



REPUBLIC OF GHANA

MINISTRY OF FINANCE

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Digital Address : GA-144-2024

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PRESS RELEASE

FOR: IMMEDIATE RELEASE

MAHAMA ADMINISTRATION PAYS US\$1.470 BILLION TO CLEAR ENERGY SECTOR DEBT AND RESTORE WORLD BANK GUARANTEE WITHIN FIRST YEAR

Accra, Monday, 12th January, 2026...The Government of Ghana, under the leadership of President John Dramani Mahama, has decisively resolved the crippling energy sector debt that posed one of the gravest risks to Ghana's financial stability.

2. When President Mahama assumed office in January 2025, the energy sector had been pushed to the brink by years of persistent non-payment for gas supplied to the power sector from the Offshore Cape Three Points (OCTP) field. As a result, the World Bank Partial Risk Guarantee of US\$500 million had been completely depleted under the previous administration.

3. The Partial Risk Guarantee (PRG), established in 2015 under the previous NDC Government, was a critical safeguard that enabled nearly US\$8 billion in private sector investment into Ghana's energy sector through the Sankofa Gas Project.

4. It was designed to guarantee payments to the project partners, ENI and Vitol, in the event of payment shortfalls. Its exhaustion represented a serious governance failure that undermined Ghana's international credibility.

5. In a clear demonstration of fiscal discipline and responsible leadership, Government has, as at 31 December 2025, fully repaid US\$597.15 million, inclusive of interest, drawn on the World Bank Guarantee. This achievement has restored the facility in full and reaffirmed Ghana's standing as a credible and reliable partner on the global stage.

6. Between January and December 2025, Government, through carefully coordinated policy actions, also settled all outstanding gas invoices owed to ENI and Vitol for electricity generation. These payments totalled approximately US\$480 million, ensuring that Ghana is fully current on its obligations to the Sankofa partners.

7. Through prudent financial management, adequate budgetary provisions have been secured to sustain timely payments going forward.

8. Government has also held constructive engagements with Tullow Oil and the Jubilee Field partners, agreeing on a comprehensive roadmap to guarantee full payment for all gas off-taken.

9. This approach is aimed at supporting reliable nationwide electricity generation while accelerating industrial growth.

10. Engagements with Ghana’s upstream partners have already resulted in increased gas production, guided by a clear national vision to rapidly scale up domestic gas supply to meet the country’s growing energy demand and reduce reliance on expensive liquid fuels.

11. As part of its broader energy sector reset, the Mahama Administration has successfully renegotiated all Independent Power Producer agreements to secure improved value for money for the Ghanaian people.

12. In 2025 alone, Government paid approximately US\$393 million in legacy IPP debts, further anchoring the gains made in restoring stability to the sector.

13. See below a detailed breakdown of payments to each IPP.

IPP LEGACY DEBT PAYMENTS IN 2025		
No.	IPP	AMOUNT (US\$)
1	Karpowership Ghana Co. Ltd	120,000,000
2	Cenpower Generation Co. Ltd	59,444,180
3	Twin City Energy (Amandi)	37,986,534
4	Early Power ltd	42,000,000
5	BXC Company Ltd	10,560,000
6	Meinergy Technology	8,820,000
7	Sunon Asogli Ghana Ltd	54,000,000
8	AKSA Energy Limited	30,000,000
9	Cenit Energy ltd	30,000,000
	TOTAL	392,810,714

14. Altogether, the Ministry of Finance has paid approximately US\$1.470 billion in the 2025 fiscal year to rescue and restore Ghana’s energy sector.

15. Beyond clearing inherited arrears, and through disciplined implementation of the Cash Waterfall Mechanism by the Ministry of Energy, Government has remained current on largely all IPP invoices for 2025 and is firmly committed to further improving payment performance across all IPP obligations going forward.



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16. The Government of Ghana assures the general public, industry stakeholders, and international partners that the era of uncontrolled energy sector debt accumulation is over.
END

**ISSUED BY THE PUBLIC RELATIONS UNIT
MINISTRY OF FINANCE**

THE NEWS EDITOR