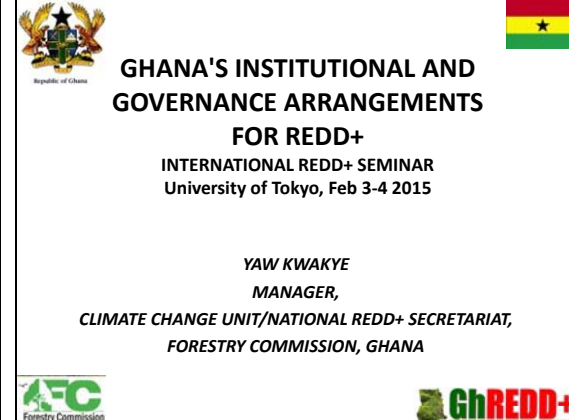



Ghana's Institutional and Governance Arrangements for REDD+  
Yaw Kwakye (Forestry Commission, Ghana)


<p><b>PROFILE OF YAW KWAKYE</b></p> <ul style="list-style-type: none"><li>• Manager at the Climate Change Unit of the Forestry Commission of Ghana, which also serves as the National REDD+ Secretariat</li><li>• Yaw joined the Forestry Commission in 1994 upon successful completion of a bachelor's degree in Natural Resources Management at the Kwame Nkrumah University of Science and Technology</li><li>• He served in various capacities at the Forestry Commission before his current appointment, including District Forest Manager in the Western and Eastern Regions, Project Coordinator for the GEF-funded High Forest Biodiversity Conservation Project, as well as Projects Manager for the Forest Services Division.</li><li>• Yaw has participated in several international conferences on climate change and REDD</li><li>• He has special professional interest in climate change and biodiversity</li><li>• His interests include music, reading and swimming</li><li>• He is married, with three sons</li></ul>	
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I would like to start by thanking the organizers for the opportunity to be part of this learning event. This is my second invitation to Japan. The first time I came on a training program on national forest monitoring. This morning I will be speaking on the topic relating to Ghana's institutional and governance arrangements for REDD+ and how those who want to relate this to REDD finance arrangements in Ghana, how finances coming to Ghana are going to be channeled effectively for the desired results.

<p><b>OUTLINE</b></p> <ul style="list-style-type: none"><li>• Background Country Information</li><li>• Ghana's REDD+ Readiness Process</li><li>• Towards Realizing REDD+</li><li>• REDD+ Governance: Experiences and Challenges</li><li>• Key initiatives that seek to enhance transparency and good governance in Ghana</li><li>• Conclusion</li></ul> 
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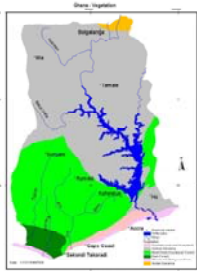
I will just give a quick introduction with country information, and then we will look at Ghana's REDD readiness process and how it is progressing. Then, on towards realizing REDD, I would also want to pick up some of the issues that we discussed yesterday during presentations by various speakers, making references to Ghana's emerging emission reduction program that is focusing on the Cocoa Forest Mosaic Landscape in Ghana. Then, you look at REDD governance and the various arrangements. We will look at the contexts, the experiences and then the challenges. I will also talk briefly about some key initiatives currently underway in Ghana.

**1. Background Country Information**



### BACKGROUND COUNTRY INFO

- Ghana is a West African democratic state with a land area of 23.9 million ha. and a population of approximately 24 million people
- Largely agrarian economy, as well as key extractive industries i.e. minerals, timber and lately off-shore oil and gas
- Two broad ecological zones; High Forest and Savanna, and a fast-expanding Transition Zone
- 80% of Ghana's forest cover lost over a period of a century (1900-2000)

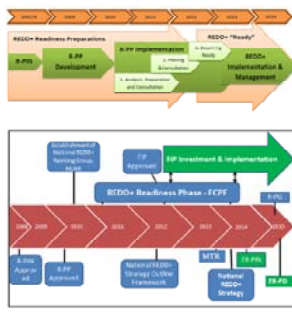


Ghana is located in West Africa. We are a democratic country. We have a land area of 23.9 million hectares and a population of approximately 24 million people; 49% women and 51% men. Our economy is largely agrarian, meaning that we rely more on agricultural activities, both arable and animal husbandry. Also we have a very longstanding extractive industry, particularly mining and timber, largely tropical hardwoods. We have two broad ecological zones. In the north, we have the Savanna eco-zone and in the south, we have the High Forest zone. Between the two, we have a fast-growing transition zone as degradation continues and as the Sahelian conditions intrude down south into the forest zone. Currently, we have just about 20% of our forest standing, meaning that since the turn of the century from 1900 up-to-date, we have lost quite a huge chunk of our forest, about 80%. Therefore, deforestation is quite a big issue in Ghana.

