

# CHINA'S DOMESTIC TIMBER SUPPLY

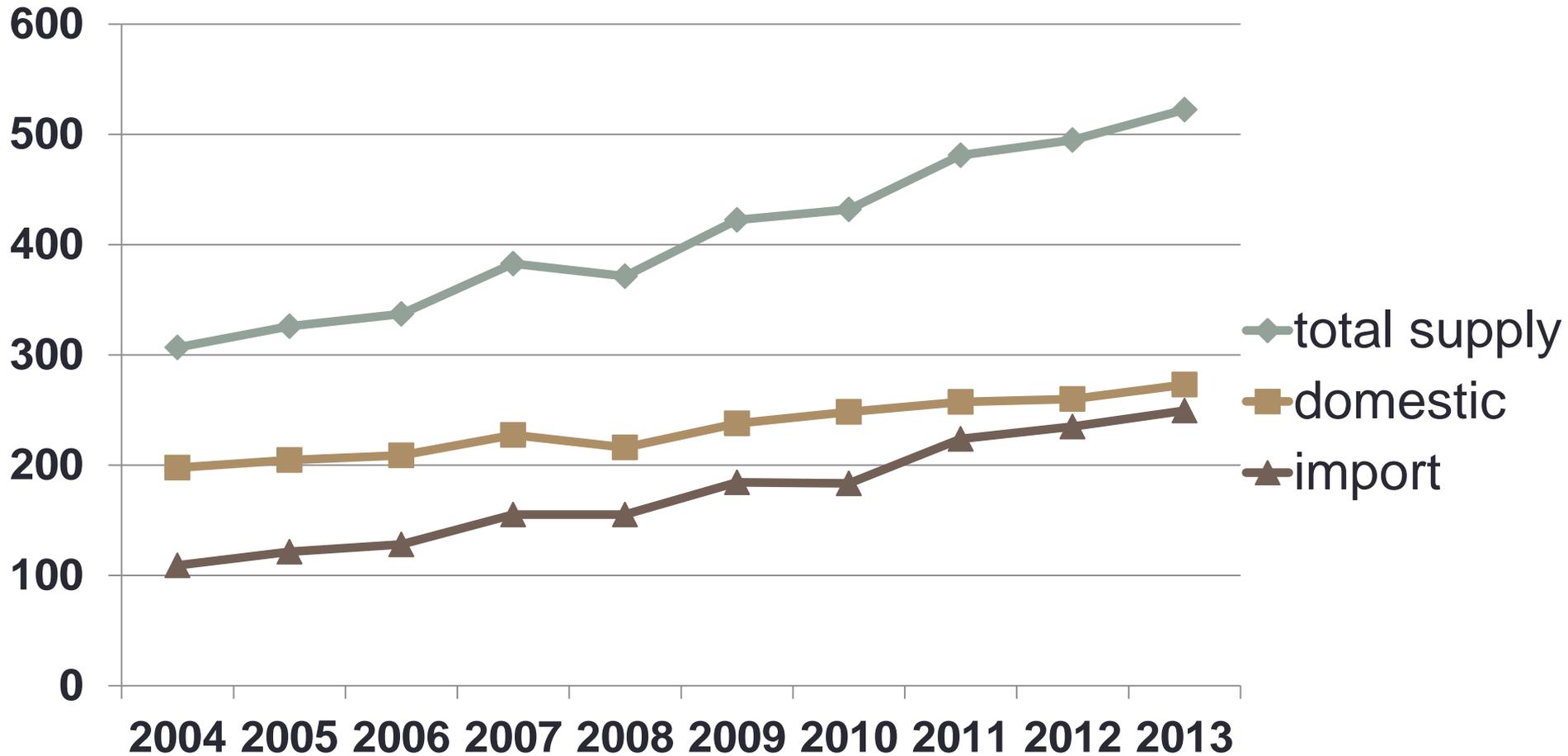
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Forest Trends

