



Annual Report
2023

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ABBREVIATIONS

AAC	Annual Allowable Cut
ASM	Artisanal and Small-scale Mining
BoC	Board of Commissioners
BSAs	Benefit Sharing Agreements
CBOs	Community Based Organisations
CE	Chief Executive
CEC	CREMA Executive Committee
CERSGIS	Centre for Remote Sensing and Geographic Information Services
CGU	Cash Generation Unit
CITES	Convention on International Trade in Endangered Species
COP	Conference of Parties
CPME	Corporate Planning, Monitoring and Evaluation
CREMA	Community Resource Management Area
CRMCs	Community Resource Management Committees
EAP	Environmental Action Plan
ECOWAS	Economic Community of West African States
EIR	Effective Interest Rate
ENFAL	Enhancing Natural Forest and Agroforest Landscape
EPMD	Effective Patrol Man-Days
ERPA	Emission Reduction Payment Agreement
ESMP	Environmental and Social Management Plan
ETMP	E-Tagged Mitigation Polypod
FC	Forestry Commission
FCLP	Forest and Climate Leaders' Partnership
FCTC	Forestry Commission Training Centre
FDS	Forest Defence System
FIP	Forest Investment Programme
FLEGT	Forest Law Enforcement, Governance and Trade
FR	Forest Reserve
FSD	Forest Services Division
GCFRP	Ghana Cocoa Forest REDD+ Programme
GEA	Ghana Employers Association
GFPS	Ghana Forest Plantation Strategy
GGD	Green Ghana Day
GIS	Geographic Information System

GLRSSMP	Ghana Landscape Restoration and Small-Scale Mining Project
GPS	Global Positioning System
GSLERP	Ghana Shea Landscape Emission Reduction Project
GSS	Ghana Statistical Service
GTDP	Ghana Tourism Development Project
GWTS	Ghana Wood Tracking System
HFZ	High Forest Zone
HIA	Hotspot Intervention Area
HR	Human Resource
ICT	Information Communication and Technology
IEF	Integrated Electronic Forest
IGF	Internally Generated Funds
LEAF	Lowering Emissions by Accelerating Forest Finance
LLAs	Land Lease Agreements
LUS	Lesser Used Species
M&E	Monitoring and Evaluation
MDAs	Ministries, Departments and Agencies
MLNR	Ministry of Lands and Natural Resources
MMDAs	Metropolitan, Municipal and District Assemblies
MOFEP	Ministry of Finance and Economic Planning
MTS	Modified Taungya System
NAP	National Afforestation Programme
NDPC	National Development Planning Commission
NEPP	National Environmental Protection Programme
NGOs	Non-Governmental Organisations
OASL	Office of the Administrator of Stool Lands
PAs	Protected Areas
PDO	Project Development Objective
PSPs	Permanent Sample Plots
REDD+	Reducing Emissions from Deforestation and Forest Degradation
REVCOMSYS	Revenue Collection and Management System
RMSC	Resource Management Support Centre
RRTs	Rapid Response Teams
SIGA	State Interests and Governance Authority
SMTDP	Sector Medium-Term Development Plan
SRAAs	Social Responsibility Agreements
SSL	Secured Socket Layer

TIDD	Timber Industry Development Division
TIFs	Tree Information Forms
TUCs	Timber Utilization Contracts
TVD	Timber Validation Department
UAE	United Arab Emirates
UNFCCC	United Nations Framework Convention on Climate Change
USA	United States of America
WD	Wildlife Division
YAP	Youth in Afforestation Programme

EXECUTIVE SUMMARY

Introduction

The country's abundant natural resources, including forests, fertile land and minerals, are essential for its economic growth and contribute significantly to the nation's development. Hence, the sustainable management and utilization of these resources are also crucial for safeguarding ecological integrity.

As outlined in the 2022–2025 Sector Medium-Term Development Plan (SMTDP), this Annual Report outlines the indicators and targets used to track the progress of the Forestry Commission's programmes and projects.

By ensuring sustainable management and development of forest and wildlife resources, the SMTDP seeks to combat forest degradation as well as contribute to long-term development and poverty alleviation.

Management/Production of Forest Resources

All applications for Timber Utilization Contracts (TUCs), as well as salvage, special, and plantation permits, in line with the nation's timber rights policy, must adhere to pertinent laws and procedures. The Commission vetted and approved one hundred and fifty-three (153) salvage permits, with 13 of the permits from on-reserve areas and 140 from off-reserve areas. Also, 208 plantation permits were approved for harvesting with a corresponding volume of 162,643.70m³ of various timber species.

On Annual Allowable Cut (AAC), a total of 1,688,834.41m³ (1,458,194.32m³ on-reserve and 230,640.09m³ off-reserve) of natural forest timber was harvested as against 1,671,303m³ (1,430,945m³ on-reserve and 240,358m³ off-reserve) harvested in 2022, exceeding this limit by 69%. A total of 285,189m³ of plantation timber was also harvested as compared to 297,154m³ in 2022.

During the year, the Commission facilitated the export of a variety of timber and wood products to multiple destinations including Africa, Asia and Europe. A total of 293,285m³ timber products, worth €134 million, were exported as against 343,440m³ and €154 million in 2022.

Protection of Forest and Wildlife Resources

According to the 2021 Land Use and Land Cover study by the Forestry Commission, the total forest area was 6.6 million hectares, comprising 1.2 million hectares of closed forest and 5.4 million hectares of open forest. This includes 266 gazetted forest reserves with 204 in the High Forest Zone and 62 in the Savanna Zone. The country has 23 wildlife protected areas, which include 7 National Parks, 6 Resource Reserves, 2 Wildlife Sanctuaries, 1 Strict Nature Reserve, 5 Coastal Ramsar sites and 2 National Zoos.

A total of 22,650km of forest reserve boundaries were cleaned as against 22,496km in 2022. Boundary inspections also covered 22,347km against 22,281km inspected in the previous year. As part of the additional efforts to constantly protect and preserve the integrity of forest reserves and wildlife protected areas, the Commission deployed Rapid Response Teams to combat all forms of forest illegalities.

Development of Forest and Wildlife Resources

Forest landscape restoration as a component within the Sector Medium-Term Development Plan for 2022–2025 remains a key priority for the Commission, which aligns with the Ghana Forest Plantation Strategy (GFPS 2016–2040). The objective of the GFPS is to establish 25,000 hectares (ha) of forest plantations annually. A total area of 16,941.5ha was established, comprising 12,613.4ha for the public sector and 4,328.1ha for the private sector. Also, a total area of 2,387ha of degraded forest land was restored through enrichment planting, and 50,601ha of established plantations were maintained.

A total of 187,000 bamboo seedlings were raised at the Kyebi-Apapam nursery and subsequently distributed for planting. The Commission aimed to facilitate the establishment of a 500-hectare bamboo plantation and successfully facilitated 465 hectares of bamboo plantation.

In response to climate variability and change, significant progress was made under the Ghana REDD+ Strategy and its Benefit Sharing Plan. During the year, the due diligence process for the disbursement of Carbon Payments was completed, enabling the distribution of funds to beneficiaries. A milestone event was held on July 20, 2023, to present Emission Reduction Payments to beneficiaries of the Ghana Cocoa Forest REDD+ Programme. At the end of the year, Ghana had achieved a total of 3,517,888 tCO_{2e} in emission reductions for the 2021/2022 period. Also, a total of 2,930.6 hectares of MTS plantations were established under the Ghana Shea Landscape Emission Reduction Project (GSLERP), and 128.9 hectares of Shea parklands were restored.

The Commission continues to utilize the concept of ecotourism to enhance the country's economy in its Protected Areas, as well as increasing awareness of the value of natural resources conservation, protecting biodiversity and promoting community development. During the year under review, ecotourism visitations increased by 41%, with a total visit of 478,026 as compared to 340,125 recorded in 2022.

Forest and Wildlife Policy and Legal Regimes

The Commission expanded its Rapid Response Teams (RRTs) from fourteen (14) to eighteen (18), reinforcing its capacity to combat illegal activities. These teams were strategically deployed and positioned across hotspot areas in twenty-four (24) Forest Districts and two (2) Wildlife Protected Areas.

Additionally, 362 effective patrol staff achieved a total of 242 Effective Patrol Man Days (EPMD) per officer. The intensified operations of the Rapid Response Teams resulted in the confiscation of 106,430 assorted pieces of lumber, 216 chainsaws, and 18 firearms, as well as 731 heavy-duty pumping plants seized. In designated hotspot forest reserves, the Commission immobilised 125 excavators and destroyed 9 “chanfan” machines used in illegal activities, while 59 vehicles were impounded and 388 suspects were apprehended.

Under Forest Law Enforcement Governance and Trade (FLEGT), the Commission maintained its Timber Legality Audits of both implementing agencies and the private sector. During the audit cycle, two (2) sets of audits were completed, covering 37 FSD District offices and 15 TIDD Area offices. Throughout the year, a total of 133 non-conformances were identified against the auditees.

Environmental Interventions and Events

The third (3rd) edition of the Green Ghana Day (GGD) Initiative was commemorated on 9th June, 2023 under the theme “Our Forests, Our Health”, which was geared towards planting a target of 10 million trees in a day to restore degraded landscapes across the country. During this year's edition, 11,515,108 seedlings were distributed, out of which 10,704,897 were confirmed as planted. The seedlings planted include timber, fruit, ornamental, shade and multipurpose tree species.

The Commission participated in the 71st International Annual Wildlife Disease Association Congress held in Athens, Georgia, USA. This conference was aimed at finding holistic solutions to current and emerging global challenges that optimize outcomes for humans, animals and the environment under the theme: “People, Passion, & Purpose: The Pathway to Wildlife Health”.

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 staff within the Commission was 4,530, which included 1,836 senior staff members, accounting for 41%, and 2,694 junior staff members, representing 59%.

According to the Commission's Human Resource Policy and Procedure on training, staff participate in a variety of training programmes designed to enhance their knowledge, skills, and abilities for effective job performance and career development. One thousand three hundred eighty-four (1,384) staff participated in various training programmes, workshops, conferences, and short courses initiated by the Commission short courses. Also, a series of health and safety programmes were conducted by the Commission during the year to raise awareness and encourage staff to adopt healthier lifestyles for their well-being.

Forest and Wildlife Stakeholder Collaborations

During the year under review, 76 individuals (8 females & 68 males) were trained, comprising CREMA Executive Committee (CEC) members and Community Resource Management Committee (CRMC) members in the Western Wildlife Corridor to improve their leadership and technical skills at the Bolgatanga regional office. Biodiversity and threat assessment monitoring and training were carried out for 25 community resource monitoring unit members in CREMAs around the park at Mole National Park. Also, one (1) training programme was organized for CREMA members on Wildlife and Forest Laws at the Takoradi regional office.

Furthermore, fifteen (15) Communities were trained and supported to produce 70,000 tree seedlings. The Keta Lagoon Complex Ramsar Site collaborated with Kasa Initiative Ghana to build the capacity of Gamenu and Akalove communities on the restoration and sustainable harvesting of mangroves. Restoration of 118ha of degraded areas within Keta Lagoon Complex, Songor and Muni-Pomadze Ramsar Sites was also undertaken, and 82,000 seedlings were planted in other wildlife protected areas.

As part of conservation efforts, the Commission facilitated sensitization programmes in 283 First and Second Cycle schools, 317 communities and Ramsar Sites. To further enhance public understanding of wildlife laws within Ramsar sites and protected areas, the Commission broadcasted 79 educational radio programmes nationwide.

Efficient and Effective Organizational Infrastructure Development

To ensure the achievement of the organizational strategic and business goals, various Departments and Units at the Commission's Headquarters play a pivotal role in the effective and efficient development of forest and wildlife resources.

The Commission developed the 2023 Action Plan to streamline and oversee the operations of its Divisions, Departments and Units. The 2023 Monitoring and Evaluation (M&E) Plan sort to establish a robust, fully integrated, harmonized, and coordinated framework for monitoring policy initiatives, programmes, projects, and activities as well as evaluating their outcomes. Key observations and findings were compiled into comprehensive reports with actionable recommendations and submitted to the Chief Executive and Audit Committee for further review and consideration.

On Internal Auditing, the Commission completed 72 out of its 75 planned risk-based audit assignments, which depicts an achievement of 96%.

The Commission continued to harness ICT to enhance its business processes by training staff in the use of modern technology and electronic equipment, providing comprehensive user support across the organisation, maintaining network infrastructure, developing systems to support forest and wildlife operations as well as conducting in-depth research into emerging technologies relevant to the forest and wildlife sector.

In line with the 2012 Forest and Wildlife Policy and the Forestry Development Master Plan (2016–2036), the Commission implemented measures to enhance the management of forests and wildlife resources by establishing strategies and guidelines concerning the state of our forests.

The Commission is also responsible for ensuring that staff adhere to laws, regulations, policies, and ethical standards. The compliance system plays a dynamic role in protecting the Commission's reputation, reducing legal risks, and promoting a culture of integrity and ethical behaviour.

Programmes and Projects

Key programmes and projects undertaken by the Commission in partnership with Development Partners. The FIP–ENFAL (Additional Financing) is one of the programmes implemented in the Bono, Ahafo, Bono East, Ashanti, Western and Western North Regions, where deforestation and carbon sequestration potentials are high. It aims to reduce degradation in both forest reserves and off-reserve areas, which will also contribute to reducing emissions and enhancing carbon stocks.

Also, the GLRSSMP is being 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 GSLERP seeks to enhance forest carbon stocks across the landscape by restoring 200,000 hectares of off-reserve savannah forests/woodlands and place them under self-financing community management in Community Resource Management Areas (CREMAs); restoring 100,000 hectares of degraded shea parklands, creating 25,500 hectares of modified taungya system/forest plantation in severely degraded forest reserves, and implementing an integrated monitoring system and completing the national REDD+ architecture for safeguards, forest monitoring and reporting systems.

The Project Development Objective of the GCFRP is to improve land-use and socio-economic development in the High Forest Zone (HFZ) and cocoa growing areas of Ghana by increasing cocoa yield on farm lands through intensification with climate smart practices, whilst preventing the expansion of cocoa farms into forest lands.

Under the GTDP, the project development objective is to improve the performance of tourism in targeted destinations in Ghana.

Challenges

During the year under review, the Commission demonstrated a strong commitment to fulfilling its activities. However, it faced substantial operational difficulties in its pursuits.

There were violent attacks on field staff in the course of duty and destruction of established plantations both on and off-reserve through illegal mining “galamsey”, farming and logging activities.

Additional challenges included inadequate vehicles and motorbikes for operational activities, persistent occurrence of annual wildfires, usually caused by activities of free-range cattle herders and illegal farmers, as well as encroachment on PAs – especially Digya National Park and Sakumo Ramsar Site. Also, there are no funds for product development and promotion of Lesser Used Species (LUS) and inadequate GIS and Remote Sensing equipment.

Conclusion

The Commission is committed to strengthening both human and financial capacities to ensure the sustainable management, development, and use of Ghana’s forest and wildlife resources. This includes investing in workforce development, securing adequate funding, and optimizing resource allocation. It also seeks to enhance partnerships with key organizations and agencies.

CHAPTER ONE

OVERVIEW AND REPORTING STRUCTURE

1.0 Introduction

The country's abundant natural resources, including forests, fertile land and minerals are essential for its economic growth and contributes significantly to the nation's development. However, this abundance offers significant benefits accompanied with some constraints such as the risk of over-exploitation and degradation. The sustainable management and utilization of these resources are crucial for fostering long-term economic prosperity while safeguarding ecological integrity.

