

SUPPLEMENTARY ACT A/SA 4/01/08 ADOPTING THE EMERGENCY POWER SUPPLY SECURITY PLAN (EPSSP)

THE HIGH CONTRACTING PARTIES;

MINDFUL of Articles 7, 8 and 9 of the ECOWAS Treaty as amended establishing the Authority of Heads of State and Government and defining its composition and functions;

MINDFUL of Decision A/DEC.3/5/82 of the Authority of Heads of State and Government on the ECOWAS Energy Policy

MINDFUL of Decision A/DEC.5/12/99 of the 22nd Session of the Authority of Heads of State and Government of ECOWAS, held in Lomé on 10 December 1999 relating to the establishment of the West African Power Pool (WAPP);

MINDFUL of Decision A/DEC. 7/01/05 of the 28th Session of the Authority of Heads of State and Government, held in Accra on 19 January 2005, relating to the ECOWAS revised Master Plan for the generation and transmission of electrical power;

MINDFUL of Decision A/DEC. 18/01/06 of the 29th Session of the Authority of Heads of State and Government of ECOWAS, held in Niamey on 12 January 2006, relating to the Articles of Agreement for the establishment and functioning of the WAPP;

MINDFUL of Decision A/DEC. 20/01/06 of the 29th Session of the Authority of Heads of State and Government, held in Niamey on 12 January 2006, granting the status of specialized institution of ECOWAS to the WAPP Secretariat;

CONSIDERING that the WAPP Priority Projects are in various stages of implementation and when commissioned, shall result in a cooperative power pooling mechanism for integrating national power system operations into a unified regional electricity market with the expectation that such mechanism would, over the medium to long term, assure the citizens of West Africa a stable and reliable electricity supply at affordable costs;

CONSIDERING that all ECOWAS Member States, excluding Côte d'Ivoire, have been experiencing a serious power shortage which recently transformed into a major crisis and engaged the attention of electricity companies and Governments of ECOWAS Member States;

CONSIDERING that the most effective and efficient solutions for addressing the power shortages should be sought within the regional context.

CONSIDERING that, in response to this undesirable situation, the WAPP Executive Board at its ordinary session on 27 April 2007, and the ECOWAS Commission in its correspondence dated 3 May 2007 referenced ECW/INST/EEEOA/CommInf/4/2007 requested the WAPP Secretariat to conduct a study for the formulation of an Emergency Supply Plan from the sub-regional perspective for member utilities;

CONSIDERING that the WAPP Emergency Power Supply Security Plan was presented to and endorsed by the 12th WAPP Donor Coordination Meeting on 23 October 2007 in Abuja, Nigeria;

CONSIDERING that the General Assembly of WAPP, during its Second Session held in Abuja on 26 October, 2007, adopted the WAPP Emergency Power Supply Security Plan (EPSSP) through Decision WAPP/18/DEC.26/10/07 and requested the ECOWAS Ministers of Energy to adopt the WAPP EPSSP and Action Plan with a view to submitting it to the ECOWAS Council of Ministers for endorsement and subsequent submission to the Authority of ECOWAS Heads of State and Government of ECOWAS for adoption;

CONSIDERING that the aforementioned General Assembly of WAPP also recommended accelerated development of the electricity sub-sector in West Africa through, among others, re-structuring of utilities, demand-side management, implementation of cost-reflective tariffs, transfer of best practices among Member Utilities of WAPP, and enhanced capacity-building for the Member Utilities of WAPP;

DESIROUS of seeking an urgent solution to the energy crisis affecting the sub-region;

ON THE RECOMMENDATION of the fifty-ninth (59th) Session of the Council of Ministers, held in Ouagadougou on 14 and 15 December 2007;

AGREE AS FOLLOWS

Article 1

The following WAPP Emergency Power Supply Security Plan (EPSSP) is hereby adopted.

WAPP Emergency Power Supply Security Plan (EPSSP) Action Plan

1. Acquisition of suitable land at locations with access to natural gas for designation as sub-regional Power Parks with "Free Zone Status" and build three (3) power plants as follows:
 - 400MW combined cycle plant at Maria Gleta in Benin
 - 400 MW combined cycle plant at Aboadze in Ghana
 - 150 MW combined cycle plant within OMVS system.

