

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

Voluntary Public

Date: 11/24/2014

GAIN Report Number:

South Africa - Republic of

Post: Pretoria

Update on the South African Lumber industry

Report Categories:

Wood Products

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Report Highlights:

South Africa is a promising market for United States wood and wood products. The purpose of this GAIN report is to provide further information on the South African forest industry, and market access issues such as customs duties and regulations that are of relevance to United States exporters.

Background

South Africa is a promising market for United States wood products. The potential of the South African market for United States Softwood and Treated Lumber was reported by post on the following GAIN report; [Click here to download the GAIN report.](#) In June, 2014, nine delegates from the United States Lumber industry attended the WoodEX for Africa Expo in Johannesburg, South Africa. The WoodEX for Africa Expo was reported by post on the following GAIN report; [Click here to download the GAIN report.](#) The United States lumber industry has begun making inroads into the South African wood market. Post was informed that 70 trade leads were established at the WoodEX for Africa Expo and approximately \$900,000 in sales are expected. The United States Department of Agriculture (USDA) approved the Emerging Markets Program (EMP) to support the efforts by the United States lumber industry in the South African market.

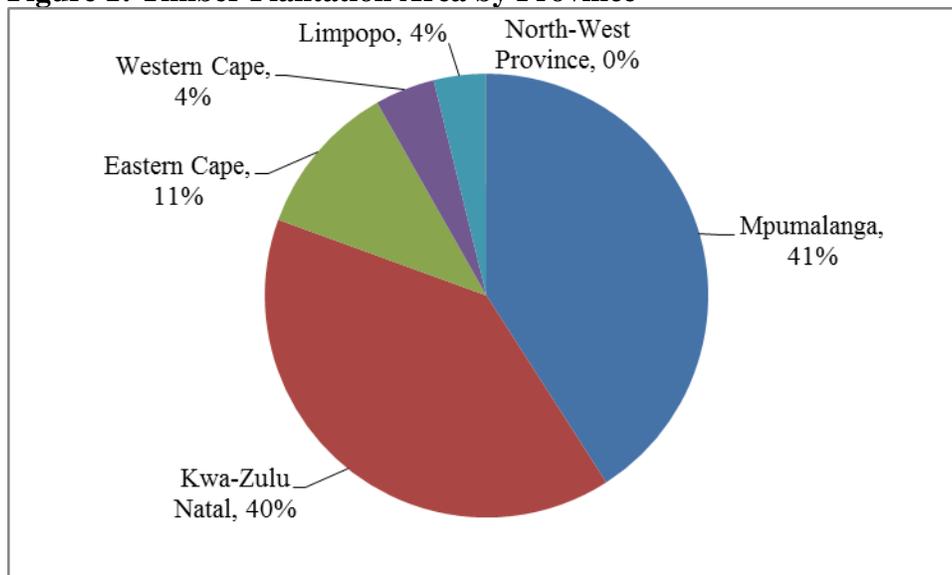
The purpose of this voluntary GAIN report is to provide further information on the South African forest industry, and market access issues such as customs duties and regulations that are of relevance to United States exporters. This report augments the work being undertaken through the EMP to support the United States lumber industry strategy into South Africa.

Production

Plantations

An estimated 1,268,443 hectares was planted to timber in South Africa in the 2011/12 MY. About 51 percent of the total timber area was planted with softwoods and 49 percent with hardwoods. **Figure 1** below shows that commercial timber is mainly grown in the Mpumalanga and Kwa-Zulu Natal Provinces, those provinces accounted for 81 percent of the total timber planted area in South Africa.

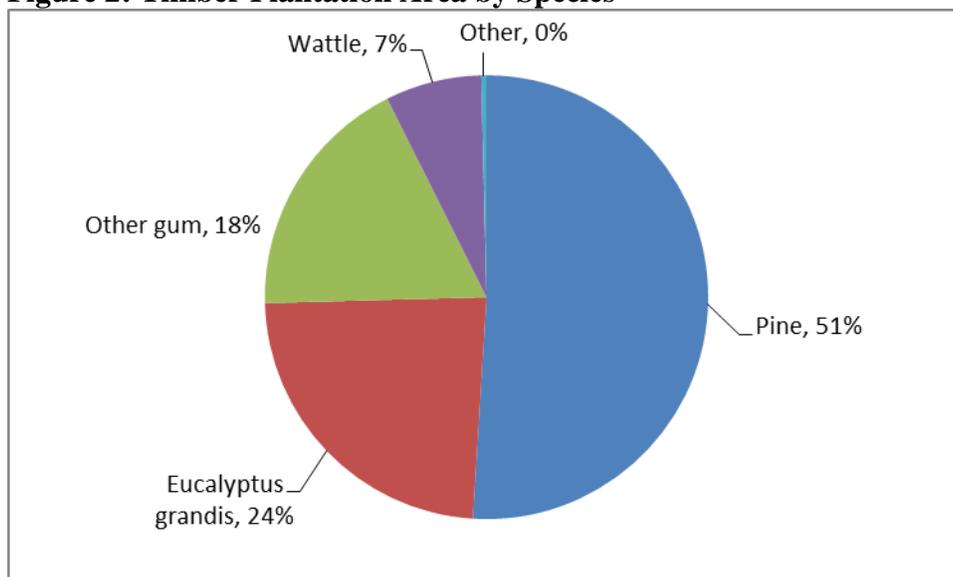
Figure 1: Timber Plantation Area by Province



