

**IN THE SECOND SESSION OF THE EIGHTH  
PARLIAMENT OF THE FOURTH REPUBLIC  
OF GHANA.**

**REPORT OF THE COMMITTEE ON DEFENCE  
AND INTERIOR  
ON THE**

**2023 ANNUAL BUDGET ESTIMATES OF THE  
MINISTRY OF DEFENCE**

PARLIAMENT OF GHANA LIBRARY  
PARLIAMENT HOUSE  
OSU - ACCRA

***DECEMBER, 2022***

**REPORT ON THE 2023 ANNUAL BUDGET ESTIMATES OF THE MINISTRY  
OF DEFENCE**

**1.0 INTRODUCTION**

The Hon Minister responsible for Finance, Mr Ken Ofori-Attah, on Thursday, 24th November 2022, presented to Parliament the Budget Statement and Economic Policy of the Government of Ghana for the 2023 financial year in accordance with article 179(1) of the 1992 Constitution and Order 140(2) of the Standing Orders of Parliament.

Accordingly, the Budget Estimates of the Ministry of Defence (MOD) were referred to the Committee on Defence and Interior for consideration and report, pursuant to Orders 140(4) and 158 of the Standing Orders of the Parliament of Ghana.

**1.1 DELIBERATIONS**

In examining the Annual Budget Estimates of the Ministry, the Committee met with the Hon Minister responsible for Defence, Mr Dominic Bingab Aduna Nitiwul, Senior Officers of the Military High Command, as well as Officials of the Ministry of Defence and the Ministry of Finance to consider the referral.

**2.0 REFERENCE DOCUMENTS**

The Committee referenced the following documents during the consideration of the 2023 Budget Estimates of the Ministry of Defence:

- i. The 1992 Constitution of the Republic of Ghana.
- ii. The Standing Orders of the Parliament of Ghana.
- iii. The Budget Statement and Economic Policy of the Government of Ghana for the 2023 Financial Year.
- iv. The National Medium Term Development Framework (NMTDF) for 2022-2025
- v. Medium-Term Expenditure Framework (MTEF) 2023-2025 for the Ministry of Defence.

- vi. Report of the Committee on Defence and Interior on the 2022 Annual Budget Estimates of the Ministry of Defence.
- vii. Programme Based Budget Estimates of the Ministry of Defence for 2023.

### **3.0 BACKGROUND OF THE MINISTRY OF DEFENCE**

The Ministry of Defence (MOD) is a key security service delivery organ of the Government of the Republic of Ghana under the Office of the Head of Civil Service (OHCS) vested with the mandate of formulating and managing the implementation of policies aimed at safeguarding the sovereignty and territorial integrity of Ghana as well as ensuring the protection of life and property.

#### **3.1 MISSION AND GOAL**

The Ministry of Defence promotes national and regional defence interests through the effective formulation, implementation, coordination, monitoring and evaluation of policies and programmes, thereby contributing to the national development agenda.

The Ministry's goal is to ensure the security and adequate protection of life, property and rights of all nationals, especially the vulnerable within a democratic environment.

#### **3.2 IMPLEMENTING AGENCIES**

The Ministry of Defence operates through the following agencies:

- I. Ministry of Defence Headquarters
- II. General Headquarters of the Ghana Armed Forces
- III. Ghana Army
- IV. Ghana Navy
- V. Ghana Air Force
- VI. Ghana Armed Forces Command and Staff College

- VII. Military Academy & Training School
- VIII. Kofi Annan International Peacekeeping Training Centre
- IX. Veterans Association of Ghana
- X. 37 Military Hospital
- XI. Defence Advisors

#### 4.0 FINANCIAL PERFORMANCE FOR YEAR 2022

The Ministry in year 2022, was allocated an amount of **Two Billion, Two Hundred and Forty-Three Million, Eight Hundred and Twenty-Five Thousand Ghana Cedis (GH¢2,243,825,000.00)** and revised to **Two Billion and One Million, Three Hundred and Fifty-Three Thousand, Four Hundred and Ninety-Eight Ghana Cedis (GH¢2,001,353,498.00)**, for its planned programmes and activities. The revised allocation comprised of **GH¢1,451,197,536.19** for compensation of Employees (CoE) **GH¢29,406,898.00** for Goods, Services and **GH¢141,771,600.00** for Capital Expenditure (CAPEX) and **GH¢29,904,000.00** for Internally Generated Funds (IGFs).

