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

# PREPORT OF THE SPECIAL BUDGET COMMITTEE ON THE 2018 ANNUAL BUDGET ESTIMATES OF THE NATIONAL MEDIA COMMISSION (NMC)

# 1.0 <u>INTRODUCTION</u>

The Budget Statement and Economic Policy of the Government for the 2018 Financial year was presented to Parliament by the Hon. Minister for Finance, Mr. Ken Ofori Atta on Wednesday, 15<sup>th</sup> November, 2017 in accordance with Article 179 of the 1992 Constitution. Pursuant to Order 140(4) of the Standing Orders of the House, the Rt. Hon. Speaker referred the Estimates of the National Media Commission to the Special Budgets Committee for consideration and report.

#### 2.0 DELIBRATIONS

The Committee met with the Executive Secretary of the Commission, Mr. George Sarpong, officials of the Commission, and technical officers from the Ministry of Finance and considered the Estimates. The Committee is grateful to the officials for the assistance.

#### 3.0 BACKGROUND

The National Media Commission was established on July 1993 by an Act of Parliament, National Media Commission Act 1993, Act 449 to, among others, take measures to ensure the establishment and maintenance of the highest Journalistic standards on mass media including investigation, mediation and settlement of complaints made against or by press or other mass media. The core functions of the media commission include the promotion and ensuring the freedom and independence of the mass media for communication and information. As part of it mandate the National Media Commission is to make regulations by constitutional instrument for the registration of newspapers and other publications except that the regulations shall not provide for the excise of any direction or indirect control over the professional functions of a person engaged in the production of newspapers or other means of mass communication among others. The role of the Commission is to promote free, independent and responsible media to sustain democracy and good governance.

## 4.0 REFERENCE

The Committee referred to the following documents during its deliberations:

- a. The 1992 Constitution of the Republic of Ghana.
- b. The Standing Orders of the Parliament of Ghana.
- c. National Media Commission Act 1993, Act 449
- d. The Budget Statement and Economic Policy of the Government of Ghana for the 2017 Financial Year and;
- e. The 2017 Annual Estimates for the National Media Commission

# 5.0 VISION AND MISSION

The National Media Commission exists to promote free, independent and responsible media to sustain democracy and national development. As part of its core functions NMC is mandated to take measures to ensure that persons responsible

for state owned media afford fair opportunities and facilities for the presentation of divergent views and dissenting opinions.

## 6.0 ACHIEVEMENTS IN 2017

During the 2017 financial year, the National Media Commission undertook the following activities among others;

#### 6.1 Formulation of Social and Content Policy on Digital Migration:

The Commission began work towards formulating a social and content policy to guide Ghana's transition from analogue to digital television broadcasting in addition to the technical standards developed by the Ministry of Communications. The Commission as part of that process held a national conference to collate views of stakeholders.

# 6.2 Capacity Building on Digital Migration for Commission Members:

As part of the preparation towards the formulation of social and content policy on migration, the Commission Members were trained on the global best practices in digital migration policy to enable them review and analyze proposals from different interest groups on the migration policy.

# 6.3 Capacity Building For Members of the Regional Media Advisory Committees on Digital Migration:

The Commission held a capacity building workshops for Regional Media Advisory Committee Members of the Northern, Ashanti, Upper East, Central, Eastern and Volta Regions. The members were educated on digital migration and the need for a Content Policy and the challenges that will arise as a result of the switch-over.

# 6.4 ACRAN Steering Committee Meeting in Accra:

The National Media Commission convened the Steering Committee Meeting of the African Communication Authorities Regulatory Network. The Committee is the highest decision-making

body of the Network and is currently, chaired by Ghana. The following member countries participated: Ghana, Togo, Benin, Burkina Faso, Guinea, Cameroun and Morocco.

# 6.5 Composition and Swearing-in of Governing Boards of the State-Owned Media:

The National Media Commission, in exercising its mandate under Article 168 of the 1992 Constitution has constituted and inaugurated new governing boards for the four State-Owned Media.

