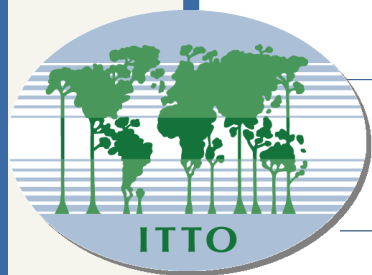




ELEMENTS FOR THE BIENNIAL REVIEW AND ASSESSMENT OF THE WORLD TIMBER SITUATION 2017-2018

Frances Maplesden



Content

- ❑ Joint Forest Sector Questionnaire 2017-2018
 - Responses, data quality, developments
- ❑ Tropical wood products production and trade
 - Primary wood products
- ❑ Global market trends and drivers
 - Market risks and uncertainties



JOINT FOREST SECTOR QUESTIONNAIRE 2017-2018





JQ Data responses

	Number of members responding to the JQ	
	ITTO Producers	ITTO Consumers
2017	23 of 35 producer members (66%)	31 of 37 consumer members (84%)
2018	17 of 36 producer members (47%)	27 of 37 consumer members (73%)



JQ Non-responses: Consumers

Consumers 2018: 10 non-responses

3 consumer countries have not provided the questionnaire for more than 2 consecutive years (ITTA ART. 27/5)

EU/UNECE (7)	Albania (since 2012) Belgium (since 2016) Denmark Greece (since 2016) Hungary Ireland Italy
FAO (3)	China New Zealand Rep. of Korea

Article 27/5. If a member has not furnished, for two consecutive years, the statistics and information required under paragraph 3 and has not sought the assistance of the Executive Director, the Executive Director shall initially request an explanation from that member within a specified time. In the event that no satisfactory explanation is forthcoming, the Council shall take such action as it deems appropriate.



JQ Non-responses: Producers

Producers 2018: 19 non-responses

10 producer countries have not provided the questionnaire for more than 2 consecutive years (ITTA ART. 27/5)

Africa (6)	Côte d'Ivoire (since 2016) DRC (since 2013) Gabon (since 2015)	Ghana Liberia Mozambique
Asia-Pacific (5)	Cambodia (since 2015) Fiji (since 2007) India (since 2015)	Indonesia Myanmar (since 2014)
LAC (8)	Brazil Costa Rica (since 2017) Ecuador Guatemala (since 2016)	Mexico Peru Trinidad and Tobago (since 2016) Venezuela

Article 27/5. If a member has not furnished, for two consecutive years, the statistics and information required under paragraph 3 and has not sought the assistance of the Executive Director, the Executive Director shall initially request an explanation from that member within a specified time. In the event that no satisfactory explanation is forthcoming, the Council shall take such action as it deems appropriate.



JQ Data Quality

2017: 54 questionnaires submitted out of 72 (75%)

Production	51 filled; 45 satisfactory
Trade of primary products	51 filled; 46 satisfactory
Trade of secondary products	45 filled; 44 satisfactory
ITTO 2017 forecasts	25 filled; 22 satisfactory
ITTO tropical species trade	24 filled; 22 satisfactory
ITTO forest questionnaire	17 filled; 17 satisfactory

2018: 44 questionnaires submitted out of 73 (60%)

Production	41 filled; 39 satisfactory
Trade of primary products	42 filled; 38 satisfactory
Trade of secondary products	33 filled; 31 satisfactory
ITTO 2018 forecasts	20 filled; 18 satisfactory
ITTO tropical species trade	20 filled; 17 satisfactory
ITTO forest questionnaire	14 filled; 14 satisfactory



JQ Data Quality

Production data is difficult to collect (% of data points)

	1990-2018	2014-2018
Questionnaire, Partner Organizations, official publications	52% (69% C, 32% P)	42% (64% C, 24% P)
Estimated	34% (22% C, 48% P)	14% (1% C, 23% P)
Repeated	14% (9% C, 20% P)	44% (35% C, 53% P)

Trade data is easier to collect (% of data points)

	1990-2018	2014-2018
Questionnaire, Partner Organizations, UN COMTRADE, WTA	59% (65% C, 51 % P)	45% (53% C, 35% P)
Estimated (e.g. converted from weight to m ³)	38% (32% C, 44% P)	37% (32% C, 43 % P)
Repeated	3% (3% C, 5% P)	18% (15% C, 22% P)



Database developments

- ❑ Country Reports
- ❑ Price trends for primary wood products; price indices
- ❑ Review of conversion factors
- ❑ Definition of “tropical timber”

"Tropical timber" means tropical wood for industrial uses, which grows or is produced in the countries situated between the Tropic of Cancer and the Tropic of Capricorn. The term covers logs, sawnwood, veneer sheets and plywood;



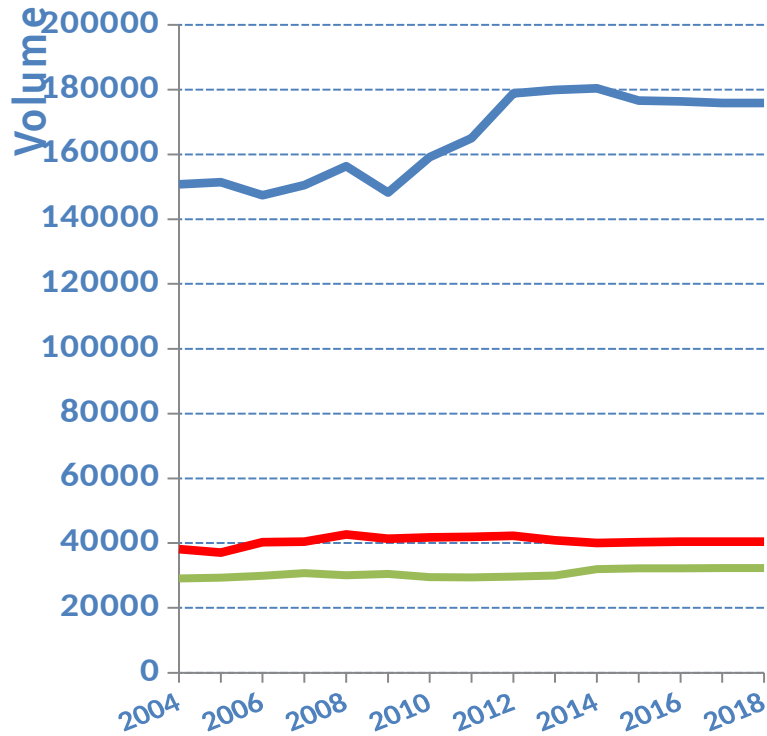
PRODUCTION AND TRADE TRENDS PRIMARY WOOD PRODUCTS





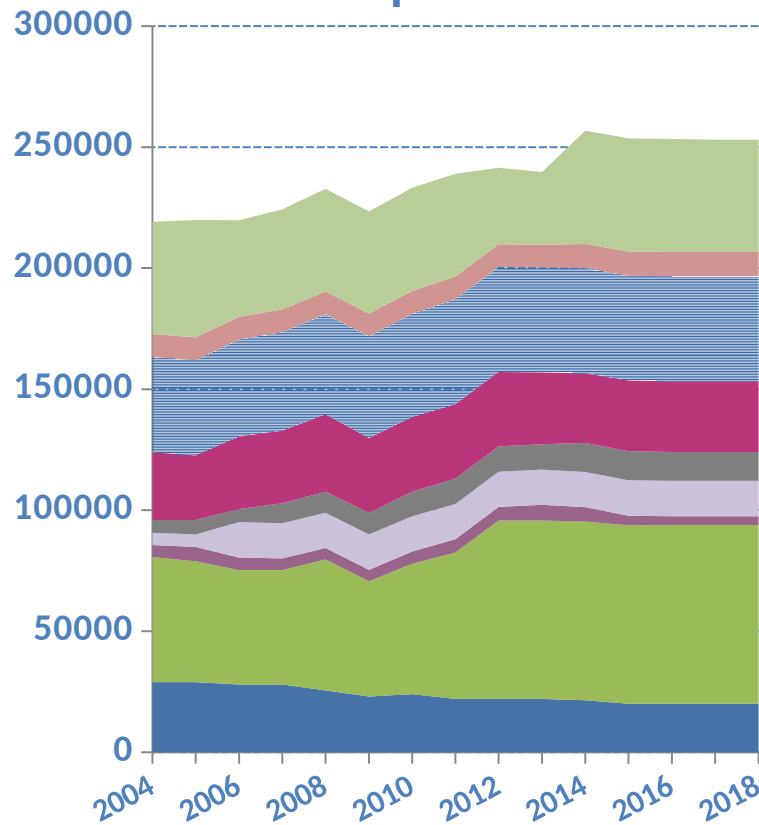
Production of tropical industrial roundwood (logs)

Tropical log production, ITTO producer regions



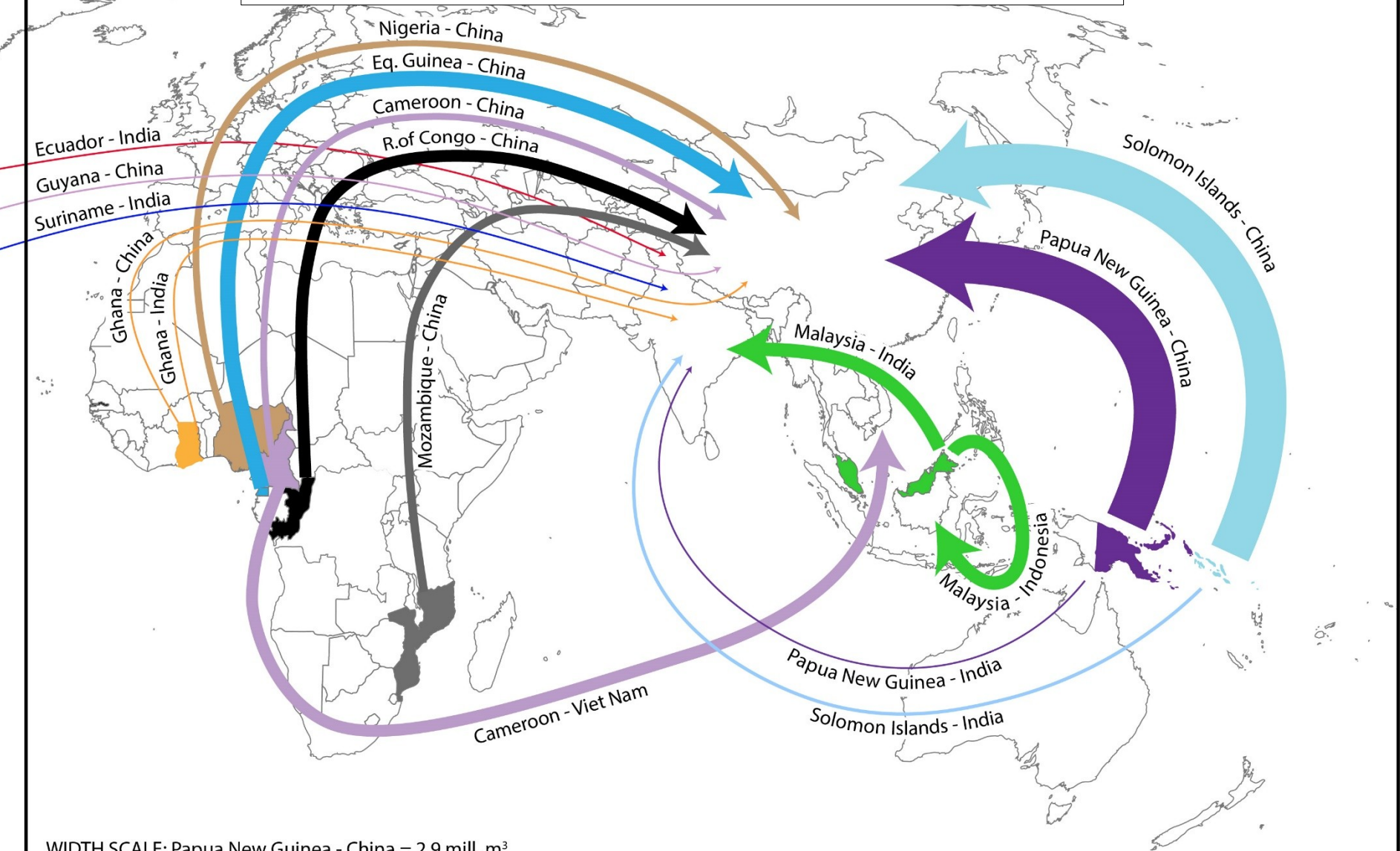
■ Africa
 ■ Asia-Pacific
 ■ Latin America/Caribbean

