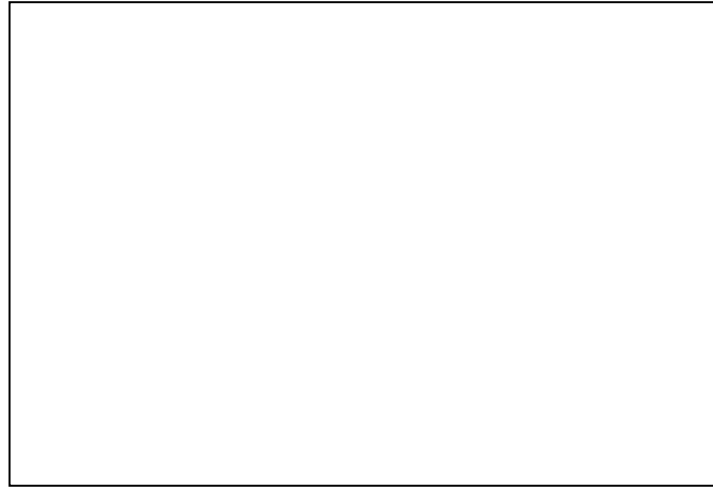


# FORESTRY COMMISSION



## **REVISED GUIDELINES FOR SOCIAL RESPONSIBILITY AGREEMENT**

Collaborative Resource Management Department

August 2016



## Foreword

Signed  
Director RMSC

### CONTRIBUTORS

ALEXANDER B ASARE

CRM-RMSC

VALERIE FUMEY NASSAH

RMSC

DOREEN ASUMANG-YEBOAH

NFF

MERCY OWUSU ANSAH

RMSC

## Acknowledgements

This Guideline has been developed by the Collaborative Resource Management Department with the support of the EU FAO FLEGT Programme under the guidance of the RMSC Project Management Unit for the project. The contributors are grateful to all those who supplied information towards the revision of the previous Guidelines, especially the Communities, Traditional Authorities, Timber Contractors, Civil Society Organizations and the Academia.

## Table of Contents

<b>FOREWORD</b> .....	<b>2</b>
<b>CONTRIBUTORS</b> .....	<b>2</b>
<b>ACKNOWLEDGEMENTS</b> .....	<b>2</b>
<b>LIST OF TABLES</b> .....	<b>3</b>
<b>LIST OF FIGURES</b> .....	<b>4</b>
<b>ACRONYMS</b> .....	<b>5</b>
<b>SECTION ONE</b> .....	<b>6</b>
<b>1.1 BACKGROUND</b> .....	<b>6</b>
1.2. PREVIOUS CHALLENGES ON SRA IMPLEMENTATION. ....	<b>6</b>
<b>PURPOSE OF THE GUIDELINES</b> .....	<b>8</b>
<b>SECTION TWO</b> .....	<b>8</b>
2.1 LEGAL PROVISIONS FOR SRA .....	<b>8</b>
2.2 WHO ARE THE BENEFICIARIES OF SRA.....	<b>9</b>
2.4 WHAT CONSTITUTES THE SRA?.....	<b>10</b>
<b>SECTION THREE</b> .....	<b>11</b>
3.1 TIMBER HARVESTS COVERED BY SRAS .....	<b>11</b>
3.2 THE SRA PROCESS .....	<b>12</b>
3.3. DETAILED SRA PROCEDURES .....	<b>1</b>
<b>SECTION FOUR</b> .....	<b>1</b>
4.1 ROLES AND RESPONSIBILITIES .....	<b>1</b>
<b>4.2 SRA GOOD PRACTICES</b> .....	<b>1</b>
<b>APPENDIX 1: SRA TEMPLATE</b> .....	<b>3</b>
<b>APPENDIX II. MONTHLY PROGRESS REPORTING FORMAT ON SRA IMPLEMENTATION</b> .....	<b>7</b>
<b>APPENDIX III. SOCIAL RESPONSIBILITY AGREEMENT FINANCIAL VALUE FORM</b> .....	<b>9</b>
<b>APPENDIX IV- GHAS SOCIAL RESPONSIBILITY AGREEMENT CHECKLIST</b> .....	<b>1</b>

## List of tables

TABLE 1: CATALOGUE OF STAKEHOLDERS .....	<b>ERROR! BOOKMARK NOT DEFINED.</b>
TABLE 2: SRA PROCEDURES .....	<b>1</b>
TABLE 3: ROLES AND RESPONSIBILITIES OF STAKEHOLDERS .....	<b>1</b>
TABLE 4: DO’S AND DON’TS OF SOCIAL RESPONSIBILITY AGREEMENT .....	<b>1</b>

## List of figures

FIGURE 1: NOTE ON BENEFICIARIES OF SRA .....	10
FIGURE 2: COMPONENTS OF SRA .....	<b>ERROR! BOOKMARK NOT DEFINED.</b>
FIGURE 3: FLOWCHART FOR SRA PROCESS .....	<b>ERROR! BOOKMARK NOT DEFINED.</b>

## ACRONYMS

CFC	Community Forest Committee
CBAG	Community Biodiversity Advisory Group
CRMC	Community Resource Management Committee
DA	District Assembly
DM	District Manager
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FC	Forestry Commission
FFC	Forest Fringe Community
FLEGT	EU Action Plan on Forest Law Enforcement, Governance and Trade
FSD	Forest Services Division
GhLAS	Ghana Legality Assurance System
GoG	Government of Ghana
LSRAC	Local SRA Committee
SRA	Social Responsibility Agreement
TDC	Town Development Committee
TOS	Timber Operational Specifications
TUC	Timber Utilization Contract
TRMA	Timber Resource Management Act
TRMR	Timber Resource Management Regulation
VPA	Voluntary Partnership Agreement

## SECTION ONE

### 1.1 Background

Collaborative Resource Management has been identified as one of the major pillars for achieving sustainable resource management within the National Forestry Policy document. The 2012 Forest and Wildlife Policy and the attendant Master Plan seeks to create a balance between timber production and marketing to satisfy domestic wood demands whilst ensuring good governance and transparency in the forestry sector. The policy therefore seeks to enhance active participation of communities and land owners in resource management through equitable distribution of rights and benefits.

