



Establishment of institutional frameworks for delivery of reward mechanisms for environmental services in the Rushebeya-Kanyabaha wetland landscape and Wambabya riverine forests systems of the Albertine Rift

Project report for 2010

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List of acronyms

ARFCG:	Albertine Rift Forestry Carbon Group.
CSWCT:	Chimpanzee Sanctuary and Wildlife Conservation Trust
ECOTRUCT:	Environmental Conservation Trust of Uganda
ICRAF:	World Agroforestry Centre
JGI:	Jane Good wall Institute
NAHI:	Nature Harness Initiatives
NEMA:	National Environmental Management authority
PES:	Payments for Environmental Services
PRESA:	Pro-poor Rewards for Environmental Services in Africa
WWF:	World Wildlife Fund for nature

1.0 Introduction

This report presents activities implemented during this phase of the project, aiming at establishing institutional frameworks to facilitate the delivery of environmental service rewards from beneficiaries to service providers in the Rushebeya-Kanyabaha wetland landscape (Kabale District) and the Wambabya riverline forests system (Hoima District) within the Albertine Rift associate site under the ICRAF-led PRESA project. This work builds on the earlier project activities where;

- ❖ key ecosystem services – carbon and watershed were identified,
- ❖ degradation hotspots established,
- ❖ good land and forest management practices documented,
- ❖ potential ecosystem service sellers and buyers identified
- ❖ initial contacts were made with potential ecosystem service buyers and
- ❖ Limited mobilization and awareness creation for both potential sellers and buyers conducted.

Emphasis under this project was put on getting more commitment from private sector and constituting a conceptual framework to facilitate the delivery of the key ecosystems in the two landscapes.

1.1 Objectives

The main objective of this project was to establish the institutional frameworks to facilitate the delivery of reward mechanisms for environmental services in Rushebeya-Kanyabaha wetland landscape in Kabale and Wambabya riverine forests system in Hoima districts.

1.2 Planned activities under key objectives

Objective 1: Develop institutional frameworks for delivery of PES schemes within Rushebeya-Kanyabaha landscape and Wambabya riverline forests system.

- 1.1 Conduct a detailed value chain studies for selected ecosystem services in the two landscapes.
- 1.2 Develop conceptual frameworks based on findings of institutional mapping and value chain studies
- 1.3 Conduct awareness and consultative meetings among ecosystem service providers and beneficiaries to generate their views about the framework.
- 1.4 Incorporate views of ecosystem service buyers and providers into a draft institutional framework.

1.5 Provide technical support for operationalisation of selected aspects of the ES rewards delivery mechanisms.

Objective 2: Facilitate development of pro-poor and fair contracts between ES providers and beneficiaries.

- 2.1 Facilitate development of landscape management plans for improvement of quality of ecosystem services.
- 2.2 Translate the interventions into performance targets/milestones to be achieved by ES providers.
- 2.3 Incorporate the performance targets into draft contracts/MoUs between ecosystem service providers and buyers.
- 2.4 Facilitate review and adoption of ES contracts/MoUs between ecosystem service providers and buyers.

Objective 3: Document process for institutionalizing PES in the two landscapes to facilitate information and experience sharing.

- 3.1. Compile information on potential PES design procedures in the two landscapes.
- 3.2. Develop simple guidelines and awareness materials about PES and its delivery mechanisms.
- 3.2. Develop videos about the process for use in future awareness creation.
- 3.3. Develop and distribute information materials on PES to targeted audiences.

2.0 Activities implemented:

Objective 1: Institutional frameworks for delivery of PES schemes within Rushebeya-Kanyabaha landscape and Wambabya riverine forests system

1.1 Value chain studies for selected ecosystem services in the two landscapes.

Value chain studies were done for carbon in Wambabya riverine forests system and watershed services in Rushebeya-Kanyabaha wetland landscape. The studies identify key players at the community level/sellers including land owners, forest owners and other users especially for government resources like wetlands. Others are the service providers or intermediaries and also the buyers at both local and international markets. Local buyers in this case are private sector companies who have tried or are in position to management of their environmental footprint.

A survey was conducted to establish enterprises that could be undertaken by forest owners involved in forest restoration and river bank management along River Wambabya in Wambabya riverine forest system, Hoima district. Preliminary results indicate that tree planting for charcoal production as a business and bee keeping enterprises are key enterprises at household level with in the landscape. Bee keeping is largely practiced around homesteads and in forests. While trading in charcoal is a lucrative business, it is dominated by business people who come from outside the landscape. There are a few clusters of bamboo

scattered within 50% of the villages and results from the assessment indicate that there is great potential for scaling up this enterprise. Bamboo is good for stabilizing river banks for sustainable ecological functioning of the river system. It also provides materials for building, fencing and crafts. A full survey report will be shared once finalized.

