

REPUBLIC OF GHANA



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

SEMI-ANNUAL REPORT ON MANAGEMENT OF PETROLEUM REVENUES FOR THE PERIOD

JANUARY TO JUNE, 2015

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ABBREVIATIONS AND ACRONYMS

ABFA	Annual Budget Funding Amount
BCF	Billion Cubic Feet
BECE	Basic Education Certificate Examination
BOG	Bank of Ghana
BOPD	Barrels of Oil Per Day
BR	Benchmark Revenue
CAPEX	Capital Expenditure
CAPI	Carried and Participating Interest
CDB	China Development Bank
CIT	Corporate Income Tax
COLA	Crude Oil Lifting Agreement
EIA	Environmental Impact Assessment
EPA	Environmental Protection Agency
GEDAP	Ghana Energy Development and Access Programme
GHF	Ghana Heritage Fund
GHF	Ghana Heritage Fund
GIIF	Ghana Infrastructure Investment Fund
GJFDP	Greater Jubilee Field Development Plan
GNGC	Ghana National Gas Company
GNPC	Ghana National Petroleum Corporation
GOG	Government of Ghana
GPFs	Ghana Petroleum Funds
GPP	Gas Processing Plant
GRA	Ghana Revenue Authority

GSF	Ghana Stabilisation Fund
GSF	Ghana Stabilisation Fund
ITLOS	International Tribunal for Law of the Sea
LPG	Liquefied Petroleum Gas
MDAs	Ministries, Departments and Agencies
MMBO	Million Barrels of Oil
MMBTU	Million British Thermal Units
MMSCF	Million Standard Cubic Feet
MOE	Ministry of Education
MOF	Ministry of Finance
MT	Metric Tonnes
MTA	Mahogany, Teak and Akasa
NES	National Electrification Scheme
OPEX	Operating Expenditure
PFM	Public Financial Management
PHF	Petroleum Holding Fund
PIAC	Public Interest and Accountability Committee
POD	Plan of Development
PRMA	Petroleum Revenue Management Act
PSC	Public Services Commission
SGN	Sankofa-Gye Nyame
SOPCL	Saltpond Offshore Producing Co. Ltd
TEN	Tweneboa-Enyenra-Ntomme
TRMS	Takoradi Regulating and Metering Station
US-EIA	United States Energy Information Administration
VRA	Volta River Authority
WCGIP	Western Corridor Gas Infrastructure Project

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FOREWORD

The Public Interest and Accountability Committee, (PIAC), has been mandated since September 2011 with the oversight responsibility of monitoring and evaluating the management of Ghana's petroleum resources by the Government and relevant stakeholder institutions.

PIAC, since its inception, has published a total of 8 reports – 4 Annual and 4 Semi-Annual Reports - covering the period 2011 to June 2015 in partial fulfilment of its mandate.

Information and data gathered from the Ministry of Finance, Bank of Ghana, Ghana National Petroleum Corporation, Ghana Revenue Authority, Ghana National Gas Company and Saltpond Oil Producing Company Limited in the governance of Ghana's petroleum revenues were used in the preparation of this report.

These reports, first and foremost, aim at keeping Ghanaians and other interested stakeholders constantly informed of how the country's petroleum revenues are being managed, as well as providing platforms for the citizens' feedback to be collated and shared with duty bearers. The keen interest with which the people of Ghana receive the reports is the Committee's motivation in analysing the revenue data as well as the investment position of accrued monies. The report encompasses a broad range of issues associated with petroleum revenue management such as information on production; liftings; total revenues accruing; allocation and utilisation of these revenues by government and the management of the funds set aside in the Ghana Petroleum Funds (Ghana Stabilisation Fund and the Ghana Heritage Fund).

The report also contains an examination of a few issues and findings pertinent to the performance of various institutions charged with responsibilities in the Petroleum Revenue Management Act (PRMA). It is the expectation of the Committee that the good citizens of Ghana will find time to read the report and provide feedback during the public forums to be held following the launch of the report.

PIAC wishes to acknowledge the immense contribution of the Africa Regional Office of the Natural Resource Governance Institute (NRGI), Ghana, formerly Revenue Watch Institute, for their continuous support to PIAC.

PIAC is also very grateful to the UK Department for International Development (DfID) for the multi-year funding support to the activities of the Committee.

Furthermore, PIAC wishes to acknowledge the support of GIZ's Good Financial Governance Programme for funding the printing of our reports and holding of public fora and events.

In conclusion, the Committee is very thankful to the Government of Ghana for the budgetary support given to PIAC for its activities. We wish to thank citizenry for their support and encouragement.

Send us your comments via email to the following address secretariat@piacghana.org or +233 (0) 302 242 006 just in case we are unable to meet with you for one reason or the other.

The Chairman, PIAC

EXECUTIVE SUMMARY

The Public Interest and Accountability Committee is a civil society-based statutory body created by an Act of Parliament – the Petroleum Revenue Management Act (Act 815) – to provide an additional non-parliamentary and independent oversight over the collection and utilisation of Ghana’s petroleum revenues. PIAC is enjoined by its establishing Act to provide two periodic reports – a Semi-Annual and an Annual Report – within a given year detailing out how revenues from oil and gas during the period had been accounted for and utilised.

This report is the fourth Semi-Annual Report to be published by the Committee since its inception. The report analyses crude oil production and liftings; authenticates the accuracy of petroleum revenues declared by state institutions; assesses allocations of petroleum revenues to support annual budget and the Ghana Petroleum Funds as stipulated by the Act; discusses how petroleum receipts were allocated and utilised and analyses the performance of the petroleum funds during the period under review. A combination of desk research methodologies and key informant interviews were employed in gathering and analysing data in coming up with the report.

The following are the key findings made by PIAC in the 2015 Semi-Annual Report:

1. The WCGIP has been completed and commissioned. A total of 11,719,783 MMBTU of lean gas, 36,200 MT of LPG and 10,563 MT of condensates were produced and sold by GNGC with sales value of US\$122.03 million during the first half of 2015. Total payment received by GNGC during the period stood at US\$18.40 million while US\$103.63 million owed by VRA remains unpaid;
2. Crude oil production from the Saltpond Oilfield continued to decline, dropping from 37,443 barrels during the first half of 2014 to 27,513 barrels over the same period in 2015;
3. The Ghana Group lifted 3.83 million barrels of oil (representing 19.91% of total liftings from the Jubilee field) during the first half of 2015 while Saltpond Oil Production Company also lifted 25,453 barrels of oil from the Saltpond Field over the same period;

4. Total petroleum receipts during the first half of the year was US\$274.47 million compared to US\$562.48 million received during the same period in the preceding year, representing a 56% decline in revenue. The significant decline in revenues was attributable to a sharp decline in global crude oil prices which affected all sources of petroleum revenues, especially CIT.
5. No revenue was received from the gas sector even though 10,606 mmBTU of wet gas valued at US\$32.60 million was evacuated to the Atuabo Gas Processing Plant. This receivable, payable by GNGC, represents approximately 77% of revenue expected from gas during the period. This means that the revenue shortfall encountered during the first half of the year would have been six percentage points lower had GNGC honoured its financial obligations to GNPC. GNGC could (or had) not pay GNPC because VRA, the main off-taker of lean gas is indebted to the company up to the tune of US\$103.63 million as the end of June, 2015.
6. An amount of US\$56.69 million was withdrawn from the GSF to compensate for a shortfall in the projected quarterly ABFA for Quarter 1. This is the first time such a withdrawal has been made from the GSF for this purpose since the coming into force of the PRMA. However, PIAC is of the view that this withdrawal from the GSF may not have been necessary if the closing balance of the ABFA Account at the end of 2014 of US\$222.93 million (or GH ¢ 666.06 million) had not been swept by the BOG in assessing the GOG's financial position for 2014 financial year;
7. A surface rental bill of US\$ 67,438.36 dating back to February 2013 payable by Oranto/Stone Energy remains outstanding. Surprisingly, there was no record of it in the BOG half year report even though the payment did not reflect in the list of Surface Rentals paid in the first half of 2015;
8. No royalties were paid from the Saltpond Oilfield even though 25,453 barrels of oil were lifted from the fields during the period under review. The Committee has found that a minimum of US\$37,129, being 3% of revenues, ought to have been paid by SOPCL as royalties to the State. The MoF explained that no royalties was paid by SOPCL because it had been informed by GNPC that SOPCL had ceased operation during the period under review whereas SOPCL reported production of 25,453 barrels of oil in the second quarter of 2015;
9. A total of US\$213 million of petroleum receipts was allocated during the period under review with 69% of the amount (US\$147.26 million) disbursed to the ABFA and remaining 31% (US\$66.33

million) going to the GNPC. This means that for the first time since the implementation of the PRMA began, no transfers were made to the Ghana Petroleum Funds;

10. Fifty-five percent (55%) of the allocation to the ABFA was used to service loans contracted for oil and gas infrastructure, 21% allocated to build capacity in selected sectors, especially education; 20% used for roads and other infrastructure and 4% for interventions aimed at modernizing agriculture;
11. Approximately a third (33.26%) of the allocation to the Roads and Other Infrastructure priority area was spent on 24 roads and ancillary services with expenditure ranging between GH ¢ 127, 591 and GH ¢ 8,075,920. Fourteen (or 58%) of the road projects were new while 10 (42%) had benefitted from previous ABFA support;
12. The largest share of the allocation to the other infrastructure projects was spent on water infrastructure – mainly in the construction of sea defence walls (21.54%), followed by the energy infrastructure – mainly on the National Electrification Scheme (17.36%), transport infrastructure – mainly rehabilitation of railway lines (13.87%), and education infrastructure – mainly construction of classroom blocks and dormitories (1.5%)
13. Approximately 99% of allocations to the Capacity Building priority area went to support interventions in the education sector with approximately 65% of allocations being used to fund various social interventions (such as capitation and feeding grants, examination subsidy) and roughly 35% as support to direct capacity enhancing interventions. No allocation was made towards building capacity in oil and gas sector.
14. Only 4% of the total ABFA went into the agriculture modernization priority area with 61% of the allocated amount being used to construct irrigation infrastructure while the remaining 39% was used to defray outstanding payment under the Fertilizer Subsidy Programme.
15. The GPFs yielded returns on investment of 0.167% (US\$2.28 million) net of fees compared to 2.64% (US\$1.83 million) earned over the same period in 2014. This brings to US\$10.91 million the total net returns on investment on the GPFs since inception.

In the light of the above findings, the PIAC has proffered the following recommendations for the consideration of relevant stakeholder institutions:

1. The US\$222.93 million (GH ¢ 666.06 million) that was swept by the BOG should be refunded to ABFA account as soon as practicable, just as 30% of the Sinking Fund of the US\$100 million that was also swept, was restored by the BOG. This would help prevent further withdrawal from the GSF in 2015. It is also important to stress that the non-refund of the outstanding balance together with the remaining US\$ 70 million of the swept sinking fund would be tantamount to a violation of the PRMA.;
2. Immediate steps must be taken by the GRA and/or BOG to compel SOPCL to pay any outstanding royalties that had fallen due to the State prior to the suspension of its operations. In the same vein Oranto/Stone Energy must be compelled to pay the outstanding surface rental invoice that has been pending since February 2013 with accumulated interest;
3. The GOG should endeavour to pay the US\$50 million special advance given to it by GNPC in 2014 to help improve the capitalisation of the State Oil Company as well as forestall a situation where it becomes a regular practice by the GOG to be making such demands;
4. The Ghana National Gas Company must ensure that all outstanding receivables in respect of lean gas sold to VRA is paid as a matter of urgency so as to guard against the GNGC falling into the never-ending cycle of indebtedness prevalent in the power sector;
5. There is an urgent need for a national dialogue to build consensus on how best to use the ABFA resources since the current way of utilisation is imprudent and less likely to make any impact. Similarly, it is necessary for a proper definition of what constitutes 'capacity building' so as to ensure that funds expended on that priority area go to build real capacity in the chosen sectors of the economy.
6. Serious and urgent attention must be paid to the building of capacity in the oil and gas sector so as to help ensure the realisation of the local content targets set out in the Local Content Policy.
7. The significant and steady drop of crude oil price and its effect on the profitability of the companies operating in Ghana has brought to the fore the need for the administration of the capital allowances regime granted to companies in the oil and gas industry to be looked at again.

