GHANA EXTRACTIVE INDUSTRIES TRANSPARENCY INITITIVE (GHEITI)

SAP AND DEUTSCHE GESELLSCHAFT FÜR TECHNISCHE ZUSAMMENARBEIT (GTZ)

Report on

GHEITI/SAP/GTZ Kick-off Stakeholder Workshop

Held at La Palm Royal Beach Hotel, Accra

19th–20th of MAY 2010

FACILITATED BY

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TABLE OF CONTENTS

ANNEXES

ACRONYMS/ABBREVIATIONS

CEPS	Customs, Excise and Preventive Services
CS	Civil Society
EITI	Extractive Industries Transparency Initiative
GNPC	Ghana National Petroleum Corporation
GEITI	Ghana Extractive Industries Transparency Initiative
GIFMIS	Ghana Integrated Financial Information System
GTZ	Gesellschaft für Technische Zusammenarbeit
IRS	Internal Revenue Service
OALS	Office of the Administrator of Stool Lands
MoFEP	Ministry of Finance and Economic Planning
NEPAD	New Partnership for Africa's Development
MSG	Multi-stakeholder Group
TIN	Tax Identification Number
UN	United Nations

1.0 CONTEXT OF THE STAKEHOLDER WORKSHOP

The Ghana Extractive Industries Transparency Initiative (GHEITI) is being assisted by the Gesellschaft für Technische Zusammenarbeit (GTZ) and SAP AG to develop and implement tailored IT software that the GHEITI stakeholders can employ to improve data transmission and reporting mechanisms. The project is being funded by GTZ and SAP and coordinated by the GTZ Good Financial Governance Programme. It is intended to support the GHEITI stakeholders to enable them verify and publish company payments and government revenues from oil, gas and mining uniformly and transparently, to ensure improved governance in natural resource revenues.

As part of the preparatory activities towards start-up of the project, a stakeholder workshop was organised in April 2008 at which stakeholder groups discussed the relevance of the project, shared perspectives on stakeholder roles, and determined needs and requirements. The workshop secured the approval of the stakeholders for project commencement but project implementation was delayed. However, GTZ and SAP are committed to reviving and successfully implement the IT support to GHEITI and are collaborating with GHEITI to take the process forward.

This two-day stakeholder workshop organised from 19-20 May, 2010 at the La Palm Royal Beach Hotel, Accra, aimed to provide a forum for all relevant stakeholders to discuss, amend and revise the project proposal prepared by SAP and to share perspectives on ways to facilitate responsive Extractive Industries Transparency Initiative (EITI) implementation in Ghana. The workshop also sought to secure agreement on the project objectives, its design, and implementation approach, as well as roles, responsibilities and mechanisms to resolve pertinent issues during implementation.

This report summarises the proceedings and outcomes of the workshop. It is organised into three main sections. Section one gives the context, with section two outlining the proceedings and outcomes of the workshop. Section three summarises and concludes the report.

2.0 PROCEEDINGS AND OUTCOMES OF THE WORKSHOP

This section outlines the proceedings and outcomes of the workshop. The proceedings are provided in section 2.1 and the outcomes in section 2.2. Section 2.3 outlines the next steps.

2.1 Proceedings of the Workshop

Proceedings of the workshop followed the sequence outlined in the programme for the workshop in Annex 1. The entire workshop was conducted in three phases, with each phase feeding into the next phase in a logical manner. The first phase was devoted to putting the workshop into context and orienting participants on the purpose and expected outcomes, as well as the role of SAP and GTZ in the GHEITI process. In the second phase, the GHEITI project and the proposed IT Solution were presented and discussed within the context of the EITI implementation in Ghana. The final phase focused on consolidating needs and requirements for the IT solution, as well as the communication opportunities of the project and the next steps.

The workshop was attended by 24 participants representing stakeholder groups from the Ministries of Finance and Economic Planning, Energy and Mines, the Chamber of Mines, Ghana National Petroleum Corporation (GNPC) and the Ghana Minerals Commission, together with representatives from the Ghana Revenue Authority, the District Assemblies, civil society, the EITI Steering Committee, GTZ, SAP and the Aggregator (Annex 2).

2.2. Outcomes of the Proceedings

The outcomes of the proceedings are presented in the sub-sections that follow.

2.2.1 Opening session

The proceedings began with an opening session that put the workshop into context. Statements of welcome were given by the Team Leader, GTZ Good Financial Governance Programme and the Honourable Deputy Minister, Ministry of Finance and Economic Planning (MoFEP), a keynote statement from the Vice President, Communications, SAP, introduction of participants and overview of the workshop objectives and agenda.

Welcome statement by Dr. David Nguyen-Thanh, Team Leader, GTZ Good Financial Governance Programme

In his welcome statement, Dr. Nguyen-Thanh, welcomed participants and gave the background to the workshop. He acknowledged Ghana's pioneering role in EITI implementation and the remarkable progress made in this direction. Dr. Nguyen-Thanh stressed the importance of EITI in the extractive industry, especially in relation to oil and gas, and indicated that they present significant challenges to Ghana in ensuring accountability and transparency in the management of revenue from the sector, as well as enhancing public financial management.

To address the challenges, he submitted that there would be the need for effective EITI leadership, sustained political momentum in pursuance of EITI principles, supported by the right environment, which includes a sound legal and regulatory setting, the appropriate incentives, as well as the adoption of responsive tools and processes. He pledged the support of GTZ and SAP to the GHEITI implementation process. He referred to the processes initiated in 2008, and indicated that this two-day workshop is to build on the achievements of the initiatives and help define the way forward.

Dr. Nguyen-Thanh outlined the objectives of the workshop and underscored its importance in enabling agreements to be reached on the project objectives, design, roles and responsibilities, as well as implementation strategies. He concluded by acknowledging the contributions of all stakeholder groups and individuals to date and expressed his gratitude to all for attending the workshop. He wished all fruitful deliberations.

Welcome statement by the Hon. Deputy Minister, Ministry of Finance and Economic Planning

In the Hon. Deputy Minister's address delivered by Mr. Kwabena Oku-Afari, Director, Policy Analysis and Research Department (PARD) MoFEP, he expressed his appreciation for the opportunity to open the stakeholder workshop and apologised for his inability to be present personally.

The Deputy Minister highlighted the lead role of Ghana in championing EITI to ensure effective and efficient accountability and transparency in the use of resources. He commended the initiatives in the EITI implementation process and indicated that it has strong linkages with the Government of Ghana's commitment to ensuring sound public financial management through the financial management reforms, especially, the Ghana Integrated Financial Management Information System (GIFMIS). He also acknowledged the contributions of GTZ and SAP in taking forward the EITI process.

The Minister stressed the need to ensure that the system developed is integrated into existing systems. Accordingly, he charged the sponsors and participants of the workshop to review the outcomes of the 2008 workshop and align the systems so developed to current thinking and developments to ensure its responsiveness of the to current needs and requirements. He called for flexibility in the design and use of the system in capturing data and disseminating results.

The Deputy Minister emphasised that the partners supporting the project should take into consideration active participation of selected IT personnel in the design and development phase, ensure ease of operationalisation, maintenance and sustainability of the system, as well as ease of interface with existing IT infrastructure. He further stressed the need to ensure that there is not only technology transfer, but also quality skills transfer to enable agencies operate and maintain the system effectively. In addition, he highlighted the requirement to ensure that maintenance costs are affordable.

The minister further stressed the need to share outcomes of the workshop with all actors to facilitate good institutional memory and concluded by expressing his gratitude to GTZ, SAP, and the EITI secretariat for their invaluable contributions in taking forward the EITI process.

Keynote statement on SAP

Mr. Andre Kingham, SAP Vice President, Strategy and Operations, Global Communication, delivered the SAP keynote statement. He acknowledged the challenges of good governance that are attracting the world's attention and the important role that EITI is playing in ensuring good governance through accountability and transparency. He pledged SAP's support and expertise to Ghana in responding to the challenges. He said that SAP would like the GHEITI system implementation to become a "reference project" for other EITI member states to follow.

With the discovery of a large oilfield, Ghana is looking forward to the injection of resources and revenue and the EITI project has been extended to provide the required accountability framework in the oil and gas industry, as well as in hard metals, where much has already been achieved.

Mr. Kingham outlined the aims and objectives of the GHEITI project and why SAP was delighted to be a participant. He stressed that effective IT systems are a key requirement for ensuring transparency and compliance, and commended the leadership for supporting the GHEITI implementation.
Mr. Kingham outlined the scope and operations of SAP around the globe. He highlighted SAP's experience with the public sector, based on projects with governments and agencies worldwide. SAP's objective is to reduce the cost of effective government and administration through its software and the provision of expertise, he said.

Mr. Kingham outlined the anticipated benefits of the project while emphasizing the need for an implementation team to take the GHEITI process forward. He concluded by calling on the Ghanaian stakeholders' to take ownership of the workshop processes and outcomes.

SAP in Africa

Mr. Sunil Geness, Corporate Affairs Executive, SAP Africa, presented an overview of SAP's activity and operations on the continent. He described SAP's vision and values, its customers and employees.
Mr. Geness noted that SAP has been active in Africa for more than 22 years. He gave an overview of SAP's offices in Africa, its partners and key activities such as support to good governance and transparency, including NEPAD, the Convention on Business Integrity, UN Global Compact and Transparency International. In Ghana, the activities of SAP include the shea project connecting value chains, empowering women and enhancing their access to market opportunities, as well as the African Cashew Initiative Ghana, providing farmer cooperatives (groups) with access to ICT applications that enhance their productivity.

Issues emerging from the opening statements

7

In the discussions that followed the opening statements and overview of SAP, a number of issues emerged for consideration in the workshop process. Prominent among them were the need for flexibility in the design and operationalisation of the IT solution, and to minimise cost in all aspects of the project. Participants sought clarification on the cost of maintenance, the required infrastructure and how they were being addressed.

Further discussions and clarifications provided by the SAP team indicated that SAP will place emphasis on skills transfer, durability and compatibility of the system to be developed. It will ensure that key elements of the project sufficiently address needs and requirements. There would be cost-effectiveness and efficiency accompanied by Public-Private-Partnership to facilitate ownership and sustainability. It was, however, indicated that infrastructure provision for effective operationalisation of the system would only focus on requirements at the national level and would not include infrastructure requirements at the district level. It was further clarified that electronic and hard copies of data generated at both the district and national levels would be disseminated in a manner that would ensure that information needs and requirements at all levels are addressed.

