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France

Solid Wood Products

Annual

2001

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Report Highlights:
The United States takes the lion's share of France's imports of temperate hardwood logs and lumber. Despite a strong dollar, exports of U.S. wood products, especially hardwood logs and lumber, increased in CY 2000 and 2001, while most other U.S. agricultural exports to France declined. In CY 2001, wood consumption increased, driven by hikes in housing starts and building renovations. However, French forecasts are less buoyant for CY 2002 as the economy is forecast to slowdown. Nevertheless, market opportunities will still exist, especially for U.S. cherry and maple exports for the furniture industry, for oak for barrel production, and because of their experience and expertise, for U.S. wooden home manufacturers in the growing French wooden housing sector.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
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Paris [FR1], FR

Executive Summary

France's forests cover more than 29 percent of the country. After centuries of loss to agriculture and urbanization, the French forest area has been steadily growing since the mid 20th century to 16 million hectares. In CY 2000, hardwood represented 63 percent of the French forest, while softwood represented 27 percent and mixed forest the remaining part.

The short-term impact of the 1999 hurricanes Lothar and Martin which destroyed about 148 million cubic meters of wood have worked its way through the system according to the French wood industry. After prices decreased, some species more than 50 percent in the first half of 2000, wood prices, especially for superior quality oak, have regained most of the lost ground. However, availability of some quality French wood may be down for several years until new trees become usable for timber, thus opening opportunities for U.S. hardwood exporters.

The wood sector in France employed in 1999 (no CY 2000 data available) about 257,000 workers in 35,000 companies with a total revenue of about USD 37 billion (including USD 7 billion for the paper and cardboard industry). This sector is supported by the State through the Ministry of Agriculture and the Ministry of Industry, and by regions, counties and by the European Union. In 1999 and 2000, the French wood industry has now come out from the recession that hit the French economy between 1992 and 1996. Due to the rebound in economic activity, there has been a surge in housing starts, especially for single family dwellings. Most wood subsectors including the joinery, wood panel and furniture industries fared much better in CY 2000 and, according to preliminary data, in CY 2001. Moreover, recent studies showed that consumers are using more wood products for housing and furniture. Wood is now perceived as a more "natural" and environmentally friendly material than plastic or metal.

However, forecasts for 2002 are gloomier. Most analysts foresee a turndown in the French economy, with growth limited to 1.5 percent or even below. It is true that craftsmen such as carpenters have full order books which should keep them busy well into CY 2002, but some data show that production in the furniture and other wood sectors may slow down and even enter into recession.

In CY 1999, total French wood and wood products exported amounted to USD 3.1 billion while imports reached 4.4 billion. Apart from some lumber and plywood trade (mostly with tropical hardwood), most French exports and imports are within the European Union. The United States provided about 5 percent of France's total wood product imports (in value), but is the largest supplier to France of temperate hardwood lumber and a major supplier of hardwood logs for lumbering (Note that trade matrices include hardwood logs for pulpwood). The United States also supplied 3 percent of imported plywood (mostly softwood plywood) and a residual amount of imported softwood lumber. In the future, U.S. wood exporters will have to compete with either domestic wood producers, as domestic production of precious temperate hardwood increases (once the temporary shortage generated after the 1999 hurricanes ends), and with increasingly competitive EU and Eastern European countries. Imports of hardwood lumber and even finished products from Slovakia, Romania and Poland, especially when those countries join the European Union, may impact negatively U.S. hardwood exports to France. On the other hand, most French importers say it is the strength of the dollar against the Euro that is the most dangerous threat to U.S. wood exports to France.

While nearly 80 percent of U.S. hardwood exports to France are used in the furniture industry, U.S. hardwoods are also used for flooring, moldings and paneling. U.S. exporters are able to more consistently provide large volumes of logs and lumber, compared to the smaller domestic suppliers. Users also praise the quality of the U.S. wood, especially in the furniture industry. In France, U.S. wood products are imported either through agents or importers, who sell them to small and medium sized users, or directly from the United States by the largest users. Preliminary data for CY 2001 show that U.S. softwood lumber exports to France have continued to plummet, mainly because of strong competition from Northern Europe, while exports of hardwood logs and lumber have grown sharply, despite strong domestic and foreign competition and the high value of the U.S. dollar, but driven by strong demand in the furniture industry for quality hardwood not available elsewhere.

IMPORTANT NOTE: Data in this report are gathered from different sources. Production data come mainly from the French Ministry of Agriculture, the French Ministry of Industry and the Technical Center for Wood and Furniture. Trade data come mainly from Customs, French Ministry of Agriculture and French Wood Trade Associations. These data often present significant discrepancies, especially between PS&D and Trade Matrices. Post has chosen to use the most accurate and reliable data for the PS&Ds, while trade matrices, due to problems with the customs classifications and the conversion from metric tons to cubic meters, may not accurately gauge the volume of trade but instead should be used to reflect the relative shares of the different suppliers and customers of wood and wood products.

