

CLIMATE CHANGE LEGISLATION IN

Ghana

AN EXCERPT FROM

The 2015 Global Climate Legislation Study **A Review of Climate Change Legislation in 99 Countries**



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Ghana

Legislative Process

The Republic of Ghana is a constitutional democracy, whose constitution was approved in 1992. Its legal system is based on English common and customary law. The President is both the head of state and the government. The cabinet consists of the president, the vice-president and 10-19 ministers (The Council of Ministers) who are nominated by the president and approved by parliament. A unicameral 275-seat Parliament elected for four-year terms serves as the legislature and carries out all primary legislative functions – passing bills that require the assent of the president, before becoming law. Ghana's last general election was held in December 2012 to elect a president and members of parliament in 275 electoral constituencies; the next elections should take place in 2016.

All bills presented to Parliament include an “explanatory memorandum” that sets out the “policy and principles of the bill, the defects of the existing law, the remedies proposed to deal with those, and the necessity for its introduction”. If the cabinet then approves the memorandum, the sector ministry is informed. If the legislation was initiated by a different ministry, that ministry is notified of the decision. The chief director of the ministry concerned produces a set of drafting instructions for the attorney general. The Parliamentary Counsel (Legislative Drafters) will then begin drafting the legislation using the Cabinet Memorandum and drafting instructions in conjunction with the attorney general, who uses consultations to obtain additional information and analysis prior to producing the final draft. This draft is then sent to the sector ministry for revision and approval, before being sent to the cabinet for review. If the cabinet assents, it is sent to the president for approval before becoming law. Legislation passed by the Parliament are labelled “Acts”.

Approach to Climate Change

Ghana ratified the UNFCCC in 1995, submitted its first and second communications in 2000 and 2011 respectively and is in the process of preparing the third. GHG emissions increased 107% between 1990 and 2006; nevertheless they represent about 0.05% of global GHG emissions. Climate change priorities are gaining momentum in the political sphere and across economic sectors.

In 2010 the Government published “Ghana Goes for Green Growth: National Engagement on Climate Change”. This document paved the way for the adoption of the National Climate Change Policy Framework in 2011, and the National Climate Change Policy (NCCP), approved by the Cabinet in 2013. The NCCP aims to promote a low carbon development, increase policy coherence on climate change, and increase Ghana's attractiveness to funding for mitigation

strategies such as REDD+. It acknowledges that economic modernisation will increase emissions but argues that the new development path will reduce emissions against the BAU baseline through energy waste reduction, better infrastructure and improved public transport. Its five priority areas are: agriculture and food security; disaster preparedness and response; natural resource management; equitable social development; and energy, industrial and infrastructural development.

The Environmental Protection Agency (EPA) under the Ministry of Environment, Science and Technology (MEST) is responsible for co-ordinating the climate change activities and carrying out GHG inventories. EPA has a National Climate Change committee made up of representatives from ministries, universities, research institutions private sector and NGOs. A Designated National Authority for CDM has been established under the MEST. The Ministry of Finance has also set up a climate change desk to support related activities.

The Second National Communication lists more than 30 projects in sectors including energy, transport, forestry and institutional strengthening; examples include the Ghana Cocoa Carbon Initiative funded by the Rockefeller Foundation, the Carbon Finance Project funded by the World Bank and the Vehicles Emissions Programme by the EPA.

Energy supply

The energy mix is dominated by biomass (wood and charcoal) at 65.6%, petroleum products at 26% and electricity at 8.4%. Electricity is mainly provided from hydro-electric sources. The discovery of offshore oil reserves was announced in 2007, encouraging expectations of a major economic boost. The Jubilee oil field, where production began in 2010, is expected to provide enough energy to meet 30% of Ghana's current electricity demand.

Initiatives promoting renewable energy date back to the mid-1990s and include the GEF-sponsored 'Renewable Energy-Based Electricity for Rural, Social and Economic Development in Ghana' Programme. This is being followed by the 'Ghana Energy Development and Access Project'.

Energy Policy Ghana 2010 proposes a significant expansion of its energy infrastructure and supply base to help achieve development goals. The policy proposes measures such as institutional reform, fiscal incentives, financing and competition to double power generation from 2GW to 5GW by 2015, enable universal access by 2020 from the 66% coverage in 2010, and promote the sustainable exploration of the petroleum sector. Within this expansion, diversification of the energy supply base and an increase in renewable energy occupies a prominent role. Ghana is well endowed with biomass, hydrocarbons, hydropower, solar and wind resources that it aims to explore and expand, while also exploring options for nuclear and biofuels.

