

BURKINA FASO

GAZETTED FORESTS PARTICIPATORY MANAGEMENT PROJECT FOR REDD+ (PGFC/ REDD+) QUESTIONS FROM UK SEPTEMBER 18, 2013

COMMENTS ANSWERS

respect to Gazetted Forests Participatory Management Project for REDD+ (PGFC/REDD+), we appreciate the additional information provided by the AfDB in response to issues raised on our recent telephone call, as well as in previous written comments. This information has been helpful in understanding the project better. However, we believe additional information is still required with respect to the analysis of the feasibility of alternative livelihood strategies at a disaggregated level. We would therefore request that the AfDB share its analysis of issues including: the reduction in income expected through the activity to be curtailed, a detailed assessment of the particular alternative proposed and its income potential, as well as the barriers to implementation of such alternative livelihood, and the attitudes of the community (if known) of adopting the alternative. Some of this information has already been provided in aggregated form, but it would be helpful to understand how the numbers were derived for each alternative, as well as a narrative assessment of the feasibility of implementing the alternative livelihood, including barriers to uptake and how they will be overcome. In particular, we would appreciate it if the AfDB could share more of its analysis on the curtailment of fuelwood collection and how other sources of wood or increased efficiency (through improved cookstoves, etc) will make up for the shortfall caused by

Local populations are mainly dependent on forests for fuel-wood and agricultural production. The more detailed analysis of the project opportunity costs is presented in annex B6.4 following assumptions developed in annex B6.1. This analysis highlighted the following points:

The shortfall in fuel-wood created by the forest management approach of the project is estimated to 52,331 cords of wood per year, equivalent to an forest exploitation of 6230 ha per year or 125 600 ha on the rotation of 20 years.

The total opportunity cost to the project is 666 FCFA / ha / year and consists of:

- an opportunity cost borne by the GGF due to the limitation of fuel wood harvesting rate (from 50% to 30%) estimated to 115,129,000 FCFA per year, or about 404 FCFA / year per ha of forest under management.
- an opportunity cost borne by the local population for the loss of agricultural production estimated at 74.7 million FCFA per year, or 262 FCFA / year per hectare under management.

To compensate for this loss of revenue the project will promote the delivery of additional revenue from the exploitation of non-timber forest products (NTFP) such as honey, bread baobab, fruit of the shea and locust trees. These are well known alternative income generating activities in Burkina Faso. The project will recruit an NGO to support the Forest management groups GGF to oversee the management of these activities during the project implementation.

Analysis of the income compensation was performed on two scenarios: 1) long-term including income from the sale of carbon; and, 2) short and medium terms without income from the sale of carbon. It appears from the analysis that through both scenarios, the forest management project will

reduced collection. Since we understand the *Burkina Faso: Decentralized Forest and Woodland Management Project* will support activities, such as woodlot creation, that are integral to the success of this aspect of the *Gazetted Forests* project, information that includes the activities of both projects would be welcome.

generate enough income from alternative activities to cover opportunity costs for all the life of the project. The average net income is estimated to 1978 FCFA / ha / year without selling carbon and 2538 FCFA / ha / year including income from the sale of carbon. However there is a need to establish a mechanism to ensure a better distribution of income because the opportunity costs are borne by the entire local population while only forest management groups GGF (5400 households) will receive income from the harvesting of forest products. That is the main objective of the PES. It should be noted that this analysis will be conducted for each forest during the updating study of management plans that will be financed by the resources of PPG.

2. We would also like to make sure we understand the rationale for and design of the proposed PES system. What particular activities do you expect the PES will be required in order to incentivize, and to what extent is the rationale for the PES system to compensate for reduced incomes caused by the adoption of alternative livelihoods?

How will the payment values per hectare be set? Will they be the same across the project or vary from place to place depending on the degree of opportunity cost experienced by communities in stopping their unregulated activities?

The establishment of the system of payments for environmental services (PES) aims to bring the riparian forest communities, and not just the members of GGF, to adopt best practices in the exploitation of forest resources and thus ensure that after the project completion, the maintenance and conservation of forests are assured by:

- Compliance with the specifications of forest management, including the rate of timber harvesting;
- The adoption of improved techniques for wood exploitation;
- The maintenance of forests particularly the new reforestation;
- Guarding forests to reduce illegal logging.

