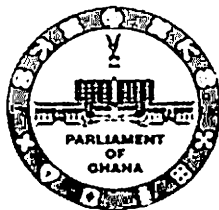


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FOURTH REPUBLIC OF GHANA



REPORT

of the

COMMITTEE ON DEFENCE AND INTERIOR

on the

ANNUAL BUDGET ESTIMATES

of the

MINISTRY OF DEFENCE

for the

2020 FINANCIAL YEAR

DECEMBER, 2019

REPORT OF THE COMMITTEE ON DEFENCE AND INTERIOR ON THE 2018 ANNUAL ESTIMATES OF THE MINISTRY OF DEFENCE

1.0 INTRODUCTION

In accordance with Article 179(1) of the 1992 Constitution of Ghana and Standing Order 138, the Hon. Minister for Finance, Mr. Ken Ofori-Atta, delivered the 2020 Budget Statement and Economic Policy to Parliament on Wednesday the 13th of November, 2019.

Pursuant to Orders 140(4) and 158 of the Standing Orders, the Rt. Hon. Speaker, Prof. Michael Aaron Oquaye, referred the Annual Estimates for the 2020 Fiscal year of the Ministry of Defence to the Committee on Defence and Interior for consideration and report.

1.1 DELIBERATIONS

The Hon. Deputy Minister for Defence, Mr. Derek Oduro, the Chief Director, Dr. Evans Dzikum, Senior Officers of the Military High Command, as well as officials of the Ministries of Defence and Finance met with the Committee on Thursday, 5th December, 2019 to consider the estimates for 2020, fiscal year in respect of the Ministry and its Agencies.

The Committee is grateful to them for their inputs in the deliberations.

2.0 REFERENCE DOCUMENT

The Committee had recourse to the following documents during the deliberations:

- a. The 1992 Constitution
- b. The Standing Orders of the Parliament
- c. The Budget Statements and Economic Policy of the Government of Ghana for the December 2019 financial year.
- d. The Budget Statements and Economic Policy of the Government of Ghana for the December 2020 financial year.
- e. The Draft Annual Estimates of the Ministry of Defence for the 2020 financial year.

3.0 MISSION STATEMENT AND OBJECTIVES

The Ministry of Defence (MOD) exists to formulate and implement national defence policies relating to peacekeeping, internal and external security and the total defence of the nation including, defending the territorial integrity of Ghana by land, sea and air. The goal of the Ministry is to ensure security and adequate protection of life, property and the rights

of all nationals, especially the vulnerable and excluded within a democratic environment.

The activities of the Ministry cover the following:

- (a) Ministry of Defence Headquarters (MOD HQ)
- (b) General Headquarters (GHQ) of the Ghana Armed Forces
- (c) Ghana Army
- (d) Ghana Navy
- (e) Ghana Air Force
- (f) Ghana Armed Forces Command and Staff College (GAFSCS)
- (g) Military Academy & Training School (MATS)
- (h) Kofi Annan International Peacekeeping Training Center (KAIPTC)
- (i) Veterans Administration, Ghana
- (j) 37 Military Hospital (37)
- (k) Defence Advisors

4.0 **KEY ACHIEVEMENTS IN 2019**

The Ministry of Defence was confronted with some challenges in implementing some of its programmes, projects and general operations during the 2019 financial year. However, it was able to achieve its objectives of defending territorial boundaries and perform other administrative activities. Some of the key achievements among others are as follows:

- i. Provided surveillance of Ghana's airspace and international borders
- ii. Safe and secured Maritime Domain due to constant Naval patrols
- iii. Collaboration with other Security Agencies to maintain law and order e.g. operations COWLEG, CALM LIFE, HALT, GONGGONG etc.
- iv. Internal Security Exercise (Ex KOUDANLGOU 2) to flush out cross border miscreants along Ghana's borders conducted with security services of Togo, Burkina Faso and Cote d'Ivoire
- v. Internal Security Operation (Operation CONQUERED FIST) anti-terrorist operation in Northern Ghana to thwart the occurrence of possible terrorist attacks.
- vi. The Ghana Armed Forces (GAF) embarked on OPERATION VANGUARD to reduce illegal mining and environmental degradation since January to September 2019, and achieved the following strides;
 - Over 1,727 illegal miners arrested;

