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United Nations
Economic Commission for Europe

Food and Agriculture Organization
of the United Nations

FOREST PRODUCTS ANNUAL MARKET REVIEW 2009-2010

Executive Summary



UNITED NATIONS

NOTE

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ABSTRACT

The UNECE/FAO *Forest Products Annual Market Review, 2009-2010* provides general and statistical information on forest products markets and related policies in the UN Economic Commission for Europe region (Europe, North America and the Commonwealth of Independent States). The *Review* begins with an overview chapter, followed by description of the macro-economic situation. Next it includes an analysis of government and industry policies affecting forest products markets. Five chapters are based on annual country-supplied statistics, describing: wood raw materials, sawn softwood, sawn hardwood, wood-based panels, and paper, paperboard and woodpulp. Additional chapters discuss markets for wood energy, certified forest products, value-added wood products, forest carbon and tropical timber. In each chapter, production, trade and consumption are analysed and relevant material on specific markets is included. Tables and graphs provided throughout the text present summary information. Supplementary statistical tables may be found on the Market Information Service website within the UNECE Timber Committee and FAO European Forestry Commission website at www.unece.org/timber.

Chapter 1

Innovation for structural change recovery: Overview of forest products markets and policies, 2009-2010¹

Highlights

- The UNECE region forest sector is experiencing a structural change, for which the wood-based industries are innovating and adapting for short-term survival and long-term growth.
- Consumption of wood and paper products fell sharply in 2009 by 12%, the greatest percentage recorded as the global economic and financial crisis continued; production of industrial roundwood for manufacturing those products hit a record low.
- Wood energy markets did not succumb to the downturn, as government and industry policies drove demand throughout the UNECE region for renewable energy; competition exists for wood raw materials across all sectors, with increased costs for manufacturers that benefit forest owners.
- The export taxes imposed by the Russian Federation on roundwood continued in 2010, resulting in sharply reduced roundwood exports, but not the foreign investment anticipated.
- The trade of illegally harvested wood and wood products became more difficult in 2009 and 2010 with new European Union and United States legislation which shift the burden of responsibility to importers, and even to buyers.
- The ongoing global economic and financial crisis that started in late 2008 has negatively impacted the sawn softwood industry in all UNECE subregions with overall demand falling sharply, weak prices and lower production.
- The downturn in the sawn hardwood industry deepened further in 2009, but by mid-2010 there were indications of improvement; however, the long-term decline in sawn hardwood production in North America is raising concerns that the hardwood forest resource is seriously under-utilised.
- The decline of consumption of paper, paperboard and woodpulp continued in the UNECE region in 2009, resulting in production capacity reductions; as a balance was established, slightly positive results were made in the end of 2009 and early 2010.
- Consumption of wood-based panels fell by 10.7% in 2009 as the sector was hard hit because of flagging new home construction, and reduced demand in the related home furnishings sector.

¹ By Dr. Ed Pepke, Ms. Outi Marin, Mr. Douglas Clark, UNECE/FAO Forestry and Timber Section, Switzerland, Ms. Xiaou Han, Oregon State University, US and Dr. Delton Alderman, USDA Forest Service, US.

Chapter 2

Economic developments affecting the UNECE region in 2009-2010²

Highlights

- In 2010, the world economy is recovering from the most severe financial shock since the Great Depression of the 1930s and the deepest economic downturn since the Second World War.
- In mid-2010, an escalating debt crisis in the euro zone cast doubt on the strength of the recovery in the European Union.
- United States recovery is forecast to be more rapid, in part because the economic downturn was smaller than some other advanced economies, and in part because of the much more aggressive response of the US on both the monetary- and fiscal-policy fronts.
- Financial institutions in both the US and Europe owned sizeable amounts of the US subprime mortgage-backed assets that collapsed in value and as a result both subregions experienced a severe financial shock in 2008-2009 necessitating government aid to limit the crisis.
- The fall in house prices has severely curtailed activity and employment in the construction industry in the US and western Europe and the mid-2010 debt crisis is hindering a housing recovery.
- The concerns of heavily indebted countries' sovereign debt sustainability have been reflected in the interest rates that they must pay on their debt; this has led to a crisis in Greece and there are growing concerns about the current and future debt levels of many of the advanced UNECE region economies.
- Significant exchange rate movements occurred in 2009-2010: the US dollar rose during the height of the crisis, then declined as the recovery began to take hold, and then strengthened again as the European debt crisis unfolded.
- The euro declined significantly in early 2010 as the severity of the Greek debt crisis cast doubt on other EU economies, however, for forest products exporters trading in euros, this could be an advantage.
- The 2008-2009 economic crisis was particularly acute in many of the former transition economies and, for them, was greater than during Russian Federation debt and currency crisis of 1998-1999.
- A slow-to-moderate recovery is forecast for 2010, but most of the UNECE region's economies will not return to their 2008 income levels until 2011; despite the forecast positive trend for the entire UNECE region, one sixth of the region's economies are expected to experience negative growth again in 2010.

