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Solid Wood Products

Annual Report

2004

Approved by:

Kevin Latner
U.S. Embassy

Prepared by:

Masaaki Nagahama

Report Highlights:

Housing starts grew 0.8% from the previous year to 1,160,083 in 2003. Japanese softwood product imports from Europe, excluding Russia, grew 10% to 2,772,780 cubic meters. Separately, Japanese imports of structural glulam products grew 5% from the previous year to 540,517 cubic meters.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Annual Report
Tokyo [JA1]
[JA]

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Executive Summary

Japanese housing starts in 2003 remained fairly stable, finishing off the year with 1,160,083 units, up 0.8% from the previous year. Japanese housing starts, 85% of the solid wood market, are also expected to remain stable this year.

As Japanese domestic lumber industry production suffered another setback in 2003, Japanese imports of softwood products from Europe remained brisk. Softwood product imports from Europe, excluding Russia, were 2,772,780 cubic meters (m3) in 2003, up 10% from the previous year. Finland shipped over 1 million m3 of softwood products to Japan, including kiln-dried lumber and laminating stock for glulam products.

For more background information on Japanese wood and housing market developments, refer to the following attaché reports under "Trade Data - Market Reports" at the USDA website: <http://www.fas.usda.gov/data.html>. Select "Solid Wood Products" in the Commodity and "Japan" in the Country sections for "Custom" time frame; January-June, 2004.

For detailed updates on recent trade events, see the following reports.

Report	Date	Report Title
JA4044	1/30/04	Japan and Korea to Oppose Wood Product Tariff Elimination under WTO round
JA4009	2/18/04	Japanese Housing Starts Up - Wood Housing Growth Particularly Strong.
JA4013	3/01/04	Tokyo Lumber Terminal Reflects Changing Demands in Japanese Wood Market.
JA4016	3/04/04	Sick House - The Case of Plywood in 2004.
JA4021	3/15/04	Sick House - Wood for Kindergarten Buildings.
JA4022	3/17/04	Sick House - Japanese Fiberboard Imports in 2003.
JA4027	3/19./04	Japanese Record Imports of Structural Glulam in 2003.
JA4026	3/18/04	Japanese Housing Starts Posting Another Growth in January, 2004.
JA4030	3/22/04	Japan's Fiberboard Production Steady - MDF Up in 2003.
JA4031	3/29/04	Domestic Glulam Production Explored to Meet Demands.
JA4035	4/01/04	European Softwood Offensives Continuing - Imports from Europe Up 10%.
JA4038	4/09/04	February Housing Starts Up Again.
JA4039	4/20/04	Constructions of 3-Story, Wood-Framed Houses Increasing in 2003.
JA4034	4/26/04	Japanese Plywood Production Drives Larch Imports from Russia in 2003

Strategic Indicator Tables

STRATEGIC INDICATOR TABLE 1: CONSTRUCTION MARKET			
Country: Japan Report Year: 2004	Previous Calendar Year	Current Calendar Year	Following Calendar Year
Total Housing Starts (number of units)	1,160,083	1,180,000	1,200,000
--Of which, wood frame	523,192	531,000	540,000
--Of which, steel, masonry, other materials	636,891	649,000	660,000
--Of total starts, residential	1,130,737	1,145,000	1,164,000
----Of residential, single family	501,785	520,000	530,000
----Of residential, multi-family	658,298	660,000	670,000
--Of total starts, commercial	29,346	30,000	31,000
Total Value of Commercial Construction Market (\$US million)	116,046	118,000	120,000
Total Value of Repair and Remodeling Market (\$US million)	N/A	N/A	N/A
Are tariffs on softwood from the United States higher, equal or lower than softwood imported from other countries? 1/	Equal	Equal	Equal
Are tariffs on plywood from the United States higher, equal or lower than plywood imported from other countries? 1/	Equal	Equal	Equal
Are non-tariff barriers on softwood from the United States higher, equal or lower than softwood imported from other countries? 1/	Equal	Equal	Equal
Are non-tariff barriers on plywood from the United States higher, equal or lower than plywood imported from other countries? 1/	Equal	Equal	Equal
Are there market development programs for construction, softwood or plywood imports funded by foreign governments?	No.	No.	No.
If yes, identify the following:			
--Country	N/A	N/A	N/A
--Form(s) of competition: Export subsidy, trade show, trade servicing, permanent market representative (number), permanent office (location), or other. 2/	N/A	N/A	N/A
--Estimated annual market expansion outlay (\$US million) by country	N/A	N/A	N/A
Is the acceptability of U.S. style timber frame construction (i.e., per building codes, mortgage availability, etc.) high, medium or low? 3/	High	High	High
Are consumer preferences for solid wood materials vis-a-vis non-wood materials in construction high, medium or low? 3/	High	High	High
From Post's experience, is the willingness of U.S. suppliers to deliver product per importers' specifications low, medium or high? 3/	Medium	Medium	Medium
If price quotes for construction and structural wood products are available, identify the leading source(s)	N/A	N/A	N/A
1/ If other than equal, explain in report text. 2/ If "other", then explain in report text. 3/ If low or medium, explain in report text.			

