



REPUBLIC OF GHANA



# MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

FOR 2018 - 2021

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**PROGRAMME BASED BUDGET ESTIMATES**

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FOR 2018

MINISTRY OF ENERGY



For copies of the MOEn MTEF PBB Estimates, please contact the Public Relations Office of the

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Ministry of Finance

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The 2018 MOEn MTEF PBB Estimate is available on the internet at: [www.mofep.gov.gh](http://www.mofep.gov.gh)

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## 2.6.1 Budget by Chart of Account

### 6.1 - Programme, Sub-Programme and Natural Account Summary

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>Programmes - Ministry of Energy and Petroleum (MENP)</b>	<b>914,397,412</b>	<b>914,397,412</b>	<b>914,397,412</b>
<b>01801 - Management And Administration</b>	<b>777,150,093</b>	<b>777,150,093</b>	<b>777,150,093</b>
<b>01801001 - GENERAL ADMINISTRATION And FINANCE</b>	<b>11,490,520</b>	<b>11,490,520</b>	<b>11,490,520</b>
21 - Compensation of employees [GFS]	1,490,629	1,490,629	1,490,629
22 - Use of goods and services	990,491	990,491	990,491
28 - Other expense	19,400	19,400	19,400
31 - Non financial assets	8,990,000	8,990,000	8,990,000
<b>01801002 - Human Resource</b>	<b>303,672</b>	<b>303,672</b>	<b>303,672</b>
21 - Compensation of employees [GFS]	255,137	255,137	255,137
22 - Use of goods and services	37,400	37,400	37,400
28 - Other expense	11,135	11,135	11,135
<b>01801003 - Policy Planning,Budgeting, Monitoring And Evaluation</b>	<b>765,224,144</b>	<b>765,224,144</b>	<b>765,224,144</b>
21 - Compensation of employees [GFS]	139,692	139,692	139,692
22 - Use of goods and services	178,595,573	178,595,573	178,595,573
31 - Non financial assets	586,488,879	586,488,879	586,488,879
<b>01801004 - Research, Statistics Information And Public Relations</b>	<b>131,757</b>	<b>131,757</b>	<b>131,757</b>
21 - Compensation of employees [GFS]	83,222	83,222	83,222
22 - Use of goods and services	48,535	48,535	48,535
<b>01802 - Power Generation, Transmission And Distribution</b>	<b>70,515,723</b>	<b>70,515,723</b>	<b>70,515,723</b>
<b>01802001- Power Generation and Transmission</b>	<b>94,168</b>	<b>94,168</b>	<b>94,168</b>
21 - Compensation of employees [GFS]	35,925	35,925	35,925
22 - Use of goods and services	58,243	58,243	58,243



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### 6.1 - Programme, Sub-Programme and Natural Account Summary

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

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**Version 1**

	2018	2019	2020
<b>01802002- Power Distribution</b>	<b>70,421,555</b>	<b>70,421,555</b>	<b>70,421,555</b>
21 - Compensation of employees [GFS]	324,483	324,483	324,483
22 - Use of goods and services	97,072	97,072	97,072
31 - Non financial assets	70,000,000	70,000,000	70,000,000
<b>01803 - Petroleum Development</b>	<b>3,840,104</b>	<b>3,840,104</b>	<b>3,840,104</b>
<b>01803001- Upstream</b>	<b>288,154</b>	<b>288,154</b>	<b>288,154</b>
21 - Compensation of employees [GFS]	174,828	174,828	174,828
22 - Use of goods and services	113,326	113,326	113,326
<b>01803002- Downstream</b>	<b>3,492,804</b>	<b>3,492,804</b>	<b>3,492,804</b>
21 - Compensation of employees [GFS]	19,254	19,254	19,254
22 - Use of goods and services	123,550	123,550	123,550
31 - Non financial assets	3,350,000	3,350,000	3,350,000
<b>01803003- Health, Security, Safety and Environment</b>	<b>59,146</b>	<b>59,146</b>	<b>59,146</b>
21 - Compensation of employees [GFS]	43,633	43,633	43,633
22 - Use of goods and services	15,513	15,513	15,513
<b>01804 - Renewable Energy Development</b>	<b>30,425,135</b>	<b>30,425,135</b>	<b>30,425,135</b>
<b>01804001- Renewable Energy</b>	<b>30,387,186</b>	<b>30,387,186</b>	<b>30,387,186</b>
21 - Compensation of employees [GFS]	63,589	63,589	63,589
22 - Use of goods and services	24,711,638	24,711,638	24,711,638
31 - Non financial assets	5,611,959	5,611,959	5,611,959
<b>01804002- Alternative Energy</b>	<b>37,949</b>	<b>37,949</b>	<b>37,949</b>
22 - Use of goods and services	37,949	37,949	37,949



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	2018	2019	2020
<b>01805 - Energy Sector Regulation</b>	<b>32,466,357</b>	<b>32,466,357</b>	<b>32,466,357</b>
<b>01805001- Power Sector Regulation</b>	<b>32,466,357</b>	<b>32,466,357</b>	<b>32,466,357</b>
21 - Compensation of employees [GFS]	16,586,305	16,586,305	16,586,305
22 - Use of goods and services	15,880,052	15,880,052	15,880,052

# **PART A: STRATEGIC OVERVIEW OF THE MINISTRY OF ENERGY**

## **1. NMTDPF POLICY OBJECTIVES**

The Power and Petroleum Sectors Policy Objectives relevant to the Ministry are:

### **POWER SECTOR**

- Increase the generating capacity of power
- Provide adequate reliable safe affordable and sustainable power
- Promote the production & distribution of electricity from all sources
- Development of Renewable Energy law to incentivize investments in renewable technologies
- Formulate policies to reduce greenhouse gases emission
- Harmonize energy policies ensure better collaboration & coordination
- Reduce accident cases from energy usage

### **PETROLEUM SECTOR**

- Ensure accelerated & integrated development of the oil and gas industry
- Promote value addition in the oil and gas industry
- Strengthen technical and financial capacity for the oil and gas industry
- Ensure local content & local participation across the oil & gas value chain
- Leverage the opportunities offered by the oil & gas industry to create jobs
- Comply with laws & international standards for environmental sustainability in oil & gas sector
- Ensure effective and transparent management of oil and gas revenues

## **2. VISION**

To become an energy economy with reliable supply of high quality energy services for the Ghanaian economy and for export.

## **3. CORE FUNCTIONS**

- Translate government's energy development agenda and policy directions contained in the national energy policy into strategies and programmes
- Ensure the reliable supply of affordable energy services to meet national demand for export
- Increase access to modern energy forms especially in the rural areas

- Ensure availability and security of future energy supplies
- Strengthen the capacity of energy sector institutions in planning and coordination of the sector

#### 4. POLICY OUTCOME INDICATORS AND TARGETS

Outcome Indicator Description	Unit of Measurement	Baseline		Latest status		Target	
		Year	Value	Year	Value	Year	Value
<b>Power Sub Sector</b>							
Expansion of generation capacity	Additional power generation capacity installed in MW	2016	880	2017	445	2020	206
Improved of Power Distribution System Losses	Percentage reduction in distribution losses		23.18%		23.50%		-
Electricity extended to deprived communities	Number of communities connected to the national grid		1212		289		1500
Access to Electricity increased	Percentage communities connected		83.24%		83.62%		90%
Increased renewable energy in the national energy supply mix	Percentage in generation mix		1%		1.5%		3%
<b>Petroleum Sub Sector</b>							
Increased productivity of Jubilee field	No of barrels produced (bbls)	2016	37,411,662	2017	27,165,129	2020	5,320,000
	Millions of standard cubic feet of gas		52,568		35,997.29		35,040



	produced (mmscf)					
Increased productivity of TEN field	No of barrels produced (bbls)	N/A		18,438,557		25,550,000
	Millions of standard cubic feet of gas produced (mmscf)	N/A		24,343.57		18,250
Increased productivity of Sankofa-Gye Nyame field	No of barrels produced (bbls)	N/A		2,929,935.48		16,501,650
	Millions of standard cubic feet of gas produced (mmscf)	N/A		3,819.21		62,415
Optimal utilization of gas resources	Volume of indigenous gas exported for power generation	18,269		20,133		116,070
LPG Cylinders and Stoves distributed	Number of Cylinders	46,370		17,000		50,000
	Number of Districts	28		17		100

## 5. EXPENDITURE TREND

### Compensation of Employees

An amount of GHS 5,231,642.00 was allocated to the Ministry of Energy for Compensation of Employees for 2017. As at end of the October, 2017, an amount of GHS 2,466,042.34 was spent by the Ministry of Energy in respect of Compensation of Employees.

### Goods and Services

An amount of GHS 2,557,548.00 was approved and allocated for Goods and Services for the Ministry of Energy for the 2017 fiscal year. As at October 2017, an amount of GHS 996,896.36 representing about 39% of the allocation for goods and services was released to the Ministry for utilization.

### **Capital Expenditure**

In 2017, an amount of GHS 100,000,000.00 was allocated to the Ministry for capital expenditure.

As at October 2017, GHS 65,231,780.53 has been utilized representing about 65.23% of the allocation for capital expenditure.

### **Retained Internally Generated Funds (IGF)**

An amount of GHS 37,743,102.00 was approved and allocated for internally generated funds for the Petroleum Commission and Energy Commission under Ministry of Energy for the 2017 fiscal year. As at September 2017, an amount of GHS 18,900,000 representing about 50.08% of the allocation was released for utilization.

### **ABFA**

No amount was allocated to the Ministry of Energy for the 2017 fiscal year for ABFA.

### **Development Partner Funds**

An amount of GHS 741,286,119.00 was approved and allocated for Development Partner Funds for the Ministry of Energy for the 2017 fiscal year.

As at November 2017, an amount of GHS 188,377,072.00 representing about 25.41% of the allocation released to the Ministry.

### **NOTE:**

- The release of GHS 12,431,500.00 was from the Electricity Consumer Life Line vote by the Ministry Of Finance
- The release of GHS 104,647,505.00 was from the Amortisation vote by the Ministry of finance.
- A total amount of GHS 74,782,988.35 was charged under the 2017 Non Road Arrears Vote -National Electrification Scheme
- Price Stability and Recovery Accounts, Energy Debt Service accounts of the Energy Sector Levy's Act

## 6. SUMMARY OF ACHIEVEMENT FOR 2017

### POWER SECTOR DEVELOPMENT AND MANAGEMENT

#### *Expansion in Generation Capacity*

A total of 445MW of power capacity was added to the country's installed generation capacity as at September, 2017, to bring the installed capacity from 4,132 MW in 2016 to 4,577MW in 2017.

