



**INTERNATIONAL TROPICAL
TIMBER COUNCIL**

Distr.
GENERAL

ITTC(LVI)/Info. 8 Rev.1
12 November 2020

ENGLISH ONLY

FIFTY-SIXTH SESSION
9-13 November 2020
Virtual Session

PRESENTATION UNDER AGENDA ITEM 16

**BIENNIAL REVIEW AND ASSESSMENT OF THE
WORLD TIMBER SITUATION 2019-2022**



ELEMENTS FOR THE BIENNIAL REVIEW AND ASSESSMENT OF THE WORLD TIMBER SITUATION 2019-2020

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Content

- ❑ Joint Forest Sector Questionnaire 2019-2020
 - Responses, database developments
- ❑ Tropical wood products production and trade
 - Primary wood products
 - Secondary processed wood products
- ❑ Global market trends and drivers
 - Market risks and uncertainties



JOINT FOREST SECTOR QUESTIONNAIRE 2019-2020





JQ Data responses

	Number of members responding to the JQ	
	ITTO Producers	ITTO Consumers
2019	20 of 36 producer members (55%)	34 of 37 consumer members (91%)
2020	17 of 36 producer members (47%)	28 of 37 consumer members (75%)



JQ Non-responses: Consumers

Consumers 2020: 9 non-responses

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

EU/UNECE (8)

Albania (since 2012)

Czech Republic

Denmark (since 2018)

Estonia

Greece

Ireland

Latvia (since 2019)

Netherlands

ITTO (1)

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 2020: 19 non-responses

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

Africa (8)	Bénin Cameroon Congo Côte d'Ivoire (since 2016)	DRC (since 2013) Liberia (since 2019) Madagascar (since 2019) Mozambique
Asia-Pacific (5)	Cambodia (since 2015) Fiji (since 2007) India (since 2019)	PNG (since 2019) Thailand (since 2019)
LAC (6)	Brazil (since 2019) Ecuador (since 2019) Guyana	Mexico (since 2019) Peru Venezuela (since 2018)

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JQ Non-responses: letters

In 2019, we sent 8 letters requesting an explanation for the non-submission of the JFSQ quoting Article 27/5 to countries which had not submitted the questionnaire for more than 2 years in a row. Responses were disparate:

Albania (never any submission since membership in 2012)	No answer	
Belgium (since 2015)	Acknowledged	JQ2019 and 2020 were submitted
Cambodia (since 2016)	No answer	
DRC (since 2013)	Acknowledged but no questionnaire	
Fiji (since 2007)	Acknowledged but no questionnaire	
Gabon (since 2014)	Acknowledged	JQ2018 and 2020 were submitted
Greece (since 2015)	Acknowledged	JQ2019 was submitted
Trinidad and Tobago (since 2016)	Acknowledged	JQ2020 was submitted



JQ Non-responses: future letters

If the JFSQ 2020 is not received from the following countries, we will send a letter requesting an explanation for non-submission quoting Article 27/5 to the following 16 countries:

- ❖ Albania
- ❖ Brazil
- ❖ Cambodia
- ❖ Côte d'Ivoire
- ❖ Denmark
- ❖ Ecuador
- ❖ DRC
- ❖ Fiji
- ❖ India
- ❖ Latvia
- ❖ Liberia
- ❖ Madagascar
- ❖ Mexico
- ❖ PNG
- ❖ Thailand
- ❖ Venezuela

The Council may wish to advise the Secretariat how to proceed with 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



Database developments

- ❑ ITTO Online Statistical database now covers the world (ITTO members and non-ITTO countries)
- ❑ Updated twice a year (Feb. and Aug.)
- ❑ Conversion factors study was published in 2019 jointly with UNECE and FAO
- ❑ Biennial Review 2019 to 2020 will include:
 - ❖ India market study
 - ❖ Conversion factor study focusing on tropical timber (weight to volume)



PRODUCTION AND TRADE TRENDS PRIMARY WOOD PRODUCTS



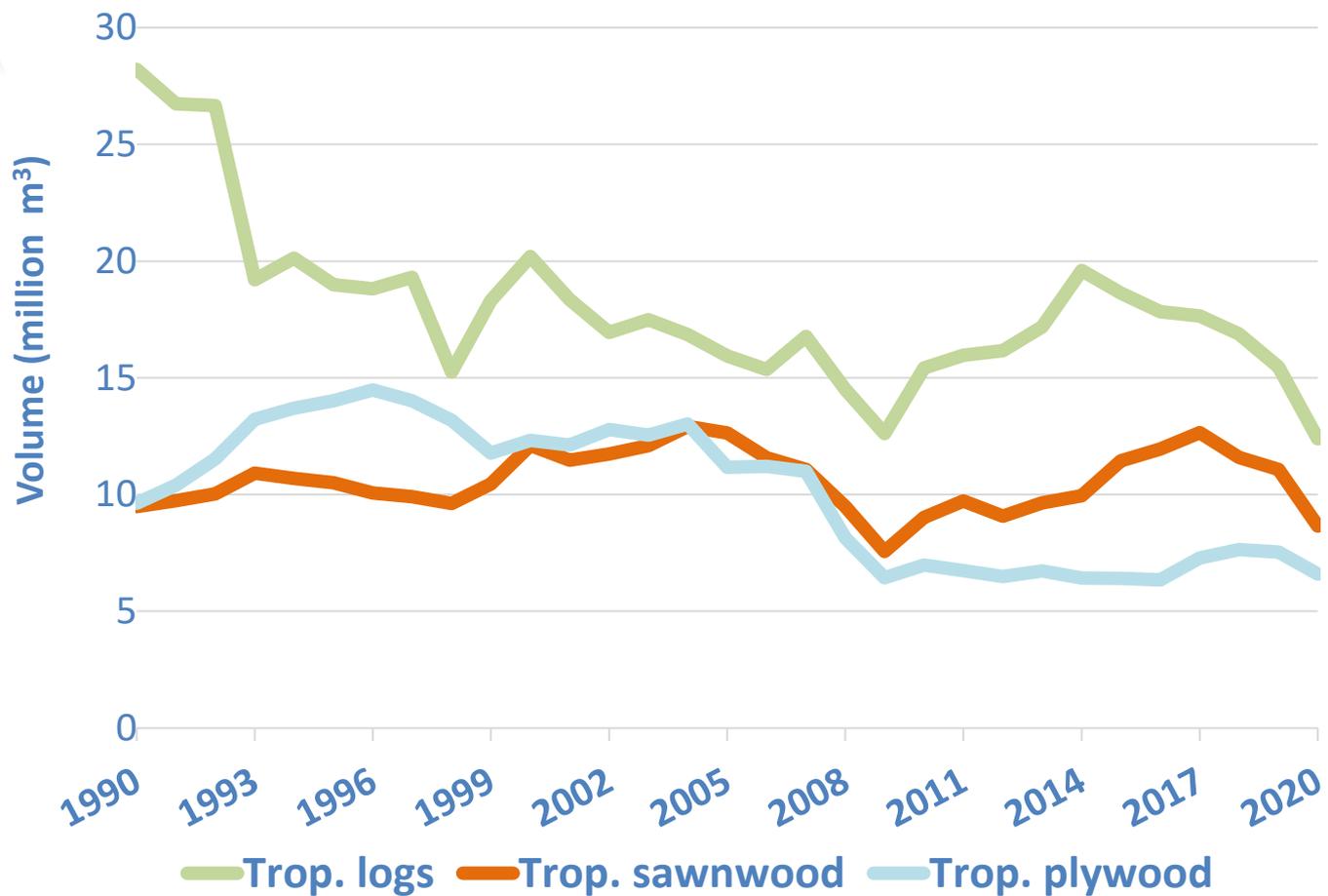


COVID-19 effects: Annual change in world exports 2019-2020^e

	Change (%) 2019-2020	
	Volume	Value
Total logs	-12~-15	-20
Tropical logs	-20	-28
Total sawnwood	-9~-11	-13
Tropical sawnwood	-21	-16
Total plywood	-10	-14
Tropical plywood	-12	-8
Change (%) 2019-2020		
	World trade value	
Primary wood products	-14% (-\$10.5 billion)	
Primary trop. wood products	-17% (-\$2.5 billion)	

e = Annual estimate based on Jan-June 2020 data

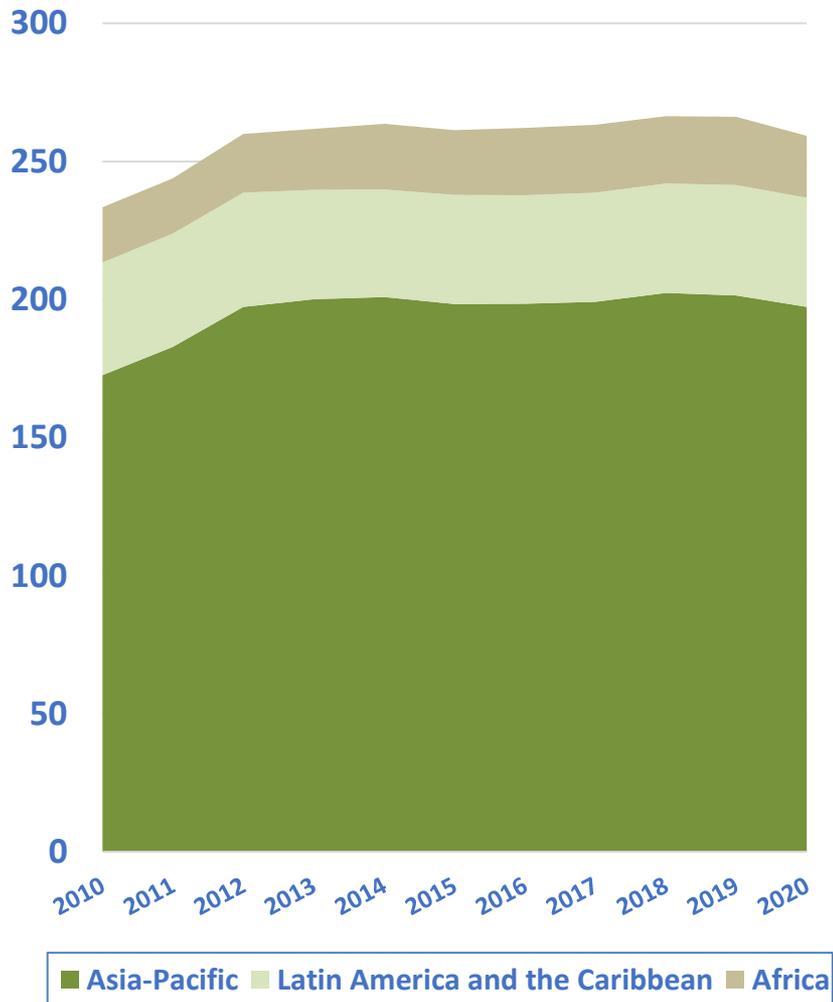
World imports of tropical primary products, 1990-2020