STRATEGIC INDICATOR TABLE 2: FURNITURE & INTERIORS MARKET			
Country: Japan Report Year: 2004	Previous Calendar Year	Current Calendar Year	Following Calendar Year
Total Housing Starts (number of units)	1,160,083	1,180,000	1,200,000
Total Number of Households (1,000 households)	48,015	48,015	48,015
Furniture Production (\$US million)-Wooden- ①	1,416	1,420	1,450
Interiors Market Size (\$US million) ②	5,292	5,350	5,450
Total Furniture Imports (\$US million) ③	2,384	2,400	2,450
Total Furniture Exports (\$US million) ④	468	475	480
Are tariffs on hardwood from the United States higher, equal or lower than hardwood imported from other countries? 1/	Equal	Equal	Equal
Are non-tariff barriers on hardwood from the United States higher, equal or lower than hardwood imported from other countries? 1/	Equal	Equal	Equal
Are there market development programs for furniture or interiors market expansion funded by foreign governments?	No	No	No
If yes, identify the following:			
--Country(ies) 2/	-	-	-
--Form(s) of competition: Export subsidy, trade show, trade servicing, permanent market representative (number), permanent office (location), or other. 3/	-	-	-
--Estimated annual market expansion outlay (\$US million) by country	-	-	-
From Post's experience, is the willingness of U.S. suppliers to deliver product per importers' specifications low, medium or high? 4/	Medium	Medium	Medium
If price quotes for furniture and interiors products are available, identify the leading source(s)	-	-	-
1/ If other than equal, explain in text. 2/ If more than one country, report each country individually. 3/ If "other", explain form of subsidy in text. 4/ If low or medium, explain in text.			

Notes:

- ① Covers the following "wooden" products, as classified in the Japanese Government (METI) statistics.
-Chest of drawers (wardrobes, Japanese-style cabinet of drawers, or Tansu, Cabinets of drawers), Dressers, including mirror stands, Shelves (cupboards, other shelves), Desks, Tables, Chairs (sofas, dining chairs, etc.),
Beds, System cabinets, other furnitures, etc.
- ② Includes the following "metal" furniture in addition to "wooden" furniture.
-Desks and tables, Chairs, Filing cabinets, Storage cabinets, Fire-retardent containers, Kitchen furniture (eg. Sink cabinets, range tables, cooking tables, system kitchens), Beds, Racks, Partitions, etc.
- ③ Covers products under the following HS (Harmonized System) tariff codes in full 9-digits / customs clearance basis.
-9401.40-61-69-30-40-50-80-71-79-90
-9403.30-40-50-60-10-2070-80-90
- ④ Covers products under the following HS (Harmonized System) tariff codes in full 9-digits / customs clearance basis.
-9401.40-000, 9401.61-000, 9401.69-000, 9403.30-000, 9403.40-000, 9403.50-000, 9403.60-000, 9401.30-000, 9401.71-000, 9401.79-000, 9403.10-100, 9403.10-900, 9403.20-100, 9403.20-900, 9401.50-000, 9401.80-000, 9403.70-000, 9403.80-000, 9401.90-000, 9403.90-000.

