



Government of Ghana

Ghana Goes for Green Growth

Discussion document - Summary

The aim of Ghana's National Climate Change Policy Framework (NCCPF): To ensure a climate resilient and climate compatible economy while achieving sustainable development and equitable low carbon economic growth for Ghana.

Why climate change matters

Climate change is a threat to Ghana's development prospects and to its plans to become a middle income country by 2020. While our own contribution to global climate change has been negligible, the impact of climate change on our economy and on our poorest people is already substantial.

Ghana's developmental progress over recent decades has been exceptional, and we can be proud of our progress towards the Millennium Development Goals (MDGs). We are on track to achieve MDG1 – on poverty and hunger – before the 2015 deadline. It is not surprising that many see Ghana as a West African 'success story' and may be unaware of the very real threat that climate change poses to decades of careful investment in development.



“We cannot allow climate change to pull us back. The only way we can go forward, developmentally, is to address its impact and to seize any opportunities it presents.”

H.E. John Dramani Mahama, Vice-President of the Republic of Ghana
Chair, Environmental and Natural Resource Advisory Council

“Climate change is affecting Ghana’s economic output and livelihoods and is a threat to our development prospects. This is now everybody’s business, and all stakeholders need to be part of the response.”

Honourable Sherry Ayithey, Minister of Environment, Science and Technology

Ghana’s response to climate change is important, given our good reputation in so many spheres, from poverty reduction to health. We are unusual: an African country that is high-growth and energy-hungry and, at the same time, vulnerable to climate change and its variability. We are at a point of transition in economic terms and in terms of energy, with emerging oil and gas industries. It is important that we grow our economy in the right way. If we do so, it can only enhance our ability to deliver on our development goals.

The Government recognises that climate change affects every sector, and requires a multi-sectoral response. Climate change is already being mainstreamed into all development strategies, including our Ghana Shared Growth and Development Agenda (GSGDA).

We are now developing a National Climate Change Policy Framework (NCCPF) as part of the work plan of the cross-sectoral National Climate Change Committee, hosted by the Ministry of Environment Science and Technology (MEST). The NCCPF has one aim: to ensure a climate resilient and climate compatible economy while achieving sustainable development and equitable low carbon economic growth for Ghana.

The NCCPF is a key contribution to the strategic objective of the GSGDA: to foster high and equitable levels of growth going towards middle income status. It echoes many of the key themes set out in the Agenda, including the need for equitable development, coordination and harmonisation. The very process of the development of the NCCPF, based on consultation and engagement, is designed to ensure that it is integrated fully into Ghana’s main planning processes at national, regional and district levels.

This discussion paper builds on feedback from consultations with key stakeholders that began earlier in 2010 and uses illustrative examples to spark robust debate and active engagement on this critical issue across society and the economy.



Climate change in Ghana

There is widespread debate in Ghana, as in many other countries, about the shape of climate change in the future. However, climate change is, by its very nature, unpredictable. Given this uncertainty, the NCCPF needs to prepare Ghana for a range of possible futures, providing a bulwark against the climate shocks that already confront us, and helping us to seize any opportunities that climate change presents.

Various models and projections have been applied in Ghana and their precise conclusions vary. They do, however, agree on two key issues. First, there are clear signals of warming in all models. Second, there is uncertainty on rainfall – it may increase or decrease.

What we face is not changes in ‘average’ weather patterns, but changes in the frequency, intensity and timings of weather events. In 2007, for example, 112 mm of rain fell in 24 hours in one town in northern Ghana – 20% of the annual average in one day. It is clear that the way in which Ghanaians experience climatic conditions is changing, and changing dramatically. We are also situated in the centre of one of the world’s most complex climate change regions, with tropical storms, the influence of the Sahel and rising ocean temperatures creating a complex mix of influences on climate patterns.

