Addressing risks of an inadequate legal framework governing forest conversion in Ghana

The main cause of forest conversion is the growing demand for land, to produce agricultural commodities and mineral resources, or for infrastructure and urbanisation. There is significant evidence that agriculture is the main driver of deforestation in the tropics. In recent years, forest conversion has increased in West and Central Africa, although few laws on forestry and land tenure have been updated accordingly. ClientEarth is reviewing legal frameworks governing forest conversion across the region and internationally, to understand major risks stemming from incomplete laws and to suggest legal means to address them.

Ghana lost 75% of its forest cover between 1900 and 2010, and 2% of its forests continue to be lost every year.¹ Today, the conversion of forests to other land uses, mainly agriculture, urban expansion and mining, is the top driver of deforestation. Small-scale conversion by farmers is a major challenge, as smallholders expand their cocoa and other food and cash crops into forests.² Large- and small-scale mining is a growing driver of conversion of forest reserves (Table 1). To maintain existing forests, Ghana must slow the rate of forest conversion.

Table 1: Forest areas in Ghana³

<table>
<thead>
<tr>
<th>Total land area</th>
<th>22,754,000 hectares</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Forest reserve</strong>: forested land dedicated for specific purposes, such as forest protection or timber production⁴</td>
<td>1,760,000 hectares</td>
</tr>
<tr>
<td><strong>Off-reserve forest</strong>: all other forest production areas</td>
<td>5,482,000 hectares</td>
</tr>
<tr>
<td>- 47% timber production</td>
<td></td>
</tr>
<tr>
<td>- 21% timber protection</td>
<td></td>
</tr>
<tr>
<td>- 32% degraded forest</td>
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Forestry, agriculture and mining are all vital to Ghana’s economy (Table 2), presenting a challenge to balancing forest protection with revenue generation from other land uses. Many local people depend on agriculture and mining for income. For example, although cocoa farming by smallholders is driving deforestation, this crop alone provides 720,000 rural Ghanaians with a livelihood.⁵ Similarly, artisanal and small-scale mining (ASM) represents an important income for 1 million people and ASM gold and diamond exports in 2014 were valued at US$2 billion.⁶ Therefore, forest governance must acknowledge the need to support

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⁴ Forests Act 1927, Section 2.
small-scale economic activities that could catalyse equitable and sustainable national development.

**Table 2: Economic importance of land-use sectors in Ghana**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forestry</td>
<td>- 2% of GDP (2012)&lt;br&gt;- Employs 15% of the Ghanaian workforce (formal and informal) (2012)</td>
</tr>
<tr>
<td>Agriculture</td>
<td>- 36% of GDP (2011)&lt;br&gt;- Employs 45% of the Ghanaian workforce (formal) (2013)</td>
</tr>
<tr>
<td>Mining</td>
<td>- 6% of GDP (2011)&lt;br&gt;- Employs 3% of the Ghanaian workforce (formal and informal) (2011)</td>
</tr>
</tbody>
</table>

A major challenge for Ghana is that small-scale farmers and miners cause significant forest conversion, but the legal framework regulating them is not suited to their specific characteristics, even if – on the face of it – laws for small-scale operators exist. From a regulatory perspective, small-scale and large-scale actors require different laws, tailored to each, if Ghana’s forests are to be effectively protected. For instance, a small-scale miner may need financial and technical support to rehabilitate land, whereas a large-scale agricultural company can adhere to regulations requiring this, unaided.

**Risks of an inadequate legal framework on forest conversion in Ghana**

Forest conversion is a process of land-use change that should be governed by national laws. These laws should ensure that, where forests are converted, this happens in line with relevant national provisions on land use, land allocation, land permits and forest clearance. In all cases, this process should reflect and incorporate the rights of local people.

If forest-conversion laws are incomplete, unclear or not fit for purpose, this increases the risk of illegality. Incomplete or unclear laws may also offer loopholes that actors can exploit legally but with harm to forests, biodiversity or smallholders’ livelihoods. Lack of legal clarity can create business risks for companies arising from uncertainty in their operating environment. ClientEarth has reviewed Ghana’s laws and policies on forest conversion and identified five key risks that stem from the current law.

