

Tropical Timber Market Report

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The ITTO *Tropical Timber Market (TTM) Report*, an output of the ITTO Market Information Service (MIS), is published in English every two weeks with the aim of improving transparency in the international tropical timber market. Its contents do not necessarily reflect the views or policies of ITTO. News may be reprinted provided that the ITTO *TTM Report* is credited. A copy of the publication should be sent to ti@itto.int.

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Top story

Government takes full control of Société Nationale des Bois du Gabon

It has been reported that the government of Gabon has assumed full control of Société Nationale des Bois du Gabon, taking over from the Gabon Special Economic Zone.

Senate Vice-President, Marc Ona Essangui, stressed the importance of enhancing oversight mechanisms in the timber sector and called for the establishment of logging traceability systems, a robust monitoring framework and a forest code aligned with international standards.

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Crackdown on FCAD compliance

Operators in Cameroon report the authorities have intensified enforcement of forestry regulations, specifically the FCAD (Forestry Concession Allocation Decree) and that this is impacting production for export and local markets. Rigorous inspections and insistence on strict legal compliance have compelled some Asian operators to suspend production.

This clamp down, say millers, carries major implications for the Dutch market where Azobé remains in high demand. In the past Azobé was one of Cameroon’s principal export species, shipped primarily in log form for marine and outdoor enduses.

The Netherlands continues to be the main market for Azobé using the hardwood for diverse infrastructure projects such as dike reinforcement, oil pipeline supports and increasingly for windmill mat installations. Demand is particularly strong as the Ministry of Infrastructure and Water Management increases dike heights in response to the risk of coastal floods.

With Cameroonian mills facing reduced production buyers of Azobé may turn to other West African suppliers, potentially applying further pressure on Gabon’s Azobé output. Despite these challenges Cameroon’s heightened regulatory oversight aims to ensure sustainable and transparent forestry operations.

ECTN application to benefit timber trade

On 1 January 2025 the Cameroon National Shippers' Council (CNSC) launched its latest Electronic Cargo Tracking Note (ECTN) issuance application bringing the latest technology to the forefront of trade logistics. This updated platform is particularly noteworthy for the timber trade where efficient tracking and documentation of shipments are essential to ensuring compliance with international regulations and sustainable trade practices.

As timber remains one of Cameroon’s key export commodities the ECTN system supports the industry's growth by reducing administrative bottlenecks, improving logistics and ensuring timely delivery of goods to international markets.

See: <https://www.cncc.cm/en/article/besc-3-0-new-version-launched-856#myCarousel>

New sawnwood marking requirement

The Ministry of Water and Forests, the Sea and the Environment in Gabon plans to mandate that every bundle of sawnwood for export carries an electronic readable enabling tracking back to the log. In addition logs in the CFAD/PAO system (Forest Concessions under Sustainable Management (CFAD) and Operational Action Plan) are GPS-marked. However, some millers question the feasibility of tracing each board back to specific logs through GPS codes especially given the ministry’s limited capacity for field verification.

Industry syndicates such as UFIGA (Union des Forestiers et Industriels du Gabon), UFIAQ (Chinese Association) and local Gabonese trade groups are protesting the policy warning of potential risks from arbitrary enforcement.

Government takes full control of Société Nationale des Bois du Gabon

The government of Gabon has assumed full control of Société Nationale des Bois du Gabon taking over from the Gabon Special Economic Zone which was jointly managed by Dubai-based Arise IIP and the Gabonese government.

Brice Oligui Nguema, Transitional President of Gabon stated the takeover demonstrates Gabon’s determination to protect and sustainably manage its forest resources.

Marc Ona Essangui, Head of the non-governmental organisation Brainforest and Vice-President of Gabon’s Senate, stressed the importance of enhancing oversight mechanisms within the timber sector. Essangui called for the establishment of logging traceability systems, robust monitoring framework and a forest code aligned with international standards to ensure the sustainable exploitation of Gabon’s forest resources.

See: <https://commonwealthchamber.com/gabons-junta-gets-direct-access-to-620-million-timber-industry/>

Adapting to regulation enforcement

Winter in Europe dampens export prospects but demand in the Middle East and in the Philippines for construction and furniture species provides some stability. Vietnam’s consistent appetite for Tali and Padouk continues, while demand in China remains subdued.

Operators say effective regulatory adaptation, especially in Cameroon and Gabon, will be crucial for maintaining market access and ensuring legal and traceable timber supply.

Log export prices

West African logs	FOB Euro per cu.m		
	Asian market	LM	B BC/C
Acajou/ Khaya/N" Gollon	220	220	175
Ayous/Obeche/Wawa	220	220	200
Azobe & ekki	250	250	175
Belli	220	220	-
Bibolo/Dibétou	200	200	-
Bilinga	250	250	-
Iroko	270	250	225
Okoume (60% CI, 40% CE, 20% CS) (China only)	180	180	220
Moabi	260	260	220
Movingui	180	180	-
Niove	160	160	-
Okan	210	210	-
Padouk	300	270	-
Sapele	230	230	220
Sipo/Utile	250	250	200
Tali	260	260	-

Sawnwood export prices

West African sawnwood	FOB Euro per cu.m
Ayous FAS GMS	440
Bilinga FAS GMS	680
Okoumé FAS GMS	420
Merchantable KD	380
Std/Btr GMS	370
Sipo FAS GMS	520
FAS fixed sizes	-
FAS scantlings	540
Padouk FAS GMS	800
FAS scantlings	875
Strips	400
Sapele FAS Spanish sizes	530
FAS scantlings	550
Iroko FAS GMS	800
Scantlings	840
Strips	400
Khaya FAS GMS	420
FAS fixed	440
Moabi FAS GMS	550
Scantlings	550
Movingui FAS GMS	460
Okoume Merch	380
Assamela FAS GMS	1,400
Gheombi	450

Through the eyes of industry

The latest GTI report lists the challenges identified by the private sector in the Republic of Congo and Gabon.

See, <https://www.itto-ggsc.org/static/upload/file/20241217/1734418549204401.pdf>

Ghana

Business community assured of government support

Ghana's President, John Dramani Mahama, has reassured the business community of his government's support. He said he would prioritise stability, predictability and an investor-friendly environment for businesses in order to drive economic growth.

In his inaugural address the President emphasised his administration's commitment to revitalising the economy through reforms and policies designed to attract both local and foreign investments.

President Mahama called on business leaders and entrepreneurs to bring their investments to Ghana to support the new economic model soon to be rolled out to reshape the business environment to foster growth and prosperity and to position the country as a key player in the global economy. He pledged to look at the current tax system and rationalise it to make it more transparent and fairer.

The Association of Ghana Industries (AGI) has described Ghana's tax system as unfair and counterproductive, particularly to the growth of local businesses. Chief Executive Officer of the Association, Seth Twum-Akwaboah, said Ghana's current tax regime is a disincentive to the private sector, a situation contributing to low revenue generation for the State.

In a related development, an Associate Professor of Finance at Andrews University, Michigan, USA, Professor Williams Peprah, has suggested a property tax regime that could significantly boost the country's tax revenue-to-Gross Domestic Produce ratio.

See: <https://citinewsroom.com/2025/01/ghana-is-open-for-business-again-mahama-tells-business-community/> and <https://www.myjoyonline.com/rationalize-ghanas-tax-system-agi-tells-government/>

Three top markets: Asia, EU and Africa

Three of Ghana's wood export markets accounted for 86% of total receipts in the third quarter 2024. Ghana earned a total of Eur93.05 million from the export of 208,102 cu.m of wood products during the period January to September 2024.

This value represented a 9.4% decline when compared to Eur102,738 million recorded from 226,016 cu.m for the same period in 2023 according to Timber Industry Development Division (TIDD) data sources.

Of the country's six market destinations for wood products, Asia (57%), Europe (21%) and Africa (8%) alone accounted for most of the total export receipt for first nine months in 2024.

Ghana wood product exports

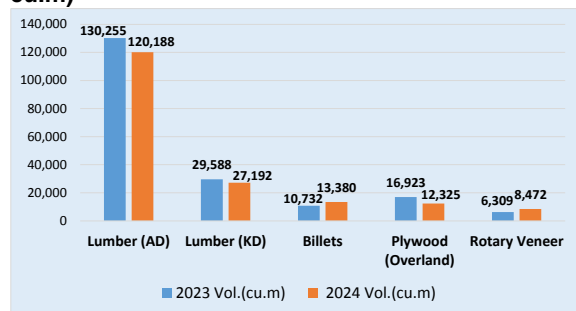
	2023 Jan-Sep Euro mil.	2024 Jan-Sep Euro mil.
Asia	55.3	52.59
Europe	23.65	19.76
Africa	10.44	7.57
America	7.87	8.35
Middle East	5.4	4.74
Oceania	0.07	0.04
Total	102.73	93.05

Data source: TIDD

However, export volumes to America, the Middle East and Oceania markets accounted for less than 15% of the total export revenue in both 2023 and 2024.

The leading wood products exported included air and kiln-dried sawnwood, rotary veneer, billets and plywood (Overland) which together contributed 181,557cu.m (Eur77.45million) and 193,807cu.m (Eur84.06million) in 2024 and 2023 respectively.

Leading wood products exports (Jan-Sep 2023/24, cu.m)



Data source: TIDD

Billets and plywood exports to regional markets recorded higher volumes in 2024 as against that of 2023. However, the performance of sawnwood and plywood in 2024 fell 11% when compared to the corresponding volumes in 2023.

For the African markets the major destinations included Egypt, Morocco and South Africa with the ECOWAS sub-region importing Eur5.25 million from 13,886 cu.m of total African wood products exported from Ghana from between January and September 2024.

Final review of Forest Landscape Restoration Strategy

The Forest Services Division (FSD) of the Forestry Commission (FC) held a consultative and validation workshop with members of the Parliamentary Committees on Environment, Science and Technology, Lands and Forestry and the Ghana Timber Millers Organisation (GTMO).

The stakeholder consultation was to finalise the review of the 'Ghana Forest Landscape Restoration Strategy' (GFLRS). A similar meeting held earlier at the Forestry Commission Training Centre (FCTC) was attended by other stakeholder groups.

The consultation review focused on aligning the GFLRS with Sustainable Development Goals (SDGs) related to climate action, forest restoration and plantation development. The GFLRS is a 25-year strategic plan launched in 2016 to be reviewed every five years.

In his opening address, the Chief Executive of the FC, John Allotey, declared that since the launch of the Strategy close to a decade ago a lot has changed in the global forest landscape in relation to climate change, illegal mining, wildfires, agricultural impact and expectations from international communities. He therefore urged participants to be fully committed in their deliberations and contribute to producing a working document that represented the aspirations and interests of the country.

In his closing remarks Mr. Allotey assured participants all relevant suggestions made would be duly incorporated into the final document.

See: <https://fcghana.org/fc-engages-stakeholders-on-revised-forest-landscape-restoration-strategy/>

Ministerial appointments

President Mahama has nominated Dr. Cassiel Ato Forson as Finance Minister designate. The President has also named John Abdulai Jinapor and Dominic Akuritinga Ayine as Ministers designate for Energy and Attorney-General respectively according to a statement issued by the Acting Spokesperson to the President, Felix Kwakye Ofofu.

Dr. Forson is a lawmaker in parliament, he is an economist with deep insights particularly on the economy of Ghana, a Chartered Accountant and a Tax Practitioner with over 20 years' experience in the public and private sectors.

According to Deloitte's "A Sneak Preview of 2025: What Lies Ahead?" report, Ghana's economy is on track to regain macroeconomic stability by 2025. The audit and advisory firm attributed this outlook to the government's fiscal consolidation measures and debt restructuring efforts, which are beginning to yield results.

The Bank of Ghana Governor, Dr. Ernest Addison, has also maintained that the Ghana cedi's stability in 2025 will largely depend on the economy and some monetary policy measures under implementation by the Central Bank.

See: <https://www.cnbcafrica.com/2025/ghanas-president-names-cassiel-ato-forson-as-finance-minister/>

Boule export prices

	Euro per cu.m
Black Ofram	330
Black Ofram Kiln dry	420
Niangon	850
Niangon Kiln dry	910

Rotary veneer export prices

Rotary Veneer, FOB	Euro per cu.m	
	CORE (1-1.9 mm)	FACE (>2mm)
Ceiba	363	410
Chenchen	472	612
Ogea	366	590
Essa	649	711
Ofram	350	435

Export sawnwood prices

Ghana sawnwood, FOB	Euro per cu.m	
	Air-dried	Kiln-dried
FAS 25-100mmx150mm up x 2.4m up	860	925
Afromosia	465	947
Asanfina	290	320
Ceiba	477	578
Dahoma	640	741
Edinam (mixed redwood)	700	750
Emeri	783	904
African mahogany (Ivorenensis)	692	840
Makore	833	860
Niangon	1,080	1,110
Odum	656	860
Sapele	445	476
Wawa 1C & Select		

Plywood export prices

Plywood, FOB BB/CC	Euro per cu.m		
	Ceiba	Ofram	Asanfina
4mm	629	580	641
6mm	414	535	604
9mm	433	504	560
12mm	352	489	480
15mm	396	385	430
18mm	460	415	383

Grade AB/BB would attract a premium of 10%, B/BB 5%, C/CC 5% and CC/CC 10%.

Sliced veneer export prices

Sliced face veneer	FOB
	Euro per cu.m
Asanfina	1,254
Avodire	2,582
Chenchen	840
Mahogany	1,438
Makore	2,921
Odum	2,500
Sapele	1,527

Through the eyes of industry

The latest GTI report lists the challenges identified by the private sector in Ghana.

See, <https://www.itto-gpsc.org/static/upload/file/20241217/1734418549204401.pdf>

Malaysia

Economy to remain resilient in 2025

Malaysia's growth is set to reach around 5% in 2025 as foreign direct investments and support from local funds shield the economy from global risk according to the Minister of Finance II, Amir Hamzah Azizan.

An executive of the Federation of Malaysian Manufacturers (FMM) has said Malaysia's economy is poised for steady growth this year driven by strong domestic demand, robust investment activities and growth in exports and tourism despite potential global uncertainties.

FMM President, Soh Thian Lai, noted that in the second and third quarters of 2024 Malaysia's gross domestic product grew at 5.9% and 5.3%, respectively. The nation's GDP growth is forecast to be between 4.5% and 5% this year.

He added "inflation is forecast to rise to 3% in 2025 influenced by domestic factors such as an increase in the minimum wage, changes in the Employees Provident Fund contributions for foreign workers, the extension of the sales and service tax and subsidy rationalisation efforts."

EUDR trial run

In a statement on its website the MTIB provides an update on preparations for the EUDR. The MTIB says the Malaysian timber legality assurance system (MTLAS), implemented in 2013, is a system to verify the legality of timber commodities in Peninsular Malaysia.

MyTLAS aims to assist exporters in fulfilling the due diligence requirements, which involve all companies in the timber product supply chain, including exporters, suppliers, traders, processors and exporters.

