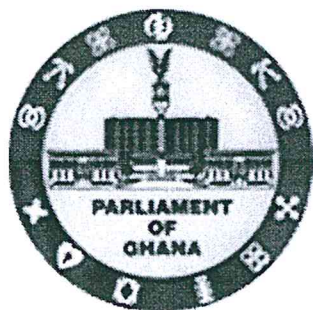


**IN THE FIRST SESSION OF THE SEVENTH
PARLIAMENT OF THE FOURTH
REPUBLIC**



**REPORT OF THE COMMITTEE ON
WORKS AND HOUSING**

ON THE

**2018 BUDGET ESTIMATES OF THE
MINISTRY OF SANITATION AND WATER
RESOURCES**

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DECEMBER, 2017

**REPORT OF THE COMMITTEE ON WORKS AND HOUSING ON THE ANNUAL
BUDGET ESTIMATES OF MINISTRY OF SANITATION AND WATER RESOURCES
FOR THE 2018 FINANCIAL YEAR.**

1.0 INTRODUCTION

The 2018 Annual Budget Estimates of the Ministry of Sanitation and Water Resources were referred to the Committee on Works and Housing for consideration and report in accordance with Article 179 of the 1992 Constitution and Standing Orders 140(4) and 180. This followed the presentation of the Budget and Economic Policy Statement of the Government by the Hon. Minister of Finance, Mr. Ken Ofori-Atta for the financial year ending 31st December 2018 on Wednesday 15th November 2017.

The Committee met with the Hon. Minister of Sanitation and Water Resources, Mr. Joseph Kofi Adda, his Deputy, Mr. Patrick Boamah and technical team for the Ministry to discuss the Estimates. Officials from the Budget Unit of the Ministry of Finance also attended upon the Committee and assisted the meeting with further clarification on some of the items and figures in the Estimates. The Committee is grateful to the Hon. Minister, hon. Deputy Minister and the officials for the assistance.

2.0 REFERENCE

The following served as reference documents during the Committee deliberations:

- a) The 1992 Constitution of Ghana;
- b) The Standing Orders of the Parliament of Ghana;

- c) The Budget Statements and Economic Policies of the Government of Ghana for the 2017 and 2018 Financial Years;
- d) The 2017 Annual Estimates of the Ministry of Sanitation and Water Resources;
- e) The 2017 Annual Estimates for the Ministry of Sanitation and Water Resources; and
- f) Written and oral presentation of the 2017 budget performance of the Ministry as well as justification for the 2018 Budget allocations.

3.0 **BACKGROUND**

The Ministry of Sanitation and Water Resources (MSWR) is a newly created Ministry in the infrastructure Sector under the Office of the head of Civil Service. It was established in 2017 to act and play a major role in the national regional and global effort to provide the needed support to the environmental sanitation and water sectors of the economy. The Ministry is strategically established to enhance the delivery of water, sanitation and hygiene services to the good people of Ghana and coordinate the activities of the water and environmental sanitation sectors to ensure efficiency and productive use of resources.

3.1 **VISION AND MISSION**

The Ministry exists to ensure sustainable management of the nation's water resources, provide safe, adequate and affordable water and improved sanitation.

3.2 **GOAL AND OBJECTIVES**

The goal of the Ministry is to contribute to improvement in the living standards of Ghanaians through increased access to and use of safe water, sanitation and hygiene practices and sustainable management of water resources.

The Ministry, therefore, has three broad sectorial objectives in line with its mandate and these are:

- To ensure sustainable management of the country's water resources for increased access to safe, adequate and affordable water;

- To ensure a sustainable and effective management of liquid and solid waste to promote health, reduce pollution of our water bodies as well as job and wealth creation; and
- To promote behavioural change programmes and increase access to safe hygiene practices among the populace.

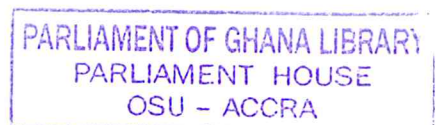
The following key policy objectives have been identified by the Ministry in pursuit of these goals:

- To ensure efficient management of water resources through Integrated Water Resources Management (IWRM);
- To accelerate the provision of adequate, safe and affordable water in rural and urban communities;
- To adopt a sector-wide approach to water and environmental sanitation delivery;
- To accelerate the provision of adequate, safe and affordable environmental sanitation facilities;
- To ensure the development and implementation of effective behavioural change communication approaches in all water and sanitation programmes;
- Implement health and hygiene education as a component of all sanitation programmes; and
- To ensure secure, adequate and sustainable financing for sector programmes and activities.

