



GHANA

Mapping REDD+ Finance Flows 2009–2014

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Acknowledgements

This is the fifth year that Ghana has engaged in REDDX and this report is its fourth REDD+ Expenditures Tracking (REDDX) report. Its successful completion reflects the high level of participation and committed engagement from all REDD+ stakeholders in Ghana. REDDX in Ghana is a joint initiative of The Forestry Commission of Ghana (FC) and the Nature Conservation Research Centre (NCRC). This year, more than thirty institutions participated in the exercise by providing information, responding to questions, and validating the results. We are exceedingly grateful to all of these stakeholders for their continued participation and transparency in sharing funding information. In addition, the team would like to thank Yaw Kwakye, the Head of the National REDD+ Secretariat (NRS) and the FC's Climate Change Unit, for his leadership and guidance. We are also grateful to the entire NRS for organizing and hosting the 2015 National REDDX Validation Meeting. We acknowledge John Mason and Charles Bandari of NCRC for their oversight and support. Finally, the team wishes to thank Forest Trends, including its President, Michael Jenkins, as well as Kerstin Canby, Gustavo Silva-Chávez, Brian Schaap, and Jessica Breitfeller for providing the global leadership and management of this initiative.

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Implementing Organizations

The Forestry Commission of Ghana (FC) is responsible for regulating and coordinating policies related to the utilization, conservation, and sustainable management of Ghana's forest and wildlife resources. It aims to be a corporate body of excellence, meeting both national and global standards for forest and wildlife resource conservation and development. The FC's Climate Change Unit (CCU) serves as Ghana's National REDD+ Secretariat (NRS) and is an implementing partner to the REDDX initiative.

Nature Conservation Research Centre (NCRC) was founded in 1996 and is based in Accra, Ghana. It's core philosophy is that conservation in Africa is best pursued in settings where there are economic and cultural incentives to support its implementation. Since 2008, NCRC has sought to position itself at the forefront of climate change issues, and is now a continental leader on REDD+ and Climate Smart Agriculture. NCRC's role has focused on informing REDD+ policy and MRV, building technical capacity, engaging the private sector, and screening, catalyzing, funding and providing early encouragement and guidance to the 1st generation of REDD+ projects and programmes in West Africa, and increasingly in the East and the Horn of Africa.

Forest Trends is a Washington D.C.-based international non-profit organization whose mission is to maintain, restore, and enhance forests and connected natural ecosystems, which provide life-sustaining processes, by promoting incentives stemming from a broad range of ecosystem services and products. Specifically, Forest Trends seeks to catalyze the development of integrated carbon, water, and biodiversity incentives that deliver real conservation outcomes and benefits to local communities and other stewards of our natural resources.

Executive Summary

This is the fifth year that Ghana has participated in Forest Trends' global initiative to track REDD+ finance and expenditures (REDDX) from donors to international recipients and implementation organizations, to in-country recipients, and to REDD+ projects on the ground. This year's effort tracked data and information from 2009 through 2014 and represents the fourth REDDX report.

REDDX was first launched in Ghana in early 2011 as an exploratory project, and since its first report in 2012 it has collected annual data and information on REDD+ financial flows spanning the past six years—2009 through 2014. The project, which is jointly implemented by the National REDD+ Secretariat (NRS) and NCRC, has established a strong precedent of transparency about funding and collaboration amongst stakeholders engaged in REDD+ in Ghana. Through four national validation meetings with stakeholders in 2012, 2013, 2014, and 2015, the project has also fostered important discussions about the extent of funding that has actually been received, areas of progress, funding gaps, needs in country, and the best way forward for REDD+ in Ghana.

The main objectives of Ghana's REDDX initiative have been to: 1) assess the funding that has been committed and disbursed to REDD+ in Ghana from 2009 through 2014; and 2) understand how REDD+ funds have (or have not) contributed to progress on REDD+ readiness in Ghana and the development of REDD+ activities and projects.

Twenty-seven institutions were contacted for information during the 2015 REDDX data collection cycle, including two donor and international recipient/intermediary institutions, and twenty-five in-country recipients. Data was primarily collected through face to face interviews, email exchanges, phone calls, and some on-line searches. The National Validation Meeting was held in June, 2015, where presentations of the preliminary results were shared and the information and financial data vetted by the stakeholders.

The results show that from 2009 through 2014, **US\$98,241,539** was committed to support REDD+ in Ghana, while **US\$29,340,550** was disbursed by the original donors and international recipient/intermediary institutions to in-country recipients. This represents a 30% disbursement rate against committed funds over the six year period.

From a modest start in 2009, commitments grew steadily from 2010 to 2012, reaching US\$23.1 million. 2013 and 2014 brought the largest financial commitments to date, with a total commitment of US\$42.6 million in 2013 and US\$98.2 million in 2014. For these two years, the majority of the commitment is attributed to Ghana's Forest Investment Program (FIP). The FIP represents the biggest commitment to REDD+ in Ghana. By 2014, US\$59.08 million had been committed for FIP, representing more than half of total funding for REDD+ activities in Ghana. However, only US\$0.5 million of this commitment had been disbursed by the end of 2014, which means the FIP is yet to realize any actions on the ground.

In comparison, the disbursement of funds over time grew at an increasing rate up to 2012, with 31% disbursed against the commitment in 2009 (US\$0.8 million), 39% in 2010 (US\$5.6 million), 60% in 2011 (US\$9 million), and 64% in 2012 (US\$14.8 million). In 2013, as commitments nearly doubled, the disbursement rate went down to 46%, but still represented a major increase in disbursed funds—US\$19.7 million. This trend continued in 2014, with the highest disbursement of funds to date—US\$29.3 million—but a disbursement against commitment rate of 30%, the lowest ever. This highlights the lag time that exists between funding commitments and actual disbursement of funds to support engagement and activities on the ground.

Forty-one (41) original donors and international recipients/intermediary organizations are responsible for the REDD+ commitments to Ghana through 2014. Multilateral institutions are responsible for the majority of the

REDD+ commitments, but have much slower disbursements rates than the Donor Governments, International NGOs, and other donor sectors. Geographically, the majority of commitments derive from international institutions that are not rooted in a particular place (US\$66.1 million). This is followed by commitments from Europe (US\$8.5 million), Asia (US\$8.3 million), Africa (US\$8 million), North America (US\$7.2 million) and South America (US\$0.2 million).

Twenty-eight (28) entities in Ghana are the recipients of REDD+ commitments and in some cases actual disbursements (both first and second tier). 72.7% of REDD+ commitments to first in-country recipients have gone to Government of Ghana (GoG); the remaining funds have been committed to international NGOs (10.9%), multilateral implementing agents (10.4%), donor governments (3.8%), Ghanaian NGOs (1.5%), Ghanaian firms/consultancies (0.7%) and international firms/consultancies (0.04%).

Of the US\$29.3 million that has been disbursed to date, three institutions have received 69% of the disbursed funds; the FC (US\$14 million) as part of FCPF REDD+ readiness and the Japanese supported Forest Protection Program, the USFS Coastal Sustainable Landscapes Project (CSLP) (US\$ 3.5 million), and SNV's Ghana office (US\$ 2.7 million).

Stakeholder engagement, institutional strengthening, and improved forest and land management are the most frequently cited activity areas by the in-country recipients, a trend that is unchanged since last year's 2009–2013 REDDX report. The most noticeable change is the increase in the number of recipients citing forest carbon project design among their project activities. The FIP projects and the Portal Forest Estates Ltd. private sector project also cited the intention to produce "Emission Reductions", though both are still in early phases and not yet close to achieving this objective.

Ghana has made significant progress on readiness, despite some weak deliverables from consultants. Ghana is now working to finalize its REDD+ Strategy and aims to submit its R-Package by early 2016. In addition, in April of 2014, Ghana successfully presented an Emission Reductions Program Idea Note (ER-PIN) to the Carbon Fund, and is now working towards the submission of an Emission Reductions Program Document (ERPD) for the Cocoa Forest Mosaic Landscape by early 2016.

Furthermore, the NRS has plans to integrate the REDDX initiative's process, financial data and information into a national REDD+ database, which is to be developed in 2015/2016. This database will help to support Ghana's emerging implementation strategy, which is likely to involve the nesting of large scale sub-national programs, which follow ecological boundaries (eco-zones) and are defined by major commodities and drivers, within an encompassing national REDD+ framework and set of over-arching activities.

Finally, this was the first year that Ghana tracked its own national commitments, apart from co-funding requirements. In 2010, the FC's NFPDP committed US\$52.8 million towards plantation development, of which US\$ 36.4 million was invested on the ground in program activities.

REDD+ financing results for REDDX countries are published through Forest Trends' website and report series available at www.reddx.forest-trends.org. This report specifically focuses on the national results for Ghana.

Table of Contents

Acknowledgements	iv
Implementing Organizations	iv
Executive Summary	v
Acronyms	viii
Glossary of Terms	x
General and Financial Terms	x
Institutions	xi
REDD+ Activities and Projects	xii
1. Introduction	1
2. Methodology	2
3. National Context	3
3.1 Progress towards REDD+	3
3.2 Emerging REDD+ Strategy and Next Steps	4
3.3 Current State of the Forest and Aligned Measures	5
4. Findings	9
Overview	9
Annual Growth of REDD+ Commitments and Disbursements to Ghana	9
Specific Donors, Recipients, and Financial Flows of REDD+ Funds in Ghana	12
REDD+ Activities	17
Ghanaian National Government Domestic Funding Commitments to REDD+	18
5. National Validation Meeting	19
6. Conclusions and Recommendations	22
Recommendations for REDD+	22
Recommendations for REDD+ in Ghana	23
Annexes	24
ANNEX 1. Participants at the National Validation Meeting	24
ANNEX 2. Institutions Contacted and Outcomes	25

Acronyms

AfDB	African Development Bank
CCU	Climate Change Unit
CERSGIS	Center for Remote Sensing and Geographical Information System
CIF	Climate Investment Fund
COP	Conference of Parties
CSOs	Civil Society Organizations
CREMAs	Community Resource Management Areas
CSLP	Coastal Sustainable Landscape Project
DFID	Department for International Development
DGM	Dedicated Grant Mechanism
DRM	Dispute Resolution Mechanism
ER-PIN	Emission Reductions Program Idea Note
ER-Program	Emission Reductions Program
ERPA	Emission Reductions Program Agreement
ERPD	Emission Reductions Program Document
EC	European Commission
FWP	Forest and Wildlife Policy
FCPF	Forest Carbon Partnership Facility
FIP	Forest Investment Program
FLEGT	Forest Law Enforcement, Governance and Trade
FRL	Forest Reference Level
FC	The Forestry Commission of Ghana
FORIG	Forest Research Institute of Ghana
GEF	Global Environment Facility
GoG	Government of Ghana
GRM	Grievance Redress Mechanism
GDP	Gross Domestic Product
ICI	International Climate Initiative
IFC	International Finance Corporation
INDC	Intended Nationally Determined Contribution
MDBs	Multilateral Development Banks
MDI	Multilateral Development Institutions
MESTI	Ministry of the Environment, Science, Technology and Innovation
MLNR	Ministry of Lands and Natural Resources
MTR	Mid-Term Review
MRV	Measurement, Reporting and Verification
NCCP	National Climate Change Policy
NCRC	Nature Conservation Research Centre
NEP	National Environment Policy
NFPDP	National Forest Plantation Development Program
NFPDS	National Forest Plantation Development Strategy
NGOs	Non-governmental Organizations
NORAD	Norwegian Agency for Development Co-Operation
NRS	National REDD+ Secretariat
PwC Ghana	PricewaterhouseCoopers Ghana

RA	Rainforest Alliance
REDD+	Reducing Emissions from Deforestation and Degradation
REL	Reference Emissions Level
R-PP	Readiness Preparation Proposal
SCF	Strategic Climate Fund
SESA	Strategic Environmental and Social Assessment
SNV	Netherlands Development Organization
USAID	United States Agency for International Development
USFS	United States Forest Service
VPA	Voluntary Partnership Agreement

Glossary of Terms

During the survey design process, the REDDX initiative found there was a need to define commonly-used REDD+ and finance terminology in order to promote greater understanding and overall consistency across in-country partners and between collaborators, including national governments, donors, and recipients. The definitions below are commonly used definitions used by the REDD+ policy community except where noted.