The European Union has announced implementation of the European Union Deforestation-free Regulation (EUDR) will come into force in December 2025. To ensure the efficient implementation of MyTLAS-EUDR, MTIB conducted a trial run. As part of the additional documentation requirements for the declaration of MyTLAS-EUDR certificate details, exporters are required to submit the following additional information:

- Timber harvesting license information
- Transport permit information
- The scientific name of the timber species
- Certification documents such as PEFC/MTCS/COC or others

Due diligence and risk reduction assessments for exporters, importers, suppliers and traders in the timber commodities sector will be carried out in phases in 2025. Implementing the new policy for MyTLAS certificates is expected to begin on June 1, 2025.

See:

<https://www.mtib.gov.my/index.php/en/announcement/pemakluman-pelaksanaan-mytlas-%E2%80%93-eudr-trial-run>

Forestry professionals with technical and practical knowledge

The vision of the Sabah Forestry Department (SFD) is towards realisation of Sustainable Forest Management (SFM) issues essential for preserving biodiversity, regulating the climate and supporting the socio-economic well-being of communities.

The Chief Conservator of Forests, Frederick Kugan, emphasises that SFD is committed in protecting a minimum 50% of the State's land for sustainable forest use, prioritising the need for a highly skilled workforce to manage these resources.

The Sabah Forestry Institute (Institut Perhutanan Sabah) (IPS) plays a vital role in achieving this goal by producing forestry experts equipped with technical and practical knowledge, aligning with Sabah Forest Policy 2018 and the Sabah Maju Jaya Development Plan. To date, IPS has trained 322 Forest Rangers and 1,324 Forest Guards, while awarding over 5,722 certificates for short courses.

See:

<http://theborneopost.pressreader.com/article/281625310912957>

Sarawak forestry roadmap 2025

The Sarawak Forest Department (SFD) has drawn up a 2025 strategic roadmap with four key pillars. SFD Director, Hamden Mohammad, said this initiative aims to align Department actions with evolving challenges and opportunities.

The roadmap says the Department will assist in diversifying Sarawak's economy by exploring forest carbon initiatives as a new revenue source, enhancing both the State's economy and sustainability commitments. Secondly, digital transformation will continue to improve operational efficiency and sustainable forest management.

Hamden added the Department has pledged to plant 50 million trees by 2025 ensuring the preservation of Sarawak's forest ecosystems for future generations. Social equity will also remain a focus by the Department through community development programmes, including social forestry and non-timber forest products, benefitting local communities directly.

See: <https://www.theborneopost.com/2024/12/18/forest-department-sarawak-draws-up-four-key-pillars-for-2025-strategic-roadmap/>

Timber certification

Malaysian Timber Certification Council confirmed there are 6.47 million hectares of MTCS – PEFC Certified Forests in Malaysia as of November 2024. These forests comprise 30 Certified Natural Forest (FMUs) and nine Certified Forest Plantations (FPMUs). There are 370 companies holding MTCS – PEFC Certified Chain of Custody (as at October 2024).

See: <https://www.freemalaysiatoday.com/category/nation/2025/01/09/malaysias-growth-set-to-surpass-5-this-year-says-minister/>

Mangrove restoration

Efforts to plant and replenish mangrove forests have attracted corporate and non-governmental organisations. However, some question how successful and how significant scattered actions contribute to the reforestation of mangroves in the country and there have been calls for a roadmap for mangrove restoration.

It has been proposed that such a roadmap could include information on potentially restorable coupled with suggestions of interventions by government agencies, non-governmental organisations, local communities and public and private organisations.

See: <https://www.nst.com.my/opinion/columnists/2024/12/1152582/coordinate-mangrove-conservation>

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See, <https://www.itto-ggsc.org/static/upload/file/20241217/1734418549204401.pdf>

Indonesia

Export Benchmark Price (HPE) of Wood for January 2025

Veneers (prices per cu.m)

Natural forest veneer	US\$717
Plantation forest veneer	US\$690
Wooden Sheet for Packaging Box	US\$833

Wood chips (prices per tonne)

Woodchips chips or particles	US\$88
Woodchips	US\$75

Processed wood (prices per cu.m)

Processed wood products which are leveled on all four sides so that the surface becomes even and smooth with the provisions of a cross-sectional area of 1,000 sq.mm to 4,000 sq.mm (ex 4407.11.00 to ex 4407.99.90)

Meranti (Shorea sp)	US\$1,227
Merbau (Intsia sp)	US\$1,400
Rimba Campuran	US\$910
Ebony	US\$2,817
Teak	US\$2,795
Pinus and Gmelina	US\$632
Acacia	US\$639
Sengon (P. falcataria)	US\$627
Rubberwood	US\$325
Balsa, Eucalyptus	US\$1,294
Sungkai (P.canescens)	US\$1,400

Processed wood products which are leveled on all four sides so that the surface becomes even and smooth of Merbau wood with the provisions of a cross-sectional area of 4,000 sq.mm to 10,000 sq.mm (ex 4407.11.00 to ex 4407.99.90), US\$1,500/cu.m

See: <https://jdih.kemendag.go.id/peraturan/keputusan-menteri-perdagangan-nomor-1684-tahun-2024-tentang-harga-patokan-ekspor-dan-harga-referensi-atas-produk-pertanian-dan-kehutanan-yang-dikenakan-bea-keluar>

Launch of SVLK Plus

The Ministry of Forestry has launched the Legality and Sustainability Verification System (SVLK) Plus which has added traceability features. The SVLK Plus ensures that every exported wood product can be traced to its origin thus improving verification of legality and ensuring the sustainability of forest management. Forestry Minister, Raja Juli Antoni, said "With SVLK Plus we ensure that every exported forest product has verifiable origin of the raw materials." The Director of Forest Product Processing and Marketing Development, Ristianto Pribadi, explained that SVLK Plus emphasises traceability features with geolocation.

See: <https://validnews.id/nasional/kemenhut-perkuat-pasar-kayu-ber-svlk-di-dalam-negeri>

Boosting domestic wood product consumption

The Ministry of Forestry will strengthen domestic marketing along side promotion in the global market to boost sales of wood products certified by the Legality and Sustainability Verification System (SVLK) Plus.

Director General of Sustainable Forest Management at the Ministry of Forestry, Dida Migfar Rida, emphasised the importance of securing the domestic wood product market and targeting the export market.

Director of Forest Product Processing and Marketing Development of the Ministry of Forestry, Ristianto Pribadi, revealed that to strengthen the domestic market SiHutanku.id has been launched, an information system that compiles all information systems on sustainable forest management.

On the SiHutanku.id site there is a market place service for SVLK-certified wood products. In addition, an E-Catalog for the forestry sector is also available making it easier for businesses, the forest industry and MSMEs to access the market for government procurement of goods.

See: <https://forestinsights.id/genjot-penjualan-produk-kayu-kemenhut-perkuat-pemasaran-di-dalam-negeri/>

Furniture producers optimistic for 2025 despite challenges

Domestic furniture and craft manufacturers are relying on exports to sustain growth in 2025 as the domestic market is expected to remain bleak due to declining purchasing power.

Chairman of the Indonesian Furniture and Craft Industry Association (Asmindo), Dedy Rochimat, acknowledged that the furniture industry sees positive prospects in 2025 driven by export demand.

Dedy explained that the optimistic outlook is also influenced by the trend in Indonesia's furniture export performance which reached US\$1.61 billion as of the third quarter of 2024. This marks an increase of 3.3% compared to the same period the previous year. He added, Asmindo will continue to participate in events such as the International Furniture and Craft Fair Indonesia (IFFINA) to promote Indonesian furniture products in the global market.

Asmindo faces challenges in the domestic market particularly due to a decline in the middle class and a general weakening of purchasing power among consumers. This situation has led to sluggish demand for furniture and handicrafts.

Additionally, challenges arise from potential employment-related pressures due to minimum wage increases. The furniture industry is a labour intensive sector that employed more than 962,000 workers in 2023 and includes small, medium and large enterprises.

Asmindo has proposed the government provide incentives to enhance industrial competitiveness, including export incentives, strengthened raw materials sector, improved supply chain and advanced manufacturing technology.

See: <https://www.msn.com/id-id/ekonomi/ekonomi/pengusaha-furnitur-optimistis-soal-kinerja-ekspor-2025-saat-daya-beli-domestik-kian-suram/ar-AA1wwNls?ocid=BingNewsVerp>

Indonesia plans massive reforestation targeting 6.5 million hectares

The Indonesian Government is planning a massive reforestation programme in across Indonesia mainly targeting 6.5 million hectares of land within forest areas, according to Presidential Special Envoy for Energy and Environment, Hashim Djojohadikusumo.

The Minister of Forestry, Raja Juli Antoni, will lead reforestation in degraded forest areas and confirmed that reforestation will be conducted on the targeted 6.5 million hectares. The reforestation process will be conducted through an intercropping system, including planting several crops plants that can benefit the surrounding community.

See: <https://en.antaranews.com/news/337564/indonesia-plans-massive-reforestation-targeting-65-million-ha-of-land>

In related news, the Ministry is preparing forest areas for bioethanol development in support of President Prabowo Subianto's goal to improve people's welfare and promote food and energy self-sufficiency.

The President has promised to allocate two million hectares for bioethanol production as part of his efforts to achieve energy security. The Minister said "it is now our responsibility to prepare these forest areas, particularly for bioethanol derived from *Arenga pinnata* (sugar palm/ areng palm)."

He added, this initiative is significant because palm offers immense potential for the energy sector. The sap from palm trees can be fermented into bioethanol, a renewable energy source.

See: <https://www.viva.co.id/english/1781572-minister-antoni-indonesia-prepares-forests-for-bioethanol?page=2>

Indonesia and Norway launch RBC-4 to reduce emissions from deforestation

The Indonesian and Norwegian governments have launched the fourth phase of contribution-based funding (RBC-4) to advance efforts to reduce emissions from deforestation and forest degradation (REDD+).

The launch of RBC-4 was made by the President's Special Envoy for Climate Change and Energy, Hashim Djojohadikusumo, Environment Minister, Hanif Faisol Nurofiq, Forestry Minister, Raja Juli Antoni, and Norwegian Ambassador to Indonesia and Timor-Leste Rut Kruger Giverin.

Environment Minister, Hanif Faisol Nurofiq, explained that RBC-4 includes funding of US\$60 million for Indonesia for the achievement of reducing greenhouse gas emissions in the 2019-2020 period.

See: <https://en.antaranews.com/news/337927/indonesia-norway-launch-rbc-4-to-reduce-emissions-from-deforestation>

Carbon market potential yet to be secured

Bambang Soesatyo, Chairman of the Board of Trustees of the Indonesia Digital Carbon Association (IDCTA), said that Indonesia has substantial potential in managing carbon emissions and can play a crucial role in the global carbon market. However, according to data from the Financial Services Authority (OJK), carbon trading in the country reached only Rp29.21 billion (US\$1.82 million) as of September 2023 with a volume of 460,000 tonnes of CO2 equivalent.

He added, "Indonesia aims to reduce greenhouse gas emissions by 31.89% without international assistance and 43.2% with international support by 2030.

See: <https://jakartaglobe.id/news/indonesias-carbon-trading-market-shows-potential-but-falls-short-of-full-value>

Developing non-timber products in mangrove areas

The Ministry of Forestry is actively promoting community-managed businesses to utilise Non-Timber Forest Products (NTFPs) found in the mangrove ecosystem which includes 385.000 hectares designated under the Social Forestry Programme.

Catur Endah Prasetyani, the Director of Social Forestry Business Development at the Ministry of Forestry, stated during a national dialogue held by CIFOR, approximately 385,064 hectares of mangrove areas are managed by 375 Social Forestry Groups (KPS).

She stated that the KPS, which operates near the mangrove ecosystem, plays a vital role in protecting the area. In addition to its ecological functions, such as acting as a wave breaker and absorbing greenhouse gas emissions, this ecosystem can also provide economic benefits without the need to cut down or clear any land.

KPS primarily utilises mangrove the ecosystems for ecotourism and silvo-fishery activities that support the community's economy without harming the mangrove forest.

See: https://www.antaranews.com/berita/4532938/kemenhut-terus-kembangkan-hasil-hutan-bukan-kayu-di-kawasan-mangrove?utm_source=antaranews&utm_medium=desktop&utm_campaign=popular_right

Credit plan for labour intensive industries

Chief Economic Affairs Minister, Airlangga Hartarto, announced a series of programmes and incentives aimed at sustaining economic growth, including a Rp20 trillion (US\$1.3 billion) credit facility for labour intensive industries.

Industries eligible for the credit programme include textiles, garments, footwear, furniture, food and beverages and children’s toys. Companies must employ a minimum of 50 workers to qualify for the programme.

The government has also introduced an economic package for labour intensive sectors offering microloans ranging from Rp500 million to Rp10 billion.

See: <https://jakartaglobe.id/business/government-unveils-13-billion-credit-plan-for-laborintensive-industries>

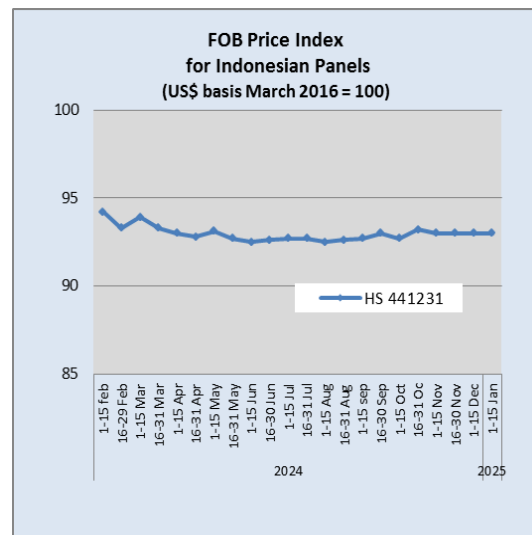
Government-university synergy for forest protection

The Ministry of Forestry was recently visited by representatives from the Forestry Faculty of the Agriculture Institute of Bogor (IPB) to explore opportunities for cooperation in environmental and forestry preservation.

Forestry Minister Raja Juli Antoni stated "Good public policies are essential so it is crucial for the government to forge cooperation with various parties, including universities.

According to the ministry's statement the meeting addressed various potential areas for cooperation such as adopting a smart forestry approach to monitor forest fire risks and developing systems supportive of food security and environmental protection. The Forestry Ministry and IPB also assessed the possibility of cooperating in the management of Forest Area with Special Purpose and the conservation of biodiversity.

See: <https://en.antaranews.com/news/340442/indonesia-seeks-government-university-synergy-for-forest-protection>



Data source: License Information Unit. <http://silk.dephut.go.id/>

New Landscape for the natural resources trade

The ITTO correspondent writes: the landscape of the natural resources trade has been reshaped in recent years, shifting focus from timber to rare earth elements. Timber had consistently been among Myanmar's top five export commodities since 1990. Between 2012 and 2014, timber export figures peaked at approximately US\$700 million annually just before the log export ban was enforced at the end of March 2014.

Since then, export figures have gradually declined, dropping below US\$100 million for the first time in 2024. Historically, Myanmar's forestry sector has benefited from effective forest management practices guided by skilled forestry professionals.

The primary factor behind this decline is growing market denial from key markets driven by concerns over the legality of products and economic sanctions imposed following the 2021 military takeover.

If market access continues to be denied alternative markets will become a priority. However, this approach faces significant obstacles, including restrictions on banking services with Myanmar, which are under scrutiny by the Office of Foreign Assets Control (OFAC).

