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Solid Wood Products

Annual

2000

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Report Highlights:

Belgium's economy is projected to grow 3.25 to 3.50 percent of GDP in 2000.

Belgium is a major importer and distributor of forest products. Total production value of Belgian wood processing industry was valued at \$ 4.2 billion, of which the furniture industry accounted for \$ 2.1 billion. The "Wood trade and Industry" reports that there is potential for U.S. hardwoods on the Belgian/ European market, provided that the product offer and supply is properly adapted to the specific requirements of the European customer.

Includes PSD changes: Yes

Includes Trade Matrix: Yes

Annual Report

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Executive Summary

With a population of 10.2 million, Belgium is one of the EU's smallest markets. However, Belgium possesses a highly developed market economy, the tenth largest among the OECD industrialized democracies. Belgium's size belies its strategic importance as a center of trade due to the port of Antwerp and its strategic location near major markets in Europe such as France and Germany. The port of Antwerp handles forest products not only destined for Belgium, which is a substantial market for imported lumber, but other EU markets as well.

Three quarters of Belgium's overall trade is with other EU members. Only five percent is with the United States.

Belgium's economic growth in 1998 was 2.9 percent. A comparable rate was expected in 1999 until an incident involving dioxin-contaminated animal feed seriously disrupted production and exports of a wide range of agricultural and food products. Real economic growth is now estimated at 2.2 percent of GDP. However, the tide seems to be turning for 2000, as industrial output and economic growth indicators are projecting a rise of 3.25 and 3.50 percent of GDP. This, together with expected growth in the construction industry, bodes well for the overall wood processing industry.

Now that Belgium is a member of the EURO, the country will gradually shift from the use of the Belgian Franc (BF) to the use of the EURO by January 1, 2002. The exchange rate on January 1, 1999 was BF 40.3399 = 1 EURO.

The total production value of the Belgian wood processing industry reached BF 150.8 billion, up 6.8 percent from BF 141.2 billion in 1997. Of the total production value, the furniture industry accounted for roughly 51 percent, or BF 76.4 billion, up slightly from BF 72.2 billion in 1997. Total 1998 domestic deliveries in the overall wood processing industry were estimated at BF 60.07 billion versus 58.14 billion in 1997. The office for national statistics reported that jobs in the wood sector fell to approximately 21,190 in 1998, from 21,590 in 1997. Although most of the decline was in the furniture sector, contacts in the wood processing industry report that conditions in the Belgian furniture industry are now improving. Belgian furniture manufacturers continue to struggle with declining exports to traditional markets, such as Germany and France, and increasing import levels. Belgium remains a net furniture exporter with a declining surplus currently estimated at BF 8 billion.

Dollar Exchange Rate in Belgian Francs				
1995	1996	1997	1998	1999
29.50	30.94	35.74	36.31	37.85

General Comments Concerning the Statistical Data in this Report

Please note that BLEU statistics are defined as:

--INTRA EU: data from Belgium-Luxembourg Economic Union (BLEU) trade within the member states. Data is compiled from declarations made by trading companies.

--EXTRA EU: data from BLEU trade with non-member states. Data is compiled from customs declarations.

As of 1995, NIS is not handling statistical data. Instead, it is edited by the Belgian Office for Foreign Trade (BOFT) and is based on statistical data received from the National Bank of Belgium (NBB). Please be advised that contacts in the trade and industry have advised the Agricultural Affairs Office that national statistics do not reflect a realistic picture of the Belgian and Luxembourg wood markets. A more realistic picture of a single EU member state can be derived from EU statistics. Also, please note that since the EU single market was established in 1993, the Wood Processing Federation (WPF) as well as the Federation of Wood Importers have not published an annual report. NBB/BOFT advised that since early 1998 they have changed the compilation of statistical data and now include transit movements within the EU in all trade data (imports and exports). This may affect easy and efficient comparison of trade data between CY 1996 and 1998.

According to the Wood Processing Federation, 1998 statistics are once more incompatible with statistics produced in 1997 by the Belgian Institute for National Accounting. The reason for this is that as of 1998 trade statistics include transit shipments with both import and export data. Statistical tables provided by the Wood Processing Federation and the Federation of Wood. Traders are included in this report.

Strategic Indicator Tables

Forest Area & Production

BELGIUM / LUXEMBOURG: Type of Forest by Area (1996) (in HA)				
AREA	Coniferous Wood	Hardwood	Mixed wood	TOTAL AREA
Total Flemish Region	57,086	39,610	17,524	114,220
Total Walloon Region	247,653	248,186	43,700	539,539
Total Brussels Region	1,864	133	N/A	1,997
TOTAL BELGIUM	306,603	287,929	61,224	665,756
TOTAL LUXEMBOURG	22,909	25,314	40,595	88,818

Source: 1996 census of the Flemish and Wallonian regional governments (latest data available)

Note: Belgian policy related to forest management and forest policy is under regional authority and as a result rather fragmented. While the Walloon region of Belgium finalized their 1996 census, the Flemish region only provided an interim inventory. According to a forestry specialist at the University of Ghent, no one in Belgium can provide an updated inventory of Belgium's current forest area.

Belgium: Lumber Production (in 1,000 cubic meters R.E-)*			
	1996	1997	1998
Industrial Round Wood (sub total)	1,480	1,510	1,540
-softwood	1,320	1,350	1,375
-hardwood	160	160	165
Constructional Timber (sub total)	2,390	2,480	2,500
-softwood round wood	1,700	1,750	1,780
-hardwood round wood	690	730	720
TOTAL	3,870	3,990	4,040

Source: Estimates from Belgian Wood Importers Federation. Official data is not available.

