



MiDA NEWS



The official newsletter for Ghana Compact II

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GHANA HOSTS MCC CEO

ALSO IN THIS ISSUE

MiDA engages stakeholders at WAMPOC/WAMPEX in Accra

Role of the Reform Unit in Compact II implementation

MiDA / MCC Implementation Workshop

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Ghana hosts MCC CEO, Dana Hyde

The CEO of the Millennium Challenge Corporation, MCC, has visited Ghana with a team of MCC staff as part of a West African tour of MCC partner countries. The team arrived in Ghana on 27th October, 2016 for two days following visits to Benin, Sierra Leone and Liberia.

In Ghana, Ms Hyde met with Vice President Paa Kwesi Amissah-Arthur at the Flagstaff House in Accra. H.E. Amissah-Arthur reiterated the Government of Ghana's commitment to the Compact Programme and pledged their support to ensure successful implementation of the various projects under the programme. The Vice President also acknowledged that the visit of Ms Hyde signified the continued friendship between the people of Ghana and the people of the United States of America.

Ghana is receiving US\$498.2 million from the MCC to implement various projects aimed at reforming as well as building and improving infrastructure in Ghana's power sector. The Compact grant to Ghana is the largest U.S. Government Power Africa transaction to date, and one that is expected to catalyze billions of dollars in private investment in the power sector.



Ms. Dana Hyde, MCC CEO

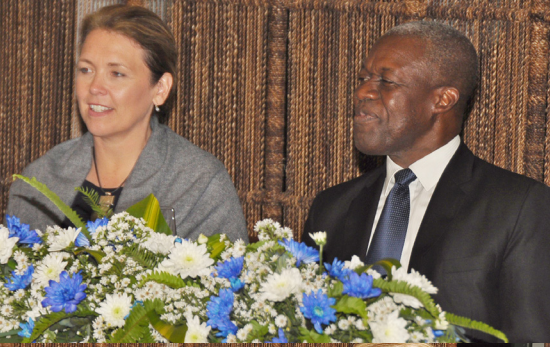


Events in Pictures

Ms. Hyde meets with MiDA Management



Ms. Hyde meets with vice president



ROLE OF THE REFORM UNIT IN COMPACT II IMPLEMENTATION

Reforming and restructuring the power sector is a Government of Ghana objective that requires to be fully realized. Fortunately, the Ghana Power Compact embodies a reform agenda for the energy sector and advances a set of reforms that began in the 1990s. Given the importance of the reform program requiring support from the highest levels of Government, the Government is spearheading this reform agenda working closely with a Reform Unit that exists within MiDA.

The Reform Unit is responsible for developing a strategy to implement the proposed reform activities within the program; facilitating its implementation; and establishing a review process to regularly evaluate progress on key items in the reform agenda.

The Reform Unit works closely with government institutions and agencies to drive the day-to-day implementation of the proposed reforms in the sector. They include the Ministries of Power, Finance, Justice and Attorney General, Petroleum, Energy Commission, Public Utilities Regulatory Commission (PURC), Electricity Company of Ghana (ECG) and Northern Electricity Distribution Company (NEDCo).

In fulfilling this strategic role, the Reform Unit performs the following functions:

- Acts as a principal liaison between MiDA and other line ministries including
 - developing strategies;
 - writing background documents;
 - writing policy notes and updates; and

- compiling and evaluating data.
- Identifies and assesses economic, social and political trends and advises management;
- Provides strategic guidance and support to ensure efficient coordination with stakeholders through
 - mapping entry points for policy dialogue;
 - analyzing impacts of reforms;
 - developing appropriate communications strategies;
 - working in close coordination with other MiDA staff; and
 - building, maintaining and leveraging relationships.
- Identifies capacity gaps in relevant institutions and contributes to the planning and delivery of technical assistance;
- Represents MiDA in meetings with donors;
- Represents MiDA in public forums with respect to the reform activities;
- Works with other Directorates of MiDA to achieve the organization's goals by
 - developing implementation plans for ECG and NEDCo PSP activities;
 - providing a second line of tracking of delivery timelines; and
 - coordinating consultants for harmonious delivery.



Michael Awuah
Reform Unit Manager

ECONOMIC POLICY MANAGEMENT STUDENTS SHARE THOUGHTS ON POWER COMPACT PROGRAM



Ing. Owura K. Sarfo delivering his presentation to the students

Despite a looming heavy downpour, several students enrolled in the Master of Arts (MA) in Economic Policy Management (EPM) Programme, run by the Department of Economics at the University of Ghana (UG), turned up for an evening engagement with Ing. Owura Kwaku Sarfo. The MiDA CEO had been invited by the Department to speak on “The role of MiDA Compacts in Ghana’s Economic Development” as part of a Seminar Lecture Series organised for the MA EPM Programme.

