



# DEVELOPING A ROAD MAP FOR PURSUING ALTERNATIVE REVENUE-GENERATING OPTIONS FROM LIBERIA’S FORESTS

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# REPUBLIC OF LIBERIA FORESTRY DEVELOPMENT AUTHORITY (FDA)

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June 25, 2025

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**Subject: A Roadmap to results-based payments from Liberia's forests**

Dear Mr. Siakor

Greetings from the Forestry Development Authority (FDA).

### **Acknowledgements**

I was honoured to have been appointed Managing Director of the Forestry Development Authority (FDA) by President Bokai, in 2024. One of the first acts of the incoming leadership team at FDA was to create a new directorate for **Conservation, Communities and Carbon**. This is recognition of a profound shift in the Liberian forestry sector.

Commercial forestry, so vital to our economy and for the jobs and incomes of our people, now mostly takes place on land that is under Community or Customary ownership. Most logging concessions are now agreements between companies and communities, rather than contracts issued by the State. The Government of Liberia and the FDA has been at the heart of these developments, from enacting the Community Rights Law in 2009 to supporting the establishment of fifty-seven (57) Community Forests by 2025. We have achieved this with the consistent and generous investment of international partners, including the Governments of Norway, USA, the European Union, UK and many more. Our public and civil society organisations have pushed us on, supporting reforms and challenging lapses. This has proven very difficult and alternatives are needed.

Big obstacles remain. The economics and logistics for logging companies are so challenging that large-scale, responsible operators are dissuaded from investing. The contribution of logging to national revenue has been shrinking and communities are not receiving all the revenue they are entitled to. We still need to do more to regulate and tax domestic timber and charcoal production. New markets for conservation and for carbon have appeared, but have yet to materialise.


Substantial and new forms of income are badly needed. Some communities want to conserve their forests, but can't be expected to subsist in poverty.

We can see a new future and are working towards it. We see communities with established land rights clustering together to form large forest landscapes, capable of attracting investment in commercial and conservation activities. We want to see more progress with the building of governance, benefit-sharing, accountability and enterprise at community level. It is time to build from the ground up, to complement the progress that has been made at national level. To make this happen, new incentives are required for communities and business people. They can't wait for 'results based payments', they need the capital and investment that will allow them to achieve results. This can come from area-based payments, funded by grants, and paving the way towards market-based payments from carbon and biodiversity trading. These new forms of income, alongside the benefits of traditional forestry, can transform the rural economy and our prospects for sustainable forestry.

The **Roadmap** presented in this document is an important guide to how we get to this new future. We at the FDA have contributed to it and will lend a strong hand to its implementation.

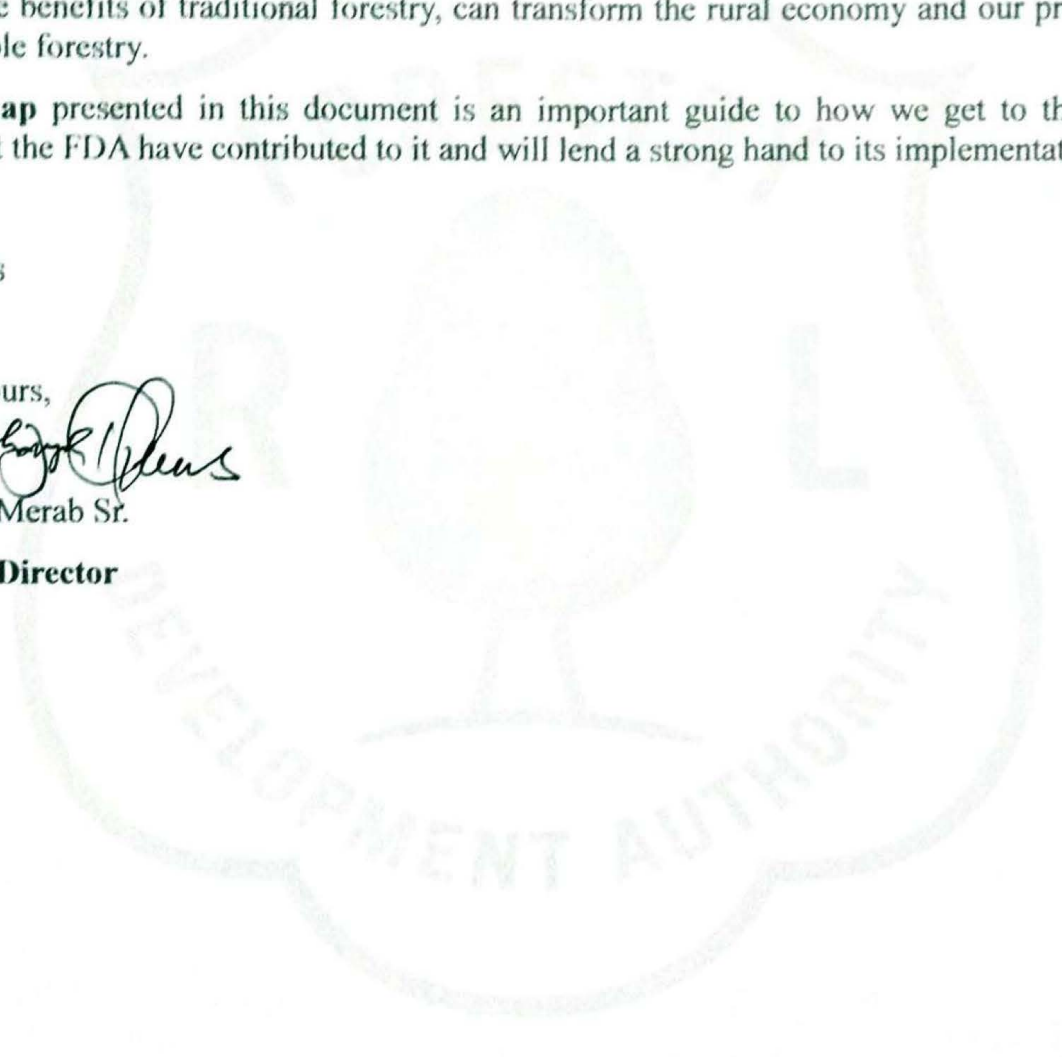
Kind regards

Sincerely yours,



Rudolph J. Merab Sr.