Tropical log production, major ITTO producers

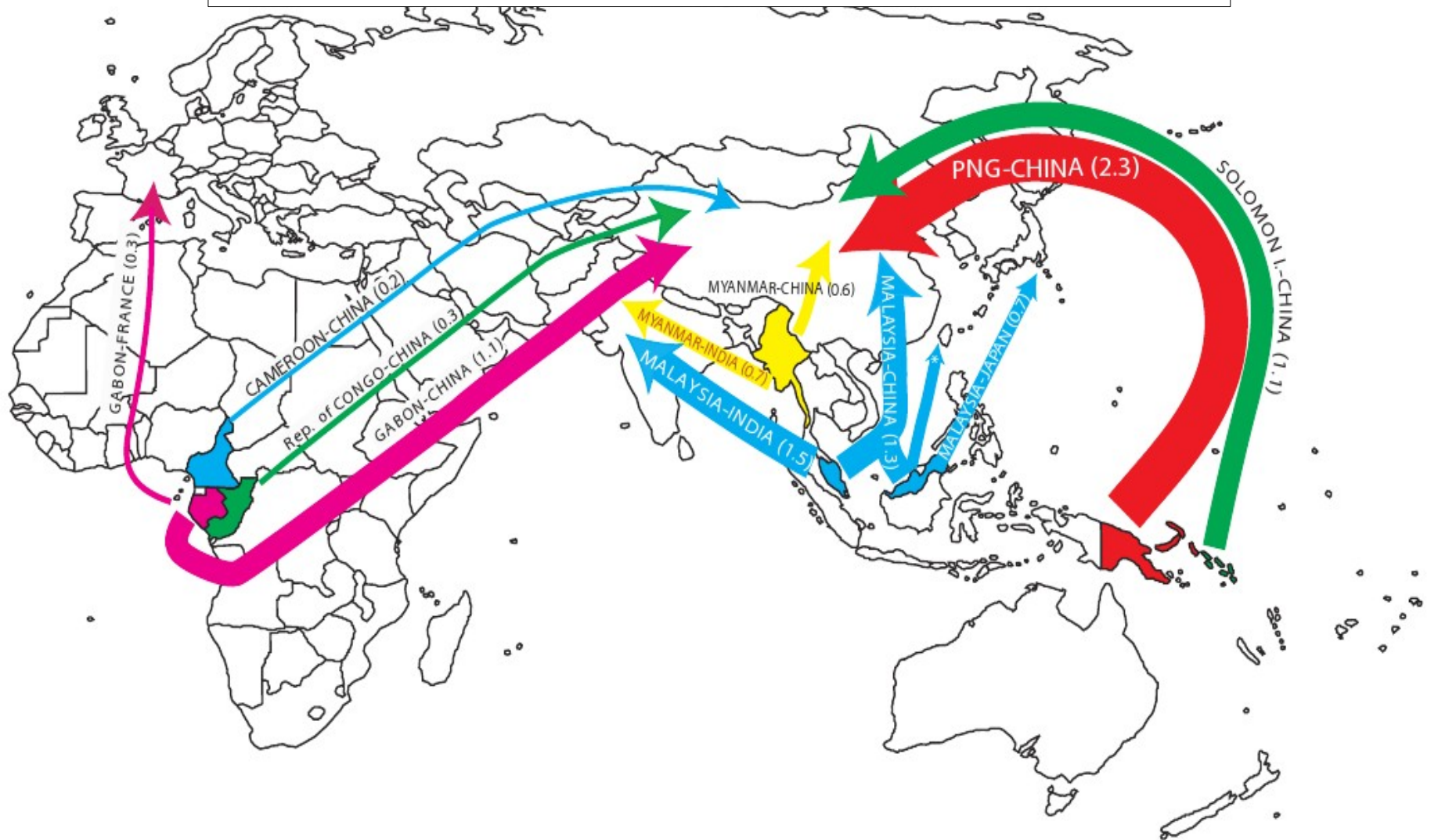


■ Rest of world
 ■ Nigeria
 ■ India
 ■ Brazil
■ Viet Nam
 ■ Thailand
■ Myanmar
■ Indonesia
■ Malaysia

MAJOR TRADE FLOWS 2017: TROPICAL LOGS



MAJOR TRADE FLOWS 2007: TROPICAL LOGS

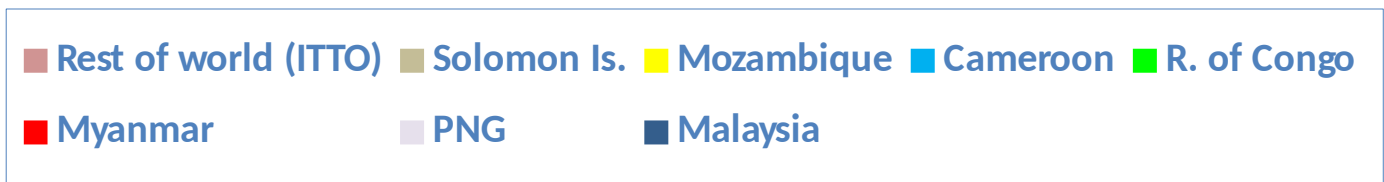
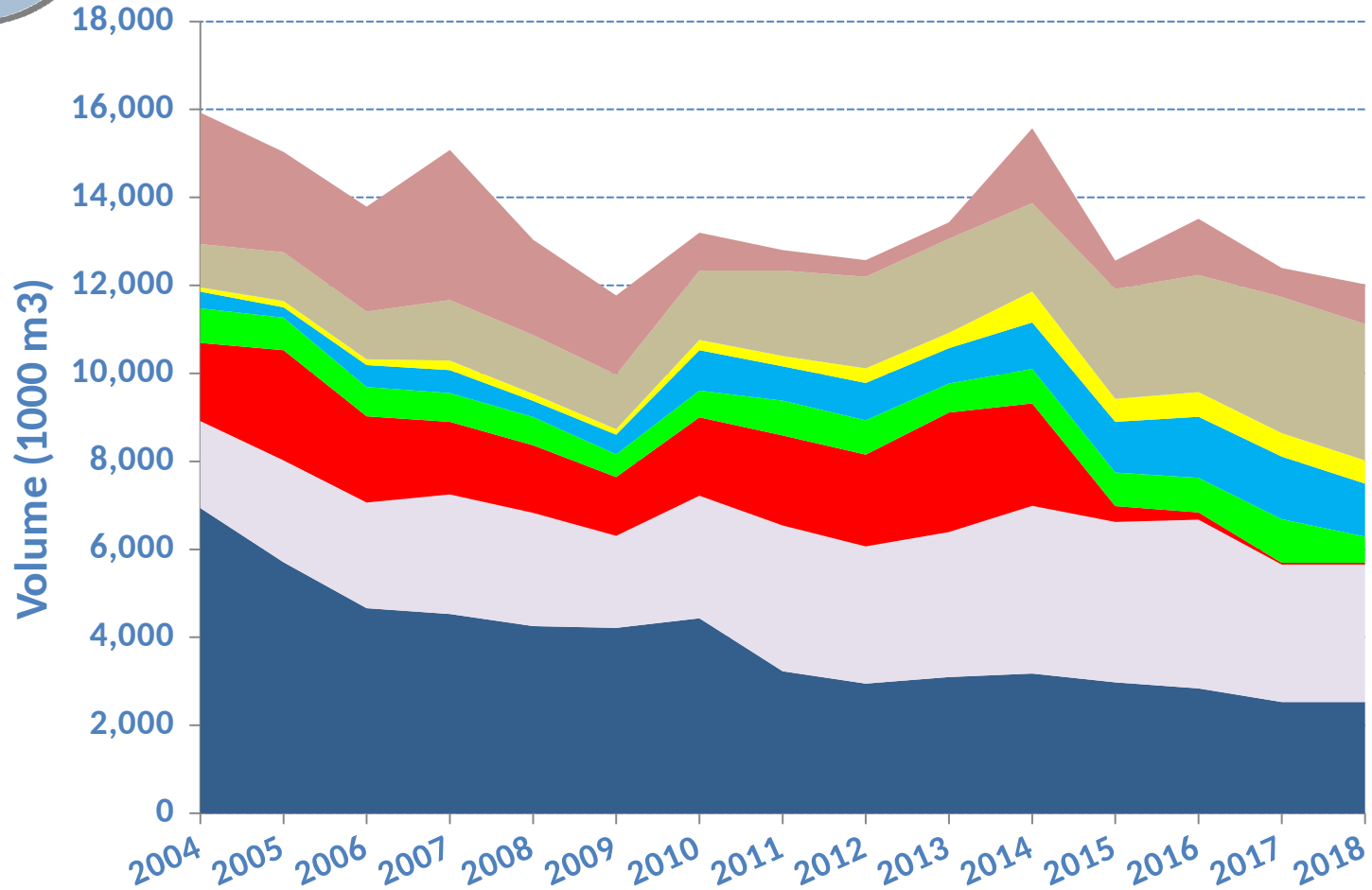


* MALAYSIA-TAIWAN P.O.C. (0.5).

