hardwoodmarkets.com

AN INDEPENDENT PUBLICATION PROVIDING MARKET INFORMATION SINCE 1985

http://www.hardwoodmarkets.com

Volume 18
Number 8
August 2003

Contents

Statistics in this issue

Tropical log exports fall 12%

Our review of the international tropical hardwood trade during 2002 suggests that the decline in tropical hardwood log exports continued last year. A higher proportion of logs are now being processed domestically. The overall level of trade in tropical sawn lumber, plywood and veneers remained fairly static, although there were important shifts in the direction of trade. The data shown on pages 10 and 11 is drawn from a review undertaken by the International Tropical Timber Organisation (ITTO) earlier this year, amended to include more recent and more accurate data from a range of sources.

Logs

Overall tropical hardwood log production in ITTO member countries is estimated to have remained fairly static at around 152 million m3 during 2002 - although it is stressed this data is highly speculative (see page 10). A slight fall in log production in South East Asia and Africa was offset by a rise in log production in Brazil.

Overall tropical hardwood log exports by ITTO member countries are estimated to have declined by 12% between 2001 and 2002. There is evidence of a fall in Indonesian exports as the log export ban first imposed in October 2000 began to be enforced more effectively. Log exports from several other countries - including Cameroon, Gabon, and Myanmar - also fell significantly last year in line with government measures to encourage domestic processing and add value prior to shipment. Congo (Brazzaville) was the the only large supplying country to significantly increase log exports last year. This was due to the start of operations by a large Malaysian-Chinese company.

Chinese dominance increases

China extended it's dominance of the international trade in tropical hardwood logs during 2002. However the pace of growth in Chinese imports slowed compared to the previous year. China imported 7.1 million m3 during 2002, a 2% increase on 2001. As direct trade with the Chinese mainland has increased, Hong Kong has been losing ground as a staging post in the hardwood log trade. Meanwhile Japanese tropical log imports have also continued to shrink, barely reaching 2 million m3 last year.

Tropical hardwood log imports by European countries continued to decline last year. This reflects increased restrictions on African log imports and rising competition for supplies from China.

Some ITTO producer countries are also big importers of tropical hardwood logs. India is particularly notable, importing large quanties of teak and lower grade logs to feed a dynamic domestic wood processing industry. Official Indian customs data suggests there was a big decline in Indian tropical hardwood log imports between 2001 and 2002. This may reflect lack of availability last year from some important supply countries, notably Indonesia and Myanmar. But the scale of the fall in log imports seems surprising at a time of strong economic growth in India. It's more probable that there's a fault in the official Indian data.

A big fall in Malaysian log imports last year is a direct result of the Indonesian log export ban.

▶9

hardwoodmarkets.com

The independent monthly journal providing market intelligence for the international hardwood trade and industry

Contacts

By email
editor@hardwoodmarkets.com
By mail
Rupert Oliver,
Forest Industries Intelligence Ltd
19 Raikeswood Drive,
Skipton, North Yorkshire
BD23 1NA,
United Kingdom
By telephone and fax
Tel: +44 (0)1756 796992
Fax:+44 (0)1756 796992

Subscriptions

Within UK £108 p.a
Outside UK £120 p.a. or US$199 p.a or Euro 209 p.a. (includes airmail).
Payable in advance.
Cheques denominated in £ sterling, US$ or Euros should be made out to **Forest Industries Intelligence Limited**

ISSN 1471-6186

Printed by:
Lamberts Print and Design
Station Road
Settle
North Yorkshire
Tel: 01729 822177

Editorial - stuck in the Dark Ages

While browsing a book on the "Age of Arthur: a history of Britain between 350 and 650" I was struck by the similarity between ancient historical analysis and market research in the hardwood sector.

The "Age of Arthur" is better known as the "Dark Ages", a time when barbarians were too busy fighting each other to write anything down. In his introduction, the author John Morris has this to say about historians of the period: "*According to the widely accepted view, it is the historian's task to find out 'what exactly happened'…This I believe is impossible. The historian cannot do more than collect, assess and interpret evidence… .He has to sum up like a judge, and decide like a jury…..He cannot proclaim certainty. He must give an informed opinion on what is probable and improbable and return an open verdict when the balance of evidence suggests no probability*".

These are precisely the qualities required to analyse last year's timber trade statistics. Documentary evidence on the hardwood trade is fragmented, contradictory, and often entirely absent. This is no way for a modern global industry to carry on. Despite brave efforts by organisations like ITTO, the UN Timber Committee and ATIBT, real-time monitoring of the trade remains a pipe dream. But this is a dream that must be realised. Lack of reliable, timely and widely available data creates trade volatility. Until such time as national governments and trade associations pay more attention to provision of decent statistics, this industry will be forever stuck in the Dark Ages.

Rupert Oliver

Africa

Cameroon

75% reduction in log exports

The nature of Cameroon wood products exports has been transformed since the log export ban on the most valuable species was introduced in July 1999. In the July 2001 to July 2002 financial year, only ayous and frake/limba were exported in any significant volume in log form. Cameroon log exports will be even lower in future following the ban on ayous and azobe log exports introduced in March this year. Meanwhile, resource limitations and government controls on harvesting suggest that sawn timber production in the country may have peaked already.

Log exports from Cameroon in the 2001-2002 financial year reached 219,000 m3, up from 183,000 m3 in the previous financial year, primarily due to strong demand from China, which now challenges Italy as Cameroon's major market for tropical logs. Meanwhile France importance as an export market for Cameroon logs has fallen dramatically in recent years.

Supply constraints and slow international demand led to a 17% decline in Cameroon sawn lumber exports between the 2000-2001 and 2001-2002 financial years, from 958,000 m3 to 793,000 m3. Italy, Spain and the Netherlands are the dominant destinations for exported sawn lumber, the last country acting as an increasingly important hub for supply to the rest of Europe. Only relatively small volumes are now exported directly from Cameroon to the U.K.

▶3

Cameroon 1998-99 Log Exports and 2001-02 Wood Products Exports
Volume (000s m3), Source SGS/Commerce International du Bois/ATIBT

	1998 Logs	2001-02 Logs	2001-02 Sawn	2001-02 Plywood	2001-02 Veneers	2001-02 Total
Italy	230.7	86.5	254.3	29.7	14.9	385.4
Netherlands	53.5	2.9	170.6	0.0	0.0	173.5
Spain	152.3	15.8	126.8	3.7	0.2	146.5
China	184.5	74.4	14.5	1.5	1.4	91.8
France	207.3	11.3	59.4	4.0	0.6	75.3
Belgium	10.0	0.3	38.2	0.3	0.0	38.8
UK	10.0	0.0	21.3	0.0	0.0	21.3
Senegal	na	7.3	7.6	0.0	4.0	18.9
Portugal	146.8	2.7	13.4	0.6	0.0	16.7
Tunisia	0.0	0.0	9.7	3.3	0.6	13.6
Germany	72.0	4.1	8.4	0.8	0.3	13.6
Ireland	0.0	0.0	13.3	0.0	0.0	13.3
Turkey	54.3	8.4	3.5	0.0	0.0	11.9
USA	0.0	0.0	9.6	0.7	0.0	10.3
India	46.7	0.0	0.0	0.0	0.0	0.0
Other	243.4	5.4	42.7	2.9	5.3	56.3
Total	1411.6	219.1	793.3	47.5	27.3	1087.2

2◀

Major species exported in lumber form are now ayous, sapele and tali. Between the 2000-2001 and 2001-2002 financial years, exports of ayous lumber doubled in volume as importers, particularly in Italy switched from logs to lumber. Meanwhile supply constraints led to a 50% fall in iroko lumber exports. Sapele, tali and azobe lumber exports remained static. Availability of azobe is now restricted in Cameroon and the industry is promoting alternative species for hydraulic engineering, including tali and okan.

Cameroon is only a minor exporter of plywood. Exports rose around 12% between the 2000-01 and 2001-02 financial years to 27,372 m3. 75% of exports are controlled by just one company, Alpicam. Ayous is the main species used for Cameroon plywood, much of which is destined for Italy.

Dramatic fall in harvest levels

Harvesting levels in Cameroon have been falling dramatically in recent years. At a training workshop held in Yaounde in January as part of the African Forest Law and Enforcement initiative it was reported that the area available for harvesting fell from over 1 million hectares in the 1995-96 financial year to only around 350,000 hectares in 2001-02. Levels of officially sanctioned harvest declined dramatically from around 3.5 million m3 in the years 1996-97 and 1997-98 to around 2 million m3 in the years 2000-01 and 2001-02.

This level of harvesting, now regarded as close to the long term sustainable harvest level, is significantly less than current installed capacity in Cameroon. Industrial processing capacity in the country increased rapidly from 1.2 million m3 in 1994 to 2.7 million m3 in 1998. It now stands at around 2.8 million m3.

The industry therefore suffers from a continual shortfall in log supply. The situation is even more critical than these figures suggest, when it is considered that small scale local artisans are estimated to consume around 1 million m3 of logs each year. Forest resources in the heavily populated coastal and southern provinces of the country have been heavily exploited and are no longer significant sources of log supply.

Ayous and sapele together account for 54% of harvesting volume in Cameroon. Another four species - iroko, azobe, tali, frake - account for 23% of harvest volume.

Cameroon 1998-99 Log Exports and 2001-02 Wood Products Exports
Volume (000s m3), Source SGS/Commerce International du Bois/ATIBT

	1998-1999 Logs	2001-02 Logs	2001-02 Sawn	2001-02 Plywood	2001-02 Veneers	2001-02 Total
Species banned from export in log form on 1 July 1999						
Sapeli	217.4	0	121.6	2.1	0	123.7
Iroko	86.7	0	72.9	0.1	0.1	73.1
Sipo	38.1	0	12.5	0.1	0	12.6
Movingui	33.9	0	17	0.1	0	17.1
Moabi	29.2	0	10.9	0.3	0	11.2
Bibolo/Dibetou	17.3	0	6.7	0.1	0	6.8
Padouk	16.6	0	2.9	0	0	2.9
Doussie	16.2	0	9.5	0	0	9.5
Assamela/Afrormosia	15.5	0	5.2	0	0	5.2
Bubinga	15.0	0	2.6	0	0	2.6
Acajou/Ngollon	12.6	0	8.5	0.1	0	8.6
Bosse	12.6	0	3.1	0	0	3.1
Ceiba/Fromager	5.7	0	0.1	0	2.2	2.3
Illomba	5.7	0	0.2	4.6	5.2	10
First Category Species*						
Ayous	458.5	117.2	277.4	32.0	14.0	440.6
Azobe	62.4	4.2	40.3	0.0	0.0	44.5
Frake/Limba	56.4	58.0	6.0	0.3	4.8	69.1
Tali	49.7	17.2	144.0	0.0	0.1	161.3
Bilinga	10.2	1.2	0.0	4.8	0	6
Second Category Species*						
Evong	21.8	7.1	0.0	1.1	0	8.2
Ekop/Evene/Naga	37.4	8.0	0.3	0	0	8.3
Agba/Tola	5.4	1	0.5	0	0	1.5
Pachyloba	na	0	23.5	0	0	23.5
Kossipo	na	1.8	10.3	0.1	0	12.2
Others	50.8	3.4	17.3	1.7	0.9	23.3
Total	**1275.0**	**219.1**	**793.3**	**47.5**	**27.3**	**1087.2**

First category species may be exported in log form subject to a high rate of duty. Second category species may be exported in log form subject to a low rate of duty.

Congo (Brazzaville)

A major revolution

While Cameroon has declined in importance as a supplier of logs to international markets, Congo (Brazzaville) has increased dramatically. During 2002, Congo (Brazzaville) exported a record 785,000 m3 of logs and by-products, 56% up on the previous year.

The forest sector in the country has been transformed since 1998. Five state-controlled companies in the timber sector have been taken over by private firms, with investments amounting to over FF80 million. The government of Congo is confidently predicting that log production in the country will increase from from 890,000m3 in 2002 to 2.3 million m3 by 2006. ▶4

Wood exports from Congo (Brazzaville) - 000s m3 - source ATIBT

	1997	*1998*	*1999*	*2000*	*2001*	*2002*	*% chg 00/01*
Via Pointe-Noire							
Logs	194.8	139.2	60.7	87.3	181.5	390.8	115
Sawntimber	13.1	13.2	10.2	6.2	10.8	12.4	15
Veneer	41.7	48.3	16.5	8.0	12.0	17.5	46
Plywood	2.6	1.1	0.0	0.0	0.0	0.0	-
Via Douala							
Logs	62.7	133.7	150.7	195.5	196.1	237.4	21
Sawntimber	24.8	45.6	51.6	57.3	62.9	94.9	51
Via Kinshasa							
Logs	0.0	0.0	0.0	11.0	18.4	12.3	-33
Sawntimber	0.0	0.0	0.0	0.0	21.0	20.1	-4
Total Congo							
Logs	257.4	273.0	211.4	293.8	396.1	640.5	62
Sawntimber	37.9	58.8	61.9	63.5	94.7	127.4	35
Veneer	41.7	48.3	16.5	8.0	12.0	17.5	46
Plywood	2.6	1.1	0.0	0.0	0.0	0.0	-

3◀

Government policy is focused on increasing foreign investment in the industry. The big jump in timber production and export in 2002 was due to Taman, a Malaysian company, becoming fully operational in the country. Taman exported a total of 241,000 m3 of logs via Pointe Noire during 2002. In addition, Man Fai Tai, Taman's Chinese sister company, exported 61,000 m3 of logs from Pointe Noire. Taman, which has made considerable investment in processing capacity, also exported 16,000 m3 of veneer. During 2002, Taman took over the Congo's veneering company (BOPLAC), the last public forestry firm to be privatised, and with it obtained a permit for 413,000 hectares in the southwest of the country.

Development in south-west

Much of the new production comes from the south western part of the country – from Niari, Lékoumou and Kouilou regions. This zone has struggled to revive its activities following the destruction of essential infrastructure during the civil war of 1997-8. However the government is now talking of a "major revolution" in the industry that will lead to rapid industrialization in this part of the country.

While harvesting and wood processing have been increasing from the south-east, the northern region is still the most important supplier of processed products. There are 11 companies installed in this region (CIB, IFO, SOCALIB, SIAS, TBI, Mokabi, Cristal, ITBL, Likoula Timber, Thanry, Thanry Congo, Bois et Placages de Lopola) which together accounted for over 90% of all sawn timber exported from the country during 2002. The Congolese Timber Industrial (CIB) remains the nation's largest timber supplier and is developing its activities in the Sangha, Likouala and Cuvette regions of north eastern Congo.

Big rise in sawn production

Due to on-going efforts to encourage investment and rebuild infra-structure, the government now predicts that sawn lumber production in Congo Brazzaville may increase from 126,000 m3 to 396,000 m3 in 2006, and plywood from 4,000m3 (in 2001) to 24,000 m3.

But there are problems. During 2002, a serious dispute arose between the government and industry over levels of taxation. Following recommendations from the World Bank, the government imposed new surface area taxes on concessions, together with new duties on felling, log exports and conversion. Meanwhile government guarantees for forest sector investments for periods of between 8 to 10 years were abolished. Producers claim the new levels of tax have added 20-25 euro/m3 to the FOB price of logs exported from the country, undermining their competitive position. They also claim the new taxes and absence of guarantees have reduced their incentive to invest in processing capacity. Many operators are already struggling to meet the government's requirement that 60% of logs are processed domestically. In early 2003, some of the largest exporters from the country refrained from exporting wood products for a period of 4-6 weeks in protest over the new taxes. However the government refused to reconsider.

Gabon

Falling production

Wood production and exports from Gabon fell sharply during 2002 in response to fiscal uncertainty, slowing global demand, and a fall in purchasing by SNBG, the state controlled organisation that has a monopoly in okoume marketing.

ATIBT, the Paris based tropical timber association, estimate that timber production in Gabon was around 2.5 million m3 during 2002 comprising: 1.243 million m3 of okoume and ozigo for export; 685,000 m3 of other species for export; and 500,000 m3 of logs destined for domestic mills. Despite rising investment in domestic processing capacity, levels of production were well down on the previous year.

Three factors contributed to the decline. First, the Gabon government introduced some major fiscal changes beginning in November 2001. These included: a new surface area tax of 1000 FCFA per hectare to be applied to all forest holdings; an increase in the export tax on sawn lumber from 15% to 20%; and a change in the method of calculating the felling tax so that it now depends on exploitable forest area rather than the actual harvestable volume. Taken together, these measures significantly raised the cost of production.

SNBG Financial problems

Second, SNBG was tightly controlling purchases of okoume and ozigo logs during 2002. This was mainly due to major financial problems at SNBG, with large sums owing to timber companies. SNBG has seen margins severely eroded as log production costs have risen, global demand has cooled, and competition from other okoume supply regions - notably Congo (Brazzaville) - has increased. Questions are increasingly being asked over the legitimacy of a state-controlled timber trading organisation in today's highly competitive and fluid market conditions. Although some producers are now allowed to bypass SNBG and sell okoume and ozigo direct, all transactions still require SNBG approval, undermining the effectiveness of the liberalisation measure.

