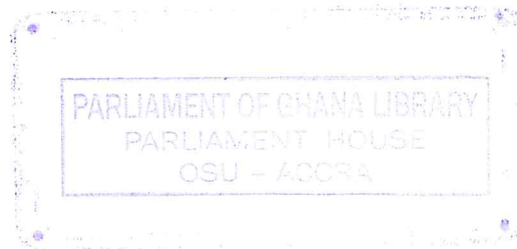


**IN THE FIRST SESSION OF THE SEVENTH
PARLIAMENT OF THE FOURTH REPUBLIC OF
GHANA**

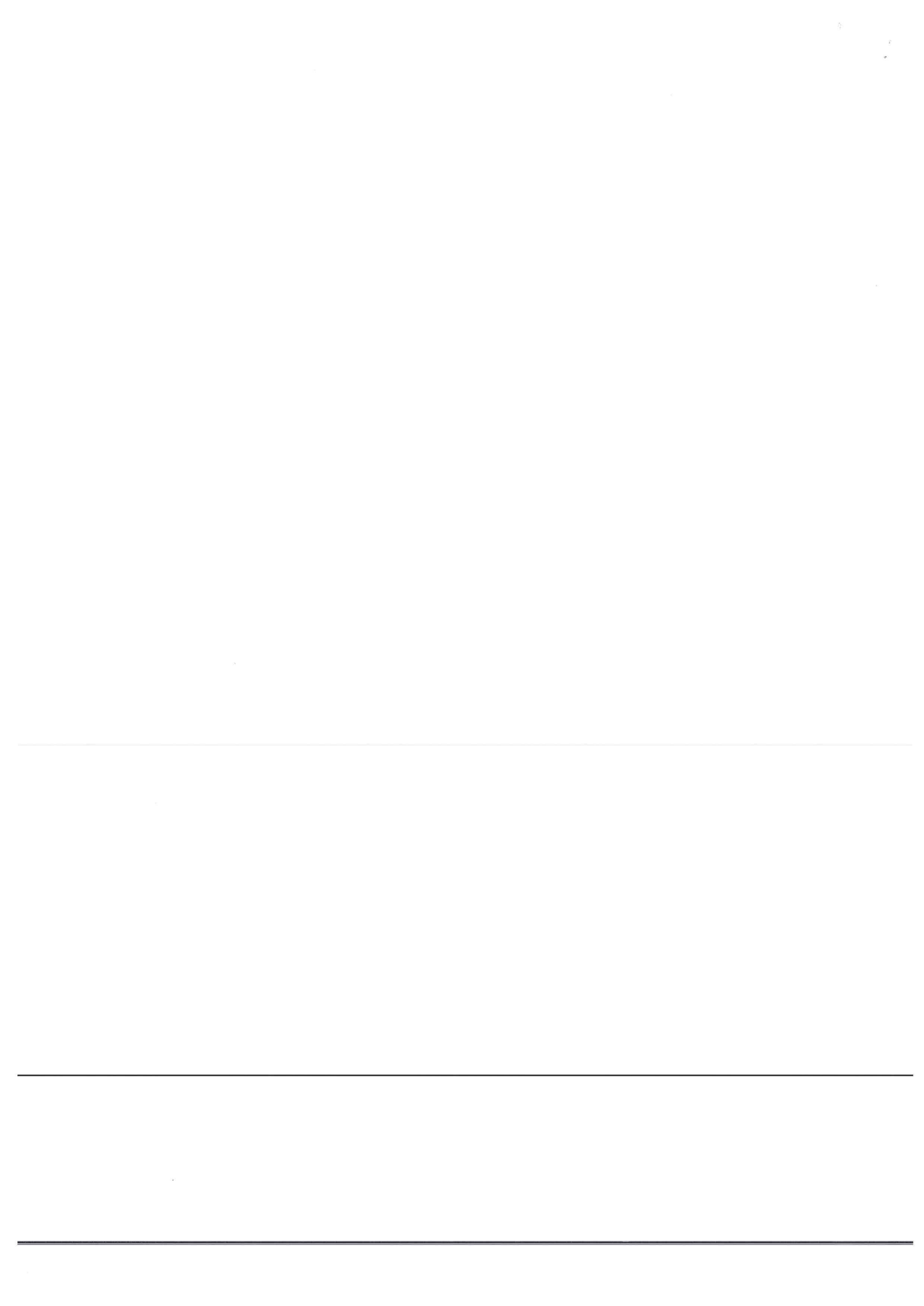
**REPORT OF THE COMMITTEE ON ROADS AND
TRANSPORT**



