

**MINISTRY OF ENERGY**  
**STATEMENT READ BY THE DIRECTOR OF PETROLEUM ON BEHALF OF THE**  
**DEPUTY**  
**MINISTER FOR PETROLEUM AT THE LAUNCH OF THE 2017 /2018 GHEITI**  
**REPORT on MINING/OIL &GAS**  
**COCONUT GROVE HOTEL 11<sup>th</sup> MARCH 2020**

Co-Chair of the Ghana Extractive Industries Transparency Initiative (GHEITI)

Hon. Ministers

Hon. Members of Parliament.

Representatives of MMDCEs

Representatives of Oil and Mining Companies

Friends of the Media

Distinguished Ladies and Gentlemen

I wish, to express the apologies of the Deputy Minister for Petroleum, Hon, Dr. Mohammed Amin Adam who was scheduled to be here today but unfortunately could not make it due to the passing away of her mother in Tamale Yesterday. He has accordingly, asked me to make this statement on his behalf for the Ministry of Energy,

First, let me congratulate the Multi Stakeholder Group (MSG) of GHEITI for closing the gap in GHEITI Reporting and coming out with the 2017 and 2018 reports which will be simultaneously launched today. It is my hope that you will fast track the preparation of the 2019 reports in a record time.

GHEITI was extended to the petroleum sector in 2010 after the discovery of oil in commercial quantities in 2007 in Ghana Since then the Ministry has actively involved in the activities of the MSG and has learnt a lot of lessons from the practices in the mining sector going forward.

Transparency in the Oil and Gas Sectors was deepened with the launch of the first the first ever Licensing Round by His Excellency in in 2018 for the award of Petroleum Blocks.

Prior to the Launch Six(6) blocks were demarcated for the licensing round.

Block 01 was reserved for the Ghana National Petroleum Corporation, whilst Blocks 02, 03 and 04 were to be awarded in a competitive bidding process Block\_05 andBlock\_06 were to be awarded by direct negotiations.

Sixteen (16) International Oil and Gas Companies expressed Interest in the Blocks for competitive bidding and direct negotiations. After a pre-qualification evaluation, fourteen (14) Companies were qualified and invited to tender for the blocks.

However, only three (3) bids were received at the closing date (i.e.21st May 2019). These Companies are Eni Ghana Exploration & Production Limited, Tullow Ghana Limited and First E&P Company Limited in partnership with Elandel.

Of the three (3) tenders received, Tullow Ghana Limited and Eni Ghana Exploration & Production Limited bid for Block \_03) and First E&P Company Limited in partnership with Elandel bid for Block\_02. No bid was received for Block \_04.

After evaluation of the tender documents, the following companies emerged winners from the competitive bidding process;

Block \_02 – First E&P in partnership with Elandel Ghana Ltd.

Block \_03 – ENI & Vitol Upstream Tano Limited and Woodfields Ghana.

Petroleum Agreement (PA) negotiations with the winners of the two (2) Blocks are in progress and are expected to be completed by the end of the first Quarter in 2020. The negotiated Petroleum Agreement would then be sent to Cabinet and thereafter to Parliament for ratification in accordance with Article 268 (1) of the 1992 Constitution.

The Ministry of Energy has engaged the IOCs and other key upstream stakeholders on reasons why some of the pre-qualified Companies failed to submit bids and have mapped up strategies to be addressed in subsequent Bidding Rounds.

Co-chair, I wish to conclude that the Ministry has been taking recommendations from GHEITI reports serious and will continue to take the necessary measures to address gaps that may be identified in the reports.

On this note, the Ministry of Energy wishes GHEITI a successful launch of the 2017/2018 GHEITI Reports .

Thank You

The Hon. Deputy Minister for Petroleum

And for that reason of GHEITI was scheduled to be here today, but could not make it. The Mother passed on only yesterday and for that reason. He however exten

If there is any sector that the Corona Virus has hit

The organization of this retreat, though belated, is coming on at a time when the 2019 Budget Statement and the State of the Nation Address (SONA) for 2019 have been read and when State Owned Enterprises (SOEs) under the Ministry have signed Performance Contracts for 2019 with the State Enterprises Commission (SEC).

In this regard, you are already aware of the deliverables expected of the Energy Sector, which should inform your work program.

I wish, however also to use this occasion to recognize your efforts towards the success chalked by the Energy Sector in 2018 in the delivery of our mandate. It is on record that through our collective efforts significant progresses were made last year is worth mentioning and for which we should all be proud of.

- i. The power situation in the country has been stabilized for the past three yearsthe year
- ii. There was an Increase in National electricity Access rate.
- iii. Expansion in transmission infrastructure to reduce transmission loses and to further interconnect with our neighbours
- iv. Renegotiation of the Terms of the existing AMERI BOOT Agreement resulting in cost savings of an amount of USD51.34 million
- v. The allocation of 75MW power to VALCO for the restart a second Pot line to expand its operations and the its impact on job creation in the downstream and allied industries
- vi. Commissioning of a 20MW utility solar project in Winneba by H.E The President
- vii. Enforcement of statutory requirements and licensing conditions in the Natural Gas, Electricity and Renewable Energy industries
- viii. Training of about 2,900 Electrical Technicians to ensure proper wiring of all facilities to protect persons and properties
- ix. Successful launch of the 1st ever Licensing and Bidding Rounds for the award of Petroleum Blocks
- x. The passage of the Petroleum (Exploration & Production) (General) Regulations, 2018 L.I. 2359 and
- xi. The upgrading of Ghana's Sovereign rating

I commend you for your collective efforts towards the successes chalked in 2018 and urge you to work harder to chalk more successes in 2019.

I wish to remind you that we, as a government, we were elected into office based on our manifesto promises, which include commitments in the energy sector.

The year 2019 will be much more challenging as we will be accounting for the 3<sup>rd</sup> Year of our 1<sup>st</sup> 4-Year term in office come December 2019. We therefore, have to redouble our efforts come out with results oriented strategies in the implementation of our energy sector policies, programmes and projects to ensure that at the end of our 4-year term we have something good for our people.

The gathering here with all our Chief Executives, Board Chairpersons Technical Directors, and officials from the ministry is meant, among others, to let us work together as a team, appreciate and understand the works of one another and foster effective collaboration in delivering our mandate. I expect you to bring to the table issues bordering the implementation of programmes and projects in your respective areas for frank discussions at this meeting.

We need to come out from this retreat with clear objectives and timelines in respect of the programmes and projects we are pursuing so that we can measure and report on progress in the course of the especially at the mid-year review and at the end of the year.

I wish at this stage, to express the Ministry's appreciation to NPA, BOST and BPA for their sponsorship packages for this retreat.

On this note, and on behalf of His Excellency, the President I declare the retreat on 2019 Work Programme for the energy sector opened.

Thank You.