# **GHANA SEforALL NEWS**

## In this Issue

- The World Bank Supports the Government of Ghana to Develop a Clean Cooking Strategy and Investment Prospectus for Ghana
- SNV Partners with Rural Development Fund to Facilitate Access and Transition to Clean and Efficient Energy Technologies
- Youth, Women and Returning Migrants in the Ashanti and Western Regions to Receive Business Development Support under the GrEEn Project
- Public Private Partnership Formed to Drive the Adoption of Electric Vehicles in Ghana

## **PROGRESS ON HIGH IMPACT PRIORITY AREAS**

ENSURE UNIVERSAL ACCESS TO MODERN ENERGY SERVICES

### \* Increase Access to Clean Cooking Solutions

<u>Energy Commission Receives Technical Assistance to Develop a Clean Cooking Strategy</u> and Investment Prospectus for Ghana

The World Bank, under the Ghana Energy Sector Transformation Initiative Project (GESTIP), is providing technical assistance to the Energy Commission to develop a Clean Cooking Strategy and Investment Prospectus for Ghana. The National Clean Cooking Strategy and Investment Prospectus is intended to assess the current state of Ghana's clean cooking market and demonstrate how the goal of universal access to clean cooking by 2030 could be achieved and what steps and actions should be undertaken by the different stakeholders. It is expected to provide a prioritised outline with various action points to achieve the goal.

Emos Consultancy, a Ghanaian firm, won the bid for the assignment. Emos Consultancy is expected to collect both primary and secondary data to generate three main deliverables: I) A Consumer and Market Assessment Study Report; 2) A National Clean Cooking Strategy; and 3) An Investment Prospectus. The consumer and market assessment study of the cooking sector of Ghana will generate an up-to-date data on the cooking sector to inform the design of strategies that would build on the strengths of on-going initiatives to promote the adoption of: clean cooking solutions like LPG, electricity, and ethanol gel; sustainable solid fuels like briquettes and pellets manufactured from wood and agriculture wastes; and efficient biomass cookstoves by both primary and secondary woodfuel users.

The collection of a nationally representative household and focus group survey data is scheduled for late April 2021 to early May 2021. The use of bottom-up, participatory approach to the development of these national documents, is to ensure that the strategies adopted resonate well with the targeted citizenry and creates a strong sense of ownership towards the effective

## GHANA SEForall Secretariat

## GHANA'S SEForall ACTION AGENDA SEEKS TO:

- > Ensure Universal Access to Modern Energy Services
- Increase the Share of Renewable Energy in the National Energy Mix
- Increase the National Rate of Improvement in Energy Efficiency

## Contents

Progress on High Impact Priority 1-5 Areas

- Energy Commission Receives Technical Assistance to Develop a Clean Cooking Strategy and Investment Prospectus for Ghana
- Renewable Energy Development and Acceleration Project (REDAP)
- SNV Ghana Promotes Green
  Employment and Enterprises in
  Ghana
- \* The Drive Electric Initiative

adoption and implementation of the actions proposed.

The work of the Consultant is being guided by an inter-institutional task force made up of representatives from the Ministry of Energy, Energy Commission, National Petroleum Authority, Ghana Alliance for Clean Cookstoves and Fuels, Civil Society and GESTIP Secretariat.

## INCREASE THE SHARE OF RENEWABLE ENERGY IN THE NATIONAL ENERGY MIX

## Renewable Energy Development and Acceleration Project (REDAP)

The Netherlands Development Organisation (SNV) commenced a joint initiative with the Rural Development Fund (RDF) Ghana in January 2021, called Renewable Energy Development and Acceleration Project (REDAP). The one-year project will collaborate with Financial Institutions to facilitate the growth of energy Micro, Small and Medium Scale Enterprises (MSMEs), and speed up transition of energy users from traditional, inefficient forms of energy to clean and efficient energy technologies.

