

The Future of Namibia's  
Forests – Sustainable Forest  
Management as Key to  
Unlock its Potential

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Safari Court Hotel, Windhoek-  
Namibia

**What does FLEGT mean?  
A case study from Ghana**

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# Outline

What is the EU FLEGT-VPA and the Timber Legality Assurance System?

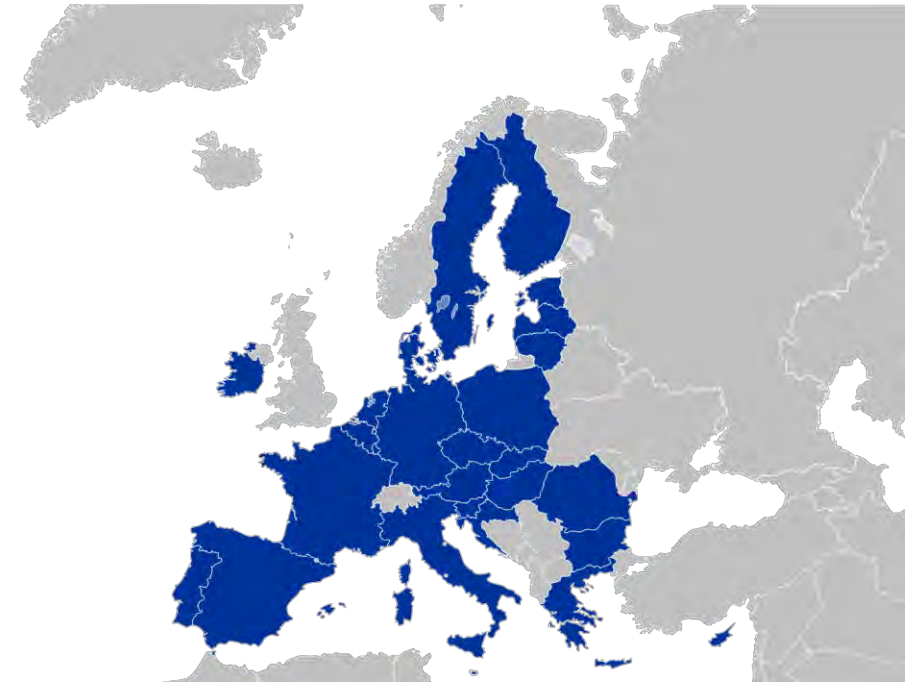
The VPA in the Ghana Context

- Some key forest sector policy interventions
- The regulatory environment pre FLEGT-VPA

Conclusion

# What is FLEGT VPA?

Voluntary Partnership Agreements (VPA) –  
a component of EU FLEGT action plan



**F**

Forest

**L E**

Law Enforcement

**G**

Governance

**T**

Trade

VPA is a bilateral trade agreement negotiated between the EU and a timber-exporting country outside the EU. The agreement becomes legally binding when both parties have ratified it.

# What does it mean to be Part of FLEGT?

Negotiate and sign a VPA with the EU

Establish a Timber Legality Assurance System (TLAS)

- Relevant governance reforms may apply

Trade with EU under FLEGT Licenses

- Provision of objectively verifiable documentation that consignments are legally sourced and produced



# The Timber Legality Assurance System (TLAS)

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Legal Standard | Verification System | Chain of Custody | Licensing  
Authority | Independent Audit

# Legality Definition

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Aspects of country's law for which the timber legality assurance system will systematically seek evidence of compliance

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The subset of legal requirements that national stakeholders decide are most important

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Includes the allocation of logging rights through processing and transport, fiscal obligations as well as benefit sharing

# Verification System



System that checks that that all the requirements of the LD have been met by all actors in the supply chain

operators, suppliers as well as regulators



Provides objectively verifiable evidence that timber products and related activities comply with the requirements set out in the LD



Based on audit (field and documentary) conducted using set of Principles, Criteria and Indicators drawn from the LD

