

# **GHANA NATIONAL ECONOMIC DIALOGUE 2025**

## **A Progressive Response to the National Economic Dialogue 2025: Centering Climate Justice and a Just Energy Transition**

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The Finance Minister's presentation at the National Economic Dialogue (NED) on March 3, 2025, provided an opportunity to assess Ghana's economic direction in the context of climate resilience, sustainable development, and energy justice. While there were mentions of fiscal prudence and economic stability, the discussion on climate investment and a Just Energy Transition (JET) was severely lacking.

Re-setting Ghana's economy must be a progressive agenda. Our energy transition cannot mirror the failures of resource extraction and more debt accumulation. We must demand policies that shift Ghana's economy away from extractivist, fossil fuel-led, debt-dependency and toward an equitable, climate-resilient future.

The following political positions outline a transformative agenda on progressive energy policies, climate finance and the reallocation of public and private investments toward sustainable development.

### **1. Climate Finance Must Prioritize Public Good Over Private Profit**

Ghana faces an urgent climate finance gap, with the African Development Bank estimating that the country requires \$16.3 billion annually to meet its climate adaptation and mitigation targets. Yet, according to the Climate Policy Initiative, only 14% of climate finance in Sub-Saharan Africa is publicly controlled, with the vast majority channeled through corporate-driven investment models that prioritize returns over climate and therefore economic resilience. At the NED 2025, policymakers acknowledged the rising debt burden, calling for innovative financing mechanisms to prevent further economic destabilization. However, without a decisive break from debt-dependent financing, Ghana risks entrenching cycles of fiscal subjugation while climate disasters intensify.

This is not just an economic debate; it is a political struggle for sovereignty. Climate reparations from industrialized nations and multinational corporations must flow directly into publicly controlled, community-led adaptation projects, rather than through predatory loan schemes which are often repaid through raw material export. The Global South should never have to choose between climate resilience and economic survival. Climate finance must serve the people, not profiteers.

We call on the government and relevant stakeholders in Ghana to use the 2025 Nationally Determined Contributions (NDCs) revision process as an opportunity to push for a fundamental restructuring of global climate finance. Strengthening the governance structures and enforcement mechanisms of global climate finance is essential to ensuring that funding reaches the communities that need it most, rather than being delayed by bureaucratic bottlenecks or diverted by political interests. Clear accountability frameworks, strong oversight mechanisms, and transparent reporting systems must be embedded within climate finance institutions to prevent inefficiencies and ensure that resources are equitably distributed. For Ghana and other developing nations, this means removing restrictive conditions on climate finance, ensuring that funds are disbursed swiftly, and prioritizing direct access for local governments, civil society organizations, and

frontline communities. While Ghana may not directly control the architecture of international climate finance, it can mobilize diplomatic influence, regional alliances, and strategic negotiations within platforms such as ECOWAS, the African Group of Negotiators, and the UNFCCC to push for such essential reforms.

## **2. Community-Owned Renewable Energy**

Despite Ghana's enormous potential for renewable energy, only 2% of projects are community-led, while foreign multinationals and state-backed fossil fuel interests dominate the sector. The Energy Commission reports that rural electrification remains at 70%, leaving over 30% of rural households without reliable and sufficient power, despite abundant solar and wind resources. At the NED 2025, discussions centered on new investment vehicles through the Ghana Infrastructure Investment Fund (GIIF) and Ghana Stock Exchange (GSE) to address energy financing gaps. However, the risk remains that these mechanisms will continue the pattern of foreign corporate control over Ghana's energy future, sidelining community ownership in favor of profit-driven models. This is unprogressive.

The transition to clean energy cannot replicate old colonial patterns of extraction. It must be built on energy democracy, where power both literal and political resides in the hands of the people. Parliamentary Committees, such as the Standing Finance Committee and the Select Committee on Environment, Science & Technology, should explore policies that promote a more inclusive and decentralized energy sector. Encouraging community-owned renewable cooperatives can enhance local participation and ensure that Ghana's energy transition is both equitable and sustainable, while also fostering a competitive market that reduces over-reliance on corporate monopolies. Why should rural women continue to sit in smoke-filled dark kitchens while solar and wind farms funnel profits abroad? Ghana must use state-backed financing and legal frameworks to support localized energy sovereignty, prioritizing productive rural electrification, enabling small businesses, farmers, and households to gain direct access to clean, affordable energy. Similarly, as Ghana develops its transition mineral sector, policies must ensure that these strategic resources benefit local communities first, rather than being solely exported for global supply chains. This includes investing in battery storage solutions for off-grid and dispersed rural areas. Ghana could also explore sustainable e-mobility models, such as the electric motorcycle taxi initiative in Uganda, which has demonstrated the potential of locally-driven EV transport solutions to create jobs, cut emissions, and reduce fuel dependency.

