



## Trees for Global Benefits

2014 Plan Vivo Annual Report



December 2014

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## 1. Summary

<b>Reporting period</b>		January to December 2014
<b>Technical specifications in use</b>		Woodlots – <i>Maesopsis emnii</i> - AFM-TB02-01 <sup>1</sup>
<b>Area under management (ha) i.e. implemented <i>plan vivos</i></b>  3,652.04	<b>Areas put under management since last report (ha)</b>  412.93	
<b>Smallholders with <i>Plan Vivos</i> and PES agreements (total for project)</b>  3,278	<b>New smallholders with PES agreements since last report</b>  350	
<b>Community groups with <i>plan vivos</i> and PES agreements (total)</b>  1	<b>New groups with PES agreements since last report</b>  1	
<b>Sellable tCO2 from 2014 vintage allocated to losses from previous years</b>		<b>0 tCO2</b>
<b>Submission for Certificate Issuance for new areas under management in 2014</b>		<b>85,105 tCO2</b>
<b>Plan Vivo Certificates issued to date</b>		<b>649,711 tCO2</b>
<b>Total Plan Vivo Certificates</b>		<b>734,816 tCO2</b>

<sup>1</sup> <http://www.planvivo.org/content/fx.planvivo/resources/UgandaTechSpecMaesopsis.pdf>

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## 2. Key Events, Developments and Challenges

Trees for Global Benefits (TGB) Programme is a cooperative carbon offsetting scheme linking small scale landholding farmers to the voluntary carbon market based on the Plan Vivo standard. TGB was initiated in 2003 with 33 farmers in the districts of Rubirizi and Mitooma and works as a Programme of Activities introducing new communities and new activities through the development of technical specifications.

Trees for Global Benefit won the 2013 UN SEED Award for being an exceptional social and environmental low carbon enterprise. The Award recognises TGB's achievements in innovation and entrepreneurship to date, its promising efforts to promote economic growth, social development and environmental protection in Uganda, and ultimately the potential of its partnership to inspire others. The founding partners of the SEED Initiative are UNEP, UNDP and IUCN. The 2013 Low Carbon SEED Awards were supported by the International Climate Initiative (ICI) of the German Federal Ministry for Environment, Nature Conservation and Nuclear Safety (BMU).

This report covers the progress of implementation of the project's activities from January to December 2014.

### 2.1 Key Developments

#### 2.1.1 New Technical Specification

The project has completed the development of the Technical Specification for "mixed-native tree species farming system". This "Technical Specification" has been developed for its use in the coffee-banana agro-ecological zones of Uganda starting with the Albertine rift (Rubirizi, Mitooma, Kasese, Hoima and Masindi) and Mt. Elgon (Mbale, Manafwa and Bududa districts). The main tree species recommended for this system are *Grevillea robusta*, *Prunus Africana*, *Mahogany*, *Croton*, *Premna*, *Ficus*, *Albizia*, *Cordia*, *Maesopsis emini* and fruit trees (*Autocarpus*, *Persea* and *Mangifera*) under three planting systems: boundary, dispersed inter-planting and woodlot. *Grevillea robusta* and all fruit species are naturalized exotic species while the rest are native to Uganda. A total of 48 farmers with 66.91ha will be included in future reports and are projected to generate 12,448.99 tCO<sub>2</sub> Verified Emission Reduction (VER) certificates.

#### 2.1.2 Aligning Technical Specifications with Farmer Agreements

The third party verification report submitted by the Rainforest Alliance identified (NCR 01/13) an important discrepancy between the Technical Specification, and the terms written in the Carbon Sale Agreement. According to the Technical Specification for the *Maesopsis* planting system, the trees are to be maintained for 20 years with some periodic thinning. However, the Carbon Sales Templates refers to 50 years rather than 20. This has been resolved to enable producers to have more clarity in their responsibilities towards the project. Another contradiction resulting from the halving method (125tC halved to 61 instead of 62.5) has also been rectified.

### 2.1.3 Adjustments in list of farmers recruited in 2013

The project has made some changes in the total amount of carbon to be delivered by all the farmers listed in the 2013 annual report. This has resulted in the recruitment of additional farmers from Kasese District to fill the gap. The list of these new farmers is provided in Appendix 1.

### 2.1.4 Ecosystem – Based Adaptation

ECOTRUST is working with The United Nations Development Programme (UNDP) to develop an Ecosystem-Based Adaptation model based on the TGB activities in the Mt. Elgon's Ecosystem. This is part of an initiative to develop and implement Payments for Ecosystem Services (PES) mechanisms that will achieve watershed protection services, carbon sequestration and biodiversity conservation simultaneously. Under this initiative, communities are supported to develop parish-level adaptation plans that will then guide the Plan Vivo farmers. Carbon payments and mitigation action will be achieved as the result of these adaptation practices and will not exist as a stand-alone intervention. Furthermore, farmers will also get payments for watershed services, which will be achieved by working with local communities to establish soil and water conservation practices that are then linked to the project's grant mechanism.

