



MILLENNIUM
CHALLENGE CORPORATION
UNITED STATES OF AMERICA



**MILLENNIUM DEVELOPMENT AUTHORITY
(MiDA)**

GHANA COMPACT II

Mid-Year Performance Report

July 2018

Ghana Compact II Theme

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

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GLOSSARY OF ABBREVIATIONS

AG	Attorney General
BCS	Bid Challenge System
CAP-Scan	Capacity Scan
CIF	Compact Implementation Funding
CP	Condition Precedent
DMS	Document Management System
ECG	Electricity Company of Ghana Ltd
EEDSM	Energy Efficiency and Demand Side Management
EPA	Environmental Protection Agency
ERP	Enterprise Resource Planning
ESMS	Environmental and Social Management System
ESH	Environment Social and Health
ESP	Environmental and Social Performance
ESIA	Environmental and Social Impact Assessment
GIS	Geographic Information System
GoG	Government of Ghana
GSA	Ghana Standards Authority
GSI	Gender and Social Inclusion
HSESCA	Health Safety Environment Social Capacity Assessment
IDIQ	Indefinite Delivery Indefinite Quantity
IE	Implementing Entity
IEA	Implementing Entity Agreement
IFB	Invitation for Bids
IFC	International Finance Corporation
IPM	Integrated Planning Model
IPP	Independent Power Producer
LCU	Loss Control Unit
MCC	Millennium Challenge Corporation
M&E	Monitoring and Evaluation
MiDA	Millennium Development Authority
MoEn	Ministry of Energy
MoE	Ministry of Education
MoF	Ministry of Finance
MoU	Memorandum of Understanding
NaCCA	National Council for Curriculum and Assessment
NEDCo	Northern Electricity Distribution Company Ltd
NFOT	NEDCo Financial and Operational Turnaround
PAP	Prioritized Action Plan
PIA	Program Implementation Agreement

PMC	Program Management Consultant
PSP	Private Sector Participation
PSWU	Public Services Workers Union
PURC	Public Utilities Regulatory Commission
PUWU	Public Utility Workers Union
RCE	Resettlement and Community Engagement
RfP	Request for Proposals
RPP	Regulatory Partnership Program
SGIP	Social and Gender Integration Plan
SoW	Statement of Works
STEM	Science Technology Engineering and Mathematics
TA	Technical Assistant
TOR	Terms of Reference
TP	Tariff Plan
TVET	Technical and Vocational Education Training
VRA	Volta River Authority

PART ONE: EXECUTIVE SUMMARY

A. Introduction

This Mid-Year Report covers Program performance for the period from January 1 to June 30, 2018, and captures Activities undertaken by the Millennium Development Authority (MiDA) toward the implementation of the Ghana Power Compact Program.

The Report also identifies challenges to the successful execution of the Compact and strategies put in place to ensure successful implementation of Activities.

In the period under review, there was a significant breakthrough in moving the Program implementation process forward. Expected support from Implementing Entities was forthcoming, and there was good progress in the procurement of Service Providers and in the implementation of Contracts that have already been awarded.

B. Highlights of January-June 2018 Achievements

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

Procurements

- MiDA opened Proposals for the ECG Private Sector Participation (PSP) on March 26, 2018. Bids were received from BXC Ghana Limited and Manila Electric Company (MERALCO). Evaluation of the Technical Proposals commenced on March 27, 2018.
- MiDA issued Request for Proposals (RfPs) for the following Consultancies:
 - Gender Audit
 - Supply of Test Equipment for the Electricity Company of Ghana (ECG) Loss Control Unit (LCU)
 - Field Metering and Monitoring Studies
 - Air Conditioner (AC) Test Facility
 - Pre-Tertiary School Curriculum Update on Energy Efficiency & Conservation
- MiDA executed the following Contracts.
 - Project Management Consultancy (PMC) Services for the NEDCo Financial and Operational Turnaround (NFOT) Project. On February 13, 2018, MiDA and SMEC exercised the Option II under the existing Contract to enable SMEC provide the services.
 - Environmental and Social Impact Assessment (ESIA) studies for the proposed Pokuase BSP.
 - Resettlement and Community Engagement (RCE) Consultancy Services for proposed Infrastructure Projects under the Compact. MiDA procured the Services of four (4)

- Consultants on January 26, 2018.
 - Race-to-Retrofit Consultancy under the Energy Efficiency and Demand Side Management (EEDSM) Project. The Contract was signed on February 14, 2018.
 - Enterprise Resource Planning (ERP) Consultancy. The Contract was signed on March 1, 2018.
 - Production of Documentary Videos for the Compact. Messrs Orakle Multimedia was engaged on February 6, 2018 to provide this Service.
 - Project Management Consultancy (PMC) Services for the NFOT Project. On February 13, 2018, MiDA and SMEC exercised the Option II under the existing Contract to enable SMEC provide the services.
 - Supply of six (6) sets of Portable Test Equipment. The Contract was signed on May 10, 2018, with T&D Power Solutions.
- MiDA delivered 12 4X4 Vehicles and a number of Equipment to the ECG Loss Control Unit (LCU) on March 23, 2018, to assist in their operations.

