HIDDEN COSTS & VALUES
NTFP market chains in Central Africa
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Mobilisation & Capacity Building for Small & Medium Enterprises in NWFP Production and Commercialisation in Central Africa
Project GCP/RAF/408//EC

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• Assess the economic, social & environmental value of NTFPs in the Congo Basin
• Hear from actors the challenges & opportunities in exploiting & commercialising NTFPs
• Provide baseline information for decision-making & improve forest based livelihoods and SMFEs in the production and commercialisation of NTFPs
• Identify bottlenecks in NTFP exploitation
Background
- Literature review
- Criteria developed
- Chain selection

Preliminary
- Rapid assessment
- Key informant interviews

5 VCAs 2007-2009
- Semi & structured interviews 25% sample actors in chains = 2,521 actors & 830 consumers in DRC
- 40 focus group interviews
- 7 problem analysis workshops in 4 cities.

Action data
- Participatory action research: 2 in Cameroon.
- Market price tracking: 2 in Cameroon
- Monitoring & situational updates, training & capacity building events

Analysis
- Data analysis SPSS and Excel
- Preliminary findings verified in meetings & peer cross-checked

Outputs
- Value chain maps; experimental representations & visualizations
- Reports
- Policy briefs & product sheets
- Booklet on doing sustainable SMFEs in NTFP value chains
Honey Apiculture products

Prunus africana

Eru Gnetum spp.

Bush mango Irvingia spp.

Safou Dacryodes edulis

Bush mango Irvingia spp.

Prunus africana
Key findings

• NTFP trade informal, under appreciated, largely un-captured in statistics & policy
• Positive impacts on forest based, rural & urban livelihoods
• Large and growing demand for NTFPs in rural, and especially, urban areas
• NTFPs play key role in food security, health and income to meet basic needs
• Largely a need-based trade not greed-based........
• Level of organisation and efficiency of markets a function of local culture, product & location
• Lack of knowledge among actors about their chain
• Market information influences vertical integration
• Governance arrangements differ widely – big impact on income equity & distraction, access, control profit margins,
• Wide variances in sustainability of livelihoods and chains
• Level of domestication good sustainability indicator
Cameroon apiculture value chains

**Beekeepers**
- **7 village beekeeper groups** (Ngoaundal)
- **3 Producer Co-ops** (Bamenda, Belo, Oku)
- **12 Producer shops** (Bamenda, Belo, Oku)
- **6 intermediary processor/trader & capacity builder** (Ngoundal, Bamenda, Yaounde)
- **15 Processing companies** (EU, USA, SA)
- **15 Roadside and railside traders** (Ngoundal, Ngoundere, Bamenda, Dschang, Bafoussam)
- **>20 Beer brewers** (Tabekan, Ndu)

**Producers**
- **7200 North West consumers**
- **12300 Adamoua consumers**
- **> 200 Trad. Medicine practitioners** (Oku, Bamenda, Fundong, Belo, Yaounde, Douala)
- **9 Processer/traders** (Meiganga, Ngoundal)
- **6 Processer/trader & capacity builder** (Ngoundal, Bamenda, Yaounde)
- **>20 Traders/exporters** (Ctrl African Rep, Nigeria, Middle East)
- **5 Importers/processors** (Europe, South Africa)
- **8 Pharmaceutical/Cosmetic companies** (EU, USA)

**Urban consumers**
- **(>100km from source)** (Bamenda, Bafoussam, Buea, Ngoundere)
- **(<450km from source)** (Yaounde, Douala)

**Local consumers**
- **(within village)**

**Middlemen**
- **Middlemen** (Bamenda, Belo, Oku, Douala)

**Retailers**
- **Craftspeople** (Bamenda, Foumban)
- **>200 Traditional Medicine practitioners** (Oku, Bamenda, Fundong, Belo, Yaounde, Douala)
- **>15 Beer brewers** (Tabekan, Ndu)
- **>75 Roadside and railside traders** (Ngoundal, Ngoundere, Bamenda, Dschang, Bafoussam)

**Other**
- **>2000 Trad. Medicine practitioners** (Oku, Bamenda, Fundong, Belo, Yaounde, Douala)
- **>2000 Consumers** (International)
- **8 Pharmaceutical/Cosmetic companies** (EU, USA)
- **5 Importers/processors** (Europe, South Africa)
- **>20 Traders/exporters** (Ctrl African Rep, Nigeria, Middle East)

**Products**
- **Honey**
- **Wax**
- **Propolis**
- **Others**

**Regions**
- **North West**
- **Adamoua**
How 5 NTFPs in Cameroon & DRC are used by harvesters

% Perished
% bartered
% given as gifts
% Consumed
% Sold

% contribution to producers household total income from NTFPs

TOTAL
Irvingia CSL CM
Irvingia East CM
Irvingia SW CM
Prunus CM
Apiculture DRC
Apiculture CM
Gnetum SW CM
Safou DRC
Gnetum DRC

% contribution to household income
Livelihoods
Employment & Production

>250,000 people indirectly involved: households, transporters, etc.

Numbers of direct actors in 5 regional NTFP market chains DRC & Cameroon

>20,000 people directly involved

$ annual market chain sales 2007/2008

48 million US$
the tip of the canopy...?

Forest sector employment*
Export timber, domestic timber and NTFPs

Forest products contribution to GDP US$

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<th>Cameroon</th>
<th>DRC</th>
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<tr>
<td>Domestic Timber value 2008</td>
<td>45,000</td>
<td>22,500</td>
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<td>Major traded NTFPs</td>
<td>163,000</td>
<td>15,000</td>
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<tr>
<td>Timber Exports value (2003 DRC, 2004 Cam)</td>
<td>283,822</td>
<td>70,376</td>
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<td>Forest products contribution to GDP US$</td>
<td>153,000</td>
<td>15,000</td>
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15 NTFP species, export = 10 main timber

*Direct & indirect employment
Costs

• Long term un-sustainability of chains e.g. 40% Gnetum & 70% Prunus unsustainably exploited
• Lack of knowledge on sustainable harvest techniques
• Domestication techniques exist but not widely known
• Unsustainable supply in the face of increasing demand and unsecure supply - not currently countered by regulation, governance or domestication policies.
• Inconsistent policies, agencies and regulation for different products
• Inefficient market information system
• → Low product added value due to lack of chain vision and low technology
• Informal ‘taxes’ = source of income but not equitable, are unpredictable and create unfavourable business climate
Opportunities & challenges

“Enlightenment” on the hidden values and costs

- Stakeholders open to participate in formulating policy options
- Policy and regulatory extremes and inappropriate legal framework ripe for rationalisation, simplification adapted to NTFP and SMFE context
- Tenure seen as key to secure sustainable exploitation
- Employment and profitability can be increased by securing and professionalising sector instead of criminalising
- Importance of business, infrastructure & technical support to facilitate operating environment for SMFEs & chains
- Processing, storage and value adding techniques/technologies offer enormous potential to increase profit margins
- Domestication is key to sustainable supply
- Sustainable harvest techniques do exist - need disseminating
- Market Information System trials and Platforms show positive results
Impacts

- Informed policymakers
- Awareness of chain among SMFEs and actors
- Exchange amongst chain actors - 2 platforms set up*
- Scientific & policy community informed of sustainability issues*
- Higher producer prices: Market information system
- Input into revision of Cameroon Forestry Law on NTFPs
- NTFP value chain ‘holistic’ approach → global Forest Value Chain methodology
T’ank you plenty na!

On mange quoi?

La forêt....