1.2 Development of conceptual frameworks for delivery of ES schemes

1.2.1 Consultative meetings

NAHI organized and facilitated a planning workshop for sharing information that was generated during the baseline surveys and landscape assessments in Rushebeya-Kanyabaha wetland landscape. The workshop was held on 23rd September 2010 and brought together stakeholders from Kabale district local government ,sub county leaders, National Environmental Management Authority (NEMA), leading NGOs operating in the landscape, the private sector - Kisiizi Power Ltd, the central wetland management committee, chairpersons of each of the 7 parish wetland management committees and leaders of local community groups involved in wetland based enterprises like bee keeping, crafts making, fish farming, and mud fishing.

During the workshop, an action plan was developed with key actions identified for good landscape management. The action plan assigned responsibilities to various institutions to take actions regarding management of the wetland landscape. Some of the key actions agreed upon include leaving at least 5 metres from the river uncultivated for areas where farmers have cleared the wetland up to the river edge, conservation awareness creation, engaging in income generating activities and joint fundraising for environmental conservation projects in the landscape (*Ref. workshop proceedings report attached*).

In the Wambabya riverine forests system, awareness meetings were held at sub county level in Kyabigambire, Kitoba, Bugambe, Kiziranfumbi, Kabwoya, Kaseta and Kyangwali in Hoima district and were attended by private forest owners, local council leadership and district officials. During the meetings, NAHI used the forest cover maps and posters enhance the understanding of extent of forest cover in the area. The maps displayed the thin and decreasing forest areas in the area and raised a general concern which was used to bring out the need not only to conserve the remaining skeleton forests but also replenish them.

1.2.2 Private sector engagement

NAHI continued the work of engaging private sector companies to take part in the management of the ecosystems where their businesses depend. Progress is being registered in both Rushebeya-Kanyabaha wetland landscape and Wambabya riverine forest systems.

In Rushebeya-Kanyabaha wetland landscape, NAHI continued the engagement with Kisizi Hospital power Ltd to secure their commitment to contribute to the management of Rushebeya-Kanyabaha wetland landscape, a catchment area for water used at the power plant to generate electricity. Currently the power produced is largely utilized by the hospital and about 300 customers operated as an isolated grid. There are plans to connect to the national grid. Follow-on engagements have attracted more commitment from the hospital administration and as a step forward, management has promised to discuss the issue during the Hospital Board of Directors' meeting scheduled for late February 2011. The management of the hospital has shown readiness to designate a certain percentage of their annual income to contribute to the management of the wetland landscape. There are high hopes that this will be the first scheme in landscape where a reward mechanism is designed to help management of the catchment area by the private sector.

During the planning workshop, a number of synergies were realized between NAHI and Kabale University, among other achievements. A meeting was later held with the university management and agreed to develop a Memorandum of Understanding (MoU) between the two parties to collaborate in action research in the landscape. A draft MoU has been developed to this effect and shared with the University. A follow-on meeting was held to discuss the contents of the MoU and other partnership arrangements. The MoU will be ready for signing once the details of the discussions have been incorporated and agreed upon by the two parties. It is hoped that this partnership will help in undertaking specific theme-based studies in the landscape which will result into more understanding of conservation issues to enrich the interventions under the reward scheme in making.

In Wambabya riverine forests system, two private sector companies namely British American Tobacco and McLeod Russel (U) Limited have contributed greatly to ecosystems conservation in their areas of operation. Under the British American Tobacco Biodiversity partnership project, British American Tobacco Uganda, working through NAHI is committed to addressing the impacts of tobacco operations and reduce dependency on natural ecosystems. The partnership is keen to bringing other stakeholders in the Albertine rift (identified through PRESA Project) to understand their impacts on natural ecosystems and contribute to their management. A stakeholders' workshop is planned for mid March 2011 to share key interventions under the partnership and identify interventions at a wider scale for long term ecosystems conservation. A reward mechanism is planned to engage land owners along major rivers in Wambabya riverine forests system in the restoration of the river buffers to enhance the quality of fresh water resources. This will be done alongside forest restoration activities under the partnership and other related projects.

The tea sector is another key industry which heavily depends on natural resources especially fresh water and forest resources to sustain the tea business. NAHI has held a number of discussions with Bugambe Tea Estate administration to understand their interactions with natural environments within and around their

estate. The company is owned and managed by McLeod Russel Uganda Limited, the leading tea company in Uganda. The estate factory uses an annual average of 2500 cubic meters and 12,500 cubic meters of water and fuel wood respectively.

