



**MILLENNIUM DEVELOPMENT AUTHORITY  
(MiDA)**

**GHANA COMPACT II**

**Quarterly Progress Report**

**July – September 2016**

**Ghana Compact II Theme**

***"Powering Ghana for Accelerated and Sustainable  
Economic Growth"***

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## **GLOSSARY OF ABBREVIATIONS**

BCS	Bid Challenge System
CAP-Scan	Capacity Scan
CIF	Compact Implementation Funding
CP	Condition Precedent
DQR	Data Quality Review
ECG	Electricity Company of Ghana Ltd
EIF	Entry-into-Force
ESP	Environmental and Social Performance
FAP	Fiscal Accountability Plan
GIS	Geographic Information System
GoG	Government of Ghana
GPN	General Procurement Notice
GSI	Gender and Social Inclusion
IE	Implementing Entity
IEA	Implementing Entity Agreement
IFC	International Finance Corporation
IPP	Independent Power Producer
IRRP	Integrated Resource & Resilience Plan
KPIs	Key Performance Indicators
LPO	Local Purchasing Order
MCC	Millennium Challenge Corporation
M&E	Monitoring and Evaluation
MiDA	Millennium Development Authority
MIS	Management Information System
MoF	Ministry of Finance
MoP	Ministry of Power
MoPet	Ministry of Petroleum
NEDCo	Northern Electricity Distribution Company Ltd
NFOT	NEDCo Financial and Operational Turnaround
PIA	Program Implementation Plan
PMC	Program Management Consultant
PSP	Private Sector Participation
PURC	Public Utilities Regulatory Commission
PUWU	Public Utility Workers Union
RfP	Request for Proposals
RfQ	Request for Qualification
SAP	System Application Product
SGIP	Social and Gender Integration Plan
SPN	Special Procurement Notice
TA	Technical Assistant
TOR	Terms of Reference
TP	Tariff Plan

## **EXECUTIVE SUMMARY**

### **Introduction**

This Progress Report covers the period from July 1 to September 30, 2016 and captures activities undertaken by the Millennium Development Authority (MiDA) toward the implementation of the Compact Program. These includes activities related to the following:-

1. Conditions Precedent to Entry into Force (EIF) of the Compact
2. Conditions Precedent to First Disbursement of Program Funding
3. Program Activities which include:
  - Distribution Projects
  - Generation Projects
  - Environment and Social Performance (ESP)
  - Gender and Social Inclusion (GSI)
4. Monitoring and Evaluation
5. Communications and Outreach
6. Procurement
7. Financial Management
8. Legal and Governance

The report also identifies critical issues/risks to the successful execution of Ghana's second Compact and highlights Government approvals required. It concludes with projections for the next quarter.

### **Highlight of Previous Quarter Activities**

During the previous quarter, MiDA achieved significant progress in respect of all activities required to be completed before Entry into Force of the Compact. The following were major progress achieved:

- An Environmental and Social Management System (ESMS) was completed and put into effect
- The Request for Qualification (RfQ) for the ECG Private Sector Participation (PSP) Transaction was launched, prequalification applications received, and evaluation completed
- MiDA executed an Implementing Entity Agreement (IEA) with the Electricity Company of Ghana Ltd (ECG)
- MiDA's activities resulted in a financial commitment of US\$2,008,473 against a projected figure of US\$2,116,623. This represented 94.9% achievement.

### **Summary of Activities during Reporting Quarter**

During the reporting period, the Compact achieved significant milestones. Below is a summary of these major milestones:

- MiDA successfully launched the RfP for the PSP on August 30<sup>th</sup> 2016

- MiDA successfully met all the Conditions Precedent to Entry into Force of the Compact
- The Compact officially and legally Entered Into Force on September 06, 2016
- MiDA also successfully met most of the Conditions Precedent to first disbursement of Program Funding
- MiDA signed a contract with Messrs. Fichtner for the Tariff Study and the development of a Tariff Plan as part of the Regulatory Strengthening and Capacity Building Project
- MiDA also signed the contract for an external Legal Counsel with Sena Chambers. The contract was signed on 20<sup>th</sup> September, 2016
- The Millennium Challenge Corporation (MCC) completed the procurement of a consultant for the design of the Access Project and signed the contract on 29<sup>th</sup> September, 2016. The contract was with CH2M
- The study for an Integrated Resource & Resilience Plan (IRRP) which is part of the Power Generation Sector Improvement Project and being conducted by Messrs. ICF, under the auspices of the USAID, was launched on September 13 & 14, 2016

