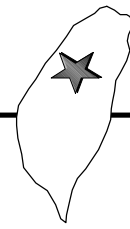
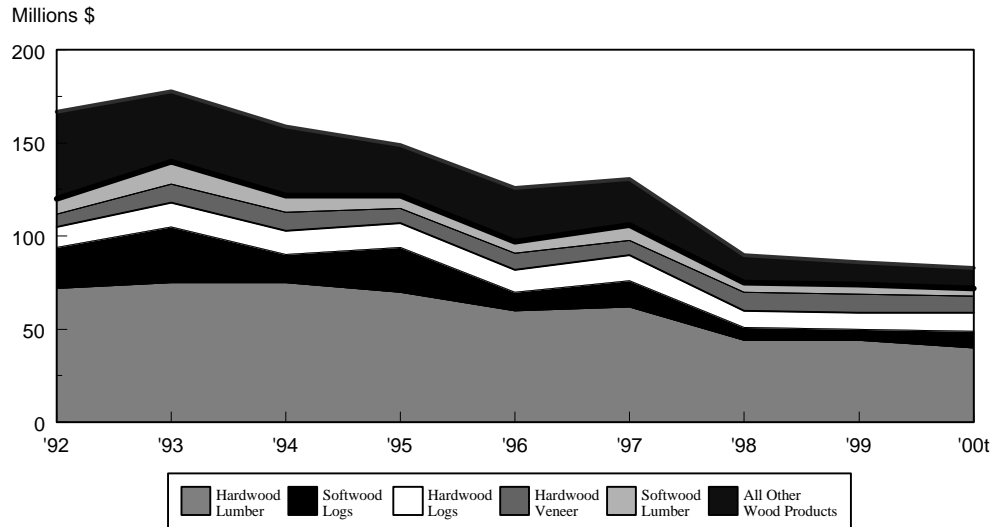


Taiwan



Total Exports in 1999: \$86 million



Tarif

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Schedule for U.S. products:

Item	HS Code	2000 Applied Rate	Bound Rate*
Logs	4403	0%	N/A
Softwood Lumber	4407	0%	N/A
Hardwood Lumber	4407	0%	N/A
Softwood and Hardwood Veneer	4408	0%	N/A
Moulding & Flooring	4409	0%	N/A
Particleboard & OSB	4410	3%	N/A
Fiberboard	4411	3%	N/A
Plywood, Veneered Panels & Similar Laminated Wood	4412	5-17%	N/A
Windows, Doors & Their Frames	4418.20	2.5%	N/A
Parquet Panels, Other Builders' Carpentry, & Fabricated Structural Members	4418.30-90	2.5%	N/A

* See Trends and Recent Developments

Non-Tariff Barriers:

- Taiwan's building codes continue to favor non-wood construction, but are liberalizing rapidly. The code currently restricts wood structures to four stories or less, which represents roughly two-thirds of Taiwan's housing stock.
- Despite significant damage caused by the 1999 Taichung earthquake, there is still a preference among consumers, architects and developers to use the "traditional" materials of concrete and steel for building. The Taipei Agricultural Trade Office and APA - the Engineered Wood Association are currently working with officials and industry leaders to modify building codes to allow for the use of engineered wood products.
- Regional codes often lack any specifications for wood. If wood construction is not specifically allowed, firms can often obtain a variance that allows the use of American building standards for the particular project.

Trends and Recent Developments

- Taiwan weathered the Asian Financial Crisis better than most of Asia and is expected to achieve strong economic growth over the next three years. Taiwan is gradually maturing into a market for quality leisure products, including parquet flooring, hardwood furniture and decorative paneling. Taiwan has a strong middle class with the per capita GDP approaching \$17,000.
- The New Taiwan Dollar has become relatively weak in recent months, falling from 31 New Taiwan Dollars to the U.S. dollar in the summer of 2000 to 33 NT\$ in November. Should these low rates continue, demand for American products may be constrained.
- Taiwan's new commercial construction, valued at \$9.2 billion in 2000 was significantly higher than the \$8.1 billion spent in 1999. Much of this, however, was fueled by the September 1999 earthquake in central Taiwan which destroyed 52,000 residential units and damaged another 54,000. The value of new commercial construction is expected to slow in 2001 to \$8.9 billion.
- Taiwan exported \$644 million worth of wood furniture and parts during 1999. These exports are expected to fall during the coming years as more mills relocate to China. While Taiwan's role as a transshipment point into the mainland will become less important, demand for wood products for domestic consumer needs will also increase.
- Tariffs on plywood, veneered panels and similar products are expected to be reduced upon accession to the WTO.