The existing 225MW Karpowership was replaced by a 450MW Karpowership resulting in an addition of 225MW capacity.

In addition, the Unit 2 of Kpong Generation Station Retrofit Project and Phase 1 of the 220MW out of the 370MW AKSA Power Project were completed.

The 340MW CenPower Power Project is 85 percent complete.

Works also commenced on 400MW Early Power project and 240MW Amandi Power Project.

#### *Transmission System Improvement Projects*

In line with Government's policy to create a non-congested transmission system GRIDCo continued with the Transmission System Reinforcement Project to improve operational reliability, security and control among others. Key among these include:

- Kpando-Kadjebi 161kV Transmission Line was completed
- The Aboadze-Prestea 330kV Transmission Line is about 70% complete
- The Prestea-Kumasi 330kV Transmission Line which is about 70% complete
- The Kumasi-Bolgatanga 330kV Transmission Line which is about 50% complete

#### *Electricity Distribution*

##### **Rural Electrification**

Under the rural electrification programme, several projects are at various stages of completion. 289 out of a targeted 2,185 communities were connected to the national grid as at September 2017. The national electricity access rate increased from 83.24 percent in December, 2016 to 83.62 percent September, 2017.

**Regional Capitals Street Lighting Project:**

The project involves the replacement of 250W high pressure sodium (HPS) lamps with 150W LED/ fixing of faulty photo switches on poles/cubicle, broken poles and stolen/damaged cables and other related installations in Accra and Kumasi is 87 percent complete.

**15km 40MVA capacity 33kV Primary Substation**

The new 40MVA capacity 33kV Primary Substation was completed at GIMPA with 15km 33kV sub transmission lines to interconnect the substation to the Achimota Bulk Supply Point (BSP) and Accra Third BSP from Shiashie 33/11kV Primary substation.

**Construction of 10km 80 MVA capacity 33kV**

The construction of a new 10km 80MVA capacity 33kV from Dodowa to Akwapim Mampong to replace the existing 40 year old 20MVA 33kV line attained 85% completion. When completed the new line will stabilize supply to the Akwapim Ridge.

**Expansion of Bui Switchyard Facilities to evacuate additional 250MWp Solar PV**

The 161kV Bui Switchyard has been expanded to accommodate extra 250MWp of Solar PV. Two 156MV Power Transformers have been procured with associated switchgear equipment. A new control with an operator console for the monitoring and control of all equipment have been integrated into existing control room.

**ECG Private Sector Participation (PSP) Programme**

Government secured key amendments to the ECG PSP arrangements. The concession period was reduced from 25 to 20 years. A threshold of 51 percent (up from 20 percent) Ghanaian shareholding in the ownership of the Concessionaire was also established.

***Volta Aluminium Company (VALCO) Operations***

VALCO operated a single pot line, employed 532 persons and produced 40,500 tonnes of aluminium.

### ***Renewable & Alternative Energy***

As part of strategies to increase penetration of renewable energy in the energy mix the Ministry pursued a number of renewable energy projects were undertaken.

#### **Solar Lantern Program**

As part of strategies to increase penetration of renewable energy in the energy mix, 52,191 out of 70,000 units of portable solar lanterns (with phone charging functionality) were sold at 70 percent subsidy to poor off-grid rural households.

#### **Mini-grids Electrification**

Under the Ghana Energy and Development Access Project (GEDAP), five mini-grids were completed and technically commissioned in the following districts: Ada East District (Pediatorkope), Krachi East (Kudorkope), Krachi West (Aglakope) and Sene East District (Atigagome and Wayokope) which are all island communities.

#### **Off-grid Electrification**

Contract for the supply and installation of facility-based Solar Micro-grid electrification project in 26 Health Facilities in Brong Ahafo, Northern and Western regions has been awarded.

## **PETROLEUM SECTOR**

### **Jubilee Field**

The Jubilee FPSO turret remediation work is progressing steadily with the interim spread mooring operation successfully executed. The three tug boats aiding the heading control for production and lifting operations on the FPSO Kwame Nkrumah were also released.

Production from the Jubilee Field as at 31<sup>st</sup> October 2017 27,165,129 barrels, compared to 19,832,097 barrels for the same period in 2016, representing an increase of 26.3 percent. Jubilee Field production is expected to average 89,000 bopd by end of 2017 (with the postponement of the planned shutdown to 2018 for the remediation works).

A total of 35,997.29 MMscf of associated gas was produced as at 31<sup>st</sup> October 2017 out of which 20,195.85 MMscf was exported to the Gas Processing Plant at Atuabo for power generation.

### **Tweneboa-Enyera-Ntomme (Field)**

Production from the TEN producing field as at 4<sup>th</sup> December, 2017 was 18,438,557 bbls and total gas produced was 24,343.57 MMscf. Average daily oil production achieved for the period stood at 52,211 bbls against a planned daily average of 50,000 bopd.

### **Sankofa Gye Nyame Field**

The Sankofa Gye Nyame Field attained first Oil on the 20th of May 2017 ahead of schedule with two (2) oil producer wells (OP- 3 and OP-4). Total oil production from the field from inception (20th May, 2017) to 31st October 2017 stood at 2,929,935.48 bbls and gas produced was 3,819.21 MMscf.

### **Voltaian Basin**

GNPC continues to intensify its exploration activities on the inland Voltaian basin. The Ministry negotiated and signed two contracts with two companies and also completed the environmental impact statement to EPA and all the 24 project districts.

### **Final Determination of Ghana-Cote d'Ivoire Maritime Boundary Dispute**

The final determination of the Ghana-Cote d'Ivoire maritime boundary dispute at the International Tribunal for the Law of the Sea (ITLOS) occurred on 23<sup>rd</sup> September 2017. The court upheld Ghana's Position. Consequently, none of Ghana's active upstream petroleum projects was negatively impacted by the final ruling. It is expected that all the previously affected companies will resume normal operations to implement their work programs under their respective Petroleum Agreements.

### **Rural LPG Promotion Program**

To promote Liquefied Petroleum Gas (LPG) as a healthier, safer and cleaner fuel in semi-urban and rural areas in a bid to reduce deforestation, the Ministry distributed 17,000 cylinders, stoves and accessories in 17 districts under the Rural LPG Promotion Programme (RLPGPP).

## **ENERGY SECTOR REGULATION**

### **Wholesale Electricity Market (WEM) and Electricity Market Oversight Panel (EMOP)**

Cabinet granted approval for the full operationalisation of the Wholesale Electricity Market (WEM) and its associated mechanisms. In addition, Cabinet approved the establishment of the Electricity Market Oversight Panel (EMOP) to ensure smooth operation of WEM.

### **Development of a Competitive Power Market**

Cabinet approved the restructuring of Volta River Authority (VRA) to include: an entity to manage the hydroelectric facilities separately and the sale to the private sector of the state-funded thermal power plants which government assigned to VRA to manage and operate.

In addition to being a critical factor to the successful implementation of the Wholesale Market Market (WEM), the restructuring of VRA will also enable the use of the cheap electricity form the legacy hydro to support the requisite government subsidy objectives to targeted category of consumers in a transparent manner.

### **Data Management and Health Safety and Environment regulations**

Following the successful passage of the Petroleum (Exploration and Production) Act, 2016, (Act 919), a draft Data Management and Health Safety and Environment regulations was finalised and will soon be presented to Parliament. Guidelines for the bidding of exploration blocks are being developed and is expected to be completed by end of the year.

### **Local Content and Local Participation**

A Local Content Policy was developed to ensure active participation of Ghanaians in all activities in the petroleum downstream value chain. In line with this, the Ministry has developed a Local Content Legislation for the power sector and draft financial services

guidelines to boost the participation of Ghanaian financial institutions in the oil and gas sector.

In addition, Ghana Upstream Services Internship Programme (GUSIP) was launched and forty-three (43) interns placed in Upstream Companies.

### **Development of National LPG Promotion Policy**

A new National LPG Promotion Policy was approved by Cabinet. The Policy seeks to abolish the current LPG Marketing model and replace it with the Cylinder Recirculating market model. The policy seeks to consolidate activities in the LPG value chain with the view to reducing Health, Safety, Security and Environmental risks exposure.

### **National Fuel Quality Policy**

A draft National Fuel Quality Policy has been developed to provide framework for the development of guidelines, standards and regulations on the quality of petroleum products produced or imported into the country. This is to ensure that the quality of petroleum products sold to consumers do not negatively impact on the environment and public health of consumers.

### **Petroleum Products Trading Policy**

A policy on the trading of petroleum products is being developed to provide guidelines for the import and export of petroleum products. Development of this policy will address the problem of illicit trade in petroleum products especially exports. The National Petroleum Authority (NPA) recently revised its guidelines on the exports of petroleum products per the directive from the Economic Management Team in the wake of the negative impact of the illicit trade in the industry.