1. **Loss of forest reserves through uncertainty**

Laws and policies regulating forest reserves are unclear on forest conversion. Primarily, the laws set out the purposes for which forest reserves can be established, including protecting forests, protecting water sources and safeguarding the supply of forest produce. While these purposes can be read as incompatible with clearing forest reserves for mining or agriculture, the laws do not explicitly exclude conversion. Policies and guidelines provide further details on whether mining should be allowed in a forest reserve but these are contradictory (Case Study).

The resulting uncertainty has led to mining and agricultural activities taking place in forest reserves. In an attempt to regulate forest conversion, Ghana’s Forestry Commission (FC) can require environmental controls such as rehabilitation as a condition of entry into forest reserves. This control is part of the FC’s mandate to manage Ghana’s forest reserves.

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10 Forests Act 1927 (Cap 157), Section 2 and Forestry Commission Act 1999 (Act 571), Section 2(2)(b).

11 Forests Act 1927 (Cap 157), Section 2 and Forestry Commission Act 1999 (Act 571), Section 2(2)(b).
and the FC grants entry on a case-by-case basis. Nonetheless, this ad hoc regulation risks opening the system to further inconsistency and is not a good alternative to clear laws.

Case Study: Is it legal to convert Ghana’s forest reserves for mining?

Ghana’s forest-related policies and guidelines provide contradictory direction.

- **National Land Policy 1999:** “All lands declared as forest reserves […] are “fully protected” for ecosystem maintenance, biodiversity conservation and sustainable timber production”\(^{12}\); “Land categories outside Ghana’s permanent forest and wildlife estates are available for such uses as agriculture, timber, mining and other extractive industries…”\(^{13}\) and “…no land with primary forest cover will be cleared for the purpose of establishing a […] mining activity”.\(^{14}\)

- **Environmental Guidelines for Mining in Production Forest Reserves 2001** state that protected areas of forest reserves such as Globally Significant Biodiversity Areas (GSBAs), Hill Sanctuaries and special protection areas are exempt from mining exploration.\(^{15}\)

- **Forest and Wildlife Policy 2012** includes an aim “to reduce, as much as possible, the prospecting and mining of mineral resources in forest reserves”.\(^{16}\)

While the **National Land Policy** bans mining in forest reserves, the **Environmental Guidelines and Forest and Wildlife Policy** imply that mining is permitted in forest reserves, within limits. Therefore, there is legal confusion about whether conversion to mining is permitted in forest reserves.

2. Smallholders sidelined by the law

In Ghana, the legal framework regulating smallholders is expensive, lengthy and complicated to use in practice, especially for smallholders.\(^{17}\) Consequently, the law is criminalising smallholder activities and causing both smallholder farmers and artisanal miners to operate outside the law. This increases the risk that they will not observe any legal standards, including those that could reduce deforestation.

For example, Ghana’s small-scale mining licence was developed to legalise and regulate the ASM sector but has proven too lengthy and expensive for smallholders.\(^{18}\) Only medium-sized miners have the capital and capacity to register for licences.\(^{19}\) Similarly, ‘admitted’ farms – small farms within areas subsequently identified for a forest reserve, where farmers are granted access to continue farming activities within strictly defined areas\(^{20}\) – may not legally extend beyond their boundaries.\(^{21}\) However, with growing populations and increasing livelihood requirements, smallholder farmers are (knowingly or not) illegally expanding their farmlands into forest reserves, causing deforestation.\(^{22}\)

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\(^{15}\) Environmental Protection Agency (2001) *Environmental Guidelines for Mining in Production Forest Reserves in Ghana*.

\(^{16}\) Ministry of Lands and Natural Resources (2012) *Ghana Forest and Wildlife Policy*, Section 5.1.1, article 1.1.2.


\(^{19}\) Backed by foreign capital and companies, medium-scale miners are using heavy equipment to mine under a small-scale licence. This is outside the legal scope of such a licence, which should be reserved for Ghanaians undertaking ‘artisanal’ mining on small areas of land.

