



# Sourcing of China's Paper Fiber Supply & Recent Trade Trends

*Kerstin Canby*

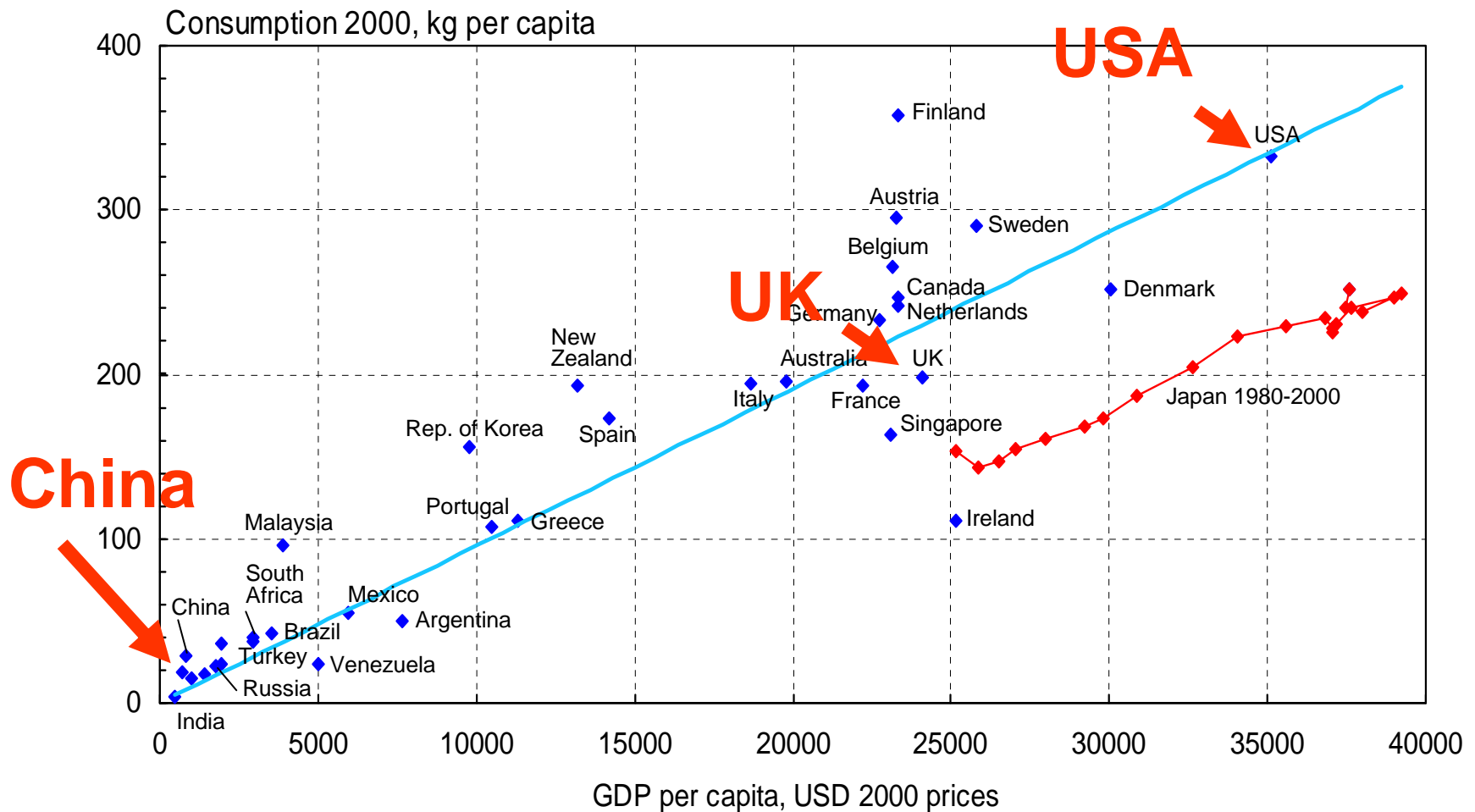


Brian Stafford &  
Associates Pty Ltd

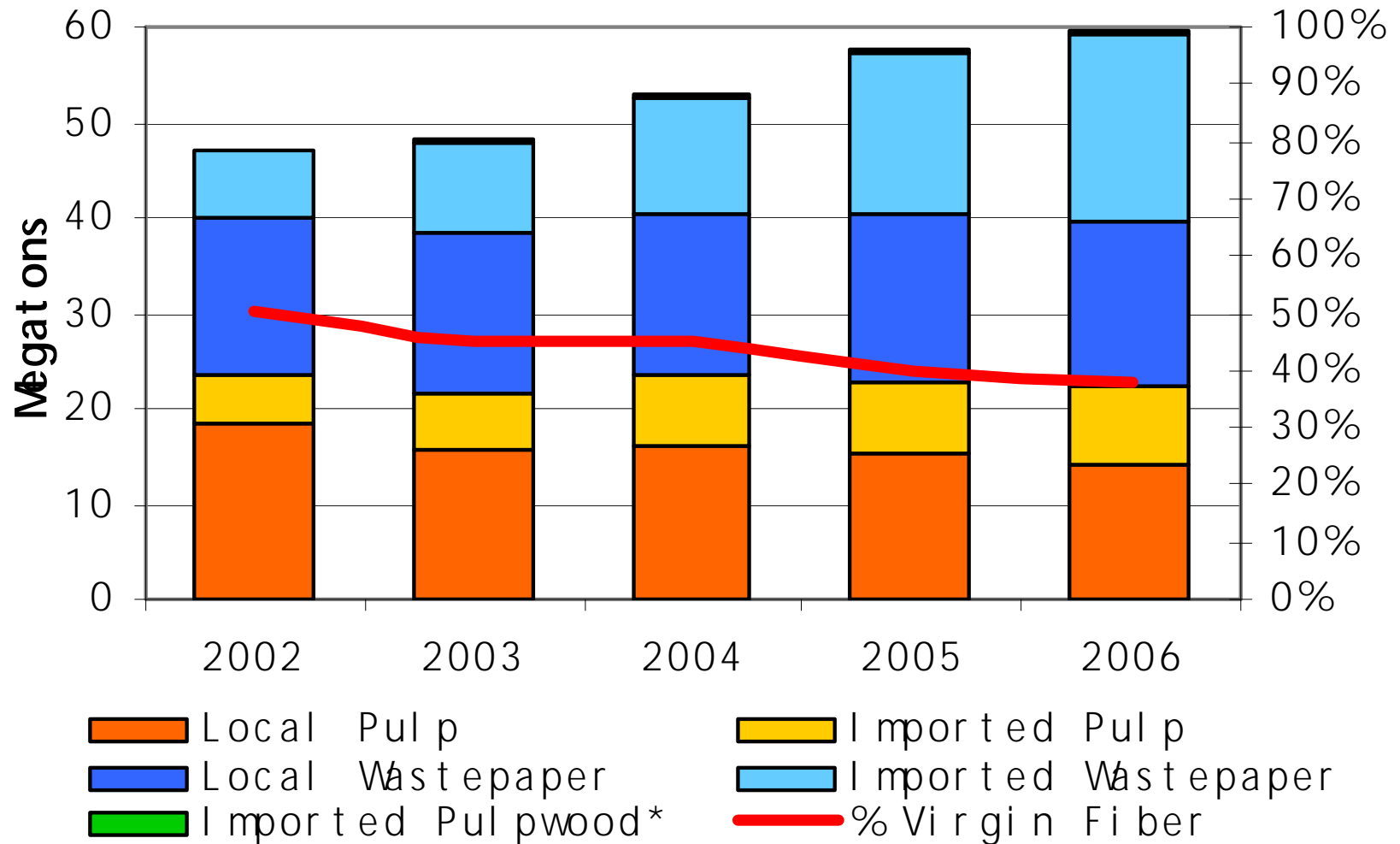
Consultants to the Pulp & Paper Industry

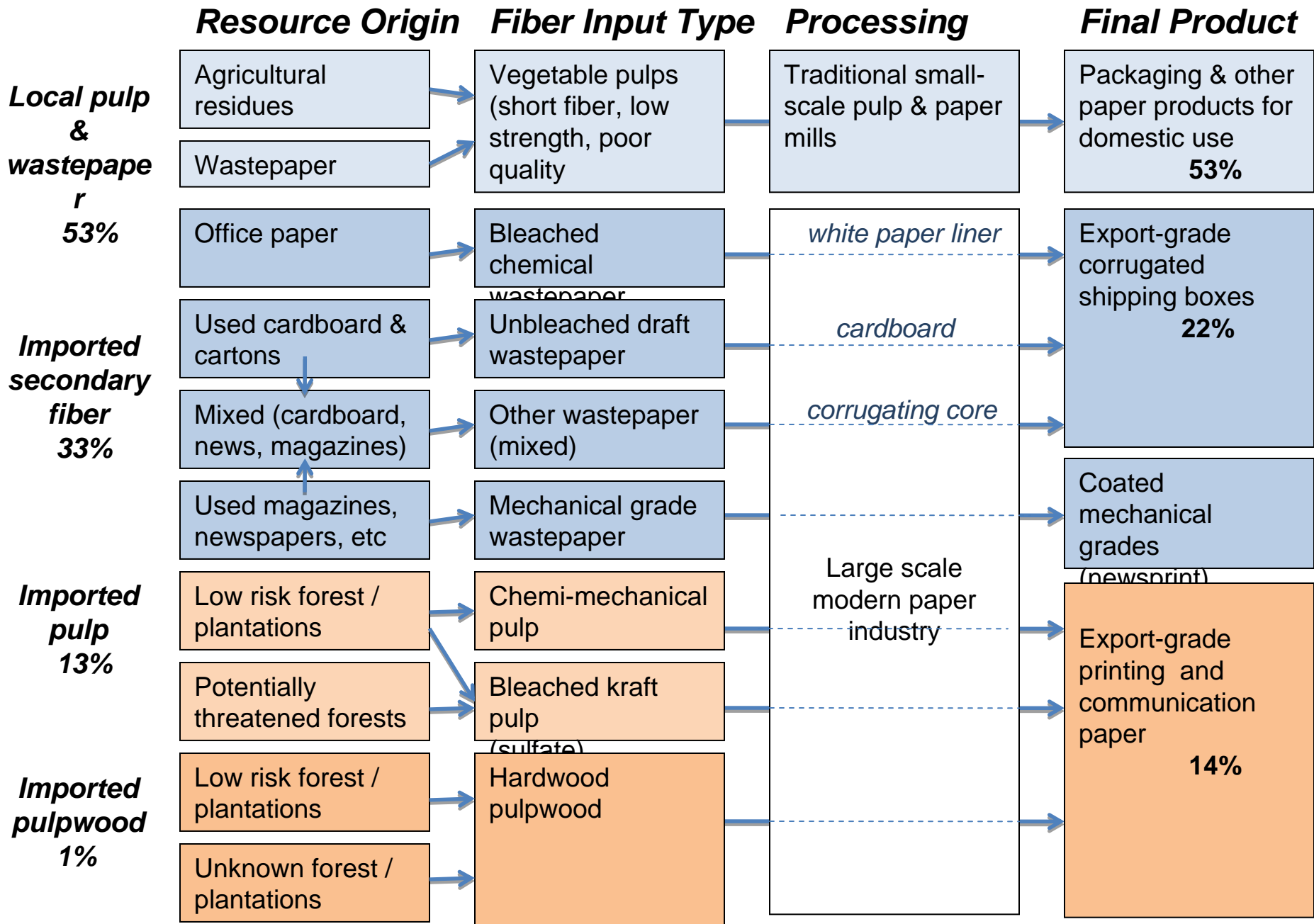
# Where will the supply come from?