Ing. Sarfo delivered a forty minute presentation, which highlighted the relationship between power consumption and a country’s economic development. The presentation also explained the Power Compact, listed the various projects under the Programme and made clear the rationale for the ECG PSP activity. Following the presentation, the students had the opportunity to ask questions. Among the many asked, students particularly wanted to know the possibility of tariff increases in power consumption after a concessionaire takes over the operations, management and investments in ECG. Students were assured that the concession arrangement would not automatically yield tariff increments as speculated in the media, but could rather lead to reductions should losses within the power distribution system be considerably reduced. The students were also told about the requirement for Ghanaian participation (local content) in the ownership and management structure for the concessionaire to qualify for the PSP transaction.

Dr Edward Nketiah-Amponsah, Seminar Coordinator and Senior lecturer at the Department of

Economics-UG, said the meeting was one of the best attended in the Series. He was impressed that several students showed up for the event notwithstanding the unfavourable weather conditions. He mentioned that the presentation had been relevant to the students considering recent discussions in the Ghanaian media about the Power Compact, particularly the ensuing debate over Privatisation and PSP in the ECG. The presentation, Dr Nketiah-Amponsah said “will enhance the ability of our students to appreciate what MiDA does.”

Samuel Afedu, a student enrolled in the programme, reiterated that the presentation was insightful and uncovered a lot of issues he did not understand for which he now has better understanding. “The debate has been going on but a lot of the information is just scattered so we are a bit confused. The issue of Ghana’s electricity is very important because it hinges on how this country can develop. We cannot develop without electricity. This presentation has made it clear that there is a problem that can easily be solved, when we address the institutional bottlenecks[and other challenges]” he said.

On her part, Akua Esabbah Mohinson believed that the engagement had been enlightening. Specifically, it had helped her identify projects to which the Compact Grant is to be used and others that had been implemented with Compact I funds. “The presentation has helped me appreciate the importance of communication in policy management. I have come to realise that effective stakeholder communication is an important aspect of policy management.” She added.

MiDA ENGAGES STAKEHOLDERS AT WAMPOC/WAMPEX IN ACCRA

Various officials of MiDA took turns to engage with participants at this year's West African Mining and Power Conference and Exhibition (WAMPOC/WAMPEX) held 1st-3rd June, 2016 in Accra. The 12th Annual event, hosted at the Accra International Conference Centre was attended by various organisations in the power and mining industries, academia and other stakeholders.

Mr Mawunyo Rubson, Director of Generation Projects, gave a presentation titled The Ghana Power Compact: Powering Ghana for Accelerated and Sustainable Economic Growth at the Power Conference, which was held on the second day of the three day event. Mr Rubson, highlighted the economic benefits sought under the Power Compact to both mining industry and the country at large.

Participants, exhibitors and visitors who stopped at MiDA's booth at the exhibition were attended to by various MiDA officials from the Communication and Outreach Unit, supported by project officers engaged on the ECG Financial and Operational Turnaround project.

The exhibition provided MiDA an opportunity to have one on one engagements with Ghanaians, and other stakeholders on the Power Compact.



Mr Mawunyo Rubson
Director, Generation Projects
delivering a presentation at the
conference



A cross section of participants at the conference



Some officers of MiDA engaging visitors at MiDA's exhibition booth

ENVIRONMENT AND SOCIAL PERFORMANCE

MiDA recognizes the value in ensuring that projects and activities under the Power Compact are designed and implemented in an environmentally and socially sound manner. Projects and activities under the Compact will be designed and implemented consistent with the applicable environmental and social laws of Ghana including but not limited to the Environmental Protection Agency Laws and Regulations, EPA (Act 490, 1994), Ghana Environmental Assessment Regulation (LI 1652, 1999) as amended (2002) and the International Finance Cooperation (IFC) Performance Standards on Environment and Social Sustainability.

