



## FINAL REPORT

Period of the report: “May 2015 to August 2016”

Project: Improving off Reserve Logging for a functional  
VPA (PO315502)

Country: “Ghana”

Service provider: Sustainable Forest Management  
Partnership -Ghana (SFMP-G)

Date: 31<sup>st</sup> August, 2016

*With support from the European Union (EU) and the Food and Agriculture Organization of the United Nations (FAO)*

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## Abbreviations and acronyms

EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FC	Forestry Commission of Ghana
FLEGT	Forest Law Enforcement, Governance and Trade
FSD	Forest Services Division of FC
G-LAS	Ghana's Legality Assurance System
KWC	Kumasi Wood Cluster Association
LCs	Logging Companies
LVD	Land Valuation Division of Lands Commission
MOFA	Ministry of Food and Agriculture
MOP	Manual of Procedures
NFF-G	National Forestry Forum Ghana
ORL	Off-Reserve Logging
PP	Position Paper on Compensation
PSC	Project Steering Committee
RMSC	Resource Management Support Centre
SFMP-G	Sustainable Forest Management Partnership, Ghana
TVD	Timber Validation Department of FC
VPA	Voluntary Partnership Agreement

### 1. Introduction (maximum 2 pages)

Reminder of key data of the project (background, objective and outputs, main activities anticipated and carried out, impact of the project for the FLEGT Action Plan etc.).

Rights of forest fringe communities affected by off-reserve logging are recognized under the Ghana's FLEGT VPA signed with the EU. Principles 1 and 3 of Ghana's Legality Standard directly refer to and uphold community rights and benefits in the management of ORL. In the same way, Ghana's new Forest Policy (2012) supports the devolution of off-reserve forest management rights to communities and individuals and recognizes the need to provide these communities with knowledge and capacity to effectively enforce their rights and fully assume their management responsibilities. However, these communities are not always aware of their rights concerning timber allocation and logging operations especially in the off-reserve areas. To reverse this situation Ghana's Forestry Commission (FC) would need to ensure that Logging Contractors (LCs) strictly comply with all prescribed legal standards related to negotiation, signing and implementation of responsible ORL agreements before any logging takes place. Timely provision of information to community members regarding the economic value of their damaged crops as a result of logging activities and other assets, together with capacity building for effective monitoring and reporting on rights infringement is therefore paramount.

The EU FAO FLEGT Programme promotes the implementation of the FLEGT Action Plan by improving forest governance, providing technical assistance, and building capacity through funding projects in VPA countries like Ghana. In pursuit of these objectives, the EU FAO FLEGT Programme has supported this project entitled "Improving Off-Reserve Logging in support of a functional VPA" whose objectives are to contribute to responsible negotiation and implementation of ORL; enhance forest governance and legal production in line with the FLEGT process and contribute to fostering compliance with G-LAS for a functioning VPA.

The Sustainable Forest Management Partnership (SFMP) provided baseline studies, developed and tested protocols/guidelines and made recommendations that will form measurable and concrete proof mechanisms to check compliance with the legality requirements of a functional VPA.

The project has five outputs with a set of activities under each output. They are as follows:

Output 1: Experiences with ORL negotiation, implementation and related compensation process inventoried, analysed and documented. Its activities are conducting baseline study, development of two case studies and establishing do's and don'ts.

Output 2: Necessary recommendations made to the FC to support the revision of current ORL processes. Activities are identifying factors constituting fair compensation in a form of a position paper, developing processes to support legal compliance for ORL.

Output 3: Stakeholders informed and empowered to engage in responsible ORL. Its activities are carry out inception workshop, conduct pilot trainings for FC staff, community representatives and logging companies.

Output 4: Project lessons broadly shared and an upscaling strategy developed. Activities include a workshop to discuss the integration of lessons learned, preparation of synthesis reports, guides and manual for public access, organizing a close out workshop.

Output 5: evaluation of all workshops and seminars, complete all awareness raising activities and organize project steering committee meetings.