The provisional cost estimate for the proposed power plants are as below:

Provisional Cost Estimate for Power Plants

Item Description	150 MW	400 MW
Combustion Turbine	\$ 29 m	\$ 77 m
Steam Generator	\$ 15 m	\$ 40 m
Steam Turbine	\$ 15 m	\$ 41 m
FeedWater	\$ 13 m	\$ 35 m
Cooling Water	\$ 5 m	\$ 14 m
Electricals	\$ 10 m	\$ 26 m
Instr & Control	\$ 4 m	\$ 12 m
Buildings etc.	\$ 5 m	\$ 14 m
Site Improvements	\$ 5 m	\$ 13 m
Other Off-site Costs	\$ 7 m	\$ 18 m
Total	\$ 108 m	\$ 290 m

2. Acceleration of the implementation of the following projects to provide more Member States with access to regional solutions:
 - 330 kV Volta (Ghana) – Mome Hagou (Togo) – Sakété (Benin) Interconnection Line;
 - Aboadze-Kumasi-Techiman-Han (Ghana) – Bobo Dioulasso (Burkina Faso) – Sikasso (Mali) – Bamako (Mali) Interconnection Project;
 - Laboa (Côte d'Ivoire) – Ferke (Côte d'Ivoire) and Ferke (Côte d'Ivoire) – Sikasso (Mali) – Segou (Mali) Transmission Lines;
 - OMVG Interconnection Project (linking The Gambia, Senegal, Guinea Bissau and Guinea)
 - 225 kV Bolgatanga (Ghana) – Ouagadougou (Burkina Faso) Interconnection Project;
 - 330 kV Birnin Kebbi (Nigeria) – Niamey (Niger) - Bembéréké (Benin) – Ouagadougou (Burkina Faso) Interconnection Project;
 - Man (Cote d'Ivoire) – Sannequille (Liberia) – Nzérékore (Guinea) – Buchanan (Liberia) – Monrovia (Liberia) – Bumbuna (Sierra Leone) – Linsan (Guinea) Interconnection Project.

3. Deploy in the interim, whilst the more optimal actions are being pursued, mobile generating capacity running on suitable fuels for the non-interconnected states, including Liberia, Sierra-Leone, Guinea-Bissau, The Gambia and also Guinea, as well as other Member States with acute shortages.
4. Address the other common "cross-cutting" problems of the power sectors including, human resource capacity, tariffs and financial management; power system losses, taxation on energy materials, and, energy efficiency & conservation.

Benefits from Recommended Best Local Alternatives

Member States	Energy Shortfall Assumed (GWh/Yr)	Unit Cost of Production (\$ / kWh)		Savings/Unit (\$ / kWh)	Total Annual Savings (\$ / Yr)
		Most Efficient Present Ops Possible	Recommended Best Local Alternative	From Best Local Alternatives	
Gambia	384	0.158	0.117	0.041	15.8
Guinea	486	0.158	0.117	0.041	20.0
Guinea Bissau	127	0.158	0.117	0.041	5.2
Liberia	370	0.158	0.117	0.041	15.2
Sierra Leone	417	0.158	0.117	0.041	17.2

Benefits from Recommended Best Local Alternatives

Member States	Energy Shortfall Assumed (GWh/Yr)	Unit Cost of Production (\$ / kWh)		Savings/Unit (\$ / kWh)	
		Most Efficient Present Ops Possible	Regional Option	From Regional Options	
Benin	237	0.158	0.068	0.049	21.3
Burkina Faso	477	0.174	0.084	0.049	43.0
Ghana	2,642	0.158	0.064	0.053	249.5
Mali	412	0.189	0.084	0.065	43.5
Senegal	573	0.158	0.084	0.033	42.7
Togo	153	0.158	0.064	0.053	14.4

Article 2

WAPP Emergency Power Supply Security Plan (EPSSP) referred to Article 1 of this Supplementary Act shall be implemented by the West African Power Pool (EPSSP).