The development of the NCCPF is a recognition that we cannot afford to wait for a certainty that will never come. Given that the only certainty may be uncertainty itself, policy decisions need to be robust enough to withstand many different scenarios and must be backed by effective monitoring, reporting and verification.

Impact

There is clear evidence that many of our key economic assets – the coastal zone, agriculture and water resources – are affected by climate change, which is also affecting our social fabric in terms of poverty reduction, health and women’s livelihoods. The combined impact is an obstacle to our continued development.

Ghana’s coastal zone, for example, is essential to the economy, with five large cities and significant physical infrastructure. It is, at the same time, extremely vulnerable to flooding.

In the north of the country, the 2007 floods demonstrated how climate change undermines development investments, with 317,000 people affected, 1,000 km of roads destroyed, 210 schools and 45 health facilities damaged, and 630 drinking water facilities damaged or contaminated. Direct emergency funding cost around \$25 million. As this discussion document was being prepared, thousands of people were displaced by floods in the north that killed more than 30 people.

Ghana has made major progress on poverty in recent decades. Poverty persists, however, in the north and in urban pockets and it is the poorest people who bear the brunt of climate change. A north-south poverty divide is exacerbated by climatic stress in northern regions where temperatures are already relatively high. Lower agricultural productivity and flooding are only increasing the pressure to migrate to the South.

The way in which people experience climate shocks varies across different social groups, geographic locations and seasons of the year, with men, women and children all experiencing different levels of hardship and opportunity in the face of climate change. People move in and out of poverty as their circumstances change, and this dynamic situation requires policy responses to climate change that look beyond income measurements to capture the full picture of vulnerability.

Towards a policy framework

Ghana stands at a crossroads. We have only recently become a net emitter of greenhouse gases, but our economic growth requires modernisation, particularly in the agricultural sector. This requires investment in infrastructure and will increase demand for energy, which is likely to result in higher emissions. On the one hand, we have persistent poverty in some areas and among particular groups. On the other, we have the immense potential offered by our new oil and gas industries. The development path that we choose at this moment will set the direction for decades, if not generations, to come.

The National Climate Change Policy Framework (NCCPF) has three objectives:

- Low carbon growth
- Effective adaptation to climate change
- Social development

The achievement of these objectives must be built on seven systemic pillars:

- Governance and coordination
- Capacity building
- Research and knowledge management
- Finance
- International cooperation
- Communication
- Monitoring and reporting

Objectives

Low carbon growth

Ghana is poised to take its economic development to a new level, and has an opportunity to choose a low carbon growth path.



The achievement of economic growth and development could, however, be expected to increase emissions of greenhouse gases. Even a development pathway based on low carbon growth would still result in increased emissions, but not on the scale that would be caused by a 'business as usual', high carbon pathway. In addition, low carbon economic growth would generate significant development benefits. In the short-term, low carbon alternatives may reveal direct business opportunities and cost reductions.

Low carbon growth would also open up access to international funding through, for example, Reducing Emissions from Deforestation and forest Degradation (REDD). And in the long-term, it would create a more robust economy that is better able to withstand many shocks and stresses.

There could be less reliance on fossil fuels, higher energy efficiency and increased use of renewable energy which could lead to improved international competitiveness. Energy could

be generated from waste, agricultural residues and biomass. It could also mean better city planning and a more modern public transport infrastructure. We have emerging oil and gas industries. There is expected to be enough gas in the Jubilee oil field, for example, to generate around 30% of our current electricity needs.

Ghana aims to generate 10% of its energy from renewable resources by 2020 and is developing a proposal for its own Renewable Energy Fund. It may well be possible to attract international support for low carbon initiatives via our Nationally Appropriate Mitigation Action (NAMA) or through the carbon market.

With adequate financing, strong capacity building and solid data, we could be well placed to become an early mover in West Africa on low carbon growth.

Adaptation

Adaptation to climate change is crucial to help us cope with its impact and is a key objective within our Shared Growth and Development Agenda (GSGDA). Four areas illustrate the wide range of adaptation issues in Ghana, showing why adaptation matters for economic and social development: infrastructure; natural resources; agriculture and food security; and disaster preparedness and response.

