

PUBLIC INTEREST AND ACCOUNTABILITY COMMITTEE



ANNUAL REPORT ON THE
MANAGEMENT AND USE
OF PETROLEUM REVENUES
FOR JANUARY – DECEMBER
2020

The 2020 PIAC Annual 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 an Annual Report.



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List of Acronyms

ABFA	Annual Budget Funding Amount
AG	Associated Gas
AGPP	Atuabo Gas Processing Plant
AOGC	Accelerated Oil and Gas Capacity
BBL	Barrel
BoG	Bank of Ghana
BOP	Blowout Preventer
BP	British Petroleum
BR	Benchmark Revenue
BRENT	Broom, Rannoch, Etive, Ness and Tarbert
CALM	Catenary Anchor Leg Mooring
CAP	COVID-19 Alleviation Programme
CAPEX	Capital Expenditure
CAPI	Carried and Participating Interest
CHPS	Community Health Planning and Services
CIT	Corporate Income Tax
CNG	Compressed Natural Gas
CNOOC	China National Offshore Oil Corporation
COLA	Crude Oil Lifting Agreement
COVID-19	Corona Virus Disease 2019

CPI	Consumer Price Index
CSI	Corporate Social Investment(s)
CWM	Cash Waterfall Mechanism
DWT	Deepwater Tano
DWT/CTP	Deepwater Tano Cape Three Points
E&P	Exploration and Production
EDS	Esiama Distribution Station
EFC	Equity Financing Cost
EIA	Energy Information Administration
ENI	Ente Nazionale Idrocarburi (Ghana E&P Limited)
ESRP	Energy Sector Recovery Programme
FPSO	Floating Production Storage and Offloading Unit
FEED	Front End Engineering Design
FRU	Floating Regasification Unit
FY	Full Year
GESTIP	Ghana Energy Sector Transformation Initiative Project
GHF	Ghana Heritage Fund
GIDA	Ghana Irrigation Development Authority
GJA	Ghana Journalists Association
GNGC	Ghana National Gas Company
GNPC	Ghana National Petroleum Corporation

GNPCF	Ghana National Petroleum Corporation Foundation
GoG	Government of Ghana
GOR	Gas to Oil Ratio
GOSCO	GNPC Operating Services Company Limited
GPF	Ghana Petroleum Funds
GPP	Gas Processing Plant
GPR	Ground Penetrating Radar
GPWF	Ghana Petroleum Wealth Fund
GRA	Ghana Revenue Authority
GSF	Ghana Stabilisation Fund
GTES	GNPC Technip Engineering Services
HFO	Heavy Fuel Oil
HOP	Hang Off Platform
IAC	Investment Advisory Committee
ICE	The Intercontinental Exchange
ICT	Information and Communications Technology
IFEJ	Institute of Financial and Economic Journalists
IMF	International Monetary Fund
IOC	International Oil Company
IPP	Independent Power Producer
ITLOS	International Tribunal for the Law of the Sea

JAK	John Agyekum Kuffuor
JIP	Jubilee Improvement Project
JV	Joint Venture
KNK	Kwame Nkrumah
LNG	Liquefied Natural Gas
LPG	Liquefied Petroleum Gas
LOPI	Loss of Production Insurance
MBS	Maritime Boundary Secretariat
MD	Managing Director
MMBtu	Million British Thermal Units
MGTF	Ministerial Gas Task Force
MMSCF	Million Standard Cubic Feet
MoEn	Ministry of Energy
MoF	Ministry of Finance
MSDI	Ministry of Special Development Initiatives
MT	Metric Tonne
NAG	Non-Associated Gas
NGC	Natural Gas Clearinghouse
NGTIP	Natural Gas Transmission Infrastructure Plan
NGTS	National Gas Transmission System
NGTU	Natural Gas Transmission Utility

NOC	National Oil Company
NTP	Non-Productive Time
OCTP	Offshore Cape Three Points
OECD	Organisation for Economic Co-operation and Development
OOL	Oil Offloading Line
OOsys	Oil Offloading System
OPEC	Organization of Petroleum Exporting Countries
OPEX	Operating Expenditure
ORF	Onshore Receiving Facility
P&A	Plugging and Abandonment
PA	Petroleum Agreement
PC	Petroleum Commission
PHF	Petroleum Holding Fund
PIAC	Public Interest and Accountability Committee
PNDCL	Provisional National Defense Council Law
PoD	Plan of Development
PPA	Public Procurement Authority
PPI	Producer Price Index
PRMA	Petroleum Revenue Management Act
PRMS	Prestea Regulating & Metering Station
PSGL	Prestea-Sankofa Gold Limited

PURC	Public Utilities Regulatory Commission
PSM	Permanent Spread Mooring
SEP	Springfield Exploration and Production Limited
SGN	Sankofa Gye-Nyame
SHS	Senior High School
SOE	State-owned Enterprise
SOIP	Shipboard Offloading Interface Package
SOPCL	Saltpond Offshore Producing Company Limited
SPS	Subsea Production Systems
SRMS	Sekondi Regulating & Metering Station
STEO	Short-Term Energy Outlook
STeP	Sub Terrain Prospection
TDS	Takoradi Distribution Station
TEN	Tweneboa-Enyenra-Ntomme
TGL	Tullow Ghana Limited
ToP	Take-or-Pay
TRP	Turret Remediation Project
TTIP	Takoradi – Tema Interconnection Project
VBP	Voltaian Basin Project
VRA	Volta River Authority
WAGP	West African Gas Pipeline

WAPCo	West African Gas Pipeline Company
WCTP	West Cape Three Points
WEO	World Economic Outlook
WI	Water Injection
WTI	West Texas Intermediate
YTD	Year-To-Date

Foreword

Since its establishment in September 2011, the Public Interest and Accountability Committee, (PIAC), has effectively exercised its oversight responsibility of monitoring and evaluating the management of Ghana's petroleum resources by the government and stakeholder institutions.

In compliance with provisions of the Petroleum Revenue Management Act (PRMA), the Committee prepares statutory Annual and Semi-Annual Reports, which aim at keeping Ghanaians and other interested stakeholders constantly informed about how the country's petroleum revenues are managed and utilised. The Reports also provide the basis for public engagements and the collation of citizens' feedback, which is subsequently shared with duty bearers.

The Committee since its inception has published a total of 19 Reports – 10 Annual and nine (9) Semi-Annual Reports - covering the period 2011 to 2020, with information and data from the Ministry of Finance, Bank of Ghana, Petroleum Commission, Energy Commission, Ghana National Petroleum Corporation, Ghana Revenue Authority, Ghana National Gas Company and the International Oil Companies.

The 2020 Annual Report covers the period January to December. It encompasses a broad range of issues associated with petroleum revenue management such as information on production, liftings, total revenues accruing and allocation 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 examines other issues pertinent to the performance of various institutions charged with responsibilities in the PRMA.

The Committee is releasing its 2020 Annual Report a month after the statutory date of 15th March, which is a clear departure from long delays, as witnessed in previous years. This was achieved as a result of the continuous collaboration between PIAC and its stakeholders, especially on the timely exchange of information.

It is the expectation of the Committee that the general public will read the Report meticulously and provide feedback especially during public engagements to be held following the release of this Report, or send comments via email to secretariat@piacghana.org , or call us on +233 (0) 302 547 765.

PIAC Chair,

Noble Wadzah.

Executive Summary

The Report reconciles and analyses information as well as data from key stakeholder institutions. The data relates to the exploitation of hydrocarbon resources and associated revenues and expenditures as mandated by the PRMA. The Report also includes inputs from relevant stakeholder institutions. The key findings and recommendations for action are:

Key Findings

Petroleum Production and Sales

1. The year 2020 marked a reduction in annual production volumes after three years of consecutive oil production increases. Production of crude oil declined by 6.3 percent from the 2019 volume.
2. Total gas production increased by 40 percent. The SGN Field produced the highest volume of combined AG and NAG among the three Fields, and increased its output by 60 percent during the period. This was mainly due to the fact that gas consumption from the SGN Field was domestic, and therefore less affected by the global price fluctuations.
3. The SGN Field delivered almost half (49.30%) of its total raw gas produced in 2020 to the Onshore Receiving Facility (ORF), as against 46.19% in 2019. This represents a y-o-y increase of 3.11% in gas exports from the Field.
4. The combined average achieved price of the Ghana Group for the three (3) Fields reduced significantly by 33.5 percent from US\$63.496/bbl in 2019 to US\$42.211/bbl in 2020 due to the impact of the Covid-19 pandemic.

Revenue Collection and Management

5. There was a general decline in revenue, attributed to lower production volumes and unfavourable international crude oil prices, exacerbated by the COVID-19 pandemic. CAPI declined by 40.5 percent, Surface Rentals by 37 percent, CIT by 21 percent, and Royalties by 17.5 percent.

6. Surface Rental payments remain in arrears to the tune of US\$2,110,212.23 in 2020, representing a 34.71 percent increase over the 2019 arrears of US\$1,566,463.12. The non-payment of this stream of income denies the PHF the necessary funds needed for development projects.

Recommendation: The Ghana Revenue Authority should, as a matter of urgency, initiate action to recover Surface Rental Arrears with the appropriate interest, as provided for in the PRMA.

7. GNPC utilised a make-up gas (see page 62) volume of 1,867.50Mmscf out of the total accumulated make-up gas volume of 35,630.32Mmscf, translating into an amount of US\$15,767,771.85.

Distribution of Petroleum Revenues

8. There was a 31 percent decrease in the distribution from the PHF in 2020, compared with that of 2019, which made less money available for Government' s spending on programmes and projects.

Allocation and Utilisation of the Annual Budget Funding Amount

9. An amount of GH¢ 1,291,227,014.86 was allocated to the ABFA from the PHF, representing an increase of 1.60 percent over the allocation to the ABFA from the PHF in 2019.
10. The 2020 – 2022 new priority areas selected for ABFA disbursement were not presented to Parliament for approval in the 2020 Budget Statement and Economic Policy, as required by the PRMA.

Recommendation: The Ministry of Finance should ensure that Priority Areas selected are approved by Parliament before implementation, as required by Section 21 (5) of the PRMA.

11. Contrary to the PRMA, an unutilised amount of GH¢827.60 million from 2017 – 2019 was spent to partially meet the shortfall in ABFA receipts caused by the impact of the COVID-19 pandemic and its associated effects on crude oil prices globally.

Recommendation: The ABFA should not be used to serve the purpose of filling expenditure gaps in times of revenue shortfall in the Budget, as this is the purpose of the GSF under Section 9(2) of the PRMA.

Recommendation: As detailed in the Committee's 2019 Annual Report, the Committee reiterates that the ABFA should not be spread thinly, in accordance with Section 21 (1-3) of the PRMA.

Recommendation: PIAC reiterates the need for a Long-Term National Development Plan, as stipulated in Section 21(2)(d) of the PRMA to guide the spending of petroleum revenues, as the current practice allows for ministerial discretion in the selection of the Priority Areas..

Performance of the Ghana Petroleum Funds

12. As a result of the lowered cap of the GSF and subsequent withdrawals, the GPFs reserves reduced.

13. There was a 20.23 percent reduction on the net return on investments of the GPFs in 2020, compared to 2019.

14. There was an amount of US\$199.99 million in the GSF, as at the end of December 2020.

GNPC Allocation and Utilisation

15. GNPC spent 71.81 percent of its Level B Expenditure receipts on Sustainability & Stakeholder Relations and GNPC Foundation.

Operation of the Ghana National Gas Company

16. Revenue realised from the sale of LPG decreased by 4.16 percent at the end of the period compared with the same period in 2019.

Recommendation: The necessary gas infrastructure needs to put in place by government to ensure that the make-up gas from SGN is taken and utilised.

17. In spite of the implementation of the Cash Waterfall Mechanism, cumulative indebtedness to GNGC (US\$843,276,652.53) is still high.

CHAPTER 1

1.0 INTRODUCTION

1.1 Background

Ghana's attempt to commercialise its petroleum deposits came to fruition in December 2010, and since then, concrete efforts have been made to ensure that gains made from the production of the natural resource benefit all Ghanaians.

From putting in place laws and regulations, setting up institutions with clear mandates across different levels of operations in the sector, the country has chalked many successes in its commercial oil production, as it attains its tenth-year milestone.

The outbreak and effect of the novel Corona Virus Disease (COVID-19) brought some uncertainties in the global upstream petroleum industry operations during the period, with a consequent effect on the Ghanaian petroleum industry. New contracts and projects earmarked to be executed were halted, production levels at the various oil producing fields were also cut in the wake of the pandemic and ultimately, anticipated government revenues were affected.

Government, in its 2020 Budget Statement and Economic Policy, projected a crude oil benchmark price of US\$62.6 per barrel. The outbreak of the pandemic in January saw oil prices plunging to as low as US\$20 per barrel, and although prices picked up in the course of the year, the anticipated revenue inflow was significantly reduced.

As a result, the Ghana Stabilisation Fund (GSF) had to be capped at US\$100million from an initial balance of US\$455.53million, and the excess transferred to the Contingency Fund to shore up the shortfall in projected revenues from petroleum, in line with the Petroleum Revenue Management Act, 2011 (Act 815) as amended by the Petroleum Revenue Management Act 2015 (Act 893) (PRMA).

The PRMA has two distinct features, among others:

1. Intergenerational equity spending and savings, borne out of the recognition of the common resource ownership of current and future generations of Ghanaians.
2. Appropriating 70 percent expenditure through the budget to address the infrastructure needs given the country' s infrastructural deficit and its relevance for socio-economic growth and transformation. This expenditure is defined as capital expenditure. The remaining 30 percent is ploughed into recurrent expenditure requirements.

The Public Interest and Accountability Committee (PIAC), which was created as the unique institution with an additional oversight responsibility to support the work of Parliament in ensuring the prudent management and use of petroleum revenues, was also limited in its work as a result of the COVID-19 pandemic.

Despite these challenges, the Committee carried out most of its planned activities, in the spirit of ensuring accountability and transparency in the management and use of petroleum revenues in fulfilment of its three-fold mandate under Section 52 of the PRMA.

These are:

- Monitor and evaluate compliance with the Act by Government and other relevant institutions in the management and use of petroleum revenues and investments;
- Provide space and a 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) of the Act; 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:

- Analyses oil and gas production and liftings from January to December 2020;

- Verifies the accuracy of oil and gas revenues declared by state institutions over the period;
- Confirms revenues allocated to the Ghana National Petroleum Corporation (GNPC), the Annual Budget Funding Amount (ABFA), and the Ghana Petroleum Funds (GPFs);
- Discusses how petroleum receipts have been allocated and utilised;
- Analyses the performance of the Ghana Petroleum Funds from January to December 2020;
- Assesses the roles and functions of reporting entities under this Act and their compliance; and,
- Reviews compliance with recommendations and outcomes in previous PIAC reports.

1.3 Methodology

The following methods were employed for this report:

- Analysis and reconciliation of data collected from relevant stakeholder institutions;
- Interview and validation meetings;
- Independent verification of source documents from stakeholders

The key stakeholder institutions consulted include, but are not limited to:

- Ministry of Finance (MoF)
- Bank of Ghana (BoG)
- Petroleum Commission (PC)
- Ghana Revenue Authority (GRA)
- Ghana National Petroleum Corporation (GNPC)
- GNPC Foundation (GNPCF)

- Ghana National Gas Company (GNGC)
- International Oil Companies (IOCs) - Tullow, Kosmos, and Eni

The Report uses a variety of visual devices such as tables, charts and graphs to communicate the findings and outcomes of the analysis.

CHAPTER 2

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 (63%) 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 changes arising out of PIAC' s recommendations, are:

- The passing of the PRMA Regulations
- 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\$62.73 million through the tax audits of Kosmos Energy, Anadarko, and Tullow Ghana Ltd.
- Improvements in the payment of Surface Rentals by International Oil Companies (IOCs) in 2017, 2018 and 2019, 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 actions taken.

Table 1: Update of PIAC Recommendations

Finding	Recommendation	Responsibility	Status	Comment
1. Enactment of Regulations (Refer to 2012 PIAC Annual Report)				
After ten 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 passed (L.I. 2381).	The recommendation has been acted upon, with the Regulations being passed.
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 in 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	The Minister for Energy approved the Decommissioning Plan in November 2019, and processes for procuring decommissioning contractor(s) commenced soon after.	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)				

<p>Oranto/Stone Energy has still not honoured an outstanding surface rental invoice of US\$67,438.36 since February 2013. GRA explains that it cannot locate Oranto.</p>	<p>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.</p>	<p>GRA</p>	<p>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.</p>	<p>As stated in PIAC' s 2018 Annual Report, GRA should collaborate with the relevant authorities in these jurisdictions to retrieve the principal together with the interest. GRA must take this step as a matter of principle.</p>
<p>An amount of US\$13,518,852.98, which was wrongfully paid into GRA' s account in 2017 is yet to be transferred into the PHF as required by Act 815.</p>	<p>PIAC finds the recurrence of wrongful lodgement of petroleum funds into GRA accounts unacceptable. The MoF must provide guidelines to forestall similar occurrences.</p>	<p>GRA</p>	<p>An amount of US\$25,000,000 in respect of CIT was wrongfully paid by Anadarko into GRA' s Account in December 2019. GRA states that the amount was paid into the PHF account in 2020.</p>	<p>While PIAC commends GRA for its responsiveness, it urges the Authority to take steps to avoid such recurrences.</p>
<p>4. GNPC Expenditure on the Ghana Maritime Boundary Dispute (Refer to Pg. 61 of 2017 PIAC Annual Report)</p>				

<p>GNPC spent US\$3.8 million on the secretariat activities of the Ghana – La Cote d’Ivoire Maritime Boundary Dispute.</p>	<p>The ITLOS dispute was between two sovereign States and not between a sovereign State and a National Oil Company (NOC) 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.</p>	<p>MoF</p>	<p>The US\$3.8 million spent by GNPC on the Maritime Boundary Dispute has still not been refunded to GNPC. GNPC duly budgeted for the dispute. The Corporation further spent US\$578,449.03 on the Maritime Boundary Special Project in 2020.</p>	<p>The Ghana Boundary Commission established by the State to deal with such matters, must have a fully functioning Secretariat, and be made to handle its own budget.</p>
<p>5. GNPC Expenditure on Corporate Social Investments (Refer to Pg. 85 of 2019 PIAC Annual Report)</p>				
<p>GNPC’ s expenditure on CSI remains high, increasing from GH¢41.49 million in 2018 to GH¢49.98 million in 2019, with the Corporation’ s guarantees for other state-owned enterprises (SOEs), amounting to US\$645,511,405.40 in 2019.</p>	<p>PIAC reiterates its calls for Parliament to consider placing some restrictions on the proportion of GNPC’ s budget on CSI and guarantees to state institutions, particularly in the light of their inability to respond to some of their cash calls.</p>	<p>Parliament</p>	<p>In 2020, GNPC spent 71.81 percent of its Level B receipts on Sustainability and Stakeholder Relations and GNPC Foundation.</p>	<p>GNPC’ s CSI expenditure must not replace the use of the ABFA to fund government projects and programmes.</p>

<p>This is about double that of 2018, and also outweighs the Corporation's total equity financing expenditure of US\$164.79 million for 2019.</p>				
<p>6. Unutilised and Unaccounted for ABFA (Refer to Pg. 75 of 2019 PIAC Annual Report)</p>				
<p>The total ABFA available for spending in 2019 was GH¢2,750,840,639.72 out of which GH¢1,270,944,339.86 was utilised leaving a balance of GH¢1,479,896,299.86 to be utilised and accounted for</p>	<p>For the third consecutive year, the actual ABFA was not fully utilised or accounted for. It brings the total unutilised and unaccounted ABFA to GH¢1,479,896,299.86 at the end of 2019. The Ministry of Finance is acting with impunity regarding accounting for the use of ABFA. PIAC therefore urges Parliament to bring its oversight mandate to bear.</p>	<p>MoF/Parliament</p>	<p>The Ministry stated that the unspent ABFA of GH¢1,479.90 million was fully utilised as follows:</p> <ul style="list-style-type: none"> (a) GH¢471.59 million was transferred to the Road Fund to reduce the Fund's indebtedness to road contractors and creditor banks; (b) Gh¢180.7 million was utilised under the Ministry of Roads and 	<p>PIAC commends the Ministry for accounting for the money. The Committee, however, expects a disaggregation of the projects financed with the GH¢1,479.90 million from that financed with the 2020 ABFA.</p>

			<p>Highways for roads infrastructure;</p> <p>(c) GH¢827.60 million, on the other hand, was utilised in 2020 to partially meet the shortfall in ABFA receipts caused by the impact of the COVID-19 pandemic and its associated effects on crude oil prices globally.</p>	
7. Discretionary Capping of the GSF (Refer to Pg. 66 of 2019 PIAC Annual Report)				
An amount of US\$189.13 million was withdrawn as excess over the cap of US\$300 million placed on the GSF. The excess was withdrawn into the Sinking	PIAC recommends an amendment of the PRMA to remove the ministerial discretion in allocating excess revenue over the GSF cap between Contingency and Sinking Funds and mandating that a	Parliament	In 2020, the Minister for Finance further reduced this cap to approximately US\$100 million, with the excess over the cap yet to be transferred.	There is the need for sustained disbursements to the Contingency Fund, in order for it to serve its purpose.

Fund.	<p>prescribed minimum portion of the excess over the cap goes into the Contingency Fund at all times. This is necessary to ensure that there is enough money in the Contingency Fund to address national emergencies.</p>			
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Source: PIAC's Construct, 2020.

CHAPTER 3

3.0 DEVELOPMENTS IN THE UPSTREAM OIL AND GAS SECTOR

3.1 COVID-19 and related Developments in the Upstream Sector

The outbreak of the COVID-19 pandemic in 2020 and the associated shocks on the economy and work programmes of major industry actors proved challenging to upstream oil and gas operations in Ghana, compared to 2019. The petroleum industry's performance was unstable for the most part of the year; the first half saw Brent oil price fall from an average of \$63.5 per barrel in January to an average of \$32.01 per barrel by March and a further collapse to a historic bottom of \$18.38 per barrel in April before picking up slightly in May to \$29.38 per barrel.

A combination of COVID-19 global containment restrictions and OPEC+ intervention measures designed to sustain the market through timely production cuts resulted in oil prices rising to \$40.27 per barrel in June 2020. This was still one-third lower than the 2019 average for the same period. As at December 2020, however, the oil price more than doubled in value to around \$50 per barrel, closer to the pre-pandemic values of above \$60 per barrel.

Even before the recovery of oil prices in the second half of 2020, the Ghana government put in place measures to sustain the country's efforts at managing its hydrocarbon resources, as outlined below.

3.2 Developments in the Economy, Work Obligations and Operations

The Petroleum Commission had at the beginning of the year approved work programmes and budgets amounting to about US\$324 million for Exploration and Production (E&P) companies in the exploratory and appraisal stages. The companies were due to undertake various drilling campaigns, acquisition and interpretation of seismic, geological and geophysical data, well planning, procurement tender and mobilisation before the COVID-19 global pandemic. Since then, project execution, planning, risk management as well as associated preparatory activities have stalled, with implications for cost and time overruns.

Other developments:

- a. In March 2020, Aker Energy postponed its development activities in the Pecan Field project, valued at US\$4.4 billion. The company was scheduled to submit a revised Plan of Development (PoD) and make a final investment decision on the Field. However, due to the effect of the COVID-19 pandemic on the oil and gas industry globally, Aker Energy requested for a suspension and postponement of the Pecan Field development activities.
- b. In respect of the Central Tano Block, AMNI had to reschedule its planned drilling campaign slated for Quarter 2 to Quarter 4 of 2020, and beyond;
- c. ECO Atlantic, the Operator of the Deepwater Cape Three Points West Block, was compelled to suspend all exploration drilling preparatory activities due to the COVID-19 pandemic, despite commencing the process of rig tendering, tangibles contracts, and support services contracts;
- d. Eni, the Operator of the Cape Three Points Block 4, indicated to the Petroleum Commission its plan to postpone the drilling of the Eban-1X exploratory well to the first quarter of 2021;
- e. GOSCO, the Operator of the Off shore South West Tano Block, put on hold all exploration drilling preparatory activities, contracting of key services, and plans to secure a rig; and,
- f. Appraisal programmes of Eni' s Akoma-1X, AGM Petroleum' s Nyankom 1X and Kyekyen 1X, and Springfield' s Afina-1X discoveries also faced significant delays.

Generally, there was a freeze on the work programmes and a decision to restore the initial period or extensions lost for all companies whose agreements would have otherwise expired in 2020 but for the COVID-19 pandemic. There was also a freeze or cancellation of critical operations and maintenance works on production facilities scheduled for the year, due partly to the skeletal workforce operated by most companies in compliance with approved COVID-19 protocols.

3.3 Developments in the Investment Climate

The shift in government's priorities toward managing the economic impact of the pandemic, and the resultant fear of low investor confidence was a constraining factor on upstream investments in Ghana. Although the Government approved Yinson Holding to operate and maintain the Pecan Field FPSO for the DWT/CTP project, the approval was soon rendered ineffective in March 2020. This was as a result of Aker Energy notifying Yinson of its decision to terminate the arrangement, after postponing activities under the DWT/CTP Petroleum Agreement.

However, the data room of the Petroleum Commission attracted a considerable number of investors during the reporting period from industry giants like BP, Hunt Oil, Shell, among others. This followed the first Bids and Licencing round, which the Civil Society Licencing Round Monitoring Group generally described as below expectation due partly to inadequate/low quality data and the small sizes of the blocks offered. This was a view corroborated by Government. Ghana's second Bid and Licencing round has been delayed pending improvements in investment conditions.

Notwithstanding the COVID-19 situation, there was sustained production in the country's three offshore producing Fields¹. For the period under review, a total of 66.93 million barrels of oil was produced, of which the Jubilee Field produced 30.42 million bbls, TEN – 17.80 million bbls, and OCTP (SGN) – 18.70 million bbls. To improve production and enhance the chances of new discoveries, Tullow Ghana Limited (TGL), Operator of the Jubilee and TEN Fields, focused on sustaining safe and long-term production. Additionally, Tullow continued its infill drilling programme with Maersk Venturer, taking steps to improve gas handling; planning the Ntomme production well and Jubilee Water Injection (WI), among others.

¹ The Jubilee Field, which was the first to be discovered in 2007, began production in 2010. The Tweneboa Enyenra Ntomme (TEN) Field which was discovered in 2009 came onstream in August 2016 with the Sankofa Gye Nyame (SGN) Field located offshore Cape Three Points beginning production in May 2017.

The Government, acting through the Minister of Energy in early April 2020, directed Eni and Springfield to commence talks relating to the potential unitisation of the Afina-1X Cenomanian discovery, operated by Springfield E&P Ltd (SEP), and the Sankofa Cenomanian field, operated by Eni. The Afina-1X Cenomanian discovery is located in SEP' s West Cape Three Points 2 (WCTP2) Licence which shares a common boundary with the Offshore Cape Three Points (OCTP) Licence which contains the Sankofa Cenomanian field, offshore Ghana. In a second directive on 14 October 2020, the MoE sought to impose terms of unitisation on OCTP and WCTP2 on the basis that an agreement between the parties would ensure optimum exploitation and recovery of Ghana' s petroleum reserves. According to Eni, both directives were premised on reports authored by Ghana National Petroleum Corporation (GNPC).

Eni objected to the directives in a series of letters to the MoE stating its concerns with the MoE' s directive. Eni' s position is that it has not been provided with sufficient data and/or sufficient data does not exist to ascertain whether: (i) the Afina discovery, drilled in 2019 and the Sankofa Cenomanian Oil field, which was discovered in 2012 and has been in production for about 3 and a half years, are straddling the license border, (ii) the Afina discovery has been sufficiently tested or appraised to demonstrate that it is in dynamic communication with the Sankofa field, (iii) unitisation would ensure efficient reservoir exploitation, avoid unnecessary competitive drilling, and maximise economic recovery of the hydrocarbons reserves, and/or (iv) unitisation or any other form of coordinated development would be appropriate in accordance with Ghanaian law.

As at December 2020, there was no conclusive arrangement on the subject. Eni and the government continue to engage in order to reach a consensual outcome reflecting applicable law, the relevant project agreements and industry standards. A successful outcome of government' s directive on this would register the very first unitisation arrangement between an International Oil Company (IOC) and a Ghanaian operator, and could usher in a new era of meaningful local participation in Ghana' s petroleum upstream sector.

3.4 Developments in Local Content and Local Participation

From the prescriptive requirements of the Petroleum (Local Content and Local Participation) Regulations, 2013 (L.I. 2204) for more collaborative public-private efforts, Ghana's local content objectives have been to:

- Maximise the patronage of Ghanaian goods and services, and thereby increase in-country spending and cash retention;
- Increase employment of Ghanaian professionals by ensuring the localisation of job opportunities;
- Facilitate technology and skills transfer through training, research and development;
- Promote local participation by encouraging Ghanaians to have equity ownership and management participation in upstream petroleum activities; and,
- Develop local capacities resulting in increased capabilities and competitiveness of indigenous Ghanaian companies and individuals.

Premised on the above objectives, and catalysed by the 2017 Accelerated Oil and Gas Capacity (AOGC) programme, the Petroleum Commission (PC) has in the past seven years pushed for more local content in the sourcing of goods, services, and labour, as new oil and gas investments came on stream. The industry has chalked a modest success in localising various positions including critical positions in major companies. Per the various localisation plans, the Commission forecasted about 40 roles to be localised in 2020. The Government initially demonstrated fidelity to these local content requirements when it objected to Tullow's appointment of a non-Ghanaian as the Company's new Managing Director (MD), insisting that Tullow's action defeats the Government's localisation agenda. The new MD was appointed in the middle of May to replace a Ghanaian who was due for retirement on June 30, 2020. Government did not pursue this objection further as the new MD remained Tullow's MD as at December 31, 2020. However, 37 roles previously occupied by expatriates in Yinson (11) and MODEC (26) were localised/assumed by Ghanaians.

Considerable investments in infrastructure, personnel, and technologies have already been made in anticipation of major projects. Approximately 98 contracts worth over US\$389 million

were awarded by Aker Energy, AGM, Eni, GOSCO and Springfield between the last quarter of 2019 and the first quarter of 2020. Similarly, processes toward the renewal of contracts previously awarded by Eni and Tullow commenced before the COVID-19 pandemic, however, its associated impacts led to the cancellation of these contracts. In particular, the five-year Maersk Drilling contract which was terminated in June 2020 together with associated services, had a toll on local businesses through to December 31, 2020.

Workforce in the industry was significantly reduced as some planned layoffs of both expatriate and local personnel took place, due to weaknesses in the local supply chain (i.e. manufacturing, construction and industry) dynamics resulting from the pandemic.

3.4.1 Status of the Local Content Fund

As at 31st December 2020, the following were in place regarding the Fund:

- A Local Content Fund Secretariat has been established and resourced at the Petroleum Commission. In addition, an Interim Coordinator of the Fund Secretariat has been appointed and endorsed by the Minister for Energy to ensure smooth administration of the Secretariat.
- A draft Local Content Fund Operational Guidelines has been developed by the Commission for the administration of the Fund and is currently under review by the Board of the Local Content Committee.
- Two (2) bank accounts (GH¢ and US\$) have been created at the Bank of Ghana (BoG) for the purposes of collections.
- The Local Content Committee of the Petroleum Commission continued to implement the deduction of a one percent (1%) contract sum into the Local Content Fund established under the Petroleum (Exploration and Production) Act, 2016 (Act 919). The implementation of this provision came with some difficulties, including the delayed payments of contributions and outright violations of payment by some contractors who point to Stability Clauses in their respective Petroleum Agreements, as the basis for the non-compliance.

- Receivables based on approved contract sums by the PC, to the Local Content Fund amounted to US\$3.7 Million.

3.5 Developments in the Policy, Legal, and Regulatory Environment

Following a successful first bid and licensing round and the announcement of winning bids in respect of advertised blocks, negotiations with both First Exploration and Petroleum Development Limited in partnership with Elandel Energy (Ghana) Limited for rights over GH_WB_02 and Eni in partnership with Vitol Upstream Ghana Limited for rights over GH_WB_03, continued in 2020. Negotiations commenced soon after 2nd July, 2019 when the winning bids were announced. Due to the COVID-19 pandemic, negotiations delayed in both instances, affecting progress in the execution and ratification by Parliament of petroleum agreements in respect of both blocks. As at 31st December 2020, no new Petroleum Agreement had been executed or ratified by Parliament.

A planned second open oil bid and licensing round for 2020 was shelved due to the impact of the COVID-19 pandemic on global oil prices. Instead, the government in August 2020 advertised for direct negotiations without public tender in respect of eleven (11) Blocks offshore the Eastern (Keta) Basin. Simultaneously, Block GH_WB_04 which was up for competitive bidding in the first bidding round but did not attract any bid due to low quality data, among other reasons, was also advertised for direct negotiations without public tender. Several companies submitted expressions of interest. Negotiations are currently ongoing with CNOOC International Limited, Resource Base International Limited and KOKA Energy Company Limited in respect of their expressions of interest.

At the regulatory front, the Petroleum Commission pursued IOCs who have over the years failed to fulfil their respective Surface Rental liabilities by demanding payment of their liabilities by 30th November 2020, leading to recoveries of US\$222,294.67². Despite this effort, some

² PC, Jan-Dec Report to PIAC (December 2020).

companies³ are yet to either honour their Surface Rental obligation or respond to the Commission' s demand notice. According to the GRA, the total Surface Rental arrears as at December 2020 stands at US\$2,110,212.23⁴.

To ensure the efficient conduct of the upstream petroleum operations, the Petroleum Commission undertook the review of the under-listed existing regulations:

- Petroleum (Local Content and Local Participation) Regulations, 2013 (L.I. 2204);
- Petroleum Commission (Fees & Charges) Regulations, 2015 (L.I. 2221); and,
- Petroleum Exploration and Production (General) Regulations, 2018 (L.I. 2359).

The Commission continued the development and internal review of the following technical regulations and guidelines for the upstream industry, during the period:

Table 2: Status of Guidelines Currently Under Development and Review

No.	Guidelines	Status/ Next Action
1	Guidelines for Electronic Filing of Documents	Draft completed pending review by Board of Local Content Committee
2	Guidelines for Submission of Local Content Plans & Performance Report (Goods and Service)	Draft completed pending review by Board of Local Content Committee
3	Procurement and Bid Evaluation Guidelines	Final draft approved by Local Content Committee. Stakeholder engagement planned for Q1 2021
4	Research and Development Guidelines	Draft completed pending review by Board of Local Content Committee
5	Financial Services Guidelines	Draft in progress
6	Guidelines for the Importation of Chemicals	Final draft approved by Local Content Committee. Stakeholder engagement planned for Q1 2021
7	Guidelines for the Petroleum (Exploration and Production) (Health, Safety	Draft completed for review by the Board.

³ The companies are Britania –U, Medea Development, UB Resources Limited, Swiss African Oil Company Limited, Eco Atlantic, Heritage (GOSCO) and Sahara Energy Fields Ghana.

⁴ GRA, Jan-Dec Report to PIAC (December 2020).

	and Environmental) Regulations, 2017 L.I. 2258	
8	Draft Guidelines for Reporting Geophysical Data to Petroleum Commission	Draft completed pending submission to the Board
9	Guidelines for the formation of Joint Venture Companies in the upstream petroleum sector of Ghana	Published
10	Guidelines for the Reservation of Goods and Services	Draft completed and ready for submission to the Board of Local Content Committee
11	Local Content Fund Operational Guidelines	Draft at the Board of Local Content Committee level for review
12	Oil and Gas Insurance Placement for the Upstream Sector	Published
13	Guidelines on Company Registration and Participation in Tender Processes	Published
14	Guidelines for the Submission of Contracts for approval by the Petroleum Commission	Published

Source: PC, June 2020.