*R.E.: Round Wood Equivalent

Luxembourg: Lumber Production (in cubic meters R.E.)	
	CY 1995 Latest data received
Total from all forest	323,903
Total hardwood (sub total)	163,218
-oak	41,352
-beech	117,639
-other hardwood	4,227
Total softwood (sub total)	160,684
-epicea	151,340
-pine	9,344

Source: GOL-Administration Water and Forestry

Market Segments

A. Construction Sector

Total Private Expenditures for Wood, Furniture and Construction (at current prices / in Million BF)			
BELGIUM	1996	1997	1998
Wood works and articles in wood	5,167	6,159	5,913
Manufacturing industries (includes furniture)	8,430	8,320	9,438
Construction	47,229	51,179	53,657

Source: National Bank

Belgium: Building Permits and Construction Starts			
	1997	1998	% 98/97
Total number construction permits (new building)	49,830	39,083	
--apartments	17,532	15,799	- 9.9%
--one family housing	32,390	23,284	-27.9%
Total non residential buildings	41.7 mill	46 mill	plus 10.3 %
- in cubic meters	6,641	6,981	
- In number of buildings			

Source: National Federation of Wood Traders

Activities in the Construction and Renovation of Homes and Buildings			
BELGIUM	1996	1997	1998 (revised)
- Monthly Average -			
Total number of buildings	2,761	2,889	2,075
Total housing	3,975	4,160	3,147
Total volume of housing space constructed (in 1000 CUM)	2,450	2,481	1,972
-Yearly Total -			
Total non residential buildings	7,238	6,732	6,898
Total Volume (in 1000 CUM)	41,229	39,684	44,434

Source: National Institute of Statistics

(a) Number of Construction Licenses Granted for New Homes and Major Renovation (b) Number of Construction and Renovation Jobs Started.				
BELGIUM	1997		1998 (revised)	
	(a)	(b)	(a)	(b)
Total number of houses renovated	21,369	14,729	23,476	17,467
Total number of building renovated	5,609	3,491	5,916	4,117

Source: National Institute of Statistics

BELGIUM:			
(a) Number of Construction Licences for New Houses (b) Number of Construction Licences for Non Residential Buildings - first six months-			
	1997	1998	1999
(a)	15,378	12,088	14,770
(b)	3,043	3,361	3,537

Source: National Institute of Statistics

Indicators and Forecasts for the Belgian Economy 1997-2000 (Real Growth in Percentage)				
	1997	1998	1999 Prelim	2000 forecast
Private Consumption	2.3	3.4	1.9	2.1
Public Consumption	0.4	2.4	1.5	1.8
Business Investment	6.6	4.8	4.2	3.1
Residential Building	5.0	2.3	- 0.4	1.4
Public Investment	7.6	- 1.4	8.0	8.3
Total Domestic Demand	2.3	4.2	1.1	2.8
Exports of Goods and Services	7.1	4.9	0.3	6.3
Imports of Goods and Services	6.0	6.8	- 0.8	6.1
GDP (Gross Domestic Product)	3.2	2.9	2.0	3.1
Number of unemployed (a) (Annual average, in thousands)	541	542	480	435
Consumer Prices: average annual rise, in %	1.6	1.0	1.1	1.8
Hourly Wage Costs in Industry- yearly rise in %	2.4	2.6	2.7	2.7
Real Disposable household income	1.1	2.5	1.9	2.1
As a % of GDP				
Balance of payments (Belgium)				
Current account	4.8	4.0	4.2	4.5
Total Government				
Deficit (According to the National Accounts)	1.8	1.0	1.2	0.8
Consolidated gross public debt	121.2	116.2	114.9	111.2

Source: Kredietbank Belgium

Note: (a) According to the EU definition. This includes solely all unemployed jobseekers registered with the National Employment office; it excludes the older unemployed job-seeker.

Wood Processing Industry

In current values, total domestic sales increased by 9.6 percent in 1998, as compared to 1997. In real terms, however, the activities in the overall wood industry in 1998 compares to the overall general situation in 1990. Total export in 1998 increased with 29.1 percent while imports grew faster and increased with 34.6 percent, domestic consumption stagnated or declined 0.5 percent, compared to 1990. Total employment in 1998 is estimated 11 percent below employment in 1990 which represents a loss of more than 3,000 jobs.

According to the Wood Processing Industry, the growth of the overall industry attained the first semester of 1998, was not maintained throughout the whole year, mainly because of the crisis in Asia and in Russia. It further slowed the activities the first semester of 1999. Also the Belgian participation at the major furniture fairs in Paris, Cologne and Milano were not considered successful. Therefore the Wood Processing industry believes that total activities in 1999 will be below the 1998 level. (*Official figures are not yet available*).

For the year 2000, economists anticipate that the Belgian economy will grow from 3.25 to 3.5 percent, and that total private consumption is expected to be comparable to overall consumption in 1998. If this macro-economic growth occurs in all industry sectors, the furniture industry may then reach activity levels as in 1998.

Evolution in the Belgian Consumption of Wood Used for Processing			
	1997	1998	1998/1997
Sawn softwood in cubic meters (CUM)	1,679,698	1,722,994	plus 2.6 %
Hardwood , - Tropical and temperate (sawn & round wood) in CUM/RE	1,015,000	1,030,000	plus 1.5 %
Multiplex/ Plywood in CUM	226,652	209,718	minus 7.5 %
Hardboard * in MT	34,965	37,287	minus 6.6 %
MDF * in MT	167,208	n/a	
Softboard * in MT	3,485	9,880	plus 183.5 %
Chipboard in CUM	698,320	704,077	plus 0.8 %

Note: * apparent consumption

Source: Belgian Federation of Wood Importing Trade

Belgium: Production Data of the Wood Processing Industry			
(in Billion BF)			
	1996	1997	1998
Total Industry	136.8	141.2	150.8
Panel Manufacturing	27.0	29.3	31.9
Construction Elements	18.3	19.0	20.0
Packing / Crating	7.0	7.6	8.9
Furniture Manufacturing	71.8	72.2	76.4
Other	12.7	13.2	13.7

