ACCOUNTABILITY THROUGH ACTIVE CITIZENSHIP: IMPROVING PETROLEUM GOVERNANCE IN GHANA, MOZAMBIQUE & TANZANIA

BASELINE SURVEY REPORT – GHANA

Katinka C. van Cranenburgh
January 2015
As part of our commitment to accountability and learning, Oxfam will share conclusions and recommendations from baseline reports. Internally we will share with relevant stakeholders, ensuring that they have an opportunity to participate in discussion of those results in meaningful ways. We will also publish the evaluation reports on our website in accessible language.

As a rights-based organization, accountability, particularly to the communities we seek to serve, is of the highest importance to us. For Oxfam, accountability requires Oxfam to regularly and honestly assess the quality of its work, share and learn from its findings with primary stakeholders, and apply that learning in future work.

This is a baseline study for Oxfam America’s Program Accountability through Active Citizenship: Improving Petroleum Governance in Ghana, Mozambique and Tanzania. The program has been operating in Ghana, Mozambique and Tanzania since July 2014.

The major activities for producing this report took place in November and December 2014. The study was carried out by Katinka C. van Cranenburgh, through a competitive process and reflects the findings as reported by them as validated with stakeholders. The study was managed by Katie Martorana, Program Officer from Oxfam America, and commissioned by Keith Slack, Extractive Industries Global Program Manager, Programs Department.

For additional information regarding the study Terms Of Reference, please refer to the report appendices.
# ABBREVIATIONS AND ACRONYMS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACEP</td>
<td>Africa Centre for Energy Policy</td>
</tr>
<tr>
<td>CEIDA</td>
<td>Corporate Social Responsibilities of Extractive Industries in Developing Areas</td>
</tr>
<tr>
<td>CEPIL</td>
<td>Center for Public Interest Law</td>
</tr>
<tr>
<td>CSO</td>
<td>Civil Society Organization</td>
</tr>
<tr>
<td>DFID</td>
<td>Department for International Development</td>
</tr>
<tr>
<td>EI</td>
<td>Extractive Industries</td>
</tr>
<tr>
<td>EITI</td>
<td>Extractive Industries Transparency Initiative</td>
</tr>
<tr>
<td>FoN</td>
<td>Friends of the Nation</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GNPC</td>
<td>Ghana National Petroleum Corporation</td>
</tr>
<tr>
<td>HDI</td>
<td>Human Development Index</td>
</tr>
<tr>
<td>ICT</td>
<td>Information and Communication Technology</td>
</tr>
<tr>
<td>IEA</td>
<td>Institute of Economic Affairs</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
</tr>
<tr>
<td>NORAD</td>
<td>Norwegian Agency for Development Cooperation</td>
</tr>
<tr>
<td>NRGI</td>
<td>Natural Resource Governance Institute</td>
</tr>
<tr>
<td>O&amp;G</td>
<td>Oil and Gas</td>
</tr>
<tr>
<td>PIAC</td>
<td>Public Interest and Accounts Committee</td>
</tr>
<tr>
<td>PPAC</td>
<td>Parliaments Public Accounts Committee</td>
</tr>
<tr>
<td>PSLC</td>
<td>Parliament’s Subsidiary Legislation Committee</td>
</tr>
</tbody>
</table>
ACKNOWLEDGEMENTS

The baseline consultants would like to express their sincere appreciation to a number of persons who have facilitated this report. First and foremost, we would like to thank Richard Hato-Kuover, Oxfam America, Extractive Industries Program Officer, for having tirelessly reached out to relevant stakeholders and ensuring the consultant’s period of visit was efficient, effective, flexible and pleasurable. Thanks also go out to the efficient and clear guidance by Katie Martorana, Oxfam America Program Officer, who allowed for proper and flexible alignment and adjustment of international, national and local impact assessment tools. Many thanks go out to the members of the CEIDA -CSR in Extractive Industries in Developing Areas - group for their quality assurance work. Their thorough review was very helpful and the dedicated CEIDA meeting made the report *come to life* in a very pleasurable way. In addition, all those talented individuals who have helped the consultants in reaching the right stakeholders, sharpening the interview guidelines, providing context on the ground and suggesting literature and data relevant for writing this report. Finally, we would also like to thank the representatives of the various private sector companies, government officials and civil society organizations that met with the consultants and those that were willing to participate in an interview. They provided essential information that allowed us to better understand the challenges of their communities, their businesses, their governmental tasks and the potentials for creating a level playing field whereby shared information can lead to productive dialogue, accountability and transparency, and – ultimately- sustainable O&G development.
EXECUTIVE SUMMARY

Oxfam’s program objectives in Ghana seek to address issues of corruption in the O&G sector. Oxfam aims to support proper resource allocation in the O&G sector, whether in government or civil society, with the final aim to support poverty reduction. Between 2009 and 2014 the efforts of Oxfam and other donors in Ghana’s O&G sector have been focusing on increasing capacity for civil society organizations to engage in the O&G development. At the end of 2014 a network of knowledgeable and active CSOs with a significant level of authority within government exists. Nevertheless, due to various contextual and historical reasons, the O&G sector, as with other sectors in Ghana, is subject to corruption. Complete and transparent legislation and proper management of O&G development and revenue management could help reduce corruption in the O&G sector. Therefore, in the 2014-2016 period, the Oxfam O&G program will:

1) Continue to support activities that complete the work needed on setting a legal and policy framework for managing the O&G sector;

2) Ensure effective implementation, monitoring and auditing of new legislation of O&G revenue management.

Access to information for all O&G stakeholders, creating a level playing field between civil society, government and the private sector, will fuel accountability and citizen engagement, create greater transparency in the sector and reduce revenue leakages and corruption. The role of the media and creative technology (an online communication platform) are regarded as key tools for citizen engagement in the sector. As with all Oxfam programs, a gender lens is to ensure inclusion of women in the Ghana O&G management processes.

This O&G Ghana baseline study provides the end 2014 situation with regards to (1) knowledge development and distribution around transparency and accountability in the O&G revenue management, (2) the role of the media and the need for more creative technology such as an online platform, (3) (anti) corruption potentials within the legal frameworks and (4) governmental understanding and monitoring in O&G within Ghana’s legal framework. The analysis and findings are based on available literature, institutional reports and secondary data as well as through a field visit that encompassed semi-structured interviews with 18 interviewees and participation in two stakeholder meetings.

With regards to knowledge development and distribution around transparency and accountability in the O&G revenue management the consultant finds the quality of research available is good but the quantity is rated significantly lower. The sources of data around revenue management are limited to rough data provided by the government, mainly on revenue income, less on expenditures. Transparency in O&G contracts is limited and CSR or local content data is limited. The high-level research that is done is of good quality but does not reach the local communities affected by O&G. To reach a level playing field whereby all relevant actors (government, civil society and the private sector) have a dialogue based on equal access to information, much more openness and data sharing is needed, particularly by government and/or companies. Women are not or hardly involved in any of the research done, although women can be disproportionately impacted and, on the other side, can make a crucial contribution to peaceful development.
With regards to the role of the media in educating and informing citizens and community members of the governmental petroleum revenue capture and management, much can be improved. Whilst the quantitative level of media reporting is high, the quality is lacking due to lack of available data from multiple sources, lack of interest and knowledge amongst reporters, lack of follow up on investigative journalism and the influence of politics. The current media practices of sharing sound bites, the flavor of the day, and restating what others said, can be counterbalanced with (international) expertise sharing when the sector develops itself and integrates the oil and gas industry as a regular section in its reporting strategy. Upholding relations with media houses in the countries of origin of the O&G companies can increase the potentials for high-level debate and accountability.

Further creative technology in the form of an online platform whereby different stakeholders can share quality information and relevant knowledge is aggregated and visible to all internet users, is highly desired by all stakeholders. Since there are various ongoing initiatives by various donors, NGOs and media houses, structural dialogue and alignment around content, target groups and management of the platforms amongst the involved organizations is vital.

With regards to (anti) corruption potentials within the legal frameworks, significant improvements can be made by civil society organizations as they do have impact on policy development in the area of legislation and monitoring. Allocating resources to reach a proper legal framework free from discretionary powers and with proper accountability structures is key going forward. Locally affected communities are supposed to benefit from oil and gas exploration in their neighborhoods through local content / local supply chains and CSR activities agreed as between government and companies. However, the Petroleum Commission which is set up as an independent body to monitor implementation of CSR and local content is not adequately resourced. So no effective supervision is in place nor is any transparency provided in the planned or conducted activities, resulting in darkness around the impact of the O&G sector on communities neighboring the O&G activities.

With regards to governmental understanding and monitoring in O&G within Ghana’s legal framework, the relevant governmental committees have a reasonable level of understanding of O&G regulations and are trained on an ad-hoc basis but the Committees lack sufficient authority to follow up on their actions and are constrained by political dependencies of their members. The citizens’ representatives’ organization Public Interest and Accounts Committee has the authority to monitor petroleum revenue management but lacks sufficient resources and is ‘trapped’ as it is paid by the same government it is supposed to monitor and audit.

Despite EITI compliance, contract development and contract signing is not transparent in Ghana nor are oil contracts reviewed by any agency before signing. The relevance of having external parties reviewing future contracts is high. The Petroleum Commission is responsible for monitoring compliance with the licensing procedures including CSR spending and local content / local supply chain. However, a structural monitoring tool does not seem in place and data of the poorly resourced Commission is hardly accessible.