3.6 Exploration and Production Activities

During the reporting period, Ghana had 18 Petroleum Agreements in place. Tullow Oil (Jubilee and TEN), Eni are in the production stages. Aker Energy, Springfield and AGM Ghana are either in the pre-development and/or appraisal stages of operation. The remaining companies are all in the exploratory stage of operation.

3.6.1 Jubilee Field Operations

Tullow Ghana Limited (TGL) and its partners continued their multi-year incremental drilling programme and other development works in the Jubilee Field. The Maersk Venturer Drillship

continued to work on the J15-WI Suspension/ Abandonment operations which was concluded on the 8th of January 2020. The Maersk Venturer Drillship was then used for drilling activities on the TEN Field before returning to drill the top-hole section of J55-WI. The J55-WI well was spudded⁵ on 14th March 2020 to undertake top-hole drilling. This activity was completed on 21st March 2020.

After the successful stabilisation of the turret and the rotation of the FPSO Kwame Nkrumah (KNK) bearing to 205° in November 2018, the next milestones of the Turret Remediation Project (TRP) were:

- the completion of the Permanent Spread Mooring (PSM);
- installation of Shipboard Offloading Interface Package (SOIP); and
- Oil Offloading Systems (OOSys).

Following the installation of two (2) mooring blocks on the forward side (port and starboard) of the FPSO KNK and four (4) mooring lines on each of the mooring blocks, the PSM work scope was completed and the FPSO KNK finally became permanently spread moored in February 2020. However, the final documentation, project closeout and handing over of the project to operations which constitute the onshore was completed in May 2020.

The Shipboard Offloading Interface Package (SOIP) and Oil Offloading System (OOSys) projects, expected to be completed by the second quarter of 2020, experienced delays due to the COVID-19 pandemic. However, the successful rotation and permanent spread mooring of the FPSO KNK gave rise to successful installation of the new oil offloading systems, comprising a Shipboard Offload Interface Package (SOIP) module, Pigging Skid, Catenary Anchor Leg Mooring (CALM) buoy, and one Oil Offloading Line (OOL) and a Hang Off Platform (HOP).

The CALM buoy has been moored 1 nautical mile from the FPSO KNK. A modified offloading system on the FPSO which started from the fourth quarter of 2019 is in the final phase. Tullow Ghana Limited anticipates pre-commissioning and handing over in 2021.

⁵This is when actual drilling begins

The Greater Jubilee Field witnessed major challenges including high water breakthrough (water cut), elevated Gas-oil-ratio (GOR) and gas handling, especially gas export, all of which affected oil production in the Field. The first half of the year experienced some topside upsets including gas pipeline line restriction, gas compression trips and sea water injection system outages.

The Wet Fuel Gas Project was shut down and successfully restarted in January 2020. The objective of the Wet Fuel Gas Project was to increase gas throughput capacity on the FPSO which had a resultant effect on oil production increases.

Poor gas export performance experienced in February and March was due to suspected restriction in the Gas export pipeline. The gas pipeline was pigged, and gas export was successfully re-established in late March, 2020.

The COVID-19 pandemic has resulted in delays and postponement of major scopes, including but not limited to Tank Inspection and Repairs, Gas Turbine Generators (GTGs) Maintenance and Repairs, Sea Water Injection System Improvement, Auxiliary Boiler Rebuild, Jubilee Improvement Project (JIP) and the final phase of the Oil Offloading System (OOSys).

3.6.2 Tweneboa, Enyenra Ntomme (TEN) Field Operations

Drilling and Completion activities on the TEN Field commenced in January. An oil producer well, Nt09-P was drilled using the Maersk Venturer Drillship, albeit, with significant operational challenges and high Non-Productive Time (NPT). The well was successfully re-spudded on 14th January, 2020 after an unsuccessful spudding operation on 12th January resulting from buckling of the drill string. Due to further operational challenges during the completion campaign, the Nt09-P well was temporarily suspended for top-hole drilling of J55-WI in the Jubilee Field. Drilling operations on Nt09-P resumed in March and ended in April.

The Maersk Venturer Drillship was used to commence Nt09-P completion activities in April and successfully ended in August, at a cost of US\$81,203,646.00. The Nt09-P completion activities took 112 days and recorded a total NPT of 1,159.00 hours mainly due to BOP/riser inspection and maintenance work scope as well as smart completion and upper zone packer leak.

3.6.3 Offshore Cape Three Points (OCTP) Field Operations

Eni, the Operator of the OCTP Field, in May undertook major works on the Takoradi phase of the Takoradi-Tema Interconnection Project (TTIP)⁶, which led to a shutdown of the West African Gas Pipeline (WAGP) system in Takoradi. The shutdown enabled critical works to be conducted which when completed will minimise the impact on the communities that rely on power generated from the gas transported through the West African Gas Pipeline (WAGP) system to Tema.

In all, the TTIP scope was completed and the system commissioned to receive gas from Takoradi (West), contributing to increased gas exports from upstream operations. About 80MMscf of gas is being delivered to the Tema enclave as a result of successful completion of the TTIP project.

3.6.4 Deepwater Tano/Cape Three Points Field Operations

Aker Energy, the Operator of the DWT/CTP contract started undertaking further studies in preparation to re-submit the Pecan Field PoD. The Company, in a letter dated 27th March 2020, informed the Minister for Energy of its decision to postpone investment in the Pecan Field Development. This was due to the effect of the COVID-19 pandemic on the global oil and gas industry and supply chain. The Minister responded to acknowledge the decision by the partners to postpone the project pending easing of the impact of COVID-19.

3.6.5 Voltaian Basin Project

The COVID-19 induced lockdown and running of shifts in the Corporation slowed down other activities that were to be undertaken on the project. However, following the signing of the Phase-2 Contract for the Voltaian Basin Project (VBP) between GNPC and BGP-Bay, the VBP team, set out to undertake the following activities as its 2020 work programme for the project:

⁶ The TTIP is a collaboration between the West African Gas Pipeline Company (WAPCo), the Energy Ministry, the Ghana National Petroleum Corporation (GNPC), the Ghana National Gas Company (GNGC) and Eni Ghana to expand WAPCo facilities at Takoradi and Tema as well as the tie-in of the WAGP system at Takoradi to GNGC's facility/line.

- a. **Acquire remaining 500-line km of 2D seismic data for the Phase-II programme:** GNPC continued with Phase Two of the 2D Seismic Data Acquisition Programme in the Voltaian Basin, which commenced in 2019, was completed in March 2020 with a total coverage of 667km. This was just before the first case of COVID-19 was recorded in Ghana. A major challenge that was faced during the seismic acquisition programme was the frequent delays in the payment of invoices to the Contractor;
- b. **Process the entire Phase-II Seismic Data (667 km):** All 2D data (667km) were shipped to BGP's processing Centre in China for processing. Processing was completed in late July after which the data was interpreted both in-house and at BGP-Bay' s office. Based on results from the seismic processing and interpretation, both teams made recommendations for the consideration of GNPC' s Management;
- c. **Deploy additional technologies to complement the seismic data:** Following several leads identified in Phases 1 and 2 of the Project and presentations done by various companies on technologies they believe can help in further exploration of the basin, a team was tasked to research on cost-effective technologies to complement the seismic data, locate anomalies or hydrocarbon pools and help define well locations. The Voltaian Basin Team explored other technologies with similar technique and relatively comparable capabilities such as the Magnetolluric (MT), Ground Penetrating Radar (GPR), and Satellite Imagery and Remote Sensing from other vendors. Eventually, the Satellite Imagery Technology, also known as the Sub Terrain Prospection (STeP) technology closely met GNPC' s requirement in terms of capabilities, success rate, time, cost and deliverables. The vendor, TerraPlanoAfrique, submitted a proposal. Due to some issues raised, the procurement process for acquiring the STeP technology was later halted, pending Management approval for the way forward. According to GNPC, the major challenge with deploying a suitable technology for the Project

is the delay in approving the recommended technology for progression of the Project;

- d. **Acquire Reconnaissance Licence and Authorisation over the basin:** The team commenced the process of acquiring a reconnaissance licence and authorisation for the VBP from the Energy Minister. The Licence was issued by the Minister in March;
- e. **Complete the necessary permitting and compensation activities:** Farm measurement, crop enumeration, data collection and collation, engaging relevant authorities (Forestry Commission, Lands Commission, etc.), amongst others, required to commence permit payment were carried out. GNPC together with ARB Apex Bank carried out payments to over 1000 project affected farmers. A major challenge has been the delay in release of funds for permit payments which in turn delayed payments to some farmers leading to agitations in some areas. A letter received from the Piengwa Divisional Council of Manya Krobo, requesting GNPC' s assistance to investigate the potentials of "several oil pits" in the Anyaboni, Aframase, Apimso, Bisa, Sedorm and surrounding areas in the Upper Manya Krobo District of the Eastern Region necessitated a trip by GNPC to the named area. Following the scouting in the area, GNPC is poised to request for the necessary documentation on the supposed "oil wells" from VRA for further studies to help authenticate "oil spill" claims by indigenes. GNPC is committed to deploying the appropriate exploration technologies to evaluate the hydrocarbon potentials of the Anyaboni and surrounding areas if the claims are confirmed.

3.7 Decommissioning of Saltpond Field

After about four decades since its commissioning in 1970, the Saltpond Oilfield which is under the management of GNPC was approved by the Minister for Energy in November 2019 to be decommissioned for not being commercially viable. Production operations ceased in 2015 in

readiness for the installation to be decommissioned in accordance with industry best practices. Progress is currently being made to procure decommissioning contractor(s) to decommission the Field.

The following three-pronged objectives anchor the Saltpond Oil Field decommissioning process:

- Well Plugging & Abandonment (P&A), ending with removal of conductor pipes;
- Topside removal of the Platform (Mr Louie), dismantling and waste management; and,
- Installation of surveillance and marine lights.

For the reporting period, GNPC received approval from the Public Procurement Authority (PPA) regarding the procurement strategy and shortlisted companies. Evaluation of the proposals is on-going.

3.8 Operations of Maritime Boundary Secretariat

Despite the COVID-19 pandemic, the Maritime Boundary Secretariat⁷ (MBS) worked during the 2020 calendar year and engaged their Ivorian and Togolese counterparts at committee level and behind the scenes at various levels.

3.9 Natural Gas Developments and Market Information

3.9.1 Gas Supply Interruption

Gas supply from the Jubilee/TEN Fields was interrupted for 45 days in 2020, out of which 21 days was due to GNGC' s scheduled maintenance from February to March. The remaining 24

⁷ The Maritime Boundary Secretariat (MBS) is a Special Project Body created under the Office of the President to help with the negotiations between Ghana and its maritime neighbours to delimit its maritime boundaries. It has been housed and funded by GNPC since its inception. It works with the Ghana – Togo Maritime Boundary Negotiation Committee and the ITLOS Implementation Committee respectively. This means coordination of internal and external meetings, documentation, translation and archiving of all relevant documents. It also engages in research and data mining of relevant information and documents of legal, diplomatic and technical nature.

days was due to remediation works carried out on the offshore gas export pipeline to resolve a blockage.

3.9.2 Energy Sector Debt Servicing

Gas and power sectors legacy debts have been on the radar since July 2017. The Cash Waterfall Mechanism⁸ (CWM), approved by Cabinet, is part of a wider strategy to address the worsening energy sector debt. In May 2019, the Government of Ghana (GoG) adopted the Energy Sector Recovery Program (ESRP) aimed at developing solutions to systemic issues in the Energy sector. In the ESRP, the implementation of the Cash Waterfall Mechanism (CWM) is defined as a key intervention. Although there have been past developments relative to this, the first phase of the CWM for the regulated electricity market value chain came into effect on the 1st of April. Since then, no payment has been made into the PHF from the CWM because, by Government policy, Royalty and CAPI gas are sold at zero price, according to GNPC. The other important intervention defined in the ESRP is the Natural Gas Clearinghouse (NGC).

3.9.3 Natural Gas Clearinghouse (NGC)

In spite of the implementation of the CWM, revenues collected in the electricity sector did not meet the associated cost of gas supplied. Therefore, the Natural Gas Clearinghouse (NGC) was proposed as a means of ensuring that gas sector entities are paid in full. The implementation of the NGC has been finalised with stakeholders. The NGC Committee has agreed that all power and non-power sector gas invoices and payments, are to be included in the NGC.

3.9.4 Institutional Alignment

Following the President's approval of the Assignment of Institutional Roles within Ghana's Gas Sector, aimed at making GNGC an Integrated Gas Company with the role of gas aggregator, a

⁸ The Cash Waterfall Mechanism sets out the principles, methodology and processes for the determination and disbursement of tariff revenue collected by the Electricity Company of Ghana to various beneficiaries along the Electricity Value Chain. Accordingly, all stakeholders along the Electricity Value Chain (including GNGC and GNPC) are paid directly by CWM, a percentage of the total invoice amount submitted for each month. CWM payment structures usually require that higher-tiered creditors receive interests and principal payments, while the lower-tiered creditors receive principal payments after the higher-tiered creditors are paid back in full.

Ministerial Gas Task Force (MGTF) was put in place to establish the roadmap for the implementation of this directive.

3.9.5 Energy Commission Natural Gas Regulatory Updates

In line with the regulatory and management mandate of the Energy Commission over natural gas resources under the Energy Commission Act, 1997 (Act 541), the Commission undertook the following activities, among other things:

- **Development of an LNG facility:** Tema LNG Terminal Company Limited has been registered with the Commission, and is in the process of obtaining a licence to operate an LNG facility at the Tema Port. The Energy Commission issued a Siting Permit with number EC/SP/004-18-002 and a Construction Permit with number TC/TLTCL-CP/009-18-001 to facilitate the construction of the Facility. The construction permit was renewed by the Commission to continue the construction works of the Facility. The Commission also facilitated the issuance of a National Security clearance for the docking of the Floating Regasification Unit (FRU) in the Ghana Breakwaters. An inspection and monitoring visit was carried out by the Commission to ascertain the progress of work as indicated in the quarterly reports of Tema LNG Terminal Company Limited. The Energy Commission's inspection reveals that work by the Company was progressing steadily but behind schedule due to COVID-19. The Commissioning Date of the LNG facility was re-scheduled from the 1st to 2nd quarter of 2021.
- **Issuance of Permits for Siting of Natural Gas Pipelines in the Western and Ashanti Regions by Genser Energy Ghana Limited:** Genser Energy Ghana Limited is an Independent Power Producing (IPP) Company involved in the development of natural gas pipeline infrastructure in the Western Region. In accordance with Law, the Commission issued a Siting Permit to Genser for siting of a 20km 12" Natural Gas Pipeline from the Damang Mine to the Wassa Mine in the Western Region of Ghana. The Commission also granted Siting and Construction Permits to Genser Energy Limited to construct a 158Km 20" Natural Gas Pipeline from Prestea in the Western Region to Nyinahin in the Ashanti Region. The Commission in the last quarter of 2020 inspected

and monitored progress of work at the various construction sites to ensure adherence of the contractors to construction procedures as outlined in the Natural Gas Pipeline Safety (Construction, Operation and Maintenance) Regulations, 2012 (L.I. 2189). During inspection and monitoring of construction works by Genser Energy Ghana limited, the Energy Commission observed that:

- i. the Company had strictly followed the construction procedures and had not recorded any accidents, except some near misses.
- ii. it had also put in place all safety protocols as required in the condition of their permit.
- iii. most of the construction works were being executed by Chinese nationals and the Energy Commission recommended that Genser Energy Ghana Limited include local artisans in the construction and other related works to meet their local content obligations.

- **Inspection/Monitoring developments connected to the construction by the Ghana National Gas Company (GNGC) Limited of a Front End Engineering Design (FEED) for the Atuabo to Ivory Coast natural gas transmission pipeline network:** As the licensed Natural Gas Transmission Utility (NGTU) in the country, GNGC is the licensee in this project. The Company is also responsible for the operation and maintenance of the Gas Processing Plant located at Atuabo in the Western Region. As part of efforts to facilitate the offtake of natural gas produced in the country, GNGC has commenced the Front-End Engineering Design (FEED) for the Atuabo to Ivory Coast natural gas transmission pipeline network aimed at developing a pipeline between the two countries. This project when completed is expected to promote the transmission of natural gas between Ghana and Ivory Coast. Although the outbreak of the COVID-19 pandemic affected the Energy Commission's planned monitoring activities for this project during the first, second and third quarters of 2020, the Commission continued to monitor the project in the last quarter of the year to facilitate the offtake of natural gas produced in Ghana, and to ensure regulatory requirements are met. To ensure that the development of the natural

gas transmission pipelines is done in a coordinated manner, the Energy Commission requested GNGC to develop and submit for approval, a Natural Gas Transmission Infrastructure Plan (NGTIP). A draft NGTIP submitted to the Commission in December is currently under review;

- **Issuance of invitation for Expression of Interest for the development, management and operation of a Natural Gas Distribution Pipeline Network franchise in the Tema Municipality:** This invitation was issued in line with the Commission' s mandate. The objective is to appoint a concessionaire for the development, management and operation of a Natural Gas Distribution Network in Tema within the overarching goal of promoting the consumption of natural gas in the country. To facilitate the process of selecting the concessionaire, the Commission submitted a financial proposal to the Ghana Energy Sector Transformation Initiative Project (GESTIP) for the procurement of a Consultant to:
 - i. conduct a feasibility study on the prospects of developing a Natural Gas Distribution Network in Tema;
 - ii. develop a business model; and,
 - iii. facilitate the selection of a concessionaire for the Tema Industrial Area.

- **Establishment of Regulatory (including Licensing) Framework for Compressed Natural Gas (CNG):** The Energy Commission has noted the growing interest in the development and use of natural gas as an alternate fuel source for heating in industries in the country and has accordingly identified the potential of Compressed Natural Gas (CNG) as one of the very reliable options. To facilitate this use, the Commission has established a regulatory framework, including the licensing regime for CNG. This is available in the Natural Gas Licence application manual on the Energy Commission website for download;

- **Development and Publication of a National Energy Policy:** The Energy Commission developed and published, in consultation with the Ministry of Energy, a National Energy Policy which as at the end of 2020 was at Cabinet for review and approval.

3.10 Update on the Reimbursement of the US\$50 Million Loan to the Ministry of Finance

GNPC as at the end of December, had not received payment in respect of the US\$50 million advanced to the Ministry of Finance in 2013 for the construction of the Western Corridor roads, which leads to the Atuabo Gas Processing Plant. The money was originally expected to be repaid in three months.

In December 2018, the Ministry directed GNPC to expunge the amount from its books, on the grounds that per the Earmarked Funds Capping and Realignment Act, 2017 (Act 947), the Minister for Finance is empowered to cap all earmarked funds at 25 percent of tax revenues. The Ministry indicated that the Government had not retained GNPC 's flows thus far, with the view to offsetting the US\$50 million loan.

However, according to the Corporation, its Level A allocations are a pass-through intended to meet equity-finance obligations in the producing fields, while the 30 percent share of the net proceeds (Level B) is consistent with the PRMA Act 815 as amended, and has been below the amounts allocated to GNPC in the national budget of 2018.

The Corporation plans to engage its sector Ministry, the Ministry of Finance, and Parliament to discuss the issue further.

CHAPTER 4

4.0 PETROLEUM PRODUCTION AND SALES

4.1 Crude Oil Production

Crude oil in Ghana is currently produced from three fields, namely Jubilee, TEN, and the Sankofa Gye Nyame (SGN). First oil from the Jubilee Field was achieved in December 2010 while TEN and SGN came on stream in August 2016 and May 2017 respectively.

For the year 2020, a total of 66,926,806 barrels (bbls) were obtained from the three producing fields, lower than the 2019 figure of 71,439,585 bbls by 6.3 percent. The relatively lower production volume in 2020 was due to reduced production on the Jubilee and TEN Fields.

Of the total output, the Jubilee Field produced 30,424,539 bbls compared with a 2019 volume of 31,915,377 bbls; the TEN Field' s 17,802,536 bbls as against 22,319,137 bbls in 2019; and the SGN Field, 18,699,731.01 bbls relative to 17,205,070.85 bbls in 2019. Figure 1 shows the output per field for 2020.

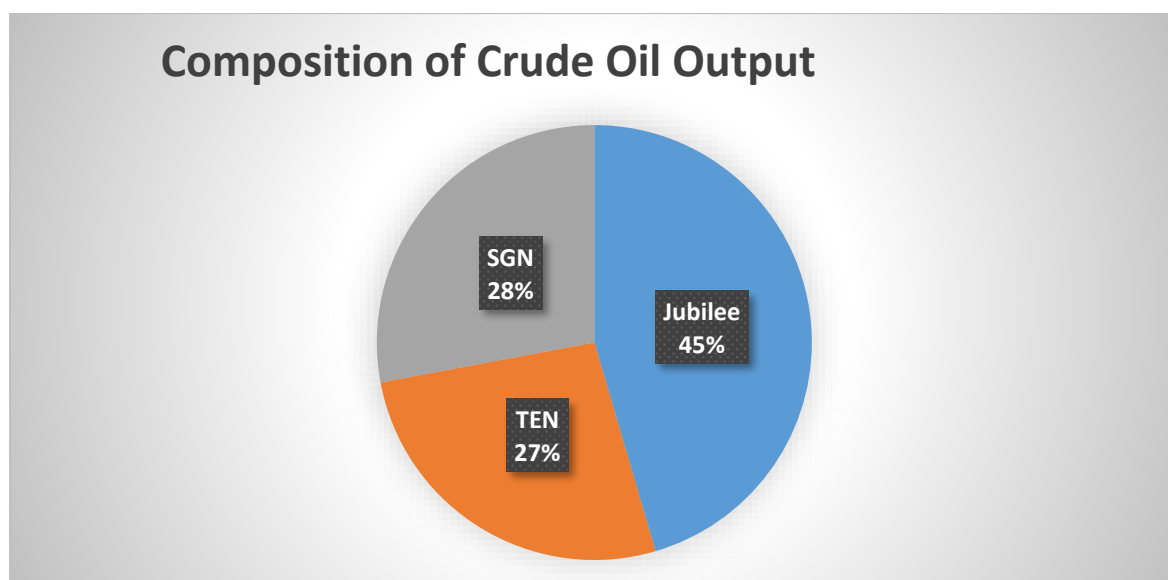


Figure 1: Composition of 2020 Crude Oil Output

Source: PIAC' s Construct (Based on PC' s Data), 2020.

The Jubilee Field continues to contribute nearly half the total output, even though production reduced slightly by 4.7 percent.

The TEN Field's production declined by 20 percent from 22,319,137 bbls in 2019 to 17,802,536 bbls in 2020. This was due to the drilling and completion activities of the Nt09-P well and other maintenance activities which led to a loss in production time.

The SGN Field recorded its third full-year production, increasing its output by 8.7 percent from 17,205,070.85 bbls in 2019 to 18,699,731.01 bbls in 2020. The performance was attributable to stable production operations, resulting from the FPSO John Agyekum Kuffuor's (JAK) improved plant uptime and the coming on stream of the OP-9 and OP-10 producer wells. Figure 2 illustrates monthly production across the three producing fields.

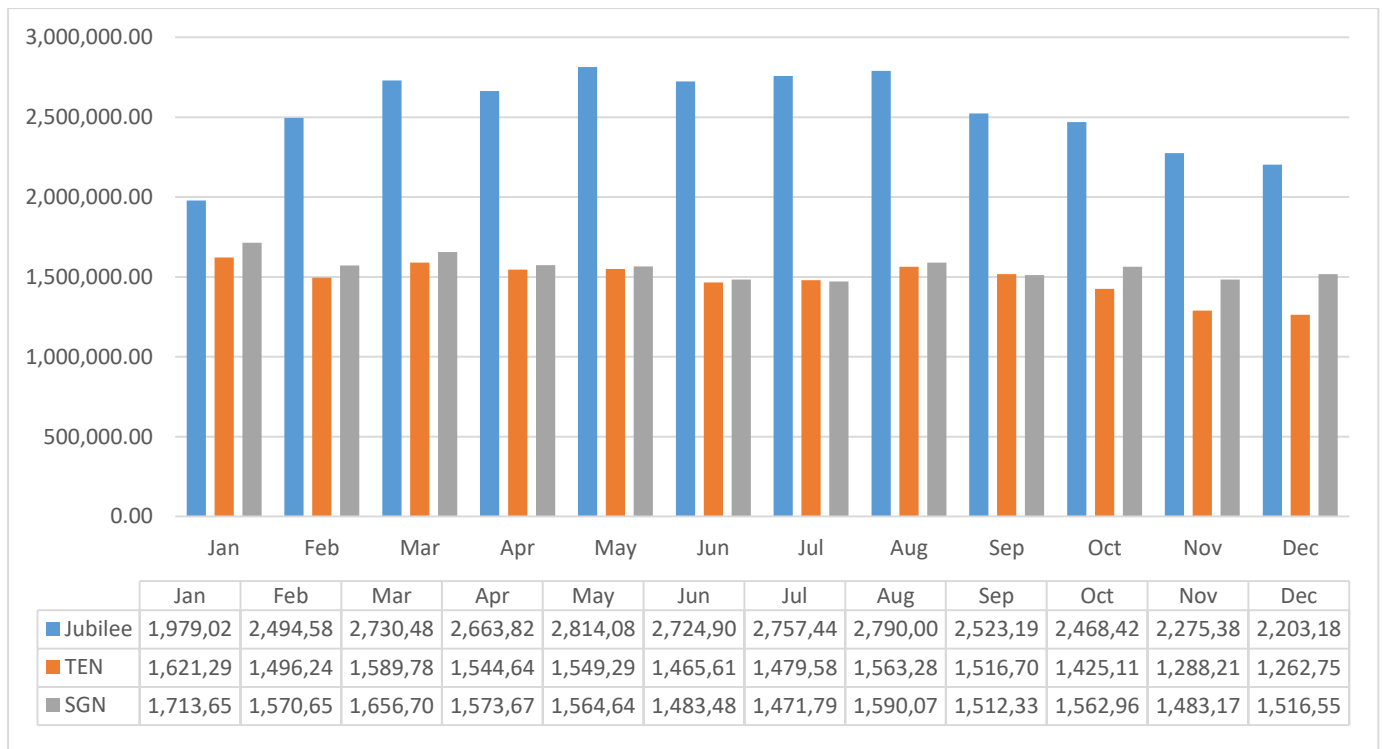


Figure 2: Monthly Breakdown of 2020 Crude Oil Production (Million Barrels)

Source: PIAC's Construct (Based on GNPC and PC Data), 2020

The highest monthly production volumes were recorded in January on both the TEN and SGN Fields, with May yielding the highest volume for the Jubilee Field. The cumulative oil

production from 2010 to 2020 now stands at a total output of 453,387,699 bbls as shown in Figure 3.

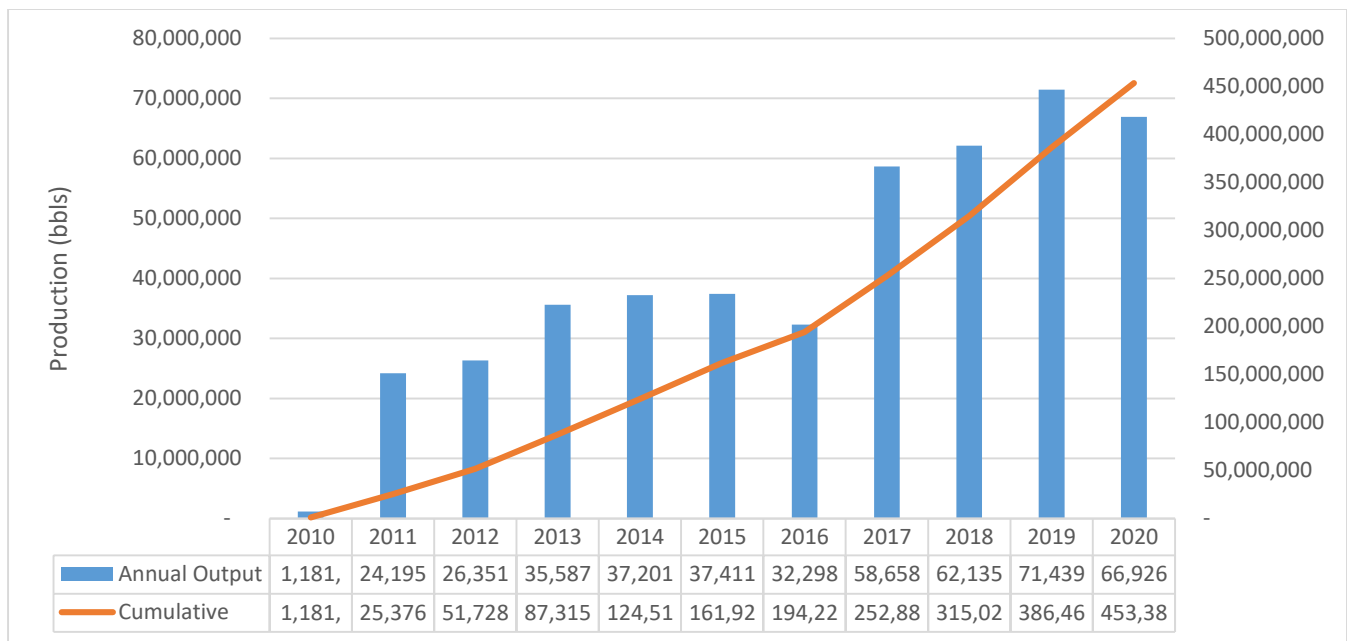


Figure 3: Annual and Cumulative Crude Oil Production (2010 - 2020)

Source: PIAC' s construct, 2020 (based on GNPC and PC Data).

The 2020 production figure represents the first reduction in annual production volumes after three years of consecutive oil production increases.

4.2 Gas Production

For the period under review, gas production experienced a significant rise since the commercialisation of natural gas in Ghana. A total of 237,962.82 MMSCF of Associated Gas (AG) and Non-Associated Gas (NAG) was produced in 2020, about a 40 percent increase over the 2019 volume of 169,508.61 MMSCF of raw gas produced from the Jubilee, TEN, and SGN Fields.

For the second consecutive time, the SGN Field produced the highest volume of combined AG and NAG with 114,825.74 MMSCF while the Jubilee and TEN Fields produced 64,462.41 MMSCF and 58,674.67 MMSCF respectively (see Figure 4).

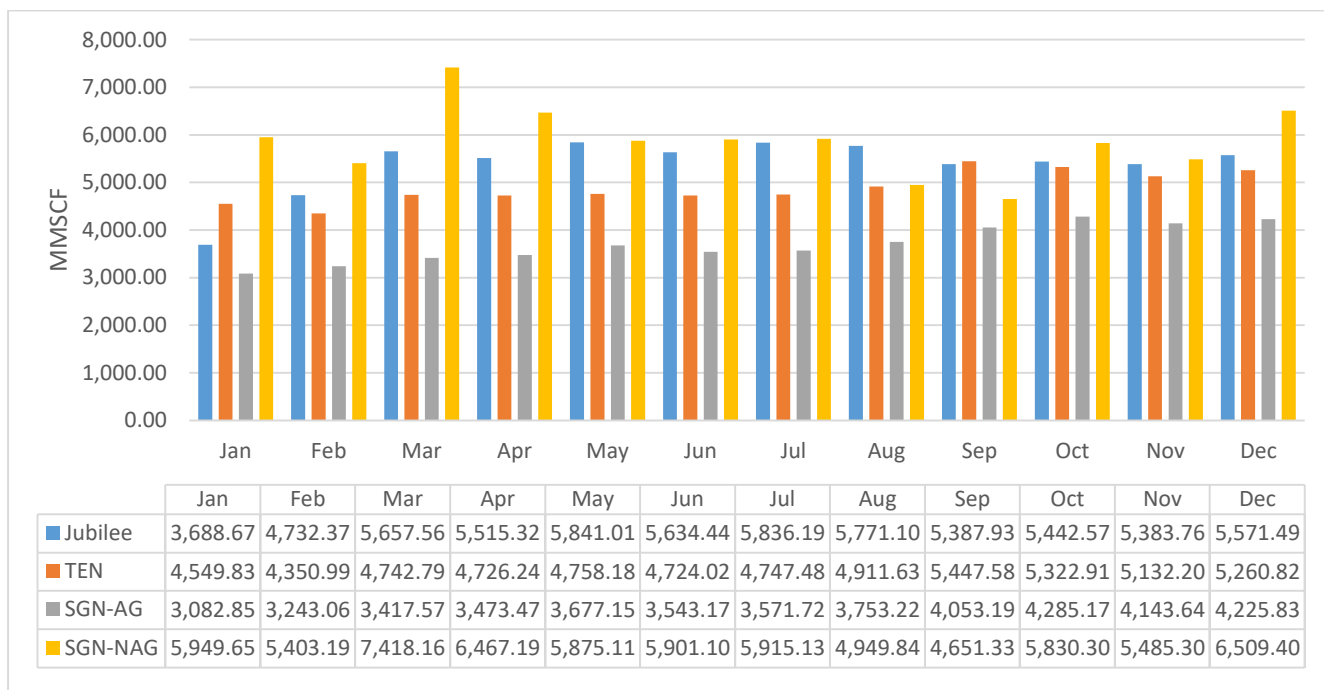


Figure 4: Associated and Non-Associated Gas Production (MMSCF)

Source: PC & GNPC, 2020

Jubilee gas production was relatively lower in the first two months of the year due to maintenance works on the gas pipelines. There was an increase in gas production and stable production operations in the Field in the ensuing months. The TEN field gas production was relatively stable, with higher output towards the end of the third and last quarters of the year.

The production of gas from the SGN field recorded a significant increase of 64 percent from 69,941.60 MMSCF in 2019 to 114,825.74 MMSCF in 2020. The highest production of NAG (7,418.16 MMSC) was recorded in March 2020.

Table 3 shows the annual gas production statistics since commercial production began in 2014.

Table 3: Annual Gas Production (2014-2020)

Year	Jubilee	TEN	SGN		TOTAL (AG)	TOTAL (AG/NAG)
	AG	AG	AG	NAG		
2014	55,758.04	-	-	-	55,758.04	55,758.04
2015	52,545.91	-	-	-	52,545.91	52,545.91
2016	38,420.63	6,531.86	-	-	44,952.49	44,952.49
2017	43,261.35	26,818.33	7,214.76	-	77,294.44	77,294.44
2018	44,841.94	39,472.78	7,144.58	-	91,459.30	91,459.30
2019	51,179.67	48,387.34	28,757.80	41,183.80	128,324.81	169,508.61
2020	64,462.41	58,674.67	44,470.04	70,355.70	167,607.12	237,962.82
TOTAL	350,469.95	179,884.98	87,587.18	111,539.50	617,942.11	729,481.61

Source: GNPC & PIAC Reports, 2020

4.3 Gas Export

In 2020, 41 percent (26,414.88 MMSCF) of the gas produced was exported from the Jubilee Field to the Ghana National Gas Company (GNGC) as shown in Table 4. The gas exported in 2020, was approximately 28 percent more than the volume of 20,690.05 MMSCF recorded in 2019. Gas export performance was poor in February and March due to suspected restriction in the Gas export pipeline. The gas pipeline was pigged, and gas export was successfully re-established on 23rd March 2020.

Table 4: Breakdown of Gas Production from the Jubilee Field

Month	Total Gas Produced (AG)	Export (MMscf)	Injection (MMscf)	Fuel (MMscf)	Flared (MMscf)
Jan-20	3,688.67	1,274.40	1917.42	258.8	238.05
Feb-20	4,732.37	147.28	3266.83	292.65	1025.61
Mar-20	5,657.56	169.24	4183.21	347.19	957.91
Apr-20	5,515.32	2,450.46	1872.98	298.03	893.86
May-20	5,841.01	2,573.61	2066.74	300.69	899.97
Jun-20	5,634.44	2,648.21	1828.35	296.42	861.46
Jul-20	5,836.19	2,715.47	1,918.98	316.42	885.33
Aug-20	5,771.10	2,924.95	1,601.28	301.1	943.77
Sep-20	5,387.93	2,017.15	2,143.61	286.06	941.10
Oct-20	5,442.57	3,006.99	1,171.12	313.62	950.83
Nov-20	5,383.76	3,041.81	1,170.67	266.25	905.03
Dec-20	5,571.49	3,445.31	855.5	298.3	972.38
TOTAL	64,462.41	26,414.88	23,996.69	3,575.53	10,475.30
% of Total Gas Produced		40.98%	37.23%	5.55%	16.25%

Source: PIAC's Construct based on GNPC Data, FY 2020

For the TEN Field, about 9 percent of the gas produced (5,544.74 MMSCF) was exported to the GNGC in 2020 as shown in Table 5. There was an increase of about 700 percent in the volumes exported in 2020, as compared to 2019 (693.92 MMSCF). The AG from the TEN field is treated as a Jubilee Foundation Gas under a substitution agreement between the Jubilee and TEN Fields Partners.

