

# Liberia: Smallholder Productivity & Forest Protection Program

Slides for workshop Barclayville, 22 September 2016



**FORESTRY DEVELOPMENT  
AUTHORITY**

**NICFI**

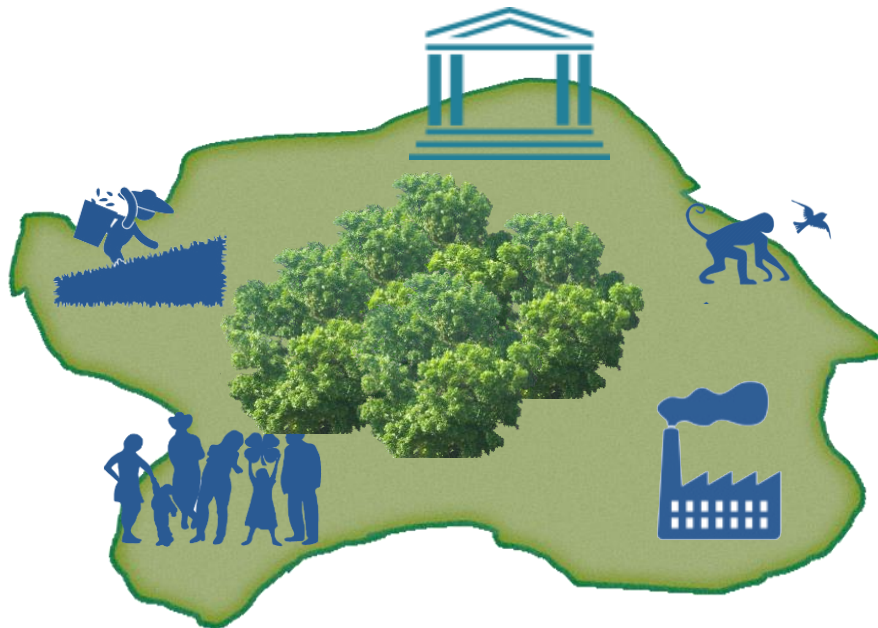
# Introducing IDH

## Public private partnership facility

### HQ in the Netherland

**12** SUPPLY CHAINS

**11** LANDSCAPES



- **40** million Euro investment capital annually
- Funded by Dutch, Swiss Danish and Norwegian ODA
- Convene - Cofund - Learn

# Introducing IDH

## Public private partnership facility

### HQ in the Netherland



Cotton



Tea



Palm Oil



Coffee



Aquaculture



F & I



Cocoa



Timber



Soy



Apparel



Pulp&Paper



Tin

Delinking  
commodity  
production  
from  
deforestation

Improving  
smallholders  
livelihoods

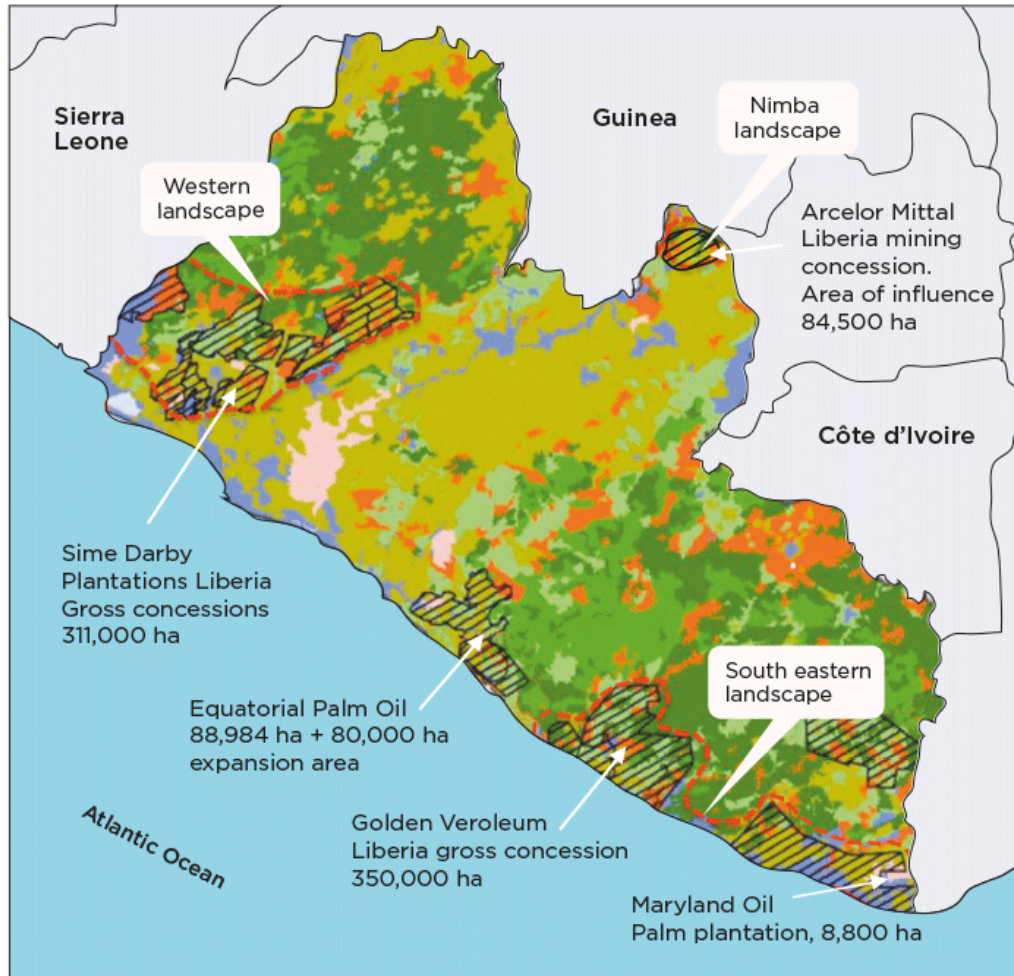
Living wage,  
working  
conditions and  
gender