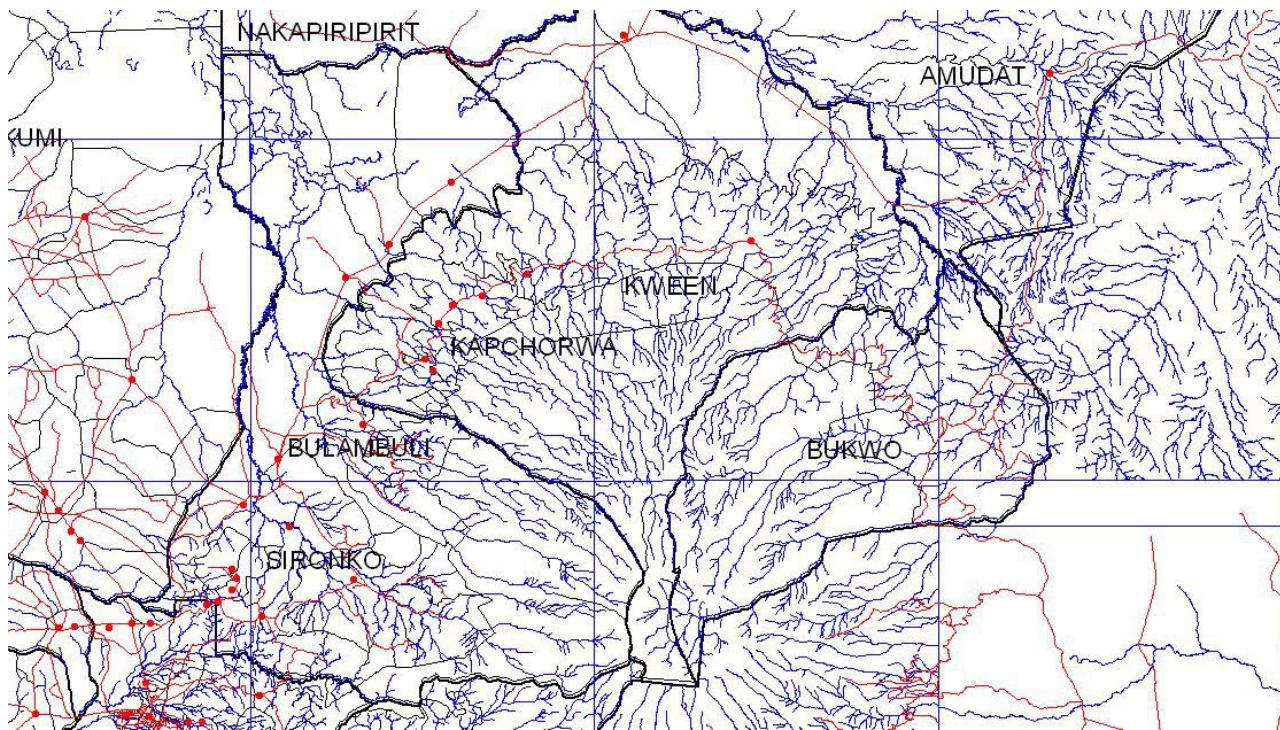


Fig 1: Sketch map of drainage (River systems) of project sites

### 2.1.5 Participation in International Conferences

Posters and paper presentations about the different aspects of the project have been presented in several international meetings and conferences all over the world. These included The Forest Dialogue discussions on benefit sharing in Mexico, IUCN & USAID gender and REDD meeting in Washington DC, the International Forum on Payments for Environmental Services of Tropical Forests in Costa Rica, the Equity in Smallholder PES Conference: Bridging Research and Practice organized by

IIED, the Insetting training workshop organized by the Plan Vivo Foundation and IIED as well as the FAO-hosted 22nd Session of the Committee on Forestry and 4th World Forest Week in Rome. Last but not least, the project participated in the discussions of the 20<sup>th</sup> Conference of Parties for the UNFCCC in Lima Peru.

#### **2.1.6 Visits from Carbon Buyers and donors**

As part of the strategies to ensure project transparency, the project has continued to encourage interaction between buyers and farmers. During the reporting period, Trees for Global Benefit hosted ZeroMission (Project Broker) and Max Hamburgers (a carbon buyer). In addition, TGB hosted a study tour of UNDP-selected country office environment experts to its PES project initiatives in the Mt. Elgon area. The aim of the study tour was to explore ways to design and to use Payments for Ecosystem Services (PES) as a tool for people's social and economic wellbeing as well as for sustainable environmental management. Trees for Global Benefit was identified as one of the UNDP-supported initiatives more likely to provide the most valuable lessons that can support and/or influence the systematic programming of PES into UNDP country programmes. The visiting environment experts were from UNDP country offices in Ethiopia, Mozambique, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe.

#### **2.1.7 Business Plan Development**

As part of the Seed Initiative technical support to its Award Winners, ECOTRUST attended a training workshop that has now led to the development of a new business plan. Organized by the Seed Fund, the workshop was named "Blue Print for Business" and was aimed at developing the business planning capacity of the Seed Award Winners through a SWOT analysis of their operations. ECOTRUST will also receive additional financial support to implement selected aspects of its business plan.

### **2.2 Key challenges**

#### **2.2.1 Failure to meet targets**

Some farmers have failed to move beyond the targets of year zero, which in practice represent only 50% of the total number in trees that they are required to plant according to their contracts. Unrealistic initial targets (coupled with the loan burden as a result of a poorly managed seedling distribution process in some of the sites) are partially responsible for their reluctance to plant more trees. In places such as Hoima, there is competition for both labor and land between tree planting operations and the main local cash crops (tobacco and maize). Farmers have also mentioned that changes in weather patterns have generated confusion about when the actual planting is supposed to take place, causing them to postpone tree planting and to concentrate on more short-term crops instead. Moreover, many of the farmers still find the long-term nature of tree benefits a disincentive. The project has therefore decided to make up for the unplanted trees by reducing the targets included in the contracts and by recruiting new farmers.

### **2.2.2 Small and/or Scattered Landholdings**

On one hand, a number of applicants from Kasese, Mbale, Manafwa and Bududa Districts have very small landholdings. Although the planting of 50 trees or so does not seem economical from a carbon point of view, participating in the project has several significant environmental and socio-economic benefits, typically capacity building for improved land management, savings and loans schemes as well as the participation in produce marketing groups, which make it very attractive to the farmer. On the other hand, farmers in Hoima have fairly larger pieces of land, but the applicants come from very scattered and remote areas. Very small and/or scattered landholdings make their participation to the project costly both in terms of human and financial resources. In order to make the project accessible to these farmers, they have been encouraged to apply as a community.