3.3 **DIRECTORATES UNDER THE MINISTRY**

The Ministry will work through the under-listed specialized departments and agencies:

- Ghana Water Company Ltd.
- Water Resources Commission
- Community Water and Sanitation Agency
- Environmental Health and Sanitation Directorate; and
- School of Hygiene



4.0 **2017 PERFORMANCE**

4.1 **Non-Financial Performance**

Below is a summary of non-financial performance during the period under review:

Management and Administration Programme

- Provided strategic policy direction for the initiation and formulation of policies, programmes and plans for the sanitation and water sub-sectors;
- Provided administrative support and the provision of adequate resources for all activities of the various Directorates, Units and Agencies for the effective and efficient running of the Ministry
- Consolidated and incorporated the Ministry's logistics requirements into a master procurement plan;
- Established and maintained fixed assets register and plan for the acquisition replacement and disposal of equipment.

Water and Sanitation Management Programme

Urban Water Management – Ghana Water Company Limited

- 55% of the Water Component under the GAMA Sanitation and Water Project, is completed
- Akim Oda, Akwatia and Winneba Water Supply Project was sustainably completed and awaiting handing-over.
- Wa Water Supply Project was completed in March 2017 and commissioned by H.E. the President
- The Cape Coast Water supply Project was completed in January 2017
- The Esaakyir Water Supply Project, Addendum I was completed in May 2017
- Preparatory works for Sunyani, Techiman and Sekondi-Takoradi were finalised, and credit facilities for these three projects, secured for consideration by Cabinet

- Cabinet gave approval for the Tono water treatment project for a loan facility to be undertaken in Navrongo.

Rural Water Supply – Community Water and Sanitation Agency

- Phase 1 of the Sustainable Rural Water and Sanitation Project (SRWSP) to be completed by December, 2017. The Phase 1 and 2 of the STRABAG Project was completed.
- Completion of the Akrokeri Water Project in the Ashanti Region
- 850 out of the 1,000 boreholes were completed and fitted with hand-pumps
- Strengthened Local Government and CWSA capacity to deliver water services.

Water Resources’ Management – Water Resources’ Commission

- An investment plan was developed for the White Volta Basin
- The Dam Safety Regulations was adopted. The regulations will support the development of diverse water storage facilities through the country
- A 10.2km buffer-zone was created within the White Volta basin
- A significant role and contribution were provided to the national initiative towards controlling the unregulated activities of small-scale miners (galamsey). This led to a gradual improvement in the quality of water bodies such as the Pra, Tano, Birim, Offin and Ankobra
- An improvement was made in the Flood Early Warning System (FEWS) of the While Volta Basin. This has led to accurate flood forecasting in the basin
- A new Flood Early Warning System was also developed and tested for the Oti Basin, which is a transboundary model for both Ghana and Togo.

Environmental Health and Sanitation Management Programme

Environmental Health and Sanitation Directorate

- Developed a Sanitation Communication Strategy to spearhead the National Sanitation Campaign
- Guidelines on the Sanitation brigade concept drafted

- A sanitation communication strategy to guide the Total Sanitation Campaign was developed.
- A draft policy to establish a National Sanitation Authority was developed

Solid Waste Management

- Six (6) unauthorised dump sites evacuated in the Accra Metropolis
- Plans for solid waste management facilities developed

Liquid Waste Management

- Increase access to household toilet facilities
- Open defecation reduced in our cities and towns. 200 communities were declared open defecation free
- Plans for liquid waste management facilities developed

4.2 Summary of 2017 Budget Allocation and Performance

For the implementation of its programmes, the Ministry was allocated a total amount of *Two Hundred and Fifty-five Million, Five Hundred and Thirty-one Thousand, Three Hundred and Fifty-four Ghana Cedis (GH¢255,531,354.00)*. Out of this amount, *Thirty-seven Million, Fourteen Thousand, Two Hundred and Forty-nine Ghana Cedis (GH¢37,014,249.00)* is GOG and *Two Million, Three Hundred and Ninety-five Thousand and Seventy-eight Ghana Cedis (GH¢2,395,078.00)* is IGF. Total development Partners' Funds amounts to *Two Hundred and Sixteen Million, One Hundred and Twenty-two Thousand and Twenty-eight Ghana Cedis (GH¢216,122,028.00)*.

The Tables below show the budget performance as at the end of September 2017.