SECTION 1

BACKGROUND

1.1 Introduction

The Public Interest and Accountability Committee (PIAC), is a statutory committee established by an Act of Parliament under Section 51 of the Petroleum Revenue Management Act, 2011 (Act 815) to, among others, ensure that the collection and management of petroleum revenues in Ghana are consistent with the provisions of Act 815. Section 56 (a) of Act 815 enjoins PIAC to publish two reports – a Semi-annual and an Annual Report – every year. The purpose of these reports is to provide independent assessment of the management and use of petroleum revenues in a given year. The Committee has since its inauguration in 2011, published eight reports which are the 2011, 2012, 2013 and 2014 Annual Reports and the 2012, 2013, 2014 Semi-Annual Reports with that of 2015 being the fourth.

1.2 Scope

This report covers the period January – June 2015, and its scope includes:

- Analysis of crude oil production and liftings;
- Verification of the accuracy of petroleum revenues declared by state institutions;
- Assessment of the allocation of petroleum revenues to support the annual budget and the Ghana Petroleum Funds as stipulated by the Act; and,
- Analysis of the utilisation of petroleum receipts; and of the performance of the petroleum funds during the period.

1.3 Methodology

In compiling this report, desk study and key informant interviews were used. The main sources of information were from the following key stakeholder institutions:

- i. Ministry of Finance (MoF);
- ii. Ghana National Petroleum Corporation (GNPC);
- iii. Saltpond Offshore Production Company Limited (SOPCL);
- iv. Bank of Ghana (BoG);
- v. Ghana National Gas Company (GNGC); and,
- vi. Ghana Revenue Authority (GRA).

The data collected were reviewed and analysed and where inconsistencies or discrepancies were discovered follow-up interviews were conducted with designated officials of the relevant stakeholder institution(s). The final draft of the report was sent to stakeholder institutions for validation before publication.

SECTION 2

DEVELOPMENTS IN UPSTREAM OIL AND GAS INDUSTRY

2.1 Introduction

Ghana's petroleum industry continues to evolve. According to the MoF and the GNPC, some significant strides and developments that impacted on the petroleum sector during the first half of 2015 included the following:

- The amendments to the PRMA, which, among others, revised the distribution formula of petroleum receipts;
- Consideration of the proposed Petroleum Exploration and Production Bill by the Parliamentary Sub-Committee on Mines and Energy.
- The implementation of the Ghana National Petroleum Corporation's (GNPC) accelerated growth strategy to enable it assume a leadership role in Ghana's oil and gas industry pursuant to its mandate.
- With policy and regulation, the government continues to put in place and strengthen legislative and institutional measures underpinning the management of Ghana's oil and gas resources.
- The industry encountered a major setback following the interim ruling of the International Tribunal for the Law of the Sea (ITLOS) regarding the border dispute between Ghana and La Côte d'Ivoire. The preliminary ruling of the ITLOS placed a moratorium on exploration and drilling of new wells in the disputed area. The decision affects the drilling of new wells in the Tweneboa Enyenra Ntomme (TEN) Project and other blocks that fall within the disputed area. However, it does not affect work required to complete ongoing wells, an indication that the TEN Field will start production on schedule.

2.2 Updates on Field Development

The Jubilee (2 Phase 1A), Tweneboa-Enyeran-Ntomme (TEN) and Sankofa Gye-Nyame (SGN) are the three main projects which have reached various stages of development and are expected to generate cash inflows over the next decade. The status of the key projects as at June 2015 is as follows:

2.2.1 Jubilee Phase 1A Development Plan ("Phase 1A Addendum")

The Jubilee Phase 1A Development Project was designed to increase production and recover additional reserves from the Jubilee field. Phase 1A consisted of eight additional wells which included five producers and three water injectors. The Phase 1A project has successfully

increased well production capacity and enhanced the recoverable reserves potential from Jubilee. Work on the Jubilee Phase 1A project is still on-going with the final 2 Phase 1A wells – J37 (oil producer) and J36 (water injector) – expected to be completed during the second half of 2015 to further enhance the well capacity of the field over the medium term. In addition, work is currently underway on the Greater Jubilee Field Development Plan (GJFDP)¹ which is intended to extend plateau production and bring discoveries surrounding the Jubilee field into production. The GJFDP is expected to be completed in 2015.

2.2.2 Tweneboa-Enyera-Ntomme (TEN)

The TEN field is the second major oilfield in Ghana with estimated recoverable reserves of 245 million barrels (mmbbls) of oil and 365 billion cubic feet (bcf) of gas. Development of the TEN field began in the second half of 2013 and is expected to be completed by the end of 2016 into 2017 at a total cost of US\$5.077 billion. It is expected that the Fields will commence production at a rate of approximately 27,000 bopd, rising to a plateau of 76,000 bopd. The first associated and non-associated gas exports are scheduled for 12 and 24 months, respectively, from first oil. GNPC has a paying interest of 5 percent (CAPEX) during the development phase and a paying interest of 15 percent (OPEX) during the production phase of the project. Further update on the status of the TEN project would be provided in the 2015 Annual Report.

Although the TEN Field falls within the disputed area which is subject to the ITLOS moratorium on drilling of new wells, the initial 10 development wells drilled before the ITLOS Provisional Measures ruling are sufficient to keep the project on schedule towards first oil. Final ruling is expected in 2017. As shown in Appendix A-2 in the annexure, the GNPC spent an amount US\$1.74 million on the TEN project as its share of the field development cost during the period with an additional US\$ 2.11 million being expended on the Maritime Boundary Special Project.

¹ The Greater Jubilee Full Field is an integration of nearby Mahogany, Teak and Akasa (MTA) discoveries in the West Cape Three Points Block with the currently known Jubilee Field.

2.2.3 Sankofa-Gye Nyame (SGN)

First oil of 30,000 barrel per day from the SGN field is expected in August, 2017. The second phase, which is the gas phase, is expected to be completed in early 2018 with first gas expected February 2018. The field is expected to peak at 44,800 bopd, and about 180 mmscf per day of gas. GNPC has a 5% paying interest (CAPEX) during the development phase and a 20% paying interest (OPEX) during the production phase of the project.

An integrated Plan of Development for the project was approved by the Minister for Petroleum in December 2014 paving the way for the SGN field development activities to commence in 2015. The field is not within the disputed area and is, therefore, not subject to the ITLOS ruling. All major contracts were awarded within the first half of 2015 and progress was also made on key gas commercialisation agreements with a Gas Sales Agreement signed between the partners, GNPC and the Government of Ghana.

2.3 Ongoing Exploration Activities

2.3.1 Voltaian Basin

During the period under review, desk studies, which were started in 2014 continued and the process of stakeholder and community sensitization launched as part of the Environmental Impact Assessment (EIA) process. The plan for seismic acquisition has also been completed. The geological review over the basin has been completed and has established the basis for the placement of seismic lines. Full status report on the Voltaian Basin project would be presented in the 2015 Annual Report.

2.4 The Western Corridor Gas Infrastructure Project (WCGIP)

As reported in the 2014 PIAC Annual Report, the Western Corridor Gas Infrastructure Project (WCGIP) was completed in November 2014. Commissioning of gas processing infrastructure – which entails checking, inspecting and testing of the integrated systems and facilities of the project for functionality, reliability, and safety – commenced in November 2014 and was completed in April 2015 when the project entered the commercial phase.



Figure 1: The Commissioned Gas Processing Plant at Atuabo

According to the Ministry of Finance, an amount of US\$24.51 million was disbursed to the ICT component of WCGIDP during the first half of 2015, as indicated in Table 1. This brings to US\$812.62 million the total disbursements made since the inception of the project; 15% of this total amount (US\$121.89 million) has been disbursed by GOG, in line with the CDB loan agreement (MoF, 2015).

Table 1: Disbursement to WCGIP (January to June, 2015)

Date	Utilisation Amount	CDB Portion	GOG Portion	Subsidiary
	US\$			
14-Apr-15	24,510,307.94	20,833,761.75	3,676,546.19	ICT
TOTAL	24,510,307.94	20,833,761.75	3,676,546.19	

Source: Ministry of Finance, 2015

2.4.1 Sale of Gas and Other Products from Atuabo Gas Processing Plant

Table 2 shows the quantity/volumes of petroleum products from the Gas Processing Plants during the first half of 2015.

Table 2: Petroleum Products from the Gas Processing Plant during First Half of 2015

Product	Unit	Quarter 1	Quarter 2	TOTAL
LPG	(MT)	14,640.27	21,560.68	36,200.93
Condensates	(MT)	4,435.34	6,127.96	10,563.3
Lean Gas	(MMBTU)	4,934,825.05	6,784,957.78	11,719,782.83

Source: Ghana Gas Company Limited, 2016

Table 3 gives a breakdown of the sales made by GNGC and expected revenues during the first half of 2015.

Table 3: GNGC Sales and Expected Revenues During First Half of 2015

Product Type	Unit	Volume Supplied	Unit Cost (US\$)*	Total Invoice (US\$)	Amount Paid (US\$)	Outstanding Balance (US\$)
Lean Gas	mmBTU	11,719,782.83	8.8424/mBTU	103,631,007.63	-	103,631,007.63
LPG	MT	36,200.93	402.14/MT	14,610,745.21	14,610,745.21	-
Condensates	MT	10,563.3	370.50/MT	3,792,905.89	3,792,905.89	-
TOTAL				122,034,658.73	18,403,651.1	103,631,007.63

Source: GNGC, 2016

** Unit price for LPG and condensates are averages for the various transactions during the period.*

Table 3 shows that GNGC sold products worth US\$122.03 million during the period under review of which US\$18.40 million (15.08%) was paid leaving outstanding receivables of US\$103.63 million. According to the GNGC, the outstanding receivables is payable by VRA in respect of lean gas supplied for power generation.

Box 1: Findings 1:

- Commissioning of WCGIDP has been completed and full commercial operations began during the period under review;
- A total of 11,719,783 MMBTU of lean gas, 36,200 MT of LPG and 10,563 MT of condensates were produced and sold by GNGC with sales value of US\$98.8 million.
- Total invoice raised amounted to US\$122.03 million of which US\$18.40 million was paid leaving an outstanding balance of US\$103.61 million.
- The outstanding receivable of US\$103.63 million is owed by VRA.

SECTION 3

CRUDE OIL/GAS PRODUCTION AND LIFTING

3.1 Jubilee Crude Oil and Gas Production

The volume of crude oil produced from the Jubilee field during the first half of 2015 was 19,088,843 barrels (averaging 105,463 bopd) compared to 18,679,896 barrels produced during the same period in 2014 as shown in Figure 2. The production volumes achieved during the period under review represents a 2.2% increase over the volumes produced over the same period in 2014. This brings the total volume of crude oil produced from the Jubilee field since commercial production began in 2010 to 143,606,353 barrels.

