WHERE IS THE MONEY?

...NDF Asks Over Forest Plantation Development Fund Usage

The seeming absence of raw materials for the timber industry has raised issues over what the Ghana Forest Plantation Development Fund (GFPDF), a fund set aside to regenerate forests being explored by timber companies in the country, has been used for.

According to a study conducted by Taylor Crabbe Initiative for the Nature and Development Foundation (NDF), there appears to be very limited information to stakeholders regarding levies received from timber firms and how the monies are put back into forest plantation establishment.

CSOs “STRANGLE” LANDS MINISTRY

As Ghana Sits On FLEGT Time-Bomb

CSOs "STRANGLE" LANDS MINISTRY

As Ghana Sits On FLEGT Time-Bomb

Ghana is on the verge of losing a golden opportunity to issue Forest Law Enforcement Governance and Trade (FLEGT) license that would make timber trade with the European Union easier and mutually beneficial.

Timber Trade in Ghana Goes Digital

An internet-based application to help wood and wood products buyers find legal wood sellers has been launched in Accra.

The application, (www.ghanatimbermarket.com), created by the Nature and Development Foundation (NDF), a Non-Governmental Organization (NGO) is aimed at easing legal timber trade on the domestic market of Ghana.

At a ceremony in Accra to launch the App, Madam Margaret Appiah, Projects Officer of the NDF, said the application is one of the recent initiatives of NDF to contribute to the stability of Ghana’s timber market.

Obed Owusu-Addai, Managing Campaigner, EcoCare Ghana, presenting a press statement

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www.ghanatimbermarket.com

Facilitating the purchase of legal timber in Ghana
LOCAL FOREST MONITORS RECEIVE THREATS

Some community forest monitors in the Sefwi Wiawso Municipality of the Western North region, have been complaining of threats on their lives by illegal loggers.

According to them, their vigilance has become a source of frustration to these loggers and this is arousing enmity between them.

Speaking on condition of anonymity, a middle-aged lady narrates how she receives physical threats from people who are bent on carrying out their illegal activities on the forests and landscapes, for what they term “spying on them.”

“As part of efforts to restore the forests and landscapes, Tropenbos Ghana supports us to plant trees. But chainsaw operators burn and destroy the forests indiscriminately, including the trees we plant. Recently, the wife of a chainsaw operator threatened to sprinkle petrol on me in my room and burn my household, because she suspects I have been speaking against her husband’s illegal chainsaw activities,” she said.

A 32-year old male community monitor also lamented that there are open threats on them because they try to prevent illegal activities in forests and landscapes. He indicated that he had received threats from a chainsaw operator because he had caused his equipment to be seized.

“We the community monitors face many challenges in the discharge of our duties. Paramount among the challenges are the open threats we receive on a daily basis from people who are determined to destroy our forests and landscapes for their individual selfish interests. I have been receiving death threats, the recent one coming from a timber contractor because I had caused his equipment to be seized,” he said.

Residents of the area have also appealed to authorities to save the Tano Suhyen Forest Reserve from total destruction, which is as a result of illegal farming and felling of trees. The rate at which the reserve is being encroached is alarming and residents fear that their livelihoods will be heavily affected. Urgent measures are therefore needed to protect the Reserve and the landscapes before losing it to farming in less than 10 years.

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CSOs “STRANGLE” LANDS MINISTRY

• As Ghana Sits On FLEGT Time-Bomb

Ghana doesn’t miss the December 2020 deadline to complete processes aimed at anchoring home this milestone as Parliament holds the nation’s fate.

Mr. Obed Owusu-Addai, Managing Campaigner of EcoCare Ghana, speaking at a press conference stated that, failure to finish the process started since 2009 would result in everything going down the drain and Ghana losing its credibility on the international timber market.

“Parliament is expected to convert Timber Extant Leases into Timber Utilization Contracts (TUCs) to complete the process before the December 2020 deadline set by Ghana itself as completion date,” Mr. Addai Owusu reiterated.

