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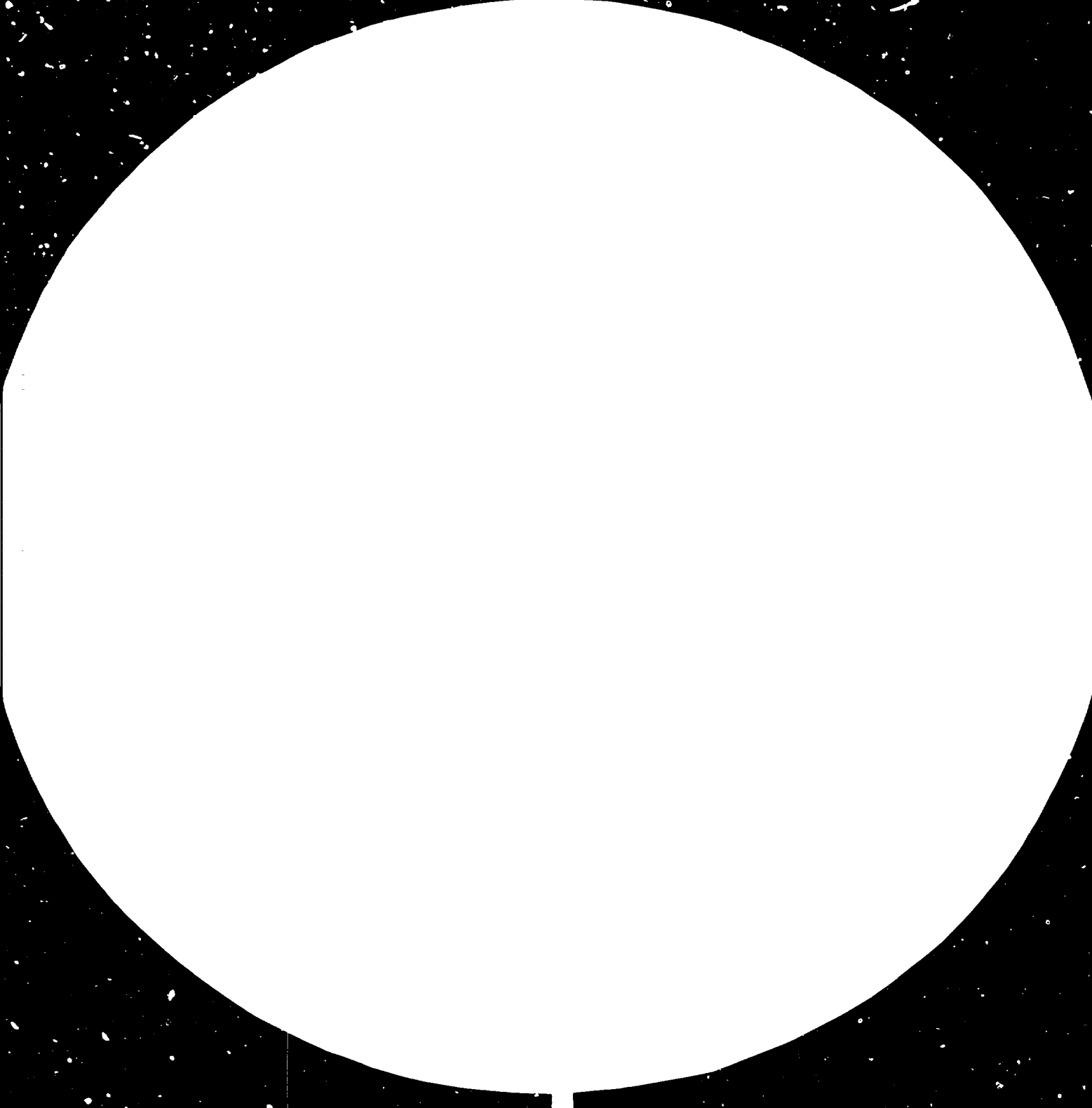
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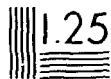
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RECENT DEVELOPMENTS IN GHANA AFFECTING THE FURNITURE
AND JOINERY INDUSTRIES *

by

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Introduction

The establishment of the Ghana Forestry Commission is about the only major recent development in the country which is likely to affect the wood industries as a whole. To understand the reasons for its creation a brief constitutional history of the country will not be out of place.

