

## Press Release

### **Ghana launches 2014 EITI Reports**

*Accra, March 30, 2016.* The National Multi-stakeholder Steering Committee of the Ghana Extractive Industries Transparency Initiative (GHEITI) has today formally launched the country's 2014 mining, oil and gas EITI audit reports, released on December 31, 2015 and the Open Data Dashboard, aimed at facilitating ease of appreciation of the information contained in the two reports (mining / oil and gas). The mining report brings to twelve, the total number published since Ghana acceded to the initiative in 2003; while the oil and gas report is the fourth for the oil and gas sector.

The reports, which are published in conformity with the EITI standard adopted by the Sydney Global EITI Conference in 2013, goes beyond the mere reconciliation of payments and receipts, to include contextual information such as summary description of the legal framework and fiscal regime, the sector's contribution to the economy, production data; state participation in the extractive industries; revenue allocations and the sustainability of revenues, license registers and license allocations; as well as information on beneficial ownership and contracts.

Commenting on the 2014 reports, the civil society co-chair of GHEITI, Dr Steve Manteaw said: "We are now beginning to get a fuller picture of the impact of the extractive sector on the national economy, thanks to the 2013 Standard. But until we begin to account for the environmental and social impacts, especially on host communities the last jigsaw of the puzzle that EITI seeks to resolve will still be missing".

Oil and gas companies that participated in the 2014 exercise were: Tullow (Ghana) Limited; Kosmos Energy Ghana HC; Ghana National Petroleum Corporation (GNPC); Saltpond Offshore Producing Co Ltd; Anadarko WCTP (Ghana) Limited; Sabre Oil and Gas Holdings Ltd/Petro SA.

ENI Ghana Exploration and Production Ltd; Vanco Ghana Ltd; Shallow Water Basin; Amerada, Hess Ghana Ltd; and Tap Oil Ltd were excluded from the exercise because they were still at the exploratory and appraisal stages of their operations.

On the government's side, reporting entities whose data were reconciled with those of the companies were: Ghana Revenue Authority; Ghana National Petroleum Corporation (GNPC); Ministry of Finance /Bank of Ghana; Petroleum Commission; Ministry of Petroleum.

For the mining audit, 15 companies made up of 12 gold mining, a bauxite, a manganese, and a quarry company took part in the exercise.

State agencies which provided data and information for the mining audit were: Ghana Revenue Authority; The Office of the Administrator of Stool Lands; The Minerals Commission; The

Municipal and District Assemblies within the areas of operation of the mines; The Ministry of Lands and Natural Resources; and Ministry of Finance.

### **Open Data Dashboard**

As part of ongoing efforts at making GHEITI data more accessible to its stakeholders, the GHEITI Secretariat has, with support from the NRGI, developed an electronic data platform known as the 'Open Data Dashboard'. Using open data formats and illustrative tools, the Dashboard, which is hosted on the GHEITI website, helps users to better appreciate the information contained in the GHEITI reports. It helps CSOs, journalists and policy makers better appreciate the impact of extractives on the economy by providing visualizations and a macro level overview.

### **Ghana wins Award**

The launch of the 2014 report marks a turning point in Ghana's eleven years of EITI implementation. It coincides with the year when Ghana won international acclaim for being an exemplary implementer of the Extractive Industries Transparency Initiative (EITI); and for its strict implementation of the recommendations of the Ghana EITI leading to far-reaching policy, regulatory, and institutional reforms in its mining, oil and gas sectors. The prestigious EITI Chair's award, which Ghana won at the recently ended 7th Global EITI Conference in Lima, Peru, along-side the Democratic Republic of Congo, Mongolia, and the Philippines, is bestowed on countries that have shown leadership, determination and resourcefulness in ensuring that EITI implementation improves extractive sector governance.

### **Key Report Findings – Petroleum**

The Petroleum Holding Fund received an amount of U\$978,886,379. Government receipts after reconciliation amounted to US\$977,184,636. The difference is made up of surface rentals of the exploration companies and the return from investment on the petroleum funds. These were not considered for reconciliation. With the exception of Anadarko WCTP Ltd, all Oil and Gas companies that made payments in 2014 reported.

Unresolved discrepancies amounted to U\$-135,902,446 with the non-submission of template by Anadarko accounting for over 62%. The difference between corporate tax reported by Tullow (Ghana) and GRA accounted for 38% of the unresolved discrepancy.

The report strongly recommends that Anadarko which still operates in the country is persuaded to participate in EITI reconciliation exercises.

## **Key Findings - Mining**

The 2014 reconciliation had an amount of GHS 972,092,848 as government receipts and company payments of GHS 972,787,529. Initial reconciliation yielded a net discrepancy of GHS44,877,385. After the resolution of some discrepancies the final net discrepancy came up to GHS 694,681. This represents 0.07% of reported government receipts.

All reporting entities required to report for the reconciliation exercise did so dutifully. Corporate tax was the largest of the mining revenue streams received by the government in 2014. Ground rent receipts were significant for the first time in the reconciliation process. Mineral royalty payments should not be offset against any tax credits, as there are implications for subnational transfers.

The full report is available on: [www.gheiti.gov.gh](http://www.gheiti.gov.gh)

### **NOTE TO EDITORS**

*The Extractive Industries Transparency Initiative (EITI) is the global community's boldest response to the under development, conflict, and deprivation which have become characteristics of natural resource dependent countries. Its mission is to promote transparency and accountability in the generation and use of extractive sector revenues. It is premised on the belief that implementation will lead to policy reforms and improvement in the impact of extractive revenues on national development.*

*The Ghana version of the initiative is called the Ghana Extractive Industries Transparency Initiative (GHEITI). A twenty (20) member Multi-Stakeholder Group (MSG) made up of representatives from government, mining, oil and gas companies, and Civil Society Organisations exercise oversight responsibility over the activities of the initiative.*

*The specific objectives of the Ghana EITI are to :*

- *Enhance the demand-side of social accountability by providing public insight into revenues derived from the exploitation of the country's mineral and oil and gas resources;*
- *Create a platform for public debate on the spending efficiency of extractive sector revenues; identify gaps and weaknesses in resource revenue management and make recommendations to prevent revenue leakage;*
- *Enhance the communication efficiency of GHEITI and ensure that mineral revenue and expenditure information are provided in a timely manner, and in an accessible and comprehensible format.*

For further information, contact:

Bash Mohammed, Coordinator, GHEITI

Tel. [0264 203479](tel:0264203479)