### **Critical Issues/Risks**

The following were critical issues which required some attention during the 3<sup>rd</sup> quarter:

- Due to ECG's continued opposition to the PSP, MiDA was unable to grant access to the Physical and Virtual Data rooms for the ECG PSP in September as planned. The data rooms are necessary to enable shortlisted bidders conduct due diligence on ECG as part of the bidding process
- Measures to manage the IFC Conflict of Interest issue after the release of the RfP had still not been determined. Early resolution is necessary to safeguard the integrity of the ECG PSP Transaction
- Relationship between MiDA and some Implementing Entities required more concerted effort to help prevent delays in Program implementation
- MiDA had still not received ECG Management and PUWU's permission to engage directly with the ECG staff and Union members. MiDA will continue to push for direct engagement with ECG staff

### **Projections for 4<sup>th</sup> Quarter**

The following have been planned for completion in the 4<sup>th</sup> Quarter 2016.

- Bidders Conferences will be held for the ECG PSP
- Virtual and Physical Data rooms shall be opened to Bidders
- Mitigation measures in respect of IFC Conflict of Interest issues will be determined
- All IEAs that are CPs to disbursements will be completed and signed
- Disbursement of Program Funding will commence
- The Contract for Program Management Services will be signed

- Procurement will be launched for Geographic Information System (GIS) for ECG, Upgrade of ECG Data Centre and Communication Networks, Power Sector Capacity Scan (CapScan), and Consultancy for Streetlight Design, Procurement, and Construction Supervision
- Feasibility studies for the redesign of the NEDCo Financial and Operational Turnaround (NFOT) Project will be completed
- Consultancy services for the design of the Access Project would have commenced.

## **GHANA COMPACT II**

### **1.0 INTRODUCTION**

On 5<sup>th</sup> August 2014, the Millennium Challenge Corporation Compact between the Republic of Ghana and the United States of America was signed. The goal of the Compact is to reduce poverty through economic growth in Ghana; and its objectives are to:

- a. increase private sector investment and the productivity and profitability of micro, small, medium, and large scale businesses
- b. increase employment opportunities for men and women
- c. raise earning potential from self-employment and improved social outcomes for men and women.

The Compact Program has a budget of \$498.2 million consisting of two Tranches of Program Funding amounting to \$469.3 million and a Compact Implementation Funding (CIF) of \$28.9 million. In addition, there will be a Government of Ghana (GoG) contribution of no less than 7.5% (i.e. \$37.4 million).

Following the signing of the Compact and having met certain Conditions Precedent (CPs) to Implementation Funding, the Millennium Development Authority (MiDA) as the designated Accountable Entity for the implementation of the Compact entered the Compact Implementation Funding (CIF) period. MiDA worked hard to achieve Entry into Force in September 2016. In this reporting period which marks the 7<sup>th</sup> Quarter of CIF, key activities related to the following were undertaken:

- Conditions Precedent to Entry into Force of the Compact
- Conditions Precedent to First Disbursement of Program Funding
- Program Activities
  - Distribution Projects
  - Generation Projects
  - Environment and Social Performance (ESP)
  - Gender and Social Inclusion (GSI)
- Monitoring and Evaluation
- Communications and Outreach
- Procurement
- Financial Management
- Legal and Governance

### **1.1 Conditions Precedent to Enter Into Force**

The key Conditions Precedent (CPs) to Entry into Force (EIF) were that before EIF, the Government of Ghana must have delivered to MCC evidence:

1. That the tender documents for an Acceptable ECG PSP Transaction have been released for selection through an open and transparent process
2. Of substantial compliance with the Gas Action Plan

3. That a long term Gas Sector Master Plan has been approved by GoG
4. Of substantial compliance with the Electric Distribution Utility Payment Action Plan
5. Of approval and implementation of quarterly tariff adjustments

During the reporting period, MiDA completed work on all the CPs to EIF. The most significant of the activities relating to EIF was the release of the Request for Proposal (RfP) document for the ECG PSP transaction. The RfP was successfully launched on August 30<sup>th</sup>, 2016, and on September 6, 2016, MCC declared the Compact to have entered into force. The following shows the CP Table by September 6, 2016.

