MINISTRY OF ENVIRONMENT AND TOURISM
DIRECTORATE OF FORESTRY

GERMAN DEVELOPMENT SERVICE

Timber Trade and Timber Industries in Namibia

Moses Chakanga
Windhoek, Namibia
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EXECUTIVE SUMMARY

A survey of furniture/joinery companies was carried out in Namibia from 24 February to 25 March 2003. The aim of the survey was to investigate the current timber market situation in Namibia including import-export relationships with other SADC countries in the Region. This information would indicate whether or not there is a potential market for community forests to market their timber products in Namibia.

Legal and policy documents, which form the basis and justifications for establishing community forests, were reviewed. The documents included the Namibia Forest Development Policy (1998); the Forest Act, 2001; the Namibia Forestry strategic Plan, 1996; and the Traditional Authorities Act, 2000. All these documents justify the involvement of communities in forest management and for communities to benefit from such natural resource management. In addition, the study also reviewed some previous documents that deal with timber marketing in Namibia. These documents provide general information about the timber industry in Namibia but not at the level of individual needs of the timber companies.

The survey shows that some of the main products manufactured by the furniture/joinery shops are government office furniture, school furniture, doors, windows, and general household furniture. All companies said that their main customers for the manufactured timber products are local. Some of the customers are private people, Government of Namibia, furniture outlets, and hardware shops. Two companies export their products to Angola.

With regard to sources of raw material products 66% of the companies obtain them from middlemen, 33% from other companies, 26% from direct harvesting and 26% through imports. For semi-processed raw material products 46% of the companies obtain them from middlemen, 60% from other companies and 20% through imports. Raw materials are imported from Australia (Jarrah), South Africa (Oak, Cherry, Pine), Zimbabwe (Rhodesian teak), and Zambia (African Rosewood).

Regarding timber quality, about 80% of the companies want very high quality timber, Grade A (<8% sapwood), Grade B (<20% sapwood), and Grade C (>20% sapwood). Table 6 (Page 18) shows the quantities, sizes and qualities of timber products purchased by each company annually. It is estimated that all the furniture/joinery companies would require a total of about 2924 m^3 of planks per year.

About 33% of the companies said that they do not expect any problems or constraints with regard to buying timber from communities. Some said that they would need proper invoices for their bookkeeping; others are concerned about receiving wrongly cut materials, punctuality of deliveries, and quality of the product. With regard to the assessment of the chances of marketing dead wood, about 50% of the companies thought that there is a good chance, of course, depending on the quality of the wood.

Potentials for timber products that could be developed further included garden furniture; rustic timber for hotels and lodges; outdoor furniture; chairs and doors; use of Red syringa (*Burkia Africana*) for government furniture and school desks.

One of the important issues put forward to the companies was whether or not they would be willing to buy timber products from community forests. All the surveyed companies, 100%, said that they would like to buy timber products from the communities. About 73% of the companies would prefer buying planks from the community for their raw materials while about 20% want live trees to process by themselves. For semi-processed timber products they want chipboard, particleboard,

door skins, laminated beams, plywood and veneer. The preferred species are Dolf/Kiaat, Rhodesian teak, African Rosewood, Mahogany, Beech, Oak, Tambuti and Maple.

Table 7 (Page 20) shows the quantity, sizes and value that would be demanded by the companies from the communities. It is estimated that about 952 m^3 of planks would be demanded annually from the communities. One company wants 2000 trees per year and the other about 250 m^3 per year of trees. The prices per cubic metre for Dolf/Kiaat range between N$2000 – N$4000, for African Rosewood N$2500 – N$4000, for Mahogany N$2500 – N$4000. The price for live trees for Dolf/Kiaat was given as N$110 per tree.

Some conditions for buying timber from the communities are that the timber must be machine sawn, dry and treated; it should be cut straight and into appropriate sizes; must be high quality, Grade A, B and C; and it must be delivered to the customer e.g. in Windhoek, Oshakati and Walvis Bay. Comments on the preferred system of purchasing timber from communities included: the timber should be made available to the public at a recognized place; cash payments for small amounts and credit for large amounts; and there should be a guaranteed system of replanting to ensure sustainable harvesting.

Some suggestions for improving the Namibian timber market included making more wood available on the market; sending information to the end users regarding availability of timber; improving timber quality; improving fire control in Kavango and Caprivi; and protecting the local market from pirated timber products from other countries. In addition, there should be incentives for local manufacturers to increase employment, for example, through tax reduction; communities should be encouraged to replant cut trees; and increase professional craftsmen.

With regard to cross border trade, it was found that at the moment there is no timber being imported into Namibia from Angola. On the other hand, there is timber being imported from Zambia, but this timber is mainly in transit to South Africa (Table 8 Page 24). Between December 2002 and February 2003 about 441 m^3 of sawn timber passed through Namibia to South Africa. This is an average of about 110 m^3 per month. Therefore, about 1320 m^3 per year of timber would pass through Namibia to South Africa.

The main positive conclusion from the survey is that all the surveyed companies indicated that they would be interested to buy timber products from the communities. Therefore, there is a potential for communities through Community Forests to establish a relationship with the furniture/joinery companies in Namibia in order to participate in the timber markets:

- The main timber products that could be harvested and processed from community forests are planks. 73% of the companies said that they want planks. However, in order for the communities to do this they would certainly need significant investments into saw-milling machinery and development of skills. Alternatively, communities could set up joinery shops to compete with the existing establishments. Some companies, 20%, would like to buy live trees, which they can process by themselves.

- The companies require very high quality planks, which the communities would be required to meet. Mostly companies want planks of Grade A, B and C. Furthermore, the timber must be very well dried (seasoned), some companies even want it kiln dried. The planks must have an allowance for wastage during further processing in the furniture shops. The species, quantities, sizes and qualities that would be demanded by the companies are already shown in Table 7 (Page 20).

- The market prices that the companies are willing to pay the communities for sawn timber are summarised as follows:

Species	Price, per m^3	Price, per tree
Dolf/Kiaat	N$2000 – N$4000	N$110
African Rosewood	N$2500 – N$4000	N$180
Mahogany	N$2500 – N$4000	

Two important risks that may likely affect production of sawn timber by the communities are illegal timber harvesting within Namibia and legally/illegally-imported timber from neighbouring countries:

- With regard to illegal timber harvesting in Namibia it is not possible at the moment to quantify the magnitude of illegally harvested timber in the country. Björkman (1999) gave a figure of 2500 m^3 as illegal logging of *Pterocarpus angolensis* in 1977 in Caprivi Region. The figure for illegal timber logging in 1997 for the Tsumkwe-Oakarara-Otjinene area is 19429 m^3, but no species names are given. Certainly this would have a negative effect on the timber products from community forests since the community forests would have to compete against this illegally harvested timber which in some cases would have to be sold at lower prices in order to quickly dispose of the merchandise.

- Illegal timber imports into Namibia from neighbouring countries may occur but there are no figures to substantiate this. On the other hand some timber is imported legally into Namibia from neighbouring countries at about N$6000/ m^3 for Grade-A Dolf/Kiaat. However, it must be noted that from Table 8 (Page 24), that most of the timber imported from Zambia is in transit to South Africa. Therefore, there may not be a big threat at the moment from timber imported from neighbouring countries. If local communities can produce good quality Grade A Kiaat sawn wood, they could be able to beat the cost of imported timber.

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List of Abbreviations

CFNEN	Community Forestry in Northeastern Namibia
CBS	Central Bureau of Statistics
DoF	Directorate of Forestry
DED	German Development Service
FAO	Food and Agriculture Organisation of the United Nations
MET	Ministry of Environment and Tourism
NFSP	Namibia Forestry Strategic Plan
NGO	Non-governmental organisation
NPC	National Planning Commission
SADC	Southern Africa Development Community
SABS	South African Bureau of Standards

1. INTRODUCTION

The Directorate of Forestry (DoF), in collaboration with the German Development Service (DED), is carrying out a Project entitled "Community Forestry in North-Eastern Namibia" (CFNEN). The Project area is Kavango and Caprivi Regions.

The pilot phase of this Project was implemented for 30 months from 1999-2002. The Project is now entering into a second long-term 4-year Phase for the period 2003-2007.

The overall objective of the CFNEN Project (Pietrowitz, 1999) is to assist the local communities in the preservation and sustainable use of the natural forests in the communal lands of North Eastern Namibia, so that the forests contribute to improved livelihood of the people. One of the strategies to be used to achieve this goal is to promote the establishment of community forests to be managed by the local communities in order for them to obtain, among others, direct financial benefits from the sustainable management of community forests.

1.1 Justification for the survey

The success of community forestry depends to a large extent on the generation of benefits, including financial, from utilisation of forest products. Various timber and non-timber products are very well known to be very important for local people and are being used for both subsistence consumption and marketing. Therefore, it is very important for the DoF to focus on forest management and wood processing strategies for community forests on the most promising products from which local communities can derive financial benefits. In addition, the DoF must look at the situation of the current timber market with its potentials and constraints and its future perspectives, in order to assess what role the community forests can play in meeting some of the demand for forest products in the local Namibian timber market.

