
Brazil Plays Catch Up in the Wood Industry Investing in Education

Contributed by Omar Nasser
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The wood sector in Brazil is in expansion mode. Exports of the forest-based sector represented US\$ 3.85 billion last year, which meant a 45% jump in relation to 2003, when the country sold US\$ 2.66 billion.

The Brazilian forest-based sector includes mechanically processed wood and derived products, such as paneling and laminates, sawed wood, plywood, floor boards, frames, components and doors

To meet the growing demand, as well as technology, Brazilian manufacturers are investing in workforce training.

To consolidate the position with traditional buyers - such as the United States and Europe - and conquer new clients - such as the Arabs -, the sector has invested in new equipment, processes and personnel.

One of the places for training specialized workforce is in the southern state of Paraná: the National Technology center for Wood and Furniture (Cetmam), run by the state section of the National Service of Industrial Education (Senai) in the city of Arapongas, in the north of the state.

About 1,400 professionals graduate every year at the center, known as the 'Furniture University'. It promotes about 100 training courses annually in the companies of the sector and offers specialized advisory in the area.

The Cetmam is the result of a cooperation agreement signed in 1992 with the German state of Baden-Württemberg. The renovation of the agreement, signed in 2004, forecasted expansion, which is currently being implemented.

The center is setting up regional units in the cities of Guarapuava and União da Vitória. Together with the unit in São José dos Pinhais, in the metropolitan region of Curitiba, capital city of Paraná, they make up four units in the state.

University

The academy also noticed the importance of the wood sector to the Brazilian and Paraná state economy and is adapting itself. The second class in the Wood Industrial Engineering course at the Paraná Federal University (UFPR) graduated last February.

Of the 31 graduated engineers - the first class received their diplomas in April last year - only one is out of a job. And its not that he didn't receive job offers. He preferred to stay in Curitiba, for personal reasons.

The other 30 engineers left the classrooms with jobs. Of these, four are already taking postgraduate courses: one in Brazil, two in France and another in Mexico.

Created with the support from representative entities in the sector, such as the Brazilian Plywood Industry and Exporters Association (Abimci) and the Brazilian Association of Wood Producers and Exporters (Abpmex), the Wood Industrial Engineering at the UFPR was the first one in the country.

Following the Paraná experience, another three courses came up: at Uniplac, from the city of Lages, in the state of Santa Catarina, also in the South of Brazil; at Unesp, University of the State of São Paulo, and Face, in União da Vitória, also in Paraná.

Teaching institutions in the state of Rio Grande do Sul and in the North of the country are also interested in holding the

course.

However, the fact that the first course of this type has been recently created illustrates that Brazil still has a long way before reaching the qualification level observed in other countries that are traditional in the wood sector.

In the UFPR course, as well as the basic conceptual engineering courses of study, there are themes dedicated to the transformation of wood into products such as panels, sawed wood and paper, which was based on the European, North American and Chilean experience.

"This is, in fact, an ancient profession. In these countries it exists for at least ten years," says professor Umberto Klock, the course coordinator.

Complexity

In any way, to train engineers specialized in the area shows the importance the wood transformation industry has acquired during the last few years in the country.

With a complex productive chain, with links beginning in the forestry and ending in the furniture and building material shops, the wood sector generates an important multiplying effect, both in terms of income and jobs.

In the state of Paraná, for example, it is the second sector in terms of export, losing only to the soy complex products. In 2004, the industries in the state sold US\$ 1.168 billion abroad, which meant an expansion by 54% in relation to 2003, when the sales volume reached US\$ 758 million.

As well as ensuring Brazil and Paraná a good share of strong currency, the segment is a great workforce employer. The solid wood industry alone employs 2.5 million people in all the country, which means 3.5% of the economically active population of Brazil.

In Paraná there are 51,000 direct jobs and 350,000 indirect employment possibilities. Silviculture and the production of wood articles - from boards to furniture, going through chipboard and plywood - are the bases of the state's mid-southern economy.

They are also good part of production and employment in the north of the state, in the furniture hub of Araçatuba. At the Araçatuba Furniture Industries Union (Sima) database there are 545 companies, 14,000 jobs (direct and indirect) and revenues that, in 2004, reached US\$ 347.5 million.

Arabs

The Arabs represent a small, however increasing share in this market. Last year, Brazil exported US\$ 35,5 million in wood products to the region.

The main clients were Morocco (US\$ 14 million), the United Arab Emirates (US\$ 7.8 million), Saudi Arabia (US\$ 6 million) and Egypt (US\$ 2.3 million).

In the first quarter of this year exports to the Middle East and North Africa added up to 8.1 million, which means 23% of the total sold in 2004.

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