Distribution Projects

- The Government Negotiating Team (GNT) held Negotiations with Meralco Consortium, the successful Bidder for the ECG Concession in May 2018.
- MCC, ECG and the Technical Assistance Team at ECG continued reviewing the Invitation for Bids for the upgrade of ECG Data Centre & Communication Network Consultant during the April-June 2018 Quarter.
- The Geographic Information System (GIS) Consultant, Hexagon developed a Conceptual Design Document for MiDA's Approval.
- Medium Voltage (MV) Data Modelling, Mapping and Metadata Field Validation process was finalized at the end of June, 2018.
- The final GIS Hardware List that was submitted by Hexagon was approved by ECG, SMEC, and MiDA in June, 2018.

Generation Projects

- The Tariff Study and Tariff Plan Consultant, Fichtner, submitted the Tariff Implementation Plan (TIP) on January 17, 2018 for review by PURC and MiDA. PURC provided comments on the TIP on February 28, 2018.
- GSA developed and gazetted Standards for Electronic Products in Lot 1 (upgrade of Standards for Refrigerators and Air Conditioners; and developing Standards for Ceiling Fans & Regulators, Television Sets, Satellite Decoders/TV Signal Box and Lighting), and commenced the development and gazetting of Lot 2 Products (upgrade of Standards for Solar Panels, Batteries and Inverters; and developing Standards for Distribution Transformers and Pre-paid Energy Meters).

Environment and Social Performance

- MiDA secured Environmental Permit to construct the Bulk Supply Point (BSP) at Pokuase from the Environmental Protection Agency (EPA) on February 14, 2018.
- MiDA and ECG finalized an Environmental and Social Management System (ESMS), thereby satisfying the Condition Precedent (CP) to disbursement of Program Funds for Works Contracts under the ECG Financial and Operational Turnaround (EFOT) Project.
- Submitted Lease Application for the acquisition of Lands for Primary Sub-stations at Korle Gonno, Kotobabi and Kanda.
- Obtained Land Search results for the proposed Site for the University of Ghana Medical Center Primary Sub-station and submitted the Lease Application to Lands Commission.
- Issued a Task Order for a Resettlement Action Plan (RAP) and Community Engagement Services for the Pokuase BSP and Interconnecting Circuits.
- Resumed Health, Safety, Environment and Social Capacity Assessment (HSESCA) for NEDCo.

Implementing Entity Agreements (IEAs)

- MiDA executed an IEA with the Lands Commission on February 7, 2018, and with Public Utilities Regulatory Commission (PURC) on March 7, 2018.

C. Challenges

The major challenge facing the implementation of the Compact is how to ensure that Power Sector Agencies (including the Workers Unions) whose functions are critical to the successful implementation of Compact Activities work with MiDA to meet critical Timelines.

The following are critical issues in the implementation of Compact Activities.

- Reaching Financial Close on the ECG PSP Transaction is a Condition Precedent (CP) to accessing Tranche II Funds. This remains on a critical path with only two (2) months to the September 6, 2018 Timeline. Within this period, the Transaction must go through Parliament Ratification of Draft Agreements, and signing of the Agreements.
- MiDA relies on the support of Beneficiary Institutions in developing Procurement Specifications and reviewing Deliverables within specific Timelines. The support of ECG, particularly with regards to providing prompt responses to requests, is critical to the smooth implementation of the EFOT Project.
- The NEDCo Project has just entered the Implementation Phase. There was the need to redesign it after Compact signing to achieve the required Economic Rate of Return (ERR) that satisfies the requirements for MCC funding. The Redesigned Project was released to MiDA by MCC in April 2017, seven (7) months after the Compact had entered into force. The support of NEDCo Management is required to ensure that Activities under the NFOT Project are completed within the Compact period. MiDA will continue to engage with

NEDCo Staff to address their concerns, to ensure a smooth Compact implementation process.

- The support of Staff of the Implementing Entities, particularly ECG and NEDCo, is necessary for the success of the Compact. MiDA needs to continue to work with Government and the Leadership of the Workers Union (PUWU and PSWU) to ensure the smooth implementation of the Compact Activities.

The following are the Project-specific challenges.

Distribution Projects Challenges

- Delays in the Procurement process, including a Bid Challenge has resulted in MiDA not meeting the Timelines for the implementation of the GIS-based Distribution Management System, and the installation of Capacitor Banks.
- The delay in agreeing on selected ECG Districts for Bifurcation have resulted in missing the Targets for upgrading/building Distribution Lines and increasing Sub-station Capacity.

