

# **DECENTRALISATION OF FEDERAL SYSTEMS IN FORESTS AND NATIONAL FORESTRY PROGRAMME: THE CASE OF GHANA**

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## **ABSTRACT**

Decentralisation of governance and forest management was initiated prior in 1878 during the colonial era to empower traditional authorities (chiefs) primarily to solicit their support in enforcing colonial policies. However, after Independence in 1957, successive governments increasingly strengthened state control over local governance and natural resources. Currently the focus of the decentralised system is the promotion of consultative mechanisms, devolution of power, competence and resources to the district assemblies.

One of the major achievements of the decentralisation process is the development of mechanisms, which ensures that district assemblies and not government are agents of change at the local level. Decision-making, planning and execution of development projects at the district level are the prerogative of district assemblies.

Even though policies on forest decentralisation are well developed in Ghana, the decentralisation process has suffered by central government's reluctance to completely decentralise key revenue-generating sectors such as forestry and mining. In addition, the participation of civil society, non-governmental organisations and community-based-organisations in the rolling out of the decentralisation process has been weak. It is recommended that for the decentralisation process to have the desired effect, empowerment and capacity building of the local communities to effectively manage their natural resources must be accorded the necessary priority by government.

## 1.0 INTRODUCTION

In Ghana, land ownership, land rights and tenures are administered in a plural legal environment, with customary laws and norms operating alongside statutes. The customary land owners or alloidal title holders in the country (stools<sup>1</sup>, clans<sup>2</sup>, families<sup>3</sup>, tindanas<sup>4</sup> and tendamba<sup>5</sup>) own about 78 percent of the total land area in Ghana. Of the remainder, the state owns 20 percent and 2 percent is held in dual ownership, the legal interest in the government and the beneficiary interest in the community (Kasanga 2002). The rights of ownership of all customary lands, including forest reserves, resides in the original landowners, however, management rights of commercial natural resources like timber, precious minerals and salt are the responsibility of state agencies and are governed by legislation. This uniqueness of traditional land ownership in Ghana has had an enormous influence on the evolution of decentralisation in the country.

Widespread customary land ownership in the country has influenced the strong recognition of the role of local users in resource management. Nonetheless, not much has been done to promote collaborative resource management due to the reluctance of the state to devolve management authority to the local communities. Since the early part of the 20<sup>th</sup> century succeeding governments, including the colonial administration, have attempted to shift control or supervision over disposition of lands from traditional owners to the state is reviewed. One of the key reasons for continued centralization in the State is the perceived notorious traditions of misuse of land by traditional authorities and the general decline of state authority in the past. Legislations have therefore been introduced in the past with sweeping state control on natural resources (including timber and precious minerals), land use, enhanced powers of expropriation and the assumption of the managerial and fiduciary powers of stool in respect of unencumbered land. These policies and legislations were formulated in consultation with local people probably because it was assumed that local people have no knowledge of resource management and no interest in its conservation or protection (Kotey et al. 1998).

This report gives a historical overview of the development of forest management decentralisation, and outlines the success and conflicts arising from the decentralisation process. The report further outlines strategies that have been developed to address local community needs and interests with respect to sustainable resource utilization and

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<sup>1</sup> Stool land refers to land that is vested in the appropriate stool on behalf of the community represented by the chief, or any in a fiduciary capacity for his people. Members of the landholding group have usufruct rights, equivalent to a freehold. Practically such land belongs to the member of the landholding group and his interests are secure, inheritable and generally alienable.

<sup>2</sup> Lands at the very earliest times belonged to small families or household units. In some communities, the families merged to form clans and the individual family or household lands came under the authority of the newly formed clan. The clans later merged to form larger tribal groups or federations under one traditional authority who is responsible for the maintenance of law and order and the perpetuation of the interests of social groups.

<sup>3</sup> Family land represents land vested in a family represented by a head of family.

<sup>4</sup> The spiritual or religious heads of the land are referred to as Tindanas in most parts of Upper West and Upper East Regions of northern Ghana.

<sup>5</sup> Tendembas are the owners of the land and forest groves in some parts of Northern Ghana. Usually, they are the first settlers in various communities.

management at all levels of the decentralised structure. Lessons learnt from the decentralization process in Ghana and the way forward are discussed.