Average Exchange Rate used in this report for:
CY 1998: USD 1.00 = FF 5.90
CY 1999: USD 1.00 = FF 6.15
CY 2000: USD 1.00 = FF 7.13

FOREST PRODUCT STRATEGIC INDICATOR TABLE

FOREST PRODUCT						
STRATEGIC INDICATOR TABLES FOR (COUNTRY)						
(Please do not add/delete rows or columns -- note and other info must be added below row 110 -- thank you!)						
CONSTRUCTION MARKET						
Country: FRANCE	Previous	Current	Following			
Report Year: 2001	Calendar Year	Calendar Year	Calendar Year			
Total Housing Starts (thousand units)	N/A	N/A	N/A			
--of which, wood frame (thousand units)	6	7	7			
--of which, steel, masonry, other materials (thousand units)	N/A	N/A	N/A			
--of total starts, residential (thousand units)	311	320	300			
----of residential, single family (thousand units)	188	185	175			
----of residential, multi-family (thousand units)	123	135	125			
--of total starts, commercial (thousand units)	N/A	N/A	N/A			
Total Value of Commercial Construction Market ($US mil)						
Total Value of Repair and Remodeling Market ($US million)						
FURNITURE & INTERIORS MARKET						
Country:	Previous	Current	Following			
Report Year:	Calendar Year	Calendar Year	Calendar Year			
Total Housing Starts (number of units)	N/A	N/A	N/A			
Total Number of Households)	23,500	23,500	23,500			
Furniture Production ($US million)	3,200	3,350	3,300			
Total Furniture Imports ($US million)	1,943	1,960	2,000			
Total Furniture Exports ($US million)	988	1,020	1,090			
Interiors Market Size ($US million)	4,155	4,290	4,210			
MATERIAL HANDLING MARKET						
Country:	Previous	Current	Following			

Report Year:	Calendar Year	Calendar Year	Calendar Year			
Total Value of Industrial Output ($US million)	400	420	410			
New Pallet Production (million units)	41,000	42,000	40,000			
FOREST AREA						
Country:	Previous	Current	Following			
Report Year:	Calendar Year	Calendar Year	Calendar Year			
Total Land Area (million hectares)	55	55	55			
Total Forest Area (million hectares)	16	16	16			
--of which, Commercial ('000 hectares)	15	15	15			
----of commercial, tropical hardwood ('000 hectares)	0	0	0			
----of commercial, temperate hardwood ('000 hectares)	9	9	9			
----of commercial, softwood ('000 hectares)	6	6	6			
Forest Type						
--of which, virgin ('000 hectares)	N/A	N/A	N/A			
--of which, plantation ('000 hectares)	N/A	N/A	N/A			
--of which, other commercial (regrowth) ('000 hectares)	N/A	N/A	N/A			
Total Volume of Standing Timber (thousand cubic meters)						
--of which, Commercial Timber ('000 cum)	1,865,000	1,900,000	1,900,000			
Annual Timber Removal ('000 cum) 1/	184,000	25,000	30,000			
Annual Timber Growth Rate ('000 cum)	80,000	80,000	80,000			
Annual Allowable Cut ('000 cum)						
1/ If Removals exceeds growth rate, analyze impact in text.						
WOOD PRODUCTS SUBSIDIES						
Country:	Previous	Current	Following			
Year of Report	Calendar Year	Calendar Year	Calendar Year			
Total Solid Wood Export Subsidy Outlay ($US million)	0	0	0			

Is there a ban on the export of logs, lumber, or veneer? 1/	No	No	No			
Are there export taxes (yes/no)? 2/	No	No	No			
Total Wood Production Subsidy ($US million)	450	450	450			
Scope (thousands of hectares)	N/A	N/A	N/A			
Are there other wood products export expansion activities? 1/	N/A	N/A	N/A			
1/ If yes, describe in report.						
2/ If yes, identify in Tariff and Tax Strategic Indicator Table.						
FOREST PRODUCT TARIFFS AND TAXES (percent)		Tariff	Tariff	Other		
Country:	Product	Current	Following	Import	Total Cost	Export
Report Year:	Description 1/	Year	Year	Taxes/Fees	of Import 2/	Tax
4401		Same				
4403		as				
4404		European				
4405		Union Tarif				
4406		Rates				
4407						
4408						
4409						
4410						
4411						
4412						
4413						
4414						
4415						
4416						
4417						
4418						
4419						
4420						
4421						

4422						
4423						
4424						
4425						
Pre-fabricated Houses, a subsection under chapter 96						
1/ Insert additional lines for Commodity tariff identification should tariffs vary within the four-digit designation						
for major products exported by the U.S. (e.g., 4412.19: softwood plywood 3%, 4412.XX: other plywood, 9%).						
2/ Calculate as tariff plus other import taxes/fees assuming a commodity value of $100.						

FRANCE FOREST OUTLOOK,

General

France's forests cover more than 29 percent of the country. After centuries of loss to agriculture and urbanization, the French forest area has been steadily growing since the mid 20th century to 16 million hectares. In CY 2000, hardwood represented 63 percent of the French forest, while softwood represented 27 percent and mixed forest the remaining part. Hardwood timber is grown as high forest and coppices while softwood timber is almost exclusively grown as high forest.

Eleven species of pine cover 63 percent of all the softwood area. The maritime pine tops the list (1.4 million hectares) followed by the Scots pine (1.1 million hectares) and the Aleppo pine. Spruce and firs are equally widespread. Fourteen hardwood species occupy a minimum area of 50,000 hectares, which is a good indicator of the biological diversity of France's forests. Oak timber, mainly from the sessile and common oak species (4.2 million hectares for the two), covers half of the hardwood area. Beech timber covers 1.3 million hectares. Chestnut timber ranks third. The other hardwood species are much more scattered in forests.

