



KOREA'S EFFORTS FOR REGULATING THE DISTRIBUTION OF ILLEGALLY LOGGED TIMBER

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KREI

Korea Rural Economic Institute



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1. Forestry

Age Class Distribution of Forests

	Total	Age Class						
		I	II	III	IV	V	VI	etc
Area (ha)	6,368,843	160,110	466,062	1,396,294	2,261,794	1,387,726	492,484	204,373
		(2.5%)	(7.3%)	(21.9%)	(35.5%)	(21.8%)	(7.7%)	(3.2%)
Growing Stock (1000m ³)	800,025	-	26,672	157,316	306,880	218,074	91,083	-
			(3.3%)	(19.7%)	(38.4%)	(27.3%)	(11.4%)	

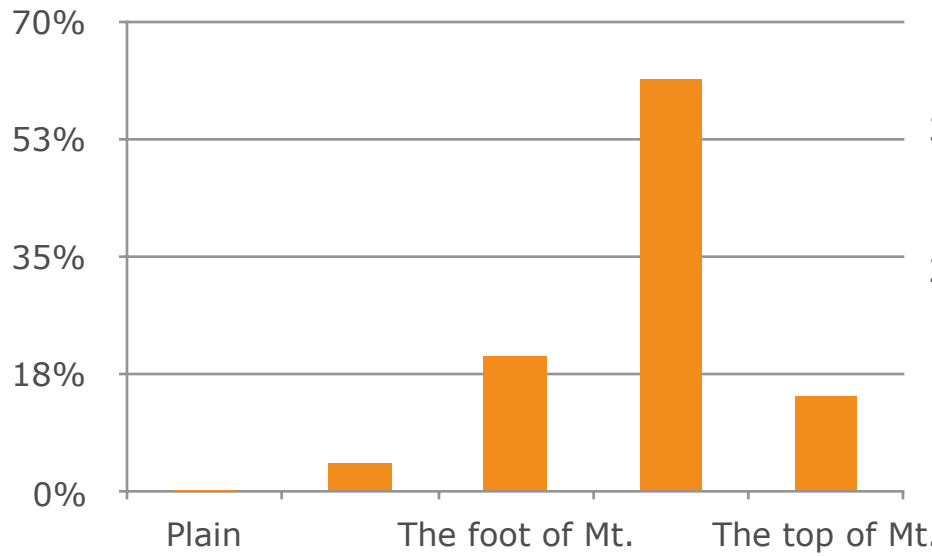
Source : Korea Forest Service

- Forests cover 64% of the land
- Forest growing stock increased 12.6 times in 40 years
- The unit growing stock is 125 m³/ha (2010).