General and Financial Terms

REDD+: REDD+ is a global effort to create a value on the carbon stored in forests, and provide incentives to compensate countries for policies that result in reduced emissions and forest conservation. It is defined by the UNFCCC as “reducing emissions from deforestation and forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries”. REDD+ countries have the flexibility to determine what exact activities they will implement in their countries based on national circumstances and development/conservation priorities.

REDD+ Finance: A working definition of “REDD+ finance” remains heavily debated within the international policy context. For the sake of this project and to promote consistency with other REDD+ tracking initiatives and broader international approaches to REDD+, it was agreed that REDD+ finance will include:

1. **International REDD+ Finance:** Any international financial transfers earmarked to support REDD+ mechanisms or initiatives, as currently defined by the UNFCCC, that are developed with the aim of reducing net GHG emissions from the forestry sector.
2. **National REDD+ Finance:** Monies earmarked and spent for any activities or actions that fall within the scope of the REDD+ definition found within an individual country’s approved REDD Readiness Preparation Proposal or other existing country REDD+ strategy.

Public Finance: Revenue generated through mechanisms (e.g., taxes, carbon markets, etc.) controlled by a public entity such as a national government. Public finance can be international or national in nature, and generally supports REDD+ readiness, policy development and results-based payments.

Private Finance: In the context of REDD+, private finance constitutes funds provided by a private sector entity or business, which tend to support forest management and carbon project development, and can include PES-triggered investments or investments that address drivers of deforestation.

Public-Private Finance: Instances where a REDD+ project or business venture is funded through a partnership between a public sector authority, and one or more private sector companies.

Pledge: Pledges of REDD+ finance are often made as announcements of support from donor governments with no legal or formal indication that this funding will be released, no terms for how this might be spent, and whether this will be fully spent on REDD+ activities. Some donors pledge an amount and actually end up committing less. The REDDX initiative does not specifically track pledges, but if any are known, they are recorded to compare with amounts actually committed.

Commitment: REDDX defines “commitment” as a formal indication from a donor that they will fund REDD+ activities in a country. This “commitment” will be backed up by a legal or formal agreement specifying the total amount of funding for the recipient, a timeline for activities and a schedule for when finance will be spent. (“Commitment” is not to be confused with a “pledge”).

Disbursement: In the context of the REDDX initiative, it is the transfer of funds from a donor to a recipient or from a recipient to an additional recipient further down the funding chain.

Expenditure: In the context of the REDDX initiative, it is when REDD+ finance is actually spent or expended on REDD+ activities on the ground.

Institutions

International Donor Governments: Federal agencies or ministries in the donor country. NORAD (Norway), GIZ (Germany), KfW (Germany), USAID (USA), JICA (Japan), DEFRA (UK), and FORMIN (Finland) are some of the biggest international government donor agencies supporting REDD+ globally. The arrangements that international donors utilize can include traditional bilateral and multilateral funding mechanisms, in-kind technical assistance, or direct financing of civil society or private sector consulting firms.

REDD+ Country Governments: National Governments which are receiving international financial support to implement REDD+ to conserve their country's forest resources. REDD+ countries are increasingly allocating funds for REDD+ activities in their own country, either through self-financing out of central domestic budgets, or as required co-financing of multilateral institutional grants.

Multilateral Financing Institutions and Programs: International organizations that are comprised of members from many countries. Examples include the World Bank, UN-REDD, IDB, ADB, IFAD and ITTO. These multilateral organizations often manage large REDD+ programs such as the UN-REDD Programme, the FCPF, and the Green Climate Fund.

Multilateral Implementing Agents: International organizations which carry-out the directives and work plans of international decision-making bodies and programs. For example, the UN-REDD Programme builds on the convening role and technical expertise of its three participating UN organizations: the Food and Agriculture Organization of the United Nations (FAO), the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP). These organizations act as multilateral implementing agents when implementing the decisions and work plans of the UN-REDD Programme.

Supranational Institution: An organization that is entirely composed of representatives from member states, but which acts as a collection of the member states. The most common supranational institution providing REDD+ funding globally is the European Union, represented by the European Commission.

Private Foundation: A charity that receives the majority of its support from individual and corporate donations, (not public funds) and whose funds and programs are managed by its own trustees or board of directors.

International NGOs and Academic Institutions: International NGOs or academia includes international, non-governmental organizations (NGOs) such as environmental organizations, or independent academic institutions with headquarters outside the recipient country. Many international NGOs or academic institutions receive donor funding for REDD+ activities to be implemented at the international, regional and/or national level. Their finance is typically spent in the following ways:

- At headquarters on their own staff and operations supportive of donor and/or recipient country objectives;
- At regional or national offices on their own staff and operations supportive of donor and/or recipient country objectives;
- Passed on to other international or domestic organizations through sub-grants or consultancies to implement activities (these may, in turn, pass funding on to additional organizations);

- Passed on directly to local communities or households as payments for environmental services.

National (REDD+ Country) NGOs and Academic Institutions: Civil society organizations and academic institutions based in the REDD+ implementing country.

Firms/Consultancies: This includes both private sector corporations (firms) which occasionally contribute funding or expertise to support REDD+, and consultancies, which are private sector businesses made up of a group of experts (i.e. consultants) that provide professional project management services and implementation for a fee. Firms and consultancies contributing to REDD+ processes and implementation can be based internationally and/or within REDD+ implementing countries.

Consortia: An association of various types of organizations, partnering together to fund or implement REDD+ activities. This designation is given to donors or recipients when REDD+ finance allocated to the consortium cannot be disaggregated to the level of specific participating organizations. A consortium is deemed ‘international’ if one or more of its members is based outside of the REDD+ country, while a consortium in which all participating members are based within the REDD+ country is designated as ‘national’.

REDD+ Activities and Projects

Stakeholder Engagement: Funding aimed at improving participation of non-governmental stakeholders through the design, implementation, and/or monitoring phases of REDD+, and/or funding that promotes media outreach.

Rights and Tenure: Funding directed at addressing issues of rights and tenure—including clarifying land, property and carbon rights.

MRV and Reference Levels: Funding aimed at improving the monitoring, reporting and/or verification of REDD+, including changes in forest cover, forest degradation, biodiversity, or social and governance levels. Funding to define or implement reference levels to measure emissions, co-benefits and governance in-country.

Safeguards: Funding aimed at identifying barriers to forest conservation and enabling social and environmental benefits.

Policy and Law Development: Funding aimed at promoting research, advocacy and outreach to policymakers including policy and law analysis, policy development, REDD+ strategy development & advocacy.

Institutional Strengthening: Funding aimed at developing in-country public institutions, ministries, staffing capacity and resources for REDD+.

Forest Carbon Project Design: Funding aimed at developing project design documents (PDDs) and validation activities. This includes credited projects that go to the market and those that want REDD+ payments through an eventual UNFCCC mechanism.

Improved Forest and Land Management: Funding supporting protected areas, sustainable forest management, and reforestation management activities—including enforcement and compliance.

Carbon Offsets or Performance-Based Payments: Funding aimed at carbon offsets, direct payments, or actual benefits sharing such as incentive- or performance-based payments.

1. Introduction

For the past five years, Forest Trends and its REDDX partner countries have been tracking REDD+ related expenditures in REDD+ countries across the tropics. Through the REDDX initiative, Forest Trends generates data and information on global commitment and disbursement trends, as well as national level analyses that enable governments and other REDD+ actors to more completely understand in-country commitments and flows, the range of actors and entities involved, and the activities being implemented. These analyses also aid in the assessment of country's needs and gaps in relation to REDD+ readiness and the national REDD+ strategy.

Ghana is one of thirteen countries participating in this global initiative to track REDD+ finance from donors to international recipients/implementation organizations, to in-country recipients, to REDD+ projects on the ground. The full range of REDDX countries currently includes: Brazil, Colombia, Mexico, and Peru in Latin and South America; the Democratic Republic of Congo, Ethiopia, Ghana, Liberia, and Tanzania in Africa; and Indonesia, Papua New Guinea and Vietnam in Asia-Pacific.

Forest Trends first developed and tested the REDDX concept in 2011, with an aim to fill significant gaps in understanding about how much REDD+ finance was actually flowing to countries, the types of organizations receiving and using REDD+ funding, and the types of activities being supported from national to local levels.

Specifically, it has been interested in tracking:

- Commitments and disbursements of REDD+ finance;
- Timelines between when funds are committed and actually disbursed;
- The types of organizations receiving and implementing REDD+ activities;
- The types of activities supported by the current financial commitments.

Through this initiative, REDDX seeks to improve transparency around REDD+ financing mechanisms and ultimately provide information that will help governments and other REDD+ stakeholders to better assess their gaps and needs against national REDD+ strategies.

REDDX first began in Ghana in early 2011, and to date, data has been collected on REDD+ financial flows spanning the past six years—2009 through 2014. The project, which has been jointly implemented by the NCRC and the NRS of the FC, has established a strong precedent of transparency, openness, and collaboration amongst stakeholders engaged in REDD+ in Ghana. Through four national validation meetings with stakeholders in 2012, 2013, 2014, and 2015, the project has also fostered important discussions about the extent of funding that has actually been received, funding gaps, needs in country, and the best way forward for Ghana and REDD+.

The main objectives of Ghana's REDDX project has been to:

1. Assess the funding that has been committed and disbursed to REDD+ in Ghana from 2009 through 2014.
2. Understand how REDD+ funds have (or have not) contributed to progress on REDD+ readiness in Ghana and the development of REDD+ activities and projects.

Moving forward, Ghana's NRS will integrate the financial data and information about activities derived from REDDX into Ghana's national REDD+ database, which is to be developed in 2015/2016.

2. Methodology

Ghana has been a REDDX partner country since the initiative's full launch in 2011. The data collection process for 2015 focused on collecting data from 2009 through 2014. The process, which began in May, was led by NCRC and the NRS, and used the same methods that were employed in previous years.

Initially, NCRC and the NRS undertook a comprehensive review of the existing data and methods used in the previous years. They identified what had worked well and pinpointed key lessons and outstanding gaps as a basis to guide the 2015 exercise.

The team then compiled a list of existing donors and recipients based on information from previous years. The list was updated to include new donors and recipients based upon recent exchanges, web searches, and discussions with REDD+ experts and actors in Ghana. During the data collection process, the list was periodically updated as new information on REDD+ projects became available.

Afterwards, emails were sent to all the stakeholders to inform them of the 2015 REDDX initiative and to request their participation and support for the exercise. Follow up calls were made to the stakeholders to discuss their possible engagement with REDDX in Ghana.

For the existing stakeholders who were tracked in the 2014 exercise, simplified templates containing key data collected from previous years were sent to them individually by email, after they confirmed their willingness to participate again. The existing stakeholders were asked to update the template to incorporate new commitments and disbursements, or to correct any errors from the past. Afterwards, follow up visits, emails and/or telephone calls were made to the stakeholders for clarification of the data that they had provided.

For the majority of new stakeholders data was collected through face to face meetings. During these interviews, the team used printed copies of Forest Trends' global data template as a guide for the collection of the required data. Follow up telephone calls were then made to answer additional questions and check responses. The data collection process was primarily undertaken in April and May, 2015.

