

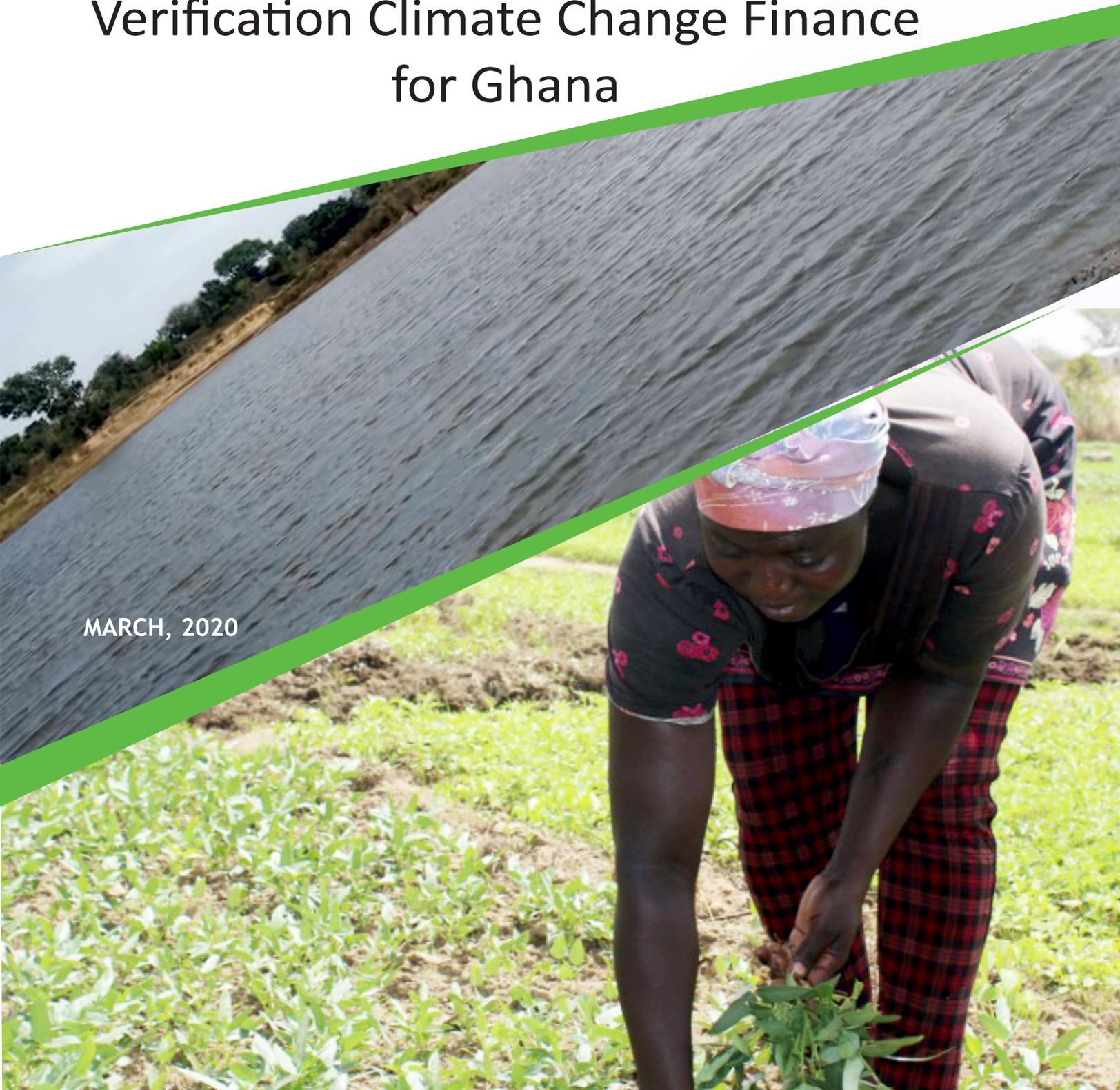


REPUBLIC OF GHANA

MINISTRY OF FINANCE

# Integrated Monitoring, Reporting and Verification Climate Change Finance for Ghana

MARCH, 2020





# Integrated MRV of Finance for Ghana

MARCH, 2020



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## SECTION ONE: INTRODUCTION

### 1.1 Background

Climate change financing and tracking of funds continue to receive attention from government, Civil Society Organizations (CSOs), Development Partners (DPs) and the private sector. Usually, government leads the way to formulate policies, mobilise resources, facilitate engagement and above all, coordinates multiple efforts by the actors aiming at combating climate change. One important factor that determines Ghana's ability to tackle climate change decisively is her ability to identify, prioritise and harness capacities to access climate funds from multiple sources. In response to the numerous efforts to access climate change resources, financial inflows to support climate activities have increased. Ghana's climate financial inflows are largely donor driven although the recent climate finance tracking manual by the Ministry of Finance using the national budget codes to isolate climate-relevant public expenditure highlighted the government of Ghana's spending on climate change.

Both domestic and international financial inflows are likely to go up considering the high moment among the global players after the Paris Agreement. What this means is that, even as public and private financial inflows expectedly increase, government should take the role of ascertaining how much climate funds are coming in from external sources and from the national budget, through which channels, to which sectors, in what form and also be able to determine to what extent the climate inflow helped meet the incremental cost of climate change to the economy of Ghana. To be able to do this effectively, a functional record keeping system needs to be put in place to help various government agencies to, at any point in time, communicate how much public and private funds are invested in climate change and the results thereof.

Tracking helps to provide comprehensive data on climate change relevant budgeting and spending, enables government to make informed decisions and prioritize climate investments. This is necessary to build trust and accountability with regard to climate

finance commitments at the national and local levels and to monitor trends and progress in climate-related investments.

## 1.2 The Need for Ghana's Integrated MRV of Finance

The Ghana integrated MRV of finance system will not be an entirely new setup but will rather build on the already existing public financial expenditure tracking and administration structure. The idea to integrate the MRV of finance functions into the existing national budgeting process is to facilitate coordination; avoid duplication; ensure buy-in and above all, ensure that introduction of such functions to the relevant institutions is not perceived to bring additional cost. For instance, the Ministry of Finance is the obvious government institution to host and coordinate the MRV of finance functions. This is because the Ministry has the legal mandate to do so. The Ministry also has established an Economic Strategy, and Research Division (ESRD) that champions the way finance MRV functions are implemented.

The country has developed three sets of climate change finance tracking tools to track the financial resources generated for climate change actions originating within the country or from external sources. The first tool (Climate finance tracking tool) was designed to track climate relevance expenditure using the national budget codes to isolate climate-relevant public expenditure on spending on climate change and international inflows. This tool proposed an architecture for monitoring and reporting climate finance flows and based on this the structure demonstrated how climate relevant expenditure or budget can be identified and reported using the budget code system. The tool also illustrated how international climate financial inflows can be aligned with the budget code systems. In all, the steps for identifying sector, searching for climate change key words, harmonizing with national climate change activities and eventually aligning with the budget became much easier to implement.

The second tool (MRV of finance guidance manual) was also developed to track Ghana's climate finance, verify completeness of data and help demonstrate transparency of support and climate action. The guidance document was the first-ever attempt to

conceptualize, design, operationalize and tailor-make MRV of finance to suit Ghana's financial administration structure. The tool provides a dashboard for tracking climate specific funds, a major step to identify where additional funding is coming from. The MRV of finance tool largely focused on tracking/monitoring of financial inflows from international sources. The document provided four main steps to track, verify and report on climate change financing: 1) identification of sources and recipients of climate finance, (2) verification for completeness, (3) aligned with national budget code as a single mirror, and (4) reporting.

However, the development of these existing climate finance tracking tools were anchored on the Ghana Shared Growth Development Agenda Two (GSGDA II) Medium-Term Development Policy, which has ended. With the drafting of a new Medium-Term Development Policy for the country, it is therefore imperative that the country's Climate Change Finance Tracking Tools are aligned well with the new programme areas and budget codes to reflect the national policy context outlined in the National Climate Change Policy, National Climate Change Adaptation Strategy, Low Carbon Development Strategy and other relevant policies. The third tool (Climfintrack) was an update of the existing tracking tools to reflect the new policy, programme areas and budget codes to help capture relevant end-of-year outturn climate relevant expenditures. The manual is firmly based on the existing policy planning and public financial management system in Ghana. The current tool is an integrated tool which seeks to provide a dashboard for tracking climate specific funds, international financing inflows and national climate relevant budget and expenditures.

### **1.3 Objective of the Manual**

The aim of the integrated MRV of finance manual is to track international financing inflows (public, private and COSs) and national climate relevant budget and expenditures. The integrated MRV of finance guidance manual has been prepared to track Ghana's climate finance, verify completeness of data and help demonstrate transparency of support and climate action. The Tool is designed to help capture and analyse the international climate funds inflows, national budget and expenditure

related to climate change in the Ministries, Departments, and Agencies (MDAs) as well as at Metropolitan, Municipal, District Assemblies (MMDAs) level. This will enhance tracking, monitoring, decision-making, and budgetary allocation for climate change related activities. Specifically, the tool will help the Natural Resource, Environment and Climate Change Unit of the Economic Strategy and Research Division to monitor international inflows (public and private), the level of budgeted expenditure that is supporting climate change actions, the MDAs that are committing this expenditure and the policy objectives that are being supported. The Manual has been prepared to help track Ghana's climate finance (public and private) and help demonstrate transparency of support and climate action.

