

ANNEX 2

SPF Narrative Progress Report

Report period 1st June 2010 to 30th September 2010

Contract Ref. No. 03/SPF/11/PEF

Organisation Private Enterprise Foundation

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Report Date 30th September, 2010

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Signature & date

Signature & date

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Please do not write in green coloured sections; refer to notes at last page for explanations

1. Project Outputs on research and advocacy and/or services delivered

List the outputs as you have presented in the Workplan submitted to G-rap.

Make sure that you:

- Indicate estimated levels of completion per output
- Indicate target groups that used / received the output delivered
- Attach copy of product output

Outline outputs during this period	What specific policy issues does this target	What advocacy outputs were informed by your research/project
<p><i>Opportunities in the oil and gas sector identified.</i></p> <p>This output is completed. The PEF hired the services of the Ghana Institution of Engineers to conduct a study on the opportunities in Ghana's emerging oil and gas industry. The target groups that used this output are the private sector organisations in Accra, Ho and Koforidua.</p> <p>The participants at these meetings are supposed to study the report and prepare to position themselves to take advantage of the opportunities in the oil and gas sector.</p> <p>The study is completed. A copy of a report attached. This report would be circulated to the appropriate government institutions.</p>	<p>Local content and participation in Ghana's emerging oil and gas industry</p>	<ul style="list-style-type: none"> • Establishment of a Special Petroleum Local Content Fund with contributions from Operators and Contractors to support Small and Medium Sized enterprises. <p>No work has been done on this issue because the regional seminars are on-going. However, this is one of the issues which will be discussed during the retreat with parliamentarians and relevant policy-makers at the end of the project.</p>
<p><i>Review of existing laws on local</i></p>	<p>Local content and</p>	<ul style="list-style-type: none"> • Lack of empowered and resourced

<p>content and participation in Ghana's oil and gas industry.</p> <p>This output is completed. The Foundation contracted the Petroleum Skills Development Institute to review the relevant sections on local content and participation of existing laws and proposed bills.</p> <p>The consultant has submitted his report and a copy is attached.</p> <p>The target groups that used this output are private sector organisations in Accra, Ho and Koforidua. The participants at these meetings are supposed to study the report and prepare to position themselves to take advantage of the opportunities in the oil and gas sector.</p>	<p>participation in Ghana's emerging oil and gas industry</p>	<p>Agency to implement laws</p> <ul style="list-style-type: none"> • Active involvement of both Government and market forces • Policies and laws should provide for local content and transfer of technology • Local content requirements should be included and evaluated for all contracts <p>There activity has been undertaken yet to improve on this because the regional seminars are still on-going. However, as part of the project activities, a meeting would be held with selected parliamentarians and policy-makers to discuss these recommendations and seek appropriate action on the part of Government.</p>
<p>Ghanaians sensitized on the oil and gas sector. Private sector organisations have been sensitized in Accra, Ho and Koforidua</p>	<p>Local content and participation in Ghana's emerging oil and gas industry</p>	<p>-</p>
<p>Inputs gathered for inclusion in the Local Content Act.</p> <p>The inputs gathered from the workshops organized so far are as follows:</p> <ul style="list-style-type: none"> • Need for sector-specific target for local content and participation. • Need for a National Plan towards the 90 per cent local content target by 2020 set by the Government 	<p>Local content and participation in Ghana's emerging oil and gas industry</p>	<ul style="list-style-type: none"> • Need for sector-specific target for local content and participation. • Need for a National Plan towards the 90 per cent local content target by 2020 set by the Government <p>These inputs, in addition to other inputs that would be gathered after holding all the regional seminars would be incorporated into the position paper which would be developed. The position paper would serve as a basis for discussion with the parliamentarians and the other policy-makers.</p>
<p>Media activities</p> <p>Our partner, GJA organised a Press Launch on the Opportunities in the oil and gas industry on 26th August, 2010 at the Accra International Press Centre.</p> <p>GJA also organized a dialogue meeting with News Editors and Media Personalities on local content and participation in Ghana's emerging oil and gas industry on Thursday, 16th September, 2010. The aim of this dialogue is to ensure that the media, a key partner in promoting</p>	<p>Awareness on Local content and participation in Ghana's emerging oil and gas industry</p>	<p>A knowledgeable and active media is critical to having an informed and engaged public and business community so that appropriate policies would be put in place by the Government for the benefit of the people of Ghana</p>

<p>local content and participation fully understand the issues in the emerging Oil and Gas industry.</p> <p>GJA also organised press coverage for all the project activities.</p>		

2. What is the organisation's success in undertaking this special project? (Quantitative and Qualitative indicators)

Since Ghana's discovery of oil and gas in commercial quantities, there have been a series of discussions with government, politicians, academicians and ordinary people about the benefits to be derived from the industry. However, such talks were not supported by evidence on the extent to which Ghanaians would benefit. What the Private Enterprise Foundation has succeeded in doing by undertaking this project is to identify the core opportunities in the emerging industry. In quantitative terms, about one hundred and fifty (150) representatives of business associations have been sensitised on the opportunities in the industry which they can prepare for and take advantage of. The project contributed to help manage the expectations of Ghanaians by learning the requirements in terms of skills, capacity, standards, etc. needed to participate in oil and gas industry. This was achieved through the regional seminars which were organised for local business enterprises. This is measured from the feedback from the participants.

3. Stakeholder Perception

How has the credibility and legitimacy of your RAO/coalition changed in the eyes of GoG and the Ghanaian public? What is your interpretation? Is there a reference to this evidence of change?

The credibility and legitimacy of the Private Enterprise Foundation in the eyes of private sector organisations in particular and the general public have been enhanced. For the private sector organisations, they see the Foundation as being proactive in serving their interest by undertaking this project. For government, they see the Foundation as a credible institution. This recognition achieved by the Foundation has led to the nomination of the Foundation to serve on the Environmental and Natural Resources Council which chaired by the Vice President of Ghana. This council is supposed to monitor the natural resources of the country and their exploration and development.

4. What is your perception on the general policy making environment in Ghana with regards to this specific issue

For close to two decades of democratic transition in Ghana, the policy making processes of the executive and legislative branches of government have being open, inviting the private sector and civil society to participate in the process. With regards to the emerging oil and gas industry, the policy making process has been relatively slow since the major laws and regulations needed to govern the industry are not in place.

5. Grant and report related issues

5.1 What issues do you wish to raise relating to the Grant or to G-rap management?

There are no issues.

6. Proposed Next Step

What issues will you continue working on as an outcome of this project?

Advocating the establishment of a Special Petroleum Local Content Fund with contributions from Operators and Contractors to support Small and Medium Sized enterprises.

Government to support local participants in the industry in setting standards and developing skills through training to meet the standards.