



Press Release:

A Blueprint for Energy Reform: IPPG Africa Outlines Priorities for the NDC Government



Snapshot of panel during the Energy Expert Boardroom Meeting by IPPG Africa in February 2025

With the new administration of the National Democratic Congress (NDC) now in office, the need for bold, well-sequenced energy reform has never been more urgent. A new report from IPPG Africa, **"Securing Ghana's Energy Future: Policy Actions for Sustainability and Efficiency,"** provides the current government with a politically grounded roadmap to stabilise and transform the energy sector.

The report builds on insights from a February 2025 expert boardroom convening and offers more than just technical recommendations. It presents a set of politically feasible, time-sensitive policy actions designed to respond to the sector's current financial, operational, and governance weaknesses.

Ghana's energy sector is burdened by more than \$2 billion in arrears. ECG continues to underperform in revenue collection and cost management, while gas and fuel payments to

independent power producers remain unsustainably high. The report emphasizes that restoring financial discipline is the first critical step. It recommends full enforcement of payment obligations, especially among public sector consumers, consistent application of the Cash Waterfall Mechanism, and expenditure control linked to measurable performance.

Investor confidence must also be restored. Ghana has suffered nearly a decade of upstream investment stagnation. The report calls for direct and credible re-engagement with domestic and international investors, alongside reforms to improve regulatory clarity and operational predictability. Without this, production growth, job creation, and future revenue generation will continue to suffer.

In the medium term, the government must address regulatory overlaps and inefficiencies. The report identifies the need to audit institutional mandates, eliminate duplication across agencies, and streamline responsibilities in areas such as energy pricing, infrastructure planning, and renewable energy development. The current state of institutional fragmentation weakens enforcement, slows implementation, and deters new market entrants.

The report also makes a strong case for revising Ghana's renewable energy frameworks. Current net-metering regulations are outdated and counterproductive, hindering distributed generation and small-scale solar deployment. Broader grid reform and more flexible pricing regimes will be essential to attract investment and drive local innovation in clean energy.

Longer-term reforms include the gradual regionalization of ECG and targeted privatization of commercial operations. This must be supported by performance-based contracts, clear regulatory oversight, and a phased transition that allows room for learning and adjustment. The report also urges a fundamental shift in the state's role—from active operator to strategic equity backer and rule-setter.

IPPG Africa emphasizes that these recommendations are grounded in Ghana's political and institutional realities. This is not a theoretical exercise, but a policy framework designed to be implemented in the real world. Success will depend not just on the quality of policy design but on discipline, coordination, and credible leadership across government, SOEs, and regulatory agencies.

Ghana's energy future hangs in the balance. This report offers a path forward: one that is structured, deliberate, and aligned with the needs of a sector in crisis.

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