

Republic of Ghana
Forest Investment Program (FIP)

Scoping Mission

September 29 to October 1, 2010

Aide Memoire

I. Introduction

1. A Multi-Lateral Development Bank (MDB) Scoping Mission visited Accra, Ghana from September 27 to October 1, 2010, to launch with the Government of Ghana, Development Partners, Civil Society, and Private Sector representatives the process of preparation of the Investment Strategy for the Forest Investment Program (FIP).

2. The Government was represented by a team led by Mr. Franklin Ashiadey (Principal Economist, Ministry of Finance and Economic Planning), and included Mr. Musah Abu Juam-Technical Director, MLNR, Dr. Victor Agyeman (Director, Forest Research Institute of Ghana, Council for Scientific and Industrial Research, Ministry of Environment, Science and Technology), Mr. Sasu Oppon (Forestry Commission, Ministry of Lands and Natural Resources), and Mr. Richard Afenu (Minerals Commission). The full list of participants is presented in Annex B.

3. The Multi-Lateral Development Bank (AfDB, WB and IFC) team was led by the African Development Bank, and included Dr. Albert Mwangi (Senior Forestry Officer, AfDB), Dr. Marianne Kurzweil (Agricultural Economist, AfDB), Mr. Philip Boahen (Agriculture Expert, AfDB), Mr. Peter Kristensen (Sector Leader, WB) and Mr. Flávio Chaves (Natural Resources Management Specialist, WB). Mr Ken Key (Senior Investment officer, IFC) was unable to join the mission in person, but was briefed prior to the finalization of this aide memoir.

4. The mission wishes to thank Honorable Collins Dauda, Minister of Lands and Natural Resources (MLNR), Honorable Sherry Ayitey, Minister of Environment, Science and Technology (MEST), and Honorable Dr. Kwabena Dufuor, Minister of Finance and Economic Planning (MoFEP) as well as Mrs Effie Simpson Ekuban (Ag. Chief Director, MoFEP), Mr. Fredua Agyeman (Director – MoFEP), Mr Frank Sofo (Chief Director, MLNR), and Mr. Musah Abu-Juam (Technical Director) Mr. Samuel Afari (Chief Executive, Forestry Commission), Mr. Ben Aryee-Chief Executive, Minerals Commission and Dr. Ton van der Zon (First Secretary, Royal Netherland Embassy) for the leadership in the discussions of possible future carbon emission reduction schemes, and for the kind support provided to the mission. The mission also wishes to thank the representatives from Civil Society, Development Partners, Forest Forum and Private Sector (cf. list of people met in Annex B) who provided invaluable contributions and ideas for possible areas of focus of the future FIP Investment Strategy.

II. Background

5. Ghana was selected as a pilot country for the FIP under the Climate Investment Fund in March 2010 (more detailed background is provided in Annex A to this Aide Memoire).

6. The Government convened the Africa Development Bank, The World Bank, and the IFC for a meeting on September 1, 2010, to agree on the overall framework for Ghana's participation in the FIP. On the Government side the meeting was attended by the three ministers sharing the leadership of the FIP in Ghana, Minister of Lands and Natural Resources, Minister of Environment, Science and Technology, and Minister of Finance and Economic Planning. On the MDB side, the meeting was attended by Dr. Marianne Kurzweil (Agricultural Economist, AfDB), and Mr Ishac Diwan (Country Director for Ghana, WB). This meeting established the overall goal of the Ghana FIP Investment Strategy: The strategy should identify a financial mechanism that channels necessary and sufficient funds required to create the incentives for stakeholders to reduce forest loss and degradation. It is significant and transformative that the three key ministries related to REDD, got together and jointly set the expectation to the REDD+ agenda and for the FIP. There is an expectation from the Government that the FIP Investment Plan should be ready by end of June 2011.

7. The objectives of the Scoping Mission was to launch the discussions for preparing the FIP Investment Strategy, including clarification of the institutional arrangements, timeline for preparation, required preparatory activities, and also to have substantive discussions on challenges hampering the implementation of REDD+ in Ghana.

8. The mission program included meetings with the Environment and Natural Resources (ENR) Sector Group (convened by the Government), the Environmental and Natural Resources (ENR) Forestry-Sub Sector Group (Convened by the Forestry Commission), Development Partners (convened by the Royal Netherlands Embassy, currently holding the Development Partner Sector Lead for ENR), FIP Stakeholders (Convened by MLNR, and co-chaired by Chief Director of MLNR and MoFEP), as well as visits to the three concerned Ministers (MEST, MLNR, MoFEP).

III. Overall Findings

9. **Overall Objectives of FIP in Ghana:** The mission found great support among stakeholders to the overall objectives of the FIP in Ghana: To reduce emissions from forest loss and degradation through identification of a financial mechanism that channels necessary and sufficient funds required to create the incentives for stakeholders to reduce forest loss and degradation. This objective would require a mix of interventions including, but not limited to, knowledge generation and sharing, private sector engagement, use of country systems, civil society engagement, and technical assistance.

