

FEDERAL REPUBLIC OF NIGERIA



**OPERATIONAL GUIDELINES FOR THE
NATIONAL FORESTRY TRUST FUND
(NFTF).
NIGERIA.**

**FEDERAL DEPARTMENT OF FORESTRY,
FEDERAL MINISTRY OF ENVIRONMENT.**



FEBRUARY, 2019

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Acronyms and Abbreviations

CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
FEC	Federal Executive Council
FM	Financial Management
GC	Governing Council
LGA	Local Government Level
NEC	National Economic Council
NFTF	National Forestry Trust Fund
NGO	Non-Governmental Organisations
OG	Operational Guidelines
SFM	Sustainable Forest Management
SFTF	State Forestry Trust Fund
TOR	Terms of Reference
TRC	Technical Review Committee
UNFCCC	United Nations Framework Convention on Climate Change

Audience and Structure of the OG

Preface.

Adequate financing of Forestry sector development from statutory budgetary provisions has always been a major concern, even in cases when the sector is known to contribute to generating revenue for the country. Further complicating this is the near-absence of a vibrant private sector with associated investments (particularly in the primary forest production of wood and fibre), ostensibly due to the long gestation and low rate of intermediate or quick returns for such investments.

However, the role of forests and its products and services in sustainable development is not only well documented in literature and policy level but also well-known to have a rich reservoir of traditional knowledge of the environment. Albeit, it is faced with major technological and investment constraints placed on governments and people taking the part of unsustainable forest management majorly due to competing demands for development, high levels of poverty, which compel people to – in spite of knowing the impact - unsustainably exploit the forest resources for sustenance.

The Establishment of Forest Trust Funds have been shown in a number of cases to help in increasing focus on sustainable forest management through its ability to generate additional and complementary sources of funding to supplement government budgetary provisions. However, a major hindrance to achieving the objectives of some Trust Funds have been the absence of a clear and unambiguous Operational Guideline (OG) to ensure that all the stakeholders involved in implementing the Trust funds – either as implementors, investors, beneficiaries, supervisors, monitors etc – are fully conversant of their complementary roles and responsibilities.

The government of Nigeria, in recognition of the role Trust fund could play in contributing to sustained forest investment, rapid reversal of current trend of deforestation, land and forest degradation, biodiversity loss and facilitate the reduction in wood and wood products deficit, has approved the establishment of a National Forest Trust Fund.

Building on the results of global assessment of over 70 Trust Funds (Environment, Forestry and Conservation) conducted by the Food and Agriculture Organisation (FAO) of the United Nations, this Operational Guidelines is prepared with the following aims:

- Provide a clear and unambiguous process and procedure for the implementation of the National Forestry Trust Fund
- Define roles and responsibilities of Stakeholders and provide for greater understanding of the processes for enhanced working relationships.
- Establish procedures and criteria that would enable beneficiaries, monitors and oversight bodies to avoid or mitigate internal risks;
- Establish internal control procedures for fiduciary management to ensure that implementers are fully accountable to the public, development partners and

other stakeholders; and

- Establish a Results Based Monitoring and Evaluation Framework to track performance and provide information that would guide decision making and adjustments as may be necessary.

CHAPTER ONE: INTRODUCTION AND BACKGROUND.

1.0. Background.

International and National literature abound on the importance of the forestry sector to environmental services and socio-economic development of a Nation, which has become more obvious in the face of threats posed by climate change. In spite of this, however, the sector still suffers from a number of challenges that would require the use of as many strategies as available strategies to address them.

In Nigeria, challenges to the sustainable development of the forestry sector include deforestation and forest degradation driven by conversion of forest to other land uses, unsustainable management of the forests, unsustainable agricultural practices, pastoralism, mining, oil exploration and production activities, human settlement, bush burning and infrastructural development. These direct challenges are further accentuated by policy failures, obsolete state forest laws, absence of provisions/recognition of forestry as a land use in both Federal and States land use programmes, policies and plans, lack of implementation of extant laws and political will, population pressure, and inadequate monitoring and compliance mechanisms.

The growing poverty situation in the country provides an underlying template for a complete absence of any form of local management mechanism for forest development. In the most recent past, the scarcity of forest resources, that used to serve as fodder for different forms of livestock in the Northern parts of the country has contrived in no small measure to the escalating resource tension between Farmers and herdsmen leading to avoidable loss of lives and properties. The complete breakdown of any form of forest management, especially at the state and local government levels, as a result of inadequate or no attention to the sector, by both government and the private sector, had all conspired in putting the country's ability to maintain even a healthy environment – what more sustainable one – in jeopardy. The current demand for the Nigerian Rosewood (*Pterocarpus erinaceous*) for export, which has led to inordinate levels of exploitation of this wood further complicates the situation. Current estimates for Nigeria's Third National Communication to the United Nations Framework Convention on Climate Change (UNFCCC) indicates that the loss of forests is responsible for 58.67% of total Carbon dioxide Emission for the country. It is therefore apposite that, besides declaring a state of emergency in the Nigerian Forestry Sector, available mechanisms that start addressing the problem needs to be institutionalised and adequately resourced.

Redressing the challenges of the forestry sector is largely affected by non-availability of sustained funds for forest management arising not only from competing

demands for available domestic funds but also non-prioritisation of these funds to take care of adequate financing for the sector. Similarly, very limited access to bilateral and multilateral funding, unlike in the 80s and 90s, eliminates opportunities for additional and complementary funding sources.

The increasing population and increased per capita demand for forest products and services dictate that forests need high levels of financial and technological investments, including managerial skills to continue to generate the needed goods and services on a sustainable basis. This would serve to encourage stakeholders, especially from the private sector, to be willing to invest in forestry projects especially if there would be assurances of enhanced income to its members in the shortest possible time, while providing employment to the unemployed amongst them.

The framework for the National Forestry Trust Fund is a quasi-government structure (partly independent of government) allowing Non Governmental Organisation (NGOs) , independent bodies or individuals of proven integrity access in running the affairs of the Trust Fund. It has an in-built strategy to ensure transparency, accountability, and integrity as well as reduce bureaucracy in the implementation of the Trust Fund process. It is also to enhance coordination, cost efficiency in the delivery of forestry projects and achievement of greater orientation towards results.

1.2. Birthing the NTFF.

The challenges mentioned above, along with others, were highlighted and discussed at an Emergency National Stakeholders meeting on Afforestation held on 3rd June, 2016 and they also formed a critical part of the deliberations of the Sub-Committees made up of stakeholders from relevant public and private sector organisations. These sub-committees culminated in the inauguration of the National Assembly Ad-Hoc Committee on Deforestation and the Inter-Ministerial Committee on Afforestation in February, 2017.

The Committees identified and recommended the establishment and operation of a National Forestry Trust Fund as one of the solutions to address the issues of funding reforestation and Sustainable Forest Management (SFM) programmes in Nigeria. The Forest Trust Fund is expected to draw its take-off (seed money) from contributions from wood exporters, States counterpart contributions, CITES fines etc. These recommendations were part of the Actionable Strategies to addressing reforestation, trade in wood products, sustainable forest management and environmental quality presented to and approved by the National Economic Council (NEC) on the 16th March, 2017 and Federal Executive Council (FEC) on 24th May, 2017 respectively.

Critical to addressing the identified challenges is the dearth of adequate funding at both the Federal and State levels to undertake sustainable forest management practices. Similarly, the private sector is confronted with inability to mobilise enough resources, especially through financial institutions, to equally undertake both production and value chain improvements in forest products and services. In the same breadth, communities living proximal to forests are constrained in

unsustainably using forest products and services as a means of livelihood and opportunities for alternative livelihood means as well as sustainable extraction of forest products are very limiting. This fund would provide opportunities for all these players to benefit from support on the basis of the contribution of proposed activities to meeting the specific objectives of the NFTF.

1.3. Objectives.

The overall objective of the NFTF is to carry out reforestation and sustainable management of the Country's degraded forest estates, reserves and production landscapes to achieve significant increase in forest cover, sustainable production, supply of forest products and services for socio-economic development. Specific functions include the following:

- (a) Develop master Plan for reforestation of degraded forest estates, reserves and afforestation of production landscapes (farmland) in Nigeria;
- (b) Provide yearly work plan, implement afforestation, reforestation and sustainable forest management programmes across the States;
- (c) Encourage formation of voluntary forest brigades in collaboration with National Orientation Agency, National Park Services, and State Voluntary Green Corps etc for purpose of forest protection and boundary patrols;
- (d) Encourage whistle blowers within communities dependent on forest for reducing illegalities and other vices within the forest reserves;
- (e) Encourage development of Community Based Forest Management and Agroforestry practices;
- (f) Undertake a comprehensive Assessment and Mapping of Forest Estates in the Country;
- (g) Investigate and evaluate degraded forest sites referred to it by States and other stakeholders;
- (h) Provide financial support for the Federal Department of Forestry, in monitoring, evaluation, quality control of wood processing factories and other CITES operations for effective documentation of trade in CITES listed flora and fauna; and
- (i) Any other activities relevant to achieving sustainable forest management in Nigeria.