## **3. Protect Ghana's Forests, Water Bodies, and Coastal Ecosystems**

Ghana is losing 125,000 hectares of forest every year, driven by illegal mining, logging, and large-scale monoculture expansion, according to the Forestry Commission. The Ewoyaa lithium mining project, aggressively pursued by foreign corporations, threatens critical water sources and the land rights of indigenous communities. Meanwhile, industrial fishing and coastal sand mining have jeopardized the livelihoods of over 2.7 million Ghanaians, with marine fish stock depletion at an alarming rate of over 60% since 2000. At NED 2025, economic diversification was a dominant theme, yet environmental concerns remained an afterthought in mainstream policy discussions. This approach presents a dangerous false choice: that Ghana must either pursue economic recovery or protect its natural ecosystems. But can a nation truly prosper if its forests, rivers, and farmlands are sacrificed for short-term gains? There is no lasting economic revival without ecological justice.

Ghana's extractive sector, particularly projects like the Ewoyaa lithium mining initiative, reflects this imbalance. While the global demand for transition minerals grows, the question remains: who benefits? If extraction continues without careful realignment, Ghana risks repeating the mistakes of the past, where resources are plundered, landscapes are destroyed, and the people left behind see little of the promised progress. Therefore, we call on the Parliamentary Select Committee on Energy and Mines and the Lands and Forestry Committee to review, realign and put in place essential safeguards ensuring that communities have the right to say 'No' when projects threaten their land, water, and livelihoods. This is not about resisting

progress. It is about ensuring that Ghana's mineral wealth does not spell the downfall of local communities. This is a principle enshrined in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).

#### **4. Strengthen Climate Democracy Across Energy Systems**

Less than 10% of climate finance decisions in Ghana involve direct consultation with grassroots communities, according to the Centre for Climate Justice Africa. While the government has made commitments to inclusive climate action, key agreements such as the Ewoyaa lithium mining project, the West African Power Pool (WAPP) initiative, and IMF-backed energy reforms, have been negotiated with limited public engagement. These agreements, which have significant implications for Ghana's climate and energy transition, often prioritize corporate investment interests over community-led development, raising concerns about transparency, accountability, and equitable benefit-sharing. Ensuring that local communities and civil society organizations have a greater voice in climate finance decisions is crucial for aligning policies with both national sustainability goals and the lived realities of affected populations. At NED 2025, calls for greater governance reforms included constitutional amendments and stronger parliamentary oversight. Yet, without embedding climate democracy into the core of governance structures, decisions will continue to be made in closed-door boardrooms, far removed from the realities of those communities most affected.

Climate justice means redistributing power, both politically and economically, to those on the most affected by the climate crisis. A progressive climate transition requires legal frameworks for participatory governance. The 2025 NDCs revision process must seek to establish climate citizens' assemblies, participatory budgeting for climate finance, and local climate councils to ensure marginalized groups, smallholder farmers, fisherfolk, and informal sector workers, have a decisive say in shaping policies.

#### **5. Green Job Creation and Social Protection**

At NED 2025, major economic reforms were discussed, including the introduction of progressive labor policies, yet there remains a glaring absence of structured investments in the green economy. Ghana's informal economy employs over 60% of the workforce, yet offers no labor protections, according to the Ghana Statistical Service. The country's transition from fossil fuels and extractive industries risks worsening economic insecurity unless a Just Transition Fund is established. The International Labour Organization (ILO) estimates that Ghana could generate over 400,000 new jobs in renewable energy, agroecology, and climate adaptation by 2035 if the right policies are enacted.

A progressive economic dialogue, must not be focused on racing to attract foreign investors at the expense of workers. It must seek to create a path to economic justice, where no one is left behind. We reckon that a just energy future must prioritize unionized, well-paid, and dignified jobs. This will require the NED place priority on a massive public investment in worker retraining programs, social safety nets, and living wage policies in emerging green sectors.

