

2022 GHANA BUDGET STATEMENT

Any CARE for the Environment, Ecosystem Services and SDGs?



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6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES
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THE GLOBAL GOALS
For Sustainable Development

2022 GHANA BUDGET STATEMENT

Any CARE for the Environment, Ecosystem Services and SDGs?

Cover images: Mami Wata town, close to Senchi. Eastern Region by Yaw Pare

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INTRODUCTION

The crises facing our world are many. From climate change, water scarcity, forest and biodiversity loss, pollution and plastics, to crippling debt and the global pandemic, A Rocha Ghana is always anxious to know how our government will help mitigate them, by acting locally for global impact. Our concern is particularly in the environment, ecosystem services, the green transition, and the welfare, poverty reduction, and livelihoods of rural communities.

Ghana government's current dependence on natural resources for its key development programmes, and the disturbing impacts of climate change on those same programmes, are undeniable. During his COP26 speech, His Excellency President Nana Addo Dankwa Akufo Addo made this boldly clear:

"Even though we, in Africa, are the least of the contributors to this phenomenon [climate change], responsible for less than four percent (4%) of the global volume of carbon emissions, we suffer the most because our agrarian and



resource - driven economies are peculiarly susceptible to the effects of climate change, and our capacity to withstand its shocks is weak. Agriculture, water, energy, and the extraction of mineral resources are essential drivers of developments in our countries, but, at the same time, are characteristically sensitive to changing climate".

Sensitivity to climate change is rightly noted but ignored is the fact that the development drivers identified by the President also cause immense damage to ecosystem services and

natural resources, the same inputs that those drivers depend on. As such, they undermine the very roots of their own production. They are characterised by overexploitation now and amelioration later – or never. Ghana’s forests are a prime example. Government should be making every effort to protect Ghana’s remaining primary forests. Instead, the emphasis is on cutting the forests (e.g. community mining, legal mining in gazetted forest reserves, and the planned bauxite mining), or turning a blind eye when it is cut by others (e.g., illegal farms), and then maybe replanting them one day. Besides being costly, this cycle of dependence and impact means Ghana’s future is not secure.

This assessment looks at how far Ghana government’s key development programmes prioritised in the 2022 budget impact and depend on the country’s natural resources and ecosystem services. It also assesses how far government’s 2022 budget invests in protection and sustainable management of natural resources and ecosystem services, how it builds climate change resilience and mitigation capacities, and how it supports poor rural communities to overcome poverty and environmental degradation.

It focuses on programmes that impact or depend on ecosystem services and natural resources alongside others that are most critical for the welfare of the majority of Ghanaians. These are:



- Planting for Food and Jobs
- Planting for Export and Rural Development
- Rearing for Food and Jobs
- Fisheries and aquaculture development
- National Afforestation Programme
- Infrastructure for Poverty Eradication (IPEP), including water and sanitation, rural markets, One Village One Dam (1V1D)
- One District One Factory
- Water and sanitation
- Youth programmes (National Entrepreneurship and Innovation Programme (NEIP) and Nation Builders Corp, NABCo)
- Integrated Aluminium Initiative (IAI)
- Community Mining Programme
- Road and rail infrastructure
- Renewable energy
- Oil and gas development
- Education
- Health

Disappointingly, the budget statement is awash with green terminologies and narratives but does not show real commitment for investment and actions that matter most. Government's development programmes remain focused on unsustainable environmental exploitation and resource extraction. There is very little funding for protection or sustainable management of Ghana's natural forests, wetlands, fisheries and other natural resources, or for alternative development pathways that will transition Ghana to a green economy.

GHANA'S DEVELOPMENT PROGRAMMES HIGHLY RELIANT ON NATURE AND ECOSYSTEM SERVICES

Forest programmes

Ghana's forest programmes are of course heavily dependent on ecosystem services for their success and sustainability (see fig. 1). Afforestation and reforestation, for example, depend on clean water, good local climate and air quality, moderation of extreme events, erosion prevention, soil fertility, biological control, maintenance of genetic diversity, and more. They also have impacts on several of the same services, as well as food production (by potentially taking over croplands) and carbon sequestration and storage.

The programmes' overall impacts also depend on how they are carried out. Planting a diversity of indigenous tree species will be very beneficial to ecosystem services such as habitats for species, pollination services, and biological control, while planting on bare slopes will help control soil erosion. But plantations will not support any of these services, partly because they contain only one or a few species, and partly because they will be cut down early instead of allowing them to grow to old age.



Mining

Ghana's mining projects obviously have huge impacts on ecosystem services, so it is not surprising that the two mining programmes – community mining and bauxite mining – have the biggest impacts of all the assessed development programmes. This is made worse because bauxite mining is planned for Ghana's forest zones where the delicate balance of biodiversity and ecosystem services is easily disrupted. Locations for the planned community mining schemes are not identified, but gold mining is usually in forest zones or on farmlands. For both, the impacts – social as well as environmental – are huge. We will be monitoring and ensure that government will be held accountable to its promises of sustainable community and bauxite mining. Mining companies must also be made to pay their rehabilitation bonds in full, so that polluters pay for the environmental damage they cause.



Food production

Of all the government's development programmes in the 2022 budget, 'Planting for Food and Jobs' and planting for Export and Rural Development' have the highest dependencies on ecosystem services, while 'Rearing for Food and Jobs' and 'Fisheries and Aquaculture' are not far behind. Crop farming is particularly reliant on the climate and air quality regulation, moderation of extreme events, erosion prevention and maintenance of soil fertility, pollination, biological control, and fresh water. Besides being dependent on ecosystem services and resources, current farming practices also impact negatively on them, particularly soils and biodiversity due to applications of chemical pesticides and fertilisers, but there is no training to help farmers use sustainable alternative inputs and techniques.