#### **1.4 Users of this Manual**

This manual has been prepared for use by the staff of NRECU of ESRD of the Ministry of Finance to track and monitor international climate financing inflows, the level of budgeted expenditure that is supporting climate change actions, the MDAs that are committing this expenditure and the policy objectives that are being supported. The manual will also assist sector planners, budget officers, researchers, statisticians and information management officers identify climate change relevant expenditures in their budget documentation. This guidance document has been prepared for use by institutions that will be assigned specific MRV of finance tasks. For practitioners (in MDAs, MMDAs, CSOs, private sector), it will serve as a reference material containing information on: how to track and process data on climate finance from domestic and international sources; what to look for or basic questions to ask when verifying climate finance information; responsibilities of who at where tracks, assesses and reports what information at what time.

#### **1.5 Structure of Manual**

The Manual has five major sections. Section 1 is the introduction to the document. It sets the scene with background information on the broad elements of climate financing tracking in Ghana and the need for an updated Manual, the objective of the manual, users of the manual, the scope and the approach. Section 2 focuses on the climate

change finance tracking tool (CLIMFINTRACK). It covers the national Charts of accounts, high, medium and low relevant policy objectives and codes, features and architecture of the Climfintrack tool, tracking of expenditure using the tool and the limitations of the Climfintrack tool. Section 3 presents an integrated climate finance tracking.

The section highlighted how international financing inflows (public, private, CSOs) and national climate relevant budget and expenditures will be tracked reported and verified. Section 4 is the rollout strategy. It focuses on addressing how to put the proposed tool to practice. In this section, road map and phase-out, development of training manual and institutional arrangement for CLIMFINTRACK, roles and responsibilities of institutions, financial capacity, awareness creation, risks and sustainability are described. Section 5 is the conclusion while section 6 is the technical annex. It contains CLIMFINTRACK templates that are recommended for users and sample survey instrument for collecting climate change finance data from the private sector and CSOs.

## 1.6 Approach

In line with the objectives outlined in the TOR, the consultant approached the assignment in three main stages. The first stage was a comprehensive review of the existing climate finance tracking tools of the Natural Resources, Environment and Climate Change (NRECC) Unit under the Economic Strategy, and Research Division (ESRD) of the Ministry of Finance and in line with the public financial management system in Ghana, best practices from other countries on climate change finance tracking. The consultants also had extensive discussion with the Economic Strategy, and Research Division (ESRD) and the Budget Unit of the Ministry of Financing on the new programme and budget codes. The aim was to update the current programme areas and budget codes in the existing national climate change finance tracking tools. In the second stage, the draft manual was shared with stakeholders including UNDP, Budget Unit of the Ministry of Finance and the Economic Strategy, and Research Division (ESRD) for review and their inputs.

## SECTION TWO: CLIMATE CHANGE FINANCE TRACKING TOOL (CLIMFINTRACK)

### 2.1 The Climate change finance tracking tool (CLIMFINTRACK)

The Climate Change Finance Tracking tool (CLIMFINTRACK) is a tracking tool that offers users within the domain of the Public Sector to track finance on climate change related activities in real-time, direct to their PCs, mobile phone or handheld device. CLIMFINTRACK is available to track only Government of Ghana (GoG) budget and expenditure on climate change related activities. A future enhancement will allow the application to do a variance analysis between budget and expenditure, which currently has to be done manually.

It is a Microsoft Excel based tool that has been developed via Oracle Smart View for Office and provides a common Microsoft Office interface. With the use of CLIMFINTRACK, users can view, import, manipulate, distribute and share data on GoG's budget on climate change activities. The manipulation of the data will not affect the source data which will be picked from the Hyperion Servers at the Ministry of Finance. Once the data is available within Microsoft Excel on users' desktops, users will have the freedom to create reports as needed based on a combination of data sources and also from complex scenarios based on climate change data pre-loaded from GoG's budget. The ability of CLIMFINTRACK to track GoG's budget is based on the codes used in the chart of accounts.

### 2.2 The Smartview

#### What's the Smart View for Office addin

Smart View is an addin for Microsoft Excel that can be downloaded and installed from the GIFMIS-BM application. Smart View enables you to use all the functionalities of a data input form but merging them along with the usual Microsoft Excel functionalities. In fact it allows you to keep using your Microsoft Excel workbook and access the data in the GIFMIS-BM application.

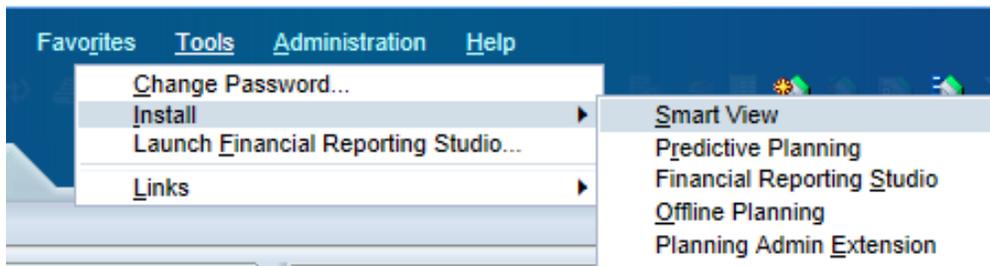


You can learn how to use the Smart View addin by watching the **Smart View** video [https://www.youtube.com/watch?v=\\_H3MUJ26cK4](https://www.youtube.com/watch?v=_H3MUJ26cK4). To know how see the [Help](#) section in the end of the document.

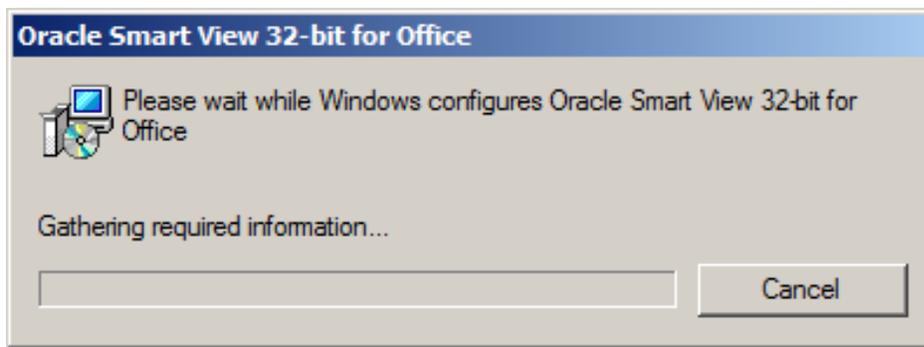
### Install the Smart View for Office addin

To install the Smart View addin for Office you need to download the executable file from the GIFMIS-BM solution first.

You start by selecting “Tools”, “Install”, ” Smart View” option in the top bar menu.



Once you have pressed the “Smart View” option a file will start to download. Save it in your computer and then execute the downloaded file by double clicking on it.



A program installation window will appear and you will be able to select a directory to install the Smart View addin for Office. You must let the installation run its course and when finished you will be able to open data input forms in your excel files.

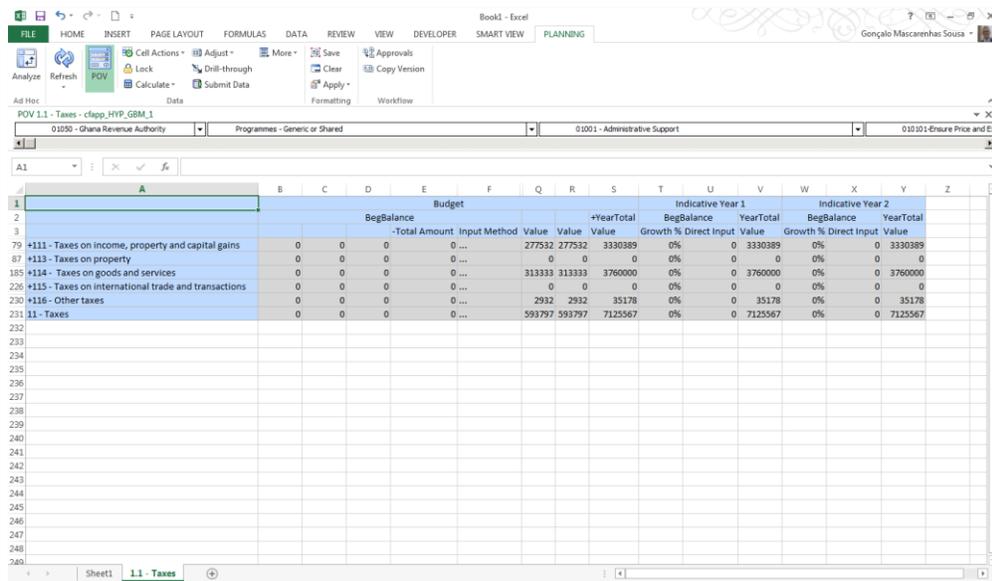
### How to open a data input form using the Smart View addin for Office

The simplest way to open a data input form using Excel is by clicking the “Open in Smart View” button once you have opened a data input form in the workspace.



After you press the “Open in Smart View” button the Microsoft Excel application will automatically open and a new workbook will show up where all the data from the data input form will be loaded.

You can now budget in Smart View the same way you do in the workspace but with access to the normal Microsoft Excel functionalities.



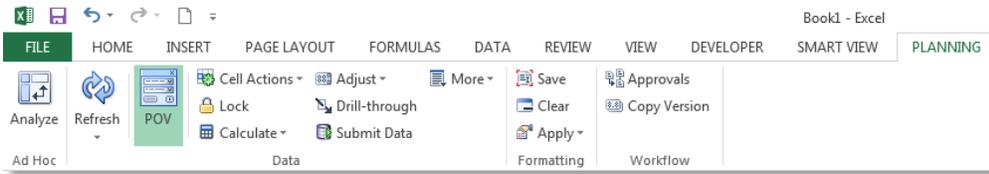
### Planning tab in Smart View

In the Planning tab you have several buttons:

**POV:** toggles visibility of the bar that allows us to select the dimensions’ members in the data input form **on** or **off**.