WOOD SECTOR

General outlook

The wood sector in general includes companies involved in activities from tree cultivation and harvesting, wood lumbering and trade, to the production of wood products such as furniture, wood frames, and joinery. It employed in 1999 (no CY 2000 data available) about 257,000 workers in 35,000 companies and had about USD 37 billion in revenues (including USD 7 billion for the paper and cardboard industry). Most of the companies are small: fewer than 1,900 of them employ more than 20 workers. This characteristic weakens the French wood sector, since many companies are too small and have little investment capacity. It also limits their ablility to reduce production costs that could occur from economy of scale: structurally, most French wood processing companies are not competitive, and will face growing problems when EU norms are applied: for instance, too few French wood mills have up-to-date dryers for lumber, thus preventing their production to bear the CE mark in the future.

At the end of CY 1999, the wood industry had came out from the recession that hit the French economy between 1992 and 1996. After almost a decade of decline, employment has increased since 1998. The sector also stopped losing companies since the turnaround. Investment which had remained high throughout the decade remained buoyant from 1998 to 2001. Innovation, research and development has also remained strong in the wood sector with more than 45 percent of the companies investing in new products and process.

Preliminary data for the end of 2001 and forecast for 2002 are gloomier. The French economy may enter into recession, or at least come close to zero growth. The wood sector may feel the effects a few months later due to standing orders. Order books were full by the end of 2001, and wood craftsmen such as carpenters and small furniture makers suggest they will be fully booked until at least mid-2002.

For more information about the French wood industry:
UIB (Union des Industries du Bois)
33, rue de Naples, 75008 PARIS
Tel. : +33(0)1 53 42 15 50 Fax : +33(0)1 53 42 15 51
Internet: http://www.industriesdubois.com

Public support of the wood industry
Forest management in France has been encouraged by the government since the XVIth century when wood was a strategic material used to build warships. Today's French Republic continues to support wood planting. The Ministry of Agriculture itself manages more than 3.4 million hectares of state or city owned forest through a governmental organization, the "Office National des Forêts" (National Forest Office) . The Ministry of Agriculture used to manage the National Forestry Fund (FFN), a special treasury account. Its revenue comes from a tax on wood-based products and the land clearance tax. Since 1947, with the financial help of the FFN, private owners and cities have planted or replanted 2.2 million hectares of forest. These plantings have been carried out on farmland, meadows, fallow and heath. The annual plantation rate is about 20,000 hectares. In the early years of the FFN, most of the trees planted were coniferous, which will lead to a rise in softwood production of about 10 million CUM by 2010. However, since the early 1980's, temperate hardwood species have been more favored, including precious hardwoods such as red oak, cherry, ash, sycamore and timber walnut. The FFN also subsidized building and improvement of forest tracks and roads.
In 2000, the FFN was abolished and replaced by direct funding from the State's budget.

The Ministry of Agriculture also uses European Union (EU) rural development funds to improve forest management in rural areas. The French National Statistical Institute (INSEE) estimated in CY 2000 public support to productive forestry at USD 366 million.

The wood industry also benefits from supports from the State through the Ministry of Industry and Trade as well as from the regions and counties, to modernize its equipment. Details of such support are not available.

For more information about French public policy on the wood sector:

Ministry of Agriculture and Fisheries,
Direction de l'Espace Rural et de la Forêt
Sous-Direction de la Forêt *(Directorate for Forest)*
19, avenue du Maine, 75732 Paris cedex 15
Tel: 33.(0)1.49.55.51.19 Fax: 33.(0)1.49.55.41.97

Sous-Direction des Industries du Bois *(Directorate for wood industry)*
19, avenue du Maine, 75732 Paris cedex 15
Tel: 33.(0)1.49.55.51.88 Fax: 33.(0)1.49.55.40.76

Internet: http://www.agriculture.gouv.fr

Promotion of French wood products
In November 2001, various French wood organizations, under the umbrella of the French Wood Federation (Fédération Nationale du Bois) launched a promotion agency, called "French Timber". Similar to foreign structures such as AHEC or the Nordic Timber council, this agency will aim at promoting French wood and wood products worldwide, but will first target North African markets. By the end of 2001, no further details were available on its budget and structure.

French Forest Stewardship Certification (FSC)
In 2001, France joined the PEFC scheme. So far, no acreage has been certified in France under PEFC, but it is expected that several thousands hectares will be by the end of 2002, both in private and public forests. The FSC scheme has been found unsuitable for French forest, because French forests are often too small and too divided between private owners. However, about 12,000 hectares of French forest have been certified under FSC scheme.

Under the pressure of NGOs, there is growing demand, especially from large Do It Yourself (DIY) superstores retailers, for certified wood products. So far, large French DIY retailers such as Castorama and Leroy Merlin, supported the FSC scheme. However, the French wood sector hope that there would be a mutual recognition of certifying schemes and both PEFC and FSC schemes would be accepted by the retailers.

To contact the French PEFC coordinator:
stephane_marchesi@yahoo.fr

CONSTRUCTION SECTOR

General
In 2000, residential housing starts totaled 311,000 units, down 2 percent from CY 1999. Commercial building starts totaled 40,000 sq. meters (unit figure is not available), up 15 percent from CY 1999. The house renovation industry continued to grow significantly in CY 2000, fueled by the decrease in the VAT (Value Added Tax) on building and renovation related works initiated by the GOF in September 1999. Estimates for 2001 are somehow mixed, with a slowdown in new construction starts, but strong growth in the renovation sector.

There is great uncertainty about the economic situation in France for 2002. Limited -if not zero- economic growth is now forecasted for 2002. Such a slowdown will certainly impact the construction sector.

Wood demand in France for home construction, while growing, has been mainly for decorative purposes. French builders of wood homes are now trying to emphasize the other aspects of wood such as positive thermal, acoustic, and ecological qualities, cleaner work-sites and less construction delays.

