Tropical Timber Market Report

Volume 29 Number 11 1st – 15th June 2025

ITTO

The ITTO *Tropical Timber Market* (*TTM*) *Report*, an output of the ITTO Market Information Service (MIS), is published in English every two weeks with the aim of improving transparency in the international tropical timber market. Its contents do not necessarily reflect the views or policies of ITTO. News may be reprinted provided that the ITTO *TTM Report* is credited. A copy of the publication should be sent to ti@itto.int.

Contents

Top story

Tax credit for purchasing American hardwood products

US Senator, Cindy Hyde-Smith, of Mississippi introduced legislation5 June to allow consumers to claim a tax credit for purchasing solid American hardwood products for their homes.

The Solid American Hardwood Tax Credit Act would allow individual taxpayers to include American-manufactured solid hardwood products as qualified home energy efficiency improvements under the Energy Efficient Home Improvement Credit.

The credit would apply to products from deciduous trees grown and processed in the United States.

Page 27

Headlines

Central and West Africa

Rain season and stockpiling

After an extended dry spell rains have returned across Cameroon and northern Congo. Gabon remains unexpectedly wet despite the onset of the dry season. Upstream operators in all three countries had anticipated the weather shift and accumulated adequate logs and built up sawnwood inventories. These moves cushion the industry against transport slowdowns and allow production to continue despite the weather conditions. Across the region producers indicate markets remain subdued and have observed buyers are drawing down existing stocks rather than placing new orders.

Many Chinese-owned sawmills have either shut down entirely or cut back production to one-shift schedules. A few are now considering milling species outside of which the Chinese importers prefer but with little fresh contract activity inventories continue to mount.

Cameroon

Forestry and finance authorities maintain strict controls over harvesting permits, production volumes and export documentation. With rains now recurring transport on laterite roads is beginning to slow though ample pre-rain stocks have so far prevented major supply disruptions.

During periods of intense rain transportation sometimes stops entirely. Trucking firms are on alert for any road washouts and maintain contingency routes.

It is rumoured that several foreign owned sawmills have closed only to reopen with new corporate identities. Aside from this manoeuvring, spare-parts imports remain adequate and no major labour disputes have been reported.

The Port of Douala has seen shipment volumes dip reflecting lower log volumes arriving from northern Congo and the Central African Republic. Empty containers are readily available in both Douala and Kribi and stuffing operations are functioning normally. The balance of container traffic favours exports of sawnwood through Kribi.

Gabon - regulatory shifts and utilities strained

It is reported that aerial surveillance of logging concessions has intensified and operators face an additional “community payment” of 800 CFA per cubic metre on top of existing taxes. These levies, coupled with tepid global demand, are squeezing profit margins.

Electricity outages persist. The undersea cable repair is expected to take several more weeks and many wood processors have reverted to using generators.

The growing interest in overseas markets in Brazilian pine over Okoume is reportedly already depressing Okoume prices as mills and veneer producers turn to the cheaper, readily available pine.

Congo - Indigenous voices and quiet markets

Timber sector activity remains muted. Recently Brazzaville hosted a high-level forum on supporting indigenous forest communities focused on securing social services, land rights and fair revenue sharing.

Logging, milling, and exports are proceeding with minimal disruption supported by existing inventories and the onset of the local dry season in the south.Harvesting activity has slowed as demand remains quiet. Many are saying demand in China has collapse such that mills are compelled to diversify into European species even though log inventories of Sapelli, Sipo and other redwoods exceed two to three months’ processing capacity.

Log export prices

West African logs	FOB Euro per cu.m		
Asian market	LM	B	BC/C
Acajou/ Khaya/N”Gollon	220	220	175
Ayous/Obeche/Wawa	220	220	200
Azobe & ekki	250	250	175
Belli	220	220	-
Bibolo/Dibétou	200	200	-
Bilinga	250⬆	250⬆	-
Iroko	270	250	225
Okoume (60% CI, 40% CE, 20% CS) (China only)	180	180	220
Moabi	260	260	220
Movingui	180	180	-
Niove	160	160	-
Okan	210	210	-
Padouk	280	250	220
Sapele	230	230	220
Sipo/Utile	250	250	200
Tali	260	260	-

Sawnwood export prices

West African sawnwood	FOB Euro per cu.m
Ayous FAS GMS	440
Bilinga FAS GMS	680
Okoumé FAS GMS	420
Merchantable KD	400
Std/Btr GMS	420
Sipo FAS GMS	520
FAS fixed sizes	-
FAS scantlings	540
Padouk FAS GMS	850
FAS scantlings	900
Strips	400
Sapele FAS Spanish sizes	530
FAS scantlings	550
Iroko FAS GMS	850
Scantlings	900
Strips	400
Khaya FAS GMS	420
FAS fixed	440
Moabi FAS GMS	550
Scantlings	550
Movingui FAS GMS	460
Okoume Merch	380
Assamela FAS GMS	1,400
Gheombi	450

Ghana

Independent Natural Resource Commission proposed

A legal practitioner and senior partner of Bentsi-Enchill, Letsa & Ankomah, Ace Anan Ankomah, has called for the establishment of an Independent Natural Resources Commission to serve as a one-stop regulator for the natural resource sector.

According to Mr. Ankomah, a single consolidated body should replace the fragmented commissions in the natural resource sector to address gaps in regulation. He further explained that an Independent National Prosecutions Authority could eliminate executive influence over prosecutions, uphold the rule of law.

Mr. Ankomah made these suggestions when he presented a paper on "Overhaul of national institutions regulating mining: role of local institutions including chiefs." at the Ghana Academy of Arts and Sciences (GAAS) Public Forum 2025 on the theme: "Galamsey Revisited: A National Dialogue on Solutions".

The lawyer explained that the proposed Independent Natural Resources Commission, which must be constitutionally insulated from executive control, would help to eliminate confusion and regulatory overlap and improve coordination and sustainability.

The Commission would accept only broad policy direction from the government not operational interference. That would take away licensing powers from ministers, leaving them with general policy-making roles only.

In a related development, the Asantehene, Otumfuo Osei Tutu II, has called on the mining sector to adopt a new approach that prioritises sustainable development and equitable distribution of resources. Otumfuo emphasised the need for the industry to move in a direction that maximises benefits while minimising negative impacts.

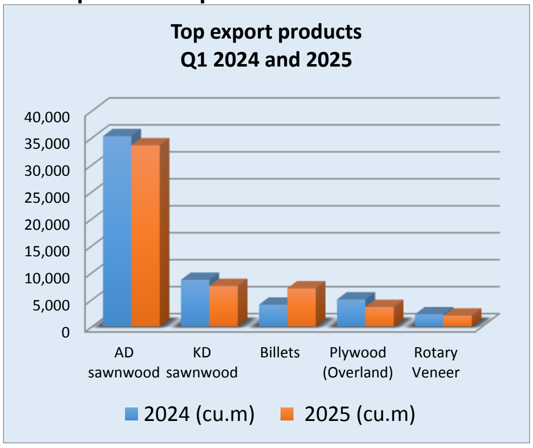
See: https://www.graphic.com.gh/news/general-news/ghana-news-ace-ankomah-advocates-establishment-of-independent-natural-resources-commission.html
and
https://www.myjoyonline.com/asantehene-urges-mining-sector-to-chart-new-path-towards-sustainable-development/
and
https://presidency.gov.gh/govt-implementing-new-measures-to-combat-illegal-mining-including-excavator-import-permits/

Five wood products account for most first quarter exports

According to the Timber Industry Development (TIDD) report seventeen different wood products were exported during the first three-months of 2025. These together contributed to the total volume of 57,844cu.m valued at Eur27.50 million, registering decreases in volume and value of 10% and 6% respectively compared to the same period in 2024.

Of these, the five leading products were air-dried sawnwood (58%), kiln-dried sawnwood (13%), billet (12%), plywood to the regional market (6%) and rotary veneer (3%) contributing to 93% (53,774cu.m) of the total export volume for the period in 2025. For the same period in the previous year, these products contributed 55,225cu.m representing 86% of the total export volume.

Wood product exports



Data source: TIDD

Billet export volumes during the first quarter of 2025 improved by 75% to 7,062 cu.m (Eur2.18million), from 4,038 cu.m (Eur1.21million) in 2024. While the remaining four wood products recorded declines in export volumes.

In the first quarter 2025 wood products were exported to Ghana's major markets namely Asia, Europe, Africa, America and Middle East countries accounting for 69%, 14%, 9%, 5% and 3% respectively of the total volume for 2025.

The total receipts of wood products for these major market destinations dipped to Eur27.50 million in 2025 from the figure of Eur29.33 million in 2024. Table 2 below shows the revenue generated by these markets for 2024 and 2025:

Export Markets

Data source: TIDD

Asian markets accounted for 58% (Eur15.91 million) of the total revenue in 2025 compared to 54% (Eur15.73 million) in 2024 for the same period. The Europe market accounted for 20% in 2025 and 20% in 2024.

However, receipts from wood product exports to America, Africa and Middle East countries in the first quarter 2025 fell compared to the same period in 2024.

The regional African markets, at Eur2.22 million, were in 4th position in terms of revenue earned in the first quarter 2025. Wood products exported to African markets included plywood, KD and AD sawnwood, rotary veneer, sliced veneer and poles.

Traders' association call for duty cuts following appreciation of the Cedi

The Executive Secretary of the Importers and Exporters Association, Samson Asaki Awingobit, has called on the government to accelerate efforts to reduce port duties, warning that the current charges are pushing up the cost of goods across the country despite the cedi appreciation.

Mr. Awingobit said the government must speed up the process of engaging importers, exporters, Traders' Associations, among others, to help reduce product prices in the market. He further explained that high port charges add to the overall cost burden on goods which affects retail prices and consumer spending.

According to Awingobit, government's intervention to reduce the high port tariffs would help stabilise prices and improve affordability. Players in the timber manufacturing industry import machinery and spares which attract charges at the port for their operations.

Speaking at a meeting with the Federation of Association of Ghanaian Exporters (FAGE) the President acknowledged the recent currency appreciation but cautioned against an excessively strong cedi which could harm export competitiveness.

Following the appreciation of the local currency which is around 30% since the beginning of the year there have been mixed responses from the various sectors of traders to adjust their prices.

See: https://www.graphic.com.gh/business/business-news/importers-exporters-call-for-urgent-tarrif-cuts.html
and
https://www.graphic.com.gh/news/general-news/ghana-news-cedi-to-stabilise-around-ghc10-ghc12-band-against-dollar-president-assures-exporters.html

No change in mid-June FOB prices

Boule export prices

	Euro per cu.m FOB
Black Ofram	330
Black Ofram Kiln dry	420
Niangon	650
Niangon Kiln dry	910

Rotary veneer export prices

Rotary Veneer, FOB	Euro per cu.m	
	CORE (1-1.9 mm)	FACE (>2mm)
Ceiba	370	410
Chenchen	472	612
Ogea	384	590
Essa	603	656
Ofram	350	435

Export sawnwood prices

Ghana sawnwood, FOB	Euro per cu.m	
FAS 25-100mmx150mm up x 2.4m up	Air-dried	Kiln-dried
Afrormosia	860	925
Asanfina	465	947
Ceiba	290	295
Dahoma	519	798
Edinam (mixed redwood)	640	740
Emeri	690	745
African mahogany (Ivorensis)	783	956
Makore	692	800
Niangon	813	852
Odum	930	1.151
Sapele	695	765
Wawa 1C & Select	485	583

Plywood export prices

Plywood, FOB	Euro per cu.m		
BB/CC	Ceiba	Ofram	Asanfina
4mm	620	580	641
6mm	450	535	604
9mm	409	504	560
12mm	396	489	480
15mm	460	356	430
18mm		415	383

Grade AB/BB would attract a premium of 10%, B/BB 5%, C/CC 5% and CC/CC 10%.

Sliced veneer export prices

Sliced face veneer	FOB Euro per cu.m
Asanfina	1,552
Avodire	2,688
Chenchen	795
Mahogany	2,000
Makore	2,964
Odum	3,453
Sapele	1,413

Malaysia

Review of the timber certification scheme standards

The Malaysian Timber Certification Council (MTCC) is conducting a scheduled review of the two standards under the Malaysian Timber Certification Scheme (MTCS). This review aims to ensure continued relevance, alignment with international requirements and incorporation of national and stakeholder interests.

The review of the Malaysian Timber Certification Scheme (MTCS) standards, particularly MTCS ST 1002:2021 Malaysian Criteria and Indicators for Sustainable Forest Management and MTCS ST 1003:202 Group Forest Management Certification Requirements, is a crucial process to ensure their continued relevance, credibility and alignment with international best practices in sustainable forest management and certification.

This review is mandated by MTCS ST 1001:2021 Standard Setting Procedures for Forest Management Certification Standards, which requires a periodic revision of all standards under the scheme at least every five years or sooner if necessary. It also reflects the need to address evolving environmental, social and economic challenges, as well as stakeholder expectations at both national and international levels.

Furthermore, alignment with the Programme for the Endorsement of Forest Certification (PEFC) requirements, particularly PEFC ST 1001:2017 Standard Setting Requirements and PEFC GD 1007 Endorsement and Mutual Recognition of Certification Systems and their Revision, is essential to maintain MTCS's endorsement status and ensure compatibility with the latest PEFC benchmark standards.

The MTC website says, "through this review the MTCC aims to enhance the effectiveness, clarity, and implementability of its standards while strengthening stakeholder confidence and international recognition. In line with that, MTCC is soliciting feedback on the existing standards, particularly MTCS ST 1002:2021 and MTCS ST 1003:2021".

See: https://mtcc.com.my/mtcs-standard-review-initial-feedback-on-existing-standards/

Timber Legality System strengthening workshop

Ensuring effective compliance with regulations is paramount in establishing a sustainable timber business and fostering credibility with government agencies. Therefore, government agencies such as Malaysian Timber Industry Board (MTIB) are entrusted with the responsibility of developing and implementing stringent regulations that optimise outcomes by maximising compliance levels.

In light of this the Licensing and Inspectorate Division is engaged in the drafting of the Malaysian Timber Industry Board Regulations (Issuance of Timber Export and Import Permits), designed to enforce MTIB's role as a regulatory authority in the timber sector.

To ensure that the new regulations are pertinent to the current permit issuance procedure MTIB recently held the first of the MTIB Timber Legality System Strengthening Workshop Series.

See: https://www.mtib.gov.my/en/maskayu/category/46-emaskayu-2025.html

Diversify markets or relocate production – options being discussed

The New Straits Times has reportedthat as US import tariffs rise Malaysian furniture makers may look beyond the United States market and may even consider shifting operations to countries with more favourable trade terms.

