

ENERGY SECTOR LEVIES ACT, 2015 Act 899

ARRANGEMENT OF SECTIONS

Sections

Imposition and Collection

1. Imposition of levy
2. Collection of the levies

Accounts

3. Energy Debt Service Account
4. Power Generation and Infrastructure Support Sub-Account
5. Price Stabilisation and Recovery Account
6. Management of Accounts

Miscellaneous Provisions

7. Regulations
8. Interpretation
9. Consequential amendments and repeals
10. Transitional provisions

Act 899



THE EIGHT HUNDRED AND NINETY-NINETH

ACT

OF THE PARLIAMENT OF THE REPUBLIC OF GHANA
ENTITLED

ENERGY SECTOR LEVIES ACT, 2015

AN ACT to consolidate existing energy sector levies to promote prudent and efficient utilisation of the proceeds generated from the levies, impose a price stabilisation and recoveries levy, facilitate sustainable long-term investments in the energy sector and to provide for related matters.

DATE OF ASSENT: *24th December, 2015.*

PASSED by Parliament and assented to by the President:

Imposition and Collection

Imposition of levy

1. There is imposed by this Act, the levies specified in the first column, at the rates and on the items specified in the second column and for the purposes specified in the third column of the First Schedule.

Collection of the levies

2. (1) The agencies specified in the fourth column of the First Schedule, shall collect the levies imposed under section 1.

(2) The collecting agencies specified in the fourth column of the First Schedule shall, within fourteen days of receiving moneys under this Act, pay the moneys collected into the accounts specified in the fifth column of the First Schedule.

Accounts

Energy Debt Service Account

3. (1) The Minister shall cause to be opened and maintained an account to be known as the Energy Debt Service Account into which shall be paid thirty-two percent of moneys collected under the Energy Debt Recovery Levy.

(2) Moneys in the Energy Debt Service Account shall be used to facilitate

- (a) the debt recovery of the Tema Oil Refinery Company; and
- (b) downstream petroleum sector foreign exchange under recoveries.

Power Generation and Infrastructure Support Sub-Account

4. (1) The Minister shall cause to be opened and maintained a sub-account of the Energy Debt Service Account to be known as the Power Generation and Infrastructure Support Sub-Account.

(2) There shall be paid into the Power Generation and Infrastructure Support Sub-Account

- (a) sixty percent of moneys collected under the National Electrification Scheme Levy;
- (b) forty percent of moneys collected under the Public Lighting Levy; and
- (c) sixty-eight percent of moneys collected under the Energy Debt Recovery Levy.

(3) The Power Generation and Infrastructure Support Sub-Account shall be used

- (a) to support the payment of power utility debts;
- (b) to ensure power supply sustainability to achieve a secure, reliable and quality electricity supply;
- (c) for power generation and infrastructure support recoveries; and

- (d) to support power infrastructure risk mitigation including partial risk guarantees.

Price Stabilisation and Recovery Account

5. (1) The Minister shall cause to be opened and maintained an account to be known as the Price Stabilisation and Recovery Account for the purpose of receiving moneys realised from the Price Stabilisation and Recovery Levy.

(2) Moneys in the Price Stabilisation and Recovery Account shall be used

- (a) as a buffer for under recoveries in the petroleum sector;
- (b) to stabilise petroleum prices for consumers; and
- (c) to subsidise premix and residual fuel oil.

Management of Accounts

6. The Minister shall submit to Parliament an annual report on the management of the accounts established under sections 3 to 5

Miscellaneous Provisions

Regulations

7. The Minister may, by legislative instrument, make Regulations
- (a) to amend the Schedules; and
 - (b) to provide for any other matter necessary for the effective implementation of this Act.

Interpretation

8. In this Act, unless the context otherwise requires,
- “Debt Recovery Levy” means the Debt Recovery Levy imposed under the Debt Recovery (Tema Oil Refinery Company) Fund Act, 2003 (Act 642);
 - “foreign exchange under recoveries” means debts incurred in respect of foreign exchange shortfalls in the petroleum downstream sector; and
 - “Minister” means the Minister responsible for Finance.

