



REPUBLIC OF GHANA

MINISTRY OF FINANCE

2018 Reconciliation Report on the Petroleum Holding Fund

*Presented to Parliament in
March 2019
By*

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Minister for Finance***

IN FULFILMENT OF THE REQUIREMENTS OF SECTION 15 OF THE PETROLEUM REVENUE
MANAGEMENT ACT, 2011 (ACT 815), AS AMENDED (ACT 893)



*On the Authority of His Excellency Nana Addo Dankwa Akufo-Addo,
President of the Republic of Ghana*



The 2018 Reconciliation Report on the Petroleum Holding Fund



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Acronyms and Abbreviations

ABFA	Annual Budget Funding Amount
APP	Asset Purchase Program
Bcf	Billion Cubic Feet
BoE	Bank of England
BoG	Bank of Ghana
Bopd	Barrels of Oil per Day
CAPI	Carried and Participating Interest
CDB	China Development Bank
ECB	European Central Bank
FOMC	Federal Open Market Committee
FPSO	Floating Production Storage and Offloading
GDP	Gross Domestic Product
GHF	Ghana Heritage Fund
GIIF	Ghana Infrastructure Investment Fund
GNPC	Ghana National Petroleum Corporation
GOG	Government of Ghana
GPFs	Ghana Petroleum Funds
GPP	Gas Processing Plant
GSF	Ghana Stabilisation Fund
GUSIP	Ghana Upstream Internship Project
IHUC	Installation Hook Up and Commissioning
ITLOS	International Tribunal for the Law of the Sea
LNG	Liquefied Natural Gas
MMBtu	Million British Thermal Units
MMscf	Million Standard Cubic Feet
NOC	National Oil Company
OPEC	Organisation of the Petroleum Exporting Countries
OCTP	Offshore Cape Three Points
PIAC	Public Interest Accountability Committee
PHF	Petroleum Holding Fund
PRMA	Petroleum Revenue Management Act, 2011 (Act 815), as amended
SGN	Sankofa-Gye Nyame
TEN	Tweneboa-Enyenra-Ntomme
T-MAIN	Treasury Main Account
TRP	Turret Remediation Project



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PREFACE

Section 15 of the Petroleum Revenue Management Act, 2011 (Act 815), as amended (Act 893), hereafter, PRMA, mandates the Minister for Finance to reconcile the actual total petroleum receipts and the Annual Budget Funding Amount (ABFA) of the previous year and submit a written report to Parliament, not later than the end of the first quarter of the current year.

The 2018 Reconciliation Report on the Petroleum Holding Fund has been prepared in accordance with Section 15 of the PRMA, to provide a full year account of petroleum receipts and expenditure in 2018. The report covers the receipts into the Petroleum Holding Fund (PHF) and withdrawals from the PHF to the various designated accounts, in accordance with the Act.

In line with Section 15(3) of the PRMA, the report will be published in the Gazette and, at least, two state-owned daily newspapers. The publication will facilitate the process of accountability by providing information to the general public on the management and utilisation of Ghana's petroleum revenues received during the period.

As indicated in the 2018 Annual Report on the Petroleum Funds, the Sankofa-Gye Nyame Field produced its first gas in late October 2018. This will make gas available for power generation. Government is also working with all stakeholders to meet the take-or-pay obligations enshrined in the contract.

The second phase of the Jubilee Field FPSO Turret Remediation Project is expected to be completed in the first quarter of 2019. This is expected to serve as a major boost for the oil sector as it will improve the daily production level of the Jubilee Field, which will in turn help Government achieve its 2019 oil production target.

Ghana's first ever Oil and Gas Licensing Round Bid Evaluation and Negotiation was successfully launched by H. E. The President, on 15th October, 2018. The oil and gas licensing round for Offshore Oil Blocks in the Cape Three Points was held in August 2018. The initiative was in fulfillment of Section 10 of the Petroleum (Exploration and Production) Act, 2016 (Act 919), which seeks to enhance competitiveness and transparency in the award of blocks, in order to improve the management of the country's petroleum resources.

As part of government effort to ensure full local participation in the upstream petroleum industry, as at the end December 2018, about 600 indigenous Ghanaian companies had been registered with the Petroleum Commission to supply goods and services to companies in the oil and gas industry. The total value of contracts awarded to indigenous Ghanaian companies and Joint Ventures in 2018 amounted to US\$799 million.



A Local Content Fund has been opened, in line with Section 64 of the Petroleum (Exploration and Production) Act, 2016 (Act 919). The Fund is expected to boost the competitiveness of indigenous companies by providing financial resources for citizens and indigenous Ghanaian companies engaged in petroleum activities. Modalities for managing and administering the Fund have been developed including the guidelines.

We will continue in this direction to ensure that Ghanaians benefit from the oil and gas find and also use the resources to the general benefit of Ghanaians in areas such as education, health care, infrastructure development and agriculture.

KEN OFORI-ATTA
MINISTER FOR FINANCE



EXECUTIVE SUMMARY

Overview

The 2018 Reconciliation Report on the Petroleum Holding Fund (PHF) has been written in fulfilment of Section 15 of the PRMA. In each fiscal year, these provisions require the Minister for Finance to reconcile the actual total petroleum receipts and the Annual Budget Funding Amount (ABFA) of the previous fiscal year.

This report includes the following:

- actual inflows and outflows of the PHF in 2018; and
- allocations and use of the ABFA in 2017 and 2018.

The report also examines developments in upstream petroleum projects, changes in production and price levels, how the National Oil Company has used its allocated amounts, and the performance of the Ghana Petroleum Funds (GPFs) over the period.

Production

Total crude oil production from the three producing fields (Jubilee, TEN and Sankofa-Gye Nyame) in 2018 was 62,770,787 barrels, translating into an average daily oil production of 170,233 barrels, compared to 58,659,625 barrels (160,711 bopd) for the same period in 2017, representing an increase of 6.55 percent. The increase in production is attributable mainly to an increased production from the TEN and SGN Fields.

The Jubilee and TEN Partners supplied 27,721MMScf of raw gas, translating into an annualised average daily gas export of 76 MMScf for processing at the Atuabo Gas Processing Plant (GPP). Out of the total gas exported in 2018, 19,330 MMScf was from the Jubilee Field, while TEN exported 8,391MMScf. The processed gas was subsequently transported to the power plants and industrial markets in the Takoradi and Aboadze Enclave. Sankofa-Gye Nyame came on stream after commissioning in August 2018. As at 31st December, 2018, a total of 6,105 MMScf of lean gas had been transported to thermal plants at the Takoradi and Aboadze Power Enclave.

Receipts

Total petroleum receipts for 2018 was US\$977.12 million (GH¢4,529.68 million), compared with US\$540.41 million (GH¢2,334.12 million) in 2017. This was mainly due to an increase in price from an annual average of US\$53.49 per barrel in 2017 to US\$70.34 per barrel in 2018 and, an increase in lifting volumes from 5,856,921 barrels in 2017 to 9,783,239 barrels in 2018.

Distribution

GNPC was allocated a total of US\$305.27 million, made up of Equity Financing Cost (US\$201.10 million) and its share of the net Carried and Participating Interest (US\$104.14 million).



A total of US\$436.75 million was transferred into the Ghana Petroleum Funds in 2018, compared with US\$203.83 million in 2017. Out of the amount transferred, the Ghana Heritage Fund received US\$131.02 million, against US\$61.15 million in 2017, while the Ghana Stabilisation Fund received US\$305.72 million, against US\$142.68 million in 2017. The total amount transferred in 2018 from petroleum liftings and related proceeds to the ABFA was US\$235.10 million.

In line with Section 23(4) of the PRMA, the GSF was capped at US\$300 million in the 2018 Budget. A total of US\$283.97 million was withdrawn from the GSF in 2018. This amount, which was in excess of the cap placed on the GSF in the 2018 Budget, was transferred into the Sinking Fund, in accordance with Section 23(3) of the PRMA.



SECTION ONE: INTRODUCTION

1. The Ministry of Finance (MOF) coordinates the implementation of the Petroleum Revenue Management Act (PRMA), 2011 (Act 815), as amended (Act 893). As part of the implementation of the PRMA, MOF is expected to produce periodic reports, including the Annual Reconciliation Report on the Petroleum Holding Fund (PHF), to inform the public about the mobilisation and use of petroleum revenues.
2. Section 15 of the PRMA requires the Minister for Finance to reconcile the actual total petroleum receipts and the Annual Budget Funding Amount (ABFA) of the immediate preceding year, and submit a written report to Parliament not later than the end of the first quarter of the current year. This Reconciliation Report on the Petroleum Holding Fund effectively captures the management and use of petroleum receipts for the entire 2018 financial year. This is necessary because the 2018 Annual Report on the Petroleum Funds covered January to September.
3. This report also presents an overview of developments in the upstream petroleum industry, utilisation of the National Oil Company's (NOC) allocation and, finally, the performance of the Ghana Petroleum Funds (GPFs) over the period.
4. The report is structured as follows:
 - Section One: Introduction;
 - Section Two: Developments in the Upstream Petroleum Sector in 2018;
 - Section Three: 2018 Actual Inflows to and Outflows from the Petroleum Holding Fund;
 - Section Four: Use of the Annual Budget Funding Amount;
 - Section Five: Utilisation of GNPC's 2018 Allocations;
 - Section Six: Performance of the Ghana Petroleum Funds;
 - Section Seven: Audited Financial Statements of the Petroleum Funds; and
 - Section Eight: Conclusion.



SECTION TWO: DEVELOPMENTS IN THE UPSTREAM PETROLEUM SECTOR IN 2018

Upstream Development

5. Production operations on the three producing fields – Jubilee, Sankofa Gye-Nyame, and Tweneboa-Enyenra-Ntomme (TEN) – were stable within the year, notwithstanding the planned shutdowns associated with the Jubilee FPSO Turret Remediation Project (TRP).
6. The relatively low production from the Jubilee Field was as a result of three (3) planned shutdowns to resolve the damaged turret bearing on the Jubilee FPSO. The completion of the second phase of the TRP to stabilize the turret bearing improved production. The FPSO Kwame Nkrumah was successfully rotated to its permanent heading of 360 degrees.
7. The TEN and Jubilee Field Partners successfully completed the installation and commissioning of the TEN-Jubilee interconnection pipelines in the first half of the year. The pipelines are to enable gas transfer between the two fields.
8. Furthermore, on the TEN Field, a new producer well, NT05-P, was brought on-stream in August 2018, while EN02-P and EN08-P wells began water production in September 2018.
9. The Ghana National Petroleum Corporation (GNPC) and its Offshore Cape Three Points (OCTP) Partners (Eni and Vitol) successfully achieved technical first gas from the Sankofa Gye-Nyame (SGN) Field on 5th July, 2018. Subsequently, the partners commissioned Non-Associated Gas (NAG) export from the SGN Field on 4th August, 2018.
10. GNPC signed a Petroleum Agreement (PA) with ExxonMobil over the Deep Water Cape Three Points (DWCTP) Block, subject to parliamentary ratifications. In line with the local content legislation, ExxonMobil has selected Ghana Oil Company Limited (GOIL) as its indigenous partner.



Ministry of Energy

11. The Petroleum (Exploration and Production) (General) Regulations, 2018 (L.I. 2359) was passed into law in August 2018 to give effect to some provisions of the Petroleum (Exploration and Production) Act, 2016 (Act 919). Key provisions in L. I. 2359 include Transparency Requirements such as the Disclosure of Beneficial Ownership of Prospective Bidders, and Content of the Petroleum Register.
12. Ghana's first ever Oil and Gas Licensing Round Bid Evaluation and Negotiation (LRBEN) was successfully launched by H. E. The President, on 15th October, 2018. The oil and gas licensing round for Offshore Oil Blocks in the Cape Three Points was held by the Ministry in August 2018. The initiative was in fulfillment of Section 10 of the Petroleum (Exploration and Production) Act, 2016 (Act 919), which seeks to enhance competitiveness and transparency in the award of Blocks in order to improve the management of the country's petroleum resources. The Ministry advertised for Expression of Interest (EOI) in November 2018 for prospective bidders. As at the end of December 2018, sixteen (16) companies had submitted their EOIs and Bids for pre-qualifications. Out of that number, fourteen (14) companies had been prequalified to be invited to submit bids to tender for Blocks 2, 3, and 4.
13. Finally, the Ministry was instrumental in the establishment of a joint implementation committee between Ghana and Cote d'Ivoire regarding the International Tribunal for the Law of the Sea (ITLOS) ruling in favor of Ghana. The first meeting between the two (2) countries was held from 13th-15th May, 2018 in Accra, Ghana, and the ruling deposited with the United Nations Archives. Also, discussions on the Ghana-Togo Maritime Boundary was held between the two countries in June 2018 in Accra, Ghana.

Petroleum Commission

14. Section 56 of the Petroleum Exploration and Production Act, 2016 (Act 919), requires the Commission to establish and maintain a register of petroleum agreements, licenses, permits and authorizations which will be opened to the public. In compliance with this requirement, the Minister for Energy launched the Petroleum Register in February 2018. The register is expected to improve transparency and predictability in the sector, and to provide a platform to monitor closely activities in the upstream petroleum industry.



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15. The Commission and Aker Energy Ghana commenced regulatory meetings to promote, regulate, and manage the efficient production of upstream petroleum. The accounts of Hess were audited to validate the project cost before Aker Energy completely took over the block. The Cost Audit report was also duly completed.
16. Currently, the Petroleum Commission is reviewing Drilling Permit for two wells submitted by Aker Energy, the operator of the Deepwater Tano Cape Three Points (DWT/CTP) blocks. The two wells are Pecan 4A and South East, in which review of the Pecan-4A appraisal well was 90 percent complete as at 31st December, 2018.
17. Effective implementation of the Petroleum (Local Content and Local Participation) Regulations 2013, L. I. 2204 saw a significant increase of domestic companies that registered with the Commission to participate in the upstream petroleum industry.
18. Ghanaian participation in the upstream petroleum industry progressed during the period. As at the end September 2018, about 600 indigenous Ghanaian companies had registered with the Commission to supply goods and services to companies in the oil and gas industry. The total value of contracts awarded to indigenous Ghanaian companies and Joint Ventures amounted to US\$799 million, representing an increase of 44 percent, according to data from Tullow and ENI. Out of this amount, a total of US\$453 million worth of contracts were awarded to indigenous Ghanaian companies, while contracts awarded to Joint Venture companies amounted to US\$346 million. Additionally, Aker Energy awarded contracts worth US\$40.3 million to Joint Venture companies, in accordance with their local content obligations.
19. The Commission continued to implement the Ghana Upstream Sector Internship Programme (GUSIP) in a bid to reduce graduate unemployment in the oil and gas industry. As at 30th September, 2018, forty-six (46) interns had been placed in nine (9) oil and gas companies to enable them develop the requisite skills in the petroleum and geoscience areas.
20. In furtherance to Regulations 17 and 18 of L. I. 2204, the Commission processed a total of 420 Succession Plans, Employment and Training Plans of IOCs in 2018. The Commission developed the following Guidelines in relation to the Regulations to ensure effective implementation:
- Guidelines on Employment and Training of Ghanaians, and Succession Plans for expatriate positions in the upstream industry;
 - Guidelines on Salaries and Remuneration in the upstream industry; and
 - Draft guidelines on Offshore Positions Reserved for Ghanaians in the Upstream Oil and Gas Industry.



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21. A Local Content Fund has been established in line with Section 64 of the Petroleum (Exploration and Production) Act, 2016 (Act 919). The Fund is expected to boost the competitiveness of indigenous companies by providing financial resources for citizens and indigenous Ghanaian companies engaged in petroleum activities. Modalities for managing and administering the Fund have been developed and are awaiting appropriate approvals. The Fund Guidelines has also been prepared, awaiting Board approval, for onward submission to the Minister for Energy.
22. The Commission is developing an electronic portal system (e-portal) as part of efforts to bridge the information asymmetry bias against Ghanaian companies. The objective of the e-portal system is to widen the accessibility of the tendering process for local companies. The e-portal will grant easy access of procurement plans and real-time notifications on tenders to registered companies.
23. Other strategies that are being developed to maximise indigenous Ghanaian participation in the oil and gas industry are as follows:
- Unbundling strategies to increase local participation;
 - Shortening contract duration to broaden participation;
 - Reservation of goods and services for indigenous companies;
 - Specification of bid evaluation criteria (greater weight for Local Content);
 - Specification of minimum in-country spend/local content levels;
 - Full implementation of the requirements of L. I. 2204 (particularly, Regulations 3 and 13); and
 - Application of sanctions, including penalties for breaches of the provisions of the Regulations.
24. The Petroleum Commission secured a partnership with Glasgow Caledonian University (GCU) to deliver work-based education to personnel in the oil and gas industry in Ghana. The Agreement would provide educational support and help in strategically positioning Ghana's Oil and Gas Industry. The two institutions will co-operate across the programme framework to identify where GCU may work to provide models, solutions, programmes, knowledge and experience.



