



# SDG & Climate Financing



## Ghana's Experience

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# OUTLINE

## ○ Financing the SDGs

- Framework for Planning and Budgeting of the NDA
- Mobilisation of funds for Sustainable Development
- Other Initiatives for Financing the SDGs
- SDGs financing through the National Budget
- Challenges

## ○ Climate Financing

- Ghana's Climate Commitment and Global Role
- Ghana's Financial Strategy and NDC Goals and more



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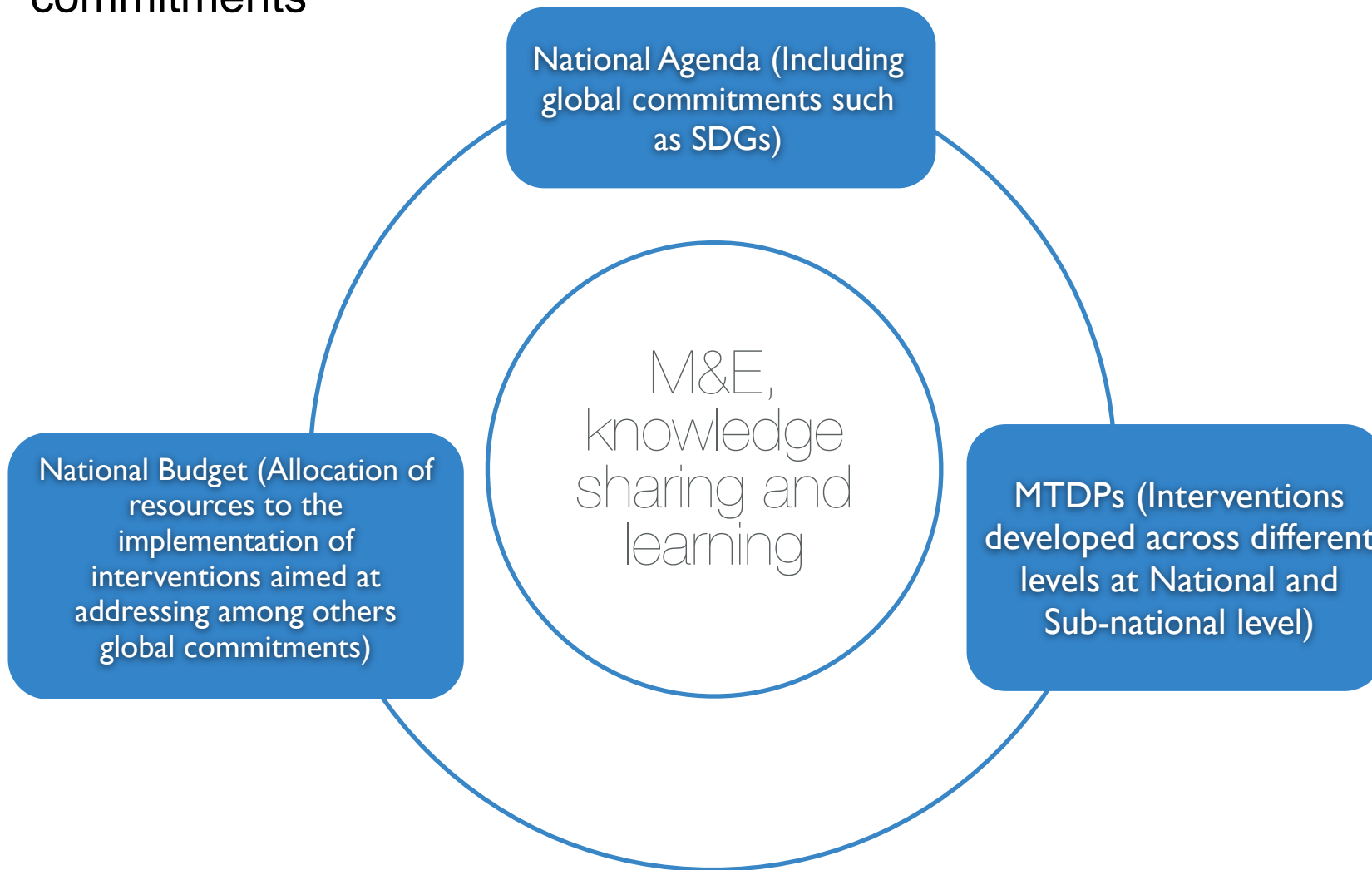


# Financing the Implementation of the SDGs in Ghana



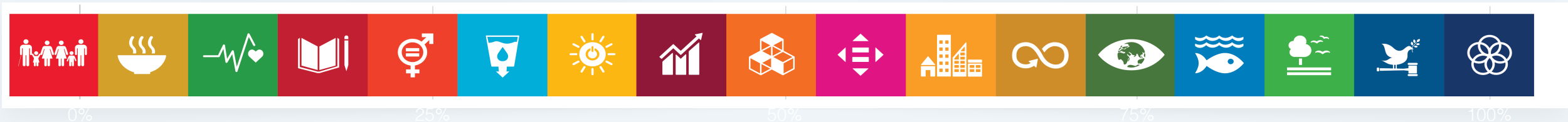
# 1 Framework for Planning and Budgeting of National Agenda

Ghana is using the existing decentralized planning system to implement the 2030 Agenda and all continental and global commitments



## ● Source of Funding

ABFA, DF, IGF, Statutory Sources, Government Sources



## 2

## Mobilisation of Funds for Sustainable Development

Ghana has adopted the Addis Ababa Action Agenda (AAAA) as the main framework for mobilization of resources to finance the SDGs. Implementation of the tenets of the AAAA focus on:



### Domestic Resource Mobilisation

- Strengthening revenue institutions and administration
- Reviewing the tax exemptions regime
- Diversifying sources of resource mobilization; and
- Reviewing existing legislation and administrative instructions regarding non-tax revenue and IGFs

Reforms to strengthen domestic resource mobilisation efforts

National Identification Scheme

Tax Identification Number

Broadening the tax base

Protecting low-income earners and the poor

The National Digital Addressing System



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## 2 Mobilisation of Funds for Sustainable Development cont'd.