**Managing Director**



“The aim of the forestry policy of Liberia is to conserve and sustainably manage all forest areas, so that they will continue to produce a complete range of goods and services for the benefit of all Liberians and contribute to poverty alleviation in the nation, while maintaining environmental stability and fulfilling Liberia’s commitments under international agreements and conventions”

*(National Forest Policy and Implementation Strategy, 2006).*

## 1. Same destination, different directions: *Introducing the Road Map*

The goal of Liberia’s forestry policy is as relevant as ever. The destination remains the same, but new directions are required. We know that the current path leads to deforestation, persistent poverty, and a forestry industry that does not deliver adequate rewards to the nation or the communities affected by industrial logging. What then, are the new directions?

| New Directions  | Why?   |
|---|--|
| <p>A. <b>Communities recognised and rewarded as the owners and gatekeepers of most of Liberia’s forested land.</b></p>  | <p>Communities have long been recognised as one of the three pillars of Liberia’s forestry policy. But it is now understood that they are not a separate sector for traditional practices and non-timber products. Owning more than two-thirds of Liberia’s forested area, communities have become the key-holder to most forestry activities. The forestry industry recognises this: <b>most commercial production now comes from Community Forests.</b></p>  |
| <p>B. Investment into a variety of <b>forest-based enterprises that serve domestic markets and create opportunities for sustainable trade</b>, replacing export-logging as Liberia’s main economic model.</p> | <p>Forests must continue to provide timber and non-timber products, to the benefit of forest owners, consumers, and the nation. Production for domestic markets needs to be managed to become sustainable and more beneficial to local producers. International markets are increasingly turning away from raw logs, towards deforestation-free commodities, climate mitigation, and conservation. <b>These are the new markets and sources of income.</b></p> |
| <p>C. International <b>finance that supports Liberia to prepare for new markets</b> for standing forests.</p>   | <p>International assistance to the Liberian forestry sector has been dominated by national readiness for REDD+ carbon markets. But the international and national framework for carbon trading is not yet ready. So, <b>the immediate opportunity for Liberia-International cooperation is for transition measures.</b></p>  |

### How can we be confident that this is the best direction to take?

Over the past two decades, Liberia has made substantial progress but has also encountered serious obstacles with the implementation of commercial forestry, community forestry, and preparations for REDD+ carbon markets. The experience from each of these three areas stand as evidence for the need for a new approach. The lessons and the case for change are summarised in the White Paper on which this Roadmap is based.

The key change with the new approach in this roadmap is that it seeks to **build readiness for results-based payments from the community level up, not from the national level down**. Progress has been made at national level, but limitations have been reached, and it is now time to work from the ground up.

## 2. The case for change

The case for a change of direction is based on:

1. Widespread understanding that current forestry practice is not meeting national objectives nor international commitments, and
2. Increasing opportunities for alternative sources of income and investment that leave forests standing and are more accessible for Liberia and for Liberians.

### The current status of forestry in Liberia

The logging sector is not delivering the financial, environmental, or social expectations that were promoted from the re-start of the industry following the civil conflict. For example:

1. Unpaid taxes to the Liberian Government from logging companies exceed \$43 million, almost 50% of what is due. The contribution of logging to the national economy has been around 4-6% per annum, far below the target of 12%.
2. Communities have received less than 25% of what they are owed, a loss of millions of dollars, and social agreements have not provided the schools, clinics, and other infrastructure promised.
3. Deforestation is increasing at over 2% per annum. The rate of degradation from dense forest to sparse has doubled in less than a decade.
4. The ability of the forest to provide a sustainable source of timber and other resources is declining as felling exceeds regrowth. The current economic model cannot expand nor be sustained.

At the same time, carbon markets are not yet capable of providing reliable income for standing forests. International market mechanisms for climate finance are not fully functioning and the national framework for producing verifiable results is incomplete. Overall, there is currently no workable plan to reach the national target of reducing Liberia's deforestation rate nor to achieve the wider social and economic goals of the national policy.



## **New income and revenue generating opportunities**

As interest has grown in how to 'keep the forests standing,' the focus in Liberia and internationally has largely been on carbon markets. Liberia has followed the UN REDD+ pathways towards payments for verified emission reductions. Progress has been made, but two decades on, results-based payments are yet to come.

The main instrument for Liberia's pursuit of results-based payments was the Liberia Forest Sector Project (LFSP). The original 2014 Letter of Intent signed with Norway, the funder, included the intention to incentivise landowners and "experiment with, direct payment systems to communities and individual landowners in proportion to contributions to protecting forests and for community forestry". This approach of incentivizing communities was highlighted and further developed in the Liberia Emission Reductions Program, commissioned as part of national REDD+ preparations in 2020.

Following the mid-term review of the LFSP, the "Clusters" project was commissioned to accelerate impacts by clustering communities into larger units and offering a strong incentive for stewardship. At the same time, the Multi-Stakeholder Forest Governance and Accountability Project (MFGAP), funded by the UK, begun demonstrating how communities could receive and manage direct payments for forest conservation in local funds.

A decade on from the Liberian-Norway agreement, the time is now right for a community-level approach and a new economic model for forestry. New sources of multilateral, bilateral, and private finance are available for countries such as Liberia, who are not yet trading carbon credits. These are known as "non-market approaches" in Article 6 of the Paris Agreement, the main vehicle for international climate finance.