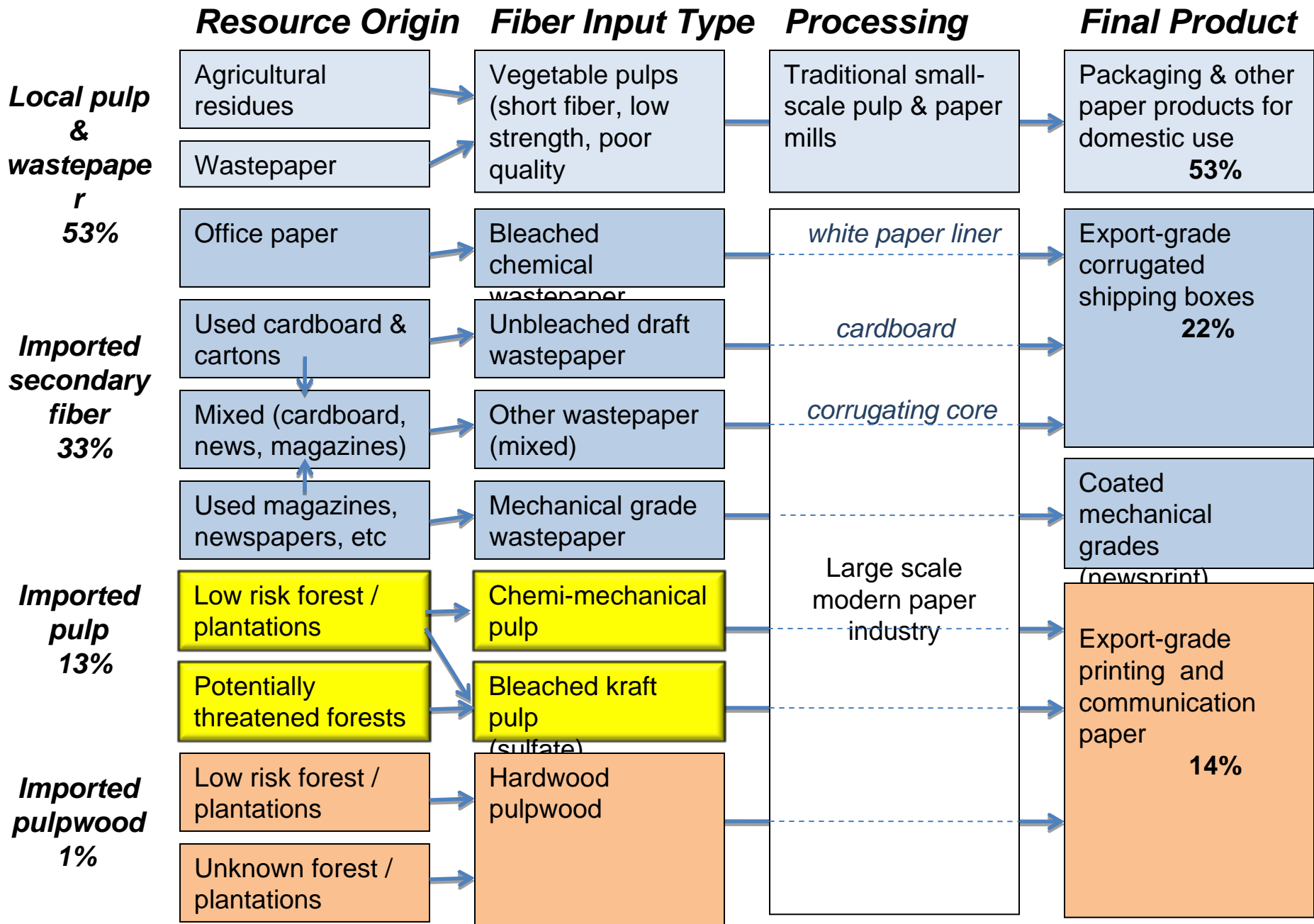
## *GDP per capita & paper consumption*



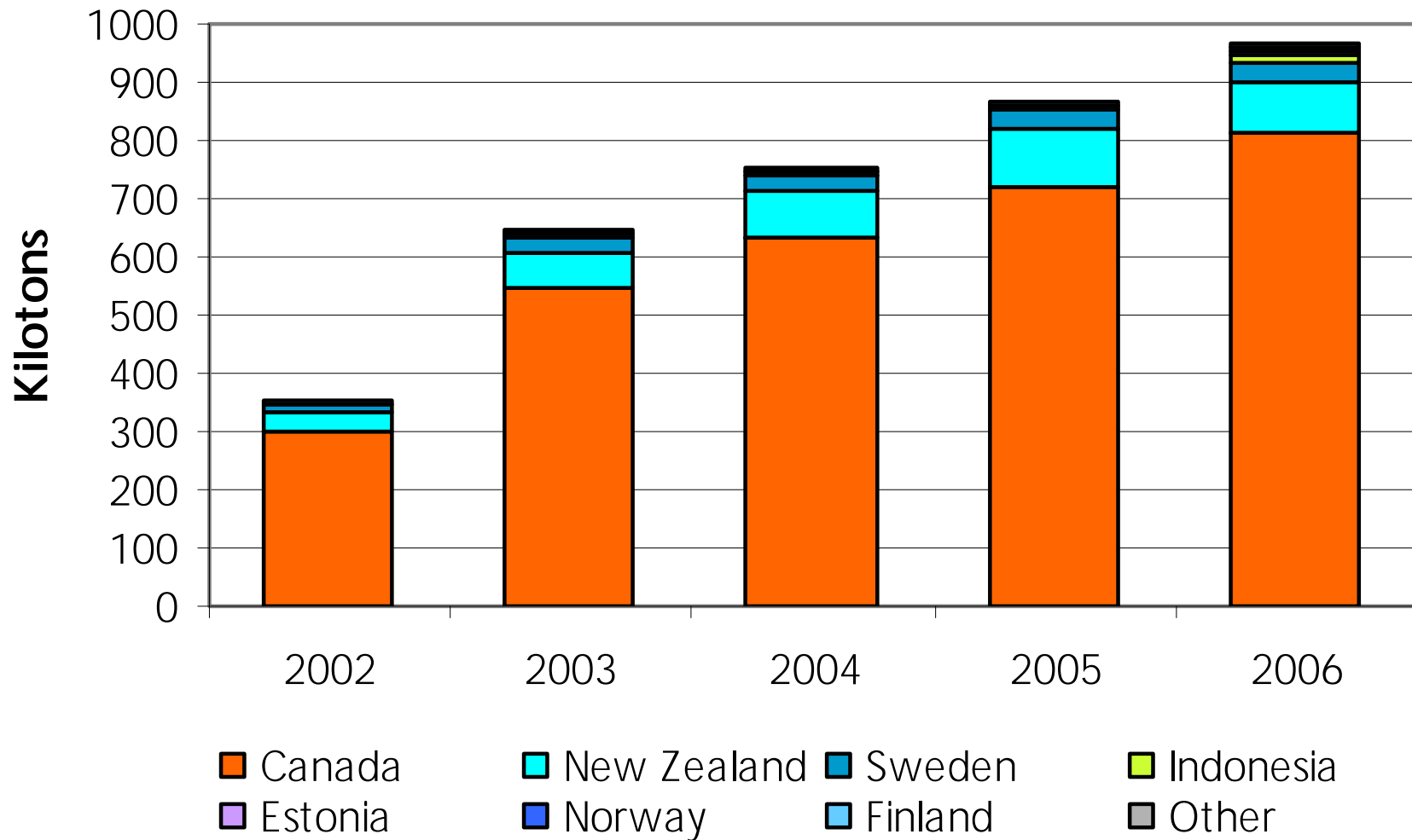
# China's Total Papermaking Fiber Resources



