

# Concept of livelihood in the FLEGT voluntary partnership agreement and the expected impacts on the livelihood of forest communities in Ghana

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## SUMMARY:

Strengthening of forest law enforcement is likely to impact the livelihood of forest communities. The paper discusses the concept of livelihoods in the context of the Forest Law Enforcement Governance and Trade (FLEGT) Voluntary Partnership Agreement (VPA) and the expected impacts on the livelihood of forest communities in Ghana. It builds on a literature review and an expert survey. The paper finds that the concept of livelihoods had a prominent position in the VPA negotiation phase. The VPA livelihood impacts will differ for different social groups – the impoverished groups are expected to be more affected in comparison to the wealthier groups. The following issues are identified as the most achievable in shaping the VPA livelihood impacts: improved forest resources and environmental services, reforms of the land and tree tenure system, increased transparency and accountability, and stakeholder consultation and participation in the forest management.

Keywords: illegal logging, forest law enforcement, voluntary partnership agreement (VPA), livelihood.

## Concepte des moyens d'existence dans l'accord de partenariat volontaire et les impacts prévus sur les moyens d'existence des communautés forestières au Ghana

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Le renforcement des lois forestières risque d'avoir un impact sur les moyens d'existence des communautés forestières. Cet article analyse le concept des moyens d'existence dans le contexte de l'accord du partenariat volontaire (VPA) de mise en pratique de la loi dans la gestion et le commerce (FLEGT), et les impacts prévus sur les moyens d'existence des communautés forestières au Ghana. Il construit sur la base d'une analyse de la littérature et d'un rapport d'expert. Cet article note que le concept des moyens d'existence a eu une position prééminente dans la phase de négociation du VPA. L'impact du VPA sur les moyens d'existence diffère selon les différents groupes sociaux. Il est attendu que les groupes démunis soient affectés plus profondément que les groupes plus aisés. Les questions suivantes sont identifiées comme étant les plus à même d'être capables d'influencer les impacts sur les moyens d'existence du VPA: services environnementaux et ressources forestières améliorés, réformes de la propriété des terres et des arbres, transparence et prise de responsabilité accrues, et consultation et participation des parties prenantes dans la gestion forestière.

## El concepto del sustento en el Acuerdo de Asociación Voluntaria FLEGT y su impacto probable sobre la vida de las comunidades forestales de Ghana

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Resulta probable que la consolidación de la aplicación de las leyes forestales tenga un impacto sobre la vida y el sustento de las comunidades del bosque. Este estudio examina el concepto del sustento en el contexto del Acuerdo Voluntario de Asociación (AVA) del Plan de Acción para la Aplicación de Leyes, Gobernanza y Comercio Forestales (FLEGT) y su impacto esperado sobre la vida de las comunidades que viven en los bosques de Ghana. Basándose en una revisión de la literatura y una encuesta realizada por expertos, el estudio revela que el concepto del sustento desempeñó un papel importante en la fase de negociación del AVA. El impacto del AVA sobre el sustento de las comunidades variará para grupos sociales diferentes, y se espera que los grupos pobres serán más afectados que los grupos más ricos. Se identifican los objetivos siguientes como los más factibles en cuanto al impacto del AVA en este sentido: mejoras en el uso de recursos forestales y servicios ambientales, reformas del sistema de tenencia de la tierra y de los árboles, una mayor transparencia y responsabilidad, un mayor protagonismo para la consulta con grupos interesados y participación en la gestión forestal.

## INTRODUCTION

Illegal logging has received significant attention in the forest policy debates at national, regional and international levels. The concept of illegal logging is a multidimensional concept, including – in addition to law enforcement – various ecological, economic, social, cultural and political issues. In the last decades, the policy debate regarding illegal logging has particularly focused on the forest law enforcement, resource governance, and the societal costs of illegal logging (Tacconi *et al.* 2003). It is the negative environmental, economic, and social implications of illegal logging that have given the issue such prominence on the global forest policy agenda. Some of the most acknowledged negative environmental impacts include: deforestation, forest degradation, loss of biodiversity, emission of greenhouse gasses (Contreras-Hermosilla 2002, Curran *et al.* 2004, Houghton 2003, Tacconi *et al.* 2003). Economic impacts include the loss of governmental revenues and depression of forest product markets (Brack 2007, Seneca Creek Associates and Wood Resource International 2004), while social impacts include contribution to poverty, and national and regional armed conflicts (Global Witness 2001, Kaimowitz 2003). The World Bank estimates the global economic impacts of illegal logging to be 10 to 15 billion US dollars of annual revenue loss (World Bank 2004). However, illegal logging is a profitable activity and often delivers benefits – at least in the short term and for some stakeholders (Marfo *et al.* 2009, Tacconi *et al.* 2003, Tacconi 2007). Looking at these benefits and further forest governance issues may explain why illegal logging persists despite the numerous forest law enforcement initiatives (Humphreys 2006).

