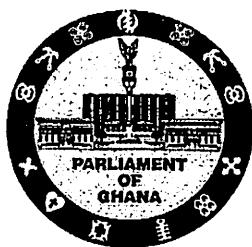


**IN THE THIRD SESSION OF THE SEVENTH
PARLIAMENT OF THE FOURTH REPUBLIC
OF GHANA**



**REPORT OF THE SELECT COMMITTEE ON
MINES AND ENERGY**

ON THE

**2019 PROGRAMME OF ACTIVITIES OF
GHANA NATIONAL PETROLEUM
CORPORATION (GNPC)**

PARLIAMENT OF GHANA LIBRARY

THURSDAY, 28TH MARCH, 2019

**REPORT OF THE COMMITTEE ON MINES AND ENERGY
ON THE 2019 PROGRAMME OF ACTIVITIES OF THE GHANA
NATIONAL PETROLEUM CORPORATION (GNPC)**

1.0 INTRODUCTION

- 1.1 The 2019 Programme of Activities of the Ghana National Petroleum Corporation (GNPC) was laid in Parliament on 5th February, 2019 by the Hon. Minister for Energy, Mr. John Peter Amewu in accordance with Section 7(3)(b) of the Petroleum Revenue Management Act, 2011 (Act 815).
- 1.2 The Report subsequently referred the Programme of Activities to the Select Committee on Mines and Energy for consideration and report pursuant to Order 188 of the Standing Orders of Parliament.

2.0 DELIBERATIONS

- 2.1 The Committee met on 11th March, 2019 and considered the Report. Present at the meeting were the Hon. Minister for Energy, Mr. John Peter Amewu and a team of Officials from GNPC led by the Chief Executive Officer, Dr. Kofi Koduah Sarpong.
- 2.2 The Committee is grateful to the Hon. Minister and his from GNPC for attending upon the Committee to provide clarifications to the content of the Report and the needed assistance to ensure a successful deliberations.

3.0 REFERENCE DOCUMENTS

- 3.1 The Committee referred to the following documents during its deliberations:
- i. The 1992 Constitution of the Republic of Ghana;
 - ii. The Standing Orders of Parliament;
 - iii. The Petroleum Revenue Management Act, 2011 (Act 815);
 - iv. The Petroleum Revenue Management (Amendment) Act, 2015 (Act 893);

- v. The Petroleum (Exploration and Production) Act, 2016 (Act 919);
- vi. The Ghana National Petroleum Corporation Act, 1983 (PNDC Law 64); and
- vii. The 2018 Programme of Activities of the Ghana National Petroleum Corporation

4.0 BACKGROUND INFORMATION

- 4.1 The Ghana National Petroleum Corporation (GNPC) was established in 1984 through the promulgation of the Ghana National Petroleum Corporation Law, 1983 (PNDC Law 64). Under Section 2(1) of the PNDC Law 64, the Corporation is mandated to undertake the exploration, development, production and disposal of petroleum in the country.
- 4.2 In pursuit of the above stated objective, the Corporation is enjoined to ensure that the country derives the possible maximum benefits from the exploitation of the petroleum resources, and to develop national capabilities along the entire petroleum value chain. The Corporation is to ensure that the conduct of petroleum activities are in such a manner that minimize potential adverse effect on the environment and the people.
- 4.3 To deliver on the above objectives, the Petroleum Revenue Management Act, 2011 (Act 815) was passed in April 2011 to commit part of the proceeds from the sale of petroleum resources to fund the Programme of Activities of the Corporation. However, Section 7(3) (b) of the Act 815 mandates the Corporation to submit to Parliament for approval, the Annual Programme of Activities of the Corporation as a measure of ensuring prudent use of funds allocated to the Corporation.
- 4.4 It was in fulfilment of this legal injunction that the Minister for Energy presented the Report of the 2019 Programme of Activities of the Corporation to Parliament for approval.

5.0 VISION AND MISSION OF GNPC

- 5.1 The vision of the GNPC is to become a global Oil and Gas Company whose operations will have a profound impact on the quality of life of the people of Ghana.
- 5.2 As per its mission statement, the Corporation commits to lead the sustainable exploration, development, production and disposal of petroleum resources of Ghana.

6.0 STRATEGIC OBJECTIVES FOR 2019

The key strategic objectives as set out by GNPC for the year 2019 are to:

- i. To efficiently manage upstream oil and gas operations to achieve 95% of agreed;
- ii. To establish hydrocarbon accumulation in the Voltaian Basin;
- iii. To efficiently execute all agreed capital projects in a timely manner;
- iv. To enhance GNPC's impact on host communities and other stakeholders through Education & Training, Economic Empowerment & Environment and Social services by achieving 95% of agreed targets;
- v. To strengthen and where necessary develop key corporate policies, systems and processes as well as standard operating procedures; and
- vi. To prudently manage the Corporation's financial resources to maximize benefits from petroleum operations by achieving 95% of its financial targets

PARLIAMENT OF GHANA LIBRARY

7.0 KEY OPERATIONAL ACHIEVEMENTS FOR 2018

The Corporation together with its partners achieve the following operational performance during the year under review (2018):

7.1 National Reserves

The Reserve position as at end of December 2018 was:

- i. **National:** 1,092 MMboe, 1.2 % below target (1,111.2) consisting of 743 MMboe of oil and 2,025 BCF of gas (349 MMboe)
- ii. **GNPC:** 192 MMboe, 7.1 % below target (206.8). consisting of 107 MMboe of oil and F of gas (85 MMboe)

7.2 Greater Jubilee Field

The following were achievements made at the Greater Jubilee Field:

- i. Total crude oil produced was 28.46 MMbbls; averaging 77,977.41 bopd (3.4% above target)
- ii. Exported a total of 19.33 Bcf of gas to GNGC (averaging 52.96 MMScf/d; 35.1% below target; The shortfall in gas export was catered for by export from the TEN Field)
- iii. Drilled two (2) development wells (J51-P & J53-P) and undertook completion operations on two (2) wells (J36-WI & J53-P)
- iv. Successfully completed the turret remediation activities and positioned the FPSO in the required 205-degree permanent heading
- v. Completed engineering works for the wells drilled and commenced fabrication for subsea infrastructure for one (1) well
- vi. Procurement process leading to the selection of Auditors completed. Signing of agreement and actual audit work to be done in 2019

7.3 Tweneboa-Enyenra-Ntomme (TEN) Field

The following were achievements made at the TEN Field:

- i. Drilled two (2) wells (Nt05-P and En-10) and undertook completion operations on the Nt05-P well
- ii. Total crude oil produced was 23.56 MMbbls; averaging 64,540.72 bopd (7.6% above target)
- iii. Exported a total of 8.39 Bcf of gas; averaging 22.99 MMScf/d; (8.0% below target)
- iv. Regular reservoir studies, production surveillance and management performed to better understand the reservoir, producing wells and related subsea and topside facilities
- v. Monitoring of production operations and FPSO maintenance on-going
- vi. Expenditure of US\$131.16 million against a budgeted amount of US\$91.15 million. The over expenditure had to do with payment of outstanding balance of USD40 million relating to gas tie-in cost which was accruing 15% interest per annum

7.4 Sankofa-Gye Nyame Field

The following were achievements made at the Sankofa-Gye Nyame Field:

- i. Drilled 3 wells (OP8-ST2A, SNK-2A ST3 & G1-4) and completed 5 wells (OP8 ST2, WI-3, SNK-D, SNKE-D & SNK-2A ST3)
- ii. Total crude oil produced was 10.1MMbbls; averaging 27,680.50 bpd (16.7% above target)
- iii. Technical first gas achieved on 26th June, 2018
- iv. Exported a total of 6,153 MMScf; averaging 41.02 MMScf/d (53% below the target due to offtake market challenges)
- v. Construction of the ORF is near completion awaiting successful 400 hour test trail of compressor train 3. Completed tie-in works of the ORF into GNGC onshore pipeline

- vi. Continued negotiations of GSAs (Cenpower and VRA ≈ 97% and 95% complete respectively) with few outstanding issues including gas price. Commenced negotiations with Sunon-Asogli

7.5 SOPCL - Decommissioning Project

The following were achievements made at the SOPCL - Decommissioning Project:

- i. Selected a decommissioning project consultant (PAP Energy Ghana Ltd)
- ii. Completed the Decommissioning execution plan
- iii. 30% of scheduled work completed in preparation for the award of contract as at October
- iv. Document (Environmental and Social Impact Statement) completed, awaiting final review

7.6 Deep Water Tano/Cape Three Points Block - Project

The following were achievements made at the Deep Water Tano/Cape Three Points Block – Project:

- i. Post well studies conducted
- ii. Front End Engineering and Design (FEED) on SURF conducted
- iii. Completed feasibility studies on the gas export pipeline
- iv. Procurement of contractor to undertake geotechnical studies on-going
- v. The PoD is rescheduled for submission to the Minister for Energy in Q1 2019

7.7 Voltaian Basin Project

The following were achievements made at the Voltaian Basin Project:

- i. Completed Land Access and Farmer Compensation Agreement and processed compensations for claimants for shooting of 3 lines (103A, 106 & 101A)
- ii. Completed construction of explosives bunker at Wenchi and commenced the transfer of explosives
- iii. Geochemistry data gathering and analysis completed
- iv. Produced satellite imagery justification report

- v. Acquired 1,300 line km of 2D seismic data
- vi. Processed about 905 line km of 2D seismic data

7.8 Gas Business

The Corporation achieved the following as part of its gas business operations:

- i. Executed all material contracts for the Tema LNG project
- ii. Commissioned a new due diligence report to replace the existing due diligence on Gazprom due to the transfer from Gazprom to Rosneft for the Tema LNG project
- iii. Blystad Energy Management, operator of the terminal, engaged Ghana Maritime and the Ghana Ports and Harbours Authority on the initial works to be executed at the port
- iv. Negotiation completed with Draft Contract being sent to the GNPC Board for approval
- v. Desktop studies on Ammonia/fertilizer project completed
- vi. The Ministry of Energy gave a policy direction for GNPC to focus on its upstream projects

7.9 Midstream & Other Projects

a. Prestea Sankofa Gold Limited

Provided financial support to the Prestea Sankofa Gold Limited. An interim re-organization committee was also set up to revamp the company with reorganization process ongoing.

b. Marine Patrol Vessels:

The Ghana Navy identified a South African company for the purchase and management of the vessels and commenced negotiation.

c. Gas Evacuation Enclave Roads:

The construction works on the enclave roads were continued and an amount of US\$4.14 million worth of certificates was paid.

7.10 Capital Projects & Works on Landed Properties

a. Head Office Projects

There Corporation has been engaging the Ministry of Lands and Natural Resources, the promoters of the Energy City promoters, on the location of the Accra office Project.

A parcel of land has been allocated to GNPC within the Energy City enclave for its office complex and that of other oil majors. The Corporation, again has completed an architectural brief with spatial and facility requirement for Corporate Operational Head Office in Takoradi.

b. Research and Technology Centre (RAT)

The Project was successfully reviewed leading to a reduction in the projected cost by \$9million. Construction progressed steadily and sub-structure works is on-going. Processes for the selection of a specialist consultant for the geological and IT components of the project was also initiated.

c. Works on landed properties

The Corporation has completed the renovation of 6th, 7th, and 8th floors and 80% of works on the 5th floor of its head Office, the Petroleum House at Tema. It also undertook refurbishment and redevelopment works on Enpro and Unacourt properties.

d. Digital Transformation

The following were achievements made at the Digital Transformation Project:

1. Tender documents for IT Service Management was evaluated;
2. Scope of work on a Disaster Recovery Solution and IT Security has been completed and currently in the phase of stakeholder engagements
3. Virtualization: Evaluation of tender documents ongoing
4. Electronic Data Management and Archiving:
 - i. 922 boxes scanned for the 3rd phase of the project
 - ii. 1,652 Well and Seismic Acquisition Reports in the library have been digitized
 - iii. Loaded all seismic data variants in-house unto the Kingdom Suite software

8.0 CORPORATE SOCIAL RESPONSIBILITY PROJECTS (CSR)

The following were achieved under CSR programmes:

8.1. Education & Training

- i. Awarded 65 foreign scholarships and 1,000 local scholarships for the 2018/19 academic year
- ii. Established 4 professorial chairs to enhance research and development in four public universities in Ghana
- iii. Completed the construction of a 3-unit classroom block for Salankpang in the Mion district
- iv. Began construction of educational infrastructure (i.e. classrooms, dormitory facilities, dining halls and toilet facilities) in eleven (11) schools
- v. Provided laboratory cabinets and hundred (100) laboratory stools to Archbishop Porter Girls' Secondary School

8.2. Environment & Social Amenities

- i. Drilled 113 boreholes across Ghana
- ii. Completed construction of one (1) astroturf while three (3) others are at various stages of completion
- iii. Construction of sanitary facilities in 6 identified markets are on-going and near completion

8.3. Economic Empowerment

- i. Supported the Western D33d3w group with Agric Extension services to enhance market access and focus support initiative
- ii. Skills training organized for about 50 artisans
- iii. Commenced discussions to support fishermen with fishing inputs

PARLIAMENT OF GHANA LIBRARY

9.0 FINANCIAL PERFORMANCE FOR THE YEAR 2018

The Corporation received a total amount of US\$223.43 million as at end September 2018, made up of the following:

- i. Jubilee Equity financing (share of development & production cost) - US\$55.24 million;
- ii. TEN Equity financing (share of development & production cost) - US\$94.48 million;
- iii. 30% share of net proceeds of Jubilee crude revenue - US\$42.45 million;

iv. 30% share of net proceeds of TEN crude revenue – US\$31.26 million

Cash balance brought forward from the previous period (2017) was US\$79.03 million bringing the total cash available as at 30th September 2018 to US\$302.46 million.