1.2 Objective of the survey

The aim of the survey was to investigate the current timber market situation in Namibia including import-export relationships with other SADC countries in the Region. This would indicate whether or not there is a potential market for community forests to market their timber products in Namibia. Appendix 1 shows the Terms of Reference.

The survey focussed mostly on furniture/joinery shops because these are the main institutions with a greater potential and likelihood for utilising the locally available timber species.

1.3 Method

A questionnaire (See Appendix 5) was designed and circulated by hand and fax to selected furniture/joinery companies in Namibia. The questionnaire covered raw material sources; raw material requirements; production and marketing; and the important issue of the possibility of community forests as a source of timber products for furniture/joinery companies in Namibia. Appendix 4 is a list, from the Ministry of Trade and Industry, of the registered furniture and fixtures companies in Namibia. The questionnaires were distributed to the following towns: Windhoek 15, Swakopmund 2, Walvis Bay 2, Okahandja 2, Grootfontein 2, Keetmanshoop 2, Rehoboth 2, Mariental 1, Tsumeb 1, and Katima Mulilo 1.

Out of the 30 questionnaires sent out 15 companies responded representing a 50% response. The 15 respondents can be assumed and viewed as an indicative sample of the operations of the furniture and fixtures companies in Namibia. The survey took place from 24 February to 25 March 2003. Appendix 2 shows the companies that responded.

2. LITERATURE REVIEW

A review was carried out of available reports, studies and statistics referring to the timber market in Namibia including existing laws and regulations. In this report these documents are grouped into two broad categories, namely, 'Policy and legal context documents to community forestry' and 'Documents referring to timber market in Namibia'.

2.1 Policy and legal context to community forestry

The policy and legal context documents mainly provide justification for community involvement in the management and conservation of forest resources in order to promote sustainable forest development in Namibia. The documents reviewed are the Namibia Forest Development Policy (1998), the Forest Act, 2001, Namibia Forestry Strategic Plan (1996), and the Traditional Authorities Act, 2000.

2.1.1 Namibia Forest Development Policy, 1998

The 1998 Namibia Forest Development Policy document is the course of action adopted by the Ministry of Environment and Tourism (MET)/DoF on how to best manage Namibia's forest resources.

With regard to forestry development in Namibia, the policy recognizes the fact that the challenge is to develop sustainable forest management, which requires that:

1) forests should be managed for production of goods and services for human consumption,
2) the resource should be protected together with its environmental benefits for the benefit of the present and future generations, and
3) stakeholders should participate in decision-making processes concerning the management of the resource and distribution of its benefits.

It is in line with statement number 3 that community forests would be established to involve local communities in the sustainable management of forest resources and to enable them to share benefits accruing from the managed resources.

One of the aims of the 1998 forest policy is to "*Create favourable conditions to attract investment in small and medium industry based on wood and non-wood forest raw materials*". This implies that there should be sustainable management of the resource to ensure security of forest raw material supply, entrusting the management of the resource for commercial purposes to various stakeholders – including local communities - and to ensure efficient utilization of the forest raw materials.

Therefore, the forest policy aims at promoting the active participation of local communities in the sustainable management of forest resources and in the sharing of benefits from the management of such resources. One of the strategies pursued by the DoF in the field is the establishment of community forests.

In addition, the policy recognizes the fact that its implementation will be the responsibility of various stakeholders including the private sector, DoF and other related Government agencies, Non-governmental organizations (NGOs) and the international community. Therefore, the role of the DED, and indeed other cooperating partners, in assisting the DoF in policy implementation in order to contribute to and bring about sustainable forest management in Namibia is clearly recognized and justified in the forest policy.

2.1.2 Forest Act, 2001

The new Forest Act No. 12 of 2001 was gazetted in December 2001. It repeals the Preservation of Bees and Honey Proclamation of 1923 (Proclamation No. 1 of 1923), Preservation of Trees and Forests ordinance of 1952 (Ordinance No. 37 of 1952) and the Forest Act of 1968 (Act No. 72 of 1968). The Forest Act of 2001 is the main legal framework for controlling the management and use of forests and forest produce in Namibia. It empowers communities to participate in the management of forest resources and to benefit, financially and other ways, from such management.

The Forest Act, 2001 recognizes, among others, the need to regulate the protection of the environment, forest management, fire management and the use of forests and forest products. One of the regulatory mechanisms for controlling the use of forests and forest products is through the establishment of *classified forests* such as community forests and forest management areas and the development of forest management plans for such areas. This is in line with and complementary to the Forest Policy in order to secure and ensure a sustainable supply of forest products from the forests to meet the demands of both present and future generations.

2.1.3 The Namibia Forestry Strategic Plan 1996

The Namibia Forestry Strategic Plan was developed in 1996. It is a document, which outlines the MET/DoF's long-term vision on how to ensure and secure the sustainable use and development of Namibia's forest resources. The plan provides strategic policy guidelines for the Namibian forestry sector and analyses the capacity of the national resources to meet the demand for forest products. In addition, it highlights the challenges to sustainable forestry management in Namibia, such as poverty reduction and job creation, and provides guidelines for the future development of the forestry sector.

The strategic plan recognizes the need for the national capacity, both institutional and personnel, to meet the demand for forest products and services. However, the plan also notes that "the skimpiness and non-availability of information on trends in the consumption of forest products and services" is a major constraint to the quantitative assessment of the Namibian forest resource base to meet the demands for forest products and services. The plan further notes that assessment of consumption of products and services is un-assessed, among other factors, due to firstly, past negligence of collection of market information on consumption of forest products and secondly, subsistence consumption that does not keep records on the amount of forest products consumed. These statements are a pointer to the current problem of the lack of readily available organized data and information on the consumption of forest products in Namibia.

The NFSP outlines three forestry sector goals which are consistent with the long-term national objectives:

- Contribution towards meeting the needs of the rural poor through provision of basic needs (firewood, poles posts and food), generation of communal family incomes, stimulation of the growth of productive off-farm activities in the rural areas
- Maintenance of the protective functions of forests with respect to soil, water and biodiversity vital for the welfare of the present and future generations
- Strengthening of competent performance of forestry institutions

It is important therefore that rural communities through community forests participate in the achievement of these goals particularly the first one.

In addition the NFSP lays out four strategic programmes central to achieving the forestry sector goals, namely, Public sector forestry capacity building; Community-level management of natural forests; Households management of farm forestry; and State management of environmental forestry.

All these programmes are expected to contribute to job creation, national management capacity, redistribution of income, value adding to forest products, through establishing small-scale processing facilities in rural areas; sustainable development; foreign exchange earnings; and global resource mobilisation for sustainable development.

2.1.4 Traditional Authorities Act, 2000

From time immemorial traditional leaders have played a major and significant role in the preservation of natural resources until colonial powers and modern day governments usurped their powers. Nevertheless, even today it is still recognized that traditional leaders have an important role to play in the management and conservation of natural resources. In addition, people perceive traditional authority and government authority differently. Generally people still have high regard and acceptance of traditional authority.

In Namibia, Section 3 (Powers, duties and functions of traditional authorities) Subsection 2 (c) of the Traditional Authorities Act, 2000 (Act 25 of 2000) empowers traditional authorities to "ensure that the members of his or her traditional community use the natural resources at their disposal on a sustainable basis and in a manner that conserves the environment and maintains the ecosystems for the benefit of all persons in Namibia". Apparently this is the only clause in the Act, which refers to management of natural resources by the traditional authorities.

Therefore, this Act recognizes the important role that traditional authorities play in the management and conservation of natural resources. Therefore, implicitly the Traditional Authorities Act, 2000 would support the establishment of community forests.

2.2 Documents referring to the timber market in Namibia

In the past decade since 1990 there has been an increasing trend towards the collection and organisation of data and information on the consumption of timber products in Namibia. The Central Bureau of Statistics (CBS) at the National Planning Commission (NPC) is involved in the production of the "Annual Trade Statistics Bulletin". In addition, several other agencies such as the DoF/MET and Ministry of Mines and Energy have sponsored surveys on the assessment of the consumption of wood products in Namibia.

However, generally there is still a lack of detailed data and information on forest products trade, consumption and marketing in Namibia. Following is a review of some of the documents that were found to refer to the timber market in Namibia.

2.2.1 Study on Wood Consumption in Namibia

This 1991 report (by Ollikainen, DoF) is about wood consumption in Namibia. This seems to be the first study to be carried out on wood consumption in post-independence Namibia. The aim of the study was to determine the actual total consumption of wood products by various categories and to translate the obtained consumption figures into roundwood volumes in order to be able to assess the actual requirement of wood raw material that would be needed to be supplied from Namibia's natural forests.

The three main wood products categories in the study are fuelwood, industrial wood and other wood products (transmission poles, fencing poles, wood for mining). The estimated consumption (roundwood equivalent) of wood products from national forests in Namibia in 1990 was estimated at 1 769 000 m^3 comprising: 1 660 000 m^3 fuelwood, 6 000 m^3 sawnwood, 88 000 m^3 charcoal and 15 000 m^3 wood for mines. The study does not give any monetary values for the products.