## 1.5. Appropriation Bill

Summary of Expenditure by Sub-Programme, Economic Item and Funding

Entity: 018 - Ministry of Energy and Petroleum (MENP)

Year: 2018 | Currency: Value

Version 1

	GoG			IGF			Funds / Others				Donors		Grand Total	
	Compensation of employees	Goods and Services	Capex	Total	Compensation of employees	Goods and Services	Capex	Total	Statutory	ABFA	Others	Goods and Services		Capex
01801 - Management And Administration	1,966,680	1,339,940	8,990,000	12,296,620								178,362,595	586,488,879	764,851,474
01801001 - GENERAL ADMINISTRATION And FINANCE	1,490,629	1,009,891	8,990,000	11,490,520										11,490,520
01801002 - Human Resource	255,137	48,535		303,672										303,672
01801003 - Policy Planning, Budgeting, Monitoring And Evaluation	139,692	232,979		372,671								178,362,595	586,488,879	764,851,474
01801004 - Research, Statistics Information And Public Relations	83,222	48,535		131,757										131,757
<b>01802 - Power Generation, Transmission And Distribution (Power Management)</b>	<b>360,408</b>	<b>155,315</b>	<b>70,000,000</b>	<b>70,515,723</b>										<b>70,515,723</b>
01802001 - Power Generation and Transmission	35,925	58,243		94,168										94,168
01802002 - Power Distribution	324,483	97,072	70,000,000	70,421,555										70,421,555
<b>01803 - Petroleum Development</b>	<b>237,715</b>	<b>252,389</b>	<b>3,350,000</b>	<b>3,840,104</b>										<b>3,840,104</b>
01803001 - Upstream	174,828	113,326		288,154										288,154
01803002 - Downstream	19,254	123,550	3,350,000	3,492,804										3,492,804
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<b>01804 - Renewable Energy Development</b>	<b>63,589</b>	<b>194,146</b>	<b>3,101,770</b>	<b>3,359,505</b>		<b>24,555,441</b>	<b>2,510,189</b>	<b>27,065,630</b>						<b>30,425,135</b>
01804001 - Renewable Energy	63,589	156,197	3,101,770	3,321,556		24,555,441	2,510,189	27,065,630						30,387,186
01804002 - Alternative Energy		37,949		37,949										37,949
<b>01805 - Energy Sector Regulation</b>					<b>16,586,305</b>	<b>15,880,052</b>		<b>32,466,357</b>						<b>32,466,357</b>
01805001 - Power Sector Regulation					16,586,305	15,880,052		32,466,357						32,466,357
<b>Grand Total</b>	<b>2,630,392</b>	<b>1,941,790</b>	<b>85,441,770</b>	<b>90,013,952</b>	<b>16,586,305</b>	<b>40,435,493</b>	<b>2,510,189</b>	<b>59,531,987</b>				<b>178,362,595</b>	<b>586,488,879</b>	<b>764,851,474</b>

## **PART B: BUDGET PROGRAMME SUMMARY**

### **PROGRAMME 1: MANAGEMENT AND ADMINISTRATION**

#### **1. Budget Programme Objectives**

- To formulate policies for the Energy sector of the country
- To coordinate and monitor the activities of Energy sector agencies in the implementation of petroleum policies.
- To oversee the effective implementation of sector polices, programmes and projects
- To develop and strengthen institutional and human resource capacity in the Sector
- To provide institutional support for the administration of government business in the Energy sector

#### **2. Budget Programme Description**

The Management and Administration programme coordinates the activities of the Ministry of Energy.

The programme seeks to

- Ensure timely availability of support services as well as financial and material resources to facilitate the technical and operational activities of the Ministry.
- Facilitates the recruitment, development, motivation and management of manpower for effective and efficient service delivery towards the realisation of the Energy Sector vision and mission.
- Facilitates the preparation of strategic and corporate plans for the sector, defining sector targets and performance indicators. It also monitors and evaluates the implementation of all sector programmes and projects for the achievement of sectoral goals.

The programme has five sub programmes and delivered by four Directorates: General Administration and Finance; Human Resource Development and Management; Policy Planning, Budgeting, Monitoring and Evaluation; and Research and Statistics, Information and Public Relations



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<b>01801004 - Research, Statistics Information And Public Relations</b>	<b>131,757</b>	<b>131,757</b>	<b>131,757</b>
21 - Compensation of employees [GFS]	83,222	83,222	83,222
22 - Use of goods and services	48,535	48,535	48,535

# **BUDGET SUB PROGRAMME SUMMARY**

## **PROGRAMME 1: MANAGEMENT AND ADMINISTRATION**

### **SUB-PROGRAMME 1.1: General Administration and Finance**

#### **1. Budget Sub-Programme Objectives**

- To ensure efficient performance of the sector in achieving its objective
- To provide administrative and other functional support through the availability of services and necessary facilities to the sector
- To ensure efficient system for monitoring and evaluation of the progress of programmes and procurement with the view of eliminating waste and unearthing irregularities
- To safeguard the interest of the sector in all financial transactions relating to its budget, revenue and expenditure

#### **2. Budget Sub-Programme Description**

The General Administration is responsible for the effective functioning of the Ministry by ensuring timely availability of support services to facilitate the technical and operational activities of the Ministry.

The Finance unit ensures the availability of financial and material resources for the running of the Ministry. These include funds, vehicles, utilities, fuel and stationery. This Directorate ensures that the financial activities of the Ministry are in compliance with existing laws, policies, plans, standards and procedures.

The Internal Audit Unit improves organizational (the Ministry's) effectiveness and adds value to the operations/activities of the Ministry. These are done by;

- Identifying control weakness in the Ministry's operational systems,
- Evaluating its approach to mitigating/managing risks and
- Assessment of the governance structures in place

The Internal Audit Unit performs the following functions in the Ministry

- Cash Management Audit
- Fuel Audit
- Fixed Asset Audit
- Monitoring of Ministry's projects across the country

- Reconciling accounts with agencies
- Stores Audit
- Payroll Audit
- And any other Special assignment that may be assigned by Management from time to time

The Internal Audit Unit submits reports on every assignment it undertakes, copies of which are subject to request by Management and the Internal Audit Agency.

The Finance and Administration has the following units under its jurisdiction, namely, Accounts, Estate, Procurement and Stores, Transport, Treasury, Protocol, General Registry and Legal. The Directorate is currently supported by seventy-eight (78) established staff and twenty (20) contract staff.

The Directorate's programmes are funded through Government of Ghana subvention.

### **Key Challenges of the sub-programme**

Challenges encountered by the Directorate in undertaking its programmes include:

- Inadequate staff;
- Inadequate office accommodation;
- Untimely releases of funds to undertake programmes;
- Delay in meeting programme execution timelines due to technical challenges.

### **3. Budget Sub-Programme Results Statement**

The table indicates the main outputs, its indicators and projections by which the Ministry measures the performance of this sub-programme. The past data indicates actual performance whilst the projections are the Ministry's estimate of future performance.

Main Outputs	Output Indicator	Past Years		Projections			
		2016	2017	Budget Year 2018	Indicative Year 2019	Indicative Year 2020	Indicative Year 2021
Improve internal administration	Number of Minutes of Management Meetings	12	12	12	12	12	12
Annual Procurement and Cash Plan	Number of procurement plans	1	1	1	1	1	1
Internal Audit reports	Number of responses to Audit Queries	3	6	6	8	8	10

Main Outputs	Output Indicator	Past Years		Projections			
		2016	2017	Budget Year 2018	Indicative Year 2019	Indicative Year 2020	Indicative Year 2021
Financial management (Monthly and Annual Report)	Number of Monthly reports	12	12	12	12	12	12
	Annual financial reports submitted	-	1	1	1	1	1
Audit Committee Reports	Number of reports generated	4	4	4	4	6	6
Entity Tender Committee (ETC) review reports	Number of ETC reports approved	4	4	4	4	6	6
Ministerial Advisory Board Reports	Number of reports generated	2	4	4	4	4	4

#### 4. Budget Sub-Programme Operations and Projects

The table lists the main Operations and Projects to be undertaken by the sub-programme

Operations	Projects
<b>Internal Management of the Organisation</b> Payment of Utilities Payment of Cleaning Materials Travel and Transport Payment of Special Services Payment of General Expenses	<b>Acquisition of Immovable and Movable Assets</b>  Procurement of Assets and office equipment
<b>Procurement of Office Supplies and Consumables</b> Payment of Materials and Office Consumables	
<b>Information, Education and Communication</b> Seminars and Conference Cost	
<b>Maintenance, Rehabilitation, Refurbishment and Upgrade of existing Assets</b> Payment for Repairs and Maintenance	



## 2.9. Budget by Chart of Account

### 9 - Sub-Programme and Natural Account

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>01801001 - GENERAL ADMINISTRATION And FINANCE</b>	<b>11,490,520</b>	<b>11,490,520</b>	<b>11,490,520</b>
01801001 - GENERAL ADMINISTRATION And FINANCE	11,490,520	11,490,520	11,490,520
21 - Compensation of employees [GFS]	1,490,629	1,490,629	1,490,629
211 - Wages and salaries [GFS]	1,490,629	1,490,629	1,490,629
Goods and Services	1,009,891	1,009,891	1,009,891
22 - Use of goods and services	990,491	990,491	990,491
28 - Other expense	19,400	19,400	19,400
31 - Non financial assets	8,990,000	8,990,000	8,990,000
311 - Fixed assets	8,990,000	8,990,000	8,990,000

# **BUDGET SUB PROGRAMME SUMMARY**

## **PROGRAMME 1: MANAGEMENT AND ADMINISTRATION**

### **SUB-PROGRAMME 1.2: Human Resource Development & Management**

#### **1. Budget Sub-Programme Objectives**

- To ensure consistent and effective development and management of requisite Human Resource in terms of numbers, skills-mix and competencies for the execution of Sectoral goals (mandates).
- To introduce strategic mechanisms for planning and controlling human resource development and ensure smooth integration of new recruits, posted staff and national service personnel into the Ministry's work environment/culture.

#### **2. Budget Sub-Programme Description**

The Sub programme constitutes recruitment, employees' development, motivation and the management of man-power for effective and efficient service delivery towards the realization of the Energy Sector vision and mission.

The major services delivered by the sub programme are to:

- Coordinate staff recruitment and replacement processes
- Provide guidance in determining training needs of all categories of staff
- Coordinate and collate training and manpower development budgets for allocation of funds for implementation
- Coordinate staff performance appraisal management
- Initiate Human Resource Management policy guidelines
- Periodically review roles, regulations and procedures relating to training
- Institute measures to provide inter-linkage between sectoral plans and those of implementing agencies relating to manpower development to ensure the optimum utilization of personnel within the sector
- Facilitate periodic management and organizational reviews, job inspections and job descriptions, schemes of service and maintenance of carrier progression plans of the sector
- Facilitate the determination (review) of appropriate sectoral manpower/establishment levels consistent with overall operational requirements of the sector.



- Assist in the formulation and institution of welfare and safety policies in compliance with the labour laws

The Sub programme is delivered by the Human Resource Development and Management Directorate and is composed of two (2) units namely:

- Human Resource Development
- Human Resource Management

The Directorate has a total of eight (8) personnel who are in charge of delivering the above job functions. They are made up of one Director, one Deputy Director, two Assistant Director IIA, one Assistant Chief Executive Officer, one Senior Executive officer, one Higher Executive officer and one Stenographer Secretary.

