

Liberia: Smallholder Productivity & Forest Protection Program

Slides for workshop Barclayville, 22 September 2016



**FORESTRY DEVELOPMENT
AUTHORITY**

NICFI

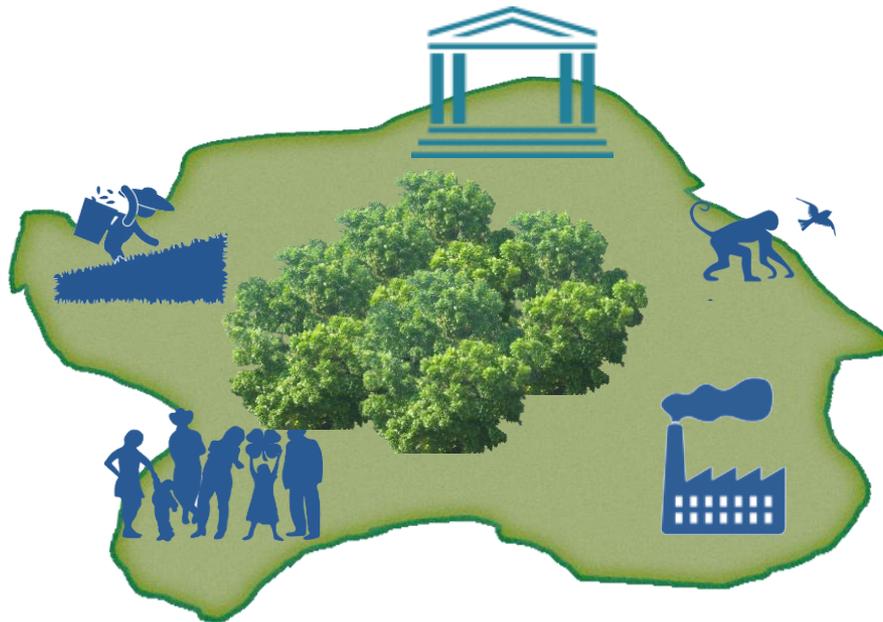
Introducing IDH

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

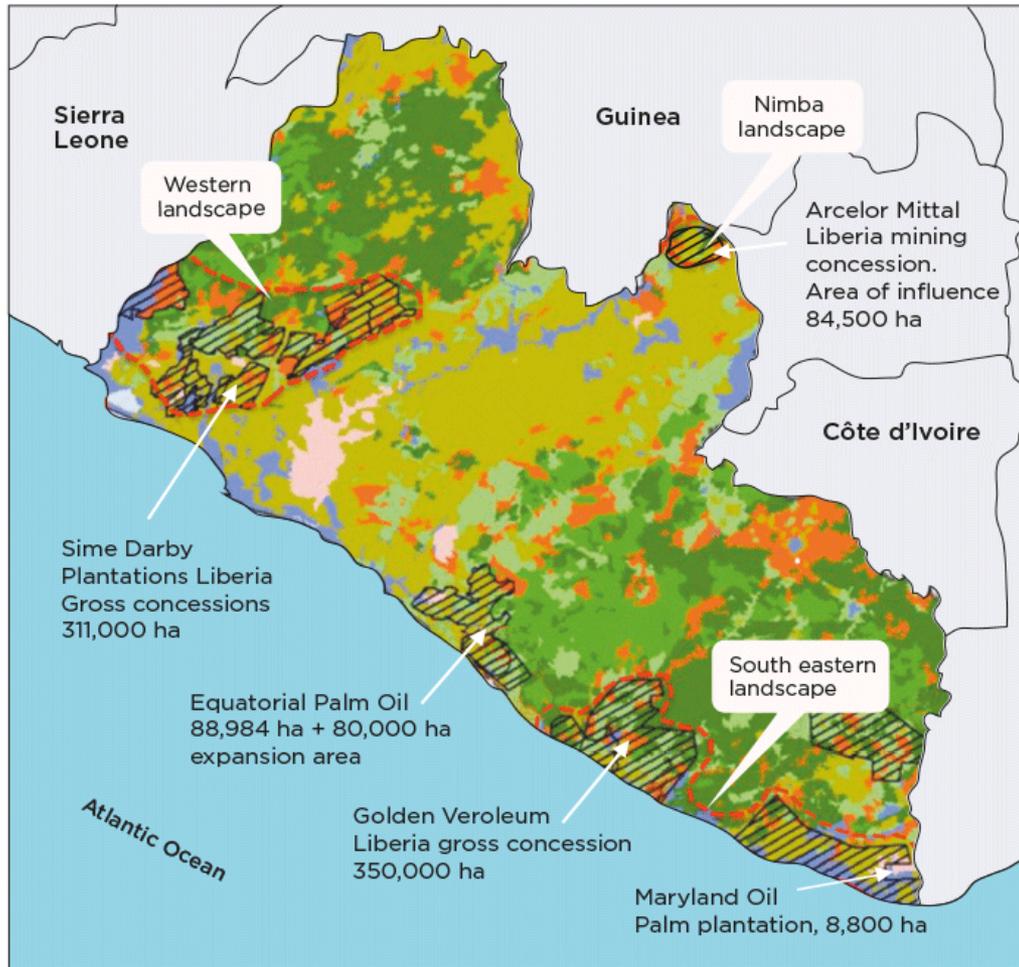
Living wage, working conditions and gender

Responsible use of agrochemicals



- 40 million Euro investment capital annually
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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

