



REPUBLIC OF GHANA

**PETROLEUM COMMISSION
(FEES AND CHARGES)
REGULATIONS, 2015**

(L.I. 2221)

PETROLEUM COMMISSION (FEES AND CHARGES)
REGULATIONS, 2015

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IN exercise of the power conferred on the Minister responsible for Petroleum by section 22 (c) of the Petroleum Commission Act, 2011 (Act 821), these Regulations are made this 16th day of July, 2015.

Requirements

Requirement to engage in petroleum activities or provide a service

1. A contractor, subcontractor, licensee or any other person shall not engage in petroleum activities or provide a service in the upstream petroleum industry unless the contractor, subcontractor, licensee or other person has

- (a) registered with the Commission; and
- (b) obtained a permit from the Commission.

Registration

2. (1) Each contractor to a Petroleum Agreement shall, upon ratification by Parliament of the Petroleum Agreement

- (a) register with the Commission; and
- (b) pay, in respect of the registration, the fee specified in the First Schedule.

(2) Where a contractor meets the requirements under subregulation (1), the Commission shall issue that contractor with a registration certificate in the form determined by the Commission.

Permits

Permit to engage in petroleum activities

3. (1) A subcontractor, licensee or any other person that is engaged in petroleum activities or that provides a service in the upstream petroleum industry shall

- (a) obtain a permit from the Commission; and
- (b) pay, in respect of the permit, the fee specified in
 - (i) Part 1 of the Second Schedule in the case of a fully indigenous Ghanaian company;
 - (ii) Part 2 of the Second Schedule in the case of an indigenous Ghanaian company; or
 - (iii) Part 3 of the Second Schedule in the case of a foreign company.

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- (2) An operator shall before the commencement of exploration and development activities
- (a) obtain a permit from the Commission; and
 - (b) pay, in respect of the permit, the fee specified in Part 4 of the Second Schedule.
- (3) A contractor or operator shall, before the commencement of petroleum production
- (a) obtain a permit from the Commission; and
 - (b) pay, in respect of the permit and based on the submitted production profile, the fees specified in
 - (i) Part 5 of the Second Schedule, in the case of a foreign company; or
 - (ii) Part 6 of the Second Schedule, in the case of an indigenous Ghanaian Company.

Bidding Permit

4. (1) A subcontractor, licensee or other person that is not registered with the Commission but intends to bid for a contract shall, before submitting a bid for the contract,
- (a) apply to the Commission for a Bidding Permit; and
 - (b) pay in respect of the Bidding Permit, the fee specified in Part 7 of the Second Schedule.
- (2) A permit issued under subregulation (1) is valid for a period of three months.

Installation and operation of transportation, treatment or storage facility

5. A person shall not install or operate a facility for the transportation, treatment, or storage of petroleum unless the person has
- (a) obtained the necessary written approval from the Minister; and
 - (b) paid to the Commission, in respect of paragraph (a), the fee specified in Part 8 of the Second Schedule.

Lifting of crude oil

6. A person shall not lift crude oil from Ghana's maritime jurisdiction unless that person has
- (a) obtained a permit from the Commission; and
 - (b) paid, in respect of the permit, the fee specified in Part 9 of the Second Schedule.

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Drilling and Well Designation Permit

7. The Commission may,

(a) on an application by a contractor, and

(b) upon the payment of the fee specified in Part 1 of the Third Schedule,

issue to the contractor a Drilling and Well Designation Permit.

Petroleum Injection Permit

8. (1) The Commission may,

(a) on an application by a contractor, and

(b) upon the payment of the fee specified in Part 1 of the Third Schedule,

issue to the contractor, a Petroleum Injection Permit.

(2) The Commission shall stipulate in the Petroleum Injection Permit, the quantity of petroleum which may be injected.

Renewal of permit

9. (1) A person issued with a permit under these Regulations other than a Bidding Permit may apply to the Commission for a renewal of the permit.

(2) An application under subregulation (1) shall be made not less than one month before the expiration of the permit and upon payment of the fee specified in the appropriate Schedule.