#### Status of CPs to Entry into Force of the Compact

Condition Precedent For Entry Into Force	2 <sup>nd</sup> Quarter Status	3 <sup>rd</sup> Quarter Status
The Program Implementation Agreement (PIA) must have been signed	Completed	Completed ✓
GoG must have delivered a letter confirming that all domestic requirements necessary for EIF have been met	Pending	Completed ✓
GoG must have produced a signed legal opinion from the Attorney General	Pending	Completed ✓
GoG must have submitted to MCC complete and certified copies of documents such as decrees, legislation etc. relating to domestic requirement for the Compact to Enter into Force	Completed	Completed ✓
The Government must not have engaged in actions inconsistent with the Eligibility criteria for MCC Funding	On Track	Completed ✓
The tender documents for an Acceptable ECG PSP Transaction must have been released for selection through a transparent procurement process	Pending	Completed ✓
Substantial compliance with the Gas Action Plan	Pending	Completed ✓
A long term Gas Sector Master Plan must have been approved by GoG	Pending	Completed ✓
Substantial Compliance with the Electric Distribution Utility Payment Action Plan	On Track	Completed ✓
Approval and Implementation of Quarterly tariff adjustments	On Track	Completed ✓

#### 1.2 Conditions Precedent to First Disbursement of Program Funding

In accordance with the Compact and the PIA, MCC will disburse Funding for Program implementation subject to the satisfaction of all applicable conditions precedent. MiDA on



behalf of Government worked diligently toward completing the following Conditions Precedent to the First Disbursement of Program Funding.

The table below summarizes the status of these CPs.

*Status of CPs to First Disbursement of Funding*

<b>Condition Precedent for Disbursement of First Funding</b>	<b>2<sup>nd</sup> Quarter Status</b>	<b>3<sup>rd</sup> Quarter Status</b>
The Compact should have Entered into Force	Pending	Completed ✓
Key Staff Members should have been engaged	Completed	Completed ✓
MiDA is conducting its operations and management in accordance with the Governing Documents	On Track	On Track ✓
MiDA must have an approved Fiscal Accountability Plan	Completed	Completed ✓
The Government must not have engaged in actions inconsistent with the Eligibility criteria for MCC Funding	On Track	Satisfied ✓
MiDA must have an approved Environmental and Social Management Plan	Completed	Completed ✓
MiDA must conduct an assessment of ECG Environmental, Social, Health and Safety staff and resources and identified gaps filled	Discussion ongoing to defer this CP	CP Deferred ✓
MiDA must have a Program Implementation Plan	Pending	Completed ✓
GoG must have submitted a clear policy statement clarifying the Government’s approach to addressing requests for guarantees from Independent Power Producers	Pending	Satisfied ✓
Substantial Compliance with the Electric Distribution Utility Payment Action Plan	On Track	Satisfied ✓
Approval and Implementation of Quarterly tariff adjustments	On Track	Satisfied ✓
Implementing Entity Agreement signed with ECG	Completed	Completed ✓
Implementing Entity Agreement signed with MoP	Pending	Pending ×
Implementing Entity Agreement signed MoPet	Pending	Pending ×
Implementing Entity Agreement signed with EC	Pending	Pending ×
Implementing Entity Agreement signed with PURC	Pending	Pending ×

## 2.0 PROGRAM ACTIVITIES

The Compact Program seeks to address identified challenges in Ghana’s Power Sector by providing an overall framework for strengthening the Ghana electricity distribution system. This will be achieved by helping the Electricity Company of Ghana (ECG) and Northern

Electricity Distribution Company (NEDCo) reduce their technical and commercial losses and attract needed investment. The Compact will also provide technical assistance in the areas of corporate governance, technical capacity of sector regulators, and integration of gender into the operation of relevant sector agencies. The expected outcome for the Compact program is to provide modernization to these distribution companies and capacity building within the generation institutions in Ghana and to present the distribution companies as credible off-takers for prospective Independent Power Producers (IPPs). MiDA has achieved significant progress in respect of all activities related to the six (6) Projects as indicated below.

## 2.1 Distribution Project

The power distribution sector Projects consist of the ECG Financial and Operational Turnaround (EFOT) Project, the NEDCO Financial and Operational Turnaround (NFOT) Project and the Access Project. Progress made in this area during the reporting period are summarized in the table below.

