

Impact And Needs Assessment

Of Ghana National Petroleum
Corporation (GNPC)
Social Sector Investment In
Oil-producing Communities

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International Growth Director: Abiola Afolabi

Research Team: Khiddir Iddris, Felix Ankrah, Fauziyyah Abdulrahman and Ray Nkum

Creative Development: Bukola Alade

Editor: Oluseun Onigbinde, Gabriel Okeowo and Adejoke Akinbode

Contact: budgitghana@yourbudgit.com; +233-24-954-8736, +233-05-939-2459

Address: 4 haatso -atomic road, Accra, Ghana

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Executive Summary

Given the priority allocated to the Ghana National Petroleum Corporation (GNPC) in terms of allocating petroleum receipts, receiving close to one-third of the total petroleum revenues of Ghana, and its corporate social investment activities. The vision "to impact lives" through community engagements and interventions. The overall objective is "to make GNPC more visible and socially responsible".

To achieve this objective, the GNPC Foundation's activities are tailored around three main pillars: Education & Training; Environment & Social Amenities and Economic Empowerment. Therefore, it is not surprising that stakeholders demand greater transparency and accountability regarding using petroleum receipts to fund its activities. This study assessed the impact and beneficiary needs of revenues allocated to the Ghana Petroleum Corporation (GNPC) for its social sector activities.

The methodology entailed a desktop review of key sector reports, policies and legislation, as well as meetings and workshops with stakeholders in the oil-producing zones in Ghana, namely: Takoradi, Ellembele, Nzema East, Ahanta West, Keta, Shaama, Effia-Kwasimimtim, and non-oil producing zones:

Cape Coast, Tarkwa, Obuasi, Savelugu, as well as Tema, the oil refinery enclave. Data was collected from 550 respondents, comprising 300 males and 250 females. The results indicate that GNPC has executed some developmental projects in some of the surveyed districts, of which some have been completed, others are ongoing, while others are at a standstill.

However, it was revealed that there is a lack of coordination and community engagement between GNPC and stakeholders in community developmental activities. This made many stakeholders unaware of GNPC activities in their various localities. Based on the study's findings, it was recommended that: GNPC should maximise the transparency of projects funded by the Annual Budget Funding Amount (ABFA) by linking them to the various local developmental plans and, thus, the national development plan. GNPC should also create a platform for community, CSOs, Media consultations and engagements, and awareness creation of their development activities in various areas.



There is a lack of coordination and community engagement between GNPC and stakeholders in community developmental activities.

01

Introduction





Ghana National Petroleum Corporation (GNPC), the national oil company, receives close to one-third of the total petroleum revenues of Ghana, placing it at the core of the country's aspirations to effectively manage its hydrocarbon resources. This report presents the findings of a study which assessed the efficiency and impact of GNPC's social sector investments since the inception of the Petroleum Revenue Management Act.

To begin with, the legally-enshrined mechanism for allocating revenue to GNPC is transparent and has generally worked well in practice.

However, GNPC's own transparency has room for improvement, since the corporation's public disclosure of the information is limited, despite its extensive reporting obligations to improve efficiency. Parliament should rein in the quasi-fiscal and corporate social responsibility activities of GNPC and enact a new law for the corporation to strengthen its transparency and accountability, while reflecting the changing dynamics of the oil and gas industry.

02

Methodology and Contextual Issues





31%

of the total Petroleum Revenue in 2011 - 2017

was allocated to Ghana National Petroleum Corporation (GNPC)



This policy brief presents the key findings and recommendations of a study that sought to fill this gap by assessing transparency and efficiency in the management of GNPC revenue.

Since commercial hydrocarbon production began in late 2010, Ghana has passed several legislations to govern the sector and guide the management of petroleum revenues. There has also been strong public interest in the management of petroleum revenues by the government, reflecting the high expectations among Ghanaians of the benefits from the sector. At the same time, problems with transparency and efficiency in petroleum revenue management have surfaced from time to time.

Studies into these problems have largely focused on petroleum revenue allocated to programs in the public budget—referred to as the Annual Budget Funding Amount (ABFA)—while the rest of the revenue, which includes the portion (approximately 31% of the total revenue in 2011-2017) allocated to Ghana National Petroleum Corporation (GNPC), the national oil company, has received less scrutiny.

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The methodology entailed a desktop review of key sector reports, policies, and legislation, as well as meetings and workshops with stakeholders in the oil-producing zones in Ghana, namely: Takoradi, Ellembelle, Nzema East, Ahanta West, Keta, Shaama, Effia-Kwasimintim, and non-oil producing zones Cape Coast, Tarkwa, Obuasi, Savelugu, as well as Tema, the oil refinery enclave.

Data was collected from 550 respondents, of which 300 were males, and 250 were females. Researchers made sure that in the stratification process, people with in-depth knowledge of the various developmental needs in the communities participated in the survey.

03

Mapping Oil-Producing Districts in Ghana



Ghana's oil and gas prospects are significant. Recent discoveries appear to indicate oil and gas resources stretch across the country's shoreline from Cape Three Points in the west to Keta in the east, with Jubilee, Salpond, and Tweneboa Enyenra Ntomme Oil Fields. The Volta Basin is also believed to hold oil and gas reserves onshore. The petroleum sector has experienced significant growth, particularly since the discovery of oil in commercial quantities in the Jubilee fields in 2007.

Some of the major oil and gas activities are conducted by international oil companies such as Tullow Ghana, Vitol, Kosmos Energy, ENI, and Aker Energy. Their sub-contractors include Schlumberger, Baker Hughes, Weatherford, Ocean Rig and Technip. The sector has been the subject of investment disputes, such as the one between the Springfield Group and Eni/Vitol.

