



*Forestry Commission Annual Report*  
*2021*

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## ABBREVIATIONS

AAC	Annual Allowable Cut
AccelREDD+	Accelerating REDD+
AF	Additional Financing
ASM	Artisanal Mining
BoC	Board of Commissioners
BSA	Benefit Sharing Agreement
CE	Chief Executive
COCOBOD	Ghana Cocoa Board
COVID	Coronavirus Disease
CPME	Corporate Planning, Monitoring and Evaluation
CREMA	Community Resource Management Area
DI	Development Institute
EAP	Environmental Action Plan
ECOWAS	Economic Community of West African States
ENFAL	Enhancing Natural Forest and Agroforest Landscape
EPMD	Effective Patrol Man-Days
ERPA	Emission Reduction Payment Agreement
ERs	Emission Reductions
FC	Forestry Commission
FCIIS	Forestry Commission Internal Information System
FCTC	Forestry Commission Training Centre
FIP	Forest Investment Programme
FLEGT	Forest Law Enforcement, Governance and Trade
FR	Forest Reserve
FSD	Forest Services Division
GCF	Green Climate Fund
GCFRP	Ghana Cocoa Forest REDD+ Programme
GFPS	Ghana Forest Plantation Strategy
GGD	Green Ghana Day
GIS	Geographic Information System
GLRSSMP	Ghana Landscape Restoration and Small-Scale Mining Project
GoG	Government of Ghana
GSBAs	Globally Significant Biodiversity Areas
GSERP	Ghana Shea Landscape Emission Reduction Project
GWT-DSS	Ghana Wood Tracking and Decision Support System
GWTS	Ghana Wood Tracking System
HFZ	High Forest Zone
HIA	Hotspot Intervention Area
IAs	Implementing Agencies
ICT	Information and Communications Technology

IGF	Internally Generated Funds
IT	Information Technology
IUCN	International Union for Conservation of Nature
LUS	Lesser Used Species
M&E	Monitoring and Evaluation
MESTI	Ministry of Environment Science, Technology and Innovation
MLNR	Ministry of Lands and Natural Resources
MMDAs	Metropolitan, Municipal and District Assemblies
MOFEP	Ministry of Finance and Economic Planning
MoU	Memorandum of Understanding
MTS	Modified Taungya System
NAP	National Afforestation Programme
NBSAP	National Biodiversity Strategy and Action Plan
NDPC	National Development Planning Commission
NEPP	National Environmental Protection Programme
NGOs	Non-Governmental Organisations
OHCS	Office of the Head of Civil Service
PAs	Protected Areas
PCU	Project Coordinating Unit
PDO	Project Development Objective
PLP	Production Landscape Programme
PSC	Project Steering Committee
PSP	Permanent Sample Plot
PVC	Polyvinyl Chloride
RDA	REDD+ Dedicated Account
REDD+	Reducing Emissions from Deforestation and Forest Degradation
REVCOMSYS	Revenue Collection and Management System
RMSC	Resource Management Support Centre
SIS	Safeguard Information System
SLWMP	Sustainable Land and Water Management Project
SMC	Site Management Committee
SMTPF	Sector Medium-Term Policy Framework
SRA	Social Responsibility Agreement
TIDD	Timber Industry Development Division
TIFs	Tree Information Forms
TUC	Timber Utilization Contract
UAP	Upfront Advance Payment
UNDP	United Nations Development Programme
VPA	Voluntary Partnership Agreement
WCF	World Cocoa Foundation
WD	Wildlife Division
YAP	Youth in Afforestation Programme

## EXECUTIVE SUMMARY

### Introduction

The Forestry Commission's 2021 Annual Report evaluates the implementation of policies and interventions incorporated in the Sector Medium-Term Policy Framework (SMTPF) during the period of 2018-2021. This comprehensive report depicts the indicators and targets that were used to track the progress of 2021 programmes and initiatives.

The main goal of the SMTPF is to prevent the loss of forest and wildlife resources and to ensure their effective and efficient management in order to fight poverty and promote sustainable development.

### Management/Production of Forest Resources

The Timber Resources Management Regulation 1998, (L.I. 1649), the Timber Resources Management (Amendment) Regulation 2003, (L.I. 1721) and the Timber Resources Management (Legality Licensing) Regulations, 2012 have all been revoked by the Timber Resource Management and Legality Licensing Regulations, 2017 (LI 2254). (LI 2184). Due to competitive bidding for the allocation of timber rights, these laws amend the original LIs. A total of 221 salvage permits were approved by the Commission in accordance with the law, with 33% of the permits from on-reserve areas and 67% from off-reserve areas. A total of two hundred and thirty-six (236) plantation permits were also approved for harvesting with a corresponding volume of 127,733 m<sup>3</sup> of various timber species.

The volume of natural forest timber harvested in 2021 was 1,643,571 m<sup>3</sup> (1,300,427 m<sup>3</sup> on-reserve and 343,144 m<sup>3</sup> off-reserve) as against 1,226,678 m<sup>3</sup> in 2020. This is equivalent to 164% of the Annual Allowable Cut (AAC). In 2021, a total volume of 203,992 m<sup>3</sup> plantation timber was harvested as compared to 124,790 m<sup>3</sup> in 2020.

According to the Commission, the total volume of exports of timber and wood products recorded was 302,229 m<sup>3</sup> with a corresponding value of €137million in 2021 as against a volume of 226,158m<sup>3</sup> recorded in 2020 with a value of €116 million.

### Protection of Forest and Wildlife Resources

The country's total land area is approximated to be 23.9 million ha. There are 266 forest reserves that have been gazetted, with 204 of them located in the High Forest Zone and 62 in the Savanna Zone. Among the 22 wildlife protected areas are seven (7) National Parks, six (6) Resource Reserves, three (3) Wildlife Sanctuaries, one (1) Strict Nature Reserve, and five (5) Ramsar Sites.

A total of 24,567 km of forest boundaries were cleaned and 23,466 km were inspected in 2021 as against 25,070 km of boundaries cleaned and 20,868 km of boundaries inspected in 2020. This suggests a 2% decline in boundary cleaning and a 14% increase in boundary inspections. Ensuring that our forest reserves are being safeguarded and conserved to guarantee sustainability is the goal of the cleaning and inspection of the forest boundaries. As part of efforts to halt encroachment and unauthorized access into forest reserves and wildlife protected areas, the Commission deployed the Rapid Response Teams.



## Development of Forest and Wildlife Resources

To replace lost forest cover, the Commission has continued to implement the Ghana Forest Plantation Strategy (2016–2040). Out of a target of 16,000 hectares, a total of 18,495 hectares (14,294 ha by the public sector and 4,201 ha by the private sector) was planted in 2021 as against 19,171 hectares planted in the previous year. In addition, a total area of 5,146 ha of degraded forest land were restored through enrichment planting as well as 59,928 ha of established plantations maintained. Also, the total number of seedlings procured and distributed for planting in 2021 was about 32.8 million.

A strong strategy for long-term socioeconomic and environmental development is ecotourism, which is adopted in many nations. In order to boost ecotourism in Ghana, the Commission has identified ecotourism sites for both conservation and development. In 2021, the Commission welcomed the birth of two (2) foals (baby zebras) at the Shai Hills Resource Reserve and welcomed the birth of two (2) beautiful lion cubs at the Accra Zoo. The Kumasi Zoo also received new animals for restocking, including De Brazza's (Congo) monkey and palm civets through donation, exchange and purchase.

The number of visitors to ecotourism sites and zoological gardens (zoos) in the country increased greatly in 2021. In total, 235,475 visits were recorded in 2021 as against 88,709 recorded in 2020 indicating an increase of over 100% from what was achieved in 2020.

## Forest and Wildlife Policy and Legal Regimes

As a result of the increasing spate of illegalities, the Commission deployed the fourteen (14) Rapid Response Teams to combat illegal activities occurring in and around hotspot forest reserves and wildlife protected areas. These designated areas include seventeen (17) forest districts and five (5) PAs, namely: Sefwi-Wiawso, Sunyani, Nkawie, Tarkwa, Juaboso, Mampong, Mankranso, Asankrangwa, Bibiani, Bole, Bekwai, Ho, Jasikan, Nkwanta, Goaso, Achimota Forest Reserve, Assin Fosu, Kalakpa Resource Reserve, Gbele Resource Reserve, Kyabobo National Park, Shai- Hills Resource Reserve and Sakumo Ramsar Site.

In 2021, 362 effective patrol staff contributed to a total of 236 effective patrol man days (EPMD) per officer. The teams' operational activities resulted in the seizure of 4 shot guns, 193 chainsaws, 10 gold detecting machines and 263 water pumping machines used for illegal mining as well as 82,781 pieces of assorted lumber (from reserves and illegal conveyance). Furthermore, the Commission confiscated 10 table saws used for illegal lumbering, immobilized 8 excavators, destroyed 190 “chanfan” machines and destroyed 76 hectares of illegal farms in identified hotspot forest reserves. Seventy-six (76) vehicles and 304 suspects were arrested for various wildlife and forest offenses.

Towards sustaining the chain of custody for traded timber and timber products, the Commission led the revamping of the GWTS, now doubling as a decision support tool. The new Ghana Wood Tracking System (GWT-DSS) is a web-based application that presents an uncapped user connection which now makes use of online dashboards to support decision-making in addition to the original function of tracking wood along the supply chain.

## Financial Management

The Commission derives its revenue from subvention from the Government of Ghana (personnel emoluments, administration, goods and services and investment), Internally Generated Funds (income from natural forest timber stumpage, plantation timber sales, charcoal conveyance, export levies, zoo and park entrance fees) and Donor Partners (cash, assets and technological assistance).

## Human Resource Management

The total number of staff in 2021 was three thousand three hundred and seventy-three (3,733). This was made up of 1,316 senior staff (35%) and 2,417 junior staff (65%). This also comprised of 3,067 men and 666 women.

In order to improve efficiency and upgrade the skills of its staff, the Commission organized a series of short-term and refresher courses. Five hundred and nine (509) staff took part in training programmes, workshops, conferences, and short courses.

## Forest and Wildlife Stakeholder Collaborations

On forest and wildlife stakeholder collaboration, Site Management Committees (SMC) including representatives from national and local agencies, traditional leaders, resource stakeholders, and other partners were established to encourage local involvement and participation. The Keta Lagoon Ramsar Site collaborated with International Union for Conservation of Nature (IUCN) and the Development Institute (DI) to plant 2,000 mangroves to commemorate World Mangroves Day. The theme for the occasion was “Mangroves, our lifeline and livelihood”.

A Rocha Ghana in collaboration with the Commission organized community engagement for 60 people selected from 4 fringe communities at Muni-Pomadze Ramsar Site. The project was to support communities with alternative livelihood so they don't rely solely on the limited natural resources but protect and conserve for future use. Eighty (80) members from four (4) fringe communities were trained in beekeeping, wildfire prevention and detergents making through the support from VIS-Ghana at Digya National Park.

The Commission also organized sensitization programmes to educate eighty-five (85) First and Second Cycle schools, as well as two hundred and twenty-nine (229) communities surrounding Wildlife Protected Areas and Ramsar Sites, on the importance of wildlife conservation as part of its biodiversity conservation initiative. In addition, one hundred and thirty-six (136) radio programmes were broadcasted across the country to raise public awareness about wildlife laws at wildlife protected areas and Ramsar sites.

## Efficient and Effective Organizational Infrastructure Development

The Headquarters of the Commission comprises of Departments and Units that contribute immensely to efficient and effective forest and wildlife development to ensure the delivery of the strategic and business goals.

To inspect, analyze, evaluate, and verify field operations, periodic field visits were made to selected FSD Regional and District offices, TIDD Area offices, and WD Ecotourism sites around the nation. The Commission held performance evaluation workshops to help with the SMTPF's (2018-2021) implementation. The National Development Planning Commission (NDPC), Office of the Head of Civil Service (OHCS), and the Sector Ministry received progress reports that were prepared as a result of these workshops. Along with it, the Commission demonstrated its performance as part of the Sector Ministry's Meet-The-Press series.

In 2021, four (4) consolidated quarterly audit reports were delivered by the Internal Audit Department in order to ensure compliance with established standards, rules, and regulations. Thus, a total of 86 audit findings/observations with important recommendations for resolving detected abnormalities were reported.

Also, the Compliance Unit of the Forestry Commission has been enhanced to be responsible to ensure staff comply with the Commission's policies and procedures as well as rules and regulations of regulatory bodies by implementing standards and procedures. The Unit ensures conformity with programmed requirements throughout the organization are effective and efficient in identifying, preventing, detecting, and correcting non-compliance with applicable laws and regulations among others.

## Programmes and Projects

The Commission with support from Development Partners undertook several projects and programmes in 2021. Enhancing Natural Forests and Agro-forest Landscapes (ENFAL) is one of the two projects of the Forest Investment Program (FIP) financed under the Strategic Climate Fund (SCF) of the Climate Investment Funds (CIF) through the World Bank (WB). It was declared effective in 2020, bringing 20 million USD more for sustainable forest management in Ghana and extending the project to June 2023. The project aims to reduce degradation in both forest reserves and off-reserve areas, which will also contribute to reducing emissions and enhancing carbon stocks.

The Ghana Landscape Restoration and Small-Scale Mining Project (GLRSSMP) is a multi-agency project with Ministry of Environment, Science, Technology and Innovation (MESTI) and Ministry of Lands and Natural Resources (MLNR) having an oversight responsibility over the project and also builds on the implementation record and lessons of the Sustainable Land and Water Management Project (SLWMP) and the Ghana Forest Investment Project (FIP). The Project Development Objective (PDO) is to strengthen integrated natural resource management and increase benefits to communities in targeted savannah and cocoa forest landscapes.

## Challenges

During the year under review, the Commission faced some challenges which comprised of inadequate and untimely release of funds for operational activities and inadequate functioning vehicles to carry out field activities.

Others included physical attacks and threats to staff from illegal operators, occurrence of wildfires especially in the savannah and transitional areas and Parliament's failure to pass the Wildlife Bill on time, which compromises the effectiveness of wildlife resources' protection.

There was also insufficient release of license for current Microsoft Operating Systems and Office suite which posed a security threat to our systems as well as inadequate GIS and Remote Sensing equipment to carry out operational activities.

On plantation development, there were undue delays in processing of Benefit Sharing Agreement (BSA) for MTS farmers for maintenance of the established forest plantations. Also, the resistance of illegal farmers to vacate sites allocated to private commercial plantation developers in forest reserves posed difficulties for plantation establishment by large scale developers and persistent occurrence of annual wildfires, usually caused by activities of free-range cattle herders and illegal farmers.

## Conclusion

The Commission will work tirelessly to expand the availability of human and financial resources in the sustainable management, development, and utilization of forest and wildlife resources as well as collaborate with key organizations and agencies.

## CHAPTER ONE

### INTRODUCTION

The Forestry Commission's Annual Report evaluates the implementation of policies and interventions incorporated in the Sector Medium-Term Policy Framework (SMTPF) during the period of 2018-2021. This comprehensive report depicts the indicators and targets that were used to track the progress of 2021 programmes and initiatives.

Ghana's total land area is projected to be 23.9 million hectares which comprises of 266 gazetted forest reserves. These reserves are classified into High Forest Zone (HFZ) and Savanna Zone areas of which 204 are in the HFZ areas (1.6 million ha) and 62 in the Savanna Zone (0.6 million ha).

There are also 22 wildlife protected areas covering 7 National Parks, 6 Resource Reserves, 3 Wildlife Sanctuaries, 1 Strict Nature Reserve, and 5 Ramsar Sites. In addition, Ghana is encompassed by a total of 1.3 million hectares of wildlife protected areas which represents a 5.5% of the country's total land area.

As part of the processes to maintain, preserve, and develop forest reserves and wildlife protected areas, the Commission implemented the 2018-2021 SMTPF. The key areas and policies that steered the achievement of indicator targets are provided in Table 1 below.

**Table 1: Thematic Areas and Policy Objectives**

Key Focus Area	Policy Objectives	Issues	Strategies
Protected Areas	Expand forest conservation areas	Loss of forest cover	Promote alternative sources of livelihood, including provision of bee-hives to forest fringe communities
		Poor demarcation of conservation areas	Re-survey and demarcate forests with permanent concrete pillars
		Encroachment on conservation areas	Map and assign conservation status through bye-laws to mangrove forests, wetlands and sensitive marine areas in district spatial plans
		Inadequate capacity of relevant institutions	Strengthen Forestry Commission and related institutions to effectively implement the National Environmental Protection Programme (NEPP) and the Environmental Action Plan (EAP).
		Increasing loss of endangered species	Establish gene banks for indigenous species and refuge areas for threatened, endemic and rare species
	Protect forest reserves	Illegal farming and harvesting	Support the protection of the remaining network of natural forest and biodiversity hotspots in the country

Key Focus Area	Policy Objectives	Issues	Strategies
		of plantation timber	
		Forest fires	Support the protection of the remaining network of natural forest and biodiversity hotspots in the country
		Inadequate staff	Enhance capacity of MDAs and MMDAs to mainstream biodiversity into development planning and budgeting processes
		Weak enforcement of regulations	Strengthen involvement of local communities in the management of forests and wetlands through mechanisms such as co-management systems
			Accelerate the implementation of the National Biodiversity Strategy and Action Plan (NBSAP)
			Develop an early warning system for detection of invasive alien species
			Develop guidelines for reporting and managing invasive alien species
			Promote research, public education and awareness on biodiversity and ecosystem services
		Insufficient logistics to maintain boundaries of protected areas	Strengthen environmental governance and enforcement of environmental regulations
Deforestation, Desertification and Soil Erosion	Combat deforestation, desertification and soil erosion	Weak collaboration between stakeholder institutions	Strengthen implementation of Ghana Forest Plantation Strategy and restore degraded areas within and outside forest reserves
		High incidence of wildfires	Promote and develop mechanisms for transparent governance, equity sharing and stakeholder participation in the forest, wildlife and wood fuel resource management (e.g., Community Resource Management Areas Programme (CREMAs))
		Inappropriate farming practices	Promote training, research-based and technology-led development for sustainable forest and wildlife management

Key Focus Area	Policy Objectives	Issues	Strategies
		Indiscriminate use of weedicides	Implement the green infrastructure recommendation in the National Spatial Development Framework
		Over-exploitation and inefficient use of forest resources	Promote and develop financing mechanisms for forest value chain management
		Illicit trade in forest and wildlife resources	Ensure enforcement of National Wildfire Management Policy and local bye-laws on wildfires
			Promote alternative livelihoods, including eco-tourism, in forest fringe communities
			Improve incentives and other measures to encourage users of environmental resources to adopt less exploitative and non-degrading practices in agriculture
			Improve incentives and other measures to encourage users of environmental resources to adopt less exploitative and non-degrading practices in agriculture
			Enact and enforce Legislative Instrument on tree tenure
			Promote the use of Lesser Used Species (LUS)
			Promote the development of viable forest and wildlife-based industries and livelihoods
			Develop efficient energy technologies
			Enact and enforce strict and punitive legislation for wildlife crimes, including poaching and trafficking
			Promote information dissemination to both forestry institutions and the general public.
Climate Variability and Change	Enhance climate change resilience	Low institutional capacity to adapt to climate change and undertake mitigation actions	Promote and document improved climate-smart indigenous agricultural knowledge
		Inadequate inclusion of gender and	Promote climate-resilience policies for women and other vulnerable groups in agriculture

Key Focus Area	Policy Objectives	Issues	Strategies
		vulnerability issues in climate change actions	
		Inadequate institutional capacity to access global funds	Collaborate with international partners to have more access to the Green Climate Fund (\$30 billion Global Fund) for climate change purposes
	Reduce greenhouse gases	Loss of trees and vegetative cover	Accelerate the implementation of Ghana REDD+ Strategy (2016-2036)
		Degraded landscapes	Initiate Green Ghana campaign with chiefs, queen mothers, traditional authorities, civil society, religious bodies and other recognized groups
			Accelerate programmes to significantly reduce environmental risks and ecological scarcity, focusing on energy, agriculture, forestry and waste sectors

The development and management of forest and wildlife resources has been the major priority programme for the Commission. Coupled with this, performance of indicator targets were based on four (4) sub programmes that were introduced under the main programme above during the period. These are as follows:

- Forest and wildlife coordination and facilitation.
- Protection, utilization of forest resources and restoration of degraded forests.
- Protection and sustainable utilization of wildlife resources.
- Timber industry and trade development and technology transfer.