The programmes are carried out in collaboration with various Directorates of the Ministry and the beneficiaries are the entire work force of the Ministry in particular and the clients of the Energy Sector in general. The Directorate's programmes are funded through Government of Ghana and Donor support.

#### **Key Challenges of the sub-programme**

Key challenges which the Directorate encounters in the delivery of its core functions include but not limited to the following:

- Inadequate and delays in the release of funds
- Delays on the part of supervisors and appraisees to complete and submit performance appraisal reports
- Low level of cooperation from other directorates in providing vital data for execution of functions

### 3. Budget Sub-Programme Results Statement

The table indicates the main outputs, its indicators and projections by which the Ministry measures the performance of this sub-programme. The past data indicates actual performance whilst the projections are the Ministry's estimate of future performance.

Main Outputs	Output Indicator	Past Years		Projections			
		2016	2017	Budget Year 2018	Indicative Year 2019	Indicative Year 2020	Indicative Year 2021
Staff trained, resourced and motivated	Number of personnel trained	74	80	85	90	95	100
Recruitment conducted	Number of personnel recruited for vacant positions	12	40	40	45	45	50
	Number of new employees inducted	60	33	60	60	65	70
Performance of staff appraised	Number of officers appraised	90	100	100	150	200	200
Human Resource Development/Management guidelines & procedures developed and reviewed periodically.	Number development and reviews carried out	1	1	1	1	1	1
Improved Staff Welfare	Number of welfare programmes organized	6	6	6	6	6	6
Revised Organizational / Job schedules and functions and Establishment Levels	Number of Reviews carried out	1	1	1	1	1	1

#### 4. Budget Sub-Programme Operations and Projects

The table lists the main operations and projects to be undertaken by the sub-programme

Operations	Projects
<b>Placement and Promotions expenses</b> Conduct Promotion interviews Conduct Orientation / Induction of new Staff	No Projects
<b>Personnel and Staff Management</b> Collation and Evaluation of staff performance Appraisal forms Development of HRM Policy and Guidelines Review of Work Programme and Performance Organize Staff Welfare and Safety Programme Update of Organizational Manual	
<b>Manpower Skill Development</b> Staff trained and resourced	



## 2.9. Budget by Chart of Account

### 9 - Sub-Programme and Natural Account

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>01801002 - Human Resource</b>	<b>303,672</b>	<b>303,672</b>	<b>303,672</b>
01801002 - Human Resource	303,672	303,672	303,672
21 - Compensation of employees [GFS]	255,137	255,137	255,137
211 - Wages and salaries [GFS]	255,137	255,137	255,137
Goods and Services	48,535	48,535	48,535
22 - Use of goods and services	37,400	37,400	37,400
28 - Other expense	11,135	11,135	11,135

# **BUDGET SUB PROGRAMME SUMMARY**

## **PROGRAMME 1: MANAGEMENT AND ADMINISTRATION**

### **SUB-PROGRAMME 1.3: Policy Planning, Budgeting, Monitoring and Evaluation**

#### **1. Budget Sub-Programme Objective**

To ensure effective policy planning, budgeting, monitoring and evaluation of the sector activities

#### **2. Budget Sub-Programme Description**

The Policy Planning, Budgeting Monitoring and Evaluation Directorate (PPBMED):

- Spearheads and facilitates the preparation of strategic and corporate plans for the sector, defining sector targets and performance indicators.
- Translates programmes into financial costing and budgeting.
- Ensures that sector projects and programmes are in line the with national development agenda.
- Monitors and prepare reports on the implementation of all sector programmes and projects for the achievement of sectoral goals.

#### **Key Challenges of the sub-programme**

- Difficulties in obtaining data on performance especially from Sector Agencies within the January deadline
- Delays in getting inputs from Directorates and Units
- Limited GoG funding
- Delays in submissions by Directorates
- Units not adhering to approved templates

### 3. Budget Sub-Programme Results Statement

The table indicates the main outputs, its indicators and projections by which the Ministry measures the performance of this sub-programme. The past data indicates actual performance whilst the projections are the Ministry's estimate of future performance.

Main Outputs	Output Indicator	Past Years		Projections			
		2016	2017	Budget Year 2018	Indicative Year 2019	Indicative Year 2020	Indicative Year 2021
Annual Work Programme	Submitted by	2nd March	14 April	3rd February	3rd February	3rd February	3rd February
Annual Performance Report	Submitted by	17th January	14th January	25th January	25th January	25th January	25th January
Report on Mid-year Performance	Report submitted by	31st August	20th July	3rd September	3rd September	3rd September	3rd September
Quarterly performance report	Number of reports submitted	4	4	4	4	4	4
Draft Budget	Number of Budget Committee Meetings	5	5	5	5	5	5

### 4. Budget Sub-Programme Operations and Projects

The table lists the main operations and projects to be undertaken by the sub-programme

Operations	Projects
<b>Manpower Skills Development</b> Staff trained and resourced	No Projects
<b>Policies and Programme Review Activities</b> Preparation of annual performance report Mid-year review of Sector Performance Tender Review Board Meetings	
<b>Management and Monitoring Policies, Programmes and Projects</b> Preparation of work programme & Quarterly Reports Projects monitored and evaluated	



## 2.9. Budget by Chart of Account

### 9 - Sub-Programme and Natural Account

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>01801003 - Policy Planning,Budgeting, Monitoring And</b>	<b>765,224,144</b>	<b>765,224,144</b>	<b>765,224,144</b>
<b>01801003 - Policy Planning,Budgeting, Monitoring And Evaluation</b>	<b>765,224,144</b>	<b>765,224,144</b>	<b>765,224,144</b>
<i>21 - Compensation of employees [GFS]</i>	139,692	139,692	139,692
211 - Wages and salaries [GFS]	139,692	139,692	139,692
<i>Goods and Services</i>	178,595,573	178,595,573	178,595,573
22 - Use of goods and services	178,595,573	178,595,573	178,595,573
<i>31 - Non financial assets</i>	586,488,879	586,488,879	586,488,879
311 - Fixed assets	586,488,879	586,488,879	586,488,879

# **BUDGET SUB-PROGRAMME SUMMARY**

## **PROGRAMME 1: MANAGEMENT AND ADMINISTRATION**

### **SUB-PROGRAMME 1.4: Statistics, Research, Information and Public Relations**

#### **1. Budget Sub-Programme Objectives**

- To conduct research into policy and strategy options.
- To compile and analyze data for the Ministry in particular and Government as a whole.
- To create and maintain a data bank for effective and efficient decision making.
- To project the good image of the sector both within and outside the country by disseminating information on the Ministry's policies, activities and procedures.
- To provide a mechanism for receiving feedback on government's policies and activities.

#### **2. Budget Sub-Programme Description**

The Directorate serves as the main information and publications unit of all the other Directorates in the sector and manages its client services centre.

It conducts research and seeks for information and data to aid decision-making relevant to the achievement of the sectorial objectives and goals.

The Directorate facilitates actions on the Ministry's policies and programmes through commissioning of projects, press releases, press conferences, briefings, workshops, seminars, meetings etc.

The activities of the Directorate are mostly funded by the Government of Ghana, and this comprises the activities of the Communication unit, the IT unit, Research and Statistics. In all, the Directorate has about Twelve (12) staff, most of who are contract staffs. The Directorate is often not able to deliver its mandate effectively due to the following factors:

- Inadequate budgetary allocation
- Inadequate Staff
- Inadequate Staff Capacity, especially in data collection and analysis



### 3. Budget Sub-Programme Results Statement

The table indicates the main outputs, indicators and projections by which the Ministry measures the performance of this sub-program. The past data indicates actual performance whilst the projections are the Ministry's estimate of future performance.

Main Outputs	Output Indicator	Past Years		Projections			
		2016	2017	Budget Year 2018	Indicative Year 2019	Indicative Year 2020	Indicative Year 2021
Compilation of statistical data for analysis and dissemination	Number of research activities undertaken	2	3	4	4	4	4
Press conferences	Number of Press Conference held	3	3	5	5	5	5
Public sensitization	Number of Outreach Programmes	1	2	4	4	5	6
Media Interviews	Number of Interviews conducted	14	16	16	16	18	20
Production of Communication Materials	Number of Materials produced	300	300	400	400	400	400
Establishment of ICT Enterprise Architecture	Number of staff trained on E-workspace application systems	100	100	150	150	200	200

#### 4. Budget Sub-Programme Operations and Projects

The table lists the main Operations and projects to be undertaken by the sub-programme

Operations	Projects
Research and Development	No Projects
Upgrade and maintenance of data bank	
Dissemination of information on status of projects	
Comprehensive sector report on oil and gas production	
Energy update (Annual Magazine) Meet the press	
ICT Enterprise Architecture	



## 2.9. Budget by Chart of Account

### 9 - Sub-Programme and Natural Account

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>01801004 - Research, Statistics Information And Public</b>	<b>131,757</b>	<b>131,757</b>	<b>131,757</b>
01801004 - Research, Statistics Information And Public Relations	131,757	131,757	131,757
21 - Compensation of employees [GFS]	83,222	83,222	83,222
211 - Wages and salaries [GFS]	83,222	83,222	83,222
Goods and Services	48,535	48,535	48,535
22 - Use of goods and services	48,535	48,535	48,535

# **BUDGET PROGRAMME SUMMARY**

## **PROGRAMME 2: POWER SECTOR DEVELOPMENT AND MANAGEMENT**

### **1. Budget Programme Objectives**

- To ensure adequate and reliable power supply
- To increase access to electricity
- To restore financial health in the Power sector

### **2. Budget Programme Description**

The Ghana electricity supply industry is unbundled with separate jurisdictions and entities regarding activities of electricity generation, transmission and distribution. Electricity generation is carried out by the state owned Volta River Authority and Independent Power Producers (IPPs).

The National Interconnected Transmission System (NITS) for electricity is owned and operated by the Ghana Grid Company Limited (GRIDCO), which is also state-owned.

The Energy Commission (EC) and the Public Utility Regulatory Commission (PURC) are the regulators of the power sub-sector. The EC is responsible for Technical Regulation whilst the PURC does the economic component and sets tariffs for the subsector.

The goal of the power sector is to become a major net exporter of power in the sub-region by 2020. This is to be achieved through capacity addition, modernization of transmission and distribution infrastructure.

