

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

REPORT OF THE COMMITTEE ON
FOOD, AGRICULTURE AND COCOA
AFFAIRS

ON THE

2017 BUDGET ESTIMATES OF THE
MINISTRY OF FISHERIES AND
AQUACULTURE DEVELOPMENT



March, 2017

**REPORT OF THE COMMITTEE ON FOOD, AGRICULTURE
AND COCOA AFFAIRS ON THE 2017 ANNUAL BUDGET
ESTIMATES OF THE
MINISTRY OF FISHERIES AND AQUACULTURE
DEVELOPMENT**

1.0 INTRODUCTION

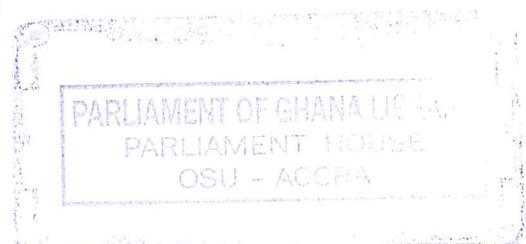
The Budget Statement and Economic Policy of the Government of Ghana for the year ending 31st December, 2017 was presented to Parliament, by the Minister for Finance, Mr. Ken Ofori-Atta on Thursday 2nd March 2017 in accordance with Article 179 of the 1992 Constitution of Ghana and Standing Order 138.

Pursuant to Standing Orders 140(4) and 176, Rt. Hon Speaker referred the estimates of the Ministry of Fisheries and Aquaculture Development to the Committee on Food, Agriculture and Cocoa Affairs for consideration and report to the House.

1.1 DELIBERATIONS

The Committee met with the Minister for Fisheries and Aquaculture Development, Hon. Elizabeth Afoley Quaye and officials and examined the Draft Estimates of the Ministry.

The Committee is grateful to the Minister and the Officials of the Ministry of Fisheries and Aquaculture Development for their insightful inputs and clarifications.



1.2 REFERENCE MATERIALS

In considering the 2017 budget estimates 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 2016 Financial Year;
- IV. The Budget Statement and Economic Policy of the government of Ghana for 2017 Financial Year;
- V. The Medium Term Expenditure Framework for 2015-2017 for the Ministry of Fisheries and Aquaculture Development; and
- VI. The Medium Term Expenditure Framework for 2017-2019 for the Ministry of Fisheries and Aquaculture Development

1.3 MISSION STATEMENT OF THE MINISTRY

The overall goal of the fisheries sector is to reverse the depleted fisheries resources (due to over exploitation), promote aquaculture development and develop the fisheries industry, as a viable economic entity to contribute more effectively to national development.

1.4 CORE FUNCTIONS

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

- ❖ Formulate and implement sector policies and strategies in line with the National Development Policy Framework

- ❖ Facilitate Aquaculture Development to contribute to National Development
- ❖ Regulate the fisheries sector so as to protect Aquatic Resources
- ❖ Co-ordinate all interventions to accelerate the development of the fisheries sector and industry
- ❖ Develop fishery infrastructure including landing sites, fishing harbours, laboratories, educational centres and fish processing facilities.

1.5 POLICY OBJECTIVES OF THE MINISTRY

The policy objectives of the Ministry are as follows:

- ❖ Enhance fish production and productivity
- ❖ Promote Aquaculture Development
- ❖ Expand opportunity for job creation
- ❖ Improve institutional co-operation for fisheries development
- ❖ Improve the policy and institutional framework for effective coastal resource management and
- ❖ Ensure sustainable use of water and marine resources

2.0 REVIEW OF PERFORMANCE FOR 2016

In the year 2016, the Ministry was allocated an amount of Fifty Two Million, Seven Hundred and Six Thousand Seven Hundred and Thirteen (**GH¢52,706,713.00**) for its activities.