The newspaper continues "while the US remains Malaysia's largest furniture export destination, accounting for RM7.03 billion in sales last year, the sharp cost hike may prompt buyers to shift to alternative sourcing countries".

The Federation of Malaysian Manufacturers (FMM) noted that the additional tariff burden could erode Malaysia's pricing edge and reshape buyer sentiment.

FMM president, Tan Sri Soh Thian Lai, said " (US) customers sourcing from Malaysia may begin redirecting orders to countries not affected by similar duties, particularly those with preferential access to the US or with lower operating costs".

See:
https://www.nst.com.my/business/economy/2025/04/1207089/furniture-makers-may-carve-out-new-markets

Indonesia

Export Benchmark Price (HPE) April 2025

The following is a list of Wood HPE from 1 June to 30 June 2025.

Veneers (prices per cu.m)

Natural forest veneer	US$644
Plantation forest veneer	US$635
Wooden sheet for packaging Box	US$960

Wood chips (prices per tonne)

Woodchips chips or particles	US$97
Woodchips	US$95

Processed wood (prices per cu.m)

Processed wood products which are leveled on all four sides so that the surface becomes even and smooth with the provisions of a cross-sectional area of 1,000 sq.mm to 4,000 sq.mm (ex 4407.11.00 to ex 4407.99.90)

Meranti (Shorea sp)	US$1,518
Merbau (Intsia sp)	US$928
Rimba Campuran	US$794
Ebony	US$2,277
Teak	US$2,506
Pine and Gmelina	US$802
Acacia	US$735
Sengon (P. falcataria)	US$920
Rubberwood	US$397
Balsa, Eucalyptus	US$1,100
Sungkai (P.canescens)	US$1,298

Processed wood products which are leveled on all four sides so that the surface becomes even and smooth of Merbau wood with the provisions of a cross-sectional area of 4000 sq. mm to 10,000 sq.mm (ex 4407.11.00 to ex 4407.99.90) = US$1,500/cu.m.

See: https://jdih.kemendag.go.id/peraturan/keputusan-menteri-perdagangan-republik-indonesia-nomor-1483-tahun-2025-tentang-harga-patokan-ekspor-dan-harga-referensi-atas-produk-pertanian-dan-kehutanan-yang-dikenakan-bea-keluar

SVLK relaxation could weaken Indonesia's reputation, say experts

A proposed relaxation of the Timber Legality Verification System (SVLK) has sparked concerns among environmental groups and forestry experts who fear it could damage the country's reputation in international markets.

Senior Campaigner Deny Bahtera of Kaeom Telapak warns that easing SVLK requirements, especially for exports outside Europe and the UK, could allow illegal timber to mix with legal products undermining years of efforts to ensure sustainable forest management.

Forestry expert, Diah Suradireja, emphasised that the SVLK is crucial for Indonesia to comply with the EU's Deforestation-free Products Regulation (EUDR) and maintain market trust. Relaxing the system could lead to a loss of market share for Indonesian wood products. Both experts advocate for strengthening SVLK rather than weakening it, urging the government to resolve the controversy to protect Indonesia's credibility in forestry.

See:
https://lestari.kompas.com/read/2025/05/28/200700086/relaksasi-svlk-dinilai-lemahkan-reputasi-kayu-indonesia.
and
https://www.msn.com/id-id/berita/teknologidansains/pelemahan-svlk-kehutanan-berlanjut-daya-saing-produk-kayu-indonesia-dipertaruhkan/ar-AA1FGvlF?ocid=BingNewsVerp
and
https://www.tempo.co/lingkungan/aktivis-desak-pemerintah-batalkan-pelemahan-aturan-verifikasi-kayu-ri--1543669

In related news, the Independent Forestry Monitoring Network (JPIK) asserts that strengthening Indonesia's Timber Legality and Sustainability Assurance programme (SVLK) is a sound economic strategy. According to JPIK, SVLK has driven significant export growth, improved access to premium markets and fostered long-term market confidence. They emphasise that maintaining SVLK's integrity is vital for expanding Indonesia's global market share.

JPIK advocates for collaboration with the Ministry of Forestry and other stakeholders to develop trade policies that address tariff challenges without compromising Indonesia's long-term economic interests.

See: https://www.antaranews.com/berita/4862277/jpik-nilai-penguatan-svlk-strategi-ekonomi-yang-baik-bagi-indonesia
and
https://hijau.bisnis.com/read/20250528/651/1880590/svlk-produk-kayu-dukung-perdagangan-legal-dan-berkelanjutan.

Indonesia-EU CEPA Nears Completion as Final Hurdles Cleared

The Indonesian government is close to finalising the Indonesia-European Union Comprehensive Economic Partnership Agreement (IEU-CEPA) having reached consensus on all outstanding issues.

Coordinating Economy Minister, Airlangga Hartarto, confirmed that the final technical matters have been resolved after nine years and 19 negotiation rounds. This agreement reflects Indonesia's commitment to expanding market access, boosting investment and reducing trade barriers with strategic partners.

The EU is Indonesia's fifth-largest trading partner, with bilateral trade reaching US$30.1 billion in 2024. The IEU-CEPA is projected to significantly lower import duties with up to 80% of Indonesian exports to the EU benefiting from zero tariffs within two years of implementation.

Key sectors poised to benefit include labour-intensive industries like footwear, textiles and garments as well as palm oil, fisheries, renewable energy and electric vehicles.

Indonesia has also secured equal treatment for its fishery exports and special consideration from the EU regarding its deforestation policy. Minister Hartarto affirmed the mutually beneficial nature of the pact, its long-term sustainability and its strategic importance in enhancing Indonesia's global competitiveness and attracting European investment, noting that "No obstacles remain."

See: https://www.thejakartapost.com/adv/2025/06/08/ieu-cepa-nears-completion-as-indonesia-eu-resolve-final-hurdles.html.
and
https://jakartaglobe.id/special-updates/indonesiaeu-cepa-negotiations-enter-final-stage

Indonesia and IKEA to boost MSME business opportunities

The Indonesian Ministry of Trade has signed a MoU with IKEA Indonesia to expand the market reach and strengthen business management of Indonesian micro, small and medium enterprises (MSMEs). This partnership will allow MSMEs to showcase their products in IKEA stores thereby broadening their market access.

Action will include programmes to enhance product quality and competitiveness for the local market as well as the "UMKM BISA Ekspor" initiative to facilitate overseas expansion through business matching events in 33 countries.

The collaboration aims to not only market local products through IKEA Indonesia's stores but also integrate them as local partners in IKEA's global supply chains.

See: https://en.antaranews.com/news/357849/indonesia-ties-up-with-ikea-to-boost-msme-ecosystem-market-reach

Indonesia and France cooperation on sustainable forest efforts

Indonesia and France have solidified their commitment to sustainable forest management by signing a declaration of intent. Signed by Indonesian Minister of Forestry, Raja Juli Antoni and French Minister of State, Thani Mohamed Solihi, highlights both nations' dedication to strengthening cooperation in forestry, environmental management and climate change initiatives.

The signing was witnessed by Presidents Prabowo Subianto and Emmanuel Macron who determined this is a concrete step towards forest conservation, ecosystem restoration and sustainable resource management with a shared goal of halting deforestation and forest degradation by 2030. The declaration outlines future collaboration on rehabilitation, biodiversity conservation, national and "sister" park development, social forestry and legal timber trade.

This renewed partnership will involve information exchange, joint projects, business and institutional involvement, and continuous dialogue, aiming to revive previous forestry collaborations.

See: https://en.antaranews.com/news/356993/indonesia-france-bolster-sustainable-forest-efforts

Significant decline in Indonesian forest and land fires

Indonesian Forestry Minister, Raja Juli Antoni, announced a substantial reduction in forest and land fires across the country over the last ten years. Speaking in Pontianak, West Kalimantan, he presented data showing the affected area decreased from 2.6 million hectares in 2015 to 1.6 million hectares in 2019 and further dropped to 1.1 million hectares in 2023.

The Minister attributed this success to strong collaboration among various stakeholders including central and regional governments, the Indonesian Military (TNI), National Police (Polri) and local communities. Despite this progress he urged continued vigilance and strengthened preparedness.

He emphasised three core pillars for fire control: cross-sectoral collaboration, effective law enforcement and active public participation. The Minister specifically praised the dedication of the Manggala Agni forest and land fire handling organisation and the Fire-Alert Community (MPA), recognising them as crucial frontliners.

The government has designated 518 villages nationwide, including 52 in West Kalimantan, as target areas for enhanced forest and land fire control.

See: https://en.antaranews.com/news/358065/significant-drop-in-forest-land-fires-in-past-decade-minister

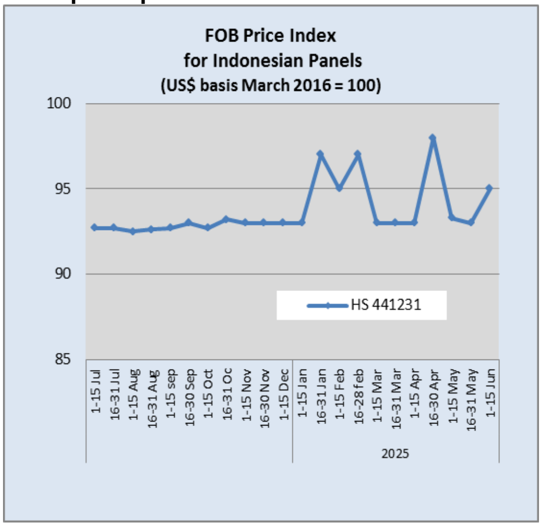
Indonesian furniture showcased in Lebanon

Indonseia participated in the "Art of Living 2025" exhibition in Lebanon 28 May to 1 June to promote Indonesian furniture.

Showcased were wooden, rattan and bamboo furniture. The exhibition was opened by Lebanon's Minister of Economy and Trade, Amer Bisat, who praised Indonesia for its high-quality and competitively priced products. In 2024, Indonesia's total exports to Lebanon reached US$108.4 million, with furniture and home decor accounting for US$88.494 million.

See: https://en.tempo.co/amp/2012870/embassy-in-beirut-showcases-indonesian-furniture-to-lebanese-market

Wood panel price index



Data source: License Information Unit. http://silk.dephut.go.id/

Myanmar

Earthquake-hit Myanmar invites foreign investor for rebuilding

Myanmar is inviting foreign investors to participate in redevelopment efforts two months after the devastating earthquake destroyed major infrastructure and left thousands homeless. Roads, bridges, schools, monasteries, farmland and factories were destroyed when the 7.7 magnitude earthquake struck the South-East Asian nation on 28 March.

State Administration Council Chairman Senior General Min Aung Hlaing announced strategic plans to channel further humanitarian aid to affected victims and quickly reboot the country's faltering economy.

The government has outlined three development strategies: extend humanitarian relief and social protection, infrastructure reconstruction and reviving the economy.

See:
https://www.nationthailand.com/blogs/news/asean/40050691

Role of the border trade

Due to increasingly stringent import regulations the role of border trade, both formal and informal, has become more prominent. Under the current foreign exchange policy 35% of export earnings must be converted at the official fixed rate of 2,100 MMK per US dollar.

The remaining 65% must be converted through the Central Bank of Myanmar (CBM) controlled online trading platform, where rates have fluctuated between 3,500 and 4,000 MMK per US dollar.

The market exchange rate has hovered around 4,400 MMK over the past four months. As a result, the effective average exchange rate available to exporters is approximately 3,200–3,300 MMK per US dollar.

While the government's import control measures, combined with informal exchanges, have helped maintain some stability in the informal exchange market there have been unintended consequences. Notably, commodity prices have not decreased in line with the stronger informal exchange rate. This disparity has prompted many importers of essential goods to rely more heavily on border trade routes.

However, the border trade environment remains complex and costly. Weak law enforcement, security issues involving ethnic armed group and rising concerns over online scams have added considerable risks and expenses for traders. Myanmar shares extensive land borders with several countries: approximately 2,400 km with Thailand, 2,200 km with China, 1,600 km with India and 270 km with Bangladesh.

A wide variety of goods flow through these borders, including considerable volumes of timber.

See: https://www.ide.go.jp/English/Publish/Reports/Dp/625.html
https://www.burmalibrary.org/en/the-role-of-informal-cross-border-trade-in-myanmar

UN Warns Myanmar on "Path to Self-Destruction"
Myanmar is on "a path to self-destruction" unless the ongoing violence gripping the country comes to an end warned UN Special Envoy, Julie Bishop, in an address to the UN General Assembly.

She emphasised that even a devastating earthquake in late March which killed over 3,000 people and injured thousands more in Naypyitaw and Mandalay failed to halt the fighting. "A zero-sum approach persists on all sides," Bishop stated. "Armed clashes remain a barrier to meeting humanitarian needs. The flow of weapons into the country is fueling the expectation that a military solution is possible."

Widespread job losses, soaring prices and inadequate public services have pushed many into desperate coping strategies such as cutting food intake, consuming less nutritious meals, selling household assets, forgoing healthcare and even withdrawing children from school to supplement family income. In response, the UNDP, UN Women and UN-Habitat have launched an Urban Resilience Project to support the most vulnerable communities.

See: https://news.un.org/en/story/2025/06/1164231

India

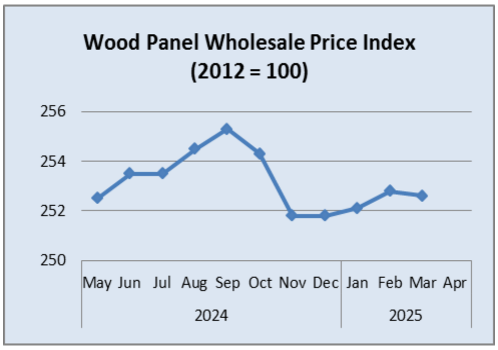
Inflation falls
The annual rate of inflation based on the all India Wholesale Price Index (WPI) was 0.85% in April down from 2.05% in March. The positive rate of inflation in April was primarily due to increased prices for manufacture of food products, other manufacturing, chemicals and chemical products, manufacture of other transport equipment and manufacture of machinery and equipment.

The index for manufacturing rose to 144.9 in April 2025 from 144.4 in March. Out of the 22 NIC two-digit groups for manufactured products, 16 groups witnessed an increase in price, 5 groups witnessed a decrease in price and 1 group witnessed no change in price.

Some of the important groups that showed month on month increases in price were manufacture of basic metals, chemicals and chemical products, fabricated metal products (except machinery and equipment), machinery and equipment and other manufacturing.