The Ministry is responsible for formulating policies to address the power shortage in the country. The policy responses will be

- Increase generation capacity
- Reinforce and add capacity at the transmission and distribution levels
- Open up the sub-sector to Independent Power Producers (IPPs) and private sector participation in generation
- Strengthen the regulatory environment

The various objectives have been set in consultation with the various stakeholders in order to address the power supply shortages:

- Increase installed generation capacity
- Achieve gas-based generation for at least 50% of thermal power plant
- Increase participation of IPPs in the Power Sector through transparent procurement
- Improve and modernise electricity distribution infrastructure to reduce system losses
- Develop a non-congested electricity transmission network
- Strengthen Regulatory Agencies to perform their functions effectively

The Ministry will be formulating policies to address the issue of inadequate access to electricity. The policy responses will be

- Increase the momentum of the National Electrification Scheme (NES) to provide access to electricity progressively to all communities
- Upgrade and reinforce transmission and distribution network capacity
- Open up the sub-sector to private sector participation in power distribution and sale

The Ministry will be formulating policies to restore the financial health of VRA and ECG. The policy responses will be

- Ensure cost-recovery tariffs for electricity production and supply
- Strengthen the Public Utilities Regulatory Commission (PURC) to determine and implement efficient and cost-reflective tariffs for electricity
- Ensure the independence of regulatory agencies

The following objective has been set in consultation with the various stakeholders in order to restore the financial health of VRA and ECG:

- Achieve economically efficient tariffs



## 2.6.1 Budget by Chart of Account

### 6.1 - Programme, Sub-Programme and Natural Account Summary

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>01802 - Power Generation, Transmission And Distribution</b>	<b>70,515,723</b>	<b>70,515,723</b>	<b>70,515,723</b>
<b>01802001- Power Generation and Transmission</b>	<b>94,168</b>	<b>94,168</b>	<b>94,168</b>
21 - Compensation of employees [GFS]	35,925	35,925	35,925
22 - Use of goods and services	58,243	58,243	58,243
<b>01802002- Power Distribution</b>	<b>70,421,555</b>	<b>70,421,555</b>	<b>70,421,555</b>
21 - Compensation of employees [GFS]	324,483	324,483	324,483
22 - Use of goods and services	97,072	97,072	97,072
31 - Non financial assets	70,000,000	70,000,000	70,000,000

# BUDGET PROGRAMME SUMMARY

## PROGRAMME 2: POWER SECTOR DEVELOPMENT AND MANAGEMENT

### SUB-PROGRAMME 2.1: Generation and Transmission

#### 1. Budget Sub-Programme Objectives

- To ensure adequate and reliable power supply
- To restore financial health of VRA

#### 2. Budget Sub-Programme Description

The generation and transmission sub-sectors monitor and evaluate policies formulated by the Ministry to ensure that programmes and projects are implemented within set targets.

The number of staff involved in the delivering of this programme is six (6). Funding of programmes is through Government of Ghana (GoG), and Donor. The list of beneficiaries of programmes and projects carried out in the power sub-sector cuts across the entire country.

#### 3. Budget Sub-Programme Results Statement

The following output indicators are the means by which the Ministry measures the performance of this programme. The table indicates the main outputs and an indicator for each. Where past data has been collected this is presented. The projections are the Ministry's estimate of future performance.

Main Outputs	Output Indicator	Past Years		Projections			
		2016	2017	Budget Year 2018	Indicative Year 2019	Indicative Year 2020	Indicative Year 2021
Expansion of generation capacity	Additional power generation capacity installed in MW	880	445	487	290	206	-

#### 4. **Budget Sub-Programme Operations and Projects**

The table lists the main Operations and projects to be undertaken by the programme

<b>Operations</b>	<b>Projects</b>
<b>Electric power generation, transmission and distribution</b>  Monitoring of projects Staff trained and resourced	No Project





## 2.9. Budget by Chart of Account

### 9 - Sub-Programme and Natural Account

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>01802001- Power Generation and Transmission</b>	<b>94,168</b>	<b>94,168</b>	<b>94,168</b>
01802001- Power Generation and Transmission	94,168	94,168	94,168
21 - Compensation of employees [GFS]	35,925	35,925	35,925
211 - Wages and salaries [GFS]	35,925	35,925	35,925
Goods and Services	58,243	58,243	58,243
22 - Use of goods and services	58,243	58,243	58,243

# **BUDGET PROGRAMME SUMMARY**

## **PROGRAMME 2: POWER SECTOR DEVELOPMENT AND MANAGEMENT**

### **SUB-PROGRAMME 2.2: Power Distribution**

#### **1. Budget Sub-Programme Objectives**

- To increase access to electricity
- To restore financial health NEDCo and ECG

#### **2. Budget Sub-Programme Description**

The distribution sub-sector monitors and evaluates policies formulated by the Ministry to ensure that programmes and projects are implemented within set targets.

The number of staff involved in the delivering of this sub-programme is thirty-seven (37). Funding of programmes is through Government of Ghana (GOG), and Donor. The list of beneficiaries of programmes and projects carried out in the power sub-sector cuts across the entire country.

#### **Key Challenges of the sub-programme**

- Insufficient budgetary allocation
- Unavailability of key materials such as conductors, poles and stays at site.
- Delays in clearing of materials owing to Ministry of Finance (MoF) new directives on Tax Exemption.
- Delays in processing contractor's payments.

### 3. Budget Programme Results Statement

The table indicates the main outputs, its indicators and projections by which the Ministry measures the performance of this sub-programme. The past data indicates actual performance whilst the projections are the Ministry's estimate of future performance.

Main Outputs	Output Indicator	Past Years		Projections			
		2016	2017	Budget Year 2018	Indicative Year 2019	Indicative Year 2020	Indicative Year 2021
Improved of Power Distribution System Losses	Percentage reduction in distribution losses	23.18%	23.50%	21%	-	-	-
Electricity extended to deprived communities	Number of communities connected to the national grid	1212	289	1769	1500	1500	1500
Access to Electricity increased	Percentage communities connected	83.24%	83.62%	86.5%	88%	90%	-

### 4. Budget Sub-Programme Operations and Projects

The table lists the main Operations and projects to be undertaken by the sub-programme

Operations	Projects
<b>Electric power generation, transmission and distribution</b> Monitoring of projects Staff trained and resourced	<b>National Electrification Programme</b> SHEP Programme Procurement of Electrical Networks Litigation



## 2.9. Budget by Chart of Account

### 9 - Sub-Programme and Natural Account

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>01802002- Power Distribution</b>	<b>70,421,555</b>	<b>70,421,555</b>	<b>70,421,555</b>
01802002- Power Distribution	70,421,555	70,421,555	70,421,555
21 - Compensation of employees [GFS]	324,483	324,483	324,483
211 - Wages and salaries [GFS]	324,483	324,483	324,483
Goods and Services	97,072	97,072	97,072
22 - Use of goods and services	97,072	97,072	97,072
31 - Non financial assets	70,000,000	70,000,000	70,000,000
311 - Fixed assets	70,000,000	70,000,000	70,000,000

# **BUDGET PROGRAMME SUMMARY**

## **PROGRAMME 3: PETROLEUM SECTOR DEVELOPMENT**

### **1. Budget Programme Objectives**

- To formulate, monitor and evaluate the implementation of policies relating to the petroleum sub-sector.
- To maximize the benefits of petroleum activities and resources to Ghanaians.
- To ensure a well-managed and transparent regulatory environment for operations in the petroleum sub-sector.
- To promote and encourage private sector participation in the petroleum sub-sector.

### **2. Budget Programme Description**

The Petroleum Directorate of the Ministry delivers this Programme with the following key services:

- Provides policy direction to the sector agencies within the petroleum sub sector and promote the use of modern forms of energy such as LPG and natural gas.
- Undertakes monitoring and evaluation of policies and projects undertaken by its institutions.
- Establishes regimes and institutions to ensure effective regulation and management of petroleum resources in a safe and transparent manner.
- Undertakes programmes to develop the capacity of its staff and sector agencies to meet new challenges. It also encourages its staff and agencies to participate in both local and international networks and fora with the aim of promoting the country's resources and encourage private sector participation in the industry.

The programme is delivered in collaboration with other state owned organisation such as Tema Oil Refinery (TOR), National Petroleum Authority (NPA), Bulk Oil Storage and Transportation Company (BOST), Ghana Cylinder Manufacturing Company (GCMC), Ghana Oil Company Limited (GOIL), Ghana National Petroleum Corporation (GNPC), and Ghana National Gas Company (GNGC) and Petroleum Commission (PC).

Twenty-eight (28) personnel are involved in the delivery of this programme and funding is mainly from the Government of Ghana (GoG) with support from other Developmental Partners Fund.

# **BUDGET SUB-PROGRAMME SUMMARY**

## **PROGRAMME 3: PETROLEUM SECTOR DEVELOPMENT**

### **SUB PROGRAMME 3.1: Upstream Development**

#### **1. Budget Sub-Programme Objectives**

- To formulate, monitor and evaluate policies relating to Upstream development
- To develop policies to promote and encourage private sector participation in the Upstream development

#### **2. Budget Sub-Programme Description**

This sub programme is delivered by the Petroleum Upstream Directorate and it ensures the availability of technical expertise and guidance in all processes in the development of policies, plans, regulations, standards, programmes and projects for the Petroleum Upstream sub-sector of the Ministry.

The Directorate performs the following functions:

- Develops and reviews the broad policies for the petroleum upstream sub-sector of the Ministry.
- Designs and develops petroleum management and investment mechanisms, systems, plans, strategies, standards and regulations to Manage oil and gas revenues transparently and ensures equity
- Encourage investments along the oil and gas industry value chain, create new strategic options and generate National competitive advantage.
- Create new strategic options and generate National competitive advantage.

The Directorate has a total of twelve (12) personnel made up of ten (10) staff and two (2) National Service Personnel in charge of delivering the above job functions. Funding is mainly from the Government of Ghana (GoG) with support from other Developmental Partners Fund.