A total amount of US\$249.65 million was utilized leaving a cash balance of US\$52.81 million earmarked towards pending projects milestone disbursements especially the onshore Voltaian Basin project. Table 1 below provides a summary of financial performance for 2018:

Table 1: Financial Performance For 2018

		JANUARY - SEPTEMBER 2018
SRN	RECEIPTS FROM JUBILEE & TEN PROCEEDS	AMOUNT (US\$)
1	Level A Receipts (Equity Financing)- Jubilee	55,237,928.84
2	Level B Receipts (30% of Net Proceeds)- Jubilee	42,449,716.09
3	Level A Receipts (Equity Financing)- TEN	94,477,131.88
4	Level B Receipts (30% of Net Proceeds)- TEN	31,264,709.35
5	Total Amount Received:- (A)	223,429,486.16
SRN	USES OF AMOUNTS ALLOCATED:-	
6	Jubilee Equity Financing Cost	62,109,109.97
7	TEN Equity Financing Cost	85,465,267.77
8	Exploration & Development Projects	32,242,071.67
9	Staff Cost	17,659,646.93
10	Admin. Capital Expenditure	6,533,602.76
11	Capital Projects	9,054,351.85
12	General Operational Expenditure	29,019,292.12
13	Down Stream Project	2,954,077.08
14	SOPCL	1,244,713.87
15	GOG Gas Related Payments-Enclave Roads	3,370,422.00
16	Total Expenditure:- (B)	249,652,556.01
17	Net Position:- (C = A - B)	(26,223,069.85)
18	Add: Cash B/Fwd (01.01.2018) (D)	79,030,665.35
19	Total Cash-Available :- (E = C + D)	52,807,595.50
	Exploration & Development Projects	Amount (US\$)
	- OCTP ENI Project	1,582,389.82
	- North & South Tano Petroleum Projects	1,992,213.83
	- Voltaian Basin Petroleum Projects	21,617,237.84
	- South Deepwater Tano Petroleum Projects	1,548,603.47
	- Hess	2,393,002.36
	- Ultra Deep Water [Keta Heritage]	590,136.22
	-Tano - Heritage	590,136.22
	-A - Z Petroelum	590,136.22
	- Explorco	689,297.41
	- Maritime Boundary Special Project	648,918.29
	Total Non Jubilee & TEN Projects Expenditure	32,242,071.67

10.0. OULOOK FOR 2019

10.1. PETROLEUM PROJECTS

10.1.1. DEVELOPMENT AND PRODUCTION PROJECTS

10.1.2 *Greater Jubilee Field Development and Production*

The execution of the Plan of Development is expected to be continued and permanently spread moor the FPSO at a new heading. Production is expected to average 95,000 barrels of oil per day and an average daily gas export of 95 MMScf/d.

The following activities are also expected to be carried out in 2019:

- i. Continue production operations. A total of 34.68 MMbbbls of oil to be produced with a projected total gas export of 34.68 Billion cubic feet (Bcf). The Ghana Group is expected to undertake six (6) liftings in 2019;
- ii. Continue reservoir studies, production surveillance and management;
- iii. Permanently spread moor the FPSO at a new heading;
- iv. Drill three (3) and complete two (2) development wells;
- v. Engineer, fabricate, install and commission subsea infrastructure relating to wells drilled and completed;
- vi. Continue the Engineering Procurement Construction and Installation (EPCI) for the Oil Offloading System;
- vii. Remediate Gas lift Riser-9; and
- viii. Conduct Operational and Financial Audit.

The total project cost to be incurred by the Greater Jubilee Partners in undertaking these activities in 2019 is US\$837.29 million. A total budgetary allocation of US\$83.47 million has been made in line with GNPC's interest.

10.1.3 *Tweneboa-Enyenra-Ntomme (TEN) Development and Production*

The focus in 2019 will be on accelerating development work to increase production from 65,000 bopd to an average of 71,000 bopd and 15 MMScf/d of gas export. The Corporation will also plans to commence commercial negotiations and sign the TEN Non-Associated Gas Sales Agreement with the contractor party.

The following activities will be undertaken in 2019:

- i. Continue production operations. A total production of 25.92 MMbbls of oil to be produced and 5.48 Bcf of gas to be exported to Atuabo Gas processing plant. GNPC on behalf of the Ghana Group is expected to make five (5) liftings from the TEN field in 2019;
- ii. Continue reservoir studies, production surveillance and management;
- iii. Drill three (3) and complete four (4) development wells;
- iv. Engineer, fabricate, install and commission subsea infrastructure relating to wells drilled and completed;
- v. Acquire and process 4D seismic data over the field; and
- vi. Commence commercial negotiations and sign TEN Non-Associated Gas Sales Agreement (GSAs).

The Corporation owes the TEN JV Partners an amount of US\$235.11 million for its share of accrued development and production costs as at the end of September 2018, out of which a total of US\$46.55 million is expected to be paid in 2019.

The development and production costs for the 2019 work programme will amount to US\$532.69 million. GNPC's budget towards the TEN project in 2019 is US\$109.25 million.

10.1.4 Sankofa - Gye Nyame (SGN) Development and Production

The focus of work in 2019 will be to resolve the reservoir challenges and achieve target oil production of an average of 30,000 bopd and export gas at an average of 130 MMScf/d (contractor gas). The Corporation together with the OCTP-Partners plans to work to ensure critical gas infrastructure needs are resolved in time to enable full offtake of SGN gas.

Key activities on the SGN project in 2019 include:

- a. Continue production operations. Total oil production is expected to reach 10.95 MMbbls and gas export is anticipated to reach a total of 47.45 Bcf in 2019. The Ghana Group is projected to lift two (2) parcels of crude from the field in 2019;
- b. Continue reservoir studies, production surveillance and management;

- c. Plan and execute acid simulation job on the impaired oil production wells;
- d. Drill one (1) well and complete two (2) wells;
- e. Engineer, fabricate, install and commission subsea infrastructure relating to wells drilled and completed; and
- f. Continue and conclude all commercial agreements including;
 - i. Gas Sales Agreements,
 - ii. Gas Transportation Agreements,
 - iii. Interconnection Agreements

The Corporation also owes the SGN JV partners accumulated development and production costs amounting to US\$55.27 million as at 30th September 2018. The development and production costs for the 2019 work programme will amount to US\$463.00 million. The total amount budgeted for the Corporation's obligation in the SGN project in 2019 is US\$77.20 million.

