Tropical Timber Market Report

Volume 29 Number 5 1st– 15th March 2025

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.

Contents

Top story

Executive Orders on timber

On 1 March the US President issued Executive Orders intended to boost domestic timber production. At the same time an investigation into the national security implications of US imports of wood products will be undertaken.

This investigation will include determining domestic demand and assessing whether domestic production can meet the demand. Any predatory trade practices that affect the competitiveness in the US industry will also be investigated.

Page 27

Headlines

Central and West Africa

Aiming to diversify markets

Producers report a modest increase in the price of kiln-dried Okoume destined for China. In contrast, Azobe prices face downward pressure. Millers report low recovery rates on large sections of Azobé (20×20 cm, for instance). Some mills hope to shift to smaller Azobé sizes to improve yield and are targeting the seasonal garden market in Europe. Another challenge for exporters is the high local transportation costs.

Demand is said to be firm for large Azobé 'mats' and dragline sheets in the Netherlands but some mills in the region are closed citing the slump in Chinese orders for Okoume and redwoods. EU demand for Okan and Dabema is reportedly weak.

As challenges mount in the EU market many producers are looking to new destinations such as Vietnam or even South America in order to diversify.

Regional update

Gabon

Frequent rains in up-country areas are keeping operations at low levels. The GSEZ log yard reportedly has around 30,000 cu.m of Okoume logs for utilisation by enterprises in the Zone.

It is reported that sawing-grade Okoume log prices have risen to around 50,000 FCFA per cubic metre delivered, plus around 20,000 FCFA per cubic metre in transportation costs. Many mills, especially in Nkok, continue to operate single shifts because of cautious interest from Indian and Chinese buyers.

China's purchases of timber remain low. The Philippines continues to source Okoume, while Vietnam shows steady interest in Tali and has begun purchasing Padouk. Demand in Middle East markets has seen some improvement with enquiries for Okoume, Iroko and Dabema.

Although orders from India, the Philippines and Vietnam provide some relief the lack of demand in China continues to restrain market growth. Steadier electricity supply is helping mills operate more predictably but high transport costs, weather-related road issues and regulatory complexities still weigh on production volumes and profit margins.

The government of Gabon has adopted a bill establishing the general framework for investment in the country.

See: https://www.lenouveaugabon.com/fr/economie/0703-20524-le-gabon-veut-proposer-des-avantages-fiscaux-et-douaniers-pour-attirer-plus-d-investisseurs

In the coming months, several Gabonese craftsmen could benefit from the support of Chinese experts in the use of bamboo and rattan according to Pascal Ogowe Siffon, Gabon Minister of Tourism and Crafts and Zhou Ping, Chinese Ambassador to Gabon.

As the world's leading producer and user of bamboo and rattan China has indicated it will support Gabon's application for membership in the International Bamboo and Rattan Organization (INBAR).

See: https://www.gabonreview.com/valorisation-du-bambou-et-du-rotin-la-chine-prete-a-aider-le-gabon/

Cameroon

Political activities are picking up ahead of presidential elections scheduled for the end of the year. Although details remain sparse, local industry players anticipate possible policy or administrative changes tied to the political campaign. Beyond that, market conditions are largely unchanged with mills continuing to operate under existing regulatory pressures and subdued export demand.

No significant changes have been reported since the previous update with harvesting, milling, transportation and port operations continuing under broadly similar conditions. Container availability remains sufficient and no new disruptions have been announced. Demand from China remains subdued while the Middle East maintains moderate interest in species such as Iroko, Sapelli and redwoods.

A recent development with the potential to influence logistics was the Cameroon Economic Forum, held on 26-27 February under the theme "Reviving Cameroon's Economy in a Rapidly Changing Global Landscape: What Are the Key Solutions?"

Organised by the Cameroon Business Group (GECAM) and presided over by Prime Minister, Joseph Dion Ngute, the forum brought together public decision-makers, international experts, and private companies to address the country's path to economic recovery.

Discussions emphasised three strategic pillars for logistics: boosting trade flows with tailored solutions, accelerating digitalisation and developing sustainable, eco-friendly infrastructure. From a timber perspective improved logistics may eventually help address transport and infrastructural bottlenecks that continue to hamper milling and export activities.

Republic of Congo

While the country's oil exports remain solid timber revenues are in decline leading to reports of layoffs in the forest sector. The income from oil and mining has not fully offset declining revenue from timber exports.

Harvesting in the Republic of Congo remains at reduced levels due to diminished Chinese interest, prompting sawmills to focus more on European demand. This shift may risk oversupply in certain CITES-listed timbers.

The Philippines continues to buy Okoume, while Vietnam shows stable demand for Tali and Padouk. Power supplies in Brazzaville have stabilised, alleviating earlier electricity disruptions that hampered mill operations.

The impact of the conflict in DRC is of concern. Although the most recent fighting is concentrated in the eastern DRC the conflict's ramifications affect the broader Congo Basin timber sector. While not verified it has been reported that armed groups in the DRC are profiting from illegal logging and charcoal production in protected areas such as Virunga and Kahuzi-Biega National Parks.

These developments in the DRC pose potential compliance risks for cross-border traders and could eventually disrupt shared logistics corridors. Producers are aware that given the recent developments in the DRC they must be pay attention to log source documentation, particularly critical to maintain access to European and other international markets.

See: https://news.mongabay.com/2025/03/the-environmental-toll-of-the-m23-conflict-in-eastern-drc-analysis/

Experts sought

As part of the development of projects in the Republic of the Congo ATIBT is putting together a pool of experts and consulting firms.

See: https://www.atibt.org/en/news/13611/identification-of-a-pool-of-experts-and-consulting-and-technical-firms-for-temporary-assignments-in-the-republic-of-the-congo

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	210	210	200
Azobe & ekki	260	2560	175
Belli	250	250	-
Bibolo/Dibétou	200	200	-
Bilinga	275	275	-
Iroko	270	250	225
Okoume (60% CI, 40% CE, 20% CS) (China only)	205	205	220
Moabi	260	260	220
Movingui	180	180	-
Niove	160	160	-
Okan	210	210	-
Padouk	300	270	-
Sapele	260	260	220
Sipo/Utile	260	260	230
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

Ghana

2025 Budget – businesses enjoy tax reliefs - awaiting VAT reforms

The Government, through the 2025 Budget presentation by the Finance Minister, Dr. Cassiel Ato Forson, announced plans to abolish some taxes considered unfavourable for business growth and the livelihood of Ghanaians.

The Minister mentioned some taxes/levies would be abolished prior to Parliamentary approval of the budget such as the 1% Electronic Transfer Levy (E-Levy) on Mobile Money, the Emission Levy on industries and vehicles and the VAT on motor vehicle insurance policies all of which are inline with the party manifesto.

According to the Minister these are measures principally to help ease the pressure on the business sector including manufacturing industries and Small Medium Enterprises.

Prior to the budget trade bodies such as the Association of Ghana Industries (AGI), the Ghana Union of Trades' Association (GUTA) and the Ghana National Chamber of Commerce and Industries (GNCCI) underscored the need for economic stability in the 2025 budget, stressing its critical role in sustaining businesses and improving livelihoods.

The Ghana Ports and Harbours Authority (GPHA) had also called for the elimination of the Value Added Tax (VAT) on transit goods which was seen as undermining competitiveness.

With VAT at 22%, which businesses led by the AGI consider hurt business operations, Dr. Forson assured that the government will undertake comprehensive VAT reforms this year with the aim to review the current structure.

The Minister indicated the parameters for the VAT reforms are likely to include abolishing the COVID-19 Levy; reversing the decoupling of GETFund (Ghana Education Trust Fund) and NHIL from the VAT and reducing the effective VAT rate for businesses. Other measures include reversing the VAT flat rate regime, upwardly adjusting the VAT registration threshold to exempt micro and small businesses from the collection of VAT and improving compliance through public education and awareness.

The Minister was confident that by prioritising the elements mentioned in the budget statement an environment where businesses can thrive and be competitive can be created which will drive economic recovery. The AGI is yet to make any public announcement on the budget and if the plan contains strategies that will strengthen the local currency and lower interest rates, as these measures that will positively impact on the business community.

See: https://citinewsroom.com/2025/03/2025-budget-must-ensure-economic-stability-guta/

Exports to ECOWAS dipped in 2024

According to the Timber Industry Development Division (TIDD) data, Ghana's export of wood and wood products to the African market in 2024 accounted for 9% (25,477 cu.m) of total exports while, for the same period in 2023, the volume was 36,245 cu.m.

The major destinations for Ghana's wood product exports to Africa included Egypt, Morocco and South Africa with the ECOWAS sub-region alone accounting for 73% (18,490 cu.m) of the total export volume in 2024. This volume was below that slipped in 2023.

Exports to ECOWAS, 2023/2024

	2023 cu.m	2024 cu.m	YoY % change
Togo	8,593	5,015	-71%
Burkina Faso	7,447	5,668	-31%
Niger	5,398	3,999	-35%
Senegal	5,969	1,565	-281%
Mali	942	1,007	6%
Benin	589	553	-7%
Nigeria	374	483	23%
Cote D'Ivoire	378	106	-257%
Gambia	36	94	62%
Total	30,279	18,490	-64%

Data source: TIDD

While Burkina Faso, Togo, Niger and Senegal were the major markets within ECOWAS their contribution to the overall export earnings dipped to 16,247cu.m in 2024 from 27,407cu.m in 2023.

Wood products exported included kiln dried sawnwood, sliced veneer, poles and the main export item, plywood.

Exports to ECOWAS countries – 2023/2024

Product	2023 % volume	2024 % volume
Plywood	87%	98%
AD sawnwood	11%	0%
KD sawnwood	2%	0%
Mouldings	0%	0%
Sliced Veneer	0%	0%
Poles	0%	1%

Data source: TIDD

The data shows that all ECOWAS countries imported plywood during the period. ECOWAS countries, except Niger and Nigeria, recorded higher average unit prices for wood products in 2024 as against 2023. The leading plywood importing countries were Togo, Burkina Faso and Niger.

Stakeholders engaged on emissions reduction/benefit sharing plan

The Climate Change Directorate (CCD) of the Forestry Commission (FC) organised a National Stakeholder Engagement and Validation Workshop on the draft Benefit Sharing Plan (BSP) designed for The REDD+ Environmental Excellence Standard (TREES) programme areas. The two-day event highlighted actions contributing to emission reductions and benefit allocations achieved through programme progress.

In her welcome address, Miss Roselyn Fosuah Adjei, Director, CCD, briefed participants on the proposed agenda and challenged them to be candid with their contributions to help boost livelihoods in local communities and address issues of deforestation and forest degradation.

The Reducing Emissions from Deforestation and Forest Degradation and the role of sustainable forest management along with conservation and enhancement of forest carbon stocks are UN-backed frameworks aimed at combating climate change. It sets requirements for accounting, monitoring, reporting, verification, risk mitigation and transparency where governments receive incentives to reduce emissions through its market-based framework, TREES. The CCD under the FC, serves as the National REDD+ Secretariat, overseeing programmes and collaborating with like-minded organisations.

See: https://fcghana.org/fc-holds-stakeholder-engagement-on-the-draft-bsp-for-the-trees-programme-area/

Ghana remains strategic investment hub

The International Finance Corporation (IFC) remains optimistic about Ghana's economic prospects and reaffirmed its commitment to supporting private-sector growth.

Dahlia Khalifa, IFC's Regional Director for Central Africa and Anglophone West Africa, highlighted Ghana's resilience and economic potential in an interview with the Business and Financial Times.

The IFC has injected more than US$2 billion into the Ghanaian economy over the past decade with US$450 million disbursed in 2023 alone, a figure expected to be higher in 2024.

Khalifa noted that the IFC is channeling its investments into sectors with high employment potential including agribusiness, light manufacturing and renewable energy, adding that Ghana's fundamentals remain strong despite economic turbulence, positioning the country for sustained growth.

See:
https://www.ghanaweb.live/GhanaHomePage/business/Ghana-remains-strategic-investment-hub-despite-challenges-IFC-2015128#google_vignette

Boule export prices

	Euro per cu.m
Black Ofram	330
Black Ofram Kiln dry	420
Niangon	840
Niangon Kiln dry	910

Rotary veneer export prices

Rotary Veneer, FOB	Euro per cu.m	
	CORE (1-1.9 mm)	FACE (>2mm)
Ceiba	337	410
Chenchen	472	612
Ogea	367	590
Essa	555	656
Ofram	350	435

Export sawnwood prices

Ghana sawnwood, FOB	Euro per cu.m	
FAS 25-100mmx150mm up x 2.4m up	Air-dried	Kiln-dried
Afrormosia	860	925
Asanfina	465	947
Ceiba	290	465
Dahoma	520	567
Edinam (mixed redwood)	640	741
Emeri	700	750
African mahogany (Ivorensis)	783	874
Makore	692	800
Niangon	749	902
Odum	858	1.011
Sapele	695	858
Wawa 1C & Select	437	455

Plywood export prices

Plywood, FOB	Euro per cu.m		
BB/CC	Ceiba	Ofram	Asanfina
4mm	620	580	641
6mm	414	535	604
9mm	433	504	560
12mm	356	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	1,921
Avodire	2,582
Chenchen	755
Mahogany	1,738
Makore	2,921
Odum	3,453
Sapele	1,495

Malaysia

Timber industry, the third largest contributor to commodity exports

The Malaysian International Furniture Fair (4-7 March 2025) set the stage for a dynamic furniture buying season in Asia. At the opening of the Fair Datuk Seri Johari Abdul Ghani, Minister of Plantation and Commodities said Malaysia's wooden furniture exports earned a total of RM9.9 bil. in 2024 an 8.4% increase from 2023 with wooden furniture exports accounting for almost half of the total. "This achievement positions the timber industry as the third largest contributor of our commodity exports," he said.

