

Briefings on Key Infrastructure
Issues in the 2023 Mid-year
Budget Review.

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On 31 July 2023, the Minister for Finance (the **Minister**) for the Republic of Ghana presented to the Parliament the mid-year fiscal policy review of the 2023 budget statement and economic policy of the government of Ghana (**GoG**). Below are the key highlights in the infrastructure sector made during the presentation.

Revenue Expenditure for Infrastructure

The Annual Budget Funding Amount (ABFA), which is an amount of petroleum revenue allocated annually to Government for spending in priority areas is US\$238.81 million for this financial year. The following allocations have been made:

- 1) US\$ 74.68 million was allocated to the Ghana Infrastructure Investment Fund (GIIF). Out of the GIIF allocated sums, US\$ 33.43 million was transferred to the Agenda 111 projects. Agenda 111 is the GoG's initiative to address infrastructure deficiencies in the health sector and includes the construction of 101 district hospitals, 6 regional hospitals in the newly created regions 2 specialised hospitals in the middle and northern belts, 1 regional hospital in the Western Region and the renovation of the Effia-Nkwanta Regional Hospital. It is to be recalled that the GoG in 2021 secured US\$100 million from GIIF as start-up funding for Agenda 111 hospital projects in the middle and northern belts of Ghana.

US\$41.25 million was also transferred to the GIIF Special Purpose Vehicle (SPV) Viability Gap/Tema Motorway Extension project account. The 27.7 kilometres Accra-Tema Motorway project is being procured through GIIF under a public-private partnership (PPP) arrangement and the intention of the viability gap fund was to de-risk the project and make it attractive to lenders and equity investors; and

- 2) US\$ 11.94 million was transferred to the District Assemblies Common Fund (DACF). The DACF is a creation of the 1992 Constitution¹ and was established to give Metropolitan, Municipal District Assemblies (MMDA) financial autonomy to make decisions locally. Parliament is mandated to allocate at least 5% of the total revenues of Ghana into the DACF for development² programmes to be undertaken by the MMDAs, which include educational facilities, health centres and sanitation management. Payments into the DACF are required to be made in quarterly instalments and disbursed based on a formula approved by Parliament³. The 2023 Formula for the DACF funding can be found [here](#).

¹ Article 252(1) of the 1992 Constitution

² id, 252(2)

³ id 252(3)

Updates on Roads and Highway Infrastructure Developments as of June 2023

In efforts to improve mobility and accessibility in urban areas, the Minister stated that works on the Accra-Tema Beach Road and the Construction of a 3-tier interchange are at various stages of completion. The flyover at the Accra-Tema Motorway from the Flowerpot roundabout is progressing steadily. The Accra-Tema Motorway and extension project (27.7km) will be procured and executed as a Public Private Partnership (PPP) using a GILF SPV. These works will involve the reconstruction of the Accra-Tema Motorway into a 4-lane expressway with a 3-lane service road in both directions and interchanges at Ashiaman under-bridge, Community 18 and Teshie Link. Further efforts to improve safety and capacity along major trunk roads have led to the beginning of the upgrading of the Nsawam-Ofankor road and the dualization of the Tema-Aflao and Tema-Akosombo roads.

Below is a table of the road projects embarked on by the GoG:

Road Projects	Status
Phase II of Obetsebi Lamptey Circle Interchange and other ancillary works	86% completed
Phase I of the Tema Motorway Roundabout	100% completed
Phase II of the Tema Motorway Roundabout	Just commenced
17 km Tema-Akosombo Road	Just commenced
64 km Tema-Akosombo Road with interchanges at Ashiaman Roundabout and Asutsuare Junction	16% completed
Works to widen the Nsawam-Ofankor road to 10 lanes with a 6-lane expressway and 4-lane service road with interchanges at Amasaman, Pobiman, Medie and Nsawam junctions	26% completed
Construction of four interchanges at Kpone barrier, Savannah, Dawhenya and Prampram	30% completed
Kumasi Lake Road and Drainage Extension project	98% completed
Selected roads in Sekondi and Takoradi Phase I	21% completed
Work on Tamale-Walewale Phase I (Savelugu to Walewale)	10% completed
Dome-Kitase Road	16% completed
Bechem-Techimantia-Akomadan road	64% completed
Agona Nkwanta-Tarkwa road	34% completed
Assin Fosu – Assin Praso portion of the National Trunk Road N8 (Phase II)	100% completed and commissioned
100 km Kumasi Inner City Roads	20% completed
39 km Sunyani Inner City Roads	81% completed
The PTC Roundabout Interchange Project at Takoradi	80% completed

Tamale Interchange Project	100% completed
32.19km Western region and Cape Coast Inner City roads	100% completed
The 66.4km Hohoe-Jasikan-Dodu-Pepesu	100% completed
Upgrading of the selected feeder roads in Western and Ashanti regions	100% completed

Update on Railway Projects

The 97km Tema-Mpakadan railway line is about 98% complete and scheduled to be fully completed by the end of September 2023. 2 railheads are being constructed as part of the project: one at the Tema Port which connects to the cargo terminals at the Port, and the other at the Mpakadan Terminal. The latter provides connectivity to the Volta Lake to facilitate the haulage of containerised cargo and other bulk commodities from the southern sector to the northern sector and further to the neighbouring countries of Burkina Faso, Mali, and Niger.

The GoG has constructed an operation control centre, a maintenance facility and 8 railway stations at Afienya, Ashiaman, Doryumu-Kordiabe, Juapong, Kpong, Shai Hills, Tema Harbour, and Tema Industrial Area. Also, a 900m road over the bridge at Afienya and a 300m railway bridge over the Volta River between Senchi and Old Akrade has been completed.