## **2.0 CONTEXT AND FEATURES OF GHANA'S DECENTRALISATION POLICY AND IMPLEMENTATION PLAN**

### **2.1 Historical Perspective of National Decentralisation**

Local government was introduced in Ghana in 1878 during the colonial era by the British. The purpose of this decentralisation exercise was to provide a 'legal' basis for traditional authorities to carry out some limited local government functions including judicial, legislative and resource management. These local government functions were modified in the 1940s to include the appointment of educational and technical persons for administrative functions at the local government level and ensure greater community voice by making Paramount Chiefs the presidents of the local government councils (GOG 2002). Thus decentralisation focussed on empowering traditional authorities to ensure that they support colonial policies.

However, after Independence in 1957, state control over local governance and natural resources increased. In fact by 1965, Ghana had a very strong central administration in the office of the President, with 182 weak, non-viable and fragmented urban and local councils and 161 ineffective district councils. With respect to natural resource management, the State passed a series of legislation entrenching centralised state management of stool lands, the grant of timber rights and the collection and disbursement of revenue on behalf of landowners amongst others. This situation led to conflicts between the state and landowners over benefit sharing and utilisation of natural resources on family and community. As a result of increasing centralisation of land and natural resources administration in the state, local community capacity was not built, which led to the lack of local community capacity to manage their lands and forest natural resources. In addition, the state made laws to reinforce its control over natural resources, whether from lands or forests to the exclusion of other stakeholders, particularly the chiefs and local communities, due to the inability of government to secure revenue to meet the increasing level of expenditures of government.

By the early 1970s, the rapidly increasing population and expanding local government activities made it virtually inefficient to impossible to run the local government system from the office of the President and therefore a four-tier structure consisting of regional, district and local councils and village development committees was established. The district councils were, however, made the main focus of local government. The 1970s and the early 1980s were a period of political instability, with three successful coups and other attempts to overthrow the government. The combination of this political volatility and a poor economic climate resulted in a lost decade for Ghana, in terms of the implementation of an effective decentralisation process and economic development.

By the mid-1980s the economy had been largely devastated with a marked deterioration in the ability of the public forestry sector agencies to effectively manage natural resources. It is estimated that between the 1970s and early 1980s about 20,000 hectares (ha) of valuable timber land was lost per annum due to wildfires, agriculture and logging

(FAO, 1988). In 1982, Ghana began to engineer its own political and economic recovery. A set of reforms under the economic recovery program (ERP) supported by the International Monetary Fund stand-by credits had a significant impact on the economy of Ghana. The main objective of the ERP was to improve the performance of the Ghanaian economy by dealing with the problems of inflation, external deficit and declining output. The development strategy of the country was changed from import-oriented to export-oriented with increasing private sector participation and reduction in government involvement in direct production through the divestiture of state-owned enterprises. Under the ERP, the growth rate of the economy increased by 0.7 percent in 1983 and reached 5.4 percent by 1985. The budget deficit was reduced to 2 percent in 1985 and the rate of inflation was reduced from its peak of 123 percent in 1983 to about 10 percent in 1985.

In spite of the success of the ERP and Structural Adjustment Programmes (SAPs) in reversing the economic decline of the 1970s and achieving a positive rate of economic growth, income per head rose by less than 2 percent per annum due to the high population rates (World Bank Development Report 1993) and thereby had very little impact on the poverty status of the country. During the period, about 36 percent of Ghana's population was estimated to live in poverty.

In order to facilitate poverty reduction and increase the voice of local communities in governance, the government initiated a comprehensive review of the local government structures and arrangements with the enactment of the Local Government Law, 1988 (PNDCL 207). The main focus of this decentralisation programme was the promotion of consultative mechanisms, devolution of power, competence and resources to the district level. The functions of the assemblies are deliberative, legislative and executive (Danso 2000). The decentralisation programme further seeks to ensure that all Ministries, Departments and Agencies (MDAs) of government, decentralised their operations and activities to the district level (GOG 2002).

The national decentralisation process was further strengthened in 2003, when the government put in place a three-year National Decentralisation Plan with the participation of a wide range of stakeholders to: (i) harmonise capacity building activities; (ii) coordinate the decentralisation programme; and (iii) develop effective strategies for decentralisation. According to MLGRD (2002), the key outstanding decentralisation issues include the following:

- i. Resolving the outstanding difficulties created by the establishment of sector public services for forestry, health and education with respect to many of the key functions that have been identified for decentralisation.
- ii. Enacting legislation to clarify the function and related powers to be exercised by Ministries, Departments and Agencies (MDAs) at the various levels of the decentralised system.
- iii. Developing the capacity of sector ministries to transfer power and functions: capacity to appreciate the nature and scope of the change entailed in decentralisation.