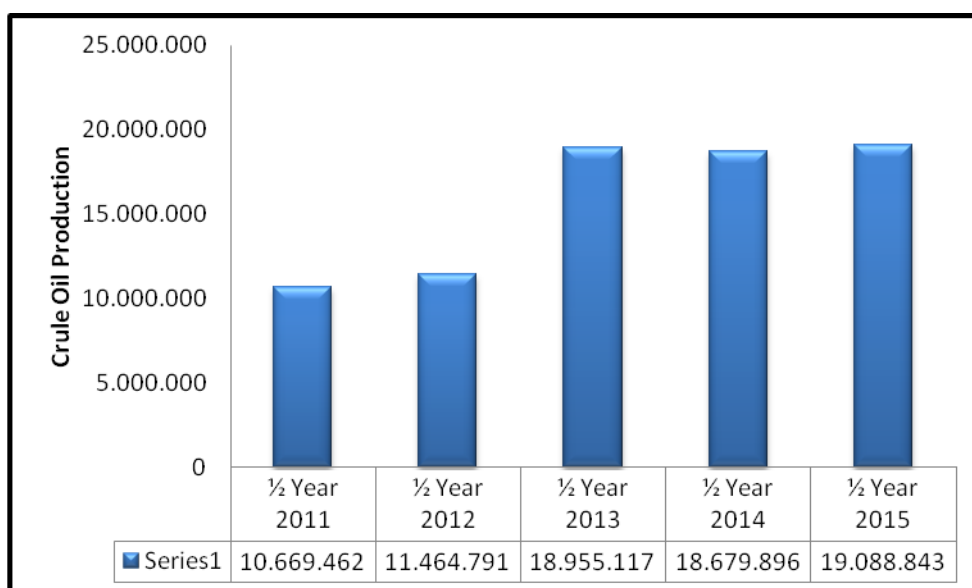


Figure 2: Mid-Year Crude Oil Production from the Jubilee Field, 2011-2015

In the case of associated gas, a total of 27,363 million Standard Cubic Feet (mmSCF) was produced from the Jubilee field between January and June 2015. Table 4 gives the breakdown of crude oil and associated gas production from the Jubilee field during the first half of 2015.

Table 4: Jubilee Crude and Gas Production (January-June 2015)

MONTH	AVG DAILY PROD (BOPD)	PRODUCTION DAYS	MONTHLY PRODUCTION	
			(OIL/ BBLS)	GAS/ mmSCF
January	101,031	31	3,131,962	4,827.00
February	97,726	28	2,736,341	3,916.00
March	110,562	31	3,427,416	4,761.00
April	107,519	30	3,225,578	4,630.72
May	109,726	31	3,401,495	4,816.85
June	105,535	30	3,166,051	4,411.95
TOTAL	105,463²	181	19,088,843	27,363.52

Source: GNPC, 2016

3.2 Saltpond Crude Oil Production

According to the SOPCL, total production from the Saltpond field for the first half of year 2015 was 27,513 barrels compared to 37,443 barrels over the same period in 2014 representing approximately 27% decline in production as shown in Table 5.

Table 5: Half-Year Crude Oil Production from Saltpond Field (2013-2015)

YEAR	PRODUCTION (Barrels of Oil)		TOTAL
	Quarter 1	Quarter 2	
2013	20,558	21,566	42,124
2014	15,118	22,325	37,443

² Figure represents average crude price achieved during the period

2015	14,822	12,691	27,513
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Source: SOPCL, 2013, 2014 and 2015

The MoF however reported that no production took place on the Saltpond Field during the period under review. According to the MoF, information it had received from the GNPC indicated that the SOPCL had been shut down (See paragraph 33 and 91 of the 2015 Annual Report of Petroleum Funds).

Box 2: Findings 2:

- Crude oil production from the Jubilee field increased by 2.2% from 18.68 million barrels in mid-year 2014 to 19.08 million barrel by same period 2015;
- A total of 27,363 mmscf of associated gas was produced from the Jubilee Field during the period under review of which 10,606 mmscf (representing approximately 39.72%) was exported to the Atuabo Plant for processing;
- Crude oil production from the Saltpond Field declined from 37,443 barrels during the first half 2014 to 27,513 barrels over the same period in 2015;
- MoF however reported that SOPCL had shut-down it operations hence no production took place on the Field.

3.3 Jubilee Crude Oil Lifting

In accordance with the Jubilee field Crude Oil Lifting Agreement (COLA), the GNPC lifted four parcels of crude oil (25th, 26th, 27th and 28th liftings) on behalf of the State (Ghana Group) totalling 3,833,918 barrels of oil during the first half of 2015 compared to 15,416,447 barrels lifted by the Jubilee Partners over the same period as shown in Table 6.

Table 6: Crude Oil Lifting by Ghana Group and Jubilee Partners (Jan-June 2015)

PERIOD	LIFTING INFORMATION			
	NUMBER	DATE	GHANA GROUP (barrels)	JUBILEE PARTNERS (barrels)
1ST QUARTER	25 th	05-Feb-15	986,276	6,738,302

	26 th	25-Mar-15	988,069	
2ND QUARTER	27 th	26-May-15	948,230	8,678,145
	28 th	30-Jun-15	911,343	
TOTAL			3,833,918	15,416,447

Source: GNPC, 2015

This brings to 27,210,590 barrels of oil lifted by the Ghana Group since 2011, representing 19.01% of the cumulative liftings of 143,146,444 barrels from the Jubilee field. The details of all lifting that took place during the first half of 2015 is attached in Annex 1.

3.4 Jubilee Field Gas Exports

As indicated in Table 4, a total of 27,363 mmSCF was produced from the Jubilee Field during the first half of 2015. Out of this volume, 10,606 mmSCF (representing 38.76%) was delivered to GNGC for processing at the Atuabo Gas Processing Plant at an estimated value of US\$32.60 million as shown in Table 4. The remaining 16,757 mmSCF was re-injected to maintain reservoir pressure (GNPC, 2015).

Table 7: Gas Exports to GNGC from January to June 2015

PERIOD	VOLUME (mmSCF)	NET CALORIFIC VALUE (mmBTU)	AMOUNT (US\$)
January	1,523.30	1,614,698.00	4,682,624.20
February	1,095.08	1,160,784.80	3,366,275.92
March	1,804.20	1,912,452.00	5,546,110.80
April	1,473.23	1,561,623.80	4,528,709.02
May	2,578.59	2,733,305.40	7,926,585.66
June	2,131.81	2,259,718.60	6,553,183.94
TOTAL	10,606.21	11,242,582.6	32,603,489.54

Source: GNPC, 2015

3.4 Crude Liftings from Saltpond Field

The total lifting from the Saltpond Field between January and June 2015 was 25,453 barrels of oil compared to 35,535 barrels lifted during the same period in 2014 as shown in Table 8.

Table 8: Half Year Crude Oil Lifting from Saltpond Field (2013- 2015)

YEAR	LIFTINGS (Barrels of Oil)		TOTAL
	QTR 1	QTR 2	
2013	20,738	22,988	43,726
2014	22,766	12,769	35,535
2015	-	25,453	25,453

Source: SOPCL, 2013-2015

Box 3: Findings 3:

- The Ghana Group lifted 3.83 million barrels of oil representing 19.01% of total liftings from the Jubilee field between January and June 2015
- A total of 25,453 barrels of oil were lifted from the Saltpond field during the first half of 2015.
- A total of 10,606 mmscf of wet gas from Jubilee Field was exported to Atuabo Gas Plant for processing;

SECTION 4

CRUDE OIL PRICING

4.1 Achieved Price for Jubilee

The average achieved Jubilee crude oil price³ during the first half of 2015 was US\$57.31 per barrel as against a projected benchmark price of US\$99.38 per barrel representing a negative variance of 42.3% as shown in Figure 3.

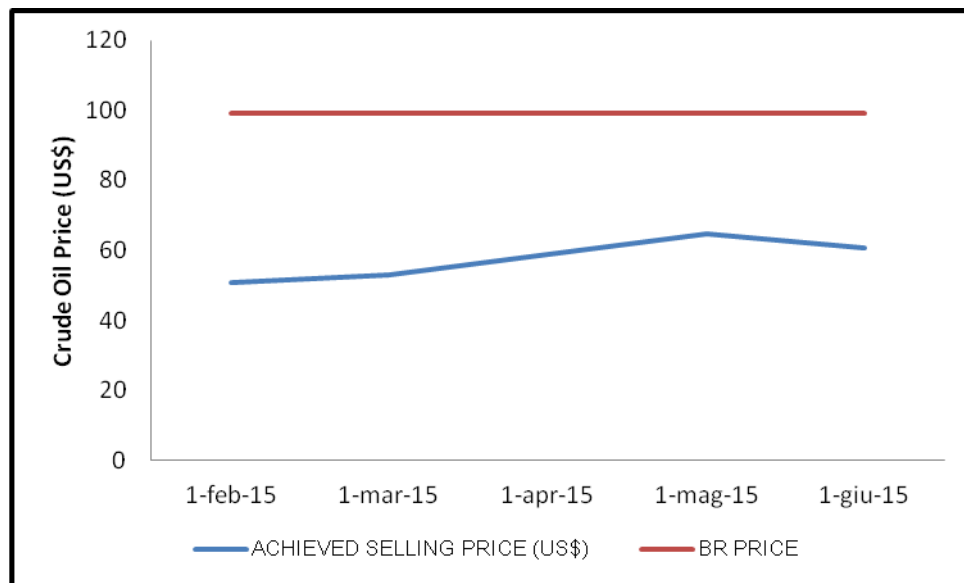


Figure 3: Comparison of Achieved Crude Price and Benchmark Price

Table 9 on the other hand compares the achieved price for Jubilee crude with the dated Brent Price of crude oil during the period under review. The table shows that, with the exception of the 27th lifting (whereby the achieved crude price was marginally higher than the dated Brent Price), the price at which Ghana's share of Jubilee crude was sold was lower than the dated Brent crude price with achieved price averaging approximately three percentage points lower than dated Brent Price during the first half of 2015.

³ Achieved price means the price at which the Ghana Group liftings were sold.

Table 9: Average Achieved Jubilee Crude Price Vs Dated Brent Crude During 1st Half of 2015

PERIOD		QTR 1		QTR 2		AVERAGE PRICE
LIFTING INFORMATION	NUMBER	25th	26 th	27 th	28 th	
	DATE	05-Feb-15	25-Mar-15	26-May-15	30-Jun-15	
	DATED BRENT PRICE (USD)	57.93	55.79	64.56	62.35	
	ACHIEVED SELLING PRICE (US\$)	50.63	53.06	64.75	60.80	
						60.16
						57.31

Source: MoF, 2015 and US-EIA, 2016

4.2 Achieved Price for SOPCL

The gross selling price realised from the sale of crude oil from the Saltpond field during the first half of 2015 was US\$62.87 per barrel. However, the Saltpond crude oil was sold at a discount of US\$12 per barrel yielding a net selling price of US\$50.87 (SOPCL, 2015)

SECTION 5

PETROLEUM RECEIPTS AND UTILISATION

5.1 Total Receipts from Petroleum (January to June, 2015)

The sale of the first three cargoes of crude oil (25th-27th) lifted from the Jubilee field by the Ghana Group for the period yielded an amount of **US\$163.76 million**. An additional amount of US\$101.34 million was also realised from the sale of the 23rd and 24th liftings carried out in December 2014 but paid in January 2015 bringing to **US\$274.09 million**⁴ (GH ¢ 1,010.58 million) the total revenue that accrued from the sale of crude oil from the Jubilee field during the period under review as shown in Table 10.