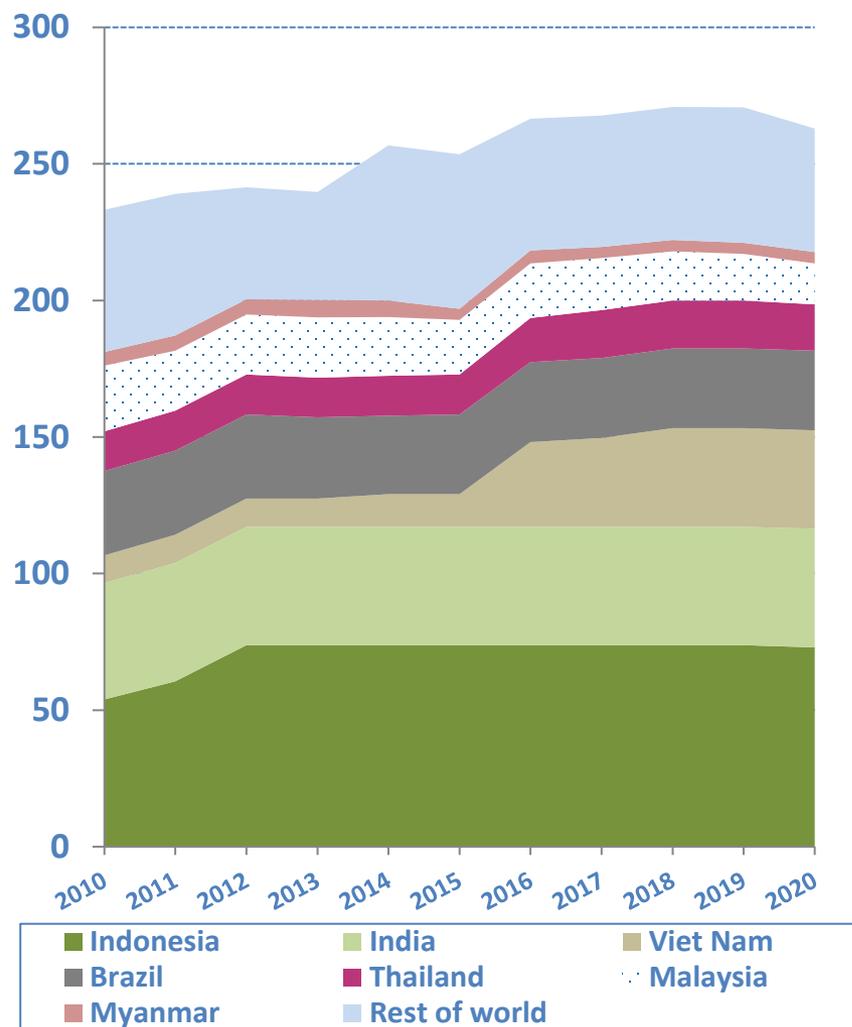


Production of tropical industrial roundwood (logs), 2010-2020, million m³

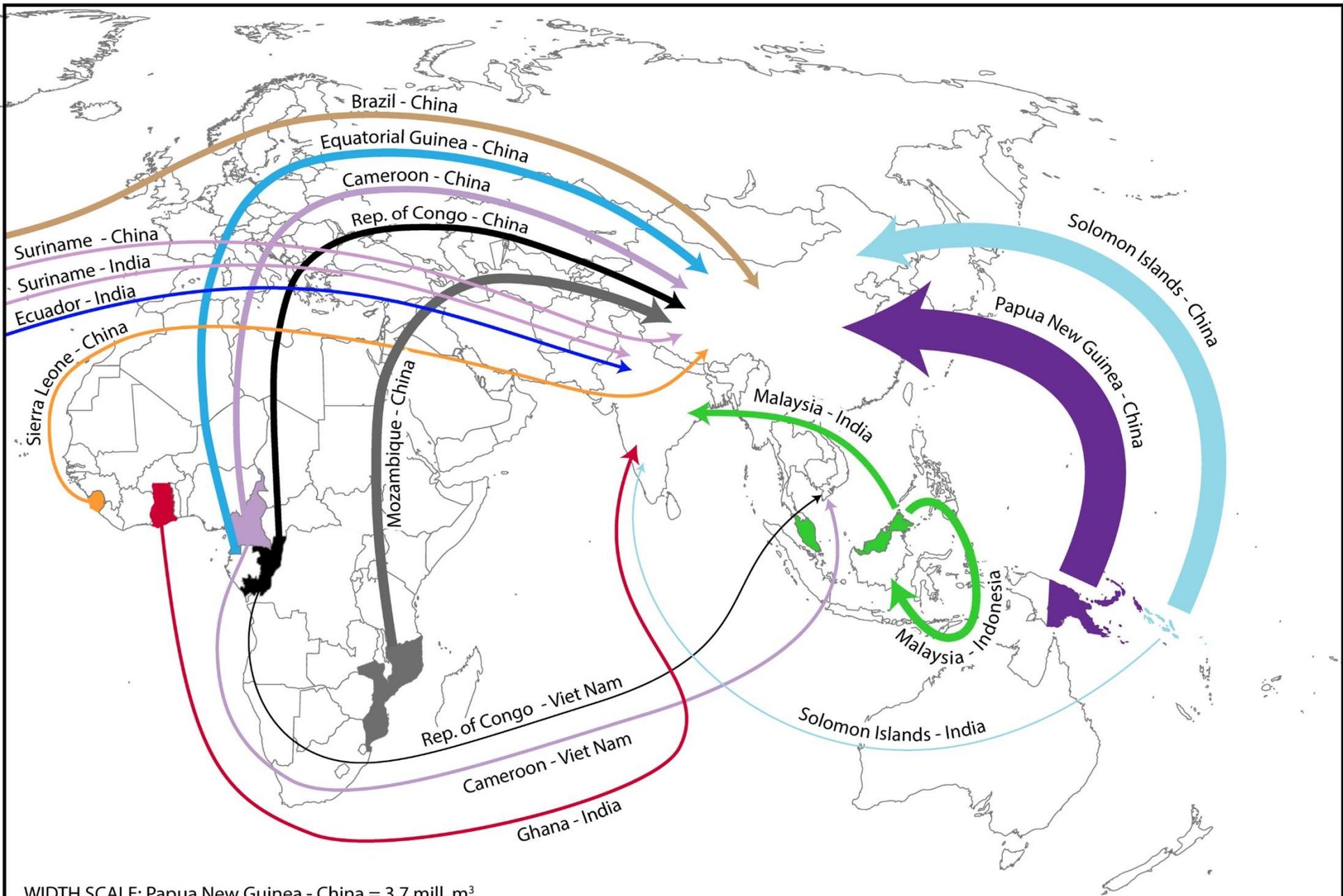
Tropical log production, by major ITTO producer region