**2. Ghana's REDD+ Readiness Process**

### GHANA'S REDD+ READINESS PROCESS

- Ghana's REDD+ Readiness was formally launched in 2012 and is being supported by the Forest Carbon Partnership Facility.
- First phase of REDD+ Readiness was successfully completed in 2014 and a second phase commences this year.
- Complementary initiatives for Ghana's REDD+ Readiness include VPA-FLEG, FIP, NREG etc.
- Ghana is developing an Emissions Reduction programme that seeks to significantly curb carbon emissions from the cocoa sector in a programmatic approach



Just to give a little bit of context on Ghana's REDD Readiness process, our REDD Readiness process was officially launched in 2012. It is being supported by the FCPF. Our readiness program idea note (R-PIN) was approved by the World Bank in mid-2010, but the funds finally arrived in 2012 in June. That was when we began work in earnest.

The first phase has just been successfully completed in the previous year 2012. We have just received further support from the World Bank for the second phase of our readiness so that we can successfully complete our readiness process.

There are a whole lot of complementary initiatives for Ghana's REDD+ process. The readiness process is not just standalone. We are moving along with other important initiatives back home in Ghana, the EU FLEGT<sup>1</sup>. There is the forest investment program, and then also we have the donor sponsored sector budgetary support, which is the Natural Resources and Environmental Governance Programme<sup>2</sup> (NREG).

Along the way, Ghana is also developing an emission reduction program that seeks to curb emissions from the cocoa sector in a programmatic subnational approach. This initiative is focusing on the western part of Ghana largely. The schematic, we have here. Both are actually similar. We have the R-PIN, which was formulated in early 2007 all the way to 2008. By 2009, our R-P<sup>3</sup>P was fully developed and then we began the implementation.

If you look at the second schematic, we point to the fact that we have made progress up to this stage by September. In September/October we should be presenting our readiness package which is more like putting together all of the progress made up to this stage to the World Bank before we actually begin to fully implement our emission reduction program, which we are beginning to develop starting from March of this year.

### 3. Towards Realizing REDD+

**TOWARDS REALIZING REDD+**

- Ghana's Vision for REDD+ is to significantly reduce emissions from deforestation and forest degradation by 40% over the next ten years, whilst at the same time addressing threats that undermine ecosystem services and environmental integrity
- This will be pursued through a 3-pronged strategy;
  - **Strategic Intervention 1:** Improving Land-use and socio-economic development in the High Forest Zone and cocoa growing areas.
  - **Strategic Intervention 2:** Addressing wood harvesting and agricultural practices in the 'transition' and savannah zone.
  - **Strategic Intervention 3:** Policy and legislative reforms to support REDD+ and a sustainable Forestry sector.

Just to give us a little sense of what Ghana's vision for REDD looks like, the aim is to significantly reduce emissions from deforestation and forest degradation by 40% over a 10-year period, while at the same time addressing threats that undermine ecosystem services and environmental integrity.

The strategy that we are employing is 3-pronged; we have three strategic intervention areas. One is improving land use and socioeconomic development in the High Forest Zone of Ghana, particularly looking at the cocoa growing areas. This is because cocoa in a very significant way accounts or has contributed significantly to deforestation and forest degradation. In some cases, there have been very serious encroachments into gazetted forest reserves. That is one very important degradation threat that we are faced with. Let me just tell you a little bit more about how this whole thing is evolving and the role of private sector in this initiative. Over a period of 100 years since formal forestry institutions were established in

<sup>1</sup> Forest Law Enforcement, Governance and Trade: <http://www.euflegt.efi.int/home/>

<sup>2</sup> <http://www.fcghana.org/page.php?page=303&section=28&typ=1>

<sup>3</sup> Readiness Preparation Proposal

Ghana, along the way, what we call the Ghana Cocoa Marketing Board was also established. For all these decades, the two institutions have done very little at working together. We have worked separately without any coordination in our activities. That has largely contributed to the state of our forest today.

