

Technical Assistance Outline

Supporting low carbon growth in Ghana

This technical assistance package is led by the Energy research Centre of the Netherlands (ECN) and supported by DFID and the Embassy of the Kingdom of the Netherlands. It aims at contributing to a solid evidence base to prepare Ghana for low carbon growth.



INTRODUCTION AND BACKGROUND

During the second half of 2010, the government of Ghana will draft a National Climate Change Policy Framework (NCCPF). This policy framework is intended to integrate action on climate change into policies for the country's various economic sectors, with the aim of helping to deliver on sectoral and national development objectives. The NCCPF will consist of three parts: 1) a long term vision, 2) strategic objectives for sectors, and 3) a more detailed document including a description of supporting systems.

Ghana wants every sector of the economy to be part of a national solution to climate change. In addition, at the COP15 climate conference in Copenhagen, Ghana has expressed its intent to be part of an international solution and made a commitment to "pursue (a) low carbon development growth path". Furthermore, it has associated itself to the Copenhagen Accord and has submitted a list of nationally appropriate mitigation actions (NAMAs) for Ghana to the UNFCCC.

The unit Policy Studies of the Energy research Centre of the Netherlands (ECN) has extensive experience in providing analytical assistance to governments on clean technologies and climate strategies in the developed and developing world. Currently, a team from ECN, is working closely with the government of Ghana in a scoping study on Low Carbon Development Strategies, with a focus on the current situation, issues on collection and management of data. Following this initial study, the government of Ghana has asked ECN to provide technical assistance (TA) on topics related to low carbon growth analysis.

AIM OF THE ASSISTANCE PACKAGE

This technical assistance (TA) package is intended to support the government of Ghana in articulating its approach to low carbon growth as part of the National Climate Change Policy Framework. It aims at doing so by simultaneously building technical capacity, political awareness and a sound fact base. A main goal of the TA is to support an initial assessment of the cost, the potential and the benefits of mitigation actions. The work will be led by ECN and involve Ghanaian national experts and stakeholders. The assistance work will have a strong emphasis on national ownership, building of national capacity and stakeholder involvement.

FOUR ELEMENTS

The TA package consists of four elements, which will be described below

1. Initial marginal abatement cost (MAC) curve for Ghana
2. Characterize and prioritize mitigation options
3. Climate Innovation Centre
4. Preparing for Low Carbon Growth

AN INITIAL MARGINAL ABATEMENT COST CURVE FOR GHANA

One tool for understanding mitigation options is a marginal abatement cost (MAC) curve, a convenient way to present the emissions reduction potential and the additional costs for each of the mitigation options.

A Ghanaian MAC curve will illustrate the greenhouse gas mitigation options in Ghana, their potential to avoid emissions and their marginal costs, all in one graph. This can support the discussions on low carbon growth in Ghana and increase awareness on feasible mitigation options.

Within the TA package, an initial MAC curve will be constructed through a bottom-up data aggregation process, which will draw heavily on national expert knowledge and a specific assessment of the Ghanaian context. The process will focus on transparency and stepwise improvement of detail and accuracy. Feedback from stakeholder discussions in part two of the TA package will be used for detailing and refining the MAC curve. Ghana will be the first West-African country to pursue a bottom-up MAC curve and the data can form an important input for future modelling of energy and emissions.



CHARACTERIZE AND PRIORITIZE MITIGATION ACTIONS



Ghana's economy is about to be transformed through the establishment of an oil and gas industry. The latest government study indicates that Ghana is no longer a carbon sink due to fast deforestation and steep increases in emissions in various sectors, including energy and transport. This presents both challenges and opportunities for development in Ghana.

Characterizing mitigation actions goes beyond costs and potentials. Other questions arise: What would be potential development benefits (or negative impacts?), what are barriers for implementation, how easy or difficult would it be to trigger the action (practically and politically), and how could it be funded? Furthermore, what would be needed to monitor the associated emissions reductions?

This part of the TA package will involve government representatives, national experts and stakeholders in workshops and interviews to discuss the characteristics of potential low-carbon options and to explore which options would be preferable. This participatory process and supporting policy briefs will build capacity and awareness for an informed policy dialogue. The list of 55 NAMAs submitted by Ghana to the UNFCCC will be an important starting point for this work.

