

# Supporting small forest enterprises

Reports from the field



Ghana



This research was part-funded by UK aid from the UK Government, however the views expressed do not necessarily reflect the views of the UK Government.

## Forest Connect Ghana – progress and impact



**Kwabena Nketiah, Kwame Appiah Owusu and Duncan Macqueen**

**Tropenbos International Ghana, Kumasi, Ghana**

**December 2011**

# Table of Contents

|  |    |
|--|----|
| Acronyms                               | 1  |
| 1. Institutional history               | 2  |
| 2. Activities                          | 3  |
| 3. Impacts                             | 6  |
| 4. Benefits of the alliance            | 9  |
| 5. Future prospects and sustainability | 10 |
| References                             | 11 |

## Acronyms

|        |   |
|--------|---|
| AGI    | Association of Ghana Industries                                 |
| ASNAPP | Agribusiness in Sustainable Natural African Plant Products      |
| DOLTA  | Domestic Lumber Traders Association, Ghana                      |
| FS     | Forest Services   |
| IIED   | International Institute for Environment and Development         |
| NREG   | Natural Resources and Environmental Governance programme, Ghana |
| NWFP   | Non Wood Forest Products  |
| PMT    | Project Management Team   |
| REDD   | Reducing Emissions from Deforestation and Forest Degradation    |
| REP    | Rural Enterprises Project                                       |
| SMFE   | Small and Medium Forest Enterprise                              |
| SSCA   | Small-Scale Carpenters Association                              |
| TBI    | Tropenbos International   |
| VPA    | Voluntary Partnership Agreement                                 |
| WFP    | Wood Forest Products  |

# 1. Institutional history

Tropenbos International Ghana is the National Hub Organisation or facilitator of the Forest Connect alliance in Ghana. The IIED team visited Ghana in late 2007 to identify a suitable national facilitator for support to small forest enterprises. A contract was agreed with Tropenbos International Ghana in view of their prior work with such enterprises, notably with chainsaw lumberers. An initial contract was signed in late 2007 to start work on a diagnostic of Small and Medium Forest Enterprises (SMFEs) within Ghana, which would form the basis for prioritising future work.

Tropenbos International Ghana (TBI Ghana) is committed to improving forest-dependent livelihoods with the view to reducing poverty, especially in rural areas. This is very much in line with the goal of the Forest Connect project, which is to reduce poverty by testing and enriching guidance modules for the facilitation of support for small and medium forest enterprises. It helps to build social, economic and environmental sustainability amongst SMFEs and their associations by connecting them:

- to emerging markets – by strengthening associations and enhancing market links;
- to service providers – by strengthening information about and markets for financial service and business development service providers, based around sustainable practices; and,
- to national forest programme (nfp) processes – by empowering them to shape policy processes that control the broader business environment.

We realise, however, that forestry in Ghana (both policy and management) is skewed in favour of the conventional timber industry. Very little attention is paid to small and medium forest enterprises, which incidentally offer job and livelihood opportunities to a large proportion of the population. TBI Ghana sees the Forest Connect project as a useful strategy to draw attention to this imbalance and to help correct it, to the extent that it is possible.

TBI Ghana's vision for Forest Connect in Ghana is to ensure that SMFEs contribute optimally to poverty reduction through the participation of the practitioners in policy processes and by fostering linkages between SMFEs, markets and service providers.

In terms of the governance of the Forest Connect initiative within Ghana, Forest Connect Ghana has an in-house Project Management Team (PMT) that meets from time to time to offer support to the project implementation team. There is a national multi-stakeholder Steering Committee that meets twice a year to agree on priorities and review progress and the work-plan. The membership of the Committee is drawn from the private sector, government agencies, civil society and SMFE practitioners. The Steering Committee was put together at a national workshop held in 2008 to review the report of the diagnostic study, which was carried out at the start of the project in Ghana. The members were democratically selected; the criteria included the relevance of the institution or agency, role or interest in forests and forest enterprises and the experience of the individuals. Currently, representatives of the following agencies are very active in the governing of Forest Connect Ghana:

- Ministry of Lands and Natural Resources
- Energy Commission
- National Board for Small-Scale Industries
- Rural Enterprises Project / Business Advisory Centres
- Academia (Kwame Nkrumah University of Science and Technology)
- NGO involved in medicinal plants (Agribusiness in Sustainable Natural African Plant Products - ASNAPP)
- Ghana Wildlife Society
- Kumasi Wood Cluster (promoting forest certification for small wood processing companies)
- Private sector:

- Wood products manufacturer
- Grass-cutter farmer
- NTFP farmer and wood products exporter (Portals Sustainably Managed Forest Estate Limited)

Since its inception, the Forest Connect team in Ghana have gone through three phases of financial support, each managed as a separate contract linked to key outputs. These include: (2007-2008) drafting of a diagnostic study of small and medium forest enterprises (SMFEs) (Osei-Tutu *et al.* 2010); (2008-2009) soliciting inputs to the draft at a national workshop on small and medium forest enterprises that was held on 26-27 March 2009 at the Erata Hotel in Accra, Ghana – supported by commissioned background papers; and (2009-2011) the establishment of national steering committee to resolve issues of domestic market for SMFE products and the development of a sourcebook on SMFEs (Osei-Tutu *et al.* 2012). The project is in its fourth phase (2011-2012), which aims at *linking community based honey producers to service providers to enhance marketing of honey*. What follows is a summary of the progress and update of the Forest Connect project in Ghana.

## 2. Activities

Since the project's inception, there have been 14 meetings of the project management team and four steering committee meetings. The Forest Connect Ghana team started too late to participate in the first international Forest Connect workshop, held on 2-4 July 2008 in Edinburgh, which identified the areas of guidance that might be useful for supporters of SMFEs. Nevertheless, the project leader and one officer did engage with the development of that toolkit and had the opportunity to participate in the second international Forest Connect workshop, held from 16-18 February 2010 in Addis Ababa, Ethiopia, to test and enrich the toolkit based on in-country work.

**Landmark SMFE diagnostic for Ghana.** The first major set of activities related to the production of a diagnostic study, the draft of which was validated at a national workshop and has now been published and distributed nationally (Osei-Tutu *et al.* 2010). This report, 'Hidden Forestry Revealed', drew attention to the importance of the SMFE sector in Ghana within the forest sector, the country's fourth largest foreign exchange earner. The formal forest sub-sector, characterised by regulated timber and timber product industries, is the main contributor to foreign exchange. The informal sub-sector, meanwhile, characterised by SMFEs, is largely left out of forest statistics, planning and management. SMFE in this context refers to forests and forest product enterprises that employ fewer than 30 people. The report found that SMFEs serve as the main, additional or alternative income source for approximately three million people in Ghana, and may even outweigh the formal forest sub-sector in terms of their contribution to livelihoods and resource sustainability. This is largely because SMFEs tend to accrue wealth locally, empower local entrepreneurship and seek local approval to operate.

Osei-Tutu *et al.* (2010) found that, although they are difficult to put into distinct groups, forest enterprises in Ghana can be broadly classified into three categories: wood forest product (WFP) enterprises; non-wood forest product (NWFP) enterprises; and forest service (FS) enterprises. SMFEs in the WFP category include small-scale carpentry, chainsaw milling (outlawed at present), charcoal production, wood carving (including canoes) and the trading of these products. In the NWFP category, SMFEs include the collection, processing and sale of products like shea nuts, cola, chewing sticks/sponges, gum arabic/resins, spices, honey, edible and wrapping leaves, oily and edible seeds, baskets/hats/mats, bamboo and rattan products, snails, mushrooms, medicinal products, palm wine and bush meat. SMFEs in the FS category include ecotourism and plantation development.

The study found that SMFEs operate both in urban and rural areas, sometimes with complex production and marketing chains. Generally, the workforce in the SMFE sub-sector is composed of proprietors, family members, paid workers and trainees or apprentices. Proprietors, mostly women (especially in Northern Ghana) generally have low levels of education. Most SMFEs are seasonal in nature, with factors like fluctuations in demand, raw material and labour availability determining the period of engagement in the various activities. Proprietors involved in manufacturing, processing and trade who have workshops or permanent locations, however, operate full-time and on a commercial basis. Most proprietors operate in isolation and existing associations are mostly inactive. Linkages exist between the SMFE sub-sector and the formal forest sub-sector. For instance, some charcoal producers depend on sawmills for their supply of raw material in the form of off-cuts, slabs and other wood residues, and some chainsaw millers deliver their lumber to conventional sawmills for further processing.