## 2.6.1 Budget by Chart of Account

### 6.1 - Programme, Sub-Programme and Natural Account Summary

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>01803 - Petroleum Development</b>	<b>3,840,104</b>	<b>3,840,104</b>	<b>3,840,104</b>
<b>01803001- Upstream</b>	<b>288,154</b>	<b>288,154</b>	<b>288,154</b>
21 - Compensation of employees [GFS]	174,828	174,828	174,828
22 - Use of goods and services	113,326	113,326	113,326
<b>01803002- Downstream</b>	<b>3,492,804</b>	<b>3,492,804</b>	<b>3,492,804</b>
21 - Compensation of employees [GFS]	19,254	19,254	19,254
22 - Use of goods and services	123,550	123,550	123,550
31 - Non financial assets	3,350,000	3,350,000	3,350,000
<b>01803003- Health, Security, Safety and Environment</b>	<b>59,146</b>	<b>59,146</b>	<b>59,146</b>
21 - Compensation of employees [GFS]	43,633	43,633	43,633
22 - Use of goods and services	15,513	15,513	15,513

### 3. Budget Sub-Programme Results Statement

The table indicates the main outputs, indicators and projections by which the Ministry measures the performance of this sub-programme. The past data indicates actual performance whilst the projections are the Ministry's estimate of future performance.

Main Outputs	Output Indicator	Past Years		Projections			
		2016	2017	Budget Year 2018	Indicative Year 2019	Indicative Year 2020	Indicative Year 2021
Sedimentary basins promoted	Number of promotional events organised and attended	3	4	4	4	4	4
Bidding process opened	Number of successful bidding process opened	N/A	Guidelines for Bidding process developed	2	4	4	4
Petroleum Agreements (PA) increased	Number of PAs ratified	3	0	3	4	4	4
Plan of Development (PoD) approved	Number of PoDs approved	N/A	1	1	N/A	N/A	1
Jubilee + Greater Jubilee production increased	Annual quantities of oil and gas produced	Oil: 26,981,640 bbls Gas Export: 21,580 mmscf	Oil: 27,165,129 bbls Gas Export: 35,997.29 mmscf	Oil: 5,0320,000 bbls Gas Export: 35,040 mmscf	Oil: 5,320,000 bbls Gas Export: 35,040 mmscf	Oil: 5,320,000 bbls Gas Export: 35,770 mmscf	Oil: 5,320,000 bbls Gas Export: 35,040 mmscf
Turret Remediation Project completed	Progress of TRP execution	Turret bearing Locked	Bearing Stabilization commenced	Bearing stabilization completed and Permanent	Permanent solution completed	-	-



Main Outputs	Output Indicator	Past Years		Projections			
		2016	2017	Budget Year 2018	Indicative Year 2019	Indicative Year 2020	Indicative Year 2021
				nt solution commenced			
TEN production increased	Annual quantities of oil and gas produced	Oil: 5,320,000 bbls Gas Export: 6.5 mmscf	Oil: 18,438,557 bbls Gas Export: 24,343.57 mmscf	Oil: 19,969,150 bbls Gas Export: 13,728 mmscf	Oil: 25,550,000 bbls Gas Export: 18,250 mmscf	Oil: 25,550,000 bbls Gas Export: 18,250 mmscf	Oil: 23,241,000 bbls Gas Export: 18,155 mmscf
Sankofa-GyeNyame production increased	Annual quantities of oil and gas produced	N/A	Oil: 2,929,935.48 bbls Gas Exported: 3,819.21	Oil: 10,599,600 bbls Gas Export: 28,756 mmscf	Oil: 16,399,450 bbls Gas Export: 62,415 mmscf	Oil: 16,501,650 bbls Gas Export: 62,415 mmscf	Oil: 16,399,450 bbls Gas Export: 62,415 mmscf
WAGP--GNGC Interconnection completed	Perfcentage completion	N/A	20% of work completed	100% of work completion	N/A	N/A	N/A
Projects sites visited	Number of sites visited	N/A	4	4	4	4	4

#### 4. Budget Sub-programme Operations and Projects

The table lists the main Operations and projects to be undertaken by the sub-programme

Operations	Projects
<p><b>Monitor Energy System</b></p> <ul style="list-style-type: none"><li>• Monitor and evaluate petroleum subsector activities</li><li>• Monitor and evaluate block acquisitions</li></ul> <p><b>Gas Production related activities</b></p> <ul style="list-style-type: none"><li>• Development of Gas Master Plan, evaluate Gas infrastructure and develop LNG infrastructure and fertilizer.</li></ul> <p>Monitoring and evaluation of petroleum sector related projects Implementation of Gas Master Plan Development of a Gas Policy</p>	<p>No Projects</p>



## 2.9. Budget by Chart of Account

### 9 - Sub-Programme and Natural Account

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>01803001- Upstream</b>	<b>288,154</b>	<b>288,154</b>	<b>288,154</b>
01803001- Upstream	288,154	288,154	288,154
21 - Compensation of employees [GFS]	174,828	174,828	174,828
211 - Wages and salaries [GFS]	174,828	174,828	174,828
Goods and Services	113,326	113,326	113,326
22 - Use of goods and services	113,326	113,326	113,326

# **BUDGET SUB-PROGRAMME SUMMARY**

## **PROGRAMME 3: PETROLEUM SECTOR DEVELOPMENT**

### **SUB PROGRAMME 3.2: Downstream Development**

#### **1. Budget Sub-Programme Objectives**

- To develop policies that promote and encourage private sector participation in the downstream sector
- To formulate, monitor and evaluate policies relating to Downstream development

#### **2. Budget Sub-Programme Description**

This Sub programme ensures the availability of technical expertise and guidance in all processes in the development of policies, plans, regulations, standards, programmes and projects for the petroleum downstream sub-sector of the Ministry.

The Petroleum Downstream Directorate delivers this sub-programme which is made up of 2 Units and performs the following functions:

##### **Petroleum Product Distribution Unit**

Develops and reviews the broad policies for the downstream sub-sector of the Ministry. Designs and develops petroleum distribution mechanisms, systems, plans, strategies, standards and regulations to ensure fair distribution of petroleum products to all parts of the country and reduce heavy burden of oil imports on the country's economy.

##### **Petroleum Infrastructure Development Unit**

- Develops and reviews the broad policies for the downstream sub-sector of the Ministry.
- Designs and develops petroleum downstream mechanisms, systems, plans, strategies, standards and regulations to rehabilitate and expand petroleum refining, storage, distribution and marketing infrastructure,
- Create new strategic options and generate National competitive advantage.

The Directorate has eleven (11) staff, which is made up of nine (9) staff on contract and two (2) National Service Personnel. Funding is mainly from the Government of Ghana (GoG) with support from other Developmental Partners Fund.

### 3. Budget Sub-programme Results Statement

The table indicates the main outputs, indicators and projections by which the Ministry measures the performance of this sub-programme. The past data indicates actual performance whilst the projections are the Ministry's estimate of future performance.

Main Outputs	Output Indicator	Past Years		Projections			
		2016	2017	Budget Year 2018	Indicative Year 2019	Indicative Year 2020	Indicative Year 2021
LPG Cylinders and Stoves	Number of Cylinders	46,370	28,000	100,000	50,000	50,000	50,000
	Number of Districts	28	28	100	50	50	50

### 4. Budget Sub-programme Operations and Projects

The table lists the main Operations and projects to be undertaken by the sub-programme

Operations	Projects
<p><b>Petroleum products, fuels and other energy resources</b></p> <p>Undertake Rural LPG promotion</p>	<p>Procurement of LPG cylinders and accessories</p>



## 2.9. Budget by Chart of Account

### 9 - Sub-Programme and Natural Account

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>01803002- Downstream</b>	<b>3,492,804</b>	<b>3,492,804</b>	<b>3,492,804</b>
01803002- Downstream	3,492,804	3,492,804	3,492,804
21 - Compensation of employees [GFS]	19,254	19,254	19,254
211 - Wages and salaries [GFS]	19,254	19,254	19,254
Goods and Services	123,550	123,550	123,550
22 - Use of goods and services	123,550	123,550	123,550
31 - Non financial assets	3,350,000	3,350,000	3,350,000
311 - Fixed assets	3,350,000	3,350,000	3,350,000

# **BUDGET SUB-PROGRAMME SUMMARY**

## **PROGRAMME 3: PETROLEUM SECTOR DEVELOPMENT**

### **SUB PROGRAMME 3.3: Health, Safety, Environment and Security**

#### **1. Budget Sub-Programme Objectives**

To develop, monitor and evaluate policies to ensure health, safety and security of the Petroleum sector

#### **2. Budget Sub-Programme Description**

This Sub programme ensures the availability of technical expertise and guidance in all processes in the development of policies, plans, regulations, standards, programmes and projects for the petroleum Health, Safety, Security and Environment sub-sector of the Ministry.

The Health, Safety, Environment and Security Directorate made up of 3 units deliver this sub programme and perform the following functions:

##### **Health and Safety Unit:**

- Develops and reviews broad HSSE policies and strategies for the sector.
- Designs and develops petroleum sector Health and Safety mechanisms, systems, plans, strategies and standards.
- Ensures adherence to environmental principles, standards and regulations on Health and Safety in the exploration, development and production of oil and gas from oil or gas fields.

##### **Physical Environment Unit:**

- Ensures adherence to environmental protection principles, standards and regulations in all agreements, contracts or memoranda for the exploration, development and production of oil and gas from oil or gas fields.

##### **Petroleum Industry Security Unit:**

- Ensures security for oil and gas industry installations and operations through the development of dedicated

The Directorate has a total of twelve (12) personnel made up of ten (5) staff; 2 permanent and 3 on contract; and two (2) National Service Personnel.

### 3. Budget Sub-Programme Results Statement

The table indicates the main outputs, indicators and projections by which the Ministry measures the performance of this sub-programme. The past data indicates actual performance whilst the projections are the Ministry's estimate of future performance.