² By Dr. Robert C. Shelburne, UNECE, Switzerland.

Chapter 3

Policy issues related to forest products markets in 2009 and 2010³

Highlights

- Economic stimulus measures taken by governments throughout the UNECE region to reverse the financial and economic crisis of 2008-2009 had little measurable impact on the forest sector.
- China has taken significant actions to support its forest sector during the global economic crisis, with measures likely to have an impact on forest industries and wood markets throughout the UNECE region.
- The Russian log export tax has had a significant impact on global roundwood markets; the implementation of further tax increases has been delayed but not abandoned.
- Policy development and associated market actions continue to advance the use of bioenergy in the UNECE region as technologies for production of second-generation biofuels move closer to commercialization.
- Subsidies for biomass use in energy production continue to cause problems for established wood users; for instance, in the United States, a biomass harvest and delivery subsidy programme is adversely affecting wood panel and paper manufacturers.
- Support for green building initiatives is growing and is reflected in public funding of various green building projects and initiatives in the European Union and in the United States.
- The United Nations Climate Change Conference in Copenhagen further defined how carbon contained within harvested wood products might be accounted for in post-2012 carbon protocols, but the work needs to continue.
- Measures to halt trade of products from illegally sourced timber continue to be put in place in both Europe and North America, potentially making it much more difficult for illegal timber to enter world markets.
- Despite the economic crisis, corporate social responsibility programmes are seen as a competitive advantage in demanding forest products markets and are poised to have greater impact with the publication of ISO 26000 on social responsibility.

³ By Dr. Jim L. Bowyer, Dovetail Partners, Inc., USA; Dr. Eric Hansen, Oregon State University, USA; and Dr. Helmuth Resch, University of Natural Resources and Applied Life Sciences, Austria.

Chapter 4

Record low timber harvests put pressure on wood raw material prices: Wood raw material markets, 2009-2010⁴

Highlights

- The continued global financial crisis is affecting demand for all forest products, with consumption in 2009 of wood raw material, including roundwood and wood chips, falling for the second consecutive year.
- The total timber harvest in the UNECE region was 1.1 billion m³ in 2009, which was down 300 million m³ compared with just two years earlier: the greatest reductions occurred in North America and the CIS subregion, where total removals were equally down 14% from 2008.
- An estimated 880 million m³ of the total timber harvest was used for industrial purposes: the lowest ever recorded.
- The storm “Klaus” hit southwestern France and northwestern Spain in 2009 and an estimated 700,000 hectares of mostly maritime pine were affected.
- The total wood fibre consumption by the pulp industry in Europe was 136 million m³, down 16% from its peak in 2007, mainly because of weak paper markets on the continent.
- The substantial rise in demand for woody biomass, including forest residues, urban wood, sawmill co-products and smaller logs for energy generation that has occurred in Sweden and Germany is a trend likely to be repeated in many other countries.
- In most countries, sawmills and pulp mills are now paying almost 17% more for their wood than in 2008, but prices are still lower than before the start of the financial crisis.
- The strong pulp market, particularly in China, pushed wood fibre costs upward around the world over the past 12 months, with an increase of more than 11% in the first quarter of 2010 as compared with the first quarter of 2009.

⁴ By Håkan Ekström, Wood Resources International, US.