April 14-16, Barcelona

# China Timber Supply in 2004-2013

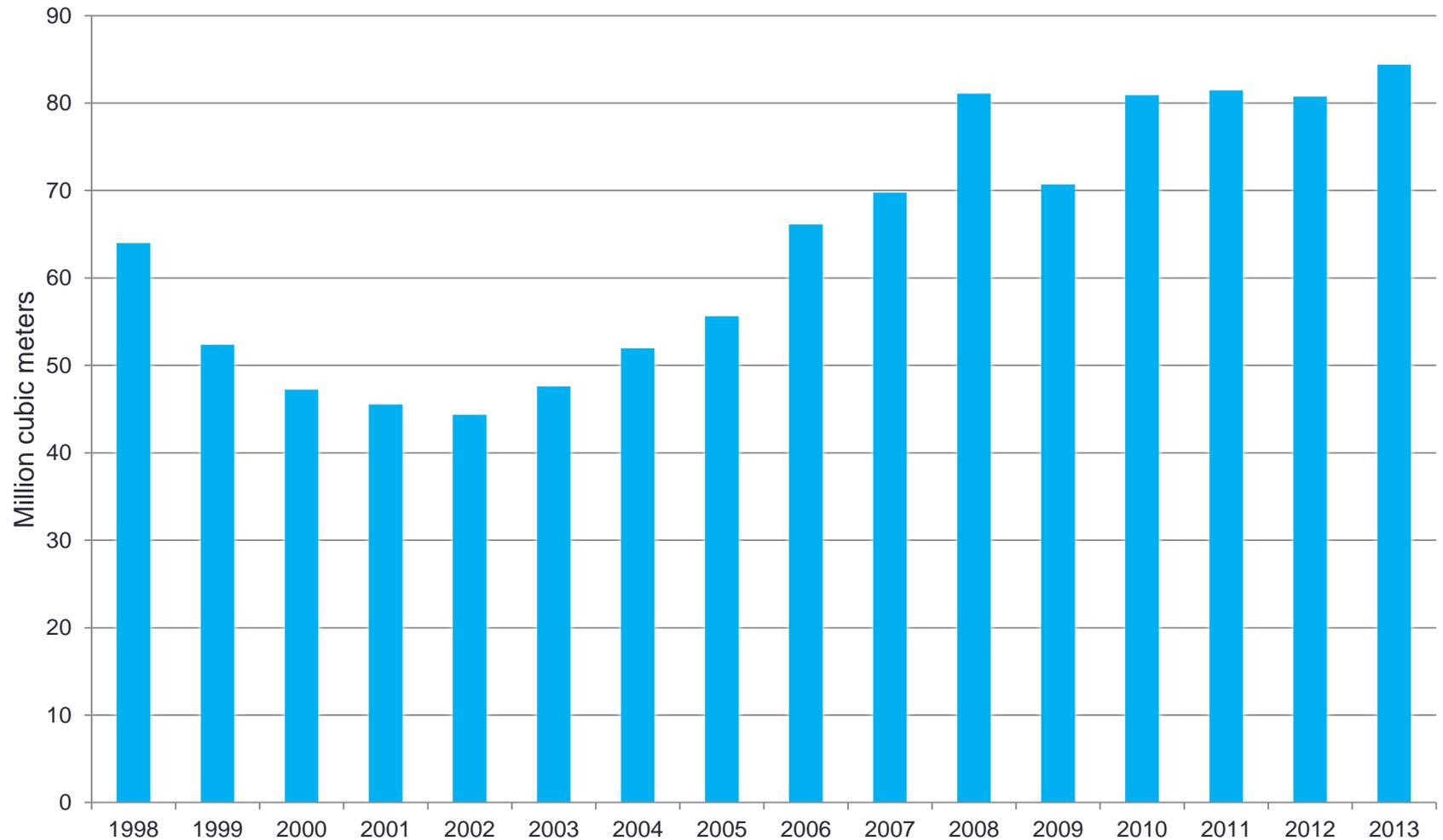
million m<sup>3</sup>



China Forestry Development Report (2005-2014)