Three types are considered in depth in the White Paper:

- 1. Adaptive payments for performance.** Alongside the more familiar payments for ecosystem services (PES) there are three innovative approaches – first, conditional cash transfers and area-based payment schemes; second, ecological fiscal transfers; and third, the Adaptation Benefit Mechanism developed by the Africa Development Bank.
- 2. Direct finance** systems that transfer funds from donors to forest-dependent communities in ways that maximise the recipient groups' control and minimise transaction costs and the need for intermediary project- and fund-managers.
- 3. Conservation and forest enterprise development,** including alternative livelihoods, incentive-based agreements, and better-regulation of existing businesses such as small-scale logging.

Liberia already has a range of practices that are relevant to these funding sources, but they are small-scale and not yet 'market ready.' The intention in the roadmap is to scale these up and measure impact, leading to a large-scale program that will attract international climate-mitigation finance.

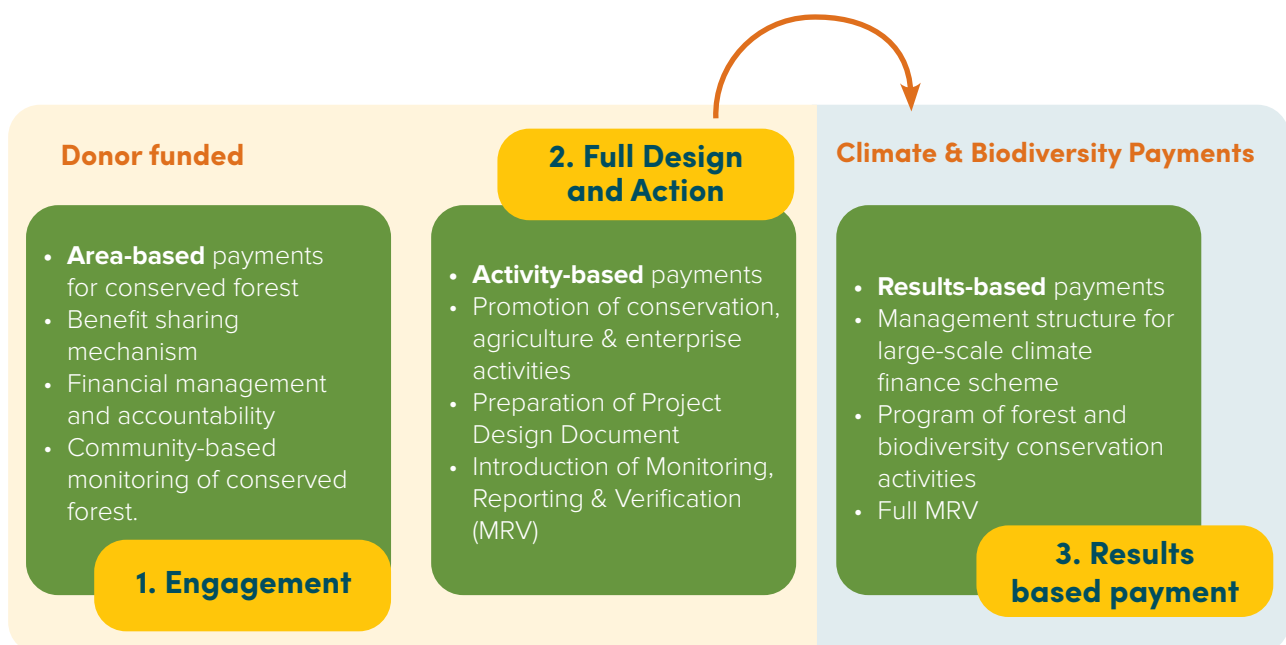
### 3. A New Route to Sustainable Forestry

#### Vision

The route to sustainable forestry in Liberia is through community forests, which cover the majority of forested land:

- Communities with established land rights will cluster with neighboring communities to form large forest landscapes, capable of attracting investment in commercial and conservation activities.
- Participating communities will see an immediate and substantial benefit, through reinforced land tenure and a simplified area-based payment system. This provides income and capital for investing in community development and alternative livelihood development.
- Investment in no-deforestation activities will give communities access to international funding for climate change mitigation and biodiversity conservation.

This new route is compatible with Liberia's ambition to benefit from international carbon finance. It is a way to achieve readiness for results-based payments, complementary with the progress that has been achieved at national level. It can be achieved in phases; starting with engaging communities with area based payments for sustainable forest management practices. This is then scaled up with the development of conservation, agriculture and business activities in a second phase, plus the full design of a project to attract inward investment from carbon finance. In the third phase, results-based payments are being earned and an approach that can be rolled out in other forested landscapes is demonstrated.





## Program components

The main components of a program to achieve this new route to sustainable forestry are outlined in this section. The focus is on the first phase of the journey, which is engagement through a simplified payment scheme. A more detailed account of the actions, timescale, and budget is provided in a separate Workplan for the Roadmap.

The main components are:

1. Payment for Stewardship of forest to communities
2. Strengthening community governance and forest management
3. Fair benefit sharing
4. Investment in income generating activities



## Component 1: Payment for Stewardship to communities

**Description** A new form of payment for sustainable forest management will be offered to established community management bodies. These communities will be offered up-front payments based on the area of their forest that they agree to protect.

Annual payments will be \$1.50 USD per hectare. This level is competitive with what communities would receive if their forest was leased for logging concessions.<sup>1</sup>

The release of funds will be linked to compliance with an agreed management plan that includes four general restrictions. Performance requires that within the protected area, communities refrain from:

- a) Opening new village and farm sites; and,
- b) Contracting with industrial logging or mining companies.

The payments have three purposes:

- a) To give communities the incentive and the means to change land use practices.
- b) To fund community infrastructure and social services.
- c) To kickstart businesses and land-management practices that can attract further investment.