The breakdown of the allocation is as follows:

Table 1: 2016 Budgetary Allocation

| Resource Classification | Budget Allocation |
|--------------------------------|--------------------------|
| Compensation | 6,315,826.00 |
| Goods and Services | 11,935,976.00 |
| Capital Expenditure | 34,454,911.00 |
| Total | 52,706,713.00 |

Sources: Ministry of Fisheries & Aquaculture Development

Table 2: 2016 Budget Performance

| Programme | Approved Budget | Released Budget | Actual Expenditure | Variance |
|--|------------------------|------------------------|---------------------------|----------------------|
| Management & Administration | 29,768,419.29 | 14,079,68.59 | 14,079,368.59 | 15,689,050.00 |
| Fisheries Resource Management | 5,506,382.61 | 10,123,786.42 | 10,123,786.42 | -4,617,403.81 |
| Aquaculture Development | 6,044,181.83 | 713,340.50 | 713,340.50 | 5,330,841.33 |
| Fisheries Monitoring, Control & Surveillance | 724,142.43 | 812,500.00 | 812,500.00 | -88,357.57 |
| Aquatic Animal Health and Post-Harvest Management | 10,663,586.84 | 8,723,915.49 | 8,723,915.49 | 1,939,671.35 |
| Total | 52,706,713.00 | 34,454,911.00 | 34,454,911.00 | 18,251,802.00 |

Source: Ministry of Fisheries & Aquaculture Development

3.0 Programme Performance for 2016

3.1 Aquaculture Development Programme

The Ministry facilitated the establishment of an additional fish feed mill at Asutuare and also provided extension services to 1,400 aquaculture establishments throughout the country.

To boost fingerling production, the Ministry rehabilitated three public hatcheries at Ashaima, Akosombo and Kona-Odumase.

The Ministry also purchased five (5) vans and various aquaculture equipment for extension services. It again completed rehabilitation of three (3) public hatcheries at Ashiaman, Akosombo and Kona-Odumasi to boost fingerling production.

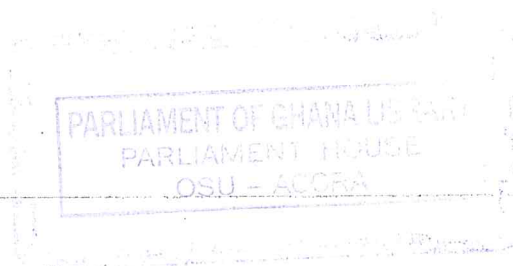
The Volta Lake was zoned to provide space for aquaculture development.

3.2 Fisheries Resources Management Programme

The Ministry recorded a total marine fish production of 294,627.07mt as against a target of 329,358.42mt in 2016.

Artisanal fishers were supported with 2,600 outboard motors to reduce time spent at sea.

Two months closed season for Tuna Vessels and one month for industrial trawlers was introduced in collaboration with industry players.



Canoe frame survey was conducted to establish the number of canoes in our waters. It was established that 11,583 canoes have been numbered.

A stock assessment of Ghana's Economic Ecological Zone was done in collaboration with Fridtjof Nansen to establish the abundance of the biomass of fish stock in our waters.

89% (9,893) of artisanal canoes in the marine environment were embossed with numbers.

Licenses for 136 vessels were renewed. They were comprised of 93 Bottom Trawlers, 40 Tuna Vessels and 3 Carriers.

3.3 Monitoring, Control and Surveillance Programme

There were 107 observer missions on board industrial trawlers leading to the prosecution of twelve (12) reported infractions.

The Ministry again conducted 32 sea patrols which led to the arrest of 8 industrial trawlers, 150 canoes and seizure of 80 generators.

There were quayside inspections on 99 vessels at Tema and Takoradi fishing harbours and the purchase of 400 automatic identification systems (AIS) beacons to extend electronic monitoring to semi-industrial fleet.

Activities on board all Ghanaian flag fishing vessels were monitored daily.

3.4 Aquatic Animal Health and Post-Harvest Management Programme

The Ghana Aquatic Animal Health Policy was developed.

The Ministry collaborated with relevant institutions to contain the outbreak of emerging fish diseases on the Volta Lake that nearly wiped out a number of aquaculture establishments.

A fish laboratory was built in Accra and 2 other laboratories in Kumasi and Koforidua were upgraded.

