



Trees For Global Benefit (TGB)

**A Plan Vivo Carbon offset project with small landholders in
Bushenyi District, Uganda.**

Annual Report 2006



A Collaborative Plan Vivo project between:

**The Environmental Conservation Trust of Uganda (ECOTRUST)
The World Agroforestry Centre (ICRAF)**



About Trees for Global Benefit, Uganda



This Plan Vivo project is based in the rural areas of Bushenyi district in North West Uganda. It was set up in May 2003 with the objectives of generating income and creating opportunities for poor small-scale farmers. This project provides the financial support and technical assistance required to implement these initiatives. Farmers are involved in tree planting under the Plan Vivo carbon management system which produces carbon offsets which are subsequently sold in the form of Plan Vivo certificates. The project is administered by ECOTRUST and is a collaboration between BR&D, ICRAF and The Edinburgh Centre for Carbon Management (ECCM).

Activities include:

- Planting of mixed native woodlot for timber, including mahogany, cedar, African cherry, laurel and silk trees
- Boundary planting for fuelwood and fruit
- Protection of wildlife and native forest remnants

The programme's aims are to:

- Raise awareness of climate change and related issues
- Increase household incomes through carbon payments
- Offer the farmers technical advice and allow them access to other markets such as timber, fuelwood, fruit, fodder and poles
- Conserve biodiversity by promoting indigenous tree species

Executive summary

This report provides a summary of what the programme has accomplished from January to November 2006. This includes farmer recruitments, carbon allocations, carbon purchases, programme coordination, and other field activities. Since May 2003 the project has expanded from the initial 33 farmers to 165 applicants. Over half (84) of the recruited farmers have signed agreements and have received their respective payments. The remaining unallocated funds have also been earmarked for 40 of the 81 farmers currently without signed agreements. Recruitment has been suspended until all the current recruits on the waiting list have been allocated buyers. However, all farmers expressing interest in joining the programme are being registered.

The programme through support from BR&D has secured seven additional carbon buyers besides Tetra Pak as detailed in Table 3. These additional purchases have enabled more farmers to join and receive carbon payments and have reduced the number of farmers on the waiting list. ECOTRUST is grateful to BR&D for having facilitated these purchases.

In addition to the regular updates of the database ECOTRUST has continued to improve programme administrative and management systems. Notably, a one-page fact sheet of simple rules of the carbon programme has been developed and given to the field coordinators. This will go a long way in clarifying some of the concerns / issues / queries that have been expressed by farmers. The commercial tree nurseries established in every sub county, managed by private nursery operators, have continued to successfully supply farmers with seedlings.

Community participation

New Participants

From the original 33 farmers who were recruited, the programme now has a total of 165 participants. These farmers are now at different stages in the programme and this is summarized below in table 1.

Table 1. Farmer recruitment and buyer allocation

Year of recruitment	Number of farmers recruited	Farmers allocated to buyers	Farmers to be allocated to buyers
2003	33	30	0
2004	132	54	81
Total	165	84	81

Many farmers this year have expressed interest in the project this year, and 28 have applied to join. Because expansion is limited by the availability of carbon buyers, ECOTRUST has taken a position of not entering into carbon sale agreements with farmers before securing buyers. However communication with these interested parties will be maintained and they have been registered for further follow-up. Focus is currently on existing farmers, and the total amount of carbon estimated from these participating farmers is represented in table 2 below.

Table 2: Total estimated carbon amounts of progressing farmers

Sub county	Estimated carbon amounts
Bitereko	5268.92
Kichwamba	1228.21
Kiyanga	6316.90
Ryeru	4717.85
Kyeizooba	17.27
Kyamuhunga	219.80
Total	17,768.95

Carbon Purchases

All carbon purchases including new buyers have been secured through BR&D. Table 3 shows all the purchases that have been made to date. ECOTRUST believes that the new purchases will cover at least half of the farmers on the waiting list and these already have draft agreements. We are envisaging that next year, the programme will resume recruitment of new farmers.

Table 3: Carbon buyers 2004 - 2006 for the Trees for Global Benefits (TGB) programme.

Year	Buyer	tC purchased	Price C	Total cost	Partner share	BR&D share
2004	Tetra Pak 2003					
2005	Tetra Pak 2004					
2005	INASP					
2005	One World International					
2005	Future Forests 2005					
2006	Tetra Pak 2005					
2006	INASP					
2006	U&W					
2006	Key Travel					
2006	Save the Children					
2006	In-2-Technology					
2006	U&W					

*** Individual prices have been blanked out for the public version to protect client confidentiality**

Carbon Allocations

Eighty-four of the total 165 farmers have signed agreements and of those 80 have received payments including some who have received all three payments. The second and third payments are being made based on the population of surviving trees. The table 4 below details the payments that have been made to farmers to date.

Table 4: Farmer payments to-date

Payment schedule	No. of farmers	Total amount (US dollars)
First payment	13	2,874
First & second payment	44	2,4254
First, second & third payment	23	10,024
Total payments		37,152

Out of the original 33 farmers, 23 have met their planting targets as stated in the sale agreements and have received their third payments. ECOTRUST has continued to use telegraphic transfers (TTs) to farmers' accounts through micro-finance institutions. The microfinance institutions include Bunyaruguru Corporative Saving and Credit Society limited, Bitereko peoples cooperatives and Savings and Kiyanga cooperatives and savings limited.

