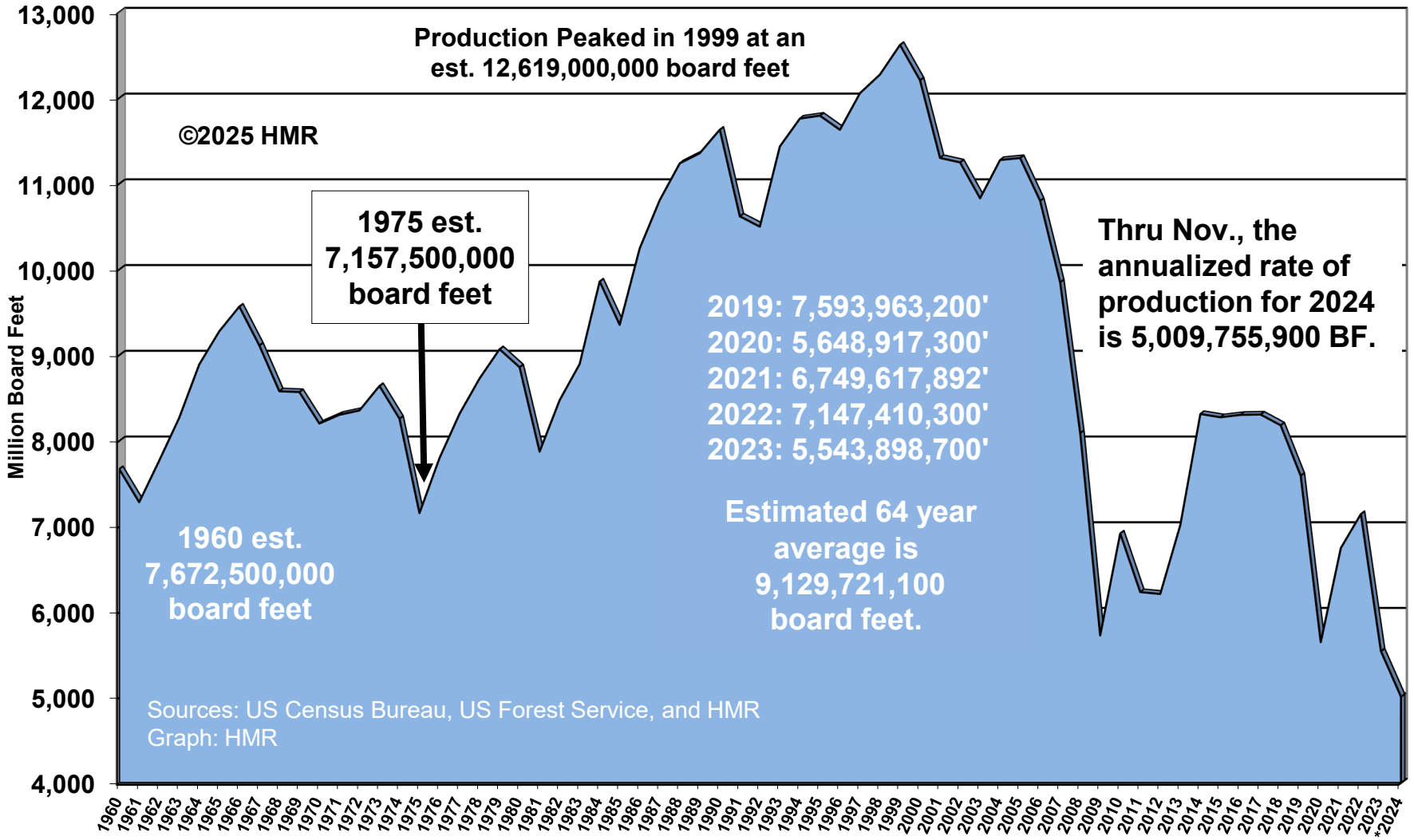
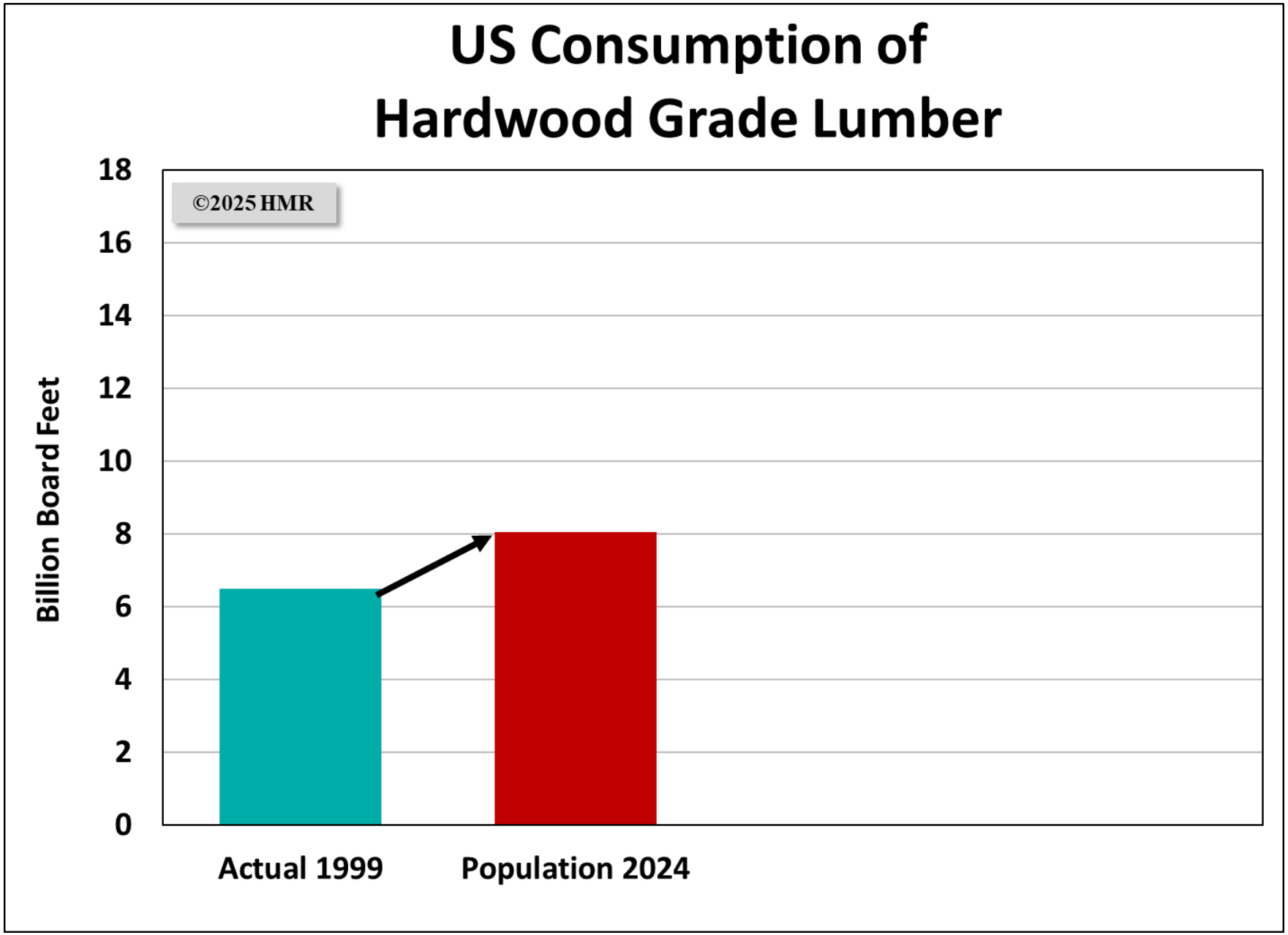
Export Market Overview:
Tariffs, Trade Wars and EUDR

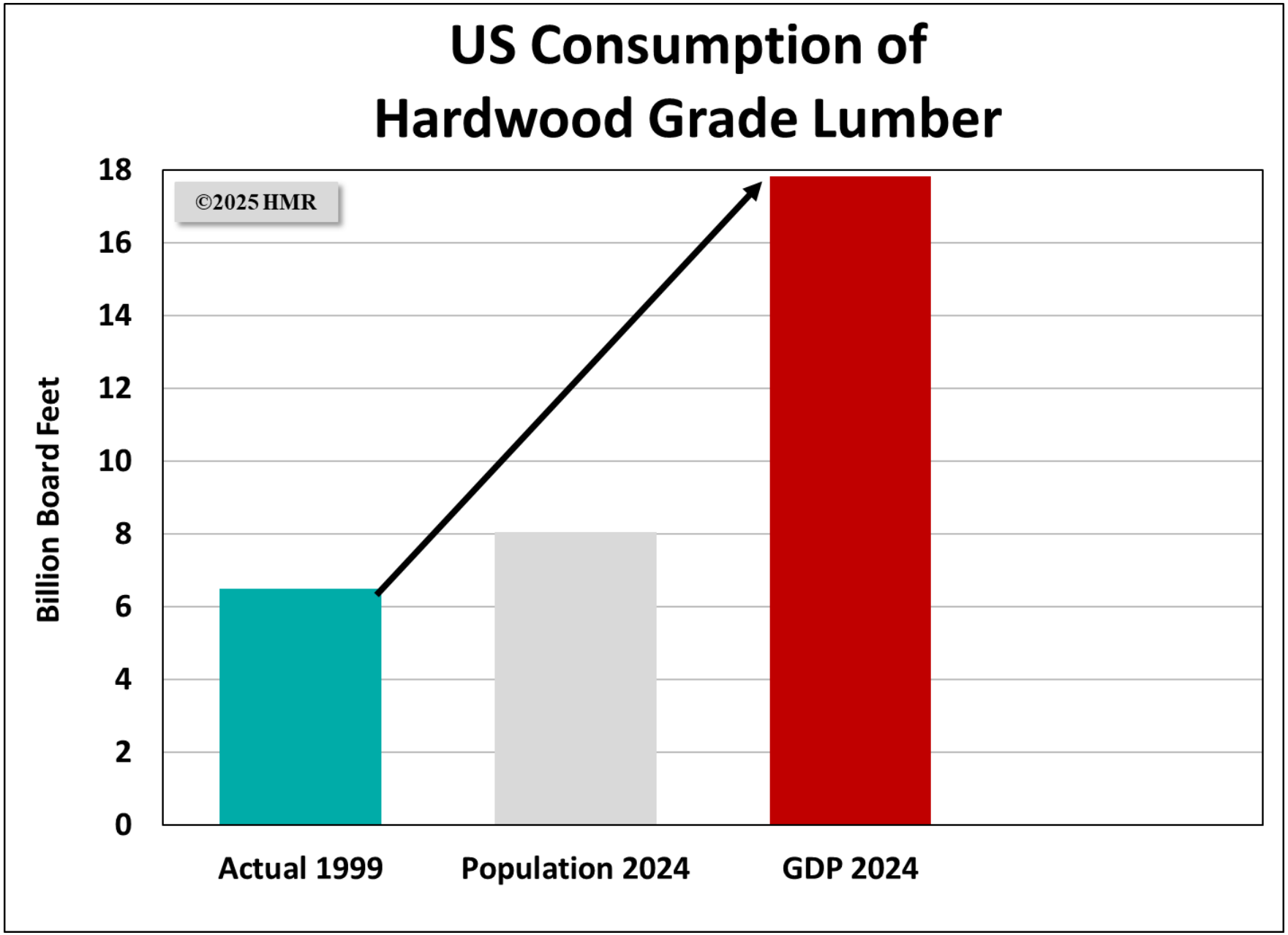
Michael S Snow
Executive Director
American Hardwood Export Council
August 2025

AMERICAN HARDWOOD EXPORT COUNCIL

Eastern US Hardwood Production




US Consumption of
Hardwood Grade Lumber
©2025 HMR
Billion Board Feet
18
16
14
12
10
8
6
4
2
0
Actual 1999
Population 2024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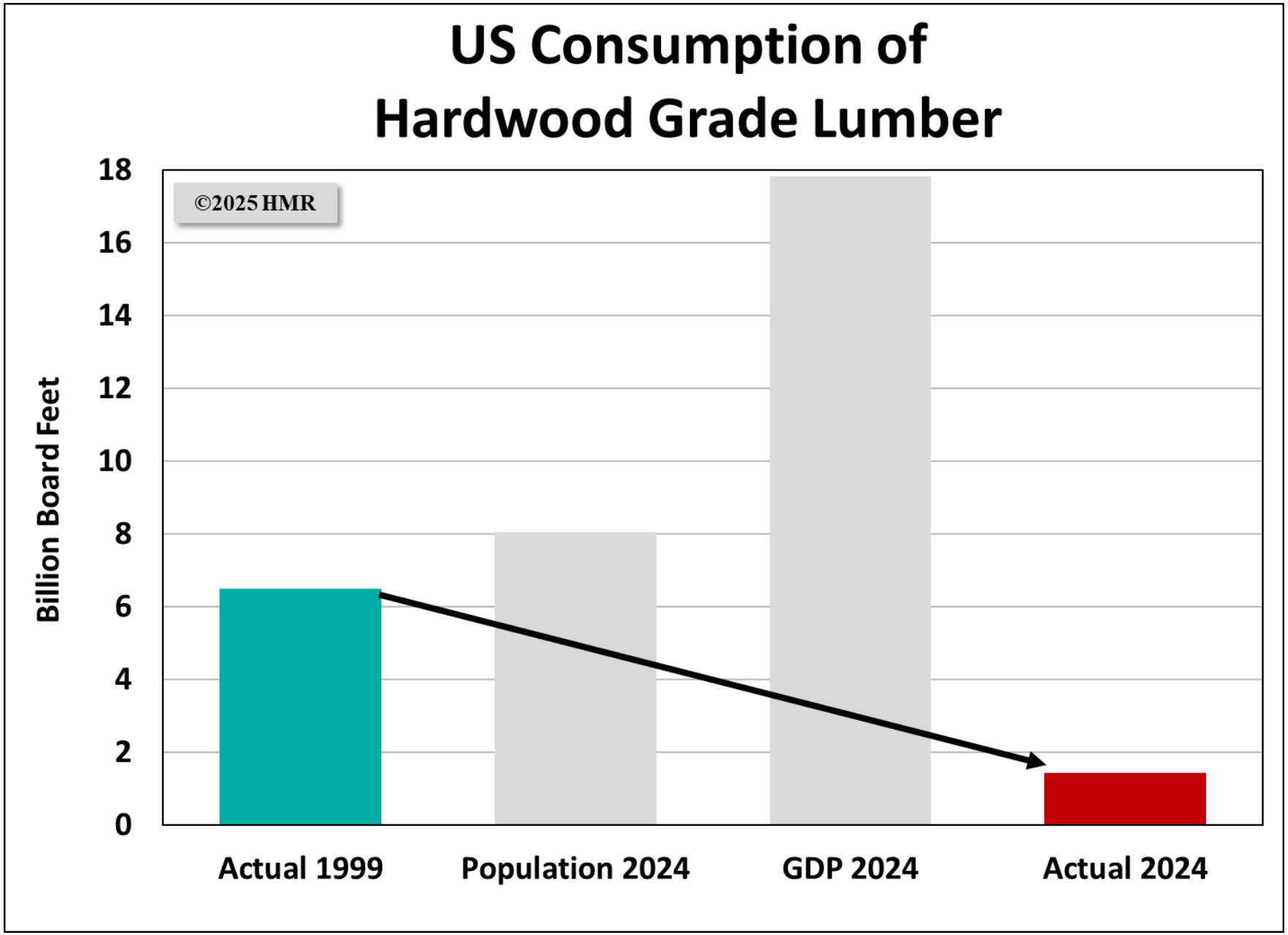
Population 2024
GDP 2024


US Consumption of
Hardwood Grade Lumber
©2025 HMR
Billion Board Feet
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16
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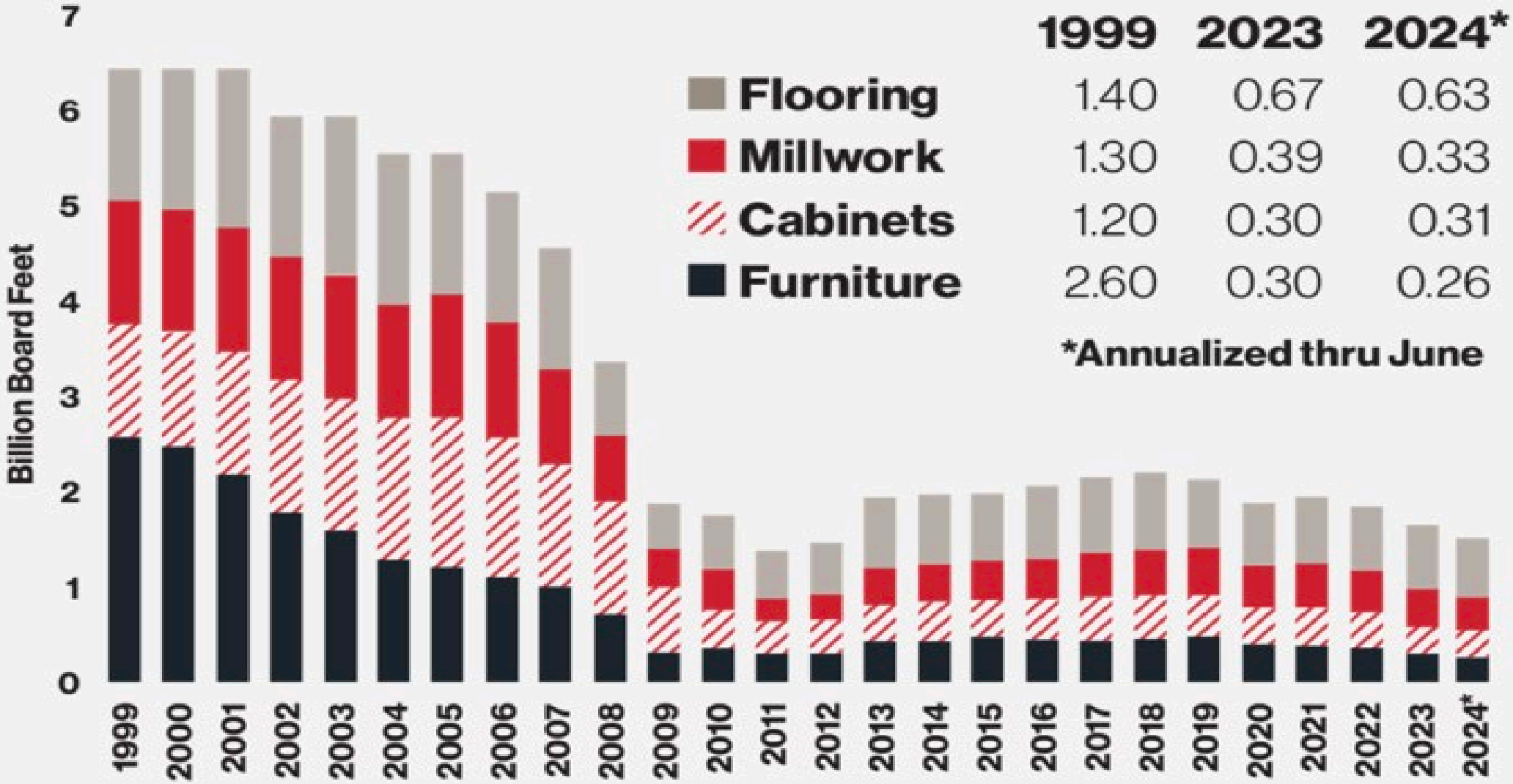
Actual 1999
Population 2024
GDP 2024
Actual 2024

US Consumption of Hardwood Grade Lumber by Sector

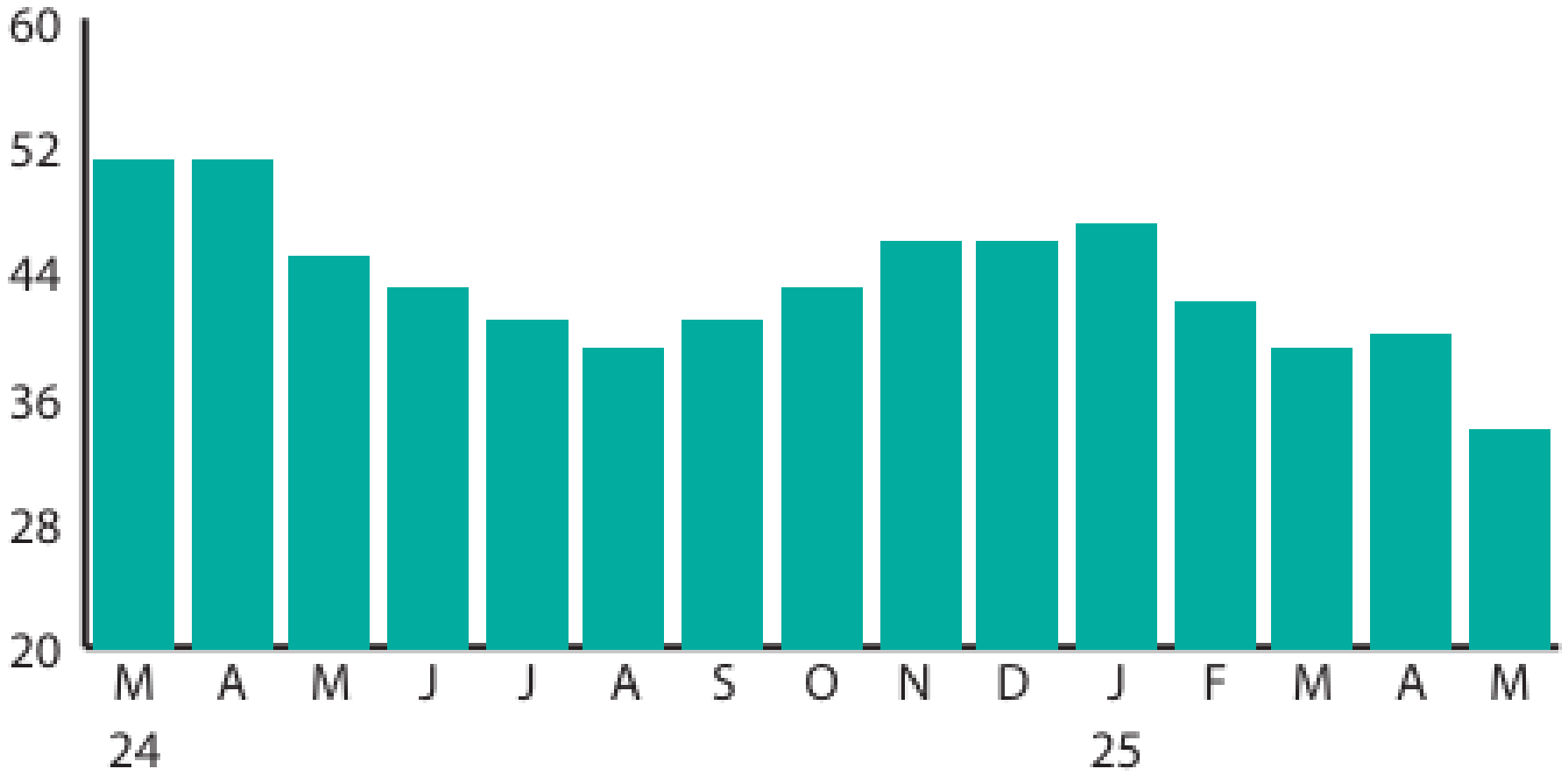
Courtesy of Hardwood Market Report



	1999	2023	2024*
Flooring	1.40	0.67	0.63
Millwork	1.30	0.39	0.33
Cabinets	1.20	0.30	0.31
Furniture	2.60	0.30	0.26