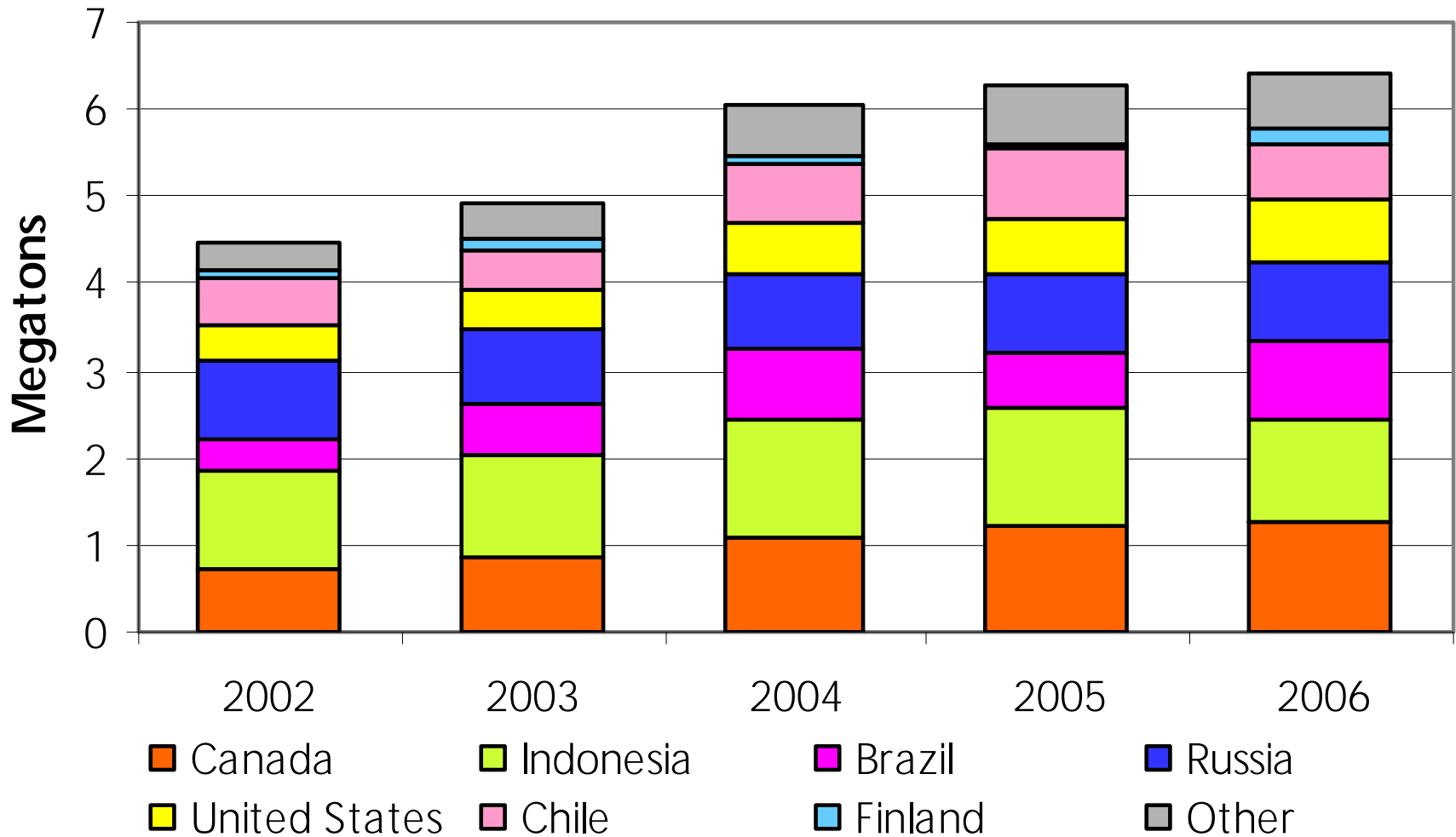


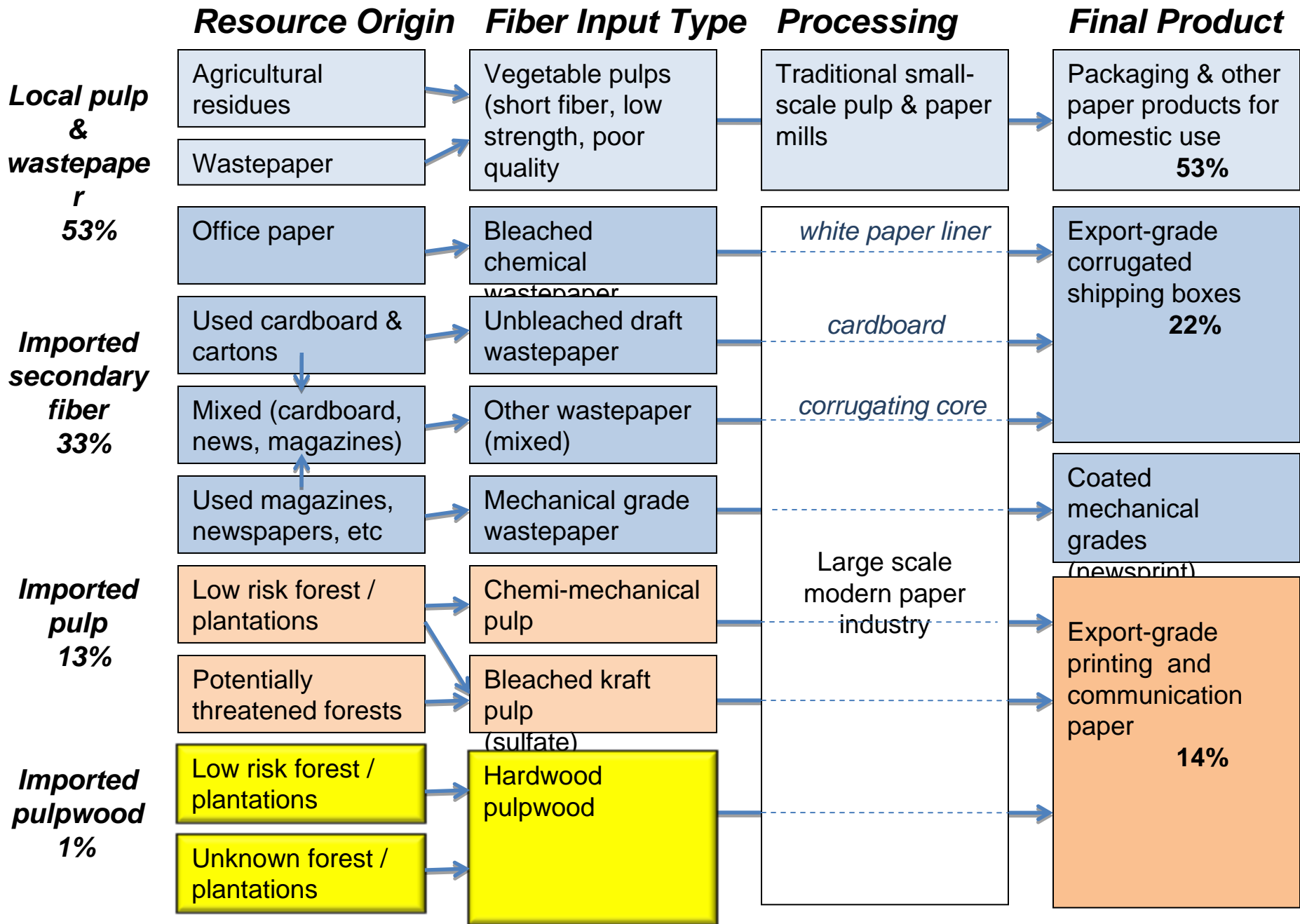


# Why is imported chemi- mechanical pulp considered low risk?



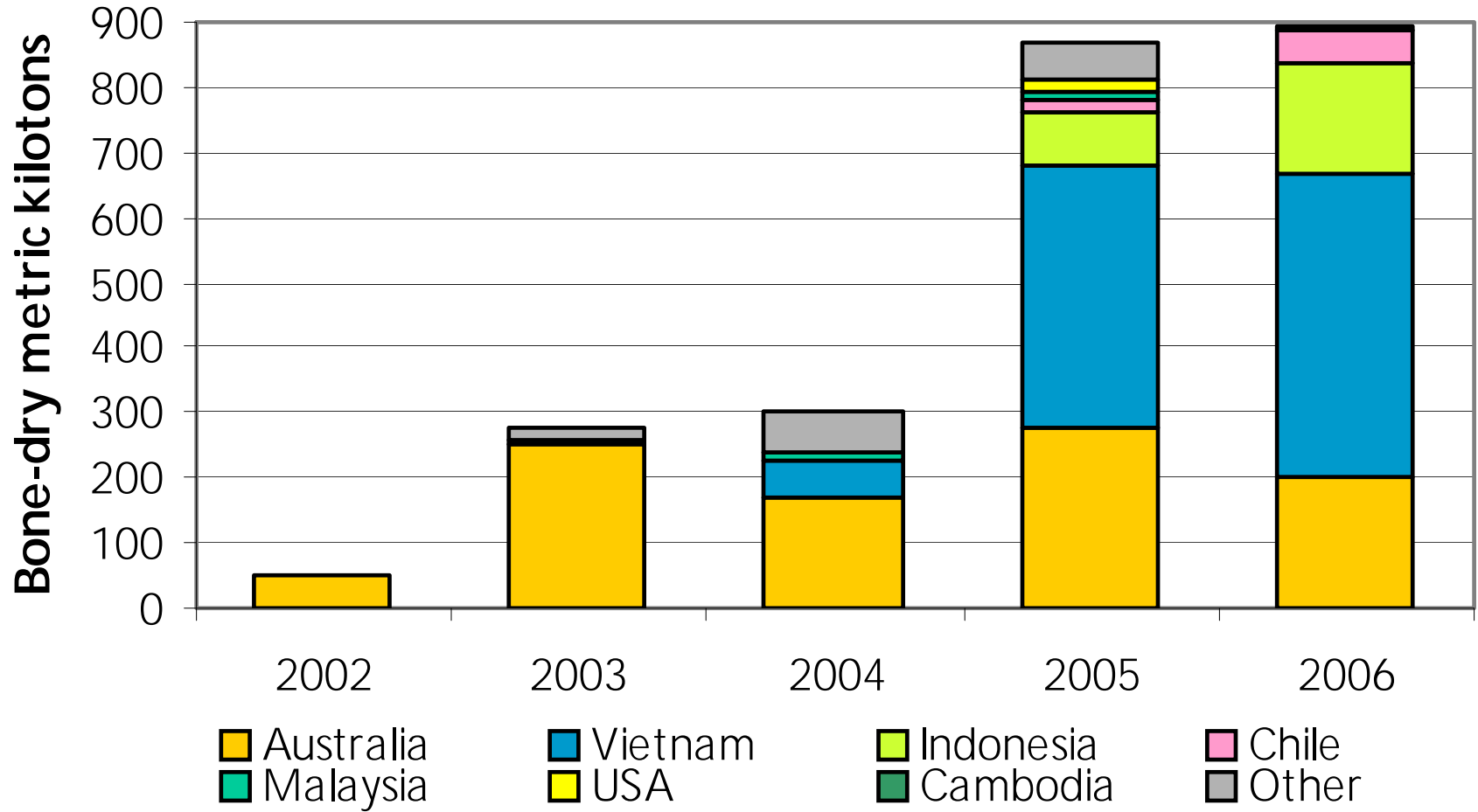
# Why is imported bleached kraft pulp considered higher-risk?