Johari said MIFF played a pivotal role in shaping and elevating Malaysia's furniture industry adding that the platform enables businesses to showcase craftsmanship, foster new partnerships and explore the latest trends in design and manufacturing. "MIFF has rightfully earned its place among the world's top ten furniture trade shows and proudly stands as Southeast Asia's largest and longest-running furniture fair," he said.

See:
https://www.thestar.com.my/news/nation/2025/03/01/malaysia039s-export-of-wood-furniture-grew-84-to-rm99bil-last-year#goog_rewarded

Strengthening efforts on forest conservation

Nik Nazmi Nik Ahmad, Minister of Natural Resources and Environmental Sustainability, is reported as saying Malaysia is strengthening efforts on forest conservation through innovative financing strategies.

He said the Ministry has been exploring mechanisms such as green bonds, sukuk (Sharia-compliant financial certificates), carbon taxes and sustainable investments to ensure that conservation efforts are adequately funded.

"To address the funding gap, Malaysia introduced the Forest Conservation Certificate (FCC) in May 2024 through the Malaysia Forest Fund, an initiative designed to facilitate private sector investment in forest conservation projects.

Former Perak State Park Director, Shah Redza Hussein, is the Chief Executive Officer of the Malaysia Forest Fund (MFF), a federal government agency working to channel financing towards forest conservation, protection and management in the country.

See: https://thesun.my/malaysia-news/malaysia-strengthens-forest-conservation-with-innovative-financing-nik-nazmi-NG13738137
and
https://www.eco-business.com/news/malaysia-forest-fund-appoints-shah-redza-hussein-as-ceo/

Unfavourable market conditions – mills closing

One of the big six timber companies in Sarawak closed its loss-making plywood manufacturing business on 1 January this year.

According to the company, the timber business has, in recent times, contributed little to the group because of the weak market demand and strict operational requirements related to timber certification. The other challenge is competition in the Japanese market from plywood manufactured locally from domestic softwoods.

The Malaysian media has reported another of the big groups in Sarawak reported losses from timber related business in 2024. The media has also reported a third member of the big six timber companies in Malaysia has voluntarily withdrawal its MTTC timber certification in the Gerenai Forest management Unit.

MTCC Communications and Marketing Director, Muhammad Hasif Azizan, said the reasons cited for the withdrawal were unfavourable market conditions and an inability to sustain forest operations.

See: https://www.thestar.com.my/business/business-news/2025/03/10/wtk-exits-loss-making-plywood-manufacturing-ops
and
http://theborneopost.pressreader.com/article/282153592025030
and
http://theborneopost.pressreader.com/article/281608131175979

Environment compliance audit course

The Borneo Post has reported the Natural Resources and Environment Board (NREB) has appointed an official training provider for the Environmental Compliance Audit (ECA) Training Course. This course equips potential auditors with the necessary knowledge and skills to conduct ECA effectively.

Successful completion of the course is one of the key competencies required to qualify as an NREB Registered Environmental Auditor.

To enhance environmental compliance and risk assessment in project development the NREB introduced the Natural Resources and Environment (Audit) Rules 2008 which were gazetted in 2008 and came into force in 2013. The Rules aim to improve regulatory adherence, mitigate environmental risks and promote self-regulation among project proponents.

See:
http://theborneopost.pressreader.com/article/281663965748503

Indonesia

Export Benchmark Price (HPE) of Wood for March 2025

Veneers (prices per cu.m)

Natural forest veneer	US$719
Plantation forest veneer	US$638
Wooden Sheet for Packaging Box	US$815

Wood chips (prices per tonne)

Woodchips chips or particles	US$95
Woodchips	US$98

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$1,094
Merbau (Intsia sp)	US$1,100
Rimba Campuran	US$860
Ebony	US$2,308
Teak	US$3,257
Pinus and Gmelina	US$646
Acacia	US$739
Sengon (P. falcataria)	US$719
Rubberwood	US$308
Balsa, Eucalyptus	US$1,228
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 4000 mm2 to 10000 mm2 (ex 4407.11.00 to ex 4407.99.90) = US$1,500/cu.m

See: https://jdih.kemendag.go.id/peraturan/keputusan-menteri-perdagangan-republik-indonesia-nomor-219-tahun-2025-tentang-harga-patokan-ekspor-dan-harga-referensi-atas-produk-pertanian-dan-kehutanan-yang-dikenakan-bea-keluar

Furniture sector performance

At the opening of the 2025 Indonesia International Furniture Expo (IFEX) the Deputy Minister of Industry, Faisol Riza, stated the national furniture and craft industry continues to record growth amidst global uncertainty adding "we appreciate the Indonesian Furniture and Craft Industry Association (HIMKI) as an Association of the furniture and craft industry which continues to synergise with the government and other associations in making efforts that have proven to have a positive effect on the Indonesian furniture industry, so that the market can continue to grow."

The Deputy Minister added that industry players can take advantage of growth in the domestic market to expand and become more competitive.

To support the furniture sector the Ministry of Industry has developed various strategies that focus on facilitating the availability of raw materials by coordinating with related ministries and institutions to improve the supply chain of raw materials for the furniture industry through the facilitation of the Furniture Industry Raw Material Logistics Center.

See: https://emitennews.com/news/industri-furnitur-catat-pertumbuhan-207-persen-di-2024

Furniture makers face challenges when exporting

Abdul Sobur, General Chairperson of the Indonesian Furniture and Craft Industry Association (HIMKI), has raised concerns that the government budget savings are challenging the potential expansion of exports and leading to reduced spending on industrial products.

He stated that Association members rely on government support for international exhibition programmes to enhance international and domestic market share. Against this background Sobur is reported as saying "we hope the government, the ministry of industry and the ministry of trade will support participation in the exhibition in Dubai as Indonesia needs to target emerging markets.

According to Sobur, international exhibitions are vital for the furniture industry, particularly for those companies that lack financial resources. Meanwhile, financially stable furniture manufacturers are expanding into non-traditional markets such as China, the Middle East and India.

Sobur also mentioned that the impact of government budget cuts could negatively affect domestic sales performance because of a cut in government spending on desks and chairs for schools as well as furniture for government offices.

In related news, the HIMKI is preparing for the possible implementation of import tariffs in the US. HIMKI General Chair, Abdul Sobur, emphasised that Indonesia must diversify its export markets by targeting non-traditional regions.

Sobur said “historically, we have relied too heavily on the American market which accounts for over 50% of our exports and Europe which makes up 35%. Sobur underscored the need for the local industry to remain vigilant regarding US trade policies as the US represents one of the largest markets for the furniture industry.

However, he acknowledged that expanding exports to non-traditional markets presents various challenges. To facilitate this expansion, Sobur suggested the government could play a supporting role, particularly by promoting bilateral agreements through free trade agreements (FTAs) with countries that are potential export destinations.

See: https://www.msn.com/id-id/ekonomi/ekonomi/prabowo-hemat-anggaran-pengusaha-mebel-kesulitan-ekspor/ar-AA1Am2qD?ocid=BingNewsVerp
and
https://voi.id/en/economy/465963
and
https://www.msn.com/id-id/berita/other/kebijakan-tarif-as-bikin-industri-mebel-ketar-ketir/ar-AA1AnHsN?ocid=BingNewsVerp

Promoting high-quality furniture in Vietnam

The Consulate General of the Republic of Indonesia (KJRI) in Ho Chi Minh City supports Indonesian furniture companies in their efforts to enter the Vietnamese market. Several Indonesian furniture companies participated in the VIFA Expo 2025, held in Ho Chi Minh City from March 5 to 8.

The Indonesian products showcased at the VIFA Expo 2025 included indoor furniture made from engineered wood panels, sofas and mattresses. The strength of Indonesian furniture products lies in their quality and design which are recognised by buyers as having high value according to the KJRI.

See: https://www.idxchannel.com/news/indonesia-promosikan-produk-furnitur-unggulan-ke-pasar-vietnam

Forest Law revision centres on green energy, indigenous peoples' rights

Revision of the Forestry Law has been included in the 2025 Priority National Legislation Programme and the main agenda for discussion in Commission IV of the House of Representatives with focus on strengthening green energy campaigns and indigenous peoples’ rights.

This revision highlights aspects that focus on the development of sustainable biomass energy in order to achieve the target of national energy self-sufficiency.

Several crucial points in this revision include the allocation of production forests for biomass energy, licensing regulations for green energy investment, fiscal incentives for green technology and strengthening indigenous peoples' rights through energy partnership schemes.

Member of the House's Commission IV, which oversees agriculture, environment, forestry and maritime affairs, Rokhmin Dahuri, emphasised that in order for the forestry sector to contribute to sustainable economic growth, there are five key aspects that must be addressed.

"We must strengthen forestry spatial planning through the Forest Use Agreement (TGHK), implement an appropriate silviculture system and strengthen the forestry industry supply chain from upstream to downstream.

He added, indigenous peoples must have rights in forest management, and governance must also be improved so that policies are more integrated," These comments were made in a discussion on "Policy Direction of the Forestry Bill and Its Correlation to Energy Self-Sufficiency" held by the Indonesian Parliamentary Center

See:https://indonesiabusinesspost.com/3744/capitol-influence-and-lobbying/forestry-law-revision-centers-on-green-energy-indigenous-peoples-rights

Promoting technological integration for sustainable forest production

At a recent event, Krisna Septiningrum, Director of Forest Products and Plantation Industry, Ministry of Industry, said "the key to the competitive advantage of the wood processing industry is a sustainable supply of wood raw materials and modernisation of machinery and technology".

On the same occasion, Indroyono Soesilo, Chairman of the Indonesian Forestry Community Communication Forum (FKMPI) encouraged the integration of technology for sustainable forest production and supply chain efficiency to continue to spur export performance.

Indroyono highlighted the importance of plantation forests in supplying raw materials for the wood industry and the challenges faced, including tenure issues. To increase global competitiveness the FKMPI encourages diversification of wood-based products, expansion of export markets to the Middle East and Africa, and increased investment through partnerships with the UK, Germany, Japan, South Korea and the European Union.

See: https://forestinsights.id/fkmpi-dorong-integrasi-teknologi-untuk-produksi-kehutanan-berkelanjutan/#

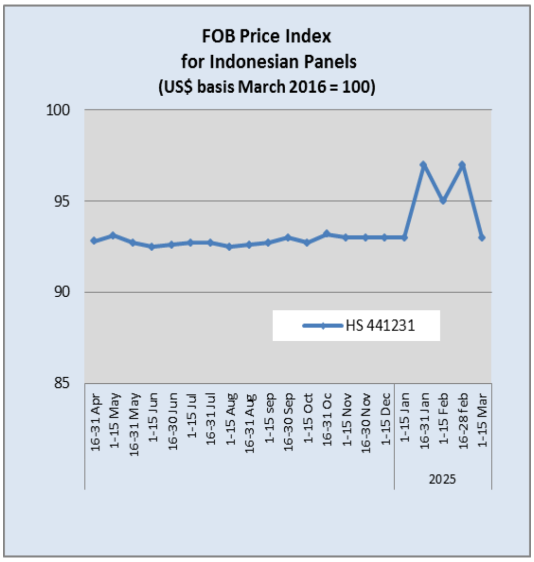
Building capacity in satellite data interpretation

The Food and Agriculture Organization (FAO) has trained local experts in remote sensing techniques critical for monitoring the world's forest and mangrove ecosystems. Fifty national representatives convened in Lombok for a workshop which was organised with financial support from the European Union.

By establishing a network of satellite image interpreters in Indonesia the workshop contributes directly to FAO's Remote Sensing Survey (RSS) which in turn provides data for the Global Forest Resources Assessment (FRA) the largest examination of forest resources across the globe.

"Through this workshop national remote sensing experts were empowered with knowledge to generate high-quality estimates in order to contribute to the transparency and accessibility of essential data on forests," said Adolfo Kindgard, FAO Forestry Officer.

See: https://indonesia.un.org/en/290405-fao-builds-indonesia%E2%80%99s-capacity-satellite-data-interpretation-assess-forest-area



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

Myanmar

Private plantations

Some say it is time to assess whether the outcomes of initiating private plantations in 2005-06, imposing the log export ban in 2014 and implementing the one-year nationwide logging moratorium in 2016-17, along with the ten-year moratorium in the Bago Region (until 2026-27)- have delivered expectations.

The log export ban and logging moratorium were one-time policy decisions with success dependent on external factors beyond ongoing efforts, while private plantation development remains the only initiative still progressing.

