

The Ghanaian wood products export grew by 12.8% in volume and 17.4% in value; recording a total volume of 92,313.824m³ yielding total proceeds of €50,514,982.89 during the first quarter of 2016 as depicted in the table below:

CUMMULATIVE EXPORT PERFORMANCE - 1 st QUARTER 2016			
	JAN-MARCH 2015	JAN-MARCH 2016	% Change
Volume (m ³)	81,860.703	92,313.824	12.8%
Value (€)	43,034,118.55	50,514,982.89	17.4%

The monthly trade figures are given in the table beneath:

MONTHLY EXPORT PERFORMANCE 2016		
Month	Volume (m ³)	Value (€)
Jan-16	29,082.693	16,071,736.67
Feb-16	31,465.037	17,273,518.48
Mar-16	31,766.095	17,169,727.74
Total	92,313.824	50,514,982.89

The total volume to total value ratio from the monthly export performance table is 0.18:99.82 (a wide range signifying heterogeneity) which implies that for every 18m³ of wood products, will generate €9,982.00. This phenomenon changes drastically when the percentage contribution (each month) approach is applied as illustrated in the table below:

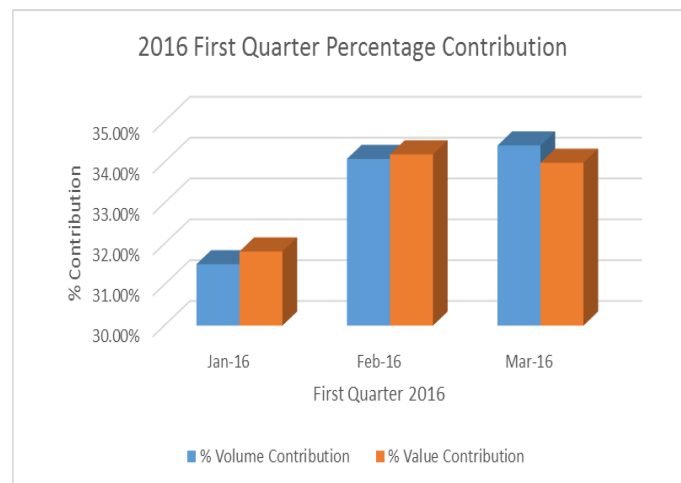
% CONTRIBUTION (EXPORT PERFORMANCE)		
Month	% Volume Contribution	% Value Contribution
Jan-16	31.50%	31.82%
Feb-16	34.08%	34.19%
Mar-16	34.41%	33.99%
Average	33.33%	33.33%

The monthly range (volume:value) is significantly reduced and the average showing same figures (homogeneity).

Could the heterogeneous nature of our species in our reserves be the underlying influence or the explanatory variable to this phenomenon (almost 100% variation between volume and value)?

And could the solution lie in focusing on scientific large scale homogeneous species plantations with sustainable forest management approach?

This assertion is supported by the graph below; depicting an optimised volume/value ratios for the monthly % contributions for first quarter 2016. In March 2016, the ratio of volume was higher than the ratio of value, possibly from the consistency in the average figures.

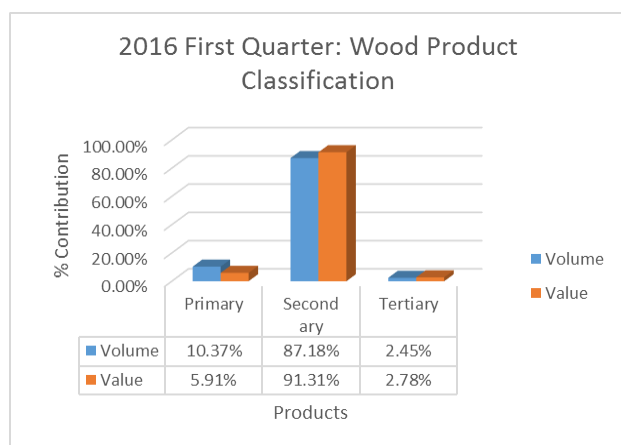


WOOD PRODUCTS CONTRIBUTION - FIRST QUARTER 2016				
	Primary	Secondary	Tertiary	Total
Volume (m3)	9,571.671	80,483.488	2,258.665	92,313.824
Value (€)	2,985,725.82	46,123,167.53	1,406,089.54	50,514,982.89

Primary products which is made up of Poles and Billets contributed 10.37% and 5.91% in volume and value respectively from the first quarter figures.

Secondary products (most exported products) comprising of Lumber (AD & KD), Plywood, Veneer and Kindling contributed 87.18% and 91.31% in volume and value respectively from the first quarter figures.