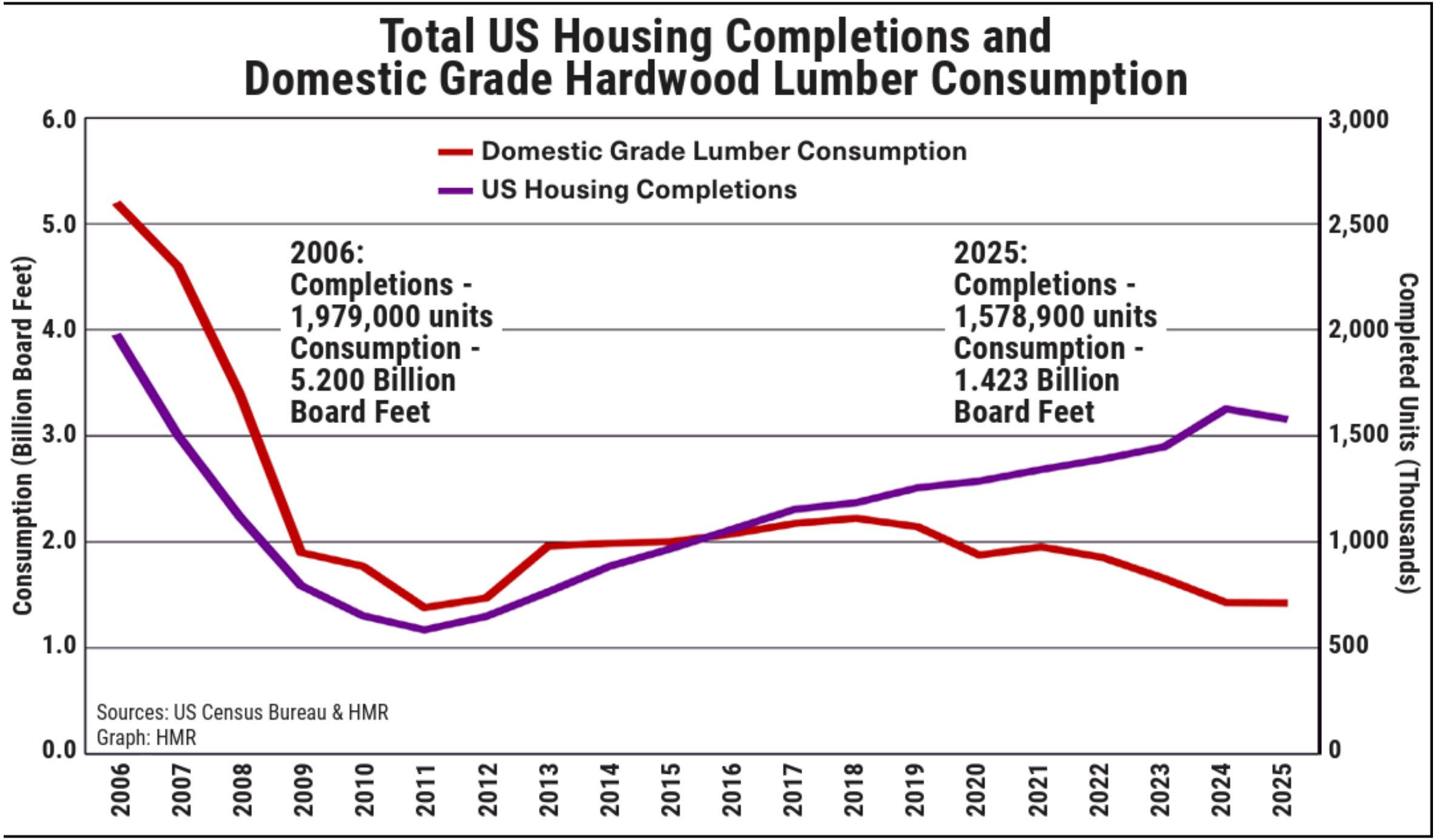
*Annualized thru June

Dropping Housing Market Index Just One Factor Slowing Wood Markets



Source: National Association of Home Builders

Total US Housing Completions and Domestic Grade Hardwood Lumber Consumption



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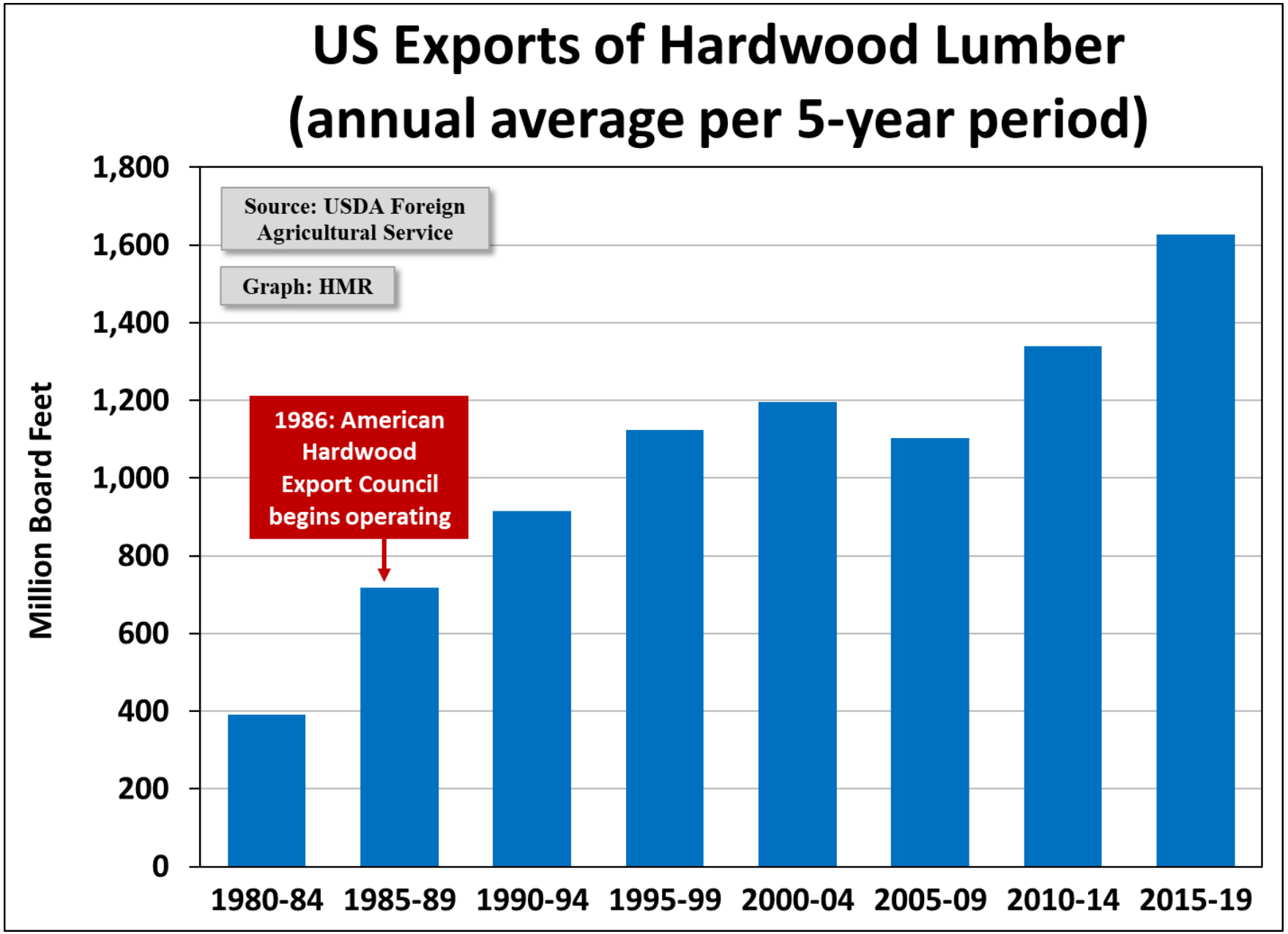
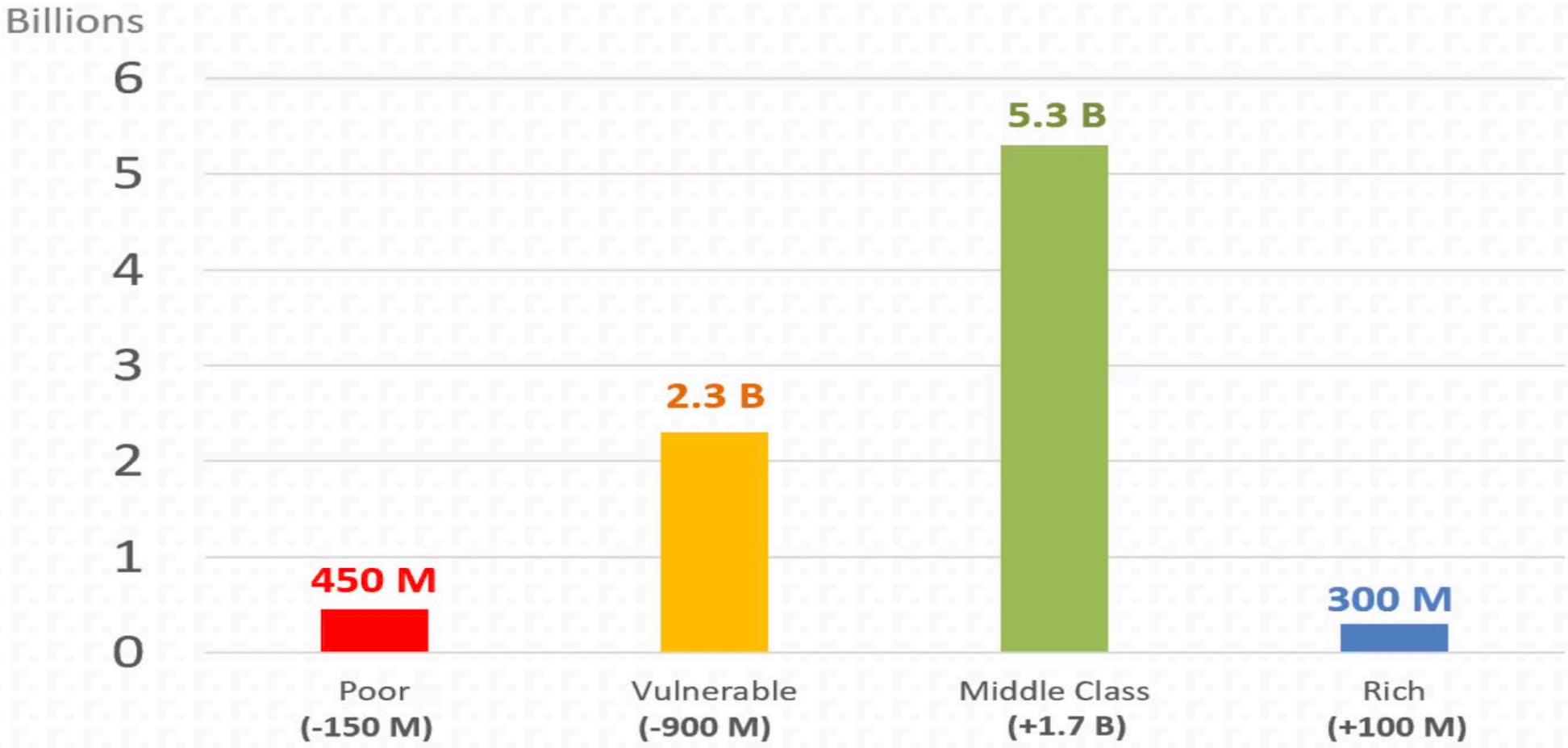


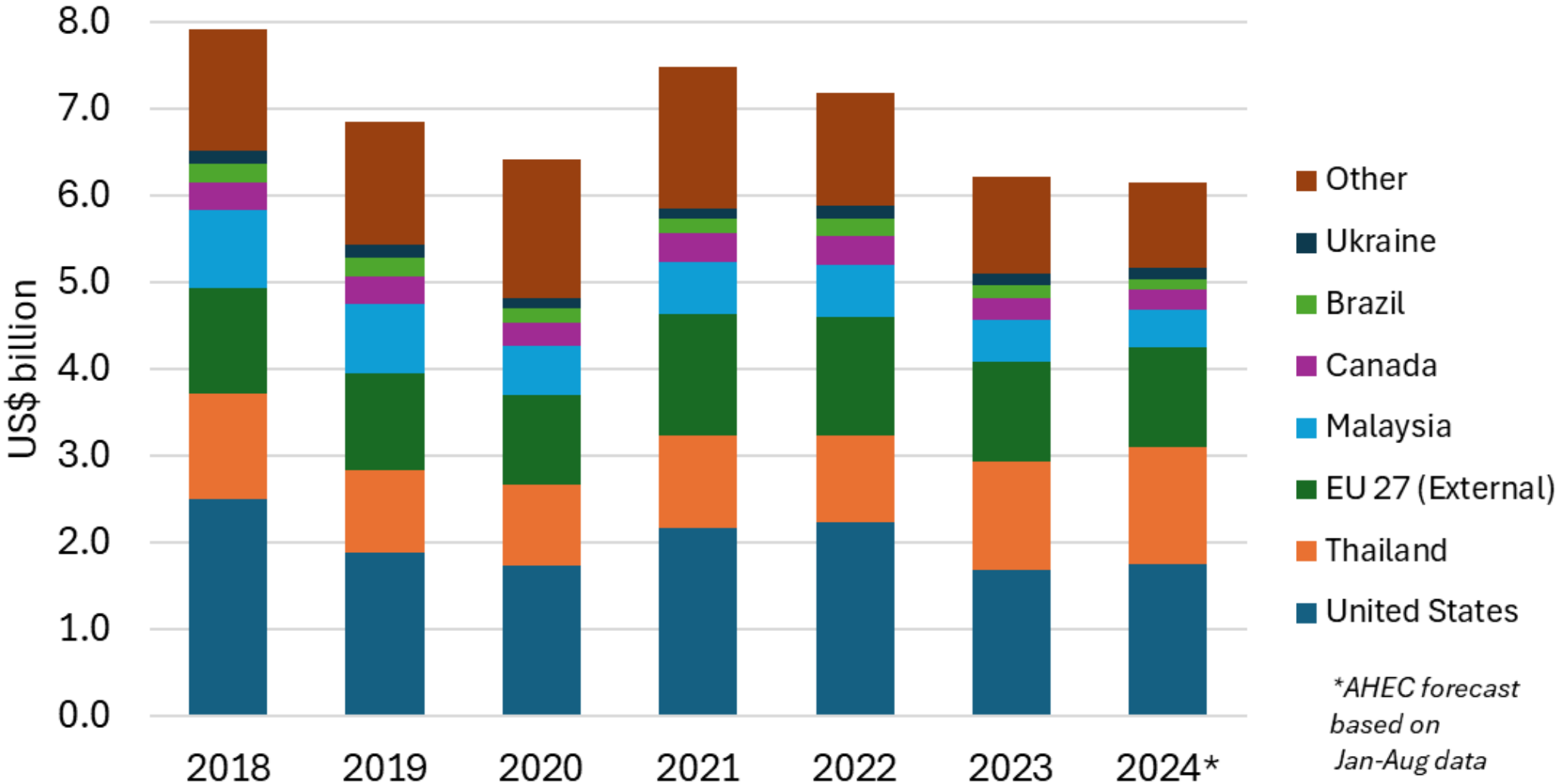
Global Middle Class will be Dominant by 2030



Figures in parenthesis indicate the increase/decrease in the number of people in each category by 2030.

Source: The Brookings Institution
Projections by World Data Lab

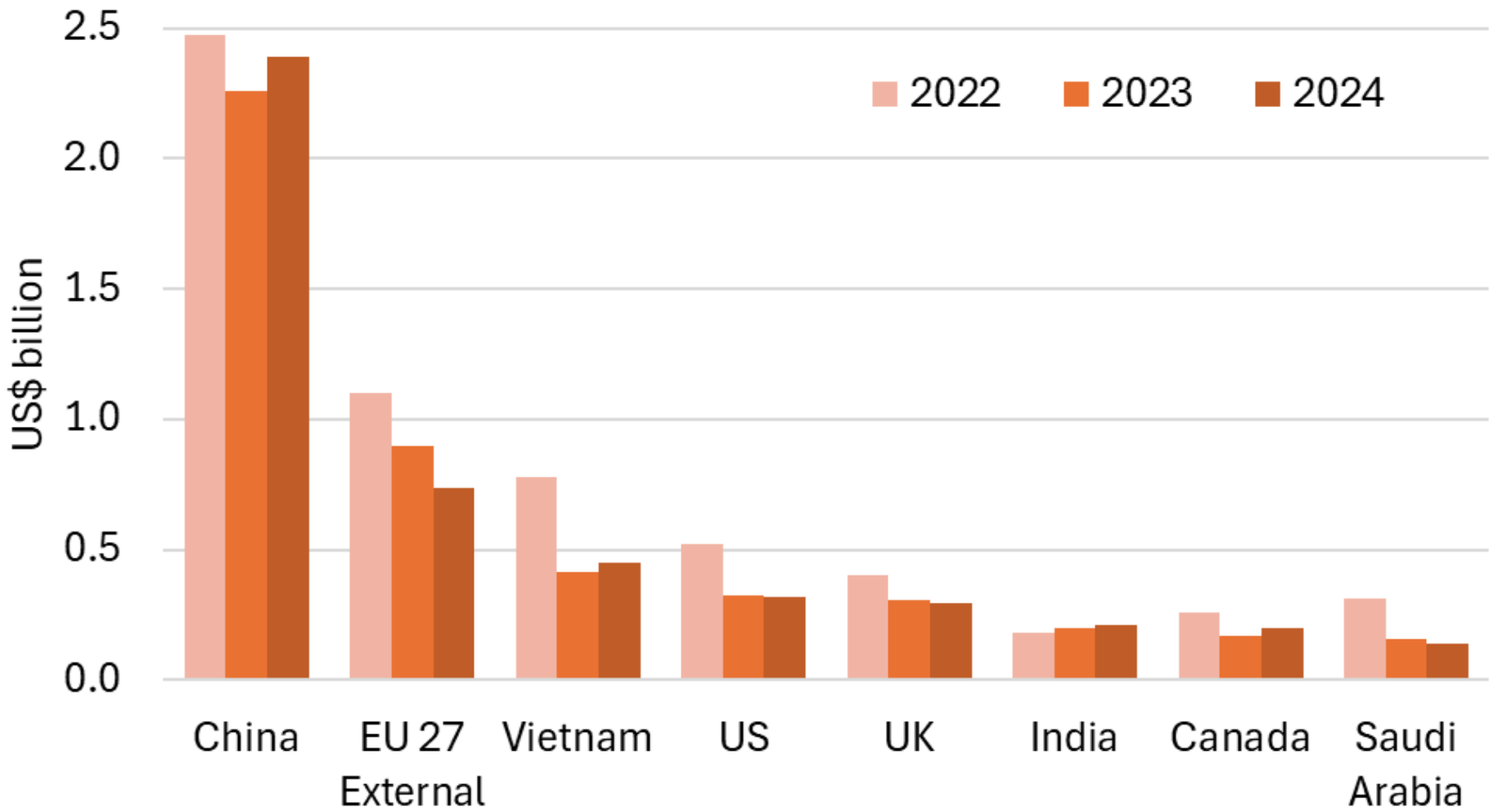
Hardwood lumber exporters



Source: Trade Data Monitor

Hardwood lumber importers

January to August



Source: Trade Data Monitor

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A Word About Tariffs

Mike Snow

American Hardwood Export Council

August 2025

Global Tariff Update (Aug 15th)

Tariffs on <u>our lumber</u> in Export Markets

- to **CANADA**
  - 25%
- to **CHINA**
  - 10% (until November, could go up to 125% if no signed deal)
- to **EUROPEAN UNION**
  - 0% (25% on cherry lumber if no deal signed)

Important Tariffs on Products COMING IN to the USA

- from **Canada**
  - 35% (25% for USMCA Compliant goods)
- from **CHINA**
  - 30% (until November, could go up to 145%)
- from **EUROPEAN UNION**
  - 0-15%
- from **INDIA**
  - 50%
- from **MEXICO**
  - 25%
- from **VIETNAM**
  - 20% (40% on transshipment)

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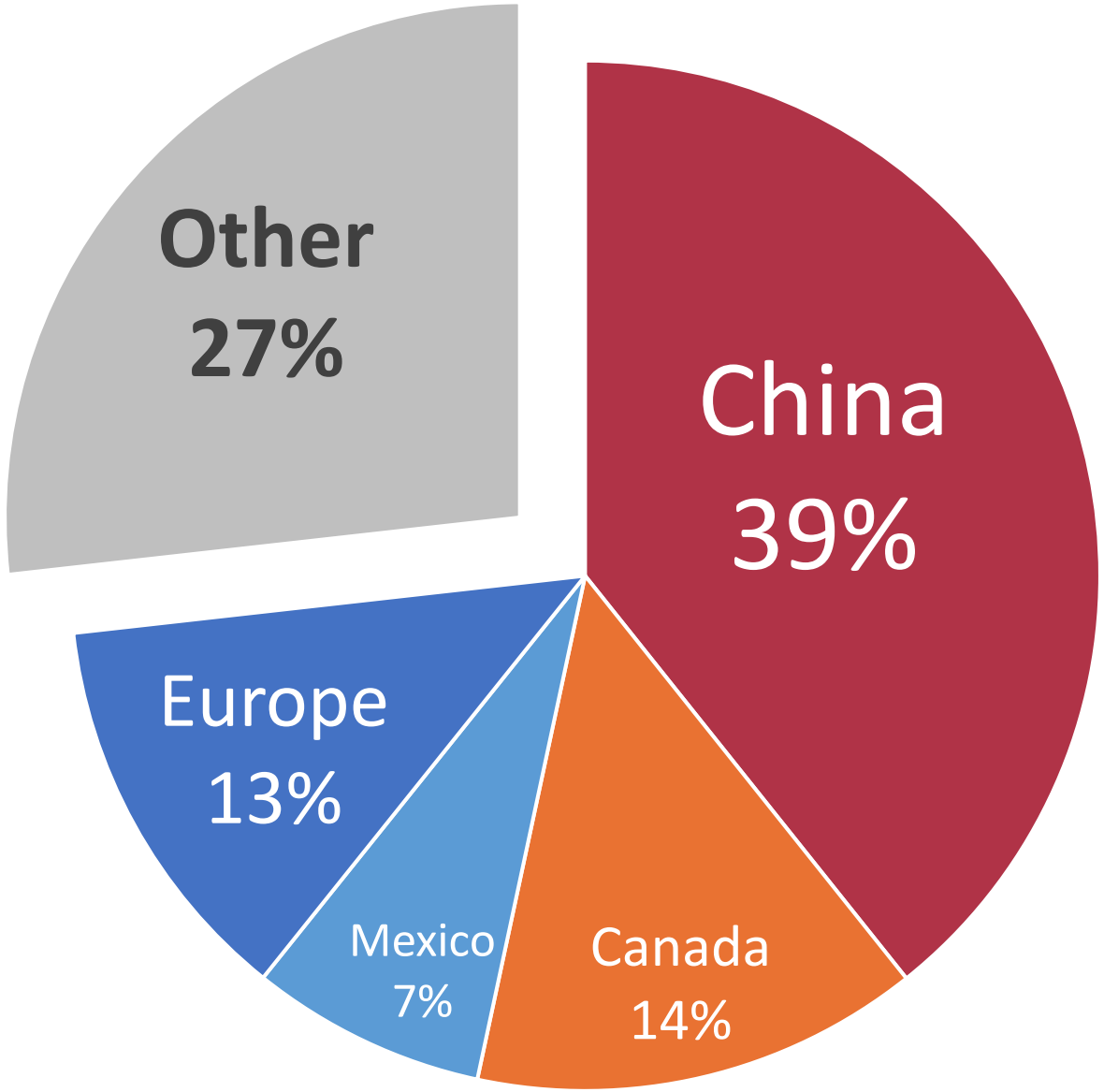
US Hardwood Lumber Export Markets



Source: U.S. Census Bureau Trade Data, data for 2024 by Value, $USD

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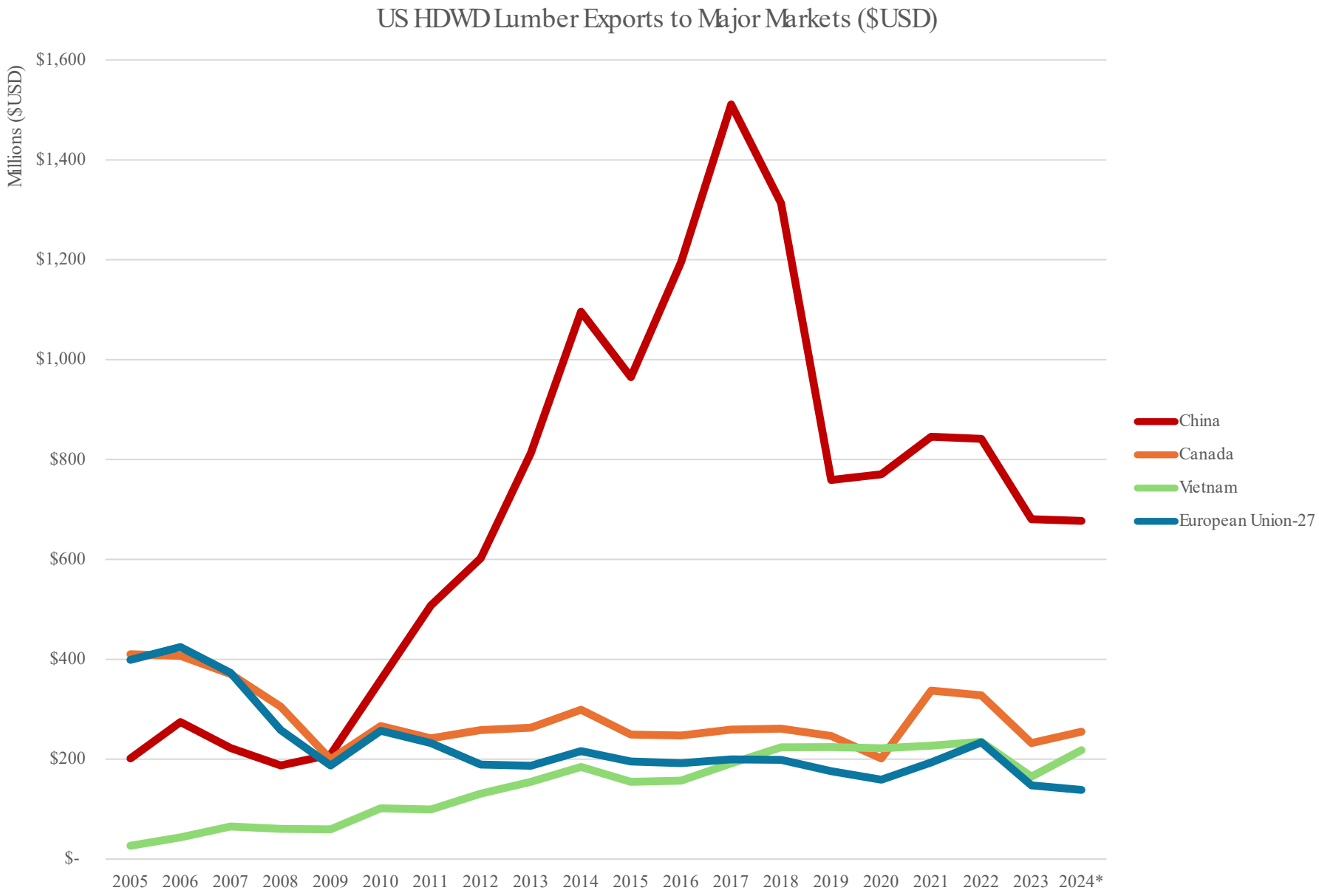

Source: U.S. Census Bureau Trade Data, data in $USD, 2024 Annualized from Nov

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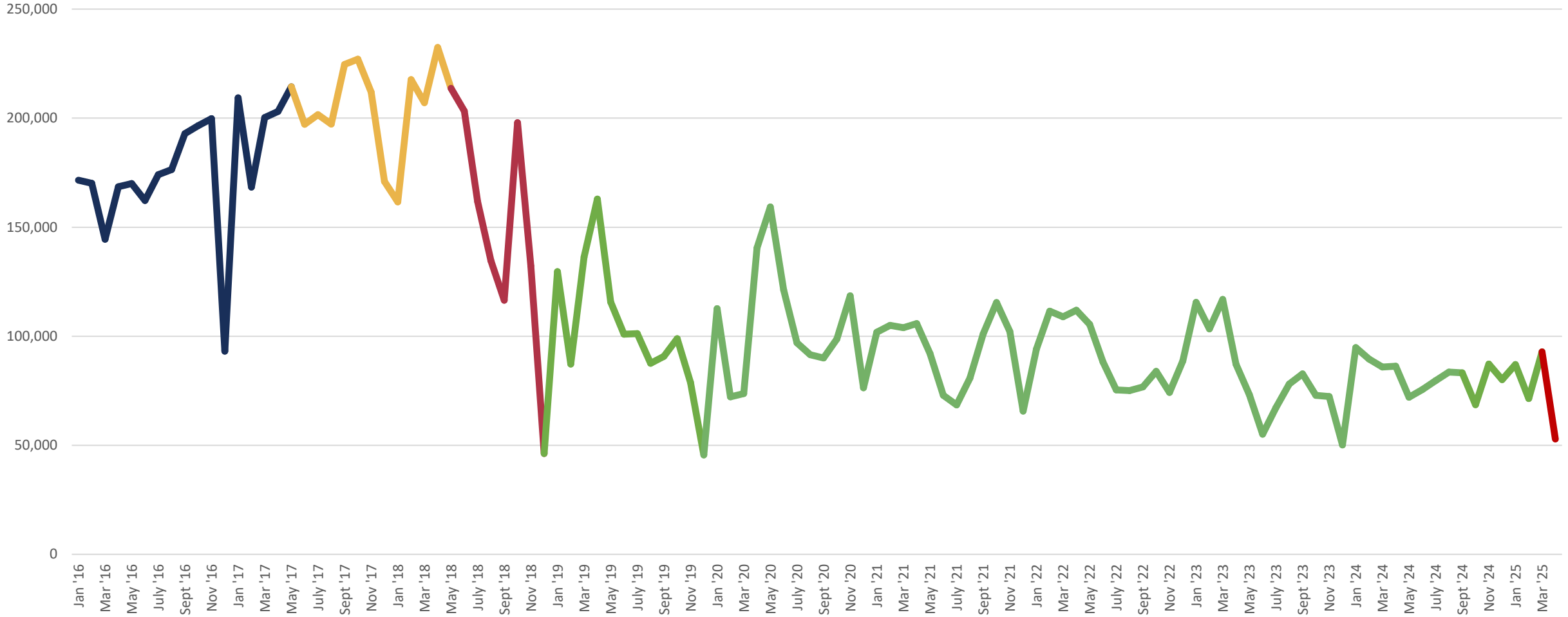
Monthly US HDWD Lumber Exports to China (Volume, m3)