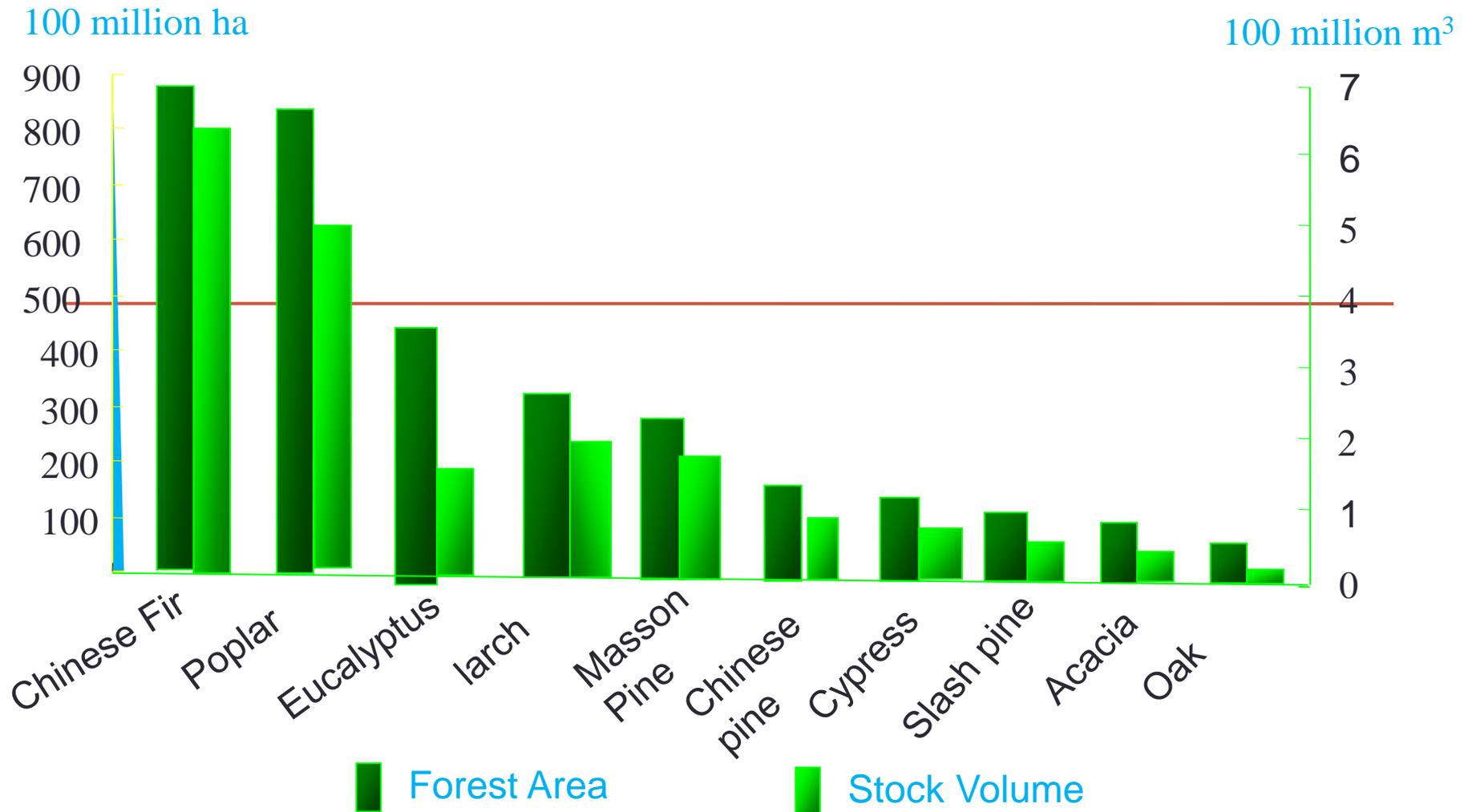


# CHINA'S COMMERCIAL TIMBER PRODUCTION

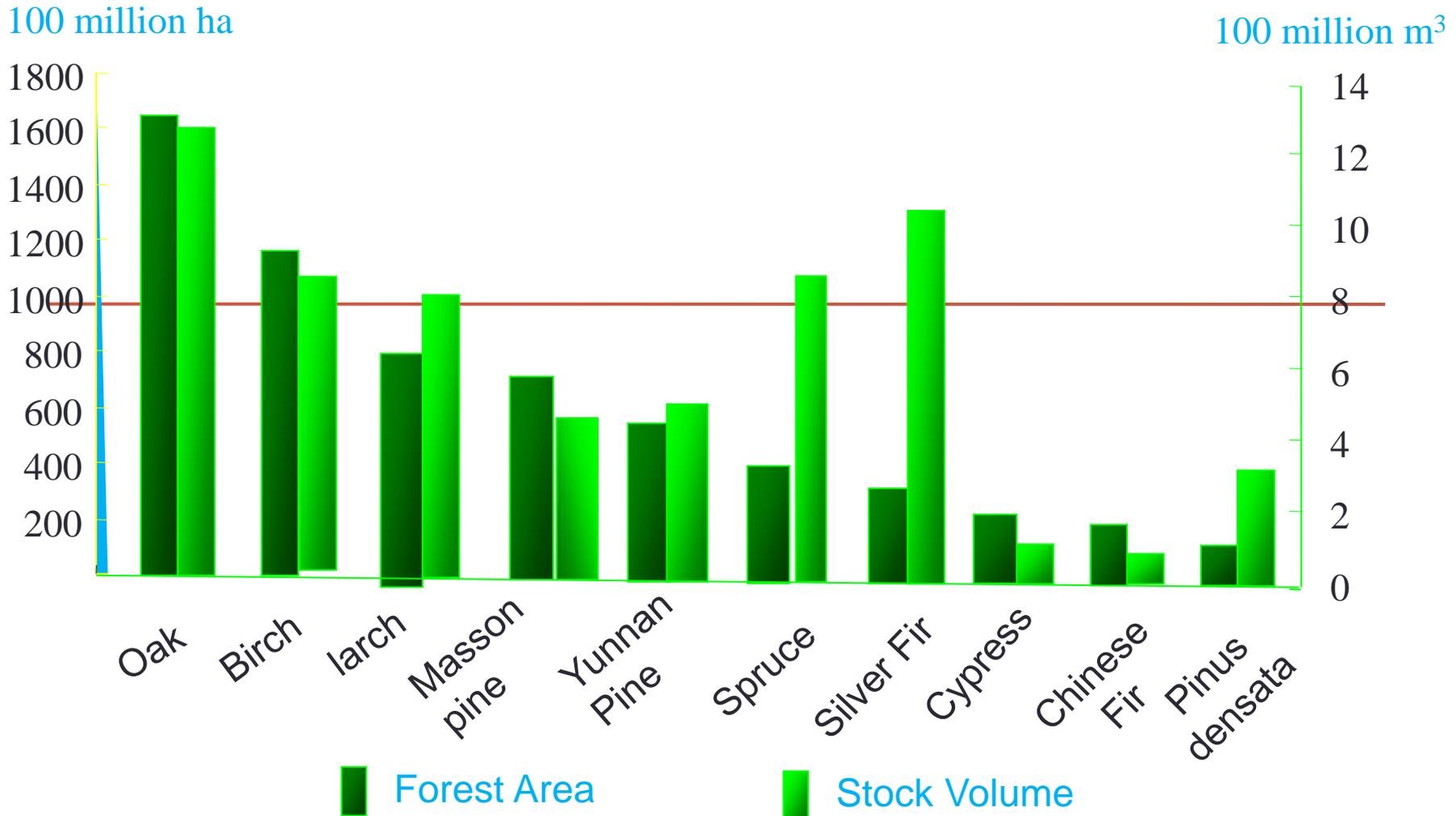


Source: China Forestry Statistical yearbook, SFA

# Major Plantation forest species in China (8<sup>th</sup> forest inventory 2009-2013)



# Major natural forest species in China (8<sup>th</sup> forest inventory, 2009-2013)



# CHINA'S COMMERCIAL TIMBER PRODUCTION

- SFA does not publish timber production data from either forest type, nor by species
- However, from different sources, can piece together a picture:
  - Prior to 1998, 75% of production from natural forests
  - Production from natural forests has been declining over years, particularly after NFPP
  - 49.9 million cubic meters, a little over half of total timber production