# Chain of Custody System (CoC)

- System that enables the tracking of timber and timber products from a forest or point of import to a point of export (and vice versa)
- Systematically enables the identification and reconciliation of wood flows accompanied by the relevant documentation throughout the supply chain
- The CoC is based on existing business process and procedures
  - Some tweaking may become necessary during automation



# FLEGT Licensing/Licensing Authority

- Licenses – the targeted end product of the TLAS technical systems
- Licenses – Guarantees that timber from a country has been harvested, processed and exported in accordance with national laws
- A designated licensing authority issues licenses acting on the reports of the verification of legality
- Ghana's approach is shipment-based licensing

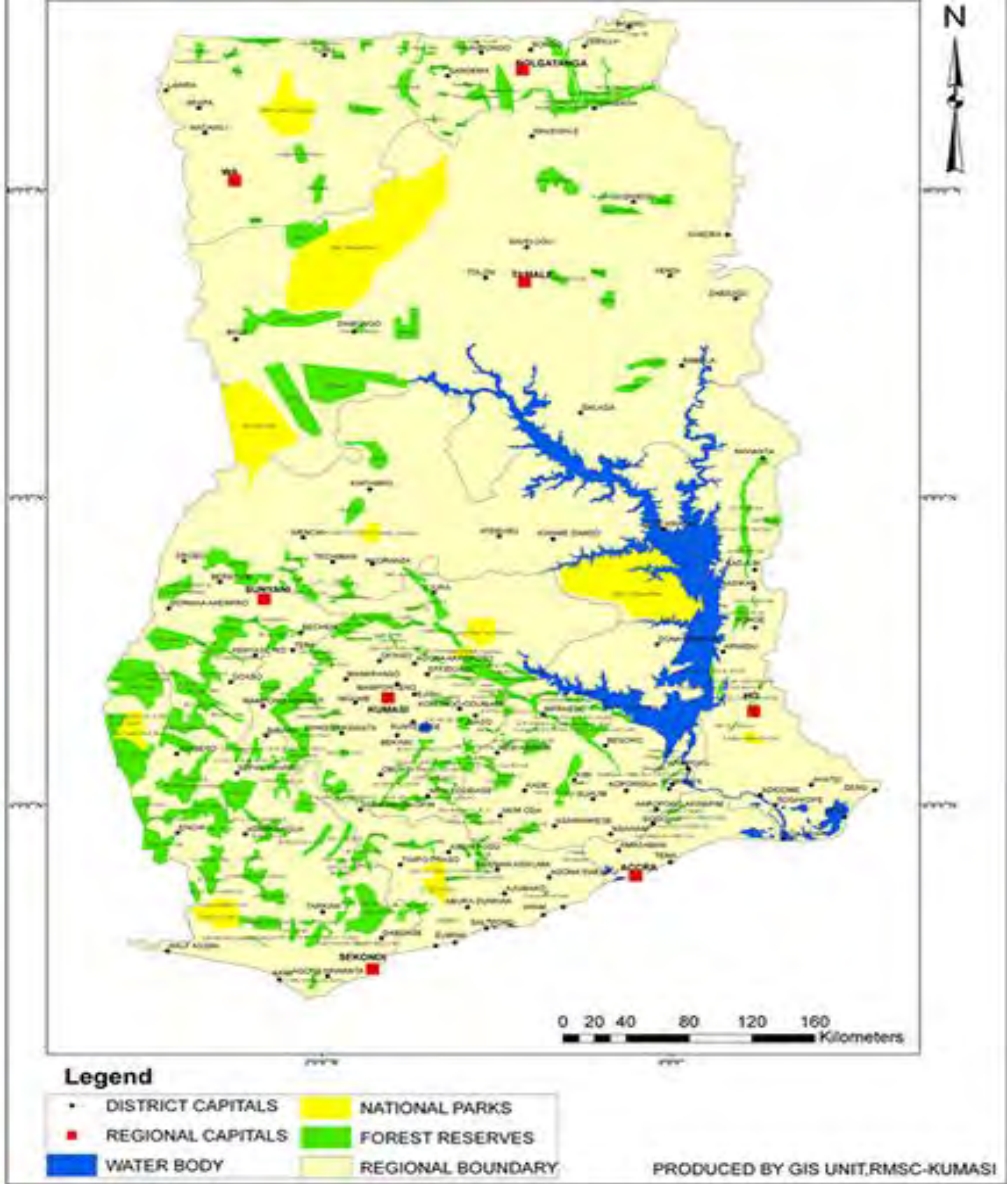
# Independent Auditing

- To review and provide independent reports on the TLAS and check that components of the system function as purposed in the agreement
- Contributes to the credibility of the country systems (and licenses)
- Appointed by government of partner country in consultation with the EU

# The VPA in Ghana's Context



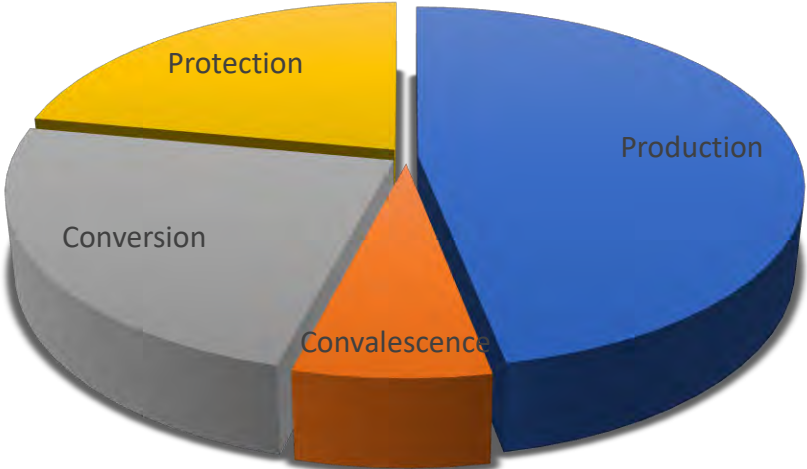
# Forest Reserve Map of Ghana




# Reserve Classification



% Area



■ Production ■ Convalescence ■ Conversion ■ Protection



# Some Key (Historical) Ghana Forest Sector Policy Interventions

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# Controlling Over- Harvesting – The Measures