Sources: ITTO, COMTRADE

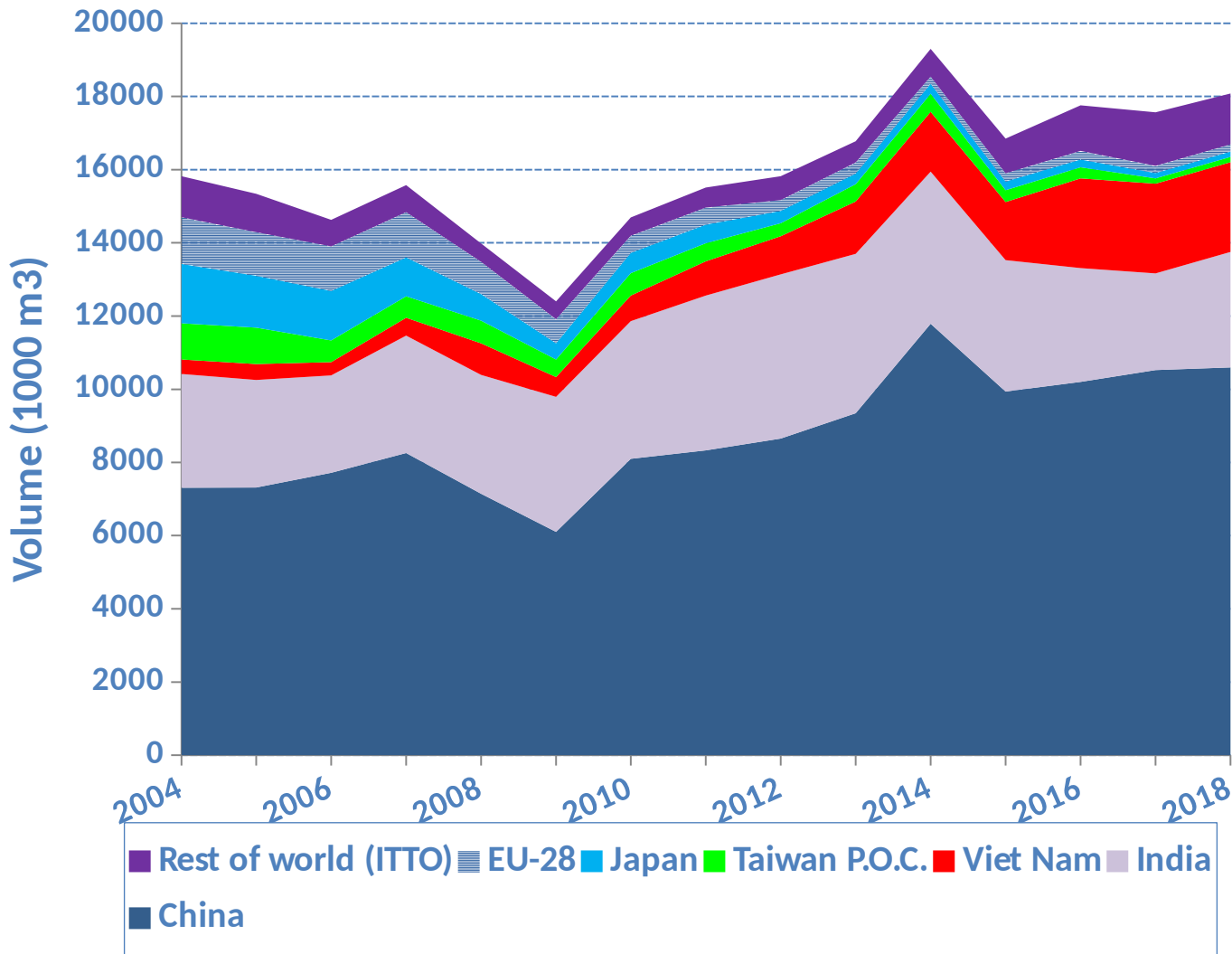


Major exporters of tropical logs





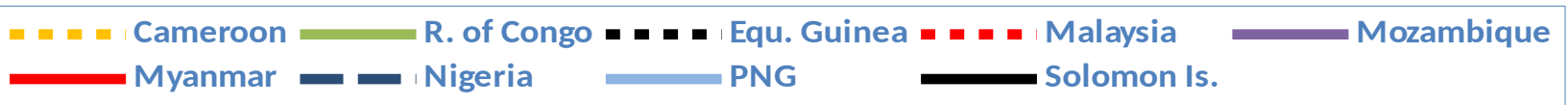
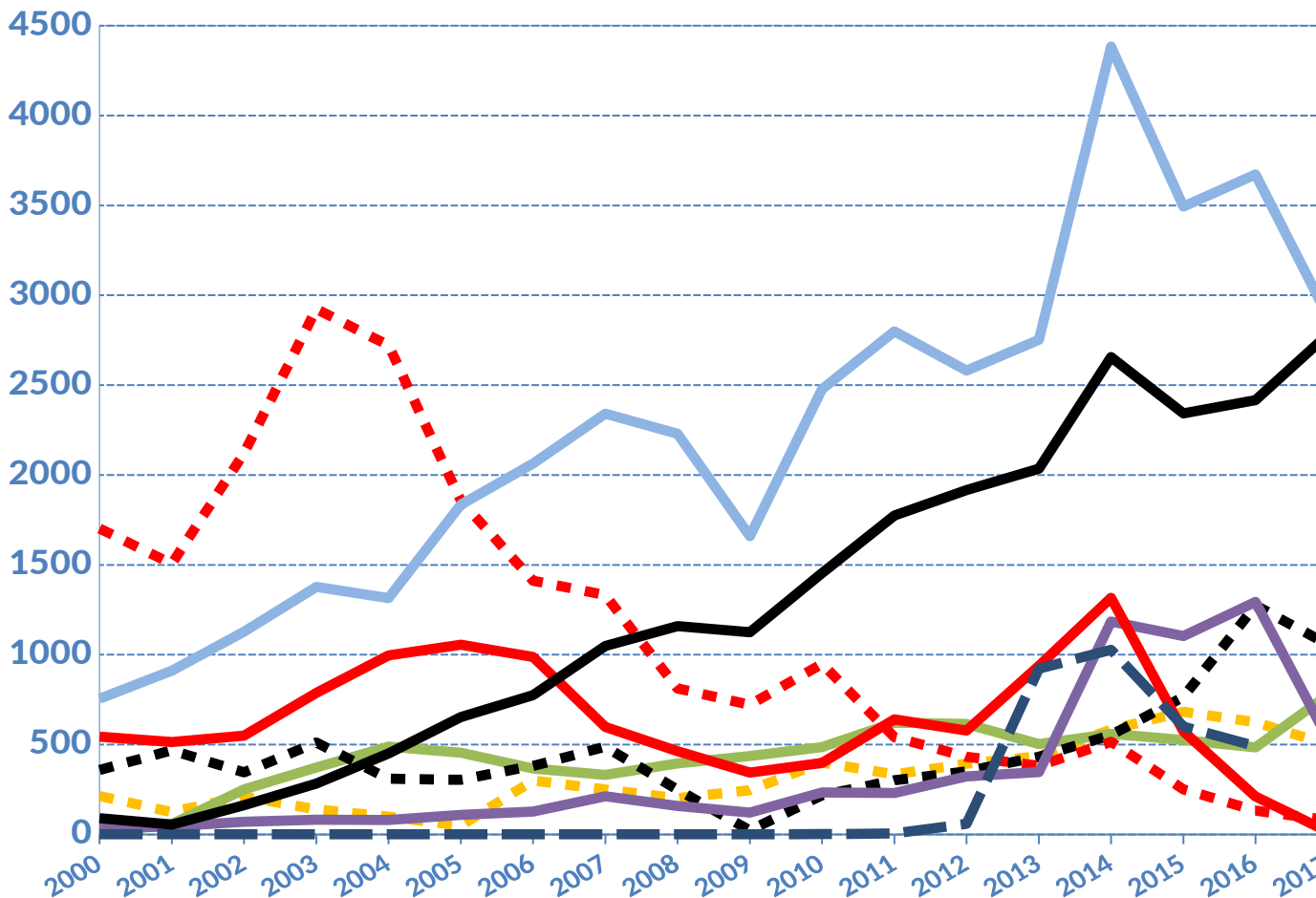
Major importers of tropical logs





China: Imports of tropical logs, 2000-2017

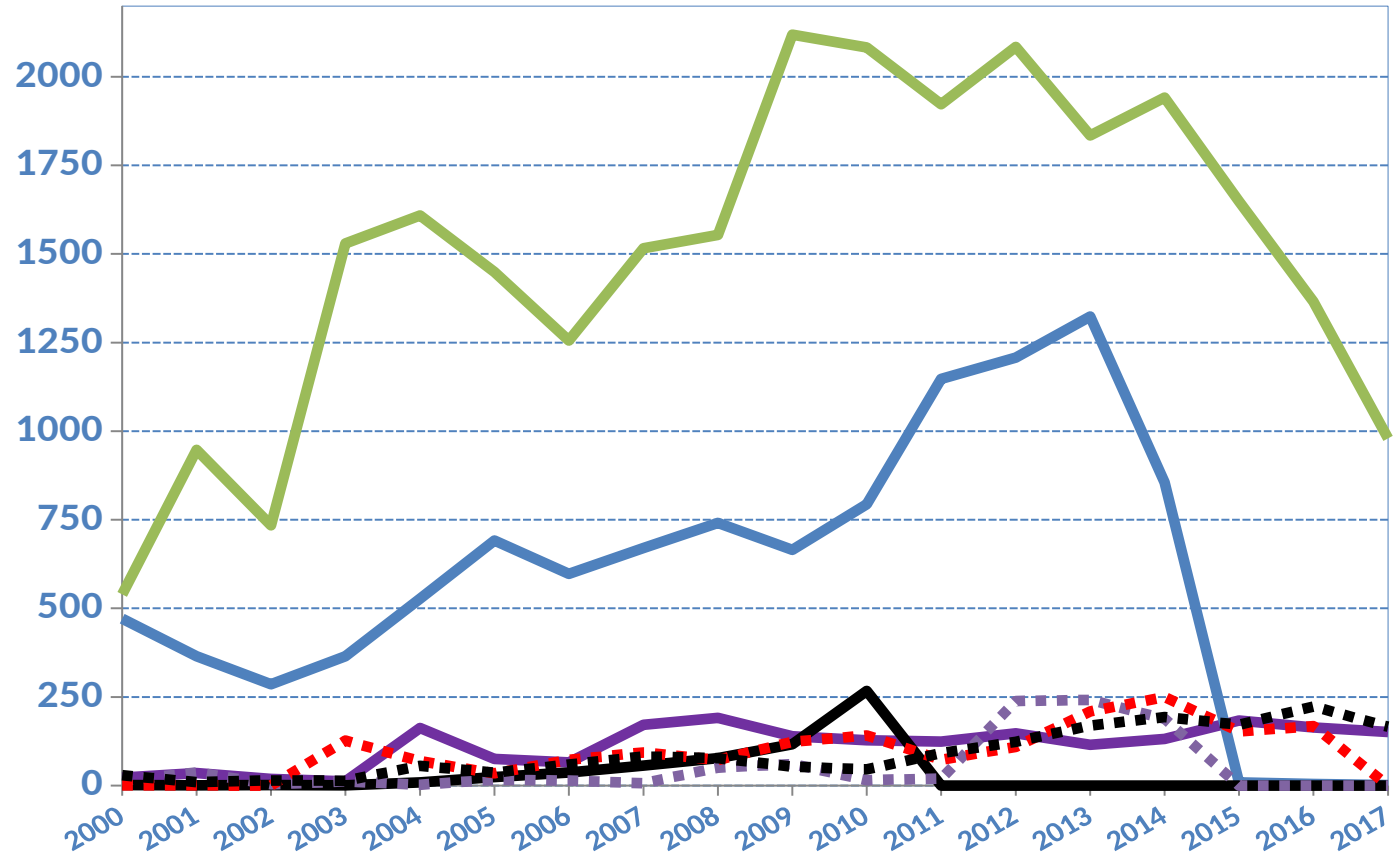
Volume (1,000 m³)





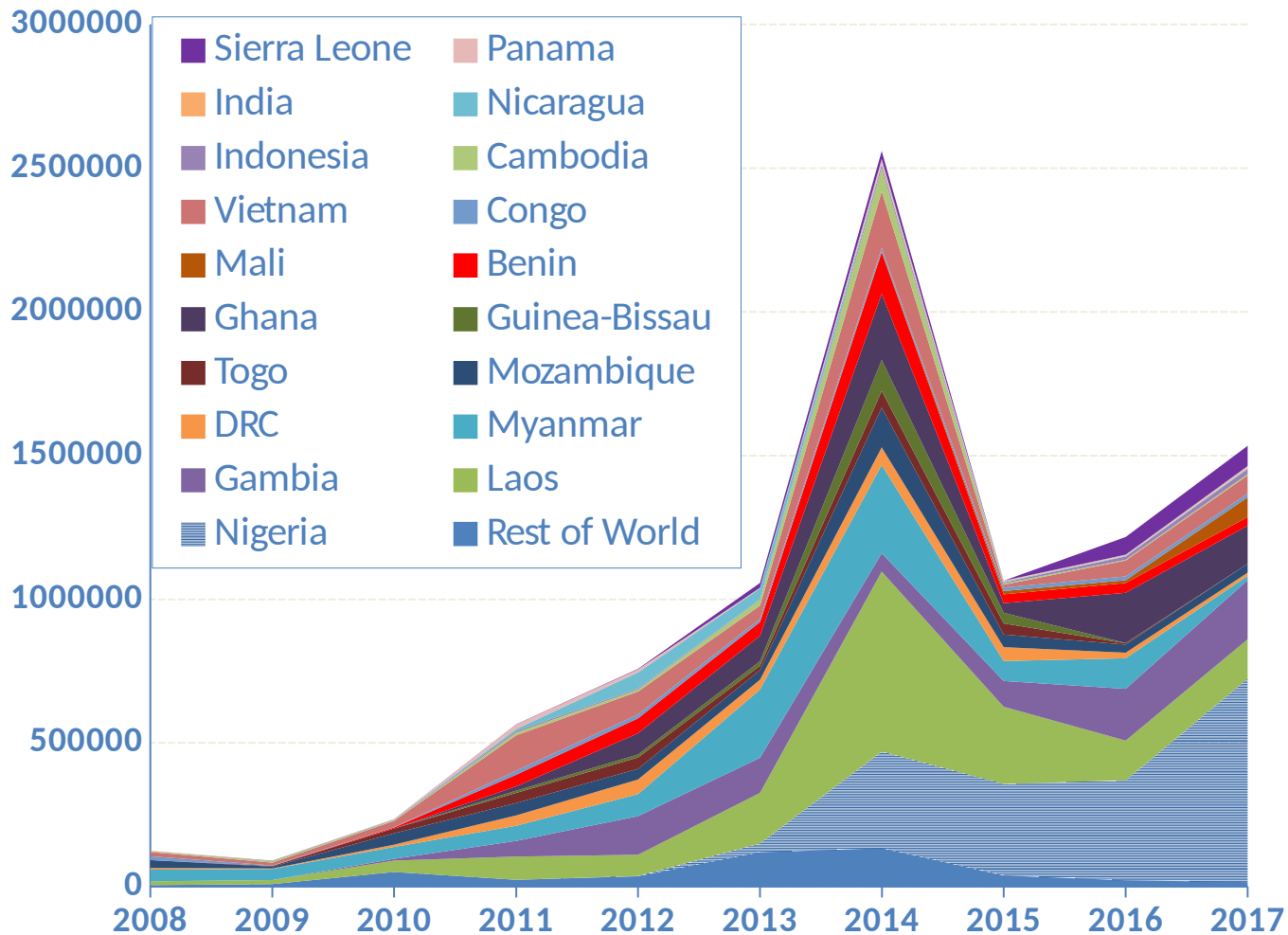
India: Imports of tropical logs, 2000-2017