Products from private plantation forests are increasingly seen as vital, especially as timber from natural forests is largely excluded from international markets due to sanctions. To ensure long-term market sustainability, strengthening forest certification and timber legality assurance systems are essential. Even if initial efforts rely on national standards without immediate international recognition, they lay the foundation for future acceptance.

See:
https://www.itto.int/direct/topics/topics_pdf_download/topics_id=6691&no=1&disp=inline

Easing of procedures for furniture and flooring exports requested

U Aung Kyaw Moe, Vice President of the Myanmar Wood-Based Furniture Manufacturers Association has indicated a proposal was submitted to the Forestry Department to allow the export of locally produced finished wooden furniture and flooring with streamlined and simplified documentation.

Myanmar exports finished wooden furniture and finished wood flooring to India, Singapore and Japan every year. Currently, furniture is exported to India while flooring called Myanmar Flooring is also exported to Singapore and Japan.

Russian investment in Dawei SEZ

Myanmar and Russia signed an investment cooperation agreement for the Dawei Special Economic Zone (SEZ) which includes a port and an oil refinery. The announcement coincided with the fifth meeting of the Russia-Myanmar Intergovernmental Commission on Trade and Economic Cooperation. The meeting covered nine agreements on economic infrastructure, banking, education, communication, technology and humanitarian cooperation.

Russian Minister of Economic Development Maxim Reshetnikov and Myanmar's Union Minister for Investment and Foreign Economic Relations, Dr. Kan Zaw, led the discussions. The Dawei SEZ, spanning 196 square kilometres on the Andaman coast is envisioned as a hub for high-tech industries, transportation, IT and export processing according to the Russian Ministry of Economic Development.

See:- https://elevenmyanmar.com/news/russia-and-myanmar-sign-investment-agreement-for-dawei-special-economic-zone-including-port-and

FAFT briefed on National Strategy for Anti-Money Laundering Law.

The Financial Action Task Force (FATF) has again Flagged North Korea, Iran and Myanmar as High-Risk Jurisdictions placing them at the most critical level on its blacklist.

The Myanmar Central Bank Governor attended the latest FATF session to outline the country’s efforts in combating money laundering and implementing its National Strategy for Anti-Money Laundering Law.

See: https://www.fatf-gafi.org/en/publications/High-risk-and-other-monitored-jurisdictions/Call-for-action-february-2025.html

India

Pause in sawnwood price increases

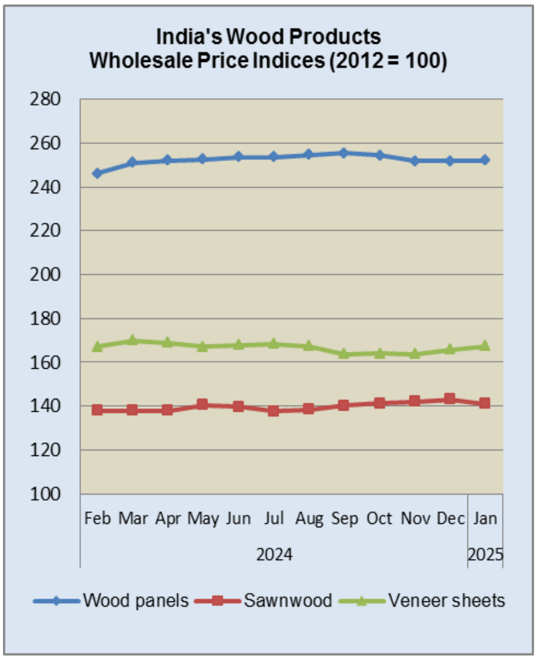
The annual rate of inflation based on the all India Wholesale Price Index (WPI) was 2.31% in January 2025. The positive rate of inflation in January was primarily due to increases in prices of manufactured food products, food articles, other manufacturing, non-food articles and manufacture of textiles

The index for the manufacturing sector increased to 143.2 in January 2025 from 143.0 in December 2024. Out of the 22 NIC two-digit groups for manufactured products, 15 groups witnessed an increase in prices, 5 groups witnessed a decrease in prices and 2 groups witnessed no change in prices.

Some of the important groups that showed month on month price increases were other manufacturing, manufacture of food products, machinery and equipment; chemicals and chemical products, pharmaceuticals along with medicinal chemical and botanical products.

Some of the groups that witnessed a decrease in price were manufacture of basic metals, fabricated metal products (except machinery and equipment) wearing apparel, beverages and transport equipment. Of the wood products tracked the price index for wood panels rose in January as did the index for veneers. The Index for sawnwood dropped in January after a sharp rise in December 2024.

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



Data source: Ministry of Commerce and Industry, India

Quality Control Order entered into force

The correspondents reports the Indian Quality Control Order has entered into force and imported wood-based products are now restricted as the overseas suppliers require a license issued by an Indian government body to ship wood based panels to India.

Time will tell if this decision benefits the end-user or the prices rise. The trade is awaiting clarification from the government on how the new standards will apply and whether there are exemptions.

Local company championing eucalyptus planting

A MDF company is encouraging farmers to grow eucalyptus in order to promote sustainability and resource renewal. The company says eucalyptus as a renewable crop known for its rapid growth making it an ideal resource for engineered boards. With growth rates 6 - 12 feet annually eucalyptus provides a sustainable alternative to traditional hardwoods.

As part of its commitment to sustainability the company actively supports reforestation. In 2024 the company distributed 5.5 million eucalyptus saplings to support reforestation with an ambitious goal to distribute 20 million saplings this year.

See: https://plyinsight.com/action-tesa-championing-a-nature-friendly-revolution-to-enhance-wood-reserves-2/

Expanding bamboo production for industrial use

The Tripura State government (North East India) has a five-year plan to expand bamboo forests for industrial use to 45,000 hectares. At present 70% of the country's bamboo incense sticks are from Tripura and the State government is keen to expand production.

Leading the initiative is Mission Director, Subhash Chandra Das, who said "Tripura produces bamboo on 461.32 hectares exclusively for industrial use and we plan to increase that by 45,000 hectares in five years." The objective of this plan is to supply bamboo for commercial and industrial purposes.

There are challenges in the bamboo production sector, especially transportation. "Transportation of bamboo from dense forests or hilly areas has emerged as a major challenge," Das said. Mr. Das added that the project is mobilising farmers to create bamboo plantations to ensure sustainable incomes.

See: https://www.ptinews.com/story/national/from-461-to-45k-hectares-tripura-s-bold-bamboo-expansion-drive-for-industrial-use/2318625

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

	Hoppus cu.m	US$ C&F
Brazil	127	485
Colombia	94	432
Costa Rica	187	335
Nigeria	-	-
Benin	-	-
Tanzania	90	470
Laos	-	-
South Sudan	241	685
Guatemala	189	350
Venezuela	-	-

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

	cu.m	US$ C&F
Benin	227	710
Brazil	125	650
Colombia	-	-
Costa Rica	191	500
Ecuador	-	-
Ghana	95	425
Ivory Coast	222	825
Nigeria	136	415
South Sudan	189	640
Tanzania	-	-
Togo	289	510
Panama	146	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

Plywood
The recently announced price increases have not been introduced as domestic demand is weak.

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 W&WP exports in February 2025 earned US$1.03 billion, down 28% compared to January 2025 but up 34% compared to February 2024. Of the total, WP exports fetched US$665.7 million, down 32% compared to January 2025, but up 39% compared to February 2024.

In the first 2 months of 2025 W&WP exports totalled US$2.45 billion, up 9% over the same period in 2024 of which WP exports alone contributed US$1.65 billion, up 9% over the same period in 2024.

Vietnam's W&WP imports in February 2025 reached US$220 million, up 11.4% compared to January 2025 and up 79.9% compared to February 2024. In the first 2 months of 2025, W&WP imports totaled US$418 million, up 22.0% over the same period in 2024.

WP exports to the UK in February 2025 were valued at US$19.8 million, up 78% compared to February 2024. In the first 2 months of 2025 W&WP exports to the UK earned US$45.4 million, up 39% over the same period in 2024.

While W&WP exports to major markets were on a downward trend in the first month of 2025 exports to the UK has been growing positively

In February 2025 kitchen furniture exports brought in about US$85 million, up 67% compared to February 2024. In the first 2 months of 2025 kitchen furniture exports earned US$198 million, up 11% over the same period in 2024.

Vietnam's ash imports in February 2025 totalled 38,500 cu.m worth US$9.6 million, up 8% in volume and 10% in value compared to January. In the first 2 months of 2025, imports of ash totalled 70,600 cu.m, worth US$17.5 million, up 14% in volume and 11% in value over the same period in 2024.

Vietnam's W&WP exports to South Korea in February 2025 were valued at US$45.6 million, up 8% compared to February 2024. In the first 2 months of 2025 W&WP exports to South Korea earned US$119 million, up 6% over the same period in 2024.

In February 2025, Vietnam’s bedroom furniture exports earned US$134 million, an increase of 66% compared to February 2024. In the first 2 months of 2025 bedroom furniture exports contributed US$319 million, up 15.4% over the same period in 2024.

Vietnam's pine wood imports in February 2025 were 63,300 cu.m, worth US$12.9 million, up 9% in volume and 11% in value compared to January 2025. Compared to February 2024 imports increased by 31% in volume and 23% in value.
In the first 2 months of 2025, pine wood imports were reported at 114,800 cu.m, worth US$23.1 million, up 8% in volume and down 2% in value over the same period in 2024.

Vietnam’s imports of log and sawnwood from the EU in January 2025 amounted to 53,945 cu.m, with a value of US$17.32 million, down 8% in volume and down 6% in value compared to December 2024 but up 7% in volume and 12% in value compared to January 2024.

Vietnam's exporters brace for tariff hike

Vietnamese exporters are seeking strategic solutions to mitigate the impact of potential US tariffs on lumber and forest products.

The US Department of Commerce has launched an investigation into sawnwood imports with potential tariffs of up to 25% on wood and forestry products set to take effect in April. The prospect of these tax changes has raised alarm among Vietnamese wood industry players as they could have a profound impact.

Mr. Ngo Sy Hoai, Vice President and General Secretary of the Vietnam Timber and Forest Products Association (VIFORES), emphasised that the proposed tariffs would create serious challenges for businesses in both countries. In response, VIFORES and key businesses in the sector are closely monitoring developments and preparing for potential countermeasures.

The Association is ready to answer any inquiries from US authorities and to participate in hearings if requested. Their goal is to demonstrate that the trade relationship between Vietnam and the US in the wood sector is mutually beneficial rather than adversarial.

"Vietnam is among the top surplus exporters of wood products to the US, primarily in furniture. Given the significance of the US market, companies involved in the supply chain are understandably concerned. We hope that the relevant authorities from both countries can find common ground to ensure mutual benefit," said Mr. Hoai.

Mr. Do Ngoc Hung, Vietnam's Trade Counselor in the US noted that, while American tariff policies on imports could create new export opportunities for Vietnam, they also introduce risks that require close monitoring.

He emphasised the need for Vietnam to closely track US trade policies and tariff measures, adjust strategies accordingly and strengthen coordination with Vietnam's Ministry of Industry and Trade as well as the country's trade office in the US to stay informed and develop counter-measures.

Furthermore, businesses should carefully review their production and export plans as countries subjected to US tariffs may implement protective trade measures increasing competition for Vietnam's export market.

According to Vietnam's General Department of Customs in 2024, the US remained Vietnam's largest wood product export market with exports reaching US$8.17 billion.

Vietnam's total wood product and wooden furniture exports in 2024 exceeded US$16.28 billion, a 21% increase compared to 2023. In January 2025 alone, wood and forest product exports reached US$1.42 billion, placing them among the top seven export commodities generating over US$1 billion. The sector accounted for 68% of the country's total exports.

See: https://antidumping.vn/vietnams-wood-exporters-brace-for-potential-tariff-hike-n28520.html

Speaking at the Vietnam Furniture Industry Outlook 2025, Đỗ Ngọc Hưng, trade counselor and Head of the Vietnam Trade Office in the US said "if the US increases tariffs it will have a negative impact on Vietnam's wood industry."

The Vietnamese wood industry has set a growth target of 10-15% in 2025 and under normal trade conditions this is a rather modest target. However, given the current global trade situation it is difficult to say if the industry will be able to realise this goal, said Đỗ Ngọc Hưng."

Ngô Chơn Trí, Chief Operating Officer of one of the leading enterprises in the home goods and furniture e-commerce market said the US tariff increase on goods from certain countries offers an advantage for Vietnamese businesses. But for that they must strengthen their capabilities and build a sustainable supply chain.

He added "with a strong commitment to delivering high quality and reasonable prices, we see tremendous opportunities in the US market. We are confident in the strength of Vietnamese manufacturers. By working closely with local producers and e-commerce platforms, we will continue to bring high-quality, reasonably priced products to US consumers."

See: https://vietnamnews.vn/economy/1693453/viet-nam-wood-industry-braces-for-us-import-tariff-policy-changes.html

Adapt export strategies - Minister

According to the Minister of Industry and Trade, Nguyen Hong Dien, Vietnam's export sector is at a crossroads facing both significant opportunities and considerable challenges and the nation must prepare strategically to enhance competitiveness in light of the shifting global trade landscape, he noted.

In an era of rising geopolitical instability, Minister Dien said that competition in the global exporting market is set to intensify, particularly with players such as China, Indonesia and Thailand.