Impacts and Dependencies on Ecosystem Services of Ghana's 2022 development priorities

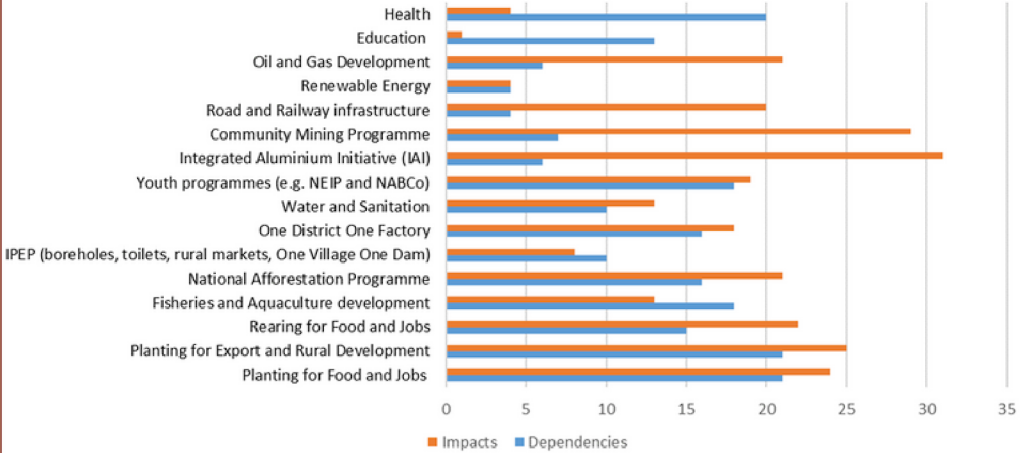


Figure 1 shows the level of Impacts and Dependencies on Ecosystem Services of Ghana's 2022 development priorities

Water and sanitation

The government's water and sanitation sector projects have medium dependencies and impacts on ecosystem services, the main dependence of course being on the availability of clean safe water. This is why the limited focus on protecting the forests and other ecosystems that secure the headwaters of Ghana's critical water resources is so worrying. The impacts of water and sanitation on other ecosystem services are limited mainly to those caused by construction of facilities and services. As the later round-up of impacts and dependencies on each ecosystem service show, water is the most critical service of all as the dependencies and impacts cut across almost all Ghana's development programmes.

Energy

Energy production is entirely dependent on natural resources, including some that are imported (e.g. gas). The major concern with different energy sources is their impacts. Fossil fuels, as the world is increasingly aware, has extremely damaging impacts on the climate (local and global) and air quality (depending on the fuel type).

Due to the massive impacts of fossil fuels, it has now become imperative – and agreed at the recent COP26 – for nations to reduce and eventually end their use as quickly as possible.

Renewable energies also depend on natural resources, but different types such as aluminium, copper, cobalt and lithium. Due to this high dependence, and the likely

impacts on different environments, it is also necessary that we maximize efficiency and minimize consumption of energy, so we limit our demand and our impacts as far as possible. Ghana's energy consumption is currently going the other way, as installation of air conditioning increases. Construction of houses, offices and other buildings should include natural cooling techniques such as aligning them to benefit from dominant wind directions, and placing larger windows on sides that do not face the sun. Ghana should also have a policy demanding construction companies fit solar panels on to all new buildings during construction.

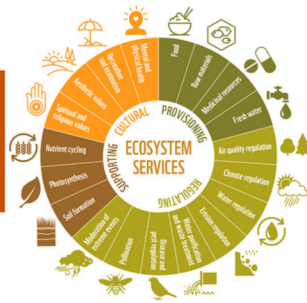
Grey Infrastructure and Industrial Development

Ghana like most developing countries has a clear infrastructure deficit, requiring accelerated actions to bridge the gaps for life saving social amenities and industrial development. The 2022 Budget Statement makes some provision for these needed efforts. Our analysis shows clearly that these grey infrastructure and industrial developments constitute a major source of negative impacts on ecosystems services, including from air pollution and raw material depletion.

Rather than being detrimental to ecosystem services, the government and other service providers and professional engineers and builders can take advantage of the global push to foster and promote green cities, by deliberately engineering spaces, facilities and systems that are environmentally friendly and enhance ecosystems services by supporting co-habitation between both people and nature. There are opportunities for greening the roads and highways sector and drainage systems, as well as the development of nature-based green spaces within all categories of settlements in the country.

Ghana's building code and regulations need to be made more green and friendly to accommodate nature in our sprawling concrete and tiled communities. Of urgency is the need to expunge from our statutes and regulations any provisions that tag wildlife in the city as a nuisance.

ECOSYSTEM SERVICES: WHICH ARE THE MOST IMPORTANT FOR GHANA'S DEVELOPMENT PROGRAMMES?



Unsurprisingly, the most critical ecosystem service amongst all those included in the assessment is fresh water (see fig. 2). It is critical for our wellbeing, health and welfare, agriculture, freshwater fisheries, water and sanitation projects, tree planting and more. Meanwhile many of Ghana's development programmes, from small and large-scale mining to farming, infrastructure, and irrigation, all have impacts on it in terms of both quality and quantity. Water is so undeniably important to every aspect of life that humans are being myopic when we do anything to harm it. This is why any plan to mine Atewa Forest for bauxite is a fundamentally bad idea and should have been dropped the moment it was suggested.

Atewa Forest is a source of water for 5 million people, and mining the mountaintops will cause toxic heavy metals to seep into the mountain streams. Then a new problem is created: how to ensure this toxic water does not mix with people's water supplies in streams, boreholes, and piped water, or into the ecosystems, habitats, and ponds that are home to endemic species such as *Conraua sagyimase*. Toxic heavy metals cannot be cleaned from water to make it safe again. So where will the safe water for 5 million people come from then?



