

# Beyond the surface: Exploring the current state of carbon emissions in Ghana's extractive industry



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Ghana is known for its diverse economy, rich cultural heritage and natural resources. Over the past few decades, the country has made considerable strides in industrialisation, urbanisation. However, with this progress comes the challenge of managing carbon emissions, which are increasingly becoming a critical issue for Ghanaian industries. As the world comes to terms with the realities of climate change, Ghana must balance its economic aspirations with the need for sustainable environmental practices.

Ghana's industrial sector encompasses manufacturing, mining, oil and gas, and agriculture, among others. These industries play vital roles in the country's economy contributing significantly to its Gross Domestic Product (GDP), employment and general economic well-being. The mining sector, particularly gold mining, has been the cornerstone of Ghana's economy for decades, while oil and gas has gained prominence since commercial oil discovery in 2007. The rapid growth of these industries has led to an increase in carbon emissions. The extraction of natural resources, the use of fossil fuels in industries, and energy-intensive production processes contribute significantly to greenhouse gas (GHG) emissions. As Ghana continues to industrialise, it faces the challenge of mitigating these emissions to meet both national and global environmental targets.

Carbon emissions are a primary driver of climate change, and their impact is felt on a global scale. The effects of climate change are evident resulting in increasing temperatures, changing seasons and rainfall patterns, and extreme weather events, with Ghana having its fair share of these impacts. These changes pose significant risks to agriculture, water resources, aquatic ecosystems and human health. All these factors make it imperative for the country to address the sources of carbon emissions.

According to the Environmental Protection Agency (EPA), Ghana's carbon emissions have continued to rise over the years, largely due to industrial activities and energy production. The energy sector relies heavily on fossil fuels such as oil and natural gas, and is the largest contributor to carbon emissions. The industrial sector, particularly mining and manufacturing also contribute significantly.

While Ghana's overall carbon emissions are relatively low compared to other countries, the rapid pace of industrialisation means that carbon emissions could increase substantially if the issue is not addressed.

Owing to this, the Ghana government has recognised the importance of addressing carbon emissions and has taken steps to promote practices to reduce emissions through various measures including renewable energy development, energy efficiency improvements, and sustainable land use practices. These initiatives not only help to lower emissions but also reduce operational costs for businesses, making them more competitive in the global market.

In addition, the government has introduced regulations to control emissions from key industries. The implementation of the emissions levy offers the government a dual opportunity: to generate domestic revenue while encouraging tax payers to shift towards cleaner, more sustainable energy sources.

Despite these efforts, there are several challenges to reducing carbon emissions in Ghana, with a key challenge being the reliance on fossil fuels for energy production. This transition requires significant investment in infrastructure, technology, and capacity building which proves to be particularly challenging for a developing country like Ghana where financial resources are limited.

Another challenge is the lack of awareness and capacity among industries to adopt sustainable practices. Many businesses, especially small and medium sized enterprises (SMEs), do not have the knowledge or resources to implement energy efficient measures or invest in cleaner technologies. This highlights the need for capacity-building programmes, and financial incentives to encourage industries to reduce their carbon footprint.

However, these challenges also present opportunities for innovation and growth. The global shift towards a low-carbon economy offers Ghanaian industries an opportunity to position themselves as key players in sustainable development. By adopting emissions reduction initiatives, Ghanaian industries can not only reduce emissions but also enhance their competitiveness in international markets.

Ghana stands at a critical junction in its industrial development. The challenge of managing carbon emissions is real, but it also presents an opportunity for the country to embrace sustainable practices, which opens up new markets for businesses, and ultimately benefits both the economy and the environment. By continuing to promote renewable energy, improve energy efficiency, and support sustainable development practices, Ghana can reduce its carbon footprint and contribute to the global fight against climate change.

The journey toward sustainable growth is not without its challenges, but with the right policies, investments, and commitment and collaboration among stakeholders, Ghana can build a resilient, low-carbon economy that benefits current and future generations.