## **2.2 Decentralised Institutions, Governance and Forest Management**

### **2.2.1 Local Institutions and Forest Management**

One of the key lessons of the decentralisation process in Ghana is the continued resistance of the government MDAs to the decentralisation process. In addition, central government has also hesitated to enforce the decentralised system, especially for revenue-generating sectors such as forestry and mining (Amanor and Brown 2003). The decentralisation process is also seen as a contentious issue as it is not yet clear if this would result in control over allocation and administration of forest resources shifting *de facto* to the assemblies or whether the district assembly's (DA) role would focus on ensuring that the forestry sector's programmes are reflected in the development aspirations of the district.

Currently, under the local government structure, the DA, which is made up of 67 percent elected representative and 33 percent government appointees, is responsible for the overall development of the district and is more than an interested party in all-developmental activities within the district, including the management of natural resources. Theoretically, all line agencies of the central government, like the Forestry Commission (FC) within each district are expected to report to the assembly. However, this arrangement is yet to be fully implemented as personnel and logistics problems still hinder many of the districts.

Even though not explicitly provided for in the law, almost all the DAs have established a subcommittee on the environment that deals with natural resource management and other general environmental issues and on which relevant agencies, like the FC are represented. Many DAs, through the environmental subcommittees have passed various by-laws concerned with resource management—e.g., the restriction of chainsaw operation, charcoal burning.

At the community level, unit committees form the base structure of the new local government system. A unit is normally a settlement or group of settlements with a population of 500-1000 in rural areas and 1.500 for urban areas. Unit committees (and until recently, the town development committees), being in close touch with the people, play the important roles of education, organisation of communal labour, revenue raising, ensuring environmental cleanliness, and among others implementing and monitoring self-help project. The FC has formed community forestry committees at the unit level to enhance community empowerment and participation resource management.

The weaknesses of local institutions and their influence on the development and effective implementation of collaborative forest management approaches are one of the key shortfalls of the decentralisation process. For example Amanor and Brown (2003) in a review of the impact of decentralisation and local environmental management, observed that the performance of the decentralised structures have been weak as far as environmental management is concerned due probably to the chronic under-resourcing of the decentralisation process and its resulting incapacity.

### ***2.2.2 Tenurial Systems and Forest Management***

The impacts of customary tenurial systems and the performance of indigenous land institutions on sustainable resource utilisation and management are enormous. For example, it has been noted that indigenous institutional arrangements ensure better accountability to local communities and villagers than the public sector agencies and state machinery. This is one of the reasons why the Ghana Poverty Reduction Strategy (GPRS) programme recommends the promotion of customary systems as a mechanism for sustained poverty alleviation. In addition, there are more effective checks and balances at community level towards ensuring that the right thing is done, than is currently the case with state institutions.

Generally, access to land and security of tenure are the key prerequisites for any successful programme to reduce poverty in the country due to the fact that insecurity of tenure is endemic in most parts of the country and impinges on both poverty reduction and economic growth. The failure to provide for the protection of land rights, domestic use rights of forests and prevention of abuse of traditional and institutional procedures place the vulnerable groups in the society, including the poor, the illiterate, women, migrants and tenants at the most risk.

One of the issues that the decentralisation process has not adequately addressed is that of tenurial conflicts and its effect on resource management at the Forest Management Unit (FMU) and local community levels. One area of conflict is that farmers are the main custodians of forest resources outside reserves, whilst management and utilisation rights are vested in the state, resulting in the extremely high rates of illegal logging and chainsaw lumbering in the country. For example, a recent study on the performance of the wood industry estimated that the total harvest for 1999 was about 3.7 million m<sup>3</sup>, which is almost four times the annual allowable cut. Out of the total amount of timber harvested, about 0.9 million m<sup>3</sup> (24 percent of total harvest) were illegally harvested by Timber Utilisation Contract holders, while another 1.7 million m<sup>3</sup> (46 percent of total harvest) were harvested by illegal small-scale chain saw operators (Birikorang 2002). The high rate of illegal logging and chainsaw operations arise mainly from the lack of equitable benefit sharing and the lack of active involvement of farmers and local communities in the management of forest resources.