Source: Belgian Wood Processing Federation

Overall Activity of the Total Wood Processing Industry (in million BF)					
	1996	1997	1998	Jan/June 1998	Jan/June 1999
Total Turnover	136,842	141,387	150,626	77,141	77,289
-Total Exports	75,486	83,234	90,556	49,930	48,766
-Total Domestic Deliveries	61,356	58,144	60,290	27,211	28,522
+Total Imports	64,505	71,665	82,223	43,861	39,456
-Total domestic consumption	125,861	129,809	142,513	71,072	67,989
Percentage Increase in Price Evolution	0.8 %	0.8 %	-0.7 %	----	+ 1.2 %
Percentage Increase in Index of Consumption prices	2.1 %	1.6 %	+ 0.95 %	----	+ 1.0 %

Source: Wood Processing Federation

Economic Activities in the Wood Processing Industry (in million BF at 1990 prices (1990=100))					
	1990	1996	1997	1998	98/90
Total Turnover	136,914	123,057	126,140	135,399	-1,11
Export	63,039	67,882	74,263	81,402	29.13
Domestic Deliveries	73,875	55,175	51,877	53,998	-26.91
Import	54,916	58,007	63,941	73,911	34.59
Investments	7,892	5,926	6,824	7,496	-0.68
Price Evolution	100	111.20	112.08	111.25	-0.74
Total no. of Companies	2,179	2,325	2,142	n/a	--
Total Employment	29,606	27,643	26,407	n/a	--

Source: Wood Processing Federation

Supply and Demand Table for Softwood Logs for Sawing, Slicing and Peeling (in 1,000 cubic meters)		
BELGIUM	1998	1999 (estimate)
Logs		
Production	1,750	1,750
Imports	300	300
Exports	600	600
Utilization	1,450	1,450
Coniferous Sawn Wood		
From: Northern Europe	512	440
Central Europe	565	515
South America	115	75
North America	8	12
Other	3	5
TOTAL IMPORTS	1,203	1,047
TOTAL EXPORTS	360	340
PRODUCTION	880	880
CONSUMPTION	1,723	1,587

Source: Belgian Federation of Wood Importers

Supply and Demand Table for Hardwood Logs for Sawing, Slicing and Peeling (in 1,000 cubic meters)		
BELGIUM	1998	1999 (estimate)
Logs		
Production	730	720
Total Imports	669	625
of which		
—Temperate logs	106	100
—Tropical logs	82	75
—Temperate sawn wood	196	190
—Tropical sawn wood	285	260
Total Exports	608	590
— Logs	360	350
—Sawn wood	248	240
Consumption (CUM/RE)	945	955

Source: Belgian Federation of Wood Importers

Industrial Production of Wood Products (in million BF)		
	1997 (revised)	1998
TOTAL WOOD WORK PRODUCTS	65,221	70,661
of which Sawn Woods	11,076	12,066
-Panel Products	30,597	32,474
-Construction Carpentry Works	15,282	16,221
Crating and Packing	5,738	7,363
Other	2,528	2,536

Source: National Institute of Statistics/ Industrial Statistics/Prodcom)

Trade Data of Wood and Wood Products (in 1,000 USD)				
Description of Product	Import		Export	
	1997	1998	1997	1998
Total Forest Products	1,471,482	1,717,537	1,256,847	1,551,103
--from/to the USA *	100,732	111,351	10,906	14,579
Logs and Chips	175,208	174,276	125,256	141,181
--from/to the USA	3,913	3,796	105	80
Hardwood Lumber	229,186	269,961	83,634	140,900
--from/to the USA	62,899	66,444	147	267
Panel Products **	324,175	440,848	635,059	736,972
Other Value Added Wood Products **	480,615	550,859	342,997	436,306

Source: U.N. Trade Statistics

Note: * = Top 10 ranking ** not included in top 10 ranking

B. Furniture and Interiors Sector

BELGIUM: Employment in the Wood Processing Industry		
	1997	1998
Total number of people in the wood works industry	9,481	10,1031
of which workers	7,830	8,332
employees	1,651	1,770
Total number of hours worked (workers only)	1,012,781	1,075,829
Total number of people in the various furniture manufacturing industry,	21,599	21,190
of which workers	18,137	17,782
employees	3,462	3,407
Total number of hours worked (workers only)	2,204,341	2,168,209

Source: National Institute of Statistics/Prodcom

Investments in the Wood Processing Industry (in Million BF)		
	1997	1998
Total Investments	7,649	8,339
Panel Products	1,046	1,124
Packing / Crating	343	509
Furniture Industry	2,799	3,270
Other	553	565

Source: Belgian Wood Processing Federation

According to the wood processing federation (WPF), major increases in investment are intended to rationalize overall production and to contract employment. The WPF believes that the Maastricht-oriented governmental policy (as a result of the Maastricht Convention) has led to a situation of low inflation and low interest rates which encourages industries to substitute labor with capital. Other Belgian industries have also heavily invested since 1996 in order to rationalize their production.

Production in the Wood Processing Industry in 1998			
	Percentage of total Sector	Production value (in million BF)	Percentage Growth compared to 1997
Furniture	50.70 %	76,422	5.8 %
Panel products	21.10 %	31,876	8.8 %
Construction elements	13.20 %	19,881	4.5 %
Crating & packing	5.90 %	8,933	16.8 %
Other	9.10 %	13,734	4.2 %
TOTAL	100 %	150,846	6.7 %

Source: Belgian Federation of Wood Importing Trade and Wood Processing Industry

HARDWOOD: Changes in Import Volumes Reported by the Belgian Wood Import Trade (in cubic meters)			
Origin		1996	1997
USA	Round wood	6,885	4,831
USA	Sawn wood	82,539	86,350
Africa	Sawn wood	30,979	42,005
Brazil	Sawn wood	14,101	14,512
Asia	Sawn wood	75,635	91,088

Source: Trade Magazine "Wood Trade and Industry"

In general, 1998 was a good year for the Belgian industry, especially regarding activities related to renovation, do-it-yourself products, and wood flooring.