Previously, Social Responsibility Agreement (SRA) had been introduced in 1998 to ensure that some form of direct benefits from timber harvesting accrue to Forest Fringe Communities (FFCs). It is expected that all legal timber right holdings such as Timber Utilization Contracts (TUC) and permits whether for natural forest or plantation timber are to sign an agreement with Forest Fringe Communities within five (5) kilometers of their area of operations. The SRA obligates the contractor to provide for amenities, services or benefits to assist the communities and inhabitants of the area, at a cost of 5% of the value of the stumpage fee of timber that is harvested as stipulated in the Timber Resources Management Regulation, 1998 (LI 1649 as amended by LI 1721).

The Resource Management Support Centre of the Forestry Commission (FC) developed guidelines to ensure effective SRA implementation in 2004. This Guideline directed FC officials, the landowning communities and TUC holders in the development and implementation of the SRA in order to foster understanding amongst the parties. Although SRAs have been signed across the country the Guidelines have not been adhered to, due to specific concerns resulting from the negotiation, signing and implementation, limited awareness creation on SRA, and ineffective monitoring of compliance.

Recent calls to promote good forest governance at both country and global levels such as the Voluntary Partnership Agreement (VPA) under the EU Action Plan on Forest Law Enforcement, Governance and Trade (FLEGT) which seeks to ensure compliance on relevant legal obligations; and the need to ensure a flow of forest benefits to all segments of society have necessitated the revision of the previously existing SRA Guidelines. Following a review of how SRA implementation has fared and in response to new GhLAS developments these Revised SRA Guidelines have been crafted to better address contemporary challenges associated with SRA implementation.

#### 1.2. Previous Challenges on SRA Implementation.

- Absence of an institutionalized structure for the negotiation and implementation of SRAs

- Lack of information on stumpage values resulting in demands for SRA projects way beyond what are within the stumpage calculation. This sometimes resulted in disagreements between the contractor and the community.
- The hijacking of paramount chiefs during SRA negotiations thus intimidating forest fringe communities in making demands beneficial to their communities.
- In most cases the Odikro and Assembly members in FFCs are prevented from active decision making with regards to operations of TUC holders, because they tend to be migrant farmers.
- Delay in the provision of projects and items negotiated
- Lack of transparency in the SRA negotiation
- Tendency of some powerful community representatives to abuse SRA for personal benefit
- Lack of documentation on SRA implementation by stakeholders
- Limited monitoring of SRA by all parties.

To address these challenges, the Revised SRA Guidelines have taken all such issues into consideration.

#### Box 1: New inclusions in the Revised SRA Guidelines

What is new?

- Awareness creation
- Establishment of Local SRA Committees
- Opening of community / SRA bank accounts
- Clear definition of Roles and Responsibilities of stakeholders
- SRA implementation plan
- Checklist for SRA implementation

## **Purpose of the Guidelines**

This document is a revised version of the Guidelines for SRA negotiation developed in 2004. The guidelines provide direction for a successful negotiation, signing, implementation and monitoring of SRAs to ensure that forest fringe communities obtain justifiable and equitable benefits from timber harvested on their land.

As a guideline, it is intended to serve as a guide for Forestry Commission (FC) officials, the landowning communities and TUC /permit holders in the development and implementation of SRAs in order to foster understanding amongst the parties. Civil society groups and other community based organizations could also use these guidelines for awareness creation and educational purposes.

The guidelines have been organized into five sections. These are background, legal provision for SRA, The SRA process, Roles and Responsibilities of Stakeholders, sample SRA form and Reporting format for SRA for use by FSD district offices.

## **SECTION TWO**

### **2.1 Legal provisions for SRA**

Ghana's forest sector has a number of key stakeholders who play vital roles in the sustainable management of the resource and should therefore benefit from its exploitation.

Equity in the distribution of benefits from forest resources has always been an issue when it comes to sustainable forest management. While payment and distribution of timber royalties have been stipulated in the Constitution of Ghana to cater for landowners and District Assemblies, the Timber Resources Management Act (547) of 1997 made provision for ensuring direct benefits for communities fringing the areas where timber is harvested.

In Ghana, commercial timber harvesting<sup>1</sup> right is granted either through a competitive bidding process or legally acceptable permits. A contractual agreement is reached between the government (through the Forestry Commission) and the successful bidder who is granted the right to harvest timber from a specified area for a specified period. This contractual agreement is called Timber Utilization Contract (TUC). This right is granted to a company having fulfilled certain basic requirements and provisions under the bidding process. One of the key requirements under the bidding process is the Social Responsibility Agreement (SRA) that seeks to ensure that fringe communities obtain direct benefits from timber harvesting. Other forms of legal rights such as Salvage and Plantation Permits are all required to fulfill SRA obligations under the Act. For all permits issued, SRAs have to be signed and in the case of plantation timber, the SRA is signed and paid upfront before entry permit is given for harvesting to start.

---

<sup>1</sup> The normal procedure for granting timber rights for Forest Reserves is described here. In addition there are two other types of permits that can be granted: a) Special Permits (granted at the discretion of the Minister) and b) Salvage Permits (granted by the FC, for development of roads, agriculture or e.g. housing). While granting of the former has ceased over the last few years, the latter has become the normal permit type granted for off-reserve logging operations. For Special Permits and Salvage Permits the SRA requirement equally applies as for TUCs...



The SRA obligates the Contractor/TUC holder to provide for amenities, services or benefits to cater for negotiated development needs of the communities and inhabitants of the timber operational area at a cost of 5% of the value of the stumpage fee of timber that is harvested. The agreement must be signed upon receipt of the ‘Notice of Grant of timber right’ before the TUC is considered final.

The Timber Utilization Contract also enshrines the conditions under which the timber company (also referred to as ‘the contractor’) is expected to operate (code of conduct). The terms and conditions in the TUC shall ensure that the contractor’s operations are devoid of any adverse social, ecological and environmental impacts. The procedure for the grant of TUC is clearly spelt out in the Timber Resources Management Regulations (LI 1649) of 1998 and the Timber Resources Management Act (547) of 1997 and its amendment Act 617 of 2002.

