Teak Project Overview

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Development of a Market Mechanism for Teak and other high value timber in the Western Province of Solomon Islands

• Partners:
  – Griffith University
  – Solomon Islands Government Ministry of Forestry
  – Solomon Islands Association of Rural Training Centres
  – Secretariat of the Pacific Community
  – University of Adelaide
  – University of Queensland

• Acknowledge
  – Lagoon Eco Timber Supply Limited
  – Kolombangara Forest Products Limited (KFPL)
  – Communities of Roviana and Vonavona
Solomon Island Teak Project

• PRA team
  – Dr Tim Blumfield, Griffith University (Project Leader)
  – Mr Craig Johns, University of Adelaide
  – Dr Russell Haines, Griffith University
  – Dr Frédérique Reverchon, Griffith University
  – Dr Kristen Lyons, University of Queensland
  – Mr Philip Zekele, Ministry of Forestry, Western Province
  – Dr Shane Tutua, SPC - Land Resource Division, Honiara
  – Mr Gideon Bouro, SPC – Land Resource Division, Honiara
  – Mr Larren Gomese – In country coordinator
Teak

Project designed to:

• Explore grower cooperatives and Forestry Stewardship Council (FSC) opportunities
  – 30 villages / SPC and PHAMA collaboration
• Establish a resource inventory
• Identify market drivers
• Develop a pilot program
• Examine social factors
Teak

Supply Situation

• Approx 6000 Ha of teak plantations in the Western Province

• Consists mainly of <1Ha smallholder plots in remote locations

• All planted around 10 years ago

• Teak trees take around 25 years to reach maturity

• Plantations need to be ‘thinned’ to avoid stunted growth due to canopy close over
Teak Industry Value Chain Map
Teak

Major Constraints

• Lack of infrastructure

• Logistic issues from plantation to port

• Prohibitive cost of transport and certification

• Condition of trees falls outside of grading rules and buyer requirements

• Lack of SI buyer options
The Good News

• High and increasing global demand for teak
  – Reputation built on high quality natural timber

• Limited supply
  – Myanmar was the last country able to export natural forest teak logs
  – Likely the global market will shift to younger plantation teak

• Global market analysis with specific focus on the countries that dominate teak imports
  – India, China, Thailand and Vietnam
Teak Trade

Share of roundwood imports: 1.07 million m³/year, Average 2005-2014

Share of sawnwood imports: 120 000 m³/year, Average 2005-2014

Source: FAO Working Paper Series No. 49
Opportunities for SI Teak

• India
  – Huge appetite for all grades of teak, including thinnings (at the right price)
  – Prefer logs, no cert required in domestic market

• China and Vietnam
  – On selling value added furniture to EU and USA so more legality and cert requirements

• Other opportunities in Aust and NZ with legality in place

• Domestic market to provide part of the solution, particularly for lower value thinnings
What worked well

• Multidisciplinary teamwork
• Commitment of in country partners
• Understanding of current situation, resource base and future opportunities
• Interaction and training with the Growers
Meeting the growers
Training the Trainers
Measurement kit provided to each community group
Field training for growers, by forestry staff
Calculating Volumes
New Project; FST/2014/066
“Improving returns from community teak plantings in Solomon Islands”

• Focus on legality
• On site processing / logistics
• Use market demand to drive requirements along the chain
• Provide full economic cost analysis of new market channels
Tank yu tumas Questions?

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