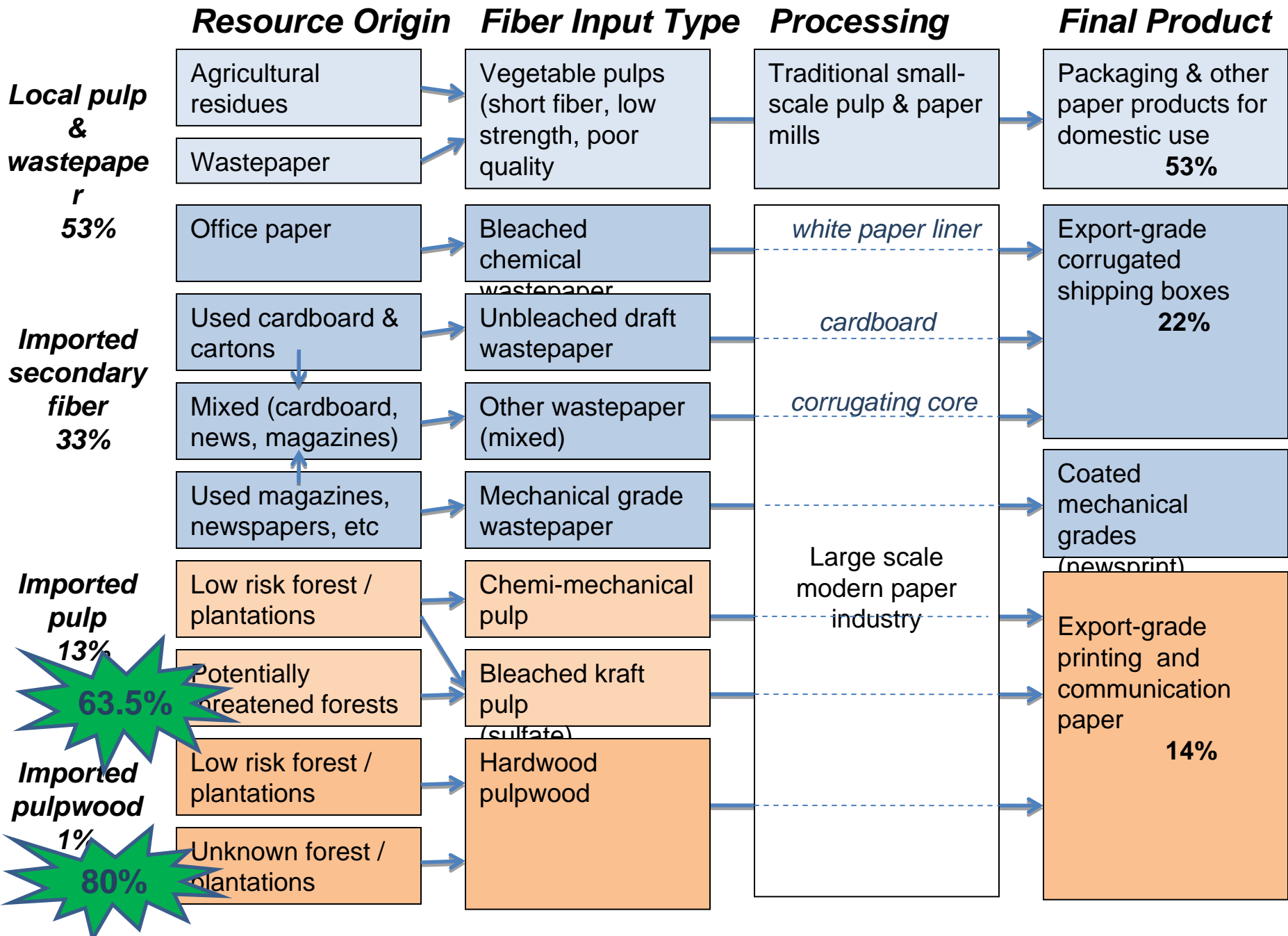






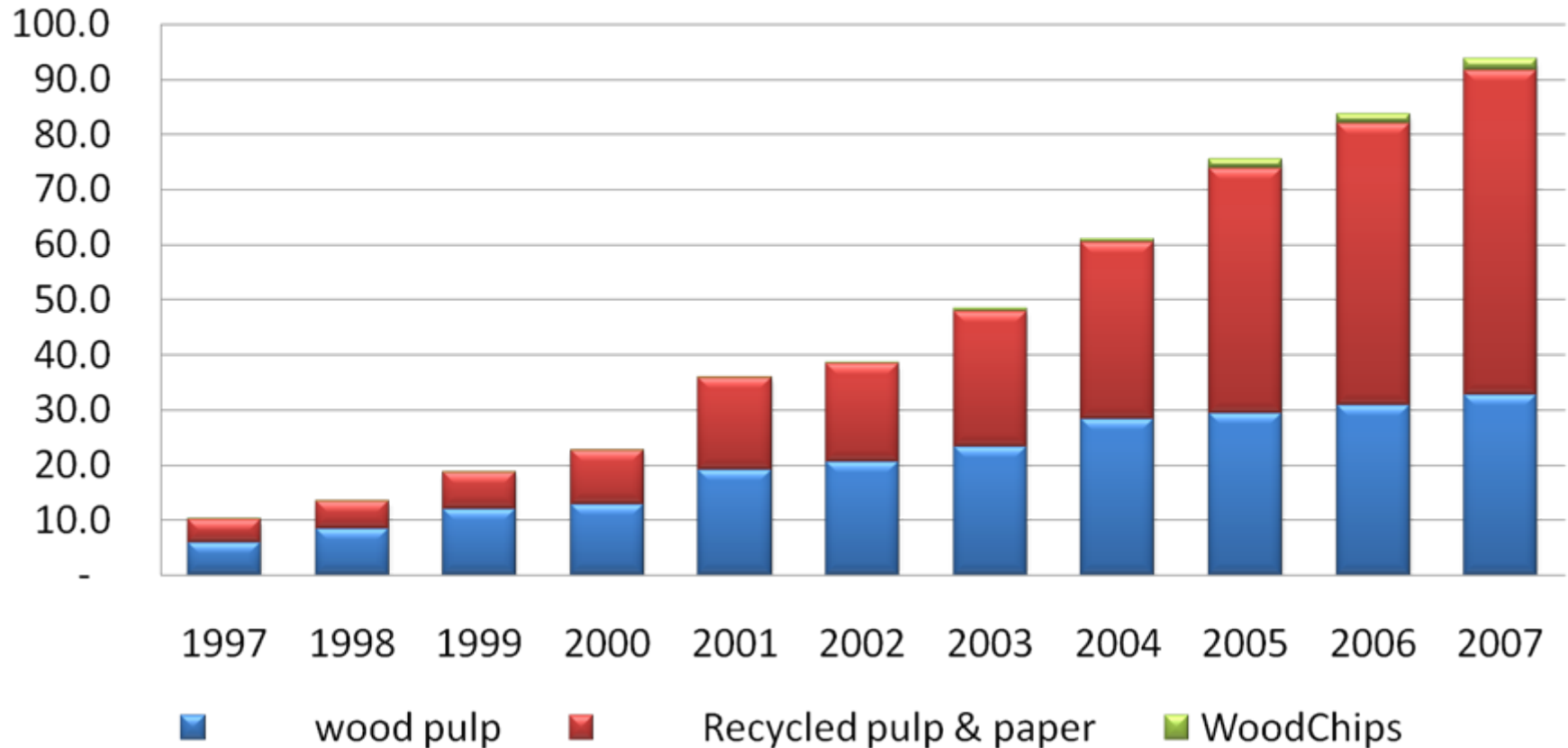
# Why is imported pulpwood considered higher risk?





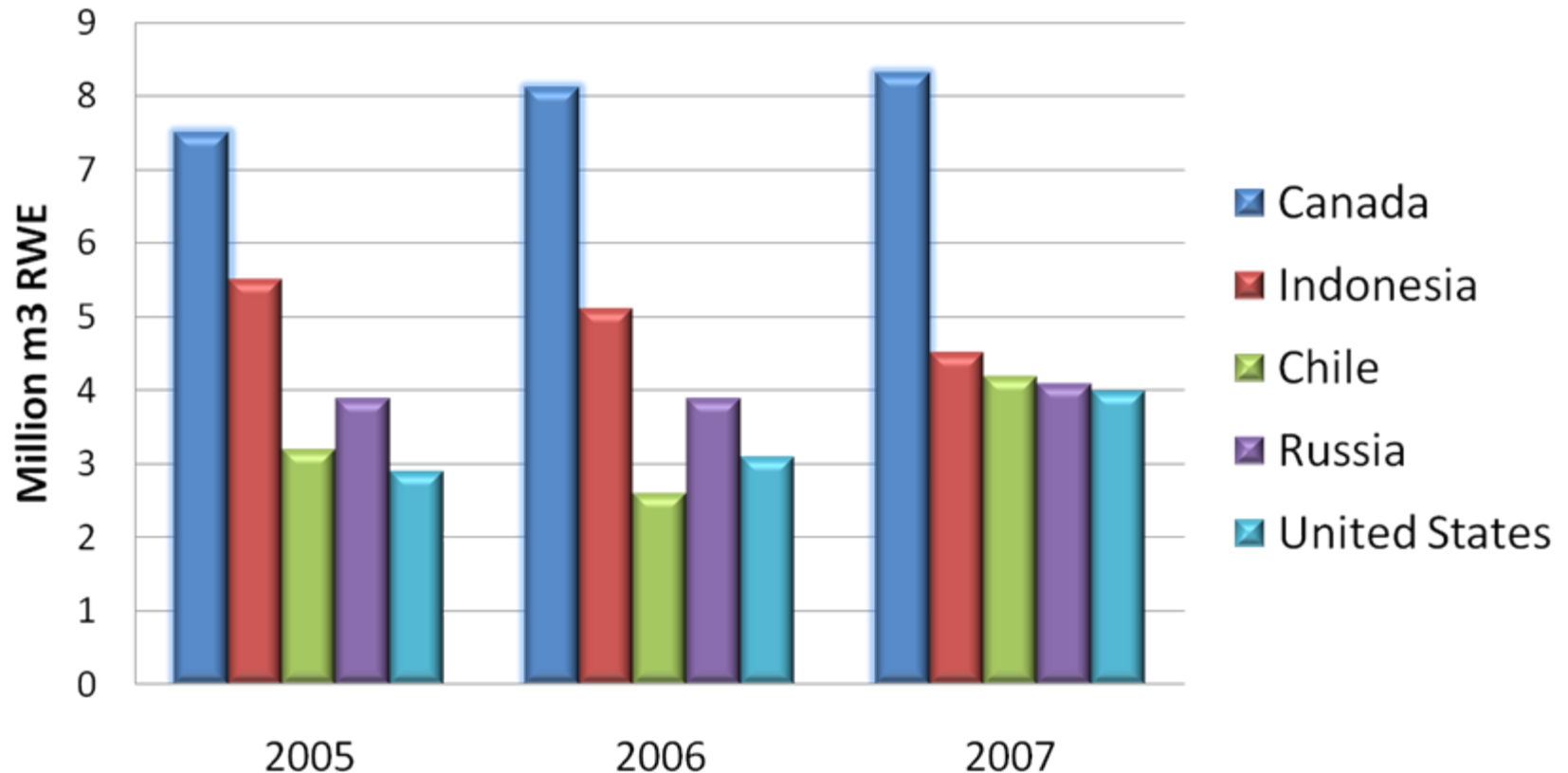
# 2007 trends

Imports of Wood Pulp, Recycled Materials & Wood Chips  
(1997-2007)