Lastly, although the impact of O&G on women is real (Boohene & Peprah, 2011), no gender specific interventions nor action groups were identified to safeguard the rights of this underserved population. Women’s participation at the community level, in CSOs and in government institutions is limited and the capacity of all stakeholders to understand O&G potential impacts on women is also lacking. There are no gender
sensitive policy making, nor specific revenue spending and monitoring. Government systems are not able to track if money spent addresses women’s issues.
1. INTRODUCTION

Project Objectives
The Norwegian Agency for Development Cooperation (NORAD)-funded *Accountability through Active Citizenship Program: Improving Petroleum Governance in Ghana, Mozambique and Tanzania* aims to contribute towards an active society that promotes economically, environmentally and socially responsible management of Oil and Gas (O&G) resources based on transparency and accountability for sustainable development and poverty reduction, while safeguarding the needs of future generations.

In Ghana, program design is based on the premise that good governance of O&G revenues relies on the active and informed participation of all stakeholder groups including communities, Civil Society Organizations (CSO) and the media. Furthermore, it is founded on the recognition that participation is only possible by redressing the power imbalance resulting from unequal access to information, poor awareness of governance and decision-making processes and rights and structural weaknesses in the media sector. As such, in Ghana, the Oxfam program focuses strongly on anti-corruption and increased stakeholder engagement and O&G transparency. Concretely, it aims to:

- Build the capacity of national governmental institutions for improved engagement in relevant O&G processes as well as support relevant systems increasing transparency and accountability;
- Build the capacity of civil society organizations and platforms to meaningfully assume a watchdog role, support communities, participate in dialogue and advocate for equitable, impactful and lasting development in the context of O&G;
- Build the capacity of the media to increase the quantity and quality of reporting on processes and results associated to O&G projects in Ghana.

From a gender perspective, the program expects to increase women’s effective participation in governance processes associated to O&G projects, avoid common effects of extractive projects on women and contribute to the promotion of gender sensitive poverty reduction in the context of extractives.

Baseline Purpose and Context
The objective of the baseline study is to analyze and document the situation around accountability, transparency and governance of the O&G revenues in the country at the early stages of the Oxfam project. More specifically, the baseline focuses on a selected group of indicators chosen for the country program directly linked to the project’s foreseen key areas of activity identified and approved by NORAD in the Inception Phase. Table 2 outlines the planned output and indicators for the Oxfam program in Ghana that is planned to be implemented in a 30 month period from mid-2014 to end 2016.

In alignment with Oxfam America and the Oxfam Ghana Extractive Industries Program Officer, the consultant restructured the output and indicators in order to have a logical sequence of indicators. Table 2 outlines the restructured version of output and indicators for the Oxfam Ghana project.
It is expected that an exercise similar to this baseline will be conducted at the end of the program to gauge the changes brought about by program interventions. The program measurement will benefit from further sharpening of the indicators so that they become specific and measureable.

*Table 1: Output and Indicators Developed for the Baseline in Ghana.*

<table>
<thead>
<tr>
<th>N.</th>
<th>OUTPUT</th>
<th>INDICATORS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Local concerns are discussed, documented, monitored, and presented by community champions, including women, and civil society organizations to key local, sub-national, and national government and corporate stakeholders</td>
<td>Research, analysis and reporting on O&amp;G governance and revenue use at local and sub-national level with consultation / participation of community groups</td>
</tr>
<tr>
<td></td>
<td>National advocacy, research, and policy briefs are exchanged and reinforced in regional and global arenas</td>
<td>Participation in annual global and regional forums, supporting Exchange and presentation of national research and policy development</td>
</tr>
<tr>
<td></td>
<td><strong>EI civil society network</strong> member organizations (including women’s rights organizations and media groups) increasingly represent transparency and accountability issues of concern to citizens</td>
<td>Results of data analysis shared with PIAC committee for review and action</td>
</tr>
<tr>
<td>2.</td>
<td>New voices are captured within media at sub-national and national levels sharing testimonies and opinions on the impacts of petroleum governance</td>
<td>The voices of active citizens and leaders captured by media</td>
</tr>
<tr>
<td></td>
<td><strong>EI civil society networks</strong> (including women’s rights organizations and media groups) and online information platforms established and strengthened</td>
<td>Need, existence and use of an online platform</td>
</tr>
<tr>
<td>3.</td>
<td><strong>EI civil society networks</strong> improve monitoring and reporting on petroleum governance through collective action with citizens (women, men, and youth), women’s rights organizations, and media groups in research, policy, and campaigns</td>
<td>Unregulated discretions in legal framework understood</td>
</tr>
<tr>
<td></td>
<td>Awareness raised, advocacy campaigning increased</td>
<td>Regulations guiding the exercise of discretion and anti-corruption clauses incorporated in legal framework, through the work of MSFs</td>
</tr>
<tr>
<td>4.</td>
<td>Governments, corporations, donors, non-governmental organizations, and other decision-makers improve their understanding of local priorities and gender-specific impacts of the petroleum sector</td>
<td>Government stakeholders, especially the Parliament’s Subsidiary Legislation Committee, understands draft constitutional instrument</td>
</tr>
<tr>
<td></td>
<td>Parliament’s Public Accounts Committee understands accountability issues on petroleum contracts and revenue management</td>
<td>Commission on HR and Administrative Justice (CHRAJ), EOCO, Ghana Police, Financial Intelligence center, Audit Service, Ghana Revenue Authority and Audit Service understand relevant technical issues</td>
</tr>
<tr>
<td></td>
<td>Governments and corporations practice improved fiscal accountability and contract transparency over petroleum revenues for gender-equitable, pro-poor investments.</td>
<td>Details of O&amp;G contracts content, process related information and analysis available (online)</td>
</tr>
<tr>
<td></td>
<td>O&amp;G contracts reviewed prior to parliamentary approval, monitor compliance of licensing procedures</td>
<td>O&amp;G monitoring system developed and used for revenue management, expenditure and quality services (including gender responsive indicators)</td>
</tr>
</tbody>
</table>

---

10
Fieldwork was conducted in Ghana between the 5th and 13th December 2014. Activities were carried out in close coordination with key Oxfam Ghana staff at the start and during the time in country. Preliminary findings were shared with Oxfam staff in Ghana confirming the validity of the core information presented. Before reporting to Oxfam, the report was reviewed by the partnering baseline consultants for the Oxfam Tanzania and Mozambique programs as well as by members of the ESADE Business School based CEIDA group.

**Overall Country Context**

Ghana is approaching the middle income status even though a large percentage of the population lives under the poverty line. Ghana was ranked 138 out of 187 countries on the Human Development Index (HDI) for 2013, a HDI increase of 35% compared to 1980\(^1\). Within the African context however, Ghana rates the 7th-best governed country, the 5th-most stable country and having the thirteenth-highest HDI\(^2\). However, the Afro barometer on corruption\(^3\) that has tracked citizens of 16 African countries on their perception of government efforts to fight corruption emphasizes that Ghana is one of the three countries (together with Tanzania and Zimbabwe) with the strongest increase of negative ratings: the number of Ghanaians rating their government as a bad performer rose by 31% between 2002 and 2012 (Richmond & Alpin 2013).

Ghana has been a significant (off-shore) petroleum and (off- and on shore) natural gas producer since December 2010, its second largest export product after gold and followed by cocoa. Since O&G was found in Ghana in 2007, various scholars warned about the risks of Ghana falling into the resource curse (IEA, 2012; Dobbs et al, 2013) with the potential to lead to conflict and increasing poverty rather than to a maximization of the potentials of O&G. The available literature focused on the Ghana O&G situation demonstrates significant interest in ‘getting things right’ in the O&G sector in Ghana. Articles have been published around impact on eco systems, in particular the marine life (Amoasah, 2010) and communities (King, 2010; USAID, 2012) in the areas of exploration and production (such as the fishing community), particularly on women (Boohene & Peprah, 2011) as well as the management of O&G revenue by the government (Moss & Young, 2009 who plead for direct cash distribution; IEA, 2012, ACEP, 2013 and 2014; SEND-Ghana, 2013; NRGI, 2014, Terkper, 2014) as well as on the importance of developing a local supplier market for the mostly foreign O&G investors (Adabla, 2014).

From 2011 to 2013, the government of Ghana received a cumulative amount of close to 2 billion USD from its share of petroleum (ACEP, 2014). The main exploration and production of petroleum is done off-shore from Ghana’s west coast near the border with Cote D’Ivoire, where the Ghana National Petroleum Corporation partners with International (e.g. Vitol, Tullow, Kosmos, Anadarko) and national (e.g. Sabre) companies. Ownership structures of the companies are often complex and difficult to track.

---

\(^1\) HDI, [http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/GHA.pdf](http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/GHA.pdf) accessed 2014.01.03,


\(^3\) [http://www.afrobarometer.org/files/documents/policy_brief/ab_r5_policybriefno4.pdf](http://www.afrobarometer.org/files/documents/policy_brief/ab_r5_policybriefno4.pdf) (page 5) accessed 2014.01.03,
Like all other African countries, Ghana backed the African Union’s Mining Vision in 2009, which has as one of its core aims to ensure local development so that communities can reap benefits from extractive industries and extractive activities safeguard the environment. Ghana has been compliant with the Extractive Industry Transparency Initiative (EITI) since 2010 and has published its O&G revenues in 2013. Ghana is listed 15 out of 58 countries measured by the Resource Governance Index on its quality of governance in the oil, gas and mining sector.

Finally, according to the 2012 Transparency and Accountability Tracking Index of Ghana’s O&G industry by the Institute of Economic Affairs Ghana, revenue income transparency stood at close to 70% in 2012 whilst revenue expenditures transparency around 65%. The Institute of Economic Affairs (IEA) recommends further transparency in revenue management and spending as well as more inclusive processes of spending, proper auditing mechanisms and adequate resourcing of the agencies responsible for monitoring and auditing.

Ghana is ranked by Freedom House, an independent watchdog organization dedicated to the expansion of freedom around the world with a focus on fundamental rights, democracy and greater political and civil liberties, as one of few countries in Africa with a free press.