Generation Projects Challenges

- For the RSCB Project, a decision is yet to be finalized on the implementation of the Prioritized Action Plan (PAP), a major output from the Capacity Scan (CAP-Scan) Consultancy, which has been completed.
- For the EEDSM Project, changes to the initial Procurement Method for a Consultant to draft the Legislative Instruments (LIs) required to enforce new Electrical Appliances Standards, after several months of deliberations with Key Stakeholders, has resulted in delays. To ensure that the Target set for 2018 is achieved, the Draft LIs are to be sent to Parliament for Approval in bulk (i.e. concurrently) instead of the initial plan of sending them in succession.
- The Procurement process could not secure a successful Bidder for the establishment of Test Laboratory facilities for Standards. MCC is to assist in finding potential Bidders with the requisite expertise.
- The process of procuring Contractors for the Works with regards to the installation of Energy-Saving Street Lights has encountered delays. The strategy to mitigate this is to increase the number of Lots in order to engage more Contractors concurrently.

PART TWO: PLANNED SECTOR ACTIVITIES AND DELIVERY

2.1 INTRODUCTION

On 5th August 2014, the Millennium Challenge Compact between the Republic of Ghana and the United States of America was signed. The goal of the Compact, which focuses on Ghana's Power Sector, is to reduce poverty through economic growth in Ghana; and its objectives are to:

- Increase Private Sector Investment and the productivity and profitability of Micro, Small, Medium, and Large Scale Businesses.
- Increase employment opportunities for men and women.
- Raise earning potential from Self-employment and improved social outcomes for men and women.

The Power Compact Program has a Budget of US\$ 498.2 million consisting of two Tranches of Program Funding amounting to US\$ 469.3 million and a Compact Implementation Funding (CIF) of US\$ 28.9 million. In addition, there is a Government of Ghana (GoG) contribution of not less than 7.5% (i.e. US\$ 37.4 million), bringing the total Compact Funds to US\$ 535.6 million. The Tranche II Funds, which amounts to US\$ 190 million of the total, are available from September 6, 2018 and is contingent on meeting a number of Conditions Precedent (CPs)

The Compact Program consists of six (6) Projects:-

- Distribution Projects
 - ECG Financial and Operational Turnaround (EFOT) Project
 - NEDCo Financial and Operational Turnaround (NFOT) Project
 - Access Project
- Generation Projects
 - Regulatory Strengthening and Capacity Building (RSCB) Project
 - Power Generation Sector Improvement (PGSI) Project
 - Energy Efficiency and Demand Side Management (EEDSM) Project

Implementation of Activities under the Access and PGSI Projects are yet to commence; the Access Project is currently at the Detailed Design Stage, while a decision is yet to be taken on a proposed re-scoping of the PGSI Project.

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 the Northern Electricity Distribution Company (NEDCo) reduce their Technical and Commercial Losses and attract needed investment. The Compact is also providing Technical Assistance in the areas of Corporate

Governance, Technical Capacity of Sector Regulators, and the integration of Gender issues into the operations of relevant Sector Agencies.

The expected outcome for the Compact Program is the modernization of the Power Distribution Companies and Capacity Building within the Power Generation Institutions in Ghana and to present the Power Distribution Companies as credible Off-takers for prospective Independent Power Producers (IPPs).

This Mid-Year Report captures activities related to the following.

- Program Activities
 - Procurements
 - Distribution Projects
 - Generation Projects
 - Environment and Social Performance (ESP)
 - Gender and Social Inclusion (GSI)
- Monitoring and Evaluation
- Communications and Outreach

2.2 PROGRAM ACTIVITIES

2.2.1 Procurements

- MiDA opened Proposals for the ECG Private Sector Participation (PSP) on March 26, 2018. Bids were received from BXC Ghana Limited and Manila Electric Company (MERALCO). Evaluation of the Technical Proposals commenced on March 27, 2018.
- MiDA issued RfPs for the following Consultancies:
 - Gender Audit
 - Supply of Test Equipment for the ECG Loss Control Unit (LCU)
 - Field Metering and Monitoring Studies
 - AC Test Facility
 - Pre-Tertiary School Curriculum Update on Energy Efficiency & Conservation
 - Meter Management System (MMS)
 - Outage Management System
 - Development of Energy Efficiency Pre-Tertiary School Curriculum
- MiDA executed the following Contracts.
 - Project Management Consultancy Services for the NEDCo Financial and Operational Turnaround (NFOT) Project. On February 13, 2018, MiDA and SMEC exercised the Option II under the existing Contract to enable SMEC provide the services.
 - Environmental and Social Impact Assessment (ESIA) studies for the proposed Pokuase