One of the attractiveness of the illegal chainsaw operations to the local communities is the prompt payment of benefits irrespective of the amount of money involved. The chainsaw business thus comes closer to community households, at least in decision-making on exploitation of trees and meeting the immediate and short-term needs of households for timber. The government is currently undertaking a consultation process with the chainsaw operators and local communities as a long-term solution to the problem. Steps are also being taken to ensure that resource-owning chiefs; fringe communities and rural communities effectively collaborate with the Forestry Commission in the protection of the forests and also to ensure that these stakeholders receive adequate and remunerative benefits for their efforts. However, it is worth noting that the full participation of civil society in forest management has been hampered due to do under-pricing of land and forest resources by the state agencies, which makes it less

attractive for civil society to participate in resource protection and unprofitable for government to embark on effective public awareness and education programmes.

### ***2.2.3 The Role of Traditional Authorities (Chiefs) in Local Communities and in Forest Management***

In the past, traditional land and tree tenure systems were incorporated through cultural norms, traditions and beliefs into everyday life. This ensured that forests and trees were protected. However, increasing population pressure, land shortage and cultural changes have reduced the effectiveness of these systems. According to Danso 2000, there was no evidence of chiefs holding customary rights over on-farm timber before the 1920's. However, development of the timber trade led to the system where all rights to land assets that are regarded as natural, as not being the established or tended as a result of identifiable human labour were vested in the chiefs through the Concessions Act, 1939 and the Local Government Act, 1951. Amanor (1996) reiterates that the customary rights of chiefs in timber trees on farm is an invented tradition that gradually emerged from the Colonial period between the 1920s and 1940s. He further states that this was as a result of an emerging alliance between the chiefs and the colonial government. The rationale behind strengthening the traditional system was that the traditional authorities were thought to control land for the benefit of the subjects or members of the stool, clan, company or community (Acquaye and Murphy 1973).

Even though landownership has changed from traditional to state control in many countries, traditional ownership of land in Ghana has remained unchanged over the years. The continued ownership of land by traditional authorities has, however, not resulted in increased control over forest resources due largely to the fact that succeeding governments in the country have increasingly strengthened state control over resources while maintaining traditional ownership of land.

For example, during the creation of forest reserves in the country under the Forest Ordinance in the early 20<sup>th</sup> century, landowners were free to decide whether they would manage the forest reserves by themselves (under the supervision by the Forestry Sector Agencies), or have it managed on their behalf (Cap 157 section 18 (2)). Two types of forest reserves were thus in existence, the so-called ordinance reserves (managed directly by government) and byelaw reserves (created by chiefs' byelaws and managed by local chiefs under the direction of Forestry Sector Agencies). It was significant that by 1939, more than 80 percent of all the reserves created in the country were done by native byelaws enacted by the chiefs. Even though these forests were to be managed by local communities under state direction, the reserves were rather managed by the state with little or no input from the communities. Thus the management of byelaw reserves was fraught with lots of difficulties with respect to protection against encroachers and illegal loggers.

It was generally perceived that forest reserve management under byelaws meant that if the local administration had resources and commitment to manage the reserves then there would not have been the need for government intervention. Unfortunately, lots of spurious activities were carried out in many reserves created under byelaws. This led to the eventual placement of all reserves under Ordinance between the 1940s and 1950s

without consultations with the local communities who owned the land and forest. Thus, as stated earlier, the major shifts in forest management have been from initial attempts at colonizing through collaboration to ‘dictatorial’ rather than ‘democratic’ management.

A World Bank consultancy team reviewing the forestry sector performance in 2001 remarked that “*While Ghana has been among the first countries in Africa to recognize the role of local people in resource management, the debate on community participation in forest management has increasingly shifted towards rhetoric in the past several years. Current work by specialized forest institutions seem to focus on sharpening instruments for implementation of current regulations, overlooking the fact that existing regulations do not adequately reflect stated participatory management policies and benefit sharing arrangements. Even Social Responsibility Agreements (SRA<sup>6</sup>), the most advanced and specific framework instrument for communities to negotiate with logging companies their in-kind contribution of local infrastructure, leave communities with very little control and negotiating power*” (Ryan 2001).

