

China to increase future wood imports

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China's huge wood demand, in relation with its economic and social evolution, faced with the insufficient forestry development, will inevitably increase wood imports in the following years.

Source: Forestry Expo Co NZ

China will push forward its Natural Forest Protection Program and phase out all commercial logging of natural forests by 2017.

A logging ban is already active in some of the country's key areas, especially in three north-eastern provinces.

It seems that the ban will be extended to all state-owned forests next year, and logging on privately owned land will be ceased by the end of 2017.

These bans will reduce logging output by 50 million cubic meters per year.

China has at the moment 198 million hectares of natural forests, of which 127 million hectares have been put under the administration of reservations since the launch of the Natural Forest Protection Program in 1998.

Chinese natural forest policies will determine an even wider gap between wood demand and the ability to satisfy this demand with own domestic resources. Therefore, in the following years, China's reliance on foreign imports of timber will further be enhanced.

As more and more countries around the world ban log exports, it is expected that of the logs and lumber duo, Chinese lumber imports to win in the upcoming years.

At current growth rates, Chinese log imports will reach around 82 million m³ by 2020, while lumber imports around 52 million m³.

If we take into account the full stop of commercial logging in natural forest, then Chinese wood imports (logs and lumber) might reach 180 to 200 million m³ by 2020.

It is expected that in key markets where China makes purchases of valuable hardwoods, like in Southeast Asia and Africa, export bans will be imposed in the following years. However, Chinese domestic investment and consumption of valuable hardwoods is still strong.

According to Chinese customs import data in 2013, total imports of mahogany in 2013 reached 3,196,000 m³ in volume and 38.06 billion yuan in value.

In 2014, Chinese imports of mahogany increased to 4,693,000 million m³ and 61.78 billion yuan; thus up 46.8% in volume and 62.3% in value over the previous year.

There are no current signs of a decline in the Chinese demand for valuable hardwoods.

The current Chinese timber import channels are expected to modify according to some factors: like the fight against illegal logging, the RMB's exchange rate and others.

So China's timber import origin countries will gradually develop towards a diversification.

In 2013, among Chinese logs imports larger than 500,000 m³, Ukraine, Myanmar, the United States, Australia, France, New Zealand recorded the highest surges, in order, 199%, 57%, 54%, 42%, 35%, 33%.

Chinese lumber imports from Russia, the United States, Thailand, Chile, the Philippines, Finland, Sweden increased by 13.0%, 16.1%, 25.5%, 64.4%, 47.0%, 156.3%, 223.3%.

During the Chinese 13th economic plan (2016-2020), the main sources for logs imports will be formed by Russia, Ukraine, as the representatives of Europe; New Zealand and Australia; the US and Canada.

The largest lumber imports from Europe will come from Russia and Finland; the U.S. and Canada; and Thailand, Indonesia and Philippines from Southeast Asia.