

Vehicle Emission Levy Implementation Begins

A Daily Guide Report

THE GHANA Revenue Authority (GRA) yesterday began the implementation of the Emissions Levy Act, 2023 (Act 1112), which mandates owners of carbon dioxide equivalent emissions on internal combustion engine vehicles to pay a levy.

Thus, vehicle owners are required to pay varied amounts based on the type of motor and its engine capacity.

Motorcycles and tricycles are required to pay GH¢75 per annum, while motor vehicles, buses, and coaches up to 3000 cubic centimetres are required to pay GH¢150 per annum.

Motor vehicles, buses, and coaches above 3000 cubic centimetres, cargo trucks, and articulated trucks are required to pay GH¢300 per annum.

The Emissions Levy is in line with the government's effort to tackle greenhouse gas emissions by promoting the use of eco-friendly technology and green energy.

GPRTU Reacts

Meanwhile, the leadership of the Ghana Private Road Transport Union (GPRTU) reacting to the levy implementation said it would soon make public new

transport fares taking into consideration the imposed emissions levy.

Public Relations Officer of GPRTU, Abbas Imoro, in an interview yesterday noted, "We have alerted the whole nation that it is wrong to pay two different (fees) on one item. If the authorities have failed to heed the awareness we have created. So be it. It is so fortunate that we haven't finally come up with our upward adjustment in lorry fares.

"We just have to calculate it in whatever decision we arrive at and share it with the passengers that we take," he said.

Industrial relations officer for GPRTU, Abass Imoro on *Citi FM* alleged that the relevant stakeholders including the Transport and Finance Ministers ignored the concerns of members and went ahead to implement the levy without responding to their petition.

"We were not part of the discussions before they came out with it (the levy). We spotted it in the budget and we raised issues with it, our suggestions were not taken and we petitioned Parliament and we have not had any response yet.

"We had a meeting with the Transport and Finance Ministers and said that there was something wrong with the levy that

we felt was not proper and the Finance Minister promised to do something about it, only for us to hear that the levy has taken effect today (February 1).

"So we said that we have decided that when we try to draw the public's attention and nothing is being done, the only way is to add it up and increase our fares."

ICEG's Call

The Institute of Climate and Environmental Governance (ICEG) has also expressed concerns over what it terms as the government's lack of commitment to invest revenue that would be accrued from the Emission Levy.

ICEG has therefore suggested to the government to set up an Emission Fund to ensure a proper accountability mechanism that ensures judicious allocation of funds generated.

In a statement issued by ICEG and signed by Kwesi Yamoah Abaidoo, Policy Lead, Climate Finance and Energy Transition, it advised the government to ensure that proceeds accrued from the Emission Levy are not deposited into the Consolidated Fund.

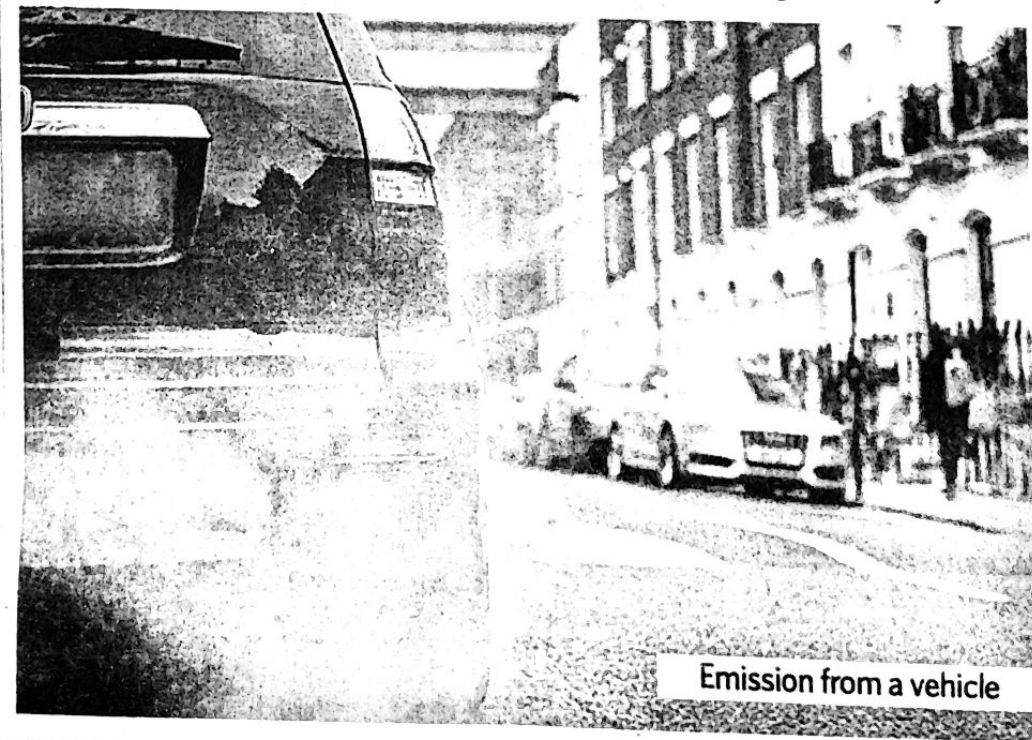
"Despite the progressive nature of the Levy, ICEG is concerned about the apparent lack of commitment by the Government beyond the imposition of the Levy, to investing the expected revenue on financing green infrastructure."

"Proceeds accrued should not be deposited into the Consolidated Fund. The government should consider setting up an Emission Fund to ensure a proper accountability mechanism that ensures judicious allocation of funds generated."

ICEG also called on the government to slowly implement the Levy and put up the necessary institutional infrastructure for effective implementation and use of revenue.

ICEG acknowledged the economic impact on motor vehicle owners, calling on the government to intensify public awareness to inform citizens of the environmental benefits of reducing emissions.

"The government should consider intensifying public awareness to inform citizens of the environmental benefits of reducing emissions," ICEG said in its statement.



Emission from a vehicle