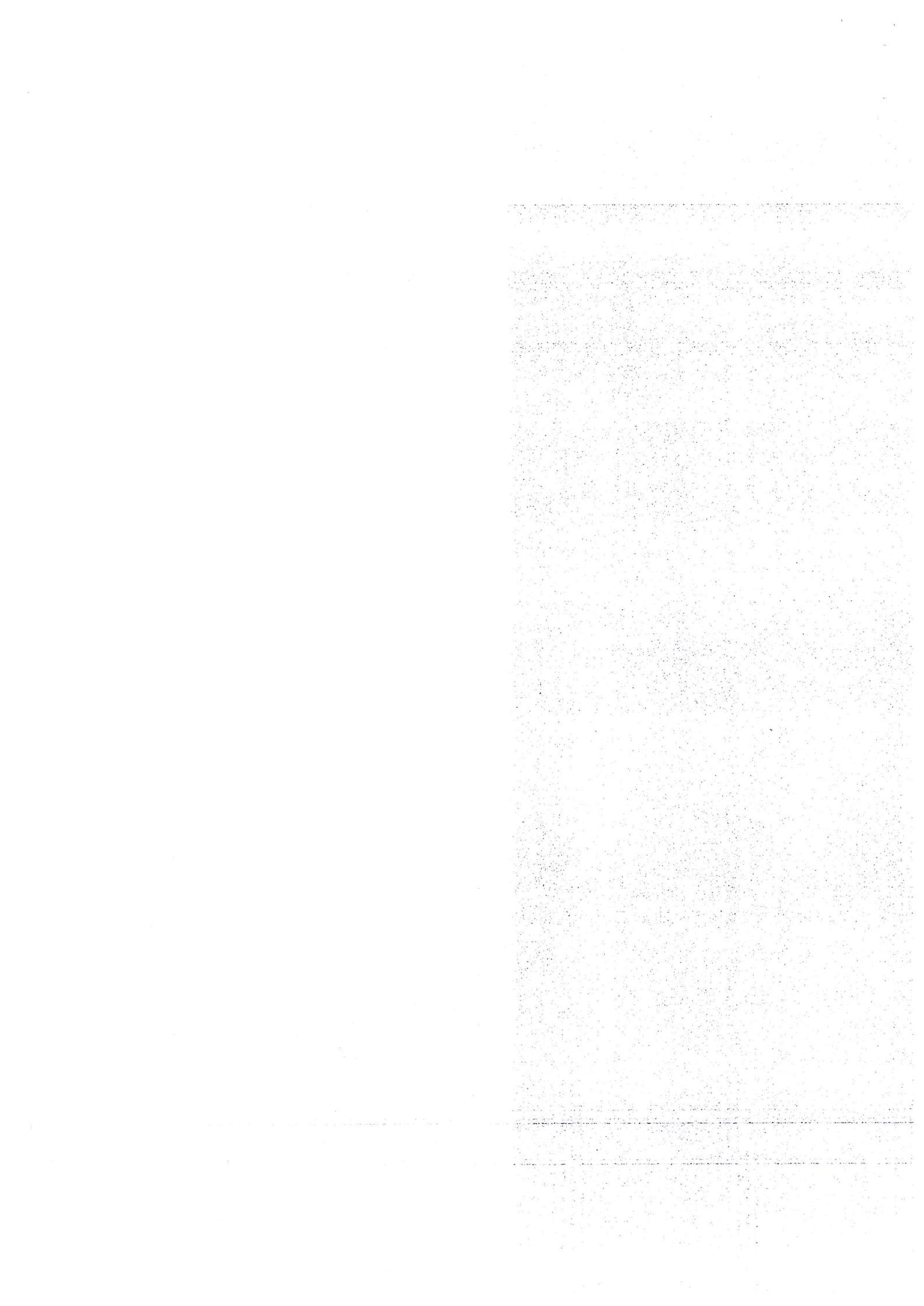


**IN THE FIRST SESSION OF THE SEVENTH  
PARLIAMENT OF THE FOURTH  
REPUBLIC OF GHANA**

**REPORT OF THE  
COMMITTEE ON COMMUNICATIONS**

*ON THE*

**2018 ANNUAL BUDGET ESTIMATES OF  
THE MINISTRY OF COMMUNICATIONS**



# **REPORT OF THE COMMITTEE ON COMMUNICATIONS ON THE 2018 ANNUAL BUDGET ESTIMATES OF THE MINISTRY OF COMMUNICATIONS**

## **1.0 INTRODUCTION**

The Hon. Minister for Finance, Mr Ken Ofori-Atta, in accordance with Article 179 of the 1992 Constitution, presented the Budget Statement and Economic Policy of the Government of Ghana for the 2018 Financial Year to Parliament on Wednesday, 15<sup>th</sup> November 2017. Pursuant to Order 140(4) and 182 of the Standing Orders of the House, the Rt. Hon. Speaker referred the Annual Budget Estimates of the Ministry of Communications to the Committee on Communications for consideration and report.

