

AREED, SMALL SCALE ENERGY INTERVENTIONS & POVERTY REDUCTION IN GHANA

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Status of AREED in Ghana

The African Rural Energy Enterprise Development (AREED) program was launched in Ghana in the year 2000.

- ❑ AREED currently has seven investments in Ghana
- ❑ Total amount invested in Ghana is estimated to be about US\$497,986
- ❑ Ghana has an average investment rate of two (2) investments per year
- ❑ Businesses in the pipeline-xx Jamila

STATUS OF AREED IN GHANA - Invested Enterprises

Name of Enterprise	Activity Area	Financing	Current Status
AB Management	Energy Efficiency – Power Factor Correction	US\$ 120,000 @ 12.0%, over 5.5 years	2002 Investment, performing well
Gladymanuel	Energy Efficient Lighting	US\$ 70,000 @ 7.5%, over 3.5years	2003 Investment, performing very well
Anasset	LP Gas Retailing	US\$ 37,240 @ 7.5%, over 4 years	2003 Investment, performing very well
Translegacy	LP Gas Stoves Manufacture	US\$ 20,000 @ 5.0%, over 4 years	2003 Investment, performing very well
M38	LP Gas Retailing	US\$ 58,000 @ 8.0%, over 5years	2003, performing well

AREED Ghana - Invested Enterprises (2)

Name of Enterprise	Activity Area	Financing	Current Status
Lambark Gas	LP Gas Retailing	US\$ 109,746 @ 8.0%, over 4 years	2004, performing well
Fee Hi Ventures	LP Gas Retailing	US\$ 33,000 @ 8.0%, over 4years	2004, performing well

AREED- Level of awareness in Ghana

□ Awareness among stakeholders

AREED is a household name among Clean Energy entrepreneurs in Ghana. Business & SME communities are familiar with AREED; financial institutions have various levels of awareness; more work will have to be done to realize co-financing with a financial institutions.

AREED- Level of awareness in Ghana (2)

Awareness among policy makers

- Government officials - Ministry of Energy & National Development Planning Commission (NDPC) are aware of AREED,
- need formal dialogue with government to support mainstreaming efforts
- DEA has work to do here

Government's policy

❑ Development / Private sector (SMEs)

The objective of the government's policy is to strengthen the private sector

in an active way to ensure that it is capable of acting effectively as the engine of growth and poverty reduction.

❑ Energy sector

At the fore of Ghana's energy policy is the effort to attract private sector investment in all aspects of Ghana's energy development

This is reflected in the following reforms: Power sector, de-regulation of petroleum products supply & woodfuel sector reforms)

Some Small Scale Energy Interventions in Ghana

- ❑ **LPG promotion**
- ❑ **Traditional and renewable energy sub sector interventions**
 - **Improved cookstove (The Gyapa and Ahenbenso Stoves)**
 - **The Chokor smoker**
 - **The Green coal project (improved techniques for the production of charcoal)**
 - **solar photovoltaic modules for off-grid (remote rural) electrification and water pumping**
- ❑ **Multi-functional platforms (MFPs)**

Some Small Scale Energy Interventions in Ghana (2)

- **Mini-hydro study of prospects and evaluation of sites**
- **Development of Energy Service Companies (ESCOs) as a means of promoting energy efficiency**
- **WB sponsored study on Embedded Generation Tariff**
- **E-Commerce & RE (eCARE) & other Solar Communication projects**
- **Most interventions in the electricity sector are large scale and government led**

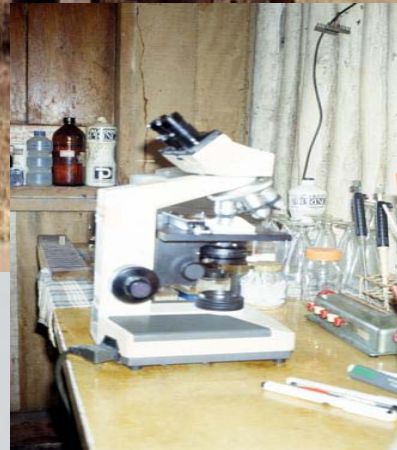
Links between energy interventions & Poverty reduction

Small scale energy interventions has great economic and social impact in the life of the beneficiary communities.

Effects :

- ☐ It improves the standard and general quality of living**
- ☐ It improves the standard of public services e.g. education through lighting of classrooms etc.,**
- ☐ It provides a basis for the development of a number of economic activities (productive application)**

Quality health care



Income generation

- Rural Dress making & Pharmacy Shop



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