However, the overall objective as highlighted above only focuses on expected activities and outcome without an indication of the means, which is the most critical element. Thus, the objective of the NFTF would be rephrased as **“to mobilise additional funding, separate from the normal statutory budgetary allocation, to carry out reforestation, protection, conservation and sustainable management of the Country's forest estates, reserves and production landscapes to achieve significant increase in forest cover, sustainable production, supply of forest products and services for socio-economic and environmental development”**. The specific Objectives include:

- (a) Increase the nation's forest cover;
- (b) Augment stakeholders' access to funding for forestry development;

- (c) Encourage private sector and community participation in forest management;
- (d) Increase revenue accruable to government from forest products and services;
and
- (e) Provide sustainable sinks for carbon sequestration and other ecosystem services.

1.4. Institutionalisation Strategy.

The prevalence and differences in the architecture of Forest Funds globally informed the need that Nigeria adopts a model and strategy that is suitable to its fiscal space and policy environment. Thus, the Nigerian NTFF would adopt a two-tiered institutionalisation approach. The first tier would be an account-based entity designed for gradual progression to greater autonomy balancing both public and private controls as well as financial and technical capabilities. This tier is proposed to last not more than two years (2019 and 2020) as a pilot that would be funded majorly through National resources dependent on available seed money, levies and fees as well as allocation from some dedicated Government financial vehicles (e.g ecological and natural resources development funds) complemented with incremental international funding. The justification for such an approach is that complete reliance on in-country resources would be based on low capital growth and insufficient for sustainability of the NTFF. To gain the confidence of the international Donor Community in providing support to the Nigerian NTFF would, therefore, require assurances that it will be sustainable and resources deplored for its intended purposes. Equally important is the fact that the NTFF as it is now was established based on an Executive Policy Decision, and would, therefore in the nearest future require legislation to increase its credibility, transparency, accountability and capability of achieving financial and organisational sustainability. The full implementation phase is expected to be regulated by an Act of the National Assembly to be enacted within the pilot phase.

The key basic elements for a successful and well performing Forest Trust Fund would guide the pilot phase as it aims to lay a credible foundation for a well performing NTFF and thus would minimally be guided by the following:

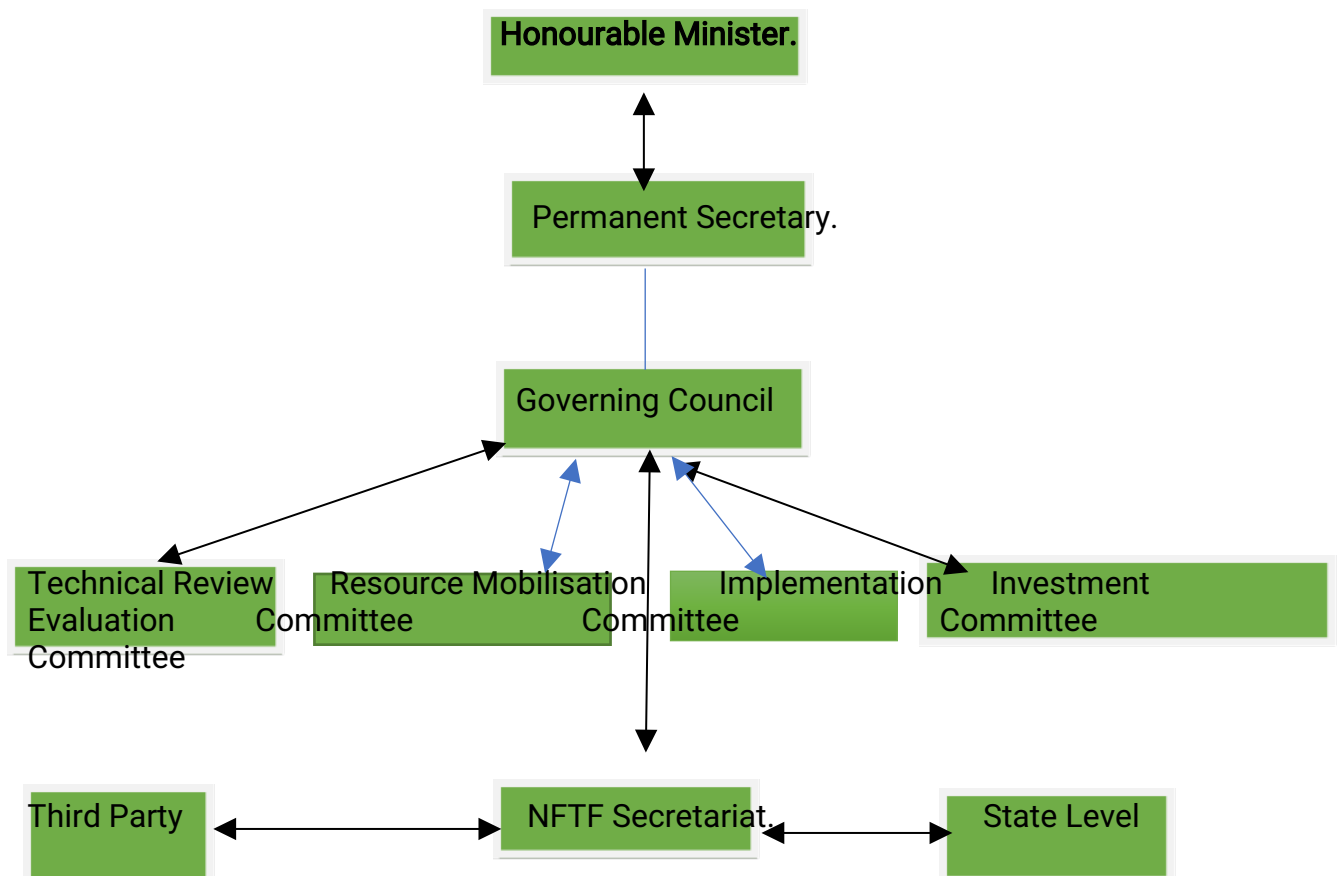
- (a) A Semi-Independent Governing Council supported by a Secretariat;
- (b) An independent Audit/Supervisory Body;
- (c) A Technical Committee/Sub-Committees;
- (d) Existence of deconcentrated implementation mechanisms at sub-national levels;
- (e) Strong and effective fiduciary management system;
- (f) Sustainability and Subsidiarity Principles;
- (g) Clear guidelines on accessing funds to be delineated on the basis of classes of potential beneficiaries; and

(h) Strong Monitoring and Evaluation mechanism.

The relevance of such a transitory phase for institutionalising the NFTF in Nigeria is made more pertinent in view of the fact that the sector had suffered a severe lack of attention over the last twenty years or more and this has not only denigrated the ability of the sector to provide products and services for the economy but had also led to a severe loss of capacity for sustainable forest management.

CHAPTER TWO: GOVERNANCE.

2.0 Governance Structure.



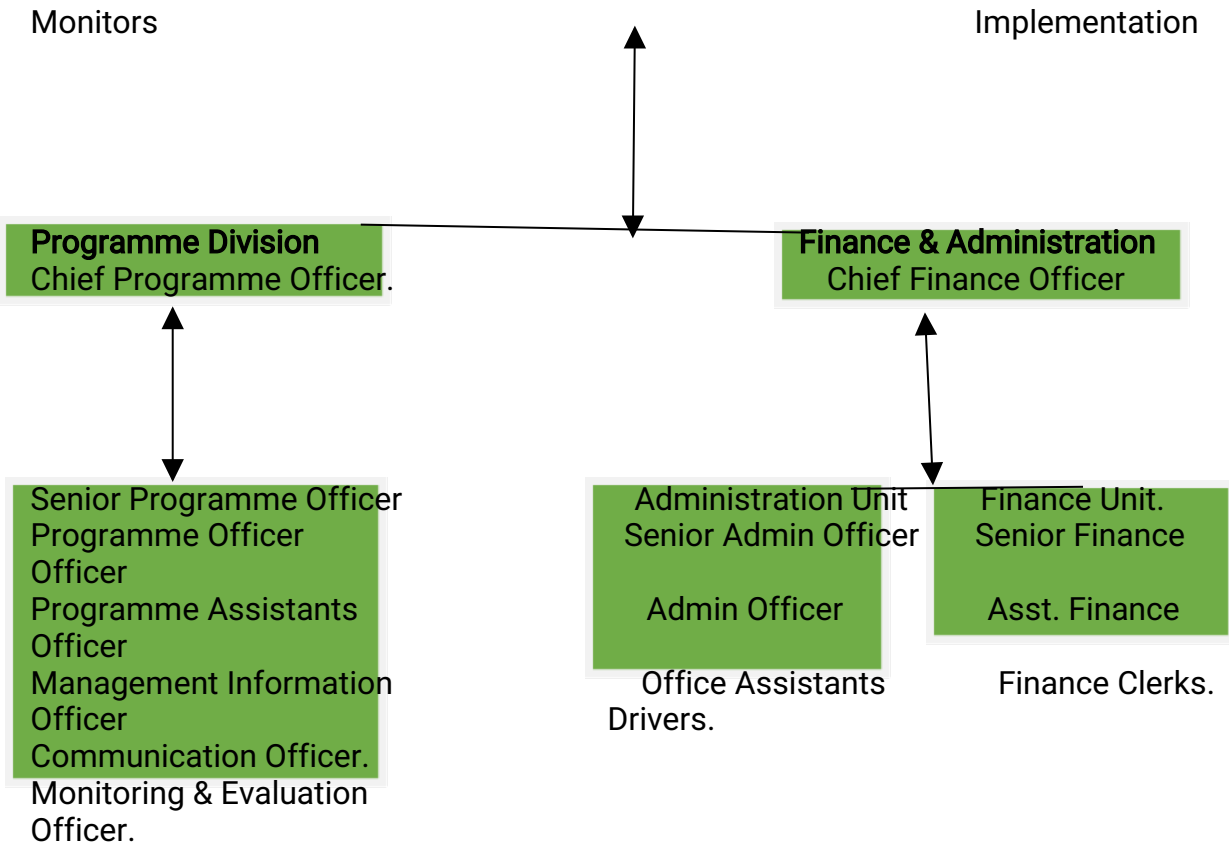


Figure 1: Governance Structure of the NTFF.