Enabling Environment  
for Domestic and  
International private  
Business and Finance

- One District, One Factory Initiative (1D1F)
- Ghana Infrastructure Investment Fund setup (GIIF)
- Youth Enterprise Support (YES)
- Microfinance and Small Loans Centre (MASLOC) programme.

Programmes aimed at  
implementing the other thematic  
areas of the AAAA in Ghana

Integrated National and District  
Financing Frameworks

Ghana Development  
Cooperation Policy (GDGP)

Governance Framework  
for PPPs

Enhancement of Ghana Exim Bank Capacity to  
support agriculture and Industrialization for export



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### Country Financing Roadmap (CFR)

The CFR was developed in partnership with the WEF's Sustainable Development Investment Partnership (SDIP)

The CFR is part of the GoG's efforts to identify, quantify and develop strategies to bridge the SDG financing gap in line with immediate and longer-term national development priorities

### Integrated National Financing Framework (INFF)

Ghana became an INFF pioneer country in 2019. This was in recognition that an INFF was a useful tool that serves to prompt and guide our development finance and allows for the prioritizing in sourcing and utilization of development resources

The INFF was developed using a bottom-up approach

**6** Districts have been supported to develop an Integrated Assembly Financing Framework



Ghana developed the SDGs budget tracking system which:

- Maps the SDGs to the national budget using the chart of accounts
- Takes into account Ghana's programme-based budget

With this system, Ghana is now able to



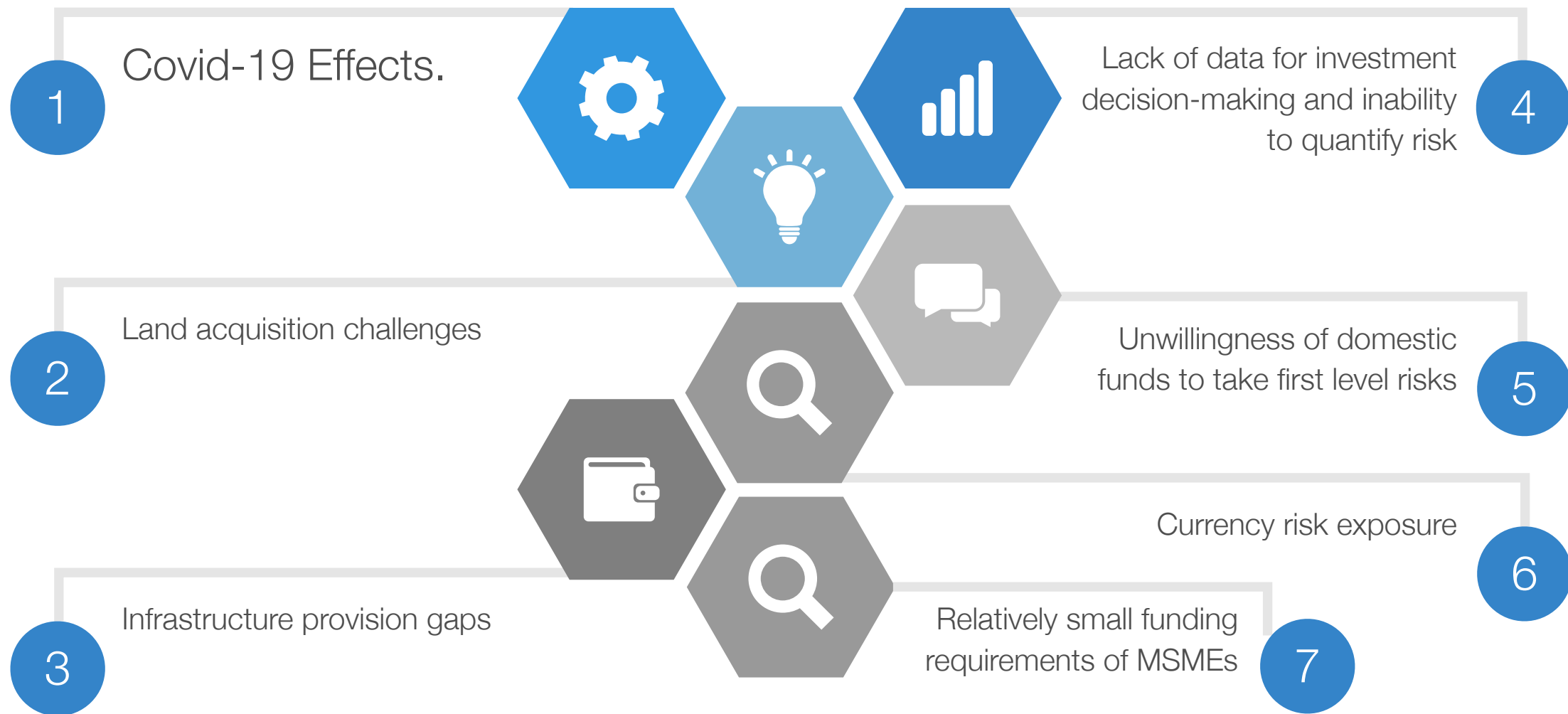
Prepare Cost  
Analysis Reports

Monitor the different  
sources of funding  
(Central Government,  
IGF and DPs) for the  
goals and targets

Track budgetary  
allocation to SDGs  
targets at national  
and sub-national  
levels







