

# THE FORESTS DIALOGUE - TFD

## IMPLEMENTING REDD+ IN GHANA: CONTEXTUALISATION AND SOME CHALLENGES

### Background Paper for REDDplus Readiness Field Dialogue in Ghana<sup>1</sup>

November 16-19, 2009

---

<sup>1</sup> The background paper was prepared by K. S. Nketiah, Paul Osei-Tutu (both of Tropenbos International Ghana) and Alex Asare of the RMSC, Forestry Commission, Ghana. The authors wish to express gratitude to the individuals and outfits who contributed information.

## CONTENTS

1. INTRODUCTION .....	4
1.1 Context of the TFD field dialogue in Ghana .....	4
1.2. Structure of the background paper .....	4
2. DEFORESTATION IN GHANA: TRENDS AND KEY DRIVERS .....	5
2.1 Brief description of Ghana and her forest cover .....	5
2.2 Overview of deforestation and forest degradation in Ghana .....	6
2.3 Key drivers of deforestation and forest degradation.....	7
2.4 National attempts to address deforestation and forest degradation.....	8
3. REDD+ IN GHANA: WHAT HAS BEEN DONE SO FAR AND THE WAY FORWARD.....	9
3.1 Simplified explanation of REDDplus .....	9
3.2 Reddplus in Ghana: what has been done so far and the way forward.....	9
4. REDD+ IN GHANA: SOME CHALLENGES .....	12
4.1 Funding REDDplus in Ghana .....	12
4.2 Technical capacity .....	13
4.3 Effective stakeholder participation .....	13
4.4 Equitable distribution of REDDplus benefits.....	14
5. CONCLUSION .....	17
REFERENCES.....	18

## ACRONYMS

AAC	Annual Allowable Cut
CFMP	Community Forestry Management Project
EC	European Commission
EU	European Union
FC	Forestry Commission
FLEGT	Forest Law Enforcement, Governance and Trade
FORIG	Forestry Research Institute of Ghana
FRNR	Faculty of Renewable Natural Resources
FSC	Forest Stewardship Council
FSD	Forest Services Division
GHG	Green House Gas
HFZ	High Forest Zone
ITTO	International Tropical Timber Organisation
LPG	Liquefied Petroleum Gas
MRV	Monitoring, Reporting and Verification
NREG	Natural Resources and Environmental Governance
NRSC	National REDD Steering Committee
RED	Reduced Emissions from Deforestation
REDD	Reduced Emissions from Deforestation and Degradation
REL	Reference Emission Level
RMSC	Resource Management Support Centre
R-PIN	Readiness Plan Idea Note
R-PP	Readiness Preparation Proposal
SADA	Savannah Accelerated Development Authority
SAP	Structural Adjustment Programme
SESA	Strategic Environmental and Social Assessment
TFD	The Forests Dialogue
TIDD	Timber Industry Development Division (of the Forestry Commission)
UNFCCC	United Nations Framework Convention on Climate Change
VPA	Voluntary Partnership Agreement
WD	Wildlife Division (of the Forestry Commission)
WITC	Wood Industries Training Centre (of the Forestry Commission)

## 1. INTRODUCTION

This paper provides background information to inform 'The Forests Dialogue' (TFD) REDDplus readiness discussions in Ghana scheduled for November 16-19, 2009. The pieces of information presented were obtained through review of documents and discussions with relevant outfits such as: the Climate Change Unit of the Ghana Forestry Commission, the IDL Group which forms part of a consultancy consortium facilitating the REDDplus process in Ghana; Civic Response which is a Ghanaian civil society organisation with a lot of interest in the REDDplus process in Ghana; and some individuals with knowledge on the subject.

This introductory chapter provides a brief context of the TDF field dialogue in Ghana and the manner in which the background paper has been structured.

### 1.1 Context of the TFD field dialogue in Ghana

The Forests Dialogue (TFD) is a group of individuals from diverse interests and regions that are committed to the conservation and sustainable use of forests. TFD was formed in 1999 through the merger of dialogues begun under the auspices of the World Bank, World Business Council for Sustainable Development and the World Resources Institute. The purpose was to create an on-going, civil society driven, multi-stakeholder dialogue process to address important global forestry issues<sup>2</sup>.

With its Secretariat at Yale University's School of Forestry and Environmental Studies in the United States, TFD has organised many international forestry dialogues in several countries since its inception. The REDDplus readiness field dialogue in Ghana constitutes one in the series of dialogues.

### 1.2. Structure of the background paper

After the introductory chapter, the second chapter provides an overview of deforestation and forest degradation in Ghana. The chapter begins with a brief description of Ghana and her forest cover, then a description of trends of deforestation and forest degradation. This is followed by an overview of the key drivers of deforestation and forest degradation and ends with an overview of national initiatives, other than REDDplus, to address deforestation and forest degradation.

The third chapter discusses the role of REDDplus in addressing deforestation and forest degradation in Ghana, the linkage between REDDplus and other forestry initiatives, what has been done on REDDplus in Ghana so far and the way forward.

The fourth chapter describes some challenges and concerns associated with the REDDplus process in Ghana which include: funding; equitable distribution of REDDplus benefits; technical capacity to establish and monitor reference emission levels, verify and report emission reductions or otherwise; and effective stakeholder participation in the REDDplus process.

The fifth chapter concludes the paper.

---

<sup>2</sup> Source: <http://research.yale.edu/gisf/tfd/>

## 2. DEFORESTATION IN GHANA: TRENDS AND KEY DRIVERS

### 2.1 Brief description of Ghana and her forest cover

Ghana is a tropical West African country with an estimated population of 20 million people<sup>3</sup>. It is bordered by Togo to the east, Cote d'Ivoire to the west, Burkina Faso to the north and the Gulf of Guinea to the south. The country covers a land area of 23.95 million hectares, spanning two main vegetation zones. The South-Western one-third portion is covered by high forests and the Northern and Eastern portions by savannah vegetation (Figure 1).

