



MINORITY CAUCUS

PARLIAMENT OF GHANA

Parliament House – Accra (Ghana)

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NDC GOVERNMENT'S SHAMEFUL RETREAT ON ENERGY LEVY (DUMSOR LEVY) EXPOSES FUNDAMENTAL INCOMPETENCE AND HYPOCRISY

Minority Caucus Demands Immediate Certificate of Urgency to Repeal Punitive Energy Sector Levies (Amendment) Act, 2025 (Dumsor Levy)

The Minority Caucus in Parliament expresses its profound disappointment and vehement condemnation of the Ghana Revenue Authority's directive dated 13th June 2025, which postpones the implementation of the Energy Sector Levies (Amendment) Act, 2025 (Dumsor Levy) indefinitely. This eleventh-hour postponement of the Energy Sector Shortfall and Debt Repayment Levy (ESSDRL) on petroleum products, originally scheduled to take effect on 16th June 2025, epitomises this Government's chaotic and fundamentally inconsistent approach to economic governance.

We consider it thoroughly reprehensible and profoundly hypocritical that the very Government which ruthlessly castigated the previous New Patriotic Party administration under His Excellency President Nana Addo Dankwa Akufo-Addo for attributing Ghana's economic challenges to external factors - namely the COVID-19 pandemic and the Russia-Ukraine conflict - has now brazenly reversed course to cite the ongoing Middle Eastern crisis as justification for crude oil price volatility, thereby necessitating this postponement. This represents a stark contradiction, particularly given that President Akufo-Addo's administration successfully implemented comprehensive economic recovery programmes, maintained Ghana's democratic institutions, and delivered transformative infrastructure projects even whilst confronting these same global challenges.

Throughout the tenure of the previous administration, this Government, whilst in opposition, consistently maintained that external economic shocks constituted mere pretexts for inadequate economic stewardship, and that any competent administration ought to have established sufficient fiscal buffers to weather such global disruptions. They categorically accused President Akufo-Addo of lacking the requisite competence to navigate Ghana through international crises. Today, scarcely months into their own tenure, they are adopting precisely the same rhetoric they once denounced with such vehemence, thereby demonstrating the zenith of political opportunism, crass hypocrisy, and intellectual dishonesty.

The postponement of this levy's implementation starkly exposes the Government's woeful lack of preparedness and its fundamental failure to conduct proper stakeholder consultation prior to hastily enacting legislation. The fact that they are now compelled to postpone implementation following belated "consultations with stakeholders" reveals that the initial decision was taken without adequate consultation - a manifest indication of governance characterised by improvisation and trial-and-error methodology.

This Energy Sector Levy (Dumsor Levy), which seeks to impose additional fiscal burdens upon already beleaguered Ghanaians through petroleum product taxation, ought never to have been contemplated. At a juncture when Ghanaians are contending with harsh cost-of-living pressures, the introduction of supplementary fuel levies - which inevitably generate cascading effects upon transportation costs, food prices, and all essential commodities—represents not merely insensitive policymaking but economically counterproductive governance.

In keeping with our earlier opposition to the passage of the bill, the Minority categorically repudiates this postponement as wholly inadequate and demands the complete reversal of this misguided policy direction. We emphatically call upon the Government to immediately table a repeal bill under certificate of urgency to comprehensively abolish the Energy Sector Levies (Amendment) Act, 2025. The citizens of Ghana merit governance superior to an administration that imposes punitive taxation only to postpone implementation when confronted with legitimate public opposition.

It bears emphasising that this Government initially justified the imposition of this (Dumsor Levy) by claiming it required the accruing funds to ensure stability within the power sector and to service legacy debts accumulated within the energy sector. Such justification rings hollow when one considers that His Excellency President Akufo-Addo maintained consistent power supply throughout his tenure without resorting to such punitive levies on the Ghanaian populace. The previous administration demonstrated that competent energy sector management, prudent fiscal oversight, and strategic partnerships could deliver reliable electricity without burdening citizens with additional taxes. This stark contrast underscores the current Government's fundamental inability to manage the energy sector effectively.

Furthermore, we categorically reject any attempt by this Government to utilise the Minority's call for the repeal of this obnoxious levy as a pretext for exacerbating the power crisis they have themselves inflicted upon the nation since assuming office. The deteriorating state of Ghana's power supply under this administration cannot and must not be attributed to the absence of this levy, particularly when the previous administration maintained stable power supply without such fiscal impositions. Any worsening of the current power situation must be laid squarely at the feet of this Government's incompetent management, not the absence of punitive taxation. Ghanaians deserve both reliable electricity and freedom from excessive fiscal burdens - objectives that are entirely compatible under competent leadership.

The current malaise afflicting the power sector demands immediate and comprehensive intervention. It is imperative that urgent and far-reaching structural reforms be implemented at the Electricity Company of Ghana (ECG) to address the deeply entrenched operational inefficiencies that have precipitated widespread power theft and catastrophic revenue haemorrhage. The present state of affairs - wherein expired prepaid meters continue to function without proper regulatory oversight, and numerous consumers access electricity without remuneration, not through wilful delinquency but due to fundamentally defective metering infrastructure - is wholly unacceptable and

represents a damning indictment of this Government's abject failure in energy sector stewardship.

The Honourable Minister for Energy and Green Transition has previously pledged to continue comprehensive implementation of the Loss Reduction Programme designed by the Akufo-Addo administration to replace obsolete meters and expand access to prepaid metering systems. Regrettably, this programme appears to have stalled indefinitely, despite the demonstrable existence of contracted companies possessing the requisite technical capacity to manufacture and distribute new meters expeditiously. Communities across the country continue to make increasingly desperate appeals for prepaid meters, whilst countless others remain perilously exposed to unregulated power consumption with its attendant catastrophic revenue implications. We therefore categorically demand that the Honourable Minister forthwith present the complete policy documents pertaining to the Loss Reduction Programme and all related reforms to this Parliament for the requisite legislative scrutiny and action. Parliament must be afforded the fundamental opportunity to scrutinise rigorously, debate comprehensively, and provide stringent oversight in a wholly transparent manner to ensure both uncompromising accountability and effective delivery of these absolutely critical reforms.

We remind this Government that it ascended to power upon solemn pledges to provide relief to Ghanaians, not to impose additional fiscal encumbrances. The introduction of such a novel levy directly contradicts His Excellency President John Mahama's electoral commitments and further underscores his government's profound disconnection from the harsh economic realities confronting ordinary citizens.

The Minority Caucus shall continue to resist categorically any attempt to impose further hardships upon Ghanaians through such regressive fiscal policies. We call upon all right-thinking Ghanaians to unite with us in demanding the complete withdrawal of this pernicious levy.

The Government must forthwith convene Parliament under certificate of urgency to repeal this legislation in its entirety. Any response falling short of complete repeal shall prove unacceptable both to the Minority and to the people of Ghana.

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