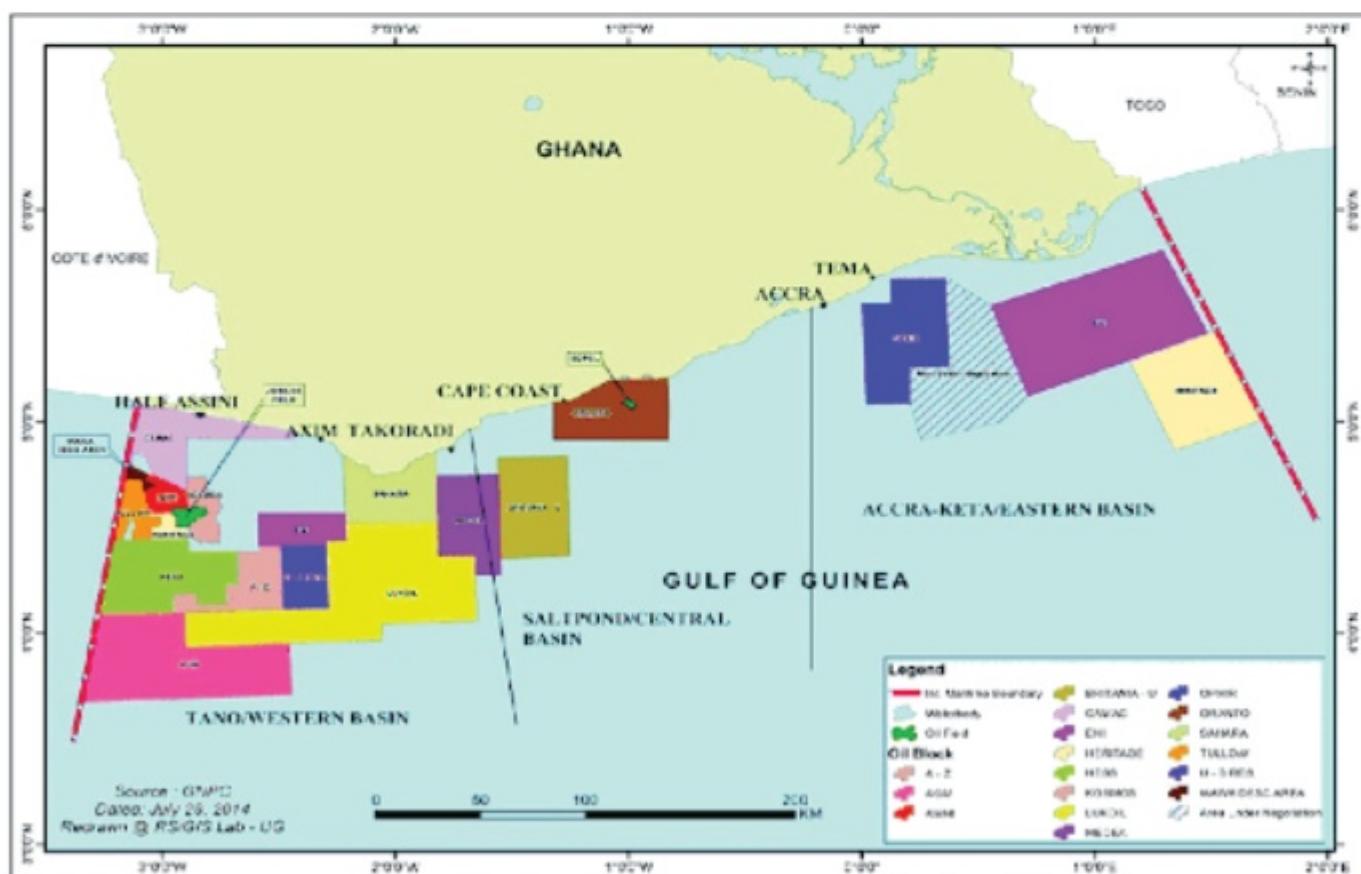


Figure 1. Map of Oil Producing Fields in Ghana

Source: PIAC (2021)

04

History of GNPC and Its Social Sector Investment





The GNPC was established in 1983 by the GNPC Act, 1984 (PNDCL 64) and is a party to every petroleum agreement. It holds the state's interest on behalf of the Government of Ghana. As per PNDCL 64, GNPC's primary mandate is to serve as Ghana's national oil company (NOC) to undertake petroleum exploration, development, production, and disposal. The objects of the corporation, as defined in Section 2 of PNDCL 64 include:

- Promoting the exploration and the orderly and planned development of the petroleum resources of Ghana.
- Ensuring that Ghana obtains the greatest possible benefits from developing its petroleum resources.
- Obtaining the effective transfer to Ghana of appropriate technology relating to petroleum operations.
- Ensuring the training of citizens of Ghana and the development of national capabilities in all aspects of petroleum operations.

- Ensuring petroleum operations are conducted in such a manner as to prevent adverse effects on the environment, resources and people of Ghana.

GNPC is also enjoined under Section 3 of PNDCL 64 to, among others:

- Advise the Minister of Energy on matters concerning petroleum operations.
- Engage in petroleum exploration and production agreements and other petroleum contracts, either alone or in association with others.
- Enter into petroleum exploration and production agreements and other petroleum contracts providing for the assistance, participation, or cooperation of contractors in connection with petroleum operations.
- Buy, sell, trade, store, exchange, import or export petroleum and, for this purpose, acquire or operate any installations, facilities, or means of transportation.



15%

of the initial participating
carried interest
for Exploration and
Development



GNPC is the
Ghanaian state's
main commercial
strategic vehicle
for state
participation in the
oil and gas
industry.

The requirements of the law under the GNPC Act meant that GNPC was set up with the main mandate of being a commercial player, all the while interacting with different categories of stakeholders. In practice, however, it also performed de-facto regulatory and managerial functions under the general supervision of the mandated regulator, the Ministry, and served in an advisory capacity to the Ministry as well.

These managerial, technocratic, regulatory, and advisory functions were in essence transferred to the Petroleum Commission when the entity was set up in 2011. As such, when the Petroleum Commission was set up in 2011, its governing Act stated in Section 24(1); "Six months after the commencement of this Act, the Ghana National Petroleum Corporation shall cease to exercise any advisory function concerning the regulation and management of the utilisation of petroleum resources and the coordination of policy in relation to that function."

Section 24(3) also states, "Subject to the provisions of this Act, a government agency or authority shall not exercise any function in relation to the regulation and management of the utilisation of petroleum resources and the coordination of policies in relation to that function."

Regarding its commercial function, GNPC is the Ghanaian state's main commercial strategic vehicle for state participation in the oil and gas industry. By law, that is, per Section 10(1) of the Petroleum Act, 2016, GNPC is a partner in all Petroleum Agreements (PA) signed with contractors through its initial carried interest and, where applicable, additional participating interest (CAPI).