Blue – Before Tariffs

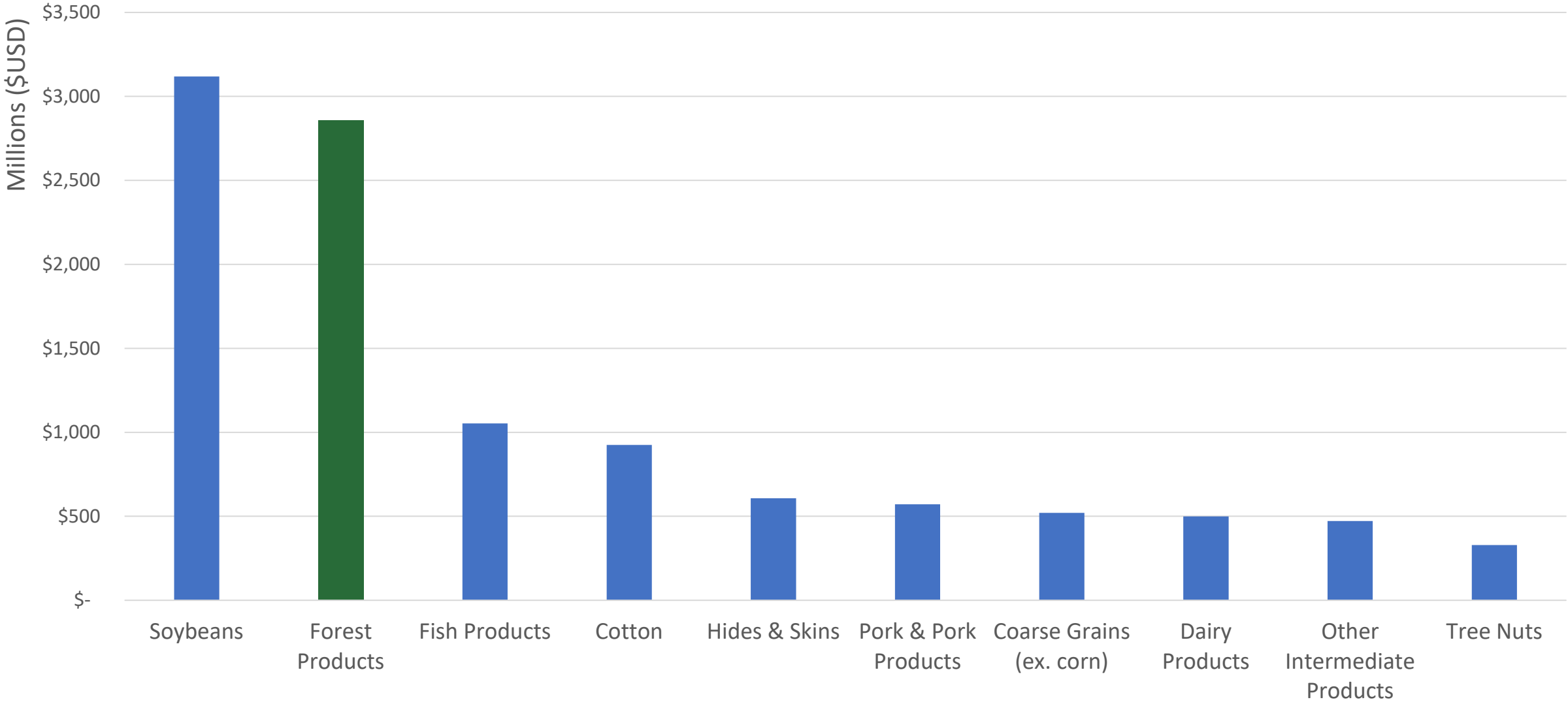
Yellow – Initial Tariffs

Red- Full Tariffs

Green – Tariffs Removed

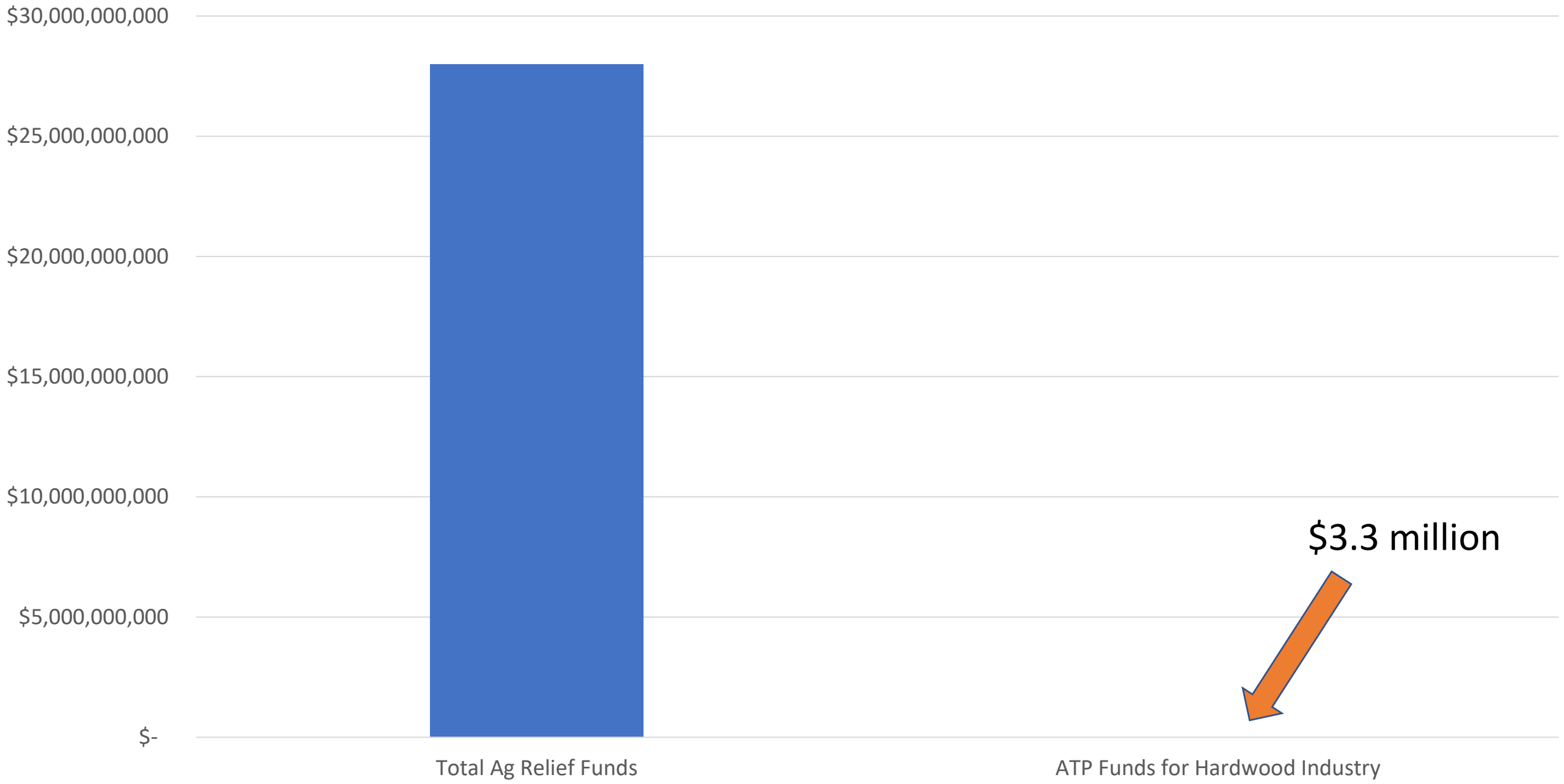
Source: U.S. Census Bureau Trade Data. Initial tariffs of 5% in June 2017, full tariffs up to 25% in June 2018, Tariffs Removed Jan 2020, 10% tariffs in April 2025

US Agricultural Exports to China, 2018



Source: US Census Bureau Trade Data, USDA GATS

Total Agricultural Relief Funds – 2018-2019



Source: Trade Data Monitor, data in $USD, 2024 values through Nov

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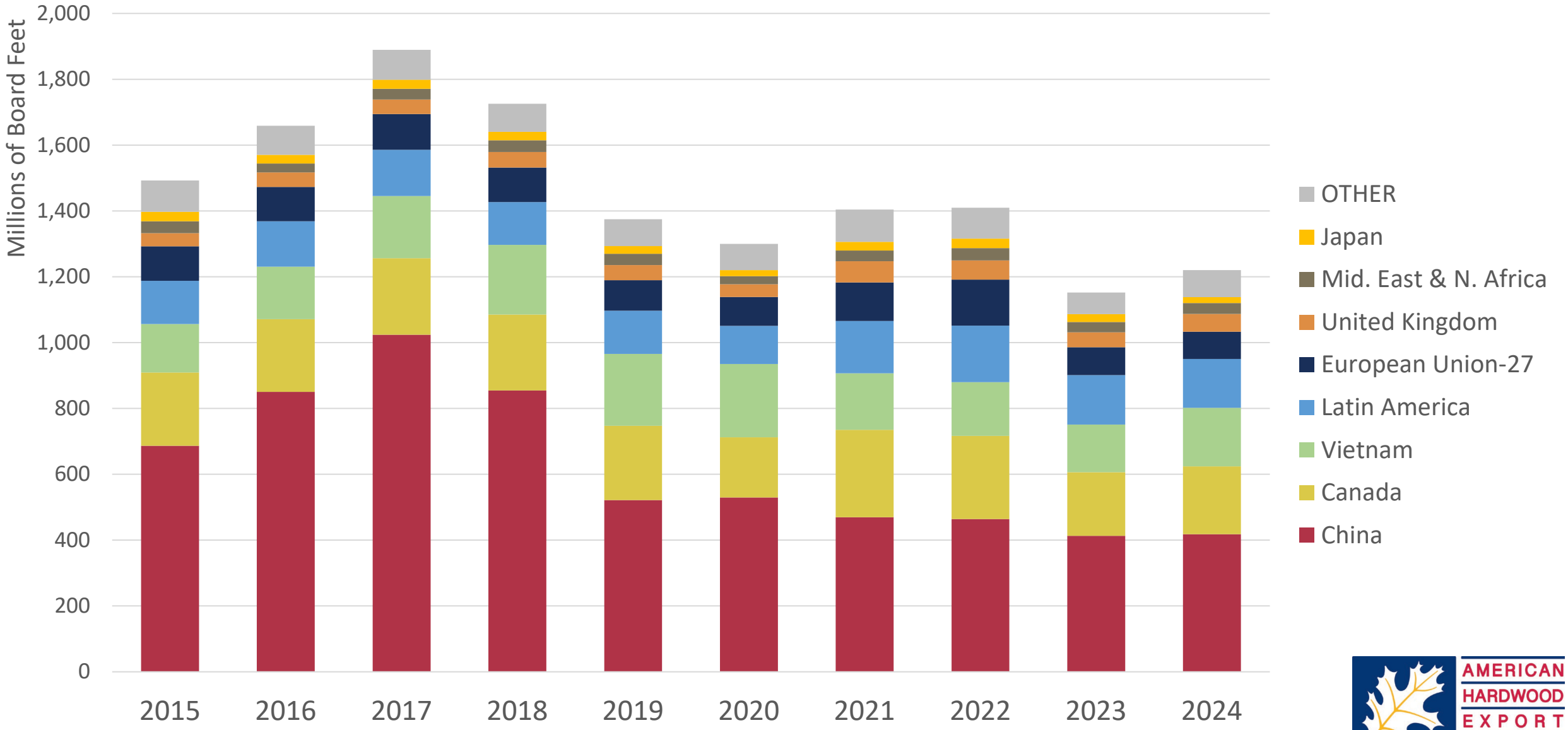
US Lumber Exports (board feet)



Source: U.S. Census Bureau Trade Data, in Board Feet

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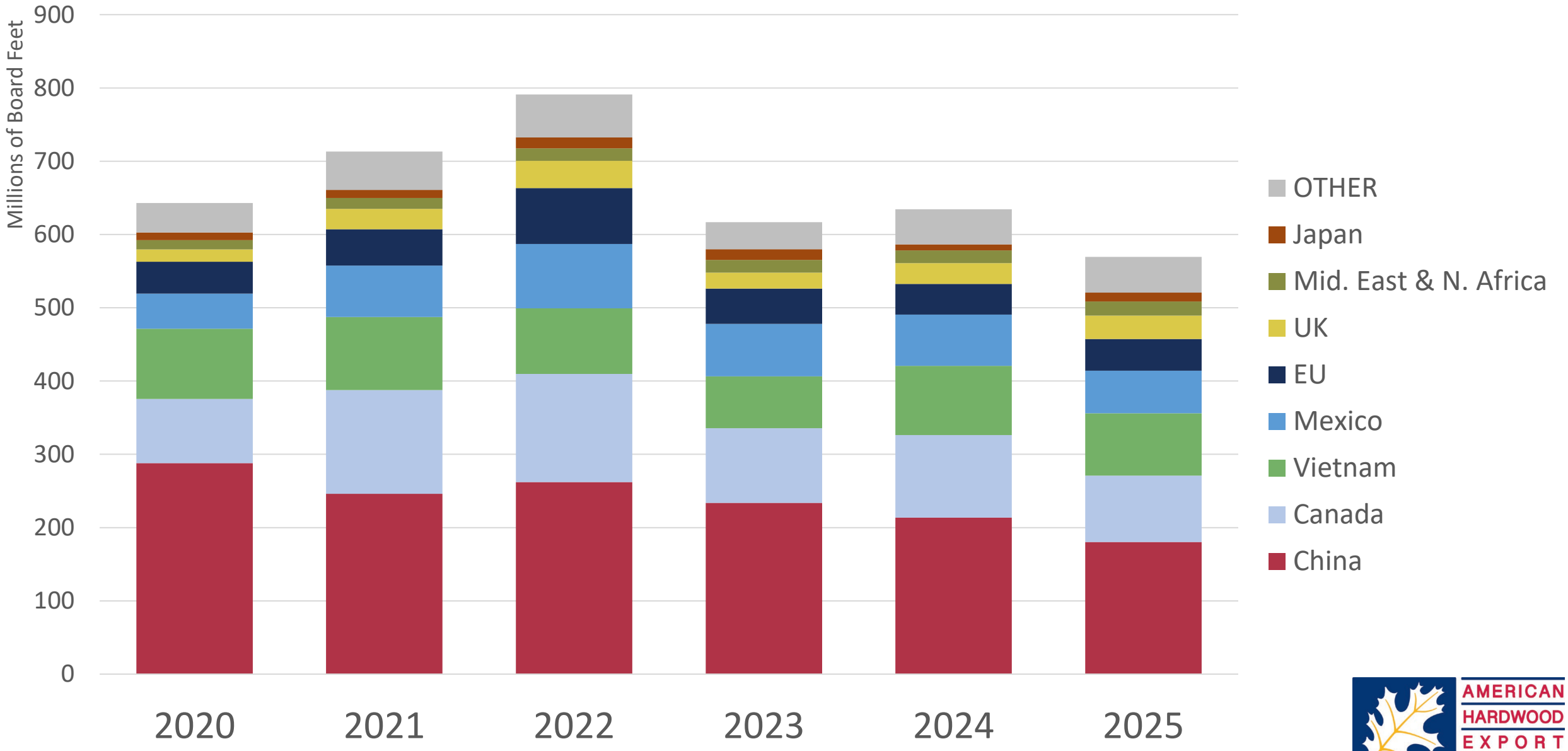
Mid-Year Lumber Exports, Board Feet



Source: U.S. Census Bureau Trade Data, Jan-June

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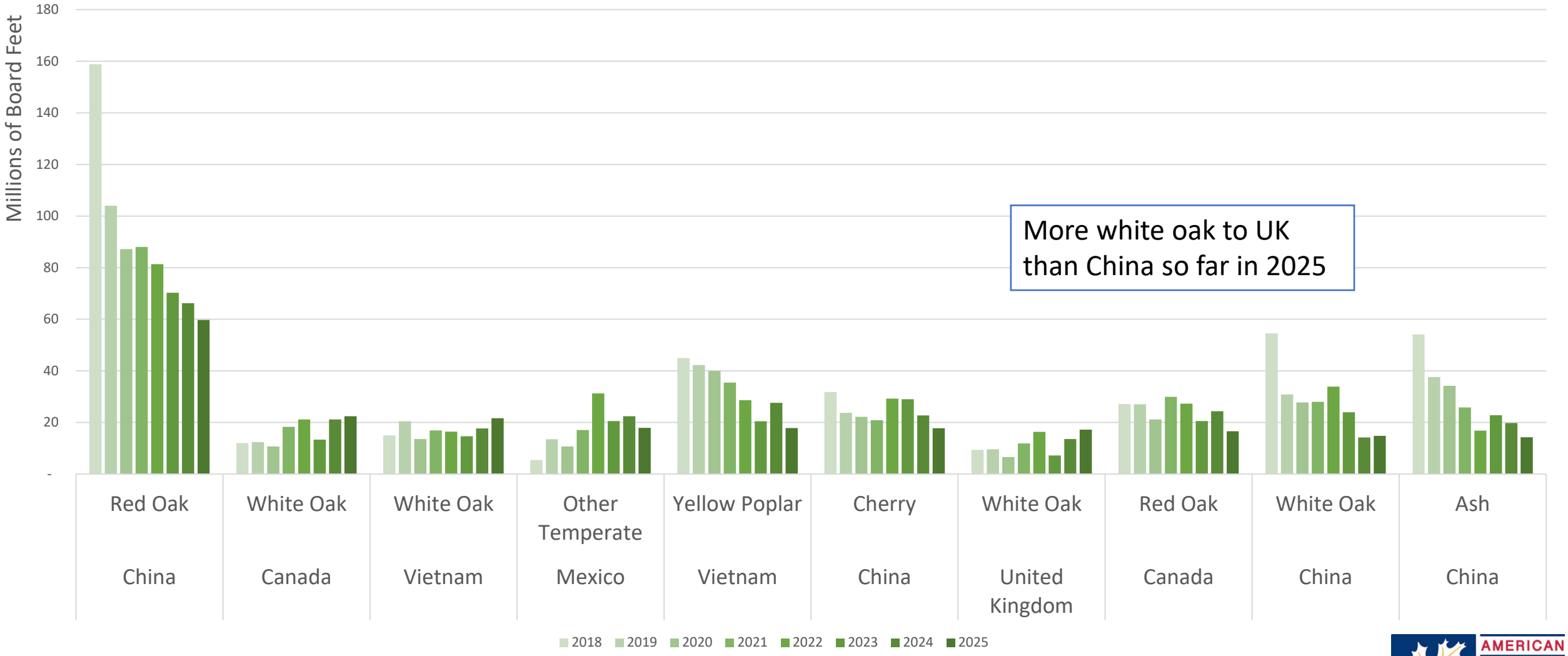
Top Markets for US Hardwood Lumber
Jan-May, Volume in Board Feet



Source: U.S. Census Bureau Trade Data

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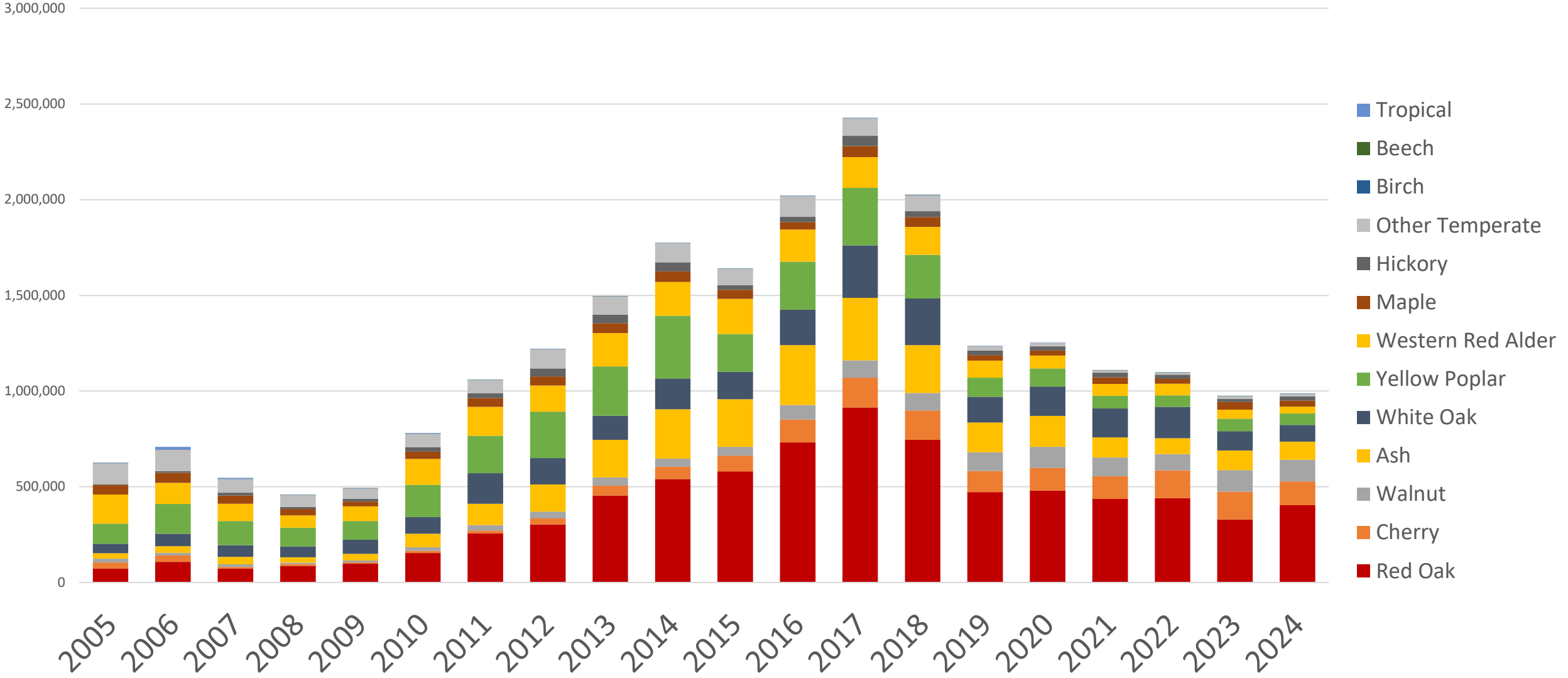
US Hardwood Lumber to China (Volume m3)



Source: U.S. Census Bureau Trade Data

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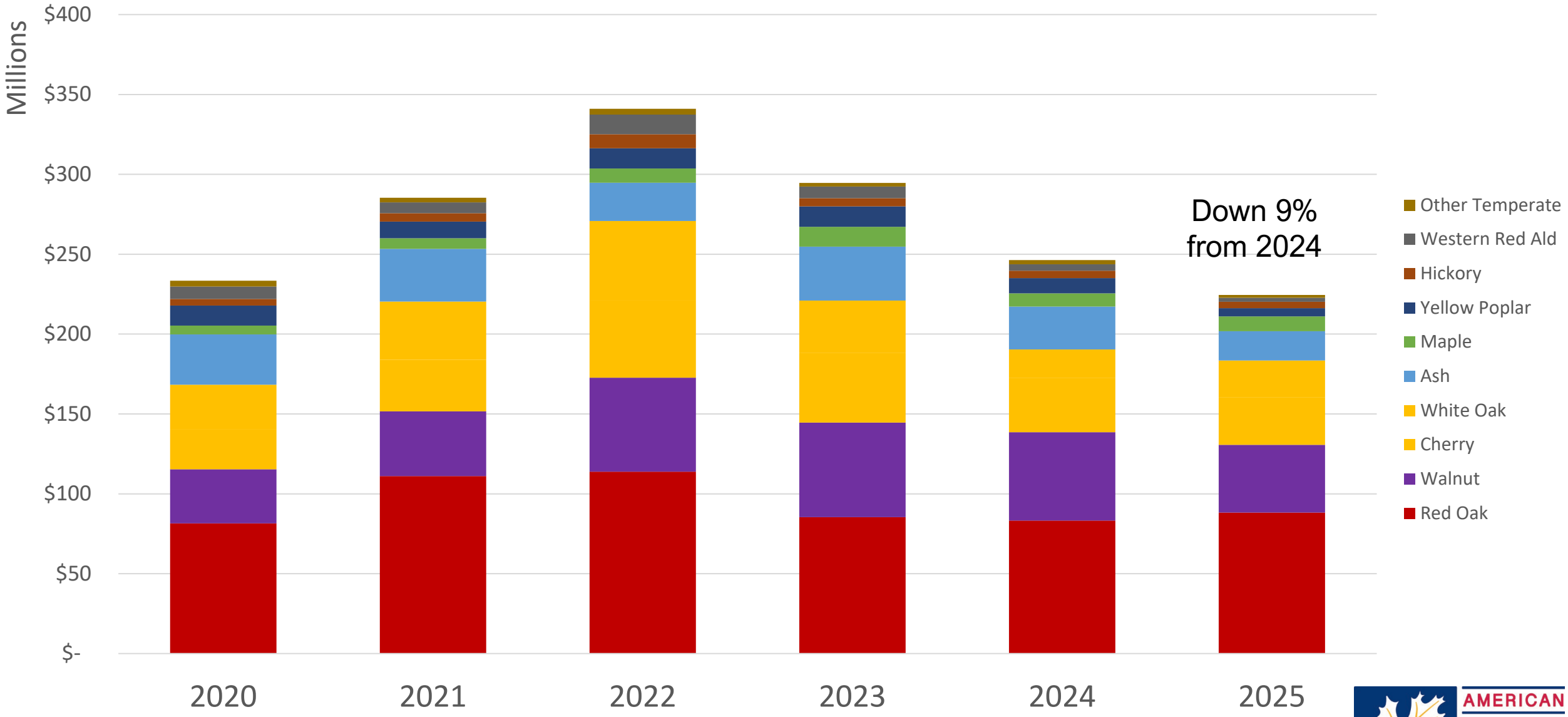
US Hardwood Lumber Exports to China (Jan-May)