Activities carried out under this project are:

- a. inception workshop (A3.1)
- b. project steering committee meetings (A5.3)
- c. development of visibility products (banner, pull up, stickers, exercise books and note pads) both (A 5.2)
- d. baseline studies in six forest districts (A1.1)
- e. development of four detailed case studies (A1.2)
- f. establishment of dos and don'ts on ORL for FC staff, loggers and communities (A1.3)
- g. pilot training for FC key staff on ORL negotiation process and procedures (A3.2)
- h. pilot training for community representatives and loggers on responsible ORL negotiation and implementation

and fair compensation calculation (A3.3)

i. position paper on fair compensation estimation framework presentation to FC (A2.1)

j. up-scale strategy and lessons learned workshop to discuss integration of lessons in the ORL procedure (A4.1)

k. project close-out workshop to present to relevant stakeholders project results, lessons learned, reflect on steps forward and validate scale-up strategy (A4.3)

This final report covers activities under output 3 and 4 including the Position Paper out of which the guide for legal verification of ORL will be developed. Elements and procedures outlined in the PP which is yet to receive the endorsement of the FC will be developed into a users' guide. The guide will be used alongside the Dos and Don'ts Booklet developed by this project to aid in the application of the templates shown in the annex of this PP for the purpose of negotiating, fulfilling, documenting and monitoring ORL related compensation in accordance to the GhLAS. This report also covers other activities such as the training of FC staff; training of community farmers, logging company representatives; project up-scale and lessons learned validation workshop. All other activities were reported under the inception report as well as progress report 1 and 2 already submitted.

**Impact of the project for the FLEGT Action Plan:** This project will support the VPA in the following ways: (a) A listing of dos and don'ts developed out of the baseline studies conducted in six forest districts which will serve as a guideline to support legal compliance with P1 and P3 in the context of the timber verification protocols of Ghana's legality assurance system. This will serve as a reference document for use in the field.

(b) Loggers and community representatives in project areas that were engaged are now aware of their roles and the requirements of Ghana's LAS as far as off-reserve logging is concerned. (c) FSD front line staff in project areas are now conscious of their roles under the VPA. These in a long term will facilitate the implementation and roll-out of the VPA which is one of the key FLEGT actions.

## 2. Activities carried out (maximum 4 pages)\*

### 2.1. Summary table

Anticipated activity	Period	Activity carried out	Period	Justification of differences**
A1. Pilot training for 30 community representatives and loggers	February, 2016	Training for 30 participants representing loggers and community representatives from six forest districts. Report attached	February, 2016	NA
A2. Third project steering committee meeting	January, 2016	Third project steering committee meeting. Report attached	March, 2016	Response on draft of the position paper submitted to LVD for review in accordance with the country's requirements for compensation payment was being awaited to be discussed at the Project Steering Committee meeting.

A3. Fourth Project steering committee meeting	April, 2016	Fourth project steering committee meeting. Report attached	July, 2016	Delay in organizing the activity was due to a pause in project activities to undergo an internal evaluation of the project by FAO-FLEGT programme's management and evaluation consultants.
A4. Up-scale strategy and lesson learned workshop	March, 2016	Upscale strategy and lessons learned workshop organized in Accra for 15 participants	July, 2016	As in the justification above
A4. Project Close-out workshop	April, 2016	Project steering committee meeting	August, 2016	As in the justification above

## 2.2. Description of activities carried out

Give details of each activity carried out (object, place, number of days, number of participants, profile of animators/trainers, methodology etc.).

A1. A one day pilot training on the use of the tools developed from the project for ORL (dos and don'ts, compensation negotiation) was organized for 30 participants from community representatives and loggers. The training was organized at the Catholic Pastoral and Social Centre at Goaso. The trainers were the national consultant for the project, one steering committee member and the two (2) project officers. Methodology employed included:

- 1) Presentations (Presentations covered field verification checklist for validating legality of principles 1 and 3 and keeping records of compensation negotiation and payments).
- 2) Role play. (The procedures for ORL was acted by participants in a role play. Observations from the role play were used as a preamble for discussing how to improve ORL). An evaluation tool (the H-diagram) was used to evaluate how participants received the training. They expressed satisfaction as to how the training was organized and the methodology employed. Report of the training is attached.

A2. The third project steering committee meeting took place on March 8, 2016. Six out of the seven SC members were present. The second progress report was reviewed and suggestions made to improve its content. The draft position paper on compensation negotiation and payment was also discussed. It was recommended to the project team to pursue the Land Valuation Division of the Lands Commission for their comments on the draft position paper. Report of the meeting is attached to this report.

A3. The fourth project steering committee meeting was attended by 6 out of the 7 members on July 7, 2016 at the KWC office. Members finalized the position paper and recommended its templates for review and validation at the close-out workshop.