The Governance structure of the NTFF is anchored on the provision of oversight and guidance by a Governing Council that would provide regular update to the head of the Civil Service Bureaucracy in the Federal Ministry of Environment, The Permanent Secretary, who in turn reports to the Honourable Minister – the Political head. The main function of the Honourable Minister is to ensure political commitment and buy-in from the highest level of governance while the Permanent Secretary would ensure interphase with statutory Federal Government responsibility for the forestry sector in Nigeria. The Honourable Minister of Environment is to appoint the Chairman, Vice Chairman and two Nigerians of proven integrity into the GC. Supporting the Governing Council would be a Technical Review Committee, made of appropriately qualified academicians and practitioners with relevant experience that would be charged mainly to review proposals submitted for its technical relevance and correctness, while an Asset Management Committee would also provide guidance on audits, assets procurement and update on their status. The Secretariat is located within the Federal Department of Forestry, with the Director, Forestry (Secretary to the NTFF) as its head who would supervise a Programme Officer responsible for the day-to-day running of the secretariat. The Secretariat would interphase with third party monitors (to be out-sourced for the provision of third-party feed-back on progress of implementation, including audit) and state level supervision to be undertaken by a state level committee. The NTFF Secretariat would also be supported by two sections – Programme Division as well as Finance and

Administration Division. The following section depicts the roles and responsibilities of the various layers of the governance structure.

2.1. The Permanent Secretary.

The Permanent Secretary of the Federal Ministry of Environment shall serve as the official interphase between the NFTF and Federal Government of Nigeria to ensure that programmes of the fund are consistent with contemporary development priorities of the country. Other specific responsibilities shall include:

- (a) Ensure that statutory budget allocation for regular activities of the Federal Department of Forestry are budgeted, appropriated and used to further the aim of sustainable forest management in the country;
- (b) Provide guidance to the Governance Council on internalising Government policies;
- (c) Discipline and sanction – if necessary all civil servants that work in the NFTF Secretariat.

2.2. Governing Council (GC).

2.2.1 Composition:

The NFTF Governing Council is made up of 13 members drawn from the Public and Private Sector, with eight (8) members from the private sector as follows:

- (a) Chairman.
- (b) Vice Chairman (A State Commissioner in charge of forestry) selected from the geo-political zones on four-year rotational basis.
- (c) Representative of Nigeria Conservation Foundation *Member*
- (d) Representative of Nigerian Custom Service *Member*
- (e) Representative of Saw millers Association of Nigeria *Member*
- (f) Representative of wood exporters Association of Nigeria *Member*
- (g) Representative of the Federal Ministry of Agriculture *Member*
- (h) Forestry research Institute of Nigeria (FRIN) .. *Member*
- (i) Otunba Niyi Adebayo *Member*
- (j) Alhaji Mohammed Danyaro *Member*
- (k) Nigeria Environment Study Team (NEST) *Member*
- (l) Representatives of wood Product section of MAN .. *Member*
- (m) Director Federal Department of Forestry *Secretary*

The Chairman, vice chairman and 2 members of proven reputation shall be appointed by the Minister of Environment.

2.2.2 Roles and Responsibilities.

- (a) Superintend the polices of the National Forestry Trust Fund (NFTF);
- (b) Provide the policy guidelines relating to the functions of the NFTF;
- (c) Guide and steer the NFTF on the strategic processes required for the execution of approved project, in accordance with the terms of Reference(TOR) and the process of funding, project selection, and the management of the NFTF;
- (d) Ensure the projection of the interests of players, Stakeholders and the public;

- (e) Review and approve project plan, budgets provisions and communication plan for all phases of the execution of an approved project;
- (f) Make recommendations for appointment of members to the Governing Council through the Honourable Minister;
- (g) Make appointments of members of the Technical and Assets Management Committees on the advice of the Secretariat;
- (h) Appoint external auditors to review NFTF's processes;
- (i) Monitor fund utilization by NFTF to ensure completion and post completion, maintenance of planting operations and other project;
- (j) Establish for NFTF an operational structure for execution of approved project;
- (k) Approve and Maintain all staff appointment as recommended by the Secretariat; and
- (l) No later than 31st March in each year, submit to the Minister, a report of funds received and disbursed in relation to the NFTF activities in the preceding year.
- (m) Perform such other function as given to the NFTF Governing Council by the Minister to achieve the objectives for which it was constituted.

By virtue of the provisions of Section 6(j) of the Gazette, The Honourable Minister further directs that the GC shall:

- (i) Ensure the institutionalisation of the NFTF through pursuit of enactment of an Act of Parliament;
- (ii) Lead resource mobilisation drive for national resources and support resource mobilisation efforts of the secretariat from international development partners for incremental funding during the pilot phase;
- (iii) Approve the adoption of criteria, as submitted by the Technical Review Committee for project selection at the end of every year for the succeeding year
- (iv) Submit an interim report at six months interval before the due date for the annual report

2.2.3. Tenure.

Member of the GC shall hold office-

- (a) For a term of four (4) years in the first instance and may be re-appointed for a further term of 4 years; or on such terms and conditions as may be specified in the letter of appointment.
- (b) A member of the GC shall cease to hold office as a member where the member—
 - (i) Resigns his appointment as a member by notice under his hand addressed to the Minister of Environment;
 - (ii) Becomes of unsound mind;
 - (iii) Becomes bankrupt or makes a compromise with a creditor;
 - (iv) Is convicted of a felony or of any offence involving dishonesty or corruption;

- (v) Becomes incapable of performing his official duties either arising from infirmity of body or mind;
- (vi) Is replaced or resigned from the organization that nominated him; or
- (vii) The Minister of Environment is satisfied that it is not in the interest of the NFTF or in the interest of the public for the person to continue in office and the Minister remove him from office.

- (c) Where a vacancy occurs in the membership of the GC, it shall be filled by the appointment of a successor to hold office for the remainder of the term of office of the predecessor; provided that such successors shall represent the same interest as the predecessor.

2.2.3 Meetings, Remuneration and Conflict of Interest.

2.2.3.1 Meetings.

- (a) Meeting of the NFTF shall be held at least once every 3 months unless otherwise agreed by two thirds of the GC.
- (b) Notice of meeting of the GC shall be issued by the Chairperson to members at least 14 days prior to the meeting of the NFTF GC.
- (c) The notice shall specify the date, time and agenda in detail of the meeting and attach any supporting documents.
- (d) The NFTF shall meet for the conduct of its business at such places and on such days as the Chairperson may appoint
- (e) Every meeting of the NFTF GC shall be presided over by the chairperson and where the chairperson is unable to attend a particular meeting, the Vice-Chairperson shall preside. However, in the absence of both, the Chairman shall appoint an interim Chairman for that specific meeting.
- (f) Each member of the NFTF GC shall be entitled to require the chairperson to include additional items on the agenda by written notice to the chairperson and the other members of the NFTF Board of Trustee not less than 7 days prior to the meeting of the NFTF and attach any supporting documents
- (g) For any meeting of the GC, the period of notice stipulated above may be waived with the consent in writing of all members.

Decision Making Process.

- (i) Each member shall have one vote on all matters for decision.
- (ii) One or more members may participate in and vote at a meeting of the NFTF GC by means of video conference which allows all persons participating in the meeting to hear and communicate with each other.

Minutes of Meeting

- (i) Each member shall, within 14 days after receiving drafts of minutes of any meeting, return the minutes with its comments to the Secretary who shall within 14 days thereafter forward the final draft to members.
- (ii) The minutes of each meeting shall be approved by the GC at the next meeting and copies thereof shall be furnished to all members.
- (iii) The quorum of any meeting of the NFTF GC shall be 7 members including the Chairman.

2.2.3.2. Remuneration:

The members of the Governing council shall be paid sitting allowance as honorarium and any other allowance as obtainable for Category C of Federal Government Board appointments as contemporary or as the Minister will from time to time direct – whichever may be lower.

2.2.3.3. Conflict of Interest.

Any member of the GC who has a personal interest in any contract or agreement entered into or proposed to be considered shall so declare and be excused from all deliberations related thereof.

Subject to the approval of the Governing Council, the NTFF may accept gifts of land ,money or other property on such terms and conditions, if any ,as may be specified by the person and organization making the gift.

Governing Council Members shall not accept any gift if the conditions attached by the person or organization making the gift are inconsistent with the objectives of the Gazette setting up the NTFF, any other law, rule or order governing the code of conduct for public officers in Nigeria.