STRATEGIC INDICATOR TABLE 3: FOREST PRODUCT TARIFFS AND TAXES (percent)						
Country: Japan Report Year: 2004	Product Description	Tariff Current Year	Tariff Following Year	Other Import Taxes or Fees 1/	Total Cost of Import	Export Tax
4401.21-22	Wood Chips	Free	Free	5.0	5.0	None
4403.10-20	Softwood Logs	Free	Free	5.0	5.0	None
4403.10.210-230	Temperate HW Logs	Free	Free	5.0	5.0	None
4403.91-92	Temperate HW Logs	Free	Free	5.0	5.0	None
4403.99.190-110-210-290- 310-390.	Temperate HW Logs	Free	Free	5.0	5.0	None
4403.10.220	Tropical HW Logs	Free	Free	5.0	5.0	None
4403.41-49	Tropical HW Logs	Free	Free	5.0	5.0	None
4404	Split poles/Piles,etc.	5.0-7.5	5.0-7.5	5.0	10.0-12.5	None
4405	Wood wool,flour	2.5	2.5	5.0	7.5	None
4406	Railway sleepers	Free	Free	5.0	5.0	None
4407.10. Softwood Lumber < 160mm; Thickness						
-110; Pinus spp. Abies spp.	Picea spp; Planed	4.8	4.8	5.0	9.8	None
-121; Pinus spp.	Not planed	4.8	4.8	5.0	9.8	None
-129;	Other species	4.8	4.8	5.0	9.8	None
-210; Genus Larix	Planed or sanded	8.0	8.0	5.0	11.0	None
-290; Genus Larix	Not planed or sanded	10.0	10.0	5.0	11.0	None
4407.91-92	Temperate HW Lbr.	Free	Free	5.0	5.0	None
4407.99.100-210-290-400-500	Temperate HW Lbr.	Free	Free	5.0	5.0	None
4407.24; Tropical HW Lbr.	Virola, Mahogany	Free	Free	5.0	5.0	None
4407.25-26-29; Trop.HW Lbr.	Meranti,Lauan,etc.	6.0	6.0	5.0	11.0	None
4407.99.310-390	Tropical HW Lbr.	6.0	6.0	5.0	11.0	None
4408.10	Softwood veneers	5.0-6.0	5.0-6.0	5.0	10.0	None
4408.31; Meranti	Hardwood veneers	5.0-6.0	5.0-6.0	5.0	10.0	None
4408.39; Padok, Jeltong, Teak	Hardwood veneers	5.0-5.6	5.0-5.6	5.0	10.0-10.6	None
4408.90; Tsuge, Tagayasan, etc.	Hardwood veneers	5.0-5.6	5.0-5.6	5.0	10.0-10.6	None
4409.10; Softwood	Drawn wd,mouldings	3.6-5.0	3.6-5.0	5.0	8.6-10.0	None
4409.20; Non-Softwood	Drawn wd,mouldings	Free-5.0	Free-5.0	5.0	5.0-10.0	None
4410.11-19; Particleboard,	Waferboards, OSB	5.0-6.0	5.0-6.0	5.0	10.0-11.0	None
4410.90; Other boards/sheets	Wood materials	6.6-7.9	6.6-7.9	5.0	11.6-12.9	None
4411.11-19; Fiberboard	Density >0.8g/cm3	2.6	2.6	5.0	7.6	None
4412.13 Plywood, veneered panels & similar laminated wood.						
-119	Hardwood Plywood	10.0	10.0	5.0	15.0	None
-122	Hardwood Plywood	8.5	8.5	5.0	13.5	None
-219	Hardwood Plywood	6.0	6.0	5.0	11.0	None
-229	Hardwood Plywood	6.0	6.0	5.0	11.0	None
4412.14.011; Tangué/groove	Hardwood Plywood	6.0	6.0	5.0	11.0	None
4412.14.019; Others	Hardwood Plywood	6.0	6.0	5.0	11.0	None
4412.19.011; Tang./groove	Softwood Plywood	6.0	6.0	5.0	11.0	None

4412.19.019; Others	Softwood Plywood	6.0	6.0	5.0	11.0	None
4412.22; With 1 trop.ply	Laminated Lumber	6.0	6.0	5.0	11.0	None
4412.23;With 1 particlebd.	Laminated Lumber	6.0	6.0	5.0	11.0	None
4412.29-92-93-99;Oths	Laminated Lumber	6.0	6.0	5.0	11.0	None
4413.00	Densified Wood	7.0	7.0	5.0	12.0	None
4414.00	Wooden Frames	3.2	3.2	5.0	8.2	None
4415; Crates, Pallets,	Packing cases,boxes	2.8	2.8-3.9	5.0	7.8-8.9	None
4416.00; Casks,barrels,	Vats, Tubs,etc.	2.2	2.2	5.0	7.2	None
4417.00; Tools,Tool bodies	Tool Handles,Broom	2.2-2.8	2.2-2.8	5.0	7.7-7.8	None
4418; Builder's Joinery &	Carpentry of Wood	Free-5.0	Free-5.0	5.0	7.0-10.0	None
4419.00; Tableware &	Kitchenware of Wood	2.7-4.7	2.7-4.7	5.0	7.7-9.7	None
4420; Wood Marquetry &	Inlaid Wood,caskets	Free-10.0	Free-10.0	5.0	7.7-15.0	None
4421; Other Articles of	Wood (eg.hangers)	Free-3.9	Free-3.9	5.0	7.9-8.9	None
9406.00; Prefabricated	Buildings & Parts	Free	Free	5.0	5.0	None
1/ Japanese domestic consumption tax, applicable to all goods and products sold in Japan.						

Forest Situation

According to the Japanese Forestry Agency's report, released in mid-December, 2003, the Japanese forestry sector generated 290.8 billion Yen (approx. \$2.6 billion) in total revenue, this was down 8.4% from the previous year. The following table is a summary of the production output values in 2002.

Product Sector	2002	2001	% Change 1/	% Share
Timber production	2,338	2,739	- 14.6%	51.2%
Charcoal Production	76	87	- 13.3%	1.7%
Mushroom Production	2,131	2,026	+ 5.2%	46.6%
Misc. products	25	32	- 23.8%	0.5%
Total Output	4,570	4,884	- 6.4%	100.00
Forestry Revenue	2,908	3,174	- 8.4%	-

(Source : Japanese Forestry Agency)

Production

Logs

Japan's total log supply to the wood manufacturing industry was 30,516,000 m3 in 2003, down 1.2% from the previous year, including 15,171,000 m3 of domestic logs and 15,345,000 m3 of imported logs. The domestic log supply was up 0.5% while the imported logs supply was down 2.9%.

