

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



# REPORT

*of the*

**JOINT COMMITTEE ON TRADE,  
INDUSTRY AND TOURISM & YOUTH,  
SPORTS AND CULTURE**

*on the*

**2022 ANNUAL BUDGET ESTIMATES**

*of the*

**MINISTRY OF TOURISM, ARTS AND  
CULTURE**

*for the*

**2022 FINANCIAL YEAR**

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# **REPORT OF THE JOINT COMMITTEE ON TRADE, INDUSTRY & TOURISM, AND YOUTH, SPORTS AND CULTURE ON THE 2022 ANNUAL BUDGET ESTIMATES OF THE MINISTRY OF TOURISM, ARTS AND CULTURE**

## **1.0 INTRODUCTION**

Following the presentation to Parliament of the 2022 Budget Statement and Economic Policy of the Government, on Wednesday, 17<sup>th</sup> November 2021, in accordance with Article 179 of the 1992 Constitution and Order 140 (2) of the Standing Orders of the House, the Annual Budget Estimates of the Ministry of Tourism, Arts and Culture (MOTAC) were referred to the Joint Committee on Trade, Industry and Tourism and Youth, Sports and Culture for consideration and report pursuant to Orders 140(4), 159 and 187 of the Standing Orders of the House.

To consider the Annual Budget Estimates, the Committee met with the Minister, Hon. Dr. Ibrahim Mohammed Awal, the Chief Director and a technical team from the Ministry as well as officials from the Ministry of Finance, and reports as follows:

## **2.0 REFERENCE DOCUMENTS**

The following documents served as reference guide during the Committee's deliberations:

- i. 1992 Constitution of the Republic of Ghana;
- ii. Standing Orders of the House
- iii. The Budget Statement and Economic Policy of the Government of Ghana for the 2022 Financial Year
- iv. Programme Based Budget Estimates for 2022 of the Ministry of Tourism, Arts and Culture
- v. The Public Financial Management Act, 2016 Act 921.

## **3.0 BACKGROUND**

The goal of the Ministry of Tourism, Arts and Culture is to provide a firm, and stable policy environment for effective mainstreaming of Ghanaian culture into

all aspects of national life and to ensure the strong emergence of a vibrant creative economy to improve and advance the tourism industry.

It exists to create a conducive environment for sustainable growth and development to enable it contribute enormously to Gross Domestic Product (GDP) through effective and efficient use of appropriate policies, plans, programmes and projects. It is also to develop and sustain public-private-partnership with the Diaspora for resource mobilization and investment.

The Ministry is to facilitate the interface between the government and its implementing bodies in tourism, culture and the creative industries as well as international Civil Society Partners and Groups. It has oversight responsibility over the following Agencies and Subvented Organisations;

- i. Ghana Tourism Authority
- ii. Hotel Catering and Tourism Training Centre (HOTCATT)
- iii. Ghana Tourism Development Company: does not receive government budgetary allocation
- iv. National Commission on Culture
- v. Bureau of Ghanaian Languages
- vi. Ghana Museums and Monuments Board
- vii. National Theatre of Ghana
  - a. Ghana Drama Company (Abibigromma)
  - b. National Symphony Orchestra
  - c. Ghana Dance Ensemble
- viii. Creative Arts Agency
- ix. Kwame Nkrumah Memorial Park
- x. W.E.B. Dubois Memorial Centre
- xi. National Folklore Board
- xii. Pan African Writers Association
- xiii. National Film Authority

#### **4.0 POLICY OBJECTIVES**

The objectives of the Ministry as derived from the National Medium-Term Development Policy (NMTDP) framework are as follows: -

- i. Diversify and expand the tourism industry for economic development
- ii. Develop a competitive creative arts industry
- iii. Promote culture in the development process
- iv. Enhance Ghana's international image and influence
- v. Promote Ghana's political and economic interests abroad
- vi. integrate Ghanaian diaspora in national development

