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>>> Menas Ghana Politics & Security

1.0. Executive Summary

- > The government and its agencies make further pronouncements on oil policy, including local content, and the monitoring of oil revenues
- > **International Monetary Fund (IMF)** increases Ghana's borrowing limits as head of *Ghana National Gas Company* supports view that gas infrastructure project will produce quick returns to pay off loans
- > Ghana's *Trust Bank Limited* acquired by pan-African *Ecobank* to create "leading" Ghana bank by assets
- > Government officials claim that several billion barrels may be present in extended continental shelf for which Ghana seeks **United Nations** confirmation.
- > Construction of Bui hydroelectric plant faces further delay because of funding delays caused by "administrative bottlenecks"
- > **US State Department** highlights importance of strengthening relationships with increasing number of oil producing countries, including Ghana
- > Police and court system are at the centre of cocaine for cassava scandal, with *New Patriotic Party (NPP)* and *National Democratic Congress (NDC)* trading allegations.
- > Electoral allegations continue with an *NDC* official alleging *NPP* misconduct and intimidation in 2008 elections.

2.0 Government Politics and Elections

Government announces local content policy roadmap

- > The government's exact local content provisions and targets have been the cause of considerable debate, with a series of local content pronouncements being undermined by the lack of implementation of a defined policy.

- At a recent *Volta River Authority (VRA)* organised forum on local content - which was attended by stakeholders including the *Association of Ghana Industries* - the Deputy Minister of Energy **Emmanuel Kofi Armah-Buah** claimed that parliament is focusing on the issue with the goal of finally implementing an official local content policy.
- He claimed that, when implemented, the policy would have a number of goals, including:
 - increasing Ghanaian participation in the oil and gas sector to 90 per cent by 2020;
 - the favouring of bids with higher local content over comparable bids with lower local content;
 - priority purchasing of local products and services from Ghanaian businesses and providers even if their prices for comparable products or work were up to 10 per cent higher than that from foreign equivalents; and
 - the need to give first priority to Ghanaians when awarding contracts.
- He also commended **Kosmos, Tullow**, and the *VRA* among others for their efforts to support "*local content*" to date.
- This announcement comes the same week as another by the 13 member *Public Interest and Accountability Committee (PIAC)*, which was inaugurated in September as specified by the *2011 Petroleum Revenue Management Act* and includes the *AGI*, the *Trades Union Congress, EITI* and *National House of Chiefs* among others. *PIAC* pledged to monitor Ghana's oil industry closely, giving "a *true account of the oil revenues to Parliament, the Executive and Ghanaians in general*".
- It also comes soon after comment by Dr **Steve Manteaw** of the *Integrated Social Development Centre (ISODEC)* who is also a leading member of the *Civil Society Platform on Oil and Gas (CSPOG)*. He said that Ghana's small decline in **Transparency International's** global transparency ranking is partly due to the government's failure to ensure total transparency in oil contracts. He claimed that there is a perception of corruption possibly being increased because of the government's delays in passing of the *Right to Information Bill* and last year's dispute between the *GNPC* and *Kosmos* over oil exploration data.

Electoral allegations continue

- In recent weeks, as Ghana approaches its 2112 election year, the main political parties have been making an increasing

number of allegations and strongly worded claims about their rival's conduct during the 2008 elections. This is despite the fact that most international observers viewed them as relatively well-run and fair with the very close result being accepted by the losing incumbent *NPP*.

- > One such example is the recent comments by **Felix Ofusu Kwakye**, who is a member of the ruling *NDC* communications team, who claimed that the *NPP* engaged in voter fraud the 2008 elections which made the results much closer than they would otherwise have been. The official result in 2008 election was at 50.23 per cent to 49.77 per cent victory for the *NDC* over the incumbent *NPP*.
- > He claimed, in a recent radio programme on *Asempa FM*, that *NDC* polling officials in the *NPP* Ashanti stronghold were intimidated - even being beaten and imprisoned in one or two cases - and that the Ashanti region recorded a voter turnout of over 100 per cent because of the *NPP*'s fraudulent activities.
- > He made these allegations to back up claim that next year's 2012 elections will not be close despite the anticipated *NPP* intimidation. We can expect more accusations and counter-accusations throughout 2012.
- > This comes around the same time as recent comments by the Deputy Commissioner of Police, *Alhaji Mahama*, at a Kumasi police event that the *Ghana Police Service* will enforce the peace during the upcoming 2012 elections. He stated that "*Ghana has a track record of conducting successful elections and we must strive to maintain this record if not improve upon it*", and that the police and security agencies therefore having a special responsibility.

