

Reporting on the Impacts of Response Measures: Ghana Case Study

27/09/2021

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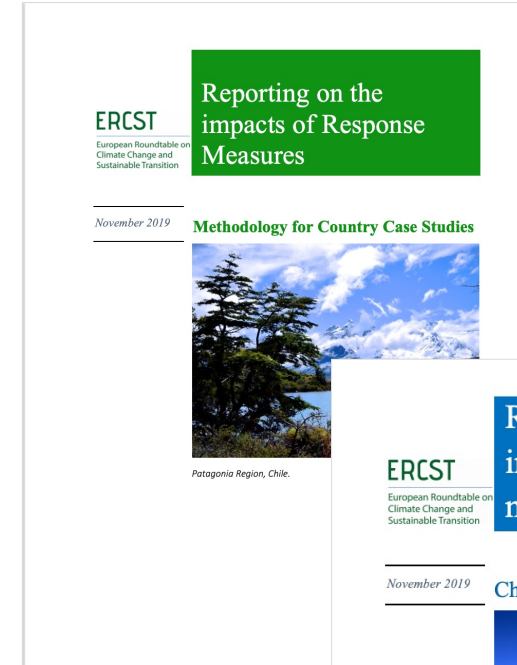
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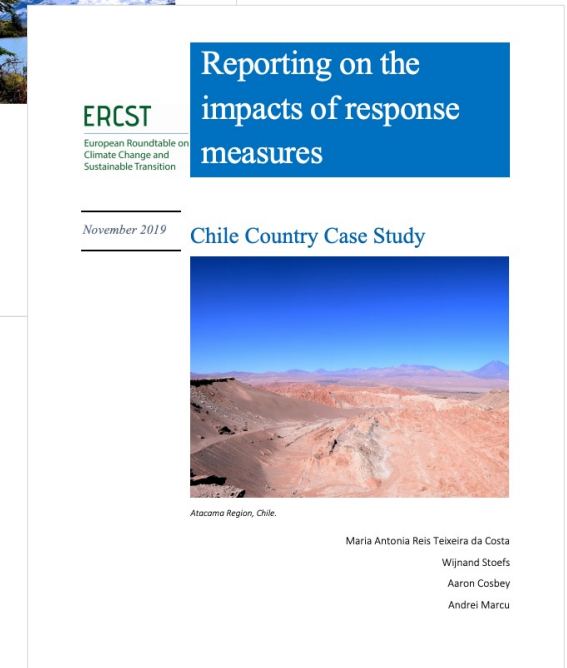


ERCST's work on Response Measures

- **In 2018**, ERCST launched an informal dialogue on response measures, bringing together UNFCCC negotiators and key stakeholders to discuss this issue and its negotiations under the UNFCCC.
- **In 2019**, ERCST continued this informal dialogue on response measures, focusing on the agreed work programme in Katowice. ERCST also carried out a case study on “reporting on response measures under biennial update reporting” in Chile.
- **In late 2020**, ERCST has started developing a new case study for Ghana. This work will continue throughout 2021 and the information of the dialogue will be shared with the KCI.
- ERCST's work has been pioneering in developing a methodology and by practically applying it with country case studies.



ERCST,2019



ERCST,2019

Case Study for Ghana



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- ERCST and the EPA in Ghana have been working together on **identifying, measuring and analysing the impacts of the implementation of response measures in Ghana.**
- One of the main objectives is to **test, refine and improve the methodology** that ERCST has developed in different countries.
- The research and information from this Informal Dialogue will be shared and will **feed into the discussions of KCI and the Forum** on response measures.
- To foster capacity building and stakeholder participation, virtual workshops are being organized at each stage of the development of the case study. Three workshops have been already organized.

Methodology for Country Case Study: Ghana

STEP 1 Describe the country and its characteristics

STEP 2 Identifying important sectors to the Ghanaian economy

STEP 3 Identify sectors potentially vulnerable to international response measures

STEP 4 Identify relevant response measures

STEP 5 Assess the impacts of international response measures

STEP 6 Look at possible domestic and international tools and support which may be needed to address the impacts

Identifying
Vulnerable
Sectors

Identifying
Response
Measures

Assessing the
Impacts

Examples of results from Step 2 - 4

Table 1. Results Step 2-3: Top 12 sectors ranked by Vulnerability Indicator

Sector Description		Vulnerability Indicator
ISIC Rev 4 Code	Description	
0127, 1073	Cocoa	4,449
0126	Palm oil	1,308
11, 10 (-1073, -1020)	Manufacture of beverages & food products	0,280
03,1020	Fishing	0,226
0610, 0620, 1920	Oil and gas	0,182
05, 07 (- gold of 0729), 08,09	Mining and quarrying without oil and gas and gold	0,118
23	Manufacture of other non-metallic mineral products	0,048
2420, 0729	Gold	0,039
25	Manufacture of fabricated metal products, except mach. and equip.	0,004
22	Manufacture of rubber and plastics products	0,003
20	Manufacture of chemicals and chemical products	0,003
WTO 1.33, 1.36	Tourism (travel & expend. by main purpose of trip)	-