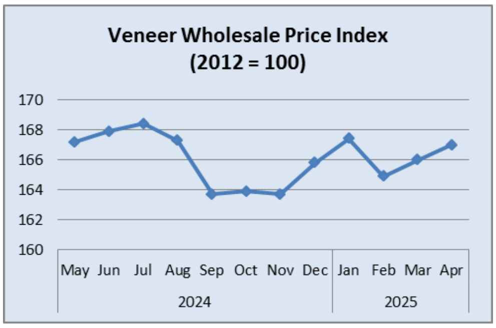
Some of the groups that witnessed a decrease in prices were manufacture of textiles, pharmaceuticals, medicinal chemical and botanical products, paper and paper products, apparel and printing. The indices for sawnwood and veneer increased.

See: https://eaindustry.nic.in/pdf_files/cmonthly.pdf



Data source: Ministry of Commerce and Industry, India

Data source: Ministry of Commerce and Industry, India



Data source: Ministry of Commerce and Industry, India

Imports of core veneer

Prices for domestically milled veneers have been rising but plywood mills in Gujarat, Rajasthan, West Bengal, Maharashtra, Andhra Pradesh are using imported core veneers from Viet Nam, Tanzania, Laos, Uganda, Brazil and Nepal. Ply Reporter, in its May magazine, says imported core veneers have reached plywood factories in Northern Indian States such as Punjab, Haryana, Uttar Pradesh, Union Territories and Bihar.

The increasing supply of imported core veneers comes as a relief for industries now. Even plywood manufacturers in the States of Kerala and Mangalore are exploring veneer imports due tothe high price of local veneers.

See: https://www.plyreporter.com/plywood/news-updates#

Vessel with large volume of teak sinks

The Ministry of Defence has confirmed the sinking of a Liberian registered container ship'MSC ELSA 3 off the Kochi coast. The ship is reported to have carried a large amount of teak, core veneers, logs and face veneers along with a considerable amount of hazardous chemicals.

See: ttps://www.plyreporter.com/article/154064/liberian-ship-carrying-tonnes-of-timber-capsized-near-kochi-coast

'Ek Ped Maa Ke Naam 2' A tree plantation drive

Prime Minister Narendra Modi marked the 4 June World Environment Day by planting a sapling in the national capita, as part of the second phase of the 'Ek Ped Maa Ke Naam' initiative. The campaign, which encourages individuals to plant a tree in honour of their mothers, aims to promote environmental consciousness through personal and symbolic action.

The plantation drive also marks the anniversary of the campaign's launch. The theme of the campaign, planting a tree in the name of one's mother, seeks to blend environmental action with cultural values.

See: https://ddnews.gov.in/en/pm-modi-to-launch-ek-ped-maa-ke-naam-2-0-with-tree-plantation-on-world-environment-day/

Tropical forest loss - fire a leading cause

Fires caused by dry conditions resulted in record forest loss in 2024. Globally the loss of tropical primary forests reached 6.7 million hectares in 2024, nearly twice as much as in 2023.

Global Forest Watch said in a statement last month that India saw an almost 7% decrease in tree cover loss between 2023 and 2024 but a 6% increase in loss of humid primary forests in 2024.

One of the factors that may have led to increased primary forest loss last year in India was forest fires the data indicates. Primary forest loss due to fires was around 950 hectares last year compared to 368 hectares in 2023, a 158% rise. India lost 22,958 hectares of primary forest last year and 21,672 hectares in 2023, 22,008 hectares were lost due to non-forest drivers.

See: https://gfr.wri.org/latest-analysis-deforestation-trends

Cost C&F Indian ports in US$ Hoppus measure

Teak log prices, C&F US$/Hoppus cu.m

	Hoppus cu.m	US$ C&F
Brazil	189	490
Colombia	238	440
Costa Rica	227	330
Nigeria	-	-
Benin	-	-
Tanzania	171	470
Laos	-	-
South Sudan	186	675
Guatemala	134	380
Venezuela	-	-

Teak sawnwood prices, C&F US$/cu.m

	cu.m	US$ C&F
Benin	235	680
Brazil	179	645
Colombia	-	-
Costa Rica	160	550
Ecuador	-	-
Ghana	183	425
Ivory Coast	286	820
Nigeria	188	420
South Sudan	233	820
Tanzania	-	-
Togo	145	515
Panama	245	475

Locally milled sawnwood prices

Sawnwood Ex-mill	Rs per cu.ft.
Merbau	4,440 - 4,800
Balau	3,000 - 3,300
Resak	-
Kapur	-
Kempas	1,700 - 2,000
Red meranti	1,850 - 2,150
Radiata pine	900 - 1,200
Whitewood	950 - 1,150

Price range depends mainly on lengths and cross-section

Sawn hardwood prices

Sawnwood (Ex-warehouse) (KD 12%)	Rs per cu.ft.
Beech	1,950 - 2,250
Sycamore	2,350 - 2,750
Red Oak	2,950 - 3,350
White Oak	3,350 - 3,750
American Walnut	5,400 - 5,900
Hemlock STD grade	1,950 - 2,250
Western Red Cedar	3,000 - 3,400
Douglas Fir	2,400 - 2,600

Price range depends mainly on lengths and cross-section

Plywood

Domestic ex-warehouse prices for locally manufactured WBP plywood

Plywood Ex-warehouse	Rs. per sq.ft
4mm	85.50
6mm	99.00
9mm	117.50
12mm	140.00
15mm	181.50
18mm	199.50

Domestic ex-warehouse prices for locally manufactured MR plywood

Plywood Ex-warehouse	Rs. per sq.ft
4mm	58.00
6mm	74.50
9mm	85.50
12mm	101.00
15mm	136.50
19mm	146.00
5mm Flexible ply	91.00

Viet Nam

Wood and Wood Product (W&WP) trade highlights

- According to Viet Nam Customs statistics W&WP exports to the Canadian market in May 2025 reached US$24 million, up 41% compared to May 2024. In the first 5 months of 2025 W&WP exports to Canada reached US$117 million, up 24% over the same period in 2024.

- Viet Nam's office furniture exports in May 2025 stood at US$33 million, up 41% compared to May 2024. In the first 5 months of 2025 exports of office furniture earned US$153.3 million, up 33% over the same period in 2024.

- Oak wood imports to Viet Nam in May 2025 were 33,800 cu.m, worth US$20.6 million, up 5% in volume and 5% in value compared to April 2025 and an increase of 6% in volume and 12% in value compared to May 2024. In the first 5 months of 2025 imports of this species amounted to 165,800 cu.m worth US$100.3 million, up 23% in volume and 29% in value over the same period in 2024.

- Viet Nam's W&WP exports to South Korea in May 2025 earned US$78.2 million, up 26% compared to May 2024. In the first 5 months of 2025 the W&WP exports to the Korean market brought in about US$335 million, up 7% over the same period in 2024.

- The exports of living and dining room furniture from Viet Nam in May 2025 generated US$250 million, up 23% compared to May 2024. In the first 5 months of 2025 exports of living and dining room furniture accumulated at US$1.1 billion, up 7.5% over the same period in 2024.

- Viet Nam's ash imports in May 2025 reached 65,900 cu.m, worth US$17.1 million, up 21% in volume and 22% in value compared to April 2025. Compared to May 2024, imports increased by 24% in volume and 16% in value.

- In the first 5 months of 2025 imports of ash wood totalled 257,000 cu.m, worth US$65.2 million, up 42% in volume and 36% in value over the same period in 2024.

- Viet Nam's imports of raw wood from Africa in April 2025 amounted to 49,450 cu,m with a value of US$17.90 million, down 26% in volume and 24% in value compared to March 2025. Imports were down 30% in volume and 29% in value over the same period in 2024. In the first 4 months of 2025 imports of raw wood from Africa reached 249,660 cu.m with a value of US$88.41 million, up 24% in volume and 16% in value over the same period in 2024.

Viet Nam - US trade ties make progress

A major step has just been made in Viet Nam - US trade relations as Vietnamese businesses signed 20 memoranda of understanding (MoUs) to import agricultural products from the US, with a total estimated value of up to US$3 billion. The agreements were signed as part of a working visit by a delegation from Viet Nam's Ministry of Agriculture and Environment to the states of Iowa, Ohio, Maryland and Washington D.C.

The delegation, led by Minister Do Duc Duy, included representatives from nearly 50 Vietnamese agencies, agricultural businesses and associations. The visit aimed to boost two-way trade and open up new opportunities for Viet Nam to increase imports of US agricultural and wood products. In addition, the delegation sought access to new technologies to enhance the competitiveness of Viet Nam's agricultural value chain.

Businesses are hopeful that a trade agreement between the two countries will soon be reached, helping lower tariffs on agricultural products and consolidate shared supply chains while contributing to the prosperity of both countries under the framework of the Comprehensive Strategic Partnership.

At a roundtable between the delegation and the US-ASEAN Business Council (USABC) on 6 June, USABC President and CEO, Ted Osius, expressed strong support for Viet Nam's agricultural development.

Rapid changes in US tariff policies have created a challenging trade environment, he said, expressing his appreciation that Viet Nam is considering increasing imports of US agricultural products as a way to help narrow the trade deficit with the US.

He pledged that the USABC and its member companies will continue to support the growth of Viet Nam's food and agriculture sector. In response, Duy affirmed the VietnameseGovernment's strong commitment to continuing institutional reforms, improving administrative efficiency, upgrading infrastructure and creating the most favorable conditions for foreign businesses, including US companies, to expand their investment and operation in Viet Nam in a long-term and effective manner.

According to Minister Duy, through forums and meetings, the delegation has clearly demonstrated to US government officials, state authorities, the business community, and the American public that Viet Nam places great importance on its Comprehensive Strategic Partnership with the US.

See: https://en.Viet Namplus.vn/Viet Namus-trade-ties-make-new-progress-post320598.vnp

Seeking solutions to preserve market presence in the US

Reciprocal tariffs will present a significant obstacle to Viet Nam's wood exports to the United States, however, domestic wood businesses are endeavoring to preserve their market share in this critical market.

Viet Nam's wood and wood product exports to the United States have maintained growth despite concerns regarding potential reciprocal tariffs. April saw a 4% year on year increase in exports to the United States. The total export value to the United States during the first four months of 2025 was US$2.9 billion, a 10% increase from the same period in 2024.

At present the United States market takes over half of Viet Nam's total wood and wood product exports, a proportion that is slightly higher than that of the previous year (54.4% versus 54.1%). These figures suggest that Vietnamese exporters are accelerating shipments to the United States in response to the temporary suspension of tariff enforcement by the U.S. government. The figures also highlight Viet Nam's dependence on the American market.

Adapting to alternative markets following implementation of tariffs will be challenging due to the U.S.'s dominance in Viet Nam's wood export portfolio.

Products designed for the United States may not be appreciated in other markets as each market has its own unique standards and preferences for wooden products. Furthermore, the vast size of the U.S. market makes it difficult for other markets to fully compensate for any lost demand.

Currently, wood companies are not only striving to optimise the flow of their products to the United States but they are also anticipating that the tariffs will eventually remain within a manageable range. American importers are currently grappling with the challenge of locating substitute sources as Vietnamesewood products comprise nearly half of all U.S. wood imports. This is particularly challenging given that China, the second-largest supplier, is already subject to high tariffs.

Viet Nam is also prioritising the procurement of wood raw materials from the United States in order to achieve a trade balance and demonstrate goodwill. Mr. Ngo Sy Hoai, Vice Chairman of the Viet Nam Timber and Forest Product Association, has stated that American timber is experiencing export challenges to China as a result of the ongoing tariff disputes between the United States and China.

As a result, Viet Nam's increased imports of U.S. logs and sawnwood not only indicates cooperation but also contributes to the reduction of trade imbalances between the two countries.

Vietnameseexporters are also able to reduce the effects of reciprocal tariffs by utilising U.S. sourced timber for furniture exports to the American market. Mr. Do Ngoc Hung, Viet Nam's Commercial Counselor in the United States, clarified that tariffs would only apply to the non-U.S.-origin portion of Vietnamese products that contains at least 20% U.S.-origin materials or inputs.

Statistics regarding imports corroborate this development. In the initial three months of 2025, Viet Nam Customs reported that the importation of U.S. timber amounted to 191,000 cubic metres, with a value of nearly US$79 million. This represents a 34% increase in volume and a 28% increase in value compared to the previous year.

Many Vietnamese timber companies are resolute in their efforts to preserve their market position, despite the imposition of tariffs as they recognise the significance of the US market. Expanding business-to-consumer sales directly to US consumers through e-commerce platforms such as Wayfair and Amazon is one emerging solution.

Mr. Huynh Le Dai Thang, Director of Nghia Son Furniture Production and Trading Co., Ltd. disclosed that his business has been conducting business-to-consumer (B2C) transactions for more than three years. Currently, B2C accounts for approximately 10% of the organisation's total export revenue.

Viet Nam's wood industry is actively diversifying export markets in addition to sustaining its U.S. presence. China, Japan, India, the United Kingdom, Canada, Australia and the Middle East are among the most promising.

See: https://Viet Namagriculture.nongnghiep.vn/Viet Nams-wood-industry-seeking-solutions-to-preserve-market-presence-in-the-us-d755975.htmldestinations

IWPA welcomes Viet Nam delegation for dialogue on legal and sustainable timber trade

The International Wood Products Association (IWPA) recently met with a delegation from Viet Nam’s government and timber industry for a high-level dialogue on sustainable trade in wood products.

The meeting was held on 7 June at the Washington office of Forest Trends. IWPA executives and the Viet Nam wood products industry explored opportunities to deepen cooperation and advance the shared goal of promoting legal and sustainable timber trade. The discussions included an exchange of policy updates, trade priorities and areas for future cooperation.

IWPA was represented by Ashley Amidon, Chief Executive Officer; Joe O’Donnell, Director of Government & Public Affairs and Bryan Courtney, President of IWPA and Director of Industrial Products at Genesis Products.

Ms. Amidon delivered a presentation titled *“U.S. Trade Policy Updates: Emphasis on Wood Products from Viet Nam,”* offering insight into recent developments in U.S. trade policy and underscoring the importance of responsible sourcing and transparent supply chains.

The Vietnamese delegation included Dr. Tran Quang Bao, Director General of the Viet Nam Administration of Forestry (VNFOREST), along with top representatives from the Viet Nam Timber and Forest Products Association (VIFOREST), the Handicraft and Wood Industry Association of Ho Chi Minh City (HAWA) and the Dong Nai Timber and Forest Products Association (DOWA).

Bao emphasised the Vietnamese government’s recent efforts in promoting legal and sustainable trade, including the implementation of a Voluntary Partnership Agreement (VPA) with the EU, a timber agreement with the US and preparations for the EUDR.