**Refresh:** Retrieves from the application the latest version of the data for the selected dimension members.

**Submit Data:** Submits the data introduced in the excel cells that constitute the data input form’s grid to the application itself



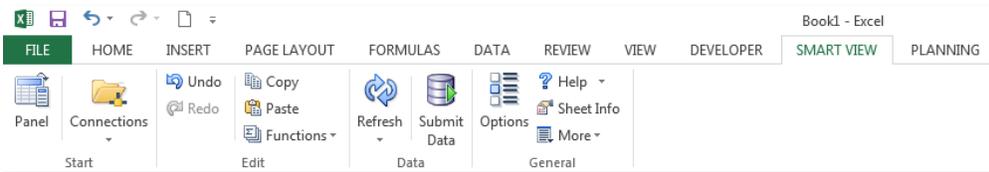
## Smart View tab in Smart View

In the Smart View tab you have several buttons:

**Options:** Gives you access to several options to enhance your Smart View experience.

**Refresh:** Retrieves from the application the latest version of the data for the selected dimension members.

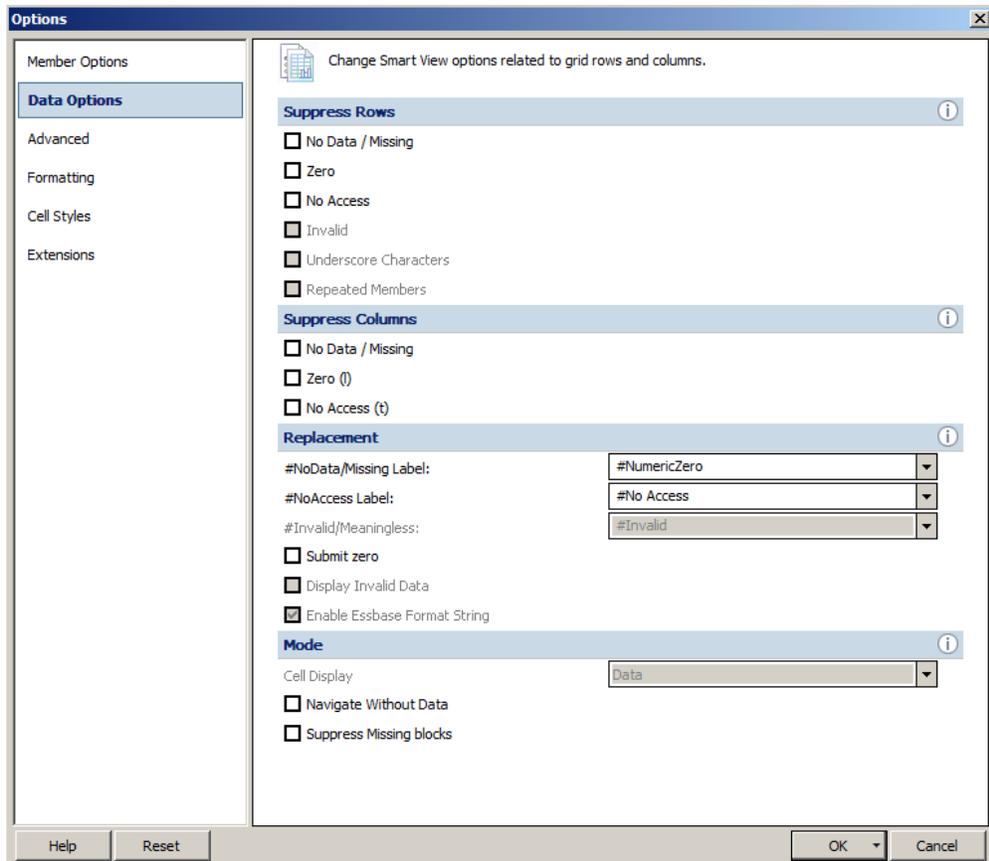
**Submit Data:** Submits the data introduced in the excel cells that constitute the data input form's grid to the application



## Options menu for Smart View

To access the options menu in Smart View you need to select the options button in the “Smart View” tab. Once you click the button a menu will appear with several tabs in the left pane.

In order to edit the suppression of columns and rows you need to select the “Data Options” tab



In the “Data Options” menu you can check or uncheck the cases where you want to suppress columns or rows. You can also choose how to represent “NoData/Missing Label” for when the cells have no value and for when you have “No Access”. When you are done you can press the “OK” button or choose to set them as default.

### 2.3 The National chart of accounts

The national chart of accounts is a listing of all accounts used in the general ledger of Government in its public financial management systems. The chart of accounts can be used to facilitate financial and fiscal management activities such as:

- Policy and planning
- Budget preparation
- Budget execution (implementation)
- Budgetary control/monitoring
- Fiscal and financial reporting

It is composed of a number of segments in a hierarchy for the recording of accounting transactions, management & control and reporting of the Government of Ghana management of the Annual Budget Appropriation.

The Chart of Accounts is the foundation of any accounting system and this starts with the preparation of a budget based on Government's priorities and plans. Proper coding of the budget helps in recording and control of accounting transactions to aid in reporting on government's execution of the annual budget appropriation. The Chart of Accounts has therefore become the cornerstone of the Ghana Integrated Financial Management Information System (GIFMIS). Its configuration represents the hierarchical structures of groups of classifications of information requirements. Each classification group is called a segment and identifies a discrete information requirement for management, reporting and control purposes. Each segment can be combined with the others to create financial reports and enforce controls with a view to meeting the needs of various users and complying with the laws and regulations in the Public Financial Management Act, 2016 (Act 921).

In Ghana, the Chart of Accounts have 12 segments used in the implementation of the National budget. These include; Organisation, Funding, Policy Objective, Budget Programmes and Sub programmes, Natural accounts, Functions of Government, Location and Operations. The organization segment identifies the spending units within the Budget, while the Policy Objective drives the achievement of a desirable level of a particular economic variable.

The Policy objectives identified for tracking of climate related expenditure are available and coded appropriately within the Medium term. In CLIMFINTRACK, these codes were from the current Policy Objective codes for the 2018 budget and National Medium-term Policy framework as developed by the National Development Planning Commission (NDPC). However, the coding of these Policy objectives have undergone some changes from previous ones that were used from 2014 to 2017. To be able to

track historic records on climate change, there was some mapping between the current policy objectives used and the previous ones as part of the development.

Room was also made to accommodate further changes that may happen in the coding of the policy objectives so that historic data and future data on climate related budget can be tracked with a few modifications of CLIMFINTRACK.

## 2.4 Climate Change Budget Codes

The Policy Objective Budget Codes that identify climate change relevant budget figures were coded based on the policy objectives as used in the 2018 budget of government. These Budget codes define the National Climate Change Budget for the year 2018. The codes used in CLIMFINTRACK is however linked to the previous codes used in previous years as defined by the National Development Planning Commission (NDPC). It also has room to be reviewed to cater for the new Policy objectives to be defined by NDPC for the period 2019-2021.

The current codes for the policy objectives are grouped into three main categories: High relevance, medium relevance, low relevance. These policy objective codes were weighted based on their perceived input on climate change. The level of relevance was determined by the extent to which the expenditure supports an action identified in the National Climate Change Policy. The grouping into the three categories of climate change relevant expenditure enable a percentage weight to be applied to the gross expenditure to determine the climate change relevant component. The rationale for this approach is that if only part of the intended impact of a budget line activity is relevant to climate change, then only a commensurate part of the expenditure should be recorded as climate change relevant. A range of 0 to 1 was adapted with higher scores indicating a high contribution to climate change activities. A maximum weight for each policy objective when combined as either a mitigation or adaptation activity should not exceed 1.

It should be acknowledged that this element of the classification is necessarily subjective. There is no objectively correct percentage of spending to attribute to climate change expenditure, so this approach should be viewed as providing a ‘best estimate’. The weights also distinguish between the two main climate change strategies of adaptation and mitigation for each budget code. The codes weigh under mitigation are codes that addresses the root causes, of climate change by reducing greenhouse gas emissions, while policy objectives codes weighted under adaptation seeks to lower the risks posed by the consequences of climatic changes.

## **List 2: List of Key Words by Policy Theme**

The inclusion of the following key words in budget documentation indicates the likelihood of climate change relevant expenditure. Should any of these words appear in relation to a planned activity, then please refer to the next section (**List 3: Climate Change Actions by Policy Focus Area and Programme Area**) to determine whether or not it is appropriate to label the expenditure as climate change relevant.

Take care when conducting key word searches to look out for any abbreviations contained in the budget documentation, e.g. ‘**Enhance cap'ty to m'gate impact of nat. disasters, risk & vuln'ty**’ for ‘Enhance capacity to mitigate impact of natural disasters, risk and vulnerability’.

Also check for the ‘across sectors’ key words first, which apply to all relevant spending, before looking at the relevant policy theme key words.

