

IES Manifesto Dialogue: Provide incentives to increase renewable energy penetration – political parties told

November 13, 2020

0



Nana Amoasi VII, Executive Director of the IES

Political parties have been advised to infuse a renewable off-taker strategy in their manifestoes to demonstrate how they intend to incentivize citizens to adopt renewable energy moving into the future.

The move is believed to be one which would make any government, formed after the December elections, give proper meaning and support to the renewable sector which has been globally acclaimed as the future of energy.

This came to light at the Institute of Energy Security's (IES) Renewable and Green Hydrogen Discussions, dubbed IES Energy Manifesto Dialogues, held in Accra.

A panel session made up of experts in the renewable energy supply sector across the globe said that, successive governments have made little commitments at supporting citizens to move off the national grid onto renewables as the initial capital to adopt renewable energy is on the high for the middle- and low-income earner who form majority of the population. They are therefore asking for some commitments to support middle- and low-income earner to hook onto renewables

The panel was made up of representatives from West African Science Centre for Climate Change and Adapted Land Use (WASCAL), Ecowas Centre for Renewable Energy and Energy Efficiency (ECREEE) and key players in the renewable space in the country,

When asked what the next government needs to do to support citizens to adopt renewable energy, the panel members said that, any new government must give the Paris Agreement on Renewable Energy – dubbed the world's first comprehensive climate agreement – serious attention, as Ghana is a signatory.

This strategy involved energy and climate policy including the 20/20/20 targets, namely the reduction of carbon dioxide (CO₂) emissions by 20 percent, the increase of renewable energy's market share to 20 percent, and a 20 percent increase in energy efficiency.

According to the panel, the nation must put in strategies to reduce carbon dioxide (CO₂) emissions and also position itself to attract funding from other states and companies that have been noted for high carbon dioxide (CO₂) emissions to support the renewable energy strategies.

Summing up the discussions, Chief Executive Officer of NEK Umwelttechnik AG, Dr. Christoph Kapp said that: "The next government must push for more renewable, whether solar, wind, biomass etc. There is a renewable energy master plan in the country and it needs some more life.

There are some targets that the government set for itself as to renewable penetration over a period of time, political parties can use that as a basis to give some projections and also develop pragmatic means to achieve those projections. Renewable is a cheap, sustainable and clean source of energy and it is for the future.

So, it is a choice. Do these political parties want a cheap, sustainable and clean source of energy or they want to stick to the current situation which is expensive for everyone?"

Nana Amoasi VII, Executive Director of the IES, in his welcome address noted that currently, substantial amount of global capital is being directed at renewable energy projects, away from the traditional sources known as fossil fuels. The shift, he pointed out, follows the unprecedented political and business momentum renewable energy is currently enjoying, with the number of policies and projects around the world expanding rapidly.

“Oil majors known as ‘Big oil’, banks and institutional investors, are a huge prospective source of funding for renewable energy projects. The European Union (EU) in particular has tied the distribution of its Covid-19 crisis recovery fund of US\$878billion to the requirement that at least 37 percent of the money is deployed in green energy projects.



The big oil companies are transforming themselves into energy firms, with wind and solar taking an increasingly important role in their current strategies, to hedge against hardening investor sentiment towards carbon emissions. They are ‘progressively positioning themselves for the proclaimed energy transition’ – essentially attempting to figure out how the best presently available cash cow in the world can be substituted for the benefit of their own sustainable future,” he said.

He added that the transition to renewables is a global one because they have been found as cost-effective, and sustainable source of new energy that insulates power markets and consumers from volatility, spurs economic stability, and stimulates sustainable growth.

“Renewable energy sources for power and fuel generation, efficient energy system are now seen not only as vital options for reliable power supply, but also as key resources for dealing with present global challenges, such as climate change, energy security, universal access to energy, and sustainable development.

The transition to sustainable energy and ensuring universal access to modern energy services is found as helping to alleviate current vulnerabilities of energy sectors, creating decent jobs, developing industries, and strengthening local economies,” he added.

Policy makers, he noted, must therefore recognize the degree to which the energy transition can deliver positive outcomes for the country. “They must demonstrate that they are aware of the risks and opportunities that come with renewables, and rather take steps to manage the situation.”