

Focus: Climate Change Mitigation, Circular

Economy

**Ecosystem Impact:** Access to Markets, Business

Registration and Licensing, Access to

Finance

Lab Cycle: Policy, Ghana 2020

**Solution Developers:** Ghana National Cleaner Production

Centre, Private Enterprise Federation

## **Background**

With an estimated real GDP growth of 7.1%, Ghana is one of Africa's fastest growing economies. Much of this growth is driven by the industrial sector, which has seen an average annual growth rate of 10%.<sup>1</sup> A key aspect of Ghana's sustainability efforts is therefore linked to the environmental impact of industrialisation, including the use of raw materials and generation of industrial by-products and waste. Addressing the environmental impact of this sector is key to reducing carbon emissions and improving resource efficiency, contributing to climate change mitigation goals. This necessitates the development of an effective circular economy that sees waste as a resource and ensures value is retained throughout the lifecycle of resources and products.

The transition to a circular economy opens myriad opportunities for small and medium enterprises in industrial symbiosis: to integrate into industrial value chains, and add value to waste inputs. The products and services offered by micro, small and medium enterprises (MSMEs) can range from generating energy from waste, using waste inputs for craft and design, and providing alternative materials for construction, among others. Opportunities exist across waste streams: from plastic waste, to e-waste and agro-industrial residue.

Despite this opportunity, eco-inclusive enterprises often face challenges in tapping into these opportunities. Challenges include a lack of access to information about the regulations that are applicable to their business activities, difficulties accessing waste inputs at the right quantities and transporting them out of regulated enclaves, and struggles to develop linkages with other enterprises and the market.

#### **Solution Overview**

One solution for supporting MSMEs to access opportunities in industrial symbiosis is to partner to link MSMEs – both waste generating and waste users – to waste streams and information that regulates the sector and waste streams. By using the NAMA Climate Change Platform hosted by PEF and integrating technical information generated by GNCPC, this prototype looks to:

- Integrate information about waste streams into the NAMA Climate Change Platform to share opportunities for using waste as an input and promote industrial symbiosis
- Generate profiles of end user MSMEs that use the waste as inputs, and sharing of waste generator profiles to encourage linkages and build a business case for industrial symbiosis
- Present regulations and policies that govern the sector and responsible stakeholders to raise awareness about the regulations and promote compliance
- Develop incentives for reporting on waste streams and putting the information on the platform, to ensure a dynamic and up-to-date information bank

Pinning this information to the NAMA Climate Change Platform serves two purposes: first, to ensure that the information is disseminated among relevant green MSMEs; second, to build the base for linkages and policy advocacy, thereby strengthening the original purpose of the platform. This also builds the base from which to conduct workshops for platform members and integrate information from other business hubs.

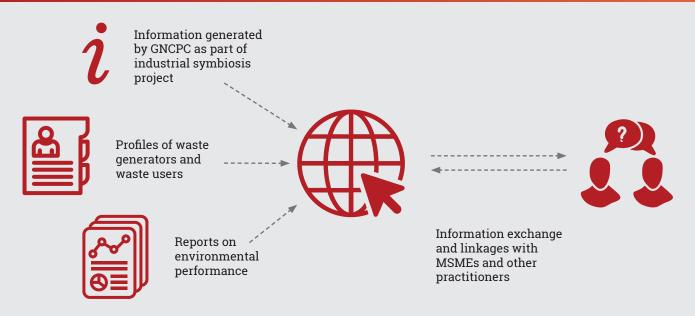
### **Key Features**

A central feature of the prototype is to provide data and information to multiple stakeholders – enterprises, policy makers, investors and financers. The data and information provided is intended to link waste generators and waste users to close the loops in industrial production and improve access to input markets for enterprises that add value to waste.

<sup>1 &</sup>quot;Ghana Economic Outlook", African Development Bank Group https://www.afdb.org/en/countries/west-africa/ghana/ghana-economic-outlook

# Promoting industrial symbiosis through NAMA Climate Change Platform





To effectively link these waste generators and users, the information will be separated by **geography**. Some data will be provided **across sectors**, while other data will need to be **disaggregated by sector** to ensure relevance. To ensure up to date information is provided, the prototype looks to integrate incentives to share information on the platform within existing reporting structures.

When developing profiles of end users of the waste, it is important to ensure alignment of the information collected, using a **unified approach to the collection of data** that will allow for aggregation and comparison.

# **Benefits to Eco-inclusive Enterprises**

This policy instrument enables MSMEs in Ghana to address several challenges, including:

- Reduce costs of compliance with regulation by making policy requirements clearer and by promoting fiscal incentives available.
- Improve linkages within the sector to facilitate access to inputs and transportation.
- Build awareness and a business case for upcycled products, generating market demand and awareness
- Increasing access to finance by connecting enterprises with potential investors and financers through the platform

# **Policy Benefits**

Implementation of this prototype will bring numerous benefits to achievement of Ghana's policy goals. In terms of environmental benefits, this includes promoting compliance to the regulation of waste, encouraging recycling and added value to waste, keeping landfills empty, and raising awareness of sustainable consumption and production. From a social impact perspective, encouraging the start and scale of eco-inclusive enterprises contributes to job creation and reduction of health risks due to pollution from waste. Economically, this prototype promotes value addition and resource efficiency.

#### **Challenge Host Contacts**

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## **SEED Practitioner Labs Policy Prototyping**

SEED Practitioner Labs Policy Prototyping work with policymakers and intermediaries over a multi-step collaborative process. Through this process, participants design policy instruments that increase access to and improve the quality of support mechanisms for socially inclusive and environmentally sustainable enterprises looking to scale their environmental, social and economic impacts.