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25. In furtherance of its commitment to the Accelerated Oil & Gas Capacity Programme (AOGC), the Petroleum Commission signed two agreements with Aberdeen Drilling School & Well Control Training Centre and ASET International Oil and Gas Training Academy, Aberdeen, Scotland. The Agreements would facilitate the training of young people, giving them practical understanding of key modules, and equipping them with the relevant skills in the upstream Petroleum Industry.
26. The Commission, together with other key stakeholders, continued to develop the General Petroleum Regulations, which is a compendium of all other regulations that the Minister is expected to develop in relation to Act 919. Currently the Petroleum (E&P) (General) Regulations, 2018 (L.I. 2359) has been passed into law.
27. As part of efforts to fulfil the Community Relations Guidelines and Social Inclusion Policy by Government, the Petroleum Commission undertook community engagements programmes in selected districts to align the community relations with social investment projects provided by upstream petroleum companies. A thirteen (13) member working group, consisting of seven (7) eminent Chiefs from the six coastal Districts in the Western Region, was established to deepen social investment programmes in the communities.
28. Pursuant to Section 3(e) of the Petroleum Commission Act 2011 (Act 821) the Commission developed a Monitoring and Evaluation Plan and Surveillance Strategy to monitor and carry out necessary inspections and audits. As at 31st December, 2018, the Commission had monitored and audited the activities of fifty-six (56) companies to ensure that petroleum activities were undertaken in accordance with applicable laws, policies and regulations. Eight (8) non-compliance notices were issued to faulting companies within the period.

Ghana National Petroleum Corporation

29. GNPC continued to manage its interests in various petroleum licenses in Ghana's sedimentary basins. The Corporation, together with its upstream partners, continued to produce crude oil and associated gas from the three producing fields (Greater Jubilee, TEN and SGN).
30. As part of measures to determine hydrocarbon presence on the Voltaian Basin Project during the year, activities were geared towards the acquisition and processing of data including the following:
- Completion of geochemistry data gathering and analysis; and
 - Completion of mobilisation for the 2D seismic data acquisition.
31. Total crude oil productions from January to December 2018 from the three producing fields were 62,770,787 million barrels, translating into an average daily oil production of 171,975 barrels, compared with daily projected figure of 145,887 barrels for 2018.



Thus, the actual daily production for 2018 exceeded the projected daily oil projection for 2018 by 24,088 barrels per day (15.17 percent). This was also higher than the 2017 production of 58.66 million barrels (160,711 bopd).

Ghana Gas National Company

32. The Jubilee and TEN Partners delivered 27,721MMScf of raw gas, translating into an annualised average daily gas export of 76 MMScf, for processing at the Atuabo Gas Processing Plant (GPP). Out of the total gas delivered, 19,330 MMScf was from the Jubilee Fields, while TEN exported 8,391MMScf. The processed gas was subsequently transported to the power plants and industrial markets in the Takoradi and Aboadze Enclave.
33. In April 2018, the Public Utility Regulatory Commission reviewed the Jubilee Foundation Volume raw gas Tariff downwards from US\$2.90/MMBtu to US\$0.5/MMBtu. Given the reduction in commodity, regulatory and service tariff, the delivered gas tariff reduced from US\$8.8424/MMBtu to US\$7.29MMBtu.
34. The total monetary disbursement to the ICT (the Enhanced Surveillance Project) and Western Corridor Gas Infrastructure Project as at 31st December, 2018, was US\$1,166.29million. Of this amount, the China Development Bank (CDB) disbursed US\$991.34million while Government disbursed US\$174.94 million, as shown in Table 1.

Table 1: CDB and GOG Disbursements to WCGP and ICT as at 31st December, 2018

DATE	UTILISATION AMOUNT	CDB 85%		GOG 15%	SUBSIDIARY
		US \$			
By end of 2017	1,084,405,043	921,744,286		162,660,757	WCGP&ICT
17-May-18	37,166,718	31,591,710		5,575,008	WCGP
22-Oct-18	24,019,518	20,416,590		3,602,928	WCGP
14-Dec-18	20,694,029	17,589,924		3,104,104	WCGP
TOTAL	1,166,285,308	991,342,510		174,942,797	

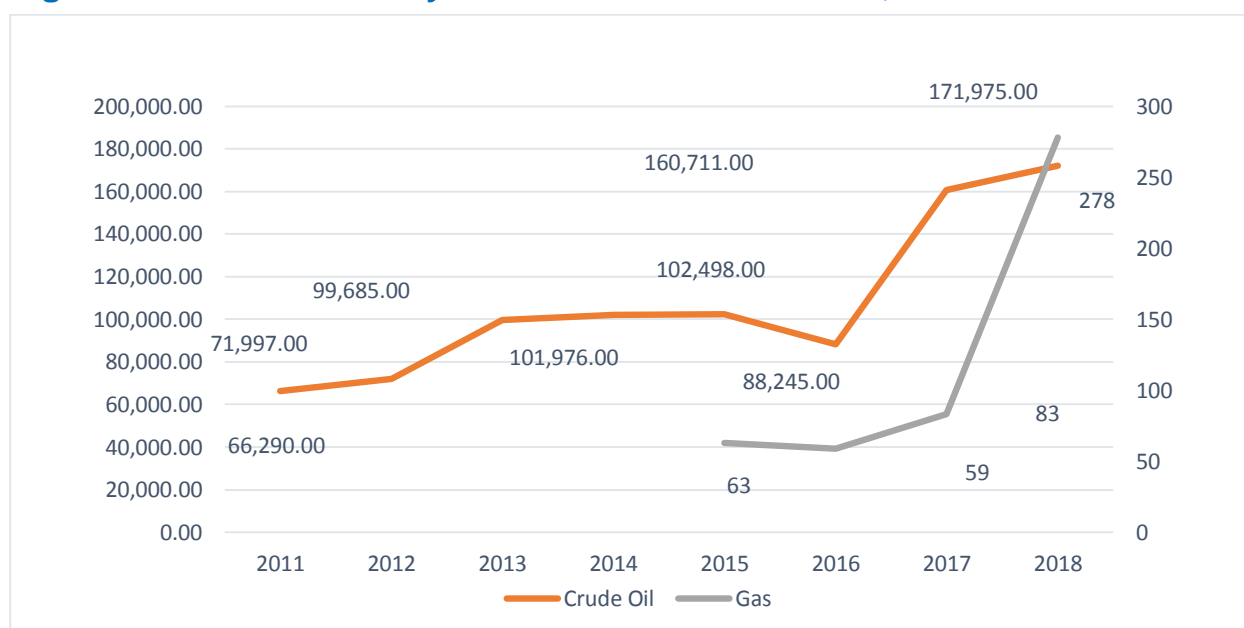
Source: Ministry of Finance/Ghana National Gas Company



Projects and Production in 2018

35. The consolidated annualized average production of crude oil in 2018 was 171,975 bopd, compared with 160,711 bpd in 2017, as shown in Figure 1. Natural gas production also came to 278 MMScf/d in 2018, compared with 83 MMScf/d in 2017.

Figure 1: Annualised Daily Production of Oil and Gas, 2011-2018



Source: GNPC

Greater Jubilee Full Field Development Plan

36. Production from the Jubilee Field as at 31st December, 2018, was 28,461,755 barrels, compared to 32,749,975 barrels for the same period in 2017. This represents a decrease of 15 percent. The fall in production was as a result of three planned shutdowns to resolve the damaged turret bearing on the Jubilee FPSO. Details of monthly production are shown in Appendix Table 1.
37. The FPSO successfully underwent preparatory hot works, jacking, bearing stabilisation and lowering activities at the turret during the three planned shutdowns. FPSO swivel assurance studies were conducted as part of activities leading to the rotation of the FPSO permanently to its optimum heading of 360 degrees in the fourth quarter of 2018. The next phase, involving permanent spread mooring activities of the FPSO, has commenced with the engineering phase of the project. It is anticipated that the FPSO permanent mooring work scope will be completed by the end of 2019.



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38. Annualised daily average production as at 31st December, 2018, was 77,977 barrels, a decline from 89,726 bopd for the same period in 2017. Total production from inception of crude oil to 31st December, 2018, stood at 250,140,292 barrels.
39. A total of 44,842 MMScf of associated gas had been produced as at 31st December, 2018. After gas reinjection to maintain reservoir pressure, 19,534.43 MMScf was exported to the GNGC Atuabo GPP and the remainder utilised on the FPSO for power generation. The monthly breakdown of gas supplied to the GPP is shown in Appendix Table 2.
40. As at 31st December, 2018, the Ghana Group had lifted five (5) cargoes of crude oil, totalling 4,807,432 barrels from the Jubilee Field. The average achieved price for the five (5) cargoes was US\$70.71 per barrel, compared to the Benchmark Revenue price of US\$57.36 per barrel. The Ghana Group share makes up 16.7 percent of the total lifting of 28,779,988 barrels from the Field during the period.
41. The adjoining oil and gas discoveries of Teak and Mahogany are being developed together with the main Jubilee Field to form the Greater Jubilee Full Field Project. This is expected to extend plateau production.

Tweneboa-Enyenra-Ntomme Field

42. Production from the TEN Field as at 31st December, 2018, was 23,557,361 barrels. Average annualised daily oil production for the period stood at 64,541 barrels, against a planned daily average of 54,000 bopd. Total production from the Field from inception (i.e. 17th August, 2016) to 31st December 2018, stood at 49,336,705 barrels.
43. As at 31st December, 2018, the Ghana Group had lifted four (4) cargoes, totalling 3,980,456 barrels from the TEN Field. The average achieved price for the four (4) cargoes was US\$71 per barrel, compared to the Benchmark Revenue price of US\$57.36 per barrel. The Ghana Group share made up 17.0 percent of the total liftings of 9,783,239 barrels from the Field for the period.
44. Associated gas produced from the TEN Field as at 31st December, 2018, was 39,472.80 MMscf, of which 26,317.90 MMscf was re-injected, 3,754.60 MMscf was utilised on the FPSO for power generation, 8,390 MMscf was exported, and 1,572.55 MMscf was flared. Approximately, 563 MMscf of gas was imported from the Jubilee Field during certain periods of the year to supplement gas utilized on the FPSO for power generation.
45. The exported gas of 8,390 MMscf was delivered to the Atuabo GPP. This was to substitute the Jubilee foundation gas volumes exports during the shut-down of the Jubilee FPSO for TRP and Riser 2 disconnection to help meet the nominated value to GNGC.



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46. A new production well, NT05-P, was drilled, completed and brought on stream on 5th August 2018, with the aim of boosting production. The well is currently producing about 22,300 bopd.

Sankofa-Gye Nyame Field

47. GNPC and its OCTP Partners successfully achieved technical first gas from the SGN Field on 5th July, 2018. Subsequently, the partners commissioned Non-Associated Gas (NAG) export from the Field on 4th August, 2018, with the Volta River Authority (VRA) as the off-taker of the commissioning volumes of NAG from the Field.
48. Total crude oil produced from January to December 2018, was 10,751,671 million barrels, with an average daily production of 29,457 barrels. Total oil production from the Field since inception (i.e. May 2017) to 31st December, 2018, was 16,208,744 barrels. GNPC's portion was used to settle its obligation to the project, in line with the OCTP Petroleum Agreement.
49. Royalty crude of 995,351 barrels was lifted for the Government of Ghana on 16th March, 2018, as shown in Appendix 1.
50. Total NAG produced was 6,105.29 MMscf from August to December 2018, with an average daily production of 39.90MMscf.
51. The Onshore Receiving Facility (ORF) package with its tie-in works to the GNGC pipeline was completed during the year. Gas is being delivered to power generating plants through the ORF.

Voltaian Basin Project

52. GNPC undertook the following activities, in respect of the Voltaian Basin Project in 2018, activities were geared towards the acquisition and processing of data including the following:
- Completion of geochemistry data gathering and analysis;
 - Completion of mobilisation for the 2D seismic data acquisition;
 - Acquisition of 732.59 km line of 2D seismic data and processing of about 90 km line; and
 - Commencement of production of the satellite imagery report.



Saltpond Field Decommissioning Project

- 53. GNPC continues to manage the Saltpond Field, upon termination of the Petroleum Agreement by the Minister for Petroleum on 18th August, 2016.
- 54. Pre-decommissioning activities on the Saltpond Field continued during the year. The Phase I decommissioning activities involved the preparation of the Decommissioning Plan. The Phase I Decommissioning Project consultancy contract was signed on 12th March, 2018 with PAP Energy Ghana Limited, after a competitive bidding process.
- 55. The Decommissioning Plan was prepared and submitted to the management of GNPC, be submitted to the Minister for Energy for approval in accordance with Section 43-49 of the Petroleum (Exploration and Production) Act, 2016, Act 919 Section 43 to 49.

Deep Water Cape Three Points Block (DWCTP) – Aker Field

- 56. Aker Energy Ghana successfully completed the acquisition of majority interest (50percent) in the DWCTP block, which was previously held by Hess Ghana Limited. Following the acquisition, the Company secured an extension from the Minister for Energy for the submission of the Plan of Development (POD) from the initial end-November 2018 timeline to end-March 2019. The time extension was to pave way for further appraisal activities on the block.
- 57. GNPC and the DWCTP contractors (Aker Energy, Lukoil and Fuel Trade) are currently preparing the POD for the Field.

South Deepwater Tano Block - AGM

- 58. GNPC, together with its South Deep Water Tano (SDWT) partners, acquired 3,200 sq. km of 3D seismic data. Petrica Energy also successfully acquired the interest of AGM Ghana, with Aker Energy providing technical services.



SECTION THREE: PETROLEUM RECEIPTS AND UTILISATION IN 2018

Inflows to the Petroleum Holding Fund in 2018

59. According to the fiscal regime of the Petroleum Agreements, Government is entitled to oil royalties on gross production equivalent to 5 percent from the Jubilee and TEN Fields and 7.5 percent from the SGN Field. The Petroleum Agreements also grant Ghana Carried and Participating Interests (CAPI) of approximately 13.64 percent, 15.0 percent and 20 percent in the Jubilee, TEN and SGN Fields, respectively. Corporate Income Tax on upstream and midstream petroleum companies is 35 percent, as shown in Table 2.

Table 2: Crude Oil Fiscal Regime for Jubilee, TEN and SGN Fields

FIELD	ROYALTY	CAPI	CIT
Jubilee	5%	13.64%	35%
TEN	5%	15%	35%
SGN	7.50%	20%	35%

Source: Ministry of Energy (Respective Petroleum Agreements)

60. The receipt of the proceeds from these and other sources of petroleum revenue is regulated by the PRMA, as amended. The PRMA establishes the PHF as a designated Public Fund to receive all petroleum receipts, as defined in the Law, and provides the framework for the collection, allocation and management of the petroleum funds.
61. As at December 2018, the Ghana Group had lifted ten (10) parcels of crude oil (i.e. the 42nd to 46th Jubilee, 6th to 9th TEN as well as the 1st SGN liftings), and transported a total of 27,925.43 MMscf of gas to GNGC. Total crude oil lifted was 9,783,239 barrels (4,807,432 barrels of Jubilee oil; 3,980,456 barrels of TEN oil and 995,351 barrels of SGN oil), compared to 9,781,251 barrels.
62. Total crude oil lifted was 5,742,876 barrels from Jubilee and 4,038,375 TEN field for the same period last year. Proceeds from the ten liftings amounted to US\$688.23 million (GH¢3,171.63 million).
63. Receipts from crude oil liftings for the period up to December 2018, comprised the 41st (lifted in December 2017) to the 46th Jubilee liftings; 5th (also lifted in December 2017) to the 9th TEN liftings, and the first lifting from SGN. This involved twelve liftings, made up of 11,783,080 barrels and valued at US\$813.94 million (GH¢3,727.55 million), as shown in Table 3.