On the other hand, the regulatory/resource management functions of GNPC include promoting orderly and planned exploration and development of Ghana's petroleum resources and enforcing compliance with health, safety, and environmental (HSE) protocols. Others include promoting local content through technology transfer and human resource development.



The initial participating carried interest is at least 15% for Exploration and Development under the Petroleum (Exploration and Production) Act, 2016 (Act 919).¹¹¹

As a commercial player, the State, through GNPC, is entitled to a minimum of 15% carried interest in Petroleum Agreements consistent with the Petroleum (Exploration and Production) Act, 2016 (Act 919).

A carried interest is defined in the petroleum agreement as an interest held by GNPC in respect of which the contractor pays for the conduct of petroleum operations without any entitlement to reimbursement from GNPC for exploration and development operations.

The initial participating carried interest is at least 15% for Exploration and Development under the Petroleum (Exploration and Production) Act, 2016 (Act 919).¹¹¹ It was initially 10% in the Petroleum Agreements preceding Act 919.

Also, GNPC can acquire an additional participating interest within a specified period following the declaration of commercial discovery in each Petroleum Agreement. GNPC pays for the acquisition of this interest and all costs incurred in conducting petroleum activities other than exploration costs.

Furthermore, in performing this commercial role, GNPC and its partners (the international oil companies: IOCs) have since the late 1980s funded various seismic data acquisitions, including other exploration and downstream activities.

GNPC maintains relationships with various parties. Its main stakeholders include the people of Ghana through the government and statutory state institutions such as the Ministry of Energy, Ministry of Finance, Parliament, the Petroleum Commission, and the State Interest and Governance Authority (SIGA).

Other stakeholders include various accountability institutions such as the Public Interest and Accountability Committee (PIAC) and the Auditor General. Also included are frontline communities where oil and gas activities occur, such as the Western Region, local and foreign partners, including the IOCs and service companies, civil society organisations (CSOs), academia, and the media.

05

Budgetary Allocation to GNPC





Revenues allocated to GNPC and its uses per the NOC's mandate in the Ghana National Petroleum Corporation Act, 1983 (PNDCL 64).

According to Act 815 (as amended), all petroleum receipts, including royalties, carried interest, surface rentals, additional oil entitlement, dividends, corporate income tax, and other taxes, must be paid into the Petroleum Holding Fund (PHF), held at the Bank of Ghana. They are then disbursed based on the formula provided in the law in the following order of priority.

- GNPC (NOC) Financing.
- Annual Budget Funding Amount (ABFA)
- Ghana Petroleum Funds (GPF), namely comprising the Ghana Stabilisation Fund (GSF) and Ghana Heritage Fund (GHF)
- Exceptional Purposes Transfer

Payments from the PHF to GNPC are made to cover the operational and financial activities of GNPC's interests in PAs, such as meeting JV cash calls during production or paying for crude lifting costs. The PRMA assigns two levels of state funding (subvention) to GNPC:

- Level A – Equity Financing Cost from the payment of oil receipts into the PHF.
- Level B – Operational Expenditure (maximum of 55% of receipts of net cash flow from the CAPI); this can be ceded in cash or equivalent barrels of oil. In reality, the amounts allocated to GNPC as Level B funding has been at 30% of CAPI.



\$1.24bn

allocated to GNPC from
2011 - 2017



The funding for GNPC has been set up on an earmarking basis and is taken from the carried and participating interest revenue earned by the state from petroleum operations.

The amounts allocated to GNPC are reviewed every three years by the Parliament, which also approves the yearly programme of activities. As highlighted earlier in Section 3.3, Ghana's total oil revenues entitlements since the commencement of oil exports from 2011 to the end of 2020 are US\$6.55 billion. Of these, GNPC has received 30% (US\$2 billion) of this amount while the ABFA has been allocated 40% of the total. Also, the GSF has received 21% of total revenues, whereas the GHF has received 9% of the total allocation.

The PRMA has specified a transparent mechanism for revenue allocation to GNPC that has largely been respected and worked well in practice. To enhance budgeting and long-term planning, and to avoid politicization of the process, the funding for GNPC has been set up on an earmarking basis and is taken from the carried and participating interest revenue earned by the state from petroleum operations. The earmarked transfers to the Corporation are of two types;

i an amount meant for equity financing costs, which represent the country's share of development and production costs in each petroleum agreement; and

ii an additional allocation, determined by the Minister of Finance and approved by Parliament, from the carried and participating interest after deducting the equity financing costs.

From 2011-2017, GNPC was allocated US\$1.24 billion, representing 31.1% of total petroleum revenue.



The vision of the Foundation is "to impact lives" through community engagement and interventions.

For ten years (2011–2020), GNPC's receipts in total equity financing costs (Level A receipts) amounted to US\$1.14 billion, representing 55 per cent of the total GNPC allocations. Level B receipts for operational costs and other expenditures amounted to US\$921 million, representing 45 per cent of total allocations. This brings total receipts of the corporation to US\$2,059.8 million for the period (Baafi, 2022).

Given the priority allocated to GNPC in terms of allocation of petroleum receipts, including ahead of the saving and stabilisation funds, it is not surprising that stakeholders demand greater transparency and accountability regarding the use of petroleum receipts to fund its activities.

5.1

GNPC Budgetary Allocation for Social Sector Investment

5.1.1

Ghana National Petroleum Corporation (GNPC) Foundation

GNPC Foundation is the arm of the Sustainability Department which spearheads the Corporate Social Investment activities of Ghana National Petroleum Corporation (GNPC).

The vision of the Foundation is "to impact lives" through community engagement and interventions. The overall objective is "to make GNPC more visible and socially responsible." To achieve this objective, the Foundation's activities are tailored around three main pillars:

- Education & Training

This pillar deals with awarding local/foreign scholarships to brilliant but needy Ghanaian students in the area of Science, Technology, Engineering, & Mathematics (STEM) & special education, providing educational facility/equipment support, technical & vocational training, and capacity/skill development to Ghanaian students and academic institutions.

- Environment and Social Amenities

Interventions under this pillar cover water projects, health campaigns and infrastructure, sanitation projects, and sports infrastructure development.

- Economic Empowerment

This focuses on supporting agricultural activities, mainly farming and fishing, as well as providing SME support.

