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United Nations Development Programme

Country: GHANA

Initiation Plan

Project Title: Establishing a Critical Minerals Governance Mechanism (CMGM) for Ghana

Expected UNSDCF (2023-2026) Outcomes:

Outcome 1: By 2025, people in Ghana particularly, women, youth, persons with disabilities and those furthest behind will enjoy an inclusive and transformed economy that creates decent jobs and sustainable livelihoods by reducing inequality and safeguarding the environment.

Expected CPD (2023-2027) Outputs:

Output 1.1: Enabling environment improved for enhanced productivity of youth and women led MSMEs.

Output 1.2: Institutional capacities to promote innovative public and private financing/investment for sustainable economic diversification enhanced.

Output 1.4.: Communities enabled to adopt systems for integrating climate change and environmental considerations into management of natural resources (e.g., forest and land) and livelihood activities.

Output 2.4: Economic governance capabilities, including on natural resource management strengthened, to contribute to social cohesion and delivery of the economic dividends of democratic governance.

Initiation Plan Start Date & End Date:

Implementing Partner: United Nations Development Programme (UNDP)

Programme Period: March to December 2026	Total resources required: **USD 350,000.00**
Quantum Project ID: **01005765**	Total allocated resources: **USD 350,000.00**
Quantum Award ID:	
Gender Marker: GEN 2	Regular : **USD 350,000.00**

Brief Description

Ghana's critical minerals: lithium, graphite, bauxite, and manganese, are central to the global energy transition. However, outdated governance frameworks, weak enforcement, and limited transparency hinder the country's ability to capture fair value and attract ethical investment. This proposal outlines a transformative initiative to establish a Critical Minerals Governance Mechanism (CMGM) that ensures competitive pricing, robust environmental and social safeguards, and local beneficiation. The project aligns with UNDP's Strategic Plan (2026–2029) and Ghana's Energy Transition Framework, advancing inclusive growth, sustainability, and digital innovation.

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Agreed by UNDP Ghana:

Shaima Hussein, Deputy Resident Representative

Date: 31-Mar-2026

DocuSigned by:

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I. PURPOSE AND EXPECTED OUTPUT

The purpose of this project is to establish a Critical Minerals Governance Mechanism (CMGM) in Ghana to strengthen the governance of critical minerals such as lithium, graphite, bauxite, and manganese. The initiative aims to ensure fair and competitive pricing, transparent and accountable systems, strong environmental and social safeguards, and enhanced local value addition. It seeks to transform Ghana's mineral sector into a coherent, well-coordinated, and digitally enabled system that supports sustainable industrial development, attracts ethical investment, and maximizes national benefits from the global energy transition. Additionally, the CMGM will serve as a multi-stakeholder platform that aligns policies, institutions, and market practices, while promoting inclusive growth, MSME participation, and job creation within the mineral value chain. Expected results are as follows:

Result 1: Transparent and dynamic pricing framework established

The absence of digitalization of tenders and transparent pricing mechanisms, including a dynamic pricing framework, prevents Ghana from ensuring fair and competitive pricing for critical minerals, exposing the sector to underpricing and revenue losses in volatile global markets.

- Facilitate policy analytics, research and stakeholder consultations to accelerate the review of the Minerals and Mining Act and Legislative Instrument to have specific provisions for Critical Minerals, including licensing, fiscal terms, beneficiation requirements, and creation of state-backed entities (like GoldBod) for centralized purchasing of critical minerals.
- Create digital pricing dashboards, a Critical Minerals Price Monitor, and market intelligence tools for real-time decision-making.

Result 2: Robust environmental safeguards and social agreements enforced

Weak enforcement of environmental safeguards and inconsistent application of community development agreements have allowed illegal mining and poorly regulated operations to proliferate, causing severe ecological degradation and eroding trust in state institutions.

- Facilitate the creation of a multi-stakeholder Critical Minerals Governance Mechanism
- Establish a mechanism to facilitate community development agreements (CDAs) with gender- and youth-responsive provisions and institutionalize structured community consultations, benefit-sharing agreements, and grievance redress systems to ensure equitable participation and social license to operate.

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Result 3: Local processing and MSME participation strengthened

Ghana continues to export raw minerals with minimal processing, forfeiting opportunities for job creation, technology transfer, and industrial diversification in the green economy.

