

*“Developing alternatives for illegal chainsaw lumbering through multi-stakeholder dialogue in Ghana and Guyana”*

*European Commission programme on Tropical Forests and other Forests in Developing Countries*

*Fifth National Multi Stakeholder Dialogue Meeting Minutes*

*(MSD 5)*

*Date: 24<sup>th</sup> June, 2011*

*Venue: WITC, Akyiawkrom*



*By Jane Aggrey, Evans Sampene, James Parker, & Emmanuel Fosu*

## **Acronyms**

CBAG	Community Biodiversity Association of Ghana
CFC	Community Forestry Committee
CFW	Community Forestry Worker
CSM	Chainsaw Milling
DFE	District Forest Forum
DOLTA	Domestic Lumber Traders Association
EU	European Union
FAWAG	Furniture and Wood Workers Association of Ghana
FC	Forestry Commission
FSD	Forest Service Division
GTA	Ghana Timber Association
GTMO	Ghana Timber Millers Organization
KNUST	Kwame Nkrumah University of Science and Technology
MLNR	Ministry of Lands and Natural Resources
MOFA	Ministry of Food and Agriculture
MP	Member of Parliament
MSD	Multi-Stakeholder Dialogue
MSD-SC	Multi-Stakeholder Dialogue Steering Committee
NF/CFA	National Facilitator/Community Forestry Advisor
NFA	Community Forestry Advisor
NFF	National Forest Forum
NPC	National Project Coordinator
PAC	Project Advisory Committee
PD	Programme Director
PMT	Project Management Team
RMSC	Resource Management Support Centre
SC	Steering Committee
TBI	Tropenbos International
TC	Technical Committee
TIDD	Timber Industry Development Division
VPA	Voluntary Partnership Agreement
WWAG	Wood Village Workers Association of Ghana
WWF	World Wildlife Fund
MOFA	Ministry of Food and Agriculture

## **Members Present**

1. Victor K. Nyadi	DOLTA, Tema
2. Valerie Fumey Nassah	RMSC, Kumasi
3. Susana Karikari	Lumber Broker, Sokoban-Kumasi
4. Stephen K. Bofo	Chainsaw Operator, Assin Foso
5. Stephen A. Sarkodie	Farmer, Juaso District
6. Solomon Bagaseh	NFF-Ghana, Upper East Region
7. Seth Ofori	Media, Kumasi
8. Sampson Oduro	Sawmiller, Tekyiman

9. Robert Osei-Mensah	Lumber Dealer, Akyem Oda
10 Richard Ninnan	RMSC, Kumasi
11 Richard Kunake	Lumber Dealer, Juaso
12 Rev. Fugah	Carpenters Association, Wood Village
13 R. Agyenim Boateng	Chainsaw Operators, Goaso
14 Prince Henneh Ofori	Farmer, Sunyani
15 Prince C.Appah	BNI, Begoro
16 Osei Kofi	RMSC, Kumasi
17 Osabarima Ofosu Kwabi III	Traditional Authority, Akyem Oda
18 O.B. Puplampu	NFF, Koforidua
19 Nene Tei D. Korabor IV	Traditional Authority/NFF, Greater Region
20 Nana Owusu Aduamoah	Traditional Authority, Apoli Ningo-Oda
21 Nana Kyei Boitey	Farmer, Begoro
22 Nana Kwame Tutu I	Traditional Authority, Nkawie
23 Nana Atakora Kodua	NFF-Ghana, Ashanti Region
24 Nana Adu Ofori	CBAG, National President, Apapam
25 Moses Adayeng	FDA, Begoro District
26 Kwame Oteng	Table Saw Miller, Nkawaw
27 Kwame Ofori Attah	Chainsaw Operator, Begoro
28 Kwame Asamoah Dwomoh	NFF-Ghana, Ashanti Region
29 Kofi Nyame	NTFP Collector, Akyem Oda
30 Kingsley Arthur	CFA, Akyem Akokoaso
31 K.E. Haizel	TIDD, Takoradi (SC Member)
32 John Arko Tettey	District Assembly, Juaso
33 James Kofi Nsiah	DFF, Nkawie
34 J.K Tawiah	CFC, Brong Ahafo Region
35 Isaac Kwao	NTFP collector, Akyem Oda
36 Isaac Anobil	Chainsaw Operator, Akyem Kade
37 Hon. Samuel Brenya	DFF, Nkawie
38 Godson Nana Yaw Manu	DOLTA, Asamankese
39 Georgina Awuah	Lumber Dealer, Sokoban
40 George Owusu	Lumber Dealer, Sokoban
41 Gabriel Tettevi	Lumber Broker, Ho
42 Francis Amedzator	MOFA, Akyem Oda
43 Eric Nutakor	FORIG, Kumasi
44 Emmanuel Torsu	Chainsaw Operator, Juaso
45 Emmanuel Boafo	CFC, Akyem Akokoaso
46 Ekuah Ansah-Eshon	NFF, Western Region/MSD-SC Chairperson
47 E. Kofi Ametepe	MOFA, Kade
48 Dr Emmanuel Acheampong	Academia, FRNR-KNUST
49 Dr C.Antwi Boasiako	Academia, FRNR-KNUST, Kumasi
50 Doreen A. Yeboah	NFF, Kumasi
51 Donkor Bossman	Chainsaw Operator, Atronie
52 Dickson Adjei Sakyi	FSD, Sunyani
53 Daniel C. Tecku`	WWAG, Kumasi

54 Chris Dadzawa	FAWAG, Kumasi
55 Charles Krah Boadu	Lumber Dealer, Sokoban
56 Charles Koomson	Chainsaw Operator, Aproxumasi
57 Charles Koffie	Lumber Dealer, Takyiman
58 Charles K. Kumi	NFF, Sunyani
59 Ben Bawa Karimu	NFF, Northern Region
60 Bawah Seidu	NFF, Upper West Region
61 Augustine Gyedu	FSD District Manager Bekwae Ashanti/MSD-SC
62 Atta Yeboah	NFF-Ghana, Sunyani
63 Atobrah Mensah	Chainsaw Operator, Akyem Akokoaso
64 Anthony P. Asare	DOLTA, Tema
65 Anokye Prince	KNUST, Kumasi/MSD-SC
66 Amoako Dankwa	Carrier, Juaso
67 Alex Dadzie	GTA, Takoradi
68 Alex Asare	RMSC/NFF, Kumasi/MSD-SC
69 Afreh Boakye	DOLTA, Mankesim
70 Daniel Y. Ansah	Lumber Dealer, Assin Foso