Volume (1,000 m³)





China imports of “rosewood” logs, 2008-2017

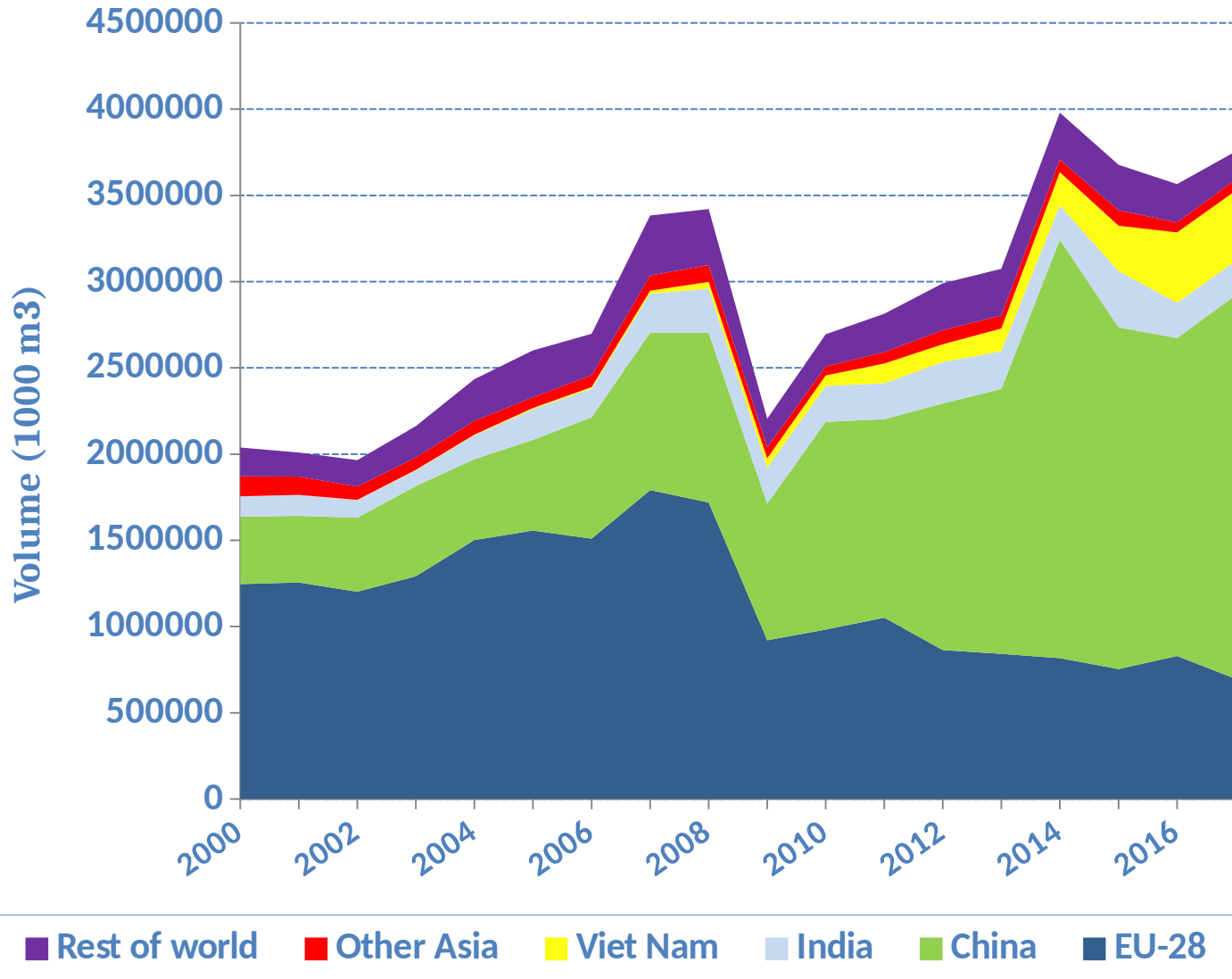


Source: World Trade Atlas, cites China Customs

Note: “Rosewood” log figures include all imports classified in HS 44039930 (2008-2016) and HS 4034980 (2017) which include a number of species within the genera *Dalbergia*, *Pterocarpus*, *Millettia*, *Cassius* and *Diospyrus*.

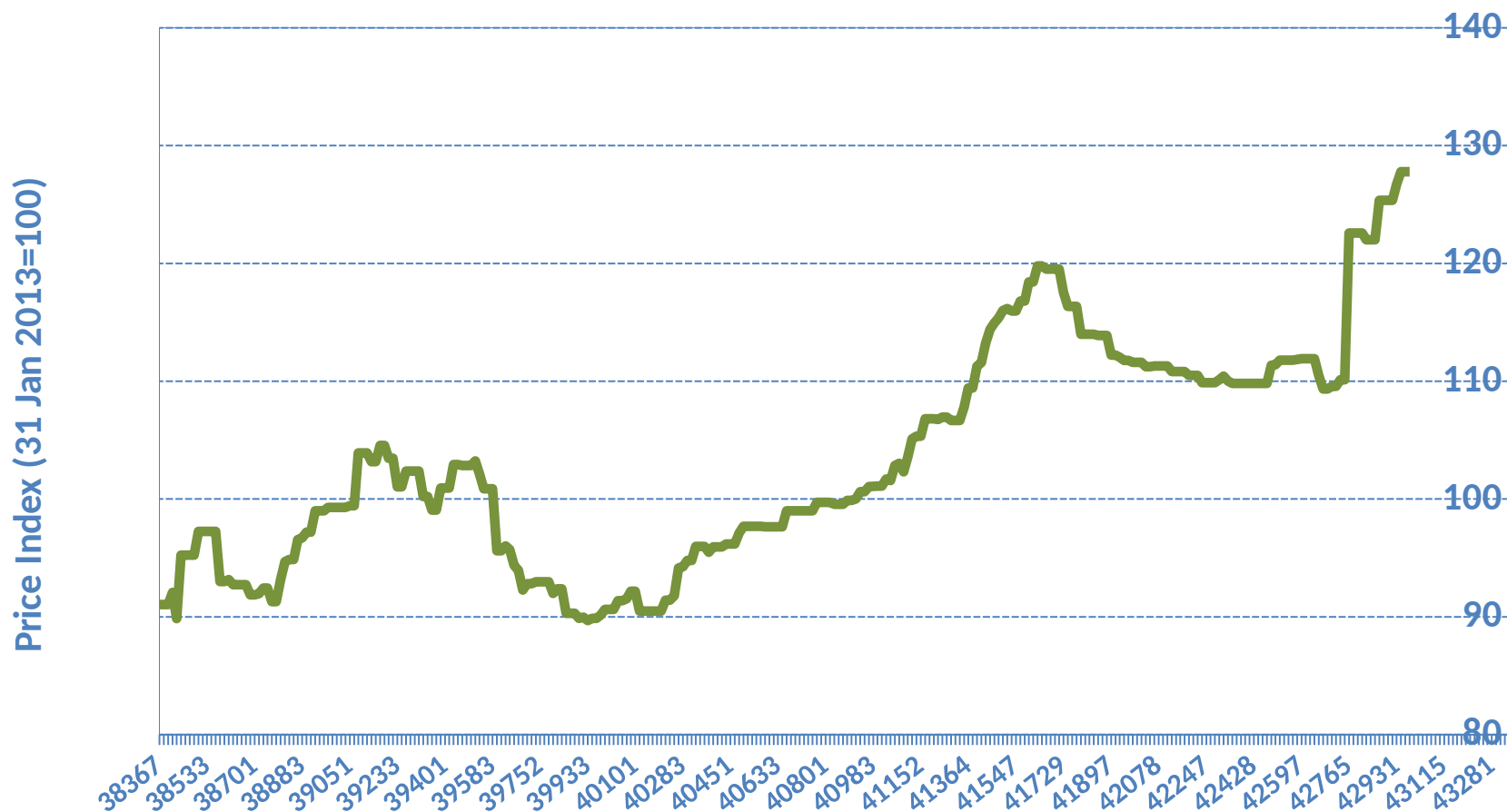


Exports of tropical primary products from the African region, by major country destination, 2000-2017





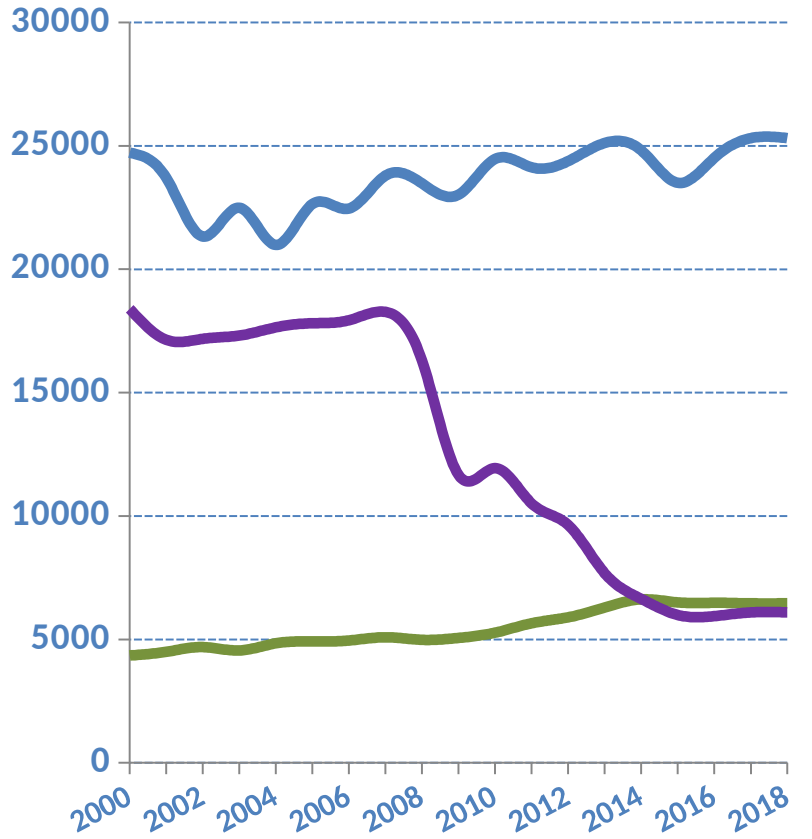
West Africa Log Export Price Index



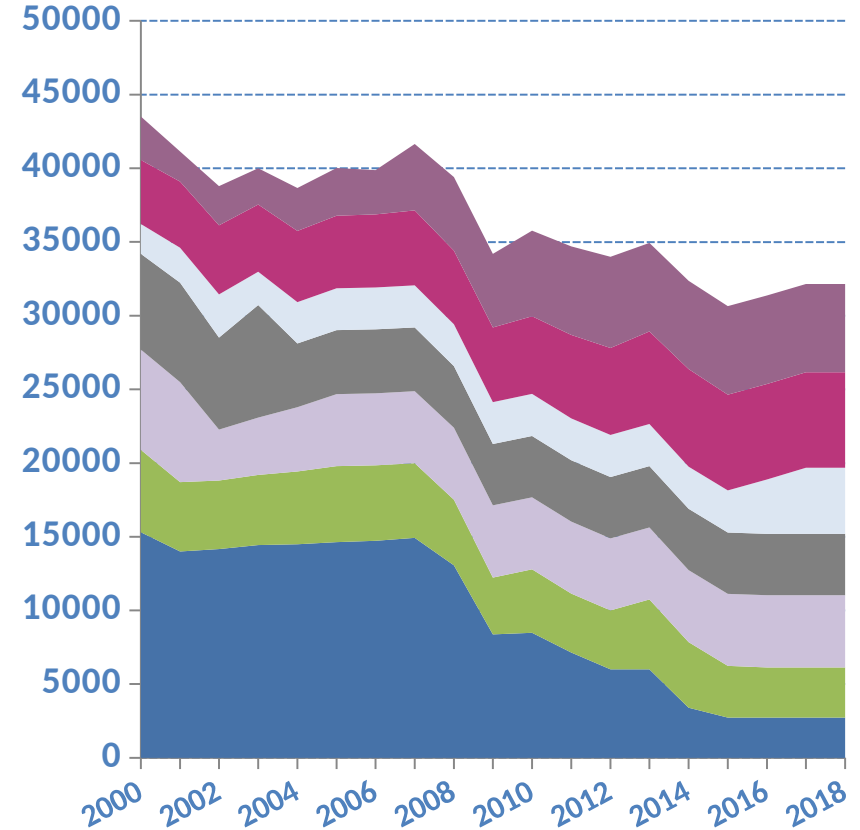
Note: This index is based on two-weekly nominal euro prices/m³ of selected West African species
Source: ITTO Tropical Timber Market Report, various issues. Data unavailable for 2012.