Softwood accounted for 83% and temperate hardwood for 17% of domestic log supply, up 1.5% and down 4%, respectively.

Hardwoods logs were 11.8% of imports, down 15.8% and came the South Seas. Softwood logs were principally from North America (6,139,000 m3), Russia (5,354,000 m3), New Zealand (1,577,000 m3), down 4.3%, up 6.7% and down 3.9%, respectively.

Lumber

Japan's sawn lumber production in 2003 was 13,903,000 m³, down 3.3% from the previous year. Year-to-date production through March, 2004 was 3,316,000 m³, down 0.5% from 3,334,000 m³.

The number of lumber mills in operation in 2003 was 9,920, down 5% from the previous year.

Plywood

Japan's plywood production in 2003 was 3,019,000 m³, up 9.7% from 2,752,000 m³ in the previous year. Traditional hardwood plywood production accounted for 38% and softwood plywood production accounted for 62% of production. Japanese plywood producers shifted to softwood plywood production.

Year-to-date plywood production through the end of March 2004 was 750,590 m³, up 5.8% from last year. This remarkable growth was from the industry's prompt compliance with formaldehyde testing requirements.

The number plywood mills in operation in 2003 were 209, down 14 from the previous year.

Glulam (Glue-laminated Wood Products)

Japanese laminated wood production in 2003 totaled 1,407,300 m³, up 20% from the previous year. This is largely a result of the continuing growth in demand for dried and dimensionally stable building materials.

Production of structural glulam products grew rapidly. In 2003, the share of such structural stock in the total glulam production was 84.6%, up from 80.6% in the previous year.

Japan's Laminated Wood Production By Year (% change from the previous year)			
Product / Year	2001	2002	2003
Non-Structural	248.5 m ³ (- 7.9%)	227.1 m ³ (-8.6%)	216.6 m ³ (- 4.6%)
Structural Stock	781.6 m ³ (+25.6%)	945.7 m ³ (+21.0%)	1,190.7 m ³ (+25.9%)
Total Production	1,030.1m ³ (+15.5%)	1,172.8 m(+13.9%)	1,407.3 m ³ (+20.0%)

(Source: Japan Laminated Wood Industry Association)

Fiberboard Products

Particleboard production in 2003 was 1,248,578 m³, up slightly from 1, 235,560 m³ in the previous year. This small growth resulted of growth in use for floor underlayment in the low-cost apartment housing construction.

MDF (Medium Density Fiberboard) production was 420,098 m³ in 2003, up 2.4% from the previous year. This small production growth replaced imports.

Hard board and insulation board demand was down due to continued weaknesses in the automotive dashboards, industrial crate and Tatami underlayment markets.

Fiberboard Productions By Year in Japan				
Product Line	2002 (m ³)	% Change *	2003 (m ³)	% Change *
Particleboard	1,235,560	- 1.6%	1,247,578	+ 0.9%
Hardboard	64,359	- 12%	64,660	+ 0.5%
MDF	410,195	- 5.2%	420,098	+ 2.4%

Insulation Board	386,594	- 12%	365,961	- 5.3%
Total :	2,096,708	- 4.7%	2,099,297 m3	+ 0.1%

(Source: Ministry of Economy, Trade & Industry)

*Per cent changes from the previous year.

Wood Consumption

The poor economy and weak housing starts continued to push down wood consumption.

Industry's Lumber Shipments by Year					
Vol.\Year	1999	2000	2001	2002	2003
Volume (000 m3)	18,165	17,231	15,485	14,402	13,929
% Change (Yr./Yr)	-4%	-5%	- 10.1%	-7.0%	- 3.3%

(Source: Ministry of Agriculture, Forestry and Fisheries)

Year-to-date lumber shipments through March 2004 were 3,207,0000 m3, down 4.6% from last year. Because of continued weak housing demand, lumber shipments are expected to be down for the remainder of the year.

Plywood shipments in 2003 were 2,966,902 m3, up 8.8% from the previous year. Year-to-date plywood shipments through March 2004 were 732,085 m3, up 12.4% from the same term of last year.

Industry's Plywood Shipments & Production by Year (000 m3 : % Change)					
	1999	2000	2001	2002	2003
Shipments	3,247 (+0.2%)	3,112 (-4.2%)	2,648 (-14.9%)	2,727 (+2.9%)	2,967 (+ 8.8%)
Production	3,261 (-0.2%)	3,218 (-1.3%)	2,771 (-13.9%)	2,752 (-0.7%)	3,019 (+ 9.7%)

(Source: Ministry of Agriculture, Forestry & Fisheries)

Market Sector Analysis

Construction Sector

Japanese housing starts in 2003 were 1,160,083 units, up slightly from 1,151,016 in the previous year.

During the first quarter of 2004, housing starts were 267,032, up 5.4% from the previous year, suggesting a possible turn in the weak housing market.