- Conduct MSME capacity assessments and market readiness diagnostics in the Critical Mineral Sector.
- Support MSMEs along mineral value chains with business development services, digitalization, and access to finance and linkages between MSMEs and larger mineral companies.
- Partner with financial institutions to expand credit facilities and training on financing for MSME and ASM cooperatives.

Result 4: Regulatory, institutional, and digital systems for mineral sector governance strengthened

While Ghana participates in EITI, subnational transparency remains weak, and beneficial ownership disclosures are incomplete, fuelling perceptions of inequity and corruption.

- Develop and implement clear regulations, SOPs, and enforcement mechanisms for all mineral operations.
- Conduct targeted rule-of-law and anti-corruption training for judges, regulators, and contract managers, including capacity building on open data platforms and disclosure standards.
- Facilitate policy dialogues on the proposed sliding-scale royalty regime with mining sector actors and present policy paper to parliament.
- Organize an investor forum to showcase Ghana's legal reforms, fiscal stability, and ESG commitments.

II. MANAGEMENT ARRANGEMENTS

UNDP will be the implementing partner (DIM) working with other responsible parties to implement the initiative. A project coordinating committee made up of representatives of the various partners that will be involved directly or indirectly in the implementation of the project will be set up and coordinated by UNDP. Responsible parties include the Ministry of Lands and Natural Resources, Ministry of Finance, Minerals Commission, Minerals Income Investment Fund and other alongside private sector, academia, civil society, and international partners. These organizations will contribute extensive expertise and foster a collaborative and effective approach. By bringing together these partners, UNDP Ghana is committed to ensuring that the Critical Minerals Governance Mechanism has the necessary support, resources, and expertise needed to drive meaningful change and deliver lasting results. UNDP will serve as technical advisor, supporting institutional strengthening, systems development, and partnership mobilization.

III. MONITORING

Activities	Aims	Frequency	Expected Actions	Responsible Party
Monitoring Activity Implementation	To analyse the progress of activities and assess progress in achieving project outputs	Monthly	If the progress is slower than expected, the CO will take measures to accelerate the progress	UNDP and Project Coordinating Committee
Monitoring Risk	Monitor identified social, health, security and economic risks that may affect the achievement of expected outputs and monitor the implementation of risk mitigation measures.	Monthly	The Project coordinating committee will take measures to implement risk mitigation actions to ensure smooth implementation	UNDP and project coordinating committee

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Review of Progress Meeting	To monitor implementation progress	Biannually	The CO will organise the review meetings in coordination with project coordinating committee.	UNDP and project coordinating committee



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IV. WORK PLAN

Period: March - December 2026

EXPECTED OUTPUT	PLANNED ACTIVITIES	TIME FRAME			PLANNED BUDGET			
		Q2	Q3	Q4	Responsible Party	Funding Source	Budget Description	Amount ($)
Output 1: Transparent and dynamic pricing framework established **Indicator 1.1.1:** Number of policy proposals developed and submitted incorporating specific provisions for critical minerals (licensing, fiscal terms, beneficiation, state-backed entity model) **Baseline:** 0 **Target**: 3 **Indicator 1.1.2** Prototype digital pricing dashboard developed and functional; number of quarterly price bulletins generated **Baseline:** 0 **Target**: Dashboard fully functional; 2 market intelligence bulletins	**1.1:** Facilitate policy analytics, research and stakeholder consultations to accelerate the review of the Minerals and Mining Act and Legislative Instrument to have specific provisions for Critical Minerals, including licensing, fiscal terms, beneficiation requirements, and creation of state-backed entities (similar to GoldBod) for centralized purchasing of critical minerals.	X	X	X	Minerals Commission CMGM Technical Unit) ECC; Support: TG	TRAC 2	Consultant; Conference package; ;DSA & T&T = $ 40,000	
	1.2: Create a prototype digital pricing dashboard, a Critical Minerals Price Monitor, and market intelligence tools for real-time decision-making	X	X	X	MIIF; Minerals Commission CM GM Technical Unit; **TG** Support: IFIG	TRAC 2	Consultant - $50,000	