The Committee thereafter met with the Hon. Minister for Communications, Mrs Ursula Owusu-Ekuful and her team on Monday, 11<sup>th</sup> December, 2017 and considered the referral.

The Committee expresses its appreciation to the Hon. Minister and her team for their cooperation.

## **2.0 REFERENCE DOCUMENTS**

The Committee was guided by the following documents during its deliberations:

- i. The 1992 Constitution of the Republic of Ghana.
- ii. The Standing Orders of Parliament.
- iii. The 2017 Annual Budget Estimates of the Ministry of Communications.
- iv. The Budget Statement and Economic Policy of the Government of Ghana for the 2017 Financial Year.

- v. The Budget Statement and Economic Policy of the Government of Ghana for the 2018 Financial Year.

### **3.0 MISSION STATEMENT**

The Ministry exists to facilitate the development of a reliable and cost-effective world-class communications infrastructure and services, driven by appropriate technological innovations and accessible by all citizens to enhance the promotion of economic competitiveness in a knowledge-based environment.

### **4.0 POLICY OBJECTIVES**

The policy objectives of the Ministry are to:

- i. Improve ICT infrastructure in rural areas.
- ii. Promote electronic transactions for public and private businesses.
- iii. Provide access to electronic public information and services.
- iv. Mitigate the impacts of climate variability and change.
- v. Ensure adequate digital capability to support production and use of ICTs for development.

### **5.0 IMPLEMENTING DEPARTMENTS AND AGENCIES**

The Agencies listed below are responsible for the implementation of the policies and programmes of the Ministry:

1. Ghana Meteorological Agency (GMet).
2. Data Protection Commission (DPC).
3. Ghana-India Kofi Annan Centre of Excellence in ICT (AITI-KACE).



4. National Information Technology Agency (NITA).
5. Postal and Courier Services Regulatory Commission (PCSRC).
6. Ghana Investment Fund for Electronic Communication (GIFEC).
7. National Communications Authority (NCA).
8. Ghana Post Company Limited (GPCL).

## 6.0 PERFORMANCE FOR YEAR 2017

- 6.1 The Ministry of Communications was provided a sum of GH¢367,487,428.00 for the execution of its programmes and activities for the 2017 financial year.

It would be recalled that in March 2017 when the Ministry of Communications appeared before the Committee on Communications for consideration of its budget estimates for the year, the NIA was represented as an agency under the Ministry of Communication. The budgetary allocation of NIA was therefore provided for under the Ministry. However, in the course of year 2017, the Authority was realigned to the Ministry of Monitoring and Evaluation. Consequently, an amount of GH¢112,464,027.00 allocated to the Authority for year 2017 was taken out of the Ministry's budgetary allocation of GH¢367,487,428.00.

Following this development, the Ministry's budgetary allocation came to GH¢255,023,362.26. This comprised GH¢27,302,366.23 as GoG, GH¢6,624,800.00 as IGF and a donor component of GH¢221,096,196.00. Out of the GH¢255,023,362.26, an amount of GH¢204,014,870.86 made up of GH¢9,804,085.50 as GOG; GH¢4,320,772.36 from IGF and GH¢189,890,013.00 from Donor funds has been released to the Ministry. It is worth noting that out of the GoG allocation of GH¢27,302,366.23 only GH¢9,804,085.50, representing 36% had been released as at November 2017. The irregular and untimely releases of the GoG component of the budget, affected the implementation of some programmes of the Ministry.

- 6.2 This notwithstanding, the Ministry during the year under review recorded some achievements as provided below:

i. Telecom Sector

The total telephone subscription for both mobile and fixed lines as at September 2017 was 37,731,541 representing a penetration rate of 131.91%. Mobile data subscription as of July 2017 stood at 22,103,467 representing 77.58% growth. The figure for mobile data subscription is an increase of 14.14% over the 2017 figure of 19,364,442. The growth in subscription could be attributed to the provision of an enabling environment and investment in infrastructure development.

ii. Digital Terrestrial Television

Government is committed to ensuring that the process of migration from analogue to digital television broadcasting is smooth.