Table 5: Breakdown of Gas Production from the TEN Field

Month	Total Gas Produced (AG)	Export (MMscf)	Injection (MMscf)	Fuel (MMscf)	Flared (MMscf)
Jan-20	4,549.83	231.85	3,739.46	333.35	245.17

Feb-20	4,350.99	324.46	2,882.73	310.87	832.94
Mar-20	4,742.79	470.42	3,001.99	331.53	938.85
Apr-20	4,726.24	230.17	3,314.16	320.47	861.44
May-20	4,758.18	574.32	3,078.90	324.66	780.30
Jun-20	4,724.02	697.41	3,039.44	346.10	641.07
Jul-20	4,747.48	573.47	3,251.08	348.99	573.93
Aug-20	4,911.63	444.68	3,436.89	333.14	696.92
Sep-20	5,447.58	853.67	3,392.85	353.36	847.70
Oct-20	5,322.91	360.06	3,852.05	326.92	783.89
Nov-20	5,132.20	305.70	3,982.36	309.86	534.27
Dec-20	5,260.82	478.53	3,893.77	342.97	545.55
TOTAL	58,674.67	5,544.74	40,865.68	3,982.22	8,282.03
% of Total Gas Produced		9.45%	69.65%	6.79%	14.12%

Source: PIAC's Construct based on GNPC Data, FY 2020

Almost half (49.3 percent) of the produced raw gas volume of 114,825.74 MMSCF on the SGN Field, was exported to the Onshore Receiving Facility (ORF) as shown in Table 6. The completion of the Takoradi-Tema Interconnection Project (TTIP) scope and commissioning of the system to receive gas from the West (Takoradi) in 2020 contributed to increased gas exports from the SGN Field.

Table 6: Breakdown of Gas Production from the SGN Field

DATE	SANKOFA GYE-NYAME					
	AG PRODUCTION (MMSCF)	NAG PRODUCTION (MMSCF)	GAS EXPORT (MMSCF)	INJECTION (MMSCF)	FUEL (MMSCF)	FLARE (MMSCF)
Jan-20	3,082.9	5,949.7	4,638.8	3,857.2	536.5	53.7
Feb-20	3,243.1	5,403.2	4,115.4	4,032.6	414.2	6.8
Mar-20	3,417.6	7,418.2	6,037.0	4,274.9	412.0	27.6
Apr-20	3,473.5	6,467.2	5,214.9	4,157.6	403.6	81.9
May-20	3,677.2	5,875.1	4,723.7	4,246.1	421.5	86.2
Jun-20	3,543.2	5,901.1	4,792.6	3,997.2	409.6	167.4

Jul-20	3,571.7	5,915.1	4,637.9	4,250.8	428.6	92.9
Aug-20	3,753.2	4,949.8	3,785.9	4,433.9	370.7	37.6
Sep-20	4,053.2	4,651.3	3,701.81	4,477.9	353.7	90.6
Oct-20	4,326.6	5,813.4	4,827.2	4,174.4	355.7	137.8
Nov-20	4,134.9	5,497.7	4,576.10	4,576.1	348.5	124.7
Dec-20	4,225.8	6,509.4	5,519.6	4,911.7	359.0	89.1
TOTAL	44,502.75	70,351.24	56,570.97	51,390.44	4,813.51	996.18
AVERAGE	121.59	192.22	154.57	140.41	13.15	2.72

Source: GNPC, FY 2020 Data

Table 7 represents gas exports to the GNGC and the ORF.

Table 7: Gas Exports to GNGC & ORF, 2020

MONTH	JUBILEE	TEN	TOTAL (GNGC)	SGN (ORF)
January	1,274.40	231.85	1,506.25	4,638.84
February	147.28	324.46	471.74	4,115.39
March	169.24	470.42	639.66	6,037.04
April	2,450.46	230.17	2,680.63	5,214.85
May	2,573.61	574.32	3,147.93	4,723.71
June	2,648.21	697.41	3,345.62	4,792.61
July	2,715.47	573.47	3,288.94	4,637.90
August	2,924.95	444.68	3,369.63	3,785.93
September	2,017.15	853.67	2,870.82	3,701.81
October	3,006.99	360.06	3,367.05	4,827.20
November	3,041.81	305.7	3,347.51	4,576.10
December	3,445.31	478.53	3,923.84	5,519.61
TOTAL	26,414.88	5,544.74	31,959.62	56,570.99
% of Total Produced Gas	41%	9%	26%	49%

Source: PC, 2020

4.4 Cost of Production

Cost of production on the three producing fields is broadly classified under Development (capital) and Production (operating) costs. The cost of production for the various Fields is as follows:

4.4.1 Jubilee Field Costs

A total of US\$462.46 million was incurred as total cost for the Jubilee project in 2020, made up of an operating cost of US\$60.18 million and development cost of US\$3.58 million (see Table 8).

Table 8: Jubilee Field's Operating and Development Costs

Development Cost	Amount (US\$)
Greater Jubilee Full Field Development (GJFFD)	3,211,962.23
PCO and Fin Items	367,783.21
Total (A)	3,579,745.44
Operating Cost	
Routine Ops	187,516,820.64
Non Routine Ops	16,892,645.70
Exceptional Ops	75,670,162.94
TRP Abnormal Ops	69,293,073.18
Ongoing Mods	31,656,167.53
TRP Eng & Riser 5	58,899,870.78
PCO and Fin Items	18,952,924.01
Total (B)	458,881,664.78
Grand Total (C=A+B)	462,461,410.22
GNPC's Share of Total Cost (Development and Production)	60,177,269.95

Source: PIAC's Construct based on GNPC Additional Data, FY 2020 Data

According to GNPC, the COVID-19 pandemic resulted in delays and postponement of major scopes, such as the Gas Turbine Generators (GTGs) Maintenance and Repairs and Sea Water Injection System Improvement.

4.4.2 TEN Field' s Costs

A total of US\$522.53 million was incurred as total cost for the TEN project in 2020, made up of an operating cost of US\$144.00 million and development cost of US\$378.53 million (see Table 9).

Table 9: TEN Field' s Operating and Development Costs

Development Cost	Amount (US\$)
TEN Projects	162,655,129.70
4D Seismic	189,320.53
FPSO Charter	211,983,540.00
ADO	1,564,261.01
PCO and Fin Items	2,137,714.90
Total (A)	378,529,966.14
Operating Cost	
Routine Ops	121,883,557.01
Non Routine Ops	4,729,258.34
Exceptional Ops	13,367,487.11
Ongoing Mods	1,421,706.09
PCO and Fin Items	2,597,582.75
Total (B)	143,999,591.30
Grand Total (C=A+B)	522,529,557.44
GNPC' s Share of Total Cost (Development and Production)	40,083,597.50

Source: PIAC' s Construct based on GNPC Additional Data, FY 2020

Table 10 shows the Field' s schedule of repayments for the period under review.

Table 10: TEN Field Schedule of Repayments

Month	2017 Inv. (US\$)	2018 Inv. (US\$)	2019 Inv. (US\$)	2020 Inv. (US\$)	Total (US\$)
January	-	33,455,186.00	-	17,680,924.57	51,136,110.57
February	15,103,885.60		16,049,175.01		31,153,060.61
March			-		-
April		23,227,102.80	-	14,964,463.29	38,191,566.09
May	14,515,063.60		18,704,709.79		33,219,773.39
June					-
July	13,376,773.20	26,618,953.20	-	10,663,081.53	50,658,807.93
August			19,203,128.52		19,203,128.52
September		21,175,888.86			21,175,888.86
October				11,519,766.69	11,519,766.69
November	15,830,082.40	23,414,207.52	17,631,643.01		56,875,932.93
December			-		-
Total	58,825,804.80	127,891,338.38	71,588,656.33	54,828,236.08	313,134,035.59

Source: GNPC, FY 2020 Additional Data

4.4.3 Sankofa Gye Nyame Field' s (SGN) Cost

The total cost for the SGN integrated project in the year 2020 amounted to US\$314.36 million. The amount consists of Development Cost of US\$157.46 million and Operating Cost of US\$156.9 million.

The Development Cost includes an amount of US\$129.45 million for the FPSO Bare Boat Leasing and US\$28.0 million incurred on development studies, drilling, development of a Subsea Production System (SPS), Fixed Assets, and PA Overheads.

The Routine Operating Cost of US\$156.9 million is made up of key operating expenditure items such as Maintenance Cost, Insurance, Transportation, and General and Administrative Operating Expenses. Please find details in Table 11.

Table 11: SGN Field' s Operating and Development Costs

Development Cost		Amount (US\$)
FPSO Leasing Cost		129,454,200.00
Drilling, SPS, Development Studies, G&A, Fixed Assets, etc.		28,008,673.68
Total Development Cost	A	157,462,873.68
Operating Cost		
Production Cost		38,037,113.73
Insurance Cost		3,890,781.74
Maintenance Cost		47,496,520.22
Transportation Cost		27,234,794.98
Chemicals		10,075,770.75
General & Admin Operating Cost		30,160,307.99
Total Operating Cost	B	156,895,289.41
Total Costs	C=A+B	314,358,163.09
GNPC' s Share of Total Cost (Development and Production)		39,252,201.57

Source: GNPC, FY 2020 Data

4.4.3.1 Update on Repayment of Advance by the other SGN Partners on behalf of GNPC

Consistent with the Petroleum Agreement, GNPC shall reimburse Contractor of funds provided by Contractor on behalf of GNPC "through Contractor receiving an amount of Crude Oil which would otherwise have been distributed to GNPC" . GNPC' s share of the total cost up

to December 2020 was US\$325.95 million, of which US\$234.33 million constituted Capital Expenditure (CAPEX) and US\$91.61 million was Operating Expenditure (OPEX). The CAPEX component had been fully liquidated as at the end of the reporting period. The unpaid balance of US\$8.14 million represents OPEX not yet due as at 31st December 2020 (See Table 12).

Table 12: Cost of SGN and Repayment In-kind by GNPC

COSTS	ITD Dec 2019 (US\$)	YTD Dec 2020 (US\$)	ITD Dec 2020 (US\$)	ITD Dec 2019 (US\$)	YTD Dec 2020 (US\$)	ITD Dec 2020 (US\$)
CAPEX	4,429,6	157,462,874	4,587,136,18	221,483,6	7,873,144	229,356,809
Interest (Libor + 1%)	73,308		2	65		
	-	-	-	4,978,595	-	4,978,595
CAPEX plus Interest	4,429,6	157,462,874	4,587,136,18	226,462,2	7,873,144	234,335,404
OPEX	73,308		2	61		
	301,175,673	156,895,289	458,070,962	60,235,135	31,379,058	91,614,192
Total Costs (A)	4,730,848,981	314,358,163	5,045,207,144	286,697,396	39,252,202	325,949,596
Total Repayment (in-kind) [B]				280,757,911	37,049,615	317,807,526
Balance (OPEX not yet due) [C=A+B]						8,142,070

Source: GNPC, FY 2020 Data

4.5 Crude Oil Liftings

Lifting by Partners on each producing field was carried out in accordance with their respective Petroleum Agreements, Crude Oil Lifting Agreements (COLA) and agreed annual lifting schedules.

4.5.1 Jubilee Field

A total of 32 liftings (30,865,105.00 bbls) were made by the Jubilee Partners, representing a slight decrease from the 33 liftings (31,573,759 bbls) recorded in 2019. Figure 5 presents liftings by each of the Joint Venture (JV) Partners in accordance with the West Cape Three Points (WCTP) Petroleum Agreement.

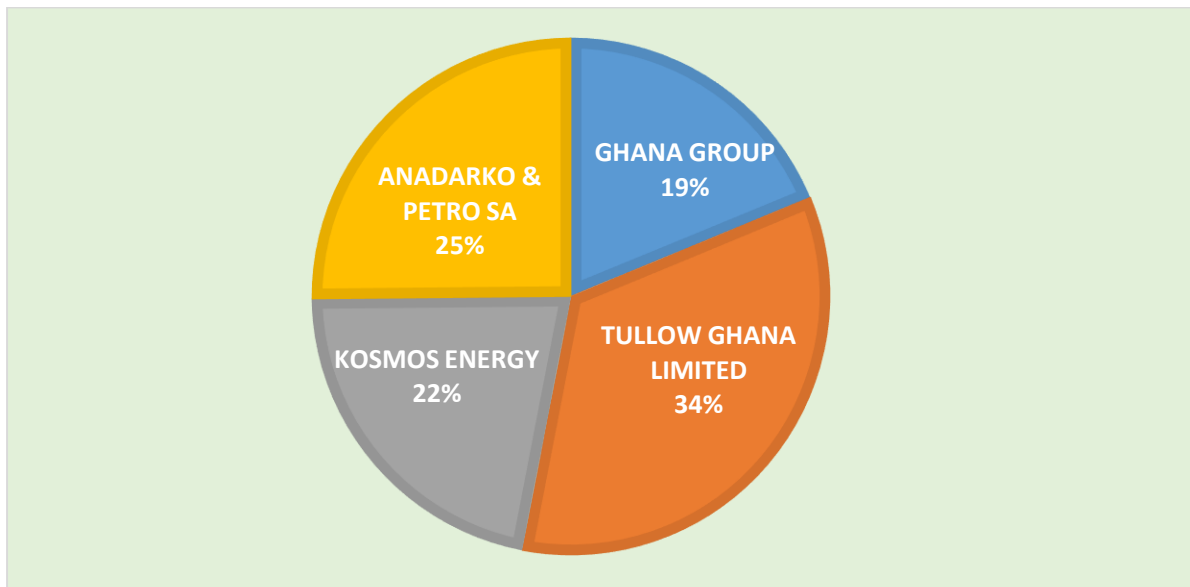


Figure 5: Liftings by the Jubilee Field JV Partners

Source: PIAC's Construct, 2020

As shown in Table 13, the Ghana Group, represented by GNPC, lifted six parcels totalling 5,788,676.00 bbls, representing 18.75 percent of total liftings. This is a slight decrease from the 5,871,303 bbls lifted in 2019.

Table 13: Lifting Schedules of the Jubilee Field

LIFTING PARTY	NO. OF LIFTINGS	VOLUME OF LIFTING	PERCENTAGE SHARE
---------------	-----------------	-------------------	------------------

GHANA GROUP	6	5,788,676	18.75
TULLOW GHANA LIMITED	11	10,580,590	34.28
KOSMOS ENERGY	7	6,733,128	21.81
ANADARKO & PETRO SA	8	7,762,711	25.15
TOTAL	32	30,865,105	100.00

Source: GNPC/PC, FY 2020 Data

4.5.2 Tweneboah-Enyennra-Ntomme (TEN) Field

The TEN Partners lifted a total of **18,627,127 bbls** from 19 liftings, as opposed to **22,349,325 bbls** from 23 liftings in 2019. Figure 6 presents the share of liftings by the TEN Partners.

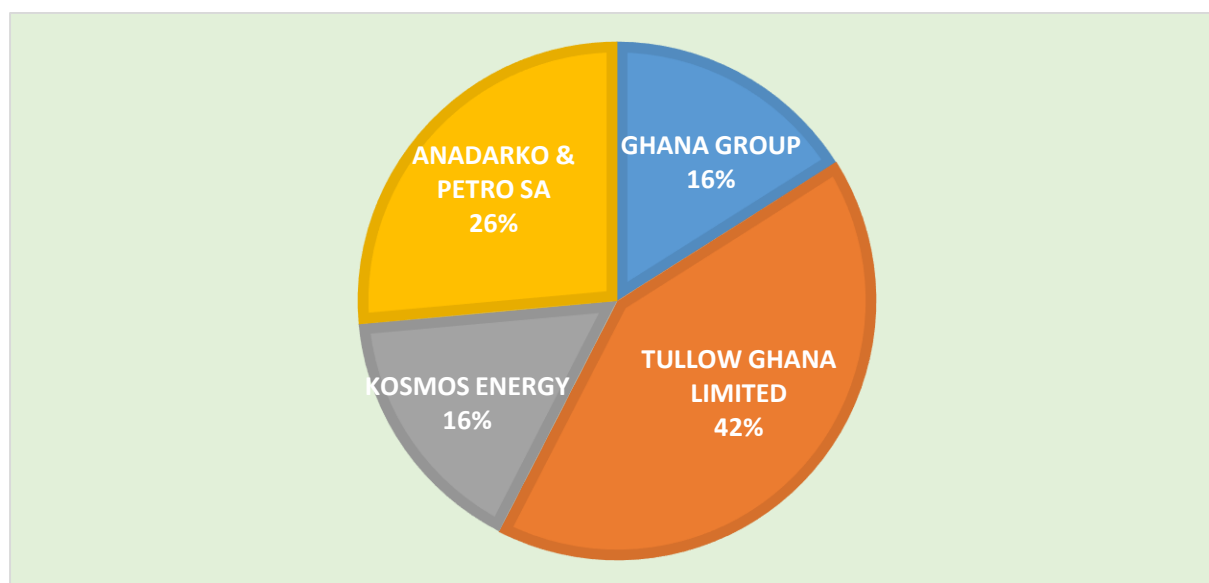


Figure 6: Liftings by the TEN Field JV Partners

Source: PIAC's Construct, 2020

As depicted in Table 14, GNPC lifted three parcels on behalf of the Ghana Group in 2020, two parcels lower than its 2019 liftings. This represents 16.02 percent of total liftings compared with 17.01 percent in the previous year.

Table 14: Lifting Schedules of the TEN Field

LIFTING PARTY	NUMBER OF LIFTINGS	VOLUME OF LIFTING	PERCENTAGE SHARE
GHANA GROUP	3	2,983,208	16.02
TULLOW GHANA LIMITED	9	8,732,661	46.88
KOSMOS ENERGY	3	2,980,147	16.00
ANADARKO & PETRO SA	4	3,931,111	21.10
TOTAL	19	18,627,127	100.00

Source: GNPC, FY 2020 Data

4.5.3 Sankofa Gye Nyame (SGN) Field

Crude oil lifted from the SGN Field was 17,965,974 bbls in 19 parcels compared with 17,062,381 bbls from 18 parcels in 2019. The Ghana Group's share makes up 15.85 percent of the total liftings (including royalty lifting).

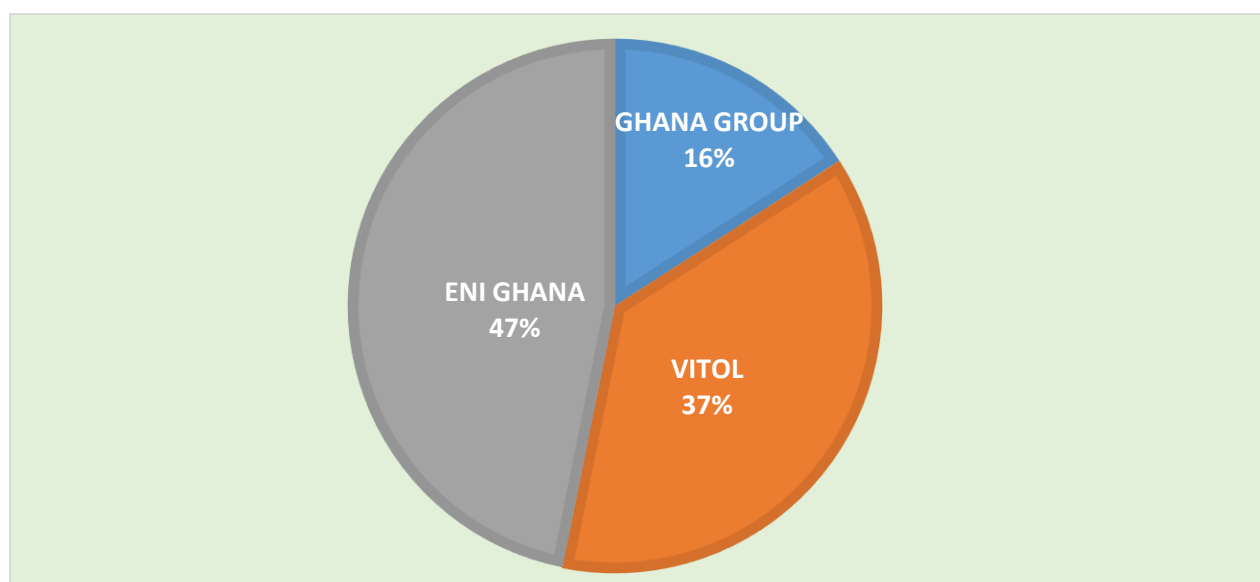


Figure 7: Liftings by the SGN Field JV Partners

Source: PIAC's Construct, 2019

As at the end of 2020, the Ghana Group recorded three (3) liftings totaling 2,848,375 bbls compared with two (2) liftings in 2019. Table 15 presents the lifting schedule of the Field.

Table 15: Lifting Schedules of the SGN Field

LIFTING PARTY	NUMBER OF LIFTINGS	VOLUME OF LIFTING	PERCENTAGE SHARE
GHANA GROUP	3	2,848,375	15.85 ⁹
VITOL	7	6,702,103	37.30
ENI GHANA	9	8,415,496	46.84
TOTAL	19	17,965,974	100.00

Source: GNPC/PC, 2020

4.6 Crude Oil Pricing

International crude oil prices fell significantly in 2020 amid excess supply of oil in the early parts of the year and the subsequent effects of the global COVID-19 pandemic. The average achieved price by GNPC on behalf of the Ghana Group which was US\$63.496/bbl in 2019 for all three producing fields, reduced significantly to US\$42.211/bbl in 2020, a little above government's revised 2020 estimated benchmark price of US\$39.1/bbl. The SGN average achieved price was the highest at US\$44.335 /bbl for the three liftings from that Field while TEN and Jubilee average achieved prices were US\$42.051/bbl and US\$40.248/bbl respectively. During the period, the average differential price achieved for the respective Fields are US\$ 0.926/bbl, US\$2.40/bbl and US\$0.742/bbl.

The average Jubilee achieved price was lower than the average Dated Brent by US\$0.926/bbl for the same lifting dates during the period while that of TEN was lower than the average Dated

⁹ During the period, there were two (2) overliftings by the other partners totaling 1,898,659 bbls. Overliftings are requirements from the Supplementary Agreement, signed in 2014, which entitles the Partners to lift part of GNPC Crude entitlement upfront and pay back same quantities of Crude later before the economic end of the Field.

Brent by US\$2.40/bbl, as shown in Table 16. For the SGN field, the average achieved price was lower than the average Dated BRENT by US\$0.742/bbl.

Table 16: Comparison of Achieved Prices for Jubilee, TEN, SGN and Dated BRENT

Jubilee			TEN			SGN		
Lifting Date	Unit Price	Average Dated Brent	Lifting Date	Unit Price	Average Dated Brent	Lifting Date	Unit Price	Average Dated Brent
4-Feb-20	56.274	55.441	26-Feb-20	50.802	51.652	16-Jan-20	62.264	63.164
4-Apr-20	12.242	18.679	21-Jun-20	36.228	41.728	7-Jun-20	32.142	33.042
23-Jun-20	41.775	41.091	27-Sep-20	39.124	39.974	27-Sep-20	38.6	39.026
28-Aug-20	41.689	42.124						
7-Oct-20	39.51	39.846						
14-Dec-20	49.995	49.862						
Average Price	40.248	41.174		42.051	42.051		44.335	45.077

Source: PIAC's Construct based on GNPC Data, FY 2020

Comparing Ghana Group's achieved prices to that of the Jubilee, TEN, and SGN partners, the Ghana Group achieved an overall average price of US\$42.211/bbl for all three Fields. This

average price was relatively equal to Tullow' s average price of US\$42.20/bbl, but higher than both Kosmos' and Eni' s average price of US\$37.03/bbl and US\$41.78/bbl respectively, as shown in Figure 8.

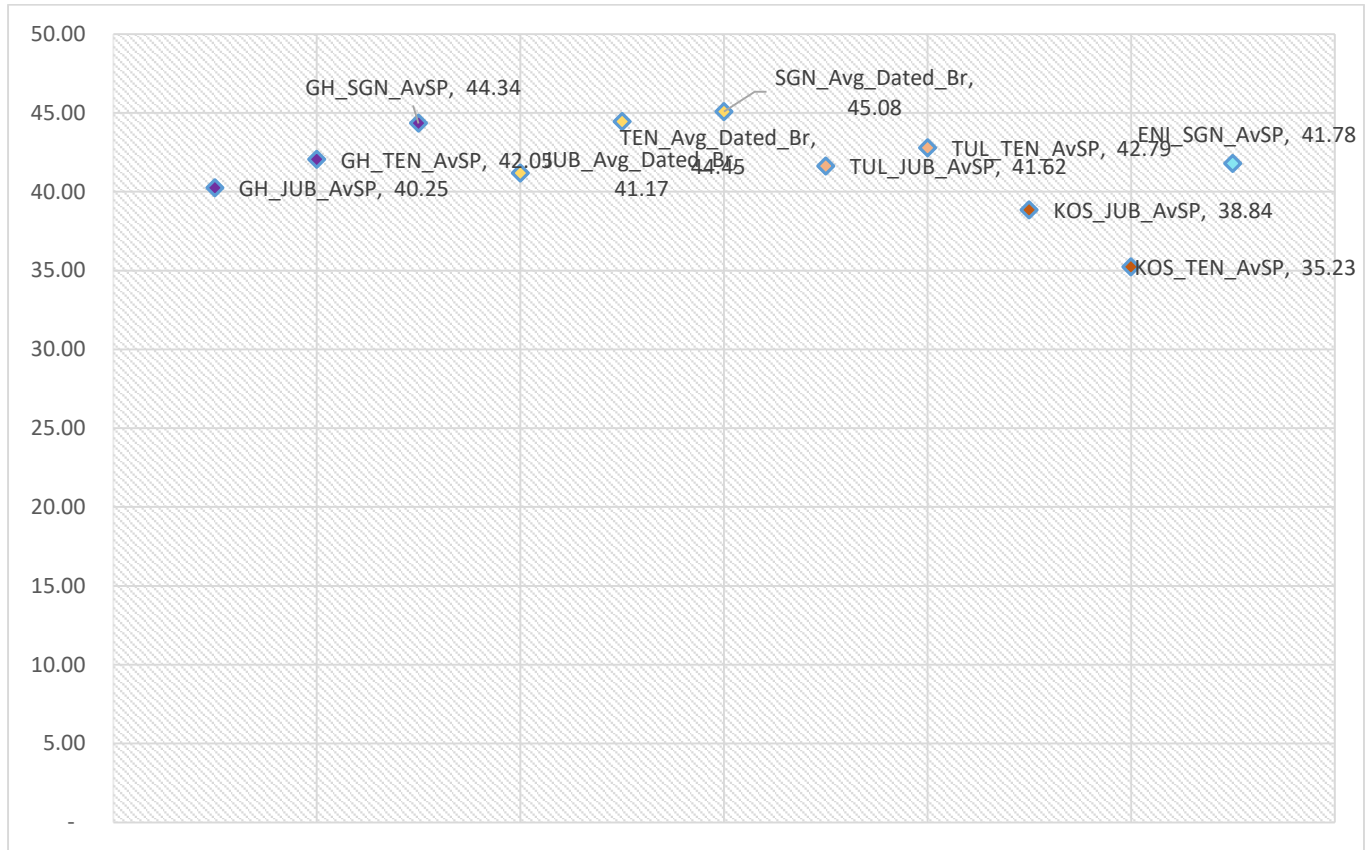


Figure 8: Comparison of 2020 Crude Prices Realised by Jubilee, TEN and SGN Partners

Source: PIAC' s Construct, *AvSP= Average Selling Price

Findings

1. The year 2020 marked a reduction in annual production volumes after three years of consecutive oil production increases. Production of crude oil declined by 6.3 percent from the 2019 volume.
2. Total gas production increased by 40 percent. The SGN Field produced the highest volume of combined AG and NAG among the three Fields, and increased its output by 60 percent during the period. This was mainly due to the fact that gas consumption from the SGN Field was domestic, and therefore less affected by the global price fluctuations.

3. The SGN Field delivered almost half (49.30%) of its total raw gas produced in 2020 to the Onshore Receiving Facility (ORF), as against 46.19% in 2019. This represents a y-o-y increase of 3.11% in gas exports from the Field.

4. The average achieved price of the Ghana Group for the three (3) Fields reduced significantly by 33.5 percent from US\$63.496/bbl in 2019 to US\$42.211/bbl in 2020, due to the impact of Covid.

CHAPTER 5

5.0 REVENUE COLLECTION AND MANAGEMENT

The Ghana Revenue Authority is required under Section 3 of the Petroleum Revenue Management Act, 2011 (Act 815) to assess, collect, and account for petroleum revenue due Ghana derived from defined sources. These revenues are paid directly into the Petroleum Holding Fund by the 15th day of the ensuing month by the entities obliged to make the payment.

For 2020, a total of US\$638,643,030.56 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), compared to US\$925,035,879.84 in 2019. This represents about 31 percent reduction from the 2019 figures. In addition, an amount of US\$25,000,000.00 being 2019 corporate income taxes from Anadarko wrongfully lodged in the GRA Account was also transferred into the PHF during the period.

The decline in revenues was attributed to the lower production volume and the unfavourable international crude oil prices due to the turbulence in the petroleum industry arising out of the global COVID-19 pandemic in 2020. The average achieved price by GNPC on behalf of the Ghana Group for the three producing fields reduced by 33.5 percent from US\$63.496/bbl in 2019 to US\$42.211/bbl in 2020. In addition, the lower produced volumes of oil relative to 2019 led to the significant decline in petroleum revenues (see Figure 9).

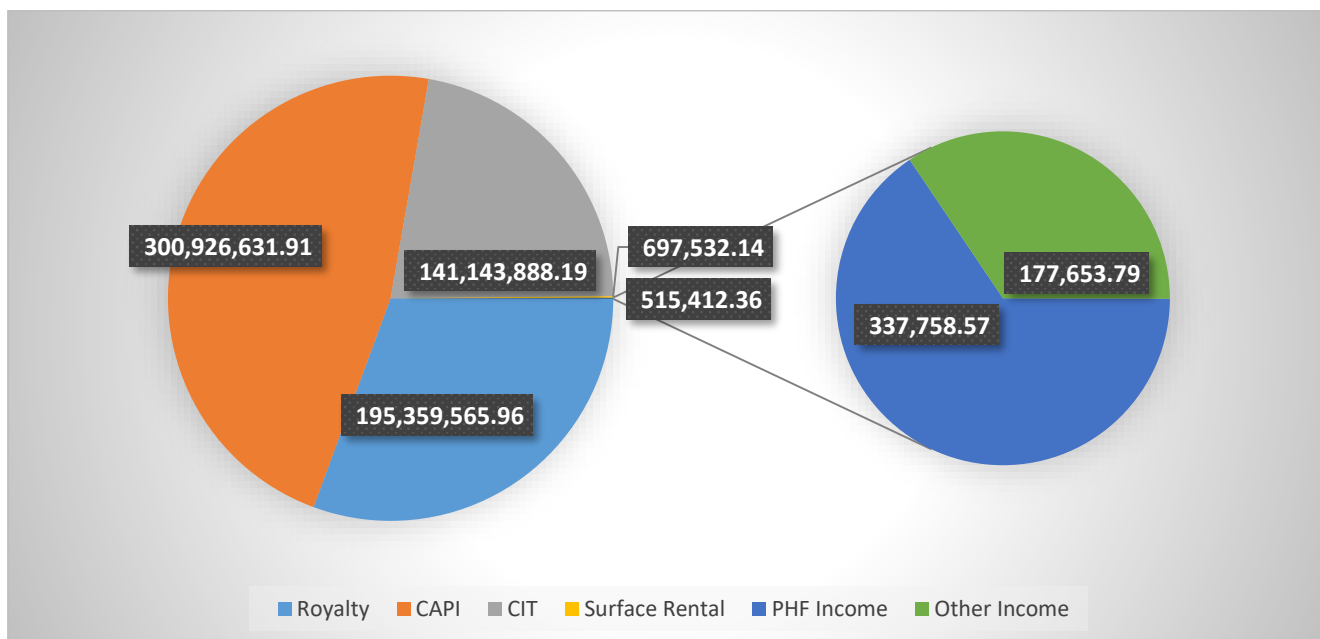


Figure 9: Petroleum Receipts Paid into the PHF (US\$M)

Source: PIAC' s Construct, 2020

5.1 Receipts from Crude Liftings for Ghana Group

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

Table 17: Field-by-Field Receipts from Crude Liftings, Ghana Group

	JUBILEE	TEN	SGN	TOTAL
Royalty	51,430,832.45	48,094,943.92	95,833,789.59	195,359,565.96
CAPI	133,296,304.89	137,070,590.19	30,559,736.83	300,926,631.91
CIT	38,557,325.00	65,543,702.80	37,042,860.39	141,143,888.19
Surface Rental	33,650.00	285,906.14	377,976.00	697,532.14
PHF Income	-	238,975.24	98,783.33	337,758.57
Other Income	-	-	177,653.79	177,653.79
TOTAL	223,318,112.33	251,234,118.30	164,090,799.93	638,643,030.56

Source: PIAC' s Construct using MoF Data, 2020

5.1.1 Receipts from Jubilee Field Crude Liftings

Six liftings (53rd – 58th) were made from the Jubilee Field in 2020, amounting to a realised revenue of US\$184,727,137.33 in 2020. This amount excludes revenues from the 58th parcel of crude oil lifted on the 14th of December, 2020, which will be realised in January 2021. The 2020 receipts is about 51 percent lower than the 2019 receipts of US\$373,598,999.48 from six liftings. Table 18 shows the revenue derived from the 2020 liftings comprising both Carried and Participating Interest and in-kind (crude) royalties due the State.

Table 18: Ghana Group Crude Oil Lifting and Revenue Receipts from Jubilee

Lifting Date	Lifting No	Parcel Qty (bbls)	Unit Price (US\$)	Marketing Cost/Pricing Option Fee (US\$)	Revenue (US\$)*
4-Feb-20	53	951,954	56.274	76,156.32	53,646,415.72
4-Apr-20	54	992,896	12.242	79,431.68	12,234,464.51
23-Jun-20	55	994,324	41.775	79,545.92	41,617,431.02
28-Aug-20	56	951,586	41.689	76,126.88	39,746,795.63
7-Oct-20	57	946,755	39.51	75,740.40	37,482,030.45
TOTAL		4,837,515			184,727,137.33

Source: GNPC, FY 2020 Data

**Revenue includes pricing option fees*

The main determinant of revenue from each lifting on all fields has been prices at the time of sale. For instance, as shown in Table 15, the lowest revenue per lifting (US\$12,234,464.51) was obtained at the lowest unit price of US\$12.242/bbl (54th lifting), whereas the highest revenue per lifting (US\$53,646,415.72) was realised at the highest unit price of US\$56.274/bbl (53rd lifting).

5.1.2 Receipts from TEN Field Crude Liftings

Revenue receipts amounting to US\$185,165,534.12 were received in 2020 from four liftings (14th – 17th). This was about 39 percent lower than 2019' s revenue receipts of US\$303,485,975.90 from five liftings. The amount received comprises both Carried and Participating Interest and in-kind royalties due the State. The 14th Lifting from the Field took place on 15th December, 2019 but its revenues were realised in January 2020. See details in Table 19.