Developed nations have been applying stricter standards and regulations concerning supply chains, raw materials, labour, and environmental practices, further complicating international trade and now the US plans to impose sweeping tariffs which has triggered the stockpiling of goods to avoid tax hikes which has driven up freight costs.

Despite these pressures the Minister said Vietnam may find itself positioned to capitalize on global supply chain shifts, he said, explaining that the country could attract more investment into high-value sectors. However, the rising logistics costs and higher standards from importing markets might challenge the nation's competitiveness.

In spite of such big challenges, a possible trade war entailing tariffs is expected to smooth the path for Vietnam to boost its production and exports.

In response to the global trade uncertainties the Ministry of Industry and Trade plans to continue prioritising investment in key export sectors, including high-tech manufacturing.

A key aspect of Vietnam's strategy lies in bolstering the digital transformation of its enterprises, especially small and medium-sized businesses which will help them reduce costs, increase labour productivity and meet increasingly stringent international quality standards. The ministry is committed to facilitating this transformation by offering training, consultations on rules of origin, and connecting businesses with reputable international suppliers to optimise production costs and enhance competitiveness.

Brazil

New biodiversity conservation targets

The National Biodiversity Commission (CONABIO) has established 23 national biodiversity targets for the 2025–2030 period as part of the National Biodiversity Strategy and Action Plan (NBSAP). The targets address deforestation reduction, ecosystem restoration, conservation and management, the promotion of sustainable use and trade. They also focus on curbing species extinctions and genetic variability loss, reducing invasive exotic species and minimising pollution.

The initiative also outlines complementary funding sources beyond public resources, such as private sector incentives to strengthen ecosystem protection and the leadership of traditional communities.

Other key topics highlighted in Brazil's biodiversity targets, which are also expected to be central to discussions in Rome, include the elimination of harmful subsidies, capacity building, technical-scientific cooperation and technology transfer for the conservation, management and sustainable use of socio-biodiversity.

See: https://forestnews.com.br/conabio-lanca-novas-metas-de-conservacao-da-biodiversidade-para-2030/

Plan for planted forests in Minas Gerais

The State of Minas Gerais has launched a Plan for the Sustainable Development of Planted Forests, a strategic initiative aimed at strengthening the forestry sector in the State coordinated by the Superintendence for Forestry Promotion in the Agriculture, Livestock and Supply secretariat (SEAPA).

The Plan addresses key topics such as planted forest legislation, the Green Seal, Rural Environmental Registry and the restructuring of the sector's production chains.

The initiative seeks to attract investments, expand markets and boost jobs and income generation with a special focus on small and medium-sized producers.

Additionally, it aims to facilitate access to information on financing options for agro-industries that use raw materials from planted forests, the Crop-Livestock-Forest Integration System (ILPF- Sistema de Integração Lavoura-Pecuária-Floresta), as well as training and guidance on techniques for planting, management and commercialisation of forest products.

The plan was developed in partnership with various sectoral entities including the Environmental Management Center and the Working Group on Planted Forests.

Other organisations involved in the process included the Minas Gerais Forest Industry Association (AMIF), the Federation of Agriculture and Livestock of Minas Gerais (FAEMG), the State Forestry Institute (IEF), the Institute for Integrated Development of Minas Gerais (InvestMinas) and several state secretariats, such as Economic Development (SEDE), Finance (SEF), Environment and Sustainable Development (SEMAD) and Planning and Management (SEPLAG).

The implementation of the plan will be led by the Forestry Promotion Superintendence with support from the Sectoral Chamber of Forestry linked to the State Council for Agricultural Policy (CEPA). The initiative is expected to promote sustainable rural development by encouraging the integration of crops, livestock and forests, while strengthening public policies focused on the forest economy.

See: https://www.remade.com.br/noticias/20545/minas-gerais-lanca-plano-estadual-para-florestas-plantadas

Investment fund support for forest restoration

Brazil will receive a total of US$247 million in investments to promote forest restoration and nature-based solutions under the Nature, People and Climate (NPC) Programme of the Climate Investment Funds (CIF).

The plan, approved in February this year, allocates US$47 million from CIF, US$100 million from the Climate Fund (via BNDES) and US$100 million from the World Bank to finance restoration of the Amazon and Cerrado biomes.

The CIF's NPC programme supports the development of nature-based solutions to address climate change by promoting ecosystem restoration and strengthening the resilience of rural populations. With a total budget of US$400 million, the programme recognises the interdependence between land use, the climate crisis and community livelihoods and encourages countries to implement projects that integrate mitigation and adaptation strategies.

Development of the plan was led by the Brazilian Forest Service (SFB), as the technical focal point of the NPC Brazil, with the participation of the Ministry of Environment and Climate Change (MMA), BNDES, the World Bank and the Inter-American Development Bank (IDB).

The objective is the transformation of degraded areas of the Tocantins-Araguaia Basin, known as "the Deforestation Arc", into a new Restoration Arc with plans to restore 54,000 hectares of forest with a potential to capture up to 7.75 million tonnes of CO_2 emissions and generating 21,000 new jobs. BNDES will coordinate the implementation focusing on the private sector and promoting sustainable production chains.

NPC Brazil is the first Investment Plan approved under the CIF's Strategic Climate Fund (SCF) with a 100% focus on the private sector. It uses a blended finance to leverage investments in environmental restoration and encourage company participation in environmental recovery initiatives. Additionally, for the first time, CIF will allocate resources for investments in the Brazilian Amazon, aligning with the National Native Vegetation Recovery Plan (Planaveg).

With the approval of the Investment Plan, Brazil now has 18 months to develop the implementation plan and details of the projects to be carried out.

See: https://www.maisfloresta.com.br/brasil-contara-com-us-247-milhoes-para-restauracao-florestal-e-solucoes-baseadas-na-natureza/

Transport issues at Ports - industry in search of solutions

The Brazilian forestry and timber sectors are facing serious logistical challenges primarily due to issues at ports andwith maritime transport operations. Timber industries and other sectors have been struggling with route cancellations, shipment delays and excessive queues which directly impact export competitiveness.

According to the National Confederation of Industry (CNI), these disruptions have caused significant financial losses, particularly due to the lack of predictability and the extra charges because of extended terminal delays.

The problems with exporting products in containers from Brazil have, according to ABIMCI, worsened since the second half of last year. Exporters plan dispatch on the basis of vessel arrival schedules but recently schedules are being changed at the last minute leaving companies with a challenge to reorganise their logistics.

Additionally, delays and omissions in vessel schedules often lead to ships by-passing ports where cargo is waiting. This issue results in financial losses and often leads to extra time related charges for containers according to the CNI.

The Brazilian Association of Mechanically Processed Timber Industry (ABIMCI), representing the timber sector, has been actively seeking solutions to improve the efficiency of port operations. ABIMCI has participated in meetings with CNI and the National Waterway Transport Agency (ANTAQ) to highlight the negative impacts of delays and unjustified fines. They have also pushed for greater flexibility and transparency in government and port authority actions.

ABIMCI has called for better accountability in addressing shipment issues and proposed the establishment of a "situation room" for ongoing discussions on short-term improvements to streamline operation processes. Meanwhile, long-term structural measures, such as terminal expansions and deepening dredging projects, are being planned.

See:
https://imprensa.portaldaindustria.com.br/posicionamentos/problemas-no-escoamento-de-cargas-pelos-portos-mobiliza-industria-em-busca-de-solucoes/ and Abimci News - Edição Fevereiro 2025

Domestic log prices

Brazilian logs, mill yard, domestic	US$ per cu.m
Ipê	414
Jatoba	177
Massaranduba	155
Miiracatiara	151
Angelim Vermelho	164
Mixed redwood and white woods	118

Prices do not include taxes. Source STCP Data Bank

Domestic sawnwood prices

Brazil sawnwood, domestic (Green ex-mill)	US$ per cu.m
Ipé	1,652
Jatoba	853
Massaranduba	744
Muiracatiara	767
Angelim Vermelho	700
Mixed red and white	483
Eucalyptus (AD)	278
Pine (AD)	231
Pine (KD)	274

Prices do not include taxes. Source: STCP Data Bank

Domestic plywood prices

Parica ex-mill	US$ per cu.m
4mm WBP	549
10mm WBP	446
15mm WBP	381
4mm MR.	515
10mm MR.	400
15mm MR.	339

Prices do not include taxes. Source: STCP Data Bank

Prices for other panel products

Domestic ex-mill prices	US$ per cu.m
15mm MDParticleboard	259
15mm MDFibreboard	258

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	2,376
Jatoba	1,303
Massaranduba	1,277
Muiracatiara	1,305
Pine (KD)	203

Prices do not include taxes. Source: STCP Data Bank

Export plywood prices

Pine plywood	US$ per cu.m
9mm C/CC (WBP)	324
12mm C/CC (WBP)	291
15mm C/CC (WBP)	279
18mm C/CC (WBP)	269

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	3,219
	Jatoba	1,821

Prices do not include taxes. Source: STCP Data Bank

Peru

Furniture exports increased in 2024

According to information provided by the Services and Extractive Industries Department of the Association of Exporters (ADEX), shipments of furniture and furniture parts in 2024 were valued at US$4.7 million FOB, a positive 14.5% increase compared to 2023.The main market for these items was the United States which accounted for a 53% but this was down 3.5% compared to 2023.

Other markets were Chile 10% share, Colombia 9%. The top five export markets included Italy and Guatemala at 7% and 5% share respectively.

Plantations to be established in seven regions

Through forestry incentives over the next three years 5,000 hectares of new plantations will be established in seven regions across the country at an estimated cost of around US$10 million,

At the launch of the 'Forest Incentives Programme (PIF) 2025' the National Forestry and Wildlife Service (Serfor) invited rural and native communities, forest producer organisations and SMEs from the regions of Áncash, Cajamarca, Huánuco, Junín, Madre de Dios, Pasco and San Martín to participate in this first call for proposals for the PIF 2025.

This new call is expected to benefit 50 organisations with co-financing to establish 100 hectares of plantations each over a period of three years.

See: https://www.gob.pe/institucion/serfor/noticias/1116696-gobierno-con-programa-de-bosques-productivos-sostenibles-se-instalara-5-mil-hectareas-de-nuevas-plantaciones-en-7-regiones

OSINFOR strengthens training for sustainable forest oversight and management

A 'Refresher Course for Third-Party Supervisors' was successfully concluded in the last week of February. This training programme brought together 30 professionals registered with the Forest and Wildlife Resources Oversight Agency (OSINFOR). Participants updated their knowledge in forest management and the use of technological platforms. The course consisted of two stages, one virtual and one in-person.

A supervision simulation was developed including the pre-field and field phases. The course took place in a forest concession in Ucayali where supervisors tested methodologies to collect on-site information using drones for subsequent processing and analysis.

See: https://www.gob.pe/institucion/osinfor/noticias/1116869-el-osinfor-fortalece-la-formacion-de-supervisores-para-la-fiscalizacion-y-gestion-sostenible-de-los-bosques

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	1156-1221⬆
Cumaru decking, AD, S4S E4S, 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	1116-1188
Asian market	1182-1254
Ishpingo (oak) 2" thick, 6"-8" length	
Spanish market	918-983⬆
Dominican Republic	952-1091⬆
Marupa 1", 6-11 length KD	
Grade 1 Asian market	564-576

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

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 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

Domestic sawnwood prices

Peru sawnwood	US$ per cu.m
Mahogany	-
Virola	227-237
Spanish Cedar	333-344
Marupa (simarouba)	208-234⬆

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

Pace of wage growth yet to keep up with inflation

Many major Japanese companies have agreed to meet the wage demands of labour unions which have long been calling for substantial increases to address surging consumer prices.

The government has been monitoring the annual wage negotiations to see if the strong push for salary increases will extend to small and medium-sized companies which employ around 70% of the country's workforce. Wage talks for small and mid-size companies are ongoing and it remains to be seen whether the trend of wage increases by major firms will spread to smaller firms.

Wages remained flat in Japan for decades following the bursting of the asset-inflated bubble economy in the early 1990s and ensuing deflation. But in response to inflation the spring wage talks in 2023 saw the highest pay increases in 30 years. Nevertheless, the pace of pay growth has yet to keep up with persistent inflation, with real wages falling year-on-year for the third consecutive year in 2024.

Many large corporations have the resources to boost wages, supported by strong earnings for the current fiscal year. The combined net profits of major companies are expected to reach yen 52.65 trillion for fiscal 2024 marking a record for the fourth straight year according to data from SMBC Nikko Securities Inc.

See: https://japantoday.com/category/business/japan-major-firms-offer-large-pay-hikes-amid-inflation-labor-crunch

Only non-manufacturing sector held up business sentiment index

The most recent business sentiment index (BSI) among Japan's large enterprises across all industries stood at plus 2.0, marking the fourth consecutive quarter of positive sentiment according to data from Japan's Cabinet Office and Ministry of Finance. The increase was driven by the non-manufacturing sector which benefited from improved cost recovery.

The BSI for the non-manufacturing sector remained positive for the 10th straight quarter at plus 4.1 supported by rising customer numbers in the service industry and increased demand for software development and advertising revenue in the information and communications sector.