- 2,779 weapons and ammo seized;
 - 260 excavators seized;
 - 9,178 items immobilized; and
 - 4,045 other mining equipment seized from July 2017 to September 2019
- vii. The GAF also dispatched about 2,500 troops and equipment towards International peacekeeping efforts. The Government increased the United Nations Peacekeeping Troop contribution allowances by Five United State Dollars (USD 5.00) from Thirty United State Dollars (USD 30.00) to Thirty-Five United State Dollars (USD 35.00) per soldier per day at all operational areas.
 - viii. Commissioned 252 Officer Cadets into the Ghana Armed Forces and 120 under training.
 - ix. A total of 974 recruits passed out of training early this year. 563 Army recruits, 320 Air force recruits and 201 sportsmen are under training and scheduled to pass out in First Quarter of 2020.
 - x. 67 Senior Officers graduated from Senior Staff Course at GAFSCS as at September, 2019.
 - xi. Construction works of a 500 bed capacity Military Hospital in Kumasi is in progress. Currently the overall works done is about 81% complete.
 - xii. Completion of 4 Storey apartments (16 Flats) at AFB Tamale.

5.0 PERFORMANCE REVIEW OF 2019 FISCAL YEAR

The Ministry's total approved budget for the year 2019 is ***GH¢1273.964b***, it is worth noting that there is a component of Internally Generated Fund (IGF) of ***GH¢19.384m*** and Development Partners Fund of ***GH¢48.100m*** which is not stated in the table above. The table above comprises of Compensation of Employees of an amount of ***GH¢1079.127b***, Goods and Services of an amount of ***GH¢56.101m*** and Capital Expenditure (CAPEX) of an amount of ***GH¢71.250m*** bringing the total to ***GH¢1206.479b***.

Out of the total approved budget of ***GH¢1273.964b***, the total ceilings allotted to Ministry of Defence and its agencies as at 30th September, 2019 amounts to ***GH¢889.808m***. As depicted in the table above, the total budget for Compensation of Employees, Goods and Services and Capital Expenditure is ***GH¢1079.127b***, ***GH¢56.101m*** and ***GH¢71.250m*** with the corresponding ceilings allotment as at 30th September, 2019 of ***GH¢787.739m***,

GH¢48.728m and GH¢53.339m.

The total expenditure as at 30th September for Compensation of Employees, Goods and Services and Capital Expenditure is **GH¢767.991m, GH¢82.553m and GH¢23.211m.**

The Internally Generated Fund (IGF) projection for the year 2019 is **GH¢19.384m.** The actual collection as at 30th September, 2019 amounted to **GH¢19.053m,** same was retained whereas actual expenditure was **GH¢20.156m.** It is worth noting that, there were outstanding invoices to the tune of **GH¢0.765m** from 2018 hence, the expenditure of **GH¢20.156m.**

The Matrix below illustrates the 2019 expenditure trend (as at September, 2019):

TABLE 1: TOTAL EXPENDITURE AS AT SEPTEMBER, 2019

Economic Classification	2019 Appropriation (GH¢)	Actual Release = Ceilings (GH¢)	Actual Expenditure (GH¢)	Variance amount	Variance (%)
	(a)	(b)	(c)	(a-b)	
Compensation of Employees	1,079,127,492.00	787,739,851.98	767,991,531.91	291,387,640.02	27.00
Goods and Services	56,101,942.00	48,728,874.63	82,553,419.23	7,373,067.37	13.14
CAPEX	71,250,000.00	53,339,577.91	23,211,183.85	17,910,422.09	25.14
TOTAL	1,206,479,434.00	889,808,304.52	873,756,134.99	316,671,129.48	26.25

6.0 PROGRAMME AND ACTIVITIES FOR 2020

For the 2020 financial year, the Ministry has outlined the following programmes and activities:

- Operationalisation of the amended Ghana Armed Forces (Amendment) Regulations LI 1332.
- GAF will continue to provide surveillance of the country in view of contemporary security threats across the globe.
- The Ministry will continue to contribute troops and equipment towards international peace efforts based on the invitation of the UN Peacekeeping Mission.
- GAF will recruit about 3000 personnel to enhance capacity of about 350 personnel
- The 500 Military Hospital at Afari near Kumasi will be commissioned

7.0 BUDGETARY ALLOCATION FOR 2020 FISCAL YEAR

The Budgetary allocation for the Ministry will be undertaken by these three (3) main Programmes and their sub-programmes.

