PROJECT BRIEF GHANA LANDSCAPE RESTORATION AND SMALL-SCALE MINING PROJECT

with support from World Bank 2021-2027

Integrated solutions for natural resource management and resilient community livelihoods















SECTORAL CONTEXT

Ghana, located in the heart of West Africa with a population of 30.8 million people in 2021,¹ has seen rapid economic growth over the past two decades, with significant contributions from both renewable and non-renewable natural resources.

Land resources, including agricultural lands, forests, natural habitats, and minerals, are critical for Ghana's growth. Together, agriculture, forestry, and minerals account for more than 20 percent of GDP² and are a major source of revenue and local livelihoods. Cocoa is a predominant commodity in agriculture and accounts for 7 percent of GDP and 20–25 percent of export earnings.³ Gold alone provided approximately 40 percent of Ghana's export earnings in 2019⁴ and accounts for more than 90 percent of gross mineral revenues,⁵ of which artisanal and small-scale mining (ASM) accounts for one-third.⁶

Natural resources-based sectors also provide significant employment opportunities. The

- 1. Ghana 2021 Population and Housing Census (PHC). Preliminary Report: https://statsghana.gov.gh/gssmain/fileUpload/pressrelease/PRINT%20 COPY%20VERSION%20FOUR%2022ND%20SEPT%20AT%208_30AM.pdf
- 2. Ghana Statistical Service. 2020. Annual Agriculture Production Statistics January 2020. Agriculture accounts for 18.5 percent of GDP, with food crops, cocoa, and forestry accounting for 81.2 percent of the sectoral output.
- 3. World Bank. 2018. Third Ghana Economic Update: Agriculture as an Engine of Growth and Job Creation. Washington, DC: World Bank.
- 4. Bank of Ghana. November 2020. Summary of Economic and Financial Data.
- 5. Ghana Chamber of Mines, 2020.
- 6. Ghana Precious Minerals Marketing Company (PMMC), 2020.

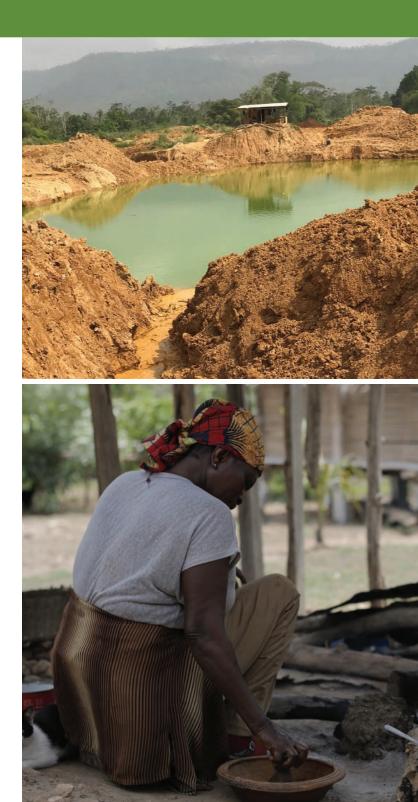
agriculture, forestry, and fishing sector (as reported in the national statistics) employs about 3.3 million of the rural population; the cocoa sector is reported to employ 1 million households.⁷ Together, these renewable and non-renewable natural resources contribute significantly to livelihoods for the most vulnerable rural communities.

Competing land uses for agriculture, mining, and forest utilization are the underlying drivers of land and environmental degradation that lead to continuous loss of natural capital for future generations. Complexities in land tenure, lack of land-use planning, suboptimal land use, and unsustainable land-use practices, exacerbated by impacts of climate change, have compromised the full potential of ASM⁸ and negatively affected Ghana's agricultural productivity.