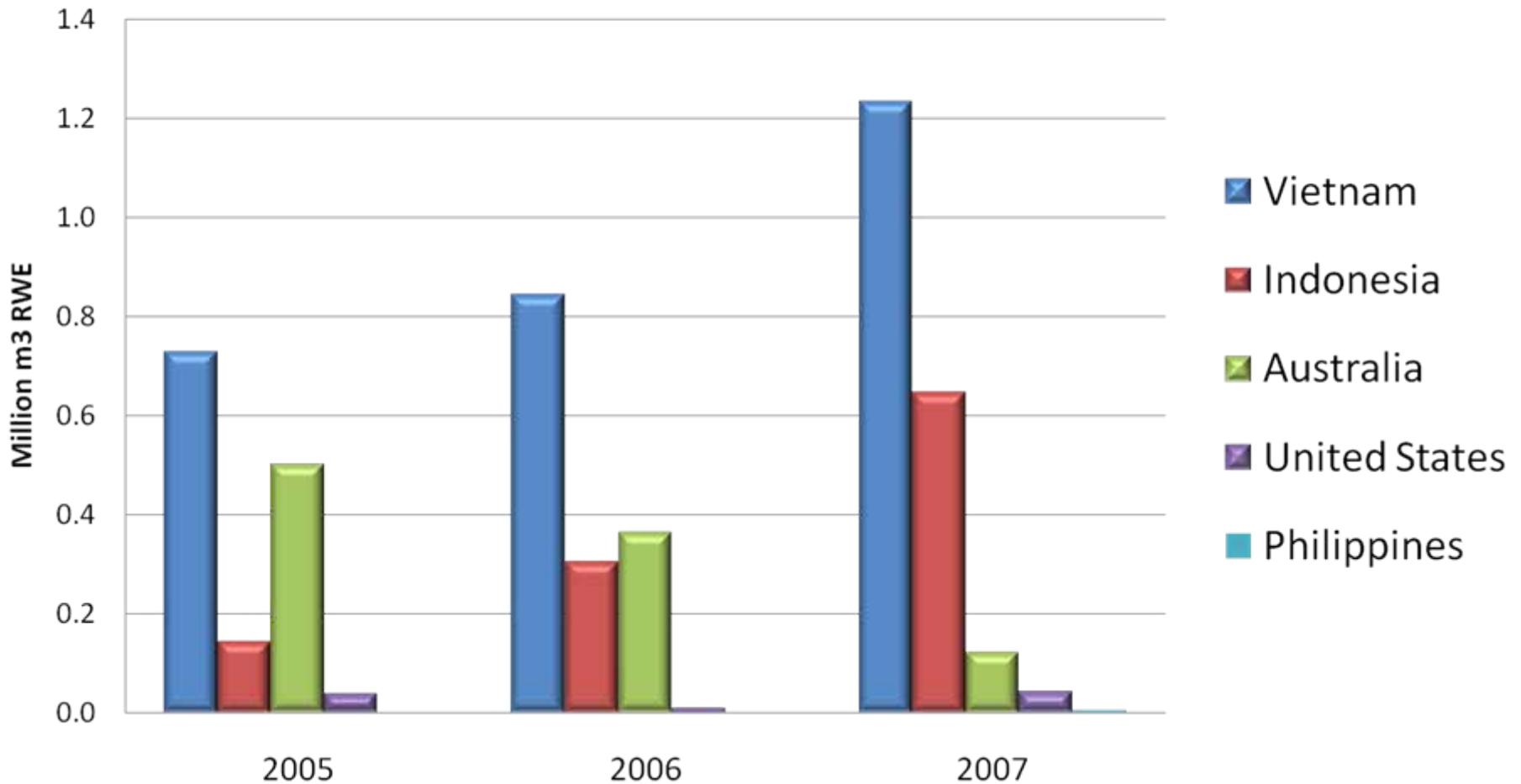
# 2007 pulp sourcing

## Top 5 Exporters of Pulp to China



# Wood chips small but important to some countries...

## Top 5 Exports of Wood Chips to China

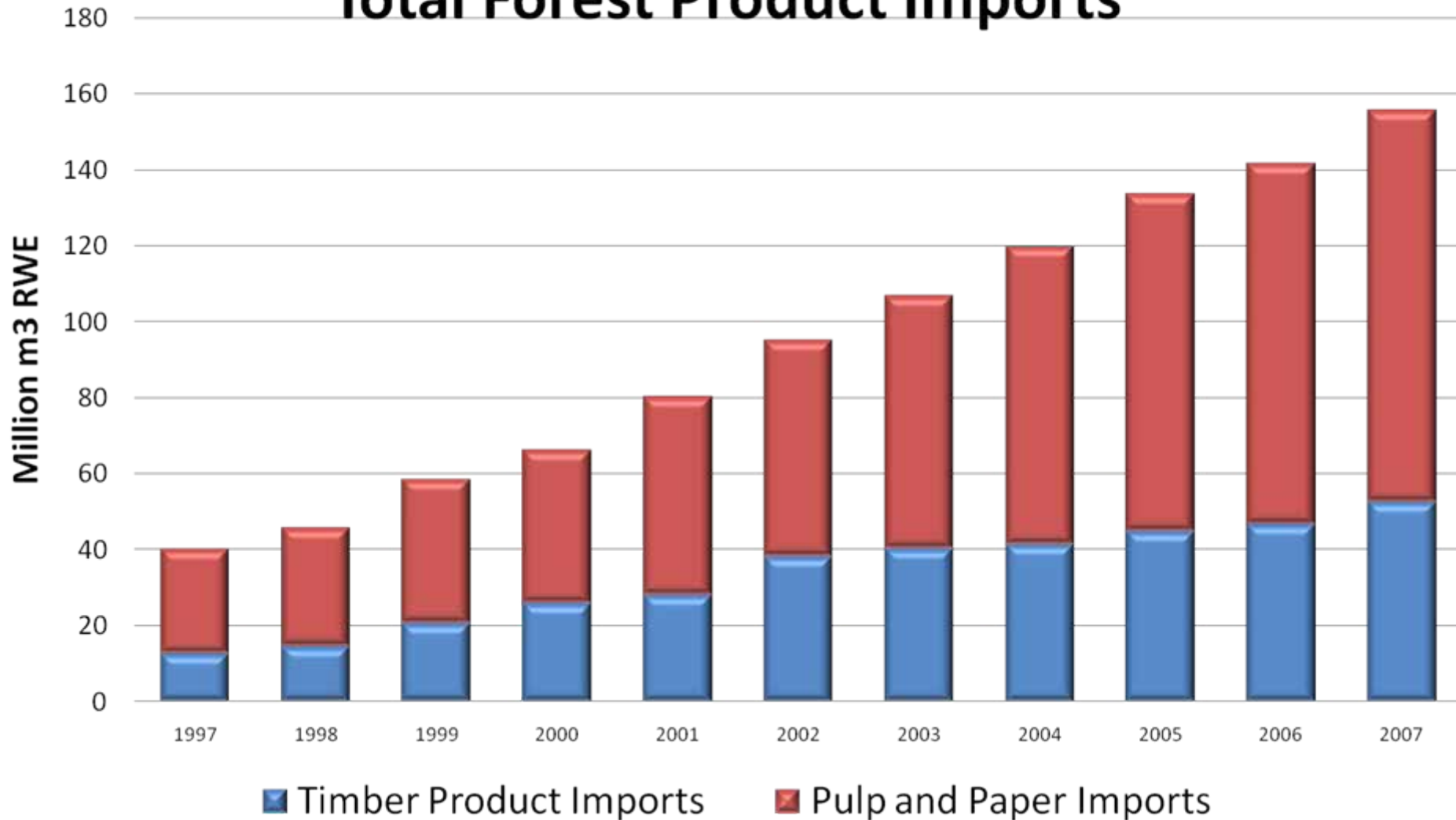


# Recommendations

- Be aware of where pulp, pulpwood and woodchips are coming from & develop tracking systems to verify origin
- Address the “weakest links” in China’s fiber supply system: the uncertified pulp and pulpwood coming from Russia and Indonesia
  - ensure certified harvested from sustainably managed forest operations & can be tracked through to the mill

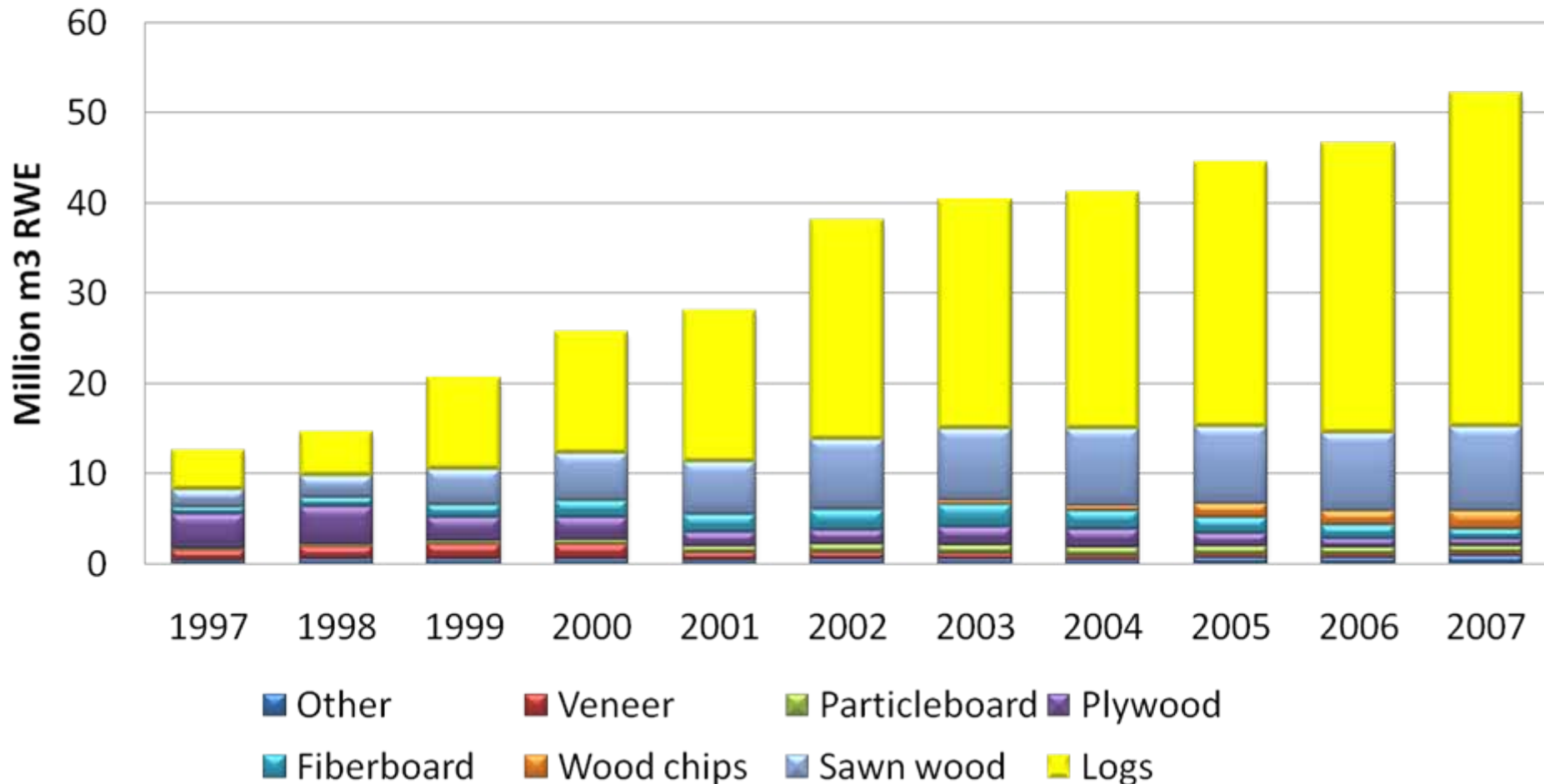
# 2007 import rise

## Total Forest Product Imports



# Taking out p & p, logs

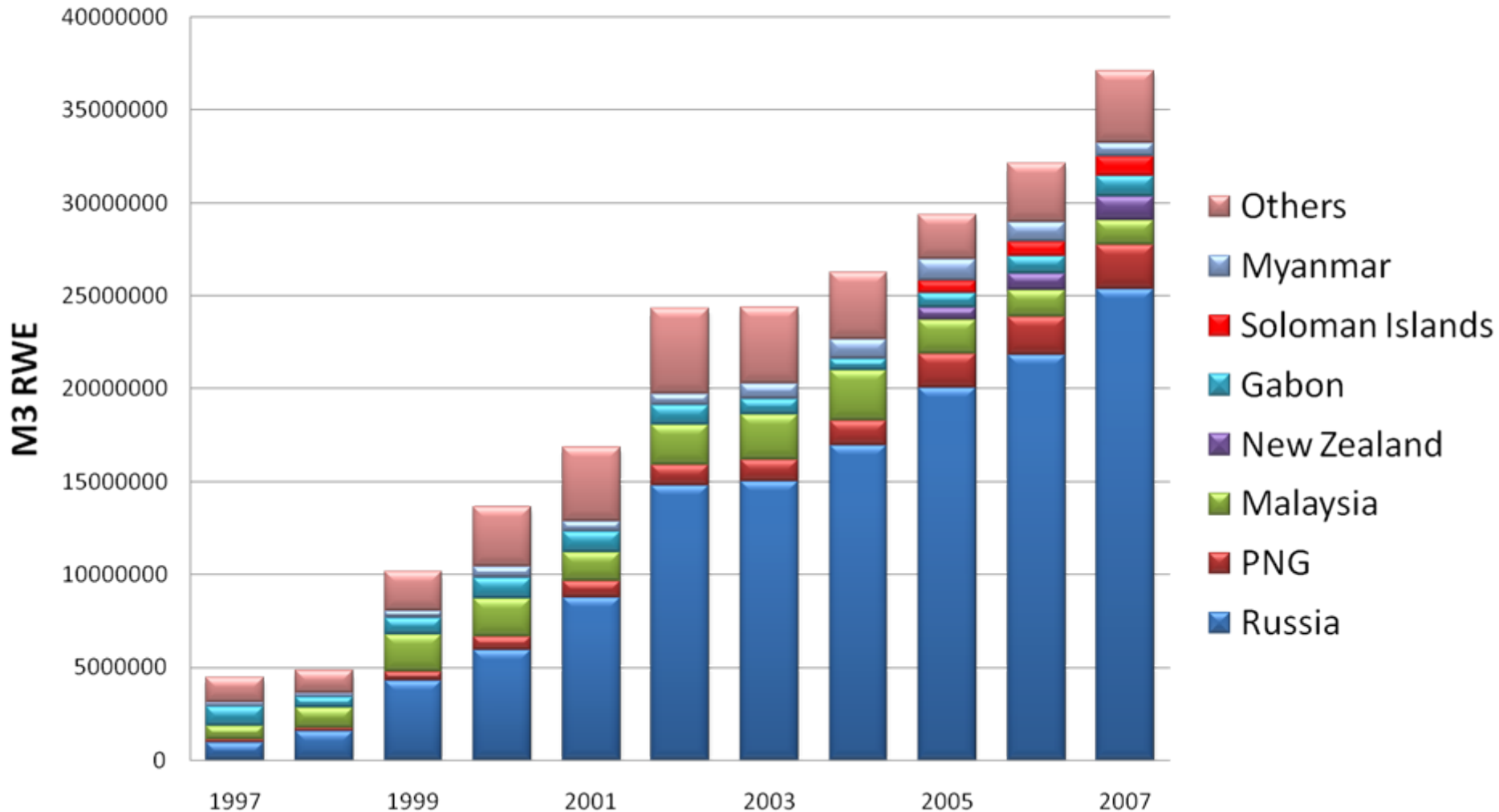
## China's Timber Product Imports by Category



