



**CGIAR Research Program on
Climate Change, Agriculture and Food Security (CCAFS)**

Institutional innovations in African smallholder carbon projects

Case Study: Cocoa Carbon Initiative

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Cocoa Carbon Initiative



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Project's capacity to produce verifiable credits

SLM interventions implemented

- Development of Community Resource Management Area (CREMA): Nature Conservation Resource Center (NCRC)/Katoomba Incubator (KI), Local stakeholders.
- Increasing cocoa farm yields by harnessing and disseminating information and resources that enable adoption of the best farming practices: NCRC/KI, interested national and international financial institutions (currently negotiating with a handful of institutions), and key cocoa sector stakeholders, including farmer associations and licensed buying companies (currently negotiating these partnership arrangements).
- Increasing carbon stocks of non-cocoa trees (shade trees) on farm and within farming landscape, above the business as usual threshold (carbon stock enhancement): NCRC/KI, interested national and key cocoa sector stakeholders, including farmer associations and licensed buying companies (currently negotiating these partnership arrangements).
- Avoiding emissions from cocoa expansion into forests or into old, high carbon stock cocoa farms through community land-use planning under CREMA mechanism (avoided degradation): NCRC/KI, local communities, traditional authorities, CREMA Board, Forestry Commission.

Project targets

- Amount of CO₂ emissions to be sequestered specified by practice: In the process of assessing through analysis of national carbon map and planned site-level sampling.

Project management capacity

Organization of project participants

- Nature Conservation Research Centre (NCRC, West Africa)
- Katoomba Incubator (KI, West Africa) and Forest Trends
- Local communities have undertaken the process to build a Community Resource Management Area (CREMA), which devolves management rights to local communities. Current CREMA communities are focused on biodiversity conservation, but scope will expand to include Cocoa Carbon objectives, as well as integration of more communities.
- We are in the process of identifying other institutional partners, as described above.

The project process and timeline

Two site identification workshops were held with relevant stakeholders (cocoa, forestry, agriculture and research institutions) to select relevant sites for the project. Site visits also took place to better understand site conditions. Three potential sites were selected. We are currently moving forward at two of these sites, which have been effectively bridged into a single project landscape. At this site we are engaged in a full-scale feasibility assessment. Once an appropriate cocoa carbon model is determined then we will expand to the third site and potentially beyond.

Once the Feasibility and PIN are complete we will move into full scale project development with our project partners and completion of the PDD document. At the same time we maintain a very strong focus on capacity building and supporting an enabling national and subnational environment for REDD+, including the creation of a National Carbon Map, subnational maps which will follow the launch of the map in February, and legal/policy support. As we complete the PDD we will begin the search for potential purchasers of project credits

Project risks and management responses

Biophysical	Socio-political	Economic
<p>Risk: Low risk of fire in some of the areas.</p> <p>Response: CREMA mechanisms to manage fire risks and enhancement of carbon stock activities that also serve as buffers.</p>	<p>Risk: Policy conflicts between forestry, cocoa and mining sectors and now REDD.</p> <p>Response: Engagement of Government at early stage avoid conflict of interests across landscape</p>	<p>Risk: Farmer investment in “best practices” including farm inputs.</p> <p>Response: Provide farmers access to credit facilities and insurance options</p>
<p>Risk: Poor rainfall years that could negatively affect cocoa farms and overall productivity.</p> <p>Response: Insurance options for farmers.</p>	<p>Risk: Personal conflicts of interest or varied view points amongst individuals, families, traditional leaders, government officials regarding cocoa farm management and decision on forest resources.</p> <p>Response: Ensure a participatory process that enables community based democratic decision making.</p>	<p>Risk: Potential economic risk of having timber trees on farm.</p> <p>Response: Use CREMA to ensure that rights to planted trees are enforced and recognized by Gov.</p>

New opportunities or changes in the project environment

Financial

We are looking to use fast-start funds to leverage private sector investment. Additionally, when it became clear that the actual REDD+ benefits might not outweigh opportunity costs to farmers, we switched focus to make increased productivity the core project activity. Ultimately, the goal is to leverage REDD+ to facilitate more sustainable farming practices and land use management.