The report concludes that availability of information on the use of various kinds of wood in Namibia is practically non-existent, as this kind of data has not been compiled in any form so far. Therefore, the study recommends that production of industrial wood should be recorded on an annual basis and import and export figures on wood products should be made available from Customs and Excise and that a national wood consumption study should be carried out in Namibia.

2.2.2 Forest Policy for Sustainable Utilization of the Woodlands and Savannas of Namibia – A study on Consumption Patterns of major Wood and Wood Products in Namibia

This 1997 document (by Klaebbe and Omwami, DoF) is about collected information on the consumption levels and prices for six wood based products and the estimated consumption levels and prices for ten years 1997 – 2006. The products surveyed are firewood, charcoal, poles, timber, carvings and Mopane roots. Firewood is the most important domestic consumption product from forests in Namibia. It is used to produce energy for cooking by the households. The total firewood consumption, for commercial and subsistence use, in Namibia in 1996 was estimated at 672 331 tons valued at N$103 899 000. The estimated firewood consumption per person per day is 1.15 Kg. The total projected firewood consumption in Namibia in 2006 is estimated at 1 071 500 tons with a projected population of 2 280 000.

With regard to timber the report notes that timber production in Namibia is very small and that the timber produced locally is not for the building industry but is used in the furniture production workshops in Windhoek. The furniture producers import most of the hardwood they need. One type of timber imported is Meranti at a cost of about N$3200 delivered in Windhoek. The report estimates the total hardwoods imports at about 1700 m^3 per year with an annual growth rate of 5% per annum since 1990.

The report notes that the price for Kiaat (*Pterocarpus angolensis*) logs ranges between N$100-200 per cubic metre. The selling price for Kiaat is about N$2800 per cubic metre in Windhoek for the best quality A-Grade, which is without sapwood. On the other hand, imported Kiaat into Namibia is sold at N$6000 per cubic metre.

The study further notes that the future demand for hardwoods will depend on the development in the furniture/joinery business. This business generally depends on the economic development of the people that can afford to buy this kind of furniture. By 2006 it is estimated that 40 000 m^3 softwoods and 2 700 m^3 hardwoods will be imported annually.

2.2.3 Annual Trade Statistics Bulletin 1999: Foreign Trade Statistics (CBS, NPC)

The Annual Trade Statistics Bulletin (1999) lists the value (in N$) of 38 major products for Namibia's imports and exports in 1999. Out of this list the item "Paper & paperboard; Articles of paper pulp, of paper…" is one of the major products imported and exported by Namibia. Out of the total value of N$9 billion for imports and N$ N$7.9 billion for exports, 2.3% of "Paper & paperboard; Articles of paper pulp, of paper…" is imported compared to 0.4% exported respectively.

Timber and other timber products are not listed as a major product and may therefore be under the "All other products" category. The Annual Trade Statistics Bulletin (1999) does not provide detailed information on timber industries in Namibia. This implies that detailed data on prices and local consumption is still not yet being captured in Namibia.

2.2.4 Review and Improvement of data related to wood products in Namibia

This 2000 report (by Chakanga, DoF) is about how to improve the collection of data related to wood products in Namibia. The report presents some background information about the current situation of the wood products and forest resources, their production as well as their import and export. The second part of the report analyses the statistics related to these wooden products, the compilation, and analysis as well as information dissemination process. Some of the national institutions involved in the process are mentioned as well as the most important Namibian wood industries. The last part of the report evaluates the data collection process and the methodology used and makes some suggestions for further improvement.

The report notes that the main wood-products produced, consumed and traded in Namibia are sawn timber, firewood, charcoal, mopane roots, carvings (curios) and poles for fencing and construction. Other wood products such as wood based panels; transmission poles, paper and paperboard etc are imported into the country. However, data on local production, consumption and trade, including trends are not readily available. Table 1 shows imports of hard and soft woods into Namibia from 1995 to 1999. A total of 4821 m^3 of sawn hardwoods and 31181 m^3 sawn softwoods (species similar to South Africa Pine) were imported.

Table 1: Imports of sawn wood 1995 - 1999

Wood Product	Unit	Year					Total Imports
		1995	1996	1997	1998	1999 Jan-Jun	
Sawnwood Hard	m^3	1,232	636	682	1,929	342	4,821
Sawnwood Soft	m^3	3,307	3,880	4,106	15,631	4,256	31,181
Subtotal	m^3	6,534	6,512	6,785	19,558	6,597	36,002

Data source: Planning Commission Secretariat

The report does not include individual market prices for various wood products. One of the reports' recommendations is that the DoF in collaboration with other institutions in Namibia should produce an annual publication on *'Wood-Products Statistics in Namibia'*. This publication would provide statistics of the whole forestry sector.

2.2.5 Forestry accounts for Namibia: The value of timber and firewood in the Namibian economy

This 1999 report (Björkman, DoF) is about the construction of forestry accounts for Namibia. Forests and other woody vegetation in Namibia are very important to the economy and to the majority of the people who derive from these resources fuelwood, construction materials, medicines, food and livestock fodder. Furthermore, the forestry sector, even though it is still not yet fully recognized, contributes significantly to other well-known sectors in Namibia such as the Tourism Sector. Forests are a very important backbone to tourism because they provide wildlife habitats, which are necessary for game viewing and wildlife national parks.

At present the traditional national accounts for Namibia do not include the forestry sector. Therefore, this study attempted to establish a mechanism for determining the value of forest resources in Namibia so that they can also be included in Namibia's National Accounts. The study looked at how to construct forestry accounts for Namibia with respect to the value of firewood and timber. Both physical (m^3) and monetary (N$) forest resource accounts for 1997 and 1998 for Caprivi Region and for Tsumkwe-Okakarara-Otjinene area were developed.

The timber price used in the calculations was N$1437/m^3 and for fuelwood N$155/m^3. The study found that the total volume (m^3) of the forest stock in Caprivi Region decreased in 1997 by about 8.1% and in 1998 by 3.98%. On the other hand the value (in N$) of the forests in Caprivi decreased in 1997 by 11.2% and in 1998 by 3.7%. This can partly be attributed to the high population density in the Caprivi Region, which results in a high use of the forests. On the other hand, the total volume (m^3) for Tsumkwe-Okakarara-Otjinene area increased in both 1997 and 1998 by 2.9%, while the value (N$) of the forest stock increased in both 1997 and 998 by 6%. This can partly be attributed to the very low population density in the area.

The report concludes that since not all forest products contributions from the forestry sector were taken into account the study is not accurate. Only timber and firewood were considered. Hence, there is need to consider all products derived from the forest since each one of them has a specific value which should be included in the forestry accounts. Furthermore, the study is biased in that it covers only two areas of Namibia. All forests of Namibia should be assessed for forestry accounting purposes.

2.3 Timber species and derived products currently marketed in Namibia

The NFSP analyses the consumption of forest products and services with regard to end user trends and drivers behind the increase or decrease in the demand for forest products. The assessment shows that there would be an increasing demand for firewood, charcoal, poles and posts, ornamental products (carvings and mopane roots) and sawnwood in Namibia and hence the potential exits to meet this demand by various stakeholders including private sector and local communities. However, the NFSP notes that at the moment most of the commercial demand for firewood, charcoal, sawn-wood etc. is met by the private sector.

With regard to sawnwood the NFSP notes that there will be gently rising consumption and the driving force behind this is changes in national output and income levels, government housing policy and relative price level of substitute materials. With regard to boards, the NFSP points out that there will be a gently rising future consumption. The driving force behind this is the expansion in the construction and housing industry, and the relative price level of substitute materials. Table 2 shows the main timber species in Namibia and their economic importance.

Table 2: Timber species in Namibia and their economic importance

Species	Common name	Economic importance
Baikiaea plurijuga	Rhodesia/Zambezi teak	Hardwood (saw milling): planks, furniture, curios
Guibourtia coleosperma	Oshivi tree	Hardwood: Bar counter furniture, fruit
Kirkia acuminata	Mountain syringa	Hardwood: Laminated wood and veneer, furniture and household utensils (bowls & spoons)
Olea europea subsp *africana*	Wild olive	Hardwood: Shade
Spirostachys africana	Tambuti	Hardwood: mine props
Terminalia sericea	Silver terminalia	Poles, fodder
Pterocarpus angolensis	Dolf/Kiaat/African teak	Hardwood (saw milling): planks, furniture, curios

Source: Namibia Forestry Strategic Plan 1996

Even though all these five documents referring to the timber market in Namibia provide information at a general level regarding the timber industry in the country, none gives detailed data and information regarding the individual needs of the timber companies in Namibia.

3. RESULTS

This section presents the results of the survey. The results are listed in tables (See also Appendix 3) according to company responses in order to clearly reflect and highlight individual company needs, and from the listings to discern an overall perspective of the trends in the furniture and fixtures industry.

In this survey the companies reported the species they use in local/common names. Table 3 shows the scientific names of these species. For purposes of reporting and simplicity the common names will be used in the responses given by the companies.