Source: Forestry South Africa

Pine is the predominant timber specie and soft wood grown in South Africa. In the 2011/12 MY pine accounted for 51 percent of the total planted area by specie. Eucalyptus grandis (24 percent), other gum (18 percent) and wattle (7 percent) are the main hardwood species planted in South Africa, as shown in **Figure 2**.

Figure 2: Timber Plantation Area by Species



Source: Forestry South Africa

Timber production

South Africa produces approximately 16 Million MT (18.2 Million m³) of timber annually. **Table 1** shows that pulpwood constitutes the bulk of timber produced in South Africa. Approximately, 64 percent of timber produced in South Africa is pulpwood. This is mainly driven by the five major pulp and paper manufactures (Kimberly-Clark, Mondi, Mpact, Nampak and Sappi) who own or contract at least 70 percent of the total area planted to timber in South Africa.

Table 1: Timber production by product in the 2011/12 MY

	Production - Tonnage			Production - m ³		
	Soft	Hard	Total	Soft	Hard	Total
Pulpwood	3,308,541	6,570,232	9,878,773	3,308,541	8,803,976	12,112,517
Sawlogs	4,693,456	83,528	4,776,984	4,411,143	74,456	4,485,599
Mining Timber	0	557,354	557,354	0	814,787	814,787
Poles	43,983	228,768	272,751	61,003	317,292	378,295
Other	62,201	271,129	333,330	62,201	357,685	419,886
Total	8,108,181	7,711,011	15,819,192	7,842,888	10,368,196	18,211,084

Source: Forestry South Africa

Table 2 below shows the production volumes of timber species in South Africa. Pine is the predominant timber specie and soft wood produced in South Africa, followed by Eucalyptus grandis, other gum and wattle.

Table 2: Timber production by species in the 2011/12 MY

Timber Species	Production - Tons	Production - m³
Pine	8,108,181	7,842,888
Eucalyptus grandis	3,811,108	5,555,817
Other gum	2,928,395	3,653,378
Wattle	935,557	1,113,401
Other	35,951	45,600
Total	15,819,192	18,211,084

Source: Forestry South Africa

Exports

South Africa exports approximately US\$376 Million of forestry products excluding pulp and paper. Asia is South Africa`s largest export market for forest products. In 2013, South African exports to Asia were 45 percent of the total exports by value, followed by Sub-Saharan Africa at 29 percent and the European Union (EU) at seven percent. South African exports to the United States were only one percent of the total exports by value. Most South African wood products are able to enter the EU markets without any tariffs under the Generalized System of Preferences (GSP). South Africa also has access to the US market through the African Growth and Opportunity Act (AGOA).

Table 3: Value of South African Forest Products Exports excluding Pulp/Paper

South Africa Export Statistics			
Commodity: Forest Products excl. Pulp/Paper, Group 15 (2012)			
Year Ending: December			
Partner Country	United States Dollars		
	2011	2012	2013
World	427,112,681	382,757,365	375,915,503
Japan	203,320,753	157,110,502	144,387,697
Mozambique	27,149,724	29,984,465	35,637,242
Zambia	18,692,923	13,295,703	21,377,219
Zimbabwe	20,661,573	22,062,206	17,872,476
United Kingdom	30,933,621	24,634,963	15,516,211
China	334,337	4,172,730	14,665,608
Australia	20,826,251	16,330,376	13,859,499
Congo Dem. Rep.	9,595,734	13,205,121	9,399,199
Botswana	0	2,003,138	9,152,987
Tanzania	7,137,569	10,063,695	9,107,062
Angola	5,501,889	7,116,387	6,217,818
Kenya	6,150,351	6,207,910	5,765,660
India	273,570	300,954	5,018,210
Netherlands	10,411,868	17,059,661	4,955,513
United States	1,353,011	1,357,803	4,639,134
Other	64,769,507	57,851,751	58,343,974

Source: Global Trade Atlas (GTA)

Imports

South Africa imported approximately US\$355 Million worth of forest products excluding pulp and paper in 2013. The EU and SADC countries have access to the South African market duty free on all wood and wood products. Asia (45 percent), EU (20 percent) and Sub-Saharan Africa (12 percent) are the largest exporters of forest products by value into South Africa. United States imports are approximately six percent of South Africa's total imports.