Election Commission's plans create controversy

- > The head of the *Election Commission* head, **Kwadwo Afari-Djan**, and his team have supervised five successively more credible elections since 1992. The demands for the introduction of a new biometric and electronically verifiable voters' register - which is to be compiled early in the new year - has, however, dented the *EC*'s reputation for both competence and independence.
- > The *NDC* opposes the verification system, which will cost between US\$20-US\$50 million and has criticised it as an unnecessary drain on the *Consolidated Fund*. Critics say, however, that the real reason is because it will prevent the

ruling party from multiple registrations and double voting by its supporters, which many believe was the key to the *NPP's* 2008 defeat.

- Afari-Djan argues the best protection against electoral malpractices is vigilance on the part of polling agents and constituency executives. But *NPP* supporters will not easily forget the violence and intimidation that was meted out to them in the *NDC's* Volta region strongholds last time around. The *NDC* counters that its supporters suffered similarly at the hands of the *NPP* in their Ashanti region stronghold.
- Another unresolved issue is the *EC's* plans to create 45 new parliamentary constituencies - in line with the increase in population recorded in the provisional results of the 2010 national census - which would increase the number of seats to 275. It is argued that this should legally only be carried out when the definitive census results have been published.
- Like the recent creation of 42 new districts, the new constituencies could become flashpoints for simmering ethnic disputes, such as the conflicts between settled communities and nomadic *Fulani* herdsman which have blighted the Northern and Ashanti regions during 2011.
- The legal basis on which Afari-Djan intends to proceed remains unclear. Delays in the release of budgetary funds by the Finance Ministry, and the inevitable problems associated with compiling a voters' register using an untested electronic system, could seriously derail the electoral timetable. The *NPP* presidential candidate, **Nana Akufo-Addo**, has appealed to foreign donors to stump up the extra cash needed to ensure a credible election process, and a result acceptable to all parties.

Mills victorious as IMF bends rules for China's loan

- The IMF's decision at a board meeting in Washington, on 16th December to raise Ghana's non-concessional borrowing limit - from its existing level of US\$800 million - to "*provide additional room for scaled-up infrastructure investment*" is a considerable victory for **President John Atta Mills'** government.
- Before the decision some ministers were threatening to pull out of the IMF which would have had disastrous consequences for Ghana's credit rating and investment efforts. Now Mills can claim a defeat over both the IMF and, more importantly, the politicians in the opposition *NPP* who are suggesting that

government borrowing is out of control because it now flows to the Chinese banks.

- > The IMF decision is also a boost to the government's gas development programme which can now draw in the necessary finance. There are, however, still massive technical challenges for the gas pipeline and accompanying gas processing project. Most of these revolve around the timeline for the project but the three IOCs partners have every reason to ensure the success of the project. Given the spate of discoveries in 2011 this is likely to be the first of several such gas projects.
- > The IMF's approach was rational because it now keeps Ghana as a client and avoids an ugly confrontation with Africa's top performing economy. By showing flexibility on the debt ceiling, the IMF has sounded its warning on over-borrowing but has also allowed an essential national resource project to go ahead without further delay, and thereby maintains its role as Ghana's advisor and consultant. Beyond this relationship, it has also strengthened cooperation with the **China Development Bank** and other Asian institutions. It can argue that, with them, it has helped boost Ghana's credit worthiness which is wholly in their interests.
- > The IMF's flexibility on credit ceilings will, we understand, including the borrowings from the China Development Bank. The IMF also approved an additional US\$91.8 million borrowing under an extended IMF credit facility. The fund has, however, continued to emphasise the importance of sustainable borrowing and of additional work to make sure that Ghana's debt burden remains "*manageable*". It claims that one reason for its increase of the borrowing limit was that Ghana's gas and other infrastructure projects "*promise significant returns*".
- > The news of the Fund's decision was greeted with enthusiasm by deputy finance minister, **Seth Terkper**, who stated that drawdowns under the US\$3 billion facility may even begin "*before the end of this year*". While it still remains to be seen whether, for example, the US\$700 million gas project will proceed as quickly as scheduled - for example, finishing the gas processing plant by the end of 2012 or by the beginning of 2013 - it is clear that Ghana does not lack support in achieving its near-term infrastructure goals.
- > As reported earlier in *Ghana Politics and Security*, the proposed borrowing under the US\$3 billion China Development Bank facility would have violated existing borrowing limits under Ghana's borrowing arrangements with the IMF and **World**

Bank., The government - citing "*sovereignty*" amongst other things - had stated that it was, in any case, prepared to go ahead with further borrowing whether directly from the facility, or from "*pre-funding*" provided by **Sinopec**.

