



PIAC

PUBLIC INTEREST AND ACCOUNTABILITY COMMITTEE
ESTABLISHED UNDER THE PETROLEUM REVENUE MANAGEMENT ACT, 2011
(ACT 815)

ANNUAL REPORT ON THE MANAGEMENT AND USE OF PETROLEUM REVENUES FOR THE PERIOD **2018**



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Safeguarding Your Petroleum Revenues

PUBLIC INTEREST AND ACCOUNTABILITY COMMITTEE



REPUBLIC OF GHANA

ANNUAL REPORT ON THE MANAGEMENT AND USE OF PETROLEUM REVENUES FOR THE PERIOD

ABOUT THIS REPORT

The 2018 PIAC Report is in fulfilment of PIAC's statutory obligation under the Petroleum Revenue Management Act, 2011 (Act 815). The Act, as amended by the Petroleum Revenue Management (Amendment) Act, 2015 (Act 893), enjoins PIAC to publish a semi-annual and annual report. The Report is a reconciliation of data supplied by stakeholder institutions and an independent assessment of the collection, management and use of the country's petroleum revenues for the period January – December 2018.

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ACRONYMS AND ABBREVIATIONS

ABFA	Annual Budget Funding Amount
AGPP	Atuabo Gas Processing Plant
BoG	Bank of Ghana
BRENT	Broom, Rannoch, Etive, Ness and Tarbert
CAPEX	Capital Expenditure
CAP	Carried and Participating Interest
CDB	China Development Bank
CHPS	Community-Based Health Planning and Services
CIF ARA	Cost, Insurance and Freight Amsterdam Rotterdam-Antwerp
CIT	Corporate Income Tax
CSI	Corporate Social Investment(s)
CSO	Civil Society Organisation(s)
DWT/CTP	Deepwater Tano Cape Three Points
EC	Energy Commission
ECG	Electricity Company of Ghana
EFC	Equity Financing Cost
EIA	Energy Information Administration
ENI	Ente Nazionale Idrocarburi
FPSO	Floating Production Storage and Offloading Unit
FRU	Floating Regasification Unit
FSU	Floating Storage Unit
GHF	Ghana Heritage Fund
GIIF	Ghana Infrastructure Investment Fund
GMP	Gas Master Plan
GNCC	Ghana National Gas Company
GNPC	Ghana National Petroleum Corporation
GRA	Ghana Revenue Authority
GRCL	Ghana Railway Company Limited
GRE	Glass Reinforced Epoxy
GSF	Ghana Stabilisation Fund
GTG	Gas Turbine Generator
IAC	Investment Advisory Committee
ICT	Information and Communications Technology
IDT	Industrial Development Tariff
IMF	International Monetary Fund
IOC	International Oil Company
IPEP	Infrastructure for Poverty Eradication Programme
IPP	Independent Power Producers
ITSM	Information Technology Service Management
ITLOS	International Tribunal for the Law of the Sea
JHS	Junior High School

JV	Joint Venture
KIA	Kotoka International Airport
LIBOR	London Interbank Offered Rate
LLI	Long Lead Items
LNG	Liquefied Natural Gas
LOPI	Loss of Production Insurance
MMBtu	Million British Thermal Units
MMSCFD	Million Standard Cubic Feet per Day
MoEn	Ministry of Energy
MoF	Ministry of Finance
MT	Metric Tonne(s)
NAG	Non-Associated Gas
NOC	National Oil Company
OCTP	Offshore Cape Three Points
OECD	Organisation for Economic Co-operation and Development
OPEC	Organization of Petroleum Exporting Countries
OPEX	Operating Expenditure
ORF	Onshore Receiving Facility
OWC	Oil Water Contact
PHF	Petroleum Holding Fund
PIAC	Public Interest and Accountability Committee
PMC	Project Management Consultant
PoD	Plan of Development
PRMA	Petroleum Revenue Management Act
PSGL	Prestea-Sankofa Gold Limited
PURC	Public Utilities Regulatory Commission
RAT	Research and Technology
RBM	Result-Based Management
RMS	Regulating and Metering Station
SGN	Sankofa Gye Nyame
SHS	Senior High School
SOE	State-owned Enterprise
SOPCL	Saltpond Offshore Producing Company Limited
STEM	Science, Technology, Engineering and Mathematics
STEO	Short-Term Energy Outlook
TEN	Tweneboa-Enyenra-Ntomme
TGL	Tullow Ghana Limited
TRP	Turret Remediation Project
TTIP	Takoradi -Tema Interconnection Project
WAGP	West African Gas Pipeline
WACSI	West African Civil Society Institute
WAPCo	West African Gas Pipeline Company Limited
WEO	World Economic Outlook
WTI	West Texas Intermediate
YIAP	Youth in Agriculture Programme
YTD	Year-To-Date

FOREWORD

Since its establishment in September 2011, the Public Interest and Accountability Committee (PIAC), has been monitoring and evaluating the management and use of Ghana's petroleum revenues by institutions of state, in accordance with its statutory mandate.

PIAC's reports aim at keeping Ghanaians and other interested stakeholders constantly informed as to how the country's petroleum revenues are being managed, as well as providing platforms for the citizens' feedback to be collated and shared with policymakers. So far, 15 reports – 8 Annual and 7 Semi-Annual - covering the period 2011 to 2018 have been published. The keen interest with which the Ghanaian citizenry receive the reports has served as a great source of motivation to the Committee as it pursues its obligation of ensuring strict compliance with the provisions of the Petroleum Revenue Management Act, 2011 (Act 815).

The 2018 Annual Report covers the period January to December. It encompasses a broad range of issues associated with the management and utilisation of petroleum revenues such as information on production, liftings, revenues accrued, revenue received, allocation and utilisation of these revenues by government, and the management of the funds set aside in the Ghana Petroleum Funds (Ghana Stabilisation Fund and the Ghana Heritage Fund). The Report also contains an examination of other issues and findings pertinent to the performance of various institutions charged with responsibilities in the Petroleum Revenue Management Act, 2011 (Act

815) as amended by the Petroleum Revenue Management (Amendment) Act, 2015 (Act 893). The preparation of this Report was supported with information and data from the Ministry of Finance, Bank of Ghana, Ghana National Petroleum Corporation, Ghana Revenue Authority, Petroleum Commission, Ghana Infrastructure Investment Fund, Ghana National Gas Company, Energy Commission, Ministry of Energy, Kosmos Energy, ENI Ghana Limited, and Tullow Ghana Limited.

PIAC's reporting has suffered some delays over the years, and the Committee notes with concern, the three months delay in the release of the 2018 Annual Report. PIAC is indeed, concerned about the situation, and has brought it to the attention of the Parliamentary Committee on Finance for assistance in getting the Ministry of Finance and other reporting entities to be more responsive to PIAC's data requests. Further to this, the Committee has engaged the Ministry of Finance directly, and entered into an agreement with the Ministry to initiate quarterly meetings between the two parties to resolve issues of delays in the data collection, and other related challenges, in order to help the Committee meet its reporting obligations on time.

It is the expectation of the Committee that the public will find time to read the Report and provide feedback during public engagements following its launch, or send comments via email to secretariat@piacghana.org or call +233 (0) 302 242 006.

EXECUTIVE SUMMARY

This Report is the eighth in the series of annual reports by PIAC. The report is based on the collection, collation, reconciliation, and analyses of production and revenue data from relevant stakeholder institutions. Key findings and recommendations for action by relevant stakeholder institutions are as follows:

- i. Jubilee produced 44,841.94 MMSCF of associated gas;
- ii. TEN produced 39,472.78 MMSCF of associated gas; and
- iii. SGN, which commenced gas production in June 2018, produced 7,144.58 MMSCF of non-associated gas.

Crude Oil and Gas Production

1. A total of 62,135,435.07 barrels of crude oil was produced from Ghana's three production fields in 2018:
 - i. Jubilee Field produced 28,461,775 barrels representing forty-five percent (45%) of total production;
 - ii. TEN produced 23,557,361 barrels (38%); and
 - iii. SGN produced 10,751,671 barrels (17%).
2. In comparison with 2017 total crude production (58,658,063.54 barrels), there was a 5.93% increase in 2018.
3. In accordance with the respective Crude Oil Lifting Agreements, GNPC lifted:
 - i. Five (5) parcels of crude oil on behalf of the State (Ghana Group) from Jubilee totalling 4,807,432 bbls of oil (representing 16.14% of total liftings);
 - ii. Four (4) parcels of crude totalling 3,980,456 bbls from TEN (17.01% of total liftings); and
 - iii. One parcel of crude totalling 995,351 bbls from SGN (9.32% of total liftings).
4. A total of 91,459.30 MMSCF, compared to 77,294.44 MMSCF in 2017, of raw gas was produced from the Jubilee, TEN, and SGN Fields in 2018:

Crude Oil Pricing

5. The average achieved price by GNPC on behalf of the Ghana Group of US\$68.487/bbl for all three producing fields was both higher than government's 2018 estimated benchmark price of US\$65.85/bbl and the 2017 realised price of US\$54.43/bbl. This contributed to the higher revenue outturn for the year.

Petroleum Revenues

6. Total petroleum receipts paid into the Petroleum Holding Fund in 2018 was US\$977,093,285.00. Additionally, an amount of US\$1,606,462.37 was earned as interest on undistributed funds held in the Petroleum Holding Fund during the year.
 - i. Crude oil liftings by the Ghana Group from Jubilee Field yielded an amount of US\$340,039,246.32 into the PHF;
 - ii. Revenue from Jubilee's 41st lifting in December 2017 amounting to US\$45.74 million, was paid into the PHF in January 2018;
 - iii. Crude oil liftings from the TEN Field yielded an amount of US\$285,157,185.03 into the PHF;
 - iv. Crude oil lifting from the SGN Field yielded an amount of US\$63,030,602.08 into the PHF;

- v. Total amount paid into the PHF in respect of corporate income tax was US\$160,606,805.30; and
 - vi. An amount of US\$938,895.97 was paid into the PHF as surface rentals from the various companies in the petroleum upstream sector. This amount includes arrears of US\$34,993.22 being monies wrongfully paid into GRA account by Springfield E&P Limited
7. If the Kotoka International Airport's Terminal 3 cost US\$350 million dollars to build, then the 2018 revenue could have built almost three of its kind.
 8. In 2018, there was no lifting on the SGN Field in respect of CAPI, as Partners lifted Ghana Group's share of 1,853,785 bbls yielding US\$141,321,927, to offset unpaid cash calls.
 9. GNGC received raw gas worth US\$85,214,825.34 from GNPC during the year, for which payment is outstanding.
 10. Total GNGC indebtedness to GNPC stood at US\$315,530,008.87 as at the end of 2018.
 11. As part of clearing VRA's debts, the Ministry of Finance had an arrangement with GNGC to apply an amount of US\$233,145,734.88, being part of its receivables from VRA, to defray part of the Company's CDB loan.
 12. Total disbursement from the PHF in 2018 was US\$977,124,929.67
 13. GNPC and the ABFA received US\$305.27 million (31%) and US\$235.10 million (24%) respectively of PHF allocations for the year. The GSF and GHF received US\$305.72 million (31%) and US\$131.02 million (14%) respectively.
 14. ABFA's allocation of US\$235.10 million (GH¢1,079,031,436.26) for 2018 represented an increase of 38.74% over the amount received in 2017 (US\$169.46 million).
 15. An amount of GH¢827.65 million of the ABFA's GH¢1.08 billion allocation was utilised, leaving GH¢251.38 million unutilised as at the end of 2018. When added to the 2017 unspent ABFA of GH¢403.74 million, total unspent ABFA as at December 2018 amounted to US\$655.12 million.
 16. Out of the amount utilised from the ABFA, GH¢419.87 million (50.95%) was spent on Education, GH¢126.19 million (15.31%) on Agriculture, GH¢255.37 million (31%) on Road, Rail and other critical infrastructure, GH¢22.70 million (2.75%) on Health, and GH¢3.53 million on PIAC.
 17. Ninety-seven percent (98.75%) (GH¢414.62 million) of the ABFA disbursement to the Education priority area went into the Free Senior High School programme.
 18. Approximately 98.44% (GH¢124.22 million) of the ABFA disbursement to the Agriculture

Petroleum Funds Distribution and Utilisation

Operations of Ghana National Gas Company

11. GNGC's receivable from the sale of lean gas, LPG, and condensates for the period was US\$224,704,210.61, of which only US\$85,211,856.99 was paid.
12. GNGC made no attempt to defray part of its debt to GNPC, even though the Company received revenue for the period under review.
13. VRA received lean gas worth US\$ 222,427,108.43 from GNGC, which had not been paid, incurring an interest of US\$16,737,531.29.
14. Total indebtedness to GNGC stood at US\$750,963,424.91 as at the end of 2018.

priority area in 2018 was used to support the Planting for Food and Jobs Programme.

23. In the 2018 financial year, only 49% of the utilised ABFA was used for capital expenditure, less than the 70% stipulated in the PRMA. Fifty one percent (51%) was utilised for the supply of goods and services.
24. In 2014, the Ministry of Finance withheld an amount of US\$50m from GNPC, which it treated as a loan. The transaction was not backed by any form of Agreement spelling out the terms of the loan and a repayment plan.
25. Subsequently, the Ministry in a letter dated 15th December, 2018, directed the Corporation to expunge the amount from its books, on grounds that the Ministry had not capped GNPC's funds during the period (2017-2018) in line with the Earmarked Funds Capping and Realignment Act, 2017 (Act 947).
26. PIAC observes that, the manner in which the Ministry procured the loan does not follow due process. Furthermore, the manner in which the Ministry is seeking to settle its indebtedness is capricious especially, as it is not based on mutual consent of the two parties.
27. Again, the use of one law (the Earmarked Funds Capping and Realignment Act) to over-ride the provisions of another Act (the Petroleum Revenue Management Act), without repealing the applicable sections of the latter, raises questions bordering on the legality of the Ministry's actions.
28. Furthermore, the Committee observes, that, given the situation where GNPC's funds are currently capped at 30 percent of net petroleum revenues, a further 25 percent cap of the 30 percent, using Act 947, reduces GNPC's funds to a mere 7.5 percent; and

since GNPC is expected to wean itself off the PHF by 2026, it is difficult to appreciate how they could achieve financial sustainability by the target year.

29. Expenditure analysis of the GNPC Foundation's programmes reveals a carefully thought through strategy, aimed at complementing government's development efforts, and at improving the socio-economic wellbeing of beneficiary communities. While most of the projects are concentrated in the frontline oil and gas communities, the Foundation makes some attempt to spread its activities to other parts of the country, especially in areas likely to be impacted by its onshore exploration activities. This makes the Foundation's CSI strategy assume a forward-looking character.
30. Total guarantees and loans provided by GNPC to other SOEs amounted to US\$325.39 million by the end of 2018.
31. There is consistent and disturbing pattern of interference in the affairs of GNPC, which has hindered its ability to operate effectively in accordance with good governance practices.
32. There was no allocation to GILF.

Performance of the Ghana Petroleum Funds

33. The GPFs reserves at the end of 2017 was US\$866.38 million, with the GHF and GSF holding US\$485.17 million and US\$381.20 million respectively.
34. Accumulated net realised income (net profit on investment) of the GPFs since inception in November 2011 to the end of 2017, was US\$43.96 million.
35. There were no withdrawals from the GSF in 2018.

RECOMMENDATIONS

The following recommendations are made for consideration of the various institutions with the intent of continual improvements in petroleum revenue management and utilisation:

- i. The Carried and Participating Interest (CAPI), followed by Royalties, constitutes significant source of revenue to the State. In this regard, in negotiations in respect of petroleum agreements, it is important that the government negotiate tenaciously in respect of these two in order to obtain the best possible terms.
- ii. Given the important contribution of the Ghana Infrastructure Investment Fund (GIIF) to some infrastructure projects, PIAC calls on the Ministry of Finance to ensure that there is constant allocation and disbursement to the Fund as prescribed by the PRMA, to facilitate the execution of legacy projects.
- iii. The wanton political interference in GNPC's affairs and the tendency to use it to finance quasi-fiscal expenditure, if not checked by Parliament, will undermine the Corporation's operational efficiency and threaten its sustainability.
- iv. The Committee recommends to Parliament to consider reviewing the situation where a law, and in this case the Earmarked Funds Capping and Realignment Act, 2017 (Act 947), is used to override provisions in existing laws without repealing relevant sections of those laws, when in the hierarchy of laws, all Acts of Parliament are supposed to have equal standing.
- v. While the Committee is satisfied with the quality of spending by the Foundation, it recommends to Parliament, to consider placing some restrictions on the proportion of GNPC's budget that can be channelled into CSI. This is important, to forestall any future excessive expenditure in this category.
- vi. According to the Ministry of Finance, a total of GH¢827,653,566.25 (US\$ 235,103,316.20), representing 38.74 percent increase over the 2017 amount of GH¢736,030,484.74 (US\$169,458,674.12), was spent during the year, bringing the total unspent ABFA to GH¢652,292,311, as at the end of December 2018. The Committee observes an emerging trend of unspent ABFA not accounted for.

1.0

1. INTRODUCTION

1.1 Background

The Public Interest and Accountability Committee (PIAC) is a statutory body established under Section 51 of the Petroleum Revenue Management Act (PRMA), 2011 (Act 815).

The Committee is mandated to:

- ▶ Monitor and evaluate compliance with the Act by Government and other relevant institutions in the management and use of the petroleum revenues and investments as provided by the Act;
- ▶ Provide space and platform for the public to debate whether spending prospects and management and use of revenues conform to development priorities as provided under Section 21(3); and,
- ▶ Provide independent assessments on the management and use of petroleum revenues to assist Parliament and the Executive in the oversight and performance of related functions respectively.

1.2 Scope

This Report:

- ▶ Reviews compliance with recommendations and outcomes in previous PIAC reports;
- ▶ Analyses oil and gas production and liftings in 2018;
- ▶ Verifies the accuracy of oil and gas revenues declared by state institutions;
- ▶ Confirms revenues allocated to Ghana National Petroleum Corporation (GNPC), Annual Budget Funding Amount (ABFA),

and the Ghana Petroleum Funds (GPFs);

- ▶ Discusses how petroleum revenues were allocated and utilised;
- ▶ Analyses the performance of the Ghana Petroleum Funds from January to December 2018;
- ▶ Assesses the roles of bodies set up under the Act and their compliance with its provisions; and
- ▶ Provides an update on PIAC's programmes and activities for the year.

1.3 Methodology

The following research methods were employed for this Report:

- ▶ Analysis and reconciliation of data collected from relevant stakeholder institutions;
- ▶ Interviews;
- ▶ Independent verification of source documents from stakeholders;
- ▶ Validation of data and information with stakeholders.

In communicating the findings and outcomes of the research, the report incorporates tables, charts and graphs.

The key stakeholder institutions consulted are:

- ▶ Ministry of Finance (MoF)
- ▶ Ministry of Energy (MoEn)
- ▶ Bank of Ghana (BoG)
- ▶ Petroleum Commission (PC)
- ▶ Ghana Revenue Authority (GRA)
- ▶ Ghana National Petroleum Corporation (GNPC)

- ▶ Ghana National Gas Company (GNGC)
- ▶ Ghana Infrastructure Investment Fund (GIIF)
- ▶ Energy Commission (EC)
- ▶ International Oil Companies (IOCs) - Tullow, Kosmos, and ENI.

1.4 Outline of the Report

- ▶ Chapters One, Two, and Three provide introduction, updates on the implementation of previous recommendations, and current developments in the petroleum sector;
- ▶ Chapter Four analyses production and sales data;
- ▶ Chapters Five, Six and Seven discuss petroleum revenue collection, operations of Ghana National Gas Company, distribution and utilisation of petroleum revenues;
- ▶ Chapter Eight provides a list of projects and activities funded from the ABFA;
- ▶ Chapter Nine discusses performance of the Ghana Petroleum Funds; and
- ▶ Chapters Ten, Eleven and Twelve discusses 2019 outlook, draws conclusions and proffers recommendations, and gives an overview of PIAC's 2018 activities and finances respectively.

2.0

UPDATE ON IMPLEMENTATION OF PREVIOUS RECOMMENDATIONS

This Section reviews the implementation status of various recommendations made by the Committee in previous reports.

Over the years, stakeholder institutions have implemented a good number of PIAC's recommendations, and PIAC has enjoyed close collaboration with the Finance Committee of Parliament as well as engaged in bilateral engagements with stakeholder institutions.

Some of the notable recommendations, which have been implemented, are:

- ▶ The procurement of a Loss of Production Insurance (LOPI) by GNPC for Jubilee, TEN, and SGN Fields.
- ▶ Parliament's directive to GNPC to stop spending on non-core areas and

the subsequent cancellation of the Corporation's sponsorship deal with the Black Stars.

- ▶ Ghana Revenue Authority's (GRA) retrieval of about US\$50 million through the tax audits of Kosmos Energy and Tullow Ghana.
- ▶ Improvements in the payment of Surface Rentals by International Oil Companies (IOCs) in 2017 resulting from engagements with the Petroleum Commission, Bank of Ghana, and GRA.

The following table presents selected findings and recommendations from previous reports and indicates whether they have been acted upon.

Table 1: Update on PIAC's Recommendations

Finding	Recommendation	Responsibility	Status	Comment
1. Enactment of Regulations (Refer to 2012 PIAC Annual Report)				
After eight years of the coming into force of Act 815, the Regulations that will help with the implementation of the law are yet to be passed.	PIAC calls for expedited action on the drafting of the Regulations for the approval of Parliament.	Ministry of Finance (MoF)	The Regulations have been developed but yet to be laid before Parliament.	As at the time of compiling this report, the Regulations have been laid before Parliament.
2. Decommissioning of Saltpond Field (Refer to Pg. 65 of 2014 PIAC Annual Report)				
The delay in decommissioning the Saltpond Field has become a liability on the books of GNPC.	GNPC should as a matter of urgency complete the decommissioning of the Saltpond Field as the cost of funding skeletal staff in Saltpond Offshore Producing Company Limited (SOPCL) is not a judicious use of resources.	GNPC/MoEn/MoF	GNPC has procured the services of a Project Management Consultant (PMC), PAP Energy Limited for Phase 1 of the Saltpond Field Decommissioning Project. PAP Energy has submitted a Decommissioning Plan and is being subjected to GNPC internal approval process.	PIAC acknowledges the progress being made towards the implementation of this recommendation.
3. Surface Rental Non -Payment and Arrears (Refer to Pg. 65 of 2014 PIAC Annual Report)				
Oranto/Stone Energy has still not honoured an outstanding surface rental invoice of US\$67,438.36 since February 2013. GRA explains that it could not locate Oranto.	GRA must find and compel Oranto/Stone Energy to pay the outstanding invoice with applicable penalties for the period during which it has been in default.	GRA	GRA has indicated that Oranto has been located in Angola, Chad, and Mozambique. It has subsequently made contact with the Company but no payment has been made.	GRA should collaborate with the relevant authorities in these jurisdictions to retrieve the money.
Total amount paid into the PHF in respect of corporate income tax was US\$36,957,622;	GRA must undertake annual tax audits of the Partners without delay as witnessed in the 2011-2015 tax audit of Kosmos, which was undertaken in 2016.	GRA	GRA reports that, as at 2016, all the upstream oil companies have been audited.	PIAC commends GRA for bridging the tax audit gap.

An amount of US\$13,518,852.98, which was wrongfully paid into GRA account instead of PHF during the period, is yet to be transferred into the PHF as required by Act 815.	PIAC finds the recurrence of wrongful lodgement of petroleum funds into GRA accounts unacceptable. GRA must immediately transfer the accumulated funds into the PHF. The MoF must provide guidelines to forestall similar occurrences.	GRA	GRA reports that the full amount has been transferred into the PHF.	Whilst PIAC commends GRA for their responsiveness, the Committee urges steps be taken to avoid re-occurrence.
In the 2017 financial year, only 37% of the utilised ABFA was used for capital expenditure, less than the 70% stipulated in the PRMA. Sixty Three percent (63%) was utilised for the supply of goods and services.	Expenditure as reported by the MoF does not conform to the requirement to spend at least 70% of the ABFA on Capital Expenditure. The MoF must therefore comply with the provisions of Section 21(4) of Act 815 in respect of Public Investment Expenditure.	MoF/Parliament	The Ministry complied during budgeting but in actual expenditure, there was non-compliance, with 36.73% spent on Capital Expenditure and 63.27% on Goods and Services.	PIAC urges the Ministry to not only comply during the budgeting phase but also attempt to comply with the actuals.
An amount of GH ₵332.29 million of the ABFA's GH ₵736.03 million allocation was utilised, leaving GH ₵403.74 million unutilised as at the end of 2017. When added to the 2016 balance of GH ₵77.73 million, total ABFA brought forward to 2018 stands at GH ₵481.47 million.	The fact that ABFA allocation was not fully utilised even though the entire amount had been budgeted for, suggests budget non-compliance on the part of the MoF. Parliament should take steps to ensure that the Minister complies with the budget as approved. All unspent ABFA allocations in a particular financial year must be returned to the PHF.	MoF	Whilst the matter of the 2017 unspent amount remains unresolved, another GH ₵252 million was unutilised in 2018.	PIAC finds the situation worrying, especially as it is becoming a trend, and a corruption risk to the management of public resources.
		MoF	The unspent portion of the 2017 ABFA was deposited in the Treasury Single Account, according to the MoF.	Given that PIAC has the mandate to monitor petroleum revenues in particular, any money taken from the PHF and deposited elsewhere will make it difficult for PIAC to track and report on its future use.

GNPC spent US\$3.8 million on the secretariat activities of the Ghana - La Cote d'Ivoire Maritime Boundary Dispute.	The ITLOS dispute was between two sovereign States and not between a sovereign State and a national oil company for which reason it was wrong to have used GNPC's resources to settle the cost of the litigation. The amount of US\$3.8 million spent by GNPC on the litigation should therefore be refunded to GNPC.	MoF	The US\$3.8 million spent by GNPC on the Maritime Boundary Dispute has still not been refunded to GNPC.	The Ghana Boundary Commission established by the State to deal with such matters, must have a fully functioning Secretariat, and made to handle its own budget. Meanwhile, PIAC reiterates its call on Government to refund the US\$3.8 million to GNPC.
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Source: PIAC's Construct

3.0

DEVELOPMENTS IN THE OIL AND GAS SECTOR

3.1 Developments in the Policy / Regulatory Space

The year began with sustained efforts at completing the governance framework for the upstream oil and gas sector. This is important not only for providing regulatory certainty to investors, but also for ensuring sustainable exploitation and for optimising the benefit to the country.

Specifically, the Petroleum Commission and the Ministry of Energy in consultation with key stakeholders continued the development of technical regulations and guidelines for the sector. Activities undertaken included:

1. Drafting of Petroleum Data Management Guidelines (85 percent completed);
2. Drafting of Petroleum Health, Safety and Environment Guidelines (85 percent completed);
3. Drafting of Petroleum (Exploration and Production) (General) Regulations,

(Completed and came into force on 26th July 2018 as Petroleum (Exploration and Production) General Regulations, 2018 (L.I. 2359).

In accordance with Section 56 (1) of the Petroleum (Exploration and Production) Act, 2016 (Act 919) which enjoins the Petroleum Commission to establish and maintain a petroleum register, the Petroleum Register was launched on 6th February 2018. The publicly accessible Register serves as a repository of all petroleum agreements, licenses, permits, and authorisations. While the establishment of the

Register fulfils a statutory obligation, it also complies with a major requirement under the Extractive Industry Transparency Initiative, to which Ghana is a signatory.

The period also saw progress on establishing and operationalising the Ghana Local Content Fund, a requirement under Section 64 of the Petroleum (Exploration and Production) Act, 2016 (Act 919). A Local Content Fund Secretariat has been established and resourced at the Petroleum Commission. A Coordinator has been appointed to manage the Secretariat, and two (2) accounts opened at the Bank of Ghana (BoG). The Petroleum Commission has since commenced the implementation of the one percent (1%) contract sum deduction into the Fund, in accordance with Section 66(1)(b) of the Petroleum Act, with receivables amounting to US\$155,551.69 as at 31st December 2018. The operational guidelines for the administration of the Fund is currently under review and is expected to be rolled out later in 2019.

On 15th October 2018, Ghana launched its maiden oil and gas licensing round. As shown in Figure 1, six (6) blocks, all in Tano /Cape Three Points (Western Basin) were put on offer. Three (3) blocks were offered through competitive tendering, and a block allocated to the National Oil Company (GNPC). The other two blocks were set aside for direct negotiation with competent companies with a proven track record of work in ultra-deep waters. As at 21st December 2018, sixty (60) applications had been submitted for pre-qualification.

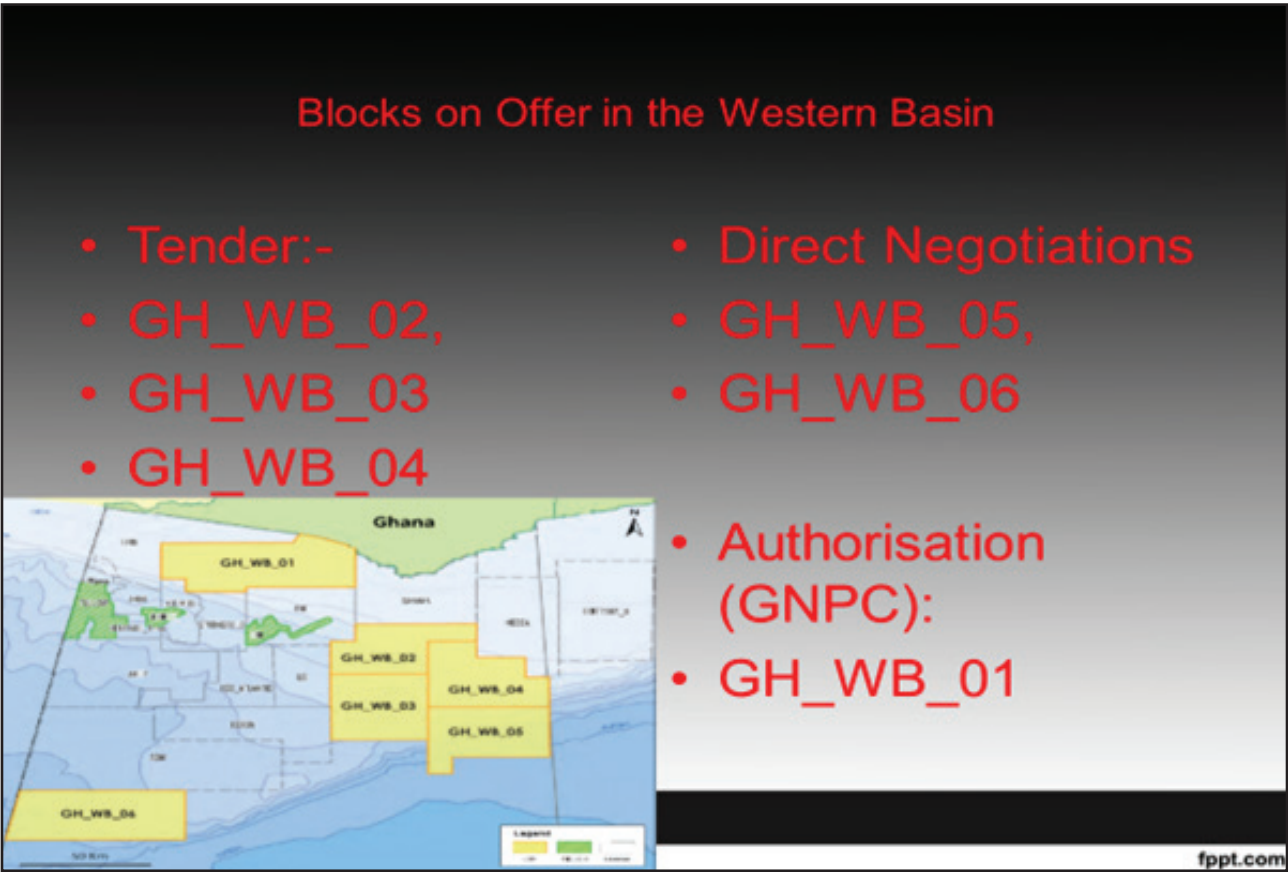


Figure 1: Tano/Cape Three Points' Tendered Blocks
Source: PIAC's Construct, 2018.

3.1.1 Energy Commission's Regulatory Activities

The Energy Commission, is mandated to license and regulate the natural gas sector, including licensing and monitoring of natural gas facilities and pipelines. During the period under review, the Energy Commission issued a temporary construction permit to the Ghana National Gas Company Limited for commencement of construction activities for a 10km pipeline from GNGC's Takoradi Regulating Metering Station to Karpowership at Sekondi.

The Commission, again, issued siting and construction permits to Tema LNG Terminal Company Limited to develop a 230MMSCF/D LNG facility to be located at the Port of Tema. The LNG facility comprises a Floating Storage

Unit (FSU), Floating Regasification Unit (FRU), 8 km length pipeline to existing metering station at Tema, and associated marine infrastructure to moor the FSU and FRU safely.

Genser Energy Ghana Limited, which currently has 36MW, 48MW, and 27.5MW electricity generation capacities at Golden Star Bogoso, Goldfields Tarkwa, and Goldfields Damang respectively, was issued pipeline siting and construction permits by the Commission during the year under review. This was for the construction of a 78.5km gas pipeline and associate facilities from Prestea through Tarkwa to Damang in order to receive gas from Prestea Regulating and Metering Station (PRMS) for its electricity generating facilities. Construction works on the pipeline commenced in December 2018.

3.1.2 Gas Master Plan

In line with the recommendations of the Gas Master Plan (GMP) developed by the Ministry of Energy, and approved by Cabinet in 2016, the following reports are being prepared by the Ministry, and are at various stages of completion:

- 1 Gas Master Plan Implementation Committee Report - Draft final report awaiting final stakeholder consultation.
- 2 Gas Sector Institutional Alignment - Report submitted to Cabinet and awaiting Cabinet's decision.
- 3 Gas Act - Bill is currently being drafted.
- 4 Gas Pricing Policy - A committee has been set up to review the 2012 Gas Pricing Policy.

3.1.3 Developments in Exploration and Production

Activities in the upstream sector remained intense, presumably buoyed by the relatively high and stable crude oil price (US\$70 - US\$79) over most part of the year.

3.1.3.1 Activities at the Greater Jubilee Field

The Field continued to produce year-round, with two scheduled operational shut downs to enable engineering works to install a functional mooring system, as part of the Turret Remediation Project (TRP). The turret remediation activities also involved hot works, which is, welding of various components of the mooring system. The first shutdown lasted 19 days, beginning 1st February and ending 19th February 2018. The second shutdown lasted 21 days, commencing 28th May and ending 18th June 2018.

The FPSO was successfully rotated to the new heading of 205 degrees on 9th December 2018 without a shutdown. The equipment is no longer turret-moored but permanent spread moored.

