

Major supply and trends of tropical timber products in Asia-Pacific since 2008

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Definitions/ general info

- Asia-Pacific: 56 countries and territories, 13 non tropical // 43 tropical. Use UN COMTRADE world definitions or customs (Hong Kong SAR).
- Tropical timber : “tropical wood for industrial uses, which grows or is produced in the countries situated between the Tropic of Cancer and the Tropic of Capricorn. The term covers logs, sawnwood, veneer sheets and plywood.” (ITTA 2006)
- Products of further interest: wood pulp, paper, paperboard and wooden furniture. (definitions on the ITTO-FAO-UNECE-Eurostat Joint Forest questionnaire).
- Excluded: wood fuel. Major focus on industrial products.
- Period covered 2008-2016. 1990-2016: changes are even more drastic inside and outside of the region.
- Roundwood equivalent: conversion factors from the UN Economic Commission for Europe.

Tropical ind. roundwood

- Asia-Pacific is the biggest producing region of tropical industrial roundwood (65% of the world total).
- It is also the biggest importing region of tropical logs in the world => biggest consumer of trop. Logs by far.
- Inner trade is large (8 million m³ of logs) to 3 major consumers: China, India and Viet Nam.
- Unlike 20 years ago, inner trade is not sufficient anymore to cover the demand (partly because of log exports ban) and the region needs to import more and more from abroad.
- 8 million m³ come from abroad
- 7 million m³ from Africa and 1 million m³ from LAC.

Tropical sawnwood

- Asia-Pacific is the biggest producing region of tropical sawnwood (67% of the world total).
- It is also the biggest importing region of tropical sawnwood in the world => biggest consumer by far.
- Inner trade is getting larger and larger (7 million m³) mainly for dodging log exports ban. Major importer in the region are China, Thailand, Viet Nam and India.
- Exports of trop. sawnwood to the rest of the world has dried up because of the region buoying demand.
- 1.5 million m³ comes from abroad (800 000 m³ from Africa and 600 000 m³ from LAC).

Tropical plywood

- Asia-Pacific is the biggest producing region of tropical plywood (90% of the world total). Dominant position which has been strengthening over time.
- China is the biggest producer in the world and outpaced the two historical tropical plywood Malaysia and Indonesia.
- Most Chinese production targets the domestic market while Indonesia and Malaysia targets the other Asia-Pacific countries and international markets.
- Imports from the rest of the world remains negligible as the Asia-Pacific production covers its demand.

Tropical products: summary

- The region had always been a major consumer of tropical timber. Demand and consumption of tropical timber increased even more strongly between 2008 and 2016 and reached its highest volume ever recorded.
- This demand was partially met by the region's production but external dependence for raw materials became stronger and stronger as the region could not provide as much raw materials from natural forests as it had done before due to the implementations of numerous log exports bans and the reduction and exhaustion of natural resources in some countries.
- This external dependence could hamper the economic development of the region in the future as growing concerns were raised over the world on the sustainability of the supply of tropical timber and its impacts on the tropical forests and biodiversity.
- The region's dominant position in tropical plywood intensified and Asia-Pacific countries represented 90% of the worldwide trade of tropical plywood.

Wooden furniture

- The region is the biggest exporter of wooden furniture in the world (\$22 billion to the rest of the world 1/3 of the world total exports of wooden furniture).
- The region exported \$15 billion to North America and \$5.3 to EU28.
- The biggest exporters of the region are China and Viet Nam which are also the first and second biggest exporter of wooden furniture in the world. Their growth was so strong that they outpaced traditional European producers.
- Malaysia and Indonesia are also important exporters.
- The inner trade is also active with Japan, HK, Australia and Singapore being the major importers of wooden furniture from Asia-Pacific.

Wood pulp, paper and paperboard

- The region is the biggest importer of wood pulp in the world (\$15 billion) as domestic production does not follow up with the demand.
- China is by far the biggest importer of wood pulp in the region and in the world (1/3 of the world imports).
- Indonesia is the biggest tropical producer of wood pulp in the region due to the surge of its plantations which supply its paper industry. It is also the biggest tropical country of the region with the largest plantations (5 million ha all together).
- Asia-Pacific is now the biggest producing region of paper and paperboard in the world producing more than Europe and North America combined.
- Most of this paper is traded or consumed within the region.

SPWP, wood pulp, paper and paperboard summary

- Asia-Pacific is currently confronted with a double external constraint. On one hand, as for tropical products, the region faces a shortage of primary timber products such as wood pulp to meet its production of paper and paperboard.
- On the other hand, Asia Pacific depends on the rest of the world and particularly on advanced countries to sell its production of wooden furniture which remains a strategic industrial sector especially in China and Viet Nam.
- The middle-class of the region has not grown at the same pace as the industrial development of most Asian countries despite an impressive growth of the Chinese middle-class.