Japanese Housing Starts : 2002 Vs. 2003 (Units)				
Sector	2002	% Change *	2003	% Change *
Total Starts	1,151,016	- 1.9%	1,160,083	+ 0.8%
Custom housing	367,974	- 4.9%	372,652	+ 1.3%

Rental housing	450,092	+ 2.7%	451,629	+ 0.3%
Corporate housing	9,008	- 7.8%	9,163	+ 1.7%
Built-for-sale	323,942	- 4.4%	326,639	+ 0.8%
Wood-Framed	503,761	- 3.6 %	523,732	+ 4.0%
Wood Share (%)	43.8%	-	45.1%	Up 1.3 points
By Framing Method				
-Condominiums	208,114	- 3.3%	200,221	- 3.8%
-Prefab. Housing (Wood-framed)	160,871 (23,744)	- (- 12.7 %)	159,224 (23,204)	- 1.0% (- 2.3%)
2x4 Wood-framed	78,988	+ 2.3%	81,502	+ 3.2%
By Floor Space (1,000 square meters)				
All Housing Starts	104,761	- 4.6%	104,039	- 0.7%
Wood-Framed	54,904	- 4.1%	56,346	+ 2.6%
Wood Share (%)	52.4%	-	54.2%	Up 1.8 points

(Source: Ministry of Land, Infrastructure & Transport)

* % change from the previous year.

Lumber use by sector follows.

Lumber Consumption in the Housing & Construction Sector (Unit: 100,000 m3)					
Sector\Yr.	1999	2000	2001	2002	2003
Housing	146	138	126	117	113
Civil works	7.2	7.0	6.1	5.8	5.3
Total	153.2	145	132.1	122.8	118.3
% Change 1/	- 4 %	- 5%	- 9%	- 7.0%	-3.6%
% Share 2/	84%	84%	85%	85.3%	85.1%

(Source: Ministry of Agriculture, Forestry and Fisheries)

Notes: 1/ Year-on-year percent change.

2/ % share in the industry's total lumber shipments.

Furniture & Interiors Sector

Japanese furniture production continues to move off-shore. In 2003, furniture production was 156 billion Yen, down 37% from 1999. In 2003, the furniture sector consumed 221,000 m3 of Japanese-sawn lumber, down 13% from the previous year. In 2003, furniture imports were \$695 million.

Lumber Consumption in the Furniture & Interiors Sector (000 m3)					
Volume\Year	1999	2000	2001	2002	2003
Volume	417	368	313	255	221

% Change	1/	-17%	-12%	- 14.9%	-18.5%	- 13.3%
% Share	2/	2.3%	2.1%	2.0%	1.8%	1.6%

(Source: Ministry of Agriculture, Forestry and Fisheries)

Notes: 1/ Year-on-year percent change..

2/ Percentage share in the industry's total lumber shipments.

Material Handling Market

Radiata pine and off-grade stock of the domestic species, such as cedar and larch, not suited as value-added commercial grades remain the key species marketed in this sector. However, this sector remains depressed.

Lumber Consumption in the Material Handling Sector (000 m3)						
Volume\ Year	1999	2000	2001	2002	2003	
Volume	1,871	1,862	1,588	1,536	1,489	
% Change	1/	-4%	-0.5%	-14.7%	- 3.3%	- 3.1%
% Share	2/	10.3%	10.8%	10.3%	10.7%	10.6%

(Source: Ministry of Agriculture, Forestry and Fisheries)

Notes: 1/ Year-on-year percent change.

2/ Percentage share in the industry's total lumber shipments.

PSD Tables & Trade Matrix

Softwood Logs - PSD Table (1,000 Cubic Meters)

	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2003		01/2004		01/2005
Production	12500	12605	12400	12650	0	12700
Imports	10200	10467	10300	10500	0	11000
TOTAL SUPPLY	22700	23072	22700	23150	0	23700
Exports	1	6	2	7	0	8
Domestic Consumption	22699	23066	22698	23143	0	23692
TOTAL DISTRIBUTION	22700	23072	22700	23150	0	23700

-Softwood Logs - Import Matrix (1,000 Cubic Meters)

Time Period	Jan-Dec	Units:	1000 m3
Imports for:	2002		2003
U.S.	2,744	U.S.	2,619
Others		Others	
Russia	4521	Russia	4837
New Zealand	1468	New Zealand	1481
Canada	1118	Canada	1148
Australia	124	Chile	149
Chile	122	Australia	109
France	76	South Africa	71
South Africa	58	Germany	33
Germany	22	P.New Guinea	7
Malaysia	7	Malaysia	6
China	5	China	4
Total for Others	7521		7845
Others not Listed	3		3
Grand Total	10,268		10,467

- Softwood Logs -Export Matrix (1,000 Cubic Meters)

Time Period	Jan.-Dec.	Units:	1000 m3
Exports for:	2002		2003
U.S.	0	U.S.	0
Others		Others	
Korea, South	1	China	5.4
China	0.2	Korea, South	0.7
Indonesia	0.2		
Total for Others	1.4		6.1
Others not Listed	0.5		0.1
Grand Total	1.9		6.2