### **2.2.3 Diminishing Land for tree planting in Old Sites**

Although the interest of the general community for the continued and active presence of the project in the very first sites of Mitooma and Rubirizi still exists, these sites are running out of land to include in the project. This is a challenge since farmer capacity building activities are part of the project recruitment and monitoring exercises. Even though the reductions in applicants leads to a reduction in number of visits, the communities still expect the same level of engagement. The project therefore needs to come up with more ways of engaging with farmers especially those in more advanced stages in order to maintain their interest in the project activities (e.g. by supporting investment in tree -based livelihood activities).

### 3. Activities, total project size and participation

#### 3.1 Current Technical Specifications

The project has continued to use the *Maesopsis emnii* Technical Specification throughout the project area. In addition, the project has developed a Technical Specification for Mixed Native planting system in boundary, woodlot and intercropping systems. The new Technical Specification has been mainly applied in the Mt. Elgon landscape in the districts of Mbale, Manafwa and Bududa.

During the reporting period in consideration, the project has recruited a total of 351 farmers for a total of 412.9ha of farmland under improved management, while also continuing monitoring farmers using the approved *Maesopsis emnii* technical specification. Moreover, the project has recruited 48 new farmers with 66.9ha using the draft Technical Specification. This brings the number of existing farmers up to 351 and newly recruited farmers up to 48 for a grand total of 399, which corresponds to 479.3 hectares of total land area under improved management. The majority of the farmers recruited under the approved Technical Specification still come from the Kasese District (180 farmers out of the total of 351 farmers), which accounts for more than half of the recruited farmers.

For the very first time, the project has recruited a group – the **Rwoburunga Bahigi Tulinde Obwobuhangwa**, group from Kiyanga Sub-County, Mitooma District. The group has entered into a Collaborative Management Agreement with the National Forestry Authority to manage one of the compartments within a Central Forest Reserve.

The details of the number of producers that have been recruited from the different sites are presented in the next chapter.

## 4. Submission for Plan Vivo Certificate Issuance

**Table 1-** Number of farmers (per district) whose *plan vivos* were approved and have achieved the first milestone per district

District	Farmers	Ha	Expected Trees	Monitored Trees	Expected CO2	Saleable CO2
Hoima						
Kabwoya	10	10	4,000	1,691	2,290	2,061
Kiziranfumbi	17	17	6,800	2,125	3,893	3,504
Kyangwali	28	28.5	11,400	5,610	6,527	5,874
<b>TOTAL</b>	<b>55</b>	<b>55.5</b>	<b>22,200</b>	<b>9,426</b>	<b>12,710</b>	<b>11,439</b>
Kasese						
Bugoye	161	216.2778	83,295	47,331	49,528	44,575
Karusandara	7	5.9608	2,800	1,284	1,365	1,229
Maliba	12	14	5,600	2,819	3,206	2,885
<b>TOTAL</b>	<b>180</b>	<b>236.2386</b>	<b>91,695</b>	<b>51,434</b>	<b>54,099</b>	<b>48,689</b>
Masindi						
Budongo	6	6.54	2,616	1,239	1,498	1,348
Bwijanga	5	5	2,000	204	1,145	1,031
Karujubu	8	8.4	3,360	3,149	1,924	1,731
Nyangahya	5	5.5	2,200	1,684	1,260	1,134
Pakanyi	1	1	400	298	229	206
<b>TOTAL</b>	<b>25</b>	<b>26.44</b>	<b>10,576</b>	<b>6,574</b>	<b>6,055</b>	<b>5,449</b>
Mitooma						
Bitereko	2	1	400	400	229	206
<b>TOTAL</b>	<b>2</b>	<b>1</b>	<b>400</b>	<b>400</b>	<b>229</b>	<b>206</b>
Rubirizi						
Ryeru	79	80.35	22,191	31,331	18,400	16,560
Kichwamba	10	13.4	5,360	3,929	3,069	2,762
<b>TOTAL</b>	<b>89</b>	<b>93.75</b>	<b>27,551</b>	<b>35,260</b>	<b>21,469</b>	<b>19,322</b>
<b>GRAND TOTAL APPROVED TECH SPECS</b>	<b>351</b>	<b>412.9286</b>	<b>152,422</b>	<b>103,094</b>	<b>94,561</b>	<b>85,105</b>
				Sold		<b>81,483</b>
				Unsold		<b>3,622</b>

## 5. Sales of Plan Vivo Certificates

During the annual reporting period (2014), the project has sold 176,897 tCO<sub>2</sub> to various buyers as indicated in Table 2a below. This includes 81,483tCO<sub>2</sub> from new issuances and 95,414tCO<sub>2</sub> from old vintage (2010 – 2013).

