

GHANA earned \$978.87 million equivalent to GH 03.0 billion from the export of oil from the jubilee field as of the end of 2014, Seth Terkper, Minister of Finance has disclosed. He said total volume of crude oil produced from the Jubilee field in 2014 was 37,201,691 barrels representing an increase of 42.6 per cent over 2011 production levels. In a speech read on his behalf at the launch of 2012/2013 Ghana Extractive Industries Transparency Initiative (GHEITI) audit reports in Accra yesterday he said the average daily production rate in 2014 was 101,922 barrels per day. The reports, which are published in conformity with 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 allocation and the sustainability of revenues among others.

Mr. Terkper said to date the field had produced over 124 million barrels of crude oil. "Since June 2014, the price of crude oil has been on a downward slide. It has fallen from \$120 a barrel to about \$50, more than 50 per cent decline in price," he said.

The declining oil prices he said provide both opportunities and risks to the Ghanaian economy. He said while the country made saving on the imports of crude oil it would also impact negatively on the government revenues from the export of crude oil.

"Generally, price volatility would harm both importers and exporters of oil as it lowers, for instance, the predictability of marginal costs of production of companies," he said. The minister said the uncertainty regarding their cash flows might induce companies to reduce their investments and limit job creation which could consequently harm economic growth.

He said the government was working assiduously to ensure that the revenues from the country's extractive resources were prudently managed and utilised for the benefit of Ghanaians.

"Government would not only ensure that the allocation of revenues best promote sustainable development but would also ensure that the extractive exploitative natural resources- based activities are fully integrated into community development planning in order to maximise their contribution to sustainable livelihoods in the areas where these resources are extracted," he said.

Dr. Steve Manteaw, civil society co-chair of GHEITI said "the reports this time around provide better context, which in my view will lead to a more informed debate on what contribution the extractive sector is making to our nation's development and what policy reforms are necessary to address challenges faced by both government and industry, so that the extractive enterprise becomes a win-win venture for both resource owner and investor".

Mr. Franklin Ashiadey, National Coordinator of the Ghana EITI observed that he had no doubt that once again Ghana has become a standard bearer in being among the first few countries to

rise up to the challenge of reporting on its extractive sector along the new requirements of the EITI standard.

"The next challenge for us is to facilitate public engagements around these reports, and these we are poised to do in the coming months," he said.