TABLE 1: 2017 BUDGET PERFORMANCE: GOG

	Approved Budget	Amount Released as at end September 2017	Amount Received	Amount Utilized	Projections to the end of the year
Compensation of Employees	5,094,774.00	3,829,996.04	3,829,996.04	3,829,996.04	2,735,711.46
Goods and Services	3,919,475.00	1,175,843.00	581,631.50	581,631.50	2,743,632.00
CAPEX	28,000,000.00	8,800,000.00	0.00	0.00	28,000,000.00
TOTAL	37,014,249.00	13,805,839.04	4,821,674.52	4,821,674.52	33,069,296.48

Source: 2017 Budget Statement and MSWR 2017 Budget Performance Report to the Committee

TABLE 2: 2017 BUDGET PERFORMANCE: IGF

	Approved Budget	Amount Released as at end September 2017	Amount Received	Amount Utilized	Projections to the end of the year
Compensation of Employees	0.00	0.00	0.00	0.00	0.00
Goods and Services	2,119,009.00	1,472,802.88	1,472,802.88	1,472,802.88	646,206.12
CAPEX	1,336,787.00	0.00	0.00	0.00	1,336,787.00
TOTAL	3,455,796.00	1,472,802.88	1,472,802.88	1,472,802.88	1,982,993.12

Source: 2017 Budget Statement and MSWR 2017 Budget Performance Report to the Committee

TABLE 3: 2017 BUDGET PERFORMANCE: DONOR DISBURSEMENT

	Approved Budget	Amount Released as at end September 2017	Amount Received	Amount Utilized	Projections to the end of the year
Compensation of Employees	0.00	0.00	0.00	0.00	0.00
Goods and Services	43,224,406.00	31,186,270.60	31,186,270.60	31,186,270.60	12,038,135.40
CAPEX	172,897,622.00	174,706,385.25	174,706,385.25	174,706,385.25	50,000,000.00
TOTAL	216,122,028.00	205,892,655.85	205,892,655.85	205,892,655.85	12,038,135.40

Source: 2017 Budget Statement and MSWR 2017 Budget Performance Report to the Committee

5.0 OUTLOOK FOR 2018

The Ministry of Sanitation and Water Resources plan to focus its expenditure for the implementation of the under-listed policy objectives under the Water Management and Sanitation Management Programmes during the 2018 financial year.

- Scale-up Investment and develop innovative financing mechanisms for the sanitation and water sectors;
- Ensure the enactment of appropriate legislation to harmonise the laws regulating the sanitation and water sectors;
- Improve access and coverage of potable water in rural and urban communities;
- Increase provision of household sanitation facilities;
- Enhance capacity of relevant institutions and community level structures for sanitation and hygiene services;
- Promote effective solid and liquid waste management at all levels;

- Establish and operationalise the National Sanitation Authority; and
- Ensure efficient management of water resource management through Integrated Water Resources Management (IWRM).

6.0 2018 BUDGET ALLOCATION

For the implementation of the above policy objectives, the Ministry has been allocated a total amount of *One Hundred and Eighty-three Million, Six Hundred and Thirty-two Thousand, Five Hundred and Seventy-six Ghana Cedis (GH¢183,632,576.00)*. Out of this amount, *Seventy Million, Six Hundred and Ninety-five Thousand, Four Hundred and Thirty-five Ghana Cedis (GH¢70,695,435.00)* is GOG and *Two Million, One Hundred and Eighty-two Thousand and Seven Hundred and Fifty-nine Ghana Cedis (GH¢2,182,759.00)* is IGF whilst the total development Partners' Funds amounts to *One Hundred and Ten Million, Seven Hundred and Fifty-four Thousand Three Hundred and Eighty-three Ghana Cedis (GH¢110,754,383.00)*. The breakdown is as indicated below:

		<i>GH¢</i>
Compensation of Employees	-	9,081,535
Goods and Services	-	1,613,900
Capital Expenditure	-	<u>60,000,000</u>
Total (GoG)	-	70,695,435
Retained Internally Generated Funds;	-	2,182,759
Development Partners Funds;	-	<u>110,754,383</u>
Grand Total (N1)	-	<u>183,632,577*</u>

Note to the Account

(N1). Even though the total allocation to the Ministry as indicated on page 179 Appendix 4B of the 2018 Budget Statement and Economic policy of Government is GH¢183,632,576.00, the actual allocation should rather be read as GH¢183,632,577.00.