Table 3: Species common and scientific names

Common names used in this Report	Scientific (Latin) name
Dolf/Kiaat	*Pterocarpus angolensis*
Rend syringa	*Burkia Africana*
Rhodesia teak	*Baikiaea plurijuga*
Oshivi / African Rosewood	*Guibourtia coleosperma*
Mahogany	*Khaya nyasica*
Tambuti	*Spristachys africana*
Jarrah	*Eucalyptus marginata*
South Africa Pine	*Pinus kesiya*
Larch	*Larix decidua*
Beech	*Fagus grandfolia*
Maple	*Acer* spp.
Oak	*Quercus rubra*
Meranti	*Shorea* spp.
Mesquite	*Prosopis grandulosa*
Cherry	*Prunus* spp.
Ash	*Fraxinus excelsior*

3.1 Sources of raw material

Table 4 shows the sources of timber products for both raw and semi-processed form. The table shows that the major local sources for raw materials are middlemen and other companies.

About 66% and 33% of timber companies obtain their raw material products from middlemen and other companies respectively. Twenty six percent (26%) of the companies obtain raw material products through direct harvesting while 26% obtain raw material products by imports. 46% of companies have 2 or more sources of raw material products.

On the other hand 46% of the companies obtain their semi-processed material products from middlemen while 60% obtain the semi-processed material products from other companies. Six percent (6%) of the companies obtain their semi-processed material products through direct harvesting while 26% obtain them by imports. 46% of the companies have more than 2 sources of semi-processed material products.

Some of the mentioned sources of raw material products are local farmers, concessions, government auctions and agents.

Table 4: Sources for timber products – raw and semi-processed

Company	Source of raw materials							
	Raw material products				Semi-processed material products			
	Direct harvesting	Middlemen	Other companies	Import	Direct harvesting	Middlemen	Other companies	Import
1	x	x				x		x
2		x				x		
3		x				x		
4						x	x	
5		x	x	x			x	
6		x					x	x
7		x	x	x			x	x
8	x				x			
9		x		x		x		x
10		x (Solid Dolf/Kiaat)	x (Solid Oak, Pine, Meranti)	x (via agent)		x (Plywood, Chipboard, Melamine)	x (Veneer)	
11		x (Express boards, etc)	x (P.G. Bison, Pupkewitz)			x	x	
12	x (local farmers)	x (concessions)	x (Govt. auctions)					
13							x (Cash Build, Benz, P.G. Bison)	
14	x						x	
15							x (Benz, Chico)	

About 26% of the companies mentioned the countries from which they import timber. Table 5 shows the source country and the timber species imported into Namibia. Two companies said that they obtain imported timber species through a local agent company in Namibia, Import Business Timber cc.

Table 5: Imports of raw materials

Source country	**Species/product imported**
Australia	Jarrah
South Africa	Solid timber, Oak, Cherry, Pine
Zimbabwe	Rhodesia teak
Zambia	African Rosewood

3.2 Raw materials requirements

3.2.1 Raw and semi-processed timber products needed by companies as raw materials

The companies mostly require planks/solid timber and sawn boards for raw timber products (See Table 3.1, Page 32). At least 46% of the companies want planks/solid timber for raw material. The species needed are Dolf, South Africa Pine, Oak, Meranti, Rhodesian teak, and African Rosewood. 13% of the companies want cants (semi processed square logs).

3.3 Production and marketing

3.3.1 The main timber products manufactured by companies

The companies manufacture several different products which include furniture, doors and windows, built-in cupboards, staircases, bar counters, wardrobes, school toys, picture frames, school chairs and tables, curios, kitchen and bedroom units and doorframes (See Table 3.4, Page 33). One company, which is a saw-milling enterprise, would like to start manufacturing furniture using Red syringa.

3.3.2 Types and quantities of timber products produced by companies annually

About 46% of the companies provided production and value data (See Table 3.5, Page 34).

One company indicated that they produce the following quantities per year: 480 boards valued at N$520/each, 30 doors & frames at N$1000/each, and 120 kitchen doors at N$150/each. Another company said that they produce built-in cupboards worth N$600 000/year, furniture worth N$38 000/year, and doors & frames worth N$30 000/year. Companies 13, 14, 15 produce an assortment of beds, tables, chairs wardrobes and school chairs (See Table 3.5, Page 34).

The value of production ranges between N$6000 – N$1 million per year. The production data does not reveal any meaningful trend regarding productivity of companies. Therefore, there is need for further studies in this area.

3.3.3 Quantities of products sold/traded by companies annually

About half, 50%, of the companies indicated their marketing data with regard to annual quantity sold/traded (See Table 3.6, Page 35).

One company sells the following quantities per year: 600 pieces of furniture at N$1000/each, 200 doors & frames at N$2000/each, 40 kitchen units at N$2500/each and 30 doors & frames at N$1000/each. A second company sells built-in cupboards, furniture, and doors & frames all worth about N$30 000 to N$600 000 per year. A third company sells doors at N$780/each, frames at N$650/each and windows-cottage at N$980/each.

The value of the products sold/traded ranges between N$6000 – 600 000 per year. The marketing information also does not show any trends in the marketing activities of the furniture/joinery companies.

3.3.4 The main customers for companies' timber products

All the surveyed companies, 100%, said that they sell their products locally (See Table 3.7, Page 36). Some of the local customers mentioned are private people, homeowners, Government of Namibia, shops, building contractors, furniture outlets, private schools and hardware shops. In addition, two companies, 13%, said that they export their products to Angola. The products sold in Angola by one company are chairs, tables, wardrobes and beds.

3.4 Community forests in Kavango/Caprivi Regions as timber products sources

One important issue in the survey was to find out whether or not companies would be willing to buy timber products from community forests. All the companies, 100%, expressed an interest in buying timber products from community forests (see Table 7). The companies want to buy planks or trees from the communities.

Table 7: Quantity, sizes and value of products that would be demanded from community forests

Company	Timber product name (ranked according to preference)	Annual quantities required	Preferred sizes of planks etc.	Preferred price, N$	Preferred qualities
1	1. Dolf/Kiaat	200 m^3	25/40/50	2500 per m^3	Grade A, B, C
	2. African Rose	20 m^3	25/40/50	2500 per m^3	Grade A, B, C
2	Dolf/Kiaat	10-15 m^3	200mmx25mmx3000mm	Cheapest	Grade A
3	Dolf/Kiaat	2 m^3	3000mmx50mmx132-228mm	2000 per m^3	Grade A
4	Dolf/Kiaat	15 m^3	203m x 150mm		
5	1. Oshivi	10 m^3	25mmx50mm		Commsels + Grade A
	2. Dolf/Kiaat	3 m^3	25mmx20mm		Commsels + Grade A
6	Dolf/Kiaat	2 m^3	25 & 50 + thickness	3100 per m^3	
7	Dolf/Kiaat	8 m^3	52x35x26mm&75mm		Grade A
8	Trees	2000 trees			
9	1. African Rosewood	5 m^3	25, 38, 50, 75mm	2500 –4000 per m^3	Grade A, B, Dried correctly
	2. Mahogany	5 m^3	25, 38, 50, 75mm	2500 –4000 per m^3	
	3. Dolf/Kiaat	5 m^3	25, 38, 50, 75mm	2500 –4000 per m^3	
10	1. Dolf/Kiaat	20 m^3	1'-3'x 6' wide	4000 per m^3	Grade A
	2. No other species have been tested yet				
11	Dolf/kiaat	1 m^3	25 + 50 mm		Grade A, B
12	1. Dolf/Kiaat	150-200 m^3 (Trees)	25 mm+50mm	Live trees N$110 per tree, dead trees N$30 per tree	Grade A, B, C
	2. African Rosewood	50 m^3 (Trees)	25mm	N$180 tree	
13	Dolf/kiaat	80 m^3	20 cm x 2½ cm x 2 m		
14	Dolf/kiaat planks	10 m^3	20 x 3 cm 2 m		
15	Dolf/kiaat	20 m^3	290 mm	3500 per m^3	A Grade

(Total demanded quantity = 421 m^3)

The surveyed companies would require a total 421 m^3 per year. This gives an average of about 28 m^3 per company. Multiplying this figure by the 34 registered companies gives a total of about 952 m^3 per year that would be demanded. One company indicated a demand for 2000 trees per year and another of about 250 m^3 per year of live trees.

The offered prices for Dolf/Kiaat range between N$2000-4000/$m^3$, African Rosewood/Oshivi N$2500-4000/$m^3$, and Mahogany N$2500-4000/m^3. The prices offered for live trees are Dolf/Kiaat N$110 per tree and African Rosewood N$180 per tree.

3.4.1 Company preferences for buying timber from communities

Seventy three percent (73%) of the companies prefer buying planks from the communities while 20% prefer buying trees (See Table 3.8, Page 36). One company, 7%, preferred buying timber from professional sawmills.

3.4.2 Companies perception on expected problems/constraints regarding buying timber from communities

Thirty three percent (33%) of the companies do not see any problems or constraints with regard to buying timber from community forests (See Table 3.9, Page 37). One company said that they need proper invoices, while another expressed reservations with regard to being given wrongly cut materials. Another company is concerned about punctuality; quality of products and reliability of delivery while another is concerned about illegal and uncontrolled timber cutting. One company said that they want the presence of forestry officials to verify timber quantities prior to making any payments to the communities. In addition, two companies said that there may be problems with machinery for communities and that there may not be enough logs to meet demand.