10.1.5 Contractor Gas

Contractor gas constitutes 76% of the Annual Contract Quantity (ACQ) of gas from the OCTP Field. The adjusted price for the gas is US\$7.89/MMBtu. It is expected that gas offtake from the OCTP Field will ramp up to full capacity by the end of first quarter, 2019. The Corporation has budgeted for an amount of US\$429.09 million as cost of OCTP contractor gas for 2019.

PARLIAMENT OF GHANA LIBRARY

10.1.6 Gas Service Charge

Gas service charge is the aggregate of the fees and charges in the composite price build up attributed to gas gathering, transmission, and processing. It also includes regulatory levy for the Public Utilities Regulatory Commission (PURC). The total estimated price for all the fees and charges is US\$2.07/MMBtu (though this may be reviewed by PURC by the end of 2018).

An amount of US\$145.50 million has been budgeted for gas related fees and charges, which will be paid to the respective institutions and agencies responsible for providing those services.

10.2. OTHER UPSTREAM ACTIVITIES

10.2.1 *Tema Takoradi Interconnection Pipeline*

The Takoradi-Tema Interconnection Pipeline project is aimed at providing a bi-directional onshore gas transmission pipeline connecting Takoradi and Tema. With the coming on stream of significant volumes of non-associated gas from the Sankofa-Gye Nyame field, this project has become very critical to providing stable capacity for evacuating natural gas from the West to the East of Ghana and ensuring supply-security between the two dominant generation and load centres in Ghana.

In 2019, the Corporation plans to work with project partners to successfully execute the Takoradi-Tema Interconnection Pipeline (TTIP) project. A budgetary allocation of US\$184.00 million has been made to execute the project in 2019.

10.2.2 *Cost of Working Capital for Gas Trading*

The Corporation is required to make provision for an amount of US\$132.54 million to pay for gas and related fees and charges before payment is received from downstream gas offtakers. This arises due to the imbalance between upstream payment period of about 10 days on average as against downstream collection period of about 60 days. GNPC may however incur penalty for late payment if payment is delayed unduly.

GNPC has made a proposal to the Public Utilities Regulatory Commission (PURC) to make provision for the recovery of GNPC's working capital financing cost in the price build up. A provision of US\$7.95 million representing the interest payable on working capital financing has been made for 2019.

10.2.3 *Karpowership - Power Barge Relocation*

The Karpowership deal was signed in 2015 to augment the nation's supply of electricity by 450 megawatts. The power barge has since operated on Heavy Fuel Oil (HFO) which is less environmentally friendly and cost-effective compared to natural gas.

To safeguard full utilization of indigenous gas resources while ensuring the barge reaches its maximum capacity, plans are underway to relocate its operations closer to the indigenous natural gas source in the West by the end of August 2019. The move is also in line with the Corporation's gas aggregator role to ensure full and efficient utilisation of indigenous gas resources to support national developmental agenda. The barge, when relocated is expected to take 60 MMScf/d of SGN gas.

The Corporation has budgeted an amount of US\$31.50 million to support the relocation of the Karpowership power barge adjacent the Sekondi Naval Base close to Aboadze in the Western Region.

10.2.4 Decommissioning of Saltpond Field

Phase one of the decommissioning of the Saltpond field continued in 2018. GNPC completed the procurement process and selected a consultant to provide project management consultancy services for the pre-decommissioning (decommission studies) phase. The consultant is working with GNPC to prepare a decommissioning execution plan to be implemented in the second phase (decommissioning phase) of the project.

In 2019, the Corporations intents to focus activities on the following;

- i. Select an operation and Management Consultant for the decommissioning project;
- ii. Select a decommissioning project execution contractor for the plugging and abandoning of the wells;
- iii. Select a decommissioning project execution contractor for topsides/substructure removal dismantling and waste disposal;
- iv. Acquire the decommissioning permit;
- v. Acquire the environmental permit;
- vi. Plug and abandon two (2) wells;
- vii. Continue provision of platform supplies including water, fuel, food, medicines, Personnel Protective Equipment (PPE), spare parts, communication facilities and transportation to maintain the platform before the actual decommission; and

- viii. Continue payment of salaries/emoluments for the key staff manning the offshore platform in its idle state.
 - a. An amount of US\$29.47 million has been earmarked for this phase of decommissioning activities.

10.3 EXPLORATION & APPRAISAL PROJECTS

10.3.1 *Voltaian Basin Project*

The Voltaian Basin project in 2018 advanced into the data acquisition and processing phase with over 990 line km of 2D seismic data acquired out of which approximately 905 line km has been processed. Preliminary result from reconnaissance-phased activities of the project has established a working petroleum system for the basin. Consequently the project will witness heightened exploration activity in 2019 towards determining basin prospectively.

The project will undertake the following activities:

- i. Process 200 line km of 2D seismic data;
- ii. Acquire 200 square km of 3D seismic data;
- iii. Process 200 square km of 3D seismic data;
- iv. Drill one (1) exploratory well;
- v. Undertake Environmental Impact Assessment; and
- vi. Continue the Community Engagement Programme.

GNPC has made a budgetary allocation of US\$12.00 million towards the execution of the above activities.

10.3.2 *Explorco Petroleum Agreement Obligations*

GNPC Exploration and Production Company (Explorco) currently holds commercial interests in seven (7) offshore blocks at various levels of exploratory activities. In 2018, the company continued to manage its stake in the blocks. In 2019, the Corporation will continue to support Explorco's effort with a budget of US\$8.30 million in respect of Explorco's equity holdings in the following Petroleum Agreements as contained in Table 2 below:

Table 2: Details of Explorco's Petroleum Agreement Obligations for 2019

Project Name// Contract Area	Interest Holding	Working Interest	Operator	GNPC (Explorco) Share of Cost (US\$ Million)
South Deep Water Tano	24.00%	26.67%	AGM	0.36
Expanded Shallow Water Tano Block	22.50%	25.00%	ERIN	0.45
Ultra-Deepwater East Keta Block	11.60%	13.00%	GOSCO	0.02
Offshore South West Tano	8.80%	10.00%	GOSCO	2.37
Deep Water Cape Three Points West Block	4.35%	5.00%	Eco Atlantic	1.24
West Cape Three Points Block 2	5.00%	5.62%	Springfield	0.54
Cape Three Points Block 4	4.00%	4.44%	ENI	3.34
TOTAL				8.30

10.3.3 Deepwater Tano/Cape Three Points Block (Aker Energy)

Aker Energy ASA assumed operatorship of the Deepwater Tano/Cape Three Points block following the acquisition of majority interest of 50% previously held by Hess Ghana in 2018. Consequently, submission of the Plan of Development has been extended to make way for further appraisal works on the field. The partners are expected to submit the plan of development to the Minister for Energy by first quarter of 2019, upon successful completion of the new appraisal works.