Table 19: Ghana Group Crude Oil Lifting and Revenue Receipts from TEN

Lifting Date	Lifting No	Parcel Qty	Unit Price (US\$)	Marketing Cost/Pricing Option Fee (US\$)	Revenue
15-Dec-19	14	945,931	63.13	-	59,711,894.38*
26-Feb-20	15	994,801	50.802	-	50,537,880.40
21-Jun-20	16	994,018	36.228	-	36,011,284.10
27-Sep-20	17	994,389	39.124	-	38,904,475.24
TOTAL		3,929,139			185,165,534.12

Source: GNPC, FY 2020 Data

* Lifting occurred in Dec 2019 but revenues realised in Jan 2020

The 16th lifting recorded the lowest revenues from the Field in 2020, even though the cargo volume was relatively high, highlighting the significance of the prevailing oil price factor.

5.1.3 Receipts from Sankofa Gye Nyame (SGN) Field Crude Liftings

There were three liftings on the SGN field in 2020 with revenues amounting to US\$126,393,526.42 as compared to two liftings in 2019 yielding US\$127,490,129.38 in revenues. Two (4th and 6th liftings) out of the three liftings were made to honour Royalty

payments whilst the 5th lifting was made as proceeds of State' s equity interest in the Field. Find details in Table 20.

Table 20: Ghana Group Crude Oil Lifting and Revenue from SGN

Lifting Date	Lifting No	Parcel Qty (bbls)	Unit Price (US\$)	Marketing Cost/Pricing Option Fee (US\$)	Revenue (US\$)
16-Jan-20	4	950,046	62.264	-	59,153,664.14
7-Jun-20	5	949,296	32.124	47,464.80	30,559,736.83
27-Sep-20	6	949,033	38.60	47,451.65	36,680,125.45
TOTAL		2,848,375			126,393,526.42

Source: GNPC, FY 2020 Data

5.2 Analysis of Petroleum Receipts

The total revenue of US\$638,643,030.56 accrued to the Petroleum Holding Fund (PHF), was obtained from revenue streams outlined in the PRMA from the three producing Fields. Table 21 provides a comparison of the fiscals of the PAs for the Fields.

Table 21: Fiscals on PAs from Producing Fields

Contract Area / Field	Jubilee	TEN	SGN
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: PIAC, 2019 (Annual Report - Page 40)

Carried and Participating Interest (CAPI) continues to contribute the highest percentage of total revenues followed by Royalties, Corporate Income Taxes, and Surface Rentals, as shown in Figure 10.

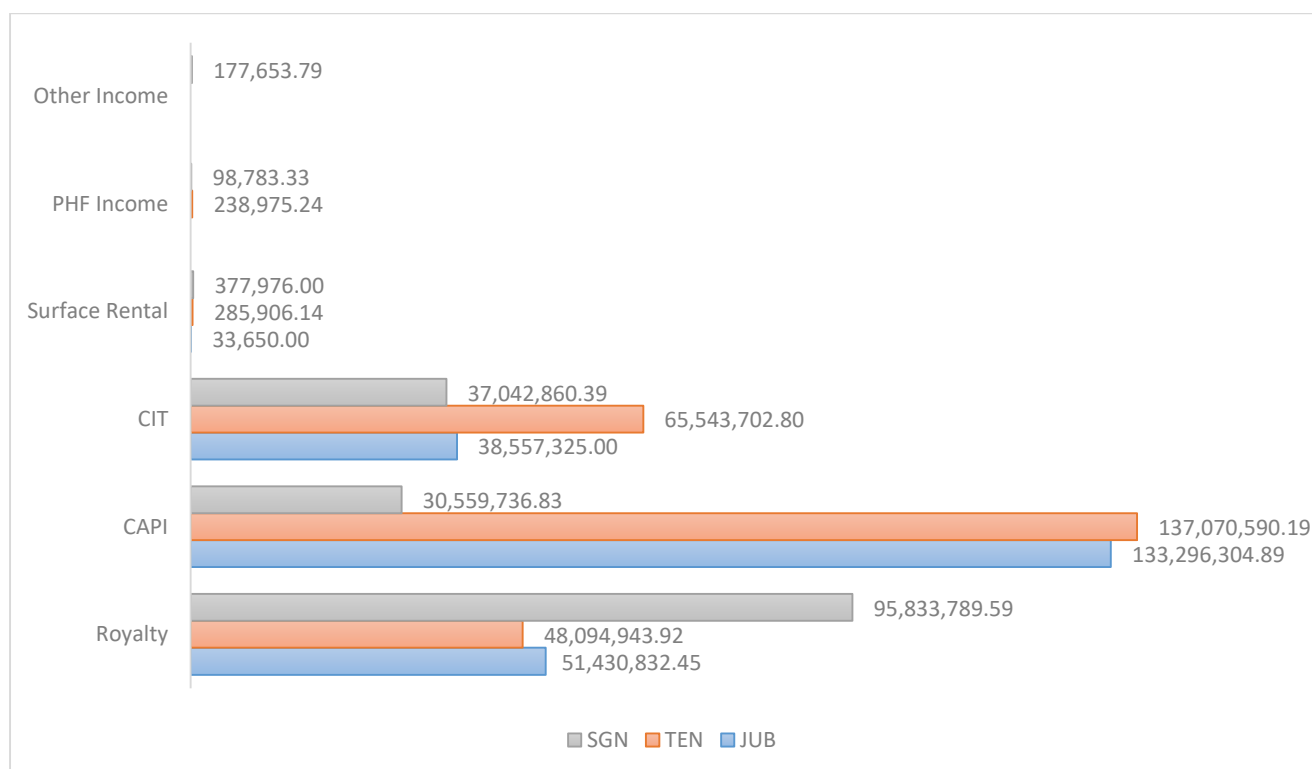


Figure 10: Petroleum Revenue Streams, US\$M

Source: PIAC's Construct based on MoF Data, 2020

5.2.1 Carried and Participating (Additional) Interest (CAPI)

Carried and Participating Interest are two forms of State participation that effectively captures a good share of economic rents from petroleum projects regardless of whether there is initial commitment of funds by the State or not. The revenue derived from CAPI constituted about

47 percent (US\$300,926,631.91) of total revenues accruing from the three Fields as compared to US\$505,987,937.41 attained in 2019. This represents a 40.5 percent reduction in CAPI over the one-year period.

CAPI has the potential of increasing the petroleum revenues of the nation and should be carefully considered in future PAs. CAPI generated from the TEN Field was the highest among the three Fields. This amount stood at US\$137,070,590.19 as against Jubilee and SGN' s US\$ 133,296,304.89 and US\$30,559,736.83 respectively, as shown in Figure 11.

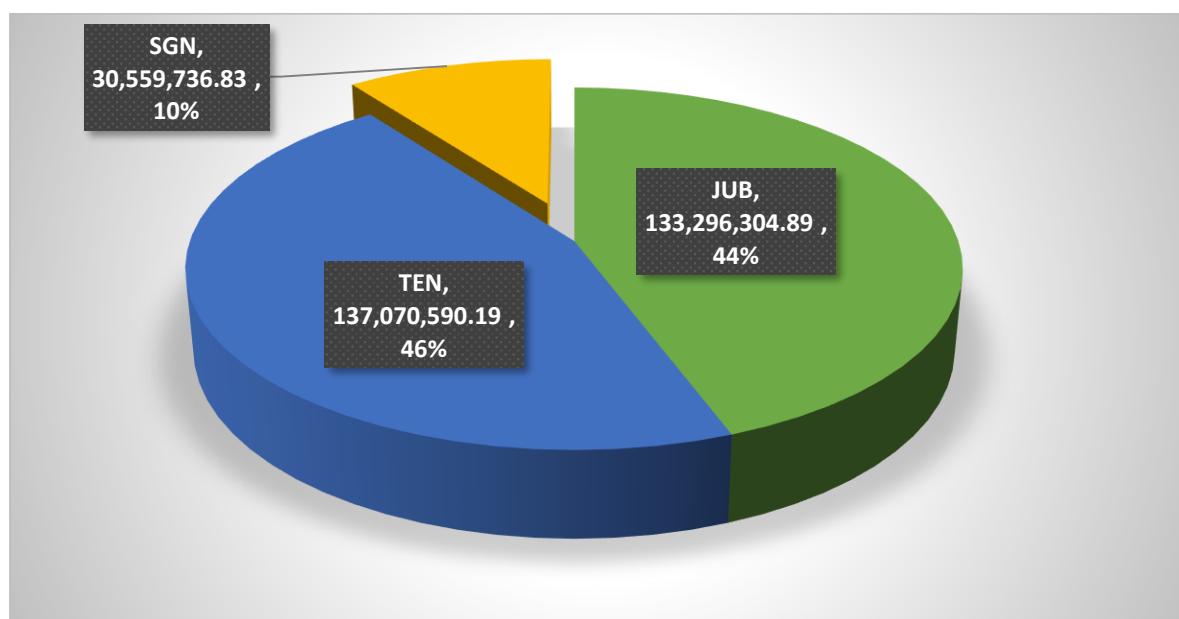


Figure 11: Breakdown of CAPI Contribution per Field to Total Revenue
Source: PIAC' s Construct based on MoF Data, 2020

5.2.2 Royalties

Royalties are early and dependable sources of revenues for the State as it is a charge on gross production. Total revenue from Royalties for the three Fields was US\$195,359,565.96 in 2020 compared to US\$236,794,156.13 in 2019, a 17.5 percent reduction. Royalty from the SGN field contributed almost half of the total royalties for the period, followed by Jubilee and TEN, as shown in Figure 12.

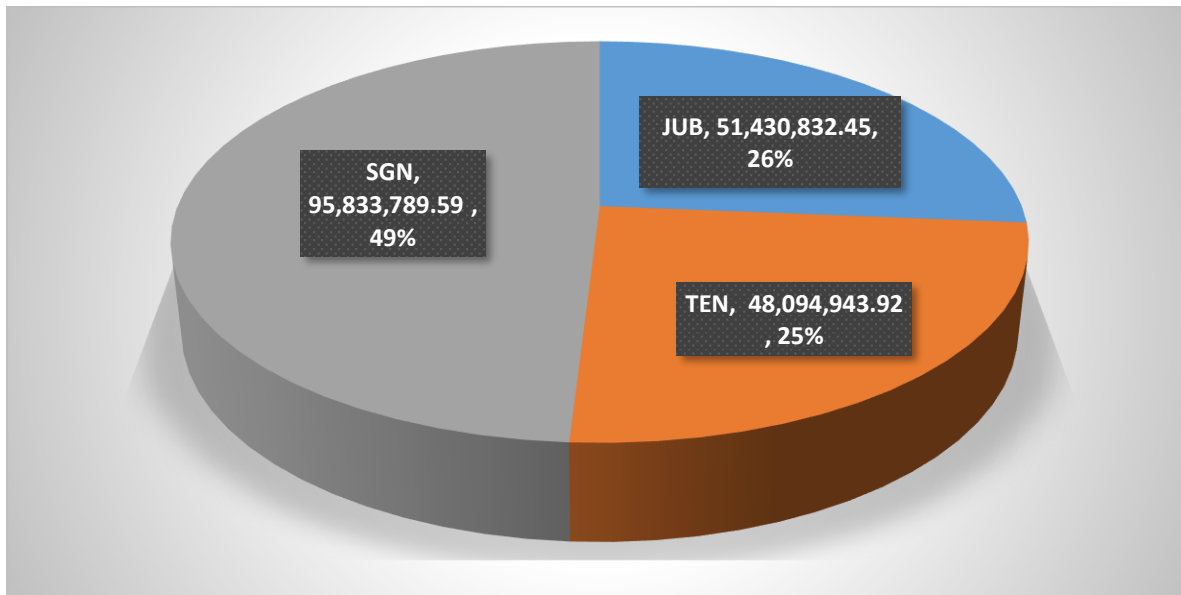


Figure 12: Breakdown of Royalty Contribution to Total Revenue

Source: PIAC' s Construct based on MoF Data, 2020

5.2.3 Corporate Income Tax (CIT)

Being a tax on profits, CIT usually yields lower revenues compared to Royalty and Carried and Participating Interest despite its rate of 35 percent. The total CIT received from the three fields in 2020 stood at US\$141,143,888.19, a 21 percent reduction from the tax revenue attained in 2019 (US\$178,591,122.77). The TEN Field contributed the highest in CIT payment for the period with an amount of US\$65,543,702.80, followed by the Jubilee Field with taxes of US\$38,557,325.00 and the SGN Field recording taxes of US\$37,042,860.39. Additionally, an amount of US\$25,000,000.00 was paid into the PHF, being 2019 CIT by Anadarko & Petro SA wrongfully paid into GRA' s account. Figure 13 depicts the breakdown of CIT payments.

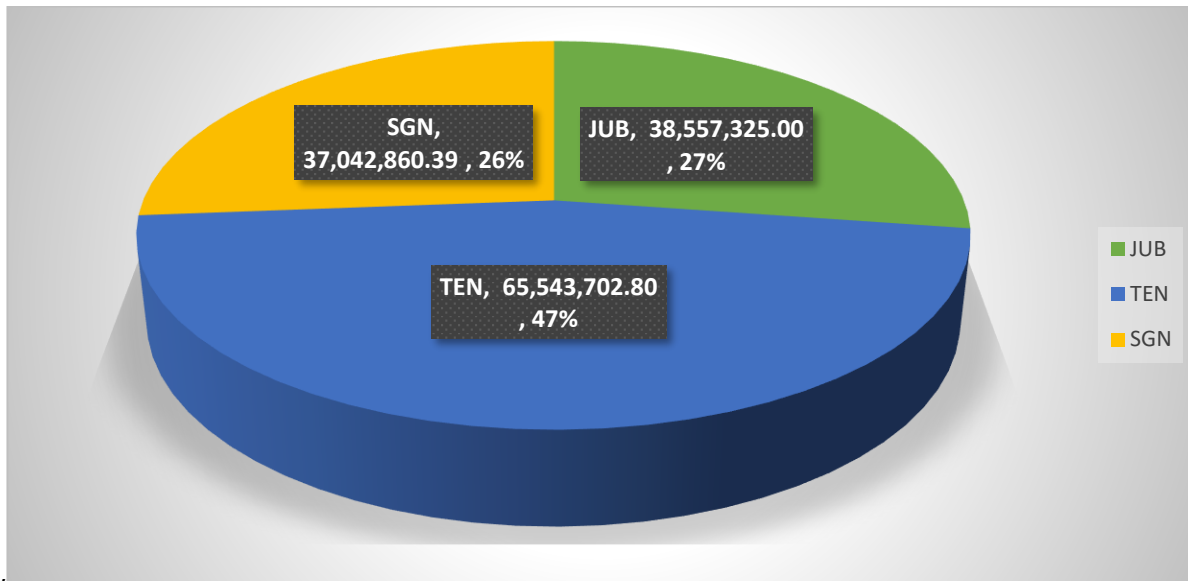


Figure 13: Breakdown of CIT Payments
 Source: PIAC's Construct based on MoF Data, 2020

5.2.4 Surface Rentals

Surface Rental payments received in 2020 totalled US\$697,532.14 compared with US\$1,109,537.98 for 2019, indicating a 37 percent reduction. This stream contributes relatively low amounts to total revenue as noted in previous PIAC reports. Some upstream companies have failed to make Surface Rental payments into the PHF, resulting in arrears worth US\$2,110,212.23 as at the end of 2020. Details of the breakdown of Surface Rental payments and balance outstanding are provided in Table 22.

Table 22: Surface Rentals Arrears as at the end of December 2020 (US\$)

S/N	Operator	Contract Area	Total Assessment (2014-2020)	BoG Receipts (2014-2020)	Arrears as at Dec. 2020
1	Medea Development	East Cape Three Points	547,750.00	391,210.00	156,540.00

2	Erin Energy Ghana Ltd	Expanded Shallow Water Tano	446,116.67	446,116.67	-
3	Amni Ghana	Central Tano	97,300.00	97,818.00	(518.00)
4	Heritage (GOSCO)	Offshore South West Tano Block	51,041.67	157,563.53	(106,521.86)
5	Heritage (GOSCO)	East Keta	653,041.67	120,675.00	532,366.67
6	Sahara Energy Fields Ghana	Shallow Water Cape Three Points	481,250.00	409,315.07	71,934.93
7	Eco Atlantic	Deepwater West Cape Three Points	271,400.00	236,030.00	35,370.00
8	Brittania-U	South-West Saltpond	657,708.33	-	657,708.33
9	UB Resources Gh. Ltd	Offshore Cape Three Points South	235,937.50	168,271.92	67,665.58
10	Swiss African Oil Company Limited	Onshore/Offshore Keta Delta Block	712,500.00	-	712,500.00
11	Springfield Exploration & Production Ltd	West Cape Three Points Block 2	148,620.83	165,484.25	(16,863.42)
12	Exxon Mobil	Deepwater Cape Three Point	128,975.00	128,945.00	30.00
	TOTAL		4,431,641.67	2,321,429.44	2,110,212.23

5.2.5 Interest Payments

Interest on the Petroleum Holding Fund yielded US\$337,758.57 in 2020 as against US\$2,553,125.55 in 2019. This represents an 86.7 percent reduction in interest income on the PHF, which is not surprising, given that the amount of interest earned on the PHF is dependent on the balances in the account.

5.2.6 Other Income

The other income recorded in 2020 amounted to US\$177,653.79. This amount entails the interest on late payments from crude oil liftings into the PHF.

5.2.7 Gas Revenue

For the year under review, no payment was made into the PHF in respect of gas supplied. A total of 27,772.49MMSCF of raw gas worth US\$159,410,952.52, was delivered to Ghana National Gas Company (GNGC), but no payment was made to GNPC. Table 23 presents the monthly invoiced amounts.

Table 23: Invoiced Amounts from the Jubilee & TEN Fields

Date	Export Volume (MMSCF)	Invoiced Amount (US\$)
Jan-20	1,500.25	8,088,087.79
Feb-20	466.38	2,514,313.03
Mar-20	473.30	2,551,636.03
Apr-20	2,255.31	12,158,720.89
May-20	2,707.50	14,597,050.90
Jun-20	2,899.32	15,630,717.85
Jul-20	2,843.23	15,328,307.85
Aug-20	2,930.84	15,800,627.37

Sep-20	2,438.14	13,144,402.84
Oct-20	2,908.02	18,931,416.80
Nov-20	2,892.59	18,523,689.95
Dec-20	3,457.61	22,141,981.22
TOTAL	27,772.49	159,410,952.52

Source: GNPC, 2020.

5.3 Sankofa Gye Nyame (SGN) Field

In the reporting period, GNPC utilised a make-up gas ¹⁰volume of 1,867.50Mmscf, translating into an amount of US\$15,767,771.85, with an outstanding make-up gas balance of 35,630.32 Mmscf. Table 24 provides the yearly breakdown of make-up gas.

Table 24: Make up Gas - SGN

Item	Volume (MMSCF)
2018 Make up gas	6,449.15
2019 Make up gas	26,460.17
2020 Make up gas	2,721.00
Total Accumulated Make up Gas	35,630.32

Source: Eni, 2020

The total invoiced amount for gas taken in 2020 amounted to US\$567,201,528.75. Table 25 shows the detailed breakdown of gas invoiced for the period.

¹⁰ Make-Up Gas means the volume of gas, if any, by which the quantity of Base-load Gas delivered to and accepted by Purchaser during a Contract Year for such Contract Year, falls short of the Annual Base-load Quantity. Make-up or recoupment provisions allow the buyer to take, without payment, a quantity of gas valued at the amount of the deficiency payments paid in previous periods

Table 25: Gas Invoiced Amounts for 2020

Item	Total Gas Invoice (US\$)	Invoice Amount - Gas Taken (US\$)	Invoice Amount - Take or Pay (ToP) (US\$)	Invoice Amount - Condensate (US\$)	Invoice Amount - Priority Deficient Payment (US\$)
Eni & Vitol	527,867,236.86	453,761,223.00	23,013,713.16	9,513,109.77	41,579,190.93
GNPC	151,676,524.02	113,440,305.75	25,463,143.10	2,378,277.44	10,394,797.73

Source: Eni, 2020

5.3 Cumulative Petroleum Revenues (2011-2020)

From inception to date, petroleum revenue has amounted to US\$6.55 billion. The year 2014 has the record of the highest realised petroleum revenues with 2016 recording the lowest revenues into the PHF. The most significant determinant of petroleum revenues in Ghana has been crude prices. Figure 14 shows the annual realised revenues from 2011 -2020.

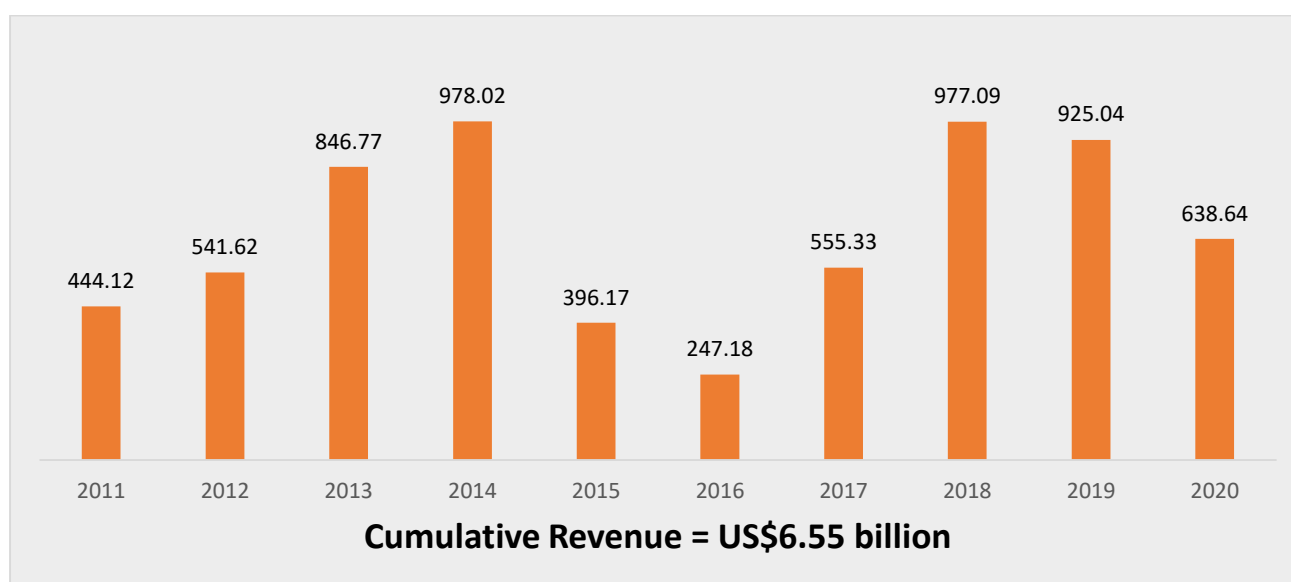


Figure 14: Annual Petroleum Receipts: 2011 to 2020 (US\$M)

Source: PIAC's Construct, 2020.

Findings

1. There was a general decline in revenue, attributed to lower production volumes and unfavourable international crude oil prices, exacerbated by the COVID-19 pandemic. CAPI declined by 40.5 percent, Surface Rentals by 37 percent, CIT by 21 percent, and Royalties by 17.5 percent.
2. Surface Rental payments remain in arrears to the tune of US\$2,110,212.23 in 2020, representing a 34.71 percent increase over the 2019 arrears of US\$1,566,463.12. The non-payment of this stream of income denies the PHF the necessary funds needed for development projects.
3. GNPC utilised a make-up gas (see page 62) volume of 1,867.50Mmscf out of the total accumulated make-up gas volume of 35,630.32Mmscf, translating into an amount of US\$15,767,771.85.

CHAPTER 6

6.0 DISTRIBUTION OF PETROLEUM REVENUES

The Petroleum Revenue Management Act, 2011 (Act 815) established the Petroleum Holding Fund (PHF) as a public fund at the Bank of Ghana for the receipt and disbursement of all petroleum revenues that accrue to the State. The statutory formula for the receipt and disbursement of these funds is presented in Figure 15:

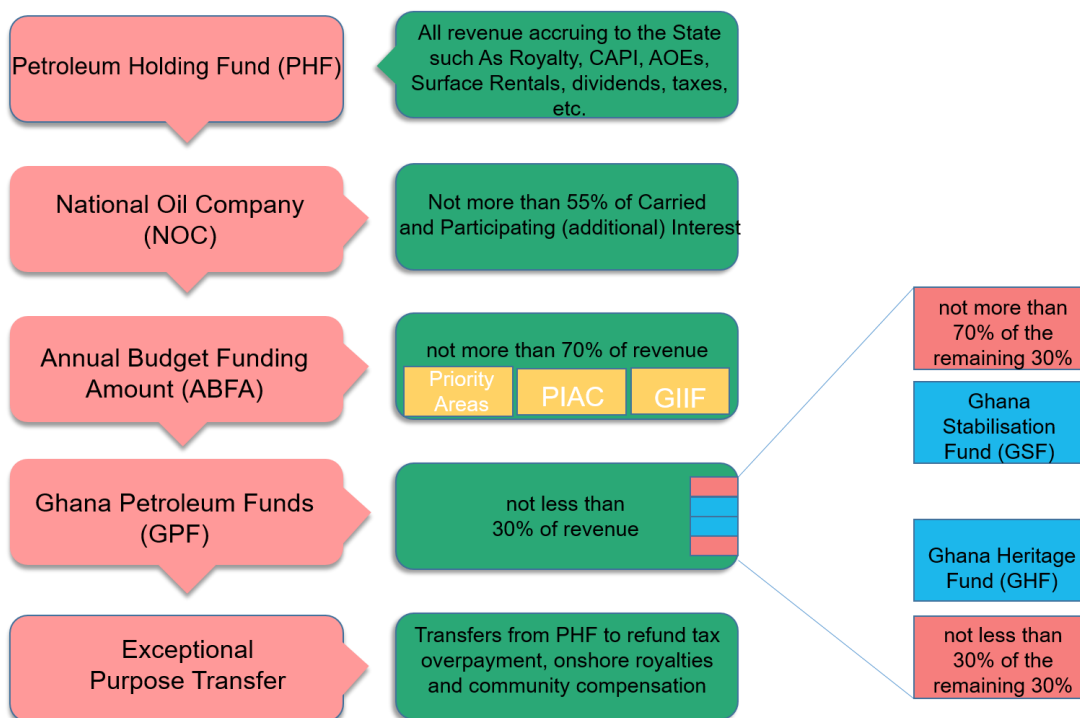


Figure 15: Distribution of Petroleum Revenue from the Petroleum Holding Fund

Source: PIAC's Construct, 2020

6.1 Receipts into the Petroleum Holding Fund

According to the Bank of Ghana, the total amount received into the Petroleum Holding Fund for the period under review was US\$666,390,751.22 of which US\$496,286,197.87 was Lifting Proceeds and the balance of US\$170,104,553.35 Other Incomes (Corporate Income Tax, Surface Rentals, Interest on PHF balance, etc.). This total receipt is 27.96 percent lower than

the receipt for 2019. The total receipt for the year 2020 is 42.51 percent of the 2020 budgeted petroleum revenue and 101 percent of the 2020 mid-year budgeted figure.

There was an amount of US\$12,546,324.00 received as Other Income in October 2019, which was distributed in the period under review. Also worth noting is the fact that an amount of US\$40,406,501.67 of the Other Incomes revenue stream which was received in 2020, will be distributed in the first half of 2021.

6.2 Distribution of Revenues from the Petroleum Holding Fund

The total amount distributed from the PHF was US\$638,643,030.71 which is 30.96 percent less than the distribution for 2019. The total distribution for the period under review is also 59.26 percent lower than the budgeted distribution and 3.3 percent lower than the revised distribution budget of US\$660.45 million. The significantly lower than budgeted distribution was due to the adverse impact of the novel corona virus on petroleum prices which directly affected revenue.

In accordance with the PRMA, funds in the PHF were distributed to the Ghana National Petroleum Corporation (GNPC), the Annual Budget Funding Amount (ABFA), the Ghana Stabilisation Fund (GSF) and the Ghana Heritage Fund (GHF) in the following proportions, as shown in Figure 16.

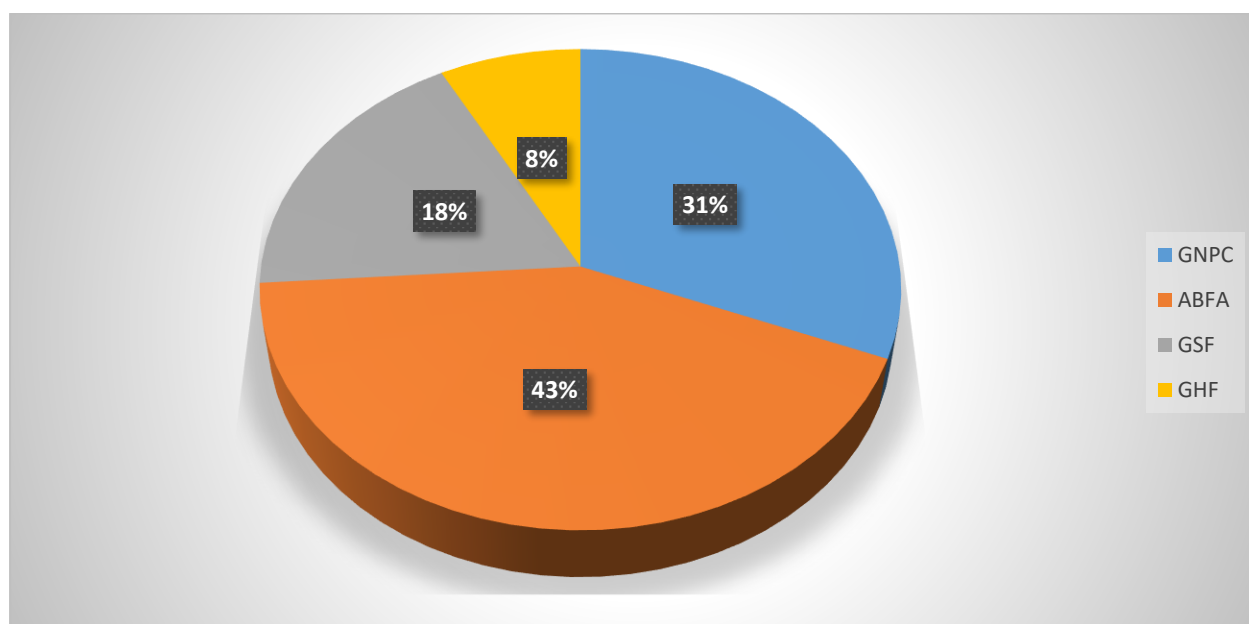


Figure 16: Distributions from the PHF

Source: PIAC Construct based on MoF Data, 2020

Table 26 presents the monthly distribution from the PHF.

Table 26: Monthly Distribution from the PHF in 2020

	GNPC US\$	ABFA US\$	GSF US\$	GHF US\$	Total US\$
March	25,637,340.63	59,438,016.49	17,831,404.95	7,642,030.69	110,548,792.76
April	47,106,829.63	81,966,849.82	24,590,054.95	10,538,594.98	164,202,329.38
June	7,668,133.52	28,106,406.99	8,431,922.10	3,613,680.90	47,820,143.51
August	35,352,125.42	24,093,668.89	7,228,100.67	3,097,757.43	69,771,652.41
October	49,247,251.24	24,585,589.98	7,375,676.99	3,161,004.43	84,369,522.64
December	33,637,538.87	55,191,837.31	51,170,849.58	21,930,364.11	161,930,589.87
Total	198,649,219.31	273,382,369.48	116,628,009.24	49,983,432.54	638,643,030.57

Source: Bank of Ghana, 2020, Semi-Annual Report H1 & H2 2020 - BoG

6.2.1 Distribution to the Ghana National Petroleum Corporation

The GNPC received an amount of US\$198,649.219.31 from Carried and Participating Interest (CAPI) for Equity Financing Cost (EFC) for the period under review. This is 23.76 percent lower

than the distribution for 2019 and 78.78 percent of the figure in the revised budget statement¹¹.

6.2.2 Distribution to the Annual Budget Funding Amount

The ABFA received US\$273,382,369.48 for 2020, representing a decrease of 10.51 percent from the figure for 2019 and 95.65 percent of the revised budget.

6.2.3 Distribution to the Ghana Petroleum Funds

The Ghana Petroleum Funds (GPFs) comprise the Ghana Stabilisation Fund (GSF) and the Ghana Heritage Fund (GHF). The GPFs received an amount of US\$166,611,441.78 for the period, of which US\$116,628,009.24 was distributed to the GSF with US\$49,983,432.54 to the GHF, thereby fulfilling the 70:30 percent requirement of the PRMA.

6.2.3.1.1 The Ghana Stabilisation Fund

The GSF received an amount of US\$116,628,009.24, constituting 70 percent of the GPFs, in compliance with the PRMA. The total receipt into the GSF represents a 38.06 percent decrease from that of 2019 and a 136 percent increase over the figure in the revised budget.

6.2.3.2 The Ghana Heritage Fund

For the period under review, the GHF received an amount of US\$49,983,432.54, representing 30 percent of the GPFs, as required by the PRMA. The total receipt represents a 38.07 percent decrease from that of 2019 and 136 percent increase over the figure in the revised budget.

Table 27 presents a comparison of the PHF distribution for years 2019 and 2020.

¹¹ The significant variance may be attributed to the reduction in actual revenue resulting from lower than expected prices caused by the corona virus pandemic

Table 27: PHF Distribution for 2019 and 2020

	2019	2020	Percentage Change
	US\$ Million	US\$ Million	%
GNPC	260.56	198.65	-23.76
ABFA	395.47	273.38	-10.51
GSF	188.30	116.63	-38.06
GHF	80.70	49.98	-38.07
TOTAL	925.03	638.64	-30.96

Source: PIAC Construct from BoG Figures, 2020

6.3 Cumulative Allocation from the PHF in US\$ Million (2011 to 2020)

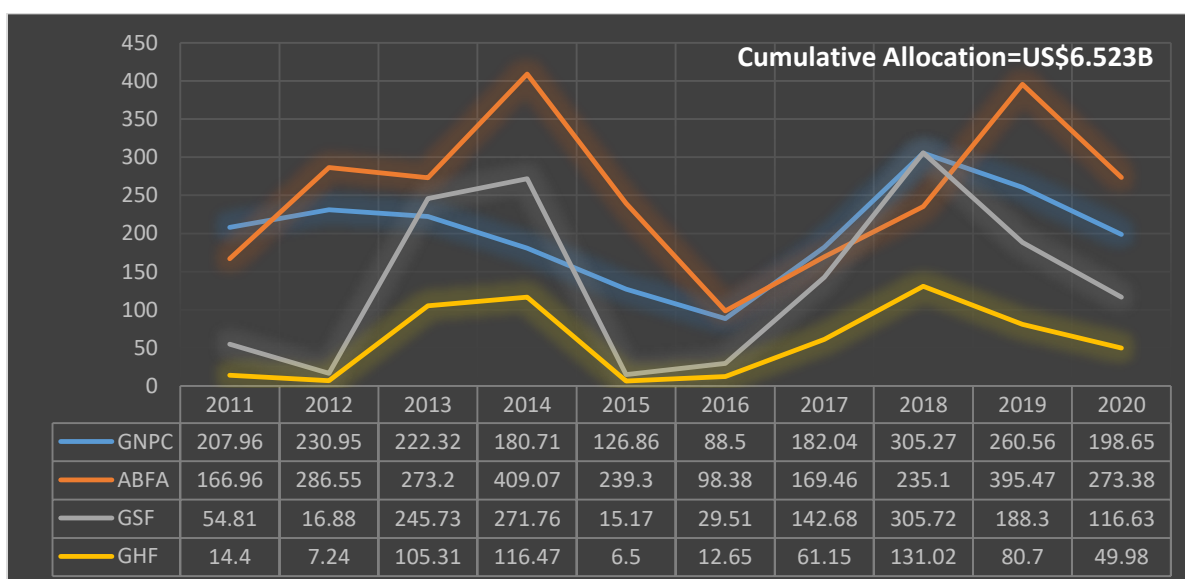


Figure 17: Cumulative Allocation of Petroleum Receipts since 2011

Source: PIAC Construct based on BoG data, 2020

Figure 17 present an analysis of cumulative petroleum revenue over the ten-year period since the PRMA came into force. The Figure presents the revenue for each of the ten years and also breaks the annual revenue into distribution as stipulated by the Act.