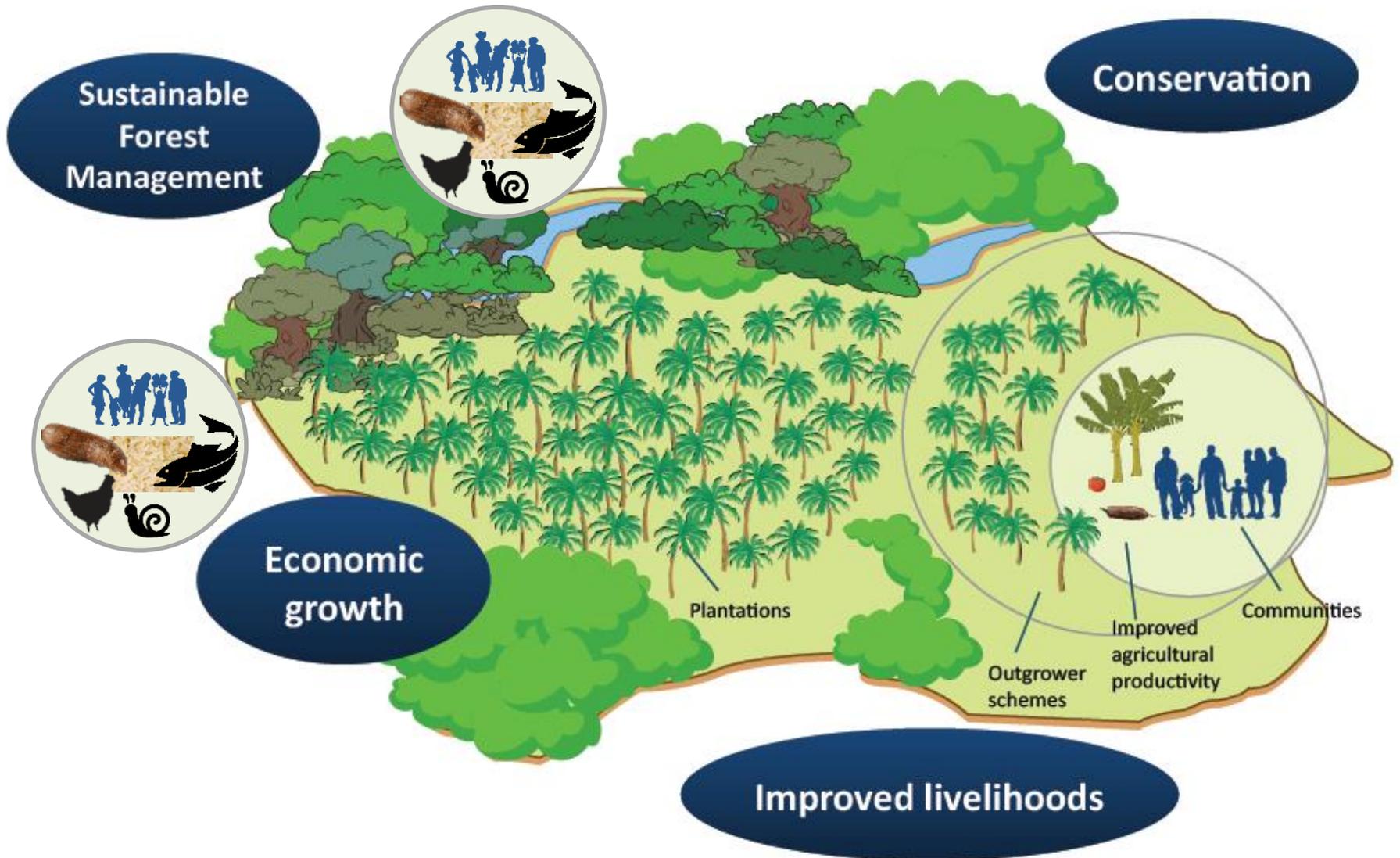
Landscape level Green Growth Plans

- 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**

A wide-angle photograph of an oil palm plantation. The trees are densely packed and stretch far into the distance. A narrow dirt road or path winds through the center of the plantation, leading towards the horizon. The ground is a mix of brown soil and green grass. The sky is overcast and grey.

**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. The plantation is bordered by a dirt road. In the background, a dense, lush green forest covers a hilly landscape under a hazy sky. The text "To develop a community oil palm farm, the community needs funds." is overlaid in white on the lower-left portion of the image.

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



**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





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

Production: Community Oil Palm (COP)

Protecion: Conserve community forest

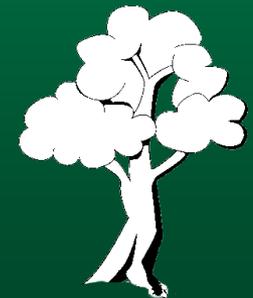


- Investment in (pilot) community oil palm;



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;

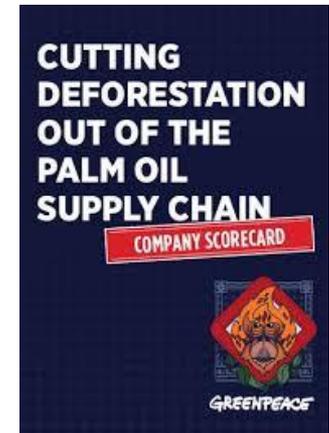
The outgrower model was endorsed by cabinet in September 2016, with the caveat that other models are also possible and communities need to have a strong say.

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