### **0. Across sectors**

- a. climate change
- b. adaptation
- c. resilience
- d. mitigation
- e. green economy

- 1. Agriculture and Food Security**
  - a. climate-proof transportation
  - b. climate-resilient cropping systems
  - c. climate-resilient livestock production systems
  - d. climate-smart agriculture
  - e. food security
  - f. post-harvest management.
  - g. risk transfer
  - h. small-scale irrigation
  - i. water harvesting
  
- 2. Infrastructure**
  - a. climate proofing
  - b. coastal management
  - c. disaster risk reduction
  - d. disaster risk management
  - e. early warning systems
  - f. flood
  - g. monitoring climate events
  - h. storm water
  
- 3. Disaster Preparedness**
  - a. natural disasters
  - b. early warning systems
  - c. climate change adaptation
  - d. disaster risk management
  - e. disaster risk reduction
  - f. social safety nets
  - g. social support systems
  
- 4. Forests and Carbon sinks**
  - a. afforestation
  - b. agro-forestry
  - c. biofuels
  - d. carbon rights
  - e. carbon stocks
  - f. forest restoration
  - g. plantation development
  - h. reforestation
  - i. sustainable use

- 5. Ecosystem Management**
  - a. coastal resilience
  - b. community-based adaptation
  - c. ecosystem-based adaptation
  
- 6. Climate Change and Health**
  - a. climate
  - b. weather
  - c. drainage
  - d. sanitation
  - e. social protection
  
- 7. Water and Sanitation**
  - a. catchment protection
  - b. flood mitigation
  - c. Sanitation management
  - d. waste recycling
  - e. water conservation
  - f. water storage systems
  
- 8. Climate change and gender**
  - a. gender and climate change
  - b. impact assessment of climate change
  
- 9. Climate change and migration**
  - a. alternative livelihoods
  - b. climate change adaptation
  - c. social protection
  
- 10. Energy and infrastructural development**
  - a. clean energy
  - b. energy efficiency
  - c. energy conservation
  - d. green economy
  - e. greenhouse gas emissions
  - f. greenhouse gas inventories
  - g. low carbon development
  - h. low emissions
  - i. renewable energy
  - j. sustainable waste management

### 2.2.1 High Relevance Policy Objective Codes

The High relevance budget Codes identify actions that have a clear focus on climate change adaptation or mitigation. The stated primary objective of the expenditure is to deliver specific outcomes that are directly climate change related. These high relevant Budget Codes have 100 per cent of the funding classified as being climate change relevant for the purpose of determining the overall climate change budget. The 2018 Policy objectives that were classified under high relevance together with the weights attached under mitigation or adaptation is shown in the table below.

**Table 1: High Relevance Policy Objective Codes**

(2018) BUDGET CODES	(2018) POLICY OBJECTIVES	ADAPTATION WEIGHT	MITIGATION WEIGHT
100124	Improve capacity to adapt to climate change impacts	1	
100126	Mitigate the impacts of climate variability and change		1
100128	Accelerate Ghana's transition to a green economy		1
100124	Improve capacity to adapt to climate change impacts	1	
140104	7.a Enhance Int. corp. for access to clean energy rsh and tech.		1
200201	15.2 Promote impl. of forests, halt deforestation		1
360101	Combat deforestation, desertification and soil erosion		1
370101	13.a Operationalize the Green Climate Fund through capitalization		1
370102	13.1 Strengthen resilience towards climate-related hazards		1
370201	13.3 Imprv. educ. towards climate change mitigation		1
370202	- 13.2 Integrate climate change measures		1
380102	1.5 Reduce vulnerability to climate-related events and disasters	1	

### **2.2.2 Medium Relevance Policy Objective Codes**

The medium relevance policy objective codes listed in Table 2 below identify actions that can be linked to climate change related activities but not directly. They however do have links with the high relevance policy objective codes based on the nature of their objectives.

All medium relevance policy objective code items have a maximum of 50 per cent (0.5) of the funding classified as being climate change relevant and it is split either by adaptation weight or mitigation weight for the purpose of determining the overall climate change budget.

**Table 2: Medium Relevance Policy Objective Codes**

(2018) BUDGET CODES	(2018) POLICY OBJECTIVES	ADAPTATION WEIGHT	MITIGATION WEIGHT
082002	Promote sustainable environmental management for agriculture development	0.25	0.25
100119	Promote efficient management of mineral resources	0.25	0.25
100121	Enhance conservation of biodiversity and priority ecosystems	0.25	0.25
100118	Protect mangrove forests, wetlands and marine areas	0.25	0.25
100118	Protect mangrove forests, wetlands and marine areas	0.5	
091301	Ensure sustainable development and management of the transport sector	0.5	
091301	Increase the generating capacity of power	0.25	0.25
091302	Provide adequate, reliable, safe affordable and sustainable power		0.5
100126	Mitigate the impacts of climate variability and change	0.5	
140101	7.1 Ensure universal access to affordable, reliable & modern energy services.		0.5
240401	7.3 Double the global rate of improvement in energy efficiency by 2030		0.5
300101	2.a Increase investment to enhance agricultural productive capacity	0.5	
300102	6.1 Universal access to safe drinking water by 2030	0.5	
330201	12.2 Achieve sustainable management and efficient use of natural resources	0.5	
350101	14.5 Conserve minimum 10% of coastal and marine areas by 2020		0.5
570101	6.b Support and strengthen local communities in improving water and sanitation.		0.5
570201	6.2 Achieve access to adequate and equitable sanitation and hygiene	0.5	
570202	6.b Support and strengthen participation of communities in water and sanitation management.	0.5	

### **2.2.3 Low Relevance Policy Objective Codes**

The Budget Codes referred to as the low relevance policy objectives, are objectives undertaken by MDAs who actions not directly related to climate change but are related to the medium relevance policy objectives. All low relevance line items have 20 per cent of the funding classified as being climate change relevant for the purpose of determining the overall climate change budget. The 20 per cent weight is split into either adaptation or mitigation activity.

**Table 3: Low Relevance Policy Objective Codes**

(2018) BUDGET CODES	(2018)POLICY OBJECTIVES	ADAPTATION WEIGHT	MITIGATION WEIGHT
100119	Promote efficient management of mineral resources	0.1	0.1
100116	Strengthen environmental governance	0.1	0.1
100117	Promote sustainable land management	0.1	0.1
100101	Establish Ghana as a Transportation Hub for the West African Sub-Region		0.2
	Establish Ghana as transportation hub in West Africa region		0.2
091105	Strengthen institutional framework to promote research development & its application	0.1	0.1
100124	Improve capacity to adapt to climate change impacts	0.2	
091101	Improve investment for water	0.2	
100120	Prevent environmental pollution	0.2	
100124	Improve capacity to adapt to climate change impacts	0.2	
200101	15.b Mob. resources for forest management		0.2
270101	9.a Facilitate sus. and resilient infrastructure dev.	0.2	
290101	11.7 Universal access to safe, green public spaces	0.2	
300101	2.a Inc. invest. to enhance agric. productive capacity	0.2	
340101	6.5 Implement integrated water resources mgt.	0.2	
340104	6.6 Protect and restore water-related ecosystems	0.2	
570302	6.b Support and strengthen local communities in water and sanitation mgt	0.2	

#### 2.2.4 Climate Change Relevant Operations / Activities

In reviewing the budget and expenditure for climate change related activities, users apart from selecting the policy objectives, will also have to select the particular activity/operation undertaken. The operations / activities are represented in the Chart

of Accounts and it identifies the activities or task an MDA or MMDA would undertake within a financial year. The operations are further classified as either being generic or MDA specific. Within CLIMFINTRACK, budget analysis can be done via Policy objective or operations. The MDA specific operations are operations which are undertaken by specific MDAs and hence limited to those MDAs only, whereas the generic operations relate to operations that can be undertaken by any MDA / MMDA and hence can be used by those MDA / MMDA for budgeting. The same weighting convention was applied to the operations. Operations with high climate change rating had a 100% weight (1), medium had a weight of 50% whilst low had 20%.

**Table 4: Climate Change Relevant Operations / Activities**

OPERATION CODE	OPERATION DESCRIPTION	MDA / MMDA RESPONSIBLE	CLIMATE CHANGE RATING
086801	Environmental policy integration and management	All MDA / MMDA	HIGH
086802	Climate change policy and Programmes	All MDA / MMDA	HIGH
086803	Green Economy Activities	All MDA / MMDA	HIGH
017002	Environmental protection and Education	MDA Specific	Medium
017003	Assessment and Disposal of Hazardous Materials	MDA Specific	Medium
017007	Development and promotion of nuclear research and technology	MDA Specific	Medium
017009	Conduct Public Education Biosafety	MDA Specific	Medium
018003	Renewable Energy Programme	MDA Specific	Medium
018005	Monitor Energy systems	MDA Specific	Medium
018007	Energy Sector Regulation	MDA Specific	Medium
018010	Alternatives Energy Programme	MDA Specific	Medium
013002	Wildfire Management	MDA Specific	Medium
013007	Eco-tourism development and management	MDA Specific	Medium
013014	Mitigation of Geohazard	MDA Specific	Medium
013016	Exploration and Management of Mineral and Geological Resources	MDA Specific	Medium
013017	Management of Forestry	MDA Specific	Medium
013019	Mineral Development Activities	All MDA / MMDA	Medium
012005	Sustainable Land and Water Management	All MDA / MMDA	Medium
011003	Environmental, Sanitation and waste management	All MDA / MMDA	Medium

## 2.5 Features of the CLIMFINTRACK Tool

CLIMFINTRACK was developed as an extract from the GIFMIS Budget Module (Hyperion) and linked via smart view and modified with forms in Microsoft Excel. It is a specialized application where users will need credentials to log on to the GIFMIS Budget Module (Hyperion) in order to refresh the budget execution figures of GoG. However, once the data is made available in Microsoft Excel through CLIMFINTRACK, users are free to manipulate the data for various analyses and scenarios. Users will therefore need a Microsoft Office license that covers Microsoft Excel in order to use CLIMFINTRACK.