- Plantation forest as an alternative source of supply
  - Timber production has been increasing, now accounts for nearly half

# REGIONAL DISTRIBUTION OF TIMBER PRODUCTION

Timber production by province 2013 (million m<sup>3</sup>)

Guangxi	22.88	Henan	2.4
Guangdong	8.09	Sichuan	2.4
Fujian	5.72	Heilongjiang*	2.2
Shandong	5.59	Inner Mongolia*	1.9
Anhui	4.78	Guizhou	1.8
Hunan	4.75	Liaoning	1.8
Yunnan	4.3	Zhejiang	1.5
Jilin*	3.47	Jiangsu	1.4
Jiangxi	2.67	Hainan	1.2
Hubei	2.52	Others	3
	<b>Total</b>		<b>84</b>

Source: China Forestry Statistical Yearbook 2013

10% of total timber production – no longer available after 2016



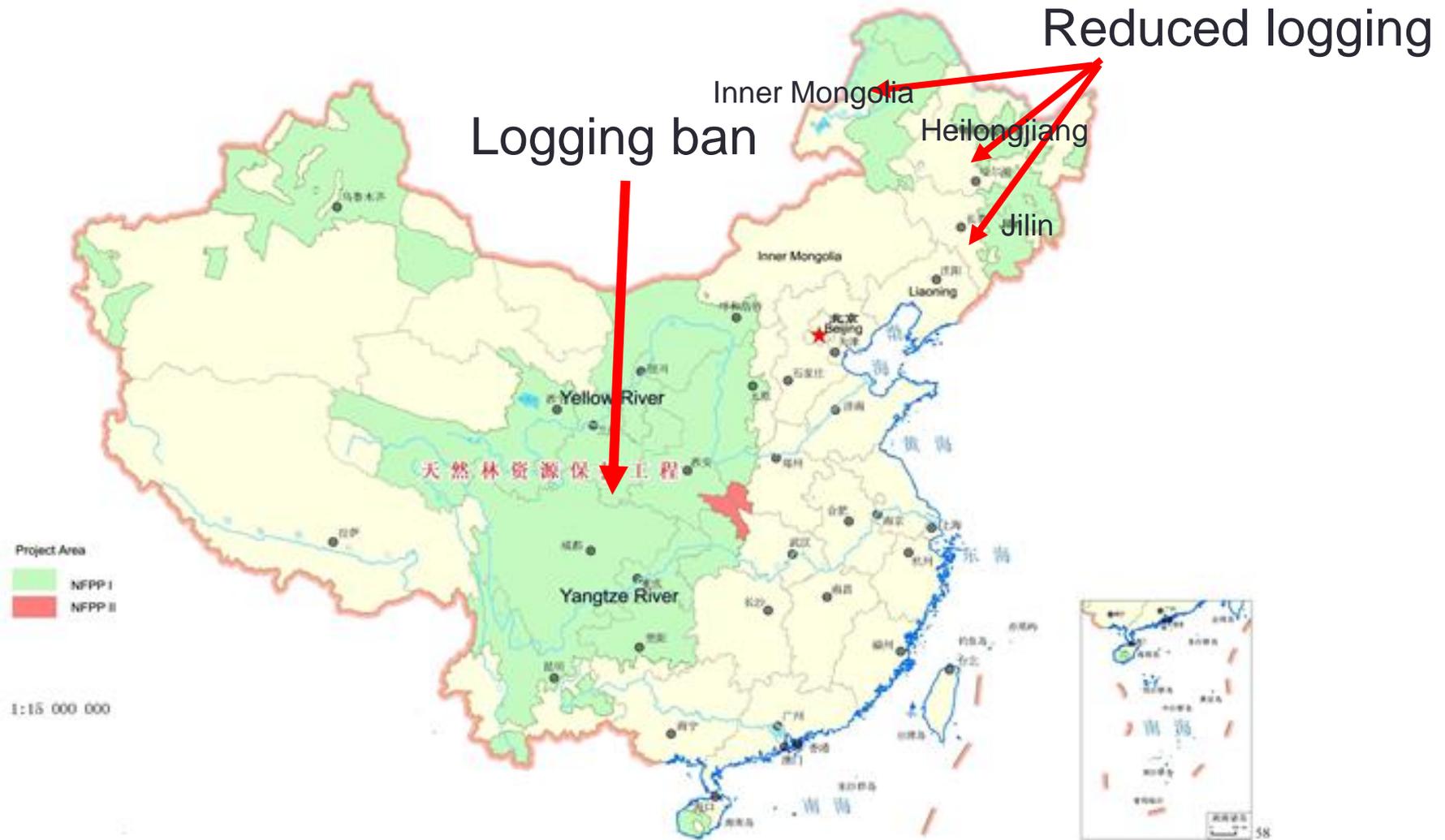
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# CHINA'S LOGGING BAN