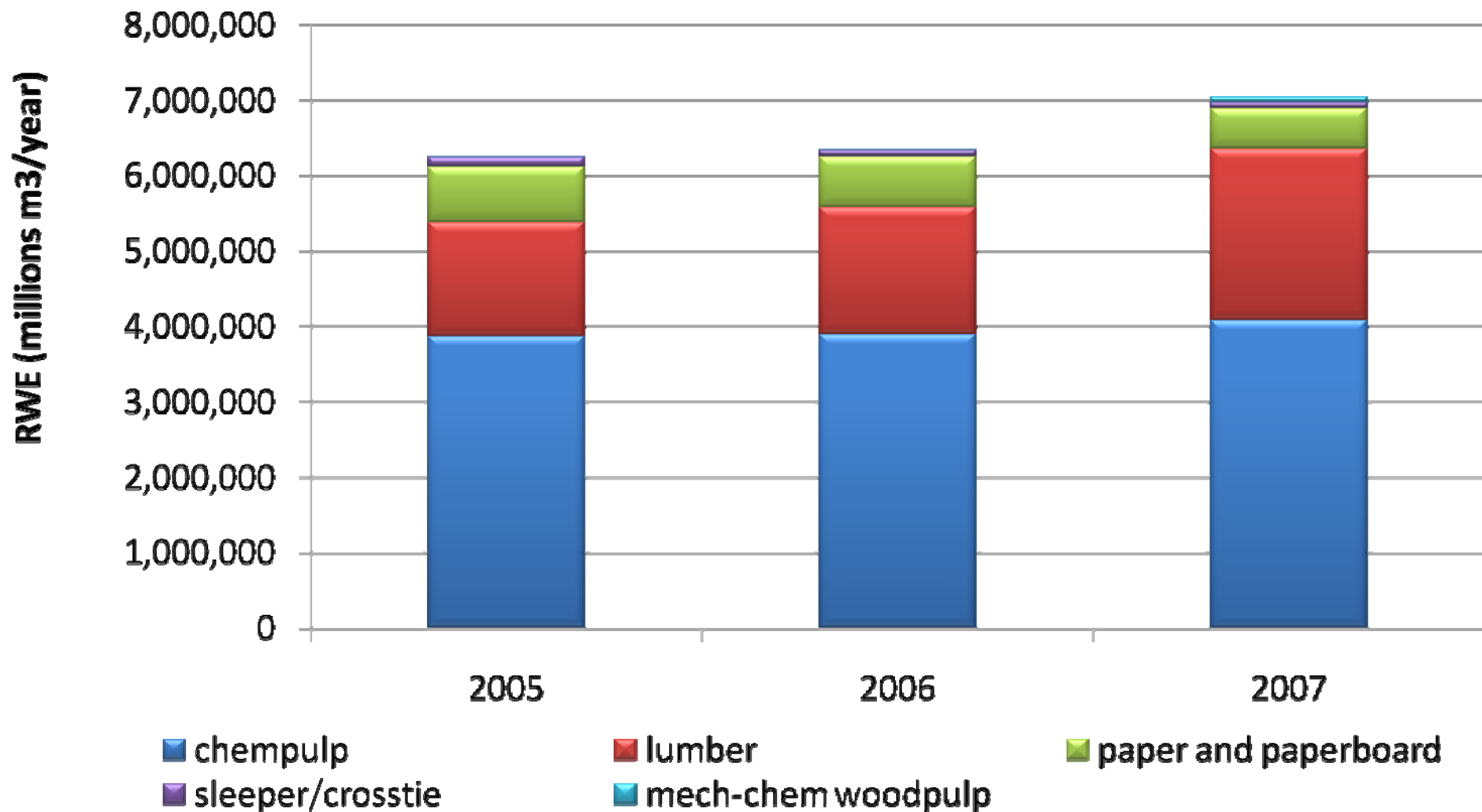


# Russian logs dominate....

## China Log Imports

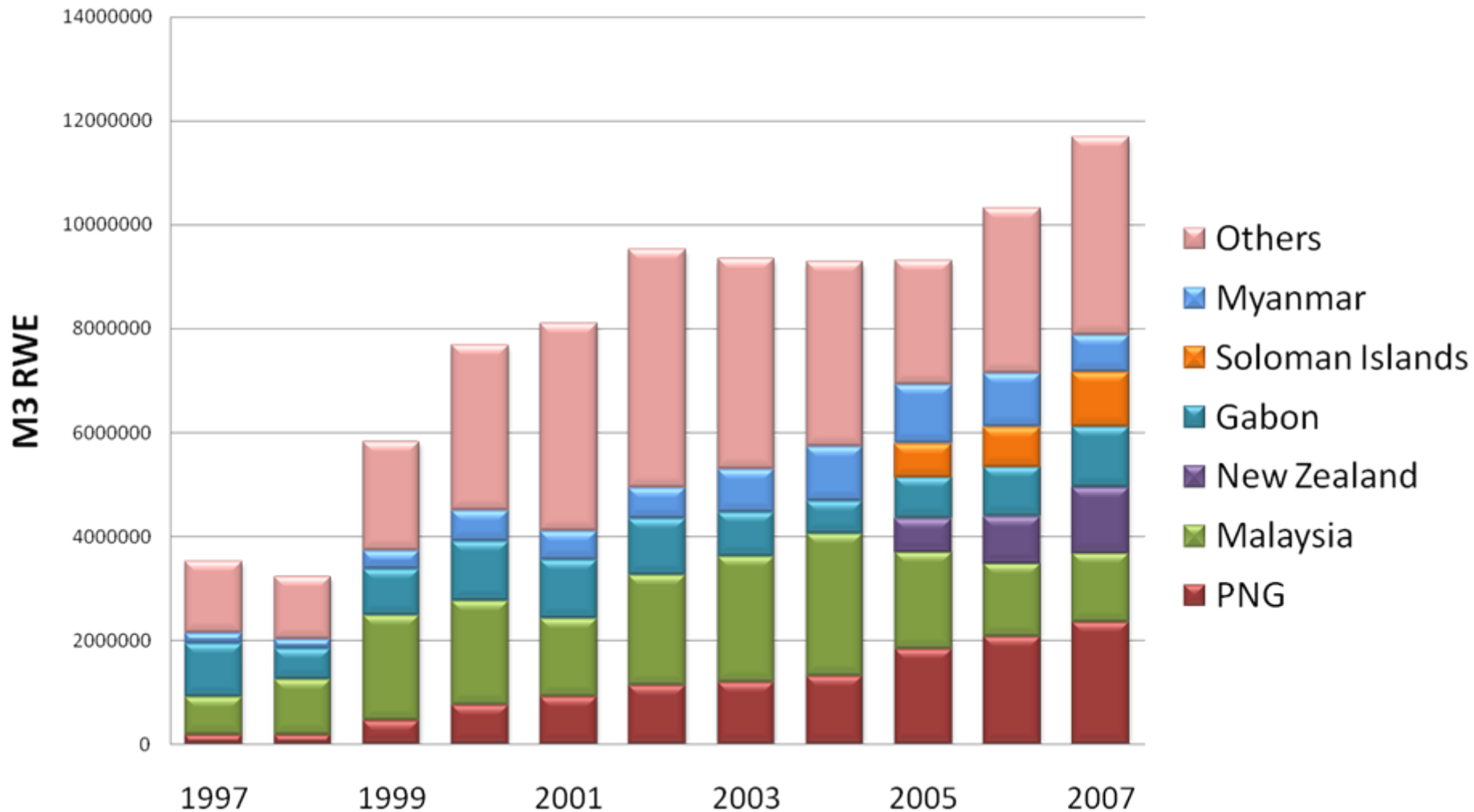


# Small increase in other Russian wood products...



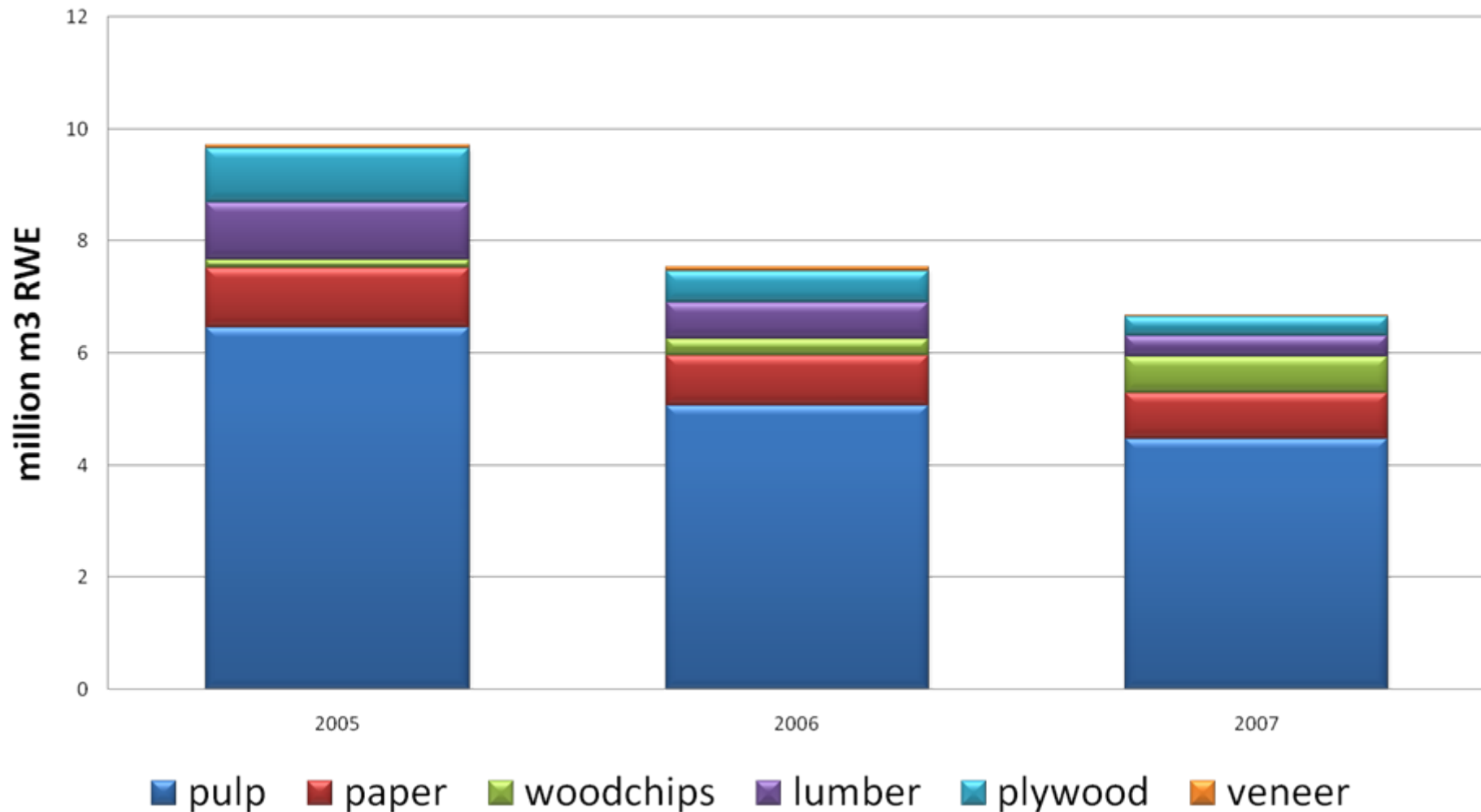
# Rise of PNG, Solomons, NZ,

## China's Log Imports (without Russia)



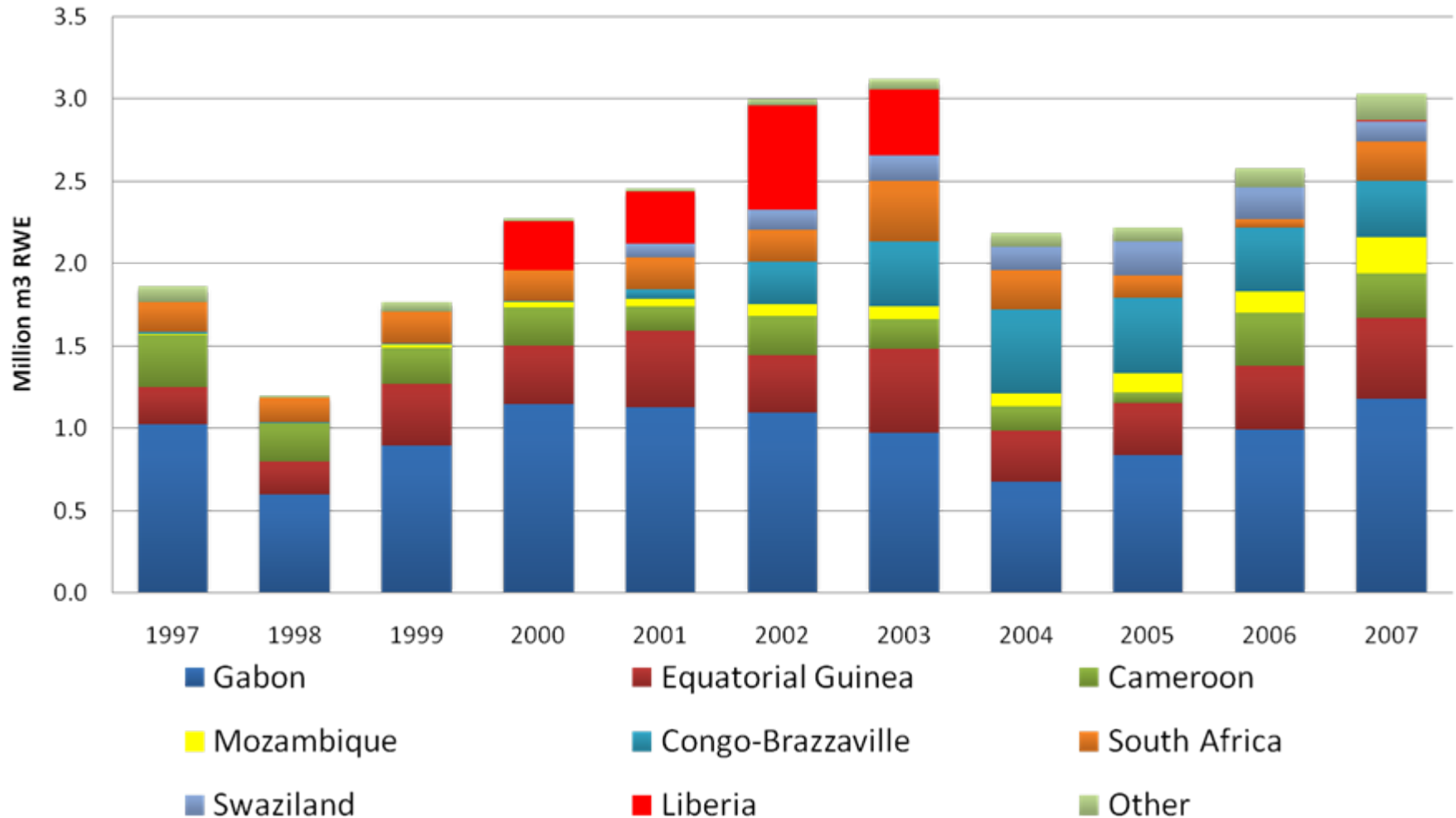
