



# 6<sup>th</sup> GHANA RENEWABLE ENERGY FAIR

## ENERGY MEASURES FOR COVID 19 PANDEMIC

BY

WISDOM AHIATAKU-TOGOBO

on behalf of

**LAWRENCE APAALSE**

**CHIEF DIRECTOR, MINISTRY OF ENERGY**

**GHANA**

ACCRA, OCTOBER 2020

# THE COVID-19 PANDEMIC

- The outbreak of the COVID 19 pandemic caused immense havoc and major disruptions on socio-economic activities across the world including Ghana.
- Ghana was forced to partially lockdown, imposed restrictions on movement in major cities and shutdown of borders.
- The global supply chain was disrupted, impacting investments and trade.
- Industries as well as Small and Medium-scale Enterprises were negatively impacted
- Serious health implications and the strain on healthcare services.
- All schools were closed down with corresponding increase in household expenditure and energy bills.
- The energy sector was no exception and the negative impact was very high.

# IMPACT OF COVID-19 ON ENERGY SECTOR

- Partial lockdown and restriction on movement reduced demand on petroleum fuel and this significantly affected government revenue on petroleum levies.
- Demand for electricity for industries and non-residential consumers also reduced and this affected the revenue stream of the power utilities.
- Unfortunately electricity demand for residential consumers (on lower tariffs) increased significantly as more time is spent in the home due to the lockdown.
- Restriction on movement also affected most of the ongoing projects in the energy sector – Rural electrification, LPG promotion (Cylinder Recirculation Model), Oil and Gas exploration among other.
- Closure of most Donor offices also affected and delayed disbursement of funds for implementation of the ongoing RE project

# IMMEDIATE MEASURES TO MITIGATE IMPACT OF COVID-19

## **The following measures were quickly put in place to mitigate the impacts:**

- Reduced the ex-pump price of petroleum fuels (Gasoline, Diesel, kerosene and LPG)
- Absorbed the price of electricity bill for the poor lifeline consumers and others including non-residential consumers reduced by 50% using the consumption in the month of March as benchmark.
- Deployed 30,000 solar rechargeable lanterns at subsidized cost to replace kerosene lanterns in remote off-grid communities.
- Implement energy efficiency and energy conservations awareness campaigns to educate the energy consuming public on specific steps they could take to reduce their energy consumption, benefit from the discount, and reduce the cost of the discount on government.

# IMMEDIATE MEASURES TO MITIGATE IMPACT OF COVID-19

## **Intensive awareness drive and supports to address the demand side management included:**

- Use AC wisely; it is the biggest electricity consumer
- Keep doors and windows closed while AC is on; don't set the temperature lower than 25°C
- Turn your fan on medium or slow speed, it saves up to 40% of electricity
- Turn on the fan only when necessary 'fans cool people NOT rooms'
- Make maximum use of daylight by opening shades and use skylights
- Keep light fixtures and lamps clean and dust free
- When purchasing new light bulbs, opt for LED
- Minimize the opening of the refrigerator/freezer doors – each opening costs electricity!
- Keep the refrigerator/freezer door seal clean and airtight
- Turn off and unplug devices instead of leaving them in standby mode

# OTHER MEASURES TO MITIGATE IMPACT OF COVID-19

- Cutting interest rates and reserve requirements, and decreasing banks' conservation buffers.
- Tax relief measures and payment deferrals
- Withdrawals from the statutory voluntary pension scheme exempted from income tax.
- VAT exemption for emergency relief items and donations of goods to the COVID-19 fight
- Waive taxes on the employment income of health workers.
- Cost of fund transfers through mobile money decreased and no charge imposed on mobile money transactions below GH100
- Water bills absorbed for all Ghanaians initially for 3 months

# OTHER MEASURES TO MITIGATE IMPACT OF COVID-19

- The impact of COVID-19 has also exposed to government some of the main challenges confronting the private sector in the promotion and deployment of renewable energy and energy efficiency technologies.
- Accordingly the Renewable Energy Act 2011 has been amended to address some of these challenges.
- The Amendment Bill is currently before Cabinet for consideration and approval by Parliament.
- The Bill thus provides for all future utility scale renewable energy generation to be procured through competitive bidding.
- It also encourages small-scale self-generation and net-metering from renewables.
- The Bill also mandates fossil fuel-based wholesale electricity suppliers, fossil fuel producers, and other companies that contribute to greenhouse gas emissions to complement the global effort of climate change mitigation by investing in non-utility scale renewable energy technologies.
- Good business opportunity for the RE private sector.

# Conclusion

- Renewable Energy has a key role to play in mitigating the impact of COVID-19 especially, through the provision of off-grid electricity to vulnerable communities.
- Communities with renewable energy-powered community health services tend to build better resilience to the fight against COVID-19. Thus, are able to address most underlining health conditions which COVID -19 can exacerbate.
- I will like to thank the Donor Community, the private sector partners as well as the state institutions for their immerse support to the Government of Ghana in implementing measures to mitigate the impact of COVID 19 particularly in the renewable energy and energy efficiency sector.
- The Ministry of Energy is committed to the achievements of the targets set in the Renewable Energy Master Plan and the Paris Agreement to scale up the penetration of renewable energy in the country.
- I count on your continuous support to make this a reality.



Thank you