### **In Attendance**

1. Dr Beatrice Obiri Darko	FORIG, Kumasi
2. Paul Akraasi	FSD District Manager, Begoro
3. Joseph Boakye	FSD Regional Manager, Ashanti
4. Kaseim Nuhu	FC, Accra
5. Raymond Ayepah	ADM, Kade

### **Observers**

1. Ben Opoku Asare	CFW, Begoro
2. Charles Nketiah	CFW, Akyem Oda
3. Otuo Acheampong	CFW, Goaso
4. Koranteng William	CFW, Kade
5. Seth Duodu	CFW, Assin Foso
6. Owusu Boakye Isaac	CFW, Juaso
7. Joseph Faniyan	Intern, TBI
8. Daniel Forson	FORIG, Kumasi
9. Obed Owusu Addai	TBI, Ghana
10. Patrick Opoku	TBI, Ghana
11. Bossman Owusu	TBI, Ghana
12. Evelyn Asante Yeboah	Intern, RMSC
13. James Opoku	RMSC, Kumasi
14. Anthony A. Eshun	TIDD, Kumasi

### **Project Secretariat**

1. James Parker	NPC, EU Chainsaw Project
2. Mercy Owusu Ansah	NF/CFA, EU Chainsaw Project
3. Jane Aggrey	Communication Officer

**Apology**

1. Joseph Blay Judicial Service, Assin Foso–National

**Absent**

1. Francis Nana Akowuah FAWAG, Kumasi  
2. Dr Richard Gyimah VPA  
3. Mr. Joseph Osiakwan MLNR  
4. Mr. Agyei Nkrumah NFF, Ashanti Region

**Recorders**

1. Evans Mensah Sampene TBI Ghana, Kumasi  
2. Emmanuel Fosu PA, EU Chainsaw Project

**Agenda**

The following were agreed for discussion at the meeting:

- Reading of previous minutes and matters arising
- Highlights of joint consensus meeting
- Purpose and objective of MSD 5
- Presentation of the draft policy proposal for supply of legal lumber to the domestic market and joint action plan
- Group work

<b>Proceedings</b>	<b>Action</b>
<p><b>1.0 Opening</b></p> <p>The meeting was called to order by the NF at 10:10 a.m. This was followed by a short prayer by Mr. Ben Opoku Asare, the CFW of Begoro Forest District.</p> <p><b>1.1 Introductions</b></p> <p>Stakeholder Representatives who were at the meeting for the first time made self introduction. They include; Mr. Akrasi, the new Begoro District Forest Manager and Hon. Samuel Brenya, former MP for Atwima Mponua constituency in the Nkawie Forest District and a National Forest Forum member.</p> <p><b>1.2 Welcome Address</b></p> <p>The MSD-SC chairperson, Ms. Ekua Ansah-Eshon welcomed members and said the MSD have come a long way in the discussion of CSM issues since the first meeting in September 2009. All of us can be proud of the outcomes. Agreeing on policy option 2 is giant step in addressing the illegal CSM issues and getting legal lumber on the domestic market. She explained the importance of the MSD process working with the TIDD process because TIDD has been mandated by government to address the domestic lumber supply issue. She applauded the MSD-TIDD joint TC for working hard to produce the first draft proposed policy document for operationalising option 2 and joint action plan and advice MSD members to consider the national interest first during the discussions of the draft documents.</p>	<p>MSD members</p>

<p><b>2.0 Reading, Acceptance of Previous Minutes and Matters Arising</b>  The minutes of the previous meeting was read. After some corrections to the minutes, Mr. Asamoah Dwomoh of Ashanti Region NFF moved for its acceptance. This was seconded by Mr. Gabriel Tettevi of DOLTA.</p> <p><b>2.1Matters Arising</b>  The request to discuss the possibility of a legislative instrument allowing artisanal millers to have access to off reserve timber resources have to be looked again.</p> <p>The lead consultant working on the CBA has been ill for sometime now and as a result, the CBA is not ready for discussion by the MSD</p> <p><b>3.0 Highlights from Joint Consensus Meeting</b>  The highlights of the joint consensus meeting were presented by the NF as followed:</p> <ul style="list-style-type: none"> <li>i. The meeting was attended by broad stakeholder group from both the MSD process and the TIDD process</li> <li>ii. Stakeholders endorsed the separately agreed policy option 2 and agreed that the two process work together to prepare a draft policy proposal for operationalising option 2 for discussion</li> <li>iii. The meeting agreed that a committee should be set up to prepare an action plan to serve as road-map for operationalising option 2.</li> </ul> <p><b>4.0 Update on the Project</b>  The NPC presented updates on the project. It focused on the following areas:</p> <ul style="list-style-type: none"> <li>i. Consensus workshop</li> <li>ii. Status of the CBA report</li> <li>iii. The joint MSD-TIDD process TC meetings</li> <li>iv. Meeting with the Parliamentary select committee on the draft policy proposal for operationalising option two</li> <li>v. Needs assessment in the pilot communities</li> <li>vi. Result Oriented Monitoring by the EU</li> </ul> <p><b>4.1 Some issues raised</b></p> <ul style="list-style-type: none"> <li>i. The name “EU chainsaw project” is not comfortable to some stakeholders especially the formal timber industry. The project secretariat should look at the name again and come up with a more acceptable name since the official name of the project is “<i>Developing alternatives for illegal chainsaw lumbering through multi-stakeholder dialogue in Ghana and Guyana</i>”.</li> <li>ii. The agreed code of should be printed on a banner and displayed whenever there is a national MSD</li> </ul> <p><b>5.0 Objective of MSD 5</b>  The NF outlined the purpose and expected outcome of MSD 5. She explained that the MSD 5 has two main broad objectives:</p>	<p>MSD-SC</p> <p>Project secretariat</p> <p>PMT</p>
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- i. To study, discuss and make inputs into draft policy proposal for supply of legal lumber to the domestic market
- ii. To agree on an action plan for supporting the implementation of agreed policy direction