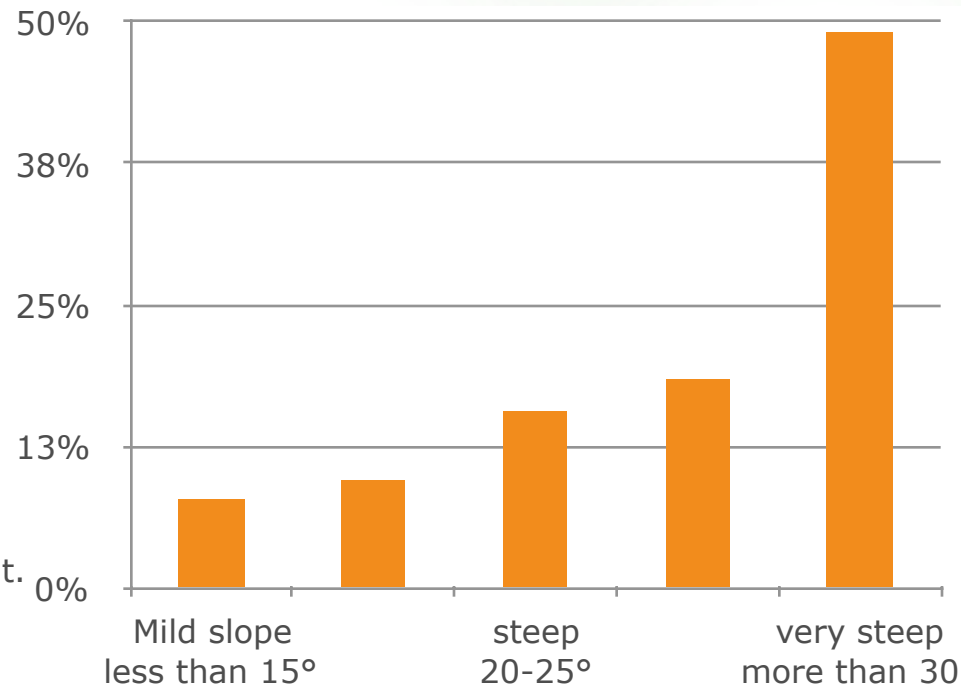


1. Forestry

Topography



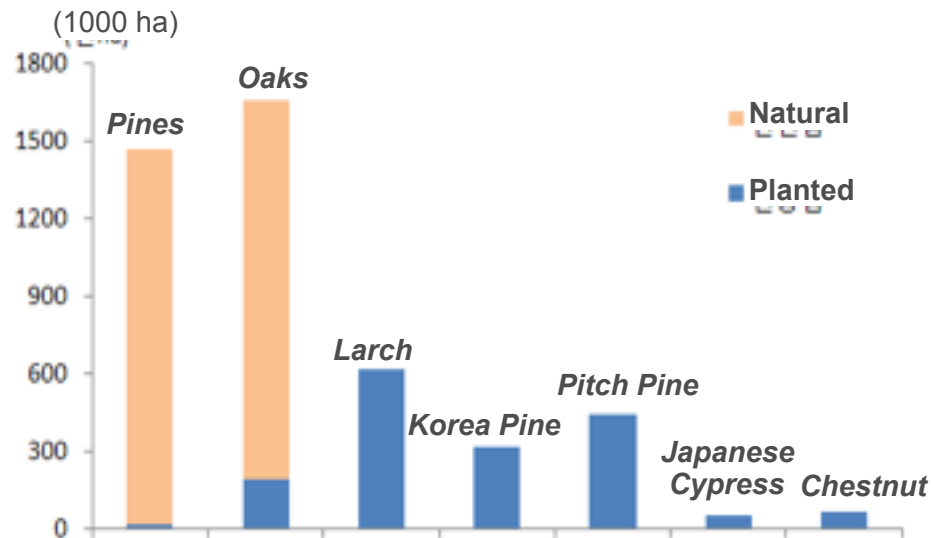
Slope



- Most of the forestlands are distributed at the steep hillside, which is the cause of high cost and low productivity of forestry in Korea.

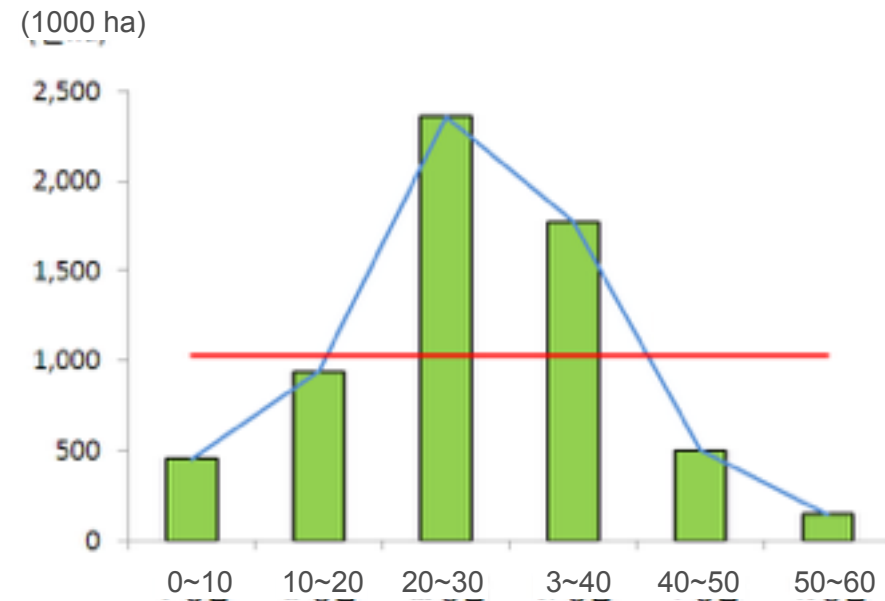
1. Forestry

Tree Species



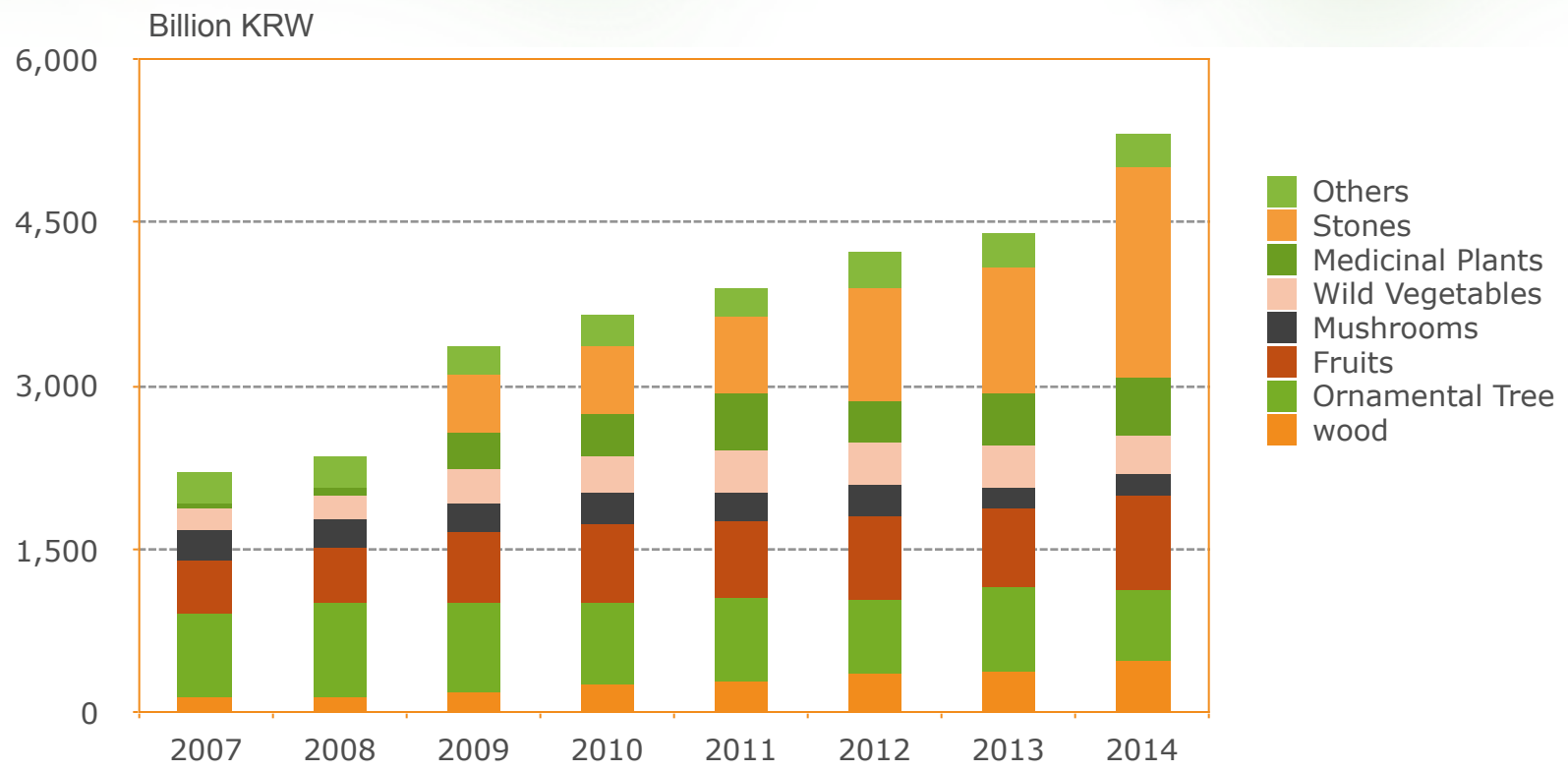
- Pines and Oak species are dominant
- Pitch Pines were planted to cover the denuded mountains, but now being converted to other economic species