The 2011 Renewable Energy Act mandates an increase in renewable energy capacity; particularly solar and hydroelectric power generation. Some 10,000 homes in areas that are off the electricity grid have been electrified through the provision of photovoltaic panels.

The Second National Communication (2011) brings targets for the use of renewables in order to promote mitigation measures. These include: replacing biomass with LPG at a rate of 10% from 1995-2020; a gradual increase in solar PV capacity; 15% of rural electrification to come from decentralised renewable energy by 2015, expanding to 30% by 2020; reducing average wood fuel energy intensity per household by 30% by 2015 and by 50% by 2020; reducing firewood intensity per rural household by 10% by 2020; achieving 1% solar energy in hotels, restaurants and big kitchens using solar water heaters by 2015 and 5% penetration by 2020; and 10% increase of biogas in cooking from 2010 to 2020.

Energy demand

Ghana's need for sustained economic growth is bound to increase its energy consumption in the coming years. Currently oil products account for 29% of total energy used in 2000, with biomass and electricity counting for 60% and 11% respectively. In 2006, the energy sector accounted for 41% of the total emissions (with transport and residential property dominating). According to the Energy Policy document of 2010, demand for fuel wood and charcoal is estimated to grow at 3%, electricity at 6-7%, petroleum at 5% per annum.

Energy demand policies include fiscal incentives, increasing public awareness, pricing mechanisms, improving institutional and human resource capacities and financial intermediation to increase efficiency and promote conservation. Specific measures include: discontinue the use of high energy consumption vehicles and inefficient electrical equipment and appliances; reducing petroleum consumption in transportation (road transport accounts for 93% of fuel use from 2000-2004); reducing electricity transmission and distribution losses (in the electricity distribution, systemic losses are about 25% while wastage is estimated at 30%); promoting more efficient wood fuel equipment for cooking (about 90% of rural households), and establishment of a centre for energy efficiency.

The Second National Communication (2011) reiterates Ghana's commitment of 5% reduction in the use of petroleum products and electricity between 2000 to 2004, 10% between 2005 to 2010, 20% between 2011 to 2014 and 50% between 2015 to 2020 (all compared to 2000 as base year). It also proposes that railways shall be deregulated for more efficiency and to enable a nationwide mass transit system. A UNDP supported energy efficiency refrigeration project and a pilot Bus Rapid Transit project are currently being implemented.

REDD+ and LULUCF

Today about 22% of Ghana remains forested. The forestry sector employs approximately 100,000 people and supports the livelihoods of 2.5 million people, contributing about 6% to GDP. Yet forests are being rapidly depleted. The correlation between development and energy consumption, together with Ghana's huge reliance on wood to meet domestic energy demand, suggests that meeting development targets will further increase demand for firewood and put huge pressures on remaining forests. The 2006 Country Environmental Analysis anticipates complete loss of natural forest in or around 2025. Almost 70% of land is prone to soil erosion.

Ghana is participating in the Forest Investment Programme (FIP). Innovations in Ghana's FIP investment plan include provisions for Payment for Environmental Services (PES); creating a rapid response unit for protected areas, illegal logging and wildfire; and developing a carbon benefits-sharing scheme linked to tree tenure. While the investment plan has not been finalised it is anticipated that Ghana will receive in the order of USD50m from the FIP.

Ghana also participates in the Forest Carbon Partnership Facility (FCPF). It is currently in the Implementation Phase of its National Readiness Preparation Proposal (R-PP). REDD+ Readiness started in 2010, including the development of a national REDD+ strategy. Although there is currently no specific REDD+ legislation, forestry programmes are being developed in line with REDD+ such as the REDDES project.

According to the Second National Communication (2011), the government is to embark on an afforestation and rehabilitation of degraded lands programme. The Ministry of Lands and Natural Resources (MLNR) is the lead national entity responsible for overall oversight and direction on REDD+ activities.