2.3. Technical Review Committee (TRC).

The Technical Review Committee shall be made up of six members Their main responsibility shall be to review proposals submitted for support by the NTFF and ensure not only its technical soundness but also value added to SFM practices and potential for sustaining and/or creating jobs especially and including for the informal sector. The TRC would be expected to meet twice in a year, with the last day of their meeting abutting with the first day of the GC meeting, at which they would be expected to provide the outcome of their review and recommendation for approval or otherwise by the GC. Specific responsibilities include the following:

- a. Review and periodically develop the templates for project proposals for all categories of proponents.
- b. Ensure compliance of recommended projects with objectives of NTFF
- c. Revise and finalize grant solicitation formats
- d. Recommend Technical Assistance to be offered to any successful proponent that desire and request for such.
- e. Advise the Governing Council on technical areas that would form the focus for every year.
- f. Advise the Governing Council on eligibility of proposals and make recommendations on proposal to be funded on the basis of approved criteria.
- g. Review all proposals submitted for support to the NTFF

2.4 Resource Mobilisation Committee.

The Resource Mobilisation Committee is a six member body charged with ensuring effective capitalisation of the Trust Fund from both domestic and international sources and will have the following responsibilities:

- a. Identify and recommend to Governing Council potential partners for the NTF.
- b. Determine possible sources of eliciting funds for the Trust Fund.
- c. Identifying possible donor/funding agents and partners and determine their strategic buy-in approaches.
- d. Develop procedure and modalities for resource mobilisation (National and International stakeholders).
- e. Lead all resource mobilisation efforts.

2.5. Investments Evaluation Committee.

The need to ensure that investments support by the NTF could help scale up efforts – in scope and content informs this committee, which is saddled with the following responsibilities:

- a. Review approved projects and ensure process -flow to achieve objective of NTF.
- b. Provide modality for examining and evaluating projects submitted based on feasibility and meeting the focus of Trust Fund yearly
- c. Define procedures for managing tangible assets procured under NTF.
- d. Advise and provide template where necessary on how assets would be maintained and handed over.
- e. Develop and periodically review grant and loan disbursement mechanism
- f. Develop draft MOU for partnership between NTF and successful beneficiaries.

2.6. Implementation Committee.

- a. Determine implementation process flow of the three tiers of government and recommend membership at each level (including private sector, NGOs and CSO).
- b. Develop supervision and monitoring templates for the approved projects and recommend to Governing Council for approval.
- c. Produce monitoring schedule and guidelines for Governing Council members.
- d. Review Implementation progress and report to the Governing Council.

2.7. Third Party Monitoring.

To ensure that proceeds of the NTFF are applied for purposes intended, a third party monitor would be engaged, using competitive means, on an annual basis and no such firm or CSO can be engaged for more than two years. The overall objective of the third party monitors is to review the processes and results of disbursement of funds from the NTFF to ensure that laid down procedures are being applied. This is to guarantee that successful proponents are the ones that received resources and it is being applied as contained in the agreement between the NTFF and beneficiary. This would ensure transparency and compliance with principles of implementation and confirm and document work done by beneficiaries. Thus the third party monitors would be expected to develop appropriate modalities – based on indicators in the M&E framework and evaluate the extent to which project outputs and outcomes meet the required standard and expectations of the NTFF.

The Terms of Reference for such studies shall be provided by the NTFF secretariat, cleared by the GC and successful firm engaged by the secretariat based on GC's directive.

2.8. NTFF Secretariat.

Headed by a Chief Programme Officer, under the supervision of Director, Forestry would be thinly staffed with not more than 9 officers (Chief Programme Officer, Senior Programme Officer, Monitoring and Evaluation Officer, Management Information Systems Officer, Chief Finance Officer, Finance, Clerk, Admin Officer and 2 Drivers) in the two-year pilot phase, would be responsible for day-to-day implementation of activities as approved by the GC. Specific responsibilities include the following:

1. Coordinate and provide technical guidelines and guidance to implementing entities;
2. Develop technical guidelines for accessing the funds for GC approval
3. Create awareness and mobilize stakeholders' participation
4. Prepare annual work plan and budget for GC's approval;
5. Ensure that implementation is undertaken in line with available Guidelines;
6. Establish requisite linkages with relevant implementing entities;
7. Manage consultancies for specific studies required by the Fund;
8. Develop a robust communication and outreach strategy for approval by the GC;
9. Produce templates and act as clearing house for Call for Proposals for different levels of project interventions and funding framework.
10. Resolve any hindrance to smooth flow of activities particularly flow of funds;
11. Analyze all reports generated by the various levels and provide summaries to the GC;
12. Prepare status, quarterly and annual reports for submission to the GC and Permanent Secretary;
13. Undertake quarterly supervision and monitoring of activities in all the states and render report to GC;
14. Review Third Party Monitors Report and recommend to GC for approval;
15. Arrange for all meetings of the NTFF GC and any other as directed by the GC;
16. Arrange for an annual meeting of the National Forestry Development

- Committee (NFDC) and provide update on progress;
17. Responsible for all documentations including correspondences, reports, archives etc of the NFTF;
 18. Develop an M&E Framework contingent on an effective MIS, manage and disclose information on website; and
 19. Commission Impact evaluation of the pilot phase.

The above responsibilities would be carried out by the programme as well as Finance and Administration Divisions. In this envisaged two years pilot phase, the Secretariat would be made up of minimal level of staffing to allow for undertaking its assignments and these include (i) NFTF Secretary (ii) Chief Programme Officer (iii) One Programme Officer and One Programme Assistant (iv) Chief Finance Officer and an Accounts Officer (v) Management Information System Officer (vi) One Communications Officer and (vii) Driver. All these, except for the Driver would be sourced from the Federal Department of Forestry/Federal Ministry of Environment.

2.9. State Level Oversight.

The State Department of Forestry shall serve as the state level secretariat for implementation of state and local government level as well as community level implementation. Each State shall constitute a State level 5-member Oversight Committee comprising two (2) designated State officers, One (1) representative of the relevant academic department of a higher institution in the state and One (1) Federal Forestry Field Officer who shall chair the implementation committee and One (1) representative of a reputable Non-Governmental Organization (NGO) with proven track record on forestry and forest resources related matters.

This committee is in no way charged with any implementation responsibility but required to provide monthly, quarterly, biannual and annual updates to the NFTF secretariat.

CHAPTER THREE: NFTF CAPITALISATION AND UTILISATION.

3.0 Sources.

The NFTF is an extra-budgetary source for funding SFM due to the inadequacy of allocation from statutory government funding and it shall be a revolving fund to be capitalised on a replenishable basis, in its pilot phase, through charges from forest related goods and services. Thus, in its first two years of operation, it would be funded mainly through:

Contributions from wood products exporters segregated according to wood products—

- Fully processed export N100,000/20ft container; and
- Semi-processed export N200,000/20ft container;
- ❖ 25% of CITES fines and penalties;
- ❖ Grants in-aid from Specialised National Funds e.g Natural Resources Development Fund, Ecological Funds;
- ❖ Incremental costs by development partners;
- ❖ Contributions of 0.005% Annual budget by the States Government;
- ❖ Contributions from wood based domestic industries (saw millers, furniture and cabinet maker, wood panel industries etc.);
- ❖ Bilateral aid;
- ❖ Multilateral grants/Financing;
- ❖ International Financing Mechanisms, including Climate Change dedicated funding sources;
- ❖ Philanthropic funds/donations;
- ❖ Donations from Non-Governmental Organisations; and
- ❖ Other monies which may from time to time accrue to the NFTF.

3.1. Utilisation.

Taking cognisance of the daunting challenges facing the forestry sector, due to almost two decades of neglect, the NFTF is envisaged as a transfer and catalytic fund. Disbursement of transfer funds would be mainly to those activities that are for the common good (common pool), implemented by government agencies as well as communities or non-profit making groups and not expected to generate any returns

within a ten year period. On the other hand, the catalytic disbursement would provide seed money for economically benefiting activities, especially by the private sector and would be in form of loans or grants depending on its specifics. However, in any given year of the pilot phase, not more than 70% of available resources shall be disbursed to the Public Sector, while the remaining 30% would be to the Private Sector. This is not only to ensure Private Sector benefit but also foster confidence building between the public and private sectors and secure sufficient buy-in for private sector investment in SFM.

Broad activities for which the fund can be utilised include the following:

- Forest related government activities, focused capacity building, sensitisation and awareness creation;
- Support to private forest plantation owners and Forest Industry;
- Support to Community level forest related activities, including support to Community Based Organisations (CBOs) ;
- Incentives for community level forest “defenders”, including whistle-blowing;

3.2. Eligible Activities.

On the basis of whether disbursed funds are transfers or catalytic, the following table depicts eligible activities for each category.

S/NO.	TRANSFERS	CATALYTIC
1.	<p>Implementation of Afforestation / Reforestation programmes</p> <p>Development of National forest information system</p> <p>Promotion of Biodiversity conservation</p> <p>Promotion of urban forestry</p> <p>Promotion of integrated systems of watershed management</p> <p>Developing effective and user friendly national forest monitoring system</p> <p>Promotion of human resilience to climate change and sustainable forest management.</p> <p>Development of efficient technologies as alternatives to the use of fuel wood</p> <p>Forest Resources Assessment and preparation of management plans.</p> <p>Establishment of in-situ and ex-situ breeding programmes for endangered species of flora and fauna.</p> <p>Promotion of genetic improvement of species etc.</p> <p>Stakeholders’ sensitisation and awareness creation.</p> <p>Provision of incentives for Whistle Blowing.</p>	<p>Provide support for innovative Agro forestry practices as a means of sustainable livelihoods.</p> <p>Community based sustainable management of agro forestry parklands.</p> <p>Promotion of sustainable rural production systems(in Agriculture, Forestry and Pastoralism).</p> <p>Support to Forest Industry.</p> <p>Support the development of forest products value chain</p>

	Annual Conduct of the National Forestry Development Committee Meetings.	
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Table 1: Classification of Eligible activities by disbursement mechanism.