Last harvest in Jilin, March 31, 2015

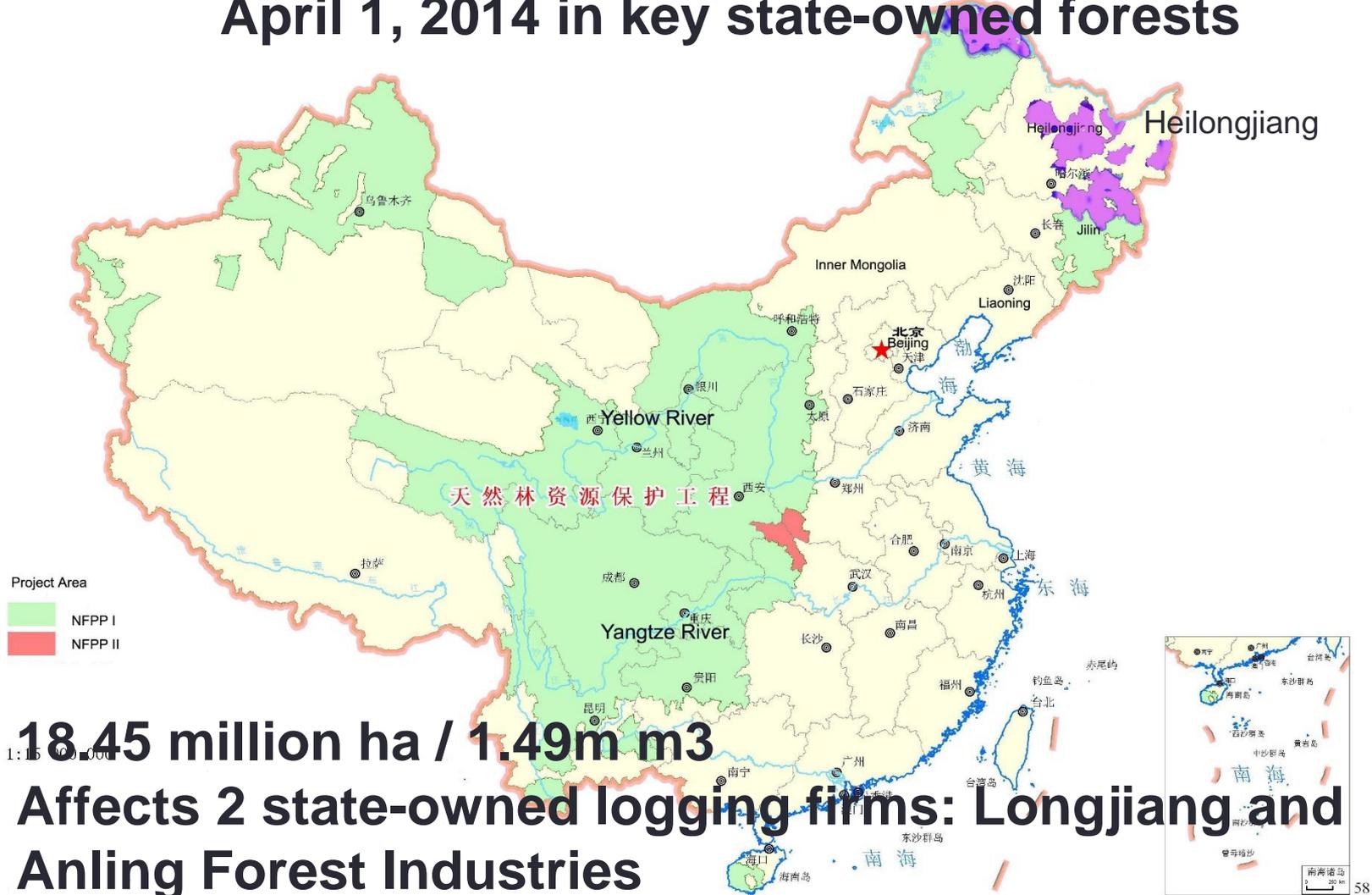
# 1998- 2014: NFPP



Covered half of all natural forests (by area)

# Trial Ban in Heilongjiang (2014)

April 1, 2014 in key state-owned forests



18.45 million ha / 1.49m m3

Affects 2 state-owned logging firms: Longjiang and Anling Forest Industries