\(^{20}\) Admitted farms are mapped and numbered in the Reserve Commissioner’s report.

\(^{21}\) Ros-Tonen, M.A.F. et al (2009), Note 17 above.

\(^{22}\) Forest Trends (2012), Note 2 above.
3. Disordered land use and allocation

The risk of Ghana’s remaining forests being cleared for another land use is increased by the many ways to acquire land and rights to natural resources in Ghana, through different ministries and traditional authorities. The law does not require these different actors to coordinate and so these multiple ‘entry points’ to land create opportunities for conflicting land uses.

This risk is heightened as Ghana has only limited national and district land-use planning. Without a land-use plan, it is difficult to identify and allocate suitable land for forestry, mining or agricultural purposes. At a time when conversion of forests to other land uses is the main driver of deforestation, such a plan is increasingly necessary. Coupled with the weak protection of forest reserves (Risk 1 above), the lack of land-use planning increases the risk of forest conversion, without due deliberation of the relative advantages and disadvantages of different land uses.

4. Lack of enforcement by regulators

Unclear laws create confusion for regulators and make it difficult to enforce the law. As this briefing has already shown, several areas of Ghana’s legal framework on forest conversion are unclear, such as conversion in forest reserves and land-use planning and allocation (Risks 1 and 3 above). The lack of coordination between different ministries (forestry, land, agriculture and mining, among others) that may need to give permissions to a project involving forest conversion makes it more difficult still for regulators to enforce laws coherently. Farmers and miners working at all scales in or near forest reserves are often not caught and punished for illegally encroaching on forests.

Oversight of forest reserves falls primarily to the FC and the Environmental Protection Agency (EPA). Enforcement within forest reserves is the mandate of the FC. However, the area to be monitored is vast, the FC has limited technical, human and financial resources. Forestry fees are the FC’s main revenue but are not routinely collected.

Similar constraints exist for the EPA, which should monitor companies’ implementation of their environmental permit. Most large-scale projects involving forest conversion require an environmental permit, granted subject to the agreement of steps to mitigate environmental harm, including deforestation. However, the volume of projects requiring monitoring and the limited resources of the EPA hinder audits and enforcement of environmental permits. This creates opportunities for companies and individuals to act illegally, without consequence.

5. Violations of community rights

Despite legal recognition of customary land rights in Ghana, communities have been excluded from making meaningful contributions to decisions about large-scale land acquisitions, including for forest conversion projects. Ghana’s land tenure arrangements over forested land increase this risk. In forest reserves, the Government of Ghana holds decision-making power over the land in trust for the original owners (predominantly Stools or Skins). While the law requires the Government to consult relevant Stool or Skin

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23 For example, the minister responsible for mines may grant a mineral right over any land, without coordinating with other ministries or government agencies.
24 Forestry Protection (Amendment) Act 2002, Section 1. Anyone who is convicted of felling trees in a forest reserve without appropriate written authority may receive a fine of up to 500 penalty units and imprisonment of up to two years.
25 Forestry Commission Act 1999, Section 10; Forestry Commission New Service Charter 2008 and ‘Forest Services Division’ (http://bit.ly/2oxVbTa). Forestry Officers in the FC uphold the law in forest reserves, helped by Rangers and Forest Guards who ensure that forest boundaries are respected.
27 Environmental Assessment Regulations 1999, Sections 18 and 19.
29 Constitution of Ghana, Article 257(1) and Article 267(1).
31 For more information, see ClientEarth briefing (Ownership and use rights of Forest Natural Resources).
32 Stools or Skins refer to communities and their traditional administration.
communities regarding management of forest reserves, this requirement is detailed only in manuals that are not legally binding. Moreover, communities' awareness of their opportunities for public participation can be low. Therefore, the rules are easily ignored or circumvented, and communities' rights to consultation are not observed, exacerbating the likelihood of community rights' violations. As conversion increases pressure on forest reserves, community participation in decisions affecting the forest will be particularly important.