5.2

Appraising GNPC's Investments in the Social Sector

GNPC engages in wide-ranging CSR activities, which in 2018 were reorganised into the three main focal areas, namely: Education and Training; Economic Empowerment; and Environment & Social Amenities managed by the GNPC Foundation. While it is common practice for companies, both private and government-owned, to engage in CSR as a means to benefit society and also boost their brand, CSR expenditures should be controlled to avoid diverting too many resources from a company's primary commercial mandate, which can hinder its performance and efficiency. This seems not to be the case with GNPC, as CSR has been diverting increasingly more resources away from core operations (Institute of Fiscal Studies [IFS]. (2019a).

The GNPC's CSI activity is hinged on two policies or principles. One part is handled by the GNPC foundation in Takoradi and is tasked with specific objectives to focus on economic empowerment, education and training, and environment and social amenities. Most of these projects are based in the production enclave of GNPC, mainly in the Western and Central regions. Secondly, there are also national projects such as building capacity across the country - science, technology, engineering, and mathematics (STEM) education and classroom infrastructure for tertiary institutions (Baafi, 2022).

GNPC engaged in CSI to try to protect all the assets within the oil and gas industry but not just the operations of the GNPC itself because it is the total assets of the corporation and industry that are needed to realise peace (Baafi, 2022)

GNPC's CSR budget spiked from US\$4.4 million in 2017, or 1.4% of petroleum revenue, to US\$28.95 million in 2018, or 8.5% of petroleum revenue. It is worth noting that the 2018 CSR budget exceeded the personnel emoluments budget (US\$25.03 million) and the general expenses budget (US\$17.10 million) of the Corporation. The growing scale and cost of GNPC's CSR activities, especially since the reorganisation in 2018, raises questions about the opportunity cost of such expenditure against the background of the corporation's gaping financing needs and substantial investment requirements (IFS, 2019b).

PIAC's annual (2021) report stated that the GNPC spent US\$15.53 million, representing 22 percent of its Level B receipts of US\$70.54 million, on sustainability and stakeholder relations and the GNPC Foundation. However, the Ghana National Petroleum Corporation (GNPC) has challenged the Public Interest and Accountability Committee (PIAC) to be specific in its call for a cap on the percentage of the annual revenue that the corporation could spend on its corporate social investments (CSI).



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06

Needs Assessment of Oil-Producing Districts in Ghana





This section is devoted to assessing the needs of both the oil-producing districts and some selected non-oil producing districts, as well as dealing with the background characteristics of the respondents in the surveyed areas. The objective of the study focused on the impact of GNPC social sector investments on the needs and

aspirations of the oil-producing zones in the country. A comparative assessment is made of the needs of non-oil producing zones. The specific issues under the needs assessments encompassed priority needs of surveyed areas, GNPC social sector investments and their impact in these areas, and community mobilization.

6.1

Background Characteristics of Respondents

The background issues of the respondents examined were location, sex, age, and Occupation. The background findings are presented in the ensuing paragraphs. These are followed by findings on the substantive needs assessment issues in the surveyed locations.

This survey was conducted in six (6) regions: Western, Central, Ashanti, Northern, Volta and the Greater Accra regions. Within these regions, twelve (12) major districts were stratified and surveyed (Table 1).

These included seven (7) districts in the Western region (Sekondi-Takoradi Metropolis, Effia-Kwasimintim Municipality, Ellemelle District, Nzema East Municipality, Tarkwa-Nsuaem Municipality, Shama District and Ahanta West Municipality) and one (1) district each in the rest of the five (5) regions, comprising of Cape Coast municipality in the Central region, Obuasi Municipality in the Ashanti region, Savelugu municipality in the Northern region, Keta municipality in the Volta region and Tema metropolis in the Greater Accra region.

Seven (7) districts were selected in the Western region because the region is the country's oil hub.

Table 1. Surveyed Areas

Oil-Producing zones		Non-Oil Producing zones			
Western	Volta Region	Central Region	Ashanti	Northern Region	Greater Accra
Sekondi-Takoradi Metropolis; Effia-Kwasimintim Municipality; Shama District; Ahanta west municipality; Nzema East Municipality; Ellemelle District; and Tarkwa-Nsuaem Municipality	Keta	Cape Coast	Obuasi	Savelugu	Tema

Age and Sex of Respondents

The age of respondents were analysed. The results on age show that the minimum age of the respondents was 12 years, while the maximum was 78, with an average age of 33 years. This suggests that most of the respondents are within the youthful age bracket. The minimum age of the male respondents was 12 years and the maximum was 70 years, whilst female respondents were within the age range of 13 years to 78 years.