2022 Development Priorities: Dependence & Impacts on Ecosystem Services

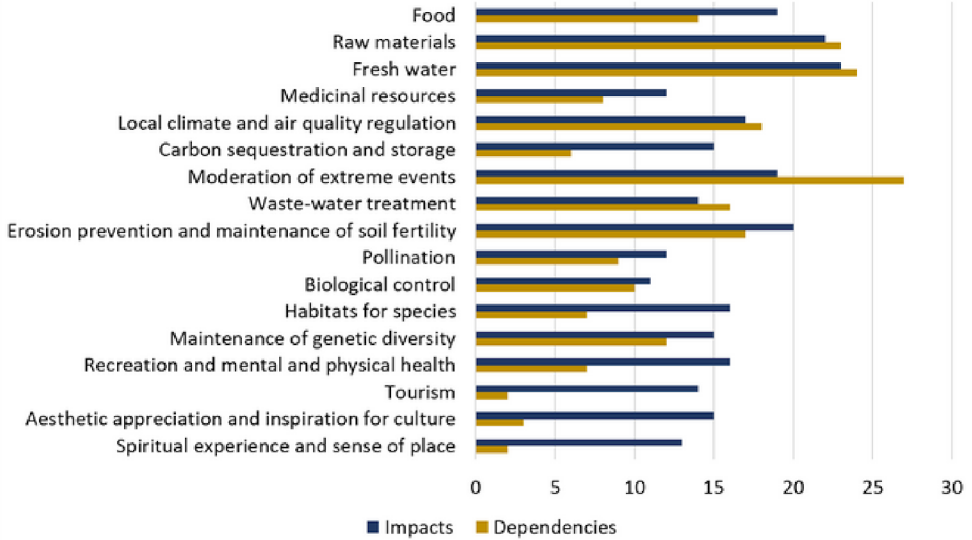


Figure 2 shows 2022 Development Priorities: Dependence & Impacts on Ecosystem Services

The next most important ecosystem service is moderation of extreme events. Every part of our lives, for example our farms, homes, offices, roads, railways, transport, electricity transmission, forests, wetlands, fisheries, and more, can be disrupted by extreme events such as droughts, floods, storms, and heatwaves. We depend heavily ecosystems and living things such as trees and mangrove forests to moderate these extreme events. The most recent IPCC report has shown that they are increasing in both intensity and frequency due to climate change . To build resilience to these hazards, all development activities should be ‘climate proofed’, while the capacities of communities, especially rural, to adapt to them must be built.

Raw materials is also high up due to the dependence of many of Ghana’s development programmes on raw materials as inputs, and the impacts that development activities have on raw materials in the environment. The ecosystem services of erosion prevention and maintenance of soil fertility are of course critical for all farming activities, while erosion prevention is also essential for protecting projects such as water supply and crop production as well as our homes, yet so many of the development programmes such as construction, forestry, and industrialised agriculture have damaging impacts on them.

Local climate and air quality regulation also scored high due to the dependencies of programmes such as Planting for food and Jobs, Planting for Export and Rural development, Rearing for Food and Jobs, Afforestation and other forestry programmes, Aquaculture and Fisheries, Health, and several of the NAELP interventions that all need good local climate and air quality.

All living things, including humans, are far healthier when the air quality and local climate is good. It is also high because many of the development programmes such as community mining, large scale gold and bauxite mining, construction projects for the Integrated Aluminium Initiative (IAI), oil and gas development, and some of the One Village One Factory (depending on the activity) all impact on local climate and air quality by causing dust pollution (including toxic dust) or emitting air pollutants from industries or refineries. Interventions that damage forest and vegetation cover also change the local climate and air quality because trees and vegetation have a very critical role in the water cycle, and also help to clean the air by removing pollutants.



Food

Food including wild food from the forests and other landscapes, and food produced by farmers – is an ecosystem service impacted by any programme that takes land away from farmers, or damages the land farmers are using, or damages the environments where wild food is collected. These include for instance, mining (large and small scale), tree plantations, construction projects, commercial agriculture and any other programme that takes over or damages productive lands already in use for subsistence farming or collecting wild foods.



Wastewater treatment is important for our health and welfare, and many programmes depend on it, some because of the wastewater they produce that needs to be treated to avoid it causing damage to humans and the environment, and others such as farming that would be damaged if wastewater was not properly treated. The development programmes also impact on the capacity of natural systems to treat wastewater, for example by excessive wastewater production or heavily polluted wastewater that natural systems are unable to cope with.

The ecosystem services of maintenance of genetic diversity, habitats for species, carbon sequestration, pollination, and biological control all scored similarly because it is a particular set of development activities that depend on these services, and another set that impact them. The dependent programmes include crop and livestock farming, forestry, and fisheries, while the impacts come from developments that damage the environment, especially small and large scale mining, the IAI, infrastructure development, and oil and gas. Medicinal resources are affected by the same impacts.

Ghana's development programmes – besides health interventions – are not very dependent on the services of recreation and mental and physical health, aesthetic appreciation, tourism, spiritual experience, and sense of place. However, by destroying natural spaces of peace and tranquility, many of Ghana's development programmes have damaging impacts on these ecosystem services. Programmes such as community mining, large scale gold and bauxite mining, manufacturing, the IAI, and any activities that convert forests and natural areas into manmade environments devoid of anything natural will have a damaging impact on recreational, aesthetic, tourism, spiritual and sense of place services.



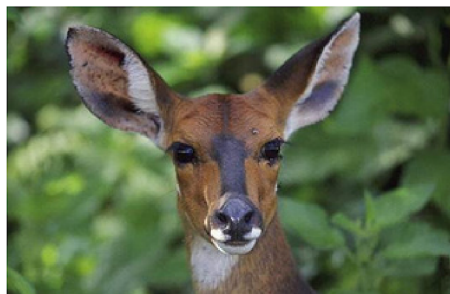
FORESTS, BIODIVERSITY, AND WILDLIFE



For this year, government intends to implement 'an aggressive afforestation programme and projects aimed at restoring lost forest cover'. Only one target is identified: 1,000ha under the National Land Reclamation and Re-afforestation Programme of the National Alternative Employment and Livelihood Programme (NAELP). Although there are no 2022 targets for Youth in Afforestation, Ghana almost met the programme's 80,000ha target for 2021 and we strongly encourage government to exceed this in 2022. Tree planting under the Green Ghana Project encouraged community groups, churches, donors, CSOs, local government and others to plant tree, and is planned for 2022-2025.

Tree planting and restoration of lost forest cover are critical but should be second to the top priority of protecting Ghana's remaining natural forests. Afforestation must also mimic the diversity of the natural forest, not plantations. We remind government again: Plantations are NOT forests. They do not have the diversity of natural forests, and the overall aim is to cut them down for income, so the other long-term benefits of real forests such as carbon storage or wildlife habitats are immediately lost.