Tropical log production by major ITTO producer country

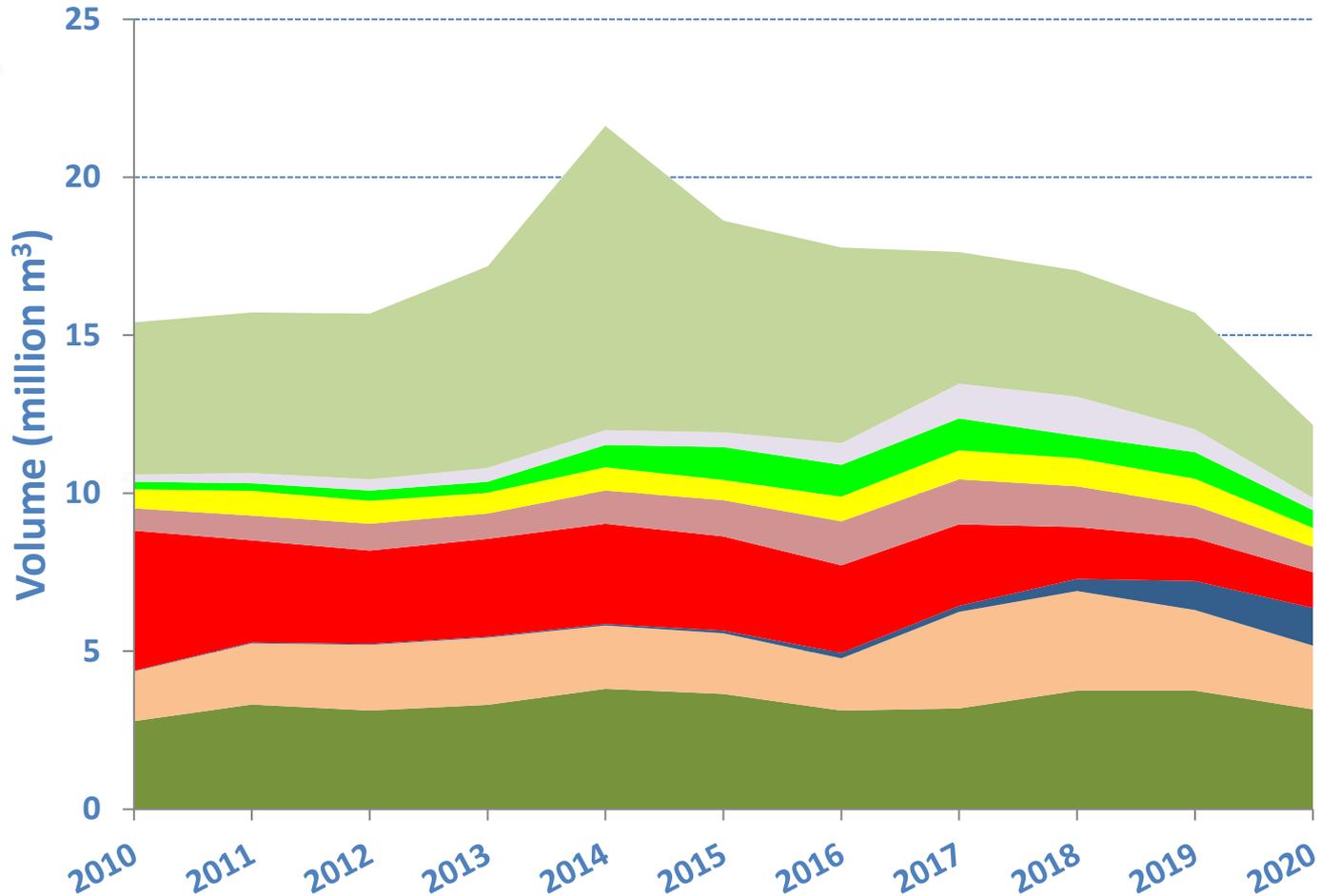


MAJOR TRADE FLOWS 2019: TROPICAL LOGS



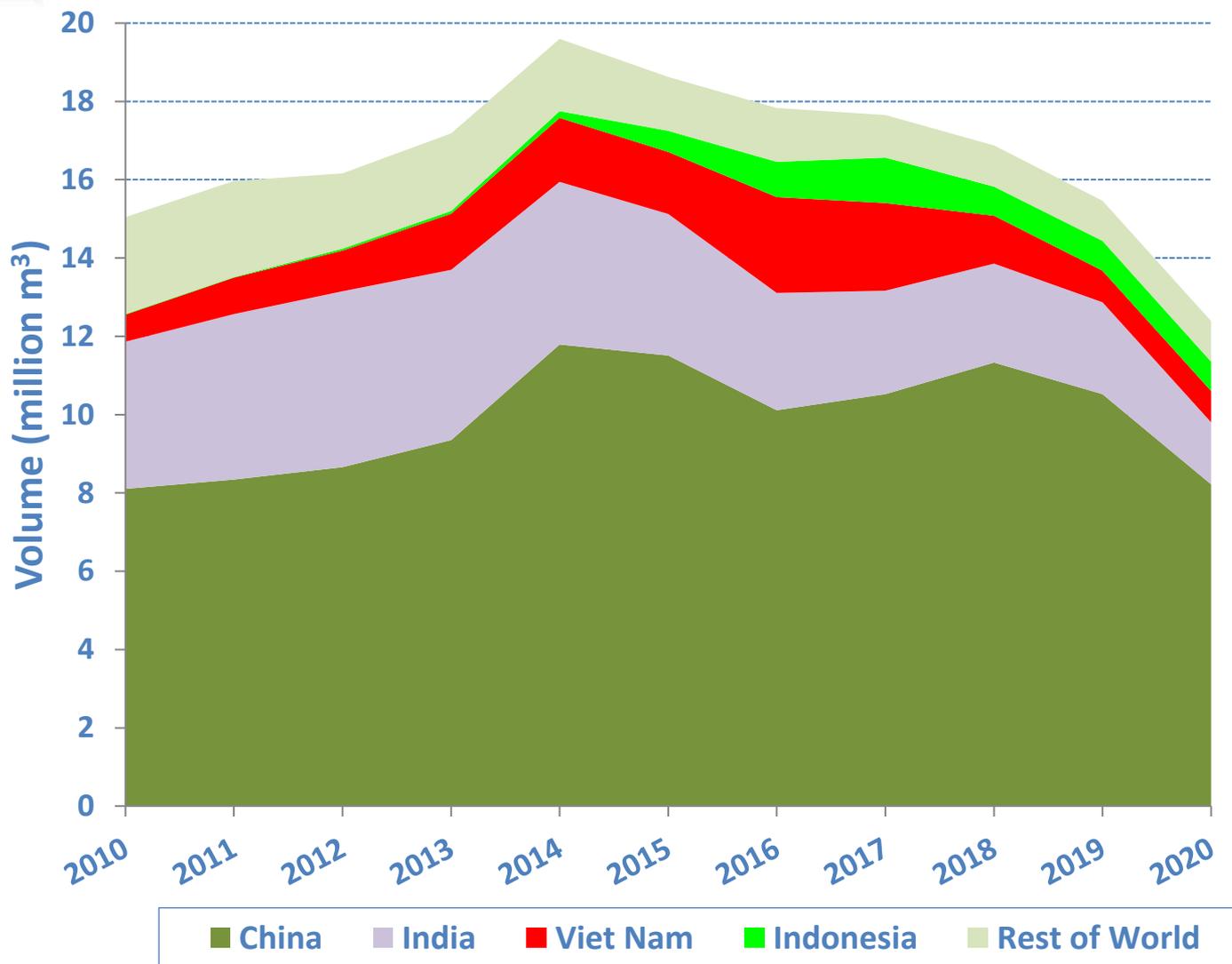


Major exporters of tropical logs, 2010-2020



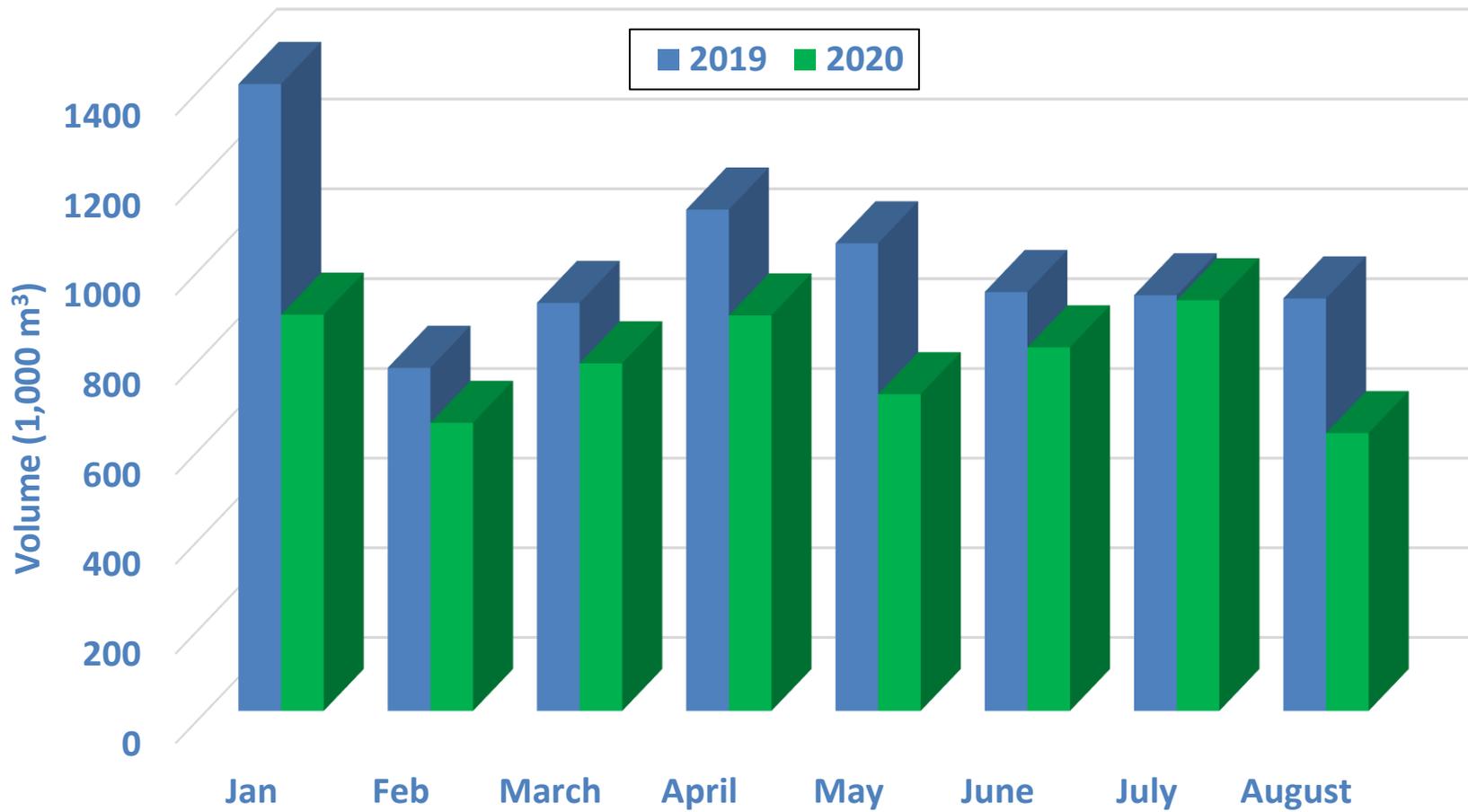


Major importers of tropical logs, 2010-2020



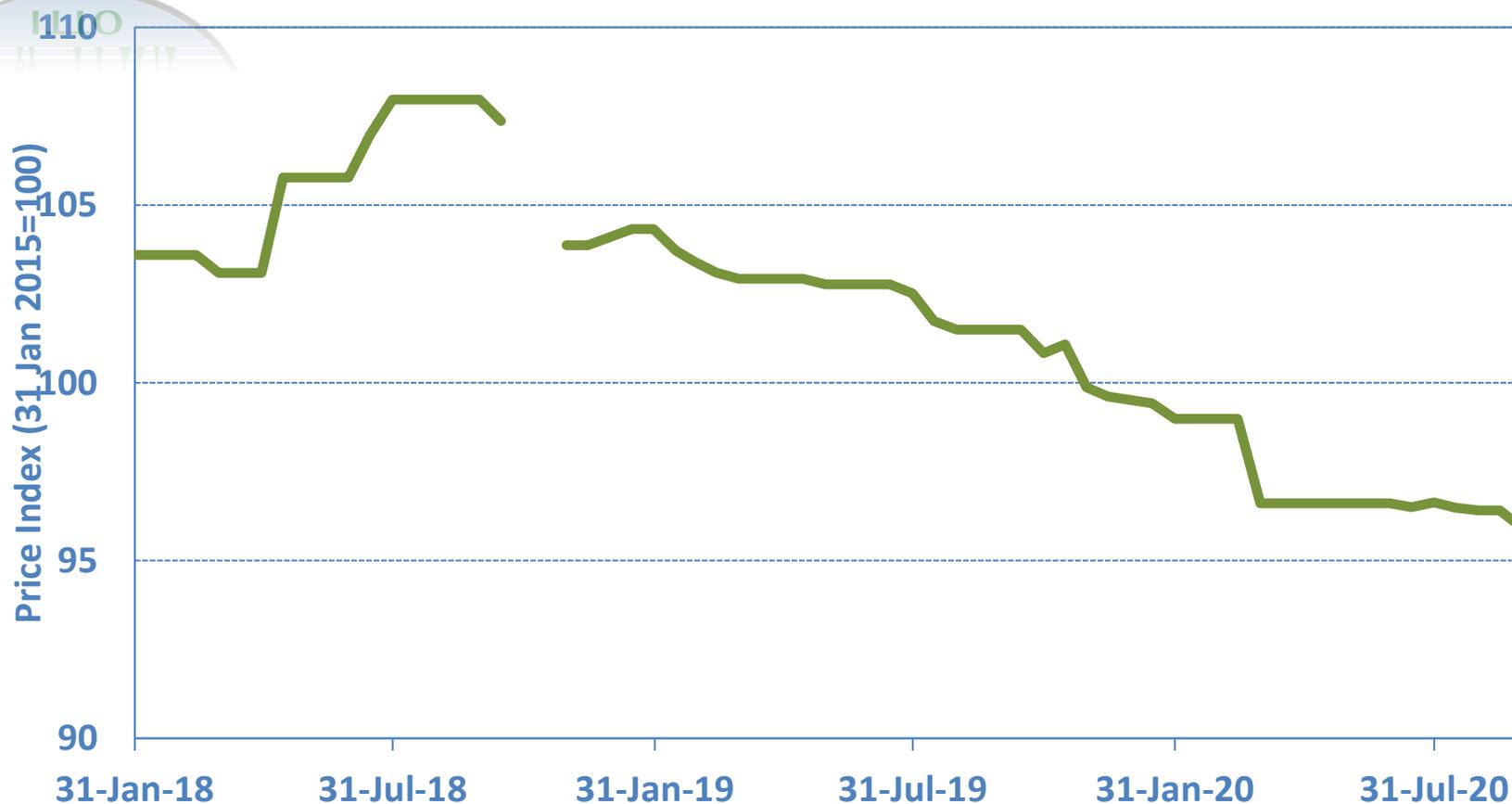