We have come to a juncture that we have reached an understanding that the two institutions need to come together and start putting our efforts and our energies together to address deforestation resulting from cocoa expansion. Our cocoa production systems are not intensive. Rather, they are expansive. People just slash and bend the forests and then cultivated for a few years and when yield started declining, they move on to deforest more lands. That is one problem.

When this discussion started, we engaged the private sector. They also came to the understanding that, if we continue in this business as usual pathway, there will be serious implications for the future of the industry. There is a growing understanding that we have a common interest to make sure that we try to mitigate or we work together to address the emissions coming out of the cocoa sector.

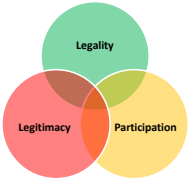
How do we even finance this? The cocoa industry in Ghana is worth USD\$2 billion. Now, the thinking is that, even if the industry agrees (and this is something the industry is considering very seriously) to dedicate just 2.5% of that sum to addressing emission reductions and to encourage farmers to adopt climate smart production methods, then we will be able to in a very major way address this issue.

So 2.5% of the sum of the worth of this industry comes to about USD\$50 million per annum. 1% is USD\$20 million. Therefore the five years under this particular initiative, the carbon fund, under the FCPF, is providing Ghana \$50 million US over a five-year period. This means that, even with 1% allocation of these resources wisely spent to protect the industry and to ensure that we have more sustainable cocoa supply chains, the industry's interest of securing and guaranteeing the future of the cocoa industry will be very much preserved. The government interest in ensuring that cocoa continues to provide sustainable livelihoods will also be served. Then, also the various institutions that are responsible for these institutions would also continue to stay in business. Here, we have a convergence of all these interests.

#### 4. REDD+ Governance: Experiences and Challenges

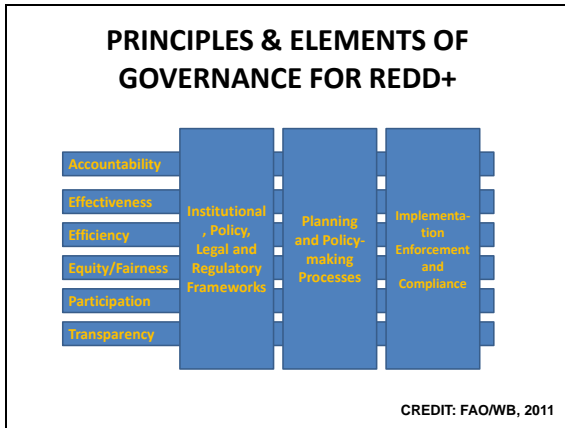
**REDD+ GOVERNANCE**

- Good governance is recognized as an important bedrock for critical for achieving REDD+.
- It encompasses **Legality** (rules to check abuses and resolve conflicts); **Legitimacy** (acceptance and trust by stakeholders that ensure accountability); and **Participation** (inclusiveness in decision-making)

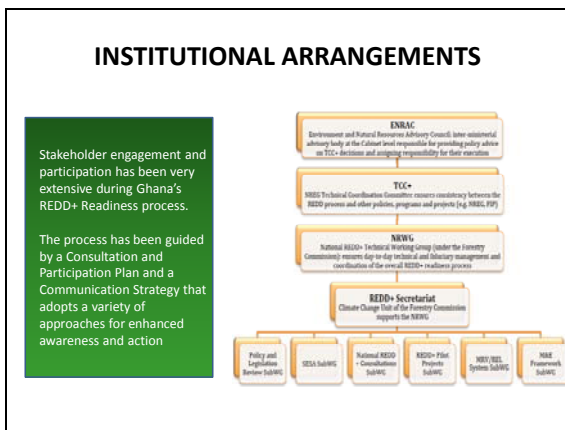


On the issue of REDD governance in Ghana, we look at it from three different perspectives. The issue of legality: that is the body of laws and regulations, or the rules that govern the sector in which we operate. Then, there is the issue of legitimacy: acceptance and trust by stakeholders that ensure accountability,

and then the authority to actually represent. Participation: talking about expanding the space for all of the key stakeholders to play their role and to engage in the process where no particular group is marginalized or left outside the door.