Status and Progress of Ongoing Program Activities

Project	2 <sup>nd</sup> Quarter Status	3 <sup>rd</sup> Quarter Progress
<b>Distribution Projects</b>		
Request for Proposal (RfP) for the ECG PSP Transaction	MiDA continued to develop the RfP required to procure the Acceptable ECG PSP together with stakeholders who continued to make great input.	The tender documents (RfP) for an Acceptable ECG PSP Transaction was completed and launched
Geographic Information System (GIS)	MCC approved new Standard Bidding Document (SBD) for IT services. Consultant adapted new SBD for GIS procurement. Document under review by Legal	MCC approval received to launch the Invitation for Bids (IFB).
Program Management Consultant (PMC)	<ul style="list-style-type: none"> <li>● Evaluation completed, technical valuation Report forwarded to MCC. MCC raised issues with the evaluation report.</li> <li>● Technical Evaluation Panel reconstituted</li> <li>● Revised Technical evaluation report (TER) forwarded to MCC</li> </ul>	<ul style="list-style-type: none"> <li>● Revised Technical Evaluation Report sent to MCC for no objection.</li> <li>● MCC raised new concerns on report.</li> <li>● Technical Evaluation Panel to be re-convened to review MCC new comments</li> </ul>

Redesign of the NEDCo Financial and Operational Turnaround Project	Reviewed and provided comments on the Consultant's deliverables (Task 2 &3 - Situation Assessment, Technical Assessment, and Screening Report) for the Redesign of the NEDCo project	Critical interim report has been submitted by the Consultant to MiDA/MCC for review. Report shall provide input into the Investment Memorandum to MCC Board.
Design of the Access Project	RfP document to engage Project design consultant was issued	<ul style="list-style-type: none"> <li>• Proposal was received and evaluated by MCC</li> <li>• Contract signed on September 29, 2016 by MCC</li> </ul>

## 2.2 Generation Project

The Generation sector Projects consist of the Energy Efficiency and Demand Side Management Project (EEDSM), Regulatory Strengthening and Capacity Building Project, and the Power Generation Sector Improvement Project. Progress made in this area during the reporting period are summarized in the table below.

### Status and Progress of Ongoing Program Activities

Project	2 <sup>nd</sup> Quarter Status	3 <sup>rd</sup> Quarter Progress
<b>Generation Project</b>		
Tariff Study and Tariff Plan	Financial Proposals opened and evaluated. MCC No Objection received on both Technical and Financial Evaluation Reports. Contract was signed between MiDA and Messrs Fichtner of Germany.	Kick-off meeting originally scheduled for September 14, was postponed at the behest of the PURC
Cap-Scan	<ul style="list-style-type: none"> <li>• CAP-Scan ToR finalized to reflect all recommendations</li> <li>• TOR shared with stakeholders for comments</li> </ul>	RfP was ready pending approval for procurement launch
Sector Planning and IPP Framework	USAID awarded ICF the contract for the development and implementation of the Integrated Resource and Resilient Plan	The IRRP consultancy services was launched on September 13&14, 2016 by USAID
Street lighting	TOR for Tranche 1 street lighting project received MCC No	<ul style="list-style-type: none"> <li>• RfP was ready for launch pending EIF and approval</li> </ul>

	Objection	of Compact Procurement Plan by MCC. <ul style="list-style-type: none"> <li>Update received from MOP to be used to amend portions of the ToR whiles waiting for the issuance of the GPN.</li> </ul>
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### 2.3 Environment and Social Performance

All Compacts Projects are required to be implemented consistent with the MCC Environmental Guidelines, the International Finance Corporation Performance Standards on Environmental and Social Sustainability, and Ghana’s laws, regulations, licenses, and permits.

The MiDA Environmental and Social Management System (ESMS), a CP to first Disbursement, had been completed, approved, and put into application in MiDA. MiDA also worked on a second CP to First Disbursement namely an Assessment of ECG Environmental, Social, Health and Safety Capacity within ECG, MiDA/MCC agreed to defer this CP due to time constraints.

### 2.4 Gender and Social Inclusion

To maximize the positive social impacts of the Projects, MiDA is expected to satisfactorily conform to MCC Gender Policy by addressing cross-cutting social and gender issues including human trafficking, child and forced labor, and HIV/AIDS etc. MiDA continued with activities to support projects and cross-cutting departments to integrate gender and social inclusion (GSI) into their work, through reviewing of ToRs and other project documents and supporting ongoing activities.

MiDA engaged WI-HER to develop a Social and Gender Integration Plan (SGIP) for the Compact Program. The consultant submitted its report on September 3, 2016, and the contract expired on September 30, 2016 after MiDA and the consultant agreed to de-scope the assignment. MiDA will finalize the report and related Action Plan for implementation.

### 3.0 MONITORING AND EVALUATION

MiDA and MCC are committed to ensuring that all the Projects are evaluable, evaluated by an independent third party, and that all project evaluations are transparently disseminated and discussed with stakeholders. MiDA, therefore, engaged a Data Quality Review (“*DQR*”) Consultant to review and analyze the utility, objectivity, and integrity of performance information. The Consultant completed its assignment, including an expanded scope, and submitted its report.