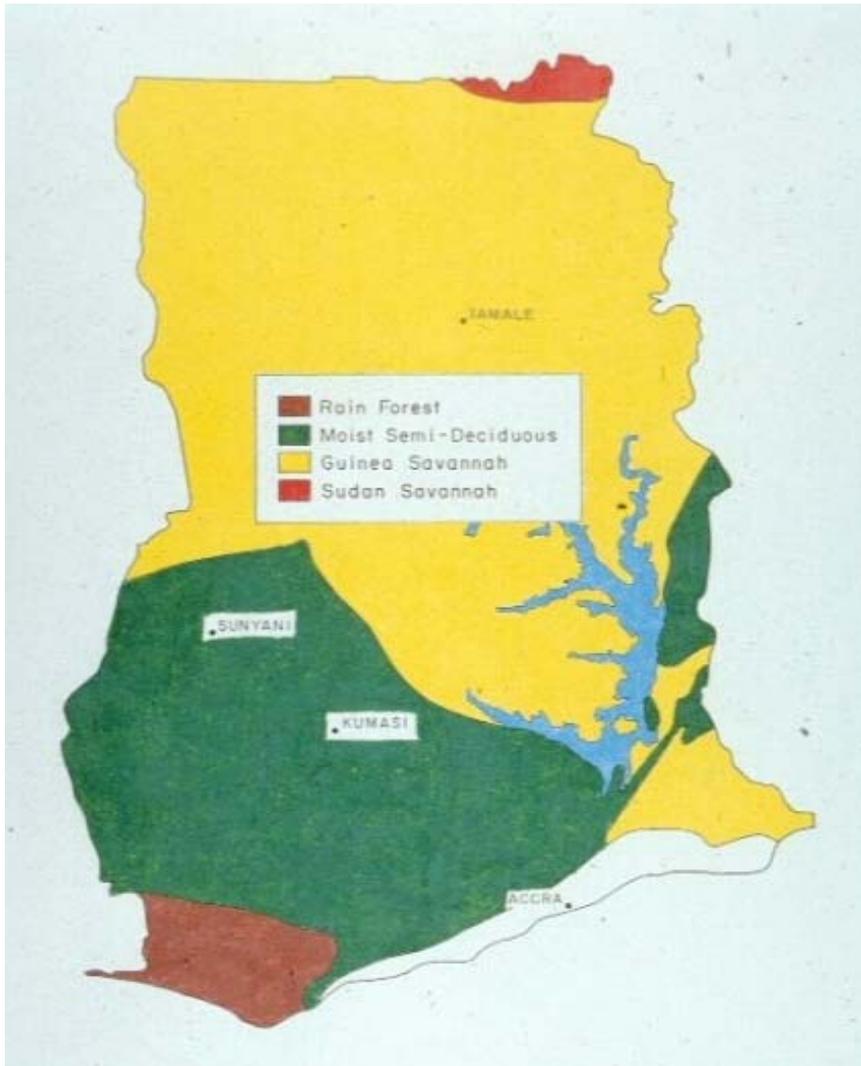


Figure 1: Vegetation map of Ghana [Source: FORIG, 2009]

The high forest zone (HFZ) covers a land area of about 8.2 million ha out of which 1.76 million hectares has been put under conservation protection in the form of about 260 forest and wildlife reserves (Affum-Baffoe; Marfo, 2009). Outside the reserved HFZ are about 5.482 million ha of off-reserve forests occurring as patches of intact forests and scattered trees on farms and fallow lands (Affum-Baffoe, 2009). The HFZ is sub-divided into five ecological zones (Hall and Swaine, 1981), differing in terms of rainfall amounts and plant composition.

<sup>3</sup> Source: <http://ghana.gov.gh>

Forests play crucial roles in the socio-economic well-being of Ghanaians. Currently, the forestry sector ranks as the fourth foreign exchange earner for the national economy, after cocoa, gold and tourism. Ghana's forests also provide home to over 2,100 plant species, 23 of them endemic (Hall and Swaine, 1981), over 200 mammal species, many of which are rare or endangered, 74 species of bats, 37 species of rodents, over 200 bird species and a variety of reptiles (Kotey *et al.*, 1998).

The overall mandate of managing Ghana's forest and wildlife resources lies with a semi-autonomous Forestry Commission under the Ministry of Lands and Natural Resources. The Commission was created by the Forestry Commission Act (Act 571, 1999) as an embodiment of the various public bodies that were individually implementing the functions of protection, management and regulation of forest and wildlife resources. These bodies constitute the three divisions of the Commission, namely: Forest Services Division (FSD), Wildlife Division (WD) and Timber Industry Development Division (TIDD). The Commission has two other units: the Resource Management Support Centre (RMSC) and the Wood Industries Training Centre (WITC) that support its work. Other relevant supporting institutions include the Forestry Research Institute of Ghana (FORIG) and the Faculty of Renewable Natural Resources (FRNR) of the Kwame Nkrumah University of Science and Technology.

## 2.2 Overview of deforestation and forest degradation in Ghana

### 2.2.1 Brief History

Ghana has a long history of progressive forest loss and degradation. It is believed that several years ago when populations were very low and forests were not commercialised, a good proportion of even the present day savannah areas were covered with high forests. Villages in present day savannah areas with names inferring to high forests provide some backing to this assertion.

Formal forestry in Ghana started in the 1920s, but the first forest policy was not in place until 1948. In those days, there was stiff opposition to forest reservation from the local people because they felt that the then colonial administration was trying to take over their lands. Consequently, formal forestry and the laws that came with it did not take away the ownership rights of landholding communities. They transferred management rights over forests (in both reserved and unreserved areas) to the State while acknowledging customary ownership by the landholding local communities (Kotey *et al.*, 1998). Forest management was made the preserve of professionally trained foresters. Because this form of forestry could be functional in only the reserved forests, the idea then was maximum State exploitation of forest resources (timber) occurring outside the reserved areas so that these areas could be converted into farmlands (Kotey *et al.*, 1998). That orientation marks the start of forest loss and degradation in Ghana.