According to the 2021 Land Use and Land Cover study by the Forestry Commission, the total forest area was 6.6 million hectares, comprising 1.2 million hectares of closed forest and 5.4 million hectares of open forest. This includes 266 gazetted forest reserves, of which 204 are in the High Forest Zone (HFZ) and 62 are in the Savanna Zone.

Ghana is also endowed with a total of 23 wildlife protected areas, including 7 National Parks, 6 Resource Reserves, 2 Wildlife Sanctuaries, 1 Strict Nature Reserve, 5 Coastal Ramsar sites, and 2 National Zoos. These protected areas collectively occupy 1.3 million hectares (6.2%) of Ghana's total land area.

As outlined in the 2022–2025 Sector Medium-Term Development Plan (SMTDP), this report delineates the indicators and targets used to track the progress of the Forestry Commission's programmes and projects.

The policies and thematic areas that facilitated the accomplishment of indicator targets are listed in Table 1 below.

Table 1: Focus Areas, Key Issues, Adopted Objectives and Strategies

Development Dimension: Environment, Infrastructure and Human Settlements			
Focus Area	Adopted Issues	Adopted Policy Objectives	Adopted Strategies
1. Protected Areas	Loss of forest cover	Expand forest conservation areas	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

Development Dimension: Environment, Infrastructure and Human Settlements

Focus Area	Adopted Issues	Adopted Policy Objectives	Adopted Strategies
			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
	Illegal farming and harvesting of plantation timber	Protect forest reserves	Support the protection of the remaining network of natural forest and biodiversity hotspots in the country
	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
	Insufficient logistics to maintain boundaries of protected areas		Accelerate the implementation of the National Biodiversity Strategy and Action Plan
			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	
		Strengthen environmental governance and enforcement of environmental regulations	
2. Deforestation, Desertification and Soil Erosion	Weak collaboration between	Combat deforestation, desertification	Strengthen implementation of Ghana Forest Plantation Strategy and restore degraded areas within and outside forest reserves

Development Dimension: Environment, Infrastructure and Human Settlements

Focus Area	Adopted Issues	Adopted Policy Objectives	Adopted Strategies
	stakeholder institutions	and soil erosion	<p>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))</p> <p>Promote training, research-based and technology-led development for sustainable forest and wildlife management</p> <p>Implement the green infrastructure recommendation in the National Spatial Development Framework</p> <p>Promote and develop financing mechanisms for forest value chain management</p>
	High incidence of wildfires		Ensure enforcement of National Wildfire Management Policy and local bye-laws on wildfires
	Inappropriate farming practices		<p>Promote alternative livelihoods, including eco-tourism, in forest fringe communities.</p> <p>Improve incentives and other measures to encourage users of environmental resources to adopt less exploitative and non-degrading practices in agriculture</p>
	Indiscriminate use of weedicides		Improve incentives and other measures to encourage users of environmental resources to adopt less exploitative and non-degrading practices in agriculture
	Over-exploitation and inefficient use of forest resources		<p>Enact and enforce Legislative Instrument on tree tenure</p> <p>Promote the use of Lesser Used Species (LUS)</p> <p>Promote the development of viable forest and wildlife-based industries and livelihoods</p>

Development Dimension: Environment, Infrastructure and Human Settlements

Focus Area	Adopted Issues	Adopted Policy Objectives	Adopted Strategies
			Develop efficient energy technologies
	Illicit trade in forest and wildlife resources		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.
3. Climate Variability and Change	Low institutional capacity to adapt to climate change and undertake mitigation actions	Enhance climate change resilience	Promote and document improved climate-smart indigenous agricultural knowledge
	Inadequate inclusion of gender and vulnerability issues in climate change actions		Promote climate-resilience policies for women and other vulnerable groups in agriculture
	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
	Loss of trees and vegetative cover	Reduce greenhouse gases	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 Commission's mandate remains the sustainable management and development of forests and wildlife resources. Accordingly, the SMTDP established the following sub programmes, which have greatly aided in achieving the indicator targets:

- 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.

1.1 Outline of the Report

This holistic report is segregated into five (5) chapters. Overview and reporting structure are given in Chapter 1, and Chapter 2 provides a summary of the Commission's organizational structure. In the third chapter, the achievements of indicator targets are explained in detail using the initiatives and programmes under implementation. Chapter 4 elaborates on how donor-funded programmes and projects were undertaken. The final chapter outlines the main challenges encountered, proposed solutions, and conclusions.

1.2 Preparation of the 2023 Annual Report

Using data and reports received from all Divisions, Departments and Units, the Commission's Corporate Planning, Monitoring, and Evaluation (CPME) Department compiled a comprehensive draft of the 2023 annual report. The CPME's Research, Statistics, and Information Management Unit enhanced the report with graphs to provide a clearer analysis of trends and key metrics. Finally, Business Planning Managers and key technical staff examined and validated the report's content before it was finalized, printed and distributed to all stakeholders.

CHAPTER TWO

ORGANIZATIONAL STRUCTURE

2.1 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.

2.2 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
- 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

2.3 Vision Statement

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

2.4 Mission Statement

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

2.5 Corporate Strategic Objectives

There are six (6) strategic objectives that, if implemented, will serve as the Commission's anchor and also enable the Commission achieve its stated vision and mission. These objectives include:

- 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 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

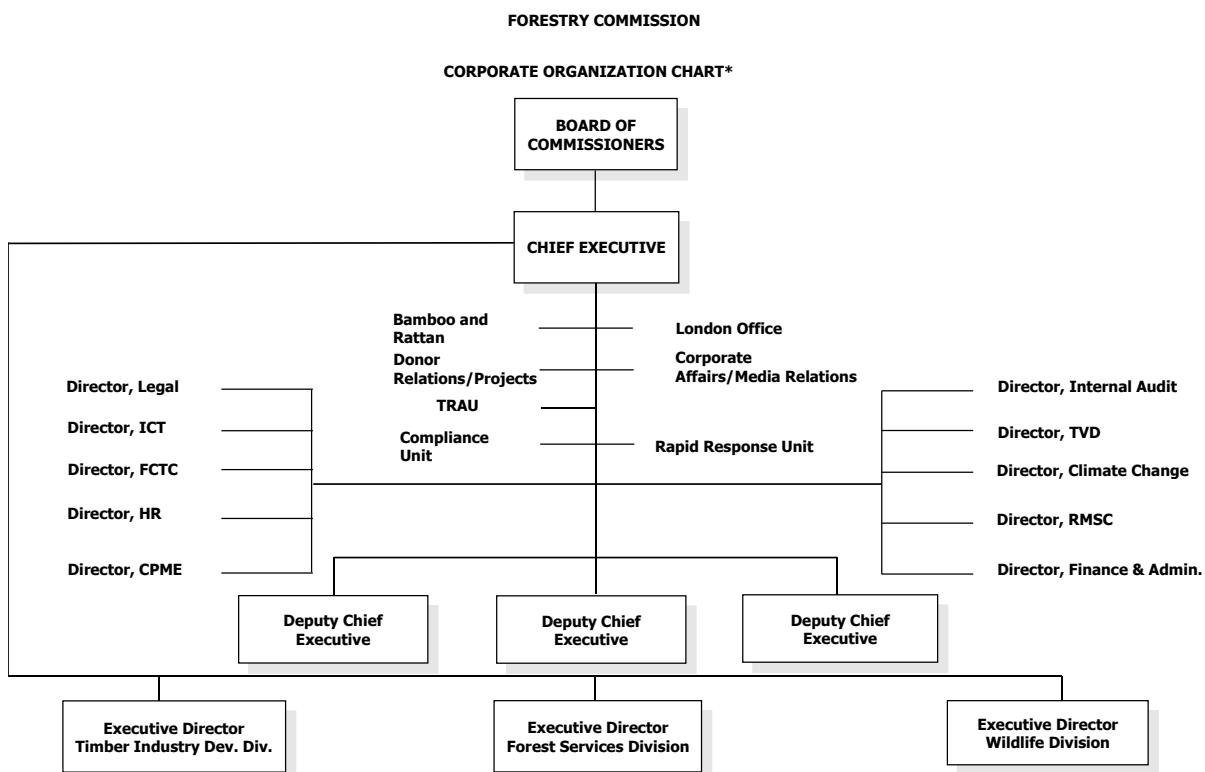
2.6 Core Values

The following organizational core values and behaviours function as fundamental principles for the Commission's operations and services:

- 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

2.7 Organizational Structure 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. The organogram of the Commission is displayed in Figure 1 below.



*Chart denotes structure, not the relative worth of positions

Figure 1: Organogram of the Commission

The core responsibilities of the Commission's Divisions and two (2) Special Units are outlined in Table 2.

Table 2: Key Functions of Divisions and Special Units

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

2.8 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 displays the list of Board members and their specific roles.

Table 3: List of Board Members and their respective roles

	Name	Role
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

Analysis and assessment of key performance metrics and targets is covered in this chapter in compliance with the Sector Medium-Term Development Plan (2022-2025) coupled with extensive reviews of strategies the Commission employed to achieve its objectives and goals.

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

As mandated to safeguard Ghana’s forest and wildlife resources, the Commission implements programmes and initiatives that prioritize sustainable management, conservation, and protection of these essential resources. A comprehensive review of key operational activities such as timber utilization regulation, development and review of management plans as well as forest and wildlife resource protection is outlined below.

3.2.1 Management and Production of Forest Resources

Sustainable forest management systems are guided by comprehensive and inclusive management plans that align with best practices. These plans integrate key aspects such as forest protection, resource assessments, sustainable yield determination, responsible harvesting techniques, silvicultural practices, biodiversity conservation, ecosystem restoration, climate adaptation strategies, and continuous monitoring. They also emphasize stakeholder engagement, policy coherence, and compliance with global sustainability frameworks to ensure the long-term resilience and productivity of forest ecosystems. Accordingly, the Commission reviewed 19 existing integrated management plans and developed 81 new ones for specific forest reserves.

All applications for Timber Utilization Contracts (TUCs), as well as salvage, special, and plantation permits, in line with the nation’s timber rights policy, must adhere to pertinent laws and procedures. The Commission also grants salvage permits to facilitate the harvesting of trees on lands that are undergoing development activities, such as road construction, residential settlement, and agricultural cultivation. A total of one hundred and fifty-three (153) salvage permits comprising 13 on-reserve and 140 off-reserve were vetted and approved, compared to 210 permits granted in 2022. This indicates a 27% decrease in number of permits (Figure 2).

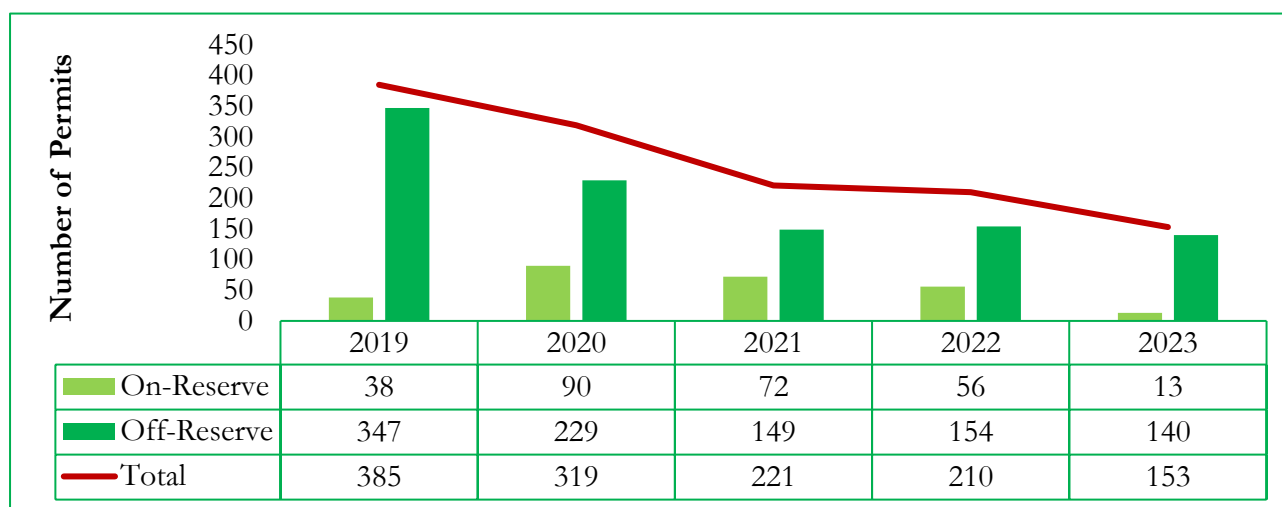


Figure 2: Salvage Permit Processed and Issued

A total of 208 permits covering 162,643.70m³, were vetted and issued during the year, in contrast to 223 permits covering 148,501m³ in 2022 under permits issued for plantation timber harvested. This represents an increase of 10% in the total volume allocated and a 7% decrease in the number of permits issued, as shown in Figure 3.

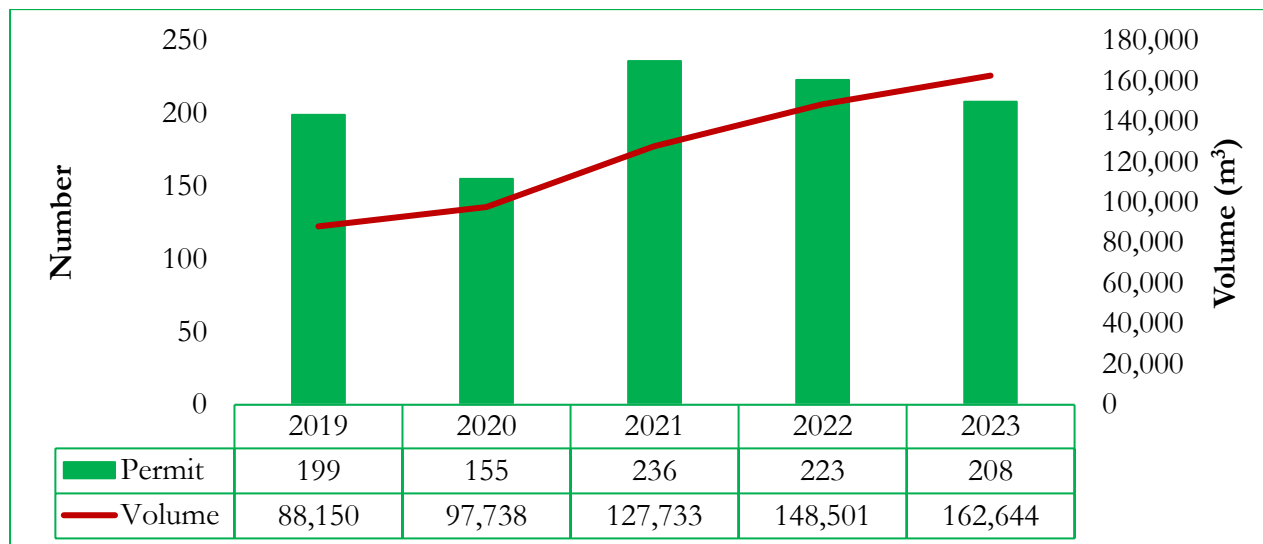


Figure 3: Plantation Permits Issued with Corresponding Volumes

The different timber species and their allocated volume are indicated below (Table 4).