It is observable from Figure 17 that over the period of ten years, the year 2014, with revenue of US\$978.01 million, remains the best in terms of the revenue that has accrued to the State. This was mainly due to the prevailing price of crude oil on the world market at that time, as production (37.2 million bbls) was then from only the Jubilee Field.

The year 2016, with revenue of US\$229.14 million, represents the lowest in terms of revenue to the State. This sharp drop in revenue over a short period underscores the volatile nature of revenue from extractives, and therefore the need for the implementation of targeted policies that will ensure that Ghana derives maximum benefit from the resource. This is the spirit of the PRMA, which has also been at the core of PIAC' s continuous calls for duty bearers to keep improving on efforts towards prudent, transparent and accountable management of petroleum revenue for the benefit of citizens.

6.4 Cumulative Distribution of Petroleum Revenue since Inception

The Bank of Ghana reports that total receipts distributed since April 2011 amounted to US\$6.52 billion. Out of this, GNPC has received US\$2.00 billion (31%), ABFA - US\$2.55 billion (39%), GSF - US\$1.39 billion (21%) and GHF - US\$585.42 million (9%), as shown in Figure 18.

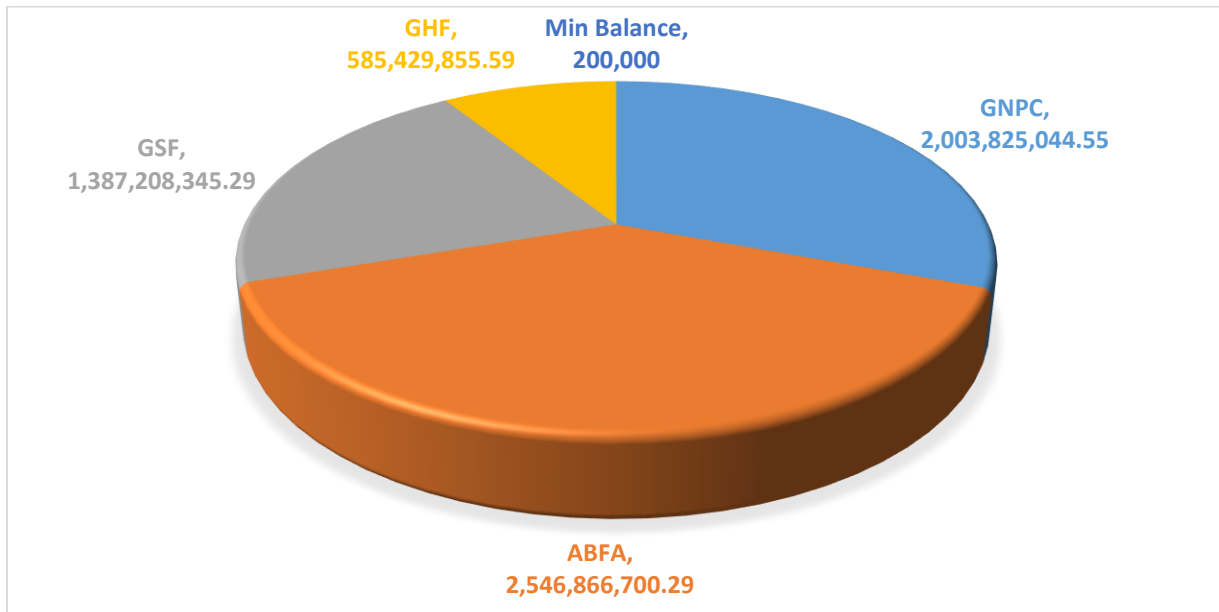


Figure 18: Cumulative Distribution of Petroleum Revenue since Inception

Source: PIAC Construct based on BoG data, 2020

Finding

1. There was a 31 percent decrease in the distribution from the PHF in 2020, compared with that of 2019, which made less money available for Government' s spending on programmes and projects.

CHAPTER 7

7.0 DISTRIBUTION AND UTILISATION OF THE ANNUAL BUDGET FUNDING AMOUNT

According to the Ministry of Finance, the revised programme of ABFA for 2020 was GH¢1,656.19 million (US\$285.80). This consisted of an amount of GH¢496.86 million (30%) for Goods and Services, and GH¢1,159.33 million (70%) for public investment expenditure. This complies with the PRMA, which requires the allocation and utilisation of not more than 30 percent of the ABFA receipts for Goods and Services Expenditure, and at least 70 percent to fund public investment expenditure.

The total distribution to the Annual Budget Funding Amount (ABFA) for the period under review was US\$273,382,369.48. This is four per cent lower than the revised budget distribution to the ABFA and 30.87 lower than the ABFA distribution for the year 2019.

7.1 Selection of New Priority Areas

The PRMA requires the use of the annual allocation to the ABFA to be guided by a long-term national development plan approved by Parliament. In the absence of this plan, and with a view to maximising the impact of the use of the ABFA, the Minister for Finance shall prioritise not more than four areas specified in the Act. The selected priority areas are to be reviewed every 3 years and presented to Parliament for approval by the Minister for Finance, before implementation. The year 2020 marked the selection and implementation of new priority areas by the Government for the period 2020 – 2022, as the period for the previous priority areas came to an end in 2019. The 2020 PIAC Semi-Annual Report, based on information provided by the Ministry, indicated that the new priority areas selected by the Government are as shown in Table 28.

Table 28: Priority Areas Selected by the Government for 2020 -2022

No.	Priority Area
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1.	Agriculture
2.	Road, Rail and Other Critical Infrastructure Development
3.	Physical Infrastructure and Service Delivery in Education and Health
4	Industrialisation

Source: Ministry of Finance, 2020

However, neither the Government's 2020 Budget Statement and Economic Policy nor the 2020 Mid-year Budget Review presented these priority areas for parliamentary approval as was done in the year 2017 Budget Statement and Economic Policy. The Committee finds this at variance with the PRMA.

The Ministry of Finance has explained that the revised priority areas for 2020 – 2022 were reflected in the projected ABFA spending for 2020 allocated to MDAs under Appendix 5 of the 2020 Budget Statement and Economic Policy. However, the classification of the ABFA under the four priority areas was inadvertently omitted. The Ministry has also indicated plans to correct this by presenting the revised priority areas in the 2021 Budget Statement and Economic Policy for Parliamentary approval.

The Committee urges the Ministry to take the necessary measures to forestall a recurrence in the future.

7.2 Disbursement to the Priority Areas

The Ministry reported that for the period under review, actual ABFA utilisation amounted to GH¢2,771,123,314.72. This was made up of 2020 ABFA receipt of GH¢1,291,227,014.86 and unutilised ABFA of GH¢1,479,896,299.86 accumulated over three years (2017 - GH¢400.91 million, 2018 - GH¢251.38 million and 2019 - GH¢827.60 million). In its report to PIAC, the Ministry did not account for the use of the 2020 ABFA allocation separately from the unutilised ABFA. PIAC is therefore unable to disaggregate the two sets of data and hereby reports on them together. Details of the projects and programmes supported from the ABFA in the four

Priority Areas are provided in Appendix A. It is worth mentioning that in compliance with the PRMA, 76.78 percent of the utilisation was spent on public investment expenditure while, 23.22 percent was spent on goods and services. This could be attributed to the situation of not disaggregating the 2020 ABFA distribution from the unspent ABFA.

Actual ABFA was disbursed to the four priority areas as shown in Table 29.

Table 29: Disbursement of ABFA to Priority Areas in 2020

No.	Priority Area	Disbursement (GH¢)	Percentage (%)
1.	Agriculture	79,017,787.45	2.85
2.	Road, Rail and Other Critical Infrastructure Development	1,958,971,270.23	70.69
3.	Physical Infrastructure and Service Delivery in Education and Health	698,243,057.04	25.20
4.	Industrialisation	31,800,000.00	1.15
	Sub-Total	2,768,032,114.72	
	Public Interest and Accountability Committee (PIAC)	3,091,200.00	0.11
	Total	2,771,123,314.72	100.00

Source: PIAC Construct based on MoF data, 2020

7.2.1 Agriculture

The Agriculture Priority Area received an amount of GH¢79,017,787.45 representing 2.85 percent of the total utilisation for the year. The entire disbursement to the Priority Area was spent on the Planting for Food and Jobs programme by the Ministry of Agriculture in support of irrigation projects, small dams, warehouses and ancillary structures. The entire amount disbursed was spent on public investment expenditure in the agricultural sector.

7.2.2 Road, Rail and Other Critical Infrastructure Development

The Road, Rail and Other Critical Infrastructure Development Priority Area received a total disbursement of GH¢1,958,971,270.23 constituting 70.69 percent of the total ABFA disbursement. The entire disbursement to this priority area was used for public investment expenditure. Out of the total disbursement, an amount of GH¢1,188,367,233.70 representing 60.67 percent of the disbursement to this priority area was spent on road projects by the Ministry of Roads and Highways. An amount of GH¢73,974,281.22 (3.78%) disbursed to the Ministry of Railway Development was spent on consultancy, modernisation of location workshops, feasibility studies and railway infrastructure development.

Under Other Critical Infrastructure Development, an amount of GH¢696,629,755.31 (35.56%) was disbursed for various projects such as small dams, classroom blocks, markets, public toilets, bridges, CHPS compound, clinics, sports infrastructure, energy, boreholes, accommodation, etc. A summary of the projects funded under the Other Critical Infrastructure is provided in Table 30.

Table 30: Summary of Projects under Other Critical Infrastructure

Implementing Agency	Amount Disbursed (GH¢)	Sample Projects
Ministry of Special Development Initiatives (MSDI)	378,674,359.45	Small dams/dugouts, markets, boreholes, clinics with bungalows, classroom block, CHPS compound, Doctors & Teachers accommodation, nebulisers, library,
Ministry of Regional Reorganisation and Development	124,882,965.62	Office & Residential Accommodation, Office equipment, furniture, vehicles,

Ministry of Energy	46,257,670.00	Electrical networks, supply of street lights, etc
Ministry of Water Resources and Sanitation	25,399,652.12	Boreholes, litter bins, latrines, land, hotel (School of Hygiene), vehicles, toilets,
Ministry of Works and Housing	115,854,067.55	Coastal protection project, storm drains, sea defence, national flood control programme, etc
Ministry of Defence	2,293,040.57	Consultancy service – FOB in Ellembele District
Ministry of Transport	3,268,000.00	Compensation – Construction of Jamestown Beach

Source: PIAC Construct based on MoF data, 2020

7.2.3 Physical Infrastructure and Service Delivery in Education and Health

The Physical Infrastructure and Service Delivery in Education and Health Priority Area received an amount of GH¢698,243,057.04 representing 25.20 percent of the total disbursement. Out of the disbursement to this priority area, GH¢640,319,078.50 was given to the Office of Government Machinery for the implementation of the Free Senior High School Programme while GH¢16,800,000.00 was given to the Ministry of Education to support educational infrastructure. The disbursement to the Free Senior High School was used for goods and services.

The health aspect of this priority area received an amount of GH¢41,123,978.54 which was used by the Ministry of Health to support health infrastructure such as CHPS compounds,

bungalows for health workers, etc. The amount disbursed was used for public investment expenditure.

7.2.4 Industrialisation

The Industrialisation Priority Area which has just been added as a priority area received an amount of GH¢31,800,000.00 being 1.15 percent of the total disbursement for the year. The funds were used by the Ministry of Trade and Industry for the one-district, one-factory programme of the Government. The utilisation was for public investment expenditure.

7.2.5 The Public Interest and Accountability Committee

As provided by Act 893, the Public Interest and Accountability Committee (PIAC) received an amount of GH¢3,091,200.00 for its programmes and activities in the year 2020. This represents 0.11 percent of the ABFA' s total disbursement for 2020, and 6.6 percent higher than the disbursement to PIAC for 2019. This utilisation was for goods and services.

7.3 Unutilised Annual Budget Funding Amount

The Ministry of Finance reported that it utilised the 2019 unspent ABFA of GH¢1,479.90 in the year 2020 as follows:

1. GH¢471.59 million was transferred to the Road Fund to reduce the Fund' s indebtedness to road contractors and creditor banks;
2. Gh¢180.7 million was utilised under the Ministry of Roads and Highways for roads infrastructure;
3. GH¢827.60 million, on the other hand, was utilised in 2020 to partially meet the shortfall in ABFA receipts caused by the impact of the COVID-19 pandemic and its associated effects on crude oil prices globally.

The Committee notes the effort of the Ministry at accounting for these funds that had built up over three years (2017 – 2019).

However, PIAC observes that all the disbursements do not provide details of the projects and programmes that were supported. The Committee looks forward to these details to enable it monitor implementation. PIAC has been of the position that unspent ABFA should be deposited back into the PHF for reallocation the following financial year. The Ministry, on the other hand, holds the view that the PRMA provides for withdrawal from the PHF for ABFA but not deposit of ABFA into the PHF. There is need to find a common ground in the spirit of the PRMA that will avoid the accumulation of unspent ABFA as experienced over the past three years.

7.4 ABFA Utilisation in 2020

7.4.1 Number of Projects and Programmes

One outstanding thing about the 2020 ABFA utilisation data submitted to PIAC by the Ministry is the number of projects and programmes that received funding. A count of the individual projects reveals approximately four thousand and eighty eight (4,088) at various stages of completion. Disbursements to capital projects ranged from GH¢3,031.20 to GH¢29,610,532.70, with median disbursement for the ABFA-funded projects being GH¢1,282,514.95. The Committee appreciates the intention of Government to ensure that the resource is equitably distributed to benefit all citizens as well as efforts at disclosing all the projects that received ABFA support. However, the thin spread of the revenue weakens the impact of the revenue as the project tends not to be completed in time for citizens' use. This leads to cost escalation and undue delay.

The Ministry has indicated that the 2020 ABFA report provided details of projects by invoices and certificates for payment. The total number of projects from the compilation of these invoices and certificates is, however, much lower than 4,000.

The Committee reiterates its earlier call for petroleum revenues to be invested in fewer national legacy projects that will be completed in good time for the benefit of the citizenry.

7.4.2 Project Categorisation

Equally important to mention in this report is the categorisation of projects. In accordance with the PRMA, the Government selected four out of the twelve priority areas listed in the Act for spending the ABFA. However, a perusal of the list of projects reveals that projects were undertaken in other priority areas not selected by Government. For example, projects were undertaken under Potable Water Delivery and Sanitation, Housing Delivery, to mention but a few.

It was also observed that projects were undertaken not under their rightful priority area but under others. For example, projects were executed under Other Critical Infrastructure which should have rather been under Agriculture, Infrastructure and Service Delivery of Education and Health. These occurrences defeat the purpose of prioritisation as provided for by the Act. Again, most of these projects were carried out under the Ministry of Special Development Initiatives thereby not utilising expertise in the appropriate Ministry or Department. For example, irrigation dams were not constructed under the auspices of the Ghana Irrigation Development Authority (GIDA). Again, educational projects were undertaken, but not under the Ministry of Education.

While PIAC is not against the utilisation of the ABFA to fund these projects, it believes that the use of the right government structures and systems will ensure efficiency and effectiveness in the management and use of the petroleum revenues.

The Ministry has explained that the projects were so classified because they belonged to that ABFA priority area category for 2020 – 2022.

7.5 Utilisation of ABFA to fill gap in Budget

The Ministry of Finance reported that it utilised an amount of GH¢827.60 million of the unspent ABFA to partially meet the shortfall in ABFA receipts caused by the impact of the COVID-19 pandemic and its associated effects on crude oil prices globally. This is at variance with the provisions of the Act which established the Ghana Stabilisation Fund to cushion the impact on

or sustain public expenditure capacity during periods of unanticipated petroleum revenue shortfalls. The Government may have been forced to take this action because the Stabilisation Fund did not have the needed balance to perform its statutory mandate as a result of capping.

Findings

1. An amount of GH¢ 1,291,227,014.86 was allocated to the ABFA from the PHF, representing an increase of 1.60 percent over the allocation to the ABFA from the PHF in 2019.
2. The 2020 – 2022 new priority areas selected for ABFA disbursement were not presented to Parliament for approval in the 2020 Budget Statement and Economic Policy, as required by the PRMA.
3. Contrary to the PRMA, an unutilised amount of GH¢827.60 million from 2017 – 2019 was spent to partially meet the shortfall in ABFA receipts caused by the impact of the COVID-19 pandemic and its associated effects on crude oil prices globally.

CHAPTER 8

8.0 PERFORMANCE OF THE GHANA PETROLEUM FUNDS

8.1 Ghana Petroleum Funds: Stabilisation and Heritage Funds

The Ghana Petroleum Funds (GPFs) comprise the Ghana Stabilisation Fund (GSF) and Ghana Heritage Fund (GHF). In terms of disbursement, the PRMA stipulates that not less than 30 percent of the benchmark revenue or actual petroleum revenue in any fiscal year should be paid into the GPFs. In accordance with the Law, a minimum of 30 percent of the revenue accrued to the GPFs is transferred into the GHF and the balance transferred into the GSF.

8.1.1 Ghana Heritage Fund (GHF)

The GHF provides an endowment to support development for future generations when Ghana's petroleum reserves have been depleted. The Fund is invested outside Ghana in safe but low-yielding investments, due to the low-risk nature of the investment instruments. The range of qualifying instruments is limited to investment grade bonds and convertible currency deposits issued by sovereign states, Central Banks, and multilateral organisations such as the Bank for International Settlements.

Parliament is mandated under the PRMA, to review, at intervals of fifteen (15) years, restrictions placed on transfers from the Heritage Fund, and also transfer portions of the accrued interest into any other fund established under Act 815.

8.1.2 Ghana Stabilisation Fund (GSF)

The GSF has been set up so that government can draw from the Fund in times of shocks to the economy, or unanticipated shortfalls in petroleum revenue which necessitates that money be sourced to balance the budget. Hence, the Fund cushions the impact on public expenditure capacity such as was witnessed in 2015, 2016, and 2020, when low oil prices caused unanticipated shortfalls in petroleum revenues.

The Minister for Finance has discretion, subject to Parliamentary approval, to place a cap (ceiling) on how much can be accrued to the GSF as necessitated by macroeconomic

conditions. In so doing, the cap can be reviewed downwards when oil prices fall or upwards in periods of high oil prices.

Similarly, in the event of a national emergency, the Stabilisation Fund can be capped at a low amount and the excess transferred to the Contingency Fund, established by the 1992 Constitution. In the period under review, the cap placed on the GSF was reviewed downwards to support the COVID-19 Alleviation Programme (CAP).

8.2 Ghana Petroleum Wealth Fund (GPWF)

In accordance with Section 20 of Act 815, within a year after petroleum resources are depleted, the amounts held in the Ghana Petroleum Funds must be consolidated into a single Fund to be known as the Ghana Petroleum Wealth Fund (GPWF). After this consolidation, the GPFs shall cease to exist. Figure 19 shows the outline of the GPWF.

The GPWF is to provide permanent income for government spending. The monies are to be invested in qualifying instruments which shall be reviewed every three (3) years or sooner by the Minister for Finance on the advice of the Investment Advisory Committee (IAC). The sum of the dividends from the GNPC and the earnings on the GPWF is what will be used to support the budget through the ABFA after petroleum reserves are depleted.



Figure 19: The Ghana Petroleum Wealth Fund (GPWF)

Source: PIAC' s Simplified PRMA

8.3 Receipts and Returns on Investments

In 2020, the Ghana Petroleum Funds (GPFs) received an amount of US\$166.60 million from the Petroleum Holding Fund (PHF), with the Ghana Stabilisation Fund (GSF) and Ghana Heritage Fund (GHF) receiving US\$116.62 million and US\$49.98 million respectively. The GPFs receipt represented 38.07 percent reduction compared to the respective 2019 receipts.

Net returns on investments of the GPFs during the period under review was US\$17.51 million, compared to US\$21.95 million realised in 2019. The 2020 net returns represented a 20.23 percent reduction compared to that realised in 2019.

Of the net returns realised in 2020, the GSF contributed 13.19 percent (US\$2.31 million) while the GHF contributed 86.81 percent (US\$15.20 million), as illustrated in Figure 20.

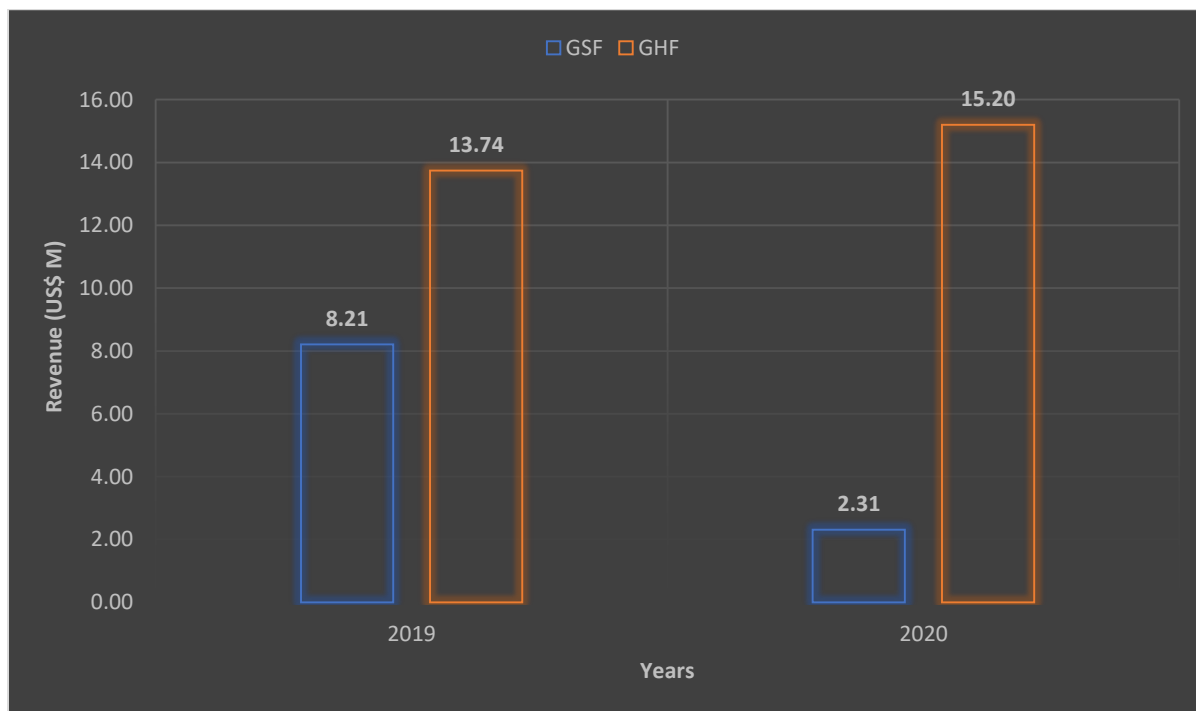


Figure 20: Returns on the Ghana Petroleum Funds in 2019 and 2020

Source: PIAC's Construct from BoG Figures, 2020

Investment of the GHF is usually long-term in nature, as compared to the GSF. However, to take advantage of the entire United States (US) investment yield curve, the GHF is sometimes invested across the broad spectrum of the curve – short, medium, and long terms. Returns have usually been pegged to the 2-year and 10-year US Treasury Notes.

The yield of the 10-year US Treasury note ended the year 2020 at 0.91 percent compared to the 2019 yield of 1.92 percent. The yield of the 2-year note ended 2020 at 0.12 percent compared to 1.57 percent at the end of 2019. The reduced yield of the notes favoured the GHF, compared to the GSF, as illustrated in Figure 20. The Year-To-Date (YTD) yields of the GHF and GSF in 2020 were 4.66 percent and 0.35 percent respectively. Tables 31 and 32 show the investment instruments of the GHF and GSF for the period under review.

Table 31: GHF Investment Instruments, 2020

Investment Instrument	Total Number of Securities held	Amount Invested (US\$)
U.S Treasury Bonds	41	406,724,756.76
Agency bonds	23	116,003,379.50
Sovereign bonds	14	90,128,484.09
Supranational bonds	14	59,830,077.74

Source: BoG, 2020

Table 32: GSF Investment Instruments, 2020

Investment Instruments	Total Number of Securities held	Amount Invested (US\$)
U.S Treasury bills	7	192,673,624.81
Agency bonds	2	3,011,825.94
Sovereign bonds	1	3,292,064.13

Source: BoG, 2020

8.4 Accumulations and Reserves

The Ghana Petroleum Funds (GPFs) have accumulated a net return on investment of US\$83.42 million, as shown in Figure 21. The GHF and GSF contributed 71.0 percent and 29.0 percent respectively.

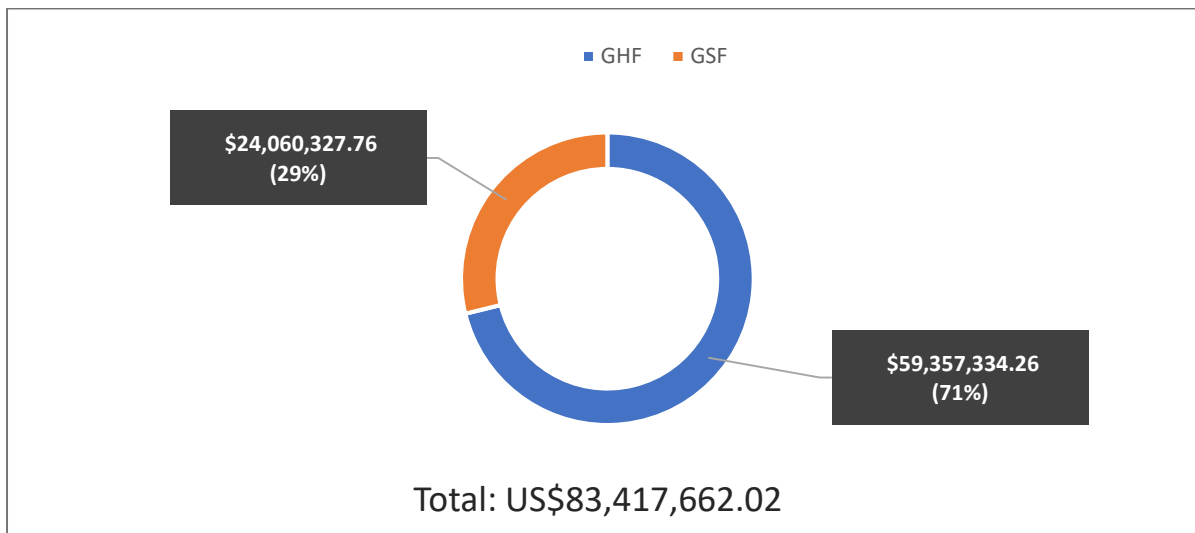


Figure 21: Net Realised Income on the Ghana Petroleum Funds since Inception

Source: PIAC' s Construct from BoG Figures, 2020.

Illustrated in Figure 22 is the total reserves of the GPFs as at the end of 2020, being US\$844.78 million (GHF - US\$644.79 million, GSF - US\$199.99 million). This represented a decrease of US\$123.42 million (12.75%) as compared with US\$968.20 million accrued in respect of the 2019 reserve (GHF - US\$579.61 million, GSF - US\$388.59 million). This reduction in the reserves, is as a result of withdrawals made from the Stabilisation Fund during the period. These withdrawals also affected the returns on the GSF.

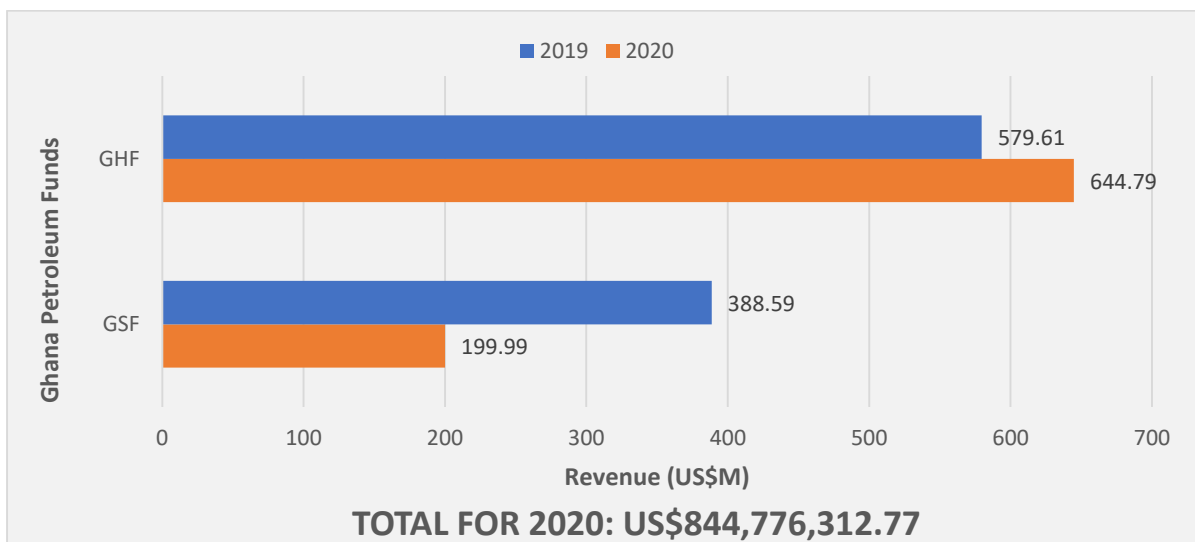


Figure 22: Reserves of the Ghana Petroleum Funds as at December 2020

Source: PIAC' s Construct from BoG Figures, 2020

Shown in Table 33 are details of the Funds.

Table 33: Net Accumulated Reserve of the Ghana Petroleum Funds in US\$

Fund Name	Allocations since Inception	Realised Income (Nov. 2011 – Dec. 2020)	Total since Inception	Withdrawals	Closing Value
GHF	585,429,855.59	59,357,334.26	644,787,189.85	-	644,787,189.85
GSF	1,387,208,345.29	24,060,327.76	1,411,268,673.05	(1,211,279,550.13)	199,989,122.92
Total	1,972,638,200.88	83,417,662.02	2,056,055,862.90	(1,211,279,550.13)	844,776,312.77

Source: BoG, 2020.

8.4.1 Ghana Stabilisation Fund

8.4.1.1 Withdrawals

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 cap on the Ghana Stabilisation Fund (GSF) remained at US\$300 million per the 2020 Budget Statement and Economic Policy. However, in the first quarter of the year, due to the COVID-19 pandemic, the cap was reduced to US\$100 million by the Minister for Finance acting through the provision under Section 23(3) of Act 815 and a Parliamentary resolution. Subsequently, an amount of US\$218.95 million being the excess over the cap was withdrawn and transferred to the Contingency Fund on the 8th of April 2020 on the instructions of the Controller and Accountant-General. Total withdrawals for the period amounted to US\$307.54 million. The accumulated excess over the cap at the end of December 2020 stood at US\$99.99 million, while the closing amount stood at US\$199.99 million, as shown in Figure 22 and the Statement of Account in Table 34.

Table 34: Ghana Stabilisation Fund Statement of Account for 2020

US\$	
Opening Book Value (1 Jan 2020)	388,591,944.82

Receipt During the Period	116,628,009.24
Bank Charges	(9,863.75)
Realised Income	2,319,825.65
Withdrawal	(307,540,793.43)
Closing Book Value (31 Dec 2020)	199,989,122.53
Net Income for the Period Comprised:	US\$
Investment Income	2,319,825.65
Bank Charges	(9,863.75)
Net Return for the Period	2,309,961.90

Source: BoG 2020.

8.4.2 Ghana Heritage Fund

As at the end of December 2020, the book value of the Ghana Heritage Fund was US\$644.79 million, as shown in Table 35.

Table 35: Ghana Heritage Fund Statement of Account for 2020

	US\$
Opening Book Value (1 Jan 2020)	579,612,331.93
Receipt During the Period	49,983,432.54
Bank Charges	(37,587.82)
Realised Income	15,229,013.15
Closing Book Value (31 Dec 2020)	644,787,189.80
Net Income for the Period Comprised:	US\$
Investment Income	15,229,013.15
Bank Charges	(37,587.82)
Net Return for the Period	15,191,425.33

Source: BoG 2020.

8.5 The Ghana Petroleum Holding Fund (PHF)

The PHF at the end of 2020 held a balance of US\$40,606,501.84, which comprised Surface Rental payment of US\$231,019.67, a mandatory balance of US\$200,000.00, and Corporate Income Tax payment of US\$40,175,482.17.

Findings

1. As a result of the lowered cap of the GSF and subsequent withdrawals, the GPFs reserves reduced.
2. There was a 20.23 percent reduction on the net return on investments of the GPFs in 2020, compared to 2019.
3. There was an amount of US\$199.99 million in the GSF, as at the end of December 2020.

CHAPTER 9

9.0 OPERATIONS OF THE GHANA NATIONAL PETROLEUM CORPORATION

9.1 Introduction

The Ghana National Petroleum Corporation (GNPC) was established in 1983 by the GNPC Act, 1983 (PNDCL64) as the commercial entity in the petroleum sector, charged with the primary responsibility for exploration, development, production and disposal of petroleum resources. The establishment of the Corporation was without any guiding national policy on upstream petroleum operations, giving rise to the enactment of Petroleum (Exploration and Production) Act, 1984 (PNDCL 84) a year later to govern the petroleum upstream sector.

The discovery of oil in commercial quantities in 2007 (twenty-three years after the enactment of PNDCL 84) and the commencement of production in December 2010, triggered the need for improved legal regimes, as the existing laws were outdated and inadequate to address modern trends in an ever-changing upstream petroleum industry. This resulted in several policy reforms and legislations responding to the emerging challenges of the time, with the PRMA being one of the notable legislations which provide a framework for the governance of upstream petroleum proceeds.

Two other enactments, fundamental to the operations of GNPC, are the Petroleum Commission Act, 2011 (Act 821), and the Petroleum (Exploration and Production) Act, 2016 (Act 919). The PRMA, inter alia, provides a formula for allocation of petroleum funds to support a National Oil Company (NOC). GNPC currently receives this allocation. The PRMA mandates a transfer of not more than 55 percent of the amount accruing from the Carried and Participating Interest (CAPI) of Ghana, after deduction of equity financing costs, to GNPC.

9.2 Allocation

The allocation to GNPC comes in two levels, described as A and B. Level A allocation is dependent on the Corporation's equity share - cash calls, charged on gross revenues while

Level B allocation is charged on the net Carried and Participating Interest (CAPI) of the NOC. The CAPI was initially capped at 30 percent subsequently to 25 percent, arising from the enactment of the Earmarked Funds Capping and Realignment Act, 2017 (Act 947).

For the period under review, the Corporation received an amount of US\$198.65 million as crude sales. This together with the cash balance of US\$15.90 million, brought forward from the previous period (2019) plus internally generated funds of US\$58.02 million, brings the total cash available to US\$272.56 million. Internally Generated Funds were made up of receipts from the Government in respect of Heavy Fuel Oil (HFO) trading, Training & Technology receipts from Partners and revenue from sale of scraps mostly from pipeyards.

Table 36 presents the sources of the allocations.