Responsible  
use of  
agrochemicals



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# IDH LIBERIA PROGRAM



Source: Adapted from maps produced by Fauna & Flora International

- 3 regions;
- 2016 start year;
- 2017-2020 project and support to bring in investors in community oil palm and PPA;

# SPFP Program works on three levels

## Community level

- Raise investment for outgrowers COP
- Protecting forests
- Income diversification

## Landscape level Green Growth Plans

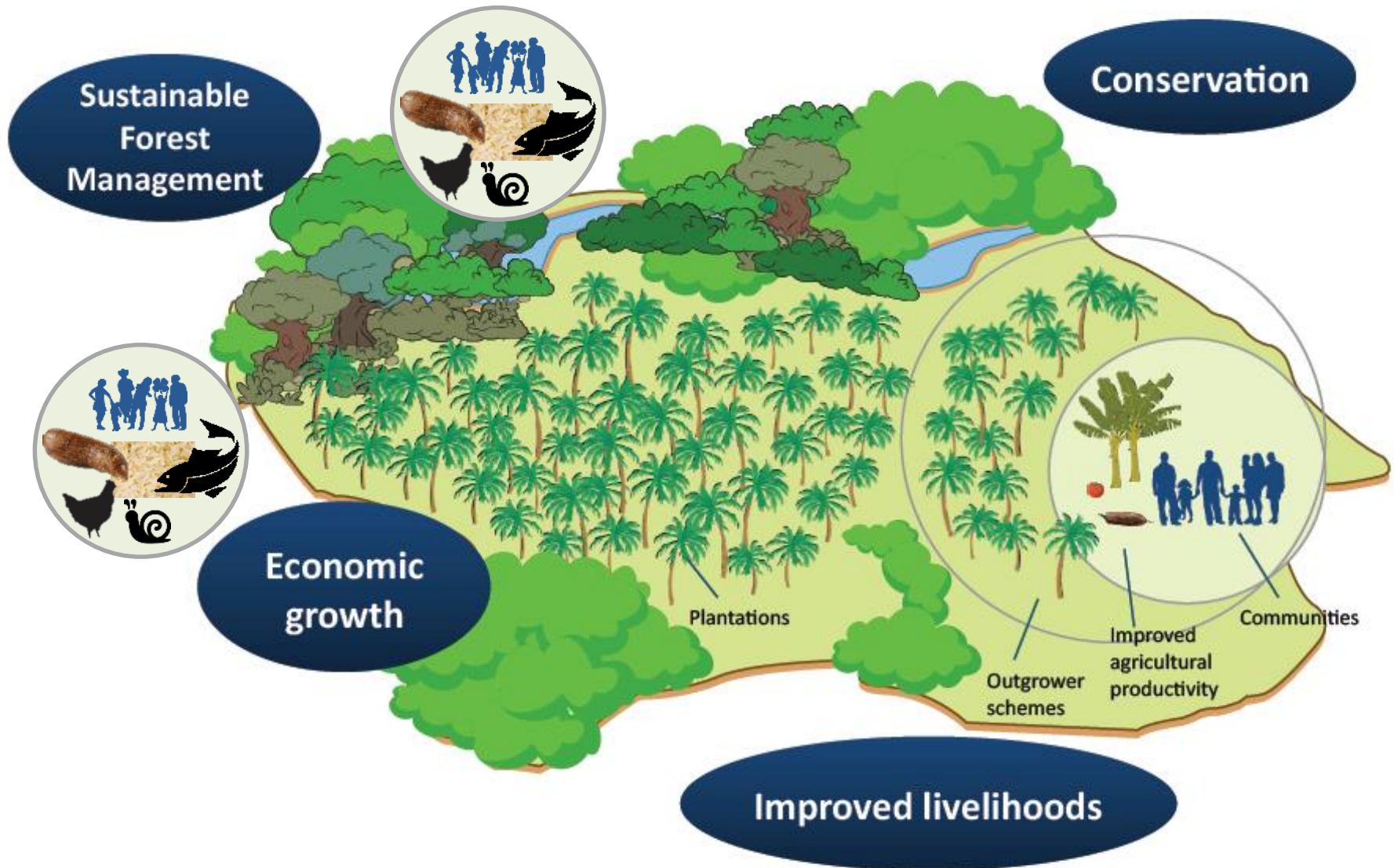
- Multi stakeholder
- Land use planning + development opportunities
- Identification of forest for protection

