

SAI GHANA TRAINING WORKSHOPS IN THE EXTRACTIVE SECTOR

CAPACITY BUILDING WORKSHOPS FOR THE EXTRACTIVE UNIT

GHANA

OUTLINE OF PRESENTATION

TRAINING WORKSHOPS ORGANISED ---- AUG 2018-APRIL 2019

- Responding to Training Needs
- Mining, Oil and Gas Governance---- Summer School
- Oil and Gas Contracting, Licensing and Fiscal Regimes in Ghana
- Mining Payments to Government Entities in Ghana.....NRGI

RESPONDING TO EXTRACTIVE INDUSTRY TRAINING NEEDS IN SAI GHANA

Award of Contracts and Licenses.....Review of the award of contracts/licensing process

Fiscal regimes

Assessment and Collection of Revenues....production volumes, royalties, taxes etc.
(determination of government share)

Transfer pricing and Illicit Financial Flows(IFFs)

Cost Recovery

Revenue management and Allocation..... Tracking of revenue inflows/outflows into the Petroleum
Fund/Treasury/Heritage Fund)

Environment and sustainable development.... Environmental Aspects of EI -Waste management, water
pollution, air pollution, vegetation, spills, Health and Safety

MINING OIL and GAS GOVERNANCE – Summer School

- The Natural Resource Governance Institute (NRGI) organised a capacity building workshop for Anglophone Africa on Mining, Oil and Gas governance to promote:
 - natural resources good governance
 - mobilisation of revenues from Extractive Industry to fund the Continent's development initiatives
- The workshop was attended by participants from the Anglophone countries.
- Two staff from Ghana Audit Service also participated

OBJECTIVES OF THE WORKSHOP

- The course was aimed at enhancing participants' understanding of fundamental and intermediate governance issues in the extractive industry based on the Natural Resources Governance Institute (NRGI) decision chain framework.



WORKSHOP CONTENT

- The Natural Resources Decision Chain
- Local Content and Economic Linkages
- The Legal Framework in the Extractive Sector
- Fiscal Tools for the Extractive Industry
- Extractive Sector Revenue Management
- Social and Environmental issues in Natural Resources Management



TRAINING WORKSHOP ON OIL AND GAS CONTRACTING, LICENSING AND FISCAL REGIMES IN GHANA--CONSULTANT

Ghana Audit Service (GAS) with the support of GIZ organized capacity building workshop for the Extractive Industries Unit of the Performance Audit Department in:

- **contracting,**
- **licensing and**
- **fiscal regimes**

This is in line with the Auditor-General's efforts to strengthen the competence of the service to undertake more audits in the extractive sector.



WORKSHOP OBJECTIVES

The aim of this workshop was to deepen the understanding and develop the analytical skills of participants concerning upstream oil and gas economics, taxation and environment issues with reference to Ghana.

- **The workshop introduced participants to:**
- **principles and methods in upstream oil and gas**
- **contracting,**
- **licensing,**
- **project economics including cost accounting and fiscal regimes (taxation) as well as identifying related environmental issues for “Risk Based Audits”**

WORKSHOP CONTENT

- Fundamentals of petroleum
- Oil and gas project economics - nature of the multiple risks in exploration and development
- Oil and gas licensing and related policy issues
- Types of contracts and licenses
- Field development and economic evaluation
- Environmental issues
- Possible audit areas



TRAINING ON MINING PAYMENTS TO GOVERNMENT ENTITIES IN GHANA

In September 2018, NRGI published a briefing analyzing newly released mining company disclosures on the payments they make to Ghanaian government entities, including both national and subnational (District Assemblies) entities.

- NRGI engaged with the Audit Service following the launch of the Gold Mining Revenues briefing and made us to understand that
- There are mandatory disclosure laws in EU, Canada and Norway that require companies to disclose the payments they make on a government entity-level and project-level within 150 days of the end of the financial year.

TRAINING ON MINING PAYMENTS TO GOVERNMENT ENTITIES IN GHANA

- The Auditor-General established a working relationship with NRGI so that we could receive training on how the Audit Service team working on extractive audits could use data on payments to governments to monitor the revenue Ghana government entities receive from mining
- NRGI assisted the Audit Service in providing training and technical assistance to staff of the Extractive Industries Unit so that we could use payment to governments data and briefing tool to perform our oversight functions for revenues generated in the mining sector

OBJECTIVES OF THE WORKSHOP

- Explore how payments to government can be used to support the work of the Audit Service extractive unit in monitoring the revenue Ghanaian government entities receive. From the EI
- Engage and interact with the data and familiarize participants with how to use the data to identify key findings relevant to extractive audits in the mining sector
- Identify sources of revenue to government from the mining sector



WORKSHOP CONTENT

- Introduction and overview of Ghana's payments to governments data
- Initial exploration of the data
- Discussion on initial data exploration
- Discussion on uses of payment to government data
- Developing tools of inquiry with Payment to Government data



QUESTIONS, CONTRIBUTIONS & FEEDBACK THANK YOU