3.4.3 Assessment of the chances of marketing dead wood timber

About half, 50%, of the companies seem to think that there is a good possibility to market dead wood timber (See Table 3.10, Page 37). Other companies said that not enough is known about processing of dead wood in terms of species and where could be found; and that the local communities may not have suitable machinery to convert dead wood into planks.

3.4.4 Conditions for buying timber products from community forests in NE-Namibia (Kavango/Caprivi Regions)

The companies gave the following responses as the conditions for buying timber products from the communities:

- The planks must be dry and treated
- Some control should be implemented to ensure that the source of timber is protected against the destruction of forests
- The planks should be already dried and cut into appropriate sizes
- The sawn timber should be dry and machine sawn
- The sawn timber should be kiln dried with moister content less than 7% and it must be A Grade (no sapwood)
- There should be professionalism, reliability, and correctness (delivery on time, correct grading etc)
- In case of standing trees, there must be a straight log not less than 450 cm Diameter at Breast Height (DBH)
- There should be reliability, transport to either Windhoek or Walvis Bay included, and that the product conforms to specifications.
- For standing trees payment for timber should be on removal from the region. The payment should be per m^3 of usable timber.
- Organized supplies with permits to harvest and sell

- Proper documentation; and there should be no middlemen between community and company
- Well dried and planed planks 20 cm x 2½ cm x 2 m. There should be transport to Oshakati.
- The log cants could be in two-cut or four-cut form.

3.4.5 Preferred system of purchasing timber from communities

The suggestions for the preferred system(s) of purchasing timber from the communities were the following:

- Wood (timber and logs) should be available to the public at a recognized place.
- The timber should be delivered to Windhoek. Cash payment for small amounts and credit for big amounts.
- There should be a guaranteed system of replanting to ensure sustained timber harvesting
- Cash on delivery (COD); Open Market system; Buying at local sawmills
- Faxed list of available stock, followed by quotation, then delivery within 1 week of payment via bank transfer
- Inspect site of community willing to sell trees. Identify harvestable trees. Cut down trees and remove to a central area in the Region. Get forestry official to approve harvested timber. Payment to community on commencing cutting into planks.
- Stock lists should be distributed with guaranteed quality, size and prices
- Provide actual moisture content readings, timber available and delivery terms
- Community must have a constant supply of timber and must provide valid transport permits.
- The timber should be in semi-processed form and communities must issue permits. The government permit system is to tiresome and completed.

3.4.6 Potentials for timber products that should be developed further

The following ideas were presented by the companies as some of the potential areas for products that should be developed further:

- Garden furniture; Rustic timber for hotels and lodges; Chairs and Doors. Partitioning for offices, and bar counters.
- Finished articles in knock down form to be marketed oversees. Wood should not be sold as raw material outside the country.
- Small trades – toys to European countries. Building industry. Block houses. Garden furniture.
- There is a good market in the country for outdoor furniture. There is possibility to use *Burkia Africana* (Red Syringa) for government furniture, as there seems to be ample harvestable quantities of this timber.
- Garden/outdoor furniture depending on availability of timber species
- Dinner and bar tables, storage cases, TV cases, Head boards and picture frames.
- Curios, necklaces, carvings, picture frames
- Develop methods to use saw dust to manufacture hardboard and chipboard. Use saw dust for gardening.

3.4.7 Suggestions / comments for improving the Namibian timber market

The companies offered the following suggestions / comments for improving the Namibian timber market:

- Make more wood available to the market

- Send information regarding the availability of timber to the end users
- Drying of timber must be improved. The timber must be dried properly. The quality of the sawing must be improved and the planks must be straight and smooth.
- Set up more control for replanting to ensure sustained growth of forests.
- Improve the quality and availability of timber, and stabilize timber price
- Quality control
- Protection of local market – especially against piracy from neighboring countries – should be encouraged. There should be also protection of the small Namibian market from South African mass production
- Transport from the North to the South of Namibia must be reliable and competitively priced. Establish one contact point for placement of orders, queries, and complaints. There should be reliable service.
- Stop fires in the Region (Kavango, Caprivi). Discourage deliberate burning of certain areas. Establish and promote a closer working relationship between saw-millers and forestry. Survey new areas not previously harvested
- The communities should make their market known to the companies by introducing supplies, samples etc.
- There should be incentives for local manufacturers to increase employment and generate money earned from exporting finished articles oversees.
- Plant a new tree for each one cut. Establish community nurseries for replanting of trees.
- There should be certified timber for German/International export purpose – furniture.
- There is a lack of professional craftsmen. The country should open for imports of craftsmen to import knowledge and skill. This should result in an increase of local professionals and saturation of markets that are "closed" for foreigners – e.g. south and north of Namibia.

  For this to succeed the company must first be sure that the wood will be properly dried (minimal cracks, warping etc.). The planks must be Grade A, must be cut to correct size allowing for losses during wood preparation and that the buying process will be quick with quick delivery. If the phone rings somebody should be there to answer!

  The company further said that lets face it; they can pick up the telephone and have 40 m^3 of timber from South Africa at the doorstep in 7 days. If the local company can get the same service from the communities at competitive price the company will buy locally.
- Mr. Fritz Weinrebe's company (Sawmilling operation) said that they would very much like to consider opening a furniture factory in Grootfontein or surrounding areas where they can manufacture furniture mainly from Red Syringa (*Burkia Africana*). This seems to be a timber species not yet exploited and it has similar qualities to Kiaat. The company would first however need to know from Forestry whether they could get the necessary harvest permits to harvest about 250 m^3 of timber per year. They would also like to know from Government if it would accept this timber as a substitute for Kiaat for Government furniture, i.e. office desks, chairs, and school furniture.
- One company commented that most of the furniture shops are from outside Namibia i.e., South Africa. Their products are made by South Africa joiners. It is not easy for local Namibians to compete with them.
- Local timber should be in the form of planks and search for foreign market in South Africa, Germany and China.
- The community should be trained on how to convert logs into plants. The government should assist the community to obtain loans to purchase Sawmilling equipment. Sawmills should be located in areas where the operations can be easily controlled.
- Involve the youth in woodwork activities.

- Government should empower indigenous business people by providing correct machinery for timber processing. Ekwato Woodwork company would like to know the situation regarding the Development Brigade Corporation's (DBC) saw milling machinery.

3.5 Cross-border marketing with neighbouring countries

Angola and Zambia are the two main Namibia's neighbours with abundant forest resources. Namibia being a country with scarce forest resources will naturally look to its neighbours in order to important timber to supplement its local needs.

Enquiries from Oshikango Border Post revealed that at the moment there is no timber that is being imported from Angola. This may be attributed to the fact that there had been a prolonged war in Angola, which was not conducive to trade generally including the timber trade between the two countries. However, with the recent developments towards the return of peace and stability in Angola and in view of the various Namibian high-powered Trade and Industry delegations that have visited Angola in recent months it is highly likely that there would be timber imports from Angola into Namibia in the near foreseeable future. However, it remains to be seen whether or not these timber imports will be for the Namibian market or in transit to South African markets.

On the other hand, the DoF Office in Katima Mulilo has records, through the issuing of transport permits, of timber and other timber products imports from Zambia into Namibia. Table 18 shows the information obtained from the permits at the Katima Mulilo Forestry Office.

Table 8 shows that a total of 441 m^3 of sawn timber and 2408 pieces of curios passed through Namibia in transit to South Africa between November 2002 and February 2003. The sawn timber gives an average of about 110 m^3 per month. Assuming that the same import trends will continue, it means that about 1320 m^3 per year of sawn timber would pass through Namibia from Zambia to South Africa.

Table 8: Timber imported from Zambia to South Africa via Namibia

Month	**Species**	**Product**	
		Sawn Timber, m^3	**Wood carvings, No of pieces**
December 2002	*Pterocarpus angolensis*	**102**	**2401**
November 2002	*Baikiaea plurijuga*	12	
	Guibourtia coleosperma	12	
	Pterocarpus angolensis	71	
Sub-total		**95**	
January 2003	*Baikiaea plurijuga*	30	
	Combretum apiculatum	12	
	Guibourtia coleosperma	9	
	Pterocarpus angolensis	49	7
Sub-total		**100**	7
February 2003	*Baikiaea plurijuga*	4	
	Guibourtia coleosperma	38	
	Pterocarpus angolensis	102	
Sub-total		**144**	
Grand total		**441**	**2408**

4. CONCLUSIONS

Namibia now has all the policy and legal framework in place for community involvement in forest management. However, what is needed is to make field programmes that actually involve communities in forest management. The existing literature referring to the timber market in Namibia does not provide detailed information regarding the individual needs of the furniture/joinery companies in the country.

This survey has looked at the detailed individual needs of a sample of the furniture/joinery companies in Namibia. The furniture/joinery business is a significant consumer of locally produced and imported timber in Namibia. It is evident from the survey results that the companies are willing to buy timber products from community forests. Therefore, there is a potential for communities with their Community Forests to establish a relationship with these institutions in order to participate in the timber markets.