A number of international and bilateral initiatives have been launched to address illegal logging. The major international initiatives include the G8 Action Programme on Forests, which later gave rise to the regional Forest Law Enforcement and Governance (FLEG) processes in different continents: in Asia in 2001, in Africa in 2003, in Europe and North Asia in 2005. Another important initiative is the US President's Initiative against Illegal Logging. Furthermore, a number of countries – such as Japan, Indonesia, United Kingdom, China, and Norway – established forest partnerships and signed memoranda of understandings to fight illegal logging. Additionally, various international organisations and individual countries also joined the cause and established a number of national agreements and initiatives (see Ogle Consulting 2008, World Bank 2006).

The EU is a significant player on the global timber market. Its imports of timber and wood products often come from the countries with widespread illegal forest activities (Indufor 2004, 2008, Turner *et al.* 2007). Therefore, the EU shares the responsibility for illegal logging in the timber producing countries. Recognising this, the European Commission (EC), in October 2003, approved the EU Action Plan on Forest Law Enforcement Governance and Trade (FLEGT).

The EU FLEGT Action Plan can be seen as an innovative approach to counter illegal logging, linking good governance reform in timber producing countries to the leverage provided

by the EU's influential market. It includes measures from the supply side or timber exporting countries (e.g. strengthening of governance sector, developing licensing system), and measures from the demand side or timber importing countries (e.g. public procurement policies) (European Commission 2003). There are two main pillars of FLEGT: a legality assurance system and the governance reform in timber producing countries. The linkage between these two pillars is the definition of legality. The definition of legal timber and other measures towards the production of legal timber are negotiated in the bilateral voluntary partnership agreements (VPAs). The VPAs are voluntary bilateral agreements between the EC (representing the EU Member States in trade matters) and individual timber producing countries. The main components of the VPA, as pre-defined by the EU, are: definition of legality, development of timber-licensing scheme and agreement on how to verify legality and monitor the system (Attah *et al.* 2009, Attah and Beeko 2008, EC FLEGT Briefing Notes N.D., MLFM 2007). In practice the FLEGT VPA is expected to operate as follows: the EU consumer countries have a legal right and obligation to deny the access of timber from the VPA partner country, the legality of which has not been determined, or which is not in accordance to the demands described in the VPA with that country.

## BACKGROUND OF THE VPA IN GHANA

This paper focuses on the VPA in Ghana. The Republic of Ghana is located on the West Coast of Africa, sharing its borders with Togo, Ivory Coast, Burkina Faso and the Atlantic Ocean. The total land area is 238 500 km<sup>2</sup>, and a population of 21 million people (PHC Ghana 2000). The country is divided into the High Forest Zone in the South, accounting for one-third of the land area, and the Savannah Zone in the North, accounting for the remaining two-thirds (Osafu 2005). The forests play a vital role of the economy of the country (in 2000 forestry accounted for 6% of GDP and 11% of export earnings) (Marfo *et al.* 2009). The forests also play a crucial role in supporting the rural livelihoods and the rural economy in Ghana (Appiah *et al.* 2009).

During the last century the country lost 78% of its original tropical forest (Repetto 1990). Recent studies found that 70% of the total harvested timber in Ghana is harvested illegally (Birikorang *et al.* 2001, Hansen and Treue 2008). Hansen and Treue (2008) estimated that in the period from 1996 to 2005, the annual timber harvest ranged between 3.3 and 3.7 million m<sup>3</sup>, compared to an annual allowable cut of 1.0 million m<sup>3</sup>. At the time of the preparation of the VPA in 2004, the EU accounted for over 60% in volume and value of Ghana's timber exports (TIDD 2008); however, this figure dropped to 43% in 2008 due to growing Asian and West African trade (Beeko 2009).