A4. A one day up-scale strategy and lesson learned workshop was organized on July 13, 2016 for 15 people from FSD Operations, TVD, FWG, Tropenbos International Ghana and NFF-G. The key presenters were the International Consultant, Project Coordinator and Project Officer. The FAO FLEGT Programme Officer for Ghana also participated in the workshop. Power point presentations were made on project lessons learnt, elements for responsible and fair negotiation, protocols for mainstreaming active monitoring and project scale-up strategy. An Officer from the LVD also made a presentation on estimation on crop compensation rates. The workshop recommended that the compensation rates by the LVD be used as a basis for negotiating compensation for crop damage. The draft up-scale strategy document developed for expanding the project lessons in the rest of the forest districts of Ghana was also reviewed at this workshop. This document outlines what to up-scale and how to up-scale. The adoption

of proposals for ORL legality verification, adoption of tools and templates for effective documentation and verification and capacity development for communities, loggers and FC staff comprises the elements that will be up-scaled. The 'how' states the methodology and the target group for the up-scale. It also include the strategies that will be adopted to implement the 'what'. Full report on the proceedings of the workshop is attached.

**A5.** A one day project close-out workshop was organized on the 3<sup>rd</sup> of August 2016 at the Crystal Rose Ambassador Hotel at Ahodwo, Kumasi. 60 invitations were sent out and 57 attended. At the workshop, project objectives, methodology and expected results were outlined. Project results, lessons and the way forward were also presented. Workshop participants were grouped into four to validate the different sections of the project upscale strategy document.

### 3. Analysis of results achieved and their impact

	Indicators fixed	Indicators achieved	Comments**
Project objective: to contribute to responsible negotiation and implementation of ORL; enhance forest governance and legal production in line with the FLEGT process; and finally contribute to foster compliance with G-LAS for a functioning VPA.			
Output 3: Main stakeholders informed and empowered to engage in responsible ORL negotiation and implementation.			
<b>A3.3</b> Pilot training on responsible ORL negotiation and implementation.	<ul style="list-style-type: none"> <li>- Training materials (PPTs, pictorial hand-outs and posters ) and programme</li> <li>- 20 communities representatives,</li> <li>- 10 LC members</li> <li>-</li> <li>- Assessment report of the training</li> </ul>	<ul style="list-style-type: none"> <li>- Training materials (PPT, flyers, handouts,) and programme</li> <li>- Video coverage of training</li> <li>- 20 community representatives from 10 communities in 6 forest districts</li> <li>- From 6 Forest Districts, 8 members representing 8 LCs</li> <li>- Participants' assessment (evaluation) report of the training</li> </ul>	<p>Two loggers were expected from the Goaso Forest District. One of them did not honour the invitation to attend the training. The logger from the Jasikan Forest District also could not attend the training because of ill-health.</p> <p>An evaluation tool (H-diagram) was used to access the strengths, weaknesses of the training it is an interactive method to assess intake of training.</p>
Output 4: Project lessons broadly shared and an up scaling strategy developed.			

<p><b>A4.1</b> A workshop to discuss the integration of the lessons learned in the ORL procedure and guidelines for communities, contractors, FSD district staff, the TVD, RMSC and to promote their correct application</p>	<ul style="list-style-type: none"> <li>- Draft lessons learned</li> <li>- Workshop materials and programme</li> <li>- Validated up-scale strategy lessons learned</li> <li>- Copy of up-scaling strategy</li> </ul>	<ul style="list-style-type: none"> <li>- Draft lessons learned report</li> <li>- Workshop materials (PPT, Sample Dos and Don'ts Booklet, Scale Up Strategy, Position Paper) and programme</li> <li>- Pre-validated up-scale strategy and lessons learned report</li> <li>- Post-validated up-scale strategy and lessons learned report</li> </ul>	<p>Workshop attended by 15 people with representation from FSD, Forest Watch Ghana, NFF-G and LVD.</p>
<p><b>A4.2</b> Reports, guides and manuals to upload on FC and SFMP websites for public access.</p>	<ul style="list-style-type: none"> <li>- Websites with relevant documentation uploaded</li> </ul>	<p>SFMP-G and KWC website uploaded with relevant documents.</p> <p>Raw documents submitted to FC to upload on its website.</p>	<p>Baseline study report, Case study report uploaded, Position paper on fair compensation estimation, soft copy ORL Do's and don'ts booklet, other relevant activity reports have been uploaded on SFMP-G website. (Web address <a href="http://www.sfmoghana.org">www.sfmoghana.org</a> and <a href="http://www.kwchgh.org">www.kwchgh.org</a>)</p> <p>The above listed documents has been given to the relevant unit of the FC to be uploaded on its website.</p>
<p><b>A4.3</b> One-day project close-out workshop to present project objectives, results, lessons learned, reflect on steps forward and validate scale-up strategy</p>	<ul style="list-style-type: none"> <li>- Participants list and photograph at the close-out workshop</li> <li>- Copy of letters to invitees to close out workshop</li> <li>- Report of the final workshop with the validated up-scaling strategy</li> </ul>	<ul style="list-style-type: none"> <li>- List of 57 participants</li> <li>- photograph of participants at the close-out workshop</li> <li>- Copied letter to 60 invitees</li> <li>- Report of workshop</li> <li>- the validated up-scaling strategy document</li> </ul>	<p>Invitations were extended to 60 participants but 57 attended the workshop.</p> <p>Report of the close-out workshop is attached with validated up-scale strategy document</p>