Production of tropical sawnwood, by region and major ITTO producers, 2000-2018

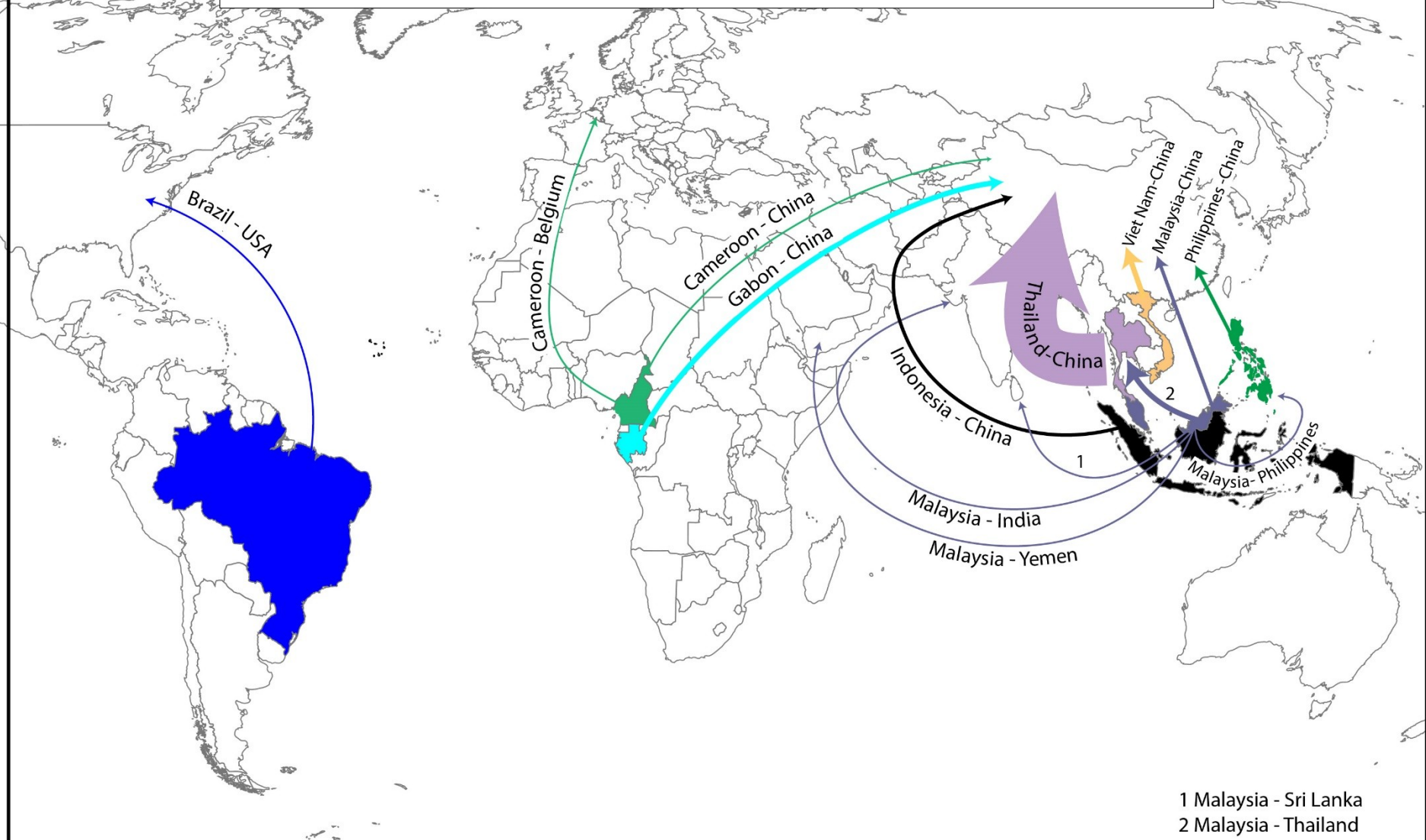


— Africa — Asia-Pacific — Latin America/Caribbean



■ Viet Nam ■ ITTO Africa ■ Thailand ■ Indonesia ■ India
■ Malaysia ■ Brazil

MAJOR TRADE FLOWS 2017: TROPICAL SAWNWOOD

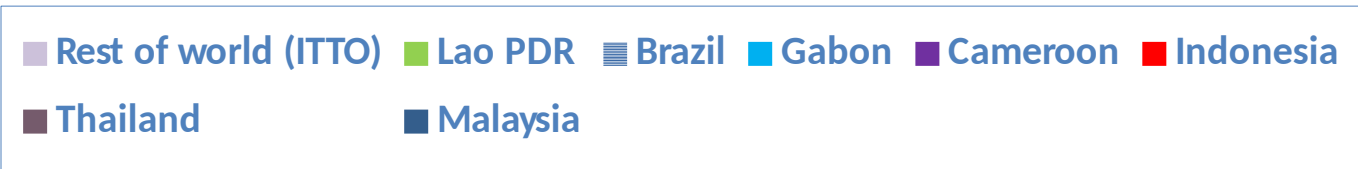
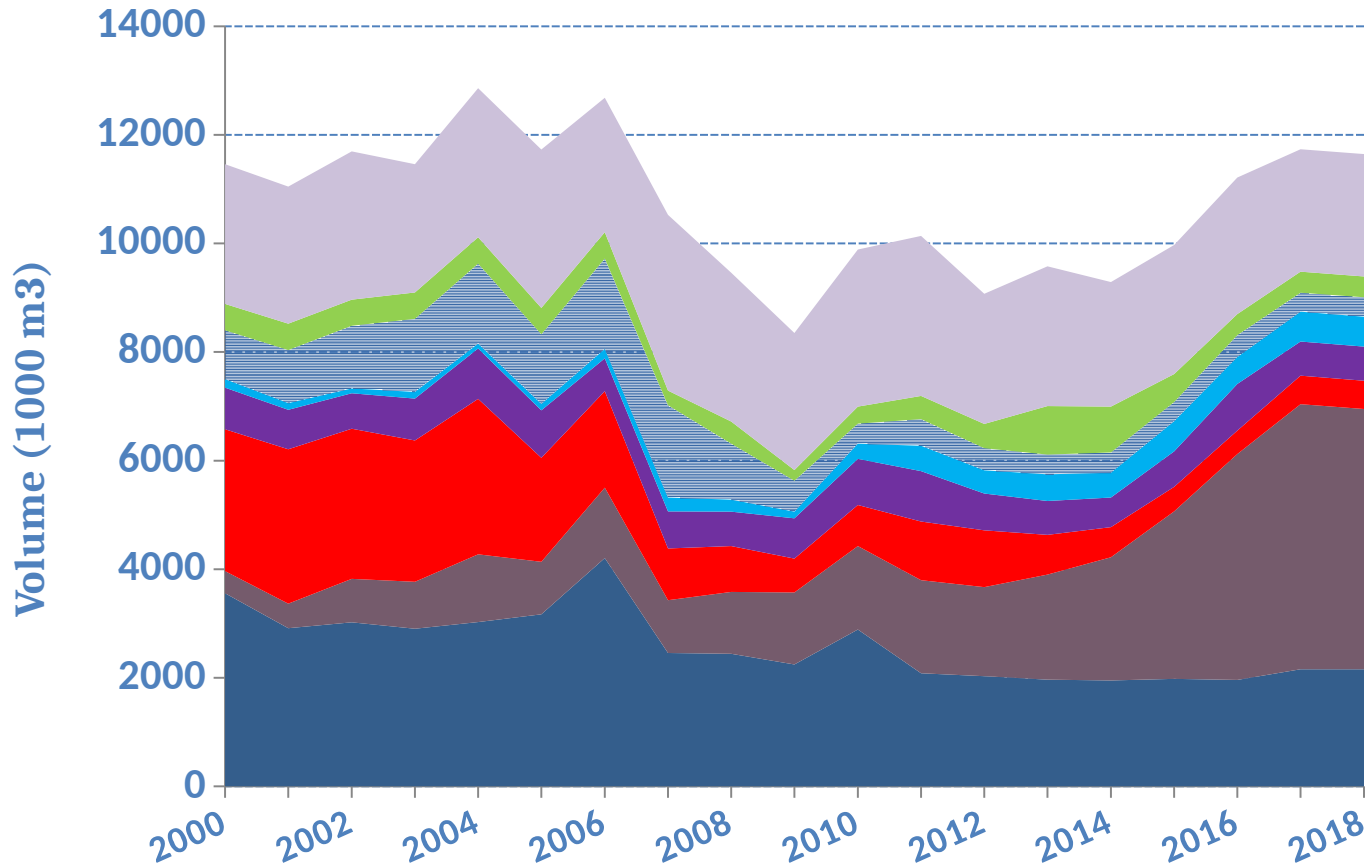