Total furniture product exports in 1998 are estimated at BF 45.7 billion which is 60 percent of total production., versus 62 in 1997 (In 1993, only 49 percent of total production was exported.) Major export markets within the EU are the Netherlands 30.4 percent, France 29.1 percent, Germany and the U.K, respectively 14.5 and 12.7 percent. While exports to Russia were strong in 1996 and 1997, exports in 1998 have been hampered by the financial crisis there and the devaluation of the rouble estimated at 30 percent. In spite of the financial crisis, Belgian furniture manufacturers continue to be well represented at the furniture trade fair in Moscow. While Belgian furniture exhibitors recognize the Russian consumer may currently not be able to afford Belgian Furniture, as a result of the devaluation, the furniture exhibitors want to be in the "starting blocks" when demand for furniture resumes. The wood processing industry believes that Belgium may develop and increase exports to Norway, China and South-Africa.

Trends in the Furniture Industry

Major Belgian furniture manufacturers, over the last decade, have developed a new product line. The production of the traditional “rustic” type furniture has fallen substantially and has been overtaken by newly designed furniture produced from pine and rattan. The switch from oak to rattan in an attempt on the part of Belgian furniture manufacturers to produce a product that is price competitive but still meets the demands of the consumer. However, as evidenced by recent trade fairs in EU, temperate hard woods are very much in demand in Europe. In particular, there is growing demand for “red” wood furniture versus “light” wood furniture which was popular in past years. This development implies increased opportunities for U.S. hardwood species in the Belgian and other EU markets.

Belgium: Economic Outlook			
(Change in terms of Percentage by Volume)			
	1998	1999	2000
GDP (Gross Domestic Product)	2.9	3.5	2.3
Private Consumption	2.8	2.1	2.2
Public Consumption	1.1	1.6	1.6
Investments	4.9	3.8	3.4
Export	6.1	5.3	5.4
Import	6.6	5.8	5.7
Inflation (1)	1.01	1.2	1.4
Degree of Unemployment	11.8	11.5	11.3
Saving quota for Households	14.9	14.6	14.3
Public Budget Deficit	1.5	1.3	1.1
Surplus Current Accounts/GDP (2)	5.7	5.6	5.6

(1) Deflation private-consumption (2) BLEU figures

Source: OECD

C. Material Handling Industry

Belgium is an important importer of forest products and panels. In Belgium, approximately half of all wood imports enter via the port of Antwerp. The port of Ghent accounts for 30 to 40 percent of the volume while Zeebrugge and Brussels handle 5 to 10 percent each. The port of Antwerp serves as an arrival and transshipment point for much of the EU and most of the trade in hardwood is carried out via Antwerp. (Hardwood is the sector in which containerization has made the most progress, in particular for loads from the USA and South-East Asia. The advantages of this freight technique more than make up for the extra cost because the wood is treated better, provides faster traffic and thus greater returns).

The combined ports of Belgium handle approximately 170,000,000 tons annually, making them the largest end-user of structural panels and timber for packaging, crates, containers and storage purposes. The largest share of structural panels imported from the US is used in the domestic industrial market, for materials handling and transportation uses.

Forest Products in the Port of Antwerp (in MT)			
	1994	1995	1996
Wood	1,132,208	1,077,684	866,618
Unloads	938,229	935,161	733,861
Loadings	193,979	142,523	132,757
Cellulose and paper	4,021,592	4,011,797	3,784,504
Unloads	3,373,677	3,426,432	3,209,166
Loadings	647,915	585,365	575,338

Source: Antwerp Port Authorities (1996 latest available data)

Note: According to the Antwerp Port Authorities, real transshipment data has become unavailable because of major changes in national data collection. See paragraphe included in this report: "General Comments Concerning the Statistical Data".

Most of the imports arrived by ship with containers playing a major role, especially in the hardwood sector. However, direct deliveries are increasing for imports from other EU countries. Ports in Belgium also face stiff competition from smaller ports in the Netherlands (Terneuzen, Delfzijl and Flushing) mainly because they do not have the same cost structure as their Belgian counterparts.

According to the Belgian Federation of Wood Importers (BFWI), factors accounting for the growth in forest products trade include the positive development in overall demand from the construction industry, the manufacturing sector and the packaging industry whose activities are directly linked to global economic developments.

On the other hand, there have been shifts in consumer preferences, such as greater use of PVC window frames versus wood frames. Better management of the available reserves of tropical timber have resulted in lower exports from certain supplying countries, which in turn has led to lower world supplies and higher prices. The wood industry is also placing increasing emphasis on recycling and reducing waste. BFWI reports that their 15 members represent annual sales of BF 10 billion.

BELGIUM: Unloads of Forest Products (in Metric Tons)			
	1996		1995
SOFTWOOD LUMBER		TROPICAL HARDWOOD	
Total unloads	1,120,000	Total unloads of logs lumber	139,000
-Germany	100,000	Asia (Malaysia 73,800)	81,000
-France	65,000	Africa	35,000
-Netherlands (goods transiting through Belgium)	150,000	Latin America	23,000
-Finland	175,000	Total unloads of logs	43,500
-Sweden	155,000	Cameroon	27,800
-Russia	110,000	Gabon	10,800
-Norway	25,000	TEMPERATE HARDWOOD	
-Canada	30,000	Total unloads	131,800
-USA	15,000	USA	109,000
re-exported	65,000	other North America	10,000
		Europe	12,000

Source: Antwerp Port Authorities - 1996 and 1995 are latest data provided and discontinuation of data compilation because of major changes in system.