2.2.2 Overview of EITI Implementation in Ghana

In his presentation, Mr. Amponsah Tawiah, a member of the EITI Steering Committee, outlined the background to EITI in Ghana, the conceptual framework, as well as systems and structures that had been put in place to operationalise the EITI process in Ghana. He highlighted the three dimensions of EITI: the government, companies and citizenry, and indicated that each had its own expectations and how they should be met. He underscored the key role of the extractive industry in revenue generation in Ghana and stressed the need to ensure that it is managed well to the benefit and betterment of the citizenry. He intimated that EITI provides the opportunity for the Government of Ghana to achieve sound public financial management.

Mr. Amponsah outlined the implementation structure of EITI in Ghana to include establishment of the Multi-stakeholder Group (MSG) which is being reconstituted to bring on board actors in the oil and gas sector. He highlighted progress of activities in the implementation of EITI to include sensitisation activities, capacity building and awareness creation and the aggregation process involving EITI audit and the appointment of an independent aggregator. Three reports had been turned out since its inception covering the period 2004-2005. A legal framework to govern the EITI process is being developed in collaboration with civil society organisations. Ghana is the first country to take the EITI process to the sub-national level to ensure that EITI is operationalised within the decentralisation process. A communication strategy has also been developed to facilitate dissemination of information and empower all stakeholders to play active roles.

Mr. Amponsah shared some of the lessons and challenges to including the need to critically examine extension of revenue sharing to the community level and the fact that various communities and District Assemblies have land mass that borders the waters in which the oil has been discovered with their implications for revenue sharing among other issues. In addition, the

EITI implementation process is faced with the challenge of transforming revenue reporting mechanisms to make them responsive.

He concluded by highlighting key issues that need to be taken into consideration in furthering the course of the EITI implementation process. They include the need to see the EITI as a process and not an event, the need to ensure that local and national peculiarities are addressed, as well as the need to ensure that transparency translates into improved livelihood for the poor communities where the resources are extracted and to invest in social infrastructure.

Issues emerging

In the discussions that followed, participants sought to clarify the role of the Customs, Excise and Preventive Services (CEPS) in the EITI process, and the rationale for making civil society the drafters of the legal framework. It was clarified that the role of CEPS in the GHEITI process is addressed by the representation of other revenue agencies on the MSG. The MSG is collaborating with CSOs to develop the legal framework. There are adequate mechanisms to ensure that all key actors are made part of the process.

2.2.3 Project Presentation

The presentation was made by Aline Chotard Manzanal and Andre Kingham of the SAP team. It focused on three main elements as follows:

a) The IT solution for GHEITI, its objectives and expected gains, the proposed scope and architecture of the solution based on SAP BusinessObjects Financial Consolidation (BFC), a software product for financial reconciliation and reporting, together with knowledge and skills transfer to local teams;
b) SAP implementation methodology including the project management and milestones; and
c) Next steps to success: the scope and organisation, including definition of the project content and process, validation of the project planning and organisation of communications, as well as the constitution of the project and the management teams.

The presentation ended with the SAP team calling on the stakeholders to explore effective ways of working together with the SAP team.

Issues emerging from the project presentation

Discussions following the project presentation sought to clarify responsibility for managing the process and where the data will be managed. It was explained that every nation hosts its own data and the IT solution being proposed has an inbuilt mechanism for maintaining reliable and good quality data. Decisions as to how rules of engagement should be set rest with the MSG. The data knowledge will reside in Ghana. There is an inbuilt validation system and its effective use depends on the people who subscribe to the process. The Aggregator will be able to avail himself of the in-built mechanisms to establish those reporting and those who fail to report to ensure visibility and sustain momentum.

9

Some discussions on how the infrastructure needs of other stakeholders, especially at the district level, could be addressed to facilitate access to the system and minimise interventions and manipulations in the event of a change in government concluded with the view that the deal on EITI has been sealed and it will not be scrapped. It was also indicated that the system is expected to help the aggregator with reporting and all stakeholders need to be brought on board to secure buy-in. It was noted that for EITI to work, ground rules had to be set and all related institutions need to participate in the process. Reports can be designed in Excel, a standard interface linked to the Analytics tool. The timing for reporting has to be decided by the MSG.

Concerns were raised regarding compliance of the system with the IT system of the Ghana Revenue Authority. It was explained that the proposed system is designed for a heterogeneous IT landscape. The system does not require IT skills and therefore subject experts can make modifications. The system is not a replacement of any existing systems, but is rather a mechanism to facilitate the aggregation of data.

It was established that the validation process is defined in SAP BusinessObjects Financial Consolidation (BFC). . Any data entered into the system must be authorised and will be documented by the system and automatically checked for reliability and consistency.

The SAP development methodology is to build, test, feedback and adopt. The feedback comes with recommendations which have to be a common decision emanating from the stakeholder process.

Clarifications on the international standards for EITI reporting and security concerns ended with the submission that users have log in password and rights regarding data access and tool functionality.

The software is maintained through a Windows interface and no extra software infrastructure is needed. On the issue of proof of reporting, it was agreed that receipts on reported figures need to be attached or scanned.

2.2.4 Presentation of SAP tools

The presentation was made by Aline Chotard and Said Pitroipa of the SAP team and included a demonstration of SAP BusinessObjects Financial Consolidation (BFC) and Analytics to participants, , with reference made to information available on the EITI website. SAP is proposing BFC as the basis for the powerful, flexible and tailored IT solution required to support the EITI implementation in Ghana. This solution will optimise the publication of reliable and transparent information to the stakeholders in Ghana. It is easy to use, implemented quickly and can be adapted for other EITI countries.

The scope of the solution is to enable the GHEITI Aggregator to publish reports through Excel and pdf files. Companies in the extractive industries sector will submit their payments through the web (by keying it in directly or via import from other databases such as Oracle or SQL) using the EITI form and adding comments and attached files as required. Financial and/or statistical

data can be entered if needed. Government and public sector entities will submit revenues received from extractive companies. Users will be able to access other tool functionalities including reports and previous submissions. The GHEITI aggregator then follows up reporting from companies and reconciles and analyses the data.

The system architecture will involve web-based data entry to a unique database, data processing and reporting. Processes will be secure with clearly assigned access rights to data and functionalities. Once installed, there would be no need for direct IT involvement. Application administrators will be able to add new entities or create new reports easily through a user-friendly tool with an intuitive interface.

The tool will make financial information available to all stakeholders in a timely manner, presenting "one version of the truth" to support improved individual and collaborative reporting,analysis and decision making. Users can gain different views of the same data based on their reporting needs over different time periods (monthly, quarterly, cumulative etc.) It is possible to report on actual, budget and forecast data.

It is a self-service, user-oriented tool: in other words, it is designed to be used by people working in finance and controlling functions, drastically reducing the need for support from IT (this means faster results, reduced support costs and greater independence and productivity).

It enables financial compliance through controls and validations. Intelligent controls and validations ensure that data is right-first-time (with import controls and logs, automated rules and full transparency with time stamps and user names); connectivity is provided to SAP and non-SAP sources (to enable the import and analysis of data through Excel, with full security and the addition of comments and attachments).

The blueprint system demonstration provided some deeper insights into some aspects of the application:
   a) Data entry by mining industries covering payments, financial and statistical data and data entry done by government entities regarding revenues from the mining industries.
   b) Validation of information entered in the system (e.g. if ground rent is entered, then concession size has to be reported too).
   c) Reports for data validation and analyses by the EITI aggregator (these include for example lists of selected companies; follow up submissions; company and government; reconciliation – synthesis and detail; reporting of any comments associated with data submitted; and calculation of theoretical payments due);
   d) Reports and charts for publication (these include company payments, government receipts, charts: mining benefits receipts and mining benefits paid by selected companies).

Issues emerging

Discussions following the presentation sought to clarify the requirements, the search function of the interface, what constitutes an entity and whether the aggregator could change his mind on what had already been validated.

It was explained that the requirements can and must be defined for reporting. What constitutes an entity in the system needs to be defined by the MSG.

However, the system is very flexible and users can create additional entities.

Everything is visible to the system administrators. Given the small number of entities and their classification, the system provided alphanumeric search on the code, the description or the attributes of entities or other objects function is more than adequate for the task. An entity is for example a government agency or an extractive company. An object is for example a document or an account.

The main output from the system will be an aggregated reportwith government/agency and private sector inputs reports feeding data into the system so that any differences (shortfalls and overshoots) are highlighted.

Participants further sought to establish any limitations of the tool. It was pointed out that the tool includes no intuitive search function and the system has not been designed for data capture on a daily or weekly basis. The shortest period is a month. However, the major challenges encountered by customers are largely related to the definition of requirements, correct validation and disclosure of information.

A further concern that was expressed related to the need to go beyond the figures and undertake analysis was that the tool should be regarded and used as a data collection and reporting tool. It saves time and energy in collecting and aggregating data and adds value to reporting but it does not undertake analysis automatically. It is the responsibility of the users to do detailed analysis.

2.2.5 Project Organisation and Definition of Project Governance and Escalation Paths

The first part of the presentation focused on the SAP implementation methodology and roadmap phases. The five main implementation phases were outlined as:
  i.   project preparation, which involves initiating, planning and setting up the SAP project;
  ii. business blueprint, including capturing requirements, documenting solutions and technical design;
  iii. realisation, during which the project team implement the business and process requirements based on the business blueprint;
  iv. final preparation involving completion of preparation for system cutover; and
  v.   going live and support, the stage for initial production after cutover and transition to support process.

It was further indicated that the system would require continuous improvement in running.

The project organisation and governance structure focused on:
  i. teams involved in the project, including stakeholders, process and project teams;
  ii. communication of the project, including frequency of meetings of actors and committees;

iii. governance of the project including definition and acceptance of the project organisation; and

iv. definition of deliverables and delivery planning, as well as definition of validation process which are the key to successful project.

Proposed success criteria were also presented, to include:
- autonomy of the aggregator office to maintain the application;
- solution acceptance from end users; respect for planning to be able to deliver on time and in budget; and
- key milestones, commitment from project team to stakeholders.