The first shutdown was synchronised with the scheduled shutdown period of the Ghana National Gas Company (GNGC) plant for routine maintenance. The TEN Field increased gas export to GNGC during the second shutdown. These deliberate acts, helped to ensure minimal interruption to gas supply for power generation. Tullow Ghana Limited (TGL) resumed its drilling campaign on Jubilee Field between March and December 2018. It conducted extensive drilling and completion activities, deploying the Maersk Venturer and the Stena Forth drill ships for various wells. Rigless intervention was performed on J-04, J-20 and J-22 wells by the Polar Onyx vessel within the period.

3.1.3.2 Activities at the TEN Field

Oil production from the Ntomme and Enyenra reservoir in the TEN Field continued steadily during the period. There were major maintenance works, which included replacement of the Gas Turbine Generators (GTG), modifications to increase the rate of bulk gas export, refrigeration package and Glass Reinforced Epoxy (GRE) pipe systems on the FPSO Prof. Atta Mills. Inspections were also carried out on the turret in order to avert reoccurrence of turret bearing failure as experienced on the FPSO Kwame Nkrumah in the Jubilee Field. The TEN Field increased hydrocarbon gas to the Ghana National Gas Company during the second shutdown period of FPSO Kwame Nkrumah.

Tullow Ghana Limited and partners resumed their drilling and completion activities from March 2018, following the settlement of the Ghana-La Cote d'Ivoire maritime boundary dispute by the International Tribunal for the Law of the Sea (ITLOS). The Maersk Venturer Drillship was deployed to complete the Nt05-P well, following which it was opened to production in August 2018 to increase the production rate of the Field. The drilling continued throughout the last three months of 2018.

3.1.3.3 Activities at the Saltpond Field

The Saltpond Field remains shut down, awaiting decommissioning. Consultancy contract for the preparation of the Decommissioning Execution Plan was signed with PAP Energy Ghana Limited on 12th March 2018. As at the end of December 2018, the plan had been completed, and being subjected to GNPC internal approval process. Subsequent to this, it will be submitted to the Minister for Energy for approval in accordance with Sections 43-49 of the Petroleum (Exploration and Production) Act, 2016 (Act 919).

3.1.3.4 Deep Water Tano/Cape Three Points (DWT/CTP) Project

Hess Ghana Exploration Limited completed the transfer of its fifty percent (50%) stake in the DWT/CTP Project to Aker Energy during the period. Ahead of the transfer, the Petroleum Commission undertook a cost audit of the Hess Project, from inception to date. Aker Energy continued with what it categorises as appraisal activities on the block. The company drilled the Pecan 4A well to establish the Oil Water Contact (OWC) of the Pecan reservoir.

Project pre-development activities which had been delayed by the Ghana - La Cote d'Ivoire maritime dispute, commenced. The SURF FEED, FPSO design competition, contract, technical, and local content evaluation have been completed. Commercial evaluation of the FPSO design competition is underway.

Aker continued to engage on the Plan of Development (PoD) as it worked on finalising it for submission. Issues that have been at the heart of the engagement with the regulator are:

- ▶ Topside Design Concept Selection & preliminary engineering and SURF FEED with consideration of flexibility to handle upside resource potential;

- ▶ Subsurface resource base evaluation and simulation studies - development concepts, production strategy, alternative drainage plans, assumptions, and uncertainty analysis;
- ▶ Fiscal Metering concept or design to be proposed in the PoD;
- ▶ Health, Safety and Environment considerations and commitments; and
- ▶ Contracting strategy, especially for major contracts.

The Operator expects to submit the PoD by the first quarter of 2019.

3.1.3.5 Offshore Cape Three Points (OCTP) Project

The overall OCTP integrated development project (oil and gas phases), with ENI as Operator, has almost been completed as at the end of December 2018. Approval was given for the drilling of infill wells. The commissioning of the Non-Associated Gas (NAG) facilities on the FPSO took place in June 2018 and gas export to the Onshore Receiving Facility (ORF) commenced in July 2018.

The period witnessed changes to the existing PoD for the OCTP Field to enhance its performance. With the exception of two (OP-9 ST and OP-10 ST), all wells for the production of oil and Non-Associated Gas were drilled and completed. Some remedial works were undertaken on the OP-8 ST well, following a blockage of the flow line. The new well, OP-8 ST2, was horizontally drilled to an inclination of 83 degrees in order to maximise reservoir contact and attain effective drainage area, thus increasing production.

Modification was also carried out on a planned production well, the SNKE-2A, due to the use of an existing water injection flow line and a riser for production from the well.

Workover activities, which include acid squeezing, were carried out on OP-5, OP-6 and OP-7 wells to increase their performance. The Maersk Voyager rig carried out all drilling, completions, and workover activities. All four (4) Non-Associated Gas producers excluding Gye-Nyame well were completed and on standby awaiting increase in Non-Associated Gas production. Non-Associated Gas production commenced in June 2018 and on-spec gas export from the Onshore Receiving Facility to the GNGC pipeline was in August 2018. Non-Associated Gas produced before export was for commissioning of Non-Associated Gas systems on both FPSO and Onshore Receiving Facility.

The Operator was able to deliver gas to the Aboadze plant in August 2018, but encountered supply constraints due to the non-finalisation of arrangement to evacuate gas from the West (Aboadze Thermal Hub) to the East (Tema Thermal Hub) via the West Africa Gas Pipeline (Aboadze - Tema) for gas utilisation.

The Ministry of Energy worked with all parties concerned (PC, GNPC, GNGC, ENI, WAPCO and IPPs) to ensure all the necessary agreements were signed to allow pipeline interconnection activities to be completed on schedule for gas transport, but these were not completed before December 2018.

3.1.3.6 Gas Infrastructure Development Project

During the period, ENI completed the construction of its Onshore Receiving Facility (ORF) at Sanzule in the Ellembelle Municipality of the Western Region. The Onshore Receiving Facility receives gas from the Offshore Cape Three Points (OCTP) Field. It then combines with gas from the Atuabo Gas Processing Plant and exported through the existing Ghana National Gas Company (GNGC) pipeline for delivery to power plants and industries. The facility has the capacity to process 405 MMSCF/D of gas with three gas compressors.

In August 2018, ENI commenced commercial flow of Sankofa gas after commissioning the ORF in July 2018. By close of the year, a total of 6,110MMSCF of lean gas had been transported by GNGC to VRA's thermal plants at the Aboadze Power Enclave.

Technical and construction works undertaken prior to commissioning included civil construction, installation, piping, electrical works, mechanical completions, and commissioning work scopes.

Construction activities on the permanent accommodation and ancillary roads were also ongoing as at year-end.



Figure 2: Aerial view of ORF in July 2018

Picture credit: Energy Commission

Both the Petroleum Commission, which has a mandate for upstream regulation, and the Energy Commission (EC), which has the mandate to licence and regulate the natural gas sector, closely monitored these activities. Other legislative instruments such as the Natural Gas Pipeline Safety (Construction, Operation and Maintenance) Regulations, 2012, support the EC's mandate (L.I. 2189).

3.1.3.7 Onshore (Voltaian Basin) Project

The GNPC Board approved the Voltaian Basin Exploration Project in 2011. The Project covers five (5) regions – Northern, Brong Ahafo, Ashanti, Eastern and Volta and falls within the jurisdictions of about twenty-four (24) Metropolitan, Municipal and District Assemblies (MMDAs).

During the period under review, GNPC continued with its exploratory activities aimed at confirming the hydrocarbon potential of the Basin. Specifically, the following activities were undertaken:

- ▶ Acquisition of shallow gas samples mainly methane, ethane, butane, and propane at selected locations within the Basin, for geochemical analysis in Houston, Texas;
- ▶ Acquisition of 2D Seismic Data under a contract signed between the Corporation and BGP-Bay Geophysical Services on 2nd October 2017. As of December 2018, approximately 1,552 km (88.2 percent) out of 1,758 km of 2D data had been acquired;
- ▶ Processing of 2D Seismic data at BGP offices in China.

Crop compensation payment to farmers was almost completed for all the seismic lines in the Northern sector except for Lines 105 and 107, which were acquired along roads. Compensation calculation is based on the square area of land covered by the seismic activity and the number/type of crops disturbed/destroyed in that area. A total of 4,999 farmers were affected, of which 3,161 were in the northern sector and the rest in the southern sector. A regional (Reconnaissance Scale) surface geochemical soil gas survey was also conducted over the Volta Basin (November 2017 to June 2018). The objective was to:

- ▶ Identify areas of interest, based on gross hydrocarbon character;

- ▶ Select most valuable concessions to focus exploration;
- ▶ Establish the presence of working oil-prone or gas-prone fairways.

As at December 2018, 1,537 samples covering approximately 100,000 square km was collected at an average grid of 8km x 8km. The data interpretation, compilation and report preparation were completed. The results indicate significant deep source potential and provide some leads for focusing further exploration efforts for seismic evaluation.

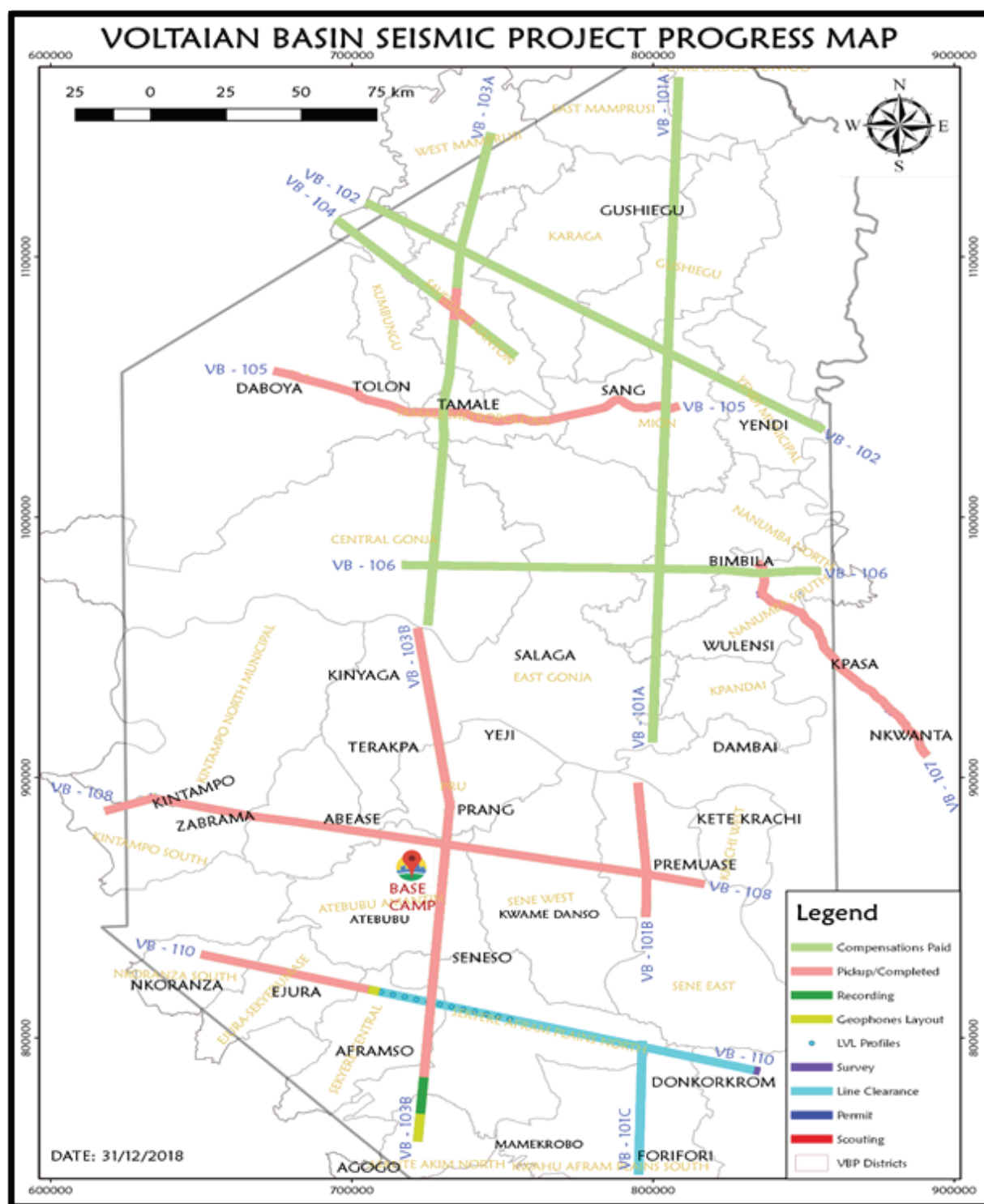


Figure 3: Seismic activities in the Voltaian Basin

Source: GNPC

3.1.3.8 Takoradi-Tema Interconnection Project (TTIP)

The Takoradi-Tema Interconnection Project (TTIP), designed to facilitate gas evacuation from the Western Gas Corridor (Sanzule) to the East (Tema), as reported in PIAC's 2017 Annual, and 2018 Semi-Annual Reports, has suffered severe delays. The SGN Operator, ENI, has continuously expressed concern about the non-readiness of the facility. There is the fear that it could lead to gas being stranded in the Western corridor. It has also not been lost on the Ghanaian government that, if the situation is not addressed expeditiously, it could negatively affect sustainable supply of power in the country. The scope of the project involves changes to the following facilities to allow for increased flow of gas:

- ▶ GNGC's Takoradi Regulating and Metering Station (RMS);
- ▶ WAPCO's Takoradi Regulating and Metering Station; and
- ▶ WAPCO's Tema Regulating and Metering Station.

The contract for the Takoradi-Tema Interconnection Project (TTIP) was awarded to Saiwest to complete the project in readiness to meet first gas from the Offshore Cape Three Points (OCTP) Field by June 2018. The project completion date was revised to December 2018 due to the following:

- ▶ Delay in supply of mandatory long lead items (LLI) from vendors (e.g. heaters);
- ▶ Delay in conducting safety studies necessitated by the fact that existing plant conditions are different from originally expected;
- ▶ Poor performance of contractors

In order to meet the first gas production date, the Ministry of Energy approved installation of a rental facility (ready-made) to by-pass GNGC's Regulating Metering Station at Takoradi to allow utilisation of the total production of 310 MMSCFD (170 -OCTP & Jubilee 120) expected upon the commencement of gas production from Offshore Cape Three Points Field. The bypass facility would be able to treat 110 MMSCF/D to VRA, while the remaining volumes would be routed through WAPCO gas pipelines to Tema. The bypass facility was approved in June 2018. Works progressed after the approval of the bypass until the end of December 2018.

3.1.3.9 New Petroleum Agreements

There were no new Petroleum Agreements ratified by Parliament during the period under review.

Details of all petroleum agreements signed to date can be found at www.ghanapetroleumregister.com.

PETROLEUM PRODUCTION AND SALES

4.0

4.1 Crude Oil Production

The three producing fields – Jubilee, TEN and SGN – produced a total of 62,135,435.07 barrels compared with a 2018 benchmark crude oil output of 51.18 million barrels (140,220 barrels of oil per day) and a revised projection of 53.25 million barrels (145,887 barrels of oil per day). This also compares favourably with the 2017

output of 58,658,063.54 barrels of crude oil. The increased output is attributable to increased production from the TEN and SGN Fields.

Of the total output, the Jubilee Field produced 28,461,755 barrels, the TEN Field, 23,557,361 barrels, and the SGN Field, 10,751,671 barrels. Figure 4 shows the output per field for 2018.

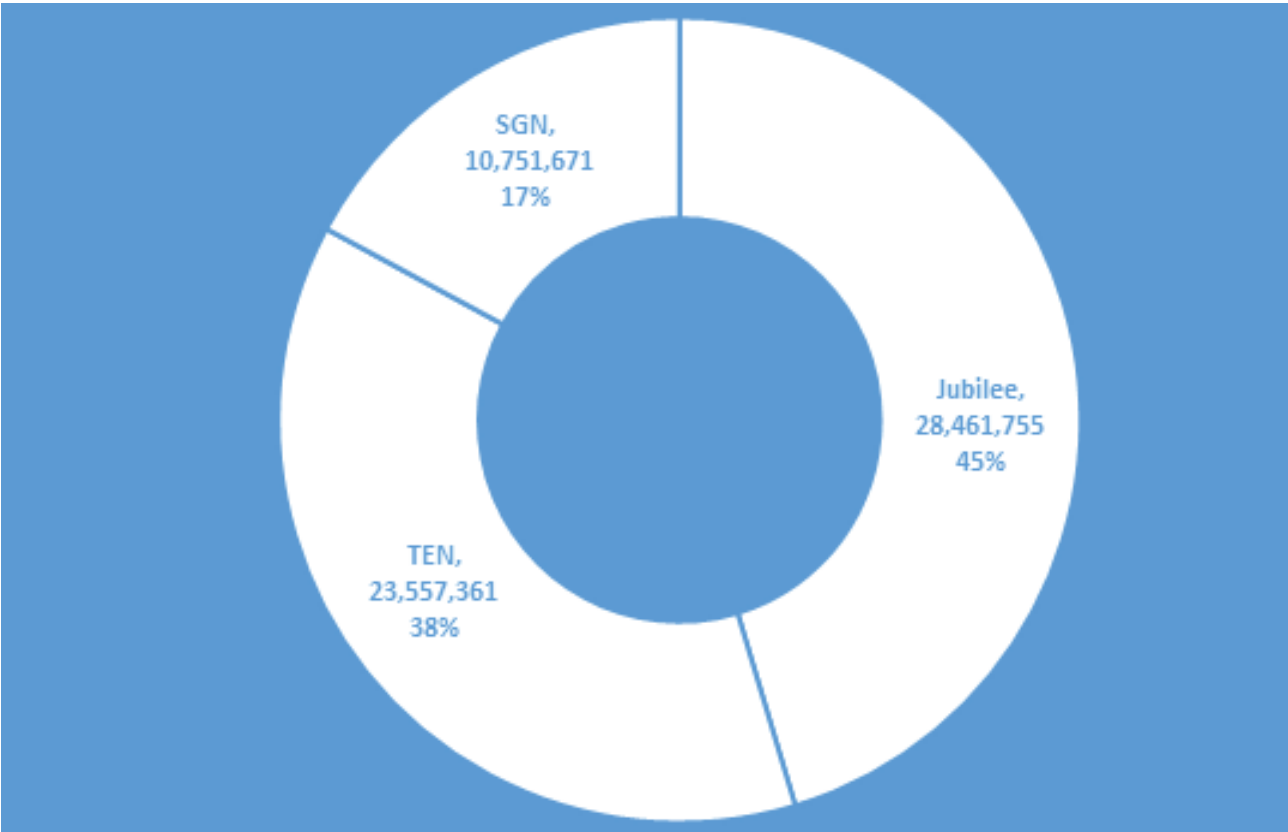


Figure 4: Crude Oil Production per Field, 2018
Source: PIAC’s Construct (Based on GNPC’s Data), 2018.

Despite the increase in total output, production declined substantially on the Jubilee Field from a 2017 output of 32,749,975 barrels to 28,461,755 barrels in 2018. This was due to two shutdowns (1st to 19th February and 28th May to 18th June 2018) by the Jubilee Partners for hot works to be undertaken as part of the Turret Remediation Project. The Jubilee Field remains the highest producing Field among the three.

Production on the TEN Field ramped up from 20,452,577 barrels in 2017 to 23,557,361 barrels

in 2018 due to the completion of new producer wells that had been halted due to the dispute with Cote d’Ivoire that was being adjudicated at the International Tribunal of the Law of the Sea (ITLOS). Having come on stream in May 2017, the SGN Field recorded its first full-year production, nearly doubling output from 5,455,512 barrels to 10,751,671 barrels between 2017 and 2018 respectively.

Figure 5 illustrates production per month across the three producing fields.

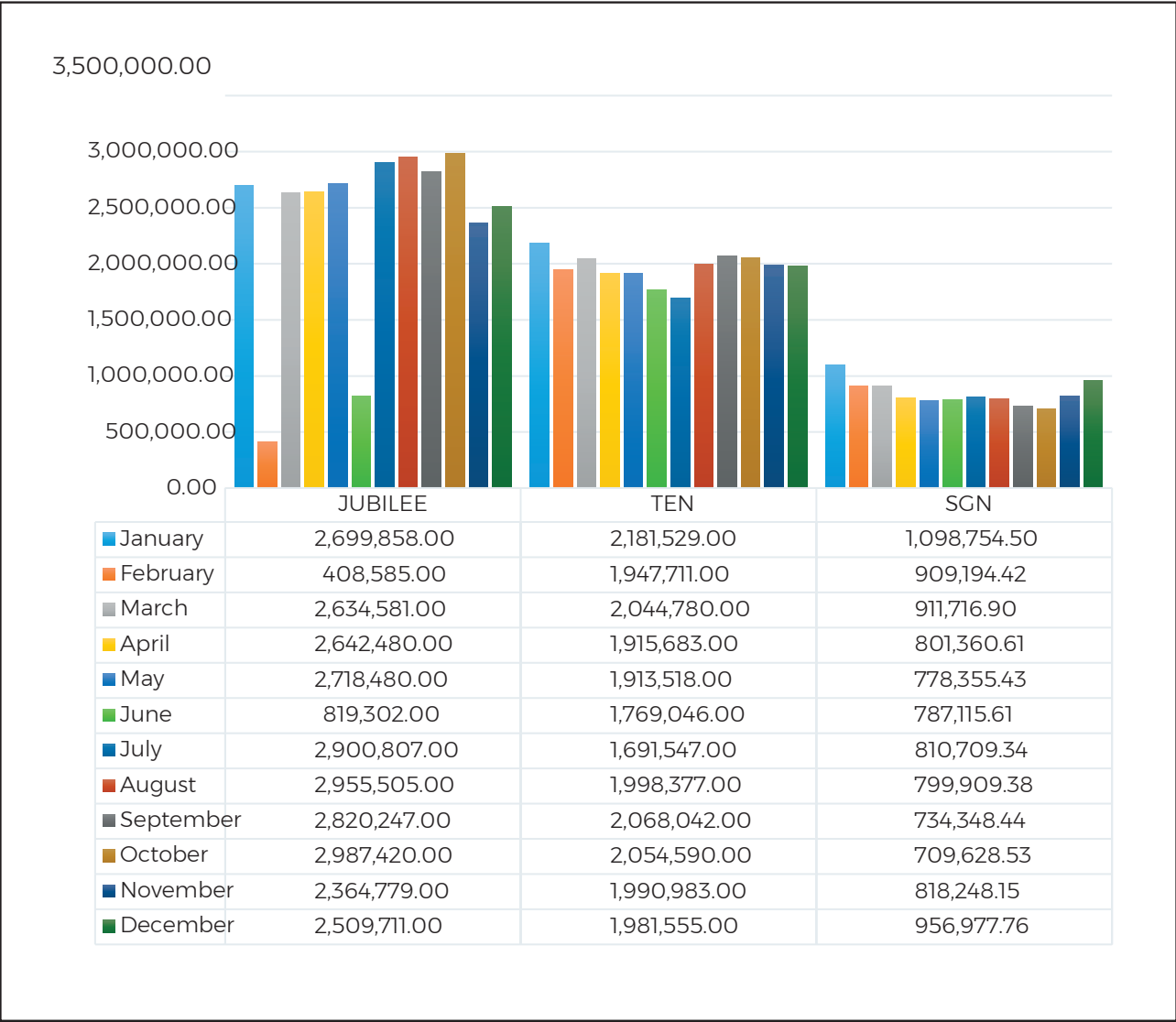


Figure 5: Monthly Breakdown of 2018 Crude Oil Production
Source: PIAC’s Construct (Based on GNPC’s Data), 2018.

The highest monthly production volumes were recorded in January on the TEN and SGN Fields with October yielding the highest volume for the Jubilee Field.

Added to the cumulative production between 2010 and 2017, the 2018 production brings total output to 315,021,298.61 barrels as shown in Figure 6.

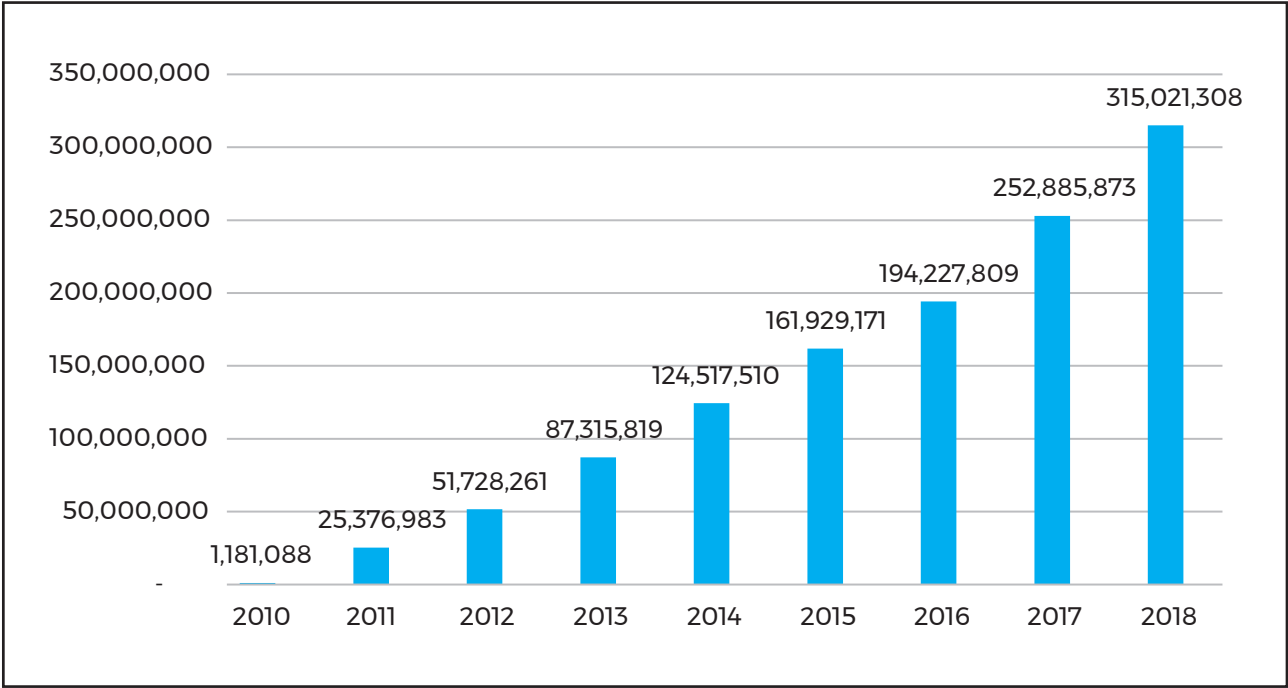


Figure 6: Cumulative Crude Oil Production (2010 - 2018)

The 2018 production represents the highest annual crude oil production volume since the commencement of commercial production in 2010.

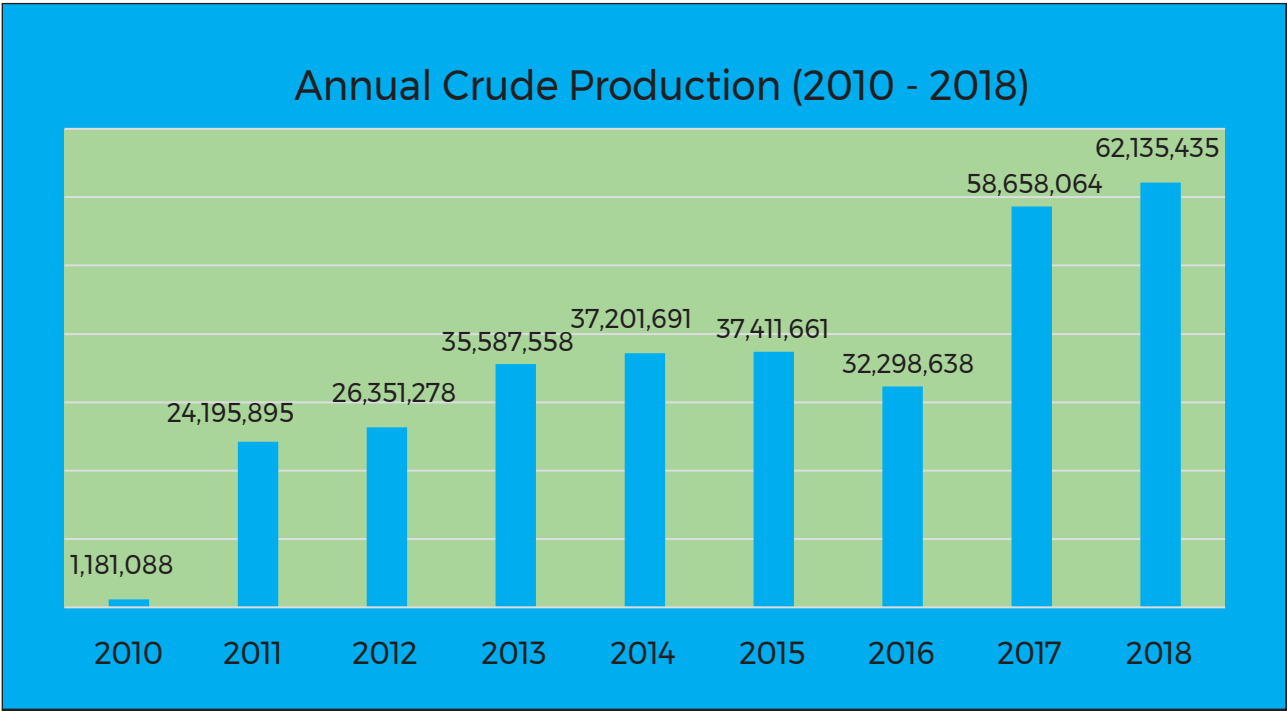


Figure 7: Annual Crude Production (2010-2018)

4.2 Gas Production

A total of 91,459.30 MMSCF of raw gas was produced from the Jubilee, TEN, and SGN Fields in 2018 compared to 77,294.44 MMSCF in 2017.

The Jubilee Field produced the highest volume of 44,841.94 MMSCF while the TEN and SGN Fields produced 39,472.78 MMSCF and 7,144.58 MMSCF respectively.

Non-Associated Gas (NAG) production from Offshore Cape Three Points (OCTP) commenced in June 2018, ramping up significantly in November 2018. Associated Gas is produced from the Jubilee and TEN Fields and Non-Associated Gas from Sankofa Gye-Nyame (SGN) Field as shown in Figure 8. The June and July productions from the SGN Field were used for reinjection and commissioning of export facilities.

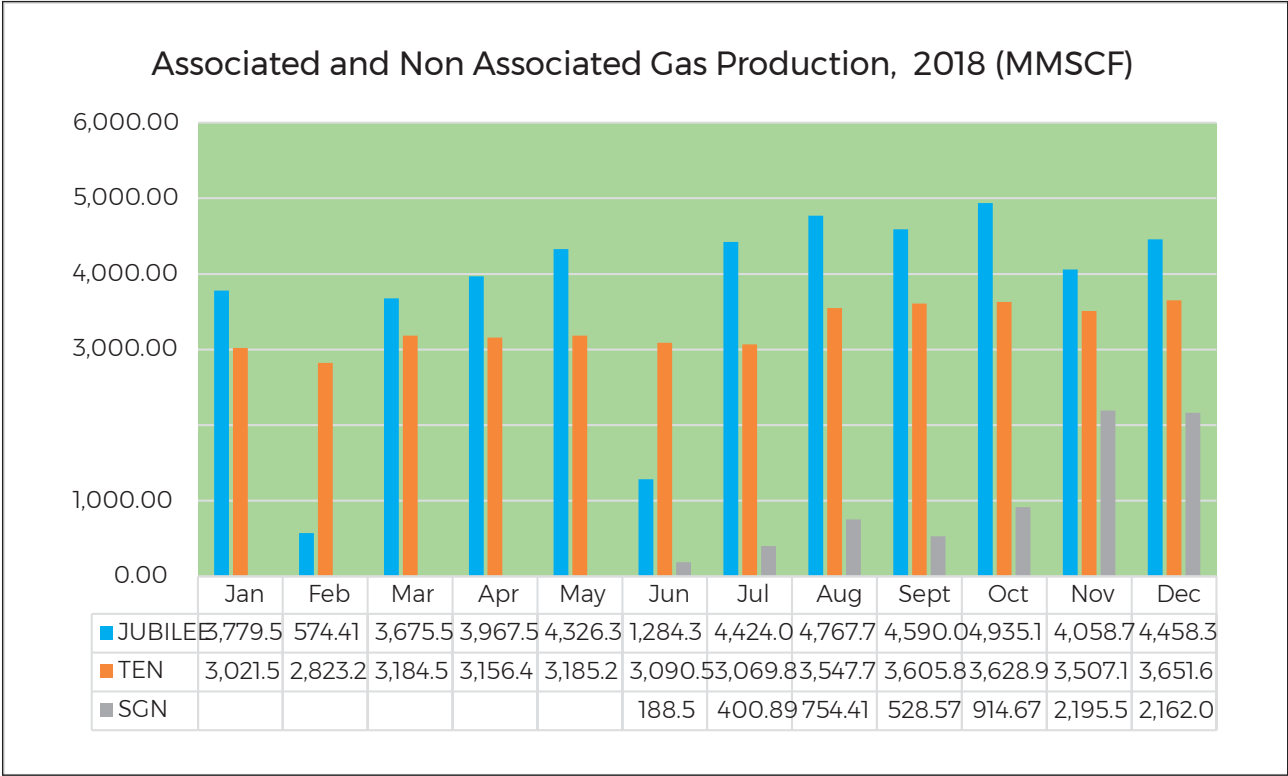


Figure 8: Associated and Non-Associated Gas Production
Source: PC, 2018

There was no gas export from the Jubilee Field to the Atuabo Gas Processing Plant (AGPP) in February due to the 19-day shutdown of the Jubilee FPSO. Close to half of produced gas from the Field was exported to the AGPP with portions of the remainder reinjected, used to generate power for the FPSOs, or flared. The Jubilee Field produced 44,841.94 MMSCF of raw gas, exporting 19,330.18 MMSCF while the TEN Field produced 39,472.78 MMSCF and

exported 8,390.98 MMSCF (less than a third of production). With a produced raw gas volume of 7,144.58 MMSCF on the SGN Field, the ORF exported 6,109.99 MMSCF to the Ghana National Gas Company (GNGC) pipeline.

Table 2 represents gas exports to Atuabo Gas Processing Plant and gas exports from the Onshore Receiving Facility (ORF) to the GNGC pipeline.

Table 2: Gas Exports to GNGC, 2018

DATE	JUBILEE (MMSCF)	TEN (MMSCF)	ORF (MMSCF)
January	3,040.61	211.41	
February	0.00	57.03	
March	1,830.72	643.54	
April	1,711.20	1,386.87	
May	2,223.03	1,078.70	
June	527.19	1,983.97	
July	2,613.08	507.40	
August	1,485.03	938.17	661.44
September	1,319.80	1,203.20	445.20
October	1,026.27	3.03	874.15
November	1,557.35	174.63	2,083.29
December	1,995.90	203.03	2,045.91
TOTAL	19,330.18	8,390.98	6,109.99

Source: PC, 2018

Gas export from the ORF to the Ghana National Gas Company pipeline commenced in August 2018.

