

Forest Product Trade of China in 2013 and the CINFT Annual Working Report



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Contents

Global forest product trade

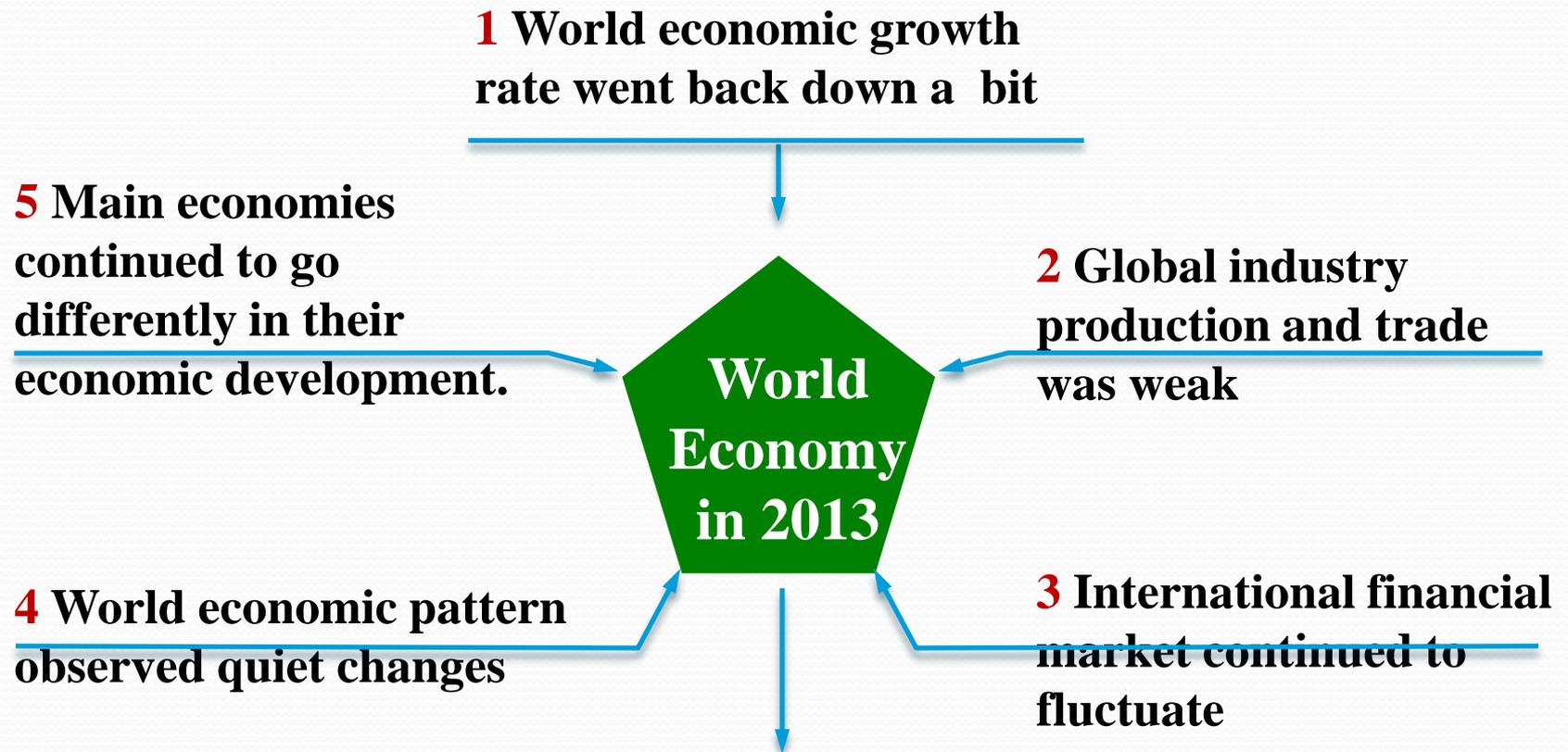
Retrospect and outlook of

China' s forest product trade

CINFT Annual Working report

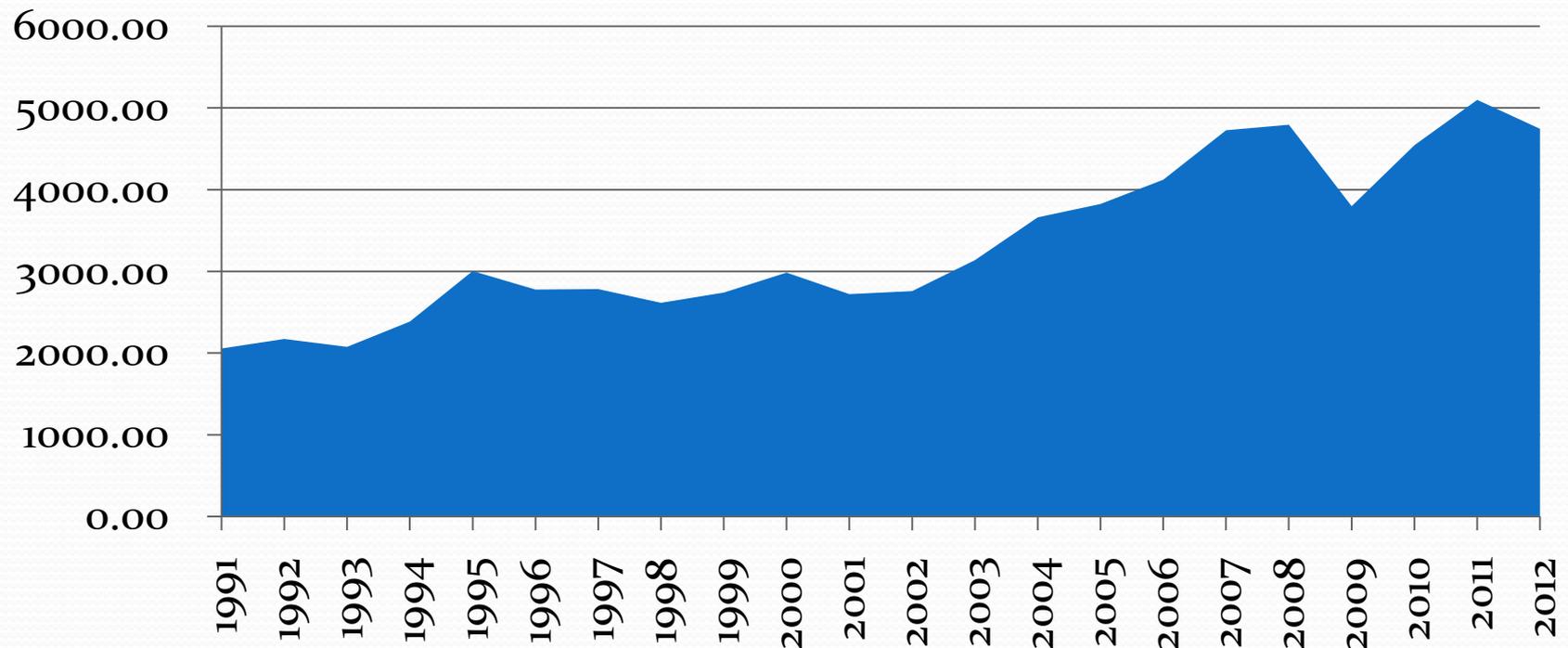
(2013)