Tertiary products (least exported products) consist of Processed Lumber or Mouldings and Dowels contributed 2.45% and 2.78% in volume and value respectively from the first quarter figures as clarified below:



Could the over dependence of the production of secondary products be as a result of policy?

Could the production of primary products be improved by a partial lifting of the ban on round logs of some high density species like Ekki, Denya, Danta; which has the potential to improve volumes, revenues and new products development [overseas]; which may possibly improve technological transfer and probably expand the tertiary products market significantly?

Moving species were Rosewood, Teak, Papao, Wawa and Ceiba contributing 75,066.135m³ yielding €38,606,709.74 representing 81.32% and 78.41% of

total volume and value respectively for the first quarter 2016. Rosewood contributed 25.66% and 31.02% in volume and value respectively while Teak contributed 29.82% and 23.35% in volume and value respectively.

Top five exported products were lumber AD, lumber KD, plywood (overland), sliced veneer and billet contributing 82,604.036m³ yielding €47,735,087.53 representing 92.73% and 94.50% of total volume and value respectively for the first quarter 2016. Lumber AD contributed 58.61% and 63.97% in volume and value respectively while Lumber KD contributed 12.02% and 12.16% in volume and value respectively.

The favourite trade destinations were China, India, Vietnam, Germany and Italy contributing 68,205.137m³ yielding €38,739,136.82 representing 73.93% and 76.69% of total volume and value respectively for the first quarter 2016. China imported 33.28% and 40.94% in volume and value respectively while India imported 32.27% and 24.06% in volume and value respectively.

The general market performance was declining (Africa being the worst affected) with the exception of the Asia and Far East market which improved by 8.80% in volume and 12.87% in value as depicted beneath (other markets not included):

REGIONAL MARKET PERFORMANCE - FIRST QUARTER 2016					
Market	JAN - MAR 2015	% in Volume (2015)	JAN - MAR 2016	% in Volume (2016)	% Change
	Volume(m ³)		Volume(m ³)		
Asia/Far East	50,874.915	63.43	65,464.787	72.22	8.80
Europe	10,429.216	13.00	10,659.968	11.76	-1.24
Africa	14,680.555	18.30	12,224.320	13.49	-4.82
America	4,226.518	5.27	2,291.169	2.53	-2.74
TOTAL	80,211.204	100.00	90,640.244	100.00	0.00

REGIONAL MARKET PERFORMANCE - FIRST QUARTER 2016					
Market	JAN - MAR 2015	% in Value (2015)	JAN - MAR 2016	% in Value (2016)	% Change
	Value(€)		Value(€)		
Asia/Far East	25,542,590.77	61.02	36,498,986.86	73.88	12.87
Europe	5,743,988.54	13.72	6,748,131.56	13.66	-0.06
Africa	6,477,043.84	15.47	4,035,038.96	8.17	-7.30
America	4,097,898.85	9.79	2,119,249.07	4.29	-5.50
TOTAL	41,861,522.00	100.00	49,401,406.45	100.00	0.00

The declining market for Ghanaian wood products export was worst in Africa, recording a decline of 4.20% in volume and 7.30% in value comparing 2015 (first quarter) to 2016 (first quarter).

Ecowas countries which represent about 60% of Africa's market share; trading mainly in plywood (overland) has seen some major fluctuations in the Ghanaian wood products trade.

Could the decline in Ghanaian plywood trade be as a result of the stain pattern in some main species used in plywood production?

If the stain patterns could be said to be responsible (making the finished products less attractive and less competitive on the market) for the decline of plywood trade then are these stains ecological or hereditary?

Nonetheless, the growth in the wood products export during the first

quarter 2016 was achieved by fewer firms compared to the number of firms for last quarter 2015.

The structure of the timber industry classified by products made in Ghana for first quarter 2016 is depicted in the table below:

CLASSIFICATION OF PRODUCTS - FIRST QTR 2016	
PRODUCT	NO. OF FIRMS
Primary	
Poles	6
Billet	28
Secondary	
Lumber (Air Dried)	82
Lumber (Kiln Dried)	41
Lumber (Overland)	1
Plywood	0
Plywood (Overland)	12
Boules	0
Veneer	16
Kindling	1
Briquettes	0
Tertiary	
Processed Lumber / Mouldings	11
Dowels	2

Could this (fewer firms achieving growth) be attributed to the trends in the stumpage for some species from different reserves or could it be attributed to inadequate raw materials but the wood products trade (from the producers' view point) is achieving operational excellence?