Table 4: Value of South African Forest Products Imports excluding Pulp/Paper

South Africa Import Statistics			
Commodity: Forest Products excl. Pulp/Paper, Group 15 (2012)			
Year Ending: December			
Partner Country	United States Dollars		
	2011	2012	2013
World	353,428,254	354,580,342	355,250,253
China	68,592,470	76,252,250	78,095,078
Malaysia	62,240,254	63,622,583	51,957,136
Brazil	36,725,450	34,407,805	25,911,663
Germany	16,203,957	18,077,260	23,368,460
United States	16,506,566	15,305,703	20,502,832
France	19,045,643	18,462,296	19,296,198
Indonesia	20,629,547	22,694,782	19,090,736
Gabon	15,430,481	14,957,389	12,526,047
Swaziland	0	0	8,461,701
Spain	4,360,615	3,372,707	7,078,183
Zimbabwe	7,631,552	7,945,144	6,707,155
Argentina	17,161,916	7,657,864	6,458,408
Malawi	2,959,373	4,762,261	6,038,475
Uruguay	683,464	1,870,983	5,870,162
Austria	3,192,086	4,424,018	4,999,733
Italy	1,454,201	2,154,296	4,842,508
Finland	1,465,158	2,643,816	4,022,566
Ghana	4,308,327	3,067,298	3,157,361
Singapore	5,505,328	3,771,065	2,995,527
Thailand	4,841,216	4,460,483	2,704,267
Chile	3,526,038	2,868,417	2,602,603
Belgium	2,148,293	2,112,487	2,510,384
Netherlands	6,798,628	7,233,025	2,504,481
United Kingdom	2,155,257	2,670,832	2,403,943
Other	29,862,430	29,785,580	31,144,646

Source: GTA**Customs Duties**

The following link provides the customs duties applicable to wood and wood products imported into South Africa. Chapter 44 of the schedule applies to wood and wood products. [Download South Africa's](#)

Customs Duties. The European Union and SADC countries have access to the South African market duty free on all wood and wood products.

Standards and regulations

An import permit in terms of the Agricultural Pests Act, 1983 (Act No. 36 of 1983) is required for importation of wood and wood products into South Africa. The application form and tariff regarding importation of wood and wood products can be obtained and submitted to the following email addresses; PlantHealthPermits@daff.gov.za. Table 5 provides the list of forest and timber standards and regulations applicable in South Africa.

Table 5: South African Forest and Timber Standards and Regulations

Regulations	Website Link
Agricultural Pests Act, 1983	http://www.nda.agric.za/doaDev/sideMenu/plantHealth/docs/Agricultural%20Pests%20Act.pdf
South African Bureau of Standards (SABS) Timber Certification and Standards	https://www.sabs.co.za/Sectors-and-Services/Sectors/Timber/timber_ac.asp
SABS Building and Construction Certification and Standards	https://www.sabs.co.za/Sectors-and-Services/Sectors/Building/building_ac.asp
Protocol for the treatment	http://www.sawpa.co.za/documents/Protocol_treatment_of_timber_imported_revison%201_2011_06_30.pdf

nt of imported timber	
National building regulations and building standards Act No. 103 of 1977	http://www.thedti.gov.za/business_regulation/acts/building_standards_act.pdf
Housing Consumers Protection Measures Act, 1998	http://www.nhbr.org.za/files/acts/HOUSING%20CONSUMERS%20PROTECTION%20MEASURES%20ACT%2095%20OF%201998.pdf
Import Procedures	http://www.nda.agric.za/daoDev/sideMenu/plantHealth/docs/importProcedure.pdf
National Forestry Act, 1998	https://www.dwaf.gov.za/Documents/Forestry/NFA1998Regulations29April2009.pdf
Amendments to the National Forestry Act, 1998	https://www.dwaf.gov.za/Documents/Legislature/a35-05.pdf
National Veld and Forestry Fire Act, 1998	https://www.dwaf.gov.za/Documents/Forestry/Tact101.pdf

Table 6: Useful Links

Name	Website
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Forestry South Africa	www.forestry.co.za
The Institute of Timber Frame Builders (ITFB)	www.itfb.co.za
Thatcher's Association of South Africa	www.sa-thatchers.co.za
Institute for Timber Construction	www.itc-sa.org
Sawmilling South Africa	www.sawmillingsouthafrica.co.za
The South African Wood Preservers Association (SAWPA)	www.sawpa.org.za or www.sawpa.co.za
South African Utility Pole Association (SAUPA)	http://www.thewoodfoundation.co.za/images/SAUPA%20Profile%20TWF.pdf
Paper Manufacturers Association of South Africa (PAMSA)	www.thepaperstory.co.za
The Wood Foundation	www.thewoodfoundation.co.za
Department of Agriculture, Forestry and Fisheries	www.daff.gov.za
South African Bureau of Standards (SABS)	www.sabs.co.za