Temperate Hardwood Logs - PSD Table (1,000 Cubic Meters)

	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2003		01/2004		01/2005
Production	2650	2566	2600	2600	0	2600
Imports	850	877	860	870	0	880
TOTAL SUPPLY	3500	3443	3460	3470	0	3480
Exports	0	1	0	0	0	0
Domestic Consumption	3500	3442	3460	3470	0	3480
TOTAL DISTRIBUTION	3500	3443	3460	3470	0	3480

-Temperate Hardwood Logs- Import Matrix (1,000 Cubic Meters)

Time Period	Jan.-Dec.	Units:	1000 m3
Imports for:	2002		2003
U.S.	62	U.S.	62
Others		Others	
P.New Guinea	372	P.New Guinea	371
Russia	225	Russia	261
Malaysia	64	Malaysia	74
Solomon Isls.	53	Solomon Isls.	38
South Africa	22	South Africa	22
Germany	17	Germany	18
China	14	China	12
Chile	13	Chile	5
Denmark	3	Denmark	4
Gabon	3	Gabon	3
Total for Others	786		808
Others not Listed	8		7
Grand Total	856		877

-Temperate Hardwood Logs - Export Matrix (1,000 Cubic Meters)

Time Period	Jan.-Dec.	Units:	1000 m3
Exports for:	2002		2003
U.S.	0	U.S.	0
Others		Others	
China	0.1	Vietnam	0.4
		China	0.3
Total for Others	0.1		0.7
Others not Listed	0		0
Grand Total	0.1		0.7

3) Tropical Hardwood Logs - PSD Table (1,000 Cubic Meters)

	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2003		01/2004		01/2005
Production	0	0	0	0	0	0
Imports	1500	1294	1450	1300	0	1250
TOTAL SUPPLY	1500	1294	1450	1300	0	1250
Exports	0	0	0	0	0	0
Domestic Consumption	1500	1294	1450	1300	0	1250
TOTAL DISTRIBUTION	1500	1294	1450	1300	0	1250

-Tropical Hardwood Logs - Import Matrix (1,000 Cubic Meters)

TIME PERIOD	JAN.-DEC.	UNITS:	1000 M3
Imports for:	2002		2003
U.S.	0	U.S.	0
Others		Others	
Malaysia	1456	Malaysia	1239
P.New Guinea	30	P.New Guinea	26
Congo	25	Congo	12
Indonesia	7	Gabon	9
Gabon	7	C.African Rep.	2
Cameroon	6	Myanmar	1
Solomon Isls.	3	Thailand	1
C.African Rep.	1		
Myanmar	1		
Total for Others	1536		1290
Others not Listed	3		4
Grand Total	1539		1294

- Tropical Hardwood Logs - Export Matrix (1,000 Cubic Meters)

TIME PERIOD	JAN.-DEC.	UNITS:	1000 M3
Exports for:	2002		2003
U.S.	0	U.S.	0
Others		Others	
Total for Others	0		0
Others not Listed	0		0
Grand Total	0		0

Wood Chips - PSD Table (1,000 MT)

	2003	REVISED	2004	ESTIMATE	2005	FORECAST
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2000		01/2001		01/2002
Production	5000	5940	5300	6000	0	6000
Imports	13800	13565	13700	13600	0	13700
TOTAL SUPPLY	18800	19505	19000	19600	0	19700
Exports	5	4	5	5	0	5
Domestic Consumption	18795	19501	18995	19595	0	19695
TOTAL DISTRIBUTION	18800	19505	19000	19600	0	19700

-Wood Chips - Import Matrix (1,000 MT)

TIME PERIOD	JAN.-DEC.	UNITS:	1000 MT
Imports for:	2002		2003
U.S.	1449	U.S.	863
Others		Others	
Australia	4777	Australia	4565
South Africa	2373	South Africa	2948
Chile	1501	Chile	1603
China	707	Brazil	728
Thailand	613	China	640
Brazil	595	Vietnam	531
New Zealand	400	Thailand	446
Vietnam	392	New Zealand	391
Canada	345	Malaysia	229
Malaysia	229	Canada	212
Total for Others	11932		12293
Others not Listed	420		409
Grand Total	13801		13565

-Wood Chips - Export Matrix (1,000 MT)

TIME PERIOD	JAN.-DEC.	UNITS:	1000 MT
Exports for:	2002		2003
U.S.	0	U.S.	0
Others		Others	
Taiwan	7	Taiwan	3
		Indonesia	0.4
		China	0.2
Total for Others	7		3.6
Others not Listed	0		0.4
Grand Total	7		4

Softwood Lumber - PSD Table (1,000 Cubic Meters)