MDF and OSB

MDF is mainly intended for the furniture industry. Belgium does not produce MDF and imports about 60,000 m³ annually. Major suppliers are Spain and Italy.

The most recent development in the board sector is the utilization of OSB. After being introduced in the United States, production started up in Europe (Scotland, Ireland France and Luxembourg). Belgium imports about 15,000 m³, mostly from Scotland. In the past, ships used to unload in the Port of Ghent, but Scottish exporters now prefer to

concentrate their shipments on Dutch ports in the Amsterdam region, for further distribution in Europe. The panel trade however, expects that OSB shipments will decrease over the coming years, due to increasing production on the mainland of Europe.

International Trading Environment

Belgian hardwood importers are actively looking for alternatives to tropical hardwoods and welcome AHEC activities to create or increase awareness of U.S. hardwood species and their applications. Importers report an increase in interest from end-users about alternatives to tropical hardwoods. In fact, many major importers characterize the current climate as an excellent opportunity for the U.S. industry to promote U.S. hardwoods and to make inroads into the Belgian market. To take full advantage of this opportunity, a full range of professionals within the wood product industry, including architects, interior designers, and academicians, should be targeted in activities that create awareness about U.S. hardwoods and their applications.

Belgian importers continue to look for top quality lumber. Because of the relatively high wage level in Belgium, and the inflow of relatively low-priced imports of wood furniture and other wood products from low-wage countries, the Belgian industry is focusing on quality. However, some Belgian wood importers/distributors complain that large U.S. exporters do not always pay sufficient attention to providing products that meet the specifications set by the importer. Belgian importers are reportedly prepared to pay a premium for quality but insist on product that meets EU and Belgian quality requirements. Some Belgian wood traders have responded positively to small U.S. wood growers/exporters that are able to export limited quantities of various species of top quality wood. The "Wood trade and Industry" repeatedly report that there is potential for U.S. hardwoods on the European market, at the condition, however, that the product offer and or supply is properly adapted to the specific requirements of the European customer.

List of importers, members of the *Belgian Federation of Wood Importing Trade* can be obtained from the web:

[HTTP://WWW.BOISIMPORT.BE](http://www.boisimport.be) (French)

[HTTP://WWW.HOUTINVOER.BE](http://www.houtinvoer.be) (Flemish)

E-mail: info@boisimport.be

Competitor Activities: The Malaysian Timber Board is active in Belgium. Activities mainly consist of providing comprehensive market information to major importers.

Wood: Tariffs & Taxes

Tariff Code (1999)	Description	% Duties Imports from USA	% Value Added Taxes
4401.21	Wood in chips and particles - coniferous	0	21
4401.22	Wood in chips and particles - other than coniferous	0	21
4403	Wood in the rough whether or not stripped of bark or sapwood, or roughly squared	0	Roughly squared 21 - Other - 6
4404	Hoopwood, split poles, piles, pickets and stakes of wood, etc	0.6	21
4405	Wood wood and flour	0.8	21
4406	Railway sleepers	-not impregnated 0.5 -other 0.8	21
4407	Wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded or finger-jointed, or a thickness exceeding 6 mm		
4407.1	Softwood Lumber		
-1031	Picea (planed)	0.8	21
-1091	Picea (not planed)	0	21
4407.1	Tropical wood		
-2400	Virola, Mahogany	2.5	21
-2510	Dark red meranti & meranti bakau	2.5	21
-2670	White lauan/ white meranti	0	21
-2680	White seraya, yellow meranti	0	21
-2920	Palisandra de Rio	2	21
-2961	Azobe	0	21

4407.91	Oak (Quercus spp)		
-9131	strips for flooring, not assembled	0.8	21
-9991	Poplar	0	21
-9993	Walnut	0	21
4408	Veneer sheets and sheets for plywood (whether or not spliced) and other wood sawn lengthwise, sliced or peeled whether or not planed , sanded or finger-jointed, of a thickness not exceeding 6 mn		
4408.1	Softwood		
-1010	finger jointed	3.4	21
-1030	planed	3	21
-1050	sanded	3.4	21
-1090	sanded and thickness not exceeding 1 mm	4.4	21
4408.31	Tropical wood		
-3111	Dark red meranti - finger jointed	4.9	21
-3121	- planed	4	21
-3125	- sanded	4.9	21
-3130	other (not included in other categories)	6	21
4408.39	Other = White Lauan, Sipo, Limba, Okoume, African Acajou, Sapelli, Virola, Mahogany, Palissandre de Rio, de Pra and de Rose		
-3911	finger jointed	4.9	21
-3921	planed	4	21
-3925	sanded	4.9	21
-3931	sanded and thickness not exceeding 1 mm	6	21
-3935	sanded and thickness exceeding 1 mm	6	21
4409	Wood (including strips and friezes for parquet flooring, not assembled) continuously shaped etc whether of not planed, sanded or finger-jointed		
-1011/1019	softwood - drawn wood, mouldings	0.6	21
-1090	flooring	0.8	21
-2011/2019	non softwood - drawn wood, mouldings	0.6	21
-2091	flooring	0.8	21

4410	Particle board and similar board of wood or other ligneous materials, whether or not agglomerated with resins or other organic binding substances (of wood)		
-1110/1190	waferboard, including OSB rough or sanded and other	7.6	21
4411	Fiberboard of wood or other ligneous materials, whether or not bonded with resins or other organic substances (Fiberboard of a density exceeding 0.8g/cm ³)	7.6	21
4412	Plywood, veneered panels & similar laminated wood		
-4412.13	with at least one outer ply of tropical wood specified		
-1311	Okoume	10	21
-1319	Meranti, White Lauan, Sipo, Limba, Okoume, African Acajou, Sapelli, Virola, Mahagony, Palissandre de Rio, de Pra and de Rose	10	21
-1390	other	7.6	21
4412.22	with one tropical ply - laminated lumber	6.8 - 10	21
4412.23	with one layer particle board - laminated lumber	6.8	21
4412.28-93-99	other - laminated lumber	6.8 - 10	21
4413	Densified wood , in blocks, plates, strips or profile shapes	0.6	21
4414	Wooden frames	1 - 2.5	21
4415	Crates & Pallets	3.4 - 4.7	21
4416	Cask, barrels etc	0 - 0.8	21
4417	Tool handles, brooms etc	0.9 - 1.2	21
4418	Builder's joinery & carpentry of wood	1 - 3.6	21