In 2019–20 just before the State Administration Council took the power, approximately 35–40 companies purchased around 15,000 tons of logs from the Myanma Timber Enterprise. The government kept the logging pause from 2021 to 2023 and by 2024–25 the annual harvested quantity has fallen to around 5,000–6,000 tons.

Last month, a workshop focusing on the development of private forests, sustainable timber production, plantations and wood-based industries was held at the Forest Department in Nay Pyi Taw. Observations suggest that prioritising alternative markets would be more pragmatic than reactive advocacy efforts aimed at regaining access to traditional markets.

The future of Myanmar's timber and forestry sector largely hinges on political stability, international relations and the country's ability to control illegal logging.

If Myanmar can establish more stringent enforcement mechanisms and build stronger ties with countries open to trade its forestry sector may continue to function, albeit within a more limited market. However, without substantial regulatory reform and investment in sustainable practices the sector risks further degradation which could threaten long-term viability and global market acceptance.

Myanmar's timber trade and forestry sectors are at a crossroads, contending with international sanctions, shifting markets, and domestic challenges.

Looking ahead, strengthening domestic regulations, promoting local value-added processing and seeking alternative forms of certification may offer pathways to sustain the industry while addressing conservation and sustainability goals. However, significant political and economic challenges remain that must be addressed for meaningful progress.

Source: Personal comments by the ITTO correspondent

World Bank: Myanmar faces overlapping crises

Myanmar's development trajectory has reversed sharply due to overlapping crises. The 2021 military takeover disrupted a decade of economic growth and reforms leading to widespread conflict and displacement.

The UN estimates 18.6 million people, including six million children need humanitarian aid with recent cyclones exacerbating the crisis. Economic growth remains stagnant, projected at just 1% for 2025. Inflation, unemployment and poverty are rising, while disruptions in trade, manufacturing and public services have hit households hard.

Food security is worsening, with 42% of farming households fearing food shortages. Public spending on health and education has halved since 2020, limiting human capital development. Skilled worker migration and declining foreign investment further constrain long-term prospects, signaling a prolonged recovery ahead for Myanmar.

See: <https://www.worldbank.org/en/country/myanmar/overview>)

Electricity power cut extended

The domestic media in Myanmar has reported the country is grappling with worsening power outages. Admiral, Tin Aung San, blamed the crisis on multiple factors including "terrorist" destruction of the national grid, declining natural gas production, delayed maintenance and natural disasters. He announced that major cities are now divided into blocks receiving limited electricity on a rotating schedule due to supply shortages.

Yangon households are grouped into three blocks receiving eight hours of electricity daily, while Mandalay Region residents receive just six hours. Even the residents of Capital experienced a power cut for the first time at the beginning of 2025.

See: https://www.irrawaddy.com/news/burma/worsening-power-cuts-plunge-myanmars-cities-into-darkness.html#google_vignette

Modest inflation in November

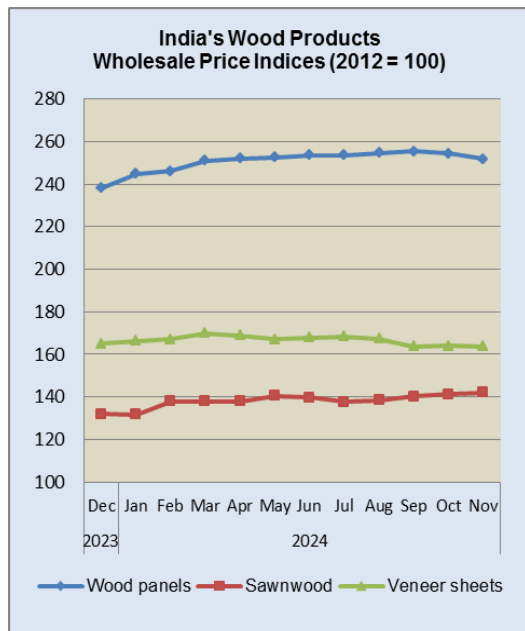
The annual rate of inflation based on the India Wholesale Price Index (WPI) was 1.89% in November 2024. The positive rate of inflation in November 2024 was primarily due to increases in prices of food products, other manufacturing, textiles and machinery and equipment,

Out of the 22 NIC two-digit groups for manufactured products in November, 10 saw an increase in prices, 10 groups saw a decrease in prices and 2 groups witnessed no change. Some of the important groups that showed month on month price increases were manufacture of food products; furniture; non-metallic mineral products; pharmaceuticals, medicinal chemical and botanical products and electrical equipment.

Some of the groups that witnessed a decrease in prices compared to October 2024 were basic metals, rubber and plastics products, chemicals and chemical products, computer, electronic and optical products, motor vehicles and trailers and semi-trailers.

The WPI for woodbased panels declined in November but the index for sawnwood rose. The price index for veneer sheets in November was at around the same level as in October.

See: https://eaindustry.nic.in/pdf_files/cmonthly.pdf



Data source: Ministry of Commerce and Industry, India

Roll-out dates for new Standards

The deadline for implementation of the new Standards has been confirmed. The implementation dates for the timber sector are understood as follows:

Date: 14 January 2025

IS 3513 Resin Treated Compressed Wood

Date: 11 February 2025

IS 1659 Block Board
 IS 12823 Prelam Particleboard
 IS 3087 Particleboard
 IS 124406 MDF
 IS 3097 Veneered Particleboard

Date: 28 February 2025

IS 303 Plywood
 IS 20202 Flush Doors
 IS 710 Marine ply
 IS 5509 Fire Retardant ply
 IS 1328 Decorative ply
 IS 4990 Shuttering ply

It is understood the authorities in India are not in favour of any further extension which has caused panic in some sectors and many industrialists have approached the government. The domestic plywood, MDF and particleboard manufacturers have, through their federations, conveyed that they are okay with the new standards and implementation, the date of should not be further extended.

In contrast, some major furniture manufacturers in India and some raw material suppliers for the furniture industry have approached the government through their associations and have explained the likely negative impact of the implementation and that it should be postponed.

It is understood that as of 10 January 2025 no foreign wood panel manufacturer has been issued with a BIS License. Countries such as Thailand and Indonesia have raised their concerns at the WTO citing non-transparency issues. The Indian government has said that bilateral meetings with Thai and Indonesian officials will be conducted to resolve this issue.

In addition to the list of wood based panels covered by the new Standard there are several specialty board products categorised as plywood category that are very difficult to manufacture in India so are imported but it is not yet clear how these imports will be handled under the BIS/QCO.

The correspondent writes “another important thing is that still, out of roughly 2400 plywood factories in India, only about 800/1,000 factories have a QCO license. The big question is what happens to rest?” He continues “there will be a meeting in New Delhi in mid-January with all stakeholders and any developments will be reported at the end of January.

Forest and tree cover increase

The Minister for Environment, Forest and Climate Change, Shri Bhupender Yadav, recently released the 'India, State of Forest Report 2023 (ISFR 2023). The ISFR has been published by the Forest Survey of India (FSI) on a biennial basis since 1987. The report says India's total forest and tree cover has increased by 1,445 sq km since 2021, reaching 25.17 per cent of the total geographical area in 2023, according to the latest government data.

The India State of Forest Report (ISFR) 2023, released recently also said that India has achieved an additional carbon sink of 2.29 billion tonnes compared to 2005 levels.

As part of its climate plans and Nationally Determined Contributions (NDCs) to meet the Paris Agreement goals, the country has committed to creating an additional carbon sink of 2.5 to 3 billion tonnes through additional forest and tree cover by 2030.

See: <https://pib.gov.in/PressReleasePage.aspx?PRID=2086742>

Cost C&F Indian ports in US dollars, Hoppus measure

Teak log prices, C&F US\$/Hoppus cu.m

	Hoppus cu.m	US\$ C&F
Brazil	123	483
Colombia	92	430
Costa Rica	218	330
Nigeria	-	-
Benin	-	-
Tanzania	117	470
Laos	-	-
South Sudan	186	685
Guatemala	166	345
Venezuela	-	-

Teak sawnwood prices, C&F US\$/cu.m

	cu.m	US\$ C&F
Benin	189	710
Brazil	90	650
Colombia	-	-
Costa Rica	170	510
Ecuador	-	-
Ghana	149	420
Ivory Coast	138	845
Nigeria	47	415
South Sudan	143	645
Tanzania	-	-
Togo	226	495
Panama	241	485

Locally milled sawnwood prices

Sawnwood Ex-mill	Rs per cu.ft.
Merbau	4,350 - 4,750
Balau	2,950 - 3,250
Resak	-
Kapur	-
Kempas	1,650 - 1,950
Red meranti	1,750 - 2,000
Radiata pine	1,000 - 1,200
Whitewood	950 - 1,150

Price range depends mainly on lengths and cross-section

Sawn hardwood prices

Sawnwood (Ex-warehouse) (KD 12%)	Rs per cu.ft.
Beech	1,900 - 2,200
Sycamore	2,300 - 2,700
Red Oak	2,900 - 3,300
White Oak	3,300 - 3,700
American Walnut	5,300 - 5,900
Hemlock STD grade	1,900 - 2,200
Western Red Cedar	3,000 - 3,350
Douglas Fir	2,400 - 2,600

Price range depends mainly on lengths and cross-section

Domestic ex-warehouse prices for locally manufactured WBP plywood

Plywood Ex-warehouse	Rs. per sq.ft
4mm	84
6mm	97
9mm	115
12mm	137
15mm	178
18mm	195

Domestic ex-warehouse prices for locally manufactured MR plywood

Plywood Ex-warehouse	Rs. per sq.ft
4mm	57
6mm	73
9mm	84
12mm	99
15mm	134
19mm	143
5mm Flexible ply	89

Vietnam

Wood and wood product (W&WP) trade highlights

According to Vietnam Customs, December 2024 exports of W&WP reached US\$1.55 billion, up 6% compared to November 2024 and up 16% compared to December 2023. WP exports alone, fetched US\$1.1 billion, up 7.5% compared to November 2024 and up 15.5% compared to December 2023. In 2024, W&WP exports amounted to US\$16.25 billion, up 21% compared to 2023 of which WP exports accounted for US\$11.2 billion, up 22% compared to 2023.

Vietnam’s imports of wood raw material in November 2024 was 469,800 cu.m, worth US\$149.9 million, down 8% in volume and down 5% in value compared to October 2024. Compared to November 2023 imports increased by 12% in volume and 8% in value. In the first 11 months of 2024 imports of wood raw material reached 5.08 million cu.m, worth US\$1.64 billion, up 25% in volume and 19% in value over the same period in 2023.

Vietnam’s NTFP exports in November 2024 continued to increase reaching US\$67.50 million, up 11% compared to October 2024 and up 3% over the same period in 2023.

The W&WP exports to Australia in November 2024 earned US\$11.8 million, down 0.1% compared to November 2023. In the first 11 months of 2024 W&WP exports to the Australian market totalled US\$146.2 million, up 11% over the same period in 2023.

Office furniture exports in November 2024 earned US\$35 million, up 47% compared to November 2023. In the first 11 months of 2024 exports of office furniture reached US\$289 million, up 18% over the same period in 2023.

In November 2024, W&WP imports to Vietnam stood at US\$231 million, down 2% compared to October 2024, but up 14% compared to November 2023. In the first 11 months of 2024 W&WP import values totalled at US\$2.5 billion, up 26% over the same period in 2023.

Vietnam's poplar imports in November 2024 were estimated at 30,600 cu.m worth US\$12.2 million, up 1% in volume and 2% in value compared to October 2024. Compared to November 2023, imports increased by 2% in volume and 7% in value. In the first 11 months of 2024 Vietnam spent US\$137.5 million on importing 348,700 cu.m, up 19% in volume and 14% in value over the same period in 2023.

Imports of wood raw material from the US in November 2024 decreased slightly to 57,000 cu.m with a value of US\$26 million, down 3% in volume and down 1% in value compared to October 2024, However, imports increased by 16% in volume and 22% in value over the same period in 2023. In the first 11 months of 2024 imports of wood raw material from the US reached 632,134 cu.m, with a value of US\$275.4 million, up 32% in volume and 33% in value over the same period in 2023.

Record exports of wood and non-timber forest products (NTFP)

According to Vietnam’s Forestry Department, in 2024 W&WP and NTFP exports has reached a historic high of US\$17.3 billion. Among this total, W&WP exports accounted for approximately US\$16.3 billion while the remaining portion was non-timber forest products. The 2024 trade surplus from forest product exports is projected to be around US\$14.4 billion.

This record-breaking export performance represents a 19% increase compared to 2023 and surpasses the previous record set in 2022 by more than 2%. In 2022, the total export value of forest products reached US\$16.9 billion, with US\$15.8 billion attributed to W&WP and the remaining US\$1.1 billion from NTFP.

Most W&WP categories recorded positive growth rates in 2024. Leading exports for the year was the wooden frame seat category. By the end of November 2024 this product earned US\$3.1 billion, a 24% increase compared to the same period in 2023.

Following this were living room and dining room furniture, woodchips, bedroom furniture, wood-based panels, floorings and kitchen furniture. All of these product groups surpassed US\$1 billion each in exports.

The United States continues to be the largest export market for Vietnam’s W&WP exports accounting for over 55% of the total exports. According to Vietnam’s Forestry Department W&WP exports to the US market have experienced positive growth driven by increasing demand and decreasing inventory levels in 2024.

Moreover, the shift in global supply chains, particularly due to the US trade protection measures against Chinese goods has opened up significant opportunities for Vietnam’s wood products.

Other key markets such as China, Japan, South Korea and EU remain crucial for Vietnam's W&WP exports. These markets, not only have high demand for wood products, but also require goods that adhere to strict standards regarding quality, design and sustainability.

Following the US was China, with exports reaching US\$1.9 billion, a 21% increase; Japan, with US\$1.6 billion, up by 3%; South Korea, with US\$722.4 million, up by 0.6%; and the EU, with US\$503 million marking a 27% growth.

At the end of 2024 W&WP exports continued to show strong growth. In the week from December 10 to December 17 exports reached over US\$390 million, reflecting a 5% increase compared to the previous week. Among this exports of wooden furniture alone reached US\$250 million marking an increase of over 2% compared to the previous week.

Wooden furniture exports in this period were directed to several key markets. The US remained the leading market, with exports reaching US\$200 million, up by 4% compared to the previous week. Following the US, Japan imported nearly US\$9 million worth of wooden furniture, though this was a 5% decrease compared to the previous week. South Korea showed a positive growth of 3%, with exports amounting to US\$5.5 million, while the UK saw a decline of 11%. Canada, on the other hand, experienced a significant drop of nearly 30%.

See: <https://vietnamagriculture.nongnghiep.vn/wood-exports-set-a-record-surpassing-17-billion-usd-d414834.html>

Challenges in the wood supply chain

The legal origin of wood products is one of the most essential requirements for Vietnam's two main export markets, the US and the EU. This is considered a vital factor for export enterprises.

According to a survey by a Forest Trends led research group, wood materials in Vietnam come from: domestic planted forests (acacia, eucalyptus and rubberwood), wood from domestic small farms, imported plantation timber (pine, ash, eucalyptus and acacia) and imported natural forest timbers.

Many wood products in the group of bedroom furniture, office furniture, kitchen and wooden furniture parts exported to the EU are processed from areas that were previously forests converted to rubber plantations. When using this wood source, businesses face challenges in traceability, transparency and accountability especially the requirement to clearly state the names of all types of wood used in exported products.