Various trends are apparent from the log export data. China is now by far the dominant buyer as exports to European destinations have fallen dramatically in recent years. Okoume exports to China remained reasonably stable during 2002, although they are still well down on levels reached in 2000. France has continued to fall away as a destination for okoume as French tropical hardwood plywood manufacturers have transferred manufacturing capacity to Gabon itself, and as competition from Chinese plywood products has intensified. Okoume log exports to Israel - previously a major buyer - fell away to near zero last year as Is-

Volume of Gabon log exports (000s m3)
Source ATIBT

	1999	2000	2001	2002	01/02 % Change
China	835.5	1019.7	860.3	822.2	-4
France	373.9	320.3	324.6	227.8	-30
Morocco	85.7	91.5	100.3	83.1	-17
Greece	36.1	46.2	39.6	37.7	-5
Turkey	46.8	38.6	11.3	17.6	56
Spain	8.1	10.7	12.4	17.2	39
Hong Kong	46.9	4.8	39.4	9.1	-77
Italy	7.3	5.1	6.1	6.1	1
Holland	25.6	27.1	17.8	6.0	-66
Algeria	0.0	8.5	26.7	3.0	-89
Mexico	5.3	4.9	3.3	2.7	-18
Malaysia	3.8	4.7	4.6	2.7	-41
Israel	73.3	58.5	11.0	1.7	-85
Germany	6.6	2.7	3.8	1.4	-62
Tunisia	1.7	0.3	0.6	0.7	22
Portugal	1.5	1.1	1.0	0.1	-87
Japan	31.3	21.1	5.3	0.1	-99
Korea	9.3	22.2	5.2	0.0	-100
Philippines	17.5	15.6	38.4	0.0	-100
Others	7.7	17.6	3.1	3.9	23
Total	1623.8	1721.1	1514.7	1243.1	-18

Africa

Volume of Gabon log exports by species (000s m3) - source ATIBT

Species	2000	2001	2002	% Chg 01/02
Okoume	1659	1483	1233	-17
Ozigo	62	25	10	-60
S/total	**1721**	**1507**	**1243**	**-18**
Padouk	124	114	121	6
Kevazingo	87	86	77	-11
Moabi	56	73	54	-25
Beli	37	47	49	5
Agba	53	56	35	-38
Azobe	40	38	33	-12
Movingui	36	34	28	-18
Bahia	38	33	28	-16
Douka	31	36	26	-29
Izombe	24	35	23	-33
Bilinga	49	19	22	12
Tali	29	27	19	-29
Iroko	44	34	18	-49
Ovengkol	12	16	16	-4
Sapeli	10	17	9	-45
Acajou	13	13	9	-32
Doussie	7	9	9	3
Igaganga	33	13	8	-37
Okan	13	9	8	-5
Niangon	10	10	6	-41
Andoung	15	2	2	-2
Others	92	85	85	0
S/total	**853**	**806**	**685**	**-15**
TOTAL	**2574**	**2314**	**1928**	**-17**

rael is no longer a significant plywood manufacturer.

Log exports of other species declined last year, but less dramatically than for okoume and ozigo. Although best known for okoume, Gabon is emerging as an important supplier of heavy decorative hardwoods to the international market. Padouk is emerging as a particularly important export species, notably to Asia where it is used for flooring and high class joinery applications.

Exports of sawn lumber from Gabon are increasing. Last year, exports are estimated to have reached around 103,000 m3, up from 77,000 m3 the previous year.

Gabon wood products exports 2002 - 1000s m3 - source ATIBT

Veneer	108.0
Sawn okoume	60.0
Other sawn lumber	43.0
Plywood	30.0
Total	**241.0**
France and South ATL (1)	123.9
Mediterranean	64.2
Eastern Europe	0.2
India	0.2
West Africa	1.9
South Africa	13.4
North America	4.5
South America	8.9
Northern Europe	16.6
Asia	7.0
Total	**241.0**

(1) France and Vigo, Leixoes, Cassablanca

Asia

Indonesia

Falling production

Official data for hardwood logs and lumber exports from Indonesia tells little about the real volume of export (Table 1). But it does give an idea of the volume of trade which goes unrecorded. The value data is presented here, since the volume data contains so many inconsistencies as to be worthless. According to the official data, the value of Indonesian exports of hardwood logs fell from US$67 million in 2001 to only US$10 million in 2002. As log exports from Indonesia were banned from October 2000, it is perhaps surprising to see any log exports recorded at all.

It is instructive to compare the Indonesian export data with import data from Indonesia's major trading partners (Table 2). This data shows that Indonesian exports must be considerably higher than officially recorded. While Indonesia's data indicates that log exports were valued at only US$10 million in 2002, four importing countries record total imports from Indonesia valued at over US$40 million. The discrepancy for sawn lumber is even greater. In 2002, Hong Kong and China recorded imports of 1.4 million m3 of Indonesian hardwood lumber, valued at US$ 338 million. However the Indonesian customs authorities record exports of only US$124 million to all destinations. The rise in sawn lumber exports recorded by the Indonesian customs authorities between 2000 and 2002 is more likely to reflect the recent crack-down on illegal trade, than any underlying trend in the direction of trade.

So what conclusions may be drawn on the real volume of Indonesia's export trade in logs and lumber? The import data from the leading log buying nations in Asia seems to indicate that there was a dramatic fall in the volume of Indonesian logs available to the international market between 2001 and 2002. Total imports by these nation's fell by 75% during this period. So perhaps the crack-down on illegal trade is beginning to bite.

Table 1: Indonesia wood products exports - Million US$

	2000	2001	2002	% chg
Logs (Commodity code 4403)				
China	15.8	21.5	4.5	-79.2
India	12.6	14.3	2.8	-80.7
Algeria	0.0	0.0	0.5	0.0
Japan	4.6	11.3	0.5	-95.6
Korea, South	1.3	6.1	0.3	-95.8
Netherlands	0.2	0.1	0.2	175.2
Malaysia	4.9	3.1	0.1	-97.1
World	**45.3**	**67.8**	**10.1**	**-85.1**
Sawn lumber (Commodity code 4407)				
China	7.5	28.4	63.3	123.3
Japan	25.1	22.1	19.5	-11.5
Hong Kong	6.8	7.5	15.2	102.0
Korea, South	4.2	5.9	5.7	-3.4
Singapore	3.2	2.8	4.4	53.5
Taiwan	2.7	3.6	3.2	-12.2
USA	5.6	3.8	2.7	-29.2
Malaysia	1.3	1.5	2.0	36.0
Germany	0.4	0.6	1.6	185.9
Italy	1.7	2.1	1.2	-41.0
Netherlands	2.5	2.2	1.0	-52.2
Belgium	1.6	1.0	0.6	-38.7
S. Africa	1.0	0.8	0.6	-23.9
UK	0.8	1.2	0.4	-64.3
Australia	2.0	0.8	0.4	-55.5
World	**69.1**	**89.5**	**124.8**	**39.4**

As for sawn lumber, the Chinese and Hong Kong import figures seem reasonable. These show a dramatic rise in imports from Indonesia between 2000 and 2001 before stabilising at around 1.4 million m3 in 2002. This is in line with estimates provided in ITTO's 2002 Annual Review. These suggest that Indonesia sawn lumber exports to all destinations reached 1.4 million in 2000, then rose strongly to 2.25 million m3 in 2001, before stabilising at around 2.3 million in 2002. On this basis, it seems that China accounts for perhaps two thirds of Indonesia's total sawn lumber export.

Indonesia's plywood export trade is probably easier to monitor and control than the log and lumber trade since a high proportion of product derives from a relatively limited number of large manufacturers. As a

▶6

Table 2: Imports from Indonesia by selected countries

	US$ million				m3 1000			
	2000	2001	2002	% chg	2000	2001	2002	% chg
Logs (commodity code 4403)								
China	35.5	83.0	26.5	-68.1	213	572	181	-68.4
India	41.9	67.9	15.2	-77.6	270	359	69	-80.8
Korea	0.8	8.3	0.2	-97.6	4	104	2	-98.1
Japan	na	0.0	0.0	na	36	0	0	0.0
Total	**78.2**	**159.2**	**41.9**	**-73.7**	**523**	**1035**	**252**	**-75.7**
Sawn lumber (commodity code 4407)								
China	285.6	316.3	268.6	-15.1	969	1213	1316	8.5
Hong Kong	98.5	86.0	69.6	-19.1	190	193	167	-13.6
Total	**384.1**	**402.3**	**338.2**	**-15.9**	**1160**	**1406**	**1483**	**5.5**

Table 3: Indonesia plywood exports - Million US$
(Commodity code 4412)

	2000	2001	2002	% chg
Japan	845.8	753.0	743.8	-1.2
USA	209.3	192.0	194.0	1.1
Korea	102.4	115.0	124.3	8.1
China	142.2	88.1	93.4	6.0
UK	61.4	83.9	70.3	-16.2
Taiwan	100.1	71.7	70.3	-1.9
Saudi Arabia	69.7	65.0	63.0	-3.1
UAE	51.2	65.3	59.0	-9.6
Belgium	71.8	73.8	46.1	-37.5
Singapore	28.5	27.3	27.8	1.8
Germany	37.5	32.8	27.8	-15.3
Hong Kong	49.1	36.0	26.1	-27.6
Kuwait	21.6	20.9	24.4	16.6
Netherlands	25.0	28.1	22.6	-19.6
Algeria	11.9	20.8	20.3	-2.7
Jordan	20.9	17.1	15.5	-9.2
Egypt	31.8	27.2	15.4	-43.5
Mexico	26.4	21.4	14.5	-32.4
Australia	12.8	13.6	12.3	-10.2
France	12.2	10.9	8.4	-23.1
Qatar	3.1	7.3	7.7	5.3
Italy	4.6	7.0	6.8	-3.6
Iraq	0.0	4.5	6.2	36.7
Denmark	4.7	7.2	4.3	-40.5
Yemen	1.7	1.3	4.2	228.4
Canada	4.4	4.2	3.8	-9.1
Vietnam	3.8	3.0	3.5	18.3
Oman	0.0	3.0	2.9	-0.5
Bahrain	4.3	3.9	2.8	-29.1
Philippines	0.0	1.0	2.5	147.4
Malaysia	4.8	5.8	2.4	-58.6
Lebanon	4.5	4.3	2.4	-45.2
Iran	0.0	1.8	2.2	22.1
Turkey	3.2	1.0	2.2	111.5
Thailand	2.1	2.4	2.1	-10.2
Libya	0.0	0.0	1.8	0.0
Syria	1.1	1.8	1.6	-13.5
India	2.2	1.3	1.3	-4.7
World	**1988.9**	**1837.9**	**1748.3**	**-4.9**

5◀

result, the plywood export value data provided by the Indonesian authorities (Table 3), seems much more reliable. This data indicates a progressive fall in the value of Indonesian plywood exports over the last three years. This is in line with trends reported by APKINDO, the Indonesian plywood association. APKINDO also suggests there was a slight rise in the volume of plywood exports between 2001 and 2002. Taken together, these reports are indicative of continuing decline in the quality and unit value of Indonesian plywood exports.

Various measures may help to improve the regulation of Indonesian wood products exports. Indonesia has signed joint agreements with the governments of Japan, China, and the UK designed to improve co-operation in tackling illegal trade. Earlier this year, the Indonesian government introduced a new regulation allowing only registered companies to export. It is also in the process of auditing the nation's two hundred largest wood products manufacturers - mainly of plywood - in an effort to identify their involvement in the illegal trade. But from this brief analysis, it seems a large part of the problem may lie with smaller mills not covered by the audit.

Malaysian exports

After a dramatic fall in Malaysia's wood exports between 2000 and 2001, exports remained fairly static during 2002.

■ **Recovery in Sabah log exports**: Malaysian log exports during 2002 were just over 5 million m3, similar to the previous year. There were however significant changes in the direction of trade. While log exports from Sarawak fell from 4.76 million m3 to 4.52 million m3 between 2001 and 2002, exports from Sabah increased from 276,000 m3 to 574,000 m3. This represents a recovery from historically low levels of export from Sabah during 2001 when the trade was severely disrupted by major delays in the issue of logging licenses. Log exports from Sabah during 2002 may also have been filling a vacuum in international log markets resulting from the crackdown on illegal Indonesian exports. Considering major export markets, Malaysian log exports to Japan experienced a partial recovery during 2002. Japanese

▶7

Volume of Malaysian Primary Wood Products Exports in 2001 and 2002
Source: Maskayu, 000s m3

	West Mal. 2000	Sabah 2000	Sarawak 2000	Total 2000	% chg 00/01	West Mal. 2002	Sabah 2002	Sarawak 2002	Total 2002	%Chg 01/02
Logs by destination										
Japan	0	10.7	1354.5	1365.2	-37.4	0	143.7	1446.4	1590.1	16.5
China	0	45.2	1023.8	1068.9	-23.9	0	230.0	975.7	1205.7	12.8
Taiwan	0	0.0	659.7	659.7	-26.7	0	1.2	648.5	649.6	-1.5
India	0	0.0	982.3	982.3	12.6	0	12.7	982.2	994.9	1.3
Hong Kong	0	0.1	415.5	415.6	-22.1	0	5.0	176.1	181.1	-56.4
South Korea	0	2.6	172.3	174.9	-42.1	0	17.6	140.1	157.7	-9.8
Indonesia	0	195.7	0.0	195.7	-39.6	0	127.2	0.0	127.2	-35.0
Thailand	0	0.0	31.3	31.3	-69.2	0	9.1	29.3	38.4	22.8
Others	0	21.8	125.1	146.9	-20.9	0	27.7	118.8	146.4	-0.3
Total	**0**	**276.2**	**4764.4**	**5040.6**	**-25.9**	**0**	**574.2**	**4517.0**	**5091.2**	**1.0**
Sawn by destination										
Thailand	214.5	95.1	234.1	543.7	-3.4	238.7	99.6	268.8	607.0	11.7
Netherlands	148.3	46.7	5.3	200.3	-28.1	136.6	39.6	4.8	181.0	-9.6
Philippines	0.0	31.4	173.7	205.2	-25.1	2.0	23.9	147.6	173.6	-15.4
Japan	42.9	48.2	36.1	127.3	-52.5	38.4	45.1	31.4	114.9	-9.7
Taiwan	9.1	33.6	130.1	172.8	-24.4	15.4	32.5	139.9	187.7	8.6
Singapore	117.0	4.6	64.8	186.4	-15.4	103.6	3.1	48.1	154.8	-16.9
China	53.2	8.2	89.5	150.9	11.6	42.2	10.3	85.3	137.8	-8.7
South Korea	7.7	44.3	64.5	116.4	-10.2	12.0	25.6	56.7	94.3	-19.0
Yemen	9.2	3.4	70.4	83.0	-27.2	11.6	1.0	56.1	68.7	-17.1
Hong Kong	68.4	29.1	37.8	135.3	18.8	85.8	25.9	23.9	135.7	0.3
U.A.E	31.2	0.0	34.2	65.3	-20.6	37.4	0.0	27.0	64.4	-1.4
Belgium	40.5	11.4	1.2	53.2	-25.1	46.5	16.0	0.8	63.2	18.9
South Africa	7.6	34.0	17.0	58.6	-13.9	7.0	36.4	21.4	64.9	10.7
UK	21.5	27.7	2.7	51.9	-6.6	22.6	24.9	2.6	50.2	-3.3
Saudi Arabia	10.4	1.8	23.7	35.9	-29.9	23.6	0.8	21.4	45.8	27.6
Germany	21.4	0.6	2.5	24.5	-36.2	28.5	2.1	1.4	32.0	30.5
France	4.3	5.8	2.3	12.3	-67.8	5.6	6.1	1.9	13.6	10.0
Australia	8.9	4.5	3.4	16.9	-49.0	11.4	5.0	4.7	21.1	25.0
Italy	23.2	0.1	4.4	27.8	6.7	27.6	0.3	6.7	34.6	24.7
USA	3.5	0.9	1.8	6.3	-71.6	2.7	3.0	1.5	7.2	14.3
Others	30.8	14.9	37.9	83.6	-7.4	35.7	11.8	35.0	82.4	-1.4
Total	**873.5**	**446.3**	**1037.4**	**2357.3**	**-18.7**	**934.8**	**413.0**	**986.9**	**2334.8**	**-1.0**
Plywood by destination										
Japan	25.5	310.4	1358.7	1694.6	1.9	11.3	274.9	1355.2	1641.4	-3.1
USA	5.8	190.1	164.8	360.7	7.7	7.2	224.7	202.0	433.9	20.3
South Korea	2.8	186.6	169.3	358.7	39.6	0.0	181.4	256.1	437.5	22.0
Hong Kong	3.1	44.9	117.3	165.2	-23.8	2.3	15.8	95.6	113.7	-31.1
China	0.3	23.8	63.6	87.7	-42.8	0.0	13.2	53.2	66.4	-24.4
Singapore	71.5	14.1	47.9	133.5	-12.9	55.0	14.7	47.5	117.3	-12.2
Taiwan	3.5	81.0	45.1	129.6	-10.9	5.2	75.2	102.4	182.8	41.1
UK	27.7	10.5	51.7	89.9	23.5	46.5	4.3	52.0	102.8	14.4
Yemen	0.0	0.0	69.0	69.0	75.0	0.0	0.0	15.8	15.8	-77.1
Others	73.6	91.4	153.2	318.2	22.0	71.2	137.6	191.2	400.0	25.7
Total	**213.6**	**952.9**	**2240.6**	**3407.1**	**4.6**	**198.8**	**942.0**	**2371.0**	**3511.7**	**3.1**
Veneer by destination										
China	0.0	28.9	80.2	109.1	-72.9	0.0	1.0	46.4	47.3	-56.6
Philippines	0.0	6.9	110.1	116.9	-4.6	0.0	5.7	58.9	64.6	-44.7
South Korea	0.0	52.7	104.5	157.2	33.7	0.0	87.5	80.4	168.0	6.8
Taiwan	1.4	22.0	54.3	77.7	-32.9	0.3	22.1	74.5	96.8	24.6
Hong Kong	0.1	4.8	95.7	100.6	40.3	0.0	2.4	155.3	157.7	56.8
Japan	0.2	18.2	40.4	58.8	-5.2	0.3	17.4	38.0	55.7	-5.2
Others	1.5	6.5	27.4	35.4	241.3	4.0	3.4	3.2	10.6	-70.2
Total	**3.1**	**140.0**	**512.5**	**655.7**	**-27.3**	**4.6**	**139.5**	**456.6**	**600.7**	**-8.4**

Asia

6◀

sawmills producing tropical hardwood lumber were rebuilding depleted stocks of Sabah seraya during 2002 after the break in supply the previous year. Exports of Malaysian logs to the Chinese mainland also rebounded in 2002, while exports to Hong Kong continued to fall.

