



## Global Teak Market: Challenges and Opportunities for Emerging Markets and Developing Economies

### Communiqué of the 4<sup>th</sup> World Teak Conference held in Accra, Ghana from September 05<sup>th</sup> to 08<sup>th</sup>, 2022

- 1. Organization.** The 4<sup>th</sup> World Teak Conference (WTC2022) was organized by the Forestry Commission of Ghana, in cooperation with the International Teak Information Network (TEAKNET), the International Union of Forest Research Organizations (IUFRO), the International Tropical Timber Organization (ITTO) and with the technical support of the Food and Agriculture Organization of the United Nations (FAO). The Conference was held in Accra, Ghana from Sep 05<sup>th</sup> to 08<sup>th</sup>, 2022 comprising 5 thematic plenary sessions and three field excursions. The Conference had organized a number of exhibition stands displaying products and services related to the global teak market. Previous World Teak Conferences were held in Costa Rica 2011, Thailand 2013 and Ecuador 2015.
- 2. Sponsors.** The conference was supported and sponsored by 23 national and international entities, the most important among them Aron Global, SRS Group, Liaison Group for Mining in Forest Reserves, Form Ghana and the Forest Plantation Development Fund. In a demonstration of government support for forestry, the Forestry Commission of Ghana, the Minister of Lands and Natural Resources and the Minister for Information contributed to the opening ceremony.
- 3. Participants.** More than 270 participants from 28 countries representing 5 continents attended the Conference to share knowledge and experience and to exchange ideas on the multiple economic, social and environmental benefits that teak resources can provide. The participants represented government institutions, the private sector, universities, research institutes and local communities. They raised a wide range of points about teak, the most important of which are summarized below.
- 4. Significance.** Teak makes only a small proportion of world timber production and trade however it has become a major component of the forest economies of many tropical countries. Planted teak forests have attracted large investments from the private sector in Africa, Asia and Latin America. Globally, teak constitutes the only valuable hardwood resource that is increasing in terms of area.

5. **Teak prices.** Since 2010 prices of teak wood had shown an upward trend in most countries. This trend was interrupted by the Corona pandemic. Ever since the price trends have been erratic and difficult to evaluate.
6. **Future belongs to planted teak forests.** The supply of quality teak logs originating from old-growth natural teak forests will decrease due to the impact of the log export ban in natural teak growing countries. This has led to increased interest and investment in establishing and managing planted teak forests. The quality of teak wood originating in planted teak forests has improved where superior planting material and good management practices are applied.
7. **Gene pool.** A prerequisite for sustainability is to conserve the highly differentiated gene pools of teak both within and outside its natural habitat in order for breeding programs to maintain and renew diversity in the planting stock. In addition, there is a particular need of amplifying the genetic base in planted teak outside its natural habitat.
8. **Rural livelihoods and food security.** In many tropical countries smallholders and farmers own planted teak forests or trees and depend on them for their livelihoods. They gain employment and income from nursery operations, land preparation, plantation establishment and maintenance, and in wood-based industries. Hence, planted teak forests support rural development and sustainable livelihoods.
9. **Environmental protection.** Apart from a utilitarian perspective, teak plantations could play a major role in sequestering carbon and represent a viable option in Forest Landscape Restoration, in particular on degraded lands. Tapping into the carbon credit markets would provide additional incentives and support the global effort on climate change mitigation.
10. **TEAKNET** was identified as a global teak information network that supports knowledge transfer to stakeholders at a global level. Its outreach to the public was appreciated by its members.

## Conference Recommendations for Action

- Make available superior planting material to private companies and local communities to improve the planted teak forests.
- Facilitate capacity building for local community and field workers, particularly in teak management techniques and intercropping of teak with profitable agricultural crops.
- Establish confidence in teak investments with small holders and farmers through the provision of realistic cost-benefit analyses, market price information and enabling government policies.
- Encourage smallholder growers to apply better silvicultural techniques, to use intercropping systems in order to bridge the initial years without earnings from forestry, to organize group marketing and to make better use of marketing data and information.
- Investigate the opportunities of linking teak plantations with carbon credit markets.
- Commit more resources to research and development to advance the sustainable management of planted teak forests and investigate in particular the quality of teak wood grown in plantations as compared to natural forests.