Cooperative Agreement in support of the “Smart Development Initiative”

MONTHLY REPORT – September 2006

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The following are the activities conducted in the month of September. They fall under Task 1 (Continuation of Work in Ghana), Task 2 (Replicate the Ghana model elsewhere in West Africa), Task 3 (Replication / Expansion of the Ghana model to Latin America) and Task 4 (Smart Development concepts).

- Dr. Foss and Dr. Gülen spent two weeks between September 4 and 16 in Ghana, participating in several RCEER activities (see second bullet and attached Trip Report). In particular, the professional workshop on September 13 and the launching of the Guide to Natural Gas in Ghana at the International Press Centre on September 15 had the widest reach. The workshop was attended about 30 sector professionals and information and the models provided were received with great interest. The launch, defined as “the first of its kind in the country” by The Statesman, a major newspaper (http://www.thestatesmanonline.com/pages/news_detail.php?section=2&newsid=573), was a first step in public education by the key institutions and thus an important metric and achievement for RCEER. Trip Report includes further details on the events and copies of the press coverage (Attachment 6 of the Trip Report).

- RCEER completed following deliverables: 1- Public outreach activity to launch the Guide to Natural Gas in Ghana; 2- Journalist training on natural gas fundamentals; 3- Professional workshop; 4- Natural gas surveys from journalists and bankers conducted by RCEER; and industrial user surveys conducted by EC. (Task 1)

- Because of RCEER’s work on electricity and natural gas, Dr. Asante was invited to present at the 3rd annual West African Power and Mining Industry Convention (WAPIC) to be held in Accra in November 7-9, 2006. Dr. Asante, Mr. Essandoh-Yeddu and Dr. Gülen started updating the paper on the economics of the natural gas distribution business in Tema and Takoradi for this conference. Dr. Asante and Mr. Essandoh-Yeddu will present the paper at the conference. (Tasks 1 and 2)

- CEE continued with the arrangements for the two-week exchange visit to Texas in October by delegates from Ghana and Nigeria. We will host two Ghanaian delegates, one from each of EC and PURC, and three Nigerian delegates, one from each of NNPC, NGC and the Office of the Special Adviser to President on Energy Markets. (Tasks 1 and 2)

- CEE continued to improve Smart Development concepts for the white papers on Smart Development and on Smart Development Initiative (SDI) for Latin America. In addition to new information obtained for the new CEE initiative on community benefits arising from the CEE’s LNG Consortium, we are incorporating some new ideas and observations from our trip to Ghana and our interactions with other energy & development specialists at the USAEE/IAEE conference (http://www.usaee.org/usaee2006/). Dr. Gülen organized a panel on Energy, Economic Development and Energy Poverty in this conference. (Tasks 2-4)

Next steps

- RCEER will hold a public outreach activity on natural gas.
- RCEER and CEE will work together to organize a one-week workshop in Abuja in January 2007.
Trip Report

Activity: Trip 3 to Ghana
Dates: September 4 through January 16, 2006

Key Results
The natural gas workshop, held on September 13 at EC conference facilities, was successful in providing relevant information on international cases of natural gas sector development and an economic model for Tema LDC, and in engaging key staff and decision makers at Ghanaian agencies.

The Guide to Natural Gas in Ghana was launched at a public outreach activity jointly hosted by the Institute for Financial and Economics Journalists at the International Press Centre. The event was attended by roughly 70 media members and about 25 non-media participants, all of whom received copies of the Guide. The leadership of EC and PURC chaired the session and participated in a lively Q&A session. The media coverage was significant (see Attachment 6). The launch was an important first step in public education on natural gas by RCEER and its institutional supporters, and hence a significant accomplishment for RCEER.

Summary Report

Tuesday, September 5, 2006

Dr. Foss and Dr. Gülen met with Dr. Felix Asante, coordinator of RCEER at UG-ISSER. They discussed the surveys from journalists and bankers in preparation for the workshop, launching of the Guide to Natural Gas in Ghana and journalist training, and logistical arrangements for these events.

Dr. Foss and Dr. Gülen visited with colleagues from EC and PURC to discuss participation in the natural gas workshop and the launching of the Guide.

Wednesday, September 6, 2006

Arrangements for the workshops and the launching, including logistical arrangements, invitations, content development and press release (Attachment 1), continued.

A team from EC hosted Dr. Foss and Dr. Gülen to discuss the natural gas usage surveys EC implemented for RCEER, natural gas workshops next week, launching of the Guide and the progress of natural gas regulations to prepare for the secondary natural gas market.

Thursday, September 7, 2006

Dr. Foss and Dr. Gülen visited WAPCO offices and met with Mr. Dan Hamer, General Manager of Commercial and Business Development to discuss the progress of WAGP, the development of secondary market frameworks, power shortages in Ghana, and the role of RCEER.

Dr. Foss and Dr. Gülen accompanied Dr. Asante and Mr. Clottey of RCEER in their visit to the Institute of Financial and Economics Journalists (IFEJ). IFEJ and RCEER agreed to launch the Guide to Natural Gas in Ghana jointly at the International Press Center on Friday, September 15 at 2:30 pm, followed by a training session for journalists on natural gas questions.