Ghana became an independent nation in 1957. It was declared a Republic for the first time in about 1960. With the coup which toppled the first Republic in 1966, the Republican Constitution was abolished. The military regime which seized power handed it back to a new constitutional rule in 1969. Since the constitution which ushered the new civilian rule had undergone major changes, the new civilian regime was said to be the second Republic. The regime was also toppled by yet another coup in 1972. Unlike the first military regime which held in power for two years, this second military regime was at the helm of state affairs for seven years. It was toppled by the most bloodless coup ever in 1979. Since the second Republican Constitution had also been abolished, a new one was again prepared for the third Republic by a Constituent Assembly made up of a cross-section of the people of Ghana. It was the representatives of the Ghana Timber Association who suggested that the Constituent Assembly adopt and enforce the Constitutional Article 191 which requires that the Government set up the Forestry Commission.

The Ghana Forestry Commission Act of 1980 (Act 405) was passed by Parliament and Presidential Permission was given on 22 March, 1980, duly establishing the Ghana Forestry Commission. The objectives and function of the Commission described in the Act are the following:

Objectives: "The Commission shall be responsible for the regulation and management of the utilization of all forestry and wild life resources of Ghana and the co-ordination of the policies in relation thereto".

Function: "It shall be the responsibility of the Commission in relation to forestry:

(a) To manage, maintain and protect as an economic resource in

- perpetuity and to promote the interests of forestry, develop natural and artificial regeneration and control, develop and promote the production and marketing of timber and the manufacture of wood-based products;
- (b) To establish a permanent forest estate made up of reserved areas upon which scientific forestry will be practiced;
 - (c) To manage the utilization of all forest lands so as to achieve their most productive use for the permanent good of the whole nation considering both direct and indirect value;
 - (d) To stop needless waste and destruction of the forest and associated natural resources and bring about the profitable harvesting of all timber and other wood products while ensuring that supplies of these products are perpetuated;
 - (e) To establish systems for protecting timber areas and more specifically, to salvage abandoned timber wherever found;
 - (f) To correlate forestry with all other land use and adjust the forest economy to the overall national economy;
 - (g) To conduct essential research in conservation of forest and pattern action programmes upon the results of such research;
 - (h) To give training in the practice of forestry and the promotion and marketing of timber and other wood products offer technical assistance to all persons engaged in forestry activities and spread knowledge of forestry and the acceptance of conservation of natural resources throughout the country;
 - (i) To Liase with the Lands Commission in order to avoid fragmentation of forest concessions;
 - (j) Subject to the provisions of article 190 of the Constitution, to collect royalties and other revenues in respect to forest and timber exploitation and forest products,
 - (k) To control and supervise the production for export and the exporting or sale in Ghana of all species of timber and wood products,
 - (l) To control the number of timber mills and factories and their output;
 - (m) To declare species of timber that should be turned into finished and semi-finished products for export, for use in Ghana or both;

- (n) To publish journals and periodicals reporting results of market surveys, current demands of species, quality and prices of all buying countries for the benefit of the timber trade and industry;
- (o) To advertize Ghana timber, especially the commercially unknown species, to the world market and generally promote the sale of Ghana timber throughout the globe;
- (p) To establish prices of, and secure the most favourable returns for logs, lumber, plywood and other wood products;
- (q) To regulate felling of species in accordance with market demands;
- (r) In co-operation with the authority or authorities responsible for railways and harbours, to exercise control over the allocation of railway facilities and pond space in any harbour and to acquire space for stock-piling of timber and other wood products;
- (s) To assist in the settlements of all disputes within the timber trade and industry;
- (t) To ensure that adequate compensation is paid in respect to all damage to crops and farms resulting in the felling of timber ;
- (u) To standardize within the timber trade, the conversion factor for various species of logs;
- (v) To carry out research on scientific and technological matters pertaining to the proper utilization and conservation of the forest resources of Ghana;
- (w) To encourage and assist the research efforts of individuals and organizations engaged in research activities of interest to the timber trade and industry of Ghana;
- (x) To co-operate and liaise with national and international organizations in any part of the world on matters of research into forestry, forest conservation and utilization;
- (y) To publish journals and periodicals reporting results of scientific work.

