

Ghana's electricity supply mix has improved, but reliability and cost is still a challenge

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Ghana has made significant progress over the past 10 years in increasing electricity generation and access. This has supported higher levels of economic growth. However, beneath these improvements lies inefficiencies, including extraordinarily high distribution losses. Electricity is also quite expensive in Ghana. If not addressed, these issues **could derail Ghana's development agenda**.

As countries transition their economies to ones that use less carbon, they need to build balanced energy systems. These must be anchored on high energy security, universal access at affordable prices and low emissions.

Ghana began reforming its energy sector in the mid-1990s to encourage competition and efficiency. Independent power producers were introduced to increase thermal generation capacity using crude oil and natural gas. Ghana had been heavily dependent on hydroelectric power from the Akosombo Dam. When rainfall patterns began to change in the mid-1980s with accompanying low water levels, energy policy shifted.