

There are no translations available.

A recent report issued by the African Natural Resources Centre of the African Development Bank titled [Intra-African Trade in Wood Products](#) , explores the role that forest value chains can play in advancing Africa's development and the AfCFTA objective of increasing the intra-African trade integration.

The report, which presents some case studies from Benin, Cameroon, Ghana and the Republic of Congo, points out how, despite the significant forest resources and the high number of timber-exporting countries in Africa, over 90% of timber is still exported abroad as a primary commodity - which is highly vulnerable to price shifts on the international markets - with little or no value addition.

Therefore, African timber-producing countries have an opportunity to invest in the production of wood processed products such as moldings, floorings, doors and windows, furniture, as well as in other timber-derived products like printing and writing paper, newsprint, household sanitary papers and packaging materials. With regard to the intra-African trade in wood products, the reports concludes that, overall, it remains low particularly for logs and sawnwood (less than 13%), but with higher proportions observed for plywood (97%) and furniture (46%).

The report also warns that high transportation costs are an important barrier to the development of intra-African trade in wood products because of their bulky nature, that normally have higher transport costs, as they require more space and bigger (or more) trucks for their transport. Railway transport, which is largely the preferred mode of transport for these products and break-bulk goods in general, is still underdeveloped in Africa. To this end, some examples are offered in the report: transporting a container of wood from Benin to China or India costs USD 300, while shipping the same container from Benin to Senegal costs more than USD 5,000.

The report concludes that there are plenty of reasons to promote wider intra-African trade of wood products. In fact, the local production of finished or semi-finished wood products would have an import substitution effect which would be important to advance industrial development, so contributing to improve the balance-of-payments of many African States and drive to job creation, particularly in rural areas, where unemployment is often highest. This is because most of timber exported by African countries is processed outside the Continent, transformed into finished or semi-finished wood products and reimported in Africa to a higher price.