## 5.0 PERFORMANCE REVIEW OF THE 2021 BUDGET

### 5.1 Financial

#### 5.1.1 Status of 2021 Budget implementation

In the year under review, the total amount of **Ninety-Eight Million, Seven Hundred and Sixty-One Thousand, One Hundred and Seventy-Four Ghana Cedis (GH¢98,761,174.00)** was approved by Parliament. Of this, a total amount of **Seventy Million, One Hundred and Fifty-Seven Thousand, Seven Hundred and Seven Ghana Cedis, Forty-Four Pesewas (GH¢70,157,707.44)** was released. However, an amount of **Sixty-Eight million, Two Hundred and Forty-Three Thousand, One Hundred and Sixty-one Ghana Cedis, Fifty-One Pesewas (GH¢68,243,161.51)** was utilized as at 30<sup>th</sup> September, 2021, representing 69% of the total budgetary allocations utilized.

**Table 1: Total Amount budgeted and released as at 30<sup>th</sup> September, 2021**

<b>Expenditure Item</b>	<b>Approved Budget (A)</b>	<b>Amount Released (B)</b>	<b>Actual Amount Utilised (C)</b>	<b>Variance (A-D)</b>	<b>% Utilized ((C/A)*100)</b>
<b>Compensation</b>	57,398,414.00	43,177,432.00	41,515,022.00	15,883,392.00	72
<b>Goods And Services</b>	21,194,220.00	20,017,679.93	19,852,524.00	1,341,696.00	94
<b>Capital Expenditure</b>	20,168,540.00	6,962,595.51	6,875,615.51	13,292,924.49	34
<b>Total</b>	98,761,174.00	70,157,707.44	68,243,161.51	30,518,012.49	69

Source: 2022 budget estimates of the MOTAC.

## **5.2 Non-financial**

### **5.2.1 Management and Administration**

- Eight Tourist Sites were upgraded at the end of September, 2021 to increase tourist visitation
- The Ministry organised the UNWTO Day celebrated with programs such as Afadzato Mountain Climbing and a Durbar held to climax the celebration.
- The Ministry prepared and adopted the 2022-2025 Sector Medium-Term Development Plan
- The Ministry, in collaboration with its stakeholders, celebrated the Emancipation Day and PANAFEST in Accra and Cape Coast from 26th July to 1st August, 2021 which attracted over 1,000 participants.
- The Ministry launched the Domestic and Regional Tourism Campaign dubbed “Experience Ghana, Share Ghana” on 1st June, 2021 to stimulate the tourism industry into action. The launch was part of the grand programme “See Ghana, Eat Ghana, Wear Ghana, Feel Ghana” Campaign to propel development of the Sector.

### **5.2.2 Tourism Product Development Programme**

- Two regional offices for the Ghana Tourism Authority were established at Damongo and Techiman. The Wa and Tamale regional offices were also rehabilitated. Construction works on tourism projects are also ongoing at the Axim Receptive Facility and the Bonwire Kente Museum.
- The Ministry, in collaboration with stakeholders, organised the “Chocolate Week”, previously called “Chocolate Day”, from 14th-21st February, 2021, under the theme, “Eat Chocolate, Stay Healthy, Grow Ghana”.

### **5.2.3 Tourism Research and Marketing**

- The Ministry completed the 2020 Tourism Enterprise Directory Report
- A survey on impact of Covid-19 on tourism enterprises was completed and processed for publication
- 2020 Hotel Occupancy Rate Report was completed

#### **5.2.4 Tourism Quality Assurance Programme**

- The Ministry, through GTA conducted inspections and licensing of tourism enterprises to improve the quality of service delivery within the sector. In 2021, a total of 9,900 establishments (Accommodation 3,720, Travel Trade 348, Food, Beverage and Entertainment 5,832) were inspected and licensed. In addition, 183 units were registered as new establishments by end of September, 2021.
- The Ministry, in collaboration with GTA, embarked on a “Seek and Find” exercise on illegal tourism enterprises in the Greater Accra Region. In this regard, the Authority identified 289 establishments that were operating without license. The breakdown is as follows:

➤ Hotels	- 11
➤ Movie Houses	- 2
➤ Restaurants/informal catering	- 169
➤ Drinking Bar	- 33
➤ Accommodation	- 65
➤ Event Centres	- 4
➤ Entertainment	- 2
➤ Conference Centre	- 1
➤ Travel and Tour	- 2

#### **5.2.5 Culture, Creative Arts and Heritage Management**

- The following projects were completed and commissioned:
  - The Ho Museum
  - The Ussher Fort Museum
  - The Ashanti Traditional Buildings
  - The Western Regional Offices
- Eleven (11) Cultural Exchange Programmes were organized to promote the Ghanaian culture and the Creative industry.
- Ten (10) capacity building programmes were organized to harness the potentials of the cultural industry for key stakeholders and the youth

### 5.3 Outlook for the Ministry

#### 5.3.1 Financial

#### 5.3.2 2022 Budget for the Ministry

In 2022, the Ministry was allocated a total amount of **One Hundred and Fifteen million, Six Hundred and Ninety-Four Thousand Ghana Cedis (GH¢115,694,000.00)** for its operations (Table 2). Table 3 also shows expenditure to the various programmes by source of funding with Culture, Creative Arts and Heritage Development taking about 38% of the total allocation.

**Table 2: Budget for 2015 by Economic Classification**

Expenditure Items	Sources of Funding			
	GOG	IGF	DONOR	TOTAL
Compensation	58,694,000.00	-	-	58,694,000.00
Goods And Services	6,747,000.00	12,089,000.00	16,214,000.00	35,050,000.00
Capital Expenditure	2,000,000.00	3,736,000.00	16,214,000.00	21,950,000.00
Total	67,441,000.00	15,825,000.00	32,428,000.00	115,694,000.00

**Source: 2022 budget estimates of the MOTAC.**

**Table 3: Allocation to the various programmes by source of funding**

Programme	GOG	IGF	DONOR	TOTAL
Management And Administration	18,205,404.00	-	-	18,205,404.00
Tourism Product Development	2,916,950.00	4,574,413.00	32,428,000.00	39,919,363.00
Tourism Research And Marketing	3,363,140.00	1,474,713.00	-	4,837,853.00
Tourism Facilities Monitoring	4,845,770.00	4,227,164.00	-	9,072,934.00
Culture, Creative Arts And Heritage Management	38,109,736.00	5,548,711.00	-	43,658,447.00
Total	67,441,000.00	15,825,001.00	32,428,000.00	115,694,001.00

**Source: 2022 budget estimates of the MOTAC**

## **5.4. Non-Financial**

### **5.4.1 Management and Administration**

- The Ministry will organise special events such as paragliding during the PANAFEST/Emancipation Day celebrations
- The Ministry will organise the inaugural edition of celebration of a “National Kente and Smock Day” to promote the use of Kente and Smock across the globe

### **5.4.2 Tourism Product Development**

- The Ministry, in collaboration with its Agencies and other stakeholders, will organize the annual National Chocolate Week in all the 16 regions from 14th-21st February, 2022. There will be distribution of chocolate and other cocoa products to citizens at some selected locations across the country to promote the consumption of locally produced cocoa products
- The Ministry will continue with the construction of the Axim Receptive Facility and the Bonwire Kente Museum as well as the rehabilitation of the regional offices.

### **5.4.3 Tourism Research Marketing**

- The Ministry will implement the 2021 report on the impact of COVID-19 on tourism enterprises to ensure improvement and increase in the patronage of tourist sites and attractions in Ghana.
- The Ministry will also update and publish the latest edition of the Manpower data and Hotel Occupancy Rate reports on the tourism sector.

### **5.4.4 Tourism Quality Assurance**

- HOTCATT will train over 1,000 persons and continue with its publicity drive in the various media channels to attract individuals and institutions for business and capacity building for the sector.
- The Ministry will continue to conduct inspections and license tourism establishments and enterprises through the GTA to ensure quality service delivery within the sector.