China: Imports of tropical logs, Jan-August 2019-2020





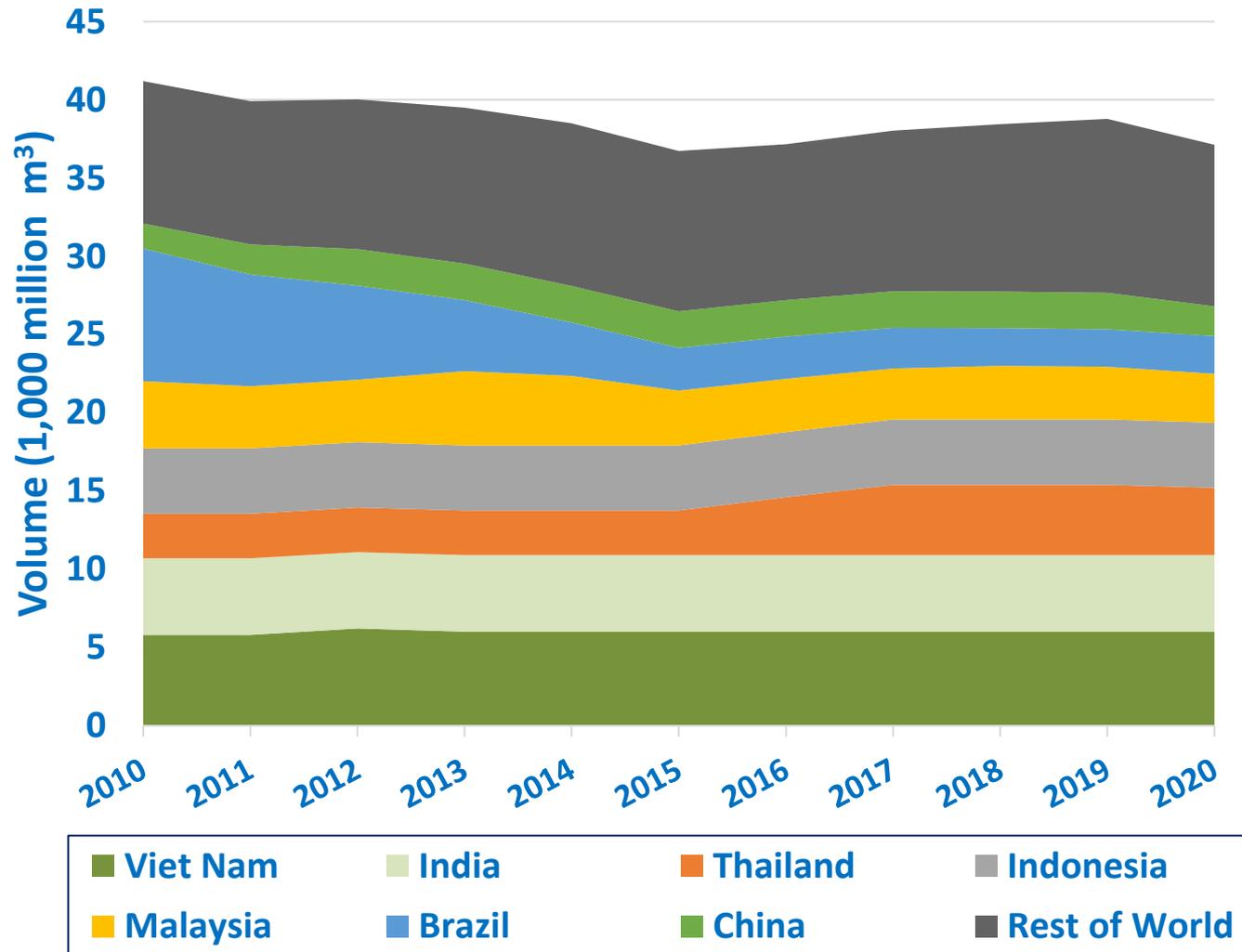
West Africa Log Export Price Index



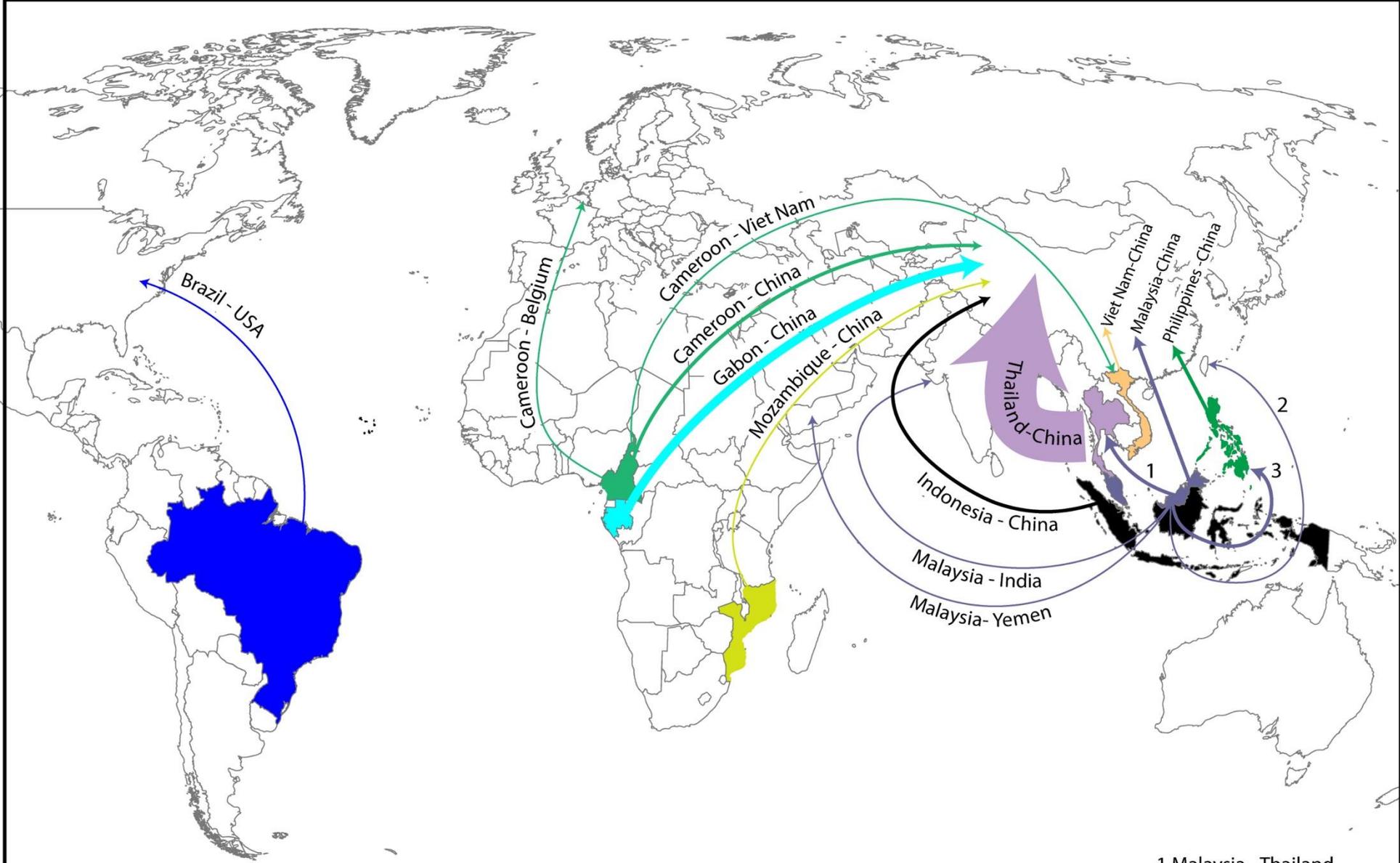
Note: This index is based on two-weekly nominal euro prices/m³ of selected West African species
Source: ITTO Tropical Timber Market Report, various issues.