■**Sawn lumber exports static:** overall lumber exports from Malaysia remained stable between 2001 and 2002. Neighbouring Thailand - the largest export market - provided an important growth market for Malaysian sawn lumber during 2002, compensating for weak market demand elsewhere. All regions of Malaysia increased exports sales to Thailand during 2002. Export sales to other Asian destinations were mixed during 2002. Sales to the Philippines, Singapore, Japan and South Korea continued to contract, while there were signs of recovering sales to Taiwan after a poor year in 2001. European markets were equally patchy. Exports to the Netherlands were very sluggish during 2002 due to weak economic conditions prevailing in that market. Direct sales to the U.K. remained stable at fairly low levels. However Malaysian shippers managed to increase exports to Germany despite this being a generally slow market for hardwoods last year.

■**Continuing low levels of plywood export:** Malaysian plywood exports continued their slow recovery during 2002 but remain well below annual levels of over 4 million m3 that prevailed prior to the Asian financial crises in 1998. Over the last five years, Malaysian producers have struggled to compete on price against their Indonesian and Chinese counterparts and have therefore focused more on higher value niche markets. The U.S., Korea and Taiwan were important growth markets for Malaysian plywood during 2002. Meanwhile plywood exports to China have continued to fall as Chinese plywood manufacturing capacity has expanded. The important Japanese market for Malaysian plywood remained static during 2002. The U.K. bought more Malaysian plywood last year, perhaps a reflection of supply problems from Indonesia.

■**Declining veneer exports.** veneer exports declined by 8% during 2002 continuing a trend apparent the previous year. Exports to China continued to shrink as that country now relies more heavily on veneers manufactured domestically from imported logs. There was also a fall in Malaysian veneer exports to the Philippines. In contrast, Hong Kong and Tiawan imported significantly more Malaysian veneer last year.

U.S. hardwood imports

U.S. hardwood imports rebounded in 2002 after a dip the previous year resulting from a slowdown in the national economy and supply side problems. During 2002, there was strong growth in hardwood lumber imports from several tropical countries. Brazilian hardwood lumber imports increased due to the strength of demand for flooring and decking timbers. Imports of mahogany from Peru and khaya from Ghana expanded to fill the gap in supply following the ban on the Brazilian mahogany trade. U.S. imports of German hardwood have been rising as European exporters have looked for new markets, particularly to off-load excess beech.

Asian hardwood plywood manufacturers have significantly expanded sales in the U.S. in recent years.

Growth in U.S. hardwood lumber and plywood imports has continued into 2003.

U.S. hardwood imports

	2000 Year	2001 Year	2002 Year	% chg	2002 Jan-April	2003 Jan-April	% chg
Hardwood lumber (1000 m3)							
Canada	1205.7	1008.3	1119.8	11	358.8	362.6	1
Brazil	42.6	44.1	68.4	55	37.3	51.8	39
Germany	5.6	8.4	20.1	139	2.1	5.6	161
Chile	12.9	15.7	15.1	-4	10.1	2.3	-77
Ghana	5.7	5.1	12.2	137	6.8	8.6	26
China	4.5	1.0	6.7	591	0.5	1.3	171
Lithuania	0.4	8.6	6.0	-31	2.4	0.9	-61
Peru	2.0	2.3	5.5	135	16.3	14.2	-13
France	0.6	0.8	5.3	541	1.5	0.1	-92
Guyana	4.6	3.2	4.1	31	1.4	1.0	-34
Argentina	0.2	0.3	4.1	1175	0.0	0.6	>500
Ivory Coast	5.4	2.5	3.8	54	4.9	2.6	-47
Cameroon	4.2	3.6	3.4	-6	3.4	4.2	22
India	0.2	0.9	3.4	256	1.7	0.1	-93
Spain	1.0	0.9	3.2	258	0.2	0.2	-23
Indonesia	5.1	3.9	2.5	-35	5.5	6.7	21
Malaysia	4.1	3.9	2.4	-39	9.5	7.4	-22
Bolivia	20.9	4.0	1.4	-65	3.3	7.6	127
Other	26.3	29.7	20.6	-31	15.8	34.2	116
Total	1352.0	1147.5	1308.1	14	481.4	512.0	6
Hardwood plywood (US$ million)							
Indonesia	231.9	193.1	212.1	10	64.2	75.0	17
Canada	174.7	173.0	192.7	11	62.6	59.3	-5
Malaysia	106.9	92.7	127.7	38	33.3	39.5	19
Russia	86.0	100.2	121.7	21	33.0	29.4	-11
China	29.5	43.9	99.8	127	18.1	42.8	136
Brazil	79.4	73.0	84.6	16	23.0	31.3	36
Germany	3.6	3.9	26.5	579	1.6	3.5	119
Taiwan	11.3	10.6	13.2	25	4.1	4.1	0
Ecuador	13.9	10.2	13.0	27	2.9	5.7	97
Finland	13.3	12.0	9.9	-18	2.9	3.7	28
Guyana	10.5	9.4	5.7	-39	2.9	1.2	-59
Italy	4.4	6.0	5.2	-13	1.1	2.5	127
Ghana	3.5	4.2	4.0	-5	0.8	0.8	0
Thailand	1.7	2.5	3.6	44	0.6	2.9	383
Other	27.4	24.7	27.1	10	7.1	10.7	51
Total	798.0	759.4	946.8	25	258.2	312.4	21
Hardwood veneer (US$ million)							
Canada	207.6	180.7	183.9	2	67.1	57.4	-14
Brazil	19.3	16.7	19.0	14	5.8	5.0	-14
Ghana	12.8	15.6	17.6	13	3.8	4.1	8
Germany	14.2	14.6	17.3	18	6.4	4.7	-27
Italy	31.1	14.4	15.9	10	5.3	4.4	-17
France	5.5	4.7	6.7	43	1.3	1.8	38
China	4.7	5.6	5.6	0	1.2	3.0	150
Russia	0.4	0.8	5.4	575	1.2	1.5	25
Mexico	6.5	8.4	5.3	-37	1.8	1.2	-33
Chile	4.6	4.5	4.6	2	1.8	1.4	-22
Gabon	4.5	3.3	3.8	15	1.3	0.9	-31
Spain	3.9	3.6	3.6	0	0.8	1.0	25
Ivory Coast	4.2	2.4	3.5	46	0.3	0.9	200
Other	26.1	22.4	26.4	18	8.3	6.7	-19
Total	345.4	297.7	318.6	7	106.4	94.0	-12

European beech trade

The data on these pages tells a dramatic story, and a very painful one for European sawmills.

The European beech trade experienced a boom in the years 1998 and 1999, reached peak in 2000, and then declined rapidly thereafter. Much of this volatility can be explained by the storms that hit French and German forests in December 1999. This served to throw a lot of relatively low quality logs onto the market. The market distortion that this caused was compounded by a beech disease which hit Belgian forests in late 2001 which led to widespread sanitation felling. Between 2000 and 2002 there was very severe overstocking in the beech market, particularly for lower grades.

The Chinese market for beech has also proved very volatile. In part this reflects the changing situation in China itself. The late 1990s fashion for beech has now waned, and competition from alternative temperate hardwoods - notably Russian birch and oak and a variety of American species - has greatly intensified. But big mistakes were also made by inexperienced European exporters that failed to take adequate account of rising concern for wood product quality amongst Chinese importers. The end result was numerous claims on exported product and rapid disenchantment with European beech amongst many Chinese importers.

Judging from the Chinese import figures, all countries supplying beech to China have been affected by the decline in trade. And the decline has continued into this year.

The fall in trade is not only demand driven. Beech harvesting levels have also been significantly reduced, particularly in France but also in Germany and Romania, the leading Eastern European supplier.

▶9

China beech log imports, 000 m3

	2000 Year	2001 Year	2002 Year	% chg 01-02	2002 Jan-Apr	2003 Jan-Apr	% chg 02-03
Germany	468.8	392.1	381.2	-2.8	180.5	140.2	-22.3
France	228.7	142.5	65.2	-54.3	31.4	6.8	-78.5
Belgium	37.9	24.8	25.8	3.8	8.7	6.0	-31.0
Denmark	59.4	30.1	13.7	-54.5	8.4	4.6	-44.8
Netherlands	17.4	0.5	6.9	>100	0.7	1.0	52.4
Poland	3.5	3.6	3.3	-9.3	2.4	1.4	-40.2
Other	54.6	40.5	11.3	-72.2	7.6	1.7	-78.3
World	**870.1**	**634.2**	**507.3**	**-20.0**	**239.6**	**161.7**	**-32.5**

Western European beech logs, direction of trade, years 2001 and 2002

Importers:		*China*		*Italy*		*Hong Kong*		*Sweden*		*Spain*		*Other*		*Total*		
		2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	% chg
Exporters																
Germany	mill euro	97.6	56.0	4.5	3.6	18.2	5.8	14.5	17.6	0.2	0.2	20.1	16.1	**155.1**	**99.3**	**-36.0**
	1000 m3	332.4	312.3	72.0	59.5	47.6	28.9	382.7	412.9	0.7	0.6	248.6	232.8	**1084.0**	**1047.0**	**-3.4**
France	mill euro	20.8	9.4	5.6	4.2	6.5	2.4	0.0	0.0	8.4	7.8	19.3	17.1	**60.6**	**40.9**	**-32.5**
	1000 m3	105.9	61.6	64.1	48.9	15.6	4.8	0.0	0.0	69.1	54.7	249.8	216.4	**504.5**	**386.4**	**-23.4**
Austria	mill euro	4.6	4.9	17.6	17.4	0.3	1.3	0.0	0.0	0.0	0.0	2.8	1.0	**25.3**	**24.6**	**-2.8**
	1000 m3	10.5	11.5	307.4	261.4	0.6	3.6	0.0	0.0	0.0	0.0	17.0	5.7	**335.5**	**282.2**	**-15.9**
Denmark	mill euro	13.0	2.8	0.0	0.0	1.7	0.6	1.1	0.3	0.1	0.0	5.4	4.4	**21.3**	**8.1**	**-62.0**
	1000 m3	30.0	8.8	0.0	0.0	4.3	5.4	11.2	1.1	0.3	0.0	17.2	16.8	**63.0**	**32.1**	**-49.0**
Belgium	mill euro	4.4	2.1	1.4	1.7	1.4	0.1	0.0	0.0	1.2	2.0	3.6	2.3	**12.0**	**8.2**	**-31.7**
	1000 m3	19.6	10.1	11.4	17.7	5.6	0.2	0.0	0.0	4.7	9.6	25.3	13.3	**66.6**	**50.9**	**-23.6**
Other EU	mill euro	4.2	0.6	0.0	0.0	0.8	0.5	0.0	0.0	0.1	0.0	1.5	1.5	**6.6**	**2.6**	**-60.6**
	1000 m3	18.2	3.7	0.0	0.1	1.4	0.8	0.0	0.0	0.5	0.3	29.4	19.3	**49.5**	**24.2**	**-51.1**
Total EU	**mill euro**	**144.6**	**75.8**	**29.1**	**26.9**	**28.9**	**10.7**	**15.6**	**17.8**	**10.0**	**10.0**	**52.7**	**42.5**	**280.9**	**183.7**	**-34.6**
	1000 m3	**516.6**	**408.0**	**454.9**	**387.6**	**75.1**	**43.7**	**393.8**	**414.0**	**75.3**	**65.2**	**587.4**	**504.3**	**2103.1**	**1822.8**	**-13.3**

Western European beech sawn lumber, direction of trade, years 2001 and 2002

Importers:		*China*		*Hong Kong*		*Spain*		*U.K.*		*Italy*		*Other*		*Total*		
		2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	% chg
Exporters																
Germany	mill euro	46.0	35.3	22.1	14.7	16.3	12.2	12.9	11.9	6.0	7.2	44.0	49.3	**147.3**	**130.6**	**-11.3**
	1000 m3	112.0	94.4	46.1	35.4	54.4	40.0	31.8	26.1	23.2	30.5	111.9	137.3	**379.4**	**363.8**	**-4.1**
France	mill euro	10.9	7.8	4.4	2.7	11.7	11.6	1.4	1.2	2.5	2.0	26.9	25.8	**57.9**	**51.2**	**-11.6**
	1000 m3	45.0	26.6	10.0	6.7	42.0	40.3	2.7	2.5	15.0	11.2	109.9	105.3	**224.6**	**192.6**	**-14.3**
Italy	mill euro	7.7	7.5	23.6	9.4	1.3	2.7	1.2	1.3	X	X	16.5	12.9	**50.2**	**33.8**	**-32.6**
	1000 m3	14.4	14.8	41.9	17.4	2.7	5.6	1.2	1.4	X	X	25.8	24.2	**86.0**	**63.5**	**-26.2**
Austria	mill euro	5.2	2.4	6.5	2.8	0.1	0.2	0.1	0.1	7.0	6.0	11.9	9.2	**30.7**	**20.7**	**-32.6**
	1000 m3	11.8	6.3	11.7	5.1	0.2	0.4	0.1	0.2	26.0	26.9	30.2	22.9	**80.0**	**61.7**	**-22.8**
Denmark	mill euro	0.3	0.7	0.5	0.1	0.0	0.0	3.9	3.6	0.0	0.0	11.7	7.9	**16.4**	**12.3**	**-25.3**
	1000 m3	0.4	1.3	1.3	0.6	0.0	0.0	7.1	6.3	0.0	0.1	12.1	7.4	**21.0**	**15.6**	**-25.5**
Spain	mill euro	0.0	0.0	0.1	0.0	X	X	0.0	0.1	0.0	0.0	4.3	5.0	**4.4**	**5.1**	**15.5**
	1000 m3	0.0	0.0	0.1	0.0	X	X	0.0	0.0	0.0	0.0	8.0	8.9	**8.2**	**9.0**	**10.6**
Belgium	mill euro	1.0	0.4	0.2	0.0	1.2	0.6	0.4	0.3	0.0	0.1	2.7	2.1	**5.5**	**3.5**	**-35.4**
	1000 m3	2.7	1.2	0.9	0.0	3.9	1.8	0.7	0.5	0.1	0.9	8.0	6.1	**16.4**	**10.6**	**-35.4**
Other EU	mill euro	0.8	0.1	0.1	-0.1	0.0	0.1	0.1	0.0	0.0	0.0	4.0	3.0	**5.1**	**3.1**	**-38.4**
	1000 m3	1.5	0.4	0.3	0.0	0.0	0.0	0.1	0.0	0.0	0.0	7.3	4.8	**9.2**	**5.3**	**-42.3**
Total EU	**mill euro**	**72.0**	**54.2**	**57.4**	**29.7**	**30.7**	**27.3**	**20.0**	**18.6**	**15.4**	**15.5**	**121.9**	**115.1**	**317.4**	**260.3**	**-18.0**
	1000 m3	**187.8**	**145.0**	**112.4**	**65.2**	**103.2**	**88.1**	**43.7**	**37.2**	**64.3**	**69.6**	**313.2**	**317.0**	**824.7**	**722.1**	**-12.4**

Source: Eurostat, hardwoodmarkets.com

European beech trade

8◀

During 2003, signs have begun to emerge that the European beech trade may at last be recovering from the hang-over created by the supply excesses of 2000 and 2001. Although still at low levels, prices have stabilised. French beech log exports were beginning to rise again in the first quarter of this year. German export volumes of sawn beech in the first quarter of 2003 were down on the same period last year due to the continuing weakness of Asian demand. But there was good growth in shipments to several higher value markets, including Italy, Spain, the UK, and Belgium.

The price paid for this market stability has been very high, particularly by the numerous European sawmills that went bust in the last 2 years.

China beech sawn imports, 000 m3

	2000 Year	2001 Year	2002 Year	% chg 01-02	2002 Jan-Apr	2003 Jan-Apr	% chg 02-03
Germany	221.8	165.1	122.6	-25.7	60.1	28.6	-52.4
Romania	107.7	79.0	80.0	1.2	27.4	14.2	-48.2
France	40.5	35.1	36.9	5.2	18.0	5.0	-72.3
Italy	61.1	30.1	19.7	-34.4	9.2	3.3	-64.1
Austria	18.1	19.3	17.0	-11.8	8.6	3.2	-62.8
Croatia	1.3	2.3	7.8	>100	3.5	0.5	-84.6
Hungary	4.1	3.5	7.3	>100	1.9	0.1	-95.7
Yugoslavia	8.3	5.5	5.7	2.9	2.7	0.3	-88.1
Georgia	3.6	2.8	5.9	>100	2.1	1.4	-34.4
Denmark	20.0	7.2	4.5	-37.6	2.2	0.3	-85.3
Turkey	3.8	8.8	4.0	-54.2	3.0	0.1	-96.1
Canada	1.6	0.5	5.5	>100	0.1	1.9	>100
Poland	1.3	0.5	2.2	300.0	0.7	0.2	-68.7
Belgium	3.3	1.7	2.0	18.5	1.5	0.1	-93.9
Russia	1.8	2.1	2.3	12.0	1.6	0.1	-91.8
Slovenia	1.8	1.4	1.6	18.8	0.4	0.0	-92.7
Ukraine	1.1	2.3	1.5	-35.4	0.5	0.4	-24.1
Other	32.1	10.5	6.5	-37.8	1.8	3.8	113.6
World	533.4	377.7	333.2	-11.8	145.2	63.6	-56.2

Tropical hardwood trade review

1◀

Sawn lumber

Sawn lumber production in ITTO member countries is estimated to have remained static between 2001 and 2002 at around 39 million m3. Big increases in production were recorded in Congo (Brazzaville) and in Brazil. Both countries have seen significant inward investment in processing capacity in the last 18 months. Meanwhile, ITTO record a significant fall in sawn lumber production in Myanmar between 2001 and 2002. The scale of the fall (around 44%) is baffling. It may be due to the combined effects of log supply problems, slow market demand, and new regulations designed to reduce exports of rough sawn lumber.