### Outline of the Report

There are five (5) chapters in the report. The background information is provided in the first chapter, and a concise organizational structure of the Commission is introduced in the second chapter. The third chapter discusses the achievements of indicator targets that were undertaken based on programmes and initiatives implemented. Chapter four explains the implementation of donor-funded programmes and projects and chapter five covers the substantial challenges, prospective solutions as well as conclusions.



### **Preparation of the 2021 Annual Report**

Coupled with reports and inputs submitted by various Divisions, Departments, and Units, the consolidated draft 2021 annual report of the Commission was prepared by the Corporate Planning, Monitoring, and Evaluation (CPME) Department. Also included was the year's audited financial report. The CPME Department's Research, Statistics, and Information Management Unit provided diagrammatic analysis of performance in the report. A validation meeting was held with Business Planning Managers and technical experts were consulted to review and evaluate the details of the report before the printing of the final document.

## CHAPTER TWO

### ORGANIZATIONAL STRUCTURE

#### Legal status of the Forestry Commission

The Forestry Commission is a Public Service institution, set up subject to the provisions of the 1992 Constitution, Chapter 21, Article 269, sub-section 1. The Commission was re-established by Act 571 of 1999 in order to take along the main public bodies and agencies implementing the functions of protection, development, management and regulation of forests and wildlife resources and to provide for related matters.

#### Mandate

To be responsible for the regulation of the utilization of forest and wildlife resources, the conservation and management of those resources and the coordination of policies related to them.

Without limiting the scope of sub-section (1), the Commission shall:

- Regulate the use of forest and wildlife resources
- Manage the nation's forest reserves and protected areas
- Assist the private sector and other bodies with the implementation of forest and wildlife policies and
- Undertake the development of forest plantations for the restoration of degraded forest areas, the expansion of the country's forest cover and increase in the production of industrial timber

#### Vision Statement

To leave future generations and their communities with richer, better, more valuable forestry and wildlife endowments than we inherited.

#### Mission Statement

To sustainably develop and manage Ghana's forestry and wildlife resources.

#### Corporate Strategic Objectives

The Commission is being steered by six (6) strategic objectives that when implemented will lead to the achievement of the stated vision and mission of the organization. These objectives are:

- Implement the framework for the sustainable management, development and protection of forest and wildlife resources
- Secure and enforce a policy and legal framework that ensures a liberated Forestry Commission
- Activate a diversified portfolio of sustainable revenue sources without compromising the integrity of the resource
- Attract, develop and retain well motivated, skilled and efficient workforce
- Create an enabling environment for forest and wildlife stakeholders (especially industries, communities and landowners) to thrive and
- Develop and implement an efficient and effective organizational infrastructure and culture

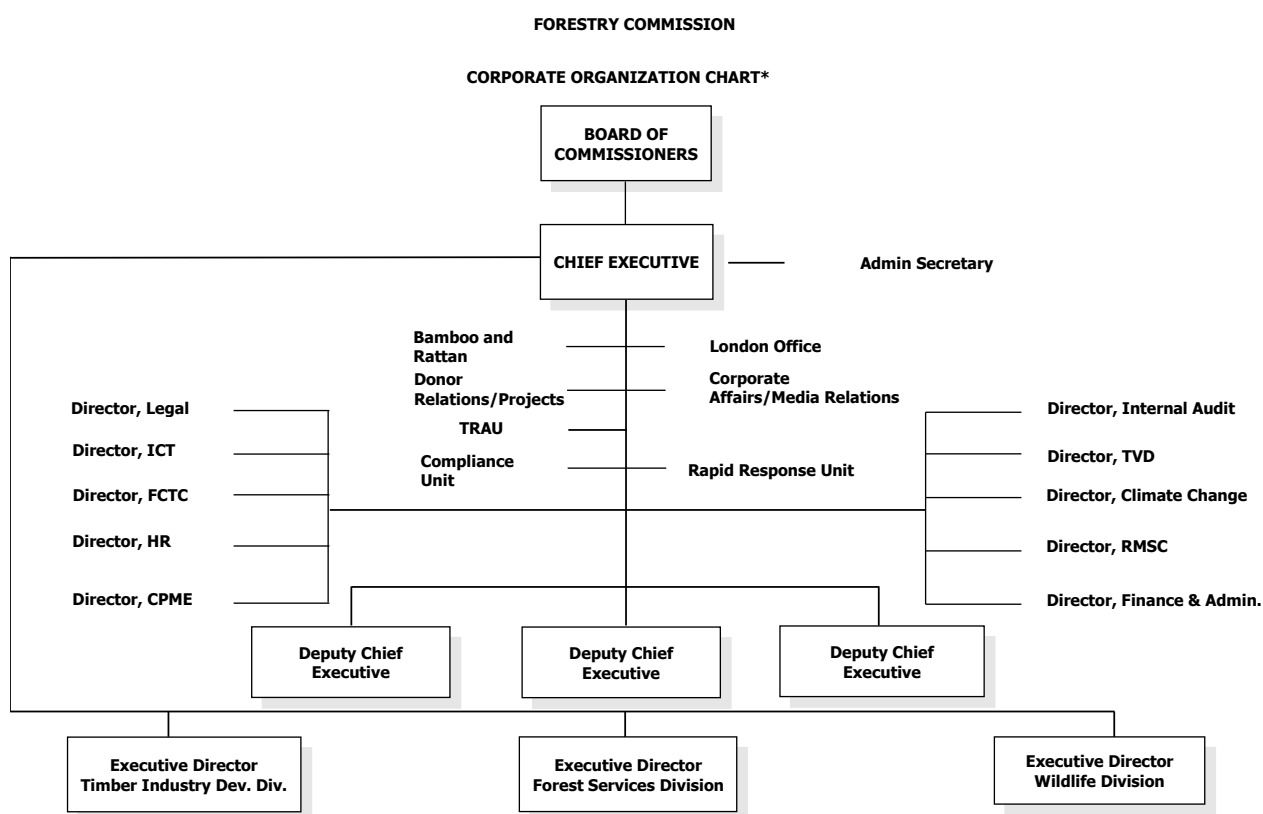
## Core Values

The Commission's operations and services are guided by the following organizational core values and behaviours:

- Be business oriented
- Create a mind-set of interdependency
- Become customer focused
- Embed a culture of integrity and honesty
- Create trust at all levels
- Promote transparency and fairness
- Become accountable to self and to all
- Be committed to delivery of goals
- Promote diversity and
- Communicate effectively

## Organogram of the Commission

The Chief Executive who heads the Commission reports to a Board of Commissioners. His administration is assisted by three (3) Deputy Chief Executives, an Executive Management Team which consist of Executive Directors, Directors and other Functional Heads. Figure 1 below shows the organogram of the Commission.



\*Chart denotes structure, not the relative worth of positions  
Administrative Secretary – To provide administrative and secretarial services and run the CE's Office

**Figure 1: Organogram of the Commission**

The key functions of the Divisions and the two Special Units of the Commission are provided in Table 2.

**Table 2: Key Functions of Divisions and Special Units**

<b>Divisions and Special Units</b>	<b>Key Roles/Functions</b>
<b>Forest Services Division</b>	<ul style="list-style-type: none"> <li>• Forest protection and conservation</li> <li>• Forest production and regulation</li> <li>• Forest plantation development</li> <li>• Implement prescriptions of FR management plans</li> </ul>
<b>Wildlife Division</b>	<ul style="list-style-type: none"> <li>• Conservation and law enforcement in wildlife protected areas</li> <li>• Regulation and utilization of wildlife resources</li> <li>• Maintenance and rehabilitation of protected areas infrastructure</li> <li>• Ecotourism development and revenue enhancement</li> </ul>
<b>Timber Industry Development Division</b>	<ul style="list-style-type: none"> <li>• Timber trade/industry development and modernization</li> <li>• Timber trade/ industry regulation</li> <li>• Wood products inspection and grading</li> <li>• Market development and promotion</li> </ul>
<b>Forestry Commission Training Centre</b>	<ul style="list-style-type: none"> <li>• Provide short-term and refresher training courses for FC staff and the forestry sector</li> <li>• Assist the wood industry with appropriate technology in downstream processing</li> <li>• Provide consultancy and extension services in forestry, wildlife, wood industry environmental issues</li> <li>• Introduce staff to new technical tools and emerging issues in the forestry sector</li> </ul>
<b>Resource Management Support Centre</b>	<ul style="list-style-type: none"> <li>• Improve on the operational capacity of the Forestry Commission</li> <li>• Develop systems and standards to improve forest and wildlife management that report on the state of the forests</li> <li>• Test and certify externally developed systems on forest and wildlife management for adoption</li> <li>• Promote strategies to improve forest governance</li> </ul>

## Board of Commissioners

The Commission is governed by an eleven (11) member Board of Commissioners, which was inaugurated in August 2021 in line with Act 571 of 1999. Table 3 presents the list of Board members and their respective roles.

**Table 3: List of Board Members and their respective Roles**

	<b>Name</b>	<b>Role</b>
1.	Tetrete Okuamoah Sekyim II	Chairman
2.	Mr. John M. Allotey	Chief Executive
3.	Katakyie Kwasi Bumagama II	National House of Chiefs
4.	Mr. Richard Duah Nsenkyire	Timber Trade and Industry
5.	Mr. George Wireko-Brobby	Wildlife Trade and Industry
6.	Prof. Samuel Kingsley Oppong	Institute of Professional Foresters
7.	Mr. Gustav Alexander Adu	NGOs in Forest and Wildlife Management
8.	Mr. James Ebenezer Kwabena Dadson	Lands Commission
9.	Nana Akosua Agyeman Prempeh	Government Appointee
10.	Mr. Kenneth Kweku Ofori Amankwah	Government Appointee
11.	Mr. Mahmoud Hamid Nassir-Deen	Government Appointee

## CHAPTER THREE

### PERFORMANCE REVIEW

#### 3.1 Introduction

Natural resource endowments such as forest and wildlife resources are abundant in Ghana and are paramount for the country's improved economic growth and advancement. Nevertheless, concerns of rapid depletion, biodiversity loss and illegal activities have had a negative impact on a vast portion of these resources.

This chapter emphasizes on the Commission's comprehensive performance in 2021. A thorough evaluation of how the Commission achieved its results in accordance with the Sector Medium-Term Development Plan (2018–2021) is also provided in this chapter. The plan is focused on the implementation of sub-programmes for developing and conserving forest and wildlife resources.

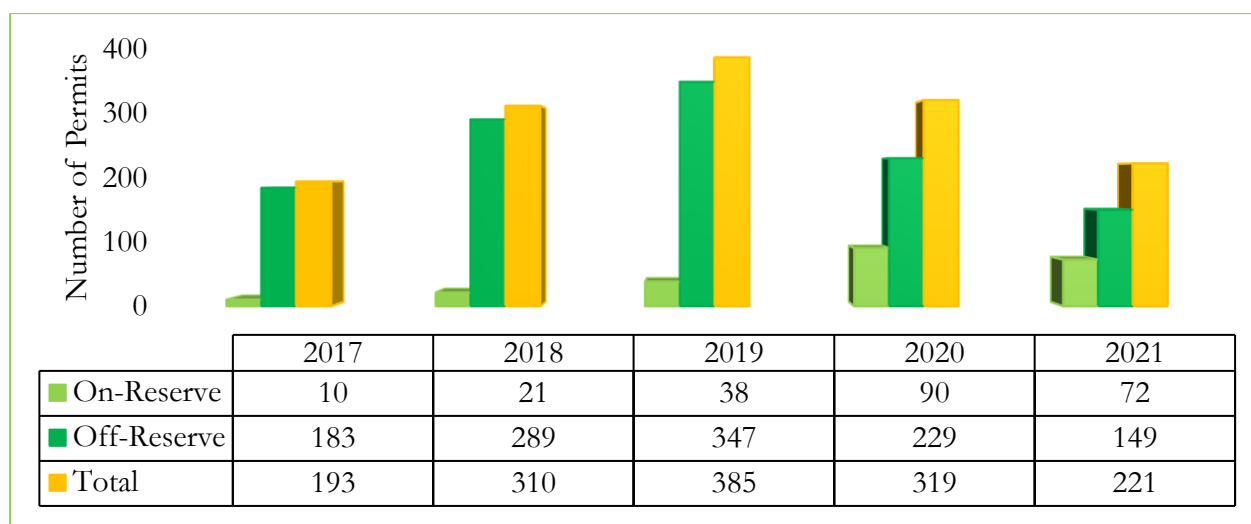
#### 3.2 Sustainable Management, Protection and Development of Forest and Wildlife Resources

The country's forest and wildlife resources are being safeguarded by the Commission through the implementation of programmes and projects to sustainably manage, protect and conserve the forest and wildlife resources. A list of operational activities including monitoring the utilization of natural forest and plantation timber, review and formulation of management plans, and protecting forest and wildlife resources are as follows.

##### 3.2.1 Management/Production of Forest Resources

In accordance with forest reserves and Globally Significant Biodiversity Areas (GSBAs) management guidelines, the forest resources were safeguarded and conserved during the year under review. The Commission undertook a floral and socioeconomic assessment as part of the procedures to prepare and review thirty-one (31) management plans for selected forest reserves. As a result, the Commission took initiatives to sensitize key stakeholders, particularly the local people living in communities close to the forest. This was done to educate them on the essence of protecting and maintaining the ecological integrity of our forest resources.

According to the Commission's timber rights policy, all applications for Timber Utilization Contracts (TUCs), salvage, special and plantation permits must be processed in compliance with the laws and processes. The Commission approved permits to salvage trees on lands under-going development such as road construction, human settlement, expansion and cultivation of farms. During the year under review, two hundred and twenty-one (221) salvage permits were vetted and approved, comprising 72 on-reserve permits and 149 off-reserve permits. This achievement, as compared to the three hundred and nineteen (319) permits granted in 2020 represents a 31% decrease.



**Figure 2: Salvage Permit Processed and Issued**

On permits granted for harvesting plantation timber, a total of two hundred and thirty-six (236) permits were vetted and processed in 2021 covering a volume of 127,733 m<sup>3</sup> as against 155 permits vetted and issued in 2020 with an equivalent volume of 97,738 m<sup>3</sup> of various timber species. Thus, there was a 52% and 31% increase in both number of permits granted and volume allocated respectively. The varieties of timber species used and the volume allocated are outlined in Table 4 below.

**Table 4: Plantation Permits and Volume Allocations**

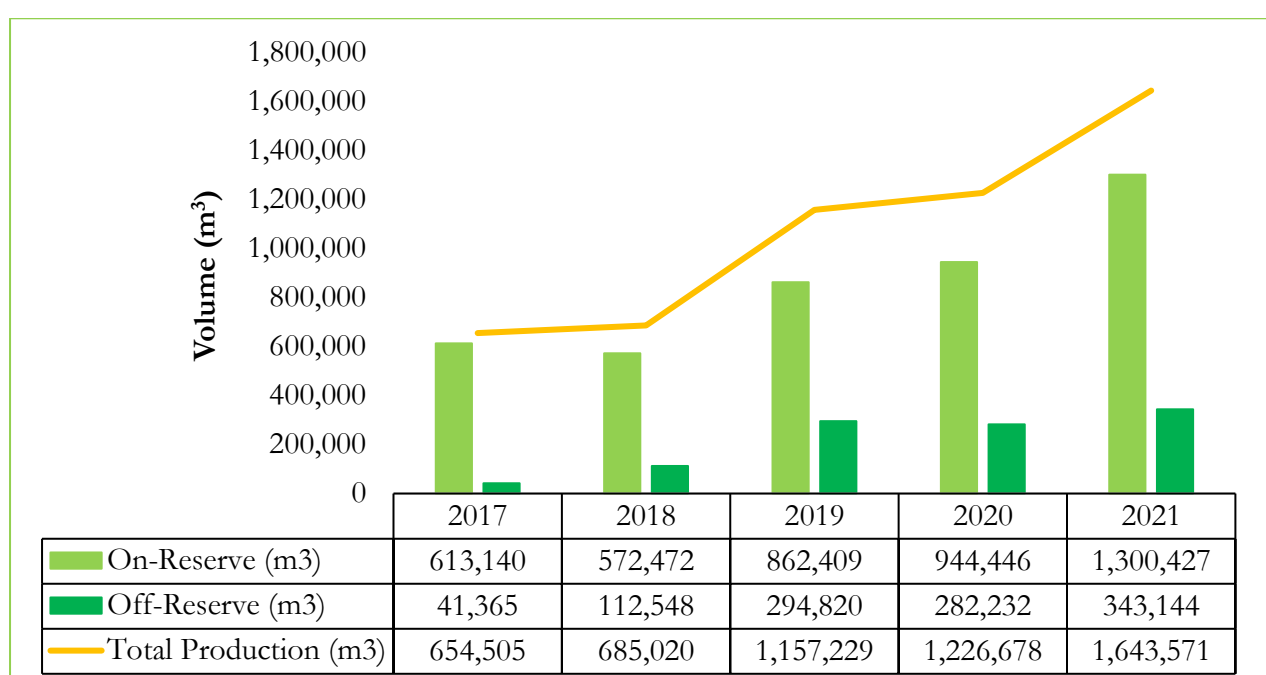
Timber Species	Number of Permits	Fresh Allocation (m <sup>3</sup> )	Re-Allocation (m <sup>3</sup> )	Total Allocation (m <sup>3</sup> )
Teak	204	82,949.61	0.00	82,949.61
Gmelina	8	2,046.42	0.00	2,046.42
Cedrela	20	38,876.19	0.00	38,876.19
Wawa	1	85.5	0.00	85.5
Ceiba	1	1,504.6	0.00	1,504.6
Koto	2	2,270.5	0.00	2,270.5
Total (m <sup>3</sup> )	236	127,732.82	0.00	127,732.82

### **(a) Timber Production**

The Commission is responsible for registering a property mark for harvesting of natural forest timber. During the year, eight hundred and eighteen (818) Property Marks were renewed for harvesting natural forest timber in both on and off reserve areas as compared to 1,247 in 2020.

In accordance to the scientific analysis of timber stock in Ghana, natural forest timber harvesting is regulated by the Annual Allowable Cut (AAC) which aims at maintaining the natural forest's productivity capacity. To this, the AAC allows a peak volume of less or equal to 1,000,000 m<sup>3</sup> of harvesting from both on-reserve and off-reserve areas with the exception of savannah and plantation timber resources.

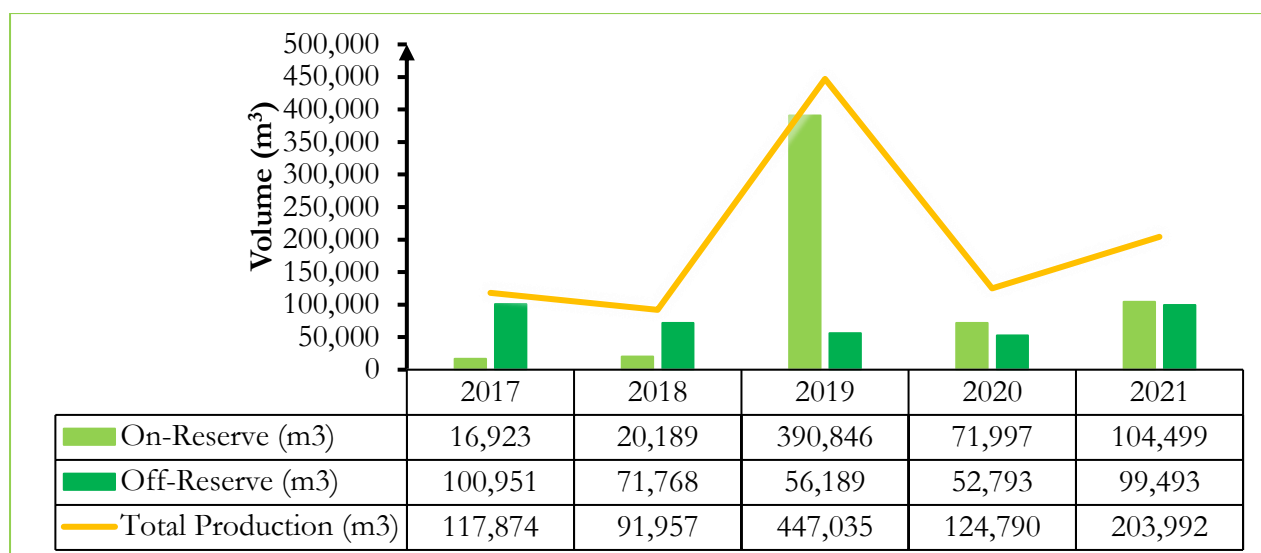
The volume of timber harvested in 2021 was 1,643,571 m<sup>3</sup> (1,300,427 m<sup>3</sup> on-reserve and 343,144 m<sup>3</sup> off-reserve) as compared to a volume of 1,226,678 m<sup>3</sup> (on-reserve 944,446 m<sup>3</sup> and off-reserve 282,232 m<sup>3</sup>) harvested in 2020. There was an increase in timber harvested from both on-reserve and off-reserve areas by 38% and 22% respectively. This represents 164% of AAC as depicted in Figure 3.