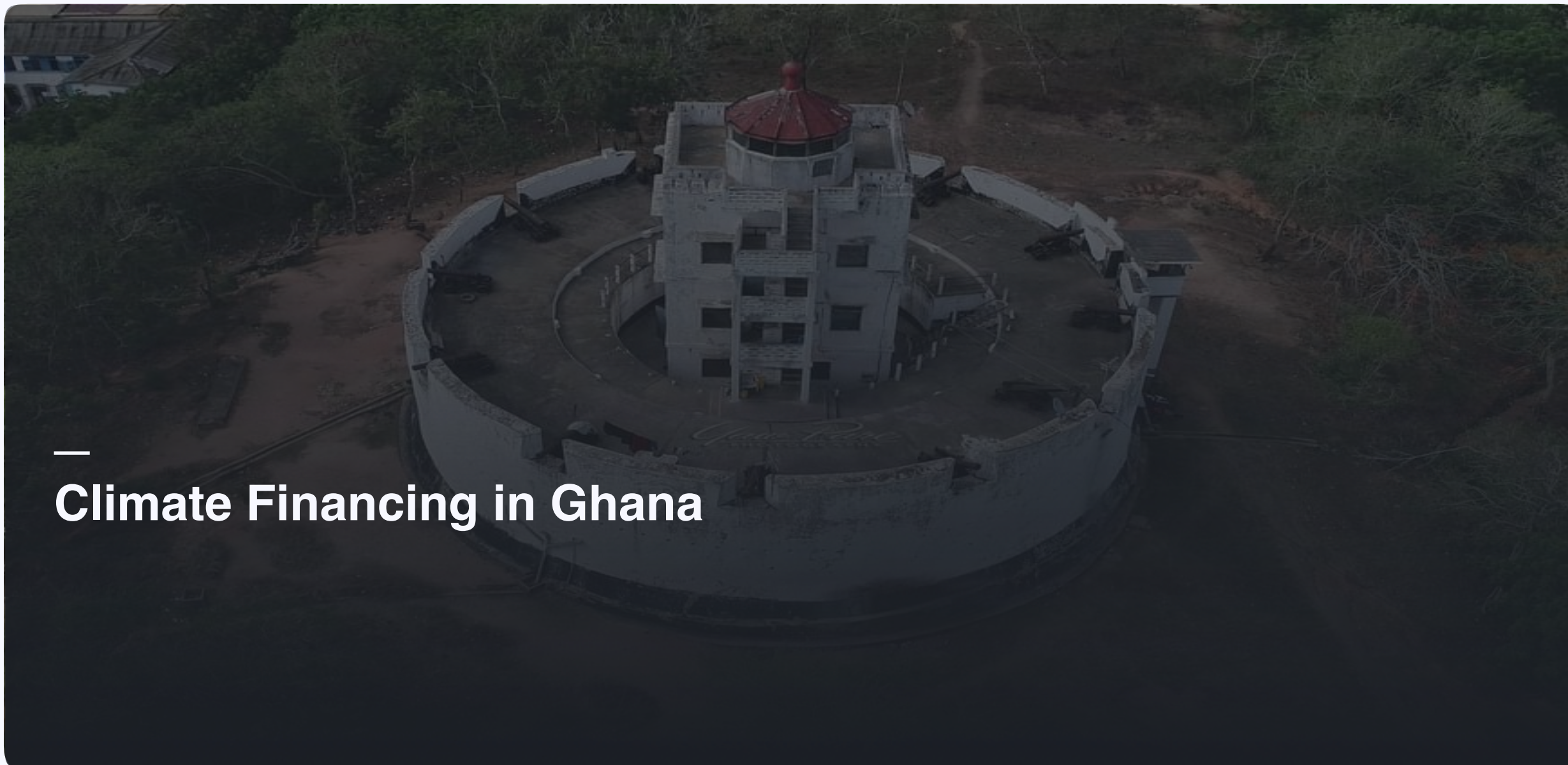
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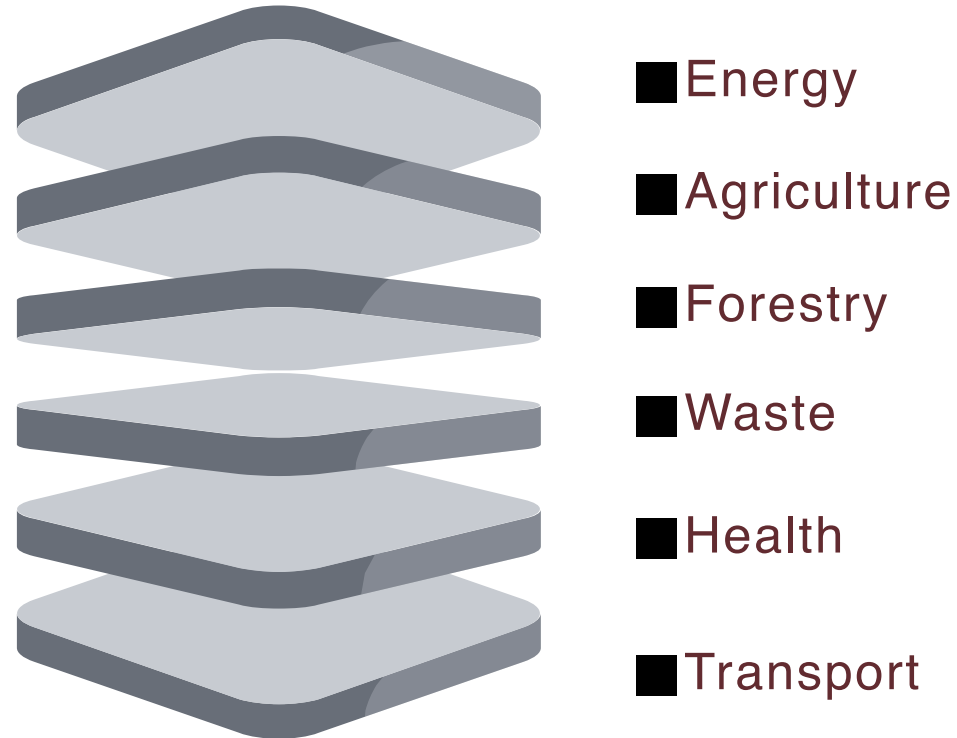
# Climate Financing in Ghana



