

THE FIVE HUNDRED AND EIGHTY-THIRD
ACT
OF THE PARLIAMENT OF THE REPUBLIC

OF GHANA

ENTITLED

THE FOREST PLANTATION DEVELOPMENT FUND ACT, 2000

AN ACT to establish a Forest Plantation Development Fund to provide financial assistance for the development of private commercial forest plantations, to provide for the management of the fund and to provide for related matters.

DATE OF ASSENT: *4th October, 2000*

BE IT ENACTED by Parliament as follows:

PART I - ESTABLISHMENT OF THE FOREST PLANTATION DEVELOPMENT FUND

Establishment of Fund

1. There is establishment by this Act a Forest Plantation Development Fund.

Objects of the Fund

2. The objects of the fund are to provide

(a) Financial assistance for the development of private forest plantation on lands suitable for commercial timber production and

(b) For research and technical advice to persons involved in commercial plantation forestry on specified conditions

Application for benefit

3. (1) A person capable of implementing a plantation programme in accordance with the criteria established under section 9 of this Act, may apply for funding from the Fund.

(2) An application under subsection (1) shall be in a prescribed form.

(3) A beneficiary of the Fund who observes the conditions set by the Board is entitled to exercise rights of ownership over any timber produced.

(4) A beneficiary under subsection (3) includes a successor of the beneficiary.

(5) A beneficiary under this Act entitled to tax rebates and such other benefits that are applicable to it under the Ghana Investment Promotion Centre Act 1994 (Act 493)

Sources of Fund

4. The moneys of the Fund shall be derived from

(a) the proceeds of the timber export levy imposed under the Trees and Timber Decree 1974 (NRCD 273) as amended by the Trees and Timber (Amendment) Act, 1994 (Act 493);

(b) grants and loans for encouraging investment in plantation forestry;

(c) grants provided by international environmental and other institutions to support forest plantation development projects for social and environmental benefits;

(d) moneys provided by Parliament for private forest plantation purposes.

Bank account of the Fund

5. Moneys for the Fund shall on the directions of the Board be paid into a bank account opened for the purpose with the Fund Management Bank appointed under section 8.

PART II - MANAGEMENT OF THE FUND

Establishment of Board

6. (1) There is established by this Act the Forest Plantation Development Fund Management Board

(2) The Board comprises of

(a) a chairman who shall be from the private sector

(b) the Chief Director of the Ministry of Lands and Forestry;

(c) the Chief Executive of the Forestry Commission;

(d) a representation of tree growers

(e) a representative of the Ghana Timber Association;

(f) a representative of the Minister responsible for Finance;

(g) a representative of the Ghana Timber Millers Organisation;

(h) a representative of the Fund Management Bank and

(i) one representative of a donor or a financial agency which contributes to the Fund a sum of money equal to or greater than the initial deposit derived from the proceeds of the export levy referred to in section 4 of this Act as at the date of the coming into force of this Act.

(3) The members of the Board shall be appointed by the President in consultation with the Council of State.

Functions of the Board

7. The Board shall be responsible for

(a) administering the Fund;

(b) attracting contributions into Fund and investing the moneys of the Fund;

(c) encouraging investment in commercial forest plantation development through incentives and other benefits;

(d) facilitating best practices for optimum timber plantation establishment and management;

(e) promoting a feasible scheme that supports related forest projects; and

(f) monitoring the progress of the scheme to ensure compliance with the objects of the Act.

Appointment of Fund Management Bank

8. (1) For the purpose of section 7 the board shall select a bank by a transparent competitive process and enter into a contract for its service to manage the fund

(2) The management bank shall under the direction of the board be responsible for the

(a) sound management of the Fund,

(b) disbursement of money, and

(c) recovery of money lent from the Fund

Disbursement of Fund

9. (1) The Board shall with the approval of the Minister prepare and publish criteria for the disbursement of moneys from the Fund and may authorise the Management Bank to make payments from the Fund

(a) for special size of plantation establishment and the relevant management costs, training and other incentives determined by the Board;

(b) to forest plantation growers and forestry firms that may qualify to benefit from incentives determined by the Board;

(c) to pay management fees and operational expenses of the Fund Management Bank and

(d) for the payment of any other relevant expenses of the Board may determined,

Forest Plantation Development Scheme

10. (1) For the purpose of section 7(e) the Board shall, within twelve months of the coming into force of this Act prepare for the approval of the Minister a private sector forest plantation development scheme to cover up to two hundred thousand hectares of land for a period of not less than ten years and not more than twenty-five years.

(2) The Scheme shall be presented in a determined by the Board and shall include

(a) projection of relevant annual expenditure from the Fund and the basis for the projection.

(b) projection of revenues for the Fund from various sources and the activities required to attract additional contributions to the Fund;

(c) provision for the review of the scheme every five years; and

(d) provision for recovery of any outstanding disbursed credit

(3) The management bank shall prepare an annual budget for each financial year in respect of a scheme approved by the Minister based on

(a) applications that qualify for incentives from the Fund;

(b) previously approved commitments for use of the Fund; and

(c) on-going and new activities to meet the objects of the Fund.