**6.0 Presentations**

**6.1 Presentation on Joint Action Plan**

The NPC presented the joint action plan (annex c) prepared by the joint TIDD-MSD process TC. He explained that the objectives of the action plan are to:

- i. Get key stakeholders’ buy-in into the agreed policy option (option 2)
- ii. Develop and reach consensus on strategies to address all significant issues, including legal ones, in relation to the implementation of the elements in the agreed policy option
- iii. Develop conditions required for the smooth implementation of the agreed policy option
- iv. Develop a fair, transparent and equitable framework/or policy document for sustainable and legal timber supply to the domestic market
- v. Disseminate information

Activities planned included:

- i. Engaging key stakeholders
- ii. Reviewing all issues including legal framework in the context of Option two
- iii. Reviewing conditions and strategies required for implementing policy option two
- iv. Drafting a proposed policy document for supply of legal lumber to the domestic market for discussions by stakeholders and submission to the MLNR
- v. Disseminating information on draft policy proposal for supply of legal timber to the domestic market
- vi. Organizing TIDD-EU CSM meetings to review the process

The following were some suggestions made on the presentation:

- i. Since the formal timber industry is comfortable working with TIDD, TIDD should try and bring them on board to work with the MSD to address problem of supply of legal lumber to the domestic market.
- ii. Instead of the FC legal team, an independent legal team should be constituted to work on the review of legal framework in the context of option 2 after which the FC legal team should study it for technical advice to stakeholders.
- iii. The legal team should look at the possibility for a law that ensures that loggers pay for the logs before they remove them.

TIDD

TC

**6.2 Presentation of Draft Policy Proposal**

The first draft policy proposal for supply of legal lumber to the domestic market (Annex a) was presented by the NF. The presentation outline included the following:

- i. Preamble to the draft policy proposal
- ii. The overall policy direction
- iii. Guiding principles
- iv. Definition of artisanal milling
- v. Policy context and strategic direction

- vi. Policy objectives
- vii. Strategies
- viii. Cross cutting issues

Concerns/suggestions by members in plenary after the presentation were:

- i. The exclusion of “any form of chainsaw machine”, which excludes logosol in the definition is not acceptable and there is the need to look at it critically again in the definition of artisanal milling.
- ii. The whole concept of artisanal milling should be discussed thoroughly by joint TIDD-EU CSM multi-stakeholders to reach consensus as was done on the policy option. It should not only be limited to the definition which focuses on equipments
- iii. It is important to subject the finalized policy proposal to Strategic Impact Assessment (SIA) to ensure that the implementation of the policy does not result in other problems. It was suggested that Mr. Prince Anokyi draft terms of reference for the SIA
- iv. The groups who will be discussing the draft policy proposal should try as much as possible to find out whether the strategies in the policy addresses the drivers of illegal CSM
- v. It is unfortunate that the CBA report is not ready, It would have been good source of reference in the discussion of the draft policy proposal for supply of legal lumber to the domestic market
- vi. The draft policy document should also be discussed at the district level as agreed to ensure broad stakeholder consultation and input

MSD-SC

Project secretariat

### 7.0 Group work

MSD members were put into four groups to discuss the following:

- i. The first draft policy proposal for supply of legal lumber to the domestic market including definition of artisanal milling (Groups 1 and 3)
- ii. TIDD-EU CSM joint action plan and development of an action plan for the MSD (Groups 2 and 4)

### 7.1 Outcomes from the group work

Outcomes (annex b) from the group discussions were presented in plenary for comments, suggestions and inputs

### 8.0 Closing

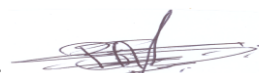
The NF/CFA thanked members for attending the meeting. Mr Puplampu moved for the closure of the meeting and was seconded by Hon. Samuel Brenya of Nkawie. Mrs Valerie Fumey Nassah prayed for the meeting to come to an end at 4:05 pm

Signed



Emmanuel Fosu(PA) – Recorder

Signed:



Ms Ekua Ansah Eshon (Chairperson)



## ANNEXES

### Annex A: Draft policy proposal on the supply of legal lumber to the domestic market

#### 1. Preamble

- i. Under the VPA, the Government of Ghana has made a commitment to ensure that legal timber is traded both in the export and domestic markets
- ii. Illegal chainsaw operations are threatening the sustainability of forest resources in Ghana; exploiting across the country including forest reserves, an estimated 2.5 million cubic meters and supplying over 80% of the total lumber demand of about 600,000m<sup>3</sup> on the domestic market.
- iii. Sawmill supply of lumber to the domestic market is inadequate, accounting for less than 20% of lumber sales.
- iv. In the past two decades, there have been several initiatives to combat illegal chainsaw operations including introduction of regulation for chainsaws registration at District Assemblies, use of joint FSD/military/police task forces and legislation to prohibit the operation.
- v. Measures to address illegal chainsaw operations have largely failed due to increasing demand for wood on the domestic market, rural unemployment, inequitable timber revenue sharing arrangement, and weak law enforcement capacity of the regulatory agencies and unattractive domestic price to serve as an incentive to sawmills to supply lumber to meet the demand gap.
- vi. weak institutional arrangements that secure tree protection in off-reserve areas and equitable benefit sharing to include farmers have encouraged illegal chainsaw lumber production
- vii. The lack of political will by governments have weakened stakeholder participation in monitoring and enforcement of the ban on illegal chainsaw operations and trade.
- viii. More recently a number initiatives, under the Natural Resource and Environmental Governance Programme and an EU sponsored project have enabled Tropenbos International (TBI), Forestry Commission and the Forestry Research Institute of Ghana and other stakeholders to:
  - Gain a better understanding of the dynamics of the domestic market
  - Examine alternatives to illegal chainsaw milling and
  - Develop proposals to address the gap in the supply of legal timber to the domestic market.
- ix. These initiatives have involved a number of research activities including the Ghana case study of illegal chainsaw milling by TBI/FORIG, the TIDD/FORIG domestic timber market study. The multi-stakeholder dialogues and consultation processes that have been undertaken is resulting in the formulation of policy directions and consensus on specific policy options
- x. The multi-stakeholder consultation processes resulted in the formulation of three policy options for supplying legal lumber from sustained yield viz :
  - Option 1: Sawmills alone supply lumber to the domestic market,
  - Option 2: Sawmills and artisanal mills<sup>1</sup> supply the domestic market with lumber, and