10. **Results and Transformation:** Stakeholders share the view that to really achieve REDD+ objectives, there is a need to "think outside the box" while also building on existing instruments and institutional set up in the country. In particular, there is a need to design a benefit sharing system to ensure sustainability. Voluntary Partnership Agreement (VPA) and Non Legally Binding Instruments on all types of Forests (NLBI) can serve as example of an instrument showing early signs of success for internationally traded timber.

11. **Policies and Plans:** Some key policies for forest management and REDD+ are still in draft these include the Forest Commission 10-year Strategic Plan under the Forestry Commission, Climate Change Policy Framework and Low Carbon Development Strategy under MEST and REDD Readiness Preparation Proposal (R-PP) completed under MLNR.. In addition,

MLNR is reviewing the 1994 Forest and Wildlife Policy and the 1996 Forestry Development Master Plan.

12. **Capacity:** As expected, the mission found that Ghana has a tremendous capacity within the Government for REDD+ creating opportunity to make a significant effort to reduce emissions as per FIP objectives, and as described in the detailed expression of interest submitted by Ghana to CIF.

13. **Knowledge:** There is a wealth of information and knowledge on REDD+ in Ghana, with key institutions like Forest Watch, IUCN, Nature Conservation Research Centre (NCRC) and GPF producing major analytical pieces on REDD+. It is uncertain how these elements are used, and hence there is a need to consolidate existing knowledge produced, as well as capitalize on the wisdom of stakeholders on the ground. Existing analytical, strategic and programming work will inform the preparation of the Investment Strategy.

14. **Civil Society:** There is a vibrant community of people, organizations and development partners who have ongoing initiatives in projects, research, advocacy, and they are all willing to support Ghana achieve reduction of emissions. Climate Action Network, and Ghana Forest Watch, as well as IUCN and Katoomba Group are all supporting Ghana in the REDD+ agenda, but possibly in less than desirable coordinated manner. CSO expressed need for capacity-building while Development Partners expressed a need to use existing initiatives, such as KASA which has built capacity in CSO to play a role in FIP. FIP should build on existing systems, including National, Regional and District-Level Forest Fora dealing with the very issues of sustainable forest management today.

15. **Governance:** The mission found that more in-depth discussions will be required to clarify incentive and benefit sharing, distribution of carbon credits, and property rights (ownership of land, trees, and carbon). It was proposed that the FIP should build on the achievements of – the new land law – of the Land Administration Program (LAP-1), and possibly explore additional land-related REDD+ activities to be carried out in LAP-2, in particular with regards to the direction of forestry sector representation in the land law. Stakeholders suggested that in order to ensure success of REDD+ and FIP in Ghana, key underlying issues of land ownership, resource ownership, and carbon stock ownership are clarified from a legal point of view, possibly through revisions to the Land Administration Act.

16. **REDD+, FCPF, FIP, UN REDD Program, and GEF:** The government confirmed that there will be full harmonization between these various initiatives. Ghana has REDD+ R-PP for which financing was provided by FCPF, and FIP will be able to finance selected strategic elements of the R-PP. It is expected that other donors supporting the REDD+ agenda in Ghana will follow suit and respect country systems designed through FIP for systematic investment in REDD+. Since FIP and REDD readiness will operate in parallel, the FIP investment plan should use REDD readiness activities identified by the Government in the R-PP as the basis for early actions to be funded through FIP investment. e.g. capacity building needs identified in the R-PP for implementation of REDD plus strategy options.

17. **Development Partner Coordination:** The meeting with development partners revealed the need to expand the existing ENR Sector Group with the new donors to the REDD+ R-PP, including Switzerland, Japan, and the US. It was noted that a table showing what various donors are contributing would be very helpful in determining the financing gap which FIP eventually would help fill.

18. **FIP Logic Model:** Stakeholders confirmed the need for a rigid results-based M&E System which would be used to measure the success of Ghana's REDD+ efforts, and there through the impact and outcomes of the FIP. The principle of the FIP Logic Model was explained, including its indicators, and the mission was informed that it would be important to develop M&E systems that are compatible with the realities on the ground while also serving the purpose of reporting on the success of FIP seen from the Climate Investment Fund's side. A strong M&E system can be developed building on lessons from the Katoomba group's work on evaluating and monitoring of Ghana's Forest Carbon stock, and building on the recently approved \$7.8m grant from Japan for the FC for remote sensing and monitoring.

19. **The Liberia "Twin":** The FIP Sub-Committee had identified the opportunity to possibly twin Ghana and Liberia under the FIP. The mission discussed this opportunity, and found that presently, this could defer the focus on getting the core elements of the Ghana FIP on track, and it was suggested to explore how Liberia could be "twinned" in the Ghana FIP at Joint Mission stage, and to build in capacity-building and knowledge sharing activities with Liberia as part of the Investment Strategy.

