

GOVERNMENT AWARDS \$799M UPSTREAM PETROLEUM CONTRACTS TO GHANAIAN COMPANIES

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John Peter Amewu

A total of \$799 million worth of contracts in the upstream petroleum industry was awarded to indigenous Ghanaian companies and joint ventures last year in accordance with the Local Content and Local Participation law.

Out of the amount, \$453 million worth of contracts was awarded to Ghanaian firms whilst \$346 million awarded to joint venture companies.

Additionally, Aker Energy has awarded contracts valued at \$40.3 million to Joint Venture companies in accordance with its local content obligations.

Mr John Peter Amewu, the Energy Minister, who made this known to journalists when he took his turn at the Meet-the-Press series in Accra on Tuesday, said over 75 per cent of people currently working in the upstream petroleum industry were Ghanaians.

He said with government's aggressive implementation of the Petroleum Local Content and Local Participation Regulation, 2013 (L.I 2204), a significant number of Ghanaian companies had registered with the Petroleum Commission to participate in the upstream petroleum industry.

Mr Amewu said the rigorous promotion of joint ventures in accordance with Regulation 43(1) of L.I 2204 had also enhanced participation of indigenous companies in the industry.

"As at the end of September 2018, about 600 indigenous Ghanaian companies had registered with the Petroleum Commission providing goods and services to companies in the oil and gas industry," Mr Amewu said.

The Minister said in February last year, the Petroleum Commission launched the Petroleum Register, a register of petroleum agreements, licences, permits and authorizations to ensure fairness, transparency and predictability in the sector.



Consequently, it would enable civil society organisations and the citizens alike to be on a single platform to monitor all upstream petroleum activities and demand accountability from government.

The move, he said, would afford the country the opportunity to attract reputable oil and gas companies with the requisite capital and technical capabilities worldwide to invest in the country's geological basins.

Mr Amewu noted that in the quest to boost the competitiveness of indigenous companies and provide education, training, research and development in the oil and gas activities, the Petroleum Commission had opened the Local Content Fund Account in accordance with Section 64 of the Petroleum Act, 2016, (Act 919).

Additionally, a Secretariat had been established to manage the Fund's implementation this year, whilst modalities for managing and administering the Fund and its guidelines had been developed and awaiting approval.

The Minister said the Fund would provide financial resources to indigenous Ghanaian small and medium scale enterprises to aid their participation in oil and gas activities.

More so, the Petroleum Commission had been tasked to develop an electronic portal system (e-portal) to bridge the information asymmetry bias against Ghanaian companies.

"Our objective with this portal is to have an open and more accessible platform for companies, especially local companies to participate in the tendering process in the industry," Mr Amewu said.

"The Portal will provide registered companies with the Commission easy access to procurement plans and real-time notification on tenders."

Source: GNA

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