Tropical sawn exports stable

Overall exports of tropical sawn lumber by ITTO member countries are estimated to have remained stable between 2001 and 2002 at around 8.45 million m3. Sawn lumber exports from Africa are estimated to have declined by 7% during this period. Supply constraints led to a decrease in sawn lumber exports from Cameroon and Ghana. This fall was only partly offset by a rise in sawn lumber exports from Congo (Brazzaville) and Gabon.

In Asia, sawn lumber exports from Thailand and Indonesia were rising during 2002. Malaysian lumber exports remained stable. But there was a sharp fall in Myanmar sawn lumber exports. This may be a statistical blip as Myanmar is now recording fewer wood exports as sawn lumber and more as machined product. The Myanmar authorities now demand that all lumber is machined prior to export.

Strong rise in Brazilian exports

The most notable trend in South America is the strong rise in Brazilian sawn lumber exports between 2001 and 2002. This reflects increased investment in the Brazilian industry, competitive pricing, and strong demand for Brazilian lumber products, particularly for flooring in China and the United States.

ITTO members imported less tropical hardwood sawn lumber during 2002. In Asia, a slight rise in China's tropical sawn lumber imports failed to offset a fall in imports by Hong Kong, Taiwan and Japan. In Europe, imports of tropical sawn lumber declined into Belgium, France, Denmark, Italy, Ireland, and Spain. Imports into the Netherlands increased slightly as the country is playing a more important role as a staging post to supply neighbouring countries. UK imports of tropical sawn lumber were stable last year, while imports increased into Portugal and Greece. The United States also imported more tropical sawn lumber during 2002.

Meanwhile, there is evidence that the growth in South-South trade in tropical sawn lumber continued during 2002. The data suggests that imports by the Philippines, Thailand, and Brazil increased significantly.

Plywood

Tropical hardwood plywood production is estimated to have increased by 3% in ITTO member countries between 2001 and 2002 to around 14.5 million m3. Indonesian production seems to have been comparable to the previous year. Malaysian production rebounded during 2002 as log availability and export demand improved compared to 2001.

Brazilian production also increased, particularly in the second half of 2002. At that time there were widespread expectations that prices were about to rise. Weak demand in the softwood plywood sector also encouraged some Brazilian mills to switch temporarily from softwood to hardwood plywood production.

Plywood production increased in Gabon last year as French manufacturers have relocated to Gabon in response to increased restrictions on log exports.

Not shown in the figures is the continuing rise in tropical hardwood plywood production in China. ITTO estimate that Chinese production increased from 2.5 million m3 to 3.4 million m3 between 2000 and 2001, before levelling at around 3.6 million m3 in 2002.

Tropical hardwood plywood exports from ITTO member countries are estimated to have increased by 2% between 2001 and 2002 to around 11.1 million m3. Export volumes from all the major exporting countries - Indonesia, Malaysia and Brazil - increased last year.

▶10

ITTO Producer Members - Tropical Hardwood Production and Export

000s m3	Tropical Hardwood Production				Tropical Hardwood Exports			
	2000	2001	2002	% Change 01/02	2000	2001	2002	% Change 01/02
Logs								
Cameroon	2720	2100	1950	-7	575	247	219	-11
Central African Republic	703	750	750	0	250	313	313	0
Congo, Dem. Rep.	170	170	200	18	59	60	60	0
Congo, Rep.	500	700	890	27	294	396	640	62
Côte d'Ivoire	2500	2615	2000	-24	136	127	130	2
Gabon	3000	2800	2500	-11	2574	2314	1928	-17
Ghana	998	1212	1000	-17	0	0	0	na
Liberia	934	982	1364	39	850	900	981	9
Togo	306	235	300	28	28	17	15	-12
Africa	**11831**	**11564**	**10954**	**-5**	**4766**	**4374**	**4286**	**-2**
Cambodia	179	121	110	-9	0	0	0	na
Fiji	107	111	90	-19	0	0	0	na
India	14000	14000	14000	0	1	32	30	-7
Indonesia	60000	60000	58000	-4	1606	3452	2000	-42
Malaysia	22830	18710	19500	4	6801	5041	5091	1
Myanmar	3612	3962	3399	-14	1115	1011	582	-42
Papua New Guinea	2134	1658	1700	3	1993	1556	1500	-4
Philippines	800	401	390	-3	0	0	1	449
Thailand	6262	7101	7800	10	0	0	3	na
Vanuatu	40	40	30	-25	0	0	1	na
Asia-Pacific	**109964**	**106105**	**105019**	**-1**	**11516**	**11092**	**9208**	**-17**
Bolivia	468	559	559	0	3	1	2	78
Brazil	27850	28270	28835	2	7	3	4	15
Colombia	1791	1516	1645	9	21	13	7	-50
Ecuador	4750	5278	5278	0	91	174	174	0
Guatemala	93	85	100	18	0	0	0	161
Guyana	289	312	297	-5	54	41	40	-2
Honduras	12	15	18	18	0	0	0	na
Panama	60	64	64	0	4	7	9	25
Peru	1501	1063	1063	0	0	0	0	na
Suriname	176	162	162	0	10	8	26	225
Trinidad and Tobago	62	56	65	16	0	1	0	-100
Venezuela	664	695	647	-7	5	6	5	-7
Latin America/Caribbean	**35864**	**35805**	**35899**	**0**	**195**	**254**	**267**	**5**
All ITTO Producers	**157659**	**153474**	**151872**	**-1**	**16476**	**15721**	**13761**	**-12**
Sawn lumber								
Cameroon	1154	1000	900	-10	1154	958	793	-17
Central African Republic	102	150	150	0	66	76	76	0
Congo, Dem. Rep.	70	70	70	0	20	20	20	0
Congo, Rep.	93	100	135	35	63	95	127	34
Côte d'Ivoire	603	630	625	-1	460	396	425	7
Gabon	88	112	117	4	79	77	103	34
Ghana	475	480	461	-4	280	267	215	-19
Africa	**2614**	**2577**	**2500**	**-3**	**2130**	**1901**	**1770**	**-7**
India	6800	6800	6800	0	6	10	10	1
Indonesia	6500	6400	6250	-2	1399	2248	2300	2
Malaysia	5590	4696	5000	6	2407	2357	2334	-1
Myanmar	545	671	379	-44	126	243	29	-88
Papua New Guinea	40	40	60	51	30	30	50	67
Philippines	151	199	188	-6	120	97	121	24
Thailand	173	191	240	26	311	333	375	13
Asia-Pacific	**19877**	**19068**	**18961**	**-1**	**4418**	**5340**	**5242**	**-2**
Bolivia	239	308	329	7	43	43	49	13
Brazil	14400	14800	15300	3	936	1013	1233	22
Colombia	567	521	479	-8	2	1	0	-98
Ecuador	356	396	400	1	14	14	14	0
Guyana	29	30	31	5	19	24	25	4
Peru	643	491	491	0	75	77	100	29
Latin America/Caribbean	**16568**	**16938**	**17404**	**3**	**1107**	**1199**	**1442**	**20**
All ITTO Producers	**39058**	**38583**	**38865**	**1**	**7655**	**8440**	**8454**	**0**
Plywood								
Cameroon	36	21	23	8	35	21	27	27
Côte d'Ivoire	80	81	80	-2	40	34	40	18
Gabon	104	75	141	88	78	57	30	-47
Ghana	90	114	104	-9	47	53	75	41
Africa	**314**	**297**	**353**	**19**	**200**	**166**	**172**	**4**
Cambodia	27	14	14	0	27	14	14	0
India	300	300	300	0	2	2	2	-19
Indonesia	8200	7300	7300	0	7768	6336	6500	3
Malaysia	4434	4318	4600	7	3420	3407	3511	3
Philippines	326	348	329	-5	8	5	7	30
Thailand	92	106	120	13	37	36	26	-28
Asia-Pacific	**13449**	**12456**	**12697**	**2**	**11313**	**9849**	**10073**	**2**
Brazil	770	1000	1200	20	440	706	759	8
Ecuador	104	104	85	-18	75	17	20	21
Guyana	92	69	51	-26	87	65	50	-23
Peru	36	71	71	0	12	19	15	-23
Latin America/Caribbean	**1055**	**1290**	**1450**	**12**	**620**	**820**	**849**	**4**
All ITTO Producers	**14817**	**14042**	**14500**	**3**	**12133**	**10834**	**11094**	**2**
Veneer								
Cameroon	72	33	34	4	70	33	27	-17
Congo, Rep.	10	12	17	42	8	12	17	42
Côte d'Ivoire	297	296	300	2	113	121	120	-1
Gabon	91	110	110	0	91	104	108	4
Ghana	245	259	264	2	111	114	115	1
Africa	**716**	**710**	**726**	**2**	**394**	**384**	**387**	**1**
Cambodia	45	24	23	-4	45	24	23	-4
India	15	15	15	0	1	0	0	-100
Indonesia	69	94	94	0	3	5	5	0
Malaysia	1117	649	750	16	934	656	600	-8
Philippines	178	255	311	22	5	2	2	-15
Asia-Pacific	**1452**	**1064**	**1226**	**15**	**1011**	**712**	**652**	**-8**
Brazil	370	370	370	0	50	39	61	55
All ITTO Producers	**2588**	**2191**	**2368**	**8**	**1467**	**1147**	**1110**	**-3**

9◀

But overall global demand for tropical hardwood plywood was not bouyant last year. Imports of tropical hardwood plywood by ITTO member countries are estimated to have remained static at around 10.8 million m3 during 2002. Imports into the European Union, China/Hong Kong, and Japan declined last year. This fall was offset by rising imports into the United States and Korea and by an increase in South-South trade.

Production increases last year were not matched by strong consumption growth and are reflected in continuing weak prices for tropical hardwood plywood.

Veneer

Veneer production figures should not include veneer used in domestic plywood production and therefore represent only the production of veneer intended to be traded as such. Veneer production in producing countries decreased by 15.3% in 2001, but rebounded by nearly 8% to 2.4 million m3 in 2002.

The 2001 and 2002 changes in producer country totals were due largely to similar changes in Malaysia's veneer production. Malaysia is ITTO's largest tropical veneer producer. Its production slumped by 41% from 1.1 million m3 to 649 000 m3 between 2000 and 2001 due to decreased log availability and a slowdown in exports to China. Malaysian production increased 16% to 750 000 m3 in 2002.

Of other major producers, Brazil's production was stable at 370 000 m3 in 2002. Côte d'Ivoire's production also remained stable at around 300 million m3 in 2001-2002. Ghana is now producing more veneer as efforts to increase domestic processing have continued.

Philippines consumption rises

ITTO indicate that there was a dramatic increase in veneer production in the Philippines during 2002, with nearly 100% of the volume destined for the country's thriving furniture sector. There was also strong growth of tropical hardwood veneer imports into the Philippines during 2002.

However tropical hardwood veneer imports into other Asian countries were tending to decline last year. Chinese imports fell dramatically as domestic veneer production based on imported logs has increased.

E.U. imports of tropical hardwood veneers increased slightly last year. E.U. domestic veneer production is tending to decline as manufacturing facilities are relocating to lower cost locations.

Tropical Log Supply

Uncertainty in Indonesia and Brazil

Of all the data presented in these pages, that for tropical hardwood log production is most speculative. Data for the two largest producers of tropical logs in the world – Indonesia and Brazil – should be treated with particular caution.

In Indonesia, official data suggests tropical log production was at around 26.5 million m3 in 2001 and 2002. Indonesia's central government is also committed to a massive reduction in log harvesting in natural forest this year. But following moves towards local autonomy, the central authorities are now less able to enforce levels of harvest. Local government officials now have powers to issue small scale concessions (100 hectares) which are inconsistent with central government policy. In addition, levels of illegal harvest overshadow the level of legal harvest. Wood processing capacity in Indonesia amounts to over 60 million m3 of logs per annum. With weak regulatory control, most mills rely on the black market for logs. Estimates of the level of illegal harvesting range from between 50 million m3 to 70 million m3. Logs derived from forests that continue to be converted for cash crops, such as palm oil, are another area of uncertainty.

In our review, we estimate Indonesian log production at around 58 million m3, much higher than the official figure, but still conservative given estimates of illegal logging.

We also speculate that Indonesian log production may have declined between 2001 and 2002. This reflects our assumption – based on anecdotal reports - that the availability of commercial quality logs is declining in Indonesia. Furthermore, government efforts to restrict harvesting have been widely publicized and may be having some effect.

Problems of estimating log harvesting in Brazil are just as difficult. Only a small proportion of logs harvested in the Brazilian Amazon are covered by any form of forest management plan. There is also great uncertainty over the volume of logs derived from forests being converted, notably in recent years for soya bean farms. The figures contained in our review are derived from officials at the U.S. Embassy in Brazil and are based on their contacts with trade associations, government officials and industry. These figures suggest a progressive rise in Brazilian tropical hardwood log production over the last three years. This seems reasonable, given reports of recent investment in the Amazonian timber industry and rising levels of forest conversion. In a recent article, the research organization CIRAD comments "*for several years now in the state of Para, the actors of the timber sector have had a tendency to migrate towards the west of the state as it has become more and more accessible and hence profitable. This migration has been accompanied by a significant rise in volume production.*"

ITTO members (still) fail to provide adequate data

This time last year we commented on the inadequacy of data on the tropical timber trade. Little has changed.

The data shown on these pages relies heavily on the ITTO 2002 Review published earlier this year (available at www.itto.or.jp). Like last year, hardwoodmarkets.com' analysis of the ITTO data revealed numerous inconsistencies and inaccuracies. As far as possible, we have attempted to rectify these by drawing on other data sources, notably tropical hardwood export data published recently for specific tropical countries by various trade associations, notably ATIBT, and from our own analysis of Eurostat and other country import data. Despite these efforts, we expect the data still contains numerous inaccuracies.

The weakness of the ITTO data is not due to failures on the part of ITTO analysts. It reflects failures in the reporting of trade data by ITTO member governments. In theory, statistics in the ITTO Review are compiled from questionnaires issued to these governments. But efforts to fill in the questionnaires during 2002 were little better than the previous year. Of the 57 ITTO member countries, only 14 (last year - 10) provided a "good response" to the questionnaire; 34 (39) provided "incomplete and erroneous responses", and 9 (8) provided no response at all. As before, the rich countries were no better than developing countries in providing data. Of European countries, only the Netherlands managed a "good response". Belgium provided no response, and all the others fell into the incomplete and erroneous category providing "tropical trade data that is missing or unusable". In Europe, a large part of the problem may lie with Eurostat, which continues to supply inadequate data.