The abovementioned risks all stem from incomplete or unclear laws, or laws that are not fit for purpose. We have seen that these risks can occur at any stage of the national legal framework governing forest conversion, due to incomplete land use planning, overlapping and unclear land allocation and permitting and insecure land and user rights.

**Opportunities to strengthen Ghana's legal framework**

To address the above risks, we identify six initial opportunities for national legal reform.

1. **Clarify the management of forest reserves in law**

Clear forest laws are needed to confirm whether mining and agriculture may take place in forest reserves. If it is accepted that conversion is permitted in forest reserves, Ghana should introduce laws to regulate conditions for this. For example, conversion could be limited to areas of minimal forest cover and regeneration, to protect Ghana’s few undisturbed natural forests. Ghana may also consider requiring companies to afforest or restore degraded land. For example, mining companies are already required to rehabilitate forest reserves harmed during operations and to pay a reclamation bond. Such laws should be complemented by requirements for public disclosure of the location and conditions of approved projects.

Forest laws are particularly important to the protection of forest reserves, compared to other sectoral laws that do not always prioritise this protection. For example, the Minerals and Mining Act gives power to the minister responsible for mining to compulsorily acquire any land for mining purposes. Above all, coherence across mining, forestry, agricultural and land laws and regulations would be a significant step in protecting Ghana’s forest reserves.

2. **Seek to balance forest protection and development**

To complement the improved management of forest reserves, the Land Use and Spatial Planning Act 2016 introduces a system to identify land available for different uses. This Act must be effectively implemented if Ghana is to develop unified land management based on a holistic assessment and not on case-by-case. The Act bases land-use planning on coordination between land ministries and consultation with traditional authorities. It includes provisions for public consultation and access to information. If well implemented, these should help to increase public support for land-use plans and improve monitoring through better information on forest conversion project locations.

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33 Timber Resource Management Act 1998, Section 4 and Manual of Procedures – Forest Resource Management Planning in the High Forest Zone ‘A2. Forest Reserve Management Plans Instruction Sheet A2.7. Provisional management planning for production zones’, para 5.5(f). The Forest Service must consult with relevant land-owners, communities and District Assemblies regarding proposed management of forest resources in their areas of the Forest Reserve and must publicise every draft Management Plan in order to obtain the support of the owners or users of the concerned lands and any concerned persons.


36 Minerals and Mining (Health, Safety and Technical Regulations, 2012) (L.I. 2182), reg. 81, reg. 274 and reg. 480 and Environmental Assessment Regulations 1999, reg. 23. A reclamation bond is an upfront payment by a mining company to the EPA to cover the cost of rehabilitation, if the company does not adequately fulfil its legal requirements.

37 Minerals and Mining Act 2006, Section 2.


Land-use planning can support smallholder activities if land is set aside for these, outside forest reserves.\textsuperscript{40} Initiatives are underway in Ghana, such as geological investigation and demarcation of areas for ASM,\textsuperscript{41} but implementation has been slow and needs improving.\textsuperscript{42}

3. Maintain an accurate record of forest reserves

If it is decided that certain areas of forest reserves may be irreversibly converted to mining or agriculture, then these areas should not be double-counted as both forest reserve and mining or agricultural land use. Instead, there should be a clear understanding that a section of forest is being lost and that the total area of forest reserve is further reduced. This could be done by declassifying the area of forest reserve converted.\textsuperscript{43} Transparency about areas of forest reserve lost to mining or agriculture is important to improve understanding of the drivers of forest loss, to monitor environmental impacts of these activities, and to ensure considered allocation of land.\textsuperscript{44}

4. Tailor laws to fit smallholders

To ensure that smallholders are not deterred from acting within the bounds of the law by lengthy and costly registration processes, these processes should be simplified. In addition, regulations must be tailored and strongly enforced to prevent misuse.

Regulations should be modified to include incentives for smallholders to undertake registered and legal farming and mining projects. Incentives could include dedicated land allocation (as in Opportunity 2 above) or exemptions from certain taxes.