Production of tropical sawnwood, by major ITTO producer country, 2010-2020



MAJOR TRADE FLOWS 2019: TROPICAL SAWNWOOD

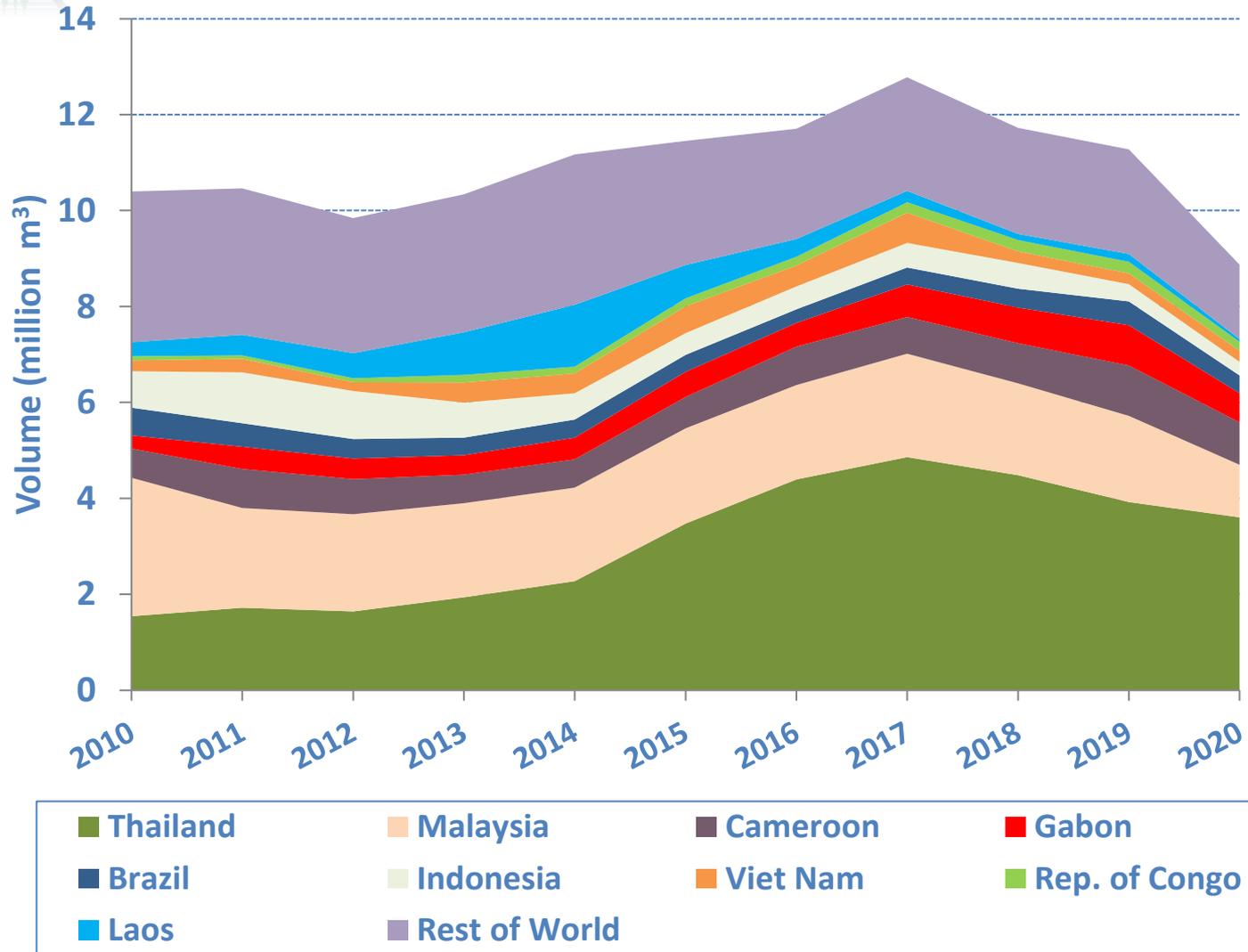


WIDTH SCALE: Thailand - China = 3.9 mill. m³

- 1 Malaysia - Thailand
- 2 Malaysia - Taiwan P.O.C.
- 3 Malaysia - Philippines

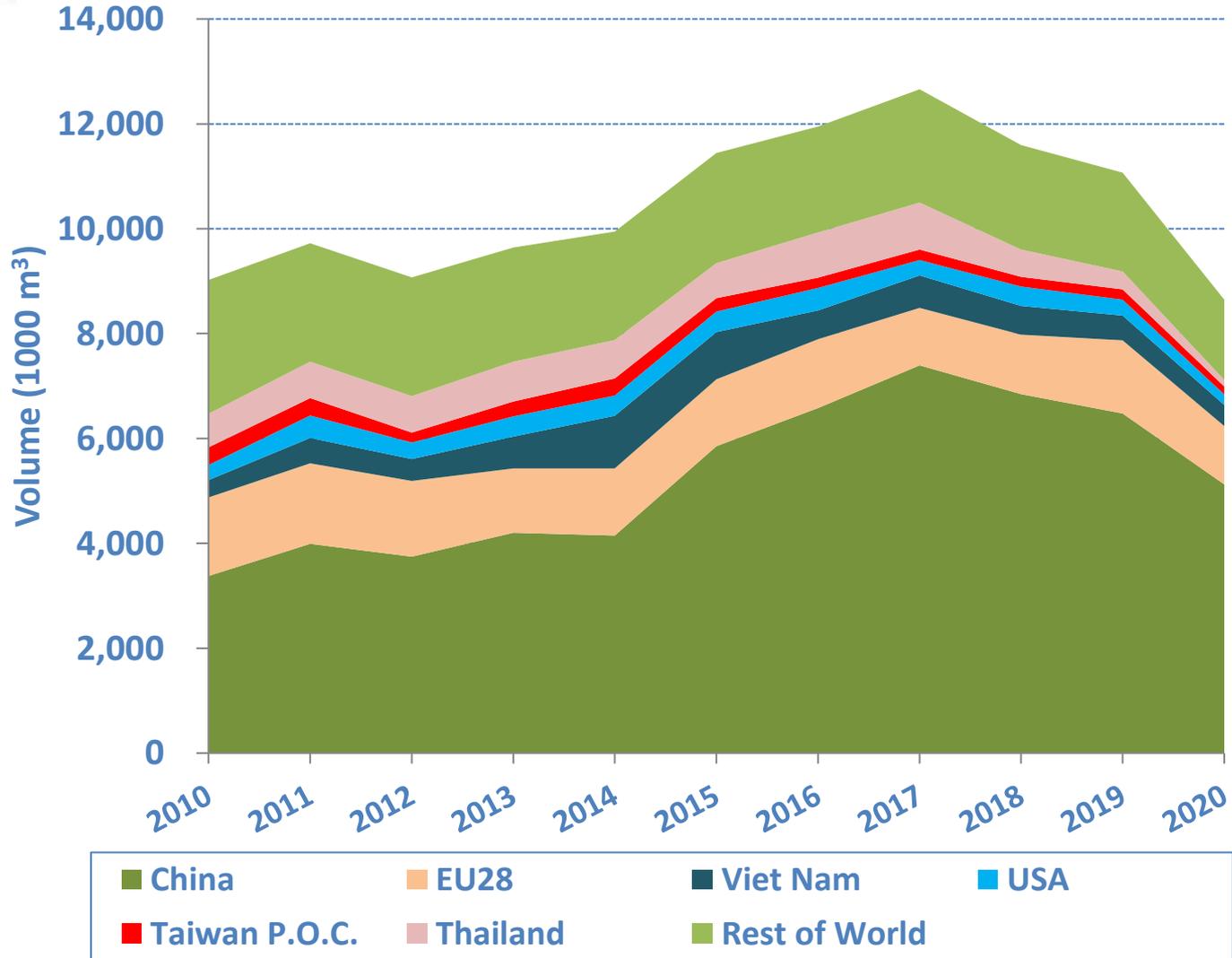


Tropical sawnwood exports, major tropical countries, 2010-2020



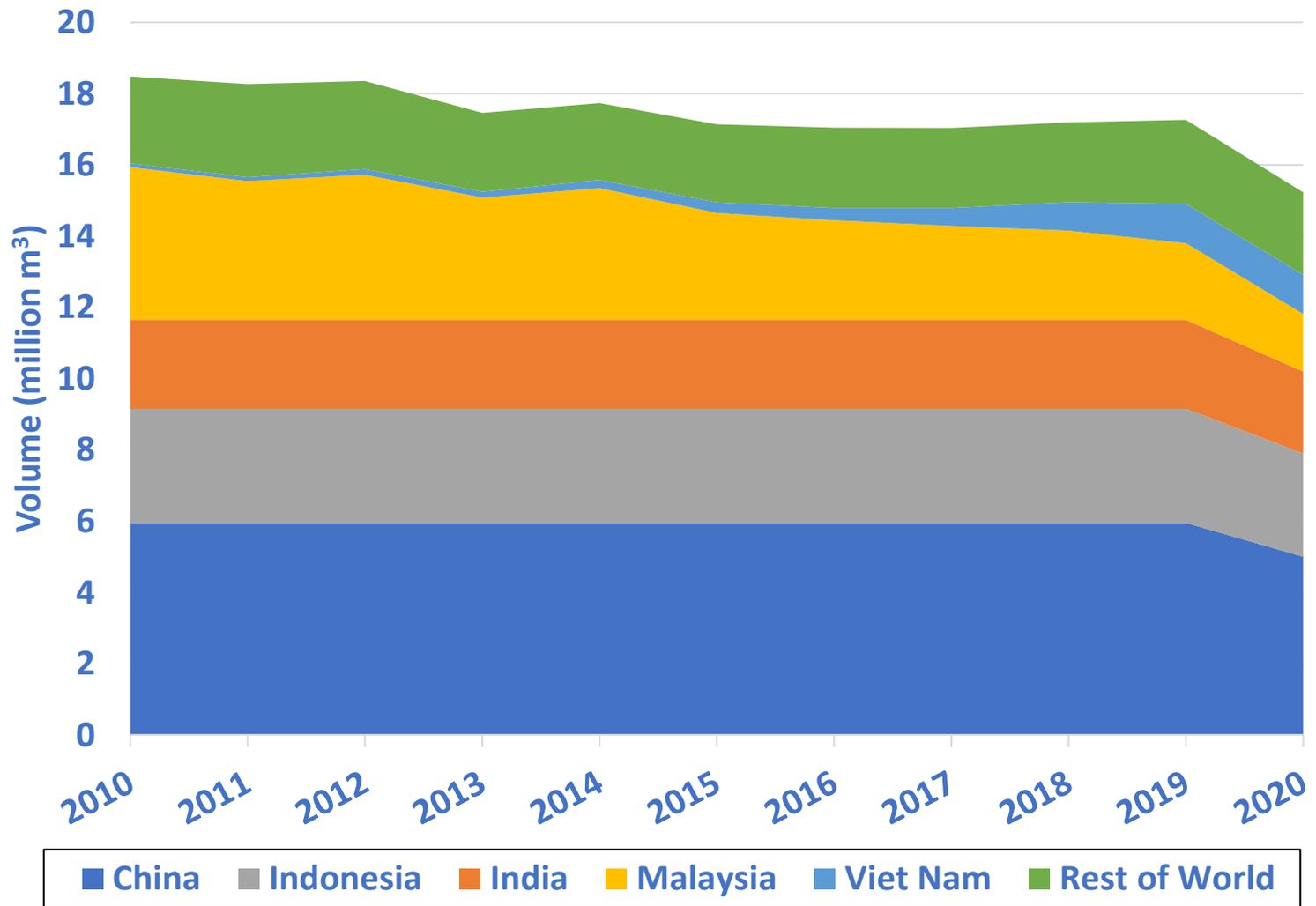


