



Furniture and Lumber Exports from Ghana: A Comparative Study of Some Market Trends.

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ABSTRACT

This study assessed values of wood species when used for garden furniture and kiln-dried (KD) lumber, and the destination and species effect on these values. The study covered an eight year period (2001 to 2008). Reports on wood products export were reviewed to obtain data for analyses. Findings were that values/m³ of all wood species were higher when used for garden furniture than when used to produce lumber for exports. Among the 15 most requested species for garden furniture, afromosia had the highest value for furniture (€3,308.844) and lumber (€869.00) whereas emire had the least furniture value (€1,336.936) while otie had the least lumber value (€263.10). Sweden and U.S. A respectively offered the highest (€17,891.80) and lowest (€254.097) mean garden furniture value, while Cyprus and France respectively offered the highest (644.80) and lowest (€314.97) lumber value. Direction of trade and product type had significant effect (p<0.01) t on values of the products and they explained 92.3% of the variations.

INTRODUCTION

- Ghana's forest sector is a major contributor to the national economy and dominated by timber industries which account for about 11% total export earnings ([Ghanaian Times](#) 2015).
- The timber industry contributes about 6% of the Gross Domestic Product (GDP) and employ labour force of over 75,000 people, while providing direct livelihood to about two million people in total ([Ghanaian Times](#) 2015).
- Furniture parts, one of Ghana's forest products for exports, are produced from relatively durable and weather resistant wood species like iroko/odum (*Milicia excelsa*), mahogany (*Khaya spp.*), teak (*Tectona grandis*), utile (*Entandrophragma utile*), albizia (*Albizia ferrugenia*) etc. which are also used for lumber production (Plow and heart 2006; TIDD 2003).
- Furniture parts have much higher value than lumber in the export market (difference of about 344.85%) (Dadzie et. al. 2014).
- But studies on market trends such as price variations among importing countries/buyers and among wood species in relation to the two products from Ghana are limited.

OBJECTIVES

- This study assessed the trend of; 1) Average value/m³ for K.D lumber and garden furniture of the various wood species desired for garden furniture exports. 2) Average volume and value/m³ of K.D lumber and garden furniture exports from Ghana over the period 3) Average value/m³ of K.D lumber and garden furniture offered by importers of the two products from Ghana and 4) whether or not direction of trade and product type has significant effect on the value/m³ of lumber and garden furniture.

METHODOLOGY

- The average FOB values/m³ of each specific wood species used for both garden furniture and kiln-dried lumber production were computed from TIDD's export reports on wood products from 2001 to 2008.
- The average FOB values/m³ of garden furniture (in general without recourse to specific wood species) imported by each country were computed from TIDD's export reports on wood products for the period of study from 2001 to 2008.

RESULTS AND DISCUSSIONS

• Figure 1 presents the trend of the values/m³ (€) of the kiln-dried lumber and garden furniture for the 26 identified wood species (Dadzie et. al. 2014) used in Ghana for the production and export of furniture parts. *Pericopsis elata* (afromosia) had highest furniture value (€3,308.844) and lumber

(€869.00). *Terminalia ivorensis* (emire) had the least furniture value of €1,336.936 while *Pycnanthus angolensis* (otie) had the least kiln-dried lumber value of €263.10.

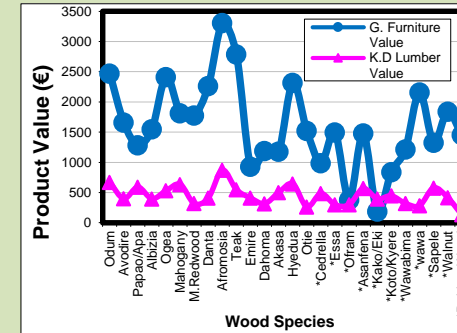


Figure 1: Average value/m³ (€) of the wood species used for production both kiln-dried (KD) lumber and garden furniture (GF) in Ghana from 2001-2008. Source: TIDD export report 2001 to 2008. Note: *Species that had less than 50% (i.e between 1 and 3 years) appearances in the garden furniture market over the period .

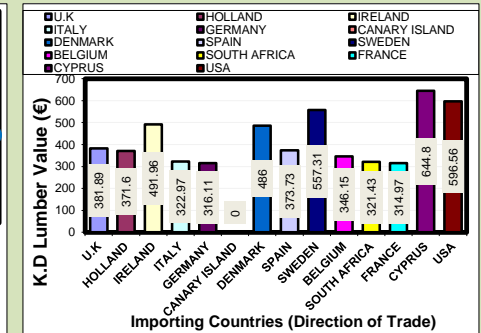


Figure 2: Average value/m³ (€) of kiln-dried lumber among importers of both furniture and kiln-dried lumber from Ghana from 2001-2008. Source: TIDD export report 2001 to 2008.

Figures 2 and 3 respectively represent the average values/m³ for kiln-dried lumber and furniture from 2001 to 2008 among importing countries. Sweden and U.S.A respectively offered the highest (€17,891.80) and lowest (€254.10) mean furniture value, whereas Cyprus and France respectively offered the highest (€644.80) and lowest (€314.97) lumber value.

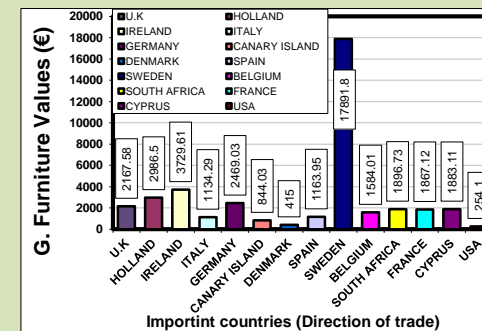


Figure 3: Average value/m³ (€) of garden furniture (G.F) among importers of both kiln-dried (K.D) lumber and furniture from Ghana from 2001-2008. Source: TIDD 2001 to 2008.

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	6.933E8 ^a	26	2.666E7	70.147	.000
Intercept	2.046E8	1	2.046E8	538.218	.000
Direction_of_Trade	4.077E8	13	3.136E7	82.500	.000
Product Type	1.448E8	1	1.448E8	380.959	.000
Direction_of_Trade * Product	3.866E8	12	3.222E7	84.758	.000
Error	4.676E7	123	380122.556		
Total	9.370E8	150			
Corrected Total	7.400E8	149			

a. R Squared = .937 (Adjusted R Squared = .923)

Table 1. Two-Way ANOVA of the influence of direction of Trade (Importing Country) and Product

Direction of trade and product type had significant effect (p<0.01) on values of the products and they explained 92.3% of the variations in garden furniture and KD lumber values (Table 1).

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