The company acknowledges that water and wood resources are paramount to tea growing and processing and therefore must be preserved and is committed to preserving the natural belts within their tea estates (see figure 1) as water catchment areas and plantation establishment for constant fuel wood supply.



Figure 1: A conserved natural belt by McLeod Russel at their Bugambe tea estate, Hoima district.

Our involvement targets the tea company to extend their conservation approach to tea out growers and the entire community outside their tea estate to ensure that natural ecosystems are preserved for continued supply of goods and services.

Based on the information collected, drafts of conceptual frameworks for carbon in Wambabya riverine forests system and watershed management in Rushebeya_Kanyabaha wetland landscape were developed and are being finalized for sharing.

1.3 Conduct awareness and consultative meetings among ecosystem service providers and beneficiaries to generate their views about the framework

The draft conceptual frameworks once finalized will be shared with stakeholders to get their views for incorporation into the frameworks.

1.4 Incorporate views of ecosystem service buyers and providers into a draft institutional framework.

This stage follows comes after completion of consultations and awareness about the conceptual frameworks, hence will be carried out once 1.3 above is completed.

1.5 Providing technical support for operationalisation of selected aspects of the ES rewards

NAHI has provided technical support to this effect at both national and landscape levels, aiming at operationalisation of an ES scheme in the Wambabya riverine forests system

NAHI participated in the designing of the Project on *Developing an experimental methodology for testing the effectiveness of payments for ecosystem services to enhance conservation in productive landscapes in Uganda*” being implemented in the Albertine Rift. Our representation at the Project Steering Committee and Project Technical Committee, provides oversight and technical guidance to project implementation.

Objective 2: Facilitate development of pro-poor and fair contracts between ES providers and beneficiaries

2.1 Facilitate development of landscape management plans for improvement of quality of ecosystem services.

2.1.1 Individual forest restoration plans

Under the PRESA project, individual forest owners in Munteme parish, Kiziranfumbi subcounty and Katanga, Ruguse, and Bugambe parishes in Bugambe subcounty were facilitated to develop their respective forest restoration plans (see text boxas an example of a plan by one of the forest owners). A total of 110 plans were developed and are being implemented under the Sustainable Ecosystems (Forests and Fresh water) management project in Uganda being supported by the British American Tobacco Biodiversity partnership.

The developed plans were used in the sister project to:

- **Build capacity of forest owners to draw their restoration plans:** Some forest owners (2 per parish) in the 4 parishes were initially trained to draw restoration plans. The trained forest owners, worked with NAHI throughout to train their fellow forest owners in developing the plans and understanding them.
- **Species -site matching:** the developed plans guided NAHI where exactly the forest owners wanted to plant the trees and right species were selected based on the site.
- Guiding forest owners to meet their activity targets through implementing the plans in phases.

2.1.2 Development of landscape management plans

Beginning March 2011, NAHI will use information earlier generated under the PRESA project that include forest management interventions to be implemented by forest owners, to develop individual management plans at landscape level. Under the on-going PES project titled ‘*Developing*

an experimental methodology for testing the effectiveness of PES to enhance conservation in productive landscapes in Uganda', the management plans will be used to guide the individual forest owners in the implementation of the stipulated activities and deliver on the set targets.

Box 1 Description of forest restoration plans

These are hand drawn maps showing individual's natural forest area and describing how the owner wants it restored. It must bear the owners name and location. The plan shows the present status of the forest and the exact site where the forest owner would like to carry out restoration activities. Normally the suggested area for restoration activities is large (e.g. 3 acres) and the forest owner implements the plan in phases (i.e. may plant 1 acre per planting season) until the whole planned area is covered.

2.2 Develop and translate the interventions into performance targets/milestones to be achieved by ES providers.

For Wambambya riverine forests system, information generated has facilitated development of management interventions (*see copy of draft interventions attached*) aimed at facilitating the formation of contracts between ES providers and beneficiaries. The interventions are being reviewed for approval and once finalized, they will be incorporated into draft contracts to facilitate delivery of rewards to ES providers upon undertaking agreed upon interventions.

2.3 Incorporate the performance targets into draft contracts/MoUs between ecosystem service providers and buyers.

Using the draft forest management interventions developed and shared, the information has been used to develop targets that in turn have been incorporated into a draft contract upon which each forest owner is supposed to deliver the set targets. Once the review of the management interventions is finalized and approved by the PES project team, they will be used to fine-tune and finalize the contracts. A copy of the contract will then be shared with relevant stakeholders.