4.3 Cost of Crude Production

4.3.1 Jubilee Costs

Table 3: Jubilee Production and Development Costs

OPERATOR	COST TYPE	FULL YEAR 2018 (US\$)
Tullow Ghana LTD.	Development	147,243,405
Tullow Ghana LTD.	Production	204,895,745
Total		352,139,150

4.3.2 TEN Costs

Table 4: Jubilee Production and Development Costs

OPERATOR	COST TYPE	FULL YEAR 2018 (US\$)
Tullow Ghana LTD.	Development	373,431,458
Tullow Ghana LTD.	Production	139,640,449
Total		513,071,907

Source: Tullow, 2018

4.3.3 Sankofa Gye Nyame (SGN) Costs

According to ENI, the SGN Costs made up of development and production costs amounted to US\$1,375,951,000. This includes cost of producing crude oil and Non-Associated Gas.

Table 5: SGN Cost of Production

Description	Amount (KUS\$)
Development Cost (CAPEX)	1,122,556
Production Cost (OPEX)	253,395
Total	1,375,951

Source: ENI, 2018

4.4 Crude Liftings

4.4.1 Jubilee Field

There was an overall reduction in the number and volume of liftings from the Jubilee Field from 34 liftings in 2017 to 31 in 2018 and from 32,311,961 barrels in 2017 to 29,792,199 barrels in 2018.

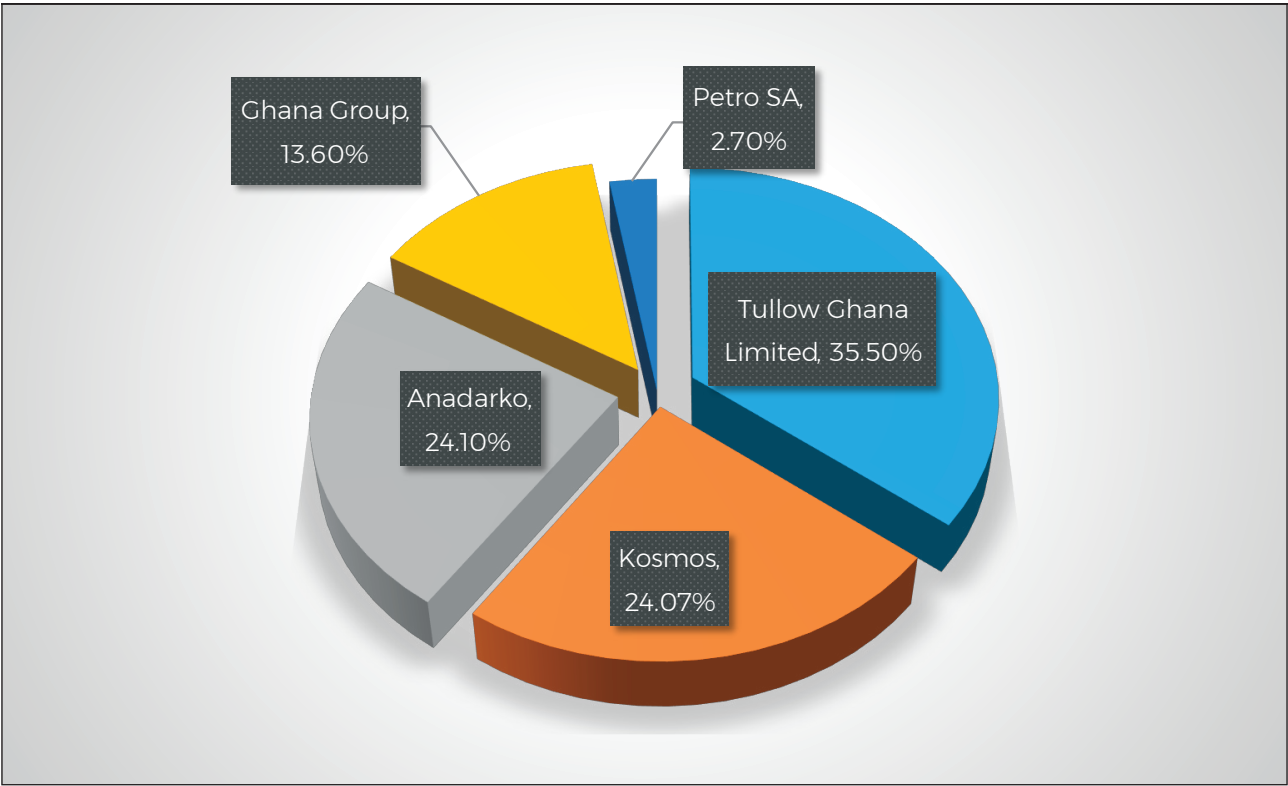


Figure 9: Jubilee Field JV Partners

Source: PIAC's Construct, 2018

As shown in Figure 9 above, the Ghana Group, represented by GNPC, lifted five parcels totalling 4,807,432 barrels, representing 16.14 percent of liftings on the Field as shown in Table 6.

Table 6: Jubilee Crude Liftings

Partner	Volume (BBLS)	Number of Liftings	Percentage of Lifting Volumes
GNPC	4,807,432.00	5	16.14
Tullow Ghana Ltd.	9,530,750.00	10	31.99
Kosmos Energy	6,779,558.00	7	22.76
Anadarko & Petro SA	8,674,459.00	9	29.12
TOTAL	29,792,199.00	31	100.00

Source: Source: PC, 2018

4.4.2 Tweneboah-Enyennra-Ntomme (TEN) Field

The TEN Partners, as shown in Figure 10 below, lifted a total of 23,394,085.00 barrels from 24 liftings in 2018, compared to 20,039,703 barrels from 21 liftings in 2017.

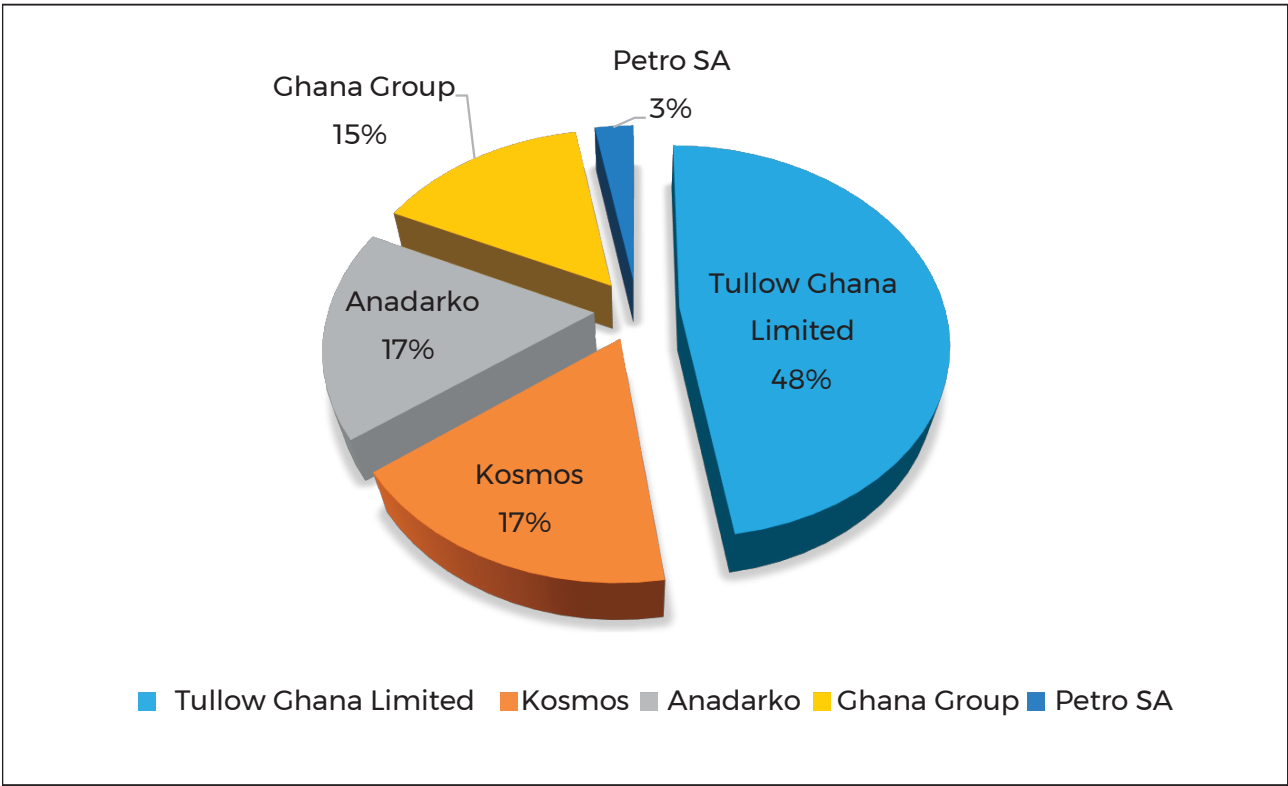


Figure 10: TEN Field JV Partners
Source: PIAC’s Construct, 2018.

GNPC lifted four parcels on behalf of the Ghana Group. This represents 17.01 percent of total liftings from the TEN Field.

Table 7: TEN Field Liftings

Partner	Volume (BBLS)	Number of Liftings	Percentage of Lifting Volumes
GNPC	3,980,456.00	4	17.01
Tullow Ghana Ltd.	10,795,847.00	11	46.15
Kosmos Energy	3,825,947.00	4	16.35
Anadarko & Petro SA	4,791,835.00	5	20.48
TOTAL	23,394,085.00	24	100.00

Source: PC, 2018

4.4.3 Sankofa Gye Nyame (SGN) Field

Crude oil lifted from the SGN Field was 10,683,580.76 barrels. A total of 11 liftings were made.

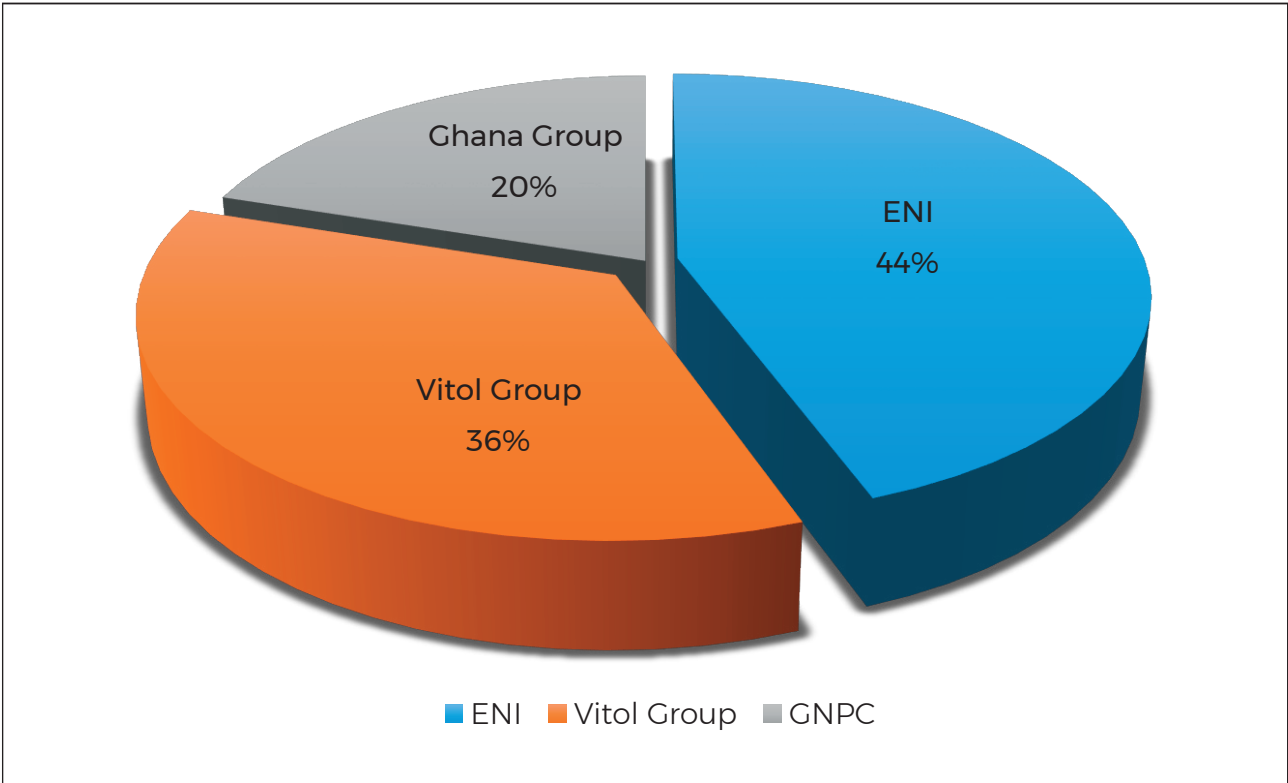


Figure 11: SGN Field JV Partners

Source: PIAC’s Construct, 2018.

The Ghana Group lifted one parcel of crude representing 9.2 per cent of lifting on the Field.

Table 8: SGN Field Liftings

Partner	Volume (BBLS)	Number of Liftings	Percentage of Lifting Volumes
GNPC	995,351.00	1	9.32
ENI Ghana E&P Ltd	4,889,004.00	5	45.76
VITOL Upstream	4,799,225.76	5	44.92
TOTAL	10,683,580.76	11	100.00

Source: PC, 2018

4.5 Crude Oil Pricing in 2018

Crude prices continued to rebound from the meltdown in 2015. The average achieved price by GNPC on behalf of the Ghana Group of US\$68.487/bbl for all three producing fields was both higher than government’s 2018 estimated benchmark price of US\$65.85/bbl and the 2017 realised price of US\$54.43/bbl. The Jubilee average achieved price was even higher at US\$70.627/bbl for the five liftings from that Field.

For the first time since the commencement of TEN production, the TEN Field achieved an average of US\$71.588/ bbl, higher than that of the Jubilee Field. This was mainly due to a price of US\$79.408/bbl achieved for TEN Field in November compared to a price of US\$58.849/ bbl for Jubilee in the same month.

The SGN Field on the other hand achieved US\$63.245/bbl for its one lifting in respect of royalty.

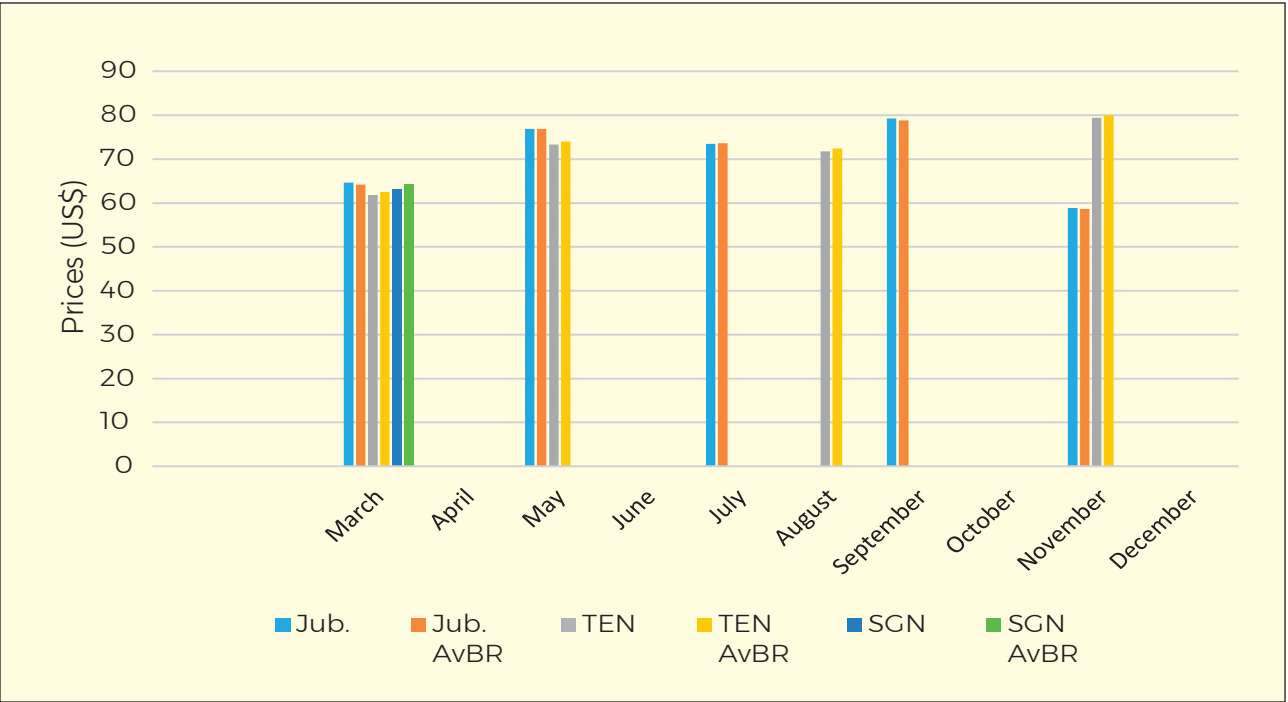


Figure 12: Comparison of Achieved Prices for Jubilee, TEN, SGN and Dated BRENT

Source: PIAC’s Construct

Av BR = Average Dated BRENT

Comparing Ghana Group’s achieved prices to that of the Jubilee, TEN, and SGN partners, the Ghana Group achieved an overall average of US\$68.487/bbl for all three Fields compared to

Tullow’s Jubilee and TEN average of US\$71.8/bbl, Kosmos’ Jubilee and TEN average of US\$69.51/bbl, and ENI’s average of US\$72.024/bbl, as shown in Figure 13.

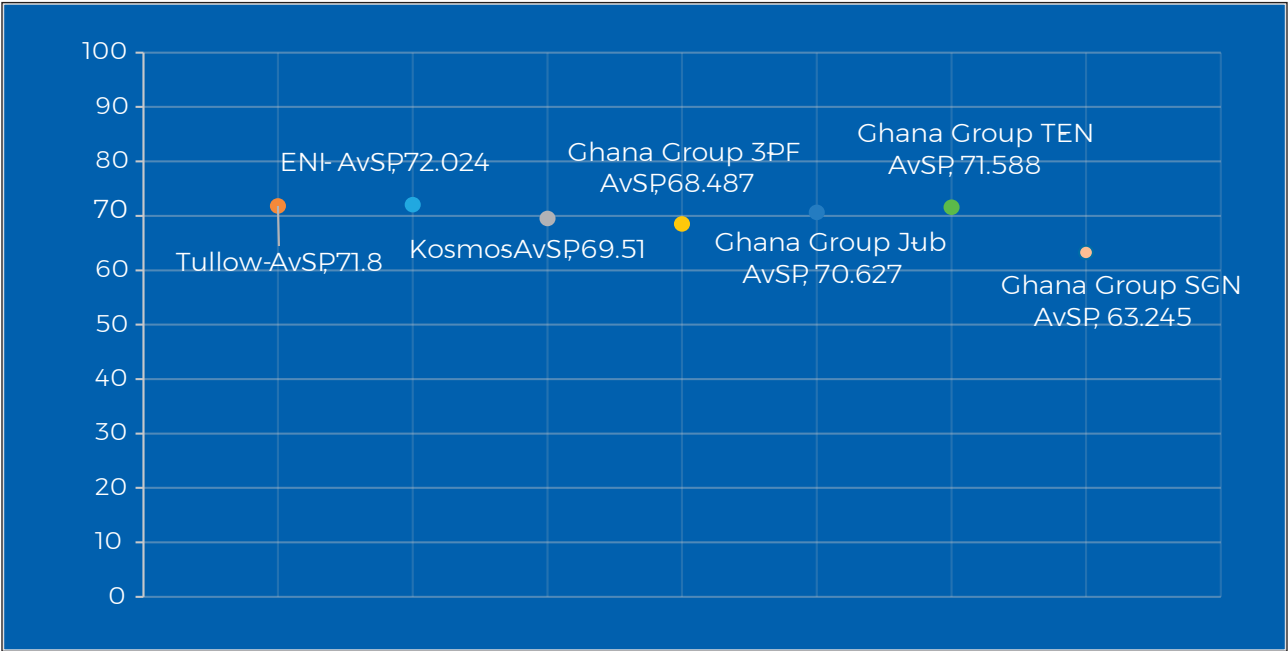


Figure 13: Comparison of 2018 Crude Prices Realised by Jubilee, TEN and SGN Partners

Source: PIAC’s Construct

AvSP= Average Selling Prices

3PF-AvSP = Average Selling Price for the 3 Producing Fields

Findings

1. The three producing fields – Jubilee, TEN, and SGN – produced a total of 62,135,435.07 barrels exceeding the 2018 benchmark crude oil output of 51.18 million barrels. This also compares favourably with the 2017 output of 58,658,063.54 barrels of crude oil, a six (6) percent improvement.
2. Of the total crude oil output, the Jubilee Field produced 28,461,755 barrels, the TEN Field, 23,557,361 barrels, and the SGN Field, 10,116,319.07 barrels.
3. Despite the increase in total output, production declined substantially on the Jubilee Field from a 2017 output of 32,749,975 barrels to 28,461,755 barrels in 2018.
4. Having come on stream in May 2017, the SGN Field witnessed its first full-year production, nearly doubling output from 5,455,512 barrels in 2017 to 10,116,319.07 barrels in 2018.
5. A total of 91,459.30 MMSCF of raw gas was produced from the Jubilee, TEN and SGN Fields in 2018, compared to 77,294.44 MMSCF in 2017.
6. The average achieved price by GNPC on behalf of the Ghana Group of US\$68.487/bbl for all three producing fields was both higher than government’s 2018 estimated benchmark price of US\$65.85/bbl and the 2017 realised price of US\$54.43/bbl. This contributed to the higher revenue outturn for the year.

5.0 REVENUE COLLECTION AND MANAGEMENT

Section 3 of the Petroleum Revenue Management Act, 2011 (Act 815) requires that, petroleum revenue due the Republic each month derived from whatever source, be assessed, collected, and accounted for by the Ghana Revenue Authority. These revenues are paid by direct transfer into the Petroleum Holding Fund by the fifteenth (15th) day of the ensuing month by the entities with obligation to make the payment.

A total of US\$977,093,285 accrued to the Petroleum Holding Fund (PHF) from Royalties,

Carried and Participating Interest (CAPI), Corporate Income Taxes (CIT), Surface Rentals, and income earned on the Petroleum Holding Fund (PHF). Undistributed funds in the PHF was US\$31,644.47. The 2018 revenue constitutes about a quarter of total receipts from 2011-2017. The increased revenue was mainly because of drilling of more TEN wells, crude price rebound on the international market, and the coming on stream of Sankofa Gye Nyame (SGN) Field production.

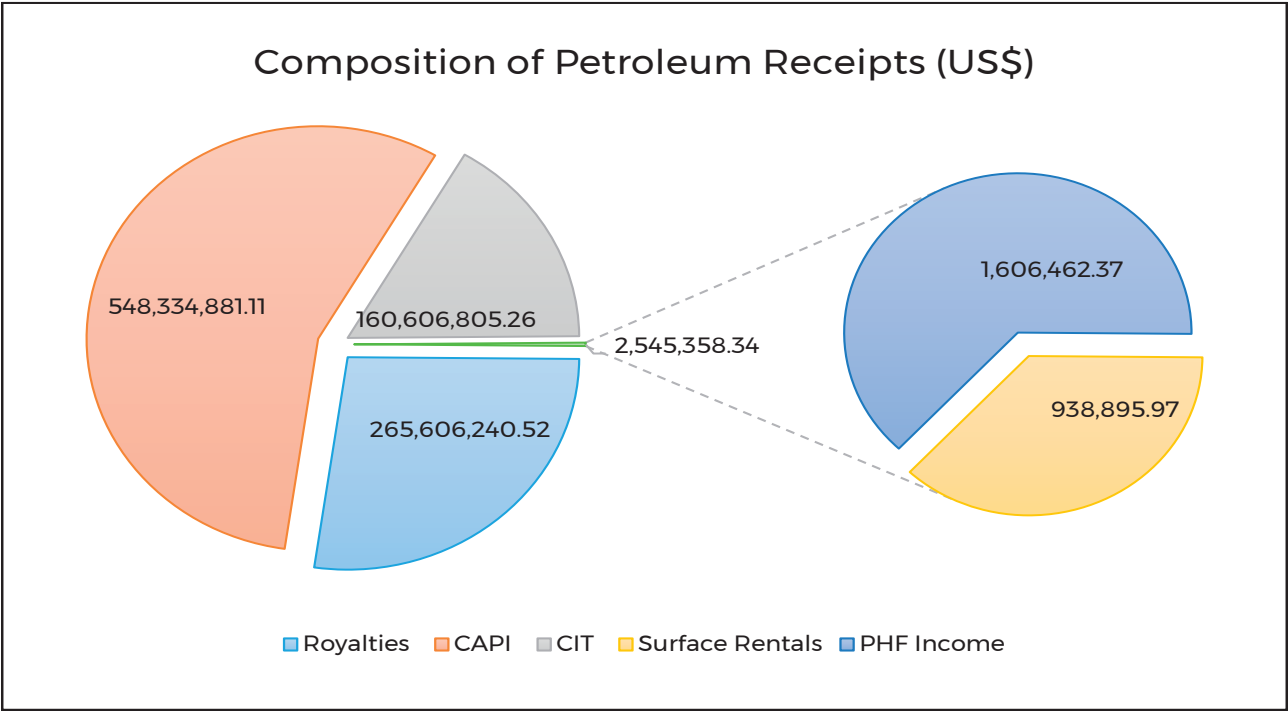


Figure 14: Petroleum Receipts Paid into the PHF
Source: PIAC's Construct, 2018.

There was no revenue accruing from gas (royalties and CAPI).

5.1 Crude Liftings for Ghana Group

The Field-by-Field revenues accrued from liftings by the Ghana Group are as follows:

5.1.1 Jubilee Field Crude Liftings for Ghana Group

Six liftings (41st-46th) were made from the Jubilee Field in 2018, yielding US\$339,654,651.76 in revenues. Revenue from the 41st parcel lifted in December, worth US\$45.74 million, was carried over from 2017 and paid into the Petroleum Holding Fund in January 2018. Table 9 shows the revenue derived from the 2018 liftings comprising both Carried and Participating Interest and in-kind (crude) royalties due the State.

Table 9: Ghana Group Crude Oil Lifting and Revenue from Jubilee

Parcel No.	Lifting Date	Parcel Quantity (bbl)	Unit Price	Average Dated BRENT (US\$/bbl)	Net Amount
0042	20-Mar-18	973,730	64.659	64.173	63,038,306.47
0043	02-May-18	996,161	76.892	76.930	76,676,504.49
0044	24-Jul-18	945,681	73.458	73.639	69,543,489.38
0045	27-Sep-18	944,609	79.276	78.853	74,960,391.80
0046	25-Nov-18	947,251	58.849	58.638	55,820,554.18
TOTAL		4,807,432			340,039,246.32
AVERAGE		961,486	70.627	70.447	

Source: GNPC, 2018

Given that there are only slight variations in quantities lifted, the main determinant of revenue from each lifting has been prices at the time of sales as shown in Table 9. Realised revenues exclude pricing option fees¹ (paid to GNPC by the buyer for exercising one of four pricing options other than the default pricing option). These fees were significantly

higher for Jubilee, ranging from US\$75,000 – US\$80,000 compared to a range of US\$49,000 – US\$50,000 per lifting for TEN. GNPC explained that the initial buyer for Jubilee crude was very enthusiastic, and so the marketing contract attracted an option fee of US\$0.08 per barrel. Subsequent buyers paid between US\$0.05 – US\$0.06 per barrel.

¹ Price option fees are fees an IOC/trader pays to an NOC for exercising a price option in crude marketing

5.1.2 Receipts from TEN Field Crude Liftings for Ghana Group

As with 2017, five liftings (5th – 9th) were made in 2018. However, the proceeds of the 5th lifting made in December 2017 were paid in January, 2018. The 2018 TEN Field liftings totalled US\$284,958,162.23 comprising both Carried and Participating Interest and in-kind royalties due the State.

Table 10: Ghana Group Crude Oil Lifting and Revenue from TEN

Parcel No.	Lifting Date	Parcel Qty (bbl)	Achieved Unit Price	Average Dated BRENT (US\$/bbl)	Net Amount
0006	02-Mar-18	994,723	61.833	62.483	61,556,443.41
0007	31-May-18	995,085	73.322	73.972	73,011,376.62
0008	06-Aug-18	995,477	71.790	72.440	71,515,067.68
0009	19-Oct-18	995,171	79.408	80.008	79,074,297.32
TOTAL		3,980,456			285,157,185.03
AVERAGE		995,114	71.588	72.226	

Source: GNPC, 2018

As with Jubilee, prices vary according to the month, and is the main determinant of revenue realised from each lifting. The average unit price of US\$71.588/bbl was slightly higher than that of Jubilee (US\$70.447/bbl) compared to 2017 when TEN realised prices were much lower.

5.1.3 Sankofa Gye Nyame (SGN) Field Crude Liftings for Ghana Group

There was one lifting in March from the SGN Field in respect of Royalty, which was sold at a unit price of US\$63.245/bbl, yielding US\$63,030,602.08 in revenue.

Table 11: Ghana Group Crude Oil Lifting and Revenue from SGN

Parcel No.	Lifting Date	Parcel Qty (bbl)	Achieved Unit Price	Average Dated BRENT (US\$/bbl)	Net Amount
Royalty Lifting for GoG	16 -Mar-18	995,351	63.245	64.195	63,030.602.08
TOTAL		995,351			
AVERAGE		995,351	63.245	64.195	63,030.602.08

Source: GNPC, 2018

As occurred in the first half of the year, there was no lifting in respect of Carried and Participating Interest as at December 2018. This was because of GNPC's indebtedness in respect of the Operator's pre-financing of the Corporation's

cash calls in relation to its equity participation in the Field.

The SGN Partners have therefore in accordance with the terms of the Agreement made

liftings on behalf of Ghana Group to offset the financial liabilities of GNPC at an interest of London Interbank Offer Rate (LIBOR) plus one (1) percent. GNPC argues that Article 10 of the Offshore Cape Three Points (OCTP) Petroleum Agreement (PA), which has received Parliamentary ratification, permits the use of GNPC’s share of liftings to offset cash calls. GNPC also explains that it had written to the Ministry of Energy to indicate its intention to allow the Partners lift its share of crude to offset cash calls paid by the Partners. PIAC notes that, a greater proportion of revenues comes from the State’s interest in producing Fields. If the arrangement persists and is replicated in other Fields, it has

the potential to deny the Petroleum Holding Fund and by extension, the Annual Budget Funding Amount and Ghana Petroleum Funds, substantial revenues as well as an evasion of the processes and scrutiny such revenues are subjected to, under the PRMA.

The offset is done on a monthly basis. As at 31st December 2018, the quantity of crude oil applied to amortise both Production Cost (OPEX) and Development Cost (CAPEX) amounted to 2,685,772 barrels. This is two (2) liftings, worth approximately US\$191.53 million. The outstanding balance at the end of the year was US\$41.15 million.

Table 12: Summary of GNPC’s Liabilities and Payments on SGN

COSTS	OPENING BALANCE	2017	2018	TOTAL	BALANCE
OPEX	-	9,464,186.00	24,858,832.00	34,323,018.00	-
CAPEX	65,220,249.00	65,760,211.00	62,629,092.00	193,609,552.00	-
Interest	-	2,753,706.00	1,999,553.00	4,753,259.00	-
Total (US\$)	65,220,249.00	77,978,103.00	89,487,477.00	232,685,829.00	-
REPAYMENT	-	2017	2018	TOTAL	BALANCE
OPEX	-	7,255,895.00	17,266,162.00	24,522,057.00	9,800,962.00
CAPEX	-	42,95,078	124,055,766.00	124,055,766.00	31,350,967.00
Total (US\$)	-	50,211,973.00	141,321,927.00	191,533,900.00	41,151,928.00
BARRELS	-	2017	2018	TOTAL	BALANCE
OPEX (bbls)	-	120,906.00	255,740.00	376,645.00	-
CAPEX (bbls)	-	711,081.00	1,598,045.00	2,309,127.00	-
Total (bbls)	-	831,987.00	1,853,785.00	2,685,772.00	-

Source: GNPC, 2018

5.2 Analysis of Petroleum Receipts

The total revenue of US\$977,093,285 accrued to the Petroleum Holding Fund (PHF) was obtained from sources outlined in the Petroleum Revenue Management Act from the three producing

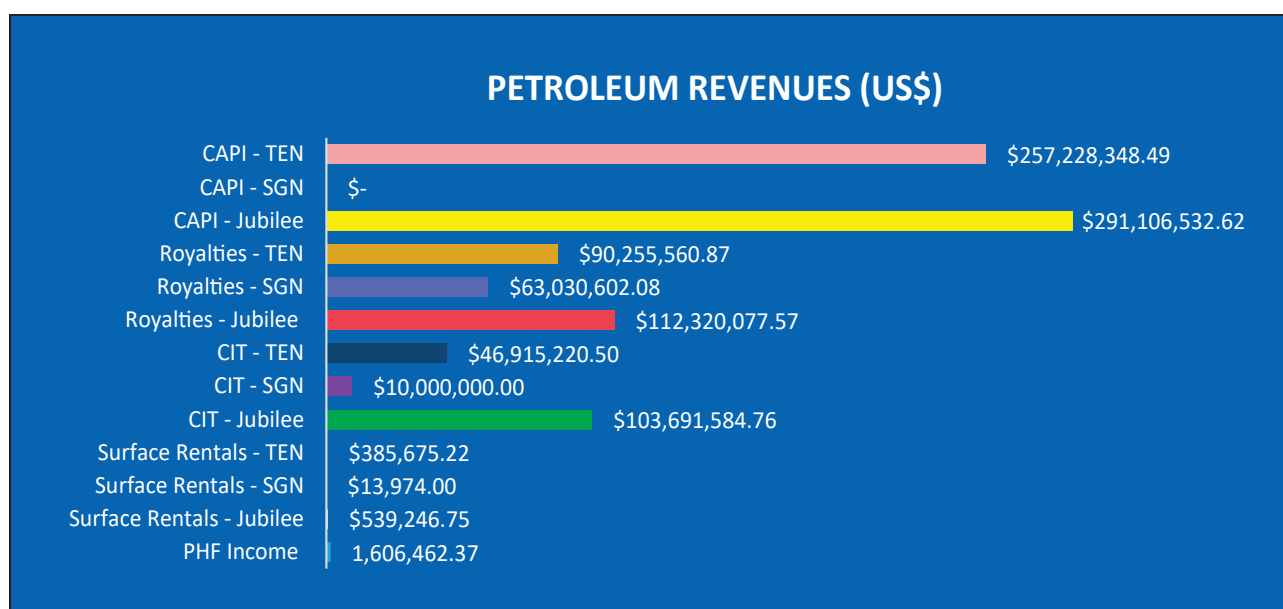
fields. These revenue streams - Carried and Participating Interest (CAPI), Royalties, Corporate Income Taxes (CIT), Surface Rentals - continue to be sources through which the State derives financial benefits from petroleum ownership and extraction.