Age Class



1. Forestry

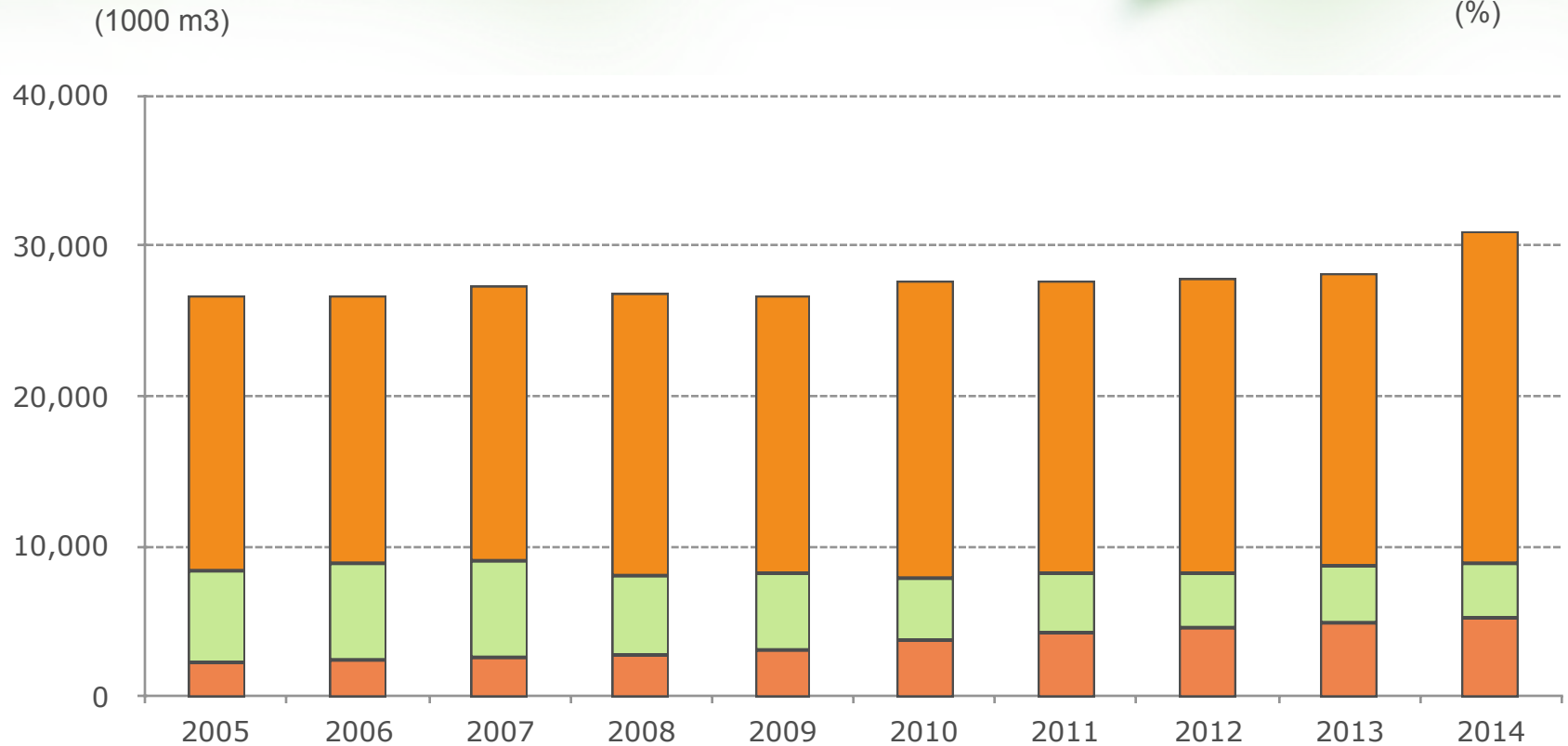
Production of forest products



- Wood production is low
- Non-timber forest products are main income source to rural people.