# Trial Ban in Heilongjiang (2014)

## Species may be involved:

Dahurian larch (*Larix gmelinii*)

Scotts pine (*Pinus sylvestris* )

Korean pine (*Pinus koraiensis*)

*Picea*

*Abies*

Mongolian oak (*Quercus mongolica*)

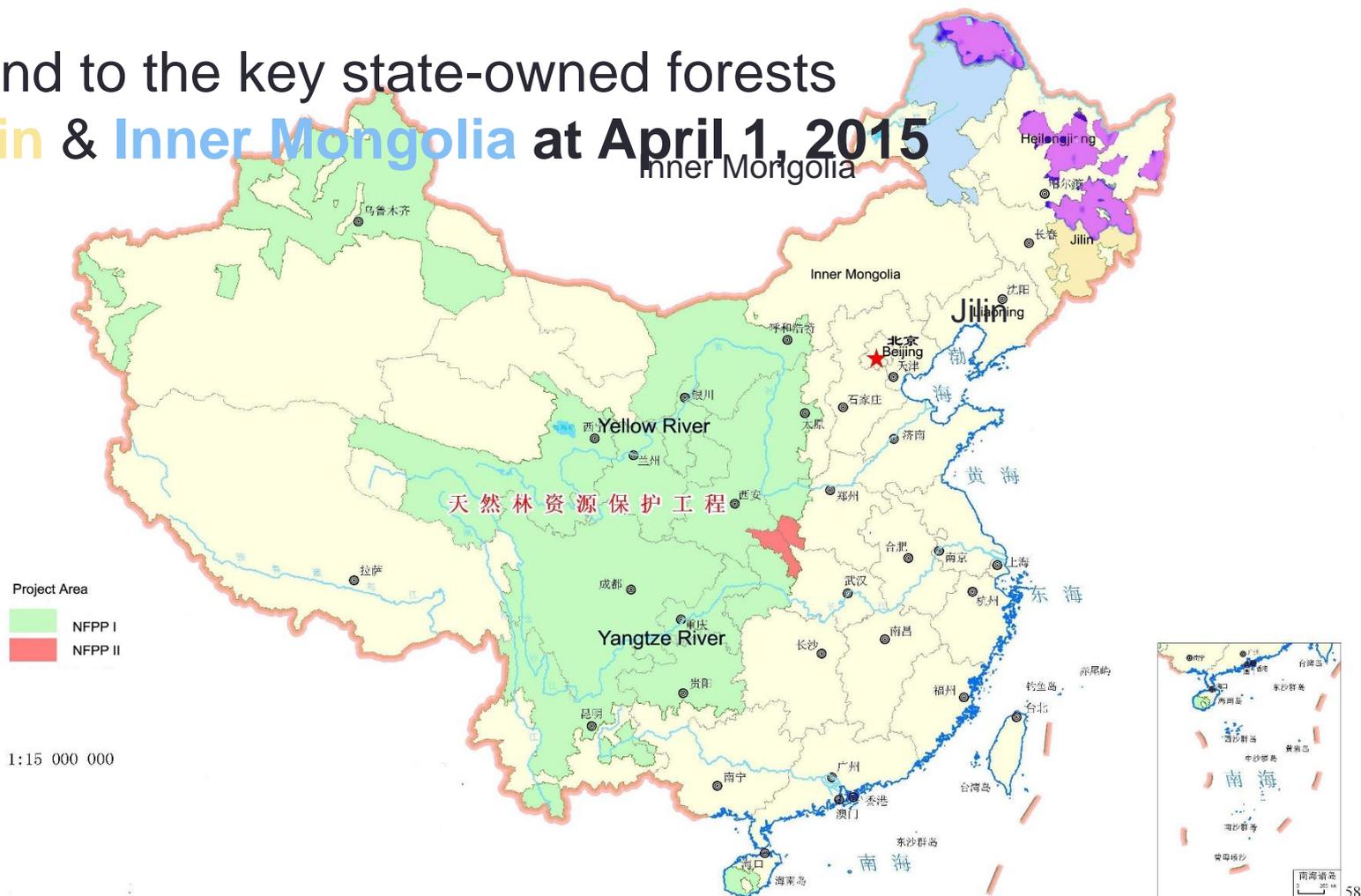
White birch (*Betula platyphylla*)