Table 2: Details of Crude Oil Proceeds on Lifting Basis for 2018

Item	Unit	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	Total	
		JUBILEE					TEN				SANKOFA	
		42nd Lifting	43rd Lifting	44th Lifting	45th Lifting	46th Lifting	6th Lifting	7th Lifting	8th Lifting	9th Lifting	1st Lifting	
Date of Lifting	dd/mm/yy	20-Mar-18	2-May-18	24-Jul-18	27-Sep-18	25-Nov-18	2-Mar-18	31-May-18	6-Aug-18	19-Oct-18	16-Mar-18	
Receipt Date	dd/mm/yy	19-Apr-18	1-Jun-18	23-Aug-18	26-Oct-18	24-Dec-18	1-Apr-18	30-Jun-18	5-Sep-18	18-Nov-18	15-Apr-18	
Volume of lift	barrels	973,730	996,161	945,681	944,609	947,251	994,723	995,085	995,477	995,171	995,351	9,783,239
Selling Price	US\$	64.739	76.972	73.538	79.356	58.929	61.883	73.372	71.840	79.458	63.325	70.34
Pricing Option		-	79,692.880	75,654.480	75,568.720		50,369.100	49,736.150	49,773.850			
Value of lift	US\$	63,038,306	76,676,504	69,543,489	74,960,392	55,820,554	61,556,443	73,011,377	71,515,068	79,074,297	63,030,602	688,227,033.42
	GH¢	277,696,348	339,684,583	328,043,594	359,052,781	268,999,251	271,205,378	330,679,476	339,871,783	378,781,699	277,611,984	3,171,626,876

Source: Ministry of Finance/Bank of Ghana

*OVERPAYMENT BY UNIPEC - US\$279,921.24

64. The value of the 43rd lifting included an overpayment of US\$279,921.24 by UNIPEC into the PHF. This amount was subsequently paid back to UNIPEC on 29th June, 2018.

65. Total petroleum receipts (i.e. proceeds from liftings and other petroleum receipts) for 2018, was US\$977.12 million (GH¢4,529.68 million), as shown in Table 4. This compares with the receipts of US\$540.41 million (GH¢2,334.12 million) for the same period in 2017.



Table 3: Sources of Petroleum Receipts, 2018

ITEM	UNIT	QTR 1	QTR 2	QTR 3	QTR 4	TOTALS
Jubilee Royalties	US\$	17,648,002	38,898,719	19,361,961	36,411,396	112,320,078
Jubilee Carried and Participating Interest	US\$	45,739,362	100,816,092	50,181,529	94,369,550	291,106,533
TEN Royalties	US\$	16,188,760	15,988,687	37,539,336	20,538,779	90,255,561
TEN Carried and Participating Interest	US\$	46,137,965	45,567,757	106,987,108	58,535,519	257,228,349
SANKOFA Royalties	US\$	-	63,030,602	-	-	63,030,602
Surface Rentals	US\$	556,925	65,087	78,250	238,634	938,896
Corporate Income Tax	US\$	47,960,330	36,505,617	33,142,774	42,998,085	160,606,805
PHF income	US\$	310,389.00	447,466.55	396,531.77	483,719.46	1,638,107
Total Petroleum Receipts	US\$	174,541,732	301,320,026.26	247,687,489.45	253,575,682.00	977,124,929.86
	GH¢	771,230,099	1,361,861,057	1,182,113,312	1,214,475,371	4,529,679,839

Source: Ministry of Finance/Bank of Ghana

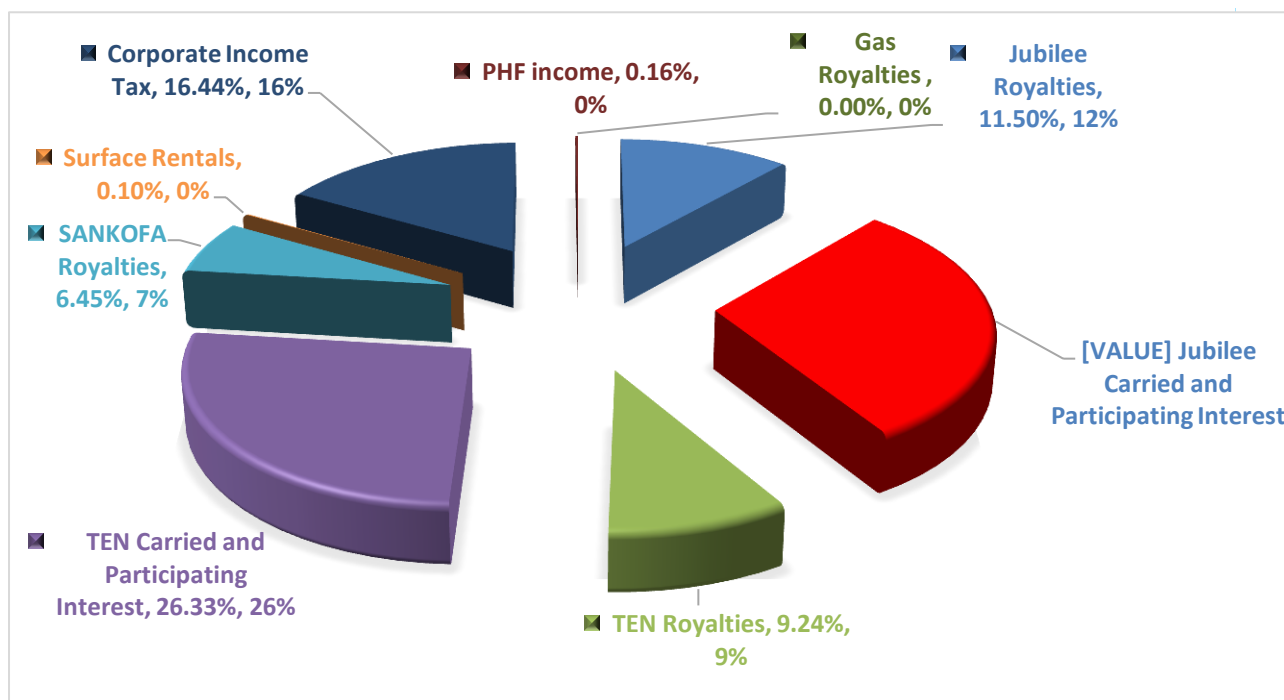
66. The petroleum receipts include US\$13.52 million, which was inadvertently paid by the International Oil Companies into the Ghana Revenue Authority account, instead of the PHF. Anadarko and Petro SA paid US\$12.73 million and US\$0.76 million, respectively, as Corporate Income Tax, while Springfield E & P paid a Surface Rental of US\$30,884.25. These payments have now been transferred into the PHF.

67. The share of Carried and Participating Interest of total crude oil receipts decreased from 67.6 percent in 2017 to 56.12 percent as at December 2018. However, Corporate Income Tax share of total receipts increased from 6.84 percent in 2017 to 16.44 percent in 2018. Royalties constituted 27.19 percent of the total petroleum revenue in 2018, compared with 25.14 percent in 2017.

68. There were no receipts from gas royalty in 2018. Surface Rentals and PHF Interest made up the remaining 0.26 percent, a decrease from 0.40 percent in the comparative period as shown in Figure 2.



Figure 1: Composition of Total Petroleum Receipts, 2018



Source: Ministry of Finance/Bank of Ghana

69. Actual receipts in 2018 showed a positive variance of US\$307.72 million, compared with the 2018 Budget estimate of US\$669.41, as shown in Table 5. The amounts of US\$17.68 million and US\$142.70 million provided in the 2018 Budget for gas Royalty and CAPI, respectively, were not realised. However, Corporate Income Tax of US\$160.61 million as well as PHF Income of US\$1.61 million, which were not budgeted for, were received during the period under review. Royalties received from the Jubilee Field was 35.5 percent below budget, due to the non-receipt of gas Royalty. This was offset by Royalty receipts from the TEN Field, leading to a 4.1 percent increase in overall Royalties over the projection.



Table 4: Analysis of 2018 Petroleum Receipts (US\$)

Item	Budget	Actual	Variance
	A	B	C= B -A
	US\$		
Royalties	165,929,743	265,606,240.49	99,676,497.42
Carried and Participating Interest (CAPI)	341,497,148	548,334,881.13	206,837,733.47
Surface Rentals	1,593,226	938,896.25	(654,329.85)
Corporate Income Tax	-	160,606,804.77	160,606,804.77
PHF Income	-	1,638,106.66	1,638,106.66
Gas Royalties	17,684,861	-	(17,684,860.71)
GAS Carried and Participating Interest	142,702,924	-	(142,702,924.30)
Total	669,407,902	977,124,929.30	307,717,027.46

Source: Ministry of Finance/Bank of Ghana

70. Table 6 indicates a marked increase in overall petroleum revenue in 2018, compared with 2017. This was mainly due to an increase in price from an annual average of US\$53.49 per barrel to US\$70.34 per barrel and, an increase in lifting volumes from 5,856,921 barrels to 9,781,251 barrels, as a result of the increase in production from the Jubilee and TEN Fields.

Table 5: Analysis of Petroleum Receipts, 2017-2018

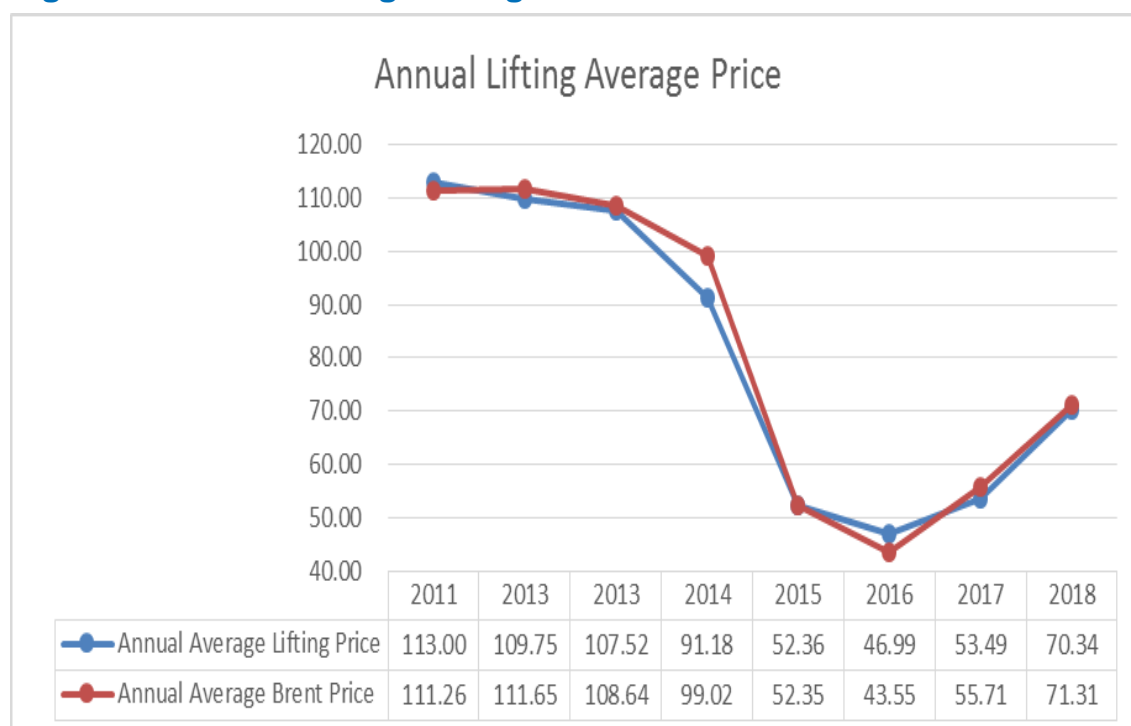
ITEM	UNIT	2017	2018	Variance
Jubilee Royalties	US\$	84,257,984	112,320,078	28,062,094
Jubilee Carried and Participating Interest	US\$	218,376,356	291,106,533	72,730,177
TEN Royalties	US\$	51,601,583	90,255,561	38,653,978
TEN Carried and Participating Interest	US\$	147,064,512	257,228,349	110,163,837
SANKOFA Royalties	US\$	-	63,030,602	63,030,602
SANKOFA Carried and Participating Interest	US\$	-	-	-
Surface Rentals	US\$	1,569,828	938,896	(630,932)
Royalties from SOPCL	US\$	-	-	-
Corporate Income Tax	US\$	36,957,622	160,606,805	123,649,183
PHF income	US\$	579,278	1,606,462	1,027,184
Gas Royalties	US\$	-	31,644	31,644
Gas Carried and Participating Interest	US\$	-	-	-
Interest on Late Payment on TEN 3	US\$	4,274	-	(4,274)
Total Petroleum Receipts	US\$	540,411,437	977,124,930	436,713,492
	GH¢	2,334,116,929	4,529,679,839	2,195,562,910

Source: Ministry of Finance/Bank of Ghana



71. Figure 3 shows the average achieved prices for Ghana's crude oil from 2011 to 2018.

Figure 3: Annual Lifting Average Price



Source: GNPC/Bank of Ghana

Outflows from the Petroleum Holding Fund in 2018

72. The PRMA requires that not more than 70 percent of Government's net petroleum receipts are designated as ABFA and not less than 30 percent designated as GPFs. Out of the amount transferred into the GPFs, the GHF receives not less than 30 percent, with the rest transferred into the GSF.

73. The 2018 petroleum receipts were allocated based on the provisions of the PRMA, as amended. Total revenue distributed was US\$977.12 million (US\$540.41 million was accounted for as a 2017 receipt). At the end of 2018, an amount of US\$12.44 million received from Corporate Income Tax, Surface Rental and PHF Interest was not distributed, due to the time of the receipt. GNPC (the NOC) was allocated a total US\$305.27 million, made up of Equity Financing Cost (US\$103.44 million) and its share of the net Carried and Participating Interest (US\$78.60 million), as shown in Table 7.



Table 7: Distribution of 2018 Petroleum Receipts

ITEM	UNIT	JUBILEE						TEN					SGN	TOTAL
		41st Lifting	42nd Lifting	43rd Lifting	44th Lifting	45th Lifting	46th Lifting	5th Lifting	6th Lifting	7th Lifting	8th Lifting	9th Lifting	1st Lifting	
Transfer to GNPC	US\$	15,646,892	18,428,403	48,557,891	15,054,459	29,220,744	18,673,066	30,260,020	29,929,299	34,847,482	30,705,041	33,950,601	-	305,273,896
o/w Equity Financing Cost	US\$	2,750,120	6,831,653	45,656,157	-	18,562,369	9,413,265	23,455,186	23,227,103	26,618,953	21,175,890	23,414,208	-	201,104,903
o/w Crude Oil Net Carried and Participation Interest	US\$	12,896,773	11,596,750	2,901,734	15,054,459	10,658,374	9,259,800	6,804,834	6,702,196	8,228,529	9,529,151	10,536,393	-	104,168,993
ABFA and GPFs	US\$	60,176,048	44,729,332	55,003,381	87,810,226	78,241,695	37,265,039	32,098,349	67,987,568	38,460,255	40,810,027	56,224,538	73,044,576	671,851,033
o/w Annual Budget Funding Amount	US\$	42,123,233	11,184,532	-	31,853,650	54,769,187	-	16,652,596	47,591,297	26,922,179	-	4,006,643	-	235,103,316
o/w Ghana Petroleum Funds	US\$	18,052,814	33,544,800	55,003,381	55,956,576	23,472,509	37,265,039	15,445,754	20,396,270	11,538,077	40,810,027	52,217,895	73,044,576	436,747,717
o/w Ghana Stabilisation Fund	US\$	12,636,970	23,481,360	38,502,367	39,169,603	16,430,756	26,085,527	10,812,028	14,277,389	8,076,654	28,567,019	36,552,527	51,131,203	305,723,402
o/w Ghana Heritage Fund	US\$	5,415,844	10,063,440	16,501,014	16,786,973	7,041,753	11,179,512	4,633,726	6,118,881	3,461,423	12,243,008	15,665,369	21,913,373	131,024,315
Total Payments	US\$	75,822,940	63,157,735	103,561,272	102,864,684	107,462,439	55,938,105	62,358,369	97,916,867	73,307,737	71,515,068	90,175,138	73,044,576	977,124,930
	GHC	335,030,159.68	278,790,872.24	468,060,703.58	490,931,993.20	514,680,603.90	269,621,664.31	275,699,535.31	432,009,216.15	344,128,511.12	341,312,812.00	433,561,993.63	326,107,509.86	4,509,935,574.98

