

## INTEGRATED SAFEGUARDS DATA SHEET APPRAISAL STAGE

**Report No.: ISDSA1053**

**Date ISDS Prepared/Updated:** 17-Dec-2014

**Date ISDS Approved/Disclosed:** 17-Dec-2014

### I. BASIC INFORMATION

#### 1. Basic Project Data

<b>Country:</b>	Ghana	<b>Project ID:</b>	P148183
<b>Project Name:</b>	Ghana FIP - Enhancing Natural Forest and Agroforest Landscapes Project (P148183)		
<b>Task Team Leader:</b>	Timothy H. Brown		
<b>Estimated Appraisal Date:</b>	12-Dec-2014	<b>Estimated Board Date:</b>	27-Feb-2015
<b>Managing Unit:</b>	GENDR	<b>Lending Instrument:</b>	Investment Project Financing
<b>Sector(s):</b>	Forestry (60%), Public administration- Agriculture, fishing and forestry (40%)		
<b>Theme(s):</b>	Climate change (50%), Environmental policies and institutions (30%), Other rural development (20%)		
<b>Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?</b>			No
<b>Financing (In USD Million)</b>			
Total Project Cost:	32.50	Total Bank Financing:	0.00
Financing Gap:	0.00		
<b>Financing Source</b>			<b>Amount</b>
Borrower			3.00
Strategic Climate Fund Grant			29.50
Total			32.50
<b>Environmental Category:</b>	B - Partial Assessment		
<b>Is this a Repeater project?</b>	No		

#### 2. Project Development Objective(s)

The Project Development Objective is to improve forest and tree management practices by cocoa farmers, CREMA communities and forest reserve managers to reduce forest loss and degradation in selected landscapes in Ghana's High Forest Zone.

Key PDO indicators include :

- (i) People in targeted forest and adjacent communities with increased monetary or non-monetary benefits from forests (number), of which female (number)
- (ii) Area under improved CREMA management and climate smart cocoa management practices in targeted landscapes due to Project interventions (ha), disaggregated by CREMA management and climate smart cocoa management practices
- (iii) Area of forest in targeted landscapes (ha), disaggregated by closed forest, open forest, and crop land
- (iv) Total greenhouse gas emission reductions plus enhancement of carbon stocks, estimated in tons equivalent CO<sub>2</sub>e/year (relative to 2012 reference level based on Ghana's REDD+ MRV system)
- (v) Direct project beneficiaries (number), of which female (percentage)

The overall goal of FIP-financed activities in Ghana is to reduce GHG emissions from deforestation and forest degradation, while reducing poverty and conserving biodiversity. The FIP finances three inter-related projects in Ghana, implemented by the World Bank, the African Development Bank (AfDB) and the International Finance Corporation (WBG), respectively. The FIP set of activities collectively aim to (i) ensure the integrity, restoration, and sustainable management of forest reserves by introducing more inclusive management and benefit sharing models, financial incentives, and investments; (ii) restore forest cover in off-reserve areas by securing tree tenure and benefits, forest plantations and landscape restoration, and rehabilitation of degraded forest land; (iii) increase trees and enhance carbon stocks in the farming system by promoting sustainable cocoa and agriculture practices; and (iv) develop viable alternative livelihoods for local communities by addressing a broad range of technical, financial and market incentives, to reduce pressure on existing forests.

### 3. Project Description

#### Component 1. Policy Reforms and Institutional Strengthening

This component consists of efforts to advance implementation of reformed policies, improve the enabling environment, and strengthen the institutional means to achieve sustainable landscape and forest management. This will involve three main sets of activities: (i) improvements to policy practice and incentives, (ii) improvements to the institutional guidance and procedures for implementation, and (iii) support for multi-stakeholder governance platforms and consultative processes.

