

Conclusions

(The 40th Taiwan, Korea and Japan Plywood Industry Meeting)

The 40th Taiwan, Korea and Japan Plywood Industry Meeting was held at Sheraton Hsinchu Hotel, Zhubei City, Taiwan on October 24, 2018, and the delegations of the three countries reached the following conclusions.

1. Incidents of abnormal climate are occurring throughout the world more frequently than ever before, such as abnormal rise in temperature, drought, typhoon, flood and extremely cold weather, causing serious damage, and they are thought to be the consequences of global warming.

At COP 21 which was held in Paris in December, 2015 amid such occurrences, the Paris Agreement was adopted which includes the international framework as well as the target for each country toward 2025/2030, and it entered into force in November, 2016.

The plywood and board manufacturers of the three countries shared the understanding that the expanded demand for wood products can contribute to carbon sequestration as well as promotion of global warming prevention, and they reaffirmed their enhanced efforts for the prevention of global warming through actions such as re-afforestation and expansion of wood utilization.

2. In the midst of extremely sluggish business environment for the three countries due to the housing downturn brought on by the long-term global economic recession against the backdrop of the economic globalization, the world governments' keynote policy is shifting toward the achievement of SDGs (Sustainable Development Goals) adopted at the UN Summit which include sustainable management and use of forests and wood and the use of clean energy.

The cascade use of wood, first to convert logs into wood to obtain materials such as plywood, second to reuse wood to obtain recycled materials, and lastly to use biomass from wood to produce energy, is being endangered by the surge of woody biomass power generation. The use of wood which ensures the obtaining of materials and the absorption and sequestration of CO₂ through the nurturing of forests can contribute to the conservation of the global environment. It is of vital importance for us to propagate this message throughout the world.

While countries of the world show heightened interest in the stable supply of energy as well as environmental conservation, the plywood and board manufacturers of the three countries will closely exchange information on the export and import of fuelwood such as chips, logs, PKS, etc. in order to ensure the use of woody biomass energy which is based on the cascade use of wood.

3 To address illegal logging, the three countries will endeavor to bring about the implementation and dissemination of legal systems to allow the use of wood only from legally and sustainably managed forests in order to ensure the sustainable and stable supply of global log resources including plantation trees.

China has become a major importer of logs and a leading manufacturer of plywood and board for the world. China's production and import/export trends have made considerable effects on the global market of logs and wood-based panels. Also, India, the Middle East and other countries of Asia are emerging as new players in the global log market, reflecting the increasing demand for logs from softwood and plantation trees.

Accordingly, the plywood and board manufacturers of the three countries will advance swift exchange of information on plywood and board manufacturing industries as well as the products, in China, India, the Middle East and other Asian countries.

4. It is recognized that the existence of tariffs on plywood and board products is very important from the viewpoint of ensuring sustainable forest management in both producing and consuming countries, and of promoting the regional economy.

The plywood and board manufacturers of the three countries will make further efforts to request their respective governments to keep the existing tariff rates as well as the safeguard option for plywood and board products including OSB.

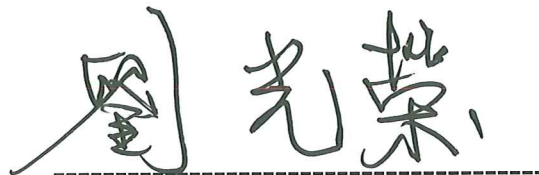
5. In order to achieve the SDGs such as low carbon society, the plywood and board manufacturers of the three countries will continue to make efforts to develop technologies for improving the quality and performance of plywood and board products which use the softwood and plantation trees including the domestic wood, and also continue their exchange of information on the outcome of these development efforts.

6. The ratio of board products in the total demand for wood panel products is currently increasing. The plywood manufacturers of the three countries will continue to exchange information on plywood and board products.

7. The next meeting will be held in Korea in September or October, 2019.

The head delegates of the three countries have agreed on the above conclusions of the 40th meeting and have signed herewith as proof of their agreement.

October 24, 2018



Kuang-Jung, Liu

Chairman, Taiwan Plywood Manufacturers and Exporters Association



Youn-Joon, Chung

Chairman, Korea Wood Panel Association



Atsuhiro Inoue

Chairman, Japan plywood Manufacturers' Association