



# INCENTIVE PACKAGES FOR GREEN BUSINESSES IN GHANA

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# LIST OF ACRONYMS AND ABBREVIATIONS

<b>Acronym</b>	<b>Meaning</b>
CSOs	Civil Society Organisations
CSC	Climate Smart Cocoa
EPA	Environmental Protection Agency
ERPA	Emission Reductions Payment Agreement
GDP	Gross Domestic Product
GEA	Ghana Enterprise Agency
GCFRP	Ghana Cocoa-Forest REDD+ Programme
GETP	Ghana Economic Transformation Project
GEF	Global Environment Facility
GCIC	Ghana Climate Innovation Centre
GoG	Government of Ghana
GSGDA	Ghana Shared Growth and Development Agenda
GrEEEn	Green Employment and Enterprise Opportunities in Ghana
ITA	Income Tax Act
IUCN	International Union for Conservation of Nature (IUCN)
IKI	International Climate Initiative
IRENA	International Renewable Energy Agency
IPCC	Intergovernmental Panel on Climate Change
MESTI	Ministry of Environment, Science, Technology and Innovation
MoF	Ministry of Finance
MoTI	Ministry of Trade and Industry
MoI	Ministry of Information
MSMEs	Micro, Small and Medium Enterprises
NEIP	National Entrepreneurship and Innovation Programme
NSWMS	National Solid Waste Management Strategy
PFI	Participating Financial Institutions
REDD+	Reducing Emissions from Deforestation and Forest Degradation
RET	Renewable Energy Technologies
SESA	Smart Energy Solutions for Africa
SMEs	Small and Medium-sized Enterprises
SGP	Small Grants Programme
UNDP	United Nations Development Programme
UNCDF	United Nations Capital Development Fund
VAT	Value Added Tax
WBG	World Bank Group



# 01. Introduction



## 1.0 Introduction

### 1.1 Background

Climate change and its effect on economies has led to a growing consensus in recent years on the need for environmentally sustainable and socially inclusive economic growth. To attain this, economies around the world are going through structural transformation processes enabled and guided by green policies. This has necessitated the need for more dialogue on the way forward for the dual global objectives of economic growth and ecological prosperity. The International Trade Centre, in their paper "SME Competitiveness in Ghana: Alliances for Action" (2016) posits that small and medium enterprises (SMEs) contribute about 70% to Ghana's Gross Domestic Product (GDP) and constitute more than 85% of all enterprises in the country. They play a critical role in creating job opportunities, providing products and services, and improving economic dynamism and competition. The SME sector cannot be ignored in any government-led intervention for climate action in the business sector given its contributions to the Ghanaian economy. It is therefore pertinent for the government to create an enabling environment through green growth policies and regulatory measures. To this end, a valuable tool in addressing climate change through mitigation and or adaptation is an incentives regime for green businesses.

### 1.2 Objectives

The objectives of the paper are to:

- Identify the incentive packages available to green businesses in Ghana.
- Identify challenges green businesses encounter in accessing available incentives.
- Provide policy recommendations to enhance access to incentives.

### 1.3 Approach to Paper

This paper is based on industry knowledge, relevant literature, and stakeholder engagement. The stakeholders were engaged through a roundtable dialogue to specifically discuss incentives for green business. The stakeholders included Ministry of Finance's Revenue Policy Division, Tax Policy Unit, and Economic Strategy and Research Division; Environmental Protection Agency, Ministry for Environment, Science, Technology, and Innovation; Ministry of Trade and Industry, Ministry of Employment, and Labour Relations, Ghana Revenue Authority and other relevant private sector organisations and international non-governmental organizations. Some businesses in the green space were also engaged for a nuanced appreciation of the issues.

A photograph of two women in a greenhouse. The woman on the left has curly hair and is wearing a light-colored blazer and jeans. The woman on the right has braided hair and is wearing a light-colored shirt and pants. They are both smiling and looking at a folder or book held by the woman on the right. The background shows the structure of a greenhouse with wooden beams and translucent panels. The entire image is overlaid with a semi-transparent green filter.

## 1.4 Structure and Organisation of the Paper

The paper is structured as follows:

The second chapter analyses the incentive schemes available for green businesses in Ghana, and the challenges faced by green SMEs in accessing these incentives. The third and final chapter provides recommendations on what key stakeholders can do to bridge identified gaps.