## Sustained Yield Formula

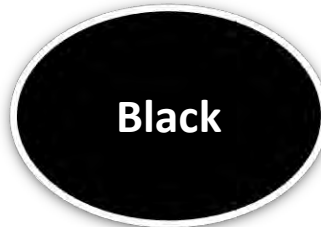
- Control over-harvesting (only a third of matured trees removed)

## Ban on export of round logs

## Value addition drive

- Soft loans to retool industry to improve exports under economic recovery programme (ERP)
- Levy on air dried lumber exports

# Species Star Rating to Protect Against Extinction



**From high conservation attention (Black) to no conservation concern (Green)**

# Controlling Over- Harvesting

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# Unexpected Impacts

Fall in prices of logs on domestic market -  
Structure of Industry changes

- Loggers/log exporters 'die off'

Wood supply deficit on domestic market  
created

Illegal operators fill in the gap

- Onset of plague of chainsaw milling
- Led to creaming of economic species (Mahogany, Iroko, Aframosia, Sapele etc.)
- Illegal logging, Deforestation and forest Degradation followed



# Further Measures



Restricted species permit



Supply of 20% of production of export-oriented mills to domestic market



Ban on chainsaw milling



Task force/Rapid response teams to combat forest illegalities

# The Regulatory & Governance Environment – pre FLEGT: A Snapshot

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# Regulatory Environment

## Challenges with chainsaw milling/illegal logging

- Potential for mixing in the supply chain
- Continued deforestation and creaming of economic species

