

GOVERNMENT OF GHANA'S INPUT INTO THE NEXT REPLENISHMENT STRATEGIC PLAN OF THE GREEN CLIMATE FUND (GCF)

INTRODUCTION

Climate finance plays a critical role towards building Ghana's resilience to the impacts of climate change and variability. Ghana's transition to a low carbon and climate resilient development pathway requires significant financial investment in interventions that will reduce Green House Gas (GHG) emissions from key emitting sectors- agriculture, energy, forestry, water, waste, industry and climate proof sectors driving the economy and promote human well-being and ecological integrity.

It is, therefore, imperative that Ghana boosts mobilization of adequate and predictable financial resources from domestic and international sources to support its low carbon and climate resilient development.

Following the above, Ghana has established Technical Advisory Committee (TAC) to provide technical support to the National Designated Authority (NDA), formulated her Nationally Determined Contributions (Gh-NDC) and yet to formulate the National Green Climate Fund Strategy to create awareness on the operational modalities of the GCF and Ghana's National Designated Authority's (Ministry of Finance) roadmap for stakeholders in harnessing resources from GCF.

Ghana's priority programmatic areas are reflected in the Country's priority socio-economic sectors and respective interventions identified in the Climate Change Policy and Master Plan. These priority programmatic areas are:

1. Clean Technology and Renewable Energy Development;
2. Forestry- REDD+;
3. Agriculture Forestry and Other Land Use (AFOLU);
4. Energy–Renewable Energy;
5. Agriculture–Water– Ecosystem Based Adaptation (EbA) Nexus;
6. Disaster Risk Management and Ending Drought Emergencies;
7. Sustainable Transport-Railway-Electric Bus-Bamboo Bicycle; and
8. Research and Innovation.

These priority interventions are aligned to Ghana's development and climate policy frameworks such as, National Climate Change Policy and Master Plan, Nationally Determined Contributions (NDCs), National Adaptation Plan, and Low Carbon Emission Development Plan, among others. Increasing financial flow from the GCF will result in the implementation of adaptation and mitigation interventions which will climate proof the Country's priority programmatic areas hence transition the country to climate resilient and low carbon economy.

Recommendation into the next GCF replenishment Strategic Plan

1. Consideration should be given to the establishment of a Small Grant Facility as in the case of the Global Environment Facility to support civil society organizations and NGOs to have direct access to the GCF resources.
2. To optimize the use of GCF resources, GCF should develop a Co- Financing Policy and associated guidelines to help project proponents determine actual co-financing cost.
3. GCF should allow for the non-accredited national entities with demonstrable relevant expertise, experience and ability to implement projects act as delivery partners not only for readiness, but also for medium size projects.
4. This replenishment should prioritize direct support for both large and small scale deployment and diffusion of mitigation options in such areas as renewable energy options with GCF financing only to reduce the initial cost barrier for optimum utilization of the resource.
5. We propose the adoption of Country Allocation Framework – thus country specific envelope, to have the flexibility of using its resources in the agreed programmatic direction of the replenishment period and to ensure the balance in mitigation and adaptation projects development and execution. Thus, funds should be equally distributed across developing countries with the right project in the right environment based on the country climate actions.
6. GCF should have a dedicated capacity building portfolio for African countries to enhance project design, implementation and reporting.
7. National circumstances should inform GCF approval of project proposals (the one size fits all approach should be avoided)
8. Dedicated grant portfolio for African Countries should be established to support adaptation projects. This is very key in the sense that for Africa, adaptation plays a very important role in contributing to emission reduction through mitigation co-benefit technologies.
9. GCF should accept the use of this dedicated funds as co-financing to leverage more resources.
10. GCF should create a special window for grant support (both financial and technical) to Private sector institutions including business associations/chambers and partners to undertake project preparation activities including feasibility.
11. GCF should consider prioritizing activities and projects of vulnerable countries based on their level of impact on the economy and contribution to the achievement of green climate goals. This should be linked to a more simplified application and approval process.

12. As part of the project proposal development and approval process, applicants should be required to clearly state a stakeholder engagement plan specifically outlining the strategy for private sector engagement for sustainable project implementation.
13. Review the approval process for accrediting applications from National Implementing Entities to ensure a speedy approval process without compromising the required standards.
14. As part of the reporting process, GCF should build the capacity of applicants to enable them complete project impact assessment matrix with the endorsement of project beneficiaries and key stakeholders involved in the project implementation.
15. GCF should upload only projects or concept Notes that have obtained approval or permission from the countries NDAs/Focal Point onto the country's Portals. This will enhance the country's ownership and national processes for ascertaining No-Objection.
16. The accreditation process appears cumbersome, time-consuming and expensive. GCF should consider simplifying its accreditation process so that National Entities that are familiar with local issues and challenges can actively take part in the process.
17. As governments are moving towards private sector led finance, projects/investments, the GCF should come up with innovative ways of increasing the involvement of the private sector in the GCF process. The GCF should support the NDAs to do more private sector engagements and sensitization to make it easier for them to identify the opportunities that the GCF offers.
18. There is the need to identify ways to enhance the communication between the GCF, NDAs and local actors. This will promote sharing of best practices, experiences and help with the local capacity building process. In this regard, the GCF should provide more financial support to the NDAs to be able to function properly and improve their communication and engagement channels.
19. Regular national outreach and advocacy activities on adaptation and mitigation actions to support developing countries to accomplish national readiness programmes of their policies, strategies and plans is important. It is expected that this New Strategy will set aside a special grant as national allocation for Article 6 of the UNFCCC and 12/13 of the Paris Agreement, as most countries have no financial mechanism for implementation of climate change education, training and public awareness.