Source: Min of Finance/Customs Authorities

Foreign Trade of Wood and Laminated Wood				
Roundwood				
– Not sawn, treated wood - in CUM				
	1997	1998	6 months 1998	6 months 1999
Imports	20,080	13,043	9,682	11,339
Exports`	13,7367	188,405	108,820	43,889
-Not sawn pine wood -in CUM				
Import	388,888	135,211	69,286	76,128
Export	408,646	393,027	204,732	166,599
Other Coniferous wood - in CUM				
Import	336,868	117,779	66,529	60,607
Export	183,467	6,068	4,216	5,821
Total Softwood -in CUM-				
Import	725,756	342,138	185,341	243,382
Export	529,113	207,439	99,355	104,794
Temperate Hardwood				
– Round, treated wood - in CUM				
Imports (Oak)	291,737	297,301	164,348	199,308
From France	281,503	285,784	158,062	170,268
From USA	2,550	1,690	1,540	1,111
Exports (Oak)	13,744	18,374	7,699	8,476
Imports (Beech)	658,989	697,643	452,966	452,690
Exports (Beech)	64,460	94,608	63,425	99,156
Imports (Poplar)	177,024	144,073	89,641	81,890
Exports (Poplar)	185,933	208,739	107,115	106,861
Other temperate Hardwoods - in CUM				
Imports	877,538	908,034	510,284	526,439
Exports	28,286	27,960	15,401	7,846

Tropical Hardwood - in CUM				
Imports	87,980	82,632	62,002	31,106
Exports	17,778	10,477	5,514	5,410
Sawn Wood - in CUM				
Imports in MT (Strips for Flooring-Oak)	1,238	8,264	4,792	3,914
Exports in MT	1,432	3,820	2,066	2,019
Imports in MT (Finger jointed- softwood)	43,714	33,344	21,658	11,621
Exports in MT	34,514	19,487	10,723	2,789
Sawn Softwood -in CUM				
Imports	1,045,402	1,224,982	647,857	612,256
From USA	19,403	15,296	10,372	6,853
Export	216,338	307,218	131,164	165,134
Debarked Softwood - in MT				
Imports	56,514	37,439	18,648	17,480
Export	17,136	22,643	10,484	7,390
Sawn Hardwood from Temperate Regions - in CUM				
Imports (Oak)	120,542	118,744	61,465	58,170
From USA	68,942	68,291	34,196	30,311
Exports	23,416	25,670	13,734	13,860
Imports (Beech)	32,623	25,890	16,689	12,432
Exports	15,739	17,629	9,926	10,432
Imports (Poplar & Walnut)	5,357	6,542	3,704	4,935
Exports	9,844	14,799	5,841	7,138
Imports (other hardwoods)	37,030	50,173	25,757	29,176
From USA	17,395	21,820	10,772	11,406
Exports	21,183	33,247	16,815	17,625

Sawn Tropical Hardwood -in CUM				
Imports	175,683	276,415	139,461	137,243
Exports	51,886	135,958	62,757	82,878
Imports in MT (Finger jointed- trop. hardwood)	3,930	2,557	616	1,306
Exports in MT	2,223	643	367	668
Imports in MT (debarked trop, wood)	3,959	6,716	2,474	5,191
Exports	1,781	5,534	2,126	3,446
Imports in MT (Finger jointed- hardwood)	2,345	2,266	1,205	2,220
Exports	884	420	123	220
Imports in MT (Debarked hardwood)	4,604	3,405	1,408	2,106
Exports	5,820	4,452	2,240	3,561
Miscellaneous Boards				
Imports in CUM Chip & flax waste board	168,357	247,147	152,316	112,712
Exports	1,861,343	1,879,756	1,000,993	946,608
Imports in MT Hardboard	68,522	104,062	51,731	66,660
Exports	35,308	58,151	35,496	32,837
Imports in MT Mediumboard	75,723	90,168	52,789	44,028
Exports	133,276	79,827	30,426	56,986
Imports in MT Softboard	4,062	5,994	2,911	3,689
Exports	20,357	16,120	8,862	7,462
Imports in CUM Multiplex	572,225	502,772	277,804	314,763
From USA	36,577	43,447	42,681	10,463
Exports	98,996	347,702	188,209	212,799

Imports in CUM Furniture Board	12,521	12,301	7,213	6,630
Exports	1,985	4,041	2,618	2,472

Source: Wood publication: Houthandel & Nijverheid (Wood Trade and Industry)

PSD Tables and Trade Matrixes

--Temperate Hardwood Logs (in 1,000 cubic meters)

PSD Table						
Country	Belgium-Luxembourg					
Commodity	Temperate Hardwood Logs				1000 CUBIC METERS	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		01/1998		01/1999		01/2000
Production	700	740	720	750	0	750
Imports	2020	2057	2000	2060	0	2060
TOTAL SUPPLY	2720	2797	2720	2810	0	2810
Exports	292	350	285	360	0	360
Domestic Consumption	2428	2447	2435	2450	0	2450
TOTAL DISTRIBUTION	2720	2797	2720	2810	0	2810