# 6

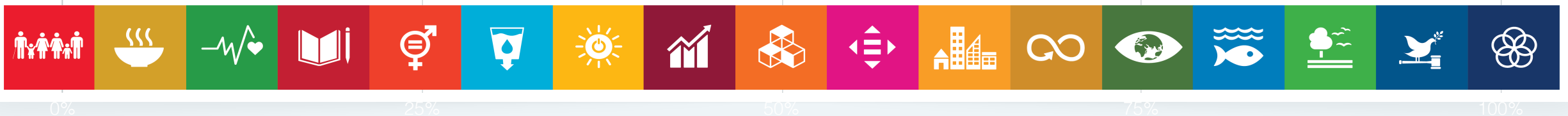
## Ghana's Climate Commitments and Global Role

Ghana's NDCs reflects a dedication to reducing national carbon emissions and enhancing resilience against climate change impacts. The NDCs span across vital economic sectors including



Ghana is implementing 34 specific mitigation and adaptation actions despite its relatively small carbon footprint and the global scale

- Overview of Ghana's NDCs
- Importance of Climate Action in Global Sustainability
  - Sustainability and development
  - Resilience building
- Engagement and contribution to Global Goals
  - Alignment with SDGs: Direct contribution to several SDGs e.g SDG 6, SDG 7 and SDG 13
- Emission Reduction Target: Reduce Greenhouse gas emissions by 15% from 2020-2030



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## Specific NDC Goals for Mitigation and Adaptation

Ghana is focused on reducing emissions through initiatives such as scaling up renewable energy deployment, increasing energy efficiency in industries and households, and promoting sustainable land use practices.

US\$

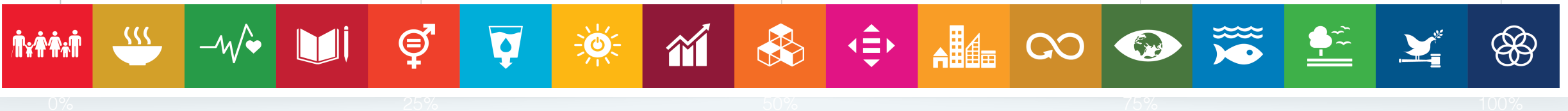
~ **22.6 billion**  
(2020-2030) | Est.

Overall funding requirement

Adaptation strategies include:

- Enhancing the resilience of water resources
- Improving agricultural practices to withstand climate variability; and
- Fortifying coastal and urban infrastructure against extreme weather events

Budget is designed to cover a wide range of activities, from infrastructure upgrades to community-based adaptation projects



## Sources of Funding

Domestic Funding

US\$  
6.3bn

Domestically, Ghana is set to mobilise around US\$ 6.3 billion through Government allocations, public investments, and innovative financial instruments such as green bonds and climate levies

International Funding

US\$  
16.3bn

To be sourced from International partnerships, including contributions from Global Climate Funds, bilateral and multilateral aid, and direct foreign Investments.



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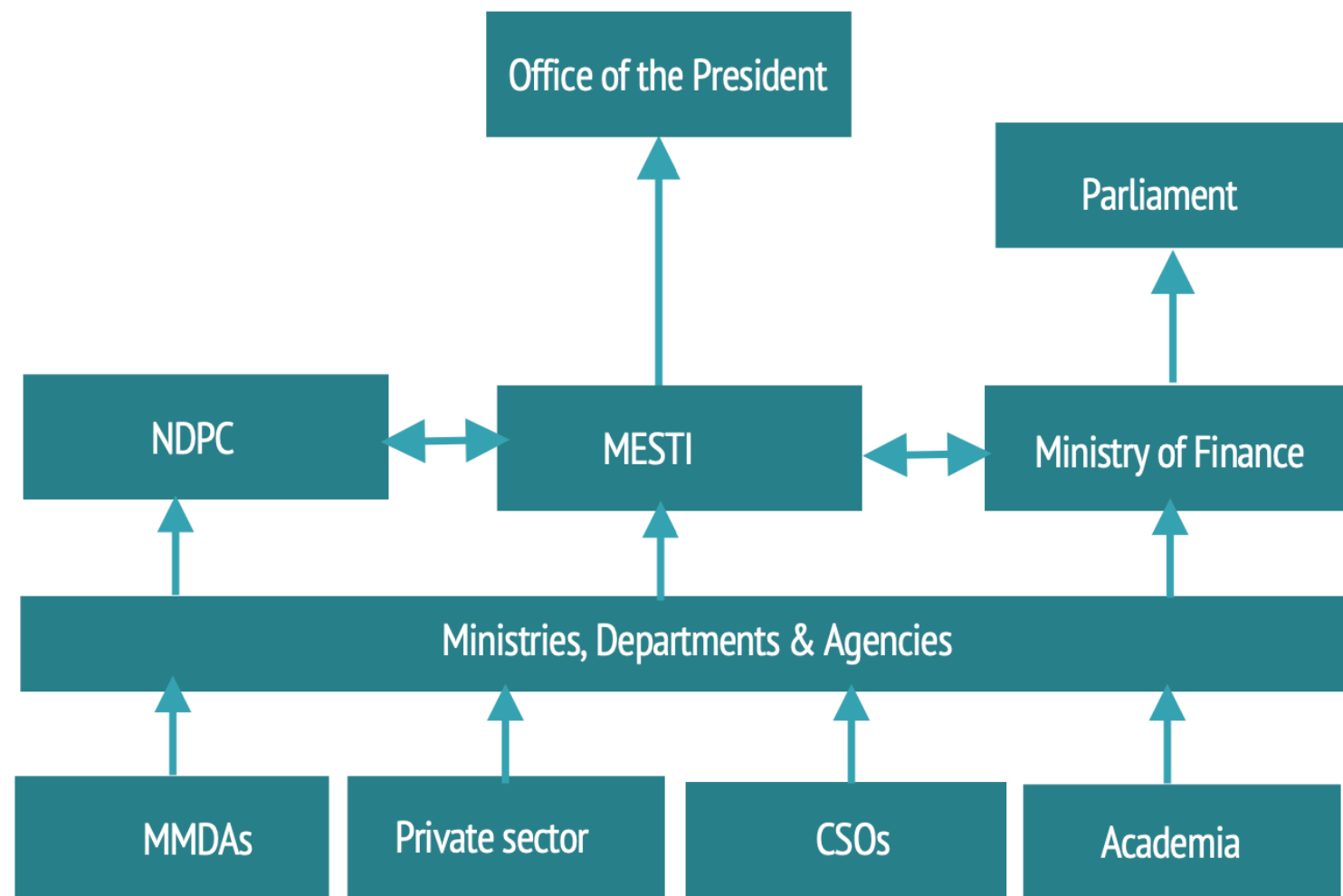
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## NDCs Alignment with National and Sectoral Policies?