PROJECT RATIONALE

The Government of Ghana (GoG) has in recent years initiated several sectoral reforms to address the challenges in agricultural productivity, forest landscapes management, and sustainable smallscale mining (SSM). There is clear cognizance

- 7. World Bank. 2018. Third Ghana Economic Update: Agriculture as an Engine of Growth and Job Creation. Washington, DC: World Bank.
- ASM, as used in the project documents, is equivalent to small-scale mining (SSM) in Act 703, defined to mean mining operation over an area of land in accordance with the number of blocks prescribed by regulation 2 (2) and 204 (1) (d) of the Minerals and Mining (Licensing) Regulations, 2012 (L.I. 2176) or any amendment thereto.



of the cross-sectoral links between sustainable use of natural resources and their contribution to national and local economies.⁹ At the national level, collaborative efforts between government agencies have led to better coordination of plans and strategies toward sustainable cocoa production. The GoG has initiated ASM regularization to enhance regulatory compliance.

Significantly, there is now increasing global recognition that integrated landscape management can offer solutions to challenges that cut across several sectors. This emphasizes the importance of moving beyond single sector interventions in order to take into account the resilience of both ecosystems and people. The Ghana Landscape Restoration and Small-Scale Mining Project (GLRSSMP) will build on these efforts by taking a holistic approach through targeted actions to address land degradation and in support of sustainable integrated landscape management (ILM). Holistic management at the landscape level of the key natural assets - land, forest, and minerals - can address degradation, enhance resilience and, notably, improve livelihoods for dependent populations. Sustainable land-use, production, and adaptive management practices will be instilled and enhanced through the provision of adequate support mechanisms, payments for ecosystem services, value-added agroforestry, appropriate ASM techniques and regulations, institutional capacity, and compliance monitoring.

THE PROJECT

The Project Development Objective is to strengthen integrated natural resource management and increase benefits to communities in targeted savannah and cocoa forest landscapes.

The project will focus on the following core interventions:

land-use planning for ILM to optimize land use; formalization of ASM for sustainable mining; restoration of degraded lands for agricultural productivity; and strengthening of sustainable management of forest landscapes for biodiversity conservation and ecosystem services.

9. Forest Smart Mining studies, Forest Action Plan, Sustainable Land Management Sourcebook.

With a view to enhancing integrated management, the project aims to place landscape and mining sectors management on a trajectory that would transition from degraded landscapes, poverty, and low productivity toward one with resilient landscapes, livelihoods and high-productivity for high economic returns.

The project presents an opportunity to reverse the land and forest degradation trends through:

- improved institutional and regulatory frameworks with a focus on strengthening the enabling environment; and
- integrated landscape management with a focus on improved sustainable agricultural productivity, sustainable SSM, and sustainable forest and water resource management.

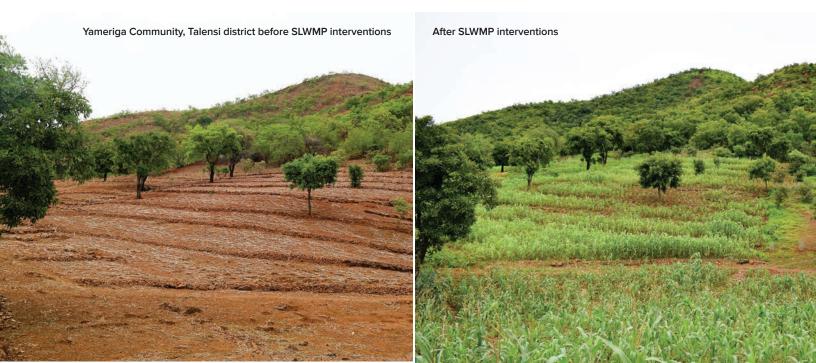
The project has two implementing agencies:

The Ministry of Environment, Science, Technology and Innovation (MESTI) represented by the Environmental Protection Agency (EPA), responsible for landscape restoration activities, and Ministry of Lands and Natural Resources (MLNR), responsible for formalization of ASM.

The project was approved by the World Bank

Board on August 30, 2021 and has a closing date of September 30, 2027.

The project builds on successful lessons from Ghana's active engagement in the landscape agenda through projects and programs, including the GEF-World Bank financed Sustainable Land and Water Management Project (SLWMP) and the Forest Investment Program.