The discussions on the organisation and governance of the project resulted in the following insights being shared;
- SAP's counterparts in the project should be those with the necessary knowledge and skills and should be assigned to the project on a full time basis. They should not be persons that are special assistants to ministers and other government functionaries who may have conflicting responsibilities and may not be able to give the project the required attention. It was concluded that it would be necessary to identify the counterparts for SAP at the workshop.
- The SAP collaborative work environment was also presented, which would enable collaborative decision making for the project participants.

2.2.6 In / Out of Scope and Additional Needs/Requirements

This session served as an introduction to the breakout sessions. It revisited the project organisation, governance structure and success factors presented the previous day and dwelt on key elements relating to the project content, validation of blueprint, deliverables, planning and related key milestones, as well as the communication opportunities and next steps.

The project content focused on the processes involved in the reconciliation and aggregation of benefit streams received by the Government of Ghana c) collection of taxes and royalties; d) distribution of revenues; and e) utilisation in sustainable projects. The scope was initially limited to (c), however, SAP indicated that if the requirements for (d) and (e) were clear and expressed during the detailed design phase, they could be included in the scope of the project content. It was agreed that a) awarding of contracts and b) Monitoring of operations would not be in the scope of the project.

The deliverables involve detailed specifications of solutions, customised IT solution for EITI reporting, training of stakeholders to enable them to create and publish their data, as well as comprehensive documentation of the solution for the various stakeholders.

Planning of the project, including validation of planning, schedule of milestones, schedule for steering committee, etc were outlined as follows:

Activity   **Time Frame**

13

Activity	Time Frame

Schedule of milestones:
- Detailed specification of the solution — June 18th 2010
- Training of the stakeholders:
  - Project team and EITI aggregator — June 30th 2010
  - Stakeholders and mining companies — August 27th 2010
- Comprehensive documentation of solution — September 3rd 2010
- Customised IT solution for reporting — August 31st 2010

Schedule for Steering Committee
- Validation of design — June 28th 2010
- Validation of installation and data collection — August 9th 2010
- Validation of rollout — September 10th 2010

Issues emerging

Discussions after the presentation sought to clarify the feasibility of the planning timescale, whether running the full scope of the content from (c) to (e) would entail additional cost, and whether the SAP team need to be in Ghana for the entire scope of the project.

The consensus was that the time scale of planning, including specification of SAP needs, reports, formats of reports, structure of information needs, the entities, as well as access rights were feasible. It was intimated that it was all about dialogue and if there is good participation the targets should be achieved.

It was explained that running the full scope of the content would not entail additional cost prior to building the system. However, once it is built there may be additional costs. One SAP team member will be in Ghana full time (Said Pitroipa), with the other visiting at least one week per month (Aline Chotard). The period and the time required for stakeholder meetings would be between two to three hours. With a virtual world and collaboration tool all that would be required would be dialogue and documentation. The SAP team expressed confidence in the Ghanaian team and acknowledged that the engagements and achievements in the workshop had exceeded their expectations.

To a question as to what form the training would entail, it was explained that this would depend on whether there would be direct training or training of trainers. It was indicated that training the trainer to cascade the training could be a challenge as there would be less control on responsiveness of the training delivery. It was, however, concluded that the decision on the type of training rests with the MSG. SAP is flexible in the adoption of either choice.

14

2.6.7 Breakout Session

The breakout sessions involved two groups: a technically inclined group was tasked to discuss the additional needs and requirements, and the other tasked to discuss communication opportunities within the project. Outputs of the groups were discussed in plenary for adoption.

For the **communication opportunities** the users of GHEITI information were identified to include the following target audiences and how to reach them:
- Civil society/ citizens: Radio/TV/Newspapers, mobile phones to reach the youth; road show to reach citizens directly
- Government and agencies participating in GHEITI: traditional internal employee communications tactics such as Newsletters, Poster, Manuals, Web
- Private sector participation in GHEITI: traditional internal employee communications tactics such as newsletters, posters, manuals, web
- World institutions and NGOs: Forums to use like African Unit, NEPAD, creating case studies to present to institutions like World Bank
- Africa leadership: Minister and President to communicate while travelling

All audiences can make good use of a short film which could be produced by SAP TV and sent to the Ghanaian TV channels and distributed as DVD.

A communications advisory team would have to be set up, which will collaborate extensively with the implementing team.

It was concluded that the communication sub-committee of the MSG will serve as the focal points for coordination of communications efforts. SAP will make proposals for communications but these will be to stimulate discussion and any communications activity must be undertaken in partnership with the Ministry of Information, and within an agreed budget.

The Ministry of Information will be a key player in advising the team and helping to prioritize activities. The communications advisory team will consist of the communications sub team and some participants of the Ministry of Information, SAP and GTZ to ensure joint communications. Dr. Gad Akwensivie was tasked to chair the process.

The **additional needs and requirements** that were identified were linked to requirements in the business process based on the benefit streams from extractive industries and were adopted as follows:

Business Process	Needs/ Requirements
Cross-cutting issues	• Flexibility to capture other elements in

	reporting
	• Frequency
	• Tax Identification Number (TIN)
License	• Type of concession
	o Production
	o Exploration
	o Reconnaissance
Ground/Surface Rent	• Size of concession
	• Rate per area
Property Rate	• Demand notice
Royalties	• Type of mineral
	• Production level (volume and value)
	• Market value/ price
	• Refinery returns
	• For oil, liaise with GNPC for further details
Corporate Tax	• Pre-production cost
	• Additions to fixed assets per year
	• Related party transactions
	• Operating costs
	• Exchange rate
Dividends	• Declarations in financial statement
Signature Bonuses	• Oil exploration fee

Discussions ended with the need to establish similar business processes and requirements for revenue distribution taking into consideration the formula for calculation and agreed sharing ratios for more than one traditional council. The Administrator of Stool Lands was tasked to provide the required details to facilitate consolidation of needs and requirements for revenue distribution.

2.2.8 Counterpart Team to Support SAP

In response to the need for a local team to support the SAP team, space was created for the Ghanaian counterparts to deliberate on composition of this team. The deliberations resulted in a team composed as follows:

Stakeholder Group	Number of Representatives	Names of Representatives
Company representative	1	Mr. Lucas Chigabatia
Aggregator	1	Mr. Boa Amponsem
Government	3 representatives with Mr. Franklin Ashaidey providing oversight support as follows: • One representative from Revenue Governing Authority • One representative from Ministry of Energy/GNPC	 • Mr. B. C. D. Ocansey • Mr. J. Y. Appiah

Stakeholder Group	Number of Representatives	Names of Representatives
	• One representative from Minerals Commission	• Mr. Amponsah Tawiah
Civil Society	1	• Dr. Steve Manteaw
IT Team (MoFEP)	2	• Mrs. Nketsia • Ms Victoria Benson
Communication	2	• Dr. Gad Akwensivie • Sulemanu Koney

2.3   Next Steps

The next steps for taking forward the process were agreed as follows:

i.   The outcomes of the workshop would be documented and, together with the presentations, disseminated to all stakeholders to facilitate further review and discussions on the way forward.
ii. There would be an interactive process with the SAP team working with the first version of the specifications and opportunities would be created for the MSG process team to refine and incorporate additional needs and requirements.
iii. The SAP team made up of Aline Chotard and Said Pitroipa will be back in Ghana mid June 2010.
iv. Installation of the IT solution will be done by the end of June 2010.

3.0   SUMMARY AND CONCLUSIONS

The stakeholder workshop has provided the opportunity for the stakeholders to discuss, amend and revise the project proposal prepared by SAP, and to share perspectives on ways to facilitate responsive EITI implementation in Ghana. It has also secured agreement on the project objectives, its design, and implementation approach, as well as roles, responsibilities and mechanisms to resolve pertinent issues during implementation. Key milestones have been agreed and counterpart teams to support the SAP team on processes and technical issues have been constituted.

It was agreed that decisions on the acquisition of the server should be delayed to ensure that pertinent issues regarding compatibility, security, location, etc are appropriately addressed. While the IT solution is being developed, the MSG will consider IT infrastructure and the hosting rights. SAP will therefore await guidance from the MSG to ensure that the hardware is displayed appropriately.

Participants reviewed the workshop objectives and outcomes and concluded that all the objectives had been achieved. The SAP team expressed satisfaction with the outcome and indicated that their expectations had been exceeded. They pledged to work on the specifications and agreed requirements.

Annex 1: Progremme for GHEITI/GTZ/SAP kick-off meeting, La-Palm Royal Beach Hotel

Weds May 19

TIME	ITEM	RESOURCE PERSON
8.30 – 9.00	Registration	
9.00 - 10.00	Welcome Address	Dr. David Nguyen-Thanh
	MoFEP/GHEITI Address	Mr. Kwabena Oku-Afari
	Keynote SAP	André Kingham
100 – 10.30	SAP in Africa	Sunil Geness
	Discussions	
10:30 - 11:00	**Coffee/cocoa break**	
11.00 - 11.30	Overview of EITI implementation in Ghana	Amponsah Tawiah
	Discussions	
11.30 - 13.00	Project Presentation	Aline Chotard/André Kingham
	Objectives and expected gains	
	Solution proposed	
	Discussions	
13:00 - 14:00	**Lunch Break**	
14.00 – 15.30	Presentation of SAP tools	Aline Chotard
	BFC and Analysis	
	Blueprint demo	Said Pitroipa
	Project Integration and Knowledge Transfer	
	Discussions	Adom Ghartey
15.30 – 15.45	**Tea Break**	
15.45 - 17.00	Project Organisation	Aline Chotard
	Risks and opportunities	
	Definition of Project Governance + Escalation Paths	André Kingham
	Setup of Breakout Sessions in the Afternoon	

	Discussions	Adom Ghartey
17:00	**End of day 1**	

DAY 2
Thursday May 20

TIME	ITEM	RESOURCE PERSON
09.00 – 9.30	**Recap of Day 1**	**Adom Ghartey**
9.30 – 10.30	In / Out of Scope Additional Needs and Requirements Discussions	Aline Chotard
10.30 - 10.45	**Coffee Break**	
10.45 - 12.30	Breakout 1: Interactive Discussion on Project Content Solution Deep-Dive Additional Needs and Requirements	Aline Chotard
	Breakout 2: Communication Opportunities of Project with Discussions	André Kingham Sunil Geness Dr. Karim El-Salamoni
12.30 - 13.30	**Lunch**	
13:30 – 14.30	Presentations and Discussions	Adom Ghartey
14:30 - 15:00	Wrap up and Next Steps	Adom Ghartey
15.00	**Coffee Break / End of Workshop**	

