

Ghana's Article 6.2 Framework Development

Derek Sarfo-Yiadom
Environmental Protection Agency, Ghana



United Nations
Climate Change



West African Alliance
on Carbon Markets
and Climate Finance



Agenda

Background

National Policies that support A6.2 Framework

Outlook of Ghana's GHG Emission Profile and NDC's

Article 6.2 Framework Development Process

Context of the Framework

Projects under development



Background (1 of 3)

- ✗ Article 4 of the Paris Agreement introduced the Nationally Determined Contributions (NDCs) as global collectively effort for achieving the long-term temperature goal set out in Article 2.
- ✗ NDCs are also bottom-up country strategies for transitioning to low-emission climate resilient development future while promoting sustainable development.
- ✗ Article 6.2 establishes cooperative approaches as carbon market instrument for mobilising finance to implement the country NDCs and successively raise its ambition.
- ✗ Ghana's updated NDCs to the UNFCCC announced the intention to use voluntary cooperation under Article 6.2 of the Paris Agreement to achieve up to 55% (approximately 24 million tonnes of CO₂ emission) of its conditional absolute emission reductions.

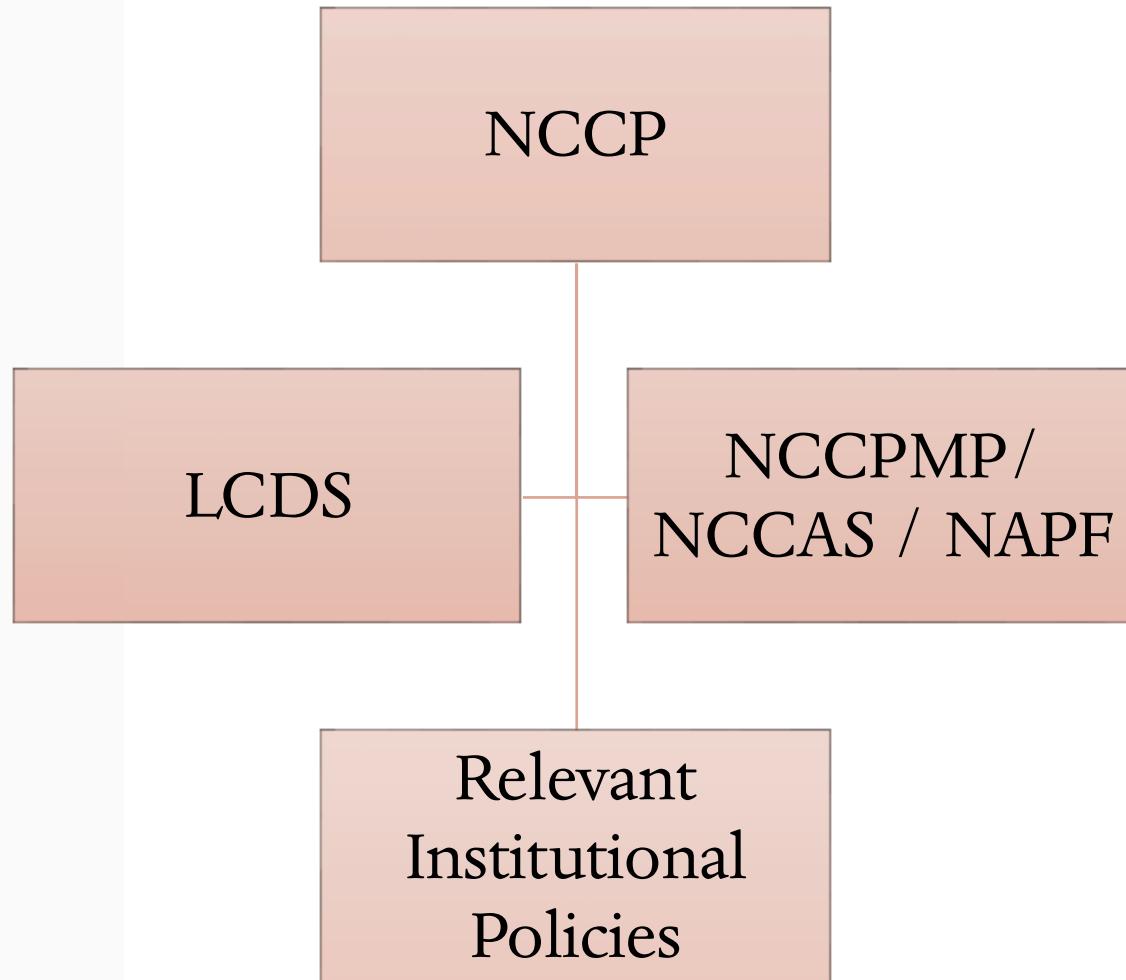
Background (2 of 3)