Table 13: Comparison of Fiscals on PAs from Producing Fields

Contract Area / Field	Jubilee	TEN	OCTP
Royalty Oil	5%	5%	7.5%
Royalty (Gas) - domestic	-	-	5%
Royalty (Gas) - Export	-	-	-
Initial GNPC Participation	10%	10%	15%
Additional Participation	3.64%	5%	5%
Commercial Interest	-	-	-
Ratification Date	10/6/2006	10/6/2006	15/3/2008

Source: GNPC, 2018

Carried and Participating Interest (CAPI) continues to contribute the highest to total revenues followed by Royalties, Corporate Income Taxes, and Surface Rentals.

**Figure 12:** Petroleum Revenue Streams

Source: MoF, 2018

5.2.1 Carried and (Additional) Participating Interest (CAPI)

Carried and Additional Participating Interest are two forms of State participation that effectively captures a good share of economic rents from petroleum projects as shown in Figure 15. The revenue derived from CAPI constituted more than half (US\$548,334,881.11) of total revenues accruing from all three Fields, though no revenues were realised in respect of CAPI for the Sankofa Gye Nyame (SGN) Field. This demonstrates the revenue yielding potential of the State interest in petroleum projects.

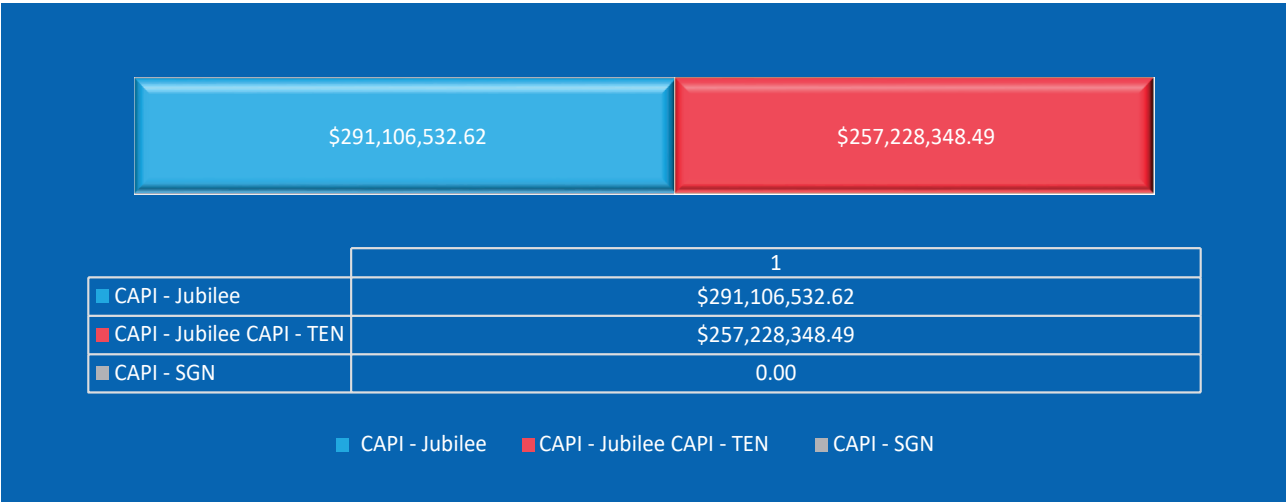


Figure 16: Breakdown of CAPI Contribution to Total Revenue

5.4.1 Carried and (Additional) Participating Interest (CAPI)

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5.2.2 Royalties

Royalties are early and dependable sources of revenues for the State as it is a charge on gross production. Total revenues from royalties for the three Fields was US\$265,606,240.52 with Jubilee royalty contributing the most.

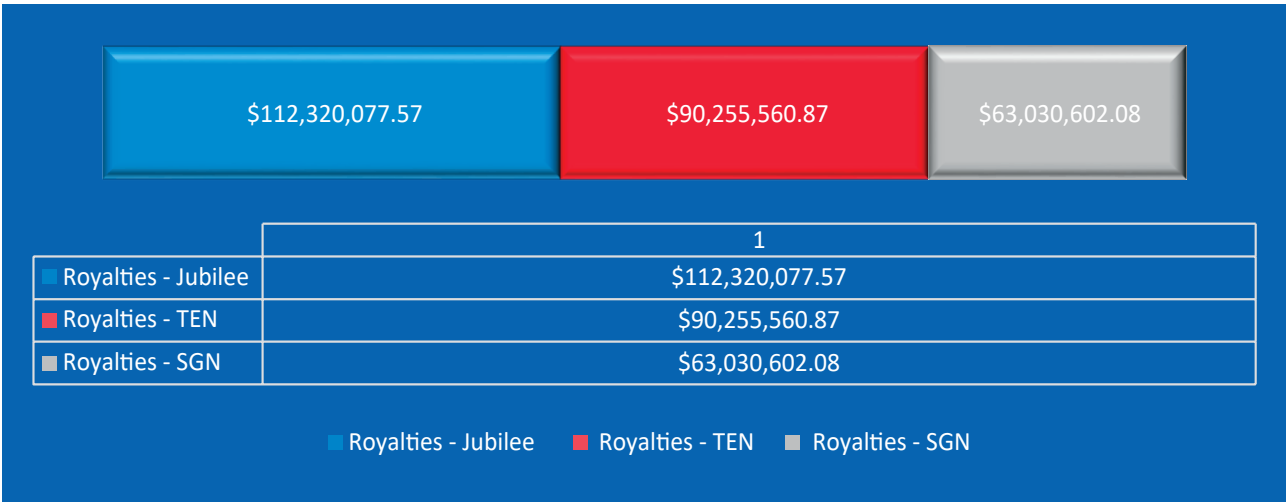


Figure 17: Breakdown of Royalty Contribution to Total Revenue

5.2.3 Corporate Income Tax (CIT)

Being a tax on profits after deduction of costs, CIT, usually yields lower revenues compared to Royalty, and Carried and Participating Interest despite its higher rate of 35 percent. It must be noted that the 35 percent is charged not on gross production, but on profits.

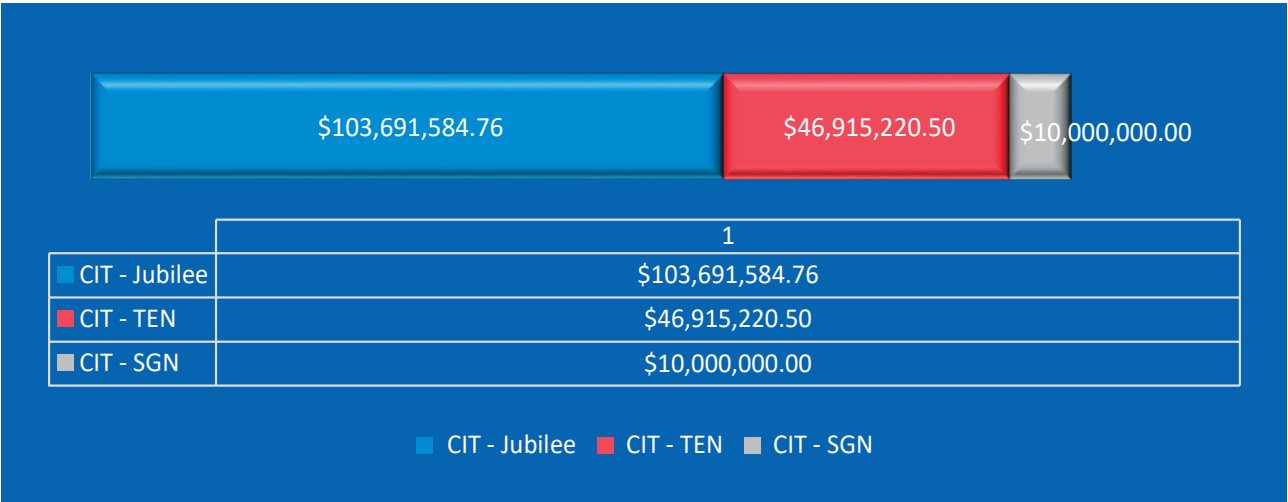


Figure 18: Breakdown of CIT Contribution to Total Revenue

5.2.4 Surface Rentals

Surface rentals totalled US\$938,895.97 for 2018. The realised revenues from Surface Rentals includes arrears of US\$34,993.22 paid into the Petroleum Holding Fund, being monies wrongfully lodged by Springfield E&P Ltd into Ghana Revenue Authority’s accounts in 2017. As in previous reports, this stream contributes very significantly lower amounts of revenues.

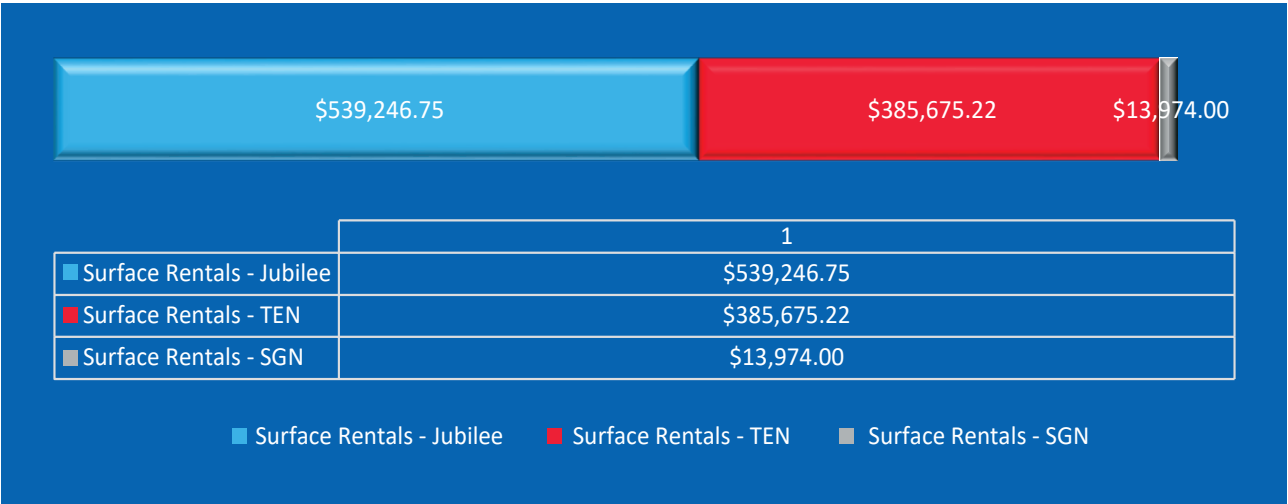


Figure 19: Breakdown of Surface Rental Contribution to Total Revenue

5.2.5 Interest Payments

Interest on the Petroleum Holding Fund yielded US\$1,606,462.37, much higher than revenues from Surface Rentals.

5.3 Gas Revenues

5.3.1 Jubilee Field

A total of 19,330.18 MMSCF of gas was delivered to Ghana National Gas Company (GNGC) for the year 2018 but no payment has been made to GNPC to be deposited into the Petroleum Holding Fund. The unit price of Jubilee gas is US\$2.90/MMBtu, yielding a total amount payable of US\$59,420,952.81.

Table 14: Gas Export from Jubilee to GNGC & VRA Invoice Amount

DELIVERY MONTH	DELIVERED VOLUME (MMSCF)	UNIT PRICE (US\$/MMBtu)	PAYMENT MADE (US\$)	NET BALANCE (US\$)
Jan-18	3,040.61	2.90	0.00	9,346,822.84
Feb-18	0	2.90	0.00	0
Mar-18	1,830.72	2.90	0.00	5,627,633.28
Apr-18	1,711.20	2.90	0.00	5,260,222.65
May-18	2,223.03	2.90	0.00	6,833,606.52
Jun-18	527.19	2.90	0.00	1,620,582.06
Jul-18	2,613.08	2.90	0.00	8,032,604.85
Aug-18	1,485.03	2.90	0.00	4,564,985.29
Sep-18	1,319.80	2.90	0.00	4,057,054.20
Oct-18	1,026.27	2.90	0.00	3,154,753.98
Nov-18	1,557.35	2.90	0.00	4,787,280.27
Dec-18	1,995.90	2.90	0.00	6,135,406.87
TOTAL	19,330.18		0.00	59,420,952.81

Source: GNPC, 2018

5.3.2 Tweneboah-Enyennra-Ntomme (TEN) Field

The TEN Field delivered 8,390.98 MMSCF of gas at the price of US\$2.90, yielding US\$25,793,872.52. However, Ghana National Gas Company (GNGC) made no payment into the Petroleum Holding Fund.

Table 15: Gas Export from TEN to GNGC & VRA Invoice Amount

DELIVERY MONTH	DELIVERED VOLUME (MMSCF)	UNIT PRICE (US\$/MMBtu)	PAYMENT MADE (US\$)	NET BALANCE (US\$)
Jan-18	211.410	2.90	0.00	649,877.41
Feb-18	57.027	2.90	0.00	175,301.00
Mar-18	643.543	2.90	0.00	1,978,251.18
Apr-18	1,386.871	2.90	0.00	4,263,241.45
May-18	1,078.700	2.90	0.00	3,315,923.80
Jun-18	1,983.970	2.90	0.00	6,098,723.78
Jul-18	507.399	2.90	0.00	1,559,744.53
Aug-18	938.169	2.90	0.00	2,883,931.51
Sep-18	1,203.200	2.90	0.00	3,698,636.80
Oct-18	3.030	2.90	0.00	9,314.22
Nov-18	174.630	2.90	0.00	536,812.62
Dec-18	203.030	2.90	0.00	624,114.22
TOTAL	8,390.98		0.00	25,793,872.52

Source: GNPC, 2018

5.3.3 SGN

The total delivered gas for the SGN Field was 6,110.03 MMSCF. This, when sold at the negotiated price of US\$2.90/MMBtu, yielded US\$48,815,874.82 in revenues.

Table 16: Gas Export from SGN to GNGC & VRA Invoice Amount

DELIVERY MONTH	DELIVERED VOLUME (MMSCF)	UNIT PRICE (US\$/MMBtu)	PAYMENT MADE (US\$)	NET BALANCE (US\$)
Aug-18	661.440	7.29	0.00	5,295,159.44
Sep-18	445.220	7.29	0.00	3,551,722.77
Oct-18	874.160	7.29	0.00	6,992,187.94
Nov-18	2,083.300	7.29	0.00	16,642,621.88
Dec-18	2,045.910	7.29	0.00	16,334,182.79
TOTAL	6,110.03		0.00	48,815,874.82

Source: GNPC, 2018

Figure 20 shows the annual petroleum receipts from 2011 to 2018.

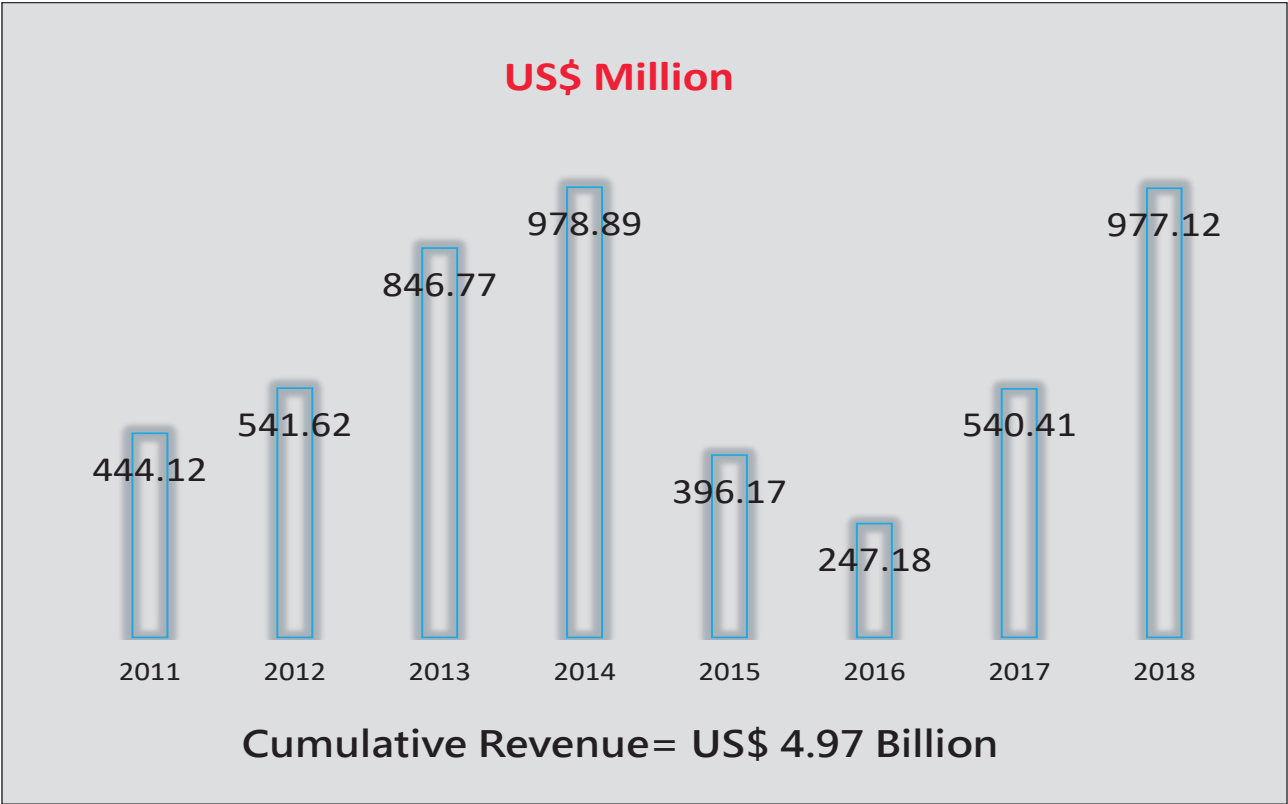


Figure 20: Annual Petroleum Receipts from 2011 to 2018

Findings

1. The Jubilee Field lifting yielded US\$339,654,651.76 in accrued revenue while the TEN Field, US\$284,958,162.23, and the SGN Field, US\$63,030,602.08.
2. In respect of gas revenue, the Jubilee Field yielded US\$59,420,952.81, the TEN Field, US\$25,793,872.52, and the SGN US\$48,815,874.82 in revenues.
3. If the Kotoka International Airport’s (KIA) Terminal 3 cost US\$350 million to build, then the 2018 revenue could have built almost three of its kind.
4. There was no revenue accruing from gas (royalties and CAPI) from the Sankofa Gye Nyame (SGN) Field.
5. There was no lifting on the SGN Field in respect of CAPI as at December 2018, as

Partners lifted 1,853,785 barrels yielding US\$141,321,927 to offset unpaid cash calls.

6. The exercise of the option to allow the Partners to finance GNPC’s cash calls when the Corporation had budgeted for it, does not portend an entity that is able to manage its internal affairs insulated from external interference.

Compliance Issues

1. The non-payment of gas receipts into the Petroleum Holding Fund is in contravention of Section 3 of Act 815.
2. There was no payment of surface rentals in accordance with Section 3 of Act 815 from Britannia-U, Sahara Energy, and Swiss African Oil Company Ltd.

6.0 DISTRIBUTION OF PETROLEUM REVENUES

Petroleum revenues due the Republic of Ghana from upstream petroleum operations are required by the Petroleum Revenue Management Act (PRMA) to be first deposited into the Petroleum Holding Fund (PHF) and then disbursed. This disbursement of funds in the PHF as stipulated by the PRMA is represented below in Figure 21.

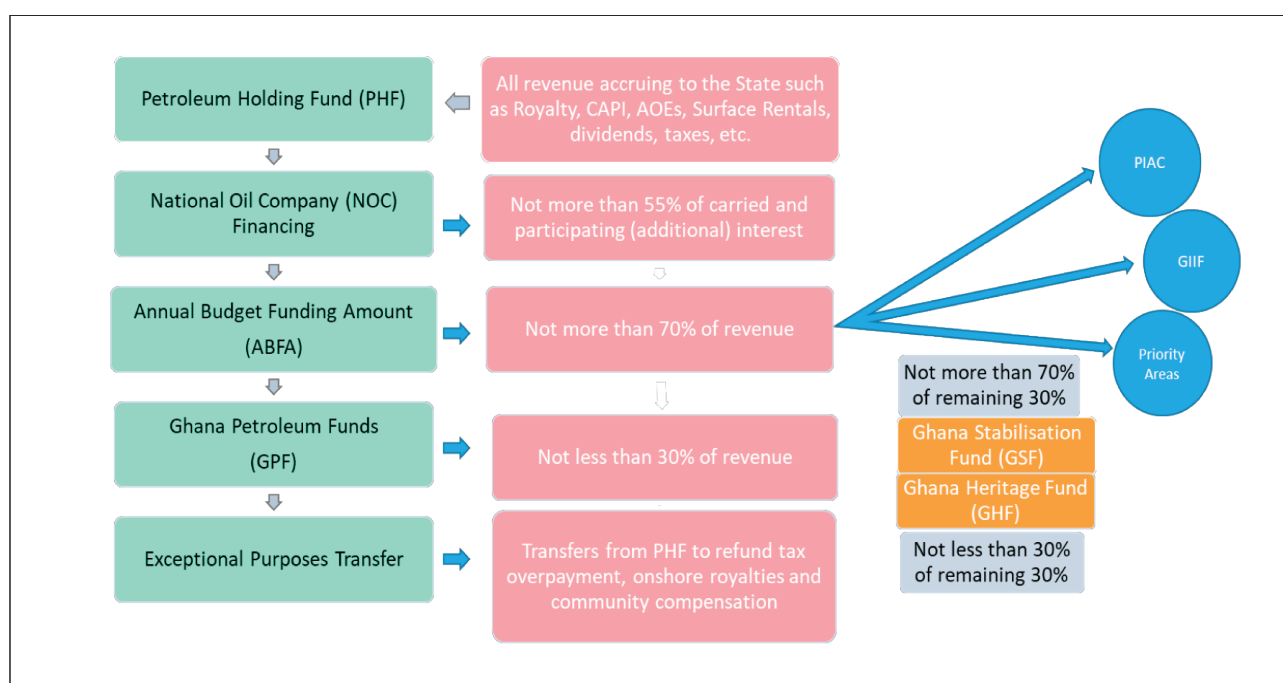


Figure 21: Distribution of Petroleum Revenue from the Petroleum Holding Fund

Source: PIAC's Construct, 2018

6.1 Allocations from the PHF in 2018

According to the Bank of Ghana, total disbursement from the Petroleum Holding Fund for the year 2018 was US\$977,124,929.67. This composed of proceeds of the 41st to the 46th Jubilee liftings amounting to US\$402,426,610, proceeds of the 5th to the 9th TEN lifting amounting to US\$347,484,110, and that of the

first Sankofa Gye Nyame Lifting amounting to US\$63,030,622.08.

Besides, other incomes were US\$689,395.97 for surface rental and US\$148.56 million for corporate income tax. In addition, US\$1.638 million was earned on undistributed funds held in the Petroleum Holding Fund as interest.

Total disbursement from the Petroleum Holding Fund in 2018 represents a 75.95 percent increase over the disbursement for the year 2017 and 45.97 percent above the projected revenue for the year 2018. The better outturn than projected revenue was due to better outturn in production and price.

The distribution of funds in the Petroleum Holding Fund was done as stipulated by the Petroleum Revenue Management Act (PRMA) to GNPC, the Annual Budget Funding Amount (ABFA), the Ghana Stabilisation Fund (GSF), and the Ghana Heritage Fund (GHF).

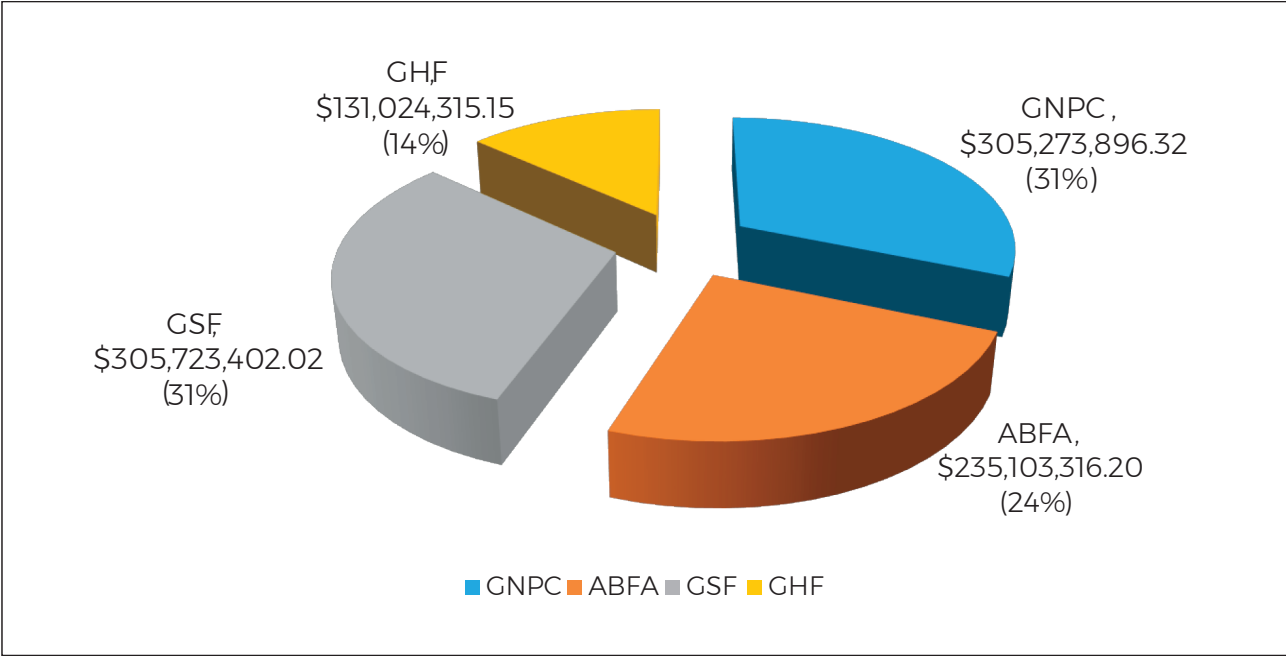


Figure 22: Allocations from the PHF
Source: PIAC’s Construct with data from Bank of Ghana

Table 17: Allocations of funds from the PHF, 2018

	GNPC	ABFA	GSF	GHF	Total
	US\$	US\$	US\$	US\$	US\$
Feb	45,906,911.84	58,775,829.05	23,448,997.59	10,049,570.39	138,181,308.87
May	48,357,702.05	58,775,829.05	37,758,749.21	16,182,321.09	161,074,601.40
June	48,557,890.93	-	89,633,570.09	38,414,387.18	176,605,848.20
Aug	34,847,481.96	26,922,178.72	8,076,653.62	3,461,422.98	73,307,737.28
Sept	45,759,499.39	31,853,650.33	67,736,621.71	29,029,980.74	174,379,752.17
Nov	29,220,743.65	54,769,186.54	16,430,755.96	7,041,752.55	107,462,438.70
Dec	52,623,666.50	4,006,642.51	62,638,053.84	26,844,880.22	146,113,243.07
Total	305,273,896.32	235,103,316.20	305,723,402.02	131,024,315.15	977,124,929.69

Source: Bank of Ghana, 2018

Table 17 presents monthly distribution of the petroleum revenues for the year 2018 as prescribed by the Petroleum Revenue Management Act. GNPC received a total of US\$305.27 million; the ABFA received a total of US\$235.10 million meeting the target for the year, while the Ghana Stabilisation Fund and the Ghana Heritage Fund received US\$305.72 million and US\$131.02 million respectively.

Table 18: PHF Distributions for 2017 and 2018 compared

	2017	2018	% Change
	US\$ million	US\$ million	
GNPC	182.04	305.27	67.69
ABFA	169.46	235.10	38.73
GSF	142.64	305.72	114.85
GHF	61.15	131.02	114.26
TOTAL	555.29	977.11	75.96

Source: Bank of Ghana, 2018

6.2 Cumulative Allocations from the PHF (2011 - 2018)

Table 19 shows that total petroleum revenue allocated by the Government of Ghana to GNPC, ABFA, and the GPFs (GHF and GSF) from 2011 to the end of December 2018 amounts to US\$5.013 billion.

Table 19: Cumulative Allocations from the PHF 2011 - 2018

	2011	2012	2013	2014	2015	2016	2017	2018	Total
GNPC	207.96	230.95	222.32	180.71	126.86	88.6	182.04	305.27	1,544.71
ABFA	166.96	286.55	273.20	409.07	292.98	98.38	169.46	235.1	1,931.70
GSF	54.81	16.88	245.73	271.76	15.17	29.51	142.68	305.72	1,082.22
GHF	14.4	7.24	105.31	116.47	6.5	12.65	61.15	131.02	454.74
TOTAL	444.13	541.62	846.56	978.01	441.51	229.14	555.33	977.11	5,013.37

Source: Bank of Ghana, 2018

Figure 22 shows the allocation of funds from 2011 to 2018.

GNPC has received a total of US\$1.54 billion representing 31 percent of total revenue while the ABFA has received a total of US\$1.88 billion representing 38 percent. The Ghana Stabilization Fund (GSF) and Ghana Heritage Fund (GHF) have received US\$1.08 billion (22 percent) and US\$454.74 million (9 percent) respectively.

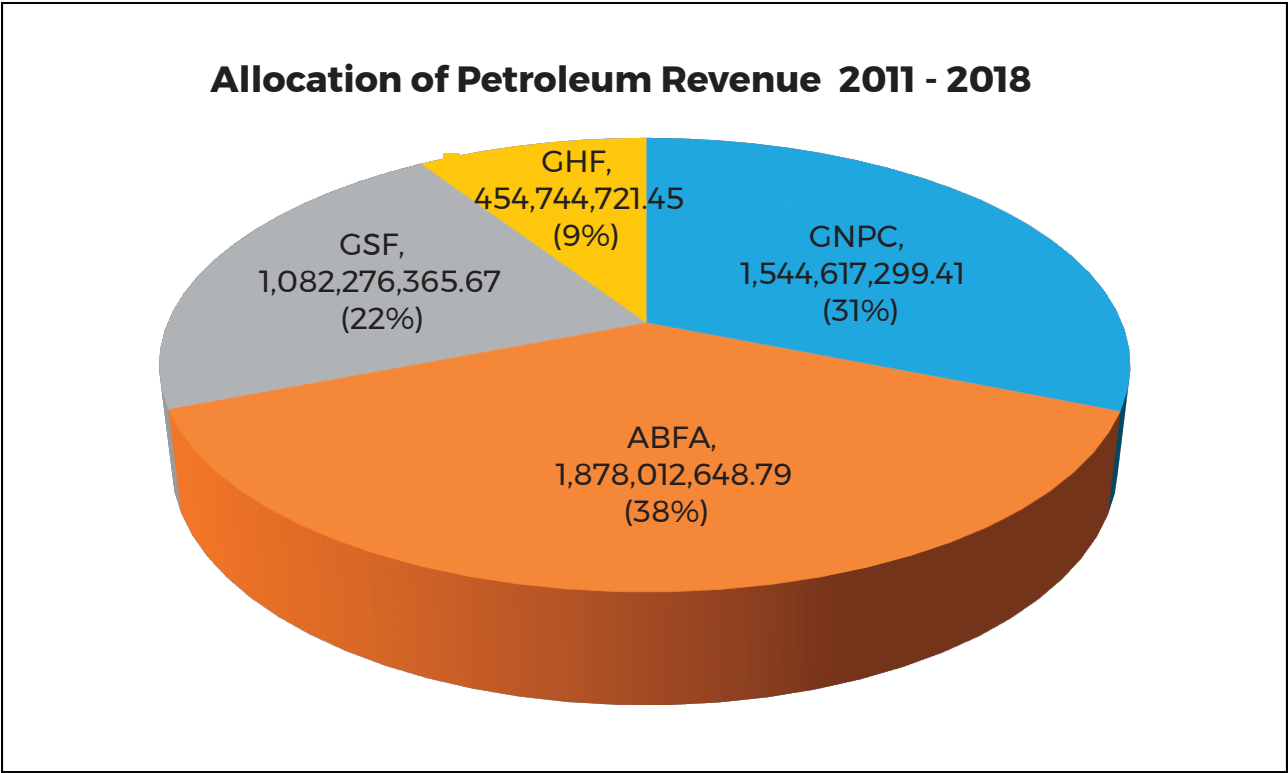


Figure 22: Allocation of Petroleum Revenue 2011 - 2018

6.3 Disbursement to Ghana National Petroleum Corporation

The Ghana National Petroleum Corporation (GNPC) received a total of US\$305.27 million in the year 2018 representing an increase of 67.70 percent over the disbursement in the year 2017 (US\$182.04 million). This increase was largely due to the increase in petroleum revenue for the year 2018.

The 2018 disbursement comprised US\$201.10 million for Equity Financing and US\$104.17 million from net Carried and Participating Interest (CAPI). The CAPI represents 34.12 percent of the total disbursement to GNPC, which is in excess of the 30 percent approved by Parliament.

6.4 Annual Budget Funding Amount Disbursement and Utilisation in 2018

6.4.1 Disbursement of ABFA

In accordance with Section 19 (2) of the Petroleum Revenue Management Act, 2011 (Act 815), the Bank of Ghana made six disbursements from the Petroleum Holding Fund to the Ministry of Finance in respect of ABFA in 2018 amounting to US\$235,103,316.19 (GH¢827,653,566.25), approved by Parliament for the 2018 financial year.

6.4.2 Utilisation of ABFA

Allocation to the ABFA was disbursed to the four priority areas selected by the government

for the period 2017 – 2019 as well as for one statutory payment – the Public Interest and Accountability Committee (PIAC).

There was no allocation to the Ghana Infrastructure Investment Fund (GIIF), another statutory fund required to receive not more than 25 percent of the ABFA funds earmarked for infrastructure development.

Out of the total allocation of GH¢827,653,566.25 (US\$235,103,316.19) transferred to the Ministry of Finance, GH¢824,123,615.25 was in respect of the four priority areas selected by Government. PIAC received the remaining GH¢3,529,951.00 for its activities and the purchase of an office building.

Table 20: The Four priority areas selected by the Government, 2017 -2019

No.	Priority Areas 2017 – 2019
1.	Agriculture
2.	Road, Rail and Other Critical Infrastructure Development
3.	Physical Infrastructure and Service Delivery in Health
4.	Physical Infrastructure and Service Delivery in Education

Source: MoF, 2018.