Annex 2:   List of Participants

1. Amponsah Tawiah   Minerals Commission

2. Franklin Ashiadey   Ministry of Finance and Economic Planning (MoFEP)

3. Ellis P. Atiglah   Ministry of Lands and Natural Resources (MLNR)

4. K. Boa-Amponsem   Aggregator

5. Naah Sheila   MoFEP/GHEITI

6. Sulemanu Koney   Chamber of Mines

7. Luats Chigabatia   Anglogold Ashanti

8. Gad Akwensivie   Office of Administrator of Stool Lands (OASL)

9. Eric Cab-Beyuo   MoFEP/GHEITI

10. Asare Bediako   Obuasi Municipal Assembly

11. Edna Baffour-Awuah   MoFEP

12. Allan Lassey   GTZ

13. Dr. David Nguyen-Thanh   GTZ

14. Maximilian Ruhenstroth-Bauer   GTZ

15. J.Y.A. Appiah   Ministry of Energy (MoEn)

16. Angelina Bainiah   Customs, Excise and Preventive Service (CEPS)

17. Mohammed Abdul-Razak   MoFEP/GHEITI

18. Daniel Amin Sahnom   MoFEP

19. Steve Larbi   Goldfields Ghana

20. Victoria Benson   MoFEP

21. George Gyamfi   MoFEP

22. Stan Doku   MoFEP

23. Francis Nartey   International Revenue Service (IRS)

24. Agatha Gaisie-Nketiah   MoFEP

25. Mr. Kwabena Oku-Afari   Director PARD, MoFEP,

26. Aggrey Mensah   MoEn

27. Chris Afedo   IRS

28. Ydd de Rex-Tanor   MoEn

29. Andre Kingham   SAP AG

30. Aline Flory   SAP AG

31. Dr. Karim El-Salamoni   SAP Africa

32. Sunil Geness   SAP Africa

33. Aline Chotard Manzanal   SAP France

34. Said Pitroipa   SAP France

SAP commitment to Africa

First of all may I say how delighted I am to be here on my first visit to West Africa.

Much is new for me on this trip, not least because my understanding of world geography is severely challenged.

I had to learn the hard way that Iceland lies somewhere between Europe and Africa. First Iceland stopped me from getting here altogether, and at the second attempt it severely delayed me. So I am very happy to be here – finally – together with the SAP team. I am also very excited about this project and in particular, the project's objectives that have brought us together in a common endeavor.

Today we have come together to discuss the issues of good governance and transparency, and the role that information technology can play in this context.

From SAP's perspective it is an excellent opportunity to bring our expertise to bear on a challenge that has the world's attention.

- Transparency is an issue for every country, as shown by the financial meltdown in many western European countries and the USA

- Confidence is key: rating agencies make their living on it, and lack of confidence immediately results in a financial impact – as the risk rises, the premium does too. Look at Greece's cost of borrowing money, it is more than double the European average, and more than triple that of Germany!

- Lack of Governance and Transparency is a drain on resources around the world and a cause of poverty, it undermines confidence, it diminishes the value of established rules, and wakes fears of arbitrariness. It simply does not allow for long term planning.

- In the extractive industries in particular, there is a high level of awareness of the "resource curse". This has many causes, but there is

broad agreement that transparency is an important part of the solution. In the coming days, the Africa Progress Report 2010 will be released, publishing recommendations from the key panelists: Kofi Annan, Peter Eigen, Lina Mohohlo, and former president of Nigeria, Olusegun Obasanjo. Transparency and Governance rank highly on the Agenda.

SAP understands that there is much at stake for Ghana. While Ghana has already gained considerable experience in transparency and in EITI standards, this will be the very first EITI project to make use of advanced information technology to provide transparency into income and expenditure flows. Together, we have the opportunity to develop a reference project that will contribute to the rising profile of Ghana within the international community.

Mineral wealth

We already know that under the Presidency of Professor John Evans Atta Mills and the government established in 2009, Ghana has one of Africa's most pro-business and pro-reform leaderships, serious about cultivating the long-term interests of the Ghanaian people through political stability, civic freedom and public investment in education and infrastructure.

We are also of course aware that Ghana is a country rich in mineral wealth. It remains one of the world's top gold producers, while diamonds, bauxite and manganese are also major sources of foreign exchange.

The GHEITI implementation was originally focused on solid minerals and we were delighted to learn that the implementation in Ghana has already enjoyed tremendous success in the following areas:

- GHEITI has catalysed wider debate and engagement in the governance of revenues from mineral resources

- There is a strong and proactive stakeholder group in place with civil society helping to drive the process and active government involvement

- The process has also involved close inter-institutional collaboration between GHEITI, revenue agencies, and other interested parties

- GHEITI has helped the government to shape policy decisions on royalties, corporate taxes and ground rent

More recently, an oilfield has been discovered that is believed to contain up to 3 billion barrels of light crude oil.

Oil exploration continues and Ghana can look forward to an inflow of capital into the economy as the country starts producing oil in commercial quantities. The current estimate is that oil will generate on average approximately $ 1 billion in revenue per annum for the next 15 years.

These oil reserves must be a blessing and not a curse, and it is precisely thisconsideration that has increased the scope of the project, together with its potential benefits and rewards.

At the same time, the anticipated oil wealth also greatly increases the risks if an effective EITI program is not implemented in Ghana.

So we know that Ghana has political stability. It also has fantastic economic potential. Are these alone enough to succeed?

World consensus on the benefits of good governance & transparency

Political stability and economic opportunity are two important pillars of successful development.

The aim of this project is to help deliver what many opinion leaders consider to be the third pillar of successful development in the extractive industries: and that is good governance.

The EITI process is supported by governments around the world, together with global institutions such as the World Bank and development partners such as GTZ, the German Cooperation.

The general consensus is that good governance is vital to secure the long-term economic benefits of mineral resources. Good governance and transparency provide the process infrastructure to defeat corruption, the misdirection of funds, inefficiency and waste.

Tony Blair, who leads the Africa Governance Initiative, made a very interesting point in a recent article in *Time* magazine. He wrote:

> *Too often, leaders of developing countries find that no matter how good their ideas, they don't make much of a difference if the systems aren't in place to move decisions to delivery.*

I would actually argue that IT systems are required to move from decisions to delivery in any modern economy, whether we are talking about large economies such as the USA or Germany, or growing economies in Africa.

In this respect I would like to commend Ghana's leadership, and in particular the efforts of Mr Seth Terkper, Hon. Deputy Minister of Finance and Economic Planning, in addressing the issues and ensuring that the systems are in place, and the efforts of this very multistakeholder group present here today, in looking at the common greater benefit for all.

Without the power of IT, the scale of the challenge is just too large for any human agency. With IT, you can gain both the big picture view and visibility in the detail. Both are needed to raise economic performance.

SAP

Since 1972, SAP has brought insight and real-time information to businesses and administrations worldwide, helping Fortune 500 companies to continue to grow and prosper and keep an edge over competition. Today, the largest oil and gas companies worldwide rely on SAP to run their operations better –

these include among others Saudi Aramco, Shell, Petrobras, Gazprom and Statoil. So too do the world's leading mining companies: Rio Tinto, Exarro, De Beers all run better by running SAP.

In fact, about 60% of the world's real economy transactions touch an SAP system. SAP stands for efficient and sustainable global business – with SAP, businesses and administrations around the world have gained unprecedented insight into their operations, allowing for real-time decision making.

SAP is very much committed to the success of the Ghana EITI project. It is part of our strategic intent to support good governance and transparency worldwide as the basis for investor and public confidence in global business.

SAP is better placed than any other software company to assist with the systems that will move this project from decisions to delivery:

- No other company can provide the same level of visibility into business systems, all the way from the single transaction right up to consolidated accounts

- No other company in the world can match SAP's reputation for reliability and quality in business systems

- No other company has the same depth of experience in guiding people, standardizing processes and implementing business solutions

- No other company has similar experience of applications specific to the oil, gas and mining industries

- No other software company works so closely with government and public sector agencies

- No other company can match SAP's offering in the specific field of Enterprise Performance Management (EPM) solutions

The aim of this project is to help achieve efficient process management and reporting.

With EPM, organizations gain the financial intelligence, process control and transparency needed to comply with global reporting standards. In addition, they are empowered with timely information and reliable analysis.

This will embed EPM at every organizational level within the extractive industries and the supporting government departments and agencies.

We must do this while minimizing the cost and administrative burden of good governance.

The reason why we are particularly excited about this project is that, for the first time, a CSR project fully exploits SAP skills and experience – knowledge that we can hand on to people on the ground here in Ghana, which we are confident will make a lasting impact.

It is also an excellent opportunity to demonstrate the value of public-private partnerships, which are supported at the highest levels of German government.

That said, this is *your* project and its form and dimensions will only become clear in the workshops and meetings over the coming days. SAP as a partner can bring the technology and expertise to help establish your leadership. We are looking forward to a productive workshop followed by strong cooperation in the months ahead to get a clear understanding of the issues, the expectations and the deliverables. Your contributions to this process will guide the work of the implementation team.

Benefits and success criteria

It is always important to establish criteria for measuring the success of a project.

The detail will be the subject of discussions but some benefits and broad success criteria are already clear:

- Improvement of the revenue reporting process

- Time saving in reconciliations and support for the aggregator

SAP KEYNOTE - GHANA & GOOD GOVERNANCE: MOVING FROM DECISIONS TO DELIVERY
Wednesday May 19th, 10h00
André Kingham, Vice-President, Global Communications, SAP AG

SAP®

- Quantification of how much revenue should accrue to government and other stakeholders, and identification of reasons for any shortfall (or overshoot)

- Better collaboration and coordination between stakeholder agencies

- A single version of the truth on revenues

- Knowledge about the revenue flows will enable policy makers to devise the right policies to manage the public resources effectively and reduce poverty

If the project lives on and continues to deliver these benefits after delivery, we can judge it to have been successful. If it provides inspiration for other transparency projects, then all the more so.

Ideally, we would like to see a solution that can be easily modified and replicated in other countries.