Adaptation

About 70% of the population depends directly or indirectly on agriculture (fisheries, crop and animal farming) and the forest sector. Consequently, based on a 20-year baseline climate observation, it is forecast that because of climate change, yields for maize and other cereal crop will fall by 7% by 2050. There is high dependence on rain-fed agriculture (under 1% of cultivated land is irrigated) that is vulnerable to flooding, erratic and falling rainfall patterns. It is expected that these changes could make most of the country unsuitable for the predominant crop, cocoa. Threats to food security, land degradation, deforestation, rural-urban migration, flooding and erosion of coastal urban zone are also identified as key vulnerabilities.

A National Climate Change Adaptation Strategy (NCCAS) was developed in 2012 with the support of UNEP-UNDP and the Danish Ministry of Foreign affairs. The document outlines strategies to increase climate resilience, decrease the vulnerability of the population, deepen awareness, draw from funding

opportunities, and facilitate mainstreaming of disaster risk reduction to national development frameworks. It proposes to build capacity in the area of infrastructure and knowledge to deal with climate change impacts and reduce vulnerability in key sectors, ecosystems, districts and regions of the country.

In addition, the National Development Planning Commission and The National Disaster Risk Reduction Organisation are facilitating initiatives to mainstream Climate Change and disaster risk reduction from national to district planning levels. A guidebook on this has been developed, and pilot project is being implemented in 10 districts.

Ghana: Legislative Portfolio

Name of law	Renewable Energy Act
Date	December 2011
Summary	<p>The Act's objective is to provide for the development, management and utilisation of renewable energy sources for the production of heat and power in efficient and environmentally sustainable manner.</p> <p>Distribution utilities and bulk electricity consumers are obliged to purchase a proportion of their energy from electricity generated from renewable energy. A Feed-in-Tariff guarantees the price of electricity generated from renewable energy resources.</p> <p>The Act establishes a fund to provide financial resources for the promotion, development and utilisation of renewable energy resources. Funds are to be used for capacity building, provision of financial incentives, feed-in-tariff, capital subsidies and equity participation for:</p> <ul style="list-style-type: none">• Grid interactive renewable electricity.• Mini-grid and off-grid renewable power systems for remote areas and islands.• RE projects for non-electricity purposes. <p>and the promotion of:</p> <ul style="list-style-type: none">• Scientific and technological research.• Research into the establishment of standards for the utilisation of renewable energy.• The production of equipment for the development and utilisation of renewable energy.

Name of law	Energy Commission Act
Date	31 December 1997
Summary	<p>The Act established a National Energy Commission to regulate, manage, develop, and utilize energy resources (including hydro power, solar biomass, wind, geothermal and hydrocarbon) and control granting of licences for transactions and operations related to electricity and natural gas.</p> <p>The act established an Energy Fund : among its objectives are</p> <ol style="list-style-type: none">1. The promotion of energy efficiency and productive uses of electricity, natural gas and petroleum products2. Promotion of projects for the development and utilisation of renewable energy resources, including solar energy

Ghana: Executive Portfolio

Name of Policy	National Climate Change Policy (NCCP)
Date	12 September 2013
Summary	<p>The National Climate Change Policy (NCCP) outlines the vision and objectives with respect to effective adaptation, social development and mitigation. Its aim is “to ensure a climate-resilient and climate-compatible economy while achieving sustainable development and equitable low-carbon economic growth for Ghana”. It acknowledges that economic modernisation will increase emissions but argues that the new development path will reduce emissions against the BAU baseline through energy waste reduction, better infrastructure and improved public transport.</p> <p>The NCCP’s emphasis is on climate resilient development pathway as well as on low carbon growth. It proposes to integrate traditional knowledge with the current and emerging knowledge to tackle climate change. It proposes the establishment of a dedicated climate change research centre.</p> <p>It outlines five priority areas to improve food security, to increase infrastructure and communities’ resilience, to improve environmental management practices and ecosystems for greater biodiversity, to improve economic growth. Five unique focus areas are:</p> <ul style="list-style-type: none">• Agriculture and food security• Disaster preparedness and response• Natural resource management• Equitable social development• Energy, industrial and infrastructural development <p>The Ministry of Environment, Science, Technology and Innovation is the main monitoring the implementation agency. It proposes to establish a secretariat of appropriate technical and professional competence. Further, The National Environmental and Natural Resources Council, chaired by the Vice President, will also have an oversight.</p>