The IFC Performance Standards on Environmental and Social Sustainability are a set of international benchmarks for identifying and managing environmental and social risks and impacts. They promote smarter and more sustainable economic development by helping institutions promote economic development that is environmentally and socially sustainable, promote accountability and transparency, and manage risks and do business in a sustainable way. MCC recently amended its Environmental Guidelines to formally adopt the IFC Performance Standards. There are eight performance standards (PS):

- **PS1 Assessment and Management of Environmental Risks and Impacts: identifying and managing social and environmental risks and impacts.**
- **PS2 Labor and Working Conditions: addressing the four core labor standards and promoting the health safety and fair treatment of workers.**
- **PS3 Resource Efficiency and Pollution Prevention: avoiding pollution from the project activities, promoting efficient use of resources and reducing greenhouse gas emissions.**
- **PS4 Community Health, Safety and Security: managing risks to local communities.**
- **PS5 Land Acquisition and Involuntary Re-**

settlement: protecting and improving the livelihoods of displaced persons when resettlement is unavoidable.

- **PS6 Biodiversity Conservation and Sustainable Management of Natural Living Organisms: protecting biodiversity and managing living natural resources sustainably.**

• **PS7 Indigenous People: protecting the dignity, human rights, aspirations, cultures, and customary livelihoods of indigenous peoples.**

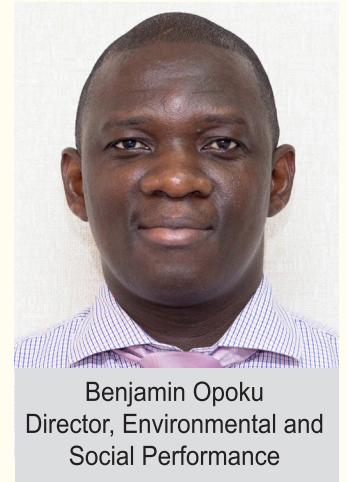
- **PS8 Cultural Heritage: protecting cultural heritage from adverse impacts and supporting its preservation.**

PS1 underscores the importance of developing and managing environmental and social risks and impacts within the life of a project. MiDA has developed an Environmental and Social Management System (ESMS) for managing environmental and social risks and impacts for projects and activities within the Compact. MiDA ESMS is the means by which MiDA and partners identify and manage environmental and social risks and opportunities. Doing so results in smarter and more sustainable economic development. The ESMS eight (8) key elements include the following:

- Policy,
- Legal and Regulatory Requirements
- Identification of risks and Impacts
- Management Programs
- Organizational capacity and Competence
- Emergency Preparedness and Response Plan
- Stakeholder Engagement
- Monitoring and Review

In addition, MiDA has developed the following documents which are integral to the ESMS. These include the following;

- Health Safety Policy and Procedures,
- Emergency Preparedness and Response Plan,
- Stakeholder Engagement Plan, and
- Resettlement Policy Framework.



Benjamin Opoku
Director, Environmental and
Social Performance



MiDA / MCC IMPLEMENTATION WORKSHOP

11th-15th July, 2016



Event in pictures



SGIP Consultant Meets MiDA Staff



Madam Vivian
Sarpomaa Fiscian
Team leader-WI-HER

The consulting agency engaged to develop the Social Gender and Inclusion Plan (SGIP) for the Compact II program has met with the executives and staff of MiDA to get acquainted with the team. The Consultant, Women Influencing Health, Education, and Rule of Law- WI-HER, was represented by its team leader Madam Vivian Sarpomaa Fiscian.

At a short meeting with MiDA, held at the MiDA Board Room, Madam Fiscian said she was pleased to meet the team and stressed her organisation's preparedness to start their work on the SGIP. She also explained that the consultant's work would involve meetings with Project Managers and some directors at MiDA, as well as other key officials working at the various Implementing Entities.

CEO Ing. Owura Sarfo welcomed Madam Fiscian on behalf of the MiDA team. He stressed that the work of the consultant was critical to achieving the objectives of the Power Compact and hoped that their work would help people understand and appreciate why gender is at the heart of the Compact II Projects.

WI-HER is a woman-owned small business delivering expert and state-of-the-art practical and workable solutions to complex problems. The organisation has field experience working with women and youth, orphans and vulnerable children, hard-to-reach groups, and those in areas of conflict in Africa, Eastern Europe, Latin America and the Middle East.

MiDA Holds Pre-proposal Meetings for Tariff Study & Plan Consultancy, and Program Management Consultancy (PMC)

A pre-proposal meeting has been held for bidders interested in the Tariff Methodology Study activity, one of several activities under the Regulatory Strengthening and Capacity Building Project and also for the Pro-

gram Management Consultancy for the Ghana Power Compact. The meetings are part of efforts to ensure that bidders submit good bids for procurement opportunities in the Compact.



Pre-proposal Meeting for Program Management Consultancy



Pre-proposal Meeting for Tariff Study and Tariff Plan Consultancy



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