



## Forest and tree-based livelihoods in Ghana's High Forest Zone: timber from forests and farmland



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Timber contributes about 6% to Ghana's Gross National Product and 11% to its export earnings and therefore plays an important role in Ghana's economy. It also creates about 100,000 jobs through direct employment in the legal timber industry and an estimated 130,000 jobs in chainsaw milling. The issue of how timber contributes to rural livelihoods is increasingly gathering interest among forest actors in Ghana in view of the Voluntary Partnership Agreement (VPA) between Ghana and the EU to combat illegal logging. This infosheet examines the role of naturally grown timber in rural people's livelihoods.

### Timber logging and Social Responsibility Agreement (SRA)

**What it is:** Timber Utilization Contract (TUC) and permit holders can legally engage in commercial timber extraction and pay 5% of the revenues in cash or kind to adjacent communities.

**Applies to:** Reserves (except protected areas) and off-reserve areas.

**Benefits:** Stumpage fees for the FC, stool landowners, District Assemblies and Administrator of stool lands. 5% of the stumpage fee or value of harvested trees for communities in cash and/or kind (e.g. roofing sheets, cement, the construction of a community centre, borehole water, etc.).

**Actors involved:** TUC or permit holders, FC and forest adjacent and farming communities benefiting from the SRA.

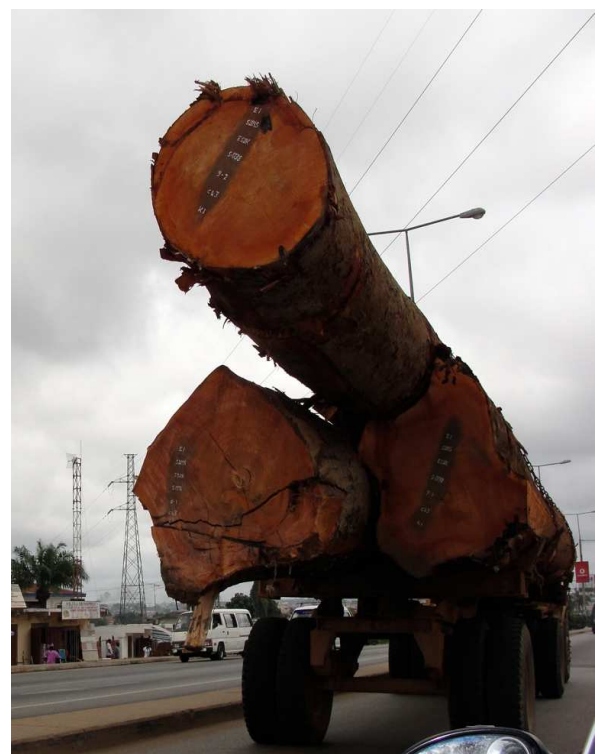
### Timber utilization permits (TUP)

**What it is:** The right of a forest-adjacent community to access timber for community development projects such as the construction of a school building, chief's palace, community centre or bridges.

**Applies to:** On and off-reserve areas.

**Benefits:** Various community benefits.

**Actors involved:** Forest fringe communities, FC/FSD.





### On-farm naturally grown tree nurturing

**What it is:** Obligation without compensation for farmers to tend naturally grown trees on their land.

**Benefits:** 60% of timber revenue for the FC, 20% for District Assembly, 15% for the landowner/traditional authority (TA), 5% for the administrator of stool lands (ASL). None for the farmer, except in the form of compensation for crop damage occurred during felling, negotiated or paid by the timber operator.

**Applies to:** Off-reserve areas where naturally grown trees fall under the custody of the FC.

**Actors involved:** FC, timber operator (buyer), District Assembly, landowner, administrator of stool lands.

### Chainsaw lumbering

**What it is:** Illegal timber extraction for commercial purposes, with on-site conversion of logs into lumber using a chainsaw.

**Applies to:** On and off-reserve areas.

**Benefits:** Income for actors involved and lumber for the domestic market, but no benefits in the form of royalties or SRA.

**Actors involved:** Chainsaw operators, carriers, drivers, traders, sawmill owners and financiers of the operation. FC/FSD, police and the judiciary when offenders are arrested.

### Conclusions

Timber contributes both legally and illegally to rural livelihoods. Social safeguards are needed to curb the livelihood impacts of implementing timber legality standards. It would take a tremendous effort to do this since there are hardly any lucrative alternative options.

In off-reserve areas, a critical review is required of the benefit-sharing arrangement regarding naturally grown trees on farmland. Adapting the arrangement to include the farmer would not only contribute to their livelihoods but also create an incentive for them to tend the trees.