17 officers were trained in hazard analysis, Critical Control Points and Sanitary inspection of fishing vessels.

The Ministry piloted the introduction of improved fish processing facilities to 18 fish processing groups.

4.0 Outlook for 2017

For the 2017 fiscal year, the Ministry of Fisheries and Aquaculture Development has been allocated an amount of Sixty Two Million, Three Hundred and Eighty Three Thousand and Fifty Five Ghana Cedis (**GH¢62,383,055.00**) for their earmarked activities. Out of the allocated amount there would be a **GOG** allocation of Twelve Million, Four Hundred and Seventy Thousand and Fifty Six Cedis (**GH¢12,470,056.00**), **IGF** of Fifteen Million, Eighty Hundred and Eighty One Thousand, Seven Hundred and Fifty Eight Ghana Cedis (**GH¢15,881,758.00**), **ABFA** of Seventeen Million, Eight Hundred and Sixty Two Thousand Eight Hundred and Ninety Eight Ghana Cedis (**GH¢17,862,898.00**) and Donor contribution of Sixteen million, One Hundred and Sixty Eight Thousand, Three Hundred and Forty Three (**GH¢16,168,343.00**).

Table 3: 2017 Budgetary Allocation

| | GOG | DONOR | IGF | ABFA | TOTAL |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| WAGES AND SALARIES | 8,675,125 | - | 870,460 | - | 9,545,585 |
| GOODS & SERVICES | 3,194,931 | 4,315,493 | 9,029,401 | 3,862,897 | 20,402,723 |
| CAPEX | 600,000 | 11,852,850 | 5,981,897 | 14,000,000 | 32,434,747 |
| TOTAL | 12,470,056 | 16,168,344 | 15,881,785 | 17,862,898 | 62,383,055 |

Source: The 2017 Budget Estimates of the Ministry of Fisheries and Aquaculture

Table 4: 2017 BUDGET ALLOCATION BY PROGRAMME & ECONOMIC CLASSIFICATIONS

| Budget Programme/ Economic Classification | Wages & Salaries | Good & Services | CAPEX | ABFA | TOTAL |
|--|---------------------------------|--------------------------------|-------------------|-------------------|-------------------|
| Management & Administration | 8,525,308 | 7,325,057 | 5,288,553 | 1,307,070 | 22,445,988 |
| Fisheries Resource Management | 1,020,277 | 5,046,557 | 5,610,400 | 3,841,260 | 15,518,494 |
| Aquaculture Development | - | 350,000 | 930,695 | 12,714,568 | 13,995,263 |
| Fisheries Monitoring Control & Surveillance | - | 1,392,099 | 2,886,225 | - | 4,278,324 |
| Aquatic Animal Health & Post Harvest Management | - | 1,343,978 | 4,800,699 | - | 6,144,677 |
| Total | 9,545,585 | 15,458,000 | 19,516,572 | 17,862,898 | 62,383,055 |

Source: The Budget Statement and Economic Policy of GOG for 2016 fiscal year

4.1 PROGRAMMES EARMARKED FOR 2017

4.1.1 Aquaculture Development Programme

In 2017, the Ministry will expand effective extension service delivery to all Aquaculture establishments.

In 2017, additional three hatcheries will be rehabilitated at Dormaa-Ahenkro, Sankana and Vea. In addition, the Ministry will collaborate with the private sector to build more hatcheries at strategic locations to boost fingerling production to support Aquaculture growth.

In 2017, the Ministry will pilot the Fisheries Nucleus-Out grower Scheme in two fishing communities along the Volta Lake. At full operation, the Scheme will create an estimated 750 additional direct job opportunities, particularly for the youth, and 1,200 indirect jobs for women fish processors and traders along the aquaculture value chain.

Monitoring and Surveillance of fish disease at all Aquaculture establishments will be strengthened and effective bio-security measures introduced at all hatcheries to reduce mortality rate in fingerling production.

Under the new industrialization policy, Government will encourage the private sector to build additional infrastructure, including fish feed mills, cold chain storage and processing facilities at strategic locations in the country to ensure input price stability for the growth of the Aquaculture industry.