Source: U.S. Census Bureau Trade Data

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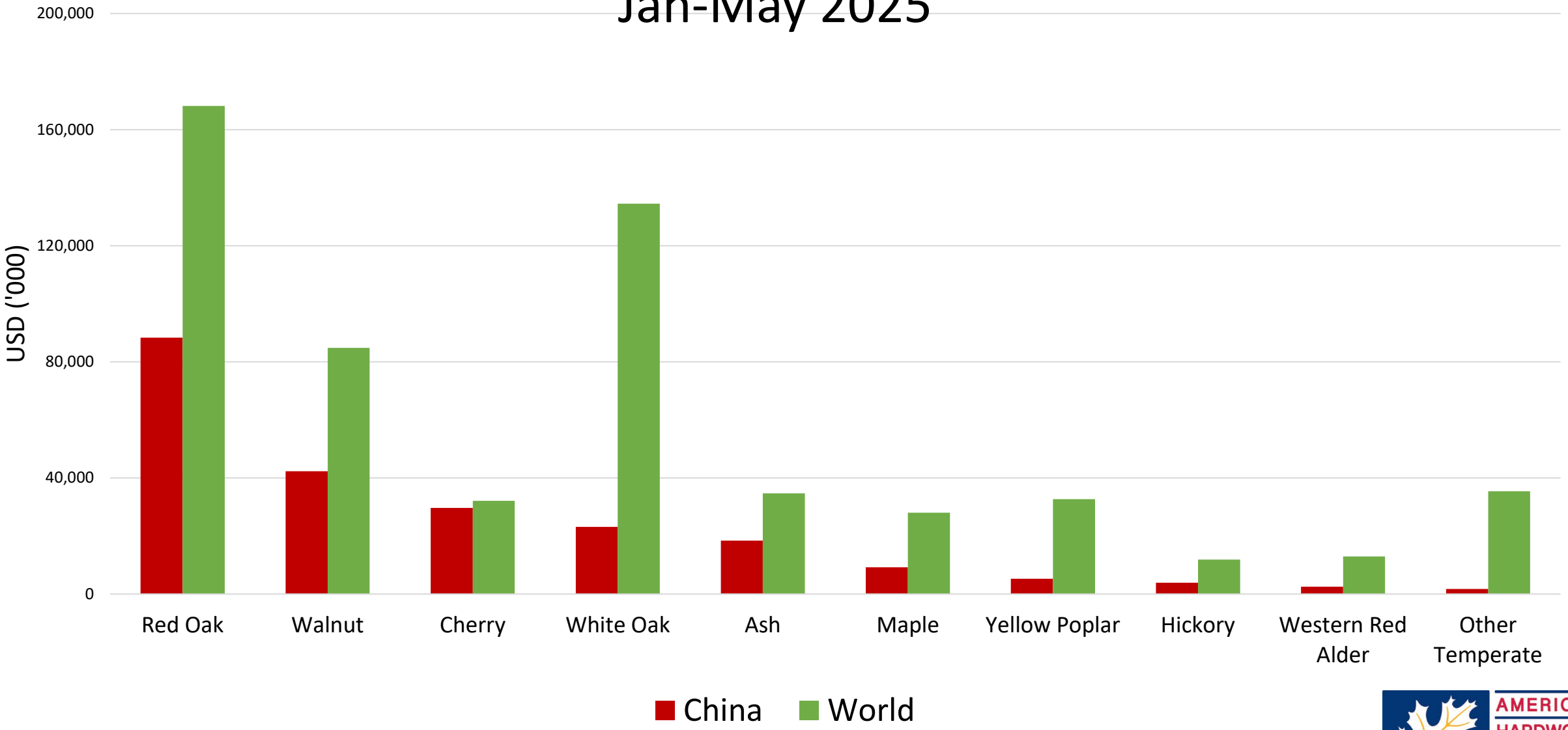
Top Species to Mainland China vs World Total
Jan-May 2025



Source: U.S. Census Bureau Trade Data

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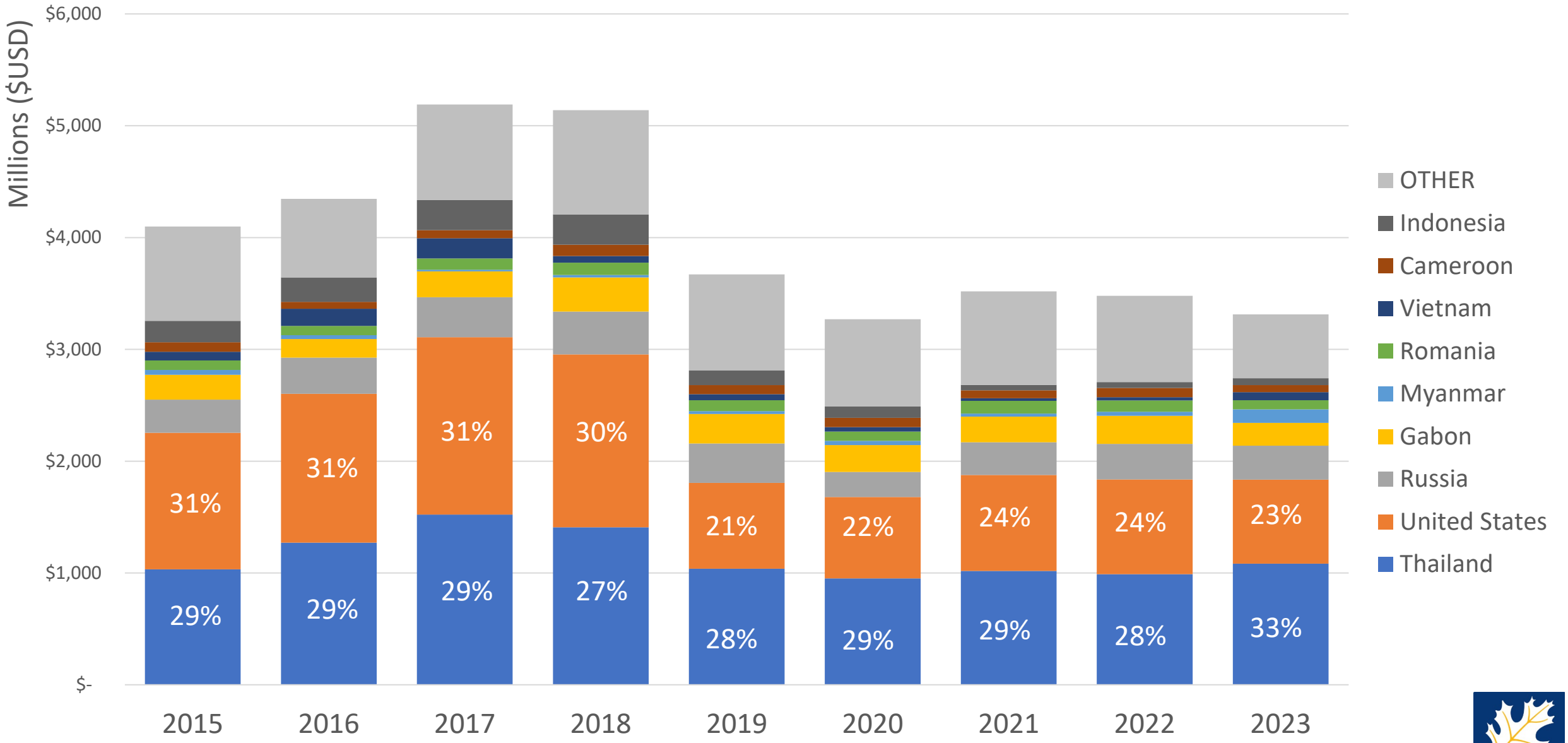
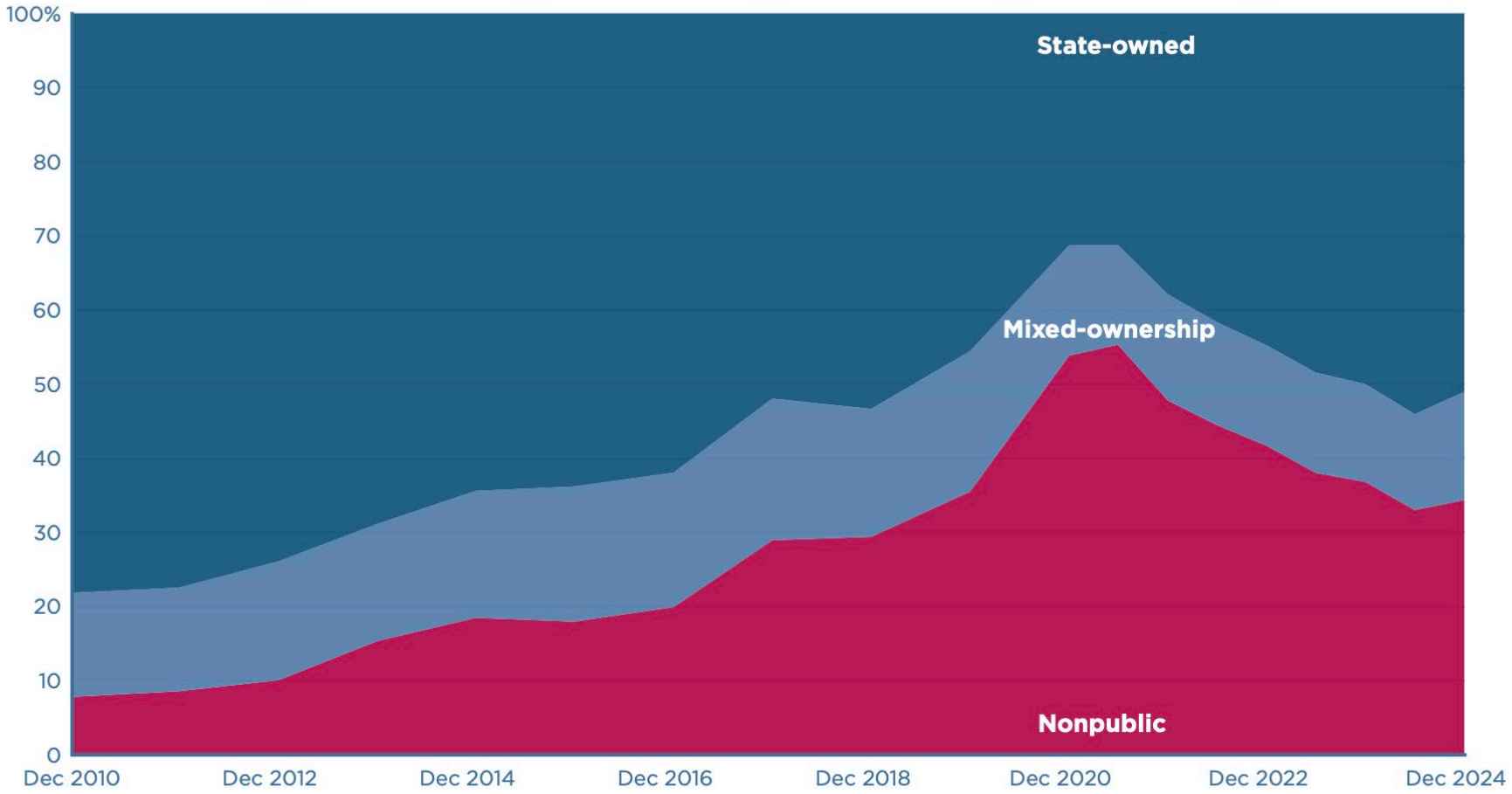
China Lumber Imports from All Sources



Source: U.S. Census Bureau Trade Data

China's share of companies in private sector saw small uptick in second half of 2024 after years of decline

Share of aggregate market capitalization of China's top 100 listed firms, by ownership, end-2010 to end-2024



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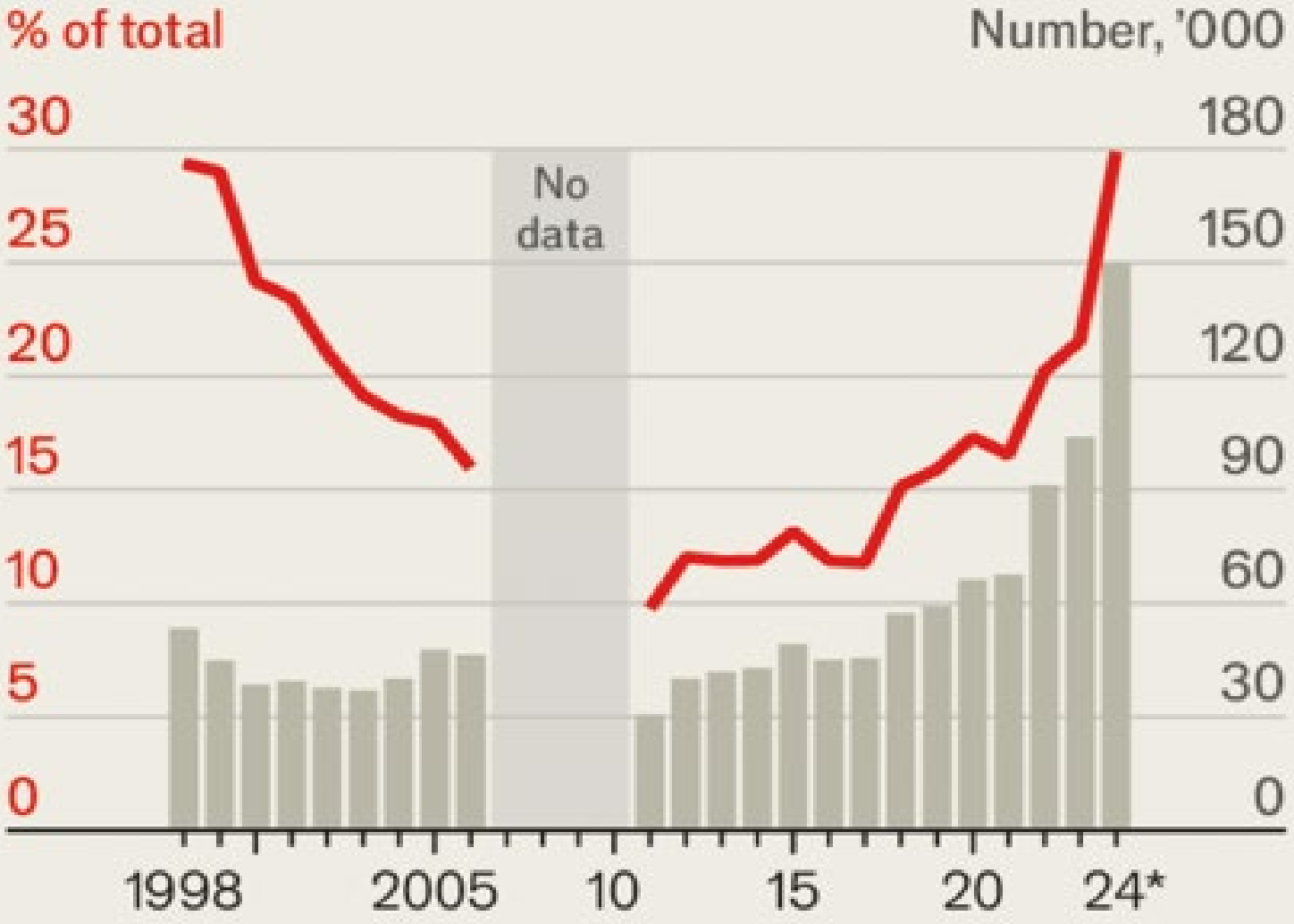
Notes: End-year data from 2010 to 2020; half-yearly from 2021. China's top 100 listed firms are defined as the 100 mainland Chinese firms with the largest market capitalizations, whether listed in the mainland or abroad, including so-called variable-interest entities. "Nonpublic" are firms in which state entities hold an equity stake of less than 10 percent. "State-owned" are firms in which the state owns a majority stake. "Mixed-ownership" are firms in which the state owns an equity stake between 10 and 50 percent.

Newly unproductive forces

China, loss-making industrial enterprises



Source: Wind

*At June

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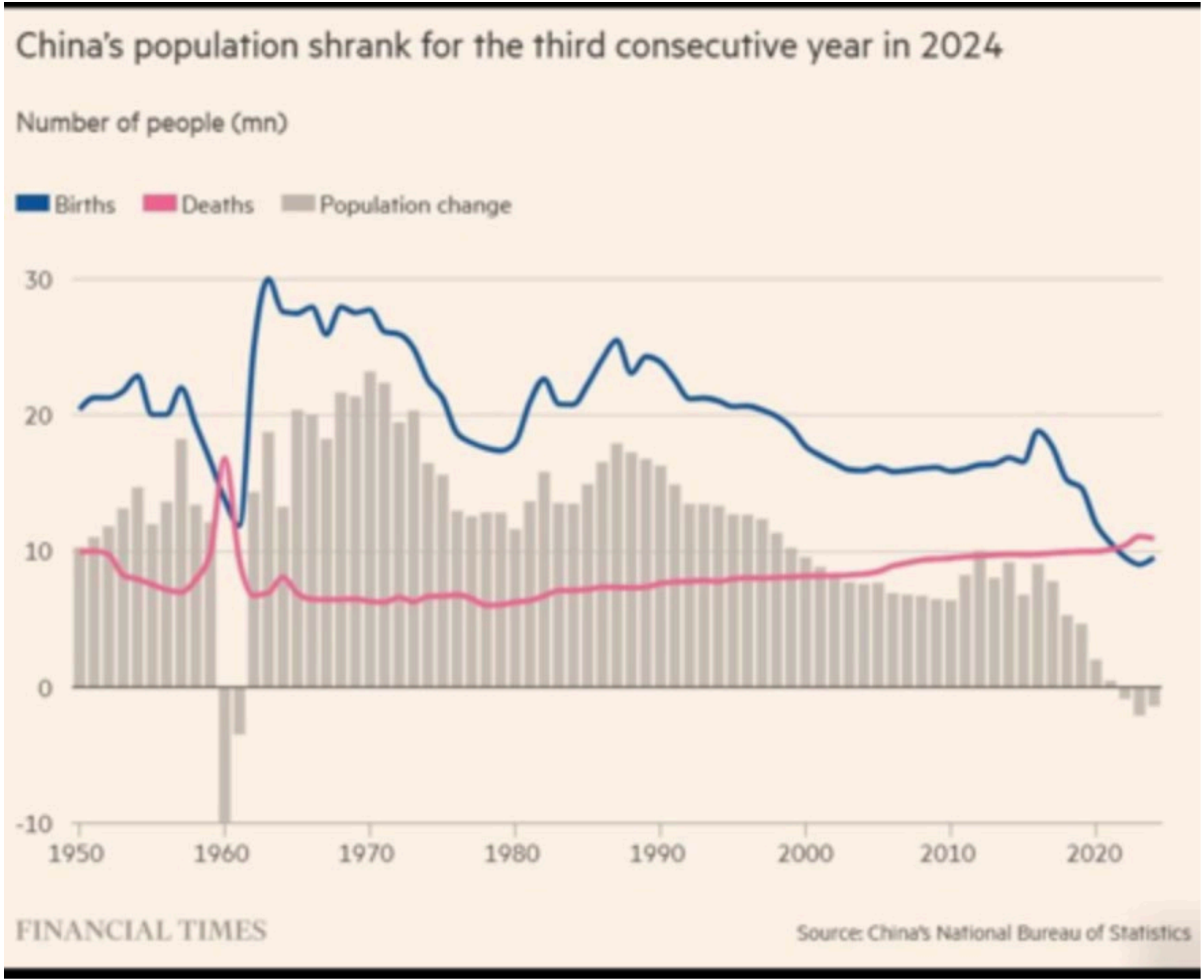
Oxford Economics estimated at the end of 2022 that Chinese housing demand was **8 million** units per year from 2010 through 2019 but would drop to only **4.6 million** per year from next year through 2030.

People have moved to the cities, birth rates are falling, and housing speculation has cooled

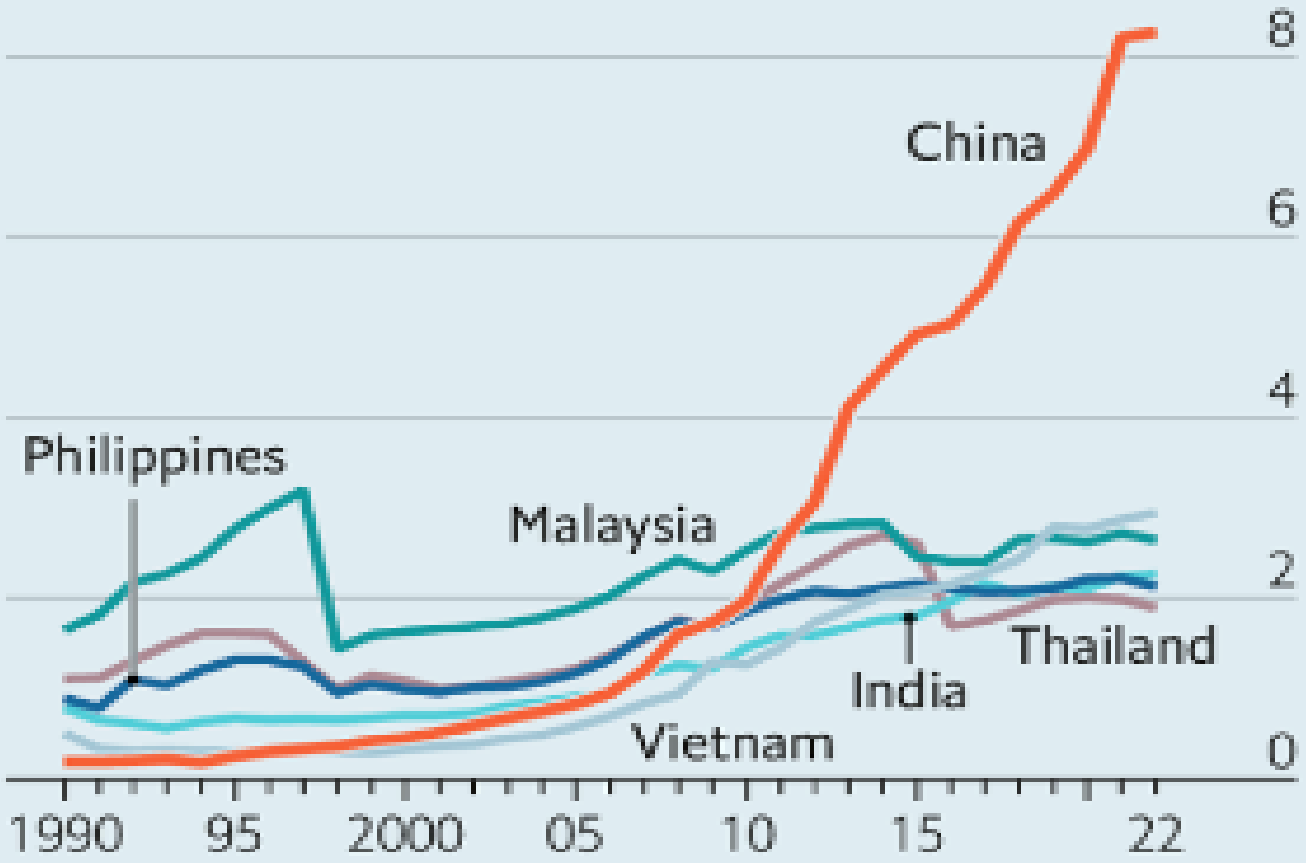
China, residential-property sales volume
% change on a year earlier
20
10
0
-10
-20
-30
-40
-50
2021
22
23
24
Sources: National Bureau of Statistics; Haver Analytics

China's population shrank for the third consecutive year in 2024



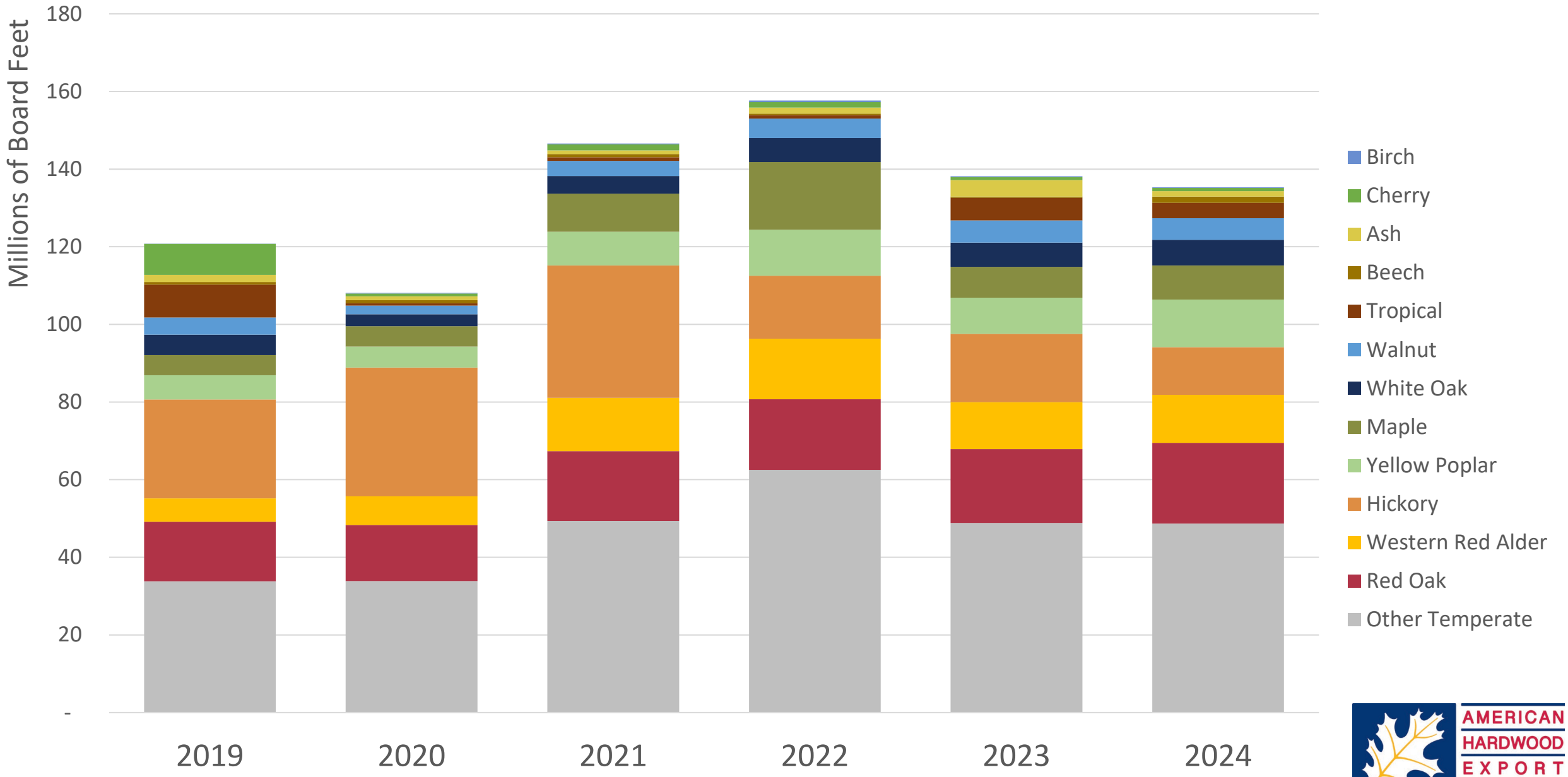
Chequed and unchequed growth

Manufacturing labour cost, $ per hour



Source: Haver Analytics

US Lumber to **Mexico** (board feet)



Source: U.S. Census Bureau Trade Data, in Board Feet

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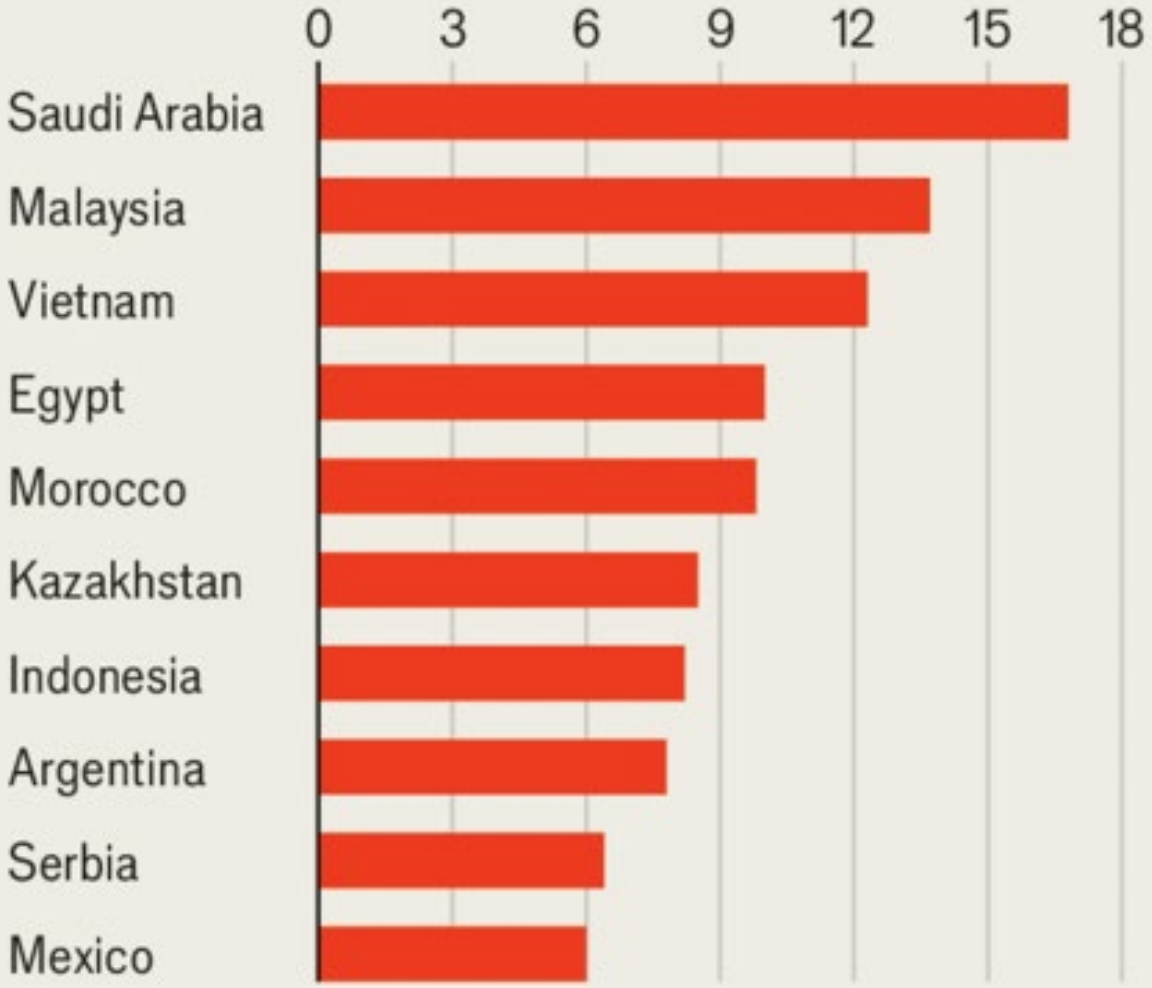
Figure 4. Annual foreign direct investment in Mexico's manufacturing sector (Statista, Hardwood Review).