Table 36: Sources of Allocation to GNPC

No.	Field	Allocation
i	Jubilee Equity Financing (share of development & production)	US\$74.23 million
ii	TEN Equity Financing (share of development & production)	US\$68.39 million
iii	Sankofa (OCTP Eni) Equity Financing (share of development & production)	US\$12.19 million
iv	30% share of net proceeds of Jubilee crude revenue	US\$17.72 million
v	30% share of net proceeds of TEN crude revenue	US\$20.60 million
vi	30% share of net proceeds of Sankofa crude revenue	US\$5.51 million

Source: PIAC' s construct based on GNPC Data, 2020

9.3 Expenditure Description and Category

9.3.1 Level A Expenditure.

- I. Expenditure under this classification is focused on Field Production and Development Costs. To this end, an amount of US\$48.49 million (24%) was expended on the Jubilee Field.
- II. The TEN Field development and production costs attracted US\$64.32 million (32%), of the total receipt. An amount of US\$17.68 million is in respect of the 40 percent CAPI¹² obligation tied to the 14th TEN lifting, which took place in December 2019.
- III. The SGN Field (predominantly gas) production and development costs, received an amount of US\$7.09 million (4%) of the total receipts for the period.

9.3.2 Level B Expenditure

This supports a range of activities in aiding petroleum exploration to production. These are grouped under various thematic headings as detailed below.

9.3.2.1 Exploration and Development Projects

An amount of US\$17.15 million representing nine percent (9%) of the amount received for the period went to exploration and development projects. The expenditure included the Corporation's cost incurred on projects other than Jubilee, TEN and SGN such as the Voltaian Basin, Springfield, Eni Block 4 projects, etc. Appendix B indicates the expenditure pattern of the Corporation.

¹² The Corporation requested the JV Partners to fund its share of the TEN Development expenditure in accordance with Article 2.5 of the Deepwater Tano (DWT) PA. A funding repayment arrangement (40% of GNPC's CAPI) was negotiated between the Parties for GNPC to pay back when production commences.

9.3.2.2 Staff and Administrative Capital Cost

9.3.2.2.1 Staff

Twelve percent (12%) of the receipts amounting to US\$22.94 million was spent on remuneration for technical as well as petro-business support staff.

9.3.2.2.2 Administrative Capital Expenditure

This category received an amount of US\$1.20 million, accounting for 0.6 percent of the total receipts covering new computers, procurement of staff buses for corporate use and replacement of office furniture. The expenditure compares favourably with the previous year' s expenditure which stood at US\$ 1.21 million.

9.3.2.3 Capital Projects

An amount of US\$17.20 million was spent on the research and technology project, digital transformation and refurbishment of the Corporation' s landed properties in Accra, Tema and Sekondi-Takoradi, aligned with planned expenditure. Disbursements in this category represented nine percent (9%) of total receipts. This expenditure was more than twice the previous year' s expenditure of US\$ 6.79 million.

9.3.2.4 General Operating Cost

Five percent (5%) of the total receipts amounting to US\$10.55 million was spent on Operating Expenditure. Captured under this category are insurance, utilities, communication expenses, professional services and ICT-related costs, such as software maintenance. Others are general repairs and maintenance, vehicle repairs and maintenance, etc. This expenditure indicates a significant reduction compared with the previous year amount of US\$35.25 Million.

9.3.2.5 GOG Gas Related Payments – Enclave Roads

An amount of US\$11.72 million was expended on the Gas enclave road project, constituting six percent (6%) of total receipts for the period. This is in line with the Corporation' s role as the gas aggregator, responding to government' s request to financially support the construction of key roads within the Western Corridor to facilitate the evacuation of gas from

the Ghana Gas Company at Atuabo. Construction of these key roads commenced in 2015 and has been ongoing with the addition of new road networks periodically.

9.3.2.6 Sustainability & Stakeholder Relations and GNPC foundation

As per international standards, GNPC recognises Corporate Social Investments as an essential component of its business practice. In 2017, the Corporation replaced the existing GNPC Oil and Gas Learning Foundation with GNPC Foundation. The GNPC Foundation was registered as a Company limited by Guarantee with an expanded mandate delineated as:

- (I) Education;
- (II) Economic Empowerment; and,
- (III) Environmental and Social Amenities.

In the period under review, a total amount of US\$31,477,699.31 constituting 71.81 percent of the Corporation' s Level B Expenditure receipts was expended on Sustainability & Stakeholder Relations and GNPC Foundation. It covered a range of programmes and projects across communities. Appendix C shows the areas where the Foundation spent in respect of CSI.

9.3.2.7 SOPCL Decommissioning

Decommissioning activities for the Saltpond Field has been in process for a number of years, given its non-profitability status. For the period under review, an amount of US\$1.40 million was spent on the Field' s Decommissioning, representing 0.7 percent of total receipts, and was for the remuneration of Consultancy services, skeletal staff, feeding, crew change costs and other related expenses on the Mr. Louie Platform.

9.3.2.8 Mid – Stream & other projects

Mid-Stream and other activities received US\$5.71 million, accounting for three percent (3%) of total receipts. These activities are made up of payments in respect of the Petroleum Hub Project, City Gate Project, and Gas Management services.

9.3.2.9 Repayment of loan for Karpower Barge movement

A total amount of US\$14.56 million, being receipts from the 3rd, 4th, 5th and 6th installment payments for a US\$31 million loan obtained towards the relocation of the Karpower barge

from Tema to Takoradi. The amount, constituting seven percent (7%) of the total receipts was to fulfill the off take obligation of the Sankofa Gye Nyame field as per Government's decision. Table 37 provides details on the loan repayment.

Table 37: Repayment of Loan - GCB

Due Date	Payment #	Principal Due	Total Balance due	Payments Made
31-Aug-21	1	1,695,646.20	29,304,353.80	3,639,292.03
30-Nov-19	2	2,970,882.67	26,333,471.13	3,639,292.03
29-Feb-20	3	3,039,508.35	23,293,962.78	3,639,292.03
30-May-20	4	3,104,432.23	20,189,530.55	3,639,292.03
30-Aug-20	5	3,174,754.82	17,014,775.73	3,639,292.03
30-Nov-20	6	3,251,248.80	13,763,526.93	3,639,292.03
28-Feb-21	7	3,329,050.44	10,434,476.49	
30-May-21	8	3,399,169.95	7,035,306.54	
30-Aug-21	9	3,477,058.48	3,558,248.06	
30-Nov-21	10	3,558,248.06	-	
		31,000,000.00		21,835,752.18

Source: GNPC, FY 2020 Data

9.3.2.10 Other Assets

GNPC manages other assets and subsidiaries, as contained in Table 38.

Table 38: Financial Commitments to Subsidiaries

Subsidiary	Financial Commitment
Prestea Sankofa Gold Mines Ltd (PSGL)	US\$3.58 million was paid by the Corporation in 2020 for administrative and capital expenses such as staff salary arrears, staff social security benefits, and plant refurbishment, etc.

Mole Motel	To enable the Motel prepare for reopening after its temporary closure due to the Covid-19 pandemic, the Corporation provided management with an emergency fund of GHS350,000 in September 2020.
GNPC Technip Engineering Services (GTES) Company Limited	None
GNPC Exploration and Production Company Limited	None
Valley Farms Ltd	None

Source: GNPC, FY 2020 Data

9.3.2.11 Expenditure on behalf of other State Enterprises and Government.

In the period under review, loans and payments outstanding to GNPC by Government and other state enterprises amounted to US\$549,324,551.49 as detailed in Table 39. Receivables outstanding from Gas sales to VRA and GNGC amounted to US\$817,629,981.70. GNPC Guarantees on behalf of Karpower amounted to US\$145,500,000.00.

Table 39: Payments & Guarantees Made on Behalf of Other Agencies, Government National & Local Infrastructure Projects

AGENCY	OUTSTANDING BALANCE (US\$)	DATE RECEIVABLE CRYSTALISED	STATUS
Government of Ghana	18,092,485.80		
MoF Enclave Roads (GHS)	26,901,979.64	2015 to Date	
MoF Enclave Roads (US\$)	17,188,682.54	2015 to Date	
Advance to Ministry of Finance	50,000,000.00	2014	

Tema Oil Refinery	58,404,875.00	2011	
ECG - BG Related Charges	4,966,027.40	2015-2017	
GNGC - 14km Offshore Pipeline	37,913,333.00	2010	
MOE Current Account (<i>GCB Bank Loan</i>)	14,557,168.12	2018/19	
* OCTP Escrow	100,000,000.00		
ECG HFO Commitment (Litasco)	200,000,000.00	Secured August 2020**	** Date financing procured for a 3 year tenor. First instalment payment requested, yet to be paid
MoF BOST Underrecoveries	21,300,000.00	2015	EY appointed to audit the process. Documents gathering ongoing
TOTAL	549,324,551.49		
Volta River Authority	253,503,285.68	Ongoing	
*** Total Outstanding Receivables form GNGC	564,126,696.02	Ongoing	CWM (Credit Notes Issued to GNGC as at September 2020)
Sub-Total	817,629,981.70		
****Karpower Guarantees	145,500,000.00		Total Karpower Guarantee outstanding is US\$145.50 Million, of which Guarantee A (for early termination and reducible by 10% annually) is 66.50 Million, and Guarantee B (for capacity) is US\$79Million.
Sub-Total	145,500,000.00		

Source: GNPC FY 2020 Data

*OCTP Escrow – Represents funds put in an escrow for security which has been utilised by contractors because of non-payment by users

** Date financing procured for a 3 year tenor

*** The figures are being reconciled

**** The Karpower Guarantees are Contingent Liabilities. The Issuance Fees are paid by GoG when they fall due.

Findings

1. GNPC spent 71.81 percent of its Level B Expenditure receipts on Sustainability & Stakeholder Relations and GNPC Foundation.

CHAPTER 10

10.0 OPERATIONS OF GHANA NATIONAL GAS COMPANY

Following the commencement of oil production in 2010, a National Gas Development Taskforce was commissioned in February 2011 by the Government to review and make appropriate recommendations for the speedy realisation of a national gas commercialisation infrastructure. In April 2011, the Taskforce submitted its report, recommending the evacuation and treatment of associated gas from the Jubilee Field.

Acting upon the recommendations, the Government sanctioned the establishment of an indigenous company, Ghana National Gas Company (GNGC), to undertake the project and to give true meaning to government' s emphasis on 'local content' in the oil and gas industry.

Currently, the power generation sector uses a bulk of the Country' s indigenous gas, with only about 13 percent used for non-power activities. Ghana' s gas resource therefore plays a crucial role in government' s effort to provide affordable power supply upon which socio-economic development can be built. However, gas supply, as a reliable fuel source for power generation, is currently hampered by financial hurdles, arising from payment deficits.

10.1 Technical and Commercial Operations

GNGC is the nation' s premier mid-stream gas business company that owns and operates infrastructure required for the gathering, transporting and marketing of natural gas resources

Although incorporated in July 2011, GNGC started official production in November 2014. The reason for the delay was to allow for the construction of the Gas Processing Plant (GPP) and pipelines required for processing and transporting the gas to the demand centres. The Company has the responsibility to build, own and operate natural gas infrastructure required for gathering, processing, transporting and marketing of natural gas and natural gas liquids (see Figure 23).

GNGC currently supplies gas to Volta River Authority (VRA) and other commercial institutions for power generation and industrial use.

Ghana Gas Journey

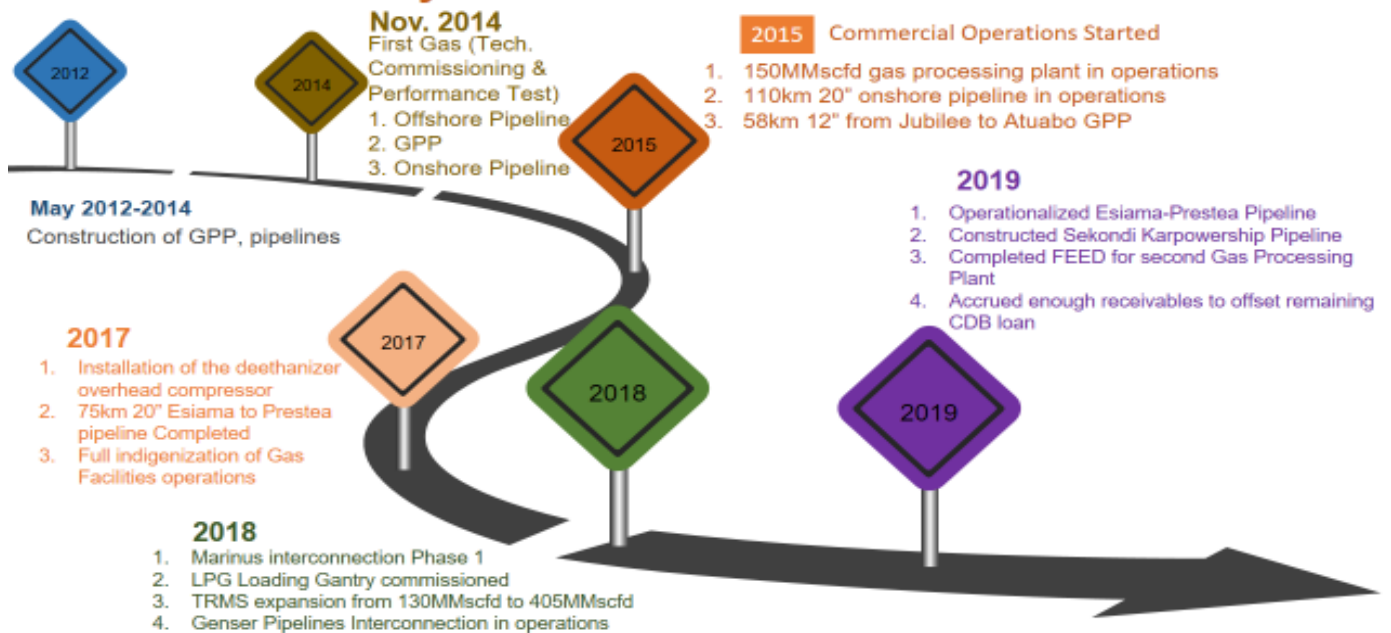


Figure 23: Milestones in the Gas Sub-sector

Source: GNGC, June 2020

10.2 Gas Infrastructure

The current gas infrastructure comprises the National Gas Transmission System (NGTS) and a Processing Plant, with the following main elements (see Figure 24):

- An offshore gas export pipeline, which consists of a 12-inch diameter 58km-long subsea pipeline, transporting dense-phase gas from the Jubilee FPSO to the Gas Processing Plant (GPP);
- A Gas Processing Plant (GPP) at Atuabo in the Western Region, with a design capacity of 150 MMScfd and normal design capacity of 120 MMScfd;
- A 20-inch diameter 111km onshore gas pipeline transporting sales gas from the GPP to the Takoradi Distribution Station (TDS);
- A 20-inch diameter 75km onshore lateral pipeline from Esiama Distribution Station (EDS) to Prestea Regulating & Metering Station (PRMS);
- A 20-inch diameter 10km onshore pipeline from TDS to Sekondi Regulating & Metering Station (SRMS);
- A 6-inch diameter 9km onshore pipeline from TDS to Distribution Valve Station at Eshiem, Western Region;
- A 6-inch diameter 1km onshore pipeline from TDS to Keda at Aboadze;
- An LPG truck-loading gantry located approximately 2.5km from the GPP near Anokyi; and,
- Construction of a Mainline Onshore Gas Compressor Station at Anokyi.

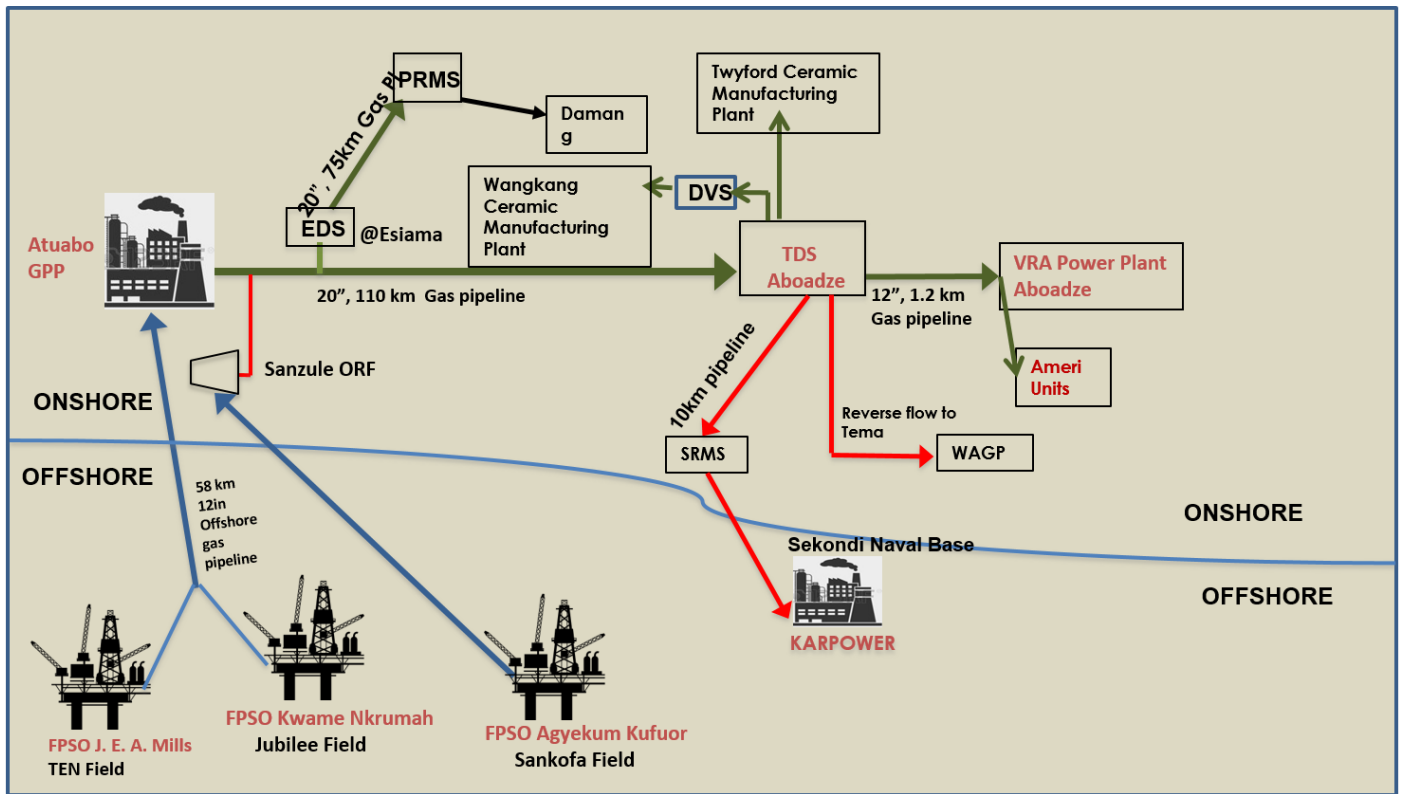


Figure 24: GNGC Gas Infrastructure

Source: GNGC, June 2020.

The GPP processes Jubilee and TEN gases, while SGN gas is processed on the FPSO JAK and routed through GNGC’s pipelines to the downstream market.

10.3 Institutional Alignment

In an effort to increase operational and process efficiency along Ghana’s gas sector value chain, the Government recently approved the commencement of a process to consolidate midstream gas services in Ghana (i.e. aggregation, shipping and operation) such that the GNGC becomes an Integrated Gas Company.

To this end, and within the period, the Minister for Energy set up a Ministerial Gas Taskforce (MGTF) to establish the roadmap for the implementation of a Presidential directive (dated 11th May 2020) that confirmed GNGC as:

- the aggregator for all gas;

- the shipper responsible for the purchase and sale of all gas – domestic and regional (West African Gas Pipeline);
- responsible for the installation and operation of all gas infrastructure; and,
- responsible for the installation and operation of all Natural Gas Liquids (NGLs) infrastructure.

10.3.1 The Gas Value Chain

The four roles of the gas value chain are as follows:

- **Gas aggregation:** the gathering of both domestic and international gas. Currently, GNPC remains the gas aggregator;
- **Gas processing:** processing of raw gas into lean gas and other derivatives for downstream use. Some of these derivatives are Condensates, LPG and Isopentanes. GNGC currently processes raw gas from the Jubilee and TEN Fields;
- **Gas shipping:** sale of processed gas to downstream customers. Currently, GNPC performs this role of shipping to power customers, while GNGC ships to non-power customers; and
- **Gas transportation:** transportation of lean gas and other derivatives through gas pipelines to downstream customers. Currently, GNGC and WAGP are the most recognised transporters.

10.3.2 GNGC as a Gas Aggregator

All Petroleum Agreements (PAs) covering the Jubilee, TEN, and SGN Fields, among others, have GNPC as a partner, representing the interests of the Republic of Ghana. Consequently, GNPC

cannot novate its Joint Venture Partnership in any of these Fields to GNGC without the consent of the other Partners, as the Gas Company is not a Party to any of these Agreements.

Should GNGC's role as the National Gas Aggregator be fully established, GNGC will qualify as a National Oil Company in addition to GNPC as defined in the PRMA. As a National Oil Company, GNGC will be expected to make statutory payments into the PHF as well as receive allocations from the PHF to finance its operations.

10.4 Revenue from Cash Waterfall Mechanism (CWM)

The CWM sets out the principles, methodology and processes for determination and disbursement of tariff revenue collected by the Electricity Company of Ghana to various beneficiaries along the Electricity Value Chain. Accordingly, using the CWM, GNGC as well as GNPC and other stakeholders in the value chain are paid. Table 40 sets out payments based on the CWM.

Table 40: Summary of CWM Revenue 2020

Details	Amount (GH ¢)	Amount (US\$)
Cash Received	99,738,189.79	17,491,002.16
CWM Payments to PURC on behalf of GNGC	9,440,305.38	1,678,913.44
CWM Payments to GNPC on behalf of GNGC	18,440,134.14	3,204,130.47
Total	127,618,629.31	22,374,046.08

Source: GNGC, 2020

10.5 Other Relevant Information and Updates in Connection with New Developments and Market Information

- Gas Supply Interruption: Gas supply interruption for the Jubilee Field was 45 days in 2020. Out of the 45 days recorded, 21 days was due to GNGC scheduled maintenance which was from 21st February to 12th March 2020. The remaining 24 days was due to remediation works carried out to resolve a restriction on the offshore gas export pipeline.
- The Government of Ghana (GoG) adopted the Energy Sector Recovery Programme (ESRP) on May 9, 2019, to develop solutions to resolve the systemic issues in the Energy Sector, one of which was the Cash Waterfall Mechanism. Although there have been past developments relative to this, the first phase of the CWM for the regulated electricity market value chain came into effect on the 1st of April.

10.6 Natural Gas Clearing House

In spite of the implementation of CWM, revenues collected in the electricity sector did not meet the associated cost of gas supply, and therefore, the National Gas Clearing House (NGCH) was proposed as a means of ensuring that gas sector entities are paid in full. The NGCH Committee has agreed that all power and non-power sector gas invoices and payments, are to be included in the NGCH.

10.7 Volumes and Cost of Raw Gas Received from GNPC

As at 31st December, 2020, a total volume of 31,333,844.65MMBtu of raw gas from the Jubilee and TEN Fields invoiced at US\$171,959,526.20, was received from GNPC.

Figure 25 provides Jubilee and TEN raw gas quantities received from GNPC for the period under review.

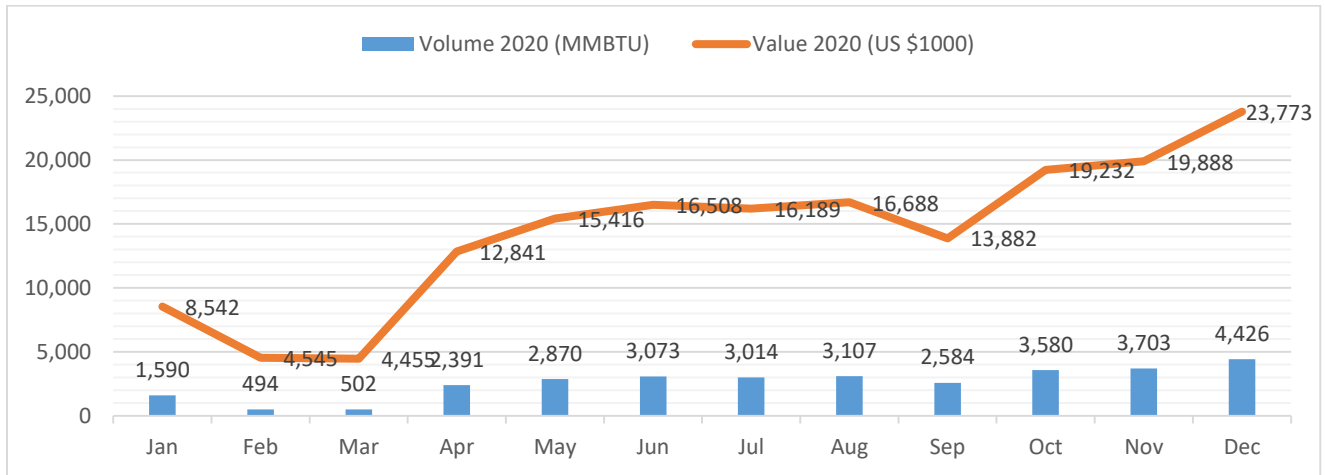


Figure 25: Jubilee and TEN raw gas quantities received from GNPC

Source: PIAC' s Construct, based on GNPC data, December 2020

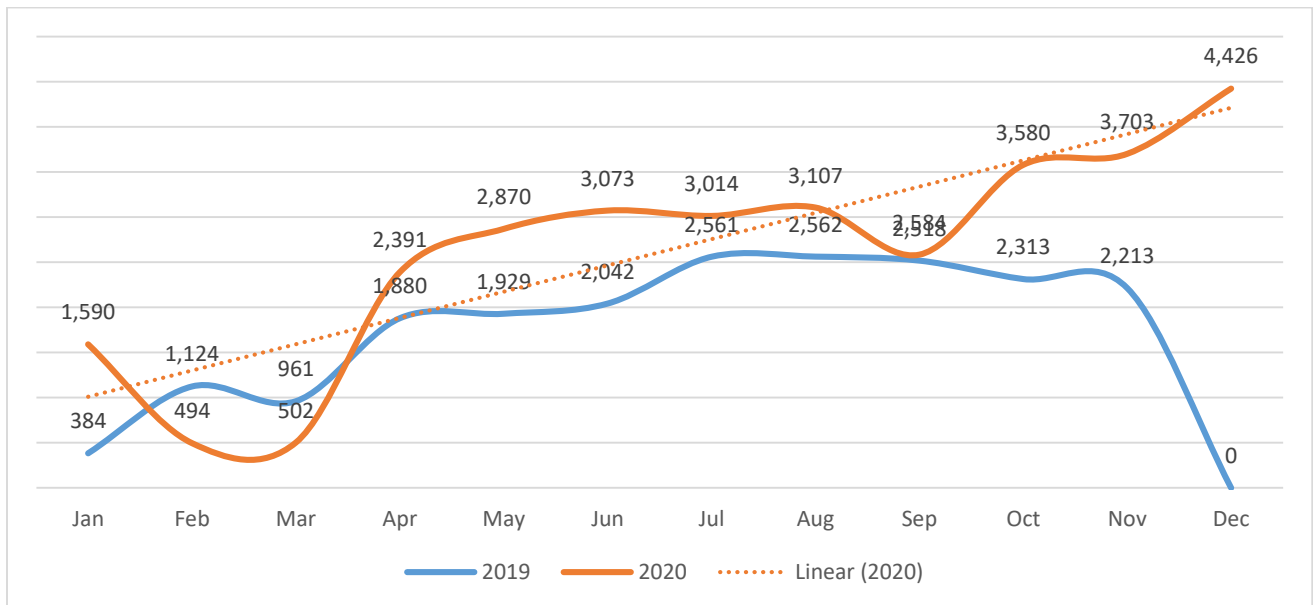


Figure 26: Volumes of raw gas exported to GNGC

Source, PIAC Construct Based on GNGC Data, December 2020

The volumes and cost of raw gas received from GNPC over the period have been quite erratic. Figure 26 shows an increasing export trend resulting in a year-to-date total of an amount payable of US\$507,024,595.1 of raw gas in 2020 as against US\$334,636,806.22 during the same period in 2019, translating into a percentage increase of 51.6 percent.

10.7.1 Lean Gas and other Derivatives

Total volumes of 28,422.62MMScf, 83,678.83M³ and 29,552.32M³ of Lean Gas, LPG and Condensates respectively were processed during the period (see Table 41 and Figure 27).

Table 41: Volumes of Processed Derivatives

Month	Jubilee/TEN Raw Gas Received from Upstream	Lean Gas Produced from Jubilee Gas	LPG Produced	Condensate
	MMScf	MMScf	MT	MT
Jan	1,500.25	1,360.54	4,286.56	1,196.67
Feb	466.38	446.07	793.49	99.81
Mar	*628.65	579.72	863.95	172.53
Apr	2,680.63	2,407.70	7,390.14	2,423.99
May	3,147.93	2,894.68	8,631.58	3,231.74
Jun	3,345.62	2,992.67	8,727.39	3,566.83
Jul	3,288.94	2,860.80	8,432.24	3,340.47
Aug	3,369.63	2,926.23	8,990.80	3,348.31
Sep	2,870.82	2,626.85	7,852.73	2,361.61
Oct	3,367.05	2,906.02	8,753.42	3,257.05
Nov	3,347.51	3,022.91	8,838.93	3,366.49
Dec	3,923.83	3,398.45	10,117.60	3,186.83
Total	31,937.25	28,422.62	83,678.83	29,552.32

Source: GNGC, 2020

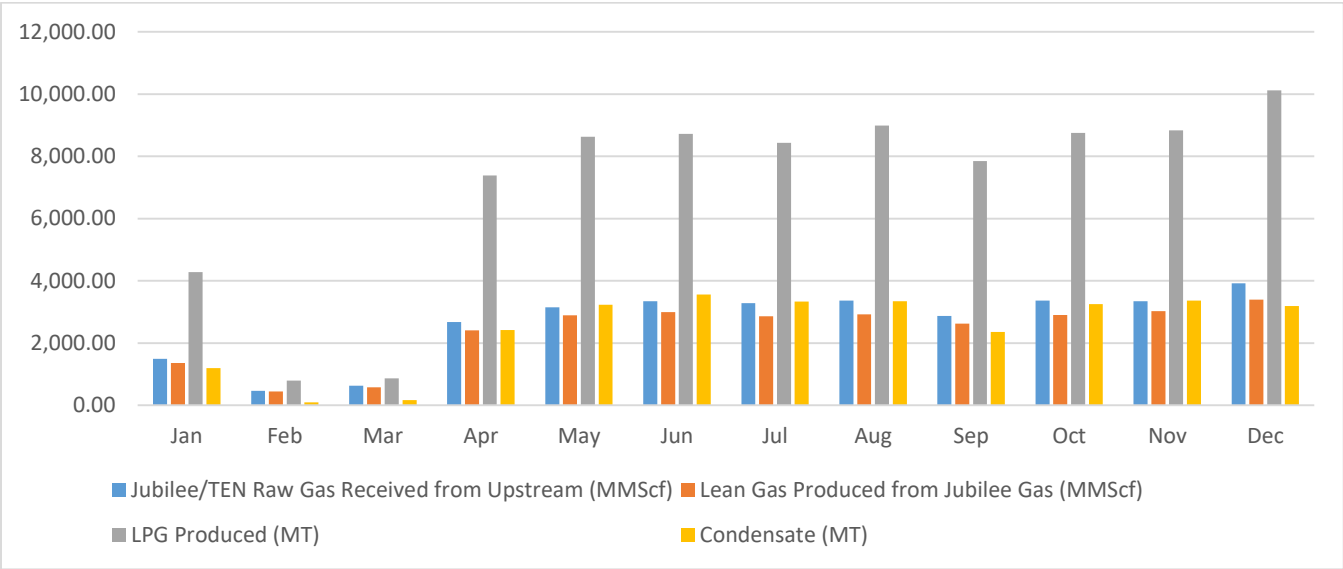


Figure 27: Jubilee Raw Gas received and Processed Derivatives

Source: PIAC Construct, December 2020.

10.8 Summary of Receipts and Outstanding Receivables of Processed Derivatives

As at 31st December, 2020, a total of US\$63,168,178.41 out of US\$248,155,869.56 had been received from the sale of LPG, Lean Gas and Stabilised Condensates produced by GNGC. This brought the cumulative outstanding receivables due GNGC to US\$843,276,652.53 as at December, 2020 as compared to US\$942,260,510.63 at the end of 2019.

10.9 Cost of Processed Derivatives

10.9.1 Lean Gas

During the period, the bulk of income due GNGC from its value-added activities continued to be derived from the sale of Lean Gas to VRA, WangKang Gh. Ceramic

Ltd, Keda Gh. Ceramic Ltd (Twyford) and Genser Energy. Substantial revenue also accrued from GNPC - SGN Transmission Service to convey Lean Gas to the various required facilities. Out of a total of US\$219,581,849.30 accrued from these activities, transmission service fees alone constituted 23.95 percent (US\$52,600,430.59). This compares with transmission service fees of US\$43,968,124.51, representing 22.52 percent of the total amount (US\$195,259,014.19) for the same period in 2019.

The total sales volume of lean gas was 100,518,510.40MMBtu, compared with the sales volumes in the same period of 2019 of 67,456,592.80MMBtu, translating into a 49 percent increase. The price of Lean Gas is determined by the Public Utilities Regulatory Commission.

10.9.2 Liquefied Petroleum Gas (LPG)

As shown in Figure 28, the volume of LPG sold from January to December, 2020 was 81,152.48MT while that of the same period in 2019 was 66,103.29MT, indicating a 22.77 percent increase.

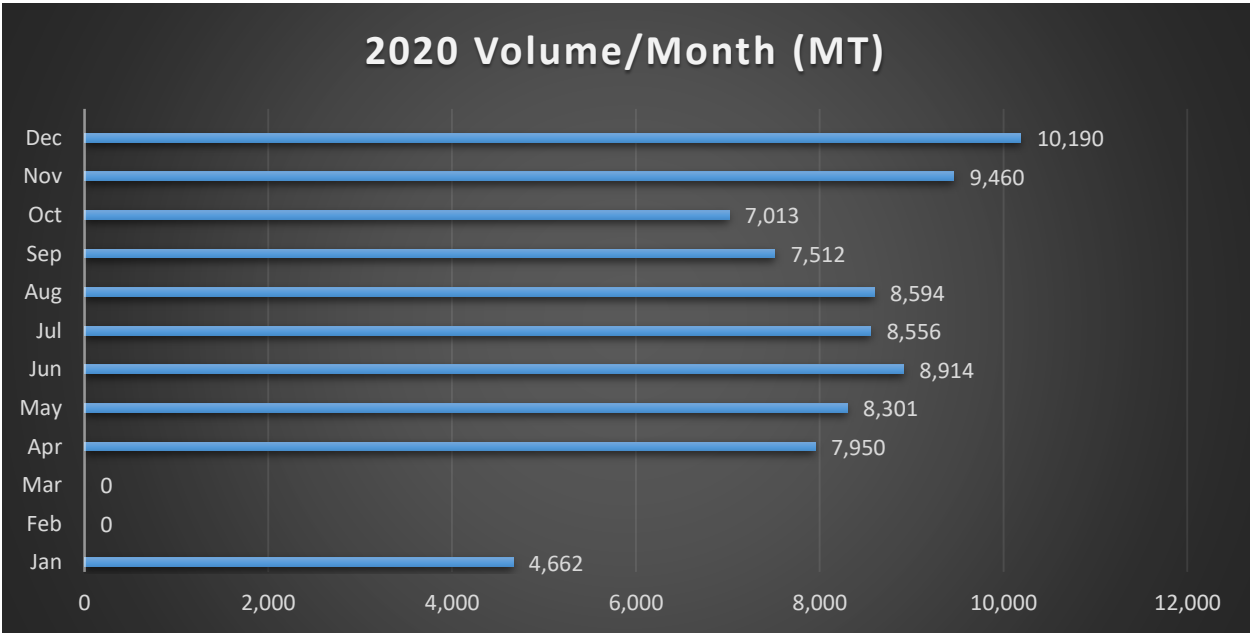


Figure 28: End-Year Volumes of LPG in MT for 2020
 Source: PIAC Construct based on GNGC Data, December 2020

The amount invoiced for total LPG sold in 2020 was US\$24,804,618.26, while that of 2019 for the same period was US\$25,881,559.62. This represents a decrease in LPG revenue by 4.16 percent. The price of LPG is based on the bi-weekly averages of the Argus Butane CIF ARA Large Cargoes price.

