Ghanaians are becoming increasingly concerned about what they describe as wasteful spending of petroleum revenues, Public Agenda has uncovered. In a brief statement at a Western Regional dissemination workshop on the 2014 Ghana Extractive Industries Transparency Initiative (EITI) reconciliation report, the Omanhene of Essikado traditional area, Nana Kobina Nketsia V, observed that it is the expectation of many natural resource host communities to feel the socio-economic benefits of resource extraction, however the consolidation approach to national economic accounting makes it difficult for host communities to be able to appreciate the direct contribution of the resources being exploited in their geographical jurisdictions to their local economic development.

The Extractive Industries Transparency Initiative (EITI) was launched at the World Summit on Sustainable Development in Johannesburg in 2002. EITI is a global effort to end the culture of opacity and lack of accountability in the generation and use of extractive sector revenues especially in natural resource-endowed countries, and to ensure that resource extraction contributes to national development and poverty reduction in the host countries.

The initiative is seen largely as part of the global efforts at reducing extreme poverty in developing countries through improved governance – in this case of natural resource revenues. It is believed that by encouraging public disclosures of company payments and government receipts of extractive revenues, citizens of resource dependent countries will be empowered to demand accountability in terms of how these revenues are used by their governments.

Ghana signed on to the initiative in 2003 and has since produced over ten EITI audit reports. The reports provide useful insights into policy gaps and institutional weaknesses which impede Ghana’s ability to maximise its benefits from the oil, gas, and mining sectors and make recommendations for addressing these weaknesses.

Nana Nketsia explained that consolidated accounting hides abuses, and spending inefficiencies in the management and use of natural resource revenues.

“It should be possible to isolate, for instance, petroleum revenues in the national accounting and to show how host communities are benefiting, together with the rest of the country’s population, but because budget data is often not disaggregated in a manner that allows for this kind of analysis, it’s been difficult to assess whether or not the aspirations of Ghanaians in relation to

the country's natural resource endowments are being met", Nana intimated.

Nana Nketsia's sentiments resonate strongly with those of the residents of the Upper East and Upper West regions. At a recent public outreach programme organised by the Public Interest and Accountability Committee in the two northern regions, participants decried the practice of co-mingling petroleum revenues with other government revenues in project funding, arguing that the situation does not allow citizens to see or appreciate what resource extraction has done for the country over the years. In Bolgatanga, a suggestion put forward by a participant, that, the oil revenues be accumulated for a period of say three years, and used to construct a railway network from the south of Ghana to the north received loud applause. Others who supported the idea, indicated that it did not make sense to trivialise the spending of oil revenues as is currently being done, but to ensure that planned expenditures target what the participants termed "heritage projects" i.e. projects that future generations can point to, as benefits of the country's oil endowment.

The PIAC outreach programme, which included inspection of some projects in the two regions being funded with oil money, made some startling revelations, the most serious being the fact that most residents, including local authorities were unaware of the oil-funded projects. There were also instances of poor supervision of projects, leading to poor quality of project delivery. But perhaps most astounding was the discovery that some projects supposed to have been funded with oil money, were non-existent. In the particular case of Farikiya Islamic school in Tamale, where PIAC extended its project inspection exercise, a classroom block supposed to have been built with oil money was did not exist. Indeed, the headmaster of the school expressed surprise when the leadership of PIAC informed him that his school had benefitted from oil revenue allocation in 2015. He told the visiting delegation from PIAC that the only two classroom blocks in the school had been built with GETfund allocation and the MP's share of the Common Fund.

At the Nakore dam, where an amount of GHC15,000 (fifteen thousand Cedis) had been allocated for some channeling works on the dam, the delegation found that no such works had been undertaken. Angry residents told PIAC that there have been no works carried out on the dam since 2006.

Last Wednesday, at a dialogue session, organised by Kite, ACEP, and CDD to mobilise citizens' input into the re-prioritisation of petroleum spending for the next medium term, which commences in 2017, the Budget Division of the Ministry of Finance welcomed concerns about the elastic spread of spending to cover every sector of the economy, as well as the co-mingling of oil revenue with other government revenues in project funding. Mr Peter Aidoo of the Budget

Division pledged to communicate the concerns to the Ministry, but only time can confirm whether or not the practice will change.

By Evelyn Addor