ON THE

**2017 ANNUAL BUDGET ESTIMATES OF THE
MINISTRY OF TRANSPORT**

MARCH, 2017



**REPORT OF THE COMMITTEE ON ROADS AND TRANSPORT ON THE
2017 ANNUAL BUDGET ESTIMATES OF THE MINISTRY OF TRANSPORT**

1.0 INTRODUCTION

- 1.1 On Thursday, 2nd March, 2017, the Minister for Finance, Mr. Ken Ofori Atta in fulfilment of Article 179 of the 1992 Constitution presented to the House, the 2017 Budget Statement and Economic Policy of Government.
- 1.2 In accordance with Standing Orders 140 (4) and 189 of the House, the Budget Estimates of the Ministry of Transport were referred to the Committee for Roads and Transport for consideration and report.
- 1.3 The Committee on Wednesday, 22nd March, 2017 met with the sector Minister, Hon. Kwaku Ofori Asiamah, the Chief Director and heads of agencies of the sector Ministry officials of Ministry of Finance and reports as follows:
- 1.4 It should be noted that the programme-based budget for 2017 covers the Ministry of Transport Headquarters and the following Agencies:

Maritime and Inland Waterways

- (i) Ghana Ports and Harbours Authority,
- (ii) Ghana Maritime Authority
- (iii) Ghana Shippers Authority
- (iv) Regional Maritime University (RMU)
- (v) PSC Tema Shipyard
- (vi) Volta Lake Transport Company Limited

Road Transport Services

- (i) Driver and Vehicle Licensing Authority (DVLA),
- (ii) National Road Safety Commission (NRSC),
- (iii) Metro Mass Transport Limited (MMT)
- (iv) Inter-City STC Coaches Limited
- (v) Government Technical Training Centre (GTTC),

2.0 REFERENCE DOCUMENTS

The Committee made references to the following documents during the consideration of the Estimates:

- (i) The 1992 Constitution of the Republic of Ghana,
- (ii) The Standing Orders of Parliament,
- (iii) The Budget Statement and Economic Policy of the Government for the 2017 financial year,
- (iv) The Medium-Term Expenditure Framework (MTEF) for 2016-2018 Programme based budget Estimates for 2017 for the Ministry of Transport; and
- (v) The Report of the Committee on the 2016 Estimates for the Ministry of Transport.

3.0 VISION OF THE MINISTRY OF TRANSPORT

3.1 The Vision of the Ministry of Transport is to create an integrated, modally complementary, cost effective, safe, secure, sustainable and seamless transportation system responsive to the needs of society, supporting growth and poverty reduction and capable of establishing Ghana as a transportation hub of West Africa.

4.0 MISSION AND POLICY OBJECTIVES

4.1 Mission

4.1.1 The Ministry's Mission is to provide leadership and guidance for the development of the Transport Sector through effective policy formulation, market regulation, asset management and service provision.

4.2 Policy Objectives

4.2.1 The Policy Objectives of the Ministry as stated in the Ghana Shared Growth and Development Agenda (GSGDA II) are as follows:

- (i) Establish Ghana as a Transportation Hub for the West African Sub-Region,

- (ii) Create and sustain an efficient transport system that meets the user needs,
- (iii) Integrate Land use, transport planning, development planning and service provision,
- (iv) Create appropriate environment for Private Sector Participation in the delivery of Transport Infrastructure,
- (v) Develop and implement a comprehensive and integrated Policy, Governance and Institutional Frameworks,
- (vi) Ensure sustainable development in the Transport Sector; and
- (vii) Develop adequate human resource capacity and apply new technology.

5.0 ACHIEVEMENTS OF THE MINISTRY OF TRANSPORT IN 2016 FISCAL YEAR

5.1 Management and Administration

5.1.1 A bus terminal was constructed at Adenta and a Maintenance Facility at Achimota is 53% completed.

5.1.2 Two hundred (200) buses were procured and installed with electronic ticketing for Metro Mass Transit Limited. Out of this, 116 buses were delivered and deployed into the service.

5.1.3 A draft regulatory framework and regulations have been prepared for a National Road Transport Authority. A feasibility report is available.

5.2 Maritime Services Programme

5.2.1 To facilitate maritime education and training, an auditorium is being constructed with the substructure completed. A seven-storey administration and library complex is also being constructed and it is 60% completed.

5.2.2 To support inland water transport and infrastructure and services, one out of the three water buses and one modular ferry have been deployed to Kpando and Agordeke crossing.