Extension of Exploration Working Period and Appraisal Period

Extension of exploration working period

10. The Commission may,

(a) on application by a contractor, and

(b) upon the payment of the fee specified in Part 2 of the Third Schedule,

extend the exploration working period of that contractor.

Extension of appraisal period

11. The Commission may,

(a) on an application by a contractor, and

(b) upon the payment of the fee specified in Part 2 of the Third Schedule,

extend the appraisal period of the contractor.

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Grant of Access to Use of Facility

Approval of third party access

12. (1) Where

(a) the Commission directs that third party access be granted over a facility that is owned by a contractor or the Corporation, or

(b) a contractor or the Corporation agrees to grant to another party third party access,

the Commission shall approve the agreement between the parties for the grant of the access.

(2) The third party shall pay to the Commission the fee specified in Part 2 of the Third Schedule.

Registration of interests and Regulatory Supervisory Services

Registration of assignment of interest or transfer of shares

13. Where the Minister approves the assignment of an interest under a petroleum agreement or the transfer of shares in an incorporated company, the contractor concerned shall

(a) register the assignment of the interest or the transfer of the shares; and

(b) pay in respect of the registration, the fee specified in Part 2 of the Third Schedule.

Registration of mortgage of participating interest

14. A contractor or licensee shall

(a) register with the Commission a mortgage of its participating interest under a petroleum agreement or in a petroleum licence; and

(b) pay to the Commission the fee specified in Part 2 of the Third Schedule.

Data Repository visit

15. A person shall pay to the Commission the amount specified in Part 2 of the Third Schedule before visiting the National Data Repository to view petroleum data.

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Miscellaneous Provisions

Supervision, inspection, and safety measures

16. (1) The Commission shall recover from a contractor, subcontractor, licensee or the Corporation, costs and expenses incurred in the performance of regulatory supervisory services.

(2) A regulatory supervisory service includes

- (a) audit and verifications, including travel time to perform regulatory supervision;
- (b) follow-up on hazards and emergencies that have occurred;
- (c) participation in emergency preparedness exercises;
- (d) dealing with reports in connection with hazards and emergencies; and
- (e) approving measurement systems, including fiscal metering and verifying measurement systems periodically.

(3) A regulatory supervisory service which is carried out under this regulation shall be invoiced at a rate of the Ghana Cedi equivalent of one hundred and seventy United States Dollars per hour or at a maximum of the Ghana cedi equivalent of one thousand three hundred and sixty United States Dollars per day per person.

(4) Where working time and travel time total less than eight hours, a refund may be claimed for a maximum of eight hours per day.

(5) When calculating working time spent

- (a) working time up to thirty minutes or less shall be counted as half an hour; and
- (b) working time in excess of thirty minutes shall be counted as one full hour.

(6) The Commission may engage a person to assist in the regulatory supervision of petroleum activities.

(7) Where a person assists in the regulatory supervision, the Commission shall determine the amount due in each case.

(8) Where the Commission submits an invoice for refund to a contractor, subcontractor, licensee or the Corporation, that contractor, subcontractor, licensee or Corporation shall reimburse the Commission within thirty days of submission of the invoice.

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(9) Where the amount due in respect of an invoice is not refunded, interest shall be payable on the amount due at the prevailing Bank of Ghana interest rate.

Payment of administrative charges

17. A contractor, subcontractor, licensee, the Corporation, or any other person engaged in petroleum activities shall, in addition to any fees and charges that may be payable by that contractor, subcontractor, licensee, Corporation or person to an agency or organisation, pay to the Commission in respect of the services listed in column 2 of the Fourth Schedule, the administrative charges specified in column 3 of that Schedule.

Offences

18. (1) A person who engages in petroleum activities without paying the prescribed fees or charges specified in these Regulations commits an offence and is liable on summary conviction to a fine of not less than twenty thousand penalty units and not more than fifty thousand penalty units.

(2) A person who carries out or engages in petroleum activities without paying the administrative charge specified in the Fourth Schedule is liable to pay to the Commission an administrative penalty of fifty penalty units in the first instance and a further penalty of ten percent of the penalty for each day that the administrative charge remains unpaid.