Table 10: Crude Oil Sales from Jubilee Field (January to June 2015)

Item	Unit	1 st Quarter			2 nd Quarter		TOTAL
		23 rd Lifting	24 th Lifting	25 th Lifting	26 th Lifting	27 th Lifting	
Date of Lifting	dd/mm/yy	09-Dec-14	28-Dec-14	05-Feb-15	25-Mar-15	26-May-15	
Volume of Lift	barrels	912,346	995,165	986,276	947,574	948,230	
Selling Price	US\$	61.486	54.503	50.632	53.056	64.748	

⁴ The total receipt from Jubilee does not include the US\$61.40 million that accrued from the 28th Lifting because it was not distributed during the 2nd Quarter even though the amount was received right at the end of the period under review.

Value of Lift	US\$	56,096,506 ⁵	54,239,478	49,937,126	52,422,989	61,395,996	274,092,065
	GH ¢	180,602,702	187,836,736	175,169,452	201,291,171	265,681,963	1,010,582,024

Source: Ministry of Finance and Bank of Ghana, 2015

Proceeds from the sale of Ghana's share of Jubilee crude oil consist of royalties (of 5% of total production) and the Carried and Participating Interest – CAPI – (of 13.64%) as shown in Table 11 below.

⁵ There is slight discrepancy between the MoF figure (\$56,096,506) and that of the BOG (\$56,096,476.16). According to the BOG, their figure is based on the actual receipt whereas the MoF's was based on the invoiced amount.

Table 11: Composition of Petroleum Revenue from the Jubilee Field

ITEM	Unit	1 st Quarter			2 nd Quarter		TOTAL
		23 rd Lifting	24 th Lifting	25 th Lifting	26 th Lifting	27 th Lifting	
Date of Lifting		09-Dec-14	28-Dec-14	05-Feb-15	25-Mar-15	26-May-15	
Jubilee Royalties	US\$	15,618,117	15,101,092	13,903,252	14,595,354	17,093,575	76,311,390
CAPI	US\$	40,478,389	39,138,386	36,033,874	37,827,635	44,302,421	197,780,705
CIT	US\$	-	-	-	-	-	-
Surface Rental	US\$		17,797			338,997	356,794
PHF Income	US\$	5,154	3,658	1,537	4,509	3,860	18,718
Total Petroleum Receipt	US\$	56,101,660	54,260,934	49,938,664	52,427,498	61,738,852	274,467,608
	GH¢	180,619,252	187,909,631	175,175,047	201,308,781	267,064,567	1,012,077,278

Source: Ministry of Finance, 2015

Table 11 reveals that proceeds (royalties and CAPI) from the sale of crude oil from the Jubilee fields were the main source of government revenue from the petroleum sector and that apart from surface rental and interest earned on the PHF, no revenue accrued from Corporate Income Tax (CIT) from the operators of the Jubilee Field and Saltpond Fields during the period under review. The relative contribution of different components of petroleum revenue to total petroleum receipts during the period under review is shown in Figure 4.

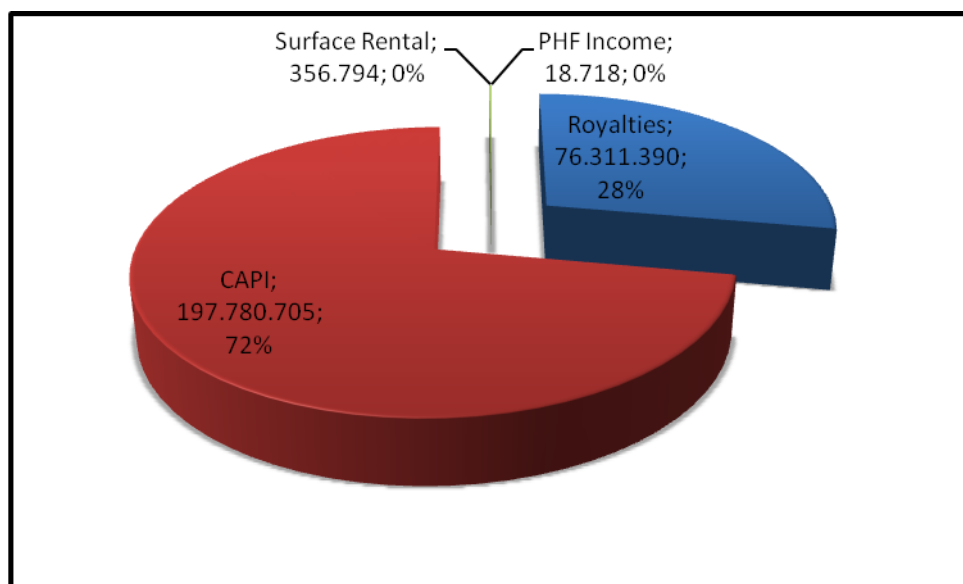


Figure 4: Components of Petroleum Revenue for Half Year 2015

5.2 Analysis of Petroleum Revenues

5.2.1 Royalties

Total royalties received from the Jubilee field during the first half of 2015 amounted to US\$ 76.31 million (representing 27.80% of the total petroleum receipts) compared to US\$114.42 million received during the same period in 2014, which translate to 33.3% decrease in Jubilee royalties. No royalty was received from SOPCL even though some 25,453 barrels of crude oil were lifted from the field during the second quarter of 2015 as indicated in Table 8.

5.2.2 Carried and Participating Interests

The State's Carried and Participating Interest (CAPI) in the Jubilee fields brought in US\$197.78 million (representing 72.06% of the total petroleum receipts) during the first half of 2015 compared to US\$296.17 million received during the same period in 2014. The half year 2015 CAPI of US\$197.78 million represents a 33% decline in petroleum revenue from CAPI.

5.2.3 Surface Rental

As indicated in Table 11, an amount of US\$356,794 representing 0.13% of total half year revenue, was received as surface rental during the period under review compared to US\$673,050 received at end of June 2014. Table 12 gives a breakdown of the companies that paid surface rental during the period under review.

Table 12: Surface Rental Payment by Companies from January-June 2015

VALUE DATE	ORDERING INSTITUTION	AMOUNT PAID (US\$)
12-Feb-15	KOSMOS	17,797.20
20-May-15	ENI GHANA EP LTD	22,600.00
28-May-15	AMNI ITNL. PETROLEUM DEV'T	13,974.00
28-May-15	HESS GH EXP	150,750.00
10-Jun-15	CAMAC ENERGY GH. LTD	73,422.50
12-Jun-15	MEDEA DEV. INTL. LTD	78,250.00
	Total	356,793.7

Source: Bank of Ghana and Ghana Revenue Authority, 2015

As reported in all PIAC's reports since the 2013 Semi-Annual Report, a surface rental bill dated February 21, 2013 for US\$67,438.36 in the name of Oranto/Stone Energy still remains outstanding at the end of June, 2015. It is unclear why this invoice has not been honoured, especially considering the fact that Oranto paid surface rental during the first half of 2014 in respect of another invoice.

5.2.4 Gas Revenue

As indicated in Table 7, a total of 10,606 mmSCF of natural gas valued at US\$32.60 million was evacuated from Jubilee Field to the Atuabo processing plant. Although invoices were submitted by GNPC to GNGC for payment, no payment was made by GNGC during the period under review. This means that actual petroleum receipts during the first half of 2015 should have been

US\$307.07 million (approximately 11% higher than the US\$274.47 million that was received) but for the fact that no payment was made by GNGC⁶.

5.3 Budget Forecast for 2015 versus Half Year Performance

The 2015 Budget Statement estimated that an amount of US\$1.236 billion was expected to accrue to the State from the petroleum sector in 2015 with 50% of the budgeted amount of US\$618.19 million expected to be received during the first half of the year. Table 13 presents how the projected revenues from the various sources fared against the actuals by mid-2015.

Table 13: Petroleum Revenue Forecasts and Actuals in US\$

Item	Original Budget	Budget	Actual	Variance
	A	B=A÷2	C	D=C-B
	Jan-Dec 2015	Prorated (Jan-Jun)	Jan-Jun 2015	Jan-Jun 2015
Royalties	185,227,863	92,613,931	76,311,390	(16,302,541)
<i>o/w Jubilee Royalties</i>	<i>185,048,986</i>	<i>92,524,493</i>	<i>76,311,390</i>	<i>(16,213,103)</i>
<i>o/w SOPCL Royalties</i>	<i>178,877</i>	<i>89,438</i>	-	<i>(89,438)</i>
Carried and Participating Interest	479,602,309	239,801,155	197,780,705	(42,020,449)
Surface Rental*	1,447,960	723,980	356,794	(367,186)
Corporate Income Tax	485,942,661	242,971,331	-	(242,971,331)

⁶ As indicated in Section 2.4.1, GNGC could not fulfill its financial obligations to GNPC because of VRA indebtedness to the company.

PHF Income	-	-	18,718	18,718
Gas	84,150,750	42,075,375	32,603,489 ⁷	(9,471,886)
TOTAL	1,236,371,543	618,185,772	274,467,608	(343,718,164)

Source: Ministry of Finance, 2015

Table 13 reveals that there was approximately 56% (US\$343.72 million)⁸ shortfall in the expected revenues from the petroleum sector during the first half of 2015 with the non-receipt of Corporate Income Tax alone accounting for approximately 71% of the variance between expected revenue of US\$618.19 million and the actual receipt of US\$274.47 million. Table 13 also highlights the importance of CIT as a source of government's petroleum revenue and the fact that the Jubilee Partners have also been badly hit by the declining global crude prices – the fact that they are no longer profitable to pay CIT.

The Ministry of Finance has attributed the underwhelming performance of the petroleum revenues during the first half of 2015 to the sharp decline in crude oil prices and the rigid nature of the formula for estimating Benchmark Revenue (BR) prescribed by PRMA, which according to the MoF, did not allow for the BR to be changed once it is determined in the budget estimates. Consequently, the relevant provision of the PRMA on the BR has since been amended in the Petroleum Revenue Management (Amendment) Act, 2015 (Act 893), thereby allowing the Minister of Finance to revise the BR when there is material evidence that price and/or output projections will not be attained in a given year.

Although the PIAC fully appreciates the implementation challenges imposed by the formula for determining the BR, the Committee is still of the view that the problem could have been addressed much earlier than in 2015 had the MoF paid attention to some of the PIAC recommendations regarding the determination of the BR in the 2013 and 2014 editions of its Semi and Annual Reports.

⁷ It should be pointed out that GNGC's total indebtedness to the GNPC as at the end of June 2015 stood at US\$37.32 million when the unpaid invoice of US\$ 4,630,642.86 in respect of the 1,506.39 mmscf of lean gas supplied by GNPC between November and December 2014 is added to the 2015 receivables.

⁸ It is important to point out that the revenue shortfall would have been approximately 6 percentage point lower if GNPC had received payment for the gas supplied.