Three phases of the DTT Network Project have been completed.

Phase 1 comprises: Six (6) sites in Greater Accra and Ashanti Regions,

Phase 2: Sixteen sites in Volta, Northern, Upper East and Upper West and

Phase 3: Twenty Sites in Brong Ahafo, Eastern, Central and Western Regions.

The Volta River Authority (VRA), Electricity Company of Ghana (ECG) and the Northern Electricity Department Company (NEDCo) have been engaged to provide dedicated power transformers to thirty-seven (37) DTT sites.

iii. Extension of Eastern Corridor Fibre Optic

To provide high-speed internet services to areas stretching from Legon, Madina and Tema, the Ministry through NITA extended the 780km Eastern corridor fibre optic project with an additional 160km from Ho to Accra and to the National Data Centre.

iv. National Digital Addressing System

The National Digital Property Addressing System was launched to allow for the provision of a unique identifier to every property. The system utilizes an app code – “GhanaPostsGPS” to generate the electronic address and posts codes for various properties. This will feed into the National ID system (ie the Ghana Card) to be used for all transactions.

v. National Cyber Security Policy

To ensure protection for critical national information infrastructure from cyber security threats and attacks, the Ministry is implementing a national cyber security policy and strategy to build confidence and protect the use of electronic communications. A cyber security secretariat has been set up to manage all cyber security activities and programmes being implemented by MDAs and the private sector. An inter-ministerial Advisory Council comprising the Ministries of Communications, Defence, Justice, Interior, Finance, Foreign Affairs and National Security has been set up to provide guidance for Ghana’s cyber security. A national cyber security week was held in October 2017 to create awareness.

vi. Migration of Public Websites to the Data Centre

To ensure adequate security for Government websites, the Ministry through NITA hosted additional 67 government websites at the National Data Centre in 2017. This therefore increased the number of Government websites hosted at the National Data Centre from 35 in year 2016 to 102 in year 2017.



## 7.0 BUDGETARY ALLOCATION FOR YEAR 2018

A budgetary provision of **One Hundred and Seventy-six million, Four Hundred and Thirty-five Thousand, Five Hundred and Eleven cedis (GH¢176,435,511.00)** has been made to the Ministry for the execution of its programmes and activities for the year 2018. The breakdown of the 2018 allocation is provided in Table 1

**Table 1: 2018 Budgetary Allocation by Sources of Funding and Economic Classification**

Item	GoG (GH¢)	IGF(GH¢)	ABFA (GH¢)	DP (GH¢)	TOTAL (GH¢)	%
Compensation	21,489,482	6,418,313	-	-	27,907,795	15.82
Goods and Service	3,484,800	17,702,021	0	18,071,299	39,258,120	22.25
Capex	6,600,000	30,384,401	0	72,285,195	109,269,596	61.93
<b>Total</b>	<b>31,574,282</b>	<b>54,504,735</b>		<b>90,356,494</b>	<b>176,435,511</b>	<b>100</b>
%	<b>17.9</b>	<b>30.89</b>	<b>0</b>	<b>51.21</b>		

**Source: The Budget Statement and Economic Policy of the Government of Ghana for the 2018 Financial year**

## 8.0 OUTLOOK FOR 2018

The Ministry in year 2018 will commit its resources to undertake various programmes and activities including the following:

i. Digital Terrestrial Television

In line with the Ministry's objective of building a digital terrestrial television platform to ensure that Ghana migrates from analogue to digital television, the Ministry in year 2018 will monitor the digital transmission services



nationwide before switching off the analogue television in the second quarter of 2018.