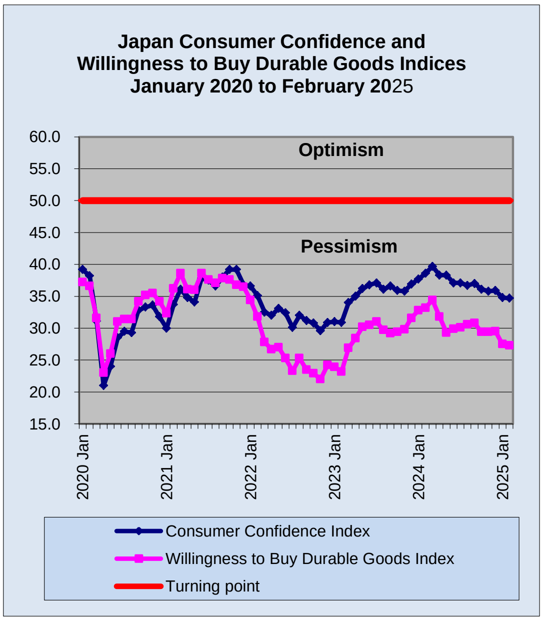
The manufacturing sector, however, saw a decline with its BSI at minus 2.4, the first negative figure in three quarters. Rising raw material costs and increased consumer cost-consciousness contributed to a sharp drop in the food manufacturing industry. Capital investment across all industries, including large and small businesses, is projected to rise 5.9% in fiscal 2025 with manufacturing leading the growth.

See:
https://english.news.cn/20250313/7571107a2ad74a9a88eedd392f1ec52c/c.html

Japan to face US tariffs

The Minister of Trade recently visited the US to try and convince the new administration to exempt Japan from the US tariff campaign. The Minister commented "we explained Japan's position on the impact on local industries and with regards to the development of the business environment,d expansion of investment and employment in both Japan and the US."

See:
https://www.japantimes.co.jp/business/2025/03/11/economy/japan-trade-minister-us-tariff-exemption



Data source: Cabinet Office, Japan

Consumer confidence index continues down

The Cabinet Office reported the seasonally adjusted Consumer Confidence Index was 35.0 in February which was below last month's 35.2 and missed expectations. The income growth indicator was down to 39.7 while the overall livelihood index lost 0.3 points to 31.9 but the employment index increased month on month to 41.1.

The index on “willingness to buy durable goods” stood at 27.2, decreasing by 0.3 points from January. The percent of respondents who expect prices to increase over the next year was 93%, unchanged from the previous month.

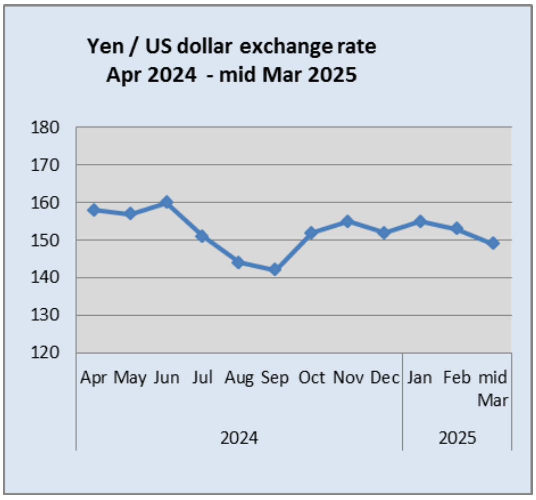
Uncertain US economic outlook to impact yen/dollar rate

The yen briefly reached 147 against the dollar in early March, the strongest level since early October last year boosted by yen buying and dollar selling in anticipation of the Bank of Japan (BoJ) raising interest rates again but analysts expect the Japanese currency to eventually weaken in light of the uncertain US economic outlook.

The latest yen rally was sparked by comments from the US President that countries such as Japan and China were holding down their currencies to support export competiveness.

The BoJ is unwinding the monetary easing policy in place between 2013-2023 to break Japan free from decades of deflation. During this time the BoJ deployed a massive asset-buying programme in 2013 and then negative interest rates in 2016.

See: https://asia.nikkei.com/Business/Markets/Currencies/Yen-selling-pressure-persists-despite-Trump-warning-shot?utm_campaign=GL_JP_update&utm_medium=email&utm_source=NA_newsletter&utm_content=article_link



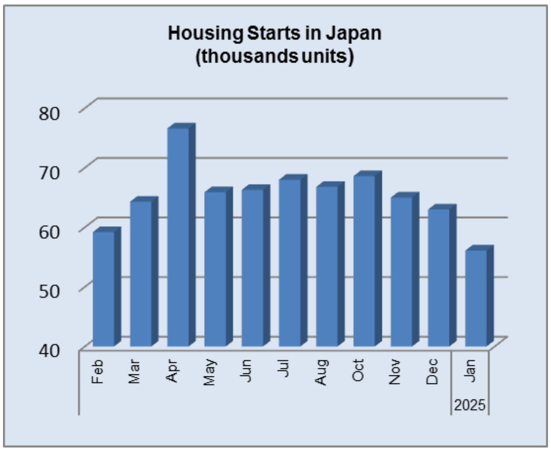
Data source: WSJ

New home prices trend higher

The average price of new houses in Tokyo increased 2.4% month on month in February to a record yen 78.59 million (US$534,000) driven by demand for homes within an easy commute to the heart of the city.

However, a recent survey found prices for new condominiums in Tokyo fell in 2024 after a substantial increase in 2023. According to the Real Estate Economic Institute the average price of a new apartment in the Japanese capital and surrounding areas slipped 3.5% to yen 78 million (US$498,000), the first drop in six years.

See:
https://www.japantimes.co.jp/business/2025/01/23/economy/tokyo-apartment-prices-drop/



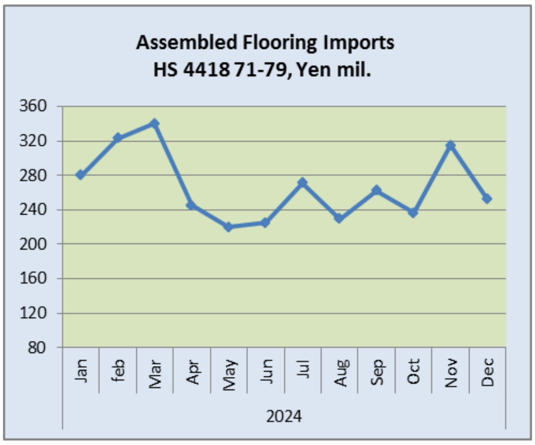
Data source: Ministry of Land, Infrastructure, Transport and Tourism, Japan

Import update

Assembled wooden flooring imports

The main category of assembled flooring imports in December was HS441875, accounting for 59% of the total value of assembled flooring imports compared to the 69% share reported in November. Of HS441875 imports, 68% was provided by shippers in China and 19% by shippers in Vietnam. The three other sources of assembled flooring (HS441875) in December were Thailand and Italy.

The second largest category in terms of value in December was HS441873 all of which was shipped from China. In December HS441873 accounted for 21% of all HS441873 arrivals. The third largest category in value terms was HS441879 (17%).



Data source: Ministry of Finance, Japan

After surging in November the value of imports of assembled wooden flooring (HS441871-79) in December dropped 20% compared to November and dropped 10% compared to December 2023.

Assembled flooring imports

	Dec-24 000s Yen
HS441873	
China	53,449
HS441874	
China	6,010
HS441875	
China	101,762
Vietnam	28,711
Thailand	8,473
Indonesia	5,549
Italy	6,227
Total	150,722
HS441879	
China	40,,066
Vietnam	1079
Indonesia	1,980
Total	43,125

Data source: Ministry of Finance, Japan

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

		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	51.0	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	54.0	16.4
	Nov	9.1	51.5	48.2	16.1
	Dec	8.1	46.0	45.6	19.2

Data source: Ministry of Finance, Japan

Plywood imports

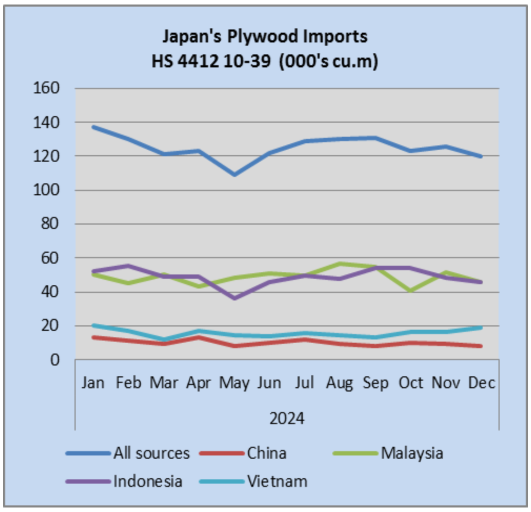
December was a quiet month for arrivals of plywood (HS441210-39). Malaysia and Indonesia were, as usual, the top suppliers but in December arrivals from Malaysia were down and arrivals from Indonesia were at around the same volume as in November. Month on month, arrivals from China were down while arrivals from Vietnam rose.

The volume of December plywood imports (441210-39) was 118.9 cu.m (124,90 cu.m in November).

Malaysia and Indonesia held a significant share of Japan's plywood imports and in December 2024 accounted for over 75% of the total volume of plywood imports. The other two major suppliers of plywood to Japan in December 2024 were Vietnam and China. Arrivals from Vietnam in December totalled 19,163 cu.m up from the 16,075 cu.m, in November. Arrivals of plywood from China in December totalled 8,117 cu.m down from the 9,077 cu.m. in November.

As in previous months, of the various categories of plywood imported in December, HS441231 was the largest (85% of total imports) followed by HS441233 (3%). Malaysia and Indonesia accounted for most of the HS441231 arrivals in December.

Small volumes of HS441239 arrived in Japan during December from a wide range of suppliers including Sweden, Finland, Chile, the Philippines, Taiwan P.o.C and New Zealand.



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/

North American logs

The movement of North American logs is not lively due to low demand. However, the orders this year are better than last year. Since there had been a heavy snow in February, 2025, the schedule for processing lumber would be delayed. The price of small sized Douglas fir lumber is a little bit high because a Douglas fir lumber manufacturer stopped changing the price.

Moreover, the price of KD cypress lumber started to rise due to a shortage of cypress logs. The price of European timber is also high. Douglas fir lumber manufacturers in Japan would raise the price because the yen is weak and the price of logs in North America is high. Precutting plants were very careful to purchase logs because they watch order incoming for new fiscal year.

South Sea logs and products

Movement of South Sea and Chinese lumber has been sluggish. There are not a lot of inquiries because it is almost the end of the fiscal year and constructions for houses and shopping malls are going on. Some companies purchase a small amount of lumber for decks for the new business year in April.

It is difficult to say the market is lively. The companies are very careful to purchase laminated boards even though the distribution stock is in a shortage because they are not sure how demand changes in the future. Economy in China is bad and so as the sales of lumber. Additionally, demand in Japan is low so Chinese sellers keep the price in level.

Demand and supply for South Sea log has been balanced. There are enough South Sea logs for lumber and plywood manufacturers. Demand for blocks for steel and shipbuilding manufacturers is firm.

In South Asia, the log price has been high and the weather is stable so it is able to cut down the trees smoothly. Plywood supply in 2024. Total plywood supply in 2024 was 4,617,000 cbms, 2. 3 % more than 2023. Domestic plywood falls slightly and imported plywood recovers slightly from the previous year.

Total plywood supply in 2023 was 4,514,000 cbms so the result in 2024 rises by 100,000 cbms. However, the results in 2023 and 2024 are under 5,000,000 units. The result in 2020 was 5,213,000 cbms even though there had been an influence of the COVID-19.

The new housing starts in 2024 were 792,000 units, 3.4 % less than 2023 and total floor areas are 5.2 % less than the previous year. One of the reasons for a decrease is that one-story house was popular than two-story house. Then, domestic plywood manufacturers kept controlling production.

Production of domestic structural softwood plywood is 0.1 % up and shipment is 0.7 % down from last year. The average shipment in per month at the first half of 2024 is 178,000 cbms and at the second half of 2024 is 194,000 cbms.

The price of 12 mm 3 x 6 structural softwood plywood kept falling. It was 1,450 yen, delivered per sheet at the beginning of the year and it declined to around 950 yen, delivered per sheet, in December, 2024. Distributors and other manufacturers requested the domestic plywood manufacturers to lower the price.

The bearish market influenced clients to prefer spot purchasing. As a result, the movement became sluggish. However, the inquiries for plywood started to increase since last autumn and shipment exceeded production during October to December, 2024. The inventory declined and the plywood price reached the bottom.

Imported plywood is 2,000,000 cbms, 6.2 % more than 2023. Indonesian and Malaysian plywood increase from last year. In 2023, inventory in Japan was saturated and it had to be controlled. Japanese buyers could not purchase a lot of imported plywood due to sudden changes in exchange rates.

Trading companies, wholesalers and Japanese importers were still careful to purchase a certain amount of imported plywood in 2024. The market condition in Japan was not lively and the yen was over 160 yen against the US dollar. There is an increase in Vietnamese plywood. The volume was the highest ever.

China

Suspension of US log imports

It has been reported by the General Administration of Customs that China has suspended imports of log from the United States. Chinese Customs has recently detected quarantine pests including bark beetles and long-horned beetles in logs imported from the United States.