Three donors were contacted and responded to queries during the information collection phase. They included the European Commission (EC), African Development Bank (AfDB), and the Global Environment Facility (GEF). Additionally, all the main in-country REDD+ donors were invited to the National Validation Meeting to aid in the vetting of the collected data and also to enable them to gain first-hand information on the REDDX process and its objectives.

The National Validation Meeting was held in June, 2015, where presentations of the preliminary results were shared and the information and financial data vetted by the stakeholders. In order to facilitate the feedback process, all of the stakeholders received a summarized version of their data before the meeting. Following the meeting, a handful of follow up inquiries were made. The team then incorporated all of the corrections, comments, and new information and finalized the data for the year.

At this stage, the data was shared with Forest Trends and the final Ghana analysis was conducted, leading to the completion of the Ghana 2015 REDDX report. As has been the practice, data was tracked and then analyzed, whenever possible, along its full trajectory from the *donor* to the *international recipient/intermediary*, to the *in-country first-tier recipient*, to the *second recipient*, and so on.

3. National Context

In 2013, Ghana made significant strides on environmental policies and programs that are important for REDD+. The 2012 Forest and Wildlife Policy (FWP) of Ghana was launched in December, 2013, and the National Environment Policy and National Climate Change Policy (NCCP) documents were also completed in 2012 and launched in 2013. The FWP and the NCCP both acknowledge REDD+ as an essential pathway to help meet Ghana's climate change mitigation and sustainable forest management goals.

In 2013, Ghana also initiated its National Forest Plantation Development Strategy (NFPDS), which serves as the blueprint to guide extensive reforestation and afforestation programs in Ghana. The aim of the strategy is to garner private sector or donor government support towards the expansion of the National Forest Plantation Development Program (NFPDP). The NFPDP was launched in 2010 and saw four years of government investment into plantation development, but progress was limited by the lack of funds.

In 2014, Ghana's Environmental Protection Agency (EPA) began work on its third National Communication to the UNFCCC, which was submitted in July, 2015. In May, 2015, the Ministry of the Environment, Science, Technology and Innovation (MESTI) also led deliberations on Ghana's Intended Nationally Determined Contributions (INDC), with the goal to submit Ghana's INDC by September, 2015, in preparation for the COP21 in Paris. REDD+ activities, most notably the ER-Program, feature prominently under the AFOLU sector of the INDC.

Despite these advances in Ghana's policy landscape, the forestry sector is still confronted with critical challenges. Degradation and deforestation from illegal logging and illegal mining operations remain a major problem, and the forestry sector's contribution to the gross domestic product (GDP) has dwindled markedly in recent years with the sector recording a negative growth rate of -14% and -1.4% in 2011 and 2012 respectively and a marginal positive growth rate of 0.8% in 2013.¹

It is, however, anticipated that the operationalization of the new policy documents into workable instruments and the continued implementation of forestry initiatives including the Forest Law Enforcement, Governance and Trade (FLEGT) Initiative; the Voluntary Partnership Agreement (VPA) between Ghana and the EC; and various REDD+ and FIP interventions will provide a strong set of channels for addressing the major challenges of the forestry sector and moving forward in a more sustainable and climate-smart manner.

The development of Ghana's Cocoa Sector Development Strategy II, by the Cocoa Board, which articulates a ten year vision and set of goals, including climate-smart cocoa and engagement with the ER-Program, will also help to address and reduce agricultural drivers of degradation and deforestation.

3.1 Progress towards REDD+

Ghana is a participant of the Forest Carbon Partnership Facility's (FCPF) REDD+ Readiness Program. It is a partner country under the UN-REDD Programme; currently serving as the Regional Coordinator of the UNREDD Targeted Support for West Africa Technical Support Project, though Ghana as a country does not receive financial support from this program for its readiness process. The objective of the FCPF Readiness Program is to support participating countries to develop relevant REDD+ systems, strategies and policies required for the effective implementation of REDD+. Ghana's REDD+ readiness process commenced with the approval of

¹ Government of Ghana 2014. The Budget Statement and Economic Policy of the Government of Ghana for the 2014 Financial Year, Ministry of Finance, Accra.

its Readiness Preparation Proposal (R-PP) by the FCPF in 2010, which paved the way for a formal signing of a readiness grant agreement of US\$3.4 million with the FCPF in 2012.

Ghana has reached an advanced stage in REDD+ readiness and is on course to submit its R-Package by early 2016. Over the course of 2013, Ghana signed multiple agreements with a host of national and international organizations and consulting firms to produce outputs and deliverables towards the completion of its readiness process. The frameworks and systems include Ghana's National REDD+ Strategy; Grievance Redress Mechanism (GRM); Measurement, Reporting and Verification (MRV) System and Reference Emissions Level (REL); Social and Environmental Strategic Assessment (SESA); Benefit Sharing Arrangement Options; and the development of an institutional infrastructure and management arrangement for effective REDD+ implementation. These consultancies were completed in 2014, but in doing the work major gaps were identified and not all of the consultants' deliverables met Ghana's expectations. Nonetheless, by April 2014, Ghana demonstrated significant progress in its readiness efforts and successfully completed its Mid Term Review (MTR) with the FCPF.

As a result of this positive review, Ghana completed discussions with the FCPF and secured an additional grant of US\$5.2 million for the second phase of REDD+ Readiness that is targeted at fine-tuning the systems and frameworks developed under the first phase. The NRS received an initial installment of these funds in 2015, which is being used to support planning of the ER-Program, stakeholder engagement, and the development of work packages for firms and consulting groups to help fill existing gaps.

With respect to Ghana's registry, it is worth noting that the NRS has plans to integrate the REDDX initiative's process, financial data and information into a national REDD+ database, which is to be developed in 2015/2016. This database will help to support Ghana's emerging implementation strategy, which is likely to involve the nesting of large scale sub-national programs, which follow ecological boundaries (eco-zones) and are defined by major commodities and drivers, within an encompassing national REDD+ framework and set of over-arching activities.

With Ghana's approval to participate in both the Forest Investment Program and the Emission Reductions Program, there will be overlap in the next few years between the Readiness Phase and Implementation Phase of the FCPF, and the Investment Phase of the FIP. This arrangement could offer an opportunity for Ghana to test the requisite Readiness frameworks and systems, via these programs, as and when they become finalized.

3.2 Emerging REDD+ Strategy and Next Steps

Ghana completed an initial draft National REDD+ Strategy at the end of 2014, which was subjected to a strong stakeholder review. In 2015, the NRS selected a core team to review and revise the strategy towards the completion of a final draft by the end of 2015.

It is envisioned that this strategy will provide a twenty year vision and set of goals for REDD+ in Ghana. It will pull together all of the emerging elements of REDD+ readiness, and will provide a clear set of over-arching activities and priorities for the future. However, it will also retain sufficient flexibility and openness such that it can be modified and adapted as experiences and new opportunities emerge. At this stage, Ghana's main implementation strategy is likely to involve the nesting of large scale sub-national programs, which follow ecological boundaries (eco-zones) and are defined by major commodities and drivers, within an encompassing national REDD+ framework and set of over-arching activities. This is evidenced by the emerging Emission Reductions Program that targets climate-smart cocoa production in the high forest zone of Ghana and is directly linked to the first strategy/activity area of the emerging National REDD+ Strategy. Three national and sub-national REDD+ activity areas/programs have emerged as being the main areas of focus for the coming five-plus years:

Activity Area 1: Improving land-use and socio-economic development in the High Forest Zone and cocoa growing areas—Ghana’s Emission Reductions Program for the Cocoa Forest Mosaic Landscape;

Activity Area 2: Addressing wood harvesting and agricultural practices in the ‘transition’ and savannah zones—An Emission Reductions Program for the Shea and Guinean Woodland Savanna Landscape;

Activity Area 3: Policy and legislative reforms to support REDD+ and a sustainable Forestry sector.

3.3 Current State of the Forest and Aligned Measures

Ghana’s Emission Reductions Program for the Cocoa Forest Mosaic Landscape

Ghana’s R-PP indicated that agricultural expansion (particularly cocoa production) accounted for approximately 50% of the country’s deforestation, estimated at a rate of 2% per annum. Over the past few years, there have been multi-stakeholder deliberations on the need for Ghana to shift to a more sustainable cocoa production system so as to reduce the degradation, deforestation, and other associated negative environmental impacts produced by the sector.

This idea advanced significantly with an initial visioning of a Climate-Smart Cocoa sector and pathway, and then with the formal development of an Emission Reductions Program Idea Note (ER-PIN). Ghana’s ER-PIN was formally presented to the Carbon Fund of the World Bank FCPF in April 2014, and was one of only a handful of country proposals accepted into the Carbon Fund’s pipeline. The next step in this process is for Ghana to draft its Emission Reduction Program Document (ERPD) and then move towards the signing of an Emission Reductions Program Agreement (ERPA) which would provide up to US\$50 million in performance based payments for Emission Reductions produced over the first five years of the program.

The ER-Program is a joint initiative of the FC and Ghana’s Cocoa Board, and will require major engagement from the private sector, traditional leaders, cocoa farmers associations and societies, as well as CSOs and NGOs. With all of these stakeholders working in concert, the program seeks to significantly reduce emissions driven by expansion of cocoa into forest areas, coupled with illegal logging, which has resulted in the loss of over 820,000 ha of forest between 2000 and 2010. By tackling these drivers, Ghana aims to secure the future of its forests and significantly improve income and livelihood opportunities for farmers and forest users across the program area.

This multi-faceted intervention is based on the following strategies:

Linkage of farmers’ and farming communities’ access to packages of critical farming resources, which work together to improve yields and incomes, through the adoption of climate-smart practices on-farm and emission reductions management systems across the landscape;

Facilitation of multi-stakeholder dialogue and institutional collaboration;

Improvements in the rights and tenure regimes of customary landholders through forward-thinking, innovative implementation of agroforestry policies to foster a positive change in the *de facto* management of agricultural farms, trees and forests;

Implementation of localized, landscape-level planning and the development of local by-laws to guide sustainable and socio-culturally appropriate use of land, agricultural, and forest resources, and to support effective forest law enforcement;

Development of an integrated data management platform and MRV system that supports results-based implementation and monitoring at different scales.

Ghana's ER Program conservatively anticipates that it could produce 18.5 MtCO₂e of emission reductions from deforestation in the first 5 years (2016–2020) of the program. In return, Ghana would expect the Carbon Fund to purchase the full magnitude of ERs produced up to 2020, after which it is hoped that other buyers would follow-suit, bolstered by the Carbon Fund's early support. As the program's performance and effectiveness improves in the ensuing years (2021–2036), it expects to generate 255.0 MtCO₂e of total emission reductions from deforestation.

However, if no effort is made to curb deforestation in the program area, then Ghana expects the business-as-usual scenario to carry forward and produce at least 598.2 MtCO₂e of emissions from deforestation, based on a 10 year historical deforestation rate (2000–2010) of 1.4% per annum. Given that emissions from degradation have yet to be quantified, but are anticipated to be even more significant than deforestation—and also that reforestation has not yet been included in the Forest Reference Level (FRL) but will be reconsidered during the design phase—the program's FRL is considered to be conservative.

The Forest Investment Program (FIP)

The FIP is a program under the Strategic Climate Fund (SCF)² of the World Bank, which is targeted to provide up-front financing to address the drivers of deforestation and forest degradation and promote sustainable forest management, leading to the reduction of emissions and enhancement of carbon sinks.

Ghana's FIP Investment Plan was approved by the FIP Sub-Committee of the Climate Investment Funds (CIF) in November, 2012. FIP funds earmarked for Ghana are being channelled through three (3) multilateral financial institutions, these are the International Bank for Reconstruction and Development (World Bank), the African Development Bank (AfDB) and the International Finance Corporation (IFC). The Ministry of Lands and Natural Resources (MLNR) is the lead implementing agency of the World Bank and AfDB components of Ghana's FIP whereas IFC through their Ghana Office retains management of their component.