MCC and MiDA worked on developing the Compact M&E Plan which shall contain Key Performance Indicators (KPIs) that are particularly useful for oversight and management of

Projects activities. By the end of the reporting period, a draft M&E Plan had been submitted to MCC for informal review. A Semi-Annual Review Guideline had also been submitted to MCC for informal review.

#### **4.0 COMMUNICATIONS AND OUTREACH**

The Compact II program shall rely on effective and efficient communications, public education, and outreach to ensure timely delivery of relevant information to stakeholders. The Communication team engaged many stakeholders especially within this reporting quarter when the Compact Entered into Force.

During the quarter, MiDA conducted many stakeholder engagements with political leaders and institutions such as ECG, PUWU etc. MiDA offered 47 interviews in total by radio and television stations on various aspects of the ECG PSP after Entry into Force. A draft Communication Plan was developed for the various projects to guide the project communication activities. The communication plan continued to be reviewed constantly.

#### **5.0 PROCUREMENT**

The Procurement Directorate is required to ensure that the procurement of all goods, works and services is in accordance with MCC's Program Procurement Guidelines. The Procurement directorate extensively worked together with the Procurement Agent (Messrs. Charles Kendal), a consultant engaged by MiDA to assist in providing technical support to MiDA Procurement. A total of two contracts were signed during the 3<sup>rd</sup> Quarter.

MiDA submitted a revised procurement plan (to reflect Entry into Force of the Compact) to MCC for no objection within the third quarter. The respective General Procurement Notice (GPN) and Specific Procurement Notices (SPN) were to be published on approval.

MiDA had received approval for a Bid Challenge System (BCS) by MCC. MiDA prepared a draft proposal for the selection of Independent Reviewers.

During the quarter, Contracts were signed to engage Tariff Study and Tariff Plan Consultant and External legal Counsel on Aug 11, 2016 and Sept 20, 2016 respectively. Also, the Individual Consultant for the definition of a GIS system for ECG, Robert Sarfi, agreed to a no-cost contract extension to enable him complete the assignment envisaged in his contract. The delay to the completion of the contract came from a change in the procurement method.

Staff of the Procurement Directorate attended an MCC organized Procurement College in Washington. Following the college, a procurement guideline document was developed and shared with all MiDA.

MiDA's existing Procurement Operation Manual was also revised to reflect the introduction of a Management Information System (MIS) called SAP.

## 6.0 FINANCIAL MANAGEMENT AND ADMINISTRATION

The Compact Program has a budget of \$498.2 million consisting of two Tranches of Program Funding amounting to \$469.3 million and a Compact Implementation Funding (CIF) of \$28.9 million. In addition, there will be a Government of Ghana (GoG) contribution of no less than 7.5% (i.e. \$37.4 million). The update on commitments and other related activities were as follows:

### 2<sup>nd</sup> Quarter Commitments and Disbursements

	SECOND QUARTER				
	CIF Qtr 6 Budget	CIF Qtr 6 Actuals	Change	CIF Inception to Date	CIF Funds
	US\$	US\$	%	US\$	%
Commitments	2,116,623	2,008,473	5.11	12,974,618	44.89
MCC Disbursements	3,231,854	2,691,642	16.72	11,214,996	38.81
Cash in Hand (End of Qtr)	187,665	213,448	-	-	-
Receipts from GoG to Date	GHS 29,847,133.37				
Disbursement Request For next Qtr	\$2,635,313.00				

### 3<sup>rd</sup> Quarter Commitments and Disbursements

	THIRD QUARTER				
	CIF Qtr 7 Budget	CIF Qtr 7 Actuals	Change	CIF Inception to Date	CIF Funds
	US\$	US\$	%	US\$	%
Commitments	3,159,730	2,895,023	8.38	15,887,006	54.97
MCC Disbursements	3,427,026	2,577,558	24.79	13,812,752	47.79
Cash in Hand (End of Qtr)	213,448	114,102	-	-	-
Receipts from GoG to Date	GHS 29,847,133.37				
Disbursement Request for next Qtr	\$3,692,800.00				