PROJECT FUNDING

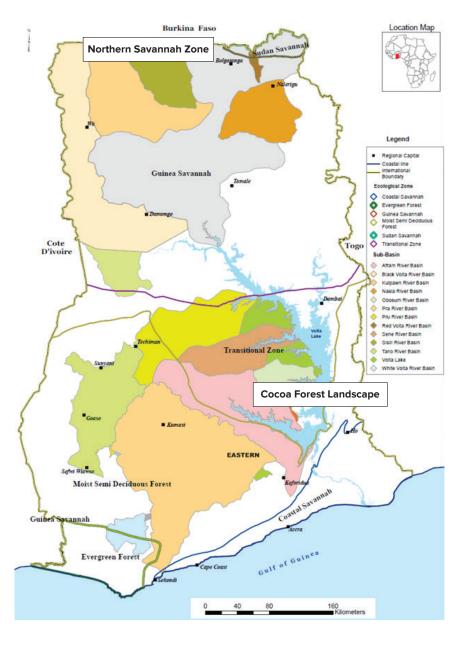
The project is funded by the World Bank / International Development Association credit of US\$75 million, with leveraged grant financing in the amount of approximately US\$28 million from the Global Environment Facility (GEF)¹⁰, the PROGREEN Trust Fund, and the Extractives Global Programmatic Support Trust Fund.

GEOGRAPHIC FOCUS

Geographically, the project targets two landscapes: *Northern Savannah*

Zone (including the Guinea Savannah ecological zone, the Sudan Savannah ecological zone, and the upper portions of the Transitional ecological zone) and the cocoa forest landscape (including parts of the Forest ecological zone and the Pra River Basin). Overall project design uses the sub-basin approach, focused on 13 target sub-basins.

GEF grant funding is programmed under the Food, Land Use and Restoration (FOLUR) Impact Program.



PROJECT ACTIVITIES

COMPONENT 1. Institutional Strengthening for Participatory Landscape Management

The component aims to strengthen the planning and policy framework by carrying out spatial planning and implementation at the sub-basin level, policy support, and capacity building, working with administrative and technical agencies located within the regions and districts that are within the 13 target subbasins in the project area. Support is included for ILM planning and fostering partnerships to support the adoption of sustainable landscape management approaches at scale within



project areas. This component will also enhance multipurpose land and water management models at the national level through the acquisition of remote sensing data and geological surveys which will allow the production of updated maps with additional layers of information. It will also support the development of spatial planning tools for mapping and monitoring impacts and effective monitoring of sustainable cocoa production.

COMPONENT 2. Enhanced Governance in Support of Sustainable ASM

This component aims to strengthen the regulatory framework for ASM, with a focus on modernizing regulatory instruments and building the capacity of key government agencies involved in ASM regulation and compliance monitoring (such as Minerals Commission [MC], Forestry Commission [FC], and EPA) as well as district management committees. It will also support ASM formalization through (a) reclassification of mining to include medium-scale mining licenses and registration of license holders; (b) streamlining ASM administration; and (c) enhancing district capacity to manage ASM. Once the updated regulatory framework has been established, this component will also invest in improving the capacity of ASM operators, by providing training on sustainable and forest-smart mining techniques which will draw on the analytics

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and modelling of Component 1. Activities will support enterprise skills, establishment of cooperatives, and promotion of market links to help ASM gold miners get better value for their output. This component will also support the inclusion of ASM under Ghana EITI to advance sector formalization and accountability. Activities will finance stakeholder consultations

and awareness raising on main-streaming ASM into the EITI reporting framework as well as the development of ASM sector assessments and guidelines as part of EITI reporting. Activities will also support IT system upgrades to address vulnerabilities in ASM revenue collection, enhance fiscal compliance, and strengthen community platforms for dialogue about ASM in project communities.

