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THE FURNITURE AND JOINERY INDUSTRY IN TANZANIA*

by

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SUMMARY:

Purpose and Scope:

The presentation covers broadly the status of the Furniture and joinery industry in Tanzania based mainly on personal observation rather than a deep and detailed research into the industry, which would have been possible if the period between notification for preparation of the paper and turning in period was longer. However this does not render the material not useful for the seminar.

The presentation is thus going to cover broadly areas of Production, Marketing, some problems and potentials open for the industry.

Conclusion:

- There are very few large producers of furniture and joinery
 - and the few existing ones are centered in the largest urban settlement - These, use modern machinery and employ up to or more than 50 skilled people.
- There are a lot of small and one man workshops scattered both in urban and rural areas. These use hand tools mostly.
- The quality of furniture produced is generally poor with the exception of one or two firms that produce quality furniture.
- There is a market gap - which can be filled by either expanding existing facilities or establishing new ones.
- The market structure is such that there is a very small high income bracket - that makes price an important factor. This indicates that low cost products are required.
- UNIDO could thus focus on how to go about making possible production of low cost furniture and joinery to match the low pockets of the ordinary people.

I. INTRODUCTION:

Location:

Tanzania is located on the East Coast of Africa within the tropics. It lies South of the Equator - between approximately 1° and 12° South and between 29° and 40° East. It is dominantly under tropical climate with variations on high altitudes.

Population:

The population is estimated to be 15m people. The last census was in 1967 whose count was 12m people. OF this total, about 65% live in rural areas and are engaged in agriculture. The rest live in the urban centers working in the industrial and service sectors. Nearly one half of the population is children - between 1 - 15 years. OF the total population also a little more than half are female.

Economy:

Agriculture occupies the largest sector of the economy. The main foreign earners are agricultural commodities. The industrial sector comprise mainly light industries and processing especially for import substitution.

Income distribution varies from urban to rural areas. The minimum annual income in urban areas is about US \$ 570 where as in rural areas incomes vary from subsistence to incomes above US \$ 570

depending on the kind of agricultural activity carried out and price levels fetched by the produce.

II. FORESTRY & FOREST INDUSTRIES:

The total area covered by forests is about 44 million hectares. The forests constitute of natural (Indigenous) hardwood forests and exotic (plantation) soft wood forests. Soft wood plantations cover about 48,000 hectares, and there is expansion target of 7500 hect for the next five years, representing an average growth of 1,500 hectares per year. There has been in the past a practice of replacing depleted hardwood forests with fast growing soft woods. This may lead to a situation where the country will be devoid of the fine hard woods.

Research must look into ways of multiplying the fine hardwoods in plantations and avoid being in the mercy of awaiting natural regeneration. May be also ways of shortening the growth period could be looked into but without affecting the good properties acquired in natural growth.

The forest industries is dominated by sawmilling, producing sawnwood for domestic use in construction and secondary manufacturing. Some of the wood finds its way to the export market as well. There are about 87 registered sawmills to date but only about 50 of them are working regularly. The number was higher but some mills have been closing down. In 1975 the production was about 120,000m³.

There are 2 plywood mills, with total capacity of 12,500m³. In 1975 the production was about 4,200m³. One particleboard mill - capacity 9,000m³, and one hardboard mill with capacity of 9,000m³. Production in 1975 was 4,800m³ particleboards and 2,600m³ hardboards. These factories have enough capacity at present to cater for domestic requirements in the construction industry and in the furniture and joinery.

FURNITURE AND JOINERY:

Furniture and joinery manufacturing forms just a small part of the industrial sector but at the same time it is very vital to the lives of people and the economy in general. Furniture and joinery is used in everyday life in almost every household and institution. Furniture, for example is a necessity, it is essential in every home even in its simplest form. It is at times, among other things used as a measure of someone's standard of living. It covers a range of needs, from functional to symbolic (basic to psychological) needs.

Present Status:

Production:

There are two categories of producers. First there are the larger producers, with some mechanized production and employing up to 50 skilled workers. Second there are the smaller producers mainly using hand tools and consisting of one man up to a group of ten or so. The large producers do not exceed ten and their average turnover is about shs. 5m/- per annum. These are located in urban centers and majority are in the capital city. The smaller producers are more numerous and scattered. They range from locations

under tree sheds, house verandahs to simple sheds.