Tropical sawnwood imports, major ITTO countries 2010-2020

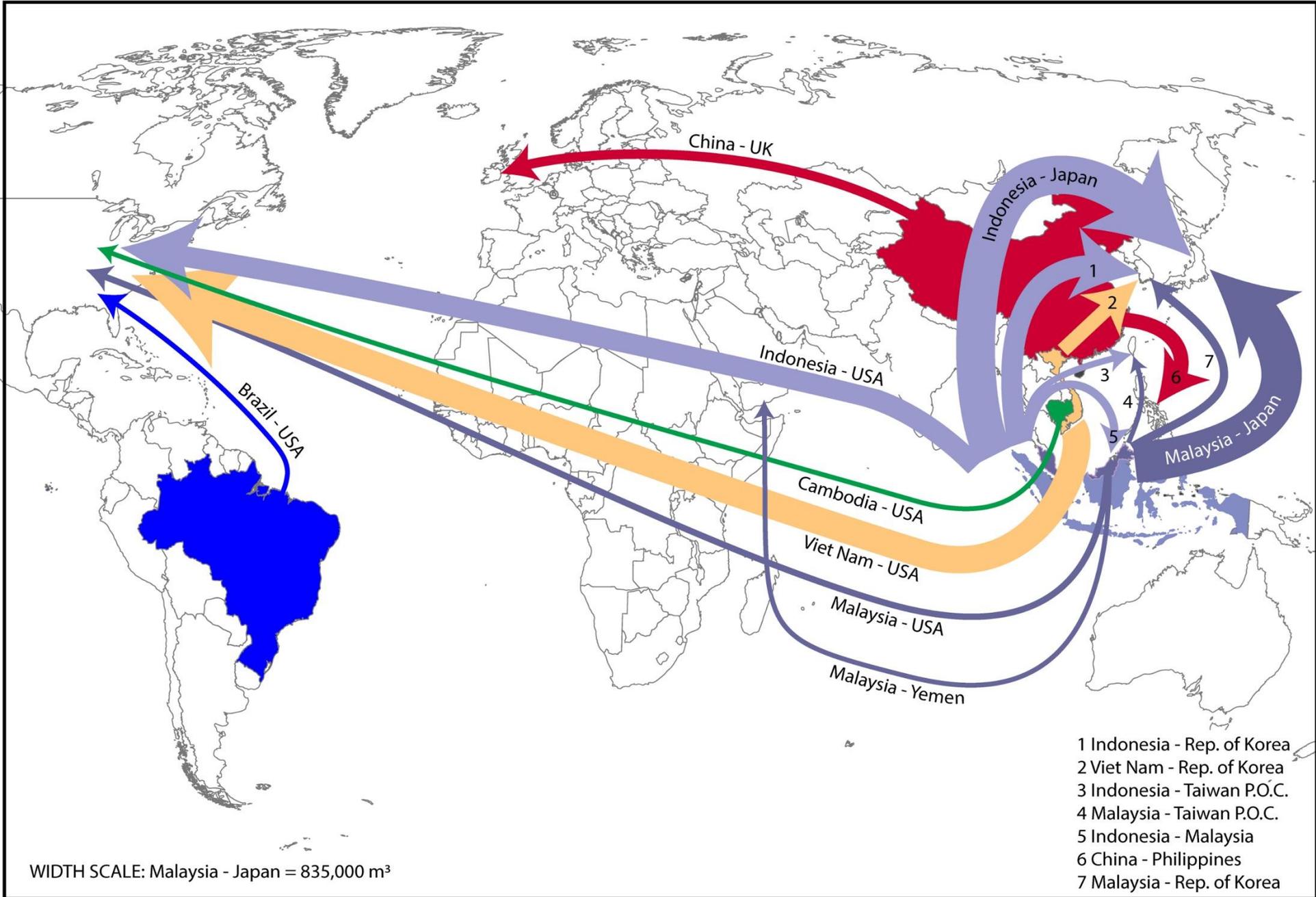




Production of tropical plywood, by major country, 2010-2020



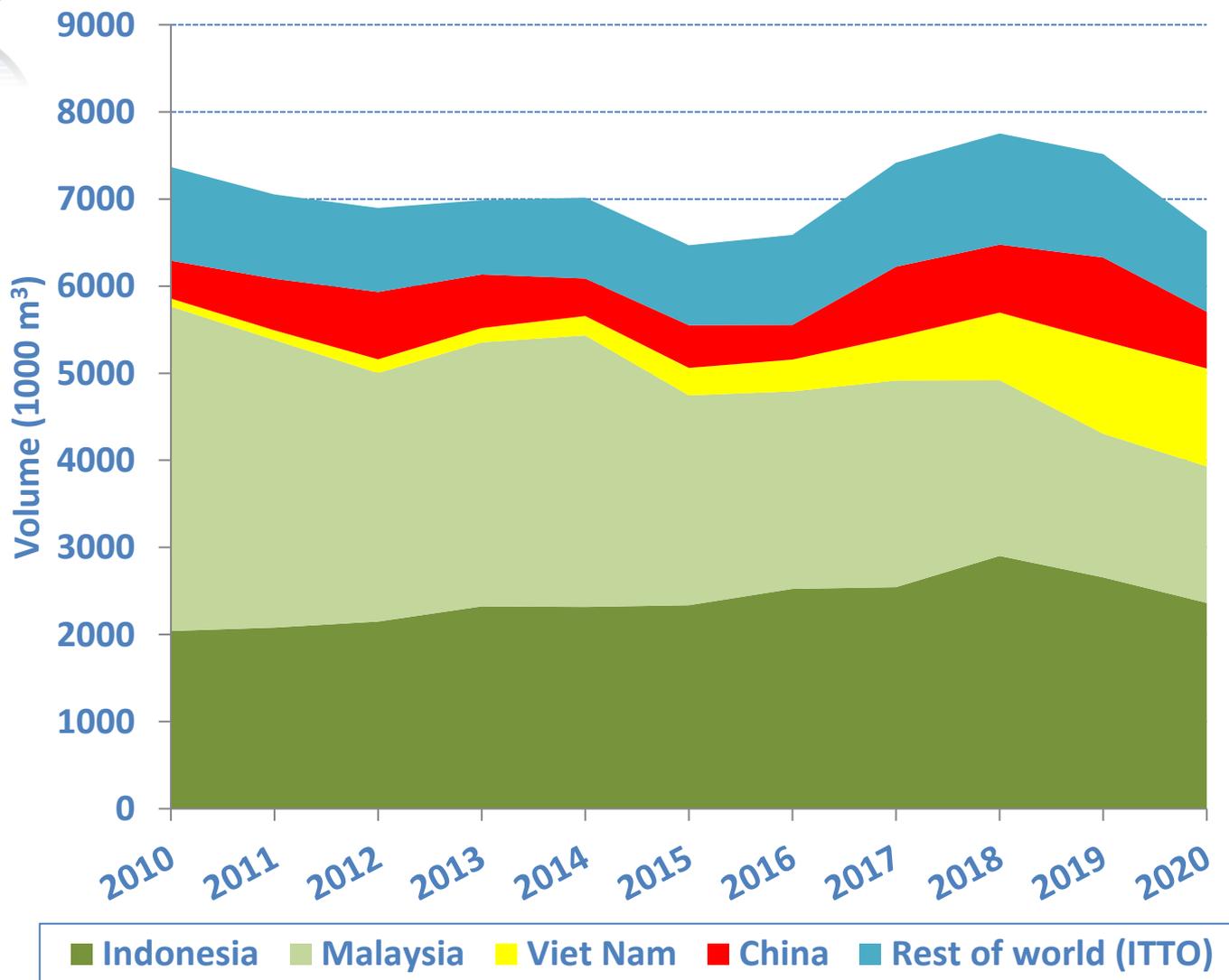
MAJOR TRADE FLOWS 2019: TROPICAL PLYWOOD



- 1 Indonesia - Rep. of Korea
- 2 Viet Nam - Rep. of Korea
- 3 Indonesia - Taiwan P.O.C.
- 4 Malaysia - Taiwan P.O.C.
- 5 Indonesia - Malaysia
- 6 China - Philippines
- 7 Malaysia - Rep. of Korea