Table 4: Plantation Permits and Volume Allocations

TIMBER SPECIES	NO. OF PERMITS ISSUED	VOLUME ALLOCATED (m ³)	VOLUME RE-ALLOCATED (m ³)	TOTAL ALLOCATED (m ³)
Teak	141	52,855.39	921.90	51,933.49
Cassia	1	301.81	0.00	301.81
Gmelina	10	4,443.95	272.70	4,171.25
Cedrela	52	114,451.18	12,444.53	102,006.60
Ofram	1	328.00	0.00	328.00
Wawa	1	1,141.00	0.00	1,141.00
Ceiba	1	1,504.60	0.00	1,504.60
Emire	1	1,256.90	0.00	1,256.90
Total	208	176,282.83	13,639.13	162,643.70

(a) Timber Production

Natural forest timber harvesting in Ghana requires contractors to register for a property mark. Accordingly, the Commission facilitated the renewal of 586 Property Marks as against 368 Property Marks in 2022 for the harvesting of natural forest timber in both on-reserve and off-reserve areas.

The Commission's scientific evaluation, based on the Annual Allowable Cut (AAC), establishes a sustainable harvesting limit of less than or equal to 1 million cubic meters ($\leq 1,000,000\text{m}^3$) from both on- and off-reserve areas. In 2023, $1,688,834.41\text{m}^3$ was harvested ($1,458,194.32\text{m}^3$ from on-reserve and $230,640.09\text{m}^3$ off-reserve), exceeding this limit by 69%. This compares to $1,671,303\text{m}^3$ ($1,430,945\text{m}^3$ on-reserve and $240,358\text{m}^3$ off-reserve) in 2022 (Figure 4).

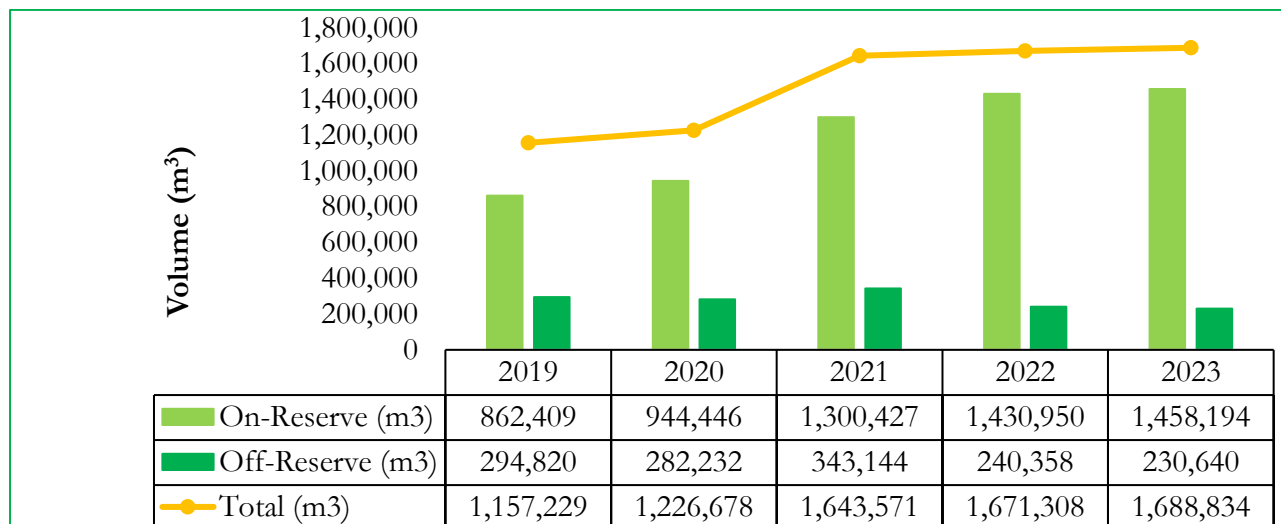


Figure 4: Timber Production from Natural Forest

A total of $285,189\text{m}^3$ of plantation timber was harvested as compared to a target of $250,000\text{m}^3$. This achievement comprises $168,383\text{m}^3$ from on-reserve areas and $116,806\text{m}^3$ from off-reserve areas during the year representing a 4% decline compared to the $297,154\text{m}^3$ harvested in 2022. Figure 5 depicts the notable changes in harvested volumes from both on-reserve and off-reserve areas from 2019 to 2023.

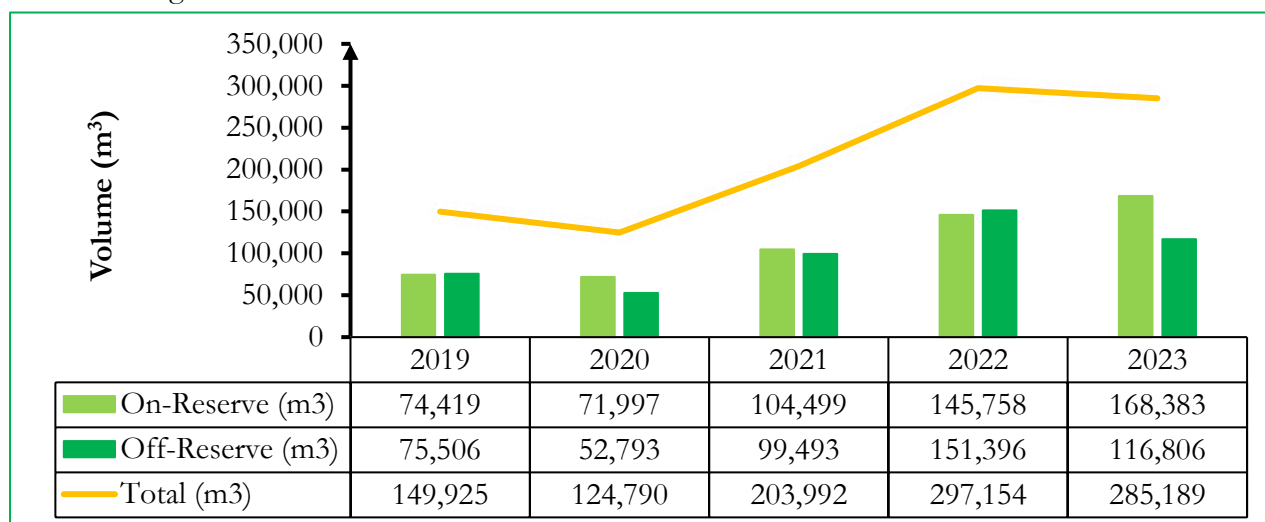


Figure 5: Plantation Timber Production

(b) Export of Timber and Wood Products

Ghana’s timber and wood product export destinations include Africa, Asia, America, Oceania and Europe. A total of 293,285m³, generating €134 million in revenue, was exported during the year. This shows a 15% decline in volume and a 13% decrease in value compared to 2022, when exports totalled 343,440m³ valued at €154 million as represented in Figure 6. This decline was driven by several factors, including the dwindling of timber and non-timber products, reduced buyer demand and the influx of teak from other countries into India.

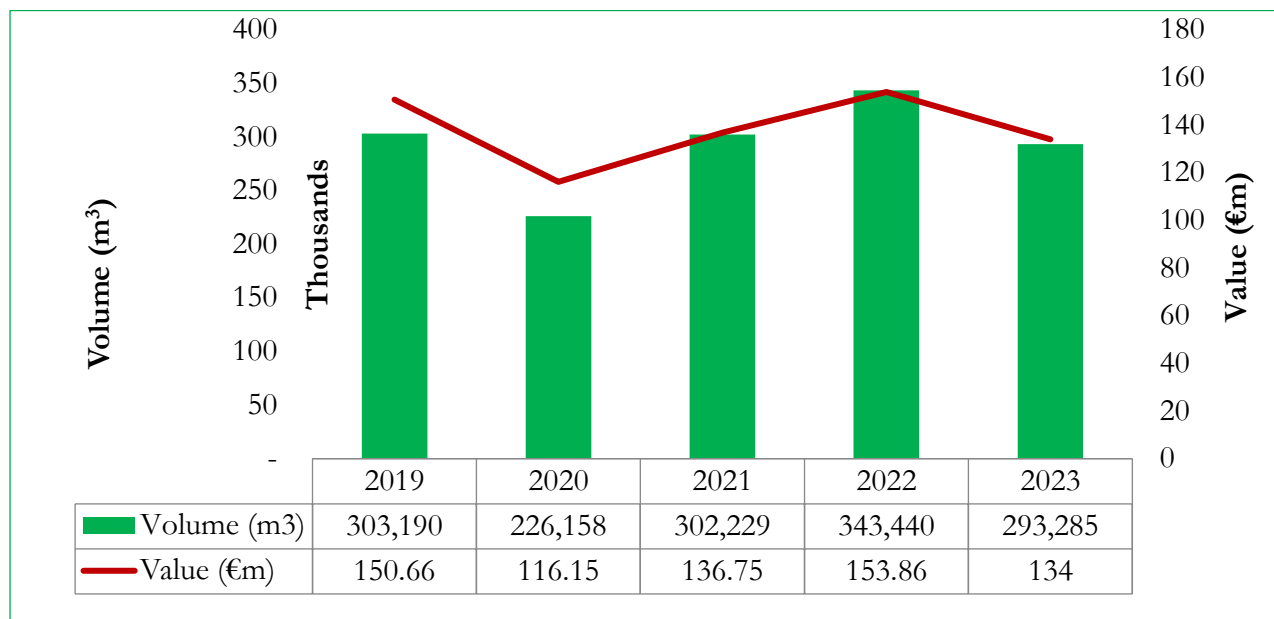


Figure 6: Export of Timber and Wood Products

During the year under review, Ghana's timber exports exhibited varying trends across key markets; Asia/Far East, the largest market with a 63% share, recorded 184,552m³ valued at €73 million, which indicated a downward performance from 221,265m³ and €86 million in 2022. Thus, it experienced a decline, with export volume and value falling by 17% and 15%, respectively.

Furthermore, Europe, with a share of 16% of the export market, comprising countries like Italy, France, Germany, Belgium, and the United Kingdom, indicated a decline in volume and value of 45,943m³ and €29 million respectively as compared to volume of 55,254m³ and value of €37 million in 2022. This indicates a 17% and 21% decrease in both volume and value, respectively. The Africa/ECOWAS region, accounting for 12% of the market share, also witnessed a decline in volume and value of 36,250m³ and €14.7 million respectively as against a volume of 44,765m³ and value of €15 million in 2022 representing 19% drop in volume of 36,250m³ and a 3% decrease in value. Table 5 below depicts the performance of exports to the destination markets. Also, reasons for this decline may be attributed to the influx of teak from other countries into India, coupled with low buyer demand as a result of higher Ghanaian price tags compared to other countries.

Table 5: Export Performance of the Destination Markets

Period	Jan-Dec 2023		Jan-Dec 2022		Percentage Change (%)	
	000' Volume(m ³)	million (€)	000' Volume(m ³)	million (€)	Volume	Value
Asia/Far East	184.55	73.18	221.27	86.22	(16.60)	(15.12)
Europe	45.94	29.31	55.25	37.19	(16.85)	(21.19)
Africa	36.25	14.65	44.77	15.14	(19.03)	(3.24)
America	12.79	10.43	12.79	9.66	(0.08)	7.97
Middle East	13.68	6.79	9.34	5.65	46.47	20.18
Oceania	0.07	0.07	0.02	0.01	250	600
Total	293.28	134.43	343.44	153.87	243.91	588.60

Ghana’s processed timber exported are mainly kiln-dried and air-dried lumber. A total of 170,044m³ of air-dried lumber was exported, generating €68 million in value during the year as compared to 188,429 m³ valued at €75 million in the previous year, representing 10% and 9% drops in volume and value respectively. Figure 7 provides a visual representation of air-dried exports from 2019 to 2023. This decline was driven by several factors, including the dwindling of timber and non-timber products, reduced buyer demand and influx of teak from other countries into India.

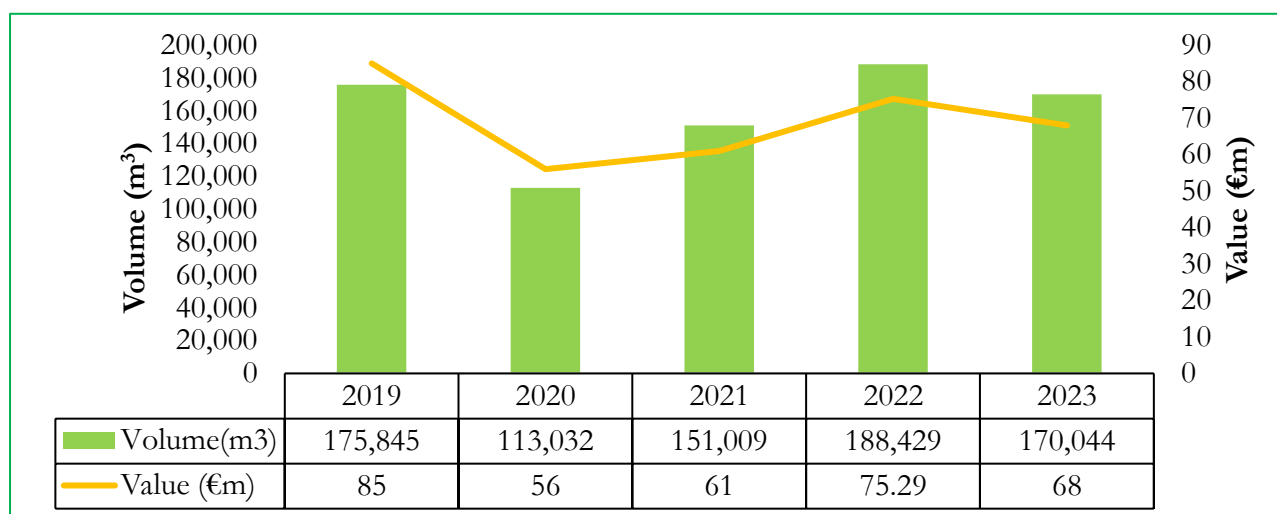


Figure 7: Air Dried Lumber Export

Exports of kiln-dried lumber reached a volume and value of 37,660m³ and €24 million respectively in 2023 as against a total of 44,472m³ valued at €26 million in 2022, indicating declines of 15% in volume and 7% in value (Figure 8).

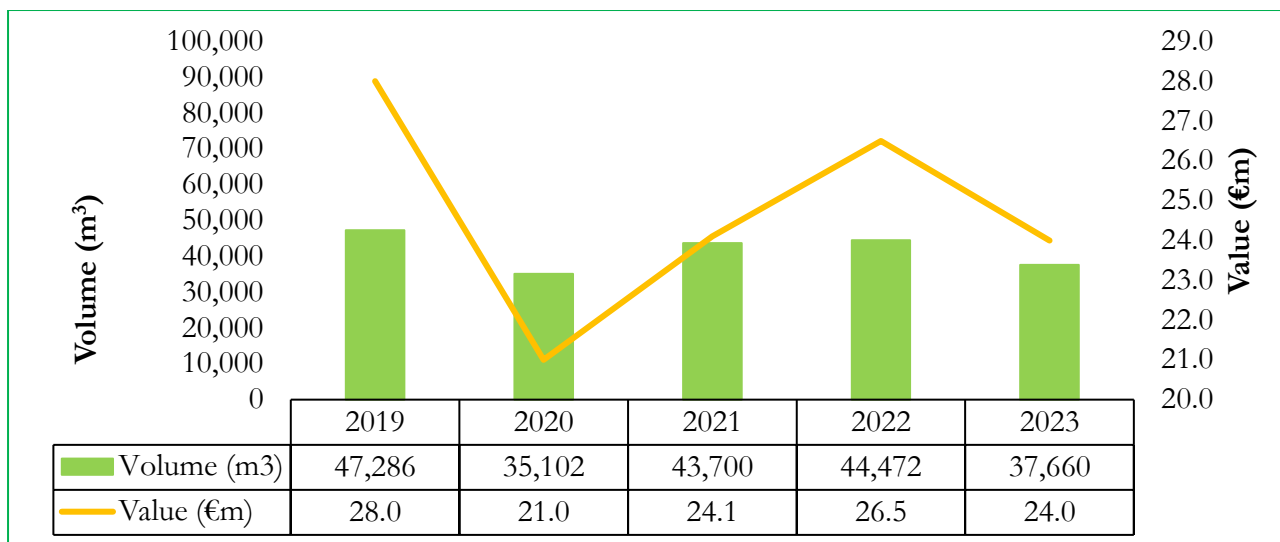


Figure 8: Kiln Dried Lumber Export

The domestic lumber and plywood industry has made strides in meeting the local market's demand for legal timber products. A total of 544,008m³ of domestic lumber was produced, while domestic plywood amounted to 101,125m³ in 2023, compared to 485,083m³ of domestic lumber and 95,794m³ of domestic plywood produced in 2022. This marks a 12% and 5% increase in both domestic lumber and plywood, indicating a significant success in meeting the domestic market demand.