- The IMF and World Bank had, however, made noises indicating that they would try to accommodate Ghana because of the importance of additional infrastructure, including for the gas sector, for the economic development of a country they consider to have been a high performer in recent years.

Head of *Ghana National Gas Company* argues that the gas project will produce quick returns

- Seconding the government's enthusiasm at the IMF announcement was the CEO of the *Ghana National Gas Company (GNGC)* **George Sipa Yankey**. He claimed that the US\$700 million gas project should produce sufficient financial returns to pay off the Chinese loans. He echoed the IMF comments that the "*significant returns*" from Ghana's proposed projects should enable a higher level of borrowing.
- Yankey claimed that the proposed gas processing plant at Aboadze which will receive piped gas from the offshore FPSO should be able to process an initial 150 million cubic feet of gas per day in its "*first phase*". This should hopefully increase to 450 MMSCFD during a "*second phase*" with cheap gas being supplied to power stations in the Western Region thereby enabling Ghana to export electric power to its neighbours.

3.0 Economic Policy & Development

***Trust Bank Limited* acquired by Ecobank**

- *Trust Bank Limited* was acquired last week by pan-African Ecobank - which has the local ***Ecobank Ghana Limited*** subsidiary - in a share-swap transaction for 100 per cent of Trust Bank Limited's shares worth US\$135 million.
- This is the latest in a series of bank acquisitions that Ghana has witnessed in recent months. Ecobank officials claim that the new, combined bank should now be Ghana's leading bank by assets with over 70 branches. It argues that "*the compelling logic for the merger*" is to "*build a stronger bank, better able to serve the growing banking needs of the Ghanaian economy*", with Ecobank acquiring a strengthened capacity in SME and local corporate markets to add to its current strengths.

- > Whether or not Ecobank is the largest bank in Ghana by other measures, including in terms of lending or deposits, is another matter. The acquisition does, however, underline the increasing importance of foreign banks in Ghana, with four out of the five largest banks (by lending and deposit measures) being foreign owned. The local banks will certainly need to grow in order to significantly participate in the Ghana's growing oil and future gas industry which is something that they do not have the capacity to do at this stage.
- > Regarding the provision of credit to smaller businesses, like the SME's highlighted by the *Association of Ghana Industries (AGI)* among others, Ecobank will hopefully be able to maintain and increase the existing SME lending from its newly acquired operations.
- > Although banks operating in Ghana set their lending rates based on a variety of factors, it should be noted that the official prime interest rate, which is set by the *Bank of Ghana's* Monetary Policy Committee, should remain unchanged at 12.5 per cent in the short term as inflation moderates but strong growth and a declining currency mitigates against another rate cut.

4.0 Domestic News

Officials claim there may be up to 8 billion barrels of reserves in Ghana's extended continental shelf for which it is awaiting United Nations approval.

- > Whether Ghana becomes a significant oil producer, with production exceeding 400,000 b/d according to comments by the *EO Group* (see below), is debateable. There is, however, not just optimism from oil companies making deeper offshore discoveries but also from government officials.
- > Although it is the on-going maritime border dispute with Cote d'Ivoire which is winning all the headlines, Ghana is also seeking to enlarge its territorial waters by extending its continental shelf.
- > It is one of over 50 countries, and was the first African country, which met the May 2009 deadline for requesting an expansion of its maritime territory. The government submitted an application to the United Nations' **Commission on the Limits of the Continental Shelf (UNCLCS)** in April 2009 to claim an

additional 15,000 square kilometres offshore of maritime territory. More interestingly, according to recent comments by Minister for lands and Natural Resources **Mike Hammah**, up to eight billion barrels of oil reserves could potentially be located in the extension according to preliminary studies which have apparently been confirmed by the intergovernmental **International Seabed Authority**.

- This compares with currently confirmed offshore oil reserves of at least one billion barrels. It does, however, raise the question of the technology and the finance that would be required to reach and extract oil reserves even further offshore. Also, if such oil finds are duplicated by other countries which have also extended their continental shelves, it would have a practical impact on the relative importance of future oil finds.
- In addition, although he was optimistic that the UN would grant Ghana's application, Lawrence Apaalse - who is *GNPC's* lead geologist and coordinator of the *Ghana National Continental Shelf Delineation Project* - noted that there may well be "overlapping boundaries" from U.N. submissions by neighbouring countries.