# 6.1 BUDGET PERFORMANCE IN 2017

During the year under review the National Media Commission was allocated a total budget of Five Million, Eight Hundred and Thirty-seven Thousand, and Forty-eight Cedis ( $GH \not\in 5,837,048$ ). The allocation was disbursed among the three cost centers as follows:

Cost Centre		2017 Allocation ( GH¢)		
Employee Co	mpensation	-	1,573,048	
Goods and Se	ervices	-	2,800,000	
Capital Exper	nditure	₩	1,464,000	
TOTAL	i.	_	5,837,048	

# 6.2 <u>2017 GOG Budget Performance</u>

As at 30<sup>th</sup> November, 2017 the Commission spent an amount of **GH¢2,487,026** which represents **42.6**% of its approved budget of **GH¢5,837,048.00** for the 2017 financial year. The breakdown of the expenditure is presented in table 1.

Table 1: NMC budget performance as at 30th November, 2017

SN	ITEM	2017	2017	VARIANCE	%
		APPROVED	ACTUAL	(GH¢)	RELEASED
		BUDGET	RELEASED		
		(GH¢)	30/11/2017		
			(GH¢)		
1	Compensation	1,573,048	1,469,256	103,792	93.4
2	Goods and	2,800,000	1,017,770	1,782,230	36.3
	Services				
3	Capital	1,464,000	0	1,464,000	0
	Expenditure				
	Total	5,837,048	2,487,026	3,350,022	42.6

#### 7.0 OUTLOOK FOR 2018

For the 2018 financial year, the National Media Commission intends to undertake the following activities;

# Content Policy on Digital Migration

- Establish viable systems for media monitoring across the country. This involves procuring, housing and installation of suitable equipment for media monitoring and recruiting professional staff for tracking media content to prevent harmful content distribution.
- Develop a comprehensive framework for media regulation.
- Clarify ethical and professional standards by drafting and reviewing a number of guidelines including;
  - o guidelines on hate speech,;
  - o guidelines for political journalism;

PARLIAMENT OF GHANA LIERAPQUIDE for fair and equitable coverage for all PARLIAMENT HOUSE political parties by State Owned Media establishments;

- o Guidelines on local language broadcast;
- o Print media Standards;
- o Broadcasting standards; etc.
- Review and amend the National Media Commission Act to empower the Commission to enforce its mandate.
- Facilitate the enactment of laws affecting content delivery across platforms including the passage of the broadcasting law.

# 7.0 2018 BUDGET ALLOCATION TO THE NMC

To implement the above programmes an amount of **Five Million**, **One Hundred and Forty-nine Thousand**, **Three Hundred and Eighty-one Ghana Cedis** (*GH¢5,149,381*) has been allocated to the National Media Commission (NMC) for the 2018 financial year. The allocations is to be disbursed among the cost centres of the NMC as follows:

Cost Centre			2018 Allocation (GI	d¢)
Employee Comp	oensation	-	2,847,901	
Goods and Services		-	1,301,480	
Capital Expenditure		-	1,000,000	,
TOTAL		-	5,149,381	

The allocation to NMC decreased marginally by  $GH \not \in 87,667$  or 11.8% compared to the 2017 allocation of  $GH \not \in 5,837,048$ . The summary of the 2018 allocation compared to 2017 allocation is presented in table 2.

Table 2: 2017 Allocation as Against 2018 Allocation

SN	Cost Centre	2017	2018	Variance
		Allocation	Allocation	(GH¢)
		(GH¢)	(GH¢)	

1	Compensation of	1,573,048	2,847,901	1,274,853
	Employee			
2	Goods and Services	2,800,000	1,301,480	(1,498,520)
3	Capital Expenditure	1,464,000	1,000,000	464,000
	TOTAL		5,149,381	(687,667)
		5,837,048		

#### 8.0 OBSERVATIONS

The Committee after a careful examination of the 2018 estimates of the NMC made the following observations:

## 8.1 Preparedness of the Commission for Digital Migration

The Committee noted that Ghana intends to migrate to digital platform for television transmission by end of 2019 having missed the two previous deadlines. The Executive secretary of NMC explained to the Committee that, the current digital migration programme concentrated on the technical and engineering issues leaving many of the governance, social and political issues unattended to. He explained that, under the digital transmission platform, the content producer is different from the content transmitter and wondered who bears liability for offensive content. He stated that, the NMC is in the process of developing policy to address these and many social, political and governance issues that comes with digital migration.

The Committee further noted that the National Media Commission's in 2017 planned to develop content policy on digital migration to complement the technical policies developed by the

Ministry of Communication and the National Communication Authority but failed to achieve this due to non-release of funds.