By the end of 2014, preparatory activities, including scoping studies, development of work plans and conclusion of fiduciary arrangements with the multilateral financial institutions were completed by the Ministry of Lands and Natural Resources (MLNR). Consequently, the MLNR effectively commenced implementation of the World Bank and AfDB components of Ghana's FIP in 2015. The IFC component is however yet to fully take off.

Another important component of FIP is the Dedicated Grant Mechanism (DGM) which is designed to promote the inclusion of local communities in REDD+ implementation. The World Bank is currently assisting Ghana to access US\$5.5 million from the DGM to be directed at enhancing the capacity of local communities to enable them to effectively engage in REDD+ activities at the FIP sites in the Western and Brong-Ahafo regions. A formal agreement is yet to be reached between the World Bank and Ghana on the DGM and consequently the DGM component of FIP was designated as a pledge in Ghana's submitted REDD+ data.

FIP investments will be applied to reduce emissions from the forestry sector while reducing poverty and conserving biodiversity in the High Forest and Transitional Zones of the Western and Brong-Ahafo Regions.

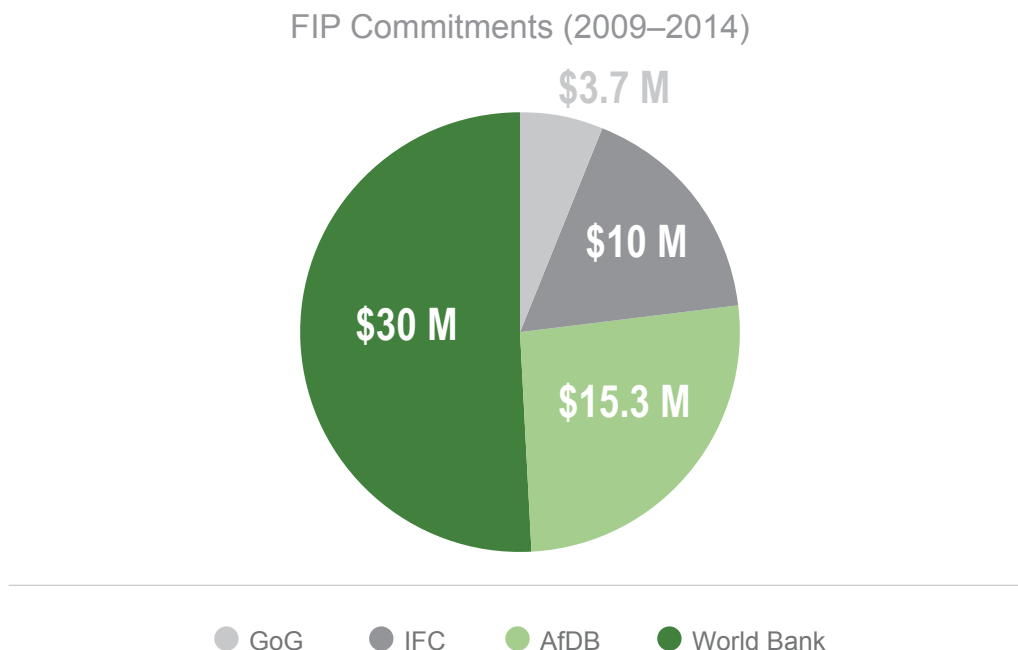
² The Strategic Climate Fund (SCF) is one of two funds under the broader umbrella of the Climate Investment Funds (CIF)

However, a critical review of the implementation plans suggests that activities actually focus more specifically on carbon stock enhancement than reducing emissions. Strategically, the FIP initiative is interlinked with Ghana's REDD+ process on three major fronts. First, FIP seeks to pilot REDD+ activities and operationalise outputs and frameworks from the FCPF supported REDD+ Readiness process. FIP also seeks to offer the requisite support for policy reforms and institutional strengthening to create an enabling environment for the attainment of sustainable landscape and forest management. Finally, FIP will contribute to the provision of upfront investment for implementation of Ghana's Emission Reduction Programme in the areas where the two programs overlap.

The total commitment from the African Development Bank to Ghana's FIP is US\$15.33 million which includes US\$10 million from the CIF and the remainder from the Bank's own resources. The World Bank's commitment amounts to US\$30 million and excludes the US\$5.5 million pledged for the DGM. The IFC is also supporting Ghana's FIP with US\$10 million. In 2014, the Government of Ghana undertook a thorough re-assessment of the value of its co-finance for the FIP initiative. Previously, GoG had reported a co-finance commitment of US\$36 million for FIP. However, after the re-assessment, a more realistic figure of US\$3.748 million was obtained. This figure includes US\$3 million in counterpart-funding for the World Bank component and US\$0.748 million matching fund for the AfDB component. The Government of Ghana's co-finance of FIP is largely in-kind (office space, equipment use and staff time).

The total commitment for Ghana's FIP is therefore currently US\$59.078 million (Figure 1) which makes the initiative the biggest commitment to REDD+ in Ghana, representing about two-thirds of total funding for REDD+ activities in Ghana.

Figure 1. Sources and Amounts of Financial Commitments to Ghana's FIP



There are three Investment Focus Areas (projects) for Ghana's FIP (CIF 2014).³ These projects are presented below:

Project 1: Enhancing Natural Forest and Agroforest Landscapes Project (ENFALP)

The World Bank is providing total funding of US\$30 million for this project with the objective of improving forest and tree management practices by cocoa farmers, CREMA communities and forest reserve managers to reduce forest loss and degradation in Ghana's High Forest Zone. The project seeks to pilot activities in the targeted landscape to address key drivers of deforestation. Other components of the project include policy reforms and implementation, institutional strengthening, capacity building, communication and project management, monitoring and coordination. These additional components aim to support the pilot activities for the attainment of desired outcomes and also provide the enabling environment for scale-up.

Project 2: Engaging Local Communities in REDD+/ Enhancement of Carbon Stocks (ELCIR+)

This project is the AfDB funded component of Ghana's FIP with the focus on restoration of degraded agricultural landscapes, climate-smart agriculture, livelihoods improvement and capacity building. The project also seeks to engage local communities for the reforestation of degraded forests, conservation and management of dedicated forests and sacred groves whilst enhancing agroforestry practices in the FIP project areas. The project will contribute to carbon stocks enhancement and poverty reduction.

Project 3: Engaging the Private Sector in REDD+

This project will be funded and managed by the IFC and will involve the establishment of a credit facility (US\$7 million) and a technical support programme (US\$3 million) for private sector actors to enhance their participation in REDD+ in Ghana. The project will have a national scope.

³ Climate Investment Fund (CIF) 2014, 'Forest Investment Programme: Ghana', accessed on 24 November from https://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/Ghana_FIP_Fact_Sheet_01-29-14.pdf

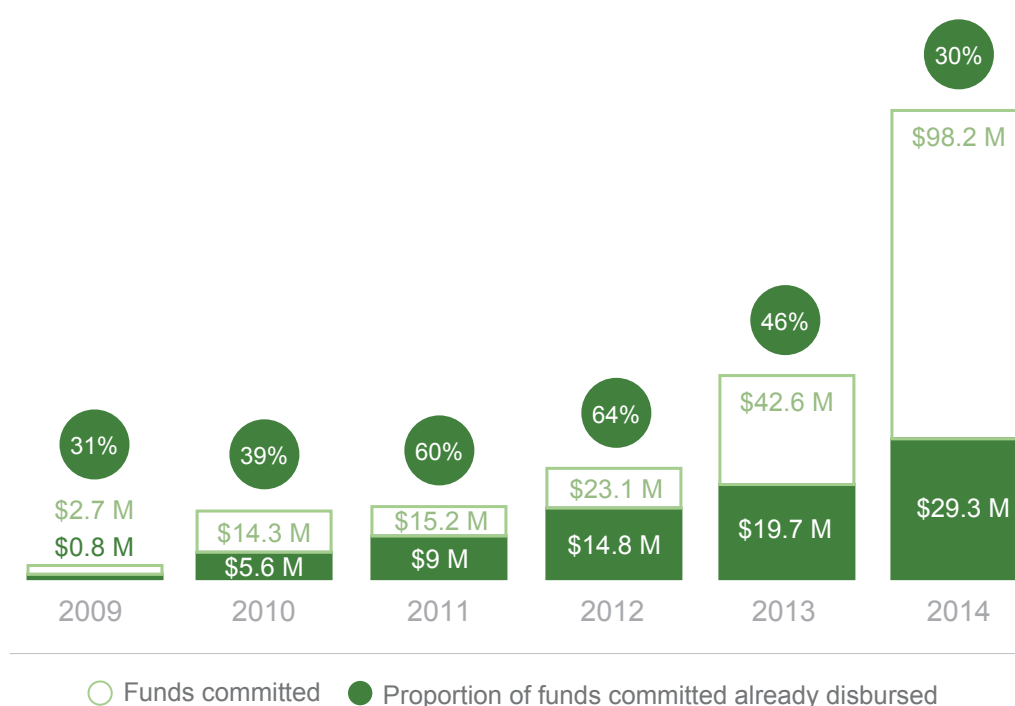
4. Findings

Overview

Twenty-seven institutions were contacted for information during the 2015 REDDX initiative, including four donor and international recipient/intermediary institutions and twenty-nine in-country recipients (Annex 2).

The results show that from 2009 through 2014, US\$98,241,539 was committed to support REDD+ in Ghana, while US\$29,340,550 was disbursed by the original donors and international recipient/intermediary institutions to in-country recipients. This represents a 30% disbursement rate against committed funds over the six year period (Figure 2).

Figure 2. REDD+ Disbursements Against Commitments From 2009–2014 (Cumulative)