Prior to 1994, the role traditional authorities and local communities in forest management had been declining and was limited to consultation in resource allocation and share in benefits from the forest resource. Even though the stool, the traditional council and district assemblies are named as the recipients of the royalties from timber harvesting in the 1992 constitution, disbursement of such revenue is often delayed due to poor collection. In addition, the royalty rates are low and illegal activities also reduce payable royalties. It is important to point out that none of these recipients are by law obliged to spend any of the monies received from royalties on the communities where the resources came from. For this reason most community members complain of the lack of benefit flow from the forest resources. This situation led to distrust of the Forestry Commission, apathy and in a few instances, connivance of some chiefs and local communities with illegal operators

A new Forest and Wildlife Policy was promulgated in 1994, which indicated a shift in government policy of authoritarian control to stakeholder involvement. This new approach is marked by some ‘guiding principles’ such as:

- Enhancing the rights of people to have access to natural resources for maintaining a basic standard of living and their concomitant responsibility to ensure the sustainable use of such resources;
- Incorporating traditional methods in resource management in national strategies where appropriate;
- Promoting the importance of appropriate and efficient land use and security and land tenure for sustainable development; and
- Identifying the need to develop a decentralized participatory democracy by involving local people in matters concerned with their welfare.

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<sup>6</sup> The holder of a Timber Utilisation Contract (TUC) should provide social amenities to the inhabitants of the contracted area. The cost of such provision should not amount to more than 5 percent of the annual royalty accruing under the TUC.

## **4.0 EXPERIENCE WITH ACTUAL IMPLEMENTATION OF THE FORESTRY DECENTRALISATION POLICY**

### **4.1 Implications of the Decentralisation Programme for Forest Management**

The Ministry of Lands and Forestry (MLF) has recently shifted from a government-led system to a civil society-government collaborative management approach. They recognized the importance of involving civil society in lands and forest management, because of the uniqueness of the land and forest tenurial systems in the country and the strong interest and rights of civil society and other stakeholders in forest resource management. According to Amanor and Brown (2003), resources will be more efficiently, equitably and sustainably managed if decision-making is brought closer to the primary users.

The weakness of the forestry decentralisation process was that it was driven by the Forestry Commission, which set its own benchmarks for decentralisation. Up until the late 1990s, local communities and other stakeholders were barely involved in forest management. Although policies on forest decentralisation are well developed in Ghana, and a number of key functions and decision-making have been devolved to the District Forestry Office, implementation of the decentralisation process as far as involvement of civil society, non-governmental organisations (NGOs) and community-based organisations has been slow.

It is worth noting that in several instances decentralisation of decision-making has not resulted in efficient resource utilisation because it was not accompanied by empowerment and capacity building of the communities to manage the resources effectively. For example, in order to control illegal chainsaw and logging activities, a legislative instrument requesting all chainsaw operators to register with their respective District Assemblies was introduced. This action did not produce the desired effect and was revoked because some District Assemblies, Traditional Authorities and local Forestry Sector Officials abused the system using it as a revenue mobilisation venture or as an avenue for rent seeking.

Even though the government's accelerated decentralisation is an important mechanism for policy implementation and observance of both rights and responsibilities of local communities, it has not so far resulted in a positive influence on local people's attitudes to forests and trees, nor caused them to trust public forestry agencies. An effective strategy is needed to create the conditions that facilitate a more positive effect of decentralisation on forestry development in the country. In particular, policy and legislative constraints associated with the distribution and or sharing of forest revenue, including resource ownership, resource allocation and benefit sharing among stakeholders should be seriously addressed. If the issue of equitable benefit sharing is left unresolved, it may result in increasing poverty among forest fringe communities due to the following:

- Distribution of resource rent is skewed in favour of the timber industry and governmental institutions to the disadvantage of resource landowners and forest fringe communities;

- Within communities, stumpage distribution does not trickle down to households;
- Landowners and tenant farmers have no incentive not to collaborate with illegal timber and chainsaw operators; and
- Landowners and farmers have no property rights over trees or they are helpless in having such rights protected.

#### **4.2 Strategies to Make the Forest Management More Responsive to Local Community Needs and Interests**

The Forestry Commission has initiated a programme to address questions of rights, access to services, and benefit sharing, which builds on earlier and ongoing work such as the implementation of the Service Charter and collaborative forest and wildlife management programmes. The FC has also facilitated the establishment of a Forest Fora Network initiative, with the support of the Department for International Development (DFID), U.K., and the Food and Agriculture Organisation (FAO), which envisages the creation of fora at district and national level to strengthen the relationship and process aspect of civil society in support of sustainable forest management. The Forest Fora was also initiated to promote pro-poor changes in the forest and land sector.