In March 2001, the French Ministries for Agriculture, Environment, Housing, together with other public organizations, signed a charter to promote the use of wood in the construction sector. This charter aims at increasing the use of wood by 25 percent by 2010 (currently, wood represents about 10 percent of all material used for the construction sector). Such increase would mean the use of 4 million cubic meters more by 2010. Use of wood in the construction of public buildings, road works and social housing is especially targeted by this charter.

For more information about the promotion of wood in the construction sector:

CNDB Comité National pour le Développement du Bois
6, rue St Mandé, 75012 PARIS
Tel. : +33(0)1 53 17 19 60 Fax : +33(0)1 43 41 11 88
Internet: http://www.boisconstruction.org

Wood Panel Sector

General

Wood panels in France are produced by about 80 companies. Total sales amounted in CY 2000 to 11 billion FF (USD1.5 billion). Plywood production uses mostly tropical logs (68 percent) and softwood logs (26 percent). More than half of French panel production is used in the building sector, 40 percent in the furniture industry and 10 percent for packaging and other uses. While preliminary data for CY 2001 show in increase in sales, other sources state that overall, CY 2001 will show a decrease in wood panel production, due to the downturn in the construction sector, especially in the second half of CY 2001.

Trade

In CY 2000, French exports of wood panels increased to FF 3.9 billion (USD 547 million). Imports amounted to FF 3.4 billion (USD 480 million). Belgium, Germany, Indonesia and increasingly Brazil are the largest suppliers of wood panels to France while Germany, Netherlands and the United Kingdom are the largest customers for French wood panels.

In spite of a global surge in demand for plywood due to the growth in the construction and furniture industries, U.S. plywood exports to France decreased in CY 2000. This decrease is mainly attributed to strength of the U.S. dollar and an increased competition from both domestic and EU suppliers. However, French plywood importers appreciate the ability of U.S. exporters to reliably provide large volumes of high quality softwood plywood.

Wood Frame Housing

About 5,000 wood housing units are constructed annually, of which 4000 are wood frame units. It is estimated that this figure may double by 2010, as shown by the growing audience for the Wooden House Show held in Angers, in western France, every year (2002 edition will take place on October 4-7). The growing demand for wood frame houses is mainly linked to growing environmental awareness. Several Canadian and Scandinavian companies have recently started to develop their wood frame activities in France.

The CNDB has also launched several programs to boost the construction of wooden houses in France. It plans to teach architects, craftsmen and construction companies about the assets of wood houses, especially of wooden frame houses. Development of easy-to-use building kits by wood frame manufacturers will be encouraged to reduce construction costs.

Woods used in wood frame residential housing are generally of French origin, usually fir or spruce. If imported, the wood may come from Germany, Austria or Scandinavia, and the solid wood for housing construction usually is French, Scandinavian or Canadian. Logs and lumber of U.S. origin are usually too expensive compared to the price of domestic or northern European log and lumber.

For more information about the Wooden House Show in Angers: http://www.salon-maison-bois.com/

There is also a French publication (http://www.maisons-et-bois.com) which presents various examples of French wood frame houses.

Opportunities for U.S. Business

U.S. home manufacturers, with their experience and expertise in the wooden home construction industry, now have opportunities in France. American expertise in the field of wood frame construction, starting at the sawmill and continuing all the way to the finished house, has greatly interested French industry experts. Moreover, French homebuilders are interested in using U.S. standards and specifications for their industry.

U.S. manufacturers and exporters interested in more information should contact

Association des Enterprises Françaises de Construction en Bois, (AFCOBOIS),
10, rue du Débarcadère, 75017 Paris, Tel: (33) 1 40 55 14 98 Fax: (33) 1 40 55 14 97
Internet: http://www.maisons-bois.org

Joinery

Beginning in the 1980's, French consumers have moved from wooden and metal frames to plastic polyvinyl chloride (PVC). PVC window frames were used primarily in the renovation market, with aluminum in multi-family housing and wood in individual homes. While PVC has been the fastest growing material used for windows, individual home owners still prefer wood. However, it appears now that durability of PVC window frames is shorter than previously expected. Morever, some French insurance companies may follow their German counterparts by providing fire insurance discounts for houses using wood frame windows instead of PVC frames (which emit toxic fumes when burning).

Contacts for Interested U.S. Exporters
Syndicat National de la Fabrication des Menuiseries Industrielles (SNFMI)
30, avenue Marceau, 75008 Paris, Tel: (33-1) 47 20 17 32 Fax: (33-1) 47 20 76 31
Internet: http://www.snfmi-menuiserie.fr/

Wood Floor Industry

The upturn in the construction industry benefitted the wood floor industry in CY 2000. However, due to the competition from Asian and Eastern European suppliers, prices are likely to remain sluggish, especially in the lower and middle-price part of the market. Nevertheless, according to consumer surveys, the high price of wood flooring is still a major drag on demand, despite a very good image of quality and durability.

In France, there is a demand for “ecological” and “natural” products, which helps sell wood, especially wood flooring. Most (50-70 percent) French wood floors are oak, but light wood species (such as maple and beech but not ash) are becoming more popular with the French public. Wood flooring used in renovations represents 50 percent of total French wood floor consumption.

U.S. temperate hardwood is a good alternative for French flooring producers, who, above all, appreciate the ability of U.S. suppliers to provide large volumes of lumber of homogenous quality and precise thickness size (although some shipments reportedly have had inadequate sawn width sizes). However, The growing demand for tropical hardwood flooring may in the future impact production of temperate hardwood flooring and ultimately reduce demand for U.S. hardwood for flooring.