**Figure 3: Natural Forest Production (2017- 2021)**

On plantation timber harvested, a total volume of 203,992 m<sup>3</sup> (on-reserve areas 104,499 m<sup>3</sup> and off-reserve areas 99,493 m<sup>3</sup>) of plantation timber was produced in 2021 as against 124,790 m<sup>3</sup> produced in 2020. This shows an increase of 79,202 m<sup>3</sup> in volume (63%). Similarly, there was a significant rise in both on-reserve and off-reserves areas as shown in Figure 4.

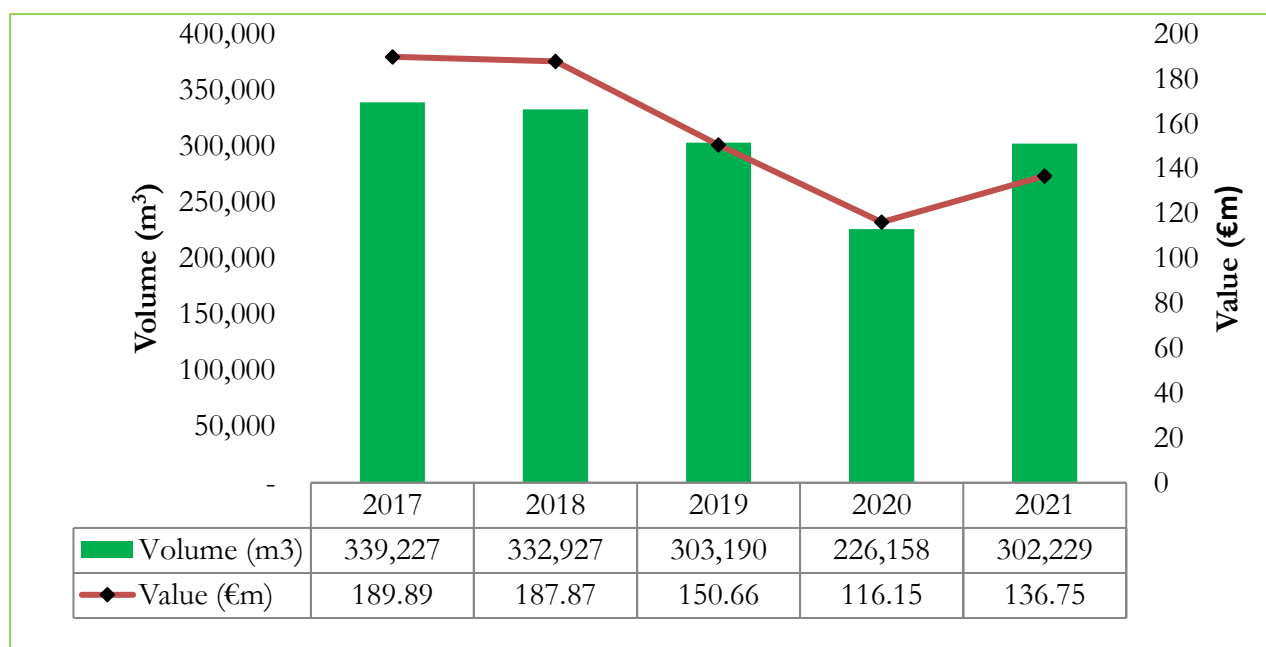




**Figure 4: Plantation Timber Production (2017-2021)**

### *(b) Export of Timber and Wood Products*

During the year under review, various timber and wood products were exported to African, Asian and European destinations. Ghana's timber products export recorded a volume of 302,229 m<sup>3</sup> with a corresponding value of €137 million in 2021 as compared to a volume of 226,158 m<sup>3</sup> recorded in 2020 with a value of €116 million. This represents an increase of 34% and 18% in volume and value respectively. Details on the total volumes of exported timber and their corresponding values are provided in Figure 5.

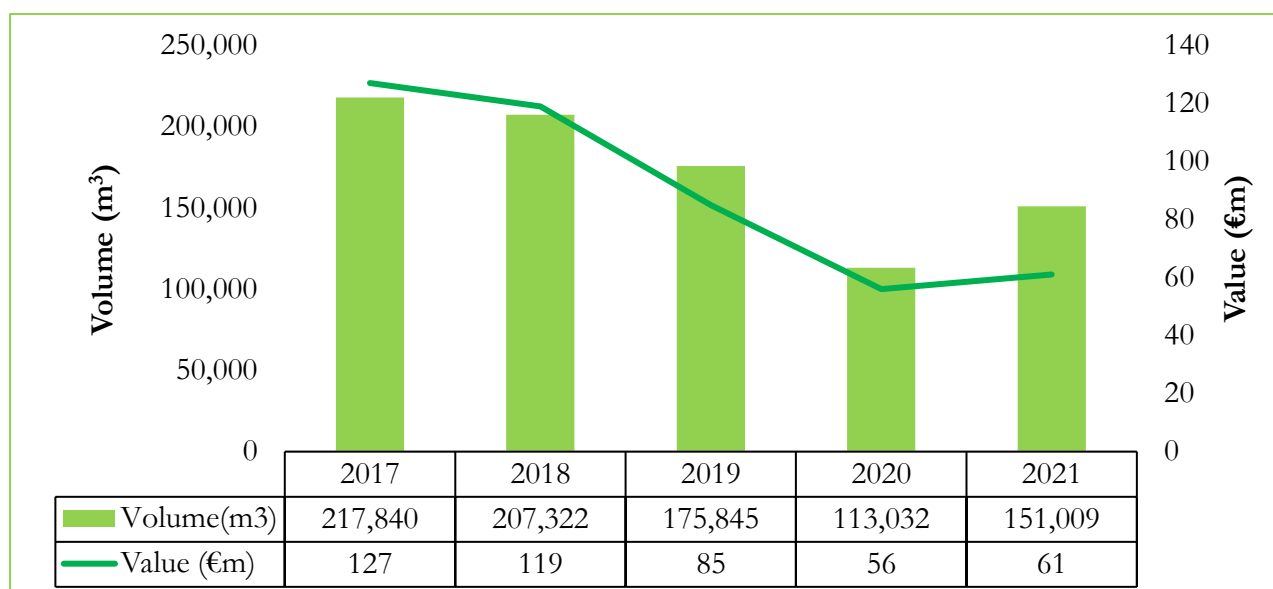


**Figure 5: Exports of Timber and Wood Products**

The highest share of the export market in 2021 remains in Asia/Far East followed by Europe and Africa/ECOWAS indicating a percentage of 62%, 17% and 13% respectively.

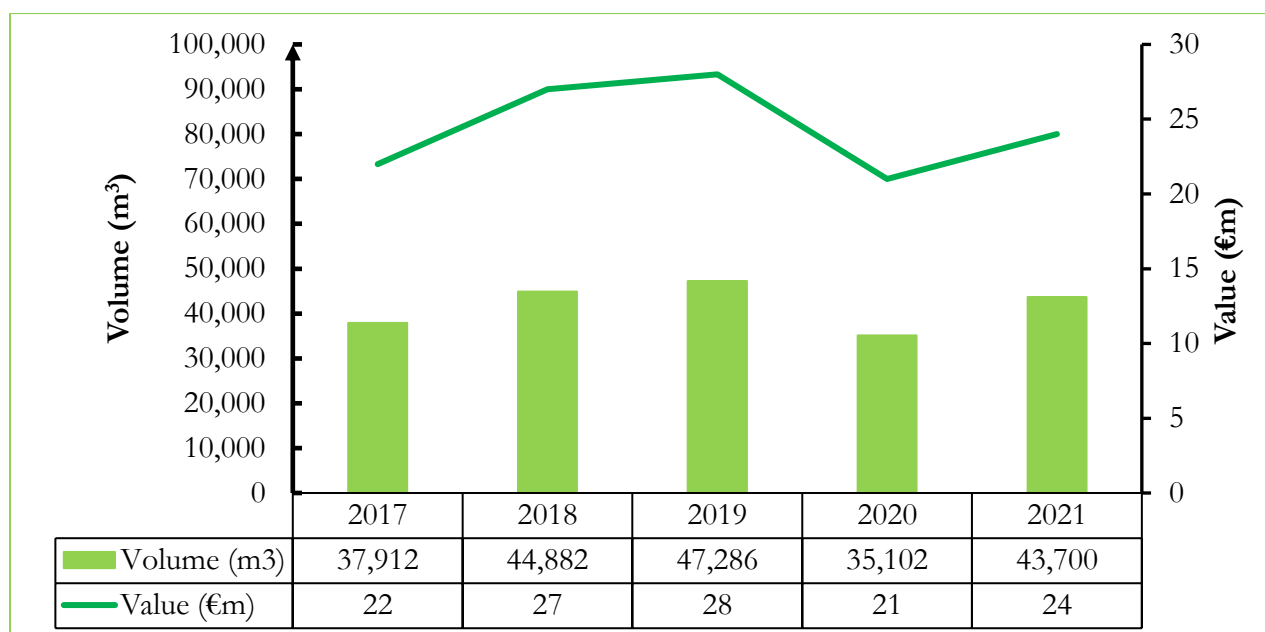
In 2021, the Asian/Far East market saw an increase of 36% with a volume of 186,715 m<sup>3</sup> valued at €74 million as against 137,058 m<sup>3</sup> valued at €66 million in 2020. European countries such as Italy, France, Germany, Belgium, and the United Kingdom make up the European market which in 2021 received a volume of 51,667 m<sup>3</sup> with a corresponding value of €32 million as compared to 41,995 m<sup>3</sup> with a value of €25 million in the previous year representing an increase of 23% and 28% respectively. In addition, the demand by Africa/ECOWAS market increased at 30% and 33% in volume and value with a total volume of 39,050 m<sup>3</sup> valued at €16 million as compared to a volume of 30,110 m<sup>3</sup> with a value of €12 million in 2020.

Lumber continues to dominate processed timber for export consisting of air-dried lumber and kiln-dried lumber. The total volume of air-dried lumber exported in 2021 was 151,009 m<sup>3</sup> valued at €61 million while the volume exported in 2020 was 113,032 m<sup>3</sup> valued at €56 million depicting an increase of 34% and 9% respectively. The volume of air-dried exports from 2017 to 2021 is depicted in Figure 6 below.



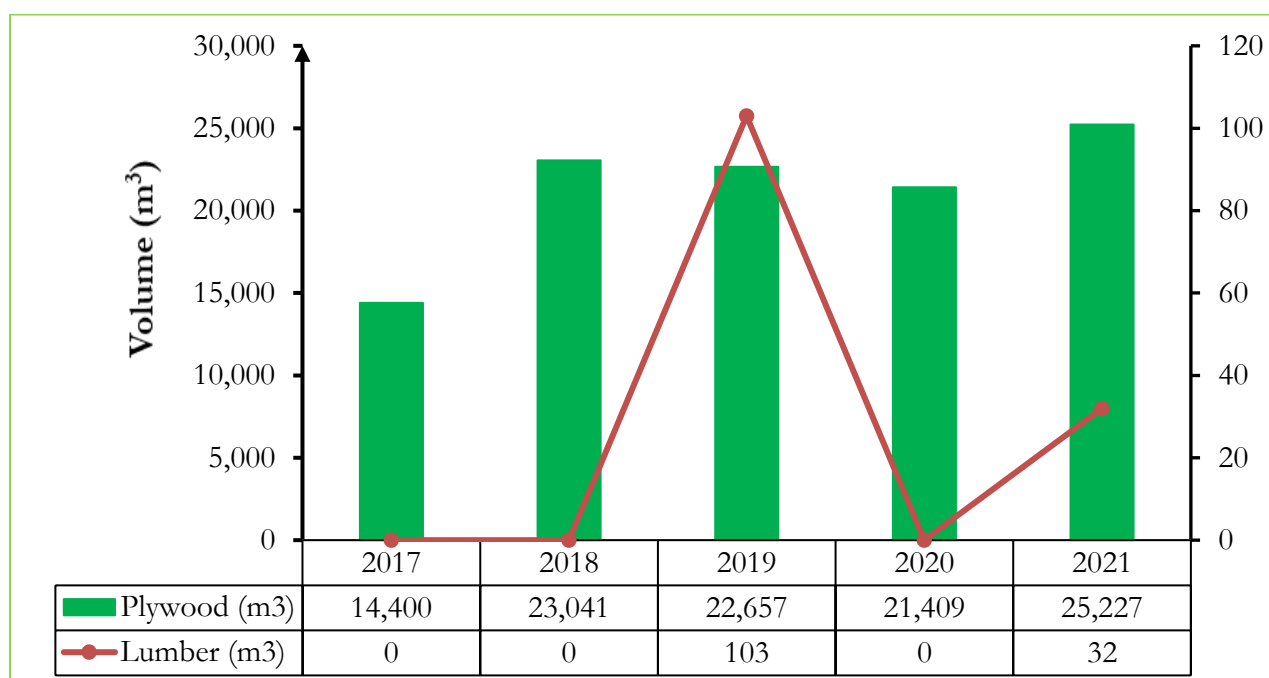
**Figure 6: Air Dried Lumber Export (2017-2021)**

Kiln dried lumber exports increased by 24% during 2021, reaching a total volume of 43,700 m<sup>3</sup> as against 35,102 m<sup>3</sup> exported in 2020. Also, it provided a corresponding value of €24 million as compared to €21 million representing a 14% increase. The volume of kiln-dried exports from 2017 to 2021 is shown in Figure 7.



**Figure 7: Kiln Dried Lumber Export**

Overland export of plywood in 2021 amounted to 25,227 m<sup>3</sup> indicating an increase of 18% as compared 21,409 m<sup>3</sup> achieved in 2020. Overland lumber exports recorded a volume of 32 m<sup>3</sup> which is an improvement from the zero recorded in the previous year. The graphical representation of volumes recorded between 2017 to 2021 is shown in Figure 7.



**Figure 8: Overland Export of Plywood and Lumber (2017 – 2021)**

### ***(c) Contracts and Permits Processed and Issued***

A total contract volume of 353,943 m<sup>3</sup> was approved in 2021 as against 319,467 m<sup>3</sup> in 2020 representing an increase of 11%. Teak poles, billets and gmelina logs were among the primary products covered by contracts that were processed and issued during the year with a total volume of 54,648 m<sup>3</sup>. Secondary and tertiary products contracts approved recorded volumes of 287,101 m<sup>3</sup> and 12,193 m<sup>3</sup> respectively.

Permits for exporting timber and wood products for both overseas and overland exports increased by 37% from 3,423 issued in 2020 to 4,677 in 2021.

### **3.2.2 Protection of Forest and Wildlife Resources**

In order to sustainably manage and protect our forest and wildlife resources, the Commission undertakes routine boundary cleaning, inspection and patrolling. During the year under review, a total distance of 24,567 km of forest boundaries were cleaned as compared to a total of 25,070 km cleaned in 2020 which indicates a 2% decrease. Boundary inspection was 23,466 km representing a 14% increase as against 20,868 km inspected in 2020.

As part of efforts to halt illegal farming, plantation and natural forest timber harvesting, mining, sand winning, and chain sawing, among others, the Commission deployed the fourteen (14) Rapid Response Teams. These innovative measures were introduced and implemented to protect and maintain the integrity of forest reserves and wildlife protected areas.

Again, to combat encroachment in forest reserves and protected areas, the Commission plans to implement actions such as surveys, demarcations, and pillaring in a few selected forest reserves. Benefit-sharing and land lease agreements with community resource owners were also signed and registered. The risk of bushfires in forest reserves were reduced by sensitizing fringe communities as well as organizing firefighting trainings.

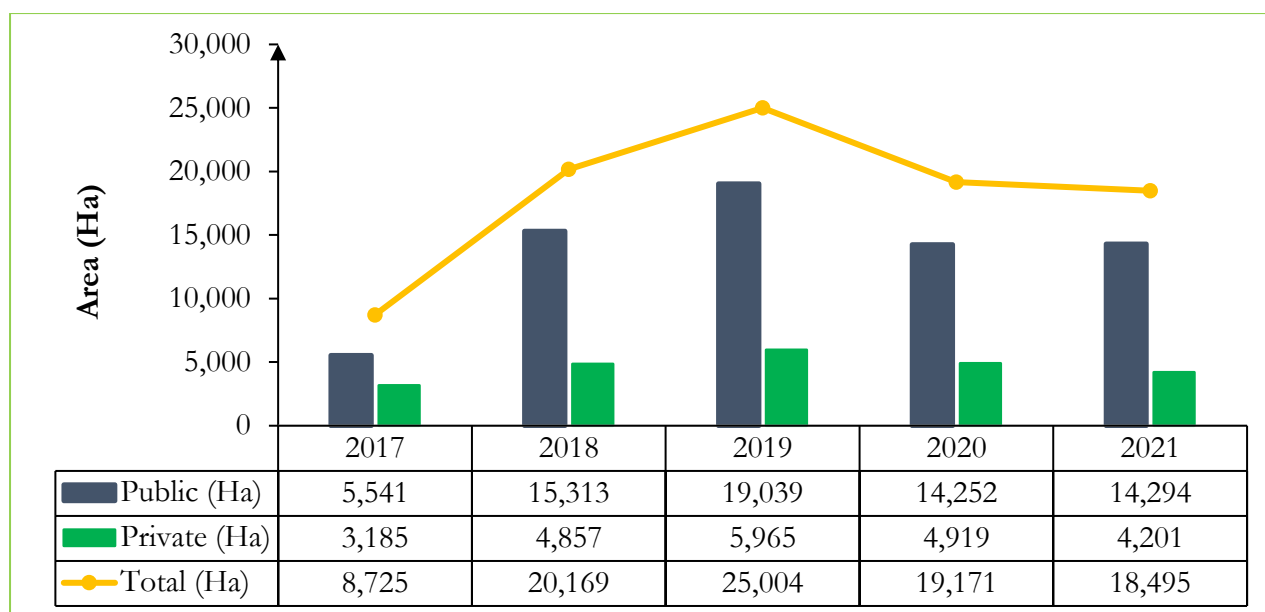
### **3.2.3 Development of Forest and Wildlife Resources**

In alignment with the Sector Medium-Term Development Policy Framework (2018-2021), the Commission has prioritized forest landscape restoration through the implementation of the Ghana Forest Plantation Strategy (2016-2040). The main purpose of the plantation strategy is to establish a sustainable supply of planted forest goods and services to deliver a range of economic, social and environmental benefits.

#### ***(a) Forest Plantation Development Strategy***

The Commission continues to implement the Ghana Forest Plantation Strategy (GFPS) with the goal of restoring lost forest cover. The GFPS specifies an annual target for the establishment of 25,000 ha of forest plantations. In 2021, the target was revised downwards to 16,000 ha, comprising a Public Sector target of 11,000 ha and a Private Sector target of 5,000 ha. The emergence of the COVID-19 epidemic and the observed underperformance of the Private Sector were two important variables that led to the revision of the targets.

However, a total area of 18,495 hectares was planted (14,294 ha by the public sector and 4,201 ha by the private sector) in 2021 as against 19,171 hectares planted in the previous year. Figure 8 depicts the total area of established plantations from 2017 to 2021.



**Figure 9: Plantations Established from 2017-2021**

Enrichment planting was undertaken within degraded forest reserves by introducing high value indigenous timber species to restore these degraded landscapes as well as ensure the sustainable supply of forest goods and services. In 2021, a total area of 5,146 ha was improved as against 3,116 ha in 2020 indicating an increase of 65%.

In addition, various maintenance activities such as weeding, pruning, thinning and beating up were undertaken within existing plantations to achieve optimum growth and productivity. A total area of 59,928 ha of established plantations were maintained in 2021 as compared to 45,125 ha in 2020. Also, the total number of seedlings procured and distributed for planting in 2021 was about 32.8 million. A comprehensive overview of plantation achievements in 2021 is outlined in Table 5 below.