20. **Donor Harmonization:** The Government proposed that the preferred instrument for FIP support is Sector Budget Support as per the new Ghana Aid Policy, and in support of the new Ghana Shared Growth and Development Agenda, PRSP-3, in preparation by the National Development Planning Commission (NDPC).

21. **Private Sector:** Discussions with stakeholders revealed that innovation is needed, including on Technical Assistance, and private sector support, including possibly public-private partnership (with Government providing owned land as equity), and investment guarantees. Opportunities for Public-Private Partnership (PPP) with Government putting owned land as equity in PPP. Private sector representatives at the FIP Scoping meetings stated that there are many existing pilots which can be brought to scale with FIP funding, or by a catalytic role played by the FIP.

22. **Safeguards:** The REDD+ R-PP is subject to a Strategic Social and Environmental Assessment (SESA) using country systems. There is opportunity to use that same assessment as the framework for the FIP Investment Strategy. The R-PP SESA is presently at TOR stage. The FIP will rely on the approach for strategic social and environmental assessments adopted for REDD+ as part of the FCPF process. The analytical work for assessments of potential social and environmental risks of REDD+ strategy and the Environmental and Social Management Framework (ESMF) that would be prepared by the Government to screen the REDD+ projects and mitigate these risks, are valuable frameworks for investment projects that may be supported by FIP.

23. **Joint Mission:** For the Government-led joint mission aiming at detailing out the specific objectives of the FIP Investment Strategy, it was proposed to establish an Ad Hoc FIP Investment Strategy team, including key stakeholder from CSO, Private Sector, Forest Forum, Government and DPs to design and organize the Government-led Joint Mission as well as supervise the process of preparation of the FIP Investment Strategy. In addition to formal objectives of the Joint Mission as expressed in the operating procedures, the Joint mission should address the key issues of Private Sector Role, Community Incentives, and Government.

24. **Government Preparation Grant:** The Government expressed interest in utilizing the \$250k preparation grant which could be made available to the country. The funds would be used

to fund the Government's and stakeholder's expenses related to the Joint Mission (meetings, workshops, field trips) as well as a team of consultants to draw up the Investment Strategy. The request for the preparation grant has to be submitted together with the TORs for the Joint Mission in order to release the funds.

25. The first meeting of the pilot countries participating in the FIP will take place on 7-8 November, 2010, at the headquarters of the World Bank in Washington D.C. It will focus on the expectations relating to the FIP, looking at issues such as the role of FIP in the national context, the development of investment strategies, linkages to other climate-change activities relating to forestry at the country level and the preparation of Joint Missions.

IV. Agreements Reached

26. The following was agreed to during the Scoping Mission (detailed time-table is provided in Annex E)

27. **Ghana FIP Institutional arrangements:**

- (i) Focal Point: Official FIP Focal Point remains the Minister of Lands and Natural Resources as stated in the original expression of interest to the FIP.
- (ii) Ministerial Contacts: Ghana FIP will benefit from a harmonized ministerial triumvirate led by the MoFEP Chief Director (or her designee), and including the MLNR Chief Director (or his designee) and MEST Chief Director (or his designee). Presently, the three ministerial contacts are Mr. Franklin Ashiadey, Mr. Musah Abu Juam and Dr. Victor Agyeman, respectively.
- (iii) Environmental and Natural Resources Advisory Council (ENRAC): ENRAC is the high-level body that is to meet twice a year to discuss key environmental issues to be presented at parliamentary level. The chosen institutional arrangements for FIP should indicate what role ENRAC plays in the strategy and oversight of FIP.
- (iv) Technical Coordination: The NREG Technical Coordination Committee (TCC) which has been operational for three years will form the basis for overall guidance of the FIP and will be expanded with additional members (including two from private sector, two from civil society, one from Forest Forum representing community point of view, one from research institution, one from traditional authorities, one from Ministry of Agriculture, one from Ministry of Energy, and one from the Lands Commission). In this new configuration the TCC will be renamed TCC+, and will be responsible for guiding Ghana's REDD+ agenda. The existing Steering Committees including VPA, National Forest Forum, , Non-Legal Binding Instruments (NLBI), , and the FIP will be converted into Technical Working Groups and report to the TCC+. The TCC+ will meet four times per year.
- (v) Ad Hoc Working Groups: These will be formed as needed, and would include initially an Ad Hoc Working Group for the preparation of the FIP Investment Strategy. The current REDD+ Committee is an existing Ad Hoc Committee, and will cease to exist when the REDD+ R-PP is finalized Framework Memorandum:

These revised institutional arrangements will be described in details by the Government and annexed to the TOR of the Joint Mission

28. **Preparation of the Joint Mission:**

- (i) The Joint Mission would take place in January 2011 after the end of the mission free period, or thereabout, in order to meet the Government's wish to complete the FIP Investment Strategy by June 2011
- (ii) Draft TOR for the Joint Mission are attached to this Aide Memoire (Annex C).
- (iii) The Joint Mission TOR will be refined by the Ad Hoc FIP Investment Strategy Group, and submitted to the MDB for comments.
- (iv) The Joint Mission TOR will be submitted together with the grant request to the FIP Sub-Committee (FIP-SC) for approval.