Source: Ministry of Finance/Bank of Ghana

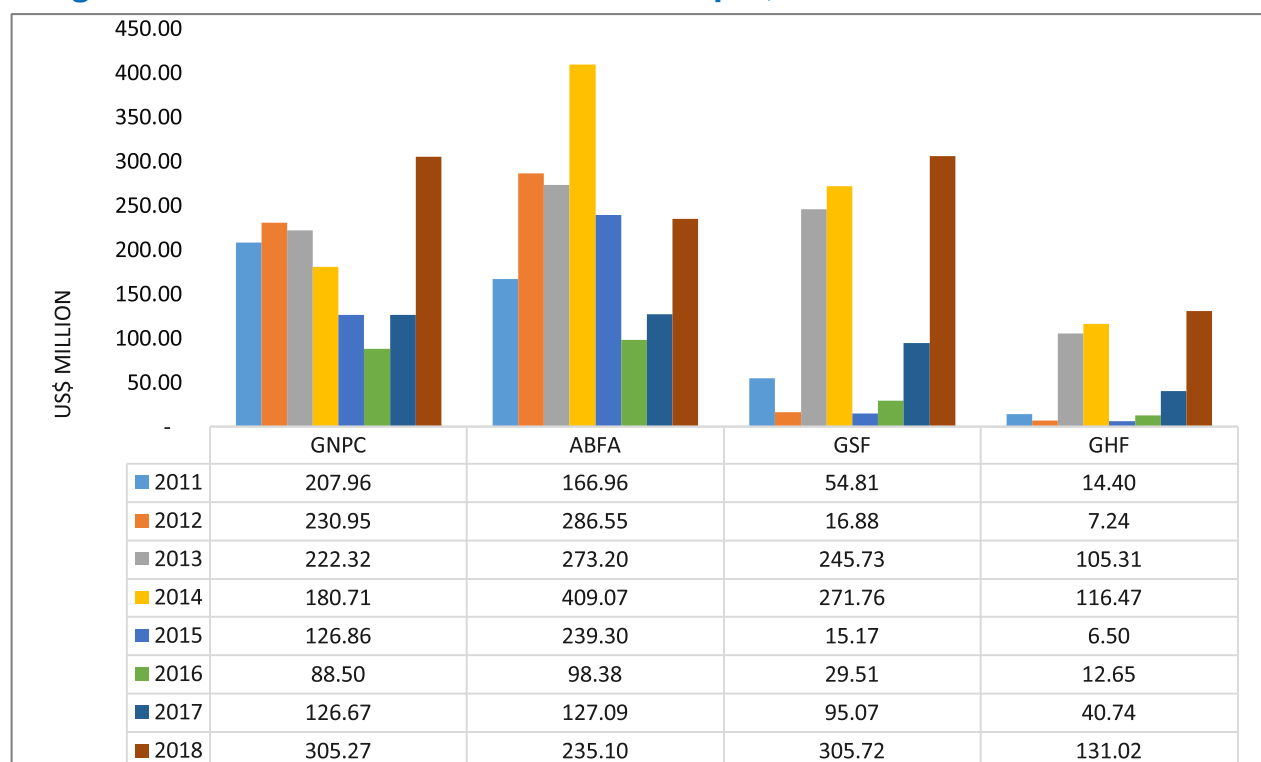
Note: The 46th lifting proceeds of US\$18,673,065.60 were distributed on 28th December 2018. However, GNPC received the said amount on 9th January, 2019



74. A total of US\$436.75 million (GH¢2,019.87 million) was transferred into the GPFs in 2018, compared with US\$203.83 million (GH¢166.65 million) in 2017. Out of the amount transferred, the GHF received US\$131.02 million (GH¢605.31 million), against US\$61.15 million (GH¢50.00 million) in 2017, while the GSF received US\$305.72 million, (GH¢ 1,412.43 million), against US\$142.68 million (GH¢116.66 million) in 2017. The total amount transferred in 2018 from petroleum liftings and related proceeds to the ABFA was US\$235.10 million (GH¢ 1,086.16 million).

75. The GNPC received a total of US\$305.27 million (GH¢1,410.35 million), in respect of Carried and Participating Interest US\$104.17 million (GH¢481.27 million) and Equity Financing Costs of US\$201.10 million (GH¢929.08 million), compared with a total amount of US\$182.04 million (GH¢792.55 million) received in 2017. The utilisation of funds allocated to GNPC is shown in Section 5. The allocation of petroleum receipts to the designated destination accounts since 2011 is shown in Figure 4.

Figure 2: Distribution of Petroleum Receipts, 2011- 2018



Source: Ministry of Finance/Bank of Ghana



76. Section 12 of the PRMA permits a withdrawal from the GSF to cushion the Budget against the effects of unanticipated petroleum revenue shortfalls in each quarter. There were no withdrawals from the GSF in 2018 because the ABFA targets for all the four quarters were met. However, in terms of Ghana cedis, the four quarters missed the targets on account of the relative stability of the cedi against the United States dollar.



SECTION FOUR: UTILISATION OF THE ANNUAL BUDGET FUNDING AMOUNT FOR 2018

77. The 2018 Budget programmed GH¢1,546,376,951 for ABFA, with GH¢463,913,085 being for Goods and Services and GH¢1,082,463,866 for CAPEX, as shown in Table 8.

Table 8: 2018 Programmed ABFA by Priority Area

NO.	Priority Area	2018 ABFA Goods and Services	2018 ABFA CAPEX	Total
1.0	Agriculture	3,000,000.00	248,465,991.00	251,465,991.00
2.0	Physical Infrastructure and Service Delivery in Education	455,913,085.00	10,000,000.00	465,913,085.00
3.0	Physical Infrastructure and Service Delivery in Health	-	50,000,000.00	50,000,000.00
4.0	Road, Rail & Other Critical Infrastructure Development	-	773,997,875.00	773,997,875.00
5.0	Sub-Total	458,913,085.00	1,082,463,866.00	1,541,376,951.00
6.0	Public Interest and Accountability Committee (PIAC)	5,000,000.00	-	5,000,000.00
7.0	Grand Total	463,913,085.00	1,082,463,866.00	1,546,376,951.00

Source: Ministry of Finance

78. The 2018 Mid-year Budget revised the 2018 ABFA slightly upwards to GH¢1,560,673,409. The opening balance of the ABFA Account was GH¢400,914,441. The actual ABFA receipts during the year under review was GH¢1,079,031,436.26. A total of GH¢827,653,566.25 was spent in-year, leaving a balance of GH¢652,292,311 as at end-December 2018.

79. The utilised amount of GH¢827.65 million represents 76.70 percent of total ABFA receipts. The amount utilised includes Goods and Services of GH¢421.03 million and CAPEX of GH¢406.62 million. The amount was utilised in accordance with the provisions of section 21(4) of the PRMA, which requires



that not less than 70 percent of the ABFA is utilised on public investment expenditures. Consequently, at the end of the period, 39.02 percent and 37.68 percent of the amounts allocated under ABFA Goods and Services, and CAPEX, were utilised, respectively.

80. The amount allocated under Goods and Services was under-utilised by a marginal 9.2 percent, mainly on account of expenditures released towards the end of 2018, which were paid in 2019. On the other hand, CAPEX recorded an under-utilisation ratio of 62.4 percent, mainly on account of delays in the procurement processes. Furthermore, there were delays in raising and validating relevant claims for works done by MDAs. These affected MDAs' ability to access their ABFA allocation for the period.

81. A breakdown of the utilisation of the ABFA of GH¢827.65 million by priority area is provided in Table 9, with details attached in the Appendix Table 3 of this report.

Table 6: ABFA Utilisation by Priority Area (January – December, 2018)

S/N	Priority Area	Actual Utilisation
1.0	Agriculture	126,185,356.21
2.0	Physical Infrastructure and Service Delivery in Education	419,871,012.44
3.0	Physical Infrastructure and Service Delivery in Health	22,702,127.91
4.0	Road, Rail & Other Critical Infrastructure Development	255,365,118.69
5.0	Sub-Total	824,123,615.25
6.0	Public Interest and Accountability Committee (PIAC)	3,529,951.00
7.0	Grand Total	827,653,566.25

Source: Ministry of Finance

Agriculture

82. Total spending on Agriculture amounted to GH¢126.19 million. Of this amount, GH¢124.22 million was utilised towards the implementation of Government's Flagship Planting for Food and Jobs Programme. The expenditures were made mainly to cover the construction and rehabilitation of irrigation infrastructure, construction and rehabilitation of warehouses, implementation of the Ghana Agricultural Sector Investment Programme (GASIP), and the Ghana - Savannah Zone Agricultural Productivity Improvement Project (SAPIP). An amount of GH¢1.96 million was also utilised under the Ministry of Fisheries and



Aquaculture towards the construction of the Anomabo Fisheries College. The amounts utilised represents 15.0 percent of total ABFA utilisation for the period.

Physical Infrastructure and Service Delivery in Education

83. Total spending on Physical Infrastructure and Service Delivery in Education amounted to GH¢419.87 million. The amount includes GH¢414.64 million paid to support the implementation of Government's flagship Free Senior High School Policy and GH¢5.23 million paid for the construction of 3-unit and 6-unit classroom blocks and the rehabilitation of dilapidated basic school structures nationwide. The amount accounts for 51.0 percent of total ABFA utilised during the period.

Physical Infrastructure and Service Delivery in Health

84. A total amount of GH¢22.70 million, accounting for 3.0 percent of total utilisation, was spent on the provision of Physical Infrastructure Health Services Delivery. The amount includes the payment of GH¢10.59 million for the construction of an office complex for the Association of Regulatory Bodies at Ridge, GH¢5.92 million for the construction of CHPS compounds, community clinics, and the remodelling of health centres across the country. An amount of GH¢5.20 million and GH¢1.00 million were also utilised on the construction of Office Complex for the Ministry of Health, and for works done on the emergency centre at the Komfo Anokye Teaching Hospital, respectively.

Roads, Rail, and Other Infrastructure

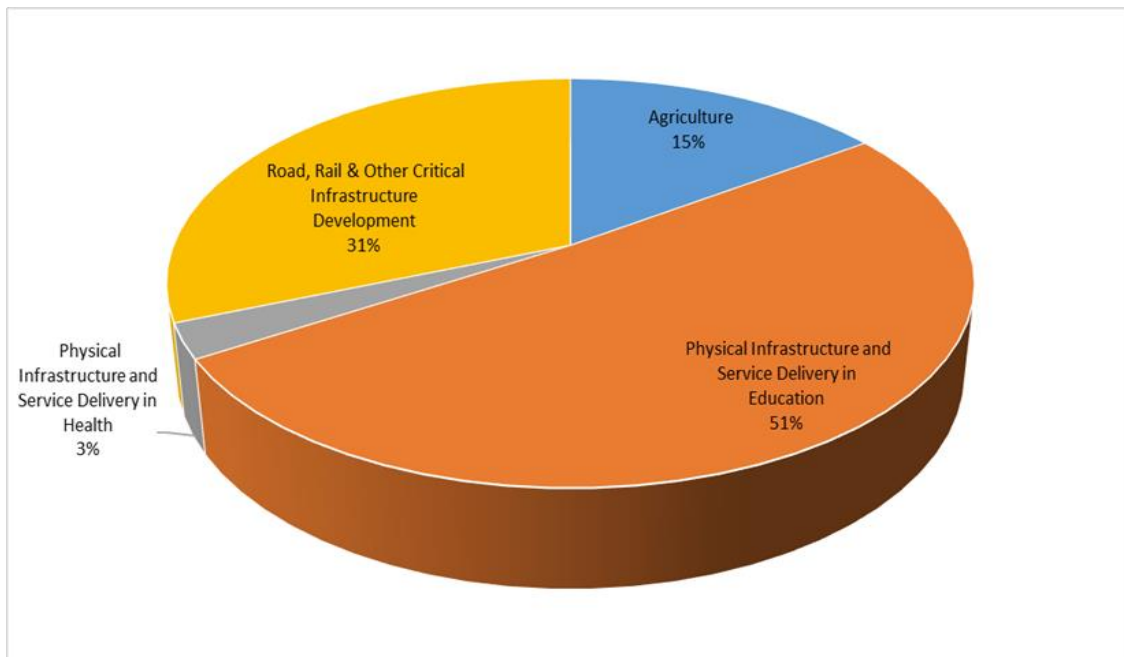
85. Total Spending for Roads, Rail, and Other Infrastructure amounted to GH¢255.37 million. The amount represents 31.0 percent of total ABFA utilised for the period. A breakdown of utilisation shows an amount of GH¢197.04 million was spent on the construction, rehabilitation and upgrading of roads and highways across the country. Payments under the Ministry of Railways Development amounted to GH¢35.55 million. The expenditures were mainly for the modernisation of workshops complex and training school for the Ghana Railways Development Limited, rehabilitation of the Kojokrom-Tarkwa Railway lines, supply of wooden sleepers for the rehabilitation of the Accra-Nsawam Railway line and related expenditures.

Public Interest & Accountability Committee (PIAC)

86. A total amount of GH¢3.53 million was transferred to the Public Interest and Accountability Committee (PIAC) for the implementation of their programmed activities for the year. Figure 5 shows ABFA utilisation by the priority areas as a ratio of total utilisation.



Figure 5: ABFA Utilisation by Priority Area



Source: Ministry of Finance



SECTION FIVE: UTILISATION OF GNPC'S 2018 ALLOCATIONS

87. As shown in Table 10, GNPC received a total amount of US\$286.60 million as at end December 2018 (out of the amount of US\$305.27 million), made up of the following:

- Jubilee Equity financing (share of development & production cost) –US\$73.80 million;
- TEN Equity financing (share of development & production cost) –US\$117.89 million;
- 30% share of net proceeds of Jubilee crude revenue –US\$53.11 million; and
- 30% share of net proceeds of TEN crude revenue – US\$41.80 million.

88. Cash balance brought forward from the previous year was US\$79.03 million, bringing the total cash available for December 2018 to US\$365.63 million. Out of the total amount received and balance brought forward from 2017, a total amount of US\$350.48 million was utilized, leaving a cash balance on hand of US\$15.15 million earmarked for priority projects, especially the onshore Voltaian Basin project.



Table 10: Utilisation of GNPC's Share of Jubilee Petroleum Revenue in 2018

JANUARY-DECEMBER 2018			
SRN	RECEIPS FROM JUBILEE & TEN PROCEEDS	AMOUNT (US\$)	EXPENDITURE AS % OF RECEIPTS
1	Level A Receipts (Equity Financing)-Jubilee	73,800,298.24	25.8%
2	Level B Receipts (30% of Net Proceeds)-Jubilee	53,108,090.34	18.5%
3	Level A Receipts (Equity Financing)-TEN	117,891,339.40	41.1%
4	Level B Receipts (30% of Net Proceeds)-TEN	41,801,102.73	14.6%
5	Total Amount Received (A)	286,600,830.71	100.0%
SRN	USES OF AMOUNTS ALLOCATED:		
6	Jubilee Equity Financing Cost	73,683,766.60	25.7%
7	TEN Equity Financing Cost	131,162,182.87	45.8%
8	Exploration & Development Projects	47,472,790.47	16.6%
9	Staff Cost	24,293,996.37	8.5%
10	Admin. Capital Expenditure	6,694,757.04	2.3%
11	Capital Projects	13,012,695.02	4.5%
12	General Operational Expenditure	43,910,550.14	15.3%
13	Downstream Project	4,695,643.57	1.6%
14	SOPCL	1,416,548.00	0.5%
15	GOG Gas Related Payments-Enclave Roads	4,139,768.23	1.4%
16	Total Expenditure (B)	350,482,698.31	-122.3%
17	Net Position:- (C=A-B)	(63,881,867.60)	-22.3%
18	Add: Cash B/Fwd (01.01.2018) (D)	79,030,665.35	
19	Total Cash Available (E=C+D)	15,148,797.75	

Source: GNPC

89. The details of GNPC's expenditure on other petroleum projects are presented in Table 11.



Table 7: GNPC's Expenditure of Petroleum Receipts on Other Petroleum Projects

SRN	Exploration & Development Projects	AMOUNT (US\$)
1	OCTP Project	4,884,055.84
2	North & South Tano Petroleum Projects	2,463,996.30
3	Voltaian Basin Petroleum Projects	31,368,822.19
4	South Deepwater Tano Petroleum Projects	1,915,333.16
5	Hess	2,959,696.83
6	Ultra Deep Water [Keta Heritage]	729,888.24
7	Tano – Heritage	729,888.24
8	A - Z Petroleum	729,888.24
9	Explorco	901,057.78
10	Maritime Boundary Special Project	790,163.64
11	Total Non-Jubilee & Non-TEN Projects Expenditure	47,472,790.47

Source: GNPC



SECTION SIX: PERFORMANCE OF THE GHANA PETROLEUM FUNDS IN 2017 AND 2018

Portfolio Performance of the Ghana Petroleum Funds

90. Total return on investment of the Ghana Heritage Fund (GHF) year to date (YTD), (first half of 2018) was -0.90 percent. The three-year annualised return (3Y(A)) of GHF was 1.49 percent, while the five year annualised return (5Y (A)) was 12.23 percent.