Though the above is by no means exhaustive, additions and the specific details of what qualifies for either category would be further refined by the TRC guided by the principle of sustainability, private and common good.

3.3. Conditions and Procedures for Accessing Funds.

These would be categorised according to anticipated proponents

(a) **Federal Agencies.** Except for the NFTF Secretariat expenditures, whose operational funds only would be provided by the NFTF on the basis of a submission to and approval from the GC, other Federal level agencies, including the Federal Department of Forestry, would be expected to satisfy the following conditions:

- Have at least 50% of estimated cost of activity approved and released from the Federal Government budget for the period of the activity;
- Have in place adequate staff to undertake the activity;
- Demonstrate synergy of planned activity with strategic plan of the agency and in consonance with the National Forest Policy;
- Have in place a Monitoring and Evaluation mechanism to clearly show result of support in line with reporting requirements in agreement.

Upon fulfilling the above conditions, such agency would apply, with evidence of the above – using a standard proposal submission template to be developed by the NFTF Secretariat, reviewed by the TRC and approved by the GC. The application would then be subjected to review by the TRC subsequent to which appropriate recommendations are made to the GC for approval.

(b) State Government Departments and Agencies.

Conditions to be fulfilled by the state level agencies include the following:

- Have opened a dedicated Forestry Trust Fund account to which the required 0.005% or a minimum of N50million per year has been deposited;
- Set up, within the Forestry Department of the State, a not more than 5 man team (or as would be contained in the Agreement between the state and the NFTF) to manage implementation of approved activities.
- A commitment by the Executive Governor of the state that resources from the Funds would be managed as stipulated in this operational guidelines (Section on Fiduciary Management)
- Prepare and submit comprehensive plan to guide approval by GC fund allocation and disbursement
- Have in place adequate staff to undertake the activity;
- Demonstrate synergy of planned activity with strategic plan of the state in consonance with the National Forest Policy;
- Have in place a Monitoring and Evaluation mechanism to clearly show result of support in line with reporting requirements in agreement.
- Establish a Technical Committee comprising members from relevant MDAs and the CSO/NGO community.

Subsequent upon fulfilling the above, with documentation, the process as explained for federal level agencies would then be applied.

(c) Local Government Level (LGA).

- Must have deposited an amount equivalent to 50% of the cost of the activity into the State TF account;
- Establish, within the Agriculture Department of the Local Government Council (LGC) , a not more than 3 man team (or as would be contained in the Agreement between the state and the NFTF) to manage implementation of approved activities.
- A commitment by the LGA Chairman that resources from the Funds would be managed as stipulated in this operational guidelines (Section on Fiduciary Management)
- Team to review proposal from communities and facilitate alignment with LGA's
- Have in place adequate staff to undertake the activity;
- Demonstrate synergy of planned activity with strategic plan of the LGA and in consonance with the state strategic development plan and the National Forest Policy; and
- Proof that proposed activity would benefit the most degraded community and/or environment in the LGA.

(d) Community Level.

- Existence of a community level Organisation
- Designation of Community members to guide project implementation.
- Open an account into which funds would be released on basis of investment plan which should be aggregated at LGA and State
- Evidence of in-kind contribution e.g land for planting, forests to be reserved etc or a minimum cash as contained in the Call for Proposal by the NFTF.
- Availability of un-encumbered land – if activity is land related;
- Evidence of the extent of activity being a common good.
- Sustainability plans.

(e) Private Plantation Owner.

- Must have tenurial rights to land on which plantation is to be established.
- Must have, prior to application, established up to 1 ha of forest plantation of indigenous species.
- Must be an employer of not less than 5 persons (non-family members).
- Provide evidence of cash and in-kind contribution as shall be stipulated in the Call for Proposals.
- Must demonstrate end product use.

(f) Private Forest Industry.

- Must be registered with the Corporate Affairs Commission (CAC) with evidence of last three years Tax compliance.
- Must belong to umbrella organisation responsible for his industry.
- Must be an employer of not less than 5 persons (non-family members)

- Must present the last two years audited account of firm.
- Must include a business plan in its proposal to the NFTF – including evidence of cash and in-kind contribution.
- Must demonstrate end product use.
- Must show sustainable repayment plans.

(g) Non Governmental Organisations (NGOs).

- Must be registered with the Corporate Affairs Commission (CAC) with evidence of three years field experience in forestry and/or forestry related activities.
- Must have noticeable presence in State of operation.
- Must show evidence of common good forest support to communities.
- Must have an organisational structure acceptable to the TRC and IEC of the NFTF.

3.4. Call for Proposals.

Considering that a number of these activities may be seasonally dependent, the NFTF should ensure that calls for proposals and end dates give a good enough time for these activities to commence.

The call for proposals shall be made annually or as shall be required from time to time for different levels and kinds of funding and projects. However, small grants may be made available for small projects within two months of application, after consultation with the secretariat, review by the TRC and due approval by the GC. Proposals shall be accepted from the date of announcement, until a specified deadline.

The call for proposals shall be prepared by the Secretariat with instructions on dates, thematic areas, eligible grantees, formats, maximum accessible funds and other important information to be provided by the applicants. The proposals shall be according to given formats and will be advertised in at least two well circulated newspapers in Nigeria. Upon the setting up of the NFTF website, calls for proposals shall also be advertised therein.

Prospective organizations for consideration by National Forestry Trust Fund Governing Council are required to be legally registered, operational and have qualified staff to manage the project activities and finance. Project proponents should address all issues as required by the proposal solicitation documents.

Draft calls for proposals for the different levels are attached as Appendix 1.

3.5. Grievance Redress Mechanism.

Disputes may arise in the implementation of the NFTF especially with regards to equitable dispersal of approved interventions on the basis of geo-political consideration and/or severity of required forest intervention, appropriateness of interventions, selection of private sector beneficiaries, geographical targeting of interventions, amongst others. Irrespective of the type of grievance, a GRM would be put in place to address such following clearly spelt out procedure at the end of the

pilot phase.

CHAPTER FOUR. MONITORING AND EVALUATION.

4.0. Introduction.

The Theory of Change underlining the Results Based Monitoring and Evaluation Framework (RBMEF) for the NFTF is that “the availability of sustainable funding for forest related activities, outside the normal budgetary cycle of government, would significantly improve Sustainable Forest Management and ensure the production of forest goods and services in perpetuity for the present and future generation”. q

The Key Performance Indicators (KPI) would include the following:

- Governance and Implementation Structures established.
- Amount of resources mobilised disaggregated by National and International.
- Amount and %age of resources mobilised nationally disaggregated by Public and Private.
- Project proposals approved disaggregated by Public, Private and Community,
- Disbursement %ages by sector (Public/Private).
- Disbursement %ages by type (Transfers/Catalytic).
- Disbursement %age by activity classification.
- Enactment of NFTF Legislation.

The M&E results framework (table 2) provides an overview of the high-level indicators that would be used in tracking success of implementation. The choice of indicators used in the NFTF is guided by the expected levels of monitoring, activities or group of activities to be monitored, and inputs and outputs of the specific activities.

S/N	COMPONENT		RESULTS-CHAIN MODE	PERFORMANCE INDICATORS
1.	<i>Governance (Coordination/Oversight)</i>			
		1A	Component Activities	
	National		Resource mobilization	No of international organisations engaged. No of national organisations engaged

				disaggregated by public & private. Amount mobilised – disaggregated by source.
			Policy guidelines	No of stakeholders meetings/engagements in relation to policy guidelines.
			Review of Project Plan	No of project plans reviewed & approved disaggregated by Public, Private and Community.
			Review of Workplan & Budget provisions	No of budget provisions reviewed & approved.
			Review of Communication Plan/Outreach strategy	No of communication plan reviewed & approved.
			Establishment of Internal control mechanism	Audit team established.
			Fund utilization/ Disbursements monitoring	Disbursements by sector (Public/Private) (N) for: <ul style="list-style-type: none"> - completed projects. - planting operations maintenance. - maintenance of other projects. - Protected Areas improved - Forest surveys undertaken. Disbursement by type Transfers/Catalytic) (N). Disbursement by activity classification (N).
			Carry out monitoring & supervision visits to project sites	No of monitoring & supervision visits. No. of Monitoring & supervision reports reviewed.
			Develop master plan for reforestation & afforestation of production landscapes	No of meetings of stakeholders held No of reconnaissance & field visits carried out. No of stakeholders' workshops conducted
			Sensitisation & awareness creation in the States.	No of advertorials on approved project No & amount disbursed. Average completion time for approved projects. No of procurement lots undertaken
			Establishment of an operational structure/Procurement for approved projects execution	No of sensitization visits to States, LGAS & communities. No of LGAS & communities visited & sensitized.
			Undertake a comprehensive assessment & mapping of forest estates.	No of reconnaissance visits to forest estate communities. No of technical workshops held. No of reports & quality of map
			Investigate & evaluate degraded forest sites	No of degraded forest sites identified.
		1B	Component Outputs	
			Resources mobilised for the NTF operations	Amount of resources mobilised disaggregated by National and International. Amount and %age of resources mobilised nationally disaggregated by Public and Private.
			Policy formulation and guidelines	No of policies formulated.