7.1 PROGRAMME 1: MANAGEMENT AND ADMINISTRATION

The Ministry will initiate, formulate, implement, monitor and evaluate Defence Policies to ensure national cohesion and territorial integrity. The programme would cover all support services offered by the Defence Headquarters and its departments through the delivery of five sub-programs for which a total of **GH¢9,450,583.00** has been allotted. The five Sub-programs are:

7.1.1 General Administration

This sub-programme seeks to supervise and implement Government programmes, policies and projects for the sector. It will provide guidance for the general Ministry's Sector Medium-Term Development Plan (SMTDP), Budget and Procurement matters and ensure value for money from Service Providers of the Ministry. To achieve this an amount of **GH¢483,837.00** has been dispensed.

7.1.2 Finance

This Sub-programme is targeted at coordinating the activities of the Ministry and its Directorates through the Office of the Chief Director and Director of Finance and Administration which is basically responsible for issuing directives that are consistent with policy direction, ensuring the provision of resources and logistics to all directorates for the effective operation of the Ministry, ensuring compliance with acceptable procedures and timely reporting and facilitating budgetary control and management of financial resources among others. An amount of **GH¢5,803,777.00** has been allotted.

7.1.3 Human Resource

This sub-programme exists to ensure the availability of human resource capacity to meet the needs of the Ministry. It involves training staff at various levels and competencies and implementing welfare programs. **GH¢515,524.00** has been earmarked for this sub-programme.

7.1.4 **Policy, Planning, Budgeting, Monitoring and Evaluation**

An amount of **GH¢1,015,210.00** has been allocated to this sub-programme which seeks to formulate, implement, monitor and evaluate policies, programmes, projects and activities of the Ministry, including implementing workplace HIV/AIDS programs and gender mainstreaming initiatives.

7.1.5 **Defence Cooperation, Research and Information**

The Research and Defence Cooperation sub-programme seeks to establish a well-resourced statistical database to support policy formulation. It will coordinate information relating to defence and security matters including Memorandum of Understandings (MOUs) and Defence Cooperation Agreements. **GH¢338,403.00** is earmarked for this sub-programme which will undertake research into national, regional and international defence, peace and security issues.

7.1.5 **Veterans Administration**

The objectives of this sub-programme is to promote the welfare of military veterans and their dependants by providing medical and rehabilitation care to those who are infirmed, disabled, destitute and the aged generally. For the performance of this sub-programme an amount of **GH¢1,293,833.00** has been allotted.

7.2 **PROGRAMME 2: THE GHANA ARMED FORCES**

The Ghana Armed Forces has been allocated an amount of **GH¢1,479,003,582.00**. This comprise the General Headquarters, the Army, Navy and the Air Force. This amount will enable the Ghana Armed Forces to continue to defend the territorial integrity of Ghana by land, sea and air against internal and external aggression. There are six (6) sub-programmes which is as follows:

7.2.1 **General Headquarters (GHQ)**

The General Headquarters exists to implement policies and programmes formulated by the Ministry, ensure adequate budgetary allocation for GAF and coordinate, monitor and evaluate activities of various programmes under the GAF. An amount of **GH¢581,140,580.00** has been allocated for this activity.

7.2.2 Land Operations (GHANA ARMY)

The Ghana Army's main operations of is to consider the Command and Control activities of the Ghana Armed Forces in safeguarding the territorial integrity of Ghana against external aggression and in assisting civil authorities in maintaining or restoring law and order. This sub-programme has a budgetary allocation of **GH¢435,012,532.00**.

7.2.3 Naval Operations (NAVY)

With a budgetary allocation of **GH¢143,493,864.00**, the Ghana Navy will continue to protect the maritime resources through the enforcement of maritime laws in collaboration with other agencies like the Ghana Maritime Authority.

7.2.4 Air Operations (AIR FORCE)

The Ghana Air Force aims at protecting and defending the territorial airspace of Ghana in support of national peace, stability and prosperity. With a budget of **GH¢122,807,592.00** it will also provide air transport support to the Armed Forces and civil authorities.

7.2.5 Military Health Service

Healthcare in the Military is provided by the Ghana Armed Forces Medical Service (GAFMS) comprising the base hospital which is the 37 Military Hospital and seventeen (17) Medical Reception Stations (MRSs). Seventy per cent (70%) of the Military's GAFMS clientele are civilians. The budgetary allocation for health sector is **GH¢159,573,935.00**.