**Table 5: Plantation Achievements at a Glance**

No.	Category	Annual Target	2021 Achievement
1.	Plantation Establishment On & Off Reserve (ha)	16,000	18,494.7
2.	Plantation Maintenance On & Off Reserve (ha)	101,000	59,927.5
3.	Enrichment Planting (ha)	5,000	5,145.5
4.	Farm Forestry/Trees-On-Farm (Number of seedlings)	5,000,000	2,252,877
5.	Green Ghana Day	5,000,000	7,193,424
6.	Total Number of Seedlings Planted	Variable	32,800,899
7.	Plantation Timber Harvested On & Off Reserve (m <sup>3</sup> )	150,000	203,991.9
8.	Food Crop Production (tonnes)	25,000	101,997.7

No.	Category	Annual Target	2021 Achievement
9.	Jobs (Number of Persons Engaged)	62,500	80,378
10.	Amount disbursed to stakeholders (OASL, Landowners, MTS Groups, MMDAs, etc) (GHs)	Variable	5,063,514.85

**Source: GFPS 2021 Annual Report**

### ***(b) Bamboo and Rattan Development***

Due to the dwindling wood resource situation in the timber industry, it has become essential to emphasize bamboo as an alternative for timber. The development and promotion of bamboo will benefit the environment, generate wealth, and maintain a balance between the production and marketing of wood to meet both local and international demands.

During the year under review, a Bamboo Germplasm was established at the Atewa and Chippa Forest Reserves in the Eastern and Greater Accra Regions respectively. Also, 131,847 bamboo seedlings were raised at the Kyebi-Apapam nursery. Six hundred and thirty-five (635) hectares of bamboo plantation was facilitated under the Green Ghana Project.

In terms of sensitization on the benefits of bamboo and rattan, 11 communities were educated and sensitized. The communities included Dodo Asantekrom, Abui, Mpamproase, Adjene, Nkonya Asakyiri, Nkonya-Ahenkro, Ahondwo and Akloba, Nkonya-Nchumburu and Kadjebi Nkonya-Ntumda, Nkonya-Tepo, Nkonya-Bumbula and Kokofu.

### ***(c) Climate Variability and Change***

The first monitoring report for the Ghana Cocoa Forest REDD+ Program (GCFRP) was submitted to the Carbon Fund in September 2021. For the purpose of this submission, Ghana used a monitoring period of January to December 2019 and a reporting period of June to December 2019 since the Emission Reductions Payment Agreement (ERPA) was signed in June 2019. The final verified and validated Emission Reductions (ERs) for the monitoring period is 2,317,739 tons of CO<sub>2</sub> emission reductions and that of the reporting period is 972,456 tons of CO<sub>2</sub> emission reductions.

An amount of 1,530,111 tons of CO<sub>2</sub> emission reductions were achieved from REDD+ activities in 2021. A total of 300,698 tree seedlings and 65,000 plantain suckers have been supplied and planted on an off-reserve area of about 16,032 hectares in GCFRP areas. These areas include; Juaboso Bia, Kakum, Asunafo Asutifi, Ahafo Ano and Sefwi Wiawso.

Enrichment planting was undertaken in six (6) compartments of three (3) forest reserves within three (3) Forest Districts. This activity was aimed at carbon stock enhancement within the GCFRP area. In addition, 101 hectares of degraded forest reserves were restored in two (2) forest reserves within two (2) Forest Districts through the Modified Taungya System (MTS) approach.

The Forestry Commission with technical and financial support from the ProForest through the Production Landscape Program (PLP) has unveiled a guidance document dubbed “Engagement Principle for Ghana Cocoa Forest REDD+ Programme” which is to give guidance to potential partners who are willing to invest in the GCFRP. The Engagement Principle document was launched in July by the Honourable Minister for Lands and Natural Resources. The objective of the document is to provide an overview of the environmental and social issues inherent in the production of agriculture and forest

commodities in the production landscape. It also describes associated risks and the potential benefits of engaging in landscape initiatives.

Additionally, two (2) Framework Agreements were signed between the Commission, Ghana Cocoa Board, and two (2) Hotspot Intervention Areas (HIAs) namely Ahafo Ano and Asunafo/Asutifi. The Framework Agreement is a key step towards formally committing Government (FC and COCOBOD) and HIA communities to work together to achieve the objectives of GCFRP.

The Ghana Shea Landscape Emission Reductions Project (GSLERP) was approved in August, 2020 and an amount of GH¢1,963,572.00 was received in 2021 from the Green Climate Fund (GCF) for implementation. The project is being implemented with technical support from the United Nations Development Programme (UNDP), in partnership with multiple national and local institutions, civil society organizations and private sector actors.

#### ***(d) Ecotourism Development***

The 2012 Forest and Wildlife policy of Ghana has put a spotlight on the non-consumptive benefits of the forest. In this regard, the Forestry Commission has identified ecotourism as a strategic tool for both conservation and development to ensure protection of sensitive environmental locations, minimize environmental impacts, create employment opportunities for local people and promote learning and cultural understanding of different communities as well as creating awareness of environmental conservation.

During the year under review, the Commission welcomed the birth of two (2) foals (baby zebras) at the Shai Hills Resource Reserve. Currently, there are nine (9) zebras in the Shai Hills Resource Reserve consisting of seven (7) adults and two (2) foals. Also, the Commission welcomed the birth of two (2) beautiful lion cubs at the Accra Zoo. In total, there are thirteen (13) lions in Ghana including eight (8) adults, three (3) sub-adults and two (2) cubs. Nine (9) of these are with the Commission in the Accra and Kumasi Zoos. The remaining four (4) are in the private ranch of Royal Cozy Hills Resort in Jirapa of which the Commission has entered into a Memorandum of Understanding (MoU) with the Resort for technical assistance and the necessary regulatory controls. The Kumasi Zoo also received new animals for restocking, including De Brazza's (Congo) monkey and palm civets through donation, exchange and purchase.

Successful animal births within the Shai Hills Resource Reserve and the Zoos have been due to good veterinary and husbandry practices such as routine monitoring and surveillance to look out for their state of health, feeding and other welfare needs. Other management/husbandry methods by careful observations to make sure that animal's needs are provided for, has also been successful to ensure the adaption of these animals into their new environments. The birth of these animals will therefore contribute to ex-situ conservation of wildlife, ecotourism and research in Ghana.





**Cubs at Accra Zoo**



**Lions at Accra Zoo**



In 2021, the Commission also drafted a concession agreement for the proposed Green City Project of the Digya National Park and a tourism development plan was prepared for Kyabobo National Park. In order to boost ecotourism, the Commission liaised with hoteliers and tour guides to promote night turtle walks and bird watching at the Keta Lagoon Ramsar Site.

The following summarizes developments in Protected Areas carried out by the Commission:

- Construction of six (6) garden chairs at Owabi Wildlife Sanctuary
- Maintenance of 187 km access roads in various Protected Areas
- Maintenance of three (3) luxury tented camps at Shai Hills Resource Reserve
- Maintenance of two (2) bungalows and an office block at Ankasa Conservation Area
- Maintenance of an office block at Owabi Wildlife Sanctuary
- Maintenance of Walando and Wala camps at Digya National Park and Bomfobiri Wildlife Sanctuary respectively
- Maintenance of two (2) mechanized boreholes at Wala Camp in Bomfobiri Wildlife Sanctuary and Laboum Camp in Kyabobo National Park respectively
- Repairs on camp building at Bonaso, Hwanyanso Camps at Digya National Park and Tinga camp in the Bui National Park
- Construction of a toilet facility for tourists at Ankasa Conservation Area
- Installation of three (3) new streetlights at 3 different locations within the Kyabobo National Park
- Maintenance of the Ankudey Office Complex in Kyabobo National Park.
- Provision of three (3) sets of water sprinklers for watering of grass for the animals during dry seasons at Shai Hills Resource Reserve
- Erection of five (5) sign posts at cultural sites and additional three (3) on the Akosombo High Way in the Shai Hills Resource Reserve
- Construction of four (4) unit informative posts at the reception of the Shai Hills Resource Reserve
- Construction of a dipping hole for Zebra treatment is ongoing at Shai hills Resource Reserve
- Replacement of PVC pipes for overhead water systems at three (3) guest houses in Shai Hills Resource Reserve
- Maintenance of five (5) junior staff accommodations, office block and wildlife school block at the Mole National Park
- Construction of two (2) summer-huts at information centre in Mole National Park
- Maintenance of four (4) animal enclosures/cages at Accra Zoo
- Renovation of cages for baboons, hyenas, African rock python, crested porcupine, softback turtle, and West African crocodile, civets, Geese, Kite, and Grass cutter in the Kumasi Zoo
- Reconstruction of collapsed wooden bridge over the Subin River
- Construction of a new wooden boat at Bui National Park.

The number of visitors to ecotourism sites and zoological gardens (zoos) in the country increased greatly in 2021. In total, 235,475 visits were recorded in 2021 as against 88,709 recorded in 2020. This denotes an increase of over 100% from what was achieved in 2020. The performance of visitation at the respective wildlife Protected Areas can be seen in Table 6 as follows:

**Table 6: Performance of Visitation to Ecotourism Destinations**

No	Ecotourism sites and Zoological Gardens (Zoos)	No. of visitors in 2020	No. of visitors in 2021	% Change
1.	Mole National Park	10,791	13,054	21
2.	Kakum Conservation Area	23,662	86,101	264
3.	Ankasa Conservation Area	262	567	116
4.	Bui National Park	162	132	(19)
5.	Bia Conservation Area	253	7	(97)
6.	Kyabobo National Park	65	5	(92)
7.	Owabi Wildlife Sanctuary	33	32	(3)
8.	Shai Hills Resource Reserve	17,361	21,091	21
9.	Kalakpa Resource Reserve	66	59	(11)
10.	Bomfobiri Wildlife Sanctuary	319	994	216
11.	Songor Ramsar Site	66	0	(100)
12.	Muni Pomadzi Ramsar Site	34	0	(100)
13.	Gbele Resource Reserve	0	2	100
14.	Accra Zoo	21,668	32,764	51
15.	Kumasi Zoo	13,967	72,149	417
16.	Digya National Park	0	2	100
17.	Kogyae Strict Nature Reserve	0	0	0
18.	Buabeng-Fiema Monkey Sanctuary	0	8,516	100
	<b>TOTAL</b>	<b>88,709</b>	<b>235,475</b>	<b>165</b>

### 3.3 Forest and Wildlife Policy and Legal Regimes

#### 3.3.1 Enforcement of Forest and Wildlife Laws

In order to achieve the mandate of protecting and conserving Ghana's wildlife resources, the Commission undertook its routine day and night patrols in the protected areas. In 2021, 362 effective patrol staff contributed to a total of 236 effective patrol man days (EPMD) per officer. The patrols subsequently resulted in the arrest of 144 poachers and other perpetrators in 65 cases out of which 57 cases were successfully prosecuted with the intervention of FC-trained prosecutors. Also, 56 weapons, 15 chainsaws and 6 Gin-traps were confiscated in the different Protected Areas. New infrastructural developments especially around ecologically sensitive areas at Sakumo Ramsar Site were destroyed as well as the seizure of building materials.

During the year, a total distance of 1,317 km of Protected Area boundaries were cleaned and inspected with 1,900 seedlings planted on a 5km park boundary at Ankasa Conservation Area. As part of the Green Ghana Day Project, 5km of fire belt was established with indigenous tree seedlings along the boundaries of the Digya National Park.

As a result of the increasing spate of illegalities, the Commission deployed the fourteen (14) Rapid Response Teams to combat illegal activities occurring in and around hotspot forest reserves and wildlife protected areas. These designated areas include seventeen (17) forest districts and five (5) PAs, namely: Sefwi-Wiawso, Sunyani, Nkawie, Tarkwa, Juaboso, Mampong, Mankranso, Asankrangwa, Bibiani, Bole, Bekwai, Ho, Jasikan, Nkwanta, Goaso, Achimota Forest Reserve, Assin Fosu, Kalakpa Resource Reserve, Gbele Resource Reserve, Kyabobo National Park, Shai- Hills Resource Reserve and Sakumo Ramsar Site.

The teams' operational activities resulted in the seizure of 4 shot guns, 193 chainsaws, 10 gold detecting machines and 263 water pumping machines used for illegal mining as well as 82,781 pieces of assorted lumber (from reserves and illegal conveyance). Furthermore, the Commission confiscated 10 table saws used for illegal lumbering, immobilized 8 excavators, destroyed 190 “chanfan” machines and destroyed 76 hectares of illegal farms in identified hotspot forest reserves. Seventy-six (76) vehicles and 304 suspects were arrested for various wildlife and forest offenses. The achievements of the Rapid Response Teams in 2021 are outlined in Table 7 below.

**Table 7: Achievements of Rapid Response Teams**

Items	Number
Lumber	82,781
Shot guns	4
Chainsaws	193
Suspects arrested	304
Vehicles impounded	76
Excavators for illegal mining	8
Water Pumping machines	263
“Chanfan” machines	190
Gold detecting machines	10
Table saws	4
Illegal farms	76 ha

In terms of forest infractions, the Commission aims to decrease all forms of forest illegalities in the various forest reserves and protected areas. As always, infractions in forest reserves were to be reduced by 25% from the preceding year. Details of infractions recorded in 2021 are shown in Table 8. Consequently, there was a drop in five (5) of the reported offences although four (4) surged.

**Table 8: Forest Infractions**

No.	Indicator	2019 Baseline (No. of cases)	Indicator Status in 2020 (No. of cases)	Indicator Status in 2021 (No. of cases)
1.	Control illegal farming	31	70	53
2.	Control illegal harvesting of plantation timber	11	6	20
3.	Control illegal harvesting of natural forest timber	144	95	279
4.	Control of forest fires (natural forest & plantations)	21	15	99
5.	Prevent illegal sand/gravel winning	85	57	6
6.	Prevent illegal mining	NA	15	63
7.	Prevent illegal chain sawing	232	265	195
8.	Control illegal charcoal production	17	6	5
9.	Control illegal harvesting of firewood	4	12	2
10.	Control canoe/mortar carving	4	NA	2
11.	Illegal cattle grazing	NA	NA	5

*\*NA= Not Available*

### 3.3.2 Forest Law Enforcement Governance and Trade (FLEGT)

The Timber Validation Department (TVD) of the Commission carried out its mandate towards enabling the trade in legal timber as stipulated under Regulations 40 of the Timber Resource Management and Legality Licensing Regulations 2017, (LI 2254).

In pursuance of this mandate, the Commission continued to conduct Timber Legality Audit of the implementing agencies as well as the private sector. In 2021, timber harvest infractions findings under the legality audit resulted in penalty payments. Additionally, stumpage was paid as a result of findings on uncaptured Tree Information Forms (TIFs). The audit continues to be conducted on a two-cycle-a-year basis.

Towards sustaining the chain of custody for traded timber and timber products, the Commission led the revamping of the GWTS, now doubling as a decision support tool. The new Ghana Wood Tracking System (GWT-DSS) is a web-based application that presents an uncapped user connection which now makes use of online dashboards to support decision-making in addition to the original function of tracking wood along the supply chain. The Commission continued to provide user support services to the various Divisions, Departments and Units in the operation of the system. Additionally, Solar Power Systems have been installed in Accra, Kumasi, Takoradi and 34 active Forest Districts to enable the continuous functioning of the GWTS.

One outstanding milestone to be achieved to complete Ghana's preparation for the issuance of FLEGT licenses under the Voluntary Partnership Agreement (VPA) is the conversion of extant leases and permits to TUCs. The application for the conversion is now before Cabinet for their consideration.

### 3.3.3 Environmental Interventions and Events

#### Green Ghana Day Initiative

The maiden Green Ghana Day (GGD) was celebrated on 11<sup>th</sup> June, 2021. Green Ghana Day is one of the flagship initiatives by H. E. Nana Addo Dankwa Akufo-Addo, the President of the Republic of Ghana. The vision of the President is to mobilize all citizens to undertake massive tree planting on a single day annually. The target for the 2021 Green Ghana Day was to plant five (5) million trees on the designated day. The theme of the 2021 GGD was: "Forest Landscape Restoration: Planting 5 million trees in a day". Prior to the GGD celebration on June 11, 2021, preliminary activities including stakeholder engagement and sensitization, identification and preparation of planting sites, production and procurement of required seedlings in terms of species and their respective quantities, and publicity were undertaken to ensure high patronage from people of all walks of life. These activities were implemented by the Commission with support of the National Planning Committee with its ancillary sub-committees namely; Finance, Operations and Logistics, Policy and Protocol, and, Monitoring and Reporting sub-committees.

As part of measures to enhance effective participation from key stakeholders, the Ministry of Lands and Natural Resources (MLNR) and FC forged strategic partnerships with various stakeholder groups including Church of Pentecost, Presbyterian Church of Ghana, Apostolic Church of Ghana, Catholic Church of Ghana and the Ghana Education Service. These key stakeholders made significant pledges and contributed immensely to the success of the 2021 Green Ghana Day.

A series of field visits were undertaken by the Minister of Lands and Natural Resources, Deputy Ministers of Lands and Natural Resources, Chief Executive and Members of the Executive Management Team and Senior Managers of the Forestry Commission nationwide to inspect the status of preparatory activities for the 2021 Green Ghana Day. The inspection teams assessed the level of preparedness of the Forestry Commission offices for the Green Ghana Day activities and also inspected degraded sites identified as well as the tree nurseries earmarked for supply of tree seedlings for planting. During the field visits, the teams also conducted radio/TV interviews to raise awareness of the initiative and also address any observed operational difficulties associated with the Green Ghana Day activities.

The 2021 Green Ghana Day received massive participation from all stakeholder groups in Ghana. The seedlings were distributed at the following locations namely; FC Head Office, All Regional Forest Services Division (FSD) or Wildlife Division (WD) Offices, All FSD District Offices, FSD Range Quarters, Chiefs Palaces/Community Centres, MMDAs premises, shopping malls, Police Stations, Churches, Mosques and other places of worship.

A total number of 7,193,424 seedlings were distributed for planting, out of which, the Commission at the end of July, 2021 verified 6,603,008 seedlings as planted indicating an achievement of 92% of the total number of seedlings planted.

The Green Ghana Day was well-patronized and resulted in enhanced awareness creation on the importance of landscape restoration efforts in Ghana. The type of seedlings distributed and planted include timber, shade, ornamental, fruit and multi-purpose trees. Most of the distributed trees were planted by individuals within their homes and public spaces.





Minister of Lands and Natural Resources, Hon. Samuel A. Jinapor launching the 2021 Green Ghana Day at the Forestry Commission Headquarters



Inauguration of the Green Ghana National Planning Committee on 13<sup>th</sup> April, 2021 by the Hon. Minister of Lands and Natural Resources



Seedlings being received by beneficiaries on GGD at FC Headquarters



A member of the Diplomatic Corps partaking in the GGD tree planting at the Ghana Seismological Centre, Accra



H.E. President Nana Akufo-Addo watering a tree seedling he had just planted on GGD at the Jubilee House, Accra



Tetrete Okuamoah Sekyim II, Paramount Chief of the Wassa Amenfi Traditional Area and FC Board Chairman plants a tree at Juaboso, Western North Region.

### GREEN GHANA DAY IN PICTURES

### 3.4 Sustainable Financial Management

On financial management, the Commission derives its revenue from the following sources.

- Subvention from Government of Ghana

This is mainly salary payment to the Commission's staff, allowances paid and logistics provided to the beneficiaries of the Youth in Afforestation Programme as well as Goods and Services to the Wildlife Division.

- Internally Generated Funds (IGF)

This includes income from natural forest timber stumpage, plantation timber sales, charcoal conveyance, export levies, zoo and park entrance fees.

- Donor Partners

This consists of cash, assets and technological assistance.

#### *(a) 2021 Audited Financial Statements*

The 2021 Audited Financial Statements of the Commission, which consists of the operations of the Divisions, Departments, and Units was submitted by the Board of Commissioners to the Minister of Lands and Natural Resources and the Auditor General's Department (find attached as Appendix 1).