Another factor is related to the legality of imported wood raw material sources including wood names and commercial invoices.

Some countries also require other evidence, such as packing lists, wood raw material purchase invoices or logging licenses. Through assessment, the expert team found that the ability of businesses in Vietnam to present relevant evidence remains a challenge.

Dr. Hoang Lien Son, Director of the Center for Forestry Economics Research (Vietnamese Academy of Forest Sciences - VAFS) said that for a long time the wood industry has been struggling with the distinction between "legality" and "legal" wood raw material sources.

Decree 120/2024/ND-CP amending Decree 102 has removed confiscated processed wood from the list of legal wood. Son said that this has significantly reduced risks related to the origin of wood, especially wood raw material, when participating in the supply chain and exporting.

According to Son, legality is an attribute of wood, meaning that all must comply with regulations from the preparation of input materials (seeds, planting soil, forestry measures, etc.). It is also necessary to provide relevant evidence to ensure transparency, accountability and traceability back to the planting area.

The QR code technology of the iTwood system solves these problems. Each stage in the supply chain, including production, harvesting, processing, commercialisation, etc., has a QR code so that consumers and management agencies can clearly understand the information. In other words, when the wood is guaranteed to be "legal" or "legality" is an attribute of the wood, the risks will be automatically resolved.

Up to now, Decree 102 (or currently Decree 120) has been the legal basis for Vietnamese enterprises to fulfill their accountability responsibilities. This is considered a "passport" for Vietnamese wood to enter the US and EU markets. However, when purchasing wood raw material, many supply countries still use hard copy records and documents instead of digital transformation in wood traceability management.

Implementing the direction of Deputy Minister of Agriculture and Rural Development Nguyen Quoc Tri, aiming for a sustainable forestry industry and becoming a high-value-added technical, economic sector, the Department of Forestry has guided localities and enterprises to remove bottlenecks related to the legality of wood raw material, including the issuance of forest planting area code.

See: <https://vietnamagriculture.nongnghiep.vn/remove-the-bottlenecks-in-the-wood-industry-supply-chain-d406028.html>

Vietnam has first forest production unit code

Professor Vo Dai Hai considers the digitisation of forest plantation areas associated with database construction a significant step forward, helping the wood industry adapt to increasingly high international standards.

The Vietnamese Academy of Forest Science (VAFS) has just coordinated with the Department of Agriculture and Rural Development of Tuyen Quang Province to grant a forest production unit code certificate for raw materials to Yen Son Forestry Company Limited at the 3-year review conference of the 2021-2025 Cooperation Programme between the two units.

The code granted covers an area of 1ha, planted with pure hybrid acacia since 2022, in the raw material forest planting area of Team 821, Dao Vien commune, Yen Son district. Information on the planting area coordinates is accurately determined by the iTwood System and certified by the Tuyen Quang Provincial Forest Protection Department.

It is the first forest production unit code granted to forest owners in Vietnam, within the programme piloted by the Ministry of Agriculture and Rural Development in 5 provinces: Bac Giang, Lang Son, Phu Tho, Tuyen Quang and Yen Bai.

"The issuance of forest production unit codes contributes to information transparency, promoting the export of wood and forest products," said Mai Thi Hoan, Deputy Director of the Department of Agriculture and Rural Development of Tuyen Quang, hoping that, combined with the project to build Tuyen Quang into a high-tech forestry area, the locality will become a forestry development pole in the North of the country.

Analysing this issue further, Prof. Dr. Vo Dai Hai, Director of VAFS, said that when forest production unit codes are assigned to wood lots entering the supply chain the organisation and development of a legal wood supply chain and traceability will be more convenient, cost less, creating a digital platform for production and business database of planted forests, digital transformation, strong connection with the market and improving production and business efficiency.

Granting planting area codes is an important requirement to make transparent information about the origin of products and the technology used to create those products. This is one of the mandatory requirements in the context of international integration and participation in the global supply chain.

In Vietnam, the granting of planting area codes for agricultural crops has been implemented according to the Law on Cultivation 2018 and Decision 3156/QD-BNN-TT dated August 19, 2022 of the Minister of Agriculture and Rural Development. Thanks to this legal corridor, many agricultural products, especially fruits, have increased in export in recent years. For forestry, the issue of wood traceability was raised quite early, according to the provisions of the Agreement between the Government of Vietnam and the Government of the United States on Illegal logging and timber trafficking.

For the EU, Vietnam also participates in the Voluntary Partnership Agreement (VPA) and is implementing the construction of the VNTLAS timber legality assurance system. Most recently, the European Commission adopted the EU Deforestation Regulation (EUDR) on December 6, 2022. Accordingly, enterprises producing and using wood raw material for processing must build and develop a legal timber supply chain that does not cause deforestation. This is a mandatory requirement for exporting goods to the EU.

In addition, other export markets for wood and wood products from Vietnam, such as Japan, Korea, China, etc., also require strict control and traceability of wood origin. "From these facts, it can be seen that the issuance of forest production unit codes in the current context in Vietnam is extremely necessary and urgent," said Prof. Dr. Vo Dai Hai.

Deputy Minister of Agriculture and Rural Development Nguyen Quoc Tri has promptly directed the Forestry Department and VAFS to study the experience of issuing codes for agricultural crop growing areas to digitise the process of issuing codes for forest growing areas, moving towards building a database to manage all forest resources in Vietnam.

Based on Decision No. 2260/QD-BNN-LN dated July 9, 2024, the Forestry Department and VAFS will implement the task in 2 phases: The pilot phase, within 24 months, will issue temporary guidance documents on the issuance and management of forest production unit codes for raw materials to draw experience and perfecting the system of legal documents, before expanding nationwide.

Phase two, from 2026 onwards, the process of issuing and managing forest production unit codes will be implemented nationwide.

After nearly 4 months of active participation, with high determination towards sustainable forestry development, as well as completing the goals and tasks of the industry in 2024, the Forestry Department, Department of Agriculture and Rural Development, Forest Protection Sub-Department, local authorities, businesses and people in 5 pilot provinces have had the first forest production unit codes.

Based on the iTwood system, wood enterprises collect and store legal records of wood from upstream suppliers (forest owners, wood exporters, etc.) to the production process of finished products. All information about the origin and legality of wood will be shown through the plantation area code.

In the long term, the plantation area code will be an important input for activities such as granting sustainable forest management certificates, paying for forest environmental services or adapting to strict international regulations such as EUDR (EU Deforestation-free Regulation).

Dr. Ha Cong Tuan, Chairman of the Association of Agricultural Economics and Rural Development and former Permanent Deputy Minister of Agriculture and Rural Development, commented that Vietnam still has about 1 million hectares of forestry land for forest regeneration. The potential for new planting in our country is not much, because in this 1 million hectares, more than 300,000 hectares are rocky mountains and many wetlands.

"According to the recently issued national forestry plan, Vietnam's forest area is stable, ensuring a 42-43% coverage rate. Therefore, digitising management work is a necessary and feasible task at this time," Tuan emphasised.

See: <https://vietnamagriculture.nongnghiep.vn/vietnam-has-first-forest-production-unit-code-d405680.html>

Certified forests boost farmer incomes

Due to the increasing demand for wooden products, many farmers in Thanh Hoa province have switched from traditional forestry to FSC-certified forestry. This shift has enhanced sustainable forest management and harvesting according to FSC standards, creating a traceable, secure supply of materials while ending deforestation-based timber exploitation.

According to the Thanh Hoa Department of Agriculture and Rural Development, the province has over 641,000 hectares of forest, including 56,000 hectares of large timber forest and 260,000 hectares of planted forest. Partnerships with enterprises are proving effective, helping many households escape poverty through forestry.

Mr. Nguyen Dinh Thai, Head of the Forest Use and Development Department (Thanh Hoa Forest Protection Sub-Department), stated: "To increase farmers' income from forestry, the Department of Agriculture and Rural Development will implement policies to support seedlings and tissue culture, develop high-quality timber plantations, and aim for sustainable certification. The support policy for certification will provide VND300,000 per hectare for areas over 300 hectares.

Additionally, we will focus on accumulating concentrated forestland to produce timber, linking the entire value chain from planting, caring, harvesting, processing and product consumption."

The department is also working with local authorities to promote participation in large timber forest plantations with FSC certification, encouraging cooperative and group formation to manage, protect and certify forests. This will establish concentrated raw material areas with FSC certification.

According to Mr. Thai, after several years of implementation, Thanh Hoa province now has over 28,400 hectares of forest certified under FSC, involving 4,670 households. There are also seven value chains linking forest owners (households and groups) with processing factories.

Thanks to certification and livelihood models many households in mountainous areas have risen out of poverty through forestry.

By the end of 2025 Thanh Hoa aims to expand its planted timber forest area to 125,000 hectares, with an additional 25,000 hectares of planted timber forest and 10 hectares of bamboo and rattan certified under FSC. According to Mr. Thai developing FSC forest certification has opened the door for Thanh Hoa's timber products to export to European and U.S. markets thereby improving the income of forest owners in mountainous areas. With each harvesting cycle farmers can earn between VND 160-170 million per hectare.

See: <https://vietnamagriculture.nongnghiep.vn/fsc-forest-no-more-worries-about-price-pressure-d405863.html>

Brazil

Advances in Brazilian Forest Management

The Brazilian Forest Service (SFB) says significant progress has been achieved in the country's forest management in 2024. In partnership with the National Bank for Economic and Social Development (BNDES) the first Brazilian restoration concession with carbon credits was established in the Bom Futuro National Forest in the State of Rondônia in the Amazon Region.

This project involves the restoration of 17,000 hectares and an investment exceeding BRL600 million for restoration and maintenance of the areas as well as the sequestration of 6.5 million tons of carbon equivalent.

Additionally, the first Federal forest concession contract in the Atlantic Forest was signed for the Irati National Forest, in the State of Paraná covering 3,018 hectares and incorporating the potential for carbon credits. Community forest management and the bioeconomy benefited over 2,000 families involved in 10 community enterprises within conservation units, settlements, quilombola territories and indigenous lands.

In 2024, the SFB launched an Environmental Regularisation Panel an online platform that provides an overview of environmental regulations focusing on requests to join the Environmental Regularisation Programme (PRA) and analysis of data declared in the Rural Environmental Registry (CAR).

This platform enhances transparency regarding environmental regulations, facilitates coordination with other public policies and encourages social participation.

Other initiatives included the compilation of over 1,000 wood samples as a tool combat illegal trade and the inauguration of the new SFB headquarters in Santarém, Pará State in the Amazon Region funded through a bilateral partnership between Brazil and Germany.

SFB also supported the strengthening of knowledge in forestry through the "Forest Knowledge (Saberes da Floresta)" platform, offering 18 courses. These efforts reflect the commitment to conservation, sustainable management and socioeconomic development in Brazil's forest regions.

See: <https://www.gov.br/florestal/pt-br/assuntos/noticias/2024/dezembro/retrospectiva-2024-confira-os-principais-avancos-da-gestao-florestal-brasileira>

Encouraging States and Municipalities through forest concessions

In 2024 the SFB disbursed over R\$27 million from the Federal Forest Concessions Fund. The funds were distributed among states and municipalities where the concessions areas are located with the majority allocated to Pará and Rondônia States.

These funds, regulated under the Public Forest Management Law (Law no. 11.284/2006) and Decree 12.046/2024 came from the sustainable exploitation of forests and were divided among the Chico Mendes Institute for Biodiversity Conservation (ICMbio) (40%), States (20%), municipalities (20%) and the National Forest Development Fund (FNDF) (20%).

The funds allocated to states and municipalities must be used for promoting the sustainable use of forest resources. To receive these funds municipal environmental secretariats and state environmental agencies need to develop a Resource Application Plan detailing projects and activities to be undertaken.

These disbursements encourage economic and social development by promoting sustainable forest management. Pará State plans to use the funds for initiatives such as Community and Family Forest Management in 2025, environmental improvements and training.

Municipalities like Itaituba, Faro and Terra Santa will invest in environmental infrastructure, restoration of degraded areas and sustainable income projects such as agroforestry systems and the creation of meliponaries (bee farms) with native species.

See: <https://www.gov.br/florestal/pt-br/assuntos/noticias/2024/dezembro/concessoes-florestais-repassam-r-27-milhoes-para-estados-e-municipios-em-2024>

Exporters face challenging logistics

The Brazilian Association of Mechanically Processed Timber Industry (ABIMCI) is intensifying efforts to address logistical issues faced by the timber sector, particularly concerning shipment delays as a result of action by shipping companies.

These include issues such as shipment postponements, rollover booking and unjust detention charges, among other complications.

In meetings held with shipowners in São Paulo State several proposals were presented to address these issues including extending the free time period to 45 days, avoiding undue charges against exporting companies, improving the accuracy and predictability of ship ETA/ETD with direct communication with exporters, maintaining the contracted freight rate even in cases of shipment delays as freight rates often change at the end of the month and better negotiation of detention charges directly with export companies.

Additionally, discussions were held on the main reasons behind the failed port calls and the need for joint action between the productive sector and service providers to minimise the financial losses. ABIMCI will continue to seek further meetings with shipping lines to advance negotiations and find solutions.

See: <https://abilink.abimci.com.br/ev/PTKDP/BM6/546e/w8KE9Kx7yk/BQyw/>

Domestic log prices

	US\$ per cu.m
Brazilian logs, mill yard, domestic	
Ipê	446
Jatoba	191
Massaranduba	170
Muiracatiara	167
Angelim Vermelho	170
Mixed redwood and white woods	125

Prices do not include taxes. Source STCP Data Bank

Domestic sawnwood prices

	US\$ per cu.m
Brazil sawnwood, domestic (Green ex-mill)	
Ipê	1,724
Jatoba	922
Massaranduba	801
Muiracatiara	812
Angelim Vermelho	759
Mixed red and white	514
Eucalyptus (AD)	296
Pine (AD)	246
Pine (KD)	288

Prices do not include taxes. Source: STCP Data Bank

Domestic plywood prices

	US\$ per cu.m
Parica ex-mill	
4mm WBP	586
10mm WBP	478
15mm WBP	415
4mm MR.	551
10mm MR.	426
15mm MR.	365

Prices do not include taxes. Source: STCP Data Bank

Prices for other panel products

	US\$ per cu.m
Domestic ex-mill prices	
15mm MDParticleboard	279
15mm MDFibreboard	282

Prices do not include taxes. Source: STCP Data Bank

Export prices

Average FOB prices Belém/PA, Paranaguá/PR, Navegantes/SC and Itajaí/SC Ports.

Export sawnwood prices

Sawnwood	US\$ per cu.m
Ipe	2,385
Jatoba	1,308
Massaranduba	1,281
Muiracatiara	1,308
Pine (KD)	196

Prices do not include taxes. Source: STCP Data Bank

Export plywood prices

Pine plywood	US\$ per cu.m
9mm C/CC (WBP)	335
12mm C/CC (WBP)	300
15mm C/CC (WBP)	288
18mm C/CC (WBP)	286

Prices do not include taxes. Source: STCP Data Bank

Export prices for added value products

Added value product	US\$ per cu.m
Decking Boards Ipê	3,259
Jatoba	1,840

Prices do not include taxes. Source: STCP Data Bank

Through the eyes of industry

The latest GTI report lists the challenges identified by the private sector in Brazil.