Annual Growth of REDD+ Commitments and Disbursements to Ghana

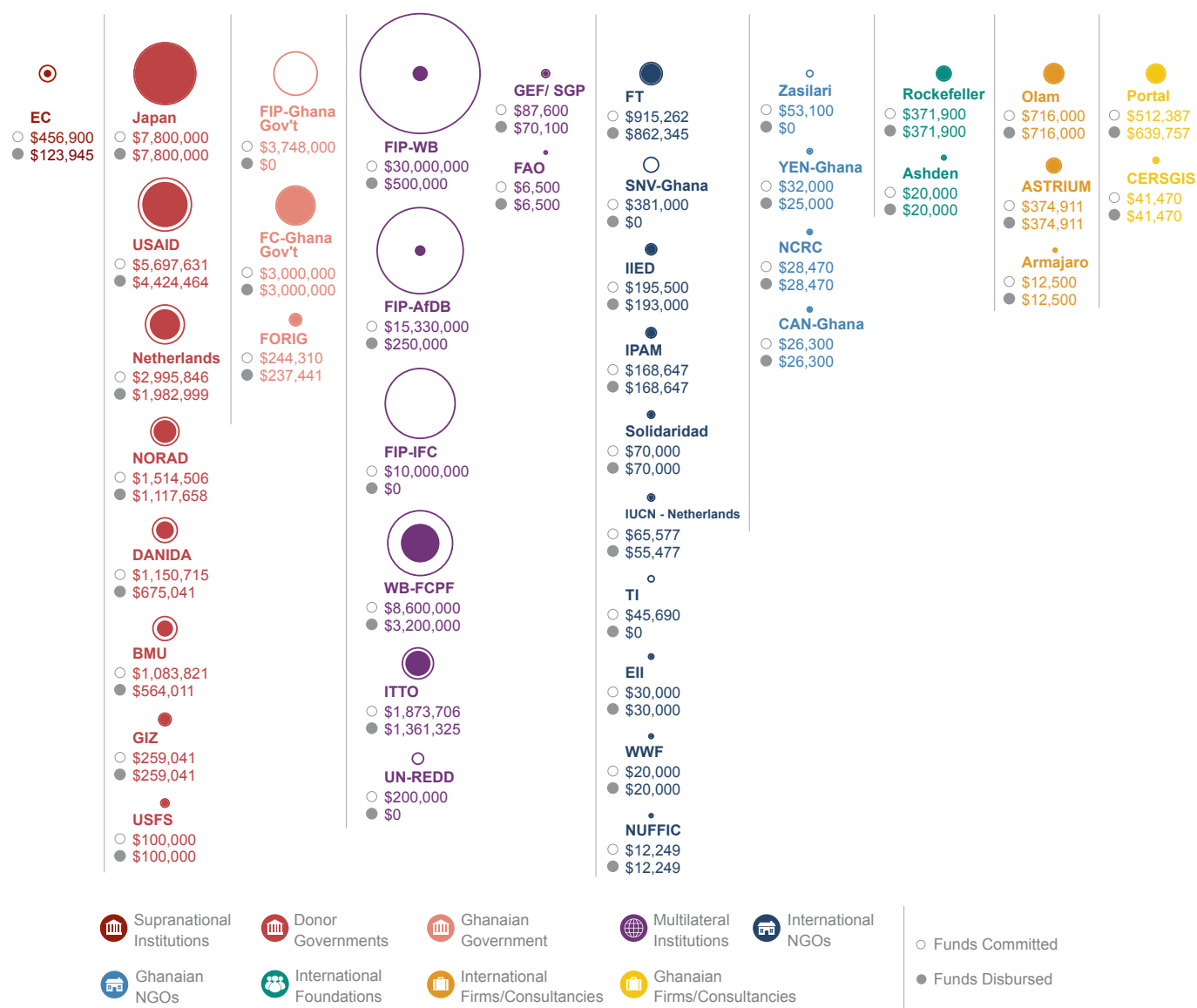
From a modest start in 2009 of US\$2.7 million, commitments grew steadily between 2010 and 2012, reaching US\$23.1 million. 2013 and 2014 saw major jumps in the size of REDD+ commitments to Ghana, with a total of US\$42.6 million committed in 2013 and US\$98.2 million in 2014 (Figure 2). For these two years, the majority of the commitment is attributed to Ghana's Forest Investment Program (FIP). The FIP represents the biggest commitment to REDD+ in Ghana. By 2014, US\$59.08 million had been committed for the FIP, representing more than half of total funding for REDD+ activities in Ghana. However, only US\$0.5 million of this commitment had been disbursed by the end of 2014, which means the FIP is yet to realize any actions on the ground.

The disbursement of funds over time grew at an increasing rate up to 2012, with 31% disbursed against the commitment in 2009 (US\$0.8 million), 39% in 2010 (US\$5.6 million), 60% in 2011 (US\$9 million), and 64% in 2012 (US\$14.8 million). In 2013, as commitments nearly doubled, the disbursement rate went down to 46%,

but still represented a major increase in disbursed funds—US\$19.7 million. This trend continued in 2014, with the highest disbursement of funds to date—US\$29.3 million—but a disbursement against commitment rate of 30%, the lowest ever. This highlights the lag time that exists between funding commitments and actual disbursement of funds to support engagement and activities on the ground.

Forty-one (41) original donors and international recipients/intermediary organizations are responsible for the REDD+ commitments to Ghana through 2014. They are comprised of one supranational institution, eight bilateral government agencies, three GoG agencies, eight multilateral institutions, ten international NGOs, four Ghanaian NGOs, two international foundations, three international companies, and two local companies, as shown in Figure 3.

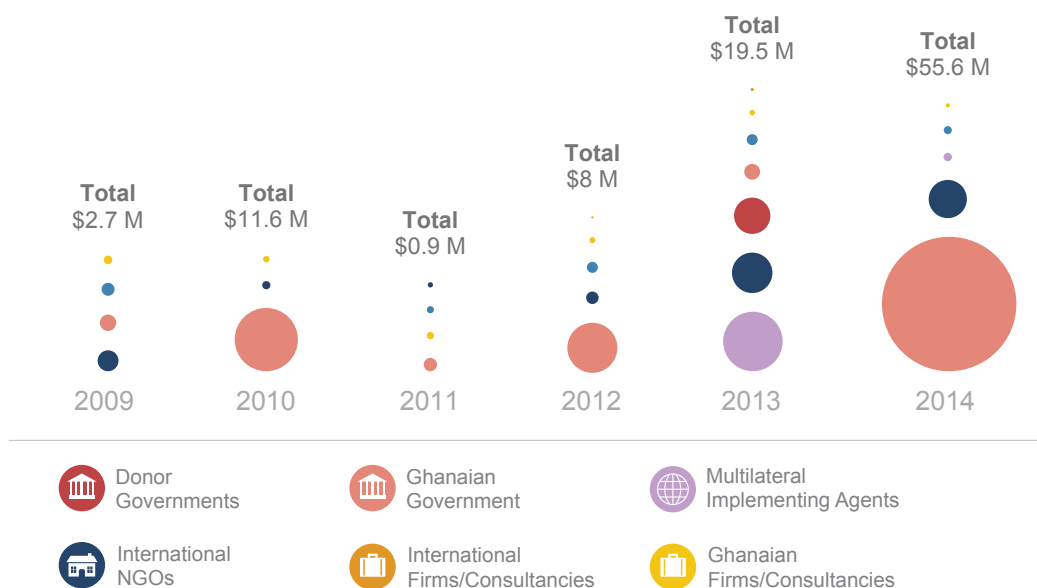
Figure 3. Commitments and Disbursement by Sectors and Individual Donors (2009–2014)



Multilateral institutions are responsible for the majority of the REDD+ commitments, but have much slower disbursements rates than the other donor sectors. In contrast, the international donor governments are the second largest donors to Ghana in terms of commitments, but are responsible for the majority of disbursed funds. International NGOs, private foundations and the private sector have also achieved the majority of their commitments. As with previous years' reports, the medium and smaller-scale commitments have resulted in the majority of available REDD+ funding in Ghana to date.

The recipients of annual commitments to REDD+ have shifted over time, as shown in Figure 4. In 2009, International NGOs were receiving the largest proportion of REDD+ funding commitments, but this was only by a slight margin and the overall pot was very small. In 2010, new commitments to the GoG made a large jump, but overall new commitments were modest (under US\$12 million). The year 2011 saw very little investment in REDD+, but in 2012, the GoG led again in terms of new commitments. 2013 brought a major shift with multilateral implementing agents receiving the largest amount of new commitments, followed by international NGOs and donor governments. Finally, 2014 brought the largest year of new commitments to date, with US\$55.6 million being committed to the GoG, mostly for the FIP, followed by international NGOs.

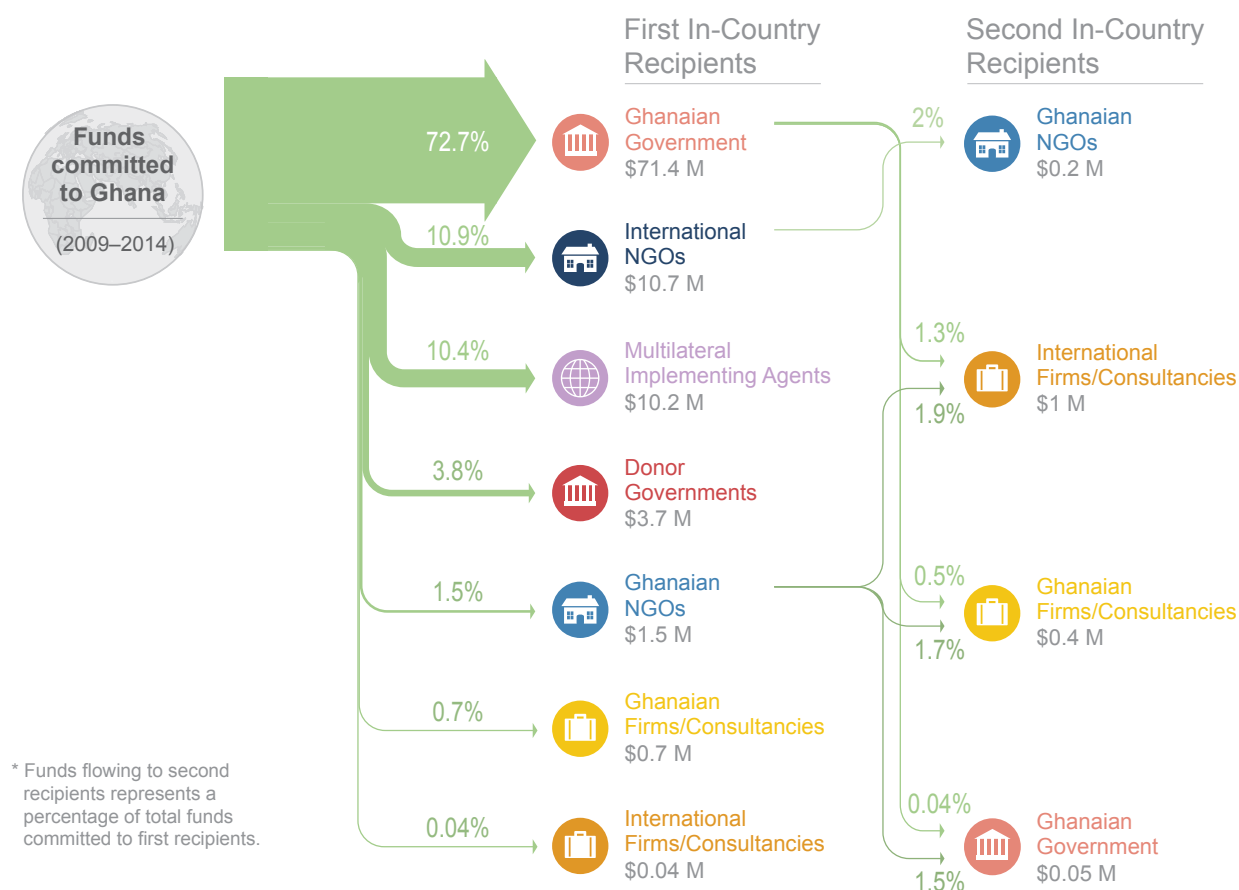
Figure 4. New Annual REDD+ Commitments to Recipient Types



Twenty-eight (28) entities in Ghana were the recipients of REDD+ commitments and in some cases actual disbursements (both first and second tier) from 2009–2014. As shown in Figure 5, 72.7% of REDD+ commitments to first in-country recipients have gone to the Government of Ghana (GoG); the remaining funds have been committed to international NGOs (10.9%), multi-lateral implementing agents (10.4%), donor governments (3.8%), Ghanaian NGOs (1.5%), Ghanaian firms/consultancies (0.7%) and international firms/consultancies (0.04%).

The consistent pattern of financial flows is particularly strong with the biggest donors. The multilateral institutions are exclusively giving REDD+ financing to the GoG or to their in-country offices. The same is true of donor governments, who only commit REDD+ funding to the GoG, international NGOs, or to their in-country offices. As major donors, international NGOs provide REDD+ funding to a more diverse group of recipients, as shown in Figure 6. Ghanaian NGOs also commit and disburse money to a diverse cross-section of institutions, albeit in much smaller amounts.

