

FOR IMMEDIATE RELEASE

**IES calls for strict enforcement of NPA “Price floor” and “Price uniformity” policies to protect Ghana’s downstream petroleum market**

Accra, Ghana – 25.01.26

The Institute for Energy Security (IES) has taken note of the recent January 2026 industry article released by the Chamber of Oil Marketing Companies (COMAC), headlined “Price Floor in Perspective: A Call for Structural Market Clean-up”, as well as prevailing market observations on ex-pump petroleum pricing behaviour within Ghana’s downstream petroleum sector.

The revelations contained in the COMAC article, when examined alongside independent market monitoring by IES, point to deepening structural, compliance, and pricing integrity challenges that, if left unaddressed, threaten the long-term sustainability of the downstream petroleum market and the protection of consumers.

1. IES aligns with COMAC’s assessment that Ghana’s downstream petroleum market remains significantly over-licensed, with more than 229 oil marketing companies (OMCs) and liquefied petroleum gas marketing companies (LPGMCs), many of which are either dormant, non-operational, or persistently non-compliant. The retention of active licences by at least 53 non-operational entities weakens regulatory discipline, distorts competition, and enables regulatory arbitrage. This oversaturation, combined with weak enforcement, has intensified price-war competition beyond economically sustainable levels, undermining market integrity and financial viability.

2. The market snapshot of ex-pump prices as at 20th January 2026, referencing the NPA floor prices for the 16th–31st January 2026 pricing window, provided by COMAC Ghs9.80 per litre for Petrol and Ghs10.47 per litre for Diesel raises serious regulatory concerns. While some OMCs maintain regular prices above the floor, discounted prices offered by certain players cluster dangerously close to the floor, reflecting aggressive margin compression. More troubling is the observed instance of petrol being sold marginally below the NPA-administered floor price, which constitutes a direct breach of the Price Floor Policy.

3. IES considers any pricing below the floor, however marginal, as a serious regulatory violation, as it undermines the authority and credibility of the NPA, confers unfair competitive advantage on non-compliant players, signals possible tax and levy evasion, and exacerbates systemic financial fragility within the sector.

4. IES further observes that discounted prices are not applied uniformly across OMC networks but selectively by location. This practice directly undermines the NPA’s Price Uniformity Policy and weakens the broader price stabilization framework. Selective discounting fragments the retail

pricing landscape, reduces transparency and complicates regulatory monitoring, concentrates consumer benefits in competitive urban areas while exposing other consumers, particularly in less competitive or rural locations to higher prices, and erodes the functional relevance of the ex-pump floor price as a universal benchmark.

5. The Unified Petroleum Pricing Fund (UPPF) is designed to ensure uniform petroleum prices across the country by equalizing distribution costs, particularly between high-volume urban centres and less accessible or remote locations.

6. IES notes that selective discounting distorts the intended equity function of the UPPF in several ways. Although UPPF contributions are applied uniformly per litre, selective discounting creates unequal effective pricing outcomes, with consumers in competitive urban locations benefiting disproportionately from lower pump prices, while consumers in less competitive or remote area who are the primary beneficiaries of the UPPF, effectively pay higher prices despite contributing to the same fund. This undermines the fairness, transparency, and public credibility of the UPPF as a national price-equalization mechanism.

Call to action enforcement and sanctions

In light of the above, the Institute for Energy Security (IES) calls on the National Petroleum Authority (NPA) to:

- Strictly enforce adherence to the Price Floor Policy, including immediate investigation and sanctioning of any OMCs found to be pricing below the administered floor.
- Enforce the Price Uniformity Policy, particularly against selective discounting practices that distort market transparency and equity.
- Apply proportionate but firm sanctions, including fines, suspension, or licence reviews against OMCs found in breach of pricing and regulatory obligations, including those identified in recent market samples.
- Undertake a structural clean-up of the licensing regime, including the withdrawal of dormant and non-operational licences that weaken competition and regulatory discipline.
- Strengthen monitoring at the retail level to ensure consistency between published prices and actual pump prices.

## Conclusion

IES emphasizes that the price floor was introduced as a stabilizing instrument, not a temporary palliative. Without firm enforcement, pricing discipline, and structural reform, the downstream petroleum market risks descending into a destructive race to the bottom, marked by regulatory non-compliance, fiscal leakages, and long-term harm to both consumers and compliant industry players.



Nii Leshie Avenue,  
Agbogba North Legon,  
Accra

**INSTITUTE FOR ENERGY SECURITY**

Protecting consumers requires protecting the integrity of the market. This can only be achieved through consistent enforcement of existing policies, decisive regulatory action, and a commitment to restoring discipline, transparency, and sustainability in Ghana's downstream petroleum sector.

IES further cautions that the continued operation of the Unified Petroleum Pricing Fund (UPPF) cannot be justified in an environment where price uniformity is not enforced at the retail level. Where NPA is unable or unwilling to enforce price uniformity across OMC retail networks, the continued retention of the UPPF must be reconsidered, as its persistence under non-uniform pricing conditions imposes inequitable costs on consumers and erodes public confidence in downstream petroleum pricing policy.

Issued by:  
Institute for Energy Security (IES)  
Accra, Ghana