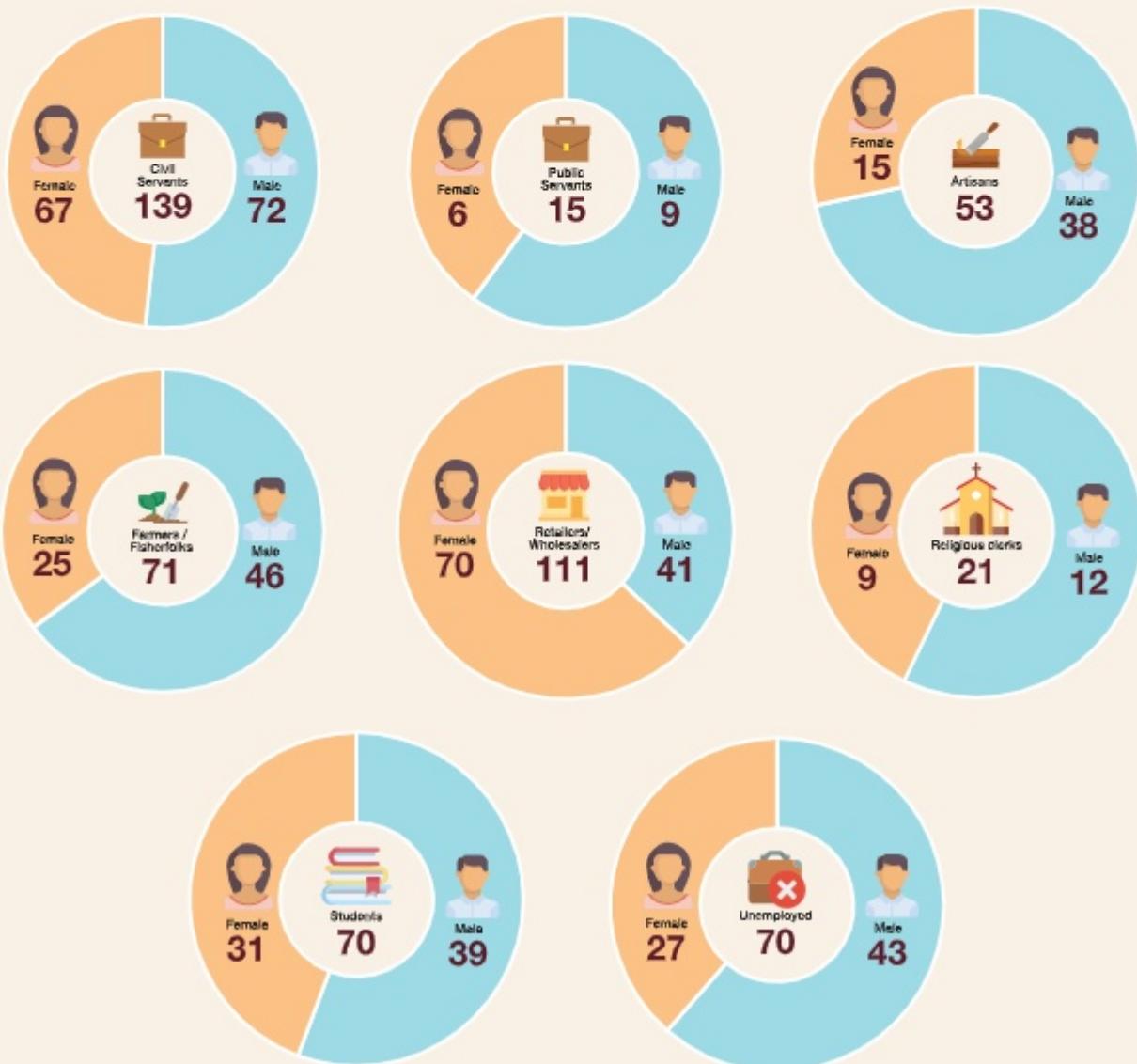
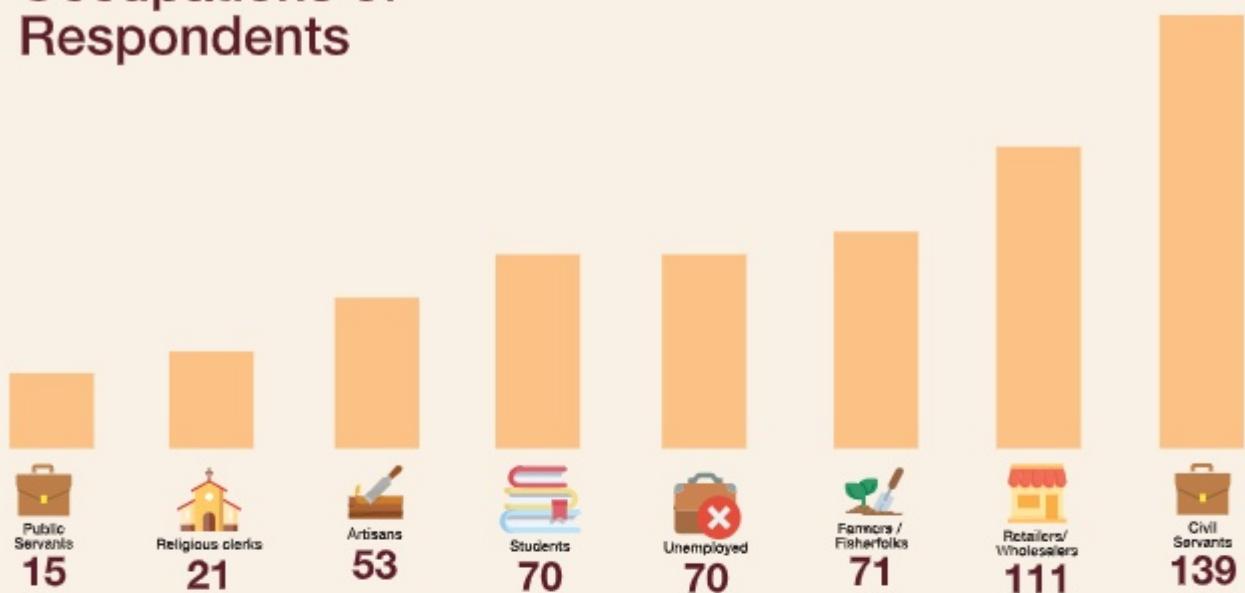
Age is critical in this study because it can influence people's categories of needs and their willingness and ability to mobilize resources for achieving these needs and/or having productive engagements with relevant authorities.

Table 2 shows that out of the 550 respondents, 300 were males and 250 were females.

Table 2. Sex segregation

	Oil-Producing zones		Non-Oil Producing zones					Total
	Western	Volta Region	Central Region	Ashanti	Northern Region	Greater Accra		
Male	179	33	18	23	30	17		300
Female	141	30	20	24	17	18		250
Total	320	63	38	47	46	35		550

Occupations of Respondents



6.2

District Priority Needs Assessments

This section focuses on the district-based priority needs of the surveyed areas. In all 12 districts, 55 communities' needs were identified and ranked based on respondents' choices.

These communities included three communities (Takoradi, New Takoradi, and Essikado) within the Sekondi-Takoradi Metropolis; 3 communities (Assakae, Whindo and Aperamodo) from Effia-Kwasimintim Municipality; 7 communities (Nkroful, Eikwe, Esima, Asanda, Kamgbumli, Allabokazo and Atuabo) from Ellemelle district; 20 areas (Ndatiem, Gwira Akosonu, Domunli, Tolome (upper Axim), Brawira, Akango, Kegyina, Ankyemyin, Nsein, Apatalm, Dadwen Axim, Agyan, Gwira Banso, Kutukrom, Arrebo, Adelekezo, Bamiankor, Mfantsekrom, Gwira Asonti and Akonu) in the Nzema East municipality; and Shama, capital of Shama district.