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<sup>1</sup> Artisanal milling is the use of small-medium motorized mobile milling equipment capable of recovering *at least 50%* dimension lumber from logs purposely for the domestic market. Artisanal mills should include all bush mills, lucas mills, wood mizer and mobile dimension mills but exclude any form of chainsaw machines

- Option 3: Artisanal mills alone supply lumber to the domestic market
- xi. The multi-stakeholder consultations and cost-benefit analysis study<sup>2</sup> both support option 2 as the most practical and economically efficient choice to supply legal lumber to the domestic market
  - xii. Both TIDD (FC) and TBI acknowledge the important role of Forest Fringe Communities (FFCs) in forest management and governance and continue to promote dialogue for social and economic equity (including access to legal timber) of FFCs through their participation in forest management and monitoring.
  - xiii. Given the above considerations, the overall policy direction being proposed is to eliminate illegal chainsaw operations through implementation of the recommended policy objectives and strategies that seek to address constraints related to forest governance, particularly the engagement of forest communities in resource management and monitoring, resource access, institutional capacity, law enforcement, production, and marketing.

## 2. GUIDING PRINCIPLES

This domestic timber market policy is written in the context of the Ghana Shared Growth and Development Agenda (GSGDA), Ghana Industrial Policy, the Forest and wildlife policy and the Forest Sector Development Plan. The underlying principle of this policy is to provide opportunity for a framework to develop and regulate the domestic market in anticipation of expansion and growth of the Ghanaian economy while addressing the drivers of illegal chainsaw operations, deforestation and forest degradation.

To ensure the full realization of the objectives of this policy, the government through the Forestry Commission and related sector agencies shall create the enabling environment for the private sector and community based forest enterprises to supply adequate timber to the domestic market from legal and sustainably managed sources.

This domestic *market policy* document is developed taking into account the following guiding principles:

- i. Balancing the supply and demand of timber from legal and sustainably managed forests on the domestic market.
- ii. Building a strong relationship between innovation, environment and industry regulations with the view to increasing product quality on the domestic market.
- iii. Adjusting industry to shrinking natural forest resource base and changing market trends.
- iv. Promoting timber imports to meet domestic demand
- v. Ensuring Industrial competitiveness and contributing towards Reduced Emissions from Deforestation and forest Degradation (REDD)
- vi. Promoting domestic timber trade regulations, and incentives.
- vii. Creating opportunities for growth for Micro, Small and Medium Enterprises (MSMEs) in resource development, value added processing and the supply chain as a means of promoting rural employment and reduced poverty.

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<sup>2</sup> A financial, economic, social and environmental analysis of the costs and benefits of these options has been carried out. Ref. Birikorang et al. 2011 (available at FORIG, FC and TBI)

- viii. Promoting community forest based enterprises as a means of addressing the drivers of illegal chainsaw operations, deforestation and forest degradation.

### **3. POLICY CONTEXT AND STRATEGIC DIRECTION**

#### **3.1. The Policy Context**

The growth and development of the timber industry in Ghana has focused mainly on the export sector at the expense of the domestic market. Therefore any timber sector growth-centered policy should be linked to the development of a strong and vibrant domestic market.

It is recognized that a well developed and regulated domestic market will have some implication on the environment as well as forest fringe communities whose livelihoods depend on the forest. Special attention will therefore be paid to; environmental sustainability through an aggressive forest plantation development programme to meet industrial and fuel wood/energy needs as well as mitigate the negative impact on the vulnerable and displaced groups, including chainsaw operatives' artisans-and forest fringe communities in implementing the proposed policy interventions.

#### **3.2. Strategic Direction and Priorities**

The strategic direction of the domestic market policy will be prioritized in favour of interventions in the following areas:

- i. Improved access to raw material for the domestic market
- ii. Adoption of appropriate technologies to improve mill efficiency and recovery rates
- iii. Promote processing and utilization of lesser used species (LUS) and alternative wood materials such as bamboo and rubber wood for the domestic market.
- iv. Promote alternative livelihood programmes and community based forest enterprises for displaced chainsaw operators, artisans and marginalized forest fringe communities.
- v. Public education and awareness creation on the importance of sustainable management of forest resources through collaborative efforts, in particular the engagement of forest communities.
- vi. Promote the establishment of industrial and fuel wood plantations
- vii. Transparent and accountable governance in forest management and efficiency in service delivery by relevant public institutions. Create enabling fiscal environment to promote private sector investments in the forest sector, particularly the domestic market related activities.
- viii. Effective collaboration between the Forestry Commission and forest fringe communities in forest management

### **4. Policy Objectives**

**To ensure supply of legal timber on a sustainable basis to meet domestic market demand and promote good governance and provide a framework that facilitates production and trade in legal timber**

#### **4.1. Specific objectives**

- i. To meet the demand for timber on the domestic market by sawmills and artisanal mills
- ii. To eliminate illegal timber production and trade

- iii. To address inequitable benefit sharing of timber revenues by promoting good governance in the supply of timber on the domestic market/
- iv. To Promote industry modernization and re-tooling for improved efficiency
- v. To Promote community based enterprises as alternative livelihoods for Forest Fringe communities

## **4.2. Strategies**

### **4.2.1. To meet the demand for timber on the domestic market by sawmills and artisanal mills**

#### **Context**

Ghana's current domestic timber demand of 600,000 cubic meters per annum is expected to increase to one million cubic meters by the year 2020. This will be driven predominantly by the ramp-up in urbanization, increase in population and anticipated infrastructural development as a result of the production of oil. Demand for timber for the domestic market is ever growing and meeting this demand from sawmills is a challenge as a result of the focus on timber production for the export markets. The gap in demand is being met from illegal chainsaw production.