7.2.6 Defence Advisors

The Defence Advisors are attached to the various High Commissions and Embassies to advice on Defence related issues and serve as liaison officers between host countries and GAF. An amount of **GH¢36,975,078** has been allotted for this activity.

7.3 PROGRAMME 3: GHANA ARMED FORCES CAPACITY BUILDING

Under this expenditure item an amount of **GH¢55,871,537.00** exists to contribute to the development of regional and sub-regional capacity in the delivery of integrated peace support operations, and, enhancing regional and sub-regional capacity for conflict prevention. The activity is carried out through MATS, GAFSC and KAIPTC. This activity comprises three (3) Sub-as follows:

7.3.1 Military Academy and Training Schools (MATS)

MATS is made up of fifteen schools which run specialist courses at Teshie, Burma Camp and Achiase. MATS is responsible for the initial training of personnel enlisted for commission into the Ghana Armed Forces and to provide continuous training for service personnel. It has a budgetary allocation of **GH¢38,104.888.00**.

7.3.2 Ghana Armed Forces Command and Staff College (GAFCS)

GAFCS will continue to offer quality Command Staff training at both tactical and operational levels, together with higher academic studies up to Post Graduate level, to Officers of the GAF, sister Security Services and Public Servants. An amount of **GH¢13,564,231.00** has been allocated to the College for its programmes and activities.

7.3.3 Kofi Annan International Peacekeeping Training Centre (KAIPTC)

Kofi Annan International Peacekeeping Training Centre (KAIPTC) will contribute to the development of regional and sub-regional capacity in the delivery of integrated peace support operations and enhance sub and regional capacity for conflict management. **GH¢4,202,418.00** has been earmarked for the activities of KAIPTC.

The Budgetary allocation for the aforementioned three (3) main Programmes is shown in the table below:

TABLE 2: SUMMARY OF THE TOTAL BUDGET ALLOCATION OF FUNDS FOR THE PROGRAMMES OF THE MINISTRY

PROGRAMMES	GoG	IGF	DONORS	ABFA	TOTAL
MANAGEMENT & ADMINISTRATION	9,450,583	0	0		9,450,583
GHANA ARMED FORCES	1,285,476,847	24,715,335	125,811,400	43,000,000	1,479,003,582
ARMED FORCES CAPACITY BUILDING	55,871,537	0	0		55,871,537
Total	1,350,798,967	24,715,335	125,811,400	43,000,000	1,544,325,702

TABLE 3: BUDGETARY ALLOCATION TO PROGRAMMES & SUB PROGRAMMES

PROGRAMME/ SUB-PROGRAMME	GOG (GH¢)	IGF (GH¢)	ABFA	DONORS (GH¢)	TOTALS (GH¢)
MANAGEMENT & ADMIN	9,450,584	-		-	9,450,584
GENERAL ADMINISTRATION	483,837				483,837
FINANCE	5,803,777				5,803,777
HUMAN RESOURCES	515,524				515,524
PPME	1,015,210				1,015,210
DEFENCE COOPERATION, RESEARCH & INFO MGMT	338,403				338,403
VETERANS AFFAIRS	1,293,833				1,293,833
GHANA ARMED FORCES	1,285,476,846	24,715,335	43,000,000	125,811,400	1,479,003,581
GENERAL HEADQUARTERS	412,329,180		43,000,000	125,811,400	581,140,580
LAND OPERATIONS	435,012,532				435,012,532
NAVAL OPERATIONS	143,493,864				143,493,864
AIR OPERATIONS	122,807,592				122,807,592
MIL. HEALTH SERVICE	134,858,600	24,715,335			159,573,935
DEFENCE ADVISORS	36,975,078				36,975,078
ARMED FORCES CAPACITY BUILDING	55,871,537	-		-	55,871,537
MATS	38,104,888				38,104,888
GAFCSC	13,564,231				13,564,231
KAIPTC	4,202,418				4,202,418
TOTAL	1,350,798,967	24,715,335	43,000,000	125,811,400	1,544,325,702

With respect to economic classifications, about 79% of the total allocation to the Ministry is in respect of the funding for Compensation of Employees. 9% has been allocated for the provision of Goods and Services while the remaining 13% (approx.) is provided for the funding of Capital Expenditure and Assets.