2. Wood Demand and Supply

Trend of Wood Consumption



- high dependency of foreign sources
- increasing self sufficiency because of government policy

2. Wood Demand and Supply

Wood Demand and Supply by Use and Source

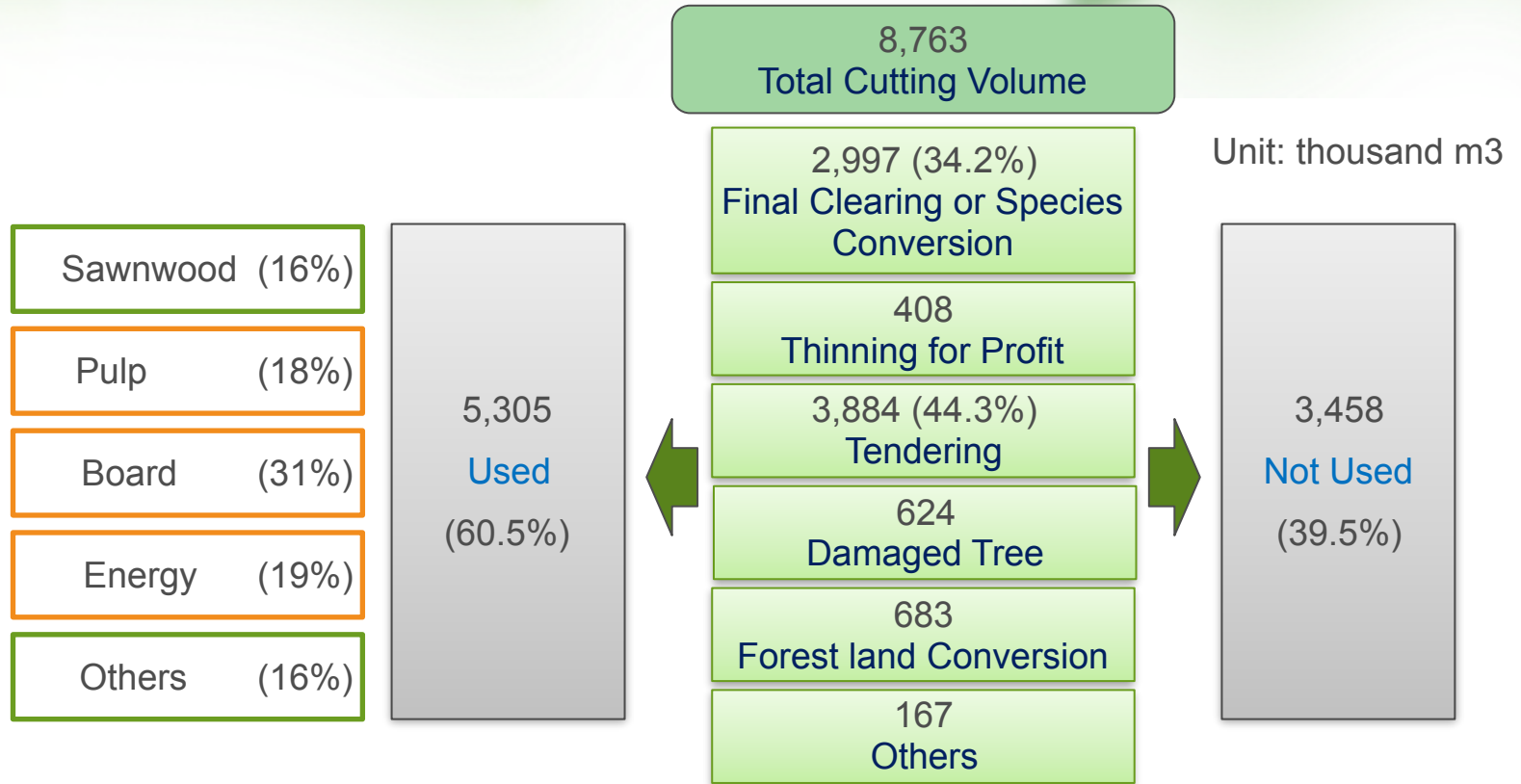
(Unit: 1000 m3)

		2010	2011	2012	2013	2014
Supply	Domestic	3,715	4,210	4,506	4,897	5,179
	Imported	23,897	23,398	23,313	23,254	25,826
Total		27,612	27,608	27,819	28,151	31,005
Demand	Sawnwood	5,426	5,533	5,378	5,736	6,006
	Plywood	2,953	2,782	2,805	3,015	3,148
	Pulp chip	12,466	12,563	12,226	10,926	10,405
	Board	3,310	3,201	3,153	3,066	3,646
	Biomass	412	598	805	1,865	4,605
	Others	3,045	2,931	3,452	3,543	3,195
Self sufficiency(%)		13.5	15.2	16.2	17.4	16.7

Source : Korea Forest Service

2. Wood Demand and Supply

Domestic Wood Utilization Flow (2014)



- A lot of wood material are processed for boards or pulp chips because domestic wood has small-diameter
- Increasing demand for energy by adoption of RPS.