Primary Change Agents
Africa Centre for Energy Policy (ACEP) and Center for Public Interest Law (CEPIL) are direct Oxfam program partners in Ghana. The program expects to collaborate with CSOs at the national and sub-national level working towards the same goals as the Oxfam program.

- **Africa Centre for Energy Policy** is an Accra based research and advocacy non-governmental organization that provides alternative solutions for the efficient and transparent management of energy sources in Ghana. Created in 2010, its key areas of intervention are O&G revenue management knowledge creation and distribution.

- **Center for Public Interest Law** is a rights-based non-for-profit organization helping communities negatively affected by the extractive industry with paralegal support.

2. METHODOLOGY

**Approach**
The study is based on a qualitative approach using secondary resources obtained through informants and Internet searches, along with semi-structured interviews with key informants. A total of 18 interviewees participated in Ghana among which key in-country Oxfam staff, CSOs – including project partners, key Government ministries, journalists and donors, as depicted in Table 1.

---

4 [http://www.africaminingvision.org/about.html](http://www.africaminingvision.org/about.html).
5 For more data and explanation on the measuring and ranking system of the RGI: [www.revenuewatch.org/rgi](http://www.revenuewatch.org/rgi).
Table 2: Baseline interviewees by stakeholder type, in Ghana

<table>
<thead>
<tr>
<th>Stakeholder Group</th>
<th>N. of people Interviewed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oxfam Country Staff</td>
<td>2</td>
</tr>
<tr>
<td>Oxfam Partner Organizations</td>
<td>2</td>
</tr>
<tr>
<td>(Other) Civil Society Organizations</td>
<td>4</td>
</tr>
<tr>
<td>Government Institutions</td>
<td>5</td>
</tr>
<tr>
<td>Journalists</td>
<td>2</td>
</tr>
<tr>
<td>Donors</td>
<td>2</td>
</tr>
<tr>
<td>Companies</td>
<td>1</td>
</tr>
</tbody>
</table>

The study did not allow for interviewing academia, a group that deserves future interest. The study did not include community level research so no traditional chiefs or regional kings were approached. The baseline did not include household or citizen based surveying subject to statistical validity as the Oxfam program is not focused on communities. Efforts were made to quantify qualitative information related to opinions around capacity, receptiveness or level of understanding of particular issues among stakeholders. This was done by complementing assessments adding value scales with follow up questions to answers. Annex 3 provides an overview of the figures. Where possible, documentation confirming information presented by interviewees is also referenced.

**Key Areas of Inquiry**

Interview guidelines were produced to cover relevant topics across informants. Broadly, the following areas of inquiry shaped the formulation of the interview guidelines used with each stakeholder group:

<table>
<thead>
<tr>
<th>Civil Society Organizations</th>
<th>Opinion on governmental and CSO understanding and competencies on relevant legislation and practices to act according to the (spirit) of the law; current and foreseen interventions on transparency, accountability and good governance and access to useful information and analyses on O&amp;G; opinion on the role of the media and the need for an online platform.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donors</td>
<td>Key interventions around O&amp;G in Ghana, perception of the opportunities and challenges around accountability, transparency and good governance in the context of O&amp;G revenue management in the country.</td>
</tr>
<tr>
<td>Government</td>
<td>Systems in place promoting accountability, transparency and good governance; recent progress and plans on relevant legislation; opinion on the capacity and legitimacy of interventions by other stakeholders on these issues.</td>
</tr>
<tr>
<td>Media</td>
<td>Factors constraining journalism around extractives in Ghana, quality of public media debates around O&amp;G; access to useful information on O&amp;G; opinion on the role of the media and the need for an online platform.</td>
</tr>
<tr>
<td>O&amp;G Companies</td>
<td>Consultation and decision-making mechanisms with communities and government.</td>
</tr>
</tbody>
</table>
**Ethical Considerations**

Semi-structured interviews were preceded by a presentation of key information by the consultant on the Oxfam program aims, key partners, target areas accompanied by information on the scope and objectives of the baseline.

Interviewees were informed on confidentiality measures considered under the study including: (i) no direct references to informants in baseline report or any other communication produced in the context of the study; (ii) presentation of information avoiding indirect attributability of information to informants; (iii) the exception to the above being public information shared by organizations during the interviews on past or on-going interventions or plans or information publicly disseminated in reports, internet, the media, or other public communication channels. Interviewees were notified that their names would appear in the list of people interviewed in the context of this consultancy.

Obtaining verbal informed consent from all participants was a pre-requisite for all interviews. The consultant provided her contact details and invited participants to contact her should there be any further information they would like to share within a 1-2 week period following the interview. In addition, contact details for the Oxfam Office in Ghana were provided to interviewees who may wish to inquire further on the baseline or the program itself.

The coincidence of the forum on the Petroleum (Exploration and Production) Bill and the Marine Pollution Bill which took place on the 8th December 2014 as well as the Donor Meeting on O&G Revenue Management organized on the 12th of December 2014 by DFID provided the baseline consultant an opportunity to observe and include the inputs from roughly an additional 25 stakeholders.

**Study Limitations**

The core field work for this baseline study was undertaken during a visit to Ghana from 5-13 December 2014, arranged with full support from Oxfam staff in-country. Although every effort was made to ensure that interviews covered all relevant stakeholder groups, there were a number of gaps:

- Only two interviews were held with serving staff of oil companies working in Ghana, of which one interviewee did not want his/her name to be included in the report limiting the total reported interviewees to 18;
- No interview was held with Ghana’s national oil company, the Ghana National Petroleum Corporation;
- The only contact with national Ministries was with the Ministry of Finance;
- There was no Gender-focused organization identified as relevant to this study;
- Hardly any women were amongst the interviewees.

While every effort has been made to ensure that these limitations do not materially impact on the report’s conclusions, they should be considered as constraining factors on the comprehensiveness of the findings. Another note should be made in terms of the timing of the study: although positioned as a baseline study, the Oxfam project had actually already started mid-2014.
Consultant Profile

The assignment was carried out by Katinka C. van Cranenburgh, MBA from the University of Amsterdam and PhD student in Corporate Social Responsibility and Socially Responsible Investment at Erasmus University in Rotterdam. She has over 16 years of experience in CSR, Corporate Philanthropy and Community Investment, mostly in sub-Saharan Africa and South-East Asia. Her work has covered technical support and senior level management of programs and organizations working with companies, local CSOs and communities. Katinka is particularly interested in contributing towards the creation of a level playing field between private, public and non-profit sector with the aim of sustainable development.

The other country reports covering Tanzania and Mozambique were prepared by Rob Denny and Chiqui Arregui respectively. External quality assurance was also provided by the extractives working group at ESADE business school.

3. FINDINGS

3.1 Knowledge Development and Distribution of O&G Revenue Management

Availability of Research and Data

Considering that the petroleum industry in Ghana is relatively new, production only started in 2010, there is a reasonable amount of research available around revenue management. The sources used for revenue management research are however limited to data provided by the government. The government is required by law to share revenue data and reports (both income on national level and expenditures on national and sub-national level) with the Public Interest and Account Committee (PIAC), who is responsible for monitoring government revenue management practices. The PIAC members are CSO representatives. PIAC bi-annually receives the data and provides analyses to the public. PIAC may also share the data with civil society organizations and as PIAC’s members represent civil society, the data can be assessed relatively easy by those organizations critically reviewing revenue management. Those organizations are however not entitled to audit the data as the government has an internal audit committee set up for this purpose. It is unknown whether the government audits are accompanied by third party assurances, e.g. from major accounting firms.

Informally, CSOs may also receive data directly from the government. This happens through informal networks. As these documents are mostly not the final (signed) versions (for example company-government contracts), the sources cannot be used for proper research, but they may provide useful indications.

The lack of available data results in limited research. To date, most company-government contracts are not available for the public unless the company has an obligation to publish it. This occurs in cases where the company’s country of origin requires publication or the company is listed on a stock exchange that has such requirements.

The governmental Petroleum Commission is responsible for reviewing, approving and monitoring implementation of companies’ plans for community investments. This
relates to aspects of local content/supply chain and social projects. Although the Petroleum Commission claims the information is publically available, the practice shows differently. Despite several requests from the consultant, no information was provided, nor was any information available on the Commission’s website (dec. 2014).

Overall, the following types of research are done on a semi-regular basis:

1) Petroleum revenue misconduct: once a year an independent law institution (CEPIL) provides an overview of the revenue management violations found based on the Petroleum Revenue Management Act of 2011.
2) Value for money: several actors review whether the revenue expenditures comply with the governmental pre-set goals as stated in the Petroleum Revenue Management Act, and what the impact of these expenditures have been. The research so far shows a need for government long-term strategy and an institutional approach to development.

Organizations Involved in Research
Some of the research organizations mentioned by the interviewees as researching O&G revenue management specifically or wider issues around governmental transparency and revenue management are PIAC, ACEP, Kite, CEPIL, Natural Resource Governance Institute, Institute of Economic Affairs, CDD Afro Barometer, SEND-Ghana, Friends of the Nation, NRGI, Imani, Ghana Civil Society Platform on Oil and Gas and EITI.

The PIAC has a unique position as they are by law required to monitor and audit revenue capture and management. Whilst the Ministry of Finance has installed PIAC and expects it to conduct its job properly, it is at the same time creating barriers for PIAC, as various highly reputable CSOs as well as PIAC members themselves mentioned the government does not provide the required and agreed budget for PIAC to conduct its tasks in timely fashion. A striking example of their lack of resources at the time of the baseline study was the absence of an office for the PIAC secretariat. Another major demotivating factor for the work and reputation of PIAC is that the research and recommendations to government are often ignored and therefore lack impact. While the interviewees of both governmental as well as civil society organizations rated the work of PIAC as of high quality, the risk might be that with continued lack of follow-up those involved will lose interest and weaken their efforts.