### 3.5 Human Resource Management

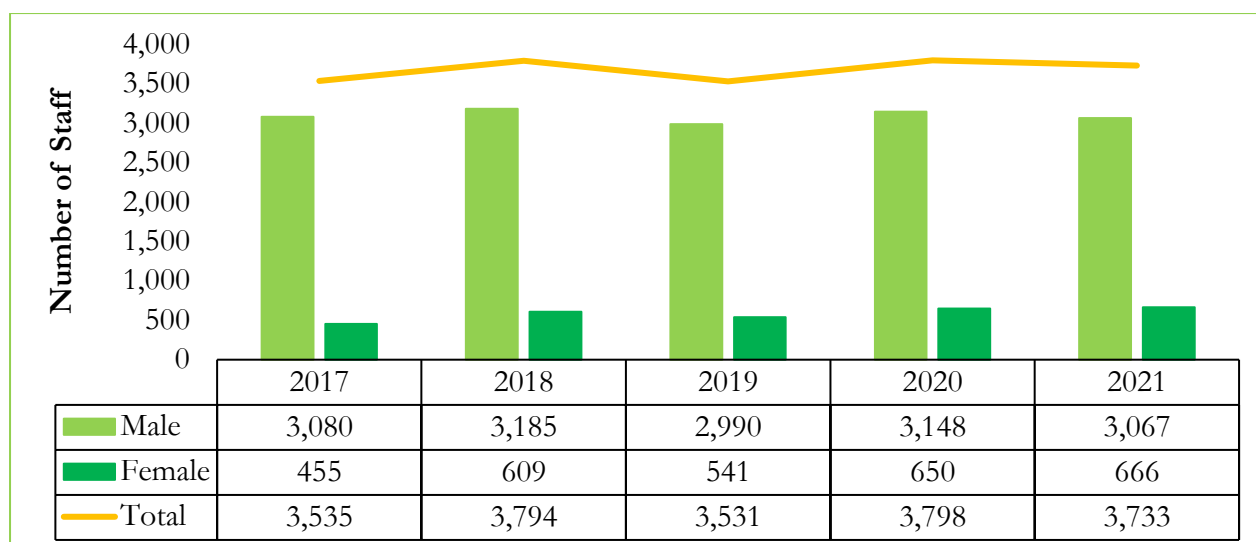
The following human resource elements were the priority of the Commission's Human Resource Directorate during 2021:

- Human Resource Development
- Employee Resourcing
- Reward Management (Corporate Social Responsibility)
- Organizational Development
- Performance Management
- Human Resource Information Management System

The Human Resource Department helped the Forestry Commission achieve its strategic objectives of engaging, training, and maintaining a well-motivated, competent, committed, and homogenous workforce.

The total number of staff in 2021 was 3,733. This was made up of 1,316 senior staff and 2,417 junior staff with 3,067 of whom were men and 666 of whom were women.

Figure 11 depicts the changes in staff status from 2017 to 2021.



**Figure 10: Staff Demography (2017-2021)**

The staff compositions for 2021 are shown in Table 9. Junior staff make up 65% of the Commission's total workforce, while senior staff account for 35%.

**Table 9: Categories of Staff**

	Senior Staff			Junior Staff			Total
	Male	Female	Total	Male	Female	Total	
<b>CHQ</b>	110	49	159	40	8	48	207
<b>FSD</b>	465	203	668	1,377	168	1,545	2,213
<b>WD</b>	113	50	163	645	29	674	837
<b>TIDD</b>	152	93	245	69	27	96	341
<b>RMSC</b>	45	20	65	26	8	34	99
<b>FCTC</b>	12	4	16	13	7	20	36
<b>TOTAL</b>	<b>897</b>	<b>419</b>	<b>1,316</b>	<b>2,170</b>	<b>247</b>	<b>2,417</b>	<b>3,733</b>

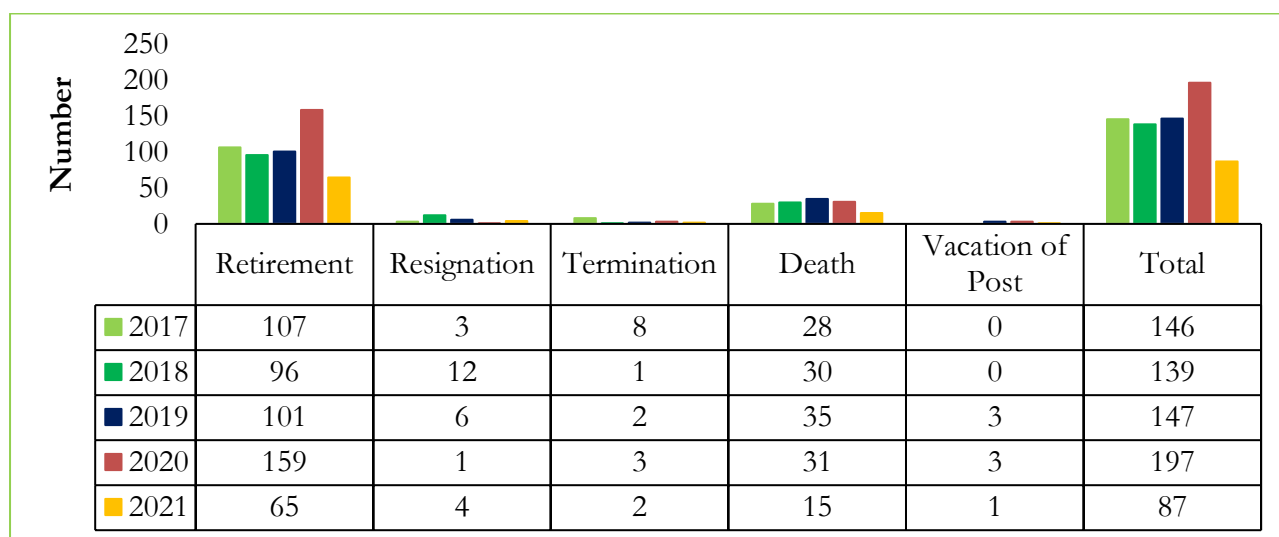
***(a) Staff Recruitment and Attrition***

The President of the Republic of Ghana, in pursuant to section 17(1) of the Forestry Commission Act, appointed three (3) new Deputy Chief Executives for the Commission. During the year under review, the Commission also recruited key technical personnel through financial clearance approved by the Ministry of Finance and Economic Planning (MoFEP).

A total of twenty-eight (28) staff were upgraded, with fourteen (14) being management staff and fourteen (14) non-management staff. Twenty-seven (27) staff of the Commission were transferred, posted and re-assigned within the Divisions and Units.



Furthermore, 87 staff turnovers were recorded by the Commission representing a decrease of 56% from the 197 turnovers reported in 2020. Sixty-five (65) people retired, 15 lost through death, 4 resigned, 2 had their appointments terminated, and 1 vacated post. A graphical representation of staff turnovers in 2021 is shown in Figure 10.



**Figure 11: Staff Turnovers (2017 - 2021)**

### ***(b) Capacity Building and Staff Motivation***

To improve efficiency and upgrade the skills of its workforce, the Commission organized a series of short-term and refresher courses. Five hundred and nine (509) staff took part in training programmes, workshops, conferences, and short courses. The following were among courses undertaken by staff of the Commission during the year:

- Employment relations issues arising from COVID-19
- International Climate Protection (Fellowship)
- Training on Timber Resource Management and Legality Licensing Regulations, 2017 (L.I 2254)
- Managing Cyber Risk during COVID-19
- Human Resource Data Management, Analysis and Report Creation
- Ghana Wood Identification Workflow Training Programme
- Women in Human Resource Conference

### ***(c) Occupational Health and Safety***

In order to promote a healthy lifestyle and wellbeing of staff, the following programmes were organized for staff during the year:

- A health talk was held to sensitize staff on the changing phase of the COVID-19 pandemic
- A talk on Prostate Cancer was organized for staff
- A collaboration with Lapaz Community Hospital was done to organize an eye screening exercise
- A health talk and breast screening were done for staff to commemorate the Breast Cancer Awareness Day.

### 3.6 Forest and Wildlife Stakeholder Collaboration

The Government of Ghana has gazetted five (5) Ramsar sites with international significance as Protected Areas. Densu Delta, Songor, Owabi, Keta Lagoon Complex, Muni-Pomadze, and Sakumo Ramsar Site are some of them. Among the forest and wildlife reserves with wetlands are Mole, Digya, Bia, and Bui National Parks. Steps were taken to protect these gazetted Protected and Wetland Areas through the implementation of applicable laws. This ensures effective resource management and protection from degradation.

To facilitate local involvement and participation, Site Management Committees (SMC) were formed, with members from national and local agencies, traditional leaders, resource stakeholders, and other partners. At Keta Lagoon Ramsar Site, the chief and people of Agbagorme; one of the Avu –lagoon CREMA communities were supported to plant 500 Cassia seedlings at degraded areas in the community. Also, Keta Lagoon Ramsar Site collaborated with International Union for Conservation of Nature (IUCN) and the Development Institute (DI) to plant 2,000 mangroves to commemorate World Mangroves Day. The theme for the occasion was “Mangroves, our lifeline and livelihood”. Twenty-three thousand (23,000) white and red mangroves and 6,200 assorted tree seedlings were planted to restore degraded areas and school compounds at Keta Lagoon Ramsar Site.

Furthermore, one (1) shea-butter processing facility was constructed and installed at Katiu for SKGK CREMA. Two (2) shea-butter processing facilities at Kunchorgu and Banu for SKGK CREMA were also refurbished. Bia National Park collaborated with SNV Netherlands Development Organisation to distribute 74,458 seedlings to farmers to plant in their cocoa farms. Three hundred and twenty (320) mushroom bags were also produced by beneficiaries of alternative livelihood enterprises at Bia National Park.

A Rocha Ghana in collaboration with the Commission organized community engagement for 60 people selected from 4 fringe communities at Muni-Pomadze Ramsar Site. The project was to support communities with alternative livelihood so they don't rely solely on the limited natural resources but protect and conserve for future use. Eighty (80) members from four (4) fringe communities were trained in beekeeping, wildfire prevention and detergents making through the support from VIS-Ghana at Digya National Park.

During the year under review, the Commission organized sensitization programmes to educate 85 First and Second Cycle schools, as well as 229 communities surrounding Wildlife Protected Areas and Ramsar Sites, on the importance of wildlife conservation as part of its biodiversity conservation initiative. In addition, 136 radio programmes were broadcasted across the country to raise public awareness about wildlife laws at wildlife protected areas and Ramsar sites.

### 3.7 Efficient and Effective Organizational Infrastructure Development

#### 3.7.1 Corporate Planning, Monitoring and Evaluation (CPME)

The Headquarters of the Commission comprises of Departments and Units that contribute immensely to efficient and effective forest and wildlife development to ensure the delivery of the strategic and business goals.

In order to oversee all the operations of Divisions, Departments, and Units, the Commission developed the 2021 Action Plan. The M&E Unit of the CPME Department prepared the Monitoring and Evaluation Plan to track the implementation of the action plan quarterly, half-yearly and annually. The 2021 M&E plan aims at establishing a robust, comprehensive, fully integrated, harmonized and well-coordinated system to guide monitoring of the implementation of policy initiatives, programmes,

projects, activities and evaluate the results. To inspect, analyse, evaluate, and verify field operations, periodic field visits were made to selected FSD Regional and District offices, TIDD Area offices, and WD Ecotourism sites around the nation. The observations and findings from the visits were collated together with actionable recommendations and presented to the Chief Executive and Audit Committee for review.

In order to implement the SMTPF (2018–2021), the Commission organized performance evaluation workshops. From these workshops, progress reports were produced and submitted to the NDPC, OHCS, and the Sector Ministry. Additionally, the Commission participated in the Meet-The-Press series of the Sector Ministry by showcasing its performance.

### **3.7.2 Internal Auditing**

In conformance with the Public Financial Management Regulations, 2019 (LI 2378) and the International Standards for the Professional Practice of Internal Auditing, the Internal Audit Department of the Commission is dedicated to ensuring a high standard of accountability and credibility.

In 2021, four (4) consolidated quarterly audit reports were delivered in order to ensure compliance with these standards, rules, and regulations. Thus, a total of 86 audit findings/observations with important recommendations for resolving detected abnormalities.

These audit findings and recommendations has helped improved the Commission's operational efficiency and effectiveness, reliability of both financial and non-financial records as well as compliance with laws and enactments. Specifically, improvements were achieved in the following areas:

#### ***a) Financials***

- Detection of teeming and lading leading to improvement in cash management timely lodgment of fund.
- Improved accountability in terms of timely retirement of accountable imprests.

#### ***b) Operations***

Improvement in the implementation of the control measures and manuals for forest and wildlife management as well as the effective management of the Youth in Afforestation Programme (YAP).

#### ***c) Governance***

- Improved implementation of internal and technical audits recommendations.
- Risk Management and Internal Controls through assessment and reporting on their adequacy and adherence by staff.
- Improved cyber security awareness following implementation of Information Technology (IT) audits reports which has further resulted in equipping the ICT Department to implement a more efficient and effective safety protocols to support and ensure FC business continuity.

#### ***d) Compliance***

Improvement in compliance with procurement and other relevant laws, enactments and regulations governing the financial and operational activities in the divisions and units of the Commission.

Furthermore, the Commission's Internal Audit Directorate will continue to review and assess systems as well as review controls in the Commissions' activities to ensure recommended improvements are achieved.

### 3.7.3 Information and Communication Technology (ICT)

In order to streamline business processes and maximize productivity, the ICT Directorate of the Commission emphasized on enhancing staff abilities to utilize modern technological and electronic equipment in the appropriate manner. The following additional interventions were launched and implemented in 2021:

- Attendance management system and configuration of Contactless Biometric system is 100% completed.
- Development of Green Ghana application is 100% completed.
- Development of Revenue Collection and Management System (REVCOMSYS) Mobile app is about 90% completed.
- Redesigning of Forestry Commission Internal Information System (FCIIS) is 100% completed.
- Completion of REDD+ Safeguard Information System (SIS) Mobile application.
- Upgrade of the FCIIS interface is 85% completed.
- Upgrade of FC Cruise is 100% completed.
- Developed and demonstrated the Audit PV tracking System which is 95% completed.
- FC website Redesigned and deployed.
- Integration of a new REVCOMSYS and Mobile app with charcoal collection system in collaboration with ICT zone 4 Team is 90% completed.
- Data Collection on unremoved yield ongoing with tree Registration Piloting in Nkawie and Offinso completed.
- Maintained REVCOMSYS at Achimota Eco park and Zoo, Kakum National Park, Shai Hills Reserve, Mole National Park and Kumasi Zoo is 95% completed.
- E-Humanis application is 95% maintained and Staff records update is ongoing and is 70% completed.

### 3.7.4 Resource Management Support Centre (RMSC)

The Resource Management Support Centre, as a technical wing of the Commission, is responsible for the exploration, development, facilitation, institutionalization, and implementation as well as monitoring of effective and affordable forest and wildlife management systems in Ghana in accordance with the 2012 Forest and Wildlife Policy and Forestry Development Master Plan (2016 – 2036).

In 2021, the Commission took steps to improve forest and wildlife management by putting in place systems and standards as far as the state of our forests are concerned. Some of the interventions are as follows:

- Conducted flora, fauna and socio-economic surveys for thirty-one (31) forest reserves in the High Forest Zone.
- Implemented wildfire management plans in five (5) forest districts in two (2) regions namely Bono and Bono East Regions.
- Collated wildfire incidence from nine (9) regions in thirty-seven (37) forest reserves across twenty (20) forest districts.
- Provided technical support in the review of fifteen (15) existing forest reserve management plans.
- Conducted botanical survey in Atewa Extension and southern portion of the Atewa GSBA.
- Completed studies on forest-based livelihood enterprises in six (6) forest districts of three (3) regions, i.e., Upper East, Upper West and Ashanti regions.

- Re-established five (5) Permanent Sample Plots (PSPs) in Nuale and Bosomoa FRs and assessed two (2) PSPs in Bobiri and Ben East Forest Reserves.
- Established enrichment planting PSPs in Goa Shelterbelt and Bosomkese Forest Reserve.
- Carried out monitoring in four (4) GSBAAs namely; Atewa, Krokosua, Subri and Cape Three Points Forest Reserves.
- Carried out post-harvest checks in natural forest in one hundred and forty-eight (148) compartments covering forty- one (41) forest reserves in sixteen (16) forest districts and involving one hundred and seven (107) companies.

### 3.7.5 Enhancement of Compliance System

As the world evolves, so do organisations. An organisation that strives towards good corporate governance and sustainable development must have a robust compliance system in place. It is in this light that the Compliance Unit of the Forestry Commission has been enhanced. The mandate of the Unit is to be responsible to ensure staff comply with the Commission's policies and procedures as well as rules and regulations of regulatory bodies by implementing standards and procedures, to ensure conformity with programmed requirements throughout the organization are effective and efficient in identifying, preventing, detecting, and correcting non-compliance with applicable laws and regulations among others.

## CHAPTER FOUR

### PROGRAMMES AND PROJECTS

#### 4.1 Introduction

Details on various projects and programmes undertaken by the Commission with support from Development Partners is provided in this section of the report. These interventions are target-specific and intended to address a particular task or challenge, making them important components for organizational growth and business effectiveness.

#### 4.2 Forest Investment Programme (FIP) – ENFAL

The Project Development Objective (PDO) is to improve forest and tree management practices by cocoa farmers, CREMA communities and forest reserve managers to reduce forest loss and degradation and demonstrate rehabilitation of mined-out sites in selected landscapes in Ghana's High Forest Zone (HFZ). The Additional Financing (AF) to the Project was signed in January 2020, following approval by Cabinet (in September 2019) and the Parliament (in November 2019). It was then declared effective in February 2020, bringing 20 million USD more for sustainable forest management in Ghana and extending the project to June 2023.

The project is being implemented in the Bono, Ahafo, Bono East, Ashanti, Western and Western North Regions where deforestation and carbon sequestration potentials are high. The project aims to reduce degradation in both forest reserves and off-reserve areas, which will also contribute to reducing emissions and enhancing carbon stocks.

In 2021, a total number of 8,431 beneficiaries were recorded to have received monetary and/or non-monetary benefits from their various engagements with the project. The beneficiaries are largely community members carefully selected to receive mentorship and intensive capacity development to form a linkage between their constituency and the Implementing Partners particularly the Forestry Commission and Ghana Cocoa Board. It is expected that these group of beneficiaries will form the future link to additional information and appropriate forest and agricultural technologies aimed at continuously improving the natural resource management systems of the local community.

A section of the project interventions is to promote the Community Resource Management Area (CREMA) concept as an alternative model for devolving more rights and responsibilities to communities and farmers in the management of the nation's forest resources. The area under the CREMA has exceeded the project target and the over achievement was largely due to the enthusiasm of the communities to engage and the need to ensure inclusiveness which embodies the social and environmental safeguards policies and instruments being implemented under the project.

Among the land-use practices expected in the CREMA enclave is the adoption of climate-smart cocoa production for which the project set a target of 30,000 ha and achieved a cumulative area of 37,278 ha as at the end of 2020. Surprisingly, the cumulative area increased to 42,512 ha at the end of 2021. This was unexpected because the parent project has been winding down since 2019. Further probe and investigations revealed that most farmers took advantage of the Green Ghana Project which was executed in June 2021 to obtain free tree seedlings to incorporate into their farms.



### 4.3 Ghana Forest Plantation Strategy (GFPS)

The Ghana Forest Plantation Strategy (GFPS, 2016-2040) has presented the country with an enhanced strategic document for the restoration of its deforested and degraded landscapes. The goal of the GFPS is to achieve sustainable supply of planted forest goods and services to deliver a range of economic, social and environmental benefits. The GFPS is implemented through three (3) main forest landscape restoration strategies namely, the development of forest plantations, enrichment planting, and Trees-on-Farm or farm forestry. These interventions are geared towards enhancing the recovery, resilience, functionality, and sustainability of the country's diverse landscapes, offsetting the prevailing timber supply deficit, enhancing food security and economic opportunities for the rural communities, while at the same time creating opportunities for the country to access the emerging carbon and ecosystem services markets.

Under the GFPS in 2021 representing the fifth year of its implementation, forest plantation including industrial timber plantations, woodlots and watershed planting was established by the public and private sector under the National Afforestation Programme (NAP). Though the overall annual establishment target was achieved, the private sector's achievement was far below expectation. Efforts must therefore be targeted at supporting the sector to perform better in the coming years.