Lukoil announces US\$900 million investment

- The growing potential of oil in the region was echoed in an announcement by Russia's **Lukoil** last week that it will be investing an additional US\$900 million in Ghana, Cote d'Ivoire and Sierra Leone, with up to six billion barrels of oil and gas being potentially returned across the three countries.

Bui hydroelectric plant faces further delays

- In a week when the construction of Ghana's gas infrastructure was buoyed by positive funding news, the on-going Bui hydroelectric project is - according to *Bui Power Authority's* CEO, **Jabesh Amissah Arthur** - facing further delays because of the delayed release of funds by donor agencies. Indirectly conceding that the government and Ghanaians were largely responsible, Amissah Arthur stated "*the loans are available but there are problems with the disbursement procedures.....efforts are being made to resolve the administrative bottlenecks*".
- The Bui project - which according to 2010 estimates may provide as much as 400MW of hydroelectricity to that produced by the Aksombo and Kpong hydroelectric plants- has been the subject of perennial delays. It was originally conceived while Ghana's first post independence president **Kwame Nkrumah**

was in power in the 1960s - even if the actual construction only began in 2007 aided by Chinese investment.

- According to Amissah Arthur, the main dam is *"now about 90 per cent complete"* even if supporting facilities are still to be constructed, even if the scheduled 2013 completion could be affected by the financing delays. It is critical - given Ghana's increasing power needs and the potential capacity of the plant - that any further delays are kept to a minimum.

5.0 Foreign & Regional News

US highlights good relations with Africa's oil producers

- Although Ghana's current oil production of 80,000 b/d - which will soon be increased to 120,000 b/d - only produces around 0.1 per cent of the world's oil production, this could increase very sharply. The *EO Group's Joseph Owusu* has suggested that Ghana could produce 400,000 b/d or *"0.5 per cent"* to become a more significant player.
- Owusu also stated last week, at the celebrations for the first anniversary of *Jubilee's* oil production, that it is critical that Ghana's local content policy force oil companies to maintain a significant portion of their profits and revenues in Ghana, rather than repatriating their profits overseas.
- Ghana was one of the countries mentioned in a recent comments by a United States State Department official claiming that the US is building its relationship with oil exporters such as Ghana, Angola and Iraq to ensure sufficient oil supply in an uncertain world where - for example - countries such as Iran could face sanctions and, in any case, be a source of unpredictability for the world's oil supply.
- State Department envoy and coordinator for international affairs **Carlos Pascual** said at **Council of Foreign Relations** meeting in Washington DC last week that *"it's no longer just going to one of two places and saying, 'hey can you pump an additional million barrels per day and we will all be fine,' it's become a much more complicated market to be able to work with"* In particular he mentioned that a significant fall in the volume of oil purchased from Iran will create the need for additional sources of oil, even if China could, for example, purchase increased amounts of Iranian oil at a discount, and Saudi Arabia and other **OPEC** countries have significant capacity to increase their oil production.

- Of course, oil production is also increasing outside Africa in such places such as Brazil while long term shale gas projects should decrease the US' dependency on foreign sources of energy. A greater range of sources of oil will also make the United States less vulnerable to strong fluctuations in the oil price caused by supply disruptions.

6.0. Comment & Analysis

December 2012 elections will dominate coming year

- For once the hype about the importance of the national elections in Ghana is justified. Next year's polls - currently scheduled for 7th December unless a constitutional referendum decides to bring them forward by a month - will offer a clear choice of governing style and policy.
- The winner could remake the country and its political system in its own image and will be backed by the billions of dollars of oil and gas revenues. Managerial or political mistakes could, however, cost Ghana dear and saddle it with a massive burden of unsustainable debt.
- If, as many predict, the election again goes to a runoff between the two main candidates - the ruling *National Democratic Congress' (NDC)* President John Evans Atta Mills and the opposition *New Patriotic Party's (NPP)* Nana Addo Dankwa Akufo-Addo - the smaller parties could hold the balance of power.
- They are, however, in disarray. The leadership of the *Convention People's Party (CPP)* - chaired by **Samia Yaba Nkrumah**, who is the daughter of the party's founder and Ghana's first president Kwame Nkrumah, and supported by presidential aspirant and medical professor, Dr **Agyeman Badu Akosa** - is at loggerheads with its 2008 candidate Dr **Paa Kwesi Nduom**. The latter is likely to run as an independent having failed to persuade his colleagues to hold an early congress to choose a new leader. The congress will now take place in January.
- The other main Nkrumahist party, the *People's National Convention (PNC)*, is embroiled in a legal tussle between a group led by Dr **Somtim Tobiga**, and a mainstream faction including Dr **Edward Mahama**, who is bidding to stand for a fifth successive election, and general secretary **Bernard Mornah**. Tobiga accuses the other two of having failed to

account for party funds, and the court case will probably delay the primary race until after the party's constitutional deadline.