1. Global forest product trade trend



Changes in world economic pattern have affected the forest product trade.

(1) Recovery growth and then slight sliding of global trade volume and value of forest products



Global forest products trade value in 1991 - 2012 (100 mil. USD)
Source : FAOSTAT

(2) Adjustment of global trade pattern of forest products under way

1 Developed countries continued to own larger but narrowed share of the up-m , arket

5 Resources-based forest product trade is restrained.

4 Traditional wood exporters reduce its log exports and accelerate the industry restructuring to develop its own timber processing.

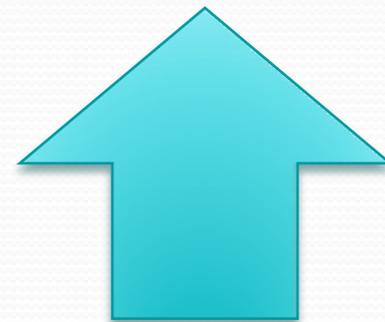
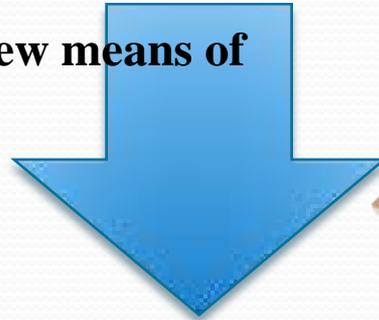
2 Asia, particularly China, has grown as the important region of forest product trade

3 China is now the globally largest importers and traders, but has to face the competition from Vietnam, Malaysia and Indonesia.

World
Forest
Product
Trade
Pattern

(3) Accelerated forestry internationalization process featured with coexisting of cooperation and frictions as well as worse trade protection

■ **More trade protection and trade remedy
measures adopted, and the exclusive regional
free trade agreement as the new means of
trade protection.**



(4) Green environment movement promotes the responsible forest product trade but also implies the trade protectionism



- The international community are concerned about environment protection, and countries issued policy measures to combat illegal logging and related trade. But the measures are prone to bring new protectionism if over used.

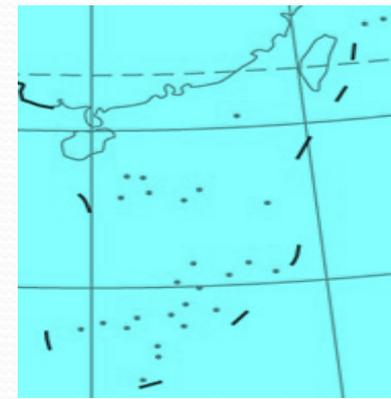
Outlook 2014

- **World economy will probably undergo steady and wide growth**
- **The weak recovery and growth of global economy add the possibility of trade growth for forest products.**
- **Faced with tightened world economic and trade environment that may occur, we should actively maintain a open international trade environment to achieve the goal of sustainable trade and investment of forest products initiated in this meeting.**

