

# World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF018292  
Printed On: 08/24/2016

Reporting Period: 07/01/2015 to 06/30/2016  
Report Type: Progress Report  
Report Status: Approved

Assignment: TF018292

## Ghana - Third Grant Agreement for Readiness Preparation Proposal - Readiness Fund of FCPF

### FCPFR - FOREST CARBON PARTNERSHIP FACILITY

Task Team Leader: 00000109226 - Martin Fodor  
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Summary Information	
TF Status	ACTV
Recipient Country	Ghana
Executed By	Recipient
Managing Unit	9270 - GEN01
Grant Start Date / End Date	03/28/2015 to 06/30/2018
Original Grant Amount	5,200,000.00
Grant Amount	5,200,000.00
Outstanding Commitments	0.00
Cumulative Disbursements	2,240,000.00 as of 06/30/2016
Disbursed 07/01/2015 to 06/30/2016	2,240,000.00
Donor	TF602001 - MULTIPLE DONORS

This GRM report includes the following sections: Overview, Components, Outcome, Execution, Program(FCPFR), Disbursements.

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## OVERVIEW

### Overall Assessments

#### Grant Objectives:

The Development Objective is to design a socially and environmentally sound national strategy to reduce emissions from deforestation and forest degradation and to develop a reference scenario of emissions from deforestation and degradation that takes into account national circumstances.

#### Overall progress from 07/01/2015 to 06/30/2016 with regard to Achieving Grant Objectives:

##### Comment:

Ghana has made significant progress towards achieving the objectives of the FCPF REDD+ Readiness grant. The country has been a champion of REDD+ and carbon financing in forestry in Africa, along with the Democratic Republic of Congo. With the support of the REDD+ Readiness Grant, Ghana is now moving towards achieving REDD+ Readiness and utilizing innovative financing instruments to protect its forests, including in order to contribute to its achievement of carbon reduction targets set out in the Nationally Determined Contributions (NDC), under the UNFCCC).

Ghana's Emissions Reductions Program (ER-Program) in the cocoa-forest landscape (Ghana's Emission Reductions Program for the Cocoa Forest Mosaic Landscape is in the FCPF Carbon Fund pipeline (following its selection in 2014). The design phase for the ER-Program started, and Ghana submitted a zero draft ER-Program Document to the FCPF in June 2016 (with a slight delay). This activity aligns to the National REDD+ strategy and will serve to pilot interventions in areas where cocoa expansion is one of the main drivers of deforestation.

Ghana's Readiness Package (R-Package) was submitted to the FCPF in June 2016, and Ghana will present it to the FCPF Participants' Committee meeting in late September 2016.

Ghana made satisfactory efforts in addressing issues that were identified as requiring special focus during the Mid Term Review (2014), namely: continue efforts to strengthen the capacity in the REDD+ Secretariat as well as at decentralized levels for REDD+ implementation; continue advancing policy discussion on tree tenure; and document lessons learned from gender mainstreaming in REDD+ and from managing stakeholder expectations regarding the potential gains from REDD+. Policy dialogue on tenure is advancing but the R-Package recognizes that more work is needed towards this.

#### Overall progress from 07/01/2015 to 06/30/2016 with regard to Implementation of Grant Financed Activities:

##### Comment:

The overall progress of the Grant Implementation over the reporting period is significant. The activities experienced delays at the start of the reporting period, partly due to reduced numbers of staff in the National REDD+ Secretariat, as reported after the November 2015 supervision mission; these have been augmented in early 2016 and pace of implementation picked up.

The Forestry Commission (FC) Climate Change Unit / National REDD+ Secretariat (implementing agency for this grant) is working increasingly closely with the Ministry of Lands and Natural Resources (implementing agency for the Forest Investment Program) in implementing Ghana REDD+ agenda. The National REDD+ Secretariat has established an ER-Program drafting team that includes members from both the Forestry Commission and the Ghana Cocoa Board (COCOBOD).

In terms of communication, coordination and outreach, the first National REDD+ Forum was organized in November 2015 and engagements with high level stakeholders were initiated. Private sector engagement has been high, in particular in designing the ER-Program. CCCOBOD has been a key partner in the process.

