

September 24, 2013

Comments from United Kingdom on Approval: FIP Ghana Project Engaging Local Communities in REDD+/enhancement of Carbon stock

Dear Patricia

The UK is happy to approve the decision for the **Ghana Project: *Engaging Local Communities in REDD+/enhancement of Carbon stocks (AfDB)***. We have however, identified a number of issues with the project. We did not think these were of sufficient seriousness to delay approval but we would appreciate written clarification and further information on these issues from the AfDB.

This is a well thought out project, designed to complement the other two projects under Ghana's FIP. The underlying causes of deforestation and degradation are well articulated. We particularly welcome the focus on working within the cocoa landscape, going some way to addressing agricultural drivers of deforestation, and the efforts to test public private partnerships in the establishment of plantations.

Issues for further clarification:

Current Status of the Ghana National Resources and Environmental Governance (NREG) technical committee: It has been brought to our attention that this Committee no longer enjoys the level of representation from donors and other stakeholders in the natural resources sector that it used to. This is largely because only donors that are financing the sector are active in the structure. We therefore have some questions regarding the current status of the NREG and the impact this might have on institutional arrangements for the FIP project. We consider this to be an institutional risk and think further detail should be provided of how the coordination and oversight structures will operate in practice. We would also appreciate further information on how civil society representatives will be selected to take part in the steering Committee structure.

Interaction of the FIP project with FLEGT processes and JICA MRV activities: We would like further information on how links are going to be made between the FIP and other initiatives underway in Ghana. In particular the Voluntary Partnership Agreement of the Forest Law Enforcement Governance and Trade initiative (FLEGT), and the various requirements that entails, and the work on MRV systems currently supported by the Japanese JICA.

Addressing issues of alternative livelihoods and benefit sharing systems are an important part of the VPA process and we need to clarify that the activities proposed under the FIP complement other interventions rather than duplicate effort unnecessarily. It is possible that a number of the consultancies suggested under the project may already have taken place as part of the VPA process.

Compensation to Cocoa Farmers: A major concern and deterrent for cocoa farmers to have shade trees on farm is the non-payment of compensation for crop damage caused when timber trees are harvested. Although the law states that farmers have to be compensated for any timber harvesting damage to crops, the agreements are often made with landlords, who are not always those that farm. It would be helpful if the project explored the extent to which the levels of compensation are adequate, taking into consideration not just the value of the crop at the time of damage, but also the long term nature of the replacement cost.

Sources of income for communities: Under component 1, more information is needed on the sources of income for communities engaged in the establishment of plantations during tree growth phases.

We look forward to receiving responses to our queries,

Best wishes

Catriona Clunas and Gaia Allison

Catriona Clunas | Entry Scheme Livelihood Advisor | Forestry | Climate and Environment Department | Department for International Development