**Explanation in respect of the above tables**

Activity	2 <sup>nd</sup> Quarter Financial Status	3 <sup>rd</sup> Quarter Financial Status
Commitments	<ul style="list-style-type: none"> <li>● Cumulative Commitments to date amounts to \$ 12,974,618 and represents 44.89% of the total CIF funds.</li> <li>● This amount represented signed contracts and payments under three areas, the ECG Financial and Operational Turnaround (EFOT) Project, Monitoring &amp; Evaluation and Program Administration.</li> <li>● The contracts under the EFOT Project included the ECG PSP Transaction Advisory Services and consultancy for Geographic Information Systems.</li> <li>● The signed Contract under M&amp;E related to the Data Quality Review Consultancy Services</li> <li>● Program Administration contracts included SITA Corp and Iron Vine contracts for IT Services Procurement, Procurement Agent services, Fiscal Agent Services, and Social and Gender Integration Plan.</li> </ul>	<ul style="list-style-type: none"> <li>● Commitments of \$ 15,887,006 to date represented 54.97% of the total CIF funds.</li> <li>● These funds represented signed contracts and payments under four areas; EFOT Project, Monitoring &amp; Evaluation, Regulatory Strengthening and Capacity Building and Program Administration.</li> <li>● The signed contract under the EFOT Project was for the ECG PSP Transaction Advisory Services and GIS information Systems Consultancy</li> <li>● The signed Contract under M&amp;E related to the Data Quality Review Consultancy Services</li> <li>● The Program Administration components related to the SITA Corp and Iron Vine contracts for IT Services Procurement and Fiscal Agent Services and Social and Gender Integration Plan.</li> </ul>
Disbursement	<ul style="list-style-type: none"> <li>● Actual Disbursements in the Quarter showed a negative cost variance of 16.7% in relation to the Budget.</li> <li>● This resulted from delays in the submission of certain anticipated invoices for the Transaction Advisory services, Data Quality Review Consultant and other Program Administration expenses.</li> <li>● The total Disbursements to</li> </ul>	<ul style="list-style-type: none"> <li>● Actual Disbursements to date amounting to \$ 13,812.752 represented 47.8% of total CIF Funds.</li> <li>● The current budgetary variance of 25% was due to projected outlay for the Transaction Advisory Services, GIS Consultancy and the Social and Gender Inclusion Plan that did not materialize due to delays in implementation or the Consultants unwillingness to</li> </ul>

	date amounted to \$11,214,996.	submit invoices ( in the case of the GIS Consultant). <ul style="list-style-type: none"> <li>• The cumulative disbursements were for the set-up of the office as well as the payment for expenses related to the SAP implementation and that of SGIP Consultant, Fiscal and Procurement Agents.</li> <li>• There were also payments under the ECG PSP Transaction Advisory Services and Data Quality Review.</li> </ul>
Next Quarter Disbursement Request	The Disbursement Request for the 7th CIF Quarter (July – August 2016), representing Commitments to Contracts and amounting to <b>\$2,635,313</b> was submitted to MCC for their approval.	The Disbursement Request for the 8th CIF Quarter (October – December 2016), representing Commitments to Contracts and amounting to \$3,692,800.00 was submitted to MCC for their approval.
Ghana Government Payments and Budget	<ul style="list-style-type: none"> <li>• MiDA prepared a Budget Performance Report for 2015 (both financial and non-financial) for submission to the MoF.</li> <li>• MiDA also received a copy of the Office of President’s letter directing (MoF) to release the 2016 Counterpart Funds of US\$7,705,000 to MiDA. MiDA followed up on this for the warrant from MoF.</li> <li>• MiDA received cash ceiling allocation of GHS 63000 for the 2<sup>nd</sup> Quarter.</li> </ul>	Same as previous Quarter



## Status and progress of ongoing activities for Administration/Human Resource

Activity	2 <sup>nd</sup> Quarter Status	3 <sup>rd</sup> Quarter Progress
Administration and Human Resource	<ul style="list-style-type: none"> <li>● MiDA's current staff strength at the end of the 2<sup>nd</sup> quarter was fifty-nine (59) representing 98.3% of the total staff engaged (60).</li> <li>● An additional staff member was expected to join in July 2016.</li> <li>● Performance Appraisal had been done for 75% of the staff to date.</li> <li>● Employee Handbook had been finalized and distributed to staff.</li> <li>● A policy on employee flexible working hours was instituted during the quarter.</li> <li>● The Office Beautification Project was almost complete.</li> </ul>	<ul style="list-style-type: none"> <li>● MiDA's current staff strength as at the end of the 3<sup>rd</sup> quarter is sixty (60) representing 100% of the total staff recruited.</li> <li>● A new performance management tool was developed and circulated to staff.</li> <li>● Contracts for 42 employees (representing 70% of the total staff strength) were renewed for another year.</li> <li>● The Office Beautification Project was almost complete, the draft artwork on Compact 2 visuals was approved.</li> <li>● Staff members attended training at University of Ghana on Customer Relationship Management and How to be an effective Manager.</li> </ul>

## 7.0 LEGAL AND GOVERNANCE

Under the legal department, several legal issues were addressed during the third quarter. One of the key highlights during the quarter was the legal review and transmission of documents which were submitted by the Government of Ghana as evidence of compliance with the Conditions Precedent to Enter into Force. The declaration by MCC of the EIF was a key milestone.