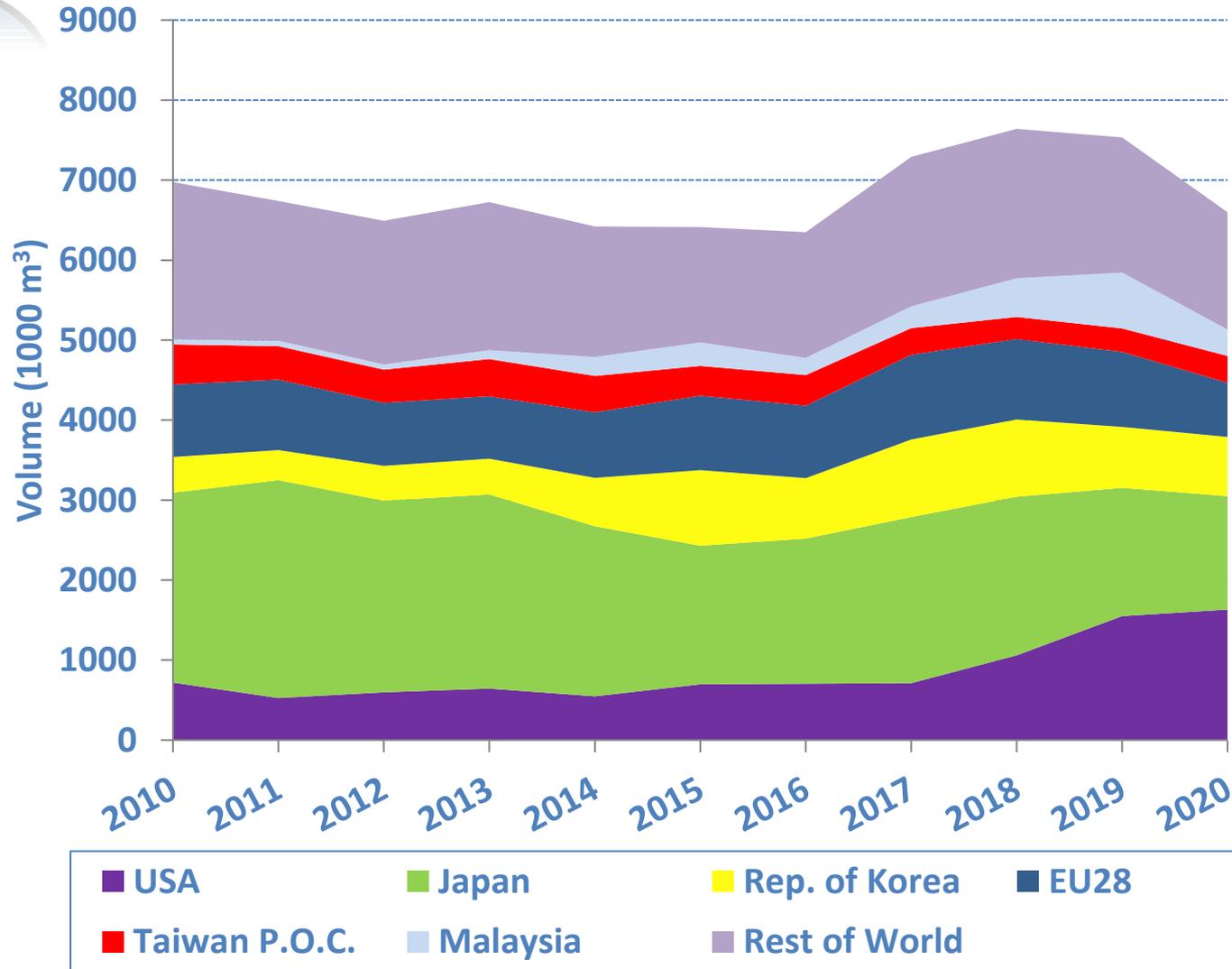


Major exporters of tropical plywood





Major importers of tropical plywood, 2010-2020





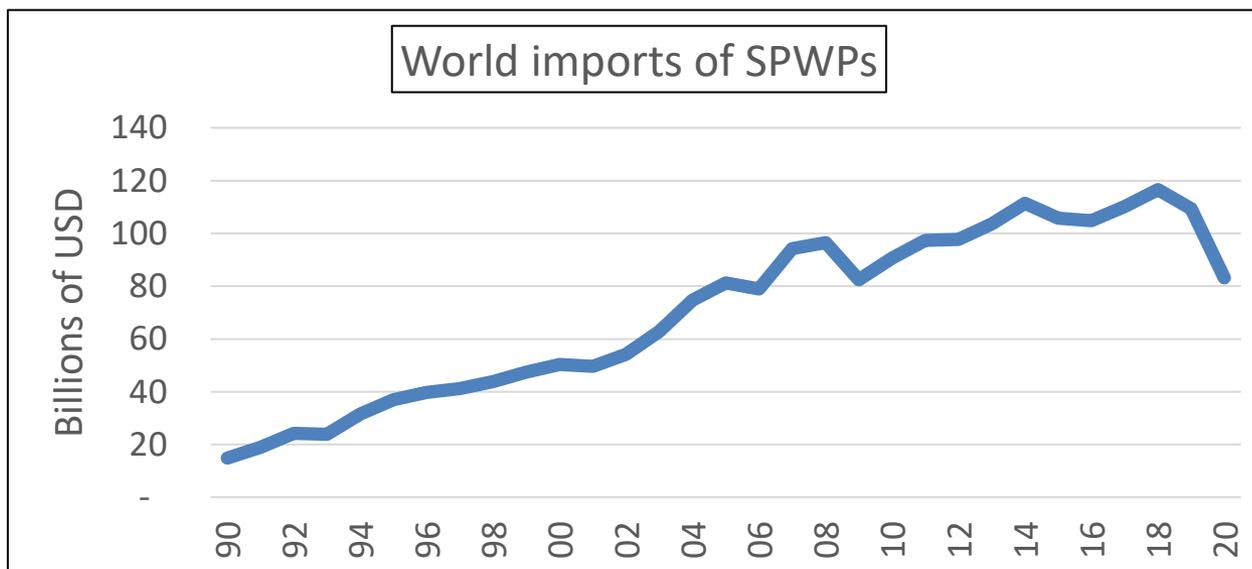
TRADE TRENDS: SECONDARY PROCESSED WOOD PRODUCTS





COVID-19 effects: Annual changes in value of world imports of SPWPs^e

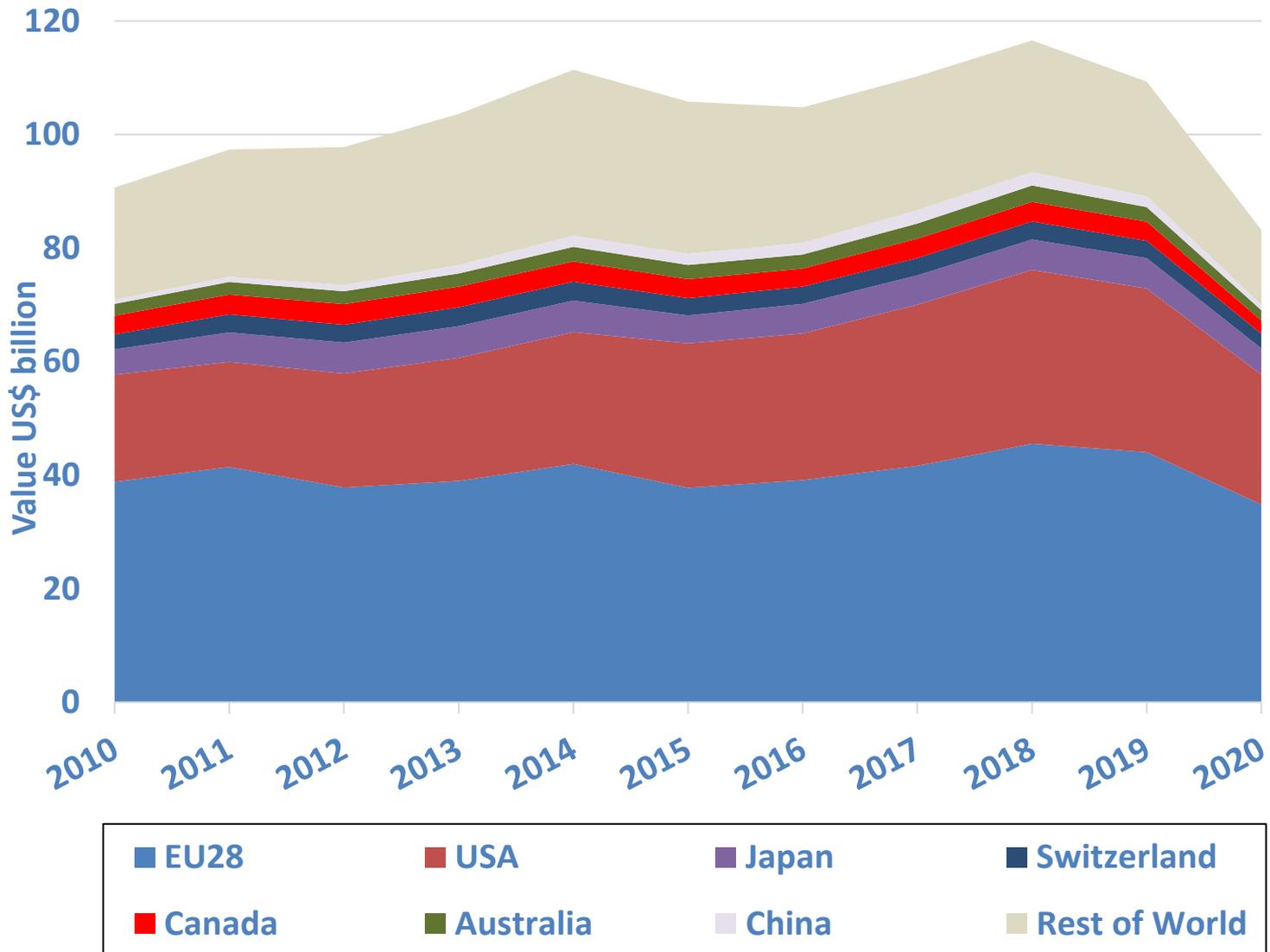
Year	Furniture	Builders' woodwork and joinery	Mouldings	Cane and bamboo	Other SPWPs
2017	4.7%	6.9%	9.1%	3.2%	5.3%
2018	5.2%	3.3%	4.1%	10.2%	9.8%
2019	-4.2%	-6.5%	-6.4%	-22.3%	-10.9%
2020	-22.4%	-25.3%	-27.9%	-31.2%	-26.7%