- ✗ The focus areas the Framework strategy are:
 - + Engagement in Article 6.2 pilots
 - + Formulation of Article 6.2 framework; and
 - + Establishment of regulatory and institutional arrangement
 - + Continuous capacity development and stakeholder engagement

Background (3 of 3)

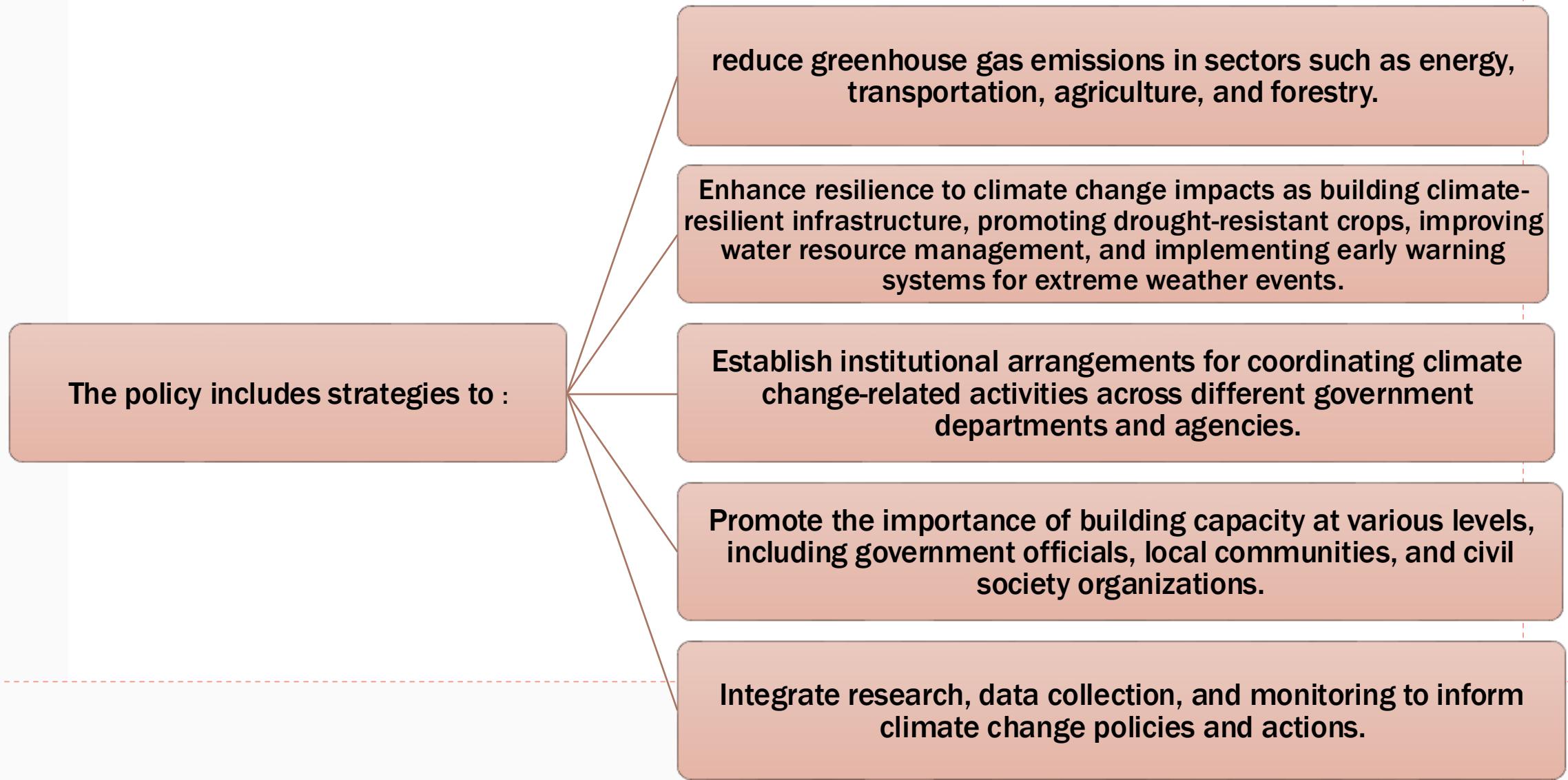
- ✗ Ghana is currently involved in many bilateral cooperation with the Governments of Switzerland, Sweden and Singapore to design a country-to-country framework for Article 6.2 transactions.
- ✗ On capacity development and stakeholder engagements, Ghana is involved in the following:
 - + West African Alliance on Carbon Market and Climate Finance to build capacity and exchange knowledge sharing,
 - + World Bank Climate Market Club to participate in the joint development of modalities for piloting activities
 - + UNDP and the World Bank Group are involved in capacity needs assessment for Article 6.2 engagement.
- ✗ The third and fourth aspects of the Article 6.2 strategy relate to the adoption of a national framework for cooperative approaches.