- 5.2.3 Two ferries at Akosombo have been disassembled and reassembled and one deployed to Yeji.
- 5.2.4 The phase I of the construction of Agordeke Landing site along the Volta Lake is completed.
- 5.2.5 As part of the ongoing Tema Port Expansion Project, four container terminals would be developed. The Concessional Agreement has been signed with Meridian Ports Services (MPS) and the contractor has mobilized to site.
- 5.2.6 The breakwater extension by 1.1km which forms part of the Takoradi Port Expansion Project has been completed and the dredging to 16m and reclamation and construction of quay wall is ongoing.

5.3 Road Transport Services

- 5.3.1 A four-storey eight-unit classroom block earmarked for motor vehicle technical training has been completed and handed over to GTTC. The setup of diesel and petrol car engine simulators are completed.
- 5.3.2 The National Road Safety Commission (NRSC) produced and distributed educational materials comprising 120,000 of posters 180,000 handbills and 120,000 stickers to stakeholders to help improve public education on road safety. Additionally, the Commission conducted road safety campaigns during the year in 500 schools and 246,000 school children and 1,600 teachers were educated on safe road crossing practices. About 1,505 outreach programmes in communities, market centres, lorry terminals, Churches and Mosques were carried out throughout the country.
- 5.3.3 NRSC organized 320 television and 2,108 radio programmes as part of Road Safety Management. A draft Bill for a proposed Road Safety Agency has been prepared and yet to be submitted to Cabinet.
- 5.3.4 Three Private Vehicle Testing Stations (PVTS) were operationalised by DVLA bringing the total of PVTS to ten (10). Other vehicle test stations are under various stages of completion. The locations are at Weija, Spintex, Tema, Kuntunse, Achimota, Somanya, Oyibi, Kpone Barrier, Koforidua and Kumasi.
- 5.4.4 The construction of Driver test grounds in Tema is fully completed and the one at Kumasi is 85% completed. The purpose of this project is to test

prospective driver's license applicants on all the required manoeuvring techniques in-yard before sending them on busy roads for in-traffic test.

6.0 FINANCIAL PERFORMANCE FOR 2016

6.1 Summary of 2016 Budget: Releases & Expenditure for the Ministry and its Agencies

TABLE 1: APPROVED BUDGET AGAINST DISBURSEMENT FOR 2016 FISCAL YEAR

MoT AND ITS AGENCIES PERFORMANCE ANALYSIS AS AT DECEMBER, 2016			
ITEMS	2016 BUDGET CEILING (GH¢)	DISBURSEMENT AS AT 2015 (GH¢)	% DISBURSED
COMPENSATION OF EMPLOYEES	12,157,976.00	10,212,550.00	84.0
GOODS AND SERVICES	924,629.00	257,946.00	27.9
ASSETS	0.00	0.00	0.00
ABFA ALLOCATION	10,000,000.00	9,465,484.00	94.7
TOTAL GoG	23,082,605.00	19,935,988.00	86.4
IGF	53,252,151.00	43,567,953.00	81.8
DONOR	49,982,346.00	49,982,346.00	100
GRAND TOTAL	126,317,102.00	113,486,287.00	89.8

PARLIAMENT OF GHANA LIBRARY
PARLIAMENT HOUSE
OSU - ACCRA

7.0 Budgetary Allocations for the Ministry of Transport and its Agencies for 2017

7.1 The Ministry of Transport and its Agencies have been given a budget allocation of GH¢443,921,709.00 for the fiscal year 2017. The breakdown per expenditure items are as follows:

TABLE 2: BUDGETARY ALLOCATION FOR THE MINISTRY OF TRANSPORT IS AS FOLLOWS

MoT & PROGRAMMES	COMPENSATION (GH¢)	GOODS & SERVICES (GH¢)	ASSETS (GH¢)	ABFA	IGF	DONOR (GH¢)	TOTAL (GH¢)
Mgt. and Admin.	9,485,178	1,200,000	15,250,000	0	0	106,043,284*	131,987,462
Maritime education & Training	0	-	5,000,000	-	-	-	5,000,000
Maritime Infrastructure						264,238,654	264,238,654
Registration & Licensing	0	0	0		38,056,536		38,056,536
Road Safety Mgt.	1,246,529	300,000	1,500,000	0	0		3,046,529
Motor Vehicle Technical Training	401,528	500,000	700,000	0	0	0	1,601,528
TOTAL	11,133,235	2,000,000	22,450,000	0	38,056,536	370,281,938	443,921,709
	TOTAL GoG = GH¢ 35,583,235						