- BSP.
- Resettlement and Community Engagement (RCE) Consultancy Services for proposed Infrastructure Projects under the Compact. MiDA procured the Services of four (4) Consultants under Indefinite Delivery Indefinite Quantity (IDIQ) Contracts on January 26, 2018. The Consultants are:
 - Binserkoms Ltd (BSL)
 - SAL Consult in association with Associates for Change
 - Nomad Socio-Economic Management and Consulting (Pty) Ltd, in Joint Venture with Devtplan Consult Ltd and SRC Consulting (NMC)
 - Colan Consult in association with GIBB (Pty) Ltd (CCG).
 - Race-to-Retrofit Consultancy under the Energy Efficiency and Demand Side Management (EEDSM) Project. The Contract was signed on February 14, 2018.
 - Enterprise Resource Planning (ERP) Consultancy. The Contract was signed on March 1, 2018.
 - Production of Documentary Videos for the Compact. Messrs Orakle Multimedia was engaged on February 6, 2018 to provide this Service.
 - Project Management Consultancy (PMC) Services for the NFOT Project. On February 13, 2018, MiDA and SMEC exercised the Option II under the existing Contract to enable SMEC provide the services.
 - Supply of six (6) sets of Portable Test Equipment. The Contract was signed on May 10, 2018, with T&D Power Solutions.
- MiDA delivered 12 4X4 Vehicles and a number of Equipment to the ECG Loss Control Unit (LCU) on March 23, 2018, to assist in their operations.

2.2.2 Distribution Projects

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 these areas during the reporting period is summarized in the Table below.

Status and Progress of Ongoing Program Activities, Distribution Projects

Activities/Sub-Activity	Compact 2018 Mid-Year Progress
ECG PSP Transaction Activity	<p>MiDA continued to engage Bidders on the ECG PSP Transaction Activity. MiDA received Bids from the Shortlisted Applicants on March 26, 2018 and commenced Evaluation thereafter.</p> <p>Following the completion of the Technical Evaluation, the opening of the Financial Proposal took place on April 16, 2018.</p>

Activities/Sub-Activity	Compact 2018 Mid-Year Progress
	<p>The Government Negotiating Team (GNT) held the First Round of Negotiations with Meralco Consortium, the successful Bidder, from May 3 to May 10, 2018; and subsequently held the Second Round of Negotiations between May 24 and May 28, 2018.</p> <p>MiDA participated in a Meeting with the Majority Caucus in Parliament on June 21, 2018, to brief them on the ECG PSP Transaction.</p>
ECG Geographic Information System (GIS)	<p>Hexagon, the GIS Consultant, developed a Conceptual Design Document for MiDA's Approval.</p> <p>MiDA and Hexagon initiated a Medium Voltage (MV) Prototype; and subsequently held a Workshop to discuss the Prototype.</p> <p>The MV Data Modelling, Mapping and Metadata Field Validation process was finalized at the end of June, 2018.</p> <p>The final Hardware List submitted by Hexagon was approved by ECG, SMEC and MiDA in June, 2018.</p>
Upgrade of ECG Data Centre & Communication Network Consultant	<p>MCC, ECG and the Technical Assistance Team at ECG continued reviewing the Invitation for Bids during the April-June 2018 Quarter.</p> <p>There has been a delay in launching the Solicitation Documents for the procurement of the Data Center Vendor.</p>
Program Management Consultant (PMC)	<p>SMEC, the Project Management Consultant, made progress on the Contract Deliverables - submission of periodic Monthly Reports; and held Technical and Project Meetings with Key Stakeholders.</p> <p>Meetings were held with MCC in April and May 2018 to discuss SMEC's performance and Proposals proffered for restructuring the Contract in order to enhance overall Delivery on the EFOT Project.</p> <p>Discussion on a proposed Variation Order to repack the LV Bifurcation and Network Improvement Deliverables to align with the requirements of ECG Accra East and West Regions was held in June, 2018.</p>

Activities/Sub-Activity	Compact 2018 Mid-Year Progress
Technical Advisors of ECG (TAs)	<p>The Consultancy Contract with ESBI, the Technical Advisory Services Consultants to ECG and MiDA progressed steadily. The latest deliverables submitted were:</p> <ul style="list-style-type: none"> • Comments on ECG Manuals, Materials and Equipment Specifications as well as Design Criteria for LV Bifurcation and Network Improvement that were developed by the PMC • April 2018 Monthly Progress Report, for which Acceptance Certificate had been issued by MiDA; • May 2018 Monthly Progress Report which MiDA was undergoing review.
Redesign of the NEDCo Financial and Operational Turnaround Project	<p>MiDA and SMEC executed the Option II Phase of the PMC Contract on February 13, 2018 to begin the implementation of the NFOT Project.</p> <p>MiDA and NEDCo executed the IEA between them on March 15, 2018.</p> <p>MiDA and VRA executed the IEA between them on March 19, 2018.</p>
Design of the Access Project	<p>Stakeholder Engagements to provide updates on Access Project to Key Stakeholders were held as follows.</p> <ul style="list-style-type: none"> • Executives of Greater Accra Markets Association in Accra on January 22, 2018. • Accra Metropolitan Assembly in Accra on January 23, 2018. • La Nkwantanang Municipal Assembly in Madina on January 24, 2018. • Leadership of selected Markets and Economic Enclaves (M&EEs) in Accra on February 27, 2018. • Tamale Municipal Assembly in Tamale on January 30, 2018. • Leadership of selected M&EEs in Tamale on April 26, 2018 after three initial postponements. • Officials of the newly created Ablekuma West Municipal Assembly on May 30, 2018. <p>Meetings were held to facilitate the Access Project Design activities. These included:</p> <ul style="list-style-type: none"> • Engagements with Leadership of each of the 10 M&EEs