Most of the producers both large and small produce following specific orders. This may be due to lack of standards but also due to varied tastes. This factor may therefore be the cause for non mass production which would reduce unit costs to be enjoyed as low prices by consumers. Another factor is the fact that each factory produces a range of different types of furniture. The quality of furniture produced can be termed as medium or low. The so called large factories produce medium quality - as they use better materials and processes. For example only one of the large factories uses kiln dried timber, the others use badly air seasoned or half seasoned timber. The smaller ones use even raw timber. The furniture factories, large & small, manufacture joinery along side. However some of the building contractors make their own joinery as there is no large single unit making joinery. Here there is also a problem of standardization - specifications vary with individuals be it architects or owners.

There are therefore two areas which need attention. One is the fact that the small producer plays a significant role - as they are widely scattered and produce cheap but low quality furniture and joinery - second the question of standardization and low cost production - for the larger producers.

Rawmaterials:

Solid wood still occupies a large portion of raw-materials going to furniture and joinery, most of which is fine hardwood. Fine woods like Mninga, Mvule, Loliondo etc. However panel products are gaining ground with the availability of decoratives like

laminated sheets and veneers. Materials like chipboards, hardboard, plywood and a few veneers are available locally. Other materials are imported eg. glues, sprays some type of nails etc. With the absence of any influence on the imports - at times they pose problems eg. as far as prices are concerned or availability. Some of these imported materials could be manufactured locally at comparative costs or even cheaper.

MARKET

The Domestic market is in two broad categories. The household market and the institutional market like schools, Hotels, hospitals, offices etc. The household market can be segmented into urban and rural, high, middle and low income. In manufacturing of furniture, some characteristics of these market categories and segments are significant and must be taken into consideration. These characteristics will normally have a bearing on one or all of the following: design, quality and price. Institutions have a particular keen interest in the design and quality, price is considered very much later. Thus in producing institutional furniture for example, one must have good appropriate designs - and must use quality raw materials. Appearance is an added requirement for hotel and office furniture.

With regard to household segment, the middle and low income bracket are price sensitive as well as after good appearance - Thus in producing for this segment, cost is the leading factor. At present some of the small producers cater for this segment - using very low quality materials - but giving a good finish to give attraction. This is not a good phenomenon. There is need to search for ways that can enable low

cost production of furniture - and this can start by proper use of rawmaterials - A broad campaign through educating and providing right equipment to the Small Scale Industries (SIDO) could see this through.

At present there is a gap between supply and demand. Production especially of low cost furniture falls short of demand, and the growth of household units and institutions especially in the urban centers is of a higher rate than growth of production.

The Export market is un-exploited. Instead there is importation of some furniture - especially high quality hotel furniture.

GENERAL PROBLEMS:

The present manufacturing units started on a bad footing, most of them badly planned. They have bad lay outs, inadequate machinery and tools and have not too many skilled manpower especially technical people. As a result of this there is bad workmanship & bad use of rawmaterials which means production of low quality and high cost products. There is thus great need to invest in education and training of both technical and administrative personnel. There is also need to stream line the production and introduce specialization - as most of the producers handle too many items - so as to allow mass production and so benefit from it.

FUTURE PROSPECTS:

There is quite good potential for the future. First as there is a gap in the market, there is thus room for expansion. One way of expanding would be to

utilize idle capacity or add on capacity to the existing manufacturing units. The snag with this is that most of them had started on bad footing, so there will be a requirement of reorganizing them into proper way first. A second alternative is to establish new modern units.

