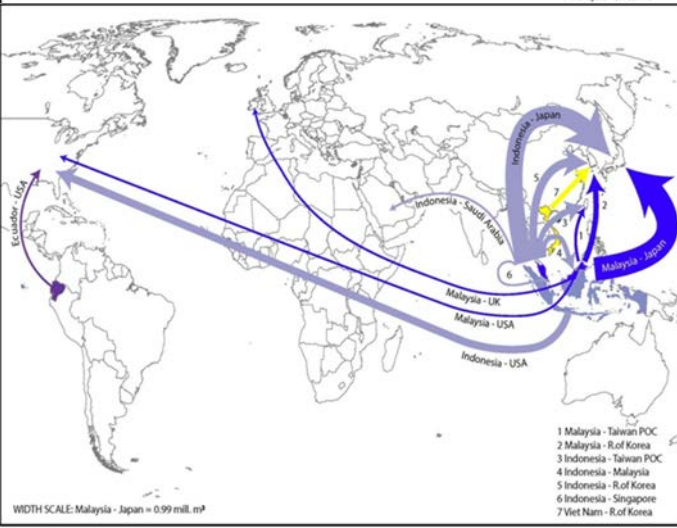
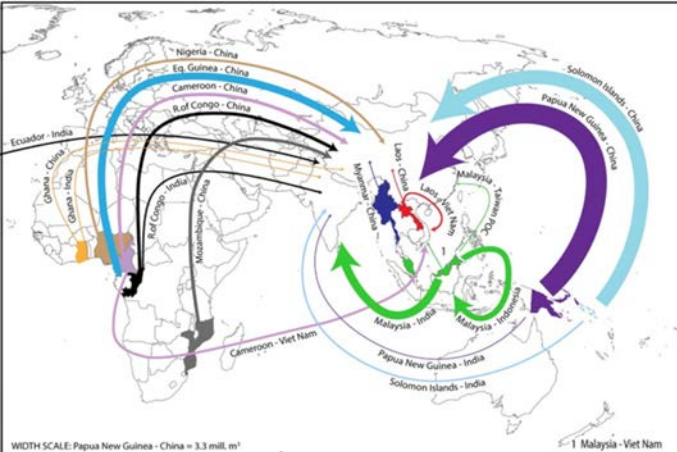


# **Trade Policy Facilitation for Bamboo and Rattan Commodities**

## **竹藤贸易政策便利化**

International Tropical Timber Organization, ITTO  
国际热带木材组织 (ITTO)

June 26, 2018  
National Convention Center, Beijing, China



## Situation and trends of trade and market access of tropical timber and NTFPs (bamboo and rattan)

**Tetra Yanuariadi**  
 ITTO Projects Manager



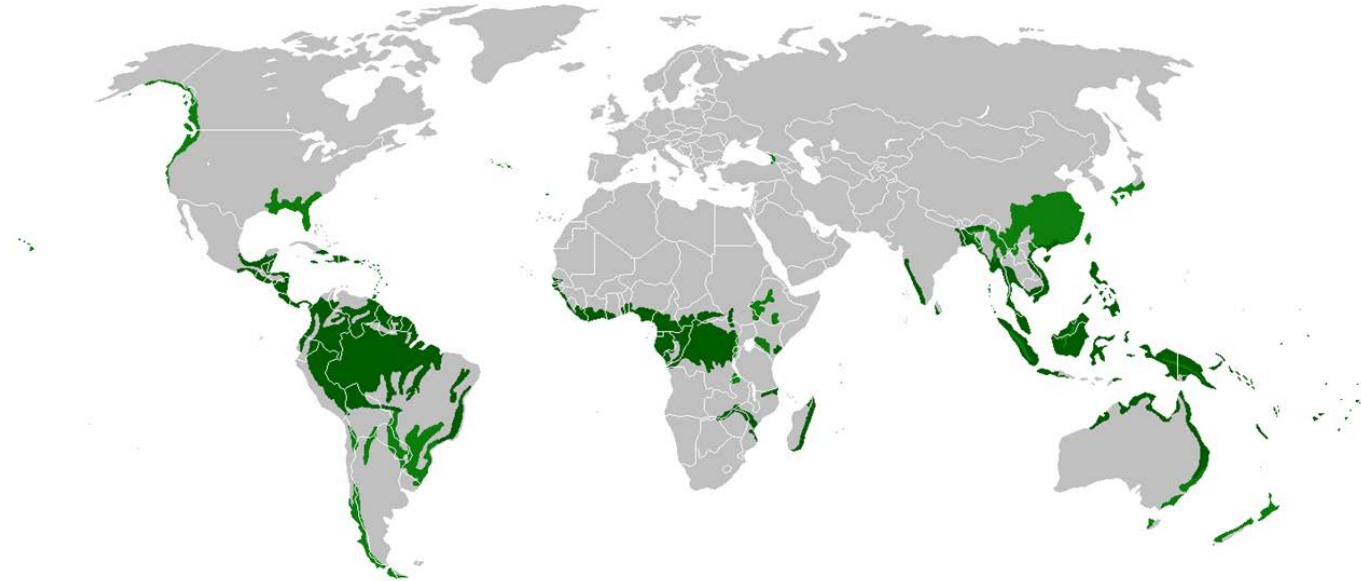
## **Global situation on forest products**