Sources: own elaboration based on GSS, ILOSTAT, BUR/NIR, UN Comtrade, UNWTO and other relevant sources for missing data points

For more info:

Workshop 2: <https://secureservercdn.net/160.153.137.163/z7r.689.myftpupload.com/wp-content/uploads/2021/01/20210215-ERCST-Presentation.pdf>

Workshop 3: <https://ercst.org/wp-content/uploads/2021/04/WS3-ERCST-Presentation-Ghana-Response-Measures.pdf>

Table 2. Example results Step 4: Identification of Response Measures

Oil & Gas Sector (ISIC Rev 4. 0610, 0620, 1920)

China	South Africa
National ETS (started operating 2021) Scope is expected to be gradually expanded to cover seven other sectors in addition to power: petrochemical, chemical, building materials, steel, nonferrous metals, paper, and domestic aviation	Carbon Tax Bill - Came into effect in 2019 - Applies to GHG emissions from the industry, power, buildings and transport sectors irrespective of the fossil fuel used, with partial exemptions for all these sectors
NEV Programme China - by 2025 25%: PHEV, BEV, FCEV - EV purchase subsidy (10%) - Mandatory credit policy for vehicle suppliers to boost domestic sales of NEVs	Carbon dioxide vehicle emissions tax (2010)

Sources: own elaboration based on the 17 identified sources with databases on climate mitigation measures globally

Step 5: Assessing the impacts of international response

- The previous steps focused on identifying vulnerable sectors and relevant response measures
- This step concentrates on analysing the possible impacts of the mapped response measures on the identified vulnerable sectors
- Assessing these impacts can be done using both quantitative and qualitative tools
- A quantitative assessment will be performed for a limited number of response measures
- Analyse the consequences of policy-shocks on the economy and trade flows by using a General Equilibrium Model (CGE)
- **Simulations:**
 - IMO carbon tax (maritime transport)
 - ICAO/CORSIA carbon tax (air transport)
 - EU CBAM tax

- **Will be done in collaboration with:**



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Step 6: Look at possible domestic and international tools and support which may be needed to address the impacts

- The goal is to highlight any domestic tools and international cooperative approaches that are helping or could help the country address the impacts of the implementation of response measures
- This step is important for reporting under BURs and BTRs, as countries can highlight what support they could use with respect to addressing impacts
- Impacts can be addressed ex-ante and ex-post and tools can be applied in both instances
- **Possible international cooperative approaches and measures:**
 - Financial aid and capacity building, for example: Technology Mechanism, Green Climate Fund (GCF), Adaptation Committee, Capacity Building Framework, REDD+ Framework, Global Climate Change Alliance Plus (GCCA+), Climate Investment Fund (CIF), Global Environmental Facility (GEF), Multilateral Development Banks (MDBs) aid
 - Built-in measures, for example: de minimis thresholds (DMT), slower phase-in of policies for developing countries and offset mechanisms
- **Possible domestic measures:**
 - Cost alleviation domestic safety nets, worker training/retraining and adjustment programmes and economic diversification efforts. In line with the principles of ensuring a Just transition
 - Support and capacity-building might be necessary in some cases

Table A.1 – Breakdown of global climate finance by public and private actors (USD billion)

ACTOR	2017	2018	2017-2018 AVERAGES
PRIVATE	330	323	326
Commercial FI	76	69	73
Corporations	193	172	183
Households	45	66	55
Institutional investors	9	10	9
Private equity, venture capital, infrastructure funds	4	6	5
Unknown	2	0	1
PUBLIC	282	224	253
Government Budgets & Agencies	32	42	37
Climate Funds	3	4	3
Public FI - Bilateral	20	26	23
Public FI - Multilateral	56	58	57
Public FI - National	171	94	132
TOTAL	612	546	579

Source: Climate Policy Initiative, 2019

Next Steps

- STEP 1** Describe the country and its characteristics
- STEP 2** Identifying important sectors to the Ghanaian economy
- STEP 3** Identify sectors potentially vulnerable to international response measures
- STEP 4** Identify relevant response measures
- STEP 5** Assess the impacts of international response measures

STEP 6 & FINAL REPORT Look at possible domestic and international tools and support which may be needed to address the impacts

October 29:
Pre session COP26

November 3:
COP26 Side Event



Thank you!

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