ITTO Members
Tropical Hardwood Imports
000s M3

	2000	2001	2002	% Chg 01/02
Logs				
China	6180	6952	7100	2
Hong Kong	725	558	250	-55
Japan	3141	2147	2000	-7
Republic of Korea	796	554	450	-19
Taiwan	1025	754	723	-4
Asia-Pacific consumers	**11870**	**10970**	**10529**	**-4**
Belgium/Luxembourg	30	42	26	-38
France	800	753	636	-16
Germany	161	153	116	-24
Greece	65	92	50	-46
Italy	350	331	312	-6
Netherlands	91	75	60	-20
Portugal	330	300	260	-13
Spain	170	180	150	-17
EU consumers	**2053**	**1988**	**1664**	**-16**
N. America consumers	**3**	**3**	**2**	**-29**
All ITTO Consumers	**13926**	**12962**	**12195**	**-6**
Côte d'Ivoire	60	37	25	-32
India	2153	2429	1645	-32
Malaysia	718	746	162	-78
Philippines	350	259	499	92
Thailand	710	550	572	4
All ITTO Producers	**4009**	**4067**	**2952**	**-27**
All ITTO Members	**17935**	**17029**	**15148**	**-11**
Sawn lumber				
Australia	101	75	83	11
China	2571	2907	3096	7
Hong Kong	525	489	133	-73
Japan	687	601	514	-14
Republic of Korea	316	358	360	1
Taiwan	425	299	200	-33
Asia-Pacific consumers	**4633**	**4736**	**4393**	**-7**
Belgium/Luxembourg	322	275	235	-14
Denmark	65	83	70	-16
France	386	396	300	-24
Germany	165	144	143	-1
Greece	20	25	45	80
Ireland	95	93	50	-46
Italy	520	490	460	-6
Netherlands	470	404	423	5
Portugal	161	100	132	32
Spain	443	510	440	-14
United Kingdom	240	225	225	0
EU consumers	**2932**	**2799**	**2569**	**-8**
Canada	9	11	12	9
U.S.A.	330	277	344	24
N. America consumers	**339**	**288**	**356**	**24**
All ITTO Consumers	**7904**	**7822**	**7318**	**-6**
Malaysia	451	473	245	-48
Philippines	264	217	325	50
Thailand	823	900	1050	17
Brazil	0	2	130	>150
All ITTO Producers	**1604**	**1680**	**1844**	**10**
All ITTO Members	**9507**	**9503**	**9163**	**-4**
Plywood				
China	905	619	570	-8
Hong Kong	300	300	270	-10
Japan	4555	4529	4308	-5
Republic of Korea	902	1022	1200	17
Taiwan	620	464	500	8
Asia-Pacific consumers	**7413**	**7120**	**7030**	**-1**
Belgium/Luxembourg	375	332	354	7
France	150	143	130	-9
Germany	262	239	175	-27
Ireland	61	67	53	-21
Italy	90	99	110	11
Netherlands	300	300	300	0
United Kingdom	476	616	566	-8
EU consumers	**1828**	**1910**	**1784**	**-7**
Canada	62	262	200	-24
U.S.A.	1525	1450	1700	17
N. America consumers	**1587**	**1712**	**1900**	**11**
All ITTO Consumers	**10828**	**10742**	**10714**	**0**
All ITTO Producers	**85**	**99**	**110**	**11**
All ITTO Members	**10913**	**10842**	**10824**	**0**
Veneer				
China	596	291	150	-48
Hong Kong	10	25	25	0
Japan	48	45	9	-80
Republic of Korea	146	203	203	0
Taiwan	143	162	170	5
Asia-Pacific Consumers	**965**	**771**	**606**	**-21**
Belgium/Luxembourg	16	15	20	33
Denmark	20	25	22	-12
France	33	49	57	17
Germany	50	47	50	6
Italy	110	120	125	4
Portugal	15	12	19	60
Spain	44	50	55	10
United Kingdom	13	13	8	-38
EU consumers	**332**	**356**	**382**	**7**
Canada	14	28	15	-46
U.S.A.	25	23	26	13
N. American consumers	**40**	**51**	**41**	**-19**
All ITTO Consumers	**1336**	**1177**	**1030**	**-13**
Malaysia	15	14	43	207
Philippines	107	105	127	22
Thailand	11	9	11	22
All ITTO Producers	**142**	**138**	**193**	**40**
All ITTO Members	**1478**	**1315**	**1223**	**-7**

EU Nations - Value of Imports - 1st qtr 2001-2003

All figures million euros

Product	Germany	2001	2002	2003	%-chg	Belgium-Luxembourg	2001	2002	2003	%-chg	The Netherlands	2001	2002	2003	%-chg
Tropical logs	CAMEROON	7.7	5.6	4.1	-27.9	NETHERLANDS	0.2	0.1	0.2	30.2	GABON	2.3	1.7	1.2	-32.8
	CONGO REPUBLIC	2.2	1.6	0.7	-58.2	FRANCE	0.6	0.2	0.5	136.8	CAMEROON	0.8	0.2	0.2	-16.6
	GABON	1.4	2.0	0.7	-63.5	CAMEROON	0.6	0.2	0.1	-37.6	LIBERIA	0.6	0.0	0.4	na
	BURMA	0.8	0.8	0.8	-0.5	GERMANY	0.4	0.1	0.2	29.0	BURMA	0.2	0.0	0.5	na
	EQUAT. GUINEA	1.1	0.6	0.7	6.2	GABON	0.6	0.8	0.6	-32.7	GERMANY	0.0	0.0	0.1	na
	LIBERIA	0.9	1.8	0.5	-69.6	CONGO DEM. REP.	0.3	0.3	0.9	246.8	SURINAM	0.2	0.0	0.2	na
	CONGO DEM. REP.	0.6	0.3	0.2	-11.1	BURMA	0.2	0.2	0.1	-40.1	BELGIUM	0.1	0.1	0.7	885.1
	OTHER	1.1	0.2	0.8	225.3	OTHER	0.4	0.3	0.2	-31.5	OTHER	0.3	0.0	0.5	1277.8
	TOTAL	**15.8**	**12.9**	**8.5**	**-34.4**	**TOTAL**	**3.1**	**2.2**	**2.7**	**20.4**	**TOTAL**	**4.5**	**2.0**	**3.7**	**84.4**
Beech logs	FRANCE	1.6	0.9	1.0	14.6	FRANCE	5.5	3.0	3.2	5.7	FRANCE	0.0	0.0	0.0	na
	DENMARK	0.1	0.2	0.0	-94.2	LUXEMBOURG	0.7	0.6	0.5	-20.0	LUXEMBOURG	0.0	0.0	0.1	na
	SWITZERLAND	0.5	0.3	0.2	-50.2	GERMANY	0.5	0.3	0.4	9.5	EU-UNKNOWN	0.3	0.0	0.0	na
	BELGIUM	0.2	0.1	0.0	-64.4	NETHERLANDS	0.1	0.1	0.1	-31.2	GERMANY	0.0	0.0	0.2	na
	OTHER	2.3	1.4	0.7	-51.1	OTHER	0.2	0.4	0.0	-92.5	OTHER	0.0	0.0	0.0	na
	TOTAL	**4.8**	**2.8**	**1.9**	**-33.5**	**TOTAL**	**7.0**	**4.5**	**4.1**	**-7.8**	**TOTAL**	**0.3**	**0.0**	**0.4**	**na**
Oak logs	U.S.A.	1.3	1.4	1.0	-31.5	FRANCE	2.5	3.0	3.0	-0.2	UKRAINE	0.6	0.0	0.2	na
	HUNGARY	1.1	0.3	0.1	-69.3	NETHERLANDS	0.4	0.2	0.2	5.3	LUXEMBOURG	0.0	0.0	0.0	na
	FRANCE	0.5	0.3	0.3	-7.1	LUXEMBOURG	0.0	0.1	0.1	2.9	DENMARK	0.0	0.0	0.0	na
	AUSTRIA	0.1	0.4	0.2	-57.8	U.S.A.	0.3	0.1	0.0	-100.0	GERMANY	0.1	0.0	0.1	na
	OTHER	0.8	1.0	1.0	-6.9	OTHER	0.3	0.2	0.2	-1.4	OTHER	0.1	0.0	0.0	na
	TOTAL	**3.8**	**3.4**	**2.5**	**-28.0**	**TOTAL**	**3.5**	**3.6**	**3.5**	**-2.7**	**TOTAL**	**0.8**	**0.0**	**0.3**	**na**
Other hardwood logs	U.S.A.	18.5	13.5	10.8	-20.0	FRANCE	3.6	2.3	2.2	-2.5	GERMANY	0.4	0.4	0.3	-12.1
	FRANCE	1.2	1.4	0.8	-43.9	NETHERLANDS	1.8	1.5	1.7	15.5	BELGIUM	0.0	0.2	0.2	-25.2
	CANADA	1.8	0.3	0.1	-79.2	GERMANY	0.7	0.6	0.8	34.3	U.S.A.	0.1	0.0	0.0	na
	FINLAND	1.0	0.9	0.7	-23.7	U.S.A.	1.6	2.0	0.2	-91.3	CANADA	0.0	0.0	0.0	na
	OTHER	4.1	4.1	3.2	-21.0	OTHER	0.8	0.4	0.2	-43.2	OTHER	0.0	0.0	0.0	na
	TOTAL	**26.6**	**20.1**	**15.5**	**-22.9**	**TOTAL**	**8.5**	**6.8**	**5.2**	**-23.9**	**TOTAL**	**0.6**	**0.6**	**0.6**	**-3.6**
Tropical sawn lumber	MALAYSIA	3.1	3.1	3.3	6.0	MALAYSIA	27.5	9.6	15.7	64.3	MALAYSIA	32.3	31.0	28.1	-9.5
	GHANA	5.9	4.5	3.2	-28.1	CAMEROON	7.7	5.7	6.3	9.6	CAMEROON	9.5	9.4	4.2	-55.8
	NETHERLANDS	2.2	2.7	2.6	-3.5	BRAZIL	4.7	4.1	4.1	0.6	BRAZIL	10.6	3.4	7.1	109.6
	BELGIUM	1.3	1.2	1.1	-3.0	INDONESIA	2.3	0.9	1.2	35.9	BELGIUM	3.7	1.8	3.9	109.5
	CAMEROON	2.4	2.2	1.7	-24.7	NETHERLANDS	2.3	2.7	3.7	38.9	INDONESIA	2.1	2.3	2.8	20.1
	INDONESIA	0.8	0.7	1.2	70.1	GHANA	1.0	1.1	0.6	-46.7	IVORY COAST	2.2	2.2	0.8	-65.0
	BRAZIL	1.0	0.8	0.3	-60.9	IVORY COAST	0.6	0.4	1.0	152.2	GERMANY	0.4	0.2	0.8	225.6
	SINGAPORE	0.0	0.3	0.2	-51.5	FRANCE	0.4	0.6	1.3	118.8	GHANA	0.5	0.5	0.8	58.9
	BURMA	0.9	0.5	0.0	-90.9	BURMA	0.8	0.4	0.1	-63.0	SINGAPORE	0.1	0.4	0.3	-26.1
	DENMARK	0.7	0.3	0.9	202.7	SINGAPORE	0.3	0.2	0.1	-30.0	FRANCE	0.1	0.1	0.2	44.3
	OTHER	1.8	2.3	2.4	2.0	OTHER	2.7	3.6	3.2	-9.3	OTHER	1.5	1.5	2.0	39.6
	TOTAL	**20.0**	**18.6**	**16.8**	**-9.4**	**TOTAL**	**50.3**	**29.1**	**37.4**	**28.2**	**TOTAL**	**63.2**	**52.9**	**50.8**	**-3.9**
Beech sawn lumber	ROMANIA	1.1	0.5	0.5	-8.6	FRANCE	1.1	1.3	0.8	-36.3	GERMANY	0.4	1.2	0.8	-35.7
	POLAND	1.3	0.9	1.0	8.2	GERMANY	0.5	0.7	0.5	-22.8	BELGIUM	0.3	0.3	0.4	32.7
	ITALY	1.1	0.2	0.3	34.2	NETHERLANDS	0.4	0.2	0.2	12.9	FRANCE	0.1	0.0	0.0	60.0
	AUSTRIA	0.8	0.5	0.6	25.1	POLAND	0.1	0.1	0.1	-5.4	BOSN. & HERZ.	0.1	0.1	0.1	-2.4
	SLOVAKIA	0.9	0.9	0.6	-30.1	ITALY	0.2	0.0	0.1	222.0	POLAND	0.1	0.2	0.1	-42.3
	OTHER	5.0	4.6	3.8	-16.9	OTHER	0.6	0.5	0.8	57.8	OTHER	0.2	0.3	0.3	-15.1
	TOTAL	**10.2**	**7.6**	**6.7**	**-10.8**	**TOTAL**	**2.9**	**2.8**	**2.6**	**-8.0**	**TOTAL**	**1.2**	**2.2**	**1.7**	**-20.7**
Oak sawn lumber	U.S.A.	3.4	2.9	2.0	-30.2	U.S.A.	7.2	6.9	4.0	-41.9	FRANCE	1.7	2.2	2.4	9.6
	UKRAINE	1.8	2.1	1.7	-19.2	FRANCE	5.0	4.8	4.1	-14.6	U.S.A.	3.2	2.5	1.8	-30.5
	FRANCE	0.6	0.9	0.4	-55.5	GERMANY	1.1	1.7	1.0	-41.2	GERMANY	0.3	0.4	0.5	25.7
	CANADA	0.5	0.9	0.3	-70.1	CANADA	0.3	0.4	0.2	-46.6	BELGIUM	0.5	0.7	1.1	62.1
	CZECH REPUBLIC	0.4	0.4	0.3	-25.3	POLAND	0.9	0.7	0.8	15.3	POLAND	0.5	0.6	1.0	59.1
	OTHER	3.1	2.8	3.4	22.8	OTHER	3.4	2.9	3.5	22.2	OTHER	2.5	2.1	2.6	24.5
	TOTAL	**9.8**	**10.0**	**8.1**	**-18.8**	**TOTAL**	**17.8**	**17.3**	**13.6**	**-21.4**	**TOTAL**	**8.7**	**8.5**	**9.4**	**10.1**
Other hardwood sawn lumber	CANADA	8.5	6.8	5.3	-22.0	U.S.A.	4.9	3.3	2.2	-35.0	U.S.A.	4.6	2.9	2.3	-20.2
	U.S.A.	5.7	4.7	4.8	1.3	FRANCE	1.0	0.5	0.5	-3.0	CANADA	4.1	2.3	1.4	-38.6
	LITHUANIA	3.5	3.7	4.5	21.6	CANADA	0.9	1.2	0.7	-45.5	LATVIA	1.4	0.2	0.2	-4.8
	LATVIA	1.9	1.8	1.6	-10.7	LITHUANIA	0.8	1.2	1.6	34.8	LITHUANIA	0.5	0.4	0.4	-2.8
	RUSSIA	1.0	0.5	0.5	-3.0	NETHERLANDS	0.9	1.6	0.6	-61.3	BELGIUM	0.2	0.4	0.5	21.6
	OTHER	6.9	7.3	5.3	-27.1	OTHER	1.3	1.1	1.7	47.7	OTHER	1.7	1.4	1.3	-6.4
	TOTAL	**27.4**	**24.8**	**21.9**	**-11.4**	**TOTAL**	**9.8**	**9.0**	**7.2**	**-19.5**	**TOTAL**	**12.7**	**7.7**	**6.2**	**-19.6**
Tropical hardwood veneer	IVORY COAST	2.7	2.1	2.2	5.2	GHANA	2.1	0.9	0.9	-8.4	GABON	0.4	0.3	0.4	27.0
	GHANA	1.3	1.5	1.6	6.4	IVORY COAST	0.5	0.4	0.4	-10.6	BELGIUM	0.1	0.1	0.2	156.6
	ITALY	0.5	0.9	0.9	-3.3	FRANCE	0.7	1.0	0.5	-48.9	THAILAND	0.3	0.0	0.3	na
	BRAZIL	0.5	0.2	0.1	-75.1	GERMANY	0.1	0.3	0.6	83.3	GERMANY	0.2	0.2	0.2	-5.4
	OTHER	2.0	4.6	2.0	-56.3	OTHER	1.2	1.6	2.2	35.8	OTHER	0.1	0.0	0.2	656.7
	TOTAL	**7.0**	**9.4**	**6.8**	**-27.5**	**TOTAL**	**4.6**	**4.3**	**4.6**	**4.9**	**TOTAL**	**1.1**	**0.6**	**1.3**	**123.3**
Other hardwood veneer	U.S.A.	22.2	14.9	18.3	23.4	U.S.A.	3.3	2.0	2.0	-1.4	GERMANY	0.8	0.3	0.7	146.3
	FRANCE	3.3	2.1	2.4	15.3	GERMANY	1.6	1.1	1.3	11.6	POLAND	0.1	0.0	0.1	na
	SWITZERLAND	3.8	2.5	2.4	-2.4	CROATIA	0.9	1.0	0.8	-15.9	BELGIUM	0.5	0.1	0.2	378.0
	ITALY	2.2	2.0	5.4	167.8	FRANCE	0.9	0.9	0.5	-43.8	FRANCE	0.0	0.0	0.2	3700.0
	OTHER	20.1	19.5	22.8	16.7	OTHER	2.4	1.4	2.1	54.9	OTHER	0.2	0.0	0.3	1490.0
	TOTAL	**51.7**	**41.0**	**51.4**	**25.3**	**TOTAL**	**9.1**	**6.4**	**6.7**	**4.8**	**TOTAL**	**1.7**	**0.4**	**1.5**	**313.6**
Tropical hardwood plywood	INDONESIA	11.7	9.0	7.9	-12.5	INDONESIA	23.3	14.7	20.5	40.1	FRANCE	8.4	7.0	11.1	58.2
	ITALY	3.4	2.7	2.5	-5.5	NETHERLANDS	2.2	2.4	2.2	-8.8	BELGIUM	6.2	3.3	6.2	88.1
	BRAZIL	2.7	2.7	2.2	-17.7	MALAYSIA	0.6	0.5	0.7	40.4	NON-EU SUPP.	5.2	4.4	4.6	5.6
	SPAIN	1.8	1.7	2.6	55.0	BRAZIL	1.4	2.9	3.2	10.3	INDONESIA	1.0	3.9	1.7	-57.3
	OTHER	4.1	3.6	4.3	18.3	OTHER	3.7	4.1	6.8	66.7	OTHER	4.1	4.5	5.6	24.9
	TOTAL	**23.7**	**19.7**	**19.5**	**-0.9**	**TOTAL**	**31.2**	**24.5**	**33.4**	**36.3**	**TOTAL**	**25.0**	**23.1**	**29.2**	**26.6**
Other hardwood plywood	FINLAND	24.6	14.2	27.0	89.9	NETHERLANDS	2.6	2.0	2.3	12.5	FINLAND	2.7	3.7	3.1	-14.4
	ITALY	7.0	7.2	6.0	-16.4	GERMANY	1.3	1.4	1.8	29.6	BELGIUM	1.3	1.0	1.1	12.7
	LATVIA	6.7	4.1	4.2	0.8	FINLAND	0.5	0.4	0.6	73.2	RUSSIA	0.9	0.3	1.3	291.5
	RUSSIA	3.6	3.8	5.2	35.5	CZECH REPUBLIC	0.2	0.0	0.1	48.6	GERMANY	0.3	0.3	0.6	105.4
	OTHER	19.4	21.5	24.7	15.1	OTHER	0.6	1.0	1.3	37.6	OTHER	1.8	3.4	4.1	21.6
	TOTAL	**61.4**	**50.8**	**67.1**	**32.0**	**TOTAL**	**5.1**	**4.8**	**6.1**	**27.3**	**TOTAL**	**7.1**	**8.7**	**10.3**	**18.8**
Hardwood profiles	POLAND	3.9	3.8	4.0	6.4	INDONESIA	11.7	4.3	7.6	76.4	INDONESIA	7.8	5.2	6.7	28.7
	ITALY	1.3	1.1	1.9	63.8	FRANCE	3.7	2.4	3.6	49.9	MALAYSIA	2.6	2.7	1.9	-30.8
	BELGIUM	2.1	0.4	0.3	-20.6	NETHERLANDS	3.4	2.3	2.7	19.3	BELGIUM	1.5	1.3	2.7	109.2
	OTHER	8.9	10.9	14.5	32.7	OTHER	12.1	9.4	9.6	1.7	OTHER	6.6	6.4	11.3	78.0
	TOTAL	**16.1**	**16.2**	**20.6**	**27.6**	**TOTAL**	**31.0**	**18.4**	**23.5**	**27.6**	**TOTAL**	**18.5**	**15.6**	**22.5**	**45.0**
Wooden windows and frames*	DENMARK	5.9	5.5	8.2	49.4	DENMARK	3.2	5.5	3.6	-35.6	DENMARK	1.4	0.0	2.2	na
	POLAND	5.3	6.2	8.8	41.9	GERMANY	0.7	0.7	1.8	141.6	GERMANY	0.2	0.0	0.2	534.3
	AUSTRIA	2.8	4.5	3.8	-14.1	U.K.	0.1	0.3	0.0	-85.8	U.K.	0.0	0.0	0.0	na
	OTHER	5.4	4.7	4.8	2.3	OTHER	3.2	2.1	3.4	59.8	OTHER	1.6	1.1	1.3	11.6
	TOTAL	**19.4**	**20.8**	**25.6**	**23.0**	**TOTAL**	**7.2**	**8.7**	**8.8**	**1.4**	**TOTAL**	**3.2**	**1.2**	**3.6**	**212.4**
Wooden doors and frames*	SLOVENIA	5.2	4.0	3.1	-20.8	GERMANY	2.1	1.8	3.2	79.1	INDONESIA	3.7	2.7	3.8	42.6
	DENMARK	2.7	2.0	16.6	737.2	NETHERLANDS	2.5	2.1	1.3	-40.9	MALAYSIA	1.0	1.0	0.3	-71.8
	HUNGARY	3.4	4.1	3.1	-24.4	SPAIN	1.0	0.8	1.1	28.1	CHINA	0.7	1.0	1.3	26.7
	OTHER	16.4	15.9	11.8	-25.4	OTHER	4.2	3.1	3.9	26.6	OTHER	2.4	3.3	2.3	-30.4
	TOTAL	**27.6**	**25.9**	**34.6**	**33.7**	**TOTAL**	**9.8**	**7.8**	**9.4**	**20.1**	**TOTAL**	**7.9**	**7.9**	**7.6**	**-3.5**
Parquet panels*	SWEDEN	2.2	0.3	0.4	63.6	FRANCE	4.6	4.1	4.9	19.3	BELGIUM	2.3	1.8	1.5	-17.4
	AUSTRIA	5.4	9.1	9.9	9.5	NETHERLANDS	2.9	2.4	4.4	84.4	CHINA	2.4	1.7	2.0	15.0
	SWITZERLAND	5.7	3.3	4.2	28.4	GERMANY	1.5	1.2	2.2	82.0	INDONESIA	1.2	0.7	0.9	31.6
	OTHER	33.5	26.6	25.2	-5.5	OTHER	5.0	5.4	10.9	100.8	OTHER	4.7	2.9	5.8	98.7
	TOTAL	**46.8**	**39.2**	**39.7**	**1.2**	**TOTAL**	**14.1**	**13.1**	**22.4**	**70.7**	**TOTAL**	**10.6**	**7.1**	**10.2**	**43.1**
Wood furniture*	POLAND	258.8	274.7	310.8	13.2	GERMANY	46.4	41.5	46.0	10.9	BELGIUM	32.8	34.5	38.2	10.6
	ITALY	159.9	136.4	129.4	-5.1	ITALY	48.4	43.6	41.9	-4.0	GERMANY	22.1	28.3	38.6	36.5
	DENMARK	91.5	79.5	78.8	-0.9	NETHERLANDS	40.3	49.0	43.0	-12.2	INDONESIA	26.1	21.4	21.3	-0.7
	CZECH REPUBLIC	39.6	39.5	35.8	-9.3	FRANCE	33.0	27.6	29.4	6.5	ITALY	12.9	11.9	16.8	41.5
	AUSTRIA	34.9	26.3	22.6	-14.2	INDONESIA	21.0	14.5	19.5	35.0	POLAND	17.9	25.3	28.0	10.7
	ROMANIA	34.7	31.6	31.6	-0.1	SWEDEN	17.5	10.3	10.5	1.8	ROMANIA	14.8	17.5	17.3	-1.1
	NETHERLANDS	19.8	22.4	21.4	-4.4	POLAND	16.5	18.1	18.9	4.4	BRAZIL	8.7	9.5	7.5	-20.9
	FRANCE	21.3	19.8	21.1	6.8	DENMARK	10.2	4.9	4.5	-7.2	CHINA	7.0	6.8	10.1	49.4
	OTHER	242.8	250.8	259.9	3.7	OTHER	46.3	41.6	49.1	18.1	OTHER	59.5	48.9	59.0	20.5
	TOTAL	**903.3**	**881.0**	**911.5**	**3.5**	**TOTAL**	**279.5**	**250.9**	**262.7**	**4.7**	**TOTAL**	**202.0**	**204.1**	**236.7**	**16.0**

