

Technical Session III: Processing and Product Development

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Increased Utilisation of Lesser-Used Species - Social And Economic Impact

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Harvesting of trees for commercial and industrial purposes is 100 years old. One hundred years ago the axe and the platform were in use and it took days to fell a mahogany tree. There were no crawlers, skidders or wheeled tractors; no motorised chain saws; there were no sawmills, veneer mills, furniture and joinery outfits; no electricity and the road network was hardly developed. In short, our people looked to the forests for supply of dead wood as fire wood, and somehow manufactured small diameter trees and species into shingles, building members and household furniture.

From small beginnings involving the export of round logs of Mahogany and Edinam, Ghana now boasts of an export industry producing lumber and lumber products, sliced veneers, plywood, furniture and flooring parts. At the national level, we can claim that through proper allocation of logs, timber utilisation can be optimised. This means that sawlogs, logs for peeling and logs for slicing can be directed to appropriate processing plants. From two (2) to three (3) species, the Industry is now felling 60-65 species annually, with the sawmills taking in 30 to 40 species; slicers, 31 species, rotary or peeled veneers 18 species.

Dominance of Some Species

Professor Edward Ayensu, a prominent Ghanaian of Smithsonian Institute fame, has noted that Ghana has 3,600 species while, in a publication on biodiversity by the UK Department for International Development, it is stated that 250,000 species of higher plants are thought to exist.

Of the 60-64 Ghanaian species, we note that Odum, Mahogany, Ofram, Wawa, Koto, Niangon, Emire, Ceiba, Afzelia and Asanfona are dominant in terms of volume exported.

Growing Scarcity of Traditional Species

Ghanaian forestry reports in recent years indicate that the species for which Ghana is known in international markets are becoming very scarce. Species have been categorised into stars of various colours, from Green to Pink, Red, Scarlet and Black stars. This scarcity picture does not augur well for the timber industry and trade. Invariably, a species gains acceptance on the market and it deteriorates into a scarlet star species and even a permit species. Its place in the market is threatened.

Lesser Used Species to the Rescue

Current philosophy is that to reduce the pressures on the popular species, Industry must take a close look at the Lesser-Used Species (LUS). In order that a LUS does not get "promoted" to scarlet star, certain requirements will have to be met. Most so-called LUS have been known for a long time, at least, for fifty years. Their properties have been documented by British, French, Ghanaian, Belgium and German experts.

Relying on available knowledge, cooperation of major buyers and at high expense. Industry has been able to extend the range of species in demand up to 65. Species such as Bombax, Otie, Koto, Asanfona, Bompagya, Aprozuma, Dahoma, Akasa, Wawabima, *Canarium*, *Albizia*, *Kyenkyen*, *Essa*, *Ceiba*, *Potrodom/Tali*, *Essia*, *Yaya (Amphimas)*, *Hannoa* etc, were once classified by the Forestry Department as secondary species.

Increased Utilisation of LUS Market Requirements

A successful promotion of use of LUS is always backed by full information on the species. On top of the list is the long-term availability of the species. This long-term availability should be buttressed on substantial investment in research into the regeneration of the species either in plantations or as natural forests.

The lack of investments in regeneration of indigenous species is one of the major causes of their scarcity and this ought to be avoided.

The second essential requirement is volume to justify long-term marketing efforts of the exporter and the buyer. To promote a species whose annual allowable cut is very low and insignificant is a waste of resources. The natural occurrence and availability ought to be improved by appropriate cultural operations. We have several examples of some species that gain market acceptance but whose natural occurrence is negligible.

Thirdly, it has been suggested that grouping species that have low natural availability may enhance their chances on the market. Unfortunately, very little success has been achieved. Even with Mahogany, buyers tend to insist on *Khaya ivorensis* as a separate product from the other species. Less sophisticated markets may accept mixed species but the problem of long-term supplies still remains.

Fourthly, milling or manufacturing based on limited volumes has its attendant shortcomings. Depending on the properties of the species, productivity is affected where saws to be changed to suit logs of a different species, where different species with different kilning schedules have to be tackled with kilning capacities under-utilised.

Technology, Finance and Knowledge

I have already alluded to these three factors but I need to dwell on each of them in some detail.

Firstly, technology. The totality of the industry including the small-scale carpenters is import-based. From logging right through to putting finished products on the domestic or international market, we depend heavily on imports. In terms of forest management equipment and accessories used in inventory, stock survey, mapping, field books, etc., are all imported. In logging, the road making equipment, felling, skidding, loading, hauling all requires inputs that are imported. At the milling stage all machines, cutters, band blades, glues, fuels, oils, lubricants, and even bundling wires have to be imported.

Second, the financial problem is obvious to all. The high cost of money at 40% and over interest, the deteriorating exchange rates and the hidden costs including unjustifiable deductions of 2% and 1% payable to FPIB and TEDB, all act as constraints when the issue of funding research and development of use of LUS has to be tackled.

Knowledge and its application in the promotion of increased utilisation of LUS ought to receive urgent attention. It is imperative that essential information or data is made public and accessible to those engaged in the Industry. Specifically, inventory data on both the well known and the LUS should be published. One cannot carry our promotion exercise without data on stocks, distribution throughout the country, annual net increases in stocks and other relevant information.

We also find that yield data taken out of stock maps do not cover all possible species. If stock surveys to not involve most of the LUS then there is a missing link in our quest to know more about our forests.

Incentive Package

Efforts by the Ghana Export Promotion Council in the promotion of non-traditional exports have been appreciated by all. The assistance the Council is giving to exporters of all types goes long way in enhancing Ghana's exports. We of the GTMO believe that LUS converted to any product ought to be treated as non-traditional export item to serve as incentive.

On the other hand, we find that the Tree and Timber (Amendment) Act which places levies on round logs and air-dried lumber of some species is a negative way of promoting value-added Production. The Act gives no incentive to a company that invests thousands of dollars in setting up kilns, boilers, and expertise to dry lumber for exports. All that the Act does is to punish those companies that continue to export only

air-dried lumber. In the same manner, logging companies that try to find export markets for LUS are levied for their efforts.

There was a time in the 1960s when a bonus was paid to those who succeeded in finding markets for secondary species. In like manner, the GTMO believes that kiln dried lumber for all species should be treated as non-traditional exports. For LUS, national awards should be instituted by the Ghana Export Promotion Council.

Social and Economic Impact

In the light of what I have already stated, the increased utilisation of Lesser-Used species will yield a temporary relief. In the long run, our efforts at promoting increased utilisation will not be sustainable if attention is not paid to silvicultural research aimed at ensuring increasing supplies of the species involved. Industrial use of wood should be buttressed on regeneration of the species to ensure sustainable development and avoid environmental degradation.