**Global production of major wood products surged in 2016 for the seventh consecutive year with a growth rate of three to 6%**

**The fastest increase in major wood products (industrial roundwood, sawnwood, wood-based panels, wood pellets) occurred in Asia-Pacific, Northern America and Europe**

**Global forest products trade structures have been changing from trade in raw materials to trade in processed products.**

# Tropical forests



**Tropical forests account for 1.66 billion ha (13%) of the total area on earth. Tropical forest by regions: LAC (907m ha.); Africa (440m ha.); Aspac (317m ha).**

**>> 85% is in ITTO member countries**





# Tropical forests



**Commodities produced in tropical countries are not always viewed in a positive light → associated with deforestation, forest degradation, illegality, etc.**

**Degraded forests will reduce their capacity to supply local, national and global market with essential forest products**

**Demand for harvested wood and other products are increasing.**

# Market developments of tropical timber and timber products



## 3 important factors:

Economic trends, Building and construction indicators, and  
Market policy trends and access



## Economic trends:

- Global economic growth is a major indicator of demand for tropical wood
- GDP is an important measure of a country's economic outputs



## Building and construction trends

- Global housing and construction trends are important indicators of tropical wood products demand
- Major countries: USA, China, Japan, and EU



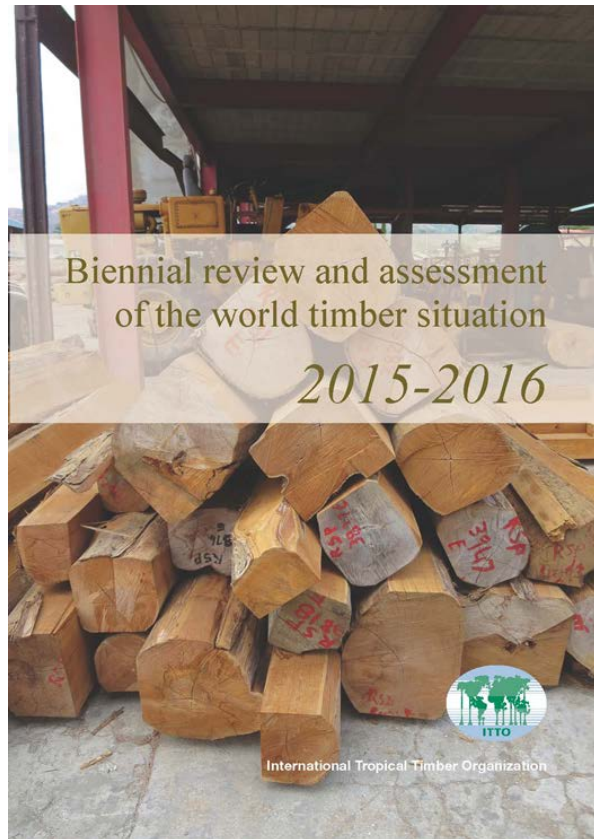
## Market policy trends and access

- Numerous policy measures are now being implemented to improve forest law enforcement and governance and counter the trade in illegally harvested timber: EU Action Plan on FLEGT (VPA, EUTR), US Lacey Act, the Australian Illegal Logging Prohibition Bill 2012
- Certifications, procurement policies , and CITES species protection