	2003		2004		2005	
	USDA Official [Old]	REVISED Post Estimate [New]	USDA Official [Old]	ESTIMATE Post Estimate [New]	USDA Official [Old]	FORECAST Post Estimate [New]
Market Year Begin		01/2003		01/2004		01/2005
Production	14000	13550	14500	13800	0	14000
Imports	7700	8077	7600	8000	0	8200
TOTAL SUPPLY	21700	21627	22100	21800	0	22200
Exports	2	6	2	6	0	6
Domestic Consumption	21698	21621	22098	21794	0	22194
TOTAL DISTRIBUTION	21700	21627	22100	21800	0	22200

-Softwood Lumber - Import Matrix (1,000 Cubic Meters)

TIME PERIOD	JAN.-DEC.	UNITS:	1000 M3
Imports for:	2002		2003
U.S.	274	U.S.	244
Others		Others	
Canada	3496	Canada	3464
Finland	880	Finland	1008
Sweden	795	Sweden	883
Russia	686	Russia	817
Austria	475	Austria	503
Chile	388	Chile	446
New Zealand	219	New Zealand	198
China	101	China	118
Germany	69	Germany	63
Czech Rep.	66	Czech Rep.	47
Total for Others	7175		7547
Others not Listed	273		286
Grand Total	7722		8077

- Softwood Lumber - Export Matrix (1,000 Cubic Meters)

TIME PERIOD	JAN.-DEC.	UNITS:	1000 M3
Exports for:	2002		2003
U.S.	0	U.S.	0
Others		Others	
China	1.5	China	4
Taiwan	0.5	Taiwan	1.7
Vietnam	0.2		
Total for Others	2.2		5.7
Others not Listed	3.8		0.2
Grand Total	6		5.9

Temperate Hardwood Lumber - PSD Table (1,000 Cubic Meters)

	2003	REVISED	2004	ESTIMATE	2005	FORECAST
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2003		01/2004		01/2005
Production	480	389	485	380	0	370
Imports	480	501	490	500	0	520
TOTAL SUPPLY	960	890	975	880	0	890
Exports	15	13	17	15	0	15
Domestic Consumption	945	877	958	865	0	875
TOTAL DISTRIBUTION	960	890	975	880	0	890

- Temperate Hardwood Lumber - Import Matrix (1,000 Cubic Meters)

TIME PERIOD	JAN.-DEC.	UNITS:	1000 M3
Imports for:	2002		2003
U.S.	75	U.S.	67
Others		Others	
Indonesia	156	Indonesia	137
Malaysia	89	China	81
China	81	Canada	72
Thailand	18	Malaysia	71
Canada	14	Thailand	15
Russia	8	Russia	10
Australia	7	Brazil	7
Germany	6	Germany	7
Brazil	6	Italy	5
Italy	4	Australia	4
Total for Others	389		409
Others not Listed	23		25
Grand Total	487		501

- Temperate Hardwood Lumber - Export Matrix (1,000 Cubic Meters)

TIME PERIOD	JAN.-DEC.	UNITS:	1000 M3
Exports for:	2002		2003
U.S.	0	U.S.	0
Others		Others	
Malaysia	12	China	12.7
China	2	Thailand	0.3
Thailand	1		
Total for Others	15		13
Others not Listed	0		0
Grand Total	15		13

Tropical Hardwood Lumber - PSD Table (1,000 Cubic Meters)

	2003	REVISED	2004	ESTIMATE	2005	FORECAST
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2003		01/2004		01/2005
Production	230	204	220	200	0	200
Imports	380	252	385	250	0	245
TOTAL SUPPLY	610	456	605	450	0	445
Exports	3	6	3	3	0	5
Domestic Consumption	607	450	602	447	0	440
TOTAL DISTRIBUTION	610	456	605	450	0	445

-Tropical Hardwood Lumber - Import Matrix (1,000 Cubic Meters)

TIME PERIOD	JAN.-DEC.	UNITS:	1000 M3
Imports for:	2002		2003
U.S.	0	U.S.	0
Others		Others	
Malaysia	127	Indonesia	112
Indonesia	106	Malaysia	110
China	104	Italy	13
Italy	18	Brazil	7
Brazil	9	Philippines	2
Philippines	2	P.New Guinea	1
		China	1
Total for Others	366		246
Others not Listed	8		6
Grand Total	374		252

-Tropical Hardwood Lumber - Export Matrix (1,000 Cubic Meters)

TIME PERIOD	JAN.-DEC.	UNITS:	1000 M3
Exports for:	2002		2003
U.S.	0	U.S.	0
Others		Others	
Germany	2	China	4
Vietnam	1	Germany	1
Total for Others	3		5
Others not Listed	0		1
Grand Total	3		6

Hardwood Plywood - PSD Table (1,000 Cubic Meters)

	2003	REVISED	2004	ESTIMATE	2005	FORECAST
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2003		01/2004		01/2005
Production	1350	1146	1370	1200	0	1150
Imports	4500	4063	4550	4100	0	4000
TOTAL SUPPLY	5850	5209	5920	5300	0	5150
Exports	5	6	5	5	0	5
Domestic Consumption	5845	5203	5915	5295	0	5145
TOTAL DISTRIBUTION	5850	5209	5920	5300	0	5150