2. Retrospect and Outlook of Forest Product Trade of China

**(1) Retrospect and
analysis of forest
product trade of China
in 2013**

**(2) Outlook of forest
product trade in 2014**



(1) Retrospect and analysis of forest product trade of China in 2013

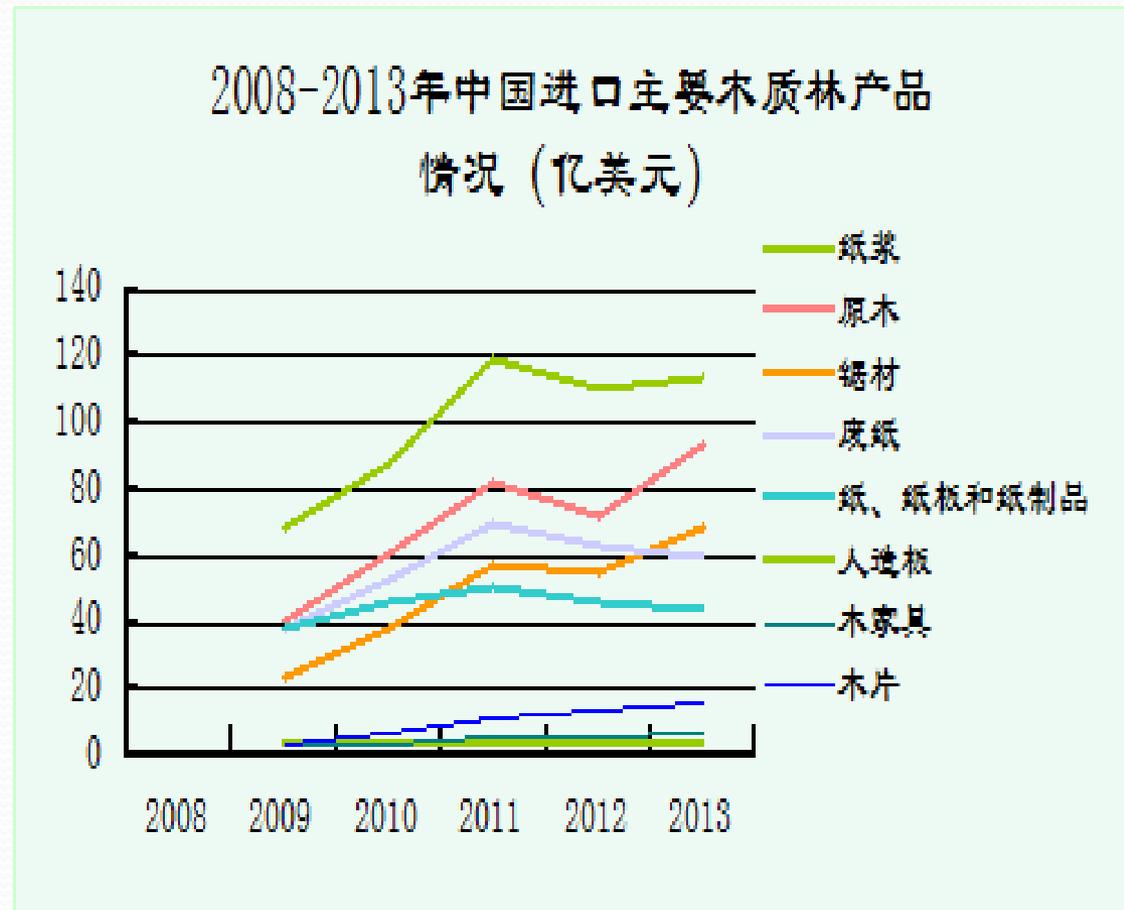
- Gross forest product trade in China was valued at 125.991 bil. USD, a year-on-year growth of 6.09% and reaching the historic record.
- Import value at 62.56 bil. USD, up 8.7%, while the export value at 63.43 bil. USD, up 3.7%



A. Log and sawntimbe import grew largely, and New Zealand took place of Russia and became the largest log supplier of China

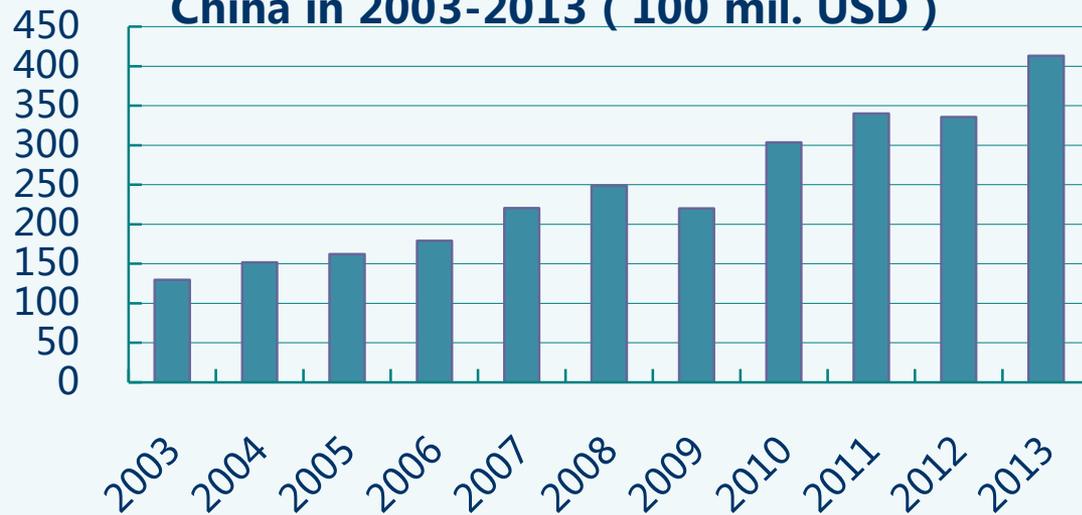
The increase in import value was contributed by the increase of log, sawntimber and chip imports

- Strong growth of real estate market and exports triggered the large increase of log and sawntimber imports, up 19% and 16%, respectively
- An increase of 20% for chip imports
- Plywood import reduced by 13%, while the import of quality particleboard and fibre board rose by 8.5% and 7.7%. And paper product slid by 8.7%