Going where they're welcome

1

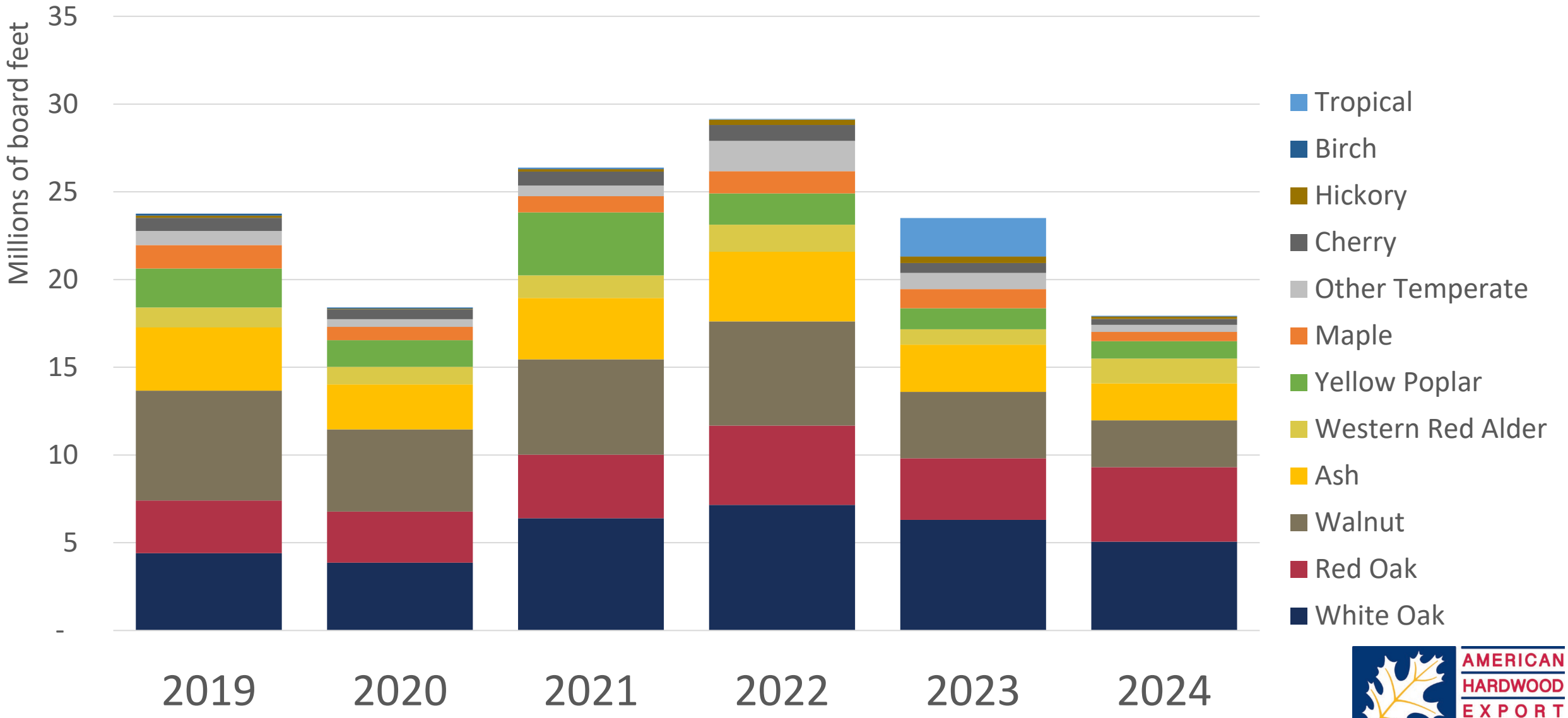
China, outbound greenfield foreign direct investment, top ten destinations, 2023, $bn



Source: fDi Markets

IMAGE: THE ECONOMIST

US Lumber to **Japan** (board feet)



Source: U.S. Census Bureau Trade Data, in Board Feet

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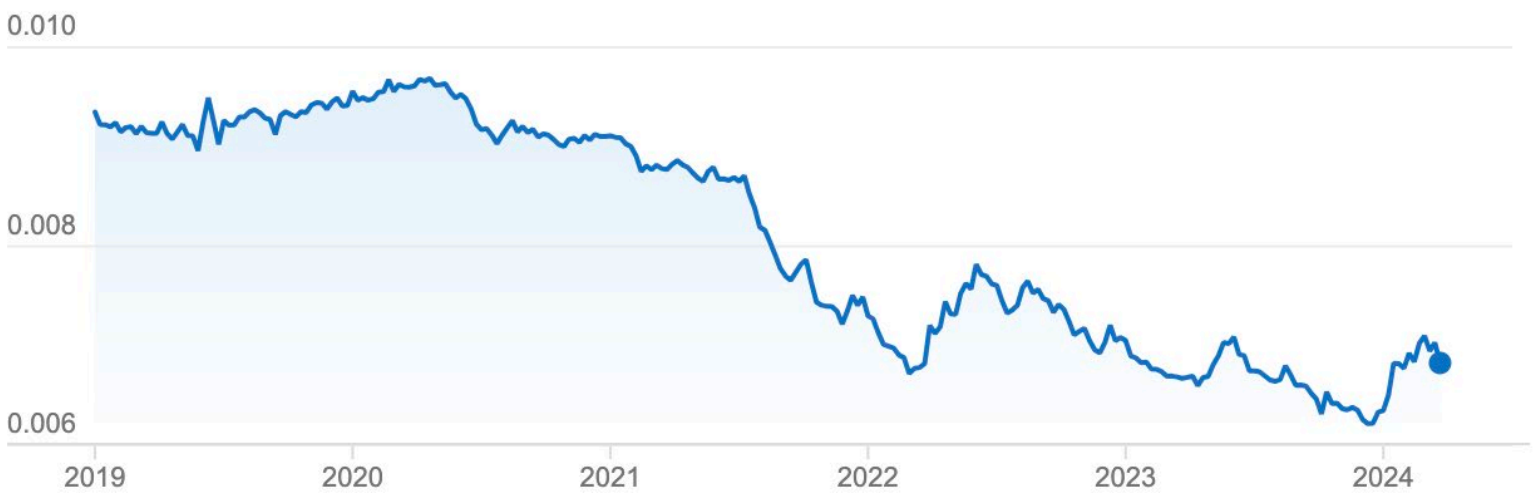
1 Japanese Yen =

0.0068 US Dollar

Last updated · October 3 at 9:05 PM UTC

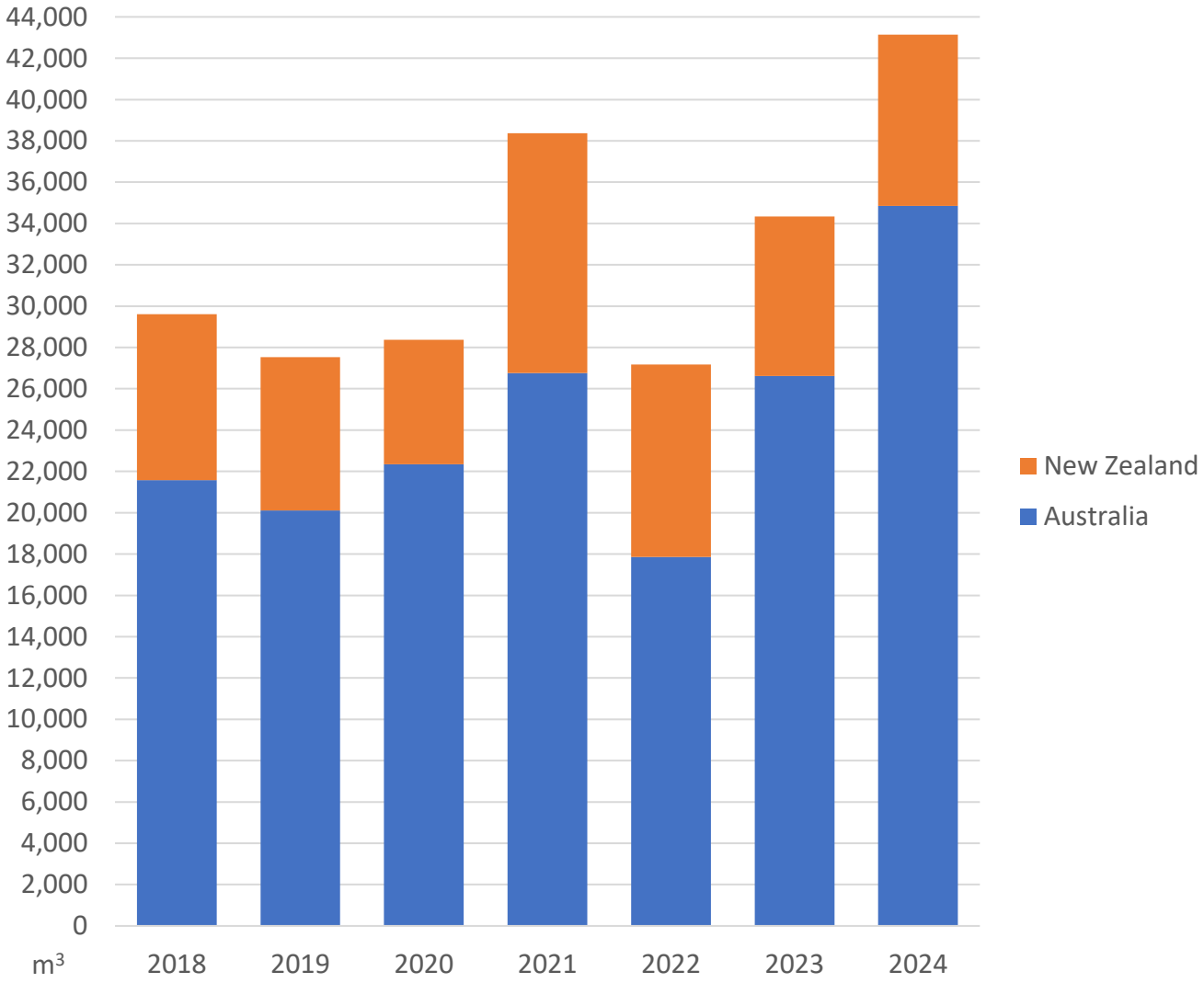
JPY ¥ - Japanese Yen		USD $ - US Dollar
1.00	⇄	0.0068

Day | Week | Month | Year | 5 Year | Max



Data from Refinitiv · Disclaimer

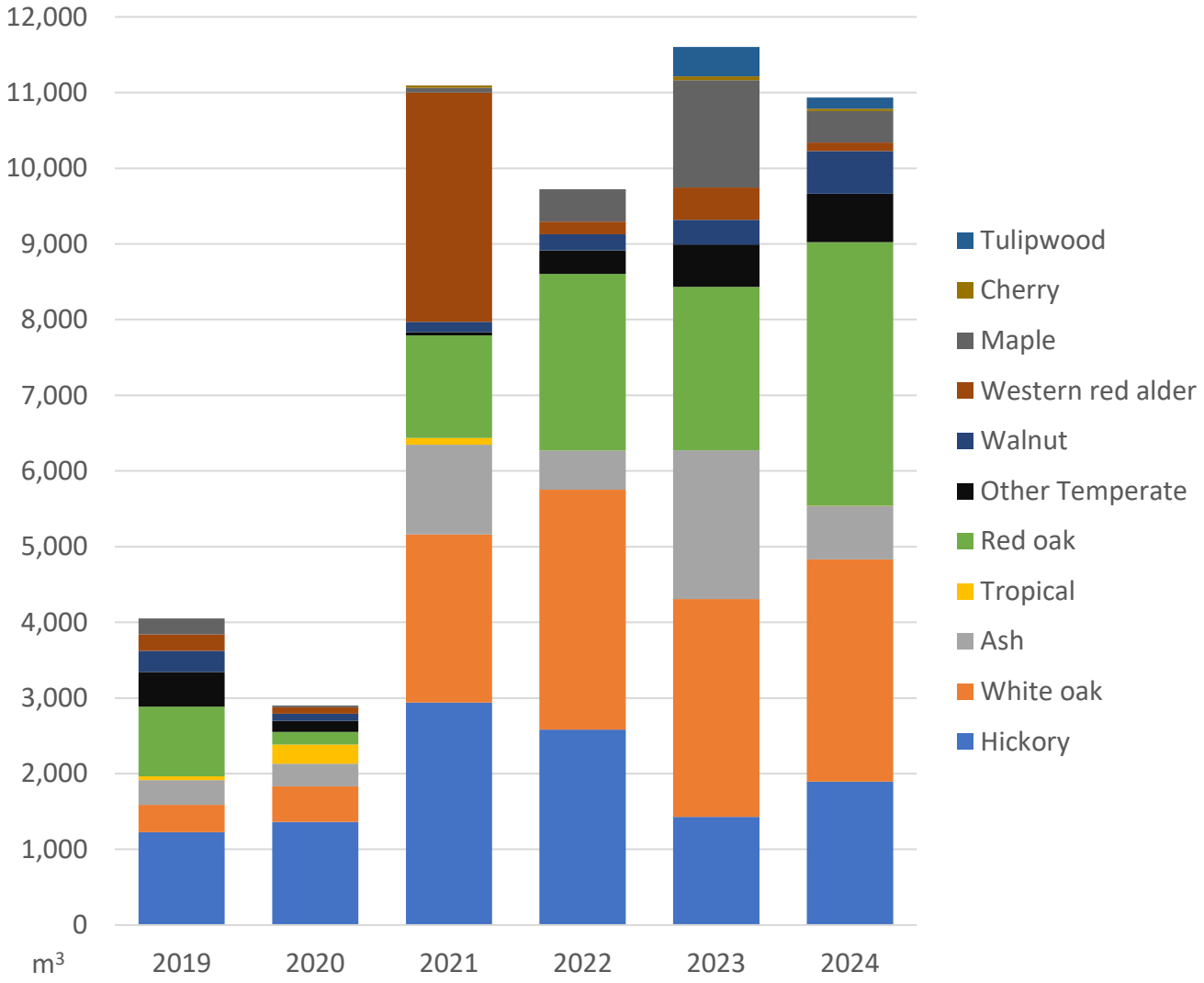
JAN-DEC 2024 U.S. HARDWOOD LUMBER EXPORTS (m^3) – AUSTRALIA & NEW ZEALAND



Source: USDA Foreign Agricultural Service

- Reaching 34,852 cubic metres and USD 25.61 million , exports of U.S. hardwood lumber to Australia grew year-on-year in 2024 by 31% and 21% respectively. This set new records in both volume and value.
- Direct exports of American hardwood veneers to Australia last year also grew by 1% to USD 1.63 million.
- At the same time, shipments to New Zealand grew year-on-year by 7% to 8,290 cubic metres and by 11% to USD 5.49 million.

JAN-Dec 2024 U.S. HARDWOOD LUMBER EXPORTS (m^3) – INDIA

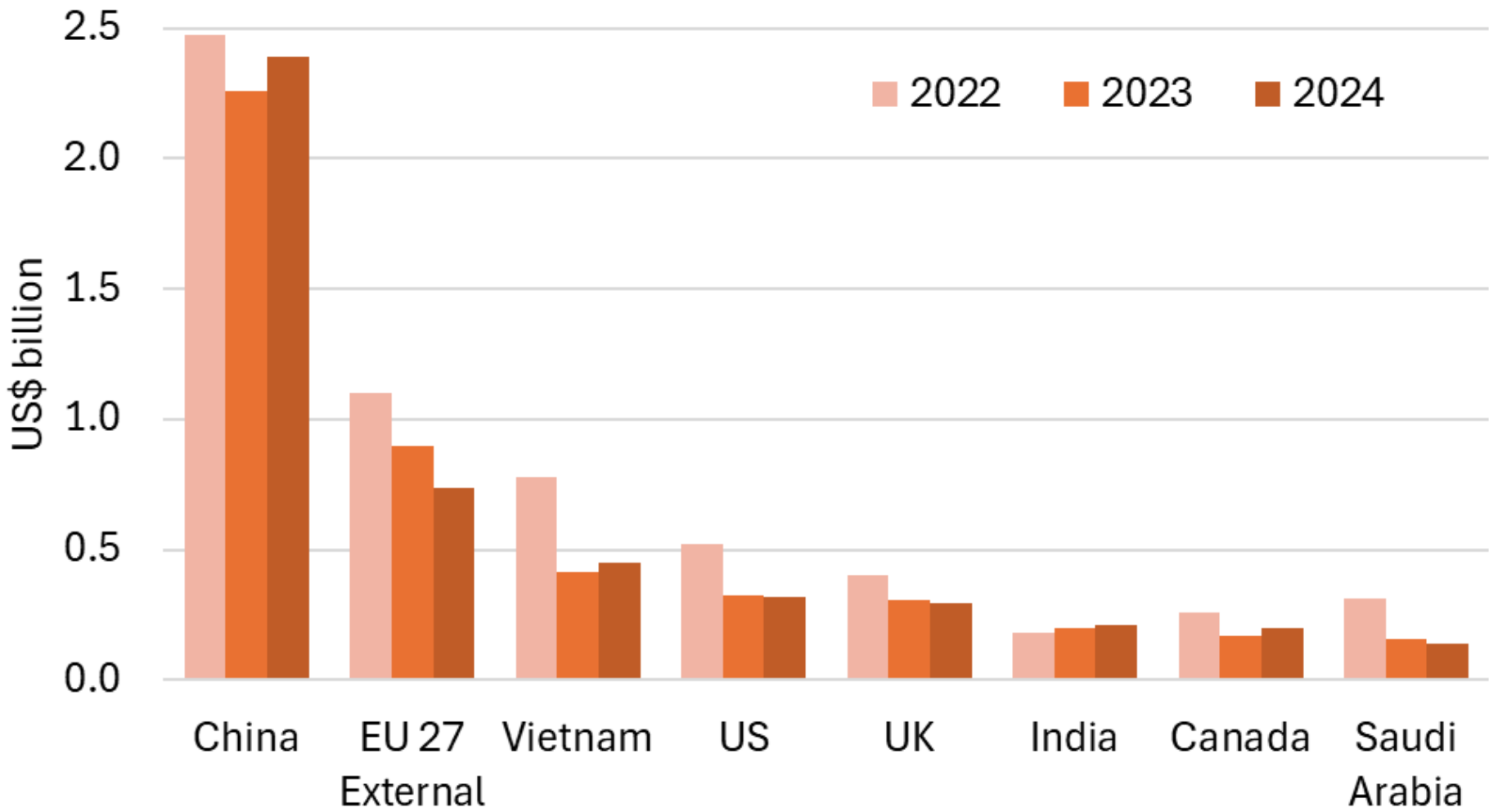


Source: USDA Foreign Agricultural Service

- While the total volume of U.S. hardwood lumber shipped to India last year fell by 6% to 10,934 cubic metres, the value grew by 4% to USD 7.30 million.
- Around 32% of the total volume shipped last year was accounted for by red oak. Demand for red oak has grown fairly consistently in recent years and it is now being used widely by furniture and door manufacturers. In 2024, shipments increased by a significant 61% in volume.
- At the same, there was solid demand for white oak lumber and exports to the market grew by 2% in volume last year.

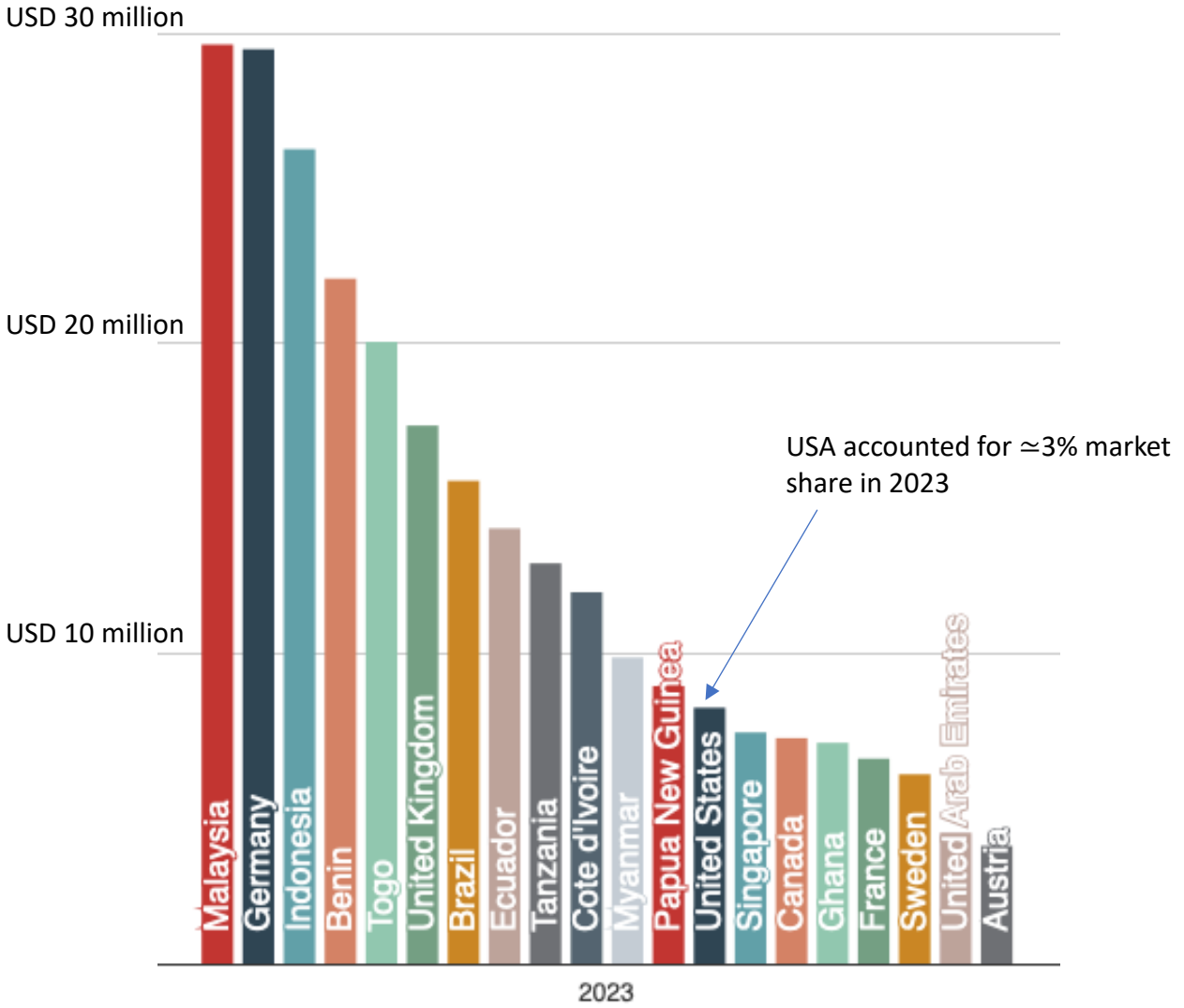
Hardwood lumber importers

January to August



Source: Trade Data Monitor

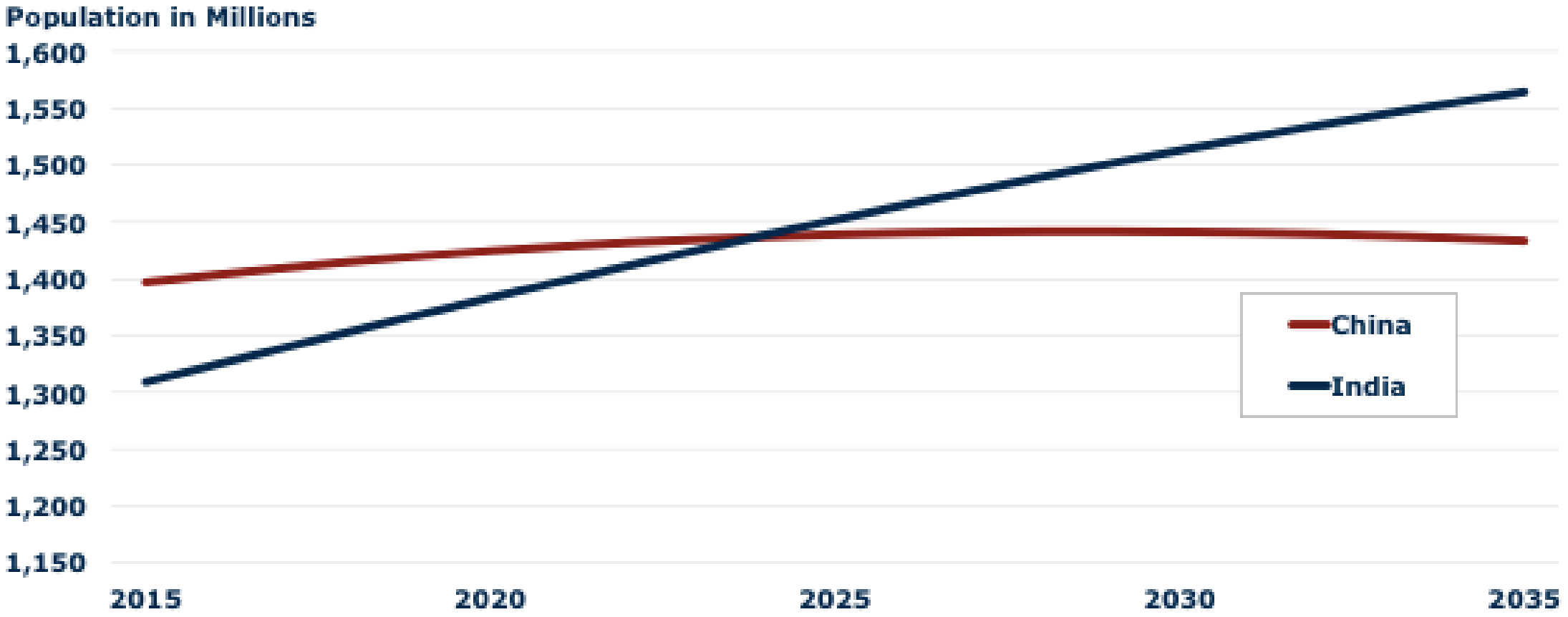
JAN-DEC 2023 - INDIA'S HARDWOOD LUMBER IMPORTS (USD)



Source: Trade Data Monitor

- India imported some USD 299 million worth of hardwood lumber in 2023 from more than 50 countries.
- India's imports of hardwood lumber now far exceed its imports of hardwood logs, which have been falling steadily for the past decade.
- The US share of India's hardwood lumber imports during the period was roughly 3%.
- India's main temperate hardwood lumber supplier was Germany.