## 02. Incentives Available for Green Businesses



## 2.0 Incentives for Green Business Growth

The expectancy theory of motivation posits the energy put into a venture is closely linked to the value of the reward offered, which presupposes that what motivates an individual to select a particular behaviour, amongst many, stems from the expectation of a desirable outcome from the decision to follow that behaviour (Jeffrey and Shaffer, 2007). This means that the level of motivation that results in better productivity is heavily reliant on the availability of relevant resources and adequacy of incentives provided.

Incentives, according to UNDP Capacity Development Resource (2006) , are described as external measures that are designed and established to influence motivation and behaviour of individuals. The Intergovernmental Panel on Climate Change (IPCC) special report on the impacts of global warming of 1.5 °C (2018), averred that human activities are estimated to have caused approximately 1.0°C of global warming above pre-industrial levels (with a likely range between 0.8°C to 1.2°C). On that account, there is still an opportunity to limit global warming by consciously targeting human behaviour (and business practices), as the Intergovernmental Panel on Climate Change finds this would require “rapid and far-reaching” transitions. Green businesses function in the best interests of the local and global environment, considering their impact on society and the environment, and contribution to the health and safety of the ecosystem within which it operates. Globally, policymakers utilise a variety of incentives to assist the green business sector as listed below:

- Tax on resource use
- Tax preferences
- Tariff exemptions for resource-efficient products
- Grants and subsidies (financial and non-financial)
- Vouchers
- Green finance (loans and associated instruments)
- Trading scheme

The desire of businesses is to maximize profits, and incentives are designed to influence this motivation in various ways. The appropriateness of different incentive types depends on the situation. Although incentives can be used independently, they are typically used in conjunction with other policy tools. The environmental outcomes will be drastically impacted for instance, if a new resource tax on enterprises is implemented without enhancing their capacity to respond or by not making sure they are informed on precisely who will be subject to the tax. The Paris Climate Accord suggests that green businesses play a crucial role in cutting down emissions, waste, and cultivating a livable planet. Therefore, the creation of an incentive regime or environment that enables these businesses to thrive becomes imperative in every country.



## 2.1 Grants, Subsidies and Technical Assistance Available to Green Businesses in Ghana

Grants and subsidies form the financial backbone for green SMEs support. Grants, specifically tailored to fund programs or activities of green SMEs, serve as a catalyst by offsetting costs and encouraging more frequent engagement in targeted activities. These incentives often come in different formats, ranging from upfront grants to result-based incentives, amplifying their appeal and effectiveness. Subsidies in the form of tax preferences and breaks play an important role in providing the needed incentives for SMEs. The support ecosystem for Green SMEs extends beyond mere financial aid. Technical assistance, including coaching, networking, and capacity building, emerges as a crucial component offered through various incubation programs and hubs. These entities serve as vital platforms, providing essential tools, services, and connections to accelerate the progress and success of entrepreneurial ventures.

Typical grants, subsidies, and technical incentives for green business in Ghana include:

- Tax preferences
- National support programs
- Incubation programs from both government and public sector
- Green finance



## 2.1.1 Tax preferences

Several incentives have been enshrined in different legislations namely the Income Tax Act, 2015, Act 896 (as amended) ("the ITA"), Value Added Tax, 2013, Act 870 (as amended), Customs Act, 2015, Act 891 (as amended) and the Free Zone Act, 1995, Act 504. For instance, the supply of machinery and parts of machinery specifically designed for use in agriculture and horticulture is exempt from VAT under the First Schedule of the Value Added Tax (VAT), 2013, Act 870 (as amended). The Customs Act, 2015, Act 891 (as amended) also provides a zero percent VAT and import duty on machinery, plant, apparatus, and spare parts for agricultural purposes under the Third Schedule of the Harmonised System.

Again, the Sixth Schedule of the Income Tax Act, 2015, Act 896 (as amended) ("the ITA"), provides a concessionary income tax rate of 5% on the chargeable income of Businesses engaged in agriculture, rural banking, waste processing, low-cost housing, and venture capital financing companies. However, per section 28 of the Free Zone Act, 1995, Act 504, free zone developers and enterprises granted licenses under Act 504 are exempted from income tax on profits for the first ten years from the commencement of operation. Therefore, green businesses licensed by the Ghana Free Zones Board are entitled to a 10-year corporate income tax holiday.