3. Wood Industry

Wood Industry in National Economy

Unit: million KRW, persons

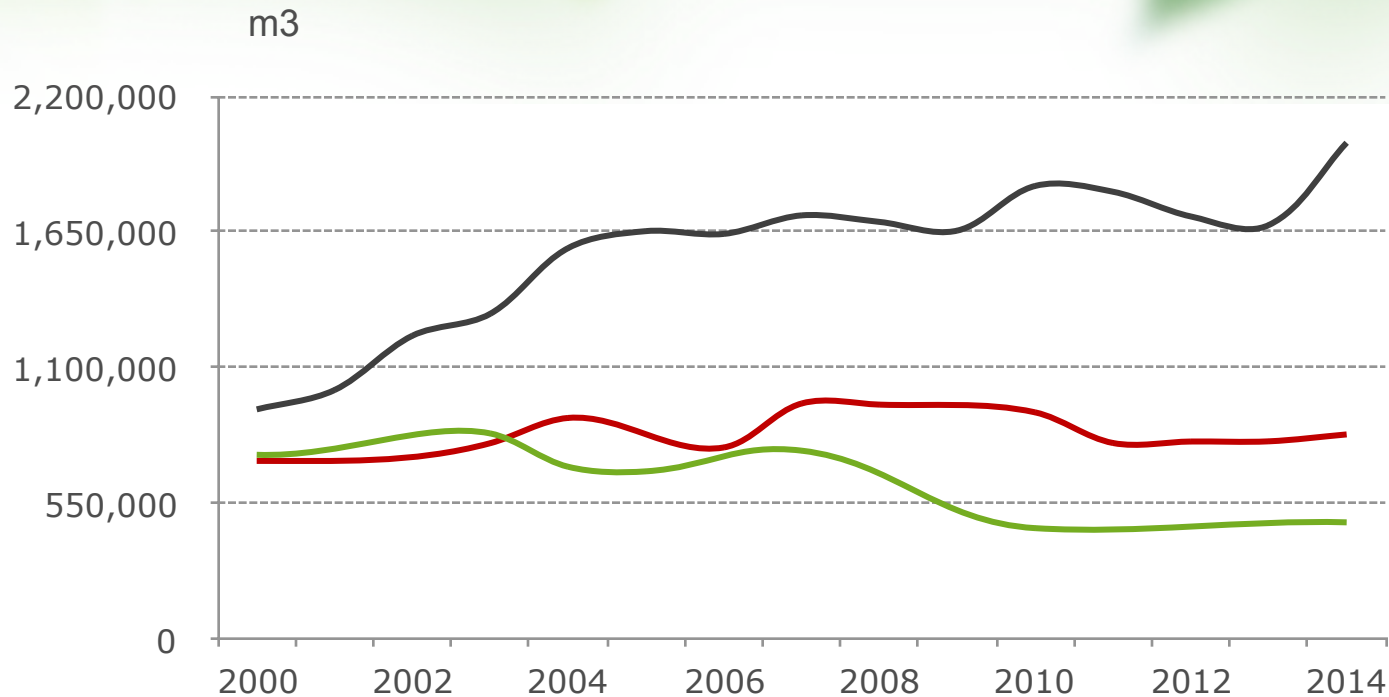
		2000		2013	
Wood	Intermediate input	1,594,163		2,977,781	
	Value added	594,150	(0.10%)	812,368	(0.06%)
	Employment	17,067	(0.10%)	-	-
Processed Wood	Intermediate input	895,867		2,320,177	
	Value added	340,237	(0.06%)	688,626	(0.05%)
	Employment	21,850	(0.13%)	-	-
Pulp & Paper	Intermediate input	5,096,179		17,834,626	
	Value added	1,904,462	(0.32%)	6,089,934	(0.47%)
	Employment	17,856	(0.11%)	63,850	(0.28%)

Source : Input-Output Table, BOK

- Wood industry contributed to 0.58% of total value-added and 0.47% of employment.
- Most of value-added are produced in paper industry.