Figure 5. Percentage of Funding Committed to First and Second Tier In-Country Recipients by Sector



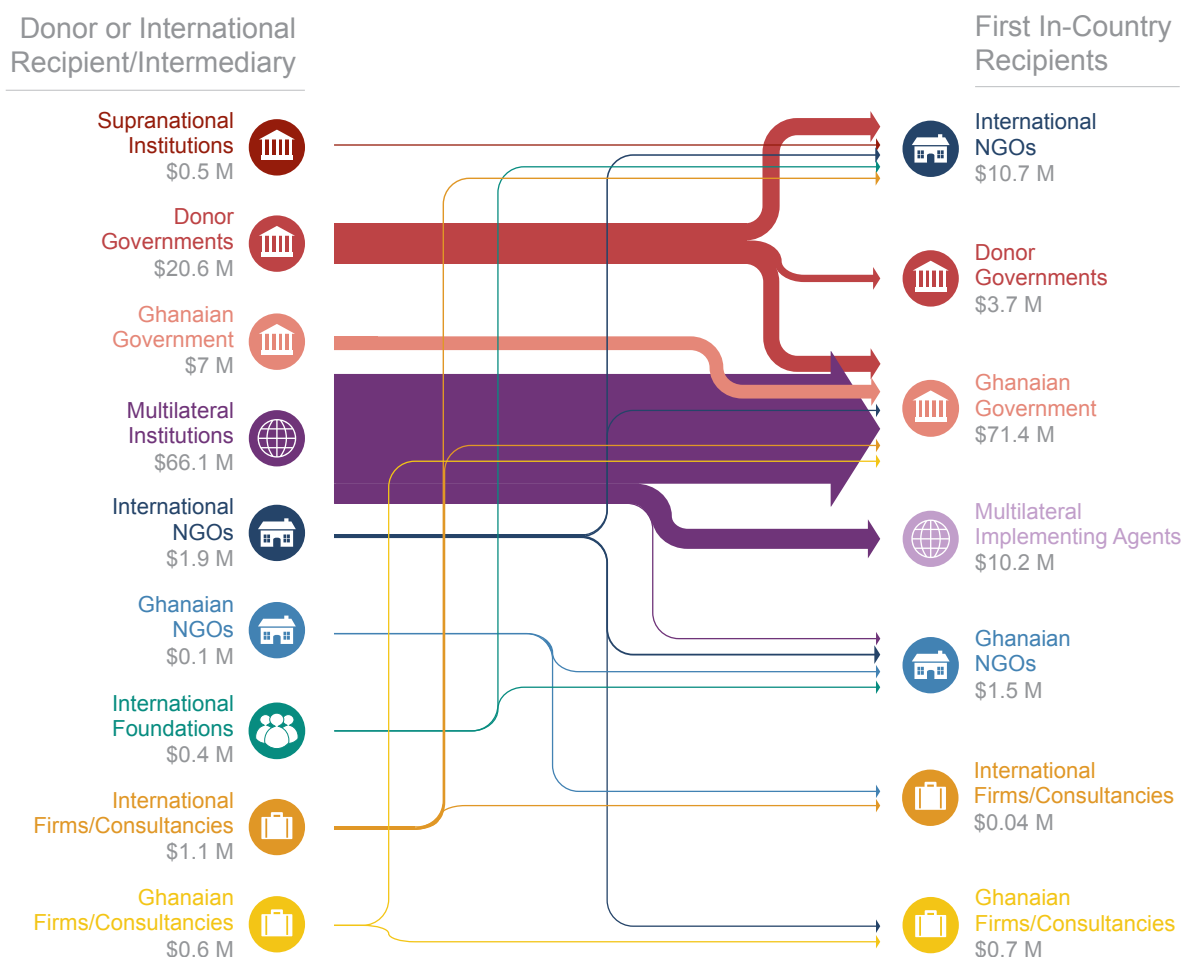
Specific Donors, Recipients, and Financial Flows of REDD+ Funds in Ghana

Figure 3 gives a detailed breakdown of the institutions, agencies, organizations, and companies that have committed or channeled REDD+ funds to Ghana. The FIP donors—World Bank, AfDB, and IFC—have made the largest commitments towards REDD+. Securing and defining this commitment has taken more than five years, which is why previous Ghana REDDX reports have listed the commitment in different years and with varying amounts. With the exception of the IFC commitment and the Dedicated Grant Mechanism (which is not yet even a commitment), the World Bank and AfDB commitments are now clear, activities have been planned out, and the first disbursement of funds started in 2015 to support implementation. The entire commitment of the WB and AfDB has been made to Ghana’s MLNR, which will in turn disburse funds to other government agencies to implement.

Outside of the FIP, the biggest commitments to Ghana for REDD+ have come from the World Bank FCPF (US\$8.6 million), the Government of Japan (US\$ 7.8 million), and USAID (US\$5.7 million), with 37%, 100%, and 78% of respective funds having been disbursed by the end of 2014.

As recipients, the MLNR (US\$33.9 million), the FC (US\$19.4 million), and the IFC Ghana office (US\$8 million) have received the largest commitments, with 2.2%, 72% and 0% disbursement from 2009–2014. Amongst donor governments, USAID committed US\$3.6 million to its own in-country CSLP office, and the Dutch international

Figure 6. Overview of REDD+ Finance Commitments From Donors to In-Country Recipients

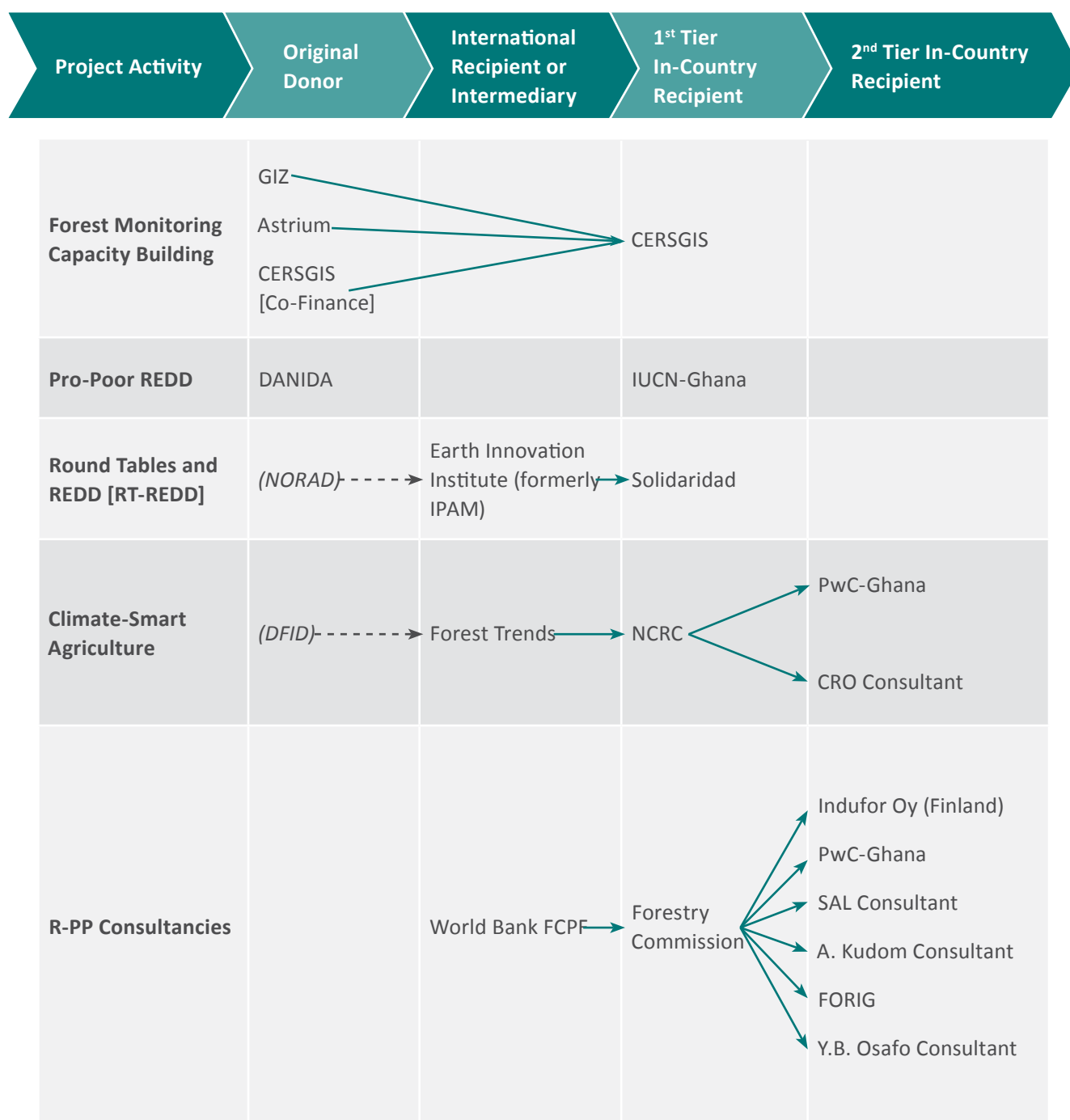


NGO SNV received US\$5.3million in REDD+ funding commitments. Of the two, 96% and 52% of committed funds have been disbursed respectively.

Other notable flows include: FORIG, which received US\$2.2 million in commitments and had received US\$1.7 million (70%) in disbursements by the end of 2014; IUCN-Ghana, with a commitment of US\$2.8 million against US\$1.9 million having been disbursed (70%); and NCRC receiving full disbursement of US\$1.4 million in commitments (100%).

Figure 7 shows the flow of REDD+ funds from donors and/or international recipients/intermediaries to first tier in-country recipients and second tier recipients. The first two rows depict examples of the most straightforward type of financing arrangement, in which a donor contributes money directly to an in-country recipient that is implementing the activities. The subsequent rows depict arrangements involving international recipients or intermediaries, and highlight the challenge of attempting to track the flow of funding back to the actual donor source, even when known (e.g. Norad or DFID). The last two rows also show how first tier in-country recipients often pass REDD+ funds that they have received on to other organizations and companies in Ghana. The one exception to this trend of first-tier in-country recipients contracting with Ghanaian organizations is the Forestry Commission's contract with Indufor Oy, which is a Finish company.

