South Sudan Petroleum Audit Fact Book

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What is it?

- A sector overview
- Bringing together facts and information from different sources
- A basis for making informed decisions on audits
Needs based

- South Sudan – a new country and a new institutional setup
- Information not easily available
- NAC and OAGN were both in need of sector knowledge
Many contributors

- OAGN staff
- NAC staff
- Oil for Development
- South Sudan government documents
How is it structured?

• It is using the AFROSAI-E EI Value Chain as basis:

0 Overview of the Petroleum Sector
1. Legal framework and key govt. Institutions
2. Seismic surveys and data mngt.
3. Award of contracts and licenses
4. Regulation and monitoring of operations
5. Revenue collection
6. Revenue management and Allocation
7. Implementation of sustainable development policies and projects
Overview of the Petroleum Sector

Production chain:
- Oil companies and shareholders
- Production forecast
- Overview of pipelines
- Overview of oil fields
Legal Framework and Institutions

• Explain relevant legal framework and key institutions
Seismic surveys and data management

- Different exploration activities
- Exploration history
  - Aeromagnetic and gravity
  - Seismic
  - Drilling
- Status of data management
Award of Contracts and Licenses

• Provisions in legal framework, especially Petroleum Act (2012) and Exploration and Production Sharing Agreements (EPSAs)

• Identify audit criteria
Regulation and Monitoring of Operations

- Metering system – extract from a metering report

- Monitoring of Health, Security and Environment requirements
Revenue Collection

- Focuses on the EPSAs
- Explain formulas
- Sales and marketing process
Revenue Management and Allocation

- Shows how revenue is allocated to:
  - Consolidated fund
  - Reserve funds
  - Oil producing Communities
  - Payment to Sudan

Figure 19 Petroleum revenue flow chart. Dec 2013.
Implementation of Sustainable Development Policies and Projects

• Environmental considerations
  - Impact assessment
  - Decommissioning

• Local content
Fact book – basis for overall risk assessment and audits

- Understanding the sector
- Identifying actors and roles
- Obtaining audit criteria
THANK YOU!