FURNITURE INDUSTRY

General
The growth in the furniture industry is closely linked with the growth of the construction industry. Furniture is often purchased during a first moving-in or, during a removal, to complete or replace existing furniture. As the construction sector is now rising from the deep recession of the past years, French furniture industry sales grew by an estimated 9 percent in CY 1999 (last data available). Estimates for CY 2001 show a continuation of the growth, both for the office furniture and for the household furniture. However, a reversal of the economic situation in 2002 may impact negatively on the furniture industry.

Furniture Distribution System in France
The four largest furniture distribution channels in France are large furniture outlets (45 percent of sales), smaller traditional furniture stores (20 percent), department stores (10 percent), and stores specializing in sales by mail (25 percent).

Consumer Preferences
The type of wood species used in France for furniture changes with the fashion. Wild U.S. cherry used to be popular in France but now is more used in Denmark, Italy and Germany.

The main species used in France are listed below:

USE	TYPE OF WOOD
Children's and low budget furniture	Pine, fir, spruce
Chairs, seats and institutional furniture	Beech, ash
Bedsprings and frame/supports furniture	Poplar
Traditional furniture (antique & country)	Oak, wild cherry
High quality antique furniture	Walnut
Indoor furniture	Chestnut and maple
Modern furniture	Elm (more and more scarce)

According to the American Hardwood Association (AHEC), some leading manufacturers of French furniture have shifted from buying mainly FAS grade (firsts and seconds), to more No 1 common and even No 2. Sap is always disliked, but some other characteristics like knots have become acceptable and even fashionable. The current cherry specifications are similar to white oak specifications. Maple is mainly specified F1. white and limited quantities of red oak are required in FAS for molding or when long lengths are required. More red alder is being used, possibly because of high cherry prices. Interest is increasing in tulipwood (known locally as tulipifera), and there is currently more experimenting with new hardwood species (including Chilean lenga) than ever before. Some have expressed concerns over the number of furniture companies that recently invested in plants to use fiberboard/MDF instead of solid wood.

Both furniture and non-furniture sectors need logs and lumber, which are resawn to the lumber specifications of grade, thickness and width demanded by French manufacturers. Logs are often further dried to 10-12 percent moisture content (preferred in European countries) rather than the US standard of 6-8 percent.

Trade
France has a net trade deficit in furniture, with imports about one-third greater than exports. France is the third largest EU exporter of furniture (after Italy and Germany). EU countries buy 62 percent of France's exports. EU countries, Brazil and Romania are the major suppliers of furniture to France.

Market Development Programs in France for Wood Products
The Fédération Nationale du Bois (FNB), a private organization of about 2,000 members (composed mainly of wood traders and sawmill operations) has export promotion activities in foreign countries such as trade missions and seminars. FNB's budget is not available.

FNB: Fédération Nationale du Bois
6, rue François 1er, 75008 PARIS
Téél. : +33(0)1 56 69 52 00 Fax : +33(0)1 56 69 52 09
Internet: http://www.fnbois.com

FRANCE: MARKET OPPORTUNITIES FOR U.S. EXPORTERS

Many feel that there is great potential for U.S. wood products in France. France is the 6th largest customer for U.S. temperate hardwood. Data for the first half of 2000 show that French imports of U.S. hardwood remained strong despite a high dollar value and increased competition from both domestic production and imports. Note that the American Hardwood Export Council (AHEC) reports that consumption of American hardwood is far larger in France than the official statistics of 50,000-60,000 cubic meters per year. The French Wood Importers Federation believe the real consumption of American hardwood in France is close to 100,000 cubic meters, with many shipments coming through third countries (mostly Belgium), and some direct sales to manufacturers that may be mis-classified in the Customs data. Due to the storms of December 1999, domestic supply of hardwood logs and lumber had certainly increased in CY 2000 and early CY 2001, but once this oversupply is consumed, market conditions for imported hardwood logs and lumber will certainly improve.

French wood buyers purchase predominantly white oak, although its share is declining due to competition from French white oak, while red oak and western red alder are up. Cherry is more often purchased as logs, and cherry lumber and veneer imports into France are declining. In the future, U.S. wood exporters will have to compete with French wood producers, as domestic production of precious temperate hardwood increases. The U.S. will also face increasing competition from other EU countries as well as from Eastern European countries, especially when those countries join the European Union. However, trade sources indicate that French red cherry is likely to be both lower in quality and in quantity in 2002, increasing the potential for U.S. red cherry exports to France. Sources also mentioned the inferior quality of red cherry imported from eastern Europe (Slovakia, Romania).

The development of FSC schemes in the United States can also be an asset for U.S. hardwood exporters as more and more French users, under pressure from retailers and distributors, require their suppliers to provide certified wood and wood products.

Now widely known by French furniture manufacturers, American hardwood species still need to be made more popular with French architects, interior designers and joinery manufacturers. This is the current strategy of the American Hardwood Export Council . AHEC exhibited at the 2000 Carrefour du Bois wood show in Nantes, together with several American wood companies, and will exhibit again at the 2002 edition which will take place in May 2002 in Nantes.

One opportunity for U.S. exporters in France is to supply raw materials for the manufacture of wine barrels. Oak is used to manufacture 400,000 barrels per year (about 200,000 cubic meters of logs). Specifications for the type of wood differ by regions and by the type of wine the barrel will contain.

On the other hand, exports of U.S. softwood lumber and products to France is becoming increasingly difficult because of the strong competition from northern Europe exporters, because of the weakness of the Euros versus the U.S dollar.