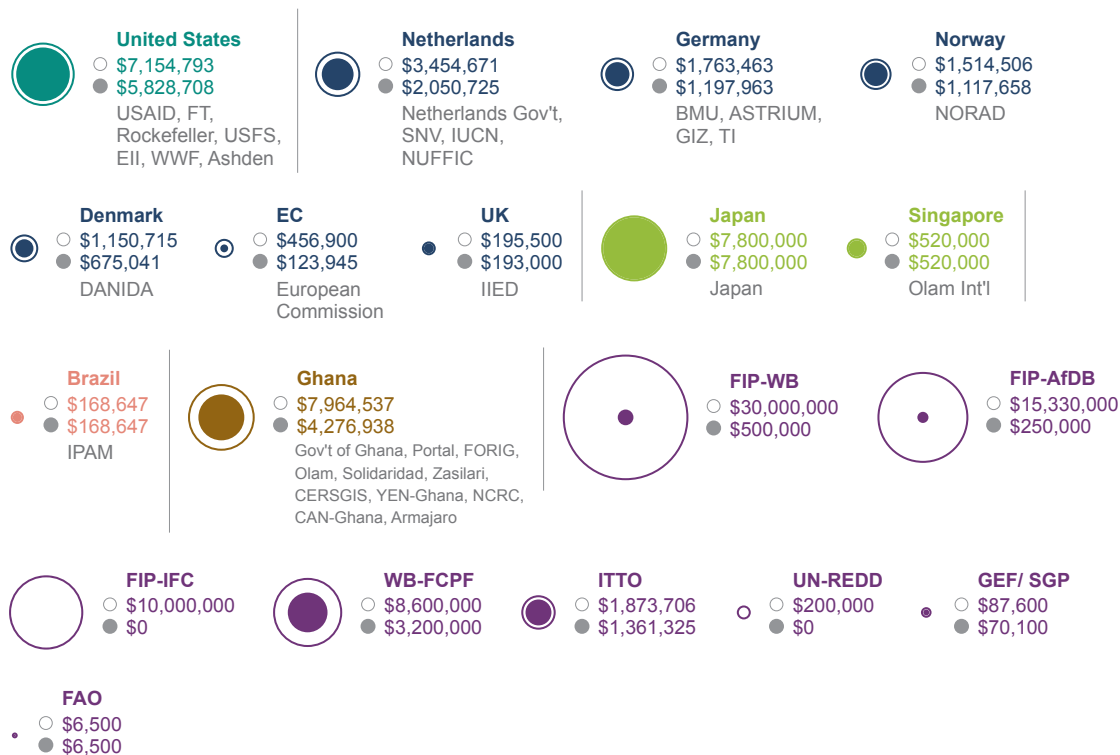
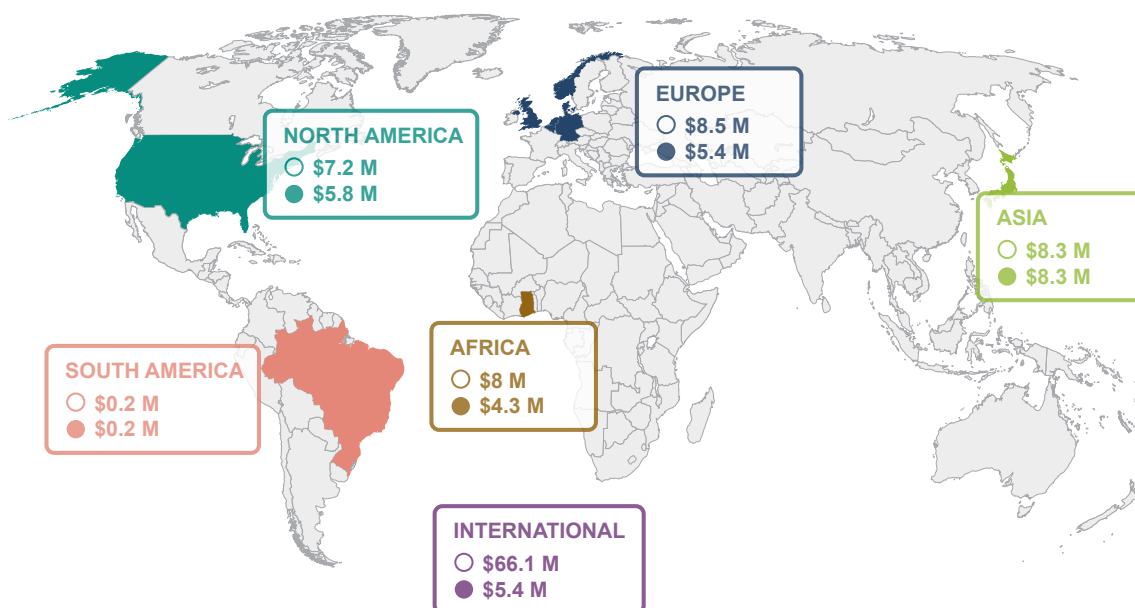
Examples of Financial Flows for REDD+ Projects in Ghana, as Tracked by REDDX⁴



Geographically, the majority of REDD+ commitments derive from international institutions that are not rooted in a particular place (US\$66.1 million). This is followed by commitments from Europe (US\$8.5 million), Asia (US\$8.3 million), Africa (US\$8 million), North America (US\$7.2 million) and South America (US\$0.2 million) (Figure 8).

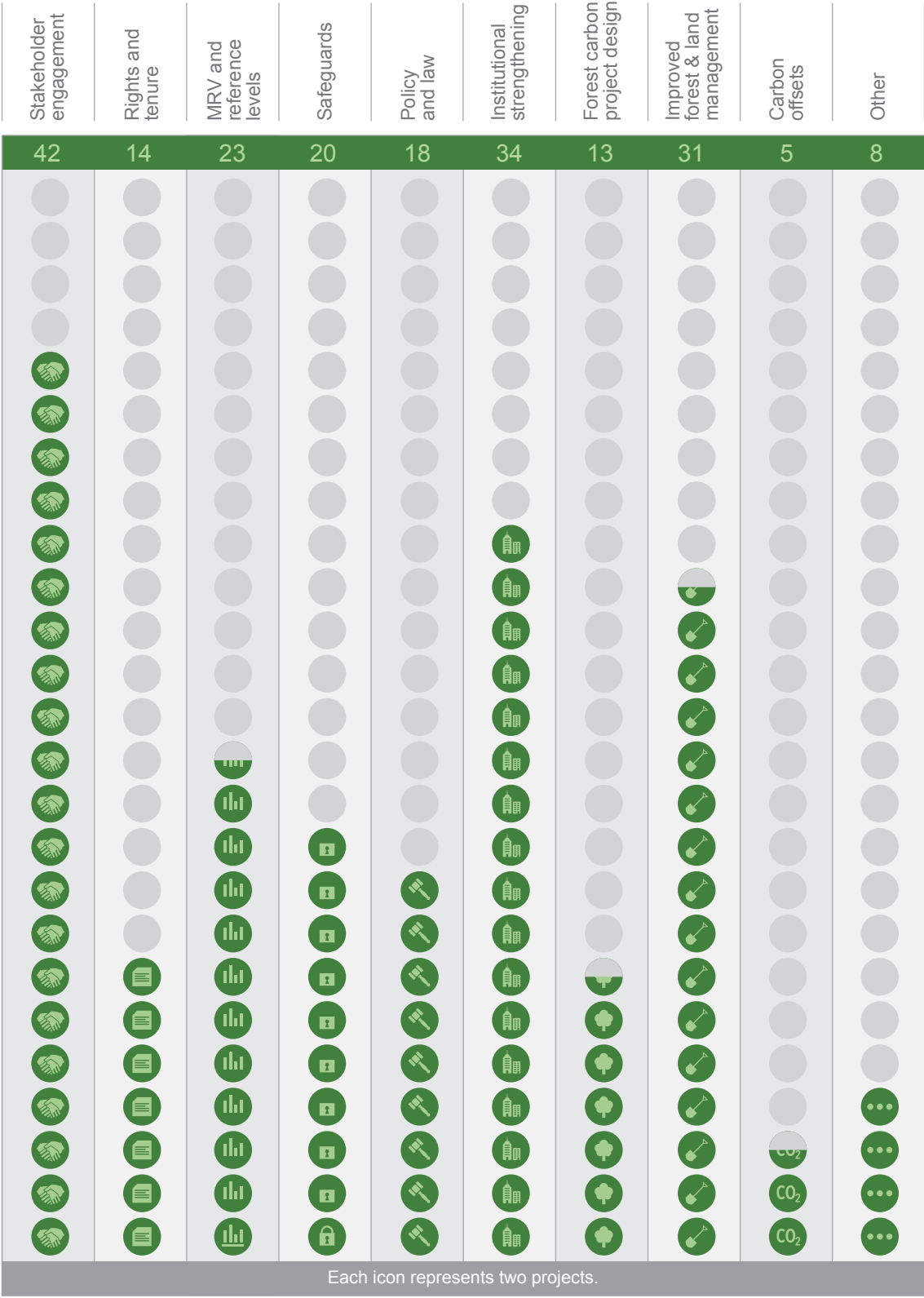
⁴ Donor institutions listed in parentheses were not formally tracked, but are known to be the original donor.

Figure 8. Origin of Funding From Original Donors and International Recipients/Intermediaries



○ Funds Committed ● Funds Disbursed

Figure 9. Proportion of All REDD+ Projects Tracked in Ghana that Are Implementing Various Types of Activities



REDD+ Activities

Engagement in the various activities that constitute REDD+ readiness and implementation in Ghana is relatively well distributed, as shown in Figures 9 and 10. Stakeholder engagement, institutional strengthening, and improved forest and land management are the most frequently cited activity areas by the in-country recipients, a trend that is unchanged since last year's 2009–2013 REDDX report. The most noticeable change is the increase in the number of recipients citing forest carbon project design among their project activities. The FIP projects and the Portal Forest Estates Ltd. private sector project also cited the intention to produce “Emission Reductions”, though both are still in early phases and not yet close to achieving this objective. The “other” category includes the following activities: REDD+ finance tracking, mangrove conservation, carbon stocks assessment, REDD+ Strategy development, climate smart agriculture, research, benefit sharing, Dispute Resolution or Grievance Redress Mechanism (DRM/GRM) cocoa certification, and development of REDD+ communication strategies.

Figure 10. REDD+ Activities Supported by Donor Type

	Stakeholder engagement	Rights and tenure	MRV and reference levels	Safeguards	Policy and law	Institutional strengthening	Forest carbon project design	Improved forest & land management	Carbon offsets	Other
 Supranational Institutions	✓	✗	✗	✗	✓	✓	✗	✗	✗	✗
 Donor Governments	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
 Ghanaian Governments	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗
 Multilateral Institutions	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗
 International NGOs	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓
 Ghanaian NGOs	✓	✗	✓	✓	✓	✓	✓	✓	✗	✗
 International Foundations	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗
 International Firms/Consultancies	✓	✓	✓	✗	✗	✓	✓	✓	✓	✗
 Ghanaian Firms/Consultancies	✓	✓	✓	✗	✗	✓	✓	✓	✓	✗

Ghanaian National Government Domestic Funding Commitments to REDD+

This was the first year that GoG tracked its own national commitments, apart from co-funding requirements. The only national commitment towards REDD+ that occurred over the time period of this report was made by the FC towards plantation development. In 2010, the FC's NFPDP committed US\$52.8 million towards plantation development, of which US\$36.4 million was actually invested on the ground in program activities (Table 1). These investments did not continue in 2014, due to lack of funds.

Table 1. Ghana's National Commitments to REDD+ Under the NFPDP

	2010	2011	2012	2013	Total
Annual Commitment	19,174,450	19,580,000	11,352,436	2,650,800	52,757,686
Disbursed Funds	14,601,974	7,785,973	11,352,436	2,650,800	36,391,183

5. National Validation Meeting

A national validation workshop was held at the headquarters of the Forestry Commission of Ghana in June, 2015. The workshop provided a platform for stakeholders to review and analyze the results and the data collection process of Ghana's 2015 REDDX initiative. The workshop also afforded participants the chance to deliberate on potential areas of collaboration in Ghana's REDD+ implementation process. Thirty-five participants from government agencies, NGOs and CSOs, the private sector, academia and donors attended the workshop (Annex 1). The validation workshop was chaired by Yaw Kwakye, Head of the Climate Change Unit of the Forestry Commission and the Head of the National REDD+ Secretariat.

Participants acknowledged that the REDDX initiative and the process that it has fostered between stakeholders is positive and has been highly beneficial to Ghana's readiness efforts and moves towards implementation. According to the NRS, REDDX has helped to set the agenda for REDD+ in Ghana. It has facilitated a foundation of transparency and a much deeper understanding about the reality of REDD+ finance, expenditures and activities. It was also recognized that REDDX has enabled Ghana to establish and maintain a comprehensive and highly accurate database of REDD+ funding and project activities, which has led to more effective planning, greater collaboration, and a better understanding of opportunities and gaps. As such, REDD+ is enabling a prioritization of needed action and activities.

Key discussion points from the National Validation Meeting are presented below:

Wide gap between REDD+ commitments and disbursements in Ghana. At present, only about 30% of commitments made for REDD+ activities have been disbursed in Ghana. Though consistent with the trend from previous years, the continued disparity between commitments and disbursement was a key point of discussion during the Validation Meeting. The main reasons given for the huge gap were the slow disbursement rate of the FIP commitments, which is the biggest REDD+ commitment to Ghana, and the fact that several projects being tracked are multi-year initiatives and consequently the disbursements are spread across several years.