Notwithstanding the above, under section 17 of the ITA, all businesses (including green businesses) in ascertaining their chargeable incomes are eligible to carry forward unrelieved losses for a period of five years of assessment thereby reducing their income tax liability if any. Generally, resident persons other than individuals, when making payments to other resident persons for the supply of goods, works and services, are required under section 116 of the ITA, to withhold taxes on the gross amount of the transaction at various rates and remit same to the Commissioner-General. However, the Commissioner-General may, upon a good cause shown or based on satisfactory tax record of the supplier, grant a written exemption from the withholding taxes due. For the supplier to qualify for exemption, certain conditions must be met, including but not limited to: (i) maintaining proper business records (ii) the business being audited in the last two out of three years (iii) demonstrating evidence of cashflow challenges (iv) timely filing of tax returns, and accurate payment of taxes. Green businesses therefore qualify for withholding tax exemptions if they meet these requirements.

Although these tax incentives are available, getting access to them can be exceedingly bureaucratic, difficult, and demoralizing. For instance, renewable energy businesses (such as the production of hydro, ocean energy, biofuel, landfill gas, biomass, wind, solar and geothermal) of SMEs frequently benefit from tax reductions when importing machinery for their operations. However, some of the imports made by these SMEs are not able to attract the required tax waivers as their intended purpose do not fall under the tax waiver bracket. For example, some turbines used by SMEs in renewable energy businesses have dual usage as it is utilized both in renewable energy production (e.g., hydro or wind) and in non-renewable applications (e.g., conventional power generation or industrial processes). SMEs importing such turbines might face challenges in proving the exact usage for tax purposes. If SMEs involved in such business can demonstrate that the machines were used for the intended reasons, they are allowed the chance to file tax returns. Additionally, it should not be the case that the ordinary person cannot easily find information on these tax incentives.

### 2.1.2 National Support Programs

Government is setting the tone providing incentive packages for green businesses in Ghana. Through several national programs, government is promoting and encouraging businesses to place high priority on environmental sustainability, as the fight against climate change and the transition to a low-carbon economy gains prominence. The Renewable Energy Master Plan for instance was developed to diversify the energy mix by focusing on solar, wind, hydro, and biomass sources. With a significant financial commitment, the plan aims to expand renewable energy capacity to meet increasing energy demands, reducing reliance on traditional fossil fuels. The plan attracted USD28.49 million grant from the AfDB to be used for several renewable projects. These funds through the Ministry of Finance are disbursed to several green projects related to energy plan. The government indicated its commitment to support local manufacturing / assembly initiatives by providing incentives such as tax breaks, capital subsidies, loan guarantees, etc. Specific incentives for renewable energy manufacturing and assembling are as follows:

- Local content requirements under the Local Content and Local Participation regulations, LI 2354, 2018.
- Tax reduction for manufacturing and assembling (reduced Companies Income Tax (CIT) to 15%).
- Materials, components, equipment, and machinery (that cannot be obtained locally) for manufacturing or assembling, shall be exempted from import duty and VAT, up to the year 2025.
- Materials, components, equipment, and machinery that Ghana has competitive advantage over, shall attract the relevant import duty and other applicable taxes to promote the local industry.
- Import of plant and plant parts for electricity generation from renewable energy resources, shall be exempted from import duty and VAT.

- Allocation of a quota for local industries in all Government projects to facilitate expansion of the existing market; and
- Government shall provide a vehicle through existing facilities such as the Venture Capital Trust Fund to provide soft loans to local industries.

### 2.1.3 Incubation Programs

The pivotal role of business incubators stands as a beacon for businesses dedicated to environmental responsibility. Within these nurturing environments, green businesses find not only physical spaces but also an ecosystem teeming with vital resources and strategic support. In Ghana, several incubation programs exist, providing access to mentorship, financing and other support for Green SMEs innovation and growth. The intervention of programs from institutions such as the National Entrepreneurship and Innovation Programme (NEIP), Ghana Enterprise Agency (GEA), Ghana Climate Innovation Centre (GCIC), Green Employment and Enterprise Opportunities in Ghana (GrEEEn), SEED, Smart Energy Solutions for Africa (SESA) amongst others are actively incentivizing and empowering Green SMEs to navigate the challenges of sustainability while fostering their success in an ever-evolving market.