“This meeting reaffirmed the strong potential for collaboration between US importers and timber sectors around the world,” said Ms. Amidon. “Viet Nam continues to focus on advancing regulations that promote legal and sustainable timber production and trade. IWPA looks forward to building on this foundation to foster mutually beneficial trade relationships that support forest stewardship, economic growth and international market access.”

See: https://mkresourcesgovernance.org/en/2025/06/08/Viet Nams-forestry-sector-strives-to-strengthen-cooperation-with-u-s-partners/

Brazil

Challenges faced by wood-based industries

The Forest Based Industry Chamber of FIEMG (Federation of Industries of the State of Minas Gerais) met to discuss environmental and regulatory challenges faced by the foresry sector in the State.

The event brought together business leaders, experts and public sector representatives. During the opening session the President of the Chamber and SINDIFER (Minas Gerais State Union of the Iron, Steel and Other Basic Metals Industry) emphasised the importance of dialogue between the business sector and government authorities for the development of public policies that support the growth of the forest-based industry sector.

.

He stressed the need for alignment between public policies and sector´s demands, warning that measures such as reducing working hours could negatively affect the competitiveness of industrial enterprises operating continuously, particularly those operating on a 24-hour shift schedule.

FIEMG's Environment and Sustainability Management (GMA FIEMG) also presented on the main advances in discussions and the challenges of environmental policies at the National Environmental Conference, emphasising the importance of the event for future regulations impacting the forest sector.

The presentation highlighted the "FIEMG's 360 Program," which aims to ensure the industry's representation in public hearings, especially on environmental issues. The programme currently has around 900 participants working to defend the industrial sector's projects seeking to balance debate and strengthen the industry's position.

Another important topic was the analysis of the draft Normative Resolution of CERH-MG (State Water Resources Council of Minas Gerais), which addresses the suspension and revocation of water use rights due to non-payment of water usage fees.

The debate raised concerns about the potential impacts of this measure on the sustainability of forest industry and discussed alternatives to ensure the responsible use of water within the sector.

See: https://www.maisfloresta.com.br/camara-da-industria-de-base-florestal-discute-desafios-ambientais-e-regulatorios/

Incentives for restoration of natural forest areas

A new environmental programme is being implemented in the State of Santa Catarina in southern Brazil to restore degraded Permanent Preservation/Protected Areas (APPs) within the Uruguay River Basin.

The initiative covers 148 municipalities and is supported by partnership among Epagri (Santa Catarina Agricultural Research and Rural Extension Company), Foz do Chapecó Energia, Sicoob (Brazilian Credit Union System) and local rural producers. The programme focuses on the restoration of degraded areas, the recovery of water resources and wildlife and the environmental enhancement of rural properties.

The programme targets landowners with anthropised (APPs) areas that require ecological restoration. Participating landowners will receive technical and financial support of around R$13,000 per hectare restored subject to meeting specific planting and conservation targets.

The requirements include fencing off the restoration area and the planting of 600 native tree seedlings per hectare, such as Anadenanthera macrocarpa (angico), Cedrela fissilis (cedro) and Plinia cauliflora (jabuticaba) sourced from certified nurseries. In addition to financial incentives, the programme offers technical assistance including annual on-site visits from Epagri specialists for guidance and monitoring.

To participate, landowners/producers should have an anthropised area of at least 0.3 hectares, have no existing legal obligations or previous benefits over the same area and commit to maintaining and preserving the restored vegetation.

The programme emphasises the importance of cooperation and environmental restoration as a strategy to protect water resources, biodiversity and enhance the value to rural properties.

See: https://www.remade.com.br/noticias/20747/produtores-receberao-ate-r$-12-mil-por-hectare-para-recuperar-areas-nativas-em-sc

Brazil and China - cooperation on ecological restoration and carbon sinks

In mid-May Brazil and China signed a MoU on bilateral cooperation in vegetation restoration and the strengthening of carbon sinks. The agreement was signed by the Brazilian Ministry of the Environment and Climate Change (MMA) and the National Forestry and Grassland Administration of China (NFGA).

The initiative aims to support maintenance of essential ecosystem services such as climate and water regulation and biodiversity conservation. Additionally, it provides cultural, educational and recreational benefits to society and supports the economic livelihoods of indigenous peoples and local communities.

The MoU outlines technical and scientific cooperation in areas such as sustainable forest management, forest monitoring, restoration of degraded ecosystems, development of value chains for timber and non-timber forest products, combating desertification and land degradation and measuring carbon sinks.

Implementation mechanisms include technology transfer, expert exchanges, capacity building, seminars, workshops and collaborative research.

This cooperation will contribute to Brazil's national target of restoring 12 million hectares of degraded land by 2030, as set forth in the National Native Vegetation Recovery Plan (Planaveg) and Brazil's Nationally Determined Contribution (NDC) under the Paris Agreement.

See: https://www.gov.br/planalto/pt-br/acompanhe-o-planalto/noticias/2025/05/brasil-e-china-trabalharao-juntos-na-restauracao-de-vegetacao-e-sumidouros-de-carbono

Domestic log prices

Brazilian logs, mill yard, domestic	US$ per cu.m
Ipê	397
Jatoba	173
Massaranduba	158
Miiracatiara	156
Angelim Vermelho	167
Mixed redwood and white woods	121

Prices do not include taxes. Source STCP Data Bank

Domestic sawnwood prices

Brazil sawnwood, domestic (Green ex-mill)	US$ per cu.m
Ipé	1,711
Jatoba	869
Massaranduba	771
Muiracatiara	803
Angelim Vermelho	741
Mixed red and white	492
Eucalyptus (AD)	284
Pine (AD)	238
Pine (KD)	283

Prices do not include taxes. Source: STCP Data Bank

Domestic plywood prices

Parica ex-mill	US$ per cu.m
4mm WBP	554
10mm WBP	444
15mm WBP	381
4mm MR.	507
10mm MR.	391
15mm MR.	341

Prices do not include taxes. Source: STCP Data Bank

Prices for other panel products

Domestic ex-mill prices	US$ per cu.m
15mm MDParticleboard	264
15mm MDFibreboard	265

Prices do not include taxes. Source: STCP Data Bank

Export prices

Average FOB prices Belém/PA, Paranaguá/PR, Navegantes/SC and Itajaí/SC Ports.

Export sawnwood prices

Sawnwood	US$ per cu.m
Ipe	2,278
Jatoba	1,293
Massaranduba	1,263
Muiracatiara	1,305
Pine (KD)	204

Prices do not include taxes. Source: STCP Data Bank

Export plywood prices

Pine plywood	US$ per cu.m
9mm C/CC (WBP)	317
12mm C/CC (WBP)	285
15mm C/CC (WBP)	270
18mm C/CC (WBP)	268

Prices do not include taxes. Source: STCP Data Bank

Export prices for added value products

Added value product		US$ per cu.m
Decking Boards	Ipê	3,579
	Jatoba	1759

Prices do not include taxes. Source: STCP Data Bank

Peru

Furniture exports fell in the first quarter 2025

According to the Services and Extractive Industries Department of the Association of Exporters (ADEX), shipments of furniture and furniture parts during the period January-March 2025 reached an FOB export value of US$1.1 million, a decrease of 15% year on year.

The main market for furniture and furniture parts exports was the United States which accounted for a 48% share of total exports of these products but this was down by a third compared to the same period in 2024.

Other markets were Antigua and Barbuda with a 28% share. In third place was Italy with a 16% share. Chile and Ecuador complete the top five destinations.

Strategic alliance to improve identification of timber species in the Amazon

With the goal of improving the identification of timber species in the Peruvian Amazon, the Forest and Wildlife Resources Oversight Agency (OSINFOR), the Pucallpa Forestry CITE and the National Institute for Agrarian Innovation (INIA) held an inter-institutional meeting in Ucayali. This collaboration sought to strengthen technical and scientific knowledge about the timber species found in the forest.

In this context the coordinator of the OSINFOR Pucallpa Decentralised Office noted that it is essential to continue strengthening the State's coordinated work to generate information on new forest species which will allow for updating and expanding both existing identification manuals and applications.

Kevin Vásquez, Director of the Pucallpa Forestry CITE said that the supervision of forest management plans carried out by OSINFOR represents a valuable opportunity to gather field information by collecting botanical and anatomical samples of species that still have knowledge gaps.

"We have a wood technology laboratory, currently undergoing accreditation under the ISO/IEC 17025 standard and a xylothecaries with nearly 95 registered species. In addition, we have incorporated technological tools such as the ARBOTROM application for precise species identification. We believe that joining forces with OSINFOR will optimise the collection and analysis processes and, above all, enhance technical training in the region," he added.

From the perspective of botanical characterisation the National Institute of Agrarian Innovation (INIA) is a strategic ally to contribute scientific research especially in the areas of botanical validation and characterisation of forest species which involves identifying, describing and classifying species based on their morphological characteristics.

Its participation will complement the technical work of OSINFOR and the Pucallpa Forestry CITE, providing scientific support for the collection, analysis and classification processes thereby consolidating the technical basis for sustainable forest management. As part of the established agreements, OSINFOR, the Pucallpa Forestry CITE and INIA defined an initial roadmap that includes the development of a joint work plan, as well as training on the use of technological tools and methodologies for professionals in the sector.

This inter-institutional coordination represents a significant step toward more sustainable and innovative forest management, which leverages knowledge, technology and collaborative work to protect the forests of the Peruvian Amazon.

See: https://www.gob.pe/institucion/osinfor/noticias/1182395-alianza-estrategica-busca-mejorar-la-identificacion-de-especies-maderables-en-la-amazonia-peruana

Digital inter-operability in the sector

With the aim of promoting the integration of public sector technology platforms into an inter-operable system that facilitates information access, strengthens the traceability of forest resources, allows for the identification of the causes of forest degradation and enables timely decision-making the Forest and Wildlife Resources Oversight Agency (OSINFOR) organised a "Workshop for the Sharing and Exchange of Experiences: Technology and Innovation at the Service of Peru's Forests."

The event, held with the support of the Basel Institute on Governance and the Swiss Economic Cooperation Organisation (SECO) aimed to provide a meeting place for public institutions and private organisations to share experiences on the application of innovative technologies. It also sought to generate synergies that contribute to the development of a digital ecosystem coordinated between the three levels of government.

To achieve an inter-operable forestry system the Secretariat of Government and Digital Transformation (SGTD) of the Presidency of the Council of Ministers (PCM) proposed developing a roadmap that allows all institutional platforms to use a standardised language.

“My data must speak for itself within the sector and must have common standards compatible with all entities,” said Henry Eduardo Carrión Cristóbal, an expert in National Portfolio Management of Cross-Cutting Projects at the SGTD.

“Only through technological innovation and inter-institutional collaboration can we protect our forests and guarantee a sustainable future for future generations,” concluded Williams Arellano Olano, Head of OSINFOR.

See: https://www.gob.pe/institucion/osinfor/noticias/1178332-avances-tecnologicos-al-servicio-de-los-bosques-peruanos-el-osinfor-promueve-interoperibilidad-digital-en-el-sector

SERFOR positions Peru in the carbon market and forest sustainability

As part of the Peru Carbon Forum 2025, the National Forestry and Wildlife Service (Serfor) reaffirmed its commitment to promoting forest carbon projects as a key tool for addressing climate change, conserving forests and generating sustainable economic opportunities for the country's communities.

Currently, Peru has 22 forest carbon projects registered under the international standard, the VERRA Verified Carbon Standard (VCS) program, covering more than 5.5 million hectares and representing an average reduction of 15.38 million tons of CO2 equivalent per year. These projects not only contribute to mitigating greenhouse gases but also protect biodiversity and improve the quality of life for local communities.

See: https://www.gob.pe/institucion/serfor/noticias/1179768-serfor-posiciona-al-peru-como-referente-en-mercado-de-carbono-y-sostenibilidad-forestal

Loreto government and SERFOR advance forest zoning

To ensure sustainable management of forest and wildlife resources, the Loreto Regional Government is promoting the forest zoning process with technical assistance from the Ministry of Agrarian Development and Irrigation (MIDAGRI) through the National Forest and Wildlife Service (SERFOR) and its Sustainable Productive Forests Program (BPS).

Loreto represents approximately 29% of the national territory with an area of approximately 36.9 million hectares. Due to this the forest zoning process has been divided into three modules.

Module 1, currently being updated, covers more than 15.9 million hectares representing 42.57% of the total area to be zoned. This module includes the category of Ecological Protection and Conservation Zones.

At this stage, with the technical support of the BPS Program, official information on the department's indigenous reserves was incorporated to classify them within the category of Special Treatment Zones, specifically as a subcategory of Land Reserves for Indigenous Peoples in Isolation or Initial Contact, in order to guarantee their protection and conservation.

In parallel, progress is being made in the formulation of Modules 2 and 3, which will include agroforestry and silvopastoral production areas, remnant forests, restoration and conservation zones, non-forest plant associations and different types of production forests (categories I, II, III), including forest plantations.

Daniel Rivera, Executive Coordinator of SERFOR's Sustainable Productive Forests Programme said "we have provided professionals specialised in forest zoning and geographic information systems, as well as equipment with workstations, ArcGIS licenses, and an interactive display to optimise this process in Loreto" .