See, <https://www.itto-ggsc.org/static/upload/file/20241217/1734418549204401.pdf>

Peru

Strengthening forest management capacity in native communities

In a joint effort to promote sustainability and legality in the management of forest resources the Forest and Wildlife Resources Oversight Agency (OSINFOR), in collaboration with the Basel Institute on Governance (BASEL) and the Regional Forest and Wildlife Development Management (GERFOR) of Loreto, trained communities and promoters in Regional Conservation Areas (ACR).

In November, at the decentralised OSINFOR office in Iquitos, the first phase of a training workshop was held on the topics of forest crimes and negotiation and agreements. The event was aimed at promoters of the Maijuna Kichwa, Ampiyacu Apayacu, Alto Nanay Pintuyacu Chambira and Communal Tamshiyacu Tahuayo ACRs.

The second phase, held in the Boras Native Community of Pucaurquillo, expanded on the topics addressed in the first stage, including institutional requirements, action against corruption, wood traceability and good practices for forest sustainability.

See: <https://www.gob.pe/institucion/osinfor/noticias/1074563-el-osinfor-y-aliados-fortalecen-capacidades-en-comunidades-nativas-para-la-gestion-de-los-bosques-con-la-mochila-forestal>

Incentives for verified good forestry practices

As part of the promotion of sustainable forestry practices the Yamino Native Community in Ucayal was offered a discount on the payment for the right to use forest due to good management certified by OSINFOR. The community obtained a 15% discount on the payment for the right to use forests.

Incentives strengthen the fight against deforestation, said the Head of OSINFOR, adding “we are convinced that the enabling titles allow for managed and guarded forests. Granting incentives such as the one obtained by the Yamino community shows that legality generates benefits for the country and producers.”

See: <https://www.gob.pe/institucion/osinfor/noticias/1070673-ucayali-comunidad-nativa-yamino-recibe-incentivo-economico-por-buenas-practicas-forestales-certificadas-por-el-osinfor>

SERFOR defines the yield of sawnwood and flooring slats

In order to regulate the processing of wood resources in the industry the National Forest and Wildlife Service (SERFOR) established that the reference yield coefficient for sawnwood from round logs shall be 56% while, in the case of processing non-profiled flooring slats, the yield shall be 41%. This rule is made in compliance with the provisions of the Regulation for Forest Management. In addition, if the miller declares that he can achieve a transformation yield higher than that established, this must be submitted to SERFOR.

Along with the approval of the reference yields the “Methodological Guide for the determination of the Yield Coefficient of logs to sawnwood and Non-Profiled Boards was approved. The yield of wood products is reported in Summary Table 3: Balance of Primary Transformation of the Operations Book for primary transformation operations, a document that must be sent monthly to the Regional Forestry and Wildlife Authority (ARFFS).

This is the first time that the Peruvian national forestry authority has established a performance coefficient for sawing logs as a result of a performance study which included field evaluations in the four regions with the highest sawn wood production, such as Ucayali, Junín, Madre de Dios and Loreto.

See: <https://www.gob.pe/institucion/serfor/noticias/1075046-serfor-fija-porcentaje-de-rendimiento-de-la-madera-aserrada-y-en-tablillas-para-piso>

Regional governments and SERFOR continue with zoning

The National Forest and Wildlife Service (SERFOR) through its Sustainable Productive Forests (BPS) programme is providing technical assistance to nine regional governments for the sustainable management of forests.

The forest management units establish categories of forests that are registered in the national forest registry, such as: Permanent Production Forests, Local Forests,

Reserve Forests, Protection Forests, Forest on lands of peasant and native communities and Forests on Private Properties. Based on this, the exploitation rights (enabling titles) are granted.

Through this system SERFOR provides technical advice on the forest management of the regions of San Martín and Ucayali. It also supports the regions of Áncash, Cajamarca, Junín, Huánuco, Loreto, Madre de Dios and Pasco with the forest zoning process. According to the national survey in 2019 all Peruvian forest territory lacked completed forest management plans.

See: <https://www.gob.pe/institucion/serfor/noticias/1082612-serfor-brinda-asistencia-tecnica-a-nueve-gobiernos-regionales-para-el-process-de-zonificacion-y-ordenamiento-forestal>

Export prices for added value products

	US\$ per cu.m
Strips for parquet Cabreuva/estoraque KD12% S4S, Asian market	1327-1398
Cumaru KD, S4S Swedish market	979-1011
Asian market	1037-1059
Cumaru decking, AD, S4S E4S, Central American market	1029-1044
Pumaquiro KD Gr. 1, C&B, Mexican market	501-561
Quinilla KD, S4S 2x10x62cm, Asian market	591-627
2x13x75cm, Asian market	774-831

Export sawnwood prices

Peru sawnwood, FOB Callao Port	US\$ per cu.m
Pumaquiro 25-50mm AD Mexican market	703-728
Virola 1-2" thick, length 6"-12" KD Grade 1, Mexican market	582-602
Grade 2, Mexican market	527-541
Cumaru 4" thick, 6"-11" length KD Central American market	1029-1044
Asian market	1016-1054
Ishpingo (oak) 2" thick, 6"-8" length Spanish market	649-658▲
Dominican Republic	765-799
Marupa 1", 6-11 length KD Grade 1 Asian market	5649-576

Export veneer prices

Veneer FOB Callao port	US\$ per Cu.m
Lupuna 3/Btr 2.5mm	221-249
Lupuna 2/Btr 4.2mm	234-266
Lupuna 3/Btr 1.5mm	219-228

Domestic prices for other panel products

Peru, domestic particleboard	US\$ per cu.m
1.83m x 2.44m x 4mm	282
1.83m x 2.44m x 6mm	230
1.83m x 2.44m x 12mm	204

Export plywood prices

Peru plywood, FOB Callao (Mexican market)	US\$ per cu.m

Copaiba, 2 faces sanded, B/C, 8mm	349-379
Virola, 2 faces sanded, B/C, 5.2mm	487-511
Cedar fissilis, 2 faces sanded, 5.5mm	766-783
Lupuna, treated, 2 faces sanded, 5.2mm	396-419
Lupuna plywood	
B/C 15mm	449-495
B/C 9mm	379-399
B/C 12mm	350-360
B/C 8mm	466-487
C/C 4mm	389-425
Lupuna plywood B/C 4mm Central Am.	391-407

Domestic sawnwood prices

Peru sawnwood	US\$ per cu.m
Mahogany	-
Virola	227-237
Spanish Cedar	333-344
Marupa (simarouba)	199-229

Domestic plywood prices (excl. taxes)

Iquitos mills	US\$ per cu.m
122 x 244 x 4mm	512
122 x 244 x 6mm	519
122 x 244 x 8mm	522
122 x 244 x 12mm	528
Pucallpa mills	
122 x 244 x 4mm	503
122 x 244 x 6mm	511
122 x 244 x 8mm	516
122 x 244 x 8mm	521

Japan

Continued wage increases are key

In 2024, the Japanese economy began a shift to becoming 'more normal' with three interest rate increases, the third year of price increases and a second year of wage increases.

In 2025 Japan is expected to experience a continuation of wage and interest rate increases which should see the economy growing more than 1 percent in inflation-adjusted terms in fiscal 2025. It is anticipated that wage increases will give a boost to consumer spending. Whether Japanese employers will raise wages in 2025 faster than the previous year holds the key to the economy's ability to put itself on a domestic demand-led sustainable growth path this year.

Wages need to grow faster than inflation to boost personal consumption, a key engine of economic growth that has been weak because of high prices. The forecast is for wage growth outpacing prices, helping a recovery in personal consumption. The consumer price index excluding fresh food is expected to rise slightly more than 2 percent, a slower pace than in fiscal 2024.

The Japan Center for Economic Research compiled forecasts by 37 private-sector economists for the fiscal year that starts in April. They predict average real growth of 1.1%, a more optimistic projection than for the current fiscal year (0.4%).

However, the projections also note downsides including potential tariff increases by the incoming US administration which could impact growth around the world. A prolonged downturn in China's economy would also have negative repercussions in Japan.

See: https://www3.nhk.or.jp/nhkworld/en/news/20250106_B01/#:~:text=Economists%20predict%20that%20Japan's%20economy,a%20boost%20to%20consumer%20spending.

No steady economic trend opening way for rate hike

At its December policy board meeting the Bank of Japan (BoJ) decided to keep its benchmark interest rate unchanged, saying it will continue to target the short-term rate at around 0.25%. This sent the yen to a one-month low in December. Prior to the BoJ decision the US dollar was already firmer above 154.50 yen after the Federal Reserve hinted at a slower pace of interest rate.

The judgement appears to be that over the next few months the BoJ will monitor wage trends, inflation and the effects of policy changes in the US. The BoJ last raised rates in July but the latest decision marks the third-straight time for it to hold policy steady. Some officials have observed that Japan's economy and prices are trending as predicted and this could provide the opportunity for future rate increases.

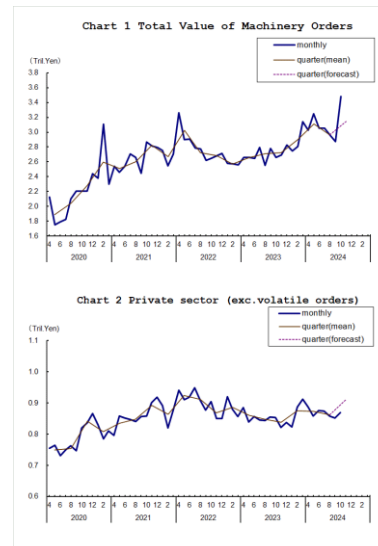
See: https://www3.nhk.or.jp/nhkworld/en/news/20241219_B02/

Private sector machinery orders stall

The total value of machinery orders received by 280 manufacturers operating in Japan increased by 21% in October compared to the previous month on a seasonally adjusted basis. Private-sector machinery orders, excluding volatile ones for ships and those from electric power companies, increased a seasonally adjusted by 2% in October.

Cabinet Office data showed, on a year-on-year basis, core orders (a highly volatile data series) regarded as a leading indicator of capital spending in the coming six to nine months, grew 5.6%, (forecast at 0.7%).

By sector, core orders from manufacturers jumped 12.5% month-on-month in October while those from non-manufacturers dropped. The Cabinet Office left its assessment of machinery orders for October unchanged, saying the recovery was pausing.



See: <https://www.esri.cao.go.jp/en/stat/juchu/2023/2310juchue.html>

Consumer spending – no clear signs of strength

Japanese households continue to cut spending as inflation is driving up prices which suggests the Bank of Japan is likely to take a cautious approach to interest rate increases.

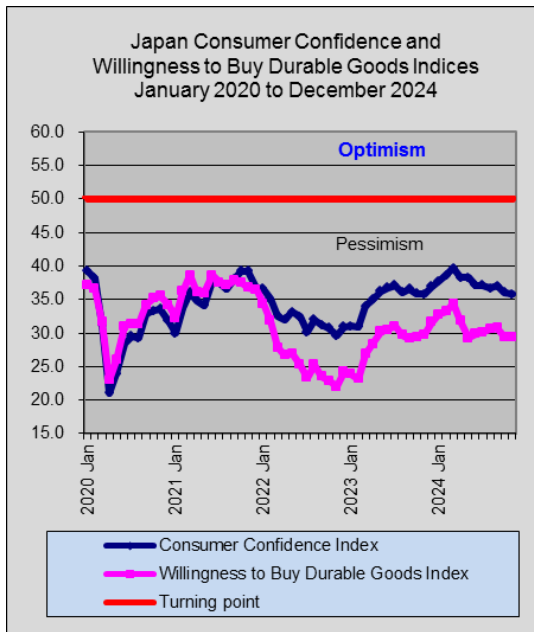
Spending by households dropped 1.1% from a year earlier in September compared with the consensus estimate of a 1.8% decrease, after sliding 1.9% in the previous month according to a report by the Ministry of Internal Affairs. Spending only rose twice in the 12 months to September 2024.

Outlays on housing, transportation and communications, durable goods and health care dropped.

Consumer spending in Japan has consistently failed to show clear signs of strength as shoppers have been forced to cope with prices increasing at or above the BoJ's inflation target over the past 30 months.

The yen's weakness is a key factor weighing on the purchasing power of Japanese households. Consumer confidence slid for the first time in five months in October after Japan's currency fell to the weakest level in almost three months. Consumer spending, which accounts for more than half the economy, is still below pre-pandemic levels.

See: [co.jp/business/2024/11/08/economy/september-household-spending/](https://www.co.jp/business/2024/11/08/economy/september-household-spending/)



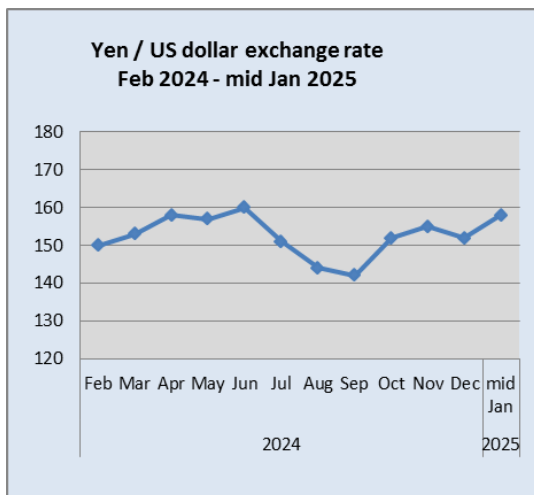
Data source: Cabinet Office, Japan

Strong US economy lifts dollar against the yen

As of the 10 January the yen stood at 158 to the US dollar and has progressively depreciated since September last year.

The yen exchange rate tends to be affected by the difference in interest rates between Japan and the US. Currently, interest rates in the US are much higher than in Japan.

Even though the yen did show signs of strengthening the current rate against the dollar is a reflection of a stronger than expected US jobs report, falling unemployment and wage growth in the US.



Data source: WSJ

Homes getting smaller

According to the latest government survey houses in Japan are getting smaller with the average floor space falling to a 30-year low. The average area per house is now about 92 square metres, a decline of 3 sq. metres from the peak in 2003. One of the main reasons is rising construction costs.

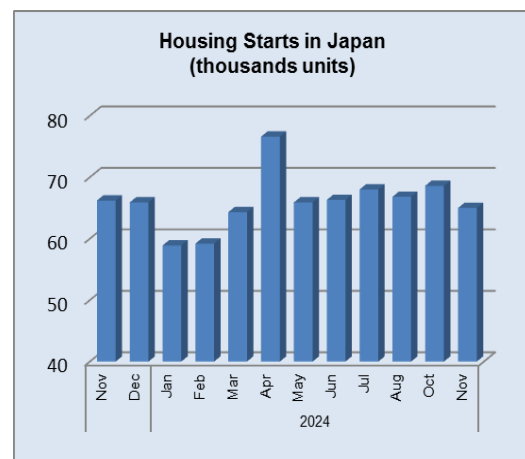
Builders are designing smaller homes to hold prices stable while at the same time maintaining their profit margins which could be viewed as a 'stealth price hike.' Analysts There are concerns that young couples living in small homes may be deterred from having children. The declining birth rate is a serious problem in Japan.