The following strategies are proposed as a means of bridging the demand and supply gap for legal timber on the domestic market:

- i. Regulatory and fiscal framework to stimulate sawmills to supply 40% of their production to the domestic market
- ii. Enforce policy of complete yield removal in timber harvesting
- iii. Develop and promote regulatory framework for artisanal milling
- iv. Artisanal milling (including Mobile Recovery Teams {MRT}) models piloted and rolled out
- v. Introduce and enforce standardization of timber and timber products as well as promoting appropriate building codes
- vi. Identify and allocate raw materials to artisanal millers through appropriate administrative and legal framework (i.e. LI on off reserve resource allocation to include artisanal millers)
- vii. Reintroduce the establishment of timber depots in strategic locations to enhance access to legal timber
- viii. Sustain raw material supply by improving plantation development
- ix. Promote processing of Plantation timber for the domestic market

### **4.2.2 Eliminate illegal timber production and trade**

#### **Context**

In Ghana, legal provisions accommodating chainsaw operators under the Trees and Timber (Chainsaw Operators) Regulations 1991 (LI 1818) as an interim measure to control illegal timber harvesting is subjected to widespread abuse. Other regulatory measures against chainsaw operations were introduced to reinforce the prohibition of illegal chainsaw operations under the Timber Resource Management Act 1997 (Act 547) and its accompanying Timber Resource Management Regulations 1998 [LI 1649, Sections 32 (1 & 2)]; which completely outlawed commercial chainsaw lumbering activities. Despite these enactments, chainsaw activities still persist and on the ascendancy with dire environmental consequence and loss of revenue to government.

This policy proposal on supply of legal timber on the domestic therefore seeks to eliminate illegal practices including chainsaw milling while promoting the production and trade in legal timber. The

following strategies will be pursued using social mechanisms built upon community/local governance partnership and structures:

- i. Review legislative framework for importation, registration and licensing of chainsaw machines and its use (operators)
- ii. Promote the trade in legal timber through the development and implementation of a public procurement policy on timber and timber products
- iii. Implement wood tracking system (WTS) on the domestic market
- iv. Re-enforce ban on chainsaw milling for commercial purpose
- v. Pilot and scale up community monitoring models by strengthening CFC through capacity development

#### **4.2.3 To address inequitable benefit sharing of timber revenues by promoting good governance in the supply of timber on the domestic market**

##### **Context**

Polices and legislations have not involved stakeholders in forest management including production and trade in timber and timber products in the domestic market. Sustainable forest management requires strict compliance with all regulations through collaborative efforts and good governance.

Good governance in domestic timber supply involves developing capacity for maximum cooperation with all relevant government agencies at all levels in a transparent manner along the value chain. This policy proposal seeks to promote good governance in ensuring legal supply of timber to the domestic market using the following strategies:

- i. Review the benefit sharing of timber revenue from off reserve areas to include farmers.
- ii. Promote community and CSO participation in forest management and monitoring timber production and trade
- iii. Develop guidelines on the use of timber revenues for DA's

#### **4.2.4: To promote industry modernization and re-tooling for improved efficiency**

##### **Context**

Traditionally, the role of government as a key actor in the process of industry modernization is limited. – however, emphasis of policy should be on creating an enabling environment for industry to gain access to raw material, R&D, training for skills development and resource for industry modernization and retooling. The policy shall address the following constraints to enabling the industry optimize its contribution the socio-economic development of the country:

- Old and obsolete processing equipment and technology,
- Lack of managerial and technical skills /expertise,
- Poor access to markets and
- Dwindling raw material base.

This policy seeks to promote industry modernization through the following strategies:

- i. Facilitate re-tooling of timber industries with efficient machinery for the production of timber and timber products
- ii. Promote research in downstream processing and marketing
- iii. Facilitate product development by processing and utilization of LUS

- iv. Promote alternatives to wood material like bamboo and rubber-wood and the use of recycled wood on the domestic market.
- v. Develop capacities for artisanal milling for enhanced efficiency, product development and marketing

#### **4.2.5 Community based forest enterprises as alternative Livelihoods for Forest Fringe Communities.**

##### **Context**

Forest management in Ghana and other tropical timber producing countries has generally not taken into account the needs and aspirations of communities and social groups as stakeholders. It is a recognizable fact that all stakeholders and social groups in forest management have different needs and aspirations, hence the importance in identifying the specific needs of all interests groups in the process of developing strategies to address the supply of legal timber to the domestic market. It is therefore imperative that the design and implementation of all strategies to deal with the challenges of the domestic supply of legal timber must take into account social safeguards for all forest fringe communities. All social safeguards in policy options must include the following:

- Develop capacities in local communities in the implementation of this policy to
- Monitor and evaluate impact of domestic market policy on the communities.
- Improved arrangements for guaranteed access to forest resources as well as to timber benefit sharing mechanisms for FFC.
- Development of alternative livelihoods for groups of poor and marginalized people who will be negatively affected by the implementation of the Voluntary Partnership Agreement, especially chainsaw operators.
- Improved efficiency and value added processing for sustainable employment and wealth creation in the FFC.
- Expanding the forest resource base through plantation development as a means of providing industrial wood for industry and wood for fuel wood and charcoal production and in the process providing creating employment and wealth.