- Although the *CPP's* Nduom won only 1.3 per cent of the vote in 2008, he is using his own considerable funds to support fifty aspiring *CPP* MPs. It is, however, too late for the *CPP* breakaways to register a new party with the *Electoral Commission* in time for the next election. And, while Mahama's sole challenger, **Hassan Ayariga**, offers a clear break with the past - he is 40 which is half Dr Mahama's age - the *PNC* is unlikely to win any more than the four seats it currently holds in parliament.
- Samia Nkrumah, who is the *CPP's* only MP and she, like many who are hoping to see the emergence of a credible third force, is frustrated by the current state of the Nkrumahist front. "*We should be much bolder and more courageous,*" she said recently. "*But, somehow, having an election every four years limits our ambitions.*"
- The *NPP's* main trump card is its perceived coherence. Akuffo-Addo won the party's presidential nomination in 2010 with 80 per cent of the party's 115,000-strong Electoral College. But the lobbying by different ethnic groups to influence his choice of a vice-presidential candidate has generated heated debate amongst the party elders. Some are calling for him to dump his former running mate, Dr **Mahamadu Bawumia**, and to break with the *NPP* tradition of pairing an *Akan* with a northerner to balance the ticket.
- The election campaign effectively took off after the *NDC's* congress in July, when Mills' challenger, former **First Lady Nana Konadu Agyeman Rawlings** won the support of a humiliating three per cent of the party's delegates. She and her husband, ex-president **Jerry John Rawlings**, have been Mills' sternest critics, accusing his administration of corruption and alienating traditional supporters, and are unlikely to campaign for the president's second-term bid.
- As a result, grassroots supporters of the *NDC* will probably likely abstain, especially in the Volta region, which is the party's traditional stronghold. This is because they viewed it as an orchestrated slap in the face of the Rawlings at the Sunyani congress. Similar disaffection in the key swing regions - Greater Accra, Central, Western and Brong-Ahafo - could also reduce Mills' support to below the 50 per cent plus one of the votes that is required for a first round win.

- While the *NDC* will continue to question Akufo-Addo's personal fitness for the presidency, the *NPP* will harp on Mills' health. Both main candidates will turn 67 in 2012. But Akufo-Addo appears younger and fitter than the president who will have to conduct a gruelling campaign while keeping a grip on governance.
- Many of Mills' ministers, and their younger deputies, are bidding to contest parliamentary seats. This is a tactic, their critics say, that is an insurance policy against the eventuality of the party losing power. Prominent first timers include **Samuel Okudzeto-Ablakwa** (a deputy at Information) and **Fiifi Kwetey** (a deputy at Finance and Economic Planning), but both will have to challenge sitting MPs from their own party. This increases the perception amongst the foots-soldiers that the party old guard are being marginalised by Mills' favourites.
- Outsiders who will stand on the *NDC's* ticket for the first time are **Kojo Boakye-Djan** - who is Jerry Rawlings's fiercest critic since they fell out after his 31st December 1981 coup - and **Emelia Arthur**. Currently deputy minister for Western Region - the area which is closest to the offshore oil fields - Ms. Arthur is known as a leading member of **Goosie Tanoh's *National Reform Party (NRP)***.
- The now defunct *NRP* broke away from the *NDC* in 1999, in protest at Rawlings's unilateral declaration of Mills - who was then his vice-president - as the party's candidate for the December 2000 election and cited a lack of internal party democracy.
- While those fences appear to have been mended, voters remain suspicious that Boakye-Djan and Emelia Arthur have also been hand-picked by power brokers in the *Castle*, the seat of government in Accra.
- Others such as **Samuel Ofose-Ampofo** (minister of Local Government), **Baba Jamal** (a deputy at Information), **Mahama Ayariga** (a deputy at Education), and presidential aide **Nii Lante Vanderpuye** will be bidding again when nominations open in January for seats which they have contested and lost in the past.
- The CEO's of two key state-run bodies, **Kwadwo Twum Boafo** of the *Ghana Free Zones Board* and **George Aboagye** of the *Ghana Investment Promotion Council*, are also seen as *Castle* favourites. But challenging sitting *NDC* MPs also brings the risk of splitting the party vote.

