World tropical timber production, trade and market trends

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Source: ITTO/FAOSTAT

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Global tropical wood trade by product group:
2004 to 2018

- Fuel & other primary wood
- Logs
- Composite panels
- Plywood/veneer
- Sawnwood & mouldings
- Joinery & other added value
- Wood furniture

Source: ITTO IMM analysis of COMEXT, BTS Ltd and GTA data
Tropical wood product trade by main supply countries - 2004 to 2018

- Vietnam
- Indonesia
- Malaysia
- Thailand
- Philippines
- India
- PNG
- Cameroon

Value in billion US$ (constant 2018 prices)

Source: ITTO IMM analysis of COMEXT, BTS Ltd and GTA data
Africa’s continuing dependence on primary wood exports
Main Tropical Log Flows 2018 (million m³)

Source: ITTO Biennial Review and Assessment of the World Timber Situation 2017-2018
Main Tropical Sawnwood Flows 2018 (million m3)

Source: ITTO Biennial Review and Assessment of the World Timber Situation 2017-2018
Main Tropical Plywood Flows 2018 (million m3)

Source: ITTO Biennial Review and Assessment of the World Timber Situation 2017-2018
Wooden Furniture Flows from China and ITTO Producer Countries 2018 (million m3)

Source: ITTO Biennial Review and Assessment of the World Timber Situation 2017-2018
Timber Legality Assurance Systems (TLAS) development

VPA countries

- Cameroon
- Central African Republic
- Côte d’Ivoire
- Democratic Republic of the Congo
- Gabon
- Ghana
- Guyana

- Honduras
- Indonesia
- Laos
- Liberia
- Malaysia
- Republic of the Congo
- Thailand
- Vietnam
Global tropical wood trade by FLEGT VPA status: 2015 to 2018

Value (US$ billion)

2015 2016 2017 2018

No VPA
Negotiating (As)
Negotiating (Af)
Implementing (As)
Implementing (Am)
Implementing (Af)
Licensing (Indonesia)

IMM analysis of COMEXT, BTS Ltd and GTA data
Uneven growth in forest certification
% of global tropical wood import value subject to import control in 2018

Total global tropical wood trade in 2018: US$41.2 billion

- Japan Clean Wood Act, 5.3, 13%
- Rep. of Korea Sustainable Use Act, 2.3, 6%
- Australia Illegal Logging Proh. Act, 0.9, 2%
- US Lacey Act Amendment, 9.9, 24%
- Indonesia SVLK import conditions, 0.2, 1%
- Malaysia TLAS Import Regulation, 0.6, 1%
- Viet Nam TLAS Import Control*, 0.7, 2%
- Swiss Env. Act Amendment*, 0.1, 0%
- EUTR (EEA), 0.1, 0%
- EUTR, 5.4, 13%
- Other (unregulated), 7.0, 17%
- China, 8.6, 21%

* Regulation under development in 2018

Source: FLEGT IMM analysis of BTS Ltd & COMEXT trade data & various policy documents
Concluding comments

• Supply side for tropical timber
  – Increasing role of plantations in Asia
  – Move up the value chain
  – Fragmented supply base and supply chain
  – TLAS development – emerging network effects
  – Potential synergies with forest certification

• Demand side for tropical timber
  – Domestic market typically at least 50% of volume consumption
  – Key role of China in international trade
  – Overall slowdown in trade – at least in short term?
  – Regulations to exclude illegal wood in import trade – Australia, EU, Indonesia, Japan, Korea, Malaysia, US, Vietnam
  – On-going substitution trends
  – Increased focus on carbon credentials of products
Thank you
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