Integration with national and sectoral development policies. The alignment has facilitated the creation of synergies between climate objectives and broader development goals

- Integrated Policy Framework
- Sector Specific strategies e.g energy policies and agricultural policies
- Role of Key Institutions



## Examples of Innovative Financing Mechanisms Used



### Green Bonds

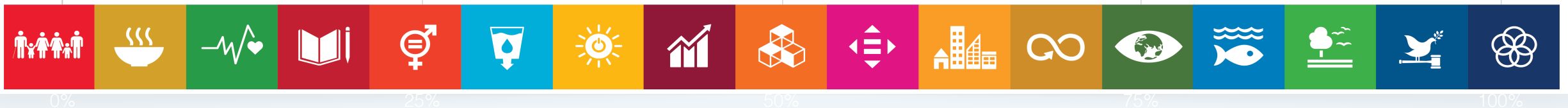
Ghana has utilized green bonds as a strategic financial tool to attract investment towards environmentally sustainable projects. These bonds fund projects that have a positive impact on the environment, such as renewable energy installations and energy efficiency improvements



### Climate Investment Funds

Engagement with global climate funds, notably the Green Climate Fund (GCF), has enabled Ghana to secure critical funding for climate mitigation and adaptation projects.

PPPs have been fundamental in scaling up climate initiatives in Ghana. E.g In renewable energy, it has facilitated the installation of solar power plants and small-scale wind projects. In the waste management sector, PPPs have developed infrastructure for recycling and waste-to-energy plants, reducing GHG and creating sustainable urban waste management solutions.



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### Training and Education Programs

Ghana has invested in capacity building initiatives. There are programs like the Renewable Energy Technician Training at Koforidua Technical University.

There are also community-based workshops and seminars which are organized with the aim to raise awareness and educate the broader population about climate change impacts and sustainable practices


### Tech-Transfer Mechanisms and International Collaborations

South-South Cooperation: E.g the TT partnership with Brazil, focusing on bionenergy.


Global Partnerships for advanced technologies

Programmes like the Renewable energy Technician Training have trained over 200 technicians. Similarly, the South-South cooperation with Brazil has introduced advanced bioenergy technologies to Ghana, helping to diversity our energy sources and reduce reliance on traditional fossil fuels.





Ghana believes that the achievement of the SDGs requires us to be strategic in the mobilization of resources. Being prudent in the management of mobilized resources is also crucial if we are to make an accelerated headway in our quest to attain the SDGs. Ghana remains committed to delivering on its SDGs financing initiatives. We believe our journey offers valuable in



On the Climate financing front, Ghana still has a lot more to do. However, we believe our journey offers valuable insights giving the experience we've had since 2015 when we signed onto the NDCs. We remain committed to our climate objectives and to support International efforts aimed at mitigating climate change