In all, the total area of deforested landscape restored under forest plantation establishment by both public and private sector amounted to 18,495 ha (Public – 14,294 ha and Private – 4,201 ha). Out of this, 17,719 ha was established in forest reserves while 775 ha was sited in off-reserve areas.

In 2021, enrichment planting of 5,146 ha was undertaken within degraded and understocked forest reserve compartments using high value indigenous timber species. Species planted include Black Hyedua (*Guibourtia ehie*), Afromorsia (*Pericopsis elata*), Opronon (*Mansonia altissima*), Baku (*Tieghemella heckelii*), Wawa (*Triplochiton scleroxylon*), African Mahogany (*Khaya ivorensis*), Ofram (*Terminalia superba*) and Emire (*Terminalia ivorensis*).

Under the trees-on-farm (farm forestry) component, a total of 2,252,877 timber tree seedlings were distributed to farmers for incorporation within their farming systems. Also, a total of 32.8 million tree seedlings were planted under the various landscape restoration interventions by government and the private sector during the year. Out of this, 18,795,719 tree seedlings were supplied by over 900 rural-based enterprises and individuals on contract to the Commission. In addition, the Commission and private plantation developers produced and supplied 6,927,259 and 5,600,106 tree seedlings respectively.

Other stakeholders including COCOBOD and World Cocoa Foundation (WCF) reported distribution of 753,810 seedlings for incorporation into cocoa farms. A total of 724,005 seedlings were also donated mainly by private companies and NGOs for the 2021 Green Ghana Day celebration.

On food production, a total of 101,998 tonnes (t) of food crops were harvested within forest plantations, mainly under the Modified Taungya System (MTS). These were made up of cereals (9,220t), plantain (71,374 t), tubers (17,752 t), vegetables (2,343 t), and legumes (1,309 t).

### 4.4 Ghana Cocoa Forest REDD+ Programme (GCFRP)

The Project Development Objective (PDO) is to make payments to the Ghana Cocoa Forest REDD+ Programme for Measured, Reported and Verified Emission Reductions related to reduced deforestation, forest degradation and the enhancement of forest carbon stocks (ER payments) in targeted landscapes of Ghana and to distribute ER payments in accordance with agreed-upon Benefit Sharing Plan.

The ER programme relies heavily on actions and measures in the cocoa and forest sector led by GoG including leveraging ongoing and new investments in the programme area towards more sustainable production of cocoa and forest management, and supported by robust land use action planning and local level multi-stakeholder governance systems to implement interventions needed to generate ERs. These include government (public expenditure), private sector investments, complementary funding through non-government organizations, and other donor supported initiatives coordinated by the government.

In addition, complementary technical assistance from the World Bank through Accelerating REDD+ (AccelREDD+) initiative supported by the Government of Germany is supporting Ghana's advance progress on technical aspects and enable GoG to assess the results-based payments. Overall implementation of Ghana Cocoa Forest REDD+ Programme unlike other investment projects, the ER Program is a result-based program in which performance is independently audited and verified by a third-party. The GoG has submitted the first Monitoring Report and is now in the audit and verification process.

In terms of overall progress on implementation, the mission commends GoG on the major achievements made including activities supported by AccelREDD+ (World Bank supported Trust Fund) and the Upfront Advance Payment (UAP) including Monitoring, Safeguards, Hotspot Intervention Area (HIA) Governance, and Capacity Building, as well as major efforts on reforestation, enrichment planting and disbursement of over 20 million seedlings during the Green Ghana Day Celebration.

Out of the six (6) HIAs, there is progress with the implementation of activities including activities under UAP, development of governance structures and capacity building, in five (5) HIAs. On the Atewa HIA, discussions have started on identifying key stakeholders and partners and their activities in the landscape. The Mission recommends an accelerated and focused effort on the completion and implementation of the REDD+ Dedicated Account (RDA) Steering Committee and Fund Flow Mechanism, and implementation of Alternative Livelihood activities.

#### **4.5 Ghana Landscape Restoration and Small-Scale Mining Project (GLRSSMP)**

The Ghana Landscape Restoration and Small-Scale Mining Project (GLRSSMP) is a multi-agency project with Ministry of Environment Science, Technology and Innovation (MESTI) and Ministry of Lands and Natural Resources (MLNR) having an oversight responsibility over the project and also builds on the implementation record and lessons of the Sustainable Land and Water Management Project (SLWMP) and the Ghana Forest Investment Project (FIP).

The Project Development Objective (PDO) is to strengthen integrated natural resource management and increase benefits to communities in targeted savannah and cocoa forest landscapes. The project will focus on the following interventions; Land-use planning for integrated landscape management to optimize land use, Formalization of Artisanal Mining (ASM) for sustainable mining, Restoration of degraded lands for agricultural productivity, and strengthening of sustainable management of forest landscapes for biodiversity conservation and ecosystem services.

The GLRSSMP will be implemented in two (2) landscapes: Northern Savannah Zone (including the Guinea Savannah ecological zone, the Sudan Savannah ecological zone, and the upper portion of the Transitional ecological zone) and Cocoa Forest Landscape (including parts of the forest ecological zone and lower parts of the Transition ecological zone, which also includes the Pra River Basin).



The project has two (2) Implementing Agencies (IAs) namely; Environmental Protection Agency (EPA) and the Ministry of Lands Natural Resources (MLNR). The EPA is responsible for landscape restoration activities and MLNR responsible for mining formalization activities respectively. Each IA will have a dedicated Project Coordinating Unit (PCU). The national-level project structure comprises the joint Project Steering Committee (PSC) and the IAs (EPA and MLNR) with their respective PCUs on land restoration and mining as well as beneficiary agencies.

GLRSSMP also aims to increase agricultural income, revenues for small-scale miners and improve tangible forest products. Additionally, GLRSSMP will increase marketability of selected commodities (including cocoa and cashew); improve ecotourism, water quality, suppression of forest fires and the rehabilitation of mined-out sites.

It is anticipated that, with commitment from Districts earmarked for the implementation of the project, the intended objectives will be achieved successfully.

#### **4.6 Environmentally Sustainable Production Practices in Cocoa Landscapes (ESP Phase III)**

The objective of the project is to contribute to conservation and restoration of forest cover in forest reserves in harmony with sustainable cocoa farming in adjacent landscapes. The objectives will be achieved through the implementation of various activities under the following two (2) outcomes: Degraded forests restored with the Modified Taungya System (MTS) and Community organization and sustainable farming practices strengthened.

Funding for the project is by Mondelēz International - Cocoa Life Program, Ghana. Similar to what happened during ESP II & I; implementation by COCOBOD but with support from the Forestry Commission who have become a principal partner because of the slight shift in project focus to also include forest restoration – piloted under phase II.

Forestry Commission supported the project with the identification of intervention areas and involvement in planning and implementation to ensure FC's engagement and strong support to the project intervention. ESP would continue to collaborate with the Commission especially at the District level to ensure that they provide the necessary technical input into the MTS work.

## CHAPTER FIVE

### CHALLENGES, WAY FORWARD AND CONCLUSION

#### 5.1 Challenges

In undertaking its operational activities in 2021, the Commission encountered a number of difficulties. The general and specific constraints as well as suggested corrective actions are listed in Table 10.

**Table 10: Key Challenges and Mitigation Strategies**

	Key Challenges	Mitigation Strategies
General	Inadequate and untimely release of funds for operational activities.	The Commission will explore other sources of revenue in order to generate more funds and ensure that there is timely release of funds.
	Inadequate functioning vehicles to carry out effective field activities	Additional operational vehicles will be purchased by the Commission.
	Field activities are hampered by inadequate and outdated working tools and other equipment.	To improve the Commission's activities, modern equipment will be purchased and technical people trained.
	Obsolete computers and equipment replacement at the ICT Department.	Ensure urgent phasing out and replacement of computers and ICT equipment that have outlived their lifespan.
	Obsolete equipment and frequent breakdowns which hinders smooth production at FCTC	
Forest Services Division	Lack of technical staff in the operational and divisional sectors as well as the failure to replace staff who leave the service	The Commission will ensure that more technical staff are engaged and also staff that have exited are replaced.
	Physical attacks and threats to staff from illegal operators.	Continue training of Forest and Wildlife Guards by Ghana Army to increase capacity in combating illegalities in forest reserves and wildlife protected areas.
	Inadequate motorbike and 4x4 vehicles for forest protection, development and management activities.	Procure adequate vehicles, equipment and other logistics for effective operations and monitoring activities.
	Occurrence of wildfires especially in the savannah and transitional areas.	Intensify conservation education and sensitization on the importance of fire safety to help reduce wildfires.

	Key Challenges	Mitigation Strategies
	<p>Inadequate field staff to carry out effective supervision of MTS farmers and monitoring of plantation development, logging and harvesting operations.</p> <p>Undue delays in processing of Benefit Sharing Agreement (BSA) for MTS farmers is a disincentive for maintenance of the established forest plantations.</p> <p>Inadequate unmanned Aerial Vehicles (drones) for forest surveillance, monitoring of field operations and mapping.</p> <p>Resistance of illegal farmers to vacate sites allocated to private commercial plantation developers in forest reserves pose difficulties for plantation establishment by large scale developers.</p> <p>Persistent occurrence of annual wildfires, usually caused by activities of free-range cattle herders and illegal farmers.</p>	<p>Replace aged/retired technical staff.</p> <p>Provide adequate logistics for the monitoring of resources in protected areas.</p> <p>Continuous deployment of Rapid Response Teams to aid in the vacation of illegal farmers</p> <p>Intensify conservation education and sensitization on the importance of fire safety to help reduce wildfires</p>
Wildlife Division	Lack of modern wildlife management technologies/devices	Improve modern logistics supply.
	Attack and killing of WD staff	The Commission will continue to ensure that there is a regular and appropriate military training for staff.
	Parliament's failure to pass the Wildlife Bill on time, which compromises the effectiveness of wildlife resources' protection.	Resubmission and pursuing the passage of wildlife bill to law as this will address major management challenges and empower staff.
Timber Industry Development Division	Inadequate supply of logistics and equipment.	TIDD will focus on developing proposals that will secure external funding from donor agencies to run industry development projects.

	Key Challenges	Mitigation Strategies
Information and Communication Technology	Insufficient release of license for current Microsoft Operating Systems and Office suite poses a security threat to our systems.	Provision of adequate funds for the purchasing of licenses for current Microsoft Operating Systems and Office Suite.
Human Resource	The Human Resource Department found it extremely challenging to train the number of staff who were scheduled for training in 2021 due to financial constraints.	Explore other sustainable funding sources to enable the Commission carry out training programmes.
Resource Management Support Centre	Inadequate and aged field vehicles thereby increasing maintenance cost and reducing efficiency in field operations.  Inadequate GIS and Remote Sensing equipment.	Replacement of inadequate and aged field vehicles to reduce maintenance cost and increase efficiency in field operations.
Forestry Commission Training Centre	Inadequate staff strength in the production unit due to the number of retirements and resignations.	Replacement of staff who have resigned or retired to increase the staff strength at the production unit.
Rapid Response Unit	Irregular maintenance of operational vehicles and lack of clear procedures/ arrangements for their maintenance  Some community members are hostile towards members of Rapid Response Teams especially during operations	The Commission will need to establish procedure/arrangements for regular maintenance of patrol vehicles.  Regularly remind Managers on the need to get teams introduced and follow up to ensure this is done.

## 5.2 Way Forward

The Commission will ensure that its mission is carried out in accordance with its mandate by undertaking the Forest and Wildlife Development and Management programmes, particularly sub-programme areas that deal with Sustainable Forest Management and Plantation Development, Protection and Sustainable use of Wildlife Resources, the Timber Industry, Trade Development and Technology Transfer, and Coordination and Facilitation of Forest and Wildlife Development and Management.

The following will be the primary operational focus areas:

- Sustainable Protection and Production of Forest Resources
- Forest Plantation Development
- Sustainable Protection and Development of Wildlife Resources
- Timber Trade and Industry Development
- Ecotourism Development
- Forest and Wildlife Law Enforcement (including FLEGT License and Legality Assurance System)
- Reducing Emissions from Deforestation and Forest Degradation

## 5.3 Conclusion

In order to manage, develop, and use forest and wildlife resources sustainably, it is anticipated that the Commission will work tirelessly to expand the availability of human and financial resources as well as collaborate with key organizations and agencies. The Commission will also offer practical solutions to stop the rising tide of illicit activities in forest reserves and other Protected Areas.

**APPENDIX**  
**AUDITED FINANCIAL STATEMENTS**

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**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 2021**

**FORESTRY COMMISSION**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**FORESTRY COMMISSION**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2021**

**CORPORATE INFORMATION**

<b>COMMISSIONERS</b>		<b>Date of Appointment</b>
Tetrete Okuamoah Sekyim II	Chairman	28/07/2021
Katakyie Kwasi Bumagama II	National House of Chiefs Representative	28/07/2021
Mr. Richard Duah Nsenkyire	Timber Trade & Industry Representative	28/07/2021
Mr. George Wireko-Brobby (Engr.)	Wildlife Trade Industry Representative	28/07/2021
Prof. Samuel Kingsley Oppong	Ghana Institute of Professional Foresters Representative	28/07/2021
Mr. Gustav Alexander Adu	Non-Governmental Organization Involved in Forest & Wildlife Management	28/07/2021
Mr. James Ebenezer Kwabena Dadson	Land Commission	28/07/2021
Nana Akosua K. Agyeman Prempeh	President's Nominee	28/07/2021
Mr. Kenneth Kweku Ofori Amankwah	President's Nominee	28/07/2021
Mr. Mahmoud Hamid Nassir-Deen	President's Nominee	28/07/2021
Mr. John McDonald Allotey	Chief Executive, Forestry Commission	28/07/2021

**SECRETARY** Mr. Dennis Osei-Hwere

**INSTRUMENT OF INCORPORATION** Forestry Commission Act, 1999 (Act 571)

**HEAD OFFICE** Forestry Commission Building  
GIMPA Road, West Legon  
P. O. Box MB.434, Accra

**BANKERS** Bank of Ghana  
GCB Bank Limited  
National Investment Bank Limited  
Absa Bank (Ghana) Limited  
Standard Chartered Bank (Gh.) Ltd.  
Universal Merchant Bank (Gh.) Ltd.  
ADB Bank Limited  
Ecobank (Ghana) Limited  
CAL Bank Limited  
Fidelity Bank Limited  
Prudential Bank Limited

**AUDITORS** MGI O.A.K Chartered Accountants  
18 Airways Avenue,  
Airport Residential Area  
P.O. Box AN. 5712  
Accra.

## FORESTRY COMMISSION

### REPORT OF THE BOARD OF COMMISSIONERS FOR THE YEAR ENDED 31ST DECEMBER, 2021

The Commissioners have the pleasure in presenting the Financial Statements of Forestry Commission for the year ended 31st December, 2021 to the Minister of Lands and Natural Resources. The Financial Statements covered the activities of the Corporate Head office, Divisions and units of the Commission.

The Divisions of the Commission are: Forest Service Division (FSD), Wildlife Division (WD) and Timber Industry Development Division (TIDD); and supporting units are; Corporate Head Office; Forestry Commission Training Centre (FCTC); Resource Management Support Centre (RMSC); and London Office of Forestry Commission.

#### a) Principal Activities

The Commission's principal activities include:

1. Regulation of the utilization of forest and wildlife resources including the conducted of pre-shipment inspection and examination of timber, wood and wildlife products;
2. Conservation and management of forest and wildlife resource
3. Co-ordination of policies related to forest and wildlife resource
4. Undertaking the developments of forest plantations for the restoration of degraded forest areas; and
5. Expansion of the Country's forest cover and increase in the production of industrial timber.

#### b) Results of Operations

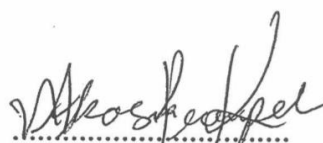
The Commission registered a surplus of GH¢2,349,241 as against a Deficit of (GH¢51,317,989) in the previous year.

This has been transferred to the Accumulated Fund Account

**BY ORDER OF THE BOARD**



COMMISSIONER



COMMISSIONER



# **INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2021**

## **TO THE GOVERNING BOARD OF FORESTRY COMMISSION**

### **Opinion**

We have audited the accompanying Financial Statements of Forestry Commission set out on pages 8 to 32. These Financial Statements comprise the Statement of Financial Position as at 31st December, 2021 the Statement of Financial Performance, Accumulated Fund Account and Statement of Cash Flows for the year then ended and notes to the Financial Statements including a summary of significant accounting policies and other disclosures.

In our opinion, the Financial Statements give a true and fair view of the financial position of Forestry Commission as at 31st December, 2021 and the financial performance and cash flow for the year then ended in accordance with the International Public Sector Accounting Standards (IPSAS) and in the manner required by the Commission's Act, 1999 (Act 571).

### **Basis of Opinion**

We conducted our audit in accordance with International Standards for Supreme Auditing Institutions (ISSAIs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the Financial Statements section of our report. We are independent of Forestry Commission in accordance with the requirements of the International Federation of Accountants Code of Ethics for Professional Accountants (IFAC Code) as adopted by the Institute of Chartered Accountants Ghana (ICAG) and have fulfilled our other ethical responsibilities in accordance with IFAC code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Information**

The Board of Commissioners are responsible for the other information. The other information comprises the Report of the Board of Commissioners which we obtained prior to the date of this auditor's report. The other information does not include the Financial Statements and our auditor's report thereon. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Financial Statements, our responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Based on the work we have performed on other information that we obtained prior to the date of this auditor's report, if we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in that regard.

18 Airways Avenue, Airport Residential Area, Accra.

P. O. Box AN. 5712, Accra- North

Tel. +233 302-732548, 0302-732549 E-mail: [info@oakchartered.com](mailto:info@oakchartered.com); [oak.chartered@gmail.com](mailto:oak.chartered@gmail.com) [www.oakchartered.com](http://www.oakchartered.com)

T. A. Osei, Alvin A. Atayi, Eugene Asiamah-Boadi, Charles Obeng, Charles K. Amoo, Alfred Ayer.

A member of MCI, a worldwide association of independent auditing, accounting and consulting firms.

**INDEPENDENT AUDITOR'S REPORT  
TO THE GOVERNING BOARD OF FORESTRY COMMISSION**

**(Continued)**

**FOR THE YEAR ENDED 31ST DECEMBER, 2021**

**Board of Commissioners Responsibility for the Financial Statements**

The Board of Commissioners are responsible for the preparation of Financial Statements that give a true and fair view in accordance with International Public Sector Accounting Standards (IPSAS) and the requirement of the Commission's Act, 1999 (Act 571) and for such internal control as the Board of Commissioners determine is necessary to enable the preparation of Financial Statements that are free from material misstatement whether due to fraud or error.

In preparing the Financial Statement, the Board of Commissioners are responsible for assessing the Commission's ability to continue as a going concern disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Commissioners either intend to liquidate Forestry Commission or to cease operations or, have no realistic alternative but to do so.

Our audit objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body and for no other purpose. We do not assume responsibility towards or accept liability to any other person, for the content of this reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs,) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also;

- Identify and assess the risk of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioners.
- Conclude on the appropriateness of the Board of Commissioners use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosure is inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause Forestry Commission to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT  
TO THE GOVERNING BOARD OF FORESTRY COMMISSION**

**(continued)**

**FOR THE YEAR ENDED 31ST DECEMBER, 2021**

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Commission to express an opinion on Commission's Financial Statements. We are responsible for the direction, supervision and performance of the Commission's audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Commissioners regarding among the matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal controls that we identify during our audit.

We also provide the Board of Commissioners with a statement that we have complied with relevant ethical requirement regarding independence and to communicate with them all relationship and other matters that may reasonably be thought to bear on our independence and where applicable related safe guard.

**REPORT ON REGULATORY AND OTHER REQUIREMENTS**

The Companies Act, 1999 (Act 571) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii. In our opinion proper books of account have been kept by Forestry Commission so far as appears from our examination of those books; and
- iii. Forestry Commission's Statement of Financial Position (Balance Sheet) and Statement of Financial Performance (Income and Expenditure accounts) are in agreement with the books of account.

In accordance with the Auditor General's term of reference (for this assignment), we confirm that:

- i. No acts were committed that could result in the entity being insolvent, unstable and bankrupt.
- ii. The Entity did not declare dividend as its non-profit making.
- iii. No case of fraud or losses were committed.
- iv. Except as reported in our management letter, no internal control weaknesses were noted.
- v. The entity's performance was generally within target.
- vi. No laws, contracts, enactments and applicable laws were violated which could lead to the scaling down of operation, judicial pursuit or closure.