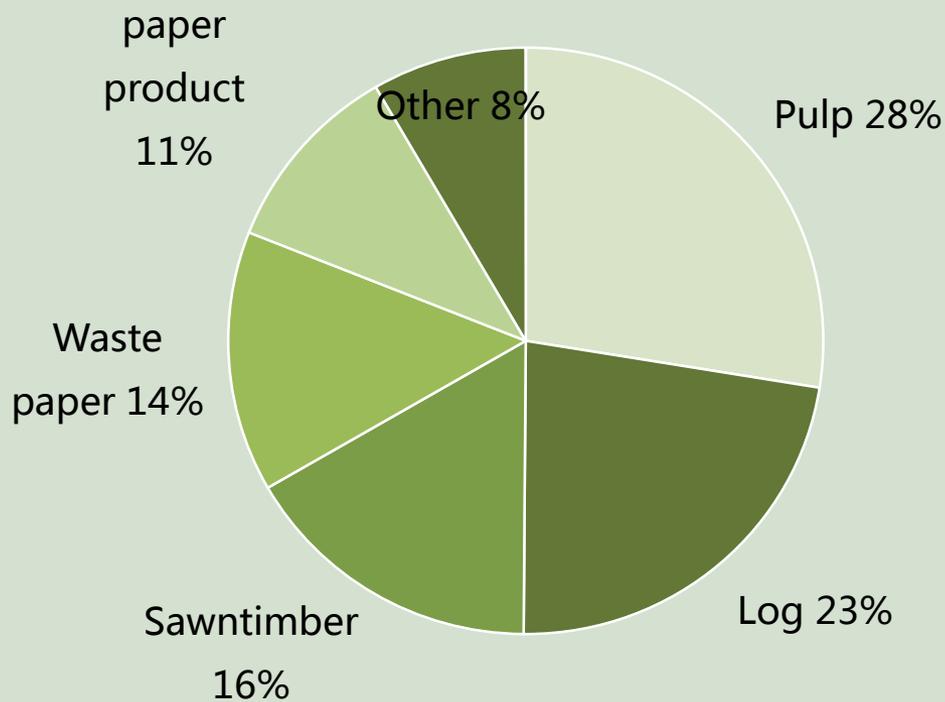
Imports of main forest products: wooden forest products

Wooden forest product import value by China in 2003-2013 (100 mil. USD)



Accumulated imports of all kinds of wooden forest products were valued at 41.289 bil. USD, accounting for 6.09% of all forest product imports and a year-on-year increase of 10%.

Proportion of main wooden forest product imports by China in 2013



Pulp, log, sawntimber, waste paper and paper, paperboard and paper product were the main wooden forest products, which were valued at 37.824 bil. USD, almost representing 91.61% of the total imports of wooden forest products and 59.63% of the import value of all forest products

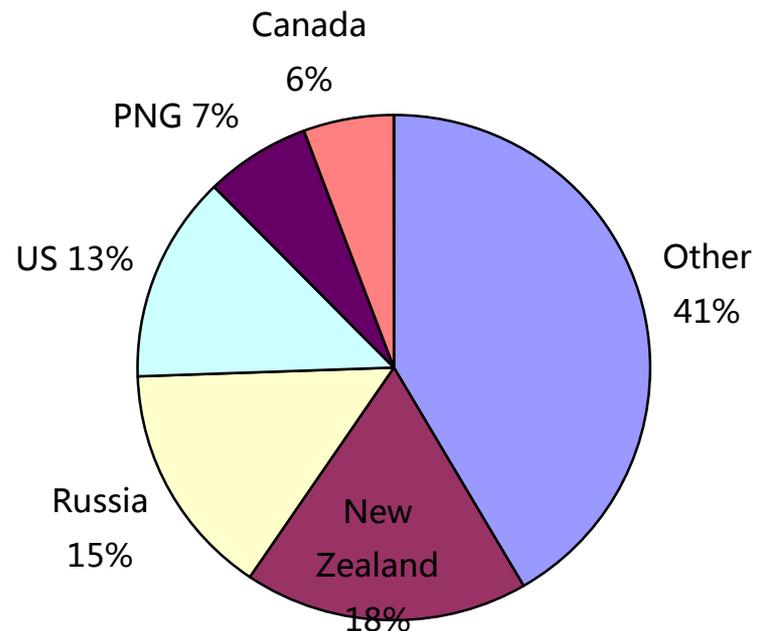
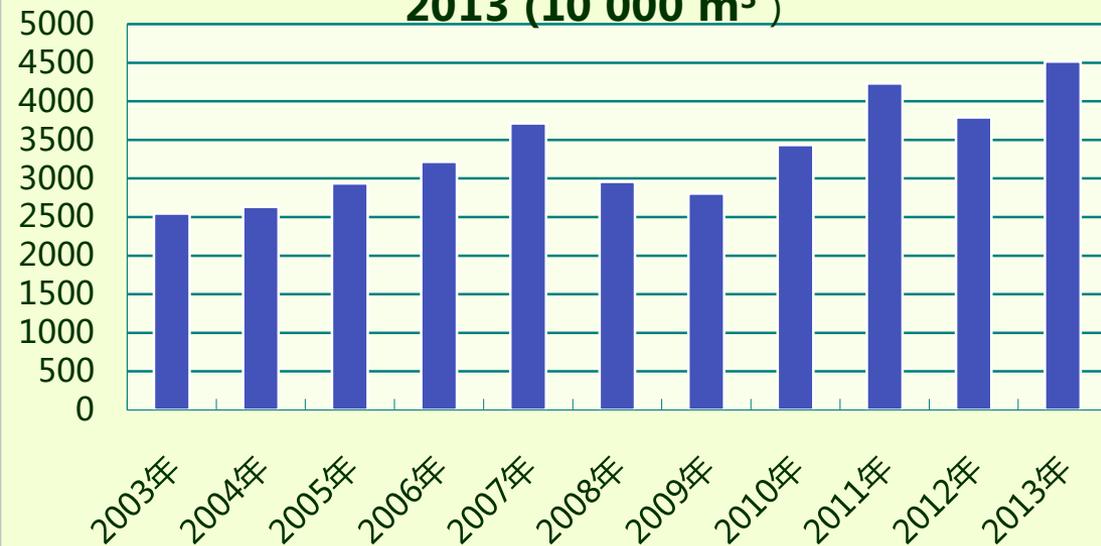
Log

The import volume was 45.1594 m³, a year-on-year growth of 19.2%

The import volume of logs from New Zealand, the US, Australia, Ukraine, Myanmar, France and other countries grew largely. New Zealand took place of Russia and became the largest log supplier of China.