To save what is left of its tropical forest cover and counter the unsustainable timber harvesting, Ghana is undertaking a number of policy, legislative and institutional initiatives and reforms. Since the formulation of the new forest and wildlife

policy in 1994, Ghana has tightened its actions in respect to forest law compliance (Bamfo 2005). Log exports have been suspended since 1995 and there is a prohibition of chainsaw logging since 1998. The forest law enforcement is becoming a bigger issue on the forest policy agenda of Ghana, based on the 1996-2020 Forest Sector Development Master Plan, and the Validation of Legal Timber Programme (VLTP), established in 2007.

In May 2005, through a multi-stakeholder consultation process, Ghana started the preparation for the FLEGT VPA negotiation process. After four official VPA negotiation sessions, held from March 2006 to July 2008, in September 2008 Ghana became the first country to conclude the VPA negotiation with the EU. Ghana's VPA outlines the areas and gaps in the forest policy and forest law legislation, to be addressed in the first 2-5 years of the VPA implementation. The following five elements were established as the key VPA elements: definition of legal timber; system of verification of legality; timber tracking system; licensing system and independent monitoring of the system (VPA Ghana 2009). In addition, other issues to be considered in the VPA implementation are: capacity building, legal reforms and domestic timber market (VPA Ghana 2009/Annex 9).

With the start of the VPA negotiation in Ghana, various questions emerged, such as the implications of the FLEGT on forest industry and domestic timber market (MLFM 2005, 2008). Some stakeholders also raised the question of livelihoods of people who live *in*, and *from* the forest – commonly known as forest communities. The main concerns arise from the following situation: currently the forest communities rely on certain forest activities, such as farming in forest reserves, bushmeat hunting, felling trees without permit for domestic purposes. These activities do not necessarily fall into what is officially known as legal forest activities; yet, they are somehow socially and institutionally accommodated and even accepted. In theory, and from the international perspective, this phenomenon is known as a lack of forest law enforcement and forest law compliance (Beeko 2009, Hansen manuscript); however, from the local perspective it is often a matter of survival. FLEGT VPA aims to enforce the existing forest policy and legislation, and when necessary, to bring about their reform. Banning forest activities, on which people often depend for their livelihoods, without providing alternative livelihood strategies, can impact the forest dependent people (Kaimowitz, 2007). A good example is the ban of chainsaw logging in Ghana, an activity which currently supplies most of the domestic timber market (Hansen and Treue 2008, Marfo *et al.* 2009), and significantly supports the rural economy (Adam *et al.* 2007, Darko-Obiri and Damnyag 2009, Marfo 2004, Marfo *et al.* 2009, Odoom 2005). Having such important role, as Mayers *et al.* (2008) find, *attempts to enforce the chainsaw ban have lead to severe conflicts, resulting in loss of property and lives* (Mayers *et al.* 2008:31).

In the above context, the question arise as to whether the current forest livelihood activities will be restricted, as the VPA progresses to enforce the forestry laws and regulation in Ghana and what will this mean for the livelihood of forest

communities. However, to address this question, we need to first define the concept of livelihood in the VPA. Thus, the paper aims to define the concept of livelihood, and to establish the potential impacts of the VPA implementation on the livelihood of forest communities in Ghana. To that end the following research questions are formulated:

- What constitutes livelihood in the VPA in Ghana?
- Whose livelihoods are likely to be affected?
- What are the expected livelihood impacts?

## MATERIALS AND METHODS

To respond to these questions, and achieve the paper's aim, we reviewed the existing literature on livelihood and how to assess it in the context of the VPA, and conducted a questionnaire survey. The questionnaire is composed of two parts. Part A explores three major issues: the concept of livelihood, the potentially affected groups, and the expected livelihood impacts. Part B explores the larger context and the background of these issues. The questionnaire was constructed with assistance of relevant experts from the following institutes: European Forest Institute (EFI), Forestry Research Institute of Ghana (FORIG), Wageningen University, University of Helsinki and University of Eastern Finland.

