

THE WOOD MARKET IN CHINA

China is the world's No.2 wood consumption country and No.1 wood importing country. Its annual wood consumption per capita is less than 0.4 m³, which is only 60% of the world's average volume, the market will still expand.

In 2018, China imported wood of 111.944 million m³ (increased at 3.2%) and USD 21.09 billion (increased at 5.6%); among the import, 68% was needle-leaf wood, 20% was tropical broad-leaf wood, 12% was temperate broad-leaf wood; The top 5 origins of the import were Russia (took a share of 31%), the USA, New Zealand, Canada and Australia.

China's wood import in 2018

Description	Volume (10000 m ³)	Value (100 million USD)	Average import price (USD/ m ³)
Needle-leaf log	4159.7	57.86	139
Broad-leaf log	1815.2	51.98	286
Needle-leaf sawed wood	2488.1	49.91	201
Broad-leaf sawed wood	1185.7	51.18	432

China's wood import from Belgium in 2018

Description	HS code	Value (USD)
Log	44032110	210100
	44032130	8509
	44032140	600486
	44032300	394908
	44032500	31003

	44039100	38787416
	44039300	15641885
	44039700	971233
	44039960	478113
	44039980	180023
	44039990	43459
Sawn wood	44071130	51883
	44071200	244009
	44079100	395212
	44079500	267196
	44079600	5912
Veneer	44089019	12751
	44089099	585

In the first 3 quarters of 2018, China imported chipboard of 543000 tons (increased at 4.07%) and 191 million USD (increased at 9.72%), medium and high density fiberboard (Belgium was one of the main origins) of 140000 tons (increased at 7.65%) and 107 million USD (increased at 8.86%), plywood of 125000 m³ (decreased at 11.06%) and 117 million USD (increased at 4.55%). In the same year, China itself manufactured artificial board of 308.21 million m³, with an increasing rate of 4.5%. The country makes around 50% of the world's output of artificial board, but it is cutting its capacity of manufacture; the manufacture is mostly made by SMEs with mainly backward process, whose energy consumption can be cut by 13-48% according to the world's leading standard. Chipboard's share in the country's output of artificial board is too small at only 8.82%, this is to be developed; the oriented chipboard made from undersized log and the Three Surplusages, the bamboo-wood chipboard, etc., have good market opportunities to replace plywood. In the past decade, the average annual increasing rate of China's consumption of artificial board was nearly 14.3%, which was 1.5% higher than the increasing rate of output.

In 2018, the country's wood processing industry made a sales value of 199.935 billion RMB. Due to the slow-down of the world's and China's economy, the country's wood business is facing poor profits too. Also, with more and more restriction on the wood export by other countries, China's wood import is said to be decreasing, but it will still be an important part of the country's wood business. It is estimated that till 2020, China will be in demand of wood of 800 million m³, ¼ of which will be imported. It is suggested that China should use the imported wood mainly for its domestic demand, not processing trade for re-export.

China's wood consumption in 2017

Usage	%
Artificial board	52.61%
Paper	42.74%
Solid wood furniture	2.56%
Infrastructure, decoration, farmer's building	1.6%
Solid wood floor	0.49%

The total consumption volume was 515,89 million m³.

Till 2021, China's sales value of wood floor may reach 130 billion RMB. For the imported floor, the homogenization of different brands is showing up, the market is saturating, the cost of running a shop is increasing, the players are moving to smaller cities; some "imported" ones were found faked which were actually made by OEMs in China; some others' quality was announced to be far less as good as Chinese brands; the glory of imported floor is fading away. In the country, there are mainly 3 kinds of wood floor: laminate wood floor (more fancy looking, a leading manufacture cluster is at Henglin Town, Changzhou City, Jiangsu Province), engineered wood floor (higher cost efficiency, a leading cluster is in the Northeast 3 Provinces) and solid wood floor (more environment friendly, a leading cluster is at Nanxun District, Huzhou City, Zhejiang Province). The R&D in China on wood floor are mainly focused on the type of wood to use, the design of looking, the abrasive resistance, the use for ceiling and wall surface, the stability under adverse temperature and humidity, etc.

Sales volume of floor of China's manufacturers above designated scale in 2018

Type	Volume (10000 m ²)	Increasing rate
Laminate wood floor	21360	- 0.51%
Engineered wood floor	12010	4.53%
Solid wood floor	4740	- 1.04%
Bamboo floor	3200	- 4.76%
Others	450	9.76%