91. In H1 2018, the Ghana Petroleum Funds returned a net realised income of US\$6.49 million, compared to US\$4.82 million in H2 2017. The Ghana Stabilisation Fund (GSF) contributed 37.74 percent or US\$2.45 million to total net income, compared to US\$1.58 million in H2 2017, while GHF contributed 62.26 percent or US\$4.04 million, compared to US\$3.24 million in H2 2017, as shown in Table 12.

Table 8: Returns on GSF and GHF

ITEM	2017			2018		
	BANK CHARGES	GROSS INCOME	NET INCOME	BANK CHARGES	GROSS INCOME	NET INCOME
	US\$	US\$	US\$	US\$	US\$	US\$
H1	(12,270)	4,491,474	4,479,204	16,834.29	6,510,131.45	6,493,297.16
Ghana Heritage Fund	(10,386)	3,449,173	3,438,787	(12,213.18)	4,055,102	4,042,888.95
Ghana Stabilisation Fund	(1,885)	1,042,302	1,040,417	(4,621.11)	2,455,029.32	2,450,408.21
H2	(15,177)	4,835,546	4,820,369	(17,520.06)	9,280,327	9,262,806.86
Ghana Heritage Fund	(11,240)	3,252,572	3,241,332	(13,093.07)	5,325,663	5,312,570.08
Ghana Stabilisation Fund	(3,938)	1,582,975	1,579,037	(4,426.99)	3,954,664	3,950,236.78
Year End	(27,447)	9,327,021	9,299,573	(34,354.35)	15,790,458.37	15,756,104.02
Ghana Heritage Fund	(21,625)	6,701,744	6,680,119	(25,306.25)	9,380,765	9,355,459.03
Ghana Stabilisation Fund	(5,822)	2,625,276	2,619,454	(9,048.10)	6,409,693.09	6,400,644.99

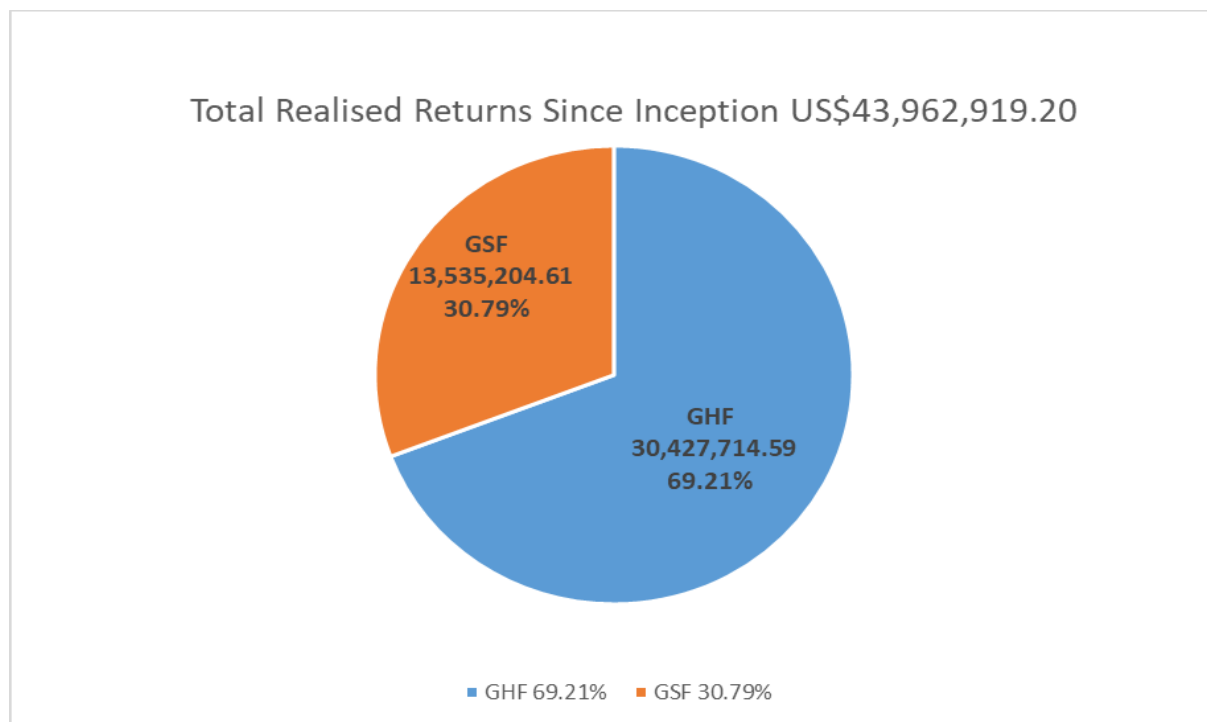
Source: Bank of Ghana

92. As at 31st December, 2018, the balance standing to the credit of the GHF and GSF was US\$485.17 million and US\$381.20 million, respectively, bringing the total GPFs balance to US\$866.38 million, as shown in Appendix Table 4.

93. The total realised returns since inception of the Ghana Petroleum Funds to end-December 2018 was US\$43.96 million, of which Ghana Heritage contributed US\$30.43 million and Ghana Stabilisation Fund contributed US\$13.54 million, as shown in Figure 6.



Figure 6: Total Realised Returns since Inception (Nov 2011 to Dec 2018)



Source: Bank of Ghana

Withdrawal from the Ghana Stabilisation Fund

94. The PRMA allows for withdrawals from the GSF to support shortfalls in the ABFA and also allows the Minister for Finance to set a cap on the GSF and withdraw the excess over the cap for contingency and debt repayment.

95. In line with Section 23(4) of the PRMA, the GSF was capped at US\$300 million in the 2018 Budget. A total of US\$283.97 million was withdrawn from the GSF in 2018. This amount, which was in excess of the cap placed on the GSF in the 2018 Budget, was transferred into the Sinking Fund, in accordance with Section 23(3) of the PRMA.



SECTION SEVEN: AUDITED FINANCIAL STATEMENTS OF THE PETROLEUM FUNDS

96. In line with Section 48 of the PRMA, the 2017 Audit Report on the Management of the Petroleum Fund has been attached in Appendix Table 5 of this report.

SECTION EIGHT: CONCLUSION

97. The 2018 Reconciliation Report on the Petroleum Holding Fund is a follow-up to the 2018 Annual Report on Petroleum Funds, in line with Section 15 of the PRMA. The report gives a full year account of how petroleum revenues were distributed, managed and expended.

98. Total crude oil produced from the three producing fields (Jubilee, TEN and Sankofa-Gye Nyame) in 2018 was 62,770,787 barrels, translating into an average daily oil production of 170,233 barrels, compared with 58,659,625 barrels for the same period in 2017, representing an increase of 6.55 percent. The increase in output is attributable mainly to an increased production from the TEN and SGN Fields.

99. The Jubilee and TEN Partners supplied 27,721MMScf of raw gas, translating into an annualised average daily gas export of 76 MMScf, for processing at the Atuabo Gas Processing Plant (GPP). Out of the total gas produced in 2018, 19,330 MMScf was from the Jubilee Field, while TEN exported 8,391MMScf.

The ABFA receipts for 2018 met the yearly threshold in the 2018 Budget. The revenue in excess were transferred to the GPFs in line with the PRMA.

100. Total petroleum receipts for 2018 was US\$977.12 million (GH¢4,529.68 million), compared with US\$540.41 million (GH¢2,334.12 million) in 2017. This was mainly due to an increase in price from an annual average of US\$53.49 per barrel to US\$70.34 per barrel and, an increase in lifting volumes from 5,856,921 barrels to 9,783,239 barrels

101. Other transfers comprising GNPC and the GPFs were effected in line with the PRMA.



APPENDICES

APPENDIX TABLE 1: 2018 CRUDE OIL PRODUCTION

MONTH	JUBILEE	TEN	SANKOFA	TOTAL
Jan-2018	2,699,858	2,181,529	1,098,754.50	5,980,141.50
Feb-2018	408,585	1,947,711	909,194.42	3,265,490.42
Mar-2018	2,634,581	2,044,780	911,716.90	5,591,077.90
Apr-2018	2,642,480	1,915,683	801,360.61	5,359,523.61
May-2018	2,718,480	1,913,518	778,355.43	5,410,353.43
Jun-2018	819,302	1,769,046	787,115.61	3,375,463.61
Jul-2018	2,900,807	1,691,547	810,709.34	5,403,063.34
Aug-2018	2,955,505	1,998,377	799,909.38	5,753,791.38
Sep-2018	2,820,247	2,068,042	997,017.00	5,885,306.00
Oct-2018	2,987,420.00	2,054,590	904,983.00	5,946,993.00
Nov-2018	2,364,779	1,990,983	995,577.00	5,351,339.00
Dec-2018	2,509,711	1,981,555	956,977.76	5,448,243.76
TOTAL	28,461,755.00	23,557,361.00	10,751,670.95	62,770,786.95

Source: GNPC



APPENDIX TABLE 2: 2018 GAS DELIVERED

Month	Jubilee	TEN	SANKOFA
January	3,040.61	211.41	
February	0.00	57.027	
March	1,830.72	643.543	
April	1,711.20	1,386.871	
May	2,223.03	1,078.700	
June	527.19	1,983.970	
July	2,613.08	507.399	
August	1,485.03	938.169	656.70
September	1,319.796	1,203.200	445.22
October	1,026.270	3.030	874.16
November	1,557.346	174.630	2,083.30
December	1,995.903	203.030	2,045.91
Total	19,330.18	8,390.98	6,105.29

Source: GNPC



APPENDIX TABLE 3: DETAILS OF ABFA PROJECTS FROM JANUARY-DECEMBER 2018 BY PRIORITY AREAS

PRIORITY AREA/PROJECT DESCRIPTION	GOODS & SERVICES	CAPITAL EXPENDITURE	TOTAL	Status of Completion (%)
1.0 AGRICULTURE	2,856,536.99	123,328,819.22	126,185,356.21	
MINISTRY OF FOOD & AGRICULTURE	2,856,536.99	121,364,799.52	124,221,336.51	
Planting for Food and Jobs	2,856,536.99	121,364,799.52	124,221,336.51	
Rehabilitation of Link Road Extension Works at Tono Irrigation Project	-	343,977.68	343,977.68	100
Irrigation infrastructure at Uwasi in the Upper East Region	-	5,318,175.90	5,318,175.90	100
Construction of three(3) greenhouse capacity building training centres	-	10,320,478.38	10,320,478.38	66.8
Construction supervision of civil works at Mprumem Irrigation Project	380,831.77	-	380,831.77	
Design & Construction Supervision of Civil Works at Tamne Irrigation Project and Prefeasibility Studies at Kpli Irrigation Project.	210,322.56	-	210,322.56	
Prefeasibility Studies and Design & Construction Supervision at Kamba and Sabare Irrigation Projects	329,237.69	-	329,237.69	
Rehabilitation of warehouse and Ancillaries	-	2,067,849.51	2,067,849.51	86
Rehabilitation of warehouse with ancillaries at Wenchi and Sunyani in the Brong Ahafo Region	-	1,173,750.60	1,173,750.60	100
Construction of irrigation infrastructure at Aditrasi and Kornorkle in Yilo Krobo, Eastern Region	-	4,894,322.38	4,894,322.38	100
Rehabilitation of Irrigation Project at Piiyiri	-	406,945.15	406,945.15	72.6
Development of Irrigation Infrastructure at Mprumem in the Central Region	-	10,712,827.44	10,712,827.44	98.5
Rehabilitation of warehouse with ancillaries at Duase in the Region	-	1,444,843.84	1,444,843.84	70
Design & Construction Supervision of Civil Works at Amate Irrigation Project	308,793.57	-	308,793.57	
Development of irrigation infrastructure at Uwasi in the Upper East Region	-	3,587,089.10	3,587,089.10	100
Construction of irrigation infrastructure at Tamne in the Upper East Region	-	10,506,453.22	10,506,453.22	65
Supply and installation of irrigation solar water pump for Yiap	-	307,970.00	307,970.00	100
Rehabilitation of Zakpalsi & Sakpe irrigation projects	-	2,847,059.13	2,847,059.13	68.5
Payment for the construction of irrigation infrastructure at Tamne in the Upper East Region (phase 2)	-	24,198,372.36	24,198,372.36	20.1
Development of irrigation infrastructure at Mprumem in the Central	-	6,066,730.26	6,066,730.26	22



Region				
Construction of irrigation infrastructure at Tamne in the Upper East Region (phase 1)	-	5,189,578.67	5,189,578.67	80.4
Development of irrigation infrastructure at Piiyiri	-	4,339,191.50	4,339,191.50	69
Development of irrigation infrastructure at Uwasi in the Upper East Region	-	3,591,696.82	3,591,696.82	100
Development of irrigation infrastructure at Mprumem in the Central Region	-	2,734,174.59	2,734,174.59	100
Rehabilitation of irrigation dam Zakpalsi and Sakpe in the Northern Region	-	2,484,543.88	2,484,543.88	80
Development of irrigation infrastructure at Nandom District in the Upper West Region	-	2,412,525.00	2,412,525.00	85
Construction of 100mt warehouse at Bole	-	1,355,713.20	1,355,713.20	65
Counterpart funding for the implementation of the Gasip & Sapip	1,025,559.00	-	1,025,559.00	
Payment for work done on irrigation project	-	1,096,403.32	1,096,403.32	72.6
Payment for construction of 100mt warehouse at Chinderi	-	982,171.08	982,171.08	85
Rehabilitation of irrigation dam at Zakpalsi & Sakpe in the Mion district of Northern Region	-	951,757.48	951,757.48	100
Construction of 1000mt warehouse at Sagnerigu	-	875,937.78	875,937.78	50
Rehabilitation of no.4 warehouses with ancillary facilities in the Ashanti Region	-	794,493.82	794,493.82	100
Rehabilitation of no.4 warehouses with ancillary facilities at Tamale & Yendi	-	734,510.97	734,510.97	100
Construction of water management structures at Odaho Donuaso Valley and Scimp Valley and others	-	724,668.18	724,668.18	100
Development of irrigation infrastructure at Aditrasi and Kornorkle in Yilo Krobo, Eastern Region	-	715,934.19	715,934.19	100
Construction of 100mt warehouse at Salaga	-	702,821.57	702,821.57	60
Payment for construction of 1000mt warehouse at Bulenga	-	600,705.45	600,705.45	32
Payment to cover for design & supervision of civil works at Tamne irrigation project	601,792.40	-	601,792.40	
Payment for construction of 1000mt warehouse at Ashanti Region	-	567,647.00	567,647.00	73.8
Payment for construction of 100mt warehouse at Mankranso	-	534,113.00	534,113.00	59.3
Payment for construction of 100mt warehouse at Nkoranza	-	489,370.90	489,370.90	31.1
Payment for construction of 100mt warehouse at Busunya	-	455,546.16	455,546.16	31.6
Payment for construction of 1000mt warehouse at Fumbisi by Alzak Company Ltd	-	455,334.75	455,334.75	42



Construction of 1000mt warehouse at Dormaa Ahenkro	-	446,391.90	446,391.90	31.6
Construction of 1000mt warehouse at Namango	-	424,094.40	424,094.40	31
Payment for construction of 100mt warehouse at jirapa	-	412,559.64	412,559.64	38.5
Payment for construction of 1000mt warehouse at Nkwanta	-	366,072.75	366,072.75	56
Payment for consultancy service for warehouse in Upper-East and Upper West	-	374,759.38	374,759.38	52
Construction of 1000mt warehouse at Bussie	-	362,204.10	362,204.10	44.3
Construction of 1000mt warehouse at Charikpong	-	350,947.48	350,947.48	31.1
Consultancy service for warehouse in Ashanti Region	-	354,295.00	354,295.00	50
Payment for construction of 1000mt warehouse at Nangodi	-	277,924.95	277,924.95	23
Payment for consultancy service of 1000mt warehouse at Nothern Region	-	231,968.89	231,968.89	25
Consultancy service for warehouse in Northern Region	-	219,922.00	219,922.00	50
Construction of 1000mt warehouse at Denugu by Alzak company Limited	-	205,756.47	205,756.47	26.4
Consultancy service for warehouse in Brong Ahafo Region	-	137,456.79	137,456.79	30
Consultancy service on construction in the Volta Region.	-	131,974.53	131,974.53	32
Consultacy services for the construction of various works under MoFA for Volta Region	-	82,786.98	82,786.98	10
PRIORITY AREA/PROJECT DESCRIPTION	GOODS & SERVICES	CAPITAL EXPENDITURE	TOTAL	Status of Completion (%)
MINISTRY OF FISHERIES AND AQUACULTURE	-	1,964,019.70	1,964,019.70	
Fisheries and Aquaculture Inputs and Infrastructure	-	1,964,019.70	1,964,019.70	
Payment for work done on 2 storey hostel block for the Fisheries College at Anomabo	-	322,071.11	322,071.11	65
Construction of three storey lecture block at Anomabo	-	732,723.94	732,723.94	65
Construction of Fisheries College at Anomabo 2 storey administration block	-	481,041.16	481,041.16	80
Construction of Fisheries College at Anomabo 2 storey laboratory block	-	428,183.49	428,183.49	70
2.0 PHYSICAL INFRASTRUCTURE & SERVICE DELIVERY IN EDUCATION	414,643,349.65	5,227,662.79	419,871,012.44	
MINISTRY OF EDUCATION	-	5,227,662.79	5,227,662.79	
Education Infrastructure	-	5,227,662.79	5,227,662.79	
Construction of 1no. 6-unit classroom block at Berekm M/A Basic	-	148,918.50	148,918.50	100