Despite the barriers the PIAC faces today, it is still regarded as a key player in the monitoring of government revenue management practices. This is underpinned by the fact that other research organizations put high value on sharing their research with PIAC. To strengthen the work of PIAC and ensure they remain a credible group, the research organizations will benefit from not only informing PIAC about their research outcomes but providing in-depth and ‘PIAC-only’ workshops to ensure that PIAC members can freely share their needs (not as part of a wider stakeholder meeting group) and that they become familiar with the research conclusions and are capable of internalizing and distributing them.

Besides informing PIAC, dissemination of research at present is limited to educated and well-informed stakeholders; government officials, international and local NGOs, academia, media and civil society leaders or special interest groups. Since the revenue management and the petroleum industry infrastructure is complex, it is not likely that community members will be able to participate in the debate.
Dissemination of research is done in the form of research reports, shared through presentations at stakeholder meetings (although often open to the public, the reality is that the 'known special interest groups' participate) and publications on websites (although not consistently). Also, the research organizations make use of the media; issuing press releases, participating in radio/TV shows and in the development of documentaries.

With respect to Government research:

- The Ministry of Finance indicates that they will conduct research on the impact of the annual budget funding (including revenues of O&G) on the economy since production of O&G started. No specifications on planned timing were provided.
- The Petroleum Commission tracks the local content and CSR spending of the companies. The companies submit their annual plans (stating budget and projects for social / community investment) for Commission approval. The Commission reviews, approves and monitors implementation. The results of this work are to date not publically available.

**Political and Geographical Aspects of Research**

Since Ghana is known for its political two-party rivalry for power, research organizations must be reviewed on their political independence. Of the two main research providers of oil and gas revenue management in Ghana, PIAC, created as a civil society representative membership group, has a good reputation in this respect. ACEP is run by individuals that have known political affiliations, but it has grown in terms of credibility amongst civil society and government, and its research is now regarded as high level and objective.

The level (national, sub-national, local) of research depends very much on the availability of data. Most research therefore is focused on revenue collection and management - taking place at the national level, demonstrating money flows between the Ministry of Finance and the recipient ministries. The recipient ministries spread the O&G revenues over a number of projects following broad themes defined by the government. Data around the revenues flowing into regions or at the local level is not available. Some community research is done but this is limited to a few case studies. The Public Interest and Accounts Committee who has the mandate by law to monitor and audit the revenue distribution is not sufficiently resourced to do local monitoring, let alone auditing. As hardly any data is made available by the private sector, nor does the Petroleum Commission share its data around local content and CSR expenditures of companies, no research is available regards the implementation of private sector community investments. Investigative journalism is also limited (see chapter 3.2).

When it comes to community impact of the petroleum industry, the number of community stakeholder meetings capturing the voices of local community members and providing independent information to these members is limited. More resources in terms of funding of CSOs such as Friends of the Nation and CEPIL are required to capture the voices of illiterate rural people, organize local-language community meetings, (paid) airtime on local radio stations and easy-to-understand leaflets and video material. Friends of the Nation is particularly strong when it comes to community outreach but is limited in terms of resources.

Most of the reputable research organizations participate in international events – mainly organized by INGOs – whereby the learnings are distributed on an international level and comparative research and information sharing takes place.
Participation takes place on an irregular basis; CSOs are invited to present their work whenever they produce a report rather than that they are part of an international network that meets on an annual or half-year basis.

In Conclusion
The quality of research available is rated by the interviewees as good (3.8 on a scale from 1 to 5 with N=14), the quantity is rated significantly lower (2.7 with N=14) and the limited sources of data are worrying. The level of outreach is rated at 3.5 (N=10) and the main improvement in relation to reaching out to citizens can be reached on community level.

To ensure a continuation of data provision by the government, it is key for research organizations to limit themselves to careful and quality research, continuously including the context and limitations (e.g. lack of reliable data) of the studies published. The Ministry of Finance as well as the Petroleum Commission will remain very cautious about how their data is interpreted. If it is taken out of context or used for political interests, civil society might end up receiving less data than what they receive today.

Increased private sector and government transparency is required to allow research on impact of the petroleum industry on the national and community level to take place. Strengthening the research capacity and resources of PIAC and ACEP will definitely lead to more reliable analyses and therefore better informed civil society. This may result in a level playing field whereby all relevant actors (government, civil society and the private sector) have a dialogue based on equal access to information.

Women are not or hardly involved in any of the research done, although women are important as they account for half of the population and the gender issue is a well-known key human rights issue. As women do not have ownership over land and land is one of the key issues for O&G sector development, this is clearly an underresearched area. ACEP mentioned that gender dimensions of employment are measured but all other interviewees rate the level of gender dimensions in research as lower than 2 on a scale from 1 to 5 (N=11).

Recommendations:

- For donors to continue to provide grants for reputable research organizations:
  - ACEP: most donors depend on ACEP; as ACEP is a small organization with rapid growth of work there is the risk of overdependence on a small number of high quality individuals. The organizational structure of ACEP might benefit from a delegation model with more skilled resources and division of responsibilities.
  - CEPIIL: rights based support of communities through case studies may be helped by scaling up the learnings to a wider public and awareness of rights for communities so that the law is increasingly consulted and challenged.

- Donors may further support a level playing field amongst governmental, private sector and civil society actors by continuous lobbying for transparency in the industry, based on regulations (freedom of information, prior & informed consent) as well as on ethics.

- One of the potentials are in the petroleum companies’ home countries: stimulating the sharing of non-commercial information to help local
community members to access information that is relevant to their context.

- The organizations involved in research would benefit from regular exchange of information (rather than only after new research is published) to ensure all parts of the value chain are covered and that combined research efforts lead to insight throughout the value chain, leaving no gaps as well as avoiding duplicate research. Donors and foreign governments can support the process by funding research and dissemination as well as lobbying government to provide transparency where possible without jeopardizing the competitive culture of the market economy.

3.2 The Role of the Media

**Challenges**
The role of the media in reporting around petroleum sector activities and revenues should be seen in the context of the role of the media in general in Ghana: freedom of speech combined with strong popular engagement in politics, lack of (reliable) and historical data and a limited national level of education causes voices captured by the media to be focused on the political agenda, rather than promoting informed dialogue and expertise sharing. As in other countries, media houses are politically colored.

Another difficulty for reaching quality based media reporting is the lack of interest in highly-technical topics such as petroleum revenues. While blaming and shaming around corruption issues happens in the media on a daily basis (or better: hourly-basis!), it remains without participation of experts and involved stakeholders. High exposure of corruption aims to hold those involved accountable, but allegations are not succeeded by action in the form of legal prosecution. Media houses management are often not free from political interest which complicates fact-based reporting.

The lack of interest amongst media reporters is also growing. While several reporters can and do conduct investigative journalism, they are often demotivated when the outcomes of their investigation leads to merely raising complaints rather than prompting official investigation and legal consequences to those involved. For media to take up the watchdog role, it is vital that government takes it seriously and, in case of independent, evidence based revelations of misconduct, prosecutes the violators of the law. Misconduct without punishment is demotivating for media reporters who put time and effort in investigating practices, and may lead to feelings of impotence or cynicism.

Between 2010 and 2011, when there was euphoria around the finding of petroleum and the start of production and export, a lot of journalists broadcasted the views of the companies and of ordinary people. However, in recent years, because of the lack of visual impact of the oil & gas industry on the lives of ordinary people, reporters and receivers of the news have lost interest.

Besides motivation, media reporters need skills and technical knowledge to conduct in-depth research and reporting. While several actors (ACEP, Norwegian government, Revenue Watch (now called: Natural Resource Governance Institute and Penplusbytes) have been training groups of selected reporters from within and outside parliament, recent research by Penplusbytes (http://www.reportingoilandgas.org/wp-content/uploads/A-baseline-content-analysis-of-oil-and-gas-newspaper-reporting.pdf) amongst two state-owned and one private-owned newspaper demonstrates that the papers hardly report on oil and gas.
Penplusbytes relates the lack of the oil and gas industry coverage in the media to the behaviors of media reporters / media houses. They find that, rather than having one-off trainings (as found at other organizations), in-house training/secondment for a core group of media reporters that form a network of media reporters against corruption would be the better alternative. However, they realize that training specialized reporters is not sufficient if the focus of media houses remains political.

**Roles of the Government and Companies**

While the Ministry of Energy states that the media is welcome to consult them, the reality is that little data is provided by government, leaving the journalists ill-equipped to do critical analysis. Also the private sector, for reasons of its own, is not incentivized to share data with the media. It limits its information sharing to advertising (stories). Civil society organizations working on oil and gas revenue management have partly found their way to the business and financial media sections, but this is done on an ad-hoc basis. Also, civil society is not capable or resourced to capture the voices of the often relatively isolated communities who experience direct impacts from O&G, nor are they equipped to critically analyze the specific potential impacts of O&G and other extractive industries on women, which could limit their ability to report on the different impacts of projects on different social groups when these are not responsibly managed. The lack of multi-source journalism leads to media using incorrect, incomplete or biased information.

**Potentials for An Online Platform**

Part of the Oxfam program focuses on the support of the development, maintenance and marketing of an online platform. According to interviewees, the need for having an online platform related to oil and gas originates from:

- Poor media coverage as described on above;
- The need for centralized collection of quality research and reporting;
- To allow citizens to share their opinions, worries, needs and best practices;
- To promote good governance, transparency and accountability;
- To show and debate impact on the environment and the people;
- For youth to get involved as their main source of information is online;
- For sharing of international best practices.

Currently, one online initiative stands out when it comes to oil and gas in Ghana. The website [reportingoilandgas.org](http://reportingoilandgas.org) was launched in June 2009 by Media/ICT company PensPlusBytes (funded by STAR-Ghana which in turn is funded by DFID and others) with the aim of providing a one stop online information and knowledge platform about Ghana’s oil and gas sector. It is mostly a news aggregator and although named ‘oil and gas’ it sometimes includes mining issues. It includes sections on news, advocacy, publications, education & training, media library, upcoming events, oil companies, discussions and communities.