Table 21: ABFA Distribution for 2018

PRIORITY	GOODS AND SERVICES	%	CAPITAL EXPENDITURE		TOTAL
AGRICULTURE	2,856,536.99	2.26	123,328 ,819.22	97.74	126,185,356.21
Planting for food & jobs	2,856,536.99		121,364,799.52		
Min. of Fisheries & Aquaculture	-	-	1,964,019.70		
ROAD, RAIL AND OTHER CRITICAL INFRASTRUCTURE DEVELOPMENT			255,365,118.69	100.00	255,365,118.69
Road Infrastructure			197,041,142.63		
Infrastructure for Poverty Eradication Programme			22,770,830.91		
Rail Infrastructure			35,553,145.15		
PHYSICAL INFRASTRUCTURE AND SERVICE DELIVERY IN HEALTH			22,702,127.91	100.00	22,702,127.91
Health Infrastructure			22,702,127.91		

PHYSICAL INFRASTRUCTURE AND SERVICE DELIVERY IN EDUCATION	414,643,349.65	98.75	5,227,662.79	1.25	419,871,012.44
EducationInfrastructure			5,227,662.79		
2 nd tranche payment for free SHS	100,000,000.00		-		
3 rd Term fees in respect of free SHS	314,643,349.65		-		
TRANSFERS TO GIIF	-		-		-
PUBLIC INTEREST AND ACCOUNTABILITY COMMITTEE (PIAC)	3,529,951.00	100.00			3,529,951.00
TOTAL	421,029,836.64	50.87	406,623,728.61	49.13	827,653,566.25

Source: Bank of Ghana, 2018

The Agriculture Priority Area received an amount of GH¢126,185,356.21 in 2018, representing 15.3 percent of the total ABFA distribution. This represents 157.16 percent increase over the distribution to Agriculture in the year 2017. Out of the total amount distributed to Agriculture in 2018, 97.7 percent was spent on capital expenditure with 2.3 percent on goods and services.

The Road, Rail and other Critical Infrastructure Development Priority Area received GH¢255,365,118.69 representing 31.0 percent of the total ABFA distribution for the period under review. This was spent wholly on Public Investment Expenditure, and represents a 513.59 percent increase over the 2017 distribution of GH¢41,617,767.70.

The Physical Infrastructure and Service Delivery in Health Priority Area received GH¢22,702,127.91, accounting for 2.75 percent of the total ABFA distribution. This was spent on capital investment, constituting 162.14 percent increase over the 2017 disbursement of GH¢8,660,362.73.

The Physical Infrastructure and Service Delivery in Education Priority Area received GH¢419,871,012.44, representing 51 percent of the total ABFA. This accounts for 107.5 percent increase over the disbursement for the year 2017. A total of 98.6 percent of the disbursement to education in 2018 was spent on goods and services while 1.3 percent was spent on capital investment.

6.4.1 Public Interest and Accountability Committee

In accordance with the Petroleum Revenue Management (Amendment) Act, 2015 (Act 893), and as reported in Table 21, PIAC received an amount of GH¢3,529,951 to support its activities. This disbursement is 162.4 percent higher than that of 2017 due mainly to the fact that part of the disbursement was for the purchase of an office building. The amount received in 2018 constitutes 70.6 percent of the Committee’s approved budget for the year.

6.4.2 Ghana Infrastructure Investment Fund

Section 21(4)(b) of the Petroleum Revenue Management (Amendment) Act, 2015 (Act 893), and Section 5(1)(b) of the Ghana Infrastructure Investment Fund Act, 2014 (Act 877) provide that a maximum of 25 percent of the amount allocated for Public Investment Expenditure under the ABFA shall be allocated to the Ghana Infrastructure Investment Fund (GIIF) for the

purpose of infrastructure development.

Since its establishment, the Fund has received a total amount of US\$75.4 million from the ABFA, and has made significant contributions to funding strategic investment projects as shown in Table 22.

For the first time, there was no allocation to GIIF, in violation of the statutory provisions above.

Table 22: Breakdown of Committed Projects, Total Cost, and Expected Impacts²

Investment Name	Sector	Status	Instrument	GILF Investment/ Committed Amount (US\$ Mn)	Total Project Cost (US\$ Mn)	Multiplier (times)	Likely Jobs Created/ to be Created
Chana Airports Company Limited Capital Investment Programme The GACL programme involves the development of a new terminal at Kotoka International Airport (KIA) in Accra and rehabilitation and upgrade of other airports and aerodromes managed by GACL, including Kumasi Tamale, Ho and Wa Airports. GACL's flagship project under this programme is Terminal 3.	Transportation	Operational	Senior Debt	30	400		1,500
Maaha Beach Resort: This is a 121 - room 3-star multipurpose beach resort that covers 7,762 square metres of beachfront land at Anokyi, near Atuabo	Tourism	Operational	Senior Debt/ Equity	8	16.7	2.1×	150

²These projects were not exclusively funded by petroleum revenue disbursed to GILF

Western Corridor Fiber Optic Project: The Project involves the development, finance, construction and operation of an ultra-modern backhaul/broadband communication infrastructure, involving laying of 881 km in-land fibre optic cables for an extensive broadband network through Takoradi – Atuabo – Kumasi – Sunyani, Ho – Akosombo	Telecommunication Media & ICT	Construction Stage	Senior Debt/Equity	34	42	1.2×	100,000
Atuabo Power Project: The Project consists of the development, financing, construction and operation of the first phase 31 – MW open/simple -cycle gas turbine power plant to be located at Atuabo, in the Western Region. This will be a landmark project as (a) it will be the first power project completely financed by Ghanaian institutions and (b) it will enable Ghana to stop flaring gas from its oilfields with all the environmental benefits that will follow.	Energy	Project Development Stage	Senior Debt/Equity	30	70	2.3×	200

Takoradi Port Expansion – On-Dock Container & Multipurpose Terminal The project entails the development, finance, construction, and operation of a new container handling terminal and multipurpose terminal within the existing Takoradi Port under a 25 year concession agreement with the Ghana Ports and Harbours Authority ('GPHA')	Transportation	Project Development Stage	Equity	58	416	8.3×	4,000
Oil Jetty Terminal The project is a 25 -year concession for the design, engineering, financing, construction and operation of an Off - Dock Container Terminal with an option to extend for a further 10 years.	Transportation	Construction Stage	Equity	32	70	4.7×	350
Rotan Power Limited The project involves the development of a combined -cycle gas turbine capable of generating 660MW of elect power at Aboadze. This will be Ghana's largest and cheapest private power project.	Energy	Project Development Stage	Equity	5.5	1,000	181.8×	500

<p>Pullman Accra Airport City Project:</p> <p>This is a dual -hospitality project comprising a 215 -room hotel, and 149 serviced apartments, together with two restaurants, two swimming pools, and ancillary facilities to be located at Airport City.</p> <p>The project consists of:</p> <ul style="list-style-type: none">a. Upscale business hotelb. Extended - stay/serviced apartmentsc. Cutting edge MICE facilities;d. Aesthetic suspended garden areas and leisure facilities.	Tourism	Project Development Stage	Equity	15	116		300
<p>Accra Sky Train Project</p> <p>The Accra Sky Train System (SkyTrain) will be an integrated elevated light rail urban transit system for Accra. It aims to provide a highly efficient, cost effective, reliable, safe and very accessible public transport network that can provide the backbone of an integrated public transport solution for the Greater Accra Metropolitan Region. It is a fully automated, high - efficiency, environmentally friendly, cost-effective, public mass transit system that uses a patented air propulsion technology to drive lightweight, elevated high -volume passenger vehicles.</p>	Transport	Project Development Stage	Equity	2	2,000		150,000

Woodfields Fuel Storage Depot Project : The Project involves the construction of a tank farm to hold 105,000MT of various products including gasoline and gasoil and a 5,000 MT water tank for the supporting fire system. The tank farm is situated on a 26-acre land owned by Woodfields in Tema and would have two mother (receiving) tanks, two - day tanks and 10 - rack loading gantry in Tema.	Petrochemi cals, Oil and Gas	Constructi on Stage	Senior Debt	15	90.6	18.4*	257,100
Total				230	4,221		

Non-compliance with the GIIF provision of the PRMA will deprive the Fund of financial resources that could have been invested in critical national infrastructure and legacy projects.

6.5 Distribution to the Ghana Petroleum Funds

The Ghana Petroleum Funds (GPFs) comprise the Ghana Stabilisation Fund (GSF) and the Ghana Heritage Fund (GHF). The GSF received a total of US\$305.72 million while GHF received US\$131.03 million in 2018. The 2018 distribution to the GPFs represents 114.27 percent increase over the distribution to the GPFs in 2017 for both GSF and GHF. The significant increase in the allocation to the GPFs which was in accordance with the PRMA is as a result of the receipt of funds from better than projected production levels and price.

6.6 Compliance

There was no allocation to the GIIF in 2018 in violation of Section 8(4)(b) of Act 893 which stipulates that a maximum of 25 percent of the amount allocated for Public Investment Expenditure under the ABFA shall be allocated to the Fund for the purpose of infrastructure development.

Findings

1. Total disbursement from the Petroleum Holding Fund in 2018 was US\$977,124,929.69. This represents a 75.95 percent increase over the disbursement for the year 2017 and 45.97 percent above the projected revenue for the year 2018.
2. GNPC received a total of US\$305.27 million, a 34.12 percent increase over the 2017 disbursement while the ABFA received US\$235.10 million, a 38.73 percent increase over the disbursement for the year 2017.
3. The Ghana Stabilisation Fund and the Ghana Heritage Fund received US\$305.72 million and US\$131.02 million respectively, representing 114.27 percent increase over the 2017 figure in each case.
4. Of the total ABFA allocation (GH¢827,653,566.25), the Agriculture Priority Area received GH¢126,185,356.21, constituting 157.16 percent increase over the figure for the year 2017, and the Road, Rail and Other Critical Infrastructure Development Priority Area, GH¢255,365,118.69, a 513.59 percent increase.
5. The Physical Infrastructure and Service Delivery in Health Priority Area received GH¢22,702,127.91, constituting an increase of 162.12 percent over the figure for the year 2017, while the Physical Infrastructure and Service Delivery in Education Priority Area received GH¢419,871,012.44, an increase of 107.47 percent.
6. In the 2018 financial year, 50.9 percent of the actual ABFA was spent on recurrent expenditure, while 49.1 percent was on public investment. This is a breach of Section 8(4)(a) of Act 893.
7. For the first time since its establishment in 2014, the Ghana Infrastructure Investment Fund (GIIF) received no allocation from the Annual Budget Funding Amount as required by the PRMA.

PERFORMANCE OF THE GHANA PETROLEUM FUNDS

7.0

In 2018, the Ghana Petroleum Funds (GPFs) received an amount of US\$436.74 million dollars from the Petroleum Holding Fund, with the Ghana Stabilisation Fund (GSF) and Ghana Heritage Fund (GHF) receiving US\$305.72 million and US\$131.02 million respectively. The GSF and GHF receipts in 2018 represented 114.85 percent and 114.26 percent increase over their respective 2017 receipts.

Net profit on investments of the GPFs during the period under review was US\$15.75 million compared to US\$9.30 million realised in 2017.

Of the net profit realised in 2018, the GSF contributed 40.63 percent (US\$6.40 million) while the GHF contributed 59.37 percent (US\$9.35 million), as illustrated in Figure 24 below.

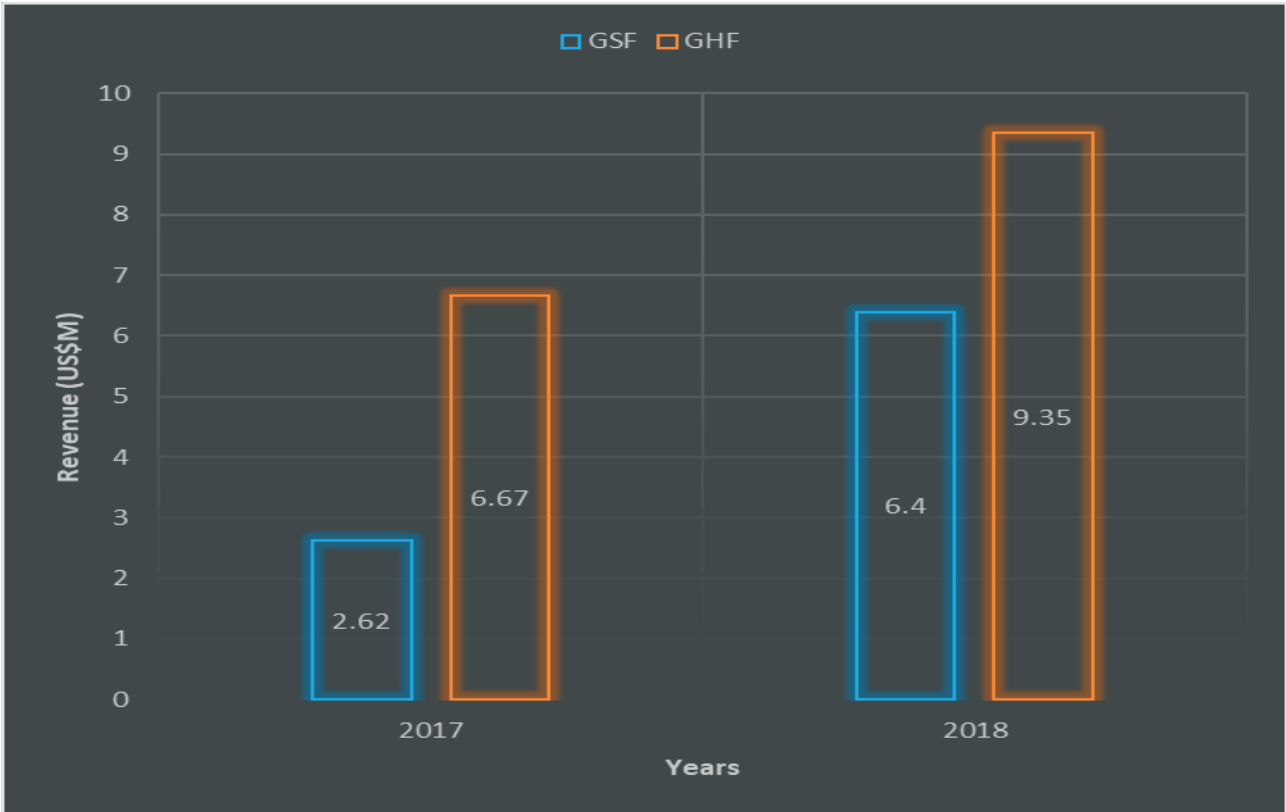


Figure 24: Returns on the Ghana Petroleum Funds in 2017 and 2018

Source: PIAC’s Construct from BoG Figures, 2018.

The yield of the 10-year US Treasury note ended the year 2018 at 2.69 percent compared to 2.41 percent at the end of 2017. The yield of the 2-year note ended 2018 at 2.49 percent compared to 1.88 percent at the end of 2017. The mark to market performance of the GHF and GSF in 2018 were impacted positively by the yields of the US Treasury notes, with the Year-To-Date (YTD) yield of the GHF and GSF in 2018 being 1.12 percent and 1.77 percent respectively.

The Ghana Petroleum Funds (GPFs) since November 2011 (inception) have accumulated a net realised income of US\$43.96 million, as shown in Figure 25 below. The GHF and GSF contributed 69.22 percent and 30.78 percent respectively.

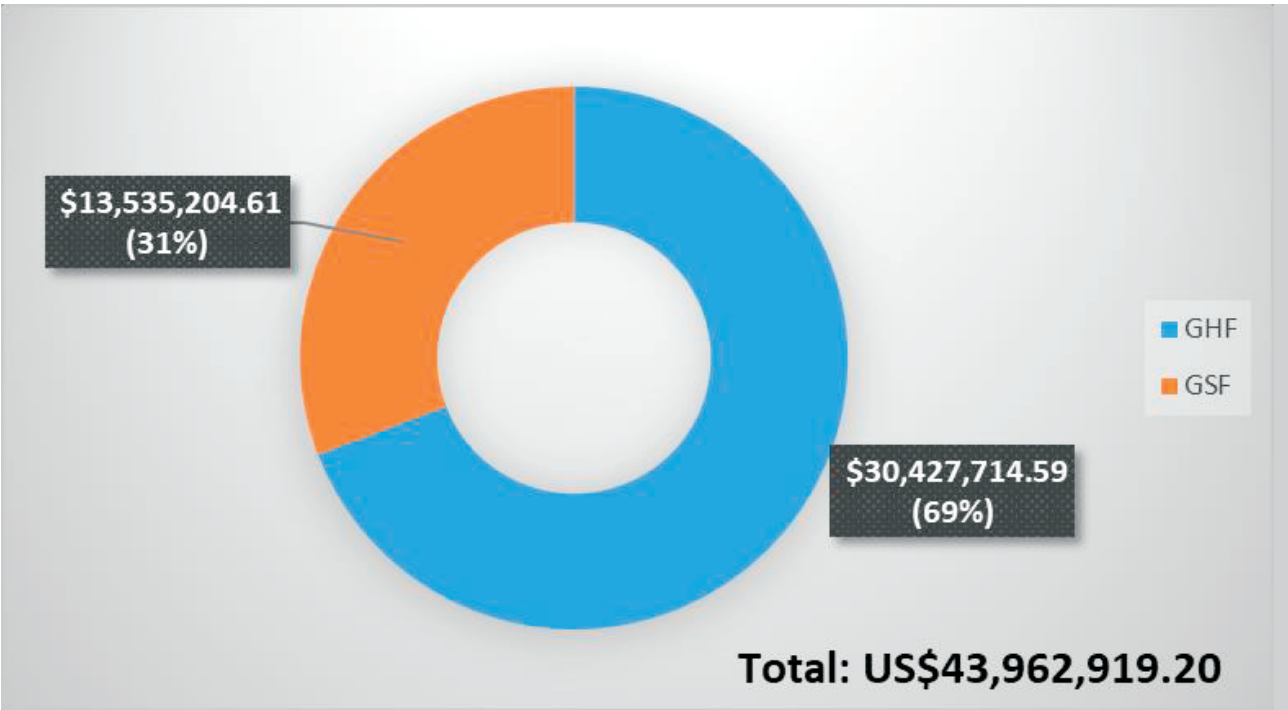


Figure 25: Net Realised Income on the Ghana Petroleum Funds since Inception
Source: PIAC’s Construct from BoG Figures

Illustrated in Figure 26 is the total reserves of the GPFs as at the end of 2018 - US\$866.38 million (GHF -US\$485.17 million, GSF - US\$381.20 million). This compares favourably with US\$697.84 million accrued in respect of the 2017 reserve (GHF - US\$344.79 million, GSF - US\$353.05 million), a difference of US\$168.55 million.

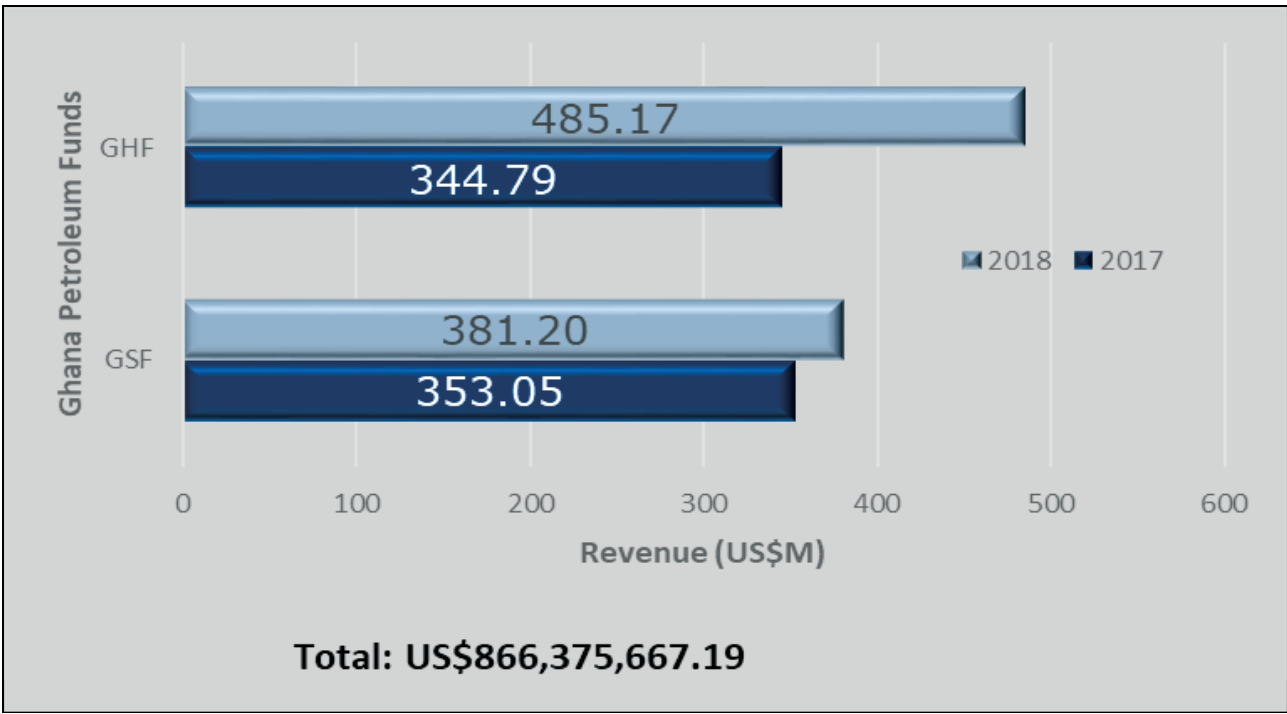


Figure 26: Reserves of the Ghana Petroleum Funds as at December 2018
Source: PIAC’s Construct from BoG Figures, 2018.

Shown in Table 23 below, are details of the Funds.

Table 23: Net Accumulated Reserve of the Ghana Petroleum Funds in US\$

Fund Name	Allocations Since Inception	Realised Income (Nov. 2011 – Dec. 2018)	Total Since Inception	Withdrawals	Closing Value
GHF	454,744,721.45	30,427,714.59	485,172,436.04	-	485,172,436.04
GSF	1,082,276,365.67	13,535,204.61	1,095,811,570.28	(714,608,339.13)	381,203,231.15
Total	1,537,021,087.12	43,962,919.20	1,580,984,006.32	(714,608,339.13)	866,375,667.19

Source: BoG, 2018.

7.1 Ghana Stabilisation Fund

In line with Section 23(4) of the Petroleum Revenue Management Act, 2011 (Act 815) and Section 9 of the Petroleum Revenue Management (Amendment) Act, 2015 (Act 893), the Ghana Stabilisation Fund was capped at US\$300 million per the 2018 Budget Statement and Economic Policy.

During the period under review, US\$ 283,972,853.21, which was the excess over the cap, was transferred to the Sinking Fund (for debt repayments) in accordance with Section 23(3) of Act 815. The excess over the cap as at

31st December 2018 (yet to be transferred to the Sinking and/or Contingency Fund) stood at US\$81,203,231.15.

There was no withdrawal to shore up the budget as the ABFA projection of US\$235.10 million was fully met.

The closing amount in the Ghana Stabilisation Fund as at the end of 2018 was US\$381.20 million as shown in Figure 22 and the Statement of Account in Table 24, with Table 26 illustrating the caps and withdrawals from the Ghana Stabilisation Fund since inception.

Table 24: GSF Statement of Account for 2018

	US\$
Opening Book Value (1 Jan 2018)	353,052,037.36
Receipt During The Period	305,723,402.02
Bank Charges	(9,048.10)
Realised Income	6,409,693.09
Withdrawal	(283,972,903.21)
Closing Book Value (31 Dec 2018)	381,203,181.15
Net Income for the Period Comprised:	
Income	
Investment Income	6,409,693.09
Less:	
Bank Charges	(10,249.18)
Net Return for the Period	6,400,644.99

Source: BoG, 2018

Table 25: Caps and Withdrawals from the GSF since Inception

Year	Cap	Amount Withdrawn/ Excess	Contin- gency Fund	Sinking Fund	ABFA	Comment
2014	250,000,000	H1=176,491,336.87	H1=17,433,144	H1=159,058,193.47		Capping
		H2=129,193,351.533		H2=129,193,351.53		
2015	H1=150,000,000	H1=53,685,578.98	-	-	53,685,579	Q1 shortfall
		H2=173,755,072.85	H2=71,265,218.54	23,755,072.85	47,510,146	Capping
2016	200,000,000	-	-	-	-	Cap not attained
2017	-	-	-	-	-	No Cap in H2
2018	300,000,000	H1=77,681,757.41 (Ex=128,662,005.06)		H1=77,681,757.41	-	Capping
		H2=206,291,095.81 (Ex=81,203,231.15)		H2=206,291,095.81		
Total		714,608,340.22	41,188,217.00	619,734,544.22	53,685,579	
% of Total Withdrawal			5.76	86.72	7.51	

Source: PIAC’s Construct based on BoG’s Data
H1: First half, H2: Second half.

7.2 Ghana Heritage Fund

The closing book value of the Ghana Heritage Fund as at 31st December 2018 was US\$485,172,436.04, as shown in Table 26.

Table 26: GHF Statement of Account for 2018

US\$	
OPENING BOOK VALUE (1 JAN 2018)	344,792,661.86
RECEIPT DURING THE PERIOD	131,024,315.15
BANK CHARGES	(25,306.25)
REALISED INCOME	9,380,765.28
CLOSING BOOK VALUE (31 DEC 2018)	485,172,436.04
NET INCOME FOR THE PERIOD COMPRISED THE FOLLOWING	
INCOME	
INVESTMENT INCOME	9,380,765.28
LESS:	
BANK CHARGES	(25,306.25)
NET RETURN FOR THE PERIOD	9,355,459.03

Source: BoG, 2018.

7.3 The Ghana Petroleum Holding Fund (PHF)

The Petroleum Holding Fund (PHF) at the end of 2018 held a balance of US\$226,470.77, which comprised interest on undistributed funds amounting to US\$26,470.77, and a mandatory balance of US\$200,000.

Findings:

1. Out of the US\$714.81 million withdrawn from the GSF since inception, US\$41.19 million (5.76%) went into the Contingency Fund, US\$619.73 million (86.72%) to the Sinking Fund, and US\$53.69 million to the ABFA (7.51%).
2. Very significant amounts of money was deposited into the Petroleum Holding Fund in 2018, with the Heritage Fund receiving US\$131.02 million, and the Ghana Stabilisation Fund, US\$305.72 million.
3. The total reserves of the Ghana Petroleum Funds as at the end of 2018 was US\$866.38 million, comprising the Ghana Heritage Fund with US\$485.17 million, and the Ghana Stabilisation Fund with US\$381.20 million.
4. The accumulated net profit on investment of the GPFs since November 2011 to the end of 2018 was US\$43.96 million.
5. An amount of US\$283.97 million, being the excess over the cap of US\$300 million placed on the GSF, was transferred to the Sinking Fund for debt repayment in 2018.

ALLOCATION AND UTILISATION
OF THE ANNUAL BUDGET
FUNDING AMOUNT

8.0

The Ministry of Finance states in its 2018 Reconciliation Report that the Mid-year Budget revised the 2018 ABFA slightly upwards to GH¢1,560,673,409. The opening balance of the ABFA account according to the Report was GH¢400,914,441. The actual ABFA receipts during the year under review was GH¢1,079,031,436.26. According to the Ministry, a total of GH¢827,653,566.25 (US\$235,103,316.20), representing 38.74 percent increase over the 2017 amount of GH¢736,030,484.74 (US\$169,458,674.12), was spent during the year, bringing the total unspent ABFA to GH¢655.12 million as at the end of December 2018.

Out of the total disbursement to the ABFA for the period under review, 50.87 percent (GH¢421,029,836.64) was spent on goods and services (recurrent expenditure) while 49.13 percent (GH¢406,623,728.61) was spent on Public Investment Expenditure. This is in breach of Section 8(4)(a) of the Petroleum Revenue Management (Amendment) Act, 2015 (Act 893), which requires that for any financial year, a minimum of 70 percent of the ABFA shall be used for Public Investment Expenditure.

Table 27: Disbursement of ABFA to Priority Areas in 2018

No.	Priority Area	Disbursement in GH¢	Percentage
1.	Agriculture	126,185,356.21	15.31
2.	Road, Rail and Other Critical Infrastructure Development	255,365,118.69	30.99
3.	Physical Infrastructure and Service Delivery in Health	22,702,127.91	2.75
4.	Physical Infrastructure and Service Delivery in Education	419,871,012.44	50.95
	Total	824,123,615.25	100.00

Source: PIAC’s construct, 2018 (based on Ministry of Finance Data)

8.1 Agriculture

From Table 27, an amount of GH¢126,185,356.21 (15.31 percent) of the total 2018 ABFA was disbursed to fund projects and programmes under the Agriculture Priority Area. This represents a 157.16 percent increase over that of 2017.

The 2018 disbursements went to the Planting for Food and Jobs Programme and the Ministry of Fisheries and Aquaculture. The funds that

went to support the Planting for Food and Jobs programme (GH¢124,221,336.51) was used for irrigation projects, warehouses, greenhouse capacity building centres, among others. The Ministry of Fisheries and Aquaculture received an amount of GH¢1,964,019.70, which was spent on the Anomabo Fisheries College, bringing total expenditure on that project as at 31st December, 2018 to GH¢5,625,720.83. Table 28 presents details of the expenditures under the Agriculture Priority Area.

Table 28: Projects Funded by ABFA in the Agriculture Priority Area in 2018

Project Description	Cost (GH¢)	Location (Town/Region)	Status to Completion (%)
Planting for Food and Jobs	124,221,336.51		
Rehabilitation of Link Road Extension Works at Tono Irrigation Project	343,977.68	Tono/Upper East Region	100.0
Irrigation infrastructure at Uwasi in the Upper East Region	5,318,175.90	Uwasi/Upper East Region	100.0
Construction of three (3) greenhouse capacity building training centres	10,320,478.38		66.8
Construction supervision of civil works at Mprumem Irrigation Project	380,831.77	Mprumem/Central Region	
Design & Construction Supervision of Civil Works at Tamne Irrigation Project and Prefeasibility Studies at Kpli Irrigation Project.	210,322.56	Tamne/Upper East Region, Kpli/Volta Region	
Prefeasibility Studies and Design & Construction Supervision at Kamba and Sabare Irrigation Projects	329,237.69	Kamba/Upper West Region,	
Rehabilitation of warehouse and Ancillaries	2,067,849.51		86.0

Rehabilitation of Warehouse with ancillaries at Wenchi and Sunyani in the Brong Ahafo Region	1,173,750.60	Wenchi, Sunyani/Brong Ahafo Region	100.0
Construction of Irrigation infrastructure at Aditrase and Kornorkle in Yilo Krobo, Eastern Region	4,894,322.38	Aditrase, Kornorkle/ Eastern Region	100.0
Rehabilitation of Irrigation Project at Piiyiri	406,945.15	Piiyiri/Upper West Region	72.6
Development of Irrigation Infrastructure at Mprumem in the Central Region	10,712,827.44	Mprumem/Central Region	98.5
Rehabilitation of warehouse with ancillaries at Duase in the Ashanti Region	1,444,843.84	Duase/Ashanti Region	70.0
Design & Construction Supervision of Civil Works at Amate Irrigation Project	308,793.57	Amate/Eastern Region	
Development of Irrigation infrastructure at Uwasi in the Upper East Region	3,587,089.10	Uwasi/Upper West Region	100.0
Construction of Irrigation infrastructure at Tamne in the Upper East Region	10,506,453.22	Tamne/Upper East Region	65.0
Supply and installation of Irrigation solar water pump for YIAP	307,970.00		100.0
Rehabilitation of Zakpalsi & Sakpe irrigation projects	2,847,059.13	Zakpalsi, Sakpe/Northern Region	68.5
Payment for the construction of irrigation infrastructure at Tamne in the Upper East Region (Phase 2)	24,198,372.36	Tamne/Upper East Region	20.1
Development of irrigation infrastructure at Mprumem in the Central Region	6,066,730.26	Mprumem/Central Region	22.0

Construction of water management structures at Odahe Donuaso Valley and Scimp Valley and others	724,668.18		100.0
Development of irrigation infrastructure at Aditrasi and Kornorkle in Yilo Krobo, Eastern Region	715,934.19	Aditrasi, Kornorkle/ Eastern Region	100.0
Construction of 100mt warehouse at Salaga	702,821.57	Salaga/ Northern Region	60.0
Payment for construction of 1000mt warehouse at Bulenga	600,705.45	Bulenga/Upper West Region	32.0
Payment to cover for design & supervision of civil works at Tamne irrigation project	601,792.40	Tamne/Upper East Region	
Payment for construction of 1000mt warehouse at Ashanti Region	567,647.00	Ashanti Region	73.8
Payment for construction of 100mt warehouse at Mankranso	534,113.00	Mankranso/Ashanti Region	59.3
Payment for construction of 100mt warehouse at Nkoranza	489,370.90	Nkoranza/Brong Ahafo Region	31.1
Payment for construction of 100mt warehouse at Busunya	455,546.16	Busunya/Brong Ahafo Region	31.6
Payment for construction of 1000mt warehouse at Fumbisi by Alzak Company Ltd	455,334.75	Fumbisi/Upper East Region	42.0
Construction of 1000mt warehouse at Dormaa Ahenkro	446,391.90	Dormaa Ahenkro/Brong Ahafo Region	31.6
Construction of 1000mt warehouse at Namango	424,094.40		31.0
Payment for construction of 100mt warehouse at Jirapa	412,559.64	Jirapa/Upper West Region	38.5
Payment for construction of 1000mt warehouse at Nkwanta	366,072.75	Nkwanta/Volta Region	56.0

Payment for consultancy service for warehouse in Upper-East and Upper West	374,759.38	Upper East & West Regions	52.0
Construction of 1000mt warehouse at Bussie	362,204.10	Bussie/Upper West Region	44.3
Construction of 1000mt warehouse at Charikpong	350,947.48	Charikpong/Upper West Region	31.1
Consultancy service for warehouse in Ashanti Region	354,295.00	Ashanti Region	50.0
Payment for construction of 1000mt warehouse at Nangodi	277,924.95	Nangodi/Upper East Region	23.0
Payment for consultancy service of 1000mt warehouse in Northern Region	231,968.89	Northern Region	25.0
Consultancy service for warehouse in Northern Region	219,922.00	Northern Region	50.0
Construction of 1000mt warehouse at Denugu	205,756.47	Denugu/Upper East Region	26.4
Consultancy service for warehouse in Brong Ahafo Region	137,456.79	Brong Ahafo Region	30.0
Consultancy service on construction in the Volta Region	131,974.53	Volta Region	32.0
Consultancy services for the construction of various works under MoFA for Volta Region	82,786.98	Volta Region	10.0
Fisheries and Aquaculture Inputs and Infrastructure	1,964,019.70		
Payment for work done on 2 storey hostel block for the Fisheries College at Anomabo	322,071.11	Anomabo/ Central Region	65.0
Construction of three storey lecture block at Anomabo	732,723.94		65.0
Construction of 2 storey administration block at Anomabo Fisheries College	481,041.16		80.0
Construction of Fisheries College at Anomabo 2 storey laboratory block	428,183.49		70.0

8.2 Road, Rail and Other Critical Infrastructure Development

This priority area received from the ABFA an amount of GH¢255,365,118.69 for 2018 representing 31 per cent of the total ABFA for the period under review. This represents a 513.59 per cent increase over the 2017 distribution. This distribution in 2018 was for capital investment purposes on road infrastructure, the Infrastructure for Poverty Eradication Programme (IPEP), and railway infrastructure. Details of projects, programmes and other related expenditures under this priority area are provided in Table 29.