			relating to NFTF functions provided	No of policy guidelines provided.
			Interests of players, stakeholders & members of public projected.	No of players, stakeholder groups and members of public whose interests are projected.
			Project plan reviewed & approved	No of project plan executed.
			Workplan & Budget provisions reviewed & approved	%age budgetary performance.
			Communication Plan/Outreach Strategy for project execution reviewed & approved	%age communication plan/outreach strategy implementation.
			External/Internal auditors to review NFTF's processes appointed	No of quarterly audit reports generated & submitted.
			Fund utilization/Disbursements monitored	Disbursement %ages by sector (Public/Private) for: <ul style="list-style-type: none"> - completed projects. - planting operations maintenance. - maintenance of other projects. Disbursement %ages by type (Transfers/Catalytic). Disbursement %age by activity classification.
			Monitoring & supervision reports produced	No & types of M&S reports generated (quarterly, half-yearly, annual).
			Master plan for reforestation of degraded forest estates, reserves & afforestation of production landscapes developed.	Annual estimated area of degraded forest estates, reserves & production landscapes in Ha.
			State, LGAs & communities become more aware of afforestation and SFM.	No of LGAs & Communities sensitised. No of private sector ready to invest in afforestation. No of tree nurseries established. No of seedlings raised.
			An operational structure for approved projects execution established	No of approved projects executed.
			Comprehensive assessment & mapping of forest estates undertaken.	Map of forest estates in the country. Technical report on assessment.
			Degraded forest sites investigated & evaluated.	Coordinates & estimated area of degraded forest sites in Ha.
				No of LGAS & communities supported.
		1C	Component Outcomes	
			Coordination and monitoring of NFTF enhanced	Governance & Implementation Structures established
			Policy direction for effective implementation of the NFTF functions achieved	%age overall implementation rating
			Players, stakeholders & members of public confidence & sense of security improved	Increase in no of players, stakeholders & members of public involved in reforestation & SFM
			Effective project plan implementation put in place.	%age project plan implementation
			Project execution facilitated	%age workplan & budget performance
			Sustainable communication & outreach strategy emplaced	No of grievances/conflicts addressed
			Transparency and accountability enhanced	Decrease in reported cases of sharp practices & other untoward activities.
			Project funds are well managed & effectively utilized.	Reduced approved project execution time.

			Mechanism to ensure effective tracking of NFTF operations as well as compliance with extant laws & regulations governing it, established.	No of completed projects. No of planting operations maintenance carried out. No of maintenance of other projects carried out.
			Decision-making process for reforestation, afforestation & management of degraded forest estates enhanced.	Increase in forest cover. Increase in sustainable production & supply of forest products & services.
			Privately & Community-owned forest estates established	Increase in area of privately/community-owned forest in Ha. Increase in area of agro-forestry or climate-smart agriculture in Ha.
			Implementation of NFTF's yearly activities facilitated Approved project execution enhanced Planning & decision-making process for effective management of forest estates improved	%age budget/workplan performance. Reduced cases of deforestation
			Appropriate targeted actions on degraded forest sites facilitated.	No & type of measures taken.
2.	Implementation/Execution (Reforestation & Afforestation)			
		2A	Component Activities	
	State		Provide technical support to LGAs & communities	No & type of technical support provided (e.g. monitoring & supervision, project audit, etc.)
			Trainings	No of trainings
			Execution of approved projects	No of project proposals submitted & approved disaggregated by public, private & community
	Local Govt.		Training of Desk Officers	No of training conducted
			Provide technical support to communities	No & type of technical support provided (e.g. supervision & technical guidance)
	Community		Formation of voluntary forest brigades in collaboration with NOA, NPS, SVGB, etc. for forest protection & boundary patrol.	No of radio and TV jingles produced and aired. No of meetings/consultations held with collaborating agencies & bodies. No of forest reserve boundaries demarcated.
			Whistle blowers strategy for reducing illegalities & other vices within the forest reserves	No of registered whistle blower volunteers.
			Communities are involved in forest management & agroforestry practices.	No of communities/CBOs sensitized on community based forest management & agroforestry practices.
			Gender training & participation in afforestation and SFM	No of women trained; No of women involved in afforestation and SFM practices;
			Formation & empowerment of livelihood groups	No of livelihood groups formed; No of livelihood groups trained by gender.
			Community contribution	Amount contributed
		2B	Component Outputs	

	State		More LGAs involved in afforestation and SFM practices	No of LGAs involved
			Enhanced LGA capacities	No of people from LGAs trained
			Approved projects executed	No of project proposals executed disaggregated by public, private & community
	Local Govt.		Enhanced capacities of LGAs	No of LGAs Desk Officers trained
			Improved community capacities for afforestation and SFM	No of community members supported
			Replenishments	No of replenishment received
	Community		Effective mechanism for forest protection emplaced.	No of voluntary forest brigades formed.
			Whistle blowers within community for reducing illegalities & other vices within the forest reserves in place.	No of whistle blowers within forest dependent community engaged.
			Non-government forest management & agroforestry practices encouraged.	No of tree nurseries established by communities & private sectors. No of seedlings raised & transplanted. Area of degraded sites afforested per annum (Ha).
			Women's/Females' role in communities & in forest administration strengthened.	No of women/females trained; No of tree nurseries established; No of meetings attended by women
			Livelihood options for effective afforestation & forest management practices developed	No of trees at community woodlots/farms; No of training on livelihood options (e.g. beekeeping, livestock keeping, etc) carried out; No of livelihood materials distributed;
		2C	Component Outcomes	
	State		Timely execution of approved projects facilitated	Average time spent to execute approved disaggregated by Public, Private and Community
	Local Govt.		Improved project implementation	No of project sites implemented
			Communities are more efficient to carry out specific operations	Increase in sustainable production & supply of forest products
			Efficient & sustainable use of resources	Average amount spent on reforestation of degraded sites, etc.
	Community			
			Forest estates protection and boundary security strengthened	Reduced cases of forest encroachments. Reduced cases of forest fires, etc.
			Effective Community-driven forest monitoring mechanism emplaced.	Reduced cases of forest encroachments.
			Non-government involvement in agroforestry & other sustainable forest management practices facilitated	Increased area of reforested sites. Increased sustainable forest management practices.
			Gender involvement and participation in forest mgt. & administration enhanced	Increased participation of women in communities & in forest administration
			Communities & other stakeholders groups welfare enhanced & become more proactive in forest management through effective livelihood options	Livelihoods & additional income sources of the stakeholder livelihood groups increased and diversified; Productivity of agricultural land per unit area improved; Knowledge and skills in agroforestry and other good agricultural practices

				increased; Amount of trees in community forests and agroforestry systems increased;
3.	Advocacy/Forest Protection			
		3A	Component Activities	
			Encourage formation of voluntary forest brigades in collaboration with NOA, NPS, SVGB, etc. for forest protection & boundary patrol.	No of radio and TV jingles produced and aired. No of meetings/consultations held with collaborating agencies & bodies. No of forest reserve boundaries demarcated.
			Encourage whistle blowers within community dependent on forest for reducing illegalities & other vices within the forest reserves	No of community sensitization carried out. No of registered whistle blower volunteers.
			Encourage community based forest management agroforestry practices.	No of communities sensitized on community based forest management & agroforestry practices.
		3B	Component Outputs	
			Formation of voluntary forest brigades in collaboration with NOA, NPS, SVGB, etc. for forest protection & boundary patrol encouraged.	No of voluntary forest brigades formed.
			Whistle blowers within community dependent on forest for reducing illegalities & other vices within the forest reserves encouraged.	No of whistle blowers within community dependent on forest engaged.
			Community based forest management & agroforestry practices encouraged.	No of communities engaging in CBFM & agroforestry practices.
		3C	Component Outcomes	
			Forest estates protection and boundary security strengthened	Reduced cases of illegal logging & other encroachments. Reduced cases of forest fires, etc.
			Community-driven forest monitoring mechanism emplaced.	No of reported cases of illegalities & other vices within forest reserves
			Communities become more involved in forest management & agroforestry practices	Increased community participation in forest management & agroforestry practices
4.	Support to Federal Department of Forestry			
		4A	Component Activities	
			Financial support in monitoring, evaluation, quality control of wood processing factories & other CITES operations	No of financial support to FDF & amount
			Annual National Forestry Development Committee held.	No. of Participants
		4B	Component Outputs	
			Financial support in monitoring, evaluation, quality control of wood processing factories & other CITES operations for effective documentation of trade in CITES listed flora & fauna provided.	No of M&E reports generated. No of wood processing factories administered. No & types of other CITES operations undertaken.
			NFDC Meeting Reports produced and circulated.	No. of policy directives agreed upon.