The suspension aims to prevent the introduction of harmful species and protect China's agricultural and forestry production.

See:
http://www.customs.gov.cn/customs/302249/302266/302267/6389608/index.html
and
https://www.woodfloorbusiness.com/news/article/15739063/china-suspends-us-log-imports

Rise in plywood exports

China exported plywood to more than 200 countries and markets and the share of the top 10 destinations in 2024 accounted for just 48% of the national total. According to the data from China Customs, China's plywood exports totalled 13.27 million cubic metres valued at US$5.271 billion in 2024, up 24% in volume and 9% in value year on year.

Most of the major destinations for China's plywood exports saw significant growth in 2024, especially Taiwan P.o.C where the export volume increased by more than 130%. In addition, China's plywood exports to Vietnam, Saudi Arabia, Thailand and the UAE rose 71%, 38%, 36% and 31% respectively year on year.

The average CIF price for China's plywood exports fell 11% to US$397 per cubic metre in 2024 from US$447 per cubic metre in 2023. China's plywood exports to Japan in 2024 fell 6% to 512,000 cubic metres in 2024.

Top countries for China's plywood exports in 2024

Destination	000s cu.m	YoY % change
Total	13,268	24%
Philippines	1,011	6%
UK	784	16%
UAE	743	31%
Taiwan P.o.C	743	133%
Saudi Arabia	619	38%
Vietnam	559	71%
Japan	512	-6%
Australia	493	23%
Nigeria	472	2%
Thailand	461	36%
Mexico	440	8%

Data source: China Customs

Surge in plywood imports

According to data from China Customs, plywood imports in 2024 totalled 793,000 cubic metres valued at US$222 million, surging nearly 170% in volume and 8% in value over 2023. Russia was the largest supplier of China's plywood imports in 2024. China's plywood imports from Russia surged 210% to 742,000 cubic metres, accounting for 94% of the national total.

Chinese enterprises have built factories in Russia to manufacture plywood and export to China by the China-Europe railway. This is why Chinese imports of Russian plywood continued to rise in 2024. Russian birch plywood is becoming more and more popular among Chinese consumers resulting in large increase in China's plywood imports from Russia in recent years.

China's plywood imports from Vietnam and Sweden also surged in 2024. In contrast, China's plywood imports from Malaysia, Japan and Italy in 2024 fell 12%, 19% and 22% year on year.

Top suppliers of China's plywood imports in 2024

Supplier	000s cu.m	YoY % change
Total	793	168%
Russia	742	210%
Indonesia	19	20%
Malaysia	6.7	-12%
Japan	5.7	-19%
Vietnam	3.5	2000+%
Romania	2.7	5%
Italy	1.8	-22%
Philippines	1.6	
Sweden	1.56	297%

Data source: China Customs

Rise in particleboard exports

According to China Customs, particleboard exports in 2024 totalled 529,000 tonnes valued at US$296 million, up 34% in volume and 9% in value on 2023 levels.

China's particleboard exports to Malaysia alone fell 2% but for other top destinations China's particleboard exports rose.

Taiwan P.o.C was the largest market for China's particleboard exports in 2024 and exports rose 51% to 125,000 tonnes compared to 2023. Particleboard exports to Peru and South Korea surged 102% and 170% over 2023.

China has exported particleboard to Asia, Africa and Latin America with the rapid development of the Belt and Road Initiative countries.

Demand for low cost particleboard in Asia, Africa and Latin America has increased which has supported exports of particleboard to these countries in recent years.

Top markets for China's particleboard exports in 2024

Destination	000s tonnes	YoY % change
Total	529	34%
Taiwan P.o.C	125	51%
Mongolia	51	38%
Nigeria	45	38%
Chile	35	86%
Vietnam	29	45%
UAE	26	29%
Saudi Arabia	23	9%
Peru	20	102%
Malaysia	14	-2%
South Korea	14	170%
Indonesia	11	14%

Data source: China Customs

Slight rise in particleboard imports

According to China Customs particleboard imports totalled 765,000 tonnes valued at US$347 million in 2024, up 1% in volume and 4% in value, year on year.

Nearly 70% of China's particleboard was imported from four countries, Thailand, Brazil, Poland and Romania in 2024.

Thailand was the largest supplier of particleboard imports in 2024. China's particleboard imports from Thailand fell 17% and this is the main reason for China's particleboard imports did not increase much in 2024.

China's particleboard imports from Poland surged in 2024. It has been reported that the China-Europe freight train has become a strong bond for China-Europe trade cooperation. Poland is also the country with the most significant growth in the volume of freight traffic along the Belt and Road Initiative countries. In the first three quarters of 2024, 228,000 TEU of commodities arrived in Poland on China-Europe freight trains, an increase of 154% over the same period of 2023.

China's particleboard imports from Brazil, Austria, Vietnam and Italy rose 47%, 49%, 39% and 57% respectively in 2024.

In contrast, China's particleboard imports from Romania and Russia fell 39% and 53% largely in 2024.

Thailand exceeded Romania to become the largest supplier of China's particleboard imports in 2024 and the volume of particleboard imports from Thailand rose to 227,000 tonnes valued at US$66 million, up in value by 55% over 2023.

China's particleboard imports from Brazil, Austria, Vietnam and Italy rose 47%, 49%, 39% and 57% respectively in 2024. In contrast, China's particleboard imports from Romania and Russia fell 39% and 53% largely in 2024.

Top suppliers of China's particleboard imports in 2024

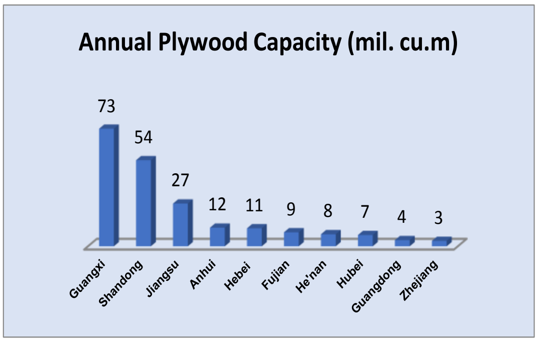
Supplier	000s tonne	YoY % change
Total	765	**1%**
Thailand	227	-17%
Brazil	142	47%
Poland	82	187%
Romania	74	-39%
Germany	50	5%
Belarus	34	-4%
Malaysia	29	-0.50%
Austria	28	49%
Russia	27	-53%
Vietnam	24	39%
Italy	22	57%

Data source: China Customs

Plywood production capacity in 2024

According to the statistics from the Academy of Industry Development and Planning under the National Forestry and Grassland Administration (NFGA) and the China Forestry Products Industry Association (CFPIA), the number of plywood enterprises has declined but in terms of production capacity there was an increase.

There were more than 6,020 plywood manufacturing enterprises in 2024, down 19% year on year. The total annual production capacity was 221 million cubic metres in 2024, up 8% on 2023 level.



Data source: NFGA and CFPIA

At the beginning of 2024 around 1,500 plywood mills were under construction nationwide with a total extra annual production capacity of about 29 million cubic metres. It is expected that the total annual production capacity of plywood in China will drop to 200 million cubic metres by the end of 2025.

At present, the overall capacity of China's plywood industries is greater than consumer demand. The production capacity of plywood for furniture making and home decoration accounts for about 36% of the total production capacity.

Plywood for concrete formwork accounts for about 27% of the total production and the oversupply of production capacity is still prominent. The production capacity of plywood for packaging further declined and the market share is about 18% of total production capacity. Blockboard accounts for about 11% of the total production capacity and the balance is used for wood composite floor substrate, container base, veneer laminated wood.

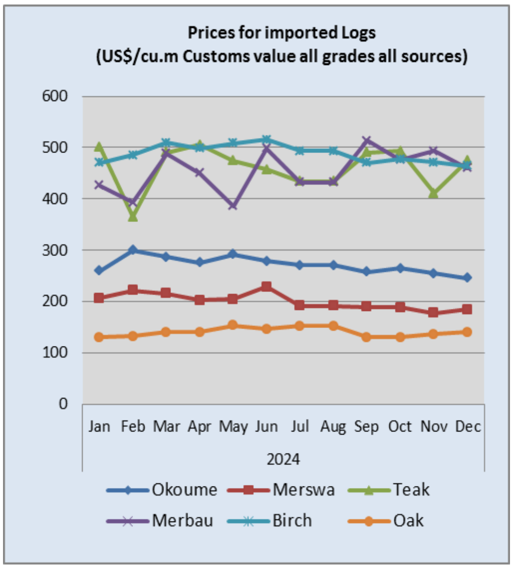
China's plywood industry continues to adjust the product structure to adapt to changes in market demand.

See:
http://www.cnfpia.org/sf_A23CBF49946940E4A5E9FDED0E55F5E4_297_9E5BA0FB363.html

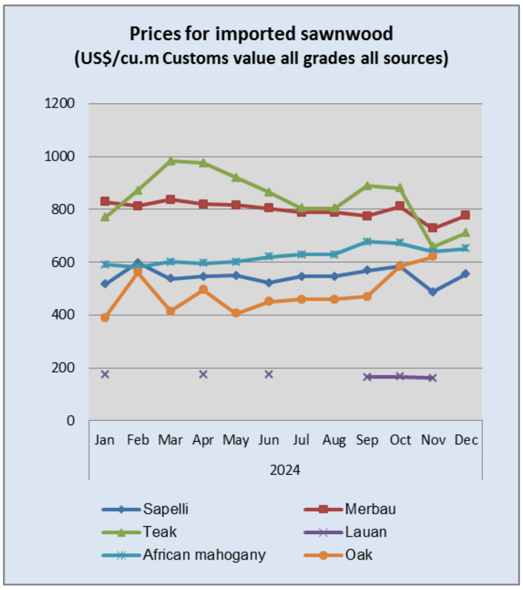
Average CIF prices, logs US$/cu.m

	2024 Nov	2024 Dec
Okoume	255	246
Merswa	177	184
Teak	411	474
Merbau	493	460
Birch	471	464
Oak	136	140

Data source: Customs, China



Data source: Customs, China



Data source: Customs, China

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

	2024 Nov	2024 Dec
Sapelli	487	554
Merbau	728	776
Teak	658	711
Lauan	161	
African mahogany	639	652
Oak	621	

Data source: Customs, China

EU

EU 2025 construction growth expected to be modest

According to a report from Netherlands-based international bank ING, the EU construction sector is set to start recovering in 2025, with rising property prices 'making building new houses more attractive for project developers'. However, it says the upturn will be slow and modest.

The report by ING Senior Economist Construction, Maurice van Sante, says that it expects the sector to increase output by just 0.5%. This follows shrinkage of 2% in 2024.
Average prices of existing houses in the EU started to rise in started to rise in October 2024 giving developers the chance to ask for higher prices for new buildings, enabling them to better cover the rises in raw materials costs seen in the last couple of years. Overall, in Q3 prices of existing houses rose 1.5% to reach a record level.

The ING report says contractors remain pessimistic about the size of order books and describes the level of building permits issued in Q3 last year as disappointing.

"However, the sharp decline we saw earlier has stopped and compared with the same period in 2023, it actually grew, albeit marginally," it says. "It does look as though the lowest point [in the market] has been reached."

It also predicts growth the renovation sector and investment in infrastructure to rise, driven by EU recovery funds, investment in digital infrastructure, waterworks and energy transition.

An ongoing issue, say some contractors, is the construction labour shortage, but fewer are complaining about the problem. Longer term to resolve the shortfall, says ING, building companies need to invest in efficiency gains through 'industrialisation and digitisation'.

A problem in recent years has been the price disparity between existing homes and cost of new homes, with the latter driven by rising materials and energy costs. This, of course, has made new build houses less competitive.

The biggest gap between existing and new homes is seen in Germany, Spain and Turkey. But in some other EU countries, the rising price of existing houses mentioned above is encouraging the sector.

"In the Netherlands, the prices of existing homes have already outpaced prices of new, making Dutch new houses attractive for home buyers and allowing developers to increase sales prices to cover costs," says ING.

It adds that most builders across the EU remain wary about increasing prices for the time being. Only 1% of German builders plan to do so, and in France the majority are actually planning to decrease them due to sluggish demand.

But ING reports a slight increase in those canvassed elsewhere in the EU, like those in the Netherlands, planning to do so.

In the Netherlands around 40% say they will increase them over the next three months, around 15% in Poland, 7% in Belgium, about 5% in Austria and 2% in Spain. The level in the EU as a whole is 5%.

The report also gives snapshots of the state and outlook of some individual country construction sectors.

It says that in December 2024, German contractors were the most pessimistic in the EU, with issue of building permits for residential developments halving between 2022 and 2024 and seeing a continuing drop in Q3 2024. Civil engineering has seen some improvement, but construction volumes overall fell 3% in 2024, and no significant improvement is expected in 2025, which will mean that 'the EU's largest construction market won't have seen growth for five years in a row'.

ING expects French construction output to shrink 1% in 2025, with contractor sentiment at its lowest level since the pandemic. The issuance of building permits has decreased by a third in two years. But the decline is slowing, and a more positive sign is that prices of both new and existing homes have started to increase again.

Netherlands building sector output contracted 3% in 2024, but an upswing is expected through 2025.

