POLICY PRIORITY **SIERRA LEONE**

How can expanding access to clean and reliable energy in Sierra Leone drive economic development and improve the livelihoods of urban and rural populations, particularly in the context of ongoing energy crises and low electrification rates?

Sierra Leone has one of the lowest electrification rates globally, with only 27.5% of the population having access to electricity in 2021, and less than 5% in rural areas. The ongoing energy crisis, coupled with the unreliable electricity supply from the national grid, underscores the critical need to expand access to renewable energy for economic growth and development. The country's heavy reliance on fossil fuels has intensified the energy crisis, resulting in frequent power outages, and hindering economic activity. Transitioning to renewable energy is imperative, not only for enhancing environmental sustainability, but also for significantly boosting productivity and improving living standards nationwide.

Policy challenge

Policymakers in Sierra Leone are tackling the severe energy crisis by expanding access to reliable, clean energy, including the installation of over 174 solar mini-grids in rural areas. The government is further pursuing initiatives, such as EU-funded mini-grids (50-60 in total, each with a capacity of 120-300kW), and targeting 200 additional mini-grids, some embedded in agricultural clusters. A significant challenge is the commercial viability of these mini-grids, with tensions between maintaining low, affordable tariffs for rural households and ensuring developers achieve a return on investment. Rural households often pay more for electricity than their urban counterparts, making it politically difficult to raise tariffs.

In response, the government is considering subsidy mechanisms to keep tariffs affordable. The International Growth Centre (IGC) could support policymakers by exploring options to balance affordable tariffs and commercial sustainability, ensuring that renewable energy solutions not only increase access but also enhance productivity and economic resilience, particularly in rural areas.

Data

- Electricity access data (2021): Information on household and firm access to electricity across urban and rural areas.
- Renewable energy infrastructure data: Details on existing and planned renewable energy projects, including solar mini-grids, their capacity, and geographical distribution.
- Economic development indicators: Data on GDP growth, firm productivity, and employment in areas with improved energy access.
- Energy reliability data: Metrics on power outages, load shedding, and energy supply stability, particularly in rural areas.

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Stakeholders

Ministry of Energy; Presidential Initiative on Climate Change, Renewable Energy and Food Security; Sierra Leone Electricity and Water Regulation Commission; Renewable Energy Association of Sierra Leone (REASL).

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