Promotion of Economy and Employment Programme

Wood Sector

Why we invest in the wood sector

The wood sector of Rwanda has the potential to become one of the major sources for off-farm employment, increased incomes and a broader tax base. Moreover, approximately 85% of Rwanda’s population is in some way dependent on the forest for their livelihood, mainly as primary energy source for cooking. Forests protect watersheds and downstream wetlands, support agriculture and provide the main basis for Rwanda’s tourism based foreign revenue. However, forests have been threatened by deforestation and continuous degradation of forest resources. In addition, due to poor quality and high prices of locally made products, Rwanda has become a net importer of finished wooden products. Therefore, the government of Rwanda has identified the wood sector as a focus sector for economic growth and employment. The government advocates sustainable forestry, strengthens its skilled workforce and promotes, through its Made in Rwanda campaign, a competitive local wood sector.

Our strategy and partners

The Promotion of Economy and Employment Programme (Eco-Emploi) supports the wood sector by promoting a business friendly environment and skills development. Good growth conditions include clearly defined standards and a reliable production infrastructure. Further, growth is enabled through better products and business development services. Therefore, partners from public and private sector, amongst others, the Ministry of Trade and Industry (MINICOM), the Workforce Development Authority (WDA), Rwanda Polytechnic (RP), Rwanda Water and Forest Authority, TVET schools, wood cooperatives and private enterprises have set up a core group to coordinate and identify key interventions that will assist the development of the wood sector. Meanwhile, Eco-Employ acts as a facilitator between these various actors.

A few of our intervention

The rationalisation and regulation process of the Rwandan wood market is supported by a major market research. The findings will help decision makers to design effective measures to harmonise and rationalise the timber supply according to the market demands. The Centre for International Forestry Research conducts this research, thereby, analysing the supply chain of sawn timber, wood stocks, price structure and market functions as well as identifying the key actors in the entire wood value chain. This comprehensive research aims to map all key actors in the sector and to inform on existing gaps in the value chain of the wood economy in Rwanda.

Private actors are in the process of establishing a wood/timber association under the umbrella of the Private Sector Federation. Under a strong and sustainable wood/timber association the different actors, mainly SMEs and individuals, will share a common mandate and be able to interact in public private dialogues. Representing and serving the interests of the entire private wood sector through lobbying and advocacy, the association can, at the same time, provide timely and relevant business development services that lead to sustainable private sector-led economic growth and development.

The private sector of Rwanda’s wood industry is composed of SMEs, cooperatives and individuals, of which many are regrouped in Integrated Craft Production Centres (ICPCs). To strengthen the ICPCs’ organisational structure, MINICOM is testing a sustainable ICPC management model. The model supports the establishment of professional membership management and business development services as well as strong market linkages in ICPCs.

To ensure better quality of wood products, the Rwanda Standards Board and the Standards Technical Committee on furniture, timber and engineered woods joined hands with the German Institute for Standardization (DIN) to develop Rwandan timber and wood product stan-
Standards. These harmonised standards will not only improve the quality of furniture but especially of raw timber material and will underline consumer protection.

The majority of carpenters and joiners in Rwanda have developed their skills through traditional apprenticeships or on-the-job training, thus lacking certificates that attest their competencies. Without any certification from a training institute they have no chance on the formal job market. To respond to this challenge, STECOMA (union of construction, carpentry and crafts workers) in partnership with WDA, conducts recognition of Prior Learning for Carpenters exams and offers formal qualification certificates to attest their competencies. At least 1,000 carpenters and joiners will receive certificates, which will result in their access to formal jobs. This programme promotes social inclusion and equity for early school leavers and retrenched workers by valuing competencies and self-esteem.

To develop a sustainable wood economy and increase the quality of local timbers and wood products, competent managers with comprehensive knowledge of the whole wood value chain are needed. Therefore, the Integrated Polytechnic Regional Centre Kitabi with support of international experts is designing a new curricula called forest engineering and wood technology that provides the essential link between forestry and the final products of the wood industry. The curricula teaches forestry operation and management skills as well as engineering know-how of wood processing technologies and development.

To increase quality and efficiency of production, TVET schools and companies receive trainings on how to establish good workshop management processes, on how to develop preventive maintenance plans and on the effective use of heavy carpentry machinery. Further, WDA/RP provide a master trainer programme and an in-company trainer pool for skills development. This will result in an increased number of skilled trainers in schools and companies.

Selected TVET schools, cooperatives and companies work closely together with German carpentry entrepreneurs and consultants, to increase their knowledge on design and market needs. Through the government’s promotion of the Made in Rwanda policy, companies collectively used the ‘Made in Rwanda’ expo to showcase their capability of delivering high quality wooden products.

What we expect

Sustainable forestry will generate new well-paid jobs, protect the country’s forests, secure a steady supply of wood and increase the quality of wood as raw material. At the same time, it will ensure employment and long-term growth along the wood value chain. The improved quality of timber is the basis for high quality wood products. In combination with a skilled workforce, high value finished wood products will be produced in Rwanda. Efficiently managed companies and cooperatives will be able to compete with international companies, thereby replacing imports and increasing the demand for local products. Increased revenues will allow businesses to expand and employ more skilled workers.

The Promotion of Economy and Employment Programme (Eco-Emploi) is a joint Rwandan-German Development Cooperation Programme with Technical Assistance by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, commissioned by the German Federal Ministry for Economic Cooperation and Development (BMZ).