The survey reveals that the furniture/joinery manufacturers require very high quality timber products for their operations. If the community forests are going to meet the required standards then they would certainly need huge investments in terms of machinery and equipment, and skills development in order for them to produce high quality timber products demanded by the furniture/joinery industry in Namibia. However, this would need to be backed by significant tree planting to ensure sustainable tree harvesting. Alternatively, the communities could establish their own furniture/joinery shops to compete with the existing establishments.

The idea, which should be further explored, of using *Burkia Africana* for furniture products is indeed a very good one since *Burkia africana*, unlike Kiaat, regenerates very well and is abundant in the northern regions.

This survey may be the first one to assess and present detailed information at the individual company level regarding the timber market needs in Namibia. The response was about 50% of the 30 questionnaires distributed to selected furniture companies in Namibia. Nevertheless the result could be taken as an indicative sample, which forms a very important basis for a beginning to understanding the market needs and trends of the furniture/joinery companies in the country.

There is still further need to continue studying the timber companies in order to gain more information regarding their timber products marketing needs. The Ministry of Trade and Industry indicated that they are planning to carry out a manufacturing census in the near future (Iipinge, pers comm.). Hopefully this census will yield further detailed and essential data and information that would enhance further the understanding of the timber industries and market in Namibia.

5. RECOMMENDATIONS

5.1 Timber products that could be harvested and processed at the communal level

Based on the survey results the main timber products that could be harvested and processed are planks. 73% of the companies said that they prefer to buy planks. However, in order for the communities to do this they will certainly need significant investments into saw-milling machinery and development of skills. In addition, some companies, 20%, would like to buy live trees; which they can process by themselves.

5.2 Marketable qualities and quantities of specific timber products

The companies require very high quality planks. Mostly they want planks of Grade A, B and C. Furthermore, the timber must be very well dried (seasoned), some companies even want it kiln dried. The planks must have an allowance for wastage during further processing in the furniture shops.

The sizes and quantities required by the companies are already shown in Table 7 (Page 20). The species required are Dolf/Kiaat, Oshivi/African Rosewood and Mahogany.

5.3 Market prices for specific timber products

The market prices that the companies are willing to pay for sawn timber are shown in Table 7 (Page 20). The prices are summarized as follows:

Species	**Price, per m^3**	**Price, per tree**
Dolf/Kiaat	N$2000 – N$4000	N$110
African Rosewood	N$2500 – N$4000	N$180
Mahogany	N$2500 – N$4000	

5.4 Possible risks

Two of the most important risks that could affect the communities in their activities to participate in the local timber market are illegal timber harvesting within Namibia and legally/illegally-imported timber from neighbouring countries.

5.4.1 Illegal timber harvesting in Namibia

At the moment it is not possible to quantify the magnitude of illegally harvested timber in Namibia. In as much as it is known that there is some amount of illegally harvested timber going on in the country the quantities of illegally harvested timber are not accurately known. Björkman (1999) gave a figure of 2500 m^3 as illegal logging of *Pterocarpus angolensis* in 1977 in Caprivi Region. The figure for illegal timber logging in 1997 for the Tsumkwe-Oakarara-Otjinene area is 19429 m^3, but no species names are given. Certainly this would have a negative effect on the timber products from community forests since the community forests would have to compete against this illegally harvested timber which in some cases would have to be sold at lower prices in order to quickly dispose of the merchandise.

5.4.2 Legally/Illegally imported timber from neighbouring countries

Illegal timber imports into Namibia from neighbouring countries may occur but again there are no figures at this moment to substantiate this. On the other hand there are legal imports of timber mainly from neighbouring Zambia of Dolf/Kiaat and African Rosewood; and some Rhodesian teak from Zimbabwe. The price for imported A-Grade Dolf/Kiaat is about N$6000/$m^3$. However, it must be noted from Table 8 (Page 24), that most of the timber imported from Zambia is in transit to South Africa. Therefore, there may not be a very big threat at the moment from timber imported from neighbouring countries.

If local producers can produce good quality Grade A Dolf/Kiaat sawn wood and other species, they may be able to beat the cost of imported timber.

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Appendix 1: Terms of Reference

Timber Trade and Timber Industries in Namibia

Tasks of the Consultant

1. **Submission of reports**
2. **Terms of Reference**
3. **Time table**

1. Submission of reports

The consultant submits a draft report in English to DoF/DED Namibia latest by 31st March 2003.
A final report will be submitted to DoF/DED Namibia latest by 15th April, 2003.

2. Terms of reference

The success of community forestry depends to a large extent on the generation of benefits from forest product utilization. Various timber and non-timber products are known to be important for local people and are being used for both self-consumption and marketing.

In order to focus forest management and wood processing strategies on most promising products, the current timber market with its potentials and constraints and its future perspectives has to be analyzed and assessed.

The consultancy therefore aims at investing the current timber market situation in Namibia including import-export relationships with other countries.

2.1 Literature review

- Review of available reports, studies and statistics referring to the timber market in Namibia including existing laws and regulations (reviewed documents should be referred to in the reports and listed as annex)
- Description of timber species and derived products currently marketed in Namibia
- Assessment of relative market values of timber products at regional and national levels and with regard to cross-border marketing with neighbouring countries.

2.2 Timber trade and timber industries

- Identification of important entrepreneurs/companies for timber trading and timber processing (general description of enterprise, names, addresses, telephone numbers)
- Interviews (questionnaire) with representatives of main entrepreneurs/companies at Windhoek,
- Okahandja, Otjiwarongo, Tsumeb and Grootfontein concerning:
- preferred raw and semi-processed timber species and products (common quality categories)
- sources of purchased timber products (direct harvesting, middlemen, other companies etc.)
- purchased quantities and qualities of timber products (annually) and corresponding prices,
- processed/traded timber products and relative market values,
- main customers for further sale
- interests in and conditions for buying timber products incl. Deadwood timber from community forests in NE-Namibia
- Interviews with relevant Government agencies on current situation and future perspectives of timber trade and timber industries

2.3 Recommendations for community forest management and timber marketing

- Timber products that should be harvested and processed at the communal level
- Marketable qualities and quantities of specific timber products
- Market prices for specific timber products
- Possible risks (illegal harvesting, legal/illegal timber imports from neighbouring countries, etc.)

3. Time table

03. – 07.02.03	5 days	Preparations (questionnaire) and literature review
10. – 14.02.03	5 days	Interviews on timber trade and timber industries
17. – 21.02.03	5 days	Interviews on timber trade and timber industries
24. – 25.02.03	2 days	Recommendations for community forest management and timber marketing
26. – 28.02.03	3 days	Compilation of report
TOTAL:	20 days	

Appendix 2: List of institutions/people contacted

Contact person name	Organisation name	Postal address	Telephone	Fax	General description of enterprise
1. De Wet van Niekerk	Mr. Wood Joinery	P.O. Box 22662 Windhoek	216304	216310	Joinery
2. Christian von Scheliha	H. Jensen Joinery	P.O. Box 5289 Windhoek	233623	221512	Woodworking + Joinery
3. C. Thiart	Namib Wood	P.O. Box 553 Ausspanplatz Windhoek	263231	215796	Furniture Manufacturers
4. Brooker-Smith G.D.	The Guild	P.O. Box 40483 Windhoek	224370	224370	Joinery
5. Nafthali Vries	Naftha Joinery	Box 22551 Windhoek	216381	-	Joinery
6. Ben Siyambango	Universal Wood Industries	P.O. Box 90050 Windhoek	220160	221030	Furniture Manufacturers
7. Thomas Pade	The Wood Connection cc	Box 11158 Windhoek	246104	246103	Furniture Manufacturers
8. J. Swanepofl	Crosscut Interiors	P.O. Box 1637 Windhoek	250500	250500	Furniture
9. Johan Liebenberg	Dias Cabinets & Kitchens	P.O. Box 554 Walvis bay	204919	209213	Cabinetry, Furniture, gates & doors
10. Hermann Feldmann	Rieck Joinery	Box 355 Walvis Bay	202319	205134	Cabinet making, Joinery items, shipwrights
11. P.N Freyer	P.N. Freyer Skrynwerke	P.O. Box 3096 Rehoboth	522507		General joinery: Cupboard, doors, windows
12. Fritz Weinrebe	-	Vaalhoek, Grootfontein	067 243356		Sawmill operation (Mobile)
13. Nembiya Natanael	Nembiya Furniture Manufacture	P.O. Box 1437 Oshakati	065 220387		Furniture, coffins, carvings
14. David Haufiku	Oshiko Workshop	P.O. Box 416 Oshakati	081 270 2474		Furniture, curios, Youth Training Centre
15. Nashipili N.D.	Ekwato Woodwork	P.O. Box 84 Oshakati	220395	220475	Furniture, Coffins, toys