Population Growth in India Will Outpace China



Source: UN Population Division
Medium Variant Projections

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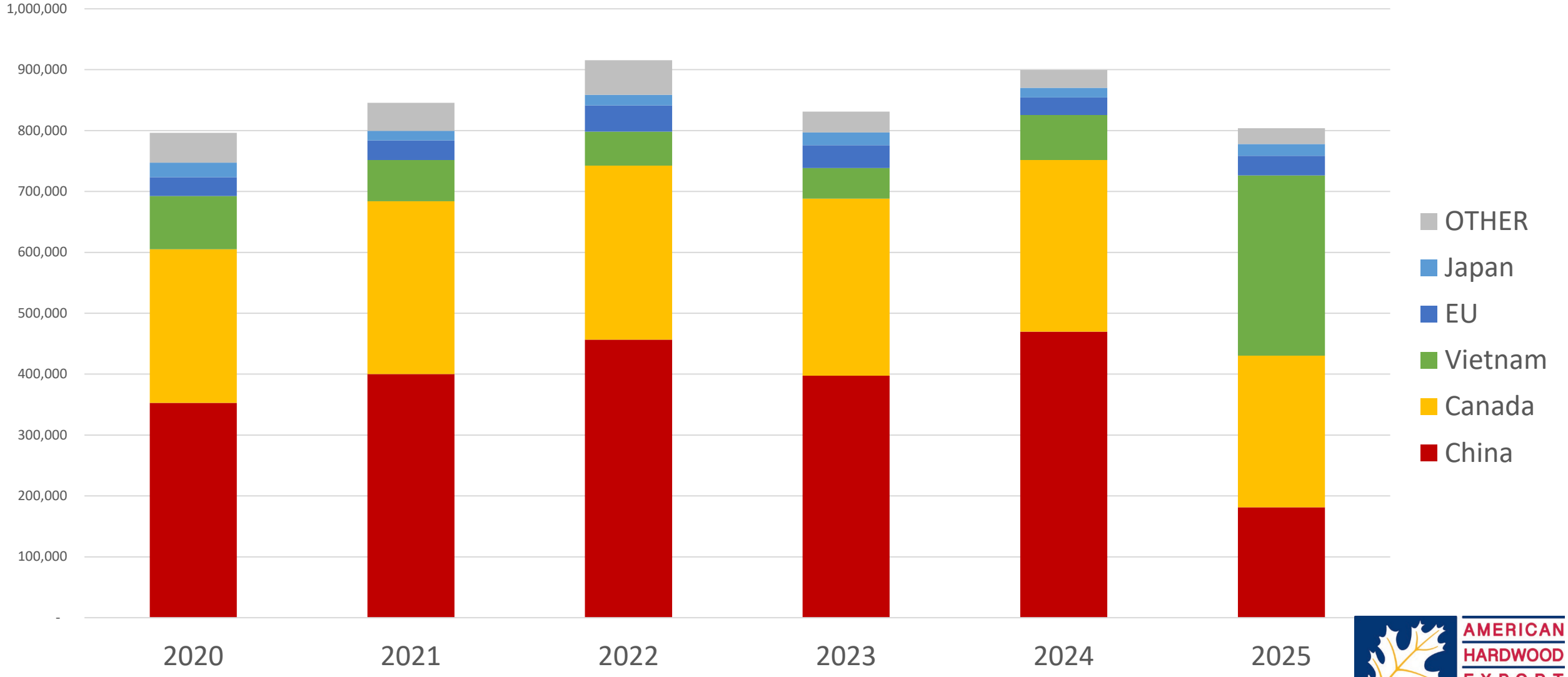
Log Exports:
Major Changes in Markets

Mike Snow

American Hardwood Export Council

August 2025

US Hardwood Log Exports
Jan-May, Volume m3



Source: U.S. Census Bureau Trade Data

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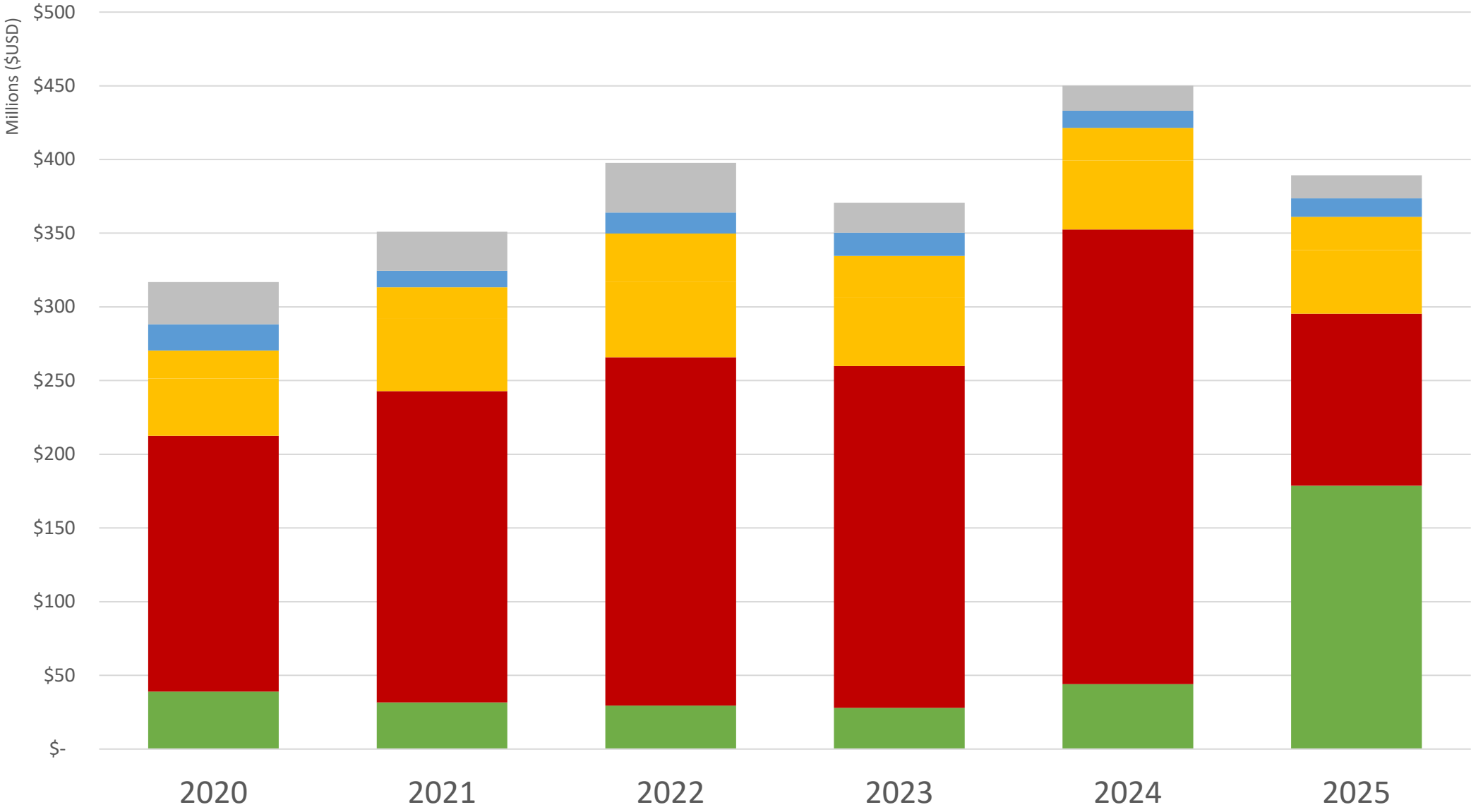
US Hardwood Log Exports
Jan-May, Value $USD



Source: U.S. Census Bureau Trade Data

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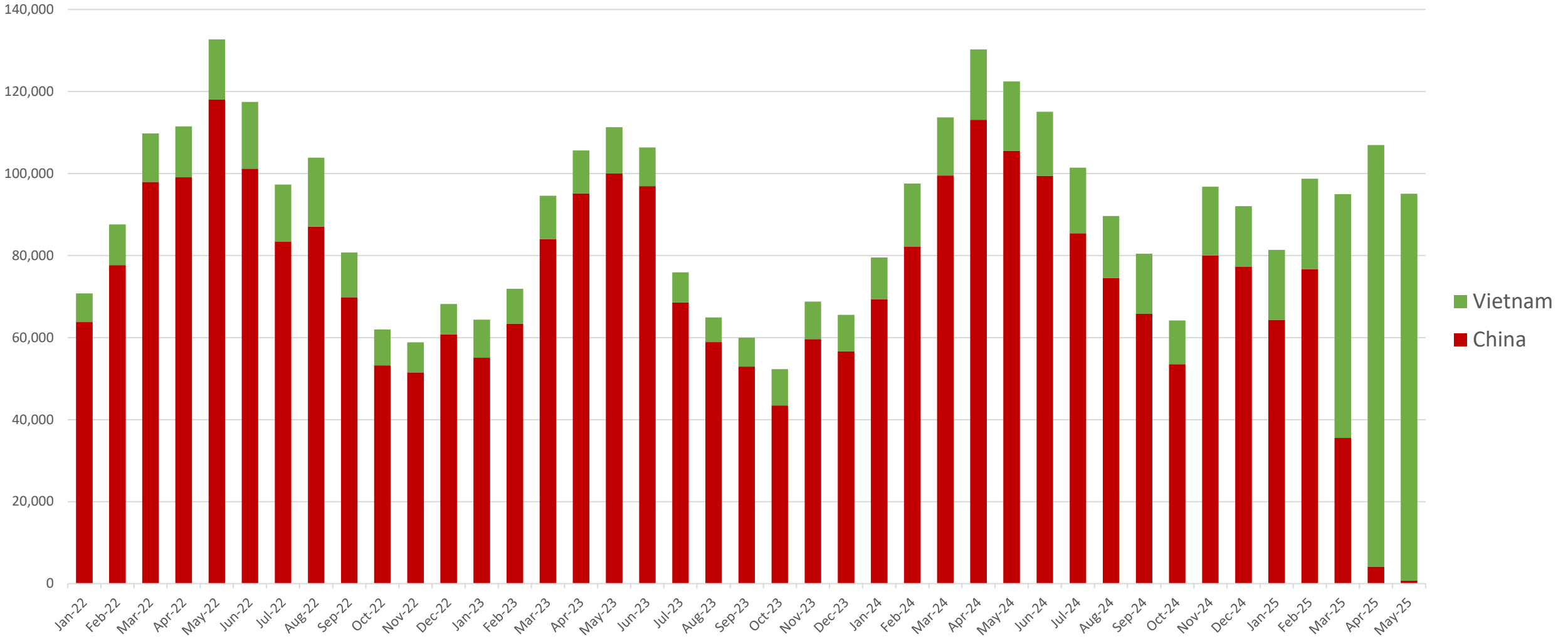
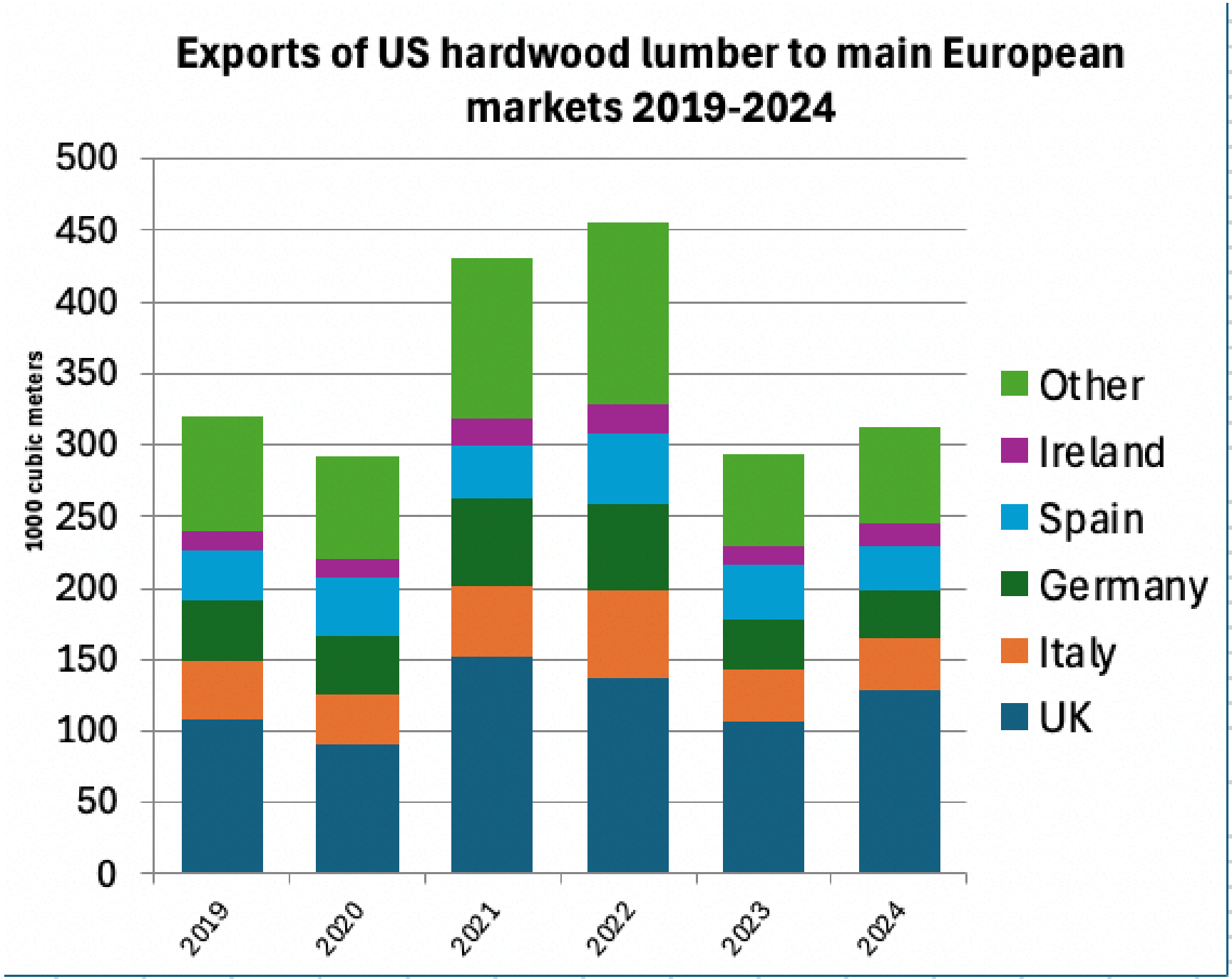
Logs to China and Vietnam
Monthly, Volume m3



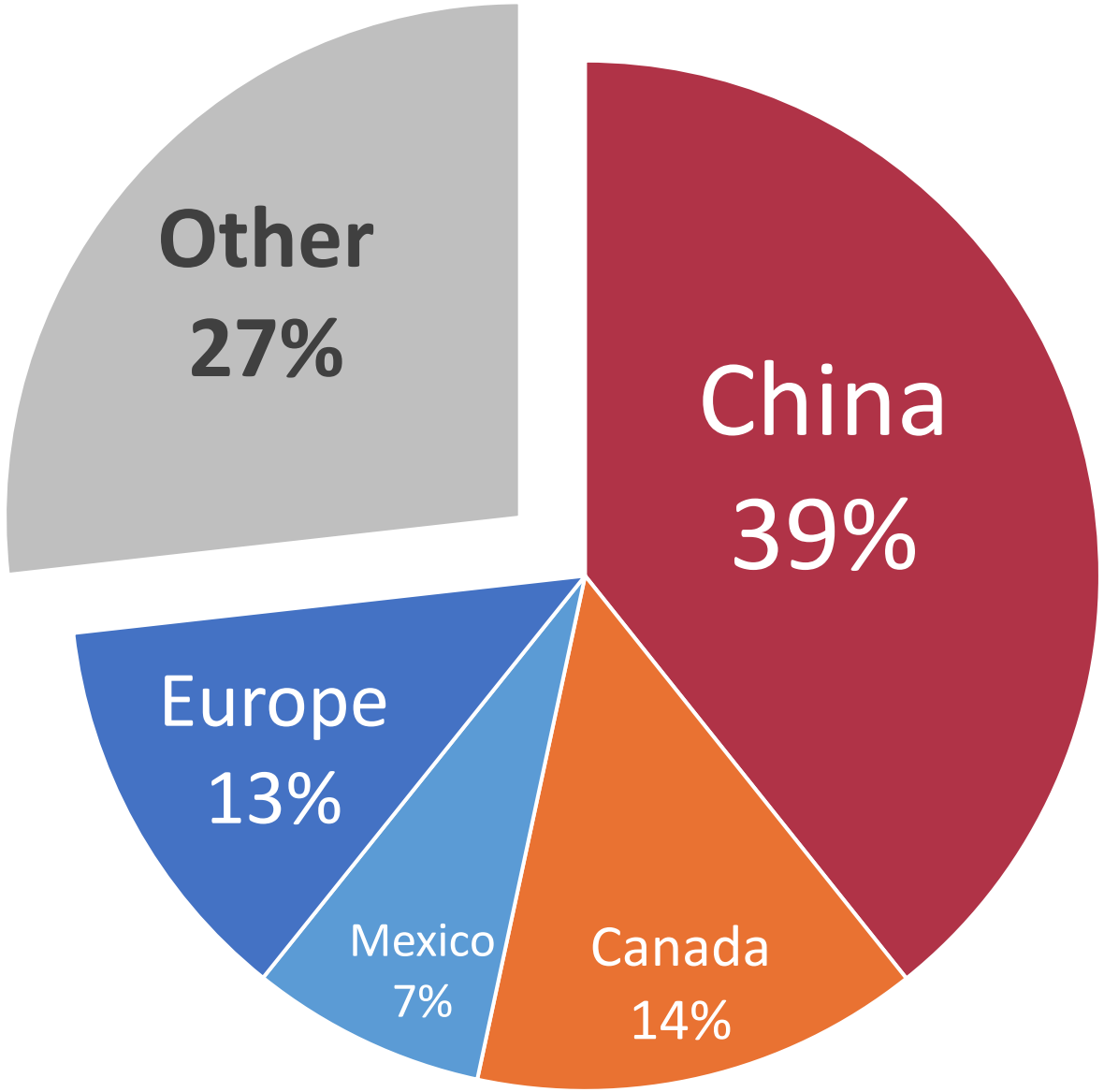
Source: U.S. Census Bureau Trade Data

AMERICAN HARDWOOD EXPORT COUNCIL


Exports of US hardwood lumber to main European markets 2019-2024
1000 cubic meters
500
450
400
350
300
250
200
150
100
50
0
2019
2020
2021
2022
2023
2024
Other
Ireland
Spain
Germany
Italy
UK

EUDR Update: Implications for US Hardwoods

US Hardwood Lumber Export Markets



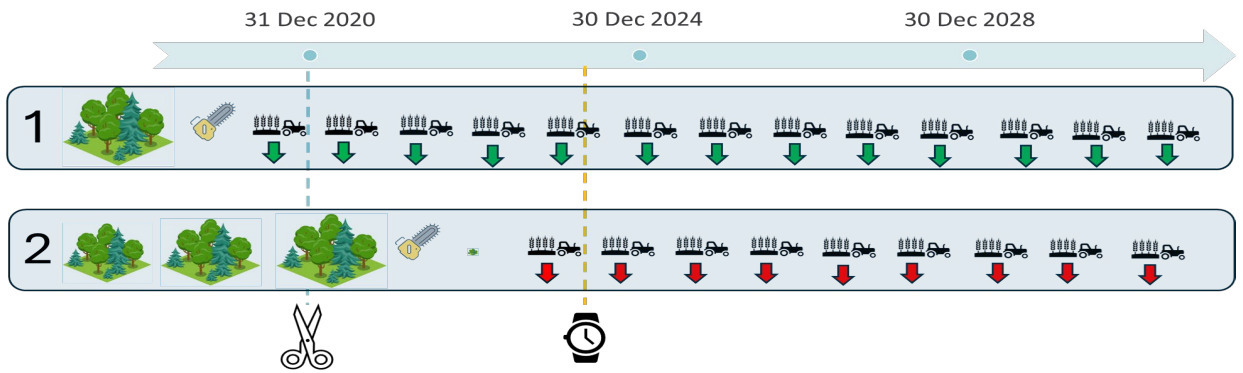
Source: U.S. Census Bureau Trade Data, data for 2024 by Value, $USD

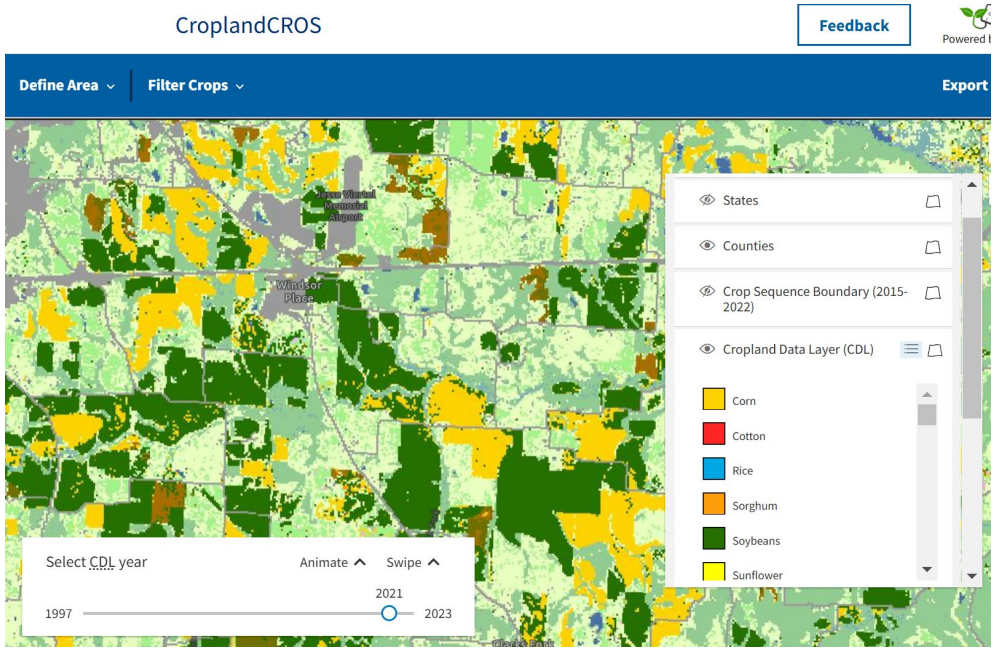
AMERICAN HARDWOOD EXPORT COUNCIL

	EUTR	EUDR
Policy context	FLEGT: tackle illegal logging, promote good forest governance	**EU Green Deal: reduce embodied carbon in imports, de-risk supply chains**
Products	Timber	Timber, **cattle, cocoa, coffee, oil palm, rubber, soya**
Prohibitions	Illegally harvested	Illegally harvested**, contrary to laws covering labour, human & indigenous rights, deforested, degraded**
Operator obligations	Due diligence system (DDS) maintained	DDS maintained **& DD statement submitted with each consignment before it is placed on, made available on (by non-SMEs), or exported from, the EU market**
Traceability	To country of harvest and, beyond that, to the extent necessary to demonstrate negligible risk	**Geolocation of "plot of land(s) within a single real estate property" where harvesting took place with each consignment irrespective of risk**

EUDR for agricultural crops: determining a past event

- “Deforestation-free” means:
  - “relevant commodities that were produced on land that has not been subject to deforestation after 31 December, 2020”
- A past event where there can be legal certainty
- Compliance can be readily determined & checked when products are placed on the EU market using satellite data.

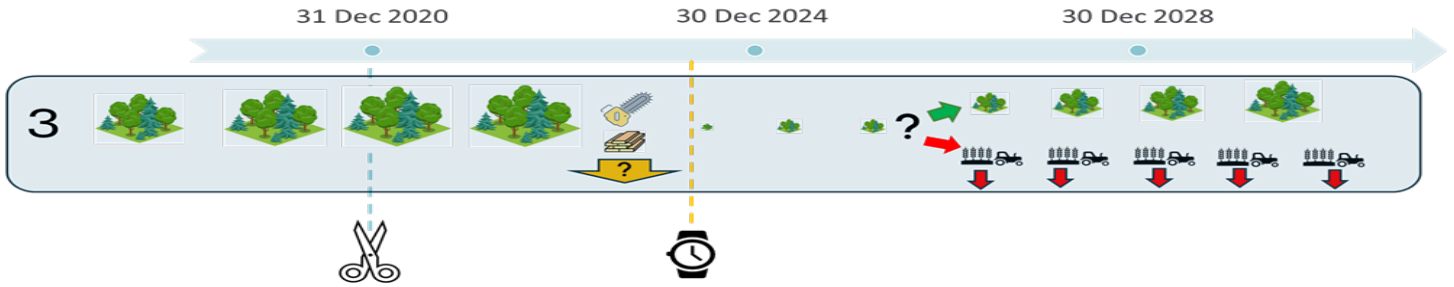




The USDA Cropland Data Layer is a nationwide publicly available dataset updated every year and shows the specific fields occupied by each agricultural crop

EUDR for forest products: assessing the probability of a **future event**

- "Deforestation-free" means:
  - the wood has been harvested from the forest without "inducing" deforestation or forest degradation
- a future event where there can be no certainty, particularly when sourcing from family forest owners
- always dealing in probabilities
- satellite data CAN assess past trends and identify deforestation drivers at landscape level
- but due to time lag, satellite data CANNOT determine conformance at time when forest products are placed on the market



FSC certified harvest location in Wisconsin on 26 April 2015

Same location on 31 May 2023
A long time before 10% canopy cover!