In the Ahanta west municipality, three communities (Lower Dixcove, Achonwa and Akyinim) were surveyed; eight communities (Yam Dankma, Boete, Akaporiso, Asonkore, Mampamhwe, Diawuso, Afaoqua, Domeabora and Gyimiso) were surveyed in the Obuasi municipality; while seven zonal areas (Zongo, Moree, Ola Madina, Amamoma, Ayensu, Abura and Kotokuraba) within the cape coast municipality were also surveyed.

Five areas were surveyed in the Keta municipality (Keta, Abutiakope, Ganakpedzi, Kedzikope and Lokpodzi). Other communities included Savelugu, the capital of Savelugu municipality; Tarkwa, the capital of the Tarkwa-Nsuaem municipality and Tema, the oil refinery enclave. The following sections highlight the needs of various districts based on the surveyed areas.



6.2.1

Priority Needs Assessment in the Sekondi-Takoradi Metropolis (STMA)

In Table 4, the survey showed that there are six (6) major priority needs in the Sekondi-Takoradi Metropolis, comprising of the provision of adequate road networks, availability of employment opportunities,

well-functioning healthcare systems, school infrastructure, modern market facilities and both modern mobile and structured toilet facilities. The communities that were surveyed within the STMA were Takoradi, New Takoradi and Essikado.

Table 4. STMA priority needs

Needs	Responses	Priority Rank
Road Networks	47	1st
School infrastructure	38	2nd
Market Structure	34	3rd
Employment Opportunities	27	4th
Well-functioning Health facilities in Takoradi, New Takoradi and Essikado	26	5th
Modern Toilet facilities	19	6th
Data center	14	7th

6.2.2

Priority Needs Assessment in Effia-Kwasimintim Municipality (EKMA)

Assakae, Whindo and Aperamodo zonal areas were surveyed within the Effia-Kwasimintim Municipality (EKMA). Out of the 277 responses, the priority needs that were identified and assessed in the municipality

included road connectivity, employment opportunities, school infrastructure, capacity building and TVET, modern toilet facilities, all-inclusive sports centres and market structures.

Table 5. EKMA priority needs

Needs	Responses	Priority Rank
School infrastructure	53	1st
Employment Opportunities	46	2nd
Road Networks	39	3rd
Modern Toilet facilities	39	3rd
All inclusive sports centres	39	3rd
Market Structure	33	6th
Capacity building and TVET	28	7th

In Table 5, the major priority need identified in the municipality based on the zonal areas surveyed was the advent of adequate school infrastructure (19%), followed by employment opportunities (17%), especially for the youth in the municipality. Other needs were adequate road networks (14%), an all-inclusive sports centre (14%), and modern toilet facilities (14%). The rest include market structure (12%), capacity building and technical and vocational education and training [TVET] (10%), respectively.

These findings insinuate that all the identified needs were regarded as essential priorities in the municipality. In the Effia-Kwasimintim municipality, GNPC has constructed an AstroTurf sport facility for the municipality. Even though sporting activities are special for the youth, this establishment showed a mismatch between the priority needs of the surveyed communities and GNPC social sector investment within the municipality.

6.2.3

Priority Needs Assessment in Ellembelle District

Seven (7) community areas (Nkroful, Eikwe, Esiama, Asanda, Kamgbumli, Allabokazo and Atuabo) in the Ellembelle district were considered for the survey.

The surveyed areas within the Ellembelle district showed that their priority needs are road networks, employment opportunities, well-functioning health facilities, school infrastructure, modern toilet facilities, all-inclusive sport centres, street lighting and market structures.

Table 6. Ellembelle district priority needs

Needs	Responses	Priority Rank
School infrastructure	49	1st
Employment opportunities	45	2nd
Road Networks	41	3rd
Modern Toilet facilities	31	4th
Market Structure	38	5th
All inclusive sport centers	36	6th
Well-functioning health facilities	19	7th
Street lighting	17	8th

Table 6 shows that provision of adequate school infrastructure is a prime need for the people of the Ellembelle district. Of the 276 responses, adequate school infrastructure provision (18%) was prioritised, followed by employment opportunities (16%), adequate road connectivity (15%), modern market structures (13%), all-inclusive sport centers (12%) and modern toilet facilities (11%). The remaining priority needs were well-functioning health facilities (7%) and street lighting (6%), respectively.

It is observed that GNPC has played an essential role in providing adequate healthcare systems for the Ellembelle district, the reason why health infrastructure provision is ranked among the least priority needs in the district even though healthcare systems play an integral role in an inclusive and sustainable economy.

GNPC in the Ellembelle district has done many projects as part of its social sector investments. The survey observed that the corporation had reconstructed the basic school of the Atuabo Methodist Primary and Junior High School (JHS).

It was also observed that the area interconnected road network was constructed by Ghana Gas company limited in the Atuabo community. It is recommended that there is a need to assess social sector investments, especially in the Gas producing enclave. Ghana Gas did massively well in laying out the road networks of Atuabo with tired roads.

The construction of ultramodern health facility was ongoing in Eikwe to serve as a referral center for the district and surrounding districts.

In addition, a basic level school facility was almost at its completion phase to serve the people of Anochie and the surrounding communities.

6.2.4

Priority Needs Assessment in Nzema East municipality (NWMA)

In the Nzema East municipality, about 20 zonal areas (Ndatiem, Gwira Akosonu, Domunli, Tolome (upper Axim), Brawira, Akango, Kegyina, Ankyemynin, Nsein, Apataim, Dadwen Axim, Agyan, Gwira Banso, Kutukrom, Arrebo, Adelekezo, Bamankor, Mfantsekkrom, Gwira Asonti and Akonu) were surveyed.

From the survey, four (4) essential needs were identified from the survey, including employment opportunities, road networks, SMEs support and advisory services, and school infrastructure. Out of the total of 133 responses, the orderly priority needs of the surveyed areas in the Nzema East municipality were the provision of adequate school infrastructure (38%), road network connectivity (29%), employment opportunities (20%) and SMEs support and business advisory services (13%).

Table 7. Nzema East municipality priority needs

Needs	Responses	Priority Rank
School infrastructure	51	1st
Road Networks	39	2nd
Employment opportunities	26	3rd
SMEs support and business advisory services	17	4th

The study found that in the NEMA, communities have been able to mobilise and install few street lights in their various communities for better visuals and security in the night. Stakeholders indicated that even though such an initiative didn't provide enough street lighting, it was still promising for them. Community stakeholders have also mounted pressure through several engagements with the municipal authorities to provide solutions to their needs, which has brought the authorities' attention to their plight.