This is also our understanding of the principles and elements of good governance for REDD, and we have adopted the FAO model. The principles are actually listed: accountability; effectiveness in terms of actually working towards achieving results for all the investments that are made; efficiency, are we using and applying these resources in a judicious manner for the resource we want to generate; equity; fairness; participation; and then transparency, or doing things in the sunlight. As we know, sunlight disinfects, and darkness causes decay. As much as possible we want to perceive all these principles and make sure that they are actually very well respected in the way we implement REDD in Ghana.



Let me delve a little bit into the various policies, legal, and regulatory frameworks that have been put in place to ensure that we are able to achieve REDD. We have a set up as indicated here. At the very top level, we have Environment and Natural Resources Advisory Council (ENRAC). This entity is at the very top level of policy. It is actually a cabinet-level entity. We have the technical coordinating committee, which is also one of the very high level bodies responsible for providing leadership and supervision of activities relating to climate change and the environment in general in Ghana.

Then we have the national REDD working group. This national REDD working group is also constituted by various stakeholder groups that are there to ensure that we are able to implement REDD in a

manner that is very comprehensive and achieves the results that are desirable. Then, we have the national REDD secretariat, which is part of the Forestry Commission of Ghana. The national REDD Secretariat is actually the link between the national REDD working group and all these subcommittees that are listed here. We have the policy and our legislation review: SESA<sup>4</sup> sub-working group; the National REDD Consultation, sub-working Group; REDD pilot projects, sub-working group; or the REDD Demonstration, sub-working Group; the MRV and reference emission level sub-working group; and then the M&E<sup>5</sup> sub-working group.

**POLICY ENVIRONMENT**

- The existing national policy and strategy frameworks provide a good basis for implementation of environmental initiatives including REDD+.
- Ghana's current development blueprint, GSGDA, articulates the commitment of government to address climate change as a matter of priority.
- The revised Forest and Wildlife Policy (2012) recognise REDD+ as essential for Ghana's Low Carbon Growth and Sustainable Forest Management Agenda.
- The National Renewable Energy Policy has also been promulgated, aimed at sustainable fuelwood supply and consumption
- Two national policy documents—the National Climate Change Policy (NCCP) and the revised National Environment Policy were launched by the President in mid-2014



Regarding the policy framework, Ghana has adequate or near adequate policies in place. However, lately we have also introduced a few more policies that are actually directly addressing the issue of climate change. Our president launched last year the National Climate Change Policy and it was actually launched formally in mid-2012. All of the other interventions or all the other policies relating to climate change, for instance, renewable energy policy and all those things relates directly to this very policy.

**OTHER REDD+ POLICY ISSUES**

- The frameworks dealing with Strategic Social and Environmental Assessment (SESA), Grievance Redress Mechanisms, Benefit Sharing and Monitoring, Reporting and Verification (MRV) have been developed and implementation initiated within the boundaries of the National REDD+ Strategy
- Grass-root participation in landuse planning and policy making processes is critical for broad stakeholder buy-in

Then, also there are other REDD policy issues that have been weighed in on over the past few years under the readiness process. Some of these components are social and environmental strategic assessments; the grievance redress mechanism; benefit sharing options that have also been presented for stakeholders to consider and negotiate upon to see how it benefits agreement from REDD in future will be distributed. Implementation of all these things, including the MRV, would be implemented within the limitations of the

<sup>4</sup> Strategic Environmental and Social Assessment

<sup>5</sup> Monitoring and Evaluation

REDD strategy. About finalizing it, we have received the final draft from the consultant, and we want stakeholder validation before we can formally approve it.