Since 2000, the government has put in place a strategy to address past lapses in the forest decentralisation programme. This is being done because from a socioeconomic perspective, forest management has not brought substantial benefits to the people at the local community level. Neither have the people been given the opportunity to participate in the decision-making process, nor are their domestic needs and aspirations taken into consideration in the formulation of policy and management schemes for their forests. In order to address this shortfall, four key programmes are currently being promoted under the new forest decentralisation programme by the Forestry Commission under a DFID- and World Bank-funded Natural Resources Management Programme (NRMP):

- ***Governance and Institutional Development:*** Measures to improve transparency and accountability within public sector agencies have been initiated. Strategies are being developed to effectively implement the measures;
- ***Decentralisation and Capacity Building:*** At the grassroots, local and district assembly levels existing structures are being strengthened to foster local development, build sustainable partnerships among all stakeholder groups, and giving them a voice;
- ***Local Community Involvement:*** Mainstreaming local community participation in forest management is being more rigorously enforced; and
- ***Poverty Reduction:*** Especially at the rural community level, through enhanced revenue generation, wealth creation and improvements in people's livelihoods and income base are being strengthened.

The key forestry sector operational plan to achieve the four programmes outlined above is the promotion of community empowerment and strengthening of civil society

participation in forest management and decision-making. The operational plan is more than just providing infrastructure and skills; it involves strengthening organisations' abilities to do their work in collaboration with or in opposition to other actors and forces. It also involves paving the way for group-formation and collective action. The support strategy for implementing the operational plan focuses on the intersection of important themes that potentially reinforce one another.

Under the operational plan, local communities will receive an acceptable compensation for their work plus equitable distribution of the forest rent from trees harvested. According to Smith (1999), the forest decentralisation programme, which is being implemented through the Collaborative Forest Management (CFM) programme, is aimed at re-establishing local communities as primary beneficiaries of forest management with an absolute right to benefit from the wise stewardship of their resource. The current decentralisation programme is also expected to improve the cost-effectiveness of forest management prescriptions through consultation, needs assessment, investigation, synthesis, and consensus building.

In addition to the above, the government is looking at ways to involve local communities and the civil society more closely in forest management activities, including:

- Involvement of local communities and district assemblies in resource protection and felling inspections for off-reserve areas. NGOs will also be involved in policy formulation and monitoring resource exploitation and management;
- Disbursement of benefits from resource rent and other revenue directly to local communities and other primary stakeholders not currently benefiting directly from the existing benefit sharing framework; and
- Negotiations with the Ministry of Local Government to ensure that the 55 percent of the revenue share to district assemblies are used for projects within the communities where the resource were exploited. This will ensure greater cooperation of the local communities in resource protection.

## **5.0 REFLECTION ON TRANSITIONAL ISSUES AND CHANGES RESULTING FROM DECENTRALISATION**

It is worth noting that Ghana is one of the few countries in the west-central African sub-region undertaking a comprehensive decentralised system of governance. In Ghana, a District Assembly Common Fund has been set up in which government disburses not less than 7 percent of the total revenue. The district assemblies are the agents of development using the Common Fund and other revenue generated at the district level.

Thus the government's decentralisation programme has had enormous impacts on infrastructural development at the local level. In addition, both the government's and forestry sector's decentralisation programmes have also had significant impacts on the control of wildfire and prevention of deforestation and illegalities, largely because of greater participation of local communities in such programmes.

However, decentralisation has failed to make the desired impact mainly because of the high demand for wood and the low penalties awarded for illegalities. Again poor capacity

at the district forest operations level have either prevented detection of illegal activities or allowed massive connivance of forestry field officers with illegal operators and thus exacerbated the situation.

Another factor that has reduced the impact of the decentralisation process is the low interaction levels between stakeholders. This led not only to widely differing views of how decentralisation should and could work, but also to a considerable gap between the rhetoric and substance of policies promoting community involvement in forest and wildlife management. For example, the transfer of responsibility for off-reserve timber resource management from district assemblies to the Forestry Department (now Forest Services Division of the Forestry Commission) in 1996, which is an apparent reversal of the decentralisation process, tended to strengthen the concession system, which favoured large-scale wood processors, but denied small-scale producers access to forest resources. The apparent increase in 'illegal' timber felling reflects the apparent reversal of the decentralisation process and criminalisation of these small-scale wood operations.