Another platform/website is [www.ghanaoilandgasonline.com](http://www.ghanaoilandgasonline.com), but it only provides advertisements. It is not clear who manages this website. It has some oil contracts published but it is not updated nor maintained.

Thirdly, ACEP, with the support of DFID and Oxfam America, plans for Q1, 2015 to launch [ourollmoney.org](http://ourollmoney.org) to be technically designed by PensPlusBytes (as with reportingoilandgas.org). The actors involved do not seem aligned about the aim and the absence of a memorandum of understanding or partnership agreement seems a shortcoming to be addressed. The objectives mentioned by the interviewees from the donor organization, its partner organization and the designer of the platform range
from having a platform purely for following the money in the oil and gas sector to having a one-stop platform covering all issues around the oil and gas industry. Also, with regards to the target audiences, the parties involved are confused. Given these uncertainties, it is unclear if this proposed website will duplicate or complement existing initiatives.

Fourthly, The World Bank is cooperating with Kite (as platform host) in Ghana to set up an ICT platform with a two-way flow of information: 1) collecting feedback from citizens and track, monitor and disseminate information on the impacts of oil and gas in the Western region of Ghana and 2) providing information to citizens on a number of oil and gas impact related issues. The objective is to empower government institutions and civil society, particularly PIAC. The World Bank also supports the Extractive Industries Map of Ghana, an online, interactive mapping platform that provides access to and visualizes information about the mining and oil & gas sectors in Ghana.

Besides the existing and planned online platforms for the oil and gas sector in Ghana, IBIS, a Danish based donor organization, will be supporting ACEP to develop an online platform for mining in Ghana. The mining online-platform aims to focus on two regions including six affected communities. The project will identify ‘watchers’ in the communities and will provide these watchers with facilities (electronic devices) so they can interact with communities. Funding from DANIDA through IBIS to ACEP for two years is confirmed and the launch is planned for January 2015.

Most interviewees believe that an online platform for oil and gas should serve all peoples’ needs: government, parliament, companies, media, special interest groups, local community members, Ghanaians abroad and the international community. International input from countries such as Norway, US, Brazil as well as other African nations (Nigeria, Angola, Cote d’Ivoire) is also mentioned as a desire by several interviewees. The interviewees also mentioned that the content of the platform should cover all levels and types of research and reports including audio and video materials. One interviewee also mentioned that impacted communities should be able to upload pictures (with GPS data to verify) of affected property.

The risk of trying to link so many different stakeholders at so many levels of involvement and education in one online platform is that it could lead to an abundance of information and lack of customization to different target and language groups.

While all interviewees emphasize on the need for having a one-stop online platform for the oil and gas sector, there is little consensus of who should manage the online platform. Having independent or shared ownership over the platform is vital to ensure the platform is viewed as a credible and reputable source for information sharing for all stakeholders involved in the sector. The Ministry of Finance notes the need for government to manage the platform as potential investors need to deal with the government. Civil society organizations approach it from a more activist angle (underscored by the naming of the platform ‘ouroilmoney’) and mention universities and civil society institutions as the most appropriate managers of the platform. The Wikipedia format was also mentioned. A shared management of a board of multi stakeholders seems the most appropriate governance structure but will have challenges in practice. PIAC could fulfill this role but is currently lacking resources to do so. Although not mentioned by any of the interviewees, the national EITI secretariat could theoretically also be a potential manager.
Required technical support to the platform concerns filtering the data that is provided by individuals so that irrelevant and inappropriate or political data can be prevented and that mass-media regulations are followed. Also marketing and promotion activities should be taken into account when setting the budget. Linking the upcoming online platform with existing initiatives of media houses such as Joy Online would help create awareness.

**Ouroilmoney.com**
The planned launch of the online platform ouroilourmoney.com under management of ACEP with guaranteed funding for the first two years by DFID and Oxfam is postponed from end 2014 to Q1, 2015.

According to ACEP, the focus of ouroilmoney.com will be around revenue capture and management. The data should be accessible to local communities and (local) media and vice versa. Affected local communities will be able, through technologies such as audio and video podcasts, to understand issues of regulation, contracts and revenue distribution and, via SMS-services, raise their voice for advocacy and voting initiatives.

The distribution of oil and gas revenues targets Ghana’s general development; there is no allocation to directly affected communities nor regions. Therefore, local community engagement with an online platform would be higher if the online platform also includes information provided by companies and the Petroleum Commission.

ACEP expects that ouroilmoney.com will be visited by 1500 people in the first year with an extra 1000 people joining every following year. It will be in English because there are no technical solutions for translating SMS into local languages and local alphabets to be uploaded to the platform.

While ACEP will manage the platform, they foresee the platform should be handed over to PIAC after 2 to 3 years.

While ACEP focuses on revenue management, it should be noted that local affected communities will be more interested in the CSR projects of companies than issues related to revenue streams from the government. Company CSR investments are agreed per contract at the start of an oil and gas exploration or development contract. The international companies commit to providing a certain percentage of their revenues (before taxes) to CSR or social investment in the communities directly impacted by their business operations. The governmental Petroleum Commission is responsible for reviewing and approving companies’ CSR plans and has been tasked by the government to be an intermediary between affected communities and impacting companies. The Petroleum Commission is to monitor and evaluate the implementation of local content and CSR plans of the companies. The Petroleum Commission stated their monitoring and evaluation (surveys) are publically available but a visit to the website petrocom.gov.gh as well as several email requests from the baseline study consultant did not provide the surveying data nor the CSR policy of the Petroleum Commission that has been developed to guide companies in their CSR expenditures. If an online platform is to target local communities, the Petroleum Commission would be a key actor in feeding the platform.

**In Conclusion**
The role of the media in educating and informing citizens and community members of the governmental petroleum revenue capture and management is regarded as very important by all interviewees. The interviewees rate the quantitative level of voices
captured by the media as very high (4.2 on a scale from 1 to 5 with N=5) but the qualitative level as low (2.3 with N=6). Lack of available data from multiple sources, lack of interest and knowledge, lack of follow up and political agendas are amongst the main aspects hampering quality media on O&G in Ghana. Training of reporters will not be sufficient to ‘change the game’.

Despite the challenges in media reporting, the media in Ghana has done and still positively impact the promotion of transparency and accountability. Media houses that attract professionals and lawyers can further utilize the growing number of research publications (see institutions participating in oil & gas research on pages 11-15) to provide the public with critical and accurate information and to have a well-informed and high-level debate. Once the intellectual debate outweighs the daily grills, Western stakeholders such as lawyers, O&G experts, academia and media houses in the home countries of the O&G companies, will also gain interest as local (Ghanaian) stakes may be brought to the attention of Western courts and platforms. Shell for example was recently judged by the UK court to pay an 80 million USD fine for Nigerian fishing communities for oil leakages in the Niger Delta in 2008. The current media practices of sharing sound bites, the flavor of the day, and restating what others said, can therefore be counterbalanced with expertise sharing with Western media when the sector develops itself and integrates the oil and gas industry as a regular section in its reporting strategy.

With the first documentary on oil and gas management now available to the public, the scope for presenting technical complex information to a wider public is improving. Further creative technology in the form of an online platform is highly desired by all stakeholders. The vast majority of those interviewed indicated the importance of creating an online platform for O&G (average of 4.6 on the scale from 1 to 5 with N=12). When referring to the term ‘online platform’ the interviewees think of a public website with social media tools as well as SMS-services. The latter allows people that do not have access to the internet to also participate (SMS as well as audio).

<table>
<thead>
<tr>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Donors, NGOs and media houses to have structural dialogue and alignment around content, target groups and management of the platforms.</td>
</tr>
<tr>
<td>• Make agreements with government and companies on their involvement in the platforms and a commitment for them to respond to questions of CSOs raised on the platform.</td>
</tr>
<tr>
<td>• If the platform aims to reach the communities, researching accessibility related to power supply and technology is key.</td>
</tr>
<tr>
<td>• The Petroleum Commission has a large responsibility in managing community expectations as the Commission oversees and can report on the impact of O&amp;G production on local communities. If the platform targets the affected communities, the Petroleum Commission is a key stakeholder to engage in providing data to the platform and capturing the populations’ expectations on poverty reduction, marginalisation, justice, equality, environmental impact et cetera.</td>
</tr>
</tbody>
</table>

---

8 Weak Transparency Mechanisms in Ghana’s Petroleum (Exploration and Production) Bill 2014: https://www.youtube.com/watch?v=FhKb5YEP01k accessed 01.04.2014.  
3.3 Preventing Corruption Within the Legal Frameworks

Corruption
Within the legal framework in Ghana, corruption is widely possible, mainly due to unregulated discretionarily powers provided to government officials. The number of anti-corruption agencies present in Ghana indicate the efforts being made to reduce corruption in society. The most active in fighting corruption in the oil and gas sector is ACEP. Collaboration between the anti-corruption agencies exists but is limited. While active, most agencies do not have sufficient authority and capacity to ensure that government takes corruption seriously. There is a lack of whistle blowing support institutions.

In the early days after 2007 when oil was found, and increasingly after 2010 when production of commercial oil and gas began, various donors and NGOs created knowledge and awareness around international standards such as the EITI, the Dodd Frank Act and, more recently, EU-provisions. Civil society organizations in Ghana were informed about the potential for contract disclosures, appropriate regulation, and accountability structures. The Norwegian government worked intensively with the Ghanaian government on law development and good governance. All efforts led to where Ghana stands today, with policy and regulations for increased transparency in natural resources, with governance structures and policies available around contracts, revenues, expenditures and accountability.