Export Trade Matrix			
Country: BLEU		Units:	1000 CUM
Commodity:			
Time period:	CY		
Exports for	1998		1997
U.S.	0	U.S.	0
Others		Others	
FRANCE	113	FRANCE	101
NETHERLANDS	38	NETHERLANDS	41
GERMANY	13	GERMANY	15
ITALY	69	ITALY	71
SPAIN	108	SPAIN	11
EGYPT	21	EGYPT	21
CHINA	18	CHINA	3
MOROCCO	22	MOROCCO	14
HONG KONG	22	HONG KONG	10
Total for others	327	Total for others	287
Others not listed	23	Others not listed	5
Grand Total	350	Grand Total	292

Import Trade Matrix			
Country: BLEU		Units:	1000 CUM
Commodity:			
Time period:	CY		
Imports for	1998		1997
U.S.	6	U.S.	5
Others		Others	
FRANCE	1621	FRANCE	1,596
NETHERLANDS	301	NETHERLANDS	313
GERMANY	107	GERMANY	89
Total for others	2035	Total for others	2003
Others not listed	22	Others not listed	17
Grand Total	2057	Grand Total	2020

--Softwood Lumber
(in 1,000 cubic meters)

PSD Table						
Country:	Belgium-Luxembourg					
Commodity:	Softwood Lumber					
		1998		1999		2000
	Old	New	Old	New	Old	New
Market Year Begin		01/1998		01/1999		01/2000
Production	0	880	0	900	0	900
Imports	0	1344	0	1340	0	1340
TOTAL SUPPLY	0	2224	0	2240	0	2240
Exports	0	369	0	370	0	370
Domestic Consumption	0	1855	0	1870	0	1870
TOTAL DISTRIBUTION	0	2224	0	2240	0	2240

Export Trade Matrix			
Country: BLEU		Units:	1000 CUM
Commodity:			
Time period:	CY		
Exports for	1998		1997
U.S.		U.S.	
Others		Others	
FRANCE	123	FRANCE	66
NETHERLANDS	132	NETHERLANDS	95
GERMANY	80	GERMANY	76
UK	12	UK	9
JAPAN	5	JAPAN	54
Total for others	352	Total for others	300
Others not listed	17	Others not listed	9
Grand Total	369	Grand Total	309

Import Trade Matrix			
Country: BLEU		Units:	1000 CUM
Commodity:			
Time period:	CY		
Imports for	1998		1997
U.S.	16	U.S.	20
Others		Others	
FRANCE	83	FRANCE	96
NETHERLANDS	222	NETHERLANDS	222
GERMANY	217	GERMANY	243
SWEDEN	185	SWEDEN	188
NORWAY	45	NORWAY	40
RUSSIA	164	RUSSIA	139
POLAND	34	POLAND	35
CANADA	104	CANADA	93
Total for others	1070	Total for others	1126
Others not listed	274	Others not listed	124
Grand Total	1344	Grand Total	1270

--Temperate Hardwood Lumber
(in 1,000 cubic meters)

PSD Table						
Country:	Belgium-Luxembourg					
Commodity:	Temperate Hardwood Lumber					
		1998		1999		2000
	Old	New	Old	New	Old	New
Market Year Begin		01/1998		01/1999		01/2000
Production	0	468	0	470	0	470
Imports	0	400	0	405	0	400
TOTAL SUPPLY	0	868	0	875	0	870
Exports	0	240	0	245	0	240
Domestic Consumption	0	628	0	630	0	630
TOTAL DISTRIBUTION	0	868	0	875	0	870

Export Trade Matrix			
Country: BLEU		Units:	1000 CUM
Commodity:			
Time period:	CY		
Exports for	1998		1997
U.S.		U.S.	
Others		Others	
FRANCE	11	FRANCE	13
NETHERLANDS	187	NETHERLANDS	130
GERMANY	13	GERMANY	20
SPAIN	8	SPAIN	8
Total for others	219	Total for others	171
Others not listed	21	Others not listed	6
Grand Total	240	Grand Total	177

Import Trade Matrix			
Country: BLEU		Units:	1000 CUM
Commodity:			
Time period:	CY		
Imports for	1998		1997
U.S.	68	U.S.	69
Others		Others	
FRANCE	204	FRANCE	155
NETHERLANDS	53	NETHERLANDS	19
GERMANY	22	GERMANY	25
POLAND	7	POLAND	7
CANADA	5	CANADA	4
Total for others	359	Total for others	210
Others not listed	41	Others not listed	12
Grand Total	400	Grand Total	291

--Tropical Hardwood Lumber
(in 1,000 cubic meters)

PSD Table						
Country	Belgium-Luxembourg					
Commodity	Tropical Hardwood Lumber				1000 CUBIC METERS	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		01/1998		01/1999		01/2000
Production	14	14	14	15	0	15
Imports	257	387	250	380	0	380
TOTAL SUPPLY	271	401	264	395	0	395
Exports	47	126	50	120	0	120
Domestic Consumption	224	275	214	275	0	275
TOTAL DISTRIBUTION	271	401	264	395	0	395

Export Trade Matrix			
Country:		Units:	1000 CUM
Commodity:			
Time period:	CY		
Exports for	1998		1997
U.S.	0	U.S.	0
Others		Others	
FRANCE	18	FRANCE	10
NETHERLANDS	85	NETHERLANDS	21
UK	8	UK	9
GERMANY	11	BRAZIL	2
Total for others	122	Total for others	42
Others not listed	4	Others not listed	5
Grand Total	126	Grand Total	47

Import Trade Matrix			
Country:		Units:	1000 CUM
Commodity:			
Time period:	CY		
Imports for	1998		1997
U.S.		U.S.	1
Others		Others	
FRANCE	1	FRANCE	7
NETHERLANDS	22	NETHERLANDS	18
GERMANY	156	GERMANY	116
IVORY COAST	3	IVORY COAST	3
GHANA	3	GHANA	2
DEM. REP. CONGO	5	DEM. REP. CONGO	4
CAMEROON	14	CAMEROON	12
MALAYSIA	147	MALAYSIA	82
SINGAPORE	2	SINGAPORE	3
Total for others	353	Total for others	248
Others not listed	34	Others not listed	9
Grand Total	387	Grand Total	257