Box 4: Findings 4:

- Compared to the same period in 2014, total petroleum revenue that accrued to the State during the period under review of US\$274.47 million declined by 56% on the back of a steady decline in the price of crude oil on the world market. Not only did the price-drop significantly affect revenues from sources such as Royalties and CAPI, but it also led to the non-accrual of revenues in the form of CIT;
- As a result of the shortfall in the projected quarterly ABFA for Quarter 1, an amount of US\$56.69 million was withdrawn from the GSF during the 2nd Quarter to compensate for the Quarter 1 shortfall. This is the first time such a withdrawal has been made from the GSF since the promulgation of the PRMA;
- This withdrawal from the GSF may not have been necessary if the closing balance of ABFA Account at the end of 2014 of US\$222.93 million (or GH ₵ 666.06 million) had not been swept by the BOG in assessing the GOG's financial position for 2014 financial year;
- A surface rental bill of US\$ 67,438.36 dating back to February 2013 payable by Oranto/Stone Energy remains outstanding. Surprisingly, there was no record of it in the BOG half year report even though the payment did not reflect in the list of Surface Rentals paid in the first half of 2015;
- No revenues were received into the PHF from the gas sector even though GNPC evacuated US\$32.60 million worth of wet gas to GNGC between January and June 2015. According to the PRMA, all petroleum revenues shall be paid into the PHF; and
- No payment in respect of royalties was paid into the PHF by SOPCL even though close to 26,000 barrels were lifted from the Saltpond field during the period under review. Available information from SOPCL indicates that a minimum of US\$37,129 being 3% of revenue of US\$1,237,647 received during the 2nd Quarter of 2015, ought to have been paid as royalties.

SECTION 6

DISTRIBUTION AND UTILISATION OF PETROLEUM REVENUES

6.1 Petroleum Revenue Distribution

As indicated in Table 11, an amount of US\$274.47 million was received into the PHF during the first half of 2015 compared with US\$562.48 million that accrued during the same period in 2014. Of the amount, a total of US\$213.60 million was allocated to the GNPC and the ABFA as shown in Table 14.

Table 14: Distribution of Petroleum Revenue During First Half 2015

Item	H1 2015
	Amount (US\$)
Transfer to GNPC	66,334,408.89
<i>o/w Equity Financing cost</i>	28,987,076.53
<i>o/w Net Carried and Participating Interest</i>	37,347,362.26
GOG Net Receipts for Distribution to ABFA and GPFs	147,263,033.68
o/w ABFA	147,263,033.68
o/w Ghana Petroleum Funds (GPFs)	-
<i>o/w Ghana Stabilisation Fund</i>	-
<i>o/w Ghana Heritage Fund</i>	-
TOTAL PAYMENTS	213,597,442.57

Source: Bank of Ghana 2014 and 2015

As can be seen from Table 14, approximately 69% (US\$147.26 million) of the total petroleum revenue received during the period under review was allocated to the ABFA to support the budget with the

remaining 31% (US\$66.33 million) going to the GNPC in respect of its share of development and production cost as well as for its 30% share of net CAPI proceeds. Significantly, Table 14 reveals that no allocation was made to the GPFs during the first half of 2015 compared to an amount of US\$245.49 million that was allocated to the two petroleum funds (GSF – US\$171.84 million and GHF – US\$ 73.65 million) during the same period in 2014.

Box 5: Findings 5:

- An outstanding balance of US\$222 (GH ₵ 666.06) that stood on the ABFA Account as at December 31, 2014 was swept by the Bank of Ghana in assessing the financial position of the GOG.
- Approximately US\$213.60 million (or 78%) of total petroleum revenues received during the period under review were spent with approximately 69% (US\$147.26 million) being allocated to the ABFA and 31% (US\$66.33 million) going to the GNPC;
- For the first time since enactment of PRMA, withdrawals were made from the GSF in accordance with the provisions of Section 12 of Act 815; and,
- For the first time since the coming into force of the PRMA began, no transfers were made to the Ghana Petroleum Funds due to a shortfall in projected receipts occasioned by sharply declining crude oil prices

6.2 Petroleum Revenue Utilisation

6.2.1. Utilisation of GNPC's Share of Revenue

As indicated in Table 14, the GNPC received an amount of US\$66.33 million out of the total petroleum receipts of US\$274.47 million earned by the State during the period under review representing 31% of total receipts. Total expenditure incurred by GNPC during the first half of the year amounted to US\$67.6 million representing over-expenditure of US\$1.3 million. According to the GNPC the additional US\$ 1.3 million was taken from its cash on hand of US\$187.2 million (which it had been accumulating since 2012⁹) awaiting milestone disbursements to various projects leaving an unutilised balance of US\$185.9 million at the end of June 2015. Table 15 gives a breakdown of how the allocation to GNPC was utilized.

⁹ The GNPC unutilized fund has been increasing from US\$61.67 in 2012, to US\$141.70 in 2013 and US\$187.22 in 2014.

Table 15: Utilization of GNPC Share of Jubilee Revenue (January-June 2015)

SRN	RECEIPTS FROM JUBILEE PROCEEDS	AMOUNT (US\$)	EXPENDITURE OF RECEIPTS (US \$)
1	Level A Receipts (Equity Financing)	28,987,076.53	43.7%
2	Level B Receipts (30% of Net Proceeds)	37,347,362.26	56.3%
3	Total Amount Received: (A)	66,334,438.89	100%
SRN	USES OF AMOUNTS ALLOCATED:		
4	Jubilee Financing Cost	46,679,466.57	70.4%
5	Exploration and Development Projects	8,916,298.48	13.4%
6	Staff Cost	4,632,467.84	7.0%
7	Admin. Capital Expenditure	1,052,076.00	1.6%
8	Capital Projects	1,024,099.69	1.5%
9	General Operational Expenditure	4,961,788.87	7.5%
10	Amount Appropriated by Bank of Ghana as charges	331,707.55	0.5%
11	Total Expenditure: (B)	67,597,905.01	101.9%
12	Deficit: (C= A – B)	-1,263,466.12	1.9%
13	Add: Cash B/Fwd (01.01.2015) (D)	187,217,589	
14	Total Cash – Available (E)	185,954,123.59	

	= C + D)		
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Source: GNPC, 2015

Details of the “Jubilee Financing Cost” as well as expenses incurred on “Other Exploration and Development Projects” are as provided in Annex A-2 & A-3 respectively.

Box 6: Findings 6:

- GNPC’s expenditure during the period under review exceeded its half year allocation by 1.9%;
- There is no evidence that the US\$ 50 million special advance given by the GNPC to the Ministry of Finance in 2014 has been repaid neither is there evidence that interest was earned on the GNPC’s unutilised balance brought forward from 2014.

6.1.2. Allocation and Utilisation of the Annual Budget Funding Amount

A total amount of US\$188.73 million (representing approximately 69% of total petroleum revenue that accrued to the State during the first half of 2015 of US\$274.09 million) was allocated to the ABFA.¹⁰ The actual allocation to the ABFA during the period under review (US\$188.73) represents approximately 52% of US\$360.91 million being the projected ABFA for the first half of 2015 (based on the annual ABFA projection of US\$721.82). As a result of the revenue shortfall of US\$ 71.58 million that occurred during the first quarter of 2015, an amount of US\$ 53.69 million was transferred from the Ghana Stabilisation Fund (GSF) to the ABFA bringing total disbursement to the ABFA during the period under review to US\$ 242.41 million (GH ¢ 747.38 million) as shown in Table 16.

Table 16: ABFA Allocation and Variance Analysis (January to June 2015)

¹⁰ The total receipt reported includes proceeds from the 27th lifting (US\$61.40 million), which although received right at the end of the 2nd Quarter was not disbursed until the 3rd. However, the amount has been added for the purposes of analyzing the allocation and utilization of the ABFA so as to ensure consistency with the expenditure report provided by the MoF on the ABFA to the Committee.

Period	US\$			GH ¢		
	Budget	Actual	Variance	Budget	Actual	Variance
Quarter 1	180,454,579	108,873,807	(71,580,772)	613,545,567	258,060,666	(355,484,901)
Quarter 2	180,454,579	133,536,936	(46,917,642)	613,545,567	489,314,577	(124,230,990)
TOTAL	360,909,158	242,410,743	(118,498,414)	1,227,091,134	747,375,243	(479,715,891)

Source: Ministry of Finance 2015

An amount of GH ¢ 651.53 million out of the GH ¢ 747.38 million allocated to the ABFA during the first half of 2015 was distributed to the four priority areas as shown in Table 17. Table 17 indicates that approximately 78% of the ABFA allocation went to support capital expenditures in three of the 4 priority areas, while the remaining 22% was expended on goods and services in two priority areas.

Table 17: Distribution of ABFA to Priority Areas (January to June 2015)

S/N	Priority Area	Amount (GH ¢)		
		<i>Goods and Services</i>	<i>Capital Expenditure</i>	<i>TOTAL</i>
1.	Expenditure on Amortisation of Loans for Oil and Gas Infrastructure	-	361,433,022.08	361,433,022.08
2.	Agriculture	10,200,000.00	16,043,953.28	26,243,953.28

	Modernisation			
3.	Roads and Other Infrastructure	-	127,899,823.96	127,899,823.96
4.	Capacity Building (including Oil and Gas)	135,948,665.69	-	135,948,665.69
	TOTAL	146,148,665.69	505,376,799.32	651,525,465.01

Source: Ministry of Finance, 2015

As evident from Figure 5, 55% of the ABFA allocation during the period under review was used to amortise loans contracted for oil and gas infrastructure, 21% on various capacity building interventions, 20% on roads and other infrastructure and 4% on agriculture modernisation.

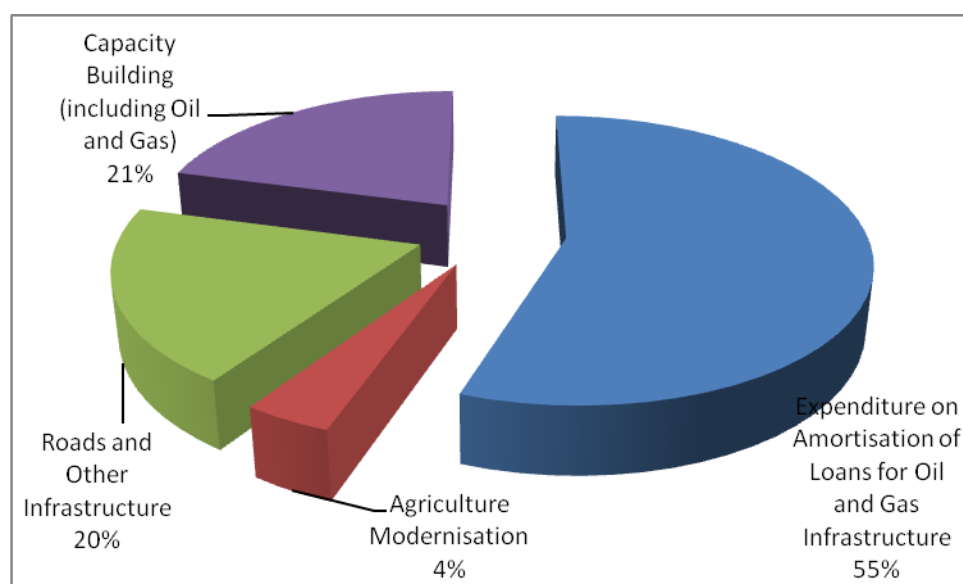


Figure 5: Distribution of ABFA to Priority Areas – January to June 2015

6.1.3 Analysis of ABFA Allocation

6.1.3.1 Expenditure on Amortisation of Loans

From Table 17, GH ¢ 361.43 million was allocated to the Expenditure on Amortisation of Loans priority area, representing more than half of total allocations to the ABFA during the first half of 2015. Of this amount, GH ¢ 347.38 million, representing 96%, was used to pay the principal and

interest for the 2nd tranche of the CDB Master Facility while the remaining 4% (GH ¢ 14.05 million) was spent in respect of CDB matching fund requirements for the Gas Infrastructure Project.