2.4 Facilitate review and adoption of ES contracts/MoUs between ecosystem service providers and buyers.

Consultations with the forest owners to review and have input in the designed draft contracts will commence in March 2011. Having had input in the process of contract design; NAHI will participate in the consultation process and articulate technical implications of developed interventions and set targets.

Objective 3: Document process for institutionalizing PES in the two landscapes to facilitate information and experience sharing.

3.1 Compile information on potential PES design procedures in the two landscapes.

Information on PES design procedures has been gathered and will be used to inform the design procedures for sharing.

3.2 Develop simple guidelines and awareness materials about PES and its delivery mechanisms.

NAHI developed various sets of information materials with targeted messages to communicate the current status and the importance/desired situation for the two project sites. The materials developed include:

- i. 500 posters of A2 size depicting a degraded wetland landscape,
- ii. 500 posters of A2 size showing a well conserved wetland landscape and associated wetland products and services
- iii. A pictorial PVC printout with pictures taken from the landscape depicting a degraded wetland landscape
- iv. A pictorial PVC printout with pictures taken from the landscape depicting a well conserved portions of the wetland landscape
- v. A brochure highlighting key activities undertaken by NAHI with support from ICRAF-PRESA project and major achievements in Rushebeya-Kanyabaha wetland landscape. The brochure highlights the conservation challenges and opportunities within the wetland landscape

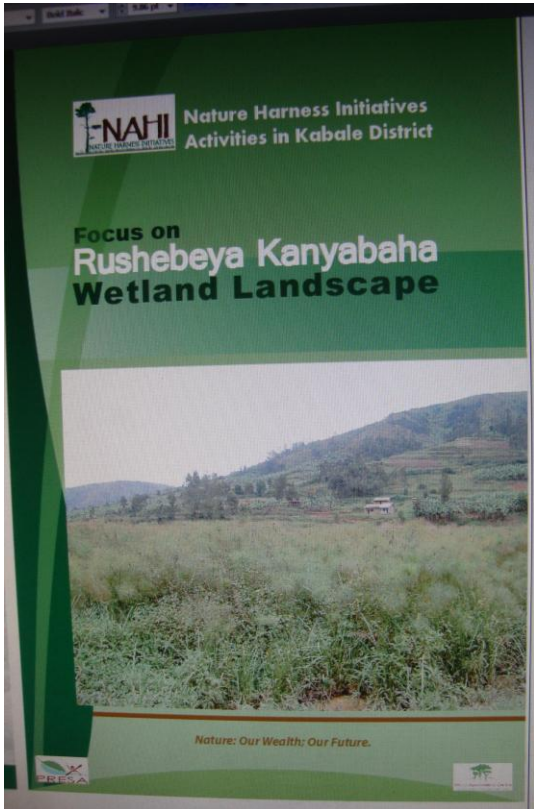


Figure 2: Brochure with focus on NHI's activities in Rushebeya-Kanyabaha Wetland



Figure 3: A Poster showing products and services in Rushebeya-Kanyabaha Wetland landscape

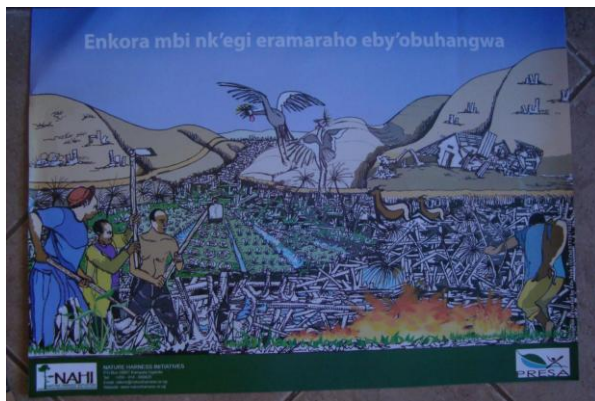


Figure 4: A poster of a degraded wetland landscape

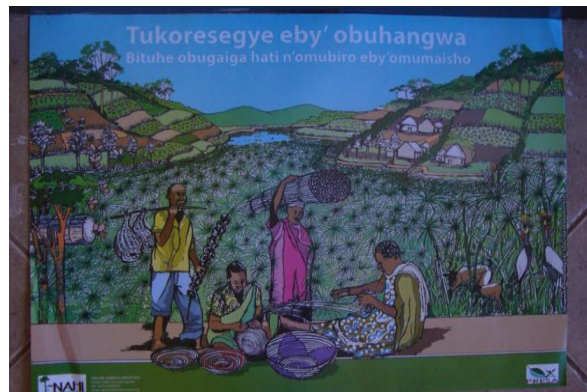


Figure 5: A poster of a well conserved wetland landscape



Figure 6: A poster showing current status of Rushebeya-Kanyabaha Wetland landscape with challenges faced

In addition, a poster depicting the status of ecosystems and the desired situation of ecosystems in Wambabya riverine forests system was developed to raise more awareness about the need to preserve the natural resources in the area. This was used during community workshops which were attended by private forest owners, local council leadership and district officials in Hoima district. For Rushebeya-Kanyabaha wetland landscape, materials facilitated the discussions during the planning workshop and were distributed to react to the wider community.