Ghana Policies that Support A6.2 Framework



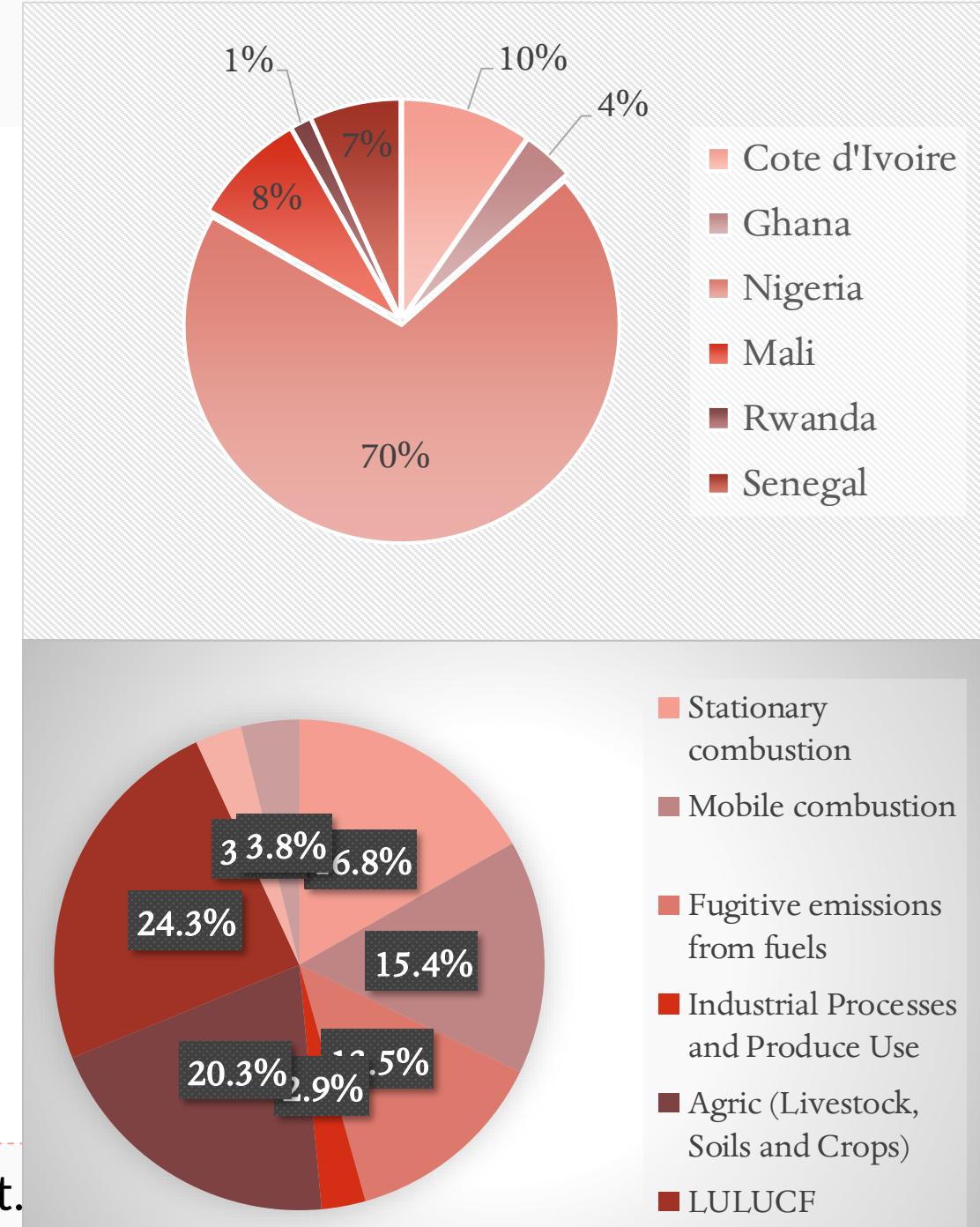
NCCP	National Climate Change Policy
LCDS	Low Carbon Development Strategh
NCCPMP	National Climate Change Policy Master Plan
NCCAS	National Climate Change Adaptation Strategies
NAPF	National Adaptation Planning Framework
Other Relevant Policies	<ol style="list-style-type: none">1. Renewable Energy Master Plan2. Food and Agriculture Development Policy II (FASDEP II)3. Ghana Infrastructure Plan4. REDD + Strategy5. etc