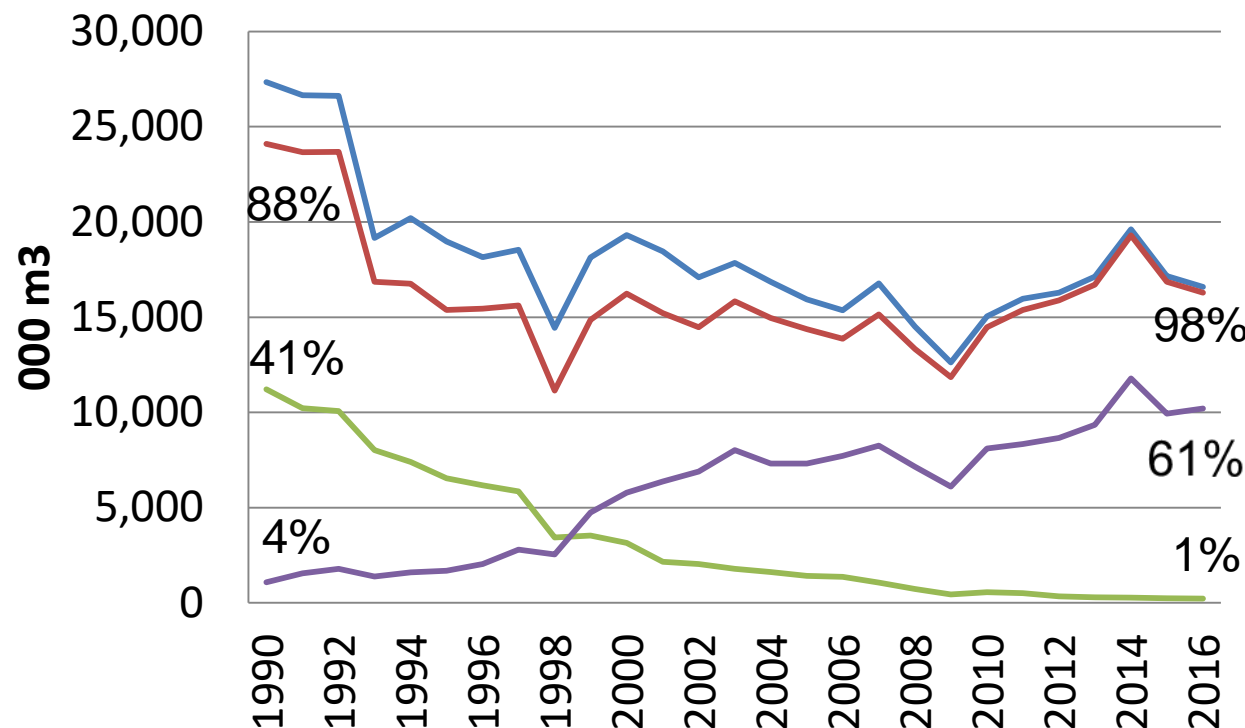
# Trends: tropical timber industry and trade



[www.itto.int](http://www.itto.int)