A pilot covering 50,000 hectares is underway. It will deliver \$150,000 to the participating communities. The intention is to increase the pilot area to 200,000 hectares by 2026, and upwards to 500,000 by 2027, delivering an expected US\$3.4 million to communities from 2025 - 2030.<sup>2</sup>

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**Main Activities**

- 1.1. Introduce payment scheme
- 1.2. Agree to the forest areas to be protected, and the corresponding payment amounts, with participating communities.
- 1.3. Support communities to decide on a package of social improvements and economic development projects to be funded from the payments.

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**Outcomes**

- 200,000 hectares of dense forest managed for conservation.
- Up to \$600,000 income over two years provide benefits to communities from 5 Districts, including 68 clans and 280 settlements.

<sup>1</sup> Under industrial Forest Management Contracts, logging companies pay \$2.50 per hectare (as per FDA Regulation 107-07) in land rental, of which communities are entitled to 30% (US\$0.75). Under Section 11 of the Community Rights Law Regulation, as amended May 2017, logging communities pay US\$1.25 per hectare to log in small and medium-sized contract areas, of which communities receive 55% (US\$0.69).

<sup>2</sup> Starting at ~100,000 ha in 2025, then adding another ~100,000 in 2026, and reaching up to ~500,000 by 2027.

## Component 2: Strengthening governance and community forest management

**Description** The project will strengthen the forest management and financial management capacity of the Community Forest Management Boards (CFMBs) and Community Land Development and Management Committees (CLDMCs). (The bodies have already been constituted, but their governance capacity is generally weak. Indeed, mismanagement has been a problem in some Community Forests.)

A package of technical assistance will be provided to participating communities, to support them with:

- Identifying and managing protected forest areas, including mapping, demarcation, patrolling, and bio-monitoring.
- Training and supporting community members in forest management, patrolling and bio-monitoring;
- Effective use of payments to deliver social improvement and economic development projects, in a planned and accountable way.
- Strengthening community governance, especially with regard to participation, transparency, accountability, and equity or fair benefit-sharing.

Technical assistance for forest management will be led by the **FDA**<sup>3</sup> who has the remit and skills. Additional support will be provided by other government bodies, NGOs, and businesses, according to need. Support for planning, procuring, and managing social improvement and business development will be led by the principal project implementation body (the **Landscape Management Facility**, described in section 4).

**Accountability** of the Community Management Bodies (CMBs)<sup>4</sup> will be strengthened by supporting transparency between the Community Forestry executive, CLDMCs, and the wider community, following accountability arrangements set out in regulations (i.e. LRA, 2022 and CRL, 2011). Accountability will also be improved by including the Landscape Management Facility in the controls and oversight of Community Development Fund.

**Community Development Funds** will be set up in participating communities to receive cash payments on behalf of the community. Joint fund-holding by CLDMCs and CFMB will mitigate disagreement over who receives the community funds and help to create a culture of collaboration between CFMBs and CLDMCs.

<sup>1</sup> The FDA and IDL will jointly implement this program. Funding modalities will draw on donor requirements and informed by practical experiences.

<sup>2</sup> A coalition of community bodies including CFMBs, CLDMCs and representatives of other social groups working together. Not a new entity, but a platform or shared space for inclusive decision-making and implementation

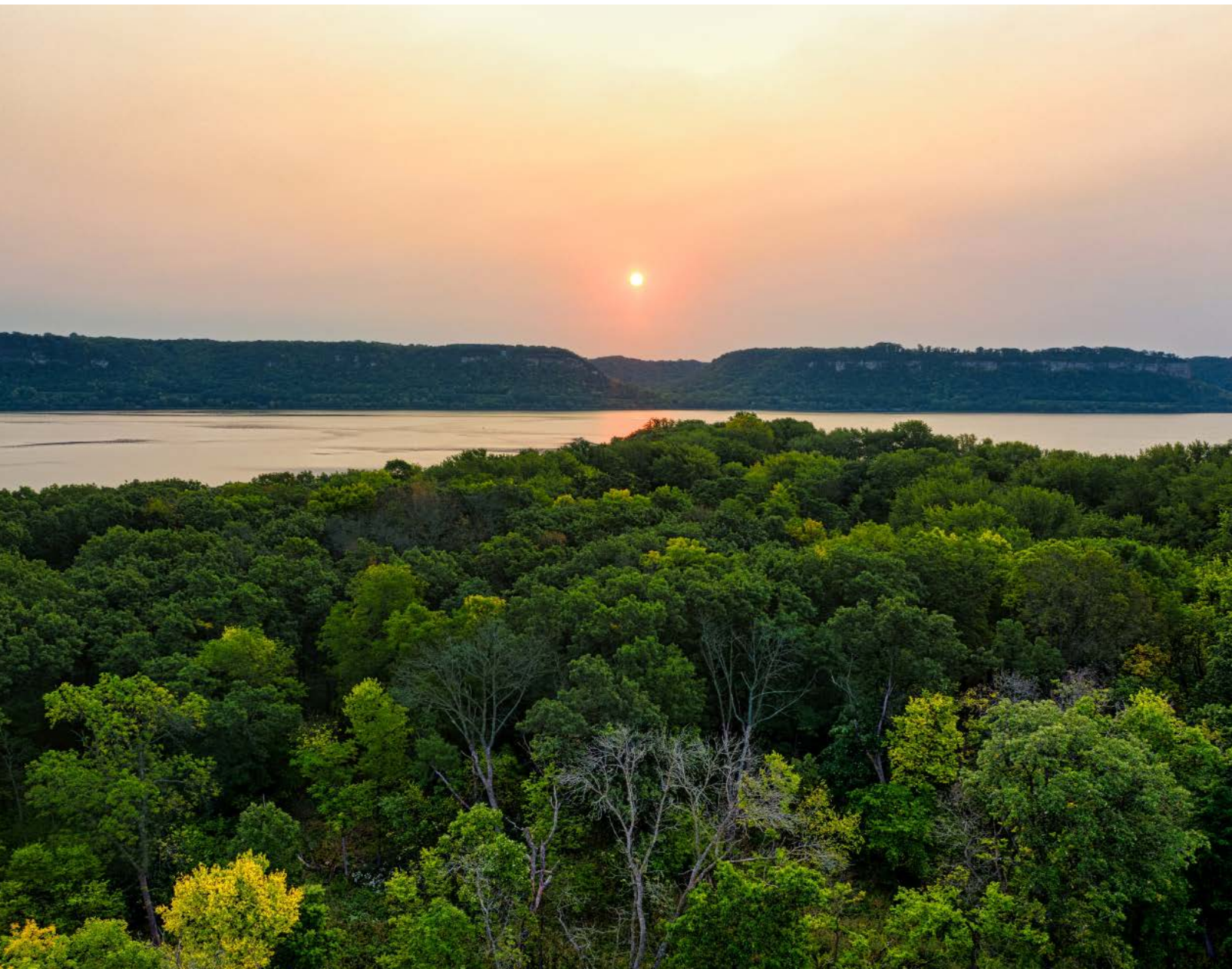
## Component 2: Strengthening governance and community forest management

