



Deforestation study

Ghana

Ghana's deforestation rate is among the highest globally, with an annual rate of ~3.5%. The main drivers include agricultural expansion (50%), logging (35%), and mining. Cocoa cultivation in the High Forest Zone (HFZ) is the leading agricultural cause of forest loss.

Deforestation risks are concentrated in the southwest, coinciding with cocoa-growing regions. Without significant intervention, the country's forests could disappear within 25 years.

Economic contribution of land use sectors

Agriculture including agro processing

GDP

19.7%

Export

29%

Major Value Chains

Cocoa, food crops (maize, cassava, rice, yam), rubber, oil palm, horticulture (citrus, mango, pineapple).

Key Actors

Smallholder farmers, cooperatives, processors, exporters, state-owned enterprises (COCOBOD), regulatory bodies (Ministry of Food and Agriculture).

Tourism

GDP

5%

Export

3%

Labour

2%

Major Value Chains

Ecotourism, cultural and heritage tourism, coastal and wetlands tourism.

Key Actors

Ghana Tourist Authority, private operators, tour companies, hotels, safari lodges.

Aquaculture including fisheries

GDP

1.8%

Export

1%

Labour

1.5%

Major Value Chains

Capture fisheries, aquaculture (tilapia, catfish), fish processing.

Key Actors

Small-scale fishers, cooperatives, regulators (Ministry of Fisheries and Aquaculture Development), private sector (e.g., Tropo Farm).

Forestry

GDP

4%

Labour

4%

Major Value Chains

Timber and wood products, charcoal, fuelwood, plantation forestry.

Key Actors

Forest Commission of Ghana, Timber Industry Development Division, private sector (e.g., Miro Forest), informal sector (unregulated charcoal producers, illegal loggers).

Key biodiverse rich areas

Protected Area Forests

- **Examples:** Kakum National Park, Mole National Park, reserves within the High Forest Zone (HFZ).

Forests in Unprotected Areas

- **Examples:** Degraded reserves, community-managed forests.

Other Biodiverse Rich Areas

- **Examples:** Wetlands (e.g., Sakumo Lagoon), savannah.

Risks posed by land use sectors

Deforestation

- **Major Players:** Smallholder cocoa farmers, illegal loggers, charcoal producers.
- **Mitigation:** Sustainability standards compliance, selected projects, deforestation risk mapping, impact investment strategy, crop renewal, good agricultural practices, forest protection and monitoring, farmer certification programs.

Land Degradation

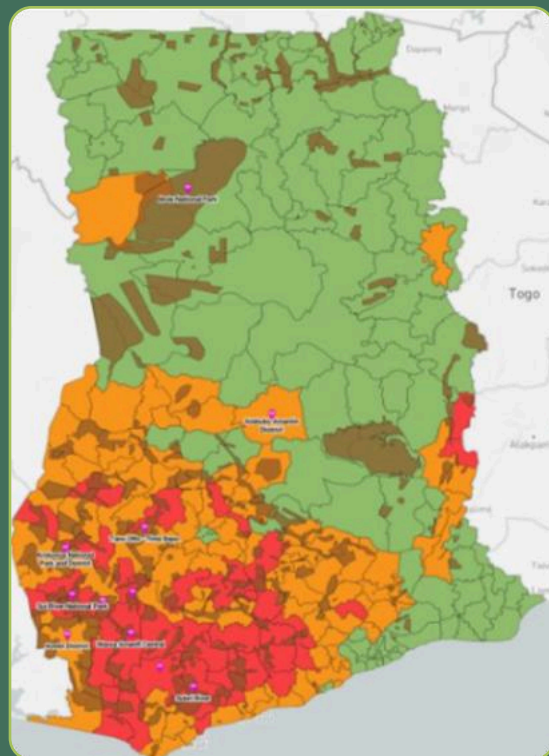
- **Major Players:** Subsistence farming, agro-pastoralists, artisanal mining.

High Carbon Stock (HCS) and High Conservation Value (HCV)

- **Major Players:** Rubber and oil palm agribusinesses, infrastructure developers.

General statement of country-level deforestation risk

Ghana faces significant deforestation pressures from agricultural expansion, logging, and mining. Cocoa cultivation in the HFZ is the leading cause of forest loss. Deforestation risks are concentrated in the southwest, coinciding with cocoa-growing regions.



Deforestation-risk methodology application to investment decisioning

Ghana deforestation risk methodology is a structured framework used to assess and manage the environmental risks of investments affecting forests and biodiversity. Projects are classified as low, medium, high, or no-go risk based on factors like proximity to critical ecosystems and potential land-use impacts.

- No-go areas (e.g., protected forests, wetlands) are off-limits to investment.
- High and medium-risk projects require strong safeguards, including environmental impact assessments, sustainability certifications (e.g., Rainforest Alliance), and reforestation measures.
- Low-risk projects can promote sustainable practices such as agroforestry.

This methodology ensures investments align with national policies and global sustainability goals, promoting forest conservation alongside economic development.

Deforestation risk map

- Subprefecture have highest deforestation risk
- Medium risk
- Low risk
- Protected areas