Set-Top-Boxes will be acquired to facilitate the migration. The Ministry will intensify sensitization and public awareness campaigns on the transition from analogue to digital TV and undertake the operationalization of the DTT company. An estimated amount of GH¢219,200,000.00 will be required to execute the above activities.

ii. Commercialisation of NITA's Infrastructure

For year 2018, the Ministry plans to maintain, expand and improve upon its business operations and modules for MDAs and MMDA's. The Ministry through NITA will commercialise 50% of the public infrastructure to generate revenue for this purpose.

iii. Establishment of Technology Park at Dawa

It is acknowledged that promoting entrepreneurship among the youth is critical for tapping their potentials and creating jobs for national development. In this regard, the Ministry will construct an ICT Park to accelerate research and development and entrepreneurship among the youth. In pursuance of this, the Ministry has entered into a Framework Agreement with the Republic of Mauritius. The Framework Agreement assigns responsibilities to each party. The Ministry would be responsible for engaging an independent engineer to oversee the construction and applying for waiver of customs duties and taxes. An estimated amount of GH¢70,312,500.00 will be required for the project.

iv. Girls in ICT Initiative

The Ministry will continue to pursue the Girls in ICT Programme, which is intended to whip up the interest of young girls in ICT. The Girls in ICT celebration which will be held in either Ashanti or Central region will train 500 girls from various educational institutions. The programme will also

provide the platform for girls and young maidens to interact with mentors within the ICT sector.

v. Ghana's Child Online Protection (COP) Initiative

ICT is an important tool for development. Nevertheless the use of this technology for wrongful purposes could pose, threats, particularly to our youth. Thus, to fight the menace of cyber predators, online bullying and sexual inducements, the Ministry will monitor the implementation of the Child Online Protection Initiative to ensure the safety of cyber space for children and young people. The COP guidelines will be developed and published. An estimated amount of GH¢9,400,000.00 will be required for these activities.

vii. Construction Of Enhanced Community Information Centres

The Ministry will undertake the construction of 20 e-CICs in unserved and underserved communities to address the challenges of low connectivity, interconnection, high cost of access and availability of ICTs.

viii. National Digital Addressing System

The Ministry through Ghana Post will continue with the implementation of the National Digital Addressing System by developing postal codes to feed into the National ID system and make Ghana Post the preferred government agency for address verification.

## **9.0 OBSERVATIONS AND RECOMMENDATIONS**

### **9.1 Inadequate Funding**

9.1.1 The Committee noted that the Ministry in year 2018 will pursue some priority projects, programmes and initiatives that will greatly improve the communications sector. In order for the Ministry realize the laudable objectives set for 2018, it will require an amount of GH¢327,977,872.00.



Unfortunately, the sum of GH¢176,435,511.00 allocated to the Ministry is not adequate for the execution of the planned projects.

The breakdown of the projects/programmes/initiatives and the cost estimates is shown in table.

Table 2: Priority programmes/projects/initiatives and estimated cost

no	Initiative	Cost estimates
1.	Technology Park	GH¢ 70,312,500.00
2	Digital Terrestrial Television(DTT)Project	GH¢219, 200,000.00
3	Satellite TV Connectivity Project	GH¢ 11,947,500.00
4	Construction of enhanced CICs	GH¢ 16,800,000.00
5	Child Online Protection	GH¢ 9,400,000.00
6	Girls in ICT	GH¢ 317,872.00
	Total	GH¢ 327,977,872.00

Source: Ministry's presentation to the Committee on the 2018 budget estimates

## 9.2 Inadequate Staffing

9.2.1 The technical nature of the Communications industry requires people with the requisite expertise to effectively provide the needed services. Unfortunately, the Ministry currently lacks the needed technical staff.

9.2.2 Ghana Meteorological Agency (GMet) has over the years, not been able to fill important vacancies because the Ministry of Finance has not given the Agency the financial clearance to recruit. There has been a drastic reduction in the number of staff at its regional and district offices, a situation that compels the few staff to work overtime. The issue of inadequate technical staff, has affected productivity as the Agency finds it difficult to provide meteorological data to various sectors of the economy. The Agency urgently requires to recruit 52 qualified Assistant Meteorologists to strengthen its human resource capacity.

9.2.3 The Committee was informed that NITA like other Agencies of the Ministry is faced with the problem of inadequate staff to run its operations. Due to low remuneration, NITA is unable to attract and retain the needed technical staff of IT Engineers and Technological Information officers.

9.2.4 The Data Protection Commission (DPC) is short of skilled data protection experts and technocrats in various areas. The Committee was informed



that this situation has affected revenue generation as the Commission is unable to carry out registration and enforcement.

9.2.5 The Postal and Courier Services Regulatory Commission currently has a staff strength of seven with two others on secondment. This number falls far below the Commission's minimum staff requirement of 22. There is the need therefore for the Commission to recruit to augment its staff strength to enhance its effectiveness in clamping down illegal operators and intensifying the monitoring of licensed operators.