The study noted the relevance of international initiatives to the development of SMFEs in Ghana. Key among these initiatives are the Voluntary Partnership Agreements (VPA) under the Natural Resources and Environmental Governance (NREG) programme in Ghana, and the Reducing Emissions from Deforestation and Forest Degradation (REDD) initiative. Both of these schemes are grappling with the challenging impacts of the mostly informal SMFE enterprises within the domestic market. This is either because of the challenge they pose to legality, or because of the combination of threats and opportunities that they represent for deforestation and forest degradation. The VPA, for example, which promotes legality of enterprises, has the potential to put the mostly informal and unregistered SMFEs out of business. This situation could be avoided if the definition of 'legality' is broadened to include the interests of SMFEs. Similarly, unless the threats and opportunities of SMFEs are included in plans to reduce deforestation and degradation, REDD plans are likely to fail.

In addition, the study found that the state continues to lose revenue by neglecting the SMFE sub-sector through non-registration and non-payment of permit fees and taxes, illegal and unstable operations, and the less than optimal contribution of the sub-sector to people's livelihoods and poverty reduction. SMFEs lack the organisation through associations, business registration, legality and tenure security that is characteristic of enterprises in the formal forest sector. Though they have high start-up rates, the majority survive for only a short period. There is little linkage between individuals engaged in SMFEs and organisations promoting these enterprises. People engaged in SMFEs are faced with problems such as excessive bureaucracy, unfavourable policies and legislation, insecure tenure, poor market access and information, lack of access to credit, poor infrastructure, inadequate technology, weak bargaining power and insufficient business know-how. Furthermore, the sub-sector is plagued by depletion and/or seasonality of raw materials and an influx of alternative imported products on the market. There is a high level of arbitrariness and general weakness in the implementation of the few supporting policies that exist.

The study emphasised the emergence of new local and international marketing opportunities and the existence of some support programmes and institutions that offer good prospects for the promotion of SMFEs. It was agreed nationally that addressing the institutional challenges with an emphasis on networking, research, capacity building, information and technology transfer, access to capital (microcredit facilities) and participation in decision-making processes could greatly enhance the contribution of the sub-sector to the improvement of local livelihoods and resource conservation.

**National workshop to highlight the opportunity of greater engagement with SMFEs.** In the second phase of Forest Connect Ghana's work, from 26-27 March 2009, a national workshop on SMFEs was convened at the Erata Hotel in Accra, Ghana. Background papers were commissioned on:

- Enterprise organisation and market restructuring (Birikorang, 2009)
- Business support platforms for SMFEs in Ghana (Adu, 2009)

- Draft diagnostic on SMFEs in Ghana (Osei-Tutu *et al.* 2010)

The workshop was seen as a good step towards the long awaited opportunity for a forum devoted to the broadening of forest utilisation, such that a larger variety of stakeholders might participate and benefit from its use. Participants advised Tropenbos International Ghana on how best to push the Forest Connect agenda forward. They advised on careful selection of the Forest Connect Steering Committee members; capacity building of SMFE actors, so that they can actively participate in policy dialogues; and the design of a series of focus group discussions to generate credible policy recommendations.

As a next step, a first meeting of the Forest Connect Steering Committee was organised to discuss details of the group's mandate and the way forward for the Forest Connect project in Ghana. The general objective (mandate) of the Steering Committee is to help SMFEs in Ghana reach their potential for local sustainable development. This would be achieved by learning from experience, developing plans and steering action for policy or legislative reform, support networks, enterprise organisation and market restructuring. The Steering Committee:

- ensures that SMFE concerns are adequately captured in the new forest and wildlife policy under preparation;
- develops networking and communication strategies for SMFEs;
- identifies training and capacity building needs and institutions that can offer training;
- develops a framework to ensure SMFEs contribute to sustainable forest management through payment of taxes, levies, and so on; and
- links SMFEs to existing natural resource management platforms in Ghana.

Over a 12 week period, the Steering Committee developed an action plan for achieving its mandate.