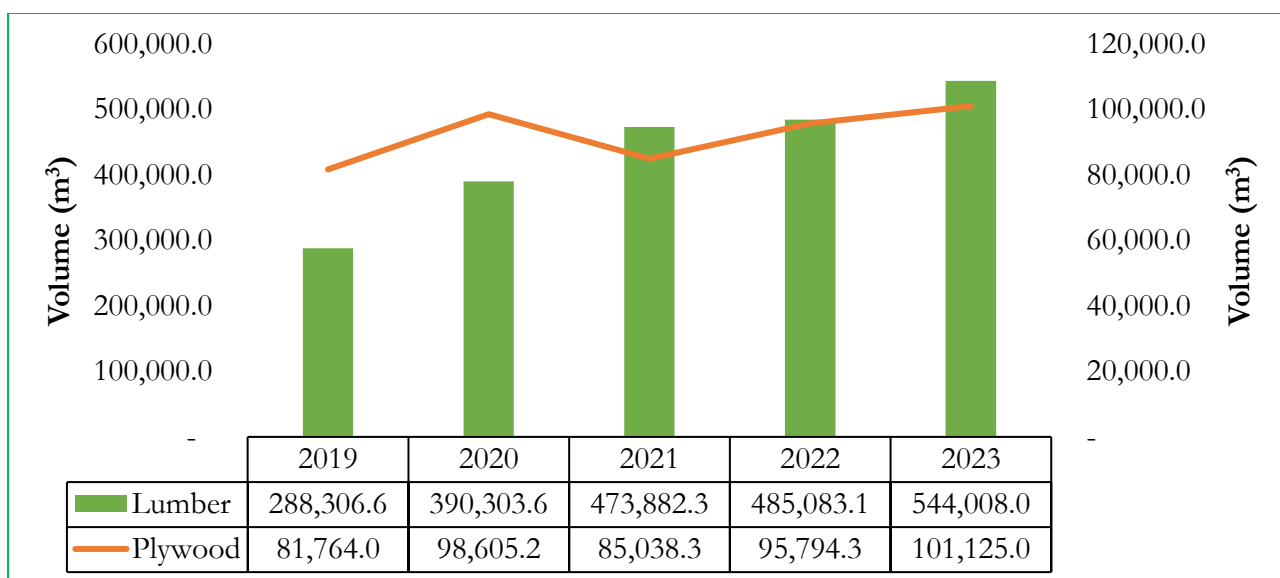


Figure 9: Domestic Lumber and Plywood

(c) Contracts and Permits Processed and Issued

Three thousand seven hundred and seventy-three (3,773) permits were issued for timber and timber products as against 4,255 in the previous year, thus, the number of export permits declined by 11% in 2023. The Commission approved 302,153m³ in contracts of timber products (Primary: 24,268m³, Secondary: 269,101m³ and Tertiary: 8,784m³). There was a 15% decrease compared to the 357,117m³ approved in 2022. The reduction can be attributed to several factors, including higher prices in Ghana compared to other countries, low buyer demand and difficulties in obtaining Convention on International Trade in Endangered Species (CITES) certification.

3.2.2 Protection of Forest and Wildlife Resources

The Commission conducts routine boundary cleaning, inspections and patrols to ensure the protection and sustainability of our forest and wildlife resources. Accordingly, 22,650km of forest reserve boundaries were cleaned, compared to 22,496km in 2022. Boundary inspections also covered 22,347km against 22,281km inspected in the previous year.

As part of the additional efforts to constantly protect and preserve the integrity of forest reserves and wildlife protected areas, the Commission deployed Rapid Response Teams to combat all forms of forest illegalities.

To mitigate encroachment in forest reserves and protected areas, the Commission implemented a series of strategic measures, such as conducting surveys, boundary demarcations, and erecting pillars in selected forest reserves. Additionally, the Commission focused on community engagement by signing three (3) Land Lease and Benefit Sharing Agreements (LLAs & BSAs) with three (3) companies to undertake commercial forest plantation development within degraded forest reserves. Also, 156 Social Responsibility Agreements (SRAs) were signed with 133 forest fringe communities within the Ahafo, Ashanti, Bono, Bono East, Central, Eastern, Oti, Volta and Western North Regions of the country. These agreements were aimed at ensuring participation and long-term conservation benefits for Modified Taungya System (MTS) beneficiaries, consisting of Taungya farmers, Traditional council, Stool land owners, forest fringe communities and the protected areas. Extensive bushfire awareness campaigns to educate fringe communities on fire prevention strategies, as well as hands-on firefighting training sessions, were also organized.

3.2.3 Development of Forest and Wildlife Resources

Forest landscape restoration as a component within the Sector Medium-Term Development Plan for 2022–2025 remains a key priority for the Commission. This commitment aligns with the implementation of the Ghana Forest Plantation Strategy (GFPS 2016–2040). The primary 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”.

(a) Forest Plantation Development Strategy

The Commission is still committed to intensifying the implementation of the Ghana Forest Plantation Strategy (GFPS) to restore degraded forest landscapes across the country. The GFPS prescribes an annual forest plantation establishment target of 25,000 hectares (ha). However, the target has undergone series of fluctuations since 2020 and underperformance by the private sector. The target was revised downwards to 20,000ha in 2020, 16,000ha in 2021, and 20,000ha in 2022. In 2023, the target was revised downwards to 18,600ha. The revision was mainly influenced by a significant reduction in the number of beneficiaries under the Youth in Afforestation/Reforestation Project (YAP), which until now served as an important initiative to aid in the attainment of the public sector target.

The revised target for 2023 included the establishment of 13,600ha for the public sector under the National Afforestation/Reforestation Programme (NAP), alongside a private sector target of 5,000ha.

During the year under review, the total area established was 16,941.5ha comprising 12,613.4ha for the public sector and 4,328.1ha for the private sector. This compared to the previous year’s total of 27,911ha, highlights a decline of 39% in the total area of plantation established.

The main species planted included *Tectona grandis* (Teak), *Cedrela odorata*, *Eucalyptus* (including hybrids), *Gmelina arborea*, *Terminalia superba* (Ofram), *Terminalia ivorensis* (Emire), *Senna siamea* (Cassia), Bamboo (*Bambusa vulgaris*, *Oxytenanthera abyssinica*), and *Khaya ivorensis/senegalensis* (African Mahogany).

The total area established from 2019 to 2023 is shown in Figure 10 below.

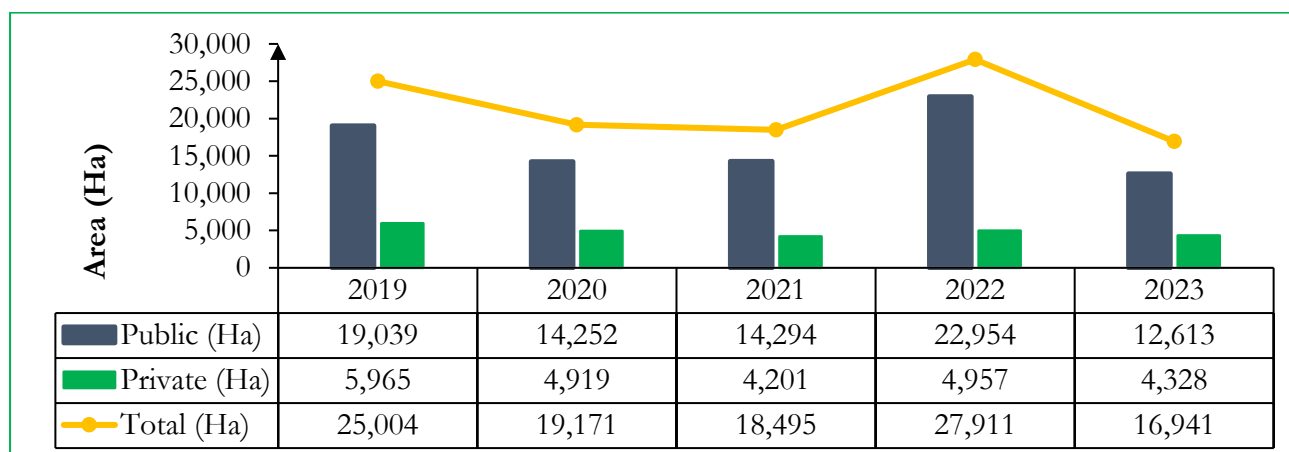


Figure 10: Plantations Established

To restore degraded forest areas and ensure a sustainable supply of forest goods and services, high-value indigenous timber species were integrated through enrichment planting. The annual planting target for enrichment planting was set at 1,200ha. Consequently, 2,387ha of enrichment planting was undertaken this year, while 1,323ha was established in 2022.

Additionally, various maintenance activities were undertaken within existing and new plantations to ensure optimal growth and yield. Maintenance and forest protection activities undertaken in forest plantations include weeding, pruning, thinning, as well as protection of the plantations from wildfire, pests and diseases. Also, severely burnt/disturbed forest plantations were also rehabilitated through extensive beating-up. In 2023, a total area of 50,601ha of forest plantations was maintained, reflecting a 17% decrease compared to the 61,067 hectares maintained in 2022. Figure 11 illustrates the total area maintained from 2019 to 2023.

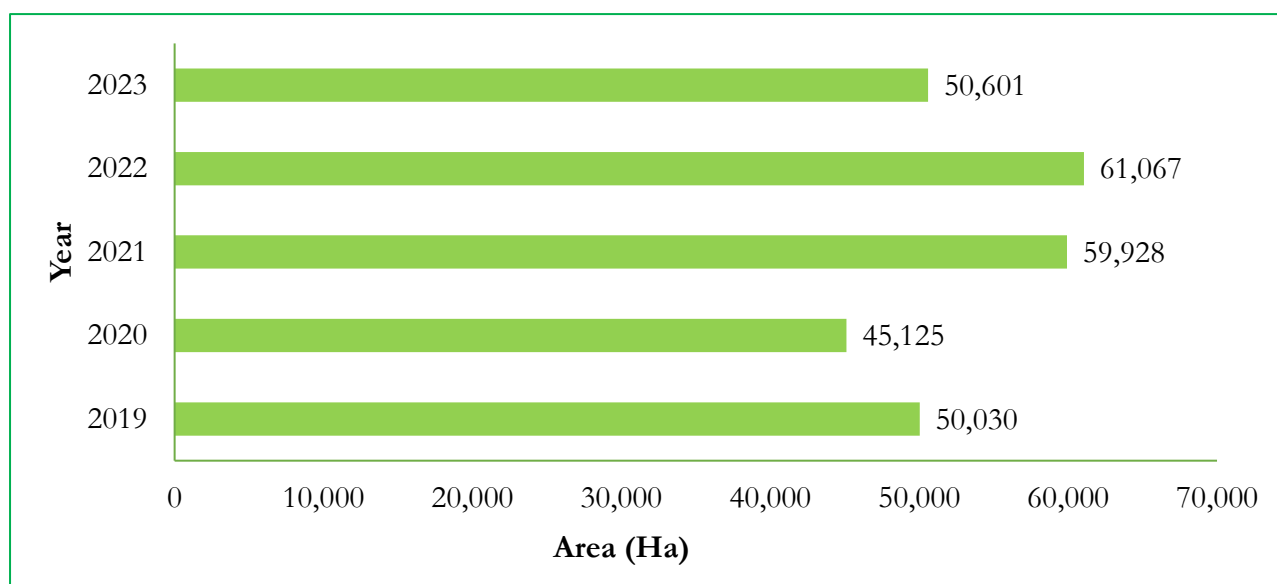


Figure 11: Maintenance of Established Plantations

Table 6: Details of the plantation achievements

No.	Category	Annual Target	2023 Achievement
1.	Plantation Establishment On & Off Reserve (ha)	18,600	16,941.5
2.	Plantation Maintenance On & Off Reserve (ha)	50,775	50,600.9
3.	Enrichment Planting (ha)	1,200	2,387.3
4.	Farm Forestry/Trees-On-Farm (Number of seedlings)	5,000,000	651,638
5.	Green Ghana Day (Number of seedlings)	10,000,000	10,704,897
6.	Number of Tree Seedlings Planted	Variable	41,434,894
7.	Plantation Timber Harvested On & Off Reserve (m ³)	250,000	285,188.9
8.	Food Crop Production (tonnes)	25,000	48,460.6
9.	Jobs (Number of Persons Engaged)	62,500	80,887
10.	Amount disbursed to stakeholders (OASL, Landowners, MTS Groups, MMDAs, etc) (GH¢)	Variable	15,519,486.6

Source: GFPS 2023 Annual Report

(b) Bamboo and Rattan Development

Bamboo and rattan development continued to be a sustainable and versatile alternative to traditional timber with a high potential of promoting sustainable livelihoods and environmental conservation.

At the end of the year, a total of 187,000 bamboo seedlings were raised at Kyebi-Apapam in the Eastern Region and distributed to support planting activities. The Commission planned to facilitate the

establishment of a 500-hectare bamboo plantation and successfully facilitated 465 hectares of bamboo plantation.

Furthermore, the Commission undertook the maintenance of the bamboo germplasm at Kyebi Apapam to support sustainable bamboo plantation efforts. In line with promoting the bamboo and rattan industry, a series of capacity-building workshops were organized for five hundred and twenty (520) youth from bamboo endowed communities within the Jukwa enclave in the Central Region, focusing on bamboo natural stands management, processing and utilisation.

(c) Climate Variability and Change

The Forestry Commission participated in the 28th session of the United Nations Framework Convention on Climate Change (UNFCCC - COP28) held in Dubai in 2023. The Ghanaian delegation, led by President Nana Addo Dankwa Akufo-Addo, included the Minister for Lands and Natural Resources, Honorable Samuel A. Jinapor, and other dignitaries from the Commission. For the third (3rd) time, Ghana hosted a Pavilion at COP28, where various climate change-related programmes and events were organized by multiple sectors, including the Forestry Commission.

The following are some programmes and events been summarized at COP28:

- Leveraging nature-based solutions towards 1.5°C - unveiling Ghana's resilient package forest, nature, and climate on 2nd December 2023:
 - The main aim of this event was to increase awareness about the crucial role of nature-based solutions, particularly forest in achieving the 1.5°C target.
- Accelerating forest and nature finance towards 1.5°C – event on 3rd December, 2023, at the Ghana Pavilion in Dubai:
 - This event aimed to engage high level climate factors in exploring innovative approaches for mobilizing climate finance, enhancing public-private partnerships, promoting knowledge sharing, and implementing sustainable nature and forestry practices.
- Strengthening inclusion in REDD+ results-based payments:
 - This event occurred on 3rd December 2023 at the Ghana Pavilion, Expo City, Dubai, and aimed to spotlight existing structures for community involvement in REDD+ and create a platform for technical exchange on the relevance of inclusion to result-based payments.