The functions are actually more than what's been listed above,

but they do not relate to the timber industry (rather game and wildlife). It will therefore be observed from the above mentioned that the function of the former Ghana Timber Marketing Board, the Forest Products Research Institute (FPRI) and the Forestry Department of Ghana have all been taken over by the Forestry Commission. The subsequent part of the functions not quoted also show that the functions of the Game and Wildlife Department too have been transferred to the Commission. In light of these transfers, the Legislative action No. LI661 of 1970 gave effect to the legal existence of the Ghana Timber Marketing Board (GTMB) and was revoked by the same Act.

Organization

The Commission comes under the Ministry of Lands and National Resources and consists of the following:

- (a) A Chairman who shall not be a Ministry or Deputy Ministry;
- (b) The Chief Administrator;
- (c) As ex-officio members: Chief Executive of the GTMB and Heads of Departments of all the three bodies mentioned, without a voting right;
- (d) One representative each from:
 - (i) Ministry responsible for Land and Natural Resources;
 - (ii) Ministry of Trade;
 - (iii) Ministry responsible for Industry;
 - (iv) The Bank of Ghana;
 - (v) The National House of Chiefs;
 - (vi) The Lands Commission
- (e) A person who possesses knowledge and experience of the wildlife trade;
- (f) Two representatives of the Ghana timber trade and industry.

Developments

Item '(f)' represents a natural forum for the Furniture and Joinery Industries Association and insures that proper representation is made. Formerly, the Furniture and Joinery Association operated largely through an affiliation with the Ghana Manufacturers Association

whose activities covered a wide spectrum of manufacturers. This new forum will, to a large extent, ensure that furniture and joinery manufacturers get a more fair allocation of import licences and that problems of obtaining raw materials and so on will be dealt with more competently.

In July 1981, the Government, through the advice of the Commission, introduced its budget of overseas retention at 20 per cent from export earnings of all exporters, particularly aimed at the wood products being exported. This move was meant to encourage companies having export potential to make full use of this income. Before recently only two out of about thirteen well established furniture factories had exported knock-down furniture parts. (These two were MIM Scanstyle which exports to Denmark and the Modern Furniture Ltd., which exports to Britain).

The Furniture and Joinery Association is also affiliated with the Furniture Industry Research Association (FIRA) through the Ghana Timber Marketing Board. Hitherto, a lack of foreign exchange had negated utilization of the facilities extended to Ghana by FIRA. With the 20 per cent retention, though, it is now hoped that the problem of foreign currency will be eliminated. So far, the only assistance obtained by the Ghana Association from FIRA has been a survey conducted in 1978 by FIRA officials who established that the standard of furniture finishing in each of the firms visited was poor. They made copies of publications on wood finishes available to help us with this problem. They also observed that due to poor designs some of the furniture they saw could not pass the standardized tests (those observed by all industrialized countries). The FIRA representatives expressed a sincere desire to help however have yet to aid the Ghana Standards Board to draw-up plans for our own furniture testing centre and what to install therein.

Due mainly to the confidence being generated by the civilian regime, foreign aid has begun pouring into our country and a number of industries including the furniture and joinery have benefited (i.e. through the import of spare parts, new machinery, etc.). A recent campaign conducted by the Government included a seminar

attended by a large group of foreign investors on Ghana's gold and oil reserves. This helped immensely (both in and out of the country) to build confidence in our new Government. It is our hope and will that there should be stability in the country and so encourage entrepreneurs to come to Ghana in greater numbers.

There are presently five new furniture and joinery factories at various stages of project implementation and these hope to be in production by the end of this year. One of them has foreign aid.

In conclusion, the general trend of affairs in the economy looks quite hopeful for the wood industries as a whole and for the furniture and joinery industries in particular. For joinery products, the scarcity of cement is generating some speculation, however. Wooden farm houses are being erected in increasing numbers.