-Hardwood Plywood - Import Matrix (1,000 Cubic Meters)

TIME PERIOD	JAN.-DEC.	UNITS:	1000 M3
Imports for:	2002		2003
U.S.	0	U.S.	0
Others		Others	
Indonesia	2559	Indonesia	2097
Malaysia	1649	Malaysia	1734
China	214	China	185
Taiwan	27	Taiwan	34
Philippines	8	Philippines	6
Canada	2	Finland	3
Finland	1	India	1
Cambodia	1	Canada	1
Brazil			
Total for Others	4461		4061
Others not Listed	5		2
Grand Total	4466		4063

-Hardwood Plywood - Export Matrix (1,000 Cubic Meters)

TIME PERIOD	JAN.-DEC.	UNITS:	1000 M3
Exports for:	2002		2003
U.S.	0	U.S.	0
Others		Others	
Taiwan	2.7	China	5
China	2		
Total for Others	4.7		5
Others not Listed	1.3		1
Grand Total	6		6

Softwood Plywood - PSD Table (1,000 Cubic Meters)

	2003	REVISED	2004	ESTIMATE	2005	FORECAST
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2003		01/2004		01/2005
Production	1400	1873	1450	1900	0	2200
Imports	200	47	220	60	0	90
TOTAL SUPPLY	1600	1920	1670	1960	0	2290
Exports	0	0	0	0	0	0
Domestic Consumption	1600	1920	1670	1960	0	2290
TOTAL DISTRIBUTION	1600	1920	1670	1960	0	2290

-Softwood Plywood - Import Matrix (1,000 Cubic Meters)

TIME PERIOD	JAN.-DEC.	UNITS:	1000 M3
Imports for:	2002		2003
U.S.	1	U.S.	0
Others		Others	
Canada	101	Canada	22
New Zealand	60	New Zealand	14
Chile	14	Chile	8
Philippines	13	Philippines	3
Indonesia	4		
China	2		
Korea, South	2		
Malaysia	1		
Total for Others	197		47
Others not Listed	0		0
Grand Total	198		47

-Softwood Plywood - Export Matrix (1,000 Cubic Meters)

TIME PERIOD	JAN.-DEC.	UNITS:	1000 M3
Exports for:	2002		2003
U.S.	0	U.S.	0
Others		Others	
Total for Others	0		0
Others not Listed	0		0
Grand Total	0		0

REFERENCES

- 1) Japanese industry and commodity statistics in this report are based on the following data, published periodically by calendar year by the Statistics and Information Bureau of the Japanese Ministry of Agriculture, Forestry and Fisheries.
 - Report on the Basic Raw Material Statistics in the Wood Industry.
 - Report on the Basic Lumber Industry Statistics.
 - Report on the Annual Plywood Industry Statistics.
 - Report on the Wood Chip Statistics.

- 2) Trade data for Japanese imports and exports are based on the customs clearance statistics of the Japanese Ministry of Treasury. The U.S. dollar value is based on the CIF value on the customs clearance basis.

- 3) HS (Harmonized System) tariff codes used in each grouping of forest product commodities in the trade matrices are as follows.
 - (1) Softwood Logs:
(**Import**) 4403.10-100; 4403.20 : (**Export**) 4403.20-000.

 - (2) Temperate Hardwood Logs:
(**Import**) 4403.10-210; 4403.91-000; 4403.92-000 , 4403.99-110; 4403.99-190, 4403-99-390, (**Export**) 4403.92-000, 4403-99-000

 - (3) Tropical Hardwood Logs:
(**Import**) 4403.10-220; 4403.10-230; 4403.41; 4403.49, 4403-99-210 4403.99-290; 4403.99-310, 4403.99-391; 4403.99-392; 4403.99-399
(**Export**) 4403-41-000

 - (4) Wood Chips: (**Import**) 4401.21; 4401.22 (**Export**) 4401.21-000; 4401.22-000

 - (5) Softwood Lumber: (**Import**) 4407.10; (**Export**) 4407.10-000

 - (6) Temperate Hardwood Lumber:
(**Import**) 4407.91-000; 4407.92-000; 4407.99-500: (**Export**) 4407.91, 4407.91-900; 4407.92-000

 - (7) Tropical Hardwood Lumber:
(**Import**) 4407.24-000; 4407.25; 4407.26; 4407.29; 4407.99-100; 4407.99-100; 4407.99-210; 4407.99-290; 4407.99-310; 4407.99-390, 4407.99-400; 4407.99-390; 4407.99-400; (**Export**) 4407-24-000, 4407-26-000, 4407.29-000, 4407-99-200, 4407.99-300

 - (8) Hardwood Plywood: (**Import**) 4412.13; 4412.14: (**Export**) 4412.13-100; 4412.13-900, 412.14-900; 4412.14-100

 - (9) Softwood Plywood: (**Import**) 4412.19-011; 4412.19-019; 4412.19-021, 4412.19-022; (**Export**) 4412.19-022

End of Report