#### **6. Decolonizing Climate Finance**

At NED 2025, stakeholders outlined bold tax and financial reforms to address fiscal inefficiencies. Yet, the reliance on international financial institutions (IFIs) to dictate economic policy continues to reproduce colonial economic structures, where climate finance is commodified rather than treated as a right. Ghana's green bonds, sovereign debt structures, and renewable energy financing models remain tied to profit-driven mandates from the Global North, rather than rooted in economic self-determination.

It is time to dismantle this system. The path forward is clear. Developing countries like Ghana must reject the neoliberal framework of climate finance and instead demand direct, unconditional climate reparations. This is the best tie to reclaim economic sovereignty, democratize energy, and dismantle the structures that place profit over people. Financing must serve the people, not the markets. Community-controlled energy

cooperatives, land restoration projects, and climate adaptation programs must be free from corporate capture.

## 7. Conclusion

The Finance Minister's address at the National Economic Dialogue 2025 reflected Ghana's urgent economic recovery needs, yet it lacked a bold vision for a just, climate-resilient economy. While discussions touched on fiscal consolidation and investment incentives, the government's approach remains tied to IMF-backed policies that prioritize corporate-led development over community-driven solutions. Ghana has the potential to chart a different course by placing people, not profits, at the center of climate finance and energy transition. With \$16.3 billion needed annually for climate adaptation and mitigation, the focus must shift to securing direct climate reparations, debt relief, and locally controlled green investments that break dependence on extractive industries.

Ghana's renewable energy sector presents an opportunity for energy democracy, yet foreign investors dominate the industry, controlling over 98% of renewable projects. The government's recent push for public-private partnerships (PPPs) and green bonds could attract capital, but without clear mandates for community ownership, these projects will reinforce economic inequalities. A progressive shift requires state-backed investment in community-led solar and wind cooperatives, ensuring that profits remain within local economies rather than flowing overseas. Ghana's energy future must serve rural farmers, fisherfolk, and urban workers, not just multinational financiers.

## 8. Key Asks:

This is what we want:

### a. Reset Climate Finance to Prioritize Justice, Not More Debt -

Ghana's climate finance system must break free from the debt-driven models that entrench economic dependency. The government must push for direct, unconditional climate reparations from industrialized nations and international financial institutions. Climate funds should flow into publicly controlled, community-led projects, not through predatory loans repaid by exporting raw materials. Ghana must demand an equitable financial system that supports climate resilience without sacrificing economic sovereignty.

### b. Strengthen Climate Democracy and End Closed-Door Energy Deals

A just transition cannot be dictated by boardrooms. Less than 10% of climate finance decisions involve grassroots communities, yet the government continues to sign major energy agreements behind closed doors. The 2025 NDCs revision must include a climate and participatory budgeting for climate finance. Smallholder farmers, fisherfolk, and informal workers deserve a decisive voice in shaping Ghana's energy future. A just transition needs to be built from the ground up.

### c. Create Green Jobs with Strong Labor Protections

Ghana's transition must not be a race to attract foreign investors at the expense of workers. Over 60% of the workforce is in the informal economy, yet green jobs remain underfunded and unregulated. The government must establish a Just Transition Fund to support worker retraining, fair wages, and unionized jobs in renewable energy, agroecology, and climate adaptation. A clean energy future means nothing if it does not lift people out of poverty.

### d. Resetting the Economic growth must not come at the cost of ecological destruction

Ghana is losing 125,000 hectares of forest annually, while mining and industrial fishing continue to devastate livelihoods. All extractive projects need to undergo immediate review and realignment to ensure

environmental justice. Communities must be granted Free, Prior, and Informed Consent (FPIC), including the right to reject harmful projects, as outlined in UNDRIP.

**e. Put Community-Owned Renewable Energy at the Center of the Transition**

Ghana's energy transition must not repeat the mistakes of resource extraction by concentrating power in corporate hands. Over 98% of renewable energy projects in Ghana are controlled by foreign investors, leaving communities locked out of decision-making. The government must enact policies that prioritize community-led solar and wind cooperatives, ensuring that local economies benefit first. Energy democracy means putting ownership and control back into the hands of the people.