Forest plantation inspectors

11. (1) The Board may appoint officers designated as Forest plantation inspectors referred to in this Act as "Inspectors".

(2) An inspector or any person authorised by the Board may at any reasonable time enter into a plantation which is a beneficiary of the Fund to inspect the plantation

(3) A person who assaults or obstructs an inspector or any authorised person acting in execution of duty under subsection (2) commits an offence and is liable on summary conviction to a fine of not less than two years or to both.

Tenure of office of members

12. (1) A member of the Board other than an ex-officio member shall hold office for a period of not exceeding four years and is eligible for reappointment.

(2) A member of the Board other than ex-officio member may at any time by letter addressed to the President through the Minister resign from office

(3) A member who is absent from three consecutive meetings of the board without sufficient cause ceases to be a member of the Board

(4) A member of the Board may be removed from office by the President for inability to perform the functional of office for stated misbehaviour or for any other just cause

(5) The chairman of the Board shall through the Minister notify the President of vacancies that occur in the membership of the Board within one month one month of the occurrence of the vacancy

Meeting of the Board

13. (1) The Board shall meet for the despatch of business at the times and in the places determined by the chairman but shall meet at least once every two months.

(2) The chairman shall upon the request of not less than one-third of the membership of the Board convene a special meeting of the Board.

(3) The quorum at a meeting of the Board shall be five member s of whom at least two shall be from the public sector and two from the private sector.

(4) The chairman shall preside at meetings of the Board and in his absence a member elected by the members present from among their number shall preside.

(5) Questions before the Board shall be decided by a majority of the members present and voting.

(6) The chairman or the person presiding at a meeting of the Board shall in the event of equality of votes have a second or casting vote.

(7) The Board may co-opt any person to act as an advisor at its meetings but a co-opted person shall not vote at the meeting.

(8) The validity of the proceedings of the Board shall not be affected by a vacancy among its members or a defect in the appointment or qualification of a member.

(9) Except as otherwise expressly provided for under this section, the Board shall determine and regulate the procedure for its meetings.

Disclosure of interest

14. (1) A member of the Board who is interested in any matter being considered by the Board shall disclose the nature of that interest and shall not take part in any deliberation or decision of the Board with respect to that matter.

(2) A member who fails to disclose interest under subsection (1) of this section, ceases to be a member of the Board.

Allowance for members

15. The members of the Board shall be paid allowances as the Minister in consultation with the Minister for Finance, may determine.

PART III - FINANCIAL PROVISION AND ADMINISTRATION

Accounts and audit

16. (1) The Board shall keep books of account and proper records in relation to them and the books of account and the records shall be in a form approved by the Auditor-General.

(2) The books of account of the Fund shall be audited by the Auditor-General or by an auditor appointed by him, within three months after the end of each financial year.

(3) In addition to the annual audit, technical audits shall be conducted on a selective bases by the Auditor-General or by an auditor appointed by the Auditor-General on the recommendations of the Board.

Secretarial services for the Fund

17. (1) The Chief Director of the Ministry shall act as the secretary to the Board and shall arrange the business of the Board.

(2) There shall also be provided by the Ministry for the work of the Board such other staff as may be necessary.

Financial year

18. The financial year of the Fund shall be the same as the financial year of the Government.

Annual report

19. (1) The Board shall submit to the Minister not later than six months after the end of each financial year a report dealing generally with the activities and operation of the Fund during the year to which the report relates and shall include

(a) the audited accounts of the Fund and Auditor-General's report on the accounts of the Fund; and

(b) such other information as the Board may consider necessary.

(2) The Minister shall within two months after the receipt of the annual report submit the report to Parliament with such statement as he considers necessary.

Transfer of money

20. The money in the Forest Improvement Fund established under the Forests Improvement Fund Act 1960 (No 12 of 1960) is hereby transferred into the Fund established under section 1 of this act subject to any payment required under the Forest Improvement Fund Act or any other enactment.

Regulations

21. The Minister may by legislative instrument make Regulations for the effective implementation of this Act.

Interpretation

22. In this Act unless the context otherwise requires

"Board" means the forest plantation development fund management board established under section 6;

"Management Bank" means the bank appointed under section 8;

"Fund" means the Forest Plantation Development Fund established under section 1;

"Incentives" means loans, rebates, grants and insurance;

"Inspector" means any competent professional person appointed by the Board to conduct an assessment of a forest plantation project;

"Minister" means the Minister for Lands and Forestry;

"Ministry" means the Ministry of Lands and Forestry;

"Plantation" includes any project undertaken with financial assistance from the Fund.

Repeal

23. The following enactment repealed

the Forest Improvement Fund Act 1960(No. 12 of 1960); and

the Forest Improvement Fund (Amendment) Act, 1962 (Act 144)

Date of Gazette notification: 6th October, 2000.