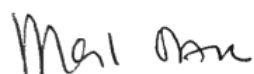
**INDEPENDENT AUDITOR'S REPORT  
TO THE GOVERNING BOARD OF FORESTRY COMMISSION**

**(continued)**

**FOR THE YEAR ENDED 31ST DECEMBER, 2021**

- vii. No items of expenditure were contrary of law.
- viii. Funds of the Commission were used only for the intended purposes.
- ix. Appropriate supporting documents, records and books of accounts were kept by the entity.
- x. There was no indebtedness to the Government of Ghana.
- xi. The entity was in full compliance with all covenants on grants.

The Engagement Partner on the audit resulting in this independent auditor's report is Mr. Timothy A. Osei (ICAG/P/1015)



**MGI O.A.K CHARTERED ACCOUNTANTS (No. ICAG/F/2020/132)**

**T. A. Osei - ICAG/P/1015**  
**18 Airways Avenue**  
**Airport Residential Area, Accra**  
**P. O: Box AN. 5712**  
**Accra –North**

Date. 26th September ...2022

**FORESTRY COMMISSION****STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	Note	2021	2020
		GH¢	GH¢
<b>INCOME</b>			
Subvention from Government	9)	313,374,983	346,171,424
Internally Generated Funds	10)	146,008,082	134,990,858
Grant from Donors	7)	9,355,110	22,307,812
		<b>468,738,174</b>	<b>503,470,094</b>
<b>EXPENDITURE</b>			
Compensation of Employees	11)	135,956,380	123,008,565
Administrative Expenditure	12a)	63,284,926	69,232,414
Operational Expenditure	12b)	72,777,566	80,865,287
Project Expenditure	12c)	8,152,438	8,487,264
Depreciation Charge	2)	8,637,686	7,872,537
Youth in Afforestation Program	16)	177,579,937	265,322,017
		<b>466,388,933</b>	<b>554,788,083</b>
Surplus/(Deficit) Transferred to Accumulate Fund		<b>2,349,241</b>	<b>(51,317,989)</b>
<b>ACCUMULATED FUND ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2021</b>			
Balance as at 1st January 2021		29,090,321	80,408,310
Surplus/(Deficit) Transferred from statement of Financial Performance		2,349,241	(51,317,989)
Balance as at 31st December,2021		<b>31,439,562</b>	<b>29,090,321</b>

# FORESTRY COMMISSION

## STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2021

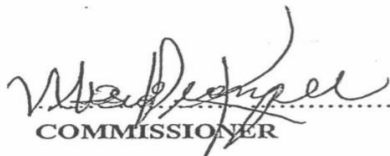
	Note	2021 GH¢	2020 GH¢
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	2)	46,500,977	44,176,608
Capital Work-in-Progress	3)	4,007,572	989,331
		<b>50,508,549</b>	<b>45,165,939</b>
<b>CURRENT ASSETS</b>			
Inventory	4)	10,190,237	9,594,037
Accounts Receivables	5)	30,868,909	30,917,706
Cash and Cash Equivalents	6)	270,891,058	285,574,107
		<b>311,950,204</b>	<b>326,085,850</b>
<b>TOTAL ASSETS</b>		<b>362,458,753</b>	<b>371,251,789</b>
<b>FUNDS AND LIABILITIES</b>			
<b>FUNDS</b>			
Accumulated Fund		31,439,562	29,090,321
Plantation Development (Gmelina)		1,037,298	837,972
Minerals Development Fund		116,884,636	135,377,617
Car Loan Revolving Fund		1,325,562	1,325,562
		<b>150,687,058</b>	<b>166,631,472</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Account Payables	8)	211,771,695	204,620,317

Total Funds and Liabilities

**362,458,753**

**371,251,789**

  
COMMISSIONER

  
COMMISSIONER

Date: ....., 2022

Date: ....., 2022

# FORESTRY COMMISSION

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER, 2021

	Note	2021 GH¢	2020 GH¢
<b>OPERATING ACTIVITIES</b>			
Net Cash Inflow from Operating Activities	13)	768,848	29,460,293
<b>INVESTING ACTIVITIES</b>			
Property, Plant and Equipment Purchased		(11,276,333)	(20,980,971)
Investment Income Received		16,923,999	13,945,687
Capital Work-In-Progress		(3,018,241)	(989,332)
Proceeds from Sale of Property, Plant and Equipment	13)	212,334	240,345
<b>Net Cash Outflow from Investing Activities</b>		<b>2,841,760</b>	<b>(7,784,272)</b>
<b>FINANCING ACTIVITIES</b>			
Plantation Development Grant		199,326	49,982
Minerals Development Fund		(18,492,981)	11,560,678
<b>Net Cash Inflow from Financing Activities</b>		<b>(18,293,655)</b>	<b>11,610,660</b>
<b>Net change in Cash and Cash Equivalent</b>		<b>(14,683,048)</b>	<b>33,286,682</b>
<b>Cash and Cash Equivalents 1st January</b>		<b>285,574,106</b>	<b>252,287,424</b>
<b>Cash and cash equivalent 31st December</b>		<b>270,891,058</b>	<b>285,574,106</b>

## FORESTRY COMMISSION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2021

#### 1. CORPORATE INFORMATION

Forestry Commission is a body corporate established by an Act of Parliament, Forestry Commission Act, 1999 (Act 571). Forestry Commission is domiciled in Ghana with registered office address Gimpa Road, West Legon, P. O. Box MB 434, Accra.

##### 1.1 Basis of Preparation

###### a) Statement of Compliance

The financial statements have been prepared in accordance with International Public Sector Accounting Standards IPSAS and International Financial Reporting Standards (IFRS's)

###### b) Functional and Presentation Currency

The Financial Statements are presented in Ghana Cedi, which is the functional currency of The Forestry Commission. Except as indicated, financial information has been presented in Ghana Cedi and has been rounded to the nearest Ghana cedi.

###### c) Basic of Measurement

The Financial Statements are prepared on the historical cost basis except for the following:

- Financial assets and liabilities initially are recognized at fair value
- Investment property is initially measured at fair value

##### 1.2 Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements and have been applied consistently by the Forestry Commission.

Certain comparative amounts have been reclassified to conform to the current year's presentation.

###### a) Foreign Currency

Transactions in foreign currencies are translated into the functional currency at the exchange rate at the date of the transaction. At each reporting date, assets and liabilities denominated in currencies different from the functional currency are translated into the functional currency at the rate of that date. Foreign exchange gains and losses are recognized in the Statement of Financial Performance

###### b) Property, Plant and Equipment

Property, Plant and equipment is stated at cost, excluding the cost of day-to-day servicing less accumulated depreciation and accumulated impairment losses. Replacement or major inspection costs are capitalized when incurred and if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Land and buildings are measured at fair value less accumulated depreciation on leasehold land and on buildings and impairment losses recognized after the date of the revaluation. Valuations are to be performed frequently to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.



### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2021

Any revaluation surplus is recorded in other comprehensive income and hence credited to the asset revaluation reserve in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the Statement of Financial Position, in which case, the increase is recognized in the Statement of Financial Position. A revaluation deficit is recognized in the income statement, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon derecognition, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Equipment is reflected at cost less accumulated depreciation and accumulated impairment Losses.

An item of property and equipment is de-recognized upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is derecognized.

#### c) Depreciation

Depreciation is provided on the straight-line basis at rates considered appropriate to reduce the cost to net realizable value over the estimated useful life. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that, future economic benefits associated with the item will flow to the Commission and the cost of the item can be reliably measured. Land is not depreciated.

The assets' residual values and useful lives are reviewed at each reporting date and adjusted if appropriate.

Gains and loss on disposal are determined by comparing the asset's proceeds to its carrying amount and are included in the income statement. When revalued assets are sold, the amounts included in the revaluation surplus are transferred to income surplus.

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

The assets' residual values, and useful lives and method of depreciation are reviewed and adjusted, if appropriate, at each financial year end and adjusted prospectively, if appropriate.

Impairment reviews are performed when there are Indicators that the carrying value may not be recoverable. Impairment losses on non-revalued assets are recognized in the income statement as an expense, while reversals of impairment losses are also stated in the income statement.

Impairment losses on revalued assets are recognized in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for the same asset.

**FORESTRY COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

**Significant Accounting Policies (continued)**

<b>Asset Category</b>	<b>Rate</b>
Building	2.50%
Furniture, Fixtures and Fittings	20%
Plant, Machinery and Equipment	10%
Motor Vehicles	25%
Computer and Communication Equipment	25%
Tools and other Equipment	25%

**1.3 Impairment of Non-Financial Assets**

The Commission assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Commission estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash generation unit's (CGU) Fair value less cost to sell and its value in use.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount. The asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs to sell, recent market transactions are considered, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Impairment losses of continuing operations are recognized in the Statement of Financial Performance in those expense categories consistent with the function of the impaired asset. In respect of revalued non-current assets, impairment losses are recognized in other comprehensive income and presented in the revaluation reserve within equity, to the extent that it reverses a previous revaluation surplus relating to the same assets. Any excess is recognized in the Statement of Financial Position.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Commission makes and estimates of the asset's or CGU's recoverable amount.

That increased amount cannot exceed the carrying amount that would have been determined, net of amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the income statement unless the asset is carried at revalued amount, in which case, the reversal is treated as a revaluation increase.

The following criteria are also applied in assessing impairment of specific assets:

**Intangible Assets**

Intangible assets with indefinite useful lives are tested for impairment annually at 31st December, either individually or at the cash generating unit level, as appropriate and when circumstances indicate that the carrying value may be impaired.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

**Significant Accounting Policies (continued)**

**1.4 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**1.5 Financial Assets**

**1.5.1 Initial recognition and measurement**

Financial assets within the scope of IFRS 9 are classified as Financial Assets at Fair Value Through Profit or Loss, loans and receivables, financial assets through profit or loss account, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Commission determines the classification of its financial; assets at initial recognition.

Financial assets are recognized initially at Fair Value and in the case of investment at Fair Value Through Profit and Loss, directly attributable transaction costs.

The classification depends on the purpose for which the investment was acquired or originated. Financial assets are classified as at fair value through profit or loss where the Commission's documented investment strategy is to manage financial investments on a fair value basis, because the related liabilities are also managed on this basis.

Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Commission commits to purchase or sell the asset.

The Commission's financial assets include cash and short-term deposits, Trade and other receivables, quoted and unquoted financial investment.

**1.5.2 Subsequent Measurement**

The subsequent measurement of financial assets depends on their classification as follows:

**Financial Assets Through Profit or Loss**

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as Financial Assets through Profit or Loss when the Commission has the intention and ability to hold until maturity. After initial measurement, held to maturity financial assets are measured at amortized cost, using the Effective interest Rate (EIR), less impairment. The EIR amortization is included in investment income in the income statement. Gains and losses are recognized in the Statement of Financial Position when the investments are derecognized or impaired, as well as through the amortization process.

Financial Assets measured at Fair Value through Profit or Loss in at the books of the Commission include investment in debt securities (Treasury Bills) issued by state government and other corporate entities.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

**De-recognition of Financial Assets**

- 1.5.3** A financial asset (or, when applicable, a part of a financial asset or part of the Commissions similar financial assets) is derecognized when:  
The rights to receive cash flows the asset have expired;  
Or  
The Commission has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement and either:  
a) The Commission has transferred substantially all the risks and reward of the asset or  
b) The Commission has neither transferred nor retained substantially all the risk and rewards of the asset but has transferred control of the asset.

When the Commission has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluate if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Commission continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Commission also recognises an associated liability. The transferred asset and associated liability are measured on a basis that reflects the rights and obligations that the Commission has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Commission has retained.

In that case, the Commission also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Commission has retained

**1.5.4 Impairment of Financial Assets**

The Commission assesses at each reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence -of impairment as a result of one or more events that has occurred after the initial recognition of the estimated future cash flows of the financial assets or the group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that the debtor will enter bankruptcy or other financial reorganization and where observable data indicated that there is a measurable decrease in the estimated future cash flows, such as changes in payment status or economic conditions that correlate with defaults.

**FORESTRY COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

**Significant Accounting Policies (continued)**

**1.5.5 Financial Assets Carried at Amortized Cost**

For Financial assets carried at amortized cost, the Commission first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Commission determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assess them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

The interest income is recorded as part of investment income in the Statement of Financial Performance.

**1.5.6 Financial Liabilities- Initial Recognition and Subsequent Measurement**

**Initial Recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, minus directly attributable transaction costs.

The Commission's financial liabilities include trade and other payables.

**De-recognition of financial liabilities**

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender or substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the Statement of Financial Performance when the liabilities are derecognized.

**FORESTRY COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2021**  
**Significant Accounting Policies (continued)**

**1.5.7 Offsetting of Financial Instrument**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if and only if there is a currently enforceable legal right to offset the recognized amount and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. Income and expense will not be offset in the statement of financial performance unless required or permitted by any accounting standard of interpretation, as specifically disclosed in the accounting policies of the Commission.

**1.5.8 Fair Value of Financial Instruments**

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market bid prices for assets and offer prices for liabilities, at the close of-business on the reporting date, without any adjustment for transaction costs.

For other financial instruments other than investment in equity instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include the discounted cash flow method, comparison to similar instruments for which market observable prices exist and other relevant valuation models.

Their fair value is determined using a valuation model that has been tested against prices or inputs to actual market transactions and using the Commission's best estimate of the most appropriate model assumptions.

For discounted cash flow techniques, estimated future cash flows are based on management's best estimated and the discount rate used is a market-related rate for a similar instrument. The use of different pricing models and assumptions could produce materially different estimates of fair values

The fair value of floating rate and overnight deposits with credit institutions is their carrying value. The carrying value is the cost of the deposit and accrued interest. The fair value of fixed interest-bearing deposits is estimated using discounted cash flow techniques. Expected cash flows are discounted at current market rates for similar instruments at the reporting date.

If the fair value cannot be measured reliably, these financial instruments are measured at cost, being fair value of the consideration paid for the acquisition of the investment or the amount received on issuing the financial liability. All transaction costs directly attributable to the acquisition are also included in the cost of the investment.

**FORESTRY COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

**Significant Accounting Policies (continued)**

**1.6 Trade and Other Receivables**

Accounts receivables are recognized when due and measured on initial recognition at the fair value of the consideration receivable. The carrying value of accounts receivables is reviewed for impairment whenever events or circumstances indicated that the carrying amount may not be recoverable, with the impairment loss recorded in the income statement.

**1.7 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less in the statement of financial position.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

**1.8 Foreign Currency Translation**

The Commission's Financial Statements are presented in Ghana Cedi and items included in the financial statements are measured using Ghana Cedis as the functional currency.

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the reporting date. All exchange differences are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction and are not subsequently restarted. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

When a gain or loss on a monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. Conversely when a gain or loss on non-monetary item is recognized in profit or loss any exchange gain or loss so recognized is the profit or loss

**1.9 Amendment to IAS 32 “financial instruments: presentation”.**

The amendments provide an exception to the consolidation requirement in IFRS 10 and require investment entities to measure particular subsidiaries at fair value through profits or loss, rather than consolidate them. The amendments also set out disclosure requirement for investment entities.

Offsetting Financial Assets and Financial Liabilities (effective for annual periods beginning on or after 1 January 2014) published by IASB on 16 December 2011. Amendment provide clarification on the application on the offsetting rules and focus on four main area (a) the meaning of “currently has a legally enforceable right of set-off”. (b) The application of simultaneous realization and settlement; (c) the offsetting of collateral; (d) the unit of account for applying the offsetting requirements.



**FORESTRY COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

**Significant Accounting Policies (continued)**

Amendment to IAS 36 'Impairment of assets' – Recoverable Amount Disclosures for Non-Financial Assets (effective for annual periods beginning on or after 1 January 2014) published by IASB on 29<sup>th</sup> May 2013.

These narrow-scope amendments to IAS 36 Address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. When developing IFRS 12 Fair Value Measurement. The IASB decided to amend IAS 36 to require disclosure about the recoverable amount of impaired assets. Current amendments clarify the IASB's original intention that the scope of disclosures is limited to the recoverable amount of impaired assets that is based on fair value less costs of disposal.

Novation of Derivatives and Continuation of Hedge Accounting (effective for annual periods beginning on or after 1<sup>st</sup> January, 2014) published by IASB on 27<sup>th</sup> June, 2013.

IFRIC 21 is an interpretation of IAS 37 Provisions, Contingent Liabilities and Contingent Assets. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligation event). The interpretation clarifies that the obligation event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

The adoption of these amendments to the existing standards and interpretations has not led to any changes in the Entity Accounting Policy.

**1.9.1 New standards and interpretations issued but not yet effective**

Standards issued but not yet effective up to the date of issuance of the Commission's financial statements are listed below. This listing of standards and interpretations issued are those that the Commission reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Centre intends to adopt these standards when

IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2018), issued on 24 July 2014 is the IASB's replacement of IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes requirements for recognition and measurement, impairment, recognition and general hedge accounting.

**Classification and Measurement- IFRS 9** introduces new approach for the classification of financial assets, which is driven by cash flow characteristics and the business model in which an asset is held. This single, principal-based approach replaces existing rule-based requirements under IAS 39. The new model also results in a Single impairment model being applied to all financial instruments.

Impairment - IFRS 9 has introduced a new, expected-loss impairment Model that will require more timely recognition of expected credit losses. Specifically, the new standards require entities to account for expected credit losses from when financial instruments are first recognized and to recognize full lifetime expected losses on a timelier basis.

## FORESTRY COMMISSION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2021

#### Significant Accounting Policies (continued)

Hedge accounting- IFRS 9 introduced a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new model represents a significant overhaul of hedge accounting that aligns the accounting treatment with risk management activities.

Own-Credit- IFRS 9 removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss.

IFRS 15 Revenue from Contracts with Customers (effective for annual periods beginning on or after 1 January 2017), published by IASB -on 28 May 2014.

IFRS 15 specifies how and when an IFRS reporter will recognize revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standards supersede IAS 18 "Revenue", IAS 11 "Construction Contracts" and a number of revenue-related interpretations. -Application of the Standard is mandatory for all IFRS reporters and it applies to nearly all contracts. The core principle of the new Standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is payment) to which the Commission expects to be entitled in exchange for those goods or services. The new Standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (For example, service revenue and contract modifications) and improve guidance for multiple element arrangement.

#### 1.9.2 Amendments to IFRS 9 Financial Instruments' and IFRS 7 "Financial Instruments: Disclosures

Mandatory Effective Date and Transition Disclosures published by IASB on 16 December 2011. Amendment defers the mandatory effective date from 1 January 2013 to 1 January 2015. The amendments defer the mandatory effective date from 1 January 2013 to 1 January 2015. The amendments also provide relief from the requirement to restate comparative financial statements for the effect of applying IFRS 9. This relief was originally only available to entities that chose to apply IFRS 9 prior to 2012. Instead, additional transition disclosures will be required to help investors understand the effect that the initial application of IFRS 9 has on the classification and measurement of financial instruments.

Amendments to IFRS 10 "Consolidated Financial Statements". The amendments are intended to provide additional transition relief in IFRS 10, by limiting the requirement to provide adjusted comparative information to only the preceding comparative period.

Amendment to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective for annual periods beginning on or after 1 January 2016), published by IASB on 11 September 2014.

## FORESTRY COMMISSION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2021

The amendments address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business.

Amendments to IAS 16 Property, Plant and Equipment's' and IAS 38 Intangible Assets Clarification of Acceptable Methods of Depreciation and Amortization (Effective for annual periods beginning on or after 1 January 2016,) published by IASB on 12 May 2014.

These amendments clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. Amendments also clarify that revenue is generally presumed to be an inappropriate basis of measuring the consumption of the economic benefits embodied in an intangible asset. The presumption, however, can be rebutted in certain limited circumstances.

Amendment to IAS 16 Property, Plant and Equipment and IAS 41 Agriculture: Bearer Plants (effective for annual periods beginning on or after 1 January 2016, published by IASB on 30 June 2014.

The amendments bring bearer plants, which are used solely to grow produce, into the scope of IAS 16 so that they are accounted for in the same way as property, plant and equipment.

Amendment to IAS 19 Employee Benefits- Defined Benefit Plans Employee Contributions (effective for annual periods beginning on or after 1 July 2014) published by IASB on 21 November 2013.

