

# **Fostering an enabling environment to catalyse investment for climate action in Ghana:**

## **Achievements and lessons learned from the NDC Support Programme**



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### About this publication

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# 1. Introduction

The climate crisis poses a fundamental challenge to global development, with far-reaching consequences for economies, societies and ecosystems. Climate change impacts, including rising sea levels, extreme weather events, biodiversity loss and resource scarcity, disproportionately affect the most vulnerable populations. To address these challenges, the Paris Agreement, calls for countries to develop and implement Nationally Determined Contributions (NDCs). These NDCs serve as policy instruments for realizing climate action, integrating climate change mitigation and adaptation into national planning, and mobilizing the necessary investment to achieve low-carbon, climate-resilient development. This requires a whole-of-government and whole-of-society approach, ensuring inclusive governance, robust investment frameworks and strong institutional coordination.

In light of these challenges, in 2017, UNDP launched the US\$74.7 million NDC Support Programme (NDC SP), funded by the European Union and the governments of Germany and Spain. The goal of the programme was to support governments to achieve transformational change by scaling up public and private investments in climate change actions to deliver long-term sustainable development and championing the benefits of low-carbon, climate-resilient development.

The programme focused on nationally driven priorities and initiatives, ensuring country ownership of climate action, and provided long-term support, recognizing that transformational change requires sustained investment, technical assistance, and institutional strengthening over multiple years. It supported interlinked topics such as governance, policy coherence, finance, private sector engagement, capacity-building and gender equality and inclusivity to create a cohesive and effective response to climate challenges.

Over its lifetime, the NDC SP supported 47 countries and territories. This case study explores the comprehensive work undertaken in Ghana and illustrates the activities, outcomes, achievements and key lessons from the implementation of the NDC SP. In doing so, it highlights in-country successes, while also identifying insights gained during the programme's design and execution.

# 2. Context and collaboration

**A leader in the region's transition to a low-carbon economy.** Ghana has played an active role in advancing climate governance in West Africa, positioning itself as a leader in the region's transition to a low-carbon economy. Since the submission of its first NDC in 2016, Ghana has worked to integrate climate action into its national development strategies while strengthening institutional mechanisms for implementation. The NDC SP, initiated in 2018, provided the foundation for scaling up climate action through governance improvements, mitigation planning and private sector engagement. By 2024, the programme had entered its second phase, incorporating additional support from UNDP's Climate Promise initiative to ensure continuity and expansion of key interventions.

**Enhancing climate governance and institutional coordination was a main objective** of the NDC SP, recognizing that fragmented decision-making processes had historically hindered effective policy implementation. Working with the Ministry of Environment, Science, Technology and Innovation (MESTI) and the Environmental Protection Agency (EPA) a significant milestone in this regard was the development of a national Measurement, Reporting and Verification (MRV) system, which was embedded within Ghana's existing Annual Performance Report (APR) framework.<sup>1</sup> This integration allowed climate action reporting to align with broader national development planning processes, ensuring that institutions at both the national and subnational levels systematically reported on their climate-related indicators.

Further collaboration with MESTI along with the EPA supported energy efficiency interventions in the palm sector. While carbon market infrastructure support was done through EPA cooperation and support to strengthen gender equality integration into climate action was bolstered by working with the Ministry of Gender, Children, and Social Protection (MoGCSP).

<sup>1</sup> In Ghana, [Annual Performance Reports](#) are a key mechanism by which public service institutions are accountable through the Public Services Commission to the Government and ultimately to Parliament for the efficiency, effectiveness and economy with which they manage the resources they administer.

## 3. Key outcomes and achievements

**Substantial contributions to Ghana's climate policy landscape.** The NDC SP made substantial contributions to Ghana's climate policy landscape, particularly in the areas of institutional governance, private sector engagement and the establishment of market-based mechanisms for emissions reduction.

**Enhancement of Ghana's MRV framework.** A key achievement of the programme was the enhancement of Ghana's MRV framework, which facilitated improved tracking of mitigation actions and ensured greater transparency in reporting under the United Nations Framework Convention on Climate Change (UNFCCC). By leveraging the existing APR system, Ghana successfully embedded climate reporting within its national governance structures, reducing the administrative burden on sectoral ministries and agencies.

**Mobilization of private sector engagement in climate action.** Another major accomplishment was the mobilization of private sector engagement in climate action, including through technical and financial support for energy efficiency improvement in the palm oil sector (see Box 1). Through the NDC SP, Ghana developed a climate finance training curriculum tailored for businesses, which was institutionalized by the Council for Scientific and Industrial Research (CSIR). This curriculum provided companies with the technical knowledge needed to integrate sustainability considerations into their operations. Additionally, the Private Enterprise Federation (PEF) played a crucial role in convening industry stakeholders, facilitating dialogues on climate investment opportunities, and creating a platform for businesses to engage in policy discussions.

### Box 1

#### Energy efficiency interventions in the palm oil sector

The initiative sought to improve the energy efficiency of **small-scale and industrial palm oil processing** in Ghana by replacing outdated technologies with **low-emission alternatives**.

##### Key activities

- The project conducted baseline assessments of energy consumption patterns in **palm oil mills**, revealing significant inefficiencies linked to the use of outdated boilers and production techniques.
- Based on these findings, targeted **energy efficiency upgrades** were introduced, including the installation of **modernized biomass boilers** and **waste-to-energy solutions**.
- A **capacity-building programme** was launched to train **local women-led cooperatives** in **sustainable processing techniques**, ensuring both economic and environmental benefits.

##### Key outputs

- Over **10 palm oil processing** facilities received technical and financial support for **energy efficiency improvements**.