# Indonesian imports

## Indonesian Exports to China

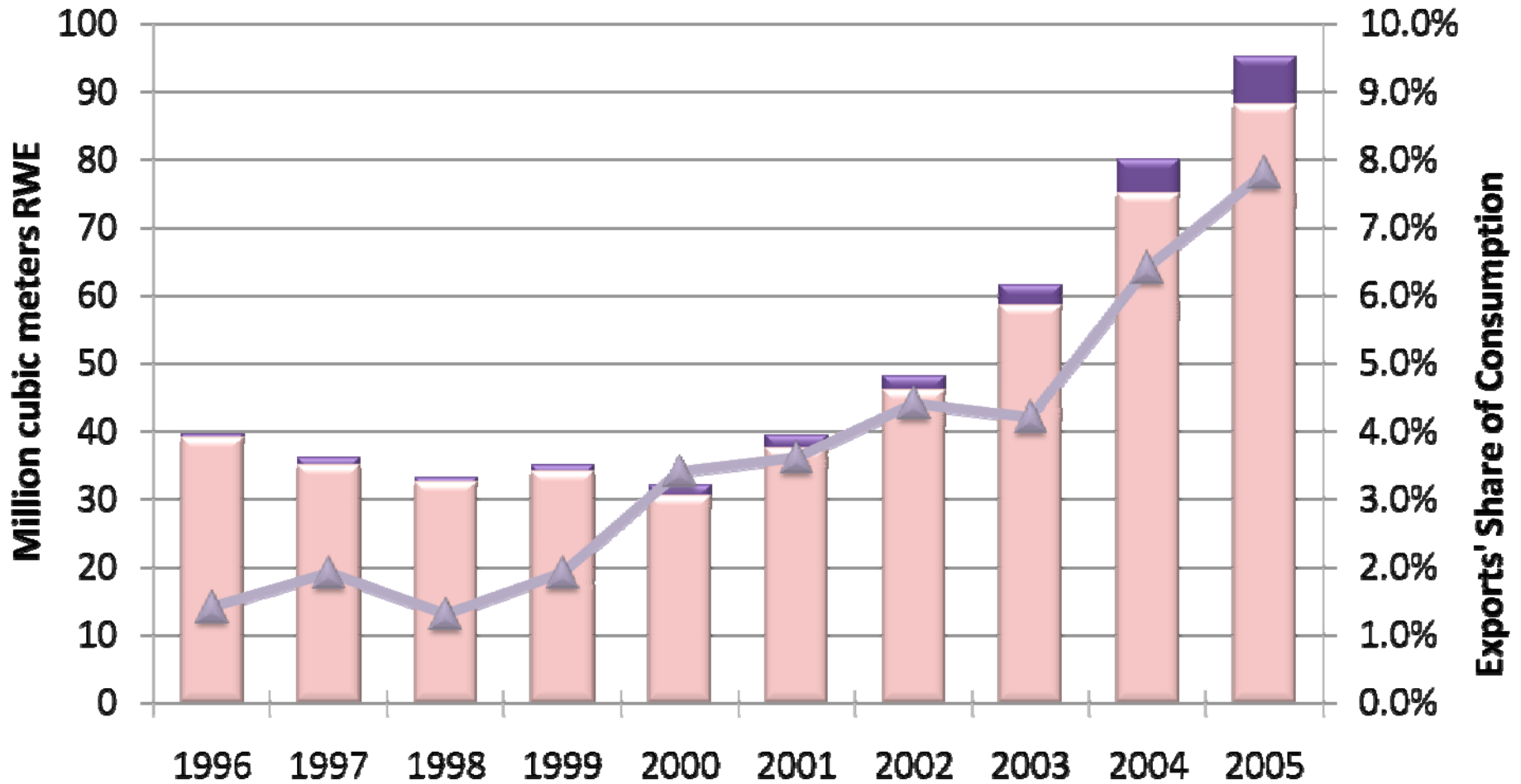


# African imports up (but only 4-5% of total imports)

## China's African Forest Product Imports



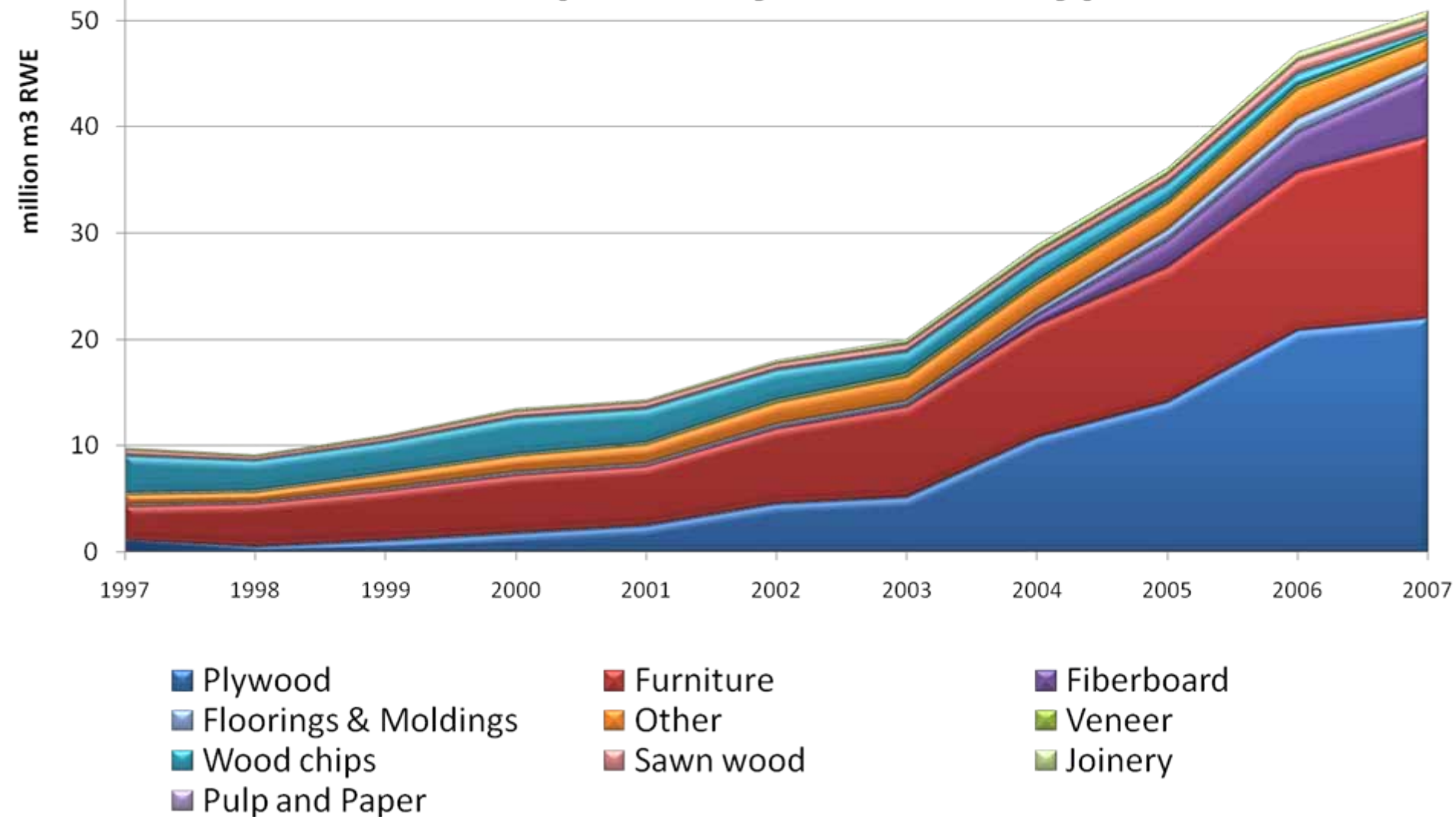
# Where is it going?