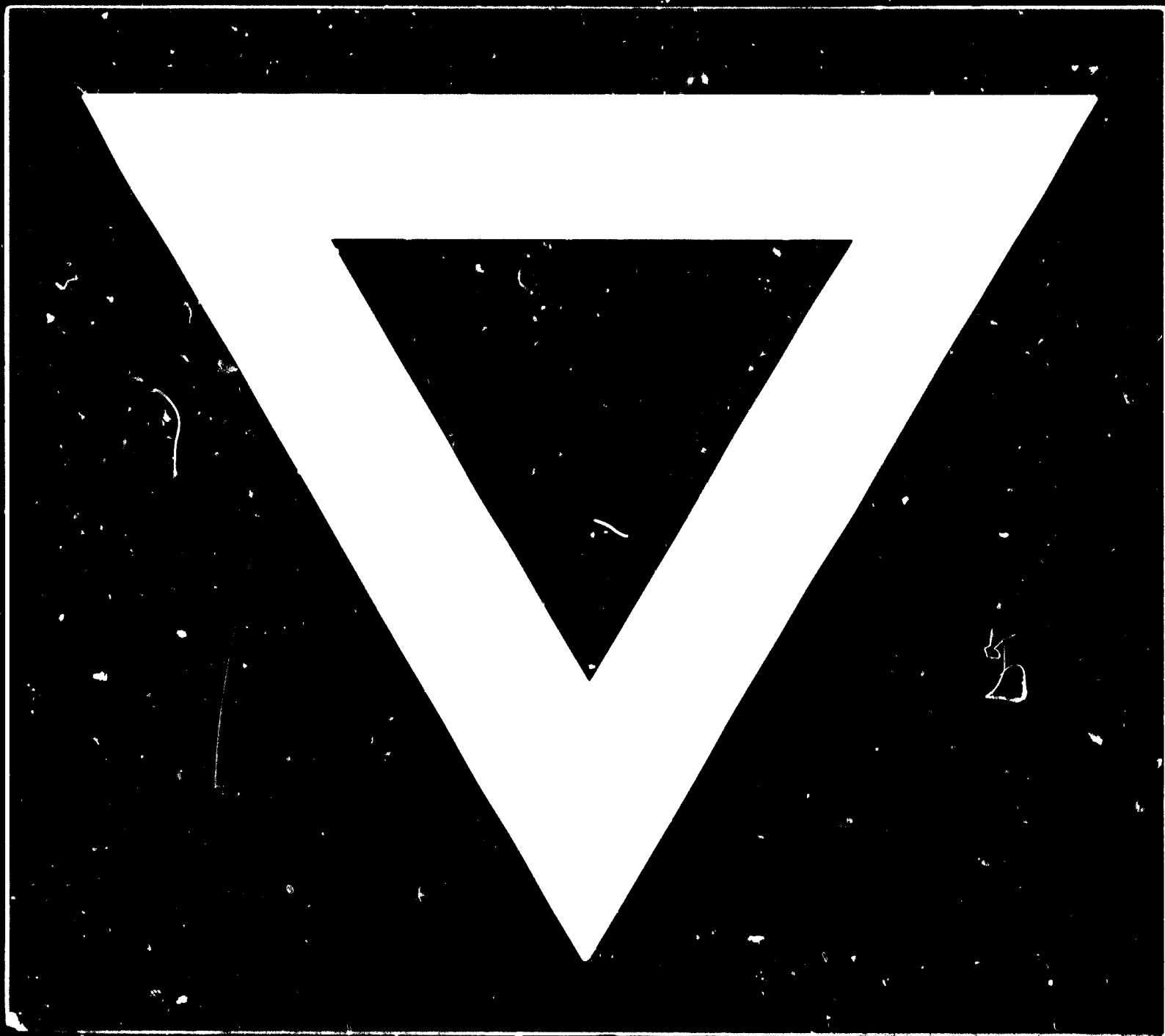
Second potential opening lies in trying to capture some of the export markets. Tanzania happens to have some of the quite attractive fine hardwoods not available outside the tropics - and it is known that at least some of the timber exports from here go into furniture and joinery making - then it follows that there is that possibility of catering for that market. The area that might be considered first may be in making knock-down furniture type. However given that the export markets are very sophisticated in their needs, a lot of relevant information is required - Tanzania does not have the resources to do this, and this is where external help is required - especially from specialized agencies like UNIDO. The greatest trouble though, is finance. A lot of good ideas have been shelved due to lack of the financial ability to implement them. Reports are written and feasibility studies are made but end up not getting financial backing. This is very wasteful.

In conclusion: We developing countries have a long way to go. It is a struggle against the environment. The snag is that we do not have all the resources we need to lift us in a single day, but we shall have to look around and make use of every open opportunity and not be scared of borrowing resources or buying technology that sells very dearly. We on the other hand expect those who have spare resources to share them with us. It will be very difficult to close the gap between developed and developing countries but it is certain a

balanced development in the world would be better for all than the present imbalance. The furniture industry is just a representative of the imbalance. It is possible to remove this gap by own efforts plus external help.



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