## World imports of tropical ind. roundwood



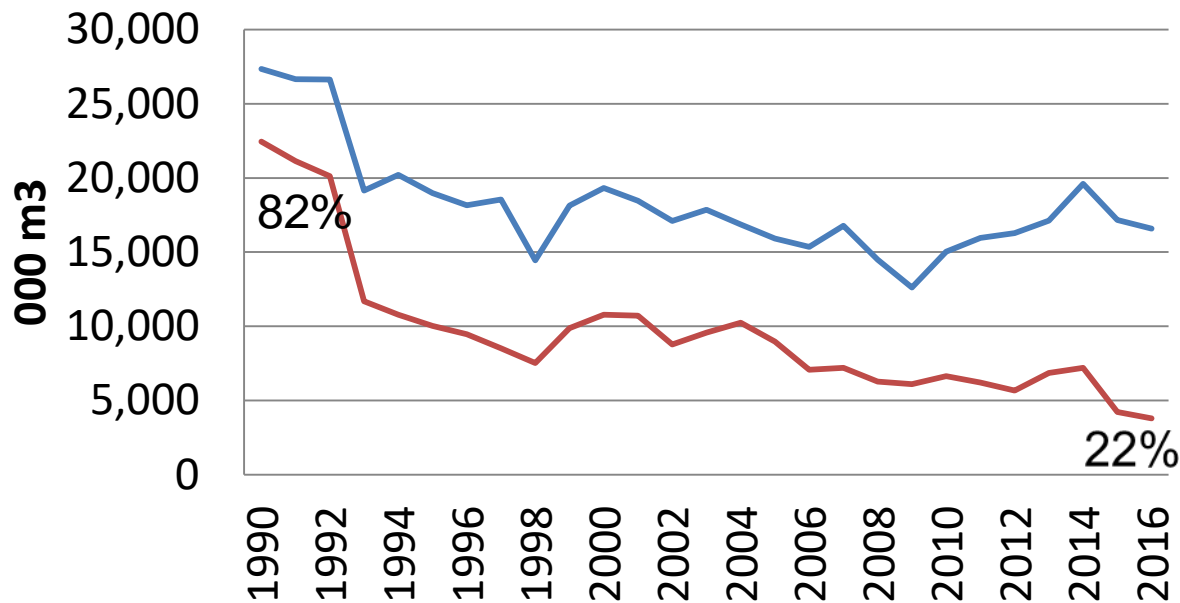
The trade of tropical industrial roundwood has been decreasing dramatically over the last 26 years.

Asia has always been the dominant importer (98% share)

While Japan was the dominant buyer in 1990, the situation has considerably changed in 26 years as the Japanese demand has almost become insignificant.

China is now the major buyer along with India and Viet Nam. The demand for this product is now entirely dependent on three countries.