Further impetus for forest loss and degradation was provided by a structural adjustment programme (SAP) in the early 1980s that among others sought to increase revenue generation from timber export (Benhin and Barbier, 2000). This period saw so much investment in the timber industry that by the 1990s, the timber processing capacity far exceeded the sustainable timber harvest level (Kotey *et al.*, 1998). There was massive deforestation and degradation of both reserved and un-reserved forests. Off-reserve forests were degraded the more

since they supplied 70-80% of Ghana's timber production between 1960 and 1980 (Kotey *et al.*, 1998).

By the 1990s, it was apparent that the forestry sector needed a review to make way for a more sustainable forest management. The review led to the adoption of a new forest and wildlife policy in 1994, which lay emphasis on local people's participation in forest management and sustainable management of off-reserve forest resources. This period among other things, saw a boost in reforestation and afforestation programmes. Despite these interventions, the rate of forest restoration and regeneration continued to lag behind the rate of forest loss and degradation. Between 1990 and 2000, Ghana lost an average of 135,400 hectares of forest per annum, amounting to an average annual deforestation rate of 1.82%<sup>4</sup>. Between 2000 and 2005, the annual deforestation rate increased to 1.89%. In total, between 1990 and 2005, Ghana lost 25.9% of her forest cover, which translates into 1.931 million hectares<sup>5</sup>.

### 2.2.1 Current trends

According to a recent study by Marfo (2009a), the current installed processing capacity of the timber industry is five (5) million m<sup>3</sup> per annum, while the actual processing range is 3.3- 4.4 million m<sup>3</sup> per annum. The Annual Allowable Cut (AAC) is however two (2) million m<sup>3</sup> per annum. At the time of setting the AAC to this level, it was expected that 1.5 million m<sup>3</sup> would come from off-reserve forests and only 0.5 million m<sup>3</sup> from the reserved forests. This expectation may have been possible between 1960 and 1980 when the off-reserve areas provided 70-80% of Ghana's timber production (Kotey *et al.*, 1998), but certainly not in present times where off-reserve forests contribute less than 30% of the country's annual timber production (Hansen and Treue, 2009), due to their massive loss and degradation over the years. The current rate of forest loss is estimated to be about 65,000 ha per annum (Marfo, 2009a).

### 2.3 Key drivers of deforestation and forest degradation

The quote below from Ghana's REDDplus Readiness Preparation Proposal (R-PP) draft document is an excellent depiction of the current situation with regards to the loss and degradation of Ghana's forests:

*'By and large, the problem is one of gradual 'degradation' rather than 'deforestation', and is incremental rather than dramatic, with no single dominant driver'* [Source: Ghana's REDDplus Readiness Preparation Proposal (R-PP) draft document].

The quoted document identified the key drivers of deforestation and forest degradation as including: forest industry over-capacity; policy/market failures in the timber sector; burgeoning population in both rural and urban areas; increasing local demand for agricultural and wood products; high demand for wood and forest products on the international market; heavy dependence on charcoal and woodfuel for rural and urban energy; limited technology development in farming systems and continued reliance on cyclical 'slash and burn' agriculture.

---

<sup>4</sup> Source : <http://rainforests.mongabay.com/deforestation/2000/Ghana.htm>

<sup>5</sup> Source: <http://rainforests.mongabay.com/deforestation/2000/Ghana.htm>

## **2.4 National attempts to address deforestation and forest degradation**

Arresting deforestation and forest degradation has been an important national agenda for many years. As such, there have been a number of initiatives to address forest loss and degradation. Prominent among them are:

### **2.4.1 Ghana-EU Voluntary Partnership Agreement (VPA) under the Forest Law Enforcement, Governance and Trade (FLEGT) Initiative**

In September 2008, Ghana entered into a voluntary partnership agreement with the European Commission, by which the EU commits to support good forest governance, whilst Ghana commits herself to export only legally sourced wood and wood products to Europe (ITTO, 2008; FC 2007). Given the background that the EU market receives about 60% of Ghana's timber exports, it is anticipated that the VPA will help reduce illegality in the forestry sector and thus contribute to reduction in forest loss and degradation. The Forestry Commission (FC) is currently piloting a 'chain of custody' tracking system.

### **2.4.2 Natural Resources and Environmental Governance Programme (NREG)**

NREG is a five-year forestry sector reform programme that commenced in 2008 and is being funded through a multi-donor sector budget support arrangement (World Bank, 2008). A key NREG activity is an on-going review of forestry sector policy and legislation to create a policy and legislative frame that is more suitable for dealing with the present day sector challenges. The NREG is indeed an umbrella set-up that groups all donor-funded forest sector initiatives, including the VPA.

### **2.4.3 Plantation programmes**

In an attempt to rehabilitate degraded forests and also create new forest stands in both reserved forests and off-reserve areas, there have been several reforestation and afforestation initiatives in the country. Prominent among them is an on-going Community Forestry Management Project (CFMP). The CFMP is a forest rehabilitation and forest-fringe community livelihood support project that commenced in 2002 with funding from the African Development Bank (AfDB). Under this project, about 6,165 ha of plantations have been established in degraded forest reserves and 1,500 ha in off-reserve areas (CFMP Progress Report, 2008).

Additionally, it is estimated that the private sector has established 29,200 ha of plantations, 8,000 ha by individuals and tree grower associations, and 21,200 ha by corporate bodies including timber industries (Agyeman *et al*, 2004).

### **2.4.3 Other initiatives**

Other initiatives to address deforestation and forest degradation in Ghana include an on-going FSC Forest Certification programme, woodlot development programmes, a HIPC<sup>6</sup> plantation programme, LPG/improved stove promotion programmes and an on-going Savannah Accelerated Development Authority (SADA) programme for the Savannah regions of the country.