#### Component 2. Pilot Investments for Improved Forest and Landscape Management

Field- and community-based investments are the core of this Ghana FIP project. These will aim to establish and demonstrate improved forest and landscape management practices, while building the case for wider replication in terms of results. These pilots represent up-front investments required to restore/ protect/ reduce deforestation, and thus build on the REDD+ Readiness Process. Pilots will be supported by efforts to consolidate lessons from implementation to improve policy implementation and institutional practices, as well as outreach efforts that encourage replication to landscapes beyond the target corridors. Pilot demonstration activities will be implemented in two main landscape areas: on farms and in communities in a specific landscape corridor and on forest reserves.

#### Component 3. Innovation, Capacity Building, and Communications

This component will support communication, capacity building, and monitoring activities to support innovation, engage communities, and provide information relevant for improved landscape

management practices. It will support the field demonstration activities described above by supplying information, improved approaches, and training materials needed to achieve improved outcomes.

#### Component 4. Project Management, Monitoring, and Coordination

This component will support project management and oversight, project monitoring and evaluation system, and wider coordination of the range of FIP-financed activities, including reporting at the international level. This component provides support to the GoG in regular communication and coordination among FIP-financed interventions and related activities, to promote synergies among all FIP projects (WB, AfDB, IFC, and DGM) in a programmatic manner, as well as information and knowledge sharing with other FIP countries. The activities to be financed include project coordination, financial management, procurement management, contract management equipment and supplies, and Monitoring and Evaluation.

#### **4. Project location and salient physical characteristics relevant to the safeguard analysis (if known)**

Project activities will be located in Ghana's high forest zone (HFZ), where deforestation rates and carbon stocks are highest. The HFZ is also a core cocoa production area with significant degradation. There is good potential to move toward more sustainable forest and land management (and reduce emissions and store carbon) by enhancing policies, incentives, and practices for better stewardship, agroforestry, and farming approaches. The Government of Ghana has initiatives to reduce the cocoa frontier expansion by providing incentives for rejuvenating old cocoa plantations and bringing old cocoa fallows under more sustainable agroforestry-based cultivation. The Government of Ghana also promotes certification of sustainable cocoa production, but there are several different systems and standards advocated by different organizations.

Financing from the Forest Investment Program (FIP) provides an opportunity to finance transformative co-management and benefit sharing approaches. The FIP will finance policy and institutional reforms, capacity building, and communication (building on Natural Resources and Environmental Governance Technical Assistance (NREG TA) and the Forest Carbon Partnership Facility (FCPF) funded activities). The FIP-supported program will also pilot test innovative applications of community based planning and management, including tree management rights with communities and farmers. The proposed FIP-financed project will also complement and enhance the NREG TA effort (approved in June 2013), and build on consultation and measurement work for REDD+ Readiness that began under the FCPF (approved in November 2012).

#### **5. Environmental and Social Safeguards Specialists**

Kenneth M. Green (OPSOR)

Paula F. Lytle (GSURR)

<b>6. Safeguard Policies</b>	<b>Triggered?</b>	<b>Explanation (Optional)</b>
Environmental Assessment OP/ BP 4.01	Yes	The project will engage in a number of activities that use forest resources in selected sites and potentially impact other environmental areas. These activities may have environmental impacts on a limited scale. An Environmental and Social Management Framework (ESMF) has been prepared, consulted upon, cleared by the Bank