Table 1 summarises allocation, releases and expenditure as at September 2022

2022 Financial performance by Economic Classification

Table 1 MoD 2022 Budget Financial Performance

Fund source	Expenditure Classification	2022 Approved Appropriation (¢)	2022 Revised Budget (¢)	Actual Payment (¢) as at September, 2022	Variance (b-c)	Variance % (d/b) *100
		a	b	c	d	e
GoG	Compensation of Employees	1,800,271,000	1,800,271,000	1,451,197,536.19	349,073,463.81	19.39
	Good & Services	35,148,000.00	29,406,898.00	5,668,590.32	23,738,307.68	80.72
	Capital Expenditure	196,905,000.00	141,771,600.00	89,125,016.48	52,646,583.52	37.13
	Sub-Total (GoG)	2,032,324,000	1,971,449,498	1,545,991,142.99	425,458,355.01	21.58

<b>IGF</b>	<b>Goods &amp; Services</b>	29,904,000.00	29,904,000	21,925,839.96	7,978,160.04	26.68
<b>Donor Funds</b>	<b>Capital Expenditure</b>	181,597,000.00				
<b>Total</b>		<b>2,243,825,000</b>	<b>2,001,353,498</b>	<b>1,567,916,982.95</b>	433,436,515.05	<b>21.66</b>

*Source: Budget Presentation by the Ministry of Defence, 2022*

#### **4.1 NON-FINANCIAL PERFORMANCE FOR THE 2022 FINANCIAL YEAR**

The following programmes and projects were carried out during the year under review:

- The Ministry continued the expanded version of the Army Headquarters project which is at 55% and would accommodate units under the Command.
- The Ministry commissioned 233 Officer Cadets in 2022. In addition, 208 Officer Cadets are under training at the Ghana Military Academy.
- A total of 1,859 army recruits passed out in the year, while 2,805 are undergoing training.
- 86 Senior Staff and 60 Junior Staff graduated from GAF CSC in the Third Quarter.
- The Kofi Annan International Peacekeeping Training Centre organized various courses for 2,059 participants over the period.
- The construction of a 100-bed young soldiers' accommodation at 154 Armoured Regiment, Sunyani was progressing sturdily,
- Through operation CONQUERED FIST, the Ministry worked to improve the 10 Mechanized Battalion in Wa, 11 Mechanized Battalion in Bawku, 3 Field Workshop and 3 Mechanical Transport Coy
- Collaborated with other agencies through Operations COWLEG, CALM LIFE, HALT, GONG GONG
- Construction of 320 recruits' dormitory at Armour Training School.

- Reconstruction works at the military academy at Teshie were steadily progressing.
- Construction of Bui FOB which is at sixty-five per cent completion
- The Afari Military Hospital in which had progressed to about ninety per cent.
- The Ministry accomplished the emergency docking of GNS Balika and also leased 4 River Class Boats.
- Renovated the Takoradi Airport Terminal Building and Air Traffic Control Tower.
- Completion of a 3 – Storey; 20 X 2 Bedroom Flats and 2 Dormitories for Airmen/Women at Takoradi.
- Construction of 3 Storey 12x Chamber & Hall Bedroom Flats and 4 x Dormitories at Air Force Bases in Accra and Tamale.
- Implemented the "Earned Dollar Payment Policy" for deployed troops for Peacekeeping Operations which augmented the delivery of security services.
- Implementation of Phases I and II of the Military Housing Project which was 68 per cent complete as of September 2022.
- Establishment of 15 Forward Operating Bases (FOBs) along the Northern part of the country.
- The Ministry acquired four river class boats and four Zodiac boats to facilitate maritime activities to ensure that the Navy protects our Exclusive Economic Zone.

#### **4.2 IMPLEMENTATION CHALLENGES IN 2022.**

The Ministry of Defence and its agencies in year 2022, faced a plethora of challenges during the implementation. Some of the challenges are listed below as follows:

- The Ministry lacks accommodation, offices and other facilities at the newly established battalions including the 10 and 11 Mechanized

Battalions, 154 and 155 Armoured Regiments, Armoured Training School and Artillery Training school.

- The Ministry of Defence has had challenges with the allocations in the past and the allocation for 2022 was considered inadequate to meet the Ministry's needs as some departments received as low as GH¢600.00 in First Quarter Allocation. It is noteworthy that there are about 202 units, departments and directorates in the Ghana Armed Forces in Burma Camp and across Ghana. With recruitment and enlistment increasing and new units and offices created to reflect the operational requirements of the Ghana Armed Forces. This has created financial stress on the already limited allocation to the Ministry.
- The insufficiency of Goods and Services allocation continued to affect the routine maintenance of vehicles and equipment.
- The maintenance of the 14 DA offices and accommodation put a strain on the Goods and Services budget.
- The lack of spare parts to maintain Land, Naval and Air Force platforms is also a challenge.
- Procurement processes are ongoing to acquire 2 x OPV to augment the Navy's fleet of long endurance ships.
- Procurement processes that are ongoing to acquire 6 attack aircraft to support air combat.

## **5.0 PERFORMANCE OUTLOOK FOR 2023**

The Ministry of Defence plans to undertake the following programmes and activities in 2023:

- Continue implementation of the "Earned Dollar Payment Policy." The Ministry will contribute troops and equipment towards international peacekeeping efforts based on the invitation of the United Nations Peacekeeping Mission to strengthen Ghana's role in international affairs.

- Apprise the Committee on the modernization and transformation of the Military Academy Training Schools at Teshie expected to be completed in 2023.
- The Ministry through the Ghana Armed Forces will continue to offer surveillance of the country's airspace, territorial waters and boundaries.
- Continue to collaborate with other security services to ensure internal peace and security.
- Continue the establishment of 15 Forward Operating Bases (FOBs) along the Northern Borders of the country and Ezinlibo in the Western Region to prevent cross-border crime and to protect the country's oil and gas resources.
- Procure the LG39 NG Fighter aircraft for the operations of the Ghana Air force.
- Continue The 37 Military Hospital Expansion is expected to continue in 2023.