**Main Activities**

- 3.1. Technical assistance to raise forest management capacity
- 3.2. Strengthening of accountability roles and processes.
- 3.3. Establishment of Community Development Funds.

**Outcomes**

- Stronger governance in CFMBs and CLDMCs.
- Accountability chain established and trusted by partners.
- Community Development Funds demonstrated.



### Component 3: Fair benefit sharing

**Description** Substantial income will come to communities from the new payment scheme, so an effective Benefit Sharing Mechanism (BSM) is needed. Because land rights are communal, it is important that the whole community benefits from the payments, not just those directly using the forest.

There will be a single BSM, managed by the Landscape Management Facility on behalf of communities. The ultimate goal is to deliver cash to communities so that they can spend and invest as they decide. Where a community says it is not ready for cash, the same amount will be available as a grant for a package of local improvements (e.g. water, sanitation, health, education, or transport) – working with a trusted NGO partner.

The BSM is sub-national and does not duplicate or interfere with the National Benefit Sharing Trust for forestry, which allocates income from logging concessions to affected communities.

A further role of the BSM is to enable communities to allocate some of the income for investment in activities that will generate income in the future. Liberia has a positive experience with Village Saving Loan Associations (VSLAs) supporting the development of small businesses and providing access to finance for farmers in remote and hard-to-reach communities.

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**Main Activities**

- Develop and test a benefit sharing mechanism with participating communities.
- Support communities to procure and manage social improvement and economic development projects.

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**Outcomes**

- BSM established and demonstrated in participating communities.
- Social facilities built or refurbished, and services improved.



## Component 4: Access to International Climate Finance

**Description** The aim of this component is to create opportunities for communities to benefit from new funding that is available for the governance of forests, climate change mitigation, and biodiversity conservation. These funds are developing rapidly. What they have in common is an essential requirement for:

- a) Forestry and land use practices that lead to governance, climate, and biodiversity improvements.
- b) Evidence that the practices are producing these results.

Activities to earn future results-based payments will be linked to actions that address the main drivers of deforestation: agriculture, chainsaw milling, charcoal production, and mining. The suite of options includes the designation of areas as protected forest, bio-monitoring, and improved sustainable farming, non-timber forest products collection, and the regulation by communities of chainsaw milling, charcoal production, hunting and mining in other forest areas set aside for production.

“Alternative livelihoods” have been tried in Liberia without much success. Essentially, most previous attempts have not been financially attractive, especially compared to extractive and often illegal activities such as logging, hunting, and mining. The approach in the Roadmap is to tip the financial scales in favour of sustainable small businesses by raising their level of income and investment available. As noted earlier, where these programs have been successful it is because they are investing in schemes like VSLAs and the support for small business development in hard-to-reach communities.

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**Main Activities**

- 4.1. Community-based bio-monitoring.
- 4.2. Capitalization and growth of VSLAs.
- 4.3. Identification of new funding sources for investment in activities that will generate future results-based payments.

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**Outcomes**

- Communities regularly patrolling, monitoring, and recording forest conditions.
- Increased lending to local producers and traders.

## 4. Driving change: Implementation arrangements

### Community Management Bodies

Community Land Rights in Liberia have made great progress in policy, law, and action. Communities are now recognized as the owners of most forested land. Community Forest Management Bodies (CFMBs) and Community Land Development and Management Committees (CLDMCs) are important bodies for land and forest management, as set out in regulations to the Land Rights Act (2018) and the Community Rights Law with respect to Forest Land (2009). The Roadmap seeks to build on this progress by working with the community management bodies already established.

| Statutory functions of Liberia’s Community Management Bodies  |   |
|---|---|
| Community Forest Management Bodies (CFMB)<br><i>(CRL Regulation 2011)</i>   | Community Land Development and Management Committees (CLDMC)<br><i>(LRA 2018 &amp; LRA Regulations 2022)</i>  |
| The Community Assembly is the highest decision-making body with respect to forest matters.                        | The Community Acting Collectively is the highest community decision-making body in respect of land matters.   |
| Manage the day-to-day affairs of the community’s forestry program.  | Manage decision making and implementation of the community’s land, including land use plans.  |
| Demarcation of community forest area.   | Identification of community lands and boundaries, including Community Agricultural Lands, Community Forest Lands, Community Mining Lands and Community Protected Lands. |
| Prepare a Community Forest Agreement and Management Plan.   | Land use planning, managing and administering community land, including land dispute[s] resolution.   |
| Establish a Community Forest Fund to hold and expend monies generated from the use of community forest resources. | Facilitate the development of a community Benefit Sharing Plan to guide the community in the allocation of all benefits arising from land use.                          |

Accountable to their Executive Committee and the Community Assembly. Facilitate the processes of the Community Acting Collectively, including making of community by-laws to govern land use.