**Mapping of SMFE service providers in Ghana.** In the third phase of Forest Connect Ghana work, a survey was conducted on the service providers for 19 selected enterprise sub-sectors, prioritised by the steering committee. In a series of chapters, the survey lays out considerable detail about the various SMFE sub-sectors within Ghana – including the production of akpeteshie (local gin), bamboo and rattan household goods, black pepper, bushmeat, chainsaw lumber, charcoal, chewsticks, cola, community-based ecotourism, essential oils, ginger, honey, medicinal products, mortar and pestles, mushrooms, shea butter, tertiary wood processing and wood carving. Chapter one presents some characteristics of SMFEs in Ghana. Chapter two presents information on what goes into establishing a small business, obligations for small businesses and the Ghana government's initiatives on small enterprises. Chapter three presents profiles of the key SMFEs in Ghana. Chapter four presents some associations and groupings of SMFE proprietors in Ghana. Finally, chapter five is a table of SMFE support institutions and service providers in Ghana. The findings from the survey have been compiled into a sourcebook, which is being published (Osei-Tutu *et al.* 2012). A simplified version of the sourcebook has also been prepared to be published locally; this is targeted at the SMFEs practitioners.

**Accessible information services.** Throughout the work of Forest Connect Ghana, a website has been maintained for the project in Ghana ([www.forestconnectghana.com](http://www.forestconnectghana.com)). Linked to this website in terms of outreach and awareness creation, a workshop has been organised for beekeepers and honey producers. The workshop was also used to gather information on the needs and challenges of honey production and trade. Based on the concerns raised, a training workshop on sustainable honey production has been held for beekeepers, looking at threats to honey bees and integrated pest management in agriculture.

The TBI Ghana team also participated actively in the second international Forest Connect workshop (see Macqueen and Rolington, 2011) contributing case study examples to three of the 16 modules of guidance within the draft toolkit (Macqueen *et al.* 2012): for example module 5 on planning and sequencing activities; module 6 on conducting SMFE diagnostics; and Module 16 on conducting policy research.



**Quality standards development and sustainability certification for honey.** In the fourth phase of Forest Connect Ghana's work the team chose to focus in on activities to improve particular value chains. Initially, the proposal was to focus on the charcoal sub-sector, owing to its size and significance. Funding restrictions postponed that engagement, however, and instead, the honey sub-sector was chosen as a first step into more detailed value chain analysis. In 2011, a market assessment was carried out to identify market outlets, quality requirements, packaging requirements, price range and major suppliers for honey. The findings have been captured in a report soon to be finalised. As a consequence, another meeting has been held with the honeybee keepers to discuss quality requirements of honey. As part of this work, exploratory moves have been made to achieve certification for honey production by the Food and Drugs Board of Ghana; efforts to this end are still ongoing. A familiarisation visit to a honey processing facility has been made by potential resource persons and a study tour to a honey processing facility has been organised for the producers. Again, the secretariat has supported a training programme on construction of *langstroth* beehives for the Honeybee Keepers Association, which optimises honey production.

**Efforts to connect to national policies and platforms.** Ghana is currently in the process of reviewing its Forest and Wildlife Policy, as well as the legislative framework. This process inevitably dovetails to varying degrees with the consultative processes and platforms created in the negotiation and implementation of Ghana's VPA, and with the development of a national REDD strategy for Ghana. The Forest Connect project's strong national links and Steering Committee have enabled the team to successfully facilitate the participation of SMFE practitioners in the policy review process. The Steering Committee has also submitted a written proposal regarding SMFE issues to the policy review committee.

Within the more specific work on honey production, policymakers (Ministry of Lands and Natural Resources) see the project as an avenue for reaching out to SMFE practitioners and producer groups, particularly honey producers. They have expressed the hope that the project will conduct capacity building and linkage to micro-credit and product certification, whilst traders in honey expect to get certified product (honey) to trade in. Producer groups have been attracted to the initiative by the prospect of producing certified and quality products for the export market. Consumers and traders of honey are expecting to have sustainable supply of high quality honey.

### 3. Impacts

The work of TBI Ghana within the Forest Connect alliance has had impacts internationally (through sharing of experiences with 12 other Forest Connect partner country teams). But the main impacts have been seen at national level – as discussed below.