The process towards full implementation of the FLEGT VPA in Ghana has also strengthened the need for SRA as a requirement under the Ghana Legality Assurance System (GhLAS), Principle 2 (Timber Rights Allocation) and as such loggers have to comply with the SRA requirements before their timber products qualify as ‘legal timber’ both for the domestic market and for export.

Instruction Sheet 3.2 in the manual of procedures section C (MoP), reiterates the need for SRA. It explains that ‘the SRA is a mechanism to ensure that all TUC operations are carried out in a socially responsible manner with due respect for all the rights of landowning communities’. It is intended to ensure that the TUC/permit holder(s) respects the existing rights as well as the social and cultural values of landowning communities. Furthermore, it gives opportunity to landowners to indicate the manner in which the TUC holder shall operate on their land without infringing on their rights.

## 2.2 Who are the beneficiaries of SRA

According to LI 1649(I), SRA is ‘an undertaking by the permit holder to provide social facilities and amenities for the inhabitants of the contract area’. Although there is no clear definition of a Forest Fringe Community (FFC) or inhabitants of the contract area, for the implementation of an SRA a working definition has been reached as ‘all communities which fall within five kilometers (5km) around a forest reserve or timber harvesting operational area (TOA).

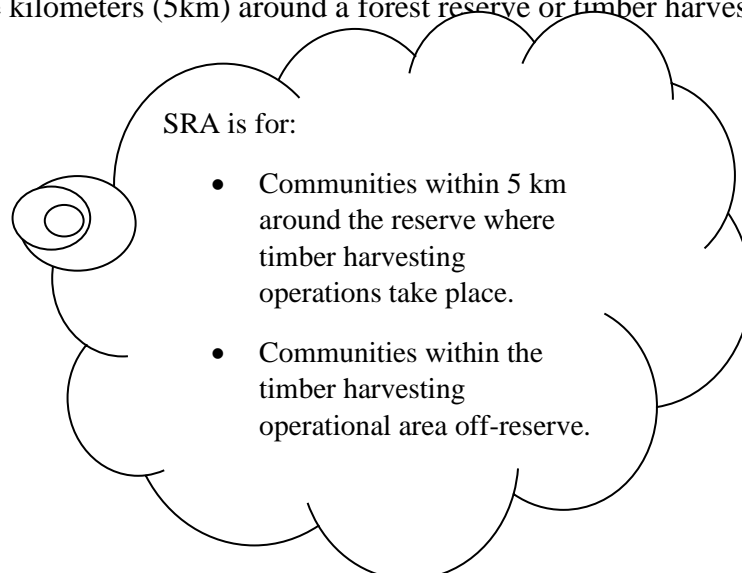


Figure 1: WHICH COMMUNITIES QUALIFY FOR SRAs?

## 2.4 What Constitutes the SRA?

SRA has two components: the Code of Conduct and the Social Obligation.

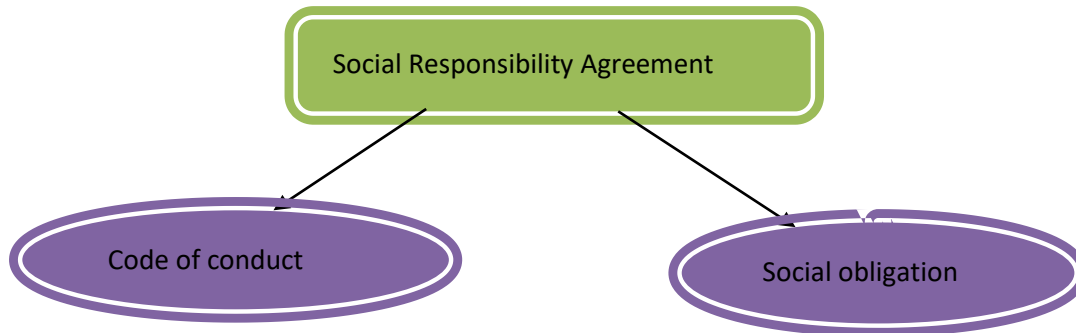


Figure 2: Components of SRA

The **Code of Conduct** stipulates the manner in which the contractor is expected to operate to ensure that all timber operations are conducted with due respect for the rights of the communities inside or adjacent the TUC area. It ensures that local customs, beliefs, infrastructure and livelihoods are respected.

The **Social Obligations** are specific arrangements drawn up between the community and the TUC Holder (contractor) based on 5% of the stumpage value of timber harvested from the TUC or Permit Area. The social obligations should specify the particular commitments of the TUC holder to support development initiatives of the local communities either in cash equivalent or a commitment for goods, services or infrastructural support. This is what ensures that the communities financially benefit directly from the exploitation of timber resources harvested from their area.

## SECTION THREE

### 3.1 Timber Harvests covered by SRAs

All commercial timber harvesting rights holdings administered by Government under the TRMA such as TUCs, plantation permits, submerged timber and salvage permits must be accompanied by Social Responsibility Agreements as part of the legal requirements. Timber Utilization Contracts could be granted by government for either naturally occurring trees in 'on' and 'off' reserve areas, as well as for government managed forest plantations in forest reserves.