3. Wood Industry

Production of Wood-Based Panels

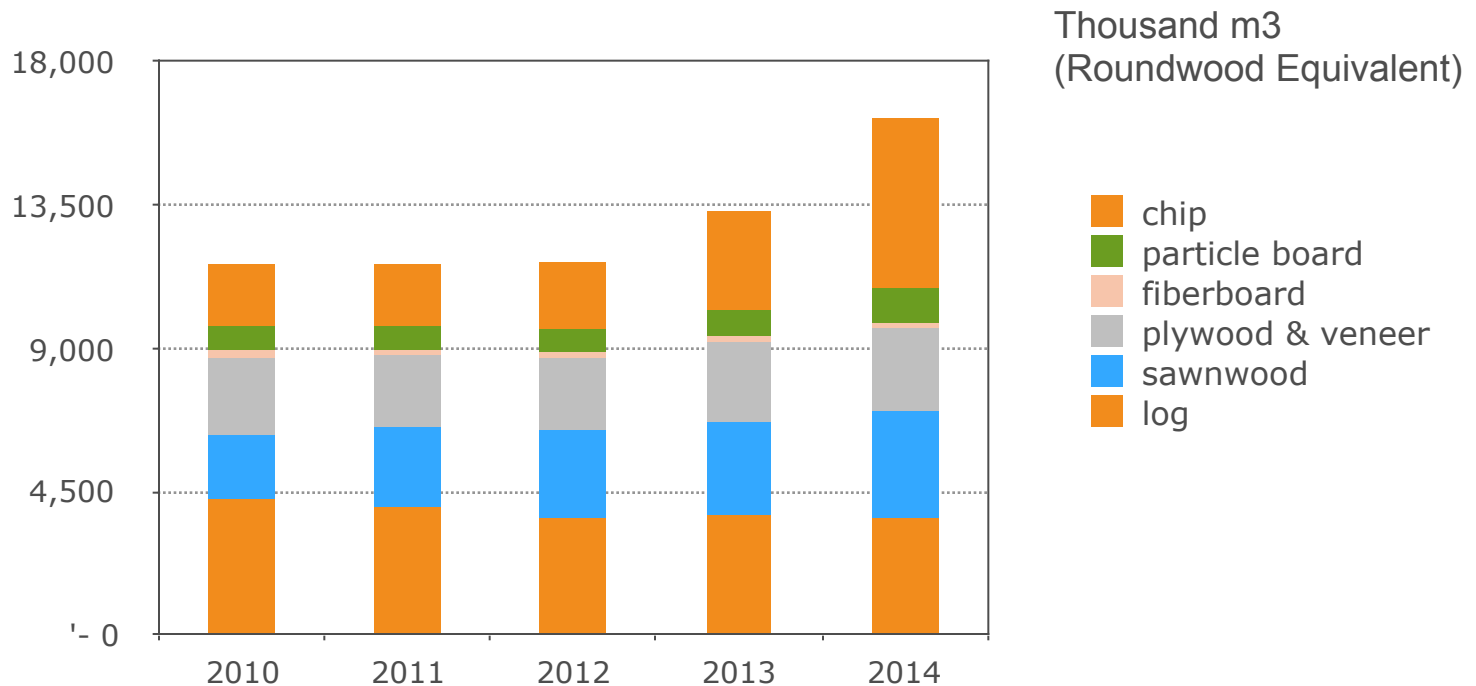


- Particleboard Manufacturers use recycled chip, by-products of wood industry, domestic pitch pine as raw material
- MDF Manufacturers use domestic pitch pine, by-product of wood industry, etc.

4. Wood Import

- Korea imports 85% of wood products consumption
- decreasing in log, increasing in wood products
- The fifth largest importer of plywood, the second largest importer of veneer

Import of Wood Products



4. Wood Import

Import of Wood Products (HS 44)

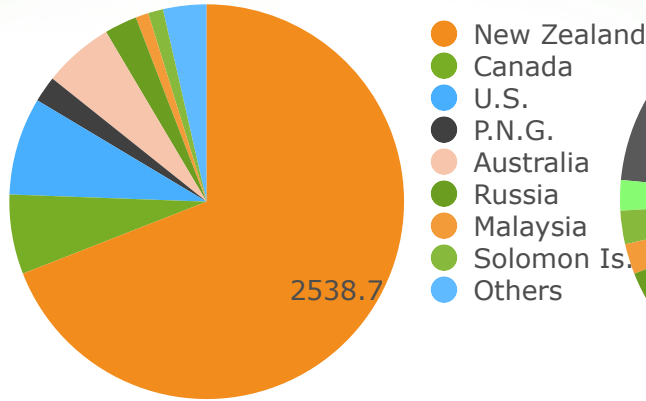
Unit: tones

	2010	2011	2012	2013	2014	2015	Share(2005)
Total	7,397,068	7,289,360	7,230,949	8,077,512	9,770,199	9,549,333	53.6%
New Zealand	2,244,212	2,232,563	2,162,576	2,355,948	2,287,200	2,453,700	
Vietnam	668,125	1,071,827	1,205,234	1,565,214	2,158,755	2,311,816	24.2%
Thailand	569,809	384,037	272,980	413,029	734,525	680,705	7.1%
China	485,959	591,743	595,531	659,878	929,127	633,439	6.6%
Malaysia	773,342	450,023	515,724	510,921	623,853	577,319	6.0%
Canada	399,367	442,892	476,711	442,871	684,876	442,814	
Russia	382,765	349,615	417,079	383,179	342,787	417,427	4.4%
Indonesia	235,580	180,297	170,636	220,700	299,125	346,735	3.6%
Chile	189,852	224,240	223,773	276,709	381,915	383,203	
U.S.	588,055	516,667	427,937	404,409	371,243	232,222	
Australia	295,412	299,590	158,873	162,053	229,438	201,584	
Japan	13,745	21,432	32,389	47,733	98,070	126,284	
Solomon Is.	50,091	49,668	40,441	45,759	38,745	34,793	0.4%
Latvia	13,094	27,322	34,916	39,518	50,960	75,368	
Sweden	10,713	11,996	16,493	24,046	37,889	42,866	
Germany	40,314	31,548	39,011	80,316	86,791	81,013	
Finland	15,630	12,746	27,939	42,235	41,318	49,752	
Ukraine	546	5,612	1,520	4,514	17,756	22,090	
Uruguay	9,836	29,002	29,313	33,813	36,156	27,037	
P.N.G.	76,632	88,666	87,851	67,690	67,283	68,202	0.7%
Rumania	76,638	127,244	152,710	133,279	74,887	169,898	
Austria	2,612	3,515	6,121	20,293	32,997	31,094	
Brazil	25,393	29,788	25,041	32,727	24,245	24,486	0.3%
Spain	15,476	30,202	15,285	1,188	230	659	
Philippines	24,057	19,701	25,933	27,440	24,025	18,116	0.2%
Miyanmar	5,635	4,496	5,357	2,058	854	292	
Laos	2,261	3,321	4,039	3,628	4,361	6,620	0.1%
Others	181,917	49,607	59,536	76,364	90,788	89,799	