School				
Construction of 3 unit classroom block at Tanoso D/A primary and 6 unit classrom block at seem Hniwiaso Anglican Primary.	-	359,182.22	359,182.22	100
Construction of 6 unit classroom block at Kanvil Tunayili Primary School	-	163,014.56	163,014.56	100
Construction of 1 no. 6 unit classroom block at Adawu-Mensah-Sefwi Akontombra	-	171,757.80	171,757.80	100
Construction of 1no. 6-unit classroom block at Baniekrom D/A Primary	-	141,489.00	141,489.00	40
Contruction of 1 no.6 unit classroom block at adwunmakase	-	110,237.34	110,237.34	56
Construction of 6 unit classroom block at Adeankyen	-	61,374.20	61,374.20	60
Construction of 6 units classroom block at Odumase	-	221,608.80	221,608.80	75
Reconstruction/rehabilitation of 40 collapsing Basic Schools	-	224,695.32	224,695.32	80
Construction of 1no. 3- unit classroom block at Torve R/C Primary	-	104,328.72	104,328.72	70
Construction of 1no. 3-unit classroom block at amanase aboabo jhs and owusu wawase d/a primary	-	272,946.49	272,946.49	40
Reconstuction /rehabilitation of dilapidated basic school structures across the country	-	60,490.89	60,490.89	80
Construction of 1no. Kindergarten block at Ahinkofi Primary	-	81,507.60	81,507.60	100
Reconstruction/rehabilitation of 40 collapsing Basic Schools Structures	-	101,493.44	101,493.44	80
Construction of 6 unit classroom block at Adawu Mensah D/A Primary.	-	179,128.44	179,128.44	100
Construction of 3 unit classroom block at Amanase Aboabo D/A Primary & 6 unit classroom block at Owusu Wawase D/A Primary.	-	475,374.00	475,374.00	90
Reconstruction/rehabilitation of 40no. dilapidated Basic School structures across the country	-	209,995.80	209,995.80	50
Reconstruction/rehabilitation of 40no. dilapidated basic school structures across the country, Bawku	-	72,655.29	72,655.29	40
Construction of 3 unit classroom blk. & rehabilitation of 6 unit, 4 unit classroom blocks in the Bawku municipality	-	274,821.25	274,821.25	95
Construction of 6 unit classroom blocks in Lower Manya and Yilo Krobo district.	-	324,462.61	324,462.61	75
Construction of six unit classroom block	-	324,102.51	324,102.51	95
Construction and Rehabilitation of 6,4 and 3 unit classroom blocks in Bawku municipality	-	260,585.20	260,585.20	60
Payment for 6-unit classroom block at Sikafremogya D/A Primary School in the Bia East District of the Western Region	-	145,539.90	145,539.90	60
Construction of 3-unit classroom and 6-unit classroom blocks at	-	132,014.84	132,014.84	40



Bawku municipality				
Reconstruction/rehabilitation of 1no.3-unit classroom block at Torve R/C Primary school in the Akatsi South District of the Volta Region	-	125,763.11	125,763.11	100
Payment for construction works of basic school classroom block	-	125,485.07	125,485.07	95
Rehabilitation of 6 unit classroom block at Akyease Primary in the Bia East District	-	115,774.46	115,774.46	20
Construction and Rehabilitation of 3 unit classroom block in the Wa East District	-	95,114.85	95,114.85	25
Construction and Rehabilitation of 6 unit classroom block at Wa	-	73,410.57	73,410.57	15
Construction of kindergarten block in Effia Kwesimintsim	-	70,390.01	70,390.01	100
OFFICE OF GOVERNMENT MACHINERY	414,643,349.65	-	414,643,349.65	
Free SHS Policy	414,643,349.65	-	414,643,349.65	
Second tranche payment for the implementation of Free SHS	100,000,000.00	-	100,000,000.00	
Payment for free shs for 3rd term 2017/2018 academic year	314,643,349.65	-	314,643,349.65	
3.0 PHYSICAL INFRASTRUCTURE & SERVICE DELIVERY IN HEALTH	-	22,702,127.91	22,702,127.91	
MINISTRY OF HEALTH	-	22,702,127.91	22,702,127.91	
Health Infrastructure	-	22,702,127.91	22,702,127.91	
Construction and completion of office complex for the Association of Regulatory Bodies at Ridge, Accra	-	3,705,625.00	3,705,625.00	45.7
Construction of CHPS compound at Lito in the Central Gonja district	-	32,583.32	32,583.32	60
Construction of 4-unit classroom block and female hostel at Agogo	-	30,229.03	30,229.03	80
Construction of CHPS compound at Hofedo	-	32,498.86	32,498.86	38
Construction of health centres at Asawinso-Western Region	-	18,635.30	18,635.30	21
Construction and completion of office complex for Association of Regulatory Bodies-Ridge	-	6,881,875.00	6,881,875.00	54.6
Construction of CHPS compound at Suke in the Lambussie Karni District	-	21,420.25	21,420.25	70
Construction of CHPS compound at Alavanyo Dzogbed	-	75,666.17	75,666.17	100
Construction of CHPS compound at Tunayill	-	82,790.00	82,790.00	90
Remodelling and expansion of Eggu Health Centre in the Wa West District	-	88,424.85	88,424.85	40
Remodelling and expansion of Charikpong Health Centre-Nadowli District	-	90,291.82	90,291.82	85
Construction of health centre at Sepe	-	59,113.14	59,113.14	65



Remodelling and expansion of Gurunga Health Centre	-	65,015.46	65,015.46	60
Construction of CHPS compound at Prestea Huni Valley District	-	10,714.20	10,714.20	46
Remodelling and expansion of Vieri CHPS compound to clinic - Wa West District	-	70,202.98	70,202.98	90
Construction of office complex for the Ministry of Health	-	5,195,585.24	5,195,585.24	69.2
Works done on the emergency centre at Komfo Anokye Teaching Hospital	-	1,000,000.00	1,000,000.00	100
Construction of health centre at Mempeasm	-	728,235.58	728,235.58	18.3
Renovation of the community clinic at Vakpo	-	417,004.66	417,004.66	98
Construction of CHPS compound at Koforidua - Ashanti Region	-	396,845.05	396,845.05	45
Construction of CHPS compound at Akyem Mampong-Eastern Region	-	391,393.81	391,393.81	20
Construction of CHPS compound at Amakye-krom - Brong Ahafo Region	-	389,175.96	389,175.96	20
Construction of CHPS compound at Antwirifo in the Brong Ahafo Region	-	386,749.44	386,749.44	10
Construction of CHPS compound at Kofiasu in the Brong Ahafo Region	-	384,353.77	384,353.77	15
Construction CHPS compound at Wiaboman in the Greater Accra Region	-	380,183.97	380,183.97	10
Construction of CHPS compound at Tiawia in the Eastern Region	-	373,768.26	373,768.26	19
Construction of CHPS compound at Tetegu in the Greater Accra Region	-	372,606.90	372,606.90	10
Construction of CHPS compound at Ahankrasu in the Eastern Region	-	361,925.74	361,925.74	25
Construction of CHPS compound at Akaaso in the Western Region	-	338,472.34	338,472.34	35
Construction of CHPS compound at Nuanua in the Assin South District	-	99,063.13	99,063.13	100
Construction of CHPS compound and pavilion at Dubila and Katanga in the Bolga Municipality	-	74,925.56	74,925.56	43
Construction of CHPS compound at Kuro at the Kadjebi District	-	70,752.39	70,752.39	100
Consultancy services rendered on the construction of Nsawora Health Centre	-	39,098.39	39,098.39	100
Construction of CHPS compound at Boikrom in Ahanta West District	-	36,902.34	36,902.34	95
4.0 ROAD, RAIL, & OTHER CRITICAL INFRASTRUCTURE DEVELOPMENT	-	255,365,118.69	255,365,118.69	
MINISTRY OF ROADS AND HIGHWAYS	-	197,041,142.63	197,041,142.63	
Road Infrastructure	-	197,041,142.63	197,041,142.63	



Construction of Steel Bridge over River Akora Agona Nsaba-Agona Nkran Feeder Roads	-	926,924.99	926,924.99	100
Constructuon of Steel bridge No. AR/A/05 over river Afram on Drobonso-Dawa Feeder Road	-	1,026,160.49	1,026,160.49	57.7
Construction of walkway along Dansoman highway	-	282,786.22	282,786.22	97.9
Construction works on the Fufulso-Sawla road project	-	39,864.57	39,864.57	100
Accra - Kumasi Highway Dualization Project - Kwafokrom-Apedwa	-	32,665,551.26	32,665,551.26	65
Accra - Kumasi Highway Dualization Project - Kwafokrom-Apedwa	-	14,000,000.00	14,000,000.00	65
Accra - Kumasi Highway Dualization Project - Kwafokrom-Apedwa	-	6,977,912.74	6,977,912.74	65
Rehabilitation of Obogu-Ofoase-Gyadem-Bodwesango-Adansi Asokwa Road	-	15,280,481.86	15,280,481.86	64
Construction of steel bridge over river Kudage along Sombisi-Tantala road on Wa-Walewale Road	-	656,131.06	656,131.06	80
Rehabilitation of Agona Junction - Elubo Road	-	6,000,000.00	6,000,000.00	50
Compensation payment to project affected persons -Accra Kumasi Highway Dualization project site	-	12,969.00	12,969.00	100
Compensation payment to project affected persons - Rehabilitation of Assin Praso -Anwiankwata Road	-	325,173.22	325,173.22	100
Compensation payment to project affected persons - construction of Ho Town Road	-	13,344.00	13,344.00	100
Compensation payment to project affected persons - Kumasi - Konongo Road project	-	159,937.80	159,937.80	100
Compensation payment to project affected persons - Accra Kumasi Highway Dualization project - lot 6 Apedwa - Nsawam	-	6,160.00	6,160.00	100
Compensation payment to project affected persons - Accra Kumasi Highway Dualization project - lot 6 Apedwa - Nsawam, Nsawam bypass section, including bridges	-	150,271.52	150,271.52	100
Compensation payment to project affected persons - Rehabilitation of Pantang - Mamfe Road Project	-	215,931.50	215,931.50	100
Payment of work done in respect of Bitumen Surfacing of Kakpagyili-Yong	-	2,377,935.14	2,377,935.14	94
Payment of Interest on Delayed Payment in respect of construction of steel bridge	-	29,444.22	29,444.22	100
Interest on Delayed payment and Final Retention for the Construction of Steel Bridge on Torya Jn-Torya Feeder Roads	-	175,253.66	175,253.66	100
Interest on delayed payment and Final Retention for the construction of Steel Bridge at Kutukrom Sikaeasem Feeder Road	-	129,908.47	129,908.47	100
Payment of Interest on Delayed payment & Final Retention in respect of the Construction of Steel Bridge on Nkinkensu-Benda Nkwanta & Wassa Akropong-Adansi f/Rs/Bridge	-	326,221.53	326,221.53	100



Payment of work done in respect of Bitumen Surfacing of Mile 82 - Bodi Feeder Roads	-	9,992,126.84	9,992,126.84	100
Consultancy services for the traffic survey on trunk roads zone 3 in the Central and Western Regions	-	37,611.52	37,611.52	50
Roadline markings and traffic signs on Mamfe-Adawso-Koforidua	-	7,135.02	7,135.02	100
Being amount released for the payment of work done in respect of the Construction of Steel Bridge over River Kosin on Bui-Zanlerigu Feeder Roads	-	662,995.72	662,995.72	76.8
Rehabilitation of selected roads in the South Cape Coast Metropolitan Area	-	856,099.98	856,099.98	55.8
Partial reconstruction of Have-Kpando Road (10km)	-	436,498.72	436,498.72	67.8
Upgrading of Effiduase-Senchi-Juansa Road	-	654,915.58	654,915.58	19.5
Upgrading of Tumu-Gwollu Hamile Road	-	1,772,440.49	1,772,440.49	35.2
Rehabilitation of selected roads in Upper East Region	-	3,514,300.05	3,514,300.05	95.1
Rehabilitation of selected roads in Upper East Region (Baolga-Bongo, Winkongo-Tongo)	-	3,497,157.00	3,497,157.00	95.1
Construction of Ho Fume	-	5,470,696.28	5,470,696.28	72.7
Emergency works for the upgrading of Sogakope-Adidome Road	-	4,005,350.47	4,005,350.47	99.3
Continuation of rehabilitation of Anyinam-Konongo road / Nkawkw Atibie	-	7,932,988.42	7,932,988.42	33
Work done in respect of Bitumen Surfacing of Shama Town Roads	-	2,854,325.32	2,854,325.32	64.6
Upgrading of Bitumen Surfacing of Esiam Town Roads	-	18,380.08	18,380.08	100
Dualization of Kansawurodo bypass phase 2	-	1,941,685.35	1,941,685.35	100
Partial reconstruction of Fijai bypass phase 1	-	655,262.67	655,262.67	100
Dualization of Kansawurodo bypass phase 2	-	264,492.82	264,492.82	100
Upgrading of Atebubu Kwame Danso Kojokrom Road phase 2 - Boadinka Kojokrom Road	-	2,892,155.53	2,892,155.53	16
Bitumen Surfacing of Tuobodom-Ofuman Feeder Roads Phase II & others	-	8,379,619.84	8,379,619.84	54.8
Construction of Steel Bridge on Menji Bui Trunk Feeder Roads	-	349,010.84	349,010.84	52.8
Payment for work done, Half Retention, Final Retention & Interest on Delayed Payment in respect of Surfacing of Amantena Junction - Wioso Feeder Roads	-	450,158.24	450,158.24	100
Payment for work done in respect of bitumen surfacing of New Tafo-Nobi-Samlesi-Anwiabeng Feeder Roads	-	736,688.43	736,688.43	47.7
Upgrading of Kade-Wenchi-Akim-Oda	-	430,042.43	430,042.43	39.5
Emergency road rehabilitation works in Accra-Rehabilitation of Dansoman main road and selected collectors, Nima highway, Dadeban and Palace Street	-	286,415.36	286,415.36	95.7



Resealing of Kpone, Ashiaman, Tema Community 5 area roads	-	1,224,452.89	1,224,452.89	100
Payment of work done in respect of Rehabilitation of Ainyinase Junction-Kwesikrom Feeder Road	-	149,399.80	149,399.80	45.7
Resealing/partial reconstruction of Mankessim - Abura Dunkwa Road (Rhino Stud)	-	210,847.45	210,847.45	100
Rehabilitation of North Ofankor Area Roads phase 1	-	42,457.28	42,457.28	57.2
Surfacing of SDA-Sakora last stop and school road-adenta phase 1	-	42,037.34	42,037.34	100
Resealing works on selected roads in Osu Clotney sub-metro phase 1	-	11,854.25	11,854.25	100
Rehabilitation of north ofankor area roads phase 14(0./0km)-lot 1	-	584,297.19	584,297.19	100
Resealing works on selected roads in Osu Clotney sub-metro phase 1	-	72,429.01	72,429.01	100
Upgrading of Islamic University link roads, Adentan	-	584,582.25	584,582.25	100
upgrading of Powerland-Sakora road, Madina phase 1	-	893,688.83	893,688.83	77.7
Payment to plaintiff/judgement creditor in respect of Construction of Enchi Dadieso road	-	4,557,324.34	4,557,324.34	63.8
Rehabilitation of Akatsi Aflao (56km) road lot 1: Akatsi -Agbozume 31.55km	-	703,378.70	703,378.70	100
Payment of work done & Final Retention in respect of the Construction of Steel Bridge over River Naakwa on Ajumako Abeadz-Gomoa Olefleku Feeder Roads	-	34,618.24	34,618.24	63.4
Upgrading of Wa-Bulenga and Wa Dorimon roads	-	1,315,865.86	1,315,865.86	48.8
Payment of final Retention in respect of Surfacing of Konongo Town Roads	-	13,297.74	13,297.74	100
Payment for work done in respect of the Construction of Steel Bridge over River Biun on Gumbo-Kpanterigo Feeder Roads	-	237,499.18	237,499.18	76.3
Reconstruction of Sunyani road in Kumasi	-	16,142,349.57	16,142,349.57	75
Reconstruction of Sunyani road in Kumasi	-	10,000,000.00	10,000,000.00	75
Reconstruction of Sunyani road in Kumasi	-	1,366,688.86	1,366,688.86	75
Work done in respect of construction of steel bridge on Atekyem-Nkawie Feeder Road bridge	-	190,484.13	190,484.13	57.1
Consultancy services for transport and traffic data in Sekondi-Takoradi	-	94,251.55	94,251.55	41
Upgrading of selected roads in Kpando Municipality	-	732,341.34	732,341.34	7.8
Dualization of Kansaworodo bypass, phase 3	-	6,962,093.71	6,962,093.71	46.5
Dualization of Kansaworodo bypass, phase 3	-	4,592,057.00	4,592,057.00	29.3
Emergency of construction of storm drains & some related road works in Accra/ Const of storm drain at Blue Lagoon, Accra	-	313,350.82	313,350.82	100