		and disclosed in-country and at the InfoShop.
Natural Habitats OP/BP 4.04	Yes	Some of the forest and woodlands to be targeted will contain critical ecosystems; the project will enhance the quality of the management of these critical ecosystems and reduce risks associated with potential economic development. The ESMF provides guidance on avoiding or mitigating impacts on natural habitats.
Forests OP/BP 4.36	Yes	Forest policy and management are a primary focus of this project, in addition to trees in the agroforestry landscape. The project will explore integrated and participatory forest management as part of a strategy of increasing carbon sequestration through sustainable forest management. The ESMF includes guidance on managing forestry issues.
Pest Management OP 4.09	Yes	<p>The project will not directly finance the use of pesticides but will promote IPM and application of pesticide to minimize risks to human health and the environment, particularly in situations when pesticide use may increase in association with the project, such as promotion of shift of the existing cocoa farming practices towards climate-smart and resilient 'shade' cocoa, and establishment of experimental timber plantations piloting mix of native species. The Project-specific Pest Management Plan has been prepared with this in mind, to ensure that the project does not increase the environmental impacts of pesticide use, and where possible these are managed responsibly, in line with sound environmental and human health protection objectives.</p> <p>It is also noted that the key environmental and social issues and risks associated with chemical applications in cocoa are part of the analysis undertaken as part of the ESMF prepared for this Project. The ESMF also provides identification of IPM activities linked to the cocoa enhancement activities that are considered important to be supported. A Pest Management Plan has been prepared, consulted upon, cleared by the Bank and disclosed in-country and at the InfoShop.</p>
Physical Cultural Resources OP/BP 4.11	Yes	Screening of sites for pilot activities will include specific screening under the ESMF to avoid

		adversely affecting physical cultural heritage, such as sacred groves.
Indigenous Peoples OP/BP 4.10	No	There are no Indigenous Peoples in the project area.
Involuntary Resettlement OP/BP 4.12	Yes	No involuntary resettlement is anticipated. However, there may be cases where use and access to resources may be restricted due to changes in forest management and resource management plans. Therefore, a Process Framework was prepared and the Project, together with the Dedicated Grant Mechanism, will support community inclusion into the above-mentioned planning processes. The Process Framework has been prepared, consulted on, cleared by the Bank and disclosed in-country and at the InfoShop.
Safety of Dams OP/BP 4.37	No	The project does not involve dams.
Projects on International Waterways OP/BP 7.50	No	N/A
Projects in Disputed Areas OP/BP 7.60	No	N/A

## II. Key Safeguard Policy Issues and Their Management

### A. Summary of Key Safeguard Issues

#### 1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

The Project will have positive social and environmental benefits. There are potentially some limited environmental and social risks and impacts associated with Component 2 activities. Specific initiatives requiring attention to risks and impacts include improved forest and landscape management practices to restore and protect forest cover and reduce deforestation. These activities will be: (i) on farms and in communities in a specific landscape corridor and (ii) on forest reserves. Changes to land use and access to and use of resources in protected forest areas may impact livelihoods. The approach to managing land and forest resources will be based on broad community consultation and decision making. The specific locations of interventions are still being identified as part of the continued stakeholder dialogues and consultations, but are generally indicated in maps that have been generated as part of Project preparation activities. The Project is also benefiting from parallel environmental and social assessments and due diligence being developed under the FCPF support to the REDD+ Readiness Process. This includes development of a Social and Environmental Strategic Assessment (SESA) that has identified possible social and environmental risks and impacts across the REDD+ Strategic Options. The FCPF has also supported preparation of an Environmental and Social Management Framework (ESMF) and a Resettlement Policy Framework.

These processes and documents have provided significant inputs to the preparation of the FIP ESMF, Pest Management Plan (PMP), and Process Framework. The ESMF, PMP, and Process