6.1.3.2 Roads and Other Infrastructure

Table 17 also shows that a total of GH ¢ 127.90 million was disbursed to the Road and Other Infrastructure Priority Area. GH ¢ 42.55 million (33.26%) was spent on the emergency rehabilitation, upgrading, and construction of 24 roads and ancillary infrastructure. The full list of roads supported by the ABFA during the period under review is attached in Annex A-4. Of the remaining GH ¢ 85.35 million, GH ¢ 68.76 million (80.56%) was spent on infrastructure projects in the energy, education, water and transportation sectors while GH ¢ 16.59 million (19.44%) was transferred to the Ghana Infrastructure Investment Fund (GIIF), established under the Ghana Infrastructure Investment Fund Act, 2014 (Act 877)¹¹.

Of the GH ¢ 68.76 million allocated to the other infrastructure projects, GH ¢ 22.20 million cedis (representing 26.1%) was expended on energy infrastructure with over 90% (GH ¢ 20.04 million) of the amount being used to procure materials and equipment for the National Electrification Scheme (NES), GH ¢ 1.47 million (6.61%) being used to purchase 10,000 solar lanterns under the Kerosene Lanterns Replacement Programme and GH ¢ 0.69 million (3.1%) being used as counterpart funding for the Ghana Energy Development and Access Programme (GEDAP).

Approximately GH ¢ 28 million (representing 32.27% of the allocation to other infrastructure priority area) was spent on water infrastructure with approximately 95% (GH ¢ 26.13 million) being payment in respect of the construction of 5 sea defence walls/coastal protection works and the remaining 5% (GH ¢ 1.42 million) being used to pay for the construction of drainage systems in Winneba and Agona Swedru; GH ¢ 17.74 million (or 20.78%) of the remaining allocation to the other infrastructure projects was used to fund transport infrastructure (mainly the rehabilitation of the Takoradi-Sekondi railway line, which accounted for 88.82% of the total ABFA expenditure in the transport sector); while GH ¢ 1.28 million (or 1.50%) was spent on education infrastructure including the construction of eight 6-unit classroom blocks, one 3-unit

¹¹ The GIIF Act was enacted to mobilise, manage, coordinate and provide financial resources for investment in a diversified portfolio of infrastructure projects in Ghana for national development and to provide for related matters. One of the main sources of money for the GIIF is the ABFA, from which a maximum of 25% is expected to be transferred to the GIIF every year.

classroom block, two 2-storey dormitory blocks and the rehabilitation of 1 Science Resource Centre.

As indicated earlier, the GIIF received an amount of GH ¢ 16.59 million (representing 19.44% of the allocation to the ‘other infrastructure’) to fund public and private sector investments. According to MoF, checks with GIIF Secretariat indicated that the allocation to the GIIF was not utilised during the period under review.

Figure 6 shows the distribution of ABFA support to roads and other infrastructure while the details of the project funded under the “other infrastructure priority area” is attached in Annex A-5.

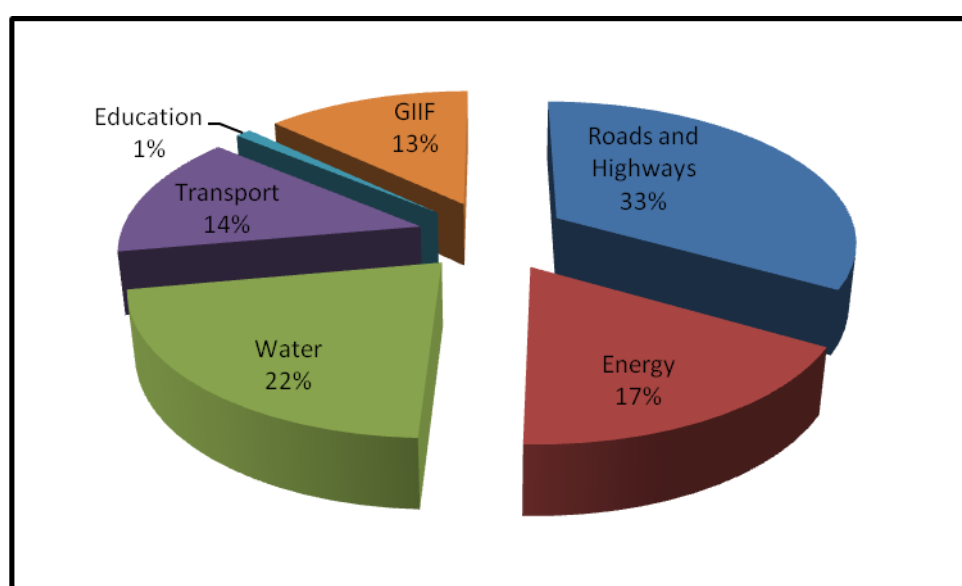


Figure 6: ABFA Allocation to Roads and Other Infrastructure Priority Area (Jan-June 2015)

6.1.3.3 Capacity Building

As indicated in Table 17, an amount of GH ¢ 135.95 million (or approximately 21% of total ABFA for the first half of 2015) was allocated to the Capacity Building Priority area. Table 18 gives a breakdown of how the allocation to the capacity building priority area was utilised.

Table 18: Utilisation of ABFA Allocation to Capacity Building Priority Area

SRN	DESCRIPTION	AMOUNT (GH ¢)

1	Payment of Second Term Claims to the Ministry of Education (MOE) to Improve Capacity at the Primary and Secondary School Level	45,102,904.00
2	Payment For HR Audit Activities To Improve Capacity of The Public Services Commission (PSC) In Readiness For Task Under The Public Financial Management (PFM) Reforms Programmes	2,021,519.27
3	Payment of Capitation Grant for 1st & 3rd term 2013/2014 Academic Year.	16,647,366.85
4	Payment for Feeding Cost for Colleges of Education	15,531,764.00
5	Payment of Feeding Grant For The Institutions of The Handicapped	4,500,000.00
6	Payment of SHS Subsidy for the 1st Term 2014/2015 Academic Year.	22,378,631.70
7	Payment for Initiatives by the Ministry of Education (MOE) to Improve The Capacity of Teachers Across The Country	556,655.18
8	Payment of BECE Subsidy For 2015 Examination	15,543,500.00
9	Payment For Supply of School Uniform For Basic Schools Across The Country	1,487,780.69
10	Implementation of Progressively Free Secondary Education Programme In The First Term of 2015/2016 Academic Year	12,178,544.00
	TOTAL	135,948,665.69

Source: Ministry of Finance, 2015

Table 18 reveals that virtually all (98.5%) the allocations made to the Capacity Building Priority Area during the period under review went to support various interventions in the educational sector with the largest share of the disbursements totalling GH ¢ 88.27 million (64.93%) going to fund a multiplicity of social interventions (capitation grant, feeding grants, examination subsidy, etc) in the sector. The Table also shows that only a little over a third of the allocation (GH ¢ 47.68 million) to the Capacity Building priority area went into direct capacity enhancing programmes with none of them taking place in the oil and gas sector.

6.1.3.4 Agriculture Modernisation

The Agriculture Modernisation priority area received the least share (GH ¢ 26.24 million or approximately 4%) of the total ABFA allocations to various priority areas over the period January to June 2015. Table 19 gives the details of how the ABFA allocation to the Agriculture Modernisation priority area was utilised.

Table 19: Utilisation of ABFA Allocations to Agriculture Modernisation Priority Area

Description	Amount (GH ¢)
Part Payment For Outstanding Bill For Fertilizer Subsidy	10,200,000.00
Payment for the Construction of Dam and Irrigation Infrastructure at <i>Sandema, Wiaga, Zuedem and Tankese</i> in Upper East Region, <i>Dyke</i> in Central Region, <i>Keyime</i> and <i>Ohawuu-Aka</i> in the Volta Region and <i>Silibele</i> in Upper West Region	16,043,953.28

Source: Ministry of Finance, 2015

Table 19 shows that approximately 61% of the disbursements to the agriculture modernisation priority area was used to fund the construction of dams and irrigation infrastructure in 4 regions while the remaining 39% was used to defray part of what the MoF describes as “an outstanding bill” under the Fertilizer Subsidy Programme.

Box 7: Findings 7:

- Fifty-five percent (55%) of the allocation to the ABFA was used to service loans contracted for oil and gas infrastructure, 21% allocated to build capacity in selected sectors, especially education; 20% used for roads and other infrastructure and 4% for interventions aimed at modernizing agriculture;
- Approximately a third (33.26%) of the allocation to the Roads and Other Infrastructure priority was spent on 24 roads and ancillary services with expenditure ranging between GH ¢ 127, 591 and GH ¢ 8,075,920. Fourteen (or 58%) of the road projects were new, while 10 (42%) had had previous ABFA support;
- The largest share of the allocation to the other infrastructure projects was spent on water infrastructure – mainly in the construction of sea defence walls (21.54%), followed by the energy infrastructure – mainly on the National Electrification Scheme (17.36%), transport infrastructure – mainly rehabilitation of railway lines (13.87%), and education infrastructure – mainly construction of classroom blocks and dormitories (1%)
- Approximately 99% of allocations to the Capacity Building priority area went to support interventions in the education sector. Approximately 65% of allocations were used to fund various social interventions (such as capitation and feeding grants, examination subsidy) with roughly 35% going to support direct capacity enhancing interventions.
- Only 4% of the total ABFA went to the agriculture modernization priority area with 61% of the amount going to construction of irrigation infrastructure and the remaining 39% being used to defray outstanding payment under the Fertilizer Subsidy Programme.
- There was no allocation to capacity building in oil and gas sector

6.1.4 Transfers to/from and Performance of the Ghana Petroleum Funds

As indicated in Section 6.1 (Table 14), no transfers were made to the GPFs during the period under review owing to the shortfall in the quarterly ABFA targets. On the contrary, US\$53.69 million was withdrawn from the GSF during the second quarter of 2015 to compensate for the shortfall in the Quarter 1 ABFA projections in accordance with Section 12 of the PRMA. According to Section 12 (2), the allowable amount to be withdrawn from the GSF (in the event of a shortfall in the ABFA) shall be the lesser of:

- a. seventy-five percent of the estimated amount of the shortfall for that quarter; or
- b. twenty-five percent of the balance standing to the credit of the GSF at the beginning of the financial year.

Seventy-five percent (75%) of the shortfall of US\$71.58 million yields an amount US\$ 53.69 million while 25% of the outstanding balance of the GSF at the beginning of 2015 of US\$286.64 million yields US\$ 71.66 million. Consequently, US\$53.69 million, being the lesser of the two amounts, was withdrawn from the GSF during the Quarter 2 of 2015 leaving a balance of US\$233.28 million as at the end of June 2015 (MoF, 2015).

The PHFs yielded return on investment of 0.167% (US\$2.28 million) net of fees over the first half of 2015 with the GSF and GHF contributing US\$ 0.329 million (0.47%) and US\$ 1.95 million (-0.54%) respectively as shown in Table 20.

Table 20: Portfolio Performance of Ghana Petroleum Holding Funds

GHANA STABILISATION FUND ACCOUNT	
ITEM	AMOUNT (US\$)
Opening Book Value (1 January 2015)	286,644,044.38
Receipt during the period	-
Income from Investments	329,578.28
Bank Charges	(3,757.26)
Withdrawal	(53,685,578.98)
Closing Book Value (30 June, 2015)	233,284,286.42
GHANA HERITAGE FUND ACCOUNT	
ITEM	AMOUNT (US\$)
Opening Book Value (1 January 2015)	248,915,219.57
Receipt during the period	-
Income from Investment	1,953,407.25
Bank Charges	(7,396.39)

Closing Book Value (30 June 2014)	250,861,230.43
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Source: Bank of Ghana, 2015

As indicated in Table 20, the balances in the GPFs as at end of June 2015 stood at US\$233.28 million for the GSF and US\$250.86 million for the GHF bringing to US\$484.15 million the total portfolio value of the GPFs.