- The Ministry, together with GTA, will further embark on “Seek and Find” exercises to search for illegal tourist enterprise operators to register and formalize their businesses with the sector accordingly.

#### **5.4.5 Culture, Creative Arts and Heritage Development**

- The Ministry, in collaboration with the Kwame Nkrumah Memorial Park, will re-enacted the Declaration of Independence.
- The Ministry, through the W.E.B Du Bois Memorial Centre will observe the celebration of the Black History Month to reassure the current generation especially the youth that indeed the Blackman is capable of governing and managing his own affairs.
- The Ministry will organize and celebrate the African Union Day.

## **6.0 OBSERVATIONS AND RECOMMENDATIONS**

### **6.1 Impact of Covid-19 on the tourism industry**

The Committee observed that the Covid-19 pandemic impacted negatively on the tourism industry during the year; reducing the number of tourist arrivals, foreign exchange earnings, and the number of tourist related employment by 68.6%, 88.3% and 58% respectively.

The Committee commends the government for introducing the Ghana Covid-19 Alleviation and Revitalization of Enterprises Support (GhanaCARES) Obaatanpa programme to mitigate the impact of the COVID-19 pandemic, return the country to a sustained path of robust growth and to create a stronger, more resilient and transformed economy.

It however recommends that the GhanaCARES programme be effectively implemented to ensure the achievement of the objectives of the programme.

### **6.2 Inadequate budget provision for Goods and Services and Assets**

The Committee also noted that the 2022 budgetary allocation for Goods & Services and Assets was extremely low to address the challenges facing the Ministry as stated below:

- Limited office space for staff;

- Inadequate logistics within the Ministry and its agencies which affect efficient and effective service delivery;
- Inadequate ICT infrastructure to support the Ministry's work.

Consequently, the Committee recommends that the Ministry of Finance ensures upward adjustment to appreciable levels in the budgetary allocation for Goods and Services and Assets for subsequent years but in particular during the mid-year review in 2022 .

### **6.3 GhanaCARES “Obaatan Pa” Fund**

The Committee was informed that as part of modalities to kick-start the implementation of the Ghana Covid-19 Alleviation and Revitalisation of Enterprises Support (GhanaCARES) Obaatanpa programme, the Ministry of Finance signed a compact agreement with the Ministry of Tourism, Arts and Culture for an amount of One Hundred million Ghana Cedis (Ghs100,000,000.00).

This was an extra allocation that fell outside of the Ministry's annual budgetary allocation to ensure effective and timely delivery of targets set for the Ministry under the CARES programme for the 2021 fiscal year.

The Committee however, noted that out of the Ghs100,000,000.00 promised from the GhanaCares Fund, the Ministry received Ghs20,000,000.00 of which Ghs12,500,000.00 was utilized to ensure recovery of the tourism sector.

It is recommended that the Ministry of Finance ensures availability of funds for the smooth implementation of the Obaatanpa programme.

### **6.4 Recruitment of contract staff**

The Committee was informed of the delay in obtaining technical clearance from the Public Services Commission for the recruitment of contract staff of the Ghana Tourism Authority unto the government payroll.

The Committee is urging the Public Services Commission to expedite action on giving technical clearance for the recruitment of contract staff to regularize their status.

## 8.0 CONCLUSION

The Joint Committee on Trade, Industry and Tourism and Youth, Sports and Culture having critically examined the 2022 Budget Estimates of the Ministry of Tourism, Arts and Culture recommends to the House to approve the sum of **One Hundred and Fifteen million, Six Hundred and Ninety-Four Thousand Ghana Cedis (GH¢115,694,000.00)** being budgetary allocation to the Ministry of Tourism, Arts and Culture (MOTAC) to enable it carry out its programmes and activities for the 2022 fiscal year.

Respectfully submitted.



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