		4c	Component Outcomes	
			FDF capacity in effective documentation of trade in CITES listed flora & fauna strengthened	No of technical reports & documentations on M&E, wood processing quality control & on other CITES operations.
			National synchrony in SFM.	Increased SFM practices nationally.

Table 2: NFTF M&E Results Framework.

CHAPTER FIVE: FIDUCIARY MANAGEMENT.

5.1. Procurement.

Procurement through the NFTF shall be highly decentralised with all implementing entities responsible for their procurement, which would, however, be based on an approved procurement plan that would be part of the implementation agreement. All such procurement shall comply with the Public Procurement Act (2007) and shall be competitive, transparent and economical. All procurement undertaken by any entity shall be reviewed by the NFTF Assets Management Committee to ensure consistency with agreed procedures and processes as well as compliance with the Procurement Act, 2007..

Procurement of Works: Procurement of works is envisaged by some implementing units that may want to go into afforestation and/or reforestation. Such is not expected to cover an area more than 5Ha per entity, except for states that may want to undertake greater hectarages. Although state forestry services may want to undertake some of these activities by direct labour under, verification by third-party monitors of the actual work undertaken during the period in question is required before the project reimburses the states for a share of expended amount.

Procurement of Goods: The goods for procurement under the pilot phase of the NFTF **does not include vehicles (except for the Secretariat)**, but could cover office equipment, and computers, inventory materials and equipment and related items.

Operating Costs: Operating costs, which shall not be more than 10% of the total

approved budget for any successful proposal, would include the staff's travel expenditures and other travel-related allowances with prior approval from the GC. Other operating costs include equipment rental and maintenance; vehicle operation (for secretariat), maintenance, and repair; supply of stationeries; utilities and communication expenses; and bank charges.

5.2 Financial Management

The financial management (FM) arrangements is aimed at ensuring efficient and economic use of NTFF resources, compliance with acceptable accountability standards and the agreed reporting requirements. The FM system supports the TF to ensure efficiency and effectiveness in service delivery. Specifically, the FM system is capable of producing timely, accurate and reliable financial information that enable the secretariat plan, implement, monitor and appraise the overall progress towards the achievement of the TF objectives.

The financial procedures described herewith would change once the NTFF Act is passed by the National Assembly (NASS) and an updated Operational guidelines would be produced.

5.3. NTFF Financial Management System

5.3.1. General Financial Management.

The Finance and Administration Division of the NTFF Secretariat would be responsible for the day-to-day financial operations under the guidance of the NTFF Secretary and Supervision of the Permanent Secretary, Federal Ministry of Environment. The Finance and Administration Division would be responsible for the following:

- All project financial transactions are accurately and completely recorded on real-time basis;
- Establish adequate internal controls and safeguard the entity's assets;
- Efficient and effective disbursement/replenishment arrangements;
- Maintain all project financial records and book of accounts, documentations, and internal controls;
- Ensure that contract terms are adhered to;
- Ensure adequacy and reliability of the project's financial management arrangements;
- Preparing monthly and quarterly reports, and provide regular/ad-hoc financial reports to the GC;
- The annual financial Statements are prepared on a timely basis;
- Provide financial management support to Implementing entities;
- Ensure compliance with financial management requirements of the Federal Government's Treasury Single Account (TSA) and
- Forward periodic financial reports and statements to the Permanent Secretary and the GC.

The NTFF resources shall be applied to achieving the mandate and functions stated in Article 1.3 (Objectives of the NTFF) of this guidelines and any purchases made as

approved by NTFF Governing Council and consistent with the Gazette establishing the NTFF..

5.3.1. NTFF Secretariat.

The Finance and Administration Division of the Secretariat will handle financial management functions under the following arrangements:

- **Disbursement:**

The NTFF will use transaction based procedure for reimbursement into the designated account and for direct payment to all implementing entities at the federal and state level. The Secretary (Director, Forestry) would forward all activities – on the basis of an approved Annual Work Plan and Budget - requiring payments (secretariat running costs, approved grant and loan disbursements etc) to the Chairman for approval. Upon Chairman’s approval, the DFA and Permanent Secretary would be informed to sign the approved payment on REMITA and in their absence, their alternates (DD, Budget and Secretary would perform the same function.

- **Bank Accounts:**

The Secretariat will open one designated USD Accounts with the Central Bank of Nigeria (CBN) for which incremental funding by development partners would be deposited. It would also open two Naira Accounts, one to serve as Draw-Down for the incremental funding and the other to serve as the account from which all funds would be disbursed to implementing entities.

- **Signatory to the account: -**

Naira Accounts:

Two signatories are required for category A and Category B.

Category A:

Permanent Secretary	-	Principal
Director, Forestry	-	Alternate

Category B:

Director, Finance and Administration	-	Principal
Deputy Director, Budget	-	Alternate.

USD Account:

Two signatories are required for category A and Category B.

Category A:

Permanent Secretary	-	Principal
Director, Forestry	-	Alternate

Category B:
Director, Finance and Administration - Principal
Deputy Director, Budget - Alternate.

5.3.2 Implementing Entities.

(I) State Government Implementing Entities.

- **Bank Account:**

The State government implementing entity shall open an account dedicated for TF activities into which the agreed amount would be deposited by the state government – and if there are LGAs wishing to apply to the funds, the agreed sums should also be deposited in this account.

- **Signatory to the account: -**

Two signatories are required for category A and Category B as follows.

Category A:

Director in Charge - Principal
Supervising Permanent Secretary - Alternate

Category B:

Accountant General of the State - Principal
Project Accountant - Alternate.

(II) Private Sector and Community level Implementing Entities.

These entities shall adopt appropriate private sector based financial transactions models that would be reviewed by the Asset Management Committee of the NTFF and approved by the GC to ensure it meets contemporary financial management standards.

CHAPTER SIX: CONCLUSION.

The establishment of the NTFF, as a means of providing sustainable source of funding for Sustainable Forest Management (SFM) is highly desirable, especially with the numerous challenges experienced in the sector, at all levels of governance, over the last two decades.

Considering the quantum of resources required to make meaningful impact in revamping the forestry sector, national resources alone would not be sufficient and neither should we, as a country neglect our basic responsibilities for a healthy and sustainable socio-economic development. In this wise, the institutionalisation of the

NFTF is two-pronged, starting with country resources as a pilot for two years (2019 – 2020). This has two advantages viz (a) systematic implementation of a novel approach and (b) garnering the confidence of development partners to provide resources in support of the efforts. Of course, this does not preclude the fact that such support can be provided – as incremental funding – during this pilot phase and also complete support if the required structures with appropriate legal instruments are in place.

It is hoped that with demonstrable results from the NFTF, governments at all levels would renew their commitment to SFM and provide resources in achieving this.

Appendix 1.

TEMPLATE FOR SOLICITATION (REQUEST, CALL, INVITATION) OF PROJECT PROPOSAL FOR FEDERAL AGENCIES

INTRODUCTION

The NFTF intends to provide support for the implementation of Forestry related project to be financed partly as a grant and / or loan through intervention in

2019 for sustainable forest management at the national level.

Consequently, interested federal agencies are required to forward project proposals to the NFTF Secretariat, Federal department of forestry, plot 393/394 Augustus Aikhomu way, Utako-Abuja. on or before...

Applications are reviewed based on the following prequalification requirements

All Federal Government Agencies interested in embarking on Forestry related project would be expected to satisfy the following conditions;

- Have at least 50% of estimated cost of activity approved and released from the Federal Government budget for the period of the activity.
- Have in place adequate staff to undertake the activity;
- Demonstrate synergy of planned activity with strategic plan of the agency.
- Having in place a monitoring and evaluation mechanism to clearly show result of support in line with reporting requirements in agreement.

Note also that approval shall be given on strict compliance with the specified project proposal format (especially including demonstrable evidence of public good and utility) hereunder and subject to the availability of fund.

PROJECT PROPOSAL FORMAT

S/N	ITEM	EXPLANATORY NOTE
1	Name of Federal Agency	
2	Project Title	
3	Partner Organization(if any)	
4	Project Location(Detail of geographical location and project boundary including information allowing the unique identification of the proposed project)	
5	Desk Officer	
6	Physical Address	
7	E-Mail	

8	Mobile Phone	
9	Project Timeline	
10	Amount Required	
11	Project Introduction	
12	Problem Description	
13	Project Objectives	
14	Project Goals	
15	Project Justification	
16	Project Scope	
17	Land Ownership Structure (if Project is land related i.e. either a. Private land, b. Public land, c. Community land, d. a description of legal title to land, current land tenure and land use and rights)	
18	Impact and benefits of Project i. Address issue of SFM ii. Curb climate change where necessary iii. Job creation	
19	Project Plan (Detailed list Estimate/Budget) i. Cost sharing arrangement ii. Number of workers needed iii. Salaries and wages iv. Major equipment (Pump etc.) v. Major materials(e.g. Structural, if any) vi. Minor materials and hand tools (e.g. fencing tools, if any) vii. Disbursement plan	
20	Timeline/Work Plan	
21	Sustainability Plan	
22	Project Outcome	

TEMPLATE FOR SOLICITATION (REQUEST, CALL, INVITATION) OF PROJECT PROPOSAL FOR STATE

INTRODUCTION

The NFTF intends to provide support for the implementation of Forestry related project to be financed partly as a grant and/or loan through intervention in 2019 for sustainable forest management at the national level.