Continued absence of support for pilots and activities on the ground. Ghana now needs actions on the ground. However, since the start of REDDX in Ghana, there has been a total lack of funding to support the national REDD+ pilots, and only limited funding for other initiatives, which may or may not align with REDD+ goals, needs and gaps, and the majority of which are not aiming for carbon impacts, per se. As a result, many stakeholders feel constrained by the lack of support for REDD+ activities. Though the FIP funding will support REDD+ implementation, this funding is primarily limited to government agencies, and therefore NGOs, the private sector and community-based organizations are still struggling to generate sufficient funding to reduce the risks and barriers to implementing early actions.

More action on tree tenure. It was observed that both tree and land tenure are longstanding challenges for REDD+ and for sustainable natural resource management, which appear to lack proponents with the "vim" or "guts" to actualize reforms. Therefore, a call was made for the establishment of a "practitioners working group" to share experiences and information on this issue with government. Stakeholders also asked for someone, an NGO, to lead a stakeholder process focused on piloting or testing new tenure arrangements and policies, and sharing the results with the government. The feeling was also expressed that the FIP has not engaged with NGO stakeholders in its

target landscapes. Overall, it was agreed that to affect policy changes, the Parliament needs to be engaged, whereas to affect behavior change on the ground, the land owners need to be engaged.

Low participation of private sector in REDD+. The weak participation of the private sector in REDD+ activities and funding provisions has been a key challenge in Ghana over the years. One of Ghana's national pilots has reported significant investments into its forestry project over the past five years, which has a REDD+ objective, and one private sector cocoa company also reported significant investment. But these investments may align more with the private sector interests than deriving from or responding to REDD+ needs. Greater private sector engagement is expected in 2015 and going forward, but there is consensus that much more is needed.

The IFC's FIP commitment seeks to enhance the participation of the private sector through the provision of near zero interest financing opportunities for private firms to embark on REDD+ related interventions, but the specific area of focus is still not widely known and the entire effort appears to be stalled.

Currently, the greatest hope for private sector engagement sits with Ghana's Emission Reductions Program, which will need to leverage funding from key stakeholders, including the private sector, to support climate smart cocoa production and emission reductions.

Strong focus on designing forest carbon projects but limited interest in carbon offsets or performance based payments. Many agencies, organizations and institutions cited forest carbon project design as an activity supported by their funding. However, few of these projects extended a focus to all elements of project design. Instead, most of the funding has focused on particular elements of the design process. This explains why there is a paucity of funding to support carbon offsets or performance based payments, as few of these projects have this as their goal or objective. Two exceptions include the FIP projects and the Portal Forest Estates Ltd project. However, for these projects much work remains to be done. Moving forward, given that there has been significant progress towards the completion of REDD+ readiness and associated frameworks, systems and mechanisms, and given that the programmatic approach to implementation will significantly reduce costs associated with REDD+ activities, REDD+ project proponents and program stakeholders should find an improved foundation upon which to design forest carbon projects that can produce Emission Reductions within a performance based system.

Where are local communities in the REDDX initiative? The question was raised as to whether communities are engaged in and benefiting from REDD+ given that they are not emerging as stakeholders or recipients of REDD+ funding. The Dedicated Grant Mechanism (DGM) under FIP was cited as an example of an initiative that should be tracked under REDDX and thereby provide some information on the participation of local communities in Ghana's REDD+ process. However, no formal agreement on the DGM is in place and the initiative was consequently designated as a pledge in the submitted data for Ghana's 2014 REDDX.

Sustaining REDDX and integrating it into Ghana's REDD+ architecture and systems. Participants said that the REDDX initiative was a positive and useful activity for Ghana, and that the CCU and partners need to maintain a commitment to the initiative so that

it can be sustained. Given that REDDX has served as an efficient and powerful process for identifying, tracking, and analyzing information on all REDD+ related funding and activities in the country, the National REDD+ Secretariat said that they would like to use the data and the process itself as the basis for the development of a National REDD+ Database, which will serve as a repository of data on in-country REDD+ projects and activities. It was even recommended that REDDX could be expanded as a platform to track all forestry sector activities in-country as it is the only comprehensive source of data and information about funding and initiatives.

Update of REDDX template to capture better information about REDD+ activities.

Participants proposed that in future data collection for REDDX, stakeholders should provide more specific information on how their projects meet each REDD+ activities category. The categories are so broad that it is difficult to grasp any real detail about the quality or scale of activities.

6. Conclusions and Recommendations

Ghana has participated in REDDX since 2011 when the initiative was first piloted. This report presents the findings of Ghana's fourth REDD+ finance tracking effort under the REDDX initiative, covering the years 2009–2014.

Ghana is currently transitioning from REDD+ readiness into an intermediary phase as readiness activities will run concurrently with implementation and piloting through early 2016. The readiness phase will end when Ghana submits its REDD+ Readiness Package (R-Package) to the FCPF in February, 2016. The demand for emission reductions that will be created by the emerging ER-Program, and the financial inflows anticipated from the FIP, hold promise for delivering good investment for REDD+ piloting and implementation in Ghana. However, the absence of a complete geographical alignment between the FIP and ER-Program, the very slow time-frame of disbursement from the multilateral banks to the GoG, and the FIP's government-based implementation structure raise questions about the FIP projects' ultimate ability to achieve emission reductions or enhancements. It is clear that the FIP alone cannot bring the full scope of implementation that is required for REDD+. Therefore, the absence of alternative funding or investment to support the development of performance based payments raises the question of how Ghana can achieve its ultimate aim with REDD+. The hope is that private sector and bilateral support will bridge this gap. Funding in this direction is important to show that both Ghana and the international community are serious about making REDD+ a success in a country where the interest, vision, and need for forest protection are paramount.

The success of Ghana's intermediary phase, which seeks to aid in the transition to full implementation of REDD+, hinges on continued effective leadership, particularly from the relevant government agencies, to ensure that the interrelationship between the readiness and implementation phases are well coordinated. It also falls upon the consultants and other stakeholders to produce quality work for Ghana. Without usable and robust readiness outputs, it will be highly challenging to move squarely into the implementation phase.

Ultimately, the success of this phase will depend on the development of a FRL and operational Forest Monitoring System, a robust social information system, as well as a formidable data management system for managing interventions and impacts. Ghana's experience with REDDX has already given the NRS and associated stakeholders a positive and transparent process for collecting, managing and analyzing REDD+ data. Therefore, it is the desire of the NRS to integrate data from Ghana's REDDX initiative into a national Data Management System/Registry. The REDDX initiative provides a firm foundation on which to build the broader platform for data management. Using REDDX will allow the data management system to benefit from and improve the existing synergies, communication, collaboration, and coordination of REDD+ activities and funding.

Recommendations for REDDX

- Government should take steps going forward to formally integrate REDDX with the Secretariat's development of a data management system/REDD+ registry;
- REDDX and the data management system should begin to map the location of projects and activities in order to more specifically pinpoint where REDD+ finance is being implemented geographically, in order to identify landscapes with high potential but limited funding or engagement as compared to those that are well resourced;
- REDDX in Ghana should consider development of an on-line template and information-sharing platform associated with the NRS's webpage;

- REDDX in Ghana could consider tracking the full amount of funding that flows from donors to international recipients/intermediaries before it is disbursed to in-country recipients;
- Activity tracking categories could be updated to more accurately reflect the real use of funding. For example, stakeholder engagement seems to be a catch-all activity that everyone is doing.
- REDDX can also explore linkages to the national emissions accounting registry, which sits with the EPA.
- REDDX should expand to consider adaptation finance as well as integration with national accounting to the UNFCCC.

Recommendations for REDD+ in Ghana

- Donors' attention and support should be given to projects and activities that nest within the articulated ER-Program for the high forest zone.
- Training should remain a top funding priority so that the understanding of REDD+ opportunities and limitations can continue to grow and expand, particularly with respect to the private sector and government agencies.
- Much more work needs to be done to bring the private sector on-board to understand the opportunity and to ensure that existing investments align with REDD+ goals (and are not contradictory).

Annexes

ANNEX 1. Participants at the National Validation Meeting

No.	Name	Institution
1	Isaac K. B. Sackey	Olam Ghana Ltd
2	Anna Mensah	GEF
3	Reuben Ottou	SNV - Ghana
4	Gene Birikorang	Hamilton Resources and Consulting
5	Oluwatobi Victor	Portal Forest Estates Limited
6	Saadia Bobtoya	IUCN - Ghana
7	Selase Adanu	CERSGIS, University of Ghana
8	Daryl Bosu	A Rocha Ghana
9	Christian Mensah	Rainforest Alliance
10	Wellington Baiden	Portal Forest Estates Limited
11	Micheal Okai	Ghana Integrity Initiative
12	Afari Kofi	MLNR
13	Ernestina Osei-Peprah	Conservation Alliance
14	Rebecca Asare	NCRC
15	Joan Atiase	Solidaridad Network
16	Tabi Agyarko	MLNR
17	Stephen Adu-Bredu	FORIG
18	Ernest Foli	FORIG
19	Augustine Arthur	Forestry Commission, Headquarters
20	Maclean Asamani Oyeh	Consultant
21	Yaw Kwakye	FC HQS
22	Roselyn Zuta	FC HQS
23	Kwame Agyei	FC HQS
24	Cudjoe Awudi	FC HQS
25	Samuel Odei	FC HQS
26	Patrick Kwakye	FC HQS
27	Hilma Manan	FC HQS
28	Joseph Asare	FC HQS
29	Oppon Sasu	FC HQS
30	Kingsley Obeng	FC HQS
31	Hellen Wiafe	FC HQS
32	Nana Adwoa Asante	FC HQS
33	Bright B. Esuan	FC HQS
34	Ama Asare	FC HQS
35	Joel Yaba	FC HQS

ANNEX 2. Institutions Contacted and Outcomes

No.	Institution/Individual Consultants	Outcome
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NEW STAKEHOLDERS

1	Proforest Ghana	REDD+ project is yet to commence
2	Touton	No clearly defined REDD+ intervention is being implemented
3	Permian Ghana	REDD+ project is yet to commence
4	UNDP Ghana Country Office	Data provided
5	Hatof Foundation	Data provided
6	Youth Employment Network	Data provided
7	Zasilari Ecological Farms Project	Data provided
8	Conservation Alliance	Data provided
9	Civic Response	Organization contacted but no information provided
10	Winston Asante (Individual consultant)	Data provided by the Forestry Commission (1 st Tier Recipient)
11	Global Environment Facility (GEF) Small Grants Programme	Validation of data on GEF funded projects (being implemented by Youth Employment Network, Zasilari Ecological Farms Project and Hatof Foundation)

EXISTING STAKEHOLDERS

1	Climate Action Network	Data updated by stakeholder
2	SNV – Ghana	Data updated
3	Ghana Integrity Initiative (GII)	Data updated
4	Project Office – Coastal Sustainable Landscapes Project	Data updated
5	Portal Estates Limited	Data updated
6	Pricewaterhouse Coopers	Data updated by the Forestry Commission (1 st Tier Recipient)
7	Yaw Osafo Legal Services	
8	Ama Kudom (individual consultant)	
9	SAL Consult	
10	Indufor Oy	
11	Rainforest Alliance	Data updated
12	A Rocha Ghana	Data updated
13	Nature Conservation Research Centre	Data updated
14	Forestry Commission	Data updated
15	Solidaridad West Africa	Data updated
16	Centre for Remote Sensing and Geographic Information System (CERSGIS), University of Ghana	Data updated
17	IUCN – Ghana	Data updated

No.	Institution/Individual Consultants	Outcome
18	Ministry of Lands and Natural Resources	Data updated
19	Forestry Research Institute of Ghana	Data updated
20	Armajaro Ghana Office	REDD+ consultancy completed, previous year's data entered
21	Hamilton Resources Consulting	Data updated
22	International Finance Corporation – Ghana	Data updated



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