### 3.2 The SRA process

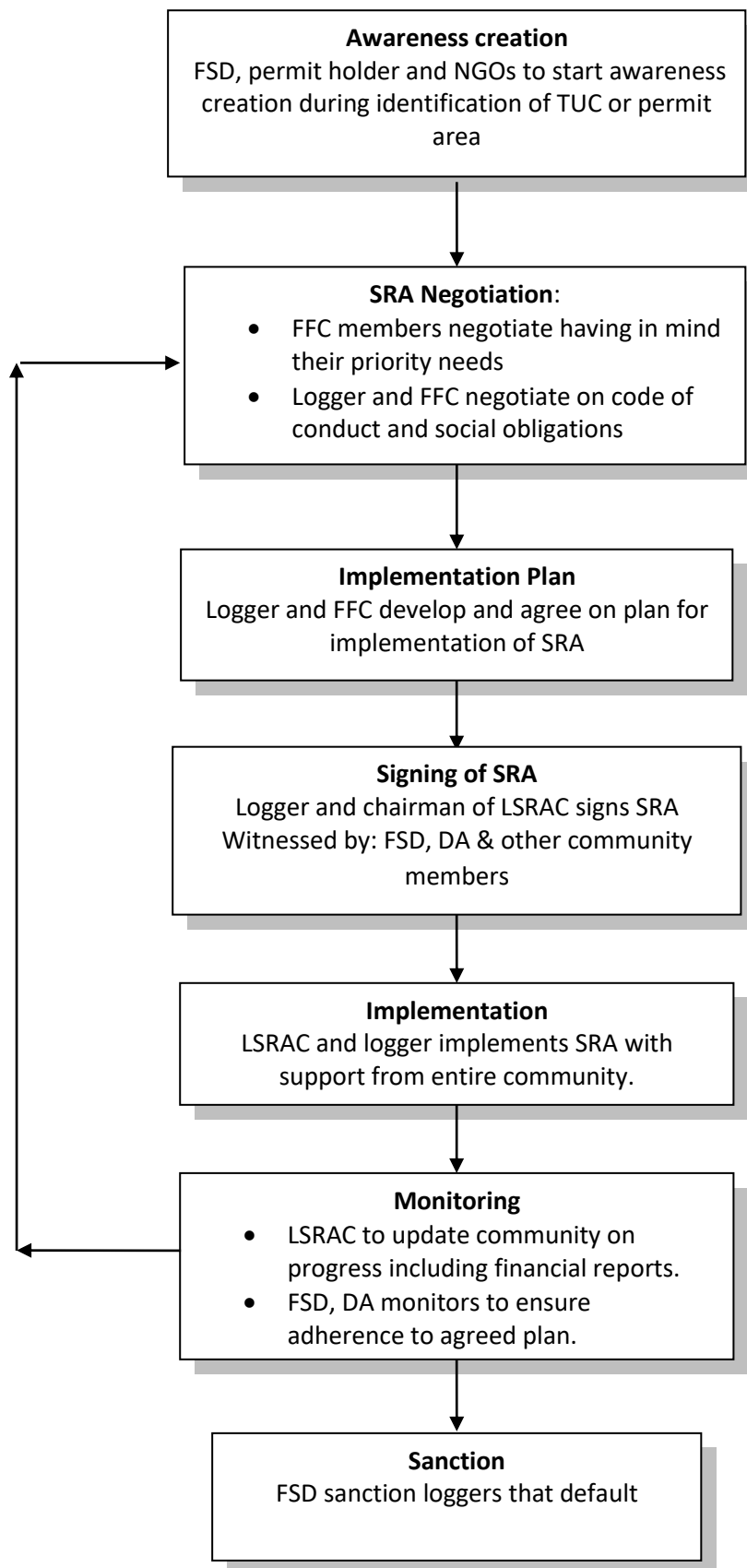


Figure 3: Nine steps flowchart for SRA

### 3.3. Detailed SRA Procedures

Table 2 outlines the detailed procedures to be followed in the various steps associated with the entire SRA process. It serves as guide to be followed for ensuring elimination of the challenges previously associated with SRA implementation.

**TABLE 1: SRA PROCEDURES**

STEPS	Recommended Procedure
<b>1A. Pre-negotiation</b>	<ul style="list-style-type: none"> <li>I. The SRA process shall be initiated by the district forest office of FSD during the identification of the TUC area.</li> <li>II. The District Manager (DM) or his representative shall consult with the landowning communities (the stool chief, Odikro, the CFCs and the Unit Committee) to ensure that areas, which the community wishes to exclude from logging, are identified.</li> <li>III. The DM or his representative shall ask the communities to specify reasonable social terms for the code of conduct Timber Operational Specifications (TOS).</li> <li>IV. The committee should have a prioritized needs list based on the development needs of the community, so that the amount of money involved is used as a bench mark to determine which need could be addressed first. Once the TUC areas have been advertised, applicants will have to approach the communities to ensure that they understand all aspects of the TOS.</li> <li>V. This is when the main negotiation starts. The procedure for developing SRA is described in the TUC identification procedure.</li> </ul>
<b>1B. Negotiation</b>	<p>Note: Since the law has indicated that SRA should be 5% of the value of stumpage of trees to be harvested, the negotiation should mainly dwell on the types of projects likely to be covered by the indicative SRA value, payment modalities and implementation arrangements.</p> <ul style="list-style-type: none"> <li>I. The FSD official should be present to act as a witness and also provide technical advice with regards to</li> </ul>

	<p>computation of the volume of trees, the respective stumpage and consequentially the value of the SRA. This information should be furnished by the District FSD on an annual basis or closer time interval, as appropriate.</p> <p>II. To ensure transparency, the democratically selected Local SRA Committee (LSRAC) should represent the community. This LSRAC should comprise of at least the Odikro or chief, Assembly member, Unit committee member and the representative from the Town Development Committee (TDC), women’s group and any other members suggested by the community.</p> <p>III. Negotiation could be centered around</p> <ul style="list-style-type: none"> <li>a. Use of Proceeds from SRA to support projects initiated by the District Assembly.</li> <li>b. Setting aside a component of the SRA funds for administrative costs incurred by the committee.</li> <li>c. Implementation of joint projects where neighboring communities are in close proximity</li> <li>d. The benefits from SRA shall be disbursed according to the negotiated agreement.</li> <li>e. Based on the financial value of the SRA, items and/or services to be provided should be specified and quantified as well as rules and regulations, time-lines for implementation stated.</li> <li>f. There should be provision for re-negotiation and sanctions for non-compliance.</li> </ul>
<p><b>2 Signatories and Signing of the SRA</b></p>	<p>I. The SRA shall be signed between the logger (Managing Director or his representative) and the LSRAC who act as the Community leaders.</p> <p>II. Representatives from the District Assembly, stool/skin owner and FSD should be witnesses to the signing. The document shall be dated and properly signed, enabling identification of signatories.</p>
<p><b>4. Custody of SRA Document</b></p>	<p>I. Copies of the signed SRA shall be kept by the signatories (Logger and Odikro of all beneficiary Communities) as well as the witnesses.</p> <p>II. The FSD Headquarters, Regional and District Offices, District Assembly and the paramountcy should each keep a copy.</p>