Small-scale actors may be encouraged to formalise their activities to benefit from such incentives, which is important for effective monitoring and better regulation of smallholder projects. This includes regulations on more sustainable farming and mining practices to reduce deforestation and environmental degradation.

5. Improve enforcement with resources, cooperation and transparency

To reduce illegal deforestation, strong enforcement of laws is crucial. To achieve this, the FC and the EPA need financial resources and trained officers.\textsuperscript{45} More effective cooperation between the FC, the police and the judiciary could also improve forest-law enforcement. A few strong cases resulting in penalties for offenders could effectively demonstrate a renewed rigour and emphasis on enforcing forest offences.\textsuperscript{46}

Implementation and enforcement of forest and mining laws could also be enhanced if citizens, communities and civil society have legal rights to access information on the legality of mining and agriculture in forested areas. As a starting point, the Voluntary Partnership Agreement (VPA) between the EU and Ghana requires certain information to be made publicly available, including forest resource rights.\textsuperscript{47}

6. Increase community participation

Detailed and legally binding rules on consultation procedures could help to enable effective community participation in decisions that affect local people and their land. In 2015, the Guidelines for Large-Scale Land Transactions were developed to “address the challenges


\textsuperscript{42} For example, the Small Scale Mining Association of the Huni-Valley District recently appealed to the Minister to make prospecting land available for their mining activities (http://bit.ly/2IDueHS).

\textsuperscript{43} Forests Act 1927 (Cap 157), Section 19: to declassify a forest reserve, the President may direct that the forested land or part of the land ceases to be a forest reserve, by executive order.


\textsuperscript{47} The VPA is a bilateral trade agreement between the European Union and the Government of Ghana, which aims to ensure that all timber sourced in Ghana has been legally produced in line with an established legality framework. The annex on the timber legality assurance system identifies data that will be publicly available.
that investors, landowners, and affected communities often encounter.\textsuperscript{48} The Guidelines present detailed steps on how to improve participatory and informed engagement by communities, and how to develop reasonable community expectations and ensure that investors meet them.

However, the 2015 Guidelines are only a first step and must be fully integrated into binding law to enforce communities’ rights to active engagement, participation and consent. It is also not yet clear how and by whom the Guidelines will be implemented. Key Government players, such as the Ghana Investment Promotion Centre and the Office of the Administrator of Stool Lands – the agencies that first engage with investors – are not involved.

**Conclusion**

To regulate forest conversion effectively, Ghana needs clearer and better-tailored laws and regulations. This is particularly true for small-scale actors: both to reduce the environmental impact of their conversion activities and to improve their opportunities for poverty reduction and development. Moreover, strong political will is required to enforce the legal framework.

Following its election in December 2016, Ghana’s New Patriotic Party (NPP) Government has shown a strong desire to address forest-conversion issues. The Minister for Lands and Natural Resources has identified illegal mining activities and encroachment by farmers into forest reserves as a top priority for the FC and has developed a strategy to address illegal mining in forest reserves, which includes law reform.\textsuperscript{49}

Ghana’s forest-related NGOs have greeted the Government’s first actions with cautious optimism that forest-conversion laws will be strengthened.\textsuperscript{50} As political will and public sentiment align around the importance of protecting Ghana’s forests, the Government must follow through and implement its forest agenda. It must also seek to maintain the interest and participation of national stakeholders through continuing consultation, to build shared national momentum to address forest conversion.


\textsuperscript{49} Ministry of Lands and Natural Resources (2017) ‘Multilateral Mining Integrated Project-MMIP: Regularization of Impropriety and Illicit Mining Activity in Ghana’.

\textsuperscript{50} A Rocha Ghana et al. (2017) ‘Sanitizing the Forest Sub-Sector is a good start but...’ ([http://bit.ly/2oyXuFa](http://bit.ly/2oyXuFa)).
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ClientEarth is a non-profit environmental law organisation based in London, Brussels and Warsaw. We are activist lawyers working at the interface of law, science and policy. Using the power of the law, we develop legal strategies and tools to address major environmental issues.

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