### **Objectives**

The objectives of REDAP are to:

- Improve access to efficient and suitable finance for sustainable energy businesses and users through the development of tailored financial products supported by market scans and needs assessments.
- Build a pipeline of viable and sustainable energy MSMEs through business and market development support.
- Increase demand for sustainable energy services by initiating demand activation activities and brokering linkages.

#### **Targeted Beneficiaries**

The targeted beneficiaries of REDAP are: solar energy enterprises, improved cookstoves enterprises, fuel filling stations, bio-fuel production enterprises (if available), waste recycling enterprises, enterprises engaged in charcoal production from wood waste, bio-digester construction enterprises, enterprises engaged in sales and distribution of renewable energy technologies, and agroprocessing groups.

## Selection Criteria

Below are the selection criteria for beneficiary MSMEs and Financial Institutions:

#### MSMEs

- \* Good governance structure
- \* Be a Ghanaian enterprise registered in Ghana
- \* Be in operation for at least three (3) years
- \* Be profitable, show positive cash flow
- Be registered with the relevant Government agencies such as Registrar General's Department (RGD), Ghana Revenue Authority (GRA), etc.
- Have a need for business development support (BDS) and financing, confirmed by market scan and needs assessment
- Possess some collateral, demonstrate capacity to pay, character and experience

#### **Financial institutions**

- Be either a rural or commercial bank (preferably)
- \* Be stable and sustainable
- \* Registered in Ghana
- \* In existence for at least five (5) years
- \* Meet 10% Bank of Ghana Capital Adequacy requirement

- Profitable for the last three (3) years (waiver for those in the process of becoming profitable)
- \* Good governance
- \* Audited by a recognised firm
- \* Have a viable business model
- \* Be known as credible

## Roles of SNV and RDF in the Project Implementation

SNV is responsible for: market scan and business needs assessment, promotion of affordable and efficient financing, business development services design and delivery and market activation.

RDF Ghana is providing an estimated funding of EUR 500,000 and will lead in the selection and provision of technical support to financial institutions who will serve as intermediaries between the project and MSMEs, overall project monitoring and evaluation performance of the financial institutions and SNV, and project fund management.

#### **Expected Outputs**

- Business Development Program designed and implemented to make participating energy enterprises investment ready and propelled for growth.
- \* 30 energy enterprises coached and mentored to prepare investment proposals / business plans to enable them access RDF funds from participating financial institutions.
- \* 30 energy enterprises to receive technical assistance in business development, supply chain development and demand activation.
- \* 30 energy MSMEs receiving demand activation support.
- \* 30 business/market linkages established between energy business supply chain actors.

- Page 3
- \* 20 new partnerships developed with energy MSMEs.
- \* 30 energy MSMEs receive BDS support.
- \* 2000 stoves distributed by partners.
- \* At least 10 FIs trained on quality financial services and products development.

The project is being implemented in seven (7) regions of Ghana, namely: Ashanti, Eastern, Greater Accra, Northern, Upper East, Upper West and Western. Regions.

SNV concluded a market scan and needs assessment data collection activity in March 2021. Below are some photos taken during the market scan.



An entrepreneur installing biogas system for a client (Photo credit: SNV)



Inside the factory of Zaacoal Limited, producers of Zaacoal charcoal briquette (Photo credit: SNV)

For more information about the project, contact Mr. Odjobi Kwakye, Project Manager via okwakye@snv.org.

## <u>SNV Ghana Promotes Green Employment</u> and Enterprises in Ghana

The <u>Boosting</u> <u>Green</u> <u>Employment</u> and <u>Enterprise</u> <u>Opportunities</u> in <u>Ghana</u> (<u>GrEEn</u>) <u>project</u> is a four-year action from the European Union, the Embassy of the Kingdom of the Netherlands in Ghana, Netherlands Development Organisation (SNV) and the United Nations Capital Development Fund (UNCDF). The project aims at creating greater economic and employment opportunities for youth, women and returning migrants by promoting and supporting sustainable, green businesses in two selected regions in Ghana: Ashanti and Western.