Despite this, investments in protecting Ghana's remaining natural forests and biodiversity, and the green economy activities that will sustain them (e.g., green value chains of forest products or ecotourism), are very limited. We again urge government to increase investments in strengthening protection of the remaining natural forests and promoting green forest enterprises in partnership with donors, CSOs and private sector actors and ensure sectoral program planning and development synergies to support development pathways that protect and secure forests rather than destroy existing forested estates in Ghana. This is critical: besides supporting many of Ghana's development programmes, the forests contribute immeasurably to our life support systems and to the subsistence and livelihoods of local communities. As such, the natural forests must not be degraded any further.



Ghana has made a welcome commitment to reduce deforestation under the LEAF Coalition. But this must account for deforestation across the whole country and not just in the selected LEAF project landscapes to avoid leakages. Ghana should not be rewarded for securing forests at project sites when deforestation elsewhere continues unabated. Every day trees are still being cut illegally by loggers, timber companies, charcoal producers and farmers, but little action is taken by government to control it. Reducing deforestation is also critical for fulfilling Ghana's commitments to the Paris Agreement and the Convention on Biological Diversity.



Conraua sagyimase. Credit: Dr Caleb Ofori-Boateng



Shelley's Eagle-Owl. Credit: Robert SR Williams

sagyimase, or the Atewa slippery frog – in the Atewa Range Forest Reserve near the community of Sagyimase. But, while celebrating this discovery, the budget also supports bauxite mining in the Atewa Forest that will destroy this frog's only home. This is contradictory. It seems strange to celebrate this discovery and still plan to destroy its last remaining habitat in the world. As government has clearly recognized the significance of this discovery – which is not the only one, there is also the Afiabirago puddle frog. Again, the Atewa Forest has also been in the news for having populations of the Shelley's Eagle-Owl that has not been spotted in the wild for more than 150 years.

The 2022 budget reported on the Council for Scientific and Industrial Research's (CSIR) discovery of a critically endangered frog– Conraua

The only way forward to ensure consistency is to immediately stop plans to mine bauxite in the Atewa Forest. Then stakeholders – including communities, civil society, private sector, donors and government – will come together to facilitate green development such as ecotourism and research facilities with secure green jobs that support the forest and communities to flourish.





MINING AND ENVIRONMENT

• Galamsey and Community mining

Government recognises the threat of galamsey to people’s survival and security. Its efforts to contain and stop it in forests and water bodies have made some positive strides but, as the evidence shows, the problem re-emerges as soon as the action stops. Government’s main plan now is the National Alternative Employment and Livelihood Programme (NAELP) “designed to help protect the environment and water bodies from illegal mining by providing alternatives for illegal miners”. One of NAELP’s six interventions is the community mining scheme, described as ‘responsible, viable, and sustainable’.

One District Assembly where community mining has been rolled out, however, has lamented that it has worsened the illegal mining. The youth around community mining sites are also upset. A group called the Concerned Youth of Asamang Tamfoe in the Eastern Region is angered at how the ‘alleged community mining’ covering 40 hectares of land is polluting rivers, degrading farmlands, and depleting natural resources, while the mining pits are endangering residents’ lives. Similar incidents can be reported in Apedwa, Awaham, Akyem Ntroso, just to mention a few. While the aim of the community mining is good because it ensures more of the value of Ghana’s gold resources benefit local people and Ghana’s economy than largescale mining does, it requires very careful implementation and monitoring to ensure it ameliorates instead of exacerbates the problem of galamsey. That said, we observe that the current system in place for community mining, is just another recipe for disaster. Critical to the process, is to ensure that there is full accountability by ensuring that the polluter-pay principle is integral to the community mining operations and operators respect the surface rights of other land users.

While the aim of the community mining is good, it requires very careful implementation and monitoring to ensure it ameliorates instead of exacerbates the problem of galamsey.

Government envisages a huge expansion of community mining with hundreds of thousands of jobs, mostly in the mining itself but also for on-site Environment Officers, and staff to maintain site facilities such as changing rooms and sick bays. Presumably, the jobs are primarily for illegal miners to take up, so most are not explicitly new. The community schemes and the jobs identified in the budget are:



- 5 community mining schemes with 20 concessions already launched, with capacity for 26,300 direct and indirect jobs
- 100 new community mining schemes in 2022 will create 220,000 jobs
- 1,400 small-scale concessions will generate 500,000 jobs on 6 fields covering 150km²
- 100 community mining concessions to create 150,000 direct and indirect jobs
- 26 community mining concessions supported with mercury-free gold processing plants to create 30,000 direct and indirect jobs.

Total job creation and concession: 926,300 jobs on >1,646 concessions.

While the need for job creation is unquestionable, we are concerned that this scale of jobs in community mining will cause yet more environmental damage, and further threaten communities' food and water security. Enforcement and Compliance Monitoring and reporting on social, environmental and economic impacts within the mining concessions and on the surrounding communities and environment is essential.

It appears as if the Community Mining Scheme has not been thought through well and the key stakeholders have been ignored in the decision-making processes. In view of this, we urge government to:

- 1 Immediately halt all existing and planned community mining activities
- 2 Hold inclusive stakeholder engagements with all groups, especially farmers, women and youth groups, living around the proposed community mining sites

- 3 Implement Free, Prior and Informed Consent (FPIC) that ensures agreement from all these affected stakeholders at any proposed community mining site. No community mining should go ahead without the free, prior and informed consent of all affected stakeholder groups.
- 4 Put in place an elaborate regulatory and compliance mechanism that ensures there are no damaging impacts on forests, water bodies, farmlands or communities.
- 5 Embed the polluter-pays principle into the allocation and operation of community mining activities to ensure mined sites are restored to productive functions or other suitable uses. Public funding should never be used for rehabilitating mining sites, when that should be the responsibility of the private firm that benefited from mining enterprise.

If not, community mining will just be an exercise of rebranding but destructive in its nature and practice just like galamsey.