During the third quarter, members from MCC, MiDA, Tetrattech (MCC Consultants), and Hunton and Williams (IFC Legal Advisors) worked together to finalize the RfP for its release.

MiDA Board of Directors held the 12th Board meeting on September 09, 2016. Subsequently, Dr. Samuel Kobina DeSouza was sworn in as a member on the MiDA Board by Hon. Akwasi Oppong-Fosu on behalf of the President of Ghana on September 19, 2016.

MiDA engaged a law firm [Sam Okudzeto & Associates (Sena Chambers)] as external legal Counsel for a contract term of twelve months beginning from September 20, 2016, and subject to yearly renewal throughout the Compact duration.

## **8.0 CRITICAL ISSUES**

*Below are some critical issues identified which may require some level of attention*

- One of the major risks currently facing Compact implementation and in particular the ECG PSP is the ECG/PUWU Labor unrest
- Related closely to the above are the several lawsuits seeking injunction against the ECG PSP Process
- The unresolved conflict of Interest issues with IFC and their role as Transaction advisor is a major outstanding issue
- Cooperation from Implementing Entities (“IEs”) and their adherence to agreed covenants will also be critical to the success of the Compact. Difficulties persist in MiDA’s relationship with key IEs. For instance, cooperation from PURC will be critical to the ECG PSP Transaction
- ECG Management has not yet agreed to allow MiDA to engage with the workers of ECG and this remains a critical issue. Further delays could negatively impact progress in the PSP Transaction process, which could lead to disinterest on the part of the shortlisted Bidders and other related activities

## **9.0 PROJECTIONS FOR NEXT (4<sup>TH</sup>) QUARTER**

*The following projections have been made for next quarter:*

- Bidders conference for the ECG PSP will be held
- Virtual and Physical Data rooms shall be opened to Bidders
- All the IEAs pending shall be completed, approved and signed
- All other outstanding CPs for Funds disbursement shall be completed, approved and signed
- Funds shall be disbursed for implementation within the next quarter
- The PMC contract shall be signed
- The RfP to procure the TAs shall be launched and technical evaluation of bids shall be finalized
- The RfP to procure the GIS Contractor shall be launched and technical evaluation of bids shall be finalized.
- MiDA shall issue the RfP for procurement of a Consultant to define the project requirements for the Data Center and Communication Network Upgrade Project
- The review and update of ECG Design and Construction standards & manuals shall commence

- The land acquisition process to secure parcels of lands for the construction of 6No. Primary substations and 2No. Bulk Supply Points shall commence
- The design of the Access Project shall commence
- The capacity assessment of ECG environment, health and safety staffs shall be completed
- The Final M&E Plan shall be submitted to MiDA Board for approval and to MCC for no objection
- The Final Semi-Annual Review Guidelines shall be submitted to MiDA Board for approval and to MCC for formal no objection.
- MiDA communication team shall launch a dedicated ECG PSP Portal on the MiDA website

**ANNEX I: SUMMARY OF PROCUREMENT FOR THE 2<sup>ND</sup> QTR (April - June, 2016)**

<b>NO.</b>	<b>NAME OF COMPANY</b>	<b>LOT NUMBER</b>	<b>TOTAL CONTRACT VALUE</b>
1.	ALL BROTHERS BOOKS & STATIONERY LIMITED	LOT 1	GH¢ 54, 926.65
2.	DITA DANG MICRO SYSTEMS	LOT 2	GH¢ 56, 930.33
3.	IT MARKET LIMITED	LOT 2	GH¢ 45, 699.52
4.	NEXT COMPUTERS	LOT 2	GH¢ 52, 478.82
5.	IPMC LIMITED	LOT 3	\$ 3, 140.63
6.	MEGAHERTS SYSTEMS	LOT 3	GHC 16,941.15