National Climate Change Policy (NCCP)

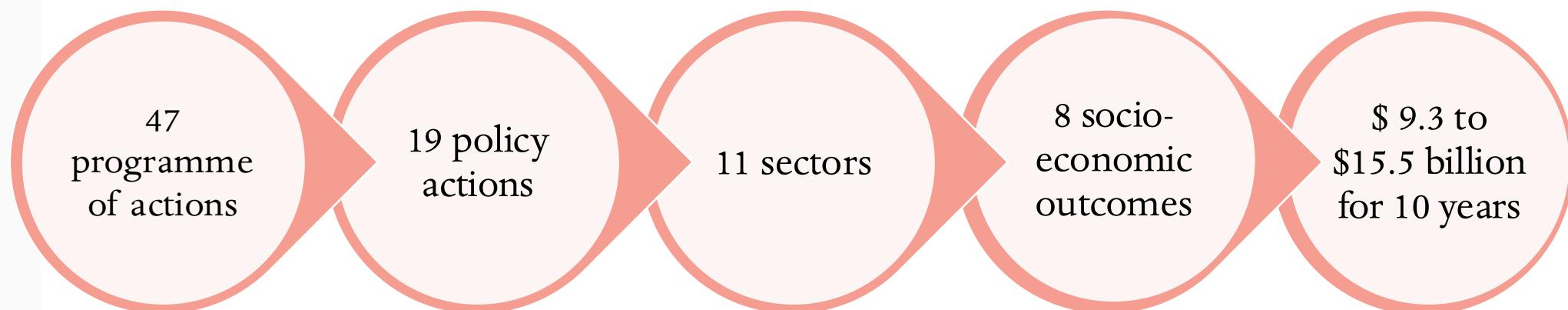


Ghana's GHG Emissions Profile

- Ghana is among the top five GHG emitters in ECOWAS.
- Total GHG emissions of 2019 is about 60 million tonnes which represent an 86% rise in 10 years.
- GHG emissions projected to 100 million tonnes by 2030 along business-as-usual pathway
- NDC aim to reduce 64 MtCO₂e by 2030 along mitigation pathway
- Article 6 one of the ways to mobilise finance to achieve and raise NDCs ambition and net-zero target.