Government's purchase of 100 mercury-free gold mining extraction machines for the community mining concessions will overcome mercury use that has damaged the health of illegal miners who use the mercury and the communities using the polluted water and soils. It is not clear what will happen if miners default on repaying the US\$113,000 per machine within a year, as government is expecting . This is huge sum of money to repay over a very short time



Photo credit: Jeremy Lindsell

• Bauxite mining

Government says the draft report of the biodiversity and hydrological baseline study of Atewa Forest is complete, but we have been unable to see it. As the study was commissioned by EPA and financed by GIADEC, independent verification of the methods and findings is critical. GIADEC is now supposed to use this report to develop an action plan to guide operations in the forest. The baseline and action plan are key documents that must be made publicly available, especially as there is so much opposition from communities and across the country to mining bauxite in Atewa. Even in solely economic terms, it is a costly venture that will damage other economic opportunities with far greater long-term economic value. When all the other social and ecosystem services are included, the case against bauxite mining is overwhelming. As CSIR has shown and Ghana's budget has highlighted, Atewa Forest is a critical habitat for many endemic and endangered species. It is also a crucial provider of clean water, clean air, climate change adaptation and mitigation, and many more life support services. Plans to mine Atewa must be dropped immediately, and its protection upgraded to National Park to rule out any further threats in the future.





FARMING, FISHERIES AND FOOD SECURITY

• Farming

Government's focus for agriculture is on export and import crop sectors to promote job creation, commercialization, and import substitution. Support is mainly in agro-inputs, facilities, and livestock. Agro-inputs are the conventional chemical pesticides and fertilisers that damage biodiversity and kill beneficial insects such as natural pest predators and pollinator species. Instead of handing out chemicals and inorganic inputs, government must support alternatives that sustain and nurture productive resources to secure long-term benefits. Many options exist such as Integrated Pest Management (IPM), green cover crops, and soil and water conservation, but there is no investment for them. While government's focus on commercial agriculture to create jobs for the youth is understandable, there is a worrying inadequate support for subsistence farmers, the backbone of Ghana's food security. Some farmers benefited from improved seeds and fertilisers under 'Planting for Food and Jobs', as well as irrigation water through 'One Village One Dam', but little else.

As climate change impacts worsen, the urgent need for farmers to gain skills in adaptation and resilience cannot be overstated. Without this, Ghana's food security will quickly decline.

Practical hands-on Farmer Field Schools and demonstration plots provide very effective channels for building these skills and allow them to share, experiment with, and adapt their own traditional techniques as well as the new ones they learn.

Besides the technique used for skills sharing, we also encourage government to promote and support environmentally friendly farming techniques such as organic farming and agroforestry for both commercial and subsistence scales, as these techniques help build farmers' resilience to climate change impacts.

In clause 36 of the budget, there is a plan to create a Ghana Agricultural Land Information Bank (GhLIB) as an easily accessible land-based information platform to facilitate access to land for commercial farming. If this goes ahead, it is vital that communities' land rights, access, and use are not undermined in any way.

Farmers who do not own or have secure tenancy for the lands they farm could be victims of land grabs and lose their access, with grave impacts for local and national food security.

It could repeat the biofuels land grabs when communities, farmers and chiefs were encouraged to hand over their lands without understanding what was happening or what the consequences would be. This can be particularly damaging for women as they tend to have less secure access to land and all other productive resources that form the basis of their subsistence and livelihoods.

• Annual Budget Funding Amount (ABFA)

Ghana’s Petroleum Revenue Management (PRMA) requires at least 70% of the ABFA be used to fund public investment expenditures (Section 21(4) of the PRMA). For 2021, agriculture was allocated the smallest budget of any sector to benefit from an ABFA allocation – just GH¢10 million (see table) – and used the smallest proportion of its allocation:

- GH¢10Mn allocation in the 2021 Budget
- Actual Utilisation by end of September 2021: GH¢2.93Mn, representing only 29.3% of its budget allocation.

This raises many questions, such as: Will the remaining 71% be used by the agriculture sector before the end of 2021? Does unused budget roll over and add to the 2022 PRMA/ABFA funding allocation?

Farmers are crying out for investment, inputs, training, finance, and so much more, while a budget allocated to agriculture sits unused. Subsistence farmers are some of Ghana’s poorest people, so it is very difficult to understand why this money has not been used to help them. Transparency is vital to ensure farmers know what happens to the remaining 71% due to their sector.

Table 18: ABFA Utilization by Priority Area for Jan-Sep 2021 in GH¢ Mn)

No.	Priority Area	2021 Budget GH¢Mn	Actual Utilisation GH¢Mn	% of Budget utilised
1	Agriculture	10	2.93	29.3%
2	Education and Health Service Delivery	808.61	412.76	51.0%
3	Roads, Rail and Other Critical Infrastructure	1,385.00	828.64	59.8%
4	Industrial Development	17.21	13.48	78.3%
	Sub-Total	2,220.82	1,257.82	56.6%
5	Ministry of Finance	364.28	162.22	44.5%
	o/w PIAC	2.37	2	84.4%
	o/w GIIF	361.91	160.22	44.3%
6	Total	2,585.10	1,420.04	54.9%

Source: MoF

• Fisheries

In the fisheries sector, the government recognizes how fish resources are declining, and that sardinellas, anchovies and demersal species are overexploited. Commercial fishing trawlers (mostly foreign), many involved in saiko (illegal trans-shipments), are damaging communities' livelihoods, incomes and food security, and leading to conflict. Corruption coupled with the woefully inadequate human and financial resources has resulted in insufficient monitoring and enforcement, while fines of USD1-4 million are insufficient and, if caught, illegal actors agree out of court settlements below the legal penalties, making them ineffective as deterrents. No budget is identified for dealing with illegal fishing in 2022, yet it requires urgent and innovative efforts to get the sector on track towards sustainability. It is vital that government adequately supports monitoring and enforcement of the sector and imposes penalties high enough to be effective deterrents, especially on saiko activities.

Besides monitoring and enforcement, other actions also have positive impacts. The one-month closed season helps, but much greater benefits are achievable from restoring natural nursery grounds where young fish protect themselves from predators. Key among these are the mangroves that provide safe nursery grounds for young fish that larger predators cannot enter. Establishing Marine Protected Areas (MPAs) with permanent fishing bans also supports fish stock increases and helps restore diverse habitats and population structures for healthy ecosystems that are not achieved with temporary bans .



