



PRESS STATEMENT

Africa Centre for Energy Policy Corrects Misrepresentation of Power Sector Outlook

Accra, Ghana – 18th March, 2024

The Africa Centre for Energy Policy (ACEP) wishes to address recent media reports that misrepresented comments made by Mr. Benjamin Boakye, our Executive Director, regarding the future of Ghana's power sector and the current load-shedding challenges. These misrepresentations occurred despite Mr. Boakye's clear and detailed explanation during his live interview on the Saturday, March 16, 2024, edition of Newsfile, a prominent Ghanaian television programme on JoyNews TV.

We encourage citizens to watch the full video [here](https://www.youtube.com/watch?v=n1RrQcp8GJg) (<https://www.youtube.com/watch?v=n1RrQcp8GJg>) to verify the misreporting generated from the interview.

Setting the Record Straight

- **Focus on Solutions, Not Sensationalism:** Some media outlets have portrayed Mr. Boakye's statements regarding fuel shortages as a prediction of inevitable hardship and a deeper power crisis. This is a mischaracterization. Mr. Boakye sought to highlight the root cause of the load shedding – fuel constraints – and advocated for solutions. Mr. Boakye emphasized that with sufficient fuel supplies, the current load management could be addressed.
- **Responsibility for Power Sector Future:** ACEP emphasizes that while it raises concerns and proposes solutions, the responsibility for the future of the power sector lies with its managers. Timely and effective action can ensure a brighter future.
- **Capacity Exists for Improved Power Supply:** Ghana has sufficient installed generation capacity. If the fuel challenge is addressed, increased generation can alleviate the load shedding.
- **Distribution System Deficiencies:** Beyond immediate fuel issues, ACEP highlights the need for long-term solutions. This includes addressing the inefficient distribution system and the high system losses contributing to the electricity crisis. Throwing money at the problem without addressing structural issues is not sustainable.

- **Social Spending vs. Electricity Bills:** ACEP argues that prioritizing electricity bills for an inefficient sector over essential social spending in education, agriculture, and social protection is not a viable strategy. Data from the Ministry of Finance and PURC shows that Ghana spends more on electricity subsidies (about GHS250 million) monthly to partially manage the power sector value chain while spending far less on critical socioeconomic infrastructure. This imbalanced approach is unsustainable and hinders long-term development.

ACEP's Commitment

ACEP remains committed to working with stakeholders for a sustainable and efficient Ghanaian electricity sector. This involves advocating for transparency, efficient resource allocation, and long-term solutions. These solutions include addressing fuel shortages, improving the distribution system and attendant liquidity challenges, and finding low-cost energy sources to propel economic growth.

Moving Forward

ACEP encourages responsible media reporting that accurately conveys information and promotes constructive, focused dialogue. **Sensationalism benefits no one, and that is why Mr. Boakye carefully chose his words amid the glaring difficulties Ghanaians face with load management.** We urge Ghanaians to remain engaged and hold decision-makers accountable for ensuring reliable and affordable electricity.

Ends.

Derrick Amegatse

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