It was revealed from the surveyed areas within the municipality that GNPC has invested in the construction of various facilities for the municipality as part of their social sector investments. Among them included an Axim girls' senior high school block, ADA (Akonu) school, Akango CHPS compound, Domunli community toilet, Akonu community toilet, and Agyan community toilet.

It was observed that the newly built Akango CHPS compound, upon completion, has no equipment, and no furniture has been installed in the facility yet to serve the community. A road construction from Dadwen to Adelekezo has also started and is financed by the GNPC. The study revealed that a lack of community engagement is a key setback of most GNPC projects in various communities.

6.2.5

Priority Needs Assessment in Shama District

Shama, the district capital of the Shama district in the western region, was also considered. Road networks, employment opportunities, school infrastructure, regular water supply, and agribusiness support were the numerated needs of Shama. In Shama, respondents prioritised seeking employment opportunities (25%). The rest included road networks (22%), school infrastructure (22%), sustainable water systems (17%) and agribusiness support (14%), respectively.

Table 8. Shama district priority needs

Needs	Responses	Priority Rank
Employment opportunities	32	1st
Road Networks	29	2nd
School infrastructure	29	2nd
Water systems	22	4th
Agribusiness support	18	5th

In the Shama district, knowledge of GNPC activities was very challenging. Most people weren't aware of any developmental projects executed by GNPC. Further inquiries from the assembly revealed that GNPC has constructed an astroturf sports centre for Shama. The assembly also indicated that GNPC had awarded a few educational scholarships to several students within the Shama district.

6.2.6

Priority Needs Assessment in Ahanta West Municipality (AHWA)

In the Ahanta west municipality, three (3) communities (Lower Dixcove, Achonwa and Akyinim) were surveyed.

The priorities were identified as fish processing plant, market structure, cold storage facilities, school infrastructure, agribusiness support, and road networks. All surveyed zones within the Ahanta west municipality, being coastal areas, weighed priority needs on school infrastructure (23%), cold storage facilities (19%), road networks (19%), agribusiness support (17%) and fish processing plant (15%). The least prioritised need was the establishment of modern market structures (7%).

Table 9. AHWA priority needs

Needs	Responses	Priority Rank
School Infrastructure	38	1st
Road Networks	31	2nd
Cold storage facilities	31	2nd
Agribusiness support	28	4th
Fish processing plant	24	5th
Market structure	11	6th

GNPC has financed the construction of the main road from Lower Dixcove to Achonwa but progress stalled since the third quarter of last year-2021. The corporation has also financed some water projects (boreholes) and a school block (Salvation Army basic school). Ongoing is the construction of teachers' quarters (foundation level). They have also distributed wheelbarrows, shovels and gloves as well as initiating Entrepreneurship skill trainings.

6.2.7

Priority Needs Assessment in Tarkwa-Nsuaem Municipality

Tarkwa, the capital of the Tarkwa-Nsuaem municipality, was also considered among the surveyed areas. Tarkwa is one of the major mineral zones in the country. As a mineral mining enclave, strong road connectivity is a top priority in facilitating the movement of heavy-duty machinery for mining activities.

In line with this, road connectivity (26%) was prioritised as the most essential need to facilitate one of the major economic activities within the enclave. The rest of the prioritised needs included school facilities (17%), toilet facilities (17%), employment opportunities (13%), well-functioning health facilities (13%), market structure (7%) and capacity building and TVET (7%), respectively.

Table 10. Tarkwa-Nsuaem municipality priority needs

Needs	Responses	Priority Rank
Road Networks	51	1st
Toilet facilities	32	2nd
School infrastructure	32	2nd
Employment opportunities	26	3rd
Well-functioning health facilities	26	3rd
Market structure	13	4th
Capacity Building and TVET	13	4th

Findings from the study showed that, in the Tarkwa-Nsuaem municipality, local citizens have institutionalized Planning, Implementation, and Oversight Committees (PPOC) and Employment Coordination Committees (ECC) to help drive efforts in mobilizing local resources to achieve their priorities. It further reported that local citizens have taken steps to engage GNPC to demand transparency and accountability in their social sector investments.

6.2.8

Priority Needs Assessment in Keta Municipality

In the Keta municipality, five (5) areas (Keta, Abutiaakope, Ganakpedzi, Kedzikope and Lokpodzi) were surveyed. In this oil explorative zone, priorities were given to providing equipped ICT Center and Library (13%) and basic school infrastructure (12%) out of 503 responses. Other priorities included toilet facilities - particularly around the beaches (11%), electricity extension (9%), road networks (9%), provision of portable drinking water (8%), an inclusive sports complex (6%), street lighting

(6%), fishing and industrial harbour (5%), community centre (5%) and well-functioning health facilities (4%), respectively.

Fewer responses were given to sustainable Disaster (Tidal waves) Resilience Adaptation strategy implementation: Sea Defence Wall (3%), tomato processing plant (2.2%), market structure (2%) and establishment of a tertiary institution (1.8%), respectively. The municipality calls on GNPC to improve and promote effective community engagement and infrastructure development in the Keta municipality.

Table 11. Keta municipality priority needs

Needs	Responses	Priority Rank
Equipped ICT Center and Library	63	1st
Basic school infrastructure,	60	2nd
Toilet facilities (particularly around the beaches)	53	3rd
Road networks	46	4th
Electricity extension	46	4th
Provision of Portable Drinking water	43	6th
Street lighting	32	7th
All inclusive sports complex	32	7th
Fishing and industrial harbour.	28	9th
Community Center	28	9th
Well-functioning health facilities	25	11th
Sustainable Disaster (Tidal waves) Resilience Adaptation strategy implementation: Sea Defense Wall	17	12th

Needs	Responses	Priority Rank
Tomato processing plant,	11	13th
Market structure	10	14th
Establishment of tertiary institution	9	15th

6.2.9

Priority Needs Assessment in Cape Coast Municipality

Seven (7) zonal areas (Zongo, Moree, Ola Madina, Amamoma, Ayensu, Abura and Kotokuraba) within the cape coast municipality were also surveyed, and eight (8) key priority needs were identified. These included road networks, employment opportunities, agribusiness support, well-functioning health facilities, school infrastructure, capacity

building and TVET, toilet facilities, and market shelves at Zongo, Amamoma, and Ola Madina. Out of the 198 responses, priorities were given to road connectivity (19%), toilet facilities (18%), employment opportunities (16%), school infrastructure (14%), and market shelves (11%), respectively. The rest were well-functioning health facilities (7%), agribusiness support (7%), capacity building and TVET (7%).

