

PRESENTATION ON THE FUND FLOW MECHANISM & INCLUSION OF LOCAL COMMUNITIES





Summary of Key Features of Final BSP

Emission Reductions Payment Agreement (ERPA) signed in 2019

Carbon Fund will purchase

10m t/CO₂e

at **US\$5/ton**

Last payment

will be in 2025

Term of ERPA is

6 years

(2019-2025)

Final BSP one of

ERPA conditions of effectiveness

PURPOSE OF GHANA'S BSP

1

The BSP elaborates an equitable benefit sharing mechanism that is intended to effectively distribute carbon and non-carbon benefits

2

It describes the various beneficiaries, their eligibility, roles and responsibilities while specifying the scale and modalities for distribution.

3

It describes the type of benefits to be transferred to the beneficiaries, the timing of the distribution, and the conditions (roles and responsibilities) to be satisfied for the payment of the benefits, and the appropriate indicators for monitoring, measuring and verifying compliance with modalities for distributing benefits to beneficiaries.

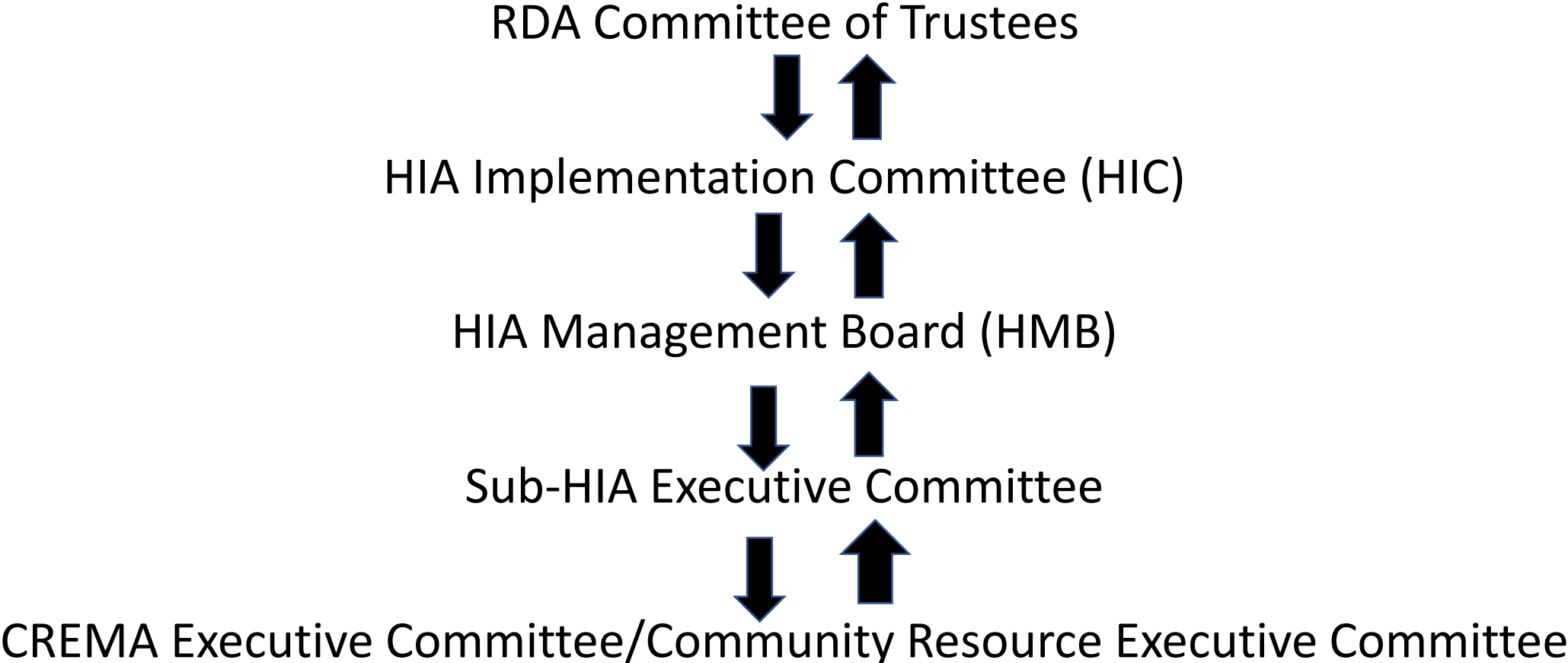


THE BSP REWARDS THE EFFORTS OF LOCAL COMMUNITIES/FARMERS

- Adoption of climate-smart cocoa farming practices including planting and management of shade trees on farms and farm lands
- Avoid encroachment into forested areas for farming activities or illegal logging or illegal mining
- Compliance with HIA landscape by-laws and management plan.
- Nurturing/Tending trees



GOVERNANCE STRUCTURE FOR FUND FLOW MECHANISM



Committee/Board	Membership	Responsibility
RDA Steering Committee	7-member Committee (MoF, National House of Chiefs Rep., Stool Lands Rep, World Cocoa Foundation, Private Sector Partners, 2 CSOs	Oversee the monitoring and implementation of the Final BSP; and manage the disbursement of the performance-based benefits
HIA Implementation Committee	8 member committee (Cocobod, FC, 3 HMB members, 2 CSOs/NGOs	<ul style="list-style-type: none"> • Coordinate and implement the disbursement of non-monetary benefits from the carbon payments received from the RDA: • Oversee associated monitoring and reporting of benefit-sharing activities in the HIA; and • Manage the procurement process
HIA Management Board	At least two male and female representatives from each Sub-HIA Executive Committee (SHEC)	Represent and manage interests of HIA stakeholders in benefit-sharing arrangements and support benefit sharing monitoring activities