Images from Google Earth

EUDR definition of a “plot of land”

Not applicable to the 73% of world forest area that is publicly owned.

Article 2 (para 27)

‘plot of land’ means land ***within a single real-estate property****, as recognised by the law of the country of production, which enjoys sufficiently homogeneous conditions to allow an evaluation of the aggregate level of risk of deforestation and forest degradation associated with relevant commodities produced on that land;*

EUDR definition of a “plot of land”

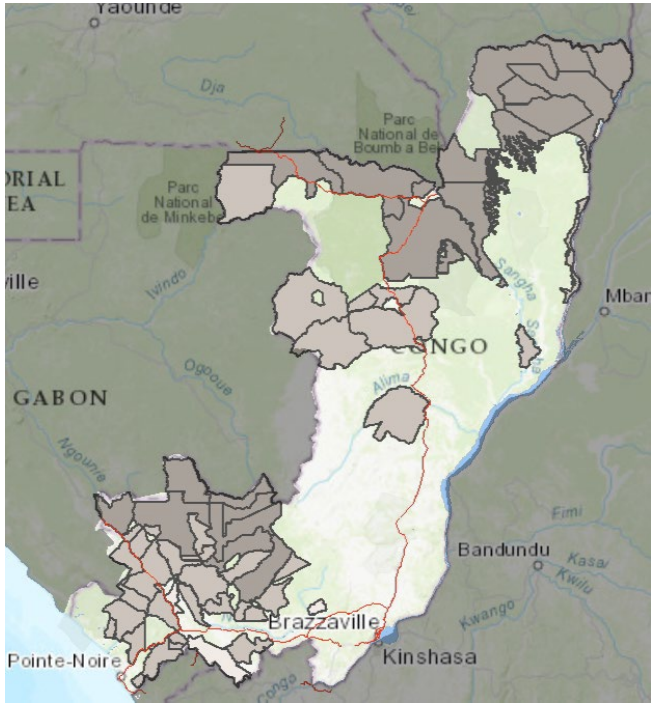
Not applicable to the 73% of world forest area that is publicly owned.

Article 2 (para 27)

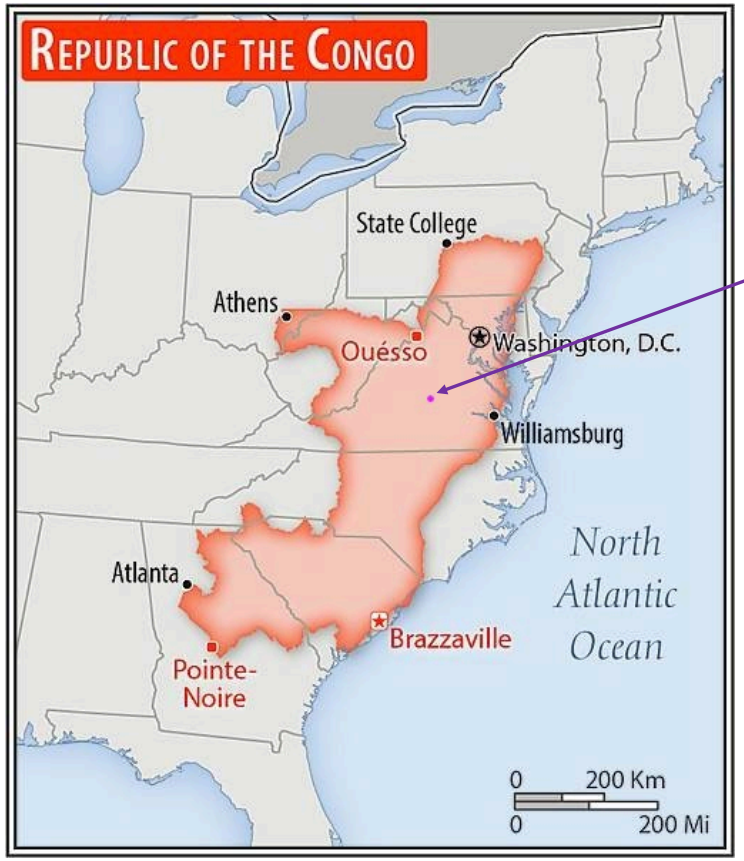
‘plot of land’ means land ***within a single real-estate property****, as recognised by the law of the country of production, which enjoys sufficiently homogeneous conditions to allow an evaluation of the aggregate level of risk of deforestation and forest degradation associated with relevant commodities produced on that land;*

Universally applicable

Property-level geolocation creates inequity between supplies from smallholder, industry and state lands

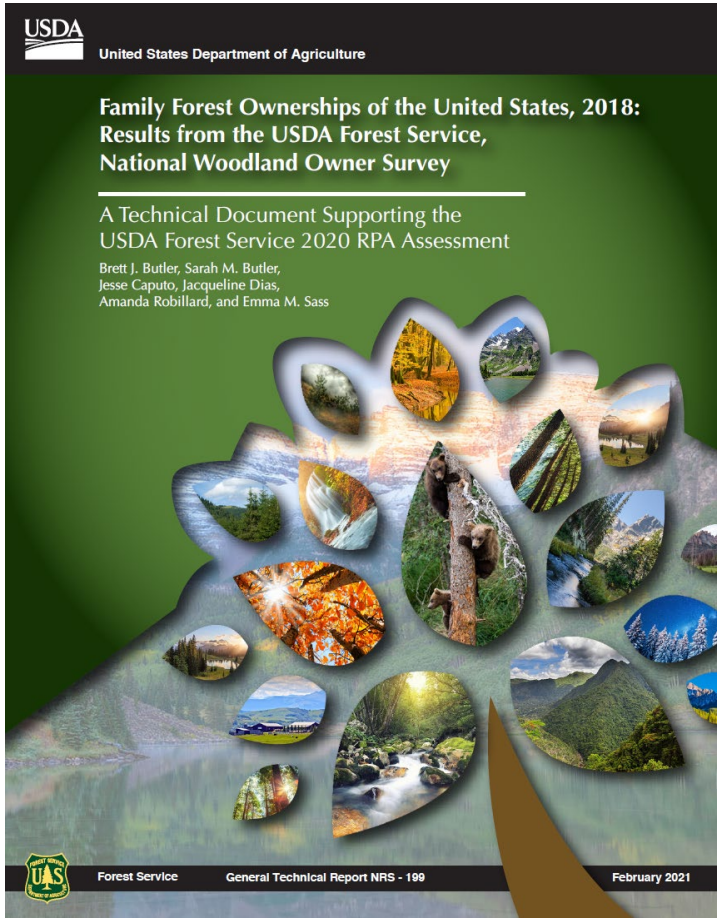


Republic of Congo:
Country area: 34m hectares
State owns all production forest
Concession area: 15m hectares
Number of concessions: 62
Average concession:
240,000 hectares



Buckingham County, Local District 7, Virginia, an area of 20k hectares, has more than 1000 real estate properties containing forests

Forest management planning and certification in U.S. family forest ownerships



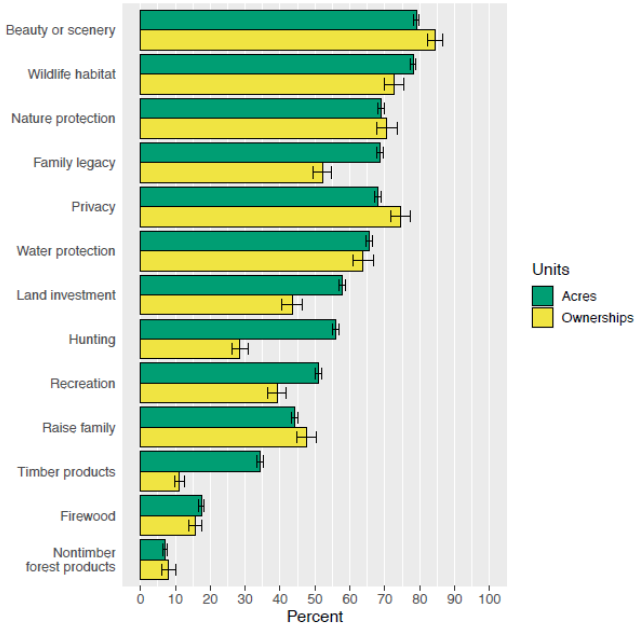


Figure 17.—Estimated percentage of family forest acres and ownerships (10+ acres of forest land) by reasons for owning forest land, United States, 2018. Values include ownerships who rated reasons as important or very important on a 5-point Likert scale. Error bars represent 95 percent confidence intervals (i.e., 1.96 × standard error [SE].

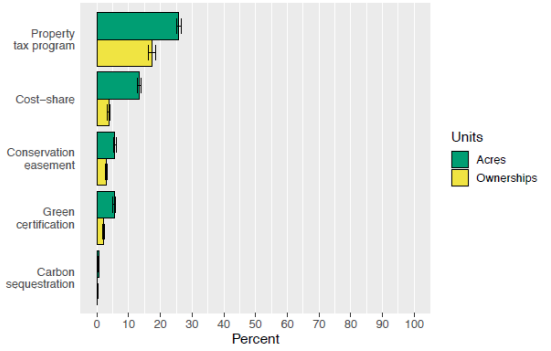


Figure 23.—Estimated percentage of family forest acres and ownerships (10+ acres of forest land) by program participation, United States, 2018. Error bars represent 95 percent confidence intervals (i.e., 1.96 × standard error [SE]).

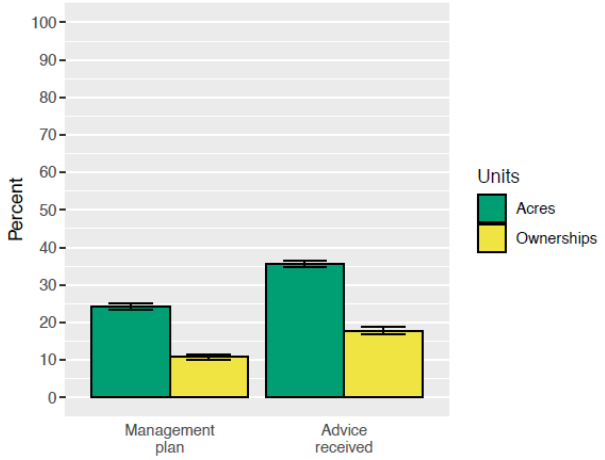


Figure 21.—Estimated percentage of family forest acres and ownerships (10+ acres of forest land) that have written management plans and have received advice, United States, 2018. Error bars represent 95 percent confidence intervals (i.e., 1.96 × standard error [SE]).

EUDR Guidance Apr 2025

Simplifications inside EU market

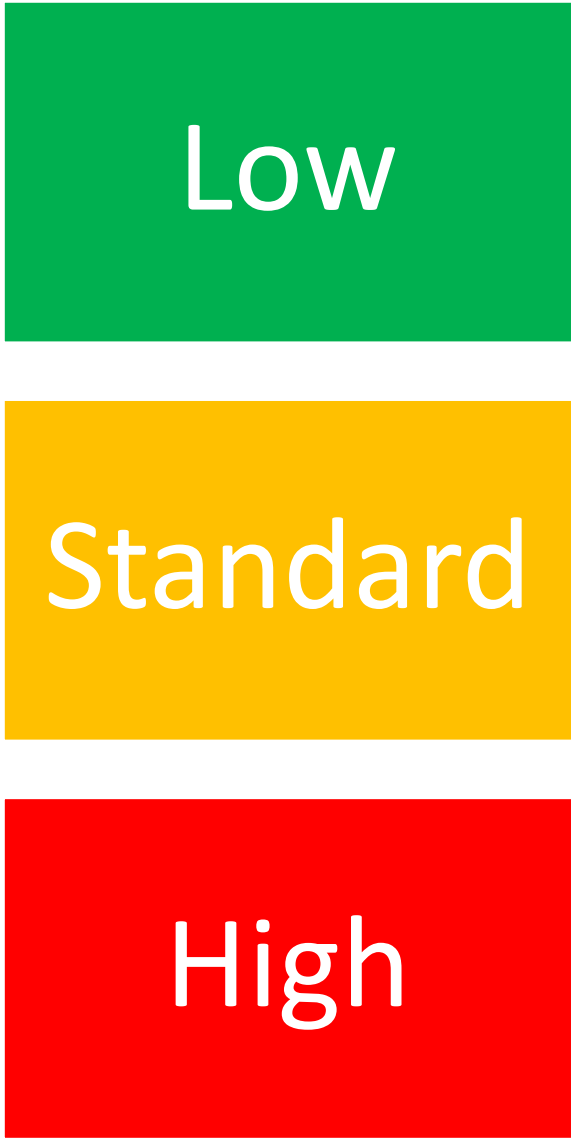
- Downstream traders and exporters in the EU need only collect Due Diligence Statement (DDS) reference numbers from their own suppliers and convey these numbers to their own customers. No need to convey any additional due diligence data, including geolocation.
- EU companies may reuse existing due diligence statements when goods, previously on the EU market, are reimported – e.g. effectively allows furniture manufacturer in e.g. Vietnam to use the DDS reference number provided by the EU exporter if manufacturing using EU oak

No meaningful simplifications for external suppliers

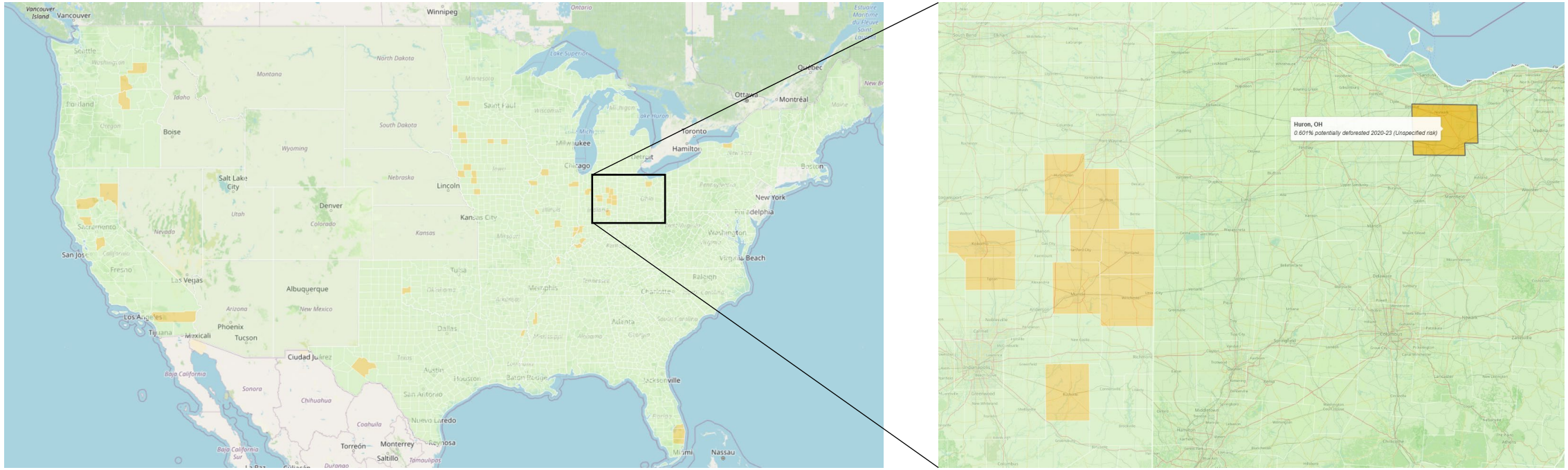
- Mass balance/volume credit systems explicitly “not allowed”
- Jurisdictional/mill supply area approaches excluded: “polygon cannot be used to trace the perimeter of an area of land that might include plots of land only in some of its parts”
- Limits placed on in-excess approach: cannot declare an “excessive number of plots of land (for instance, on a regional or country-wide basis)”
- Zero tolerance of risk: “If one plot of land ‘geolocalised’ in the due diligence statement is not compliant, the entire set of plots of land ‘geolocalised’ is non-compliant”.
- Operators must be certain, in advance of harvesting, that it will not “induce” deforestation:

EUDR Country Benchmarking Results Issued 20 May 2025

- US identified as “low risk”
- Alongside 140 other countries, including all EU Members and other high-income countries, China, and some more surprising (e.g. Congo Republic, Central African Republic, Laos, PNG, Solomon Islands).
- For low-risk countries
  - no additional due diligence required by operators, but geolocation data still mandatory
  - only 1% of relevant operators checked each year
- Deforestation hotspots such as DRC, Indonesia, Brazil all standard risk
- Only 4 “high risk” countries, all subject to UN sanctions: Russia, Belarus, North Korea, Myanmar

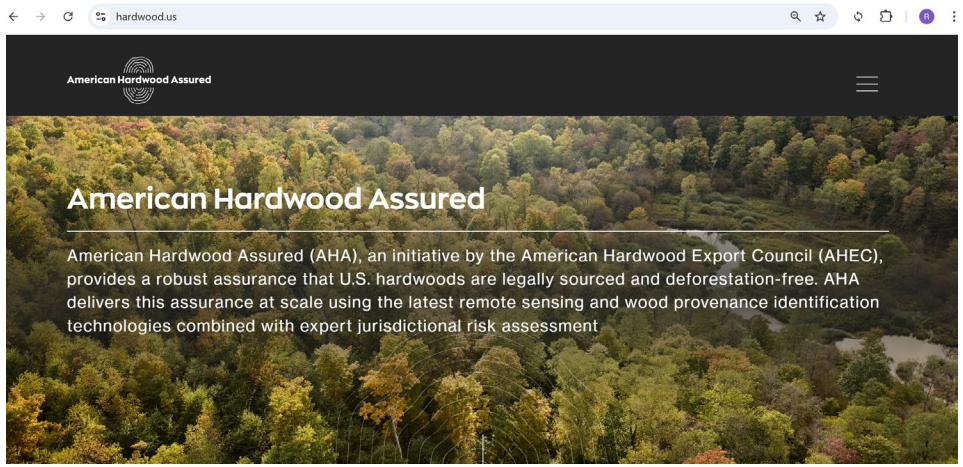


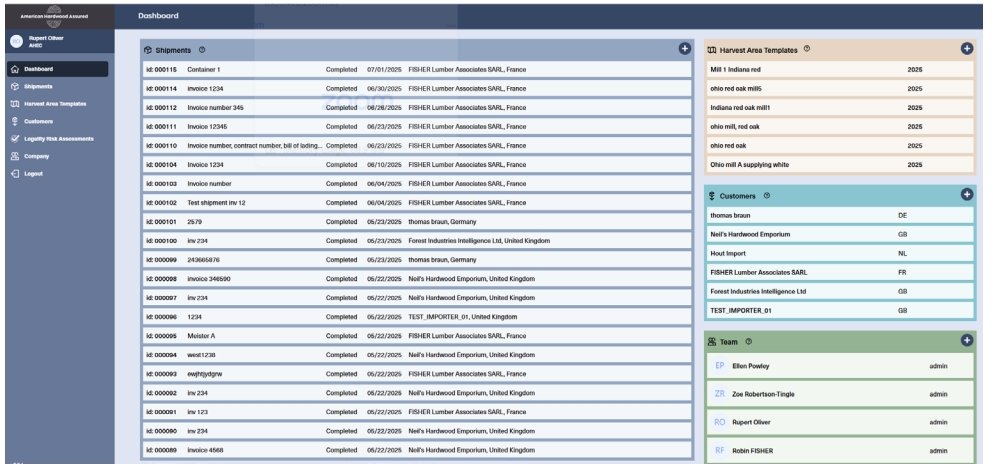
AHA Version 1 Deforestation Analysis

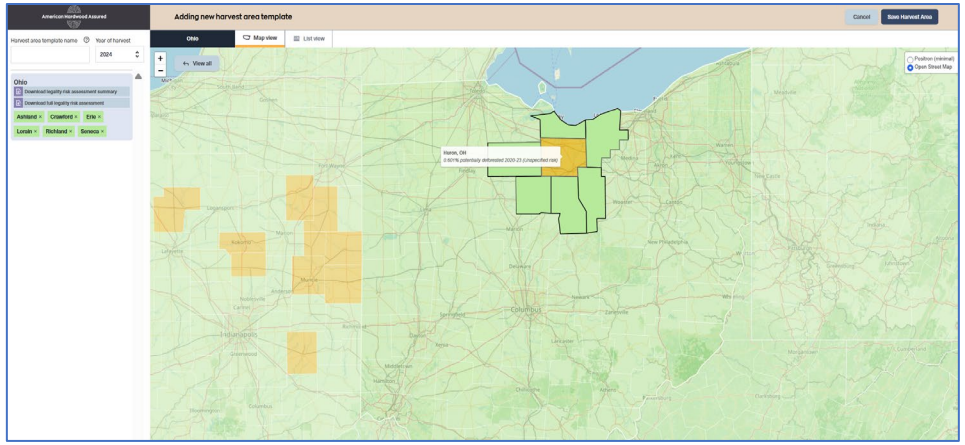


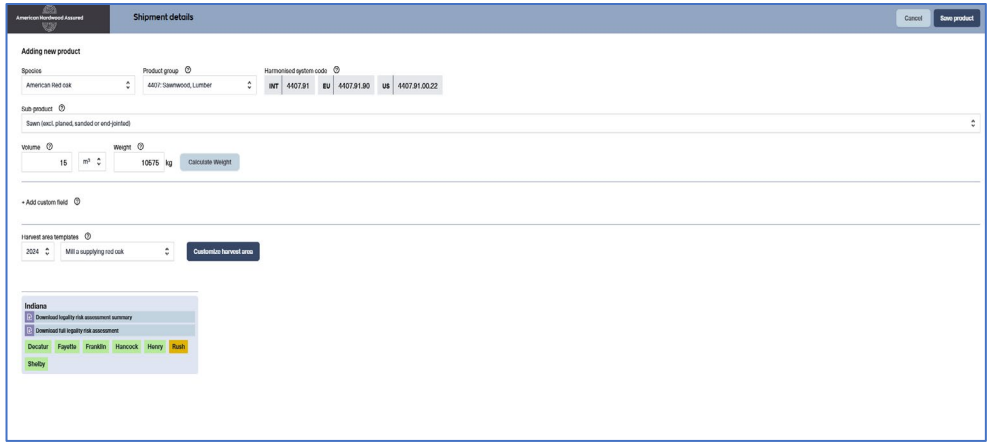
- % hardwood forest area potentially converted to agriculture in each county 2020-2024. Counties classified as:
  - Negligible risk (green) – deforestation confirmed < 0.5% over the 4-year period (< 0.125%/annum).
  - Unspecified risk (amber) - deforestation possibly > 0.5%, subject to further assessment by AHA
  - Specified risk (red) – deforestation > 0.5% confirmed following further AHA assessment
- Where hardwood from “unspecified” or “specified” risk counties, users should declare mitigation action

American Hardwood Assured (AHA)
www.hardwood.us









AHA Statement Example

American Hardwood Assured

Legal & deforestation-free proof of provenance

AHA Statement

AHA ID
00103

Creation date
06/04/2025

Internal reference
Invoice number

Exporter

AHEC
Secondhome Holland Park
48-49 Princes Pl
London
AL
W11 4QA
United States of America

Importer Details

FISHER Lumber Associates SARL
91, rue Philippe-Laurent Roland
Lille
59000
France

Products in shipment

American Red oak — Quercus spp. mainly Q. rubra (northern) & Q. falcata (southern). May include Q. velutina, Q. nigra, Q. coccinea, Q. phellos, Q. laurifolia, Q. palustris, Q. ellipsoidalis — 10575Kg

Harvested: 2024

Indiana

Download legality risk assessment summary

Download full legality risk assessment

Decatur | Fayette | Franklin | Hancock | Henry | Rush | Shelby

Please note.This shipment includes American Hardwood products which have been sourced from one or more counties where the AHA risk assessment has identified an unspecified risk of conversion to crops during the period of harvest. The exporter has confirmed that additional mitigation action has been undertaken to demonstrate negligible risk of conversion to crops at the harvest sites in this county (or counties). This was confirmed by **Rupert Oliver** of **AHEC**.

Description of action taken to mitigate risk of conversion to crops and any additional comments:
Only buy from a certain supplier in that county

Origin Geo Data — Download as GeoJSON file

American Red oak — Quercus spp. mainly Q. rubra (northern) & Q. falcata (southern). May include Q. velutina, Q. nigra, Q. coccinea, Q. phellos, Q. laurifolia, Q. palustris, Q. ellipsoidalis — 10575Kg

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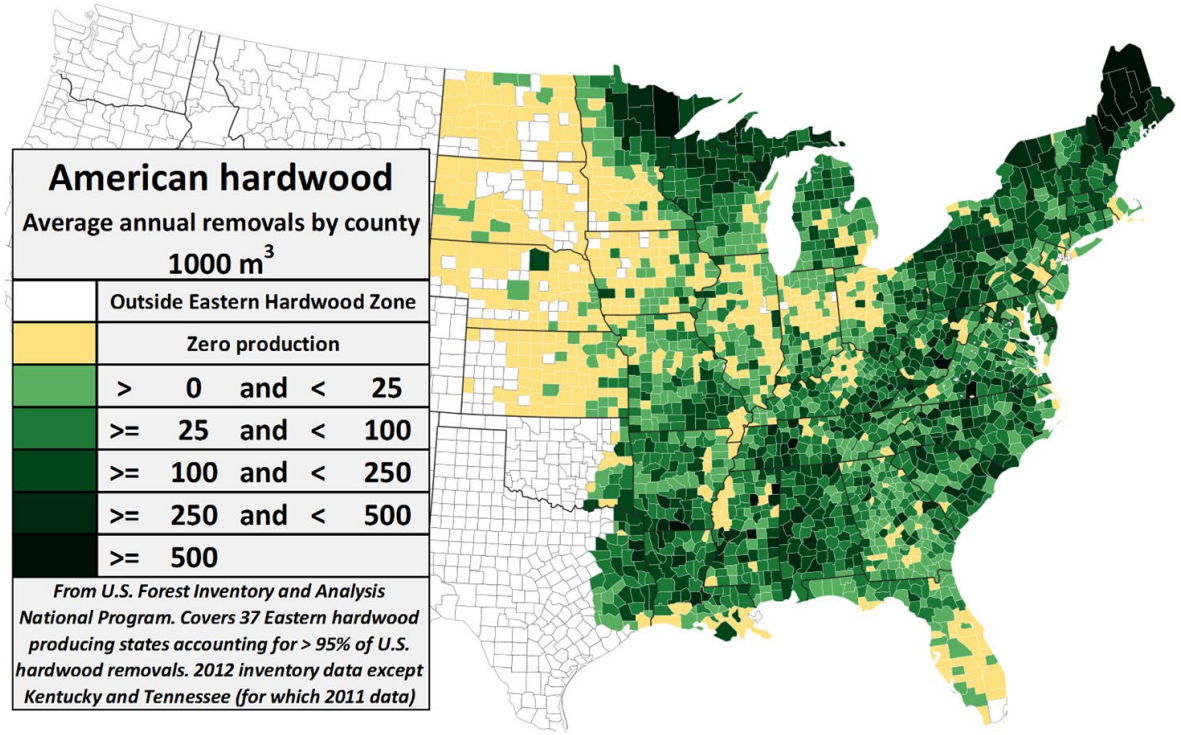
Why county geolocations?