## World exports of tropical ind. roundwood

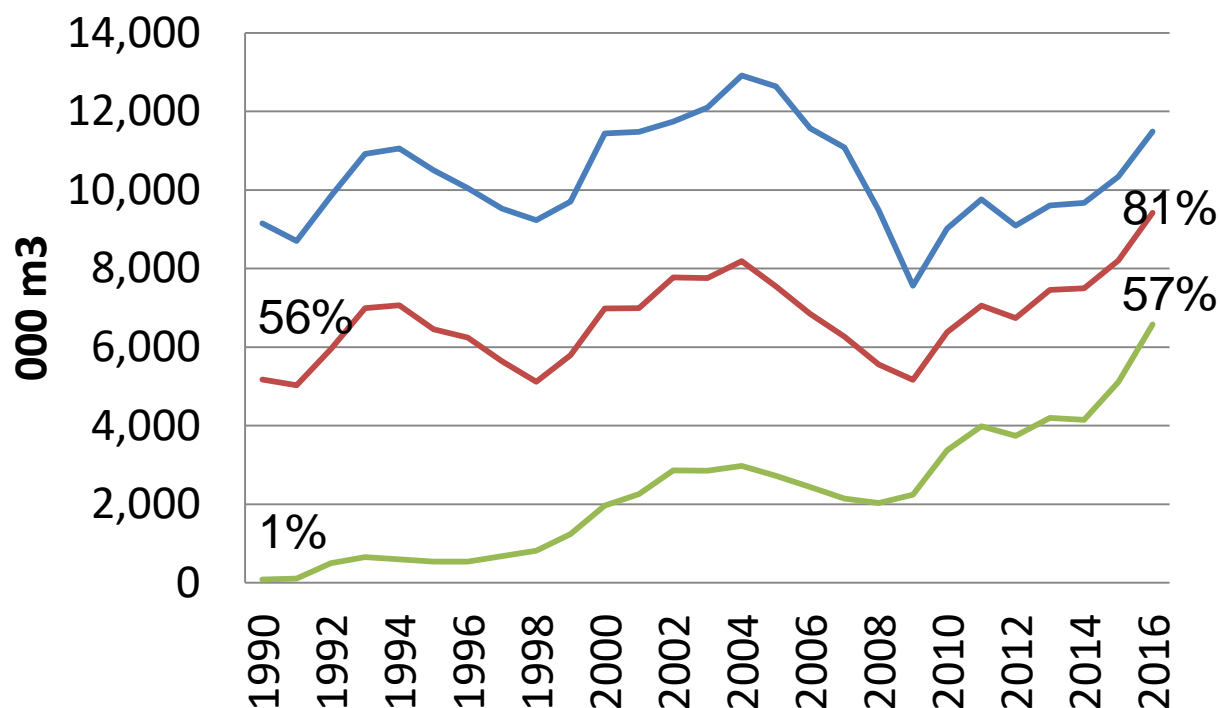


In 1990, Asia was the main buyer of tropical industrial roundwood but also the main supplier.

26 years later, Asia is not a major supplier anymore and has been overcome by Africa and Oceania.

Asia depends now on new suppliers of tropical industrial roundwood.

## World imports of tropical sawnwood



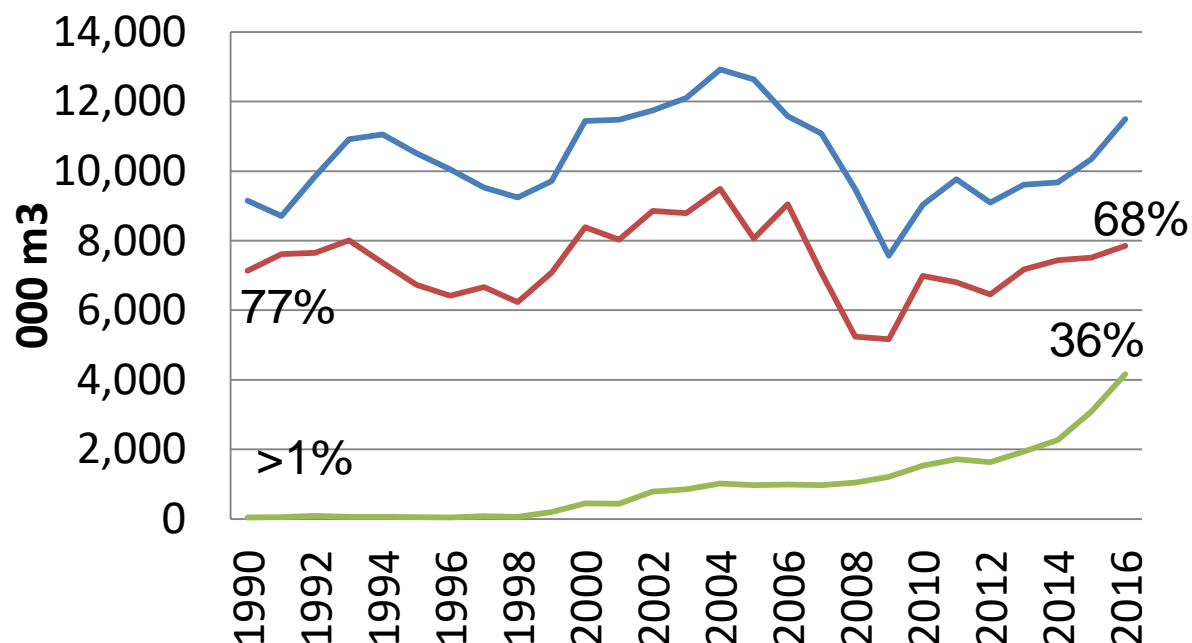
Global demand for tropical sawnwood has remained relatively steady over the last 26 years despite strong variations during economic downturns

Asia imported half of it in 1990 and more than 80% 26 years later.

China has experienced an impressive increase over the last 26 years.

As for the industrial tropical roundwood, the market is highly dependent on the Chinese demand.