	<ul style="list-style-type: none"> <li>III. A list of SRAs negotiated and signed per quarter shall be submitted to RMSC.</li> </ul>
<b>5. Planning for SRA Implementation</b>	<ul style="list-style-type: none"> <li>I. An Implementation Plan should accompany the agreement Since the TUC is for a period not exceeding 40 years.</li> <li>II. The Plan will give detailed timelines for fulfilling the agreed terms of the signed SRA.</li> <li>III. The implementation plan shall be agreed upon by the key stakeholders (logger, Stool landowner, Odikro of beneficiary communities) in the presence of, representatives of the District Assembly and District Forestry Offices.</li> <li>IV. A copy of the implementation plan and report should be submitted to the DA, TUC holders/contractors and FSD district office for their records.</li> <li>V. Annual plans could be developed by the logger and agreed on by all parties to enhance compliance and monitoring of the implementation plan.</li> </ul>
<b>6. Undertaking Implementation</b>	<ul style="list-style-type: none"> <li>I. Ideally, advance payment should be made by the logger before harvesting.</li> <li>II. Implementation of the SRA shall at least be done within the period of the timber logging activity and shall be completed before the logging operation expires.</li> <li>III. This shall involve the services of LSRA Committee/ CRMC, the District Assembly representative together with the logger and actively monitored by the District Manager, FSD</li> </ul>
<b>7. Handling of Financial Transactions</b>	<ul style="list-style-type: none"> <li>I. The LSRAC has the responsibility to open a ‘Community SRA Bank Account’ for lodging the SRA Funds such that it does not land in any wrong hands.</li> <li>II. The payments made to these accounts should be reported on an annual basis to the communities through communities’ notice boards, durbars and community information centre and radio.</li> </ul>
<b>8. Deciding on Proposed Projects</b>	<ul style="list-style-type: none"> <li>I. The Implementation Committee should send copies of the project description to the Stool landowner, DA, FSD district office and Community notice board, where possible.</li> </ul>

	<ul style="list-style-type: none"> <li>II. There should not be any variation in specific projects given to communities and signed under the SRA agreement, unless agreed by the community to do otherwise.</li> </ul>
<p><b>9. Ensuring Monitoring</b></p>	<ul style="list-style-type: none"> <li>I. Monitoring systems should be developed and managed by the community, DA Planning Officer and the FSD.</li> <li>II. An effective monitoring plan shall be designed and enforced to ensure adherence to the SRA and especially the Implementation Plan.</li> <li>III. The LSRAC should submit monthly progress reports on the implementation of SRA to the District FSD office.</li> <li>IV. The FSD shall in turn actively monitor effective implementation and report on progress accordingly in Monthly Reports.</li> <li>V. Regional Forestry Office should send report on progress on SRA in their quarterly reports copies of which are sent to the RMSC</li> <li>VI. The Format for reporting on progress of SRA implementation by the district FSD is attached as Appendix II.</li> </ul>
<p><b>10. Awareness Creation on Local SRAs</b></p>	<ul style="list-style-type: none"> <li>I. Awareness creation shall be a continuous activity during the life span of the logging activity and the SRA implementation plan</li> <li>II. The stakeholders should be informed about the number of logs to be removed, the total amount of money due and the total amount in respect of the entire SRA to be paid</li> <li>III. This awareness creation should be carried out by the logger, the FSD, NGOs and other civil society organizations.</li> <li>IV. Information to be used for awareness creation should be approved by the district FSD offices</li> <li>V. Bill Boards and Publicity activities should be effected on projects executed with funds from SRA to promote cordial relationships amongst the community, loggers, the FSD and all partners in protection and sustainable management of forests</li> </ul>



<b>11. Enforcing Sanctions</b>	<p>I) The TRMA 1997, Act 547 section 15 (1) provides to the effect that “The Minister (MLF), acting on the recommendation of the Forestry Commission may suspend or terminate, as is appropriate in the circumstances of the case, a Timber Utilization Contract where”: ”the holder has breached any of the terms or conditions of the contract including the SRA”.</p> <p>II) Additionally, specific sanctions agreed by all parties should be specified in the agreement</p>
<b>12. Undertaking Renegotiation</b>	<p>I. There should be room for re-negotiation amongst all the parties.</p> <p>II. Reasons for re-negotiation should include review of laws and other developments in the Forestry Sector which may warrant the need for re-negotiation.</p> <p>III. In circumstances where delays occur in logging activity or community decides to use SRA funds for different projects renegotiation will be useful</p>

## SECTION FOUR

### 4.1 Roles and Responsibilities

This section outlines the specific roles and responsibilities of all stakeholders involved in the SRA process.

**TABLE 2: ROLES OF STAKEHOLDERS**

<b>Stakeholder</b>	<b>Meaning</b>
<b>Forest Fringe Communities/ Beneficiary communities</b>	These are the eligible communities to benefit from the SRA and are the forest fringe communities (FFC) within five kilometers (5km) around a forest reserve or within the timber operational area in off-reserve areas.
<b>Odikro</b>	This is the caretaker chief of a community. Odikros are mostly appointed by the stool chief and therefore pay allegiance to the paramountcy.
<b>Logger/permit holder</b>	It refers to the company that has been granted a legal right to harvest timber from a specific area.
<b>Local SRA Committees CRMCS could undertake this role in the absence of LSC</b>	These are democratically selected committees to lead the SRA process within the communities. The SRA committee may comprise of the Odikro or chief, Assembly member, Unit Committee representative, Town Development Committee member and any other leader or representative appointed by the community. There should be specific tenure of office for this committee to be agreed by the community.
<b>Stool chief</b>	A traditional authority who has been given power to rule over a parcel of land termed as stool land as his jurisdiction.
<b>Forestry Commission (FSD, RMSC)</b>	The Forest Resource Manager and Government representative
<b>D/MCE</b>	Head of the Local Government
<b>District Representative /Assembly</b>	Elected representative of the Assembly Area.