**Greater visibility and awareness of the significance of SMFEs.** Through the national diagnostic of SMFEs in Ghana and the subsequent national workshop and sourcebook on SMFEs and service providers, there is now considerable momentum within Ghana to better engage with the multiple SMFE sectors. For example, the generic discussion over the importance of SMFEs has now been replaced with a much more nuanced discussion over specific challenges to particular sub-sectors. The table below outlines the nature and status of selected SMFE subsectors in Ghana that have been selected for future work by the national Steering Committee and outlines why they were chosen as a focus:

**Table 1. SMFE subsectors and the prospects and rationale for policy and value chain engagement.**

| <b>Enterprise</b>   | <b>Nature</b>   | <b>Status</b>   | <b>Reasons for selection</b>   |
|---|---|---|--|
| Woodfuel production and trade                                     | Harvesting of trees for use as firewood and production of charcoal using methods that are not always very efficient.          | Woodfuel policy still in the draft form; major supply sources very degraded; the sub-sector is informal and poorly organised.                                 | About 70 per cent of households depend on charcoal and firewood for cooking and heating; contributes greatly to forest degradation; production is unsustainable; offers employment for tens, if not hundreds of thousands of people. |
| Community-based ecotourism  | These involve people visiting forest reserves, national parks, water bodies, mountains and historical sites, among others.    | A few sites are fairly well developed but most sites not very developed. Related services and linkages are poorly developed.                                  | Ghana has a number of eco-tourism sites which are not well developed; related services, artefacts and souvenirs need to be developed in communities with eco-tourism potentials as linkages.   |
| Wood carving and trade  | Carvers operate in pockets of localities, producing wood artefacts both for local and export markets.                         | Now representatives are invited to participate in national discourses, but national association is yet to be consolidated; problems with raw material supply. | Difficulty in accessing raw material; no supply of legal wood, likely challenge of certification; no national trade association; market not fully developed; poor access to credit; product quality can be improved.                 |
| Carpentry and wood processing                                     | Production of wood and wood products for both the domestic and cross-border markets.  | Difficulty in accessing legal timber; draft policy in place to regularise domestic lumber supply.   | Weak association; source of employment for many thousands of people, but aspects of it are still criminalised.   |
| Bush meat, mushroom, snail  | Hunting (or poaching) of game from the wild; mushroom and snail farming.  | Several isolated efforts to domesticate some wildlife; promoted as alternative livelihoods.   | Main sources of protein, also seen as delicacies by many, but sustainable supply is threatened; value chain yet to be developed.   |
| Medicinal plants and herbal products preparation and trade        | Many people depend on these for both preventive and curative medicine.  | Mainly collected from the wild, but this is unsustainable; need to domesticate/cultivate them; regeneration is threatened due to forest degradation.          | Important means of healthcare, but production base is unsustainable; certification is lacking in many cases.   |
| Shea butter production and trade                                  | Collection of the shea fruit mainly from the wild, particularly by women; processing of the fruit to produce shea butter.     | Fairly well-established domestic and export trade; stronger associations in the production and trade of shea butter have to be formed.                        | There is the need to promote plantation establishment of shea trees. Employment opportunity for women in particular in deprived areas of the country.  |
| Herbs and spices production and trade [for example, black pepper] | Several forest herbs and spices exist in Ghana but only a few have been commercialised.                                       | Some few exports; mainly collected from the wild; little or no value addition.  | Not many practitioners are aware of the export potential of these products; need to promote large-scale cultivation to ensure sustainable supply.  |
| Cola nut trade  | The cola fruits are mostly collected from the wild; the peeled seeds are stored or traded directly, mainly in the sub-region. | There is a high demand in Nigeria and other muslim-dominant African countries.  | Cola is historically an important export crop. It is easily integrated into croplands to form agro-forest, which can provide ecosystem services if its trade is sustained.   |

