One of the challenges facing SMFEs in Ghana is meeting legal requirements for timber production - failure to meet the standards outlined in the GhLAS means that companies will be unable to receive FLEGT Licenses, and ultimately results in reduced market access for export to the EU.

Under the VPA, Ghana has developed a national Legality Assurance System (GhLAS) comprising of legality definitions, verification system, a wood tracking system and licencing system. While these national milestones have been met, many SMFEs lack the capacity to comply with these national systems and regulations, therefore undermining the legality of their operations and timber produced.

The needs identified by KWC for SMFE compliance included proving the legality of the raw materials used; increasing capacity to comply with Ghana logging requirements and carry out annual harvesting and operational planning; building skills to measure, record and properly keep records of data along the supply chain; complying with health and safety requirements; acquiring knowledge of and implementing social responsibility agreements and compensation payments for crop damage and finally addressing corrective actions requests (CARs) raised by forest auditors before they can fulfil the requirements needed for FLEGT licenses.

Strengthening the ability of SMFEs to comply with legal requirements

During two rounds of onsite capacity-building through workshops and in-plant coaching 117 SMFEs were trained on identifying operational gaps within their companies, and equipped with the tools and knowledge to verify the legality of their timber supply chains in activities including sourcing, harvesting, transportation, processing, and sales and fiscal obligations. These companies represent approximately 70 percent of the officially registered SMFEs actively engaged in the sourcing and production of timber in the country.

Participants then formulated action plans to address operational gaps and gained the tools and knowledge to do so. Following the trainings, KWC conducted mock audits for 50 SMFEs, which were able to address the gaps identified and ultimately bring their practices in line with GhLAS requirements. As a result, not only are these SMFEs now increasingly aware of the requirements for FLEGT licenses and capable of comply with those, but an effective model for building SMFE capacity for compliance has been devised and tested.
Youth and women lead the way in bringing the industry forward

Remarkably, 80 percent of beneficiaries receiving onsite field training were youth, and 18 of the SMFEs were female owned.

In addition, fifty-three participants took part in a dedicated workshop on digital literacy skills, essential to record data as required by the traceability systems.

“For 66 percent of the participants, which included women, this training was a unique opportunity to acquire these skills for the first time,” said Gustav Adu, Head of KWC. “These trainings have given women and youth tools for success.”

Long-term benefits

KWC’s active engagement with and understanding of the operational context of SMFEs places it in a unique position to further cascade knowledge and trainings to increase compliance with GhLAD requirements. Through the newly constituted Forest Industries Association of Ghana, KWC is continuing to work to provide capacity building training, create a common platform for all members to advocate at the national level with a common voice and ensure that data on SMFEs remains accurate and up to date.

Five KWC staff were trained in how to deliver IT trainings, allowing the association to repeat the training for other SMFEs beyond the duration of the project. The IT equipment installed at the KWC offices will remain available for use by SMFEs in the Kumasi area to record electronic data as required. Following the project, KWC was able to further support 23 SMFEs which have since closed legality gaps.

KWC and its beneficiaries harnessed the benefits of social media by setting up communication platforms such as WhatsApp which continue to be used to disseminate information and updates on the VPA process in the country.

Capacity building dramatically enhances the ability of SMFEs to comply with the legality standards, part of a broader move in Ghana towards strengthening good forest governance. Thanks to the strong ongoing role of industry associations, such as KWC, these essential trainings can become more frequent and sustainable, and not fully dependant on international support. The participation of youth and women is crucial to promote the sustainable use of Ghana’s forests, ensuring resources are protected for generations to come while improving livelihoods today.

The FAO-EU FLEGT Programme works with a range of partners to help implement the European Union’s FLEGT Action Plan to combat illegal logging and associated trade. Since 2016, the FAO-EU FLEGT Programme has supported projects in 26 priority tropical timber producing countries throughout Africa, Latin America and Asia. In Ghana, the Programme has funded 21 projects, committing over USD 2 million, with a focus on capacity building among private sector operators, communication, and the establishment of a timber legality assurance system. Prior to the signing of the VPA in 2009, much of Ghana’s timber was illegally sourced – since then the country has seen a dramatic increase in the sourcing of legal timber and transparency.