

Fair-Trade Oil Share Ghana (FTOS-Gh) Campaign Declares "Provisional" Victory!



To: FTOS-Gh Signatories and Supporters

As of today, 18 June, 2016, 150 people have signed the Fair-Trade Oil Share Petition, and the list keeps on growing.

THEREFORE, with the announced "WITHDRAWAL OF THE E&P BILL 2014" by the Parliament of Ghana under Speaker Doe-Adjaho, Friday, 3rd June, 2016, the Fair-Trade Oil Share Ghana (FTOS-Gh) Campaign hereby declares "Provisional Victory", withdrawal of the 2014 bill having been one of the core demands of the FTOS-Gh Campaign.

In this "Status Update Number 5", we present 7 points for the record and Action/Way Forward items for the FTOS-GH Campaign, for Ghana:

1. This declaration of FTOS-Gh "Provisional Victory" is conditional because the campaign Team has not received a copy of the "new" 2016 E&P bill proposed by the Government, for review and assessment to conclude Ghana will indeed immediately begin receiving a more fairer share of its own Oil revenues that would result in wiser "Revenue Management". (As we've said more than once, Ghana must FIRST receive a Fair-Share of its own Oil resources to wisely manage its Oil revenues).
2. According to reports, the Government withdrew the 2014 bill because of "global developments" the government did not care to enumerate. The Fair-Trade Oil Share Ghana (FTOS-Gh) Campaign believes that if a strong PSA contract system has not been adopted in the 2016 Version of the E&P bill, then whatever reasons the government gives, are ruses, and porous, at best, merely calculated to waste time and enable the Oil Companies to continue taking more than their fair share of Ghana's oil revenues.
3. As far as the FTOS-Gh Campaign is concerned, the more significant "global developments" in the OIL and GAS industry the last half decade, or so, are these:
 - (a) Fall in the price of Oil. (However, prices have begun to stabilize, as of 2016).
 - (b) Newly independent South Sudan has joined the ranks of sovereign states that have adopted Production Sharing Agreement Contracts as preferred for their Oil Contract, putting Kwame Nkrumah's Ghana to shame

(c) The Petroleum Commission has already admitted that Ghana can in fact earn a lot more money with the PSA

(d) Ghana has become, and still remains, the SUPERIOR ANCHOR ASSET for KOSMOS-Tullow Oil Companies. Without Ghana's Oil and Gas assets, KOSMOS, as an Oil company, is not worth quite as much in the markets and trade exchanges. (As an example, when KOSMOS recently reported finding large oil and gas deposits off Senegal, KOSMOS stock nose-dived significantly. THE MARKET BELIEVES IN GHANA

4. Item 3 proves that Ghana's resources have been significantly "DE-RISKED". Therefore, there is no reason Ghanaian officials cannot/should not ask for a whole lot more than 50%, compared to the 19.40% Ghana received the last half-decade, or so, which is "far below the minimum government take of 42%-60% set by the US Government Accountability Office (GAO) that should accrue to host government under any fiscal regime".

5. Mr. Mahama's Government and Parliament have been overwhelmed by the sheer volume, dedication and competence of the FTOS-Gh Campaign Team, including:

(a) Activities surrounding the 28th April Press Conference/Workshop and appeals by Imam Adam Abubakar, Tema Metropolitan Chief Imam, and Togbe Nakakpo Dugbaza VIII, Paramount Chief of Tefle Traditional Area, to all sectors of the Ghanaian community, including official in government, as Ghanaian nationals and citizens

(b) Increasing number of Signatories to the Petition at Change.Org that now stands at 150, from all corners of the World

(c) Continued publication of articles and essays in support of the FTOS-Gh campaign in print media and online sources, drawing huge international attention from Diasporans

(d) The FTOS-Gh dedicated 24/7/365 GhanaHero.Com webpage, that provides updated information about campaign status, articles, and photos, at:
http://ghanahero.com/FTOS_GH_Campaign.html

6. We expect the "new" 2016 bill to be a whole lot more stronger, a lot more Ghana-Centered:

(a) All concessionary planks removed

(b) Retroactive bonus regime implemented to a mutually acceptable date or period given the "losses" to Ghana over the last 5 years

(c) Significantly de-escalated role of GNPC in production activities consistent with global standards under the Production Sharing Agreement (PSA), to allow GNPC to devote more attention and resources to monitoring and control while the contractors carry out the production activities consistent with global practices.

(d) Full and publicly disclosed accounting of all production assets bought and acquired under the Oil Contracts under the Ghana Hybrid System versus the provision in the "new" 2016 E&P bill

7. ACTION: As at now, the FTOS-Gh Campaign Team does not know the fiscal regime standard and other related provisions contained in the "new" Bill 2016. Therefore, our position must still stand:

NO to Ghana Hybrid System!
YES to a strong Ghana-Centered PSA, for Ghana!

THEREFORE, pending additional information from the Petroleum Commission, Ministry of Petroleum, and the Government, including access to a copy of the latest version of "new" E&P bill which we are 100% sure KOSMOS and TULLOW have already seen/contributed, we of the Fair-Trade Oil Share Ghana (FTOS-Gh) Campaign see no reason to withdraw the FTOS-Gh Petition, or declare Final victory of any benefit to Ghanaians.

We will press on, as we must!

(Please encourage even more of your friends and colleagues to join the FTOS-Gh) Campaign by signing the petition, at: <https://www.change.org/p/ghana-fair-trade-oil-share-psa-campaign-ftos-gh-psa>
As well, additional information is also available at: http://ghanahero.com/FTOS_GH_Campaign.html).

Greetings to all of you!

SOURCES:

1. ClassFMOnline. Parliament withdraws ENP Bill 2014, 17:50, 03.Jun 2016, (<http://classfmonline.com/1.9296940>).
2. Prof Lungu. Ghanaweb. Hon Doe-Adjaho must wake up from his own Rip Van Winkle state (2), (<http://www.ghanaweb.com/GhanaHomePage/NewsArchive/Hon-Doe-Adjaho-must-wake-up-from-his-own-Rip-Van-Winkle-state-2-446800>).