**MINUTES FOR THE LOCAL PROJECT APPRAISAL COMMITTEE (LPAC) MEETING**

**GREEN CLIMATE FUND (GCF) READINESS PROGRAMME**

**Venue:** UNDP Conference Room

**Date and Time:** October 9th 2014 10am

**1. Opening Remarks**

The LPAC was co-chaired by UNDP and MESTI, in attendance was the Ministry of Finance, the national coordinating body for UN supported initiatives.

Meeting was called to order with opening remarks by the UNDP Country Director, Mr. Dominic Sam. He noted important achievements made by the Government of Ghana to date for climate change response, including the launch of the National Climate Change Policy, and congratulated the government on having the foresight to embark on the project to strengthen national climate finance mechanisms.

This was followed with opening remarks by Mr. Fredua Agyeman, Director of Environment at Ministry of Environment, Science, Technology and Innovation (MESTI), ,. He thanked UNDP and UNEP for continuous support to the government on climate change actions, and affirmed the Ministry’s commitment and support for the smooth implementation of the project.

**2. Presentation of the project**

The Green Climate Fund (GCF) Readiness Programme was presented by UNDP and UNEP. The presentation included background to the project, barriers identified, introduction to the Green Climate Fund, proposed programme and project activities, and proposed implementation arrangement.

**3. Discussion on the project**

*(Q: Question A: Answer C: Comments)*

**General Comments**

MESTI (Peter Dery):Discussion has been held with MESTI and other institutions prior to this meeting to agree on the scope of project activities, and MESTI is in support of the draft document. This meeting is an opportunity to validate proposed activities to know the current stand of the project and the part various organizations need to play. National ownership is the key, and we have a lot to learn from other ongoing activities including UNDP’s low emission capacity building programme (LECBP). LECBP has established a working group on finance, and we can build on this.

**C.** Energy Commission: We are happy to see this project ready and it is timely. We have been observing how Clean Development Mechanism (CDM) and Adaptation Fund are implemented. It is often the case that big, advanced developing countries take all the opportunity and access almost all the funds. We need to see practicality in Ghana and be fast in implementing readiness activities.

**C.** MoF (Ebenezer Nortey): Funding is the key, no matter how the plan is perfect. Ministry of Finance has a mandate to coordinate climate finance. The Environmental Fiscal Reform (EFR) proposed the establishment of a Ghana Green Fund. We are told there is also a renewable energy fund. MoF is committed to adopting a harmonized approach to accessing climate funds being adaptation, green climate fund and the likes. MoF endorses the proposed project.

**Global Level Coordination**

**Q.** UNDP (Dominic Sam): How is the programme going to be coordinated globally?

**A.** UNEP (Stuart Crane): A two way mechanism (national and international) will be put in place at the national and international levels. At the global level, global coordinating committee will steer overall direction and strategy of the project. Also, the global team is having a regular contact with the GCF secretariat.

**Uncertainty with GCF**

**Q**. Ghana CAN: To what extent did you take into consideration the uncertainties with GCF operation?

**A.** UNEP:It is a challenge that we have to roll out the project before GCF made clear decisions but we also face pressure to implement.

**C.** UNDP (Dominic Sam): Once the national coordinator is onboard, technical issues can be worked out. “Readiness” has urgency, and we need sense of urgency.

**C.** MESTI (Fredua Agyeman): Time is a major constraint, and earlier is better for readiness. Although there is some readiness in Ghana, Ghana is in a position yet to receive sufficient funds. We are not going to reinvent the wheel, and rather build on ongoing works. There is therefore a need to work together to be able to iron out challenges to meet the timeline.

**Governance Structure**

**C.** UNDP (Christy Ahenkora): A clear lead agency or responsible party needs to be indicated for each activity in order to bring clarity.

**C.** MESTI (Peter Dery): A coordinating entity should have mandate to coordinate all climate change activities. Coordination is the key.

**C.** MESTI (Fredua Agyeman): We need an attractive governance structure. MESTI can put in place a powerful implementation team. All ongoing projects concerning climate change must be brought on board in order to have a center. ENRAC (Environment and Natural Resource Advisory Committee) has been a successful model for such coordination, and we should create an institutional architecture for coordination. Now the National Climate Change Policy is approved, therefore every programme must be in line with it.

**C.** UNDP (Christy Ahenkora): It can be also proposed to constitute one Steering Committee for all climate change and green economy projects to enhance coordination among projects.

**Climate Finance Committee**

**C.** EPA (Kyekyeku Oppong-Boadi): It is proposed to establish the Climate Finance Committee.

**A.** UNEP: The answer is yes and no. From the lessons from the Adaptation Fund, the committee can work but the limitation is that it has no legal status for accreditation. This project can be an opportunity to determine this.

**C.** MESTI (Fredua Agyeman): There are already various committees and entities and we should assess them as a country. Otherwise the transaction cost can be very high.

**C.** MESTI (Peter Dery): Activity 2.1.4 proposes to establish the sub-committee on climate finance under the National Climate Change Committee.

**National Designated Authority (NDA)**

**Q.** EPA (Kyekyeku Oppong-Boadi): How will we make decision on the NDA and take advantage?

**A.** UNEP: Many countries debate with regard to where to locate the NDA.

**C.** MESTI (Peter Dery): It is currently proposed that Ministry of Finance will act as the NDA for the GCF.

**C.** UNDP (Dominic Sam): Accessing, spending, and monitoring of climate finance require a very comprehensive function.

**C.** Energy Commission: We need a very active NDA. NDA should not be sitting down and be bureaucratic.

**Summary and Key Takeaways** (UNDP, Christy Ahenkora)

1) The Local Project Appraisal Committee approves the project document in principle.

2) Going forward, there is a need of harmonized approach. Therefore we need a common steering committee and agree on coordinating groups/agencies.

3) We will continue our work to finalize the decision on NDA.

4) National Climate Change Policy is in place, and all we all should align to it.

**Endorsement and Approval of Project Document**

Without further comments, concerns and issues, the project document was endorsed by all stakeholders present and participating. The project team from UNDP, UNEP and MESTI were tasked to finalise the document of official signatures.

**4. Closing Remarks**

The MESTI Director of Environment emphasized the need for a harmonized fiduciary and governance arrangement that can bring on-going programmes under coordination. The governance system should be flexible and adaptable at the same time.

He also called for more inputs from private sector and civil society organizations. Private sector has been largely inactive in this area, apart from Ecobank. Therefore we need to recognize the shortfalls and make up to bring them into play. Public sector should catalyze this process, he said, and everyone’s feedback is important.

He finally noted the huge cost involved in the implementation of the National Climate Change Policy, and emphasized the need to build systems that will attract further finance.

Attachments/Appendix

1. Signed list of participants
2. LPAC agenda
3. Draft project document

**Chair Co-Chair**

Dominic Sam Fredua Agyeman

UNDP Country Director MESTI Director of Environment