## Inadequate supply chain control & monitoring

- Implications for revenue collection
- Less than adequate guarantees for legality of consignments

# Governance Environment

A dual timber rights allocation/administration regime

- Timber rights under leases/permits (administrative/discretionary approach)
- Timber rights under contracts (competitive approach)

A command and control approach at containing illegal logging

Less than adequate multi-stakeholder deliberative approach to policy-making

# Joining FLEGT, the Motivation

- Maintain valued export market
- Initiative's alignment with objective and aspirations of National Forest Policy
  - Sustainable Forest Management
- Improving on overall governance/regulatory environment
- Stakeholder consensus

# The Motivation then and Now

## **Ghana's Timber Trade with EU**

- 2006 – 60% in volume and value
- 2020 – below 15% in volume and value

**Motivation** now less on trade as in governance and regulatory underpinnings of a Timber Legality Assurance System

**AGG GWTS 1.2.6**

**LIVE**

**DASHBOARDS**

- Forestry Dashboard
- Managers Dashboard
- Trade & Export Dashboard

**FOREST ADMINISTRATION**

- Timber Rights
- Forests
- Registry
- Yield Approval
- Entry Permits
- Conservation Permits

**STOCK ENUMERATION**

- Stock Survey
- Profiling Inspection
- Stock Assessment
- Seaw Reports

**HARVESTING**

- See Information (31)

### Forestry Management and Trade Statistics

General information and Statistics on Forestry

3,251 Timber Rights	361 Forest Reserves	197 Species
35 Wood Products	1,411 Loggers	941 Exporters
1,180 Processors	13 Local Visitors	1,560 Buyers
2 FLECT Issued	2,258 Export Permits	2,703 DOTCs



### Annual Allowable Cut

A&C regional statistics

2022

81%

Allowable Cut: 1,000,000 m<sup>3</sup>

Total Harvested: 809,394.61 m<sup>3</sup>

On Reserves: 138.8%

Off Reserves: 11.7%

Regional Breakdown

Region	Volume (m <sup>3</sup> )	Percentage
Western North	188,039,884	23.2%
Ashanti	163,306,253	20.2%
Eastern	116,214,889	14.5%
Bono	91,600,414	11.3%
Western	84,388,911	10.4%
Central	81,653,291	10.1%
Ahafo	75,804,713	9.4%
Oti	2,306,372	0.3%
Volta	-	-
Bono East	-	-
Unknown	-	-



35 Wood Products    941 Exporters    1,180 Processors    13 Local Vendors





- GWTS 1.2.6
- Stock Survey
- Pre-felling Inspection
- Stock Assessment
- Seizo Reports
- HARVESTING
  - Tree Information (TI)
  - Plantation Production (PP)
  - Post Harvest Audit
- TRANSPORTATION
  - Conveyance Certs. (LMCC)
  - Grading & Inspection Point
  - Remouvements (RLMCC)
  - Log Transfer Certs. (LTC)
- MILL PROCESSING
  - Bolting
  - Input/Output Sheet
- EXPORT & LICENSING
  - Export Contracts

Log Remanufacture / Bolt Details



Date: Jul 14, 2022

**Berekum FFC**  
 LRFFC22070002  
 Source: LMCC - LMBR2202114  
 Species: CEM - Eio  
 Log No: 1 Stock No: 372  
 Input Volume: 7.65 Output Volume: 7.614

Bolts + Add Bolt

#	Suffix	Db1	Db2	Dt1	Dt2	Length	Volume
1	A	108.0	108.0	100.0	100.0	8.958	7.614
<b>Total</b>							<b>7.614</b>



- Plantation Production (PPC)
- Post Harvest Audit
- TRANSPORTATION
  - Conversion Certs (LMCC)
  - Crating & Inspection Point
  - Re-measurements (RLMCC)
  - Log Transfer Certs (LTC)
- MILL PROCESSING
  - Boiling
  - Input/Output Sheet
- EXPORT & LICENSING
  - Export Certificates
  - Inspection Certificates
  - Domestic Inspection (DOTIC)
  - Export Permits
  - ALIST Licences
- VALIDATION
  - Audit Principles
  - TVO Audit