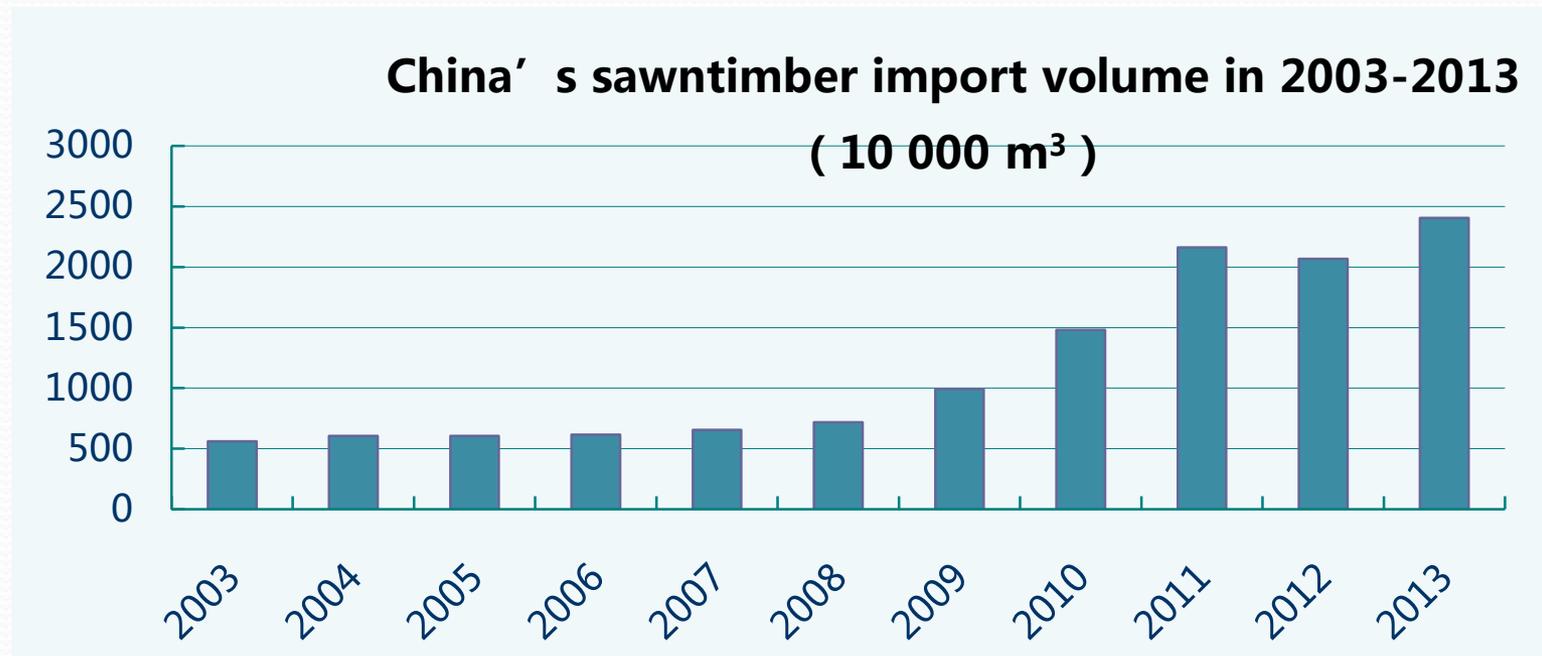
China's log imports by country in 2013

Log import volume by China in 2003-2013 (10 000 m³)



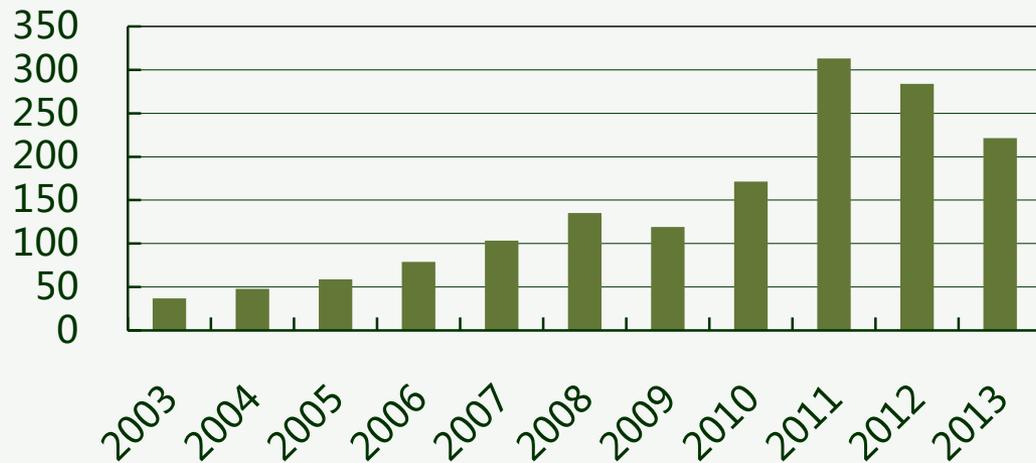
Sawntimber

- Sawntimber import volume kept a high growth and amounted to 24.0425 mil. m³, up 16.3%.
- Sawntimber was mainly imported from Russia and Northern American countries. The sawntimber imported from Russia, Canada, the USA and Thailand grew 13.05%, 6.53%, 16.06% and 25.54%, respectively, over 2012.