### LEGAL AND REGULATORY FRAMEWORKS

- Ghana has signed onto several international environmental treaties including CITES, UNFCCC, CBD etc. and has consequently put in place national policies and legislation to meet these commitments.
- It is well acknowledged that the legal regime for REDD+ is inadequate and this deficiency will be addressed as the mechanism evolves over time. Particularly carbon property rights will need to be clearly established.
- Robust legal measures will be needed to ensure accountability with future cash inflows from REDD activities
- In 2015, preliminary studies on financial management arrangements for REDD+ and Alternative Dispute Resolution will be commissioned as a step toward enactment of REDD-related laws in the near future.
- Steps are being taken to strengthen Law enforcement in the land use sector to check illegal logging and mining activities

On the legal and regulatory framework, we believe that we need robust legal measures to ensure accountability with future cash flows from REDD activities. As part of our activities lined up for this year, we are actually going to commission two studies. One has to do with studies on financial management arrangements for REDD+ and then also alternative dispute resolution.

### SOME KEY POINTS

#### ENABLERS

- Strong democratic culture
- Vibrant civil society
- Incentives and sanctions for compliance
- Political will and commitment
- Capacity building
- Sound information/data management (REDD+ Registry etc.)

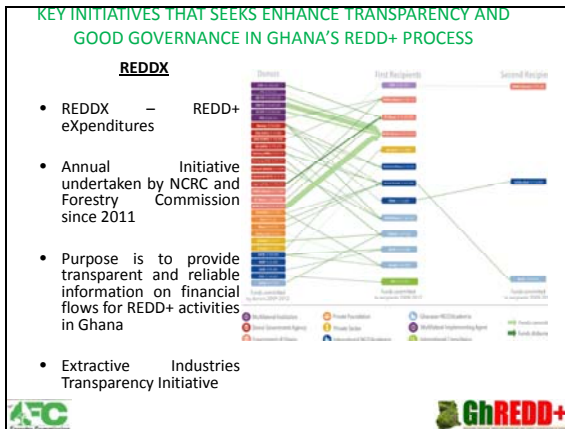
#### BARRIERS

- Resistance to change
- Low levels of awareness
- Civic indifference
- Lack of institutional capacity at different levels
- Absence of third party performance audits
- Poor expectation management

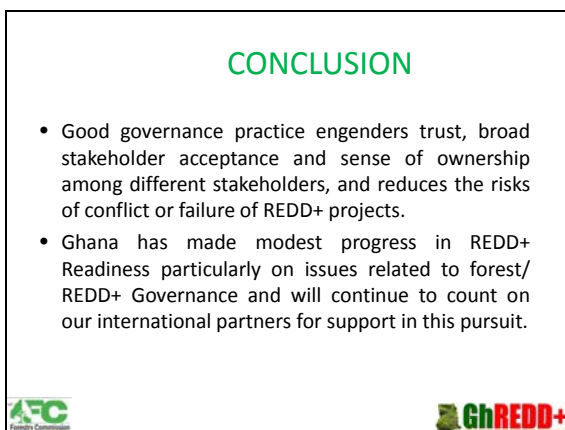
There are a few key points that I want us to look at based on our own experiences. We have looked at the enablers of good governance and then the barriers to good governance. For the enablers, we believe that a very strong democratic culture as we have today is a very good positive enabler, as is a vibrant civil society that we have in Ghana, luckily. Incentives and sanctions for compliance: these are also very important enablers.

Political commitment and capacity building we believe are very key. Then we have sound information or data management. For instance, the REDD registry, which is more like a repository of data on REDD including safeguards as well as actual carbon stocks data and so on and so forth. What are the barriers? Resistance to change: for instance, institutions still stuck in their old ways of doing things. Low levels of awareness, civic indifference, lack of institutional capacity, and also for expectation management.

**5. Key initiatives that seek to enhance transparency and good governance in Ghana**



There are a few other initiatives that are ongoing that we would also want to allude to. There is the REDDX<sup>6</sup> expenditures program which is also meant for tracking inflows of REDD finance into Ghana. Then, there is the extractive industry transparency initiative and annual reports that actually also follow the Ghana's issues in the extractive industry.



Concluding: madam chair, distinguished participants, we believe that good governance engenders trust, broad stakeholder acceptance, and a strong sense of ownership among different stakeholders. This helps to reduce the risk of conflicts or failure of REDD projects. We believe that we have made some modest gains in REDD readiness, particularly on issues relating to forest governance. We3 will continue to count on support of our international collaborators to be able to achieve necessary objectives and then the ends that we all desire so much.

<sup>6</sup> Tracking Forest Finance: <http://reddx.forest-trends.org/>