COMPONENT 3: Sustainable Crop and Forest Landscape Management

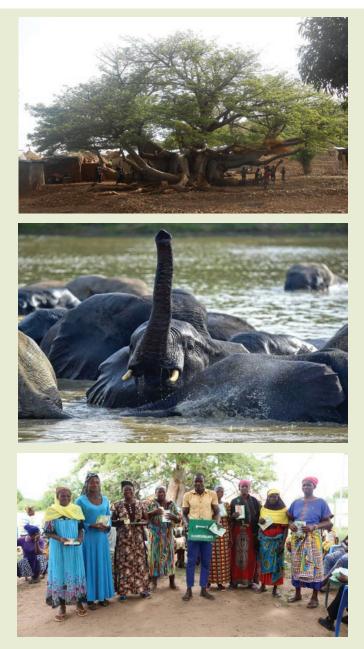
This component aims to link improved food production and ecological integrity through investments in production and forest landscapes through the promotion of climate-smart agriculture, conservation, and restoration activities and support to agriculture value chains. This component will support sustainable practices in production landscapes for key food crops; value chains for key commodity crops, including cocoa, shea nut, and cashew; value addition for food crops; sustainable water and land management interventions, including silvo-pastoral and riparian vegetation establishment activities;



income generation and income diversification at the community level with a view to integrated natural resource management in the target cocoa, savannah, and forest transition zone landscapes; and regular monitoring of these interventions. It will also support investments into improved management of FRs and their buffer zones, including reforestation, regeneration, and wildfire management; engagement with admitted farms and farmers;¹¹ and support to sustainable livelihoods of target communities that would reduce consumptive pressures on forests.

The project will support investments in forested landscapes within PAs and their buffer zones, both to improve effectiveness of their management and to enhance ecotourism opportunities therein and support to community-driven forest conservation in off-reserve areas within the biological corridors, including under the CREMA arrangements. In view of the growing significance of mining as a driver of forest loss and impacts of mining on waterways, the component will also support appropriate forest landscape restoration opportunities and reclamation of mined out areas as well as provide alternative livelihoods support to miners to help them create sources of income to replace mining.

 Farmers or cultivators who had their farms in FR areas before their designation as reserves and they are entitled to continue to farm in designated areas" (Handbook for Paralegals in Ghana, CEPIL, 2009).



COMPONENT 4: Project Monitoring and Knowledge Management

This component aims to support robust project management and monitoring (including financial, internal audit, and procurement management; monitoring and evaluation [M&E]; E&S risk management; supervision, implementation, and monitoring of the grievance redress mechanism [GRM]; monitoring implementation of the Gender Action Plan; and so on); better communication outreach and dissemination; appropriate stakeholder engagement; and adequate knowledge management.



COMPONENT 5. Contingent Emergency Response Component

A Contingent Emergency Response Component (CERC) with zero allocation will be created and made implementation-ready to allow the GoG to respond quickly in case of an eligible emergency.

TABLE 1. Component Costs (US\$, millions)

Component	Total Cost
Component 1. Institutional strengthening for participatory landscape management	14.21
Component 2. Enhanced governance in support of sustainable ASM	17.48
Component 3. Sustainable crop and forest landscape management	60.28
Component 4. Project monitoring and knowledge management	11.39
Component 5. Contingent Emergency Response	0.00
Project total	103.36

EXPECTED OUTCOMES

The project activities are expected to lead to the following outcomes:

- Improved and sustainable land management practices, through investments in climatesmart agriculture, conservation, and restoration activities in production landscapes to promote sustainable food systems and agriculture value chains and boost green recovery of rural livelihoods in target areas;
- ASM formalization and accountability, through

 (i) reclassification of mining to include medium-scale mining licences and registration of license holders, (ii) streamlining ASM administration, and (iii) enhancing district capacity to manage ASM, all of which will lead to a formalized ASM sector, ensure higher tax receipts from registered businesses and, a better retention of value addition from gold;
- Improved revenue for small-scale miners and cash crop farmers, through (i) investment in training on the more efficient and less intrusive extraction methods to result in the creation of viable formal ASM enterprises, improving revenue and boosting income of small-scale miners and (ii) investments in improved crop production technologies and value addition interventions to boost revenues for the farmers.
- Job creation, through (i) opportunities within landscape restoration activities and reclamation of mined out areas and (ii) alternative livelihoods opportunities for miners and farmers of target communities to help generate incomes that do not depend on unsustainable use of mineral and forest resources.