Table 29: Projects funded by the ABFA under the Road, Rail and Other Critical Infrastructure Development Priority Area

Project Description	Cost GH¢	Location Town/Region	Status of Completion %
Road Infrastructure	197,041,142.63		
Construction of Steel Bridge over River Akora AgonaNsaba Agona Nkran Feeder Roads	926,924.99	Central Region	100.0
Construction of Steel bridge No. AR/A/05 over River Afram on Drobonso -Dawa Feeder Road	1,026,160.49	Ashanti Region	57.7
Construction of walk way along DansomanHighway	282,786.22	Greater Accra Region	97.9
Construction works on the FufulseSawla road project	39,864.57	Northern Region	100.0
Accra - Kumasi Highway Dualization Project- Kwafokrom-Apedwa	32,665,551.26	Eastern Region	65.0
Accra - Kumasi Highway Dualization Project- Kwafokrom-Apedwa	14,000,000.00		65.0
Accra - Kumasi Highway Dualization Project- Kwafokrom-Apedwa	6,977,912.74		65.0
Rehabilitation of Obogu-Ofoase-Gyadem-Bodwesango-Adansi Asokwa Road	15,280,481.86	Ashanti Region	64.0
Construction of steel bridge over River Kudage along Sombisi-Tantala Road on Wa-Walewale Road	656,131.06	Upper West Region	80.0
Rehabilitation of Agona Junction-Elubo Road	6,000,000.00	Western Region	50.0
Compensation payment to affected persons of project; Accra Kumasi Highway Dualization project site	12,969.00		100.0

Compensation payment to affected persons of project; Rehabilitation of Assin Praso -Anwiankwata Road	325,173.22	Central Region	100.0
Compensation payment to affected persons of project; construction of Ho Town Road	13,344.00	Volta Region	100.0
Compensation payment to affected persons of project; Kumasi - Konongo Road project	159,937.80	Ashanti Region	100.0
Compensation payment to affected persons of project; Accra Kumasi Highway Dualization project - lot 6 Apedwa - Nsawam	6,160.00	Eastern Region	100.0
Compensation payment to affected persons of project; Accra Kumasi Highway Dualization project - lot 6 Apedwa - Nsawam, Nsawam bypass section, including bridges	150,271.52	Eastern Region	100.0
Compensation payment to affected persons of project; Rehabilitation of Pantang- Mamfe Road Project	215,931.50	Eastern Region	100.0
Payment of work done in respect of Bitumen Surfacing of Kakpagyili-Yong	2,377,935.14	Northern Region	94.0
Payment of Interest on Delayed Payment in respect of construction of steel bridge	29,444.22		100.0
Interest on Delayed payment and Final Retention for the Construction of Steel Bridge on Torya Jn-Torya Feeder Roads	175,253.66		100.0
Interest on Delayed Payment and Final Retention for the construction of Steel Bridge at Kutukrom Sikaeasem Feeder Road	129,908.47	Western Region	100.0
Payment of Interest on Delayed payment & Final Retention in respect of the Construction of Steel Bridge on Nkinkensu-Benda Nkwanta & Wassa Akropong-Adansi f/Rs/Bridge	326,221.53	Ashanti Region, Western Region	100.0
Payment of work done in respect of Bitumen Surfacing of Mile 82 - Bodi Feeder Roads	9,992,126.84	Western Region	100.0

Consultancy services for the traffic survey on trunk roads zone 3 in the Central and Western Regions	37,611.52	Central and Western Regions	50.0
Road line markings and traffic signs on Mamfe -Adawso -Koforidua	7,135.02	Eastern Region	100.0
Payment of work done in respect of the Construction of Steel Bridge over River Kosin on Bui -Zanlerigu Feeder Roads	662,995.72	Northern Region	76.8
Rehabilitation of selected roads in the South Cape Coast Metropolitan Area	856,099.98	Central Region	55.8
Partial reconstruction of Have - Kpando Road (10km)	436,498.72	Volta Region	67.8
Upgrading of Effiduase - Senchi - Juansa Road	654,915.58	Ashanti Region	19.5
Upgrading of Tumu - Gwollu Hamile Road	1,772,440.49	Upper West Region	35.2
Rehabilitation of selected roads in Upper East Region	3,514,300.05	Upper East Region	95.1
Rehabilitation of selected roads in Upper East Region (Bolga - Bongo, Winkongo - Tongo)	3,497,157.00	Upper East Region	95.1
Construction of Ho - Fume	5,470,696.28	Volta Region	72.7
Emergency works for the upgrading of Sogakope - Adidome Road	4,005,350.47	Volta Region	99.3
Continuation of rehabilitation of Anyinam - Konongo road / Nkawkaw Atibie	7,932,988.42	Eastern Region	33.0
Work done in respect of Bitumen Surfacing of Shama Town Roads	2,854,325.32	Western Region	64.6
Upgrading of Bitumen Surfacing of Esiam Town Roads	18,380.08		100.0
Dualization of Kansawurodo bypass Phase 2	1,941,685.35		100.0
Partial reconstruction of Fijai bypass Phase 1	655,262.67		100.0

Dualization of Kansawurodo bypass Phase 2	264,492.82		100.0
Upgrading of Atebubu Kwame Danso Kojokrom Road Phase 2 ; Boadinka Kojokrom Road	2,892,155.53	Brong Ahafo - Western Regions	16.0
Bitumen Surfacing of Tuobodom - Ofuman Feeder Roads Phase II & others	8,379,619.84	Brong Ahafo Region	54.8
Construction of Steel Bridge on Menji Bui Trunk Feeder Roads	349,010.84	Brong Ahafo Region	52.8
Payment for work done, Half Retention, Final Retention & Interest on Delayed Payment in respect of Surfacing of Amantena Junction - Wiawso Feeder Roads	450,158.24	Western Region	100.0
Payment for work done in respect of bitumen surfacing of New Tafo - Nobi - Samlesi - Anwiabeng Feeder Roads	736,688.43		47.7
Upgrading of Kade - Wenchi - Akim - Oda	430,042.43	Eastern Region	39.5
Emergency road rehabilitation works in Accra - Rehabilitation of Dansoman main road and selected collectors, Nima Highway, Dadeban and Palace Street	286,415.36	Greater Accra Region	95.7
Resealing of Kpone, Ashiaman, Tema Community 5 area roads	1,224,452.89	Greater Accra Region	100.0
Payment of work done in respect of Rehabilitation of Ainyinase Junction - Kwesikrom Feeder Road	149,399.80	Western Region	45.7
Resealing/partial reconstruction of Mankessim - Abura Dunkwa Road (Rhino Stud)	210,847.45	Central Region	100.0
Rehabilitation of North Ofankor Area Roads Phase 1	42,457.28	Greater Accra Region	57.2
Surfacing of SDA - Sakora last stop and School Road - Adenta Phase 1	42,037.34	Greater Accra Region	100.0
Resealing works on selected roads in Osu Clottey sub - metro Phase 1	11,854.25		100.0

Rehabilitation of North Ofankor area roads Phase 14(0./0km) - Lot 1	584,297.19		100.0
Resealing works on selected roads in Osu Clottey sub - metro phase 1	72,429.01		100.0
Upgrading of Islamic University link roads, Adentan	584,582.25		100.0
Upgrading of Powerland - Sakora Road, Madina phase 1	893,688.83		77.7
Payment to Plaintiff/ Judgement creditor in respect of Construction of Enchi Dadieso road	4,557,324.34	Western Region	63.8
Rehabilitation of Akatsi Aflao (56km) road Lot 1: Akatsi - Agbozume 31.55km	703,378.70	Volta Region	100.0
Payment of work done & final retention in respect of the construction of steel bridge over River Naakwa on Ajumako Abeamdi - Gomoa Olefleku Feeder Roads	34,618.24	Central Region	63.4
Upgrading of Wa - Bulenga and Wa Dorimon roads	1,315,865.86	Upper West Region	48.8
Payment of final Retention in respect of surfacing of Konongo Town Roads	13,297.74	Ashanti Region	100.0
Payment for work done in respect of the construction of steel bridge over River Biun on Gumbo - Kpanterigo Feeder Roads	237,499.18	Upper East Region	76.3
Reconstruction of Sunyani road in Kumasi	16,142,349.57	Ashanti Region	75.0
Reconstruction of Sunyani road in Kumasi	10,000,000.00	Ashanti Region	75.0
Reconstruction of Sunyani road in Kumasi	1,366,688.86	Ashanti Region	75.0
Work done in respect of construction of steel bridge on Atekyem - Nkawie Feeder Road bridge	190,484.13	Ashanti Region	57.1
Consultancy services for transport and traffic data in Sekondi - Takoradi	94,251.55	Western Region	41.0
Upgrading of selected roads in Kpando Municipality	732,341.34	Volta Region	7.8

Dualization of Kansaworodo bypass, Phase 3	6,962,093.71	Western Region	46.5
Dualization of Kansaworodo bypass, Phase 3	4,592,057.00	Western Region	29.3
Emergency construction of storm drains & some related road works in Accra/ Construction of storm drain at Blue Lagoon, Accra	313,350.82	Greater Accra Region	100.0
Upgrading of Ekye Amanfrom - Dedeso Road	69,634.75	Eastern Region	1.4
Emergency road rehabilitation works in Sunyani Phase 2	293,864.55	Brong Ahafo Region	45.0
Reconstruction of Aviation road, Adenta	4,000,000.00	Greater Accra Region	100.0
Consultancy services for construction supervision of Eastern corridor roads Project, Lots 5 & 6, Oti Damanko - Nakpanduri Section (209.2km)	625,056.40	Volta - Northern Regions	40.0
Construction supervision of Eastern Corridor roads project, lots 5 & 6, Oti Damanko - Nakpanduri section (209.2km)	143,894.73	Northern Region	40.0
Partial reconstruction of selected roads in Mempeasem (1.5km) Lot 6	864,812.38	Greater Accra Region	62.0
Transport traffic data collection in Koforidua municipality	95,316.24	Eastern Region	90.0
Infrastructure for Poverty Eradication Programme	22,770,830.91		
Payment for ten No. 1,000 metric tonnes of grain warehouses in the Northern zone districts under IPEP at Tamale 1, and 2, Tolon, Kumbungu Buiepe and Yendi Communities	4,397,951.95		40.0
Payment for five 1000 metric Tonnes of grain warehouses in the Middle zone districts under IPEP at Adujan (Ejura) Kofiasi (Asaam), Drobonso, Kumawu and Tepa Communities	3,597,641.38		56.8
Payment for design and construction supervision fees (40%) of fifty 1,000 metric tonnes pre-fabricated grains warehouses across the country	3,152,715.97		40.0

Payment for ten 1000 metric Tonnes of grain warehouses in the Northern zone districts under IPEP at Sandema, Paga, Bawku and Pusiga Communities.	2,649,764.07		55.0
Payment for construction of ten 1000 metric Tonnes of grain warehouses in the Coastal zone districts under IPEP at Ho, Hohoe, Mpraeso and Kasoa Communities	2,378,795.73		25.2
Payment for ten 1000 metric Tonnes of grain warehouses in the Northern zone districts under IPEP	2,292,097.50		68.7
Payment for construction of ten 1000 metric Tonnes of grain warehouses in the Northern zone districts under IPEP at Tamale 2, Tolon, Kumbungu, Buipe, Yendi, Sandema, Paga, Bawku and Pusiga Communities	1,994,112.52		89.8
Payment for ten 1000 metric Tonnes of grain warehouses in the Northern zone districts under IPEP at Tamale 2, Tolon, Kumbungu Buipe, Yendi, Sandema, Paga, Bawku and Pusiga Communities	1,397,287.99		76.5
Payment for construction of ten 1000 metric Tonnes of grain warehouses in the Coastal zone districts under IPEP at Ho	644,024.70	Volta Region	11.7
Payment for construction of twelve 10-Seater Water Closet Toilets at Daboya Makarigu, Karaga and Tatale Sanguli Constituencies.	266,439.10	Northern Region	35.0
Rail Infrastructure	35,553,145.15		
Work done on the modernization of the location workshops complex and the training school at Ghana Railways Company Limited	3,480,834.86	Western Region	100.0
Work done on the modernization of the location workshops complex and the training school at Ghana Railways Company Limited	4,032,194.56	Western Region	100.0
Expenses incurred for the payment of duties, taxes, and demurrage charges for the clearance of foundry materials from Tema Port	155,152.89		100.0

Payment for the supply of office equipment and air -conditioners	33,990.00		100.0
Work done on the modernization of the location workshops complex and the training school of the Ghana Railways Corporation Limited	1,576,272.45	Western Region	100.0
Rehabilitation of office building	147,320.90		100.0
Rehabilitation of the Kojokrom Tarkwa railway lines (narrow gauge)	7,006,400.00	Western Region	50.0
Refund of various expenses incurred on the Kojokrom - Tarkwa rehabilitation works	117,490.00	Western Region	100.0
Supply of sixty thousand treated wooden sleepers for the rehabilitation of Accra - Nsawam railway line (narrow gauge)	11,168,040.00	Greater Accra Region	39.0
Supply of (36,000) cubic meters of ballast for the rehabilitation of the track works for the Accra - Nsawam railway line	3,426,088.00	Greater Accra - Eastern Regions	100.0
Refurbishing and furnishing of the office annex of the Ministry	17,378.25	Greater Accra Region	100.0
Refurbishment of conference room and reception of the Ministry	28,035.50	Greater Accra Region	100.0
Ancillary works on the modernization of the location workshops complex and the training school of Ghana Railways Corporation Limited	3,020,554.06		75.0
Modernization of location workshop and training institute, Sekondi	829,548.13	Western Region	99.9
Modernization of the location workshops complex and the training school of the Ghana Railways Corporation Limited	381,550.88	Western Region	100.0
Payment for ICT equipment supplied	81,730.50		100
Supply of laptops	22,650.00		100
Supply of desktops scanners	21,347.30		100
Supply of mercury elite 850va ups	6,566.87		100

Source: PIAC's construct, 2018 (based on Ministry of Finance data)

8.3 Physical Infrastructure and Service Delivery in Education

This priority area received from the ABFA an amount of GH¢419,871,012.44 for the period under review. This represents an increase of 107.47 per cent over that of 2017.

The distribution to Education in 2018 to the Free Senior High School Programme (goods and services) was 98.75 percent while 1.25 percent was on educational infrastructural facilities (Public Investment Expenditure).

Table 30: Projects under the Infrastructure and Service Delivery in Education Priority Area

Project Description	Cost in GH¢	Location Town/Region	Status of completion %
Education Infrastructure	5,227,662.79		
Construction of one 6-unit classroom block at Berekum M/A Basic School	148,918.50	Berekum/Brong Ahafo Region	100.0
Construction of 3-unit classroom block at Tanoso D/Aprimary and 6 unit classroom block at Sefwi Anwiaso Anglican Primary.	359,182.22		100.0
Construction of 6 unit classroom block at Kanvil Tunayili Primary School	163,014.56	Northern Region	100.0
Construction of 6 unit classroom block at Adawu-Mensah-Sefwi Akontombra	171,757.80	Sefwi - Akontombra/ Western Region	100.0
Construction of 6 - unit classroom block at Baniekrom D/A Primary	141,489.00		40.0
Construction of 6 - unit classroom block at Adwunmakase	110,237.34		56.0
Construction of 6 - unit classroom block at Adeankyen	61,374.20		60.0
Construction of 6 - unit classroom block at Odumase	221,608.80		75.0
Reconstruction/rehabilitation of 40 collapsing Basic Schools	224,695.32		80.0

Construction of 3 - unit classroom block at Torve R/C Primary	104,328.72		70.0
Construction of 3 - unit classroom block at Amanase Aboabo JHS and Owusu Wawase D/A primary	272,946.49	Amanase/Eastern Region	40.0
Reconstruction /rehabilitation of dilapidated basic school structures across the country	60,490.89		80.0
Construction of Kindergarten block at Ahinkofi Primary	81,507.60		100.0
Reconstruction/rehabilitation of 40 collapsing Basic Schools structures	101,493.44		80.0
Construction of 6 unit classroom block at Adawu Mensah D/A Primary	179,128.44		100.0
Construction of 3 - unit classroom block at Amanase Aboabo D/A Primary & 6 unit classroom block at Owusu Wawase D/A Primary	475,374.00		90.0
Reconstruction/rehabilitation of forty dilapidated Basic School structures across the country	209,995.80		50.0
Reconstruction/rehabilitation of forty dilapidated basic school structures across the country, Bawku	72,655.29	Upper East	40.0
Construction of 3 - unit classroom block & rehabilitation of 6 unit, 4 unit classroom blocks in the Bawku Municipality	274,821.25	Upper East	95.0
Construction of 6 - unit classroom blocks in Lower Manya and Yilo Krobo district	324,462.61	Manya & Yilo Krobo/Eastern Region	75.0
Construction of six - unit classroom block	324,102.51		95.0
Construction and rehabilitation of 6, 4 and 3 unit classroom blocks in Bawku Municipality	260,585.20	Upper East	60.0

Payment for 6 - unit classroom block at Sikafremogya D/A Primary School in the Bia East District of the Western Region	145,539.90	Western Region	60.0
Construction of 3 - unit classroom and 6 - unit classroom blocks at Bawku Municipality	132,014.84	Upper East	40.0
Reconstruction/rehabilitation of 3 - unit classroom block at Torve R /C Primary school in the Akatsi South District of the Volta Region	125,763.11	Volta Region	100.0
Payment for construction works of basic school classroom block	125,485.07		95.0
Rehabilitation of 6 - unit classroom block at Akyease Primary in the Bia East District	115,774.46	Western Region	20.0
Construction and Rehabilitation of 3- unit classroom block in the Wa East District	95,114.85	Wa/ Upper West Region	25.0
Construction and Rehabilitation of 6- unit classroom block at Wa	73,410.57	Wa/ Upper West Region	15.0
Construction of kindergarten block in Effia Kwesimintsim	70,390.01	Effia - Kwesimintsim/ Western Region	100.0
Free SHS Policy	414,643,349.65		
Second tranche payment for the implementation of Free SHS	100,000,000.00		
Payment for free SHS for 3rd term 2017/2018 academic year	314,643,349.65		

Source: PIAC's construct, 2018 (based on Ministry of Finance data)

8.4 Physical Infrastructure and Service Delivery in Health

This priority area received an amount of GH¢22,702,127.91 being 2.75 percent of the total ABFA for the year 2018. This represents 162.14 percent increase over that of 2017 (2.61 percent).

Table 31: Projects under the Infrastructure and Service Delivery in Health Priority Area

Project Description	Cost GH ¢	Location of project	Status of completion
Health Infrastructure	22,702,127.91		
Construction and completion of office complex for the Association of Regulatory Bodies at Ridge, Accra	3,705,625.00	Greater Accra	45.7
Construction of CHPS compound at Lito in the Central Gonja district	32,583.32	Nort hern Region	60.0
Construction of 4 - unit classroom block and female hostel at Agogo	30,229.03	Ashanti Region	80.0
Construction of CHPS compound at Hofedo	32,498.86		38.0
Construction of health centres at Asawinso - Western Region	18,635.30	Western Region	21.0
Construction and completion of office complex for Association of Regulatory Bodies - Ridge	6,881,875.00	Greater Accra	54.6
Constru ction of CHPS compound at Suke in the Lambussie Karni District	21,420.25		70.0
Construction of CHPS compound at Alavanyo Dzogbed	75,666.17	Volta Region	100.0
Construction of CHPS compound at Tunayil I	82,790.00		90.0
Remodelling and expansion of Eggu Health Centre in the Wa West District	88,424.85	Upper West Region	40.0
Remodelling and expansion of Charikpong Health Centre - Nadowli District	90,291.82		85.0
Construction of health centre at Sepe	59,113.14		65.0

Remodelling and expansion of Gurunga Health Centre	65,015.46		60.0
Construction of CHPS compound at Prestea Huni Valley District	10,714.20	Western Region	46.0
Remodelling and expansion of Vieri CHPS compound to clinic - Wa West District	70,202.98	Upper West Region	90.0
Construction of office complex for the Ministry of Health	5,195,585.24	Greater Accra Region	69.2
Works done on the emergency centre at Komfo Anokye Teaching Hospital	1,000,000.00	Ashanti Region	100.0
Construction of health centre at Mempeasem	728,235.58		18.3
Renovation of the community clinic at Vakpo	417,004.66	Volta Region	98.0
Construction of CHPS compound at Koforidua - Ashanti Region	396,845.05	Ashanti Region	45.0
Construction of CHPS compound at Akyem Mampong-Eastern Region	391,393.81	Eastern Region	20.0
Construction of CHPS compound at Amakrekrom - Brong Ahafo Region	389,175.96	Brong Ahafo Region	20.0
Construction of CHPS compound at Antwirifo in the Brong Ahafo Region	386,749.44		10.0
Construction of CHPS compound at Kofiasu in the Brong Ahafo Region	384,353.77		15.0
Construction of CHPS compound at Wiaboman in the Greater Accra Region	380,183.97	Greater Accra Region	10.0
Construction of CHPS compound at Tiawia in the Eastern Region	373,768.26	Eastern Region	19.0
Construction of CHPS compound at Tetegu in the Greater Accra Region	372,606.90	Greater Accra Region	10.0
Construction of CHPS compound at Ahankrasu in the Eastern Region	361,925.74	Eastern Region	25.0

Construction of CHPS compound at Akaaso in the Western Region	338,472.34	Western Region	35.0
Construction of CHPS compound at Nuanua in the Assin South District	99,063.13	Central Region	100.0
Construction of CHPS compound and pavilion at Dubila and Katanga in the Bolga Municipality	74,925.56	Upper East Region	43.0
Construction of CHPS compound at Kuro in the Kadjebi District	70,752.39	Volta Region	100.0
Consultancy services rendered on the construction of Nsawora Health Centre	39,098.39	Western Region	100.0
Construction of CHPS compound at Boikrom in Ahanta West District	36,902.34	Western Region	95.0

Source: PIAC’s construct, 2018 (based on Ministry of Finance data)

8.5 The Public Interest and Accountability Committee

The Public Interest and Accountability Committee (PIAC) received from the ABFA an amount of GH¢3,529,951.00 for the year 2018. This disbursement to PIAC is 162.43 per cent higher than the disbursement to PIAC for the year 2017. The significant increase in the disbursement was to enable PIAC acquire a permanent office accommodation.

Table 32: Disbursements to PIAC

Public Interest and Accountability Committee	
Transfers to the Public Interest & Accountability Committee to carry out its operations	1,000,000.00
Transfers to the Public Interest & Accountability Committee to carry out its operations	1,250,000.00
Transfers to the Public Interest & Accountability Committee to carry out its operations	1,279,951.00
Total	3,529,951.00

Source: PIAC’s construct (based on Ministry of Finance data)

8.5 Unutilised Annual Budget Funding Amount

In the year under review, the government programmed GH¢1.55 billion as ABFA expenditure for 2018, and indicated that it included the GH¢403 million (now GH¢440 million as a result of exchange rate gains), being the outstanding balance from 2017.

PIAC's analysis reveals that the GH¢1.55 billion was exactly 70 percent of the net petroleum revenues, in line with the provisions of Act 815, hence, could not have included the GH¢440 million. The Ministry indeed, confirmed this in a meeting with PIAC held on April 18, 2019, where it explained that because the 2018 budget was presented in September 2017, and the GH¢440 million had been approved by Parliament for spending in that year (2017), it couldn't have been included in the 2018 budget for Parliamentary approval. However, in detailing out the programmed expenditure in respect of the GH¢1.55 billion, the Ministry included the GH¢440 million balance from 2017.

The Ministry's initial representation of the data was misleading, and attempted to create the impression that the GH¢440 million unspent amount from 2017 had been duly accounted for.

Subsequently, the Ministry has agreed that, the GH¢440 million remains outstanding from 2017 and will be brought forward into the 2019 budget for Parliamentary approval before it is spent.

The period under review has also recorded an unspent ABFA of GH¢252 million, which when added to the unspent balance of 2017, brings the total unspent ABFA to GH¢652,292,311.00

8.6 Compliance with the Petroleum Revenue Management Act (PRMA)

Section 21 (4)(a) of the Petroleum Revenue Management (Amendment) Act, 2015 (Act 893) requires that a minimum of seventy percent of the ABFA be used for Public Investment Expenditures in any financial year. Spending 50.87 percent on goods and services (recurrent expenditure) is in violation of the letter and spirit of this provision of the PRMA.

It is worthy of note that in the year 2017, 63.27 percent of the ABFA was spent on recurrent expenditure with the remaining 36.73 percent going to capital investments. This means that the breach in year 2018 is the second by the Government. PIAC observes that the provision was complied with in terms of programming, but not during actual expenditure.

Section 48 (2)(b) of Act 815 requires of the Minister for Finance a report describing the stage of implementation of the programmed activities funded by and the expenditures incurred on the activities by the ABFA in the financial year of the Report. This provision was breached from 2011 to 2016. However, since 2017, there has been an attempt by the Ministry to comply by providing percentage indications of stage of completions of projects. However, the attempt does not adequately respond to the requirement, which is to "describe". This is important because the interpretation of the percentage of completion can be subjective and difficult to understand.

Findings

1. An amount of GH¢1,079,031,436.26 was allocated to the ABFA from the

PHF. However, GH¢827,653,566.25 was spent, representing 76.7 percent utilisation, compared to 2017, when GH¢736,030,484.74 was allocated and GH¢332,293,648.05, representing 45.2 percent, spent.

2. The Agriculture Priority Area received an amount of GH¢126,185,356.21, representing 15.31 percent of the total 2018 ABFA. This represents a 157.16 percent increase over that of 2017.
3. The Road, Rail and Other Critical Infrastructure Development Priority Area received from the ABFA an amount of GH¢255,365,118.69 for the year 2018, representing 31 per cent of the total ABFA, and 513.59 per cent increase over that of 2017.
4. The Physical Infrastructure and Service Delivery in Education received GH¢419,871,012.44, representing 50.95 percent of the total ABFA for the year 2018. This represents an increase of 107.47 per cent over that of 2017.
5. The Physical Infrastructure and Service Delivery in Health Priority Area received an amount of GH¢22,702,127.91, which is 2.75 per cent of the total ABFA, and represents 162.14 per cent increase over that of 2017.
6. The Public Interest and Accountability Committee (PIAC) received an amount of GH¢3,529,951.00 for its activities for the year 2018. This disbursement is 162.43 percent higher than that of 2017. The significant increase in the disbursement was to enable PIAC acquire a permanent office accommodation.

9.0

GNPC ALLOCATION AND UTILISATION

9.1 GNPC Allocation and Utilisation

Total budgeted income and expenditure for 2018 amounted to US\$356.43 million and US\$926.13 million respectively, leaving a funding gap of US\$569.70 million. This gap will be financed by cash balance of US\$64.89 million brought forward from 2017 and a loan of US\$504.81 million.

9.1.1 Allocation

A total amount of US\$926.13 million was approved by Parliament in support of GNPC's activities. The activities have been grouped under the following:

- ▶ Development and Production Cost
- ▶ Exploration and Appraisal Projects
- ▶ Upstream Debt Management
- ▶ Midstream and Other Projects
- ▶ Non-petroleum Capital Projects
- ▶ Works on landed Properties
- ▶ Security and IT Service Management (ITSM)

Table 33: GNPC 2018 Budget Allocation and Expenditure

2018 GNPC FUNDS REQUIREMENT	2018	2018
	BUDGET	BUDGET
	US\$M	US\$M
INCOME		
JUBILEE - OIL & GAS	133.34	599.63
Equity Financing Cost (Level A)	74.39	334.53
GNPC Share (Level 'B')	36.67	164.90
Gas	22.28	100.19
TEN - OIL & GAS	122.97	553.00
Equity Financing Cost (Level A)	84.55	380.22
GNPC Share (Level 'B')	23.05	103.66
Gas	15.37	69.12

SANKOFA GYE NYAME - OIL & GAS	83.31	374.65
Equity Financing Cost (Level A)	63.63	286.14
GNPC Share (Level 'B')	2.13	9.58
Gas	17.55	78.92
TOTAL OIL AND GAS REVENUE	339.62	1,527.27
TRAINING SUPPORT	9.63	43.31
Training Support	9.63	43.31
MISCELLANEOUS INCOME	7.18	32.29
Rental Income	0.04	0.18
Interest on Short-Term Investments	5.44	24.46
HFO Margin	1.44	6.48
Service to Exploration Companies	0.15	0.67
Miscellaneous Income	0.11	0.49
TOTAL INCOME	356.43	1,602.87
EXPENDITURE		
DEVELOPMENT AND PRODUCTION COST	279.81	1,258.31
Jubilee	92.63	416.56
Tweneboa-Enyenra-Ntomme - DWT	91.15	409.90
OCTP (ENI) Sankofa - Gye Nyame Complex	83.21	374.20
Gas Management	8.60	38.67
SOPCL - Decommissioning	4.22	18.98
EXPLORATION & APPRAISAL PROJECTS	137.59	618.74
Voltaian Basin Project	45.20	203.26
Explorco PA Obligations	92.39	415.48
UPSTREAM DEBT MANAGEMENT	303.17	1,363.36
OCTP Escrow Cash	20.00	89.94
OCTP - Retirement of Accumulated Dev't Cost	150.77	678.01
Remainder on Board	12.40	55.76
WAPCo Interconnection	120.00	539.64
MIDSTREAM & OTHER PROJECTS	68.14	306.43
Tema LNG - Gazprom	2.00	8.99

Takoradi LNG – WAGL	2.00	8.99
Ammonia Fertiliser Project	0.75	3.37
Gas Evacuation Enclave Roads	27.61	124.16
Prestea Sankofa Gold Ltd	24.78	111.44
Marine Patrol Vessels	11.00	49.47
CAPITAL PROJECTS	57.13	256.91
Corporate Offices	30.00	134.91
Research and Technology Centre	15.00	67.46
Works on Landed Property	6.43	28.92
Digital Transformation	5.70	25.63
OPERATING EXPENDITURE	80.29	361.06
Personnel Emoluments	25.03	112.56
Admin Capital	5.21	23.43
General Expenses	17.10	76.90
Sustainability & Local Content Projects	28.95	130.19
Maritime Boundary Secretariat	4.00	17.99
TOTAL EXPENDITURE	926.13	4,164.81
NET POSITION	(569.70)	(2,561.94)

Source: GNPC, 2018.

9.1.2 Expenditure

This component of the Report provides for two expenditure descriptions being developments in support of petroleum production, and the GNPC Foundation.

GNPC received a total amount of US\$286.60 million for the year 2018, comprising the following:

- i. Jubilee Equity Financing (share of development & production cost) – US\$73.80 million
- ii. TEN Equity financing (share of development & production cost) –US\$117.89 million
- iii. Thirty percent share of Carried and Participating Interest (CAPI) of Jubilee crude revenue – US\$53.11 million
- iv. Thirty percent share of Carried and Participating Interest (CAPI) of TEN crude revenue – US\$41.80 million

Cash balance brought forward from 2017 was US\$79.03 million, which when added to the budgeted amount of US\$286.60 million, brought the total cash available for the year to US\$365.63 million. Out of this amount, a total of US\$350.48 million was utilised, leaving US\$15.15 million for pending projects and milestone disbursements (particularly the onshore Voltaian Basin Project).

9.1.2.1 Expenditures in Support of Petroleum Production and Other Projects

A total amount of US\$204.84 million, representing 46 percent of total receipts was spent on GNPC's share of production and development costs. This comprises US\$73.68 million for the Jubilee Field and US\$131.16 million for the TEN Field.

An amount of US\$47.47 million representing seventeen percent (17%) of the total amount was spent on exploration & development projects and funding of the Maritime Boundary Secretariat activities. This records an increase of US\$24.04 million over the previous year's expenditure. Costs incurred under petroleum exploration and development included other projects such as the Offshore Cape Three Points and the Voltaian Basin Petroleum projects.

Following Ghana's maritime boundary dispute with La Cote d'Ivoire, government took the step of engaging with Togo over the Eastern Border. While this is commendable, GNPC's recurrent expenditure on the Maritime Boundary Dispute continues to raise issues with the Corporation's institutional roles and responsibilities. Ghana has a Boundary Dispute Commission charged with the responsibility to address boundary-related grievances and disputes.

9.1.2.2 Staff and Administrative Cost

Nine percent (9%) of receipts amounting to US\$24.29 million was spent on staff

remuneration and technical support services as opposed to the previous year, where this expenditure represented eight percent (8%) of receipts. Administrative expenditure amounted to US\$6.69 million, representing two percent (2%) of the total allocation to the Corporation and a US\$6.01 million increase compared with the previous year.

9.1.2.3 Capital Projects

An amount of US\$13.01 million, constituting five percent (5%) of total receipts was allocated for refurbishment of the Corporation's landed properties in Accra, Tema and Sekondi-Takoradi as well as an ICT system upgrade, representing a US\$5.1 million increase compared to 2017.

9.1.2.4 General Operating Expenditure

An amount of US\$43.91 million, constituting 15 percent of the total budget was expended on operations. This covered insurance, utilities, corporate social responsibility, corporate travels, communication expenses, etc. This indicates an increase of US\$30 million compared to the previous year.

9.1.2.5 Decommissioning Projects

An amount of US\$1.42 million was spent on the Saltpond Field decommissioning programme. The Saltpond Field is currently at the pre-decommissioning stage for which a procurement process for the award of consultancy is near completion.

9.5.2.6 Downstream Projects

A total amount of US\$4.70 million was expended on gas management service and capacity charge to the West Coast Gas Ghana Limited.

9.1.2.6 Western Corridor Roads

An amount of US\$4.14 million, representing one percent (1%) of total receipts, supported the construction of the Western Corridor Roads. This expenditure was a request on GNPC by the government to assist the construction of key roads within the Western Corridor financially, in order to facilitate the evacuation of gas from the Ghana Gas Company at Atuabo. A similar request made on GNPC by government for a US\$50 million loan advance, remains unpaid.

Update on the reimbursement of the US\$50 million advance to the Ministry of Finance.

GNPC reports that, on September 7th 2018, the Ministry wrote to inform the Independent Administrator preparing the Ghana 2016 EITI

Report (with the Corporation in copy) that, provision had been made in the 2019 Budget for the settlement of the advance.