See: https://www.gob.pe/institucion/serfor/noticias/1177614-gore-loreto-y-serfor-avanzan-en-zonificacion-forestal-para-proteger-bosques

Export prices for added value products

	US$ per cu.m
Strips for parquet Cabreuva/estoraque KD12% S4S, Asian market	1,327-1,398
Cumaru KD, S4S Swedish market	1,088 -1,162⬆
Asian market	1,189 -1,271⬆
Cumaru decking, AD, S4S E4S, Central American market	1,299-1,324⬆
Pumaquiro KD Gr. 1, C&B, Mexican market	501-561
Quinilla KD, S4S 2x10x62cm, Asian market	591-627
2x13x75cm, Asian market	774-831

Export veneer prices

Veneer FOB Callao port	US$ per Cu.m
Lupuna 3/Btr 2.5mm	221-249
Lupuna 2/Btr 4.2mm	234-266
Lupuna 3/Btr 1.5mm	219-228

Export sawnwood prices

Peru sawnwood, FOB Callao Port	US$ per cu.m
Pumaquiro 25-50mm AD Mexican market	703-728
Virola 1-2" thick, length 6”-12” KD	
Grade 1, Mexican market	591-607⬆
Grade 2, Mexican market	527-541
Cumaru 4" thick, 6”-11” length KD	
Central American market	1127-1195
Asian market	1210-1265
Ishpingo (oak) 2" thick, 6”-8” length	
Spanish market	1033-1,077⬆
Dominican Republic	1066-1,139⬆
Marupa 1”, 6-11 length KD	
Grade 1 Asian market	601-611⬆

Export plywood prices

Peru plywood, FOB Callao (Mexican market)	US$ per cu.m
Copaiba, 2 faces sanded, B/C, 8mm	349-379
Virola, 2 faces sanded, B/C, 5.2mm	487-511
Cedar fissilis, 2 faces sanded, 5.5mm	766-783
Lupuna, treated, 2 faces sanded, 5.2mm	396-419
Lupuna plywood	
B/C 15mm	449-495
B/C 9mm	379-399
B/C 12mm	350-360
B/C 8mm	466-487
C/C 4mm	389-425
Lupuna plywood B/C 4mm Central Am.	391-407

Domestic prices for other panel products

Peru, domestic particleboard	US$ per cu.m
1.83m x 2.44m x 4mm	282
1.83m x 2.44m x 6mm	230
1.83m x 2.44m x 12mm	204

Domestic sawnwood prices

Peru sawnwood	US$ per cu.m
Mahogany	-
Virola	236-251
Spanish Cedar	333-344
Marupa (simarouba)	208-234

Domestic plywood prices (excl. taxes)

Iquitos mills	US$ per cu.m
122 x 244 x 4mm	512
122 x 244 x 6mm	519
122 x 244 x 8mm	522
122 x 244 x 12mm	528
Pucallpa mills	
122 x 244 x 4mm	503
122 x 244 x 6mm	511
122 x 244 x 8mm	516
122 x 244 x 8mm	521

Japan

US tariffs continue to disrupt trade

Japan's exports fell in the first 20 days of May as sweeping US tariffs continued to disrupt trade. May exports, measured by value, dropped 3% year on year according to the Ministry of Finance. That compared with a 2.3% rise in the first 20 days of April and a 2.0% rise for all of of April. Japan's trade balance for the period was in deficit for around US$8 billion.

See:https://www.japantimes.co.jp/business/2025/06/06/economy/early-may-japan-exports-drop/

‘Real’wages declined for a fourth consecutive month

The latest data shows real wages in Japan declined for a fourth consecutive month in April according to the Ministry of labour as pay increases continued to fall behind price rises.

On an inflation-adjusted basis, wages were down 1.8% in April year on year with the inflation figure for that month estimated at 4.1%. Households are suffering from rising food prices, especially for rice prices which were up 98% year on year in April.

The government has been pushing for pay hikes to support consumer spending, a key driver of economic growth, recently setting a goal of achieving real wage growth of around 1 percent across Japan, including through massive public-private investment, by fiscal 2029.

See:
https://mainichi.jp/english/articles/20250605/p2g/00m/0bu/016000c

In recognition of the issue of slow wage growth the government has highlighted wage increases as a cornerstone of its economic growth strategy according to a draft of its planned basic policy on economy, public finances and reform.

In a draft presented to the Council on Economic and Fiscal Policy, wage increases are a key part of its growth strategy.

See: https://www.nippon.com/en/news/yjj2025060601091/

Inflation deters discretionary spending

Household spending declined in April as inflation deterred discretionary spending. Outlays by households, adjusted for inflation, fell 0.1% from a year earlier according to the Ministry of Internal Affairs and Communications. The decline was led by health care and miscellaneous spending, while outlays jumped almost 11% for housing.

The importance of consumer spending as an engine of growth in Japan has increased as US tariffs have dented export prospects.

Domestic demand will likely be a key factor in determining whether Japan can avoid a technical recession after the economy shrank in the first quarter 2025.

See:
https://www.japantimes.co.jp/business/2025/06/06/economy/japan-household-spending-falls/

Births at historical low

Japan's fertility rate declined in 2024 for the ninth consecutive year, reaching another historical low that underscores the immense challenge facing the government as it attempts to reverse the trend in one of the world’s most aged societies.

The total number of births dropped to about 686,000 marking the first time the figure has fallen below 700,000 extending the run of annual declines in the country’s population to 18 years. The data exclude migration.

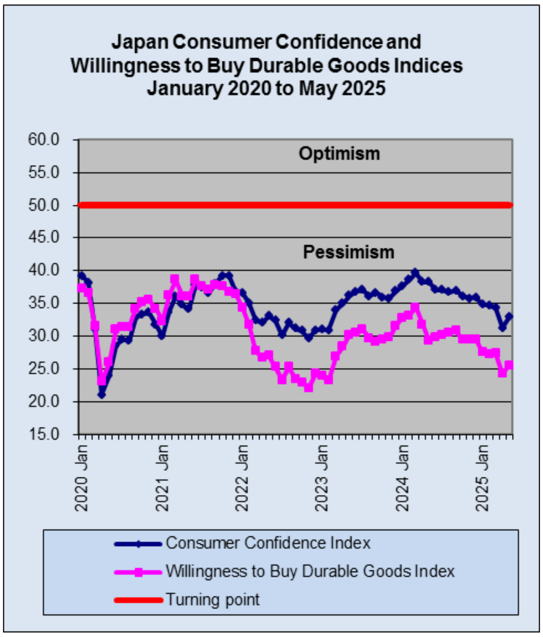
The data underscore the urgency of the government’s recent push to boost fertility which include a range of policies aimed at easing the financial burden on families. The government has also guaranteed full wage compensation for some couples who both take parental leave. Also the government has promoted improved working conditions for childcare and nursing staff.

The continued decline in births is renewing concern over the future of Japan’s social security system. The nation’s public pension programme is under increasing strain with fewer contributors and a growing number of recipients.

Over the past two decades, the number of people paying into the system has fallen by around 3 million, while beneficiaries have increased by nearly 40%.

The labor market is also expected to remain under pressure. If current trends continue, Japan could face a shortage of 6.3 million workers in 2030, according to an estimate by Persol Research and Consulting.

See:
https://www.japantimes.co.jp/news/2025/06/04/japan/fertility-rate-low/



Data source: Cabinet Office, Japan

BoJ advised to continue with monetary tighteneing

The U.S. Treasury has suggested the Bank of Japan (BoJ) should continue with monetary tightening in response to domestic economic fundamentals including growth and inflation to achieve “normalisation of the yen’s weakness” and rebalance of bilateral trade.

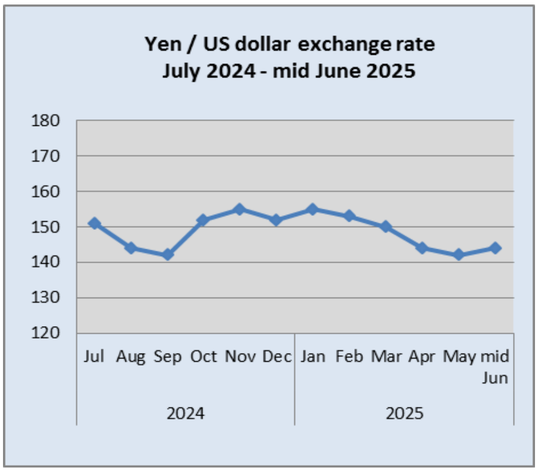
The explicit mention of Japan’s monetary policy signals the US focus on the BoJ’s ultra-low interest rate which is seen as among factors that have kept the yen weak against the dollar.

The US Treasury also said in its judgement no major US trading partner was found manipulating its currency in 2024. But it said Japan, as well as China, South Korea, Taiwan P.o.C, Singapore, Viet Nam, Germany, Ireland and Switzerland, were on its monitoring list for extra scrutiny.

The BoJ ended its massive monetary stimulus last year and in January raised short-term interest rates to 0.5% given the indications were that a durable 2% inflation rate was possible.

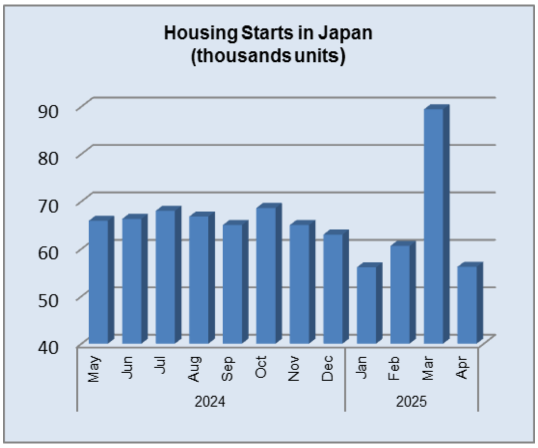
The slow pace at which the BoJ is raising interest rates has been seen by markets as a key factor keeping the yen weak against other currencies.

See: https://www.asahi.com/ajw/articles/15825625



Data source: WSJ

Housing starts



Data source: Ministry of Land, Infrastructure, Transport and Tourism, Japan

More than US$230 billion in M&A last year

With ample cash and trading at low valuations Japanese companies are becoming more adept at defending against rivals and activist investors who are showing renewed interest in the country after decades of stagnant growth.

With changing attitudes on business expansion M&A is expected to rise with analysts expecting a busier 2025 after more than US$230 billion in M&A last year.

See: https://www.japantimes.co.jp/business/2025/01/09/companies/japan-ma-boom/

Japan, a leading contributor to the Africa Development Fund

Cooperation between Japan and India is emerging as an important dynamic in promoting development in African nations. Representatives from the private sector, government and academia gathered in Tokyo earlier this year for a Japan-India-Africa Business Forum.

Marie-Laure Akin-Olugbade, Senior Vice President at the African Development Bank, said Japan is a leading contributor to the Bank's Africa Development Fund which extends assistance to 37 low-income nations in Africa.

She also mentioned Japan's US$5 billion contribution over the three years to 2025 to the Bank's Enhanced Private Sector Assistance for Africa initiative which funds advances in electricity, connectivity, health, agriculture and nutrition.

See: https://ps.asia.nikkei.com/jia2025/index.html

Import update

Assembled wooden flooring imports

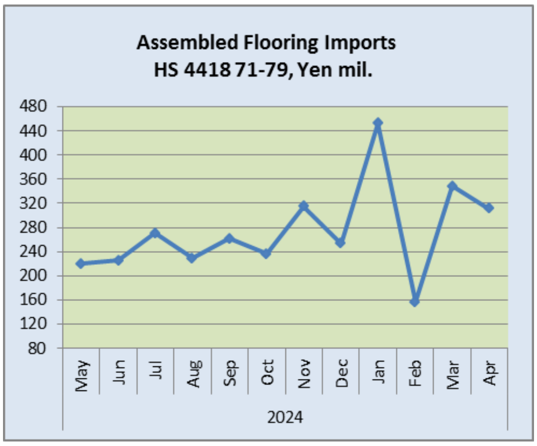
The main category of assembled flooring imports in April 2025 was HS441875, accounting for 75% (62% in March) of the total value of assembled flooring imports compared. Of HS441875 imports, 69% was provided by shippers in China, 15% by shippers in Viet Nam and 12% by shippers in Malaysia. The other main source of assembled flooring (HS441875) in April was Thailand.

The second largest category in terms of value in April 2025 was HS441873 (15% of the total in April) all of which was shipped from China. The third and fourth largest categories in value terms were HS441879 (8%) and HS441874 (2%).

Assembled flooring imports

	2025 April 000s Yen
HS441873	
China	45,632
HS441874	
China	1,752
Viet Nam	4,317
Germany	1,296
Total	7,365
HS441875	
China	160,772
Viet Nam	36,389
Thailand	7,294
Malaysia	28,773
Italy	907
Total	234,135
HS441879	
China	8,628
Thailand	5,185
Indonesia	6,200
Belgium	3,586
Total	23,599

Data source: Ministry of Finance, Japan



Data source: Ministry of Finance, Japan

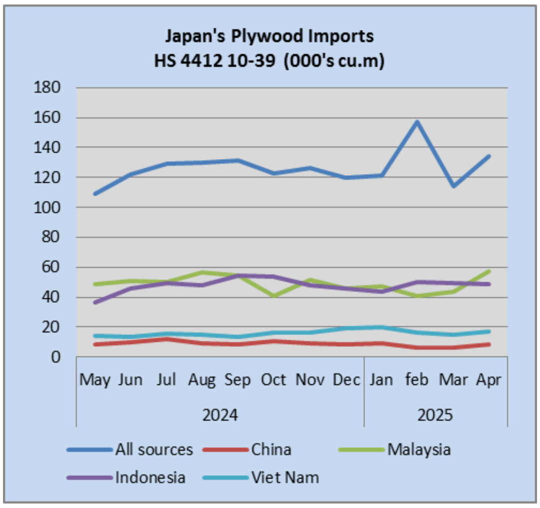
Plywood imports

As activity in the building and construction sectors gained momentum in April demand for plywood increased. In April 2025 arrivals of HS441210-39 were up 12% month on month and also 8% higher than the arrivals in April 2024.

Malaysia and Indonesia were the top suppliers in April, as in previous months. The volume of imports from Malaysia rose slightly while the import volumes from Indonesia were flat. Compared to past years, the volumes of plywood imported into Japan have been steadily falling as more plywood manufactures in Japan utilise domestic logs.

In April 2025 the other main shippers were Viet Nam and China. Arrivals from China in April were down compare to a month earlier while arrivals from Viet Nam were little changed month on month.

As in previous months, of the various categories of plywood imported in January 2025 HS441231 was the largest (87% of total imports) followed by HS441233 and HS441234 (5% each). The balance was of HS441239.



Data source: Ministry of Finance, Japan

Main sources of Japan's plywood imports (000's cu.m)

		China	Malaysia	Indonesia	Viet Nam
2021	Jan	9.7	76.9	59.3	15.7
	Feb	6.8	53.5	50.1	13.0
	Mar	5.7	89.4	61.5	11.5
	Apr	11.4	65.9	58.2	17.3
	May	10.3	72.0	51.0	13.0
	Jun	10.5	61.9	56.6	15.6
	Jul	11.8	74.1	57.1	16.4
	Aug	12.8	54.7	57.8	17.5
	Sep	16.0	61.8	60.4	21.8
	Oct	12.6	72.8	60.4	22.5
	Nov	14.6	60.6	66.0	21.8
	Dec	13.6	51.2	76.5	21.0
2022	Jan	15.9	78.6	73.9	16.8
	Feb	14.7	61.0	56.8	11.4
	Mar	13.7	71.0	76.9	8.8
	Apr	25.0	79.3	72.0	13.1
	May	32.2	67.6	68.2	12.9
	Jun	37.5	61.4	52.4	18.4
	Jul	27.7	70.6	67.8	15.2
	Aug	19.0	63.0	70.8	18.5
	Sep	16.5	58.4	60.4	16.2
	Oct	13.4	39.2	65.5	17.1
	Nov	13.1	45.1	50.1	15.9
	Dec	13.9	49.2	47.1	21.6
2023	Jan	13.7	40.3	49.2	19.4
	Feb	7.8	44.9	40.6	12.9
	Mar	14.9	29.8	45.3	14.3
	Apr	13.8	28.7	46.3	14.6
	May	14.0	47.7	34.2	12.6
	Jun	10.7	36.9	37.2	12.7
	Jul	10.6	38.8	43.1	12.9
	Aug	10.6	49.6	38.1	15.7
	Sep	12.3	63.4	52.4	12.0
	Oct	10.5	46.1	50.3	17.2
	Nov	11.9	63.6	53.0	16.8
	Dec	12.1	43.5	54.0	17.7
2024	Jan	13.3	50.2	52.3	20.5
	Feb	11.5	45.4	55.3	17.1
	Mar	9.4	50.1	48.8	12.2
	Apr	13.2	43.2	49.0	17.0
	May	8.4	48.3	36.5	14.3
	Jun	10.1	51.0	46.1	13.7
	Jul	12.1	49.8	49.7	15.8
	Aug	9.3	56.8	47.9	14.7
	Sep	8.1	54.5	54.2	13.1
	Oct	10.3	40.9	54.0	16.4
	Nov	9.1	51.5	48.2	16.1
	Dec	8.1	46.0	45.6	19.2
2025	Jan	9.2	47.2	43.3	20.1
	Feb	11.5	45.4	55.3	17.1
	Mar	6.1	43.3	49.4	14.8
	Apr	8.7	57.6	49	17.0

Data source: Ministry of Finance, Japan

Trade news from the Japan Lumber Reports (JLR)

The Japan Lumber Reports (JLR), a subscription trade journal published every two weeks in English, is generously allowing the ITTO Tropical Timber Market Report to reproduce news on the Japanese market precisely as it appears in the JLR.