He disclosed that the over 100 contract documents had been prepared and forwarded to the Lands and Natural Resources Ministry for signature and onward submission to Parliament for ratification. When this process is completed, it would pave way for Ghana to issue FLEGET license under the Voluntary Partnership Agreement (VPA) Ghana entered into with the EU to ensure only legal wood is traded between the two parties.

The required processes under the agreement are geared towards ensuring that only legal wood is traded between the two parties and that would help conserve Ghana’s forests for posterity.

As the clock ticks to the deadline of a process that started some thirteen years ago and Parliament prepares to rise amidst the electioneering season, the CSOs fear Ghana risks missing out on this unique opportunity into which resources and efforts have been invested by the various stakeholders including Timber Industries.

Meanwhile, a senior lawyer and consultant at Taylor Crabe Initiative, Mr. Clement Akapame, has warned at a workshop for some Women in Forestry in Kumasi, that Ghana would get to Ground Zero in its timber trade with the EU, throwing away all the efforts put into the process, if this

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The study report on the GFPDF presented at a meeting in Accra by Mr. Clement Akapame, revealed that there were no mechanisms in place to address stakeholders’ information needs about the Fund.

Mr. Akapame explained that, “this has translated into low awareness and limited access to the fund by its intended beneficiaries as well as weak participation of stakeholders in the governance of the Fund, including stakeholders’ capacity to demand accountability.”

He noted that, Fund administrators seemed not to have complied with the law mandating the Board to publish information on its operations, categorically the eligibility criteria for disbursing the Fund.

There was very little knowledge of its operations and activities; the Board of the fund had no representatives from the Timber Industry or Forestry Commission (FC), the study disclosed.

Additionally, in contravention of the Act establishing the Fund, there has been no report received on its uses so far, Mr. Akapame revealed.

Lack of audit and publication of same by the Board since its establishment in the year 2000 as well as the criteria for the disbursement of moneys, leading to a lack of annual reports, constitute some of the violations discovered during the study.

The Forest Plantation Development Fund, established by the Forest Plantation Development Fund Board Act 2000, has as one of its sources of funds, proceeds of timber export levies imposed under the Trees and Timber Act 1974 (NRCD 273) which provides that at least 10% of the value of certain timber species is transferred to the fund.

According to the Nature and Development Foundation’s (NDF) estimations from levies collected as at 2019, the GFPDF has accrued over nine million Euros.

The study called for more amendments to reconstitute the membership of the GFPDF board to include representatives from the Forestry Commission, Timber Industry and civil society.

The Nature and Development Foundation (NDF) wants the Board of the Fund to come out with information on how monies received have been disbursed for its purpose.

In a related development, a source of funding meant to support industries and institutions in the forestry sector, the Forestry Commission/ Timber Industry Fund (FC/TIF), is said to be operating with

FORESTRY COMMISSION GETS NEW CHIEF EXECUTIVE

A former Deputy CEO., Mr. Allotey comes on board with many years of experience and as an officer who has risen through the ranks.

His assumption of office as the number one officer of the Commission has been hailed by some industry players.

In a congratulatory message, the Forest Industries Association of Ghana (FIAG) expressed satisfaction at Mr. John Allotey’s promotion as the substantive Chief Executive Officer of the Forestry Commission, saying, “FIAG couldn’t be happier to see one of its very own rising to the pinnacle of leadership at The Commission.”

“There is no doubt that your stellar work performance has been a huge milestone in your promotion. Your amazing teamwork and foresight have contributed to The Commission’s successes,” the Association stated.

FIAG hopes that, “you will continue putting forth such hard work and dedication to the success of the Commission and Forest Industries in Ghana.”
Forest Fringe communities call for stakeholder support for development projects

Launching of the Application became necessary to ensure only legal wood is traded in Ghana.

“We have been campaigning for legal wood in Ghana but the question has always been, where can we find the legal wood in Ghana? So we thought of bringing a platform which will host all legal wood sellers so that people who care to buy legal wood can connect with them. The idea is to lessen if not totally remove, the encumbrances associated with legal wood trade in Ghana,” Madam Appiah explained.