Interpretation

19. In these Regulations, unless the context otherwise requires,
“aviation clearance” means the licence or permit from the Ghana Civil Aviation Authority to operate a particular service within a flight zone or jurisdiction;
“contractor” means any person, body corporate or other legal entity which has entered into a petroleum agreement with the Republic and the Corporation;
“environmental permit” means an environmental authorisation to commence a proposed undertaking or continue with that undertaking, issued after registration of the undertaking or upon submission of a Preliminary Environmental Report or Environmental Impact Statement;

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- “exploration working period” means the sub-period under the exploration period which comprises the initial, first and second extension periods;
- “explosives permit” means authorisation or licence to import, store and use explosives;
- “fully indigenous Ghanaian company” means a company incorporated under the Companies Act, 1963 (Act 179) which
- (a) is fully owned by a citizen or citizens; and
 - (b) has Ghanaian citizens holding at least eighty percent of executive and senior management positions and one hundred percent of the non-managerial and other positions;
- “indigenous Ghanaian company” means a company incorporated under the Companies Act, 1963 (Act 179) which
- (a) has at least fifty-one percent of its equity owned by a citizen or citizens; and
 - (b) has Ghanaian citizens holding at least eighty percent of executive and senior management positions and one hundred percent of the non-managerial and other positions;
- “licensee” means any person, firm, body corporate or other entity which has been granted a reconnaissance licence or a licence for transportation, treatment or storage of petroleum;
- “operator” means the company or the Corporation carrying out the petroleum activities on behalf of the contractors or the Corporation under a petroleum agreement or the licensees under a licence;
- “petroleum production” means the recovery and disposal of petroleum including any works and services connected with the recovery or disposal;
- “radio-active material” means a material produced in, or a material made radio-active by exposure to the radiation incidental to, the process of producing or utilising nuclear fuel;

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“security clearance” means authorisation that allows vessels and other marine equipment to enter and operate in Ghana’s territorial waters;

“upstream petroleum industry” means any activity that involves or is incidental to the exploration for, development and production of petroleum in the nature of the acquisition of data, drilling, plugging and abandonment of wells, treatment, storage, pipeline transportation, decommissioning and the planning, design, construction, installation, operation and use of any facility for the purpose of these activities; and

“work permit” means authorisation to work in Ghana.

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FIRST SCHEDULE
(Regulation 2 (b))

REGISTRATION FEES APPLICABLE TO CONTRACTORS

| CATEGORY | INITIAL FEE (GHANA CEDI EQUIVALENT OF US\$) | RENEWAL FEE (GHANA CEDI EQUIVALENT OF US\$) |
|----------|--|--|
| Foreign | 15,000 | 12,000 |
| Local | 8,000 | 6,400 |

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SECOND SCHEDULE

Part 1

(Regulation 3 (1)(b)(i))

FULLY INDIGENOUS GHANAIAAN SERVICE COMPANIES

| CATEGORY | ANNUAL TURNOVER (US\$) | INITIAL FEE (GHANA CEDI EQUIVALENT OF US\$) | RENEWAL FEE (GHANA CEDI EQUIVALENT OF US\$) |
|----------|--|--|--|
| A1 | Above 20 million | 70,000 | 56,000 |
| B1 | Above 10 million but not more than 20 million | 49,000 | 39,000 |
| C1 | Above 7 million but not more than 10 million | 35,000 | 28,000 |
| D1 | Above 5 million but not more than 7 million | 25,000 | 20,000 |
| E1 | Above 2 million but not more than 5 million | 15,000 | 12,000 |
| F1 | Above 1 million but not more than 2 million | 3,500 | 2,800 |
| G1 | Above 400,000 but not more than 1 million | 1,500 | 1,200 |
| H1 | 400,000 or less | 700 | 560 |

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Part 2

(Regulation 3(1)(b)(ii))