The questions consisted of ranking exercise and narrative responses. The respondents were asked to identify the most important aspects of the concept of livelihood, as discussed in the VPA negotiation phase, and to rank their relevance (from 1 not relevant, to 4 very relevant). The respondents were also asked to name the expected positive and negative impacts on the livelihood of forest communities. The arithmetic average (mean) of the ranks of relevance for different livelihood assets was calculated and interpreted as follows: very relevant (rank: 3.5-4), relevant (rank: 3-3.4), less relevant (rank: 2.5-2.9), and not relevant (rank lower than 2.5). Qualitative data about the expected livelihood impacts was analysed with regards to different groups (impoverished, wealthier, middle class groups), and with regards to type of impact (positive, negative, uncertain and no impacts). A paper based coding exercise was applied in order to identify who and in what way within the forest communities would be potentially impacted by the VPA implementation in Ghana.

The questionnaire was distributed to 100 individual experts from NGO, governmental, research and academia, and forest industry sector, who closely followed and/or were involved in the Ghana's VPA process. The aim was to get the opinion of well informed group of people from different geographical and professional background. In total 20 questionnaires were returned, in addition five free-form responses in the form of email were received. The survey was conducted during September and October, 2009.

The purpose of the questionnaire – similarly with the purpose of the qualitative research – was not to measure, but rather to increase understanding of the research question (Agar 1986, Erickson 1986). This paper furthers the understanding of the concept of livelihoods in the context of

the VPA in Ghana; based on literature and opinion of a group of experts from different backgrounds, with different points of view, interests and values.

## RESULTS

### Concept of livelihood in the FLEGT VPA in Ghana

The starting point of the livelihood framework was the Sustainable Livelihood Framework (SLF) and the 5 livelihood asset approach: natural (e.g. land, trees), human (e.g. nutrition, health), physical (e.g. infrastructure, transport), social (e.g. networks and connections) and financial assets (e.g. savings, income) (Carney 1998, DFID 2001, Warner 2000). According to this framework, the people with more natural, human, physical, social and financial assets have a better livelihood. However, the quality of livelihood will also significantly depend on the people's access to the livelihood assets. As Ribot and Peluso (2003) put it, the degree and security of peoples' access to resources and the ability of people to benefit from the assets and resources will ultimately define the quality of their livelihood. The concept of livelihood, presented in the SLF, is widely accepted, but different livelihood assets weigh differently in different contexts (Baumann 2000, Kaimowitz 2003). In the context of forest policy, the importance of specific livelihood assets will depend on the scope of the policy instrument, the stakeholders' interests and their ability to pursue their interests.

In addition to the five livelihood assets mentioned above and defined in the SLF, five supplementary livelihood elements were brought up by the stakeholders in the VPA negotiation phase:

- rights to forest,
- access to forest resources,
- land and tree tenure,
- participation in forest management and decision making, and
- equity in timber benefit sharing.

These additional elements are common in the forest policy and forest governance spheres. They are tightly

linked to institutional and governance settings and in this paper, inspired by Baumann (2000) we name them as policy and institutional livelihood assets. They also relate to deliberation and decentralisation of rights and responsibilities (Ribot *et al.* 2006), and to rights and powers that improve the ability of people to benefit from resources and assets (Ribot and Peluso 2003).

Table 1 shows the ranking of relevance of ten livelihood assets considered in this paper (five assets defined in the SLF and the additional five policy and institutional livelihood assets). The relevance is defined as the level to which specific livelihood assets were perceived as important in the VPA negotiation phase.

The survey ranks all of the policy and institutional livelihood assets as very relevant for the VPA negotiation phase. On the other hand, three out of five livelihood assets from the SLF – financial, human and physical assets – are ranked as relevant or less relevant; while natural and social assets, from the same framework (SLF) are ranked as very relevant.