|  |   |  |  |
|--|---|--|--|
| Chewstick and chew-sponge                                    | These items are used for dental care and as toothpicks, in both urban and rural areas. The trade provides income for many young girls in the urban centres.   | Mostly collected from the wild; very tenuous supply base; almost extinct.  | Need to promote their cultivation in plantations and also as integral part of some cropping systems to increase local stocking. This can sustain practitioners' livelihoods and also promote good oral hygiene in Ghana.   |
| Essential oils, gums, dyes, <i>Allanblackia</i> , sweeteners | Much of these have been collected from the wild over the years.   | <i>Allanblackia</i> and <i>taumatococcus</i> in particular are receiving much attention in their development and processing, but there are several others that could be developed. | Potential local market exists – food, pharmaceutical and cosmetic industries currently use some of the products as raw materials. These industries need sustainable supply that practitioners can take advantage of to earn additional income. Development of the production and trade in these commodities would benefit rural farmers. |
| Palm wine tapping and local gin distillation                 | Palm wine is produced from trees of oil palm, and to some extent raffia palm. The freshly tapped juice is very sugary, with virtually no alcohol. But with time, the juice ferments to give high concentrations of alcohol which is distilled, to produce the local gin (Akpateshie). It is patronised mainly by low-income people. | The processing needs to be improved to conform to better quality standards; the handling and marketing can also be improved.   | This traditional enterprise serves the needs of individuals in all parts of the country with appreciable income to producers and traders. Moreover, recent industrial processing options offer ways to secure markets through better quality product thereby improving income generation amongst producer groups.                        |
| Plantation development (nursery, plantation establishment)   | Seedling production to feed the plantation development initiative.  | Ghana has embarked on a massive reforestation and plantation programme which requires large quantities of tree seedlings.  | Successive governments have shown commitment to plantation since 2001. There is scope for local nurseries to produce seedlings for national plantation development initiatives in Ghana. High employment potential.  |

**Policy engagement within the VPA, REDD and Forest and Wildlife Policy consultation processes.** The main impact of Forest Connect in Ghana has been in the area of policy engagement. SMFE practitioners, through Forest Connect workshops and sub-sector meetings, have gained greater recognition and consideration in these policy processes, and particularly in the drafting of the new Forest and Wildlife Policy. There is also now a greater awareness among practitioners of the importance of policy engagement and many also appreciate the need to get together to form associations, so as to have greater voice in those discussions.

A particular strength of the Forest Connect work to date has been the establishment of the multi-stakeholder steering committee, which has enabled the project to work on priority commodities – and be recognised nationally as a vehicle for pushing the SMFE agenda forward. The other success factor has been the consultative approach adopted by the project. This has made it possible to address needs felt by stakeholders and practitioners. As an example, consultative meetings with the honeybee keepers and honey producers at the start of Phase 4 of the project led to the incorporation of new interventions that were not foreseen from the beginning.

In terms of supporting people from disadvantaged or marginalised groups, chainsaw operators who were hitherto criminalised have now been brought to the table to engage in dialogue on finding lasting solutions to illegal logging. This was mainly through TBI Ghana's work on illegal chain-sawing. Stronger associations of domestic lumber traders (for example DOLTA) are emerging; some of which have succeeded in attracting

financial resources for capacity building and advocacy.

**Increasing organisation and income from specific SMFE sub-sectors.** One of the unforeseen interventions that emerged through the consultative value chain work with honey producers was the training and capacity building. Honey producers have been trained on 'addressing threats to honey production' and the construction of improved beehives. Again, the market requirements assessment carried out was not initially planned. Recommendations from the steering committee, however, instigated a value chain study with the rationale that it would provide the necessary information for focusing the initial interventions of certification, packaging, labelling for supermarkets and other market outlets.

**Issues to be addressed.** The piecemeal approach (annual contracts) within project implementation has made the flow of activities rather disjointed. This is because the IIED team have had to source funds (through PROFOR and other donors) on an annual and biannual basis, and so have only been able to agree contracts with partners over short timeframes. This is evidently quite unsatisfactory and one would hope that donors will step forward to support SMFEs through the Forest Connect alliance on a longer term and more substantial basis. Even though this has also made it possible to learn from our mistakes, it has not allowed for long term planning and substantial interventions.

## 4. Benefits of the alliance

TBI Ghana is a relatively recent member of the Forest Connect alliance and did not take part in the initial international Forest Connect workshop in 2008. Nevertheless, there are perceived benefits from being part of this alliance:

**Use of the international website.** We use the international Forest Connect website, though not very frequently. Nonetheless, we find the following useful: posting of and access to documents, finding out information about colleagues in partner countries, and having access to blogs. One experience that discouraged us from using the website was apparent spam circulated via the website recently. It would be helpful if website administrators could send vital information, such as invitations to conferences and workshops, directly to partners' email addresses. The website team are also stretched and have not yet, for example, created a link from the international website to the Forest Connect Ghana website.