29. **Preparation of the Investment Strategy.**

- (i) The tentative delivery date for the Investment Strategy to the FIP-SC was agreed to be in June 2011. The Ad Hoc FIP Investment Strategy Group will elaborate a plan with milestones required to meet this deadline proposed by the Government.
- (ii) A team of consultants will be recruited to prepare the Investment strategy. It is hoped, but timing could be tight, that this team would be in place for the Joint Mission. Draft Consultancy-TOR, and competencies sought for the assignment are attached to this Aide Memoire (Annex D).
- (iii) The Consultancy-TOR will be refined by the Ad Hoc FIP Investment Strategy Group, and submitted to the MDB for comments.
- (iv) The REDD+ SESA when prepared will be used to potentially cover the FIP Investment Strategy.

30. **FIP Preparation Grant:**

- (i) The Government has the option of receiving a grant of \$250k for preparation of the Investment Strategy. The Government will inform the MDB whether it wishes to receive the grant, and if so, under which execution arrangement for which there are two options:
 - A. **Government executed:** The funds would be provided through the African Development Bank via a grant agreement with the Government that states the purpose of the grant, eligible activities, and procurement and financial management arrangements. Normal processing time for such grant through the Africa Development Bank is about two months after AfDB receives the funds from the CIF. Grant agreement could be signed only after the TOR for the Joint Mission is approved by the FIP Sub-Committee.
 - B. **AfDB executed:** The funds would be managed by the AfDB on behalf of the Government. AfDB procurement procedures would apply. Government officials could be part of the consultant selection committee. The funds would be available immediately after the AfDB receives the funds from the CIF.

31. **FIP Pilot Country Meeting**

- (v) GoG will designate 2 participants for the first meeting of the pilot countries participating in the FIP will take place on 7-8 November, 2010, at the headquarters of the World Bank in Washington D.C.

3 ACKNOWLEDGEMENT

The Mission is grateful to all stakeholders attending the meetings and providing their invaluable inputs and the Ministry of Finance and Economic Planning, the Ministry of Environment, Science and Technology, the Ministry of Lands and Natural Resources, the Forestry Commission, the Minerals Commission and the Royal Netherland Embassy for their support and cooperation during the course of undertaking mission activities.

**Signed on Behalf of the Government of
Ghana**

Hon. Dr. Kwabena Duffour

**Signed on behalf of the African
Development Bank**

Mrs. Marie-Laure Akin-Olugbade

.....
**Minister of Finance and Economic
Planning**

.....
**Resident Representative,
Ghana Country Office**

**Signed on Behalf of the Government of
Ghana – Ministry of Lands and Natural
Resources**

Hon. Alhaji Collins Dauda

**Signed on behalf of the Government
of Ghana – Ministry of Environment
Science and Technology**

Hon. Sherry Ayithey

.....
**Minister of Lands and Natural
Resources**

.....
**Minister for Environment Science
and Technology**

Annex A: Ghana and the FIP

- (i) **The FIP Sub-Committee selected Ghana as FIP pilot country in February 2010 following the Government's expression of interest in December 2010.** The amount of financing for Ghana FIP is not yet known.
- (ii) **FIP will fund investments for the implementation of Ghana's REDD+ strategy.** FIP-financed programs should result in innovative and replicable transformational approaches to reduce GHG emissions from forests. FIP will seek also to generate sustainable development co-benefits in poverty reduction and biodiversity protection by tapping into forest sector potential.
- (iii) **To access FIP funds Ghana has to lead a MDB Joint Mission (Join Mission hereafter) to prepare an Investment Strategy (IS).** The objective of the Joint Mission is to assist Ghana in developing and costing out an Investment Strategy for programs and projects that are consistent with the overall FIP objective and meet the investment criteria for programming priorities under the FIP.
- (iv) **The IS will identify the programs and projects to receive FIP funds, their financing instruments, implementing agencies and preparation schedules.** The IS will be submitted to FIP-SC for endorsement. After FIP-SC IS endorsement, concepts for programs and projects will be developed through government lead process into detailed proposals. Preparation and implementation of the investments will follow the respective MDB procedures, including social and environmental safeguards, procurement and financial management.
- (v) **The Government of Ghana has established that the Ministry of Finance and Planning will be the coordinating Ministry for the FIP financial resources.** The program, however, will be implemented by the Ministry of Lands and Natural Resources in collaboration with the Ministry of Environment, Science and Technology. The Government of Ghana shall assign the NREG TCC+ to assist in program planning, implementation, monitoring and evaluation..
- (vi) **The government of Ghana may request a Project Preparation Grant of up to \$250k for the development of the IS.** The grant would finance additional work required to develop and complete the Investment Strategy, including stakeholder consultations and planning sessions. However, considering the vast and diverse amount of consultation, planning, workshops etc expected to be undertaken as part of the process, the \$250k may not be adequate based on past experience with similar exercises (NREG).
- (vii) Funding would be in addition to the envelope requested for the Investment Strategy and made available up-front to complete the preparation process. The request for a preparation grant for the Investment Strategy shall be submitted together with the Terms of Reference for the Joint Mission.

