IN THE THIRD MEETING OF THE FIRST SESSION OF THE SEVENTH PARLIAMENT OF THE FOURTH REPUBLIC OF GHANA

REPORT OF THE

COMMITTEE ON SUBSIDIARY LEGISLATION

ON THE

PETROLEUM (EXPLORATION AND PRODUCTION) DATA MANAGEMENT REGULATIONS, 2017 (L.I 2257)

PARLIAMENT OF GHANA US PARLIAMENT HOUSE OSU - ACCRA

DECEMBER 2017



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1.0 <u>INTRODUCTION</u>

The Petroleum (Exploration and Production) Data Management Regulations, 2017 was laid in Parliament on Thursday, 16th November, 2017 by the Hon. Minister for Energy, Hon. Boakye Agyarko in accordance with Article 11(7) of the Constitution. The Rt. Hon. Speaker thereupon referred the Instrument to the Committee on Subsidiary Legislation Committee for consideration and report pursuant to Orders 77 and 166 of the Standing Orders of the House.

2.0 REFERENCE DOCUMENTS

The Committee referred to the following documents during its deliberations:

- i. The 1992 Constitution;
- ii. The Standing Orders of Parliament;
- iii. The Petroleum Commission Act, 2011 (Act 821);
- iv. The Petroleum (Exploration and Production) Act, 2016 (Act 919)

3.0 DELIBERATIONS

The Committee met with a Deputy Minister for Energy, Hon. Joseph Cudjoe and Officials from the Ministry and the Petroleum Commission to consider the Regulations. Officials from the Attorney-General's Department were also in attendance to assist in the deliberations.

4.0 BACKGROUND INFORMATION

The value of accurate information in the efficient exploitation of petroleum cannot be over emphasised. Petroleum data or information is key to reducing risks in petroleum operations and it is a function of production success. In view of the significance of petroleum operations, almost all countries endowed with hydrocarbon resources, enact laws to vest in themselves ownership of petroleum data. For example, Section 52 of the Petroleum (Exploration and Production) Act, 2016 (Act 919) vest in the Republic of Ghana all petroleum data and information obtained by all entities operating in Ghana's upstream petroleum industry. Section 54 of Act 919 makes the recipient of the data and information on petroleum activities in the Petroleum Commission.

4.1 For the purpose of protecting the data and information on petroleum in the country, the Petroleum (Exploration and Production) Data Management Regulations, 2017 was laid in Parliament. The purpose of the Instrument is to specify the format, contents and standards for the preparation and submission of geophysical, geological and production data related to petroleum activities in the country to support the efficient exploitation of petroleum resources.

5.0 OBSERVATIONS

5.1 The Committee noted that ample provisions have been made in the Regulations to empower the Petroleum Commission to discharge its mandate as the recipient of petroleum data and information. All entities intending to undertake petroleum exploration activities will be required to submit the relevant information to the Petroleum Commission five weeks before commencement of the intended activities. The information includes the purpose, type and designation of the exploration activity, the planned commencement and completion dates, the planned coverage area, the

name of the vessel, the format of data to be collected and the Environmental Impact Report for the activity. This would enable the Commission to inform relevant public institutions of the impending petroleum activities for their necessary attention.

- 5.2 The Committee also noted that provisions are made for the conduct of safe inland seismic survey as part of petroleum operations. In carrying out a safe and smooth inland seismic survey, vessels or canoes undertaking-fishing activities around exploration areas shall be required to keep a distance of five hundred metres from the vessel carrying out seismic survey. On its part, the vessel undertaking the survey shall exercise caution where fishing vessels are observed. The survey vessel must have on board a Fishery Liaison Officer. The Fishing Liaison Officer should be one who has practiced as a fisherman and have knowledge of the waters in which the seismic vessel is to operate. The Officer must also have knowledge in navigation, seismic data acquisition, the local language and English language. The Liaison Officer is to be selected by the Commission in consultation with the Chief Fisherman within the locality where the seismic survey will be undertaken.
- 5.3 For the safety and security of persons around the exploration area and the environment, all petroleum contractors shall be required to submit to the Commission applications for permit within six weeks prior to the commencement of exploration drilling. The application shall include environmental permit, a rig security clearance, rig inspection report, well drilling or completion programme and its modification as well as permanent plug and abandonment programme. The Commission is empowered to revoke the permit where there is deviation from the approved drilling programme without the permission of the Commission.
- 5.4 The Committee observed that the measures outlined in the Regulations is to protect the sanctity of petroleum data and information. All petroleum entities are to keep



the data acquired throughout the petroleum value chain confidential. The confidentiality provision extends to data released by the Petroleum Commission to petroleum entities. The duty bearers are accordingly precluded from disclosing the petroleum data to third parties except with the prior permission of the Commission or in accordance with applicable enactments. Such measures will help protect our petroleum data which is a critical resource necessary for the exploitation of the country's hydrocarbon resources.

6.0 CONCLUSION AND RECOMMENDATION

- 6.1 The coming into force of the Instrument would contribute substantially to the acquisition and management of accurate petroleum data which is key in reducing risks within the petroleum value chain and increase successes in petroleum exploration and production.
 - 6.2 The Committee has critically examined the Instrument and is satisfied that its provisions are consistent with the relevant laws. The committee accordingly recommends to the House to adopt its Report and to allow the Petroleum (Exploration and Production) Data Management Regulations, 2017 (L.I. 2257) to come into force at the expiration of 21 sitting days of Parliament in accordance with Article 11(7) of the Constitution.

PARLIAMENT OF GHAN

Respectfully submitted.

ERIC OWUSU-MENSAH

CLERK TO THE COMMITTEE

HON. MAHAMA AYARIGA

CHAIRMAN

DECEMBER 2017.