PROJECT CONTRIBUTION TO HIGHER LEVEL OBJECTIVES

The project objectives align with the Coordinated Programme of Economic and Social Development Policies (CPESDP) 2017–2024. The project interventions support Government's commitment to regular artisanal mining. Significantly, the proposed project is also fully aligned with key Government policies such as Forest and Wildlife Policy (2012), National Riparian Buffer Zone Policy (2011), National Climate Change Policy (2013), National Land Policy (1999), National Biodiversity Strategy and Action Plan (2014), National Environment Policy (2013), the Food and Agriculture Sector Development Policy (2007), the Tree Crops Policy, and the Cocoa Sector Development Strategy II. The project will contribute to the Government of Ghana efforts towards the attainment of the Sustainable Development Goals 1, 13, and 15 – ensuring access to natural resources and building the resilience of the poor and vulnerable population and reducing their vulnerability to climate-related extreme events; taking urgent action to combat climate change and its impacts; and protecting, restoration and promoting sustainable use of terrestrial ecosystems, sustainably managing forests, combating desertification, reversing land degradation and halting biodiversity loss.

The project is expected to contribute to the mitigation and adaptation objectives of Ghana's Nationally Determined Contributions (NDCs) to the Paris Climate Agreement.¹² The NDCs place a strong emphasis on adaptation to ensure that all people and communities are resilient to climate impacts. Sustainable land use, including food security, and sustainable forest management have been identified as two priority sectors in the NDCs for mitigation and adaptation.¹³

COVID-19 RECOVERY

In light of the COVID-19 pandemic, natural resources, including land and forests, are critical to delivering long-term inclusive growth recovery. To boost post-COVID-19 economic recovery support to improved productivity for agriculture (cocoa and food crops), ASM that delivers more sustainable benefits, and natural resource-based sustainable alternative livelihoods are directly relevant. These will help mitigating future risks while providing meaningful support to efforts aimed at preserving biodiversity in the target areas and reducing human exposure to zoonotic diseases.

CLIMATE CHANGE AND RESILIENCE

Healthy ecosystems play an important role in the resilience of local vulnerable communities and, Ghana's NDC appropriately places a strong emphasis on adaptation to climate change for enhancing community resilience. Sustainable land and water management and access to services and benefits from sustainably managed protected forests can help vulnerable communities to better absorb and adapt to the impacts of shocks and stressors, including among them, climate change.

GENDER

Gender responsive interventions are central to the project design to support higher inclusion and participation of women, given the role of women in managing forests, trees, and agricultural landscapes. Participatory consultation, activity planning, training, and decision-making processes

^{12.} http://www4.unfccc.int/submissions/INDC/Published%20Documents/Ghana/1/GH_INDC_2392015.pdf.

Ghana's NDC include actions that Ghana has committed to undertake as part of its climate change mitigation and adaptation agenda. The implementation of the actions is expected to help attain low carbon climate resilience through effective adaptation and greenhouse gas (GHG) emission reduction in the following priority sectors: (a) sustainable land use including food security, (b) climate-proof infrastructure, (c) equitable social development, (d) sustainable mass transportation, (e) sustainable energy security, (f) sustainable forest management, and (g) alternative urban waste management.



will be designed to accommodate women's participation and to consider women's concerns, differential access to resources and information, and potential vulnerabilities of women and other disadvantaged groups. Project support will complement parallel efforts to promote gender.