Committee/Board	Membership	Responsibility
Sub-HIA Executive Committee	Selected representatives of the CECs or CRMCs in that Sub-HIA.	Consult and present the views of the CREMAs and Communities in the Sub-HIAs on matters affecting the use of the carbon payments, and support for the monitoring of HIA stakeholder indicators
CREMA Executive Committee	CRMC reps, Farmer groups, Traditional Authority reps, Reps. from different religious groups, Different ethnic groups (decision-making rights); and other stakeholders including NGOs, MMDA reps (non-voting)	Consult and present the views of the local communities and other stakeholders in the CREMA/Community on matters related to benefit-sharing, and provide support for the monitoring of HIA stakeholder indicators.

**World Bank
Carbon Fund**

Ministry of Finance
REDD+ Dedicated Account

**4% Fixed Costs
to PMU**

**69% HIA
Account**

27% Government

**3% into buffer for eventual
disbursement**

**Financial Operational
Costs = 6%**
PMU Costs = 94%
(Net)

Farmer Groups = 58%
Traditional Authorities = 3%
HIA Communities = 39%
(Net)

FC = 85%
Cocobod = 7.5%
MMDAs = 7.5%
(Net)

USD 50,000,000

4% fixed to PMU= USD 2,000,000

69% HIA account= USD 34,500,000

27% Government= USD 13,500,000

**6% financial operational cost
= USD 120,000**

**94% PMU cost
= USD 1,880,000**

**58% Farmer groups
= USD 20,010,000**

**3% Traditional Authorities
= USD 1,035,000**

**39% HIA communities
= USD 13,455,000**

85% FC= USD 11,475,000

7.5% Cocobod= USD 1,012,500

7.5% MMDA= USD 1,012,500

Summary of Key Features of Final BSP



Formula for determining how much ER payments each GCFRP Beneficiary will get

Beneficiary Performance Indicators

Social Performance Indicators

Social Performance Indicators	Data/Masurement Proxy	Weight
Registration of farmers/farmer groups	No. of farmers registered per HIA/Sub-HIA	0.5
Launching of HIA Consortium	Documentation of launch	0.5
Letter of Agreement/MoU to establish HIA governance structure	Letter/MOU	0.5
Development of management plan	Management Plan document	1
Verified participation of Traditional Authorities in development of management plan	Signature from TAs in MP	1
Establishment of HIA governance structure	Sub-HIA and HIA Constitutions and then	1.5
Adoption of CSC practices by farmer group & Implementation of management plan	By-laws HIA annual report	1.5
Total		8