U.S. exporters willing to expand their sales to France can either sell their products through an agent (which will make the contact with a French buyer), an importer (which will buy the wood, stock it and resale it) or directly to an end-user (usually a large wood product manufacturer).

Contact for US exporters looking for an agent/importer in France:
Mr. Eric Boilley, Director
Fédération Francaise des Bois Tropicaux et Americains
6, avenue de St Mande, 75012 Paris Tel: (33) 1.44.75.58.58 Fax: (33) 1.44.75.54.00
E-mail: lecommercedubois@wanadoo.fr
Internet: http://www.lecommercedubois.com/

French Import Regulations for Furniture and Wood Products
The French Technical Center for Wood and Furniture (CTBA: http://www.ctba.fr) develops and monitors French and EU standardization programs, and analyzes European rules and regulations in cooperation with the BNBA (National Bureau for Wood and Furniture). According to EU Sanitary rules which may also apply, some wood need to be accompanied by sanitary certificates issued in the United States by APHIS (http://www.aphis.usda.gov). Upon entry, wood shipment will be subject to sanitary control, both on the papers and on the shipment.

TABLES

Softwood Logs

PSD Table						
Country	France					
Commodity	Softwood Logs				1000 CUBIC METERS	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Production	16100	17000	16100	18000	0	15000
Imports	110	110	110	120	0	120
TOTAL SUPPLY	16210	17110	16210	18120	0	15120
Exports	400	900	500	800	0	400
Domestic Consumption	15810	16210	15710	17320	0	14720
TOTAL DISTRIBUTION	16210	17110	16210	18120	0	15120

Import Trade Matrix			
Country	France		
Commodity	Softwood Logs		
Time period	Jan-Dec	Units:	Cubic Meters
Imports for:	1999		2000
U.S.		U.S.	
Others		Others	
Switzerland	172345	Switzerland	288803
Germany	146345	Germany	154233
Belgium	115649	Belgium	74427
Spain	64507	Spain	53022
Total for Others	498846		570485
Others not Listed	29176		49571
Grand Total	528022		620056

Export Trade Matrix			
Country	France		
Commodity	Softwood Logs		
Time period	Jan-Dec	Units:	Cubic Meters
Exports for:	1999		2000
U.S.		U.S.	
Others		Others	
Spain	344526	Spain	1125988
Italy	218465	Portugal	401753
Germany	119160	Belgium	395652
Belgium	76382	Germany	275448
Switzerland	59784	Italy	262776
		Switzerland	31137
Total for Others	818317		2492754
Others not Listed	108691		175271
Grand Total	927008		2668025

Tropical Hardwood Logs

PSD Table						
Country	France					
Commodity	Tropical Hardwood Logs				1000 CUBIC METERS	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Production	0	0	0	0	0	0
Imports	820	857	0	860	0	860
TOTAL SUPPLY	820	857	0	860	0	860
Exports	40	40	0	40	0	40
Domestic Consumption	780	817	0	820	0	820
TOTAL DISTRIBUTION	820	857	0	860	0	860

Import Trade Matrix			
Country	France		
Commodity	Tropical Hardwood Logs		
Time period	Jan-Dec	Units:	Cubic Meters
Imports for:	1999		2000
U.S.		U.S.	
Others		Others	
Gabon	473202	Gabon	500538
Cameroon	172077	Liberia	129394
Liberia	74247	Equatorial Guinea	97519
Equatorial Guinea	58094	Cameroon	55089
Rep of Congo	29040	Rep of Congo	27503
Benin	25358	Central African Republic	11502
Zaire	9422	Zaire	11219
Belgium	7264	Belgium	8738
Central African Republic	7162		
Total for Others	855866		841502
Others not Listed	7044		15902
Grand Total	862910		857404

Temperate Hardwood Logs

PSD Table						
Country	France					
Commodity	Temperate Hardwood Logs				1000 CUBIC METERS	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Production	8600	9500	8600	9000	0	8000
Imports	385	375	385	385	0	390
TOTAL SUPPLY	8985	9875	8985	9385	0	8390

Exports	1400	1600	1400	1400	0	1200
Domestic Consumption	7585	8275	7585	7985	0	7190
TOTAL DISTRIBUTION	8985	9875	8985	9385	0	8390

The two trade matrices below includes roundwood for pulp and therefore overestimates the real trade in temperate hardwood logs for lumbering and milling. French oak logs exports in CY 2000 are estimated at 355,300 MT of which 240,100 MT were sold to EU countries.

Import Trade Matrix			
Country	France		
Commodity	Temperate Hardwood Logs		
Time period	Jan-Dec	Units:	Cubic Meters
Imports for:	1999		2000
U.S.	34186	U.S.	17295
Others		Others	
Spain	176483	Spain	231320
Belgium	160815	Belgium	666790
Germany	147729	Germany	139389
Switzerland	16114	Brazil	33252
Netherlands	7634	Switzerland	9049
Slovakia	4902	Canada	3911
Canada	4599	Netherlands	3620
Italy	3020	Slovakia	2996
		Italy	1658
Total for Others	521296		1091985
Others not Listed	14421		91960
Grand Total	569903		1201240

Export Trade Matrix			
Country	France		
Commodity	Temperate Hardwood Logs		
Time period	Jan-dec	Units:	Cubic Meters