She indicated that, “the App is to deal with the difficulties associated with getting legal wood on the market; so it serves as a one-stop shop for buyers to get legal wood whilst giving sellers the opportunity to showcase their products to prospective buyers.”

The creation of the App is NDF’s contribution to the elimination of illegal logging which is a major contributor to the problem of deforestation currently affecting Ghana.

For his part, Mr. Kofi Afreb Buakye, Chief Executive Officer (CEO) of Domestic Lumber Traders Association (DOLTA), welcomed the App as meeting their needs and encouraged members of the Association to come on board.

He was very hopeful it would contribute in minimizing the incidence of illegal logging in Ghana.

For vendors to qualify to market their product on the system, they must be legally registered entities with Tax Clearance certificate from the Ghana Revenue Authority (GRA) and are required to register with the Timber Industry Development Division (TIDD) of the Forestry Commission.

The TIDD would then give such companies unique identification to begin usage of the platform. TIDD thus reserves the right to decline unqualified companies from usage, ensuring that only legitimate vendors are onboard.

The Division promised to sustain the application and to possibly add features on finished wood products, to enable individuals to buy them online.

Development of this online market platform by NDF is part of implementing the UKaid funded project, “Building the capacities of Small-Medium Forest Enterprises in Ghana and Liberia to Supply and Trade in Legal Timber”.

Source: Nature and Development Foundation
The emergence of the EU-NSA project in the Sefwi Wiawso forest landscape (Western North Region) has yielded many positive impacts on beneficiary forest fringed-communities and Bedii community has not been left out.

Bedii community now has received SRA benefit from the Forest Services Division (FSD) and is being channeled into the construction of a clinic to deliver health care services to not only Bedii community but to all the other communities and villages within the enclave.

Before the advent of the project in the region, few forest fringed communities (which included Amafi, Abobeyaa, Abohoa, Old Ahembra and Aferie-Bosomoiso) benefited from SRA. And, at the time; Bedii which also lay along one of the reserves in the Municipality was sidelined in terms of the benefit.

Meanwhile, JCM (the biggest wood processing company in the municipality) had a concession in their reserve and out of the advocacy endeavors and training workshops for community monitors under the project, built the capacity of community members and monitors to form an SRA committee. The committee is to engage FC for Bedii to be added to the SRA beneficiary communities within the Sefwi Wiawso forest district.

One of the members of the district SRA committee intimated that, initially SRA benefits that came to FSD was shared among all the forest fringed communities within the district irrespective of whether or not a firm is operating in your reserve.

Because of that, monies received by communities as SRA benefit could do nothing more than to fix street bulbs. Hence, there was the need for the Bedii SRA committee to liaise with the district SRA committee to lobby with FSD to devise a way to disburse SRA benefits to deserving communities.

The outcome of this engagement was that, henceforth this benefit will come to only communities that have firms working in their reserves to enable such communities to embark on developmental projects as the money would be substantial enough.

This really yielded results by making it possible for Bedii community to merit such a project (clinic construction) which would not have been possible without the operations of the EU-NSA project in the area.

Source: Nature and Development Foundation

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The advocacy endeavors and training programmes for community monitors under the European Union (EU)-Non State Actors (NSA) project, forest monitors from Aferie-Bosomoiso have liaised with the Forestry Commission to destroy an illegal farm in the Suhuma forest reserve.

The community therefore undertook an exercise to plant trees in the same forest as part of their reforestation programme.

In March 2019, it was gathered during a verification exercise that, there was an illegal farm identified by monitors inside the Suhuma forest reserve; just some few yards from the forest boundary.

The issue was then reported to the Sefwi Wiawso Forest Service Division (FSD), leading to the division issuing a directive for the farm to be destroyed.

The farm was subsequently destroyed by community members and monitors together with officers from FSD, who afterwards tasked the Youth in Afforestation group in the community to plant trees on the site.

There was a clear evidence of planted cedrela trees on the site when the verifier visited the reserve for verification in May 2020.