The Corporation further reports that, on December 15th 2018, another letter was received from the Ministry asserting that per the Earmarked Funds Capping and Realignment Act, 2017 (Act 947), the Minister for Finance is empowered to cap all earmarked funds at twenty-five percent. Government, according to GNPC, indicated in that communication that it has not retained the Corporation’s flows thus far with the view to offsetting the US\$50 million advance with part of the capped amount of GH¢1.001 billion, and that, the Corporation should expunge the US\$50 million advance from its books.

Table 34: Breakdown of GNPC’s Expenditure under Developments in Support of Petroleum Production and Projects

ITEM	EXPENDITURE AREA	COST (US\$MILLION)
Petroleum Projects	Jubilee TEN	204.84
Exploration and Development	Exploration & Development, projects	47.47
Staff and Administrative Cost	Remuneration cost for Technical and Business support	30.98
Capital Projects	Refurbishment and Upgrade of ICT	13.1
General Operating	Insurance, utilities, corporate social responsibility, corporate travels, communication expenses, professional services, ICT-related cost such as software maintenance, general repairs and maintenance, vehicle repairs & maintenance, etc.	43.91
Downstream Petroleum Projects	Gas management service and capacity charge to West Coast Gas Ghana Limited.	6.12
Decommissioning Projects	The Saltpond Field is currently at the pre-decommissioning stage.	4.14

Western Corridor Roads	Support of construction of key roads within the Western Corridor in order to facilitate the evacuation of gas from the Ghana Gas Company at Atuabo.	4.14
TOTAL		354.7

Source: PIAC construct, 2018 (based on GNPC Data)

9.1.2.7 GNPC Foundation

The GNPC Foundation has replaced the GNPC Oil and Gas Learning Foundation, established in 2012. The new foundation is registered as a company limited by guarantee, with a sole purpose of administering the corporation’s social investment strategy and programmes. The new GNPC Foundation has a broader scope and mandate for Corporate Social Investments (CSI), based on three key thematic areas of support to stakeholder communities. These are:

- i. Education and Training;
- ii. Economic Empowerment; and,
- iii. Environment and Social Amenities.

The establishment of this singular vehicle for managing and implementing the Corporation’s social investment strategy, frees it to focus more on its core mandate of exploring and optimising the value of the country’s investment in its hydrocarbon industry.

In 2018, the GNPC Foundation received a total amount of GH¢45,702,285 to cover its projects and operational expenses. The amount was derived from two funding streams, namely:

- i. GNPC – GH¢39,309,825
- ii. Learning Foundation - GH¢6,392,460

Out of the total amount, GH¢39,458,515 was spent on projects, and another GH¢2,031,270.26 on operational expenses, bringing total expenditure to GH¢41,489,786.17.

In line with its CSI strategy, the Foundation spent its allocated budget on education, health, sanitation, water, and agriculture. Funds were also channelled in support of sports and a sanitation project being undertaken by a Past Students’ Association.

Table 35: Breakdown of the GNPCF's Expenditure for the Period under Review

EDUCATION (GH¢)	GNPC STEM Quiz	377,470.00
	Professorial Chairs	1,205,000.00
Total		<u>1,582,470.00</u>
EDUCATION (GH¢)	Foreign Scholarship	7,158,649.20
	Local Scholarship	8,753,600.00
	Scholarship Application Website	46,090.00
Total (GH¢)		<u>15,958,339.20</u>
EDUCATION (GH¢)	Supply Of 1000 Mon@Desk-Tolon	57,570.00
	Supply Of 1000 Mon@Desk- Zoggu	57,570.00
	Construction of 80 Bed Capacity Hostel Duaya Nkwanta	178,267.51
	Construction of Science Lab at Bibiani SHS	442,660.19
	Construction of Science Lab at Muslim Mission SHS	443,308.72
	Construction of 6-unit Classroom Block at Abakrampa SHS	235,869.55
	Construction of 6-unit Classroom Block at Adugyama SHS	235,425.47
	Construction of 6-unit Classroom Block at Amaniampong SHS	235,979.29
	Construction of 6-unit Classroom Block at Assin North SHS	235,484.79
	Construction of 6-unit Classroom Block at Bawku SHS	119,350.22
	Construction of 6-unit Classroom Block at Bodamase SHS	236,486.83
	Construction of 6-unit Classroom Block at Bonzo Kaku SHS	134,005.68
	Construction of 6-unit Classroom Block at College of Music	134,005.88
	Construction of 6-unit Classroom Block at Daboase SHS	241,446.13
	Construction of 6-unit Classroom Block at Diaso SHS	242,221.71

	Construction of 6-unit Classroom Block at Dunkwa Offin SHS	134,221.71
	Construction of 6-unit Classroom Block at Dunkwa SHS	101,001.54
	Construction of 6-unit Classroom Block at Dwamena SHS	135,264.98
	Construction of 6-unit Classroom Block at Efutu SHS	101,750.48
	Construction of 6-unit Classroom Block at Frafraha SHS	134,721.10
	Construction of 6-unit Classroom Block at Islamic SHS	119,126.34
	Construction of 6-unit Classroom Block at Kanto SHS	119,126.35
	Construction of 6-unit Classroom Block at Komenda SHS	235,830.25
	Construction of 6-unit Classroom Block at Kpandai SHS	275,399.93
	Construction of 6-unit Classroom Block at Kwabenya SHS	134,600.16
	Construction of 6-unit Classroom Block at Lawra SHS	119,126.34
	Construction of 6-unit Classroom Block at Mabang SHS	236,084.43
	Construction of 6-unit Classroom Block at Mankessim SHS	235,979.36
	Construction of 6-unit Classroom Block at Mankranso SHS	235,808.88
	Construction of 6-unit Classroom Block at Methodist SHS	122,250.70
	Construction of 6-unit Classroom Block at Mpasatia SHS	134,945.70
	Construction of 6-unit Classroom Block at Mpohor SHS	134,127.18
	Construction of 6-unit Classroom Block at Ofoase Kokoben SHS	236,317.25
	Construction of 6-unit Classroom Block at Ofoase SHS	246,089.88
	Construction of 6-unit Classroom Block at Osei Adutum SHS	134,305.78

	Construction of 6-unit Classroom Block at Parkoso SHS	134,398.88
	Construction of 6-unit Classroom Block at QueensGirls SHS	249,845.05
	Construction of 6-unit Classroom Block at Sakafia SHS	134,489.50
	Construction of 6-unit Classroom Block at Sefwi Bekwai SHS	142,637.20
	Construction of 6-unit Classroom Block at Sefwi Wiawso SHS	213,468.15
	Construction of 6-unit Classroom Block at Sekondi College	134,742.36
	Construction of 6-unit Classroom Block at St George Catholic SHS	235,589.37
	Construction of 6-unit Classroom Block at Swedru SHS	134,960.87
	Construction of 6-unit Classroom Block at Tolon SHS	275,639.22
	Construction of 6-unit Classroom Block at Yendi SHS	275,639.04
	Construction of 6-unit Classroom Block at Zebilla SHS	119,350.22
	Construction of 6-unit Classroom Block at Zuarungu SHS	119,350.23
	Construction of 6-unit Classroom Block at Methodist SHS	91,688.06
	Total	<u>8,819,033.17</u>
HEALTH: SUPPORT FOR HEALTH FACILITIES/CAMPAIGNS (GH¢)	Construction of Bibiani College Health	1,674,903.02
	Financial Sponsorship to Andasi Health Service	150,000.00
	Financial Support to KorleBu ICU Unit	1,421,757.35
	GNPC & Claron Health Int . - Eye Screening Campaign	336,385.00
	Project Support to Diabene SHS	60,000.00
	Support to FOCOS	2,880,000.00
	Support to Half Assini Government Hospital	174,610.00
	Sponsorship to PTB Foundation	5,000.00
	Sponsorship support surgery - SKYY Power FM/Cleft Ghana Foundation	
Total (GH¢)		<u>6,767,655.37</u>

SANITATION (GH¢)	Construction Of 24 -Unit Sanitary Facility at Market Nseim	159,358.68
	Construction Of 24 -Unit Sanitary Facility at Market Bompeh	160,047.20
	Construction Of 24 -Unit Sanitary Facility at Market Cape 3 Point	69, 477.99
	Construction Of 24 -Unit Sanitary Facility at Dompase SHS	202,941.38
	Construction Of 24 -Unit Sanitary Facility at Babiani	69,200.51
	Construction Of 24 Unit Sanitary Facility at Akim Ofoase	69,103.48
	Construction Of 24 -Unit Sanitary Facility at Nkroful	69,077.38
	Construction Of 8 -Unit Sanitary Facility at Esikado-Katan	58,263.80
	Construction Of 12 -Unit Sanitary Facility at Asaakae	207,292.95
	Sponsorship for Sanitary Facility at St. Louis Senior High School, being undertaken by the school's Past Students Association- 1993 Year Group.	30,000.00
Total (GH¢)		<u>1,133,996.16</u>
SPORTS (GH¢)	Artificial Soccer Turf With Flood Lighting Wire Fencing At Bekwai SHS	297,633.00
	Artificial Soccer Turf With Flood Lighting Wire Fencing at Dompin Pepesa	698,048.40
	Artificial Soccer Turf With Flood Lighting Wire Fencing at Duayaw Nkwanta	698,576.20
	Artificial Soccer Turf with Flood Lighting Wire Fencing at Effia Kuma	297,883.51
	Artificial Soccer Turf with Flood Lighting Wire Fencing at Suhum	698,135.90
	Sponsorship support to National Sport Authority, Western Region	41,798.00
Total (GH¢)		2,732,075.01

WATER: BOREHOLES (GH₵)	20 Borehole Construction Other Regions	384,000.00
	20 Boreholes Construction Western Region	424,800.00
	60 Borehole Construction Northern, Upper East and Upper West Regions	1,152,000.00
Total (GH₵)		<u>1,960,800.00</u>
AGRICULTURE SUPPORT (GH₵)	Western Deedew Group= Rice Farmers	504,147.00
GRAND TOTAL (GH₵)		<u>39,458,515.91</u>

Source: GNPC, 2018

During the period under review, GNPC undertook some other activities and projects in the Mid-stream segment of the oil and gas value chain.

Table 36: GNPC's Midstream Activities and Projects

Project/Activity Portfolio	Current Status
Prestea/Sankofa Gold Limited (PSGL): GNPC has 90% ownership and GoG - 10%	A restructuring system is in place to revamp the company in readiness for sale
SOPCL Decommissioning Project: The Petroleum Agreement (PA) covering the block was terminated and its assets reverted to GNPC.	GNPC is managing the Platform including the maintenance of skeletal staff. A Decommissioning Plan is in place awaiting Ministerial approval.
GNPC Exploration and Production- (Explorco) It was Incorporated under the Companies' Act in 2012, and is wholly owned by GNPC. The use of Joint Operating Companies (JOC) and Joint Ventures (JV) with strategic partners underpins the company's business orientation.	Management is currently discussing options for achieving operational effectiveness.
GNPC Technip Engineering Services (GTES) This is a Joint Venture between GNPC and Technip Offshore International SAS since 2012 and incorporated 2013. GNPC has 30% ownership and Technip, 70%. However, GNPC has the opportunity to hold majority share by scaling its shareholding up to 21%. The partnership has been in operation since 2012.	Increase effort to help secure contracts in 2018

<p>The Mole National Park: This is the largest wildlife reserve in Ghana covering 4,577 square kilometres of land space. GNPC has 60% ownership and the Wild Life Division of the Forestry Commission, 40%. The Park, the “green” image of GNPC, is a one-star facility, but recommended for three-star facility.</p>	<p>US\$200,000 was lent to upgrade the Mole Motel into a three-star facility in line with an evaluation outcome.</p> <p>There is a Plan in place to source strategic partners/investors to revamp the facility.</p>
<p>Valley Farms Limited. This was incorporated in 1987 to undertake the cultivation of cocoa beans and processing. The plantations are located in three different locations - Assin Nsuta, Enchi Nyankoman, and Dadieso with a total 3,577.7 acres. Less than half of the plantation is under cultivation. Merban Investment Holding (23.34 %) holds GNPC's Ownership. J. W Wilson holds 68.54%, E.K. Mensah holds 3.69%, Allan Beals holds 2.95%, and E.R Ofori, 1.47%</p>	<p>Farm valuation conducted by Valuation and Development Services Limited in 2015 indicates that the farm has an open market capital value of GH¢17.13m and forced sale value of GH¢11.82m.</p>
<p>GNPC Foundation: This replaced the GNPC Oil and Gas Learning Foundation, which was set up in 2012. The Foundation's development financing is focused on Education and Training, Economic Empowerment, and Environment and Social Amenities.</p> <p>Osagyefo Barge: This is a 125MW Gas Powered Power generating facility, located at Effasu. The Ghana government in 1995 acquired the Facility. Management of the barge switched from GNPC to VRA, and subsequently back to GNPC in 2015. GNPC entered into an MOU with Aenerg Holdings in 2016 to undertake feasibility studies of the barge's assets, with a view to rehabilitating it into an 185MW combined cycle power. The MOU expired in June 2016.</p>	<p>The Sustainability Department, housing the GNPC Foundation, was relocated to Takoradi for its operations.</p> <p>The full complement of the staff has been appointed to ensure improved impact on host communities.</p> <p>The Barge is in extremely poor condition arising from non-maintenance in over 20 years.</p> <p>GNPC has held discussions with the Japanese International Cooperation Agency (JICA) to assist in funding the feasibility studies and potential rehabilitation.</p>

Source: GNPC, 2018.

9.1.2.8 Payments and Guarantees

GNPC spent an amount of GH¢1.468 billion on various payments and guarantees on behalf of State-Owned Enterprises (SOEs), Government of Ghana, national and local infrastructure projects, and outstanding indebtedness associated with gas supplied to GNCC.

Table 37: GNPC's Expenditure on Gas Debt

	GHS	USD
Government of Ghana	102,537,354.00	21,270,220.92
MoF_Enclave Roads (GHS)	93,648,220.27	19,426,270.10
MoF_Enclave Roads (USD)	82,861,481.92	17,188,682.54
Advance to MoF	241,035,000.00	50,000,000.00
Tema Oil Refinery	281,552,380.91	58,404,875.00
ECG BGrrelated charges	46,437,332.60	9,632,902.40
GNGG 14Km offshore pipeline	182,768,804.39	37,913,333.00
Gas Supplied to GNGC (GNPC Receipts Outstanding)*	437,670,195.65	90,789,759.92
Total	1,468,510,769.74	304,626,043.88

*Total amount invoiced is \$325,386,636.69

Source: GNPC, 2018.

Findings

1. In 2014, the Ministry of Finance withheld an amount of US\$50m from GNPC, which it treated as a loan. The transaction was not backed by any form of Agreement spelling out the terms of the loan and a repayment plan.
2. Subsequently, the Ministry in a letter dated 15th December, 2018, directed the Corporation to expunge the amount from its books, on grounds that the Ministry had not capped GNPC's funds during the period (2017-2018) in line with the Earmarked Funds Capping and Realignment Act, 2017 (Act 947).
3. PIAC observes that, the manner in which the Ministry procured the loan does not follow due process. Furthermore, the manner in which the Ministry is seeking to settle its indebtedness is capricious especially, as it is not based on mutual consent of the two parties.
4. Again, the use of one law (the Earmarked Funds Capping and Realignment Act) to over-ride the provisions of another Act (the Petroleum Revenue Management Act), without repealing the applicable sections of the latter, raises questions bordering on the legality of the Ministry's actions.
5. Furthermore, the Committee observes, that, given the situation where GNPC's funds are currently capped at 30 percent of net petroleum revenues, a further 25 percent cap of the 30 percent, using Act 947, reduces GNPC's funds to a mere 7.5 percent; and since GNPC is expected to wean itself off the PHF by 2026, it is difficult to appreciate how they could achieve financial sustainability by the target year.
6. Expenditure analysis of the GNPC Foundation's programmes reveals a carefully thought through strategy, aimed at complementing government's development efforts, and at improving the socio-economic wellbeing of beneficiary communities. While most of the projects are concentrated in the frontline oil and gas communities, the Foundation makes some attempt to spread its activities to other parts

of the country, especially in areas likely to be impacted by its onshore exploration activities, This makes the Foundation's CSI strategy assume a forward-looking character.

7. Total guarantees and loans provided by the Corporation to other State Owned Enterprises (SOEs) amounted to US\$325,386,636 .69 by the end of 2018.
8. There is a consistent and disturbing pattern of political interference in the affairs of GNPC, which has hindered its ability to operate effectively in accordance with good corporate governance practice.

10

OPERATIONS OF GHANA NATIONAL GAS COMPANY

Besides a 26-day gas supply interruption brought about by a synchronised shutdown of the Atuabo Gas Processing Facility and the FPSO Kwame Nkrumah from 1st to 26th February to make way for ENI-GNGC tie-in works, Jubilee turret remediation works, as well as GNGC and VRA scheduled maintenance works, gas supply from the Jubilee FPSO was interrupted for 65 days (between January and December 2018) for various technical issues on the Jubilee FPSO.

In October 2018, gas supply from the various fields were interrupted for 16 days to allow GNGC carry out repair works on a section of the 111km Atuabo-Takoradi onshore pipeline. The TEN Field increased its gas supply during the period when flows from Jubilee was interrupted.

In April 2018, the Public Utilities Regulatory Commission (PURC) reviewed the Jubilee Foundation Volume raw gas commodity tariff downwards from \$2.90/MMBtu to \$0.5/MMBtu. Given the reduction in the commodity, regulatory, and service tariffs, the delivered gas tariff reduced from \$8.84/MMBtu to \$7.29/MMBtu.

10.1 Gas Production and Total Volumes of Raw Gas Exported to Ghana National Gas Company

During the period, total gas production from the Jubilee Field amounted to 44,841.94 MMSCF. The TEN Field produced 39,472.78 MMSCF, while Offshore Cape Three Points (OCTP) produced 7,144.58 MMSCF, bringing total gas production to 91,459.30 MMSCF. In nominal terms, this represents an increase of 14,164.86 MMSCF (18.33 percent) over that of 2017's 77,294.44 MMSCF.

The increase in gas production in 2018 came largely from the TEN Field. The Field produced 39,472.78 MMSCF as against 26,818.33 MMSCF in 2017, representing an increase of 12,654.45 MMSCF (47.19 percent). This was on account of the drilling of additional wells to enhance the performance of the TEN Field, and which helped to make up for the shortfall in gas supply, following the shutdown of FPSO Kwame Nkrumah for remedial works on its faulty turret.

The following table shows the Associated Gas production for Jubilee and TEN Fields and Non-Associated Gas (NAG) production from the Offshore Cape Three Points (OCTP) Field.

Table 38: Gas Production from Producing Fields

DESCRIPTION	DATE	JUBILEE	TEN	OCTP
ASSOCIATED GAS & NAG PRODUCTION (MMSCF)	January, 2018	3,779.55	3,021.59	
	February, 2018	574.41	2,823.24	
	March, 2018	3,675.52	3,184.57	
	April, 2018	3,967.57	3,156.41	
	May, 2018	4,326.38	3,185.29	
	June, 2018	1,284.37	3,090.55	188.50
	July, 2018	4,424.08	3,069.80	400.89
	August, 2018	4,767.79	3,547.76	754.41
	September, 2018	4,590.08	3,605.85	528.57
	October, 2018	4,935.16	3,628.90	914.67
	November, 2018	4,058.71	3,507.17	2,195.54
	December, 2018	4,458.32	3,651.65	2,162.00
TOTAL		44,841.94	39,472.78	7,144.58

Source: Ghana Gas, 2018.

According to GNCC, Non-Associated Gas production from Sankofa Gye-Nyame (SGN) began in June 2018 with an inception volume of 188.50 MMSCF, and an annualised production volume of 7,144.58 MMSCF. Non-Associated Gas production from the SGN Field, according to GNPC, began in August, with an inception volume of 661.30 MMSCF, and an annualised production volume of 6,110.44 MMSCF.

Total gas production from SGN (combination of associated and Non-Associated) therefore

amounts to 23,385.51 MMSCF, according to GNPC.

Table 40 presents gas export to Ghana National Gas Company (GNCC) and gas export from Onshore Receiving Facility (ORF) to the GNCC pipeline. Non-Associated Gas production from Offshore Cape Three Points (OCTP) commenced in June 2018 and gas export from the ORF to the GNCC pipeline commenced in August 2018.

Table 39: Breakdown of Gas Production from SGN

SGN Field						
Annual 2018	Oil Production (Barrels)		Associated Gas (MMSCF)		NAG (MMSCF)	
	Monthly Total	Daily Average	Monthly Total	Daily Average	Monthly Total	Daily Average
JANUARY	1,098,754.50	35,338.65	1,666.48	53.76	-	-
FEBRUARY	909,194.42	32,471.23	1,425.87	50.92	-	-
MARCH	911,716.90	29,342.03	1,503.66	48.46	-	-
APRIL	801,360.61	26,637.78	1,366.06	45.54	-	-
MAY	778,355.43	25,030.03	1,356.07	43.75	-	-
JUNE	787,115.61	26,140.00	1,409.62	46.78	-	-
JULY	810,709.34	26,151.91	1,493.70	47.07	-	-
AUGUST	799,909.38	25,871.55	1,510.95	48.74	661.30	21.33
SEPTEMBER	734,348.44	24,854.18	1,337.99	44.68	445.77	14.86
OCTOBER	709,628.53	22,848.39	1,299.86	42.91	811.42	27.05
NOVEMBER	818,248.15	27,036.30	1,402.63	46.75	2,146.03	69.23
DECEMBER	956,977.76	32,505.89	1,504.18	50.14	2,045.92	66.00
Total/Average	10,116,119.07	27,715.39	17,275.07	47.33	6,110.44	39.74

Source: GNPC, 2018.

Table 40: Gas Exports to GNGC

DESCRIPTION	DATE	JUBILEE	TEN	SGN
GAS EXPORTED TO GNGC (MMSCF)	January, 2018	3,040.61	211.41	
	February, 2018	0.00	57.03	
	March, 2018	1,830.72	643.54	
	April, 2018	1,711.20	1,386.87	
	May, 2018	2,223.03	1,078.70	
	June, 2018	527.19	1,983.97	
	July, 2018	2,613.08	507.40	
	August, 2018	1,485.03	938.17	661.44
	September, 2018	1,319.80	1,203.20	445.20
	October, 2018	1,026.27	3.03	874.15
	November, 2018	1,557.35	174.63	2,083.29
	December, 2018	1,995.90	203.03	2,045.91
TOTAL		19,330.18	8,390.98	6,109.99

Source: GNPC, 2018.

10.2 Gas Exports to Ghana National Gas Company and Gas Derivatives Produced

Out of a total gas production of 84,314.72 MMSCF from Jubilee and TEN Fields in 2018, only 27,721.157 MMSCF, representing 32.88 percent, was exported to GNGC. These were processed into lean gas (26,086.98 MMSCF), LPG (149,790.83 Cubic metres), and condensates (26,365.46 cubic metres). The volumes exported to GNGC,

in nominal terms, do not deviate substantially from the previous year's 30,831.72 MMSCF, but deviates substantially in percentage terms (40 percent) on account of the increased production in 2018.

The following table provides a monthly breakdown of the gas exports from the Jubilee and TEN Fields, and the production of various gas derivatives for the year.

Table 41: Summary of Raw Gas Received & Processed Derivatives - January to December 2018

Month	Raw Gas received from Upstream (MMSCF)	Lean Gas Produced (MMSCF)	LPG Produced [Cubic Metres (M ³)]	Condensate Produced [Cubic Metres (M ³)]
January	3,252.02	3,019.07	20,975.99	3,746.88
February	57.027	30.88	126.18	71.82
March	2,474.26	2,335.78	14,159.58	1,981.44
April	3,098.07	2,969.34	16,374.68	2,667.44
May	3,301.73	3,145.47	18,135.07	3,070.38
June	2,511.16	2,411.80	11,080.98	1,552.62
July	3,120.48	2,918.78	18,165.60	3,247.83
August	2,423.20	2,293.57	12,450.74	2,463.07
September	2,523.00	2,339.43	10,892.77	2,279.82
October	1,029.30	946.17	6,233.49	1,121.66
November	1,731.98	1,637.01	9,763.72	1,792.91
December	2,198.93	2,039.68	11,432.03	2,369.59
TOTAL	27,721.157	26,086.98	149,790.83	26,365.46

Source: GNGC, 2018.

10.3 Realised Revenues and Outstanding Receivables from Gas Sales

According to Ghana Gas, as at 31st December 2018, a total of US\$85,211,856.99 had been received as revenue from the sale of Liquefied Petroleum Gas (LPG), Lean Gas and Stabilised Condensates produced from the period January to December 2018. The company claims outstanding receivables due it for the period under review amounted to US\$750,963,424.91 (including interest charges for the period January to December 2018).

GNPC reported that the total volume of gas supplied to Ghana National Gas Company (GNGC) from Jubilee and TEN in 2018 was 27,721.15 MMSCF amounting to US\$85,214,825.34.

If the amount received by GNGC is indeed US\$85,211,856.99, and the amount owed GNPC for the same period is US\$85,214,825.34, then it can safely be assumed that revenues accruing from the sale of gas to GNGC for 2018 has been received by GNGC. Therefore, GNGC should be in a position to pay for virtually all the gas it received from GNPC that year or at least a portion of it.

The total amount of gas supplied to VRA from SGN was 6,110.03 MMSCF, amounting to US\$48,815,874.82.

Further, GNGC reported for the first time, Offshore Cape Three Points (OCTP) Transportation Service fee accrual of US\$7,231,994.01.

Table 42: Breakdown of Gas Sales, Receipts, and Receivables

Company	Product Sold	Volumes MT/MMBtu	Amount Invoiced US\$	Payment Received US\$	Payment Outstanding US\$
Opening Balance					526,259,214.30
Sage Distribution Ltd (Eco)	Stabilised Condensates	79,584.28	323,088.50	598,501.90	(275,413.40)
Globex Energy Ltd	Stabilised Condensates	4,368.10	1,901,082.29	1,693,475.50	207,606.79
Med Petroleum Ltd	Stabilised Condensates	2,109.58	890,128.46	1,069,889.45	(179,760.99)
Hask Oil Co. Ltd	Stabilised Condensates	2,280.61	966,815.88	1,015,953.44	(49,137.56)
Oil Trade Co. Ltd	Stabilised Condensates	2,350.31	1,009,822.07	985,942.72	23,879.35
Cirrus Oil	Stabilised Condensates	2,059.42	875,910.95	974,609.04	(98,698.09)
Imperial Energy	Stabilised Condensates	1,822.76	791,017.00	750,722.12	40,294.88
Mimshach Energy Ltd	Stabilised Condensates	1,441.44	647,576.52	550,635.66	96,940.86
Firm Energy Ltd	Stabilised Condensates	324.94	136,219.90	99,237.64	36,982.26
Sage Distribution Ltd (Sage Petroleum)	LPG	79,584.28	39,440,555.84	43,040,250.33	(3,599,694.49)

VRA (incl. interest charges)	Lean Gas	28,367,151.04	242,427,098.43	19,999,990.00	222,427,108.43
WangKang Gh. Ceramic Ltd	Lean Gas	1,581,308.71	8,588,893.69	9,896,496.11	(1,307,602.42)
Keda Gh. Ceramic Ltd (Twyford)	Lean Gas	834,681.72	4,685,864.06	4,536,153.08	149,710.98
OCTP Transportation Service	Lean Gas	6,457,137. 51	7,231,994.01	-	7,231,994.01
TOTAL		37,416,204.7	309,916,067.6	85,211,856.99	750,963,424.91

Source: GNGC, 2018.

Note:

1. Forty percent pre-finance amounts for WangKang & Keda (Twyford) have been deducted.
2. Balance brought forward has been changed from the previous report mainly due to MoF/China Development Bank (CDB) offset (Balance sheet restructure).

10.4 Volta River Authority Indebtedness to Ghana National Gas Company

The Volta River Authority’s (VRA) indebtedness to GNGC amounted to US\$222,427,108.43 in the period under review. This represents 98.99 percent of the total debt owed GNGC by its off-takers. The debt, as shown in Table 43, keeps mounting due to VRA’s inability to meet its debt service obligation.

In 2015, the Government of Ghana enacted the Energy Sector Levies Act, 2015 (Act 899) to help liquidate the mounting debt in the energy sector, including fuel for power generation. Section 4(1) of the Act establishes a sub-Account of the Energy Debt Service Account, to be known as the Power Generation and Infrastructure Support Account, while Section 4(3) prescribes the uses to which funds in the account can be applied. These include, supporting the payment of power utility debts.

According to GNGC, the Ministry of Finance had an arrangement with the Company to apply an amount of US\$233,145,734.88, being part of its outstanding receivables from VRA, to defray part of the China Development Bank (CDB) loan, as shown in Table 43

Table 43: Status of CDB Loan Repayment

Loan Approved (US\$)			Total (U S\$)
	CDB- 85%	GoG - 15%	
Loan Approved (US\$)	850,000,000.00	150,000,000.00	1,000,000,000.00
Loan Draw Down (US\$)			
Loan Amount Draw Down	841,742,510.30	148,542,795.93	990,285,306.24
Amount used to defray VRA debt			(233,145,734.88)
Amount converted to Equity			(400,000,000)
Interest Accrual to Date			90,580,332.63
Loan Amount Outstanding			447,719,903.99

Source: GNCC, 2018.

10.5 Cumulative Volumes of Gas Exported by GNPC to GNCC, Payments Received, and Outstanding Amounts (2014 – 2018)

From the inception of first gas in November 2014 to December 2018, 105,851.22 MMSCF of gas has been exported by GNPC to GNCC. This is valued at US\$325,386,630.54. Out of this amount, GNCC has made two payments (one in 2014, and the other in 2015) amounting to US\$9,856,621.67. This leaves an outstanding balance of US\$315,530,008.87.

The following table gives the breakdown of gas volumes supplied, invoiced amount, payment received, and balances.

Table 44: Account of Gas Supplies, Payments, and Balances from 2014 to June 2018

Year	Volume of Gas Supplied (MMSCF)	Invoiced Amount (US\$)	Payment (US\$)	Outstanding Amount (US\$)
2014 Nov - Dec)	1,506.39	4,630,642.86	553,815.32	4,076,827.54
2015	24,212.04	74,427,810.96	9,302,806.35	65,125,004.61
2016	21,579.92	66,336,678.15		66,336,678.15
2017	30,831.72	94,776,673.23		94,776,673.23
2018	27,721.15	85,214,825.34		85,214,825.34
TOTAL	105,851.22	325,386,630.54	,856,621.67	31 5,530,008.87

Source: GNCC, 2018.

10.6 Prices of Processed Derivatives: January to December 2018

10.6.1 Lean Gas

The Public Utilities Regulatory Commission (PURC) determines the price of Lean Gas. The price at which lean gas was sold to VRA was US\$8.84/MMBtu, and to WangKang and Keda (Twyford), US\$6.50/MMBtu. The following table shows the volumes and prices of Lean Gas delivered to off takers.

Table 45: Summary of Lean Gas Statement – January to December 2018

LEAN GAS STATEMENT 2018								
Date	Company	Volume (MMBtu)	Price (US\$/MMBtu)	Value (US\$)	Volume/Month (MMBtu)	Gross Revenue (US\$)	Less 40% Pre-finance (US\$)	Net Revenue (US\$)
Jan-18	VRA	3,325,470.2038	8.8424	29,405,137.73	3,554,192.2508	30,891,831.04	-	30,536,872.72
	WangKang	149,941.6101	6.50	974,620.47			232,697.38	
	Keda (Twyford)	78,780.4369	6.50	512,072.84			122,260.94	
Feb-18	VRA	36,553.8442	8.8424	323,223.71	38,631.1353	336,726.10	-	
	WangKang	954.7582	6.50	6,205.93			1,481.71	
	Keda (Twyford)	1,122.5329	6.50	7,296.46			1,742.08	
Mar-18	VRA	2,497,788.8079	8.8424	22,086,447.75	2,719,532.5187	23,527,781.88	-	23,183,653.38.
	WangKang	143,186.9028	6.50	930,714.87			222,214.62	
	Keda (Twyford)	78,556.8081	6.50	510,619.25			121,913.88	
Apr-18	VRA	3,158,980.9887	7.29	23,028,971.41	3,388,092.2601	24,518,194.67	-	24,162,632.31
	WangKang	149,498.3706	6.50	971,739.41			232,009.51	
	Keda (Twyford)	79,612.9008	6.50	517,583.86			123,552.85	
May-18	VRA	3,337,603.0081	7.29	24,331,125.93	3,561,748.4690	25,788,071.42	-	25,440,215.60
	WangKang	141,554.4733	6.50	920,104.08			219,681.22	
	Keda (Twyford)	82,590.9876	6.50	536,841.42			128,174.61	
Jun-18	VRA	2,637,739.2186	7.29	19,229,118.90	2,853,779.7443	20,633,382.32	-	20,298,104.71
	WangKang	142,133.9429	6.50	923,870.63			220,580.51	
	Keda (Twyford)	73,906.5827	6.50	480,392.79			114,697.10	
Jul-18	VRA	3,275,283.2751	7.29	23,876,815.08	3,511,151.6930	25,409,959.79	-	25,043,910.88
	WangKang	154,061.9485	6.50	1,001,402.67			239,091.82	
	Keda (Twyford)	81,806.4693	6.50	531,742.05			126,957.10	

Aug-18	OCTP Transportation	726,358.2218	1.12	813,521.21	3,536,894.5627	21,107,154.80	-	20,858,071.03
	VRA	2,563,477.69	7.29	18,687,752.34			-	
	WangKang	160,327.3453	6.50	1,042,127.74			248,815.21	
	Keda (Twyford)	86,731.3086	6.50	563,753.51			268.55	
Sep-18	OCTP Transportation	487,204.7700	1.12	545,669.34	3,334,302.0760	21,114,473.82	-	21,041,432.88
	VRA	2,610,977.1987	7.29	19,034,023.78			-	
	WangKang	155,801.0023	6.50	1,012,706.52			73,040.94	
	Keda (Twyford)	80,319.1050	6.50	522,074.18			-	
Oct-18	OCTP Transportation	959,164.0862	1.12	1,074,263.78	2,013,953.0710	8,685,524.85	-	8,685,524.85
	VRA	955,864.1414	7.29	6,968,249.59			-	
	WangKang	67,171.0523	6.50	436,611.84			-	
	Keda (Twyford)	31,753.7912	6.50	206,399.64			-	
Nov-18	OCTP Transportation	2,282,938.5300	1.12	2,556,891.15	4,250,292.9242	16,711,833.33	-	16,711,833.33
	VRA	1,730,555.2074	7.29	12,615,747.46			-	
	WangKang	158,185.7105	6.50	1,028,207.12			-	
	Keda (Twyford)	78,613.4763	6.50	510,987.60			-	
Dec-18	OCTP Transportation	2,240,628.6370	1.12	2,509,504.07	4,716,865.0088	20,372,157.88	-	20,372,157.88
	VRA	2,236,857.4548	7.29	16,306,690.85			-	
	WangKang	158,491.5984	6.50	1,030,195.39			-	
	Keda (Twyford)	80,887.3186	6.50	525,767.57			-	

Source: GNCC, 2018.