Annex B: List of People Met

| FIP Stakeholder Meeting | |
|--------------------------------|-----------------------------------------|
| NAME | INSTITUTION |
| Dr. Opoku Pabi | Conservation All |
| Naah Sheila | MoFEP |
| Kyeretwie Opoku | Civic Response |
| E. K. Acquah-Moses | GTMO |
| Alex K. Dadzie | GTA |
| Oppon Sasu | FC |
| Bossmen Owusu | Tropenbos Int. Ghana |
| Fredua Agyeman | MoFEP |
| J.K. Adu | ENAPT Centre |
| Rebecca Asare | Katoomba Incubatorfor Ecosystem Service |
| Franklin Ashaidey | MoFEP |
| Effie Simpson Ekuban | MoFEP |
| Musah Abu Juam | MLNR |
| Johannea Agordjo | MLNR |
| Ton van der Zon | Netherlands Emabssy |
| Samuel Afari | FC |
| Jonathan Allotey | EPA |
| Peter Kristensen | World Bank |
| Samuel Dotse | Climate Action Network-Ghana |
| Flavio Chaves | World Bank |
| Wellington Baiden | FAWAG |
| Nana Abayie Boakye-Boaten | University of Ghana-Legon |
| Victor Agyeman | CSIR |
| Edward Obiaw | FC |
| Ben Donkor | FC |
| Joe Appiah-Gyapong | FC |
| Mercy Derkyi | UVA/TBI |
| Richard Afenu | Minerals Commission |
| Dickson Gamedoagbao | CSIR |
| Charles Woreko | MLNR |
| Sylova Yorenkyi | Climate Action Network-Ghana |
| M. B. Abdul Razak | MoFEP |
| Eric Cab-Beyuo | MoFEP |
| Wale Adeleke | IUCN |
| Bismark Kusi Appiah | WACAM |
| Philip Boahen | AfDB |
| Albert Mwangi | AfDB |
| Marianne Kurzweil | AfDB |
| Joseph Osiakwan | MLNR |
| Tabi Agyarko | MLNR |
| Nana Kofi Adu-Nsiah | FC |
| Frank Safo | MLNR |

Annex C: Draft TOR for Joint Mission

Ghana Forest Investment Program

Background

The Climate Investment Funds (CIF) are a set of financing instruments designed to initiate transformational change towards low-carbon and climate-resilient development through scaled-up financing channeled through the Multilateral Development Banks (MDBs), including the African Development Bank. The two CIF funds are the Clean Technology Fund (CTF), financing scaled-up demonstration, deployment and transfer of low-carbon technologies for significant greenhouse gas (GHG) reductions within country investment plans; and the Strategic Climate Fund (SCF), financing targeted programs in developing countries to pilot new climate or sectoral approaches with scaling-up potential. The current programs financed under the SCF are the Pilot Program for Climate Resilience (PPCR), the Forest Investment Program (FIP) and Small-Scale Renewable Energy (SREP).

The FIP overall objective is to mobilize significantly increased funds to reduce deforestation and forest degradation and to promote sustainable forest management, leading to emission reductions and the protection of carbon reservoirs.

Ghana has been selected by the experts group as one of the three pilot countries for the Forest Investment Program in Africa. The FIP subcommittee confirmed this selection in March 2010. The Government of Ghana has confirmed its interest to participate in the program by sending a letter to the FIP Committee with the completed questionnaire in April 2010.

The Multilateral Development Banks (MDBs) in consultation with other stakeholders (including bilateral partners, private sector and civil society organizations) are supporting the Government of Ghana in its efforts to prepare an investment strategy that will lead to the implementation of the Forest Investment Program.

Challenges in the forestry sector

Only 1.6 million hectares of reserved forests in Ghana remain in a reasonable to good condition from an initial area of 8.1 million hectares. ,

In 2003, losses from natural resource and environmental degradation were estimated at US\$730 million which was of 9.6% of Ghana's GDP. The losses were due to rampant encroachment and illegal activities in the forest estate.

The forest resource base of Ghana over the past decades has dwindled at an alarming rate due to the increasing demands on forest reserves, inadequate support from law enforcement agencies inadequate funding to maintain infrastructure and operational logistics, wildfires and illegal logging, mining, excessive firewood harvest.

A New National Plantation Development Programme was launched in January 2010 by the government. The programme has an annual target of 30,000ha and is to be implemented

nationwide both within and outside forest reserves using paid/contract labour. The programme seeks to generate employment as a means to reduce poverty, restore degraded forest cover, improve the environmental quality, and provide an avenue for the country to tap emerging benefits from the climate change markets for carbon sequestration.