Represent the Community in negotiations related to community forestry resources and program. Negotiate with the private sector and enter into partnerships on behalf of the community for purpose of investment and development of community land.

Liaise with local authorities, County Legislature, and regulatory bodies (FDA, MIA). Liaise with County Land Board, government Ministries, etc.

Ensure that community forest resources are managed in an environmentally sustainable manner, including conserving and protecting wildlife within the Community Forest. Have regard for sustainable development, equal protection, and equal benefit.





## Clusters

CFMBs, CLDMCs, and established Community Forests are important building blocks, but the project will operate at a landscape scale, with clusters of management bodies. There are three main reasons for operating at this larger scale:

1. The area of relevant land and forest is large: nationally, Customary land covers approximately 3.15 million ha (or more than two-thirds of Liberia's forested area). The Cluster of Districts initially proposed contains 469,000 ha, in which 200,000 ha of dense forest will be protected.
2. Larger areas are more likely to attract investment from international climate and biodiversity funds because they can produce results at scale and are more efficient with transaction and management costs.
3. Experience in Liberia has shown that support to community management bodies can be delivered most cost-effectively by clustering community groups into larger units.<sup>5</sup>

## Consent and cooperation at landscape level

Agreements on benefit sharing and other key aspects of project implementation will be made at sub-district levels culminating at the district level through a **Community Assembly**. This is more practical than making agreements with many individual bodies. It also anticipates the landscape-level governance that will be required for future results-based financing deals. Fortunately, this cooperative approach is well established in Liberia. It reflects the customary way in which clans gather to make big decisions. It is also the way in which neighbouring communities have come together in the past to form large CFMAs for logging concessions.

During the engagement phase of the Roadmap, Cooperation Agreements will be established with communities on the basis of broad-based consent and agreement, rather than through legal contracts. The initial upfront payment for Year 1 will be based on signing a Cooperation Agreement, formalizing the commitments and all other subsequent payments would be for performance.

## National and Local Government

The FDA has wide-ranging powers over forestry, covering commercial, conservation, and community forestry. The FDA's statutory role, relevant to the Roadmap includes:

- Implementation partner, delivering training and support to communities for the tasks of mapping and demarcating forest areas, patrolling and bio-monitoring.

<sup>5</sup> CFMBs and CLDMCs vary in size because they self-identify. Some CFMBs are large because they were formed in collaboration with logging companies seeking commercially viable concessions. Conservation-orientated CFMBs tend to be smaller. CLDMCs have been successfully formed from clusters of communities at District level.

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- Strategic adviser, to help align the project with national development and forestry goals and international commitments.

Other government bodies warrant a position on a Project Steering Group because of their regulatory role. These include:

- The Liberian Land Authority (LLA) oversees implementation of the Land Rights Act, including the formation and development of CLDMCs, land use planning and management of land uses.
- The Environmental Protection Agency (EPA) is responsible for environmental protection, Environmental Impact Assessment and the Free, Prior, and Informed Consent (FPIC) process. It is the lead body for Liberia's international engagement on climate change.
- The Ministry of Internal Affairs (MIA) is responsible for local government at county and district level and is an important intermediary between national government, local government and customary/tribal leadership.

Statutory authorities at County and District level will be engaged to support project implementation and coordination:

- Providing oversight of the social improvement activities, to improve accountability and timely delivery.
- Ensuring projects are coordinated with local needs and helping to resolve conflicts over boundaries or other issues.

Presumably, as with any income, the Government of Liberia may decide to tax climate mitigation payments-for-performance revenue flows. However, given that implementing this Roadmap will be funded using public funds from donor countries, the government may decide not to tax the payments to the communities until at such time when they start receiving income from market-based activities.



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**“Whilst communities control most of the forest they lack the capacity to pursue any market-based option without relying almost entirely on external actors”.**

*(White Paper, 2024)*

**“There must be a shift of responsibility for the coordination of activities in each landscape from centralized management ... towards local ‘landscape coordinating entities’”**

*(LFSP, Mid-Term Review, 2019)*

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### **Landscape Management Facility**

Community-level institutions generally have very few resources and are still developing as laws and regulations evolve. There is, therefore, a need for a strong level of program management and technical assistance. The role of the CMB is also to act on behalf of communities and to coordinate with the various local authorities and national Ministries, Agencies or Commissions. Hence, the need for the Landscape Management Facility to support CMB’s engagements at the national level.

The Facility’s functions will include:

- Acting on behalf of participating communities for the overall implementation of the program.
- Operating the payment scheme to drive greater accountability.
- Setting up and operating the Benefit Sharing Mechanism.
- Supporting participating communities to commission and manage social improvements, including contract management to ensure delivery.
- Funding community-led biomonitoring and other public employment.
- Creating and managing a network of partnerships between communities, local authorities, and national government bodies, to drive increased coordination.
- Coordinating with complementary programs.
- Identifying future funding sources and facilitating the marketing of results from community forests.

## **Summary**

The Roadmap sets out a new direction for achieving Liberia’s aims of a productive and sustainable forest economy. It is based on widespread recognition that the current economic model is not delivering as expected for the country or for forest-dependent communities. The new direction is through community-forests, which accounts for the majority of forest land. International finance is available for the transition to a successful result-based payment system and Liberia is well placed to benefit from these funds.

## 5. Action Plan for implementing the Road Map

This document provides an action plan for implementing the Road Map. It sets out:

- Actions and activities
- Expected results
- Project management and implementation arrangements
- Indicative budget and timetable

The Road Map itself introduces a new direction for achieving economic benefits from Liberia's forests. It is grounded in the reality that most forest is in customary or community ownership.