**Table 2a**- Sales for the reporting period January to December 2014

Vintage	Name of purchaser/ source of funds	Number of Plan Vivo Certificates purchased	Price per Certificate	Total amount received (\$)
2014	ZeroMission Arla Foods	14,168		
2014	ZeroMission Arla & Other	13,480		
2014	ZeroMission Arla	37,000		
2014	ZeroMission Ladaren & Other	400		
2014	ZeroMission Arla	14,168		
2014	Uganda Carbon Bureau: Royal Danish Embassy	192		
2014	Uganda Carbon Bureau: Nkuringo Gorilla Camp	38		
2014	Uganda Carbon Bureau: Embassy of Ireland	404		
2014	Uganda Carbon Bureau: Karamoja Livelihoods Programme	145		
2014	ZeroMission Axfoods	1,001		
2014	ZeroMission Other	487		
<b>TOTAL</b>		<b>81,483</b>		
2010	COTAP	414		
2011	ZeroMission Max	64,469		
2013	ZeroMission Max	25,531		
2013	ZeroMission Arvid Nordquist	5,000		
<b>TOTAL</b>		<b>95,414</b>		

NB/ Individual pricing information supplied to the Foundation will be for internal purposes only. The current sales are the highest since the project inception and they bring the total number of certificates sold over the years to 703,241 tCO<sub>2</sub> broken down as follows:

**Table 3b**: Total Number of Certificates sold since project inception

Year	tCO <sub>2</sub>	Price/t CO <sub>2</sub> (\$)	Total Price (\$)
Before 2008	57,930		262,265.5
2008	80,428		481,243.9
2009	38,717		23,8914.1
2010	90,879		573,763
2011	72,250		384,173
2012	149,305		741,772
2013	36,835		217,960
2014	176,897		1,048,223.3
<b>Total</b>	<b>703,241</b>		<b>3,948,314.8</b>

The detailed information of buyers and of their respective volumes are found in appendix 4 – “List of buyers, their respective volumes purchased and total price paid”.

In addition, the project has generated **3,622 tCO2** in unsold stock that should be issued to the ECOTRUST account in the Markit Registry. This brings the total unsold stock the project has generated to **31,575 tCO2** as indicated in the table 3c below.

**Table 3c-** Number of certificates held in unsold stock for vintage from 2010 to 2014 (assuming 2014 issuance as documented in this Annual Report - as of 31<sup>st</sup> December 2014)

<b>Vintage</b>	<b>Number of certificates</b>
2010	4,456
2012	3,353
2013	20,144
<b>2014</b>	<b>3,622</b>
<b>Total</b>	<b>31,575</b>

## 6. Summary of Monitoring Results

### 6.1 Introduction

To assess farmers' performances and thus to prepare payments, the monitoring for Yr1, Yr3 and Yr 5 was conducted in all districts (Mbale, Manafwa, Bududa, Kasese, Rubirizi, Mitooma, Masindi and Hoima) as according to the TGB guidelines. The objectives of this field-based activity were to 1) Assess tree survival and growth rates 2) Take GPS coordinates of farmers' gardens to facilitate spatial location, 3) Measure the size of land per PVs and 4) Provide extension services and Interact with farmers.

### 6.2 General Performance

A total of 770 farmers were visited in Hoima (58), Masindi (176) Kasese (95), Bushenyi (383) and Mt. Elgon (58). Out of those 770, 548 farmers met their targets while 222 did not. The majority of farmers had the required number of trees and those who failed to meet the targets had poor spacing. Most of the farmers in year 5 had the required DBH measurements, but some of them did not have the required number of trees. The issue of clarifying whether the farmer had the correct land under improved management as indicated in their contracts and the correct spacing was emphasized during monitoring because it was one of the corrective actions highlighted during the third party verification. Some farmers modify the spacing after approval of their *plan vivo* and end up with the required number of trees but not the required acreage to meet the conditions within their respective contract.

**Table 4a** - Number of Farmers Qualifying or Not Qualifying for Payment Based on the Monitoring Results

District	Years	Yr1	Yr3	Yr5	Yr10	Total	
<b>Bushenyi</b>	<b>Qualified</b>	109	108	47	7	<b>271</b>	
	<b>Not</b>	31	69	12	0	<b>112</b>	<b>383</b>
<b>Kasese</b>	<b>Qualified</b>	82	13	0	0	<b>95</b>	
	<b>Not</b>	0	0	0	0	<b>0</b>	<b>95</b>
<b>Hoima</b>	<b>Qualified</b>	29	0	1	0	<b>30</b>	
	<b>Not</b>	25	3	0	0	<b>28</b>	<b>58</b>
<b>Masindi</b>	<b>Qualified</b>	72	30	5	0	<b>107</b>	
	<b>Not</b>	50	19	0	0	<b>69</b>	<b>176</b>
<b>Mt. Elgon</b>	<b>Qualified</b>	45	0	0	0	<b>45</b>	
	<b>Not</b>	13	0	0	0	<b>13</b>	<b>58</b>
<b>GRAND TOTAL</b>		<b>456</b>	<b>242</b>	<b>65</b>	<b>7</b>	<b>770</b>	<b>770</b>

According to the monitoring undertaken in all of the districts, the status of continuing farmers is presented in the following section.

### 6.3 Mt. Elgon region

In the Mt. Elgon region (Mbale, Manafwa, Bududa), in 2014 a total of 60 farmers now in year 1 were due for monitoring as they had been recruited on the basis of the draft technical specifications. 58 of these farmers were monitored (20 in Mbale, 20 in Manafwa and 18 in Bududa). The other two farmers were absent and therefore not monitored. 45 of the 58 farmers qualified for their second payment while 13 did not. Out of these 13 farmers who didn't qualify, 8 farmers had achieved no target whereas 5 farmers had less land than had been indicated in their respective contract, but had already received payment based on these targets. Hence, they now need to identify more land or reduce their targets appropriately. According to the required spacing guidelines, the main technical specification applied was woodlot complemented by boundary planting systems. Most farmers have intercropped some parts of the woodlot with coffee and banana trees.

### 6.4 Mt. Rwenzori Region

In Kasese, a total of 96 farmers (83 in year one and 13 in year three) were visited and their gardens monitored. These farmers were from the sub-counties of Karusandara, Bugoye and Maliba in Kasese district. Farmers in Kasese are generally doing well even though there are a few farmers in Karusandara who have allowed the bush shrubs in their gardens to overgrow. They are now letting their cattle feed freely in the gardens even when the trees are still very young. This resulted in their payments being withheld while also being advised to weed their gardens and to find alternative places to feed the livestock.

