

Welcome address to SPGS Workshop

DEVELOPING A COMMERCIAL FORESTRY INDUSTRY IN EASTERN AFRICA

22-24 April 2009

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1. Global trends

- Plantation area trends since 1990

The total worldwide area of plantations in 2005 was over 140 million ha, or 3.5% of the total area of forest. The annual rate of increase is about 2%.

Region	Plantation forest, 2005			Change %/yr	
	Area, thousand ha	Area, thousand ha	Area, thousand ha	90-00	00-05
	1990	2000	2005		
Africa	12,245	12,865	13,338	0.5	0.7
Asia	46,591	55,665	64,888	1.8	3.1
Europe	22,530	26,588	27,694	1.7	0.8
N&C America	10,782	17,937	18,844	5.2	1.0
Oceania	2,447	3,491	3,865	3.6	2.1
S. America	9,132	11,437	12,189	2.3	1.3
World	105,717	129,983	142,823	2.1	1.9

Source: Global planted forests thematic study. 2006. FAO Forestry Working Paper FP/38

Trees outside forests, often planted and grown in farmers' fields, are an important source of wood, but are mostly excluded from country figures. For the African region, trees outside forest reserves make up another two thirds of the forest area.

- Purposes

Most plantations are established to supply industrial roundwood, poles or fuelwood, but they are also grown for the provision of non-wood forest products (e.g. gum arabic), for protection (e.g. shelterbelts or anti-desertification measures) and for environmental services (carbon sequestration). Worldwide, 79% of plantations have been established for production purposes, and the balance for protective functions.

- Demands for wood, and the development of new techniques and markets

Increasing populations and more wealth mean that the world's demand for wood is growing at about 6% yearly. Africa's population is projected to grow at 2.1% between 2010 and 2020, and GDP grew at 6.2% in 2007. But natural forests cannot meet peoples' demands for wood and at the same time fulfil their protective and conservation functions.

The table shows the world's production of wood in 2006. Note that fuelwood production worldwide is larger than industrial roundwood, and the high share of the world's fuelwood by African countries.

Product (million m ³)	Global	Africa	Share %
Industrial roundwood	1,635	69.0	4
Fuelwood	1,871	589.0	46
	3,506	658	19

Source: State of the World's Forests, 2009. FAO

Although the global plantation area is a small proportion of the world's total forest area, about 40% of the raw material for industrial purposes now comes from plantations rather than from natural forests.

New techniques are being developed to improve recovery and to convert formerly intractable species into useable products (e.g. eucalyptus into sawtimber or pulp) and new markets are being developed for sizes and species which were formerly un-saleable (e.g. small diameter poles and rubberwood).

- Improved growing stock

Developments in tree breeding are leading to improved growing stock which not only has higher growth rates but also better technical properties.

- Increasing role of the private sector

Worldwide, most plantations have in the past been established and managed by public forest services but now there is much more private ownership. This trend is reflected in Africa also, encouraged by increasing demand and improved profitability.

“Outgrower” schemes have been developed in the past, especially in the agricultural sector for tea production, but they are now being introduced in the forestry sector. Typically, a private wood-processing company enters into a contract with landowners to grow the raw material - in this case trees. African examples include Ghana (sawlogs), South Africa (wattle) and Zimbabwe (pulpwood). Sometimes the company may offer loans or inputs such as fertilizer or improved growing stock.

- The importance of facilitating forest policies and laws, the supportive role of the public sector, the need for strong institutions

There has been a global and African trend towards decentralization and devolution in general, including the forestry sector. But while the devolution of responsibility for forestry has been moving to the private sector and communities, it has not always been accompanied by the consistent policies and legislation for the promotion of investment. Secure land tenure is especially important for the encouragement of investment in forestry.

Support is needed from the public forest service, in control, training and extension for example, but the capacity of public institutions is often weak.

Support may also be offered by the government to private sector plantation establishment through direct grants, subsidies, loans at a low rate of interest, and taxation concessions. All need good governance and strong institutions to control them.

2. The catalytic role of the SPGS

From the analysis of global trends above, it can be seen that the SPGS has developed to meet the new directions in forestry in the 21st century. It is directly aimed at support to the private sector, in grants and in advice and training, but its benefits will be enjoyed by the people of Uganda in general through increased availability of wood and the development of wood-using industries. There will be social and economic benefits for rural people through improved employment and thus better livelihoods. Increased sawlog production will have an impact on the protection of natural forests and thus on the conservation of biological diversity. There will be environmental benefits in soil protection and in the sequestration of carbon.

But the influence of the SPGS will not be confined to Uganda. It has a most important catalytic role in helping to develop similar schemes in other countries, through demonstration and example.

3. The Commonwealth Forestry Association

The Commonwealth Forestry Association (CFA) was established in 1921, making it the world's longest established international forestry association.

Its mission is to promote the conservation and sustainable management of the world's forests and the contribution they make to peoples' livelihoods. This mission supports the Millennium Development Goals, in particular relating to the eradication of extreme poverty and hunger through the contribution of forests to livelihoods, and to the fundamental role that forests play in environmental stability.

The CFA unites foresters, scientists, students, NGOs and policy makers throughout the world in a unique international network. It is our commitment to the promotion of forestry that has led us to support this Workshop with SPGS.

There are a number of benefits, both for corporate members and for individuals. They include the peer-reviewed *International Forestry Review* and the *CFA Newsletter* (both quarterly in hard copy and on-line), awards, fellowships and training courses as well as a constantly updated website to keep foresters in touch.

You can learn more about the CFA, including membership, from our website

<http://www.cfa-international.org/>

4. Plantations in East Africa

The following are some personal thoughts on the establishment of plantations in East Africa.

- East Africans are pioneers in plantation establishment! We have more than 100 years of experience, so if you need advice on species selection, establishment or management, often all you need to do is to look around you!
- The matching of species and provenances to site and to markets. If there is one thing that I have learnt, it is that you must select species and provenances that are suitable for your local site, and given that, you must select species - or a mix of species - that can be sold when they mature.
- Introduced species vs indigenous. Don't be sidetracked by this argument! If your species matches your site and the foreseen end-use then don't worry if it is introduced or indigenous. But obviously avoid any species that are known to be invasive - take advice!
- The need for protection from fire and from pests. Like any other investment, your plantation needs protection.
- The impact of climate change on species selection and growth. We live in a changing world; we need to select species that are not only matched to our site and to the markets we expect when we cut them, but in the medium term we also have to choose robust species adapted to the changes that will occur in the climate.

5. The functions of the Workshop

A Workshop is not a meeting! We are all here to learn from each other, to share our experiences, and to participate! Don't be afraid to speak out!