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**Water and electricity sector reforms in Ghana: Back on track?**

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The lack of continuous and reliable supply of energy and water is a major hindrance to industrial and agricultural productivity in Ghana. Similar to the public utility management problems found in most developing countries, the electrical and water utility companies of Ghana have suffered from a number of institutional and operational shortcomings, including low collection rates, high wastage, operational losses, and inadequate staffs. Reforms of the energy and water sectors have been under way since the beginning of the nineties. Prices have increased significantly, but there has been little or no improvement in services. This analysis will focus on on-going reforms, their likely effects on different user groups and the obstacles for their implementation. Those who provided water and electricity were plagued with institutional weaknesses, and regulating agencies did not perform according to their mandates. The regulating agencies were lacking financial and human resources for monitoring, and their functioning suffered from principal agent problems. The government policy of private sector participation in utility provision has been only partially implemented for various reasons: the providers of water and electricity and the government agents that manage the reform process have a greater effect on manufacturers than they do on agriculture because the former have the greater need for regular supplies of water and electricity. The potentials and interest of the clients, regulating agencies and providers as well as the relationships between them have to become a key issue in the reform process. There is a need for more transparency and accountability on the part of politicians and providing agencies - whether public or private, local or national.