#### 2.1.3.1 The National Entrepreneurship and Innovation Plan (NEIP) in Ghana

This stands as a vital pillar supporting green businesses through tailored financial assistance. NEIP provides access to grants and loans, specifically designed to alleviate capital constraints, and promote the development of eco-conscious ventures. Complementing this financial aid, NEIP offers targeted training programs and capacity-building initiatives. NEIP, through its Presidential Business Support program, has expanded its reach to rural and peri-urban areas in Ghana, emphasizing inclusivity and youth empowerment in entrepreneurship through the Community Business Initiative. Window 3 of the program, reaching 26,500 applicants across all 260 districts, illustrates a nationwide effort in training and support. These initiatives provide green businesses the opportunity to access the needed finances and technical assistance to thrive. The program in 2022 invested GHS30million to support Youth in innovative agriculture. Participants in the program were granted a flexible loan facility ranging from GHS20,000 to GHS200,000. These loans carry a repayment period of three to five years with an annual interest rate fixed at 10%. The NEIP program, while broad-reaching and inclusive, faces core challenges in adequately supporting green businesses. The initiative lacks a direct focus on the unique needs of sustainable ventures, often providing generalized training that might overlook crucial aspects of green practices and market strategies. Strengthening partnerships within the green economy and incorporating specialized resources and mentorship focusing on sustainability could significantly enhance NEIP's efficacy in fostering a thriving environment for green businesses in Ghana.

### 2.1.3.2 The Ghana Enterprise Agency (GEA)

This is a leading incubator fostering sustainable and profitable green businesses led by ethical leaders committed to gender equality and social responsibility. In partnership with Global Affairs Canada, the GCIC provides transformative entrepreneurs across Ghana with grants up to CAD21,300 in sectors like renewable energy, agriculture, waste management, and water purification. About USD 644,943.41 has been disbursed to 70 businesses between January 2022 and September 2023 supporting Ghana's green economy. Additionally, enrolled entrepreneurs receive free Masterclasses and Mini MBA Courses covering topics from climate change to business strategy, enhancing their skills and knowledge in navigating sustainability and business challenges within a changing climate. This initiative not only fuels green business growth but also invests in educating entrepreneurs, fostering a community dedicated to ethical, sustainable business practices.

### 2.1.4 Green Finance

Global funds, development partners, local banks and financial institutions are providing dedicated funding channels for eco-friendly initiatives, offering easier access to capital for green businesses. This financial support helps overcome one of the significant hurdles for these ventures, enabling them to invest in sustainable technologies, eco-friendly practices, and infrastructure. Global funds such as the Green Climate Fund has contributed USUSD11.5 million in total financing to Ghana through eight different projects (Project GAIA, Infrastructure Climate Resilient Fund, Inclusive Green Financing Initiative (IGREENFIN I), LEAF, Ghana Shea Landscape Emission Reduction Project, Arbaro Fund, AFAWA and the Acumen Resilient Agriculture Fund). The fund in partnership with international and national commercial banks, multilateral, regional and national development finance institutions amongst others provide financial support through a flexible combination of grant, concessional debt, guarantees or equity instruments to leverage blended finance and crowd-in private investment for climate action. Although the fund is available to green businesses, the bureaucratic procedures can pose significant challenges for businesses seeking GCF funding. This process may involve extensive consultations and negotiations, adding complexity and time to the application process. Locally, the Development Bank Ghana (DBG) supports financial institutions (banks) in providing long term lending and advisory services to green SMEs. The bank this year has disbursed an amount of GHC 600 million to SMEs. This investment prioritizes sectors showing substantial potential for growth and considerable social and environmental influence, including agribusiness, manufacturing, and investments centred on low-carbon initiatives and climate resilience.

Fidelity Bank is also making significant thrive within the sustainability space. Through its green energy financing program. The bank through its partnership with eco. business Fund is investing USUSD 15 million in agribusiness. The fund lends to a wide range of agribusinesses that cover the entire value chain - from food production to logistics and supply chains across domestic staples and export crops - while promoting production and consumption practices that contribute to the sustainable use of natural resources and biodiversity conservation. The bank held an agricultural summit in Ghana to discuss economical and sustainable solutions to the challenges currently faced by the local poultry sector. This provides incentive for green businesses serving as a catalyst for growing the SME sector as it boosts the bank's capacity to support more SMEs in the agribusiness space.





## 03. Challenges in Accessing Incentive Packages in Ghana



### 3.1.0 Challenges in Accessing Incentive Packages in Ghana

As noted in the previous chapter of this paper, it is evident that there are several incentive packages available to green businesses both locally and globally. Despite the availability of incentives for green enterprises, there are substantial challenges associated with accessing them. The following have been identified as the main challenges faced by SMEs in accessing the available incentives in Ghana:

- **Limited access to information:** Accessing precise information and guidance on the available incentive packages on offer are difficult for green enterprises as information is scattered across several government agencies such as the Environmental Protection Agency, Forestry Commission, Energy Commission, Ghana Enterprise Agency and so forth. Though efforts are being made, inadequate institutional collaboration and partnership among major policy implementors like the Ministry of Environment Science, Technology and Innovation, Ministry of Lands and Natural Resources, Ghana Revenue Authority, Ghana Enterprise Agency, National Commission for Civic Education persists. As laid out in the previous chapter, several tax preferences exist for green businesses, but they are not known to these business owners.
- **Lack of awareness and understanding:** The advantages and potential linked to green practices are not well known or understood by businesses in Ghana. Most businesses are not completely aware of the incentives that are available to them or the long-term benefits of implementing sustainable business strategies. For example, the GRA grants tax exemptions for green businesses to encourage more businesses to go green but this information, although is available, is not known to many SMEs. This insight from the roundtable discussion corroborated findings from the recent baseline monitoring and evaluation exercises of the current cohorts under GCIC's programme. Most entrepreneurs were oblivious of incentives available to them and a few who were aware couldn't articulate the specific incentives applicable to their sectors. Programs by the National Entrepreneurship and Innovation Plan (NEIP), as well as the Ghana Enterprise Agency (GEA), although have information available on their websites, need a central coordination of these incentive packages to make it easier for green businesses to know and understand the processes in accessing these incentive packages.



- Inadequate funding and financial support to implement strategies: Through the Ministry of Employment and Labour Relations, the government developed the National Green Jobs Strategy Implementation Plan (2021-2025) to facilitate a just transition to an environmentally sustainable economy through the promotion of green jobs. The intervention which provides a clear picture of the prevailing situation of the business environment of green jobs and identified areas of strengthening is unfortunately plagued by funding challenges making implementation of the strategy difficult.
- Inadequate capacity building and unavailable technical expertise: Lack of qualified professionals and technical specialists with understanding in green businesses environment and its associated financial markets was found to hinder access to incentive packages by SMEs. In addition, businesses find it difficult to properly deploy and optimise sustainable solutions due to this challenge. Moreover, the prerequisites for accessing some grant facilities (like the Green Climate Fund) include but not limited to technical expertise, which some of the SMEs typically lack. Again, the carbon trading schemes require technical competence and investment in the generation, certification, and sale of carbon credits which green SME's often lack.
- Poor implementation of some already-existing Incentives: Some green businesses in the renewable energy sector, lament inconsistent tax rates by GRA at the point of importation, despite the existence of tax rebates as per the renewable energy master plan. The government, despite supporting the solar sector through exempt duties and VAT, is still faced with the challenge of fully implementing these incentives. Despite the existence of tax reliefs, green businesses persistently face access challenges. They continue to incur extra cost in their attempt to access these incentives by paying huge duties and taxes even when they import green/environmentally friendly goods'. Some businesses in the sector describe their challenges as follows:



They say there's tax incentive for solar, but I can guarantee you it is not working. I've experienced it before. In the past, I imported some solar items, and we ended up losing about USUSD15,000 after I had convinced investors to invest in the importation. We had to pay about 40% of the cost of the items. They just determine the cost of duties as done for the items such as cars. No rebate is given and nothing else is considered. In the past they said if you import the components like panels, batteries, invertors etc., separately, they won't treat it as a solar system hence you will pay the standard duties, but even if you import all the components together to show its a solar system, it still doesn't work. No incentives are applied.

GRA will slap the taxes and ask you to pay.



• Inadequate policy and regulatory frameworks: A review of legislations and policies as well as stakeholder engagements show that Ghana's current regulatory and policy environment does not sufficiently support and promote green businesses. Although there are various policies such as the National Energy Policy (NEP), it does not cover the green space entirely and this invariably may hinder access to incentives due to policy inconsistencies and lack of coordination between various actors within the green enterprises space . It is also possible that future governments won't embrace or will significantly scale back the implementation of some former governments' initiatives like the NEIP. Every time there is a change in government, uncertainties cast a shadow over the path of policy. The danger of a new administration significantly altering how policies are implemented in an environment where policy continuity is missing is inevitable.



## 04. Conclusions and Policy Recommendations



## 4.0 Conclusions and Policy Recommendations

### 4.1 Conclusions

The paper identified some incentive schemes available for green SMEs in Ghana, and the challenges in accessing the incentives. It further examined some policies within the green space and the incentives therein. Governments and policy makers can deploy different incentive packages to develop and promote the green business markets. It was inferred from the literature and stakeholder interactions/engagement that incubation Programs, tax exemptions for resource efficient products, green finance and trading schemes are the incentive types that are mostly used in Ghana.