*Scania Buses for GAPTE for BRT operations

TABLE 3: MDA PLANNED BUDGET 2017 AGAINST APPROVED CEILINGS

ITEMS	APPROVED CEILING 2017 (GH¢)	PLANNED BUDGET 2017 (GH¢)	VARIANCE (GH¢)	VAR %
COMPENSATION OF EMPLOYEES	11,133,235.00	11,133,235.00	0.00	0.0
GOODS AND SERVICES	2,000,000.00	15,400,000.00	(13,400,000.00)	(87.0)
ASSETS	22,450,000.00	282,450,000.00	(260,000,000.00)	(92.1)
ABFA ALLOCATION	0.00	0.00	0.00	0.0
TOTAL GoG	35,583,235.00	308,983,235.00	(273,400,000.00)	(88.5)
IGF	38,056,536.00	79,000,000.00	(40,943,464.00)	(51.8)
DONOR	370,281,938	370,281,938.00	0.00	0.0
GRAND TOTAL	443,921,709.00	758,265,173	(314,343,464.00)	(41.5)

TABLE 4: COMPARISON OF 2016 APPROVED BUDGET WITH 2017 CEILINGS

ITEMS	YEAR 2016 (GH¢)	YEAR 2017 (GH¢)	VARIANCE (GH¢)	VAR %
COMPENSATION OF EMPLOYEES	12,157,976.00	11,133,235.00	(1,024,741.00)	(8.4)
GOODS AND SERVICES	924,629.00	2,000,000.00	1,075,371.00	116.3
ASSETS	0.00	22,450,000.00	22,450,000.00	-
ABFA ALLOCATION	10,000,000.00	0.00	(10,000,000.00)	(100.0)
TOTAL GoG	23,082,605.00	35,583,235.00	12,500,630.00	(54.2)
IGF	53,252,151.00	38,056,536.00	(15,195,615.00)	28.5
DONOR	49,982,346.00	370,281,938.00	320,299,592.00	640.8
GRAND TOTAL	126,317,102.00	443,921,709.00	317,604,607.00	251.4

8.0 PROGRAMME OUTLOOK FOR 2017

8.1 For its programs and activities for the year 2017, the Ministry of Transport and its affiliated agencies were allocated GH¢443,921,709.

Table 1 shows the breakdown

Main Ministry

• Ministry of Transport	25,935,178
• Ministry of Transport (Buses for GAPTE)	106,043,284
• Ghana Ports and Harbours Authority	264,238,654
• Regional Maritime University	5,000,000
• Driver & Vehicle Licensing Authority	38,056,536
• National Road Safety Commission	3,046,529
• Government Technical Training Centre	1,601,528
TOTAL	443,921,709

8.2 Management and Administration

8.2.1 A Bus Terminal is under construction at Adenta and a Maintenance Facility at Achimota will be completed in 2017. The construction of a bus terminal at Tudu would take off.

8.2.2 Eighty-four (84) buses out of the 200 procured by Ministry of Transport for Metro Mass Transit Limited have arrived at the Tema Port and would be cleared and made operationalized in 2017.

8.2.3 The Ministry in 2017, will obtain Cabinet and Parliamentary approvals for the implementation of the Regulatory Framework and Regulations for the proposed National Road Transport Authority. The construction of Coastal Fish Landing sites will begin during the year at Axim and Moree.

8.3 Maritime Services

8.3.1 The Ministry in 2017 will continue with the construction of an auditorium and a library complex for maritime education and training. Hostels and workshops for electricals, mechanical and refrigeration for seafarers would be constructed.

- 8.3.2 The two water buses for Inland water transport infrastructure and services would be deployed. A second ferry that was disassembled and reassembled at Akosombo has been deployed to Dambai.
- 8.3.3 The Ministry in 2017 will start the phase 2 of Agordeke landing site along the Volta Lake. Construction will start on the landing sites at Dambai and Yeji.
- 8.3.4 The Ministry in 2017 will continue works on the Container Terminal as part of the Tema Ports Expansion Project and also continue with the construction and reclamation works at the Takoradi Port.

8.4 Road Transport Services

- 8.4.1 The Ministry will in 2017 procure furniture for the completed four-storey and eight classroom block which has been handed over to Government Technical Training Centre (GTTC). Teaching and learning materials would also be procured.
- 8.4.2 The National Road Safety Commission (NRSC) will continue with the printing of educational materials and undertake outreach programmes in schools, lorry terminals, churches, mosques and market centres and also continue with its Radio and TV programmes.
- 8.4.3 The NRSC hopes to submit to Cabinet and Parliament for approval the draft Road Safety Agency Bill this year.
- 8.4.4 The Driver and Vehicle Licensing Authority (DVLA) will operationalise seven (7) additional Private Vehicle Testing Stations and also complete the Driver Test Ground at Kumasi.