The GSGDA sees infrastructure development as important for economic growth and poverty reduction. The challenge is to ensure that our infrastructure is 'climate-proof', meaning that it will keep working to support economic growth, whatever the future weather conditions. What may be needed is a mix of large and small initiatives, from large-scale infrastructure adaptation to small-scale village level initiatives such as rainwater harvesting.

Climate change is a risk to the natural resources that are critical to our economic well-being. The forestry sector, for example, employs approximately 2.5 million people and contributes about 6% to our national GDP. Our natural resources are, however, being depleted at an alarming rate, according to the 2006 Country Environmental Analysis, with fears that we could lose our natural forests in 23 years. Almost 70% of our total land surface is now prone to soil erosion, and hard-pressed farmers are resorting to slash-and-burn practices that have converted more than 50% of our original forest to agricultural land.

On a positive note, our forests remain relatively well managed in regional terms – the result of 40 years of steady development support and government focus, including a new emphasis on plantation development. Ghana is attracting funding for the REDD+ agenda (which includes conservation, sustainable forest management and the enhancement of forest carbon stocks): it has been selected as a Forest Investment Program pilot country and is set to receive significant funding over four years.

Agriculture remains the backbone of the Ghanaian economy. Small-scale farmers, most of them reliant on rainfall for their crops, account for about 80% of domestic agricultural production and are vulnerable to the impacts of climate change. The Government aims to modernise the sector – a crucial step on the road to middle income status – which will require a transformation of current agricultural practices, as well as more energy and water to support large-scale irrigation and mechanisation. The improvement of land management practices could ensure the greatest benefits for the poorest smallholders, removing the incentives for deforestation and improving household food security.

Ghana reduced hunger by nearly 75% between 1990 and 2004, but food security remains a crucial issue, with 18% of our children under five still underweight. The potential impact of climate change on the agricultural sector is a major cause for concern for a country that needs a well-nourished and productive population to achieve middle income status.

More than 80% of the disasters in Ghana are thought to be the result of climate-related impacts: flooding, drought, pests, disease outbreaks, wind storms and extreme weather events that contribute to climate-induced migration. Climate change means less predictable weather, and a shift in both the intensity and frequency of weather events. As a result, knowledge of previous extreme weather patterns may no longer be a reliable guide to the future. The ambition, therefore, is to build a climate-resilient society – a society that can rely on effective early warning systems, where every citizen understands climate hazards, and where the emphasis is on preparedness and prevention, rather than traditional disaster response.

Social development

The Government of Ghana aims to create a more coherent, equitable and integrated society – crucial for the achievement of middle income status by 2020 – and climate change is a threat to this process. The human impact of climate change falls, for the most part, on the poorest: the urban poor living in low-lying and flood-prone areas, the rural poor who rely on groundwater for water supplies supply, and – very often – women and children. While poverty has fallen dramatically in recent years, rural poverty has deepened and the gap between the rich and poor has widened, with implications for poverty, equity and gender issues.

Whatever the eventual shape of climate change, it is clear that it can only magnify existing social pressures, such as the pressure to leave rural areas and migrate to towns and cities. Ghana's rain-fed agriculture is likely to become more fragile and, without alternative forms of income, the rural-urban drift will increase. The impact on women is of particular concern.



What happens to women matters to our economy, as they produce 70% of our subsistence crops, account for 52% of our labour force and contribute 46% of our total GDP. They tend to be responsible for household water, fuel and food, and dependent on local natural resources for their livelihoods – all areas at risk as a result of climate change. At the same time, they have difficulties in accessing land, formal financial services and collateral. Attempts to address gender concerns in relation to climate change must look beyond the immediate impact to address underlying gender inequities.

Measures such as social protection to smooth out inequities and build a more cohesive society are vital for climate resilience and, therefore, for our national development.