Outlook of Ghana's NDC



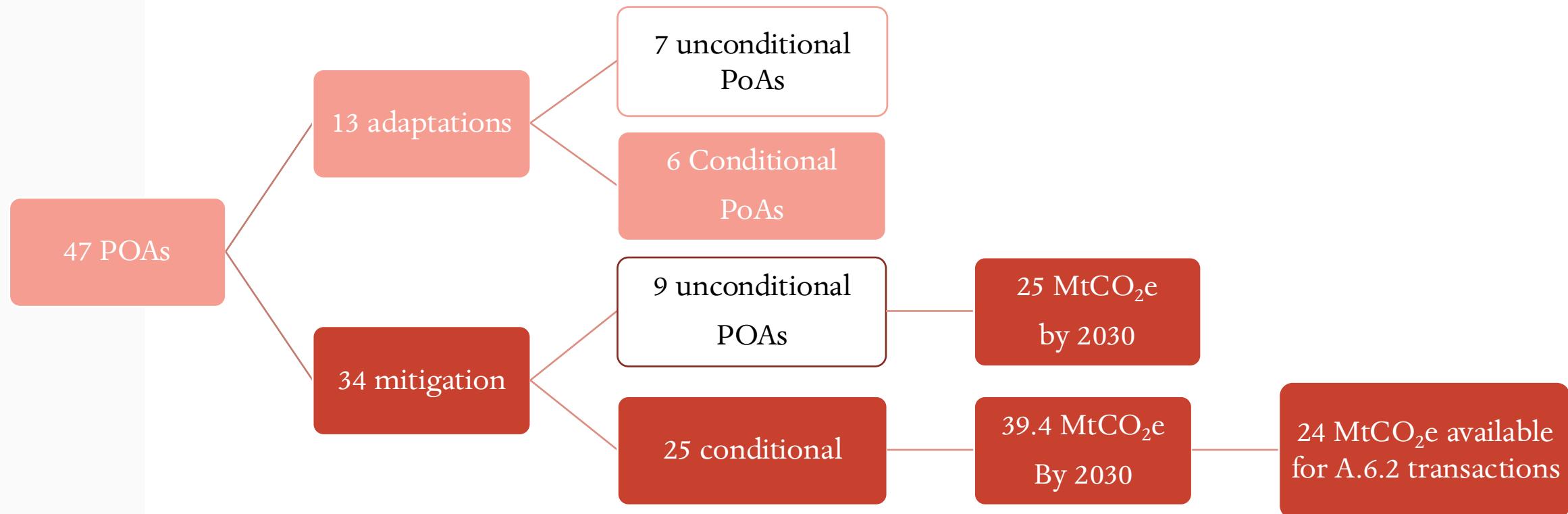
Socio-economic Outcomes

- 1.Social Inclusion
- 2.Early Warning and disaster risk management
- 3.Resilience Building
- 4.Food and Landscape Restoration
- 5.Smart communities
- 6.Sustainable mobility
- 7.Sustainable Energy Transition
- 8.Responsible Production

Sectors

- 1.Water Resources and Sanitation
- 2.Health
- 3.Communication
- 4.Interior
- 5.Works and Housing
- 6.Agriculture
- 7.Forestry
- 8.Transport
- 9.Industry and Environment
- 10.Energy
- 11.Gender and Social Protection

Overview of 47 NDC's Programmes of Actions (PoAs)



Article 6.2 Framework Development Process



Technical Level Process

- Technical Team lead by EPA comprise government, international partners, academia, etc draft tentative framework
- Exchange of feedback and consultations
- Series of formal and informal meetings among the technical team is held
- Once draft framework is closed it is passed on for legal process to begin
- Technical process usually takes 4-5months

Legal Review Process

- Internal legal review (EPA, etc) kick start
- Draft is then submitted to the Attorney General (AG) for legal advice
- Internal legal team and technical team meet AG a couple of times to provide clarity and iron all ambiguities
- It is passed on for political or parliamentary approval
- Usually takes 2-3months