Emission Reduction

Emission reduction indicators	Weight
Increased deforestation in HIA	0.5
No net change in deforestation	1
Reduced deforestation	1.5

TYPES OF BENEFITS TO HIAs

CHOOSE COMMUNITY BENEFITS



COMMUNITY BENEFITS



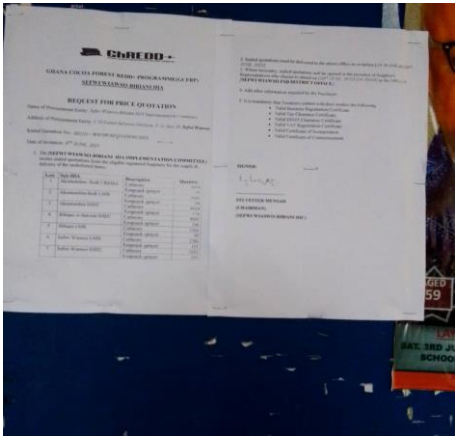
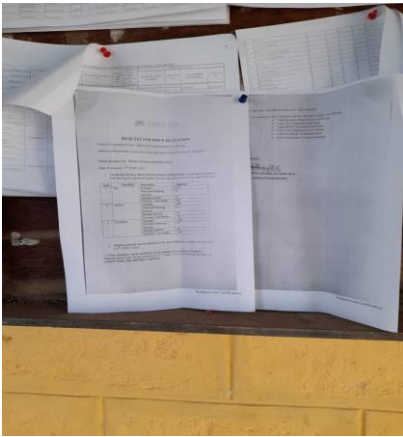
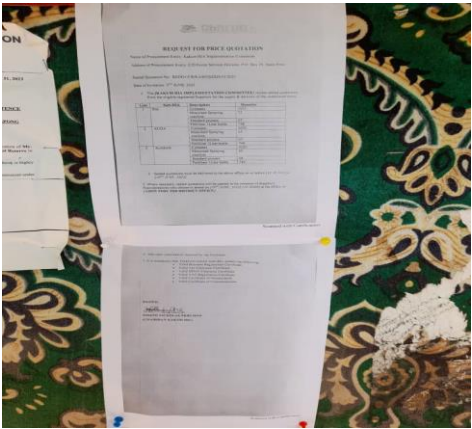
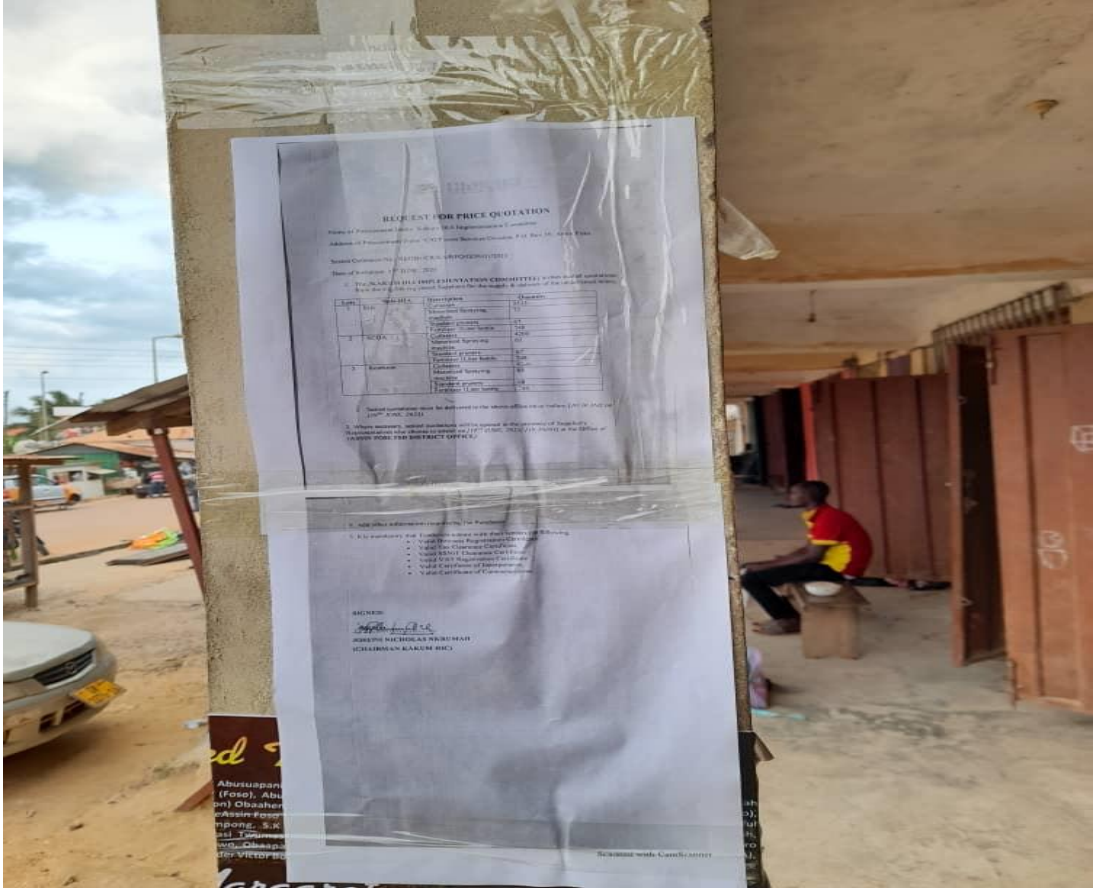
FARMER GROUP BENEFITS