The policy seeks to promote community based forest industries through the following strategies:

- i. Identify and promote viable community forest enterprises
- ii. Identify and train organized chainsaw operators as artisanal millers
- iii. Provide incentives for alternative livelihoods by linkage to service providers, markets access and capacity development
- iv. Design, pilot and implement suitable options for community based enterprises

#### **5. Cross Cutting Issues**

In implementing actions related to the above strategies, attention should be paid to the following cross cutting issues:

- i. Capacity Building (marketing, entrepreneurship, quality improvement, business management etc)
- ii. Awareness Creation and public Education

- iii. finance taking into account the need for sustainable sources of funding to support the implementation of the policy and programmes

## **6. Issues Requiring New Legislations or Review of Existing Legislation**

### **6.1 Review**

- Legislative framework on the importation, distribution and use of chainsaw,
- Tree tenure (off reserve) and forest rights,
- Benefit sharing of timber revenue from off reserve areas to include farmers

### **6.2 New Legislation**

- Law to compel 100% removal or transfer of un-used yield
- Timber Industry Regulation Act – Law is intended to introduce control and regulation of operations of industry operatives.
- Public Procurement Policy on timber and timber products – To ensure that all timber and timber products for government projects are sourced from legal source.
- Supply of 40% of all sawmill timber production to the domestic market

**Annex B:** Groups 1 & 2: Outcomes of discussions on first draft policy proposal for supply of legal lumber to the domestic market

**1. Issues raised on the preamble:**

- (i, iii, iv, vi, viii, ix, x, xi) are all okay
- (ii) Cite references to support all the figures and percentages in the document. Must be specific
- (v) The word “wood” should be changed to “lumber”
- (vii) Other initiatives by government before NREG, VPA to address illegal CSM should be also mentioned

**2. Issues raised on the Policy Objectives**

Main objective is Okay

Specific Objectives

- i. Okay, but replace the word “wood” with lumber
- ii. Okay, but in order to achieve objective 2, all chainsaw operators should be organized into groups, trained and registered.
- iii. Okay, but the second part which addresses inequitable benefit sharing of timber resources should be separated from good governance
- iv. Does the industrial re-tooling include artisanal milling? Objective 4 should be changed to “To promote industry retooling and efficiency
- v. Okay, but the livelihoods should be sustainable ones.

**3. Issues raised on the strategies**

***4.2.1: To meet the demand for timber on the domestic market by sawmills and artisanal mills***

- (ii, iv, v, vii) are okay
- (i) It will be difficult to ensure that sawmills supply 40% of their production to the domestic market. How can this be monitored? And what are the sanctions? In implementing this, the FC should also ensure that their production to the domestic market is of high quality
- (iii) Okay, but the artisanal millers should be adequately involved in the development of the regulatory framework.
- (vi) Okay, but the appropriate administrative and legal framework should not be complicated for easy understanding by the artisanal millers. Why limit artisanal millers to off-reserve?
- (viii) Strategy to sustain the timber resource should not only be limited to plantation development. It should be aggressive including encouraging individuals to plant trees on their farms, backyard etc.

***4.2.2: Eliminate illegal timber production and trade***

- (ii, iii, iv) are okay
- (i) Okay, but all stakeholders should be involved/consulted in the review of legislative framework for importation, registration and licensing of chainsaw machines and its use



- (v) In eliminating illegal timber production and trade, the monitoring should not only be concentrated on the communities. The traders should also be involved by supporting them to organize into trade associations, build their capacity and assist them to develop code of conducts that will ensure that members deal in legal lumber.

**4.2.3: To address inequitable benefit sharing of timber revenues by promoting good governance in the supply of timber on the domestic market**

- (i, ii, iii) are okay. But effort should be made to include representatives of the informal sector into governing body such as the FC board and others

**4.2.4: To promote industry modernization and re-tooling for improved efficiency**

(ii, iii, iv and v) are okay

- (i) Okay. But it should include artisanal millers. Who pays for the re-tooling? Looking at the dwindling resources, and lessons from elsewhere in Africa, is it economical to invest in re-tooling the formal industry?

**4.2.5: Community based forest enterprises as alternative Livelihoods for Forest Fringe Communities.**

(i, ii, iii, iv) are okay. We should also look at developing tree planting as a viable forest based enterprise for forest fringe communities

**5. Comments on the definition of artisanal milling**

- a. Majority (about 70%) of stakeholders were of the view that the exclusion of logosol in the list of equipment for artisanal milling should not be accepted. The reasons being that, the basis for the MSD agreeing to maintain the ban on freehand CSM is that freehand is not efficient and this was supported by data from the efficiency study. Again the efficient study revealed that logosol is highly efficient and even better than all the equipment listed in the definition except wood mizer. If the potential problem is monitoring, then it's important to look at how to ensure efficient monitoring that total exclusion. Logosol can be effective in milling in-situ on farms, difficult terrain (hilly areas) and also working on logging residue.
- b. Few (about 30%) of stakeholders support the exclusion of logosol from the list of equipments. The reason is that since logosol is mobile and basically chainsaw machine with frames, operators can easily carry them into the forest and mill illegally or do the freehand CSM. Monitoring will also be very difficult. The inclusion of logosol will in the greatly undermine what the policy seeks to achieve.

**Conclusion**

The MSD members commended the joint TIDD-EU CSM planning committee for preparing the first draft policy proposal. Although it's a good start, the strategies in the document do not adequately address the drivers of illegal CSM. The definition of artisanal milling have to be discussed thoroughly and its is also important that stakeholders in the project districts are also consulted to make inputs into the document.

## Draft Action Plan

### Action Plan for the implementation of the outcomes of the joint TIDD-TBI Process towards supply of legal lumber to the Domestic Market

#### 1.0 Introduction

Trade in illegal lumber on the domestic market has become one of the main forest governance issues in Ghana. There is currently a huge gap in supply of legal timber on the domestic market. A range of policies, laws and institutions have evolved to govern and control the processing and trade in legal timber. This has raised intense public debate at various forums and at different levels. Although outlawed in 1998, chainsaw milling (CSM) has become the major supplier (about 84%) of lumber to the domestic market (Marfo, 2010). Recent research estimates that CSM removes about 840,000 trees in a year (i.e. 2.4 million m<sup>3</sup>), exceeding the annual allowable cut of 2 million m<sup>3</sup> of the formal industry. This means a total annual harvest level of about 4.4 million m<sup>3</sup>, far beyond the sustainable level for the forest resources. (Marfo, 2010)

It is evident that so long as there is no alternative for the supply of legal lumber to the domestic market, the ban on processing and trade in illegal lumber will remain un-enforceable without a strong political will and appropriate policy measures. Revenue loss, (about USD 18 million per annum), resource destruction and associated conflicts will continue to be a major challenge to the forestry sector. The Illegal CSM now employs 86,000 - 93,000 people and supports other rural enterprises such as carpentry and carving. The practice presents obstacles to implementation of Ghana's VPA with the EU on the domestic market although Ghana desires to address the gap in the supply of legal timber to the domestic market under the VPA.