Photos above and below: Launch of GrEEn in the Ashanti and Western Regions of Ghana (Photo credit: SNV)



The action aims to help address the root causes of irregular migration by supporting sustainable and climate-resilient communities and local economies through the creation of green jobs and by promoting sustainable development in regions of departure, transit and return for migrants. SNV focuses on its core three sectors: Energy and Water, Agriculture, Sanitation and Hygiene (WASH). SNV is responsible for two result areas:

## 1. Employability and entrepreneurship skills development

This result area seeks to improve the employability and entrepreneurship capabilities of youth, women and returnees in sectors of economic opportunities.

Targets:

- At least 5,000 people trained and coached for employability and entrepreneurship, comprising - 60-80% youth; 40-60% women; and 5-10% returnees.
- \* Self-employment opportunities created or developed for at least 3,500 people.

## 2. Incubation and acceleration of MSMEs

Under this result area, MSMEs offering decent and sustainable jobs to youth, women and returnees, will be incubated and/or accelerated to contribute to green and climate-resilient local economies.

Targets:

- \* At least 100 MSMEs incubated or accelerated to expand their business.
- \* At least 1,500 decent and sustainable jobs created by MSMEs.

GrEEn collaborates with the Ministry of Local Government and Rural Development as well as other key stakeholders in implementing its activities in selected Metropolitan, Municipal and District Assemblies (MMDAs) in the Ashanti and Western regions.

## Highlights of Some Project Activities Undertaken

## $\alpha$ ) Market scans

The GrEEn project conducted market scans in its core sectors in 2020.

Kindly see the link below for the webinar related to the Renewable Energy market scan:

https://www.youtube.com/watch? v=GD5aD50zGRs&t=23s

## b) Value chain fora

The GrEEn project selected various sub-sectors in its three core sectors to focus on. Information materials were developed for each of the sub-sectors and were validated in value chain fora in the Ashanti and Western regions. The areas covered under renewable energy include: improved cookstoves, energy efficiency, clean fuels, solar powered irrigation systems, solar installations and bio-digester installations.



Value chain forum (Photo credit: SNV)

#### c) Partnerships

GrEEn has partnered with the National Board for Small Scale Industries (NBSSI) to provide support and guidance to entrepreneurs and start-ups at the local level through 'Green Corners' within the Business Advisory Centres. These Green Corners will serve as a place of information, learning and assistance for green companies in selected MMDAs in the Ashanti and Western regions.



GrEEn MoU Signing with NBSSI (Photo credit: SNV)

GrEEn has also partnered with Private Financing Advisory Network (PFAN) with the aim of providing support to hubs and green entrepreneurs in accessing finance and investments. Some Key Achievements Realised under Result Areas

- 1. Employability and entrepreneurship skills development
- \* 392 people (129 females and 263 males) have been trained through SNV's Opportunities for Youth Employment (OYE) programme which includes a 2-month internship and job placement.
- \* Nine (9) youth have interned with Renewable Energy Companies in the Western and Ashanti regions: three (3) interned with RAB Energy Systems, an Energy Commission licensed solar installer; two (2) are currently with Sani Tree Company Limited, a bio-digester construction company in the Western Region; and four (4) were hosted by Ecoscent, a bio-digester company in the Ashanti region.

## 2. Incubation and acceleration of MSMEs

SNV is incubating and accelerating MSMEs in collaboration with local hubs in the Ashanti and Western regions. Additionally, it is undertaking acceleration activities for some MSMEs in Accra. Recruitment for the first cohort was done in February 2020. Five (5) out of 13 companies selected in Ashanti region, and two (2) out of nine (9) selected in the Western region are in the renewable energy sector. These companies are focused on bio-digester construction and efficient fuels production and will be supported for the next six (6) months through an intense training and mentoring programme.