For the JLR report please see:
https://jfpj.jp/japan_lumber_reports/

First JAS certification for plywood in Viet Nam

United Forest Co., Ltd. became the first plywood plant in Viet Nam to obtain JAS certification for plywood as of the 5th May, 2025. Going forward, the company aims to expand its customer base, targeting both building material manufacturers and general distribution channels.

The JAS certification was obtained for standard plywood manufactured at a plywood plant in Tuyen Quang Province, Viet Nam, using all-layer Styrax Type 2. The plant is able to produce medium-thickness standard plywood that is commonly distributed in Japan.

Since all-layer Styrax has a white appearance and is exceptionally beautiful, it was deemed easy to propose to building material manufacturers using Chinese poplar plywood, leading to the decision to obtain JAS certification. The company started an operation at the plant in the second half of 2023 and currently, 3,000 cubic meters of plywood are being produced per month.

The majority of sales are directed toward factories of Japanese furniture manufacturers in North America and Viet Nam, with some sales also going to Japanese building material manufacturers.

In addition to Styrax, the plant also uses Acacia and Eucalyptus as raw materials. The plant also produces birch plywood for the U.S. market and is capable of complying with FSC certification requirements.

The LVL factory in Phu Tho Province, Viet Nam, produces 2,500 cbms per month, with 2,000 cbms allocated for the Japanese market. The plant has also obtained JAS certification for LVL used in joinery applications. Previously, there were two plants, but operations were consolidated, leading to the closure of one factory in the latter half of 2023.

In addition to considering an increase in production capacity, the company is also planning a new LVL factory within a nearby industrial park

The movement of South Sea a Chinese lumber is sluggish due to low demand. Since the yen had appreciated against the dollar in April, 2025 some companies had emerged that is moving to secure only the necessary amount for the immediate needs.

Furthermore, since mid-May, the exchange rate has shifted back toward yen depreciation, prompting moves to secure the necessary amount for immediate needs. Even though the movement of goods is weak, there is still a certain level of demand.

In Indonesia, orders for laminated boards from manufacturers, which manufacture furniture for the U.S. in Indonesia, decreased due to the additional tariff by the U.S. government. It could also impact the sales approach for laminated boards in the Japanese market.

Also, Chinese manufactures struggle with the same situation. However, due to the persistently high prices of raw materials such as Russian red pine, there is a strong stance on maintaining the current pricing.

South Sea logs from Papua New Guinea have arrived as it was scheduled in April, 2025. Demand and supply of South Sea logs are balanced. Although the local weather remains stable, the global demand for South Seas log timber is slowing due to the deteriorating economic outlook in China.

Logs destined for Japan are selected from high-quality materials originally intended for China. Since the decrease in shipments to China directly affects the supply to Japan, concerns are being raised about its potential impact.

New wooden board - an alternative to tropical hardwoods

Daiken Corporation in Osaka Prefecture announced that its subsidiary, Daiken North America Ltd. in Canada, had successfully completed the prototype of a new wooden board that had been under development. It is expected to be used as a baseboard for flooring, as an alternative to tropical hardwoods and temperate broadleaf (birch) plywood. Moving forward, the company plans to refine the production line and improve quality with commercial production scheduled for spring 2026.

The name of the new wooden board is “DIO woodcore”. At the NWFA Expo, the largest exhibition in the wood flooring industry, held in North Carolina, USA the company showcased flooring samples made using this product as the base material. It is said to achieve performance equivalent to plywood in terms of bending strength, wood screw retention and surface smoothness. The material used is aspen one of the sustainable resources native to Canada. Daiken North America is a manufacturer of low-melamine decorative panels using particle board as the base materia, with an annual production capacity of 7 million square metres.

Special feature, ‘Laminated lumber and CLT’

According to a survey regarding to production of laminated structural lumber, which was held by Japan Forest Products Journal in April, 2025, of the 42 valid responses, 29 (accounting for 69%) indicated an expected increase in production for 2025 compared to the previous year (including those projecting the same production level as the previous year).

Nine responses indicated a decrease compared to the previous year, accounting for 21% of the valid responses. This represents a four-point increase from last year's 17%.

Compared to last year, the shift in demand away from imported laminated wood and competing Douglas fir lumber has stabilised. In a demand environment where an increase in housing starts is also unlikely, more manufacturers are presenting a bleak outlook.

The production-related survey was conducted among 127 domestic laminated wood and CLT manufacturers certified under JAS. Valid responses were received from 60 businesses, including 42 regarding laminated structural lumber, 19 regarding laminated decorative lumber and 8 regarding CLT.

In 2024, the production volume of structural laminated wood saw 15 responses indicating an increase compared to the previous year (including those expecting the same level as the previous year), accounting for 36% of valid responses. This represents an 18-point decrease from last year's survey result of 54%. Last year's survey responses indicated that 81% of valid responses expected an increase in production volume for 2024. However, it appears that many manufacturers struggled more than anticipated to achieve growth.

In the second half of 2023, the domestic inventory of imported laminated lumber declined, leading to increased demand for domestically produced products. Additionally, from autumn onward, substitute demand emerged to compensate for the shortage of Douglas fir lumber. Additionally, manufacturers handling medium- and large-section laminated lumber saw demand related to the Osaka-Kansai Expo. These special factors supporting demand continued until the spring of 2024. As the impact weakened toward the summer, this change was reflected in the survey results.

Regarding this year's production volume, 12 responses indicated an expected increase compared to the previous year (including those expecting the same production level as last year). This accounted for 63% of valid responses, marking a 21-point increase from last year's 42%.

In the survey on CLT manufacturers, 53 out of 59 valid responses (accounting for 90%) indicated that some costs, such as labor or logistics expenses, increased in 2024. 47 responses, accounting for 80%, indicated that the cost increases would continue in 2025.

However, only nine responses indicated that the increased costs had been passed on to product prices, with progress ranging from 1% to 50%, highlighting the challenges of price increases. Additionally, regarding logistics issues in 2024 beyond cost increases, nine responses indicated difficulties in dispatching trucks due to shortages, while three responses noted a reduction in transportation routes for heavy goods and small-lot shipments.

In 2024, 42 manufacturers experienced an increase in labor costs. The reasons for the increase were as follows: 12 responses cited base salary increases, 9 mentioned regular wage increases, and 4 indicated workforce expansion and measures against rising prices.

There were 44 responses indicating an increase in logistics costs. The reasons for the increase were as follows: 19 responses cited higher freight charges, 6 pointed to the 2024 logistics issue, and 3 mentioned rising fuel prices.

There were 35 responses indicating an increase in electricity costs. There were 42 responses indicating an increase in adhesive costs. 18 manufacturers of structural laminated lumber and CLT manufacturers responded that lamina costs had increased. 15 responses indicated an increase in log costs. For 2025, more responses indicated that costs would remain flat compared to 2024. Eight manufacturers of decorative laminated wood responded that veneer and decorative sheet costs had increased.

The outlook for cost increases in 2025 was indicated as follows: 39 responses for labor costs, 30 each for logistics and electricity costs, 25 for adhesives, 22 for 22 for lamina, 13 for logs, and 6 for veneers and decorative sheets.

China

US petition filed - countervailing duties on imports of hardwood and decorative plywood

It has been reported that the Coalition for Fair Trade in Hardwood Plywood recently filed a petition for the imposition of antidumping duties on the imports of hardwood and decorative plywood from China as well as Indonesia and Viet Nam.

The petition alleges dumping margins of 474.2% from China, 202.8% from Indonesia and 112.33% to 133.72% from Viet Nam.

The complaint particularly points out that the manufacturing enterprises in the three countries have gained unfair competitive advantages through policies such as government subsidies, tax reductions and preferential loans.

Analysts believe that if the US Department of Commerce eventually rules to impose punitive tariffs it may reshape the global plywood trade pattern.

See:
https://baijiahao.baidu.com/s?id=1833263613800118998&wfr=spider&for=pc

National standard "Determination Method of Total Organic Carbon in Wood-based Panels and Finishing Products"
The national standard "Determination Method of Total Organic Carbon in Wood-based Panels and Finishing Products", which is under the jurisdiction of the National Technical Committee for Standardisation of Wood-based Panels and led by the Wood Industry Research Institute of the Chinese Academy of Forestry, was recently released and came into effect 1 June 2025.

Wood-based panel and finishing products, with wood as the main raw material, are important carriers for carbon storage and fixation. This standard provides a scientific and analytical testing method for the determination of total organic carbon offering a standard basis for accurately measuring the carbon storage of wood-based panel and finishing products.

See: https://news.sohu.com/a/894615338_121123910

National standard for "Green Product Evaluation of Wood-based Panels and Wood Flooring"
It has been reported that the national Standard Green Product Evaluation - Wood-based Panels and Wood Flooring (GB/T 35601-2024) came into effect 1 June 2025.

The standard stipulates the evaluation requirements and methods for green products of wood-based panels and wood flooring and is applicable to the evaluation of green products of wood-based panels and wood flooring for indoor use. The implementation of the Standards will effectively promote the transformation and upgrading of China's wood-based panel and wooden flooring industries, achieve high-end leadership and better meet the demands of green consumption.

See: https://m.focus.cn/sh/zixun/0859c0061b27bad6.html

Rise in wood-based panel machinery exports
The production of machinery for manufacturing wood-based panels in China has improved in recent years.

The total import and export value of machinery for wood-based panel production in the first quarter of 2025 was US$103 million, increasing by 11% year-on-year. Of the total, the export value was US$99 million, up 13% year-on-year. In contrast, the import value, a year-on-year decrease of 27%.

The total import and export value of major forest machinery products in China was US$5.052 billion in the first quarter of 2025, increasing by 20% over the same period of 2024. Of the total, the import value was US$147 million, up 7% year-on-year. The export value was US$4.905 billion, up 21% year-on-year.

See: https://www.forestry.gov.cn/c/www/lcdt/624854.jhtml

Slight rise in plywood exports
According to China Customs in the first quarter of 2025, China’s plywood exports totalled 2.944 million cubic metres, up slightly (0.4%) over the same period of 2024.

China’s plywood exports to Saudi Arabia, United Arab Emirates and Nigeria rose 56%, 52% and 54% respectively over the same period of 2024.

The destination countries and regions for China’s plywood exports are numerous and the proportion of China’s plywood exports to the top 9 destination countries and region in the first quarter of 2025 accounted for nearly 50% of the national total. In contrast, the volume of China’s plywood exports to Japan alone fell 14% in the first quarter of 2024.

Top destination for China’s plywood exports, first quarter of 2025

Destination	000s cu.m	YoY % change
Total	2,944	0.40%
Saudi Arabia	229	56%
UAE	223	52%
Philippines	223	14%
UK	178	0.30%
Nigeria	141	54%
Japan	117	-14%
Australia	112	2%
Mexico	110	13%
Viet Nam	106	4%

Data source: China Customs

Decline in plywood imports from Malaysia
According to China Customs, in the first quarter of 2025 China’s plywood imports from Malaysia dropped 33% over the same period of 2024. In contrast, China’s plywood imports from Indonesia rose 57%. China’s plywood imports totalled 92,000 cubic metres, up 6% over the same period of 2024.

Russia is the largest supplier of plywood to China. China’s plywood imports from Russia rose 8% to 81,000 cubic metres, accounting for 88% of the national total in the first quarter 2025.

China’s plywood imports from Japan rose 57% to 4,900 cubic metres in the first quarter of 2025. It is worth noting that China has begun to import plywood from Chile. China’s plywood imports amounted to 976 cubic meters in the first quarter of 2025.