### **5.1 2023 BUDGETERY ALLOCATION TO THE MINISTRY**

The Ministry of Defence has been allocated a total amount of **Three Billion, Seven Hundred and Forty-Two Million, Nine Hundred and Thirteen Thousand, and Four Hundred and Eighty-Seven Ghana Cedis (GH¢3,742,913,487.00)** for its planned programmes and activities for year 2023.

A total of **GH¢3,014,166,833**, representing **80.53** per cent will be provided for Compensation, **GH¢61,908,748** being **1.65** per cent for Goods and Services and **GH¢666,837,905** representing **17.82** per cent for Capital Expenditure.

Table 2 gives a breakdown of the 2023 allocation by economic classification and sources of funding.



Table 2: 2023 Allocation to the Ministry of Defence

ITEMS	GOG	IGF	ABFA	DONOR	TOTAL	%
Compensation	3,014,166,833	-	-	-	3,014,166,833	80.53
Goods & Services	33,067,250	28,841,498	-	-	61,908,748	1.65
CAPEX	51,837,905	-	220,000,000	395,000,000	666,837,905	17.82
Total	3,099,071,988	28,841,498	220,000,000	395,000,000	3,742,913,486	100

Source: 2023 Budget Statement and Economic Policy

## 6.0 OBSERVATIONS AND RECOMMENDATION

### 6.1 Budgetary Allocation

The Ministry of Defence had been allocated a total of **Three Billion, Seven Hundred and Forty-Two Million, Nine Hundred and Thirteen Thousand, and Four Hundred and Eighty-Seven Ghana Cedis (GH¢3,742,913,487.00)** for its planned programmes and activities for the year 2023.

The Committee noted an increase in budgetary allocation from GH¢2,243,825,000.00 in 2022 to **GH¢3,742,913,487.00** in 2023 representing an increase of 66.81 per cent over the 2022 budget.

Nevertheless, the GoG allocation of GH¢51,837,905.00 (14.70%) for capital expenditure fell far below the Ministry's requirement of GH¢352,728,819.75. Although an amount of GH¢464,728,730.91 was required by the Ministry to cater for goods and services, only GH¢33,067,250.00 representing 7.12 per cent of its requirement was allocated.

The Committee noted that this is woefully inadequate to enable the Ministry implement its programmes and activities effectively.

## **6.2 Saglemi Affordable Housing Project**

The Committee noted that the Ghana Armed Forces is faced with challenges with accommodation. It came to the attention of the Committee that Government's decision to hand over the Saglemi housing project to the Ministry could not materialise due to the quantum of investment required to complete the project.

The Committee was informed that the Ministry of Defence had 60,000 acres of land at the Bondase to be developed. The Bondase Military Camp is expected to be a first-class training centre with the requisite facilities for the training of troops for peacekeeping duties.

The Committee urged the Ministry to secure funding to develop the land into a holistic training ground.

## **7.2 Inadequate tooling of the Ghana Navy**

The Committee noted that the Navy had acquired four (4) short-ranged capacity patrol boats in the year 2022 and requires an additional six (6) long-range capacity boats to augment its fleet to enable the Navy tackle threats along the coastline. The role of the Navy in protecting our coastline cannot be over-emphasised and therefore urge the Ministry to ensure the Navy is adequately resourced.

The Committee was of the view that it was important for increased surveillance and believed that offshore Control vessels are needed for the work of the Ghana Navy.

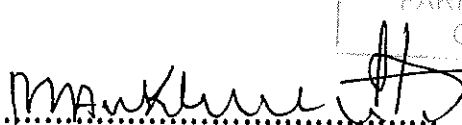
## **7.4 Defence Advisors**

The Committee was informed that the Defence Advisors are important to intelligence gathering and their presence strengthens diplomatic relations between countries. Ghana has fourteen (14) Defence Advisors located worldwide. However, these Defence Advisors face challenges with accommodation and compensation.

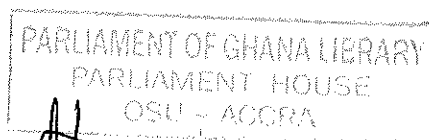
## 8.0 CONCLUSION

The Committee, having carefully considered the 2023 Budget Estimates of the Ministry of Defence, recommends to the House to adopt its report and approve the amount of **Three Billion, Seven Hundred and Forty-Two Million, Nine Hundred and Thirteen Thousand, Four Hundred and Eighty-Six Ghana Cedis (GH¢3,742,913,486.00)** for the implementation of the programmes and activities of the Ministry for the 2023 financial year.

Respectfully submitted.

  
.....

**Hon Ken Ohene Agyapong**  
Chairman, Committee on  
Defence and Interior.



  
.....

**Mrs Gifty Jiagge-Gobah**  
Senior Assistant Clerk  
Committee on  
Defence and Interior

**DECEMBER 2022**