e = Annual estimate based on Jan-June 2020 data

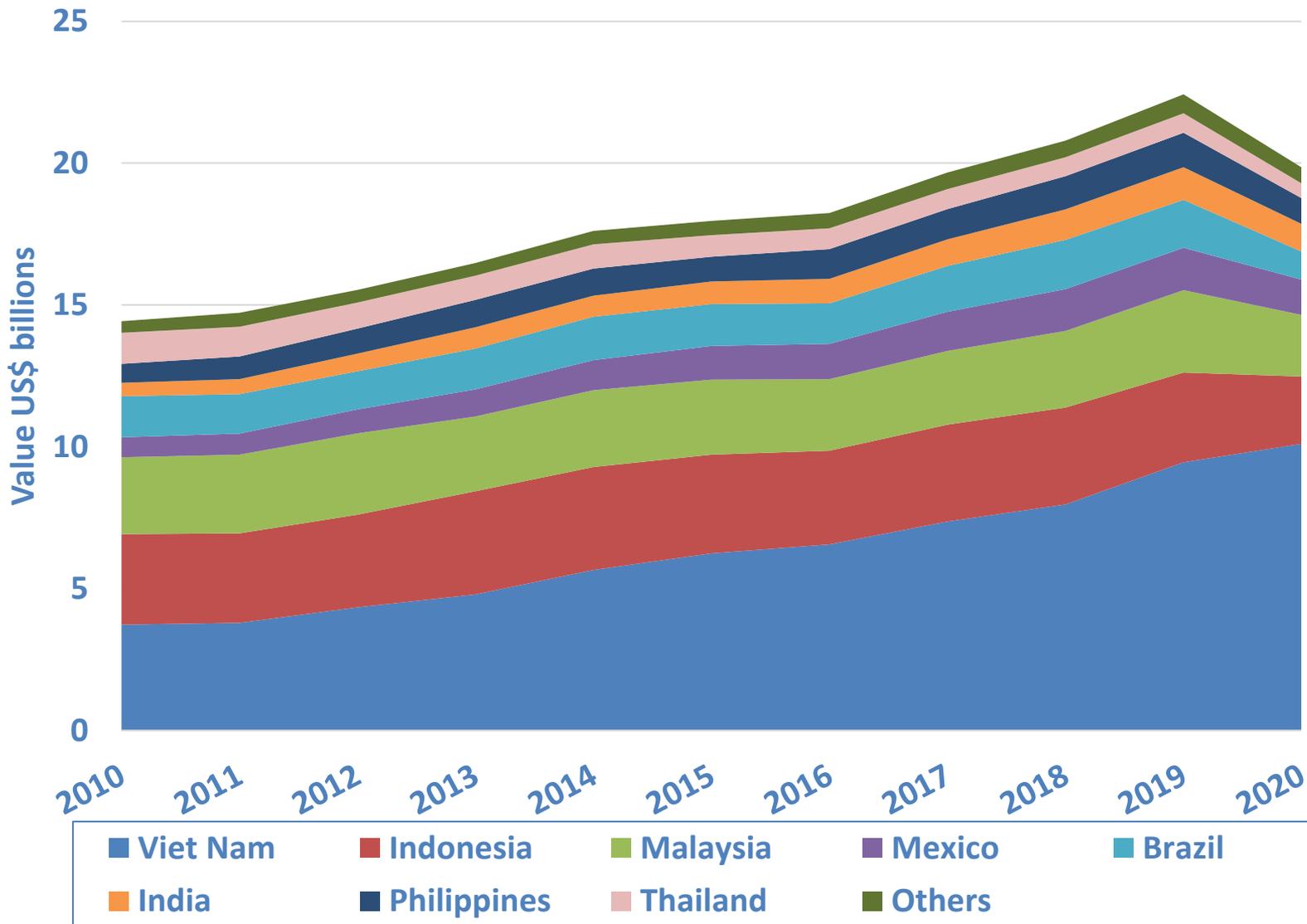


SPWP imports, by major ITTO importer, 2010-2020

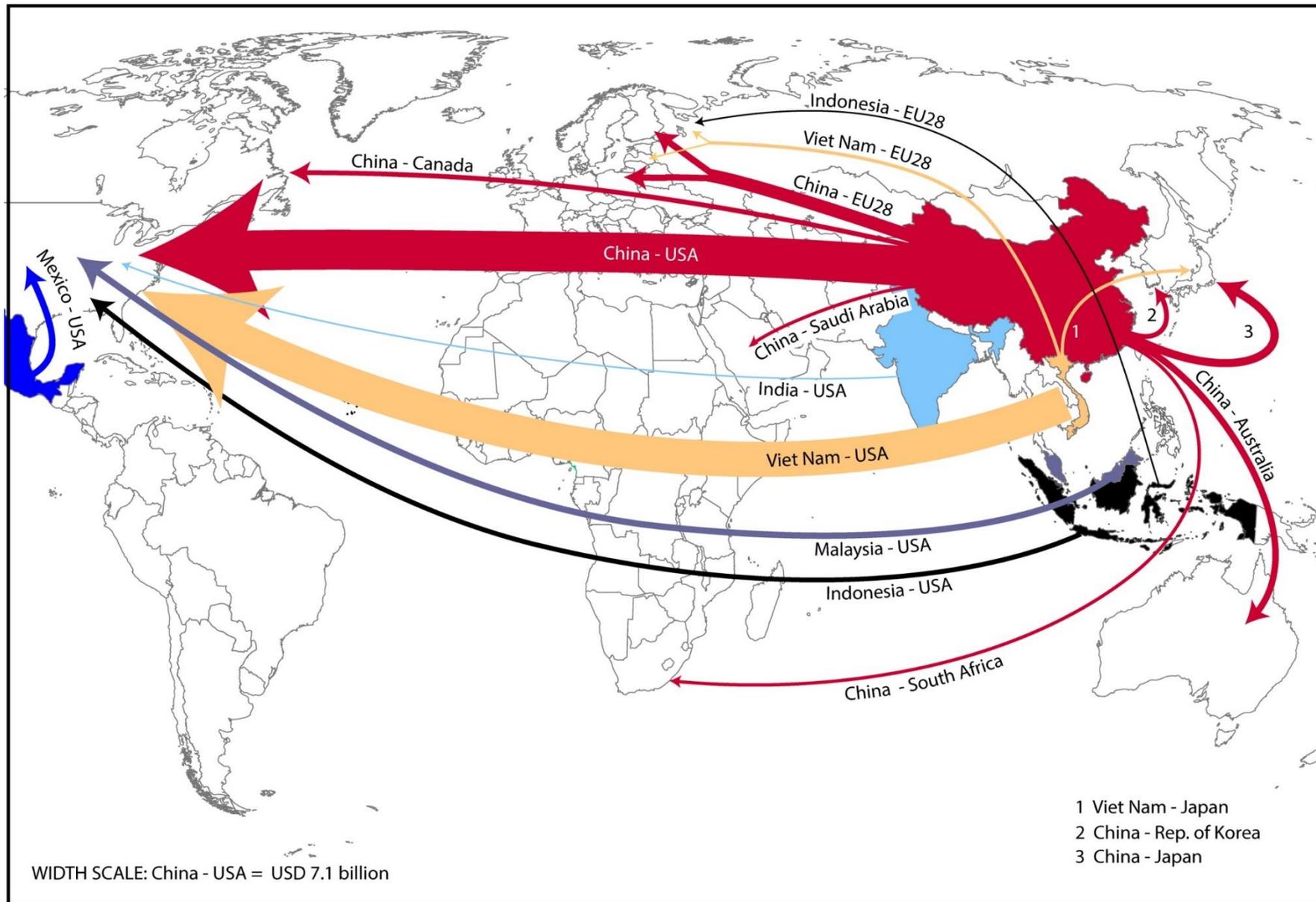




SPWP exports, by major ITTO producer, 2010-2020



MAJOR TRADE FLOWS 2019: WOODEN FURNITURE from China and ITTO Producers





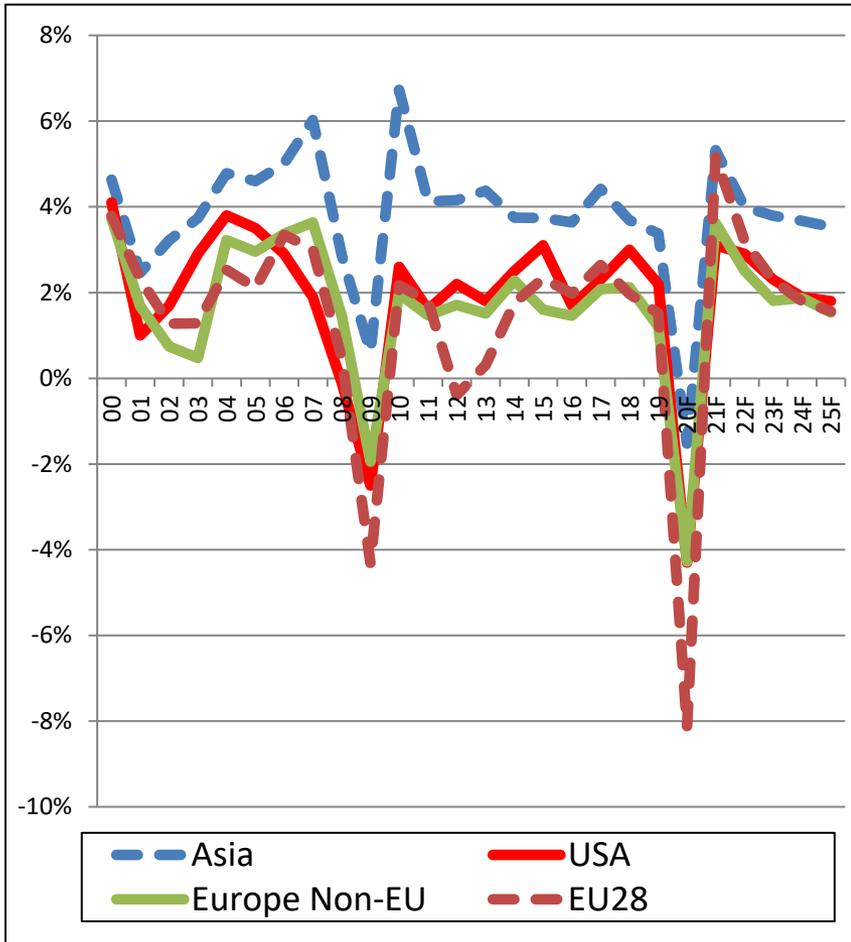
MARKET ISSUES



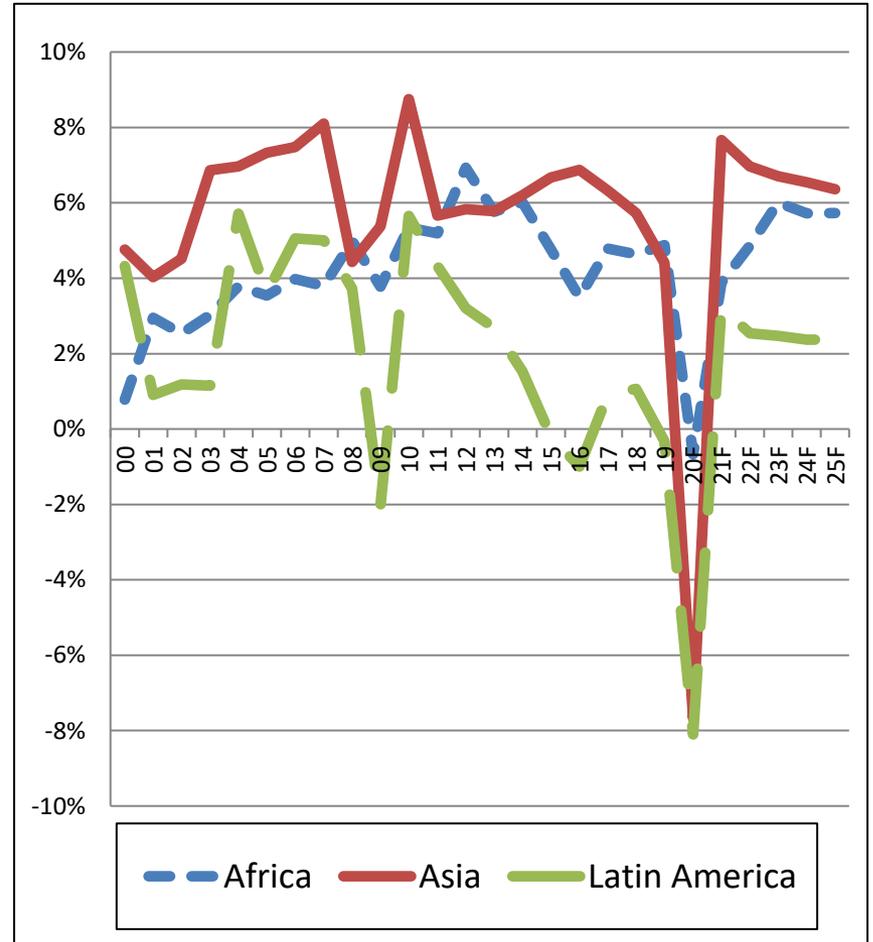


Real GDP growth, 2000-2025

ITTO Consumer Regions



ITTO Producer Regions



Source: IMF Outlook Database October 2020 (F=Forecast)



Other market issues

- Medium and long-term effects of COVID-19 on production, consumption and trade
- Global political and economic uncertainty
- Intensification of protectionist trade barriers; US-China trade dispute
- 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
- Effectiveness of log export restrictions: value-added investment
- Design trends and consumer preferences
- Energy prices
- Climate change; effectiveness of policies



ITTO study release

- ❑ ITTO Market Information Service (MIS) is monitoring and reporting in real time (every two weeks).
- ❑ The Biennial Review and Assessment of the World Timber Situation 2019-2020 will be released in July 2021. Production and trade data for 2020 will be updated.
- ❑ ITTO is currently undertaking an activity under the Legal and Sustainable Supply Chains (LSSC) program line to model COVID impacts on tropical timber trade (and prospects for recovery) as part of a larger study of incentives for sustainable forest management (SFM). The report should be available in early 2021.



ITTO Biennial Review and Assessment of the World Timber Situation 2019-2020

Available at www.itto.int



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