# Status of Green Climate Fund in Ghana

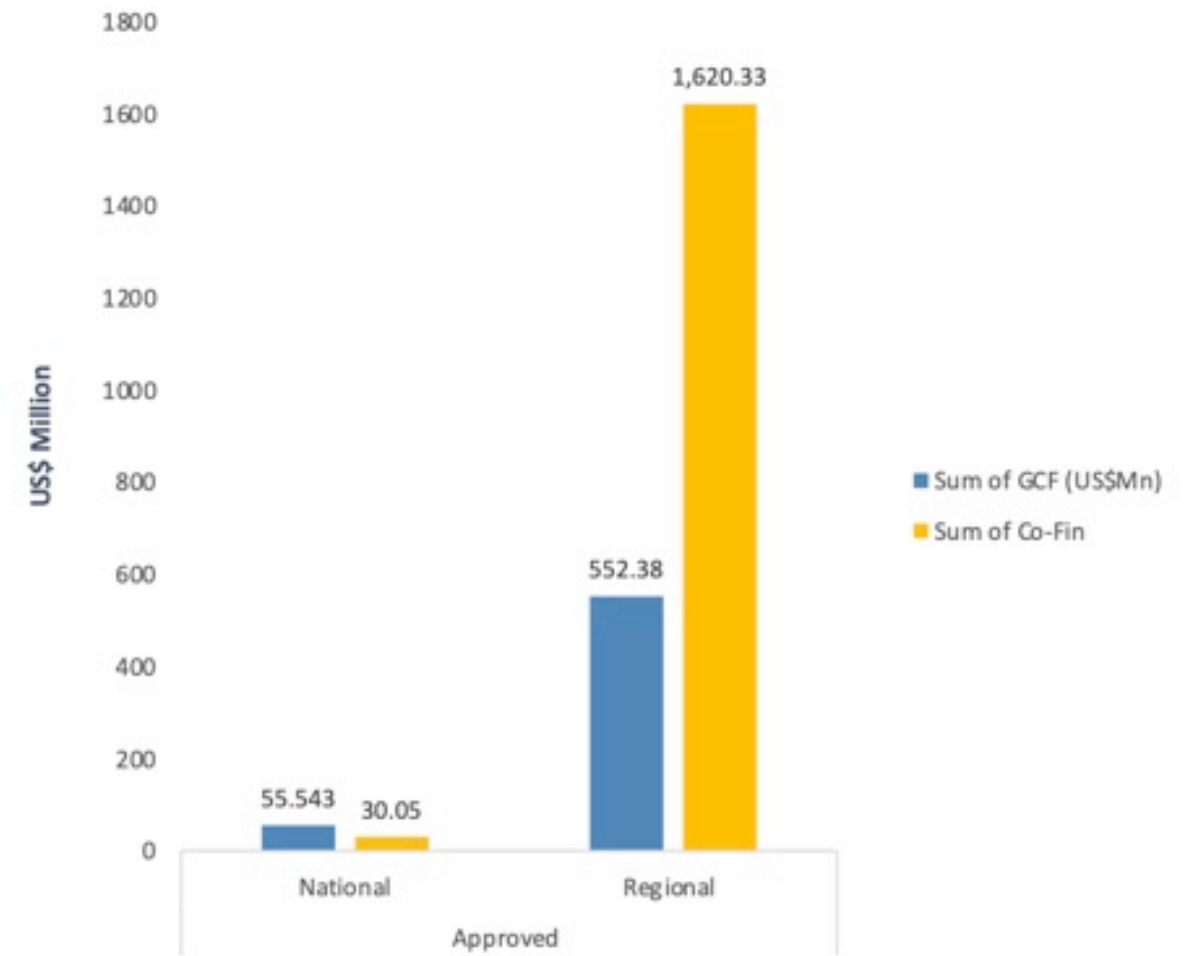
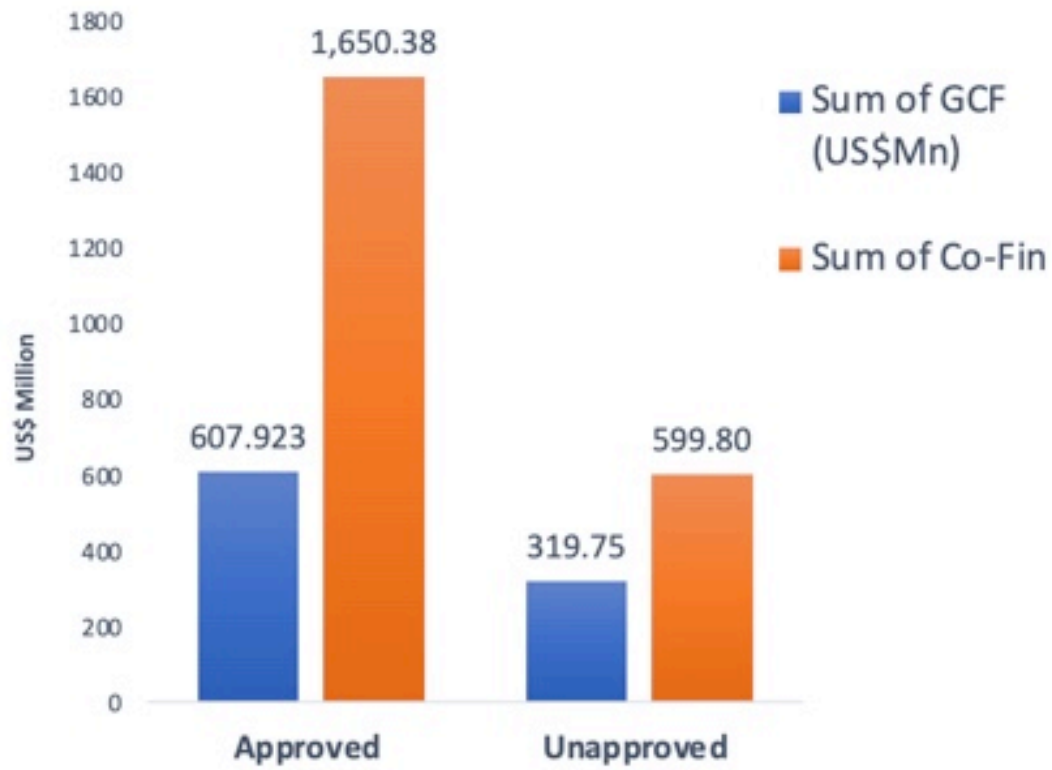
- Ghana formally became a GCF-ready country in 2015.
- MoF is the National Designated Authority (NDA).
- Ghana has since submitted 21 proposals to seek funding from the GCF.

Project Category	Count of Project	Sum of Total US\$m
Approved Project for Single Entity	7	2,251.56
Pipeline- CN	2	402.00
Pipeline- FP	3	490.55
Pipeline- SAP-CN	1	16.00
Pipeline- SAP-FP	1	11.00
PPF Approved	2	1.99
Readiness- Approved	5	4.75
<b>Grand Total</b>	<b>21</b>	<b>3,177.85</b>