---

<sup>6</sup> HIPC refers to Highly Indebted Poor Country

### 3. REDD+ IN GHANA: WHAT HAS BEEN DONE SO FAR AND THE WAY FORWARD

#### 3.1 Simplified explanation of REDDplus

From what is known to have started as RED (Reduced Emissions from Deforestation), we now have REDDplus which refers to Reduced Emissions from Deforestation and forest Degradation with a biodiversity conservation and carbon stocks (plus) components. REDDplus operates on the background knowledge that about 20% of global green house gas (GHG) emission is as a result of indirect contribution from deforestation and forest degradation and directly from bush burning and inefficient energy conversion devices, which occur mostly in developing countries. REDDplus essentially seeks to assist developing countries like Ghana to reduce their deforestation and forest degradation by paying them for verified reductions.

Detailed information on the history and technicalities of REDDplus can be obtained from the website of the United Nations Framework Convention on Climate Change (UNFCCC) ([http://unfccc.int/methods\\_science/redd/items/4531.php](http://unfccc.int/methods_science/redd/items/4531.php)) and also from the website of Ghana's Forestry Commission (<http://www.fcghana.com/programmes/nrmp/redd.html>).

As far as Ghana is concerned, REDDplus is a new opportunity for receiving financial support in our struggle against deforestation and forest degradation. REDDplus is therefore an add-on to the on-going initiatives to address deforestation and forest degradation, namely the FLEGT VPA, the NREG programme and the various plantation development programmes. Effective collaboration with these on-going initiatives is therefore very essential.

#### 3.2 Reddplus in Ghana: what has been done so far and the way forward

The REDDplus process could be broken down into four main stages namely; R-PIN submission, R-PP development, R-PP Implementation and REDDplus implementation. The Ghana R-PP draft document indicates that *'the progression between expressing an interest in and fully implementing REDDplus mechanisms is challenging. It requires cross sectoral planning and coordination, as well as the revision of existing, and development of new laws, policies and institutions'*.

The REDDplus process in Ghana is in its early stages. Summarised below is a description of the stages implemented and the way forward.

##### R-PIN submission

In 2007, Ghana represented by the Forestry Commission expressed interest in participating in the World Bank's REDDplus initiative by submitting a REDDplus Readiness Plan Idea Note (R-PIN) to the World Bank. Ghana's R-PIN was approved in July 2008. Following the approval, Ghana was named among 14 countries to benefit from a World Bank's Forest Carbon Partnership Facility (FCPF)<sup>7</sup> in developing REDDplus Readiness Preparation Proposals (R-PPs). Ghana received an amount of US\$ 200,000 to prepare a REDDplus R-PP (Bamfo, 2009).

##### R-PP development

Under the facilitation of a consultancy consortium composed of Winrock International, Climate Focus and the IDL Group, a series of stakeholder

---

<sup>7</sup> The FCPF is a joint fund with contributions from nine industrialized countries. The fund is being managed by the World Bank to assist developing countries prepare to implement REDDplus (Bamfo, 2009).

consultative meetings and workshops were held leading to the development of a draft REDDplus Readiness Preparation Proposal (R-PP). The draft has been reviewed by working groups of the National REDDplus Steering Committee. The final draft is now available at the FCPF website for comments. It will be finalized after the upcoming Copenhagen climate change meeting before submission to the World Bank, possibly in January 2010.

### The way forward for REDDplus in Ghana

When Ghana's R-PP is approved, the country shall be granted an amount of US\$ 3.4 million to implement the REDDplus R-PP. This stage is expected to span over a period of 2-3 three years. Upon successful completion, Ghana will move on to the final stage which is the actual implementation of REDDplus in Ghana. Figure 2 depicts the anticipated timelines for the four key stages of the REDDplus process in Ghana.

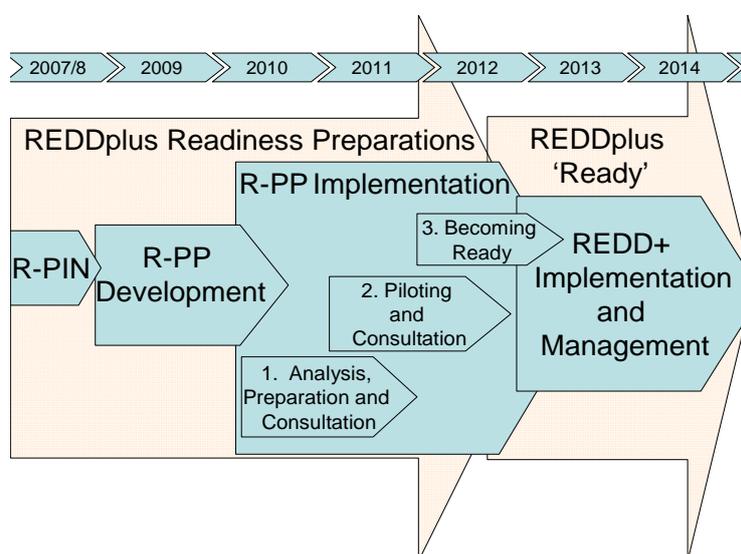


Figure 2: Phasing of Ghana's REDDplus Progress [Source: R-PP draft document]

Box 1 provides some details of Ghana's R-PP development process and R-PP implementation plan as presented in Ghana's R-PP draft document.

**Box 1: Some details of Ghana's R-PP development process and R-PP implementation plan [as presented in Ghana's R-PP draft document]**

#### *Stage 2: R-PP Development (2009)*

Following acceptance of the R-PIN, institutional structures for the further development of national REDDplus readiness preparations were put in place by the REDDplus Secretariat which included a National REDD Steering Committee (NRSC). The R-PP Development Stage was formally initiated in May 2009 with a week long mission engaging key actors within the forest sector. Based on the outcomes of this May mission, a four step work plan for Ghana's R-PP development was elaborated and has subsequently been implemented:

Step 1: Information sharing - May to mid July 2009

Step 2: Continued Information Sharing and Initial Consultation - July 2009

Step 3: Expert Consultation - August 2009

Step 4: Validation - Late August early September 2009

Over 200 individuals were engaged during these activities encompassing the main stakeholder groups. The majority of these participants were involved more than once in the process.