**TABLE 4: RESPONSIBILITIES OF STAKEHOLDERS**

Activity	Stakeholders	Roles and Responsibilities
<b>Negotiation</b>	Odikro from the timber exploitation area,	<ul style="list-style-type: none"> <li>• Leader of the LSRAC in the negotiation process</li> <li>• Ensures SRA is negotiated directly and the benefits accrue to the local populace</li> </ul>
	LSRAC	<ul style="list-style-type: none"> <li>• Active involvement in the negotiation for the benefit of the entire community.</li> <li>• Ensures that the needs of the communities and the SRA implementation are within the contract of sustainable development of the area concerned.</li> <li>• Liaises between District Assembly, FSD and the community</li> </ul>
	Other community members	<ul style="list-style-type: none"> <li>• Be present during negotiation and signing of the agreement</li> <li>• Demand accountability on use of funds and execution of projects as scheduled</li> <li>• Help protect the forest from illegal timber activities</li> </ul>
	Stool landowner	<ul style="list-style-type: none"> <li>• Act as witness to the SRA negotiations</li> </ul>
	TUC holder/Contractor	<ul style="list-style-type: none"> <li>• With the assistance of the District Forest Office, initiate the SRA process</li> <li>• Honor SRA payments as negotiated, agreed and signed</li> <li>• Respect the rights of FFCs</li> <li>• Carry out timber operations without infringing on their rights</li> </ul>
	FSD representative	<ul style="list-style-type: none"> <li>• Facilitate the entire process and ensure parties understand the process to avoid conflicts.</li> <li>• Provide all relevant information (including information on 5% stumpage) to foster collaboration and partnership towards the signing and implementation of the agreement</li> </ul>
	DA representative	Witness to the process and advice where necessary
<b>Signing</b>	Odikro from the exploitation area	All signatories should ensure that the document are properly signed and dated.

	LSRAC Stool landowner Permit holder /Contractor FSD representative DA representative	
<b>Custody of document</b>	Odikro from the exploitation area LSRAC Stool landowner permit holder /Contractor FSD representative DA representative	Stakeholders should ensure that copies of the signed document are safely kept for reference and monitoring purposes.
<b>Implementation</b>	Odikro from the exploitation area LSRAC DA representative FSD permit holder	All parties should ensure that implementation is on what was negotiated for.
<b>Implementation plan</b>	Stool landowner Odikro DA representative Unit committee chairman LSRAC	Stakeholders should develop and agree on a plan for executing the intended project which will be the basis for monitoring implementation.
<i>Note: A copy of the implementation plan and report should be submitted to the DA, TUC holders/contractors and FSD district office for records.</i>		
<b>Financial information</b>	LSRAC	The committee should present financial information to DA and FSD District Office and traditional council.
<b>Project description</b>	LSRAC, Permit holder, FSD	LSRAC should ensure the project is well described and included in the SRA document.
<i>Note: There should not be variations on specific projects signed under the SRA agreement.</i>		

<b>Monitoring modalities</b>	DA Planning Officer FSD Customer Services Officer and LSRAC implementation committee	Stakeholders should monitor the implementation of the SRA and report non-compliance for sanctions.
<b>Awareness creation</b>	FSD, Permit holder, NGOs	<ul style="list-style-type: none"> <li>• FSD with support of NGOs should ensure constant education of stakeholders on the state of the forest and their role in its management.</li> </ul>

## 4.2 SRA Good Practices

This section highlights good practices by stakeholder involved in the SRA process to ensure effective agreements and avoid conflict.

**TABLE 3: DO'S AND DON'TS OF SOCIAL RESPONSIBILITY AGREEMENT**

Stakeholder	Dos	Don'ts
<b>FSD</b>	<ul style="list-style-type: none"> <li>✓ ensure FFC are aware of SRA process</li> <li>✓ ensure the process is well facilitated to enhance fairness.</li> <li>✓ ensure the SRA process is made transparent</li> <li>✓ ensure Paramount /stool land owners are not present at negotiations</li> <li>✓ ensure SRA are properly documented and signed</li> <li>✓ ensure signatories are from the SRA committee to be formed</li> <li>✓ ensure loggers fulfill the SRA commitment</li> <li>✓ ensure projects obtained from SRA are labeled to create awareness of benefits from the forest.</li> <li>✓ keep records (manual and/or electronic) of all documentation on negotiations, agreements, payments on SRA</li> </ul>	<ul style="list-style-type: none"> <li>❖ Don't allow loggers to start to operate when they have not made SRA with communities.</li> <li>❖ Do not facilitate SRA negotiations without awareness creation</li> <li>❖ Don't allow loggers to take advantage of FFC because their ignorance</li> <li>❖ Do not carry out SRA in secrecy</li> <li>❖ Do not allow unauthorized persons to sign SRA.</li> <li>❖ Do not carry unsigned SRA documents</li> </ul>
<b>Logger</b>	<ul style="list-style-type: none"> <li>✓ negotiate SRA with community representatives as intended by the law</li> <li>✓ ensure SRA is properly documented and signed before operations start</li> <li>✓ ensure signatories are from the SRA committee to be formed</li> <li>✓ ensure SRA is fully fulfilled before end of contract period.</li> <li>✓ maintain relevant records in respect of written consents,</li> </ul>	<ul style="list-style-type: none"> <li>❖ Don't negotiate and sign SRAs with individual community members.</li> <li>❖ Don't impose a SRA package on communities.</li> <li>❖ Don't breach taboo days.</li> <li>❖ Don't destroy community sacred groves, shrines or areas of socio-cultural and/or environmental significance to communities</li> </ul>

