Energynet Launches New Report – Chain Effect: Industrial Energy Policy in Africa in an Era of Captive Power

A New Report Explores The Urgent Need For Africa's Captive Power Producers to Find a Way to Co-Exist With the Grid.

LONDON, UNITED KINGDOM, November 22, 2021 /EINPresswire.com/ -- Today, EnergyNet publish their new report titled Chain Effect: Industrial energy policy in Africa in an era of captive power - a case study of Ghana & Kenya which addresses the question; how can nations achieve their industry goals unless their energy policy aligns? And, why is industry now utilising off-grid solutions?

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>
> *Seth Owusu-Mante Jr*

A number of countries within the Sub-Saharan region utilise the blueprint of industrial goals, that to grow economies for developing nations, manufacturing their own goods will, in turn, provide cheaper goods for consumers, encourage exports and reduce imports which in itself will increase employment, income and the overall strength of the economy.

Yet in most instances, there is a disconnect between industry and energy policies to make this possible as energy is not being recognised as the key factor to drive this. The report provides valuable insight which suggests that energy planning is the key to success for policy formation.

With Africa's enthusiasm for renewables and the abundance of clean natural energy, there are big opportunities in the energy market and in doing so reduce the continent's reliance on hydrocarbons. Captive generation has grown in popularity with a mixture of renewables and non-renewable sources with solar power leading to the fore. New developing industries can benefit hugely from cheaper energy and technology and for those organisations which use heat production, it is possible they can utilise electricity as feedstock.

However, captive generation threatens utility companies as they rely so heavily on power purchase agreements (PPAs) with generation companies, which historically have led to excess capacity and unused power and company deficits. This potentially means energy policies may not encourage and promote growth.

The report's author, Seth Owusu-Mante Jr, said:
“The ambitious industrial goals by both the Ghanaian and Kenyan governments is instructive. Both governments have a clear understanding of the pathway to grow their economies through industrialization. This study has however revealed the disconnect between industrial goals and energy plans in both countries, and the impact of high costs and unreliable power supply on the competitiveness of industries to achieve industrial goals.

"If the next phase of energy planning in both countries prioritizes industrial energy access which has the potential to accelerate industrial development targets, Ghana and Kenya can become icons of industrialization not only to African countries but to all developing economies”.

The report provides insight into the extent to which industrial policies in Sub-Saharan Africa prioritize the energy needs of industries, and highlights upon unreliability of supply and high tariffs. While policymakers are failing to recognise this, industry is turning towards cheaper and effective technology to fulfil their energy needs.

The full report is ready to download.

Read a Q&A with the report's author, Seth Owusu-Mante Jr

For more information about Chain Effect: Industrial energy policy in Africa in an era of captive power:

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