Exports for:	1999		2000
U.S.	222	U.S.	4337
Others		Others	
BeItaly	567094	Belgium	841395
Belgium	474410	Italy	593310
Spain	240923	Germany	500497
Germany	152299	Spain	254695
Portugal	101015	China	205900
Hong Kong	51043	Portugal	139242
China	33669	Hong Kong	61420
Switzerland	30757	Luxemburg	48710
Luxemburg	29959	Switzerland	31681
Morocco	13364	Austria	18782
Total for Others	1694533		2695632
Others not Listed	62822		105177
Grand Total	1757577		2805146

Softwood Lumber

PSD Table						
Country	France					
Commodity	Softwood Lumber				1000 CUBIC METERS	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Production	8400	8708	8400	8000	0	8000
Imports	2100	2882	2100	2500	0	2500
TOTAL SUPPLY	10500	11590	10500	10500	0	10500
Exports	540	680	800	700	0	700
Domestic Consumption	9960	10910	9700	9800	0	9800
TOTAL DISTRIBUTION	10500	11590	10500	10500	0	10500

Import Trade Matrix			
Country	France		
Commodity	Softwood Lumber		
Time period	JAn-Dec	Units:	Cubic Meters
Imports for:	1999		2000

U.S.	15064	U.S.	8124
Others		Others	
Finland	836871	Finland	817312
Germany	493199	Germany	611571
Sweden	413260	CIS	446757
CIS	296614	Sweden	386652
Belgium/Lux	105842	Belgium/Lux	155386
Estonia	89194	Estonia	133667
Latvia	79778	Latvia	89213
Canada	36501	Austria	37453
Switzerland	18906	Switzerland	26760
Norway	18443	Canada	31975
Total for Others	2388608		2736746
Others not Listed	99576		137333
Grand Total	2503248		2882203

Export Trade Matrix			
Country	France		
Commodity	Softwood Lumber		
Time period	Jan-Dec	Units:	Cubic Meters
Exports for:	1999		2000
U.S.	3666	U.S.	379
Others		Others	
Spain	181133	Spain	218673
Belgium	83577	Belgium	89562
Italy	67743	Italy	68174
Germany	23495	Germany	24803
Total for Others	355948		401212
Others not Listed	82680		211444

Grand Total	442294		613035

Tropical Hardwood Lumber

PSD Table						
Country	France					
Commodity	Tropical Hardwood Lumber				1000 CUBIC METERS	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Production	290	234	290	250	0	250
Imports	269	395	250	450	0	420
TOTAL SUPPLY	559	629	540	700	0	670
Exports	12	33	20	40	0	40
Domestic Consumption	547	596	520	660	0	630
TOTAL DISTRIBUTION	559	629	540	700	0	670

Import Trade Matrix			
Country	France		
Commodity	Tropical Hardwood Lumber		
Time period	Jan-Dec	Units:	Cubic Meters
Imports for:	1999		2000
U.S.		U.S.	
Others		Others	
Brazil	137839	Brazil	110847
Cameroon	18476	Cameroon	83366
Malaysia	41410	Malaysia	53804
Ivory Coast	35803	Ghana	40378
Ghana	32722	Ivory Coast	34960
Belgium	17323	Belgium	15894
Spain	5656	Myanmar	3167
Indonesia	5385	Indonesia	2889
		Congo	2066
Total for Others	294614		347371
Others not Listed	68815		48432

Grand Total	363429		395803

Temperate hardwood lumber

PSD Table						
Country	France					
Commodity	Temperate Hardwood Lumber				1000 CUBIC METERS	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Production	3200	3000	3250	3000	0	3000
Imports	331	350	350	350	0	360
TOTAL SUPPLY	3531	3350	3600	3350	0	3360
Exports	790	820	840	800	0	800
Domestic Consumption	2741	2530	2760	2550	0	2560
TOTAL DISTRIBUTION	3531	3350	3600	3350	0	3360

(Note: Discrepancies between the PS&D and trade matrices is mainly due to the fact that different products including tropical hardwood lumber are listed as temperate hardwood lumber trade in customs data while some temperate hardwood lumber trade is listed under other categories. It can also explained by the fact that Post has used an average conversion coefficient to convert MT into Cubic Meters)

Import Trade Matrix			
Country	France		
Commodity	Temperate Hardwood Lumber		
Time period	Jan-Dec	Units:	Cubic Meters
Imports for:	1999		2000
U.S.	53188	U.S.	45869
Others		Others	
Belgium	25709	Belgium	23914
Germany	24325	Germany	20436
Canada	15085	Canada	14496
Spain	12523	Poland	8930
Poland	10825	Italy	5555
Slovakia	9196	Slovakia	4726
Switzerland	5071	Switzerland	3397

Italy	3754	Spain	1444
Total for Others	106488		82898
Others not Listed	39960		91532
Grand Total	199636		220299

Export Trade Matrix			
Country	France		
Commodity	Temperate Hardwood Lumber		
Time period	Jan-Dec	Units:	Cubic Meters
Exports for:	1999		2000
U.S.	3330	U.S.	5182
Others		Others	
Spain	197203	Spain	218004
Belgium	167934	Belgium	168168
Germany	145642	Germany	156342
Netherlands	108821	China	103466
Hong Kong	60250	Netherlands	100047
United Kingdom	50055	Italy	72882
Italy	40805	Portugal	66521
Morocco	38874	United Kingdom	75730
Switzerland	32842	Hong Kong	65235
		Morocco	45275
Total for Others	842426		1071670
Others not Listed	178263		89703
Grand Total	1024019		1166555

Total Plywood

The PS&D and trade matrices below pertains to total plywood production and trade. No specific data were available for softwood and hardwood plywood production and trade.