The narrow scope amendments apply to contributions from employees or third parties to defined benefits plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example employee contributions that are calculated according to a fixed percentage of salary.

Amendment to IAS 27 Separate Financial statements - Equity Method in Separate Financial Statements (effective for annual periods beginning on or after 1 January 2016), Published by IASB on 12 August 2014

The amendments reinstate the equity methods as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements.

IAS 27 Separate Financial Statements (revised in 2011) published by IASB on 12 May 2011. The requirement relating to separate financial statements are unchanged and are included in the amended IAS 27. The other portions of IAS 27 are replaced by IFRS 10.

IAS 28 Investment in Associates and Joint Ventures " (revised in 2011) published by IASB on 12 May 2011. IAS 28 is amended for conforming changes based on the issuance of IFRS 10, IFRS 11 and IFRS 12.

## **FORESTRY COMMISSION**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2021**

Revised requirements regarding: (i) meaning of effective IFRS in IFRS 1, (ii) scope of exception for joint ventures; (iii) scope of paragraph 52 of IFRS 13 (portfolio exception) and (iv) clarifying the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property. (Amendments are to be applied for annual periods beginning on or after 1 July 2014,

#### **Annual Improvements to IFRSs 2010 - 2012 Cycle**

These improvements were effective from 1 July 2014 and are not expected to have a material impact on the Commission. They include:

- a. A performance condition must contain service condition
- b. A performance target must be met while the counterparty is rendering service
- c. A performance target may relate to the operations or activities of an entity, or to those of another entity in the same group
- d. A performance condition may be a market or non-market condition
- e. If the counterparty, regardless of the reason, ceases to provide service during the vesting period of the service condition is not satisfied.

#### **IFRS 3 Operating Combination**

The amendment is applied prospectively and clarifies that all contingent combinations arrangements classified as liabilities (or assets) arising from a business combination should be subsequently measured at fair value through profit and loss whether or not they fall within the scope of IFRS 9 (or IAS 39, as applicable).

#### **IFRS 8 Operating Segments**

The amendments are applied retrospectively and clarify that:

An entity must disclose the judgments made by management in applying the aggregation criteria in paragraph 12 of IFRS 8, including a brief description of operating Segments that have been affected and the economic characteristic (e.g., sales and gross margins) used to assess whether the segments are similar'

The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.

#### **IAS 24 Related Party Disclosures**

The amendment is applied retrospectively and clarifies in IAS 16 and IAS 38 that the asset may be revalued by reference to observable data on either the gross or the net carrying amount. In addition, the accumulated depreciation or amortization is the difference between the gross and carrying amounts of asset.

**FORESTRY COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2021**

**1.9.3 IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets**

The amendment is applied retrospectively and clarifies in IAS 38 that the asset may be revalued by reference to observable data on either the gross or the net carrying amount. In addition, the accumulated depreciation or amortization is the difference between the gross and carrying amounts of the services.

**IAS 24 Related Party Disclosures**

The amendment is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel service) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management service.

Annual improvements 2012 -2013 cycle

These improvements are effective from 1 July 2014 are not expected to have a material impact on the Commission. They include:

**IFRS 3 Business Combinations**

The amendment is applied prospectively and clarifies for the scope exceptions within IFRS that Joint arrangement, not just joint ventures, are outside the scope of IFRS.

This scope exception applies only to the accounting in the financial statements of the joint arrangement itself.

**IFRS 13 Fair Value Measurement**

The amendment is applied prospectively and clarifies that & the portfolio exception in IFRS 13 can be applied not only to financial assets and financial liabilities, but also other contracts within the scope of IFRS (or IAS 39, as applicable)

**IAS 40 Investment Properties**

The description of ancillary services in IAS 40 differentiates between investment property and owner-occupied property (i.e., property, plant and equipment). The amendment is applied prospectively and clarifies that IFRS 3, and not the decryption of ancillary services in IAS 40, is used to determine if the transaction is the purchase of an asset or business combination.

**Annual Improvements 2012 - 2014 Cycle**

These improvements which were done in September 2014 are effective beginning on or after 1 January 2016 and are not expected to have a materials impact of the Centre. They include:

**IFRS 5 Non-current Asset Held for Sale and Discontinued Operations**

Adds specific guidance in IFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for distribution accounting discontinued.

**IFRS 7 Financial Instruments: Disclosures**

Additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset, and clarification on offsetting disclosures in condensed interim financial statements.

## FORESTRY COMMISSION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2021

#### **IAS 19 Employee Benefits**

Clarify that the high-quality corporate bonds used in estimating the discount rate for postemployment benefits should be denominated in the same currency as the benefits to be paid.

#### **IAS 34 Interim Financial Reporting**

Clarify the meaning of elsewhere in the interim report and require a cross-reference. The Entity has elected not to adopt these standards, revisions and interpretations in advance of their effective dates. The Entity anticipates that the adoption of these standards, revisions and interpretations will have no material impact on the financial statements of the Entity in the period of initial application.

#### **1.1 Financial Risk Management Framework**

This presents information about the Commission's exposure to each of the risk below, the Commission's objectives, policies and processes for measuring and managing risk, and management the funds.

##### **1.10.1 Credit Risk**

Credit risk is a risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Commission trades only with recognized, creditworthy third parties. It is the Commission's policy that all customers who wish to trade on credit terms are subject to credit verification procedures, which include an assessment of credit rating, short-term liquidity and financial position.

The Commission obtains sufficient collateral (where appropriate) from customers as a means of mitigating the risk of financial loss from defaulters. In addition, receivable balances are monitored on an ongoing basis, with the result that the Commission's exposure to bad debt is not significant.

Financial assets, cash and cash equivalents are placed with reputable financial institutions. The Commission has policies which limit exposure to any one financial institution. The investment committee regularly reviews the Commission's investment and potential exposure.

##### **1.10.2 Liquidity Risk**

The Commission is exposed to daily calls on its available cash resources from project cost arising. Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost.

The Commission's liquidity and ability to meet such calls are monitored by the investment committee.

##### **1.10.3 Interest Rate Risk**

Changes in market interest rates have a direct effect on the contractually determined cash flows associated with floating rate instruments. The Commission does not have any interest-bearing borrowings. Interest rate risk is therefore limited to the Commission's investment in floating rate deposits.

## FORESTRY COMMISSION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2021

#### 1.10.4 Currency Risk

The Commission has financial assets which are denominated in foreign currencies. These assets are exposed to currency translation risk. Primarily the United States of America Dollar, the Pound and the Euro. These are material to the Commission.

#### 1.10.5 Operational Risk

It is the risk that there is a loss as a result of inadequate or failed processes, people or systems and external events

Operational Risk Includes;

Information and technology risk: the risk of obsolescence of infrastructure, deficiency in integration, failures/ inadequacies in system/ networks and the loss of accuracy, confidentiality, availability and integrity of data.

#### 1.10.6 Going Concern/Business Continuity Risk

The risk that inadequate processes, people, financial controls and resources exist to continue business in the foreseeable future.

#### 1.10.7 Legal Risk

Legal risk is the risk that Forestry Commission will be exposed to contractual obligations which have not been provided for. There is a risk that practices established in the past may be unacceptable in changing legislative environments.

This risk is managed through clear contracting. Forestry Commission monitors and influences events to the extent possible by participation in discussions with legislators.

#### 1.10.8 Compliance Risk

The risk of not complying with laws and regulations, as well as investment management mandates.

#### 1.10.9 Fraud Risk

The risk of financial crime and unlawful conduct occurring within the Commission.

The Commission mitigates these risks through its culture and values, a comprehensive system of internal controls, internal audit, compliance functions and other measures, such as backup facilities, contingency planning and insurance. The initiation of transactions and their administration are conducted on the basis of the segregation of duties, designed to ensure the correctness, completeness and validity of all transactions. .



## FORESTRY COMMISSION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2021

#### **1.10.10 Expense Risk**

Expenses risk is the risk of loss in future periods due to actual expense experience being worse than in executing of projects.

Expenses are monitored and management through the Commission's budgeting process. Fixed costs are distributed over a variable number of projects and so a decrease in business values may negatively influence the business. Fluctuations in variable acquisition costs are monitored to ensure consistency with new business volumes. Unexpected once-off costs will reduce surplus during the year. Experience has demonstrated that it is impossible to anticipate all expenses during the budget progress. Therefore, negative impacts on future surpluses are prevented by making allowance for one-off costs in the projection of future expenses.

#### **1.10.11 Investment Risk**

Investment risk relates to the relative sensitivity of long-term policy liabilities and the supporting assets to interest rate, market, credit, liquidity, currency and derivative risks.

#### **1.10.12 Reputation Risk**

Reputation risk is the risk that the Commission fails to put in place measures and policies that will prevent the occurrence of events which may affect the reputation of the Commission should they occur. Actions with a potential reputation impact are escalated to the appropriate level of senior management.

#### **1.10.13 Working Capital Adequacy Risk**

Working capital adequacy risk is the risk that there are insufficient reserves to provide for variations in actual future experience that is worse than what has been assumed in the financial soundness valuation. The Commission must maintain a working capital balance that will be at least sufficient to meet obligation in the event of substantial deviations from the main risk assumptions affecting the Commission's business.

**FORESTRY COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

**2) PROPERTY, PLANT AND EQUIPMENT**

	<b>Building &amp; Civil Works</b>	<b>Plant &amp; Machinery</b>	<b>Motor Vehicles</b>	<b>Computer &amp; Accessory</b>	<b>Office&amp; Residential Equipment</b>	<b>Office &amp; Residential Furniture</b>	<b>Total</b>
	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
<b>Cost</b>							
Balance at 1st January 2021	21,879,223	4,343,714	31,202,322	24,793,625	11,858,207	3,970,992	98,048,083
Additions	4,994,452	400,126	821,751	2,991,871	849,643	1,014,600	11,072,444
Disposal	-	-	(731,407)	-	-	-	(731,407)
Cost at 31 <sup>st</sup> December 2021	<b>26,873,675</b>	<b>4,743,839</b>	<b>31,292,666</b>	<b>27,785,497</b>	<b>12,707,850</b>	<b>4,985,592</b>	<b>108,389,119</b>
<b>Depreciation</b>							
Balance at 1st January, 2021	2,978,566	1,066,077	26,407,179	17,180,874	3,956,495	2,282,284	53,871,474
Charge for the year	677,993	37,977	3,395,998	2,529,293	1,265,870	730,557	8,637,686
Disposal	-	-	(621,018)	-	-	-	(621,018)
Balance at 31st December, 2021	<b>3,656,558</b>	<b>1,104,054</b>	<b>29,182,159</b>	<b>19,710,166</b>	<b>5,222,365</b>	<b>3,012,840</b>	<b>61,888,143</b>
<b>NET BOOK VALUE:</b>							
<b>31ST DECEMBER 2021</b>	<b>23,217,117</b>	<b>3,639,785</b>	<b>2,110,507</b>	<b>8,075,331</b>	<b>7,485,485</b>	<b>1,972,752</b>	<b>46,500,977</b>
<b>31ST DECEMBER 2020</b>	<b>18,900,657</b>	<b>3,277,636</b>	<b>4,795,143</b>	<b>7,612,752</b>	<b>7,901,712</b>	<b>1,688,708</b>	<b>44,176,608</b>

# FORESTRY COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2021

	2021 GH¢	2020 GH¢
<b>3. CAPITAL WORK-IN-PROGRESS</b>		
Balance at 1st January	989,331	-
Addition	3,018,241	989,331
Transfers to Property, Plant and Equipment	-	-
	<u>4,007,572</u>	<u>989,331</u>
<b>4. INVENTORIES</b>		
Hardware	7,341,589	8,796,214
Stationery	2,848,648	797,823
	<u>10,190,237</u>	<u>9,594,037</u>
<b>5. ACCOUNTS RECEIVABLE</b>		
Trade Debtors -Stumpage Fees	6,719,082	6,161,502
Less Provision for Doubtful Debts	(2,550,369)	(2,550,396)
	<u>4,168,686</u>	<u>3,611,106</u>
Trade Debtors -Plantation	25,774,292	25,774,292
Less Provision for Doubtful Debts	(13,555,444)	(13,555,444)
	<u>16,387,535</u>	<u>15,829,954</u>
Export Levy Debtors	134,070	128,724
Plantation Development (WIP) Debtors	8,448,121	8,877,813
Sundry Debtors	5,899,183	6,081,215
	<u>30,868,909</u>	<u>30,917,706</u>

Plantation Development (WIP) Debtors- is the cost of failed areas established by Service Contractors from 2010 to 2013. The cost of rehabilitation has been secured by financial bonds by the Contractors (Zoil and Ecotech Services).

	2021 GH¢	2020 GH¢
<b>6. CASH AND CASH EQUIVALENT</b>		
Fixed Deposits	234,419,307	237,788,200
Call Accounts	9,158,455	9,835,343
Bank & Cash Balances	22,115,990	30,973,374
Project Balances	5,197,306	6,977,188
	<u>270,891,058</u>	<u>285,574,106</u>

# FORESTRY COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2021

	2021 GH¢	2020 GH¢
<b>7. GRANTS FROM DONOR AGENCIES</b>		
Wood Tracking System (VPA) (DFID)	-	3,872,456
Forest Carbon Partnership Facilities (World Bank)	3,305,509	14,840,251
Food and Agriculture Organization	-	247,275
Global Environment Facility (SLWMP)	-	1,033,600
REDD+	2,765,979	323,965
Other Grant	3,283,621	1,990,265
	<b>9,355,110</b>	<b>22,307,812</b>
<b>8. ACCOUNTS PAYABLE</b>		
Office of the Administrator of Stool Lands:		
Stumpage Fees Payable	45,006,634	52,331,862
Plantation	212,615	852,618
Current Account with Divisions	152,731,553	104,465,226
Sundry Creditors and Accruals	13,820,893	46,970,610
	<b>211,771,695</b>	<b>204,620,317</b>
<b>9. SUBVENTION FROM GOVERNMENT OF GHANA</b>		
Consolidated Fund Account	132,632,983	115,905,024
Plantation Grant- YEA	180,742,000	230,266,400
	<b>313,374,983</b>	<b>346,171,424</b>
<b>10. INTERNALLY GENERATED FUNDS</b>		
Stumpage Fees & Premium Levy	66,020,409	43,213,049
Plantation and Natural Forest Timber	30,413,370	31,617,655
Export Levy	10,626,992	11,957,320
Fumigation Income	5,092,431	3,083,240
Investment Income	16,923,999	14,426,378
Park Entrance fees	3,139,949	4,223,808
Other Income	13,790,932	26,469,407
	<b>146,008,082</b>	<b>134,990,858</b>
<b>11. COMPENSATION OF EMPLOYEES</b>		
Salaries and Wages	124,876,675	112,288,146
Staff Allowances	291,506	519,035
SSF-Employer's Contribution	10,788,199	10,201,383
	<b>135,956,380</b>	<b>123,008,564</b>

**FORESTRY COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

	<b>2021</b>	<b>2020</b>
<b>12a. ADMINISTRATIVE EXPENDITURE</b>	<b>GH¢</b>	<b>GH¢</b>
Electricity and Water	1,729,467	1,303,135
Postal, Telephone and Internet Subscription	1,429,915	1,364,643
Cleaning and Sanitation Charges	1,541,999	1,123,496
Security Services	947,031	831,061
Office Consumables	6,063,004	2,723,285
Printing and Publication Charges	2,568,034	3,821,535
Staff Welfare, Donation and Contributions	13,264,314	15,867,489
Travel and Transport – Local	6,277,242	8,061,907
Travel and Transport – Foreign	639,877	1,764,833
Vehicle Running Cost	5,345,938	3,935,819
Vehicle Repairs and Maintenance	223,193	1,419,631
Repairs & Maintenance	2,086,576	1,895,145
Contracts Staff Salaries	940,797	845,665
Software Maintenance	1,005,324	2,397,731
Consultancy/Professional and Legal Fees	1,498,883	3,100,314
Audit Fees	145,464	126,490
Board Expenses	975,275	756,043.54
Bank Charges	760,447	751,807
Sitting Allowances	7,615,787	5,813,726
Medical Expenses	1,942,972	2,824,970
Training and Conferences	1,938,626	1,348,615
Insurance and Compensation	2,080,124	1,976,346
Hotel Accommodation	733,323	616,033
Residential Accommodation	383,780	504,201
Trade Promotion	95,391	119,177
Uniform and Protective Clothing	167,459	2,121,054
Retirement Benefit	884,684	1,246,329
Exchanges Difference	—	562,934
	<b><u>63,284,926</u></b>	<b><u>69,232,414</u></b>

**FORESTRY COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

	<b>2021</b>	<b>2020</b>
	<b>GH¢</b>	<b>GH¢</b>
<b>12b) OPERATIONAL EXPENDITURE</b>		
Postal, Telephone and Internet Subscription	953,277	909,762
Travel and Transport-Local	11,688,658	15,011,827
Travel and Transport-Foreign	599,884	1,654,531
Vehicle Running Cost	6,464,855	4,759,595
Vehicle Repairs and Maintenance	269,908	1,716,763
Board Expenses	438,167	343,715
Property Rate and Ground Rent	346,737	301,810
Training and Conferences	3,231,044	2,247,691
Hotel Accommodation	1,099,984	924,049
Uniform and Protective Clothing	948,934	12,019,303
Operation Halt Campaign (Monitoring)	31,453,673	29,697,648
Maintenance of Zoo Animals	2,072,674	564,782
Fire Prevention Campaign	2,887	35,343
Plantation Expenses	13,180,308	10,636,467
Reclamation of Mines Areas	-	42,000
Social Intervention Development Programme	26,575	-
	<b><u>72,777,566</u></b>	<b><u>80,865,287</u></b>
 <b>12c) PROJECT EXPENDITURE</b>		
Travel and Transport – Local	3,679,763	4,725,945
Travel and Transport-Foreign	93,315	257,372
Vehicle Running Cost	621,621	457,653
Vehicle Repairs and Maintenance	25,953	165,073
Consultancy/Professional and Legal Fees	606,062	442,062
Training and Conferences	1,292,418	899,077
Hotel Accommodation	1,833,307	1,540,082
	<b><u>8,152,438</u></b>	<b><u>8,487,264</u></b>

**FORESTRY COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**

	<b>2021 GH¢</b>	<b>2020 GH¢</b>
<b>13) RECONCILIATION OF SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES</b>		
Deficit for the year	2,349,241	(51,317,989)
Adjust for:		
Depreciation	8,637,686	7,872,537
Investment Income	(16,923,999)	(14,426,378)
Gain on Disposal	101,945	240,345
(Increase) / Decrease in Inventory	(596,200)	14,256,547
(Increase) / Decrease in Accounts Receivable	48,797	(466,164)
Increase / (Decrease) in Accounts Payable	7,151,379	73,301,395
<b>Net Cash inflow in the year</b>	<b>768,848</b>	<b>29,460,293</b>

	<b>Balances as at 31<sup>st</sup> December</b>		<b>Changes in the year</b>	
<b>14.) ANALYSIS OF MOVEMENTS IN CASH</b>	<b>2021 GH¢</b>	<b>2020 GH¢</b>	<b>2021 GH¢</b>	<b>2020 GH¢</b>
<b>Bank Balances</b>	36,471,751	47,785,906	(11,314,155)	32,938,393
<b>Short term Investment</b>	234,419,307	237,788,200	(3,368,893)	348,288
	<u>270,891,058</u>	<u>285,574,106</u>	<u>(14,683,048)</u>	<u>33,286,681</u>

**15) PROFIT OR LOSS ON DISPOSAL**

	<b>2021 GH¢</b>	<b>2020 GH¢</b>
Cost of Asset	731,407	394,010
Accumulated Depreciation	(621,018)	(394,010)
Net Book Value	110,389	-
Proceeds from Disposal	212,334	240,345
	<u>101,945</u>	<u>240,345</u>

The Commission disposed of some of its fully depreciated motor vehicles during the year.

**16) YOUTH IN AFFORESTATION PROGRAM EXPENDITURE**

	<b>2021 GH¢</b>	<b>2020 GH¢</b>
Plantation Development	19,555,870	17,464,023
Consumables and Protective Clothing	12,050,862	45,040,791
Staff Remuneration	145,973,206	202,817,204
	<u>177,579,937</u>	<u>265,322,017</u>