The FIP will finance efforts to address the underlying causes of deforestation and forest degradation and to overcome barriers that have hindered past efforts to do so.

Government Contact

The Government FIP Focal Point in Ghana is:

Hon. Alhaji Collins Dauda
Minister
Ministry of Lands and Natural Resources
P.O. Box M.212
Accra, GHANA
collinsdauda@yahoo.com

The Government of Ghana has also constituted a Technical Coordination Committee with the mandate of developing programmes and project concepts identified in the FIP Investment Strategy.

A Joint Mission entails the undertaking of a country-led joint MDB mission to assist the Government in the development of a FIP Investment Strategy. A short scoping mission to consolidate background materials, prepare for the joint programming mission, identify additional work and other activities needed, and propose a budget for the FIP Investment Strategy preparation may precede the Joint mission.

Joint Mission Objective

The objective of the joint mission is to assist the Government of Ghana in developing the FIP Investment Strategy, through broad-based consultations, dialogue with key stakeholders, and analysis of key development plans, policies, and strategies.

Prior to fielding the Joint Mission, the following activities are proposed to be undertaken:

(i) **Stock taking analysis:** of relevant information on forestry, natural resources management, rural development and climate change. This will include policies, strategies (climate change, forest relevant and PRSP's), plans, budgets and programs/activities. The Government of Ghana lead institutions will assemble these documents. The MDBs (AfDB and WBG) may provide assistance in consolidating background material and identifying main analytical gaps through a scoping mission to prepare for the joint mission.

(ii) **Discussions of key issues for the FIP:** Audio, video conferences and in-country meetings between the Government and MDB's to allow: (a) more in-depth discussion

and information sharing about FIP (programming and financing modalities); (b) identification of analytical gaps and activities that will be required leading to the investment strategy prior and post-joint mission; (c) discussion and agreement on an adequate in-country multi-stakeholder engagement strategy (collect and assemble all contact details of key stakeholders); (d) definition of roles and responsibilities of AfDB and WBG and other relevant partners; and (e) discussion and agreement on the joint mission TOR's, including schedule of workshops, meetings, consultations.

(iii) **Initial consultations with relevant stakeholders**

(iv) **Refining Joint Mission terms of reference**

The activities will be led by the Government of Ghana and the MDBs will support the government as necessary.

Scope of Work of the Joint Mission

(1) The Joint Mission will focus on the definition/establishment of:

- (a) Key priorities to be covered by the FIP investment strategy;
- (b) Key actors to be involved in the implementation of the strategy with respective roles and responsibilities;
- (c) Implementation arrangements including mechanisms for institutional coordination of FIP related interventions.

(2) Broad-based consultations and validation processes will be used to ensure engagement from all relevant stakeholders in the:

- Analysis and discussion of the stocktaking analysis findings and other key documents;
- Definition of arrangements for ongoing collaboration with relevant partners;

(3) Identification of priority sectors and activities for the Ghana FIP Investment Strategy:

The joint mission will assist the Government in developing and costing a FIP Investment Strategy for programmes and projects to be implemented in line with FIP objectives. Such programmes and projects will be required to meet the investment criteria for programming priorities under FIP. The mission will seek to enhance the readiness of the Government and its key stakeholders in preparing the Investment Strategy and will advise on the guidelines for requesting for a preparation grant.

Joint Mission Composition

The joint mission will be composed of the following experts whose names and roles are as shown.

| Specialities | Institution | Location | Name |
|-----------------------------------------------------------|----------------------------------------------------------------|----------|---------------------------------------------------------------|
| | Government of Ghana: | | |
| Overall Mission Leader and Financial Planner | Ministry of Finance and Economic Planning | Accra | Mr. Fredua Agyeman |
| Economic planner | | Accra | Mr. Franklin Ashiadey |
| | Forestry Sector/ Min of Lands and NR (MLNR) | | |
| Forestry Specialist | MLNR | Accra | Mr. Oppong Sasu (FC) |
| Forestry specialist | MLNR | Accra | Mr. Robert Bamfo (FC) |
| | MLNR | Accra | Mr. Abu-Juam |
| | MLNR | Accra | Mr. Tabi Agyarko |
| Mining specialist | Minerals Commission | Accra | Mr. Ben Aryee Mr. Richard Afenu |
| | Ministry of Environment, Science and Technology (MEST): | | |
| Environment | EPA | | Mr. Jonathan Allotey Mr. Kwesi Tabi Ms. Christine Asare |
| Forestry | | | Dr. Victor Agyemang |
| | Consultant: | | |
| REDD Issues/ Policies and Strategies | | | TBC |
| | African Development Bank: | | |
| Agriculture Specialist | | Accra | Philip Boahen |
| CIF Coordinator | | Tunis | Mafalda Duarte |
| FIP Focal Point | | Tunis | Albert Mwangi |
| | World Bank/IFC | | |
| Sector Leader, Sustainable Development Department | WB | Accra | Peter Kristensen |
| | IFC | Accra | Ken Key |
| | Other Development Partners | | |
| Financing REDD activities/Participatory Forest Management | Netherlands Embassy | Accra | Dr.Ton van der Zon, Martin van der Linde |
| | DFID | Accra | TBC |
| | Private Sector | | TBC |
| | CSO | | TBC |

Broad stakeholder participation is intended to ensure programme ownership and implementation support by the government, national stakeholders and development partners.