### 6.5 Hoima/Masindi

In Masindi, farmers were generally doing well especially the ones in year one and in year three while Hoima did not perform well. Farmers' performance in Hoima was poor because most of them had not slashed/weeded their gardens during the dry season as required in the Technical Specification. This exposed the trees to risks such as fire, poor growth and death/drying up. When quizzed, farmers provided two main reasons for not weeding their gardens. The first reason was that the seasons have changed and this has caused a lot of confusion. More specifically, the rains had started as early as July, well before they could harvest, so as to give them very little time to attend to their gardens. Thus, they decided to plant even more so that they wouldn't miss the rains (this also affected the monitoring team since the rains disrupted planned activities causing delays). The second reason was that farmers planted a lot of maize and tobacco, which are labour-intensive crops so that, essentially, they had been forced to leave the trees unattended. In fact, farmers refused to allow their plots be monitored because they did not want the team to destroy their maize.

Farmers who planted *Markhamia spp* in Kabwoya had better results than those who planted other species and their performance is in fact promising. The Kabwoya-Kaseta farmers affected by road and electricity line works have had the portion of their land devoted to tree planting and to crop cultivation reduced. Even though some were compensated and had promised to buy land as well as to plant trees (for instance Mr. Mugisa Paul), they are still hesitant to plant trees in their small plots. That is because activities such as soil and water tests are being performed in the Kabwoya-Kaseta area and that is generating a certain degree of uncertainty amongst farmers because they fear

infrastructural projects will soon be developed in their land. Therefore, they are not planning to utilise their land until they get confirmation from government that their land will not be seize. The farmers have requested for legal support in order to demand their compensation include an indemnity for the loss of future carbon revenue as indicated in by their carbon contracts. However, this is something their lawyers currently do not seem to comprehend. The table below provides a list of farmers whose activity has been suspended due to uncertainty caused by potential land development projects.

**Table 4b Farmers whose activity has been suspended.**

1	Asaba Deogratius	kabwoya-kasetta	Yr 1
2	Fimbo John	kabwoya-kasetta	Yr 1
3	Bahemuka Francis	kabwoya-kasetta	Yr 1
4	Alinaitwe Murungi James	kabwoya-kasetta	Yr 1
5	Balikenda Murungi	kabwoya-kasetta	Yr 1
6	Mugisa Paul	Kabwoya-kasetta	Yr 1
7	Karakara Charles	kabwoya-kasetta	Yr 1
8	Andama constatine	Kabwoya – kaseeta	Yr 1

## 6.6 Key Observations:

**Table 4c - The key observations/challenges noted during monitoring**

Issues/field observations	Likely cause	Recommendation Action
<b>Poor spacing</b>	Insufficient land size coupled with limited supervision/visits before/during planting. Although we have given farmers sisal ropes for the measurements, they don't adhere to the guidelines. A few of the farmers adhere to the guidelines until after Yr0 payment, then they plant the next supplied seedlings in the 5m spaces between the trees.	All farms should be measured using GPS and the monitoring should coincide with the planting or just before to make sure farmers do not forget.  The guidelines should be re-emphasized during the training.
<b>Failure for farmers to meet target</b>	<ul style="list-style-type: none"> <li>There are lots of competing activities during the rainy season, some with more short term financial rewards e.g. Maize/Tobacco in Hoima.</li> <li>Some farmers especially in Hoima consider the CO<sub>2</sub> payments as the main motivation as opposed to the forest management objectives. Consequently, they relax upon receiving the 50% pay (Yr 0 &amp; Yr 1).</li> <li>In some places, loans for seedlings have</li> </ul>	The issue of woodlot establishment being driven by management objective needs to be emphasized during the training.  Review seedling guidelines and empower farmer coordinators to represent farmer interests in the distribution of seedlings.  Training farmers in strategies

	<p>been mismanaged, with farmers abusing the facility thinking that it is free. Eventually, the burden imposed by their seedlings loan becomes a disincentive.</p> <ul style="list-style-type: none"> <li>• In some cases, (mainly Hoima) elderly farmers and families of deceased farmers fail to take care of trees either due to conflicts, old age &amp; no assistance from their children.</li> <li>• Farmers with big pieces of land plant trees in an unplanned manner and can't trace them during monitoring due to overgrown bush shrubs.</li> </ul>	<p>that minimize labour requirements.</p> <p>Provide motorcycles, bicycles, fuel, and field gear for farmer coordinators to facilitate follow up.</p>
<b>Seedling Loans</b>	<ul style="list-style-type: none"> <li>• Suppliers provide seedlings to farmers even before they qualify.</li> <li>• Farmers are abusing the loan facility and suppliers who are also coordinators encourage the farmers to take seedlings without reminding them that it is a loan.</li> <li>• Some seedlings are of poor quality.</li> </ul>	<p>Project needs to hold special meetings between farmer coordinators and nursery operators to agree on a code of conduct.</p>
<b>Cases of Indiscipline</b>	<ul style="list-style-type: none"> <li>• In some cases, where farmers have not informed the coordinators that they have sold their land. The new landowners usually don't continue with the project since most of the money has been paid off or has to be repaid to the seedling loan facility. This is mainly in Hoima.</li> <li>• Some farmers have pretended to have planted only to remove the seedlings after the monitoring.</li> </ul>	<p>Community sensitization mainly targeting LCs to inform them that carbon contracts come with the land.</p> <p>Work with the farmers to develop penalties for unacceptable behaviour.</p> <p>Work with local leaders to penalize errant farmers.</p>

## 7. PES update

The project has continued to pay all producers that have complied with the minimum requirements following monitoring activities. Payments to farmers are made through their respective Banks and/or Village SACCOs/ Financial institutions where they hold individual accounts. In Masindi and Hoima, there are some farmers who have failed to identify a trustworthy SACCO and who are also unable to maintain a regular bank account. ECOTRUST has made an arrangement with Barclays Bank to pay those farmers directly from the ECOTRUST account with Barclays.