The rationale for ranking the policy and institutional livelihood assets as very relevant is due to their close linkage to deliberation of rights, access and power from financially or politically stronger to weaker groups (Agrawal and Ribot 1999, Ribot *et al.* 2006). As such they are more obviously related to rural livelihoods, where most of the challenges are precisely about the resource governance and social justice (Cotula and Mayers 2009). Regarding the natural and social assets – both perceived as very important – the assumption, pointed out by the survey respondents, is that the natural resources will improve with improved forest management. This in the long run may improve the social livelihood assets and support the rural livelihood. The financial, human and physical assets were perceived as relevant and less relevant (Table 1). According to the respondents, the financial asset was seen as important and was brought up in the VPA negotiation phase. Nevertheless, the lower rank of importance reflects the respondents' perception that the financial risks are higher than it was assumed in the VPA negotiation phase. It also reflects their dissatisfaction that no strategies for minimising the financial risks were developed. The financial risk in the VPA is related to the high costs in the production of legal timber, but also to current uncertainty of

TABLE 1 *The VPA concept of livelihood: Relevance of different livelihood assets (based on the survey)*

Livelihood Assets		
Very relevant (average relevance rank: 3.5-4)	Relevant (average relevance rank: 3-3.4)	Less relevant (average relevance rank: 2.5-2.9)
- Rights of forest communities	- Financial assets	- Human assets
- Clarification of land and tree tenure		- Physical assets
- Access to forest resources		
- Participation in forest management and decision making;		
- Equity in timber benefit sharing		
- Natural assets		
- Social assets		

the price premium for the legal timber (Brown *et al.* 2008, Ghana Gazette 2009, Simula 2009). Finally, concerning the human and physical assets, according to the respondents these assets were largely overlooked in the VPA negotiation phase. As a result, improvements of these assets are difficult to expect within the VPA framework.

### Whose livelihood is concerned?

Concerning the question of whose livelihood is concerned; the literature review and the survey suggest that the following groups of people, within the forest community, are likely to be affected by the VPA implementation:

- small-scale and subsistence farmers,
- chainsaw operators,
- youth,
- women,
- middle class (e.g. cocoa farmers, land owners)
- wealthy groups (e.g. chiefs and sub-chiefs).

Regarding the early stage of the VPA at the time of this work, it is difficult to anticipate the livelihood impacts for each specific group. Therefore, the expected impacts are presented in general for three groups: forest-dependent impoverished social groups (e.g. groups with poor access to livelihood assets and livelihood strategies, lack of opportunities), forest-dependent wealthier social groups (e.g. groups with good access to livelihood assets and strategies, political influence, land ownership rights) and middle class dependent on the forest.

A rough division of the above mentioned specific social groups in accordance with the poverty criterion would be a difficult and random exercise. Based on previous studies, we can say that the forest communities, especially the small-scale subsistence farmers, migrants without their own land, and women are among the most dependent on forests and most vulnerable in Ghana (Appiah *et al.* 2009, Blay *et al.* 2008, Safo-Kantaka *et al.* 2006). A report of the Ghana Statistical Service (2000) shows that rural poor and farmers form 70% of the country's population living below

the poverty line. On the other hand, in practice, as in theory, people with better and more diverse livelihood strategies, and secure access to resources, power and influence, are less vulnerable to changes, and are furthermore often likely to benefit from these changes (Ribot 1995, Ribot and Peluso 2003). This group would include more privileged people – the so called local elite – such as village chiefs and sub-chiefs. Finally, the middle class may include the villagers with better access to resources, bigger shares of land, and those whose forest related livelihood extends beyond substance to commercial livelihoods (e.g. land owners and cocoa farmers).

### What are the expected livelihood impacts?

Table 2 summarises the potential livelihood impacts of the VPA implementation on impoverished compared to wealthier groups, according to the respondents. It shows that the livelihood of the impoverished social groups (e.g. subsistence farmers, rural poor), unlike that of the wealthier groups, is more at risk (Table 2). The impacts on the middle class were evaluated as uncertain and are therefore omitted from table 2. This uncertainty comes from the wide range of people with diverse livelihood strategies that may fall into this group. In general, the group is expected to benefit from expected retention of natural resources and ecosystem services.