Activities/Sub-Activity	Compact 2018 Mid-Year Progress
	<p>selected for Project Designs.</p> <ul style="list-style-type: none"> • Engagements with Local Government Authorities with jurisdiction over selected M&EEs. • Technical/ Consultation Meetings with ECG and NEDCo Engineering and Commercial Teams. • Meeting with ECG Manager for Public Lighting and Contractor Licensing on June 21, 2018.
Strengthening the Loss Control Units (LCU) of ECG	<p>MiDA re-issued the Invitation for Bids (IFB) for the supply of Test Equipment, and after the necessary processes leading to the issuance of the Notice of Award, there was a Bid Challenge.</p> <p>MiDA commenced the processes, and the protest was eventually resolved.</p>

2.2.3 Generation Projects

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 is summarized in the Table below.

Status and Progress of Ongoing Program Activities, Generation Projects

Activity/Sub-Activity	Compact 2018 Mid-Year Progress
Tariff Study and Tariff Plan	<p>Fichtner submitted the Tariff Implementation Plan (TIP) on January 17, 2018 for review by PURC and MiDA. PURC submitted comments on the TIP on February 28, 2018.</p> <p>MiDA revised the Scope of Works (SoW) for the Regulatory Partnership Program (RPP) with comments received from MCC. PURC and EC were yet to submit their comments.</p>

Activity/Sub-Activity	Compact 2018 Mid-Year Progress
CAP-Scan	<p>MiDA approved the following Deliverables that were received from CRISIL:</p> <ul style="list-style-type: none"> • Final Report on In-Country Working Sessions and Action Plan. • Monitoring and Evaluation. <p>MiDA exercised the Optional Phase of the CAP-Scan Contract on February 1, 2018 to enable the Consultant develop TORs for the procurement of other Consultants to implement proposed Interventions in the Prioritized Action Plan (PAP). MiDA approved the TORs. The Contract ended on March 16, 2018.</p>
Development & Enforcement of Standards and Labels	<p>GSA developed and gazetted Standards for Electronic Products in Lot 1 (namely, upgrade of Standards for Refrigerators and Air Conditioners; and developing Standards for Ceiling Fans & Regulators, Television sets, Satellite Decoders/TV Signal Box and Lighting), and commenced the development and gazetting concurrently of Lot 2 Products (upgrade of Standards for Solar Panels, Batteries and Inverters; and developing Standards for Distribution Transformers and Pre-paid Energy Meters).</p> <p>Prepared the TOR for the procurement of the Services of a Legal Entity to draft Legislative Instruments for Standards developed and gazetted by the GSA.</p> <p>The procurement of Consultancy Services for AC and other Electronic Appliances Test Facilities at GSA failed due to lack of requisite expertise among the Bidders. A new strategy, Design-Build Works, has been adopted; MCC's Consulting Firm, WSP/Econoler, is to develop minimum Technical Specifications for this procurement.</p> <p>The Technical Evaluation Panel Report on Field Metering and Monitoring Studies (FMMS) Consultancy Services was submitted to MCC for formal "No Objection". The Consultant is to assess the Baseline Energy Use Pattern and Consumption.</p>
Improved Energy Auditing	<p>The Race-to-Retrofits and Renewables Consultant completed work on Preliminary Energy Audits (PEAs) and Investment Grade Energy Audits (IGEAs) and submitted Draft Reports for all the six (6) GOG Institutions - Korle-Bu Teaching Hospital,</p>

Activity/Sub-Activity	Compact 2018 Mid-Year Progress
	<p>University of Ghana, Adabraka Polyclinic, Department of Urban Roads, Ministry of Health and Ministry of Education.</p> <p>Draft TOR for the setting up of two Energy Auditing Centers, and the Implementation Strategy for the Consultancy Services were finalized.</p>
Education & Public Information on Energy Efficiency	<p>Organized a Working Session with the Ministry of Education (MoE)/Ghana Education Service (GES)/National Council for Curriculum and Assessment (NaCCA) to develop Energy Efficiency and Conservation Guidelines for updating School Curriculum at Pre-Tertiary levels.</p> <p>Issued RfP for School Curriculum Consultancy Services on 18th June 2018.</p>
Demand-Side Management Infrastructure	<p>Completed the review of the “Report on Baseline Studies, Market Survey and Energy Efficient Street Light Case Studies for Energy Efficient Street Light Suppliers”, which was prepared by the Street Light Consultant, on March 29, 2018.</p>