Chapter 5

Global financial fallout lingers, still affecting UNECE region: Sawn softwood markets, 2009-2010⁵

Highlights

- The global economic and financial crisis resulted in a fall in demand for sawn softwood across the UNECE region starting in 2008 and continuing into 2009 and the first half of 2010; consequent weak prices led to lower production and hit many segments of the industry hard, as sawn softwood consumption dropped by 13.8% in 2009 compared with 2008.
- The end of the housing market slump in the United States in mid-2009 signalled that the damaging four-year slide may be over, but the rebound into 2010 was slight and any gains were marginal, as demand remained subdued.
- Softwood sawmilling companies in the European industry took strategic measures to respond to fluctuating markets to safeguard their future competitiveness and this resulted in a fall in output of 12.5% from 2008 levels.
- Raw material (log) availability in Europe remained an overriding constraint for the recovery of the sawmilling industry in many regions and countries leading to the view that the recovery would be modest compared with past production levels.
- European shippers continued to develop other non-UNECE export markets (mainly in North Africa, Asia and the Middle East) to compensate for losses in the US market.
- The financial crisis adversely affected the development of the sawmilling industry in the countries of the Commonwealth of Independent States with consumption continuing a downward trend in 2009; in addition, persistent uncertainty with regard to the future regulatory framework (in particular, the Russian log export tax) led to significant reductions of forest sector-related investment.
- North American output fell sharply in 2009, by 20.3% to 71.6 million m³ after a drop of 18.8% in 2008, mirroring a 22.6% decline in demand; the effects being felt evenly in Canada and the US.
- For North American producers, there were a few bright spots in 2009 that carried into 2010: improving housing starts and repair and remodelling activity; stronger exports to China; and rapid expansion of the wood pellet and bio-fuels industries.
- The rebuilding of market demand in North America and Europe will take considerable time and will present challenges to sawmilling companies until more stable conditions occur, most likely after 2011.

⁵ By Dr. Nikolai Burdin, OAO NIPIEllesprom, Russian Federation, Mr. Thorsten Leicht and Mr. Mathias Lundt, both from Pöyry Forest Industry Consulting, Germany, and Mr. Russell E. Taylor, International WOOD MARKETS Group Inc., Canada.

Chapter 6

The long struggle towards recovery: Sawn hardwood markets, 2009-2010⁶

Highlights

- The downturn in the sawn hardwood industry deepened further throughout the course of 2009 as overall production across the UNECE region declined 5.9% to 39.2 million m³.
- Total consumption of sawn hardwood across the UNECE region fell a further 7.2% to 38.5 million m³ in 2009, as the economic and financial crisis reduced demand for hardwood products.
- Total European production of sawn hardwood fell by 5.7% to 12.9 million m³ in 2009, a significant rise in Romanian production being insufficient to offset large declines in France and Germany.
- Consumption of sawn hardwood within Europe fell by 9.3% in 2009, a decline that reflects slow demand in the furniture and parquet industries.
- Oak has been consolidating its dominant market position in European flooring and joinery sectors during the recession, whereas tropical hardwoods have been losing share, due to limited availability and development of innovative new products for external applications.
- Patchy signs of recovery in European sawn hardwood demand were reflected in rising prices in early 2010, but it is too early to judge whether this resulted from short-term restocking or was driven by a sustained increase in consumption.
- Sawn hardwood production in North America has been declining for a decade, falling from a peak of 31.0 million m³ in 2000 to 23.2 million m³ in 2009, raising concerns that the hardwood forest resource is now seriously under-utilised.
- There are indications that in North America both consumption and exports of sawn hardwood bottomed out by mid-2009 and began to improve in the second half of 2009.
- Emerging markets, notably China, are playing a more critical role in the sawn hardwood trade, particularly now that declining availability of logs in East Asia is helping generate new demand for imported sawn hardwood products.
- Green building rating systems have gained momentum during 2009 and 2010, boosted by political interest in climate change and green-tinged emergency public funding, increasing the need for hardwood suppliers to provide credible environmental life cycle data.

⁶ Mr. Rupert Oliver, Forest Industries Intelligence Limited, UK.

Chapter 7

Global panel industry caught up in economic storm: Wood-based panels markets, 2009-2010⁷