The SESA has advanced significantly and the National REDD+ Secretariat has updated the SESA report, integrating the WB comments. The Environmental and Social Management Framework (ESMF) and the Resettlement Policy Framework (RPF) are being revised based on WB comments and will be finalized shortly.

Notwithstanding these achievements, some challenges and operational difficulties were faced during the reporting period, particularly with slower than expected implementation progress. In addition, there are challenges managing high and unrealistic expectations amongst some stakeholders of substantial financial inflow to be realized from REDD+ implementation. There is an

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urgent need to demonstrate successful implementation of REDD+ leading to tangible results.

## Grant follow-up and structure

### Description and context of Grant:

Grant Context: The Bank has supported Ghana's REDD+ program (promoting Reduced Emissions from Deforestation and Degradation) since 2008 through a three phase process: (1) readiness preparation being implemented through the FCPF Readiness Fund (providing financing for the Formulation and Preparation stages); (2) investment being prepared through the Forest Investment Program (FIP) and the related Dedicated Grant Mechanism for Local Communities (DGM); and (3) potentially a performance-based payment program being identified through the FCPF Carbon Fund. These phases integrally reinforce each other: national policies and strategies developed with FCPF readiness support and investments under FIP can help to lay the groundwork for later emissions reductions and ultimately facilitate performance based natural resource finance for Ghana.

Ghana REDD+ Readiness program is a key feature of the Government response to climate change and contributes to its efforts to access and apply global climate finance to development challenges (with support of the Bank and other partners). It is also one of the key pillars of Ghana Intended Nationally Determined Contributions (INDCs) to UNFCCC obligations. Ghana is one of just a few countries globally that has been able to access REDD+ financing at all three phases and is considered a REDD+ champion in Africa. With the available financial resources, Ghana can therefore take the necessary steps towards the attainment of the goals and objectives of REDD+ and thereby contribute to national development as well as global efforts aimed at mitigating climate change.

### Grant Description

Ghana presented a request for additional funding for assessment by the FCPF Participants Committee at its 17th meeting held in July, 2014 in Lima, Peru. At this meeting, the PC allocated funding to Ghana up to an additional US\$5 million to continue with its preparation for Readiness. Additionally, Ghana is receiving \$200,000 from the FCPF to strengthen national feedback and grievance redress mechanisms.

The activities under this Additional Financing grant aim at finalizing the Readiness Package (R-Package). Activities after completion of the R-Package will focus on support to National REDD+ Readiness management arrangements; operationalization of the MRV system; and testing of National REDD+ readiness arrangements through ongoing projects.

The grant-financed activities are organized into three Components:

Component 1: Support to National REDD+ Readiness Management Arrangements provides support to the National REDD+ Readiness Management Arrangements with the aim of creating a robust system for managing and coordinating Ghana REDD+ readiness process

Component 2: Establishment of a Measurement, Reporting and Verification (MRV) System provides support for addressing gaps in establishment and operationalization of Ghana MRV system and establishing a REDD+ Registry and associated Information System for Multiple Benefits and a Safeguards Information System.

Component 3. Project Preparation Support for Emission Reduction Program and Testing of REDD+ Readiness Arrangements through Ongoing Pilots aims to enable Ghana to develop and complete an Emissions Reduction Program Document (ER-PD) and finalize and test benefit sharing mechanism/s.

**Expected follow up (if any):** Follow up Bank project/loan/credit/grant

### Comment on follow up:

Ghana Emission Reductions Program (ER-Program) - Cocoa Forest Mosaic Landscape (Cocoa Forest REDD+ Program) - was selected into the pipeline of the FCPF Carbon Fund. This ER Program focuses on sustainable cocoa production, given that cocoa expansion is a key driver of deforestation in Central part of Ghana # the target area of ER-Program. The ER-Program Document was submitted to the FCPF and it will undergo due diligence by the FCPF. If Ghana is successfully selected to sign an Emission Reduction Payment Agreement and delivers the anticipated volume of ERs, Ghana could potentially receive up to US\$50 million

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(estimated) in performance-based payments from FCPF Carbon Fund, through a World Bank administered carbon project.

End Date of Last Site Visit:

Restructuring of Grant:  
None.

## OUTCOME

### Comments on outcome achieved from 07/01/2015 to 06/30/2016

#### Grant Outcome Indicators

Grant outcome indicators are listed below.