Joint Mission Outputs

- (a) an Aide Memoire outlining the process, key findings and recommendations coming out of the Joint Mission;
- (b) a draft Proposal of Investment Strategy – this will incorporate the findings of the stocktaking analysis, the outcomes of the consultations prior and during the Joint Mission and a tentative schedule with roles and responsibilities of the different stakeholders in completing the Investment Strategy.

Mission Dates:

It is proposed that the **Joint Mission** takes place from January 2011, or thereabout. A detailed mission schedule is provided below.

List of stakeholders for broad-based consultation

The mission is expected to engage representatives from the following stakeholders among others:

Ministry of Finance and Economic Planning

Ministry of Lands and Natural Resources

Ministry of Environment Science and Technology

Ministry of Food and Agriculture

Ministry of Energy

Lands Commission

Environmental Protection Agency

The Forestry Commission

Minerals Commission

Non Governmental Organizations

Forest Forum

Civil Society

Local Communities

Private Sector

Local Government

Development Partners

Detailed Mission Schedule

The Joint Mission is expected to take two weeks and a tentative programme follows:

| Session | Day 1 | Day 2 | Day 3 | Day 4 | Day 5 | Day 6 | Day 7 |
|-----------|-----------------------------------------------------|--------------------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|----------|----------|
| Morning | FIP Workshop – Day 1 | FIP Workshop Day 2 | Meeting with FIP TCC+ | Consultations with priority sectors | Consultations with priority sectors | Write-up | Write-up |
| Afternoon | Facilitated session (towards stakeholder consensus) | Presentation of findings and closure of workshop | Consultations with priority sectors | Consultations with priority sectors | Consultations with priority sectors | | |
| Evening | | | Mission meeting | | Mission meeting | | |

| Session | Day 8 | Day 9 | Day 10 | Day 11 | Day 12 | Day13 | Day 14 |
|-----------|-----------------------------------------------------------------------------------|----------------------------|----------------------------|-------------------------|------------------------------|-------|--------|
| Morning | Sector Leaders: Consultation with priority sectors (contd) | Write-up and consultations | Write-up and consultations | Discussion Aide Memoire | Finalization of Aide Memoire | | |
| Afternoon | Write up of report on key priorities to be covered by the FIP Investment Strategy | Write-up and consultations | Write-up and consultations | | | | |
| Evening | | Mission meeting | | | | | |

Joint Mission Budget

The government team should provide an estimated budget based on the proposed activity schedule

**Annex D: Draft TOR for Consultants for FIP Investment Plan
Ghana
Forest Investment Programme (FIP)
Ghana FIP Consultant
Terms of Reference Revised Draft**

Background

The Government of Ghana has been selected as a pilot country for the Forest Investment Programme (FIP) under the Climate Investment Fund in March 2010 and will soon begin preparing its forest sector investment strategy for FIP funding.

The Forest Investment Program (FIP), a targeted program under the Strategic Climate Fund (SCF) is to finance efforts to address the underlying causes of deforestation and forest degradation and to overcome barriers that have hindered past efforts to do so. More particularly, the FIP supports developing countries' REDD+ efforts by providing up-front bridge financing for readiness reforms and public and private investment identified through national REDD readiness strategy building efforts, while taking into account opportunities to help them adapt to the impacts of climate change on forests and to contribute to multiple benefits such as biodiversity conservation, protection of the rights of local communities, poverty reduction and rural livelihoods enhancements.

Expected Outcomes and Deliverables

A consulting firm or a team of consultants will be recruited to assist the Government in the process leading to the preparation of a high quality FIP Investment Strategy. The consultants will undertake the following activities:

- Prepare a brief assessment of lessons learned from previous and ongoing projects and programmes in the forest and land use sectors in Ghana for incorporation into the design of the proposed FIP investment;
- Conduct series of consultative meetings and workshops with key stakeholders activities including but not limited to civil society, private sector, local, regional and national government representatives, developmental partners and the FIP Mission in support of the FIP investment strategy preparation activities;
- Participate in and contribute technically to the preparation of the Ghana FIP Investment Strategy which should cover the following areas:

- a) Institutional capacity, forest governance and other information such as: implementation of systems for forest resource monitoring; information management and resource inventory; forest law enforcement; land and tree tenure reform; forest management; building capacities of local communities;
 - b) Investments for the implementation of Ghana's REDD+ strategy to result in innovative and replicable transformational approaches to reducing greenhouse gas emissions from deforestation and forest degradation;
 - c) Investments in forest mitigation measures including forest ecosystem services such as forest conservation; promotion of payments for environmental services to sustain biodiversity and ecosystem services equitable benefit-sharing arrangements; restoration and sustainable management of degraded forests and landscapes; afforestation and reforestation on previously degraded land; restructuring of forest industries and promotion of company – community partnership; forest protection measures; improved land management practices; promotion of forest and chain of custody certification;
 - d) Investments outside the forest sector necessary to reduce the pressure on forests such as: alternative livelihood and poverty reduction opportunities for forest dependent communities; alternative energy programs; agricultural investments in the context of rationalized land use planning; agricultural intensification including agro-forestry;
- Participate in and contribute to the preparation of the Joint Mission Aide Memoire and any other documents;
 - Update the MDBs, on a timely basis, on the progress in the preparation of the FIP Investment Strategy documentation;
 - Regularly advise the MDBs (AfDB and the World Bank Group) on progress particularly on issues relating to preparation of the investment strategy with monthly operational reports.

Timeline

The assignment will be for an initial period of six months. A work plan and programme for the assignment will be developed, in line with the present TOR and agreed with the Government and MDB teams, within the first month. They will then be monitored, regularly updated and reviewed by the Government and MDB teams. Work performance will be reviewed following the initial two months.

Minimum Experience and Qualifications

The consulting firm (team) will provide expertise in:

- Forest management (especially plantation development);
- Forest finance (including private sector forestry, carbon finance and developing incentive mechanisms for communities);
- Community development specialist with expertise on land and tree tenure issues and deep understanding of the reforms that are being made to the forest policy and the land use relationships between forestry, water resources, energy and agriculture;
- Broad understanding of Ghana's engagement with the World Bank Forest Carbon Partnership Facility (FCPF) including the development of the Readiness Preparation Proposal (R-PP).

The consultants should have at least master's degree in their areas of specialization, at least ten years of relevant experience, significant project management and policy analysis experience, as well as extensive consulting experience in African countries. Experience in addressing climate change issues and knowledge of MDB's rules and procedures will be added advantages.

Duration of assignment

The task will be for a minimum of 6 months.

Annex E: Detailed time-line and due dates for next steps

| Issue | Explanation | Action | In Charge | Timeline |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|----------------------------------------------|
| Aide Memoire | This draft Aide Memoire has been discussed with GoG. | GoG to provide comments to enable finalization of Aide Memoire. | GoG (Franklin) | 18/10/2010 |
| FIP Pilot Country Meeting | A FIP Pilot Country Meeting will be held in Washington DC on 7 th & 8 th Nov. 2010. GoG and MDBs to participate. Invitations have been received. | Send the name of 2 participants to Ms. Bliss-Guess. Attend meeting. | GoG (Franklin) TBD | 01/10/2010 7.&8./11/2010 |
| Joint Mission TORs | Draft Joint Mission TORs were prepared prior to the scoping mission and are submitted to GoG as Annex to this Aide Memoire. The final version of the TORs should be guided by the requirements/contents as outlined in FIP Operation Manual, Design. | Ad-hoc Committee to refine TORs and send to WB and AfDB for comments. Comments to be sent back to GoG Finalization of TORs | GoG (Franklin) WB, AfDB, DPs, GoG GoG (Franklin) | 18/10/10 25/10/10 29/10/10 |
| Preparation of Joint Mission | The Joint Mission is planned for January 2011. The mission will be GoG-led and thus GoG will prepare the Mission. | Send invitation to all mission participants. Organize meetings with stakeholders according to itinerary in TORs. | GoG (Franklin) GoG (Franklin) | Mid Dec. 2010 Begin Jan 2011 |
| Prep Grant | A Prep Grant of \$250k can be requested by GoG to finance development of Investment Strategy. Request has to include TORs for Joint Mission. GoG has to decide how to manage the grant (MDB or GoG managed). | Decision to be taken on grant management and inform MDBs. Request to be sent together with TORs to FIP-SC. Get clarification resource channeling from CIF to AfDB. | GoG (Franklin) GoG (Franklin) AfDB (Albert) | Oct 2010 02/11/2010 25/10/2010 |

| Issue | Explanation | Action | In Charge | Timeline |
|------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|--------------------|-----------------|
| Consultant for Investment Strategy (IS) | It has in principle been agreed that a consultancy firm will be needed for the preparation of the IS. Optimally the consultant team will join the Joint Mission in January 2011. | Prepare TORs and RFQ for recruitment. | GoG (Franklin) | 18/10/10 |
| | | Review TORs | WB, AfDB, DPs, GoG | 25/10/10 |
| | | Finalize TORs and send out tender. | GoG or AfDB | 29/10/10 |
| Institutional Arrangements | It was agreed during the Scoping Mission that revised institutional arrangements concerning NREG and REDD+ SCs will be described in details by the GoG in a Framework Memorandum and annexed to the TOR of the Joint Mission. | Agree on institutional arrangements. | GoG (Franklin) | 18/10/2010 |
| | | Prepare and sign Framework Memorandum. | | Nov 2011 |