INDIGENOUS GHANAIAN SERVICE COMPANIES

| CATEGORY | ANNUAL TURNOVER (US\$) | INITIAL FEE (GHANA CEDI EQUIVALENT OF US\$) | RENEWAL FEE (GHANA CEDI EQUIVALENT OF US\$) |
|----------|--|--|--|
| A2 | Above 20 million | 140,000 | 112,000 |
| B2 | Above 10 million but not more than 20 million | 90,000 | 72,000 |
| C2 | Above 7 million but not more than 10 million | 60,000 | 48,000 |
| D2 | Above 5 million but not more than 7 million | 40,000 | 32,000 |
| E2 | Above 2 million but not more than 5 million | 20,000 | 16,000 |
| F2 | Above 1 million but not more than 2 million | 15,000 | 12,000 |
| G2 | 1 million or less | 8,000 | 6,400 |

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Part 3
(Regulation 3(1)(b)(iii))

FOREIGN SERVICE COMPANIES

| CATEGORY | ANNUAL TURNOVER (US\$) | INITIAL FEE (GHANA CEDI EQUIVALENT OF US\$) | RENEWAL FEE (GHANA CEDI EQUIVALENT OF US\$) |
|----------|--|--|--|
| A3 | Above 20 million | 150,000 | 120,000 |
| B3 | Above 10 million but not more than 20 million | 100,000 | 80,000 |
| C3 | Above 7 million but not more than 10 million | 70,000 | 56,000 |
| D3 | Above 5 million but not more than 7 million | 50,000 | 40,000 |
| E3 | Above 2 million but not more than 5 million | 30,000 | 24,000 |
| F3 | Above 1 million but not more than 2 million | 20,000 | 16,000 |
| G3 | 1 million or less | 10,000 | 8,000 |

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Part 4

(Regulation 3(2)(b))

EXPLORATION AND DEVELOPMENT COMPANIES

| CATEGORY | INITIAL FEE (GHANA CEDI EQUIVALENT OF US\$) | RENEWAL FEE (GHANA CEDI EQUIVALENT OF US\$) |
|---------------------|--|--|
| Foreign Operator | 75,000 | 60,000 |
| Local Operator | 50,000 | 40,000 |

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Part 5
(Regulation 3 (3) (b) (i))
FOREIGN PRODUCTION COMPANIES

| CATEGORY (BARRELS PER DAY OF OIL EQUIVALENT) (BDOE) | INITIAL FEE (GHANA CEDI EQUIVALENT OF US\$) PER FIELD | OPERATING FEE (GHANA CEDI EQUIVALENT OF US\$) PER FIELD |
|---|---|--|
| Above 100,000 | 600,000 | 540,000 |
| Above 50,000 but not more than 100,000 | 450,000 | 405,000 |
| Above 30,000 but not more than 50,000 | 350,000 | 315,000 |
| Above 20,000 but not more than 30,000 | 280,000 | 252,000 |
| Above 10,000 but not more than 20,000 | 200,000 | 180,000 |
| Above 5,000 but not more than 10,000 | 150,000 | 135,000 |
| Above 2,000 but not more than 5,000 | 100,000 | 90,000 |
| 2,000 or less | 80,000 | 64,000 |

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Part 6
(Regulation 3 (3) (b) (ii))
INDIGENOUS GHANAIAN PRODUCTION COMPANIES

| CATEGORY (BARRELS PER DAY OF OIL EQUIVALENT) (BDOE) | INITIAL FEE (GHANA CEDI EQUIVALENT OF US\$) PER FIELD | RENEWAL FEE (GHANA CEDI EQUIVALENT OF US\$) PER FIELD |
|---|---|--|
| Above 100,000 | 300,000 | 240,000 |
| Above 50,000 but not more than 100,000 | 200,000 | 160,000 |
| Above 30,000 but not more than 50,000 | 150,000 | 120,000 |
| Above 10,000 but not more than 30,000 | 120,000 | 96,000 |
| Above 5,000 but not more than 10,000 | 80,000 | 64,000 |
| Above 2,000 but not more than 5,000 | 60,000 | 48,000 |
| 2,000 or less | 40,000 | 32,000 |