WATER RESOURCES – PROTECTION AND ACCESS



Government has identified a long list of water supply projects to connect communities to safe water, as well as many crop irrigation projects for 2022. These programmes are laudable.

Access to safe water is vital for people's health and welfare. But water supply projects cannot be sustained unless the upstream sources of water that feed them are properly secured, along with the forests and ecosystems that protect their headwaters.

One of the most important forests for this role is the Atewa Forest that protects the headwaters of three major rivers providing clean water to around 5 million people, almost one sixth of Ghana's population.

Plans to mine it for bauxite will directly impact these water resources. Investing in new water supply systems for households and farms will be a complete waste of financial resources if the watersheds, forests and ecosystems that feed them are not protected. Experiences from elsewhere in Africa like Cape Town show that, when the wells run dry, the taps will stop flowing as well.

Some activities have been undertaken in 2021. The budget reported on buffer zone restoration schemes in riparian communities in the Volta, Tano, Offin, and Densu basins that planted over 16,000 trees and trained 252 tree nursery attendants.



The aim is to restore degraded buffers along rivers and reduce the damage of human activities on water bodies. These are beneficial projects but still do not ensure protection of the headwater ecosystems from where the rivers emerge.

ENERGY PRODUCTION



• Renewables

Solar energy – the focus of Ghana’s renewable energy programme – is a win-win for Ghana, having one of the two lowest impacts and the second lowest dependency on ecosystem services as well as ample sunshine to drive this development. It should be expanded to supply more off-grid communities as well as the national grid. Ghana’s programme so far includes solar lanterns, solar home systems, and solar power plants. We urge government to partner with private sector companies to implement larger solar energy projects and introduce wind energy to Ghana as well. These will raise the contribution of clean affordable energy to Ghana’s energy mix, and help the country fulfil her clean energy actions identified in the updated National Determined Contribution (NDC) on commitments towards dealing with climate change.

Ghana’s renewable energy programme also includes distribution of improved charcoal cook stoves, which will also reduce deforestation and improve women’s health by reducing their exposure to dangerous emissions.

• Nuclear

Government’s pursuit of nuclear energy is deeply worrying. Progress to date has reached the identification of a strategic partner and the site for constructing the nuclear plant.

For so many reasons, we strongly urge government to stay clear of nuclear energy.

Although nuclear energy is usually considered emissions-free, taking account of the whole lifecycle has shown that it releases 3.5 times more CO₂ per kilowatt-hour than solar photovoltaics, 13 and 17 times more than onshore and offshore windfarms respectively, and 29 times more than hydropower. Nuclear power plants are also 4 times more expensive than wind or solar, and take 5 times as long to build, requiring 15-20 years lead time for a new plant . If these concerns are not enough of a deterrent, there is the huge danger to all life from the waste that remains radioactive for hundreds of thousands to millions of years. Even when properly contained, there is always a danger the seal will break due to unexpected events such as earthquakes or human error . Where will Ghana store such highly hazardous waste for hundreds of thousands of years? Besides the immediate challenges, nuclear energy stores up problems for future generations, which is completely inconsistent with sustainable development. Government must focus on renewable energies of solar and wind power that are far cheaper, cleaner, and quicker to establish, and do not store up hazards for future generations.

• Oil and gas

Drilling for oil in the Voltaian Basin is planned for 2022 following the start of preparatory studies. It is deeply disturbing that this is going ahead when there is so much offshore oil drilling already underway, and at a time when the world needs to end its addiction to fossil fuels and invest in green alternatives. Now that we know so much about the damaging impacts of burning fossil fuels, and when alternative technologies are readily available, it is both myopic and dangerous to open up new oil wells, and especially so on land. Ghana could put herself ahead in the game. Oil demand will decline and Ghana would be ready if she invested in alternative fuels.



Drilling oil on land also poses great threats to local people, biodiversity, wildlife, and the environment. Nigeria has shown vividly the devastating impacts that mismanagement of oil wells, gas flaring and oil spills in the Niger Delta have on people, livelihoods, food security, clean water, clean air, health, and welfare. Oil development does not bring anything good to the communities that are its host. The profits instead go mostly to oil companies in foreign countries. Oil prices are also exceptionally volatile. We urge government to be more forward thinking. The budget says government is driving towards a green transition that promotes sustainable growth, financial and fiscal stability, increased employment, and reduce inequality. Yet promoting on-shore oil development is completely the opposite: it is not sustainable; it is financially unstable due to price volatility; it provides few jobs for local people; and it will increase local inequality.

GREEN ECONOMY, SDGs, AND CIRCULAR ECONOMY



The green transition is mentioned only once in the budget, while the SDGs are listed for each of the six sectors – Administration, Economic, Infrastructure, Social and Public Safety – covered by the document. There is also a new table for 2022 – the ESG Expenditure Framework – that includes the SDGs and examples of eligible budget expenses, but some are not included in the budget itself, so the purpose of the table is not clear. Besides this, the SDGs are rarely mentioned.

Circular economy is not mentioned. Plastics are, but only in terms of a technical committee established to develop a roadmap for plastic waste management that will be piloted in selected communities of Greater Accra with support from the National Plastic Waste Recycling Fund. There is no mention of tackling plastic waste by encouraging people to reduce single use items or banning non-essential single use plastics such as black plastic takeaway bags or plastic cutlery. Many more items are now being sold in single use plastic bottles and plastic containers, so the problem is quickly getting worse. Banning these items will not mean job losses. It will mean innovation and a shift in production towards green alternatives.

This is already happening in South East Asia and some parts of Africa. Ghana could become a sector leader. We believe a ban on single use plastics is essential to help reduce the terrible annual flooding caused partly by plastic blocking storm drains, and to address the growing crisis of plastic waste in the environment and ocean. Already fishermen are catching more plastic than fish. How much worse must it get before government takes real action? Other important actions besides plastic bans include:

- Urging companies to implement circular economy for their products, so that single use plastic bottles are returned to the same company, which then manufactures them back into more plastic bottles. Companies must cover the cost of the pollution they are causing.
- Awareness raising about options for recycling of water sachets and plastic bottles
- Implementing a small charge on plastic bottles that is recouped when the bottle is returned. This will also encourage people to collect more from the environment to get the deposit on return.
- More plastic bottle collection points need to be established where households can deposit their plastic waste for recycling.