2.2.4 Environment and Social Performance

The Compact requires that all Projects are implemented in line with MCC’s Environmental Guidelines, the International Finance Corporation Performance Standards on Environmental and Social Sustainability, and Ghana’s Laws, Regulations, Licenses, and Permits. MiDA is therefore mandated to ensure such compliances.

MiDA executed a Contract with SAL Consult on February 12, 2018, to carry out Environmental and Social Impact Assessment (ESIA) for the Pokuase Bulk Supply Point (BSP) and its Interconnecting Links. As at the end of June 2018, the Assessment had been completed.

MiDA has completed the Environmental and Social Management System (ESMS) for ECG, which is a Condition Precedent (CP) for payment for Works Contracts under the ECG Financial and Operational Turnaround (EFOT) Project.

The following were also achieved during the period.

- Submitted Lease Application for the acquisition of Lands for Primary Sub-stations at Korle Gonno, Kotobabi and Kanda.
- Obtained Land Search results for the proposed Site for the University of Ghana Medical Center Primary Sub-station and submitted the Lease Application to Lands Commission.
- Issued a Task Order for a Resettlement Action Plan (RAP) and Community Engagement

- Services for the Pokuase BSP and Interconnecting Circuits.
- Resumed Health, Safety, Environment and Social Capacity Assessment for NEDCo.

2.2.5 Gender and Social Inclusion

To maximize the positive social impacts of the Projects, MiDA is expected to conform to the MCC Gender Policy satisfactorily by addressing social and gender issues including human trafficking, child and forced labor, HIV/AIDS, etc. MiDA continued with activities to support Projects and cross-cutting Directorates to integrate Gender and Social Inclusion (GSI) into ongoing activities.

MiDA issued RfP for the Gender Audit Consultancy on January 15, 2018. MiDA received and evaluated Bids from six (6) individual Consultants.

MiDA, in collaboration with MCC, conducted a Due Diligence for the proposed MiDA Internship and Mentoring Program between January 29 and February 9, 2018. The essence of the Program is to focus on providing female Science, Technology, Engineering and Mathematics (STEM) students in Tertiary and Technical and Vocational Education and Training (TVET) Institutions with employment pathways in the Power Sector. The Internship Program was launched on June 20, 2018. This was followed by Orientation Programme for the first batch of 50 Students. Three of the Implementing Entities of the Compact, namely the Energy Commission (EC), Ghana Standards Authority (GSA) and the Electricity Company of Ghana (ECG), are hosting these first batch of Interns.

On March 8, 2018, MiDA celebrated the 2018 International Women's Day and used the occasion to launch the Compact Gender and Energy Working Group.

2.3 MONITORING AND EVALUATION

MiDA commenced the revision of the existing M&E Plan, which provides the framework for the Monitoring and Evaluation of Compact activities. The revision was mainly on the Baselines and Targets for Performance Indicators to reflect the situation at Entry-into-Force.

For the purpose of ensuring Quality Data reporting as required by the M&E Plan, MiDA continued to provide Training to Power Sector Implementing/Reporting Entities to build their capacity to collect, manage and report Quality Data. During the reporting period, Capacity Building Workshops on efficient Data Management Systems were organized for 67 GRIDCo Substation and Master Station Operators in the Takoradi, Prestea, Kumasi and Tamale Operational Areas. So far, MiDA has supported the training of 119 out of the targeted 142 GRIDCo Operators (84%) since the Training began in November 2017.

2.4 COMMUNICATIONS AND OUTREACH

MiDA conducted a detailed analysis of the existing Communications Strategy and this revealed that the Public did not have an appreciable understanding of the Power Compact. Hence, MiDA developed a refocused Strategy and commenced Activities to enhance visibility.

A number of Meetings were held to share information on the Compact. This included a Meeting with the Head of the Public Affairs Unit of the US Embassy, during which the two Teams committed to collaborate by sharing information, Articles, etc. on their respective Platforms. Also, MiDA held a Meeting with Communication / PR Personnel of various Implementing Entities, namely NEDCo, ECG, PURC, and GSA. The purpose of the engagement was to acquaint MiDA with its counterparts in the various IEs and to establish Working Protocols for communicating on the Compact. MiDA established a WhatsApp platform to enhance Information Dissemination. In addition, MiDA delivered a Presentation on the status of the Compact and PSP Transaction Activity to the Ghana / German Economic Association.

