



REPUBLIC OF GHANA

MINISTRY OF FINANCE

RESPONSE TO FACEBOOK POST BY DR. STEVE MANTEAW ABOUT MISSING OIL MONEY



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BACKGROUND

1. This brief is in response to a claim made by the former chairman of the Public Interest and Accountability Committee (PIAC), Dr. Steve Manteaw, of an amount of **GH¢2,132,188,611.01** reported by him as missing oil money in his facebook post on 3rd December 2020. Copy posted below.



RESPONSE ON UNUTILISED ABFA BALANCE

2. The alleged missing amount reported by Dr. Manteaw on Facebook, is significantly different from the amount of **GH¢1,479,896,299.86** reported by PIAC as the unutilised ABFA balance in their 2019 Annual Report (pages 13,15,and 20), and published on its website on 23rd June 2020.
3. We have noted that Dr. Manteaw erroneously presents the cumulative unutilised ABFA balances for 2017/18/19 of **GH¢1,479.90 million** as the closing balance for 2019 alone, then adds the 2017/18 closing balances of GH¢400.91 and GH¢251.38 thus inflating the cumulative ABFA closing balances by an additional GH¢652.29 million, bringing his cumulative closing balance to **GH¢2,132.19 million** as reported in his Facebook post.
4. From the records at the Ministry of Finance, consistent with the Annual Reports on the performance of the Petroleum Funds for 2017, 2018, and 2019 published by the Ministry of Finance on its website, and the PIAC Report on the Management of the Petroleum Revenues for 2019, the unutilised ABFA balances at the end of 2019 is as follows;

Summary of ABFA receipts and payments (2017-2019) in GH¢

Year	Programmed receipts	Actual receipts	Payments	Unutilized amount
2017	774,934,517.00	733,208,089.00	332,293,648.00	400,914,441.00
2018	1,560,673,409.00	1,079,031,436.26	827,653,566.25	251,377,870.01
2019	2,496,427,506.00	2,098,548,328.72	1,270,944,339.86	827,603,988.86
Cummulative closing Balance at the end of 2019				1,479,896,299.87



5. The above balances were unutilised at the end of each year when the books were closed mainly because of delays in submission of Interim Payment Certificates (IPCs) by MDAs for payment. These were then settled in the subsequent year.

AMOUNTS UNUTILISED AT THE END OF 2017/2018

6. The sum of the unutilised (closing) balance of **GH¢652.29 million for 2017/2018**, were subsequently transferred to the Road Fund Secretariat, under the Ministry of Roads and Highways and utilised in line with the provisions of the Petroleum Revenue Management (PRM) Act, 2011 (Act 815), as amended, to reduce the Fund's indebtedness to road contractors and creditor banks.

AMOUNTS UNUTILISED AT THE END OF 2019

7. The 2019 unutilised (closing) ABFA balance of **GH¢827.60 million**, on the other hand, was utilised in 2020 to partially meet the funding shortfall of **GH¢2,679.99 million** from the approved 2020 ABFA Budget of **GH¢4,336.18 million** caused by the impact of the Covid-19 pandemic resulting in a supply glut which then impacted negatively on crude oil prices globally.

CONCLUSION

8. From the explanation provided above which was hitherto conveyed unambiguously in our letter No.ESRD/EPU/30/06/20 to PIAC (copy attached), and also at the meeting of the Finance Committee of Parliament on the 2019 PIAC report, it is misleading to suggest that an amount of **GH¢2,132,188,611.01** of oil revenues is missing from the books.
9. Indeed, Ghana's PRMA, touted as one of the best petroleum management laws in the world, provides the requisite controls in addition to our PFM laws and regulations to ensure that our oil resources are properly and efficiently utilised and accounted for.
10. The following documents are attached to this response;
 - a. A brief on the processes/procedures for allocation and utilisation of the ABFA funds;
 - b. Letter dated 3rd July 2020 from Ministry of Finance to PIAC requesting for explanation/clarification on some issues raised in the 2019 PIAC Annual Report.