This will reflect very well on all participants.

Thanks to our partners

In conclusion I would like to thank GTZ for the vision and enthusiasm that it has put into the project and also to thank all members of the multi stakeholder group for their participation.

Not least I would like to thank the government of Ghana itself, and in particular the Hon. Deputy Minister Seth Terkper, for the confidence invested in the project.

The Commission for Africa has put it bluntly: "Without progress on governance... all other reforms will have limited impact".

Good governance will help to create an environment that attracts long-term investment, not only within the extractive industries but beyond, stimulating

job creation in an increasingly diversified Ghanaian economy and eradicating poverty.

I am convinced that this transparency project will help the government and people of Ghana to accelerate still further the country's sustainable development.

We are largely here to listen to you, this is your workshop, and our aim is simply to match your insight and enthusiasm with the most advanced information technology currently available to private companies and public administrations.

So, may I extend my best wishes to this group and to the implementation team for a swift and successful project that we will be able to celebrate together in the near future.

For my part I am ready to do whatever I can to ensure that nothing – not even Iceland's volcanoes – can stand in the way of that success.

Thank you.

Note on Africa Projects

SAP cares and SAP is interested. SAP is already committed to work in Ghana through a significant Corporate Social Responsibility engagement.

For example:

SAP & PlaNet Finance have carefully studied the shea nut value chain in northern Ghana to identify how microfinance, education and technology can help improve the incomes and living conditions of women who pick and process the nuts into shea butter

SAP has participated in the African Cashew Initiative to give Ghanaian cashew farmers access to ICT applications that enhance their productivity and enable them to do collaborative business with the first world economy, thereby achieving better prices for their produceWe are stepping up our investment in West Africa. In Ghana we now have a growing number of customers in the oil and gas sector, public sector and financial services. We have two partner organizations in the country, a local representative and we have recently started the SAP University Alliances program at the Kwame Nkrumah University of Science and Technology in Kumasi to help Ghanaian students to acquire skills

in Enterprise Resource Planning, Financial Accounting and Business Intelligence software. We are actively looking to extend such arrangements with other universities in Ghana.

About SAP

SAP is the world's leading provider of business software(*), offering applications and services that enable companies of all sizes and in more than 25 industries to become best-run businesses. With more than 97,000 customers in over 120 countries, the company is listed on several exchanges, including the Frankfurt stock exchange and NYSE, under the symbol "SAP." For more information, visit www.sap.com.

# # #

(*) SAP defines business software as comprising enterprise resource planning, business intelligence, and related applications.

Any statements contained in this document that are not historical facts are forward-looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995. Words such as "anticipate," "believe," "estimate," "expect," "forecast," "intend," "may," "plan," "project," "predict," "should" and "will" and similar expressions as they relate to SAP are intended to identify such forward-looking statements. SAP undertakes no obligation to publicly update or revise any forward-looking statements. All forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. The factors that could affect SAP's future financial results are discussed more fully in SAP's filings with the U.S. Securities and Exchange Commission ("SEC"), including SAP's most recent Annual Report on Form 20-F filed with the SEC. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates.

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Ghana Extractive Industries Transparency Initiative

SAP Project Presentation

19th and 20th of May, 2010

prepared by Aline Chotard Manzanal,
Project Manager

Presentation

- **Presentation of the solution for GHEITI**

  - Proposed solution

  - SAP tools for reconciliation and reporting

  - Knowledge and skill transfer to local team

- **Presentation of the SAP methodology**

  - Project management

  - Project milestones

- **Next steps**

  - Definition of processes

  - Constitution of project team and management team

Presentation

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Objectives and expected gains of the project

Business Intelligence

Financial Reporting

- The objective is to install a powerful and flexible tailored IT solution to support the EITI implementation in Ghana.

- The solution will optimize the publication of trustful and transparent information to the international EITI Secretariat and to the stakeholder in Ghana.

- The solution we propose is

    - Easy to use

    - Implemented quickly

    - Adaptable to the other EITI countries
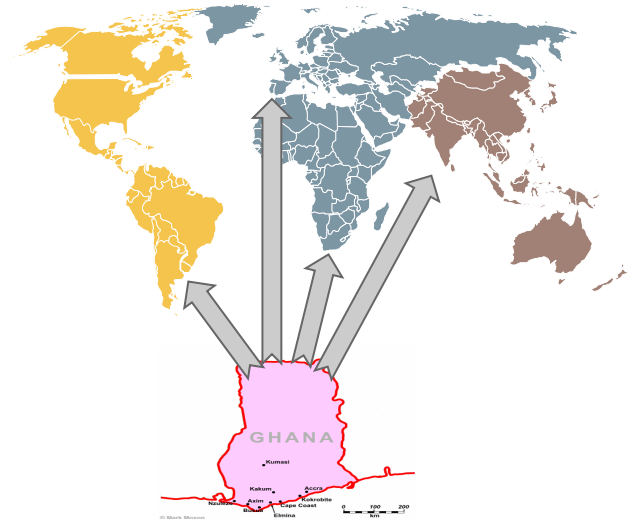
Proposed settings for the solution

- **GHEITI aggregator**
  - Publishes reportings through Excel or pdf files

Proposed settings for the solution

■ **Industries**

- ■ Extractive companies submit their payments through the web (key in or import from other data base)

  - – EITI form

  - – Addition of comments and attached files

■ Financial and / or statistical data can be entered if needed

■ Users can access other tool functionalities

- – Reports

- – Previous submissions

Proposed settings for the solution

- **Government entities**
  - Public sector submit revenues received from extractive companies

  - Public sector users can access other tool functionalities
    – Reports
    – Previous submissions

Proposed settings for the solution

- **GHEITI aggregator**
  - Follows up reporting from companies
  - Reconciles and analyzes data

Table 1 - Selected companies for aggregated / reconciled report

Company reporting on :
Reporting Period : December 2004

MINE / COMPANY	LOCATION	MINERAL MINED	Data reported on
AngloGold Ashanti Bibiani	Bibiani, Western Region	Gold	14/04/10 11:55:42
AngloGold Ashanti Iduaprim	Iduaprim, Western Region	Gold	14/04/10 12:25:24
AngloGold Ashanti Obuasi	Obuasi, Ashanti Region	Gold	14/04/10 12:25:24
Bogoso Gold Ltd	Bogosu, Western Region	Gold	14/04/10 11:55:42
Goldfields Ghana Abosso	Abosso, Western Region	Gold	14/04/10 11:55:42
Goldfields Ghana Tarkwa	Tarkwa, Western Region	Gold	14/04/10 12:25:24
Ghana Manganese Ltd	Nsuta, Western Region	Manganese	14/04/10 11:55:43
Engen Ghana	,	Oil & Gas	20/04/10 12:36:39
Ghanaian Italian Petroleum Co	,	Oil & Gas	20/04/10 12:36:39
Ghana Oil Company	,	Oil & Gas	20/04/10 12:36:39
Shell Ghana	,	Oil & Gas	20/04/10 12:36:40
Ghana Bauxite Company	Awaso, Western Region	Bauxite	14/04/10 12:25:24

Table 4 - Reconciliation of Mining benefits payments and Government receipts

Reporting Period : December 2005
All amounts in Cedi

	Government Aggregated receipts	Companies Payments	Deviation
MB020 Property rates	253,103	253,103	0
MB030 Ground rent	4,002	4,119	-117
MB040 Mineral royalty	23,293,295	23,293,295	0
MB045 Oil & Gas royalties	1,500	4,000	-2,500
MB050 Corporate Tax	10,222,868	9,760,320	462,548
MB060 Dividends	6,862,456	6,854,002	8,454
TOTAL	40,637,224	40,168,839	468,385

Proposed architecture for the solution

SAP

■ **Web centralized architecture with a unique database**

- ■ Web-based data entry, processing and reporting

- ■ Secured process with access rights to data and tool functionalities

- ■ Once installed, no need for IT developments

- ■ Application administrator can easily add new entities or create new reports through a user friendly tool with an intuitive interface

Web Clients

Web Server

Application Administrator
(Windows client)

Database Server

GHEITI

SAP BusinessObjects Financial Consolidation

Speed

Processing Speed	Simultaneous Legal and Management Reporting Views	No Compromise on Audit Trail
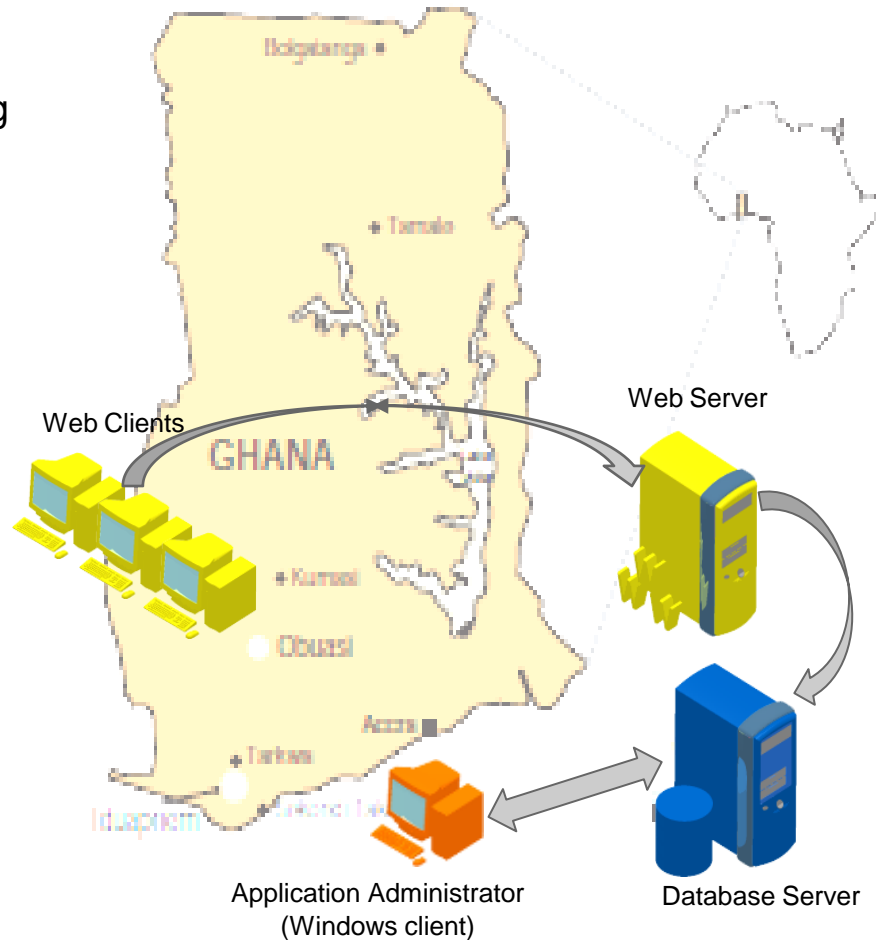
- Make financial information available more quickly to all stakeholders