10.6.2 Liquefied Petroleum Gas (LPG)

The price of LPG is based on the bi-weekly averages of the Argus Butane CIF ARA Large Cargoes³ price, as determined by the National Petroleum Authority (NPA). For most part of the year, the price was between US\$409.00/MMBtu and US\$700.00/MMBtu. The following table sets out the volumes and price of LPG during the period under review.

Table 46: Summary of LPG Product Statement – January to December 2018

LPG STATEMENT 2018							
Date	Volume (MMBtu)	Price (US\$/MMBtu)	Value (US\$)	Volume/Month (MMBtu)	Gross Revenue (US\$)	Discount (US\$)	Net Revenue (US\$)
Jan-18	5,590.722	497.33	2,780,433.77	10,895.973	5,509,030.31	326,879.18	5,182,151.13
	5,305.251	514.32	2,728,596.54				
Feb-18	906.334	495.50	449,088.65	906.334	449,088.65	27,190.03	421,898.62
	0.000	456.30	0.00				
Mar-18	1,992.531	427.45	851,716.34	6,419.508	2,835,248.18	192,585.24	2,642,662.94
	4,426.977	448.06	1,983,531.84				
Apr-18	3,711.006	449.73	1,668,940.71	9,045.558	4,135,104.10	271,366.74	3,863,737.36
	5,334.552	462.30	2,466,163.39				
May-18	5,006.321	472.95	2,367,762.05	10,181.958	5,022,087.48	305,458.74	4,716,628.74
	5,175.637	512.85	2,654,325.44				
Jun-18	2,281.724	537.50	1,226,426.65	4,996.585	2,622,000.95	149,897.55	2,472,103.40
	2,714.861	514.05	1,395,574.30				
Jul-18	4,504.112	514.14	2,315,727.93	9,282.626	4,999,732.27	92,826.26	4,906,906.01
	4,778.514	561.68	2,684,004.34				
Aug-18	4,504.112	534.86	2,598,570.08	7,695.285	4,153,591.74	76,952.85	4,076,638.89
	4,778.514	548.14	1,555,021.65				
Sep-18	3,247.711	560.55	1,820,504.40	5,969.887	3,511,955.68	59,698.87	3,452,256.81
	2,722.176	621.36	1,691,451.28				
Oct-18	363.474	650.45	236,423.30	2,400.785	1,590,864.73	24,007.85	1,566,856.88
	2,037.311	774.82	1,354,441.43				
Nov-18	3,448.895	571.00	1,969,319.05	5,829.009	3,134,174.87	58,290.09	3,076,451.78
	2,380.114	489.65	1,165,422.82				
Dec-18	2,997.694	409.00	1,226,056.85	5,960.761	2,326,028.21	59,607.61	2,266,420.60
	2,963.067	371.23	1,099,971.36				

Source: GNCC, 2018.

³ A gas market reference-pricing scheme.

10.6.3 Condensates

The price of condensate is linked to international light crude oil prices. Ghana Gas’ achieved condensate prices reflected wide variations, ranging between US\$61.84/MT and US\$504.10/MT.

Table 47: Condensate Product Statement – January to December 2018

CONDENSATE PRODUCT STATEMENT 2018						
Date	Company	Volume (MT)	Price (US\$/MT)	Value (US\$)	Volume/Month (MT)	Monthly Value (US\$)
Jan-18	Globex	249.16	350.61	203,567.85	2,680.45	976,614.99
		303.42	383.00			
	MED	316.29	350.61	145,900.64		
		91.40	383.00			
	ECO	279.98	350.61	131,791.19		
		87.80	383.00			
	Cirrus	190.54	350.61	124,228.42		
		149.93	383.00			
	Hask	252.34	350.61	141,579.71		
		138.66	383.00			
	OilTrade	188.79	350.61	136,954.74		
		184.76	383.00			
	Imperial	64.14	350.61	92,592.45		
		183.04	383.00			
Feb-18	Globex	27.84	419.66	11,683.31	174.41	73,192.74
		-	406.95			
	ECO	31.26	419.66	13,118.54		
		-	406.95			
	Hask	53.12	419.66	22,292.29		
		-	406.95			
	OilTrade	31.42	419.66	13,185.69		
		-	406.95			
	Imperial	30.77	419.66	12,912.91		
		-	406.95			
Mar-18	Globex	82.99	366.82	112,525.34	1,266.06	470,544.36
		219.98	373.14			
	MED	31.92	366.82	58,392.24		
		125.11	373.14			
	ECO	63.20	366.82	67,735.69		
		119.40	373.14			
	Cirrus	-	366.82	57,153.69		
		153.17	373.14			
	Hask	54.13	366.82	59,953.38		
		107.46	373.14			

	OilTrade	63.91	366.82	58,723.63		
		94.55	373.14			
	Imperial	-	366.82	56,060.39		
		150.24	373.14			
Apr-18	Globex	166.18	396.27	173,421.81	1,544.63	646,774.58
		248.83	432.30			
	MED	93.27	396.27	90,729.83		
		124.38	432.30			
	ECO	90.38	396.27	110,443.08		
		172.63	432.30			
	Cirrus	59.85	396.27	77,551.24		
		124.53	432.30			
	Hask	79.64	396.27	90,321.70		
		135.93	432.30			
	OilTrade	92.71	396.27	77,378.97		
		94.01	432.30			
	Mimshach	0.00	396.27	26,927.97		
		62.29	432.30			
May-18	Globex	350.21	445.43	282,862.93	2,334.03	1,062,699.94
		273.91	463.18			
	MED	0.00	445.43	85,937.49		
		185.54	463.18			
	Cirrus	216.51	445.43	194,480.69		
		211.67	463.18			
	Hask	0.00	445.43	50,606.50		
		109.26	463.18			
	OilTrade	218.90	445.43	195,642.54		
		211.88	463.18			
	Mimshach	61.94	445.43	84,403.09		
		122.66	463.18			
	Imperial	187.19	445.43	168,766.69		
		184.35	463.18			
Jun-18	Globex	82.57	504.10	158,70 1.93	929.49	446,203.635
		248.10	471.90			
	MED	0.00	504.10	43,013.69		
		91.15	471.90			
	Cirrus	0.00	504.10	43,334.58		
		92.83	471.90			
	Hask	0.00	504.10	38,422.10		
		81.42	471.90			
	OilTrade	30,36	504.10	58,252.10		
		91.01	471.90			
	Mims hach	91.62	504.10	88,968.10		
		90.66	471.90			

	Imperial	30.77	504.10	15,511.16		
		0.00	471.90			
Jul - 18	Globex	302.86	450.11	242,574.62	2,170.93	1,013,918.966
		220.38	482.14			
	MED	120.41	450.11	156,845.02		
		212.90	482.14			
	ECO	0.00	450.11	0.00		
		0.00	482.14			
	Cirrus	122.19	450.11	128,081.62		
		151.58	482.14			
	Hask	110.84	450.11	116,733.98		
		138.64	482.14			
	OilTrade	122.98	450.11	143,918.61		
		183.69	482.14			
	Mimshach	121.77	450.11	112,338.85		
		119.32	482.14			
Aug - 18	Globex	122.14	450.11	113,426.27	1,789.18	851,555.234
		121.23	482.14			
	Globex	0.00	464.36	108,902.54		
		223.61	487.02			
	MED	128.69	464.36	104,671.94		
		92.22	487.02			
	Cirrus	123.02	464.36	102,009.777		
		92.16	487.02			
	Hask	193.09	464.36	171,152.15		
		167.32	487.02			
	OilTrade	154.33	464.36	116,422.37		
		91.90	487.02			
	Mimshach	152.57	464.36	145,576.30		
		153.44	487.02			
Sep - 18	Imperial	122.72	464.36	102,820.15	1,524 .00	748,331.241
		94.11	487.02			
	Globex	304.92	485.68	230,983.93		
		166.36	497.73			
	MED	91.69	485.68	90,337.38		
		92.03	497.73			
	Cirrus	61.32	485.68	45,106.61		
		30.79	497.73			
	Hask	110.80	485.68	109,080.43		
		111.04	497.73			
	OilTrade	91.74	485.68	89,928.65		
		91.16	497.73			
	Mimsha ch	91.28	485.68	90,183.05		
		92.12	497.73			

	Imperial	94.99	485.68	92,801.18		
		93.76	497.73			
Oct - 18	Globex	50.06	481.57	104,493.41	659.27	321,448.500
		164.58	488.43			
	MED	0.00	481.57	15,160.92		
		31.04	488.43			
	Cirrus	0.00	481.57	14,946 .01		
		30.60	488.43			
	Hask	0.00	481.57	66,329.04		
		135.80	488.43			
	OilTrade	0.00	481.57	29,613.62		
		60.63	488.43			
	Mimshach	0.00	481.57	0.00		
		0.00	488.43			
	Firm	0.00	481.57	45,497.42		
		93.15	488.43			
	Imperial	31.52	481.57	45,4 08.07		
		61.89	488.43			
Nov -18	Globex	220.06	445.25	152,424.60	1,208.33	514,030.386
		137.30	396.53			
	MED	93.06	445.25	53,743.10		
		31.04	396.53			
	Cirrus	61.44	445.25	51,877.27		
		61.84	396.53			
	Hask	-	445.25	42,646.26		
		107.55	396.53			
	OilTrade	62.13	445.25	52,323.27		
		62.19	396.53			
	Mimshach	92.90	445.25	53,533.08		
		30.69	396.53			
	Firm	92.99	445.25	53,815.03		
		31.30	396.53			
	Imperial	93.63	445.25	53,667.78		
		30.21	396.53			
Dec - 18	Globex	165.54	321.91	119,030. 03	1,426.81	416,347.011
		246.81	266.36			
	MED	62.29	321.91	45,396.21		
		95.15	266.36			
	Cirrus	62.28	321.91	37,141.05		
		64.17	266.36			
	Hask	110.51	321.91	57,698.34		
		83.06	266.36			
	OilTrade	64.46	321.91	37,477.89		
		62.80	266.36			

	Mimshach	63.24	321.91	45,646.09		
		94.94	266.36			
	Firm	62.63	321.91	36,907.45		
		62.87	266.36			
	Imperial	62.51	321.91	37,049.94		
		63.55	266.36			

Source: GNGC, 2018.

Findings

1. The shutdown of FPSO Kwame Nkrumah, which has become a routine in the last three years was better synchronised in 2018, leading to less disruption in gas supply in the course of the year.
2. Drilling of an additional well at the TEN Field, helped to boost gas supply for power generation during the Jubilee Field operational shutdown.
3. Total gas production for 2018 amounted to 91,459.30 MMSCF. In nominal terms, this represents an increase of 14,164.86 MMSCF (18.33 percent) over that of 2017's 77,294.44 MMSCF.
4. The increase in gas production in 2018 came largely from the TEN Field. The Field produced 39,472.78 MMSCF as against 26,818.33 MMSCF in 2017, representing an increase of 12,654.45 MMSCF (47.19 percent).
5. Out of a total gas production of 84,314.72 MMSCF from Jubilee and TEN Field in 2018, only 27,721.157 MMSCF, representing 32.88 percent, was exported to Ghana National Gas Company (GNGC) for processing.
6. Outstanding receivables due Ghana Gas during the period amounts to US\$750,963,424.91 (including interest charges for the period of January to December 2018).
7. GNGC reported for the first time, Offshore Cape Three Points (OCTP) Transportation Service fee accrual of US\$7,231,994.01, arising from the use of its pipelines by ENI to transport Offshore Cape Three Points (OCTP) gas to the Western Power Enclave at Aboadze.
8. The Public Utilities Regulatory Commissions' (PURC's) reduction of tariffs for the Jubilee Foundation Volume raw gas from \$2.90/MMBtu to \$0.5/MMBtu, and the subsequent reduction in the commodity, regulatory and service tariffs, led to an overall reduction in gas tariff from \$8.84/MMBtu to \$7.29/MMBtu.
9. The price at which lean gas was sold to Volta River Authority (VRA) was US\$8.84/MMBtu, and to WangKang and Keda (Twyford), US\$6.50/MMBtu, indicating a price differential of US\$2.34/MMBtu. According to GNGC, both WangKang and Keda (Twyford) in separate letters requested for a discount in the delivered gas price in order to be competitive. GNGC explained that, in order to encourage industrial investment, it sought permission from the Ministry of Energy to grant a temporary Industrial Development Tariff (IDT) of US\$6.50/MMBtu for all industrial end-users, and this was approved.
10. For most part of the year, both LPG and condensates exhibited wide price variations. While the price of LPG ranged between US\$409.00/MMBtu and US\$700.00/MMBtu, that of condensates hovered between US\$61.84/MT and US\$504.10/MT.

11. The value of total gas supplied by GNPC to GNGC from 2014 to June 2018 is US\$325,386,630.54, out of which GNGC has made two payments (one in 2014, and the other in 2015) amounting to US\$9,856,621.67. This leaves an outstanding balance of US\$315,530,008.87.
12. As at the end of December 2018, GNGC's indebtedness to GNPC stood at US\$315,530,008.87.

11

PETROLEUM REVENUE OUTLOOK

11.1 Global Economic Growth and Crude Oil Price Trends

Global expansion has weakened. The global economy is projected to slow from 3.6 percent in 2018 to 3.5 percent in 2019, before returning to 3.6 percent in 2020, according to the International Monetary Fund (IMF) in its January 2019 World Economic Outlook (WEO) Report. However, the Fund in its April 2019 WEO Report, revised the global growth for 2019 from 3.5 percent to 3.3 percent. Weaker performance in

some major economies, notably Europe and Asia, rising trade tensions, monetary tightening, and geopolitical challenges are among the issues that skew economic risks even further to the downside in 2019.

The Energy Information Administration (EIA) in its Short-Term Energy Outlook (STEO), forecasts that BRENT will average \$65/bbl in 2019 - a drop of 9 percent compared with an average of \$71/bbl in 2018.

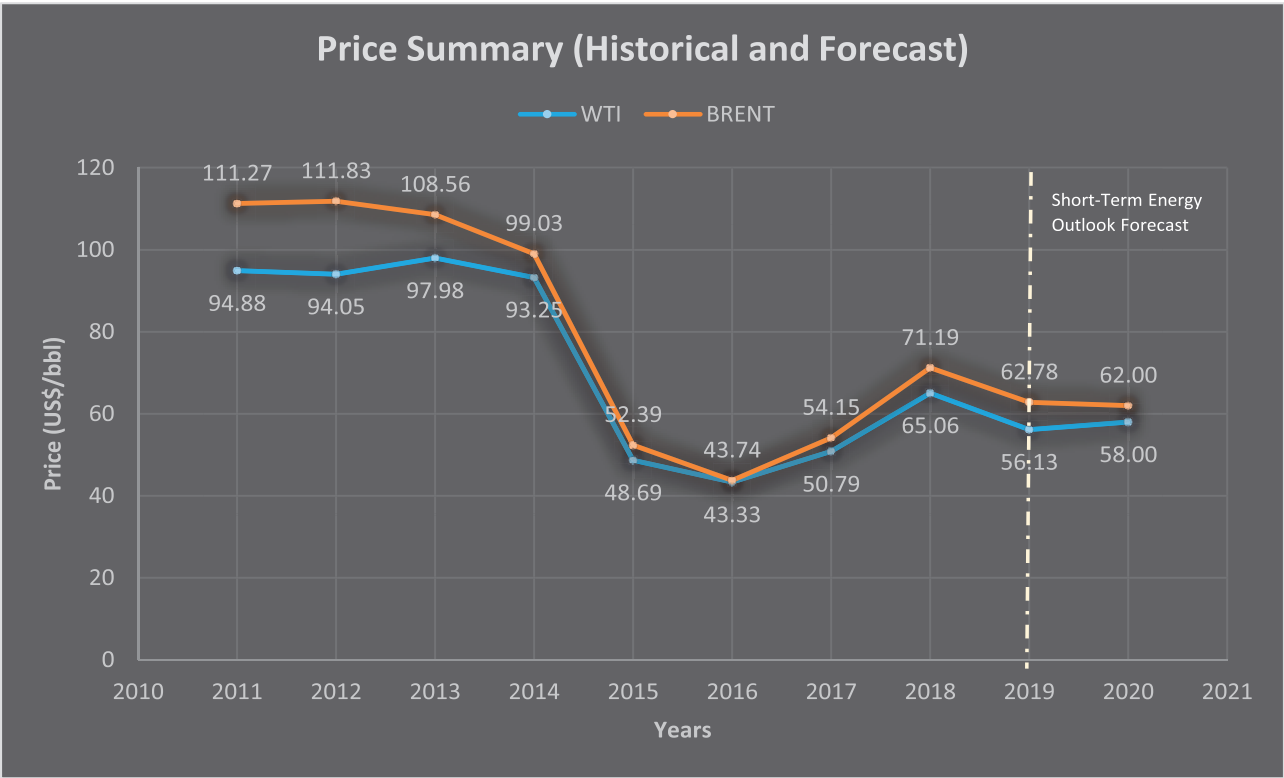


Figure 26: Average Annual BRENT and WTI Crude Prices from 2011-2020 (Achieved and Forecast) Data
Source: US Energy Information Administration, 2019

11.2 Global Production

According to the Organisation of Petroleum Exporting Countries (OPEC), global crude oil demand is forecast to rise by 1.29 million barrels per day (MMbbl/d) in 2019. As a result, total world oil demand is projected to reach 100.08 MMbbl/d for the year as compared to 98.78 MMbbl/d in 2018. Demand by the Organisation for Economic Co-operation and Development

(OECD) countries are anticipated to rise by 0.25 MMbbl/d in 2019, while non-OECD countries are projected to drive oil demand growth by adding an estimated 1.04 MMbbl/d.

Non-OPEC supply is estimated at 4.66 MMbbl/d in 2019, a growth of 2.16 MMbbl/d from 2018. Demand for OPEC crude in 2019 is expected to exceed 31.4 MMbbl/d

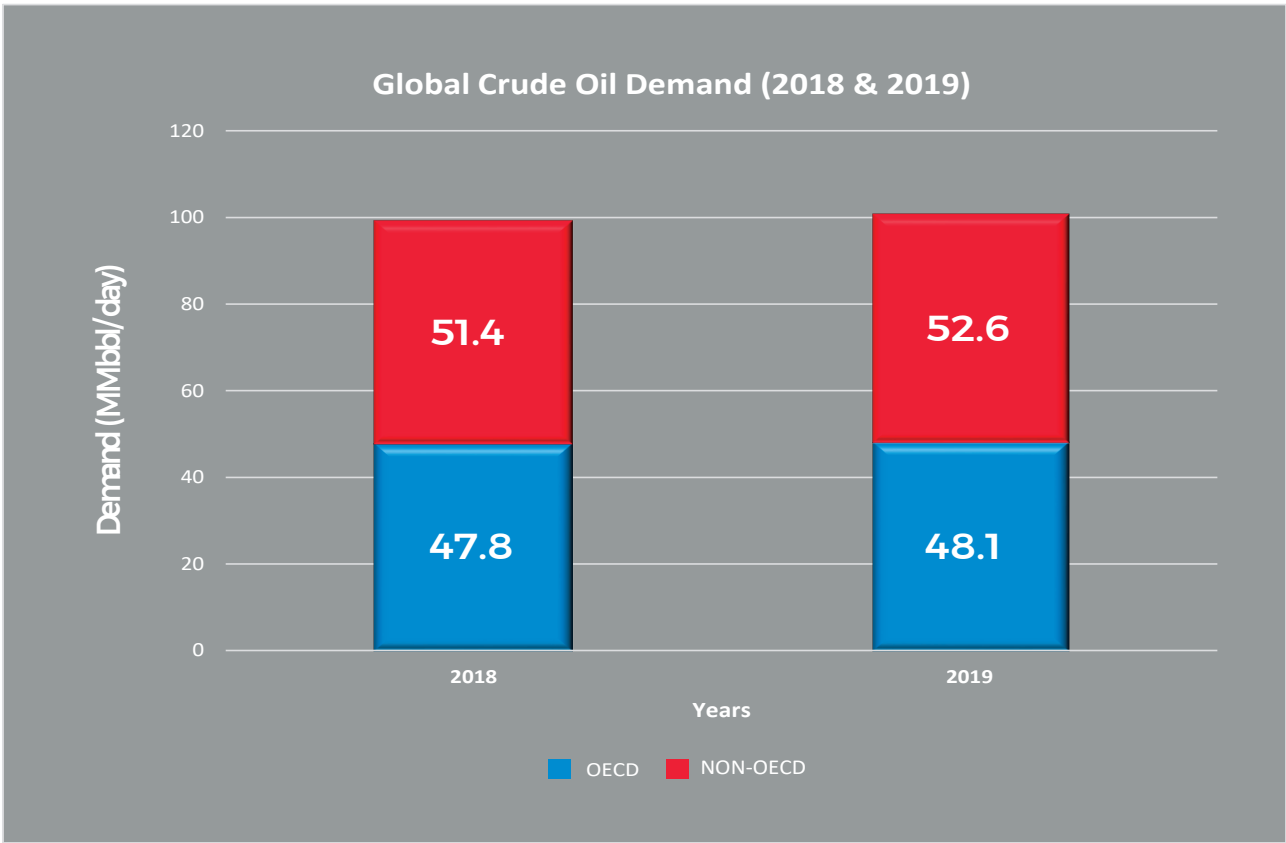


Figure 27: Comparison of Global Oil Demand – 2018 & 2019

Note: *2019 = Forecast

Source: OPEC

11.3 Government's Projections

In the 2019 Budget Statement and Economic Policy, the Government projected annual average crude oil production volume of 63.4 MMbbls (an average of 173,764 bbls of oil per day), for the three producing fields of Jubilee, TEN, and SGN.

The Minister of Finance also made two requests of Parliament:

- ▶ To be allowed to discount gas revenues to the tune of US\$181.80 million from the projected petroleum revenues of US\$1.28 billion for 2019, on grounds that VRA is unable to collect and pay Ghana Gas the amount in question; and,
- ▶ To postpone the extraction of its share of the gas resource (Royalties, and Carried and Participating Interest) as a measure to

minimise the amount of gas produced in the SGN Field for power production.

In view of this, the revised petroleum revenue (projected) for 2019 is US\$1.08 billion, at a Benchmark Price of US\$66.76/bbl, of which:

- ▶ Royalties = US\$227.10 million
- ▶ Carried and Participating Interest = US\$602.80 million
- ▶ Corporate Income Tax = US\$249.60 million
- ▶ Surface Rentals = US\$1.10 million

Consequently, projected allocations to the various areas under the PRMA are:

- ▶ GNPC = US\$404.90 million
 - ▶ ABFA = US\$473.0 million
 - ▶ GPFs = US\$202.70 million
- o/w:
- ▶ Ghana Stabilisation Fund = US\$141.90 million
 - ▶ Ghana Heritage Fund = US\$60.80 million

CONCLUSION AND RECOMMENDATIONS

12

The wanton political interference in GNPC's affairs and the tendency to use it to finance quasi-fiscal expenditure, if not checked, will undermine the Corporation's operational efficiency and threaten its sustainability.

Additionally, the situation where Earmarked Funds Capping and Realignment Act, 2017 (Act 947), is used to further cap GNPC's funds raises the legal propriety of using one law to override the other, when in the hierarchy of laws, all Acts of Parliament are supposed to have equal standing.

It is observed that in 2018, GNGC earned as much as US\$85.21 million, enough to pay its debt to GNPC for that year. However, it chose to apply the entire amount to its operations, which creates the impression that GNGC is not living up to its debt repayment obligation.

PIAC had noted in its previous reports, the low allocation to the Agriculture Priority Area. Eleven percent of total ABFA was allocated to the sector for the first six years of petroleum production. PIAC notes with satisfaction, government's attempt to address this concern by the significant increase of 157.16 percent over that of 2017, in the allocation to the Priority Area. It is observed the government is leveraging petroleum revenues to actualise its flagship programme in the agricultural sector, including the one village one dam, planting for food and jobs, etc. While the Committee views this as a positive development, it is encouraged that attention is also paid to factors that support

direct production, such as agricultural inputs and extension services.

Section 9(2) of the PRMA (Act 815) states that, "the object of the Ghana Stabilisation Fund is to cushion the impact on or sustain public expenditure capacity during periods of unanticipated petroleum revenue shortfalls." However, it does not appear that the GSF is serving this primary objective. This is because out of the US\$714.81 million that has been withdrawn from the GSF since inception, only US\$53.69 million (7.51 percent) has been applied for the purposes of smoothening government expenditure through the budget. The bulk, being an amount of US\$619.73 million (86.72 percent), has been applied to debt repayment. The rest, US\$41.19 million (5.76 percent), has gone into the Contingency Fund.

The Committee is of the view that, the Stabilization Fund is largely not serving the purpose that it was envisioned under the PRMA.

Recommendations:

The Carried and Participating Interest (CAPI), followed by Royalties, constitutes significant source of revenue to the State. In this regard, in negotiations in respect of petroleum agreements, it is important that the government negotiate tenaciously in respect of these two in order to obtain the best possible terms.

Given the important contribution of the Ghana Infrastructure Investment Fund (GIIF)

to some infrastructure projects, PIAC calls on the Ministry of Finance to ensure that there is constant allocation and disbursement to the Fund as prescribed by the PRMA, to facilitate the execution of legacy projects.

While the Committee is satisfied with the quality of spending by the GNPC Foundation, it recommends to Parliament, to consider placing some restrictions on the proportion of GNPC's budget that can be channelled into CSI. This is important, to forestall any future excessive expenditure in this category.

According to the Ministry of Finance, a total of GH¢827,653,566.25 (US\$235,103,316.20), representing 38.74 percent increase over the 2017 amount of GH¢736,030,484.74 (US\$169,458,674.12), was spent during the year, bringing the total unspent ABFA to GH¢652,292,311, as at the end of December 2018. The Committee observes an emerging trend of unspent ABFA not accounted for.

PIAC ACTIVITY REPORT FOR 2018

13

13.1 Background

The Public Interest and Accountability Committee consists of Committee Members and a supporting Secretariat. The Secretariat staff includes a Coordinator, Technical Manager, Finance Manager, Administrative Manager, Technical Officer, Finance and Administrative Officer and an Administrative Assistant/Driver. The Secretariat is managed on a day-to-day basis by the staff, headed by the Coordinator.

13.2 Main Activities

13.2.1 Meeting with the Economic and Organised Crime Office

Through PIAC's public engagements, the public have called on PIAC to take steps to investigate and prosecute issues of corruption and misappropriation of petroleum revenues. Given that there are already established state institutions to perform this function, the meeting with Economic and Organised Crime Office (EOCO) was one such step aimed at deepening partnerships to enable PIAC transition from transparency to accountability in safeguarding petroleum revenues.

At the meeting, it was agreed to build and strengthen strategic partnerships with institutions to recover misapplied funds and prosecute wrongdoing by taking the following actions:

- ▶ A structure to include in the work plans of the two institutions, a presentation to EOCO highlighting the key issues of concern following the release of PIAC reports.
- ▶ EOCO to look into the reports of PIAC starting from 2013 to date.
- ▶ A formal working document or committee to facilitate the implementation of the agreed agenda.

13.2.2 Launch of 2017 Annual Report

PIAC as mandated by Section 56 of the PRMA is required to publish its annual reports on the 15th March of the ensuing year. The 2017 Annual Report was launched in fulfilment of this mandate.

The following topics were the key issues from the Report discussed at the launch:

- ▶ Unutilised ABFA of GH¢403.74 million
- ▶ Wrongful Lodgement of Surface Rentals
- ▶ Good and Services expenditure and the definition of Public
- ▶ Investment Expenditure
- ▶ Non-constitution of the Investment Advisory Committee (IAC)

13.2.3 West Africa Civil Society Institute Monitoring & Evaluation Training

The West Africa Civil Society Institute (WACSI) is a civil society resource centre engaged in training,

research, documentation, and policy dialogue for Civil Society Organisations (CSOs) in West Africa. PIAC's Technical Manager and Senior Technical Officer took the course. The object of the training was to provide participants with the requisite knowledge and skills for effective monitoring and evaluation systems to ensure achievement of projects' goals and objectives.

The course was organised in two parts; Results Based Monitoring and Evaluation and Communicating Impact. The first session introduced the concept of Result-Based Management (RBM) as an approach to programme and project management based on clearly defined results and international trends within the donor community while the second session discussed what impact is, and the various ways of demonstrating impact with sustainability, relevance, efficiency and effectiveness.

13.3 Engagements with Stakeholders

13.3.1 PIAC Public Fora and ABFA Project Monitoring

As part of the public engagements in five (5) Regions, - Brong-Ahafo, Northern, Upper East, Upper West, and Central - PIAC undertook physical monitoring and verification of ABFA-funded projects in the Regions visited. The exercise was carried out to respond to citizens' demand for PIAC to:

- ▶ Assure the existence of reported ABFA funded projects;
- ▶ Obtain first-hand information on the quality and impact of projects funded with petroleum revenues; and,
- ▶ Make an informed assessment of how well the oil revenues were being applied.

This, besides PIAC's routine regional engagements, brought the total number of district engagements to 103, held across all

the regions of Ghana. Most of the town hall meetings were preceded by in-studio radio discussions; this greatly enhanced the coverage of the discussions. A composite report of these engagements will be launched in the course of 2019.

13.3.2 Forum on PIAC's Recommendations

PIAC has been providing updates on the implementation of previous recommendations in its annual reports to serve as reminders for action by relevant stakeholders. The Committee in this regard, convened an inter-institutional stakeholder forum to bring to the attention of stakeholders, outstanding recommendations, and identify ways by which they could be acted upon. Over the years, PIAC has had some of its recommendations implemented.

Outstanding Recommendations

Ministry Of Finance (MoF)

- The ABFA allocation to projects should be spent on few legacy projects to ensure timely completion and greater impact.

Ghana Revenue Authority (GRA)

- GRA must ensure that all outstanding annual surface rentals are paid with interest.

Ghana National Petroleum Corporation (GNPC)

- GNPC should disclose what steps it is taking to retrieve the US\$50 million loan it advanced to the Ministry of Finance in respect of the Western Corridor Roads.

Ghana National Gas Company (GNCC)

- The relationship between GNPC and GNCC should be clearly delineated, as there is some ambiguity in the status and

relationship between the institutions, which do not augur well for the development of the industry, or the State at large.

13.3.3 Meeting with Finance Committee of Parliament

The meeting with the Finance Committee was based on the 2017 Annual Report, which was laid in Parliament, and subsequently referred to the Finance Standing Committee for discussion. The main issues discussed were:

- The GH¢403 million unaccounted Annual Budget Funding Amount (ABFA)
- The 70 percent Public Investment Expenditure
- Spending on the International Tribunal for the Law of the Sea (ITLOS)
- Ghana Infrastructure Investment Fund (GIIF) Allocation

13.3.4 2017 Semi-Annual Report Analysis with IFEJ

PIAC in collaboration with the Institute of Financial and Economic Journalists (IFEJ) met to analyse the Committee's 2017 Semi-

Annual Report. The programme was aimed at exposing PIAC's reports to the larger section of the Ghanaian public using a specialised group of journalists as the vehicle, as well as to obtain valuable feedback for improving the quality of reports generated by the Committee. It was also aimed at enhancing the understanding of journalists in reporting on PIAC's report.

The main topics discussed were:

- Government's commitment in implementing PIAC's recommendations
- Saltpond Field Decommissioning
- Disbursements to PIAC
- Returns on the Ghana Heritage Fund (GHF) in 2016 and 2017

13.4 Financial Report

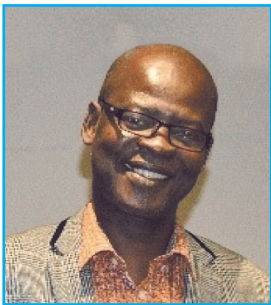
The Committee during the period under review received GH¢5,467,505.92 from the Government of Ghana and GOGIG. The total expenditure during the period was GH¢2,825,087.32, which left the balance brought forward to 2019 as GH¢2,642,418.60. Part of the excess income has been earmarked for the purchase of Office Accommodation.

Table 48: PIAC's Income and Expenditure Statement

PUBLIC INTEREST AND ACCOUNTABILITY COMMITTEE (PIAC)						
INCOME & EXPENDITURE STATEMENT FOR THE PERIOD JANUARY - DECEMBER, 2018						
			GOG GH¢	GOGIG/DFID GH¢	GOGIG GH¢	CONSOLIDATED GH¢
INCOME						
Bank Balance b/f			342,689.13	4,040.83	33,586.40	380,316.36
Income Received from GoG/Donors			3,548,485.15	1,377,258.91	55,711.68	4,981,455.74
Other Income			105,733.82	-	-	105,733.82
Total income			3,996,908.10	1,381,299.74	89,298.08	5,467,505.92
EXPENDITURE						
Programmes and Activities Expenses			838,671.02	425,150.28	88,914.58	1,352,735.88
General and Administrative Expenses			566,511.97	454,338.40	383.50	1,021,233.87
Capital Expenditure			107,140.33	-	-	107,140.33
Governance Cost			341,271.48	2,705.76	-	343,977.24
Total Expenditure			1,853,594.80	882,194.44	89,298.08	2,825,087.32
EXCESS INCOME OVER EXPENDITURE *			2,143,313.30	499,105.30	-	2,642,418.60
* Part of the Excess Income is to cater for the procurement of PIAC's permanent Office Complex						
Payment will be made upon completion of procurement process.						

Source: PIAC, 2018.

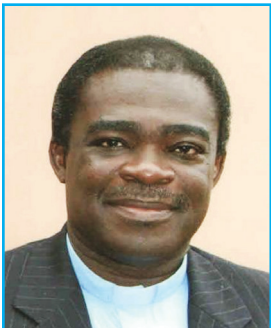
MEMBERS OF THE PUBLIC INTEREST AND ACCOUNTABILITY COMMITTEE



Dr. Steve Manteaw (Chairman)
Ghana Extractive Industries Transparency Initiative



Dr. Thomas Kojo Stephens
(Vice Chairman)
Ghana Bar Association



Rev. Dr. Kwabena Opuni-Frimpong
Christian Groups



Dr. Roland Affail Monney
Ghana Journalists Association



Alhaji Alhassan Abdulai
Muslim Groups



Mr. Noble Wadzah
Civil Society and Community-
Based Organizations



Mr. Joseph Winful
Institute of Chartered Accountants
Ghana



Nana Agyenim Boateng
Association of Ghana Industries
and Ghana Chamber of Commerce



Ogyeahoho Yaw Gyebi II
National House of Chiefs



Prof. Albert Fiadjoe
Ghana Academy Arts and Sciences



Independent Policy Think Tanks



Mary Karimu
Trades Union Congress



Hajia Kansawuche Azara Bukari
Association of Queen Mothers