Table 12. Cape Coast municipality priority needs

Needs	Responses	Priority Rank
Road Networks	38	1st
Toilet facilities	35	2nd
Employment opportunities	32	3rd
School infrastructure	28	4th
Market shelves at zongo, Amamoma and Ola Madina	23	5th
Well-functioning health facilities	14	6th
Capacity Building and TVET	14	6th
Agribusiness support	14	6th

6.2.10

Priority Needs Assessment in Obuasi Municipality

Eight (8) communities (Yam Dankma, Boete, Akaporiso, Asonkore, Mamppamhwé, Diawuso, Afaoakua, Domeabora and Gyilmso) were surveyed in the Obuasi municipality. In the Obuasi municipality, road networks, data centers, well-functioning health facilities, school infrastructure, capacity building and TVET, toilet facilities,

all inclusive sport complex and market structure were identified as priority needs. Of the 202 responses, school infrastructure (23%) was a priority, road networks (19%), market structure (17%), toilet facilities (13%) and capacity building and TVET (11%) were also prioritized. Equally, priorities were also given to the provision of a data center (5%), well-functioning health facilities (5%) and all inclusive sport complex (5%).

Table 13. Obuasi municipality priority needs

Needs	Responses	Priority Rank
School infrastructure	47	1st
Road Networks	38	2nd
Market structure	34	3rd
Toilet facilities	27	4th
Capacity Building and TVET	23	5th
Well-functioning health facilities	11	6th
All inclusive sport complex	11	6th
Data center	11	6th

Responses from the Obuasi municipality indicated that GNPC has built a community center and a mechanized borehole in the Fumso Ketewa community for public usage. Other infrastructure projects included school blocks at Gyilmso, Brahabehe and Jacobu, ongoing construction of market shelves and a CHP compound at Dansokrom and Brahabehe. GNPC has also shared several educational textbooks and scholarships to various students within the municipality. GNPC also held various capacity-building programs and training workshops for Artisans, particularly in 2019.

6.2.11

Priority Needs Assessment in Savelugu Municipal

Savelugu is the capital of the Savelugu municipal, a municipal in the Northern Region of Ghana was considered among the surveyed areas.

District priorities included school infrastructure (28%), an inclusive sport complex (23%), agribusiness support (19%) and toilet facilities (14%), respectively. Market structure (8%), capacity building, and TVET (8%) were equally prioritized.

Table 14. Savelugu municipal priority needs

Needs	Responses	Priority Rank
School infrastructure	46	1st
All inclusive sport complex	37	2nd
Agribusiness support	31	3rd
Toilet facilities	23	4th
Market structure	13	5th
Capacity building and TVET	13	5th



6.2.12

Priority Needs Assessment in Tema Metropolis

Tema, locally nicknamed the "Harbour City" because of its status as Ghana's largest seaport, is now a major trading centre, home to an oil refinery and numerous factories, and is linked to Accra by a highway and railway. Tema is one of Ghana's two deep seaports, the other being Sekondi-Takoradi.

Needs of the enclave were appraised. Out of 165 responses, the priority needs were well-functioning health facilities (21%), all inclusive sport complex (16%) and enhanced security (15%), respectively. Equally, regular portable water and sustainable employment opportunities (12%) were prioritized. The rest included road expansions (10%), suitable waste sites (8%) and capacity building and TVET (5%), respectively.

Table 15. Tema metropolis priority needs

Needs	Responses	Priority Rank
Well-Functioning health facilities	35	1st
All inclusive sport complex	27	2nd
Enhanced security	25	3rd
Regular portable water	20	4th
Sustainable employment opportunities	20	4th
Road expansions	16	6th
Suitable waste disposal sites	13	7th
Capacity building and TVET	9	8th

From the survey, it was revealed that the Ghana National Petroleum Corporation (GNPC) commenced the Tema Manhean Clinic, but progress has been stalled. It was further revealed that local mobilization efforts by the Tema Traditional Authority (TTA) in partnership with the Ghana Ports and Harbours Authority (GPHA) have started the construction of a mini multi-purpose sports complex at Manhean.

07

Conclusion and Recommendation





This study set out to undertake a needs assessment of oil-producing districts and evaluate GNPC social sector investments in those districts. In all, twelve (12) districts were surveyed, comprising seven (7) oil-producing districts (STMA, EKMA, Ellembelle, Nzema East, Ahanta West, Shama and Keta) and five (5) non-oil producing zones (Takwa, Cape Coast, Obusua and Savelugu).

Numerous needs were identified, and among the top priorities include school infrastructure, road connectivity, employment opportunities and access to well-functioning health systems, among others.

The study revealed that GNPC has executed some developmental projects in some of these districts of which some have been completed, ongoing and others on a standstill. It was further revealed that there is a lack of coordination and engagement between GNPC and community stakeholders in community development activities.

This made many stakeholders unaware of GNPC activities in their various localities. Based on the study's findings, it is recommended that:

GNPC should maximise the transparency of projects funded by the Annual Budget Funding Amount (ABFA) and link them to the various local developmental plans and thus, the national development plan.

GNPC should create a platform for awareness of their projects: GNPC should be proactive in reporting information broadly about its operations to the public, except possibly for commercially sensitive information. Such key information as the annual work program and budget, the annual financial report, the performance management report, and procurement information, among others, should be published by the corporation in a timely and consistent fashion. Making information available to the public to the broadest possible extent will enhance transparency, accountability and public confidence in GNPC.

CSOs and the media should sufficiently be empowered to help shape GNPC social sector investment policies and hold the government accountable for their stewardship in respect of their extractive policy commitments and proposed reforms.

Community Engagement and consultations: Communities must decide what development priorities are for them and must be involved. GNPC should liaise with the various local assemblies and community stakeholders to discuss their needs and related development activities.

Community Development Fund is one fundamental improvement that GNPC should consider in their social sector investment policies.

08

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