Furthermore, His Excellency Nana Addo Dankwa Akufo-Addo out-doored Ghana's forest resilient package and urged the international community to partner with Ghana to implement the country's package under the Forest and Climate Leaders' Partnership (FCLP), dubbed, "Resilient Ghana: Advancing Climate Action for Prosperity".

The Country's Package will be implemented with partners from both Government and the private sector, including the Government of the United Arab Emirates (UAE), United States of America (USA), Singapore and Canada. Already, UAE has committed to supporting the Package with Thirty Million US Dollars (US\$30,000,000.00).

The Commission, through the Ministry of Lands and Natural Resources, signed an Emission Reductions Payment Agreement (ERPA) with Emergent Forest Finance Accelerator Incorporated (Emergent), a US-based non-profit organization, to serve as the convener and coordinator of the Lowering Emissions by Accelerating Forest Finance (LEAF) Coalition. The agreement will see Ghana receiving payment of up to \$50 million for emission reductions of up to five (5) million tonnes of carbon dioxide equivalent, at a unit price of \$10 per tonne of carbon dioxide equivalent. This agreement was signed on 1st December, 2023

on the side-lines of the 28th Session of the Conference of Parties (COP28) of the United Nations Framework Convention on Climate Change (UNFCCC) in Dubai, United Arab Emirates. Thus, making Ghana the first country globally to sign ERPA under the LEAF Coalition for the supply of high-integrity jurisdictional REDD+ emission reductions and removals credits.



President of the Republic of Ghana, Nana Addo Dankwa Akufo-Addo (top left), Hon. Samuel A. Jinapor, Minister of Lands and Natural Resources (top right) and some Dignitaries from the Forestry Commission (down) delivering a speech at the conference



Hon. Samuel A. Jinapor, Minister of Lands and Natural Resources with some delegates at the conference



A section of some participants at the conference

Under the Ghana REDD+ Strategy and Benefit Sharing Plan, the due diligence process was completed during the year for disbursing the Carbon Payments, and payments were made to beneficiaries. An event was also organized to present Emission Reduction Payments to the Ghana Cocoa Forest REDD+ Programme Beneficiaries on July 20, 2023. At the end of the year, a total of 3,517,888 tCO₂e emission reductions from REDD+ activities in Ghana was achieved for 2021/2022 which included Forest Carbon Partnership Facility (FCPF) ERs and all other buffer deductions.

On GCFRP, the Commission developed comprehensive Environmental and Social Management Plans (ESMPs) for safeguard implementation for five (5) Hotspot Intervention Areas (HIAs), namely Asunafo-Asutifi, Kakum, Ahafo Ano, Juaboso-Bia, and Sefwi-Wiawso-Bibiani. Also, a total of 182 cocoa farmers from within the 6 HIAs benefited from the GCFRP Livelihoods support. This includes training and provision of start-ups for all beneficiaries. The livelihood options include; mushroom production, snail farming, beekeeping, vegetable farming, piggery, and fish farming.

Additionally, a total of 2,930.6 hectares of MTS plantations was established under the Ghana Shea Landscape Emission Reduction Project (GSLERP) and 128.9 hectares of Shea parklands was restored.

(d) Ecotourism Development

The Commission continues to utilize the concept of ecotourism to enhance the country's economy in its Protected Areas, as well as increasing awareness of the value of natural resources conservation, protecting biodiversity and promoting community development. Ecotourism also improves educational and cultural understanding of various forest fringe communities and creates jobs for indigenous people.

In an effort to strengthen ecotourism, the Commission implemented a series of improvements to ecotourism and park infrastructure, which included the following key developments:

- Construction of a new six (6)-unit sub-range camp with borehole at Esalakawu/Holomuni camp in Mole National Park
- Construction of a new entrance and exit gate at Kumasi Zoo
- Construction of a new six (6)-unit block at Grupe with solar lighting and a solar-powered borehole at Mole National Park
- Renovation of three (3) bungalows, including two (2) guesthouses at Kyabobo National Park
- Renovation of semi-detached quarters at Samole at Mole National Park
- Minor renovation works carried out on twenty-three (23) semi-detached quarters at Mole National Park
- Drilling of a mechanized borehole at Kalakpa Resource Reserve
- Maintenance of 124.5km of access roads in the various Protected Areas
- Maintenance of 435.7km tourist trails maintained in various Protected Areas
- Major renovation on six (6)-room camp building and one semi-detached quarters at Bawena, Kparia and Samole Range-Camps respectively in Mole National Park.

At the end of the year, ecotourism visitations increased by 41%, with a total visit of 478,026 as compared to 340,125 recorded in 2022. Ecotourism destinations with their corresponding total number of visitors are detailed in Table 7.

Table 7: Performance of Visitation to Ecotourism Destinations

No.	Ecotourism sites and Zoological Gardens (Zoos)	No. of visitors in 2022	No. of visitors in 2023	% Change
1.	Mole National Park	16,144	18,497	15
2.	Kakum Conservation Area	137,331	154,844	13
3.	Ankasa Conservation Area	1,458	1,490	2
4.	Bui National Park	515	310	(40)
5.	Bia Conservation Area	183	26	(86)
6.	Kyabobo National Park	827	1,501	81
7.	Owabi Wildlife Sanctuary	1,242	1,692	36
8.	Shai Hills Resource Reserve	50,713	60,742	20
9.	Kalakpa Resource Reserve	149	125	(16)
10.	Bomfobiri Wildlife Sanctuary	1,146	2,043	78
11.	Songor Ramsar Site	10	10	0
12.	Muni Pomadzi Ramsar Site	0	10	100
13.	Gbele Resource Reserve	46	46	0
14.	Accra Zoo	45,825	88,345	93

No.	Ecotourism sites and Zoological Gardens (Zoos)	No. of visitors in 2022	No. of visitors in 2023	% Change
15.	Kumasi Zoo	74,745	145,997	95
16.	Digya National Park	3	22	633
17.	Kogyae Strict Nature Reserve	0	251	100
18.	Buabeng-Fiema Monkey Sanctuary	9,788	2,116	(78)
	Total	340,125	478,067	41

3.3 Forest and Wildlife Policy and Legal Regimes

3.3.1 Enforcement of Forest and Wildlife Laws

The Commission is actively enhancing its regular patrols in the Protected Areas to ensure the protection and conservation of Ghana's forest and wildlife resources. As part of these intensified efforts, a team of 362 effective patrol staff collectively achieved a total of 242 Effective Patrol Man Days (EPMD) per officer.

Throughout these patrols, a total of 141 poachers and other offenders were arrested in 86 cases, with 62 of these cases successfully prosecuted with the support of FC Trained Prosecutors. Nevertheless, 28 cases remain under investigation by the police and the court. Also, 71 human/wildlife conflict situations were managed, with 159 elephant-raided farm incidents recorded and assessed by staff at the Mole National Park and Bolgatanga regional office. To regulate wildlife resource utilization, the Commission issued twenty-eight (28) licenses for bushmeat trade and seven (7) game licenses.

On cleaning and inspection of Protected Area boundaries, a total of 1,429km was cleaned and inspected.

The Commission expanded its Rapid Response Teams (RRTs) from fourteen (14) to eighteen (18), reinforcing its capacity to combat illegal activities. These teams were strategically deployed and positioned across hotspot areas in twenty-four (24) Forest Districts and two (2) Wildlife Protected Areas.

The intensified operations of the Rapid Response Teams resulted in the confiscation of 106,430 assorted pieces of lumber, 216 chainsaws, and 18 firearms. Additionally, 731 heavy-duty pumping plants were seized. In designated hotspot forest reserves, the Commission immobilized 125 excavators and destroyed 9 “chanfan” machines used in illegal activities, while 59 vehicles were impounded and 388 suspects were apprehended. A detailed summary of these law enforcement results is presented in Table 8 below.

Table 8: Achievements of Rapid Response Teams

Items seized/confiscated/destroyed	2023
Assorted Lumber	106,430
Firearms	18
Chainsaws	216
Suspects arrested	388
Vehicles impounded	59
Excavators for illegal mining	125
“Chanfan” machines	138
Heavy-duty pumping plants	731
Cattle encroaching and destroying forest plantations	325

3.3.2 Forest Law Enforcement Governance and Trade (FLEGT)

The Commission effectively fulfilled its mandate to facilitate the trade of legal timber in compliance with Regulation 40 of the Timber Resource Management and Legality Licensing Regulations, 2017 (LI 2254).

The current status of the GWTS is outlined as follows:

- The enhanced new Ghana Wood Tracking System (GWT-DSS) is completed and deployed to the live environment and fully operational
- The system continues to provide near real-time transactional data online.

Also, the Commission continued to provide user support services on the GWTS to the various Divisions/ Departments/Units. These included:

- Creation and update of user credentials and setup of users
- Correction of error entries of transaction data
- User technical support
- Update of system (base) data
- On-going training on the use of the system.

Additionally, the Commission maintained its Timber Legality Audits of both implementing agencies and the private sector. During the audit cycle, two (2) sets of audits were completed, covering 37 FSD District offices and 15 TIDD Area offices. Throughout the year, a total of 133 non-conformances were identified against the auditees.

The following are key recurring findings from the audits conducted:

- Felling of trees outside the approved yield (230 trees of various species)
- Non-capture of Tree Information Forms (TIFs) for stumpage billing (284 trees of various species)
- Non- conversion of extant leases and permits into TUCs
- Delayed payment of stumpage fee (Occurred at all districts audited)
- Logs milled and transported from various sawmills without being graded, passed for milling and without an inspection certificate (86 Log Measurement Conveyance Certificates (LMCCs) covering 444 logs of various species were involved, about 9 companies/sawmills affected).

3.4 Environmental Interventions and Events

3.4.1 Green Ghana Day Programme

The third (3rd) edition of the Green Ghana Day (GGD) Initiative was commemorated on 9th June, 2023 under the theme “***Our Forests, Our Health***” which was geared towards planting a target of 10 million trees in a day to restore degraded landscapes across the country. This initiative also encourages the citizenry to actively partake in tree planting initiatives for their manifold benefits. The tree seedlings are thereby distributed freely to the general public for planting.

During this year's edition, 11,515,108 seedlings were distributed, out of which 10,704,897 were confirmed as planted. The seedlings planted include timber, fruit, ornamental, shade and multipurpose tree species. Due to erratic rainfall in the northern savannah zone before and during GGD, planting efforts were concentrated on the southern sector of the country to take advantage of the rains.



Launch of Green Ghana Day



Green Ghana Day Planting

3.4.2 Participation in the 71st International Annual Wildlife Disease Association Congress

The Wildlife Disease Association is an international body established to acquire, disseminate, and apply knowledge of the health and diseases of wild animals in relation to their biology, conservation, and interactions with humans and domestic animals. The 2023 Annual Conference held in Athens, Georgia, USA aimed to find holistic solutions to current and emerging global challenges that optimize outcomes for humans, animals and the environment. Representing Ghana, the Commission presented the only participants from Africa, with over 620 wildlife veterinary professionals, researchers and students from various countries of the world, at the Conference on the theme: “People, Passion, & Purpose: The Pathway to Wildlife Health”.

The winning prize, a pair of Olympus Binoculars, was presented to the Kumasi Zoo Manager of the Commission during the conference banquet, for a photo of himself, feeding a stranded elephant calf which had not eaten for days that he submitted for the contest. The stranded elephant calf had been rescued by the Mole National Park Management and steps were taken to give veterinary medical attention to the elephant calf. It was subsequently moved to a makeshift rescue centre in Kumasi Zoo.

Also, the Commission secured a strategic partnership that will ensure Ghanaian wildlife experts on an annual basis, follow and replicate the works of Louisville Zoo experts in the USA.



3.5 Sustainable Financial Management

The sources of revenue for the Commission's financial management encompass the following:

- **Subvention from Government of Ghana**

This includes the salaries of Commission's staff, allowances and logistics provided for Youth in Afforestation Programme beneficiaries as well as goods and services to the Wildlife Division.

- **Internally Generated Funds (IGF)**

The key sources of IGF consist of income derived from natural forest stumpage, plantation timber sales, charcoal conveyance, export levies, zoo and park entrance fees.

- **Donor Partners**

This primarily covers cash, assets and technological assistance.

(a) 2023 Audited Financial Statements

The Board of Commissioners presented the Commission's Audited Financial Statements for the 2023 financial year to the Minister of Lands and Natural Resources and the Auditor General's Department (See Appendix 1).

3.6 Human Resource Management

Human Resource management plays a vital role in the Commission by developing suitable human resources and fostering an environment that supports the effective fulfilment of our mandate. It aims to design, develop, and oversee the implementation of HR management strategies, policies, and systems within the Commission, ensuring consistency, fairness, and equity to promote staff engagement and commitment.

The Commission concentrated on the following aspects of human resources:

- Human Resource Development
- Employee Resourcing
- Reward Management
- Organizational Development
- Performance Management
- Human Resource Information Management System.

3.6.1 Staff Demography

The total staff within the Commission was 4,530, which included 1,836 senior staff members, accounting for 41%, and 2,694 junior staff members, representing 59%. Within this workforce, there were 3,637 males and 893 females, as illustrated in Figure 12.

Table 9: Staff Demography

Division/Unit	Senior Staff		Sub	Junior Staff		Sub	Total
	Male	Female	Total	Male	Female	Total	
FC CHQ	124	70	194	44	13	57	251
FSD	690	297	987	1,507	176	1683	2670
RMSC	58	22	80	32	6	38	118
TIDD	203	126	329	85	38	123	452
WD	148	78	226	714	38	752	978
FCTC	12	8	20	20	21	41	61
TOTAL	1,235	601	1,836	2,402	292	2,694	4,530

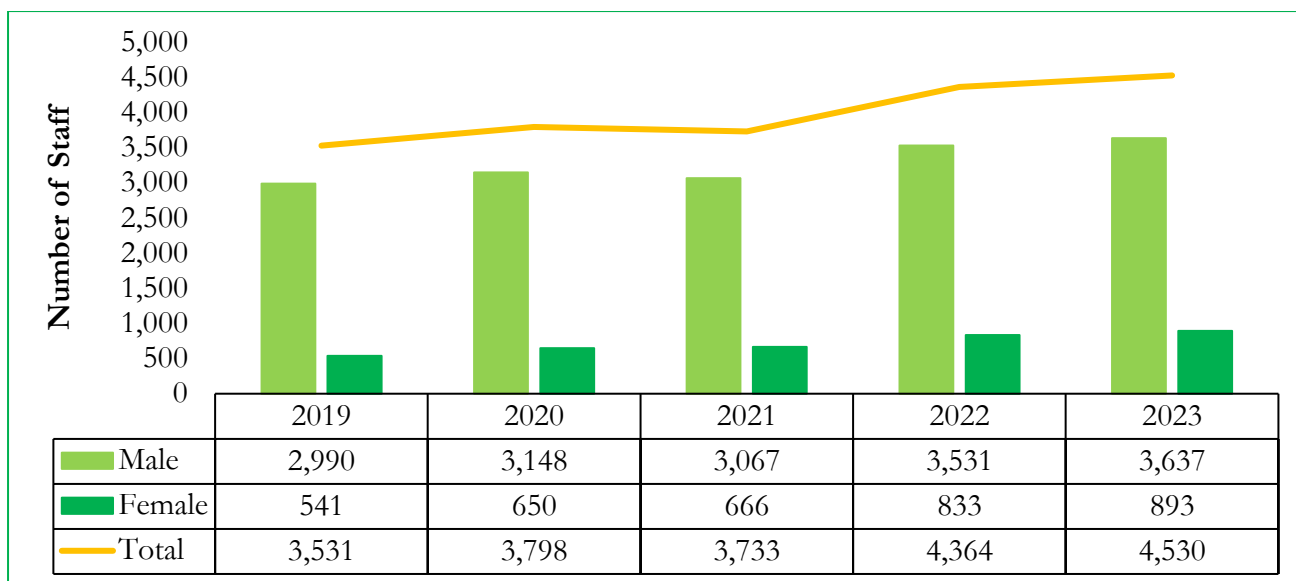


Figure 12: Gender Distribution

3.6.2 Staff Recruitment and Attrition

Throughout the year, the Commission also recruited key technical staff following the approval of financial clearance from the Ministry of Finance and Economic Planning (MoFEP).