CLIMATE INNOVATION CENTRES



Climate Innovation Centres are institutions that support the development, transfer and deployment of adaptation and low-carbon technologies in developing countries. The concept is discussed extensively internationally, but is still not clearly defined.

A Climate Innovation Centre could have multiple benefits to Ghana, including enhancing Ghana's capability for innovation, promoting the development of local enterprises and job creation. Internationally, there is an interest to provide funding for initial Climate Innovation Centres in developing countries to showcase the concept.

The technical assistance package plans to conduct an initial scoping of what a Climate Innovation Centre in Ghana could comprise of. It will analyse the potential functions and institutional structure of such a centre by liaising with relevant stakeholders, and will identify the added value for Ghana as well as potential next steps and options for international support. A Climate Innovation Centre could for example comprise of:

- An office giving advice to local enterprises on low-carbon technologies and providing support in getting funding for project ideas and new business models
- Laboratories working with a university in adapting clean technologies to Ghana,
- A team of experts advising the government on its low-carbon growth strategy

SUPPORTING LOW CARBON GROWTH IN THE POLICY FRAMEWORK

Ghana wants to be pro-active on low carbon growth. In line with this ambition, the National Climate Change Committee is currently drafting a policy framework for climate change. The TA package aims at providing input and contributing to the solid evidence base necessary for these political processes. The findings of this research will be presented in detailed background reports, but more importantly in policy briefs that are ready to read for a variety of stakeholders ranging from practitioners to policy makers and politicians.

The TA work will:

- Integrate the technical work into a broader low carbon growth analysis
- Link to existing work on low carbon development strategies and future modelling work for low carbon growth (jointly with UCT)
- Link to short and medium term funding opportunities (jointly with DPs).



source: Daniel Benefoh Tutu, EPA

DELIVERABLES AND PLANNING

The TA package is led by ECN Policy Studies and takes place between July and December 2010. As of July 2010, the assistance is in the start-up phase and a team of national experts and government representatives is being formed to collaborate in the TA. The TA planning aims to align with the national policy process, in particular the drafting of the National Climate Change Policy Framework. The following are the intended deliverables:

Description	Format
<u>An initial Marginal Abatement Cost (MAC) curve for Ghana</u>	
D1.1 Policy briefs (for high-level political decision makers, technical staff in ministries and for external practitioners)	2-4 pages
D1.2 Draft initial MAC curve	-
D1.3 Project report including the final initial MAC curve, and describing process, assumptions, results, uncertainties, and interpretation of the MAC curve	20-30 pages
D1.4 Capacity of Ghanaian partner	-
D1.5 Note on linking efforts to modelling options for low carbon growth (jointly with UCT)	6-8 pages
<u>Characterize and prioritize mitigation actions</u>	
D2.1 Policy brief NAMAs & MRV: general background	2-4 pages
D2.2 Policy brief NAMAs & MRV: two sectors	2-4 pages
D2.2 5 sector-specific workshops to facilitate a structured, fact-based discussions on mitigation actions, their benefits and feasibility	-
D2.3 Project report	20-30 pages
D2.4 Capacity and awareness with Ghanaian stakeholders	-
D2.5 Note on how NAMAs fit within the Medium Term Development Plan	6-8pages
<u>Supporting low carbon growth in the policy framework</u>	
D3.1 Note on where Ghana stands in terms of a low-carbon growth plan	6-8 pages
D3.2 Note exploring short and medium term funding opportunities (jointly with DPs)	6-8 pages
D3.3 Factual input for the policy framework and high-level political statement on low carbon	-
<u>Climate Innovation Centres</u>	
D4.1 Policy brief Climate Innovation Centres	2-4 pages
D4.2 Note on a Climate Innovation Centre for Ghana, analysing opportunities, outlining next steps to take, identifying Ghanaian host institutions, and linking with international efforts.	6-8 pages

ABOUT ECN POLICY STUDIES

The Energy research Centre of the Netherlands (ECN) is a leading independent centre for energy research with around 700 staff. Established in 1955, ECN develops high-level knowledge and technology for a sustainable energy system and transfers this to the market. The unit Policy Studies is dedicated to improving international energy and climate policy, and among others studies new opportunities for international climate agreements, and analyses the link between climate and development.

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