Main Outputs	Output Indicator	Past Years		Projections			
		2016	2017	Budget Year 2018	Indicative Year 2019	Indicative Year 2020	Indicative Year 2021
Policy drafted and implemented	% of policy drafted policy directions implemented quarterly update reports on Policy drafting and Implementation HSE Policy (MoV)	60% of policy drafted	100% of policy drafted	industry working group established government working group established	regulatory body established HSSE management system regularized	-	-
Identified high risk issues closed-out	% of issues closed-out Update report on implementation of recommendations in audit report (MoV)	-	-	25% of high risk issues closed-out	50% of high risk issues closed-out	80% of high risk issues closed-out	100% of high risk issues closed-out
Risk register Mitigation measures implemented (HSE Policy developed) Policy Statement developed)	% of risk register developed % of mitigation measures implemented Update report on Implementation of Draft HSSE Policy (MoV)	-	100% of risk assessment conducted	30% of mitigation measures implemented	50% of mitigation measures implemented	75% of mitigation measures implemented	100% of mitigation measures implemented



Main Outputs	Output Indicator	Past Years		Projections			
		2016	2017	Budget Year 2018	Indicative Year 2019	Indicative Year 2020	Indicative Year 2021
Programmes/ projects in action plan drafted and implemented	% of Action Plan drafted  % of programmes/ projects implemented  quarterly reports on implementation and monitoring of programmes/ projects (MoV)	-	100% of action plan drafted	15% of programmes/ projects in action plan implemented	35% of programmes/ projects in action plan implemented	50% of programmes/ projects in action plan implemented	70% of programmes/ projects in action plan implemented
SEA recommendations within Ministry's purview Implemented	% of recommendations implemented  Update reports on implemented recommendations from SEA report (MoV)	-	-	15% of recommendations implemented	35% of recommendations implemented	50% of recommendations implemented	70% recommendations implemented
Policy drafted	% of policy drafted  quarterly update reports on Policy drafting and Implementation HSE Policy (MoV)	-	50% of policy drafted	100% of policy drafted	-	-	-
Capacity of Staff built through training programmes/ conferences /workshops	number of staff participate in training programmes/ conferences/workshops	5	5	5	5	5	5

**4. Budget Sub-Programme Operations and Projects**

The table lists the main Operations and projects to be undertaken by the sub-programme

<b>Operations</b>
<b>Petroleum Sector Regulation</b> Development of Health Environment Safety and Security Policy

<b>Projects</b>



## 2.9. Budget by Chart of Account

### 9 - Sub-Programme and Natural Account

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>01803003- Health, Security, Safety and Environment</b>	<b>59,146</b>	<b>59,146</b>	<b>59,146</b>
01803003- Health, Security, Safety and Environment	59,146	59,146	59,146
21 - Compensation of employees [GFS]	43,633	43,633	43,633
211 - Wages and salaries [GFS]	43,633	43,633	43,633
Goods and Services	15,513	15,513	15,513
22 - Use of goods and services	15,513	15,513	15,513

# **BUDGET PROGRAMME SUMMARY**

## **PROGRAMME 4: RENEWABLE ENERGY DEVELOPMENT**

### **1. Budget Programme Objective**

To formulate, evaluate and monitor the implementation of policies related to the renewable, nuclear and alternative energy subsectors.

### **2. Budget Programme Description**

The Renewable Energy Directorate is responsible for the promotion and development of the country's renewable energy resources and delivering of the programme. The main issues of the renewable energy sub-sector are:

- Low contribution of Renewable Energy (small hydro, modern biomass, wind, solar and biofuels) in the generation mix.
- Difficulty in the extension of grid electricity to remote rural communities (including islands & lakeside communities). Challenges of deploying Renewable Energy Electricity to remote off grid communities.
- Relatively high cost of energy produced from renewable sources
- Low contribution of the use of Biofuel for Energy
- Over dependence and inefficient utilization of wood fuel resources
- Inadequate funding for the promotion of Renewable Energy
- Unexplored alternative and cheaper energy sources

To achieve 10% contribution of new renewable in the electricity generation mix, electricity for remote communities and the reduction of over dependency on wood fuel from 72% to 50% by 2020, the following strategies will be undertaken:

- Implement the provisions in the Renewable Energy Act, 2011 (ACT 832)
- Facilitate the development and enactment of relevant legislative instruments
- Feed –in –tariff
- Promote net metering concept for households and institutions
- Support Resource Assessment for wind, hydro and biomass
- Support R&D in the Renewable Energy Sector
- Completely wean-off MDAs from the national electricity grid through roof-top solar PV
- Promote the local assembly / manufacture of solar and other Renewable Energy equipment
- Promote Public Private Partnership for integrated hydro projects

- Establishment of the Renewable Energy Authority.
- Promote off grid electrification options
- Promote cleaner cooking technologies to reduce Household Air Pollution and over dependence on wood fuel
- Promote effective wood fuel utilization technologies to reduce rate of deforestation
- Resource and Operationalize the Renewable Energy Fund
- Nuclear Power planning and implementation
- Research into other cheaper alternative clean energy sources

The number of staff involved in the delivering of this programme is twenty (20) and the funding source is GoG and Development Partners.



## 2.6.1 Budget by Chart of Account

### 6.1 - Programme, Sub-Programme and Natural Account Summary

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>01804 - Renewable Energy Development</b>	<b>30,425,135</b>	<b>30,425,135</b>	<b>30,425,135</b>
<b>01804001- Renewable Energy</b>	<b>30,387,186</b>	<b>30,387,186</b>	<b>30,387,186</b>
21 - Compensation of employees [GFS]	63,589	63,589	63,589
22 - Use of goods and services	24,711,638	24,711,638	24,711,638
31 - Non financial assets	5,611,959	5,611,959	5,611,959
<b>01804002- Alternative Energy</b>	<b>37,949</b>	<b>37,949</b>	<b>37,949</b>
22 - Use of goods and services	37,949	37,949	37,949

# **BUDGET PROGRAMME SUMMARY**

## **PROGRAMME 4: RENEWABLE ENERGY DEVELOPMENT**

### **SUB-PROGRAMME 4.1: Renewable Energy**

#### **1. Budget Programme Objective**

To formulate, evaluate and monitor the implementation of policies related to the renewable energy subsector

#### **2. Budget Programme Description**

The Renewable Energy Directorate delivers this sub-programme which is made up of 2 Units and performs the following functions:

##### **Renewable Electrification Unit**

The Unit is responsible for the development, implementation and monitoring of renewable based electricity services for off-grid and grid connected electrification programmes. The off-grid electrification program provides stand-alone solar PV systems to remote off-grid homes and public institutions. The grid connected electrification program is responsible for integration of renewable energy resources (biomass, hydro below 100MW, solar, waste-to-energy and wind) into the transmission and distribution grid network.

##### **Bioenergy, Energy Efficiency and Conservation Unit**

The Unit develops and reviews the broad policies for the biomass sub-sector of the Ministry. It designs and develops bio-power mechanisms, systems, plans, strategies, standards and regulations to support corporate, domestic life and businesses create new strategic options and generate national competitive advantage.

### 3. Budget Programme Results Statement

The table indicates the main outputs, its indicators and projections by which the Ministry measures the performance of this sub-programme. The past data indicates actual performance whilst the projections are the Ministry's estimate of future performance.

Main Outputs	Output Indicator	Past Years		Projections			
		2016	2017	Budget Year 2018	Indicative Year 2019	Indicative Year 2020	Indicative Year 2021
Increased renewable energy in the national energy supply mix	Percentage in generation mix	1%	1.5%	3%	7%	10%	12%
Mini-grid Electrification using Renewable Energy technologies in island and lakeside communities installed	Number of communities connected to the mini-grid	5	0	3	15	10	50
Distributed Solar PV for Public Facilities	Number of DPV installed	11	1	25	100	40	150
Standalone solar PV installations (public and households)	Number of systems installed	334	250	3500	3000	120	5000
Achieve dissemination of 1 million improved cook-stoves for domestic use	Percentage of completion	10%	10%	40%	20%	2500	10%
Achieve dissemination of 10,000 improved cook-stoves for institutional use	Percentage of completion	10%	8%	10%	40%	10%	12%



**4. Budget Sub-Programme Operations and Projects**

The table lists the main Operations and projects to be undertaken by the sub-programme

<b>Operations</b>
<b>Renewable Energy Programme</b> Renewable Electricity Non-Renewable Electricity

<b>Projects</b>
MMDAs Solar Rooftop Programme  Utility Scale Renewable Electricity



## 2.9. Budget by Chart of Account

### 9 - Sub-Programme and Natural Account

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>01804001- Renewable Energy</b>	<b>30,387,186</b>	<b>30,387,186</b>	<b>30,387,186</b>
01804001- Renewable Energy	30,387,186	30,387,186	30,387,186
21 - Compensation of employees [GFS]	63,589	63,589	63,589
211 - Wages and salaries [GFS]	63,589	63,589	63,589
Goods and Services	24,711,638	24,711,638	24,711,638
22 - Use of goods and services	24,711,638	24,711,638	24,711,638
31 - Non financial assets	5,611,959	5,611,959	5,611,959
311 - Fixed assets	5,611,959	5,611,959	5,611,959

# BUDGET PROGRAMME SUMMARY

## PROGRAMME 4: RENEWABLE ENERGY DEVELOPMENT

### SUB-PROGRAMME 4.2: Alternative Energy

#### 1. Budget Programme Objective

To formulate, evaluate and monitor the implementation of policies related to the nuclear and alternative energy subsector

#### 2. Budget Programme Description

The Unit develops and reviews the broad policies for the nuclear and coal power sub-sector of the Ministry. It also designs and develops mechanisms, systems, plans, strategies, standards and regulations for the smooth integration of nuclear and coal power into the generation mix to become the new base-load of electricity to support Industrial growth, corporate, domestic life and businesses, and to also create new strategic generation option for international competitive advantage of being a net exporter of clean cheap electricity

#### 3. Budget Programme Results Statement

The table indicates the main outputs, its indicators and projections by which the Ministry measures the performance of this sub-programme. The past data indicates actual performance whilst the projections are the Ministry's estimate of future performance.

Main Outputs	Output Indicator	Past Years		Projections			
		2016	2017	Budget Year 2018	Indicative Year 2019	Indicative Year 2020	Indicative Year 2021
Phase II activities of Nuclear Electricity Development Program completed	Percentage of tasks completed	15%	10%	30%	25%	20%	0%
Nuclear Energy Planning and Implementation	Potential nuclear power sites identified	8	8	8	8	8	8
Owner/Operator Company Established and Operational	Legislative Instrument establishing Owner/Operator assented	0%	5%	70%	20%	5%	0%

**4. Budget Sub-Programme Operations and Projects**

The table lists the main Operations and projects to be undertaken by the sub-programme

<b>Operations</b>
<b>Renewable Energy Programme</b> Nuclear and Alternative Energy

<b>Projects</b>



## 2.9. Budget by Chart of Account

### 9 - Sub-Programme and Natural Account

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>01804002- Alternative Energy</b>	<b>37,949</b>	<b>37,949</b>	<b>37,949</b>
01804002- Alternative Energy	37,949	37,949	37,949
<i>Goods and Services</i>	37,949	37,949	37,949
22 - Use of goods and services	37,949	37,949	37,949

# **BUDGET PROGRAMME SUMMARY**

## **PROGRAMME 5: ENERGY SECTOR REGULATION**

### **1. Budget Programme Objectives**

- Develop policies, goals, strategies and advise the Minister on Power and Petroleum matters.
- Sustain the exploration, development and production of oil and gas industry.
- Regulate, develop and manage the power and petroleum sub-sectors.