China's main sources of plywood imports, first quarter of 2025

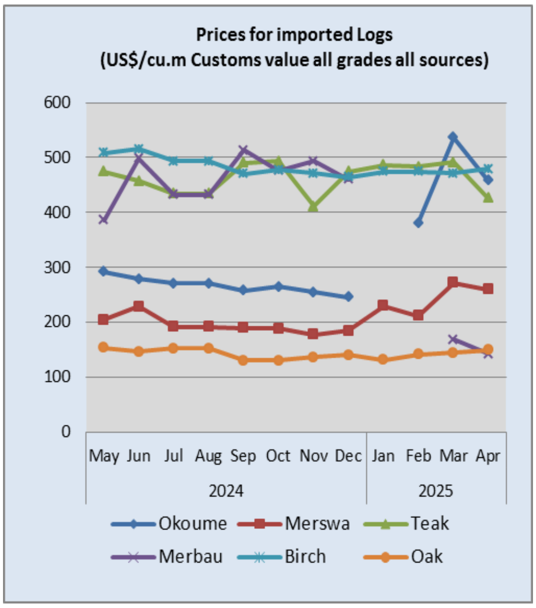
Supplier	000s cu.m	YoY % change
Total	92	6%
Russia	81.0	8%
Indonesia	4.9	57%
Japan	1.6	50%
Malaysia	1.0	-33%
Chile	0.1	

Data source: China Customs

Average CIF prices, logs US$/cu.m

	2025 Mar	2025 Apr
Okoume	536	458
Merswa	272	260
Teak	491	426
Merbau	168	142
Birch	471	479
Oak	144	149

Data source: Customs, China

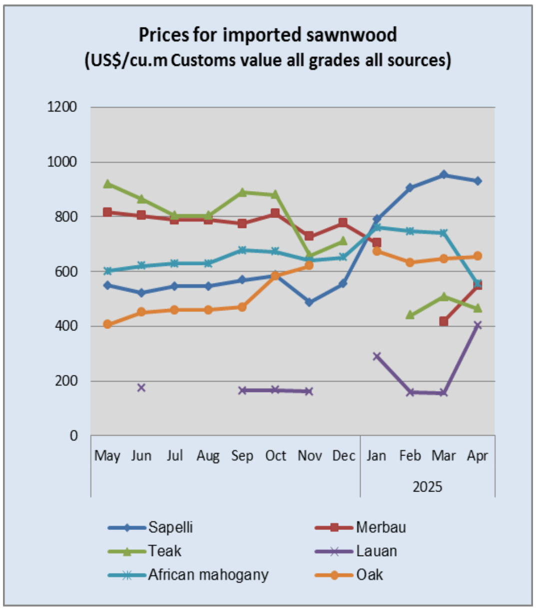


Data source: Customs, China

Average CIF prices, sawnwood, US$/cu.m

	2025 Mar	2025 Apr
Sapelli	953	930
Merbau	417	548
Teak	507	464
Lauan	156	403
African mahogany	739	554
Oak	547	655

Data source: Customs, China



Data source: Customs, China

EU

UK construction in slow recovery, but with downside risks

The UK Construction Products Association (CPA), a leading commentator on the state of building in the country, has revised down its forecast for industry growth in 2025 due to a range of adverse factors. It also says global economic uncertainty caused by the threat of US import tariffs could may have a further depressing effect on market sentiment and consequently curb construction investment.

In its Winter Forecast it predicted that UK construction output would increase 2% this year and 4% next. In its just-published Spring Forecast it has downgraded this to growth of 1.9% this year and 3.7% next. It says that this results from a weakening in UK economic growth prospects overall and a 'slow and erratic start' to construction activity at the start of this year, with poor weather holding up work on sites.

March and April saw some improvement, but wider economic uncertainty is affecting the sector's outlook.

The lack of UK economic growth was already a concern for the sector, with GDP rising only 0.4% in 2023 and 1.1% in 2024. Now forecasts for 2025 have been revised down to growth of just 1%. Moreover, inflation is predicted to be higher for longer than previously expected.

On the upside for the economy, says the CPA, is the persistent real wage growth the UK over the last giving consumers more investment and spending power.

Another encouraging sign that construction has reached or passed the lowest point in its downturn is the declining number of company insolvencies in the sector.

In the year to January 2025 4,031 building businesses closed down. That was on a level with the year to December 2024, but 8.4% lower than the figure for 2023.

The state of the market is still resulting in some big closures, however, with the UK's sixth largest contractor ISG going into administration in September 2024. The company employed 2,200 people and had £4.3 billion of outstanding contracts around the country. This is expected have a major impact on a large number of the firm's sub-contractors.

The CPA predicts that house building, the largest element of UK construction will recover only gradually after its contraction in 2024. Last year only 217,911 houses were built in the UK, a fall of 13,089, or 5.6%, on 2023 when housebuilding contracted 9%. The 2024 figure was the lowest level of housing newbuild since 2017.

Despite concerns over homebuyer confidence, however, the CPA forecasts that private housing output will grow 4% in 2025 to £39.4 billion, with completions rising to 143,731. It then predicts 7% output growth in 2026 and 6% in 2027, with completions up to 152,355 and 159,973 respectively. Underpinning a more positive outlook for the sector are signs that the property market is improving, with property transactions in February 2025 28.1% higher than in the same month of 2024. UK mortgage approvals for the month were also 8.2% up compared to February 2024.

At the same time there are downside risks, says the CPA. Adverse factors affecting the private house building sector include continued rises in costs. The new Future Homes Standard stipulates that builders will have to raise housing energy performance. They also face regulations to ensure water and nutrient neutrality for construction sites which are also driving up overheads, and as of April they have had to pay higher National Insurance Contributions and a higher National Living Wage.

However, with interest rates cut to 4.25% in May and the Bank of England hinting of more reductions in coming months, consumers are likely to have more finance available for home improvement work. In particular they are expected to spend on energy-efficiency retrofit, which includes installation of higher performance doors and windows, so potentially boosting the timber joinery sector.

New build public housing output in the UK contracted by 7.1% to £5.7 billion in 2024, with just 44,032 new homes completed and the CPA says the sector continues to face headwinds.

These include a diversion of housing association funds to remedial work on existing housing stock to meet new building safety rules and improve energy performance. As in the private housing sector, the Building Safety Act is also holding up starts and completions of high-rise residential building.

However in its autumn budget the government allocated an additional £500 million to the Affordable Homes Programme (AHP) with the aim to build an extra 5,000 public sector homes. In February a further £350 million of government funding was injected for another 2,800 properties.

Significant funds are being spent on replacing cladding on high rise social housing to meet the new fire safety regulations imposed after the Grenfell fire disaster.

But more money is also being allocated to improving housing energy performance as part of efforts to decarbonise housing construction – and in November 2024 the government put a further £1.29 billion into the Warm Homes: Social Housing Fund it's largest allocation to date.

"Despite a continued stream of activity from the refurbishment, fit-out and repurposing of existing commercial buildings, as well as niche areas of growth such as data centres and life sciences, commercial output is only expected to return to growth in 2026 as large new build office towers move into the construction phase," says the CPA.

After contracting by 9.3% in 2024, infrastructure construction output is expected to grow 1.8% in 2025 £30.3 billion, with further rises of 4.5%, 3.35 anticipated in 2026 and 2027..

Potential US tariffs impact on UK construction

In a special note, titled Economic and Construction Impacts of US Tariff Disruption CPA says the potential effect of US tariffs on UK construction is very uncertain, with the tariff structure, which countries will be affected by the tariff strategy and for how long remains unclear. Individual deals made by the US with particular countries, including the UK, and trading blocks following the first announcement of tariffs, says the CPA, makes predictions still more difficult.

See:
https://www.constructionproducts.org.uk/news-media-events/news/2025/april/press-release-cpa-releases-spring-forecasts-2025/ - :~:text="The CPA is forecasting construction,line with the UK economy.
https://www.constructionproducts.org.uk/publications/economics/construction-industry-forecasts/construction-industry-forecasts-spring-2025/
https://www.constructionproducts.org.uk/publications/economics/research-papers/impacts-of-us-tariffs/

Guide explains EU Construction Products Regulation obligations

A new guide to the EU Construction Products Regulation (CPR) for building product manufacturers has been published by Construction Products Europe.

The new CPR-2024 came into force on January 7 2025 and will be applicable as of January 2026. Available free on application, the new guide details changes between the new regulation and the previous CPR (No. 305/2011).

These include the obligation on manufacturers to provide a Digital Product Passport DPP and greater emphasis on products' environmental as well as technical performance to ensure they meet both safety and sustainability standards.

See: https://www.construction-products.eu/publications/cpr-a-guide-for-manufacturers_navigating-the-construction-products-regulation-2/

The CPR-2024, says the CPE, establishes the framework for free movement of construction products within the EU, including those made in the EU and those imported into the market.

"By harmonising the conditions for assessing and declaring the product performances and conformity, the CPR-2024 aims at ensuring a consistent approach across all EU Member States," states the CPE guide. "This uniform approach aims to improve the reliability and transparency of product information by requiring consistent communication of essential characteristics and requirements for a safer, more sustainable, and competitive construction sector within the EU."

The backdrop to the wider environmental obligations introduced for building products manufacturers by the CPR-2024 is the EU Green Deal, the strategy aimed at the EU achieving climate neutrality by 2050.

Manufacturers will have to detail the life-cycle environmental performance of their products (according to the requirements of the EN15804 standard for Environmental Product Declarations) .

The guide gives specific instances where CPR-2024 obligations on manufacturers apply to importers and distributors. Among these are:

- where they place a product on the market under their own name or trade mark
- where they intentionally or unintentionally (for instance by incorrect storage) modify a product so affecting its performance
- where they make products available on the market with a declared use that deviates from the one declared by manufacturers in their DoPC
- where they claim characteristics for products that deviate from those declared by the manufacturer.

See:
https://forms.office.com/pages/responsepage.aspx?id=DSqPi6UKyEWnMjX-fKGPTx4YoILlhgJAhvyEO-C0K8ZURTdRU1gyUlJJUjU5SlpEUTdLUlhYMUxURC4u&route=shorturl

EU unemployment rate down

According to latest figures, EU member state average unemployment average fell to its lowest level this century in March 2025. This follows Eurostat analysis showing that the EU employment rate in 2024 reached its highest level since 2009.

According to Statista, average unemployment in the EU between January and March 20225 was 5.8%. It has been declining since the summer of 2020 when it peaked at 7.8%, with a strong recovery in jobs after the pandemic in much of the Union.

This leaves the EU lagging the US, where unemployment in April 2025 was recorded at 4.2%.

As of March 2025, Spain, Finland, Greece, Estonia and Sweden were the worst five performers in terms of unemployment with rates of 10.9%, 9.4%, 9%, 8.7% and 8.1%. The top five were Czechia, Poland, Malta, Slovenia and Germany. Their rates were respectively 2.6%, 2.7%,2.8%, 3.2% and 3.5%.

According to an April 2025 Eurostat report EU employment in 2024 rose to 75.8% of the 20–64-year-old population. That translated into a workforce of 197.6 million people.

The top five countries in terms of employment were the Netherlands at 83.5%, Malta 83%, Czechia 82.3%, Sweden 81.9% and Estonia 81.8%. The lowest five in terms of employment were Italy at 67.1%, Greece 69.3%, Romania69.5%, Spain 71.4% and Belgium 72.3%.

See:
https://www.statista.com/statistics/685957/unemployment-rate-in-the-european-union/
https://ec.europa.eu/eurostat/en/web/products-eurostat-news/w/ddn-20250415-1
https://ec.europa.eu/eurostat/web/products-euro-indicators/w/3-02052025-bp#:~:text=In%20March%202025%2C%20the%20youth,thousand%20in%20the%20euro%20area.

North America

Hardwood plywood imports drop 35%

After surging in March, US imports of hardwood plywood plunged 35% in April to their lowest level of the year. At 226,202 cubic metres, April imports were 6% lower than in April 2024.

Imports from Indonesia, the top trading partner so far this year, fell sharply, down 58% from March's 10-year high. Imports also fell markedly from Ecuador (down 30%), Malaysia (down 27%) and China (down 23%).

Despite the pullback, total US imports of hardwood plywood are ahead of 2024 volume by 13% through April.

US imports of hardwood plywood (cu.m)

	Apr-25	% change
Total	226,202	-35%
China	2,364	-23%
Russia	17,990	16%
Indonesia	65,130	-58%
Malaysia	7,653	-27%
Cambodia	13,436	3%
Viet Nam	66,377	-7%
Ecuador	9,763	-30%
Other	43,489	-33%

Data source: US Department of Agriculture, Foreign Trade Statistics

Imports of sawn tropical hardwood cool; Canadian imports rebound

US imports of sawn tropical hardwood fell 7% in April retreating after a March surge. At 14,479 cubic meters, import volume was down 9% from last April's level. Imports from Brazil, the top trading partner last year, disappointed again, falling 32% for the month and now down 58% year to date versus last year. Imports from Congo (Brazzaville) and Malaysia also fell more than 20% in April. Imports from this year's top supplier, Indonesia, continued their ascent, rising 26% in April. Imports of Sapelli plunged 32% in April and are down 12% for the year so far. Total imports of sawn tropical hardwood into the US are down 7% from last year through April.

Conversely, Canadian imports of sawn tropical hardwood rebounded sharply from a weak March, improving by 63% in April. April imports were up 8% from the previous April as imports from Brazil, Bolivia, Congo (Zaire) and Congo (Brazzaville) all soared.

US imports of sawn tropical hardwood (cu.m)

	Apr-25	% change
Total	14,479	-7%
Ecuador	1,176	103%
Brazil	2,083	-32%
Cameroon	2,787	63%
Malaysia	1,316	-21%
Rep. Congo	1,168	-26%
Peru	136	109%
Indonesia	2,471	26%
Ghana	790	-3%
Cote d'Ivoire	75	97%
Other	2,477	-40%

Data source: US Department of Agriculture, Foreign Trade Statistics

Veneer imports leap

US imports of tropical hardwood veneer climbed 52% in April as imports from key trading partners surged. Imports from Italy led the way, rising by 138% from the previous month while imports from Ghana jumped 63% and imports from Cote d'Ivoire rose 67%. At more than US$3.1 million, the April total surpassed April 2024's figure by 37%. Due to the impressive April gain, total imports of tropical hardwood veneer are now up 10% over last year after being virtually even a month ago.

US imports of tropical hardwood veneer (US$)

	Apr-25	% change
Total	3,132,078	52%
Italy	794,736	138%
China	92,325	-12%
Ghana	96,996	63%
Cote d'Ivoire	184,200	67%
Cameroon	707,103	21%
India	216,237	6%
Other	1,040,481	56%

Data source: US Department of Agriculture, Foreign Trade Statistics

Moulding imports dip

US imports of hardwood moulding fell 9% in April after reaching a two-year high in March. A 23% decline in imports from Canada, by far the top US trading partner, triggered the loss. Imports from other chief supplying nations—Malaysia, China and Brazil—not only remained strong but rose sharply. Despite the downturn, moulding imports for April were still 27% higher than April of last year while year-to-date imports are up 28% versus 2024 through the first four months of the year.

Hardwood flooring and assembled flooring panels retreat

US imports of assembled flooring panels fell from the all-time high set in March, retreating by 11% in April. Still, the US$31.8 million in April imports remained 27% higher than that of the previous April. Imports from top trader Canada fell 27% while imports from Indonesia and Viet Nam also moved downward. Imports from both Brazil and China more than doubled. With the exception of Brazil, imports for the year so far are up sharply from all major trading partners and are 34% ahead of last year through April.

US imports of hardwood flooring also fell 11% in April. A more than four-fold increase in imports from Brazil helped allay downturns in imports from China (down 59%), Malaysia (down 28%), and Indonesia (down 12%). To date, total imports of hardwood flooring are off by 4% from last year.

US wooden furniture imports from Canada hit 3-year low

US imports of wooden furniture fell 1% in April on declining imports from Canada, Mexico and China. Despite the dip, the US$1.7 billion in imports for the month was 8% higher than in April 2024.

Imports from Canada fell to their lowest level since February 2021 on a monthly decline of 21%. Imports from both Canada and Mexico are down 9% year to date while imports from China are off by 16%.

