



REPUBLIC OF GHANA

MINISTRY OF FINANCE

Press Release

Ghana Launches 2022 EITI Mining & Oil/Gas Reports Covering the Period 2020

Accra, June 7, 2023. The Multi-Stakeholder Group (MSG) of the Ghana Extractive Industries Transparency Initiative (GHEITI) has today, formally launched the country's 2020 Mining and Oil/Gas EITI reports, published on December 31, 2022. The MSG is a tripartite body made up of Government, Industry and Civil Society, with the responsibility of steering the affairs of GHEITI. The production of the reports was funded by the World Bank through the Extractive Global Programmatic Support (EGPS) Grant. The compilation of the 2020 report brings to nineteen (19), the total number of mining reports so far produced and published since Ghana acceded to the initiative in 2003. For oil and gas, the 2019 report is the tenth (10th) since the initiative was expanded to cover the sector in 2010.

The reports, which are published in conformity with the 2019 EITI Standard, go beyond the mere reconciliation of payments and receipts, to include contextual information such as the summary description of the legal framework and fiscal regime, the sector's contribution to the economy, production and export data, state participation in the extractive industries, revenue allocations, sustainability of revenues, license registers and license allocation, and several other requirements of the Standard.

The reports were jointly launched by the Minister of State at the Ministry of Finance, who also doubles as the Champion for GHEITI, and the Deputy of Minister of Lands and Natural Resources responsible for Mining, Hon. George Mireku Duker.

Based on the established materiality threshold of US\$13.6m, seven oil and gas companies qualified to participate in the 2020 reconciliation exercise. The companies that participated in the reconciliation exercise were Ghana National Petroleum Corporation (GNPC), Tullow Ghana Ltd, Kosmos Energy Ghana HC, and Eni Ghana (E&P) Ltd.

Anadarko WCTP Ltd, Vitol and PetroSA did not submit reporting templates even though they met the materiality threshold.

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

For the mining report, 14 companies - made up of 12 gold mining, one manganese, and one bauxite – took part in the reconciliation exercise based on a materiality threshold of GHS16m.



State agencies which provided data and information for the mining sector report were: GRA, Office of the Administrator of Stool lands (OASL), Minerals Commission, Municipal and District Assemblies within areas of operation of the mines, Ministry of Lands and Natural Resources, and Ministry of Finance.

Key Findings – Oil and Gas

- 1) The upstream oil and gas sector in Ghana contributed 3.7 percent to the Gross Domestic Product (GDP) of Ghana in 2020 and recorded a growth rate of -4.6 percent (at constant 2013 prices).
- 2) The total crude oil production in 2020 was 66.91 MMbbls compared with the 2019 production of 71.4 MMbbls. This comprises 30.42MMbbls from the Greater Jubilee Field, 17.80 MMbbls from the Tweneboa-Enyenra-Ntomme (TEN) Field and 18.68 MMbbls from the Sankofa-Gye Nyame (SGN) Field.
- 3) GNPC lifted, on behalf of the State, 11.8 MMbbls (5.9 MMbbls from the Jubilee Field, 4.0 MMbbls from TEN Field and 1.9 MMbbls from SGN Field).
- 4) A total of 237,962.82 Million Standard Cubic Feet (MMscf) of Associated Gas (AG) and Non-Associated Gas (NAG) was produced in 2020 from all producing fields. Of the produced gas, 88,418.88 MMscf was delivered for power generation and non-power gas users. A total of 26,415 MMScf of the delivered volume was from the Greater Jubilee Field, 5,545 MMScf from the TEN Field and 56,459 MMScf from the SGN Field. The undelivered volumes were either flared or re-injected.
- 5) The average achieved crude oil price for 2020 was US\$43.3, lower than the 2019 achieved price of US\$63.19.
- 6) Total petroleum receipts for 2020 was US\$666.39 million, compared with the 2019 receipt of US\$937.58 million.
- 7) Out of the total petroleum receipts of US\$666.39 million for 2020, US\$638.64 million was distributed. GNPC was allocated US\$198.65 million (Equity Financing Cost of US\$154.82 million and GNPC's share of the net Carried and Participating Interest of US\$43.83 million); the ABFA was allocated an amount of US\$273.38 million (GH¢1,514.8 million); and the GPFs was allocated US\$166.61million with the GSF and the GHF receiving US\$116.63million and US\$49.98 million respectively.

Key Findings – Mining

- 1) The mining and quarrying sector's share in Ghana's GDP reduced marginally from 7.8 percent in 2019 to 7.6 percent in 2020.
- 2) The total volume of gold produced declined from 4.577 million ounces in 2019 to 4.023 million ounces in 2020, representing a downturn of 12 percent.
- 3) The volume of manganese produced by the Ghana Manganese Company (GMC) plummeted from 5.383 million tonnes in 2019 to 2.358 million tonnes in 2020, representing a decrease of 56 percent.
- 4) The volume of bauxite produced increased from 1.116 million tonnes in 2019 to 1.162 million tonnes in 2020, recording a 4 percent year-on-year growth in its output.

- 5) Receipts from the export of minerals represented 48.4 percent of the country's total merchandise export revenue in 2020. The relative contributions of crude oil and cocoa were 20.1 percent and 16.1 percent in the same year respectively.
- 6) Proceeds from the export of minerals increased from US\$ 6.678 billion in 2019 to US\$ 6.998 billion in 2020. This translates into a 4.8 percent year-on-year expansion in mineral revenue.
- 7) The total number of persons employed by the large-scale mines as at 2020 was 34,363. This comprised 8,760 direct employees and 25,603 contractors. The proportion of Ghanaians in the workforce was 98.7 percent.

The full reports are available on: www.gheiti.gov.gh

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