#### 2.0 Background

In 2007, TBI and its partners (FORIG and FC) initiated a project funded by the EU to bring all relevant stakeholders together to dialogue on the CSM menace so as to collectively develop a policy direction for supplying legal lumber to the domestic market. Again in 2008, TIDD of the FC under the NREG programme also commissioned a process to help meet the VPA requirement of supplying legal wood to the domestic market. From independently commissioned studies, findings from both initiatives proposed similar policy directions as follows:

- Saw millers only to supply legal lumber to the domestic market
- Saw millers and artisanal millers to supply the domestic market with legal lumber
- Artisanal Millers only to supply the domestic market with legal lumber

As a result, a joint research dissemination workshop was organized at the conference room of the FC in Accra to present findings to stakeholders in September 2009. Stakeholders at the dissemination workshop agreed that each process engages its primary stakeholders in a multi-stakeholder consultation and dialogue to build consensus on a preferred policy direction. The EU chainsaw project and the TIDD has since had parallel multi-stakeholder consultations and dialogue at different levels.

In June 2010, a joint TIDD-TBI meeting was held to discuss how to harmonise the two processes and present a common position to policy makers. One of the activities planned towards harmonising the two processes was a joint multi-stakeholder meeting involving primary stakeholders from the two processes after consensus on the policy directions by the two processes have been reached. As a follow up to the June 2010 meeting, a joint multi-stakeholders meeting was held on 29<sup>th</sup> October 2010 to build consensus on a policy direction for supplying legal lumber to the domestic market in support of the VPA process and discuss the way forward. Stakeholders endorsed agreement reached by the two parallel processes on the policy direction (Saw millers and artisanal millers to supply the domestic market with legal lumber)

and made a number of key decisions. One of the key decisions was the need for TIDD and TBI to prepare an action plan based on the agreements made and outcomes from group exercises to move the process forward. On 11<sup>th</sup> March 2011, a planning sub-committee made of staff from TIDD, TBI and FORIG was constituted to develop the action plan (planning team composition and TOR attached).

### **3.0 Objectives of Action Plan**

This Action Plan (AP) is aimed at guiding the joint TIDD-TBI processes to implement agreed actions and other activities to help meet the VPA requirement of supplying legal timber to the domestic market. The objectives are to:

- get key stakeholders' buy-in into the agreed policy option
- develop and reach consensus on strategies to address all significant issues, including legal ones, in relation to the implementation of the elements in the agreed policy option
- develop conditions required for the smooth implementation of the agreed policy option
- develop a fair, transparent and equitable framework for sustainable and legal timber supply to the domestic market
- Disseminate information

### **4.0 Planned activities**

Activities planned include (Table below):

- Engagement of key stakeholders
- Review of all issues including legal framework in the context of Option two
- Review conditions and strategies required for implementing policy option two
- Draft policy document for submission to MLNR
- Disseminate information on policy framework for supply of legal timber to the domestic market
- Organise TIDD-TBI meetings to review the process
- Meet the requirements of the VPA on domestic market issues

Activity	Sub-activity	Objectives	Expected output	Strategies	Responsibility	Time frame	Comments
Engagement of Key stakeholders	<b>Industry</b> (GTMO, GTA, FAWAG)	a. Get buy-in into the agreed policy option b. Seek the commitment and support of key stakeholder	a. Stakeholders informed about the preferred policy option for supply of legal lumber to the domestic market	One on One Meetings, consultations and Group Meetings of key stakeholders, distribution of outcomes of research and reports	TIDD	April 2011	
	<b>Consumers</b> (Woodworkers, WAG, DOLTA, Timber market, GREDA, Ghana Institute of Architectural association, Association of civil contractors, AESCL)	c. Address any concerns raised on agreed policy option with respect to technical, social and economic issues	b. Stakeholders commitments sought c. Any concerns addressed d. Consensus achieved on required interventions	Meetings and distribution of outcomes of research and reports Consultations?	TBI Gh/TIDD	April 2011	
	<b>Policy Makers</b> (MLNR, MEST, MOTI, MOFEP, LGRD, FC, FC Board, Parliamentary select committee on natural resources)			Policy Briefs, Memo, Organize an outreach programme/Workshop Presentations on proposed policy interventions	TIDD&TBI Gh	May- June 2011	
	Traditional Authorities (national house of chiefs), and Land owners			Develop a communication strategy and Undertake education/awareness creation on the use of legal timber  Hold regional meetings for traditional authorities  Meetings and	RMSC/TBI Gh	May 2011	

				organized presentations			
Review legal framework in the context of Option two	Draft TOR by joint Legal Team	a. Outline expected output for legal team engagement	a. TOR for legal team engaged	Draft and circulate to joint participants	Planning Team	March 2011	
	Review existing legal framework and propose amendments	b. Review existing forestry laws in the context of option 2 in consultation with the process of legal reforms and consolidation of laws within the forest sector c. Identify laws and regulations that support option 2 and propose recommendations for amendments d. Identify laws and regulations that may hinder the adoption of option 2	b. Existing legal framework reviewed c. Key legal conditions for option two highlighted for policy consideration	Desk Reviews	FC Legal team	April 2011	
Joint TIDD-TBI meetings		To review progress made in implementation of action plan	Progress reviewed	Business meeting	Planning Team	Mid-May 2011	
Review		a. Develop	a. Conditions	Technical meeting	Planning	May 2011	The draft