- **1,200 beneficiaries**, primarily women, were equipped with **climate-smart processing technologies**.
- A **waste-to-energy system** was piloted, reducing reliance on fossil fuels and lowering carbon emissions.

##### Key outcomes

The intervention led to a **significant reduction in energy consumption**, cutting production-related emissions by **20–30 percent**. Additionally, the project improved **economic opportunities for women-led cooperatives**, enhancing their ability to compete in both **domestic and international markets**. The integration of **waste-to-energy solutions** also demonstrated the potential for **circular economy approaches** in Ghana's agro-processing sector.

**Advancing Ghana's carbon market framework.** The NDC SP also played a central role in advancing [Ghana's carbon market infrastructure](#) (see Box 2), which has positioned the country as one of the pioneers in Article 6 transactions under the Paris Agreement. The programme supported the development of a [national carbon registry](#), providing a structured mechanism for tracking emissions reductions, credit transfers and corresponding adjustments. This initiative laid the groundwork for Ghana's participation in international carbon markets, strengthening its ability to attract investment for low-carbon projects.

## Box 2

### Strengthening carbon market infrastructure

#### Objective

The initiative aimed to establish a robust framework for **carbon trading and emissions tracking**, ensuring compliance with international reporting requirements while creating opportunities for **private sector participation in carbon finance**.

#### Key activities

- The programme supported the **development of Ghana's national carbon registry**, which allows for real-time tracking of emissions reductions, credit transfers and market transactions.
- A comprehensive [policy framework for carbon markets](#) was drafted and approved by the Ghanaian Cabinet, establishing clear regulatory guidelines for participation in both bilateral and voluntary carbon trading mechanisms.
- Technical training workshops were conducted to **build institutional capacity**, ensuring that government agencies and private sector actors understood the operational aspects of carbon trading.

#### Key outputs

- Ghana's **carbon market framework** was successfully institutionalized, creating a structured mechanism for engaging in international carbon credit transactions.
- Over **50 private sector entities** participated in capacity-building programmes on carbon market engagement.
- The national registry was integrated with **Ghana's MRV system**, streamlining emissions tracking and reporting.

#### Key outcomes

The initiative significantly **enhanced Ghana's attractiveness to climate investors**, enabling the country to secure [bilateral carbon trading agreements](#) with international partners. By creating a transparent and accountable system for emissions tracking, Ghana positioned itself as a leader in **Africa's emerging carbon finance sector**, ensuring long-term sustainability in its climate mitigation efforts.

**Strengthened gender equality integration in climate policy.** To ensure gender issues were effectively included in climate policies, the NDC SP played a key role in bringing MESTI and MoGCSP together to develop a [Climate Change Gender Action Plan \(CCGAP\)](#) targeting all seven of the NDC's targeted sectors in January 2021. An intersectoral working committee was set up to facilitate coordination and collaboration among stakeholders. The CCGAP focused on the key sectors in Ghana's NDC and stressed the importance of aligning national climate policies with the National Gender Policy. One of the 15 chapters specifically addressed gender and vulnerable populations, aiming to strengthen their ability to cope with climate challenges.

## ■ 3. Lessons learned

**Ghana's implementation of the NDC SP provided critical insights into institutional leadership, capacity-building, financial sustainability and project standardization.** The programme highlighted how embedding climate governance within national institutions strengthens policy continuity, while also revealing challenges related to long-term climate finance, technical consistency in project implementation and multi-stakeholder engagement. The lessons learned from Ghana's experience underscore the importance of ensuring policy coherence, sustainable financing and clear technical frameworks in climate action.

**National institutions must lead climate policy to ensure long-term capacity retention.** A fundamental lesson from Ghana's experience was that institutional ownership of climate governance is essential for policy sustainability. Unlike externally driven projects that often rely on international consultants, Ghana ensured that national institutions, including government agencies and research organizations, led the design and implementation of climate policies. This approach resulted in greater policy coherence, stronger institutional capacity and long-term retention of technical expertise within government structures. The emphasis on locally driven climate governance allowed Ghana to maintain continuity in its climate initiatives despite administrative transitions.

**Standardization in project design improves technology adoption and impact.** Ghana's experience in deploying energy efficiency upgrades in the palm oil sector revealed the importance of standardizing project design and technical specifications. The lack of predefined guidelines led to variations in technology adoption across project sites, causing discrepancies in implementation outcomes. The absence of uniform technical specifications also created inefficiencies in procurement and monitoring, highlighting the need for clear, standardized frameworks to ensure that climate projects achieve consistent and scalable results.

**Long-term climate finance requires stronger domestic budget commitments.** Financial sustainability emerged as a persistent challenge for Ghana's NDC SP, particularly in securing long-term domestic budget allocations for climate action. While the programme successfully mobilized international climate finance, reliance on external funding created uncertainty regarding the continuation of climate projects beyond the programme's lifecycle. Strengthening engagement with the Ministry of Finance has been recognized as a critical step toward institutionalizing climate finance within Ghana's national fiscal framework, ensuring that climate investments are sustained through domestic public finance rather than ad-hoc international funding.

**Multi-stakeholder coordination is essential for private sector engagement and carbon market development.** Ghana's efforts to integrate carbon markets and private sector participation into its NDC implementation demonstrated the importance of structured multi-stakeholder coordination. While the country made significant progress in developing a national carbon registry, gaps in private sector readiness and regulatory alignment slowed the pace of implementation. The experience highlighted the need for early engagement with industry stakeholders, clear regulatory guidelines and capacity-building initiatives to prepare businesses for carbon market participation. Ensuring that climate policy frameworks align with private sector investment strategies is crucial in scaling up market-based climate solutions.

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