## World exports of tropical sawnwood

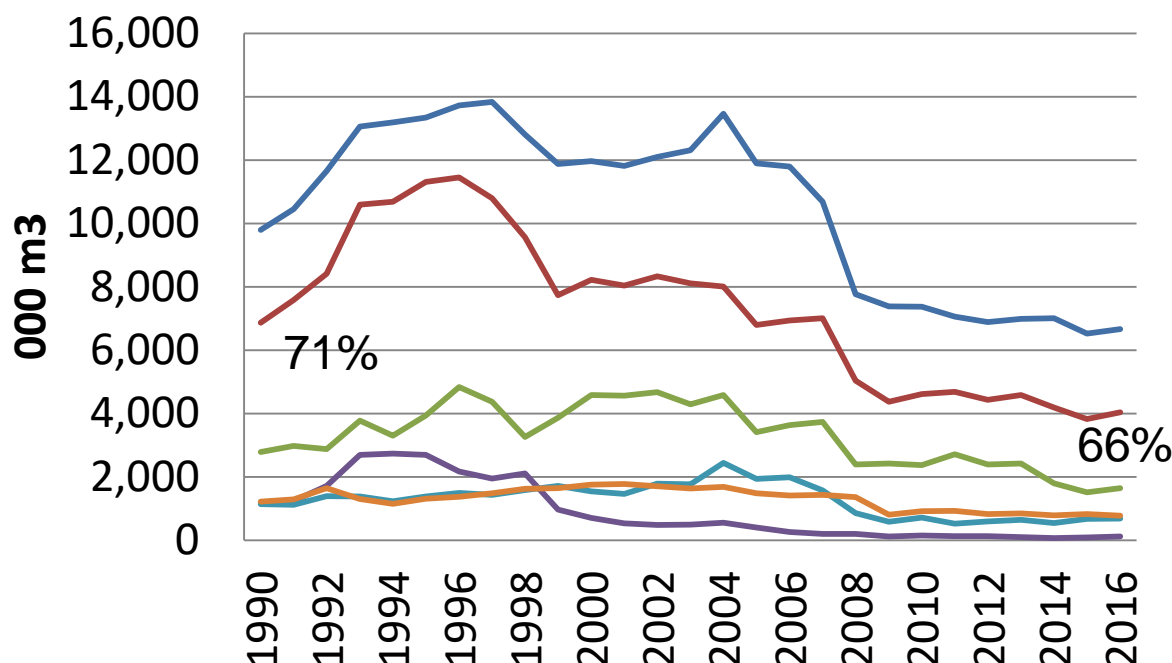


Asia is still a major supplier of tropical sawnwood.

Major suppliers have changed over time. In 1990, Malaysia was supplying more than 56% of the tropical sawnwood in the world. Today it is 17%.

For the last 20 years, Thailand has experienced a strong increase of its exports.