Technology

There is the opportunity to be involved in the development of hand-held device technology for community carbon monitoring and cocoa marketing. Also, there is potential use of innovative finger-print payment technology available in Ghana, through Ez-WICH or mobile phone banking.

Project management capacity

Organizational capacity

Financial

- Full capacity within KI/FT and NCRC
- Sustainability of the fund, flow, costs: Medium term funding from Foundations to carry project forward, now generating multiple funding proposals to enable longer term support to project development.
- External evaluation reports: is this a question about MRV? If necessary, we use FT staff with technical expertise or hire outside verifier.

Technical

- Between KI/FT we have technical staff in 1) remote sensing, GIS and land use change, as well as software and imagery to conduct analyses; 2) carbon sampling and analysis; 3) community engagement; 4) expertise in REDD+ methodologies and REDD+ project development; 5) agroforestry specialists; 6) business and financial expertise; 7) community conservation experts; 8) policy and legal experts.

Personnel

- Number of professional staff in the carbon project: 7 (plus expertise we can draw on from colleagues who are not directly implicated).
- Qualifications of project staff: 2 PhDs, 4 Master's degrees in NRM/Biodiversity, 1 mature professional with expertise in community-based efforts. All have received training/introduction to REDD+ issues. Nearly 100 years of collective professional experience.
- Number of field staff in the project: 1, plus 13 community management committees.
- Gender composition: 2 women, 6 men.
- Staff per number of farmers- not relevant at this point.
- Number of vehicles: 5 vehicles at project's disposal

Administration

Both KI/FT and NCRC have full admin and accounting staff with extensive experience in managing project development. Not yet to a point where we are managing benefits-sharing at community level.

Organizational attributes for stability and/or adaptation

Partnerships

We will ultimately partner with financial institutions, insurance institutions, buying companies/extension organizations/farmer organizations, and forestry sector stakeholders, including the government. Thus, we will have support and commitment across the entire scope of the project.

Internal financing mechanisms

Multiple funding sources (Moore, Rockefeller, Norad, GEF) with new proposals on the table

Multiplicity of project skills: see skill description above.

Experiences

NCRC has been active in the area since 1998 and playing a national role in conservation for over 15 years. KI/FT are international experts in payments for ecosystem services.

Community structure and governance

Structure	History	Role	Governance	Legality
Community Group: <i>Management committees that lead to full CREMA development and Board</i>	Established through conservation effort of NCRC	Rockfowl Conservation committees to protect endangered habitats of the bird in the Forest Reserves.	Instrumental in the conservation of the FR	Recognized by gov. Development of District level by-laws
Traditional Authority	Existed since the beginning of settlements	Very specific on all community matters	Very instrumental and accepted in all community relations.	Has a constitutional backing
Local Government: <i>Will have minor involvement</i>	Established by the Government	Very specific for Developmental issues in all communities.	Very specific	Has a constitutional backing

These groups were all in existence before the project was initiated and they form the entry point to all the communities involved. The project hopes to strengthen community participation and engage in capacity building. CREMAs and TA provide the local level decision making and project governance. As mentioned above, we are currently negotiating with the 2 farmer organizations and 2 licensed buying companies mentioned in table. The CREMA is going through the process of legal recognition. All other organizations are legally recognized.

Gender

Gender in decision making

This project is specifically targeting cocoa farmers, and more generally the communities that they live in. Engagement with communities will occur through two separate veins; through the CREMA and then with individual farmers who decide to adopt practices, etc. Across Ghana, just over one quarter of all cocoa farmers are women so at the very least the project should have at least ¼ of all individual farmers being women. When the project gets to the appropriate point, we will make a strong effort to share information with and provide women the opportunity to participate. This could include special meetings for female farmers, ensuring that women are amongst the extension agents, and making sure that information and activities are not biased towards only English or those who can read and write.

That said, women farmers tend to have less education than male farmers, less contact with ‘officials’ including extension specialists, smaller farms, and to earn lower yields (and profits) than men. However, given that one of the main aims is to boost productivity, there is a lot to gain by ensuring women’s participation. Conversely, women tend to have more diversified cocoa systems, which may end up translating into higher carbon stocks in the farm thus from a simple REDD perspective this means that women farmers may have more opportunities to avoid emissions than men.