The expected VPA livelihood impacts will depend on many factors and it is difficult to firmly establish these impacts, at this stage of the VPA. However, some general trends have already emerged. First, in terms of the positive impacts on the impoverished groups a lot of hope is placed on the shift of forest tenure from the government to the farmer. In this respect, clarification of tenure is one of the necessary steps, as currently two distinct tenure systems coexist – the customary and the statutory (Amanor 1999, Boakye and Baffoe 2008). Apart from the presumed benefits, certain risk exists that clarification of tenure may not necessarily become favourable for the poor; especially if they are excluded in the negotiation of the tenure system. The risk is attributed to

TABLE 2 *Expected livelihood impacts of the VPA implementation in Ghana (based on the survey)*

	EXPECTED POSITIVE IMPACTS	EXPECTED NEGATIVE IMPACTS
<b>Impoverished groups</b>	<ul style="list-style-type: none"> <li>- Reform of forest and land tenure.</li> <li>- Better forest resources and ecosystem services.</li> <li>- Justice in allocation of timber benefits and better access to information.</li> <li>- Improved timber benefit sharing (through social responsibility agreements – SRAs).</li> <li>- Improved participation in plantation programmes.</li> </ul>	<ul style="list-style-type: none"> <li>- Banning of forest livelihood activities</li> <li>- Lost free access to forest and forest resources</li> <li>- Displacement of forest communities</li> <li>- Lost access to cheap (chainsaw) lumber</li> <li>- Lost employment provided by the chainsaw operations</li> </ul>
<b>Wealthy groups</b>	<ul style="list-style-type: none"> <li>- Greater security of ownership rights and access to forest</li> <li>- Political empowerment in environmental governance (in definition of property and access)</li> <li>- Improved participation in forest management and decision making</li> <li>- Improved connections and political influence</li> </ul>	<ul style="list-style-type: none"> <li>- Greater transparency and accountability will reduce the opportunity for elite capture of benefits and going 'around the law'</li> <li>- Losing due to the equity in timber benefit sharing</li> </ul>

a dual (customary vs. statutory) tenure reform and rules. To quote one respondent: “*These people usually lack the legal title of the place they call home, it is thus unclear that the clarification of land or tree tenure would necessarily benefit them*”. Unlike the poor, the wealthier groups are assumed to be in a better position to benefit from the clarification of the tenure, not only because of their already existing titles and rights over resources, but also because they are in a better position to influence the decisions and secure a better deal for themselves.

Following this, an honest participation and consideration of more vulnerable and poor groups in the process of forest legislation reforms and forest law enforcement is crucial for mitigation of the potential negative impacts. At present participation of forest communities and small scale subsistence farmers is a challenge attributed, among others, to the institutional constraints in Ghana. In this respect, the VPA negotiation has brought many new actors to the table, who before were not included at all (Beeko 2009a). However, according to the survey respondent the participation is relatively low on the agenda of Ghanaian authorities. The fear is therefore that the momentum of participation during the VPA negotiation might be lost in the VPA implementation, and that the Ghanaian authorities might want to re-establish the situation from before the VPA negotiation. Positive achievements concerning the participation of farmers are expected to occur under the plantation programmes, such as so called, *taungya* plantation system. In the modified version of this system (modified *taungya* system), a more favourable benefit sharing scheme for farmers is also in place (Agyeman *et al.* 2003, Boakye and Baffoe 2008). One of the significant threats for the impoverished groups is the potential displacement and lost access to forest resources. It is important to stress that the problem does not come from the VPA directly; but, rather from the existing forestry regulation in Ghana. The forestry regulation and legislation are currently loosely implemented, and all in all quite different from the situation on the ground (Beeko 2009, Hansen manuscript). The VPA seeking to enforce the existing forestry legislation, may indirectly have an impact. However the negative impacts could be mitigated, through, for instance, provision of reliable livelihood alternatives for affected people.

Concerning the impacts on the wealthier groups, or the local elite, it is expected that they will be in a better position to benefit from any changes that may occur, using the existing and acquiring new influence and power. However, potential negative impacts on this group can occur with respect to the elite capture of timber benefits. The elite capture may reduce, as a result of greater accountability and transparency, and an increased equity in timber benefit sharing. In fact, improved transparency and accountability is expected to benefit the impoverished social groups, through more equal and just sharing of timber benefits.

## DISCUSSION

It can be interpreted that the FLEGT VPA refers to rights and voices in public policies, political priorities and governance. Consequently, the political and institutional dimensions are very important for the FLEGT VPA process. The policy and institutional livelihood assets may be, at least to a certain extent, represented in the existing SLF, especially in one of its building blocks – the so called policy institutions and processes. However, considering their high relevance in the VPA process, our research suggests that the policy and institutional assets should stand as separate livelihood assets, to be separately and thoroughly assessed in any VPA livelihood assessments that may take place in Ghana.

