Panel Discussion:
Asian Woodchip Import Demand

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Since 2008, hardwood chip imports have increased over 60% in Asia, and will set an all-time record in 2018
Softwood chip imports trended lower from 2000-2015, but in 2018 will be the largest volume since 2011.
Japan accounted for 83% of the Asian hardwood chip market in 2008, but their share will be only about 45% in 2018.
China accounted for only 7% of Asian hardwood chip imports in 2008, but will be close to half of the market in 2018.
The three smaller markets accounted for nearly 10% of the market in 2008, but their share declined to only 5.1% in 2017.
While Japanese companies used to pay a price premium for woodchips, today the market is very competitive.

### Average Imported Hardwood Chip Prices

<table>
<thead>
<tr>
<th>Year</th>
<th>Japan</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>100</td>
<td>110</td>
</tr>
<tr>
<td>2004</td>
<td>120</td>
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<tr>
<td>2018E</td>
<td>400</td>
<td>390</td>
</tr>
</tbody>
</table>
There are seven companies importing hardwood chips in Japan, with the top two accounting for 50% in 2017

**Major Japanese Hardwood Chip Importers, 2017**

- **Oji**: 24%
- **NPI**: 26%
- **Hokuetsu-Kishu**: 18%
- **Daio**: 15%
- **MPM**: 8%
- **Chuetsu**: 6%
- **Marusumi**: 3%
There are seven companies importing softwood chips in Japan, but 97% of the volume is imported by five companies.

**Major Japanese Softwood Chip Importers, 2017**

- **Oji**: 29%
- **Daio**: 26%
- **Chuetsu**: 13%
- **Marusumi**: 13%
- **Tokai**: 2%
- **Hyogo**: 1%
- **NPI**: 16%
There are seven companies importing hardwood chips in China, with the trade becoming more diverse than in the past.

Major Chinese Hardwood Chip Importers, 2017

- APRIL: 31%
- APP: 28%
- Chenming: 13%
- SUN: 12%
- Oji: 8%
- Bohui: 5%
- Huatai: 3%
- MDF: 0%
In China, only two companies account for nearly 85% of all softwood chip imports.

Major Chinese Softwood Chip Importers, 2017

- **Qinshan**: 44%
- **APRIL**: 39%
- **SUN**: 6%
- **Others**: 11%
There are very few companies importing woodchips in South Korea, Taiwan and India

Woodchip Importers in Taiwan, South Korea and India, 2017

- **Chung Hwa**: 44%
- **Moorim Paper**: 35%
- **West Coast Paper Mills**: 19%
- **Tamil Nadu**: 2%