"Rising house prices, increasing sales of new houses and better-filled order books are clear signs that Dutch housing construction is picking up," says ING. There are 'bottlenecks' for the sector, including structural shortage of building land, but ING forecasts it will grow 1.5% this year.

The Spanish construction sector, says ING, is 'strongly recuperating'. Output grew 4.5% in 2023 and 1.5% in 2024. Going forward it will benefit from a strong Spanish economy, 'skyrocketing' issuing of building permits and EU recovery funds.

The Polish building industry saw output fall 6% in 2024. But issue of building permits is increasing, prices for new and existing homes are now rising and ING forecasts overall growth in 2025 of 1%.

The Turkish building sector grew 5% in 2024, but industry confidence is reported as negative, with builders concerned at low order books. Issue of building permits increased in Q3 2024 but is 'following a bumpy road'. ING forecasts industry output will grow in 2025 and 2026, but at a lower level than in 2024.

EU infrastructure construction output, says ING, grew just 1% in 2024, following 3.2% growth in 2023. But the producer confidence indicator for the sector is positive and ING expects it to 'perform positively in 2025 and 2026.

The Germany-based IFO economic institute takes a similar line on the EU construction sector. It states that the number of new dwellings built across Europe in 2025 will be just 1.5 million, 5.5% fewer than in 2024.

However, recovery will set in through the year and in 2026 an increase of 3% is expected. It also picks out Germany as a market that will continue to struggle due to high construction costs. The outlook for new home building in Austria, France and Italy is also downbeat, with the number expected to be constructed in 2026 in the former down 9% on 2025, and in France and Italy down 3%.

But there is greater positivity in Sweden with 2026 completions expected to rise 12%, Denmark 28% Finland 23%, Norway 13% and Poland 10%.

CBRE, the commercial real estate services and investment specialist, highlights Europe's urgent need for new homes. It says its housing shortage now equates to around 9.6 million dwellings, or 3.5% of the current stock.

See:
https://think.ing.com/articles/returning-but-low-growth-expected-in-the-european-construction-sector/#:~:text=at%20a%20glance-,Low%20growth%20expected%20in%202025,signs%20are%20slowly%20becoming%20visible.

https://think.ing.com/articles/returning-but-low-growth-expected-in-the-european-construction-sector/#:~:text=at%20a%20glance-,Low%20growth%20expected%20in%202025,signs%20are%20slowly%20becoming%20visible.

https://www.cbre.com/insights/books/european-real-estate-market-outlook-2025/living#:~:text=Permit%20levels%20for%20new%20homes%20are%20decreasing%2C%20while%20demand%20is,worsen%20over%20the%20next%20year.

UK Government commits to use of timber in building
UK timber trade organisation Timber Development UK has welcomed Government commitment to encourage application of wood in building to help meet the country's housing shortage and reduce construction's environmental impact.

What it describes as 'ambitious new plans to increase use of timber in construction' were announced by UK Environment Minister Mary Creagh at the Timber in Construction (TiC) Summit in London at the end of February. She said the goal was to boost the domestic timber industry, support economic growth, create rural jobs and meet housebuilding targets – and the government target is for 1.5 million new dwellings to be built in the next five years.

Details were also given of a new version of the UK's Timber in Construction Roadmap, developed with industry and government input, which further outlines priorities and key actions for the building sector. These include encouraging the use of sustainable, low carbon building materials, and ensuring carbon emissions are considered during the design, construction and use of buildings.

Some key additions to the Roadmap include a greater acknowledgement of the importance of timber reuse and species diversification, as well as actions to strengthen the impact and accountability of Government to the Roadmap.

These include:
- Exploration of the use of Government buying standards to encourage use of sustainable, low carbon building materials.
- Government and industry working with academia and the Building Safety Regulator to research outstanding safety, durability, and competency questions towards closing the evidence and competence gaps of engineered mass timber over the next five years.

Also at the summit, industry leaders renewed their call on the Government to introduce embodied carbon regulation in construction. This would comprise, Part-Z, an industry-proposed amendment, made to UK Building Regulations. It would involve mandatory Whole Life Carbon Assessments for building, along with a clear timeline and targets for reducing emissions, 'to help create a push toward low-carbon materials and improve the sustainability of the built environment'.

See: https://timberdevelopment.uk/government-commits-to-increase-the-use-of-timber-in-construction/

German timber trade sales down 6% in 2024
According to a bulletin from Germany's timber trade association, GD Holz (Gesamtverband Deutscher Holzhandel e. V) its monthly monitoring shows the sector's revenue fell 6% in 2024. Contraction was experienced by companies of all sizes and across the range of product areas.

Respondents to GD Holz's trade survey said the decline in sales was 'primarily due to weak demand and only to a minor extent to price effects'.

Looking at product types, it added that falling sales hit nearly all major categories, with declines in line with the overall average.

"Only timber and wood products for garden and other outdoor applications were on a level with the previous year,"the report says. "Planed goods and flooring sales performed slightly better than the overall but still fell 3% and 4.5% respectively."

The industry's services supply sector exceeded 2023 results with recorded a turnover increase of 7%, although it accounts for just 2% of total German timber trade sales.

The consensus was that coming months are unlikely to see any significant improvement. A third of the participants expect further declining sales, and about half anticipate sales remaining at the previous year's level for the first quarter of 2025. Only 11% expect improved sales.

“The market environment for the timber trade will remain difficult in 2025, due in part to the very low number of new construction permits last year and the general reluctance of consumers to buy,” concludes the GD Holz bulletin.

However, it adds, there are some expectations of better times in timber supply to decorative interior design, refurbishment, and renovation – and a ‘boom time’ for timber-based building in particular is expected when the wider construction industry recovery sets in. GD Holz will publish a more detailed analysis of German timber trade trends later in March.

See: https://gdholz.de/news-aktuelles/umsaetze-im-holzhandel-waren-im-jahr-2024-um-6-ruecklaeufig/

https://www.holzkurier.com/holzbau/2025/02/15--weniger-neubauten-in-deutschland-.html

Thémis sustainable procurement data tool advances

The European Thémis certified sustainable timber procurement data gathering tool and online platform for trade federation members continues to grow and evolve.

The objective of Thémis, the Timber Market Survey, is to assess the level of sustainable procurement by companies and plot this over time. It enables federations to track development in the volume of certified timber traded with both domestic and foreign suppliers and to use the data to set procurement goals and to target interventions to help companies achieve them.

The collated data is analysed and presented in various graphical formats on the Thémis online portal.

Thémis, which was launched in 2021 by Probos and IT specialist Graphius, was backed by the Programme for the Congo Basin Promotion of Certified Sustainable Forest Management (PPECF), Dutch-based IDH-The Sustainable Trade Initiative, and the Dutch Ministry of Agriculture, Fisheries, Food security andNnature. It builds upon almost two decades of work of Probos with the Netherlands Timber Trade Association (NTTA) using a similar, but more basic tool.

Data was first reported on Thémis in 2021 by the Netherlands Timber Trade Association (NTTA), the Netherlands Woodworking Industries Association (NBVT), the French timber trade association Le Commerce du Bois (LCB), Belgian wood, furniture and textiles federation Fedustria, and the International Tropical Timber Technical Association (ATIBT). Last year the Danish Timber Trade Federation (DTTF) also came on board. The organisations pay an annual fee to fund Thémis maintenance.

Combined, the members of the federations using Thémis have reported on 8.7 million cu.m of roundwood equivalent timber traded in 2023. That number includes over 1 million cu.m roundwood equivalent of tropical timber imported into Europe

The data collected covers procurement of tropical hardwood (comprising 11.8% of the volume total), tropical wood-based panels (3.3%), other wood-based panels (18.2%, temperate hardwood (2.6%) and softwood (64.2%).

The ultimate objective of Thémis is to help drive up the level of certified sustainable timber procurement among users, which, says Probos, in turn can incentivise uptake of certified sustainable forest management in supplier countries.

It maintains that by demonstrating their environmental commitment it can also enhance the reputation of timber as a renewable resource originating from sustainably managed forests. It can also boost the image of affiliated federations and differentiate their members from non-members in terms of commitment to sustainable forest management.

For individual companies, says Probos, using Thémis demonstrates their transparency on sustainable procurement helping build buyer trust. And they can download their annual results from Thémis in terms of sourcing certified sustainable timber as a ‘declaration’.

Probos believes there is potential using the tool to influence government policy in terms of sustainable procurement. Further possible developments for the longer term could include using the Thémis data collection tool to collate information on the destination of timber, to identify which markets are opting for certified sustainable and which are doing less so.

The possibility is also being raised of developments to engage producers with Thémis. A key driver for the growth and development of Thémis is the need to develop the market for verified sustainable timber to underpin forest maintenance.

See: https://www.probos.nl/en/projects/sustainable-value-chains-and-valuing-forest-ecosystem-services/2557-themis-the-timber-market-survey

North America

Imports of sawn tropical hardwood increased in January

January imports of sawn tropical hardwood rose 12% over the previous month as imports from Indonesia were their strongest in more than 2 years. At 13,851 cubic metres, the volume imported into the US in January was, however, 15% less than that of the previous January.

The month-to-month gain was due chiefly to a near quadrupling of imports from Indonesia, which accounted for almost a third of all imports for the month. Imports from most other top traders decreased, including significant drops in imports from Ghana (down 59%), Brazil (down 56%) and Cameroon (down 48%).

Mahogany imports were especially strong, up 61% for the month and 38% above a year ago. Imports of Sapelli and Ipe were especially weak in January with Sapelli dropping 55% to a 2-year low and Ipe imports falling to their lowest level in at least 10 years.

Canadian imports of sawn tropical hardwood soared in January, climbing 64% above December totals. Imports for the month were 30% higher than in January last year.

A nearly seven-fold increase in imports from the Democratic Republic of the Congo fueled the rise, along with a 79% jump in imports from top-trader Cameroon.

See: https://apps.fas.usda.gov/gats/default.aspx
and
https://ised-isde.canada.ca/site/trade-data-online/en

US imports of sawn tropical hardwood

	2025 Jan-Feb	YoY % change
Balsa	415	-58%
Sapelli	1,247	-55%
Acajou d'Afrique	460	-43%
Keruing	1,503	-25%
Ipe	113	-95%
Mahogany	1,544	38%
Virola	40	-93%
Meranti	369	-36%
Cedro	587	19%
Jatoba	29	26%
Teak	220	68%
Iroko	155	138%
Padauk	131	424%
Other tropical	7,038	60%

Data source: US Department of Agriculture, Foreign Trade Statistics

Hardwood plywood imports weaken

US imports of hardwood plywood fell in volume by 10% in January. At 236,750 cubic metres, hardwood plywood imports were down 18% from January 2024 totals. Imports by dollar value were down 11% versus the previous month.

The volume of imports from Vietnam, the top trading partner last year, rose 31% in January while imports from Indonesia and Malaysia both fell more than 30%. Imports from China also slumped, falling 29% from the previous month and down 41% from the previous January.

US imports of hardwood plywood

	2025 Jan-Feb	YoY % change
Total	236,750	-18%
China	2,976	-41%
Russia	13,351	42%
Indonesia	63,359	26%
Malaysia	7,334	-22%
Cambodia	11,507	9%
Vietnam	82,322	-25%
Ecuador	13,161	19%
Other	42,740	-48%

Data source: US Department of Agriculture, Foreign Trade Statistics

Veneer imports retreat in January

US imports of tropical hardwood veneer plunged 34% in January, falling sharply after nearly doubling in December. Imports from India, Ghana, and Cote d’Ivoire all fell by more than 50% while imports from top-supplier Cameroon fell by 40%. Strong gains in imports from China and Italy helped to mitigate the harm. The total imports of US$1.9 million were also 34% below that of January 2024.

See: https://apps.fas.usda.gov/gats/default.aspx

Imports of flooring start 2025 hot

US imports of hardwood flooring were strong in January rebounding somewhat from an anemic December and a 12% decline in imports for 2024. January imports leapt 36% from the previous month to more than US$6 million, which was 20% higher than the previous January.

Imports from China nearly doubled while imports from Brazil rose 75%. Imports from Indonesia fell 11% from the previous month but were still 25% higher than in January 2024.

US imports of assembled flooring panels, which grew by 32% in 2024, continued their upward trajectory in January rising 12% from the previous month. Imports from Vietnam and Indonesia made sizeable gains, advancing 69% and 65%, respectively.

Imports from Thailand slipped 6%. At US$33.5 million, imports for the month were 40% higher than imports from January 2024.

See: https://apps.fas.usda.gov/gats/default.aspx

US returns to traditional moulding suppliers

US imports of hardwood moulding rose 1% in January as long-established supply countries showed significant gains. Imports from Brazil soared 96%, imports from China climbed 87% and imports from Malaysia jumped 53%.

Imports from these traditional trading partners rose in 2024, but at rates lower than the 29% increase in overall growth for the year.

Meanwhile, imports from Canada slipped 5% for the month while imports from the rest of the world fell 13%. Total imports for January were 47% higher than imports for January 2024.

Wooden furniture imports continue rising

US imports of wooden furniture rose for the third consecutive month, gaining 3% in January. At nearly US$1.88 billion, imports were 8% higher than last January as imports rose steadily from most trading partner countries.