**ANNEX II : LPOs FOR THE 3<sup>RD</sup> QTR**

No.	LPO/Contract No.	Date	Description	Supplier	Contract Sum (GH¢)	Status of Delivery
1	MiDA/COMPACT 2/034	18 <sup>th</sup> July, 2016	Display Files & File Dividers	All Brothers Books and Stationery Ltd.	3,096.13	Delivered
2	MiDA/COMPACT 2/035	28 <sup>th</sup> July, 2016	Dell XPS 15 Laptop	Brynest Solutions	6,697.50	Delivered
3	MiDA/COMPACT 2/036	1 <sup>st</sup> August, 2016	Plastic Comb 8mm, 10mm, 12mm,14mm, 16mm	Krif Ghana Limited	955.00	Delivered
4	MiDA/LPO/Lot2/03	8 <sup>th</sup> August 2016	Toners	IT Market	1, 830.00	Delivered
5	MiDA/LPO/Lot1/02	8 <sup>th</sup> September 2016	Office Stationery	All Brothers Books & Stationery Ltd.	5,018.00	Delivered
<b>TOTAL CONTRACT SUM</b>					<b>16,996.63</b>	
<b>Approximately</b>					<b>USD4,562.01</b>	

**ANNEX III : ONGOING PROCUREMENT DURING THE 2<sup>ND</sup> QTR**

<b>No.</b>	<b>LPO/Contract No.</b>	<b>Date</b>	<b>Description</b>	<b>Supplier</b>	<b>Contract Sum (GH¢)</b>	<b>Status of Delivery</b>
1	MiDA/COMPACT 2/031	21 <sup>st</sup> April 2016	Shredder Rexel (Auto Plus) 250X	Kingdom Books & Stationery	6,040.00	Delivered
2	MiDA/COMPACT 2/032	21 <sup>st</sup> April 2016	Office Stationery	Sly-Laudeesco Enterprise	5,526.00	Delivered
3	MiDA/COMPACT 2/033	6 <sup>th</sup> May, 2016	Orthopedic Chair	Expert Office Furnish Co. Ltd.	5,555.40	Delivered
4	MiDA/COMPACT 2/034	17 <sup>th</sup> May, 2016	Printing of MiDA Brochures	Buck Press Limited	2,438.13	Delivered
5	MIDA/LPO/Lot2/01	8 <sup>th</sup> June, 2016	HP Toners	IT Market Ltd.	7,505.00	Delivered
6	MIDA/LPO/Lot1/01	16 <sup>th</sup> June, 2016	Stationery Items	All Brothers Books and Stationery Ltd.	7,134.05	Delivered
7	MIDA/LPO/Lot2/02	17 <sup>th</sup> June, 2016	HP Toners	IT Market Ltd.	5,069.92	Delivered
8	MIDA/LPO/Lot3/01	17 <sup>th</sup> June, 2016	Ricoh Toners	*IPMC	4,385.99	Not yet Delivered
<b>TOTAL CONTRACT SUM</b>					43,654.49	
<b>Approximately (USD1 = GHS3.78)</b>					<b>USD11,548.81</b>	

**ANNEX IV : ONGOING PROCUREMENT IN THE THIRD QUARTER**

<b>Contract ID</b>	<b>Description</b>	<b>Category</b>	<b>Method</b>	<b>Status at end of August, 2016</b>	<b>Progress in September, 2016</b>	<b>Projections</b>	<b>Critical issues/Risks</b>
<b>1200102</b>	<b>Project Management Consultant (PMC)</b>	Consultancy	QCBS	MCC provided their comments on the TER. Meeting arranged between MiDA Procurement and MCC on 24 August which requires the Evaluation Panel to address and resubmit.	The panel has been scheduled to reconvene on October 4, 2016 to consider outstanding comments from MCC.	Address comments and resubmit for No Objection to open Financial Proposals of Firms that qualified on the Technical Evaluation.	Detailed post-qualification is required to ensure that the risk of adverse selection is kept at a minimum.
<b>3100101</b>	<b>Capacity Scan for EC and PURC</b>	Consultancy	QCBS	Sector Directors submitted final TOR to Procurement for preparation of RFP.	RFP undergoing internal review in MiDA. The SPN is due to be issued on Monday, October 3, 2016.	Respond to request for clarifications, receive proposals and evaluate.	Delayed procurement.
<b>5121200</b>	<b>GIS &amp; Data Collection</b>	Consultancy	CB	Draft Bidding Document prepared.	Invitation for Bids sent to MCC on September 21, 2016 for no objection.	Publish SPN, hold Pre-Bid Meeting and provide clarifications to Bidders.	None for now.
<b>5640500</b>	<b>Street Lighting</b>	Consultancy	QCBS	TORs developed. Draft RFP prepared.	RFP undergoing MiDA internal review. To be published upon approval of Compact Procurement Plan.	Publish SPN, hold Pre-Bid Meeting and provide clarifications to Bidders.	