Box 8: Findings 8:

- An amount of US\$53.69 million was withdrawn from the GSF during the second quarter to compensate for shortfalls in Quarter 1 petroleum receipts.
- The GPFs yielded returns on investment of 0.167% (US\$2.28 million) net of fees compared to 2.64% (US\$1.83 million) earned over the same period in 2014;
- Net returns on investment on the GPF since 2011 stood at US\$10.91 million

SECTION 7

SUMMARY OF KEY FINDINGS

The following is a summary of the key findings:

1. The WCGIP has been completed and commissioned. A total of 11,719,783 MMBTU of lean gas, 36,200 MT of LPG and 10,563 MT of condensates were produced and sold by GNGC with sales value of US\$122.03 million during the first half of 2015. Total payment received by GNGC during the period stood at US\$18.40 million while US\$103.61 million owed by VRA remains unpaid;
2. Crude oil production from the Saltpond Oilfield continued to decline, dropping from 37,443 barrels during the first half of 2014 to 27,513 barrels over the same period in 2015;
3. The Ghana Group lifted 3.83 million barrels of oil (representing 19.91% of total liftings from the Jubilee field) during the first half of 2015 while Saltpond Oil Production Company also lifted 25,453 barrels of oil from the Saltpond Field over the same period;
4. Total petroleum receipts during the first half of the year was US\$274.47 million compared to US\$562.48 million received during the same period in the preceding year, representing a 56% decline in revenue. The significant decline in revenues was attributable to a sharp decline in global crude oil prices which affected all sources of petroleum revenues, especially CIT.
5. No revenue was received from the gas sector even though 10,606 mmbTU of wet gas valued at US\$32.60 million was evacuated to the Atuabo Gas Processing Plant. This receivable, payable by GNGC, represents approximately 77% of revenue expected from gas during the period. This means that the revenue shortfall encountered during the first half of the year would have been six percentage points lower had GNGC honoured its financial obligations to GNPC. GNGC could (or had) not pay GNPC because VRA, the main off-taker of lean gas is indebted to GNGC up to the tune of US\$103.63 million as the end of June, 2015.
6. An amount of US\$56.69 million was withdrawn from the GSF to compensate for a shortfall in the projected quarterly ABFA for Quarter 1. This is the first time such a withdrawal has been made from the GSF for this purpose since the coming into force of the PRMA. However, PIAC is of the view that

this withdrawal from the GSF may not have been necessary if the closing balance of the ABFA Account at the end of 2014 of US\$222.93 million (or GH ¢ 666.06 million) had not been swept by the BOG in assessing the GOG's financial position for 2014 financial year;

7. A surface rental bill of US\$ 67,438.36 dating back to February 2013 payable by Oranto/Stone Energy remains outstanding. Surprisingly, there was no record of it in the BOG half year report even though the payment did not reflect in the list of Surface Rentals paid in the first half of 2015;
8. No royalties were paid from the Saltpond Oilfield even though 25,453 barrels of oil were lifted from the fields during the period under review. The Committee has found that a minimum of US\$37,129, being 3% of revenues, ought to have been paid by SOPCL as royalties to the State. The MoF explained that no royalties was paid by SOPCL because it had been informed by GNPC that SOPCL had ceased operation during the period under review whereas SOPCL reported production of 25,453 barrels of oil in the second quarter of 2015;
9. A total of US\$213 million of petroleum receipts was allocated during the period under review with 69% of the amount (US\$147.26 million) disbursed to the ABFA and remaining 31% (US\$66.33 million) going to the GNPC. This means that for the first time since the implementation of the PRMA began, no transfers were made to the Ghana Petroleum Funds;
10. Fifty-five percent (55%) of the allocation to the ABFA was used to service loans contracted for oil and gas infrastructure, 21% allocated to build capacity in selected sectors, especially education; 20% used for roads and other infrastructure and 4% for interventions aimed at modernizing agriculture;
11. Approximately a third (33.26%) of the allocation to the Roads and Other Infrastructure priority area was spent on 24 roads and ancillary services with expenditure ranging between GH ¢ 127, 591 and GH ¢ 8,075,920. Fourteen (or 58%) of the road projects were new while 10 (42%) had had previous ABFA support;
12. The largest share of the allocation to the other infrastructure projects was spent on water infrastructure – mainly in the construction of sea defence walls (21.54%), followed by the energy infrastructure – mainly on the National Electrification Scheme (17.36%), transport infrastructure –

mainly rehabilitation of railway lines (13.87%), and education infrastructure – mainly construction of classroom blocks and dormitories (1.5%)

13. Approximately 99% of allocations to the Capacity Building priority area went to support interventions in the education sector with approximately 65% of allocations being used to fund various social interventions (such as capitation and feeding grants, examination subsidy) and roughly 35% as support to direct capacity enhancing interventions. No allocation was made towards building capacity in oil and gas sector.
14. Only 4% of the total ABFA went into the agriculture modernization priority area with 61% of the allocated amount being used to construct irrigation infrastructure while the remaining 39% was used to defray outstanding payment under the Fertilizer Subsidy Programme.
15. The GPFs yielded returns on investment of 0.167% (US\$2.28 million) net of fees compared to 2.64% (US\$1.83 million) earned over the same period in 2014. This brings to US\$10.91 million the total net returns on investment on the GPFs since inception.

SECTION 8

CONCLUSIONS AND RECOMMENDATIONS

8.1 Conclusions

The prolonged and steady 'nose-diving' of global crude oil prices has finally started taking its heavy toll on Ghana's fledgling petroleum sector by creating significant loopholes in expected revenues. Although the PRMA had made provisions for such eventuality by creating the Ghana Stabilisation Fund, the global oil crisis appears to have had a greater impact on the GSF to be able to cope with the effect of the collapsing crude oil prices. Even before the problem got worse, the PIAC had cautioned in its 2014 Annual Report that the decision by the GOG to introduce a cap, which allowed the Minister of Finance to prematurely make withdrawal from the GSF, had already compromised the ability of the GSF to serve the purpose for which it was created.

While PIAC concedes that very little could be done on the part of the GOG to stem the shrinking of its petroleum revenues, it is still of the view that prudent measures could be implemented on the utilisation of the hydrocarbon resources, however small they might be. PIAC is still concerned about the way the ABFA is being spread thinly in the utilisation and distribution among the priority areas.

In the light of the above observations and findings made in the report, the Committee wishes to proffer the following recommendations for the GOG's consideration.

8.2 Recommendations

1. The US\$222.93 million (GH ₵ 666.06 million) that was swept by the BOG should be refunded to ABFA account as soon as practicable, just as 30% of the Sinking Fund of the US\$100 million that was also swept, was restored by the BOG. This would help prevent further withdrawal from the GSF in 2015. It is also important to stress that the non-refund of the outstanding balance together with the remaining US\$ 70 million of the swept sinking fund would be tantamount to a violation of the PRMA. PIAC meanwhile wishes to commend the MoF for its decision to work with the BOG to ring-fence the petroleum-based and other funds from being swept in the future;

2. Immediate steps must be taken by the GRA and/or BOG to compel SOPCL to pay any outstanding royalties that had fallen due to the State prior to the suspension of its operations. In the same vein Oranto/Stone Energy must be compelled to pay the outstanding surface rental invoice that has been pending since February 2013 with accumulated interest;
3. The GOG should endeavour to pay the US\$50 million special advance given to it by GNPC in 2014 to help improve the capitalisation of the State Oil Company as well as forestall a situation where it becomes a regular practice by the GOG to be making such demands;
4. The Ghana National Gas Company must ensure that all outstanding receivables in respect of lean gas sold to VRA is paid as a matter of urgency so as to guard against the GNGC falling into the never-ending cycle of indebtedness prevalent in the power sector;
5. There is an urgent need for a national dialogue to build consensus on how best to use the ABFA resources since the current way of utilisation is imprudent and less likely to make any impact. Similarly, it is necessary for a proper definition of what constitutes 'capacity building' so as to ensure that funds expended on that priority area go to build real capacity in the chosen sectors of the economy.
6. Serious and urgent attention must be paid to the building of capacity in the oil and gas sector so as to help ensure the realisation of local content targets set out in the Local Content Policy.
7. The significant and steady drop of crude oil price and its effect on the profitability of the companies operating in Ghana has brought to the fore the need for the administration of the capital allowances regime granted to companies in the oil and gas industry to be looked at again.

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ANNEXURE

Appendix A-1: Jubilee Unit Crude Oil Liftings By Jubilee Partners (Jan-June 2015)

LIFTING DATE	JUBILEE PARTNER	QTY LIFTED (BBLs)
07-Jan-2015	Anadarko & PetroSA Ghana Limited-0031	951,199
16-Jan-2015	Anadarko & PetroSA Ghana Limited-0032	982,172
26-Jan-2015	Tullow Ghana Limited-0044	996,194
05-Feb-2015	Ghana Group-0025	986,276
14-Feb-2015	Kosmos-0030	995,607
23-Feb-2015	Tullow Ghana Limited-0045	994,182
06-Mar-2015	Anadarko & PetroSA Ghana Limited-0033	914,963
15-Mar-2015	Kosmos-0031	903,985
25-Mar-2015	Ghana Group-0026	988,069
03-Apr-2015	Tullow Ghana Limited-0046	995,829
11-Apr-2015	Anadarko & PetroSA Ghana Limited-0034	995,301
20-Apr-2015	Tullow Ghana Limited-0047	996,349
29-Apr-2015	Kosmos-0032	997,652
07-May-2015	Anadarko & PetroSA Ghana Limited-0035	903,422

17-May-2015	Tullow Ghana Limited-0048	948,320
26-May-2015	Ghana Group-0027	948,230
04-Jun-2015	Kosmos-0033	948,010
13-Jun-2015	Anadarko & PetroSA Ghana Limited- 0036	946,710
21-Jun-2015	Tullow Ghana Limited-0049	946,552
TOTAL LIFTED		19,250,365

Source: GNPC, 2015

Appendix A-2: Schedule of Jubilee Cash Calls Funding

	Nov- 2014	Dec- 2014	Jan- 2015	Feb- 2015	Mar- 2015	Apr- 2015	TOTAL
Invoice Date	14-Dec-14	20-Jan-15	17-Feb-15	19-Mar-15	18-Apr-15	19-May-15	
Due Date	06-Jan-15	04-Feb-15	04-Mar-15	03-Apr-15	03-May-15	03-June-15	
	US\$	US\$	US\$	US\$	US\$	US\$	
PRODUCTION	4,371,765	10,067,496	6,704,790	4,052,629	5,467,002	1,458,663	32,122,345
DEVELOPMENT	290,459	2,078,865	1,673,205	516,320	554,322	177,948	5,291,119
TOTAL	4,662,224	12,146,361	8,377,995	4,568,949	6,021,324	1,636,611	37,413,464*

Source: GNPC, 2016

*According to the GNPC the difference of US\$9.27 million between the US\$46,679,466.57 reported in Table 12 to have been spent on the Jubilee project during the period under review and the total cash calls of US\$37,413,464 is accounted for by in-house staff cost.