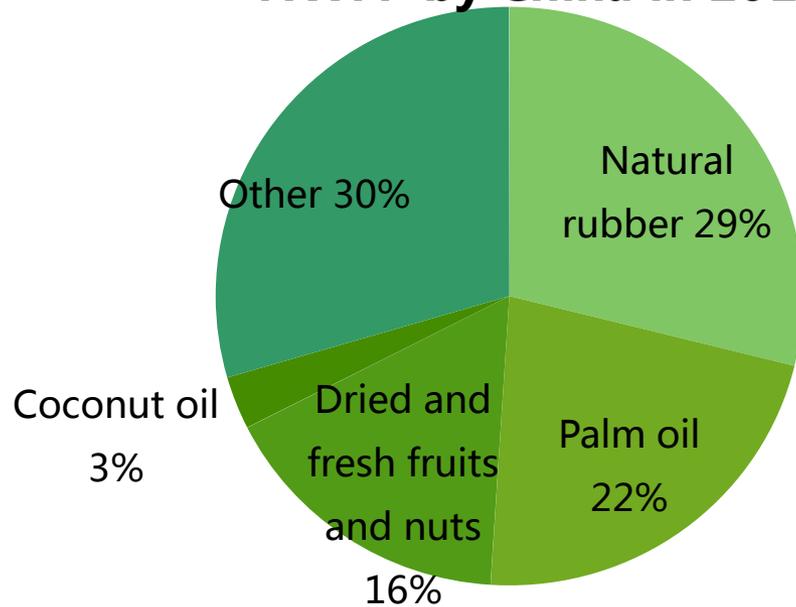
Import of main forest products: Non-wooden forest products

NWFP import value by China in 2003-2013 (100 mil USD)



NWFP imports were valued at 22.143 billion USD, accounting for 34.91% of all forest product imports and a year-on-year decrease of 6.43%

Proportion of the imports of main NWFP by China in 2013



NWFP imports are dominated by natural rubber and palm oil, whose import dropped 24.6% and 6.2%

B. Forest product export growth slowed down

- **The evident sliding growth in furniture, paper, paperboard and paper products imports was the reason for the slowed growth of forest product export in China**
- **Export growth was mainly contributed by wooden furniture (6.1%), paper, paperboard and paper products (13.5%), plywood (5.0%), wooden products (6.1%), dried and fresh fruits & nuts (11.1%), dried and fresh mushroom (56.6%).**



Export of forest products

- Dropping growth of plywood exports
- Great difficulties in MDF exports
- Growth in particleboard export
- Mild recovery in wooden furniture exports

C. The US market demand grew steady, The EU and Japan had the weakened demand, while high growth was observed in Southeastern Asia

Country (Region)	Import value	Chang e	Export value	Change	Import and export value	Change
	(100 mil. \$)	(%)	(100 mil. \$)	(%)	(100 mil. \$)	(%)
The USA	84.24	7.49	140.40	5.42	224.64	6.19
The EU	84.96	2.43	94.69	-0.04	179.65	1.11
Japan	17.14	-4.77	61.37	-0.92	78.51	-1.79
Southeastern Asia	225.50	-1.62	97.90	26.05	323.39	5.38

D. New economy markets maintained stable in their demand

The exports to new and emerging markets from China saw the positive growth in 2013 except for the export to Brazil, and the export to South Africa and Mexico jumped as high as 20%.

Country (Region)	Import value	Change	Export value	Change	Import and export value	Change
	(100 mil. \$)	(%)	(100 mil. \$)	(%)	(100 mil. \$)	(%)
India	1.61	36.86	9.28	11.97	10.89	15.06
South Africa	3.46	10.81	5.42	22.05	8.88	17.41
Russia	35.39	-6.83	14.10	6.98	49.49	-3.27
Brazil	20.47	6.41	3.62	-4.80	24.09	4.56
Mexico	1.12	31.92	4.73	26.27	5.86	27.32

3. Outlook of Forest Product Trade in 2014

1. Deepened supply-demand conflicts of

timber in domestic markets affect the timber industry development

4. Uncertainty in domestic real estate market may influence the production and trade of China's forest product trade and production



Outlook

2. Developed countries continue to resort to trade remedy measures and legality requirement to restrict the forest product trade of China

3. More fierce competition from Vietnam, Brazil, Malaysia and Indonesia.

3. CINFT Working Report 2013



Project Research in 2013

SFA

Strategies for a response to illegal logging

Basic database setup and policy study of forest product Trade

China timber legality verification scheme and its standard

Forestry PMI index system

Laws and policy in main countries setting the trade barriers

Supporting funds for international convention fulfillment

Carbon transfer accounting and monitoring in international forest product trade

China's timber legality verification system against international trade barrier

Global-based forest product trade evaluation technology introduction

Ministry of Science and Technology

948 projects

International Cooperation

ITTO

SME' s capacity building for legal management of tropical timber

TNC

PNG timber legality guidelines development and pilot project

EFI

Cooperation under China-EU BCM framework

IIED

China-Africa forest governance learning platform

RRI

Evaluation of China' s overseas investment of forestry

(1) Conduct prospective studies of forest product market and trade for policy decision support

Series of research outcomes (reports):

- ✓ 《澳大利亚禁止非法采伐木材法案及其影响》
- ✓ 《国产材满足国际市场合法性需求实证分析》
- ✓ 《中国突破国际贸易壁垒的应对策略研究》
- ✓ 《中国木材合法性认定体系及标准框架》
- ✓ 《中国木材合法性认定指标》
- ✓ 《巴新采购合法木材风险缓解指南》
- ✓ 《中国合法木材生产与采购指南》
- ✓ 《中国企业境外可持续林产品贸易与投资指南》
- ✓ 《中国企业境外森林可持续经营利用指南南美
洲解读报告》
- ✓ 《尽职调查体系材料编译》