The development of the application was done in consultation with the Budget Technical Assistance and Support Unit (BTAS) due to the fact that, climate change data as captured resides in the Hyperion servers and needed to be specifically tailored for the need of users. The in-house application was developed using the 2018 policy objectives and revised to reflect 2019-2021 policy objectives of the national development plan. The application also streamlined the climate change reporting processes by taking advantage of the budgeted data as well as execution data from GoG. With this system in mind, any further enhancement can be easily accommodated as long as Government uses GIFMIS Budget Module in managing the national budget.

The Government of Ghana as part of efforts to improve the Budget credibility whiles avoiding duplication in efforts and improving real time reporting and efficient budgeting systems had acquired an oracle budget system called Hyperion. The budget tool has an addin or plugin called smartview. Smartview allows users to do adhoc analysis with ease as it integrates with Microsoft Office suite. Access to the Hyperion is limited to only permitted individuals and so data from it should be made available to the NRECC after approval is granted by the Budget Division. The use of CLIMFINTRACK enables users to access the Microsoft Excel grids and gives them the options to;

1. Retrieve budget approved data
2. Retrieve MDA Budget by Policy Objectives
3. Retrieve MDA Budget Data by Operation
4. Analyse MDA Budget vs Budget Release or Expenditure by Policy objectives.

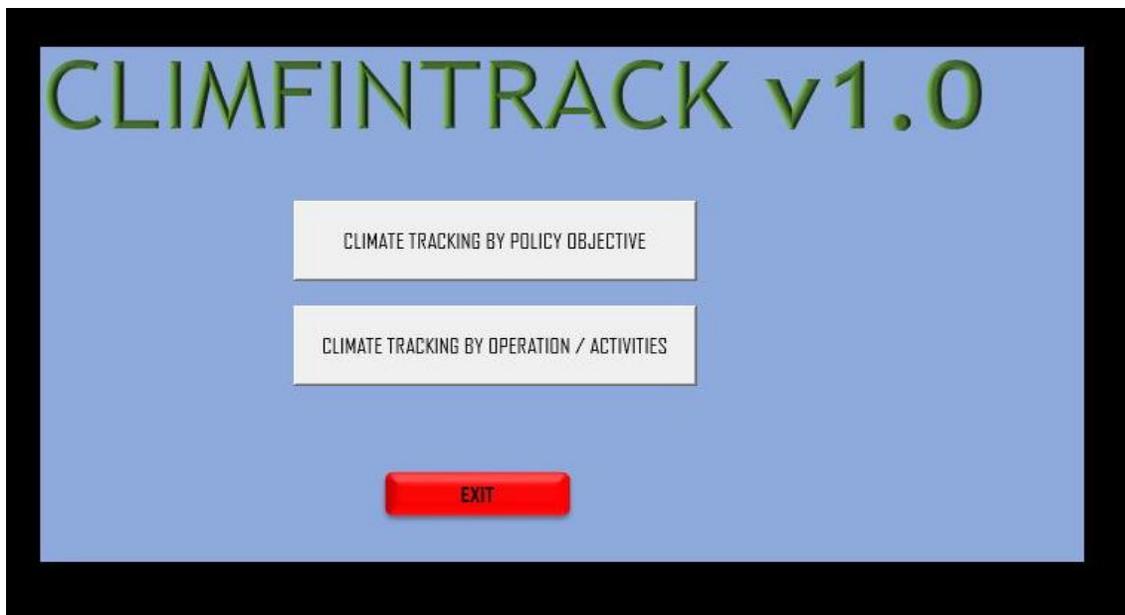
This grid will assist the NRECC unit to know;

1. the Climate Change Objective being supported by Budget
2. the MDAs costing these Policies or Operations
3. the funding Sources for these Policies and operations

## 2.6 Tracking Climate Budget using CLIMFINTRACK

CLIMFINTRACK has the capability of tracking climate change budget and the expenditure figures. To use the application, users need to double click on the file on the CLIMFINTRACK CD to get a startup screen as shown in Figure 2.1 below.

**Figure 2.1**



Users are then presented with three options. Either to Exit, click on Climate Tracking by Policy Objectives or Climate Tracking by Operations / Activities.

The choice of Climate Tracking by Policy Objectives opens another screen where all the data is loaded. The classification of the data is by Year, Entity (MDA) and source of Funding as seen in Figure 2.2.

Figure 2.2

# CLIMFINTRACK v1

The screenshot shows the CLIMFINTRACK v1 interface. At the top, there are three filter panels: YEAR (with options 2017, 2018, 2014, 2015), MDA (with options 011 - Ministry of Local Govt and Rural Developme..., 012 - Ministry of Agriculture (MOA), 013 - Ministry of Lands and Natural Resources (ML..., 017 - Ministry of Environment Science, Technolog...), and FUNDING (with options 11001 - Central GoG & CF, 12200 - Non Tax Revenue (NTR) Sources Retained - IGF, 13017 - Consolidated-AFRICAN DEVELOPMENT BANK-ADB, 13021 - Consolidated-INTERNATIONAL DEVELOPMENT ASSOCI...). Below the filters, a table displays data for Policy Objectives, filtered by MDA (All) and Budget Year (2017 and 2018). The table has columns for POLICY OBJECTIVES, Budget, and Expenditure for both years.

POLICY OBJECTIVES	Budget Year		2018	
	Budget	Expenditure	Budget	Expenditure
030103 - Reduce production and distribution risks/ bottlenecks in agriculture /A	182,789,529.00	191,719,449.60		
11001 - Central GoG & CF	182,789,529.00	191,719,449.60		
030401 - Maintain and enhance the protected area system		100,000.00		
11001 - Central GoG & CF		100,000.00		
030803 - Strengthen instnal and regtory framewk for mgt of natural res.	240,185,464.36	44,185,881.50		
11001 - Central GoG & CF	12,990,250.51	8,245,089.50		
12200 - Non Tax Revenue (NTR) Sources Retained - IGF	26,734,596.00	35,939,192.00		
13028 - Consolidated-MULTI-DONOR BUDGET SUPPORT-MDBS	97,498,045.34			
13501 - African Development Bank	26,076,694.51			
13511 - International Development Association (Ida)	36,746,728.00	1,600.00		
13521 - World Bank Trust Fund	40,139,150.00			
031101 - Enhance Capacity to Mitigate and reduce natural disasters and reduce ri	35,828,931.84	104,300.58		
11001 - Central GoG & CF		104,300.58		
12200 - Non Tax Revenue (NTR) Sources Retained - IGF	24,528,931.84			
13402 - Donor Pooled	11,300,000.00			
031102 - Promote efficient land use and management systems		40,000.00		

Users are at liberty to filter the data based on preference by clicking on the item to filter. For instance, if you want budget data for the year 2016, click on 2016, it will filter only 2016 budget data for you. For the choice of MDA, the same approach applies. Click on the preferred MDA and do same for source of Funding. For instance, the selection of 2016, Ministry of Local Government and Rural Development and Central GoG source of funding yields a screen as shown in Figure 2.3.

Figure 2.3

# CLIMFINTRACK v1

YEAR		MDA		FUNDING	
2017	011 - Ministry of Local Govt and Rural Developme...	11001 - Central GoG & CF			
2018	012 - Ministry of Agriculture (MOA)	12200 - Non Tax Revenue (NTR) Sources Retained - IGF			
2014	013 - Ministry of Lands and Natural Resources (ML...	13017 - Consolidated-AFRICAN DEVELOPMENT BANK-ADB			
2015	017 - Ministry of Environment Science, Technolog...	13026 - Consolidated-WORLD BANK TRUST FUND-WBTF			

MDA		Budget Year	
(All)		2017	
POLICY OBJECTIVES	Budget	Expenditure	
<b>030103 - Reduce production and distribution risks/ bottlenecks in agriculture /A</b>	182,789,529.00	191,719,449.60	
11001 - Central GoG & CF	182,789,529.00	191,719,449.60	
<b>030401 - Maintain and enhance the protected area system</b>		100,000.00	
11001 - Central GoG & CF		100,000.00	
<b>030803 - Strengthen instnal and regtory framewk for mgt of natural res.</b>	240,185,464.36	44,185,881.50	
11001 - Central GoG & CF	12,990,250.51	8,245,089.50	
12200 - Non Tax Revenue (NTR) Sources Retained - IGF	26,734,596.00	35,939,192.00	
13028 - Consolidated-MULTI-DONOR BUDGET SUPPORT-MDBS	97,498,045.34		
13501 - African Development Bank	26,076,694.51		
13511 - International Development Association (Ida)	36,746,728.00	1,600.00	
13521 - World Bank Trust Fund	40,139,150.00		
<b>031101 - Enhance Capacity to Mitigate and reduce natural disasters and reduce ri</b>	35,828,931.84	104,300.58	
11001 - Central GoG & CF		104,300.58	
12200 - Non Tax Revenue (NTR) Sources Retained - IGF	24,528,931.84		
13402 - Donor Pooled	11,300,000.00		
<b>031102 - Promote efficient land use and management systems</b>		40,000.00	

To clear any form of selection, the user is expected to click on the funnel in order to shown all data and clear filter as seen in Figure 2.4.