Article 3

1. To attain the objectives of the WAPP Emergency Power Supply Security Plan (EPSSP), the West African Power Pool shall implement an action plan which, when implemented, will bring economy-wide benefits by providing a platform for curbing economic stagnation caused by energy shortages and for poverty reduction, economic growth and development.
2. The action plan referred to in paragraph 1 of this article is as follows:

a. Short-term mitigation measures

- i. For the non-interconnected ECOWAS Member States, arrangements shall be made with interested financial institutions to lease in accordance with the needs of member utilities, a fleet of mobile generation plants of about 1-5 MW each. The plants shall be suitable for quick deployment and be complete with associated controls, fuel tanks, transformers and switch gear.
- ii. Guarantees for capacity payments may be provided to the leasing companies by multilateral agencies based on unutilized funds already allocated to the

power sector of the respective Member States.

- iii. Promotion of demand-side management activities within ECOWAS Member States.

b. Optimum strategic actions

- i. Obtain concessions for "Power Parks": WAPP shall approach host governments to secure land and free zone status for power parks at target locations.
- ii. Appointment of partners: WAPP and member utilities shall identify and appoint strategic partners to lead the implementation of the identified facility as a public-private partnership.
- iii. Creation of separate special-purpose companies (SPC) to own different plants: SPC shall also be jointly owned by interested WAPP member utilities. The proposed steps to accomplish this action are: i) signature of agreements (MOU) with strategic partners identified; ii) members shall agree terms of joint ownership, and iii) one SPC shall be formed for each facility.
- iv. Securing funding: 20% of SPC's equity and 80% debt by strategic partners: The participating utilities may arrange their equity contribution possibly from multilateral sources through their governments. The strategic partners shall mobilise financial resources from the international market with SPC assistance.

- v. Construction of plants: Strategic partners shall appoint an EPC contractor (with SPC consent) to design, build and commission. Ownership shall be transferred to the SPC after completion.
- vi. Operation of plants: The SPC shall appoint a contractor or contractors to operate, maintain and manage the facility. The SPC shall administer power off-take and payment arrangements and meet debt service obligations.
- vii. Acceleration of the rehabilitation of Kainji, Jebba and Mt. Coffee dams, and completion of Bumbuna dam.

Article 4

ECOWAS Member States shall take all necessary measures to ensure the effective implementation of the emergency plan as adopted by this Supplementary Act.

Article 5

This Supplementary Act shall be published by the Commission in the Official Journal of the Community within thirty (30) days of its signature by the Authority. It shall also be published in the National Gazette of each Member State within the same time.

Article 6

1. This Supplementary Act shall enter into force upon publication. Consequently, signatory Member States and the ECOWAS institutions undertake to start implementing its provisions upon its entry into force.
2. This Supplementary Act shall be annexed to the ECOWAS Treaty of which it shall form an integral part.


Article 7

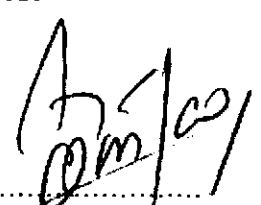
This Supplementary Act shall be deposited with the Commission which shall transmit certified true copies thereof to all Member States and register it with the African Union, the United Nations and any other organisation as Council may determine.

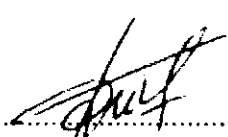
**IN FAITH WHEREOF, WE, HEADS OF STATE AND GOVERNMENT OF
THE ECONOMIC COMMUNITY OF WEST AFRICAN STATES,
HAVE SIGNED THIS SUPPLEMENTARY ACT.**

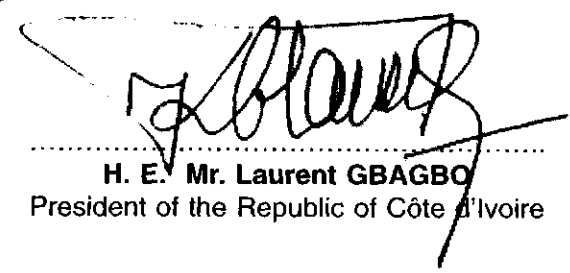
DONE AT OUAGADOUGOU, THIS 18TH DAY OF JANUARY 2008.