Appendix A-3: Breakdown of GNPC's Other Projects

Description	Amount (US\$)
North & South Tano Petroleum Project	1,494,693.39
TEN Project	1,742,124.02

Voltaian Basin Petroleum Project	1,023,230.07
South Deepwater Tano Petroleum Project	587,852.04
OCTP ENI Project	504,037.20
Hess	908,387.04
Ultra DeepWater [Keta Heritage]	353,609.17
Explorco	188,727.10
Maritime Boundary Special Project	2,114,638.45
TOTAL Non-Jubilee Project Expenditure	8,917,298.48

Source: GNPC, 2015

Appendix A-4: List of ABFA-Funded Road Projects

No.	PROJECT DESCRIPTION	AMOUNT (GH ₵)
1	EMERGENCY WORKS FOR THE UPGRADING OF HO - ADIDOME ROAD (KM 67.0 - 76.8) LOT 1 IPC 9	2,810,335.25
2	PAYMENT OF IPC 1(MOBILIZATION)	588,575.12
3	REHAB OF OBOGU OFOASE GYADEM BODGWESANGO ADANSI ASOKWA ROAD. IPC 20	3,376,927.98
4	CONSTRUCTION OF ENCHI DADIESO ROAD (KM 0 -30) IPC 10	3,697,202.45
5	BEING AMOUNT RELEASED FOR THE PAYMENT OF WORK DONE IN RESPECT OF SURFACING OF AGOGO TOWN ROADS (ADDENDUM)	373,062.99
6	PARTIAL RECONSTR. OF HAVE KPANDO ROAD LOT 1 IPC 3	1,385,348.95
7	UPGRADING OF DORMAA AHENKRI NKRANKWANTA ROAD(KM 10 - 20) IPC 4	342,592.77
8	RESEALING/PARTIAL RECONSTR. OF APAM - ANKAMU - AFRANSI ROAD IPC 5A	127,591.14
9	CONSTUCTION OF HO-FUME ROAD(KM 7.0 AND KM 28.7 - 40.1) IPC 18	1,937,387.31
10	UPGRADING OF SOGAKOPE ADIDOME ROAD(KM 7.0) ASIEKPE - MAFI KUMASI	707,366.64

	ROAD (KM 0 -8.35) AND SOGAKOPE SHS ACCESS ROAD(KM 1.8) EMERGENCY WORKS	
11	BEING AMOUNT RELEASED FOR THE PAYMENT OF WORK DONE IN RESPECT OF BITUMEN SURFACING OF MIM TOWN ROADS AS PER IPC NO. 3 DATED 22ND JANUARY, 2015	1,005,488.64
12	RECONSTRUCTION OF KPANDO - WORAWORA - DAMBAI ROAD, PHASE III (WORAWORA - DAMBAI SECTION IPC 35	2,605,270.69
13	PARTIAL RECONST. OF TROM SOMANYA ODUMASE KPONG ROAD(15.8KM) AS AN ADDENDUM TO UPGRADING OF GOLOKWATI WLI HOHOE ROAD(KM10) IPC 2	8,075,920.70
14	PAYMENT OF WORK DONE IN RESPECT OF THE CONST. OF STEEL BRIDGE OVER RIVER KORHUMU ON ASUOKAWKAW-AKOLRPAW FEEDER ROAD AS PER IPC NO. 3 DATED JULY, 2014	366,109.11
15	CONSTRUCTION OF HO NYIVE HONUTA KPEDZE ROAD(KM 15.5) TOKOKOE AVE SHIA(8.5KM) AND NYIVE ATIKPUI (6.0KM) IPC 11	463,388.71
16	EMERGENCY RECONSTRUCTION OF	1,852,105.16

	ASHAIMAN MAIN ROAD AS PER IPC NO. 4 AND SPW NO. 1504715.	
17	UPGRADING OF EASTERN CORRIDOR PROJECT - ASIKUMA JUNCTION HOHOE SECTION IPC 10A	3,371,767.14
18	BEING AMOUNT RELEASED FOR THE PAYMENT OF WORK DONE IN RESPECT OF BITUMEN SURFACING OF ANYINAM TOWN ROADS PHASE II AS PER IPC NO.3 DATED 17TH DECEMBER, 2014	351,579.90
19	BEING AMOUNT RELEASED FOR THE PAYMENT OF WORK DONE IN RESPECT OF THE CONST. OF STEEL BRIDGE OVER RIVER KUMBUI ON WULENSI-CHAMBA FEEDER ROAD AS PER IPC NO.12 DATED 10TH NOVEMBER, 2014	264,336.35
20	CONSTRUCTION OF ADAMNANA-BAWJUASE ROAD AS PER IPC NO. 1	570,708.90
21	BEING RELEASED FOR THE PAYMENT OF WORK DONE IN RESPECT OF SURFACING OF AMANTENA JN-WIOSO PHASE III AS PER IPC NO. 15 DATED 24TH OCTOBER, 2014.	240,554.45
22	UPGRADING OF ANYINAM KWABENG AKROPONG ROAD (KM 0 -10. 0) IPC 1	1,017,712.24
23	UPGRADING OF KADE-WENCHI-AKIM ODA AND ADANKRONO-PRAMKESE-	129,229.95

	AKIM AKROPONG ROADS IPC 14	
24	REHABILITATION OF TSE ADDO AREA ROADS PH.1(6.10KM) AS PER IPC NO. 1	6,884,661.96
	TOTAL	42,545,224.5

Appendix A-5: List of Other Infrastructure Projects Funded by ABFA

No.	PROJECT DESCRIPTION	AMOUNT (GH ₵)
1	<i>Energy Infrastructure</i>	22,199,925.66
2	GOG COUNTERPART FUND SUPPORT TO THE GHANA ENERGY DEVELOPMENT AND ACCESS PROJECT (GEDAP)	688,800.00
3	PAYMENT FOR SUPPLY OF ELECTRICAL CABLE AND CONDUCTORS UNDER THE NATIONAL ELECTRIFICATION SCHEME	2,159,764.00
4	BEING PAYMENT FOR SUPPLY OF METERS FOR THE NATIONAL ELECTRIFICATION SCHEME	7,952,564.65
5	BEING PAYMENT FOR SUPPLY OF WOODEN POLES AND STAYS BLOCKS UNDER THE NATIONAL ELECTRIFICATION SCHEME	5,138,413.11
6	PAYMENT FOR SUPPLY OF ELECTRICAL CABLE AND CONDUCTORS UNDER THE NATIONAL ELECTRIFICATION SCHEME	4,792,494.00
7	PAYMENT FOR THE SUPPLY OF TEN THOUSAND SOLAR LANTERNS	1,467,889.90
	<i>Water Infrastructure</i>	27,546,036.73
1	PAYMENT FOR THE CONSTRUCTION OF THE NEW TAKORADI SEA DEFENCE PROJECT	20,000,000.00
2	PAYMENT FOR THE SAKUMONO SEA DEFENCE,IPC NO.2	806,619.65
3	PART PAYMENT FOR ADJOA COASTAL PROTECTION WK IPC NO. 1	1,000,000.00
4	PART PAYMENT,NGYIRESIA SEA DEFENCE,IPC NO. 7	3,228,607.90

5	PAYMENT FOR STORM DRAINAGE SYSTEMS IN WINNEBA	420,182.18
6	PART PAYMENT FOR THE CONSTRUCTION OF THE AGONA SWEDRU DRAINAGE PROJECT	1,000,000.00
7	PAYMENT FOR THE CONSTRUCTION OF ABOADZE COASTAL PROTECTION.	1,090,627.00
	<i>Transport Infrastructure</i>	17,738,768.56
1	PAYMENT FOR THE REDEVELOPMENT OF T'DI-SEKONDI VIA KOJOKROM SUBURBAN RAILWAY LINE INCLUDING RAILWAY STATIONS AND SUPPLY OF ROLLING STOCK.	14,405,955.66
2	PAYMENT FOR THE CONSTRUCTION OF ADMINISTRATIVE BLOCK AND AUDITORIUM COMPLEX	1,982,320.66
3	PAYMENT FOR THE CONSULTING SERVICES AND CONSTRUCTION SUPERVISION OF TAKORADI-SEKONDI RAILLINE	1,350,492.24
	<i>Education Infrastructure</i>	1,277,181.79
1	WORK DONE ON THE CONSTRUCTION OF 3-UNIT CLASSROOM BLK AT AKPENKRO JHS IN THE ATWIMA MPONUA DISTRICT. CERT. NO.1	58,648.58
2	WORK DONE ON THE CONSTRUCTION OF 6-UNIT CLASSROOM BLK AT ST. MARY'S BOYS SHS. & CERT NO. 4	21,531.96
3	WORK DONE ON THE CONSTRUCTION OF 2-STOREY DORMITORY BLK AT MIM SHS. & CERT. NO.4	57,096.90
4	WORK DONE ON THE CONSTRUCTION OF 6-UNIT CLASSROOM BLK AT BANU PRIM. SCH. & CERT.	290,115.91

	NO.2	
5	WORK DONE ON THE CONSTRUCTION OF 2-STOREY DORMITORY BLK AT FUMBISI SHS. & CERT NO. 4	40,505.18
6	CONSTRUCTION OF 6-UNIT CLASSROOM BLK AT LA ANGLICAN BASIC SCH. & CERT NO. 2	73,091.76
7	WORK DONE ON THE CONSTRUCTION OF 6-UNIT CLASSROOM BLK AT KPALNYE. CERT NO.1	96,708.37
8	WORK DONE ON THE CONSTRUCTION OF 6-UNIT CLASSROOM BLK AT GUMAKATARI PRIM. SCH.) CERT. NO.2	165,909.10
9	WORK DONE ON THE CONSTRUCTION OF 2-STOREY DORMITORY BLK ST. PETER'S SHS. CERT NO.6	51,044.40
10	CONSTRUCTION OF 6-UNIT CLASSROOM BLK WITH ANCILLARY FACILITIES AT PORTOR L/A PRIM. SCH. CERT. NO. 2	20,601.81
11	CONSTRUCTION OF 6-UNIT CLASSROOM BLK AND ANCILLARY FACILITIES AT BRONSAKRO PRIM. SCH. CERT. NO.2	108,267.65
12	WORK DONE ON THE CONSTRUCTION OF 6-UNIT CLASSROOM BLK AT ANYIMAH ANGLICAN PRIM. SCH- RELOCATED TO PRAMPOSO. CERT NO.1	121,723.11
13	REHABILITATION OF SCIENCE RESOURCE CENTRE AT NALERIGU SHS. & CERT. NO.2	61,006.75
14	WORK DONE ON THE CONSTRUCTION OF 6-UNIT CLASSROOM BLK AT SEFWI-WIAWSO SHS. (MOFEP LETTER NO.B.140/2015/SUTP/2 OF 30/4/15 & CERT NO.2 OF 25/3/13)	27,738.85
15	CONSTRUCTION OF 6-UNIT CLASSROOM BLK AT AKPO YIWASE D/A PRIM. SCH. & CERT NO. 1	83,191.46

	Transfers into the Ghana Investment and Infrastructure Fund (GIIF)	16,592,686.72
	GRAND TOTAL	85,354,599.46

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(Chairman)
Ghana Academy of Arts and
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Kwame Jantuah
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Mr Kwesi Jonah
Independent Policy Think Thanks



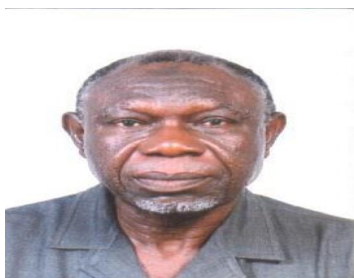
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