See: <https://asia.nikkei.com/Economy/Japan-homes-shrink-to-their-smallest-in-30-years>

New homes to be fitted with solar panels

The Tokyo government adopted an ordinance on 15 December 2024 requiring new homes and buildings to be fitted with solar panels making Tokyo the first place in Japan to require solar panels on new detached houses. The ordinance will come into force in April 2025. Under the new rules the obligation to install solar panels for large structures, such as office or apartment buildings, falls on anyone who commissions their construction.

See: <https://www.asahi.com/ajw/articles/14794249>



Data source: Ministry of Land, Infrastructure, Transport and Tourism, Japan

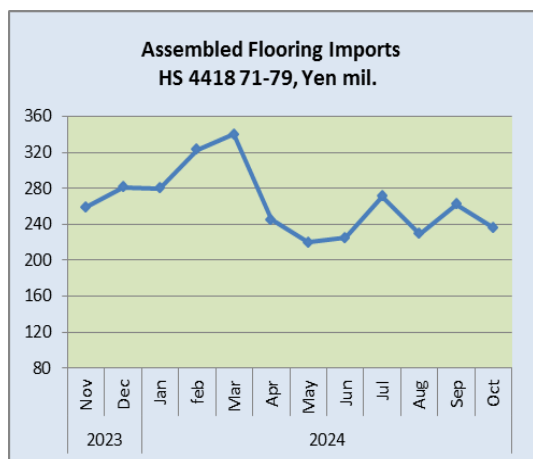
Import update

Assembled wooden flooring imports

After the peak in the value of assembled wooden flooring in March 2024 there was a sharp decline until June but despite the change in direction the value of imports in the period July to October did not recover. Year on year the value of assembled wooden flooring (HS441871-79) in October was down around 14% and compared to a month earlier the value of October imports dropped 10%.

As in previous months the main category of assembled flooring imports was HS441875, accounting for 74% of the total value of assembled flooring imports. The second largest category in terms of value was HS441879 (13%), a decline compared to September. The third category of import was HS441873 (13%) with the balance being HS441974.

Of HS441875 imports 61% was provided by shippers in China up sharply from a month earlier, 26% by shippers in Vietnam. The three other sources of assembled flooring (HS441875) in October were Malaysia, Thailand and Indonesia.



Data source: Ministry of Finance, Japan

Assembled flooring imports

HS Code	Country	Imports Sept 2024 Unit, 000's Yen
HS 441873	China	27,704
	Vietnam	1,869
	Germany	730
HS441875	China	105,709
	Vietnam	44,624
	Thailand	5,390
	Malaysia	15,827
	Indonesia	2,510
HS 441879	China	16,361
	Vietnam	474
	Thailand	1,256
	Indonesia	4,458
	France	4,099
	Estonia	4,920

Data source: Ministry of Finance, Japan

Plywood imports

The volume of October plywood imports (441210-39) was 122,810 cu.m (130,998 cu.m in September) representing a decline (8%) on levels a year earlier and the first decline in total plywood imports since May 2024.

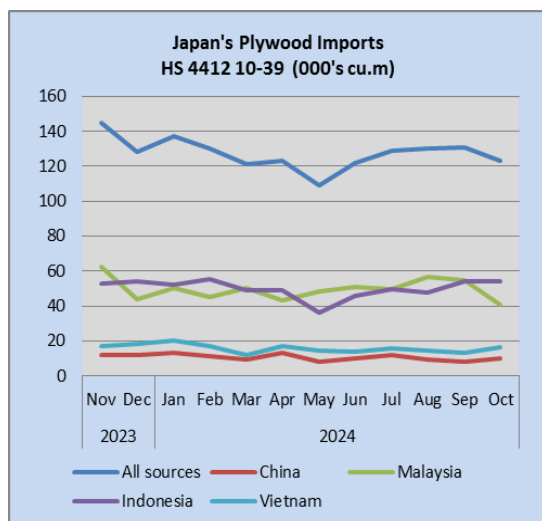
In October the volume of arrivals from producers in China was around the same level as a year earlier and up slightly from September. The volume of arrivals from both Malaysia and Vietnam came in below levels seen a year earlier while the volume of imports from Indonesia was up year on year.

As in previous months, of the various categories of plywood imported in October HS441231 was the largest accounting for about 90% of the total volume of plywood imports with the balance fairly evenly distributed across the other HS codes. Malaysia and Indonesia accounted for most of the HS441231 arrivals. Shipments from Vietnam and China were spread across the categories tracked. Other shippers appearing in Japan's plywood import statistics in October included Latvia and New Zealand.

Main sources of Japan's plywood imports (000's cu.m)

Year	Month	China	Malaysia	Indonesia	Vietnam
2021	Jan	9.7	76.9	59.3	15.7
	Feb	6.8	53.5	50.1	13.0
	Mar	5.7	89.4	61.5	11.5
	Apr	11.4	65.9	58.2	17.3
	May	10.3	72.0	51.0	13.0
	Jun	10.5	61.9	56.6	15.6
	Jul	11.8	74.1	57.1	16.4
	Aug	12.8	54.7	57.8	17.5
	Sep	16.0	61.8	60.4	21.8
	Oct	12.6	72.8	60.4	22.5
	Nov	14.6	60.6	66.0	21.8
	Dec	13.6	51.2	76.5	21.0
2022	Jan	15.9	78.6	73.9	16.8
	Feb	14.7	61.0	56.8	11.4
	Mar	13.7	71.0	76.9	8.8
	Apr	25.0	79.3	72.0	13.1
	May	32.2	67.6	68.2	12.9
	Jun	37.5	61.4	52.4	18.4
	Jul	27.7	70.6	67.8	15.2
	Aug	19.0	63.0	70.8	18.5
	Sep	16.5	58.4	60.4	16.2
	Oct	13.4	39.2	65.5	17.1
	Nov	13.1	45.1	50.1	15.9
	Dec	13.9	49.2	47.1	21.6
2023	Jan	13.7	40.3	49.2	19.4
	Feb	7.8	44.9	40.6	12.9
	Mar	14.9	29.8	45.3	14.3
	Apr	13.8	28.7	46.3	14.6
	May	14.0	47.7	34.2	12.6
	Jun	10.7	36.9	37.2	12.7
	Jul	10.6	38.8	43.1	12.9
	Aug	10.6	49.6	38.1	15.7
	Sep	12.3	63.4	52.4	12.0
	Oct	10.5	46.1	50.3	17.2
	Nov	11.9	63.6	53.0	16.8
	Dec	12.1	43.5	54.0	17.7
2024	Jan	13.3	50.2	52.3	20.5
	Feb	11.5	45.4	55.3	17.1
	Mar	9.4	50.1	48.8	12.2
	Apr	13.2	43.2	49.0	17.0
	May	8.4	48.3	36.5	14.3
	Jun	10.1	51	46.1	13.7
	Jul	12.1	49.8	49.7	15.8
	Aug	9.3	56.8	47.9	14.7
	Sep	8.1	54.5	54.2	13.1
	Oct	10.3	40.9	54	16.4

Data source: Ministry of Finance, Japan



Data source: Ministry of Finance, Japan

Trade news from the Japan Lumber Reports (JLR)

The Japan Lumber Reports (JLR), a subscription trade journal published every two weeks in English, is generously allowing the ITTO Tropical Timber Market Report to reproduce news on the Japanese market precisely as it appears in the JLR.

For the JLR report please see:

https://jfpj.jp/japan_lumber_reports/

October plywood supply

Total plywood supply in October, 2024 was 403,000 cbms, 3.8 % more than September, 2024. This is the highest plywood supply per month in this year. One of the reasons is that production and shipment of domestic plywood are this year's best volume. Imported plywood is almost leveled off from last month and this is three straight months decreasing.

Production of structural softwood plywood is 6.7 % more than the previous month and shipment is 10.3 % more than last month. Production of plywood in August and September 2024 exceeded shipment. As a result, inventory at the end of month kept rising for two months in a row. However, shipment in October, 2024 was more than production and the inventory at the end of October is 160,000 cbms, 3.3 % less than September 2024.

Shipment of plywood rose at several domestic plywood manufacturers, trading companies and wholesalers in October, 2024. However, it is hard to say that the plywood market is lively because the new starts and floor areas are still low.

The price of softwood plywood had been declining until October 2024 and there were a lot of spot purchases from consumers so it could say that the actual demand had increased. The imported plywood was 0.3 % less than the previous month. Malaysian plywood was 25.0 % less than last month and this was the lowest volume for the first time since August last year. Indonesian plywood was 0.3 % less than last month. Since the yen appreciated rapidly after the middle of July 2024 consumers limited purchasing 12 mm Malaysian plywood.

North American logs

North American logs and lumber markets are still sluggish. Orders to precutting companies recovered slightly. A precutting company says that the price of European lumber reaches the bottom so if the price of European lumber rise, the price of Douglas fir lumber in Japan would also rise. On the other hand, the price of domestic small sized lumber has been low and house builders keep demanding precutting companies to lower the selling price. The consumers would keep purchasing the domestic small sized lumber.

A major Douglas fir lumber manufacturer in Japan lowered the price of KD Douglas fir beam in September and October 2024. Therefore, there is a prediction of a price drop in not only North American lumber but also the imported lumber. However, the price has been leveled off since then.

South Sea logs and wood products

Supply and demand for South Sea logs are balanced. South Sea logs for from Malaysia and Papua New Guinea arrived in Japan in December- January 2025 and the logs will be delivered to Japanese lumber and plywood manufacturers. If the logs arrive as scheduled, it would be enough volume for the first half of 2025.

Demand for South Sea logs for pallets or blocks for steel manufacturers has been low but for blocks for shipbuilding is firm. The price of South Sea log in South Asia is high due to the increasing labor cost. However, the yen is stronger than before so the import cost would be low.

Movement of South Sea and Chinese lumber is sluggish due to the weak yen. Japanese distributors are not in rush to purchase a lot of lumber because they have minimum volume of lumber for their job.

China

Decline in timber imports from Indonesia

China's wood product imports from Indonesia have been declining since the beginning of 2024. The latest Customs data shows that China's timber imports from Indonesia totalled only 63,600 cubic metres in the first 10 months of 2024, down 22% over the same period of 2023. The value of timber imports from Indonesia was US\$36.09 million in the first 10 months of 2024, down 34% year-on-year. The average unit price of imported timber was US\$567 per cubic metre, down 15% over the same period of 2023.

Merbau sawnwood is one of the main commodities imported from Indonesia. Although the average unit price in the first 10 months was down by 6% this did not drive the growth of Merbau sawnwood imports. Instead, Merbau imports from Indonesia fell 36% to 26,900 cubic metres in the first 10 months.

See:

<https://baijiahao.baidu.com/s?id=1818944132620838688&wfr=pider&for=pc>

Increase in plywood exports through Guigang City

Since the beginning of this year, Guigang City in Guangxi Zhuang Autonomous Region has focused on economic development and promoted the development of green smart home and high-end panel industry clusters along with expansion of exports.

According to the statistics from Guigang Customs, in the first 11 months of 2024 the value of wood product exports from Guigang was RMB180 million, an increase of 58% compared with the same period last year. The export of plywood and multi-layer boards was RMB140 million, up 67%. These products were exported to South Korea and Japan.

The annual trade volume of timber from Qintang District of Guigang City is about 12 million cubic metres, the annual output of plywood is more than 10 million cubic metres and the output value of the whole green home industry chain exceeds RMB100 billion and these sell well in Guangdong, Zhejiang and Shandong. Guangxi Zhuang Autonomous Region is an important timber trading centre in South China. The green home industry in Qintang District was awarded the title, national small and medium-sized enterprise characteristic industrial cluster.

In order to support the development of the wood industry in Guigang City, Guigang Customs has set up a special team for the development of the wood industry and actively carried out door to door services to deliver technology and advice to guide enterprises to build hardware facilities such as production and packaging workshops and finished products warehouses. They also help enterprises establish quality management systems with pest prevention and control, product traceability, raw materials use, toxic and harmful substances control.

In the first 11 months of 2024, Guigang Customs issued a total of 165 certificates of origin for plywood manufacturers under the jurisdiction of Guigang City at a value of RMB76.534 million and tariff concessions of RMB3.827 million for enterprises.

See:
<https://www.hmeonline.com/2025/73fed16cf3c643c7a1bae45da19e3a98.html>
and
<https://baijiahao.baidu.com/s?id=1819217217784083941&wfr=spider&for=pc>

Rise in log imports through Rizhao Port

Log imports through Rizhao Port have grown steadily in recent years. Data show that in the first 10 months of 2024 Rizhao port imported 8.25 million cubic metres of logs, an increase of 25% year-on-year. With a location advantage and a conducive business environment wood industries have become an important business sector in Rizhao City creating many job opportunities.

Knock-down solid wood baby beds are the main product of some companies in Rizhao City. These companies import logs through Rizhao Port and export finished products through Qingdao City.

The convenient geographical location and efficient Customs clearance make the import and export business very convenient in Rizhao City.

In the highly competitive maternal and child and home furnishing market enterprises in Rizhao City have manufactured more than 100 styles of and won a place in the international market.

Rizhao Customs has strengthened the raw material sourcing supervision, guided enterprises to establish a sound quality management system and strictly monitors the whole process from raw material procurement, production and processing to finished product inspection. At the same time, inspection and testing services of products to international standards and the requirements of importing countries are provided.

In addition, Rizhao Customs collects and delivers feedback and technical trade measures in foreign markets to help enterprises understand the international market dynamics and technological development trends.

According to the statistics from Rizhao Customs, in the first 10 months of 2024 the value of exported furniture and parts through Rizhao Port were RMB740 million, surging from the same period of 2023.

See:
<https://www.rznews.cn/viscms/rizhaoxinwen0271/20241127/561930.html>

Guigang City timber distribution centre

Guigang City has focused on supporting wood processing industries as one of the five industrial clusters with the scale of RMB100 billion and concentrated resource elements to promote major forestry projects.

The output value of wood processing industry in Guigang City has ranked first in Guangxi Zhuang Autonomous Region in recent years and has become the most important wood-based panel processing base in southern China and an important timber collection and distribution center in the region.

From January to November 2024, among enterprises with annual main business income of RMB20 million or above in Guigang city, the total industrial output value of wood processing and wood, bamboo, rattan, palm and grass products industries reached RMB45.98 billion, an increase of 14% over the same period of 2023.

There are 716 wood processing enterprises with annual main business income of RMB20 million or above and 140 wood processing enterprises with an output value of more than RMB100 million. Up to now, there are more than 4,000 wood processing enterprises in Guigang City and products include more than 130 varieties in 9 series including wood flooring, decorative boards, particleboard as well as decorative paper and custom furniture.

See:
https://www.wood365.cn/Industry/IndustryInfo_281704.html

China and Vietnam wood product supply chain

A seminar on 'Developing a Sustainable Supply Chain for Wood and Wood Products between Vietnam and China' was held recently by the Vietnam Wood and Forest Products Association (VIFOREST) and the China National Forest Products Industry Association (CNFPPIA).

It was agreed that China and Vietnam need to cooperate to promote the green transformation of wood processing industries. This will be the basis for the creation of a sustainable timber supply chain, creating high competitiveness in the global market. Specifically, it is necessary to cooperate with the improvement of environmental standards for pollutant emission in the wood-based panel industry, encourage the development, application and promotion of new environmentally friendly adhesives and increase the proportion of low formaldehyde and no formaldehyde woodworking products.