These interventions are expected to increase aquaculture production from 47,688mt (2016) to 60,000mt (2017) and create

additional 1,300 direct jobs and 2,200 indirect jobs along the aquaculture Value Chain.

4.1.2 Fisheries Resources Management Programme

To restore depleted marine fishery resources, the “Two-Month Closed Season” will be implemented in place of the “One-Month Closed Season” for industrial trawlers.

In 2017, the Ministry will facilitate the supply of premix fuel and outboard motors to fishers in an “effective and transparent” manner.

An Inland Fisheries Management Plan (2018-2023) will be developed in 2017 and a Canoe Frame Survey conducted to provide relevant information for evidence based policy decision making. Extension services will also be expanded to operators in the inland fisheries sub-sector. These interventions, when implemented, will increase inland fish production from 84,344.68mt in 2016 to 96502mt in 2017.

To modernize and transform the industry, the Ministry will complete phase one of the Anomabo Fisheries College to enhance research and the knowledge-base in fisheries technology for all operators. It will also collaborate with relevant institutions and the private sector to develop modern landing sites and storage facilities at James Town, Cape Coast, Axim and Mumford.

4.1.3 Monitoring, Control and Surveillance Programme

The Ministry will collaborate with stakeholders including the security agencies to enforce Fisheries Laws and Regulations and

5.3 REVIEW OF NATIONAL PREMIX FUEL DISTRIBUTION SYSTEM

The Committee noted that an amount of GH¢124,138.97 has been allocated for the review of the pre-mix fuel distribution system. The Committee lauded the initiative since it would bring sanity to bear on the current system of distribution and ensure that undesired practices are completely eliminated. The Committee recommends that the review should be done as soon as possible to ensure that distribution of fuel is done in an acceptable, peaceful and cordial atmosphere.

5.4 INSURANCE FOR FISHERS

It was realised that the Ministry of Fisheries and Aquaculture is currently running a pilot programme to insure fishers against disasters that happen at sea. The Ministry insures the fishers while canoes and outboard motors are insured by owners of canoes. The National Insurance Commission chose Star Micro Insurance as the insurer and the current insurance premium for the fishers is GH¢1,000.00. The Committee lauds the Ministry for the initiative and urges it to consider an upward review of the insurance premium since the benefits that would accrue to a fisher in case of a disaster may not be enough.

5.5 AQUACULTURE DEVELOPMENT PROJECT

To promote and develop aquaculture by increasing aquaculture production from 52,470mt to 60,000mt, an amount of \$85m has been allocated. This would be done under the auspices of the West Africa Fisheries Project and is expected to be led by the private sector. This notwithstanding the Ministry is yet to hold an

investment forum to persuade investors to buy into the programme. \$8m has so far been used to facilitate research into the viability of the project under the West Africa Fisheries Project. The Committee recommends that the Ministry should ensure that adequate numbers of investors are sourced and encouraged to join the programme to ensure the desired growth in aquaculture production.

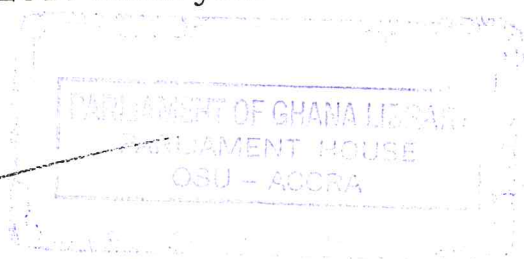
6.0 CONCLUSION

If the fisheries and aquaculture sectors of the economy are to grow and contribute appreciably to national development then there is the need to adequately fund the Ministry of Fisheries and Aquaculture Development. In this regard the Committee on Food and Agriculture recommends for the adoption of its report and approval of the sum of Sixty Two Million, Three Hundred and Eighty Three Thousand and Fifty Five Ghana Cedis (**GH¢62,383,055.00**) to support the activities of the Ministry of Fisheries and Aquaculture for 2017 fiscal year

Respectfully submitted



Kwaku Agyenim-Boateng
Chairman



Anita Quartey-Papafio
Clerk