Source: RISI Exports Domestic Consumption Export Share (right axis)  
 Adapted Fuller and Bernard. 2006. *China's Rapidly Expanding Wood Products Market: Are they Sustainable?* RISI

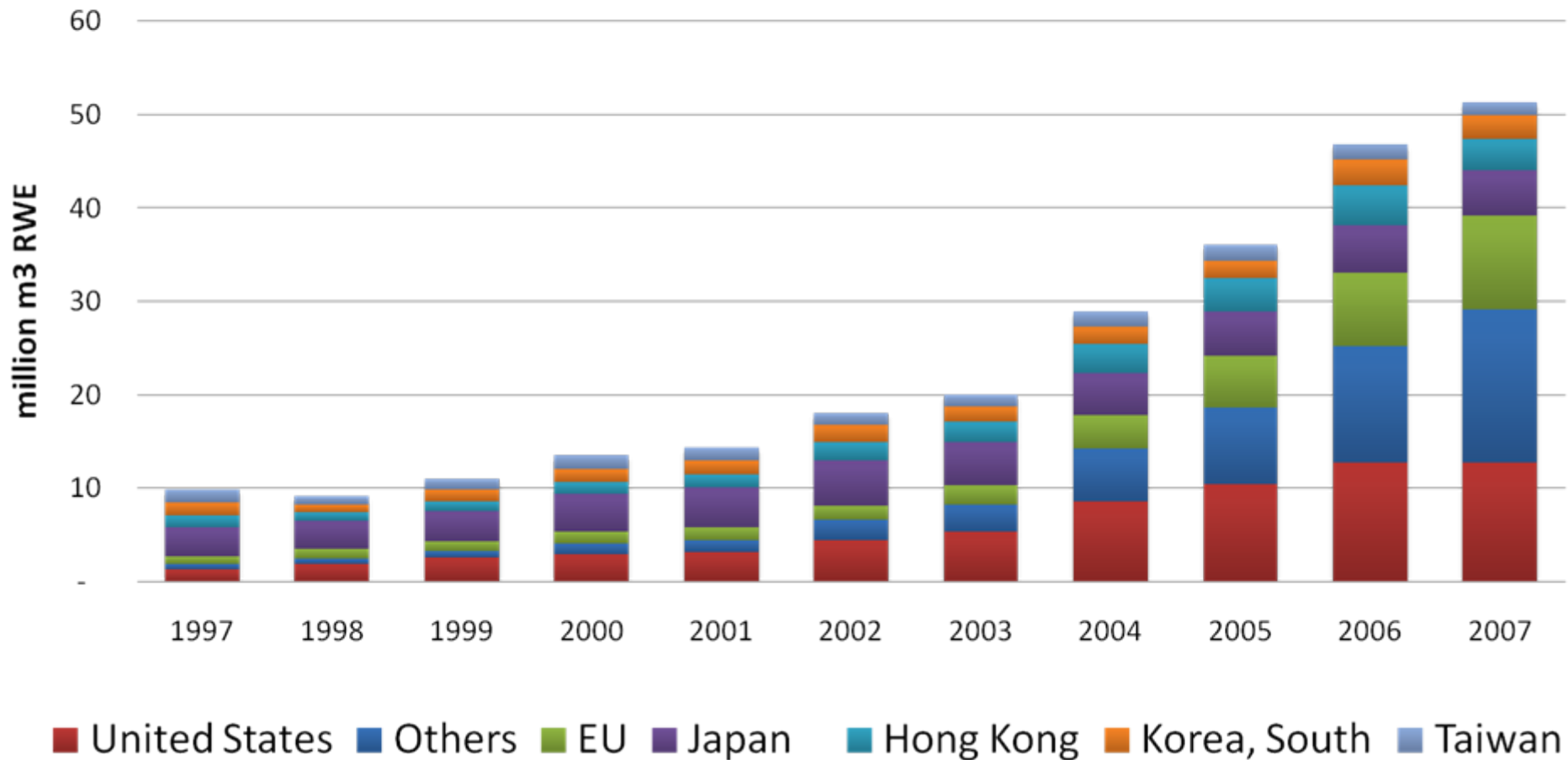
# Where is it going?

## China's Exports by Product Type



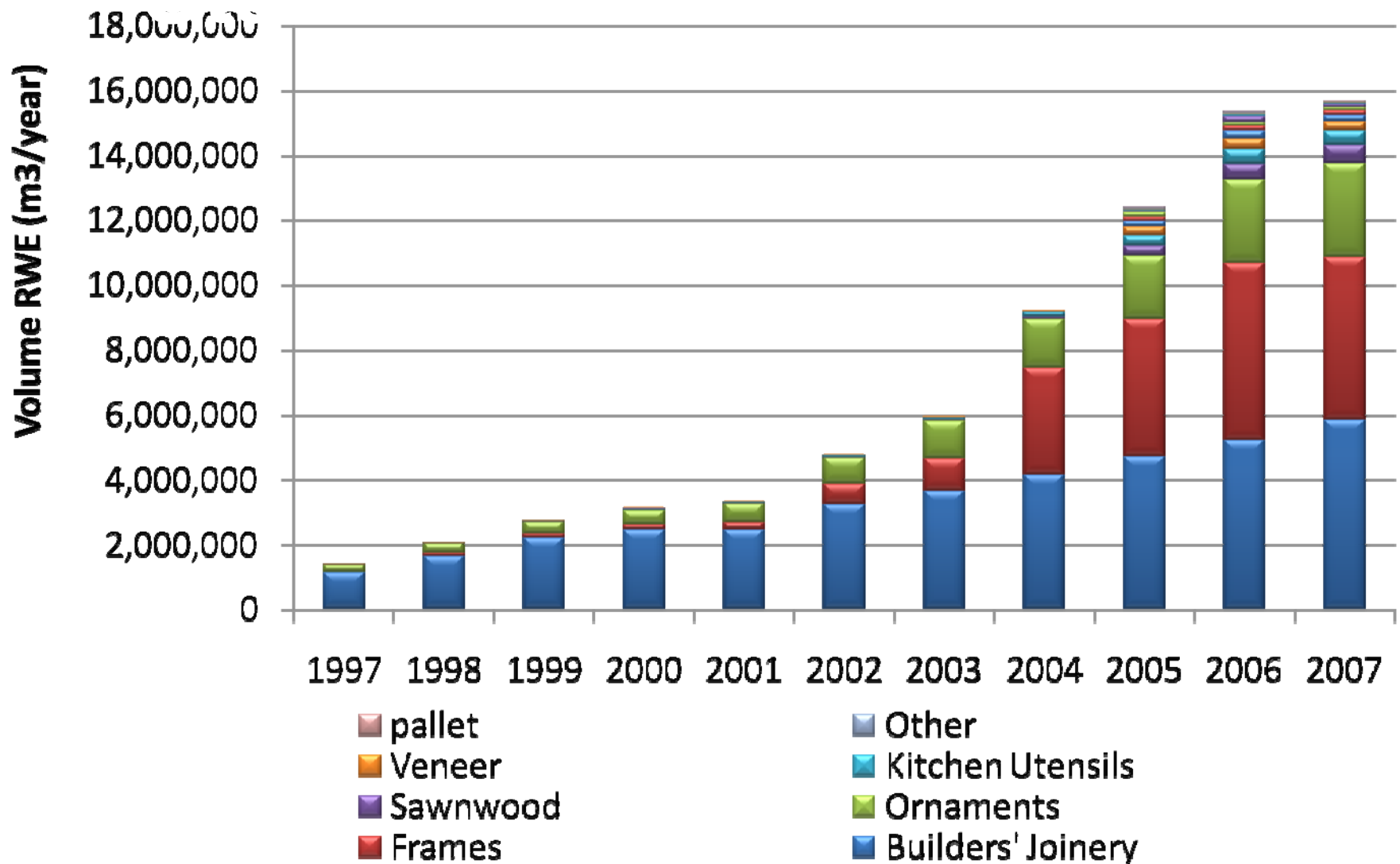
# Where is it going?

## Destination of China's Timber Product Exports



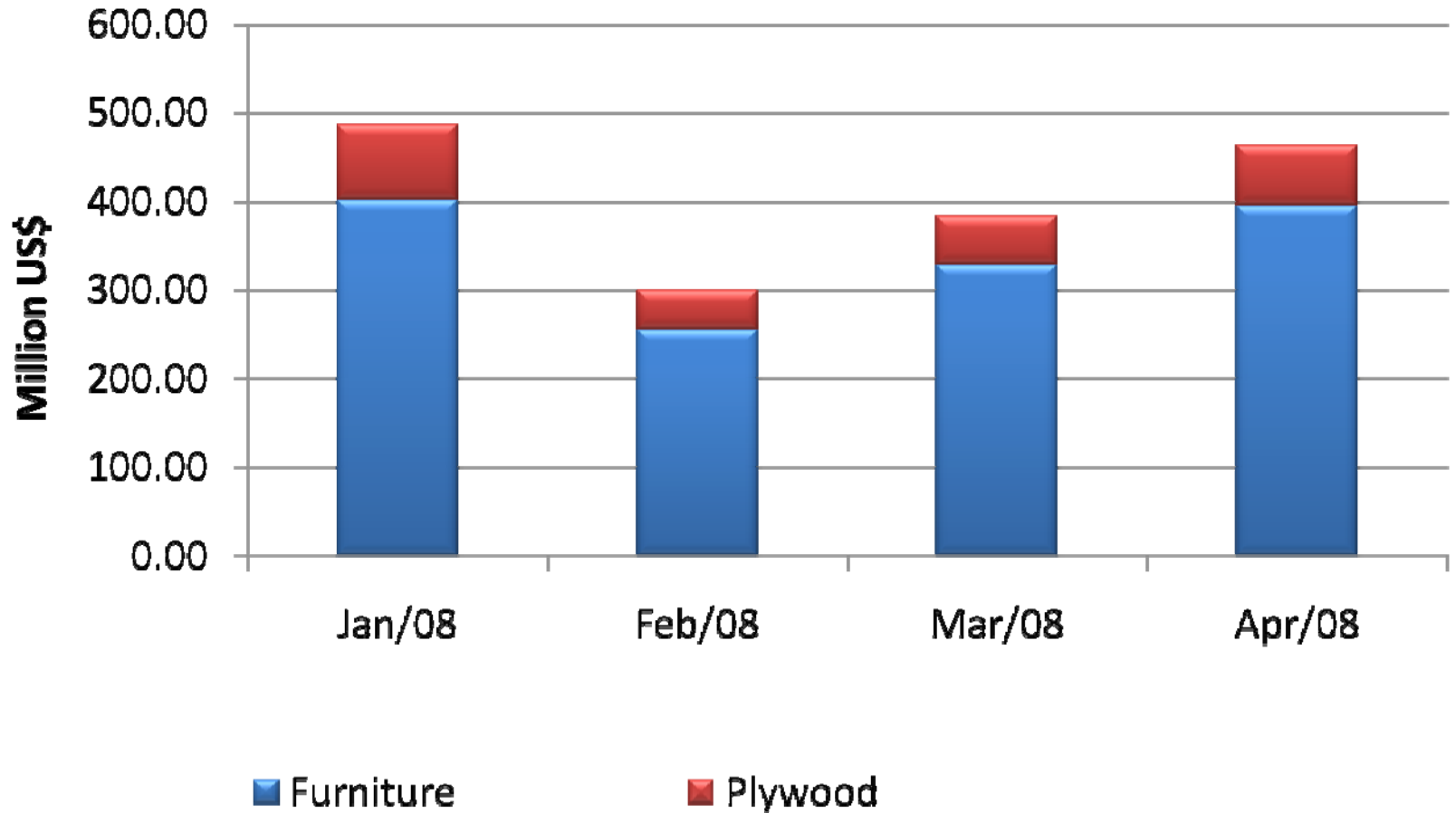


# Exports to the United



# Furniture & plywood Exports to US 1<sup>st</sup> Q 2008

## Furniture



# Importance of Middle East