## World imports of tropical plywood

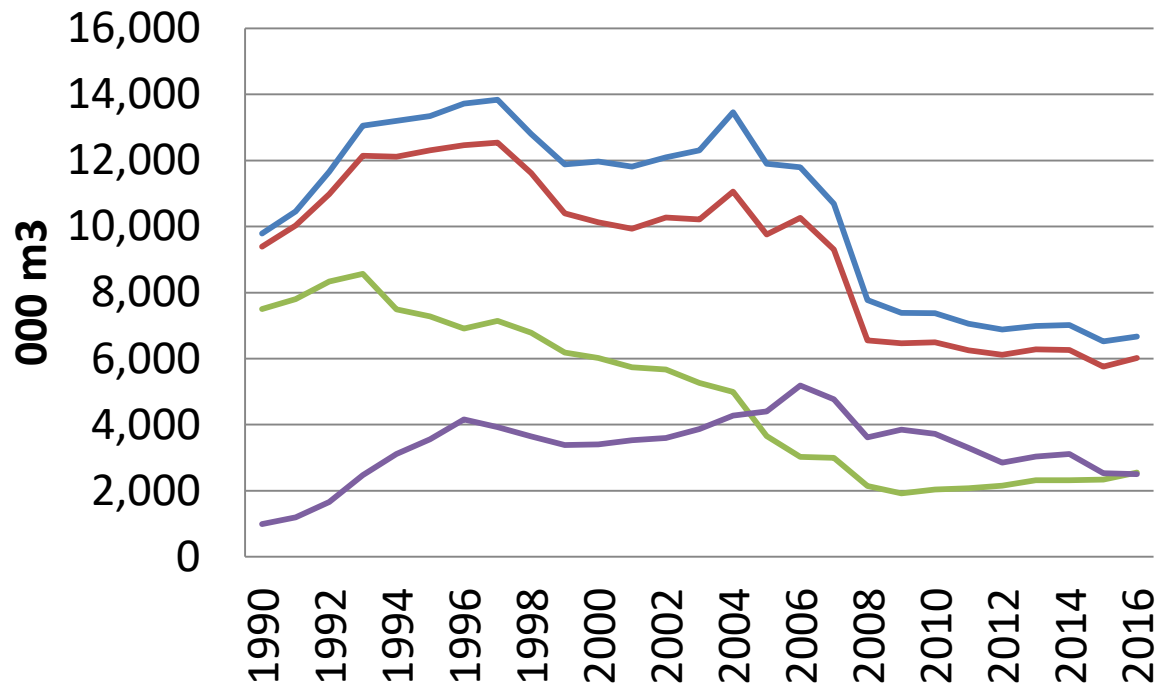


Demand for tropical plywood has been divided by more than 2 in less than 20 years. In 1990, 80% of the plywood sold in the world was tropical. 26 years later, only  $\frac{1}{4}$  is tropical.

Asia is a major importer of tropical plywood.

The 4 important markets for tropical plywood have declined overtime for different reasons.