CLIMATE CHANGE— IS THERE ANY ACTION?

According to government, the COVID-19 economic recovery presents an opportunity to “build back better through innovation and more aggressive pursuit of green growth”, and that government has established climate change interventions to drive a green transition. Referring to the launch of its updated Nationally Determined Contribution (NDC), government says “Ghana has reiterated its readiness to leverage its natural resources to fund a sustainable transition to a low carbon economy”. Although laudable statements, the practical actions to realise these commitments are not evident anywhere in the budget or investments. It is also not clear what is meant by Ghana being ready to leverage her natural resources to fund a sustainable transition.



Government has identified programmes to support Ghana’s climate change commitments including forest conservation, sustainable land use programmes, and emissions reduction through ‘natural infrastructure’ and ‘the assembly and integration of electric motorbikes.



Far more preferable than electric motorbikes and their very limited impact would be to ensure all road vehicles meet regulations on clean emissions. Many cars, trotros, buses and lorries spew dangerous black exhaust into the air, threatening people’s health, and adding to air pollution and atmospheric carbon. This can be easily overcome, if only the government is committed and if corruption is stamped out so that drivers can no longer pay their way out of illegalities.

Ghana’s updated NDC is expected to generate absolute greenhouse gas emissions (GHG) reductions of 64 MtCO₂e and create 1 million green jobs by 2030, but only nine of the mitigation measures are unconditional while the other 25 depend on the availability of funds from public, international and private sectors and climate markets. The nine unconditional measures aim to achieve 24.6MtCO₂e emissions reduction while the 25 conditional measures aim to achieve 39.4 MtCO₂e.

The NDC does not state which NDC policy actions are conditional and which are not, adding that this information is available from the NDC coordinating entity at the EPA and MESTI, so we are not able to determine if the unconditional actions are adequately catered for in the budget.

Ghana is keen to enter the global carbon market following agreement on carbon market rules during the COP26 United Nations Framework Convention on Climate Change (UNFCCC) in November 2021. Of the target 64 million tonnes carbon emissions reductions, Ghana is ready to trade 24 million tonnes with countries and corporations, with 2 million tonnes of carbon emissions credits already agreed with Switzerland in exchange for green project funding. While this should benefit Ghana by financing clean energy projects, carbon markets over the long-term will not keep the world below 1.5oC of warming. Carbon markets mean rich countries and corporations buy GHG emissions reductions that other carbon market participants have achieved, so there is less pressure on the buyer to reduce their carbon emissions. Carbon markets may be a useful short-term measure to reduce emissions quickly but should only be used for emissions that are completely unavoidable at this stage. Besides those, all carbon emitters must make every effort to reduce their carbon emissions and avoid double counting. There is also a danger that unidentified deforestation (e.g. from illegal farms or mining) at another location may cancel out emissions reductions gained at the carbon offset project site, so close monitoring is critical to ensure all sources of carbon are fully accounted for and leakages avoided. Carbon credit buyers must ensure they work towards real emissions reductions to reach net zero emissions in the shortest possible time.



BUDGET ALLOCATIONS FOR KEY AREAS

The table shows some of the budgets (in Ghana cedis) for the programmes or sectors covered in this assessment. The budget assigned for the National Afforestation Programme has been cut considerably from the amount identified in the 2020 budget, which had projected sums of 285,120,000 for 2022 (now 107,000,000) and 327,888,000 for 2023 (now 53,500,000) and is now only half of the very reduced 2022 budget. There is a dearth of clear support for critical actions such as monitoring Ghana's remaining natural forests for illegal logging and mining, monitoring and law enforcement in Ghana's fisheries sector, and climate change resilience building in rural communities.

Budget line	2022	2023	2024	2025
Planting for Food and Jobs	614,056,000	625,797,000	743,358,000	829,565,000
Tree Crops Development Authority	15,000,000	18,000,000	21,420,000	23,776,000
Min. of Fisheries and Aquaculture Development (for MoFAD Headquarters and Anomabo Fisheries College)	80,122,000	85,682,000	91,540,000	100,893,000
National Afforestation Programme	107,000,000	53,500,000	63,665,000	70,668,000
Operation Vanguard	20,201,000	24,241,000	28,847,000	32,020,000
Green Ghana Project	9,600,000	11,520,000	13,709,000	15,217,000
Watershed and watershed ecosystem protection	Government says it is investing in more forest conservation and sustainable land use programmes, which could help protect watersheds, but there are not activities specified and no budget lines for forest conservation.			
Protection of water bodies	Government reported it has been implementing buffer zone restoration schemes along 5 river basins to reduce the negative impacts of human activities. There is no budget specified for actions to protect water bodies.			
Water and Sanitation Initiative	147,999,000	177,353,000	217,018,000	233,523,000
Mangrove restoration	Mangroves are not mentioned in the budget, despite their critical role in protecting communities from storms and young fish from predators, the later that would also help restore Ghana's fisheries and fishermen's livelihoods.			

Climate Action and Sustainable Transition to a Low Carbon Economy	Government has various activities under 'Climate Action and Sustainable Transition to a Low Carbon Economy' but there does not seem to be any funding specified. There are also no clear budget lines for NDC policy actions.			
Flood control / DRR	No budget identified specifically for flood control. The budget text mentions replacing the 2020 National Flood Control Programme, but no new programme is identified. A budget for NADMO is not specified under Ministry of Interior			
Plastic Waste Recycling Fund	4,761,871	4,206,612	4,218,847	4,086,868
ManAlternative Employment and Livelihood Project (NAELP – mainly community mining and agriculture)grove restoration	300,000,000	359,700,000	423,045,000	480,076,000
Renewable Energy	No budget specified for renewables. All MoEN budget is for Headquarters and Agencies, Petroleum Hub, and Nuclear Energy			
GIADec	30,829,000	36,949,000	43,192,000	49,574,000
Interest payments	37,447,234,536	38,244,949,907	41,313,074,951	43,954,595,384

TO CONCLUDE:

Despite calls from civil society across Ghana urging the government to take more care of our forests and other natural areas, and to deal properly with illegal and excessive exploitation in mining, logging, charcoal production, fishing, and other damaging activities, our calls seem to fall on deaf ears. Civil society is also always showing how Ghana's natural environment can benefit from green development such as ecotourism and sustainable value chains. But again, our calls go largely unheeded. Ghana's budget has some of these 'green' words sprinkled through the text but, when it comes to the numbers, the money is not there. Investment is for traditional resource extraction, such as mining that destroys forests and water resources, or conventional agriculture that destroys biodiversity and soils, or tree plantations that will be cut down. Sustainability is virtually absent. The programmes destroy the very resources and ecosystem services they – and poor rural communities – depend on. Ghana, along with much of the world, urgently needs a paradigm shift in thought and action.