FIRST PROCUREMENT AND DISTRIBUTION OF FARMER BENEFITS UNDER GCFRP

Farm inputs procured and distributed to farmers include the following:

- Knapsack sprayers,
- Wellington boots,
- Cutlasses,
- Mist blowers,
- Standard pruners,
- Fertilizer 1Liter bottles,
- Motorized spraying machines
- Tree seedlings

Request for Quotations by HIAs



HIA	DATE OF ADVERT (RFQ)
KAKUM	5 TH JUNE 2023
SEFWI WIAWSO	6 TH JUNE 2023
JUABESO	7 TH JUNE 2023
ASUTIFI ASUNAFO	8 TH JUNE 2023
AHAFO ANO	9 TH JUNE 2023

Tender Opening

Composition

- HIC members
- Firms/Representatives



	TENDER OPENING DATE
KAKUM	19 TH JUNE 2023
SEFWI WIAWSO	20 TH JUNE 2023
JUABESO	21 ST JUNE 2023
ASUTIFI ASUNAFO	22 ND JUNE 2023
AHAFO ANO	23 RD JUNE 2023

Tender Evaluation

Composition

- HIC members
- NRS (observation)

HIA	TENDER EVALUATION DATE
KAKUM	3 RD JULY 2023
SEFWI WIAWSO	4 TH JULY 2023
JUABESO	5 TH JULY 2023
ASUTIFI ASUNAFO	6 TH JULY 2023
AHAFO ANO	7 TH JULY 2023