The broader consultative process has been formative to the development of all components presented here, providing key inputs to the Consultation and Participation Plan; the identification of key drivers of deforestation and potential activities to address these and identification of the potential impacts of these activities on different stakeholder groups. The NRSC and expert working groups have provided input to and revisions of R-PP draft documents.

### ***Stage 2: R-PP Implementation Phase (2010-2013)***

This R-PP document represents Ghana's ongoing efforts to get 'ready' for a future mechanism for REDDplus. It presents a three-step approach to REDDplus strategy development and establishment of the technical, policy, legal, management and monitoring arrangements necessary to enable Ghana to fully participate in a mechanism for REDDplus. Implementation of the R-PP is anticipated to continue through until early 2012/2013.

The steps of this stage will include:

#### **Step 1: Analysis, Preparation and Consultation**

- Detailed analysis of REDDplus policy, legal and technical requirements
- Setting of the Reference Emissions Level (REL)
- Confirmation of institutional roles, responsibilities and oversight for REDDplus
- Establishment of the entity responsible for MRV
- Selection of potential pilots / demonstration activities
- Continued consultation, information sharing and awareness raising on REDDplus strategy, legislative and institutional proposals
- Finalisation of REDDplus strategy (to progress towards REDDplus readiness)

#### **Step 2: Piloting and Testing**

- Initial capacity building for pilots
- Establishment of pilots / demonstration activities
- Establishment of carbon accounting registry
- Testing of carbon measurement, accounting and MRV procedures
- Consultation around demonstrations and pilots
- Consultation on potential REDDplus policies, decisions and actions
- Training Needs Analysis for full REDDplus implementation

#### **Step 3: Becoming Ready**

- Approval of any new legislation (e.g. carbon rights) and legal texts (as required)
- Finalised financing mechanisms, procedures, audit and controls
- Finalised operating procedures for MRV entity
- Recruitment of staff
- Training and capacity building on the development and technical aspects of REDDplus
- Operational plan to scale up REDDplus in Implementation Phase

The **Consultation and Participation Component** of this R-PP (section 1b) describes how consultation has been carried out during R-PP development and presents a plan to help guide the elaboration of the REDDplus readiness preparation activities. A complete Consultation and Participation Plan is included in the Annex 1b - 5.

The C&P Plan emphasizes increased awareness raising and broad involvement in implementation to help ensure effective communication and decision making. The R-PP as a

living document will react to these consultations and evolve during the process of REDDplus readiness preparation to better fit the changing needs of stakeholders within the REDDplus process.

Potential components of a REDDplus strategy to control deforestation and degradation (components 2a/2b) are proposed for further analysis, elaboration, consultation and validation and fit in two themes: i). forest policy, legislation and governance and ii) carbon enhancement activities.

The REDDplus Management Arrangements (2c) outline the types of entities and institutions that will be needed for policy definition, implementation, and management—ranging from civil society to proposed inter-ministerial bodies. A process is defined to identify the resources needed for implementation and to help bolster capacities. Next steps are defined for laying the ground work for financial and legal arrangements needed in the subsequent REDDplus Implementation and Management Phase.

Social and Environmental Standards Assessment (SESA) is recommended as part of the R-PP Implementation and REDDplus readiness preparation to promote due diligence in the design of the national strategy (Component 2d). The SESA will identify the likely social and environmental impacts (negative and positive) of proposed REDDplus strategies; assess the potential additional benefits of REDDplus (especially biodiversity conservation and poverty alleviation); and to inform the design of the national REDDplus strategy so that it avoids or mitigates negative social/environmental impacts and encourages positive ones. A strong SESA analysis (for which a Terms of Reference is provided) will take place during the upcoming R-PP implementation, and promote integration of social and environmental issues into the upstream policy-making process, thereby promoting more sustainable and equitable REDDplus policies.

Constructing the Reference Scenario (Component 3) begins with an assessment of available data and concludes that data for estimating historic emissions in Ghana are sorely lacking. It then describes how activity data can be acquired to map land cover change, what data are needed and how to obtain emission factors, and how to combine both data sets to develop a historic emissions scenario. Specific activities to evaluate uncertainties in the reference scenario and define a future trajectory are core elements of the work plan presented in the R-PP.

Components 4, 6 and 2c describe the Monitoring Arrangements needed during the REDDplus readiness preparation and during future REDDplus implementation and management. These include a National Working Group that helps design a Monitoring Framework and Data Archiving system, as well as training and capacity building for carrying out the monitoring, and a process for system review and verification.

#### **4. REDD+ IN GHANA: SOME CHALLENGES**

Though REDDplus presents a new financing support opportunity in our struggle against deforestation and forest degradation, some challenges and concerns are emerging. Summarised below are some of the key ones:

##### **4.1 Funding REDDplus in Ghana**

The available knowledge indicates that there are two options for funding REDDplus in Ghana. One is carbon credit trading, where the verified reductions in deforestation and degradation will be commoditised into carbon credits and sold on an international carbon credit market. The second option is fund-based financing

typified by Brazil's Amazon Fund<sup>8</sup>, where developing countries will be paid for verified reductions in deforestation and forest degradation from a fund. For the same unit of verified reduction in deforestation and forest degradation, it is alleged that a carbon credit market based REDDplus will fetch more money than a fund based REDDplus (Osafo, 2009).