Supporting pillars

Governance and coordination

Governance and coordination are central to a future NCCPF, which will aim to enhance coordination, with clear mandates and roles for different stakeholders, including the policy oversight role of the Ministry of Environment, Science and Technology, the coordination of climate finance by the Ministry of Finance and Economic Planning, and measures to support small farmers and safeguard food security by the Ministries of Agriculture and Health.

There is also a need to synchronise the current approaches and initiatives on climate change. The establishment of a statutory coordination unit, in the form of a dedicated National Climate Change body, would help to reduce duplication and draw out synergies, overseeing climate-related policy areas and coordinating activities.

Governance mechanisms are needed to ensure coherent, cross-sectoral action for three key reasons. First, to ensure that local level priorities are addressed. Second, to ensure the transparency and openness of the responsible agencies. And third, to allow public participation and access to information. As a result, climate change actions would benefit from the lessons learned in other areas, incorporate important coordination actions and, very importantly, reflect the critical needs of the most vulnerable people. The NCCPF process aims to create a broad constituency that goes beyond government to include the private sector, non-governmental organisations (NGOs), Parliamentarians and other key stakeholders.

Capacity building

Climate change poses new challenges to Ghana's existing capacity, and it is clear that people and institutions need to respond in new ways. Ghana is taking action to address national capacity gaps, but faces continued challenges related to institutional capacity and interaction. Given the wide impact of climate change, capacity building needs to be rolled out across many sectors, including the private sector, the media, non-governmental organisations and communities. We also need highly skilled climate science capacity to inform development planning.

Research and knowledge management

Ghana has many climate-related research needs, not least the pressing need for better projections on the possible impact, backed by effective knowledge systems to guide strategy, planning and practice. In addition to research on climatology and meteorology, we need more information on what works for people, and have a wealth of traditional knowledge that needs to be tapped and documented. There is a proposal to establish a Research Centre on Climate Change to fill a number of these research and knowledge gaps.

Finance

Ghana needs substantial additional resources to respond effectively to climate change. While exact estimates vary, it is clear that resources need to flow faster and on a large scale if development is to be safeguarded in the context of climate change. Ghana is well placed to make good use of climate finance, given its credible Public Financial Management system and its experience on blending support from donors with national resources to address national priorities. We already set our development agenda, and climate finance should be treated in the same way.

International cooperation

Ghana is part of the international response to climate change and has helped to structure the new adaptation finance mechanism. We have a respected role within the Africa Group in climate change negotiations and our track record on forest governance is now linking us to global REDD+ processes. We are already engaged in South-South interaction with, for example, Brazil, China and India. Equally, we welcome, and make good use of, international support to address the impacts of climate change.

Communication

Communication is vital to ensure that all stakeholders are truly engaged on climate change. Communication ‘business as usual’ is not enough – raising our efforts to a new level of innovation around climate change means developing a more comprehensive approach to communication to ensure that we reach the right people, with the right messages, in the right way.

Monitoring and reporting

Monitoring and reporting are essential to ensure effectiveness and accountability of climate change actions. Three aspects stand out: the monitoring and evaluation of resource use by existing initiatives; the monitoring of climate change and its impacts to plan and track targeted intervention; and the concept of ‘Measurement, Reporting and Verification’. MRV is emerging from international climate negotiations and is relevant for Ghana, which receives international support for its voluntary contributions to tackle climate change. The concept includes tracking whether the promised international support is being provided, and monitoring climate change interventions and their impact on emissions.

Next steps

We know that climate change is here, now, and a threat to our development. We know that ‘business as usual’ is no response. The crucial next step in the development of our NCCPF is the full engagement of decision makers and stakeholders across Ghana. Climate change touches every part of Ghanaian society, and every part of society must be engaged in a comprehensive and effective response. As well as engagement at national level, we are actively seeking international support on climate change to safeguard and accelerate our development progress.



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