- Improve decision-making and visibility

- Single version of the truth

- Faster availability for reporting and analysis

- Different views : monthly, quarterly or cumulative data

- Possible to include actual, budget and forecast data

- Dedicated dimensions for audit, transparency and compliance

- Full traceability at all times

- No impact on system performance

SAP BusinessObjects Financial Consolidation

Speed	**Processing Speed**	**Simultaneous Legal and Management Reporting Views**	**No Compromise on Audit Trail**
Power and Agility	**Dimensionality and Extensible Data Model**	**Financial Intelligence**	**Self-service user-oriented**

- Single trusted source for all information

- Breadth and depth of analysis

- Beyond financial reporting

- Expands to meet ever-growing needs
    - Product
    - Cost center

- Multiple currencies
    - for data entry or data aggregation
    - Automated currency conversions

- Multiple languages

- Multiple reporting channels
    - Different charts of accounts
    - Analysis dimensions

- Designed and maintained by Finance users

- Drastically reduced need for support from IT
    - Leads to faster results and greater independence and productivity

SAP BusinessObjects Financial Consolidation

Speed	Processing Speed	Simultaneous Legal and Management Reporting Views	No Compromise on Audit Trail
Power and Agility	Dimensionality and Extensible Data Model	Financial Intelligence	Self-service user-oriented
Financial Compliance	Controls and Validations	Powerful connectivity, mapping, and loading	Faster Legal Compliance via Starter Kits

- **Intelligent controls and validations ensure data is right-first-time**
  - Import controls and logs
  - Automated rules
  - Full transparency with time stamps and user names

- **Connectivity to SAP and non-SAP sources**
  - To import data
  - To analyze data through Excel with full security
- **Comments and attachments loaded**

- **Accelerator for fast implementation**
  - Customization to specific requirements
  - Detailed process guidance for business users

GHEITI

SAP BusinessObjects Financial Consolidation

Speed	Processing Speed	Simultaneous Legal and Management Reporting Views	No Compromise on Audit Trail
Power and Agility	Dimensionality and Extensible Data Model	Financial Intelligence	Self-service user-oriented
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Trusted Foundation	Leverage BI Platform	Open Architecture	IT Standards	Global Customer Base

- Automatic connection to Analytics cube
- SQL or Oracle database
- Web and Excel interfaces
- Thousands of customers worldwide

Three Key Components of Implementations

Project Lifecycle

Get the system ready

Get the data ready

Get the people ready

Getting the people ready : Knowledge transfer
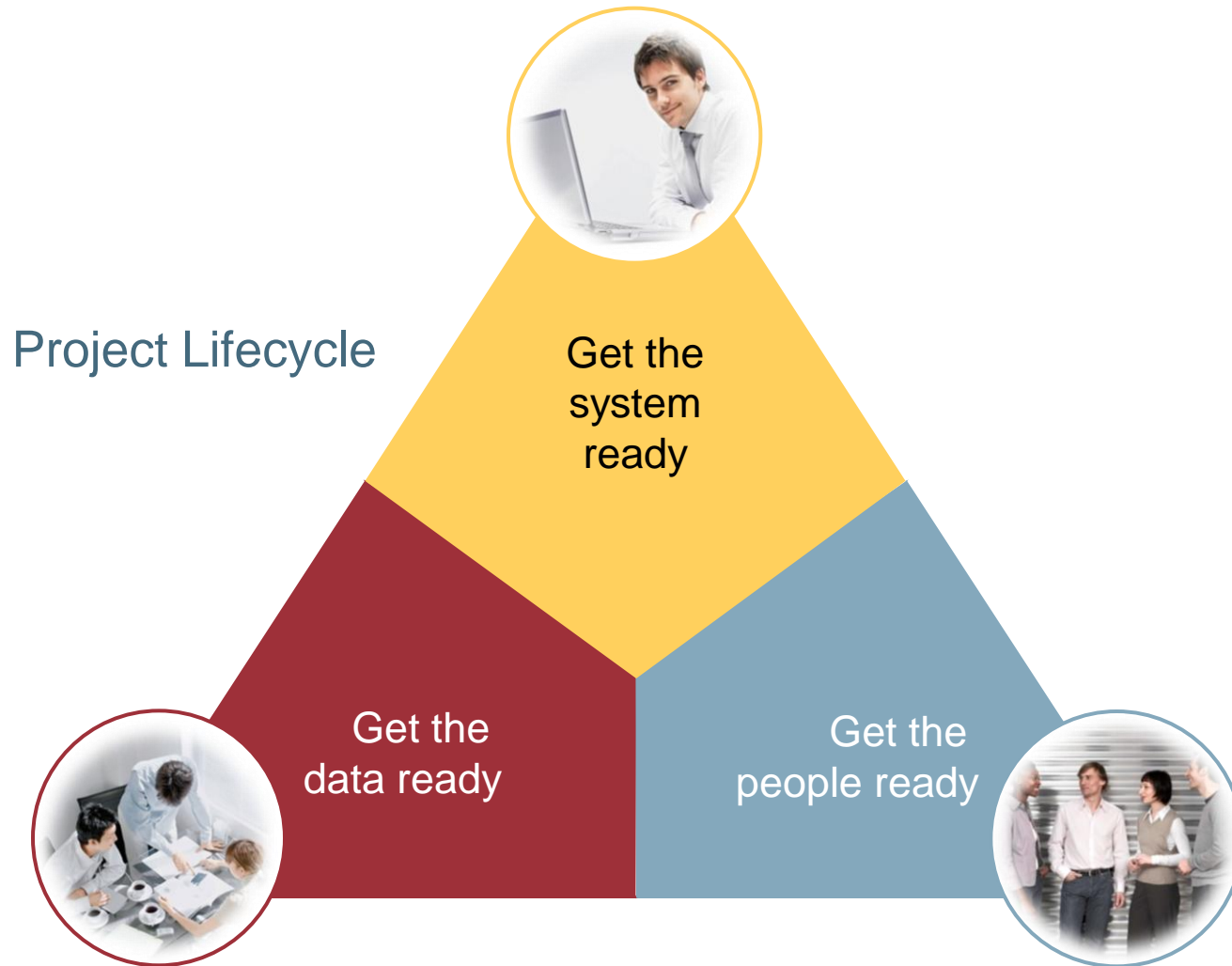
- **A key aspect of the project**

  - Objective : Local team is able to handle the tool & reporting at the end of the project

  - Means : one team working together

- **Documentation**

  - End users specific documentation

  - Reporting and administrative team documentation

  - Maintenance documentation for IT specialists

- **Training**

  - For project team at the beginning of the project

  - For end users before the go live

  - For IT specialists during installation of platform

Roll out

- **Getting the data ready : Historical data recovery**

  - To be sure that the tool will answer all the requirements
  - To perform tests with real data

- **Getting the system ready :**

  - Testing process to ensure quality
  - Assistance during 1st reporting to help users in the appropriation of the tool

Presentation

- Presentation of the solution for GHEITI

    - SAP tools for reconciliation and reporting

    - Proposed settings for the solution

    - Knowledge and skill transfer to local team

- Presentation of the SAP methodology

    - Project management

    - Project milestones

- Next steps

    - Definition of processes

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Delivering Successful Solutions
Leverage SAP implementation experience
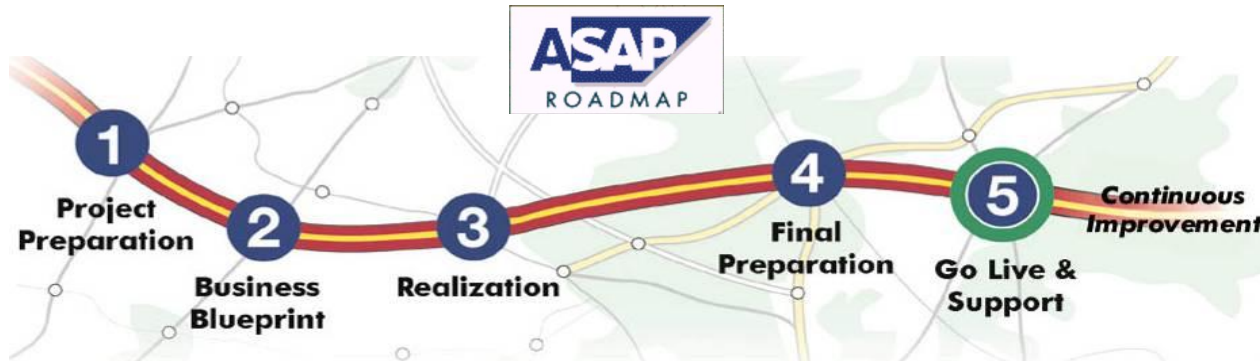
Description

AcceleratedSAP (ASAP) methodology provides <u>proven, comprehensive, repeatable and rich implementation methodology</u> to streamline projects.

ASAP covers implementations, upgrades, strategic studies and more.