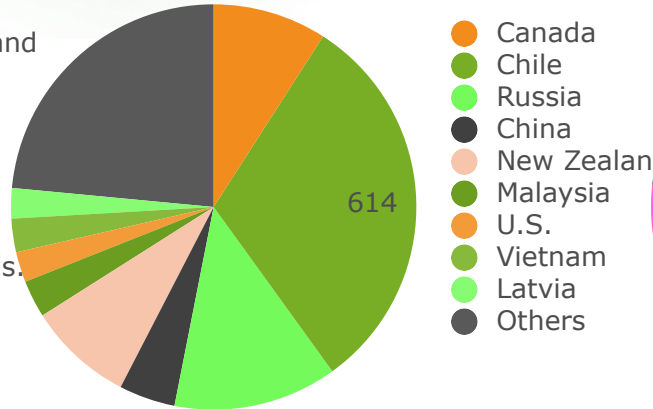
4. Wood Import Source (2014)

Unit: thousand m3, thousand tones

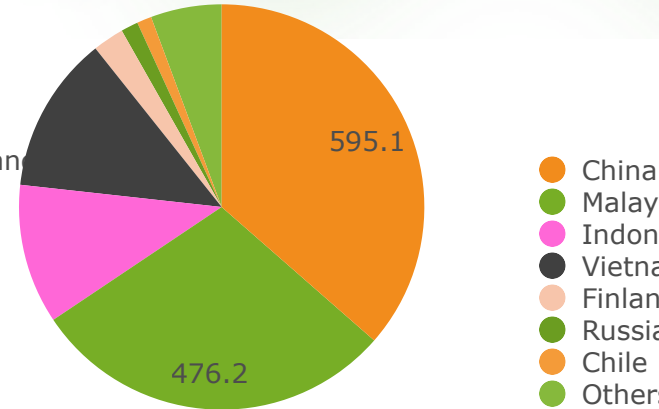
Log



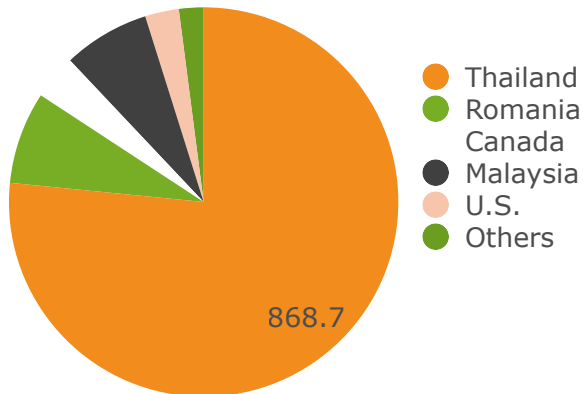
Sawnwood



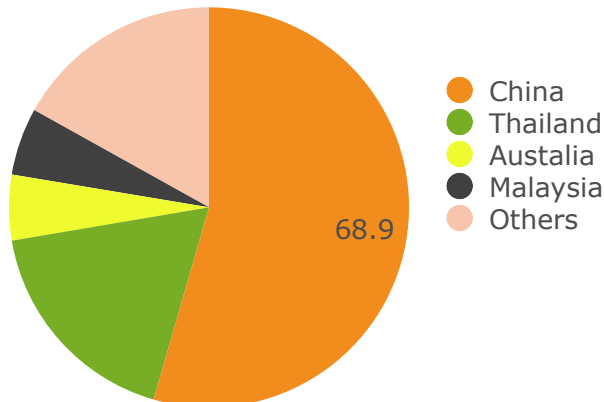
Veneer and Plywood



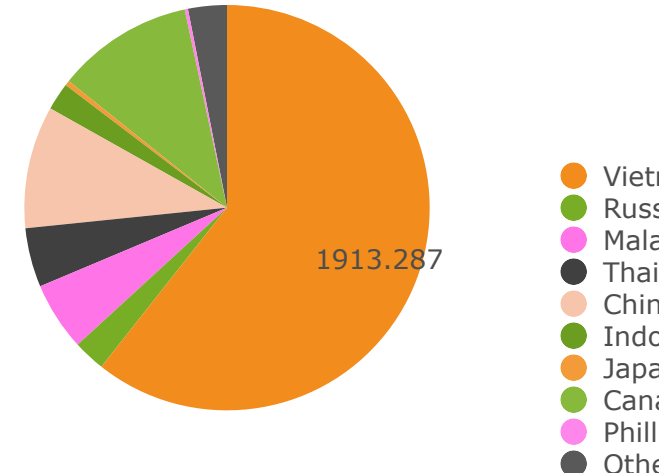
Particle Board



Fiberboard



Wood Chip



5. Survey on the Regulations

- Survey subject: 209 wood company
- Period: 2013. 9. 9 ~ 10. 20.

Perception of Regulation on Illegal logging

	Total	By Products				By Sales (billion KRW)			
		Sawn wood	Ply wood	Fiber board	Particle board	0.3	0.3~1	1~3	3~
Know	17.2	14.0	100.0	66.7	100.0	10.4	22.6	10.6	82.0
Don't know	82.8	86.0	0.0	33.3	0.0	89.6	77.4	89.4	18.0