Figure 2.4

# CLIMFINTRACK v1

YEAR		MDA		FUNDING	
2017	012 - Ministry of Agriculture (MOA)	11001 - Central GoG & CF			
2018	013 - Ministry of Lands and Natural Resources (ML...	12200 - Non Tax Revenue (NTR) Sources Retained - IGF			
2014	017 - Ministry of Environment Science, Technolog...	13023 - Consolidated-UNITED NATIONS DEVELOPMENT PROGR...			
2015	022 - Ministry of Roads and Highways (MoRH)	13026 - Consolidated-WORLD BANK TRUST FUND-WBTF			

MDA		Budget Year			
017 - Ministry of Environment Science, Technology and Innovation (MESTI)		2017		2018	
POLICY OBJECTIVES	Budget	Expenditure		Budget	Expenditure
<b>030803 - Strengthen instnal and regtory framewk for mgt of natural res.</b>		126,895,010.85	40,066,546.58		
11001 - Central GoG & CF		8,437,369.51	4,127,354.58		
12200 - Non Tax Revenue (NTR) Sources Retained - IGF		20,959,596.00	35,939,192.00		
13028 - Consolidated-MULTI-DONOR BUDGET SUPPORT-MDBS		97,498,045.34			
<b>050504 - Explore the options for nuclear and geo-thermal and Tidal waves energy</b>			86,933.95		
11001 - Central GoG & CF			86,933.95		
<b>100116 - Strengthen environmental governance</b>				91,466,894.83	
11001 - Central GoG & CF				2,382,171.68	
12200 - Non Tax Revenue (NTR) Sources Retained - IGF				48,383,954.15	
13023 - Consolidated-UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)-UNDP				555,400.00	
13026 - Consolidated-WORLD BANK TRUST FUND-WBTF				17,586,800.00	
13126 - Kreditanstalt Fur Wiederaufbau (KfW)				13,265,769.00	
13521 - World Bank Trust Fund				8,492,800.00	
13105 - Government Of Norway				800,000.00	
<b>100120 - Prevent environmental pollution</b>				1,176,747.00	
11001 - Central GoG & CF				1,176,747.00	

Figure 2.5 shows all filters cleared for the Policy Objective.

Figure 2.5

# CLIMFINTRACK v1.0

YEAR	MDA	FUNDING
2017	011 - Ministry of Local Govt and Rural Development (MLG...)	11001 - Central GoG & CF
2018	012 - Ministry of Agriculture (MOA)	12200 - Non Tax Revenue (NTR) Sources Retained ...
2014	013 - Ministry of Lands and Natural Resources (MLNR)	13023 - Consolidated-UNITED NATIONS DEVELOP...
2015	017 - Ministry of Environment Science, Technology and In...	13026 - Consolidated-WORLD BANK TRUST FUND-...
2016	018 - Ministry of Energy (ME)	13028 - Consolidated-MULTI-DONOR BUDGET SUP...

Operation / Activities	Budget Years		Budget Years	
	2017	2018	2017	2018
	Budget	Expenditure	Budget	Expenditure
<b>017002 - Environmental protection and Education</b>	<b>20,959,596.00</b>	<b>17,969,596.00</b>	<b>48,383,954.15</b>	
12200 - Non Tax Revenue (NTR) Sources Retained - IGF	20,959,596.00	17,969,596.00	48,383,954.15	
<b>017003 - Assessment and Disposal of Hazardous Materials</b>			<b>36,705.72</b>	
11001 - Central GoG & CF			36,705.72	
<b>086801 - Environmental policy integration and management</b>	<b>46,695,523.71</b>	-	<b>9,416,337.96</b>	
11001 - Central GoG & CF	343,602.71	-	123,537.96	
13028 - Consolidated-MULTI-DONOR BUDGET SUPPORT-MDBS	46,351,921.00			
13521 - World Bank Trust Fund			8,492,800.00	
13105 - Government Of Norway			800,000.00	
<b>086802 - Climate change policy and programmes</b>			<b>18,142,200.00</b>	
13023 - Consolidated-UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)-UNDP			555,400.00	
13026 - Consolidated-WORLD BANK TRUST FUND-WBTF			17,586,800.00	
<b>Grand Total</b>	<b>67,655,119.71</b>	<b>17,969,596.00</b>	<b>75,979,197.83</b>	

As a user-friendly system, the same principle is applied when users decide to track climate change budget by operations. Figure 2.6 shows the screen users will encounter when they decide to select climate tracking by operations / activities with no filters applied.

Figure 2.6

# CLIMFINTRACK v1.0

YEAR	MDA	FUNDING
2017	011 - Ministry of Local Govt and Rural Development (MLG...)	11001 - Central GoG & CF
2018	012 - Ministry of Agriculture (MOA)	12200 - Non Tax Revenue (NTR) Sources Retained ...
2014	013 - Ministry of Lands and Natural Resources (MLNR)	13023 - Consolidated-UNITED NATIONS DEVELOP...
2015	017 - Ministry of Environment Science, Technology and In...	13026 - Consolidated-WORLD BANK TRUST FUND-...
2016	018 - Ministry of Energy (ME)	13028 - Consolidated-MULTI-DONOR BUDGET SUP...

Operation / Activities	Budget Years		Budget Years	
	2017	2018	2017	2018
	Budget	Expenditure	Budget	Expenditure
<b>011003 - Environmental, Sanitation and waste management</b>		<b>58,968.00</b>		
11001 - Central GoG & CF		58,968.00		
<b>012005 - Sustainable Land and Water Management</b>		<b>38,737,769.82</b>	<b>475,000.00</b>	
11001 - Central GoG & CF		100,000.00	400,000.00	
13104 - Government Of Canada			75,000.00	
14002 - Consolidated-Annual Budget Funding Amount-ABFA		38,637,769.82		
<b>013016 - Exploration and Management of Mineral and Geological Resources</b>		<b>99,951.38</b>	<b>360,000.00</b>	
11001 - Central GoG & CF			360,000.00	
12200 - Non Tax Revenue (NTR) Sources Retained - IGF		99,951.38		
<b>013017 - Management of Forestry</b>	<b>35,828,931.84</b>			
12200 - Non Tax Revenue (NTR) Sources Retained - IGF	24,528,931.84			
13402 - Donor Pooled	11,300,000.00			
<b>017002 - Environmental protection and Education</b>	<b>20,959,596.00</b>	<b>17,969,596.00</b>	<b>48,383,954.15</b>	
12200 - Non Tax Revenue (NTR) Sources Retained - IGF	20,959,596.00	17,969,596.00	48,383,954.15	
<b>017003 - Assessment and Disposal of Hazardous Materials</b>			<b>36,705.72</b>	
11001 - Central GoG & CF			36,705.72	

Any option selected gives users an extract or slice of the budget data related to climate change. It is the prerogative of the user to use the extracted data in any form of analysis preferred or export it in any format for use.

At any point in time, users can click on the startup tab and return to the first screen where they can comfortably exit the application or click on the exit tab of Excel to Exit.

## 2.7 Limitations of CLIMFINTRACK

Work done through the years attests to the fact that because not all climate finance budget pass through the Ministry of Finance, there exist a multiplicity of uncoordinated climate activities in Ghana. The existing tracking and coding system also do have a scope, which is limited to budgets managed by central government through the Ministry of Finance.

Using CLIMFINTRACK for decision making will not give a fully coordinated picture since data in and out of CLIMFINTRACK is limited to funding that goes directly to or from the Government of Ghana. Hence CLIMFINTRACK tracks only funding that goes directly through the Ministry of Finance. Section 3 of this manual has proposed tools to also track funds from private sector and CSOs are to be tracked. Nevertheless, there are efforts to ensure that all donor related funds go through the Ghana Integrated Financial Management Information System (GIFMIS). Once this is done, reports from CLIMFINTRACK which depends on data from the GIFMIS Budget Module (Hyperion) will be comprehensive enough.

## SECTION THREE - TRACKING CSOs AND PRIVATE SECTOR CLIMATE FINANCE

### 3.1 CSO and Private Sector Donor Inflows Data Capture

There are several potential sources of international climate finance to the CSOs and private sector which are not captured by the Ministry of Finance. Because the private and CSO climate related funds cannot be easily filtered using the Ministry of Finance budget codes, parallel reporting was desirable. CSO and private funds should be tracked and aligned the tracking to the MOF Budget codes. What it means is that the individual sources will be tracked using the relevant method and at the analysis stage, all the data set will be brought together. EPA should continue with the tracking of international climate finance data information from government, CSO/private sector, Universities/Research Institutions through the **online survey approach in collaboration with MOF**. In addition, the EPA will be responsible for the completeness verification of all climate inflows data it receives from the Ministry of Finance before it is made public. The key steps are presented in 3 stages.

#### **Stage 1: Align climate funds inflow data with budget code**

- ✓ Use climate finance tracking manual budget code to align international climate fund inflows to CSOs, research/universities and private sector
- ✓ Identify and group international climate inflows into national climate change policy (NCCP) sector codes
- ✓ Otherwise perform climate change key word search to determine whether project focus on climate specific, climate relevant or sustainable development (climate finance tracking manual)
- ✓ For climate specific projects there should be more than two keyword matching in the project title or project objective.
- ✓ If there is no key word matching at all, classify project as sustainable development.
- ✓ Align climate specific, climate relevant or sustainable development projects activities to sector priorities in the NCCP.

## **In stage 2: List recipient institutions**

- ✓ Identify possible climate inflow recipients
- ✓ Compile a list of previous and current recipient of climate funds
- ✓ Assign unique identification numbers to recipient MDA and MMDAs from the national budget.
- ✓ Generate a list of CSOs, research/universities and private sector that received international climate funds.
- ✓ Assign unique identification number to those that receive climate funds from international sources.
- ✓ Update list every time exercise is undertaken.