** All wood, includes hardwood and softwood*

Source - Eurostat supplied by BTS, compiled by hardwoodmarkets.com

EU Nations - Value of Imports - 1st qtr 2001-2003

United Kingdom

	2001	2002	2003	%-chg
CAMEROON	1.3	0.5	0.1	-84.4
MALAYSIA	0.1	0.1	0.2	50.0
GERMANY	0.2	0.2	0.0	-77.8
INDONESIA	0.0	0.0	0.0	na
IVORY COAST	0.2	0.2	0.2	-33.7
GABON	0.2	0.1	0.1	0.0
GHANA	0.1	0.1	0.0	-67.9
OTHER	1.9	2.1	1.1	-45.0
TOTAL	**4.0**	**3.3**	**1.7**	**-49.4**
FRANCE	0.1	0.1	0.0	-60.7
DENMARK	0.0	0.0	0.1	637.5
ROMANIA	0.0	0.0	0.1	2750.0
BELGIUM	0.0	0.0	0.0	na
OTHER	0.1	0.1	0.0	-58.2
TOTAL	**0.3**	**0.2**	**0.2**	**-2.0**
U.S.A.	0.8	0.5	0.5	5.3
FRANCE	0.6	0.5	1.3	175.0
CANADA	0.0	0.0	0.0	-100.0
ROMANIA	0.0	0.1	0.0	-57.1
OTHER	0.3	0.1	0.9	560.6
TOTAL	**1.7**	**1.2**	**2.7**	**133.2**
U.S.A.	2.1	2.1	1.6	-24.8
LATVIA	1.2	0.5	1.6	202.6
CANADA	0.4	0.1	0.0	-73.1
ESTONIA	0.0	0.6	0.7	24.6
OTHER	0.4	0.5	0.5	-2.4
TOTAL	**4.1**	**3.8**	**4.4**	**15.6**
MALAYSIA	7.1	6.2	7.9	25.7
CAMEROON	5.2	5.1	3.5	-30.9
NETHERLANDS	2.5	4.0	2.9	-27.7
IVORY COAST	2.4	3.1	3.1	0.8
GHANA	2.0	2.7	2.0	-25.5
BRAZIL	4.8	2.9	1.6	-44.3
INDONESIA	1.4	1.0	0.7	-27.7
U.S.A.	0.2	0.5	1.4	179.0
BELGIUM	0.5	0.4	1.1	153.6
OTHER	3.1	4.9	4.1	-15.8
TOTAL	**29.1**	**30.9**	**28.4**	**-8.2**
GERMANY	4.3	4.7	3.0	-35.3
DENMARK	0.5	0.2	0.7	192.5
FRANCE	0.4	0.9	1.4	57.3
SLOVENIA	0.0	0.0	0.0	na
ITALY	0.2	0.3	0.3	-15.4
OTHER	0.4	0.5	0.3	-33.5
TOTAL	**5.9**	**6.6**	**5.7**	**-13.1**
U.S.A.	14.6	11.6	9.5	-17.5
FRANCE	3.9	2.6	2.9	11.0
CANADA	1.7	1.9	1.1	-40.8
ESTONIA	1.4	1.5	1.6	7.8
GERMANY	0.7	1.1	1.1	7.5
OTHER	1.3	2.6	2.9	11.3
TOTAL	**23.6**	**21.3**	**19.2**	**-9.6**
U.S.A.	11.4	9.9	7.7	-22.0
LATVIA	6.5	6.6	7.2	10.1
CANADA	5.2	3.3	1.7	-47.7
ESTONIA	1.6	1.7	0.6	-65.5
SWEDEN	0.7	0.7	0.4	-43.4
OTHER	1.8	2.4	2.0	-17.1
TOTAL	**27.2**	**24.4**	**19.5**	**-20.0**
SOUTH AFRICA	1.2	0.3	1.9	521.4
GERMANY	0.4	0.2	0.2	-35.3
U.S.A.	0.3	0.2	0.7	210.5
GHANA	0.5	0.3	0.3	-2.0
OTHER	1.9	1.0	1.4	43.8
TOTAL	**4.2**	**2.1**	**4.6**	**115.0**
U.S.A.	3.9	1.0	1.4	45.7
GERMANY	1.8	0.7	1.5	102.3
BELGIUM	1.2	1.1	0.6	-41.5
ITALY	0.7	0.1	0.4	598.3
OTHER	2.7	2.8	3.1	11.3
TOTAL	**10.3**	**5.6**	**7.0**	**25.3**
INDONESIA	25.8	16.5	17.1	3.3
BRAZIL	16.6	10.6	11.1	4.8
MALAYSIA	8.5	5.5	6.4	15.9
BELGIUM	1.3	1.7	0.4	-76.8
OTHER	5.9	6.6	8.2	25.6
TOTAL	**58.1**	**40.8**	**43.1**	**5.7**
RUSSIA	3.6	2.9	3.1	5.8
FINLAND	7.3	5.6	7.2	28.4
GERMANY	8.3	5.6	0.4	-93.4
LATVIA	2.0	2.1	1.5	-26.8
OTHER	4.7	4.5	4.8	8.3
TOTAL	**25.9**	**20.7**	**17.0**	**-17.7**
CANADA	4.1	5.0	3.9	-22.2
ITALY	4.8	4.6	5.2	12.5
INDONESIA	2.9	2.4	2.9	22.0
OTHER	13.8	16.5	18.9	14.4
TOTAL	**25.5**	**28.4**	**30.8**	**8.3**
NORWAY	5.2	6.0	4.9	-18.5
DENMARK	4.9	4.9	6.8	38.2
SWEDEN	1.7	1.5	1.0	-36.7
OTHER	2.8	1.7	2.2	23.4
TOTAL	**14.6**	**14.2**	**14.9**	**4.3**
INDONESIA	8.7	9.8	8.8	-10.0
SOUTH AFRICA	7.7	11.3	10.5	-6.8
BRAZIL	6.4	6.0	7.4	23.9
OTHER	29.3	33.6	34.0	1.2
TOTAL	**52.2**	**60.6**	**60.7**	**0.1**
BELGIUM	7.2	2.2	1.4	-37.5
SWEDEN	3.3	5.9	6.2	6.3
DENMARK	4.3	3.0	3.3	9.5
OTHER	11.0	12.4	11.0	-11.0
TOTAL	**25.9**	**23.5**	**22.0**	**-6.5**
ITALY	121.9	152.2	146.4	-3.8
MALAYSIA	31.5	35.6	35.5	-0.1
CHINA	38.3	55.4	66.7	20.4
DENMARK	35.3	36.5	32.6	-10.9
GERMANY	28.3	26.5	37.2	40.1
BELGIUM	29.7	26.7	20.0	-25.3
INDONESIA	21.8	22.7	17.8	-21.5
POLAND	23.6	34.1	39.4	15.5
OTHER	208.3	231.0	225.0	-2.6
TOTAL	**538.7**	**620.9**	**620.5**	**-0.1**

Italy

	2001	2002	2003	%-chg
CAMEROON	8.4	6.9	5.0	-27.5
LIBERIA	3.9	4.6	3.8	-18.0
GABON	3.8	3.5	3.6	1.9
CONGO REPUBLIC	3.7	5.4	3.1	-41.6
BURMA	1.2	1.0	1.2	20.8
NIGERIA	0.4	0.0	0.1	na
IVORY COAST	0.3	0.0	0.0	42.9
OTHER	2.9	4.0	4.5	12.7
TOTAL	**24.6**	**25.4**	**21.4**	**-15.9**
SWITZERLAND	6.3	4.1	3.2	-22.3
FRANCE	2.9	1.3	0.8	-39.5
AUSTRIA	2.9	3.3	2.5	-25.0
GERMANY	1.7	1.1	1.1	-6.1
OTHER	3.7	3.3	2.4	-26.6
TOTAL	**17.4**	**13.2**	**10.0**	**-24.3**
HUNGARY	0.6	0.5	0.6	5.8
FRANCE	0.8	0.7	0.6	-15.5
CROATIA	1.4	1.6	1.4	-16.3
AUSTRIA	0.1	0.2	0.5	105.7
OTHER	0.5	0.5	0.9	72.6
TOTAL	**3.4**	**3.6**	**3.9**	**6.9**
FRANCE	9.6	7.3	7.0	-3.9
U.S.A.	12.9	9.7	5.3	-45.2
HUNGARY	6.2	4.1	3.9	-4.2
CROATIA	5.4	5.1	3.5	-31.5
OTHER	12.1	7.9	8.8	11.8
TOTAL	**46.3**	**34.0**	**28.5**	**-16.2**
CAMEROON	17.7	16.4	12.0	-26.6
IVORY COAST	15.7	14.3	11.2	-21.8
INDONESIA	1.6	0.7	1.8	146.0
MALAYSIA	4.8	4.6	9.5	105.6
NIGERIA	3.4	1.6	1.4	-13.0
GHANA	4.0	3.2	2.9	-8.4
BRAZIL	3.1	1.6	3.3	106.0
GABON	2.4	2.9	3.7	28.7
BURMA	1.5	1.1	1.7	57.1
CONGO REPUBLIC	0.8	0.5	0.6	8.6
OTHER	4.1	4.8	4.7	-1.5
TOTAL	**59.1**	**51.7**	**52.8**	**2.1**
CROATIA	9.4	7.7	6.4	-17.1
BOSN. & HERZ.	8.4	6.9	4.9	-29.8
SLOVENIA	5.1	4.3	3.9	-10.9
SERB. & MONT.	2.0	1.8	2.1	15.4
POLAND	2.4	1.6	1.2	-25.9
OTHER	14.8	10.4	9.8	-5.3
TOTAL	**42.1**	**32.8**	**28.2**	**-13.9**
CROATIA	9.7	8.4	8.1	-3.2
U.S.A.	4.1	3.9	4.1	6.7
FRANCE	2.6	1.2	1.9	61.3
HUNGARY	1.7	1.8	1.6	-12.1
UKRAINE	0.9	1.1	1.7	50.8
OTHER	4.2	4.7	5.2	10.9
TOTAL	**23.1**	**21.0**	**22.6**	**7.4**
U.S.A.	24.8	20.9	20.0	-4.6
HUNGARY	6.4	5.5	5.2	-4.2
CROATIA	4.0	3.0	3.3	11.3
ROMANIA	2.8	3.4	3.7	9.5
CANADA	2.7	1.9	2.6	40.4
OTHER	23.1	21.2	19.6	-7.6
TOTAL	**63.7**	**55.8**	**54.4**	**-2.5**
IVORY COAST	5.5	6.4	4.7	-25.9
CAMEROON	4.7	4.6	7.7	68.9
GHANA	4.2	4.3	4.5	4.7
GERMANY	0.4	0.5	0.7	27.4
OTHER	4.3	4.4	5.7	28.6
TOTAL	**19.1**	**20.1**	**23.2**	**15.5**
GERMANY	9.4	9.3	8.5	-8.8
U.S.A.	6.7	7.2	7.6	6.0
FRANCE	4.6	3.6	2.7	-24.0
SWITZERLAND	1.6	1.1	0.3	-72.6
OTHER	13.6	14.2	16.7	18.0
TOTAL	**35.8**	**35.4**	**35.8**	**1.4**
FRANCE	3.7	4.4	4.7	5.7
INDONESIA	0.7	3.2	1.9	-42.3
GABON	1.1	3.0	2.5	-15.9
MOROCCO	1.6	2.2	1.9	-11.6
OTHER	3.7	3.8	4.5	19.1
TOTAL	**10.7**	**16.6**	**15.5**	**-6.7**
FINLAND	5.9	5.9	6.3	6.5
RUSSIA	4.8	5.3	5.8	9.7
AUSTRIA	1.4	1.6	1.0	-36.7
CZECH REPUBLIC	1.2	0.9	1.1	23.1
OTHER	5.4	9.7	9.8	1.2
TOTAL	**18.8**	**23.3**	**23.9**	**2.7**
INDONESIA	7.5	5.6	6.1	9.9
NIGERIA	4.2	3.4	2.4	-29.2
IVORY COAST	4.0	3.6	3.6	-0.3
OTHER	20.0	21.8	27.2	25.0
TOTAL	**35.7**	**34.3**	**39.3**	**14.6**
DENMARK	4.2	4.6	4.1	-12.2
SWITZERLAND	0.9	0.1	0.0	-93.2
AUSTRIA	0.3	0.6	0.9	62.3
OTHER	1.0	2.6	4.5	71.4
TOTAL	**6.4**	**7.9**	**9.5**	**19.2**
ROMANIA	1.8	2.0	3.1	57.4
GERMANY	1.0	0.6	0.3	-49.3
INDONESIA	0.5	0.4	0.3	-34.8
OTHER	1.4	1.3	1.1	-12.8
TOTAL	**4.7**	**4.2**	**4.8**	**13.1**
GERMANY	2.3	1.8	1.5	-15.4
AUSTRIA	1.9	1.9	2.2	12.5
BELGIUM	1.4	0.0	0.1	700.0
OTHER	5.0	4.8	5.9	22.4
TOTAL	**10.6**	**8.5**	**9.6**	**12.8**
FRANCE	15.5	6.2	4.7	-23.6
ROMANIA	13.2	13.2	16.8	26.6
GERMANY	8.4	8.2	6.8	-17.0
INDONESIA	8.3	9.4	8.6	-8.4
SWITZERLAND	8.2	12.0	8.3	-31.1
SLOVENIA	6.0	6.8	6.9	1.2
CHINA	5.3	6.4	7.8	23.2
AUSTRIA	5.0	13.0	14.8	14.4
OTHER	47.5	47.0	54.9	16.9
TOTAL	**117.5**	**122.1**	**129.6**	**6.2**