In addition, the following activities are expected to be carried out in 2019;

- i. Commence development activity;
- ii. Conduct post well studies;
- iii. Front End Engineering and Design (FEED); and
- iv. Complete feasibility studies on a gas export pipeline.

There would be no financial commitments towards the project in 2019 since the Corporation's interest in the block is carried for both exploration and development. However, the Corporation will continue to work closely with partners to ensure effective execution of the project within time and budget. The total project cost for 2019 will be fully funded by the contractor since GNPC is yet to acquire its additional interest in the block.

10.4 MIDSTREAM AND OTHER PROJECTS

10.4.1 *Takoradi LNG-WAGL*

Negotiations in respect of the project will continue and the agreement signed in 2019. An amount of US\$30.00 million has been provided for the project.

10.4.2 *Fertilizer Project*

The corporation has identified an opportunity to maximise the value of indigenous gas through the establishment of a fertilizer plant. We would continue desktop studies and work with the Ministry of Agriculture, Ghana Gas and other stakeholders towards the realization of this project. An amount of US\$1.00 million has been provided to support activities.

10.4.3 *Gas Evacuation Enclave Roads*

Works on the gas evacuation enclave roads progressed steadily in 2018. The project is to facilitate the evacuation of Liquefied Petroleum Gas (LPG) from the Gas Processing Plant at Atuabo and open up adjoining communities to the gas plant. As the national gas aggregator, GNPC's investments towards addressing critical infrastructure deficits is key for a well-functioning gas value-chain.

The Corporation was requested by the Ministry of Petroleum in 2015 to pre-finance the construction of the oil and gas enclave roads in the Western Region on behalf of GNGC to be reimbursed by the Ministry of Finance. As at September 2018, the total value of works certified is US\$27.61 million out of which a total of US\$3.37 million has been paid. A budgetary allocation of US\$25.00 million has been made for 2019.

10.4.4 *Prestea Sankofa Gold Limited (PSGL)*

The Prestea Sankofa Gold Ltd. is 90 percent owned by GNPC and 10 percent by the Government of Ghana. The company's performance has consistently declined over the years resulting in financial challenges. The operations of the company have ceased since last quarter 2016.

In 2018, the corporation established an interim re-organization committee and provided financial support to revive the company. The process is expected to continue into 2019 with a view of revamping operations. GNPC intends to later offload interest to potential investors. An amount of US\$15.51 million has been earmarked for activities relating to PSGL in 2019.

10.5 NON-PETROLEUM CAPITAL PROJECTS

10.5.1 Accra Head Office

The Corporation continued engagements with stakeholders towards acquiring a permanent office within government-led Energy City in Accra. In 2018, the Corporation was allocated a forty (40) acre land within the Energy City enclave for its office complex and that of other oil majors. GNPC will spearhead the execution of the project by engaging a developer. An architectural brief with spatial and facility requirements for the design of the head office building has been completed.

GNPC in 2017 secured approval from Parliament to borrow an amount of US\$75.00 million towards the head office project. The Corporation intends to complete the arrangement for this facility and drawdown as the need arises. The Corporation will commence construction within the designated area in 2019. A total of US\$20.00 million has been earmarked towards this project. The total cost for GNPC's office within the Energy City will be determined and made available after detailed design work is completed.

10.5.2 Corporate Operational Head Office - Takoradi

In line with Management's commitment towards relocating GNPC's operations to Sekondi-Takoradi, the Corporation, in 2018 completed an architectural brief with spatial and facility requirements for a corporate operational office in Takoradi.

Due diligence was undertaken on identified project sites and works are underway to secure parcels of land by end of 2018.

The Corporation is committed to engaging owners of identified properties and other stakeholders towards the realisation of this project. Construction is earmarked to commence in 2019, as such, a provision of US\$10 million has been made towards the project.

10.5.3 Research and Technology (RAT) Project

In a program to redevelop the Laboratory & Data Centre into a modern facility, the Corporation redeveloped a new design for a state-of-the-art Research and Technology Centre to enable effective and efficient information management and repository of the Corporation's oil and gas exploration, development and production data. The RAT Centre is also to serve as a reference point for training professionals in the use of cutting-edge technology in the petroleum industry. The construction of the RAT Centre commenced in May 2018 and programmed to be completed in 24 months.

The project has since progressed steadily, and substructure works are currently on-going. As at end of September 2018, actual physical progress of works stood at 13.62 percent. The focus of work in 2019 is to ensure that the project is executed according to contractual terms. A total of US\$25.00 million has been allocated towards planned activities in 2019.

10.6 WORKS ON LANDED PROPERTY

A total amount of US\$10.75 million has been allocated to continue undertaking refurbishment works on some selected GNPC landed properties in 2019 as discussed below.

10.6.1 Refurbishment of Petroleum House

The Corporation has commenced major refurbishment works on its current head office building (Petroleum House). The scope of the project is to renovate and upgrade the Petroleum House office building to meet contemporary standards with a unique working space for staff. Refurbishment works continued steadily in 2018. So far the 6th, 7th and 8th floors of the Petroleum House building has been completed. Total expenditure incurred on the project from inception to September 2018 stood at US\$1.68 million.

The focus in 2019 is to complete the remaining floors of the Petroleum House building. Additional scope of work to be completed include redesigning of the outer perimeter of the building and other ground works on parking lots to accommodate growing staff numbers. A budgeted amount of US\$5.81 million has been allocated for this project in 2019.

10.6.2 GNPC Clinic

The Corporation has identified a suitable property in West-Airport residential area to be adapted into a state-of-the-art clinic. Spatial planning for furnishing and clinical equipment has been completed and costing for adaptation works has been undertaken. Execution of the Tenancy Agreement for the rental is planned for November, following which payment is expected to be made by end of 2018.

The clinic will be operated by the Corporation with a resident doctor to provide excellent occupational medicine and fit-for-work advisory services. The GNPC Clinic is expected to safeguard staff health and wellbeing and minimize costs in the long term. A provision of US\$1.50 million has been made in 2019 to commence works towards operationalizing the facility in 2019.

10.6.3 Chapel Hill Completion Works

Following the relocation of some critical operations of GNPC to the Western Region, the Corporation identified and purchased the Chapel Hill residential properties to accommodate staff in Takoradi. The Chapel Hill facility consists of a mix of two and three bedroom flats/bungalows totalling eighteen (18) units and other ancillary facilities.

Following acquisition, the Corporation in 2018 undertook a survey to scope and identify additional completion works to bring the facility to full functionality. A continuous programme of work is to be followed for the completion works on the various blocks, starting with blocks D and C. The focus of work in 2019 is to complete all works as identified on the property. A provision of US\$0.26 million has been made for it in 2019.