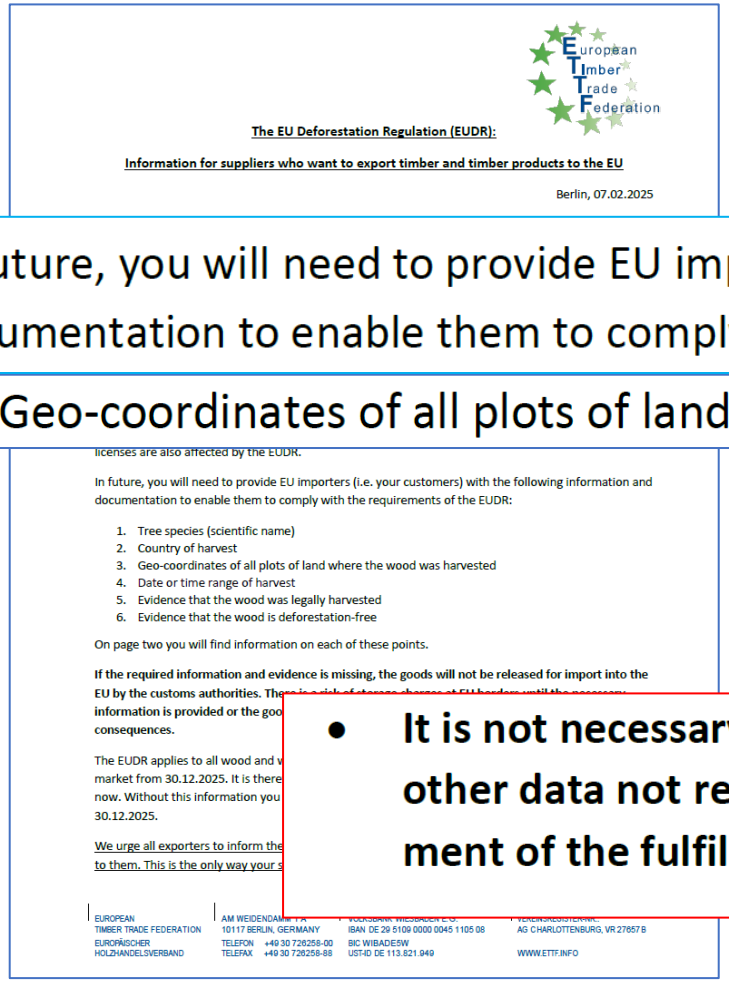
US counties supplying hardwood average 160k hectares & 100k m^3 of hardwood log harvest per year

- More manageable - 1360 counties account for > 99% of hardwood supply (compared to > 9m forest owners)
- Equity in relation to state forest areas, tropical concessions, & industrial plantations where there is greater flexibility in the EUDR definition of “plot of land”
- Sufficiently compact to ensure a homogenous level of deforestation risk
- Verifiable using plant-chemistry-based provenance technologies (TEA, SIRA, LIBS)
- Resolves confidentiality and anti-trust issues surrounding provision of data on individual properties

EC Guidance: geolocation no longer required for internal EU trade – DDS reference numbers to be passed only

To overseas suppliers:

To EU customers:



European Timber Trade Federation

The EU Deforestation Regulation (EUDR):

Information for suppliers who want to export timber and timber products to the EU

Berlin, 07.02.2025

licenses are also affected by the EUDR.

In future, you will need to provide EU importers (i.e. your customers) with the following information and documentation to enable them to comply with the requirements of the EUDR:

1. Tree species (scientific name)
2. Country of harvest
3. Geo-coordinates of all plots of land where the wood was harvested
4. Date or time range of harvest
5. Evidence that the wood was legally harvested
6. Evidence that the wood is deforestation-free

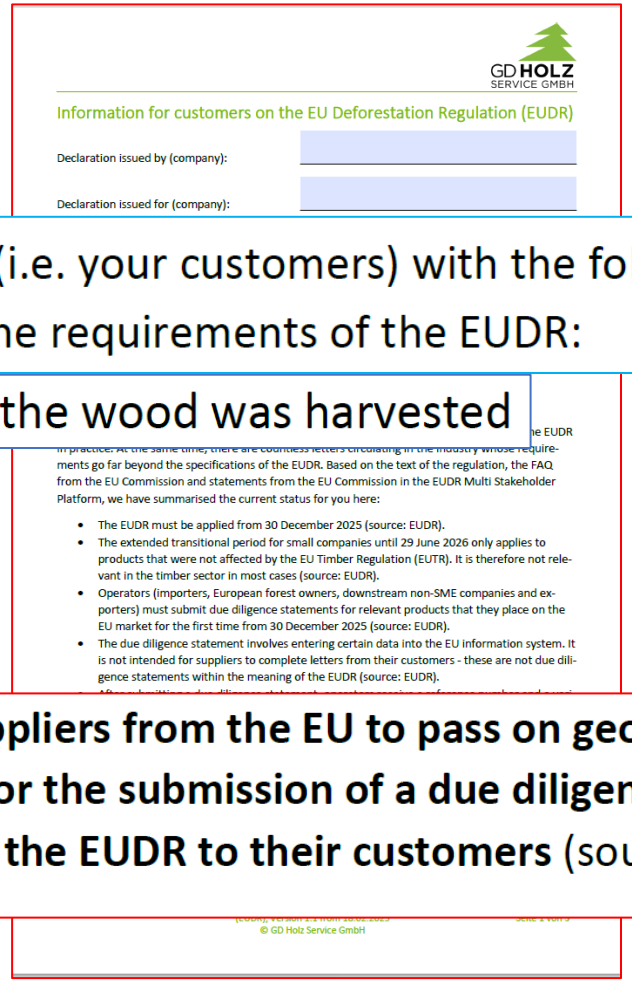
On page two you will find information on each of these points.

If the required information and evidence is missing, the goods will not be released for import into the EU by the customs authorities. There is a risk of storage charges at EU borders until the necessary information is provided or the goo
consequences.

The EUDR applies to all wood and v
market from 30.12.2025. It is there
now. Without this information you
30.12.2025.

We urge all exporters to inform the
to them. This is the only way your s

EUROPEAN TIMBER TRADE FEDERATION
EUROPÄISCHER HOLZHANDELSVERBAND
AM WEIDENDAMM 1 A
10117 BERLIN, GERMANY
TELEFON +49 30 726258-00
TELEFAX +49 30 726258-88
VOLKSBANK WIESBADEN E.G.
IBAN DE 29 5109 0000 0045 1105 08
BIC WIBADE5W
UST-ID DE 113.821.949
VEREINSREGISTERNR.:
AG CHARLOTTENBURG, VR 27657 B
WWW.ETTF.INFO



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Information for customers on the EU Deforestation Regulation (EUDR)

Declaration issued by (company):

Declaration issued for (company):

In practice. At the same time, there are countless letters circulating in the industry whose requirements go far beyond the specifications of the EUDR. Based on the text of the regulation, the FAQ from the EU Commission and statements from the EU Commission in the EUDR Multi Stakeholder Platform, we have summarised the current status for you here:

- The EUDR must be applied from 30 December 2025 (source: EUDR).
- The extended transitional period for small companies until 29 June 2026 only applies to products that were not affected by the EU Timber Regulation (EUTR). It is therefore not relevant in the timber sector in most cases (source: EUDR).
- Operators (importers, European forest owners, downstream non-SME companies and exporters) must submit due diligence statements for relevant products that they place on the EU market for the first time from 30 December 2025 (source: EUDR).
- The due diligence statement involves entering certain data into the EU information system. It is not intended for suppliers to complete letters from their customers - these are not due diligence statements within the meaning of the EUDR (source: EUDR).

(EUDR), Version 1.1 from 18.02.2025
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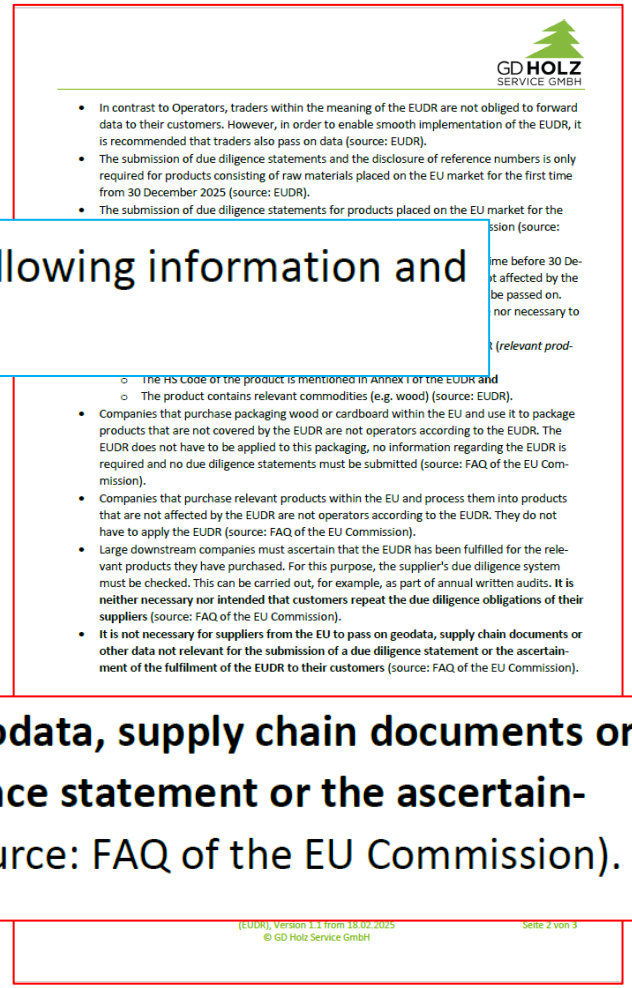

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- In contrast to Operators, traders within the meaning of the EUDR are not obliged to forward data to their customers. However, in order to enable smooth implementation of the EUDR, it is recommended that traders also pass on data (source: EUDR).
- The submission of due diligence statements and the disclosure of reference numbers is only required for products consisting of raw materials placed on the EU market for the first time from 30 December 2025 (source: EUDR).
- The submission of due diligence statements for products placed on the EU market for the
ssion (source:
me before 30 De-
t affected by the
be passed on.
nor necessary to
t (*relevant prod-*
  - The HS Code of the product is mentioned in Annex I of the EUDR **and**
  - The product contains relevant commodities (e.g. wood) (source: EUDR).
- Companies that purchase packaging wood or cardboard within the EU and use it to package products that are not covered by the EUDR are not operators according to the EUDR. The EUDR does not have to be applied to this packaging, no information regarding the EUDR is required and no due diligence statements must be submitted (source: FAQ of the EU Commission).
- Companies that purchase relevant products within the EU and process them into products that are not affected by the EUDR are not operators according to the EUDR. They do not have to apply the EUDR (source: FAQ of the EU Commission).
- Large downstream companies must ascertain that the EUDR has been fulfilled for the relevant products they have purchased. For this purpose, the supplier's due diligence system must be checked. This can be carried out, for example, as part of annual written audits. **It is neither necessary nor intended that customers repeat the due diligence obligations of their suppliers** (source: FAQ of the EU Commission).
- **It is not necessary for suppliers from the EU to pass on geodata, supply chain documents or other data not relevant for the submission of a due diligence statement or the ascertainment of the fulfilment of the EUDR to their customers** (source: FAQ of the EU Commission).

(EUDR), Version 1.1 from 18.02.2025
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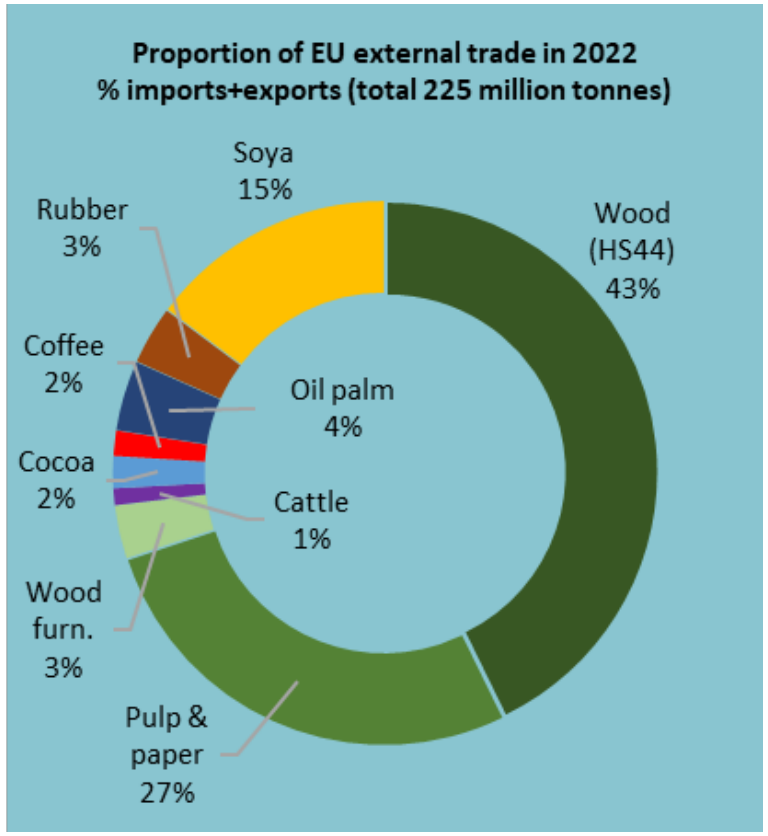
Seite 2 von 3

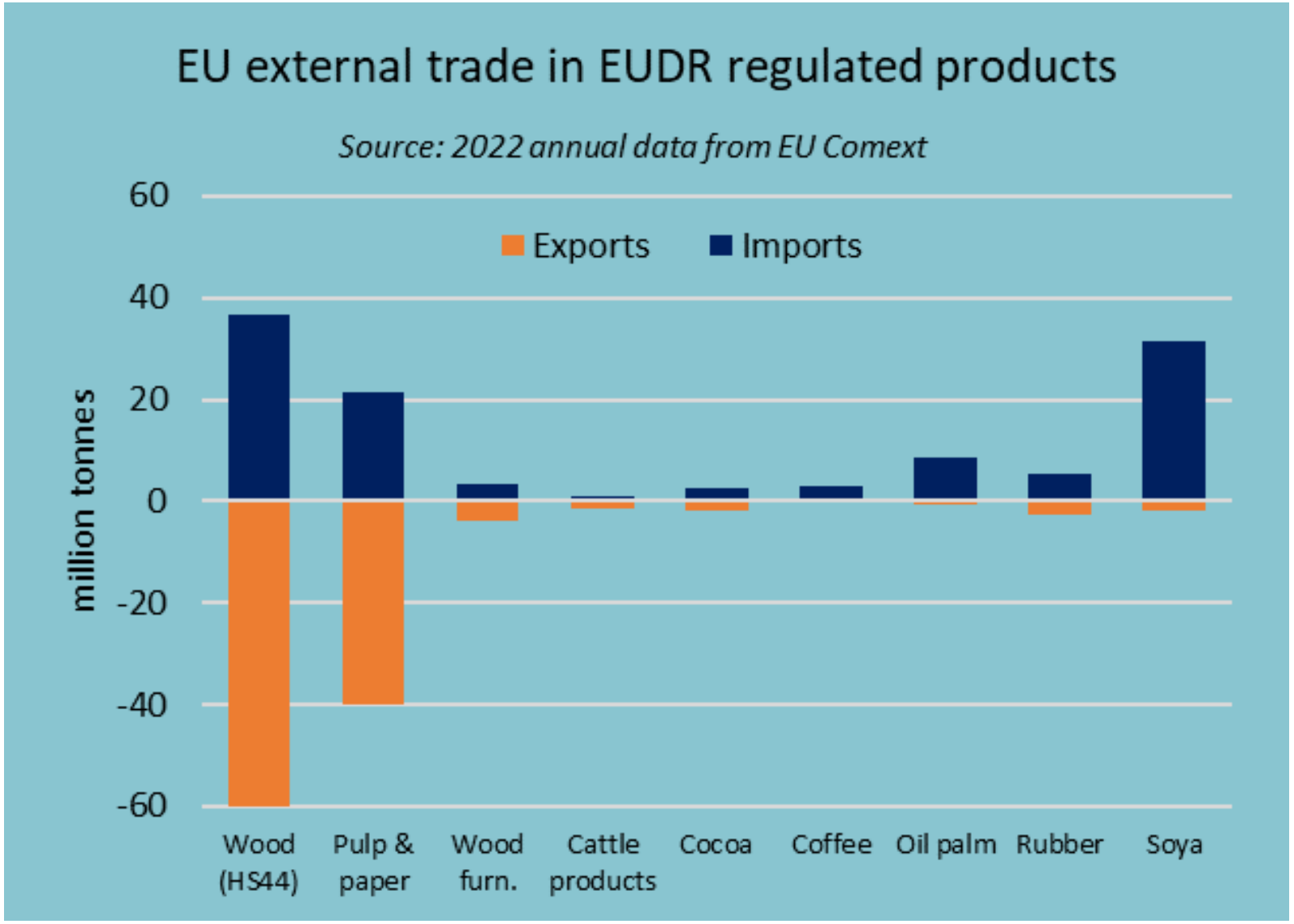
In future, you will need to provide EU importers (i.e. your customers) with the following information and documentation to enable them to comply with the requirements of the EUDR:

3. Geo-coordinates of all plots of land where the wood was harvested

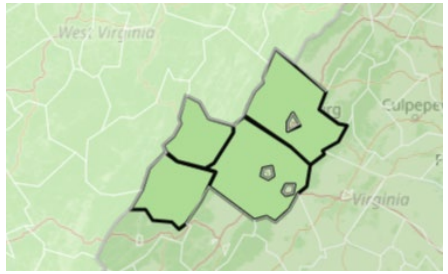
- **It is not necessary for suppliers from the EU to pass on geodata, supply chain documents or other data not relevant for the submission of a due diligence statement or the ascertainment of the fulfilment of the EUDR to their customers** (source: FAQ of the EU Commission).

Wood based products account for 73% of all EU external trade volume in EUDR-regulated products, agricultural commodities for 27%





AHA proof of provenance concept



American Hardwood Assured
Legal & deforestation-free proof of provenance

AHA Statement

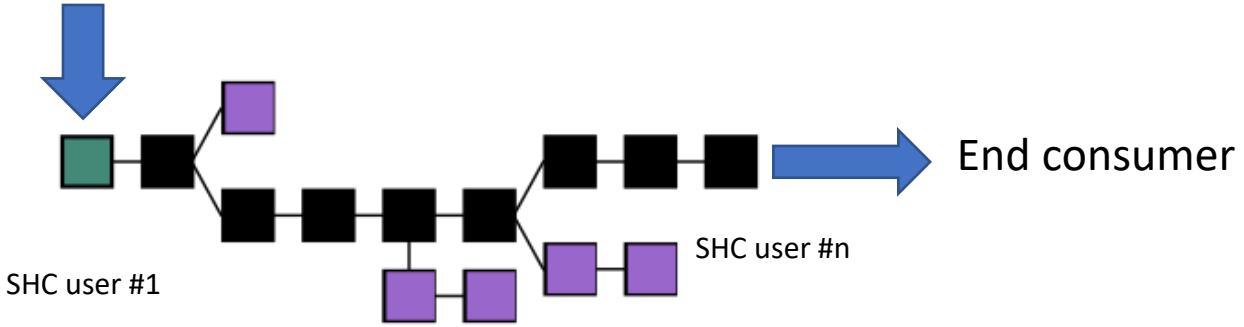
The Provenance: Virginia

The Attributes:

- Low risk of illegality
- Low risk of deforestation / deforestation free

The Volume

The “genesis block” within a private blockchain



No specified or standardised chain of custody requirements

AHA surveillance

Random inspections integrated with plant chemistry-based provenance technologies to ensure the accuracy of county origin claims

The tested product has the claimed Provenance and Attributes – or it does not

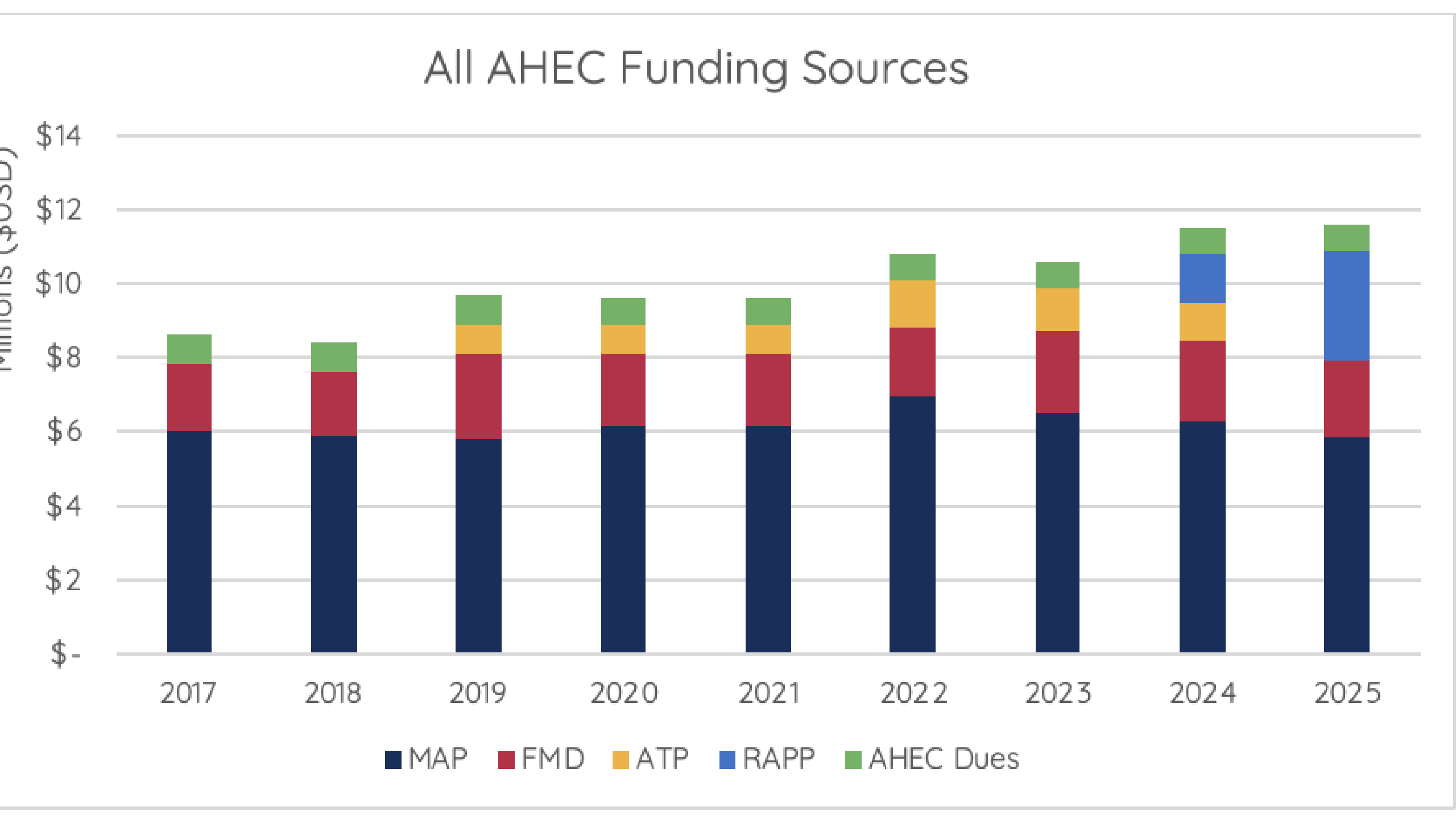
- US Forest Service WISC
- Using plant chemistry to identify provenance
  - LIBS Handheld technology
  - Stable Isotope Ratio Analysis
  - Trace Element Analysis
- Resolution up to within 40 miles or origin

Plant-chemistry-based provenance testing

	USDA WISC	WFID
Scope	US only	International
Current financing	Uncertain. Bulk of US government funding withdrawn. All existing projects were due to be terminated end May 2025. May be in line for new funding, but no details yet available.	Although 4 US government funded projects recently closed, WFID now receives funding of between 25k-300k each from APHIS, UK DEFRA, Moore Foundation, Mulago Foundation, Australian DAFF. More projects starting with PEFC, Danzer, IKEA and others. Funding now secured for at least 2 years of full operation. New membership model will also provide secure long-term funding. So far 8 regulators and 6 companies signed up, each paying £25k/annum. Target to have at least 20 signed up before end of the year.
Potential future funding	• Hoping for resumption of US gov finance • Seeking expressions of industry support • Potential private venture capital	• Communication campaigns generating interest from retailers, regulators, certifiers • Influential board (Google, WRI, FSC) • Ag commodity sectors generating more income than wood sector • Widening network of universities, labs, and scientific agencies with diverse funding
Staffing	Forest Service Leadership uncertainties. Scientific staff reductions at USFS. Some working on a voluntary basis	6 operational staff, 17 scientific staff, 15 collectors (in tropics), 8 Board members

Plant-chemistry-based provenance testing

	USDA WISC	WFID
Data access platform	None developed	On-line platform now being rolled out
Timber sample collection	• Mill based collection • Protocols under development • Evidence of good support from mills, • Potential to proceed rapidly at low cost	• Collection of field samples, strict protocols • Machine learning tools to fill geographic gaps & reduce need for field collections • US oak samples sufficient to identify US regional origin collected by Columbia Forest Products • Peer reviewed paper on comparability of different hardwood species samples
Unit testing costs	• Handhelds purchased for $50k • Testing costs very low after that $0.35 per sample. • Testing of products is not destructive	• Previously $600 per sample when a single lab involved, but down to $400 per sample now that 3-4 labs are involved, lower costs likely to be offered for bulk sampling • Testing of products is destructive
Accuracy	• Early indications of high accuracy, comparable to best lab tests • Calibration & consistency of results between handhelds is an issue - proof of concept work is looking at this	• SIRA in isolation low accuracy beyond country id • SIRA-TEA in combination delivers high accuracy • WFID works with lab partners to ensure comparable and consistent results • ISO17025 certification of labs for international credibility
Conclusion	• Potentially relatively low cost & high accuracy solution that might work internally for AHA • But significant concerns around delivery, consistency of results, and international recognition.	• Potentially higher costs to prepare sample database and undertake on-going testing due to the need for lab tests and destructive testing • But platform and scientific basis already well developed • Much stronger guarantee of delivery, consistency of results and international recognition


All AHEC Funding Sources
Millions ($USD)
$14
$12
$10
$8
$6
$4
$2
$-
2017
2018
2019
2020
2021
2022
2023
2024
2025
MAP
FMD
ATP
RAPP
AHEC Dues

Questions?