The results indicate two general points. First, the concept of livelihood was comprehensive and had covered different livelihood aspects in the VPA negotiation phase. Second, there is recognition that the livelihood of communities in Ghana is dependent on forests, and these livelihoods will be affected by the VPA implementation. The results presented in the previous section and in Table 2 help us to identify four main issues, which will largely shape the VPA livelihood impacts on the forest communities in Ghana:

- improved forest resource and environmental services;
- reforms of the land and tree tenure system;
- increased transparency and accountability; and
- stakeholder consultation and participation in forest management.

Concerning the first issue - improved forest resources - the VPA may in the long run improve the forest management, which in turn will result in the retention of forest resources, non-wood forest products, and improved ecosystem services. This will, in the long term, contribute to livelihoods and poverty alleviation. Regarding, the second issue, the land and tree tenure is considered as the most promising factor to slow the current trends of forest degradation, deforestation and fragile livelihoods in Ghana. The most significant VPA impacts on the livelihoods are expected to occur through the land and tree tenure reforms in Ghana and shifting of tree tenure from the government to the farmers. There was a consensus between the survey respondents that the VPA *can* positively impact the forest communities' livelihoods *if* it manages to shift the current tenure system and to transfer the tree ownership from government to the farmer. Third, increased transparency and accountability is expected to reduce the current practices of the elite capturing of timber benefits, inhibiting the opportunity for non-transparent distribution of benefits. At the same time, the benefits for farmers and communities may increase. Improving transparency and accountability through the VPA may have further reaching goals, such as combating corruption in the forestry sector at the higher levels. Finally, stakeholder consultation and participation have the potential to improve the livelihoods of different social groups, through recognition of their rights, responsibilities and roles under the forest management. This generally positive viewpoint is also shown by Beeko and Arts (2010) in their policy analysis

of the VPA, though as with the conclusions here, a key issue is whether this optimistic view will continue through its implementation.

## CONCLUSION

The concept of livelihoods has received an initial impetus in the VPA negotiation phase, with a variety of livelihood assets at stake. Will there be direct actions for the improvement of these assets in future, and how the concept of livelihood in the VPA will be perceived, for example five years from now, remain questions worth addressing. At present, it is expected that the VPA implementation will influence the livelihoods of the forest communities in Ghana. The livelihood of the poor, who lack resources, capacities and access to information and decision making, is especially threatened. In theory, this should slowly change and with time and pro-poor measures their livelihood may improve.

The VPA aims to enforce the existing forest policy and legislation, on one hand, and it makes provisions for forest policy and legislation reform, on the other. Concerning the first, the paper identifies the impoverished social groups as the most vulnerable, and suggests that their livelihoods should be safeguarded in the forest law enforcement processes. Regarding the second – forest policy and legislation reform, the paper identifies the reform in land and tree tenure as the major forest policy area to influence and shape the rural livelihood in Ghana. In this context, further research is needed to understand the major constraints in the existing tenure system, and to identify the viable options that would fit the local social and policy atmosphere.

Finally, concerning the future research, definition of legality is a key element of the FLEGT VPA. There is a considerable lack of research and information about the legal basis of the VPA: the definition of legality, in general; and in the context of universal moral concepts (such as sustainability, poverty alleviation and human rights) in particular. Thus, the aspect of morality should be given significant emphasis in the context of legality. It is further important how the local people and stakeholders conceive the aspects of legality and the VPA. Further research will benefit from studying the VPA legality definition, the national laws and policies, and implications of these laws and policies on the forest governance sector, livelihoods and poverty alleviation in Ghana.

The value of this work is that it identifies the most critical aspects of the concept of livelihoods, in the context of the FLEGT VPA in Ghana. Highlighting further the importance of the policy and institutional aspects of livelihoods—which are often omitted in the current analytical livelihood frameworks—the paper contributes to the analytical, as well as the theoretical livelihood framework. Finally, it provides an initial appraisal of the expected VPA livelihood impacts in Ghana, that can be used as a reference point in future research on this emerging topic. The implications of this work are firstly relevant for the implementation of the VPA in Ghana, but also for future negotiations of the VPA in other countries.

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