Ms A. Iipinge, Ministry of Trade and Industry, Windhoek.
Mr. M. Masule, DFO Grootfontein.
Ms. Anneli Shishome, Chief Forester, North West Region, Ongwediva.
Mr. Festus Shiweda, DFO, Otjiwarongo.
Mr. Christian Motinga, Forestry Ranger, Keetmanshoop.
Mr. Vincent Louw, A/Chief Forester, South Central, Windhoek.
Ms. Lea Ipinge, DFO Gobabis
Ms. Esther-Lusepani Kamwi, Deputy Director Research, Windhoek
Mr. Dennis Sikabongo, DFO, Katima Mulilo
Mr. H.E. Mckay, McKay Joinery, P.O. Box 3089 Rehoboth, Tel 523602

Appendix 3: Tables of survey results

Table 3.1: Raw and semi-processed timber products needed as raw material

Company	Raw timber products	Semi-processed timber products
1	Planks (25mm 38mm 50mm)	Boards
2	Planks (Dolf, Pine)	Chip board – Melamine covered
3	Dolf wood, Oak, Meranti	Melamine boards, veneer boards (Oak, Maple)
4	Planks	Boards
5	Null	Null
6	Solid timber (Rhodesia Teak, African Rosewood, Dolf/kiaat)	Rhodesia Teak- veneer boards
7	European/North American Hardwoods (Meranti, Dolf/Kiaat)	Particle boards, Flooring, Laminated beams, Veneer
8	Sawn boards	Door Skins
9	Planks cut to size and dried	
10	Sawn planks	Plywood, Chipboard, Melamine + Formica, Veneer + edgings, Dowels + Dowel sticks
11	Dolf/kiaat, Meranti, Pine	Boards
12	Dolf/Kiaat trees, African Rosewood, Rhodesian teak, Red syringa	
13		Chipboard, SA Pine, Hardboard, Kiaat planks
14	Kiaat cant (semi-processed log)	SA Pine, Chipboard, Hardboard, Plywood
15	Kiaat cant (semi-processed log)	SA Pine, Chipboard, Hardboard

Table 3.2: Preferred timber species for raw and semi-processed material

Company	Preferred timber species for raw material products	Preferred timber species for semi-processed raw material products
1	Dolf/Kiaat, African Rosewood, Rhodesia Teak	
2	Dolf, Pine, Oak	
3	Dolf	
4	Dolf/Kiaat, Mesquite	
5	Red Meranti, Oshivi, Oak, Maple	
6	American hardwood: Beech, Oak, Maple	Beech, Oak, Maple (Veneer boards)
7	Beech, Maple, Dolf, African Rosewood	Veneered particle board, Flooring, Decring
8	Dolf/kiaat, Rhodesian Teak, Red syringa, Oshivi	Maple, Mahogany
9	African Rosewood, Mahogany, Dolf/kiaat	
10	SA Pine, Meranti, Oak, Cherry, Ash	SA Pine, Meranti, Oak, Cherry, Ash
11	Dolf/kiaat, Meranti	
12	Dolf/Kiaat, Red syringa	
13	Dolf/Kiaat	SA Pine, Kiaat
14	Dolf/kiaat	SA Pine
15	Dolf/kiaat	SA Pine, Kiaat, Rhodesia teak, Tambuti planks

Table 3.3: Common quality categories needed for raw and semi-processed products

Company	Quality category for material products	Quality category for semi-processed raw material products
1	Grade A, B, C	
2	Grade A	
3	Grade A, B	Grade A
4	Grade A, B	
5	Grade A, Kiln Dried	Grade A
6	Kiln Dried timber	
7	Grade A	Grade A
8	Null	Null
9	Grade A, B, Wood clear from pests	
10	Grade A, Industrial, Commsels	Interior, Exterior
11	Grade A, B wood	
12	Grade A, B, C, D	
13		Grade C, because cheaper
14	Grade A	Grade C or any grade
15	Grade A	Grade A

Table 3.4: The main timber products manufactured

Company	Main products manufactured
1	Government office and school furniture, doors & windows, household furniture
2	Doors, bar counters, window frames, kitchen + bedroom units are the biggest demand
3	Partitions and small items
4	Beds, windows, doors, tables, chairs
5	Purpose made furniture, doors, windows
6	Built-in cupboards, doors& doorframes, chairs & tables
7	Doors, windows, floors, solid trimming, shirlings, tables
8	Door panels, furniture
9	Cupboards, doors, furniture
10	Built-in cupboards, kitchens, office furniture etc., Interior and exterior doorframes + Doors, Window frames, balustrades, stair cases, ship repairs + wooden Decks
11	Doors, Frames, Windows
12	None at this stage. But, would like to start manufacturing Govt. furniture from Burkia Africana (Red Syringa) if we can get the necessary concession.
13	Coffins, chairs, tables, wardrobes picture frames.
14	Beds, chairs, coffins, beehives, curios and tables
15	Bar chairs, school chairs and tables, picture frames, school toys, wardrobes, back rest board.

Table 3.5: Types and quantities of wood/timber products produced annually

Company	Timber product name	Annual Quantity	Value N$ (per product)
1	Depends on orders		
2	Melamine covered chipboard	480 Boards	N$520 each (N$249600 per year)
	Dolf	30 doors and frames	N$1000 each (N$30000 per year)
	Dolf	120 kitchen doors	N$150 each (N$18000 per year)
3	Null		
4	Null		
5	Null		
6	Built-in cupboards		N$600 000 per year
	Furniture		N$38 000 per year
	Doors & frames		N$30 000 per year
7	Null		
8	Sawn timber	300 m^3 (Millrun)	
	Hollow core doors	3500 pieces (SABS)	
	Furniture	500 pieces	
9		We manufacture on request	N$800 000-N$1 million per year
10		Unpredictable. We manufacture on demand.	
11	Frames	10 – 20 for 3 months	
	Doors	10 for 3 months	
	Windows	25 for 3-4 months	
12	Dolf/Kiaat	120 m^3	N$150 000 per year
13	Beds	100	N$390 each (N$39000 per year)
	Tables	300	N$450 each (N$135000 per year)
	Chairs	500	N$120 each (N$60000 per year)
	Coffins	200	N$350 each (N$70000 per year)
14	Beds	120	N$390 each (N$46800 per year)
	Chairs	50	N$120 each (N$6000 per year)
	Wardrobe	40	N$600 each (N$24000 per year)
	Coffin	130	N$400 each (N$52000 per year)
	Beehives	15	
15	Bed	240	N$93600 per year
	School chairs	3500	N$91000 per year
	Tables	2632	N$71064 per year
	Wardrobe	180	N$126000 per year

Table 3.6: Quantities of products sold/traded annually

Company	Product name (ranked according to market value)	Annual Quantity	N$ (per product)
1	1. Government furniture	600 items	N$1000 each (N$600000 per year)
	2. Doors & windows	200 items	N$2000 each (N$400000 per year)
2	1. Kitchen units	30-40	2500 each (100000 per year)
	2. Doors + frames	30	1000 each (N$30000 per year)
3	Null		
4	Null		
5	Furniture, doors, general joinery		
6	1. Built-in cupboard		N$600 000 per year
	2. Furniture		N$38 000 per year
	3. Doors & frames		N$30 000 per year
7	Null		
8	Null		
9	Null		
10		Unpredictable. We manufacture on demand	
11	Door		N$780 each
	Frames		N$675 each
	Windows-cottage		N$980 each
12	Dolf/Kiaat	120 m^3	N$150 000 per year
13	Coffin	200	N$350 each (N$70000 per year)
	Bed	100	N$390 each (39000 per year)
	Table	300	N$450 each (N$135000 per year)
	Chair	500	N$120 each (N$60000 per year)
14	Beds	120	N$395 each (N$47400 per year)
	Chairs	50	N$120 each (N$6000 per year)
	Wardrobe	40	N$600 each (N$24000 per year)
	Coffin	130	N$400 each (N$52000 per year)
15	School chairs	3500	N$91000 per year
	Tables	2632	N$71064 per year
	Wardrobe	180	N$126000 per year
	Bed	24	N$93600 per year

Table 3.7: Main customers for manufactured timber products

Company	Locally	Internationally
1	x	
2	x	
3	x	
4	x (small customers, private)	
5	x	
6	x (Govt. of Namibia, public sector)	
7	x (Shops, businesses, private people)	
8	x (General public, furniture outlets, hardware shops)	
9	x (90% home owners, 10% businesses)	
10	x (Building contractors, private sector)	
11	x (local people and building houses)	
12	x (Manufacturers of wood furniture i.e. NAMIB WOOD, Resellers of planks to joiners i.e. P. G. Bison)	
13	x (Public, Government schools, private schools)	x (Angola)
14	x (Local businessmen, individual members of the public)	
15	x (Private schools, public)	x (Angola: chairs, tables, wardrobes, beds))

Table 3.8: Preferences for buying timber from communities

Company	Preference
1	Buy timber from communities
2	Buy logs and planks produced by the communities
3	Buy timber from the communities
4	Buy timber from the communities
5	Buy timber from communities
6	Buy timber from communities
7	We would prefer to buy from professional sawmills, preferable kiln dried quality.
8	Buy trees
9	Buy timber planks
10	Buy in plank form
11	Buy planks
12	I would prefer to obtain permits from communities to harvest timber myself
13	Buy planks
14	Buy planks
15	Prefer to obtain permits to harvest

Table 3.9: Expected problems/constraints with regard to buying timber from communities

Company	Problems/constraints
1	No
2	No
3	No
4	No
5	No
6	Only one constraint: I need a proper invoice for bookkeeping purposes
7	Wrongly cut materials can be damaged in structure and would loose grading. No furniture could be manufactures from those logs.
8	Null
9	Punctuality, quality of product, reliability
10	Illegal operations. Uncontrolled chopping down of limited natural resources
11	Likelihood of producing bad quality timber
12	We would prefer to have a forestry official present when buying or paring for timber to verify quantities of timber harvested to prevent any disputes.
13	Problems of sawing machines for the community
14	Transport may be a problem for the communities
15	There may not be enough logs.