### **Upcoming activities**

- GrEEn is updating the market scans conducted in 2020: the focus will be on district level opportunities for renewable energy in selected MMDAs in the two (2) regions. Validation workshops are scheduled for April/May 2021.
- Public-Private Dialogue sessions focusing on certification, standards and licensing of green businesses are scheduled for April in both regions

- District level value chain for a will focus on the agriculture-energy nexus in all MMDAs of implementation with a focus on Farmer-Based Organisations and input dealers.
- \* Call for applications for GrEEn's Opportunities for Youth Employment (DYE) programme are open. Please share this <u>link</u> and encourage young men and women with interest in the renewable energy sector to apply.
- A Business Plan Competition will be launched in April 2021. Businesses eligible to compete are those participating in the entrepreneurship pathway of GrEEn's DYE programme
- A Challenge Fund will be launched in May 2021. MSMEs interested in accessing matching grants to support their green innovations are encouraged to apply.
- \* Investment fora will be held in the two regions in September 2021 as a follow-up to GrEEn's Virtual <u>Investment Forum</u> held in January 2021. The events will include an MSME exhibition, a job fair, and various presentations and breakout sessions aimed at facilitating investments for Ghana's green and circular economy.

Report by: Mr. Michael Kofi Abrokwaa, Energy Advisor. For more information about the project, contact him via <u>mabrokwaa@snv.org</u>.

## INCREASE THE NATIONAL RATE OF IMPROVEMENT IN ENERGY EFFICIENCY

## The Drive Electric Initiative

The Drive Electric Initiative (DEI) which was launched by the Energy Commission in October 2019 has stimulated some interest across the public and private sectors in Ghana. This initiative aims to promote the use of electric vehicles in Ghana; potentially Page 5

increase demand for productive use of electricity; and boost the image of Ghana as the pioneer of energy efficiency initiatives in Sub-Sahara Africa.

The objectives of the Initiative are to:

- Introduce and promote the use of electric vehicles as alternative means of mobility in Ghana.
- Create demand beyond the business as usual levels and enable the productive and sustainable utilisation of excess capacity and drive electricity demand and utilisation.
- Establish a level playing field for all stakeholders by the development of standards and regulations.

In the year 2020, the Commission engaged a number of stakeholders both locally and internationally, to introduce the initiative to them and identify potential areas for collaboration. Institutions and groups engaged include the United Nations Environment Programme (UNEP), the South African Transport Department, United Nations Industrial Development Oganisation (UNIDO), the International Energy Agency, World Electric Vehicle Initiative, Clean Ministerial Council (based in the United Kingdom), the Ghana Investment Promotion Centre, among others.

In November 2020, POBAD International, a wholly-owned Ghanaian Technology firm, in partnership with the Electricity Company of Ghana (ECG), launched the initiative to install charging stations for electric vehicles across the public utility's jurisdiction in the southern zone of Ghana. It has a target to install 200 charging stations across southern Ghana under the first phase of the project. It has already installed such stations at the ASC Mall in East Legon and Stanbic Heights at the Airport City in Accra. POBAD also intends entering into a similar partnership with the public utility for the northern zone, Northern Electricity Distribution Company (NEDCo).

In this year, 2021, the Commission will be conducting a baseline assessment study on electric vehicles and liaise with key stakeholders to develop standards and regulations to facilitate the creation of a sustainable electric vehicle market in Ghana.



In top photo, right: Mr. Kofi Agyarko, Director of Renewable Energy, Energy Efficiency, Climate Change and Technical Regulations, Energy Commission, at the inauguration of the charging station by POBAD International at the ECG project office in Accra (Photo credit: Doris Agbevivi, Energy Commission)

## Contributors

\*Michael Kofi ABROKWAA, SNV, Takoradi
 \*Doris AGBEVIVI, Energy Commission, Accra
 \*Aaron SANGMOR NYARKOTEY, SNV, Accra

#### Compiled by:

\*Paula EDZE, Energy Commission, Accra

### **Reviewed by:**

\*Kofi AGYARKO, Energy Commission, Accra



Link to the Ghana SEforALL Action Plan: http://energycom.gov.gh/renewables/ se4all

Energy Commission Ghana Airways Avenue PMB, Accra Phone: +233 302 813756 Fax: +233 302 813764 E-mail: pedze@energycom.gov.gh