## (Inter) National level

- (raise investment)
- Supporting policies and government capacity
- Forest monitoring



# Vision on green growth





Communities need  
land to prosper and  
develop








**Food security and  
diverse income**





**Outgrower program =  
community oil palm  
Offers income opportunities**



An aerial photograph showing a large-scale oil palm plantation in the foreground, with rows of young palm trees planted in a grid pattern on cleared land. In the background, a thick, lush green forest covers a hilly landscape, partially shrouded in mist or haze. The sky is overcast and grey.

To develop a community oil palm farm, the community needs funds.



The image shows a landscape where a forest has been cleared for oil palm cultivation. In the foreground, two men are seen from the back, looking towards the field. The ground is dry and brown, with many small, young oil palm seedlings planted in rows. There are some fallen tree trunks and branches scattered across the field. In the background, a dense line of green trees remains, and a single tall tree stands out on the left. The sky is filled with white and grey clouds.


**Investors want zero deforestation:  
'No forest is cleared for planting of Oil Palm'**



More needs to be done  
to protect forest in the  
South East





A photograph of a rural village scene. In the foreground, there is a large, partially constructed wooden structure with a steep, thatched roof made of many wooden poles. To the left, there are several traditional huts with thatched roofs. The ground is dry and dusty. In the background, there is a dense forest of green trees. A person is visible standing in the distance. The sky is overcast.

**Community oil palm outgrower scheme & production protection agreement aims to make investment possible.**



# Production: Community Oil Palm (COP)

## Protecion: Conserve community forest



- Investment in (pilot) community oil palm;



PRODUCTION

- Protecting the forests in the South East;



PROTECTION



# Outgrowers – Community Oil Palm



Government led research and workshops to design an 'outgrower model' for community oil palm in Liberia since 2014;

The outgrower model was endorsed by cabinet in September 2016, with the caveat that other models are also possible and communities need to have a strong say.

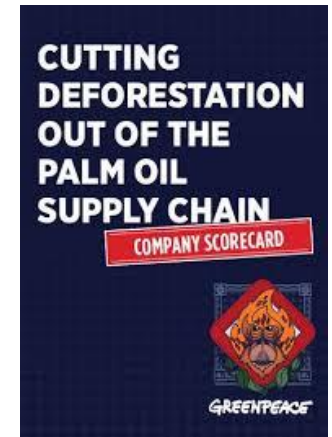
In the outgrower model, the community takes a loan to develop their oil palm farm. The concession holder manages the farm until the loan is repaid.

- The concession holder will **develop and manage** the oil palm farm and manage it, while employing community members, and paying share of revenue, until the loan is repaid;
- The model **empowers communities** with ownership over land, high value crops, inputs, and capacity building for agronomic and management skills



# Why Community Oil Palm (COP) and Production Protection Agreements (PPA) ?

- To develop a community oil palm farm, the community needs funds.
- The Government of Liberia and IDH are working to bring in investors in community oil palm;
- *Investors and buyers demand palm oil producers to prove that their investment will not contribute to deforestation or forest loss, biodiversity loss, and other negative environmental and social consequences.*





# Production-Protection Agreements



Includes:

1. A Forest Protection and Management Plan, specifying if, when, how and by whom use of forest is permitted;
2. A Community Benefit Sharing mechanism to ensure that economic and other benefits from the community oil palm are fairly distributed throughout the community or communities;
3. A monitoring plan, where it is agreed when and how checks take place on the forest;
4. Penalties for non-compliance to the forest protection and management plan; and
5. A grievances settlement or redress procedure that outlines how the parties will address disagreement or disagreements if and when they arise.



## Risks related to these agreements, that have been identified, include:

- Risk of communities signing agreement with limited understanding, eg. assuming liability for forest loss;
- Capture by elites (from within or outside the community) of benefits, and marginalization of others, due to inadequate governance systems;[?]
- Economic risk, eg. of possible low profitability of palm oil, and single crop dependency;
- Food security risks, because of decreased production of food locally.



## By supporting a solid process, IDH and its partners in delivering production-protection agreements seek to support:

- Inclusive outgrower model, and community benefit sharing structures;
- Strong capacity of third party capacity building partners work with outgrower communities;
- A credible, transparent COP PPA process and monitoring, for and with stakeholders and investors. [?]
- Meet international ESG standards, including FPIC. [?]

**Thank you !**

Sept 2016