Highlights

- In response to the economic crisis, consumption of wood-based panels fell by 17.2% in North America, by 19.2% in the CIS and by only 3.7% in Europe.
- With housing starts down, demand for wooden household furniture also declined, further reducing the demand for wood-based panels.
- Substantial wood-based panel plant closures occurred across all subregions, with 5 closures in Europe, 10 closures in North America and at least 2 closures in the Russian Federation.
- Structural panel manufacturers in North America recorded their lowest levels of production capacity utilisation in 20-25 years – 66% in the plywood industry and 53% in the oriented strand board (OSB) sector.
- The weak global economy continued to adversely affect imports of wood-based panels into all subregions, with imports into the United States dropping by 27.7% between 2008 and 2009, into the CIS by 13.1% and into Europe by 10.1%.
- Subsidies to the bio-fuel sector continued to adversely affect raw material prices and availability for wood-based panel manufacturers in Europe and North America.
- Following lobbying efforts in the US, the Biomass Crop Assistance Program, which provides significant subsidies for the purchase of woody raw materials by bio-gas and bio-energy companies, was under review and would likely be rewritten to exclude sawmill co-products.
- Formaldehyde emission standards, originally passed in California, were proposed in both US Senate and House bills for national standards that would limit formaldehyde emissions at 0.09 parts per million, making this the toughest standard in the world; it is scheduled for passage in 2010 and would be implemented in 2013.

⁷ By Dr. Ivan Eastin, University of Washington, US; Ms. Bénédicte Hendrickx, the European Panel Federation, Belgium; and Dr. Nikolai Burdin, OAO NIPIEllesprom, Russian Federation.

Chapter 8

Rebound from steep drop in demand amid simmering global trade issues: Markets for paper, paperboard and woodpulp, 2009-2010⁸

Highlights

- Paper and paperboard consumption declined sharply in 2009 by 9% in Europe and 10% in the United States relative to 2008; just a fraction of that decline was recovered by early 2010.
- Pulp and paper commodity prices fell in 2009, dropping well below 2008 price levels, but prices began to stabilize by mid-year, and in some cases fully recovered by early 2010.
- A wave of capacity withdrawals in the form of mill downtime and shutdowns helped stabilize the market balance between product supply and demand.
- Pulp prices were boosted also by shutdowns of Chilean pulp capacity due to the devastating earthquake in February 2010, and by expanding woodpulp demand in Asia, particularly in China.
- Global market trends point to a secular shift of growth in paper and paperboard output to Asia, while production has levelled out and declined in Europe and North America.
- Global trade issues were simmering in 2010: the European Union launched anti-dumping and anti-subsidy probes in 2010 concerning coated paper imports from China; the US imposed preliminary countervailing duties on coated paper imports from China and Indonesia.
- In 2009, Russian Federation exports declined to China for market pulp and packaging paper products as China's export demand shrank with the global economic crisis.
- In central and eastern Europe, reduced production due to the downturn in demand from the global economic crisis in early 2009, with production returning to normal levels later in the year.
- Central and eastern Europe increasingly is becoming incorporated into EU procedures and policies and therefore developments, e.g. costs are similar to the rest of Europe.
- Green energy production subsidies are a serious threat for the pulp and paper industry in Europe due to strong competition for raw materials.

⁸ By Dr. Peter J. Ince, USDA Forest Service; US; Prof. Eduard L. Akim, PhD, Saint Petersburg State Technological University of Plant Polymers, Russian Federation; Mr. Bernard Lombard, Confederation of European Paper Industries, Belgium; and Tomas Parik, Wood and Paper, A.S., Czech Republic.

Chapter 9

Government policies increasingly promote renewable energy sources: Wood energy markets in the UNECE region, 2009-2010⁹

Highlights

- Sustainability issues about wood fuels are increasingly being debated, but the European Union has decided not to impose EU-wide sustainability criteria for solid biomass.
- United Kingdom energy companies plan massive increases in their utilization of wood energy, further fuelling European demand for wood energy.
- In order to increase control of the value chain, European energy companies are investing in large-scale wood pellet production facilities, particularly in North America.
- Wood energy use and pellet production levels are increasing in the Russian Federation, despite the overall regression of the Russian forest sector up to 2010.
- Russian federal and regional governments are actively implementing policies on energy efficiency and renewable energy supply, increasing wood energy use and production.
- The United States has suddenly become the world's leading producer of wood pellets through the construction of a number of the world's largest pellet plants.
- The US Biomass Conversion Assistance Program introduced in 2008 as a tool to promote the use of wood residues for energy purposes has been put on hold in 2010 due to high costs and fears that it causes market distortion.
- The large export-oriented Canadian wood pellet industry is evolving with increased utilization of non-traditional raw materials (i.e. not sawmill co-products) and growing domestic pellet demand.
- Although federal policy measures about wood energy are largely absent in Canada, provincial governments are becoming increasingly proactive in promoting bio-energy market development.