7.0 OBSERVATIONS

Inadequate and untimely release of Budgetary Allocations

The Committee noted that aside employees' compensation and donor contribution that respectively had 75% and 95.27% disbursement rates, the Ministry suffered from the inadequate and untimely release of budgetary allocations. Table 4 below indicates the disbursement of funds as at end of July 2017. It is clear from the table that out of the total budgetary allocation of GH¢3,919,475.00 for Goods and Services, only GH¢581,631.00 representing 14.83% had been released. Also, only GH¢410,046.98 (1.46%) out of the total GoG allocation of GH¢28,000,000.00 for CAPEX has been released. Another issue that was of great concern for the Committee is the high percentage rate (95.27%) of disbursement for the donor component of the allocations. Though the Committee appreciates the high rate of disbursement, it holds the view that financing an important sector like water and sanitation should be locally/ nationally driven. The Committee realised that any negative global challenge such as donor fatigue or financial crisis would have an adverse effect on the performance of the sector.

The Committee recommends to the government to give priority to this important sector by increasing GoG allocations and also ensure the fully and timely release of budgetary allocations.

TABLE 4: Analysis of the 2017 Budget - Fund Disbursements

ITEM	TOTAL 2017 BUDGET (GHC)	DISBURSEMENT AS AT JULY, 2017 (GHC)	PERCENTAGE (%) DISBURSED
GOG			
COMPENSATION FOR EMPLOYEES	5,094,774.00	3,829,996.04	75.00%
GOODS AND SERVICES	3,919,475.00	581,631.50	14.83%
ASSETS	28,000,000.00	410,046.98	1.46%
TOTAL GOG	37,014,249.00	4,821,675.52	13.02%
DONOR	216,122,082.00	205,892,655.85	95.27%
IGF	2,395,078.00	1,472,802.88	61.42%
GRAND TOTAL	255,531,355.00	211,245,454.77	83.04%

Source: 2017 Budget Statement and MSWR 2017 Budget Performance Report to the Committee

Improving and Increasing National Sanitation Coverage

The Committee noted that though the Ministry is new and still in the process of developing and formalising its structures, it chopped a number of successes worthy of mentioning. Notable among them are the successful launching of the National Sanitation Campaign, the evacuation of the unauthorised dumping sites in the GAMA area, development of Sanitation Communication strategy to spearhead the National Sanitation Campaign, as well as the development of a draft policy for the establishment of a National Sanitation Authority. The Committee believes that the above initiatives, together with others such as the Sanitation brigade, when fully operationalised, have the potential of improving and increasing the national sanitation coverage.

Protection of Water Bodies from Human Activities

The Committee was informed that as a result of the National Campaign against illegal mining (Galamsey) and the cooperation and collaboration of the Inter-Ministerial Committee on illegal mining, there has been gradual improvement in the water quality in the Pra, Tano, Brim, Offin and Ankobra rivers which serve as major sources of water supply in the country.

The Committee lauds this development, and hopes that there would be continuous support, collaboration and cooperation of all stakeholders in finding a lasting solution to the menace. It is the conviction of the Committee that continuous improvement of the water quality would help reduce the drain on the limited resources of the institutions responsible for the production of water supply and also increase the economic life-span of the treatment plants and prevent them from premature shut-downs.

Weak inter-ministerial and institutional collaboration

The Committee noted that although the creation of the Ministry of Sanitation and Water Resources among others, was to ensure effective government leadership, harmonisation and coordination for policy/strategy formulation standards and implementation, the issue of uncoordinated execution of sanitation and hygiene programmes and activities by several MDAs still exists. The Committee further realised that weak inter-ministerial and institutional collaboration contributed to the above problem. The Committee, however, hold the view that putting all the sanitation programmes and activities under one Ministry would not only achieve effectiveness, efficiency, harmonisation and eliminate duplication, but would also improve programme implementation and service delivery standards across the country.

The Committee, therefore, recommends to the government to ensure that all sanitation programmes, projects and funds are fully transferred to the Ministry of Sanitation and Water Resources. The Committee further calls for a stronger inter-ministerial and institutional collaboration.

8.0 CONCLUSION AND RECOMMENDATION

The Committee, after careful examination of the Budget Estimates and also having regards to the correction made on page 10 of this report, recommends to the House to approve the sum of *One Hundred and Eighty-three Million, Six Hundred and Thirty-two Thousand, Five Hundred and Seventy-seven Ghana Cedis (GH¢183,632,577.00)* to enable the Ministry of Sanitation and Water Resources implement its programmes for the 2018 financial year.

Respectfully submitted.



Handwritten signature of Hon. Nana Amoako in black ink.

HON. NANA AMOAKO
CHAIRMAN, COMMITTEE ON WORKS
AND HOUSING

Handwritten signature of Rosemary Arthur Sarkodie in black ink.

ROSEMARY ARTHUR SARKODIE
CLERK, COMMITTEE ON WORKS
AND HOUSING

DECEMBER 2017