At a multi-stakeholder workshop on REDDplus in Ghana on May 14, 2009, some stakeholders (mostly Civil Society) expressed their disapproval of a carbon credit market based REDDplus in Ghana. Their concerns with a market based REDDplus included the fact that:

- It has the potential to shift all global warming mitigation responsibility from the rich industrialised nations who are responsible for about 80% of global GHG emissions to poor developing nations who are responsible for only about 20% of global GHG emissions. In other words, it is feared that with this option, a rich nation could operate business as usual or even increase her GHG emission levels so long as she is able to offset it with carbon credit purchase from developing countries.
- There is high uncertainty on how a unit of carbon credit will be established and priced and also on the sustainability of a market based REDDplus.
- Following commoditisation of verified reductions in forest loss and degradation (into carbon credits), a buyer of carbon credits could decide to sell to a second buyer. There is high uncertainty on the implications of this on Ghana as a nation and forestry stakeholders like local communities who live by and depend on the very forests to be put under REDDplus.

The Ghana Forestry Commission maintains that it is not yet known whether REDDplus in Ghana will be fund based or carbon credit market based.

#### 4.2 Technical capacity

REDDplus has a highly technical dimension to it which includes: establishing reference GHG emission levels; and monitoring, verifying and reporting reductions in emissions or otherwise in a transparent and credible manner. The technical capacity to undertake these tasks is highly unavailable in Ghana currently. Employing the services of foreign experts will have implications on the management of REDDplus funds.

#### 4.3 Effective stakeholder participation

Given the technical nature of REDDplus and the large number of forestry stakeholders in Ghana, effective stakeholder participation in the REDDplus process will be time and resource consuming. At a certain stage of the REDDplus process in Ghana, concerns were raised about the rather fast pace of the process. The Forestry Commission took the concerns into consideration and accordingly postponed the submission of Ghana's R-PP from an earlier intended submission date (in September, 2009<sup>9</sup>) to the current intended submission date (in January, 2010). The postponement is intended to make way for more stakeholder participation in the process. It is also to await the outcomes of the upcoming UNFCCC Copenhagen meeting in December, 2009 since it is anticipated that the REDDplus process in Ghana will be influenced by the outcomes of the Copenhagen meeting.

---

<sup>8</sup> The Amazon Fund is a mechanism for receiving donations in support of monitoring, control and prevention of Deforestation in the Amazon (Millikan, 2009). Further information could be obtained from the Fund's website: <http://www.amazonfund.org/index.php>

<sup>9</sup> Source: Personal communication with Abdul-Razak Saeed of Civic Response.

It has been recommended that the REDDplus process learns from the strategies adopted by the FLEGT VPA process to achieve affective stakeholder participation.

#### 4.4 Equitable distribution of REDDplus benefits

The current legal framework of the forestry sector, by virtue of its associated tree tenure insecurity for local people who live with and nurture trees in off-reserve areas (Marfo 2009b), presents a big challenge to equitable distribution of REDDplus benefits. Boxes 2 and 3 throw more light on this challenge as explained by Katoomba (2009) and Asare (2009) respectively.

**Box 2: Challenges that the current legal framework of the Ghanaian forestry sector presents to equitable distribution of REDDplus benefits [Adapted from Katoomba (2009)]**

While forests and the trees in them are nominally owned by traditional authorities (paramount chiefs) who hold land custodianship in trust on behalf of their people, management and commercial rights to naturally generated timber species in both reserved and off-reserve areas belong to the State. The grassroots land users neither own nor have economic rights to timber trees naturally occurring on their lands. Yet, this stakeholder group influences the vegetation that is allowed to grow in off-reserve areas and for how long by virtue of their acknowledged right to fell trees to make way for farming. Therefore if the REDDplus agenda in Ghana is to involve the participation of grassroots land users, the important question that emerges is: what will be their rights to carbon credits for helping conserve forest carbon? If they cannot own the tree, can they have any right to the REDD benefit of carbon stored inside it?

Carbon ownership may not be critical under a system of national carbon accounting. However, if the State decides to retain carbon property rights, there is the need for a mechanism to ensure equitable distribution of REDDplus benefits among all relevant stakeholders. The current arrangement for sharing timber revenue completely leaves out grassroots land users, a situation that has motivated destruction of trees and tree seedlings/saplings in off-reserve areas<sup>10</sup>. An arrangement for equitable distribution of REDDplus benefits will, among things, compensate grassroots land users for their opportunity costs in retaining trees on their lands rather than exercising their rights to remove them for farming purposes. The opportunity costs for land users in retaining trees on their lands emanate from possible reduction in crop yields due to competition with the trees and possible destruction to crops without adequate compensation when the trees are later felled by a timber company with a permit issued by the State (Forestry Commission).

The challenges associated with tree tenure and property rights, though very important, do not imply that equitable REDDplus benefit sharing is not possible in Ghana. Fortunately, there are policy/legislative provisions that with greater recognition or better implementation could provide a stronger foundation for equitable REDDplus benefit sharing. These include:

- A plantation development provision (in off-reserve areas), which acknowledges that a planted tree belongs to the person or people who planted it. In this case, the economic right to the planted tree is clear. Afforestation or reforestation programmes may therefore have immediate applicability in Ghana's REDDplus agenda.
- A legislative provision which indicates that timber rights should not be granted to a timber company to harvest timber on farmlands in off-reserve areas without the written authorization of the individuals, groups or owners concerned, on land with

<sup>10</sup> Further details could be read from a Tropenbos Ghana info sheet on 'Equity in Forest Benefit Sharing: Stakeholders' Views and Perceptions', <http://www.tropenbos.nl/images/Tropenbos/ghana/Publications/Infosheets/benefitsharinginfosheetweb.pdf>

private forest plantations, or on land with any timber grown or owned by individuals or groups of individuals. Farmers also have a right to participate in an inspection prior to logging and to veto felling for reasons that include, but are not limited to, damage to crops or soil conservation/erosion concerns (Timber Resources Management Act, 1997; Timber Resources Management Amendment Act, 2002). *It must be added however that in practice, these provisions are hardly adhered to.*

- An Economic Plants Protection Decree (1979) which states that, “no felling rights with respect to timber shall be granted where such timber trees stand in farms where specific crops like cocoa are cultivated” (section 4 (1)).