In accordance with the Commission's promotion policies, two hundred and sixty-five (265) management staff and six hundred and sixty-six (666) non-management staff were promoted. Also, twenty-eight (28) staff were transferred, posted, or reassigned across various Divisions and Units.

On attrition, one hundred and forty-two (142) staff departed the Commission; attributed to retirement (84), death (20), resignation (23), and vacation of post (11). This represents a 6% decrease from the 151 staff who exited in 2022, as detailed in Table 10 below.

Table 10: Staff Turnover

Turnovers	2019	2020	2021	2022	2023
Retirement	101	159	65	117	84
Resignation	6	1	4	16	23
Termination	2	3	2	0	4
Death	35	31	15	16	20
Vacation of Post	3	3	1	2	11
Total	147	197	87	151	142

3.6.3 Capacity Building and Staff Motivation

According to the Commission's Human Resource Policy and Procedure on training, staff participate in a variety of training programmes designed to enhance their knowledge, skills, and abilities for effective job performance and career development. These efforts support the achievement of the Commission's business goals and strategic objectives. The Commission's training programmes are categorized into two types: Commission-Initiated and Self-Initiated Training.

One thousand three hundred eighty-four (1,384) staff participated in various training programmes, workshops, conferences, and short courses initiated by the Commission. The following courses were among those completed by the Commission's staff during the year:

- Training on Office suite, FC Webmail and Cyber Security
- Forestry Commission's Accounting and Financial Administration Manual
- Training on Wood Identification
- Report Writing and Presentation Skills
- Training on Gender Equality and Social Inclusion for Organizational Development
- Training on Communication Skills, Teamwork and Leadership.

The Forestry Commission was honoured with the Best Trainer Award for the year 2022 by the Ghana Employers Association (GEA). The award was presented during a ceremony held at the GEA Secretariat.

3.6.4 Occupational Health and Safety

A series of health and safety programmes were conducted by the Commission during the year to raise awareness and encourage staff to adopt healthier lifestyles for their well-being. A health week celebration was held from June 19th to 24th, 2023 on the theme "Our Health, Our Wealth".

The activities for the Health Week celebration included:

- Health Talk on work-life Balance (Stress Management), posture and "You and your diet"- A guide to healthy living
- "Bring and Share": exchange of fruits and vegetables to inculcate the habit of balanced nutrition
- Health walks and games were organized to climax the week's activities.

Furthermore, a series of health talks and safety awareness workshops were organized, covering the following topics:

- Fire Safety Awareness Programme
- Prostate Cancer Awareness
- Breast Cancer Awareness Campaign and Screening.

These initiatives were designed to educate staff on safety protocols and the necessary steps to follow during incidents. In addition, free health screenings were offered to staff, with an emphasis on the following areas:

- Full Blood Count
- Hepatitis
- Kidney
- Liver
- Blood Pressure

- Glucose
- Lipid Profile
- Eye Screening
- Prostate

The accomplishment of these programmes involved a partnership with the Forest Services Division, the Office of the President Medical Centre, the Ghana National Fire Service, the Forestry Commission Ladies Association, and Claron Health International.

3.7 Forest and Wildlife Stakeholder Collaboration

The Government of Ghana has designated five (5) Ramsar sites (Sakumo Ramsar Site, Keta Lagoon Complex, Muni-Pomadze, Songor, and Owabi) of global significance as Protected Areas. In addition, Mole, Digya, Bia, and Bui National Parks are among forest reserves and wildlife protected areas. To effectively protect these areas, appropriate measures were implemented in line with the relevant legal framework.

During the year under review, 76 individuals (8 females & 68 males) were trained, comprising CREMA Executive Committee (CEC) members and Community Resource Management Committee (CRMC) members in the Western Wildlife Corridor to improve their leadership and technical skills at Bolgatanga regional office. Biodiversity and threat assessment monitoring and training were carried out for 25 community resource monitoring unit members in CREMAs around the park at Mole National Park. Also, one (1) training programme was organized for CREMA members on Wildlife and Forest Laws at the Takoradi regional office.

Furthermore, fifteen (15) Communities were trained and supported to produce 70,000 tree seedlings. The Keta Lagoon Complex Ramsar Site collaborated with Kasa Initiative Ghana to build the capacity of Gamenu and Akalove communities on restoration and sustainable harvesting of mangroves. Restoration of 118ha of degraded areas within Keta Lagoon Complex, Songor and Muni-Pomadze Ramsar Sites was also undertaken and 82,000 seedlings planted in other wildlife protected areas.

Five (5) trainings were also organized for 100 women (shea nut pickers) in five communities, namely Mognori, Larabanga, Kananto, Kabampe, and Grupe at Mole National Park. Keta Lagoon Complex Ramsar Site collaborated with the Centre for Remote Sensing and Geographic Information Services (CERSGIS) to train 15 selected community members on the usage of Global Positioning System (GPS) in data collection at Keta Lagoon Complex Ramsar Site. In addition, support was provided to 24 farmers in agroforestry and cashew farming in fringe communities at Mole National Park. Forty-eight communities benefited from elephant crop raiding control at the Bolgatanga regional office.

As part of conservation efforts, the Commission facilitated sensitization programmes in 283 First and Second Cycle schools, 317 communities and Ramsar Sites. To further enhance public understanding of wildlife laws within Ramsar sites and protected areas, the Commission broadcasted 79 educational radio programmes nationwide. These efforts played a crucial role in fostering community engagement and promoting responsible environmental safeguarding.

3.8 Efficient and Effective Organizational Infrastructure Development

3.8.1 Corporate Planning, Monitoring and Evaluation (CPME)

To ensure the achievement of the organizational strategic and business goals, various Departments and Units at the Commission's Headquarters play a pivotal role in the effective and efficient development of forest and wildlife resources.

The Commission developed the 2023 Action Plan to streamline and oversee the operations of its Divisions, Departments and Units. To facilitate its implementation, the Commission designed a comprehensive plan to track progress on a quarterly, half-yearly, and annual basis. The 2023 Monitoring and Evaluation (M&E) Plan sort to establish a robust, fully integrated, harmonized, and coordinated framework for monitoring policy initiatives, programmes, projects, and activities as well as evaluating their outcomes. The most essential process of implementing the plan includes the undertaking of periodic field visits to FSD Regional and District offices, TIDD Area offices, and WD Ecotourism sites nationwide. These visits enabled a thorough review, analysis, and verification of field activities and operations. Key observations and findings were compiled into comprehensive reports with actionable recommendations and submitted to the Chief Executive and Audit Committee for further review and consideration.

To implement the SMTDP (2022–2025), the Commission conducted annual and mid-year performance evaluation workshops which resulted in the collation and preparation of progress reports for onward submission to the National Development Planning Commission (NDPC), State Interests and Governance Authority (SIGA), Ghana Statistical Service (GSS), MOFEP and the Sector Ministry.

3.8.2 Internal Auditing

The Commission is dedicated to delivering assurance and advisory services to the Board and Management, enabling the Commission to manage risks effectively and strengthen controls.

In line with this objective, the Commission completed 72 out of its 75 planned risk-based audit assignments which depicts an achievement of 96%. The implementation of the recommendations provided to the Board and Management resulted in significant improvements in four (4) critical areas:

a) Financials

Enhanced accountability was achieved in the retirement of accountable imprests and advances issued to schedule officers, prompt invoicing for harvested products and services, improved revenue collection, timely lodgements, timely reconciliations, and more accurate reporting. Additional financial benefits include:

- Acknowledgement of reconciled 5% bed fee owed by Mole Hotel.
- Acknowledgement of reconciled debts due from Zaina Lodge, Tamale
- Redemption of debts owed by four quarry companies
- Recovery of unearned salary paid to Staff
- Recovery of wrongful payment of fuel allowance to Staff
- Receipt of ground rent owned by private plantation developers.

b) Operations

The examination of beneficiaries' timesheets and recommending improved controls, have played a pivotal role in elevating the precision of data capture and collation during the period under review.

Consequently, this has significantly diminished the volume of claims submitted by the Districts for the beneficiaries' allowances processing on a monthly basis to reflect the actual quantum of work done.

c) Governance

Enhanced risk management and internal controls was achieved through assessments and recommendations for improvement to strengthen control adequacy and effectiveness. Cybersecurity audit conducted in the first quarter, along with subsequent follow-ups, has empowered the Commission to implement more efficient and effective safety protocols to ensure the continuity of the Commission's operations. Additionally, the Commission launched an ICT awareness week programme and organized cybersecurity training sessions for all categories of staff.

d) Compliance

Adherence to procurement policies and other public financial management laws and regulations governing the financial, operational, and governance activities of the Commission's Divisions, Departments and Units continue to improve.

3.8.3 Information and Communication Technology (ICT)

The Commission continued to enhance its business processes by training staff in the use of modern technology and electronic equipment, providing comprehensive user support across the organisation, maintaining network infrastructure, developing systems to support forest and wildlife operations as well as conducting in-depth research into emerging technologies relevant to the forest and wildlife sector. Several additional initiatives introduced and implemented are as follows:

- The Commission conducted a backup of staff data at the Headquarters and several zones. Consequently, an assessment of ICT equipment was performed at the data centres in the Headquarters, RMSC, and TIDD to identify defective and outdated devices.
- The ESET Blue Keep detection tool was deployed to scan all Windows servers for vulnerabilities associated with CVE-2019-0708, a known exploitable worm. Approximately 85% of the scheduled preventive maintenance, repairs, and servicing of ICT equipment were successfully completed.
- The Commission developed, implemented, maintained and trained staff in various web-based applications, contributing to the overall corporate objectives of FC. Maintenance of Donor Projects Dashboard App, General Services Management Information System Development, E-Humanis Mobile App, CITES App, Tema TIDD Workflow Automation Application, and Compliance Matrix System are steadily progressing.
- The Commission leveraged emerging technologies and global trends to benefit FC by researching two innovative solutions: The E-Tagged Mitigation Polypod (ETMP) and the Forest Defence System (FDS) as part of the Integrated Electronic Forest (IEF) initiative. To contribute to the annual tree planting programme, the Commission conducted three (3) experiments to evaluate the effectiveness of ETMP. This initiative aims to simplify the process of tracking seedlings from nurseries to planting fields and monitoring them throughout their lifecycle. It also addresses the issue of single-use waste by repurposing materials like water bottles, contributing to climate change mitigation.
- The Commission successfully acquired licenses for the Contactless Biometric System. It also took on the responsibility of designing, implementing, and maintaining a robust and secure network infrastructure. This involved continuous monitoring of network performance,

optimizing connectivity, and ensuring seamless data transmission across administrative offices in all zones.

- The Commission updated the Forest Focus and FC Website with content from Divisions, Departments and Units
- The Commission maintained the Revenue Collection and Management System (REVCOMSYS) in all five (5) implementation sites
- The Commission ensured the implementation and generation of Secured Socket Layer (SSL) certificates
- The Commission maintained, repaired, and serviced ICT equipment.
- The Commission conducted a cybersecurity awareness programme to educate Commission staff on best practices and enhance their understanding of online security measures
- The preventive maintenance plan for the Commission was evaluated to ensure the smooth and efficient operation of ICT systems and network infrastructure.

3.8.4 Resource Management Support Centre (RMSC)

The Centre serves as the technical arm of the Commission, tasked with exploring, developing, facilitating, institutionalizing, implementing, and monitoring efficient and cost-effective forest and wildlife management systems in Ghana. Its activities align with the 2012 Forest and Wildlife Policy and the Forestry Development Master Plan (2016–2036).

The Commission implemented measures to enhance the management of forests and wildlife resources by establishing strategies and guidelines concerning the state of our forests. Outlined below are some of the significant actions taken:

- Developed land cover maps for Pra, Main Volta, Black, Tano and White Volta basins updated under the Ghana Landscape Restoration and Small-Scale Mining Project (GLSRRMP). Developed changed maps for the period 2000-2001 and historical landcover maps for 2000, 2010 and 2015 for Pra, Main Volta, Black, Tano and White Volta basins
- Flora assessment conducted in 9 forest reserves (Ambalara, Gambaga Scarp, Kenikeni, Morago West, Red Volta East, Sissili Central, Tapania, Yakombo, and Yerada) for tree density, basal area, height, canopy cover, natural regeneration, and tree-grass ratio
- Collated 30 wildfire incidences in 6 forest districts within 13 forest reserves across 4 regions of an affected area of 1,010.6 ha
- Conducted field visits to monitor mining exploration activities in the Koantwi Mining Company Limited in Bibiani forest district, Newmont Akyem mining site in the Kade forest district and identified illegal mining sites in Nueng North and Nueng South forest reserves within the Tarkwa forest district
- Conducted survey to collate data on flora, fauna and socio-economic as an input for the preparation of management plan within Digya-Kogyae Wildlife Corridor, Kyekyebon, Mempekasa, Dawia, Birem, Balana, Atakpame, Blaikie as well as Gbele and Wahabu Wildlife Camps within Tumu Forest District, Subim and Subri River forest reserves
- Composed and validated land cover maps and field inventory of some selected forest reserves in the High Forest Zone for the revision of the Annual Allowable Cut
- Established 18 new permanent sample plots (PSPs) and determined their growth rate estimates

- Conducted survival survey of trees planted in Kintampo in the Bosomoa forest reserve (30ha) and Lawra in the Damba Tributaries forest reserve (20ha) as part of monitoring and supervising the 50ha of plantations established
- Undertook 20% verification of marked plantation stems, harvesting and post-harvest checks within the Kumawu and Juaso forest districts and field trials undertaken in the Boumfum and Mirasa Hills forest reserves
- Conducted assessment on *Afzelia spp* and *Khaya spp* to determine their availability and extent in Bole, Buipe/Damongo, Lawra, Tumu and Yendi forest districts
- Composed Flora and Fauna maps for Atewa Range and Extension forest reserve as well as composite map showing the spatial distribution of illegal mining sites was developed.

3.8.5 Adherence to Compliance Systems

The Commission is also responsible for ensuring that staff adhere to laws, regulations, policies, and ethical standards. The compliance system plays a dynamic role in protecting the Commission's reputation, reducing legal risks, and promoting a culture of integrity and ethical behavior.

The Commission carried out several key activities, including:

- Conducting the 1st, 2nd, and 3rd phases of Compliance Evaluation exercises at Assin Fosu, Kumasi, Techiman, Jasikan, Oti, and Sunyani Area Offices of the Timber Industry Development Division (TIDD)
- Coordination and collaborative measures were adopted to organize a stakeholder meeting with four (4) Quarry company representatives (Bui Investment Ltd, X-wan Mining Services, Taysec Construction Ltd, and Britak Steel Complex) to address the issue of debts related to their quarry operations within the Sawsaw Forest Reserve. The meeting resulted in an agreed negotiation of the indebtedness of the companies to the tune of GH¢1,910,000.06. Hence, the Commission ensured the payment of GH¢1,256,666.72 out of the total debt with a balance of GH¢653,333.34 yet to be paid
- Conducting a compliance review of TIDD Head Office's financial system in partnership with FC Corporate finance to investigate the reasons behind multiple revenue reversals in their trial balance.
- Preparation and submission of the 2022 Annual Audit Committee Report to the various Stakeholders
- Nine (9) Audit working sessions were held with Auditees to solicit responses on outstanding Internal Audit and Timber Validation Department (TVD) Technical Audit issues for 2023.