9.2.6 The Kofi Annan ICT Centre is faced with the challenge of a high attrition of its faculty members, thus compounding the problem for a Centre that is already understaffed. The Committee learnt that the high attrition is due to uncompetitive remuneration and a lack of market premium. While the Centre has the reputation to attract qualified personnel, it is unable to retain them due to this challenge.

### 9.3 Lack of Vehicles

9.3.1 It came to the attention of the Committee that due to the unavailability of vehicles, staff of the Data Protection Commission continue to resort to the use of taxis in addressing issues that require urgent attention. Currently, the Commission has only one vehicle to operate with. The Committee urges DPC to take steps to increase its revenue generation to enable it acquire some vehicles.

The situation of the Postal and Courier Services Regulatory Commission is very similar to that of DPC. The Regulatory Commission has only two operational vehicles – an old 4x4 pick-up purchased in year 2005 and the other, the official vehicle of the director of licensing and operations. This situation Staff often have to reschedule appointments because they are unable to undertake field assignments concurrently.

The provision of services by the Agencies under the Ministry often requires the movement of staff to various points or locations, making vehicles an indispensable tool for operations. There is therefore the need to address the issue of vehicles.

#### 9.4 The Postal and Courier Services Regulatory Commission

The Commission has been allocated a sum of GH¢1,699,315.00 for the implementation of its programmes for the 2018 fiscal year. The Commission plans to organize a Postal and Courier Conference to bring current trends in the industry into the Ghanaian space and open up our market.

The Committee was informed that a major challenge facing the Commission is the proliferation of illegal operators who are taking away legitimate business from licensed operators. To partly address this problem, the Commission published a list of operators in good standing to protect licensed operators and cautioned the public against patronising the services of unlicensed operators.

The Committee noted that the Commission in year 2017 licensed 13 new operators to provide courier services. A number of applications are also receiving the needed attention. A total of 118 operators have been licensed nationwide.

The Commission brought to the attention of the Committee the need to have the Postal and Courier Services Regulatory Act 2003, (Act 649) reviewed to reflect current trends and thereby position the Commission to fully regulate the sector.

#### 9.5 Kofi Annan ICT Centre

The Centre has been allocated an amount of ₵3,302,043.00 for the execution of its programmes and activities for year 2018. The Centre will aggressively focus on research, development and capacity building in information and communication technology. The Centre also proposes to offer up-to-date solutions and technologies to the security services and government agencies to address their challenges or introduce them to more technologically efficient ways of executing their functions. The Centre further plans to increase the number of streams for weekend and evening programmes to generate more revenue.



It came to the attention of the Committee that after almost fourteen years of existence, the Centre still lacks a law to regulate its activities. This situation the Committee learnt, has affected the operations of the Centre in taking long term strategic decisions. The Committee was happy to note that the Ministry has initiated steps to facilitate the passage of the KACE Bill to give the Centre the mandate to operate as an autonomous institution.

#### 9.6. National Information Technology Agency (NITA)

NITA in year 2018 has been allocated an amount of GH¢12,409,670.00 for its programmes. The Committee was happy to note that in year 2017, NITA migrated most government websites to the Data Centre, thus ensuring a significant reduction in the incidents of hacked government websites. As at October 2017, the Agency had also brought up 85 of the LTE's base stations to enable them access the GIFMIS platform. The Agency expects to activate 35 base stations in year 2018, thereby bringing up all 120 LTE's Base Stations to connect all the MDAs and MMDAs to the e-government network for increased efficiency in the public service.

It came to the attention of the Committee that NITA and GLO have expressed interest to collaborate and share their infrastructure in a non-financial swap deal as both parties need each other's infrastructure. NITA operates the Eastern Corridor Fibre Infrastructure while GLO owns and operate a similar Fibre along the southern part of the country. The Eastern Corridor Fibre Infrastructure which is 960km stretches from Accra, through Ho, Kpando, Jasikan, Nkwanta, Bimbila, Yendi, Gusjheigu and Bawku. It also branches off at Yendi to Tamale. Glo's fibre infrastructure stretches from Kumasi through Techiman, Tamale and Bolgatanga. The Committee was informed that the only cost with this deal is the one-time onboarding cost of the interconnectivity. Both parties are to bear the cost of interconnecting on each other's network.

Currently, NITA spends an amount of GH¢1.3 million for renting a 2gig backbone capacity from a service provider. This arrangement with GLO will enable NITA obtain a 10gig backbone capacity required to provide effective



services at no cost and thus, save government the huge recurrent cost of GH¢1.3 million.