The Committee therefore urges the Minister of Finance to release all allocated resources to the Commission to enable them prepare adequately for the implementation of digital migration in 2019.

## 8.2 Capacity of NMC to Monitor Media

The Committee observed that, digital migration will lead to an increase in the number of television and radio stations in the country and wondered whether the Commission has the capacity to monitor the increasing number of radio and television stations that come with digital migration.

The Commission assured the Committee that, given the required resources, the Commission will position itself to deliver on its mandate creditably. The Commission was worried about dwindling resource allocation as well as lack of personnel to enable the Commission undertake the increasing responsibility and challenges associated with digital migration.

The Commission explained that, notwithstanding the continuous emergence of radio and television stations in the regions, districts and communities, the Commission does not have officers at the regional and district levels to monitor content at the local levels.

The Committee therefore recommend to the Ministry of Finance to release the Capital expenditure allocated to the Commission in 2017 appropriation to enable the Commission procure monitoring equipment in preparedness towards the digital migration in 2019. The Committee further urges the Minister to grant clearance to the

Commission to engage technical staff to augment its staff to promote efficiency.

#### 8.3 Inadequate Budgetary Allocation

The Committee was informed that, inadequate budgetary allocation to the Commission over the years has hinder its ability to effectively implement its mandate. The Commission lack modern media monitoring equipment and qualified staff to effectively monitor media content.

The Committee was further informed that, the Commission need to acquire some specialized equipment for monitoring to effectively carry out content monitoring when Ghana finally migrate to digital transmission but the require resources are not allocated.

The Committee noted that, the NMC currently has only three permanent technical staff to undertake media content monitoring across the country. This has constrained the ability of the Commission to effectively implement its mandate.

The Committee again informed that out a budgetary requirement of GH¢51,060,000 for 2018, only GH¢5,149,138 representing 10% has been allocated. Details of the budgetary requirements and allocation to the Commission in 2018 is presented in table 4.

Table 4: 2018 budget requirement of the NMC compared to actual allocation

SN	ITEM	-	Requirement	2018	%
	*		of NMC	Allocation	Allocation
			(GH¢)	(GH¢)	
1	Compensation		7,256,500	2,847,901	39.2
2	Goods	and	20,780,500	1,301,480	6.3
	Services				

3	CAPEX	23,023,000	1,000,000	4.3
	TOTAL	51,060,000	5,149,381	10

The Committee again noted that the inadequate resource allocation over the years has impaired the ability of the Commission to keep pace with media pluralization wave across the country.

The Committee is of the view that, given that the 2018 budget is the last budget to be fully implemented before the ushering in of digital migration, there is the urgent need for adequate resources to be allocated to the Commission for the development of required capacity in readiness to manage the social, cultural and political challenges associated with digital migration.

# 8.4 Financial Autonomy

The Committee noted that for the National Media Commission to effectively deliver on its mandate, there is the need to empower the Commission to become financially independent. The Committee is of the view that, having regard to increasing demand for the provision of social services which exerts pressure on already scare government resources, complete reliance on government subvention cannot sustain the operation of the Commission. There is therefore the need for the application of other innovative means by the Commission to generate resources to support its operations.

The Executive secretary indicated that the NMC could develop robust media monitoring system that will allow it to monitor advert placement on radio and television station on behalf of third parties at a fee. He contended that, this is an area which remains largely

untapped and when properly managed could generate sufficient revenue to allow the Commission some level of financial autonomy.

The Executive Secretary also advocated for the NMC to be granted the authority to manage content authorization for media houses at a fee.

The Committee therefore wishes to urge the Ministry of Finance to open discussion with the Commission on how best to utilize the revenue potentials of the Commission.

## 9.0 CONCLUSION

The Committee, after careful examination of the Budget Estimates of the National Media Commission recommends to the House to adopt its report and approve the sum of Five Million, One Hundred and Forty-nine Thousand, Three Hundred and Eighty-one Ghana Cedis ( $GH \not\in 5,149,381$ ) to enable the National Media Commission implement its programmes for the 2018 Financial Year.

Respectfully submitted

HON. OSEI KYEI-MENSAH-BONSU
(CHAIRMAN, SPECIAL BUDGETS COMMITTEE)

MR. INUSAH MOHAMMED
(CLERK, SPECIAL BUDGETS COMMITTEE)

November, 2017