The PES mechanism aims to compensate local communities for the shortfall related to illegal logging especially for agricultural production which will no longer be practiced in the forests. PES therefore concerns all local communities and not just the 5,400 household members of the GGF who exploit forests. PES therefore compensates the community for the carbon that will be sequestered in forests because of the best practices adopted. The PES contracts will be negotiated at the start of the project in a participatory approach with all riparian villages. The PES contracts have to be approved by the municipalities and the consultative and management committees of forests which include all components of the riparian forest communities. So the PES will benefit to all the residents of the forests riparian villages.

PGFC/REDD+-AFDB will develop a MRV system earlier after the project start-up as well as a monitoring - evaluation system which will establish a baseline monitoring indicators (forest cover, density of trees per hectare, the average diameter , etc.) in each forest. Based on the baseline a PES protocol or contract will be negotiated by the project with the intermediation of NGOs and signed with each riparian village for a specific area of the forest. The PES performance will be evaluated and rewarded based on the evolution of the indicators and the opportunity cost to be estimated for each forest when updating management plans funded by PPG. So it will vary dependent of the potential of each forest.

Coordination and communication

Refer to overview of the investment plan (pages iii-x).

1. Given that the two projects are so complementary, it is essential that the coordination, oversight and communication methods are clear, at all levels of implementation, particularly at field level. It would be helpful if the two project teams could work together to produce an overview or summary for both projects, submitting the two projects at the same time, outlining the coordination mechanisms, and also setting out clearly and visually how the activities inter relate to deliver on objectives.	
Fundamental to the success of the two projects is a good understanding of the current livelihoods strategies of the communities that live in the project areas. We expect that this analysis has already been carried out as part of project preparation and request that this be confirmed. It will help to answer some key questions that we have for both projects: a. To what extent are households in the project areas dependent upon the gazetted forests (unregulated activity) for their livelihoods? In the event of a reduction in these activities in the gazetted forests, to what degree will households lose? Are there certain groups that will be more affected than others? And in the short term, where and how might these losses be made up? b. How will the projects ensure that the poorest and most	Refer to overview of the investment plan (pages iii-x). It should be noted that the logging activities are mainly practiced by small farmers and women who are vulnerable groups in the society. These are groups that the project will organize as GGF with the support of an NGO to exploit forests. The NGO will be responsible for identifying the current users of the forest and to organize them into forest management groups (GGF) for timber and non-timber products exploitation. Support for the exploitation and processing of the NTF products will primarily be given to women who traditionally dominate this activity. The NGO will support the GGFs during the project implementation for familiarizing with improved techniques and for a sustainable forest management. So the vulnerable groups will be the main beneficiaries of the project. The project will be implemented in compliance with the environmental and social safeguards of the Bank. The non-timber products exploitation is an activity practiced by the local community and especially
vulnerable are not disproportionately disadvantaged by the new management arrangements? c. How open are the communities to adjusting their livelihood strategies in the sorts of ways set out in the project proposals?, and how big an adjustment is this likely to be?.	women. The project objective is to strengthen the demand from communities, making this activity more profitable and attractive for them. The project does not introduce new alternative activities but rather reinforce existing activities. An NGO will be recruited to assist communities master the technical operation and processing of non-timber products under the project.
Specifically on Fuel wood 3. We are still not convinced that the fuel wood issue has been adequately addressed. There is an assumption that the reduction in fuel wood collection from the gazetted forests will be made up for from improved management and woodlots in the broader landscape and the distribution of cook stoves etc and that these initiatives will be developed mainly by the IBRD project. Has there been any analysis regarding the extent to which need will be met from these	Refer to overview of the investment plan (pages iii-x).

sources, particularly in the short/immediate term? This fuel wood	
issue cuts across both projects and we would expect to see some	
shared analysis of how it will be dealt with by them both.	
<u>PES</u>	See answer to question 2.
4. We appreciate the clarifications on the funding arrangements for	
the PES mechanism in the revised AfDB proposal. However, we are	
still not clear on how it will work in practice.	
a. How will the payment values per hectare be set?	
b. Will they be the same across the project or vary from place to	
place depending on the degree of opportunity cost experienced by	
communities in stopping their unregulated activities?	
c. What is the link, if any, between the PES mechanism and the	
land use planning and Community Development Plans process?	
These questions are clearly linked to points 2 and 3 above since	
much will depend on the levels of dependency that communities	
have on the unregulated activities in the gazetted forests	