	<p>signed SRAs</p> <ul style="list-style-type: none"> <li>✓ ensure what is agreed is exactly what is implemented</li> <li>✓ ensure labor is employed from FFC if possible</li> </ul>	
<b>Community</b>	<ul style="list-style-type: none"> <li>✓ request for all relevant information from the FSD including the value of 5% of stumpage and before SRAs are negotiated</li> <li>✓ negotiate and sign SRAs in the presence of the FSD officials</li> <li>✓ ensure the negotiated SRA package is agreed on by the community</li> <li>✓ ensure negotiation is based on community priorities</li> <li>✓ ensure a written and signed copy of the SRA is kept by all signatories for future reference</li> <li>✓ ensure that, there is a community bank account if the SRA negotiated is to be paid in cash.</li> <li>✓ use proceeds from SRAs for the benefit of the whole community.</li> <li>✓ send complaints to FSD if a logger fails to meet the terms of the signed SRA</li> </ul>	<ul style="list-style-type: none"> <li>❖ Don't start SRA negotiation when you don't have adequate information</li> <li>❖ Don't accept SRA packages imposed on you.</li> <li>❖ Don't accept SRA decisions imposed by chiefs if you don't agree.</li> <li>❖ Don't accept the hijack of SRA payments by chiefs or any other community member.</li> <li>❖ Don't accept logging operations to start without a written and signed SRA negotiated with the community</li> <li>❖</li> <li>❖ Don't place unnecessary obstacles in the way of the legal logger</li> <li>❖</li> </ul>
<b>DA</b>	<ul style="list-style-type: none"> <li>✓ Include Sra projects in the District development plans</li> <li>✓ Monitor implementation of plans</li> <li>✓ Provide additional support where necessary to complete projects</li> </ul>	<ul style="list-style-type: none"> <li>✓ Should not take over SA project</li> </ul>

**Appendix 1: SRA Template**

FORESTRY COMMISSION  
(FORESTRY SERVICES DIVISION)  
SOCIAL RESPONSIBILITY AGREEMENT

1. Preamble

This Social Responsibility Agreement (SRA) is made and entered into this date..... **between** .....community in the .....District / municipal in the .....Region **and** .....company with property mark.....situated at .....in the .....Region.

2. Type of permit

<b>FOREST RESERVE TUC AREA(S)</b>			
Forest Reserve	Forest District and Region	Compartment No(s)	Area km <sup>2</sup>

<b>OFF RESERVE TUC AREA(S)</b>			
Name of community	Forest District and Region	Area km <sup>2</sup>	Description of the area e.g. cocoa farms, secondary forest, etc.

<b>OFF RESERVE SALVAGE PERMIT AREA(S)</b>			
Name of Community	Forest District and Region	Area km <sup>2</sup>	Description of the area e.g. cocoa farms, secondary



			forest, etc.

<b>PLANTATION TIMBER</b>			
Name of Community	Forest District and Region	Area km <sup>2</sup>	Total Vol (m <sup>3</sup> )

3. For the harvesting and extraction of the following tree species (attach yield)

Quantity (Total number of trees)	Volume (m <sup>3</sup> )	Estimated Annual Stumpage (GH¢)
Estimated SRA in <b>GH¢</b>		

4. The said amount is to be paid by the logger through (means of payment)

E.g. Kofikrom Community account at Adansi Rural Bank with account number 24XXX 45.

5. Copies of this SRA are available

at.....

6. Code of Conduct

i.

ii.

iii.

## 7. Social Obligations (E.g.)

Item(s)	Estimated value in Cedis (GH¢)
1. Provision of 50 packets of roofing sheets	X X X
2. Provision of 10 ofram boards to support roofing of school building	X X X
3	
Total (¢)	

## 8. SRA Implementation plan

Project/Activity to be executed	Time to start	Time to complete
E.g. Roofing of two classrooms of Kofikrom basic school	August 2016	October 2016

## 9. Recitals

That, it is agreed that upon the grant of the above logging area to the company, the aforementioned responsibilities (items and other aspects) shall be undertaken completely and accurately within the contract period by the company without distrust.

That, if the company fails to comply with the above responsibilities as agreed **within the period.....** of contract, the community shall be compelled to inform the Forest Services Division of the Forestry Commission to take immediate action or institute sanctions specified in the Timber Resources Management Act.

That, the community shall not do anything to obstruct the activities of the company while executing its operations according to the terms and conditions specified in the SRA.

Signatories: In accordance to the agreement entered bind themselves in full faith to the provisions contained and have the following signatories:

**i. Community representatives**

Name .....Rank.....sign.....

Name .....Rank.....sign.....

Name .....Rank.....sign.....

**ii. Logger/ Permit Holder**

Name .....Rank.....sign.....

**iii. Witnesses**

Chief of the Local community

Name .....Rank.....sign.....

**Iv District Forest Manager/Forestry Commission Representative**

Name .....Rank.....sign.....

**V District Chief Executive/ Representative) For District Assembly**

Name .....

sign.....

## Appendix II. Monthly Progress Reporting Format on SRA Implementation

### (1) NATURAL FOREST TIMBER

**A. Forest Reserve:**

**Compartment No.:**

**TUC Holder:**

Stool owner(s)	Beneficiary community(ies)	SRA value based on total yield (GH¢)	SRA Amount Paid		Date of payment/execution of project(s)	Cumulative Payment	Remarks
			Project(s) Type	GH¢			

**General Comments**

(Observation of code of conduct by TUC holders and communities)

**B. Off-Reserve**

**Location e.g. Bayerebon Area**

**TUC Holder/Permit No. :**

Stool owner(s)	Beneficiary community(ies)	SRA value based on total yield (GH¢)	SRA Amount Paid		Date of payment/execution of project(s)	Cumulative Payment	Remarks
			Project(s) Type	GH¢			

**General Comments**

(Observation of code of conduct by TUC holders and communities)

### (2) FC PLANTATION TIMBER

**Forest Reserve:**

**Coupe No.:**

**Permit/Contract Holder:**

**Date issued:**

<b>Stool owner(s)</b>	<b>Beneficiary community(ies)</b>	<b>SRA Value GH¢</b>		<b>Date of payment/execution of project(s)</b>	<b>Remarks</b>

## Appendix III. Social Responsibility Agreement Financial Value Form

District: ..... Reserve :  
 .....Compartment: .....