**Tables 5a** and **5b** below show the disbursements to farmers in the various project sites.

**Table 5a-** Summary of payments to producers

Date	Site	Amount USD
10.03.2014	Kasese	27,366
16.09.2014	Hoima	711
16.09.2014	Bitereko	6,037
16.09.2014	Kiyanga	4,179
16.09.2014	Bunyaruguru	13,209
16.09.2014	Mbale	3,125
	<b>TOTAL</b>	<b>54,627</b>

**Table 5b-** Amount for Seedlings received by producers

Date	Site	Amount USD
10.03.2014	Hoima	260
31.03.2014	Kasese	343
18.06.2014	Bushenyi	311
18.06.2014	Hoima/ Masindi	1,143
12.08.2014	Hoima/Masindi	2,024
12.08.2014	Kasese	2,881
12.08.2014	Bushenyi	446
12.08.2014	Bushenyi	312
12.09.2014	Kasese	220
28.10.2014	Kasese	4,207
28.10.2014	Hoima	121
28.10.2014	Masindi	956
17.11.2014	Hoima	229
03.12.2014	Kasese	1,709
18.12.2014	Kasese	2,136
18.12.2014	Hoima/Masindi	856
	<b>TOTAL</b>	<b>18,154</b>

## 8. Ongoing Community Participation

The TGB programme recognizes the need to continuously build capacity, sensitize and facilitate knowledge / experience sharing in order to develop farmer-led project improvement strategies. This is achieved through highly participatory trainings that target potential and participating farmers in the programme implementation areas. Other participants include community leaders, technical staff from local government and project staff. The project held farmer trainings/sensitization meetings in all the sub counties / districts where TGB is implemented. The main issues discussed in the trainings/meetings include global warming, the Plan Vivo project cycle, tree planting and carbon management. Farmers also discussed the challenges and threats in the community and jointly came up with possible solutions. During the reporting period, the project conducted three types of meetings: 1) Farmer coordinators meetings, 2) Trainer training, 3) Farmers meetings. This section highlights some of the issues discussed in these meetings.

### 8.1 Building capacity of Trainers (ToTs)–Mt. Elgon Region

With support from Ecoagriculture Partners, the project conducted a training of trainers in the three Districts of Mbale, Manafwa and Bududa. This was intended to equip local technicians with capacity to participate in the practical recruitment of beneficiary farmers in the carbon project. The training focused on practical skills to induct or train, to review and finally to recruit farmers for Trees for Global Benefit. The training included classroom sessions combined with practical demonstrations in the field.

**Table 6a-** Summary Attendance in the 'Training of Trainers' Meeting

Date	District	Sub county	Male	Female	Total
April /2014	Mbale	Wanale	05	0	05
		Nyondo	02	0	02
		Busano	01	0	01
	Manafwa	Kaato	03	0	03
		Bumbo	01	0	02
		Bupoto	01	0	01
		Buwagogo	01	0	01
		Bubita	02	01	03
	Bududa	Nakati	01	0	01
		Bukibokholo	02	0	02
		Bumasheti	01	0	01
		Bududa TC	02	0	02
		Bushiribo	0	01	01
		Bushika	01	0	01
		Bukigayi	01	0	01
		Bulucheke	01	0	01
March 2014	Grand total		25	02	27

18/03/2014	Bududa	All sub/counties	87	45	132
19/03/2014	Manafwa	Kaato	29	07	36
20/03/2014	Manafwa	All s/c technical team	35	8	43
21/03/2014	Mbale	Wanale	52	09	61
	Grand total		<b>203</b>	<b>69</b>	<b>272</b>

## 8.2 Farmer Sensitization/Trainings and participation

Annual trainings for participating and potential TGB farmers are organized to build capacity for farmers in areas concerning their livelihood improvement, tree management and the *Plan Vivo* cycle. The meetings are not only a platform where farmers can raise their concerns and challenges about the project, but also where they can share experiences/best practices with both the staff and fellow farmers. A number of sensitization/ training meetings of potential and participating carbon producers were conducted in all districts; Kasese ( Mubuku, Kiruli, Kilembe and Karusandara sites), Bushenyi (Bitereko, Kiyanga, Ryeru, Kicwamba and Katerera), Hoima and Masindi.

**Table 6b)** Summary of Participation in the Farmers Training Meetings

Site	Male	Female	Total
<b>Kasese July 2014</b>			
Bunyandiko	23	23	46
Mbunga	20	12	32
Kiruli	52	10	62
Mubuku	16	14	30
Karusandara	32	4	36
<b>Total</b>	<b>143</b>	<b>63</b>	<b>206</b>
<b>Bushenyi September 2014</b>			
Kiyanga	60	30	90
Ryeru	30	8	38
Katerera	18	2	20
Bitereko	18	16	34
Kichwamba	23	12	35
<b>Total</b>	<b>149</b>	<b>68</b>	<b>217</b>
<b>Hoima Total</b>	<b>219</b>	<b>40</b>	<b>249</b>
<b>Masindi Total</b>	<b>200</b>	<b>30</b>	<b>230</b>
<b>Mt. Elgon September 2014</b>			
Bududa Nakatsi	40	05	45
Bududa Bukibokholo	32	1	33
Mbale Budwale/Wanale	28	05	33
Manafwa Bukhusu	45	02	47
	<b>145</b>	<b>13</b>	<b>158</b>
<b>GRAND TOTAL</b>	<b>856</b>	<b>214</b>	<b>1,060</b>

### **8.2.2 Issues Raising during training**

The key issues discussed in the meeting included: climate change and global warming, participants understanding the importance of trees and basic silvicultural practices in tree management. Procedures to be followed while joining the project were emphasized especially for the new sites and in areas such as Kiruri (Kasese) where very many farmers had applied to join the project.

