

Ghana

Population: **29.6 million**
GDP Growth: **8.5%**
GDP/Cap (PPP): **\$1,663**
Ease of Doing Business: **120**

“Power Africa is a very important initiative ... and enables us, particularly as a US company, to have lots of discussions with the various groups and try to come up with solutions for the projects we’re pursuing, such as LNG in Ghana.”

- Sean Long, CEO of Endeavor Energy

ENERGY SECTOR OVERVIEW

Ghana aspires to industrialize, modernize its agriculture, and provide economic opportunities for its growing population of 28.2 million. One of key constraints to this vision is its unreliable and costly supply of electric power, and the sector’s significant financial deficit. Ghana currently has over 4,000 MW of installed generation capacity, though actual availability rarely exceeds 2,400 MW due to changing hydrological conditions, inadequate fuel supplies and dilapidated infrastructure. With a significant endowment of natural gas and renewable energy to generate electricity Ghana is poised to overcome these constraints.



GENERATION CAPACITY

Installed Capacity: 4,398.5 MW

- Hydroelectric: 1,580 MW
- Thermal: 2,796 MW
- Renewable: 22.5 MW

Power Africa New MW to date

- Reached Financial Close: 550 MW



CONNECTIONS

Current Access Rate: 83%

- Rural: 50% Urban: 91%

Households without Power: 1.2 million

- Target: Universal Access by 2020

PA New Grid Connections:

79,900

PA New Off-Grid Connections:

27,100

INVESTMENT AND ENABLING ENVIRONMENT

Biggest Issues and Bottlenecks

1. Poor financial health of the energy sector, and legacy debt
2. Limited creditworthiness of utilities
3. Excess generation capacity in the short-term, over-contracting of new plants, and a high cost of generation
4. Lack of transparent procurement framework
5. Lack of strong, transparent regulatory precedents to drive competition

Power Africa Interventions

1. Transaction advisory support for gas and power; Beyond the Grid (energy access); feasibility studies; risk mitigation instruments
2. Analysis of power sector finances; support for fiscal management; and capacity-building
3. Millennium Challenge Corporation reform of distribution utilities; demand-side management and energy efficiency; and regulatory assistance
4. Integrated Resource and Resilience Planning; and assistance for power grid stability to scale renewable



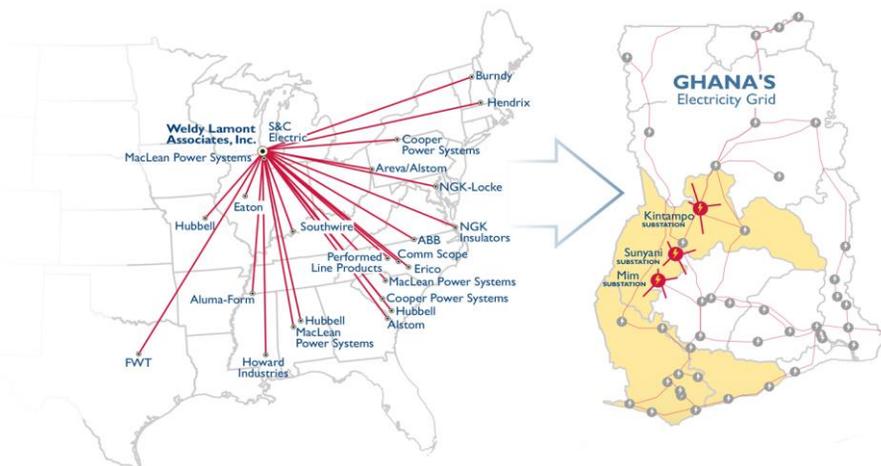
POWER AFRICA'S ENGAGEMENT IN GHANA

MW GENERATION SUCCESS STORY

The Amandi Power project is a 200 MW combined cycle dual fuel power plant in Aboadze, Ghana. It is emblematic of Power Africa's partnership-driven approach. Numerous private sector partners were involved in the consortium that closed the project. Rand Merchant Bank and Nedbank provided commercial debt, Aldwych International and Texas-based Endeavor Energy were sponsors of the project. General Electric will serve as the engineering, procurement and construction provider; and private equity funds Denham Capital and Harith provide equity backing to the project sponsors. USAID played a role in convening these private sector stakeholders and coordinating with the Government of Ghana (GoG) in order to push the project toward financial close. USAID supported two embedded advisors in Ghana's Ministry of Energy (MoEn) who played key advisory roles to the GoG. These advisers have also provided targeted analysis and transactions facilitation to help MoEn's concerted efforts expand the commercial supply of domestic gas to bring down the cost of power.

CONNECTIONS

With Power Africa's (PA) support, Chicago-based Weldy Lamont has extended Ghana's electric grid to connect more than 79,205 rural households, as part of the Government of Ghana's (GoG) Self-Help Electrification Program. PA's Beyond the Grid team has assisted several off-grid companies to provide over 4,300 households with modern energy services. Power Africa is also engaging with the GoG to implement a mini-grid policy to sustain the business models of companies developing mini-grids. The Ministry of Energy is launching a feasibility study for mini-grids in the Afram Plains South District with support from USTDA and USAID. Black Star Energy is piloting the Quality Assurance Framework for Mini-grids with PA.



ABOUT POWER AFRICA

Power Africa is comprised of 12 U.S. Government Agencies, over 145 private companies, and 18 bilateral and multilateral development partners to support sub-Saharan governments by working together to increase the numbers of people with access to power. Power Africa's goal is to achieve 30,000 MW of new generated power and 60 million new connections by 2030 to reach 300 million Africans.

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