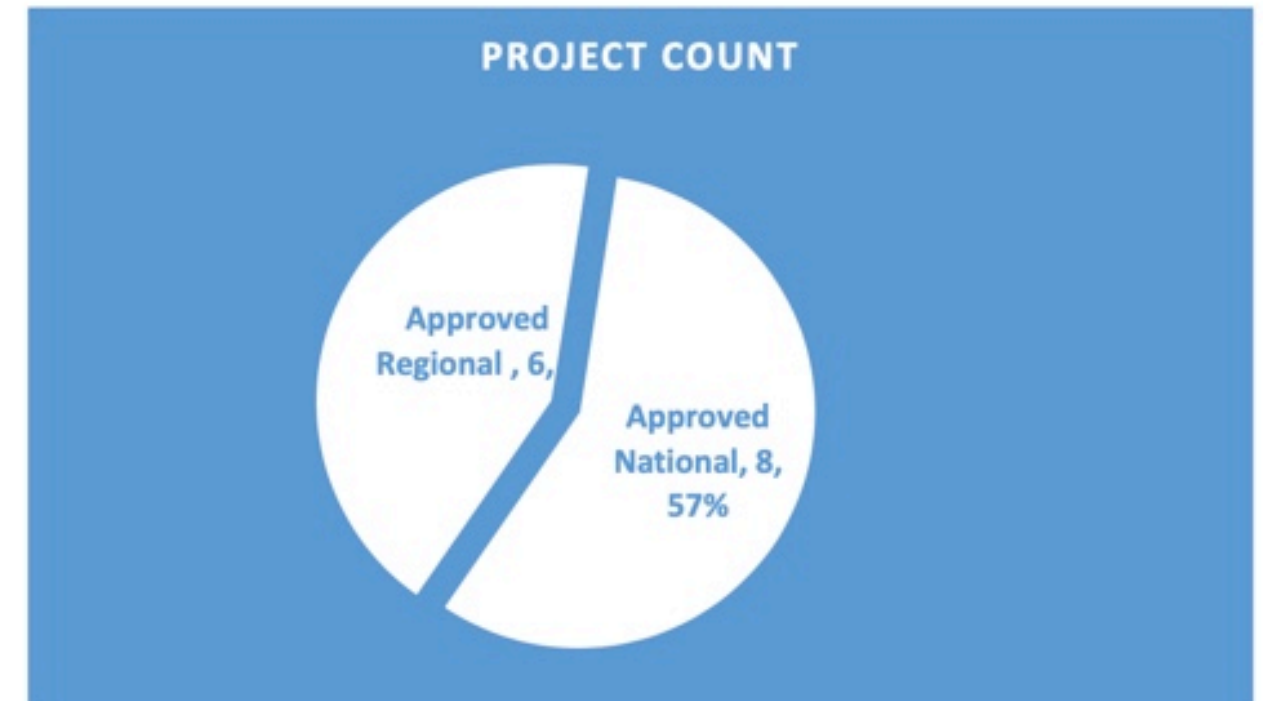
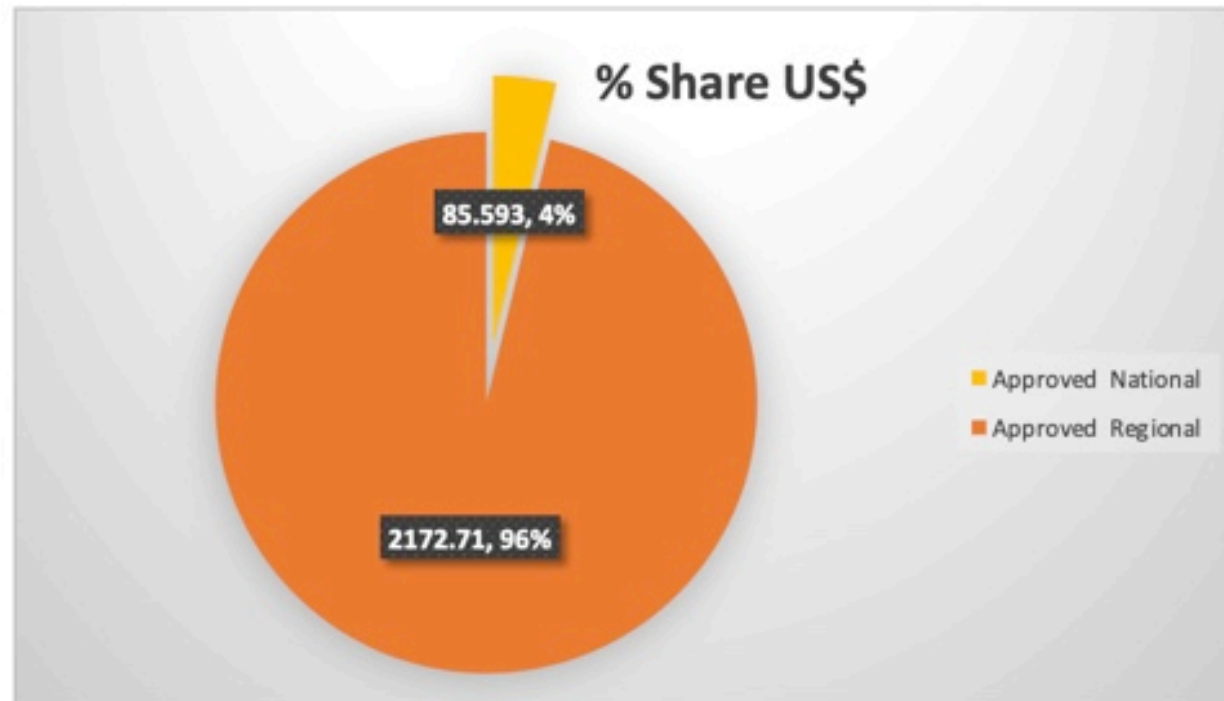