⁹ By Mr. Olle Olsson and Dr. Bengt Hillring, Swedish University of Agricultural Sciences; Dr. Rens Hartkamp, Consultant, Netherlands; Dr. Kenneth Skog and Mr. Henry Spelter, USDA Forest Service, Forest Products Laboratory; Mr. Francisco Aguilar, University of Missouri, USA; Dr. Warren Mabee, Queen's University, Canada; Dr. Christopher Gaston and Ms. Antje Wahl, FPInnovations-Forintek Division, Canada.

Chapter 10

Certification in a rebounding economy: Certified forest products markets, 2009-2010¹⁰

Highlights

- Between 2009 and 2010, the global area of certified forest increased by 8% to 355 million hectares, equal to 9% of the world's forests, with most of the recent growth in North America and the Russian Federation.
- Obstacles exist for certification of non-industrial forests necessitating increased levels of government and industry support and more consistent demand for certified products.
- Increased forest certification is hindered by the 2008-2009 economic downturn, as well as by public-sector support which could be constrained by governments' record budget deficits.
- In 2010, economic constraints are having an impact on the private sector, where certificate holders are facing financial challenges that could cause existing certificates to be discontinued.
- Competition for market share has increased between the Forest Stewardship Council (FSC) and the Programme for Endorsement of Forest Certification (PEFC) systems, despite the fact that over the years many of the issues that previously divided the systems have become much less distinct.
- Chain of custody (CoC) certification accelerated over the past year indicating strong trade interest in certification as a tool to demonstrate high environmental performance and to differentiate products in a depressed marketplace.
- The commitment of large publishers and other customers of the paper and packaging sectors has been the main factor driving growth in forest and CoC certification.
- Public-sector procurement policies, green building initiatives and legislation in the United States and European Union to prevent illegal logging are becoming more significant drivers of demand for certified forest products.
- The EU Forest Law Enforcement Governance and Trade's Voluntary Partnership Agreements negotiated with tropical forest countries include provisions for comprehensive legality verification and CoC systems that provide a foundation for independent forest certification.
- The COP 15 in Copenhagen in December 2009 made progress on Reduced Emissions from Deforestation and Degradation (REDD), which implies an important role for independent certification mechanisms that not only monitor forest carbon sequestration but also ensure that other environmental and social values are safeguarded through sustainable forest management.

¹⁰ By Mr. Rupert Oliver, Forest Industries Intelligence, Ltd., UK, Ms. Kathryn Fernholz, Dovetail Associates, US and Mr. Florian Kraxner, International Institute for Applied Systems Analysis, Austria.

Chapter 11

Tumultuous year for emitters but carbon markets grow:

Forest sector carbon markets, 2009-2010¹¹

Highlights

- In the voluntary carbon markets, forest-based activities feature prominently with over 400 projects in 40 countries, but their combined transaction volume (20.8 million tons of CO₂ equivalent), is negligible (less than 0.005%) in relation to the global trade of carbon.
- The Clean Development Mechanism (CDM) approved 14 forest carbon projects as of mid-2010, doubling from 2009; however, they only represent 0.5% of all CDM projects and thus far have not issued any carbon credits to the market.
- Global carbon market transactions moved 80% more carbon in volume in 2009 than in 2008, but due to weak prices, the value grew just 6%, mostly because cash-strapped European Union companies sold their allowances to raise funds under the EU-Emission Trading System (ETS).
- Carbon trade declined after the fifteenth Conference of the Parties (COP-15) was unable to reach a legally binding agreement on reducing greenhouse gas emissions; the non-binding Copenhagen Accord in December 2009, compounded with the financial crisis, lower industrial emissions, and criminal elements in the trade, negatively affected the development of the carbon market in 2009-2010.
- The EU-ETS cap-and-trade system is the major carbon trading scheme, having more than doubled in volume of CO₂ equivalent in 2009, netting a value of \$119 billion; lack of an international legally binding agreement at COP-15 halted or postponed national cap-and-trade schemes in some key economies.
- In the United States, national climate change legislation stagnated in the turn of 2009-2010 and prospects to bring it into force before 2013 are small; nevertheless, up to one billion tons of CO₂ equivalent of land-use and forestry offsets could be deployed both domestically and in tropical countries.
- An unresolved question is whether Reduced Emissions from Deforestation and Degradation of Forests (REDD) will be implemented through a market mechanism or a fund; currently, REDD is traded either in Voluntary Carbon Standard credits or against a broad definition of emission reductions that later could be translated into a separate REDD commodity in the post-2012 market.