PROJECT BENEFICIARIES

Main beneficiaries of the proposed project are small-scale crop farmers investing in improved practices for crop production and landscape planning and management and ASM operators who will benefit from enhanced productivity due to formalization, introduction of new technologies, and alternative livelihoods support. Communities living in areas affected by ASM activities will benefit from better environmental and social stewardship. Notably, target communities will enjoy multiple benefits from participation in the planning and management of resources, improved yields for subsistence and cash crops, higher incomes as a result of better value addition, and enhanced ecosystem services provided by the landscapes (e.g watershed protection, better water availability and quality, and reduced soil erosion). Support to livelihoods activities will create gainful employment. The tourism-related benefits will accrue to both the PAs system and the neighbouring communities. The Government agencies in the natural resources sector and their staff will benefit from improved capacity and knowledge for service delivery.

INSTITUTIONAL ARRANGEMENTS

Implementation is aligned with existing government agencies and their mandates to promote collaborative multisector decision making.

A joint **Project Steering Committee (PSC)**, co-chaired by the Ministers of Environment, Science, Technology and Innovation, and MLNR serves as the highest decision-making body for the project. Implementation is led by two dedicated **Project Coordination Units** (PCU) housed within the EPA and the MLNR. In addition, a **Project Management Platform** (PMP), including project focal points from the implementing agencies and other institutions involved in project implementation, provides a technical level forum to deliberate on issues concerning project implementation. **The National Sustainable Land Management Committee** serves a technical advisory function for the project's landscape restoration activities.

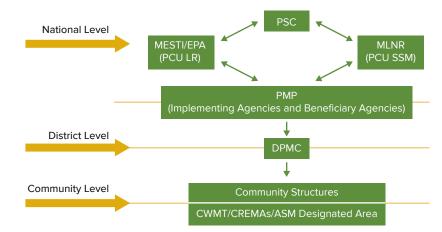
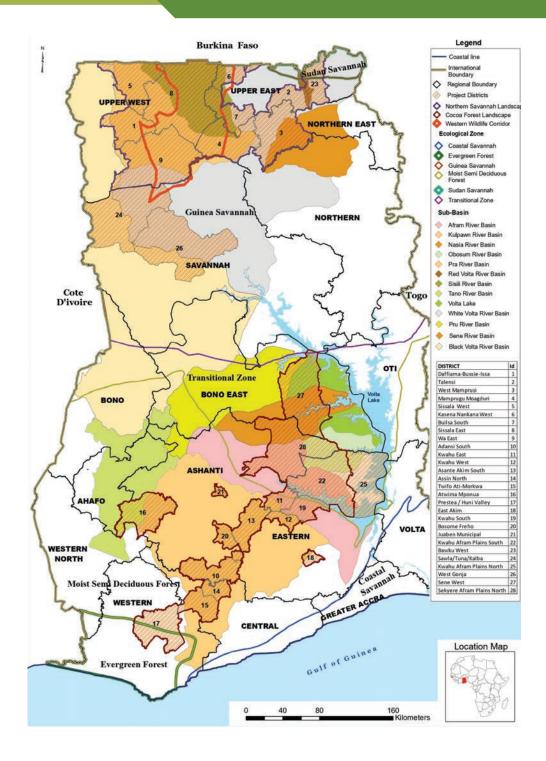


FIGURE 1. Project Coordination and Implementation Structure

Note: DPMC – District Project Management Committee; CWMT – Community Watershed Management Team; CREMA – Community Resource Management Area.



FOR MORE INFORMATION CONTACT

Project Coordinator, PCU-MLNR

P.O. Box M212, Ministries, Accra, Ghana

Digital Address: GA-110-0371

Telephone: +233 (0) 307007106/0594875737

Email: *mlnrinfo@mlnr.gov.gh*

Website: https://mlnr.gov.gh/index.php/ programs-projects/ghana-landscape-restoration-and-small-scale-mining-project/

Project Coordinator, PCU-EPA

P.O. Box M326, Ministries, Accra, Ghana Digital Address: GA-107-1998 Telephone: +233 (0) 302664697/8 Email: glrssmp@epa.gov.gh info@epa.gov.gh

Website: http://www.glrssmp.epa.gov.gh

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