Company: .....Property Mark.....Month/Year Yield  
 Released.....

Total Yield Value (GHC)	SRA Value	*Beneficiary Communities	Accompanying Remarks

\*Note: District Managers must indicate the Beneficiary Communities when forwarding Stock Survey data for endorsement to the RMSC.

Stool owner(s)	Beneficiary community(is)	SRA Value GH¢		Date of payment/execution of project(s)	Remarks

### *Social Responsibility Agreement Financial Value Form*

District: ..... Reserve :  
 .....Compartment: .....

Company: .....Property Mark.....Month/Year Yield  
 Released.....

Total Yield Value (GHC)	SRA Value	*Beneficiary Communities	Accompanying Remarks

\*Note: District Managers must indicate the Beneficiary Communities when forwarding Stock Survey data for endorsement to the RMSC.

## Appendix IV- GhLAS Social Responsibility Agreement Checklist



**Social Responsibility Agreement**  
**-AUDIT CHECKLIST**  
**(for GhLAS Verifier)**

**Collaborative Resource Management Department**  
**Resource Management Support Centre**  
**Forestry Commission**  
**Kumasi**

**February 2015**

**SRA AUDIT CHECKLIST**

<b>Element</b>	<b>Checklist</b>	<b>Assessment (Tick as appropriate)</b>	<b>Respondents</b>
1. Negotiation process	Did the District Manager locate the community (ies) to benefit from the SRA and communicated to the TUC holder to initiate negotiation process?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Contractor
	Did the TUC holder approach or consult the beneficiary community (ies)?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Community
	Did the community also inform the District Manager about the intention of the TUC applicant?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Community, FSD
	Did the FC/FSD Inform community representatives about TUC allocation procedures?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
	Does the community know the draft contents of SRA?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD
	Does FSD involve the community in the identification of TUC areas?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Community
	Are the negotiation processes documented?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD
	Does the community know that royalty payments to the chiefs and the SRAs are two different obligations of the contractors?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Community, FSD
	Are the code of conduct and social obligations agreed on by the contractor before work commences?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Community, Contractor, FSD
	Is there a committee involving relevant parties set up to negotiate the SRA?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Community



	Was the appropriate SRA (5%) calculated and presented before the negotiation started or initiated?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Community
	Were copies of the SRA forwarded to RMSC for vetting?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, RMSC
2. Signatories	Were the signatories involved in signing the SRA document present during the negotiation processes?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Community, Contractor
	Has the community signed SRA with the Timber Contractor?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
	Does the community know the terms and conditions in the agreement?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Community
	Was there any dissenting view that any representative did not sign?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
	Was the SRA signed by all the signatories?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Community, Contractor
	Were there difficulties getting or locating the signatories?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
3. Custody of SRA	Are there measures put in place to ensure proper storage of the SRA document?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD
	Does the community have a copy of signed SRAs?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Community, FSD
	Does the TUC holder have copies of the agreement?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Community, FSD
	Are there copies of the SRA in the custody of District, Region and FSD headquarters?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Contractor, DA, Community, FSD
	Are there copies of the SRA in the custody of the District Assembly?		
	Is the document kept in a safe place by the community?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Community,

4. Implementation structures	Was the implementation started in the operations area when the TUC holder won the contract?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Community
	Was the District Manager or representative serving as witness, moderator and a guide to the value of the 5% present during the negotiations?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Contractor, FSD, Community
	Were the demands of the community specific and marching the 5% financial value?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Contractor
	Were there any problems in the provision of the SRA demands?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
	Was the SRA provision in Cash?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Contractor, FSD, Community
	Was it project specific?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Contractor, FSD
5. Work plan	Was there any workplan developed for the SRA implementation?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD
	Was the committee involved in developing of the work plan?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
	Did the committee prepare project estimates?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Community, Contractor
	Was the workplan useful?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Community
6. Financial information	Did the District Manager calculate 5% share based on stumpage value of trees harvested to determine the actual amount due?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Contractor
	Was the community given adequate information that will allow them to have a true and fair picture of the SRA benefits?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Community, Contractor
	Is there evidence in the form of receipts to show payments of SRAs by contractors?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
	Does the SRA benefit involve the provision of infrastructure, such as schools, boreholes?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Community

	Is the SRA money paid promptly?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Community, FSD
	Do you have a committee which manages SRA payments and projects?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Community
	Did the District Manager advise the community to open special bank account for SRA projects?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Community, FSD
7. Project description	Did the Timber Operational Specification have specific project(s) to deliver?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Contractor
	Does prioritization of project involve the consensus of all community members?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Community, FSD
	Were there any variations in the cost of specific projects?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Contractor
	Was there any other project that was not specific?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Community, FSD
	Does the fringe communities have specific project to execute?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Contractor
	Was it implemented as per the 5% or overhead cost?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
8. Monitoring modalities	Is the District officer monitoring SRA projects within the district?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD
	Is there a designated field officer with a reporting relationship to the District Manager on SRA implementation?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD
	Did the TUC holder and beneficiary community abide by the SRA Code of Conduct?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Community
	Does the committee regularly review progress on TUC holder's SRA obligations and performance against delivery?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, District Assembly
	Was there transparency in the negotiation process to guide accountability?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Community, District Assembly, FSD
	Have the Contractors been submitting progress reports on projects being developed?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD

	Has the District Manager opened separate files for SRA documents?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
	Has there been any conflicts or stoppage of operations because of SRA	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Community
	Does the community allow the contractor to operate in a socially sound environment?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Contractor, FSD
9. SRA Awareness Creation	Has the District developed and implemented awareness-raising activities to educate TUC holders and communities on SRA?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Community
	Are the parties aware of their responsibilities under the SRA implementation?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD, Contractor, Community
	Was there stakeholders (parties) support for the awareness creation?	Yes <input type="checkbox"/> No <input type="checkbox"/>	FSD
	Has the awareness-creation helped in the SRA implementation?	Yes <input type="checkbox"/> No <input type="checkbox"/>	