Upgrading of Ekye Amanfrom - Dedeso Road	-	69,634.75	69,634.75	1.4
Emergency road rehabilitation works in Sunyani phase 2	-	293,864.55	293,864.55	45
Reconstruction of aviation road, Adenta	-	4,000,000.00	4,000,000.00	100
Consultancy services for construction supervision of Eastern corridor roads project, lots 5 & 6, Oti Damanko - Nakpanduri Section (209.2km)	-	625,056.40	625,056.40	40
Construction supervision of Eastern Corridor roads project, lots 5 & 6, Oti Damanko - Nakpanduri section (209.2km)	-	143,894.73	143,894.73	40
Partial reconstruction of selected roads in Mempeasem (1.5km) lot 6	-	864,812.38	864,812.38	62
Transport traffic data collection in Koforidua municipality	-	95,316.24	95,316.24	90
MINISTRY OF SPECIAL DEVELOPMENT INITIATIVES	-	22,770,830.91	22,770,830.91	
Infrastructure for Poverty Irradiation Programme	-	22,770,830.91	22,770,830.91	
Payment for 10 No. 1,000 metric tonnes of grain warehouses in the Northern zone districts under IPEP at Tamale 1, and 2, Tolon, Kumbugu Buiepe and Yendi Communities.	-	4,397,951.95	4,397,951.95	40
Payment for 5 No. 1000 metric Tonnes of grain warehouses in the Middle zone districts under IPEP at Adujan(Ejura) Kofiasi(Asaam), Drobonso, Kumawu and Tepa Communities.	-	3,597,641.38	3,597,641.38	56.8
Payment for design and construction supervision fees (40%) of 50 No. 1,000 metric tonnes Pre-Fabricated grains warehouses across the country.	-	3,152,715.97	3,152,715.97	40
Payment for 10 No. 1000 metric Tonnes of grain warehouses in the Northern zone districts under IPEP at Sandema,Paga, Bawku and Pusiga Communities.	-	2,649,764.07	2,649,764.07	55
Payment for construction of 10 No. 1000 metric Tonnes of grain warehouses in the Coastal zone districts under IPEP at Ho, Hohoe, Mpraeso and Kasoa Communities.	-	2,378,795.73	2,378,795.73	25.2
Payment for 10 No. 1000 metric Tonnes of grain warehouses in the Northern zone districts under IPEP.	-	2,292,097.50	2,292,097.50	68.7
Payment for construction of 10 No. 1000 metric Tonnes of grain warehouses in the Northern zone districts under IPEP at Tamale 2, Tolon, Kumbugu, Buiepe, Yendi, Sandema, Paga, Bawku and Pusiga Communities	-	1,994,112.52	1,994,112.52	89.8
Payment for 10 No. 1000 metric Tonnes of grain warehouses in the Northern zone districts under IPEP at Tamale 2, Tolon, Kumbugu Buiepe, Yendi, Sandema, Paga, Bawku and Pusiga Communities.	-	1,397,287.99	1,397,287.99	76.5
Payment for construction of 10 No. 1000 metric Tonnes of grain warehouses in the Coastal zone districts under IPEP at Ho	-	644,024.70	644,024.70	11.7
Payment for construction of 12 No. 10-Seater Water Closet Toilets at Daboya Makarigu, Karaga and Tatale Sanguli Constituencies.	-	266,439.10	266,439.10	35



MINISTRY OF RAILWAYS DEVELOPMENT	-	35,553,145.15	35,553,145.15	
Rail Infrastructure	-	35,553,145.15	35,553,145.15	
Work done on the modernization of the location workshops complex and the training school at GRCL	-	3,480,834.86	3,480,834.86	100
Work done on the modernization of the location workshops complex and the training school at GRCL	-	4,032,194.56	4,032,194.56	100
Expenses incurred for the payment of duties,taxes,demurrage charges for the clearance of foundry materials from Tema Port.	-	155,152.89	155,152.89	100
Payment for the supply of office equipments and airconditioners	-	33,990.00	33,990.00	100
Workdone on the mordernization of the location workshops complex and the training school of the GRCL	-	1,576,272.45	1,576,272.45	100
Rehabilitation of office building	-	147,320.90	147,320.90	100
Rehabilitation of the Kojokrom Tarkwa railway lines(narrow gauge)	-	7,006,400.00	7,006,400.00	50
Refund of variuos expenses incurred on the Kojokrom-Tarkwa rahabilitation works	-	117,490.00	117,490.00	100
Supply of sixty thousand treated wooden sleepers for the rehabilitation of Accra-Nsawam railway line (narrow guage)	-	11,168,040.00	11,168,040.00	39
Supply of (36,000) cubic meters of ballast for the rehabilitation of the track works for the Accra-Nsawam railway line	-	3,426,088.00	3,426,088.00	100
Refurbishing and furnishing of the office annex of the Ministry	-	17,378.25	17,378.25	100
Refurbishment of conference room and reception of the Ministry	-	28,035.50	28,035.50	100
Ancilliary works on the modernization of the location workshops complex and the training school of GRCL	-	3,020,554.06	3,020,554.06	75
Modernization of location workshop and training institute,Sekondi	-	829,548.13	829,548.13	99.9
Modernization of the location workshops complex and the training school of the GRCL	-	381,550.88	381,550.88	100
Payment for ICT equipments supplied	-	81,730.50	81,730.50	100
Supply of laptops	-	22,650.00	22,650.00	100
Supply of desktops scanners	-	21,347.30	21,347.30	100
Supply of mecury elite 850va ups	-	6,566.87	6,566.87	100
5.0 PUBLIC INTEREST & ACCOUNTABILITY COMMITTEE (PIAC)	3,529,951.00	-	3,529,951.00	
MINISTRY OF FINANCE	3,529,951.00	-	3,529,951.00	



Transfers to the Public Interest & Accountability Committee to carry out its operations	1,000,000.00	-	1,000,000.00	
Transfers to the Public Interest & Accountability Committee to carry out its operations	1,250,000.00	-	1,250,000.00	
Transfers to the Public Interest & Accountability Committee to carry out its operations	1,279,951.00	-	1,279,951.00	
GRAND TOTAL	421,029,837.64	406,623,728.61	827,653,566.25	

Source: Ministry of Finance



APPENDIX TABLE 4: RETURNS ON THE GHANA PETROLEUM FUNDS, 2018

GHANA STABILISATION FUND								
	2011	2012	2013	2014	2015	2016	2017	2018
		US\$	US\$	US\$	US\$	US\$	US\$	US\$
Opening Book Value	0	54,810,032	71,898,588	319,034,153	286,644,044	177,396,127	207,748,663	353,052,037
Receipts during the year	54,805,352.73	16,883,548	245,733,702	271,762,755	15,171,062	29,512,625	142,683,920	305,723,402
Income from Investments	4,679.27	214,049	1,413,341	1,549,380	538,215	845,150	2,625,276	6,409,693
Bank Charges	0	-9,041	-11,477	-17,556	-6,397	-5,238	-5,822	-9,048
Sub Total	54,810,032	71,898,588	319,034,153	592,328,733	302,346,924	207,748,663	353,052,037	665,176,084
Less Transfer to:								
Contingency Fund		0	0	-17,433,144	-23,755,073	0	0	0
Debt Service / Sinking Fund		0	0	-288,251,545	-47,510,146	0	0	-283,972,853
Annual Budget Funding Amount(ABFA)		0	0		-53,685,579	0	0	
Closing Book Value	54,810,032	71,898,588	319,034,153	286,644,044	177,396,127	207,748,663	353,052,037	381,203,231
Investment Income	4,679	214,049	1,413,341	1,549,380	538,215	845,150	2,625,276	6,409,693
less:								
Bank Charges	0	-9,041	-11,477	-17,556	-6,397	-5,238	-5,822	-9,048
Net return for the Period	4,679	205,008	1,401,864	1,531,824	531,818	839,912	2,619,454	6,400,645
GHANA HERITAGE FUND								
	2011	2012	2013	2014	2015	2016	2017	2018
		US\$	US\$	US\$	US\$	US\$	US\$	US\$
Opening book Value	0	14,401,216	21,694,221	128,125,943	248,915,220	259,383,473	276,962,292	344,792,662
Receipts during the year	14,400,002	7,235,806	105,314,444	116,469,752	6,501,884	12,648,268	61,150,251	131,024,315
Income from Investments	1,214	60,209	1,126,764	4,331,660	3,981,867	4,948,908	6,701,744	9,380,765
Bank Charges	0	-3,010	-9,486	-12,135	-15,497	-18,357	-21,625	(25,306.25)



Closing book Value	14,401,216	21,694,221	128,125,943	248,915,220	259,383,473	276,962,292	344,792,662	485,172,437
Investment Income	1,214	60,209	1,126,764	4,331,660	3,981,867	4,948,908	6,701,744	9,380,765
less								
Bank Charges		-3,010	-9,486	-12,135	-15,497	-18,357	-21,625	-25,306
Net return for the Period	1,214	57,199	1,117,278	4,319,525	3,966,369	4,930,551	6,680,119	9,355,459
COMBINED FUNDS								
	2011	2012	2013	2014	2015	2016	2017	2018
Opening book Value	0	69,211,248	93,592,809	447,160,096	535,559,264	436,779,600	484,710,955	697,844,700
Receipts during the year	69,205,354	24,119,354	351,048,145	388,232,507	21,672,946	42,160,892	203,834,171	436,747,718
Income from Investments	5,893	274,258	2,540,105	5,881,040	4,520,081	5,794,058	9,327,021	15,790,458
Bank Charges	0	-12,051	-20,963	-29,691	-21,894	-23,595	-27,447	-34,354
Sub Total	69,211,248	93,592,809	447,160,096	841,243,953	561,730,397	484,710,955	697,844,700	1,150,348,521
Less Transfer to:								
Contingency Fund	0	0	0	-17,433,144	-23,755,073	0	0	0
Debt Service Account for Debt Repayment	0	0	0	-288,251,545	-47,510,146	0	0	-283,972,853
Annual Budget Funding Amount(ABFA)	0	0	0	0	-53,685,579	0	0	0
Closing Book Value	69,211,248	93,592,809	447,160,096	535,559,264	436,779,600	484,710,955	697,844,700	866,375,668
Investment Income	5,893	274,258	2,540,105	5,881,040	4,520,081	5,794,058	9,327,021	15,790,458
less								
Bank Charges	0	-12,051	-20,963	-29,691	-21,894	-23,595	-27,447	-34,354
Net return for the Period	5,893	262,207	2,519,142	5,851,350	4,498,187	5,770,463	9,299,573	15,756,104

Source: Bank of Ghana



APPENDIX TABLE 5: AUDITED REPORT FOR 2017

PETROLEUM FUNDS

Financial statements
for the year ended 31 December 2017

GHANA HERITAGE FUND STATEMENT OF DEPOSITS AND WITHDRAWALS (All amounts are in US Dollars)

	Note	<u>Year ended 31 December</u>		
		2017	2016	2015
Opening balance		276,962,289	259,383,470	248,915,217
Total funds received from the Petroleum Holding Fund	8	<u>61,150,251</u>	<u>12,648,268</u>	<u>6,501,884</u>
		338,112,540	272,031,738	255,417,101
Interest received	9	6,701,744	4,948,908	3,981,866
Bank charges	10	<u>(21,625)</u>	<u>(18,357)</u>	<u>(15,497)</u>
Accumulated fund		<u>344,792,659</u>	<u>276,962,289</u>	<u>259,383,470</u>

The notes on pages 12 to 25 are an integral part of these financial statements.



PETROLEUM FUNDS

Financial statements

for the year ended 31 December 2017

NOTES (continued)

(All amounts are in US Dollars)

3. Total funds received

	Year ended 31 December		
	2017	2016	2015
Ghana Group Oil Lifting Proceeds (Note 3a)	501,300,433	207,787,586	374,292,457
Corporate tax payments (Note 3b)	36,957,622	29,546,823	20,410,832
Surface rental fees (Note 3c)	1,569,828	465,030	465,920
Other receipts (Note 3d)	<u>583,553</u>	<u>9,375,955</u>	<u>998,514</u>
Total funds received	<u>540,411,436</u>	<u>247,175,394</u>	<u>396,167,723</u>
(a) Ghana Group Oil Lifting Proceeds			
23rd Lifting - Jubilee	-	-	56,069,476
24th Lifting - Jubilee	-	-	54,239,478
25th Lifting - Jubilee	-	-	49,937,126
26th Lifting - Jubilee	-	-	52,422,989
27th Lifting - Jubilee	-	-	61,395,996
28th Lifting - Jubilee	-	-	55,411,477
29th Lifting - Jubilee	-	-	44,788,915
30th Lifting - Jubilee	-	35,736,463	-
31st Lifting - Jubilee	-	30,490,829	-
32nd Lifting - Jubilee	-	48,173,318	-
33rd Lifting - Jubilee	-	46,486,771	-
34th Lifting - Jubilee	-	46,900,205	-
35th Lifting - Jubilee	52,660,594	-	-
36th Lifting - Jubilee	51,400,467	-	-
37th Lifting - Jubilee	45,721,393	-	-
38th Lifting - Jubilee	44,335,440	-	-
39th Lifting - Jubilee	53,956,558	-	-
40th Lifting - Jubilee	54,559,886	-	-
1st Lifting - TEN	51,008,736	-	-
2nd Lifting - TEN	49,020,171	-	-
3rd Lifting - TEN	45,175,945	-	-
4th Lifting - TEN	<u>53,461,243</u>	-	-
Total proceeds from oil lifting	<u>501,300,433</u>	<u>207,787,586</u>	<u>374,292,457</u>



PETROLEUM FUNDS
Financial statements
for the year ended 31 December 2017

NOTES (continued)
(All amounts are in US Dollars)

3. Total funds received (continued)

(b) Corporate tax payments	Year ended 31 December		
	2017	2016	2015
Kosmos Energy	36,957,622	2,232,550	11,730,107
Tullow Oil Ghana Limited	-	27,314,273	-
Anadarko Petroleum	-	-	8,680,725
Total corporate tax payments	36,957,622	29,546,823	20,410,832
(c) Surface rental fees			
Tullow Oil Ghana Limited	59,261	135,699	-
Kosmos Energy	17,797	17,797	17,797
Petrogulf Ltd.	141,570	-	-
Hess Ghana Exploration Ltd.	150,750	219,310	150,750
ENI Ghana EP Ltd.	141,999	-	22,600
Blue Star Exploration Ghana Ltd.	17,475	-	-
GNPC Operating Services (GOSCO)	111,950	-	-
PETRICAS	522,300	-	-
Springfield Exploration and Production Ltd.	33,650	-	-
Erin Energy	150,400	-	-
UB Group	130,472	-	-
AMNI Petroleum Dev. Co. Ltd.	13,974	13,974	13,974
CAMAC Energy GH Ltd.	-	-	73,423
Medea Development International Ltd.	78,230	78,250	78,250
Heritage Exploration and Production Gh. Ltd.	-	-	109,126
Total Surface rental fees	1,569,828	465,030	465,920



PETROLEUM FUNDS
Financial statements
for the year ended 31 December 2017

NOTES (continued)
 (All amounts are in US Dollars)

3. Total funds received (continued)

(d) Other receipts	Year ended 31 December		
	2017	2016	2015
Interest earned on Petroleum Holding Fund (Note 15)	579,279	73,149	25,312
Interest on TEN 3 Late Payment	4,274	-	-
Price Differential - UNIPEC	-	-	419,387
Gas Receipts	-	9,302,806	553,815
Total Other Receipts	583,553	9,375,955	998,514

4. Transfers to GNPC Equity Finance

23rd Lifting - Jubilee	-	-	3,314,780
24th Lifting - Jubilee	-	-	14,298,917
25th Lifting - Jubilee	-	-	7,530,551
26th Lifting - Jubilee	-	-	3,842,828
27th Lifting - Jubilee	-	-	9,979,994
28th Lifting - Jubilee	-	-	-
29th Lifting - Jubilee	-	-	26,946,856
30th Lifting - Jubilee	-	9,153,737	-
31st Lifting - Jubilee	-	2,892,619	-
32nd Lifting - Jubilee	-	15,543,330	-
33rd Lifting - Jubilee	-	24,084,087	-
34th Lifting - Jubilee	-	6,440,281	-
35th Lifting - Jubilee	4,339,801	-	-
36th Lifting - Jubilee	-	-	-
37th Lifting - Jubilee	17,849,899	-	-
38th Lifting - Jubilee	4,678,490	-	-
39th Lifting - Jubilee	3,571,995	-	-
40th Lifting - Jubilee	4,173,017	-	-
1st Lifting - TEN	15,103,886	-	-
2nd Lifting - TEN	14,515,064	-	-
3rd Lifting - TEN	18,376,773	-	-
4th Lifting - TEN	20,830,082	-	-
Total Transfers	103,439,007	58,114,054	65,913,926

GNPC did not have any equity financing obligation on the 36th lifting.