Belgium: Trends in the Hardwood Trade						
Non Coniferous Tropical Timber						
(in 1,000 cubic meters and cubic meters -R.E.)						
Imports from	Logs		Sawn Wood		Glue-Laminated, Shaped, Planed & Sanded Timber	
	1997	1998	1997	1998	1997	1998
Cameroon	17.7	18.7	26.8	28.5	0.8	0.9
Congo Braz.	0.1	0.4	1	2	4	2.8
Ivory Coast	1.5	1.2	0.3	0.9	12.8	14.5
Gabon	9.4	8.8	1.4	1.6	1.1	0.1
Ghana	0.1	-	3.7	5.7	2.1	4.5
Guinea Equat.	0.1	-	-	-	0.1	0.1
Nigeria	-	0.1	2.6	2.2	-	-
Congo RD	1.7	2	6.2	5.3	0.6	1.6
Other	-	0.7	0.6	0.8	0.1	1.3
Total Africa	30.6	31.9	42.6	47	22.1	25.8
Myanmar	-	0.2	-	-	-	-
Indonesia	-	-	2	3.7	131.4	145
Malaysia	-	0.1	88.2	90.4	3.3	4.5
Philippines	-	-	0.1	-	-	-
Singapore	-	-	0.6	1.3	0.1	1
Other	0.1	-	0.2	0.6	0.1	1.2
Total Asia	0.1	0.3	91.2	96	134.9	151.7
Brazil	1.1	0.2	14.5	14.9	21.02	22.6
Chili	0.1	-	0.6	0.8	0.1	0.1
Ecuador	-	-	-	-	-	-
Others	0.3	0.1	0.1	0.3	0.1	-
Total South America	1.5	0.3	15.2	16	21.4	22.7
Total CUM	32.2	32.5	149	159	178.5	200.2
Total CUM/R.E	32.2	32.5	271	290	404	455.6

Source: Belgian Wood Importers Federation

--Hardwood Veneer
(in 1,000 cubic meters)

PSD Table						
Country	Belgium-Luxembourg					
Commodity	Hardwood Veneer				1000 CUBIC METERS	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		01/1998		01/1999		01/2000
Production	45	46	45	45	0	48
Imports	42	33	35	42	0	42
TOTAL SUPPLY	87	79	80	87	0	90
Exports	30	25	25	30	0	30
Domestic Consumption	57	58	59	57	0	60
TOTAL DISTRIBUTION	87	83	84	87	0	90

Export Trade Matrix			
Country: BLEU		Units:	1000 CUM
Commodity:			
Time period:	CY		
Exports for	1998		1997
U.S.		U.S.	0
Others		Others	
TOTAL EU	22	TOTAL EU	27
Total for others	22	Total for others	27
Others not listed	3	Others not listed	4
Grand Total	25	Grand Total	31

Import Trade Matrix			
Country: BLEU		Units:	1000 CUM
Commodity:			
Time period:	CY		
Imports for	1998		1997
U.S.	7	U.S.	6
Others		Others	
TOTAL EU	14	TOTAL EU	15
IVORY COAST	6	IVORY COAST	7
CONGO	1	CONGO	3
Total for others	28	Total for others	25
Others not listed	5	Others not listed	9
Grand Total	33	Grand Total	40

--Softwood Plywood
(in 1000 cubic meter)

PSD Table						
Country	Belgium-Luxembourg					
Commodity	Softwood Plywood				1000 CUBIC METERS	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		01/1998		01/1999		01/2000
Production	65	65	65	65	0	65
Imports	260	487	500	155	0	500
TOTAL SUPPLY	325	552	565	220	0	565
Exports	90	309	325	75	0	325
Domestic Consumption	235	243	240	145	0	240
TOTAL DISTRIBUTION	325	552	565	220	0	565

NOTE: Production and trade data included in PS&D tables "Softwood Plywood" are derived from production data of total plywood as provided by the Belgian Federation of the Wood Importing Trade.

Export Trade Matrix			
Country:		Units:	1000 CUM
Commodity:			
Time period:	CY		
Exports for	1998		1997
U.S.		U.S.	
Others		Others	
FRANCE	31	FRANCE	42
NETHERLANDS	23	NETHERLANDS	27
GERMANY	9	GERMANY	16
UK	1	UK	13
Total for others	64	Total for others	98
Others not listed	11	Others not listed	4
Grand Total	75	Grand Total	102

Import Trade Matrix			
Country:		Units:	1000 CUM
Commodity:			
Time period:	CY		
Imports for	1998		1997
U.S.	43	U.S.	37
Others		Others	
FRANCE	3	FRANCE	4
NETHERLANDS	15	NETHERLANDS	30
GERMANY	5	GERMANY	6
BRAZIL	48	FINLAND	3
CANADA	12	POLAND	2
INDONESIA	3	LATVIA	2
RUSSIA	11	RUSSIA	2
Total for others	140	Total for others	63
Others not listed	12	Others not listed	7
Grand Total	152	Grand Total	107

Note: The major change in data may be explained as follows: some statistical provided by EU traders in 1996 was in square meters instead of cubic meters. Some of this data was converted by gravity value from volume data

U.S. plywood is mainly used in the construction industry and the industrial crating industry. Demand for plywood for skeleton housing construction is stagnating. Current wood construction is estimated at 17 percent of total construction projects. To promote American plywood, the American Plywood Association (APA) plans to actively participate in seminars and organize trade/press mission to the United States that will result in articles in specialized magazines/publications read by builders and end-users. APA representatives also plans to attend major European building trade shows.

Total use of plywood in Belgium and total imports of U.S. softwood plywood are expected to expand in proportion to overall growth in the Belgian economy. However, a high BF/Dollar exchange value may hamper imports of U.S. softwood plywood.