Political Level Process

- Ministry of Environment, Science, Technology and Innovation submit draft text to relevant ministries for their comment
- MESTI then submit the draft text, AG's advice and evidence of consultation with other Ministries to Cabinet for political and policy approval to commence
- Cabinet refers draft text to subcommittee for consideration
- MEST & EPA are invited to subcommittee meetings for clarification and deliberation
- Draft is send to Parliament for ratification led EPA
- Committee then sends finished work to Plenary for adoption
- Minister of MESTI then signs and decides when it comes to force
- Cabinet Approval takes 3 to 6 months and Parliamentary ratification 3 to 4 months

Context of Ghana's Article 6.2 Framework

- Operationalize Article 6.2 of the Paris Agreement.
- Provide framework for engaging in cooperative approaches.
- Lays out Ghana's broad strategy for engaging Article 6.2
- Establishes national procedures approving mitigation activities and track ITMOs.
- Establishes institutional arrangement for engaging Article 6.2 transactions.
- Build on the experience CDM and best practices from Article 6.2 pilots.

Overall Goal

- Establish efficient and legitimate national process to govern the generation, authorisation and transfers of ITMOs from approved Mitigation Outcome (MO) activities.
- The framework aims to respond to:
 - Policy and coordination regarding NDC and Article 6.2 engagement
 - Governance (decision-making, procedures and institutional involvement)
 - Market needs (project eligibility, project feasibility and development, methodology, auditing, fees)
 - Operationalisation (infrastructure, environmental integrity, reporting)
 - Environmental Integrity
 - NDC and baseline
 - Voluntary carbon markets

Structure of the Document

- Framework document is divided into 2 parts.
- Part 1 –framework (key principles and policy aspects).
- Part 1 is sub-divided into seven component and schedule
- Each component addresses a specific elements of Article 6.2 and linked to
- Schedule -technical information for implementing the Article 6.2.
- Part 2 –procedures and institutional arrangements for Article 6.2 transactions

G-to-G bilateral framework agreement

- ✗ Ghana - Switzerland Agreement
 - Signed in 2020, aiming to transfer 5 MtCO₂e
 - Direct invest \$100m and leverage \$500m by 2030
 - 10 projects under development
- ✗ Ghana - Sweden Agreement
- ✗ Ghana - Singapore Agreement
- ✗ Ghana – Korea engagement

Project development under Ghana-Swiss Agreement

Project	Proponents	Status	Request	Issued	Estimated Credits (tonnes)
AWD Rice	UNDP	Implementing	LOA	LOR, LOA, AIR	1,344,592
NCEP	Klik	Validation	LA	LOR	1,100,000
Biomass Pellet	Klik	Developing	-	LOI	Yet to be est.
ICS	ACT/Envirofit	Validation	-	LOR & LA	1,295,000
Compost (by 2030)	Jospong	Developing	LOR	LOR	1,400,000
LFM	Allcot	Developing	LOI	LOI	Yet to be est.
Biogas	ACT	Concept note	-	-	Yet to be est.

Project development under Ghana-Swiss Agreement

Project	Proponents	Status	Request	Issued	Estimated Credits (tonnes)
HFC RAC	Klik/GIZ	Developing	LOI	LOI	Yet to be est.
E-Mobility	KOFA/Klik	Concept note	-	-	Yet to be est.
Biomass and electric pressure cookers	Up energy/Klik	Concept note	-	-	Yet to be est.
Biogas	ACT	Concept note	-	-	Yet to be est.

Voluntary carbon market project

Project	Proponents	Status	Request	Issued	Estimated Credits (tonnes)
Conservation and restoration mangrove system in Ghana	Orsted Nature Base Solution	Proposal submitted	Letter of Endorsment	Account Number on Ghana's Registry	Yet to be est.
Improved Cookstove and Sustainable Fuel Dissemination Programme in Ghana	CookClean Ghana Limited	Proposal submitted	Letter of Endorsment	Account Number on Ghana's Registry	Yet to be est.

Thank You