Gender in farmers’ groups

Women are all part of the CREMA process. Each community currently has a conservation committee that consists of 5-6 people. Of the 16 operating committees, there are at least one, but in some cases 2 women per committee. A concerted effort was made to ensure that at least one woman was involved.

On the management board, there are currently 5 women reps out of approximately 16 seats, but not all of the seats have been filled. In addition, 2 more communities are going to join the board so the number of women could easily increase.

Gender in implementation

This project will be implemented with technical experts from key stakeholder organizations in the sector. One major challenge is that very few women work as extension agents or have the cocoa technical expertise. The agriculture field has traditionally been dominated by men. We may have to specifically seek out a female expert to join the implementation team.

Gender and benefits

Individual benefits will come primarily in the form of yield and income increases, thus for women to benefit means that women must participate. As previously stated, there is every expectation that women will be involved and we will specifically follow through to ensure that they have the comfort level and good information to engage.

Other benefits may also become available to farmers in the form of risk insurance, input loans, access to extension systems, etc. A cutting edge information tracking system is going to be used to monitor all data and information associated with the project (from carbon stocks, to traceability of cocoa beans to farms, to information on the farmers), thus we can make sure that this system tracks gender statistics. It might make sense to give gender targets.

Finally, it is anticipated that some of the climate benefits will go back to communities, perhaps in the form of a trust fund. Thus, communities will decide or create options for how these benefits are shared, and women will have a voice in this process through the committees and management board. We could also set up a committee of women to offer guidance and feedback on issues critical to them, with respect to the project.

Future plans to integrate gender

With regard to the CREMA, there could be efforts to ensure that women represent a larger number on each committee. A specific position might also be created within committees that would be designated for a woman and perhaps two such positions on the management board.

Key policy issues

Currently, there is no legal policy on carbon, but the government is committed under the REDD Readiness Plan to develop and amend issues of concern on carbon particularly rights and credits. However, tenure, technical assistance, and full information which are important for effective and fair PES operations have yet to receive much needed attention on the government side.

In principle, Ghana's Forest and Wildlife Policy (FWP) is strongly aligned with the goals of REDD+. Unfortunately, its actual impact is relatively weak compared to the existing land and forestry related laws, acts, customary norms, and lesser policies that serve as the real directive for how forest resources are managed and exploited.

Government has initiated a working group to focus on Legal and Policy issues. KI/NCRC has written a working paper specifically on this topic (Asare 2010).

Interaction with landscape scale processes

- Existing CREMA is currently situated within a national conservation strategy to protect the endangered White Necked Rockfowl.
- Will aim to operate within any developing climate change strategies at national or district levels but currently not in existence.
- Will also fall within national goal to increase cocoa production.

What are the most significant challenges for the project?

- Ghana's legal and policy framework prioritizes economic exploitation of timber off-reserve and on-reserve to the benefit of the State.
- Farmers and forest-based communities have few legal, economic, or customary incentives to maintain trees or forest patches in the landscape.

- Current track record of sustainable forest management and economic user-rights to trees demonstrates that successful implementation of the project will not necessarily be easy on this front, but strong support from individual officials within Forestry Commission with significant decision making authority makes us feel that positive changes are possible, particularly at a project/pilot level.
- Laws, policies, institutional practices, and socio-cultural norms are a big challenge to the project, but we feel that the CREMA provides the right model for addressing these challenges.
- Ensuring an adequate aggregation of cocoa farmers and farming families throughout the life of the project.

Project innovations

- The introduction of the CREMA concept in the project will significantly be an innovation, because the communities will then have the rights over the resource base of their environment.
- Though we have not explicitly described the stakeholders involved as we have yet to finalize our agreements, we feel that if we can bring this group of organizations and institutions together towards the common goals of the project, then this will represent an innovative in and of itself.
- Focusing on “sustainable intensification” to achieve forest conservation and climate smart cocoa farming.

Source

Asare, R.A. 2010. Implications of the legal and policy framework for tree and forest carbon in Ghana: REDD opportunities scoping exercise. Forest Trends: Washington, DC.