10.6.4 Works on Other Landed Properties

The breakdown of works on other landed properties that will be undertaken in 2019 are presented in Table 3 below:

Table 3: 2019 Cost of Works on Other Landed Properties

Name of Property/Project	Total Contract Sum (US\$ Million)	2019 allocation (US\$ Million)	Cost (US\$ Million)
Enpro Rehabilitation Project	0.52	0.34	
Redco Madina Bungalow No. 2, Accra	0.10	0.10	
Redco Madina Bungalow No. 3, Accra	0.10	0.10	
Unacourt Flats, Accra. (10 Flats)	0.70	0.70	
Beach Road Development Project	2.81	1.90	
GNPC Training Centre Furnishing	0.04	0.04	
TOTAL	4.27	3.18	

10.7 DIGITAL TRANSFORMATION

The Corporation will continue its digital transformation agenda, which began three (3) years ago. This project is in two (2) parts, made up of IT Projects and Data management Projects. A budgetary allocation of US\$10.25 million has been made for 2019.

10.7.1 IT Projects

The Corporation will continue with its digital transformation agenda, which began three (3) years ago. Activities to be undertaken in 2019 include;

- i. IT security (Proactive Security, incident and event management solution including end-to-end security solution)
- ii. Disaster recovery systems
- iii. Enterprise resource management solutions phase two (2)

A budgetary allocation of US\$8.22 million has been made to support the project.

10.7.2 Electronic Data Management and Archiving

A budgetary allocation of US\$2.03 million has been made towards the electronic data management and archiving project in 2019.

10.7.3 Data Transcription

The project involves the digitization and vectorization of all seismic sections and logs in order to ensure data integrity, usability and preservation. As at the end of September 2018, the first phase of this project which involves transcription of all seismic data on tape and storage had been completed. A copy of this data was made available to Petroleum Commission.

In 2019, the following activities will be undertaken:

- i. Digitization and Vectorization contractor would be procured;
- ii. Equipment including servers and storage devices would be procured and configured;
- iii. Staff capacity would be built in areas of software and hardware utilization and management.

10.7.4 Digital Document Records Management (EDRM)

PARLIAMENT OF GHANA LIBRARY

GNPC's physical documents, records and archives are being digitized in a format which can be integrated into the Laserfiche EDRM Solution. As at the end of September 2018, a 1,000 boxes of documents out of 8,900 boxes had been scanned and digitally filed. In 2019, the Corporation will continue scanning and filing of documents and also commence the digitization phase of the project. It will also purchase of additional equipment and storage to facilitate the EDRM project.

10.7.5 Reference Database / Open Data Portal

Open Data Portal is GNPC's data viewer that makes exploration, production and industry data available to company personnel, prospective investors and other stakeholders. The information consists of Wells Data, Licenses, Seismic Surveys, Facilities as well as a link to Geographic Information System (GIS) to enable users view the data spatially.

Phase 1 of the Open Data Portal has been completed and launched which involved making data available to all staff on the Local Network.

The Phase 2 of the open data will commence in 2019 and will involve:

- i. Purchasing of servers of larger capacity; and
- ii. Launching of the portal over the internet

10.8 CORPORATE SOCIAL RESPONSIBILITY (CSR) PROJECTS

GNPC views sustainability as a strategic business function aligned with its core business. Following the re-focusing of the Corporation's approach to CSR in 2017, significant projects have been executed in 2018 towards consolidating the impact of CSR on the people of Ghana. In 2019, the Corporation, through the GNPC Foundation will continue to implement its CSR agenda under the following three focal areas;

- i. **Education and Training** - with emphasis on Science, Technology, Engineering and Mathematics (STEM), technical skills and special needs education.
- ii. **Economic Empowerment** - focusing on targeted economic interventions that promote ventures for sustained livelihood for persons affected by oil and gas activities.
- iii. **Environment & Social Amenities** - investing to protect the environment and improve the social conditions of Ghanaians.

In addition, the Corporation will collaborate with some JV Partners in efforts to harmonise CSR initiatives by players in the upstream oil and gas sector. This integrated approach to CSR will be effective in building synergies that accrue a more profound impact of these projects as well as gain and retain acceptability by host communities.

A total of US\$43.05 million has been budgeted in 2019 to cater for the Corporations CSR obligations in 2019. Table 4 below presents details of allocations to the various CSR project areas.

Table 4: 2019 Corporate Social Responsibility Budget

2019 SUSTAINABILITY PROJECT BUDGET			
	NO.	Project Name	US\$ Million
Environment & Social Amenities	1	Purchase of ultra-modern hospital equipment at FOCOS (\$100,000.00)	0.10
	2	Health Facilities	5.00
	3	Water: 200 Boreholes + Branding + Commissioning Publicity	1.50
	4	Construction of 10 Sanitary Facility for Markets & Communities	0.58
	5	Sanitation & Environment Campaign	0.06
	6	Health Campaign	0.08
	7	Equipment for Department of Surgery, Korle Bu	0.82
	8	Support for Fly-to-Save	1.00
		Sub Total	9.14
Education & Training	1	Professorial Chairs	1.00
	2	GNPC STEM Quiz	0.15
	3	STEM Digital Academy	0.10
	4	Local Scholarship (3 Cohorts)	5.60
	5	Foreign Scholarship	2.73
	6	GNPC - Medical Cuba Scholarships	1.50
	7	Construction of 50, 6-Unit classroom block for SHS	3.85
	8	Supply of 12,000 mono-desk for 50 SHS School	0.46
	9	TVET Equipments for Schools	0.75
	10	Construction of 4 Dormitories for Schools	0.63
	11	Construction of 4 Science Laboratories for SHS	0.62
	12	Construction of UCC institute of Law & Governance Building	1.50
	13	Library Project - Kumasi Children's Park	1.00
	Sub Total	19.89	
Economic Empowerment	1	Advisory Services	0.12
	2	Skill Development	0.60
	3	Market Access	0.30
	4	Agricultural Support	0.48
	5	SME Support	0.12
	6	Enterprise Development Centre	0.90
	Sub Total	2.52	
Sport	1	Construction of 10 Artificial Soccer Turf with Flood lighting, wire fencing	3.00
	2	Sports	3.00
	3	Special Community Initiative	1.50
	Sub Total	7.50	
	Total	39.05	

EXISTING PROJECTS		US\$m	
Education	1	Completion of application laboratory at University of Energy and Natural Resource(UENR)	0.11
	2	UMAT School of Petroleum Studies	0.67
	3	Zuarungu Community Library	0.10
	Sub Total		0.88
Sport	1	Ghana's Fastest Human(GFH) Headline Sponsorship	0.10
	2	Running of GNPC Speedsters Club	0.06
	3	Ghana's Fastest Human(GFH) clothing and Paraphenalia	0.06
	Sub Total		0.22
Health	1	Construction of Sickle Cell Screening and Treatment Centre at Komfo Anokye Teaching Hospital(KATH)	2.27
	2	Transplant Links Community-Ghana Project(Training for Ghana doctors in Kidney transplant-nephrology)	0.03
	Sub Total		2.30
Special Projects	1	Rehabilitation of National House of Chiefs Offices	0.60
	Sub Total		0.60
		Sub - Total	4.00
		Grand Total	43.05

10.9 MARITIME BOUNDARY SECRETARIAT

Following the resolution of the maritime boundary dispute with Côte d'Ivoire, Government has taken steps to agree on the maritime boundary with Togo. GNPC will be involved in the engagement processes and as such an amount of US\$1.0 million has been allocated for this purpose and other related matters.