One of the key lessons of both the national and forest decentralisation processes is that the revenue-generating sectors have still not been decentralised. For example, within the Forestry Commission, regional and district forestry officers cannot allocate or sell even a single timber tree to individuals, communities or firms, without the approval of the chief executive of the Forestry Commission. Nor can they decide on disbursement of revenue collected or the structure of rights and benefit distribution from forest products. Key losers in this situation are the forest-owning communities, who lack the necessary empowerment to ensure the equitable flow of benefits to them. Thus, the financial and budgetary outcomes from decentralisation, particularly in terms of forest revenues, costs of forest administration, taxes and penalties collected does not seem to have gone far enough. Both government and the Forestry Commission are apprehensive in letting go of financial and administrative control, which has been one of the major reasons for the lack of sustainable impacts of the decentralisation process.

The decentralisation programme has sought to alter the incentive structures operating in the sector, so that forestry professionals are encouraged to adopt a service role for communities; and communities and district assemblies are rewarded for pursuing sustainable forest management and conservation principles. Secondly, the logging companies have begun complaining that landowners and forest-fringe communities have become more aggressive in ensuring that their rights are met, and in some cases made excessive demands, under the Social Responsibility Agreement, which have in some instances stalled their operations.

The empowerment of local communities as a result of the decentralisation programme has resulted in numerous cases of conflicts arising out of:

- i. Increased discord between stakeholders, i.e., lack of dialogue and communication;
- ii. Marginalisation of tenant and settler farmers and other disadvantaged groups in resource allocation–this is a major problem, even when it is only a perception;
- iii. Inequitable distribution of benefits to local communities. It is important to note that benefits from resource utilisation does not trickle down to resource owning communities–the little resources allocated to them ends up with the chiefs;
- iv. Lack of recognition of property rights; and
- v. Weaknesses of state and traditional resource management institutions, which results in poor implementation and monitoring of programmes.

The decentralisation process has empowered the district assemblies to set up arbitration committees to generally resolve conflicts. However, it must be noted that as far as forest offenses and cases are concerned, the *Manual of Procedure* of the Forestry Commission states that if, in the opinion of the district forest manager any forest operation is not being carried out in accordance with laid down regulations, then the officer may suspend the operations. The operations would remain suspended until such a time that the officer is satisfied that the corrective measures are complete and that adequate precautions have been taken. However, it must be stressed that the law courts are the final arbitrator in all cases.

## **6.0 LESSONS LEARNT AND POINTERS FOR THE FUTURE**

One of the major failures of the decentralisation process is that Article 267 Section 6 of the 1992 Constitution requires forest royalties to be shared in the following proportions, after a 10 percent administrative charge has been levied by the Administrator of Stool Lands:

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|--------------------------------------|------------|
| • District assemblies                | 55 percent |
| • Stool chief (or alienation holder) | 25 percent |
| • Traditional council                | 20 percent |

The beneficiaries, especially the district assemblies, have few responsibilities for forest management but derive huge benefits from the forest revenue. None of these recipients are by law obliged to spend any of the monies received from royalties on the communities where the resources came from. Thus benefits do not filter down or accrue to local populations who are commonly alienated from management responsibility. On the other hand, heavy responsibility has been placed on farmers and forest fringe communities for the control of wildfire, prevention of deforestation and illegalities without directing significant benefits to them, resulting in their increasing poverty. Thus for the decentralisation process to be more effective there must be a comprehensive legal and policy review to promote the rights of farmers and other marginalized groups and enhance their institutional role in forest management.

Specific examples of successful decentralisation efforts have occurred within some piloted districts with ecotourism potential. Detailed agreements were signed between the Forestry Commission, district decentralised agencies and traditional rulers regarding the roles and responsibilities of stakeholders and arrangements for equitable benefit sharing from the revenue generated from natural resources and associated incomes. An example of this is the Agumatsa Wildlife Sanctuary benefit-sharing arrangement in which 57 percent of revenue goes to the Wli (forest-fringe) community, 23 percent goes to the Wildlife Division and 20 percent to the Hohoe District Assembly (Agyeman et al. 2003). However, these types of arrangements are individual cases and are not backed by the necessary legislative framework. The lesson learnt in this specific example is that for the decentralisation process to be successful it should be community-driven, flexible and transparent. Conscious efforts should be made to empower communities and guarantee their rights to equitable benefit-sharing for the decentralisation process to succeed.