The Committee was informed that the generation of internal funds by NITA is undermined by the non-payment for services rendered to MDA's and MMDA's. This prevented NITA from having the needed IGF to purchase bandwidth to improve its services.

#### 9.7 Data Protection Commission (DPC)

The DPC has the mandate to protect the privacy of the individual and personal data by regulating the processing of personal data. The Commission therefore regulates the process to obtain, hold, use or disclose personal information and other related issues bordering on the protection of personal data. In 2016, the DPC held its first conference to create awareness of its programmes. In 2017, the Commission organised 26 sensitisation programmes, workshops, radio and TV programmes and also placed adverts in the print media all in a bid to create awareness of their programmes. The Commission has so far registered about 1,200 data controllers and plans to increase this number to 2,000 across the country. It will also train 500 data protection supervisors in 2018. A provision of GH¢1,883,301.00 has been made under IGF for the Commission for year 2018.

#### 9.8 Ghana Meteorological Agency (GMet)

9.8.1 An amount of GH¢61,129,757.00 has been provided for GMet to undertake its programmes and activities for year 2018.

The Agency in the ensuing year, intends to upgrade its Climatological Data Base Management System (CDMS) to enable the database upgrade automatically on a daily basis. This will require the configuration of the data base server to receive data electronically from remote sites to update the database. Synoptic stations will be equipped with computers and accessories as well as a reliable internet connectivity to enable staff input data directly into the data base.

9.8.2 The Committee was happy to note that GMet has automated some stations to conform to technological advancement and thus brought some relief to data management. It is important that all stations of GMet are automated to reduce reliance on human observations and improve data quality and timeliness. The Agency this year, plans to install Automatic Weather Observatory System (AWOS) at the Tamale Airport to comply with ICAO and WMO standards and protocols to bring it to international status. The Committee was informed that the automation of the observatory networks of stations will enable the Agency monitor climate change and variability. The Committee was further informed that GMet intends to acquire a Data Dissemination Platform (GTS) to enable the Agency exchange data information to enhance its analysis for weather and climate outlook.

9.8.3 The Agency will implement the International Civil Aviation Organisation (ICAO) and World Meteorological Organization (WMO) standard for International Air Navigation at the Kotoka International Airport (KIA) and the Tamale Airport. This will help attract airlines into the country and thus position Ghana as a hub for international air navigation in the West Africa Sub-Region. This could also boost revenue generation and contribute to socio-economic development.

9.8.4 It came to the attention of the Committee that the Agency needs to replace obsolete and defective equipment. This situation has resulted in the closure of most of the Agency's Hydro, Climo, and Agro weather stations.

Funding for Meteorological Services is generally capital intensive. Often, the GOG allocation to the Agency is woefully inadequate, and compounded by the non-payment for Aeronautical data provided by GMet to the Ghana Civil Aviation Authority (GCAA) and the Ghana Airport Company Ltd (GACL). The Committee was informed that the Ministry has initiated steps to amend the Ghana Meteorological Agency Act, 2004 (Act 682) to among others enhance the Agency's ability to generate extra revenue through the provision of services to other sectors of the economy such as the Off-shore Oil fields, Fisheries, and Marine Navigation.



## 10.0 CONCLUSION

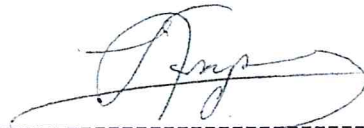
The communications sector without doubt, is the driving force behind all other sectors of the economy. Indeed every industry be it education, agriculture or tourism requires effective communication technology to develop and provide competitive services within today's global world. It is in the light of this that every effort should be made to provide the Ministry with the requisite resources to build the key infrastructure, employ the requisite technical staff and acquire the needed logistics to pursue its mandate.

The Committee hereby recommends that the House approves the sum of One **Hundred and Seventy-Six Million, Four Hundred and Thirty-Five Thousand, Five Hundred and Eleven Cedis (GH¢176,435,511.00)** for the implementation of the Programmes and activities of the Ministry of Communications for the year ending 31<sup>st</sup> December, 2018.

Respectfully submitted



**KEN OHENE AGYAPONG (HON)  
(CHAIRMAN, COMMITTEE ON  
COMMUNICATIONS)**



**JANET FRIMPONG  
(CLERK TO THE COMMITTEE)**

*December 2017*