**Development of a toolkit on the facilitation of support to SMFEs.** As noted above, TBI Ghana contributed to module 5 (*Planning and sequencing facilitation intervention*), module 6 (*Conducting and presenting an SMFE diagnostic study*) and module 16 (*Making policy research for change through a project steering committee*). We find the toolkit practical enough to be used by SMFE facilitation organisations and foresee it being used by agencies that deal with and / or support small-scale industries generally. These will include the National Board for Small Scale Industries (NBSSI), Association of Ghana Industries (AGI), Rural Enterprises Project (REP), Domestic Lumber Traders Association (DOLTA) and Small-Scale Carpenters Association (SSCA).

**Sharing experiences with other SMFE support practitioners.** We have found the international Forest Connect meetings very helpful. The second international meeting (Ethiopia) was particularly very helpful; we learnt of how other countries are implementing SMFE support activities.

## 5. Future prospects and sustainability

Our vision for the future is that there will be a vibrant SMFE sub-sector adequately catered for by policy, and well connected to service providers (including micro-finance) and to markets, which contributes to national development and poverty reduction. For sustainability, SMFE practitioners should be brought to a point where they appreciate the catalytic role of Forest Connect and are willing as well as able to pay for that catalytic service.

In the past, we received initial funding from IIED and supplemented that with our own (Programme) resources, including in-kind contributions. We have also relied on partnerships to raise in-kind support. For the future, we plan to source funding through project proposals to funding agencies, both national and international; we hope that, ultimately, the beneficiaries of the services of the project will be in a position to make a contribution to the provision of the services. We also expect that Government will be willing to take on some services.

So far we have managed to lay a very good foundation for the take-off of the SMFE support in Ghana. Unfortunately, however, not many tangible results have been achieved in terms of product development or actual linkages. While we have made a constructive start in the honey sector, there are other even more important SMFE sub-sectors that have broader impacts on forest resources in Ghana. We need more substantial support over a longer time period to translate some of the very good work done into tangible results in this broader arena.

## References

Adu, G. (2009) Business support platforms for SMFEs in Ghana. Paper presented at the national workshop on SMFEs, 25-26 March 2009, Errata Hotel, Accra, Ghana. Kumasi Wood Cluster, Kumasi, Ghana.

Birikorang, G. (2009) Enterprise organisation and market restructuring. Paper presented at the national workshop on SMFEs, 25-26 March 2009, Errata Hotel, Accra, Ghana. Hamilton resources and Consulting, Accra, Ghana.

Osei-Tutu, P., Nketiah, K., Kyereh, B., Owusu-Ansah, M. and Faniyan, J. (2010) Hidden forestry revealed: Characteristics, constraints and opportunities for small and medium forest enterprises in Ghana. IIED Small and Medium Forest Enterprise Series No. 27. Tropenbos International and International Institute for Environment and Development, London, UK.

Osei-Tutu P., Nketiah K.S., Kyereh B., and Owusu-Ansah M. (2012) Sourcebook on enterprise characteristics, activity centres, product markets, support institutions and service providers in Ghana. IIED Small and Medium Forest Enterprise Series No. 29. Tropenbos International and International Institute for Environment and Development, London, UK.

Macqueen, D.J. and Rolington, L. (Editors) (2011) Testing and enriching guidance modules for the "facilitation of support for small and medium forest enterprises" – proceedings of the second international Forest Connect workshop at the Global Hotel, Addis Ababa, Ethiopia, 16-18 February 2011. IIED, Edinburgh, UK.

Macqueen, D.J. (Ed.), Baral, S., Chakrabarti L., Dangal, S., du Plessis, P., Griffiths, A., Grouwels, S., Gyawali, S., Heney, J., Hewitt, D., Kamara, Y., Katwal, P., Magotra, R. Pandey, S.S., Panta, N., Subedi, B. and Vermeulen, S. (2012) Supporting small forest enterprises – a facilitators toolkit - DRAFT. Pocket guidance not rocket science!. IIED. Edinburgh, UK.