Based on the challenges identified in the previous section, policy reforms, better coordination, improved information dissemination, awareness creation and education, stakeholder engagement, financial support, capacity building among others will facilitate access to incentive packages for green businesses, and that encouraging women's participation in green businesses in Ghana can be achieved through a multi-faceted approach that considers the cultural, social, economic, and political factors that influence women's access to resources and opportunities.

The paper further reveals that though there are various incentives in use, especially within the private sector, a few were directly initiated or implemented by government. Access to these incentives by green businesses was found to be a major set-back as businesses lack capacity or technical expertise to secure these incentives, are unaware of the various incentives available to explore, have limited knowledge about the existence of these incentives, and have limited access to information around incentives.

It was noted that incentive packages are crucial for promoting a green economy as it helps to create the enabling environment for green businesses to thrive in their quest to generate revenue and profit while reducing their carbon footprint.

## 4.2 Policy Recommendations

### 4.2.1 Enhancing access to incentive packages

It is imperative for policymakers, stakeholders, and society to recognize the importance of enhancing access to incentives. Whilst working collectively to create an environment that nurtures and supports the growth of green businesses, the following have been identified to enhance access to incentive packages:

- **Ease of access to information:** There is the need to create a centralized database to provide current information on available incentives, eligibility requirements, application processes, and success stories of green enterprises. This could be in the form of a website or portal managed by a government institution like the Ministry of Trade and Industry (MOTI) in collaboration with other relevant agencies such as Ministry of Information (MOI). The data base will serve as the central repository of all individual incentive packages available for green businesses.
- **Awareness and education:** To aid businesses to better understand the advantages of green practices and the associated incentives, awareness campaigns and educational Programs could be run through workshops, seminars, internet resources, and cooperation with trade groups and corporate networks. Such awareness creation and educational Programs could be run by the NCCE or the Ministry of Information with specialists from state institutions such as EPA, GRA, Ministry of Finance etc. serving as resource persons.
- **Stakeholder engagement:** Collaboration and engagement among various stakeholders, including government agencies, businesses, industry associations, civil society organizations, and academic institutions should be encouraged. Platforms for regular dialogue, knowledge sharing, and partnership building to foster a supportive system for accessing incentive packages could be established. Civil Society Organizations (CSOs) and Development Practitioners can partner with institutions like the University of Ghana's Center for Climate Change and Sustainability Studies to organize frequent dialogues and stakeholder engagements on green businesses and related issues.

- **Capacity building and technical expertise:** The government should extend the green technologies training offered under its greenhouse project to other sectors of the green economy to equip entrepreneurs and professionals with green technologies relevant to their operations. This could be done through partnerships with educational institutions, research organisation, industry experts, who will provide specialized training and mentorship programs for local communities, SMEs and other key stakeholders involved in green businesses. The government should consider creating a business incubation policy with specific guidelines to support standardization of the services provided by incubators and accelerators, as well as consider the possibility of creating an accreditation body to monitor compliance with quality standards. To improve access for entrepreneurs based in rural areas, government must also develop the necessary infrastructure, strengthen the business environment, and offer incentives to the private sector for the establishment of incubators and business centers.

- **Policy reforms and coordination:** Additional policies geared towards promoting green businesses and their benefits should be introduced and promoted. There is also the need to boost cooperation between various government departments (especially those who deal with the implementation of green policies and directives e.g., GRA, FC, EPA, etc.) and other interested parties (e.g., CSO and Development Partners) to provide a more unified and encouraging policy framework for green enterprises. In this regard, with the goal to scale up Ghana's Renewable Energy capacity under the National Energy Policy, the government should implement incentive schemes to support the private sector to undertake the actual development and deployment of renewable energy technologies.

## 4.2.2 Harnessing Female Human Capital

Investing in women entrepreneurs would be critical in achieving social and environmental objectives. To successfully counter the climate crisis, the government needs to fully tap into all human potential – including that of women. Studies suggest that women entrepreneurs show higher levels of social and environmental orientation than their male counterparts. The Government should therefore consider the following to help strengthen women-led small businesses particularly in the green space.

- Facilitate the closure of the gender finance gap. This can be done through collaboration with the Development Bank of Ghana to drive on-lending to women-led SMEs particularly business in the green space through the Participating Financial Institutions (PFIs).

- Facilitate the development of bespoke Programs for supporting women entrepreneurs. Incentive packages could be channeled through the Ghana Enterprises Agency (GEA) to specifically target women-led green businesses.



Find out more about the GCIC at

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