11.0 OBSERVATIONS

11.1 Financing Requirements

It was observed that a total revenue of US\$1,357.30 million was originally expected to be accrued to the Corporation in 2019 while expenditure was projected at US\$1,608.06 million. The expected revenue included the Corporation's share of crude oil sales and internally generated funds totaling US\$609.29 million and Gas Business of US\$748.01 million resulting in a gap of US\$250.76 million.

The Committee, however, observed that contrary to the Petroleum Revenue Management Act, 2011 (Act 815), the Corporation has stated part of its income receivables in the amount of US\$232.82million as coming from portions of the petroleum royalties due the State.

Though the Corporation indicated the consent of the Ministry of Finance in such financing arrangement, the Committee found it to be in contravention of Act 815 and accordingly recommended for its removal.

The Minister for Energy in consultation with the Corporation accepted the Committee's recommendation and accordingly reprioritized the expenditure items downwards resulting in a new funding gap of US\$408.07million to be financed through borrowing. The original and revised income and expenditure items are attached as **Appendices A and B**.

11.2 Gas Business

The Committee was informed that total cost of gas from the three fields is projected at US\$748.01 million made up of gas commodity cost of US\$430.53 million, service charge and working capital financing cost of US\$67.72 million, Takoradi-Tema Interconnection Pipeline (TTIP) refinancing of US\$184.00 million and gas escrow funding of US\$65.75 million. The projected expenditure will be financed by gas sales revenue of US\$616.28 million plus an amount of US\$131.73 million in respect of under-recovery from gas equalization fund to be established by Public Utilities Regulatory Commission (PURC).

The challenge of the Corporation was that the projected revenue from the gas business is not likely to be realized during the year due to delay payment of bills invoiced to the power sector institutions.

11.3 Decommissioning of Saltpond Field

The Corporation refuted the claim about the commercial prosperity of the Saltpond Field and instead brought to the attention of the Committee, imminent environmental threat posed by the Field as a result of leaking of two of the wells. The officials of the Corporation assured the Committee that activities during the year, would focus on acquisition of decommissioning and environmental permits and, in particular, selection of a decommissioning project execution contractor to plug and abandon the two wells which have been found leaking.

The Committee however observed that the decommissioning of the Field has been unduly delayed and accordingly urges the Corporation to prioritise the project in order to avoid the looming environmental disaster posed by the leaking wells.

11.4 GNPC's Commitment under the Reserve Escrow Account for OCTP Gas Supply

The Committee was informed that GNPC commitment to maintaining a minimum amount of US\$205.0 million in a reserve escrow account to cover four and half months of gas payment under the OCTP Gas Supply Agreement has been reviewed downwards to US\$157 million following the recent adjustment in gas price. While the Corporation has made effort to meet the minimum amount required under the Agreement, the off-takers of gas in the downstream have not been able to pay for gas delivered to them resulting in the Corporation having to continuously make annual budgetary allocations to replenish the drawdowns. The Committee urges government to step up efforts in finding lasting solution to the financing challenges of the energy sector institutions.

11.5 Change of Policy on New Refinery to Petroleum Hub

It was observed that the Ministry has planned to construct an ultra-modern Refinery in Takoradi with the objective of increasing in-country refined oil production of which an amount of US\$50 million was allocated as Ghana's equity share of the S\$900.00 million public-private-partnership project.

The Minister for Energy however indicated to the Committee that government policy is now focusing on establishing petroleum hub to accommodate the refinery and processing of fertiliser from the by-product of the oil. He explained that there is the need to leverage on the strategic location of Ghana by positioning itself within the sub-region as the major supplier of finished petroleum products. In this regard, the initial budgetary allocation of US\$50 million was reduced to US\$10 million to be used for the preparatory works including efforts at securing 20,000 kilometre square of land for the project.

11.6 Support for Upstream Gas Commitment

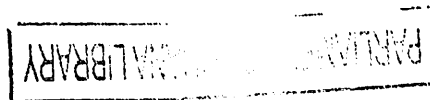
The Officials of the Corporation informed the Committee that the take-or-pay obligations under the various Gas Purchase Agreements has brought financial burden to the Corporation. For instance, the monthly upstream gas commitment from the Sankofa-Gye Nyame Field alone was about US\$42.00 million. It was explained that the situation has arisen as a result of Ghana's inability to fully utilize the gas produced from the various fields due to lack of necessary gas infrastructure.

As part of measures to ensuring full utilization of the gas, the Corporation is currently relocating the Karpowership Power Barge from Tema to Sekondi to make use of about 60 MMScf/d of Sankofa-Gye Nyame Field. The Corporation anticipates that an amount of US\$250.00 million will be spent in settling financial obligations related to the gas take-or-pay obligations until the reallocation process is completed in August, 2019.

11.7 Corporate Social Responsibilities

In justifying an allocation of appreciable amount of US\$43.05 million for corporate social programmes, the Corporation explained that Ghana has adopted petroleum local content and local participation policy with an objective of maximizing the benefits of oil and gas endowments. However, the sector is currently dominated by foreign participation in terms of key positions and major contracts making the realization of such policy objective impossible.

The three-prong concept of the Corporation's CSR is therefore geared towards creating harmonious condition for the development of requisite local human resources for Ghana's petroleum industry. The programmes (Education and Training, Economic Empowerment and Environment & Social Amenities) are interdependent in that investment in Education and Training can only become meaningful and sustainable when people are healthy and there is peace and security at the oil producing communities to work.

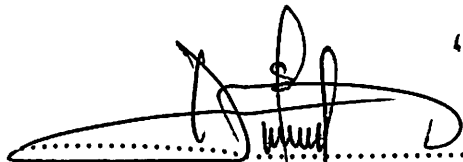



11.0 CONCLUSION AND RECOMMENDATION

The Committee has thoroughly scrutinized the Programme of Activities of GNPC and the associated financial requirements for the 2019 Financial Year and it believes that the activities outlined fall within the scope of the mandate of the Corporation as stated under PNDC Law 64.

