# 10 Kpayarquelleh citizens benefit from forest revenues, build health clinic

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## KEY MESSAGES

- This case study shows that when communities receive all the benefits owed to them from logging and are able to make informed decisions about how best to use these funds they can effectively execute development projects.
- In this example, an underutilized clinic has been brought back into use. This has reduced the risk of child and maternal mortality, thereby contributing to a key aspect of the national development agenda.
- With lack of government support and dwindling income from logging, however, the challenge now is to find the funds to maintain the clinic.

## *INTRODUCTION*

This is the first of two case studies showing what communities are able to achieve with sufficient funding. It focuses on Kpayarquelleh community, in Salayea District, Lofa County, and the benefits derived from its Social Agreement with the logging company Alpha Logging in Forest Management Contract (FMC) A. This case study shows that when communities receive the benefits owed to them from logging and are able to make informed consensus decisions about how best to use the funds they can effectively execute development projects. Ten towns comprising the affected communities of the part of FMC A that lies in Lofa County agreed to run a medical clinic with medical staff, a dispensary and a delivery unit. The annual running costs are about US$ 12,000.

The clinic has reduced the risk of child and maternal mortality, thereby contributing to a key aspect of the national development agenda. With lack of government support and dwindling income from logging, the challenge now is to find the funds to maintain the clinic. Research for this case study was conducted in September 2021.

***The new Maternity Annex to Kpayarquelleh community clinic***

## *METHODOLOGY*

The Sustainable Development Institute (SDI) gathered information for this case study from respondents within the Kpayarquelleh community. A total of 18 community members, five women and 13 men, were selected based on their knowledge and participation in activities related to the management and services provided by the clinic. 12 of these (ten men and two women) participated in one of three focus group discussions: (1) clinic staff; (2) community members (local authorities, women's group representatives, elders, key opinion leaders); or (3) Community Forestry Development Committee (CFDC) members. In addition, six key informant interviews (three with men and three with women) were conducted with key opinion leaders, women's group representatives and elders.

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The last of these was with the CFDC Community Communication and Public Relations Officer.[1] He also helped with initial identification of respondents, supported the researcher during the discussions and interviews, and filled information gaps identified during the compilation and data analysis.

### LEGAL CONTEXT

Liberia has two of the most progressive forestry laws in sub-Sahara Africa. The 2006 National Forestry Reform Law and the 2009 Community Rights Law provide clear provisions for communities to participate in the governance of sustainable forest management and to directly benefit from the logging revenues generated. Communities affected by FMCs receive two streams of revenues including 30 % Land Rental Fees[2] and a minimum of one dollar per cubic meter of logs harvested annually.[3]

## *THE CLINIC PROJECT*

Each community affected by logging is expected to undertake 'projects' to improve community infrastructure. Ten towns are represented in the CFDC for Lofa County in FMC A (in addition to another CFDC for the portion of the concession in Gbarpolu). The CFDC should be receiving US$ 47,420.77[4] every year as its share of Land Rental Fees. There are several projects these towns have implemented in the period 2014 to 2019 and most decisions have been made through participatory processes during series of mass meetings. Logging funds have been used to pay volunteer teachers, build a multi-purpose CFDC Resource Center, construct a midwifery section beside the clinic containing two rooms and a bathroom equipped for providing delivery services, pay salaries to clinical staff and establish a revolving fund for drugs at the clinic. Community members are charged fees for their drugs, thus helping the clinic to purchase replacement drug stocks.

### RELEVANCE OF THE PROJECT

The communities saw the need to invest more in the clinic in 2018, which had not been used since its construction in 2014. The Ministry of Health had not authorized its use because the building lacked an incinerator, other waste facilities and furniture, and there was no plan for drugs supply. It had been built with EU funds, but did not factor in support beyond the one-off construction. The clinic also lacked a maternity section.

Kpayarquelleh is centrally located in the district allowing for residents, including pregnant women, from adjoining communities to easily access its basic health services. Community residents expressed relief when the clinic became operational, as it reduced the risk of traveling long distances to access healthcare services, specifically for pregnant women. The investment in the clinic and the construction of a midwifery annex has reduced the risk of maternal mortality, thereby also contributing to the country's development. It has also provided jobs as additionally, some community members who have benefitted from educational scholarships are now working at the clinic.

### MANAGEMENT OF THE CLINIC

A Project Management Committee (PMC), appointed by the CFDC, oversaw the construction activities of the clinic. In addition, there are currently two other committees that have been set up.[5] First, the Community Health Committee (CHC) which is responsible to monitor the day-to-day activities of the clinic, for example, to check the drugs to see which ones are finishing, how much the clinical staff are getting from the drugs revolving funds, to review requests for new supplies and to review these supplies before they are placed in the storeroom. The committee is made of seven people; one from each of the catchment communities. The other committee is the Community Health Development Committee, made up of 14 people; two from each catchment community. This committee is mostly focused on construction activities, for example the fencing of the clinic. The fence construction and maintenance sections are divided per community and this committee ensures the communities keep the fence tight. This committee is also responsible for the agricultural activities undertaken by the communities for the support of the clinic.