For laws, regulations, and institutions to operate in accordance with theory and in the spirit of the laws, the general context and historical setting should be kept in perspective. Whilst Ghana might be better placed than most other sub-Saharan African countries in respect to policies and standards, the proof of the pudding is always in the eating. The Afro barometer indication of a 30% increase in the number of Ghanaians rating their government as a bad performer in relation to corruption in the last decade (Richmond & Alpin 2013) indicates that corruption is still prevalent.

Anti-Corruption Efforts
ACEP’s anti-corruption efforts are focused on governmental policy, legislation and contracting. ACEP examines governmental laws, policies and revenue streams, identifies potential gaps and weaknesses that could lead to corruption and recommends alternatives. Follow-up of their monitoring is done through advocacy campaigns, awareness raising and training of stakeholders. As a result, a significant group of civil society actors and parliamentarians are involved in campaigning against weak laws and promoting implementation of accountability structures. The combination of their activities and the existence of a solid network of supporters makes ACEP the key organization for fighting corruption in the oil and gas sector.

Before ACEP became active, the Ghana Civil Society Platform on Oil and Gas, a multi-stakeholder platform supported by Oxfam and DFID, was regarded as the main actor in promoting transparency in the sector. The platform was successful in the past but it is now hardly active (end 2014). Currently, ACEP takes the lead in involving all stakeholders which may prove to be a more efficient and effective structure as it has a reputation, amongst all actors in the industry, of delivering high quality work.

Another key player in the fight against corruption in the oil and gas industry is the Public Interest and Accounts Committee (PIAC) which is appointed by the government as the oil and gas revenue monitoring committee. The launch of PIAC was a direct result of civil society actions against corruption, in the sense that when
the Petroleum Revenue Management Act was under consideration, civil society actively advocated for having an independent citizens group monitoring the government. Currently, good cooperation between ACEP and PIAC exists. The main risk for ACEP as a fast growing expert organization is that it will be overtasked. PIAC already faces the challenge of lack of resources as agreed governmental budgets are not provided on time.

The government’s contribution to increased transparency is limited to publishing quarterly petroleum revenue receipts in two national newspapers as well as an annual report on petroleum funds (although not detailed on the expenditures) as stated by law. The government also organizes sensitization events on the estimation on the annual revenues. This event is by invitation only. Amongst the invitees are GNPC, Petroleum Commission, the Bank of Ghana, ACEP and some media.

Another governmental actor, the Petroleum Commission, in charge of monitoring implementation of the agreements made between government and the oil and gas companies, claims to promote transparency by emphasizing to local suppliers that they should follow the anti-corruption policies of the international companies they operate with. In this respect, local suppliers need to have their accounts audited by certified accounts officers and their records should be up-to-date. However, the Petroleum Commission is not contributing to transparency as it does not publish the outcomes of its monitoring efforts, nor all the policies that apply to business (for example the CSR policy). The general public, and in particular the communities directly affected by the oil and gas industry, remain in ignorance about what the companies are obliged to deliver in terms of supporting local business or investing in community projects. It is unclear why the Petroleum Commission is not transparent about these non-commercial parts of the oil and gas contracts and clearly this leaves room for misconduct and corruption. While the Petroleum Commission indicates it has an obligation to provide information to the public, the information is not accessible.

The media is not very active in fighting against corruption. Corruption reporting leads to headlines rather than to less corruption. Although corruption is widely discussed within the media, it has a political angle instead of promoting transparency or accountability. For further information on the role of the media, please see pages 16-20.

The private sector has its own struggles with the lack of transparency. While there might be private sector benefits of opacity at times, a capricious government as a business partner does not attract investors. Issues of uncertainty are experienced by business throughout the full value chain. It starts with the lack of transparent and competitive bidding for contracts. This concerns the main exploration and production contracts where long term business is at stake, as well as the supply chain related contracts. There is uncertainty about legislation, exploration terms, arbitrary state interference in companies, local content criteria that cannot be met due to the lack of a supplier market; uncertainty around potential changes of terms of references (increase of taxes and royalties for example) within the contract duration.

The Issue of Unregulated Discretions
A new law (Oil Exploration and Production Bill – status December 2014) is about to be approved by the government. While the law is a significant improvement of the existing regulation dating from 1987, its impact may be undermined by the discretionary powers provided to the Minister of Finance. Regulations promoting transparent and competitive bidding are followed by ministerial discretionary power to
neglect this regulation without providing reasoning. The minister has the exclusive right to award the exploration of an oil block to a company of his choice with a contract (reconnaissance licenses) of his choice without providing conditions. In the new law, the minister would also retain the right to agree with the company on changing the terms of conditions during the term of the license. One may question what the benefit of a 95% strong law is if the remaining 5% may overrule the 95%.

About 50 discretionary power ‘moments’ have been identified in the bill of which about 25 of them had no conditions at all. The others discretionary powers required some conditions (such as consulting a third-party agency) when applying discretionary powers. The types and number of the discretionary powers were not listed end 2014. ACEP would make the most appropriate organization to list all discretionary powers and monitor the status and advocate for improvements as required in the years to come.

Besides the problem of exclusive discretionary powers without accountability requirements, the law remains vague with regards to spending. Oil and gas revenue expenditures for ‘capacity building’ can be carried out in various ways as capacity building is not defined. The timeframe for accepting the upcoming Exploration & Production Bill also puts civil society and the private sector in a powerless mode: the law is still draft although it was put to parliament in 2007. In the meantime, 21 contracts have been signed and blocks are allocated for periods of over 20 years. This limits civil society scope to prevent misconduct or at least remedy misconduct after it has occurred.

**Impact of Civil Society Organizations in Fighting Corruption**

Weak institutions cannot hold government officials accountable. Strengthening of civil society organizations is important and has shown positive results. The majority of the interviewees in the baseline study rate the impact of civil society organizations on corruption as high: 3.2 on a scale from 1 to 5 with N=13. Government officials rate this higher than civil society representatives. The civil society stakeholders complain about the lack of availability of data on which they could base their actions. Quantifying anti-corruption impact is difficult due to the nature of defining corruption: when misconduct is brought to the table, the case can be considered as a ‘mistake’ and involved officials do not encounter punishments. This leaves civil society limited to the role of signaling issues rather than using regulatory frameworks to hold officials accountable.

Some examples of civil society having impacted transparency are:

- The changes made in the Exploration and Production Bill that is currently awaiting parliamentary approval;
- The installments of flow-meters to measure oil production: something that was thwarted at one stage which is now mandatory at all installations.

The middle class in Ghana is becoming more vocal as people are increasingly taking government agents to court. Occupy Ghana, in its press release dated October 2014 mentioned Ghana as “*The Republic of Corruption, […] barely three years after recording significant revenues from oil and growth in GDP of 14%*. A lot of efforts have been done and large achievements have been made by anti-corruption NGO agencies, but challenges remain when it comes to the oil and gas sector. Persistence, collaboration, knowledge and long-term support for civil society are the ingredients mentioned for a less corrupt Ghana in future.
In Conclusion
The risks for corruption and misconduct are both in the government revenue management (too broad definitions, no transparent monitoring, incorrect and short-term spending) as well as in the government-private sector CSR and local content expenditures (not transparent). Firstly, there is the lack of a proper legal framework free from discretionary powers and with proper accountability structures. The official civil-society monitoring organization PIAC is financed by the same government they are supposed to audit which is a conflict of interest. Second, the locally affected communities are supposed to benefit from oil and gas exploration through local content and CSR activities (including the implementation of Environmental and Social Management Plans and Social Investment Plans) agreed between the government and companies at the time of the signing of the exploration and production contracts. Yet the Petroleum Commission which is set up as an independent body to monitor this is not adequately resourced. There is no effective supervision in place nor is any transparency provided in the planned or conducted activities, resulting in darkness around the impact of the O&G sector on communities neighboring the O&G activities. The impact of CSO actions are high and continuous donor support is therefore beneficial for decreasing corruption in the O&G sector in Ghana.

It is worth noting that the baseline study revealed some significant inconsistencies or multiple explications of transparency and accessibility matters that cause misunderstandings amongst governmental, private sector and civil society actors and that cause frustration and delay in collaboration between the actors. One example is the term ‘Publically Available’. When the Ghana government states some data in the oil and gas industry is publically available, one might expect this data to be available on a website or published in national newspapers. However, after detailed inquiry, the baseline consultant found that interested citizens or media representatives are required to ask for the information by making an appointment and visiting a governmental department, submit a request and return (in an unknown period of time) to receive the answer. Another example is the interpretation of the term ‘disclosure of contract’ to the public. While this is interpreted by civil society as having access to the content of contracts through a governmental website, in practice it may also mean disclosure of the name of the contract (company name/date/place).

Recommendations:
- Continuation of efforts to decrease the number of discretionary powers in the regulatory framework.
- For donors to utilize their power to engage with government to ensure PIAC can do independent monitoring and that their recommendations find structural follow-up.
- For the Petroleum Commission to provide full information around community investment and local content plans and implementation status.

3.4 Key Committee Understanding and Monitoring in O&G in the Legal Framework
Parliament’s Subsidiary Legislation Committee (PSLC)
The PSLC is composed of 25 parliamentarians. Orders, rules or regulations such as the oil and gas regulations made pursuant to provisions of the constitution or an act of Parliament must be reviewed by this committee. The Committee determines whether regulation is in accordance with the constitution and whether it contains any
matter of concern. Currently, the committee is to review the Exploration and Production Bill and the Marine Pollution Bill, both related to oil and gas exploration in Ghana.