10.9.3 Condensates

The volume of Condensates sold from January to December, 2020 was 28,674.18MT while that for the same period in 2019 was 18,469.95MT. This translates into an increase of 10,204.23MT, representing a 55.25 percent increase. Figure 29 illustrates the monthly volumes of Condensates sold during the period under review.

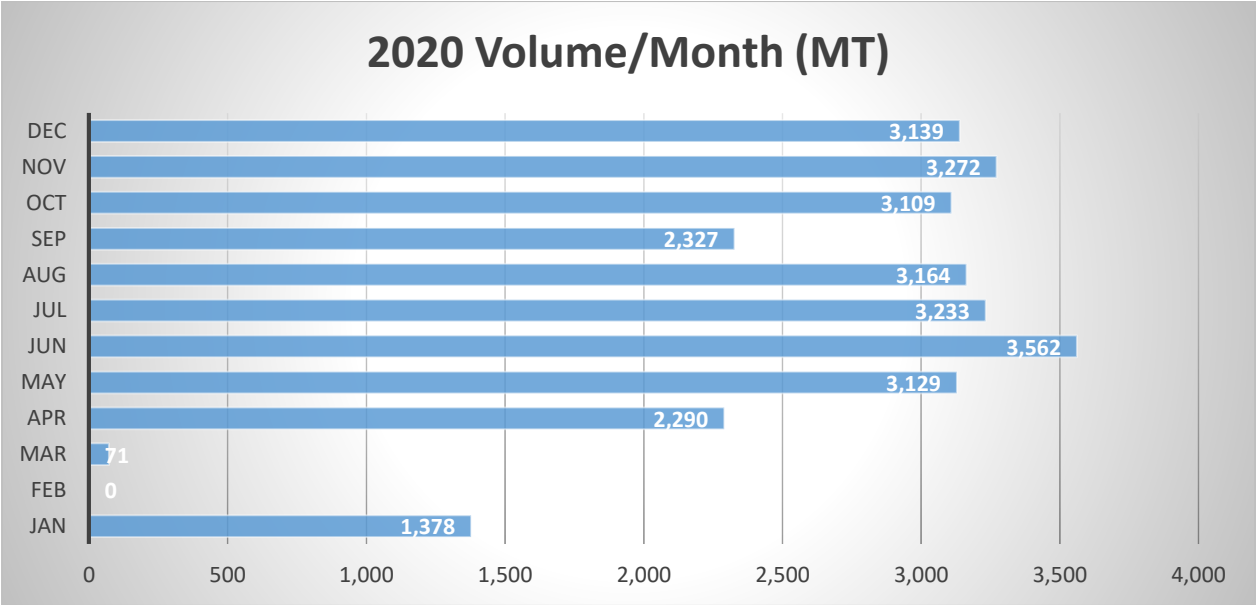


Figure 29: End-Year Volumes of Condensates (MT) - 2020
 Source: PIAC Construct based on GNGC data, December 2020

Realised revenue from the sale of Condensates for 2020 was US\$3,769,402.00, while that of 2019 for the same period was US\$6,772,238.23, representing a decrease by US\$3,002,836.23 (44.34%) in revenue, mainly due to the effect of COVID-19 and its associated effect on crude price on the world market. The price of Condensate is linked to PLATTS Gasoline Premium Unleaded.

10.10 Summary of GNGC Expenditures

Table 42 provides a detailed breakdown of all expenditures incurred during the period, including cost of operating the Atuabo Gas Processing Plant (AGPP).

Table 42: Breakdown of GNGC Expenditure

Ghana National Gas Total Expenses Jan- Dec 2020	
Category	Amount '000 (GH ₵)
Manpower Expenses	157,115
Directors' Fees and Other Board Expenses	2,200
General Admin Expenses	99,753
Professional Services	3,754
Bank Service Charges	835
Pass through Direct Cost	1,000,935
Depreciation and Amortisation	152,329
Operations and Maintenance	42,312
Finance Cost	114,601
Forex Loss/Gain	100,001
Total Expenses	1,673,836

Source: GNGC, December 2020

Total expenditure for 2020 amounted to GH ₵ 673,836,000.00. Pass-through direct cost constituted the highest expenditure item of GH ₵ 1,000,935,000.00, while at GH ₵ 835,000, that of Bank Service Charges was the least. Figure 30 depicts the total expenditure of the Company during the period.

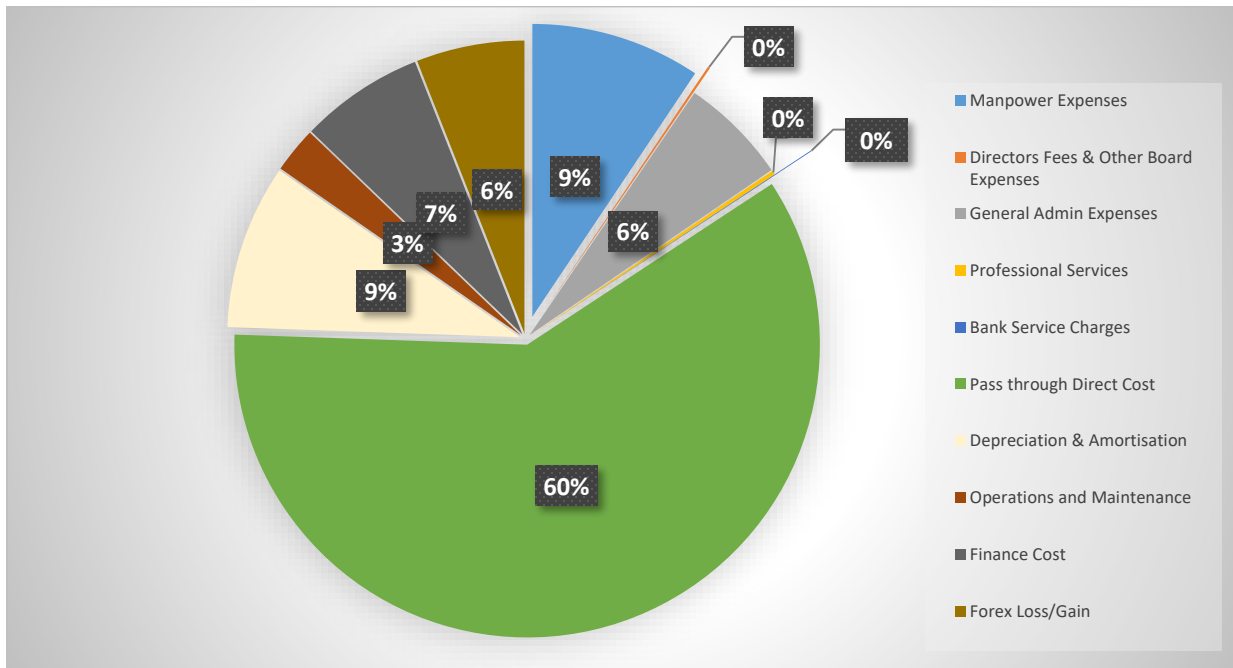


Figure 30: GNGC Total Expenses Jan-Dec 2020

Source: PIAC Construct, December 2020

10.11 Cost of Raw Gas and Indebtedness

As at 31st December, 2020, GNGC' s cumulative indebtedness to GNPC amounted to US\$503,820,464.58¹³ as compared to US\$334,636,806.22 during the same period in 2019. The debt continues to increase, mainly due to VRA' s inability to meet its debt service obligation. Figure 31 depicts the yearly indebtedness of the Company to GNPC.

¹³ GNPC provided a figure of US\$564,126,696.02. This figure includes receivables from GNGC in respect of GNGC offtake. The discrepancy is subject to an ongoing reconciliation between GNPC and GNGC following some retrospective price adjustments.

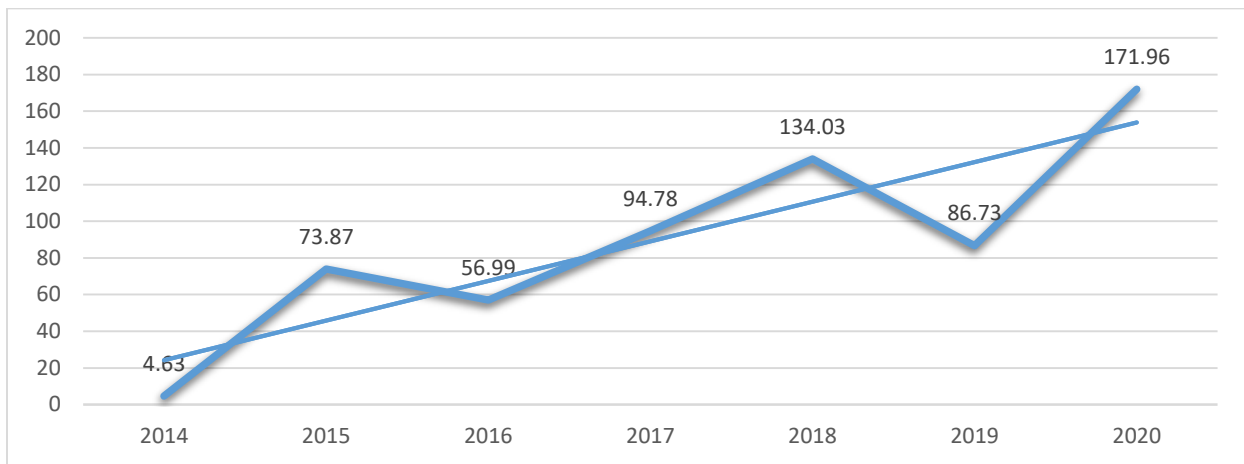


Figure 31: GNGC's Indebtedness to GNPC

Source: PIAC Construct, December 2020

The total volume of raw gas sales to GNGC by GNPC in 2020 was 20,624,915.02 MMBtu compared to 31,333,844.70 MMBtu for the period, representing an increase of 51.92 percent. The total indebtedness to GNPC stood at US\$171,959,526.21, compared to US\$149,833,437.99 for the same period in 2019. Figure 32 illustrates GNGC' s indebtedness to GNPC for the period.

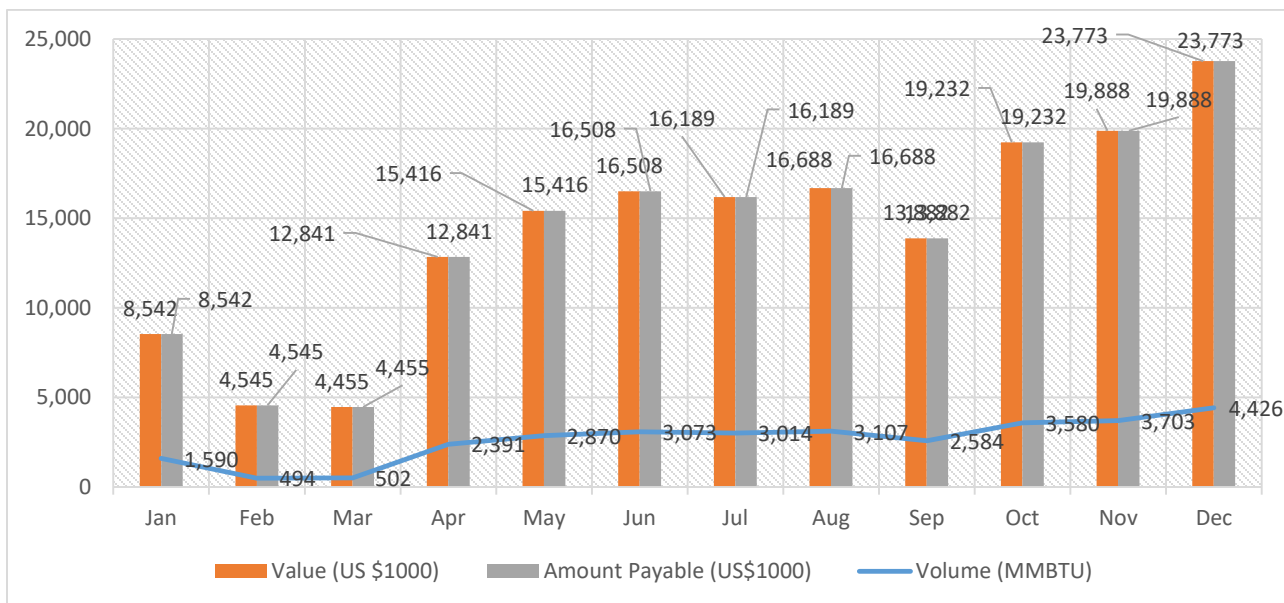


Figure 32: GNGC Indebtedness to GNPC – January to December, 2020

Source: PIAC Construct, December 2020

Findings

1. Revenue realised from the sale of LPG decreased by 4.16 percent at the end of the period compared with the same period in 2019.
2. In spite of the implementation of the Cash Waterfall Mechanism, cumulative indebtedness to GNGC (US\$843,276,652.53), is still high.

CHAPTER 11

11 PETROLEUM REVENUE OUTLOOK

11.1 Global Economic Growth and Crude Oil Trends

Global growth was projected to rise from an estimated -3.5 percent in 2020 to 5.5 percent in 2021 and 4.2 percent for 2022, according to the International Monetary Fund (IMF) in its January 2021 World Economic Outlook (WEO) Report. The projection for 2021 is 0.3 percentage points higher than the projection in the October 2020 WEO forecast; reflecting additional policy support in a few large economies and expectations of a vaccine-powered strengthening of activity later in the year.

The Energy Information Administration (EIA) in its February 2021 Short-Term Energy Outlook (STEO), forecasted that BRENT will average \$53.20/bbl in 2021, up from an average of \$41.69/bbl in 2020. BRENT prices are expected to rise to an average of \$55.19/bbl in 2022, as declining global oil inventories put upward pressure on prices, as shown in Figure 33.

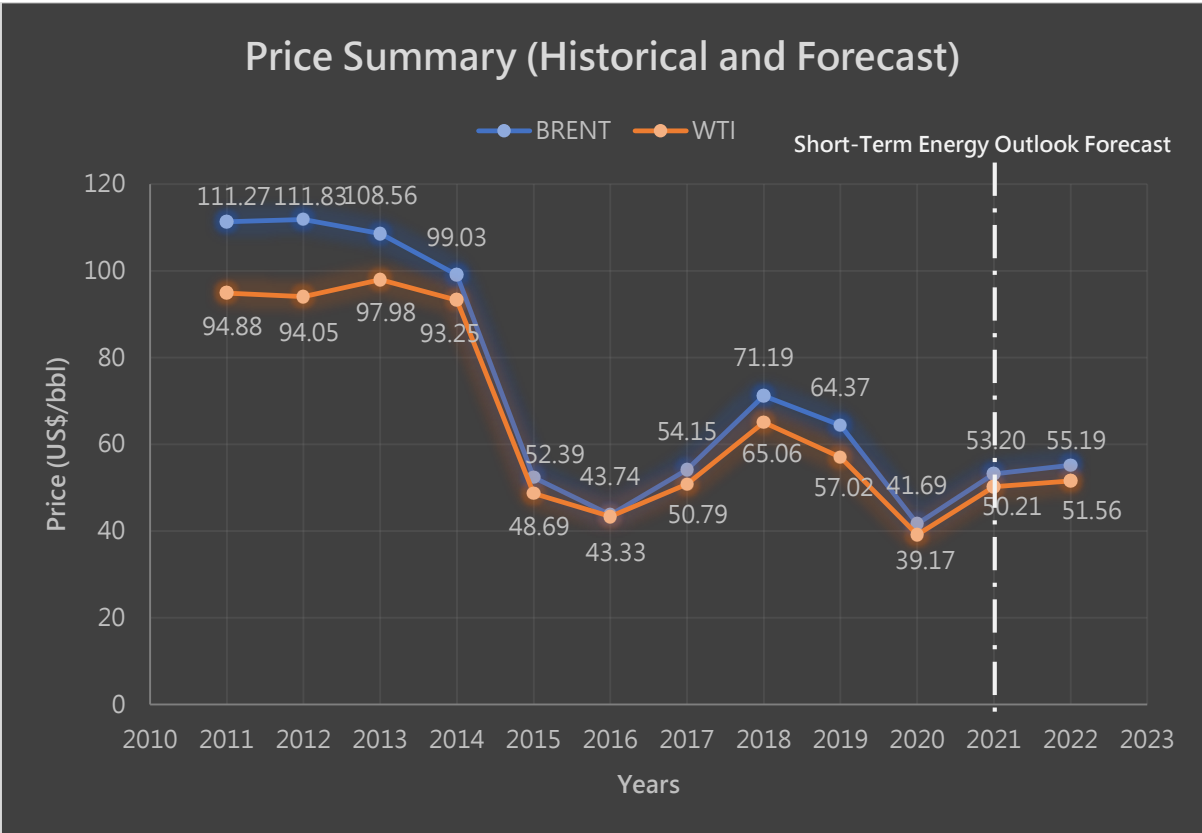


Figure 33: Average Annual BRENT and WTI Crude Prices from 2011 to 2021 (Achieved and Forecast) Data

Source: US Energy Information Administration, 2021

11.2 Global Production

According to the Organisation of Petroleum Exporting Countries (OPEC), global crude oil demand is forecast to rise by 7.0 million barrels per day (MMbbl/d) in 2021. As a result, total world oil demand is projected to rise from 90.70 MMbbl/d to 97.70 MMbbl/d in 2021 (see Figure 34). The projected world oil demand in 2021 will be shared almost equally by the Organisation for Economic Co-operation and Development (OECD) countries and non-OECD countries with each contributing 3.5 MMbbl/d.

Non-OPEC oil supply growth in 2021 is forecast at 63.9 MMbbl/d from an average of 63.3 MMbbl/d, indicating an increase of 0.6 MMbbl/d from 2020. Demand for OPEC crude in 2021 is estimated at 27.5 MMbbl/d, an increase of 5.0 MMbbl/d from 2020.

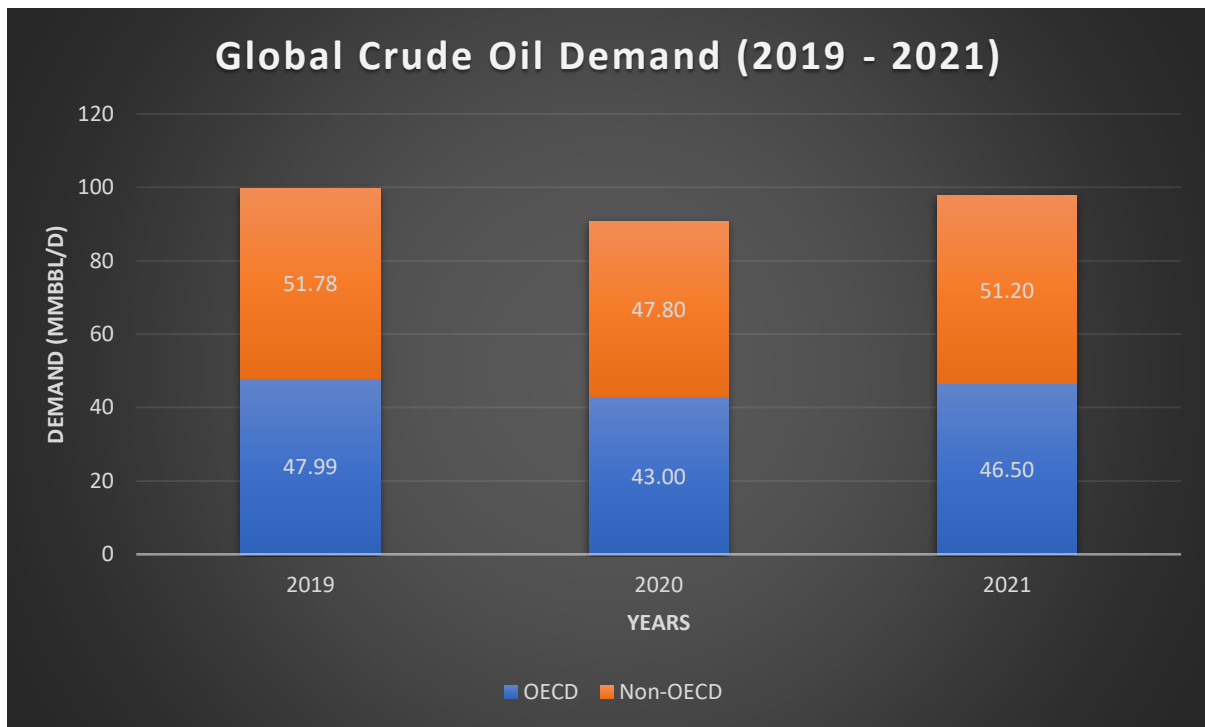


Figure 34: Comparison of Global Crude Oil Demand (2019-2021)

Source: OPEC, 2021

Note: *2021 = Forecast

Key Takeaways:

- Oil prices will average \$53.32/bbl in the second quarter of 2021, but decrease to \$52.00/bbl in the second half of the year.
- The average will be \$53.20/bbl for 2021, up from \$41.69/bbl in 2020. Prices will rise to \$55.19/bbl in 2022.
- Demand for oil has plummeted since the onset of the coronavirus pandemic.

11.3 Government's Projections

11.3.1 2021 Medium-Term Petroleum Receipts and Utilisation

11.3.1.1 2021 Benchmark Price

According to the 2021 Budget Statement and Economic Policy¹⁴, the Government's Benchmark price for 2021 was calculated as a seven-year moving average of prices, in line with the PRMA. This yielded a price projection of US\$54.75/bbl, up from the revised US\$39.11/bbl for 2020 in the 2020 Mid-Year Review. The gas price for 2021 is also projected at US\$5.29/MMBtu, up from the 2020 projection of 4.31 per MMBtu. The crude oil prices were sourced from the following:

- ICE¹⁵ Dated Brent Crude Bloomberg Historical Prices from 2016 to 2019;
- A combination of ICE Dated Brent Crude Bloomberg actuals and futures;
- Prices for 2020; and,
- ICE Dated Brent futures from Bloomberg for 2021 to 2022.

The gas prices are escalated by a blend of the United States' Consumer Price Index (CPI) and the Producer Price Index (PPI), and the Henry-Hub Spot Price Index.

11.3.1.2 2021 Benchmark Output

The 2021 Benchmark Revenue (BR) crude oil output is 64.86 million barrels (177,701.66 bbls/day), based on a three-year simple average of each producing field's actual and projected outputs. Similarly, the BR gas output, has been estimated at 78.34 Trillion Btu for 2021, according to the Ministry of Finance.

¹⁴ Since the year 2020 was a General Election year in Ghana, the 2021 Budget was read in March 2021, instead of November 2020.

¹⁵ The ICE Brent Index represents the average price of trading in the prevailing North Sea 'cash' or forward market in the relevant delivery month, as reported and confirmed by industry media. Only published full cargo size (currently 600,000 barrels) trades and assessments are taken into consideration in the calculation. The ICE Brent Index is published by ICE Futures Europe on the day after expiry of the front month ICE Brent futures contract and used by the Exchange as the final cash settlement price.

11.3.1.3 2021 Benchmark Revenue

An amount of US\$885.7 million has been projected as petroleum revenue for 2021. This is made up of Royalties (US\$201.0 million), Carried and Participating Interest (US\$524.9 million), Corporate Income Tax (US\$158.5 million), and Surface Rentals (US\$1.30 million), as shown in Table 43.

Table 43: Projected Sources of Petroleum Revenue in 2021-24

ITEMS	UNIT	2021	2022	2023	2024
Price	US\$/bbl	54.75	55.67	55.02	52.27
Gross Production (Oil)	Million bbl	64.86	61.45	59.60	59.59
TOTAL PETROLEUM RECEIPTS	US\$M	885.70	895.36	872.30	1097.53
Royalties	US\$M	201.00	193.11	182.23	206.26
o/w Crude Oil	US\$M	201.00	193.11	182.23	170.40
o/w Gas	US\$M	0.00	0.00	0.00	35.85
Carried and Participating Interest	US\$M	524.91	504.25	477.89	583.61
o/w Crude Oil	US\$M	524.91	504.25	477.89	448.63
o/w Gas	US\$M	0.00	0.00	0.00	134.98
Corporate Income Tax	US\$M	158.47	196.64	210.65	305.82
Surface Rentals	US\$M	1.33	1.36	1.54	1.83

Source: MoF, 2021

Out of this amount, US\$283.00 million will be ceded to the National Oil Company (NOC) for its Equity Financing Cost (US\$179.33 million) and share of the net Carried and Participating Interest (US\$103.67 million), as shown in Table 44. The Benchmark Revenue for 2021, which is the total revenue, net the amount ceded to the NOC, is estimated at US\$602.70 million. Out of this amount, US\$421.89 million has been allocated to the ABFA, while US\$180.81 million will be disbursed to the Ghana Petroleum Funds (GPFs). According to the Ministry, the GPFs receipts will be distributed between the Ghana Stabilisation Fund (US\$126.57 million) and Ghana Heritage Fund (US\$54.24 million), as shown in Table 44.

Table 44: Revenue Distribution in the Medium-Term

DISTRIBUTION OF PETROLEUM RECEIPTS TO GNPC AND GOG					
ITEMS	UNIT	2021	2022	2023	2024
Transfer to National Oil Company (NOC)	US\$/bbl	283.00	240.21	235.40	259.64
o/w Equity Financing	US\$M	179.33	127.05	131.48	120.80
o/w 30% Net CAPI	US\$M	103.67	113.16	103.92	138.84
Benchmark Revenue (BR)	US\$M	602.70	655.15	636.90	837.88
o/w Annual Budget Funding Amount	US\$M	421.89	458.60	445.83	586.52
o/w Transfer to the Ghana Petroleum Funds	US\$M	180.81	196.54	191.07	251.36
o/w Ghana Stabilisation Fund	US\$M	126.57	137.58	133.75	175.96
o/w Ghana Heritage Fund	US\$M	54.24	58.96	57.32	75.41

Source: MoF, 2021

11.3.2 Medium-Term Benchmark Revenue

Benchmark Revenues of US\$655.15 million, US\$636.9 million, and US\$837.88 million for 2022, 2023, and 2024, respectively, have been projected by the Ministry in its 2021 Budget for the medium term. This was based on Benchmark prices of US\$55.67/bbl, US\$55.02/bbl, and US\$52.27/bbl for 2022, 2023 and 2024, respectively. Additionally, gas prices for the period were projected at US\$ 5.7/MMBtu, US\$6.2/MMBtu, and US\$6.5/MMBtu for 2022, 2023, and 2024, respectively. The projected volumes are 61.4 million, 59.6 million and 59.6 million barrels of crude oil for 2022, 2023 and 2024, respectively, while gas production was also projected at 99.24 trillion Btu, 115.98 trillion Btu, and 126.01 trillion Btu for 2022, 2023 and 2024, respectively.

CHAPTER 12

12.0 CONCLUSION AND RECOMMENDATIONS

The Committee observes that for the period under review, the Petroleum Commission, as per its localisation plans, forecasted about 40 roles to be localised in 2020. Out of this, 37 roles previously occupied by expatriates in Yinson (11) and MODEC (26) were assumed by Ghanaians, representing a 92.5 percent success rate.

Based on the Committee's findings, below are its recommendations:

1. The Ghana Revenue Authority should, as a matter of urgency, initiate action to recover Surface Rental Arrears with the appropriate interest, as provided for in the PRMA.
2. The Ministry of Finance should ensure that Priority Areas selected are approved by Parliament before implementation, as required by Section 21 (5) of the PRMA.
3. The ABFA should not be used to serve the purpose of filling expenditure gaps in times of revenue shortfall in the Budget, as this is the purpose of the GSF under Section 9(2) of the PRMA.
4. As detailed in the Committee's 2019 Annual Report, the Committee reiterates that the ABFA should not be spread thinly, in accordance with Section 21 (1-3) of the PRMA
5. PIAC reiterates the need for a Long-Term National Development Plan, as stipulated in Section 21(2)(d) of the PRMA to guide the spending of petroleum revenues, as the current practice allows for ministerial discretion in the selection of the Priority Areas.

6. The necessary gas infrastructure needs to be put in place by Government to ensure that the make-up gas from SGN is taken and utilised.

CHAPTER 13

13.0 PIAC' S 2020 ACTIVITIES AND PROGRAMMES

13.1 Background

The Public Interest and Accountability Committee (PIAC) consists of thirteen Committee Members, and a supporting Secretariat which is headed by a Coordinator. In pursuit of its mandate, the Committee embarked on various programmes and activities during the period under review. The following are highlights of the programmes and activities undertaken by the Committee:

13.2 Main Activities

13.2.1 Launch of 2019 PIAC Annual Report

PIAC launched its 2019 Annual Report on the management and use of petroleum revenues in June 2020 in Accra, in fulfilment of Section 56 of the Petroleum Revenue Management Act (PRMA), 2011 (Act 815).

The launch which was limited to the media had restricted attendance due to the outbreak of COVID-19 which had brought about the need for social distancing and prevented large gatherings in 2020.

The Report was jointly launched by the Chairman of PIAC, Mr Noble Wadzah and the President of the Ghana Journalists Association (GJA), Dr Roland Affail Monney.



Mr Noble Wadzah (Left) and Dr Roland Affail Monney (Right), jointly launching the Report.

13.2.2 Publication of First Issue Paper on the Management and Use of Petroleum Revenues

The Committee, in August 2020, published an Issue Paper cataloguing a number of issues needing urgent attention in the petroleum revenue management space. Being the first of its kind by PIAC, the Paper highlighted such issues as the extension of expenditure by government to cover more than the four selected priority areas, the thin-spread of the revenue over many projects, non-utilisation and failure to account for the full ABFA allocation.



Mr Noble Wadzah (Right) and Mr Mark Agyemang (Left), addressing the media during the launch of the Issue Paper

13.2.3 Regional Engagements

In fulfilment of Section 56(c) of the PRMA, which requires the Committee to hold public meetings at least twice each year, the Committee held two regional fora in Sunyani and Cape Coast.





Some pictures from the regional forum held in Cape Coast



Some pictures from the regional forum held in Sunyani

13.2.4 District Engagements and ABFA Project Monitoring

As part of the public engagements in two (2) Regions; Eastern, and Ahafo, the Committee undertook physical monitoring and verification of ABFA-funded projects in these Regions. The project inspection exercise, which has become a regular feature in PIAC' s district engagements, seeks to verify the existence of reported ABFA-funded projects, obtain first-hand information on the quality and impact of the projects and, make an informed assessment of how well the oil revenues are being applied.

Most of the district engagements were preceded by in-studio radio discussions, which informed the public about the work of PIAC.



The PIAC team inspected ongoing works at the Anomabo Fisheries College in the Central Region.





Some pictures from the inspection of a 1000 Metric Tonne Warehouse in Sunyani.

This picture needs to be re-oriented or removed



The construction of the Sunyani By-pass: Outer Ring Road (Kumasi – Berekum Road) was also inspected by the PIAC Team in 2020



The construction of this irrigation infrastructure at Kornorkle in the Yilo Krobo District received funding from petroleum revenues and was inspected by PIAC in the year under review.



The construction of this CHPS facility at Ahankrasu in the Eastern Region was also inspected by the PIAC Team in 2020.

13.3 Engagements with Stakeholders

13.3.1 Roundtable Discussion on ABFA Expenditure on the Physical Infrastructure and Service Delivery in Health Priority Area

PIAC, as part of its drive to influence policy on the management and use of petroleum revenues convened a technical roundtable to assess petroleum revenue investments in the health sector over the years. The forum made a strong case for increased investments into health sector financing to ensure equity and access.

The forum also highlighted the need for strategic and technical prioritisation of the sector and projects to receive adequate funding.



Cross-section of the participants in the forum

13.3.2 Meeting with the Finance Committee of Parliament

The Committee met with the Finance Committee of Parliament to discuss PIAC's 2019 Annual Report in the presence entities and institutions given mandates by the Act.

Discussions centred on the unutilised ABFA, the decommissioning of the Saltpond Field by the Ghana National Petroleum Corporation (GNPC), the US\$50million advance to the Ministry of Finance by GNPC, among others.

13.3.3 Consultative Meeting with GNPC

PIAC and the GNPC held a consultative meeting as part of efforts to deepen collaboration between the two institutions. The meeting provided each institution an opportunity to highlight its operations and identify ways of ensuring that the country continues to benefit from its upstream operations.

13.3.4 Study Tour in the Western Region

The Ghana National Gas Company (GNGC) hosted PIAC for a study tour of its gas infrastructure facilities in the Western Region. Sites visited included the Gas Processing Plant at Atuabo, and the Takoradi Distribution Station (TDS).

13.3.5 Technical Roundtable with Ghana Gas

As a follow up to the study tour of its gas infrastructure facilities in the Western Region, the GNGC hosted Members of PIAC to a technical roundtable in Accra to enhance the Committee's understanding of GNGC's operational activities. The meeting afforded GNGC the opportunity to shed light on the gas sector and its prospects which have an impact on petroleum revenues.

13.3.6 Editors' Forum

PIAC has instituted an annual engagement with senior and news editors as a means of informing public of the work of PIAC as well as the contents of its reports. In the period under review, the Committee had an engagement with senior and news editors.

Discussions centred on the highlights of the 2019 PIAC Annual Report, PIAC's first Issue Paper on the Management and Use of Petroleum Revenues as well as how petroleum revenues channeled through the ABFA has impacted on the health sector.



Editors and news editors in one of the sessions at the forum

13.3.7 PIAC' s 2020 General Assembly

PIAC is made up of 13 members who are nominated by, and represent the different constituent groups. This engagement is held annually to leverage the capacities of member bodies to support the activities and mandate of PIAC.

Twenty-four (24) participants from the constituent bodies participated in the Forum. Some of the past members of the Committee were duly represented. The session was used to inform constituents of PIAC' s activities, explore collaborative options between PIAC and its constituents, as well as solicit feedback on ways of improving PIAC' s work, including its Reports. The upcoming PIAC@10 Anniversary was also discussed at the General Assembly.



Participants at the PIAC General Assembly

13.3.8 Engagement with the Institute of Financial and Economic Journalists (IFEJ)

Besides its advocacy for the establishment of PIAC, the Institute of Financial and Economic Journalists (IFEJ) as a partner of the Committee, continues to play an active role in the activities of PIAC. These contributions include analysing PIAC’s statutory reports, and dissemination of the findings and recommendations. The engagement was centred on the 2019 Semi-annual and Free SHS Monitoring reports of PIAC.

13.3.9 End-of-Year Engagement with the Media

The Committee held an end of year meeting with its media stakeholders to assess the relationship between the two entities in the year under review and to chart the path for an improved partnership in the coming year. Discussions focused on a review of PIAC and the Media in 2020, what PIAC expects from the media and vice versa.



Some members of the PIAC team and the media after the engagement.

