In response to the shrinking government-based natural and plantation forests, and the increasing population growth, smallholder farmers have turned to planting trees on their farms for commercial and domestic use.They need the cash to meet their immediate pressing needs. Improved marketing could significantly enhance tree-planting activities by smallholder farmers. Good marketing connection, therefore, is essential as a strategy to reduce poverty while simultaneously promoting conservation of the rapidly shrinking forests. The necessary marketing information to enable them to identify suitable markets for their timber tree is, however, lacking.

The main purpose of the study was, therefore, to try to understand the functioning of smallholder farmers' marketing channels for on-farm timber in Embu District. This study was conducted in Embu District, which is located in the Eastern Province of Kenya, in the period between November 2001 and May 2002. The wood industries established within the district have turned to farmers for their timber supply as a result of the government's ban on logging of natural forests, particularly Mt. Kenya, which constitutes a portion of the district. In addition, the district's population is increasing at an annual growth rate of 3.08%, increasing the demand for timber.

A market channel analysis was carried out which involved following the timber products from the farmers, to the fixed saw millers, and finally to the timber yard merchants. Various and several techniques of Participatory Rural Appraisal were widely used to collect timber marketing information. Linear regression, tables, charts, and other descriptive methods were used for data analysis using the MS Excel, Genstat, and SPSS computer programmes. A volume model that can assist farmers in selling their trees was derived from this study.

The major problems in the existing marketing channels include low prices for timber trees at farm level, lack of ready timber markets, poor tree and timber quality, limited variety of timber tree species, and poor infrastructure.

In order to improve the returns that the farmers get from their timber trees, this study recommends that they be equipped with the appropriate practical tree management and marketing skills, such as application of obtained knowledge of estimating the volumes of their trees as well as negotiating the appropriate prices for these trees, and further research to clarify the pending issues to guide future planning and management for improved performance.