China is a major consumer market for Vietnam's wood chips and China supplies a large amount of wood panels to Vietnam. Therefore, enterprises and timber associations of the two countries need to strengthen cooperation on the basis of mutual benefit.

China is Vietnam's largest timber supplier and a major investor in the country's timber processing industry. Vietnam's imports of wood and wood products from China showed an increasing trend between 2015 and 2023 up to US\$760 million from US\$258 million, an average annual growth rate of 22%.

In the first 11 months of 2024 Vietnam's imports of wood and wood products from China reached US\$983 million, an increase of 44% over the same period in 2023.

China is Vietnam's largest supplier of wood and wood products accounting for about 40% of the national total imports. Chairs accounted for 18% of imports, wooden furniture accounted for 17%, veneer/rotary board accounted for 33%, plywood accounted for 23% and fiberboard 9%.

In terms of exports, Vietnam's exports of wood and wood products to China have been increasing in recent years, US\$1.2 billion in 2020, US\$1.489 billion in 2021, US\$1.71 billion in 2022 and US\$1.72 billion in 2023. They are expected to have reached US\$1.88 billion in 2024.

The structure of wood products export value to China is that wood chips accounted for 83%, veneer accounted for 9%, wooden furniture 2% and the balance was 6%.

With the active promotion and support of railway authorities in both countries more and more companies are choosing to shorten transportation time, simplify procedures and reduce costs through freight train services.

To further enhance transport capacity between the two countries the relevant departments of the Vietnamese government have drawn up plans to further invest in

improving railway infrastructure to achieve seamless connectivity with Chinese railways.

See:

https://www.wood365.cn/Industry/IndustryInfo_281659.html
and
https://baijiahao.baidu.com/s?id=1820192130296114346&wfr=s_pider&for=pc

Global Timber Index report

According to data released by China's Ministry of Commerce, as of November the country had subsidised 10.38 million pieces of products associated domestic consumption for kitchen and bathroom renovations and 8.2 million pieces of furniture and home furnishing products for domestic consumption.

The latest report from China's National Bureau of Statistics shows that in October total retail sales of furniture in China reached 15.2 billion yuan, representing a 7.4% year-on-year increase.

On 15 November the first working meeting for the revision of the country's national standard "Chinese Main Wood Names" was held. The standard, after revision, will further align with international and domestic markets to meet the needs of Chinese timber trade.

In November, the GTI-China index registered 49.7%, a decrease of 1.2 percentage points from the previous month and was below the critical value (50%) after 2 months indicating that the business prosperity of the timber enterprises represented by the GTI-China index declined from the previous month.

Despite a slight slowdown in China's wood processing industry in November the volume of export orders increased compared to the previous month. As for the eleven sub-indices, five indices (export orders, existing orders, purchase price, inventory of main raw materials and delivery time) were above the critical value of 50%. The new orders index was at the critical value while the remaining five indices (production, inventory of finished products, purchase quantity, import, and employees) were all below the critical value.

Compared to the previous month the indices for export orders, existing orders, inventory of finished products, import, purchase price, inventory of main raw materials, employees and delivery time increased by 0.6-5.3 percentage point (s) and the indices for production, new orders and purchase quantity declined by 1.2-8.4 percentage points.

See, <https://www.itto-gpsc.org/static/upload/file/20241217/1734418549204401.pdf>

Average CIF prices, logs US\$/cu.m

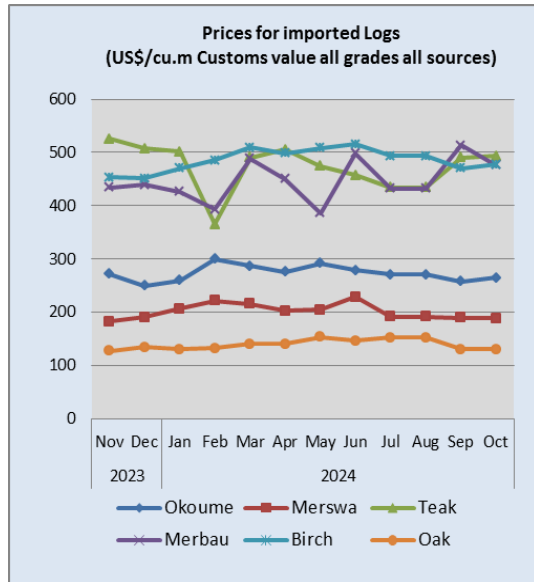
	2024 Sep	2024 Oct
Okoume	258	265
Merswa	189	188
Teak	490	493
Merbau	513	476
Birch	470	477
Oak	130	130

Data source: Customs, China

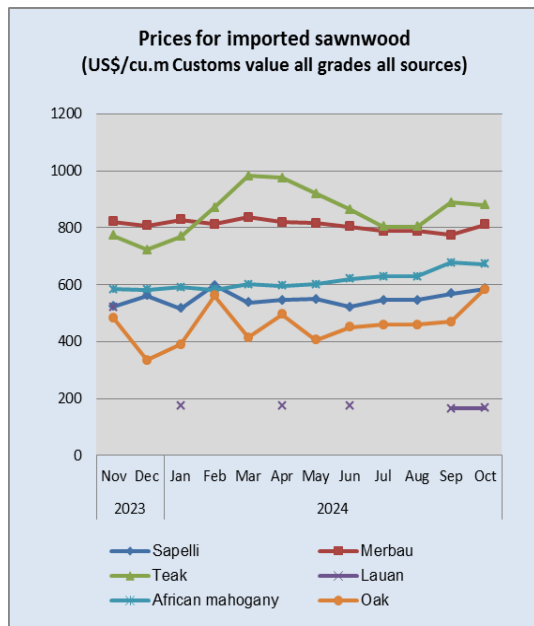
Average CIF prices, sawnwood, US\$/cu.m

	2024 Sep	2024 Oct
Sapelli	569	586
Merbau	755	811
Teak	888	880
Lauan	164	167
African mahogany	678	673
Oak	469	584

Data source: Customs, China



Data source: Customs, China



Data source: Customs, China

EU

European construction – anticipated modest upturn in 2025

According to Euroconstruc, the European building sector will return to growth in 2025 although the improvement will be modest.

At the 98th Euroconstruct conference in Milan in December 2024 delegates heard views on the current state of the construction market across the 19 countries covered by the organisation. They were also given perspectives and analysis from the just published ‘Winter Euroconstruct’ country and summary reports.

The European building industry, according to Euroconstruct, continues to go through a challenging period facing persisting external factors. These include geopolitical stress, notably the war in Ukraine, with the prospective economic and trade impact of the change of government in the US adding to uncertainties.

Internal factors, including high interest rates, energy costs and increasing labour costs also continue to weigh on financial conditions and hinder construction activity and investment plans. “After [declining in] 2023, 2024 will have been the industry’s most difficult year since 2020,” says Euroconstruct. “However, forecasts point to a positive turnaround from 2025 onwards.”

According to new estimates, construction activity in the 19 Euroconstruct countries is projected to have declined by 2.4% in 2024. Growth in 2025 is expected to be 0.6%, but the upward trend is forecast to gain momentum in the following two years.

“This forecast represents a modest upward revision for 2024 by 0.3 percentage points compared to previous estimates, though the growth in 2025 is slightly weaker than initially anticipated, while the growth path for 2026 remains unchanged,” says Euroconstruct.

The primary challenge for the European construction market in 2024, it adds, was the significant decline in new residential construction, following that recorded in 2023. “High property prices, still elevated interest rates (albeit declining) and high construction costs are the main obstacles,” says Euroconstruct”.

However, the sector is anticipated to stabilise in 2025 with growth accelerating in the following years.

The residential renovation market was also in contraction, with a modest decline this year and a further decrease forecast next year.”

The improvement in the housing sector forecast from 2026 onwards, says Euroconstruct, will be driven by demographic factors, economic conditions and more favourable subsidy schemes for house renovation.

The European non-residential construction sector has also faced challenges with the modest decline experienced in 2023 expected to have continued through 2024.

“Despite the challenges, however, growth is projected to resume, starting from 2025, with both new non-residential construction and renovation activities contributing positively to the overall sector,” says Euroconstruct. “New investment prospects will be particularly bright for the mainly public-funded market segments, while incentives and structural policies targeting ‘green goals’ will create consistent push for renovation activities across the sector.”

A particular bright spot for the European construction sector remains civil engineering. This, says Euroconstruct, is being driven by the urgent need for upgrades in transport networks and energy infrastructure.

“Investments in these areas are crucial to meet new demands and political goals,” it says. “New civil engineering projects are expected to grow significantly in the next two-year period, against a more stable and moderate development for renovation works.”

According to the Euroconstruct report, of the Euroconstruct countries, strongest construction improvement in 2025 will come in Ireland with growth of 6%, followed by Norway at 5.6%, Sweden, 5.3%, Finland and Poland, both at 4.9%, Spain 3.5%, the UK 2.9% and Hungary 2.8%.

While improving on its performance in 2024, Germany’s building industry is expected to contract a further 1% in 2025, while the downturn in Italian construction is predicted to deepen with a further 4.8% decline.

But broadly, Euroconstruct concludes, despite continuing market constraints, European construction will be on an upward curve in coming years, with ‘public support for refurbishment projects and significant investments in infrastructure the key drivers of more positive trends’.

See: <https://www.euroconstruct.org/reports/>

Danish timber building grouping launched

A new alliance, the ‘Partnership for wood in Danish Construction’, has been launched to promote sustainable building solutions based on timber in Denmark. Its aim is also to contribute to ongoing environment-focused revision of the country’s building regulations.

According to a report in the latest European Timber Trade Federation newsletter, the partnership comprises three timber industry organizations – the Danish Timber Trade Federation, Træ i Byggeriet (Wood in Construction), and Træ- og Møbelindustrien (Danish Confederation of Woodworking Industries).

In 2021, a Danish national strategy for sustainable construction was concluded and was followed up in May 2024 by a political agreement that significantly tightens the climate requirements for new construction. The Danish Timber Trade Federation says this has created ‘a unique opportunity to promote timber construction as a sustainable solution’.

Among the group’s projects are analysis of building regulations to identify and address barriers for timber and bio-based building solutions. It will also contribute to a new ‘biogenic fire bank’ that seeks to build a comprehensive database of fire safety data and experiences with timber and bio-based materials.

The fire bank project is backed by the philanthropic organisation Realdania. The aim is to promote the safe and effective use of biogenic materials in building and it involves a wide range of stakeholders within Denmark’s construction industry. “Timber is a renewable resource with fantastic properties that can contribute to a greener construction industry,” said Jakob Rygg Klaumann, Director of the Danish Timber Trade Federation. “Together with our partners, we will work to pave the way for more timber and wood-based materials in the building sector.”

“Our ambition is to create a construction industry where timber and bio-based materials play a central role. This partnership is a critical step towards a more sustainable future,” stated Lauritz Rasmussen, Head of Secretariat at Wood in Construction.

See: <https://dktimber.dk/>

EU timber sector welcomes EUDR postponement

European timber companies and trade organisations have expressed relief that the EU Parliament has voted through the one-year deferment of implementation of the EU Deforestation Regulation (EUDR).

They say having another 12 months will enable them better to align business management and administrative systems to the requirements of the Regulation and access the online platform where EUDR compliance information and data will be collated.

The EUDR was to have to come into force at the end of December 2024. Large operators and traders now have until December 30 2025 to comply, while micro- and small enterprises have until 30 June 2026.

The European Commission proposed the deferment in October 2024 and the proposal was supported by the European Council. At the same time MEPs voted through a range of amendments to the EUDR the most significant was a change to the Regulation's supplier country risk benchmarking. This was later dropped.

The EU has committed to finalising the benchmarking system six months prior to EUDR implementation. The EUDR IT system, which companies can work with, is set to be in its final form by that date.

The European Commission has also pledged to “continue providing further clarifications on the legislation and explore additional simplifications, in full compliance with the objectives of the Regulation, through updates of the guidelines and the frequently asked questions document.”

It has additionally committed to establishing “a stronger international cooperation framework to support global stakeholders, member states and third countries in their preparations for the implementation of the EUDR.”

Commenting on the final vote to delay the introduction of the EU, Silvia Melegari, Secretary General of the European woodworking industries confederation CEI-Bois said “this postponement is very much welcomed by the European woodworking Industries as it will allow operators to be prepared in terms of their due diligence obligations. As industries we are also very pleased that the EU Commission has published the revised Q&As for the EUDR and the guidelines and promised to continue to update these documents in order to smooth implementation. In the coming months CEI-Bois will continue to engage on behalf of our industry in constructive dialogue with the Commission in order to solve any remaining problems and/or allay any remaining doubts.”

Once the supporting systems are in place and streamlined, some in the timber sector say they do see the EUDR ultimately providing opportunities in the marketplace.

See: https://environment.ec.europa.eu/topics/forests/deforestation/regulation-deforestation-free-products_en

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L_202403234

<https://circabc.europa.eu/ui/group/34861680-e799-4d7c-bbad-da83c45da458/library/b52a6d25-e365-4301-a90a-59cf7ce2e8d3/details?download=true>

<https://www.cei-bois.org/>

and

<https://www.euractiv.com/section/eet/opinion/a-note-to-the-eu-the-european-deforestation-regulation-is-delayed-but-this-isnt-time-to-relax/>

EUDR information system promises training

As reported in the December edition of the European Timber Trade Federation newsletter, the law implementing the IT system for administration of the EU Deforestation Regulation promises that users will be given training and support in its operation.

The system is now open for use for businesses to upload EUDR due diligence statements that products being placed on the EU market are not implicated in deforestation or forest degradation, plus the geolocation coordinates for the source of supply, which are also required under the EUDR.

This is intended for companies to get accustomed and adapt their administrative systems to using it prior to its use becoming obligatory on implementation of the EUDR at the end of December 2025. The lead-in period is also seen as facilitating further fine-tuning of the system.

The law implementing the IT system states that the European Commission will “ensure provision of knowledge, training and support, including technical assistance, to users and stakeholders of the system regarding its operation”. It will also provide web services “enabling users of the system to submit and manage due diligence declarations in the information system in an automated manner” and “provide an electronic interface” for the IT platform.

See: https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=OJ:L_202403084

North America

Hardwood plywood imports surge

US imports of hardwood plywood surged 21% in November to their highest volume since January. The 255,173 cubic metres of plywood imported in November was, however, 7% less than that of the previous November

Imports from several countries showed marked improvement with imports from China up 51%, imports from Malaysia up 40% and imports from Vietnam and Indonesia both up 28%.

Indonesia and Vietnam are the top suppliers for the year by far and imports from both countries grew sharply in 2024. Imports from Vietnam for the year to date are up 51% through November while imports from Indonesia are up 25%. The total volume of US hardwood plywood imports for 2024 is up 1% from last year as of November.

US imports of hardwood plywood (cu.m)

	Jan-Nov 2024	YoY % change
Total	2,497,339	1%
China	35,072	-18%
Russia	166,945	-6%
Indonesia	629,000	25%
Malaysia	79,507	41%
Cambodia	126,047	13%
Vietnam	662,844	51%
Ecuador	117,928	-7%
Other	679,996	-33%

Data source: US Department of Agriculture, Foreign Trade Statistics

Sawn tropical hardwood imports rally

US imports of sawn tropical hardwood leapt 25% in November, furthering a recovery from a weak autumn market. The 17,038 cubic metres imported in November accounted for the second-best volume month of the year and was 42% higher than that of November 2023.