conditions required for implementing policy option two		conditions (elements) for implementing option two in agreement to the support measures for regulating the domestic market under the VPA b.	reviewed b. Technical issues addressed		Committee		conditions will be developed by the MSD
Disseminate conditions and strategies for supplying legal lumber to the domestic market	Prepare a policy discussion paper	To inform FC, MLNR and FC Board? about proposed policy option, justification and actions	MLNR and FC fully informed about options and implications		Planning Committee & Consultant	July 2011	
	Prepare public information materials	To document justification of options developed in simple popular language		Use communication expertise	Planning committee Consultant	August 2011	
	Carry out radio & TV programme	To inform stakeholders and general public about agreed policy options and recommendations			TIDD	April-December 2011	
	Organize Dissemination workshop				TIDD/TBI		
Develop a fair, transparent and equitable framework for sustainable and legal lumber	Develop framework for sustainable and legal lumber supply	Invite submissions from key stakeholders of relevant materials and information on initial activities for review			TIDD	April 2011	

supply- procurement policy for legal lumber	Develop procurement policy for legal lumber supply						
	Develop MOP for domestic lumber supply and trade						

## **Execution of Plan**

### **Agencies**

TIDD, TBI (EU CSM project)

### **Chair**

Atta Alhassan, Executive Director, TIDD

### **Co-Chair**

Samuel K. Nketiah, PD, TBI

### **Planning Team**

E. Marfo (FORIG), James Parker (TBI), Mercy O. Ansah (TBI), Peter Zormelo (TIDD) and K. Haizel (TIDD)

### **Technical Team**

K. S. Nketiah (TBI), James Parker (TBI), Raphael Yeboah (FSD), Alhassan Attah (TIDD), Alex Boadu (FSD), Mercy Owusu Ansah (TBI), Kwamena Haizel(TIDD), Emmanuel Acheampong (IRNR, KNUST), Emmanuel Marfo (FORIG), Beatrice Obiri Darko (FORIG), Joseph Osiakwan (MLNR), Alex Dadzie(GTA), Alex Asare (RMSC), Edward Obiaw (RMSC), Valerie Fumey Nassah (RMSC), Kyereh Boateng (TBI), Oppon Sasu (FC), Peter Zormelo (TIDD), GTMO Reps.

### **Legal Team**

F. Amu, R. Yeboah, Denis

### **Support staff**

Jane Aggrey (TBI), Emmanuel Fosu (TBI),

### **ToR for Planning Committee**

The terms of reference (TOR) for the committee are:

- i. Develop an Action Plan with Budget and draft policy proposal for supply of legal lumber to the domestic market
- ii. Plan the Implementation of all key decisions and agreements reached at the joint TIDD-TBI multi-stakeholder meetings held at Erata.
- iii. Plan engagement meetings with all key stakeholders to discuss and make inputs into the draft policy proposal for supply of legal lumber to the domestic market.
- iv. Review of all issues and conditions required (including legal framework) for the implementation of option two.
- v. Organize regular TIDD-TBI joint working group meetings to review the process.



#### **Annex D:** Groups 3&4: Outcomes of discussions on TIDD-MSD joint Action Plan

1. ***Engagement of stakeholders:*** Okay, but It is also important to also engage chainsaw operators, farmers and stakeholders at the production end of the illegal CSM enterprise.
2. ***Review legal framework in the context of Option two:*** Revision of the existing legal framework and proposals for amendments should be carry out by independent legal team and not the legal team from FC. The draft revised framework should afterwards be discussed by all stakeholders before it is finalized.
3. ***Under the responsibility:*** is TBI Ghana, the same as the EU-CSM project or MSD? If not, then it is wrong, it should be MSD rather than TBI Ghana.

#### General comments

The technical committee of the joint TIDD-EU CSM project is made of members of the formal institutions/organizations. It is important that we include also members from the informal sector and the chairperson of the MSD

### Annex E: MSD action plan

Activity	sub-activity	Strategies	Responsibility	Time frame
Engagement of Key stakeholders  (get buy-in into the agreed policy option, seek the commitment and support of key stakeholder and address any concerns raised on the agreed policy option)	<b>Producers</b> (Chainsaw operators, carriers, farmers, transporters and community members)	Meetings, radio discussions and presentations	MSD members, Project secretariat	June 2011- presentation of final policy proposal
	<b>Consumers</b> (Woodworkers, WAG, DOLTA, Timber market, GREDA)	Meetings and distribution of reports	MSD members, Project secretariat & TIDD	April 2011 - presentation of final policy proposal
	<b>Policy Makers</b> (MLNR, MEST, MOTI, MOFEP, LGRD, FC, FC Board, Parliamentary select committee on natural resources)	Meetings, Policy Briefs, Memo, Organize an outreach programme/Workshop Presentations and communiqué on proposed policy interventions	MSD-SC, Project secretariat & TIDD	June - December 2011
	<b>Traditional Authorities</b> (national house of chiefs) and Land owners	Meetings, distribute reports/policy briefs and education/awareness creation	MSD-SC, Project secretariat, RMSC & TIDD	June- December 2011
Consultations on the draft policy proposal for supply of legal lumber to the domestic market  (broaden stakeholder involvement and input into the document)	Consultations at District/constituency level stakeholders	District level MSD and focus group meetings, distribute reports and relevant materials	MSD-SC & Project secretariat	August- September 2011
Organize meetings  (to ensure that concerns raised by stakeholders on the first draft policy proposal are addressed and the policy document finalized)	Technical Committee meeting	Incorporating concerns, suggestions and contributions into the draft policy for further discussions at the MSD	MSD-SC, MSD-TC & Project secretariat	October 2011
	MSD meeting	Group and plenary discussions & reports	MSD-SC & Project secretariat	October 2011

Disseminate information on finalized strategies for supplying legal lumber to the domestic market	All relevant stakeholders	Prepare info sheets, reports, Prepare public information materials, Organize Dissemination meetings	MSD-SC, project secretariat &TIDD steering committee	October 2011- March 2012
Develop actions for the strategies in the policy proposals for supply of legal lumber to the domestic Market	MSD meeting (District and national)	Group discussions	MSD-SC & project secretariat	March –May 2012

Note: The action plan should be reviewed as and when necessary.