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Part 7
(Regulation 4 (1)(b))
BIDDING COMPANIES

| CATEGORY | CONTRACT SUM (US\$) | FEES (GHANA CEDI EQUIVALENT OF US\$) |
|----------|--|--|
| A1 | Above 1 billion | 100,000 |
| B1 | Above 500 million but not more than 1 billion | 80,000 |
| C1 | Above 200 million but not more than 500 million | 64,000 |
| D1 | Above 100 million but not more than 200 million | 51,000 |
| E1 | Above 50 million but not more than 100 million | 40,000 |
| F1 | Above 30 million but not more than 50 million | 30,000 |
| G1 | Above 20 million but not more than 30 million | 20,000 |
| H1 | Above 10 million but not more than 20 million | 15,000 |
| I1 | Above 5 million but not more than 10 million | 7,500 |
| J1 | 5 million or less | 3,750 |

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Part 8

(Regulation 5 (b))

TREATMENT, TRANSPORTATION AND STORAGE COMPANIES

| FACILITY | COMPANY | INSTALLATION FEE (GHANA CEDI EQUIVALENT OF US\$) | ANNUAL OPERATING FEE (GHANA CEDI EQUIVALENT OF US\$) PER BDOE |
|---------------------------------------|---------|---|--|
| Treatment | Foreign | 75,000 | 0.025 |
| | Local | 50,000 | 0.01 |
| Transportation | Foreign | 30,000 | 0.0075 |
| | Local | 20,000 | 0.00375 |
| Storage | Foreign | 50,000 | 0.005 |
| | Local | 30,000 | 0.0025 |
| Treatment, Transportation and Storage | Foreign | 100,000 | 0.025 |
| | Local | 80,000 | 0.01 |

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Part 9
(Regulation 6 (b))
CRUDE OIL LIFTING COMPANIES

| CATEGORY | OPERATING FEE PER BARREL OF OIL TO BE LIFTED (US\$) |
|----------|--|
| Foreign | 0.080 |
| Local | 0.072 |

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THIRD SCHEDULE

Part 1

(Regulations 7(b) and 8(1) (b))

**PETROLEUM COMMISSION FEES AND CHARGES
FOR SERVICES**

| ITEM | PERMITS | FEES (CEDI EQUIVALENT OF (US\$)) |
|------|--|--|
| 1. | Petroleum Injection Permit | Initial – 30,000 Renewal – 24,000 |
| 2. | Drilling and Well Designation Permit (per well) | 4,500 |

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Part 2

(Regulations 10(b), 11(b), 12(2), 13(b), 14(b) and 15)
**PETROLEUM COMMISSION FEES AND CHARGES
FOR SERVICES**

| ITEM | SERVICE | FEES (CEDI EQUIVALENT OF (US\$)) |
|------|--|--|
| 1. | Registration of assignment of interest or transfer of shares | 1% of the value of the consideration of the interest assigned and not exceeding US\$1 million. |
| 2. | Registration of mortgage of participating interest | 0.25% of the value of the participating interest to be mortgaged and not exceeding US\$1 million |
| 3. | Data Repository visit | |
| | First visit | 30,000 |
| | Second visit | 20,000 |
| | Third visit | 10,000 |
| 4. | Extension of exploration working periods | 100,000 |
| 5. | Extension of appraisal period | 100,000 |
| 6. | Approval of third party access | 50,000 |

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FOURTH SCHEDULE
(Regulations 17 and 18 (2))
**ADMINISTRATIVE CHARGES PAYABLE TO THE
COMMISSION FOR SERVICES**

| ITEM | SERVICE | FEES (CEDI EQUIVALENT OF (US\$)) |
|------|--|--|
| 1. | Application for the importation and usage of explosives | 500 |
| 2. | Application for security clearance for vessels | Initial — 1000 Extention — 500 |
| 3. | Application for aviation clearance | 500 |
| 4. | Application for work permits | 100 for each application |
| 5. | Application for the importation and usage of radioactive materials | 500 |
| 6. | Application for the installation of communication devices | 300 |

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HON. EMMANUEL ARMAH-KOFI BUAH (MP)
Minister responsible for Petroleum

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