### Trace References

TFs LMCCs Bolts Input / Output Sheet Inspection Certificates

#	Date	Reference	Stock No	Db	Dt	Length	Volume
1	Feb 23, 2021	0081217	575	76.0	50.0	25.5	8.160

Close

Date: 30/05/2022

### LOGS AND LUMBER

URLL20170171  
 Source: LMCC - AS1072988  
 Species: CEM - Iso  
 Log No: 1 Stock No: 575  
 Input Volume: 4.18 Output Volume: 4.15

#### Bolts + Add Bolt

#	Suffix	Db1	Db2	Dt1	Dt2	Length	Volume
1	A	73.0	73.0	72.0	72.0	3.0	1.550
2	B	72.0	72.0	71.0	71.0	3.6	1.44
3	C	71.0	71.0	70.0	60.0	3.2	1.152
<b>Total</b>							<b>4.15</b>



## Emerging impacts of operating the Timber Legality Assurance System (TLAS)

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- Opportunity to better **detect and correct areas of weakness** in the application of forest management prescriptions
- Opportunity to better **monitor and control the supply chain**
  - Better combat illegalities along the supply chain
- Accumulation of forest management data for informed strategic decision-making
  - Improved business analytics



# FLEGT Licence and the Emerging Dialogues

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- Better access to documentation to address due diligence and deforestation-free supply chain requirements
  - And beyond the EU

# A Governance Environment Under Transformation

Table 8: Comparative analysis of 2008 & 2021

THEME	SUB-THEME	INDICATOR TITLE	Baseline as at 2008		Impact as at 2021	
			INDICATOR VALUE	STATUS	INDICATOR VALUE	STATUS
FOREST MANAGEMENT	Forest Law Enforcement	Monitoring of Timber Supply Chain	2.5	Weak	3.8	Strong
		Monitoring of Forest Management Operations	2.6	Moderate	3.7	Strong
	Forest Management Practices	Quality of Forest Management Plans	2.0	Weak	3.4	Moderate
	<b>Timber Rights Allocation</b>	<b>Timber Rights Allocation in Practice</b>	<b>2.0</b>	<b>Weak</b>	<b>2.4</b>	<b>Weak</b>
CROSS-CUTTING ISSUES	Oversight and Adjudication of Complaints	Effectiveness of Decisions/Resolution	1.3	Very weak	2.7	Moderate
		<b>Capacity of Resolution Body</b>	<b>2.5</b>	<b>Weak</b>	<b>2.8</b>	<b>Moderate</b>
		Accessibility of Complaint Resolution Services	2.5	Weak	4.0	Strong
	Public Participation in Decision-Making	Implementation of Public Participation Process	1.6	Weak	3.5	Moderate
		Permanent Platforms for Multi-Stakeholder Participation	2.5	Weak	3.7	Strong
	Public Access to Information	Legal Basis for Forest Transparency	1.8	Weak	4.0	Strong
		Transparency of Government Agency (FC)	1.8	Weak	3.2	Moderate
	FOREST REVENUE	<b>Forest Revenue Distribution</b>	<b>Implementation of Forest Revenue Distribution Arrangements</b>	<b>3.0</b>	<b>Moderate</b>	<b>2.8</b>
CROSS-CUTTING INSTITUTIONS	Civil Society	Capacity of Civil Society to Influence Decision Making Processes	1.8	Weak	3.8	Strong

# Conclusion

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The benefits of an effective timber legality assurance system (TLAS) goes way beyond the delivery of legality licenses.

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When well implemented, it addresses key forest management, sustainability and governance challenges.

# Thank You

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