**4. Analysis of the impact of the project for the FLEGT Action Plan and/or the VPA (maximum 1 page)**

In terms of the strategic priority or priorities from the FLEGT Action Plan adopted when designing this project and/or the priorities linked to the VPA, explain how the project has made a concrete contribution to the FLEGT Action Plan and/or the VPA.

The project responded to strategic priority 1 “providing support to timber producing countries and improving forest governance of the FLEGT Action Plan.

The project advocates for a more functional VPA to enforce communities’ rights and preserves their benefits in off-reserve logging. The Sustainable Forest Management Partnership (SFMP) provided baseline studies on experiences with compensation negotiation and implementation for ORL. The project also developed and tested tools/ protocols/guidelines and made recommendations to the Forestry Commission of Ghana. These tools developed will serve as measurable and concrete proof mechanisms to check compliance with the legality requirements as far as ORL is concerned.

The process towards full implementation of the FLEGT VPA in Ghana has also reinforced the need for improving off-reserve logging as it is a requirement under the Ghana Legality Assurance System (GhLAS), Principle 3, Criteria 7, Indicator 1 of the field audit checklist enjoins TUC Holders and or loggers to pay compensation to affected farmers in respect of crop damage. Failing to pay compensation for the timber and its associated products disqualifies it as “legal timber” both for the domestic and export market.

Issues with off-reserve logging compensation negotiation was not explicitly outlined in the audit verification protocols. This project has created the necessary awareness on compensation negotiation and payment among relevant key stakeholders. A framework for estimating compensation for crop damage has been proposed by the project. These project actions are very timely as Ghana is currently developing and updating its timber legality verification protocols and complaint mechanisms as part of its legality assurance systems.

**5. Analysis of expenditures (maximum 1 page)**

Indicate level of expenditures to date and explain any differences from the budget.

Funds inflow and expenditures are shown in the Table below under the budget headings. All budget headings expenditure variations were below 10% of budgeted costs even though some individual line cost within the budget headings varied above the 10% range. Total expenditure variation was US\$3,545.62 due mainly to a favourable variance in participants travel costs to workshops (ref. expense register and budget monitoring table; SFMPG-Ghana-Financial Monitoring-Report). Three tranches totalling USD 106,866.20 were received. The fourth tranche funds of USD 23,331.43 are outstanding.

Explanations for individual expenditure items are detailed out in the expense register and budget monitoring table as attached.

DATE	INFLOWS USD\$	HEADING	BUDGETED AMT.	EXPENDITURE	VARIANCE	Per cent Variance (%)
01/06/15	40,084.20		42,500.00	42,183.07	316.93.	+0.75

		HUMAN RESOURCES				
15/12/15	33,403.50	STAFF TRAVEL	11,660.00	12,588.36	(928.36)	-7.96
19/05/16	33,378.50	EQUIPMENT	500.00	500.00	0.00	0.0
		OPERATING COSTS	10,494.00	10,558.81	(-64.81)	-0.62
		WORKSHOPS/TRAINING/ CONFERENCES/DISCUSSIONS	55,310.00	51,075.00	4,234.63	+7.66
		INFORMATION MANAGEMENT	<u>13,150.00</u>	<u>13,292.39</u>	<u>(-142.39)</u>	<u>-1.08</u>
<b>31/08/16</b>	<b><u>106,866.20</u></b>		<b><u>133,614.00</u></b>	<b><u>130,197.63</u></b>	<b><u>(3,416.37)</u></b>	<b><u>+2.56</u></b>

**USD\$**

1. TOTAL BUDGETED EXPENDITURE - 133,614.00  
TOTAL ACTUAL EXPENDITURE - **(130,197.63)**  
**VARIANCE AS AGAINST BUDGET - 3,416.37**

**USD\$**

2. TOTAL INFLOWS AS AT AUGUST, 2016 - 106,866.20  
TOTAL ACTUAL EXPENDITURE - **(130,197.63)**  
**TOTAL PRE-FINANCE AS AGAINST TOTAL INFLOWS - (23,331.43)**