The methodology is delivered to project sites in the form of delivery specific roadmaps (Implementation, Global Template, Upgrade, …)

ASAP Implementation Roadmap Phases

Initiate, plan and set up your SAP project

Capture requirements, document solution and technical design

Implement business and process require-ments based on the Business Blueprint

Complete the preparation for system cutover

Initial production support after cutover; transition to support processes

Run implemented SAP solution
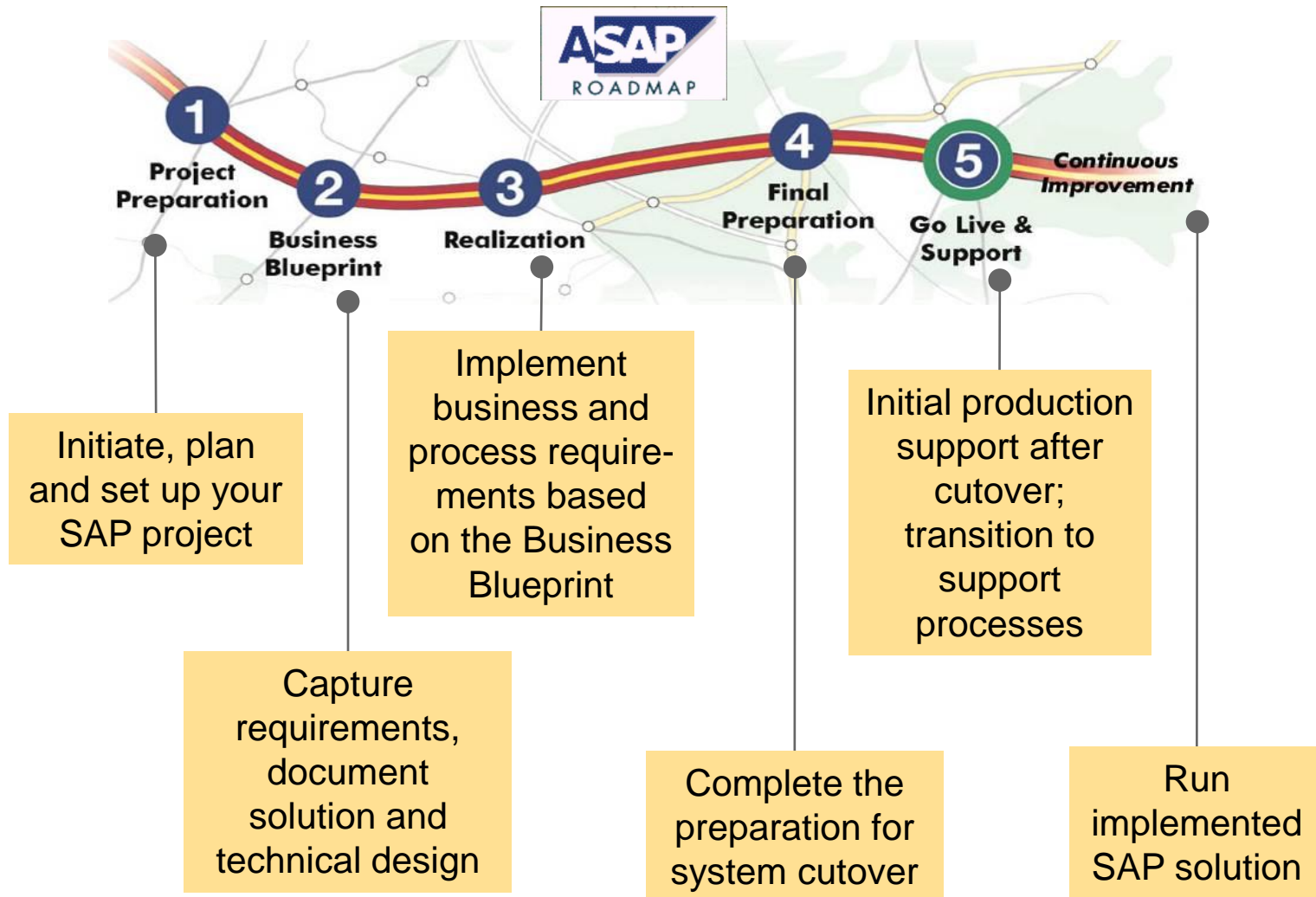
Project milestones - Planning
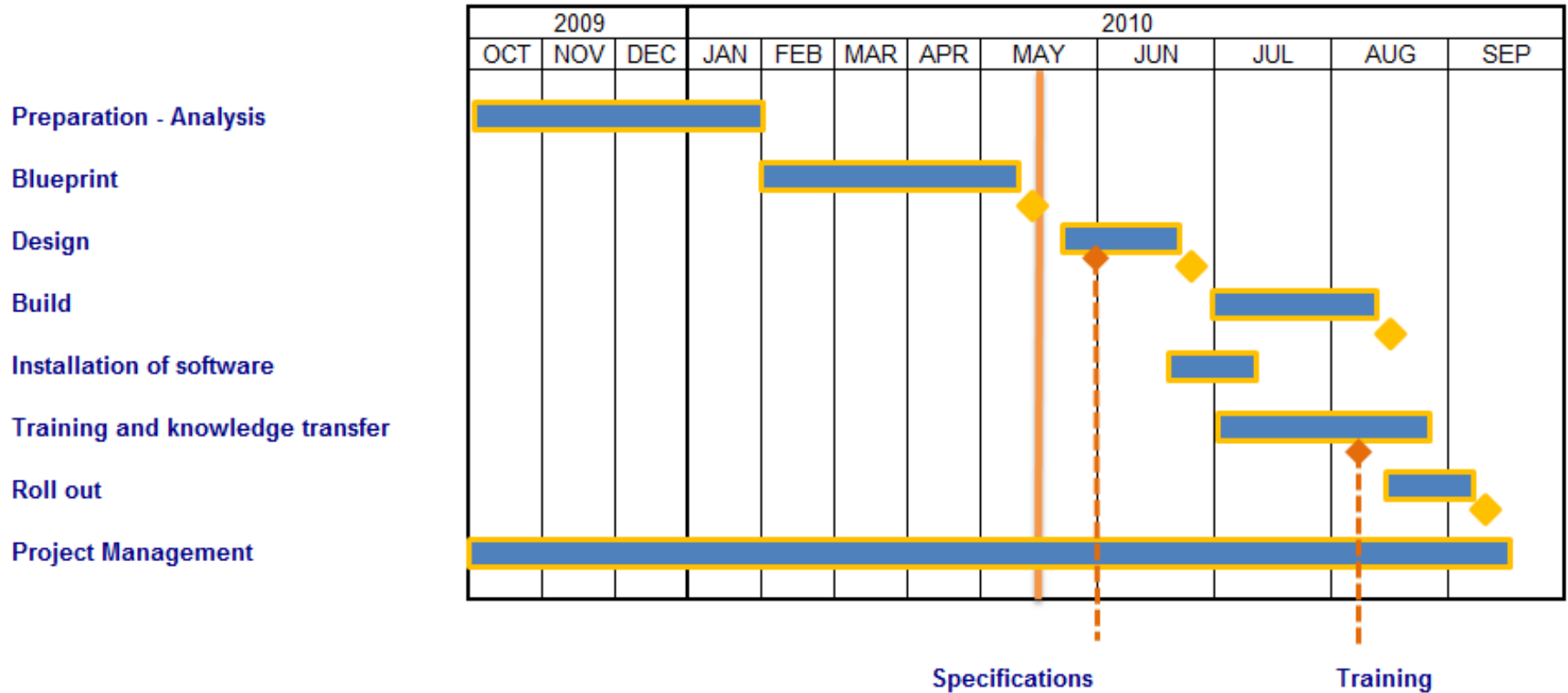
Presentation

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Next steps to success
Define scope and organization

- **Definition of project Content**

  - In scope / Out of scope

  - Additional requirements vs blueprint

- **Validation of project Planning**

  - Agreement on roll out date

  - Validation of milestones schedule

- **Organization of communications**

  - Communication team

  - Frequency of Project team meetings

  - Frequency of Steering committees

  - Communication to stakeholders

  - Communication to users community for better appropriation of new tool and new processes

- **Definition of validation process**

  - Validation of specifications from blueprint

  - Specifications are the reference for design and for build phases

  - Validation of build through historical data recovery (GHEITI data from 2006 to 2008)

- **Points of attention for a successful project**

  - Correct identification of people for

    – Project process team

    – Project team for realization

    – Escalation path (people and process)

  - Quality of training

  - Respect of planning to be able to deliver on time and in budget

Thank you!

Contact

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Ghana Extractive Industries Transparency Initiative

