Commission. It is gratifying to note that significant part of the Asset Vote of the Commission has been earmarked to address the challenge.

10.1 ILLEGAL SMALL SCALE MINING OPERATION

It was further observed that the sector Ministry has been undertaking aggressive measures to address illegal small scale operations. It was noted that the Sector

Ministry and the Minerals Commission collaborated with the Inter-Ministerial Taskforce to help bring sanity into natural resource exploitation.

It is the view of the Committee that the Ministry in collaboration with the Minerals Commission and the Ministerial task force should continue to monitor the activities of the illegal small scale mining since their presence can still be found at certain parts of the country; and some of them have indicated their preparedness for their activities to be regulated by the Commission.

10.2 INSUFFICIENT BUDGETARY RELEASES TO THE GEOLOGICAL SURVEY DEPARTMENT

The Committee expressed worry about the fact that the department continues to face the challenge of inadequate funding to implement its planned activities.

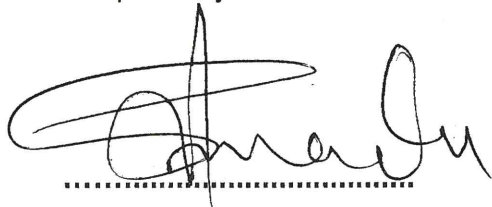
The Committee would like the Ministry to embark on a more sustainable source of funding to be established to address the funding inadequacies of the department.

It is also important that the Ministry expedite work on the draft Geological Survey Authority Bill which is targeted at improving the financial position of the department when passed into law.

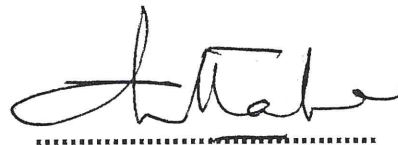
10.3 CONCLUSION

The Committee having carefully examined the estimates recommends to the House to approve the sum of Two Hundred and **Seventy-Six Million, Two Hundred and Thirty-Four Thousand, Seven Hundred and Twenty Four Ghana Cedis (GH¢276,234,724.00)** for the Ministry of Lands and Natural Resources for the 2015 Financial Year.


Respectfully submitted.



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LANDS AND FORESTRY**



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**MR. SAMUEL ADDEI
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DECEMBER, 2014