Out of the **GH¢ 136,825,479** funding for the provision of Goods and Services, 82% is sourced from GoG and the remaining 18% from IGF and donor partners. Compensation of Employees and allocations for Assets are completely funded by GoG.

Below is the economic classification for the 2020 budget allocation to the Ministry:

TABLE 4: ECONOMIC CLASSIFICATION – APPROVED BUDGET FOR 2020

ECONOMIC CLASSIFICATION	GOG	IGF	ABFA	DONOR	TOTAL
COMPENSATION	1,213,488,823	-	-	-	1,213,488,823
GOODS & SERV.	112,110,144	24,715,335	-	-	136,825,479
CAPEX	25,200,000	-	43,000,000	125,811,400	194,011,400
TOTAL	1,350,798,967	24,715,335	43,000,000	125,811,400	1,544,325,702

8.0 OBSERVATIONS AND RECOMMENDATIONS

8.1 INADEQUATE BUDGET ALLOCATIONS

The Committee observed that the ceiling for the Ministry is inadequate and unable to adequately cater for the operations of the Ministry in combatting the different forms of threat the Ministry grapples with. These threats, ranges from cybercrime to terrorist activity, especially at the borders of the country particularly in Burkina Faso as illegal immigrant's influx the country. The Northern part of the country require a significant supply of resources to enable a proper correction of same. It is therefore important that the Ministry is sufficiently resourced to cater for its year operations. It is important that the defence apparatus of the country is neither stifled nor rendered incapable of performing its core functions.

8.2 MILITARY HEALTH PROGRAM - DELAY ON AFARI PROJECT

The Committee also noted that the Afari military hospital project in the Ashanti Region has delayed significantly. The project is intended to supplement the provision of quality healthcare to servicemen and women of the military and to ensure their general physical and mental wellbeing. Reports by the Ministry suggests that the project is about 81% completed. Nonetheless, the Committee notes that it has delayed significantly and cautious the Ministry to expedite immediate action on completing and commissioning the project to serve its intended purpose.

8.3 CHALLENGES WITH UNIFORM

The Committee was informed of the fact that there is prevailing crisis with respect to

allocations for the purchase of military uniform and apparel for the military. Some members of the GAF who have been promoted to senior positions have not been equipped with the right uniform that is consistent with their newly appointed positions, hence are unable to perform their duties at official functions. In some instances, members of the GAF have had to procure their own uniforms which is inconsistent with the standards of the Ghana Armed Forces.

8.4 NO COMPENSATION AFTER AMENDMENT OF LI 1332

The Committee noted that following the extension period of service of personnel of other ranks from 25 to 30 years, pursuant to the amendment of the Ghana Armed Forces (Amendment) Regulations (LI 1332), some servicemen and women who have served in the additional 5 years have still not received payments for compensation. These individuals were ordinarily expected to exit after their 30 year service period. With the amendment of the LI 1332 however, they continue to serve the additional period yet do not receive the allocation due them.

8.5 ENCROACHMENT ON MILITARY LANDS

The Committee further observed that the practice of encroaching military lands still persist in spite of several efforts adopted by the Ministry to address this challenge. New chiefs installed in the locations where these lands are located reportedly allege compensation for the sale of the land has not been paid to them. A lack of proper documentation on the payments and receipts thereof by government would make it difficult to resolve the matter. In view of the lack of adequate fencing on the lands, it is challenging to constantly fend off the encroachers.

9.0 CONCLUSION

The Committee, has critically examined the Budget Estimates of the Ministry of Defence for the 2020 financial year and is of the view that this paltry budgetary allocation to the Ministry will adversely affect the operations and performance of the Ministry. The Committee accordingly entreats the House to urge the Government to initiate steps to address the huge shortfalls.

The Committee accordingly recommends that this House approves the sum of ***One Billion***,


Five Hundred and Forty-Four Million, Three Hundred and Twenty-Five Thousand, Seven Hundred and Two Ghana Cedis (GH¢1,544,325,702) for the services of the Ministry of Defence for the 2020 financial year.

Respectfully Submitted



.....
HON. SETH K. ACHEAMPONG
CHAIRMAN
COMMITTEE ON DEFENCE & INTERIOR



.....

EDITH EDILYN ADJEI
CLERK
COMMITTEE ON DEFENCE & INTERIOR