The overall goal is for sustainable forest management to become an attractive economic option for communities and the nation as a whole. The current options - logging concessions and informal industries such as chainsaw milling, charcoal and small-scale mining - perform poorly in terms of benefits to communities, revenues to the state and depletion of the resource base. But they are the only routes available to communities wishing to escape subsistence, food insecurity and poverty. Sustainable forest management practices have been tried at national and community level but have not succeeded at scale, largely because they are not financially attractive. There is not a sufficient incentive or 'market' for sustainable forestry.

A major emerging market for sustainable forest management is international finance for climate, biodiversity and forest governance. The Road Map is a pathway by which communities can position themselves to earn results-based payments from such schemes.

The key innovation in the Road Map is the introduction of substantial, up-front payments to communities. This is needed to give them the incentive to choose sustainable forms of forest management and the resources to do so. It recognises the past and present role of communities as stewards of the forest.

The introduction of a new payment scheme involves major challenges; to ensure that the governance of funds is strong and accountable, that the benefits are fairly distributed and that income is used to fund activities that will provide communities with a sustained income in the future.

The Road Map has four main components to address these challenges:

1. Payment for stewardship of forest to communities.
2. Strengthening community governance
3. Fair benefit sharing
4. Investment in income generating activities

## 6. Actions and activities

| Actions   | Summary description  |
|---|--|
| <p><b>Action 1</b><br/>Payment for stewardship to participating communities</p>                           | <ul style="list-style-type: none"> <li>• Simplified payment scheme based on area of forest protected.</li> <li>• Communities plan how to spend and invest income.</li> </ul>   |
| <p><b>Action 2</b><br/>Support communities to manage finance and development projects</p>                 | <ul style="list-style-type: none"> <li>• Communities are supported to demarcate, patrol and monitor community forest areas.</li> <li>• Community management bodies are supported on governance and financial/project management.</li> </ul>  |
| <p><b>Action 3</b><br/>Benefit Sharing Mechanism</p>  | <ul style="list-style-type: none"> <li>• BSM introduced to ensure income is distributed fairly.</li> <li>• Community Development Funds set up for communities to hold and invest income.</li> <li>• Accountability and reporting led by communities, strengthened by 3rd-party support.</li> </ul> |
| <p><b>Action 4</b><br/>Access to sustainable climate finance and payments for environmental services.</p> | <ul style="list-style-type: none"> <li>• Clustering community forests to create large-scale schemes eligible for climate or biodiversity payments.</li> <li>• Preparation of a Project Design Document for earning results-based payments to sustain income.</li> </ul>                            |



## **Activities**

### **1. Payment for Stewardship to communities**

- 1.1 Establish a sub-national payment system, based on area of conserved forest.
- 1.2. Select and engage participating communities.
- 1.3. Support communities to agree on a package of social improvements and economic development projects to be funded from the Payment for Stewardship.
- 1.4 Issue up-front payment and subsequent payments linked to implementation of forest management plan.

### **2. Support package**

- 2.1 Train and support communities for identifying and managing protected forest areas, including mapping, demarcating, patrolling and bio-monitoring.
- 2.2 Support delivery of social improvements and economic development projects by linking funded communities to technical service providers/NGOs who provide civil works, small business development support, micro-finance initiatives.
- 2.3 Assess financial and project management capacity of participating Community Management Bodies, to clarify needs and establish a baseline.
- 2.4 Set up monitoring & quality control of project delivery and financial accountability, involving communities and partners.

### **3. Benefit Sharing Mechanism.**

- 3.1 Develop community-level BSM, operated by a Landscape Management Facility.
- 3.2 Agree specific BSM arrangements with Community Management Bodies.
- 3.3 Establish accountability roles and processes in community and scrutiny bodies.
- 3.4 Support participating communities to set up Community Development Funds to hold cash payments.

### **4. Access to climate Finance.**

- 4.1 Cluster communities and designated forests to create large-scale schemes for conservation or climate payments.
- 4.2 Prepare Project Design Document for a carbon credit scheme.
- 4.3 Develop with communities a program of land and forest management practices that will reduce deforestation and generate results-based payments, including forest protection, permanent agriculture, community-based management of chainsaw milling, charcoal production and small-scale mining - in forest areas allocated for production.
- 4.4 Sustain payments to communities in the form of activity-based and results-based income for sustainable forest management activities, drawing on international climate and biodiversity finance, and complementary projects.

## 7. Expected Results

This document provides an action plan for implementing the Road Map. It sets out:

- Actions and activities
- Expected results
- Project management and implementation arrangements
- Indicative budget and timetable

### Participating Communities

- Fifteen Community Management Bodies engaged in sustainable forest management.
- At least five Districts ‘ready for market’ by the end of 2026, in terms of being prepared to participate in a carbon finance scheme with results-based payments.
- Location is Sinoe County in the south-east landscape of Liberia, including the Statutory Districts of Kpanyan, Dugbe River, Jaedae, Wedcarba, and Jaedepo.

The districts form a cluster, strategically located in and around Sapo National Park, and in the corridors between Sapo and the nearby proposed protected areas of Grand Kru-River Gee and Sestos-Senkwehn. They contain 68 clans, approximately 280 settlements and 19 lower-tier local authority areas.