- Other *Castle* favourites such as Agriculture minister **Kwesi Ahwoi**, former Information minister **Zita Okaikoi** and her husband **Andrew Okaikoi**, and **Comfort Adjei**, who is the wife of party chairman Dr **Kwabena Adjei**, suffered surprise defeats when they contested for nominations in “*orphans*” constituencies (i.e. seats where there is no sitting *NDC* member of parliament). These defeats clearly signal the foot-soldiers’ disaffection with candidates who are seen as newcomers to the party compared to the Rawlings old guard.

7.0 Security Conditions

Police and court system at centre of cocaine scandal

- Ghana’s efforts to reduce drug trafficking, in cooperation with its West African neighbours and other international organisations, has received much attention in recent years. However, as is often speculated and from time to time proven, rogue public officials and employees have been at the centre of a number of drugs controversies.
- The latest controversy is the much-reported case of a cocaine exhibit for an on-going court case “*turning into*” baking powder. This echoed a widely-reported 2007 incident where cocaine that was being held by the police mysteriously turned into cassava powder. According to recent claims by the *NDC*’s deputy Chief of Staff **Alex Segbefia**, in response to *NPP* accusations from the current scandal, there have also been alleged incidents of cocaine disappearing from Ghana’s airports, police offices and in transit from Ghana’s ***Narcotics Control board (NACOB)*** under the previous *NPP* administration.
- Not trusting the police to conduct its own internal investigations, vice president **John Mahama** has apparently ordered the ***Bureau of National Investigations (BNI)*** and Chief Justice to conduct criminal investigations and a fact-finding investigation, respectively, with an incident report to be presented later this week on 22nd December. The members of Ghana’s police force who have been questioned so far have claimed that the evidence they delivered to the court was in fact, as had been confirmed by testing to be, cocaine.
- This cocaine saga is already - as suggested above - the focus of accusations by both political parties, with an established *NPP* member of parliament **Kweku Agyemang-Manu** apparently stating that the *NPP* will pursue this case by blaming the *NDC*

as much as the *NDC* apparently tried to exploit cocaine disappearances under NPP rule (including those mentioned above). He said *"we haven't come out yet but the propaganda you used against us on this konkonte thing will also impact on you too.....they [the NDC] have taught us what we should do and that is exactly what we will do"*.

- A number of other issues or "*red flags*" have been raised about the court case where the cocaine/ cassava exhibit was presented, with the police claiming that (based on the testing above, among other things) they are not responsible and that the judiciary must be to blame. President Mills, currently on two week leave, has also made it clear, according to the Deputy Information Minister, that he is "*outraged*" by the scandal. This saga looks far from over.

Refurbished police forensic laboratory is inaugurated

- While the government official announcing the *BNI* and Chief Justice investigations into the cocaine/ cassava incident, the vice president John Mahama, last week inaugurated a refurbished forensic science lab for Ghana's police service at an ceremony in Accra. The refurbished facilities having been funded by a US\$3 million European Union loan.
- While emphasising the continuing relationship between Ghana and the EU since the **1975 Lome Convention** in the presence of a visiting EU delegation, Mahama also emphasised the importance of the facility in supporting Ghana's criminal justice system as forensics have become crucial in the vast majority of court services.
- The inspector general of Ghana's police force, **Paul Quaye**, suggested that the facility could even be used by the police to provide forensic services to neighbouring countries. Whether the new facilities will prevent future drug scandals, for example, remains to be seen because trust in technical expertise and facilities can be undermined by a lack of trust in police force itself.

8.0 Flashpoints to monitor

- A battlefield will emerge over the financing of the *Electoral Commission's* voter verification technology which the government is baulking at but which the opposition is stridently demanding. This clash will start again early in the New Year.

- > The IMF's willingness to reviews its limits on Ghana's commercial borrowing last week with regard to the US\$3 billion loan from the China Development Bank will not stall the market worries about Accra's debt profile. Instead it will put huge pressure on the government to monetise its gas assets in the shortest possible time.
- > Election fever is unlikely to diminish much over the holiday season as both the big parties step up the pressure on the smaller parties to consider coalition deals.



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