



TOGETHER
for a sustainable future

OCCASION

This publication has been made available to the public on the occasion of the 50th anniversary of the United Nations Industrial Development Organisation.



TOGETHER
for a sustainable future

DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

FAIR USE POLICY

Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

CONTACT

Please contact publications@unido.org for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at www.unido.org



09394



United Nations Industrial Development Organization

Distr.
LIMITED

ID/WG.302/8
2 January 1980

Original: ENGLISH

Seminar on Furniture and Joinery Industries

Lahti, Finland, 6 - 25 August 1979

The Furniture Industry in Colombia^{1/}

by

Julio Cesar Rodriguez
General Manager
ICEMUEBLES Ltda

^{1/} The views expressed in this paper are those of the author and do not necessarily reflect the views of the secretariat of UNIDO. This document has been reproduced without formal editing.

30-30155

Introduction

The exploitation of wood in the Colombian jungle and forests was initiated spontaneously by cutting trees in the places where many colonists went to look for good opportunities to work in agriculture and to get free land. This process has been taking place to the extent that there exists today many companies and persons fully dedicated to cutting and transporting wood in order to satisfy the demand of the Colombian and foreign markets.

The Colombian government has become conscious of the fact that the cutting of trees may not be made indiscriminately but should be adequately planned in order to reach the double target of maintaining the equilibrium and assuring the renewal of wood species which are being exploited. However, it has been estimated that the real renewal percentage is only around 7%. Hence, there is an urgent need that our government takes the necessary measures to make the existing regulations effective, which establish the proportion of 3 trees which must be re-planted per tree cut.

Raw materials

The most commonly wood species used in manufacturing processes are otobo, pino, amarillo, cormino, Moho, magnolio, flor-morado and guayacan. These species come from different regions of the country, principally from the following: Carare-Ojou, Santander, Boyacá, Magdalena, Chocó, Antioquia, Huila, Laguetá and others.

The sawing and primary processing of the wood is principally carried out in the place of exploitation and the transportation takes place from there to the production centers, through very long routes which often cause a severe increase of the cost for clients, who are mainly furniture producers, carpenters, builders, exporters, andplywood, veneer and pulp and paper manufacturers.

Raw materials are easy to get in Colombia even though large amounts of them are being exported. However, prices have been going up as a consequence of the increasing cost of transportation and labor cost.

It is worth mentioning that Colombia has no plantation forest but only natural ones. Hence the homogeneity of some raw materials cannot be guaranteed because they may change in quality from one lot to another. Nevertheless, plywood and particle board produced have consistent quality.

Labour

There exists qualified labour in Colombia, which is easy to hire by a furniture factory. However, many workers and technicians are migrating to Venezuela.

It is important to mention that because of the increasing cost of labour many Colombian producers are not interested in hiring too many people in their factories, but to automate as much as possible.

Machinery and equipment

In general terms, in our small industry, the machinery and equipment consist of spindle moulders saws, planers, and manual tools, but there is not appropriate knowledge about jigs and systems as to improve the production processes.

The machinery and equipment in large factories are, with some exceptions, dedicated to manufacture mainly very old designs which continue finding a good acceptance principally in office furniture. However, a great demand for novelties in furniture has recently been noted. Hence, there is a great necessity of new ideas, technicians with different experiences, know-how and designs which may adapt to our tradition and our trends.

It is useful to mention that because the Colombian monetary reserves have in the last two years more than decuplated (from US\$ 250 million to US\$ 3,100 million), the Colombian government has decided to promote greatly the industrial development. For this purpose custom duties have been decreased up to 5% on CIF price for machinery imports and several stimuli like "export bonuses" of 12% have been created. Furthermore several incentives have been established for companies which export manufactured or assembled goods.

Besides the above incentives, the construction of several industrial parks like the one located in Duitama and Cucuta constitute a special attraction for new investors, because of their good infrastructure.

The Colombian government is granting large amounts of money as loans through several credit entities (up to 7 years for the establishment of new industries or for expansion of existing ones) at 23% interest and without obligation to amortize capital during the first year. These figures are more attractive if the industry is located in a small city or medium sized.

The production of furniture

Many kinds of furniture are being produced in Colombia on different scales according to the capacity and size of the factory. The factory size varies from artisans to industrial processes.

The smallest manufacturers produce different sorts of furniture and joinery according to the order they get. They do not use the new technologies which would reduce their costs and increase their production volume, such as: jigs, pneumatic equipment, hydraulic devices, etc. nor how to introduce the low cost automation. These producers have not received information or advice in this respect and therefore they cannot improve their productive facilities. In addition

to this, their lack of capital is another obstacle to the development and modernization of their processes.

Medium size producers have introduced some standardized operations and some better machines but they continue to perform many operations manually.

Marketing

The furniture and joinery industries have, as a main target, to satisfy the Colombian demand. Only very few companies are exporting to foreign markets.

Some Colombian companies have been rather successful in opening markets in the U.S., Central America, Venezuela, Puerto Rico and Europe. However, several of them have had serious problems due to the absence of new technology and of an adequate marketing structure. These enterprises have not modernized their organization but just introduced some more machines or increased the number of their personnel.

The market has increased very fast. Colombia's population is around 30 million and it is a member of the Andean Pact with Venezuela, Peru, Bolivia and Ecuador, thus having access to a common market of some 80 million people.

Conclusion

From the above stated, I consider of extreme importance that the development Ministry (National Planning Dept.), the Colombian Institute of Renewable Resources (INDERENA), the National Service of Apprenticeship (SENA), and the Colombian Association of Small Producers (ACOPI) get information about the services and advices obtainable from Finland and from UNIDO in order to plan reforestation and develop their furniture and joinery industries.



B - 370



80.12.10