

Alliance for Empowering Rural Communities (AERC) Calls for Reconsideration of Carbon Credit Funding for MPs' Pension Scheme.

Accra-Ghana, February 4, 2025

The Alliance for Empowering Rural Communities (AERC) has expressed strong opposition to the proposal by Majority Leader Mahama Ayariga to establish a pension scheme for retired parliamentarians funded by carbon credit revenues. We believe this initiative misallocates funds intended for climate change mitigation and undermines the broader environmental objectives of the Environmental Protection Act, 2025 (Act 1124).

Environmental Protection Act, 2025 (Act 1124) and Carbon Credit Funds

The Environmental Protection Act, 2025 (Act 1124), establishes a framework for the management and utilization of carbon credit revenues in Ghana. These funds are designated to support projects that reduce greenhouse gas emissions, promote renewable energy, and enhance environmental conservation efforts. Diverting these resources to finance a pension scheme for parliamentarians contradicts the fundamental purpose of these funds and undermines national commitments to climate action.

Alternative Funding Proposals for MPs' Pension Scheme

AERC proposes the following alternative measures to fund the MPs' pension scheme without compromising environmental objectives:

1.Salary Contributions: Parliamentarians should consider allocating a portion of their salaries to a dedicated pension fund. This approach ensures that the responsibility for funding the pension scheme is shared among those who will directly benefit from it.

2.Review of Parliamentary Benefits: A comprehensive evaluation of existing parliamentary benefits, such as car loans and other allowances, could identify areas where funds can be reallocated to support the pension scheme. This would promote a more sustainable and self-funded pension system.

3.Public-Private Partnerships: Engaging in partnerships with private sector entities to co-finance the pension scheme can provide additional funding sources. Such collaborations could include investments in infrastructure projects or other initiatives that generate revenue earmarked for the pension fund.

4.Voluntary Contributions: Introducing a voluntary contribution system, where MPs can opt to contribute additional funds to the pension scheme, would allow for a more flexible and personalized approach to funding.

Conclusion

AERC urges the Parliament of Ghana to reconsider the proposal to use carbon credit revenues for the MPs' pension scheme. It is imperative that funds designated for environmental protection and climate change mitigation are utilized solely for their intended purposes. The proposed alternative funding mechanisms offer viable solutions to support the pension scheme without compromising Ghana's environmental commitments.

The Alliance for Empowering Rural Communities remains committed to advocating for sustainable development practices that benefit all Ghanaians, particularly those in rural communities who are most vulnerable to the impacts of climate change.

About AERC

The Alliance for Empowering Rural Communities (AERC) is a non-governmental organization dedicated to advocating for sustainable development and environmental protection in rural Ghana. We work to empower communities through education, policy advocacy, and collaborative initiatives aimed at improving livelihoods and preserving natural resources.

Contact Information:

For further information, please contact:

Alliance for Empowering Rural Communities (AERC)

Email: info@aercghana.org

Phone: +233246980091 or +233504622984

Website: www.aercghana.org