Name of Policy	National Climate Change Adaptation Strategy
Date	15 November 2012
Summary	<p>The National Climate Change Adaptation Strategy (NCCAS) was released by a joint venture between UNEP/UNDP supported by the Danish Ministry of Foreign affairs. The document outlines strategies to increase climate resilience, decrease vulnerability of population, deepen awareness, draw from funding opportunities, and facilitate mainstreaming of disaster risk reduction to national development frameworks. It proposes to build capacity in the area of infrastructure, knowledge to deal with climate change impacts and reduce vulnerability in key sectors, ecosystems, districts and regions of the country. The National Climate Change Committee within the EPA (in MEST) is mandated to serve as the implementation agency of the NCCAS with the sub-national level institutions. It mandates town and area councils and unit committees to prepare their own climate change adaptation plans and submit to the District Assemblies to be incorporated into District Plans. It establishes regional co-ordination councils and proposes to link their work with that of the existing disaster management platforms.</p> <p>Its key principles are:</p> <ul style="list-style-type: none">• Adaptation policies to be addressed as part of national development policy framework• Stake holder participation• Promotion of sustainable development and poverty reduction• Long term impacts as the principle means for adaptation• Gender sensitivity• Flexible and iterative• Cross-sectoral integration but not sector wide• Implementation- learning by doing

The strategy proposes early warning systems, focus on poor and vulnerable, improved land use management, improving research and awareness, stress on environmental sanitation, managing water resources, agricultural diversification, improved access to healthcare, and enhanced fisheries resource management.

Name of Policy	Ghana Shared Growth And Development Agenda
Date	7 September 2010
Summary	<p>This USD24m programme highlights the importance of addressing climate change impacts within development strategies. The document sets out the key strategy areas for Ghana to adapt to climate change. It aims to combine the goals of mitigation and low carbon development with that of adaptation and development through:</p> <ul style="list-style-type: none">• Ensuring and sustaining macroeconomic stability• Enhanced competitiveness of Ghana's private sector• Accelerated agricultural modernisation and natural resource management• Oil and gas development• Infrastructure and human settlements development• Human development, employment and productivity• Transparent and accountable governance

Name of Policy	The National Energy Policy
Date	2010
Summary	<p>The vision for the energy sector is to develop an 'Energy Economy' that will ensure secure and reliable supply of high quality energy services for all (both urban and rural) homes, businesses, industries and the transportation sector while making significant contribution to the export earnings of the country.</p> <p>The Energy Policy proposes to achieve these objectives through various measures such as fiscal incentives, private participation, institutional reform and capacity building.</p> <p>The Policy outlines goals, challenges and policies including:</p> <ul style="list-style-type: none">• Renewable Energy <p>The Renewable Energy sector covers biomass, solar and wind resources. Biomass policy focuses on improved production and efficient use of biomass. In the longer term it aims to increase regeneration and fuel substitution, and substitute away from biomass towards alternative energy sources.</p> <ul style="list-style-type: none">• Energy Efficiency and Conservation <p>The policy focuses on the application of fiscal incentives, awareness creation, institutional and financial intermediation, and regulation to promote energy efficiency and conservation.</p> <p>The policy sets the following targets.</p> <ul style="list-style-type: none">• In the power sub-sector it proposes to achieve installed power generation capacity of 4,000 MW and also universal access to affordable electricity by 2015• Increase installed generation capacity from the current 1,986 MW to 5,000 MW by 2020• Achieve 80% national electricity access by 2015 and universal access by 2020• Achieve 10% contribution of modern Renewable Energy in the electricity-mix by 2020• Reduce demand on wood fuel from current 66% to 30% by 2020.• Ensure the effective & transparent management of oil and gas revenues• Achieve 90% of local content within 10 years from the commencement of specific energy projects

Name of Policy	Strategic National Energy Plan (SNEP) 2006-2020
Date	2006
Summary	<p>The plan reviews the energy supply structure for Ghana and sets out the energy needs to meet development objectives.</p> <p>Volume one of the SNEP covered the demand from residential; commercial & services sector; agriculture & fisheries; industry and transportation sectors. Volume two covers the supply-side: electricity; petroleum; wood fuels and renewables.</p> <p>The Plan has four sectoral Annexes: Energy Demand Sectors of the Economy; Electricity Plan; Petroleum Plan; and Wood fuels & Renewables Plan.</p> <p>The overall national renewable energy policy target is to attain 10% renewable energy in the national energy mix by 2020.</p>

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