SAP Project Presentation

Workshops

19th and 20th of May, 2010

prepared by Aline Chotard Manzanal,
Project Manager

SAP

Project organization

ASAP Implementation Roadmap Phases

1 Project Preparation — Initiate, plan and set up your SAP project

2 Business Blueprint — Capture requirements, document solution and technical design

3 Realization — Implement business and process requirements based on the Business Blueprint

4 Final Preparation — Complete the preparation for system cutover

5 Go Live & Support — Initial production support after cutover; transition to support processes

Continuous Improvement — Run implemented SAP solution
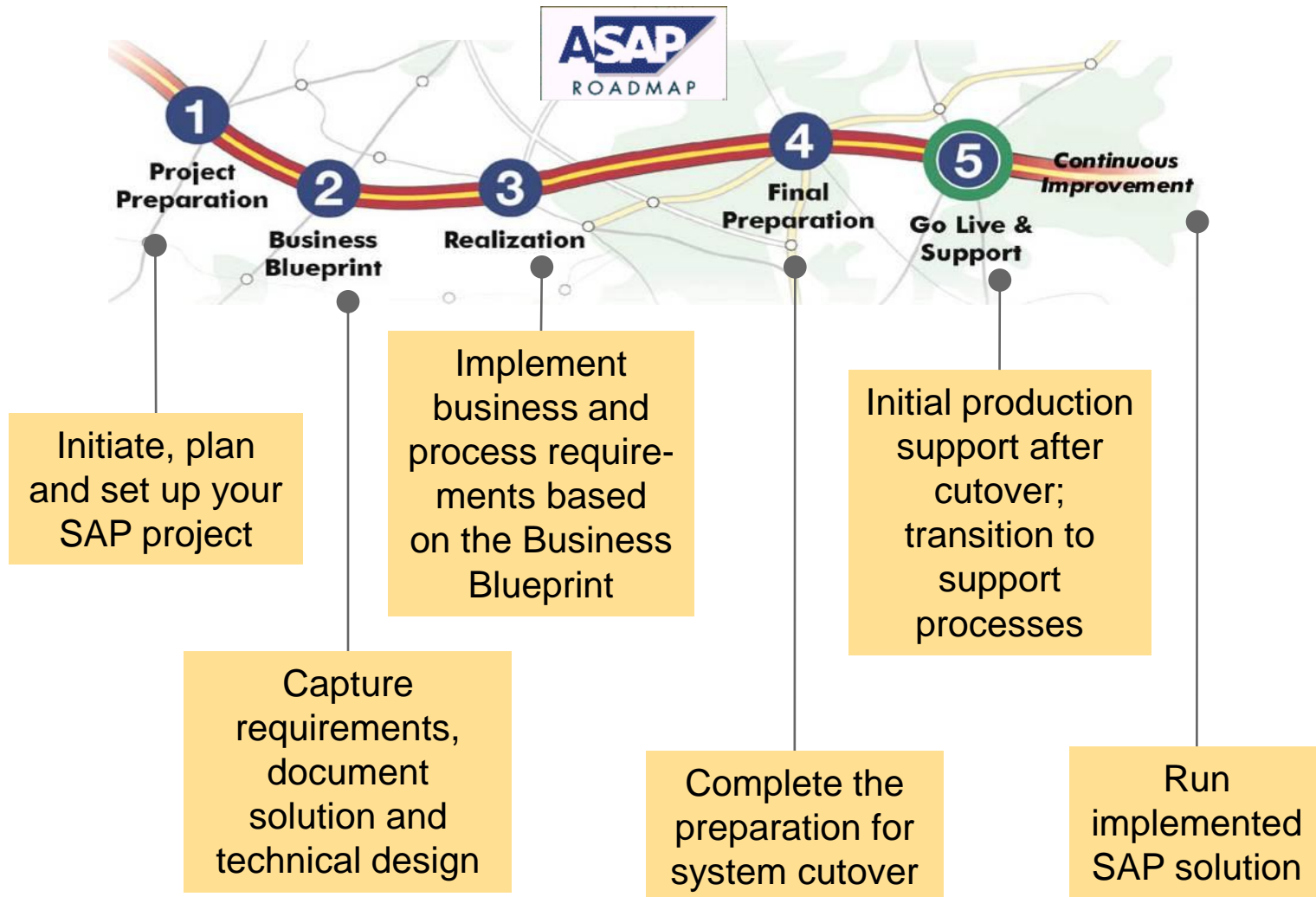
- Stakeholders

  - To validate the project during steering committees

- Process team

  - To monitor the project and to report to the stakeholders
    - SAP process team (André and Aline)
    - GTZ process team
    - GHEITI process team

- Project team

  - To realize all the steps of the Project
    - SAP functional team (Aline and Saïd)
    - Local team
  - To install the software platform
    - SAP IT team
    - Local IT team

Project steering committee

Process monitoring

Installation and building

IT team | Implementation team

Knowledge and skills transfer

Project organization
Communication of the project
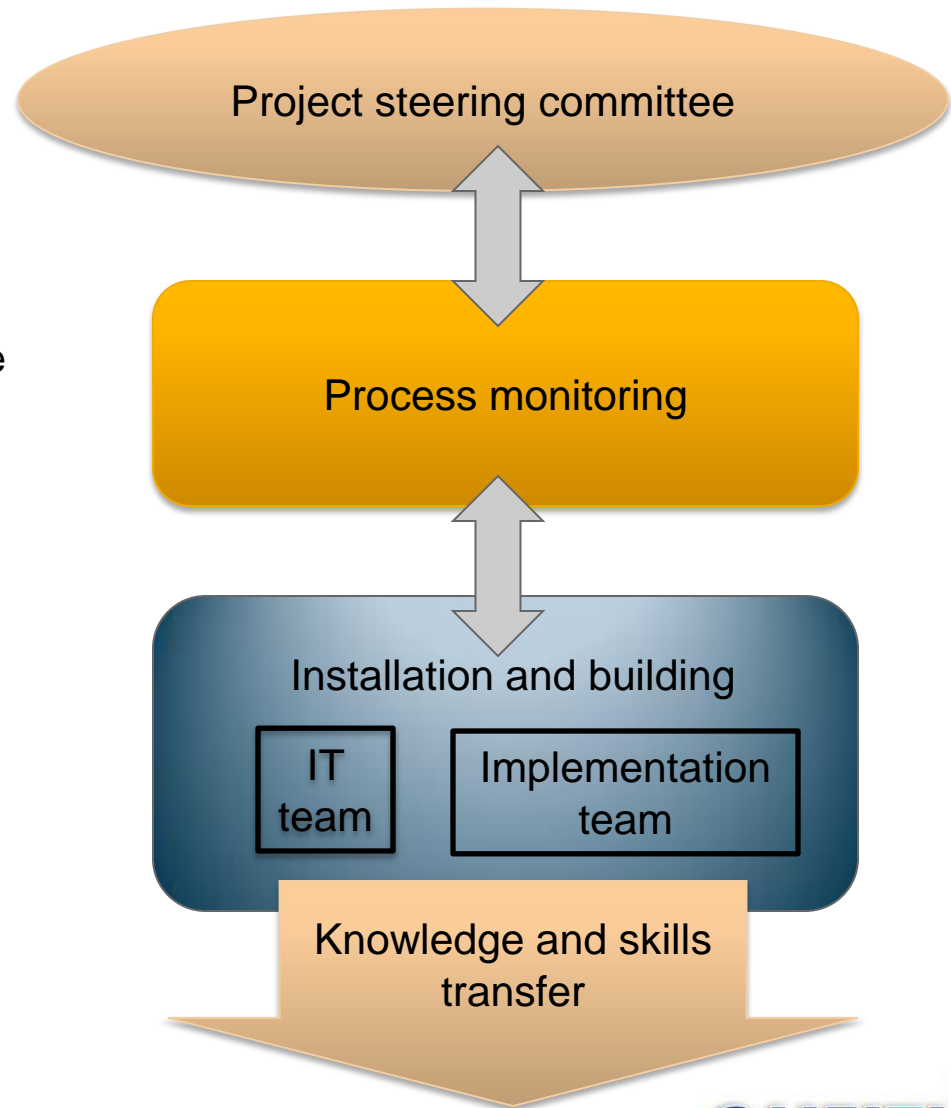
- **Meetings**

    - Project meetings every 1 or 2 weeks

    - Steering committees every month (process team and stakeholders)

    - If necessary meetings can be organized with project and process team

- **Communications**

    - Minutes of project meetings sent to process team

    - Process team sent regular update to the stakeholders

Quality process

- **Definition and acceptation of the project organization**

  - Definition of project content

  - Validation of planning

  - Constitution of teams

  - Planning of meetings and associated communications

  - Definition of quality management

  - Identification of risks and validation of the response to address

The key to a successful project

- **Definition of deliverables and delivery planning**

  - Detailed specifications of the solution

  - Customized IT-solution for EITI-reporting

  - Training of the stakeholders to enable them to create and publish their data

  - Comprehensive documentation of the solution

- **Definition of validation process**

  - For each deliverable
    - Definition of validation team
    - Definition of validation process
    - Definition of validation timeframe
  - Definition of escalation path

Project organization proposal for a successful project

SAP

- *Autonomy of aggregator office after the project to maintain the application*

- *Solution Acceptance from end users*

- *Respect of planning to be able to deliver on time and in budget*

- *Key milestones, commitment from project team to stakeholders*

- *Training sessions for the project team*
- *Office of the Aggregator team will participate in each step of the project and SAP will ensure the knowledge transfer all along during the project*

- *Key deliverables validation*
- *Clear definition of content through workshop*
- *Training sessions for the end users*
- *User Acceptance testing topic anticipated and organized to get green light for go live*

- *Realistic project timelines secured with strong Project Management experience and key actors involved from all sides*

- *Stewardship on a regular basis and ad hoc meetings*
- *Clear escalation process for validation*
- *Project Communication on a regular basis*

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Project content

Project content

- This specification focuses on the processes involved in the reconciliation and aggregation of benefit streams received by the government of Ghana

Awarding of Contracts → **Monitoring of Operations** → **Collection of Taxes and Royalties** → **Distribution of Revenues** → **Utilisation in Sustainable Projects**

Validation of blueprint content
Data collection

- Blueprint : Information submitted

  - Data entry done by Mining industries

    – Payments

    – Financial data

    – Statistical data

  - Data entry done by Government entities

    – Benefits received from mining industries

- Validation of information entered in the system

  - Comments : Compulsory or not ?

  - Linked information (example : if ground rent is entered, then concession size has to be reported too)

- **Additional information that may be submitted**

  - Additional information from Mining industries

    - Calculation of theoretical payments

    - Data relating to the price, fineness, assay and grade of mineral deposits

    - Other ?

  - Additional information from Government entities

    - Distribution of revenues

    - Utilisation of funds by local authorities and administrations
      - Automatic calculation or Declaration of fund transfer ?
      - Reports about utilization of funds? (education, social care, construction, etc)
      - Comparison between Budget and Actual revenues and utilisation

    - Other ?

Validation of blueprint content
Reports

SAP

- **Blueprint : Reports**

  - Reports for data validation and analyses by EITI aggregator
    - List of selected companies
    - Follow up of submissions (companies and government)
    - Reconciliation (synthesis and detail)
    - Report of comments associated to data submitted
    - Calculation of theoretical payments due

  - List of reports and charts for publication
    - Companies payments
    - Government receipts
    - Charts
      - Mining Benefits Receipts
      - Mining Benefits Paid by selected companies

- **To be defined**

  - Format expected for each report :
    - Excel table or Excel chart
    - Pdf publication
  - Additional reports

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Deliverables

- **Detailed specifications of the solution**

  - Project content, including all the requirements gathered during the workshops

  - IT architecture

  - Definition of security and access

- **Customized IT-solution for EITI-reporting**

  - Validated with historical data from 2004 to 2008

  - First reporting on 2009 data

- **Training of the stakeholders to enable them to create and publish their data.**

- **Comprehensive documentation of the solution**

  - For the mining companies, to submit payments

  - For the stakeholders, to analyse data

  - For the aggregator, to collect, analyse and publish data and to maintain the solution

  - For the IT services, to maintain the IT environment

Planning of the project

- **Validation of planning**

  - **Schedule for milestones :**

    - Detailed specifications of the solution   June 18th

    - Training of the stakeholders

        - Project team and EITI aggregator   June 30th

        - Stakeholders and mining Cies   August 27th

    - Comprehensive documentation of the solution   September 3rd

    - Customized IT-solution for EITI-reporting   August 31st

  - **Schedule for steering committees :**

    - Validation of design   June 28th

    - Validation of installation and data collection   August 9th

    - Validation of roll out   September 10th

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