<p>Framework identified specific safeguard activities, roles and responsibilities, capacity building and budget requirements which have been incorporated into the project management framework as discussed under Implementation Arrangements (IV.A.) A public consultation manual that will be used for Project funded activities is also under preparation with NREG TA financing.</p>
<p><b>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</b></p>
<p>The Project is contributing to improving and expanding forest biomass and introducing land management schemes to reduce deforestation and degradation.</p>
<p><b>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</b></p>
<p>The Project has benefited from extensive consultation across many stakeholders to identify possible REDD interventions and the FIP has built upon these processes to select appropriate positive forest benefits.</p>
<p><b>4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.</b></p>
<p>A screening process and mitigation guidelines are included in the ESMF to address risks and impacts of concern. The responsibilities for implementing these measures are described in the Environmental and Social Management Plan (ESMP) that provides guidance to the Ministry of Lands and Natural Resources (MLNR), the Forestry Commission (FC), the Ghana Cocoa Board (COCOBOD), and the Forest Research Institute of Ghana (FORIG), as agencies involved in the Project implementation, on procedures to be followed and standards to be met in implementing the projects which should be in agreement with national and World Bank safeguard provisions. Roles and responsibilities of the MLNR and FC and other beneficiary agencies are clearly defined as well as monitoring protocols to be followed to ensure that the required provisions are adhered to. Finally, budgetary estimates are provided to support the implementation of the ESMP, PF and PMP.</p> <p>The ESMP will be included in the Project Implementation Manual. The ESMP outlines mechanisms for:</p> <ul style="list-style-type: none"> <li>• Screening of proposed project interventions, identifying potential environmental and social impacts and management of safeguard policies implications;</li> <li>• Arrangements by the MLNR/ FC and other relevant institutions for implementation and their capacity building;</li> <li>• Monitoring ESMP measures implementation;</li> <li>• Community consultations.</li> </ul> <p>The formal environmental approval and permitting processes will be the Ghana EIA Regulations (EPA, 1999), that also established a process to screen and evaluate all developments, undertakings, projects and programs which have the potential to give rise to significant environmental impacts, and the World Bank safeguard policies. The Ghanaian environmental permit procedures are followed by all projects.</p> <p>Those projects requiring Environmental Protection Agency (EPA) clearance will only commence when an environmental permit has been obtained from the EPA. The Agency has provided the list of projects for which an Environmental and Social Impacts Assessment (ESIA) is mandatory and these are detailed in the ESMF and are consistent with the World Bank categorization of projects.</p>



The Project will be implemented by the MLNR in collaboration with the FC, COCOBOD, FORIG, and other agencies such as the Ministry of Environment, Science, Technology and Innovation (MESTI) and the Ministry of Food and Agriculture (MOFA). A National FIP Secretariat at the MLNR will coordinate activities of the Project and ensure linkages and coordination with other interventions under the REDD+ agenda, including the Dedicated Grant Mechanism (DGM). It is anticipated that the MLNR and FC will coordinate environmental and social due diligence for the Project and other interventions under the REDD+ agenda. The focal point in the MLNR and the FC may work with the MOFA, COCOBOD, FOGIG, MESTI, as well as other relevant agencies to ensure smooth implementation and the documentation sharing of the lessons learnt.

The main responsibility for implementing the ESMF, PMP, and the PF rests with the MLNR and the FC Environmental and Social Focal Point and will be supported by, as needed, environmental and social experts who will be recruited by the project. The FC regional managers will oversee the implementation of all actions to mitigate adverse environmental and social impacts, and also supervise their district managers to ensure sound management practices at the community level.

**5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.**

A stakeholder engagement process was followed during project preparation which included several interactions with affected communities. The methodology included desk studies and qualitative and quantitative survey in the project areas. This was based on focus groups and in-depth interviews with communities of the project areas, representatives of civic associations, local NGOs, and representatives of local commercial enterprises and district assemblies as well as gender advocacy groups.

The objectives of these meetings were to: (a) assess the existing social conditions; (b) determine the potential negative impacts of the component, if any; (c) serve as a vehicle for community consultations on the project; and (d) inform the ongoing project design.

The issues/ concerns arising out of the consultations in the Western and Brong Ahafo Regions for both the FIP and the SESA for the REDD+ mechanism in Ghana are summarised in the ESMF under four main headings: (1) Natural Resources; (2) Institutions; (3) Economic; and (4) Socio-cultural Issues.

In order to engage the Project Affected Persons (PAPs) successfully, the strategies to be used will include using the assembly men/ women to assist in accessing the chiefs and people of communities and in the identification of PAPs/ contact persons/ stakeholders/ focal persons etc.