Carry out solidly a series of prospective research, yield fruits that combine strategic guidance and market application, and cultivate an influential research force

(2) Hold trade conferences, seminars, training workshops for enhanced exchanged and collaboration

Large conferences or workshops sponsored or organized by the CINFT in 2013

China-Africa Forest Governance Learning Platform

CINFT Annual Conference & Foreign Forestry Trade Policy Training Workshop

EU FLEGT-VPAs Country Experience Sharing Conference

2nd session of the workshop on China' s forest product index mechanism and the summit forum



INFT SFA

林业局林产品国际贸易研究中心

森林管理经验交流国际研讨会

China-Africa Forest Governance Learning Platform
and FGLG International Learning Event

2013年3月4-11日 中国·北京
March 4-11, 2013 Beijing and Yunnan, China



China FGLG International Learning Event



**CHINA-AFRICA
FOREST GOVERNANCE
LEARNING PLATFORM**



CINFT ANNUAL CONFERENCE & FOREIGN FORESTRY TRADE POLICY TRAINING WORKSHOP

欧盟森林执法、施政与贸易自愿伙伴关系协议 (FLEGT VPAs) 国家经验交流会 International workshop to promote understanding of FLEGT VPAs



FLEGT-VPA COUNTRY EXPERIENCE SHARING CONFERENCE





2ND SESSION OF THE
WORKSHOP ON
CHINA'S FOREST
PRODUCT INDEX
MECHANISM



Other meetings organized by CINFT:

“加强中小林业企业能力建设促进热带木材合法经营”专家研讨会
NEPCon Legal Source审核员培训班
境外森林可持续经营培训会（莫桑比克）
第二届全国人造板大会
中国林产品指标机制常州强化地板秘书处成立仪式

Other meetings participated by CINFT experts :

EIA非法采伐报告研讨会	世界地板大会	FAO\ITTO\APFNet 联合组织的中国林产品信息统计研讨会
国际纸业市场咨询研讨会	国家林业局与WWF2013年会	与法国木业协会、欧盟木材协会、欧盟木材行动计划、全球木材论坛秘书长交流
赴马来西亚考察交流VPA谈判国家中木材合法性认定体系的作用	英国Chatham House会议	印尼第三届市场高峰对话
巴西木材贸易国际研讨会	国际热带木材组织年度会议	

STAKEHOLDER WORKSHOP ON TIMBER LEGALITY



PARTICIPATED IN TIMBER LEGALITY WORKSHOP IN BRAZIL



ENTERPRISES AUDITING AGAINST LS STANDARD



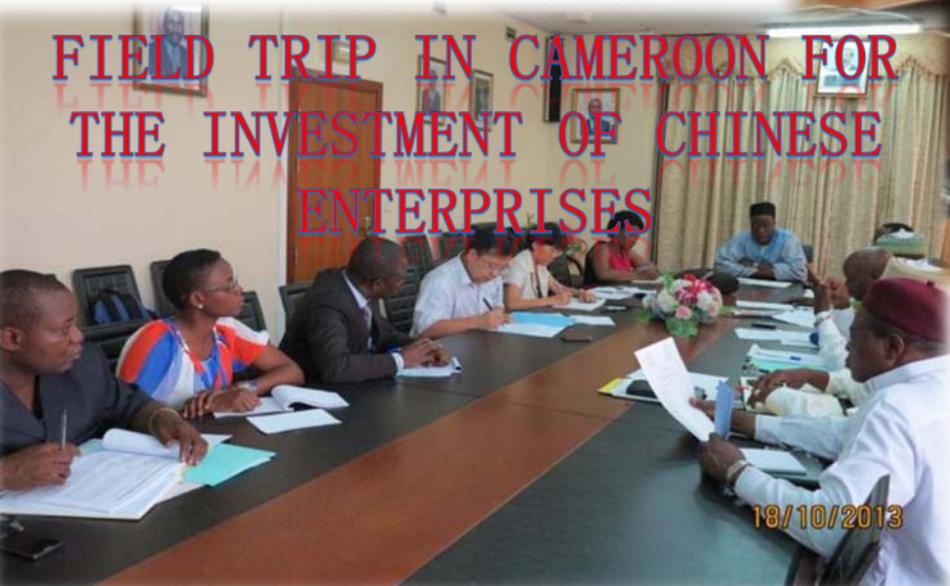
FIELD TRIP IN MOZAMBIQUE FOR
THE MANAGEMENT ACTIVITIES OF
CHINESE ENTERPRISES



FIELD TRIP IN MALAYSIA FOR
TIMBER LEGALITY VERIFICATION



FIELD TRIP IN CAMEROON FOR
THE INVESTMENT OF CHINESE
ENTERPRISES



18/10/2013

(3) Participate in policy consultation and negotiation supports for safeguarding national interests

CINFT experts participated many times in negotiations and safeguard national interests and the image of China as a responsible big country with cooperation as the basis and the joint development as the target

4th meeting of China-EU BCM on combatting illegal logging and related trade

5th session of China-US bilateral forum on combating illegal logging and related trade

2nd session of China-Australia bilateral forum on combating illegal logging

APEC expert group meeting on illegal logging and related trade



5TH CHINA-USA
BILATERAL FORUM IN
WASHINGTON



4TH MEETING OF CHINA-EU BCM ON FLEGT BRUSSELS



22/01/2013

CHINA-AUSTRALIA FORESTRY WORKING GROUP MEETING BEIJING





3RD APEC EXPERT GROUP MEETING JAKARTA



4TH APEC EXPERT GROUP MEETING KOTA MEDAN

(4) Propose initiatives for enhanced regional cooperation with an eye for national strategy implementation