**Box 3: Forest and Tree Tenure Implications under REDD [as presented by Asare A. (2009), Resource Management Support Centre of the Forestry Commission]**

**Introduction**

Land and forest tenure in Ghana is complex and the approach to which it is dealt with will largely determine the achievement of REDD objectives. Tenure rights influence attitudes to forests in the country. Strong tenure rights invokes tendency for safeguarding sustainability of resource usage whereas weak or lack of tenure rights induces resource mining tendencies leading to degradation and eventual depletion. For the success of REDD, there is need for identifying existing trees and forest tenures, determining prevailing inequalities, undertaking revisions where necessary; properly documenting emerging tenure rights, determining loss of rights due to pursuit of REDD practices and devising appropriate compensatory packages for the loss of rights.

The underlying principles of land and forest tenures in Ghana are as follows:

- The allodial title holder of land is the traditional paramountcy represented by the skin or stool. In the past, allodial title was derived from conquest or occupation. The chief holds the land in trust on behalf of the subjects.
- Land tenure for the individual or group of persons is guided by accruing bundle of rights over the use of the land by virtue of belonging to the stool or skin or tenancy contracted from the usufructuary holders.
- Within the clan or family forest clearance bestows rights of use in perpetuity whereas apparent abandonment reverts the land back into the communal pool for re-allocation.
- Users are entitled to benefits accruing from expended labour or investments whereas minerals and naturally originating endowments such as timber are vested in the state.
- Statutory laws regulate most of the modern investment schemes and appear stronger than indigenous arrangements.
- The state has the right to appropriate land for national purposes in return for compensation payment as in wildlife reserves or take over management functions without changing ownership for offer of specified rights as is the case of forest reserves.

Although forest tenure is linked with land tenure, the two may not necessarily be congruent. Current tenure rights over trees and forests are broadly categorised according to whether the land is a forest reserve or in an off- reserve area.

**Ownership and Forest Reserve Constitution:-** Ownership of forest reserve remain with the land owners but management rights are lodged with the state with the Forestry Commission acting as the management agency. The landowners are paid 50% of revenue accruing from forest reserves. In addition they are entitled to domestic use rights of NTFPs, access to deities, certain number of timber trees per annum and agreed customary practices. In reality apart from the domestic use rights, the other rights are rarely exercised thus becoming obsolete over the years.

In wildlife reserves, the government normally acquires the lands from the landowners after paying the requisite compensation. If ever such wildlife reserves should be de-reserved, the land would revert back to the allodial title holder irrespective of whatever compensation that might have been paid.

The process of reservation started in the late 19920s and largely ended by 1950 with very little further reservation taking place since then. To date about 16.5% of the land area of Ghana has been placed under forest and wildlife reserves. Under the 1994 Forest and Wildlife Policy, emphasis is now placed on encouraging landowners to undertake voluntary 'dedication' of forested lands for sustainable management and development of forest resources.

In off-reserve areas, although the state exercises regulatory functions over the allocation and harvesting of timber trees, landowners have the right to convert forests and fell trees to pave way for the use of the land. Apart from chiefs, land users do not have direct benefits from naturally regenerated timber trees save compensation due to crop destruction in the course exploitation. Evidence reveals that over the years, farmers have routinely been destroying timber trees due to the lack of benefit from accruing revenue and the prospect of crop destruction. Land users, however, have the right to establish forest plantations and enjoy the benefits thereof as exists with agricultural crops. To date several woodlots dotted around country have been established under the latter regime.

**Statutory Rights:-** Besides indigenous tenures, statutory legislation regulates contemporary forestry investment arrangements. Access rights over timber trees in both reserve and off-reserve areas are guided by laws. Plantation development in forest reserves is also guided by contractual agreements. In the case of timber concessions, the TRM Act 591 of 1997 grants permission for the Minister responsible for Forestry to suspend a concession due to changed status of a forest as for example designation for REDD purposes. Alternative forests must, however, be substituted for the lost concession since it is deemed that contractors would have expended resources to acquire the concessions.

**De Facto 'Rights':-** A key challenge to tenure considerations is in situations where some practices become broad based and so pervasive as to acquire a de facto status. An example of this is the practice of illegal chain sawing which though unrecognised in law is pervasive that it cannot be wished away without considering how to deal with it under any REDD initiative. There is the need to document this practice and determine ways of containing it with the ambit of any REDD programme.

#### **Tenure Considerations under REDD**

As part of the R-PP, consultation was conducted on cross-cutting issues including Land Use Rights / Land Tenure Systems as well as Forest Governance and Benefit Sharing systems. From the outcome, it emerged that due to poor tenure arrangements there is lack of incentives to conserve and replant trees. Also, there is lack of policy and legal structures for small-scale and community-based resource management. Other tenure related challenges are:

- National level accounting but localized actions
- Benefit distribution channel bureaucracy and structures
- Individual actions but communal benefit
- Devising benefit more attractive than existing benefits from current land use activities and rights
- Gaining understanding of REDD and its implications of climate change on ordinary actors

On the positive side there is existence of new forest plantation policies which strengthens tenure rights over planted trees.

#### **R-PP Imperatives**

Approval of the R-PP would pave the way for more in-depth analysis of indentified tenure issues on to be examined in detail and addressed forthwith. These are:

- **Policy Analysis:** the NEC's and Expert Groups will carry out policy analysis to help the NRSC and FC design policy reform proposals that are conducive to a long term, sustainable land and forest management.
- Existing tree tenure arrangements will be reviewed to optimise the incentives for tree conservation and replanting. This is a priority from the perspectives of both timber production and the enhancement of carbon stock
- **Land and carbon rights:** An allied issue is the question of land tenure and how carbon rights will relate to the underlying land rights (which can be expected to play a determinant role in conditioning public attitudes to carbon payments).
- A National Expert Consultation on Allocation of Terrestrial Carbon Rights will be constituted. Focus will be on the implications of current land and tree tenure arrangements for the allocation of carbon rights, and advice on any changes to legislation required to operationalise carbon rights.