The methods to be employed will include: (i) National Newspapers, (ii) local FM stations, (iii) beating of gong-gong and (iv) oral presentations at social gatherings (churches, mosques, funeral grounds, durbars etc).

The safeguards documents will be disclosed in compliance with relevant Ghanaian regulations and the World Bank safeguards policies. The public/ community will be allowed up to 21 days to comment on any proposals prior to implementation.

**B. Disclosure Requirements**

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	15-Nov-2014

Date of submission to InfoShop	28-Nov-2014
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
Ghana	28-Nov-2014
<i>Comments:</i>	
<b>Resettlement Action Plan/Framework/Policy Process</b>	
Date of receipt by the Bank	08-Dec-2014
Date of submission to InfoShop	09-Dec-2014
"In country" Disclosure	
Ghana	09-Dec-2014
<i>Comments:</i>	
<b>Pest Management Plan</b>	
Was the document disclosed prior to appraisal?	Yes
Date of receipt by the Bank	28-Nov-2014
Date of submission to InfoShop	02-Dec-2014
"In country" Disclosure	
Ghana	28-Nov-2014
<i>Comments:</i>	
<b>If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.</b>	
<b>If in-country disclosure of any of the above documents is not expected, please explain why:</b>	

### ***C. Compliance Monitoring Indicators at the Corporate Level***

<b>OP/BP/GP 4.01 - Environment Assessment</b>			
Does the project require a stand-alone EA (including EMP) report?	Yes [ <input checked="" type="checkbox"/> ]	No [ <input type="checkbox"/> ]	NA [ <input type="checkbox"/> ]
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [ <input checked="" type="checkbox"/> ]	No [ <input type="checkbox"/> ]	NA [ <input type="checkbox"/> ]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [ <input checked="" type="checkbox"/> ]	No [ <input type="checkbox"/> ]	NA [ <input type="checkbox"/> ]
<b>OP/BP 4.04 - Natural Habitats</b>			
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [ <input type="checkbox"/> ]	No [ <input checked="" type="checkbox"/> ]	NA [ <input type="checkbox"/> ]
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	Yes [ <input type="checkbox"/> ]	No [ <input type="checkbox"/> ]	NA [ <input checked="" type="checkbox"/> ]
<b>OP 4.09 - Pest Management</b>			
Does the EA adequately address the pest management issues?	Yes [ <input checked="" type="checkbox"/> ]	No [ <input type="checkbox"/> ]	NA [ <input type="checkbox"/> ]
Is a separate PMP required?	Yes [ <input checked="" type="checkbox"/> ]	No [ <input type="checkbox"/> ]	NA [ <input type="checkbox"/> ]



If yes, has the PMP been reviewed and approved by a safeguards specialist or PM? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
<b>OP/BP 4.11 - Physical Cultural Resources</b>	
Does the EA include adequate measures related to cultural property?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
<b>OP/BP 4.12 - Involuntary Resettlement</b>	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
<b>OP/BP 4.36 - Forests</b>	
Has the sector-wide analysis of policy and institutional issues and constraints been carried out?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Does the project design include satisfactory measures to overcome these constraints?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Does the project finance commercial harvesting, and if so, does it include provisions for certification system?	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input checked="" type="checkbox"/> ]
<b>The World Bank Policy on Disclosure of Information</b>	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
<b>All Safeguard Policies</b>	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have costs related to safeguard policy measures been included in the project cost?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]

### III. APPROVALS

Task Team Leader:	Name: Timothy H. Brown
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<b><i>Approved By</i></b>		
Regional Safeguards Advisor:	Name: Alexandra C. Bezeredi (RSA)	Date: 17-Dec-2014
Practice Manager/Manager:	Name: Magda Lovei (PMGR)	Date: 17-Dec-2014