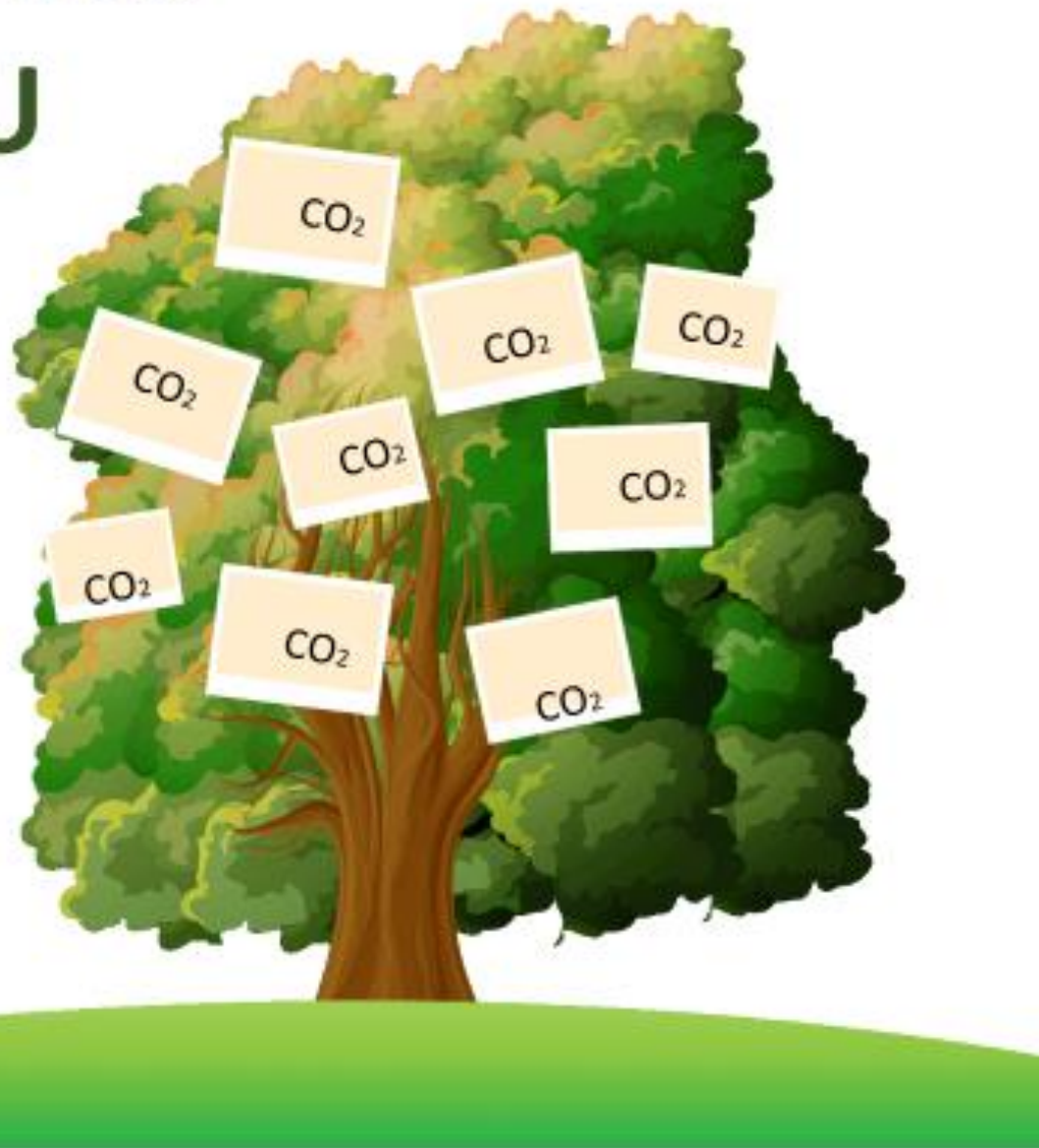




LESSONS

- Robust BSP and clear Fund Flow Mechanism provides effective guidance on REDD+ benefit implementation/distribution
- Continuous and sustained consultations, awareness creation and capacity building are key towards mass uptake and expectation management as well as reducing potential grievances.
- Local communities/ farmers are motivated in taking up tree planting/nurturing seriously by seeing efforts rewarded
- Carbon payment/benefits are hinged on performance which takes into consideration social and environmental indicators

**THANK
YOU**



**GHANA REDD+
IT WORKS!!!**