As the 25 members have different backgrounds with no specific training or experience in the oil and gas sector, the understanding of the bills will vary per individual. The interviewees rate the level of understanding of the PSLC at above average (2.8 on a scale from 1 to 5 with N=13). The committee members do not receive structural (research) support or schooling but organizations such as ACEP and the Natural Resource Governance Institute are providing training on an ad-hoc basis. STAR Ghana (with the support of DFID) is supporting 10 committees of parliament including the PSLC and the energy and extractives committee. The level of understanding and the efforts made to train and inform members on the oil and gas sector also needs to be placed in the context of the elections and appointment period of four years indicating the need for continuous training.

Nevertheless, the level of knowledge does not seem to be the key to informed decision-making and/or voting on the bills that come before parliament. Regulations cannot be amended by members of parliament; they can only ask the minister to withdraw the regulation and resubmit a new version in a new round of revision. This structure may withhold the members from requesting amendments as the procedural consequences are complex and lengthy.

Another barrier to making informed decisions and voting on the basis of expert knowledge is the political interest that many members of parliament have. One of the interviewees mentioned “Understanding of the bills is not so relevant as voting patterns show that voting is done based on political preference rather than on issues expertise.” While no study has been found that proves this, the majority of interviewees mentioned the prevailing political interests of committee members as a barrier to the execution of their work. However, experience from other countries suggests that committed back-benchers could, under the right circumstances, enable the committee to function properly. Future research in the form of international comparative studies might therefore be beneficial for Ghana.

The Parliaments Public Accounts Committee (PPAC)

The PPAC has 25 members and has the duty to examine the audited accounts of government. The PPAC needs to understand the revenue income and revenue expenditures that are generated by the oil and gas sector. The revenue income received by the government can be derived from the petroleum contracts that the government has with the oil and gas companies. The expenditures are reported by the Ministry of Finance. The PPAC needs to review the revenue chain and hold those responsible for revenue management to account when and where needed. The interviewees rate the level of understanding of the PPAC at 3.1 on a scale from 1 to 5 with N=13.

The PPAC has received ad-hoc training from different organizations (e.g. ACEP) which results in their reports being regarded as reputable and qualitative. The PPAC deals with revenue matters on a regular basis in other sectors so they have a broad understanding on revenues. Therefore, their level of understanding is rated high. However, they are challenged on their impact as the recommendations they provide, particularly in the oil and gas sector, receive little to no follow-up. Empowering this committee to fill the gap between their recommendations and the legislative measures / tribunals requires work to close the loop. The current lack of follow-up and the lack of authority to follow-up leads to demotivation: Investigation and
reporting is good but not sufficient if no measures are taken on findings of malpractice. Another issue is whether the committee members are sufficiently incentivized to push for implementation of their recommendations, even if they had the authority to do so. As with other committees, the political interests and potential favors coming from party members will cause barriers to executing their work based on informed decision-making.

Contracts

Currently, the processes around bidding, contract development and contract signing is not transparent in Ghana. While some contracts are made available by the government (status December 2014: 7 contracts out of 23 signed are available online) the system of if and how bidding processes occur and what contracts entail is blurred. By law, it is not compulsory for the government to disclose O&G contracts. The interviewees rate the level of availability at 2.5 on a scale of 1 to 5 with N=12. Given the absence of transparency in O&G contracts, there is no insight on whether the quality of contracts has improved over the last seven years.

For international oil companies listed on some Anglo-Saxon stock exchanges, contract disclosure is compulsory. However, for the majority of companies operating in Ghana this is not the case and companies are reluctant to disclose on a voluntary basis. Contract transparency is critical as O&G revenue management as contracts largely impact communities in the areas adjacent to operations. In addition, rights-based organizations noted the right to free, prior and informed consent (in relation to directly affected communities) and the right to be informed on public matters (indirect affected communities).

Oil contracts are not reviewed by any agency before signing. The interviewees rate the third-party involvement in contract development at 1.5 on a scale of 1 to 5 with N=12. While nine interviewees from civil society organizations rate this at 1, the governmental interviewees’ responses increase the average.

An example provided concerned the development of a new port in Takoradi specifically for oil and gas activities. After the government had signed a contract with the infrastructural investor company, the public noticed one clause stating that the existing port should withdraw its planned expansion while the stakeholders of the existing port were not engaged nor informed. This is a classic example whereby those negatively affected (in the existing port planning) are not adequately consulted. Their only recourse is to correct it through court after the contract has been signed.

One governmental interviewee mentioned how positively civil society had influenced the Petroleum Exploration and Production Bill (currently awaiting approval at parliament) in the last few years and that engagement of civil society experts in contract design could also lead to improved quality contracts.

Monitoring Systems

Six interviewees (N=8) mention the Petroleum Commission to be responsible for monitoring compliance with the licensing procedures. As stated on their website (www.petrocom.gov.gh, accessed 17.12.2014), the Petroleum Commission was established in 2011 to regulate and manage the exploitation of petroleum resources and to co-ordinate the policies in relation to them. However, when asked whether a monitoring tool is in place, the interviewees rated it very low (1.9 on a scale of 1 to 5 with N=8). The Petroleum Commission does mention the existence of surveying done amongst communities to monitor whether agreements of CSR investments and local content/local supply chain and employment have been met. However, neither
the template for contracts, the Petroleum Commission policy on CSR or the actual data on projects or expenditures is available to review.

ACEP indicates it is developing a tool with funding from DFID called: ‘Follow the contract’. The tool should allow for full value chain monitoring of the contracts. The problem however is that data on contracts is not available. The Petroleum Commission is charged with providing it but no information is currently made available. Nevertheless, the ‘Follow the contract’ tool is planned to be launched in Q1, 2015.

All interviewees (N=10) mention the Public Interest and Accounts Committee (PIAC), a citizens-based group providing independent oversight on management of petroleum revenues, as mandated and responsible for monitoring oil and gas revenues captured and managed by government. Their monitoring is appreciated by civil society (2.7 on a scale from 1 to 5 with N=7) and highly regarded by national government (4 on a scale from 1 to 5 with N=2). PIAC’s monitoring of the income stream of revenues is better than the expenditures of revenues as little quality data is available to PIAC on the latter.

While PIAC is a citizen’s based group including members from civil society, faith organizations, trade union and special interest groups, their work needs to be paid for by the state. This causes conflicts as the level and range of what PIAC can monitor depends on the budget agreed by the government as well as the budget actually provided by the government. Despite challenges, PIAC’s research and analysis is highly valued by all stakeholders. While their resource shortcomings are partly made up for by foreign donors, PIAC lacks the resources to check whether revenue expenditures are actually received by the development projects assigned. The government interviewees mentioned that parliamentary members are sometimes called to answer questions raised in PIAC reports. However, according to the same interviewees, this happened in 2014 only once. Other monitoring tools, such as flow meters indicating the number of barrels being produced and the sales being made by the oil companies are available to government (and companies) but are not shared with the wider public.

Within the monitoring done by PIAC or the Petroleum Commission, no specific attention is spent on gender. The consultant is not aware of the existence of pro-poor or gender-focused revenue managing systems in Ghana that could inspire the O&G sector. While the Report from Ninth Africa Regional Conference on Women (Beijing + 20) mentions Ghana as one of the countries that have made tremendous strides in the successful institutionalization of gender-responsive budgeting processes in annual budget cycles, no gender-specific budgeting was found in the O&G annual budgets. Further research in that area might benefit the quality of future O&G revenue management systems.

In Conclusion
The PSLC is responsible for reviewing all O&G regulations and determine whether the regulation is in accordance with the constitution and whether it contains any matter of concern. The PPAC has the duty to examine the audited accounts of government. The level of understanding of O&G regulations is rated at 2.8 for PSLC

---


and 3.1 for PPAC. Both committees are trained on their knowledge on an ad-hoc basis but the Committees lack sufficient authority to follow-up on their actions and are constrained by political dependencies of their members. PIAC is concerned with providing independent oversight on management of petroleum revenues, and their monitoring is highly regarded by all stakeholders in the O&G sector. PIAC however lacks sufficient resources and is 'trapped' as it is paid by the same government it is supposed to monitor and audit.

Contract development and contract signing is not transparent in Ghana nor are oil contracts reviewed by any agency before signing. The relevance of having external parties reviewing future contracts is high. Once a contract is signed and inaccuracies or inconsistencies with law are found only after signing, it is very difficult to make changes before the execution of the contract. Since natural resources are limited, there is a strong need to do it 'first-time-right'.

The Petroleum Commission is responsible for monitoring compliance with the licensing procedures including CSR spending and local content. However, a structural monitoring tool does not seem in place and results of the poorly resourced Commission are hardly accessible.

Within the monitoring done by PIAC or the Petroleum Commission, no specific attention is spent on gender.

**Recommendations:**

- For donors to continue their efforts as-is.
- To review the potentials of transparency requirements at the companies’ home countries.
- For gender aspects to become much more prominent in all activities carried out under the NORAD funded program.
ANNEX 1: BIBLIOGRAPHIC REFERENCES

Adabla, S.W., 2014. Local Content And Local Participation In Ghana’s Petroleum Industry: An Overview Of The Petroleum (Local Content And Local Participation) Regulations, 2013 L.I.2204, May 2014


Revenue Watch Institute, The 2013 Resource Governance Index. A measure of Transparency and Accountability in the Oil, Gas and Mining Sector.