## World exports of tropical plywood

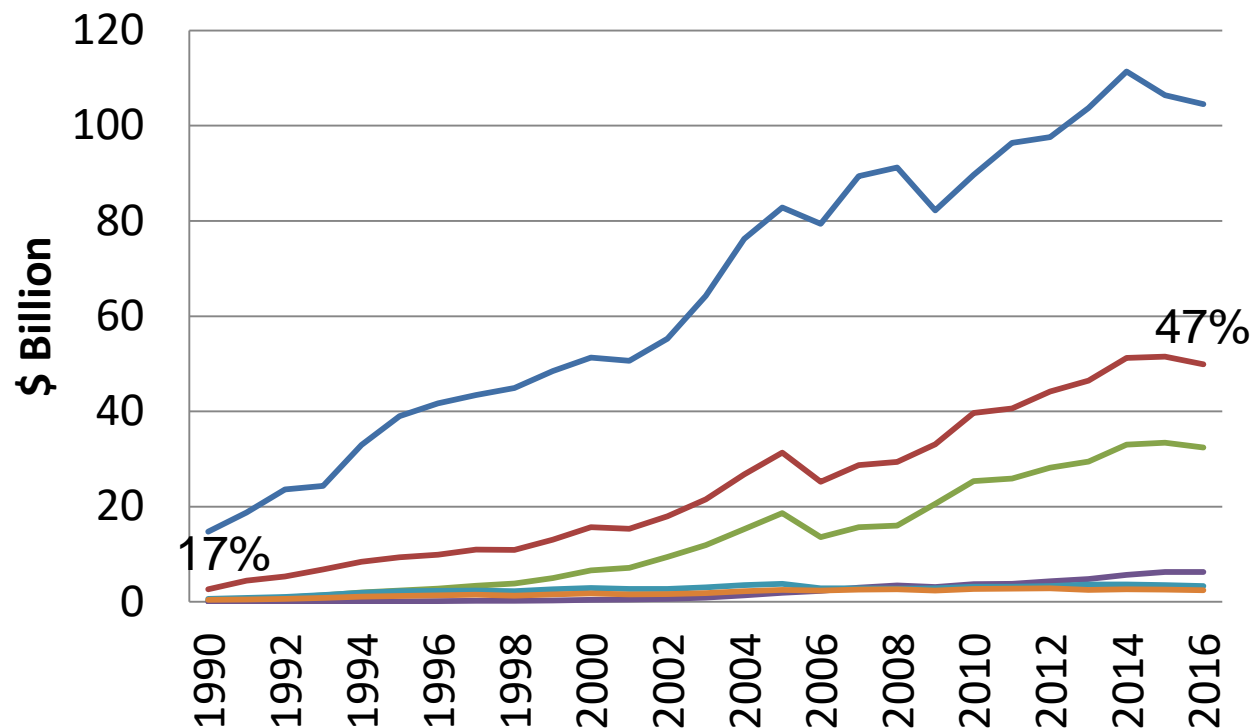


Asia represents the major supplier of tropical plywood as it has always supplied more 90% of it.

Indonesia has seen its exports divided by 4 in 26 years.

Malaysia has seen its exports reaching a peak before the 2008 crisis but its exports have experienced a serious downturn since.

## World exports of SPWP



Asia exports of SPWP has strongly increased over the last 26 years

However, most of this increase is due to the development of the Chinese SPWP exports which represents more than 30% of the world total.

Viet Nam, Indonesia and Malaysia have seen their industry developing as well. These 3 countries with China represent 90% of the Asian exports of SPWP.



# Trade of bamboo and rattan



- Exports in 2015: \$4.3 bio (92% of world exports originating from ITTO consumers countries)
- 6.5% of world primary wood product export

## Bamboo

- The largest exporters: China, Italy and Poland
- China dominates the trade: 63% of ITTO exports (2015)
- Asia Pacific producer accounted 71% of ITTO exports



## Rattan

- Major player: Indonesia (exporter), USA (importer)
  - Global shortage of rattan supply
- World import in 2015: \$3.6 bio (73% of world imports accounted for by ITTO consumer countries)

# ITTO's roles for bamboo and rattan development



**ITTO is an intergovernmental organization promoting the conservation and sustainable management, use and trade of tropical forest resources.**

**ITTO is working to facilitate its producer and consumer member countries to ensure that tropical timber and non timber products contribute to sustainability and equitable growth.**



# Trade of bamboo and rattan



**The International Tropical Timber Agreement (ITTA), 2006**, contains commitments on:

(q) Promoting better understanding of the contribution of non-timber forest products and environmental services to the sustainable management of tropical forests with the aim of enhancing the capacity of members to develop strategies to strengthen such contributions in the context of sustainable forest management, and cooperating with relevant institutions and processes to this end



# ITTO Works on NTFPs:

## International Conference on the Sustainable Development of NTFPs



- Held in Sept. 2007 in Beijing, China
- Co-organized by ITTO, CAF, INBAR, ICBR, FAO
- Attended by 120 participants from 42 countries
- A study visit to Anji Province for bamboo resource and industries
- Discussions on policy and practical issues
- Lessons learned from a number of ITTO-funded projects ([www.itto.int](http://www.itto.int))



# ITTO Works on NTFPs: International Conference on the Sustainable Development on NTFPs and Services



## Key messages on problems

- For many NTFPs, the value chain is not well developed. More value-adding at the local level could provide forest-based communities with significant benefits
  - A lack of clear resource tenure, access and rights inhibits the development of small-scale and community-based forest enterprises, which could be important actors in NTFP value-adding and marketing
  - Governments and the international community should encourage the production and marketing of NTFPs and forest services by communities and the private sector
-

# A lesson learned from ITTO Project



PD108/01 Rev.3 (I)

## DEVELOPMENT OF SUSTAINABLE RATTAN PRODUCTION AND UTILIZATION THROUGH PARTICIPATION OF RATTAN SMALL HOLDERS AND INDUSTRY IN INDONESIA



. Not enough available data on rattan standing stock potency

Limited information on success stories on rattan plantation.

Low quality of raw material rattan at the grower levels



A long-chain trade characteristic with farmers receive the lowest benefits

Uncertain status of farmer ownership land



# Strengthening collaborative efforts



## The way forward:

- Focus on value and supply chain
- Increase market for sustainable products
- Build capacity
- Provide transformational incentive





# 谢谢



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