PSD Table						
Country	France					

Commodity	Hardwood Plywood				1000 CUBIC METERS	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Production	470	470	470	480	0	480
Imports	365	390	365	400	0	390
TOTAL SUPPLY	835	860	835	880	0	870
Exports	280	285	280	290	0	300
Domestic Consumption	555	575	555	590	0	570
TOTAL DISTRIBUTION	835	860	835	880	0	870

Import Trade Matrix			
Country	France		
Commodity	Hardwood Plywood		
Time period	Jan-Dec	Units:	Cubic Meters
Imports for:	1999		2000
U.S.	12131	U.S.	11218
Others		Others	
Indonesia	87569	Indonesia	86363
Finland	61313	Finland	68697
Brazil	31119	Brazil	42646
Belgium	24492	Belgium	26376
Germany	21185	Germany	25878
Malaysia	16339	CIS	19136
CIS	13092	Italy	14955
Spain	11862	Spain	13528
Italy	11733	Ivory Coast	11753
		Baltic States	10921
Total for Others	278704		320253
Others not Listed	99053		75335
Grand Total	389888		406806

Export Trade Matrix			
Country	France		

Commodity	Hardwood Plywood		
Time period	Jan-Dec	Units:	Cubic Meters
Exports for:	1999		2000
U.S.		U.S.	
Others		Others	
Netherlands	190216	Netherlands	210104
Germany	182984	Germany	169136
Italy	89048	Italy	78372
Spain	52460	Spain	47944
United Kingdom	26212	Belgium	29888
Belgium	25940	Switzerland	25668
Switzerland	24640	United Kingdom	11992
Total for Others	591500		573104
Others not Listed	39332		37328
Grand Total	630832		610432

Hardwood Veneer

Data for hardwood veneer should be regarded cautiously as it seems that many veener producers, importers and exporters either are too small to be polled by the Ministry of Industry (thus are not included in official statistics) or mix their veneer data with other wood products data when they send their data to the Ministry. Moreover, conversion factors from MT to cubic meters and from square meters to cubic meters vary from one source to another. Post has chosen to use the following conversion factors

From MT to cubic meters : 3.2
From square meters to cubic meters: 1.6

Also note that, when calculated in value and not in volume, there are fewer differences between production and trade figures. Such discrepancies must be caused by biased conversion factors (see table below).

CY 1999 and CY 2000 hardwood veneer figures (in million USD)

	CY 1999	CY 2000
Production:	115.7	93,4
Imports:	86.0	88.8

Exports:	108.5	96.7
Consumption:	93.2	85.5

(Source SESSI, CTBA)

PSD Table						
Country	France					
Commodity	Hardwood Veneer				1000 CUBIC METERS	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Production	168000	151400	169000	158000	0	155000
Imports	16500	16500	16600	17000	0	17000
TOTAL SUPPLY	184500	167900	185600	175000	0	172000
Exports	8000	8000	8200	8200	0	8500
Domestic Consumption	176500	159900	177400	166800	0	163500
TOTAL DISTRIBUTION	184500	167900	185600	175000	0	172000

Import Trade Matrix			
Country	France		
Commodity	Hardwood Veneer		
Time period	Jan-Dec	Units:	Cubic Meters
Imports for:	1999		2000
U.S.		U.S.	
Others		Others	
Finland	43520	Finland	44556
Portugal	41520	Gabon	44156
Spain	25779	Portugal	35033
Gabon	22086	Spain	26083
Germany	12611	Belgium	15200
Belgium	10083	Germany	13440
Italy	8598	Italy	11516
Total for Others	164197		189984

Others not Listed	55867		51849
Grand Total	220064		241833

Export Trade Matrix			
Country	France		
Commodity	Hardwood Veneer		
Time period	Jan-Dec	Units:	Cubic Meters
Exports for:	1999		2000
U.S.	848	U.S.	1235
Others		Others	
Italy	63193	Italy	84022
Germany	28281	Germany	25929
Belgium	8579	Belgium	11580
Hong Kong	4867	Spain	6473
Spain	4803	Hong Kong	5830
Denmark	4790	Portugal	5376
Portugal	4371	Austria	5193
United Kingdom	4099	Denmark	4803
		United Kingdom	4236
Total for Others	122983		153442
Others not Listed	25241		30030
Grand Total	149072		184707

Particle Board

Note that an unnacounted part of imports from Belgium are in fact imports from non EU countries (including the United States) which are unloaded and Customs-cleared at the port of Antwerp.

Particle board (including OSB) PS&D table and trade matrices

Year	2000	2001	2002	Units
Production	2,150	2,200	2,100	'000 Cubic Meters
Imports	620	630	620	'000 Cubic Meters

Total Supply	2,770	2,830	2,720	‘000 Cubic Meters
Export	1,350	1,400	1,450	‘000 Cubic Meters
Dom. Consumption	1,420	1,430	1,270	‘000 Cubic Meters
Total Uses	2,770	2,830	2,720	‘000 Cubic Meters

OSB/Particle board exports	Units: MT	
	1999	2000
country		
USA		
Others countries:		
Belgium	60774	71032
Netherlands	33523	23359
Germany	162301	112720
UK	63395	82462
Spain	233978	189551
Swiss	54483	32560
Total of others countries	608454	511684
Others not listed	98253	122558
Total	706707	634242

OSB/Particle board imports	Units: MT	
	1999	2000
country		
USA		
Others countries		
Belgium	201382	221780
Germany	83048	109392
Austria	16230	17705
Total of others countries	300660	348877

Others not listed	117349	80816
Total	418009	429693