WIDTH SCALE: Thailand - China = 4.8 mill. m³

1 Malaysia - Sri Lanka
2 Malaysia - Thailand

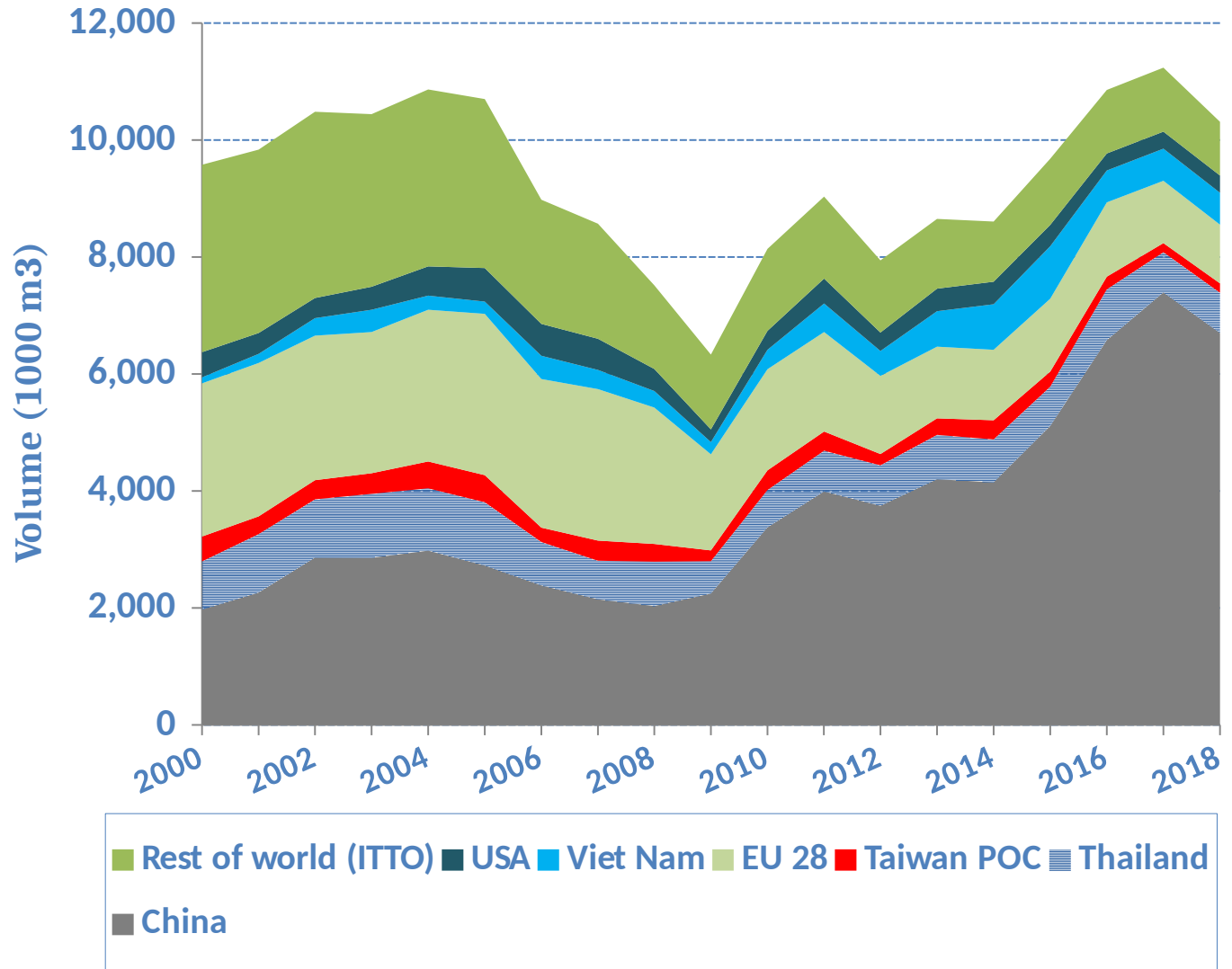


Tropical sawnwood exports, major tropical countries, 2000-2018





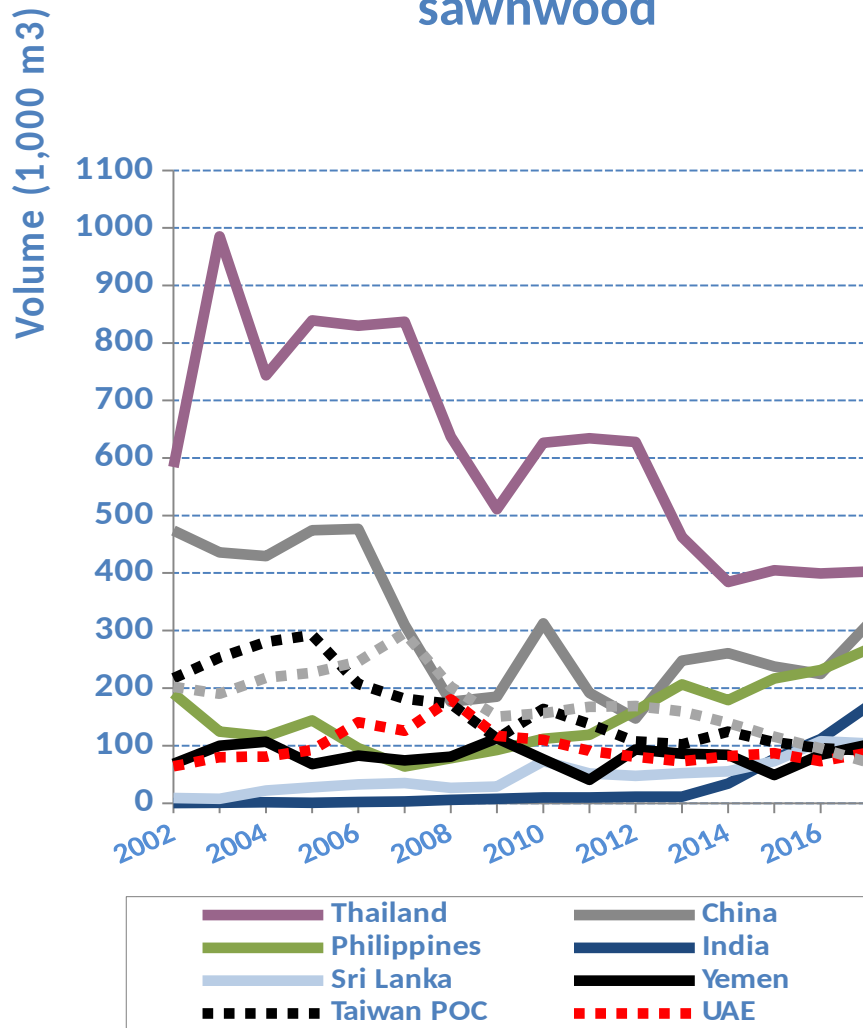
Tropical sawnwood imports, major ITTO countries 2000-2018