13.4 Financial Report



PIAC Financial Report
2020.pdf

APPENDICES

Appendix A: ABFA Projects by Priority Areas

Below is the link to the Appendix on the 2020 ABFA Utilisation Data, detailing projects and programmes that received petroleum fund during the period under review, as reported by the Ministry of Finance.

https://www.piacghana.org/portal/files/downloads/2020_abfa_expenditure_data_.pdf

Appendix B: GNPC Expenditure Utilisation

RECEIPTS FROM JUBILEE & TEN PROCEEDS	AMOUNT (US\$)	EXPENDITURE AS % OF RECEIPTS	COMMENTS
Level A Receipts (Equity Financing) - Jubilee	74,232,311.70	37.4	
Level B Receipts (30% of Net Proceeds) - Jubilee	17,719,197.95	8.9	

Level A Receipts (Equity Financing) - TEN	68,390,536.27	34.4	
Level B Receipts (30% of Net Proceeds) - TEN	20,604,016.18	10.4	
Level A Receipts (Equity Financing) - Sankofa/OCTP Eni	12,193,194.50	6.1	
Level A Receipts (30% of Net Proceeds) - Sankofa/OCTP Eni	5,509,962.70	2.8	
Total Amount Received:- (A)	198,649,219.30	100.0	
<u>USES OF AMOUNTS</u> <u>ALLOCATED:-</u>			
Jubilee Equity Financing Cost	48,488,721.01	24.4	
TEN Equity Financing Cost	64,320,252.56	32.4	

Sankofa/OCTP Eni Project	7,094,528.56	3.6	
Exploration and Development Projects	30,152,801.00	15.2	
Staff Cost	22,942,712.43	11.5	
Admin. Capital Expenditure	1,198,571.91	0.6	
Capital Projects	17,198,681.66	8.7	
General Operational Expenditure	10,546,635.00	5.3	
GOG Gas-Related Payments - Enclave Roads	11,715,875.91	5.9	
SOPCL	1,402,461.75	0.7	
Mid-stream and Other Projects	5,710,432.67	2.9	
Repayment of loan for Karpowership Barge Movement	14,557,168.12	7.3	

Sustainability and Stakeholder Relations and GNPC Foundation	31,477,699.31	15.8	
Subsidiary Expenditure	3,584,190.29	1.8	
Total Expenditure:- (B)	270,390,732.18	136.1	
Net Position:- (C = A - B)	(71,741,512.88)	-36.1	
Add: Cash B/Fwd (01.01.2020) (D)	15,895,675.78		
Internally Generated Funds (E)	58,015,412.16		
Total Cash Available:- (G = C + D + E)	2,169,575.06		
Exploration and Development Projects	<u>Amount (US\$)</u>		

- Voltaian Basin Petroleum Projects	21,875,244.10		
- Tano – Heritage [OSWT]	887,271.70		
- A - Z Petroleum	848,063.06		
- Springfield	4,703,292.83		
- DWT/CTP – Hess/ExxonMobil Project	315,183.10		
- GH-WB-01 (GNPC)	27,806.18		
- Eni Block 4	917,491.00		
- Maritime Boundary Special Project	578,449.03		
Total Non -Jubilee, Sankofa and TEN Projects Expenditure	30,152,801.00		

Source: GNPC, 2020

Appendix C: GNPC Foundation CSI Projects

Payments - Projects				
Pillar	DETAILS	CLASS	GH ₵	US\$
Education & Training	Foreign Scholarship	Foreign Scholarship		\$1,950,521.11
	Local Scholarship	Local Scholarship	26,945,413.87	
	Retention- 6 Unit classroom at Adugyman	Educational Support	16,816.10	
	Retention- 6 Unit classroom at Sefwi Bekwai SHS	Educational Support	17,829.65	
	Retention- 6 Unit classroom at Swedru SHS	Educational Support	16,870.11	

Retention - Constrcution of 6 Unit classroom at Mpohor SHS	Educational Support	16,765.90	
Retention - Constrcution of 3 Unit classroom at Salakpang	Educational Support	9,154.04	
Retention - Constrcution of 6 Unit classroom at Daboase SHS	Educational Support	16,775.52	
Retention - Constrcution of 6 Unit Classroom at Ofoase SHS	Educational Support	17,577.86	
Retention - Construction of 6 unit classroom @ college of music	Educational Support	11,750.74	
Retention - Construction of 6 unit classroom @ Maabeng	Educational Support	16,863.16	
Retention - Construction of 6 unit classroom @ Assin North	Educational Support	16,820.34	
Retention - Construction of 6 unit classroom @ Bonzo Kaku	Educational Support	16,787.84	
Retention- Construction of 6 unit classroom block Baidoo Bonsoe SHS	Educational Support	16,753.83	

Retention - Construction of 6 unit classroom @ Dunkwa SHS	Educational Support	16,833.59	
Retention- Construction of 6 unit classroom block @ Mankaso	Educational Support	16,914.92	
Retention- Construction of 6 unit classroom block @ Ofoase Kokoben	Educational Support	16,879.80	
Retention- Construction of 6 unit classroom block @ Bodomase	Educational Support	16,891.92	
Retention- Construction of 6 unit classroom block @Mpasatia	Educational Support	16,868.21	
Retention- Construction of Dormitory @ Sekondi School of the Deaf	Educational Support	34,548.83	
Retention - 6 Unit classroom block at Osei Adutwum SHS	Educational Support	16,788.22	
Retention - 6 Unit classroom block at St Georges SHS	Educational Support	16,827.81	
Retention- Construction of 6 unit Classroom @ Yendi SHS	Educational Support	19,688.51	

Retention- Construction of 6 unit Classroom @ Kpandi SHS	Educational Support	19,671.43	
Retention- Construction of 6 unit Classroom @ Tamale SHS	Educational Support	16,671.42	
Retention- Construction of 6 unit Classroom @ Kwabenya SHS	Educational Support	16,825.02	
Retention- Construction of 6 unit Classroom @ Efutu SHS	Educational Support	11,958.41	
Retention- Construction of 6 unit Classroom @ Lawra SHS	Educational Support	19,854.39	
Retention- Construction of 6 unit Classroom @ Kanton SHS	Educational Support	19,854.39	
Retention- Construction of 6 unit Classroom @ Islamic SHS	Educational Support	19,854.39	
Retention- Construction of 6 unit Classroom @ Tolon SHS	Educational Support	19,671.42	
Retention- Construction of 6 unit Classroom @ Zebilla SHS	Educational Support	19,891.70	

Retention- Construction of 6 unit Classroom @ Zuarangu SHS	Educational Support	19,891.70	
Retention- Construction of 6 unit Classroom @ Bawku SHS	Educational Support	19,891.70	
Retention- Construction of 6 unit Classroom @ Dompause	Educational Support	11,540.12	
Payment -Service charge for Construction of 6 Unit classroom Sefwi Bekwai SHS	Educational Support	26,744.47	
Payment - Service charge for Construction of 6 Unit classroom at Mpohor SHS	Educational Support	25,148.85	
Payment - Service charge for Construction of 6 Unit classroom at Frafraha SHS	Educational Support	25,260.21	
Payment - Service charge for Construction of 6 Unit classroom at St George SHS	Educational Support	25,241.72	
Payment - Service charge for Construction of 6 Unit classroom at Queens Girl SHS	Educational Support	26,769.11	
Payment -Service charge for Construction of 6 Unit classroom at Parkoso SHS	Educational Support	25,199.79	

Payment - Service charge for Construction of 6 Unit classroom at Osei Adutwum SHS	Educational Support	25,182.33	
Payment - Service charge for Construction of 6 Unit classroom at Sefwi Wiaso Sec Tech	Educational Support	22,871.59	
Payment - Service charge for Construction of 6 Unit classroom at Sakafia Islamic SHS	Educational Support	25,216.78	
Payment - Service charge for Construction of 6 Unit classroom at Amaniampong SHS	Educational Support	25,283.50	
Payment - Service charge for Construction of 6 Unit classroom at Dwemena Akenten shs	Educational Support	25,362.18	
Payment - Service charge for Construction of 6 Unit classroom at Swedru SHS	Educational Support	25,305.16	
Payment - Service charge for Construction of 6 Unit classroom at Sekondi College	Educational Support	10,264.19	
Payment -Service charge for Construction of 6 Unit classroom at Bawku SHS	Educational Support	29,837.56	
Payment - Service charge for Construction of 6 Unit classroom at Komenda SHS	Educational Support	25,267.53	

Payment - Service charge for Construction of 6 Unit classroom at Gomoa Gyaman SHS	Educational Support	25,183.81	
Payment - Service charge for Construction of 6 Unit classroom at Zuarungu SHS	Educational Support	29,837.56	
Payment - Service charge for Construction of 6 Unit classroom at lawra SHS	Educational Support	29,781.58	
Payment - Service charge for Construction of 6 Unit classroom at Tamale SHS	Educational Support	29,507.14	
Payment - Service charge for Construction of 6 Unit classroom at Dunkwa SHS	Educational Support	25,250.39	
Payment - Service charge for Construction of 6 Unit classroom at Meth shs	Educational Support	22,922.01	
Payment - Service charge for Construction of 6 Unit classroom at Zebilla SHS	Educational Support	29,837.56	
Payment - Service charge for Construction of 6 Unit classroom at Islamic SHS	Educational Support	29,781.58	
Payment - Service charge for Construction of 6 Unit classroom at Tolon SHS	Educational Support	29,507.12	

Payment - Service charge for Construction of 6 Unit classroom at Assin North SHS	Educational Support	25,230.51	
Payment - Service charge for Construction of 6 Unit classroom at Ofoase SHS	Educational Support	26,366.78	
Payment - Service charge for Construction of 6 Unit classroom at Bodamase SHS	Educational Support	25,337.87	
Payment - Service charge for Construction of 6 Unit classroom at Kpandai SHS	Educational Support	29,507.14	
Payment - Service charge for Construction of 6 Unit classroom at Ofoase Kokoben SHS	Educational Support	25,319.70	
Payment - Service charge for Construction of 6 Unit classroom at Mankessim SHS	Educational Support	25,283.50	
Payment - Service charge for Construction of 6 Unit classroom at Badu Bonsu SHS	Educational Support	25,130.73	
Payment - Service charge for Construction of 6 Unit classroom at Efutu SHS	Educational Support	25,437.62	
Payment - Service charge for Construction of 6 Unit classroom at Abakrampa SHS	Educational Support	25,271.74	

Payment - Service charge for Construction of 6 Unit classroom at Kwabenya SHS	Educational Support	25,237.53	
Payment - Service charge for Construction of 6 Unit classroom at Mpasatia SHS	Educational Support	25,302.32	
Payment - Service charge for Construction of 6 Unit classroom at Bonzo Kaku SHS	Educational Support	25,181.75	
Payment - Service charge for Construction of 6 Unit classroom at Mabang SHS	Educational Support	25,294.76	
Payment - Service charge for Construction of 6 Unit classroom at Mankraso	Educational Support	25,372.38	
Payment - Service charge for Construction of 6 Unit classroom at Yendi SHS	Educational Support	29,532.75	
Payment - Service charge for Construction of 6 Unit classroom at Daboase SHS	Educational Support	25,163.27	
Payment - Service charge for Construction of 6 Unit classroom at Kanton SHS	Educational Support	29,781.58	
Payment - Service charge for Construction of 6 Unit classroom at College of Music	Educational Support	25,126.10	

Payment - Service charge for Construction of 6 Unit classroom at Diaso SHS	Educational Support	26,394.93	
Payment - Service charge and consult fees- 6 unit classroom- Abakrampa SHS	Educational Support	16,847.83	
Payment - Service charge and consult fees- 6 unit classroom- Abakrampa SHS	Educational Support	8,423.91	
payment for supply of furniture to Daboase SHS	Educational Support	76,848.28	
payment for the supply of furniture GNPC Foundation Office Takoradi	Educational Support	342,446.93	
Payment- Supply of furniture to Akotombra SHS	Educational Support	75,685.43	
Supply of furniture to Bodomase & Amaniapong SHS	Educational Support	115,968.30	
Supply of furniture at Mpohor & Bedu Bonsu	Educational Support	74,517.09	
Supply of Furniture to mpatatia and Maabeng SHS	Educational Support	77,413.37	

Supply of Furniture to Mankraso & Adugyaman	Educational Support	76,688.57	
Supply of Furniture to Islamic, Lawra and Kanton SHS	Educational Support	116,037.67	
Supply of Furniture to Zimbilla, Zuarungu and Bawku SHS	Educational Support	116,037.67	
Supply of Furniture to Adutwum SHS & St George SHS	Educational Support	77,176.35	
Supplyof furniture to Sefwi Bekwai SHS	Educational Support	80,445.48	
Supplyof furniture to Sefwi Tamale SHS	Educational Support	81,217.27	
Supplyof furniture to Yendi and Kpandai SHS	Educational Support	81,029.39	
Supply of Furniture at Abrakrampa	Educational Support	77,406.14	
Supply of Furniture at Mankessim & Swedru SHS	Educational Support	77,326.66	

Supplied furniture to contractor- Dunkwa SHS and Diaso SHS	Educational Support	81,338.67	
Supply of furniture to Kwabenya Comm. SHS and Frafaha SHS	Educational Support	80,517.77	
Supply of Furniture to Parkaso & Sakafia SHS	Educational Support	77,358.45	
Supply of Furniture to ofoase Kokobe SHS	Educational Support	77,251.50	
Supply of Furniture to Effutu and Komenda SHS	Educational Support	79,928.11	
Part payment -Supply of furniture to various schools	Educational Support	3,900,000.00	
Supply of beds & mattress to Sekondi school of the deaf	Educational Support	47,600.00	
6-unit classroom block at Okere@Okere	Educational Support	141,365.78	
6-unit classroom block at Nsutaman SHS@Nsutaman	Educational Support	141,365.78	

6-unit classroom block at Kwatape Comm School@Kpandai	Educational Support	153,971.39	
6-unit classroom block at Kumasi High School@Gyenasi	Educational Support	141,365.78	
3-unit classroom at Asotwe LA Middle School@Asotwe	Educational Support	79,199.76	
Construction of 2 No. 3unit Classroom @Amenfi West	Educational Support	158,398.02	
Dormitory block at Nkroful SHS@Nkroful	Educational Support	281,262.69	
Construction of 3-Unit classroom block at Abrugasi	Educational Support	192,000.00	
Construction of 3-Unit classroom block at Sulmuchu	Educational Support	191,999.31	
Construction of 6-Unit classroom block at Nsia Akoah Memorial Primary School	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Yoggu District Authority Primary School	Educational Support	326,633.86	

Construction of 6-Unit classroom block at Nyameboa	Educational Support	326,633.86	
Construction of 6-Unit classroom block at Pibila	Educational Support	326,633.86	
Construction of Girls Dormitory Block at Apaah	Educational Support	596,663.54	
Construction of science block at Kwamang Presby SHTS	Educational Support	513,333.33	
Construction of 6-Unit classroom block at Methodist Technical and Vocational Institute	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Kuntanase Presby Basic School	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Naaga KG/Primary	Educational Support	326,633.86	
Construction of 6-Unit classroom block at Ejura-Sekyedumase	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Fiaso M/A JHS	Educational Support	299,987.94	

Construction of 6-Unit classroom block at Atonsu Presbyterian School	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Ahamansu Islamic SHS	Educational Support	326,633.86	
Construction of 6-Unit classroom block at Abrafi SHS	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Nkwabeng Technical School	Educational Support	299,987.94	
Construction of girls' dormitory at Queens SHS	Educational Support	596,663.55	
Construction of 6-Unit classroom block at Afiaman	Educational Support	299,987.94	
Construction of girls' dormitory at Mando SHS	Educational Support	596,663.55	
Construction of 6 unit classroom Block at Tawheed SHS	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Gwiraman SHS	Educational Support	299,987.94	

Construction of 6-Unit classroom block at Hwidiem SHS	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Ayakomaso	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Menji SHS	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Nana Yaw Brempong III	Educational Support	299,987.94	
Construction of science laboratory at Krobo Girls' SHS	Educational Support	513,333.33	
Construction of 6-Unit classroom block at Nana Brentu SHS	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Ridge JHS- Tamale	Educational Support	326,633.86	
Construction of 6-Unit classroom block at Akroso SHS	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Nii Boi Town SDA	Educational Support	299,987.94	

Construction of 6-Unit classroom block at Nyong	Educational Support	328,633.86	
Construction of 6-Unit classroom block at St. Michael's Basic School	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Metumi	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Fodome Woe/ Agbetsido Basic School	Educational Support	299,987.94	
Construction of dormitory at Bimbilla SHS	Educational Support	633,193.75	
Construction of girls' dormitory at Walewale SHS	Educational Support	633,193.75	
Construction of 6-Unit classroom block at Wenche Salvation Army SHS	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Sefwi Anhwiaso 'W' SHS	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Sefwi Asafo Nursing Training. College	Educational Support	299,987.94	

Construction of 6-Unit classroom block at Atobiase SHS	Educational Support	299,987.94	
Construction of girls dormitory at Bekwai SDA	Educational Support	596,363.55	
Construction of girls' dormitory at Abuakwa State College	Educational Support	596,663.54	
Construction of dining hall at Esiana STS	Educational Support	513,315.97	
Construction of 6 unit classroom Block at Tawheed SHS	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Ankanful	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Asuhyiae English Arabic primary School	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Chereponi	Educational Support	326,633.86	
Construction of 6-Unit classroom block at Ejura-Sekyedumase	Educational Support	299,987.94	

Construction of 6-Unit classroom block at Dodowa Islamic Basic School	Educational Support	299,987.94	
Construction of 6-Unit classroom block at St. Michael Tech and Voc School	Educational Support	299,987.94	
Construction of science lab at Bosomtwe Girls' SHS	Educational Support	513,333.33	
Construction of 6-Unit classroom block at Assin Bereku	Educational Support	299,987.94	
Construction of 2 No. 3-Unit classroom block at Drobonso	Educational Support	336,000.00	
Construction of 6-Unit classroom block at Afigyaman SHS	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Drobonso	Educational Support	299,987.94	
Construction of science laboratory at Yaa Asantewaa Girls SHS	Educational Support	513,333.33	
Construction of 6 unit classroom Block at Asuom SHS	Educational Support	299,987.94	

Construction of 3-Unit classroom block at Bulenga	Educational Support	192,000.01	
Construction of 6-Unit classroom block at Bawku Community	Educational Support	326,633.86	
Construction of 6-Unit classroom block at Yunyoo D/A Primary School	Educational Support	326,634.56	
Construction of science laboratory at Nsutaman Catholic SHS	Educational Support	513,333.33	
Construction of science laboratory at Bisease SHS	Educational Support	513,333.33	
Construction of 6-Unit classroom block at Damango Presby Primary	Educational Support	326,633.86	
Construction of 6-Unit classroom block at Larabanga E/A Primary School	Educational Support	326,633.86	
Construction of 6-Unit classroom block at Anfoega Azigbe E.P JHS	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Kpando Gadza M/A School	Educational Support	299,987.94	

Construction of 6-Unit classroom block at Epowano Basic School	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Kue	Educational Support	326,633.86	
Construction of 3-Unit classroom block at Aduyaakwa	Educational Support	168,000.00	
Construction of 3-Unit classroom block at Karlon JHS	Educational Support	72,000.00	
Construction of 6-Unit classroom block at Adwoafua SHS	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Nkyeraa SHS	Educational Support	299,987.94	
Construction of 6-Unit classroom block at St. Peter's Catholic Basic School - Papaase	Educational Support	299,987.94	
Construction of 6-Unit classroom block at Assin Jakai	Educational Support	299,987.94	
STEM Quiz Digital Academy for students for learning of coding	Educational Support	131,422.50	
		61,626,150.95	\$1,950,521.11

Environment & Social Amenities	Supply of Nose Mask & Haand Gloves - GNPC Health Campaign on CoronaVirus in Central Region	Health	1,236.00	
	Supply of Dust Bin Rubber - GNPC Health Campaign on CoronaVirus in Central Region	Health	1,428.00	
	Supply of Hand Paper Tissue - GNPC Health Campaign on CoronaVirus in Central Region	Health	3,786.41	
	Supply of Hand Soap - GNPC Health Campaign on CoronaVirus in Central Region	Health	4,500.00	
	Supply of veronica bucket -GNPC Health campaign against CoronaVirus(Western Region)	Health	67,500.00	
	Supply of veronica bucket -GNPC Health campaign against CoronaVirus(Central Region)	Health	68,400.00	
	Supply of Various sanitary items - GNPC Health on CoronaVirus in Western region	Health	19,874.00	

Supply of Hand Sanitizer - GNPC Health on CoronaVirus in Western region	Health	80,000.00	
Supply of Hand Sanitizer - GNPC Health on CoronaVirus in Central region	Health	64,000.00	
Construction of Hospital at Bremang	Health	294,345.84	
Retention - Constrcution of 24 Unit Sanitary Facility at Nsein SHS	Sanitary Facility	11,382.76	
Retention - Constrcution of 24 Unit Sanitary Facility at Nkroful	Sanitary Facility	11,512.90	
Retention- Construction of 24 unit Sanitary facility @ Akim Ofoase	Sanitary Facility	11,517.25	
Retention- Construction of 12 unit Sanitary facility @ Asakae	Sanitary Facility	6,546.95	
Water system and Borehole for 24 Unit sanitary facility at Agona Nkwanta	Sanitary Facility	28,500.00	
Water system and Borehole for 24 Unit sanitary facility at Nsein SHS	Sanitary Facility	28,500.00	
12-unit sanitary facility at Koforidua Sec Tech 1 @Koforidua	Sanitary Facility	70,681.46	

12-unit sanitary facility at Koforidua Sec Tech 2@Koforidua	Sanitary Facility	70,681.46	
12-unit sanitary facility at Kafordzidzi@Kafordzidzi	Sanitary Facility	70,681.46	
12-unit sanitary facility at Winomua@sorowodofo (AAK)	Sanitary Facility	70,681.46	
12-unit sanitary facility at Beposo Community@Beposo	Sanitary Facility	70,681.46	
12-unit sanitary facility at Atonsu Community@Atonsu	Sanitary Facility	70,681.46	
12-unit sanitary facility at Anhwia Nkwanta@Anhwia Nkwanta	Sanitary Facility	70,681.46	
12-unit sanitary facility at Ekumfi SHS@Ekumfi	Sanitary Facility	70,681.46	
12-unit sanitary facility at Mumuni Camp@Amenfi West	Sanitary Facility	70,681.46	
12-unit sanitary facility at Gbefi Tormu@Gbefi Tormu	Sanitary Facility	70,681.46	

24-unit sanitary facility at Bimbilla SHS@Bimbilla	Sanitary Facility	103,901.88	
24-unit sanitary facility at SDA Bekwai SHS@Bekwai	Sanitary Facility	98,980.29	
24-unit sanitary facility at Abuakwa State College@Abuakwa	Sanitary Facility	98,980.29	
24-unit sanitary facility at Mando SHS@Mando	Sanitary Facility	98,980.29	
24-unit sanitary facility at Walewale SHS@Walewale	Sanitary Facility	103,901.88	
24-unit sanitary facility at Nkroful SHS@Nkroful	Sanitary Facility	98,980.29	
12-unit sanitary facility at Ofoasi Kokoben SHS@Ofoasi Kokoben	Sanitary Facility	70,681.46	
24-unit sanitary facility at Takoradi Tech. Univ.@Takoradi	Sanitary Facility	98,980.29	
24-unit sanitary facility at Sekondi College@Sekondi	Sanitary Facility	98,980.29	

12-unit sanitary facility at Daboase SHS@Daboase	Sanitary Facility	70,681.46	
24-unit sanitary facility at Opoku Agyemang SHTS@Apaah	Sanitary Facility	98,980.29	
24-unit sanitary facility at Yaa Asantewaa Girls SHS@Tanoso	Sanitary Facility	98,980.29	
24-unit sanitary facility at Queens SHS@Sefwi Anhwiaso	Sanitary Facility	98,980.31	
12-unit sanitary facility at Takorasi@Takorasi	Sanitary Facility	70,681.46	
Construction of 12-Unit sanitary facility at Kwamang Presby SHTS	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Ajumako Assasan	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Eduyaw	Sanitary Facility	149,942.80	
Construction of 24-Unit sanitary facility at New Takoradi	Sanitary Facility	90,000.00	
Construction of 12-Unit sanitary facility at Agbogbloshie	Sanitary Facility	149,942.80	

Construction of 12-Unit sanitary facility at Agbogbloshie	Sanitary Facility	64,261.20	
Construction of 12-Unit sanitary facility at Possum Community	Sanitary Facility	156,634.45	
Construction of 12-Unit sanitary facility at Zanlerigu	Sanitary Facility	156,634.45	
Construction of 12-Unit sanitary facility at Goi	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Osramane	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Ejura-Sekyedumase	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Prampram Lower Town	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Abuom	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Massaka - Bimbilla	Sanitary Facility	156,634.45	

Construction of 12-Unit sanitary facility at Tamale Teaching Hospital	Sanitary Facility	156,634.45	
Construction of 12-Unit sanitary facility at Hohoe Gbi Atabu	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Wenche Salvation Army SHS	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Ejura-Sekyedumase	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Twifo Mampong	Sanitary Facility	149,942.80	
Construction of 24 Unit Sanitary Facility at Sekondi School for the Deaf	Sanitary Facility	210,000.00	
Construction of 12-Unit sanitary facility at Omyemsu	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Abrumasi	Sanitary Facility	156,634.45	
Construction of 12-Unit sanitary facility at Jamutu	Sanitary Facility	156,634.45	

Construction of 12-Unit sanitary facility at Langbinsi Community Day SHS	Sanitary Facility	156,634.45	
Construction of 12-Unit sanitary facility at Nandam Bu	Sanitary Facility	156,634.45	
Construction of 12-Unit sanitary facility at Sakogu Community Day SHTS	Sanitary Facility	156,634.45	
Construction of 12-Unit sanitary facility at Beposo	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Wa centre of Town	Sanitary Facility	156,634.45	
Construction of 12-Unit sanitary facility at Bamiri	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Dorman Kessi	Sanitary Facility	149,942.80	
Construction of 24-Unit sanitary facility at Duayaw Nkwanta SHS	Sanitary Facility	210,000.00	
Construction of 12-Unit sanitary facility at Gbefi Tornu	Sanitary Facility	149,942.80	

Construction of 12-Unit sanitary facility at Dormabin	Sanitary Facility	64,261.20	
Construction of 12-Unit sanitary facility at Asutifi	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Mankoadze	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Odmansie	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Pataboso Junction	Sanitary Facility	149,942.80	
Construction of 12-Unit sanitary facility at Sefwi Anhwiaso	Sanitary Facility	149,942.80	
Construction of 24 Unit Sanitary Facility at New Takoradi	Sanitary Facility	90,000.00	
Construction of 12 Unit Sanitary Facility at Ajumako Assasan	Sanitary Facility	64,261.20	
Construction of 12 Unit Sanitary Facility at Ajumako Assasan	Sanitary Facility	64,261.20	

Construction of 12 Unit Sanitary Facility atEjura	Sanitary Facility	64,261.20	
Construction of 12 Unit Sanitary Facility atAsunafo Asutifi	Sanitary Facility	64,261.20	
Construction of 12 sanitary facility at Tamale Teaching Hospital	Sanitary Facility	67,129.05	
Construction of 12 sanitary facility at Ghanasco	Sanitary Facility	67,129.05	
Construction of 12 sanitary facility atLangdmsi	Sanitary Facility	67,129.05	
Construction of 12 sanitary facility at Sokogu	Sanitary Facility	67,129.05	
Construction of 12 sanitary facility at Jamatu	Sanitary Facility	67,129.05	
Construction of 12 sanitary facility at Abrumasi	Sanitary Facility	67,129.05	
Construction of 12 sanitary facility at Possum	Sanitary Facility	67,129.05	
Construction of 12 sanitary facility at Zanlerugu	Sanitary Facility	67,129.05	
Construction of 12 sanitary facility at WA City Centre	Sanitary Facility	67,129.05	

24 Unit Sanitary facility a Sekondi. School of the deaf	Sanitary Facility	90,000.00	
12 Unit Sanitary facility at Nandam in the Upper West Region	Sanitary Facility	67,129.05	
12 Unit Sanitary facility at Chereponi in the North East Region	Sanitary Facility	139,985.94	
Constrcution of 24 Unit Sanitary Facility at Nsein SHS	Sanitary Facility	11,382.76	
Constrcution of 24 Unit Sanitary Facility at Nkroful	Sanitary Facility	11,512.90	
Construction of U drain at Trobu	Sanitary Facility	295,305.32	
Construction of 12 Unit sanitary facility at Yapei Kussawgu	Sanitary Facility	173,724.87	
Construction of 12 Unit sanitary facility at Tano North	Sanitary Facility	82,461.75	
Construction of 12 Unit sanitary facility at West Gonja	Sanitary Facility	87,525.27	
Construction of 12 Unit sanitary facility at Ayawaso East	Sanitary Facility	82,480.15	

Construction of 12 Unit sanitary facility at Yapei Kussawgu	Sanitary Facility	86,878.46	
Construction of 12 Unit sanitary facility at west Gonja	Sanitary Facility	87,297.30	
Construction of resource centre at kpando	Sanitary Facility	204,689.16	
Construction of No. 2 12 Unit sanitary facility at Birim North	Sanitary Facility	164,511.90	
Construction of 12 Unit sanitary facility at Agyan	Sanitary Facility	84,629.34	
Construction of 4 mechanised boreholes at West Gonja	Water Boreholes	35,131.20	
Construction of 30No. Hand Pump Boreholes in the Brong Ahafo region (Bono, Bono East and Ahafo)	Water Boreholes	395,090.71	
Construction of 15No. Hand Pump Boreholes in the Ashanti region	Water Boreholes	131,696.90	
Construction of 15No. Hand Pump Boreholes in the Eastern region	Water Boreholes	197,545.36	

Construction of 30No. Boreholes in Western and Western North regions	Water Boreholes	395,090.71	
Construction of 30No. Boreholes in Central Region	Water Boreholes	395,090.71	
Construction of 10No. Hand Pump Boreholes in the Greater Accra region	Water Boreholes	131,696.90	
Construction of 25No. Hand Pump Boreholes in the Volta region & Oti	Water Boreholes	408,260.40	
Construction of 80No Hand pumps and borehole in Northern, North East and Savannah Regions	Water Boreholes	1,053,325.22	
Construction of 26 Hand pump boreholes in Upper West Region	Water Boreholes	547,889.12	
Construction of 26 Hand pump boreholes in Upper East Region	Water Boreholes	342,411.95	
Construction of borehole and water system @ Abodom Dwenase	Water Boreholes	15,000.00	
Construction of 10NO Hand pump boreholes in bongo	Water Boreholes	105,375.99	

Construction of 9NO Hand pump boreholes in bongo	Water Boreholes	93,957.54	
Construction of 6NOMech boreholes in bongo	Water Boreholes	70,023.70	
Construction of borehole and water system @ Abodom Dwenase	Water Boreholes	15,000.00	
Construction of Borehole water system @Abodom Dwenase	Water Boreholes	13,500.00	
Construction of water system and mechanised borehole at Kojokrom	Water Boreholes	28,500.00	
Construction of 4 mechanised boreholes at West Gonja	Water Boreholes	35,131.20	
Construction of 10NO Hand pump boreholes in bongo	Water Boreholes	105,375.99	
Construction of 9NO Hand pump boreholes in bongo	Water Boreholes	93,957.54	
Construction of 6NOMech boreholes in bongo	Water Boreholes	70,023.70	

Construction of 12 hand pumps and 4 mechanised borehole @ West Gonja	Water Boreholes	173,413.60	
Construction of Iron treatment facilities @ Nkroful and Forest junction	Water Boreholes	53,941.00	
Construction of 10No Boreholes in Greater Accra	Water Boreholes	79,018.14	
Support for the construction of 6 Boreholes at Dormaa East, west and Bono Region	Water Boreholes	36,000.00	
Support for the construction of 4 Boreholes at Jaman North	Water Boreholes	24,000.00	
Support for the construction of 15 Boreholes at Ellembele	Water Boreholes	90,000.00	
Support for the construction of 8 Boreholes at Sene west and Nkroranza	Water Boreholes	48,000.00	
Support for the construction of 11 Boreholes at Tain and Pru West	Water Boreholes	66,000.00	
Support for the construction of 8 Boreholes at Adenta	Water Boreholes	48,000.00	
Support for the construction of 9 Boreholes	Water Boreholes	54,000.00	

Support for the construction of 10 Boreholes at Amenfi west	Water Boreholes	60,000.00	
Support for the construction of 3 Boreholes at Bortainor	Water Boreholes	18,000.00	
Support for the construction of 42 Boreholes Yendi, Nanton, karaga etc	Water Boreholes	252,000.00	
Support for the construction of 13 Boreholes at Techiman South	Water Boreholes	78,000.00	
Support for the construction of 4 Boreholes Abura, Asebu & Kwamankese	Water Boreholes	24,000.00	
Support for the construction of 4 Boreholes at Juaboso	Water Boreholes	24,000.00	
Support for the construction of 15 Boreholes at Lawra	Water Boreholes	90,000.00	
Support for the construction of 4 Boreholes at Jomoro	Water Boreholes	24,000.00	
Support for the construction of 6 Boreholes at Suaman and Enchi	Water Boreholes	36,000.00	

Support for the construction of 4 Boreholes at Komenda, Edina, Abirem	Water Boreholes	24,000.00	
Support for the construction of 4 Boreholes at mpohor	Water Boreholes	24,000.00	
Support for the construction of 5 Boreholes at Ejura	Water Boreholes	30,000.00	
Support for the construction of 13 Boreholes at Ahafo Ano South	Water Boreholes	78,000.00	
Support for the construction of 18 Boreholes at Sekyere Central and Akrofuom	Water Boreholes	108,000.00	
Support for the construction of 5 Boreholes at Fomena	Water Boreholes	30,000.00	
Support for the construction of 9 Boreholes at Akan	Water Boreholes	54,000.00	
Support for the construction of 4 Boreholes at Bawku Central	Water Boreholes	24,000.00	
Support for the construction of 5 Boreholes at Narongo	Water Boreholes	30,000.00	

	Support for the construction of 4 Boreholes at Talensi Upper East	Water Boreholes	24,000.00	
	Support for the construction of boreholes	Water Boreholes	78,000.00	
	Support for the construction of 4 Boreholes at Sefwi Akontombra	Water Boreholes	24,000.00	
			17,480,234.81	\$-
Economic Empowerment				
	Traning of Master Artisan for - NVTI certification	Skills Artisans Project	95,790.01	
			95,790.01	-
Sports	Donation Support to Construction for Hohoe Sport Complex	Sports Development		\$500,000.00
	Construction of Astro Turf at Nzema	Sports Development	666,616.59	
	Construction of Astro Turf at Sekondi	Sports Development	799,532.50	

Construction of Astro Turf at Mankessim	Sports Development	799,532.50	
Construction of Astro Turf at Asokwa	Sports Development	663,677.16	
Construction of Astro Turf at Apenkwa	Sports Development	666,187.27	
Construction of Astro Turf at Yendi	Sports Development	799,532.50	
Construction of Astro Turf at Karaga	Sports Development	799,532.50	
Construction of Astro Turf at Prestea	Sports Development	779,532.50	
Construction of Astro Turf at Adenta	Sports Development	799,532.50	
Construction of Astro Turf at Akyemansa	Sports Development	799,532.50	
Construction of Astro Turf at Beposo	Sports Development	799,532.50	

Construction of Astro Turf at Bantama	Sports Development	799,532.50	
Construction of Astro Turf at Tema	Sports Development	799,532.50	
Construction of Astro Turf @Lawra	Sports Development	799,532.50	
Construction of Astro turf @ Sefwi Anhwiaso	Sports Development	799,532.50	
Construction of Astro turf @ Anyan Abaasa	Sports Development	799,532.50	
Construction of Astro turf @ Manhyia Dichemsa	Sports Development	799,532.50	
Construction of Astro turf @ Kwamang	Sports Development	799,532.50	
Construction of Astro Turf at Amaniampong	Sports Development	799,532.50	
Construction of Astro Turf at Kanasaworado, Essikado	Sports Development	799,532.50	

	Construction of Astro Turf at Agona Ashanti	Sports Development	799,532.50	
	Construction of Astro Turf at Asonomuso	Sports Development	799,532.50	
	Construction of Astro Turf at Takoradi NO 1	Sports Development	799,532.50	
			17,967,131.02	\$500,000.00
Grand Total			97,169,306.79	2,450,521.11
Payments - Operational				
Operational Expense	- GH ¢ 2,297,331.36			

MEMBERS OF THE PUBLIC INTEREST AND
ACCOUNTABILITY COMMITTEE