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DEVELOPING A POLICY FRAMEWORK FOR A SECONDARY NATURAL GAS MARKET FOR GHANA

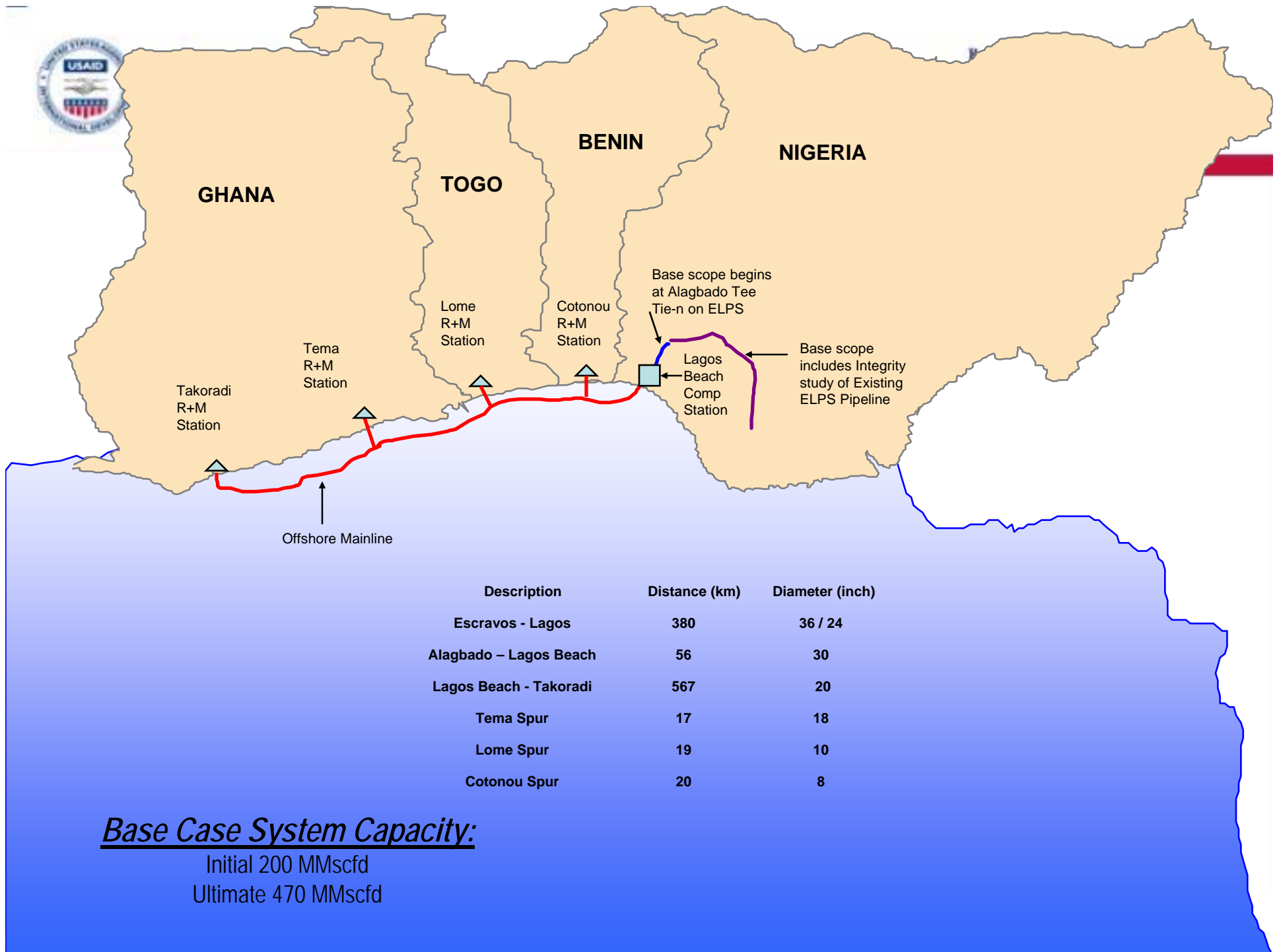
**A PRESENTATION BY THE MINISTRY OF ENERGY, GHANA
AT
THE NARUC/USAID PROGRAMME
IN
COLUMBUS, OHIO
FEBRUARY, 2006**



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OUTLINE OF PRESENTATION

- **OBJECTIVES**
- **ISSUES UNDERLYING THE OBJECTIVES**
- **LEGAL/INSTITUTIONAL AND REGULATORY FRAMEWORK**
- **MARKETING STRUCTURE**
- **ENVISAGED REGULATIONS**
- **WHAT HAVE WE BEEN DOING?**
- **WHY ARE WE HERE?**



OBJECTIVES

- To define a policy for the development of the secondary gas market in Ghana and recommend strategies that will expedite the implementation of the policy

This framework, we believe, should contain the following:

“Policies for the gas downstream sector relating to gas transmission, gas distribution, gas marketing, standards with respect to technical specifications for plant and equipment, health, safety and the natural environment”

SOME ISSUES UNDERLYING THE OBJECTIVES

- **BACKGROUND & REASONS FOR DEVELOPMENT OF THE GAS INDUSTRY**
- **OVERALL GOVERNMENT POLICY**
- **EXISTING STATUTES : exploration laws, EC, PURC, WAGP Act/LI, IPA etc**
- **MARKET STUDIES**
- **BEST INDUSTRY PRACTICE**

LEGAL/INSTITUTIONAL & REGULATORY FRAMEWORK

- **DEFINITION OF ROLES OF MoEn, EC, PURC**
- **MoEn – SETS OUT OVERALL POLICY; ADJUDICATIVE ROLE**
- **EC – LICENSING, TECHNICAL STANDARDS; PLANNING**
- **PURC - TARIFF SETTING, QUALITY OF SERVICE MONITORING**

MARKET STRUCTURE

- **PRIVATE OWNERSHIP/ PUBLIC-PRIVATE OWNERSHIP ?**
- **OPEN ACCESS PRINCIPLES**
- **LICENSING OF LDC**
- **OPTIONS FOR TRADING – LONGTERM CONTRACTS/SPOT MARKET RULES**



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ENVISAGED REGULATIONS

- **TECHNICAL AND MARKET RULES**
- **HEALTH, SAFETY & ENVIRONMENT**
- **GUIDELINES FOR FIXING RATES**



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WHAT HAVE WE BEING DOING?

- **TECHNICAL SUPPORT AGREEMENT WITH TIPCEE**
- **ROADMAP & 1ST STAKEHOLDERS' FORUM**
- **INTERMINISTERIAL COMMITTEE FORMATION**
- **2ND STAKEHOLDERS' FORUM ON DRAFT POLICY RECOMMENDATIONS**



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WHY ARE WE HERE?

- **CAPACITY BUILDING EXERCISE**
- **FOSTERING LONG-TERM SUSTAINABLE RELATIONSHIP BETWEEN OUR INSTITUTIONS**
- **LEARN HOW “NOT TO RE-INVENT THE WHEEL”!!!!!!!**



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**WE ARE HAPPY TO BE
HERE**

THANK YOU