



## OVERVIEW OF CHINA'S TIMBER INDUSTRIES NOWADAYS ASPECTS

Fen Sao –Bin, lecturer

Nanjing University of Science and Technology,  
Department of Design and Material.  
22 Hankou Rd, Gulou Qu, Nanjing Shi, Jiangsu Sheng,  
People's Republic of China, 210008.  
tel. +862584368622



Fast-growing demand for wood products in China together with limited domestic timber resources has contributed to increases in imports of wood products. Today, China has become a major net importer of timber and ranked first in log imports in the world. This paper will attempt to give an overview of China's timber market, its unique distribution system, and to describe major players in this system. The production and distribution of Northern China timber was completely subjected to state allocation prior to 1999. Between 1999 and 2004, a large proportion was subjected to planned allocation, while a small amount was liberalized. After 1999, the production and distribution of Northern timber was fully liberalized (Zhu and Taylor, 2015). Nevertheless, timber harvest and transport remain under state supervision, as logging and transport permits are issued by the government. A similar pattern governed Southern timber production and distribution. For example, in Fujian Province, a county called Yong'an started the forest demonstrates the general framework of China's timber distribution system.

Different timber producers use different channels to distribute their products. Wood processing firms receive raw materials directly from timber producers, timber markets, or timber companies and market their products to end-users, individuals that utilize timber to manufacture final wood products, such as furniture. Wood-processing firms are treated as a part of the distribution channel that connects timber producers and end-users. These new players have emerged as results of the market-oriented economic reform. Currently, there are hundreds of timber markets of different size in both major timber producing regions (e.g. Heilongjiang Province) and timber-consuming regions (e.g. Shanghai, Guangzhou and neighboring provinces). State-owned timber companies were once the major distributors of wood under the planned economy.

There are over 4000 state-owned forest farms nationwide, the majority of which are located in Northwest China. Their total timber production in 2017 reached 8.48 million cubic meters (SFA 2017). State-owned forest farms can market their timber products by selling directly to either end users or timber markets. These regions are rich in plantations and have experienced rapid growth in timber production. This is consistent with the government's policy to protect natural forests by shifting timber production from state-owned natural forests to collective-owned plantation forests. In 2017, timber production by household forest farms totalled approximately 19 million cubic meters. All this could make cooperation between China and Ukraine to be more closer in different spheres of science and machinery.