

About the Conference

Conference on Economic Growth Opportunities in the Western Region

Theme: Leveraging Lessons from the oil sector to maximise opportunities from the One District One Factory Initiative

Date: 5 October 2017

Venue: Best Western Plus Atlantic Hotel, Takoradi

I. Introduction

In 2007, Ghana discovered oil off the coast of the Western Region. Many Ghanaians, especially, residents of the Western Region, hailed this discovery and expected their quality of life to change. Policy makers were quite optimistic that the new oil economy Ghana was venturing into was going to inject some life into the economy; Ghanaian business expected to maximise the opportunities that the oil and gas sector would bring. In the Western Region, residents had hopes of employment and having good incomes from the oil and gas sector.

To accelerate local content development, and create an ecosystem to encourage Ghanaian businesses to participate competitively in providing goods and services for the sector, the Government put in place the *Petroleum Revenue Management (Amendment) Act, 2015*; the *Petroleum (Local Content and Local Participation) Regulations 2013, L.I 2204*, and the *Petroleum Exploration and Production Act, 2016 (Act 919)*, among others. These laws have provisions that seek to help Ghanaian businesses are intended to address the challenges confronting businesses and communities.

Indeed, there have been and continue to be some benefits for Ghanaians. According to the Ghana National Petroleum Company (GNPC), the Petroleum Commission reported that “between 2010 and the third quarter of 2015, the value of contracts for services awarded to Ghanaians amounted to over US\$1 billion (out of a total of US\$6.3 billion).”¹ The GNPC further stated that the PC’s data illustrates that during the same period, “the oil and gas sector had provided direct high- quality jobs for more than 5,000 Ghanaians in the sector”².

Similarly, initiatives such as the Enterprise Development Centre (EDC), created by the Jubilee Partners³ and the Pyxerra led Ghana Supply Chain programme, work with local businesses (SMEs) and other stakeholders to improve their prospects of providing services and goods to oil and gas companies.

¹Bonney, E. (2016, July 4) “Oil, Gas Sector creates over 5,000 jobs.” *Graphic Online*. Retrieved from <https://www.graphic.com.gh/business/business-news/oil-gas-sector-creates-over-5-000-jobs.html>

² ibid

³ The Jubilee Partners are composed of Tullow Ghana, Kosmos, GNPC, Anadarko, and PetroSA

Clearly, for a growing industry, the oil and gas sector has created opportunities that local businesses have maximised. However, many more local businesses, particularly the SMEs, and other stakeholders claim they are yet to fully benefit from the sector in terms of contracts, employment, or other. Why is this so? Is it an issue of inadequate capital? Inadequate capacity to deliver on industry standards? Inadequate skills to be employed by the sector? Is it the influx of foreign companies using Ghanaian companies as a front? Or is the industry too small to realistically to provide enough opportunities for all? Alternatively, could it all of the above or none at all?

In light of these questions, the private sector, in collaboration with the Government will need to start looking at other economic sectors and the potential opportunities they present for growth. The Government has proposed some economic programmes, which include the One District, One Factory initiative, the Infrastructure for Poverty Eradication Programme (IPEP), and the establishment of Development Authorities, which have great potential to catalyse growth for the region. Drivers of these initiatives can help businesses and other stakeholders to fully maximise the opportunities the programmes present based on lessons learnt from the oil and gas sector.

If Industry, local business and communities have a sound understanding of these initiatives and what they can do to maximise opportunities, there is no doubt that Ghana would see a renaissance of the Western Region.

Therefore, the Western Region Coastal Foundation (WRCF), in collaboration with the Ghana National Chamber of Commerce (GNCC) – Sekondi/Takoradi, deem it appropriate to have a discussion with local businesses, Industry, community leaders, and other stakeholders in the Western Region about these Government economic initiatives.

The one-day learning conference will assess the extent to which Oil has benefited Ghanaian businesses and communities, the gaps, and lessons learned; and how Industry, businesses and stakeholders from across the Western Region can use lessons learnt from the oil sector to maximise opportunities presented by the 1D1F programme and others to accelerate economic growth for the region.

II. Objectives

- To assess the extent to which the oil and gas sector has benefited and limited local business growth, and lessons learnt 10 years on
- To build understanding of the One District, One Factory programme, and other government initiatives
- To identify and discuss the most promising sectors for economic growth in the Western Region
- To identify and understand how businesses, communities, and industry can position themselves to benefit from the 1D1F programme and other economic initiatives

III. Conference Topics

Oil & Gas Operations & Economic Development in the W/R

- *Regulatory framework (Exploration & Production Act, Petroleum Revenue Management Act, Local Content policy targeting SMEs, Petroleum Commission Community Relations and Social Investments Policy)*
- *Overview of Economic Development & Impact in the WR of the oil and gas sector (opportunities, benefits, challenges, lessons)*
- *Increasing Local Content: Improving skills development through TVET as a medium to long term strategic option*

Government Policies

- *One District, One Factory Programme – Overview and what it means for economic growth in the W/R*
- *Infrastructure for Poverty Eradication Programme – Overview and what it means for economic growth in the W/R*

Key Economic Sectors in the Western Region

- *A SWOT analysis of the most promising economic value chains across the 22 districts of the W/R and how businesses can leverage opportunities for 1D1F*
- *Financing options for one district, one factory initiative - insurance, Public Private Partnerships, financial institutions.*

Expected Outcomes

- To have stakeholders have a better understanding of the oil and gas sector, while using lessons learnt to better position themselves for success in the industry
- To have businesses and communities in the Western Region increase knowledge of the new economic policies necessitating strategies to take advantage of opportunities that these policies offer for economic growth of the Region.

Agenda

Time	Item
	Opening
8.30 am	Arrival of Invited Guests
9.30 am	Opening prayer
9.35 am	Welcome remarks
9.40 am	Opening Remarks
9.45 am	Introduction of Chairperson
9.50 am	Chairperson's remarks
9.55 am	Remarks

Oil and Gas Operations and Development in the W/R	
10.00 am	Oil and Gas Sector Regulatory Frameworks (E&P Act, Petroleum Revenue Management Act, Local Content Act, etc) as catalysts for economic growth
10.15 am	<i>Impact of Oil & Gas on development in the WR (Opportunities, benefits, challenges, lessons and the way forward)</i>
10.30 am	<i>Increasing Local Content: Improving skills development through TVET as a medium to long term strategic option</i>
10.45 am	Discussion
11.05 SNACK BREAK	
New Government Initiatives	
11.25 am	<i>One district one factory programme – Overview and what it means for economic growth in the W/R</i>
11.40 am	<i>Infrastructure for Poverty Eradication Programme – Overview and what it means for communities in the W/R</i>
11.55 am	Discussion
Key Economic Sectors in the W/R	
12.15 pm	<i>An overview and SWOT analysis of the most promising economic value chains across the 22 districts of the W/R and how business and communities can leverage opportunities for 1D1F</i>
12.30 pm	Financing Options (insurance, loans, partnerships, etc) to take advantage of 1D1F programme
12.45 pm	Discussion
1.05 pm	Next Steps
1.10 pm	Closing Remarks
1.20 pm	Closing Prayer
LUNCH & DEPARTURE	