The table 5 below gives a summary of the current farmers in their respective groups and how they have been allocated the various buyers. Some of the recent purchases of carbon have not been allocated and this will be given to many of those applicants. The short time delay from receiving the payment to allocating it due to ensuring the land is suitable, the seedlings are available, and that the farmers are trained and have made the relevant preparations. An analysis of the remaining purchased carbon has been made and it is estimated this will cover 40 of the remaining 81 farmers currently without buyers. The new agreements are being finalized and it is expected that by end of January 2007, these farmers would have received their first payments. Forty-one farmers will therefore continue on the waiting list until more buyers have been received.

Table 5: Farmers' details to-date-recruitment, registration & buyer allocation

Sub county	Total Applicants To-date	Progressing Farmers	Plans not reviewed	Farmers allocated to buyers	Farmers not allocated to buyers
Bitereko	94	77	20	28	49
Kichwamba	15	15	-	10	5
Ryeru	33	30	3	17	13
Kiyanga	46	41	3	28	13
Kyamuhunga	02	01	01	1	1
Kanyabwanga	02	01	01	0	1
Kyeizooba	01	0	1	1	0
Total	193	165	31	84	81



Improvements in 2006

Coordination of field activities

This year increased capacity of the field coordinators has helped to improve communication between farmers and ECOTRUST. Coordination of field activities has mainly been through engagement of field coordinators namely Turyahikayo Wilson for Bunyaruguru, Ahimbisibwe Beatrice for Bitereko sub-county and Benon for Kiyanga. Activities implemented during this reporting period have continued to consolidate and streamline programme implementation. In particular, the programme has made an effort towards risk control by way of providing clarity on the farmer expectations from the programme and vice versa. To this effort, a set of rules has been made by ECOTRUST in consultation with the farmers, to guide the field coordinators in the different aspects of the carbon program. The rules are:

1. Trees planted before signing agreements will not be considered.
2. Payment will be proportional to the population of surviving trees.
3. Farmers will be monitored once before payments are made.
4. Felling existing trees in order to plant trees for carbon payments is not encouraged.
5. A minimum spacing of at least 5m x 5m should be used when planting.
6. Farmers should plant only approved tree species.
7. Co-ordinators must always provide correct information about proportions planted (Number of plants planted/surviving). Misinformation may lead to cancellation of the agreement.

Monitoring

Information required to assess the carbon payments due to individual farmers includes the area planted and tree survival. The monitoring form has been modified which has made collection and compilation of this data easier and more accurate.

Technical support

ECOTRUST has continued to give technical assistance including advising farmers which trees are appropriate for the local weather conditions. This has in particular reduce tree loss to drought as the farmers have been advised to plant drought resistant trees even during the dry season as opposed to keeping the seedlings in the nursery bed until the rains come. Further technical support needs have been identified and initiated in the following areas:

- Pruning activities: This is mainly to promote methods that minimize infection and damage to the trees.
- Use of locally available methods in minimizing loss due to fires, draught and pests.
- Matching tree species with appropriate environmental conditions to minimize loss.
- Training in tree and nursery management as well as tree-based enterprises. These tree-based enterprises are intended to minimize the temptation of the farmer felling the trees before the complete rotation period.
- Cross-exchange visits between farmers in different areas to learn from each others experiences.

Establishment of linkage with other carbon trade initiatives

ECOTRUST has continued to be very active in establishing linkages with other carbon trade initiatives both at national and international levels. This includes the following:

- Forest Trends/Katoomba group and the ecosystem Marketplace.
- Participation and facilitation in the Capacity Building for Clean Development Mechanism project in Uganda (CDM4CDM).
- The Carbon Expo 2004, Cologne, Germany where the TGB project was exhibited among other Ugandan projects and our staff were involved in a panel discussion about sinks for carbon sequestration.

Challenges and priorities

Inadequate Buyers

Accessing additional carbon buyers is still a big challenge to the extent that some of the farmers that were recruited in 2004 are not yet assigned to buyers. As a result ECOTRUST has suspended formal recruitment until more buyers have been secured however communication between potential applicants has been maintained. Purchases made at the end of 2006, once allocated will allow over 40 of these farmers to secure a place on the project.

Delayed transfer of funds

Another challenge is delay in making carbon payments to the farmers. Payments are only administered only after BR&D has sent the money to the ECOTRUST account. Due to an unavoidable delay at the bank some farmers were paid late which demoralized some farmers who were struggling to find funds to inject into tree planting. However efforts have been made to ensure that these delays do not occur again.

Staff turnover

Byamukama Biryahwaho who has been a programme officer in charge of carbon since the beginning of the project has moved on from ECOTRUST. This has definitely presented a lot of challenges as far institutional memory is concerned. This has been compounded further by the departure of Jessica Orrego, our contact person at BR&D. However, new staff has been recruited and have already been oriented into the programme. Byamukama is also still available to ECOTRUST for short term consultancies whenever the need may arise.

Pests, diseases and adverse weather conditions

The farmers have experienced a number of problems ranging from pests, diseases domestic animals eating some of the trees to draught and wild fires. In order to address this challenge, the programme officer has included damage control as part of monitoring programme. Farmers have also been encouraged to replace the lost trees since they receive proportional payment.