Additionally, one CFDC member is assigned to the clinic, to regularly review all the clinical staff records and reports and provides updates to the CFDC during their regular meetings. He/she approves requests from the clinical staff after they have been reviewed by the CHC. The daily operations of the clinic are carried out by a nine-person clinical team headed by a Physician Assistant who is the Officer-in-Charge and is assisted by a Screener who is a Registered Midwife. Another Registered Midwife is in charge of the Midwifery Section at the clinic. Then there is a Dispenser, Vaccinator, Registrar, Cleaner, Security Guard and a volunteer.

### EFFECTIVENESS

The clinic provides outpatient services and performs delivery services for pregnant women. Due to its central location in Kpayarquelleh, the adjoining community members can easily access healthcare services and reduce the travel cost they would have incurred if they accessed health facilities elsewhere. One male respondent stated that "we used to catch hard time carrying pregnant women in pain to the nearest health center which is far from here and sometimes no car during emergencies".

### COST OF RUNNING THE CLINIC

The costs incurred by the clinic over a three-and-a-half period were compiled from respondents' information and are presented in the table below. Income initially came from a US$ 45,000 payment from Land Rental Fees, a fund managed by the National Benefit Sharing Trust Board (NBSTB), to cover construction, equipment, and running costs (staff and the revolving drugs fund) for two years, June 2018 to May 2020.

*Costs and income sources for Kpayarquelleh Clinic, 2018 to 2021*

| Description | Unit cost | Units | Total cost | Comments |
|---|---|---|---|---|
| *June 2018 to May 2020* | | | | |
| Construction | US$ 13,280 | 1 | US$ 13,280 | One off payment on capital assets |
| Salaries for nine clinical staff (total monthly cost is US$ 905) | US$ 905 | 24 months | US$ 21,720 | For two years |
| Medical equipment | US$ 6,667 | 1 | US$ 6,667 | One off payment |
| Revolving fund starting capital | L$ 500,000 | 1 | US$ 3,333 | Drug fund (June 2018 exchange rate L$ 150:US$ 1) |
| **Sub-total** | | | **US$ 45,000** | **First Land Rental payment** |
| *June 2020 to May 2021* | | | | |
| Salaries for nine clinical staff (total monthly cost is US$ 750) | US$ 750 | 12 months | US$ 9,000 | For one year |
| Revolving fund replenishment | L$ 400,000 | 1 | US$ 2,000 | Replenishment of drug fund (June 2020 exchange rate L$ 200:US$ 1) |
| **Sub-total** | | | **US$ 11,000** | **Second Land Rental payment** |
| *May to December 2021* | | | | |
| Staff reduced to five (total monthly costs is US$ 750) | US$ 750 | 8 months | US$ 6,000 | Salaries expended by the CFDC (May to December 2021) |
| Revolving fund replenishment | L$ 200,000 | 1 | US$ 1,176 | Replenishment of drug fund (May 2021 exchange rate L$ 170:US$ 1) |
| **Sub-total** | | | **US$ 7,176** | **Cubic Meter Fees** |

Prior to commencing operations, an assessment by the County Health Team recommended that the government 'recognize' the clinic.[6] Subsequent discussions led the community to understand that the Ministry of Health would take over the clinic, including its running costs, from mid-2020. At the time of the SDI visit to the community in September 2021 there was no indication that the government had taken over the management of the clinic, and the community could not show SDI any written agreement wherein the government committed to take over the clinic after the initial two years of operations.

The lack of support from the government led the community, in 2020, to request a further payment from the NBSTB, and it received US$ 11,000. This covered costs for one year, provided the clinic reduced the staff from nine to five people. Following this, from mid-2021, the community only had income from Cubic Meter Fees, an unpredictable source of funds.

By 30 April 2021, the CFDC had spent US$ 63,176 on building and running the clinic, in the expectation that Ministry of health support for the clinic running costs, and/or regular income from logging would enable the clinic to function sustainably.

However, the reality is that communities are not receiving all the funds owed to them from logging funds and central government has not indicated a preparedness to pay for the operations of the clinic. Alpha Logging and/or the government are not paying the US$47,421 annual Land Rental Fees regularly. With less money coming to the communities from logging activities, new funds have had to be found, otherwise the clinic will shut down, with dire consequences for community health.

Thus, residents of Kpeteyea, one of the communities neighboring Kpayarquelleh, have started an oil palm farm to generate funds to support the clinic. They are concerned that the logging funds are not coming as expected. This concern chips away at the expectation that, as FMCs are engaged in sustainable logging, the logging income should be sustainable.

Following the example of Kpeteyea, other communities benefiting from the clinic services have now also expressed willingness to participate in the farming to support the clinic. It is hoped that these initiatives can supplement the logging funds and keep the clinic open and functioning.