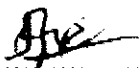
**IN SINGLE ORIGINAL IN THE ENGLISH, FRENCH AND PORTUGUESE LANGUAGES,
THE THREE (3) TEXTS BEING EQUALLY AUTHENTIC.**


.....
H. E. Mr. Pascal I. KOUPAKI
Minister in charge of Development
and Research for and on behalf of the
President of the Republic of **BENIN**

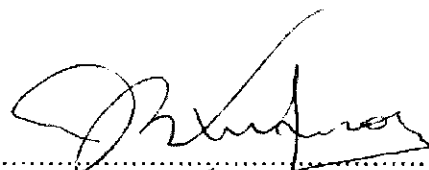

.....
H.E. Mr. Blaise COMPAORE
President of **FASO**, Chairman of
Council of Ministers


.....
H. E. Mr. Jose BRITO
Minister of Economic Growth and
Competitiveness of the Republic
of Cape Verde for and on behalf
of the Republic of **CAPE VERDE**

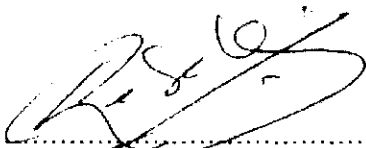

.....
H. E. Mr. Laurent GBAGBO
President of the Republic of Côte d'Ivoire



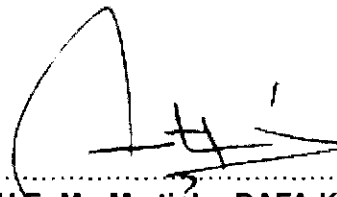
H. E. Mme Aja Isatou NJIE-SAIDY
Vice President of the Republic of the
The Gambia for and on behalf of the
President of the Republic of **THE GAMBIA**



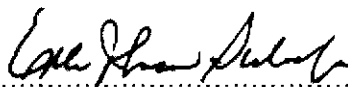
H. E. Mr. John Agyekum KUFUOR
President of the Republic of **GHANA**



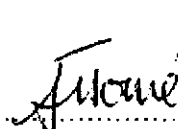
H. E. Me Abdoul Kabèlè CAMARA
Minister of Foreign Affairs, Cooperation,
Integration in Africa and Guineans in the
Diaspora for and on behalf of the President
of the Republic of **GUINEA**



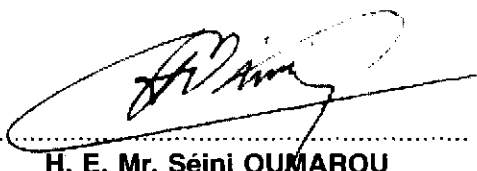
H.E. Mr. Martinho DAFA KABI
Prime Minister of the Republic
of **GUINEA BISSAU**



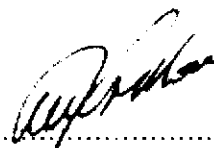
H. E. Mme Ellen JOHNSON-SIRLEAF
President of the Republic of **LIBERIA**



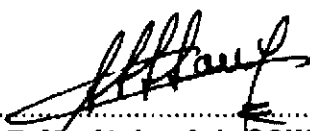
H. E. Mr. Amadou Toumani TOURE
President of the Republic of **MALI**



H. E. Mr. Séini OUMAROU
Prime Minister of the Republic of Niger
for and on behalf of the President
of the Republic of **NIGER**



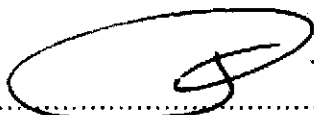
H. E. Dr. Goodluck Ebele JONATHAN
Vice President of the Federal Republic
of Nigeria for and on behalf of the President
and Commander-in-Chief of the Armed
Forces of the Federal Republic of **NIGERIA**



H. E. Mr. Abdou Aziz SOW
Presidential Adviser in charge of NEPAD
for and on behalf of the President of the
Republic of **SENEGAL**



H. E Mr. Ernest Bai KOROMA
President of the Republic of
SIERRA LEONE



E. Mr. Komla MALY
Prime Minister of the Republic of Togo
for and on behalf of the President of
the **TOGOLESE** Republic