Policy consultation and technical support for SFA

Proposal for cooperation with islands countries in Pacific Ocean

Proposal for rules of place of origin

Silk road economic belt and ocean silk road: Ecoenvironment cooperation

Silk road economic belt and ocean silk road: Industrial cooperation

Proposal for mutual endorsement of timber legality among APEC economies

Policy for private enterprises going global

(5) Set up government-enterprise policy and information sharing mechanism for providing decision making with scientific and timely basis

Continue to carry out China's Forest Product Index Mechanism Research and index release under the SFA Guidance

Release monthly FPI 30 index and FPI flooring index

Publish monthly China Forest Product Trade Analysis, 12 issues

Publish monthly the color-printed China Forest Product International Trade Information Newsletter, 12 issues

Update the FPI information website

Build up an international expert group to provide information, suggestions and consultation for forest product policy in China

Update monthly Customs data and index enterprises' data.

(6) Carry out trainings and investigations in enterprises and provide consultation services based on market demand

Complete the series training materials for China-EU FLEGT Training

Legality investigation and timber legality training for forest product enterprises targeting EU market

Promote the cooperation and consultation in the fields of forest certification and legality verification

Carry out training and capacity building activities for CoC certification among timber processors

Timber legality evaluation and FSC forest certification auditing



TRAININGS FOR CHINA-EU FLEGT
ACTION PLAN AND EU TIMBER
REGULATION

Thoughts on Our Work in 2014

Insist on prospective research and further improve our research towards prospect, acuity and to-the-point

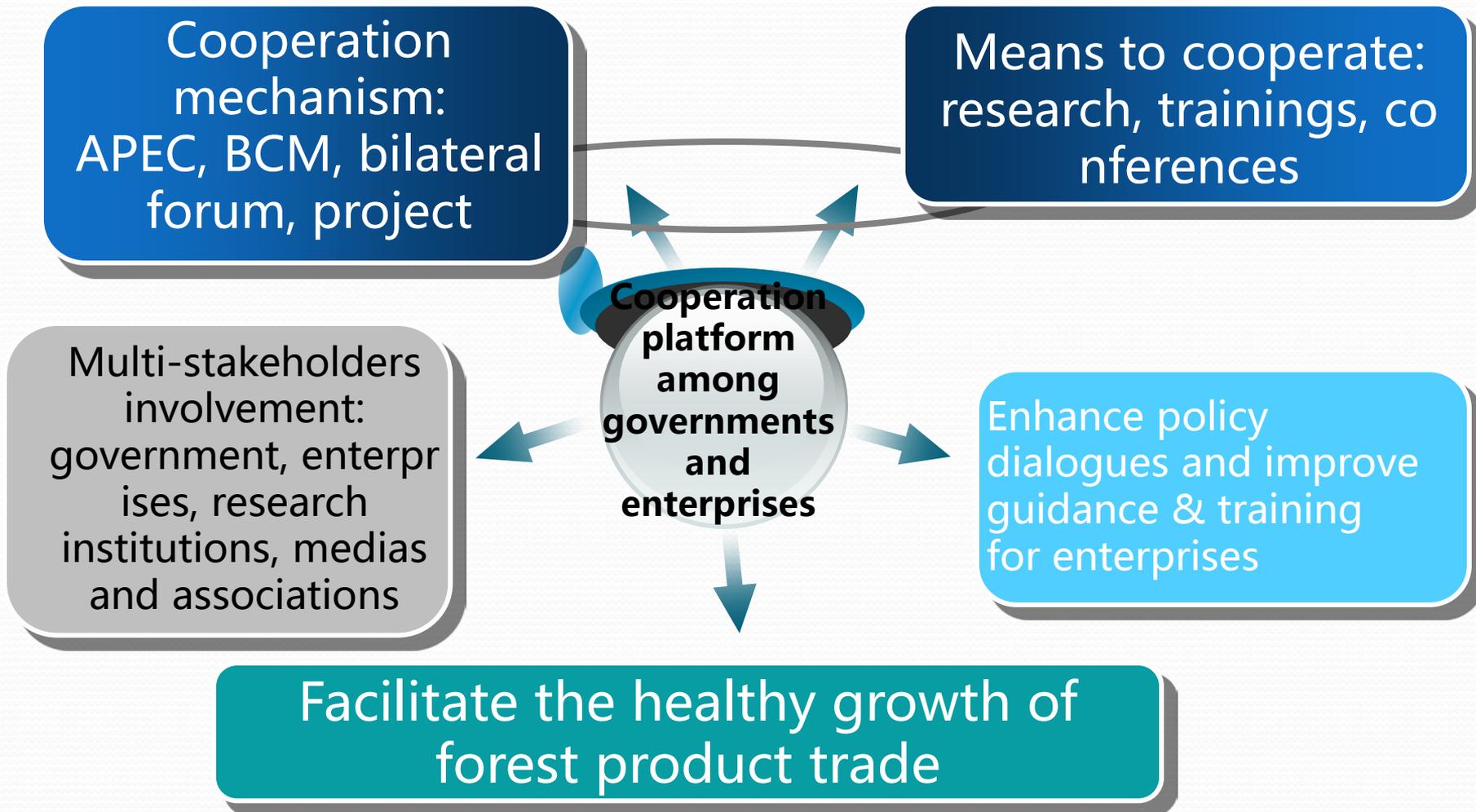
Enhance the research on countries and fields of importance from the perspectives of global politics and world economics

Provide supports for decision making and foreign negotiation by a good master of hot and sensitive issues

Research and develop related guidelines and standards, and improve the trade earlywarning mechanism for consultation services to enterprises

Expedite the research outcome transfer towards market application and provide services for markets and enterprises

Expected Cooperation





Thanks !