## **Stage 3: Conduct bi-annual online survey to collect climate finance data**

- ✓ Prepare and test online questionnaire for collection of international climate finance inflows
- ✓ Use questionnaire attached as template to collect data on international climate inflows. At this stage, email or online survey applications (e.g. Survey monkey) can be used as the online survey platform.
- ✓ If email is used, the content of the email must introduce purpose of the tracking exercise; the expected number of minutes it will take to complete survey; end-use of the survey results and conclude with adherence to data protection principles in this exercise.
- ✓ Indicate deadline for submission of completed questionnaire.
- ✓ Explain in the email how the completed questionnaire should be named. The file name of any completed questionnaire must include abbreviation of the institution, abbreviation of the project, version of the survey and submission date (eg. FC\_GCRP\_V0\_291116. The file naming threads in this example is explained as follows: Forestry Commission\_ Ghana Cocoa REDD+ programme version Zero and submitted on 29-11-2016). Good file naming will help in the automation of the processing after submission of the completed questionnaires.
- ✓ If survey monkey is used, upload the questionnaire on survey monkey, test it with some selected institutions, revise it where necessary, then send the link to the prospective respondent via email.

- ✓ Explain the key words/terms in the questionnaire to guide respondents (e.g., project/action/mitigation and adaptation) as footnotes
- ✓ Set deadline for online completion of the questionnaire and include it when sending the link to the questionnaire via email.
- ✓ Follow up email or telephone for additional questions or clarifications.
- ✓ Compile all completed questionnaire, clean it by removing unwanted materials such as transposition errors, obvious mistakes; if the data is more than 2 years, check trends.

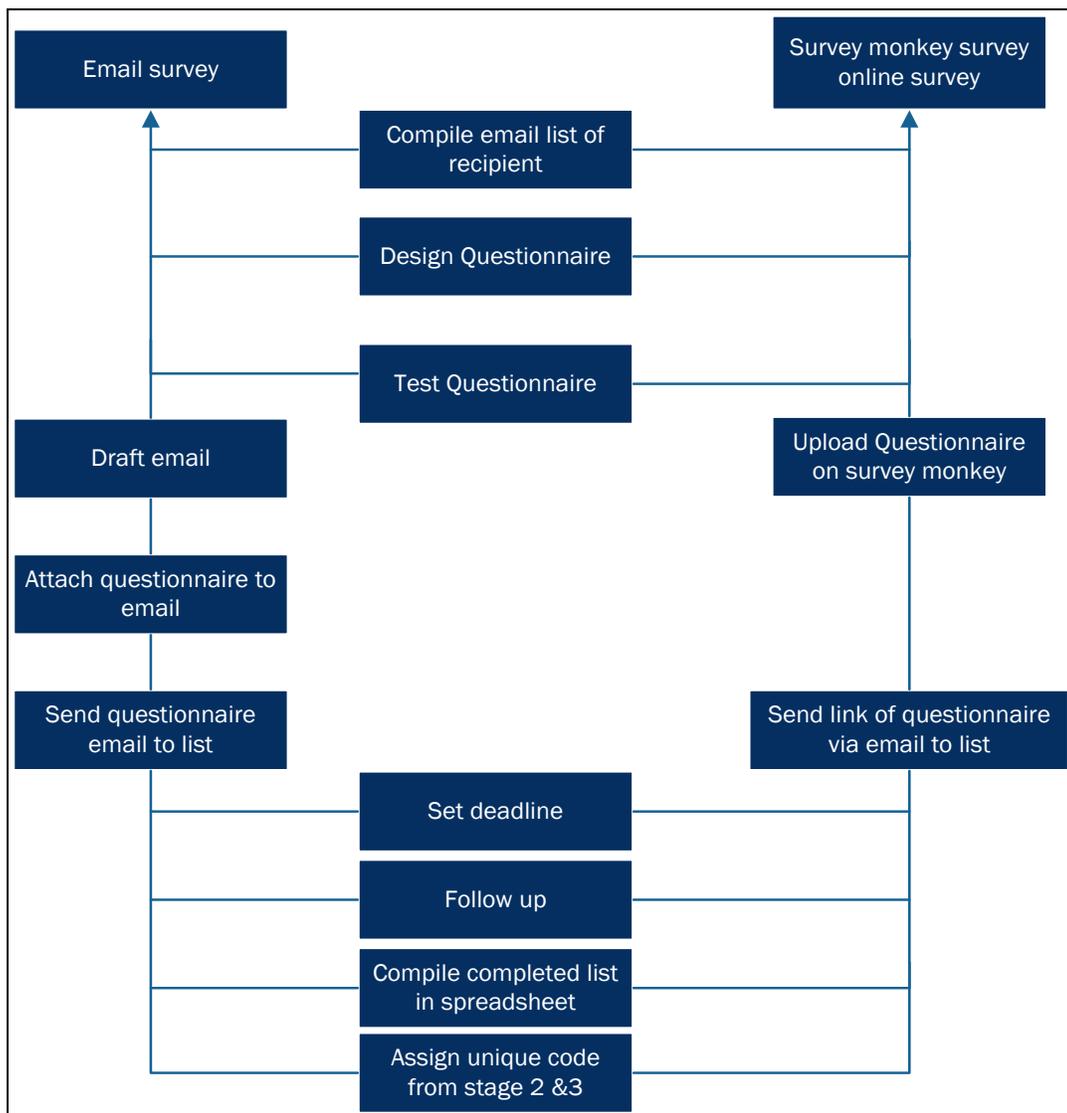


Figure 3.1 Steps for bi-annual online survey

### 3.2 Verification of climate financial inflows

Verification of climate financial inflows will be done before approved information is made available to the public. Therefore, the budget code aligned climate budgets/expenditures/outputs will be verified against a set of non-technical indicators. At this stage, the verification will be limited to a completeness check. Detailed system operation or performance or data-focused verification will gradually be introduced into the steps as the system improves over the coming years. The completeness check will cover the following features:

- ✓ Source
- ✓ Scope
- ✓ Outputs
- ✓ Status

Though the verification is limited to four key indicators: source, scope, output and status, these cover issues related finance type, channel, instruments, disbursement channels, recipient organization, uses among others. The objective of the verification is to assess the extent to which each submitted questionnaire meets the reporting requirements listed above. For example, questions relating to source of inflow will include information on “donor country name” “type of donor institution”, “channel of flow of climate finance”, “list of intermediary institution” if it is applicable. The questionnaire will be evaluated against these elements on source completeness check using a simple check list.

## SECTION FOUR: ROLL OUT STRATEGY

The integrated MRV of finance functions must be rolled-out effectively and in phases to ensure its smooth implementation.

The phase 1 is the starting phase. At this phase, planning of the MRV of finance functions will be completed. The following tasks will be implemented:

- ✓ Prioritise and allocate MRV tasks.
  - Contact and write to stakeholders to participate in the MRV of finance process.
  - For MDAs/MMDAs, it will be good to route the invitation through the sector Ministries and the Regional planning and budgeting units.
  - For the CSOs/Private sector/Universities and Research Institutions, compile email list and make official communication to them on the impending rolling out of the MRV of finance activities and what will be expected of them.
  - In the letter, request stakeholders to nominate a schedule officer to be on this assignment, preferably budget/planning officers for MDAs/MMDA. It is desirable if there are technical people to backstop the planning/budget officers.
  - List all task from tracking, verification and reporting and prioritise those to be implemented: immediately, near future and far future.
  - Prioritise tasks into those that (a) can be implemented with ease; (b) need realignment; (c) significant capacity is needed before it can be implemented and (e) can be implemented during the full mainstreaming.
  - Broadly assign tasks to institutions that will be involved in implementing the MRV of finance functions. In assigning tasks, take into account the following important factors: (a) demonstrated commitment of institution, (b) dedicated person or desk to work on the MRV of finance, (c) person with requisite knowledge or skills or capacity and (d) internal management support for the MRV of finance.

✓ Form teams and assign responsibilities

- Task Ministry of Finance, Economic Strategy and Research Division (ESRD)/NDA to coordinate the MRV of finance functions across the country.
- At the Ministry of Finance, NDA must collaborate with the Budget Division in the process of roping in the MDAs/MMDAs.
- MOF/ EPA and NCRC to continue tracking international and REDD+ inflows but make sure their results are submitted to the Ministry of Finance for the alignment with budget codes and publication.
- Put a two-tier National Steering Committee/Technical Working Group to be constituted by NDA to ensure smooth roll-out of this integrated tool. There is the need to develop TORs for the steering and technical working group.
- The Technical Working Group will be responsible for the completeness verification of all climate finance inflows data it receives from the Ministry of Finance before it is made public.
- As the lead, the Ministry of Finance must coordinate the annual planning and implementation of the MRV task.

Phase 2 is testing and piloting phase. At this stage the aim is to ensure that the MRV of finance set up becomes operational after testing and piloting in a selected Ministry, CSO and private sector organisations. What is important at this stage is to ensure that the integrated MRV of finance system is up and running smoothly at the Economic Strategy, and Research Division (ESRD) Unit of MOF . This will help collect feedback to inform the modification that will be needed before the full roll out of the system at the national scale.

#### 4.1 Institutional arrangement for the MRV of finance

The integrated climate finance tracking manual establishes institutional arrangement for the tracking of national and international climate financial inflows. In this document, no new institutional arrangement model has been recommended. The idea presented in this guidance document is based on the principle of expanding the building block of the institutional arrangement to include functions that will be performed by other institutions (figure 4.1) to enhance the effectiveness of the implementation of this tool.