### **2. Budget Programme Description**

This sub-programme is delivered by two organisational units namely:

- Energy Commission
- Petroleum Commission

#### **Energy Commission**

The Commission is required by law to regulate and manage the development and utilization of energy resources in Ghana as well as to provide the legal, regulatory supervisory framework for all providers of energy in the country: specifically, by granting licenses for the transmission, wholesale, supply, distribution and sale of electricity and natural gas and related matters.

#### **Petroleum Commission**

Petroleum Commission was established by Act 821, 2011 with the mandate to regulate and manage the utilization of petroleum resources and coordinate policies in relation to them.

The Commission is mandated by law to promote sustainable and cost efficient petroleum activities to achieve optimal levels of resource exploitation; monitor and ensure compliance with national policies, laws, regulations and agreements related to petroleum activities; and promote local content and local participation in petroleum activities.



## 2.6.1 Budget by Chart of Account

### 6.1 - Programme, Sub-Programme and Natural Account Summary

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>01805 - Energy Sector Regulation</b>	<b>32,466,357</b>	<b>32,466,357</b>	<b>32,466,357</b>
01805001- Power Sector Regulation	32,466,357	32,466,357	32,466,357
21 - Compensation of employees [GFS]	16,586,305	16,586,305	16,586,305
22 - Use of goods and services	15,880,052	15,880,052	15,880,052

# **BUDGET SUB-PROGRAMME SUMMARY**

## **PROGRAMME 5: ENERGY SECTOR REGULATION**

### **SUB-PROGRAMME 5:1: Power Sector Regulation**

#### **1. Budget Programme Objectives**

- To regulate and manage the utilization of power resources and to co-ordinate the policies in relation to them.

#### **2. Budget Programme Description**

This sub-programme is delivered by the Energy Commission through the following operations

##### **Development of policy goal and strategy**

- Comprehensive policy framework for street lighting in Ghana.
- Liquefied petroleum Gas (LPG) promotion strategy.
- Policy on kerosene supply and pricing.

##### **Energy Planning**

- Compilation and updating of the strategic national energy plan
- Completion of Electricity Generation and Transmission plans
- Update of sustainable energy plan of Ghana's energy requirements.

##### **Regulation of Electricity and Natural Gas industries**

- Establish a wholesale electricity market in Ghana to ensure effective management and governance of National Interconnected System (NITS)
- Regulate electrical wiring in Ghana to ensure safety of persons, properties and livestock.
- Establish regulatory mechanism for ensuring quality and reliable electricity supply to customers by Electricity Distribution Utilities in Ghana.
- Develop the Natural Gas Market Rules and Operation of Natural Gas Market



### **Development and Promotion of renewable energy and energy efficiency and conservation**

- Renewable energy and resource assessments
- Renewable energy strategy development and policy analysis
- Promote renewable energy technologies.
- Regulate renewable energy service providers
- Energy Research and Development.
- Energy Efficiency & Refrigerating market Transformation.

### **Development and management of petroleum sector**

- Development of Petroleum Legislative Instruments for the petroleum market regulations.
- Development of Standard rules for monitoring of oil marketing industries in Ghana

### **Funding Source and Key Challenges**

- The Programmes are basically funded from the Ghana Government, Regulatory and Energy Fund and donor support.
- Key challenges facing the energy sector renewable energy promotions environment are initial high investment cost regulatory capture (staff poaching) due to lack of commensurate remunerations and lack of permanent energy policy and strategy framework to support the regulatory environment

### 3. Budget Sub-Programme Results Statement

The table indicates the main outputs, its indicators and projections by which the Ministry measures the performance of this sub-programme. The past data indicates actual performance whilst the projections are the Ministry’s estimate of future.

Main Outputs	Output Indicator	Past Years		Projections			
		2016	2017	Budget Year 2018	Indicative Year 2019	Indicative Year 2020	Indicative Year 2021
Increased participation by Independent Power Producers (IPPs)	Number of wholesale suppliers licensed	3	4	0	0	0	0
Increased grid-connected solar systems	Number of institutions and household supplied	118	6	100	100	100	100
300 households are connected to the National solar rooftop project	Number of household connected (stand-alone)	400	400	2,000	1,000	1,000	1,000
Certified electrical technician	Number licensed	1,300	1,600	1,200	1,200	1,200	1,200

### 4. Budget Sub-Programme Operations and Projects

The table lists the main Operations and projects to be undertaken by the sub-programme

Operations
Power Sector Regulation

Projects



## 2.9. Budget by Chart of Account

### 9 - Sub-Programme and Natural Account

**Entity:** 018 - Ministry of Energy and Petroleum (MENP)

**Funding:** All Source of Funding

**Year:** 2018 | **Currency:** GH Cedi

**Version 1**

	2018	2019	2020
<b>01805001- Power Sector Regulation</b>	<b>32,466,357</b>	<b>32,466,357</b>	<b>32,466,357</b>
01805001- Power Sector Regulation	32,466,357	32,466,357	32,466,357
21 - Compensation of employees [GFS]	16,586,305	16,586,305	16,586,305
211 - Wages and salaries [GFS]	11,350,484	11,350,484	11,350,484
212 - Social contributions [GFS]	5,235,821	5,235,821	5,235,821
<i>Goods and Services</i>	15,880,052	15,880,052	15,880,052
22 - Use of goods and services	15,880,052	15,880,052	15,880,052

# **BUDGET SUB-PROGRAMME SUMMARY**

## **PROGRAMME 5: ENERGY SECTOR REGULATION**

### **SUB-PROGRAMME 5.2: Petroleum Sector Regulation**

#### **1. Budget Sub-Programme Objective**

- To regulate and manage the utilization of petroleum resources and coordinate the policies in relation to them

#### **2. Budget Sub-Programme Description**

This sub-programme is delivered by the Petroleum Commission. The main operations under this sub-programme include:

- Promote planned, well executed, sustainable and cost efficient petroleum activities
- Promote local content and local participation
- Monitor and ensure compliance with national policies, laws, regulations and agreements related to petroleum activities
- Advise the Minister on matters related to field development plans, plans for development for transportation and decommissioning
- Ensure compliance with health safety and environmental standards in petroleum activities in accordance with the law

### 3. Budget Sub-Programme Results Statement

The table indicates the main outputs, its indicators and projections by which the Ministry measures the performance of this sub-programme. The past data indicates actual performance whilst the projections are the Ministry's estimate of future performance.

Main Outputs	Output Indicator	Past Years		Projections			
		2016	2017	Budget Year 2018	Indicative Year 2019	Indicative Year 2020	Indicative Year 2021
Development of upstream Petroleum Regulation	HSE/Drilling regulation (% completion)	60%	100%	-	-	-	-
	Data Management Regulations (% completion)	50%	100%	-	-	-	-
	Fiscal Metering regulations (% completion)	70%	100%	-	-	-	-

### 5. Budget Sub-Programme Operations and Projects

The table lists the main Operations and projects to be undertaken by the sub-programme

Operations
No Operations

Projects
No Projects



## 1.6. Appropriation Bill

Summary of Expenditure by Cost Center, Economic Item and Funding

Entity: 018 - Ministry of Energy and Petroleum (MENP)

Year: 2018 | Currency: Value

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	GoG			IGF			Funds / Others			Donors			Grand Total	
	Compensation of employees	Goods and Services	Capex	Total	Compensation of employees	Goods and Services	Capex	Total	Statutory	ABFA	Others	Goods and Services		Capex
<b>018 - Ministry of Energy and Petroleum (MENP)</b>	<b>2,630,392</b>	<b>1,941,790</b>	<b>85,441,770</b>	<b>90,013,952</b>	<b>16,586,305</b>	<b>40,435,493</b>	<b>2,510,189</b>	<b>59,531,987</b>				<b>178,362,595</b>	<b>586,488,879</b>	<b>764,851,474</b>
01801 - Headquarters	2,630,392	1,941,790	85,441,770	90,013,952								178,362,595	586,488,879	764,851,474
0180101 - Gen. Admin and Finance.	1,490,629	1,009,891	8,990,000	11,490,520										11,490,520
0180101001 - Gen. Admin and Finance.	1,490,629	1,009,891	8,990,000	11,490,520										11,490,520
0180102 - Human Resources Devt. & Management.	255,137	48,535		303,672										303,672
0180102001 - Human Resources Devt. & Management.	255,137	48,535		303,672										303,672
0180103 - Planning, Budgeting, Monitoring & Evaluation.	139,692	232,979		372,671										372,671
0180103001 - Planning, Budgeting, Monitoring & Evaluation.	139,692	232,979		372,671										372,671
0180104 - Petroleum.	237,715	252,389	3,350,000	3,840,104										3,840,104
0180104001 - Petroleum.	237,715	252,389	3,350,000	3,840,104										3,840,104
0180105 - Power	360,408	155,315	70,000,000	70,515,723								178,362,595	586,488,879	835,367,197
0180105001 - Power	360,408	155,315	70,000,000	70,515,723								178,362,595	586,488,879	835,367,197
0180106 - Research, Statistics and Information	83,222	48,535		131,757										131,757
0180106001 - Research, Statistics and Information	83,222	48,535		131,757										131,757
0180107 - Renewable Energy	63,589	194,146	3,101,770	3,359,505										3,359,505
0180107001 - Renewable Energy	63,589	194,146	3,101,770	3,359,505										3,359,505
01802 - Energy Commission					16,586,305	40,435,493	2,510,189	59,531,987						59,531,987
0180201 - Gen. Admin					16,586,305	40,435,493	2,510,189	59,531,987						59,531,987
0180201001 - Gen. Admin					16,586,305	40,435,493	2,510,189	59,531,987						59,531,987