Consequential amendments and repeals

9. The enactments referred to in the first column of the Second Schedule are repealed, amended or otherwise affected to the extent referred to in the second column of the Second Schedule.

Transitional provisions

10. The total sum of moneys located in any account before the commencement of this Act which constitutes moneys collected under the Debt Recovery Levy is transferred into the Energy Debt Service Account.

FIRST SCHEDULE
(Sections 1 and 2)

| LEVY | RATE | PURPOSE | COLLECTING AGENCY | PAYMENT TO |
|---------------------------|--|--|-------------------------|--|
| ENERGY DEBT RECOVERY LEVY | <p>Ghp41 per litre on Petrol and Diesel, consisting in respect of</p> <p>(a) foreign exchange under recoveries – Ghp5 per each litre</p> <p>(b) power generation and infrastructure support – Ghp28 per each litre</p> <p>(c) Tema Oil Refinery Company debt recovery – Ghp8 per each litre</p> <p>Ghp3 per litre on Marine Gas Oil (MGO) in respect of Tema Oil Refinery Company debt recovery</p> <p>Ghp4 per litre on Fuel Oil in respect of Tema Oil Refinery Company debt recovery</p> <p>Ghp37 per kg on LPG consisting in respect of (a) foreign exchange under recoveries–</p> | To facilitate the debt recovery of the Tema Oil Refinery, downstream petroleum sector foreign exchange under recoveries and power generation and infrastructure support. | Ghana Revenue Authority | Energy Debt Service Account and Power and Infrastructure Support Sub-Account |

| LEVY | RATE | PURPOSE | COLLECTING AGENCY | PAYMENT TO |
|---------------------------------------|--|--|--|---|
| | Ghp5 per kg (b) power generation and infrastructure support – Ghp28 per kg (c) Tema Oil Refinery Company debt recovery – Ghp4 per kg | | | |
| ROAD FUND LEVY | Ghp40.0 per litre on Petrol and Diesel | To support road maintenance | Ghana Revenue Authority | Road Fund |
| ENERGY FUND LEVY | Ghp1.0 per litre on Petrol, Kerosene, Diesel and Fuel Oil | To support Energy Commission activities | Ghana Revenue Authority | Energy Commission |
| PRICE STABILISATION AND RECOVERY LEVY | Ghp12 per litre on Petrol Ghp10 per litre on Diesel Ghp10 per kg on LPG | To be used as a buffer for under recoveries or subsidies to stabilise petroleum prices for the consumer | National Petroleum Authority | Price Stabilisation and Recoveries Account |
| PUBLIC LIGHTING LEVY | 5% per price of kWh of Electricity charged on all categories of consumers | To support payment of energy consumed by traffic lights, street lights, public lights and highways to support investment and maintenance of traffic lights, street lights, public lights and highways by Metropolitan, Municipal and District Assemblies and to cater for replacement of streetlights destroyed by hit and run motor vehicles. | Electricity Company of Ghana, NEDCO and other suppliers of electricity | Ministry responsible for Power and Electricity Distribution Companies, and Power Generation and Infrastructure support Sub-Account. |
| NATIONAL ELECTRIFICATION SCHEME LEVY | 5% per price of kWh of Electricity charged on all categories of consumers | To provide funding support for national electrification programme to improve access to electricity | Electricity Company of Ghana, NEDCO and other suppliers of electricity | National Electrification Fund and Power Generation and Infrastructure support Sub-Account. |

SECOND SCHEDULE

(Section 9)