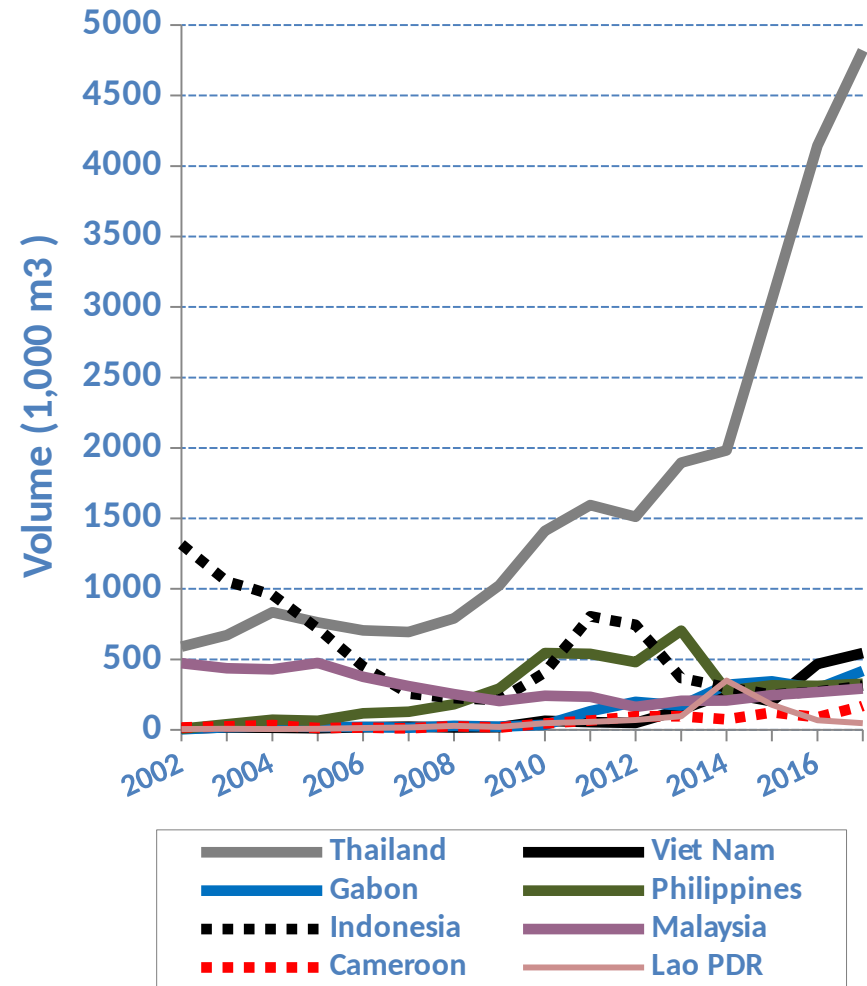


Tropical sawnwood trade, major countries, 2002-2017

Malaysia: Exports of tropical sawnwood

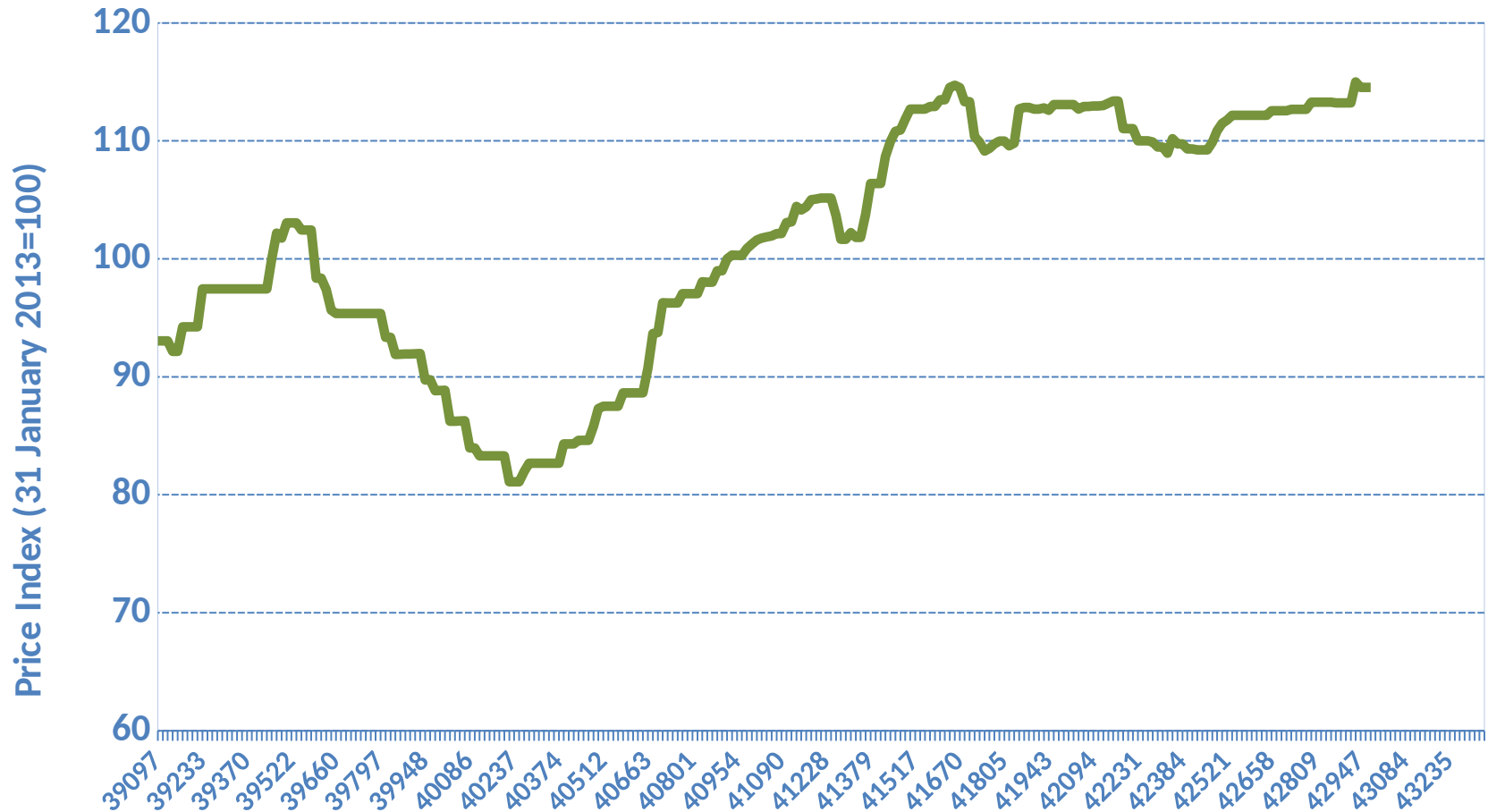


China: Imports of tropical sawnwood





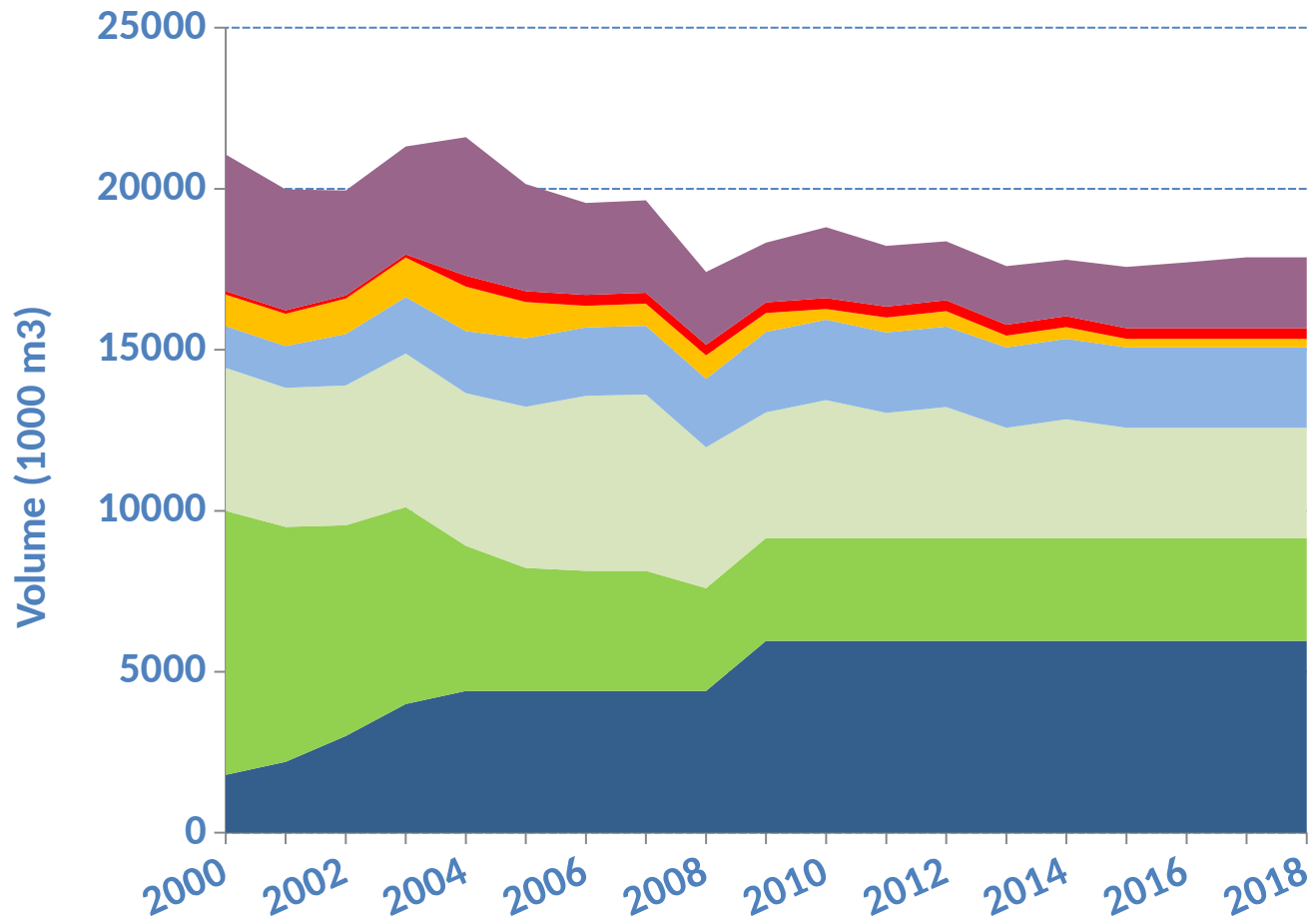
West Africa Sawnwood Export Price Index



Note: This index is based on two-weekly nominal euro prices/m³ of selected West African sawnwood species.
Source: ITTO Tropical Timber Market Report, various issues. Data unavailable for 2012.

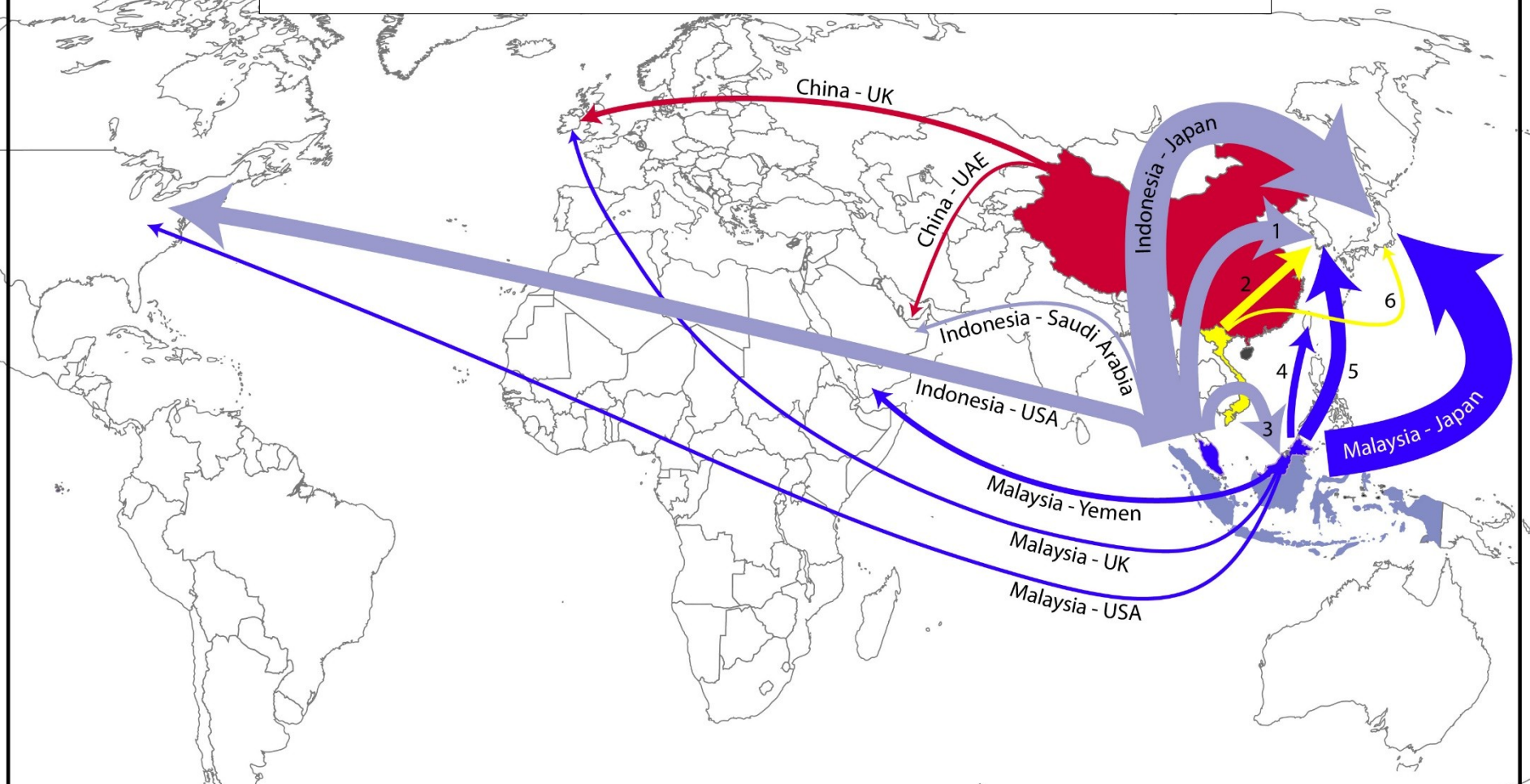


Production of tropical plywood, major ITTO countries



Rest of world (ITTO) Ecuador Brazil India Malaysia Indonesia China

MAJOR TRADE FLOWS 2017: TROPICAL PLYWOOD

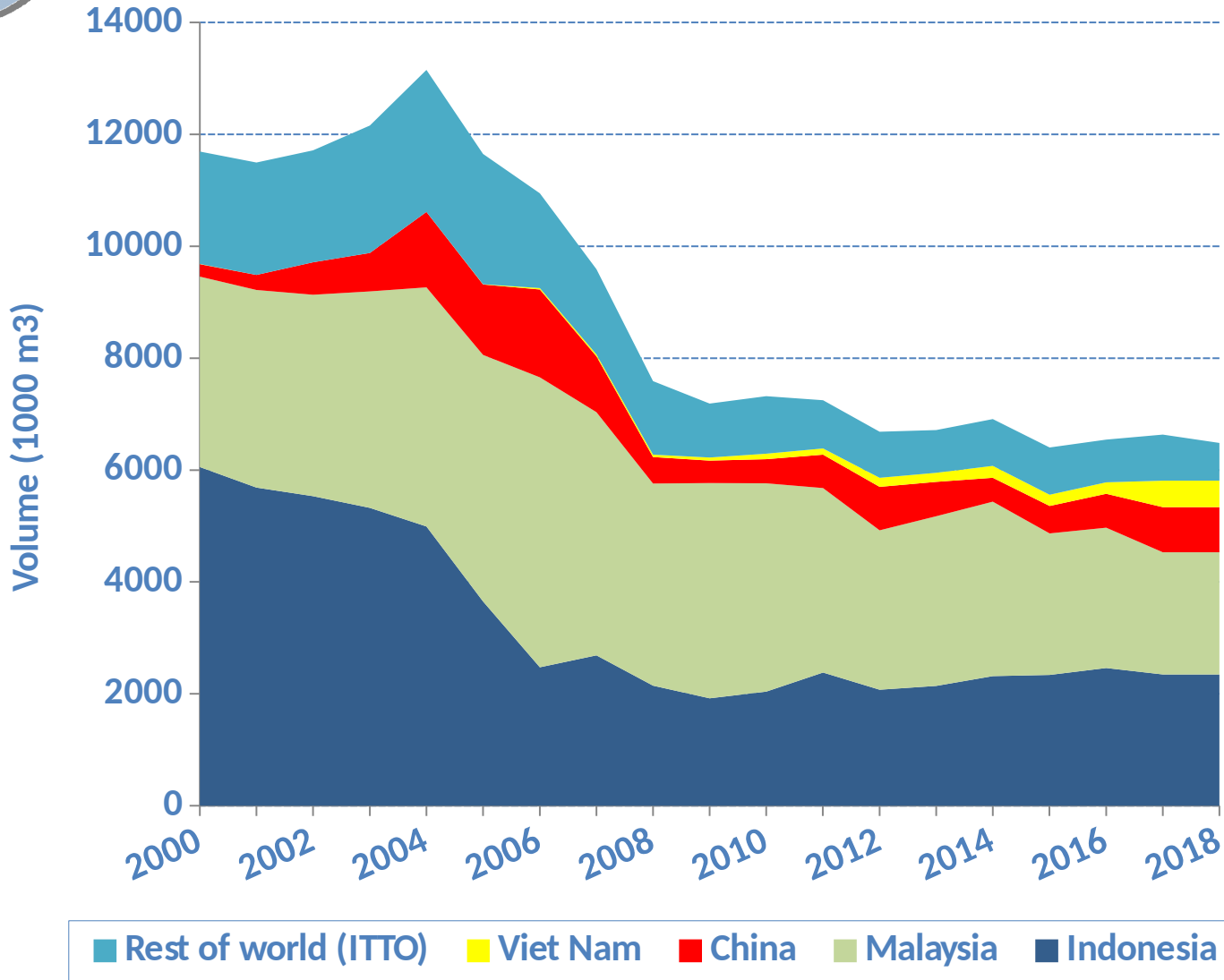


- 1 Indonesia - R. of Korea
- 2 Viet Nam - R. of Korea
- 3 Indonesia - Malaysia
- 4 Malaysia - Taiwan POC
- 5 Malaysia - R. of Korea
- 6 Viet Nam - Japan