#### **8.2.2.1 Seedlings**

There was general a complaint in Hoima, Masindi and Mt. Elgon districts about the seedling supply. Some farmers complained that the seedling payment deductions are not tallying with the information they have. Specifically, some farmers still think that the seedlings are given free of charge and, therefore, that they do not any need to take good care of them. That increases their seedling debt and, thus, the deductions from their PES payments. Also, some farmers did not negotiate with the nursery operators, who then ended up overcharging them. For example - Mr John Winter Bagada, a Masindi farmer, gave most of his seedlings to his neighbours because he was under the impression that these were distributed by the project at no fee. There are also farmers who do not understand that modifications in their target due to their inability to advance from the year zero target to the ones agreed in subsequent years also leads to getting less payment. The project will invest in building capacity for the seedling distribution process.

#### **8.2.2.2 The Carbon Community Fund (CCF)**

Discussions around the use of the Carbon Community Fund (CCF) to solve the community development issues were raised at all sites. According to the community, the CCF supported enterprises especially the passion fruit growing one, which is slowly picking up. According to the group chairman, Mr. Yasei Kaahwa (Kabwoya), 4 farmers out of 8 have harvested passion fruit mainly for household consumption. Only 1 farmer was able to sell some in Kabwoya town. They hope to harvest more next year and to continue encouraging their neighbours and group members passing fruit plants. The nursery bed supported in Kiziranfumbi supplied seedlings for planting in the grass patches of the forest reserve. Soon, it will be required to perform a field visit and monitoring exercise to assess and to document the progress in both sites while we continue to build the community-NFA and ECOTRUST collaboration in natural resource management.

Farmers requested clarifications on the procedures for accessing support in case one has been affected by factors leading to the destruction of trees. Some of the complicated situations include farmers in Kasese, who were affected by floods, making it impossible for the woodlots to be re-established on the same piece of land. Communities were encouraged to start developing proposals while, in Kyangwali, they hope to use CCF to start a nursery bed to replant their CFM forest patches. In Masindi, the Karujubu community submitted a proposal for roofing a classroom block of a community school.

The farmers in Kasese have also requested support to acquire other solar equipment such as lamps (as an addition to the Solvatten units). There were requests for solar powered phone chargers and or solar panels for light from all the farmers that have been paid. They further requested that, if the Solvatten units can be modified to provide phone-charging and internal lighting services, they would gladly buy them in higher numbers or at least sell the Solvatten units in order to satisfy the current demand. Unfortunately, only few of the Solvatten beneficiaries are still using their units. However, some farmers hope to increase the daily usage of the solar units as their children are about to come home for holidays so that they will have some free time to fill the units with water, to put them out in the sun and to look after them.

### **8.2.2.3 Landholdings**

Generally, there is increasing fear among farmers that the oil developments in the area may increase land grabbing and, hence, that they might lose their land. This is partly caused by the fact that majority of the farmers lack land ownership certificates (customary and or free hold certificates). They requested the project to enable them acquire land ownership certificates. There is also a need for mass sensitization on land rights and the land registration process.

It would be useful, where possible, to partner with the respective government offices to educate the community and to devise means of making land registration affordable to local communities. The project may build on existing initiatives in the communities e.g. the pilot project implemented by the government where some households in Masindi have been helped in the acquisition of freehold certificates. Another example was the registration of private forestland in Hoima led by the Chimpanzee trust and the JGI where customary ownership certificates were issued.

Some farmers fear that the use of the GPS during the TGB monitoring could be a plan to take/grab their land despite the reassurance made during trainings or even during the field visits by project staff. The project needs to consider other means of sensitization e.g. radio talk shows involving officials from the lands department, training and working with local area committee focal points and involving religious leaders to create awareness.

There has been a lot of emphasis on recruiting farmers that own only 1ha and above and farmers have requested the project to reconsider the minimum land size required since it excludes some poor farmers with smaller landholdings. The farmers also need support/training in how to correctly estimate landholdings and spacing. Other questions related to land ownership include the possibility of registering more than one plot, (especially if the farmer has well managed the first plot) and the possibility to recruit farmers under the CFM arrangement with NFA.

### **8.2.2.4 Performance – based Payments**

The farmers from the new sites mainly raised questions relating to performance-based payments. The role of SACCOs in community development needs to be re-emphasized

especially among the new farmers who do not yet see the need to join SACCOs. Clarifications on some of the silvicultural practices such as the timing of thinning and harvesting need to be continuously clarified to the farmers because some think that such activities (especially thinning) may lead to penalties. The farmers also requested clarifications in areas such as the rotation period, what happens if land is sold before the end of the contract, how carbon is measured and so on.

### 8.2.2.5 Review CFM Agreements

Some of the farmer groups involved in the project are also involved in collaborative management arrangements and have signed Collaborative Forest Management (CFM) agreements with the National Forestry Authority. Farmers requested that the CFM agreements should be reviewed to increase community access to the forest resources. Some CFM agreements do not mention carbon benefits yet, but farmers would like to use carbon funds to grow trees in the compartments they are managing.

### 8.2.3 Proposed areas of training next year

#### a) Silvicultural practices

**Pruning:** During the field visits (review and monitoring), it was noticed that some farmers were pruning trees at a tender age and, even worse, those tree species like *Maesopsis* that are self pruning as well. Pruning methods and equipment currently used need to be improved.