The Ministry of Finance (MoF) will be responsible for the overall coordination of the MRV of finance as suggested in the climate tracking manual. As the coordinating institution they will plan and initiate the activities of the MRV of finance every year. They will also host the national single dashboard of finance, which will contain data on all the MRVed climate inflows. With this, the MoF will be able to have a good overview of the inflows of climate funds at any point in time. The Ministry of finance will perform two more additional functions. These are: (a) coordination of the filtering of government and international inflows via the budget code in order to align them to the respective sector budgets or spending and (b) facilitate MDAs and MMDAs tracking of government inflows using the steps elaborated in the finance tracking manual. As indicated in the tracking manual, the planning and budget officers at the various MDAs and MMDAs are the ones to lead the process of identifying the climate related budget or spending items in the respective ministries or assemblies.

MoF in collaboration MESTI will facilitate the process for the MDAs and MMDAs by collating all the financial report for verification by technical working group. The technical working group then performs the verification completeness check on all finance data it receives from the Ministry of Finance and then submit report to EPA. EPA is mandated to compile and submit climate reports to the UNFCCC. All data and reports are subjected to verification before submission.

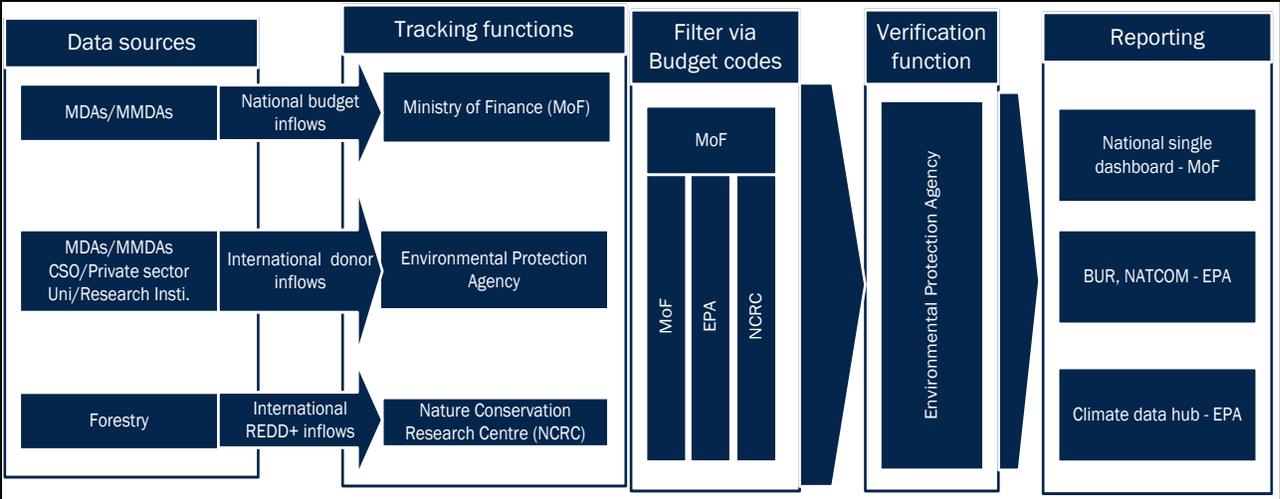


Figure 4.1: Institutional arrangement for MRV of finance

MESTI through EPA in collaboration with MOF must continue to use the survey approach to collect climate finance information from government, CSOs/private sector, Universities/Research Institutions online in collaboration with MOF. Using online survey will enable them to reach a whole lot of more climate inflows. In addition, the MESTI through EPA will be responsible for the completeness verification of all climate inflows before it is made public. The publication must be on climate data hub as well as compiling the climate finance data for submission to the UNFCCC using the BUR and NATCOM. The NCRC work on tracking climate finance for REDD+ for the forestry sector must continue. The plan here is to ensure that the result from the REDDX exercise will be submitted to the MoF so they can align the result to the budget codes.

**4.2 Institutional arrangement for Integrated MVR of Finance**

**Ministry of Finance**

The Economic Strategy, and Research Division (ESRD) of MoF is mandated to coordinate all financial support from both domestic and international sources to climate change related activities. The Ministry of finance will therefore lead the process of integrating climate change finance into the annual budgeting and planning processes. MoF will be expected to facilitate a national single dashboard for reporting climate change finance

in Ghana. Ministry of Finance should oversee the mainstreaming of national tracking tool for climate change finance that captures relevant annual expenditures and also providing technical support to link medium term strategies of the MMDA s to annual budgets. MoF will facilitate the process for the MDA and MMDAs by collating all the report from them and submit to EPA

## **Environmental Protection Agency**

The EPA is responsible for coordinating the implementation of technical activities on climate change through its Energy Resources and Climate Change Unit. This unit serves as the technical hub for climate change as well as the link for international cooperation programmes. EPA would to collaborate with MOF on the tracking of international climate finance data information from government, CSO/private sector, Universities/Research Institutions through the **online survey approach**. In addition, the EPA will ensure the publication of climate finance report. The publication must be on climate data hub as well as compiling the climate finance data for submission to the UNFCCC using the BUR and NATCOM.

## **4.3 Building Institutional Capacity**

### **4.3.1 Capacity Needs Assessment**

Setting up an efficient MRV system requires very effective institutional, human, financial and technical capacities. To roll out this MRV system, this section identifies the institutional, human resource, financial and technological required capacities needed for the smooth implementation of Ghana’s climate finance MVR system.

### **4.3.2 Institutional Capacity**

The success of the MRV system is hinged on effective institutional coordination and information sharing mechanisms across various MDAs, MMDAs, the private sector and CSOs. There is therefore the need to set up a central unit mandated to facilitate and coordinate the MRV related activities across relevant ministries, private sector and the CSOs. To achieve this, the Ministry of Finance (MOF) should be mandated to lead the

MRV system of Ghana with a clear mandate, roles, and responsibilities of staff to avoid duplication of responsibilities and activities. A more formalized system of coordinating climate finance data at the Ministry will be very important. There is also the need to define roles and responsibilities within and between each institution in order to avoid duplication of activities and streamline the overall process of MRV progress. Roles of the institutions that will play key role in the climate finance MRV are described below.

#### **4.3.3 Financial Capacity**

The implementation of the climate change finance tracking system will require financial support. The financial support for would enhance and sustain its implementation. Financial resources will be required to support the institutions for database development, human resource capacity building, to support relevant stakeholders in carrying out climate finance related data collection and management, and to support measurement and performance-tracking systems across relevant ministries and institutions. Financial resources are also required to equip the relevant staff to use Climfintrack. MOF in collaboration with other relevant institutions should mobilize finance through the national budget, GCF readiness and other sources to support these activities.

#### **4.3.4 Awareness creation / Sensitization**

Capacity building and awareness raising activities to kick-start the implementation of the climate finance tracking system will be necessary to create awareness among the key stakeholders including domestic users of the guidance tool, development partners and donors. The Ministry of Finance will lead this process. The aim of the awareness creation is to sensitize and also train stakeholders who will be actively involved in the climate finance tracking, reporting and verification related activities.

## SECTION FIVE. CONCLUSION

This manual is developed to help Economic Strategy, and Research Division (ESRD) of MOF to track and analyse climate change finance in Ghana. The aim is to track and monitor the level of international funds that is supporting climate change actions in Ghana, level of national budgeted expenditure, the MDAs, CSOs and the private sector organisations that are committing the expenditure and the policy objectives that are being supported. The integrated tracking of climate funds will help the government to know how much funds are committed to climate change activities by government, CSO, private sector and the DPs and the corresponding benefits. Such information will help inform government planning on mobilizing climate finance and also determine which sector (s) or area (s) in the sector may require critical attention.

## ANNEXES

### Template 1 - Survey instrument to tracking climate finance in the private sector and CSOs

Questions	Answers
1. Name of initiative/project/Action	
2. Recipient or implementing organisations	
3. Timeframe	
3.1 Start date	
3.2 End date	
4. Sponsor/donor of initiative	
4.1 Channel of supports (Bilateral/ Multilateral)	
5. Approved Amount (Currency)	
5.1 Amount Received (currency)	
5.1 Co-finance (if any)	
6. Type of project/initiative/action (mitigation, adaptation, enabling activity etc)	
7. Key activities of the initiative	
7.1 Objectives	
8. Major Achievements	
9. Major Impacts	
10. Remarks	
11. Contact Person	
12. Email/Phone No.	

## Template 2 - checklist for verification of climate finance data.

### Source completeness checklist (tick applicable ones)

No	Source completeness check	Yes	No	Comments
1	Is donor country name reported?			
2	Name of recipient institution			
3	Sector of recipient institution			
4	Name of donor institution			
5	Name of donor international foundation			
6	Name of market if applicable			
7	Type of donor institution			
8	Channel of inflows			
9	List of intermediary institution if it is applicable			
10	Government -to-government arrangement			

### Scope completeness checklist (tick applicable ones)

No	Scope completeness check	Yes	No	Comments
1	Type of climate inflows (Loan, Grant or mix etc)			
2	Start and end dates			
3	Amount committed (\$)			
4	Amount disbursed (\$)			
5	Non-monetized inflows			
6	Co-finance component			
7	In-kind financing			
8	Type of project support (investment, capacity building, reporting etc.)			

**Output completeness checklist (tick applicable ones)**

No	Output completeness check	Yes	No	Comments
1	Procurement activities reported			
2	Beneficiaries			
3	Levels of implementation			
4	Percentage of inflows			
5	Impactful outcomes			

**Status completeness checklist (tick applicable ones)**

No	Status completeness check	Yes	No	Comments
1	Extent of implementation			
2	Envisaged beneficiaries			
3	Development benefits			
4	Expected CO <sub>2</sub> savings			

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