Asian black birch (*Betula platyphylla*)

Current annual production of the two firms: managing 18.5m ha of forests, with production of 1.49m m<sup>3</sup>

# Expansion in 2015

Expand to the key state-owned forests  
in **Jilin** & **Inner Mongolia** at **April 1, 2015**



# Expansion in 2015

Natural Forests: **11.65 million ha**

Timber Production: **2.56 million m<sup>3</sup>**

Species may be involved:

**Dahurian larch (*Larix gmelinii*)**

**Scotts pine (*Pinus sylvestris*)**

**Korean pine (*Pinus koraiensis*)**

***Picea***

***Abies***

**Mongolian oak (*Quercus mongolica*)**

**White birch (*Betula platyphylla*)**

**Korean aspen (*Populus davidiana*)**

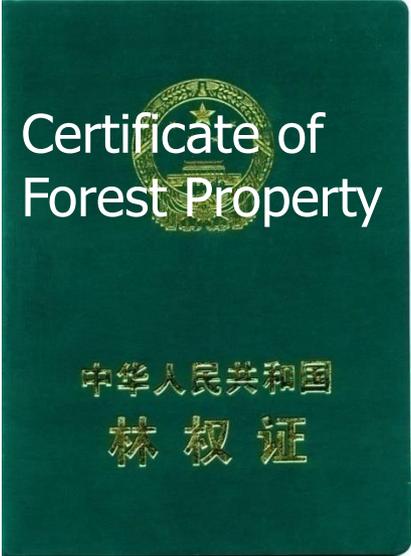


# Illegality risk profiles of timber production

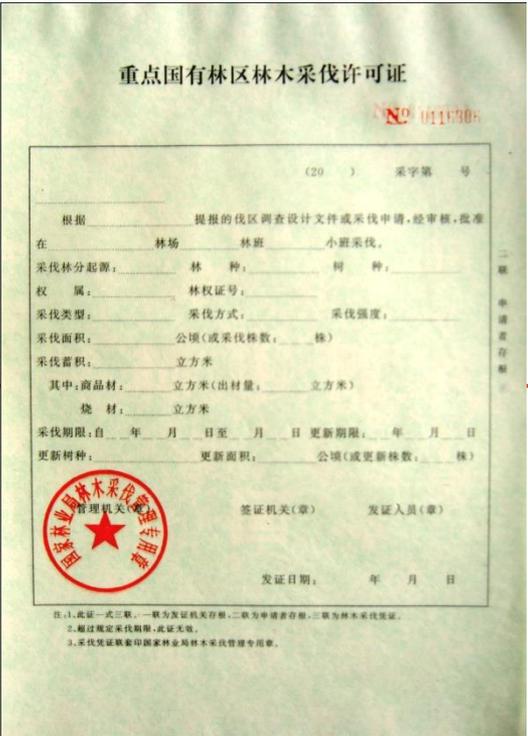
- Cutting quote system: annual quote, permit
  - Government 10<sup>th</sup> 5-year plan: average harvest volume more than 75m over harvest quota (confirmed by SFA survey)
  - Thus, domestic timber production actually higher than official SFA figures
- Timber transportation permit system to prevent illegal logging
- Timber processing permit system