The Committee therefore recommends to the House to adopt its Report and approve the 2019 Programme of Activities of the Ghana National Petroleum Corporation (GNPC) in accordance with Section 7(3)(b) of the Petroleum Revenue Management Act, 2011 (Act 815).

Respectfully submitted.


.....
HON. GEORGE MIREKU DUKER
VICE-CHAIRMAN
COMMITTEE ON
MINES AND ENERGY


.....
JOANA A. S. ADJEI (MRS.)
CLERK TO THE COMMITTEE

THURSDAY, 28TH MARCH, 2019

Appendix A

Summary of the ORIGINAL Projected Income & Expenditure for 2019

	2019	2019
	BUDGET	BUDGET
2019 FUNDS REQUIREMENT	US\$m	GHSm
REVENUE		
JUBILEE (OIL)	134.58	668.89
Equity Financing Cost (Level 'A')	74.58	370.68
GNPC Share (Level 'B')	60.00	298.21
TEN (OIL)	140.03	695.99
Equity Financing Cost (Level 'A')	99.44	494.24
GNPC Share (Level 'B')	40.59	201.74
OCTP (OIL)	71.45	355.10
Equity Financing Cost (Level 'A')	66.78	331.90
GNPC Share (Level 'B')	4.67	23.20
ROYALTY OIL	232.82	1,157.16
Jubilee	105.95	526.57
TEN	82.37	409.38
OCTP	44.51	221.21
TOTAL OIL REVENUE	578.88	2,877.13
TRAINING & TECHNOLOGY FUND	28.25	140.41
Training Grant	8.65	42.99
Technology Support	19.60	97.42
MISCELLANEOUS INCOME	2.17	10.76
Interest on Short Term Investments	1.56	7.77
HFO Margin	0.36	1.79
Sundries	0.24	1.20
TOTAL REVENUE	609.29	3,028.30

PARLIAMENT OF GHANA

	2019	2019
2019 FUNDS REQUIREMENT CONT.	BUDGET	BUDGET
EXPENDITURE	US\$m	GHSm
DEVELOPMENT & PRODUCTION COST	299.39	1,488.01
Jubilee	83.47	414.87
Tweneboa Enyenra & Ntomme - DWT	109.25	542.99
OCTP (ENI) Sankofa- Gye Nyame Complex	77.20	383.70
SOPCL - Decommissioning	29.47	146.45
EXPLORATION & APPRAISAL PROJECTS	20.30	100.88
Voltaian Basin Project	12.00	59.64
Explorco PA Obligations	8.30	41.24
MIDSTREAM & OTHER PROJECTS	371.51	1,846.49
Takoradi LNG - WAGL	30.00	149.11
Ammonia Fertiliser Project	1.00	4.97
Gas Evacuation Enclave Roads	25.00	124.27
Prestea Sankofa Gold Ltd	15.51	77.09
Investment in Takoradi Refinery	50.00	248.51
Support for Ministry of Energy	250.00	1,242.55
CAPITAL PROJECTS	76.00	377.75
Corporate Offices	30.00	149.11
Research and Technology Centre	25.00	124.26
Works on Landed Property	10.75	53.45
Digital Transformation	10.25	50.94
OPERATING EXPENDITURE	92.86	461.51
Personnel Emoluments	32.32	160.63
Admin Capital	3.63	18.05
General Expenses	12.85	63.89
Sustainability & Local Content Projects	43.05	213.97
Maritime Boundary Special Project	1.00	4.97
TOTAL EXPENDITURE	860.06	4,274.65
NET POSITION	(250.76)	(1,246.34)

SCHEDULE 1: GAS BUSINESS		
	2019	2019
	BUDGET	BUDGET
	US\$m	GHSm
GAS BUSINESS COST	748.01	3,717.76
Jubilee	26.48	131.61
TEN	3.13	15.56
OCTP	718.40	3,570.59
FINANCED BY:		
REVENUE FROM GAS BUSINESS	748.01	3,717.76
Jubilee	185.31	921.03
TEN	42.17	209.59
OCTP	388.80	1,932.41
Equalisation Account	131.73	654.72

APPENDIX B**Summary of the REVISED Projected Income & Expenditure for 2019**

	2019
	BUDGET
2019 FUNDS REQUIREMENT	US\$(m)
REVENUE	
JUBILEE (OIL)	134.58
Equity Financing Cost (Level 'A')	74.58
GNPC Share (Level 'B')	60.00
TEN (OIL)	140.03
Equity Financing Cost (Level 'A')	99.44
GNPC Share (Level 'B')	40.59
OCTP (OIL)	71.45
Equity Financing Cost (Level 'A')	66.78
GNPC Share (Level 'B')	4.67
TOTAL OIL REVENUE	346.06
TRAINING & TECHNOLOGY FUND	28.25
Training Grant	8.65
Technology Support	19.60
MISCELLANEOUS INCOME	2.17
Interest on Short Term Investments	1.56
HFO Margin	0.36
Sundries	0.24
TOTAL REVENUE	376.47

	2019
	BUDGET
2019 FUNDS REQUIREMENT CONT.	US\$(m)
EXPENDITURE	
DEVELOPMENT & PRODUCTION COST	299.39
Jubilee	83.47
Tweneboa Enyenra & Ntomme - DWT	109.25
OCTP (ENI) Sankofa- Gye Nyame Complex	77.20
SOPCL - Decommissioning	29.47
EXPLORATION & APPRAISAL PROJECTS	20.30
Voltaian Basin Project	12.00
Explorco PA Obligations	8.30
MIDSTREAM & OTHER PROJECTS	311.00
Takoradi LNG - WAGL	30.00
Ammonia Fertiliser Project	1.00
Gas Evacuation Enclave Roads	10.00
Prestea Sankofa Gold Ltd	10.00
Investment in Petroleum Hub	10.00
Upstream Gas Payment Obligation	250.00
CAPITAL PROJECTS	61.00
Corporate Offices	20.00
Research and Technology Centre	20.00
Works on Landed Property	10.75
Digital Transformation	10.25
OPERATING EXPENDITURE	92.85
Personnel Emoluments	32.32
Admin Capital	3.63
General Expenses	12.85
Sustainability & Local Content Projects	43.05
Maritime Boundary Special Project	1.00
TOTAL EXPENDITURE	784.54
NET POSITION	(408.07)

Schedule 1: GAS BUSINESS	US\$(m)
GAS BUSINESS COST	748.01
Jubilee	26.48
TEN	3.13
OCTP	718.40
FINANCED BY:	
REVENUE FROM GAS BUSINESS	748.01
Jubilee	185.31
TEN	42.17
OCTP	388.80
Equalisation Account	131.73