**Location of participating communities**

Source: Extract of unpublished map produced for LFSP by author

| Name of District                  | County | Land Area (ha) | # of County Districts | # of Clans | # of |
|-----------------------------------|--------|----------------|-----------------------|------------|------|
| 1. Kpanyan Statutory District     | Sinoe  | 100,388        | 3                     | 21         | 121  |
| 2. Dugbe River Statutory District | Sinoe  | 67,315         | 4                     | 18         | 67   |
| 3. Jaedae Statutory District      | Sinoe  | 70,959         | 4                     | 11         | 18   |
| 4. Wedcarba Statutory District    | Sinoe  | 62,707         | 4                     | 8          | 28   |
| 5. Jaedepo Statutory District     | Sinoe  | 167,715        | 4                     | 10         | 46   |
| TOTALS                            |        | 469,084        | 19                    | 68         | 280  |

A Community Land Management and Development Committee (CLDMC) exists for each of these five districts. These were constituted with the support of previous projects, including the LFSP Clusters project (200-2023) which prepared them for engaging in sustainable forest management.

Within the Districts there are two established Community Forest Management Bodies and a further eight Community Forest applications where work to set up a CFMB has been done. Communities with active Community Forestry Management Agreements (CFMAs) with logging companies are excluded, but the project includes CFMAs that have been developed for conservation objectives, logging CFMAs that have been cancelled, and forest on community land that are not under any formal management regime.

CFMBs and CLDMCs have the statutory powers to manage land and forests at community-level. They have gone through the regulatory process of land rights registration, land use planning and institutional development, supported by the FDA, LLA and others bodies, under previous projects.

The participating communities are well down the path of planning and managing their forest. They will be frontrunners, with the aim that they can become ready to earn results-based payments and an example to other communities of the process and benefits.



**Area of managed forest**

- 469,000 ha. of community forest engaged in the project.
- 200,000 ha. area of dense forest allocated for protection, within the total area of community forest (mostly High Conservation Value/High Carbon Stock forest).
- 200,000 Ha. of forest prepared for piloting as a carbon-scheme by the end of the project.

The size of forest in the five participating districts ranges from 62,000 ha. to over 167,000 ha. Land use plans produced by the communities identify areas for protection and areas for production. The protection area is the basis for the expected results. Work will be done in the project to update and add precision to the forest inventory and management plan. This will enable communities to quantify results in the way that is necessary for their participation in a results-based payment scheme.

**Social and economic benefits**

- Up to \$600,000 income to participating communities over 2 years.
- Program of social improvements and economic development projects funded through income.
- Paid employment of community members for forest demarcation, patrolling and biomonitoring.
- Community management bodies strengthened through capacity building for financial management, project management and accountability.

All participating communities will benefit from payments, social improvements, paid employment and capacity building.



## 8. Budget

| Roadmap: Budget Headlines       | Cost (\$USD)     | % of budget |
|---------------------------------|------------------|-------------|
| Staff                           | 200,000          | 17          |
| Community Payments              | 600,000          | 50          |
| Technical Service Providers     | 185,000          | 15          |
| Operational costs               | 60,000           | 5           |
| Transport, Travel & subsistence | 116,000          | 10          |
| Overheads                       | 40,000           | 3           |
| <b>TOTAL COSTS</b>              | <b>1,201,000</b> |             |

Half of the budget is allocated for stewardship payments directly benefitting the participating communities. This is a radical change from typical forest sector projects where less than 10% of the budget is spent in the local economy. It is also a higher percentage than communities receive from logging contracts. This income to communities will be invested in social improvements, small business development and forest management.

The second largest budget allocation is to the FDA and other government and non-governmental partners for providing technical assistance to communities.

| Roadmap: Phase 1                             | Cost (\$USD)     | % of budget |
|--|------------------|-------------|
| Stewardship Payments (200,000 ha.)           | 1,500,000        | 58          |
| Complementary & Technical Assistance Package | 290,000          | 11          |
| Landscape Management Facility & Overheads    | 383,500          | 15          |
| Vehicle, Travels & Specialist Equipment      | 182,500          | 7           |
| PDD Preparation                              | 210,000          | 8           |
| <b>TOTAL COSTS</b>                           | <b>2,566,000</b> |             |

## 9. Timetable

The engagement phase is a two-year project, 2025-2027.

Extensive work has been done in these districts through the LFSP project and related initiatives, so the amount of preparatory work required is minimal (such as awareness raising). The first phase therefore consists of large-scale implementation and preparation for the next phase.

## 10. Project management

| Organization  | Role   |
|---|--|
| <b>LEAD AGENCY</b>  |  |
| IDL   | Providing a <b>Landscape Management Facility</b> to support communities with the payment scheme, Benefit Sharing Mechanism, procurement and project management, financial management and overall program management. |
| <b>IMPLEMENTATION PARTNERS</b>  |  |
| Forestry Development Authority (FDA)  | Training and supervision of community-forest management activities: Demarcation of protection and production areas, community patrols and biomonitoring.   |
| TreeVive  | Development of a Project Design Document for a carbon finance scheme.  |
| Form International  |  |
| Liberian Consultancies  | Governance capacity building support to community management bodies.   |
| <b>KEY STAKEHOLDERS</b>   |  |
| Community leaders in customary roles and statutory community management bodies. | Representation on a Community Assembly, for decision-making on benefit sharing, forest management at landscape level and all key aspects of implementation.  |

| Organization                          | Role   |
|---------------------------------------|--|
| Liberian Land Authority (LLA)         | Guidance on implementation of the regulations surrounding CLDMCs and engagement with statutory authorities at County and District Level.   |
| Environmental Protection Agency (EPA) | Guidance on environmental safeguards and FPIC process, and on the contribution of the project to Nationally Determined Contributions and others Liberian climate and biodiversity commitments. |
| Ministry of Internal Affairs (MIA)    | Guidance on local government, public administration, dispute resolution and security.  |
| Ministry of Mines and Energy (MME)    | Guidance on the regulation on small-scale mining, the avoidance of illegal mining and the resolution of conflict between miners and communities.   |
| Civil Society Organisations           | Scrutiny of social and environmental risks and safeguards. Advocacy for community rights and adherence to legal standards in public and private sectors.                                       |