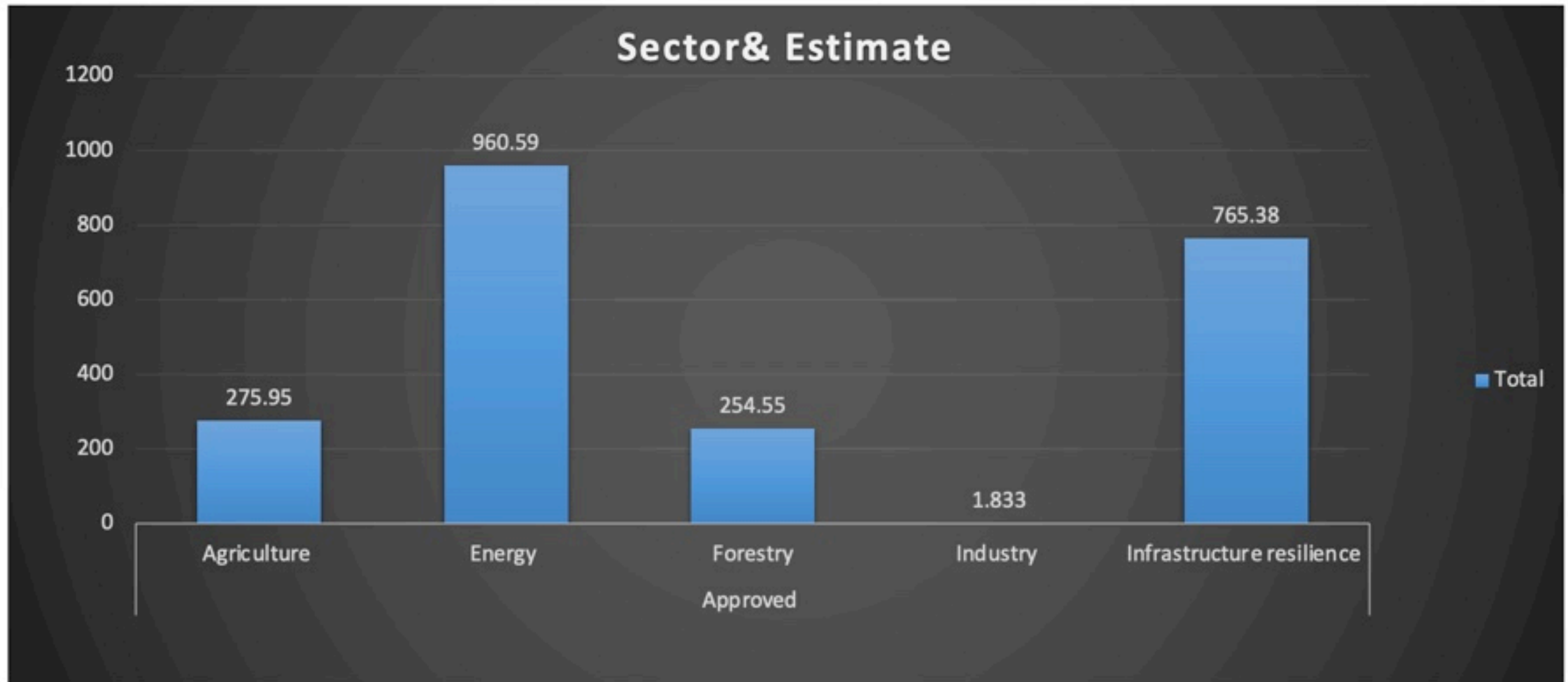
# 2017 – 2023 GCF Approved vrs Unapproved projects/ Programs



# 2017 – 2023 Green Climate Fund Share National / Regional



# Sector Specific



# Approved number of programs and projects



# Approved Project For Single Entity

SNR	Project	Theme (Adapt/Mit)	Level of Implmt (Regnl & Natl)	Sector Specific	Executing Entity	GCF (US\$Mn)	Co-Fin	Instrument	Total (M\$)
1	Acumen Agricultural Fund (Regional project)	Adaptation	Regional	Agriculture	Demand Driven	23	33	Loan&Grant	56
2	Programme on Affirmative Finance Action for Women in Africa (AFAWA)	Cross-cutting	National	Agriculture	Ecobank Ghana	20	5.6	Loan&Grant	25.6
3	Arbaro Fund – Sustainable Forestry Project (Regional project)	Mitigation	Regional	Forestry	Micro Ltd**	25	175	Equity	200
4	Ghana Shea Landscape Emission Reduction Project	Cross-cutting	National	Forestry	Forestry Comm.	30.1	24.45	Grant	54.55
5	Inclusive Green Financing Initiative (IGREENFIN) (Regional project)	Cross-cutting	Regional	Agriculture	ARB Apex Bank	78.42	112.01	Loan&Grant	190.43
6	Infrastructure Climate Resilient Fund	Adaptation	Regional	Infrastructure resilience	MOT	253.76	511.32	Loan&Grant	765.08
7	Leveraging Energy Access Finance Framework (LEAF) project (Regional project: Nigeria, Kenya, Ghana, Tunisia, Ethiopia, Guinea)	Mitigation	Regional	Energy	Min. of Energy	170.9	789	Loan&Grant	959.9
	<b>Total</b>								<b>2251.56</b>





# Proposals Awaiting GCF Approval

Snr	Project	Theme (Adapt/Mit)	Level of Implmt (Regnl & Natl)	Sector Specific	Executing Entity	Accredited Entity	GCF (US\$Mn)	Co-Fin	Instrument	Total
1	Decarbonization of industry in Ghana	Mitigation	National	Industry	UNIDO	UNIDO	8		Grant & 8 Guarantee	16
2	The Africa Program in Ghana	Cross-cutting	National	Infrastructure resilience	N/A	CDP	82		Grant & 120 Guarantee	202
3	Emergent Forest Finance Accelerator: Mobilizing private and public capital to reduce emissions from tropical deforestation	Mitigation	Regional	Forestry	N/A	CI	60		Grant & 350.8 RB-paymt	410.8
4	Building climate resilience of the agriculture sector in Ghana through improved climate information and early warning services	Adaptation	National	Agriculture	Water Resources Com.	UN Env.	10		1 Grant	11
5	Greater Accra Resilient & Integrated Development Project	Adaptation	National	Infrastructure resilience	Min of Works & Housing	World Bank	100		Loan&Gra 100 nt	200
6	Climate-resilient landscapes for sustainable livelihoods in Upper East and Upper West Regions	Adaptation	National	Agriculture	MOFA and EPA	UN Envir	44		5 Grant	49
7	Accelerated Solar Action Programme (ASAP)	Mitigation	National	Energy	Energy Commission	Ecobank Ghana	15.75		Loan&Gra 15 nt	30.75
	<b>Total</b>									<b>919.55</b>



# Challenges / Barriers

1. Fiduciary Requirement by the Funding Source;
2. Climate Rational;
3. Making a Business Case;
4. Lack of Adequate Historical Scientific Data;
5. Co-finance;
6. Matching Project Design, project objectives and Concept note with the appropriate fund; and
7. Lack of Project preparation Resources.



— — End — —

Thank you for your attention.