Another lesson learnt is that local community and civil society capacity to support decentralisation needs to be built. This is important because in spite of their perceived weaknesses, customary tenurial systems and institutions are more able to ensure accountability to local communities and villagers than the state resource management machinery. These indigenous institutions are structured to ensure better accountability to local communities and villagers than the state resource management machinery, which is still largely centralised when it comes to administrative and financial management of resources.

Strengthening these local community groups and other civil society groups for effective resources management is more than just providing infrastructure and skills. It is about strengthening organisations' abilities to do their work in collaboration with or in opposition to other actors and forces, as well as paving the way for group-formation and collective action (Rhein 2002). It is interesting to point out that in many civil society groups with an interest and responsibility for forest management issues are rapidly springing up. There is the need for government to promote the activities of these civil society groups.

Another lesson learnt is that the commitment of development partners influences the degree of success. The decentralisation process has achieved its greatest gains where development partners have allowed the process to be country-led, albeit the programme has proceeded slowly. According to Tsikata (1999), development assistance can only lead to growth if a good policy framework supports it. In the particular example of Ghana development assistance to the decentralisation process has led to the desired changes because the government was willing to take difficult decisions and to implement tough economic, structural and institutional reforms to support the process.

Currently, the roles and responsibilities of institutions and organisations supporting the decentralisation process are evolving. The premise for the development of structures at the decentralised levels of government is that effective institutional and organisational development is about good governance, control and communication, and performance. It has been realised that good governance, especially transparency and equitable share of resources and benefits, are far more critical to the well-being of local communities, and seems to be a catalyst for poverty reduction. The governance challenge is not just a technical problem, i.e., a matter of systems, but has strong political dimensions. A

prerequisite to good governance is the clarification of roles and responsibilities between key actors in the sector.

## **7.0 CONCLUSIONS: PRO-POOR GROWTH AGENDA FOR FOREST MANAGEMENT**

It has been outlined in different sections of this report that for the forestry sector to be more efficient, it needs to adopt a pro-poor agenda in conformity with the decentralisation objective of the country. Currently, the Forestry Commission has developed a 'pro-poor growth agenda' strategy to support its own decentralisation programme and to ensure that local communities have equitable benefits from forest resources management. A summary of the pro-poor growth agenda strategy of the forestry sector is to:

- (i) Generate a broader range of perspectives as inputs into the policy process;
- (ii) Enhance the likelihood of effective implementation of sector reforms by broadening the range of actors involved in implementation;
- (iii) Increase the political viability of sector reforms through broadened participation and commitment;
- (iv) As a result of all of the above, increase the likelihood that sector reforms will have a significant social and economic impact (e.g., poverty reduction).

The pro-poor agenda of the forestry sector draws heavily from the Ghana Poverty Reduction Strategy (GPRS) programme. The goal of the programme is to achieve equitable economic growth and accelerated poverty reduction within a sustained democracy. Emphasis is on stabilising the economy, laying a sustainable foundation for accelerated and equitable economic growth, reducing geographical gaps in poverty, including access to social services and ameliorating conditions of extreme poverty. The following policy thrusts are being pursued to achieve these goals:

- Ensuring macro-economic stability for accelerated growth;
- Increasing production and gainful employment opportunities;
- Facilitating direct support for human resource development and provision of basic services;
- Expanding special programmes to support vulnerable groups; and
- Enhancing good governance.

Another conclusion that can be drawn from the decentralised process is that a strong civil society and an active private sector are central to successful sector reforms and sustainable development. The approach to strengthening civil society, including structure, process, relationships and enabling environment should be adaptive to local contexts.

Finally, forestry offers real opportunities for sustainable economic growth, poverty reduction, improved governance, enhanced public sector performance, and the

development of empowered communities and a competitive forest industry. In order to utilise the forest sector's potential for national development, the sector needs to move from rhetoric to an effective programme that aligns the implementation of the sector's pro-poor growth agenda with the government's poverty reduction strategy.

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