##### Ghana will be REDD+ Ready (based on the assessment criteria of the Readiness package)

Baseline No

Value:

Date: 02/23/2015

Progress to No (partial progress)

Date:

Date: 06/30/2016

Target Value: Yes

Date: 12/31/2017

##### ER Program will be designed for the Cocoa Forest Landscape to pilot the REDD+ Strategy and other elements

Baseline No

Value:

Date: 02/23/2015

Progress to No (partial progress)

Date:

Date: 06/30/2016

Target Value: Yes

Date: 12/31/2017

## COMPONENTS

### Output and Implementation by Component

#### Component 1. Support to National REDD+ Readiness Management Arrangements

Status: Under Implementation

Planned Output: Functional REDD+ Secretariat and REDD+ Technical Working Group; outreach events conducted

Actual Output: As planned

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## Component 2. Establishment of a Measurement, Reporting and Verification System

**Status:** Under Implementation  
**Planned Output:** Development of the MRV system; development of the REDD+ registry and Safeguards Information System  
**Actual Output:** Moderately delayed vis a vis planned schedule

## Component 3: Project Preparation Support for Emission Reduction Program and Testing of REDD+ Readiness Arrangements through Ongoing

**Status:** Under Implementation  
**Planned Output:** Draft ERP prepared for consideration by Carbon Fund in early 2017  
**Actual Output:** As planned

## Comment on planned and actual Output

The teams agreed to prioritize implementation of activities under Component 3, which supports preparation of the ER-Program and start activities under other components on a delayed schedule. Preparation of the ER Program (and of the Readiness Package) has been slightly delayed against the original timeline but not in a way that significantly jeopardizes timely delivery.

## Comment on component implementation progress

The components used here are those identified in the Project Paper for the additional grant in the amount of USD5.2 million for REDD+ readiness preparation support..

### Component 1.

Substantial efforts have been invested in developing national institutional infrastructure and management arrangements needed for the implementation of a multi-faceted mechanism such as REDD+. The entities involved in steering the REDD+ process (National REDD+ Secretariat and National REDD+ Working Group (NRWG) have been working closely with key actors in defining national REDD+ policy, as well as coordinating and managing implementation in an effective manner. Under the NRWG, 7 Sub-Working Groups (SWGs) have been established to work on more detailed aspects of readiness. The Sub-working groups are advisory bodies, feeding recommendations upwards to the NRWG and ensuring quality assurance on the development of key outputs from the readiness process, by working alongside consultants or other service providers. The First National REDD+ Forum was organized in November 2015. A high-level REDD+ Ambassadors' event took place in November 2015. A highly engaging REDD+ Eye campaign, targeting youth specifically, was organized by the National REDD+ Secretariat in late 2015. A sub-website on REDD+ under the FC official website has been developed and is functioning. The website ([www.fcghana.org/nrs](http://www.fcghana.org/nrs)) is dedicated to REDD+ and related issues to facilitate access to information about the NRS and the REDD+ process in Ghana.

### Component 2.

Progress had been made in the design of the MRV system but it is yet to be tested. Procurement of the consultancy for development of the REDD+ registry was delayed but has now been completed and work is underway.

Design of the SIS is ongoing - a consulting firm has been engaged to design and develop Ghana's SIS. Furthermore, the Dutch NGO, SNV with funding from the German International Climate Initiative and with technical support from Climate Law and Policy, is assisting with work on the development of Country-led Safeguards Approach (CSA), which meets both international and national commitments to address and respect safeguards. In addition, the project will support south-south learning (between Ghana, Vietnam and Peru), facilitate the establishment of a SIS as well as sub-national low emission development plans. Participatory carbon monitoring will also be supported. The NRS is working closely with SNV to avoid duplication of efforts in this important piece of work.

### Component 3.

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Ghana has successfully prepared and submitted to the FCPF Carbon Fund a first draft ER-PD, that will be further refined during the due diligence process and finalized in late 2016 / early 2017. All preparatory studies / analytical work feeding into the ER-Program design have been procured and are under implementation / completed. Testing of REDD+ readiness arrangements will start later.