The advent of the EU-NSA project continues to yield many impacts on forest fringed-communities within the Sefwi Wiawso forest enclave and Aferie-Bosomoiso have had their share.

The sensitization of the communities is empowering them to combat illegal activities in their areas, and the destruction of the illegal farm is one of the evident impacts of the project.

Source: Nature and Development Foundation
CSOs “STRANGLE” LANDS MINISTRY

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moment is not captured to complete the deal. “If Parliament doesn’t ratify the conversion of Timber Leases into Timber Utilization Contracts (TUCs) by December, Ghana will come to Ground Zero. The entire process would have to start all over again.”

The danger is that, the EU wouldn’t want to waste time on a country that hasn’t shown commitment to the conservation of its forests, a cause the EU is seeking to promote through the VPA-FLEGT process.

In 2007 Ghana began negotiations with the EU on steps to ensure only legal timber is exported to the latter’s member countries, leading to the signing of the Voluntary Partnership Agreement (VPA).

This set the tone for processes towards the granting of FLEGT license to Ghana, a document that certifies that the country has put in place all the mechanisms for ensuring its exported timber is legal per international standards.

Ghana’s credibility on the international timber market and in the eyes of the European Union in particular is at stake at this crucial time as its seriousness towards forest conservation would be measured by the commitment shown by these statutory bodies - Forestry Commission, Ministry of Lands and Natural Resources and the Parliament of Ghana.

If Ghana beats the deadline, it becomes the second country in the world and the first in Africa to trade in FLEGT licensed timber, thus raising its reputation and creating opportunities for stakeholders and the numerous forest fringe communities.

FLEGT license will also greatly remedy the ailing timber industry and assist in redirecting much needed funds into supporting the welfare of their workers in this covid-19 pandemic.

As it stands now, Ghana is sitting on a time-bomb as the deadline approaches and Civil Society Organizations (CSOs) and other Non-Governmental Organizations (NGOs) in the sector are joining the fray to appeal to Parliament and the Ministry of Lands and Natural Resources (MLNR) to salvage the situation to save Ghana from international embarrassment and economic hardship to the industry players.

A stitch in time, they believe, would save the nation from this imminent disgrace.

Story by Communication Team

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transparency.

The fund, though did not have statutory backing, was established on the agreement of Industry and the Forestry Commission (FC) in 2008 with estimated levies collected of over 8 million Euros as at 2019.

The joint Forestry Commission-Timber Industry Committee has produced Guidelines for disbursement of the Fund, thus ensuring accountability and traceability.

A 1.5% export levy imposed on all timber export, is managed by the joint Forestry Commission-Timber Industry Committee.

As at the 31st of May 2020, per Forestry Commission’s records, the total amount standing in the Forestry Commission’s escrow account for the FC/TIF is One Hundred and Thirty-Nine Thousand, Eight Hundred and Ninety-Five Ghana Cedis (GHC139,895.00).

The study conducted by Taylor Crabbe Iniative on the TIF and GFPDF, recommended that a legal framework be developed for the establishment and management of FC/TIF, whilst the laws be amended to require regular audit of the two funds and their publications.

The study and meeting is part of implementing the project, “Building the Capacities of Small-Medium Forest Enterprises (SMFEs) in Ghana and Liberia to supply and trade in legal timber” which is being funded by UK aid from the UK government under their forest Governance Market and Climate (FGMC) Programme.

Source: Nature and Development Foundation

Forest Fringe communities call for stakeholder support for development projects

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trained by EcoCare for their effort in monitoring the CFI implementation at the community level. He entreated them to continue sending alerts on any CFI related activity that stakeholders implement at the community level through the Forest Link Platform to help gather data for national level advocacy.

The chief of Adumam in the Sefwi Juaboso District, Nana Bennie II, called on other CSOs who work in the community to support ‘admitted communities in forest reserves’ since they are often neglected by the government in its development planning.