## ANNEX 2: INSTITUTIONS INTERVIEWED

<table>
<thead>
<tr>
<th>Institution</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Civil Society Organisations</strong></td>
</tr>
<tr>
<td>Friends of the Nation (FoN)</td>
</tr>
<tr>
<td>Center for Public Interest Law (CEPIL)</td>
</tr>
<tr>
<td>Africa Center for Energy Policy (ACEP)</td>
</tr>
<tr>
<td>Oxfam America</td>
</tr>
<tr>
<td>Oxfam America</td>
</tr>
<tr>
<td>Ghana Council of Churches</td>
</tr>
<tr>
<td>Natural Resource Governance Institute</td>
</tr>
<tr>
<td>Trade Union Congress (TUC)</td>
</tr>
<tr>
<td><strong>Donors</strong></td>
</tr>
<tr>
<td>DFID</td>
</tr>
<tr>
<td>IBIS, Education for Development</td>
</tr>
<tr>
<td><strong>Media</strong></td>
</tr>
<tr>
<td>PenPlusBytes New Media Hub</td>
</tr>
<tr>
<td>Multimedia Group Ltd.</td>
</tr>
<tr>
<td><strong>Private Sector</strong></td>
</tr>
<tr>
<td>African Energy Consortium</td>
</tr>
<tr>
<td><strong>Government Institutions</strong></td>
</tr>
<tr>
<td>Petroleum Commission</td>
</tr>
<tr>
<td>Ministry of Finance</td>
</tr>
<tr>
<td>Ministry of Finance</td>
</tr>
<tr>
<td>Norwegian Embassy</td>
</tr>
<tr>
<td>Norwegian Embassy</td>
</tr>
</tbody>
</table>
Institutions present at Forum on the Petroleum Bill and Marine Pollution Bill
8 December 2014
• Africa Centre for Energy Policy
• Africa Challenge
• Artisanal and Small-scale Mining Africa Network
• Centre for Democratic Development Ghana
• Centre for Public Interest Law
• Citizens Movement Against Corruption
• Damco Logistics
• Extractives Africa
• Friends of the Nation
• GEO
• Ghana Association of Private Voluntary Organisations in Development
• Ghana Youth Integrity Campaign
• Greater Nation Christian Fellowship Church
• IBIS
• Media
• Mild Waters LP
• Oxfam
• Poverty Watch Ghana
• Rigworkers Association
• SYND Ghana
• Wassa Association of Communities Affected by Mining

Institutions present at the Donor Meeting on O&G Revenues organized by DFID
12 December 2014
• DFID
• Japan Embassy
• Japan International Cooperation Agency
• Norwegian Embassy
• Oxfam America
• Oxfords Policy Management
• Transaction advisor Energy & Local Gas
• UK Foreign Office
• UK Trade & Investment
• USAID
• Western Region Foundation
ANNEX 3: NON-STATISTICAL QUANTIFIERS

A value scale from 1 to 5 was provided whereby 1 being either the lowest or the least and 5 being the highest or the most. The ‘N’ figure indicates the number of respondents that responded to the particular question.

Outcome 1: Knowledge development and distribution of O&G revenue management

What is the quality of research on oil revenues at national level?

What is the quantity of research on oil revenues at national level?

What is the level of outreach of distributing the research findings: 3.5 – 10

In how far are gender dimensions part of the research?

Are the results of research shared with the Public Interest and Accounts Committee for review and action?

Outcome 2: The role of the media

To what extent in terms of quality are the voices of active citizens and leaders captured by media?

To what extent in terms of quantity are the voices of active citizens and leaders captured by media?
To what level do you feel there is a need for having an online platform?

1 2 3 4 5

N=12

Outcome 3: Preventing corruption within the legal frameworks

How has the work of multi stakeholder fora impacted corruption to date?

1 2 3 4 5

N=13

Outcome 4: Key Committee understanding and monitoring in O&G in the legal framework

To what level does the Parliament’s Subsidiary Legislation Committee understand O&G related regulations?

1 2 3 4 5

N=13

Does the Parliament’s Public Accounts Committee understand accountability issues on petroleum contracts and revenue management?

1 2 3 4 5

N=13

Are details of oil contracts content, process related information and analysis available (online)?

1 2 3 4 5

N=12

Are oil contracts reviewed by CSOs/agents and/or public prior to parliamentary approval?

1 2 3 4 5

N=12

Is there an O&G monitoring system used for revenue management, expenditure and quality services?

1 2 3 4 5

N=8
## ANNEX 4: SUMMARY OF FINDINGS

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Outcome 1: Knowledge development and distribution of O&amp;G revenue management</strong></td>
<td></td>
</tr>
</tbody>
</table>
| Research, analysis and reporting on O&G governance and revenue use at local and sub-national level with consultation / participation of community groups | • Quality of research is good.  
• Quality is rated significantly lower.  
• Sources of revenue management data are limited.  
• Transparency in O&G contracts is limited.  
• Data of CSR or local content is limited.  
• Research does not reach the local communities affected by O&G.  
• More openness and data sharing is needed, particularly by government and/or companies.  
• Women are not or hardly involved in any of the research done. |
| Participation in annual global and regional forums, supporting Exchange and presentation of national research and policy development | • This is done on an opportunity-basis rather than structural. |
| Results of data analysis shared with PIAC committee for review and action | • PIAC fully receives results of data analysis. |

| **Outcome 2: The role of the media** | |
| The voices of active citizens and leaders captured by media | • Quantitative level of media reporting is high.  
• Quality is lacking due to  
  - lack of available data from multiple sources.  
  - lack of interest and knowledge amongst reporters.  
  - lack of follow up on investigative journalism.  
  - influence of politics. |
| Need, existence and use of an online platform | • Highly desired by all stakeholders.  
• Various ongoing initiatives by various donors, NGOs and media houses.  
• Need for structural dialogue and alignment around content, target groups and management of the platforms. |

| **Outcome 3: Preventing corruption within the legal frameworks** | |
| Unregulated discretions in legal framework understood  
Awareness raised, advocacy campaigning increased  
Regulations guiding the exercise of discretion and anti-corruption clauses incorporated in legal framework, through the work of MSFs | • Risks for corruption and misconduct are  
  - too broad definitions.  
  - no transparent monitoring.  
  - incorrect and short-term spending.  
  - no transparency around CSR and local content expenditures.  
• Lack of a proper legal framework free from discretionary powers and with proper accountability structures.  
• PIAC is financed by the same government they are supposed to audit  
• No effective supervision is in place for CSR and local content plans and implementation.  
• Impact of MSF actions on anti-corruption are high. |

| **Outcome 4: Key Committee understanding and monitoring in O&G in the legal framework** | 
| Government stakeholders, especially the Parliament’s Subsidiary Legislation Committee, understands draft constitutional instrument Parliament’s Public Accounts Committee understands accountability issues on petroleum contracts and revenue management Commission on HR and Administrative Justice (CHRAJ), EOCO, Ghana Police, Financial Intelligence center, Audit Service, Ghana Revenue Authority and Audit Service understand relevant technical issues | • The level of understanding of O&G regulations is rated at 2.8 for PSLC and 3.1 for PPAC.  
• Both committees are trained on an ad-hoc basis.  
• Both lack sufficient authority to follow-up on their actions.  
• Both are constrained by political dependencies of their members.  
• PIAC’s monitoring is highly regarded by all stakeholders in the O&G sector.  
• PIAC lacks sufficient resources and is ‘trapped’ as it is paid by the same government it is supposed to monitor and audit. |
|---|---|
| Details of O&G contracts content, process related information and analysis available (online) O&G contracts reviewed prior to parliamentary approval, monitor compliance of licensing procedures | • Contract development and contract signing is not transparent.  
• Oil contracts are not reviewed by any agency before signing. |
| O&G monitoring system developed and used for revenue management, expenditure and quality services (including gender responsive indicators and tools) | • The Petroleum Commission is responsible for monitoring compliance with the licensing procedures including CSR spending and local content.  
• A structural monitoring tool does not seem in place.  
• Results of the poorly resourced Commission are hardly accessible.  
• (No specific attention is spent on gender monitoring by PIAC nor the Petroleum Commission.) |
FROM: CEIDA – CSR in Extractive Industries in Developing Areas  
TO: Katinka C. van Cranenburgh, International Development Consultant  

**Topic: Independent Review Report**  

On the GHANA Baseline Study around “Accountability through Active Citizenship: Improving Petroleum Governance in Ghana, Mozambique and Tanzania” conducted by the International Development Consultant Katinka C. van Cranenburgh.  

To Mrs K.C. van Cranenburgh,  

According to our engagement letter, we have reviewed the non-quantitative information contained in:  

the Draft Ghana Baseline Survey Report, (hereinafter “the Report”) prepared by Katinka C. van Cranenburgh (hereinafter “the Consultant”), an assignment of Oxfam America in December 2014. The information reviewed corresponds to:  

- the indicators referred to in the log frame section and original terms of references  
- the information which the consultant provided at the CEIDA debate dated 9 January 2015  
- the coherence of the Ghana report with those of the other two countries  

The consultant is responsible for the preparation and presentation of the Report in time for CEIDA members to review, to organize the CEIDA internal debate and to respond to questions raised during the debate and by e-mail. Our responsibility is to carry out a review engagement designed to provide a reasonable level of assurance and express a conclusion based on the work done, referred exclusively to the information corresponding to the Report. We have also made comments and suggestions on the draft of the report, for inclusion in the version to be submitted to Oxfam. Our contribution is pro bono, and CEIDA members involved in the process have developed their activity individually.  

It is recommended that Oxfam proceeds with the program and uses the report, as amended, as a benchmark for program implementation. Oxfam should also take account of the various contextual aspects mentioned in the Report, particularly indicators that reflect opportunities in terms of the potential international connections of the media and cooperation between the different online platform initiatives as well as with regards to mitigating the risk of having the 5% discretionary O&G legislation overriding the 95% high-quality O&G legislation. The Oxfam Program in Ghana may benefit from having an extra focus on these three aspects.  

Prof. Josep Maria, chairman  
Barcelona, 29 January 2015
Forty percent of the people on our planet—more than 2.5 billion—now live in poverty, struggling to survive on less than $2 a day. Oxfam America is an international relief and development organization working to change that. Together with individuals and local groups in more than 90 countries, Oxfam saves lives, helps people overcome poverty, and fights for social justice. To join our efforts or learn more, go to www.oxfamamerica.org.