These losses have been mitigated somewhat by increased imports from Viet Nam and Indonesia, which both saw April gains in the 5% range. Total imports of wooden furniture are up 4% over last year through April.

US imports of wooden furniture (US$)

	Apr-25	% Change
Total	1,703,255,427	-1%
China	177,010,769	-9%
Viet Nam	760,619,447	4%
Canada	104,313,698	-21%
Malaysia	106,434,392	-1%
Mexico	108,672,195	-15%
Indonesia	85,666,574	6%
India	38,004,447	-1%
Other	360,538,352	5%

Data source: US Census Bureau

Residential furniture orders continue their slow rise

New residential furniture orders rose for a third straight month in March, according to the May issue of *Furniture Insights* new orders were up 1% in March compared to February and were also up 1% compared to March 2024. However, year to date through the first quarter of 2025, new orders are down 2% compared to 2024.

Shipments were up 1% in March 2025 compared to March 2024. Shipments were up 6% compared to February, which was likely a function of the prior short month (when down 8% versus January). Through March, shipments remain flat compared to 2024.

See: https://www.smith-leonard.com/2025/05/30/may-2025-furniture-insights-2/

USDA invests US$200M to expand timber production

The US Department of Agriculture (USDA) announced a US$200 million investment to implement its National Active Forest Management Strategy, an initiative aimed to increase timber harvest, improve forest health and productivity, reduce wildfire risk and support rural prosperity in forest communities.

According to the USDA, the strategy supports President Trump's Executive Order: Immediate Expansion of Timber Production, by streamlining burdensome regulations, leveraging emergency authorities, and expediting project approvals, ensuring faster access to critical timber resources. Increasing the use of long-term contracts to carry out these projects, the strategy envisions a more stable supply of wood products, healthier forests, and stronger rural economies.

This work to increase domestic timber harvests implements the USDA's memorandum to the Forest Service to take immediate action in support. In response, the Forest Service has committed to increasing timber harvest on national forests by 25%, with an overall goal of 4 billion board feet harvested annually by fiscal year 2028.

While little in the way of specifics was released, Agriculture Secretary Brooke Rollins said that the agency will use tools like Good Neighbor Authority to support efforts to work across jurisdictions and property lines to improve forest health and grow economies in communities nationwide.

See:
https://www.woodworkingnetwork.com/news/woodworking-industry-news/usda-invests-200m-expand-timber-production

US Congress considers enacting tax credit for purchasing American hardwood products

US Senator Cindy Hyde-Smith of Mississippi introduced legislation June 5 to allow consumers to claim a tax credit for purchasing solid American hardwood products for their homes. The Solid American Hardwood Tax Credit Act would allow individual taxpayers to include American-manufactured solid hardwood products as qualified home energy efficiency improvements under the Energy Efficient Home Improvement Credit.

The credit would apply to any flooring, paneling, millwork, cabinetry doors, cabinetry facing, window, or skylight, comprised of deciduous trees grown and processed in the United States.

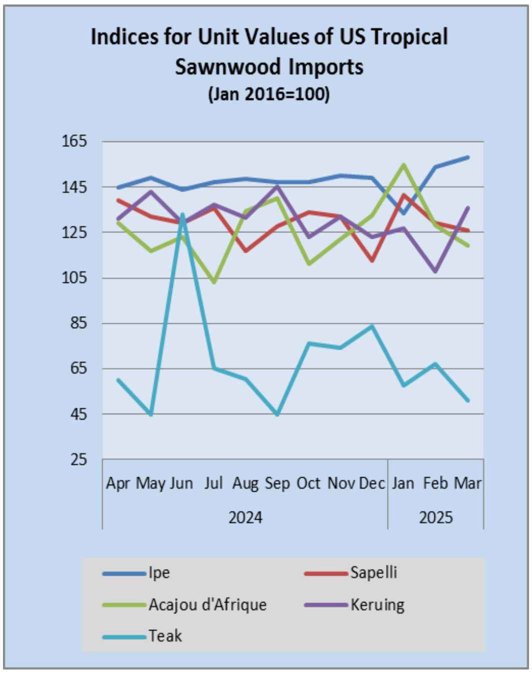
"This bill is designed to support the domestic hardwood industry and the jobs it provides while making American-made hardwood products more affordable for families," Hyde-Smith said.

Despite the significance of the forestry sector to Mississippi's economy, the state's hardwood industry has been affected by a severe national decline. The domestic hardwood-grade lumber market has fallen from 6.5 billion board feet to less than 2 billion board feet in the past 26 years.

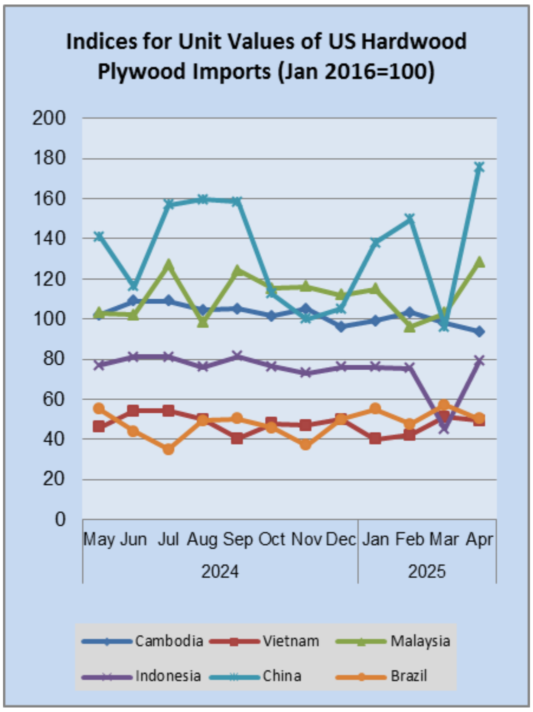
The bill falls in line with a March executive order issued by President Trump, which called for the immediate expansion of American timber production and tasked the secretaries of Interior and Agriculture to craft legislative proposals to improve timber production and forest management.

Hyde-Smith's legislation is the Senate companion bill to a House bill (HR.3322) introduced in May. The National Hardwood Lumber Association supports the legislation.

See:
https://www.woodworkingnetwork.com/news/woodworking-industry-news/senate-companion-legislation-provides-tax-credits-hardwood-purchases



Data source: US Census Bureau, Foreign Trade Statistics



Data source: US Census Bureau, Foreign Trade Statistics

Disclaimer: Though efforts have been made to ensure prices are accurate, these are published as a guide only. ITTO does not take responsibility for the accuracy of this information.

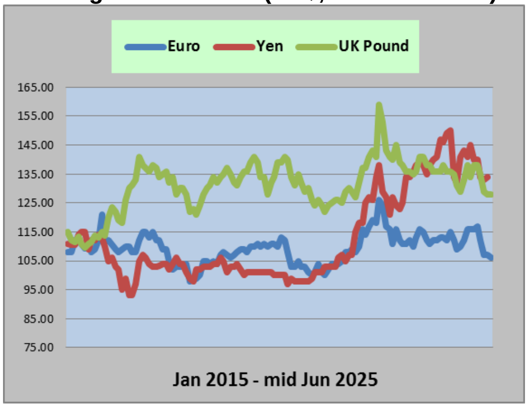
The views and opinions expressed herein are those of the correspondents and do not necessarily reflect those of ITTO

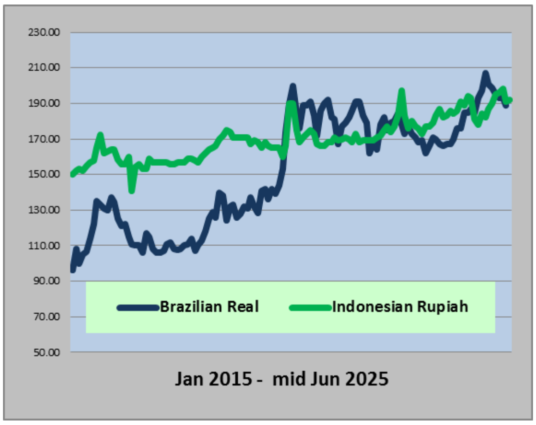
US Dollar Exchange Rates

As of 10 June 2025

Brazil	Real	5.55
CFA countries	CFA Franc	569.80
China	Yuan	7.18
Euro area	Euro	0.87
India	Rupee	85.95
Indonesia	Rupiah	16,285
Japan	Yen	144.20
Malaysia	Ringgit	4.25
Peru	Sol	3.51
UK	Pound	0.74
South Korea	Won	1,366.21

Exchange rate indices (US$, Dec 2003=100)

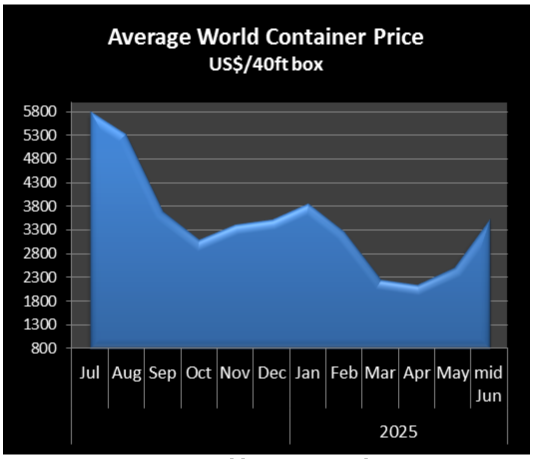




Abbreviations and Equivalences

Arrows ⬇⬆	Price has moved up or down
BB/CC etc	quality of face and back veneer
BF, MBF	Board foot, 1000 board foot
Boule	bundled boards from a single log
TEU	20 foot container equivalent
CIF	Cost insurance and freight
C&F CNF	Cost and freight
cu.m cbm	cubic metre
FAS	First and second grade of sawnwood
FOB	Free-on board
Genban	Sawnwood for structural use in house building
GMS	General Market Specification
GSP	Guiding Selling Price
Hoppus ton	1.8 cubic metre
KD, AD	Kiln dried, air dried
Koku	0.28 cubic metre or 120 BF
LM	Loyale Merchant, a grade of log parcel
MR.., WBP	Moisture resistant, Weather and boil proof
MT	Metric tonne
OSB	Oriented Strand Board
PHND	Pin hole no defect
QS	Qualite Superieure
SQ,SSQ	Sawmill Quality, Select Sawmill Quality

Ocean Container Freight Index

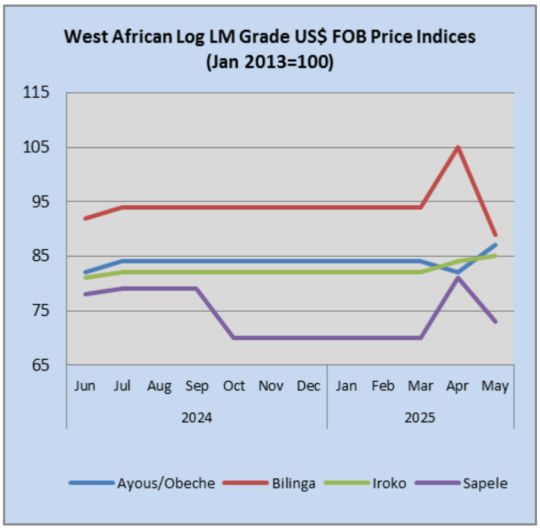


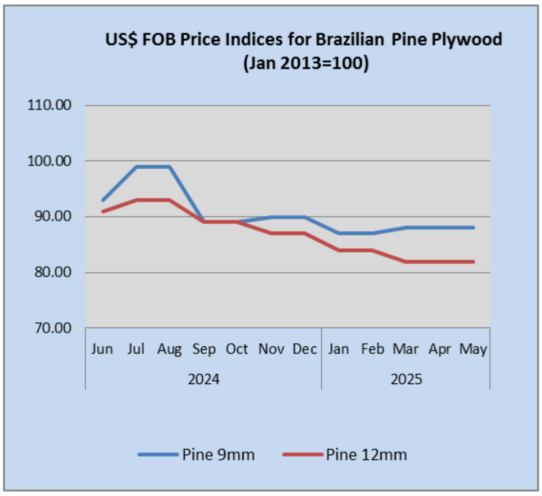
Data source: Drewry World Container Index

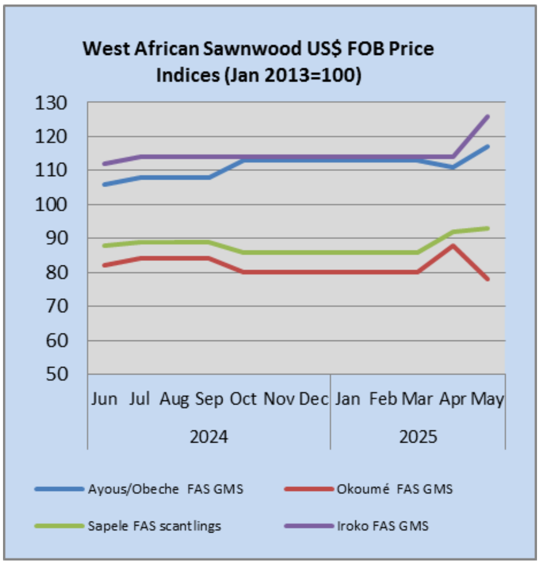
See: https://www.drewry.co.uk/supply-chain-advisors/supply-chain-expertise/world-container-index-assessed-by-drewry

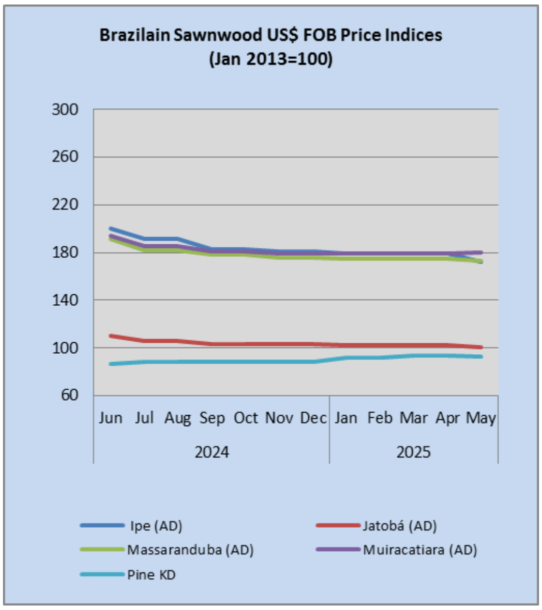
Price indices for selected products

The following indices are based on US dollar FOB prices









Note: Indices for W. African logs and sawnwood are recalculated from Euro to US dollar terms.

To have a free copy of this twice-monthly ITTO Market Information Service bulletin emailed to you on the day of production, please register at:

http://www.itto.int/en/mis_registration