WIDTH SCALE: Malaysia - Japan = 0.9 mill. m³

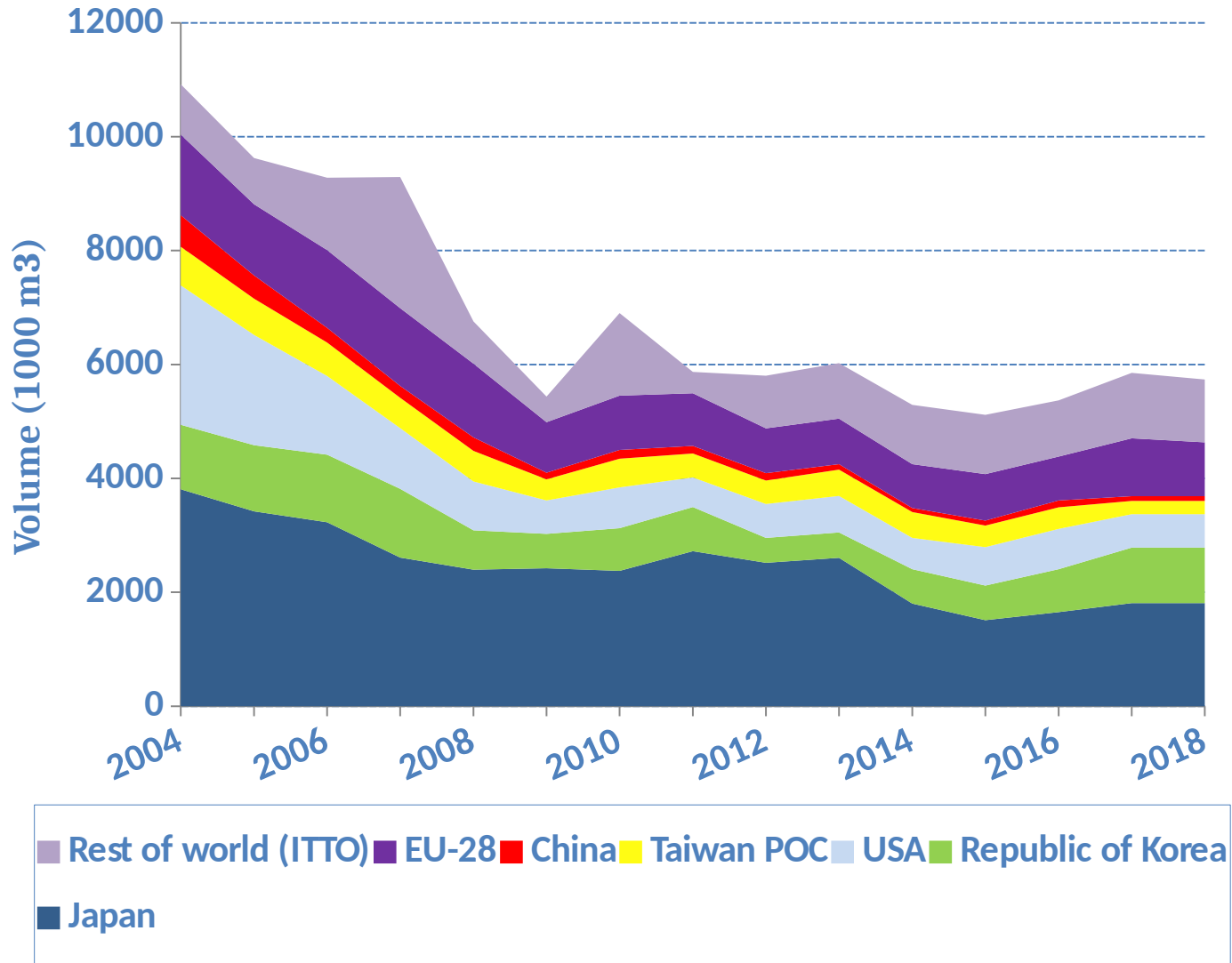


Major exporters of tropical plywood





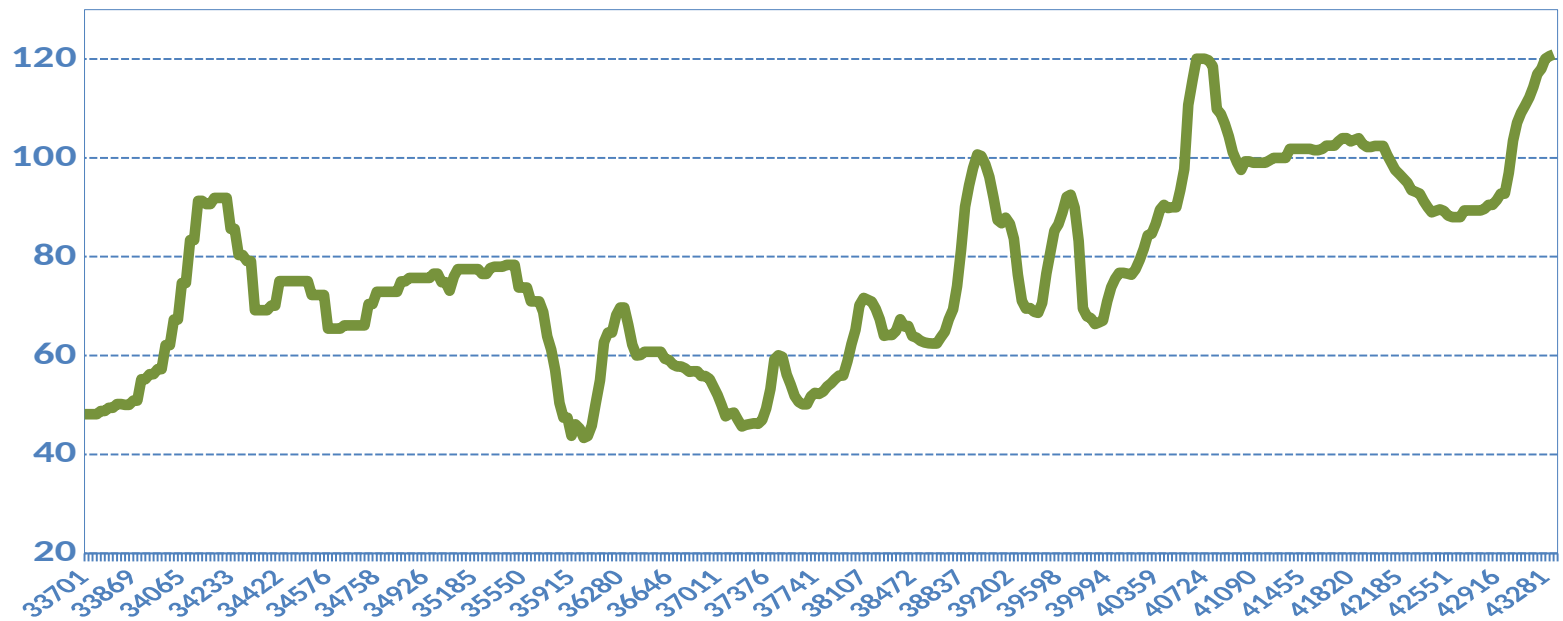
Major importers of tropical plywood





Japan Plywood Import Price Index

Price Index (31 March 2013 = 100)



Note: This index is based on two-weekly nominal dollar prices/m³ of Indonesian panels for concrete formwork (12 mm 3'X6' JAS C&F), Indonesian floor bases (3'x6' JAS C&F) and Indonesian thin panels (3'x6' JAS C&F).
Source: Japan Lumber Reports, various issues.



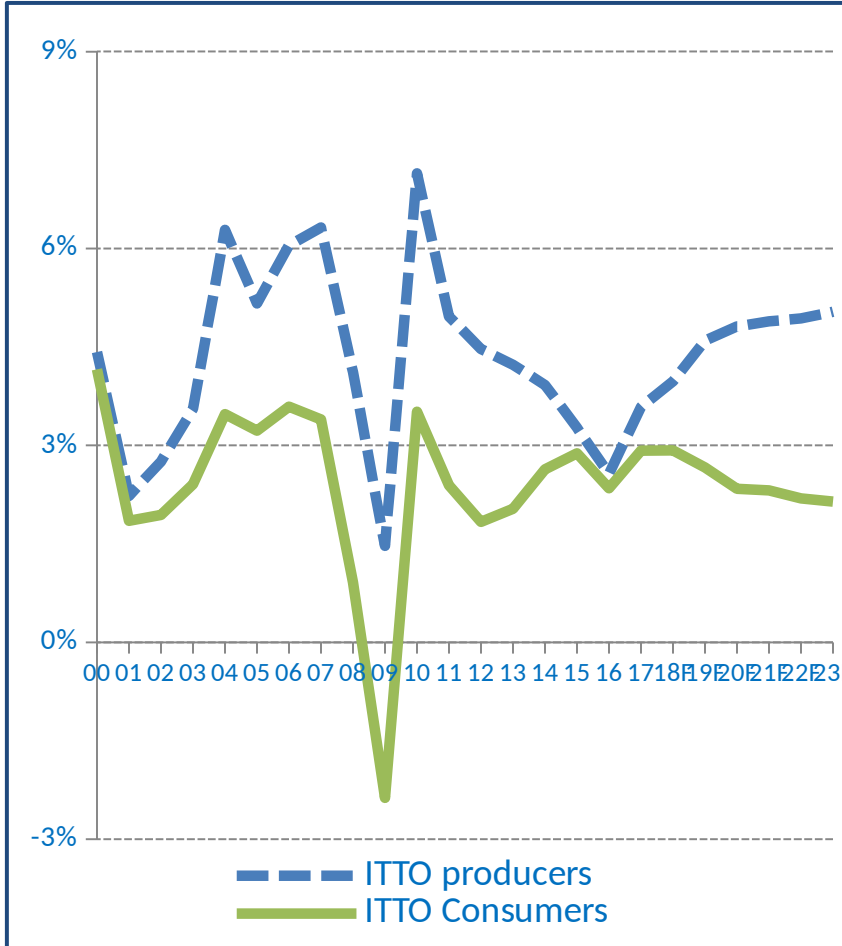
MARKET ISSUES



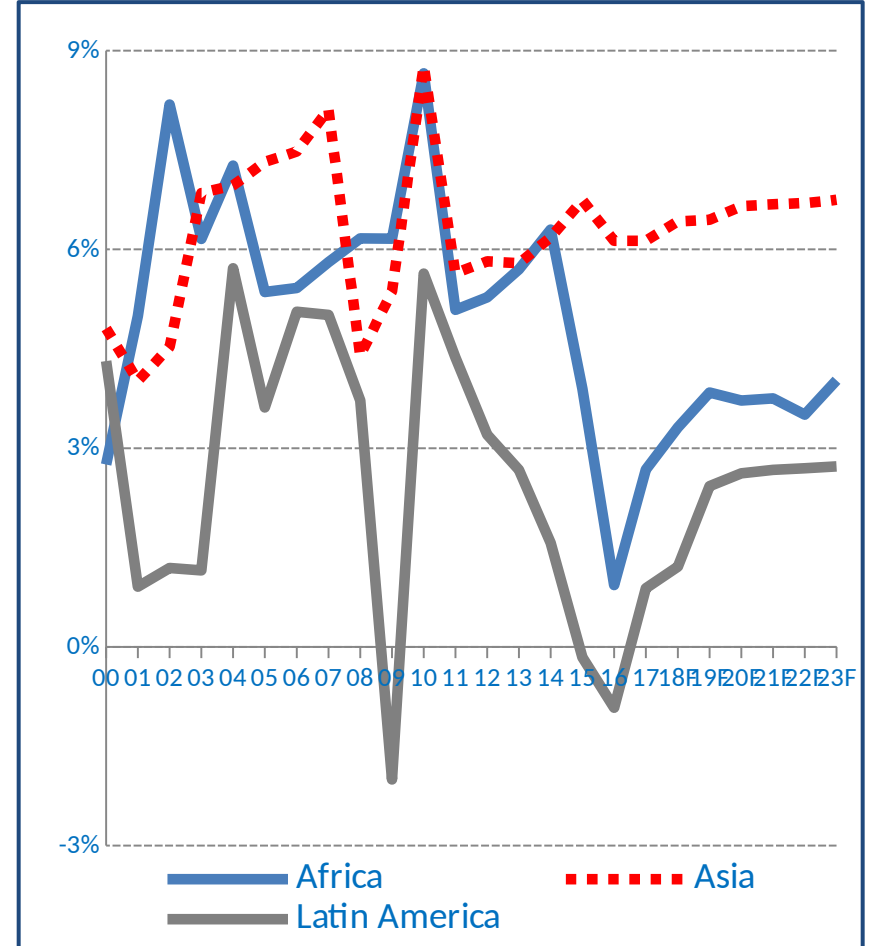


Real GDP growth, 2000-2023

ITTO Producers and Consumers



ITTO Producer Regions



Source: IMF Outlook Database October 2018 (F=Forecast)

Source: IMF Outlook Database October 2018 (F=Forecast)



Other market issues

- Intensification of trade barriers; US-China trade dispute
- China economic outlook and demand levels
- Contagion effects of China downturn on tropical wood products supply chain
- Increase in Africa-Asia trade
- Elimination of illegally logged wood from supply chains in China and Viet Nam
- Relative market competitiveness of competing wood and non-wood products
- Decline in tropical hardwood availability and quality
- Design trends and consumer preferences
- Energy prices
- Climate change; effectiveness of policies



ITTO Biennial Review and Assessment of the World Timber Situation 2017-2018

Available at www.itto.int



itto-stats@itto.int