Spain

	2001	2002	2003	%-chg
CAMEROON	2.0	1.0	1.9	80.4
CENT. AFR. REP.	3.0	0.8	1.8	137.8
EQUAT. GUINEA	1.5	0.6	1.1	73.5
GABON	1.3	1.4	1.5	8.7
CONGO REPUBLIC	1.1	0.9	2.0	116.9
LIBERIA	1.1	1.9	2.1	11.6
FRANCE	0.5	0.6	1.9	219.0
OTHER	1.6	0.7	1.7	136.3
TOTAL	**12.1**	**7.9**	**13.9**	**76.3**
FRANCE	2.5	1.6	2.1	24.3
GERMANY	0.6	0.8	0.9	4.3
BELGIUM	0.2	0.2	0.1	-37.9
UKRAINE	0.4	0.4	0.2	-46.5
OTHER	0.4	0.4	0.8	117.0
TOTAL	**4.1**	**3.5**	**4.1**	**17.4**
FRANCE	3.4	3.2	3.0	-4.7
GERMANY	1.3	0.9	1.4	59.6
U.S.A.	1.0	0.7	1.1	63.5
UKRAINE	1.0	0.8	1.0	31.7
OTHER	0.5	0.5	0.9	72.0
TOTAL	**7.1**	**6.1**	**7.5**	**23.9**
U.S.A.	3.0	2.6	3.1	19.4
FRANCE	2.7	1.0	1.3	27.0
POLAND	0.5	0.0	0.0	na
U.K.	0.1	0.0	0.0	288.9
OTHER	1.3	0.4	0.5	16.9
TOTAL	**7.7**	**4.1**	**4.9**	**21.7**
CAMEROON	17.4	11.3	14.9	32.0
IVORY COAST	15.6	13.1	6.6	-49.8
BRAZIL	9.2	11.5	7.1	-38.3
CENT. AFR. REP.	1.3	0.8	1.2	53.4
CONGO REPUBLIC	1.9	3.1	3.6	14.2
GHANA	0.7	0.7	0.7	-1.0
FRANCE	0.5	0.4	0.6	38.9
PORTUGAL	0.2	1.0	1.7	59.9
CHILE	0.0	0.3	0.3	-26.0
GERMANY	0.0	0.0	0.1	215.0
OTHER	2.0	1.9	3.8	95.0
TOTAL	**48.8**	**44.2**	**40.3**	**-8.8**
GERMANY	4.9	3.4	3.0	-12.7
FRANCE	3.2	2.7	2.2	-19.7
UKRAINE	1.0	0.7	0.8	4.1
SWITZERLAND	0.3	0.3	0.1	-67.7
ROMANIA	0.6	0.6	0.7	22.4
OTHER	2.3	2.6	4.5	75.8
TOTAL	**12.2**	**10.2**	**11.2**	**9.4**
U.S.A.	33.6	23.1	16.8	-27.2
FRANCE	2.0	1.7	2.1	26.3
CANADA	2.2	2.1	1.9	-12.1
BELGIUM	0.9	0.9	1.1	26.0
GERMANY	0.5	0.4	0.3	-31.4
OTHER	2.5	3.8	3.5	-9.7
TOTAL	**41.5**	**32.1**	**25.7**	**-19.9**
U.S.A.	4.8	4.6	4.4	-2.8
CANADA	1.6	2.0	2.0	2.1
FRANCE	1.2	1.2	0.8	-33.3
LATVIA	0.7	0.5	0.7	28.2
CHILE	0.3	0.3	0.2	-29.3
OTHER	0.9	1.6	1.4	-10.2
TOTAL	**9.5**	**10.1**	**9.5**	**-5.7**
IVORY COAST	4.1	3.5	3.0	-12.8
GHANA	1.4	1.6	1.9	23.6
EQUAT. GUINEA	1.3	1.0	1.3	23.2
BRAZIL	0.5	0.4	0.4	15.3
OTHER	1.9	4.0	3.5	-12.5
TOTAL	**9.2**	**10.5**	**10.2**	**-2.7**
U.S.A.	14.5	12.6	11.5	-8.2
GERMANY	2.8	2.3	4.3	88.4
ITALY	1.4	0.8	1.8	139.0
FRANCE	0.6	0.5	1.2	147.7
OTHER	5.9	5.0	8.5	68.0
TOTAL	**25.2**	**21.1**	**27.3**	**29.3**
FRANCE	1.6	0.3	0.2	-34.5
FINLAND	0.0	0.1	0.0	-64.1
BRAZIL	0.2	0.2	0.2	6.0
IVORY COAST	0.3	0.0	0.0	-25.0
OTHER	0.6	1.1	1.5	33.2
TOTAL	**2.6**	**1.7**	**2.0**	**13.8**
FINLAND	4.0	7.7	8.8	15.0
RUSSIA	0.9	0.4	0.4	-6.0
FRANCE	0.8	0.6	0.8	28.0
GERMANY	0.1	0.0	0.5	981.3
OTHER	0.1	0.2	0.7	296.5
TOTAL	**5.9**	**8.9**	**11.2**	**25.4**
CHINA	2.1	1.5	2.4	57.9
FRANCE	1.8	1.8	1.8	1.9
POLAND	1.5	1.1	1.3	14.3
OTHER	9.5	7.5	7.7	2.6
TOTAL	**14.9**	**11.9**	**13.2**	**10.6**
DENMARK	4.3	4.5	4.9	9.5
POLAND	0.1	0.2	0.6	203.4
FRANCE	0.7	0.7	0.9	30.1
OTHER	0.5	0.4	1.1	221.5
TOTAL	**5.6**	**5.7**	**7.6**	**31.9**
PORTUGAL	1.1	1.0	1.2	23.1
U.S.A.	0.4	0.3	0.2	-46.6
FRANCE	0.3	0.3	0.2	-32.6
OTHER	0.7	1.3	0.7	-49.2
TOTAL	**2.4**	**2.9**	**2.2**	**-23.1**
SWEDEN	4.2	3.1	4.9	58.5
DENMARK	1.4	1.8	2.3	22.1
INDONESIA	1.7	1.6	1.2	-24.2
OTHER	11.6	11.8	13.6	15.0
TOTAL	**18.9**	**18.4**	**21.9**	**19.6**
ITALY	17.8	17.4	21.2	21.4
INDONESIA	12.2	11.2	15.4	37.6
FRANCE	10.3	10.7	28.5	166.3
GERMANY	3.7	4.0	4.6	14.1
CHINA	4.7	5.5	8.3	49.7
PORTUGAL	3.8	3.4	5.2	53.9
SWEDEN	2.7	2.1	2.8	33.4
DENMARK	2.8	1.9	3.2	66.2
OTHER	23.5	24.0	27.9	16.2
TOTAL	**81.4**	**80.2**	**116.9**	**45.8**

Portugal

	2001	2002	2003	%-chg
GABON	9.0	7.1	4.6	-34.4
CAMEROON	4.2	5.6	3.3	-40.1
CONGO REPUBLIC	4.7	5.7	4.1	-27.6
CONGO DEM. REP.	1.9	1.6	1.3	-23.9
CENT. AFR. REP.	1.0	0.2	1.1	478.8
LIBERIA	0.3	0.0	0.2	na
EQUAT. GUINEA	0.4	0.1	0.8	568.4
OTHER	1.2	0.7	0.2	-70.4
TOTAL	**22.8**	**21.0**	**15.6**	**-25.3**
FRANCE	0.4	0.6	0.5	-6.4
ITALY	0.0	0.0	0.0	na
SPAIN	0.0	0.0	0.0	14.0
U.K.	0.0	0.0	0.0	na
OTHER	0.0	0.0	0.1	121.7
TOTAL	**0.5**	**0.7**	**0.7**	**4.8**
FRANCE	0.8	0.9	0.7	-19.2
SPAIN	0.3	0.3	0.2	-51.6
ROMANIA	0.0	0.0	0.0	na
U.S.A.	0.2	0.3	0.4	40.0
OTHER	0.1	0.0	0.1	1214.3
TOTAL	**1.4**	**1.5**	**1.4**	**-7.3**
FRANCE	2.2	0.9	1.1	21.6
U.S.A.	2.7	2.4	1.9	-19.2
SPAIN	1.6	1.0	0.8	-17.9
CANADA	0.2	0.1	0.0	-100.0
OTHER	0.1	0.3	0.3	6.2
TOTAL	**6.9**	**4.7**	**4.2**	**-11.9**
BRAZIL	6.8	7.8	6.4	-18.0
CAMEROON	1.8	1.6	1.3	-15.9
IVORY COAST	0.4	0.5	0.1	-78.2
CONGO REPUBLIC	0.2	0.6	1.2	115.5
GABON	0.4	0.7	0.1	-84.2
SPAIN	0.2	0.1	0.2	223.7
NIGERIA	0.1	0.0	0.0	na
CENT. AFR. REP.	0.0	0.0	0.0	-100.0
CONGO DEM. REP.	0.2	1.0	0.3	-72.8
GHANA	0.1	0.0	0.0	na
OTHER	0.6	0.5	0.4	-22.2
TOTAL	**10.7**	**12.8**	**10.1**	**-20.9**
SPAIN	0.2	0.2	0.3	42.8
FRANCE	0.2	0.2	0.4	63.2
DENMARK	0.1	0.1	0.1	-15.6
GERMANY	0.1	0.2	0.3	68.8
SWEDEN	0.1	0.0	0.1	927.3
OTHER	0.1	0.1	0.3	206.9
TOTAL	**0.6**	**0.9**	**1.5**	**70.4**
U.S.A.	5.3	4.3	4.5	6.0
CANADA	0.6	0.5	0.4	-20.7
NETHERLANDS	0.0	0.0	0.1	na
SPAIN	0.2	0.3	0.3	2.1
FRANCE	0.4	0.5	0.7	35.8
OTHER	1.0	0.9	0.6	-37.6
TOTAL	**7.5**	**6.5**	**6.6**	**1.5**
U.S.A.	1.9	1.5	1.2	-19.6
FRANCE	0.5	0.4	0.6	35.0
SPAIN	0.4	0.4	0.3	-24.5
SWEDEN	0.2	0.2	0.3	24.8
CANADA	0.2	0.1	0.3	138.3
OTHER	0.3	0.2	0.2	-11.3
TOTAL	**3.5**	**3.0**	**3.0**	**-0.3**
BRAZIL	1.5	0.7	0.7	-4.8
SPAIN	0.1	0.5	0.7	44.0
GERMANY	0.2	0.2	0.0	-85.4
GABON	0.0	0.0	0.0	na
OTHER	0.8	0.7	0.7	0.1
TOTAL	**2.6**	**2.1**	**2.1**	**-0.2**
U.S.A.	2.0	2.2	1.6	-29.9
SPAIN	1.0	0.6	0.7	33.0
GERMANY	1.3	1.1	0.7	-38.1
FRANCE	0.7	0.9	0.8	-13.9
OTHER	1.2	0.6	0.4	-26.8
TOTAL	**6.3**	**5.4**	**4.2**	**-21.9**
SPAIN	0.1	0.1	0.1	19.5
BRAZIL	0.2	0.3	0.3	15.5
CAMEROON	0.1	0.0	0.0	na
GABON	0.0	0.0	0.0	na
OTHER	0.0	0.0	0.0	2000.0
TOTAL	**0.4**	**0.4**	**0.5**	**23.6**
FINLAND	0.9	0.1	0.0	-66.2
GERMANY	0.1	0.3	0.4	44.6
U.K.	0.5	0.2	0.1	-34.7
SPAIN	0.9	0.8	0.6	-23.6
OTHER	0.0	0.0	0.1	437.5
TOTAL	**2.4**	**1.4**	**1.2**	**-9.3**
SPAIN	3.1	2.8	2.0	-28.1
BRAZIL	1.7	0.7	0.8	10.7
ITALY	0.4	0.3	0.3	-0.3
OTHER	1.3	0.8	0.7	-5.0
TOTAL	**6.5**	**4.6**	**3.8**	**-16.5**
SPAIN	0.2	0.3	0.1	-57.0
DENMARK	0.4	0.4	0.5	13.9
POLAND	0.0	0.1	0.1	61.7
OTHER	0.1	0.2	0.2	2.0
TOTAL	**0.7**	**1.0**	**0.9**	**-7.6**
SPAIN	3.6	2.6	3.2	25.8
BRAZIL	0.3	0.0	0.1	174.1
ITALY	0.0	0.1	0.0	-72.7
OTHER	0.2	0.1	0.0	-48.1
TOTAL	**4.2**	**2.8**	**3.4**	**20.5**
SPAIN	0.7	0.7	0.6	-6.1
BRAZIL	0.5	0.1	0.1	102.8
SWEDEN	0.7	1.1	0.6	-39.4
OTHER	3.5	2.7	2.0	-25.3
TOTAL	**5.4**	**4.5**	**3.4**	**-23.7**
SPAIN	12.8	13.3	11.4	-14.1
ITALY	4.8	5.4	5.3	-1.4
U.K.	0.3	0.3	0.1	-60.4
FRANCE	2.0	2.9	3.2	11.0
GERMANY	0.5	0.7	0.7	3.9
NETHERLANDS	0.8	0.6	0.5	-9.3
BELGIUM	0.9	1.0	1.0	-4.2
BRAZIL	0.5	0.7	0.5	-15.9
OTHER	2.8	3.5	3.3	-6.8
TOTAL	**25.5**	**28.2**	**26.0**	**-7.8**

Source - Eurostat supplied by BTS, compiled by hardwoodmarkets.com

EU Nations - Value of Imports - 1st qtr 2001-2003

Statistical Commentary

The year 2003 started slowly for those Europeans trading in primary hardwood products.

The first quarter value of import data on the preceding pages should be treated with caution, given the limited time frame and recent changes in the exchange value of the euro. But the data seems to confirm anecdotal reports of sluggish demand for hardwood logs and lumber in the European countries under review. Of these countries, the Italian market appears to have been most active. The data also indicates that the rise in EU imports of further processed products - particularly hardwood profiles and wood furniture- continued to rise during the first quarter of 2003.

Exchange rate and import value

In analysing the data it is important to keep in mind that the dollar-euro exchange rate decreased by 20% between March 2001 and March 2002. This means that even when import volumes have remained stable, the euro value of those imported products sold in US dollars (i.e. products from North and South America and much of Asia) will be lower in 2002 than in the previous year.

Germany
Log and lumber imports down

Of all the countries under review, Germany's import figures present the sharpest contrast between primary and further processed products. During the first quarter of 2003, the value of German imports of log and lumber products was well down on the same period the previous year, while the value of imports of hardwood veneer and plywood increased. The import value of builders carpentry and joinery products and of wood furniture also increased, most notably from Poland. Underlying these trends is the major shift in wood processing capacity away from Germany to lower cost locations.

Belgium-Lux
Some bouyancy

Like Germany, Belgium was also importing more further processed wood products during the first quarter of 2003 than the same period the previous year. But unlike Germany, imports of some primary wood products were reasonably bouyant during the period.

Like several other European countries, Belgium imported significant volumes of tropical hardwood plywood in the opening months of 2003. This reflected widespread expectations at end 2002 that prices for this commodity were about to rise in response to supply problems in Indonesia. In the event hopes of price rises went unrealised and the increase in tropical plywood imports contributed to overstocking in Europe during the second quarter of 2003.

Belgium imported reasonable volumes of tropical hardwood lumber during the opening months of the year, notably from Malaysia. Importers may have been encouraged by the weak dollar and competitive FOB prices being offered for Malaysian hardwoods, particularly in advance of Chinese New Year in February. In contrast, Belgian imports of oak sawn lumber were subdued during the first quarter of 2003.

Netherlands
Holding up reasonably well

Given anecdotal reports of sluggish economic performance in the Netherlands, the value of Dutch imports of hardwood products appears to have held up reasonably well during the first quarter of 2003. In part this will reflect the increased role played by Dutch concentration yards to supply hardwoods to neighbouring European countries.

When the dollar's weakness and low FOB value of meranti sawn lumber are taken into account, Dutch imports of Malaysian hardwoods during the first quarter of 2003 appear comparable to the same period in previous years. However there was a sharp fall in the value of hardwood lumber imports from Cameroon, perhaps an indication of supply problems this year.

As in Germany and Belgium, Dutch imports of hardwood plywood, hardwood profiles and wood furniture were strong during the first quarter of 2003.