**Thinning:** Training in thinning will be required for those farmers that are due to thin and those who planted at spacing less by 5m with trees that are now ready to be sold as construction poles.

**Pests and diseases:** The other issue is training on tree diseases common in species like *Maesopsis*, *Milicia* and *Grevilia* (termites) and on how they can be better controlled. If possible, it would be desirable that plant pathologist assess some of these trees and determine the causes of these diseases prior to the actual training.

#### b) Change of Ownership in carbon sales agreements

In some places, farmers still lack clarity on the punitive measures that would occur in the event of a breach of the terms of contract. Farmers do not fully understand that the withdrawal of reward payments is in fact punishment for failure to deliver, and even so, the measure appears to be too lenient. Some farmers have seen fellow farmers failing to advance beyond Year zero and Year 1 pay with no major negative consequences. Other examples include situations where land with an agreement with TGB has changed ownership due to either death of the household head or land sale, and the new owners (buyers or family members) have failed to continue the project. Therefore, the project needs to work with the community-based institutions (e.g. local councils) in the execution of these punitive measures, a process that communities are more familiar with and attach a lot of value to.

**c) Training in tree based enterprises**

The project will invest in capacity building activities for managing tree-based enterprises. This activity will mainly focus on farmers that are in Year 5 and beyond.

**d) Gender Agenda**

Considering the very low turn up of women and youth during the training sessions, the project needs to strengthen its gender-based approach to ensure that these categories are better represented. Some of the activities will include raising awareness amongst men about the importance of bringing their wives and some of their children along for meetings. The project will also work with leaders of participating women's groups such as Beatrice Ahimbisibwe of Bitereko Women's Group to mentor other communities in the involvement of women in the project activities.

## 9. Breakdown of Operational Costs

Below is a breakdown of all the operational costs connected to the project for the current reporting period:

**Table 7-** Breakdown of operational costs in USD\$

2014 costs	Total Cost	From Carbon sales	Other sources	
3 <sup>rd</sup> party Verification	4,777	4,777	0	Financial audit
Staff time	19,8070	120,000	78,070	Ecoagriculture Partners
Farmer capacity building	5,525	5,525	0	
Monitoring (including web based monitoring tool with Equipment & capacity building)	24,727	4,727	7,000	Seed Award
Office running costs	38,555	17,000	21,555	
Vehicles	29,574	20,000	9,574	UNDP EBA Project
Project Devt	32,000	0	32,000	
Coordinators	16,977	16,977	0	
Other travel	8,174	8,174	0	
<b>Total</b>	<b>358,379</b>	<b>197,180</b>	<b>148,199</b>	

## 10. Future Development

### 10.1 Research to Streamline Monitoring

Trees for Global Benefits is currently working in collaboration with IIED to streamline monitoring methodologies for community-based carbon projects. The SMS-PES project aims to assess monitoring strategies for smallholder carbon offsetting projects in terms of scientific robustness, costs, socioeconomic impacts and market demand, based on data from Trees for Global Benefits as well as another Plan Vivo project, the Scoler'te (ST) project in Mexico. Trees for Global Benefits will also support the use of SHAMBA<sup>2</sup> to develop technical specifications especially tailored for the estimation of carbon benefits and for monitoring the actual delivery of those benefits.

### 10.2 Involvement of TGB Farmers in Forest Monitoring

With funding from the Waterloo Foundation, ECOTRUST has embarked on the development of a community-based monitoring programme at the Rwenzori Gateway. This programme will be designed as a tourism activity in which community guides are trained to lead volunteer/tourists in the collection of scientific information in the area.

The proposed project provides an excellent opportunity to improve tourism as well as to enhance the general understanding of environmental and biodiversity services in African High Altitude Forests (with a focus on Rwenzori) especially in the light of a changing climate. The establishment of a long-term monitoring site in the Rwenzori Mountains will contribute to the generation of information aimed at providing data on how biodiversity, hydrology and other environmental services such as agriculture are likely to adapt to a changing climate. The site is rich in species diversity, including birds and amphibians that are very susceptible to the slightest changes in climate. The different gradients on which the proposed site is located provides a good opportunity for studying the different adaptation strategies employed by several species as the ones living at lower gradients are likely to move up to higher altitudes due to changes in temperature. In addition, the different site gradients will provide a rich study area and thus wide sample.

### 10.3 Mobile App for Data Collection

To address the challenges of transaction costs, the project has invested in the development of a Mobile Data Collection App with the support of the UN SEED Award. This App has tools that can collect recruitment and monitoring data, which is then automatically transmitted to the database, tremendously reducing the amount of time involved in processing information from farmers.

### 10.4 Rights – Based Approaches to REDD

ECOTRUST is working with IUCN to develop models for Rights-Based Approaches to REDD focusing on issues ranging from pro-poor approaches to participation and benefit sharing, gender, land tenure, market access rights and so on. The approach will examine the TGB model, highlighting the achievements and challenges in the design and implementation process of a pro-poor REDD project

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<sup>2</sup> Smallholder Agriculture Mitigation Benefit Assessment Tool (SHAMBA).

type and, thus, working towards addressing those challenges. For example, the approach builds on the TGB's benefit sharing model, which is based on the contribution made by the various project players and which ensures that each one of them is rewarded accordingly. In addition, TGB has strategies in place to allow both women and men to participate equally by making their concerns and experiences an integral dimension of the project's design and implementation. This gender mainstreaming approach involves understanding the needs and the potential roles of the different stakeholders as well as ensuring that the project designs various strategies to harness such potential.

### ***10.5 Equipment for farmer coordinators***

In order to make field visits by farmer coordinators more efficient, the project is going to invest in motorbikes for each coordinators and a bicycle for each assistant.