Consequential amendments and repeals

| Column 1 (Enactment) | Column 2 (How affected) |
|--|--|
| 1. Customs and Excise (Petroleum Taxes and Petroleum Related Levies) Act, 2005 (Act 685) as amended by the Customs and Excise (Petroleum Taxes and Petroleum Related Levies) (Amendment) Act, 2013 (Act 867) | Act 685 is amended by the repeal of sections 2, 3, 5 and 6 and the Second Schedule. |
| 2. Debt Recovery (Tema Oil Refinery Company) Fund Act, 2003 (Act 642) | <p>Act 642 is amended</p> <p>(a) by the substitution for section 3 of “Sources of the Fund 3. The moneys for the Fund include moneys that may be (a) allotted by Parliament; and (b) received from any other source and approved by Parliament.”;</p> <p>(b) in line of 1 of section 7 by the deletion of “section 8”;</p> <p>(c) by the repeal of sections 8,9,10 and 11;</p> <p>(d) in section 15 by the substitution for “the Fund established under section 1” of “the Energy Debt Recovery Account established under section of the Energy Sector Levies Act, 2015 (Act...)”; and</p> <p>(e) by the repeal of the Schedule as amended by the Debt Recovery (Tema Oil Refinery Company) Fund (Amendment) Act, 2003 (Act 811)</p> |
| 3. Electricity (Special Levies) Act, 1995 (Act 497) | Act 497 is repealed. |
| 4. National Petroleum Authority (Prescribed Petroleum Pricing) Regulations, 2012 (L.I. 2186) | <p>L.I. 2186 is amended by the</p> <p>(a) substitution for regulation 8 of “Levies 8. The prescribed petroleum pricing formula includes the following: (a) Energy Debt Recovery Levy; (b) Energy Fund Levy; (c) Road Fund Levy; and (d) Price Stabilisation and Recovery Levy.”; and</p> <p>(b) by the revocation of regulation 10.</p> |

Date of *Gazette* notification: 30th December, 2015.

ENERGY SECTOR LEVIES (AMENDMENT) Act 946
ACT, 2017

ARRANGEMENT OF SECTIONS

Sections

1. Section 4 of Act 899 amended
2. First Schedule to Act 899 amended



THE NINE HUNDRED AND FORTY-SIXTH

ACT

OF THE PARLIAMENT OF THE REPUBLIC OF GHANA
ENTITLED

ENERGY SECTOR LEVIES (AMENDMENT) ACT, 2017

AN ACT to amend the Energy Sector Levies Act, 2015 (Act 899) to review transfers into the Power Generation and Infrastructure Support Sub-Account; to provide for a reduction in the rate of levies for Public Lighting and the National Electrification Scheme on petroleum products and for related matters.

DATE OF ASSENT: 5th April, 2017.

PASSED by Parliament and assented to by the President:

Section 4 of Act 899 amended

1. The Energy Sector Levies Act, 2015 (Act 899) referred to in this enactment as the "principal enactment" is amended in subsection (2) of section 4 by the repeal of paragraphs (a) and (b).

First Schedule to Act 899 amended

2. The First Schedule to the principal enactment is amended (a) by the substitution for the fifth row "PUBLIC LIGHTING LEVY", of

| | | | | |
|------------------------|---|--|---|--|
| "PUBLIC LIGHTING LEVY" | 3% per price of KWh of electricity charged on all categories of consumers | To support payment of energy consumed by traffic lights; street lights, public lights on highways; to support investment and maintenance of traffic lights, street lights, public lights on highways; by Metropolitan, Municipal and District Assemblies | Electricity Company of Ghana, NEDCO, VRA and other suppliers of electricity | Ministry responsible for Power and Electricity Distribution Companies" |
|------------------------|---|--|---|--|

(b) by the substitution for the sixth row "NATIONAL ELECTRIFICATION SCHEME LEVY", of

| | | | | |
|--|---|---|---|--------------------------------|
| "NATIONAL ELECTRIFICATION SCHEME LEVY" | 2% per price of KWh of electricity charged on all categories of consumers | To provide funding to support national electrification programme to improve access to electricity | Electricity Company of Ghana, NEDCO, VRA and other suppliers of electricity | National Electrification Fund" |
|--|---|---|---|--------------------------------|

Date of Gazette notification: 7th April, 2017.