MiDA engaged with ECG's Third Party Stakeholders such as Suppliers, Vendors, Contractors, and other Service Providers on 22nd March, 2018. The objective was to provide information on the Compact, especially the ECG PSP Transaction. These Stakeholders were expected to be well positioned to take up opportunities in the various upcoming Procurements with the information provided. Also, MiDA engaged at various Fora with the Staff and Senior Staff Unions, as well as Management of ECG on the ECG PSP.

PART THREE: CHALLENGES

3.1 CRITICAL ISSUES

The major challenge facing the implementation of the Compact is how to ensure that Power Sector Agencies (including the Workers Unions) whose functions are critical to the successful implementation of Compact Activities work with MiDA to meet critical Timelines. Delayed response to requests slows down the pace of finalizing and issuing Request for Proposals (RFPs). This invariably delays the award of Contracts and, consequently, the disbursement of Compact Funds, as these disbursements are linked to Deliverables.

Reaching Financial Close on the ECG PSP Transaction is a Condition Precedent to accessing Tranche II Funds. This remains on a critical path with only two (2) months for the Financial Close Timeline of September 6, 2018. Within this period, the Transaction must go through Parliament Ratification of Draft Agreements, and signing of the Agreements.

MiDA relies on the support of Beneficiary Institutions in developing Procurement Specifications and reviewing Deliverables within specific Timelines. The support of ECG, particularly with regards to providing prompt responses to requests, is critical to the smooth implementation of the ECG Financial and Operational Turnaround Project.

The NEDCo Project has just entered the Implementation Phase. There was the need for MCC to redesign it after Compact signing to achieve the required Economic Rate of Return (ERR) that satisfies the requirements for MCC funding. The support of NEDCo Management is required to ensure that the Activities under the NFOT Project are completed within the Compact period. MiDA will continue to engage with NEDCo Staff to enhance a smooth Compact implementation.

The support of Staff of the Implementing Entities, particularly ECG and NEDCo, is necessary for the success of the Compact. MiDA needs to continue to work with Government and the Leadership of the Workers Union (PUWU and PSWU) to ensure the smooth implementation of the Compact Activities.

3.2 PROJECT-SPECIFIC CHALLENGES

3.2.1 Distribution Projects Challenges

The challenges that have hindered the achievement of Targets are in relation to the EFOT Project, and they are as follows.

Delays in the Procurement process, including a Bid Challenge resulted in MiDA not meeting the Timelines for the implementation of the GIS-based Distribution Management System, and the

installation of Capacitor Banks.

The delay in agreeing on selected ECG Districts for Bifurcation resulted in missing the Targets for upgrading/building Distribution Lines and increasing Sub-station Capacity.

3.2.2 Generation Projects Challenges

For the RSCB Project, a decision is yet to be finalized on the implementation of the Prioritized Action Plan (PAP), a major output from the Capacity Scan Consultancy, which has been completed.

For the EEDSM Project, changes to the initial Procurement Method for a Consultant to draft the Legislative Instruments (LIs) required to enforce new Electrical Appliances Standards, after several months of deliberations with Key Stakeholders, has resulted in delays. To ensure that the Target set for 2018 is achieved, the Draft LIs are to be sent to Parliament for Approval in bulk (i.e. concurrently) instead of the initial plan to sending them in succession.

The Procurement process could not secure a successful Bidder for the establishment of Test Laboratory facilities for Standards. MCC is to assist in finding potential Bidders with the requisite expertise.

The process of procuring Works Contractors for the installation of Energy-Saving Street Lights has encountered delays. The strategy to mitigate this is to increase the number of Lots in order to engage more Contractors concurrently.

PART FOUR: FORWARD LOOK FOR THE THIRD QUARTER OF 2018

The following have been planned for completion in the next Quarter, July-September 2018.

a) EFOT Project

- Design Phase - MV Pilot Migration fully completed and approved for the GIS Activity
- Bid submission and evaluation for Meter Management System (MMS) Project finalized and Contract signed.
- Six (6) sets of Portable Test Equipment for the ECG Loss Control Unit (“LCU”) supplied
- MiDA shall have issued Bid Documents for the following activities:
 - Data Center and Communication Network upgrade
 - Pokuase BSP and Interconnecting Circuits
 - Achimota LV Bifurcation
 - Street Lighting Replacement
 - Outage Management System consultancy
 - Design of Internship and Mentorship Program (DIMP) consultancy
 - Data Quality Audit Consultancy.

b) NFOT Project

- Commenced the development of an Environmental and Social Management System (ESMS) on the NFOT Project.

c) RSCB Project

- Received the Final Report from Messrs. Fichtner on the Tariff Study and Tariff Plan (TSTP) Consultancy and thereafter closed out the Contract.

d) Access Project

- Undertaken Stakeholder Engagements to provide update and obtain feedback on the result of the Access Project Designs.

e) EEDSM Project

- Completed adopting and gazetting the revised Lot 2 Standards.
- Launched Procurement for Consultancy Services to develop LI's for the Standards revised/ developed by GSA.
- Launched Procurement for Test Facilities Design-Build Contractor.
- Commenced the Field Metering and Monitoring Studies Consultancy.
- Issued RfP and commenced Evaluations for “Setting-up of two Energy Auditing Centers” Consultancy Services.
- Signed Contract for Pre-tertiary School Curriculum Update Consultancy Services.
- Initiated Procurement processes to engage the Services of a Contractor for the Street Lighting.