United Kingdom
Mixed results

During the first quarter of 2003, the UK's tropical sawn lumber imports mirrored those of the Netherlands. Malaysian meranti imports were running at reasonable levels, apparently boosted by competitive FOB pricing at a time when UK importers inventories were low. However the value of imports from Cameroon was well down on previous years. Imports from Brazil were also well down on comparable figures in 2001 and 2002.

Slow American hardwood trade

The data confirms anecdotal reports that 2003 has been a slow year for American hardwoods in the UK. The value of American hardwood lumber imports into the UK this year is lower even than last. However American exporters to the U.K may take comfort from the fact that the volume of UK hardwood lumber imports from Eastern Europe are still small compared to the volume from the U.S.

As in Belgium and the Netherlands, UK imports of tropical hardwood plywood were running at higher levels during the opening quarter of 2003 than the same period the previous year. There is also evidence of continued growth in UK imports of further processed wood products during the first three months of 2003. Particularly notable is the respective 20% and 15% jump in the value of imports of wooden furniture from China and Poland.

Italy
Dramatic decline in log imports

The dramatic decline in Italian tropical log imports, beginning in 2000, has continued strongly this year. Log imports from Cameroon have been in long term decline, while imports from Congo(Brazzaville) were significantly lower during the opening months of 2003 than the same period the previous year. But this may be only a temporary blip resulting from the recent dispute in Congo (Brazzaville) between industry and government over taxation levels.

Continued weakness of beech

The Italian data provides clear evidence of the continued weakness of the European beech market during the opening months of 2003. The value of Italian beech log and lumber imports was at very low levels during this period. However imports of oak sawn lumber were reasonably solid. The weak dollar combined with rising prices for Croatian oak may have contributed to a slight improvement in market share for American white oak sawn lumber in the opening months of the year.

▶15

E.U. imports

14◀

The strength of Italy's domestic furniture sector has meant the country has been resistant to import penetration by overseas suppliers. However, the 2003 first quarter data indicates that such penetration is now increasing, notably from Romania and China. This trend may be partly driven by Italian manufacturers shifting facilities to lower cost locations. However, it should emphasised that imports still only represent a small proportion of Italy's total furniture market.

Spain

Patchy market

Spain seems to have been a patchy market in the opening months of 2003. Imports of tropical logs were relatively high compared to the previous year, while imports of tropical sawn lumber were low. These trends contradict the longer term shift away from tropical log imports in favour of lumber. Sluggish imports of tropical sawn may be explained by supply problems, particularly due to political turmoil in the Ivory Coast. The strong euro may also have discouraged importers purchasing of African hardwoods lumber this year. The strength of Spain's tropical log imports during the first quarter is less easy to explain, and may simply be a short-term blip in the data.

Oak imports well down

The value of Spanish oak imports during the first quarter of 2003 was well down on the same period the previous year. In part this reflects the weakness of the dollar which means that the euro value of American white oak imports will decline even where volumes remain stable. But there are also signs that underlying consumption of oak lumber has fallen in Spain this year. The volume of sawn hardwood purchased by the nation's furniture sector has declined as competition for finished products has intensified and manufacturers have made further efforts to cut costs. A rise in Spanish imports of temperate hardwood veneers during the first three months of 2003 may also be indicative of this trend.

The scale of increase in Spanish imports of wood furniture products during the first quarter of 2003 is quite startling, rising nearly 46% compared with the same period in 2002. If the Eurostat figures are accurate, this rapid increase goes some way in explaining current uncertainty in the Spanish market.

Exchange rates

		One GB pound (£)			One US Dollar ($)			One Euro		
		9-May	6-Jun	7-Jul	9-May	6-Jun	7-Jul	9-May	6-Jun	7-Jul
Argentina	Peso	4.4145	4.7146	4.6437	2.7550	2.8350	2.7850	3.1651	3.3158	3.1990
Australia	Aus.$	2.4878	2.5164	2.4497	1.5526	1.5132	1.4692	1.7837	1.7698	1.6876
Bangladesh	Taka	93.0966	97.1691	97.3762	58.1000	58.4300	58.4001	66.7483	68.3398	67.0813
Belize	B$	3.1566	3.2761	3.2848	1.9700	1.9700	1.9700	2.2632	2.3041	2.2629
Bolivia	Boliviano	12.1927	12.6853	12.7698	7.6093	7.6280	7.6585	8.7419	8.9217	8.7970
Botswana	Pula	7.7241	8.548	8.2158	4.8205	5.1401	4.9273	5.5380	6.0119	5.6598
Brazil	Real	4.6163	4.7778	4.7188	2.8810	2.8730	2.8300	3.3098	3.3603	3.2507
Canada	Canadian $	2.2281	2.2523	2.2352	1.3905	1.3544	1.3405	1.5975	1.5841	1.5398
Chile	Peso	1113.390	1183.970	1164.100	694.848	711.949	698.153	798.277	832.695	801.935
China	Yuan	13.2623	13.7646	13.802	8.2768	8.2770	8.2776	9.5088	9.6807	9.5080
Czech Republic	Koruna	43.8856	44.5751	45.9038	27.3883	26.8040	27.5302	31.4650	31.3500	31.6226
Denmark	Danish Krone	10.3556	10.5564	10.7906	6.4628	6.3478	6.4715	7.4247	7.4244	7.4335
Estonia	Kroon	21.8236	22.2464	22.7248	13.6197	13.3773	13.6289	15.6471	15.6461	15.6548
Euro-zone (1)	Euro	1.3947	1.4219	1.4516	0.8704	0.8550	0.8706	1.0000	1.0000	1.0000
Fr. Africa (2)	CFA Fr.	914.89	932.68	952.20	570.97	560.84	571.07	655.97	655.96	655.96
Ghana	Cedi	13836.30	14418.20	14481.40	8635.00	8670.00	8685.03	9920.33	10140.43	9976.07
Guyana	Guyanese $	286.821	297.677	298.465	179.000	179.000	179.000	205.645	209.359	205.609
Hong Kong	HK$	12.4968	12.9692	13.003	7.7990	7.7987	7.7984	8.9599	9.1213	8.9576
India	Rupee	75.5989	77.9614	77.2506	47.1800	46.8800	46.3300	54.2028	54.8309	53.2170
Indonesia	Rupiah	13716.1	13595.0	13644.3	8560.0	8175.0	8183.0	9834.1	9561.5	9399.4
Japan	Yen	187.819	197.648	196.82	117.215	118.850	118.040	134.662	139.007	135.587
Kenya	K. Shilling	112.004	122.147	124.055	69.900	73.450	74.400	80.304	85.907	85.460
Korea South	Won	1925.22	1996.02	1968.37	1201.50	1200.25	1180.50	1380.34	1403.82	1355.99
Liberia	Liberian $	1.6023	1.663	1.6674	1.0000	1.0000	1.0000	1.1488	1.1696	1.1487
Malaysia	Ringgit	6.0889	9.3194	6.3361	3.8000	5.6040	3.8000	4.3656	6.5544	4.3649
Myanmar	Kyat	9.9365	10.3126	10.3399	6.2012	6.2012	6.2012	7.1243	7.2529	7.1230
New Zealand	NZ$	2.7749	2.8786	2.7988	1.732	1.731	1.679	1.990	2.025	1.928
Nigeria	Naira	208.386	218.851	216.929	130.050	131.600	130.100	149.408	153.920	149.440
Papua NG	Kina	5.7747	5.8872	5.7699	3.6039	3.5401	3.4604	4.1403	4.1405	3.9748
Philippines	Peso	83.843	88.9039	89.0559	52.3250	53.4600	53.4101	60.1136	62.5268	61.3496
Poland	Zloty	6.0301	6.2286	6.4577	3.7633	3.7454	3.8729	4.3235	4.3806	4.4486
Romania	Leu	52308.7	54405.0	54593.2	32645.0	32715.0	32741.5	37504.2	38263.5	37608.6
Russia	Rouble	49.8267	50.8147	50.5305	31.0960	30.5561	30.3050	35.7247	35.7384	34.8099
Singapore	Singapore $	2.7912	2.8745	2.9154	1.742	1.729	1.748	2.001	2.022	2.008
Solomon Is.	Slmn. Is. $	11.8719	12.5078	12.5315	7.409	7.521	7.516	8.512	8.797	8.633
South Africa	Rand	11.575	13.3749	12.5201	7.2238	8.0426	7.5088	8.2990	9.4067	8.6249
Sweden	Krona	12.7926	12.9467	13.3513	7.9836	7.7852	8.0073	9.1720	9.1055	9.1976
Taiwan	$	55.6816	57.5897	57.3085	34.7500	34.6300	34.3700	39.9225	40.5033	39.4792
Tanzania	Shilling	1653.63	1721.21	1737.43	1032.00	1035.00	1042.00	1185.62	1210.54	1196.90
Thailand	Baht	68.18	69.2556	69.4805	42.55	41.645	41.67	48.8836	48.708	47.8643
Uganda	New Shilling	3202.30	3326.42	3319.79	1998.50	2000.25	1991.00	2295.98	2339.50	2286.96
United Kingdom	£	1.0000	1.0000	1.0000	0.6241	0.6013	0.5997	0.7170	0.7033	0.6889
U.S.A	US $	1.6023	1.663	1.6674	1.0000	1.0000	1.0000	1.1488	1.1696	1.1487
Venezuala	Bolivar	2560.560	2657.470	2664.510	1598.003	1597.998	1598.004	1835.867	1869.019	1835.550
Vietnam	Dong	24779.5	2541.6	25849.7	15464.5	1528.3	15503.0	17766.4	1787.5	17807.6
Zimbabwe	$	1320.34	1370.31	1373.94	824.00	824.00	824.00	946.66	963.75	946.49

(1) Belgium, Finland, France, Germany, Greece, Irish Republic, Italy, Luxembourg, Netherlands, Portugal, Spain. (2) Cameroon, CAR, Congo, Gabon & Cote d'Ivoire

Hardwood Events

1 **Aug–2 Sep 2003, SPOGA/GAFA Fair, Cologne, Germany.** International Garden Trade Fair, outdoor timber products. Contact: Barbara Hills, b.hills@koelnmessenafta.com

1 August, Forest Law, Enforcement, Governance and Trade (FLEGT) seminars and debate, Oxford, UK, Tropical Forestry Resource Group. Email: frmiller@onetel.net.uk

21-28 Sep 2003, XII World Forestry Congress, Quebec, Canada. For: Forestry sector. Contact: www.wfc2003.org

25 Sept 2003, Event on certification and world forestry, **Quebec City, Canada**. Contact: Conference Coordinator; tel: +1-877-273-5777; e-mail: info@CertificationWatchConference.org; http://www.certificationwatchconference.org/upcoming_events.htm

13-16 Oct 2003, AFLEG Ministerial Conference, **Yaounde, Cameroon.**

15 Oct 2003, The UK Wood Awards, London, UK. For: suppliers of wood to the UK construction and interiors sectors. Contact: http://www.thewoodawards.co.uk/

16-17 Oct 2003, Branchentag Holz Wiesbaden, Germany. For: timber trade and industry. Contact: http://www.branchentag.de/index.php

15-18 Oct Zow 2003 Pordenone, Italy. For: component/dimension suppliers. Contact: http://www.zow.it/02gb/main.htm

21-24 Oct 2003, Wood-Tec 2003, Brno, Czech Republic. For: timber trade and industry. Contact: Tel +420 541 15 32 72; email envibrno@bvv.cz

30 Oct 2003, Houtdag Schiedam, Netherlands Wood Day.

30-31 Oct 2003, ATIBT Forum, Athens, Greece. For: tropical timber trade and industry. Contact: www.atibt.com; email com@atibt.com

3-8 Nov, 35th Session of the International Tropical Timber Council, Yokohama, Japan. Contact: ITTO Secretariat; tel: +81-45-223-1110; fax: +81-45-223-1111; e-mail: ittc@itto.or.jp; Internet: http://www.itto.or.jp

3-8 Nov 2003, BATIMAT Fair, Paris, France. For: building materials suppliers. Contact: http://www.batimat.com/2003date.htm

12-15 Nov 2003, MADERALIA Fair, Valencia, Spain. For: Woodworking & Wood Supplies. Contact: http://maderalia.feriavalencia.com/index.jsp

25 Nov-3 Dec 2003, The Big 5 Show, Dubai, UAE. For: building and construction, materials suppliers. Contact: International Conferences and Exhibitions, Tel + 44 (0) 1442878222; Fax: +44 (0) 1442879998

Portugal

Economic problems

Economic problems in Portugal are mirrored in the 2003 first quarter data. The value of Portuguese imports of tropical logs and lumber - which dominate this market - were well down on the same period the previous year. For tropical logs, the decline in imports from some larger supplying nations - Cameroon, and Gabon - was only partly offset by a rise in imports from Central African Republic and Equatorial Guinea.

For tropical sawn lumber, imports from Brazil, Cameroon and Ivory Coast were running at low levels during the opening quarter of the year. However imports from Congo (Brazzaville) were tending to rise.

Unlike Spain, there was no evidence of a rise in Portugal's imports of finished products during the opening months of 2003.

It is summer time in Europe and many traders are on vacation. Therefore the August edition is devoted to a review of trade statistics with a focus on the tropics. Here are some highlights.

Cameroon

The nature of Cameroon wood products exports has been transformed since the log export ban on the most valuable species was introduced in July 1999. In the July 2001-2002 financial year, only ayous and frake/limba were exported in any significant volume in log form. Cameroon log exports will be even lower in future following the ban on ayous and azobe log exports introduced in March this year. Meanwhile, resource limitations and government controls on harvesting suggest that sawn timber production in the country may have peaked already. **Pages 2 and 3**

Congo-Brazzaville

While Cameroon has declined in importance as a supplier of logs to international markets, Congo-Brazzaville has increased dramatically. During 2002, Congo-Brazzaville exported a record 785,000 m3 of logs and by-products, 56% up on the previous year. **Pages 3 and 4**

Gabon

Wood production and exports from Gabon fell sharply during 2002 in response to fiscal uncertainty, slowing global demand, and a fall in purchasing by SNBG, the state controlled organisation that has a monopoly in okoume marketing. Timber production in Gabon was around 2.5 million m3 during 2002 comprising: 1.243 million m3 of okoume and ozigo for export; 685,000 m3 of other species for export; and 500,000 m3 of logs destined for domestic mills. **Pages 4 and 5**

Indonesia

Import data from leading log buying nations in Asia indicates that there was a dramatic fall in the volume of Indonesian logs available to the international market between 2001 and 2002. Total imports by these nation's fell by 75% during this period. So perhaps the crackdown on illegal trade is beginning to bite. Indonesia's sawn lumber exports to all destinations reached 1.4 million in 2000, then rose strongly to 2.25 million m3 in 2001, before stabilising at around 2.3 million in 2002. China accounts for perhaps two thirds of Indonesia's total sawn lumber export. Meanwhile there is evidence of a progressive fall in the value of Indonesian plywood exports over the last three years. **Page 5**

Malaysia

After a dramatic fall in Malaysia's wood exports between 2000 and 2001, exports remained fairly stable during 2002. Exports of logs from Sabah rebounded during the year compensating for a decline in exports from Sarawak. Malaysian plywood exports continued their slow recovery during 2002 but remain well below levels prevailing before the Asian financial crises in 1998. Exports of Malaysian sawn lumber were patchy. Increased exports to neighbouring Thailand compensated for slow demand elsewhere. **Pages 6 and 7**

U.S. hardwood imports

U.S. hardwood imports rebounded in 2002 after a dip the previous year resulting from a slowdown in the national economy and supply side problems. During 2002, there was strong growth in hardwood lumber imports from several tropical countries, including Brazil, Peru and Ghana. Asian hardwood plywood manufacturers have significantly expanded sales in the U.S. in recent years. **Page 7**

European beech

Data on the international beech trade over the last 3 years tell a dramatic story, and a very painful one for European sawmills. A trade boom in 1998 and 1999 was followed by a major bust in 2001 and 2002. The December 1999 storms in France and Germany served to destabilise the market. But China has also proved to be a very volatile market. Only now are there signs of stability emerging, at the cost of numerous bankruptcies in the sector. **Pages 8 and 9**

E.U. imports - Jan-March 2003

The year 2003 started slowly for Europeans trading in primary hardwood products. The first quarter value of import data confirms anecdotal reports of sluggish demand for hardwood logs and lumber in the seven European countries under review. Of these countries, the Italian market appears to have been most active. The data indicates that the rise in EU imports of further processed products - notably hardwood profiles and wood furniture - continued to rise during the first quarter of 2003. **Pages 12 to 15**

Tropical hardwood trade overview

Drawing on ITTO data and a wide range of other sources, our overview of the international tropical hardwood trade during 2002 suggests:

■the decline in tropical hardwood log exports continued last year. A higher proportion of logs are now being processed domestically. **Page 1**

■Overall sawn lumber production in ITTO member countries remained static between 2001 and 2002 at around 39 million m3. Big increases in sawn lumber production and exports were recorded in Congo (Brazzaville) and in Brazil. Both countries have seen significant inward investment in last 12 months. Supply constraints contributed to a decrease in sawn lumber exports from Cameroon, Ghana, and Myanmar. ITTO consumer countries imported less tropical hardwood sawn lumber during 2002. **Page 9**

■Tropical hardwood plywood production is estimated to have increased between 2001 and 2002 to around 14.5 million m3. Indonesian production seems to have been comparable to the previous year. Malaysian production rebounded during 2002 as log availability and export demand improved compared to 2001. Brazilian production also expanded. But these increases were not matched by strong consumption growth and are reflected in continuing weak prices for tropical hardwood plywood **Page 9, 10**

We are indebted to ATIBT and ITTO for large quantities of trade data and for their perceptive analysis.