9.0 OBSERVATIONS AND RECOMMENDATIONS

9.1 Lack of Funding for Ministry's activities

The Committee noted with concern the inadequacy in funding some of the planned programmes of the Ministry as shown in Table 3. This stalls full implementation of its programmes. Delays also occur in the release of the funds which affects the Ministry's ability to implement its programmes as planned. The Committee urges the Ministry of Finance to ensure that funds are released on time and of required amounts for the Sector Ministry to implement its programmes.

9.2 Road Accidents

The Committee expressed concern with the increasing spate of road fatalities caused by vehicular accidents in spite of the mass educational campaigns and outreach programmes to communities, market centres, lorry terminals, churches and mosques by the NRSC.

It was explained to the Committee that about 95% of vehicular crashes are due to human error because motorists do not comply with road traffic regulations.

9.2.1 The Committee recommends that NRSC should intensify the educational drive and also explore the possibility of bringing in the National Council for Civic Education (NCCE) to make their campaigns more effective.

9.2.2 The Committee noted that enforcement of road traffic laws had been weak and therefore calls for better engagement with the Road Traffic Enforcing Unit of the Police Service to enforce strongly road traffic laws. The NRSC should also strongly advise the Road Agencies to ensure that roadline markings and signs are provided to help reduce road accidents. In addition, stationary or distressed vehicles are removed from the road's carriageway as early as possible.

9.3 Road Safety Agency Bill

9.3.1 The Committee's attention was drawn to a Road Safety Agency Bill been prepared for submission to Cabinet. This Bill is expected to improve the mandate of the Commission from current advisory role to a level that will empower the Commission to enforce and sanction against road sector operators who default in complying with road safety laws/regulation.

The Committee urged the NRSC to expedite work on the Bill for the consideration of the House

9.3.2 The Regional Maritime University informed the Committee that one of the major challenges facing the University is the lack of a training vessel.

The Committee was informed that the University requires the vessel in order to train seafarers. The Seafaring lessons require a hands-on approach. Well trained seafarers with practical experience could bring a lot of revenue to the nation as done in Philippines.

The Committee agreed with the University that the vessel is critical to the training being offered in the University and called for a re-fencing in the budgetary allocation of the Ministry to make it possible for the RMU to procure a training vessel.

The issue of acquiring training vessel has appeared in the planned budget of the Ministry for more than eight consecutive times and the Committee urges the Ministry of Finance to recognise this request.

9.4 Accidents on the Lake

The Committee bemoaned accidents that occur on the Volta Lake and called for the Ministry of Transport to do more in the training of the operators of the boat and canoes and also intensify efforts to clear tree stumps from the water crossing.

9.5 Non-Payment of subscription fees

The Committee was informed that the University had defaulted in the payment of subscription fees amounting to GH¢13.4million. The non-payment was as a result of financial difficulties that the University had been facing.

This, the Committee noted, is impacting negatively on the reputation of the University, and therefore recommends to the House to urge the Ministry of Finance to give priority to this issue.

9.6 Inadequate Funding to clear Buses for Metro Mass Transport

The Committee observed that the Metro Mass Transport Limited had eighty-four (84) buses at the Tema Harbour which had not been cleared as a result of lack of funds. These are the remaining buses of the two hundred (200) procured by the Ministry of Transport.

It was further observed that the intra-city operations of the Metro Mass Transport Limited bring low revenue to the MMT, inadequate to finance the operations of the 116 new buses in use.

The rate charge for intra-city operations are low and revenue derived from inter-city operations is used to support the new buses.

10.0 CONCLUSION

The transport sector plays a very important role in the economy. Therefore, for the Ministry of Transport to realise its objectives and mission, the Committee urges the House to adopt this report and approve the sum of Four Hundred and Forty-Three Million, Nine Hundred and Twenty-One Thousand, Seven Hundred and Nine Ghana Cedis (GH¢443,921,709) for the activities of the Ministry of Transport for 2017 financial year.

Respectfully submitted.



.....
HON. KWABENA OWUSU-ADUOMI
CHAIRMAN, COMMITTEE ON ROADS AND
TRANSPORT



.....
MR. ASANTE AMOAKO-ATTA
CLERK, COMMITTEE ON ROADS
AND TRANSPORT

March, 2017