Update on Health Infrastructure Projects

The total payments made to advance health infrastructure stood at US\$189.34 million. The table below shows the health infrastructure projects being undertaken across the regions in Ghana.

Regions	Active Projects
Ahafo	2
Ashanti	13
Bono	3
Bono East	4
Central	7
Eastern	6
Greater Accra	3
North East	4
Northern	9
Oti	4
Savannah	2
Upper East	8
Upper West	5
Volta	8
Western	2
Western North	3
Total	83

Update on Irrigation Infrastructure across Ghana

The Minister stated that the GoG continues to invest in improving irrigation infrastructure across Ghana. He reported that the repair of the Ashiaman Irrigation Dam and the construction of the Tamne Irrigation Project Phase III are 85% and 65% completed respectively. When these projects are completed, they are estimated to facilitate year-round agricultural production, export industry, employment and reduce rural-urban migration.

The Ghana Irrigation Development Authority has begun the construction of small earth dams in the Northern, Upper East, Upper West and Savannah Regions. At full completion, it is estimated that a total of 90ha of irrigable land will be available for dry-season farming. The table below is an update of the small dam projects.

Projects	Type of Project	Completion status
Vunania (15ha)	Farming Support Dam	90%
Gilang (15ha)	Farming Support Dam	90%
Tousal/Jeyiri	Farming Support Dam	95%
Tasundo	Farming Support Dam	97%
Sunyeri	Farming Support Dam	60%
Kpalbutabu	Flood Mitigation Dam	90%
Duadinyediga	Flood Mitigation Dam	90%

Update on Aquaculture Projects

The GoG has completed the construction of the National Aquaculture Centre and Commercial Farms (NACCF). The NACCF is a state-of-the-art facility constructed to improve aquaponics and recirculation systems to increase productivity. It boasts of in-door aquaculture structures, classrooms, accommodation for students, pack houses and cold storage facilities. NACCF is expected to train about 200 people over a 4-year period to help augment local fish production.

The Ghana National Aquaculture Development Plan (Plan) has been finalised and awaiting Cabinet approval. This Plan will serve as the blueprint for all strategic development and investments in aquaculture in Ghana. It is estimated that by 2028 Ghana will farm 210,000 metric tonnes of farmed fish.

Phase 1 of the civil works on the Anomabo Fisheries College Project is complete and consists of the following:

- 2 storey administration blocks
- 2-storey laboratory blocks
- 3-storey lecture blocks
- 2-storey hostel blocks

The GoG implements a two and half month close season from January to March 2023 to help replenish dwindling marine fish stock. In efforts to prevent the diversion and hoarding of premix fuels, 37 automated vending machines were installed at landing beaches in Chorkor, Elmina, and Nungua among others. The remaining 13 machines will be installed at various landing beaches across Ghana by the end of the year. 17, 428,500 litres of premix fuel were supplied to the various Landing Beaches Committees as of June 2023.

With the support of the Ghana Fisheries Recovery Activity, the GoG has piloted the use of electronic monitoring systems on trawlers as a measure to sustain Ghana's fisheries sector and to curb illegal, unreported and unregulated fishing practices in Ghana.

Updates on Other Infrastructural Development as of June 2023

The GoG has commissioned 9 state-of-the-art Technical and Vocational Education and Training (TVET) centres. Under the auspices of the National homeownership fund (NHF), 296 mortgages valued at GHs 39.9 million for 2 to 3-bedroom housing units at multiple sites in Tema Community 22 were underwritten by participating financial institutions and the TDC Company Limited. 296 One District One Factory (1D1F) projects are at various stages of completion. Infrastructure for Poverty Eradication Programme (IPEP) projects undertaken by the GoG are listed below as follows:

- 1) Through the Coastal Development Authority, GoG has constructed a 3-unit classroom block at Kubekro in Kpone Katamanso Constituency in the Greater Accra Region and a 2-unit classroom block with ancillary facilities at Ankra in the Akontombra Constituency. GoG has also completed a CHPS compound at Camp 15 in the Bia West Constituency in the Western North Region, a 6-unit classroom block with ancillary facilities at Battor-Dugame in the North Tongu Constituency a CHPS compound at Kologu Aflao, a 3-unit classroom block with ancillary facilities at Atsiaklobor in the Volta Region and a small-town water system at Likpe Mate SHS in Oti Region.
- 2) The Middlebelt Development Authority has aided the GoG to construct 3 handpumps in the Ofoase Ayirebi Constituencies, 14 mechanised boreholes in the Bono Region, 4 Community Centres in the Bono East Region, 2 Durbar grounds in Bono Region and 4 police stations with bungalows in the Eastern Region. The Out Patients Department and theatre at the Bono Region are 99% complete. The nurses' quarters in Yaakrom and Diabaa in the Bono East region are 40% to 45% completed respectively.
- 3) The Northern Development Authority executed 600 projects across the 5 Northern regions in Ghana. 303 of those projects have been completed and handed over to the beneficiary communities whiles 297 projects are at different stages of completion.

Project	Number of Projects
Agricultural Projects	7
Educational Projects	210
Entertainment Projects	7
Health Projects	90
Road Projects	73
Rural Electrification/Power Project	69
Sanitation Projects	19
Security Projects	5
Sports	1
Transportation Projects	13
Water Projects	83
Others	23
Total	600

Future Infrastructure Projections

The GIIF has committed US\$332 million to a portfolio of 13 infrastructure projects in seven different sectors, namely airports, seaports, ICT, energy, hospitality, mining, and affordable university accommodation.

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