PETROLEUM FUNDS
Financial statements
for the year ended 31 December 2017

NOTES (continued)
 (All amounts are in US Dollars)

5. Transfers to GNPC carried and participating interest

	<u>Year ended 31 December</u>		
	2017	2016	2015
Crude Oil			
23rd Lifting - Jubilee	-	-	11,149,053
24th Lifting - Jubilee	-	-	7,451,841
25th Lifting - Jubilee	-	-	8,550,997
26th Lifting - Jubilee	-	-	10,195,442
27th Lifting - Jubilee	-	-	10,296,727
28th Lifting - Jubilee	-	-	11,689,093
29th Lifting - Jubilee	-	-	1,611,644
30th Lifting - Jubilee	-	4,989,946	-
31st Lifting - Jubilee	-	5,732,730	-
32nd Lifting - Jubilee	-	5,765,342	-
33rd Lifting - Jubilee	-	2,838,019	-
34th Lifting - Jubilee	-	8,220,659	-
35th Lifting - Jubilee	10,097,786	-	-
36th Lifting - Jubilee	11,126,940	-	-
37th Lifting - Jubilee	4,542,590	-	-
38th Lifting - Jubilee	8,193,988	-	-
39th Lifting - Jubilee	10,608,672	-	-
40th Lifting - Jubilee	10,558,971	-	-
1st Lifting - TEN	6,796,748	-	-
2nd Lifting - TEN	6,531,778	-	-
3rd Lifting - TEN	4,519,548	-	-
4th Lifting - TEN	5,623,537	-	-
Gas			
32nd Lifting	-	2,836,342	-
Total Transfers	<u>78,600,558</u>	<u>30,383,038</u>	<u>60,944,797</u>

There were no gas liftings for the 23rd to 31st, 33rd to 40th Jubilee liftings and the 1st to 4th TEN liftings.



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NOTES (continued)
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6. Transfers to Annual Budget Funding Amount (ABFA)

	<u>Year ended 31 December</u>		
	2017	2016	2015
23rd Lifting - Jubilee	-	-	42,506,515
24th Lifting - Jubilee	-	-	32,510,176
25th Lifting - Jubilee	-	-	33,857,116
26th Lifting - Jubilee	-	-	38,389,227
27th Lifting - Jubilee	-	-	41,462,130
28th Lifting - Jubilee	-	-	38,740,158
29th Lifting - Jubilee	-	-	11,830,049
30th Lifting - Jubilee	-	21,565,136	-
31st Lifting - Jubilee	-	23,500,483	-
32nd Lifting - Jubilee	-	17,023,898	-
33rd Lifting - Jubilee	-	13,712,121	-
34th Lifting - Jubilee	-	22,573,778	-
35th Lifting - Jubilee	2,848,051	-	-
36th Lifting - Jubilee	28,439,260	-	-
37th Lifting - Jubilee	-	-	-
38th Lifting - Jubilee	11,176,499	-	-
39th Lifting - Jubilee	28,155,478	-	-
40th Lifting - Jubilee	14,209,190	-	-
1st Lifting - TEN	39,516,618	-	-
2nd Lifting - TEN	13,925,408	-	-
3rd Lifting - TEN	31,188,170	-	-
4th Lifting - TEN	-	-	-
Total Transfers	<u>169,458,674</u>	<u>98,375,416</u>	<u>239,295,371</u>

The total allocation to the ABFA for the year is split evenly into four quarters. Where the allocation for a quarter is achieved, no more transfers are made into the ABFA for that quarter.

The allocation for the second quarter was achieved on the 36th lifting for Jubilee while the allocation for the fourth quarter was achieved on the 3rd lifting for TEN. Therefore, there were no transfers to ABFA out of the 37th Jubilee lifting and the 4th TEN lifting respectively as provided for under section 23(1) of the Petroleum Revenue Management Act, 2011 (Act 815) as amended by the Petroleum Revenue Management (Amendment) Act, 2015 (Act 893).



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NOTES (continued)
 (All amounts are in US Dollars)

7. Transfers to Ghana Stabilisation Fund

	Year ended 31 December		
	2017	2016	2015
28th Lifting - Jubilee	-	-	11,622,047
29th Lifting - Jubilee	-	-	3,549,015
30th Lifting - Jubilee	-	6,469,541	-
31st Lifting - Jubilee	-	7,050,145	-
32nd Lifting - Jubilee	-	5,107,169	-
33rd Lifting - Jubilee	-	4,113,636	-
34th Lifting - Jubilee	-	6,772,134	-
35th Lifting - Jubilee	24,762,469	-	-
36th Lifting - Jubilee	8,531,778	-	-
37th Lifting - Jubilee	16,528,874	-	-
38th Lifting - Jubilee	14,200,525	-	-
39th Lifting - Jubilee	8,446,644	-	-
40th Lifting - Jubilee	19,972,480	-	-
1st Lifting - TEN	11,854,985	-	-
2nd Lifting - TEN	9,833,544	-	-
3rd Lifting - TEN	9,356,451	-	-
4th Lifting - TEN	19,196,170	-	-
Total Transfers	142,683,920	29,512,625	15,171,062

8. Transfers to Ghana Heritage Fund

	Year ended 31 December		
	2017	2016	2015
28th Lifting - Jubilee	-	-	4,980,878
29th Lifting - Jubilee	-	-	1,521,006
30th Lifting - Jubilee	-	2,772,660	-
31st Lifting - Jubilee	-	3,021,491	-
32nd Lifting - Jubilee	-	2,188,787	-
33rd Lifting - Jubilee	-	1,762,987	-
34th Lifting - Jubilee	-	2,902,343	-
35th Lifting - Jubilee	10,612,487	-	-
36th Lifting - Jubilee	3,656,476	-	-
37th Lifting - Jubilee	7,083,803	-	-
38th Lifting - Jubilee	6,085,939	-	-
39th Lifting - Jubilee	3,619,990	-	-
40th Lifting - Jubilee	8,559,634	-	-
1st Lifting - TEN	5,080,708	-	-
2nd Lifting - TEN	4,214,376	-	-
3rd Lifting - TEN	4,009,908	-	-
4th Lifting - TEN	8,226,930	-	-
Total	61,150,251	12,648,268	6,501,884



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NOTES (continued)
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9. Investment income

	<u>Year ended 31 December</u>		
	2017	2016	2015
Ghana Stabilisation Fund	2,625,276	845,150	538,215
Ghana Heritage Fund	<u>6,701,744</u>	<u>4,948,908</u>	<u>3,981,866</u>
Total	<u>9,327,020</u>	<u>5,794,058</u>	<u>4,520,081</u>

Investment income earned in the year was derived from the following instruments:

	<u>Year ended 31 December</u>		
	2017	2016	2015
(a) Ghana Stabilisation Fund			
Bonds	818,200	319,786	345,259
Treasury Bills	-	-	1,487
Repurchase agreements/overnight income	<u>1,807,076</u>	<u>525,364</u>	<u>191,469</u>
Total	<u>2,625,276</u>	<u>845,150</u>	<u>538,215</u>
(b) Ghana Heritage Fund			
Bonds	6,107,752	4,725,231	3,904,033
Repurchase agreements/overnight income	<u>593,992</u>	<u>223,677</u>	<u>77,833</u>
Total	<u>6,701,744</u>	<u>4,948,908</u>	<u>3,981,866</u>



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NOTES (continued)
 (All amounts are in US Dollars)

10. Bank charges

	Year ended 31 December		
	2017	2016	2015
Ghana Stabilisation Fund Euroclear Bank Charges	5,822	5,238	6,397
Ghana Heritage Fund Euroclear Bank Charges	<u>21,625</u>	<u>18,357</u>	<u>15,497</u>
Total	<u>27,447</u>	<u>23,595</u>	<u>21,894</u>

11. Investment

	2017	2016	2015
Ghana Stabilisation Fund	169,606,890	36,437,358	38,956,604
Ghana Heritage Fund	<u>284,660,824</u>	<u>218,331,141</u>	<u>196,210,190</u>
Total Investment	<u>454,267,714</u>	<u>254,768,499</u>	<u>235,166,794</u>

An analysis of the type of instruments invested in and the investment banks used are provided below:

(a) Type of investment instrument:

	Bonds	US Treasury Bills	Total
Ghana Stabilisation Fund	99,835,951	69,770,939	169,606,890
Ghana Heritage Fund	<u>274,697,350</u>	<u>9,963,474</u>	<u>284,660,824</u>
Total	<u>374,533,301</u>	<u>79,734,413</u>	<u>454,267,714</u>

(b) Investment bank used:

	Euroclear	Federal Reserve	Total
Ghana Stabilisation Fund	58,718,577	110,888,313	169,606,890
Ghana Heritage Fund	<u>161,465,198</u>	<u>123,195,626</u>	<u>284,660,824</u>
Total	<u>220,183,775</u>	<u>234,083,939</u>	<u>454,267,714</u>



PETROLEUM FUNDS

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NOTES (continued)

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11. Investment (continued)

Type of Security	Duration	Cost of investment			Nominal value of investment			Coupon range %	Accrued interest at 31 Dec. 2017	
		Heritage Fund	Stabilisation Fund	Total	Heritage Fund	Stabilisation Fund	Total		Heritage Fund	Stabilisation Fund
Treasury Bills	91 Days	9,963,474	69,770,939	79,734,413	10,000,000	70,000,000	80,000,000	0.3134 - 0.36526	-	-
Bonds	2 years	4,500,328	16,995,170	21,495,498	4,500,000	17,000,000	21,500,000	0.625 - 0.75	1,976	68,674
Bonds	3 years	8,998,876	42,498,016	51,496,892	9,000,000	42,500,000	51,500,000	0.875 - 1.25	36,144	174,322
Bonds	5 years	69,788,594	28,061,289	97,849,883	70,000,000	28,000,000	98,000,000	1.125 - 2.375	417,711	100,536
Bonds	7 years	54,217,999	6,043,485	60,261,484	54,500,000	6,000,000	60,500,000	1.50 - 4.0	416,797	20,573
Bonds	10 years	92,222,920	6,237,991	98,460,911	91,500,000	6,000,000	97,500,000	1.625 - 5.25	889,772	43,932
Bonds	12 years	2,000,000	-	2,000,000	2,000,000	-	2,000,000	4.3	18,872	-
Bonds	30 years	42,968,633	-	42,968,633	37,000,000	-	37,000,000	2.25 - 6.25	391,281	-
Total		284,660,824	169,606,890	454,267,714	278,500,000	169,500,000	448,000,000		2,172,553	408,037
										2,580,590



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NOTES (continued)
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12. Bank balances

	<u>Year ended 31 December</u>		
	2017	2016	2015
Petroleum Holding Fund (Note 13)	12,635,576	27,556,550	9,414,557
Ghana Stabilisation Fund	183,445,148	171,311,305	138,439,523
Ghana Heritage Fund	<u>60,131,837</u>	<u>58,631,151</u>	<u>63,173,282</u>
Total Investment	<u>256,212,561</u>	<u>257,499,006</u>	<u>211,027,362</u>

The Petroleum Holding Fund is a designated public fund to receive and disburse petroleum revenues under the Petroleum Revenue Management Act, 2011 (Act 815) as amended by the Petroleum Revenue Management (Amendment) Act, 2011 (Act 893). The balance in the Petroleum Holding Fund is yet to be disbursed in line with the requirements of the Petroleum Revenue Management Act, 2011 (Act 815) as amended by the Petroleum Revenue Management (Amendment) Act, 2015 (Act 893).

13. Accumulated fund

	2017	2016	2015
Petroleum Holding Fund	12,635,576	27,556,550	9,414,557
Ghana Stabilisation Fund	348,744,992	206,061,072	176,548,447
Ghana Heritage Fund	<u>323,720,408</u>	<u>262,570,157</u>	<u>249,921,889</u>
At 31 December	<u>685,100,976</u>	<u>496,187,779</u>	<u>435,884,893</u>

An analysis of petroleum receipts and disbursements is presented below:

	Petroleum Holding Fund	Ghana Stabilisation Fund	Ghana Heritage Fund
Year ended 31 December 2017			
Balance at 1 January 2017	27,556,550	206,061,072	262,570,157
Total receipts	<u>540,411,436</u>	<u>142,683,920</u>	<u>61,150,251</u>
Total disbursements	567,967,986 (555,332,410)	348,744,992 -	323,720,408 -
Balance at 31 December 2017	<u>12,635,576</u>	<u>348,744,992</u>	<u>323,720,408</u>



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NOTES (continued)
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13. Accumulated fund (continued)

	Petroleum Holding Fund	Ghana Stabilisation Fund	Ghana Heritage Fund
Year ended 31 December 2016			
Balance at 1 January 2016	9,414,557	176,548,447	249,921,889
Total receipts	<u>247,175,394</u>	<u>29,512,625</u>	<u>12,648,268</u>
	256,589,951	206,061,072	262,570,157
Total disbursements	<u>(229,033,401)</u>	-	-
Balance at 31 December 2016	<u>27,556,550</u>	<u>206,061,072</u>	<u>262,570,157</u>
Year ended 31 December 2015			
Balance at 1 January 2015	1,073,874	286,328,182	243,420,005
Total receipts	<u>396,167,723</u>	<u>15,171,062</u>	<u>6,501,884</u>
	397,241,597	301,499,244	249,921,889
Total disbursements	<u>(387,827,040)</u>	<u>(124,950,797)</u>	-
Balance at 31 December 2015	<u>9,414,557</u>	<u>176,548,447</u>	<u>249,921,889</u>

Fund Accounts represents the petroleum receipts and disbursements and excludes interest and charges incurred on the fund balances.

14. Withdrawals from the Ghana Stabilisation Fund

	Year ended 31 December		
	2017	2016	2015
Transfers to Annual Budget Funding Amount	-	-	53,685,578
Transfers to Contingency fund	-	-	23,755,073
Transfers to Sinking Fund	-	-	<u>47,510,146</u>
Total withdrawals	<u>-</u>	<u>-</u>	<u>124,950,797</u>

The 2017 National Budget did not cap the Ghana Stabilisation fund, therefore there were no withdrawals under section 23 of the Petroleum Revenue Management Act, 2011 (Act 815) as amended by Petroleum Revenue Management (Amendment) Act, 2015 (Act 893).

The ABFA target of US\$169.46 million was fully met; as a result, no withdrawals were made from the Ghana Stabilisation Fund as provided for under section 12 of the Petroleum Revenue Management Act, 2011 (Act 815) as amended by Petroleum Revenue Management (Amendment) Act, 2015 (Act 893).



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NOTES (continued)
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15. Petroleum Holding Fund Interest

	<u>Year ended 31 December</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Interest distributed	<u>436,397</u>	60,807	23,591
Interest undistributed	<u>142,882</u>	<u>12,342</u>	<u>1,721</u>
Total interest	<u>579,279</u>	<u>73,149</u>	<u>25,312</u>

