CHINA’S DOMESTIC TIMBER SUPPLY

Forest Trends
April 14-16, Barcelona
China Timber Supply in 2004-2013

millon m³


DISTRIBUTION OF FORESTS: NATURAL FORESTS vs. PLANTATIONS

Inner Mongolia

Heilongjiang

Jilin
CHINA’S COMMERCIAL TIMBER PRODUCTION

Source: China Forestry Statistical yearbook, SFA
Major Plantation forest species in China (8th forest inventory 2009-2013)
Major natural forest species in China (8th forest inventory, 2009-2013)

Forest Area

- Oak
- Birch
- Larch
- Masson Pine
- Yunnan Pine
- Spruce
- Silver Fir
- Cypress
- Chinese Fir
- Pinus densata

Stock Volume

100 million ha

100 million m³
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 m³)**

<table>
<thead>
<tr>
<th>Province</th>
<th>Production (million m³)</th>
<th>Province</th>
<th>Production (million m³)</th>
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</thead>
<tbody>
<tr>
<td>Guangxi</td>
<td>22.88</td>
<td>Henan</td>
<td>2.4</td>
</tr>
<tr>
<td>Guangdong</td>
<td>8.09</td>
<td>Sichuan</td>
<td>2.4</td>
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<tr>
<td>Fujian</td>
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<td>Heilongjiang*</td>
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<td>Shandong</td>
<td>5.59</td>
<td>Inner Mongolia*</td>
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<td>Anhui</td>
<td>4.78</td>
<td>Guizhou</td>
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<td>Liaoning</td>
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<td>Yunnan</td>
<td>4.3</td>
<td>Zhejiang</td>
<td>1.5</td>
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<tr>
<td>Jilin*</td>
<td>3.47</td>
<td>Jiangsu</td>
<td>1.4</td>
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<tr>
<td>Jiangxi</td>
<td>2.67</td>
<td>Hainan</td>
<td>1.2</td>
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<tr>
<td>Hubei</td>
<td>2.52</td>
<td>Others</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>84</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Source: China Forestry Statistical Yearbook 2013*

10% of total timber production – no longer available after 2016
CHINA’S LOGGING BAN

Last harvest in Jilin, March 31, 2015
1998-2014: NFPP

Logging ban

Reduced logging

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 / 1.49 m³
Affects 2 state-owned logging firms: Longjiang and Anling Forest Industries
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 m3
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 m³**
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*)
National ban of commercial logging in natural forests

When? By the end of 2016

How many? 49.94 million m$^3$, over half of the domestic supply

How to meet the gap? Plantation and imports

- 13.33 million ha forest reserves by 2020
- 150 million m$^3$ timber supply annually
Illegality risk profiles of timber production

- Cutting quote system: annual quote, permit
  - Government 10th 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

Certificate of Forest Property

Forest harvest license

Timber transport license

Timber processing license

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