Imports from Brazil and Ghana both more than doubled from the previous month while imports from Malaysia rose 81%. Imports from Malaysia were their strongest this year in November but have been lagging for most of 2023, down 38% from last year for the year so far. Total US imports of sawn tropical hardwood are down 7% versus last year through November.

Canadian imports of sawn tropical hardwood fell 2% from the previous month. Despite the slip, imports remain at a high level and were 38% higher than those of November 2023.

A massive increase in imports from Congo (Brazzaville) of 635% made up for significant drops in imports from several countries including Brazil, Cameroon, Bolivia and Malaysia. As of November, Canada's total imports of sawn tropical hardwood remain ahead of 2023 by 39%.

US Imports of tropical sawnwood (cu.m)

	Jan-Nov 2024	YoY % change
Total	167,121	-7%
Ecuador	4,357	-32%
Brazil	44,354	6%
Cameroon	19,247	4%
Malaysia	15,439	-38%
Rep. Congo	15,280	0%
Peru	1,137	21%
Indonesia	25,909	-7%
Ghana	6,066	-6%
Cote d'Ivoire	1,951	5%
Other	33,381	-8%

Data source: US Department of Agriculture, Foreign Trade Statistics

Veneer imports plunge

US imports of tropical hardwood veneer plunged 22% in November to their lowest level since February. With the drop, imports for November were 41% lower than in November 2023.

Imports from Cote d'Ivoire fell 72% to a two-year low while there were even steeper declines in imports from Ghana (down 86%) and China (down 96%).

A 52% increase in imports from Cameroon helped mitigate some of the loss. Total US imports of tropical hardwood veneer were down 18% versus last year through to November.

Hardwood flooring imports jump

US imports of hardwood flooring climbed 24% in November on strong gains in imports from Malaysia and Brazil. Imports for the month were 14% higher than the previous November.

Imports from Brazil climbed 54% to their highest level since 2021 while imports from Malaysia more than doubled from the previous month. For the year so far, imports from Brazil are more than double what they were in 2023. Total imports of hardwood flooring for are down 11% year to date versus last year.

US imports of assembled flooring panels dropped 5% in November but remain well ahead of last year's pace. At US\$30.7 million, imports for November were a healthy 24% higher than the previous November.

Imports from China, Vietnam and Thailand all fell by about 20% in November, while imports from Canada (up 7%) and Indonesia (up 11%) showed gains. Total US imports of assembled flooring panels were up 36% over last year through to November.

Moulding imports continue to slide

US imports of hardwood moulding fell for a second straight month in November after reaching a two-year high in September. Imports dipped 5% from October to November but still held on to a level 34% higher than a year ago.

A 9% drop in imports from leading trade partner Canada fueled the slip while imports from Brazil remained weak. Imports from China and Malaysia showed impressive gains. Total US imports of hardwood moulding remained up 28% versus 2023 through November.

Wooden furniture imports falter

US imports of wooden furniture dropped 5% in November after two months of solid gains. Despite the setback, at US\$1.8 billion, imports for the month were 6% higher than the previous November total.

Apart from a small gain in imports from China, imports fell from all major trading partners with imports dropping 12% from both Canada and Mexico and imports from Indonesia falling 18%. Total imports of wooden furniture for the year were ahead of 2023 by 7% through November.

US imports of wooden furniture and parts (US\$)

	Jan-Nov 2024	YoY % change
Total	19,384,434,187	7%
China	2,940,297,005	-1%
Vietnam	8,054,758,151	21%
Canada	1,464,046,638	-4%
Malaysia	1,000,633,835	8%
Mexico	1,469,975,369	-6%
Indonesia	767,608,338	1%
India	395,836,979	-2%
Other	3,687,114,851	-1%

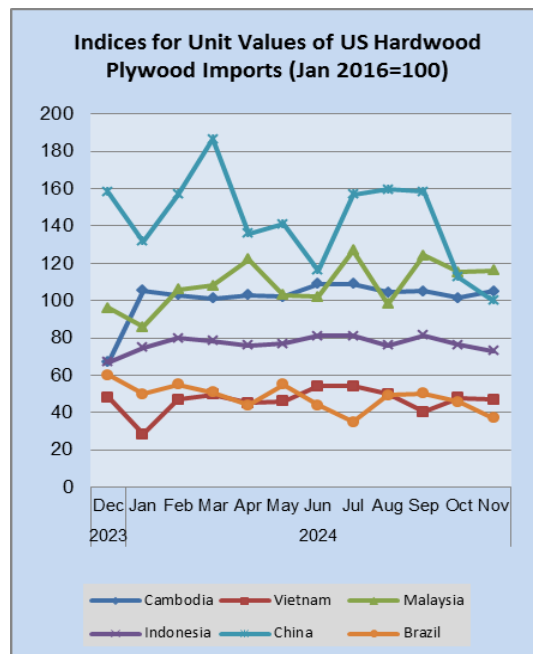
Data source: US Department of Agriculture, Foreign Trade Statistics

October residential furniture orders flat, modest optimism for 2025

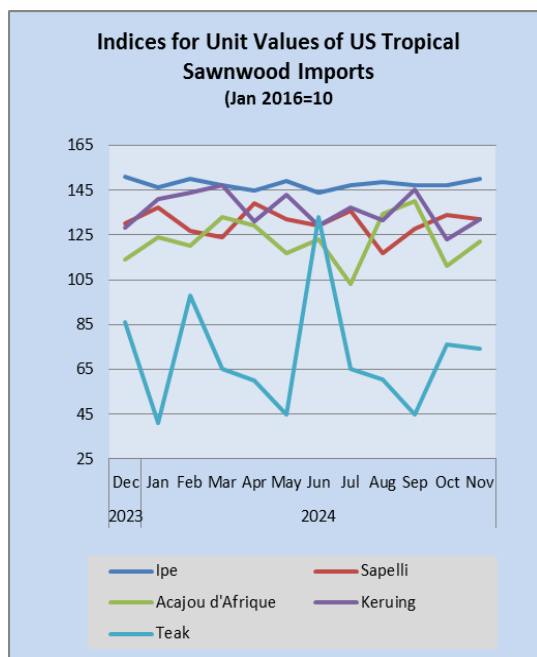
New residential furniture orders were essentially flat in October compared to 2023 figures, putting an end to five straight months of year-on-year declines according to the December issue of *Furniture Insights*.

However, new orders were down 2% compared to September 2024 figures and were flat for the year-to-date noted Mark Laferriere, assurance partner at Smith Leonard, the accounting and consulting firm that produces the monthly report. October shipments were down 5% compared to 2023 figures, but up 4% from September 2024. Year to date through October 2024, shipments were down 7% compared to 2023.

See: <https://www.woodworkingnetwork.com/furniture/october-residential-furniture-orders-flat-modest-optimism-2025>



Data source: US Census Bureau, Foreign Trade Statistics



Data source: US Census Bureau, Foreign Trade Statistics

Note: the doubling of the unit value for teak may be a statistical error. Use with caution.

Disclaimer: Though efforts have been made to ensure prices are accurate, these are published as a guide only. ITTO does not take responsibility for the accuracy of this information.

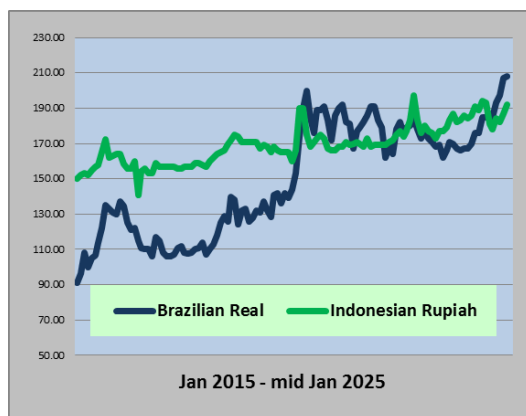
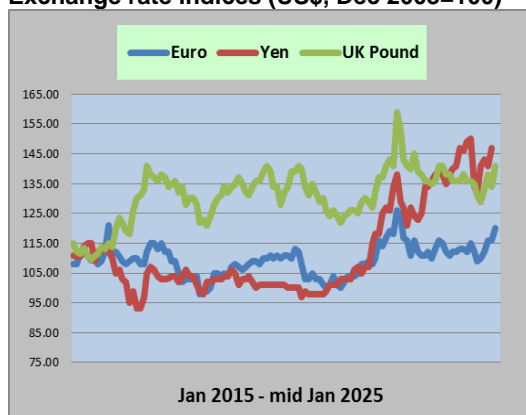
The views and opinions expressed herein are those of the correspondents and do not necessarily reflect those of ITTO

US Dollar Exchange Rates

As of 10 January 2025

Brazil	Real	6.11
CFA countries	CFA Franc	626.60
China	Yuan	7.33
Euro area	Euro	0.98
India	Rupee	86.19
Indonesia	Rupiah	16,278
Japan	Yen	158.00
Malaysia	Ringgit	4.50
Peru	Sol	3.77
UK	Pound	0.82
South Korea	Won	1,474.97

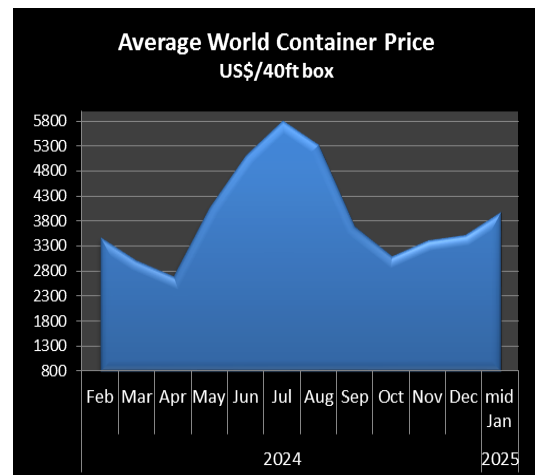
Exchange rate indices (US\$, Dec 2003=100)



Abbreviations and Equivalences

Arrows ↓↑	Price has moved up or down
BB/CC etc	quality of face and back veneer
BF, MBF	Board foot, 1000 board foot
Boule	bundled boards from a single log
TEU	20 foot container equivalent
CIF	Cost insurance and freight
C&F CNF	Cost and freight
cu.m cbm	cubic metre
FAS	First and second grade of sawnwood
FOB	Free-on board
Genban	Sawnwood for structural use in house building
GMS	General Market Specification
GSP	Guiding Selling Price
Hoppus ton	1.8 cubic metre
KD, AD	Kiln dried, air dried
Koku	0.28 cubic metre or 120 BF
LM	Loyale Merchant, a grade of log parcel
MR., WBP	Moisture resistant, Weather and boil proof
MT	Metric tonne
OSB	Oriented Strand Board
PHND	Pin hole no defect
QS	Qualite Superieure
SQ,SSQ	Sawmill Quality, Select Sawmill Quality

Ocean Container Freight Index

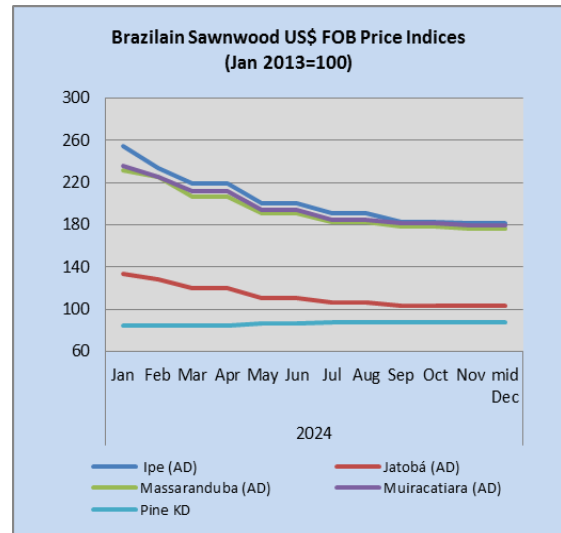
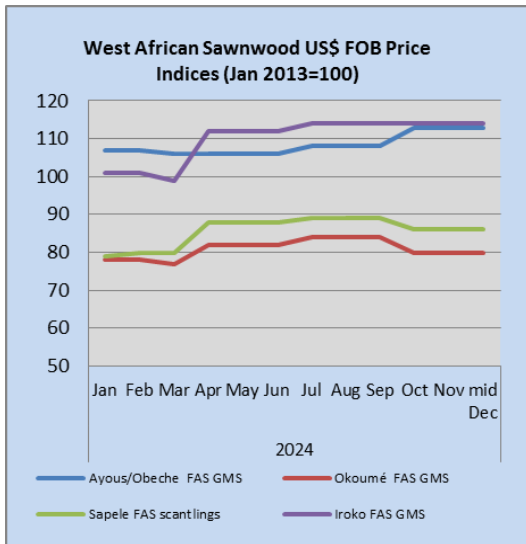
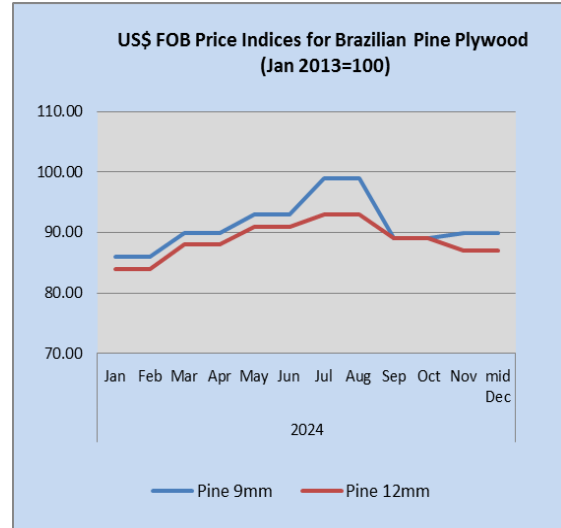
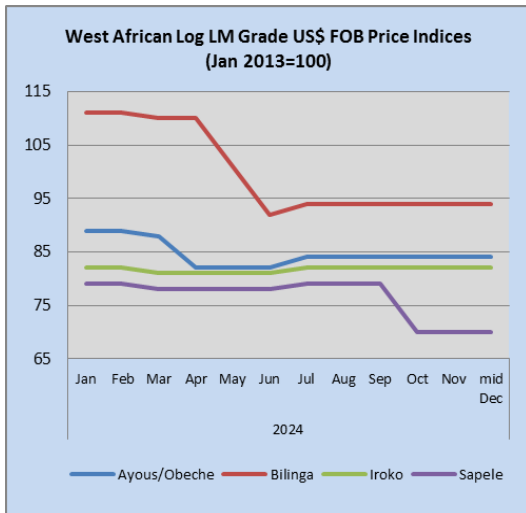


Data source: Drewry World Container Index

See: <https://www.drewry.co.uk/supply-chain-advisors/supply-chain-expertise/world-container-index-assessed-by-drewry>

Price indices for selected products

The following indices are based on US dollar FOB prices



Note: Indices for W. African logs and sawnwood are recalculated from Euro to US dollar terms.

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