Source: EcoCare Ghana

© ECG Staff of EcoCare donating computers to Kwakrom JHS
Understanding SMEs in the Mekong region in the context of FLEGT/VPA

The Swedish International Development Agency (Sida) is funding the EU FLEGT Facility to increase knowledge about small and micro-sized entities (SMEs) and smallholders in the Mekong region, address potential challenges for these timber companies to operate legally in the context of FLEGT Voluntary Partnership Agreements (VPAs).

The fund is also to help analyse the roles, positions and challenges of women in SMEs in Mekong forest product value chains and provide opportunities to develop support mechanisms and capacity building that actively support women's engagement in the forest sector.

The work is filling critical information gaps by assessing these sectors in Laos, Myanmar, Thailand and Vietnam, paying particular attention to the potential impacts of actions towards improved forest governance and trade in legal timber on women and the livelihoods of micro enterprises.

Countries across the Mekong region are engaging in processes to negotiate Voluntary Partnership Agreements (VPAs) with the EU to reform their forest sector, address illegal logging and promote trade in legal timber products.

However, it has become clear that, in some countries, strictly enforcing the existing regulatory framework could harm small and micro enterprises in the formal sector and smallholders in the informal sector. Unintended social, economic and environmental consequences could be caused by factors that include: More stringent enforcement of laws and regulations. There is also little information about the differentiation of gender roles in the region's micro and small forest products sectors. This makes it difficult to predict how enforcement of existing legal frameworks might affect women.

Through small pilots, EFI is testing methods and approaches to support SMEs in overcoming challenges that they face in their operations. Solutions tested and lessons learnt from these pilots will contribute to promoting formal registration by the SMEs, strengthening SME networks, improving the competitiveness of SMEs and supporting their access to legal timber.

COVID-19 takes a heavy toll on Myanmar’s wood-based micro and small businesses

Myanmar Arts and Craft Association and the Wood-Based Furniture Association were surveyed as part of the European Forest Institute (EFI) and the Swedish International Development Agency (SIDA) funded work in support of forest and timber-based MSMEs in the Mekong region.

The MSMEs were surveyed nationwide in August 2020, most of which were micro and small businesses. The survey found that COVID-19 had forced most enterprises to stop or permanently close their business. A staggering 33.6% of respondents closed their operations permanently due to the crisis, while 65.2% stopped them temporarily.

As a way forward, an EFI briefing recommends that industry associations collaborate with the Government to ease the challenges that MSMEs face in distributing products and purchasing raw materials from official sources. The associations should also assist their members by providing documents and sharing information to help them access short- and long-term financial loans. Finally, associations have an important role to play in supporting business registration and licensing of informal enterprises to enable them to access COVID-19 relief programmes.

Source: EU FLEGT Facility

A fundamental challenge, however, is the near absence of reliable data on this sector. Very little is known about the number of people involved, material flows and value chains, or current levels of compliance with applicable laws and regulations. There is also little information about the differentiation of gender roles in the region's micro and small forest products sectors. This makes it difficult to predict how enforcement of existing legal frameworks might affect women.
Forest resources contribute about 38% to the total income of Ghana’s forest dwellers and about 4% annually to the Gross Domestic Product of the country. However, with the current rate of deforestation, Ghana’s forests could completely disappear in 25 years. The decline of the resource will negatively impact on the livelihoods of those who depend directly on the forest and the economy of the country as a whole.

The Western North region is known for rapid loss of forest reserves. The Sukusuku Forest Reserve and Bia Tawya Forest Reserve in the region have been lost to farmers who heavily encroached upon them and cleared the area for cocoa farms. The Tano Suhyen Forest Reserve, a production forest reserve with a total area of 84.4 km², is being degraded at a fast pace.

A drone analysis and ground truthing based on alerts from community monitors have revealed a rather disturbing picture. Nearly 60% of the area has been degraded, constituting over 13km² of the reserve.

One means to curb the menace is to identify and tackle the drivers of forest loss – the physical human-induced and location-specific drivers of deforestation, such as agriculture. Intensifying agricultural activities can offer a wide range of benefits, given how much of the forest reserves has already been lost.

Source: Tropenbos Ghana