



Japanese TVOC guidelines

The Ministry of Health and Welfare (MHW) has established interim advisable indoor Total Volatile Organic Chemical (TVOC) levels at 0.4mg/m³. The use of wood products such as engineered wood products and lumber (with natural terpenes) in residential and commercial construction could be impacted by these regulations.

The current "advised" level and has no legal basis at this time. In the event that the guidelines do become legal limits. It will be the responsibility of the Ministry of Construction to enforce such guidelines. Since these are currently not legal limits, contractors are not obliged to comply with the guideline values however, the Committee on Indoor Air Quality, MHW, is actively encouraging builders to comply with the guidelines in the interest of improving the air quality within the home.

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Mutual recognition of forest certification?

The 2nd International seminar on mutual recognition of credible forest certification schemes was recently held in Brussels, Belgium. Progress towards the establishment of a truly international framework for mutual recognition of forest certification schemes was made during the seminar.

There was a clear consensus amongst those attending – including representatives of nearly all the major forest certification initiatives – that mutual recognition was a desirable goal. There was

also widespread acceptance that the IFIR Working Group's Criteria and indicators for international mutual recognition were appropriate.

However, there continues to be significant differences of opinion over:

- The rate at which mutual recognition should be achieved
- The underlying role of mutual recognition.
- The institutional framework for mutual recognition.
- The handling of chain custody and environmental claims.

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Asian delegations attend building seminars



The Evergreen Building Products Association (EBPA) recently met with a large delegation from China along with groups from Japan and Korea as part of the winter Gateway program.

These groups attended seminars and visited with housing construction sites, building material manufacturers and distributors, and home centers in the Seattle area. Seminar topics included energy efficiency of

wood frame housing, new construction techniques, and product specification.

The groups had opportunity to meet with EBPA members and view company displays during an evening reception.

For more information on the EBPA and future gateway programs contact Larry Kvidera at (253) 396-0131.

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Markets

February / March 2001

Chinese trade volume

China's trade volume for the year 2000 to hit 470 billion U.S. dollars, an increase of 30 percent over 1999, as reported by Xinhua, the Chinese news service.

The export of mechanical, electronic and high-tech products rose by 38.9 percent and 51.9 percent respectively in the first 11 months of the year, an increase of 2.7 percent and 2.1 percent respectively in terms of the ratio of total exports.

The import of equipment and natural resources, including crude oil, timber, copper, rubber, has grown sharply, the import of mechanical, electronic and high-tech products rose by 33.2 percent and 39.1 percent respectively.

China enjoys a trade surplus of 23.56 billion U.S. dollars during the period and a trade settlement surplus of 27.71 billion U.S. dollars, promoting a stable growth of foreign reserves.

Foreign Trade Minister Shi Guangsheng announced that China has set a target of an 8 percent increase in trade volume for 2001. Growth in the export of mechanical,

electronic products and high-tech products will grow by about 15 percent, and the volume of foreign investment for 2001 will lower than in 2000.

According to Chinese customs, China's trade volume was 430.92 billion U.S. dollars from January to November 2000, an increase of 33.4 percent over 1999, of the total volume exports were 222.74 billion U.S. dollars, a rise of 30.1 percent, and total imports of 203.68 billion U.S. dollars, a rise of 37.4 percent.

China reduces tariffs

The State Council of China, announced the reduction of import tariffs from an average level of 16.4% to 15.3%. The average tariff rate for forest products will be 12.3%. The tariff rates for flush doors, wood door frames, and wood window frames will decrease 2% from 18% down to 16%. An official list of Chinese tariff reductions will be provided by the Chinese General Customs office soon. For more information contact Grace Zheng, AF & PA Office Beijing afpabj@163bj.com.

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In order for these limits to become legal limits, a survey must be conducted. The survey will allow for an opportunity for industry to comment on the proposed limits. AF&PA has learned that the timeline for the survey could be conducted within the next six months, and possibly as late as August 2001. For more information contact Ladd McDaniel AF&PA laddmcdaniel@gol.com.

U.S. softwood in Germany

During August and September 2000, the American Softwoods UK office, mailed out questionnaires to 128 German window and door manufacturers. All the window manufacturers were chosen from a listing produced by RAL-Götegemeinschaften - Fenstern und Haustören, a German trade group, and had a workforce greater than 50.

Using the data generated by this questionnaire it would appear that 68% of the window manufacturers in Germany use some American softwoods, an increased of 26% over the past 10 years.

The distribution of American softwood species used by German window and door manufacturers are as follow:

Southern Pine	7%
Douglas-fir	29%
Western Hemlock	33%
Lodgepole Pine	7%

The German window and door manufacturers that responded indicated that they would like to receive information pertaining to, the environmental practices of the US forest industry, grades and grading practices of American Softwoods and American species in general.

Check out the News & Information section of www.softwood.org for a complete copy of the questionnaire and report

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Programs

February / March 2001

Philippine housing project

The Southern Philippines Development Authority (SPDA) recently approved a mass low income housing project. This project will be managed by a U.S. company based in Texas.

The mass housing project includes the building of 1 million homes with an estimated total cost of \$5 Billion USD over a ten-year period in the southern Philippines for low-income families. The homes and related infrastructure will be built by a joint venture and it is expected construction will begin in the 4th quarter of this year, including medical clinics, school facilities, and other infrastructure. Upon full mobilization, it is planned to build 100,000 homes per year. This will be one of the largest low-income housing projects in the world.