¹¹ By Mr. Jukka Tissari, FAO, Italy.

Chapter 12

With 2010 forecasts positive, manufacturers look to better times: Value-added wood products markets, 2009-2010¹²

Highlights

- Furniture manufacturers are preparing for a better market in 2011-2012 as they try to turn the unrestrained cost inflation of past years to cost savings through relocating production and redesigning product lines and manufacturing facilities.
- Furniture trade value for the five largest importers declined by 20%, or \$6.7 billion dollars, in 2009; markets are now focused on developments in the United States, the leading market both in size and openness to imports, and the first positive signs are appearing in 2010.
- Implementation of the US Lacey Act Amendment is increasingly affecting the value-added wood product trade; its regulation of the furniture trade was postponed from the original date until April 2010, with enforcement to be phased in from April to September 2010.
- US import duties on Chinese wooden bedroom furniture are likely to be extended for another five years; importers and retailers question the effectiveness of the duties as their review begins.
- In 2009 United Kingdom furniture imports fell by 26.2%, the second consecutive year of decline, German imports fell by 8.5% and French imports dropped by 15.9%.
- Steep declines in the profiled wood markets continued in 2009, with an overall decline of 20%: French and UK imports declined by 30%, US by 25% and Germany by 20%.
- Mouldings and builders' joinery and carpentry products imports continued declining, but there is a possibility that with an increase in housing construction they would rebound swiftly.
- US imports of profiled woods in 2009 have now declined from the record year of 2006 by 61%; the decline is larger than the other top five importers' total trade value, with considerable negative effects in the producer countries dependent on the US market.
- Forecasts for engineered wood products (EWP) markets are positive, in conjunction with increasing North American housing starts in 2010.
- Innovative EWPs keep the forest sector relevant, especially in the face of competition from alternative building materials, and include next-generation oriented strand lumber and parallel strand lumber.

¹² By Mr. Craig Adair, APA – The Engineered Wood Association, US, Dr. Christopher Gaston, FPInnovations-Forintek Division, Canada, and Mr. Tapani Pahkasalo, Indufor Oy, Finland.

Chapter 13

Tropical timber market improves

slowly from economic crisis:

Tropical timber trends, 2008-2010¹³

Highlights

- In response to depressed global market demand, trade in tropical roundwood, sawnwood, veneer and plywood plunged in 2008 and remained low in 2009.
- China and India dominated tropical log imports in 2007 to 2009, although China's imports declined while India's growth slowed during the period; due to their strong domestic markets the tropical roundwood demand is expected to be sustained in both countries.
- China's tropical sawnwood imports increased in 2009, as domestic demand more than compensated for the depressed export demand.
- Japan's tropical wood product imports were affected by a 28% plunge in housing starts in 2009, which reduced construction activity and dampened demand for tropical wood products.
- In 2009, as economic conditions in most European Union countries continued to deteriorate and consumption declined further, tropical sawnwood imports plunged to 1.7 million m³, the lowest level recorded by the International Tropical Timber Organization.
- In 2009, as the impact of the global recession resulted in major closure of wood-processing production capacity, log export regulations were relaxed in many African producer countries to maintain revenues and business under poor trading conditions.
- Although tropical producer countries, particularly in the African region, are under-represented in the global supply of environmentally certified wood products, the increase in area of certified forests in West Africa and the Congo Basin, to 5 million ha in 2009, implies increased production and exports of certified wood products from Africa.
- A log export ban introduced by Gabon in 2010 is expected to lead to a readjustment of sources of supply and prices in 2010, with major impacts on the tropical plywood industries in China and France, which use large volumes of okoumé veneer.
- Price volatility was evident for tropical primary wood products during 2008 and 2009, reflecting certain reluctance by buyers to make long-term forward purchasing contracts during a period of economic uncertainty and fluctuating exchange rates and ocean-freight costs.
- Although wood product prices trended downwards because of weak demand, tropical exporters restricted supplies, preventing prices from falling further.

¹³ By Ms. Frances Maplesden, Consultant, New Zealand, and Mr. Jean-Christophe Claudon, International Tropical Timber Organization, Japan.