APPENDIX 1: RESULTS MATRIX

PLANNED PROGRAMMES	ACTIVITIES	EXPECTED OUTPUT(S)	TARGET FOR 2018	START DATE	END DATE	ACTUAL RESULTS AS AT JUNE 2018	CHALLENGES	STRATEGIES
Investment Promotion Management: ECG Financial and Operational Turnaround	Modernizing Utility Operations (ECG)	GIS-based distribution management system in place - ECG		30/Jun/2017	24/Dec/2019	Implementation Ongoing	Delays in the Procurement and subsequent Bid Challenge slowed down process	Tasks being done concurrently to expedite activities.
		Enterprise Resource Planning System in place - ECG	N/A	22/Mar/2018	3/Jun/2021	Implementation Ongoing	None, Activity on track	Consultancy services to undertake assessment of ECG systems ongoing
	Kilometers of distribution lines upgraded or built - ECG	Kilometers of distribution lines upgraded or built - ECG	2050	25/Aug/17	3/Mar/2020	Implementation Ongoing	Targets are not expected to be achieved as a result of delays in agreeing on selected Districts for Bifurcation	Procurement process for the Bifurcation to be finalized by September 2018
		Distribution substation capacity added - ECG	750					
		Number of capacitor banks installed at primary substations/ lines - ECG	0	25/Aug/2020	2/Jun/2021	0	Delays in the Procurement and subsequent bid challenge slowed down process	Tasks being done concurrently to expedite activities.
		Number of Bulk supply points (BSPs) - ECG	0	14/Jan/2019	30/Sep/2020	0	None, Activity on track	Procurement for Supply and installation of this activity launched on July, 5, 2018.
		No. of Interconnecting sub-transmission links - ECG	TBD	19/Mar/2019	25/Jul/2020	0	None, Activity on track	This activity is part of Second Tranche of Compact activities (effective September 6, 2018) for the BSP for which procurement was launched in July 2018.
		Number of medium voltage offloading circuits - ECG	TBD	19/Mar/2019	25/Jul/2020	0	None, Activity on track	

PLANNED PROGRAMMES	ACTIVITIES	EXPECTED OUTPUT(S)	TARGET FOR 2018	START DATE	END DATE	ACTUAL RESULTS AS AT JUNE 2018	CHALLENGES	STRATEGIES
	ECG Commercial Loss Reduction	Number of automated reading meters - ECG	1050	30/Aug/2019	10/Feb/2021	0	Change in implementation strategy has shifted this activity to 2019	Implementation of this activity will be in 2019
		Outage management system in place - ECG	N/A	15/Nov/2017	24/Nov/2020	Implementation Ongoing	None, Activity on track	Contract for Outage Management System was signed on July 4, 2018.
Investment Promotion Management: Regulatory Strengthening and Capacity Building	Sector Performance Monitoring Capacity Building Activity	Capacity Needs Assessment	TBD	20 Oct 2015	15/Mar/2018	Implementation Ongoing	Decision on implementation of Prioritize Action Plan (PAP) as per TORs developed yet to be crystalized	Finalize decision on way forward for implementation of PAP
	Tariff Review and Regulatory Activity	Cost-reflective tariff regime	TBD	15 June 2015	01/Feb/2021	Implementation Ongoing		
Investment Promotion Management: Energy Efficiency and Demand-Side management	Development and Enforcement of Standards and Labels	Number of products with standards developed and passed	5	Sep 2016	Dec 2020	0	Initial procurement method for a consultant to draft the Legislative Instruments (LIs) to enforce new electrical appliances standards changed after several months of deliberations with MCC.	Drafted LIs to be sent to Parliament for approval in bulk instead of the initial plan to send in succession.
		Number of appliance test labs established	2	Aug 2017	Jul 2021	0	First procurement could not secure a successful Bidder because they seem to lack requisite expertise.	MCC to assist to find potential Bidders with the requisite expertise.
	DSM Infrastructure	Number of energy saving streetlights	6,000	Mar 2017	Feb 2021	0	Delays in procuring Contractors for works.	Increase the number of Lots so as to engage more Contractors concurrently.

N/A Not applicable
TBD: To be determined