CHAPTER FOUR

PROGRAMMES AND PROJECTS

4.1 Introduction

This chapter of the report highlights key programmes and projects undertaken by the Commission in partnership with Development Partners. The long-term plan of these initiatives is strategically designed to tackle particular challenges, contributing significantly to the Commission's progress, operational efficiency, and overall effectiveness.

4.2 Forest Investment Programme (FIP) – ENFAL Additional Financing

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

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).

Under the current programme timelines, the progress towards achieving the PDO is assessed as satisfactory. The programme was restructured to provide additional time to address some of the challenges faced by the programme and to ensure full implementation of the programme activities. It has fully achieved four (4) out of six (6) PDO indicators. Also, other two (2) indicators were partially achieved and on track to fully achieve prior to the closure of the programme.

Furthermore, one of the innovative and transformational initiatives under the programme is to pilot the devolution of power for natural resource management particularly forest management in the cocoa and forest mosaic landscape of the HFZ through the Community Resource Management Area (CREMA) concept. Though the CREMA concept has been implemented in the country over the years, the focus has been on the management of wildlife, particularly fauna. Hence, the programme intended to pick the good lessons and well as challenges and modify them to be used as a tool to spearhead the behavioural change agenda of the programme. This will also foster a sense of ownership among forest fringe communities to engender support to reduce deliberate removal of trees on farms and improve the protection of the forest from the menace of illegal timber harvesting and cocoa expansion. Accordingly, the programme earmarked an ecological corridor within the Western and Western North Regions where a number of important forest reserves connect with other community lands.

Out of the designated 180,000ha, the programme intended to establish five (5) CREMAs comprising an area of 50,000ha to demonstrate the effectiveness of this initiative as a strategy to promote sustainable agroforestry land management practices.

4.3 Ghana Landscape Restoration and Small-Scale Mining Project (GLRSSMP)

GLRSSMP is being 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 Development Objective (PDO) is to strengthen integrated natural resource management and increase benefits to communities in targeted savannah and cocoa forest landscapes. The project focuses 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.

During the year under review, Community-Based Organizations (CBOs) and Fire-Volunteer Squads trained on wildfire management embarked on intensive patrols in and around fire-prone areas as well as newly established sites within the project districts. The main aim of the patrols is to monitor and report the occurrences of wildfires as well as apply timely intervention and suppression strategies.

4.4 Ghana Shea Landscape Emission Reductions Project (GSLERP)

The Project Development Objective (PDO) is to restore the landscape and shea trees which will in parallel improve social and environmental resilience and provide real economic benefits for inhabitants.

This project seeks to enhance forest carbon stocks across the landscape by restoring 200,000 hectares of off-reserve savannah forests/woodlands and place them under self-financing community management in Community Resource Management Areas (CREMAs); restoring 100,000 hectares of degraded shea parklands, creating 25,500 hectares of modified taungya system/forest plantation in severely degraded forest reserves, and implementing an integrated monitoring system and completing the national REDD+ architecture for safeguards, forest monitoring and reporting systems.

In 2023, the project's key achievements included the following:

- Setting up three (3) new Community Resource Managements Areas (CREMAs)
- Establishment of 28 shea nurseries
- Planting of 14,355 grafted shea seedlings
- Training of 2,661 women and 172 men in the Shea Value Chain
- Restoration of 2,930 hectares of degraded forest reserves through the Modified Taungya System by 1,305 farmers
- Training of 930 fire volunteers on fire management
- Purchasing and supply of 22 motorbikes and 22 tricycles to the Forest Services Division
- Purchasing and supply of 20 motorbikes to CREMAs through the Wildlife Division.

4.5 Ghana Cocoa Forest REDD+ Programme (GCFRP)

The Project Development Objective (PDO) is to improve land-use and socio-economic development in the High Forest Zone (HFZ) and cocoa growing areas of Ghana by increasing cocoa yield on farm lands through intensification with climate smart practices, whilst preventing the expansion of cocoa farms into forest lands. By so doing, deforestation and forest degradation would be reduced to the barest minimum to preserve Ghana's HFZ to sustain its ecosystem functions and maintain a cultural heritage for future generations.

Also, payments were made to the GCFRP 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 under an agreed-upon Benefit Sharing Plan.

During the year under review, the programme received its first carbon payment for an amount of USD 4.8million and disbursed carbon payments to communities for farmer inputs, Forestry Commission, Ghana Cocoa Board and 19 Metropolitan, Municipal and District Assemblies.

4.6 Ghana Tourism Development Project (GTDP)

The project development objective is to improve the performance of tourism in targeted destinations in Ghana. The project has four (4) main components which are;

Component 1: Strengthening Tourism Enabling Environment

Component 2: Developing Tourism Sites and Destinations

Component 3: Tourism Enterprise Support Programme

Component 4: Project Management

The following were the activities carried out during the period under review:

- Reassigning the contract to Xenus Consortium, the second-best consulting business that was assessed for the contract.
- Following the Consortium's submission of technical and financial proposals, financial negotiations are still ongoing between the Ghana Tourism Development Project and Xenus Consortium. This was finished by the second or third week of April in 2023.

Among the project's accomplishments was the completion of restroom facilities in 2021, which came at a cost of roughly USD40,000 as part of an effort to improve the Ankasa Receptive Facility Construction.

CHAPTER FIVE

CHALLENGES, WAY FORWARD AND CONCLUSION

5.1 Challenges

Throughout the year under review, the Commission demonstrated a strong commitment to fulfilling its activities. However, it faced substantial operational difficulties in its pursuits. A detailed account of these challenges is thoroughly presented, which highlights both general and specific limitations (Table 11).

Additionally, this chapter includes valuable recommendations for corrective actions which outlines a strategic guide to overcome the challenges experienced during its operational activities.

Table 11: Key Challenges and Mitigation Strategies

Division/Unit	Key Challenges	Mitigation Strategies
General	Inadequate and untimely release of funds for operational activities	Explore alternative revenue sources to generate more funds and ensure that there is timely release of funds
	Inadequate funding and logistics (vehicles, motorbikes, etc.) for monitoring and supervision of field operational activities	Procurement and distribution of sufficient operational vehicles Promotion of ecotourism in high potential FRs to boost revenue generation
	Inadequate and outdated working tools and equipment needed to carry out field activities	Procurement and distribution of up-to-date equipment Training of more technical staff to carry out field operations
	Lack of technical staff in the operational and divisional sectors as well as the failure to replace existing staff	Recruit staff with desired technical capabilities and also replace staff that exit
Forest Services Division	Violent attacks on field staff in the course of duty	Continue training of Forest and Wildlife Guards by Ghana Army to increase capacity in combating illegalities in forest reserves and wildlife protected areas
	Destruction of established plantations both on and off-reserve through illegal mining (galamsey) activities	Facilitate recruitment of more forest guards Intensify protection of our forest reserves from encroachment and other forms of illegalities Facilitate the acquisition and deployment of drones in forest management and protection

Division/Unit	Key Challenges	Mitigation Strategies
		Facilitate the provision of key logistics for effective forest management (i.e., motor bikes, 4x4 vehicles, field equipment etc.)
	Inadequate staff (e.g., weak and aging resource/forest guards and range supervisors)	More range supervisors/forest guards should be recruited to combat illegal logging and other forest offences Some Youth in Afforestation Programme beneficiaries are complimenting the efforts of the staff
	Inadequate vehicles and motorbikes for operational activities (Areas such as Oti, Western North, Upper East have over aged cars frequently breaking down)	Sufficient number of motorbikes and vehicles should be made readily available to facilitate field operations
	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	Put in place proactive mitigation actions to flush out the illegal farmers from the reserve
	Uncooperative attitude of law enforcement agencies (judiciary and police) in prosecuting forest offences	Encourage law enforcement agencies to discharge their duties without fear
	Persistent occurrence of annual wildfires, usually caused by activities of free-range cattle herders and illegal farmers	Ensure enforcement of National Wildfire Management Policy and local bye-laws on wildfires
	Undue delays in processing of Benefit Sharing Agreement (BSA) for MTS farmers is a disincentive for maintenance of established forest plantations	

Division/Unit	Key Challenges	Mitigation Strategies
	<p>Difficulties associated with the acquisition of secure land in off-reserve areas for forest plantation development as a result of other competing land uses, e.g., commercial agriculture, infrastructure development etc, and complexities with traditional land tenure arrangements</p> <p>Lack of progress in the development of an appropriate legal regime for the establishment and management of forest plantations</p> <p>Delays in processing of timber harvesting permits which result in pilfering</p>	
Wildlife Division	<p>Attacks on Staff by poachers</p> <p>Encroachment on PAs – especially, Bui and Digya National Parks and Sakumo Ramsar Site</p>	<p>Strengthen collaboration with Chiefs and fringe communities to engender support</p> <p>Seek support from the Police Service and the Judiciary to ensure effective prosecution and imposition of deterrent penalties by the courts</p> <p>Intensify on-site refresher trainings for field staff</p> <p>Strengthening Law enforcement using the Rapid Response Teams to support field staff</p> <p>Seek collaboration with key Stakeholders especially NGOs to prevent encroachment</p> <p>Publish warnings to encroachers and seek approval to undertake evictions and demolitions</p> <p>Partner private sector to develop eco-tourism potential at Sakumo Ramsar Site and Digya National Park to safeguard the area against encroachment</p>

Division/Unit	Key Challenges	Mitigation Strategies
	Outdated wildlife laws	Efforts are being made by FC and MLNR to get the assent of the Wildlife Resource Management Act
Timber Industry Development Division	Lack of funds for product development and promotion of Lesser Used Species (LUS)	Developing proposals that will secure external funding from donor agencies to run industry development projects
	Market flooded with teak from other destinations	Develop and promote alternative timber species and value-added products
	Severe dwindling of timber and non-timber products	Re-visit recommendations and action plan for timber importation document
Information and Communication Technology	Limited internet connectivity at the district offices impedes access to some of the web-based applications	Resolve internet connectivity issues for remote locations and the Head Office by extending the services and increasing bandwidth to ensure system availability at all times for effective and efficient delivery of work
Human Resources	Staff apathy towards performance management system (performance appraisal)	Intensify sensitization of staff on the need to partake in various performance management systems
	Lack of funds to undertake planned capacity building and training programmes	Timely release of funds to undertake capacity building and training programmes Explore other sustainable funding sources to enable the Commission carry out training programmes
Resource Management Support Centre	Unavailable funds to undertake national inventory to determine the Annual Allowable Cut (AAC) and other parametric elements	Procurement and supply of unavailable and inadequate field equipment and logistics
	Inadequate field logistics (tents, camp beds, jungle boots, relascope, hypsometer, prismatic compass)	
Forestry Commission Training Centre	Low publicity and marketing of services and products	Increase aggressive marketing to make services and products known to the general public
Rapid Response Unit	Inadequate camping equipment for staff	Additional outpost accommodation and tents for use by staff needed
	Malfunctioned weapons and inadequate ammunition	Provision of more weapons and ammunitions for RRTs

Division/Unit	Key Challenges	Mitigation Strategies
	Some community members are hostile towards members of RRTs especially during operations	Regularly remind District/Regional Managers on the need to get teams introduced to the forest fringe communities
Bamboo and Rattan Unit	Lack of funding to undertake activities at the bamboo germplasm center (measurement of culm, soil sample test and expansion of germplasm).	Develop proposals to sort for external funding

5.2 Way Forward

In pursuit of organizational growth, the Commission remains steadfast in executing its mission in line with its mandate. This goal will be pursued through the strategic rollout of programmes aimed at the sustainable development, conservation, and management of forest and wildlife resources.

The Commission will prioritize key sub-programme areas, including Sustainable Forest Management and Plantation Development, Protection and Sustainable use of Wildlife Resources, the Timber Industry, Trade Development and Technology Transfer along with the Coordination and Facilitation of Forest and Wildlife Conservation and Management. These focus areas are designed to promote environmental sustainability, drive industry innovation, and strengthen governance for efficient resource management.

The following will include the core areas of emphasis:

- 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

The Commission is committed to strengthening both human and financial capacities to ensure the sustainable management, development, and use of Ghana's forest and wildlife resources. This includes investing in workforce development, securing adequate funding, and optimizing resource allocation. It also seeks to enhance partnerships with key organizations and agencies. Moreover, strategic measures will be introduced to mitigate the increasing rate of illegal activities within forest reserves and various protected areas, ensuring long-term ecological integrity and biodiversity conservation.

APPENDIX
AUDITED FINANCIAL STATEMENTS

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 2023

FORESTRY COMMISSION

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2023

FORESTRY COMMISSION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2022

CORPORATE INFORMATION

COMMISSIONERS

		Date of Appointment
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	Lands 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, 2023

The Commissioners have the pleasure in presenting the Financial Statements of Forestry Commission for the year ended 31st December, 2023 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

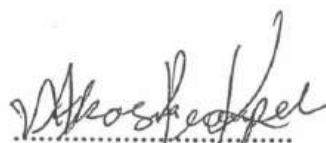
The Commission registered a Deficit of (GH¢2,885,762) as against a Deficit of (GH¢30,584,425) in the previous year.

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, 2023
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, 2023, 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, 2023 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.

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

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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
FOR THE YEAR ENDED 31ST DECEMBER, 2023**

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.

Auditor's Responsibility For The Financial Statements

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 of Supreme Audit Institutions (ISSAIs,) which is consistent with the Fundamental Auditing Principles (ISSAI's 100-999) of the Standard of Supreme Audit Institutions, 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 FOR THE YEAR ENDED 31ST DECEMBER, 2023

TO THE GOVERNING BOARD OF FORESTRY COMMISSION

- 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) are in agreement with the books of account.