Japanese housing starts

Japan's monthly housing starts for November, 2000 totaled 107,020 units, a 2.2% increase compared to November, 1999. Year on year starts of single-family and multi-family dwellings increased by 4.7% and 0.1% respectively. Year on year starts of row houses also increased by 2.3%. 2x4 housing and prefabricated housing starts increased by 12% and 7.8% respectively. The seasonally adjusted annual rate of housing starts in November increased 5.4% to 1,226,472 units. CS Osaka-Kobe estimates annual housing starts in 2000 at about 1.22 million units.

The Japan Forest Products Journal recently conducted a survey on annual housing starts in the Japanese fiscal year 2001 (April 2001 to March 2002). The average starts estimated by 14 major Japanese home-builders were 1.159 million units. The Japanese housing industry believes that the Japanese housing market will continue to be slow.

GOJ consolidates agencies

On January 6, 2001, the Government of Japan (GOJ) was reorganized from one cabinet office and 22 ministries/agencies to one cabinet office and 12 ministries/agencies. Due to the reorganization, the Ministry of Construction (MOC) became the Ministry of Land, Infrastructure and Transport (MLIT) and the Ministry of International Trade and Industry (MITI) became the Ministry of Economy, Trade and Industry (METI). The Ministry of Agriculture, Forestry and Fisheries (MAFF) remained the same. For further information on GOJ's reorganization, please see the Prime Minister's Office website at www.kantei.go.jp/foreign/central_government.

(Certification-continued from page 1)

The discussion was also hindered by lack of participation at the seminar from environmentalists and customers (i.e. retailers, publishers, etc.). This fact was widely acknowledged.

The seminar concluded with a proposal to establish a formal "facilitator consortium" which would bring representatives from existing MR initiatives and certification schemes together with independent arrangements for certification to be facilitated by FAO and ITTO in Rome February 2001.

Japanese laminated lumber imports

According to customs, Japan's imports of structural laminated lumber were 362,000 cubic meters (153 million board feet) for January-October 2000.

Austria registered the largest with 20% of the total, followed by Norway (15%), Finland (14%), and Germany (13%). The US (10%) and Canada (8%) give the impression that they have been run over by the European force, according to Japanese sources.

Twenty members of Japan Laminated Lumber Manufacturers' Association (with 200 affiliates) have recently established the Japan Laminated Lumber Mutual Benefit Association that will provide a warrantee system against any defects in their structural lumber. This system was founded in response to the Housing Quality Assurance Law and will help in expanding the share of laminated lumber for housing in the future by promoting its performance and quality.

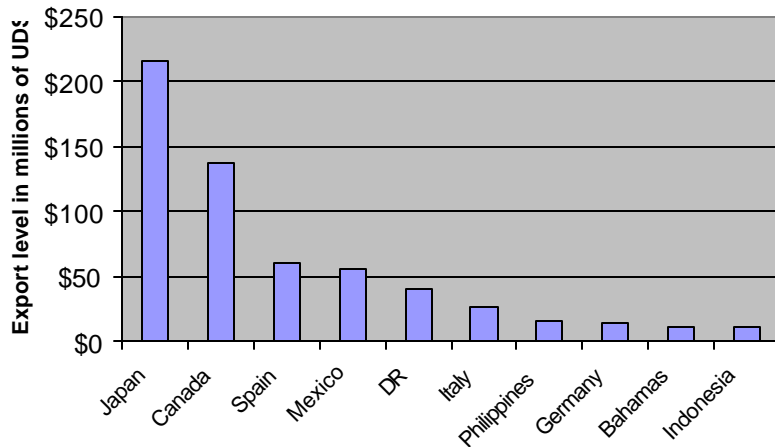
Events

February / March 2001

SEC MEMBER ORGANIZATIONS

- Alaska Manufacturers Association
- American Institute of Timber Construction
- California Redwood Association
- Center for International Trade in Forest Products
- Evergreen Building Products Association
- North American Wholesale Lumber Association
- Northwest Wood Products Association
- Oregon Economic Development Department
- OSU Forest Products Department
- Pacific Lumber Exporters Association
- Pacific Lumber Inspection Bureau
- Washington State Trade & Economic Development
- West Coast Lumber Inspection Bureau
- Western Wood Preservers Institute
- Western Wood Products Association
- Wood Moulding and Millwork Producers Association

Top 10 U.S. Softwood Export Markets for 2000



Upcoming Events

- Wood Mac & Furnitek China; Expo; shanghai, China; February 20-23, 2001
- Kyung Hyang Housing Fair; Trade Show; Seoul, Korea; Feb. 24-Mar. 1, 2001
- Architecture+Construction; Trade Show; Tokyo, Japan; March 6-9, 2001
- Seoul Living Design Fair; Trade show; Seoul, Korea; March 13-17, 2001
- SAIDUE; Trade Show; Bologna Italy; March 21-25, 2001
- Seoul Home Show HOMDEX; Trade show; Seoul, Korea; March 23-29, 2001
- China Wood; Trade Show; Beijing, China; April 10-13, 2001
- Constramat; Trade Show; Barcelona, Spain; April 23-28, 2001
- Interzum; Trade Show; Köln, Germany; May 18-22, 2001
- Ligna – Interholtz; Trade Show; Hanover, Germany; May 21-25, 2001

For more information please contact Allan Czinger

Wishing Yami well

ASJO director Ikuo “Yami” Yamaguchi recently fell ill while on tour in the southern U.S. He is recovering well and will return to the Japan office soon. To inquire on his condition and send him support please contact the SEC Portland Office (503) 248-0406.

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