Consequently, interested state and its agencies are required to forward project proposals to the NFTF Secretariat, Second floor Federal Department of Forestry building, Plot 393/394 Augustus Ahikomu way, Utako- Abuja. On or Before...

Applications are reviewed based on the following prequalification requirements

- Have opened a dedicated trust fund account to which the required 0.005% of annual budget or a minimum of ₦50m per year has been deposited.
- Set up within the Forestry Department of the state, a not more than 5 man team (or as would be contained in the agreement between the state and the NFTF) to manage implementation of approved activities.
- A commitment by the Executive Governor of the state that resources from the funds would be managed as stipulated in the operational guidelines.
- The state government shall open an account dedicated for the Trust Fund activities into which the agreed amount would be deposited by the state government

Note also approval shall be given on strict compliance with the specified project proposal format (especially an including demonstrable evidence of public good and utility of the project) here under and subject to the availability of funds.

PROJECT PROPOSAL FORMAT

S/N	ITEM	EXPLANATORY NOTE
1	Name of Federal Agency	
2	Project Title	
3	Partner Organization(if any)	
4	Project Location(Detail of geographical location and project boundary including information allowing the unique identification of the proposed project)	
5	Desk Officer	
6	Physical Address	
7	E-Mail	
8	Mobile Phone	

9	Project Timeline	
10	Amount Required	
11	Project Introduction	
12	Problem Description	
13	Project Objectives	
14	Project Goals	
15	Project Justification	
16	Project Scope	
17	Land Ownership Structure (if Project is land related i.e. either a. Private land, b. Public land, c. Community land, d. a description of legal title to land, current land tenure and land use and rights)	
18	Impact and benefits of Project iv. Address issue of SFM v. Curb climate change where necessary vi. Job creation	
19	Project Plan (Detailed list Estimate/Budget) viii. Cost sharing arrangement ix. Number of workers needed x. Salaries and wages xi. Major equipment (Pump etc.) xii. Major materials(e.g. Structural, if any) xiii. Minor materials and hand tools (e.g. fencing tools, if any) xiv. Disbursement plan	
20	Timeline/Work Plan	
21	Sustainability Plan	
22	Project Outcome	

**TEMPLATE FOR SOLICITATION (REQUEST, CALL, INVITATION) OF
PROJECT PROPOSAL FOR LOCAL GOVERNMENT AREA**

INTRODUCTION

The NTFF intends to provide support for the implementation of Forestry related project to be financed partly as a grant and/or loan through intervention in 2019 for sustainable forest management at the national level.

Consequently, interested L.G.A's are required to forward project proposals to the NTFF Secretariat, Federal department of forestry, plot 393/394 Augustus Aikhomu way, Utako-Abuja, on or before...

Applications are reviewed based on the following prequalification requirements

- Must have deposited an amount equivalent to 50% of the cost of the activity into the state Trust Fund account.
- Establish, within the Agriculture Department of the L.G.A, a not more than 3 man team (or as would be contained in the Agreement between the state and the NTFF) to manage implementation of approved activities.
- A commitment by the L.G.A chairman that resources from the funds would be managed as stipulated in the operational guidelines.
- Have in place adequate staff to undertake the activity.
- Demonstrate synergy of planned activity with strategic plan of the L.G.A.
- Proof that proposed activity would benefit the most degraded community and/or environment in the L.G.A.

Note also approval shall be given on strict compliance with the specified project proposal format (especially and including demonstrable evidence of public good and utility) here under and subject to the availability of funds.

PROJECT PROPOSAL FORMAT

S/N	ITEM	EXPLANATORY NOTE
1	Name of Federal Agency	
2	Project Title	
3	Partner Organization(if any)	
4	Project Location(Detail of geographical location and project boundary including information allowing the unique identification of the proposed project)	

5	Desk Officer	
6	Physical Address	
7	E-Mail	
8	Mobile Phone	
9	Project Timeline	
10	Amount Required	
11	Project Introduction	
12	Problem Description	
13	Project Objectives	
14	Project Goals	
15	Project Justification	
16	Project Scope	
17	Land Ownership Structure (if Project is land related i.e. either a. Private land, b. Public land, c. Community land, d. a description of legal title to land, current land tenure and land use and rights)	
18	Impact and benefits of Project vii. Address issue of SFM viii. Curb climate change where necessary ix. Job creation	
19	Project Plan (Detailed list Estimate/Budget) xv. Cost sharing arrangement xvi. Number of workers needed xvii. Salaries and wages xviii. Major equipment (Pump etc.) xix. Major materials(e.g. Structural, if any) xx. Minor materials and hand tools (e.g. fencing tools, if any) xxi. Disbursement plan	
20	Timeline/Work Plan	

21	Sustainability Plan	
22	Project Outcome	

TEMPLATE FOR SOLICITATION (REQUEST, CALL, INVITATION) OF PROJECT PROPOSAL FOR PRIVATE SECTOR INDUSTRY

INTRODUCTION

The NFTF intends to provide support for the implementation of Forestry related project to be financed partly as a grant and /or loan through intervention in 2019 for sustainable forest management at the national level.

Consequently, interested Private Sector Industry are required to forward project proposals to the NFTF Secretariat, Federal department of forestry, plot 393/394 Augustus Ahikomu way, Utako-Abuja, on or before...

Applications are reviewed based on the following prequalification requirements

- Must be registered with appropriate Government Regulatory Agency.
- Must belong to umbrella organisation responsible for the industry.
- Must present the last two years audited account of company
- Must show evidence of last 3 years tax clearance
- Must show repayment plans.

Note also approval shall be given on strict compliance with the specified project proposal format (especially and including demonstrable evidence of public good and utility) here under and subject to the availability of funds.

PROJECT PROPOSAL FORMAT

S/N	ITEM	EXPLANATORY NOTE
1	Name of Federal Agency	
2	Project Title	
3	Partner Organization(if any)	
4	Project Location(Detail of geographical location and project boundary including information allowing the unique identification of the proposed project)	
5	Desk Officer	
6	Physical Address	

7	E-Mail	
8	Mobile Phone	
9	Project Timeline	
10	Amount Required	
11	Project Introduction	
12	Problem Description	
13	Project Objectives	
14	Project Goals	
15	Project Justification	
16	Project Scope	
17	Land Ownership Structure (if Project is land related i.e. either a. Private land, b. Public land, c. Community land, d. a description of legal title to land, current land tenure and land use and rights)	
18	Impact and benefits of Project <ul style="list-style-type: none"> x. Address issue of SFM xi. Curb climate change where necessary xii. Job creation 	
19	Project Plan (Detailed list Estimate/Budget) <ul style="list-style-type: none"> xxii. Cost sharing arrangement xxiii. Number of workers needed xxiv. Salaries and wages xxv. Major equipment (Pump etc.) xxvi. Major materials(e.g. Structural, if any) xxvii. Minor materials and hand tools (e.g. fencing tools, if any) xxviii. Disbursement plan 	
20	Timeline/Work Plan	
21	Sustainability Plan	
22	Project Outcome	

TEMPLATE FOR SOLICITATION (REQUEST, CALL, INVITATION) OF PROJECT PROPOSAL FOR PRIVATE PLANTATION OWNER

INTRODUCTION

The NFTF intends to provide support for the implementation of Forestry related project to be financed partly as a grant and / or loan through intervention in 2019 for sustainable forest management at the national level.

Consequently, interested Private Plantation owners are required to forward project proposals to the NFTF Secretariat, federal department of forestry building plot 393/394 Augustus Ahikommu way Utako-Abuja. on or before...

Applications are reviewed based on the following prequalification requirements

- Must have tenurial rights to land on which plantation is to be established.
- Must have, prior to application, established up to 3ha of forest plantation.
- Must be an employer of not less than 5 persons (non-family members).
- Provide evidence of cash and in kind contribution.
- Must demonstrate end product use

Note also approval shall be given on strict compliance with the specified project proposal format (especially and including demonstrable evidence of public good and utility) here under and subject to the availability of funds.

PROJECT PROPOSAL FORMAT

S/N	ITEM	EXPLANATORY NOTE
1	Name of Federal Agency	
2	Project Title	
3	Partner Organization(if any)	
4	Project Location(Detail of geographical location and project boundary including information allowing the unique identification of the proposed project)	
5	Contact Person	

6	Physical Address	
7	E-Mail	
8	Mobile Phone	
9	Project Timeline	
10	Amount Required	
11	Project Introduction	
12	Problem Description	
13	Project Objectives	
14	Project Goals	
15	Project Justification	
16	Project Scope	
17	Land Ownership Structure (if Project is land related i.e. either a. Private land, b. Public land, c. Community land, d. a description of legal title to land, current land tenure and land use and rights)	
18	Impact and benefits of Project <ul style="list-style-type: none"> xiii. Address issue of SFM xiv. Curb climate change where necessary xv. Job creation 	
19	Project Plan (Detailed list Estimate/Budget) <ul style="list-style-type: none"> xxix. Cost sharing arrangement xxx. Number of workers needed xxxi. Salaries and wages xxxii. Major equipment (Pump etc.) xxxiii. Major materials(e.g. Structural, if any) xxxiv. Minor materials and hand tools (e.g. fencing tools, if any) xxxv. Disbursement plan 	
20	Timeline/Work Plan	
21	Sustainability Plan	

22	Project Outcome	
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