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

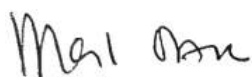
- i. No acts were committed that could result in the entity being insolvent, unstable and bankrupt.
- ii. The Entity did not declare dividend as its non-profit making.
- iii. No case of fraud or losses were committed.
- iv. Except as reported in our management letter, no internal control weaknesses were 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
FOR THE YEAR ENDED 31ST DECEMBER, 2023**

TO THE GOVERNING BOARD OF FORESTRY COMMISSION

- 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/2023/132)

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

Date: *16th September*,2024

FORESTRY COMMISSION

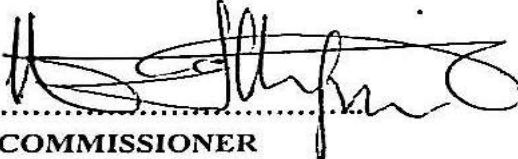
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2023

	Note	2023 GH¢	2022 GH¢
INCOME			
Subvention from Government	9)	282,425,788	241,820,249
Internally Generated Funds	10)	187,261,137	165,231,813
Grant from Donors	7)	40,756,957	34,620,827
		510,443,882	441,672,889
EXPENDITURE			
Compensation of Employees	11)	212,228,142	169,178,574
Administrative Expenditure	12a)	81,936,704	73,587,881
Operational Expenditure	12b)	99,442,338	79,649,402
Project Expenditure	12c)	46,724,672	11,040,279
Depreciation Charge	2)	10,448,337	10,946,046
Youth in Afforestation Program	16)	62,549,451	127,855,132
		513,329,644	472,257,314
Deficit Transferred to Accumulated Fund		(2,885,762)	(30,584,425)
ACCUMULATED FUND ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2023			
Balance as at 1st January 2023		855,137	31,439,562
Deficit Transferred from Statement of Financial Performance		(2,885,762)	(30,584,425)
Balance as at 31st December, 2023		(2,030,625)	855,137

FORESTRY COMMISSION

**STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2023**

	Note	2023 GH¢	2022 GH¢
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	2)	70,607,397	60,744,674
Capital Work-in-Progress	3)	5,402,972	5,402,972
		76,010,369	66,147,646
CURRENT ASSETS			
Inventory	4)	7,751,520	6,731,521
Account Receivables	5)	28,293,610	35,807,755
Cash and Cash Equivalents	6)	325,411,794	273,262,603
		361,456,925	315,801,878
TOTAL ASSETS		437,467,294	381,949,524
FUNDS AND LIABILITIES			
FUNDS			
Accumulated Fund		(2,030,625)	855,137
Plantation Development (Gmelina)		1,543,168	1,118,808
Minerals Development Fund		152,298,930	136,997,786
Car Loan Revolving Fund		1,325,562	1,325,562
		153,137,035	140,297,293
LIABILITIES			
CURRENT LIABILITIES			
Account Payables	8)	284,330,258	241,652,231
Total Funds and Liabilities		437,467,294	381,949,524


COMMISSIONER


COMMISSIONER

FORESTRY COMMISSION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER, 2023

	Note	2023 GH¢	2022 GH¢
OPERATING ACTIVITIES			
Net Cash Inflow from Operating Activities	13)	44,271,848	(7,144,675)
INVESTING ACTIVITIES			
Property, Plant and Equipment Purchased		(20,311,060)	(25,614,411)
Investment Income Received		12,462,900	16,119,036
Capital Work-In-Progress		-	(1,395,400)
Proceeds from Sale of Property, Plant and Equipment	15)	-	212,334
Net Cash Outflow from Investing Activities		(7,848,160)	(10,678,441)
FINANCING ACTIVITIES			
Plantation Development Grant		424,360	81,510
Minerals Development Fund		15,301,143	20,113,150
Net Cash Inflow from Financing Activities		15,725,504	20,194,660
Net change in Cash and Cash Equivalent		52,149,191	2,371,545
Cash and Cash Equivalents 1st January		273,262,603	270,891,058
Cash and cash equivalent 31stDecember		325,411,794	273,262,603

FORESTRY COMMISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

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) Basis 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 confirm 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.

FORESTRY COMMISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

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 Performance, in which case, the increase is recognized in the Statement of Financial Performance. A revaluation deficit is recognized in the statement of financial performance 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 Accumulated Fund.

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

An item of property and equipment is derecognized upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition 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 derecognition.

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, 2023

Significant Accounting Policies (continued)

Asset Category	Rate
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 taken into account, 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 Accumulated Fund, to the extent that it reverses a previous revaluation surplus relating to the same assets. Any excess is recognized in the Statement of Financial Performance.

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.

FORESTRY COMMISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

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 bias, 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 statement of Financial Performance. Gains and losses are recognized in the Statement of Financial Performance 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, 2022**

Derecognition 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, 2023

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 Statement of Financial Performance. Interest income continues to be accrued on the reduced carrying amount 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.

Derecognition 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 derecognition 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 derecognize.

FORESTRY COMMISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

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, 2023

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 Statement of Financial Performance.

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 Cedi 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 statement of financial performance.

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 recognised in other comprehensive income. Conversely when a gain or loss on non-monetary item is recognised in profit or loss any exchange gain or loss so recognised 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 areas (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 amounts; (d) the unit of account for applying the offsetting requirements.

FORESTRY COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 2023

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 29th 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 loss costs of disposal.

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

1.9.1 New standards and interpretations issues but not yet effective

Standards issued but not yet effective up to the date of issuances 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 they become effective.

IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2018), issued on 24 July 2014 is the IASBS 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, 2023

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 1st January 2017), published by IASB -on 28th 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 standard supersedes 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 entities 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 16th December 2011. Amendment defers the mandatory effective date from 1st January, 2013 to 1st January, 2015. The amendments defer the mandatory effective date from 1st January, 2013 to 1st 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 1st January, 2016), published by IASB on 11th September, 2014.

FORESTRY COMMISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

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 1st January, 2016,) published by IASB on 12th 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 1st January, 2016, published by IASB on 30th June, 2014.

The amendments bring bearer plants, which are used solely to grow produce, into the scope of IAS 16 to 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 1st July, 2014) published by IASB on 21st 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 or salary.

Amendment to IAS 27 Separate Financial statements - Equity Method in Separate Financial Statements (effective for annual periods beginning on or after 1st January, 2016), Published by IASB on 12th 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 12th 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 12th 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, 2023

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 1st 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 the asset.

FORESTRY COMMISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

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 1st 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 1st 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, 2023

IAS 19 Employee Benefits

Clarify that the high-quality corporate bonds used in estimating the discount rate for post-employment 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 defaults. 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, 2023

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 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 is conducted on the basis of the segregation of duties, designed to ensure the correctness, completeness and validity of all transactions. .

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2023

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 managed 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, 2023**

2) PROPERTY, PLANT AND EQUIPMENT

	Building & Civil Works	Plant & Machinery	Motor Vehicles	Computer & Accessory	Office & Residential Equipment	Office & Residential Furniture	Total
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Cost							
Balance at 1st January 2023	35,984,548	5,167,214	39,677,072	30,276,527	15,745,345	6,144,719	132,995,425
Additions	8,134,495	-	6,932,780	1,553,903	2,366,648	1,323,199	20,311,060
Disposal	-	-	-	-	-	-	-
Cost at 31 st December 2023	<u>44,119,044</u>	<u>5,167,214</u>	<u>46,609,852</u>	<u>31,830,429</u>	<u>18,112,029</u>	<u>7,467,918</u>	<u>153,306,485</u>
Depreciation							
Balance at 1st January, 2023	4,462,531	1,296,371	33,322,770	22,720,317	6,636,669	3,812,065	72,250,751
Charge for the year	776,779	129,370	4,353,700	2,751,095	1,617,653	819,740	10,448,337
Disposal	-	-	-	-	-	-	-
Balance at 31st December, 2023	<u>5,239,310</u>	<u>1,425,740</u>	<u>37,676,470</u>	<u>25,471,412</u>	<u>8,254,351</u>	<u>4,631,805</u>	<u>82,699,088</u>
NET BOOK VALUE							
31ST DECEMBER 2023	<u>38,879,734</u>	<u>3,741,473</u>	<u>8,933,382</u>	<u>6,359,017</u>	<u>9,857,678</u>	<u>2,836,113</u>	<u>70,607,397</u>
31ST DECEMBER 2022	<u>31,522,018</u>	<u>3,870,843</u>	<u>6,354,302</u>	<u>7,556,211</u>	<u>9,108,647</u>	<u>2,332,654</u>	<u>60,744,674</u>

FORESTRY COMMISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

	2023 GH¢	2022 GH¢
3. CAPITAL WORK-IN-PROGRESS		
Balance at 1st January	5,402,972	4,007,572
Addition	-	1,395,400
Transfers to Property, Plant and Equipment	-	-
	<u>5,402,972</u>	<u>5,402,972</u>
4. INVENTORIES		
Hardware	5,681,405	3,325,865
Stationery	2,070,114	3,405,656
	<u>7,751,520</u>	<u>6,731,521</u>
5. ACCOUNTS RECEIVABLE		
Trade Debtors -Stumpage Fees	5,014,999	6,604,262
Less Provision for Doubtful Debts	(2,550,396)	(2,550,396)
	<u>2,464,603</u>	<u>4,053,866</u>
Trade Debtors -Plantation	25,774,292	32,615,570
Less Provision for Doubtful Debts	(13,555,444)	(13,555,444)
	<u>14,683,451</u>	<u>23,113,992</u>
Export Levy Debtors	72,667	71,966
Plantation Development (WIP) Debtors	5,759,429	5,759,429
Sundry Debtors	7,778,063	6,862,369
	<u>28,293,610</u>	<u>35,807,755</u>

Plantation Development (WIP) Debtors are 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)

	2023 GH¢	2022 GH¢
6. CASH AND CASH EQUIVALENTS		
Fixed Deposit	127,583,701	104,868,626
Fixed Deposit-Minerals Development Fund	149,310,526	140,012,674
Call Accounts	7,229,036	8,483,054
Bank & Cash Balances	16,500,419	11,910,461
Project Balances	24,788,113	7,987,787
	<u>325,411,794</u>	<u>273,262,603</u>

FORESTRY COMMISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

	2023	2022
	GH¢	GH¢
7. GRANTS FROM DONOR AGENCIES		
Forest Carbon Partnership Facilities (World Bank)	-	-
REDD+	17,469,366	8,951,361
FIP	-	1,991,528
FAO	-	246,776
GOV Forest Reforms	-	906,402
Mike+ CITES	-	3,260,800
AEF	-	171,394
GLRSSMP	23,287,592	18,516,876
UK Space Agency	-	134,100
Newmont- Akyem	-	39,700
Savannah	-	280,300
IDH- Tree	-	121,590
	<u>40,756,957</u>	<u>34,620,827</u>
8. ACCOUNTS PAYABLE		
Office of the Administrator of Stool Lands:		
Stumpage Fees Payable	40,731,472	86,372,301
Plantation	56,705,405	53,905,866
Current Account with Divisions	116,466,868	99,626,253
Sundry Creditors and Project Payables	70,426,514	1,747,811
	<u>284,330,258</u>	<u>241,652,231</u>
9. SUBVENTION FROM GOVERNMENT OF GHANA		
Compensation of Employees	227,089,488	165,811,349
Plantation Grant - NYAP	55,336,300	76,008,900
	<u>282,425,788</u>	<u>241,652,231</u>
10. INTERNALLY GENERATED FUNDS		
Stumpage Fees	47,516,166	27,906,457
Premium Levy	24,562,348	27,436,264
Plantation Timber	37,396,335	32,495,055
Export Levy	16,336,846	16,444,459
Fumigation Income	7,312,997	7,879,417
Interest Income	12,462,900	16,119,036
Park Entrance fees	8,004,637	6,340,243
Other Income	33,668,908	30,610,883
	<u>187,261,137</u>	<u>165,231,813</u>

**FORESTRY COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2023**

	2023	2022
	GH¢	GH¢
11. COMPENSATION OF EMPLOYEES		
Salaries and Wages	212,194,502	168,697,910
Staff Allowances	33,640	480,665
	<u>212,228,142</u>	<u>169,178,574</u>

	2023	2022
	GH¢	GH¢
12a. ADMINISTRATIVE EXPENDITURE		
Electricity and Water	2,806,614	2,052,573
Postal, Telephone and Internet Subscription	1,155,647	1,543,811
Cleaning and Sanitation Charges	1,235,840	1,778,371
Security Services	937,325	985,130
Office Consumables	1,948,168	1,917,461
Printing and Publication/Advertising	4,873,788	3,593,138
Staff Welfare, Donation and Contributions	14,739,031	13,029,369
Travel and Transport – Local	10,477,409	9,541,829
Travel and Transport – Foreign	1,205,502	903,131
Vehicle Running Cost	10,850,082	7,534,895
Vehicle Repairs and Maintenance	502,368	829,447
Repairs & Maintenance	2,200,698	326,301
Contracts Staff Salaries	1,004,466	605,868
Software Maintenance	1,139,676	2,226,769
Consultancy/Professional and Legal Fees	3,159,208	2,541,062
Audit Fees	220,000	174,555
Board Expenses	914,572	1,574,788
Bank Charges	614,195	510,410
Sitting Allowances	9,056,094	11,148,456
Medical Expenses	3,427,624	2,022,377
Training and Conferences	2,767,312	2,099,661
Insurance and Compensation	2,507,855	2,077,417
Hotel Accommodation	1,387,325	934,661
Trade Promotion	45,769	24,971
Uniform and protective clothing	383,140	478,392
Fire Prevention Campaign	8,145	-
Retirement Benefit	2,375,428	3,093,040
	<u>81,936,704</u>	<u>73,587,881</u>

FORESTRY COMMISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023

	2023	2022
	GH¢	GH¢
12b) OPERATIONAL EXPENDITURE		
Postal, Telephone and Internet Subscription	2,548,663	1,029,207
Travel and Transport-Local	24,097,327	17,767,543
Travel and Transport-Foreign	1,548,663	846,685
Vehicle Running Cost	9,926,204	9,111,967
Vehicle Repairs and Maintenance	2,194,653	1,003,052
Board Expenses	1,463,102	707,513
Property Rate and Ground Rent	1,457,186	554,868
Training and Conferences	1,280,214	3,499,435
Hotel Accommodation	3,502,148	1,401,992
Uniform and Protective Clothing	5,852,409	2,710,887
Operation Halt Campaign (Monitoring)	16,144,389	23,691,453
Maintenance of Zoo Animals	5,403,310	1,186,239
Fire Prevention Campaign	182,888	758
Plantation Expenses	23,841,181	16,137,803
	99,442,338	79,649,402
12c) PROJECTS EXPENDITURE		
Travel, Transport and Feeding – Local	6,345,990	5,593,486
Travel and Transport-Foreign	5,302,741	131,707
Vehicle Running Cost	5,716,244	876,151
Vehicle Repairs and Maintenance	3,259,493	96,447
Consultancy/Professional and Legal Fees	1,086,498	606,062
Training and Conferences	2,716,244	1,399,774
Plantation Expenses	15,235,229	-
Hotel Accommodation	7,062,234	2,336,653
Social Intervention Development Programme	23,100,204	-
	46,724,672	11,040,279

FORESTRY COMMISSION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2023**

	2023 GH¢	2022 GH¢
13) RECONCILIATION OF DEFICIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES		
Deficit for the year	(2,885,762)	(30,584,425)
Adjust for:		
Depreciation	10,448,337	10,946,046
Investment Income	(12,462,900)	(16,119,036)
Gain on Disposal	-	212,334
(Increase) / Decrease in Inventory	(1,019,999)	3,458,716
(Increase) / Decrease in Accounts Receivable	7,514,145	(4,938,846)
Increase / (Decrease) in Accounts Payable	42,678,027	29,880,537
Net Cash inflow in the year	44,271,848	(7,144,675)

14.) ANALYSIS OF MOVEMENT IN CASH	Balances as at 31 st December		Changes in the year	
	2023 GH¢	2022 GH¢	2023 GH¢	2022 GH¢
Bank Balances				
	197,828,093	168,393,997	29,434,116	12,791,774
Short term Investment				
	127,583,701	104,868,626	22,715,075	(10,420,230)
	<u>325,411,794</u>	<u>273,262,603</u>	<u>52,149,191</u>	<u>2,371,545</u>

15) PROFIT OR LOSS ON DISPOSAL	2023 GH¢	2022 GH¢	The
Cost of Asset	-	583,437	
Accumulated Depreciation	-	(583,437)	
Net Book Value	-	-	
Proceeds from Disposal	-	212,334	
	<u>-</u>	<u>212,334</u>	

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

16) YOUTH IN AFFORESTATION PROGRAM EXPENDITURE	2023 GH¢	2022 GH¢
Plantation Development	8,226,775	62,383,534
Consumables and Protective Clothing	2,962,853	6,803,618
Staff Remuneration	<u>51,359,823</u>	<u>58,667,979</u>
	<u>62,549,451</u>	<u>127,855,132</u>