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Sub Total							**USD 90,000**
Output 2: Robust environmental safeguards and social agreements enforced **Indicator 2.1.1:** Multi-stakeholder platform established and operational; Number of institutions participating including government, private sector, and academia **Baseline:** 0 **Target**: 3 meetings held; at least 70% institutional participation **Indicator 2.1.2 :** Community Development Agreement (CDA) framework that include gender & youth provisions and active grievance redress mechanisms developed, validated, and formally approved **Baseline: 0** **Target**: CDA documents; validation reports	**2.1**: Facilitate the creation of a multi-stakeholder Critical Minerals Governance Mechanism	x	x		EPA; Minerals Commission **ECC** Support: TG	TRAC 2	Consultant; Conference package; ;DSA & T&T = 30,000
	2.2: *Establish a mechanism to facilitate community development agreements (CDAs) with gender- and youth-responsive provisions and institutionalize structured community consultations, benefit-sharing agreements, and grievance redress systems to ensure equitable participation and social license to operate.*	x	x	x	EPA; CMGM Secretariat; Minerals Commission ECC Support: TG	TRAC 2	Consultant - $10,000
Sub Total							**USD 40,000**

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Output 3.1: Local processing and MSME participation strengthened. **Indicator3.1.1:** Number of initiatives implemented to enhance the capacity of MSMSs to engage in the critical minerals value chain. **Baseline:0** **Target:** 1 assessment; dissemination workshop	**3.1**: Conduct MSME capacity assessments and market readiness diagnostics in the Critical Mineral Sector.		x	x	Minerals Commission; C MGM Secretariat; Ministry of Trade & Industry **IFIG** Support: ECC & TG	TRAC 2	Consultant =$15,000
	3.2: Support MSMEs along mineral value chains with business development services (BDS), digitalization, and access to finance and linkages between MSMEs and larger mineral companies. (Pre assessment gap)		x	x	Minerals Commission; C MGM Secretariat; Ministry of Trade & Industry **IFIG** Support: TG	TRAC 2	Conference package ; DSA & T&T = $35,000

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Indicator 3.1.2 : Number of MSMEs supported through training, digital tools or finance linkage initiatives. **Baseline:**0 **Target:** 50 MSMEs supported through BDS/digital/finance linkages **Indicator 3.1.3:** Number of financial partnerships formed; number of ASM/MSME groups trained. **Baseline**:0 **Target:** 2 partnerships with FI; 3 training sessions	**3.3**: Partner with financial institutions (FI) to expand credit facilities and training on financing for MSME and ASM cooperatives.		x	x	MIIF ; Minerals Commission; C MGM Secretariat; Ministry of Trade & Industry **IFIG** Support: ECC	TRAC2-2	Consultant - $10,000
Sub Total							**USD 60,000**
Output 4.1: Regulatory, institutional, and digital systems strengthened **Indicator 4.1.1:** Number of regulations/SOPs	**4.1**: Develop and implement clear regulations, SOPs, and enforcement mechanisms for all mineral operations		x	x	CMGM Board; Ministries ECC Support: TG	TRAC 2	Consultant - $10,000
	4.2: Conduct targeted rule-of-law and anti-corruption training for judges, regulators, and contract managers, including capacity building on open data platforms and disclosure standards.		x	x	CMGM Secretariat; Judicial Training Institute **TG** Support: IFIG	TRAC 2	Conference package ; DSA & T&T = $20,000

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drafted, adopted, and published on CMGM portal **Baseline:0** **Target:** 3 **Indicator 4.1.2:** Number of regulators, judges, and contract managers trained on rule-of-law, anti-corruption, and open data platforms and disclosure standards. **Basline:0** **Target:** 80 personnel cumulatively	**4.3:** Facilitate policy dialogues on the proposed sliding-scale royalty regime with mining sector actors and present policy paper to parliament.		x	x	GIPC, MIIF , Minerals Commission **TG** Support: ECC	TRAC 2	Conference package ; DSA & T&T = $10,000
Indicator 4.1.3: Number of policy dialogues held; Policy paper submitted to Parliament **Baseline:**0 **Target:** 2 dialogues; submission of policy paper **Indicator 4.1.4:** Investor forum held; Number of investment leads generated **Baseline:0** **Target:** Forum held; at least 5 investment leads	**4.4 Organize an investor forum to showcase Ghana's legal reforms, fiscal stability, and ESG commitments.**				GIPC, MIIF , Minerals Commission **TG** Support: ECC	TRAC 2	Conference package ; DSA & T&T = $20,000
Sub Total							**USD 60,000**

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Project Management	Salaries Monitoring and Evaluation Srategic Communication and Visibiliity	x	x	x	UNDP,	TRAC 2	Salaries = $60,000 Strategic Communication & Visibility = $10,000 M&E = $30,000
Sub Total							**USD 100,000**
Total							**USD 350,000**

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