#### Recommendations

1. Review forestry practices on resource conservation, development and exploitation whether recognisable or not and devise strategies to align them to REDD objectives.
2. Involve grassroots civil society organisations such as the Ghana Forest Forum and Community Resource Management Committees in tenure revision processes.
3. Mobilise and build capacity of forest fringe communities to adequately participate in REDD activities.
4. Devise guidelines for implementing 'green' (climate change friendly) activities, specifying, practices, expected benefits and revealing modalities for accessing the benefits.
5. Under REDD + emphasis should be placed in forest landscape restoration including off-reserve areas where encouragement should be given to farmers adopt 'green' farming methods
6. REDD programmes should be incorporated into District Assembly Five-Year Development Plans, Land Use Plans and Forest Management Plans.
7. Rigorous evaluation of losses due to curtailment of tenure rights due to REDD pursuits and devising attractive compensatory benefits to encourage adoption. Accruing to those tenure rights will be affected.
8. There is the need to take into consideration existing conducive programs such as the Modified Taungya Scheme as well as institutional structures.
9. Link REDD fund contribution to GDP and green house emissions per capita of countries.

## 5. CONCLUSION

REDDplus presents an opportunity for Ghana to receive financial support in our struggle against deforestation and forest degradation. However given its associated high uncertainties, caution needs to be exercised in the REDDplus process to reduce (avoid if possible) negative un-intended consequences. The main challenges in Ghana as identified by Benefor (2009) would include finding answers to critical questions like:

- Which REDD+ activities would provide most benefits to the nation and the local people?
- Which part of our forest resources must be committed to REDD? And for how many years?
- What are the implications of each REDD+ activities to timber revenues (local and national levels), given the high contribution of timber to the national economy.

Other challenges would include whether ecosystem-based approach could be used to develop reference emission levels and the development of a national legal framework to clarify tenure on land, tree and carbon, including who and at where, will receive what from carbon benefits? Finally, who will make sure that livelihood sources of the local communities are protected, especially against a possible land grab in a market-based carbon market?

## REFERENCES

- Affum-Baffoe K. 2009, 'Timber Resources Outside Permanent Forest Estates of Ghana High Forest Zone: Status and Trends' in Kyereh B. Okae K. And Hansen P. (Eds), *Strengthening Off-Reserve Timber Resource Management in Ghana*, Tropenbos International Ghana, pp 6-13
- Agyeman, V.K.; Kasanga, K.R.; Danso, E.; Marfo, K. A.; Whiteman, A.; Asare, A.B.; Yeboah, O.M.; and Agyeman, F. 2004. *Equitable Cost and Benefit Sharing Framework in Plantation Development Schemes involving Public, Private and Local Community Partnerships in Ghana*. Draft Report. MLFM
- Bamfo K. R. 2009. *Basics of REDD and REDD Process in Ghana*, Presentation at a Multi-stakeholder Workshop on REDD at Accra, Ghana May 14, 2009
- Benfor T.D. (2009). Impact of climate change on forest dependent livelihoods. Presentation made to the Network of Dutch-supported initiatives in the forestry sector of Ghana.
- Benhin, J.K.; Barbier, E.B. 2000, 'Forestry, deforestation and biodiversity in Ghana' in Perrings C. (ed.), *The Economics of Biodiversity Conservation in Sub-Saharan Africa: Mending the Ark*, UK: Edward Elgar Publishing, pp 185-231
- FC 2007. 'Ghana's Entry into a Voluntary Partnership Agreement with the EU', *VPA Briefing Paper 1*
- Hall, J.B. and Swaine, M.D. 1981. *Distribution and Ecology of Vascular Plants in a Tropical Rain Forest: Forest Vegetation in Ghana*. Geobotany, The Hague.
- Hansen C. and Treue T. 2009. 'The Sharing of Financial Benefits from Timber Trees in Ghana: Issues of Equity and Economic Incentives with Emphasis on the Off-Reserve Situation', In *Strengthening Off-Reserve Timber Resource Management in Ghana*, Tropenbos International Ghana Proceedings 7, pp 26-37
- ITTO 2008. *Ghana and EU poised to Formalize VPA*, [http://www.illegal-logging.info/item\\_single.php?it\\_id=2705&it=news](http://www.illegal-logging.info/item_single.php?it_id=2705&it=news), accessed on 30/10/2009
- Katooba 2009. Realising REDD: *Implications of Ghana's Current Legal Framework for Trees*, [http://www.katoombagroup.org/%7Eforesttr/documents/files/doc\\_2354.pdf](http://www.katoombagroup.org/%7Eforesttr/documents/files/doc_2354.pdf), accessed on November 8, 2009
- Kotey N. A., Francois J., Owusu J. G. K., Yeboah R., Amanor K. S., Antwi L. (1998), *Falling Into Place: Policy that Works for Forests and People*, Nottingham: Russell Press
- Marfo E. 2009a. *Chainsaw Milling in Ghana: An overview of the Issues*, Tropenbos International
- Marfo E. 2009b. *Security of Tenure and Community Benefits Under Collaborative Forest Management Arrangements in Ghana: A Country Report*, Ghana: CSIR Printing Division

Millikan B. 2009. *Implementing REDD in the Brazilian Amazon: Contextualisation, Debates and Challenges*, Background Paper for TFD Field Dialogue in Brazil, October 28-29, 2009

Osafo Y.B. 2009. *REDDplus in the International Negotiations*, Presentation at a Multi-stakeholder Workshop on REDD at Accra, Ghana July 16, 2009

World Bank 2008. *Ghana: Natural Resources and Environmental Governance (NREG) First Development Policy Operation*, <http://go.worldbank.org/2OXZ8NIUR0>, accessed on 30/10/2009