## EFFICIENCY

Travelling long distances to access healthcare is no longer necessary, and the whole concept of a revolving fund contributes to efficiency, as it means the drugs are then in the storeroom when people need them.

Though community members are happy with the current management of the clinic as compared to others managed by the government in the Salayea District, some community members expressed concern that regular reports of the management of the clinic have not been shared with them. During the interview with the clinical staff they asserted that they compile and submit monthly reports to the CFDC but the CFDC has been unable to provide regular reports to the communities on the operations of the clinic although it is required to do so as fulfillment of its statutory mandate of managing the project on behalf of the community. Community members have, however, not yet spoken out about this as they are still satisfied with the services provided by the clinic.

This case study documents these concerns and, it is hoped, may raise awareness among community members so they can hold the CFDC to account and ensure that the CFDC reports back to them. The concerned community members expressed their willingness to increase their involvement in the management of the clinic to contribute to its sustainability if regular updates are provided on the running of the clinic.

## SUSTAINABILITY

Land Rental Fee income should be a fixed, predictable income every year (over US$ 47,000 in this case), but it is normally intended for new infrastructure. Alongside this, the Cubic Meter Fee is a variable, quarterly income, and might be more suitable for running costs. Together, the CFDC can decide how to use these amounts for the recurrent costs of maintaining the functionality of its capital investments, including clinic, school, and resource center. Currently neither of the two payments are reliable enough to enable the CFDC to make the best use of each of them.

Community members fear that the clinic will shut down in less than five years if sufficient income is not found and/or if the government does not provide financial support. Communities are therefore exploring options to sustain the clinic irrespective of government support. One such demonstration of commitment from community members that became evident during the field assessment was the establishment of a community farm to generate funds to pay staff and sustain drug supply at the clinic.

The oil palm farm, on a one-acre plot of land, will require substantial inputs such as seedlings, labor and management support to contribute to generating funds for the clinic. The respondents were unanimous in their opinion that if the communities are successful with their agriculture initiative to support the clinic, the government should keep its side of its commitment by paying the clinical staff so that funds generated from the farming can be used to increase the supply of drugs and hopefully improve service delivery including laboratory services, a current critical need.

## *EMERGING BEST PRACTICE, LESSONS LEARNT AND RECOMMENDATIONS*

This case study identifies best practice that other communities may wish to follow. Running a clinic has not been easy and staff numbers and the drugs budget have been downsized. There are also lessons to be learned from the assumption that the government will take over a community managed project, and some recommendations on what should be done differently.

⇐ ***Kpayarquelleh main clinic building***

## BEST PRACTICE

1. **Project selection:** Ensure projects benefit the communities. The decisions on what projects to invest forest income in – including the clinic – were made by representatives of all ten towns through an inclusive deliberative process.
2. **Project monitoring:** Set up a PMC with a clear responsibility to report to the CFDC. The monitoring by the PMC has greatly contributed to sustaining supply and replenishment of drugs at the clinic.
3. **Establishing a revolving fund:** At the start of the clinic operation the communities agreed to purchase drugs through a revolving scheme, which slowed the decline in funds available for drugs.
4. **Explore, identify and adopt sustainability options:** Work with the affected communities to explore and harness options to allow continuous generation of funds to maintain the project.

## LESSONS LEARNT

- Uncertainties occur when communities depend on the government to take over projects. Initiating self-help alternatives, like crop farming may be important to provide more reliable income support.
- A clearly developed sustainable finance plan should be part of the design of any community project. The CFDC planned carefully for two years, and even managed to cover the running costs for a further one and a half years, but these plans were based on assumptions that turned out to be overly optimistic.

## RECOMMENDATIONS

- Partnership discussions held with a government agency to take on any future role in the management of a community project should culminate in a written published agreement. This, along with the assessment report, could for example be hosted on Loggingoff.info website, and be used as evidence for advocacy and further engagement with the government, as well as highlighting a community's successful use of forest income.
- A clearly developed contingency plan should be included in the design of any community project and should be ready to implement as soon as the project starts. This could reduce e.g. the risk that the government will fail to assume certain responsibilities as the project unfolds.

## FOOTNOTES

[1] Andrew Zelemen, who also represents the NUCFDC in the project that supported this case study.

[2] NFRL 2006 Section 14.2 e (ii) and Reg 106 Section 31 stipulate that 30% of Land Rental Fees should be redistributed to the affected communities.

[3] NFRL 2006 Regulation 105-07 Section 34 states that at least US$ 1 per cubic meter harvested must be provided to the affected communities.

[4] This is the annual amount for the communities of FMC A – Lofa from Land Rental Fees (not including Bid Premium arrears), after deducting 5% for the operating costs of the National Benefit Sharing Trust Board (who supervise the redistribution of Land Rental Fees) and 10% for the operating costs of the CFDC.

[5] The clinic serves a population of about 1,863: 429 women, 1,117 men and 317 infants under five.

[6] Assessment report is available from SDI.