Table 3.10: Assessment of the chances of marketing dead wood timber

Company	Chances
1	Good
2	Good
3	This depends on the quality. If it is smooth there is no problem.
4	This depends upon quality assurances etc. It is good no problem.
5	Null
6	Export rare woods to Cape Town
7	As long as the trees are free from internal cracking and fungi etc the chances should be good. "Sculptured trees" could be used for landscaping etc.
8	Null
9	Unknown – must have samples to stimulate interest
10	Unable to comment because of knowing too little about indigenous timber species and where/what they could be used for.
11	Null
12	A viable proposition but would only be able to pay for processed timber in plank form per m^3 before removal. Most of the dead trees are damaged by fire before one can use them.
13	Local communities may not have machines to convert logs into planks
14	Dead wood should be cheaper because it has defects e.g. cracks, knots, holes
15	There is market for dead Dolf/kiaat logs in Namibia but there is a lack of appropriate machinery to process it.

Appendix 4: Registered manufacturers of Furniture and Fixtures in Namibia, 2001

Company	Product	Location	Address	Box	Phone	Fax
Gobabis Timbers	Built-in Cupboards, Furniture	Gobabis	Revier Street	1028	062 564508	062 564509
Rooikop Skrynwerkery	Woodwork	Gobabis	Gobabis East		062 562479	
Solid Hardwood Furniture	Furniture	Gobabis	Kanumas	765	062 562345	062 562345
Upholstery	Furniture	Gobabis	27 Quito Cuanavale Avenue	1545	062 562527	062 562527
Puik Skrynwerke	Furniture	Grootfontein	265 Olienhout Street	840	067 242633	067 242633
Amalgamated Commercial Holding (PTY)	Furniture, Doors	Katima Mulilo	Mpacha Road	1003	066 253020	066 254502
Katima Furniture	Furniture	Katima Mulilo	Industrial Area	544	066 253364	066 253364
Frank's Joinery	Furniture, Doors, Windows	Luderitz	Insel Street	410	063 202039	063 202039
Schoemetzler Tischlerei	Furniture, Spec. Wood Works	Okahandja	Ossmannweg	210	062 501237	062 501237
Omaheke Joiners Project LTD	Woodwork	Epukiro			062 568674	062 568674
Wooden Ways	Wooden Furniture	Omaruru	Wilhelm Zerauaweg		064 570032	
Ehafo Woodwork	Furniture	Oshakati	Main Road	84	065 220475	065 220475
Carlo Joinery	Furniture	Oshakati	Industrial Area	1021	065 220156	
Nembiya Furniture	Furniture	Oshakati	North Industrial Area	1437	065 220387	065 220387
Otjiwarongo Skryn Werke	Furniture, Cupboards	Otjiwarongo	12 Edison Street		067 302407	
Joint Woodworks	Furniture	Rundu	Industrial Area		066 255275	066 255275
Rundu Furniture	Furniture	Rundu	Industrial Area	12	066 255074	
DG Fritze Joinery & Cabinet Makers	Furniture, Cabinets	Swakopmund	MC Hugh Street	673	064 461143	064 461974
Swakop Tischlerei	Furniture	Swakopmund	8 Feld Street	1580	064 402245	064 463727
Ahrens KWH	Furniture, Doors, Windows	Tsumeb	5 Verlaengerung	782	067 221361	067 221364
Dias Kitchens	Furniture, Kitchen Furniture	Walvis Bay	273, 11th Street	478	064 204919	064 209213
Rieck Joinery	Furniture, Gates, Doors	Walvis Bay	8th Street	355	064 202310	064 205134
Business Furniture Manufacturers	Office Furniture	Windhoek	Silver Street	11507	061 227000	061 226670
Carlo Upholstery	Upholstered Furniture	Windhoek	3 Voigt Street	2596	061 227162	061 236399
City Kitchens	Kitchen Furniture	Windhoek	Kallie Roodt Street	6630	061 263085	061 216688
Executive Office Collection (PTY), Ltd.	Office Furniture	Windhoek	16 Gold Street	11507	061 227000	061 231052
Grote Bau & Moebeltischlerei	Furniture, Doors, Windows	Windhoek	Khomasdal, Hibiscus Street	10245	061 211188	061 211188
H.Jensen Bau und Moebeltischlerei	Furniture, Doors, Windows	Windhoek	8 Nasmyth Street	5289	061 233623	061 233644
Men & Work	Furniture	Windhoek	13 Voigts Street	24779	061 248444	061 248450
Mr.Wood Joinery	Cupboards, Office Furniture	Windhoek	15 Nickel Street	22662	061 216304	061 216310

Namibia Wood Industry (PTY), Ltd.	All Kind of Furniture	Windhoek	Danzig Street	5536	061 263231	061 263231
Scandia Kitchen & Joinery (PTY), Ltd.	All Kind of Furniture	Windhoek	15 Joule Street	5319	061 225026	061 233970
Upholstery Services	Upholstered Furniture	Windhoek	28 Lazarett Street	6128	061 236136	061 225669
Wood Joinery	Office Furniture	Windhoek	26 Kallie Roodt Street	22662	061 216304	061 216310

Source: Ministry of Trade and Industry, Windhoek

Appendix 5: Survey Questionnaire

MINISTRY OF ENVIRONMENT AND TOURISM
DIRECTORATE OF FORESTRY

Timber Trade and Timber Industries Survey
Questionnaire

Particulars of the Organisation

***Contact person Name*:**
***Organisation name*:**
Postal address:
***Telephone*:**
***Fax*:**
General description of enterprise:

(NOTE: The tables are merely guidelines to answers. Please feel free to use extra paper to answer the questions)

Part A: Sources of raw material

1. What are your sources for timber products – raw and semi-processed?

Source	Raw material products	Semi-processed material products
Direct harvesting		
Middlemen		
Other companies		
Import		
Other sources (Specify)		

If importing, from what countries and what species?

Part B: Raw materials requirements

2. What are the raw and semi-processed timber products that you need as raw material for you organization?

Raw timber products	Semi-processed timber products
1.	1.
2.	2.
3.	3.
4.	4.
etc	etc

3. What are your preferred timber species for raw and semi-processed material?

Preferred timber species for raw material products	Preferred timber species for semi-processed raw material products
1.	1.
2.	2.
3.	3.
Etc	etc

4. What are the common quality categories that you need for your raw and semi-processed products?

Quality category for <u>raw material products</u>	**Quality category for semi-processed raw <u>material products</u>**

5. What are the quantities, sizes and qualities of timber products that you purchase annually?

Timber product name (ranked according to preference)	**Annual quantities purchased**	**Preferred sizes of planks etc.**	**Preferred price, N$**	**Preferred qualities**
1.				
2.				
3.				
4.				
Etc				

Part C: Production

6. What are the main timber products that you manufacture (types of furniture, window frames, doors, floor material, tiles, small items, or others)?

7. What are the types and quantities of wood/timber products that you produce annually?

Timber product name	**Annual Quantity**	**Value N$ (per product)**
1.		
2		
3.		
4.		
Etc		

Part D: Marketing

8. What are the quantities of products that you sell/trade annually?

Product name (ranked according to market value)	**Annual Quantity**	**N$ (per product)**
1.		
2.		
3.		
4.		

9. Who are your main customers for your manufactured timber products?

<u>Locally</u>	**<u>Internationally</u>**

Part E: Community forests in Kavango/Caprivi Regions as timber products sources

10. Would you be interested in buying timber products, including dead wood, from community forests in NE Namibia (Kavango/Caprivi Regions)?

If yes, what quantity, sizes and value would you need monthly and annually?

Timber product name (ranked according to preference)	**Annual quantities required**	**Preferred sizes of planks etc.**	**Preferred price, N$**	**Preferred qualities**
1.				
2.				
3.				
4.				
Etc				

11. What would be your conditions for buying timber products from community forests in NE-Namibia (Kavango/Caprivi Regions)?

12. Would you prefer to obtain permits from communities and to harvest the timber yourself or to buy timber (logs or planks) that is provided by the communities?

13. Do you expect any problems or constraints with regard to buying timber from communities?

14. How do you assess the chances of marketing dead wood timber?

15. What would be your preferred system of purchasing timber from communities?

16. How should the Namibian timber market be improved?

17. Where do you see potentials for timber products that should be developed further (e.g. garden/outdoor furniture, toys?)?

18. Any other suggestions or comments?