As we have highlighted above, some of the most critical actions that need budget support and action include:

RECOMMENDATIONS

- Stop mining in the forests, most especially in the protected forest reserves. Government has said it will not allow any more mining companies to mine in forest reserves yet is going ahead with bauxite mining in those reserves.
- Increase monitoring of Ghana's remaining natural forests to control illegal and unsustainable activities such as logging and mining, in particular by large companies whose activities maybe legal but not sustainable. New limits must be set to ensure logging is both sustainable and legal.
- Root out corruption. It is a huge contributor to on-going illegal fishing, mining, vehicular pollution, logging and other environmental crimes because perpetrators can buy their way out of punishment and penalties.
- Protect watersheds, watershed ecosystems such as high mountain forests, and all water bodies from damaging developments. They should be completely off-limits.
- Increase the monitoring of fisheries, especially foreign trawlers involved in saiko. This is vital. When Ghana's fisheries are destroyed, the foreign fishers can move on. Ghana's fishermen cannot. Protect Ghana's fisheries for the livelihoods of Ghana's fisherfolks. Overcoming corruption in the sector is a priority here too.

- Support subsistence farmers and government's planned commercial farming programme with skills in conservation agriculture, agroecology and agroforestry to minimise the negative impacts on biodiversity and ecosystems and maximise the benefits. This will also help farmers build resilience to climate change. .
- Protect existing nature-based solutions to climate change such as forests and mangroves, nurture and restore degraded ones, re-establish lost ones, and establish new ones where communities need protection.
- Implement the community mining programme extremely carefully. Ensuring that local communities benefit fairly from their local resources such as gold is crucial, but it must be in a way that does not damage the forests, farmlands, water bodies, and natural resources that other people in the communities depend on. Also, the new jobs created in community mining should go first to illegal miners so they move out of their damaging activities into something we hope will be sustainable. The payment period for the mercury-free processing plants should be greatly extended, otherwise the intended benefits will not be secured.
- Support green economy initiatives, especially in rural communities, based on sustainable use of natural resources and innovative recycling and up-cycling activities to create clean green local jobs. Many opportunities exist, and rural communities should be supported with advice, training and seed funding to initiate start-up enterprises. Government is providing some seed funding but only in their selected projects (agro processing). If seed funding is left open for people to apply with their own ideas, it will spark innovative green alternatives.
- Ban unnecessary single use plastics such as take away bags and cutlery, and force companies to take back their own single use plastic bottles. The single biggest waste pollution threat to Ghana's environment and oceans is plastic, and companies producing it must be made to recover and deal with that waste.

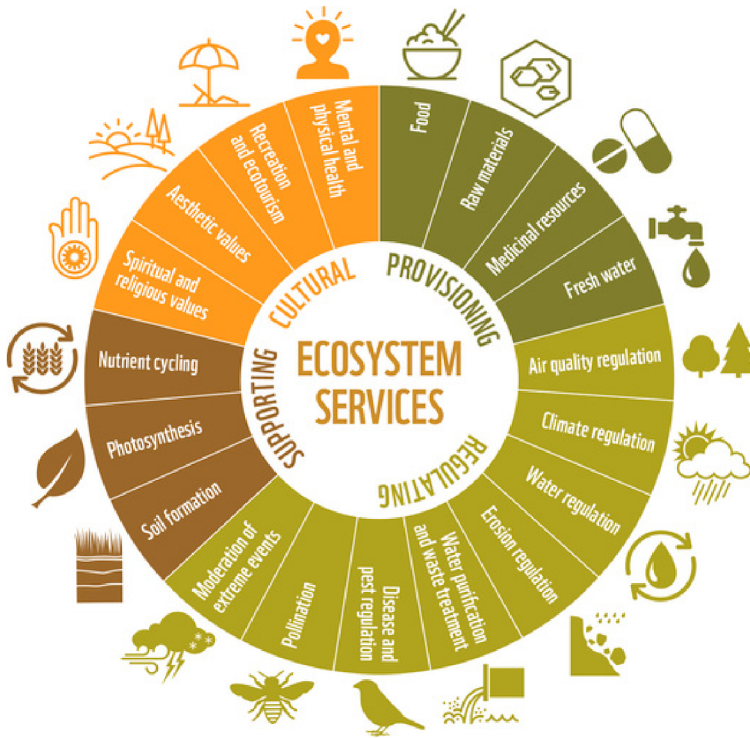
Civil society is trying hard to support government in these actions by bringing in funding, training communities, establishing green enterprises, partnering with private sector to build green value chains, raising awareness across Ghana to encourage behaviour change, and so much more. But it is demoralising when we see government so often pulling the other way. Our concern is not only for today but for tomorrow too. It is unconscionable seeing Ghana's development programmes damaging the natural and ecosystem services that form the very basis of survival for our children, grandchildren, and beyond. There is only one earth and we all have to share it. So please work with us to protect and nurture it, and make it clean, green, and sustainable again.

Atewa Forest, Eastern Region, Ghana
Photo Credit: A Rocha Ghana



When we take away the forest, it is not just the trees that go, the entire ecosystem begins to fall apart, with dire consequences for all of us.

'Kwae a agye wo no yenfre no kwaewa' (Do not be ungrateful to the forest that has saved you).



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