## EXECUTION

### Bank project related to the grant

Project ID / Name:	P124060 - Ghana-FCPF REDD READINESS
Project Status:	Lending
Global Focal Area:	Climate change
Product Line:	CN - Carbon Offset

### Implementing agency and contact details

Agency:	Forestry Commission		
Contact:	Mr. Yaw Kwakye, Manager, Climate Change Unit		
Address:	P. O. Box MB 434 Accra-Ghana		
Phone:	+234-09-5233611	Email:	beemayaw@gmail.com
Website:	<a href="http://www.fcghana.org/">http://www.fcghana.org/</a>		

## PROGRAM

### Program Specific Questions

**1. Describe progress in how the Grant activities are being coordinated with other REDD+-related initiatives, including those funded by Describe progress in how the Grant activities are being coordinated with other REDD+-related initiatives, including those f**

The Forestry Commission Climate Change Unit (implementing agency for this grant) is working closely with the Ministry of Lands and Natural Resources (implementing agency for the Forest Investment Program) in implementing Ghana REDD+ agenda.

FCPF grant funded activities are coordinated with and complemented by other REDD+ Readiness elements support from different donors, including: Gordon and Betty Moore Foundation for stakeholder consultations; Swiss State Secretariat of Economic Affairs (SECO) support for analytical studies on REDD+ piloting in Ghana under the Reducing Deforestation and forest Degradation and Enhancing Environmental Services in Tropical Forests (REDDES) project; GIZ Supporting Ghana in Forest Monitoring based on German Remote Sensing Technology; Gordon and Betty Moore Foundation for Biomass map; UN-REDD programme (to promote synergy between the REDD+ and VPA/ FLEGT in Ghana); IUCN Global Gender Office (for setting up the Gender sub-working group); and SNV support on safeguards.

In addition, several of the CSOs are engaged in various initiatives which are complementary to REDD+ and thereby are continually offering useful lessons and insights to guide and strengthen the REDD+ readiness process.

**2. Describe any important changes in the technical design or approach related to the Grant activities.**

None

**3. Describe progress in addressing key capacity issues (implementation, technical, financial management, procurement) related to this Grant.**

The National REDD+ Secretariat effectively addressed the situation noted by the November 2015 mission when staffing numbers at the NRS reduced while the workload increased as the NRS lost three professional staff (though one will return from a study leave in October 2016). The previous mission had discussed the NRS plans for beefing up their team to be able to handle all the

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planned activities. NRS has since hired one GIS Specialist, one Knowledge Management/ Communications Specialist and an internal FC staff member to take over the M&E/budgeting/ administrative functions. NRS decided not to hire a Safeguards Specialist to replace staff that is currently on study leave because the SAL Consult, which has been working with the NRS on the REDD Program, is providing support. The NRS thus rebuilt its core capacity to fulfill its functions and it is expected that the safeguards specialist will return from study leave to the NRS by end of 2016.

#### 4. Describe progress in addressing social and environmental issues (including safeguards) related to the Grant. Is the SESA conducted in accordance with the Common Approach?

The SESA was completed in 2014 under the first REDD+ Readiness grant. It was prepared using a consultative approach and following the latest UNFCCC and FCPF PC guidance. The ESMF and the RPF are being revised to incorporate WB feedback.

#### 5. Is the ESMF prepared in accordance with the Common Approach?

Yes.

#### 6. Describe progress in stakeholder consultation, participation, disclosure of information, and the FGRM related to this Grant.

Stakeholder consultations are ongoing through the Ghana National REDD Working Group and various technical sub-groups. In addition, specific consultations on the ER-Program design are ongoing, including with private sector. A National REDD Road show was organized, with plans to continue such high profile promotion and consultation activities. The Redd Eye campaign was a success. Development of an appropriate FGRM, initially for the ER-Program area, is ongoing.

## DISBURSEMENTS

### Disbursements Summary in USD

Date From	Date To	Planned Cumulative	Planned Period	Actual Cumulative	Actual Period
01/01/2015	06/30/2015	0.00	0.00	0.00	0.00
07/01/2015	12/31/2015	0.00	0.00	740,000.00	740,000.00
01/01/2016	06/30/2016	0.00	0.00	2,240,000.00	1,500,000.00
07/01/2016	12/31/2016	0.00	0.00	0.00	0.00
01/01/2017	06/30/2017	0.00	0.00	0.00	0.00
07/01/2017	12/31/2017	0.00	0.00	0.00	0.00
01/01/2018	06/30/2018	0.00	0.00	0.00	0.00