3.3 Develop videos about the process for use in future awareness creation.

Footage of some of key processes and activities undertaken to development of PES scheme have been captured in the two landscapes. Also, NAHI is developing a database of still pictures taken from the landscapes to supplement the footage. Once most of the key processes required to develop a PES scheme are captured a video will be developed and shared with stakeholders.

4.0 Establishing linkages with on-going related initiatives

4.1 “Developing an experimental methodology for testing the effectiveness of payments for ecosystem services to enhance conservation in productive landscapes in Uganda”

NAHI continues to use information generated from PRESA to facilitate implementation of on-going projects. The generated maps and forest management interventions developed are helping implementation of a the GEF/UNEP supported project being implemented in partnership with National and international organizations that include National Environmental Management Authority (NEMA), Chimpanzee Sanctuary and Wildlife Conservation Trust (CSWCT), Innovations for Poverty Action (IPA), Nature Harness Initiatives (NAHI) among others. The project will institute a payment scheme for the selected forest owners and other projects like PRESA operating in the landscape will greatly benefit from the experiences shared.

4.2 Albertine Rift Forestry Carbon Group(ARFCG)

NAHI is part of the ARFCG that aims to develop and implement effective conservation initiatives in the northern Albertine rift (Marchison-Semliki landscape)to protect the forest estate as well as connectivity by utilizing innovative financing mechanisms such as carbon finance , collaboration with private companies and other payments for ecosystem services mechanisms. The group consists of both national and international organizations and government institutions implementing conservation activities in the Albertine rift landscape. The group members include NAHI, WWF, WCS, CSWCT, JGI, NEMA, Katoomba group, NEMA, NFA, ECOTRUST. NAHI contributed to the formation of the ARFCG using information about stakeholder mapping, carried out in the landscape, under PRESA. NAHI has also used the ARFCG platform to share more information and identify synergies that will be built on in the next project phase. These include among others;

- Use of uniform methods to collect both biological and socio economic data, to help in information validation and improve rigour and robustness the data collected from the landscape.
- Joint establishment of a long term conservation financing mechanism in the Albertine rift.

4.3 Sustainable ecosystems (Forests and fresh water) management project in Uganda under BATBP

Work with private sector will benefit NAHI to bring together stakeholders in Wambabya riverine forest system and beyond to enhance the status of ecosystems under the British American Tobacco Biodiversity partnership project in Uganda.

4.4 National REDD process

NAHI has been participating in the national REDD process through sharing information with the REDD working group and consultative meetings, about the status and extent of forests in the Albertine Rift landscape, existing institutions and institutional frame works for functioning of REDD and existing conservation opportunities. The information shared became part of the REDD readiness proposal that has been submitted to the World Bank’s Forest Carbon Partnership Facility. Through the REDD process , NAHI

has established more partnerships and gathered more information that will inform the implementation of activities under REDD especially at sub national level.

5.0 Conclusions

- High level commitment has been realized among the private sector companies to address the impacts of their operations on natural ecosystems and also to contribute to management of catchment areas upon which their businesses depend. This is a big step towards designing reward schemes aimed at enhancing the status of ecosystem services in both Rushebeya-Kanyabaha wetland landscape and Wambabya riverine forests system
- Conservation awareness materials are very instrumental in delivering conservation messages and have helped the stakeholders especially the communities and the private sector companies understand the status of ecosystems.
- There are a lot of synergies being realized between PES related projects in the two landscapes. PRESA project has generated information that has facilitated development of other projects and is equally benefiting from them.

6.0 Recommendations

- Awareness creation should be emphasised and should target different media like radios and video documentaries in addition to printed materials like posters and brochures.
- There is need for more information packages to portray the 'business case' to the private sector. This will help to justify their investment in ecosystems management in their respective landscapes

7.0 Future outlook

- Continue facilitating development of landscape management plans for improvement of quality of ecosystem services.
- Facilitating development of contracts/MoUs between ecosystem service providers and buyers.
- Facilitate review and adoption of ES contracts/MoUs between ecosystem service providers and buyers.
- Document the processes of establishing the PES schemes and disseminate to sellers and potential buyers.