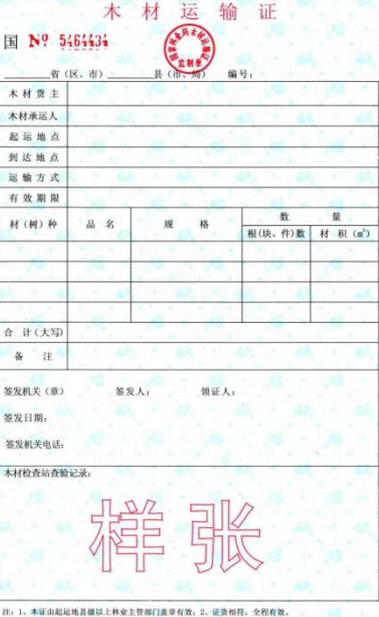
# “4 license” to ensure timber legality



Forest harvest license

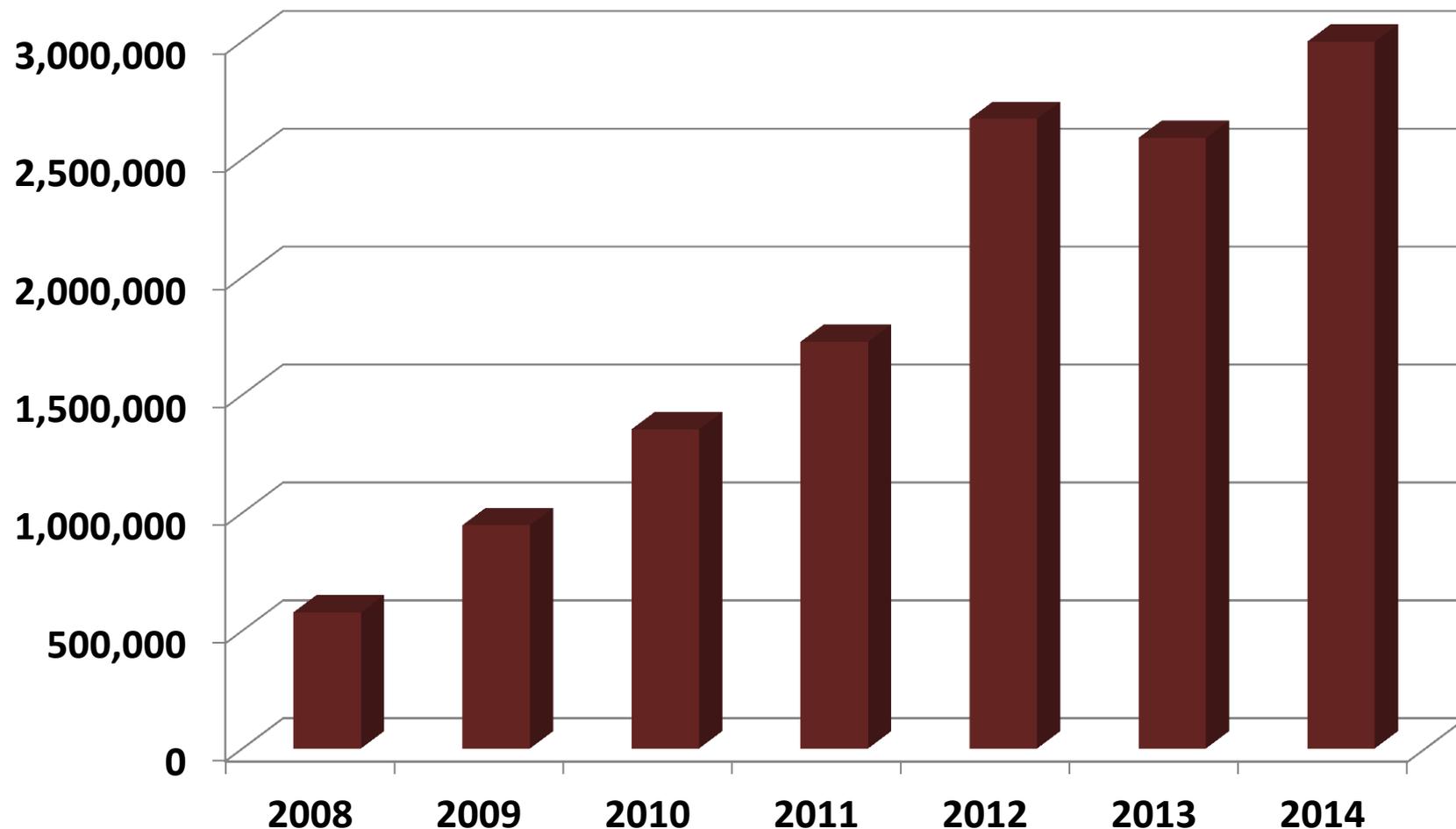


Timber transport license



place, forest species, harvest method, stocking volume, time of completing the harvest regeneration

# FSC Forest management in China (ha)



2m ha FSC in NE natural forests (banned logging region).  
FSC plantation forests: 16% (including bamboo forests)

# China Forest Certification Council (CFCC)

- **Endorsed by PEFC in 2014**
- **By the end of 2014, CFCC FM 2.2 million ha (mainly in NE natural forests)**

# SUMMARY REMARKS

- Domestic timber production shifts from natural forest to plantations
- Very few if any major species such as Mongolian oak, Northeast Chinese ash, and Korean pine in NE natural forests will be available in market places after 2017 (?)
- However, over quota logging may still exist, depending on enforcement of the logging ban
- timber production data published should be viewed with caution
- No large-scale plantation of Mongolian oak or Korean oak ready
- Small portion of certified forests, even smaller for plantations