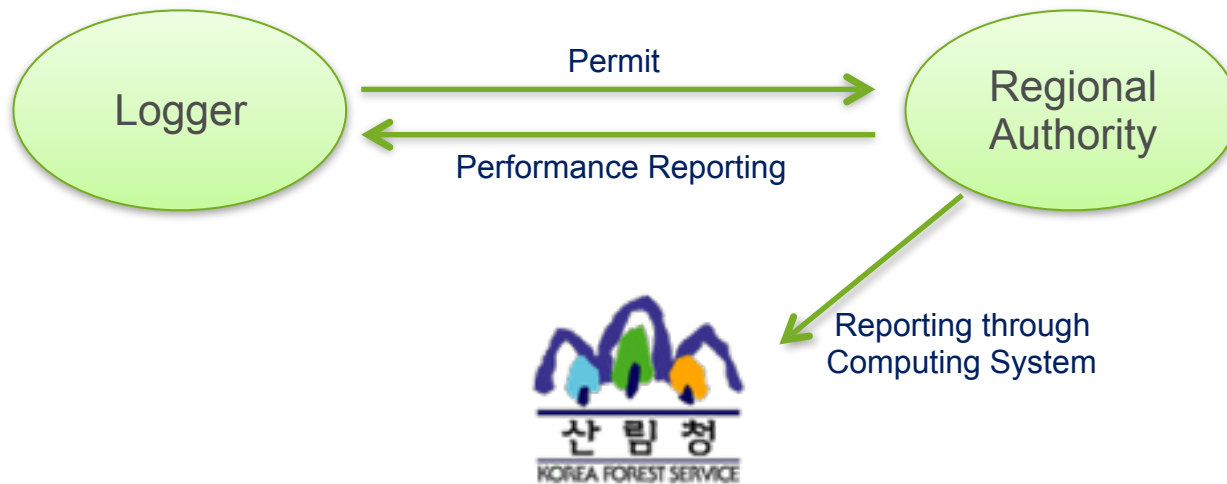
Source: Korea Rural Economic Institute

- The perceptions about illegal logging aren't pervasive in Korea.
- Most of wood products manufacturers(91%) are supporting the regulation on illegal logging strongly.
- Some wood products exporters are required to take legality verification in international markets.

6. Efforts to tackle illegal logging

Forest logging permit system

- Logging permit only for
 - The mature forest over the regulated harvesting age
 - No more than 50 hectare for clear cutting
 - The reforestation duty for the logging area
 - The blueprint and measured scale map for logging



Management and supervision of the status of forest logging
Strict control measures for illegal logging

6. Efforts to tackle illegal logging

Act on the Sustainable Use of Timbers (2013)

- Article 34 (Countermeasures against Illegally Felled Timber)
 - 1) The State and local governments shall establish and implement measures to prevent distribution or use of timber illegally cut inside or outside the Republic of Korea.
 - 2) The Minister of the Korea Forest Service shall, in cooperation with local governments and agencies and organizations related to forest and the timber industry, provide guidance and conduct publicity activities to prevent the distribution and use of illegally cut timber.

→ An Enforcement Ordinance for this article is not made yet.

6. Efforts to tackle illegal logging

Korea-Indonesia Forestry Committee (2003)

- Joint statement to support Indonesia's effort to combat illegal logging
 - No any significant practical measure being taken

Korea-U.S. Environmental Cooperation Agreement (2012)

- Development of joint initiatives to combat illegal logging and the transport and trade, including transshipment, of illegally harvested timber and timber products, as well as to combat the illegal trade in wildlife and wildlife parts

Korea Forest Service – APEC EGILAT (2015)

- KFS took part in APEC EGILAT(Expert Group on Illegal Logging and Associated Trade), and proposed establishing Online Information System.

6. Efforts to tackle illegal logging

Chief of Korea Forest Service (2015)

- Illegally logged wood should be prohibited in trade.

(<http://www.hankyung.com/> 2015.9. 23)

- Discussions to combat illegal logging with U.S., EU, and Australia are still going on, but not arrived at the significant practical measures yet.

한국경제

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기고

불법 벌채란 목재, 수입 규제 절실하다

지구촌 산림 파괴하는 불법 벌채
관여 목재 수입-유통도 규제해야
건강한 지구 보전, 벌채를 수 안대

신원섭 < 산림청장 >



최근 유엔식량농업기구(FAO) 보고서에 따르면 2000~2010년 세계 산림면적은 연간 521만ha씩 감소했다. 한국 산림면적(643만ha)의 81%에 달하는 숲이 매년 사라졌다는 예이다. 국제사회는 이 같은 현상에 대해 불법 벌채를 주요 원인으로 보고, 또 불법 벌채가 개발도상국에서 많이 발생하고 있다는 점에 주목하고 있다. 2006년 세계은행 보고서에 따르면 개도국에서 불법 벌채로 발생한 손실은 연간 100억달러 이상일 것으로 추정된다.

불법 벌채는 숲의 자연과 생태계를 파괴하고 지구온난화를 촉진한다. 불법 벌채 목재는 다른 나무보다 가격이 낮게 형성되고 세금을 따먹는 등 무역시장의 질서도 무너뜨리고 있다. 이에 국제사회는 불법으로 벌채한 목재를 수입하지 말고, 합법적으로 벌채한 목재와 관련 제품의 교역을 촉진하자고 목소리를 높여왔다.

불법 벌채는 1998년 영국 버밍엄에서 열린 주요 8개국(G8) 정상회의에서 채택한 '산림 행동계획'의 5개 부문에 포함되면서 국제적 이슈로 떠올랐다. 유엔연합(UN)은 2003년 '산림법의 집행 권리와 무역 행동계획'을 채택한 이래 2010년 'EU 목재규제'를 제정하고 2013년 시행해 유럽 시장에서 불법으로 베어진 목재류 유통을 전면 금지하고 있다.

6. Efforts to tackle illegal logging

Challenging Issue

- Spread of awareness on illegal logging
- Partnership with the wood producing countries
- Amendment of national procurement system
- Innovation in the technical system on log traceability



Thank you

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