

FOCASA

Forestry for Climate Adaptation & Carbon
Storage in Africa Ltd

What is FOCASA?

FOCASA is a carbon finance **Programme of Activities** (PoA) 'umbrella' for afforestation and reforestation (A/R) projects in Uganda that is being prepared for registration with the UN's Clean Development Mechanism (CDM), the Gold Standard (GS) and the Fairtrade Foundation. A PoA is an efficient way of accessing the carbon markets, and FOCASA's founder, the Uganda Carbon Bureau (UCB), is one of Africa's leading promoters of such PoAs.

FOCASA Ltd will be the Coordinating/Managing Entity of the FOCASA PoA, and will manage it.

Aim of FOCASA

The aim of the PoA is to stimulate a rapid expansion of private sector forestry projects as part of Uganda's adaptation response to climate change. Such projects will be prime activities for support from global adaptation funds. They can also earn carbon finance from the trees' storage of carbon dioxide - this will ensure that they are regularly maintained and monitored. This combination of climate change **adaptation** and **mitigation** features is unique to FOCASA in Uganda.

Each member project will keep 100% of its carbon credits. If required, FOCASA can provide support to growers to sell their carbon credits through a grouped service. The FOCASA PoA will operate on a simple fee basis for the services that it provides. A forestry window to UCB's present Ignition Fund may also be established to provide members with access to early stage finance on 'patient capital' terms.

The first phase of the PoA currently involves supporting the past and present members of the Sawlog Production Grant Scheme (SPGS) to obtain retroactive GS carbon credits for the trees that they have already planted. The past training and support given to these Ugandan growers (communities, individuals and companies) means that the monitoring of their plantings is relatively straightforward using GIS technology.

Sustainable forestry development is an important part of the solution to mitigating climate change by reducing atmospheric carbon dioxide levels, while reducing the pressure on natural forest ecosystems. Vulnerable ecosystems and erosion-prone lands will also benefit from tree planting as a climate adaptation measure in the face of the predicted extreme rainfall events and rising temperatures in Uganda.

Forestry projects also provide much needed forestry products to households, businesses and industries in Uganda, thereby supporting sustainable development, employment and poverty reduction objectives.

The advantages of the FOCASA PoA

- FOCASA aims at raising funds from new adaptation funding sources for tree planters in climate change hot-spots that are being affected by landslides, high winds, rising temperatures, heavy rainfall etc.
- The cost of accessing the carbon market via the FOCASA PoA will be a fraction of the cost of developing a standalone A/R forest carbon project
- It will be much quicker for growers to access the carbon market via FOCASA, compared to being registered separately with the CDM, GS and Fairtrade

- The staff of FOCASA and UCB know the carbon market rules – there is no longer a need for forestry project managers to be experts in carbon finance
- Once FOCASA is registered, an unlimited number of individual A/R projects can be included
- It is very easy to add future projects, even if they are not currently identified
- The negotiating strength of the PoA will get higher carbon credit prices for project owners
- FOCASA will promote sustainable environmental forestry practices

FOCASA will provide A/R project developers with the following services:

- Full information and briefings about carbon finance opportunities
- Preparation of all the carbon documentation required for the successful inclusion of their projects
- Monitoring and verification support to earn carbon credits
- If required, help in selling the credits on a fair trade basis to maximise returns for project owners
- Advice on project financing, including the use of carbon revenues to attract investors
- Access to funding to establish forestry projects

Timeline

The UCB has already prepared a draft CDM Project Design Document (PDD) with support from a number of sources, including SPGS and the Danish Government's Business to Business (B2B) programme, and advice from several companies and individuals, including LTS International and Unique Forestry Consultants. FOCASA has already received approval of its proposed large and small-scale methodology combination from the CDM Executive Board. UCB is in a dialogue with the CDM about its possible reform of the carbon credits that it issues for forestry projects, to see if these will be harmonised with the GS's buffer mechanism. FOCASA is currently involved in the validation of past growers retroactive carbon credits with the GS. Organisations aiming to start planting in 2016/17 should contact UCB now to discuss their possible inclusion in the PoA.

FOCASA is a collaboration between:

Uganda Carbon Bureau

- Uganda's first specialist carbon company, and one of Africa's leading carbon groups
- Involved with carbon information dissemination, project development and the establishment of a local carbon market
- Responsible for promoting and developing regional PoAs, and the development of FOCASA
- Considerable experience in Uganda's forestry sector over the past 17 years

East African Development Bank

- Has indicated a willingness to support FOCASA growers

Further Information

UCB registered the world's first multi-country, dual-methodology PoA (for improved cook-stoves), and subsequently expanded its coverage to South Africa and Lesotho. It achieved its first issuance of carbon credits in 2014, and their sale in 2015 achieved a premium price of EUR10 per credit.

Uganda Carbon Bureau
 Plot 15, Lubowa Estate, P.O. Box 70480
 Kampala, Uganda
 +256 414 200988 & 256 752 644611
 billfarmer@ugandacarbon.org
 www.ugandacarbon