Imports from Malaysia jumped 12% in January to a level 27% higher than in January 2024. Imports from top-trader Vietnam also continued their growth—up 2% over the previous month and 26% from January 2024. Imports from India lagged, falling 23% from the previous month—yet still 8% higher than a year ago.

US imports of wooden furniture

	2025 Jan-Feb	YoY % change
Total	1,875,947,053	8%
China	283,683,084	-15%
Vietnam	841,635,578	26%
Canada	114,348,031	-1%
Malaysia	110,593,861	27%
Mexico	121,344,030	-1%
Indonesia	74,512,937	6%
India	31,956,740	8%
Other	329,829,532	-1%

Data source: US Department of Agriculture, Foreign Trade Statistics

See: https://usatrade.census.gov/index.php?do=login

Furniture orders showed slight rise in December

New residential furniture orders rose 1% in December compared to the same period in 2023 according to the February issue of *Furniture Insights*,reversing the previous month's decline. Approximately two-thirds of furniture dealers surveyed reported increased orders in December compared to the year prior.

However, compared to November 2024, December new orders dropped 15%, although that could include some seasonality due to the December holiday break, according to Mark Laferriere, assurance partner at Smith Leonard the accounting and consulting firm that produces the monthly report. New orders were also down for the year to date, by 1%.

December shipments were down 2% compared to 2023 figures and also down 7% versus November 2024. For the year 2024 shipments were down 6% compared to 2023.

On a seasonally adjusted basis, sales at furniture and home furnishings stores were down 1.7% in January compared to the previous month but up 3.7% from January 2024, according to the January *Furniture Insights*.

See: https://www.woodworkingnetwork.com/furniture/furniture-orders-show-slight-rise-december-year-over-year
and
https://www.smith-leonard.com/2025/03/03/february-2025-furniture-insights/

Executive Orders on timber

On 1 March the US President issued executive orders intended to boost domestic timber production and to launch an investigation into the national security implications of US imports of wood products.

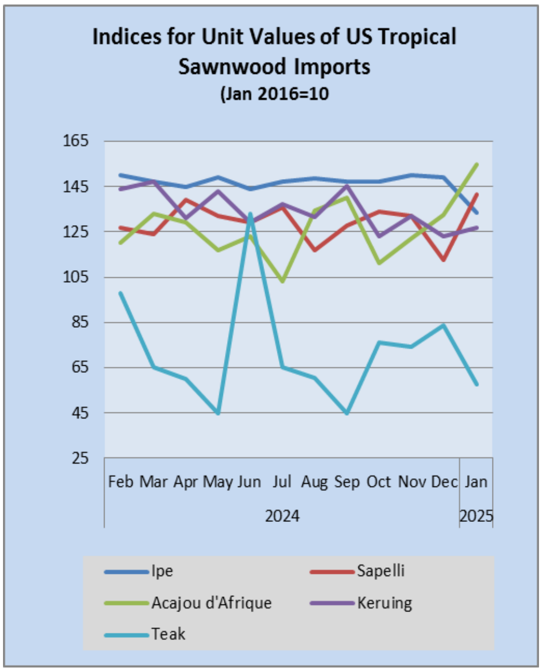
The first executive order aims at dramatically increasing domestic timber production by reducing federal regulations and expediting approval processes. The order directs multiple federal agencies to take immediate action to boost the supply of lumber, paper and bioenergy products citing national economic security and wildfire prevention as key priorities.

The Order mandates the Departments of the Interior and Agriculture to issue new guidance within 30 days to accelerate timber harvesting on federal lands managed by the Bureau of Land Management (BLM) and the US Forest Service (USFS). This includes streamlining forest management projects under the Endangered Species Act and proposing legislative measures to further ease restrictions.

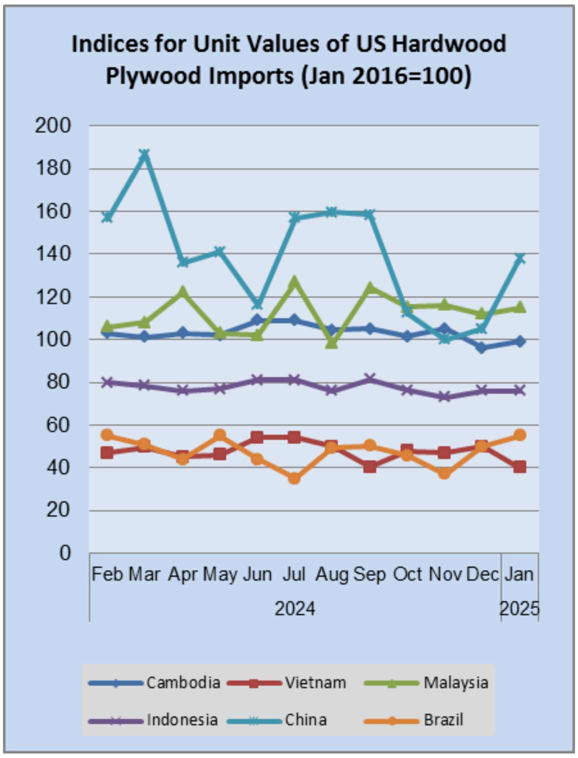
Within 90 days, officials must present a four-year target for annual timber sales. Additionally, within 180 days the administration will explore categorical exclusions under the National Environmental Policy Act to fast-track timber production and wildfire risk reduction. These directives represent a sharp shift in federal land management policy, prioritising economic development over environmental protections.

In a second executive order the Commerce Secretary was instructed to lead an investigation into the national security implications of the nation's current imports of timber and manufactured wood products. This will include looking into demand for wood products in the US, assessing whether domestic production can meet domestic demand and the significance of major foreign exporters in meeting US demand along with any predatory trade practices that affect the country's competitiveness in the industry.

See:https://www.whitehouse.gov/presidential-actions/2025/03/immediate-expansion-of-american-timber-production/
and
https://www.whitehouse.gov/presidential-actions/2025/03/addressing-the-threat-to-national-security-from-imports-of-timber-lumber/



Data source: US Census Bureau, Foreign Trade Statistics



Data source: US Census Bureau, Foreign Trade Statistics

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.

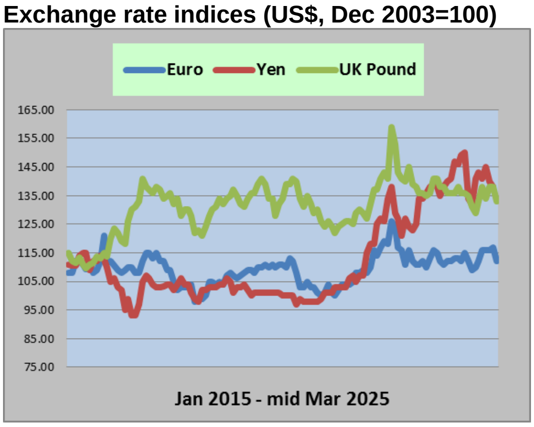
The views and opinions expressed herein are those of the correspondents and do not necessarily reflect those of ITTO

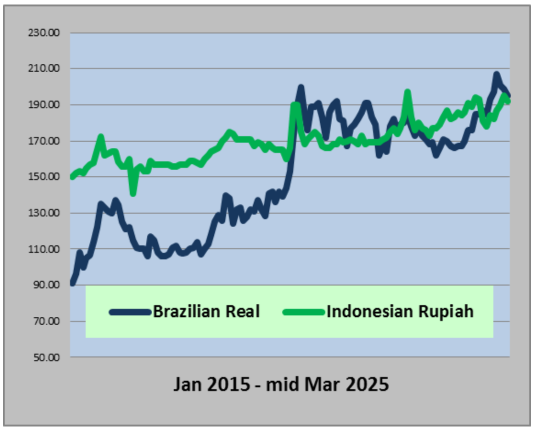
US Dollar Exchange Rates

As of 15 March 2025

Brazil	Real	5.74
CFA countries	CFA Franc	602.40
China	Yuan	7.24
Euro area	Euro	0.92
India	Rupee	86.95
Indonesia	Rupiah	16,328
Japan	Yen	148.64
Malaysia	Ringgit	4.45
Peru	Sol	3.76
UK	Pound	0.77
South Korea	Won	1,451.20

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

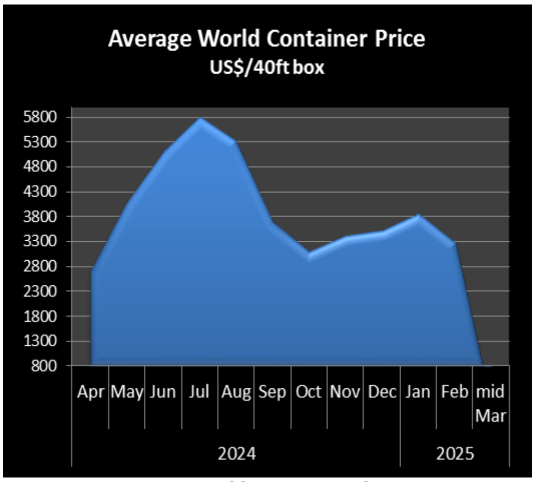




Abbreviations and Equivalences

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

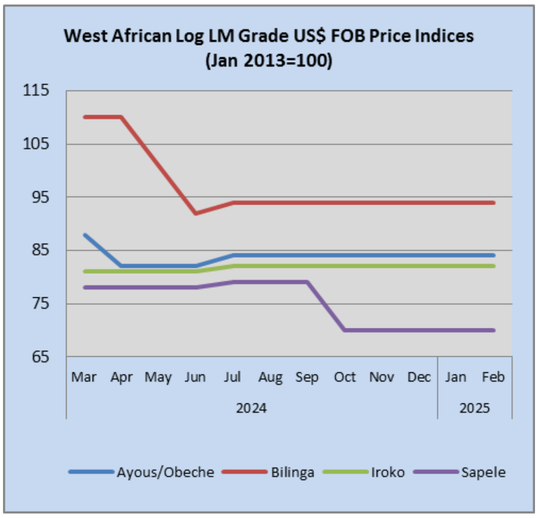


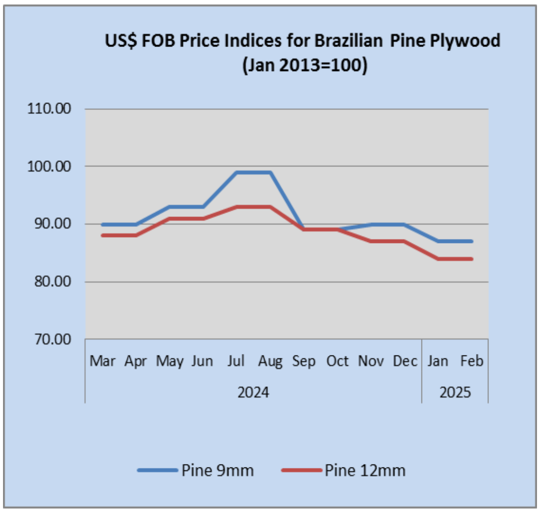
Data source: Drewry World Container Index

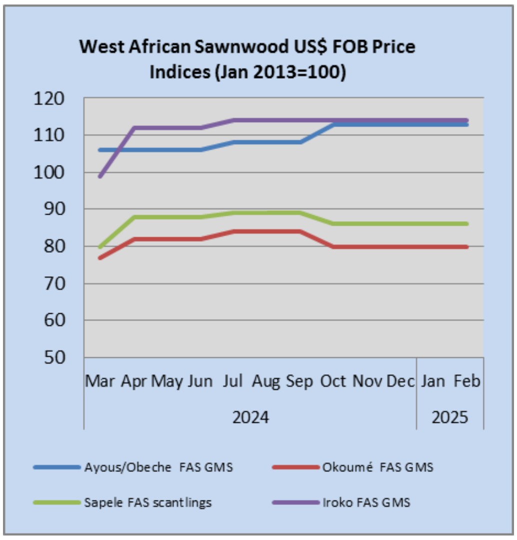
See: https://www.drewry.co.uk/supply-chain-advisors/supply-chain-expertise/world-container-index-assessed-by-drewry

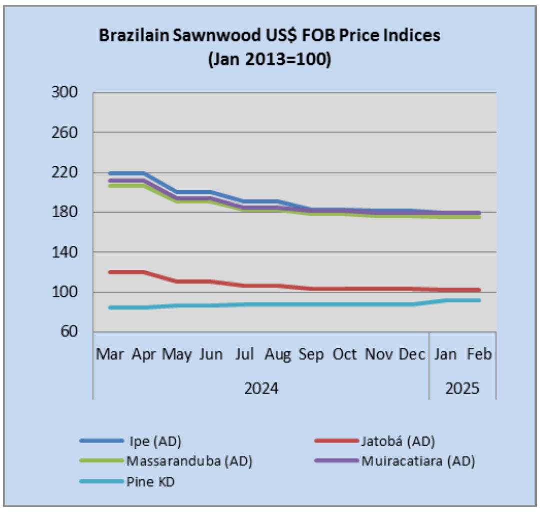
Price indices for selected products

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.

To have a free copy of this twice-monthly ITTO Market Information Service bulletin emailed to you on the day of production, please register at:

http://www.itto.int/en/mis_registration