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Poland

Solid Wood Products

Annual

2006

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Report Highlights:
Poland's timber production of about 33 million cubic meters does not cover local demand, so some quantities of logs and timber are imported. Unfortunately wood is not very popular raw material, so most of the local production of wood industry is exported.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Annual Report
Warsaw [PL1]
[PL]

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Executive Summary

Most of Poland's forest resources are government-owned. Poland ranks third in Europe in wood resources. Due to moderate annual cuts (about 33 million CUM) and the impact of the National Program of Forestation, the volume of standing timber has increased over the past three years. Standing timber increased by 18 million CUM annually between 2002-2004. Forest area has also increased-by about 17,000 hectares annually.

Poland imports nearly 780 metric tons of wood annually, mostly from its neighbors, especially the Ukraine, Russia and Belarus. Polish wood industry representatives have requested that the Government of Poland (GOP) permit the amount of wood cut annually to increase. They have also requested that the government change its practice of prohibiting small mills from signing long-term contacts for government-harvested wood. The new administration, elected in late 2005, has promised to look into this issue.

The largest consumers of wood in Poland are the sawmill, chipboard, furniture and cellulose and paper industries. Most furniture and timber production is exported, mainly to other European Union (EU) countries. Furniture manufacturers still hope to re-enter the Russian market, which collapsed during an economic down turn in Russia a few years ago.

For many years, Poland has been an European important producer of MDF, OSB, fiber and particleboards.

As there is no common forestry policy in the EU, individual member states are responsible for the implementation of multifunctional forest management. Consequently, Poland's accession to the EU in May 2004 did not bring any major changes to local forest management policy.

Forest Situation & Outlook

In 2004, there were almost 9 million hectares of forests in Poland or about 30 percent of total land area. The forest ownership structure in Poland has not changed much in recent years. The GOP administers an area of 7.4 million hectares of forest or 82 percent of total forest area. Privately-owned forests account for 18 percent of total forest area or 1.6 million ha. There are plans to forest an additional 680,000 hectares by 2020.

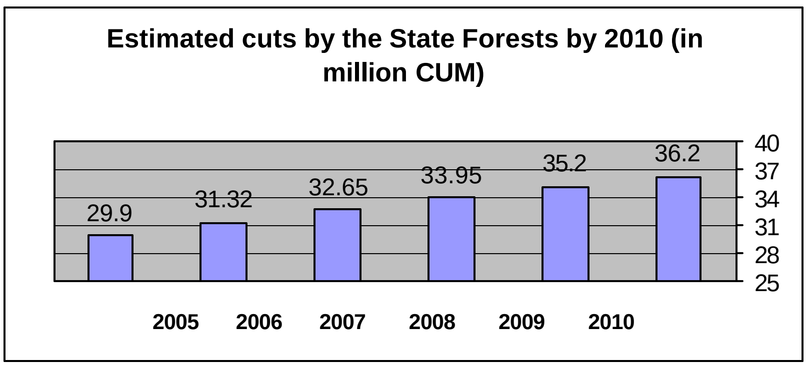
Poland's forests are dominated by coniferous varieties, which account for 77 percent of all forest area and 85 percent of standing wood. Scotch pine and larch represent about 70 percent of Poland's coniferous forest area, spruce 5 percent and fir 2 percent. The composition of Polish forests changed between 1945 and 2004 as broad-leaf varieties, including oak, ash, maple, beech, sycamore, birch and alder, rose from 13 to 23 percent of forest area.

During the last 40 years, the age of stands in public forests has increased. During the 1960s, the majority of stands were young. Today, the majority of trees are 40-80 years old and the average age of stands is 60 years. The increase in age is due to limited annual cuttings, the use of complex felling and a decrease in clear-cutting. The area of trees over 80 years old increased from about 1.0 million hectares in 1945 to 1.5 million hectares in 2004.

Since 1967, Poland's wood resources have noticeably increased and Poland's nearly 1.8 billion CUM wood reserves[1] rank third in Europe, after Germany and France. The Polish General Directorate for State Forests (GDSF) within the Ministry of Environment manages Poland's government-owned forests. According to the GDSF, at the beginning of 2004 there were 1.6 billion CUM of timber in government-owned forests and 189 million CUM in privately-owned forests. On average, there were 220 CUM per ha in government forests and 119 CUM per ha in private ones.

During 1984-2004, wood growth in public forests was around 930 million CUM. During this period, 520 million CUM of logs were cut. Thus, there was an increase of about 410 million CUM of wood resources. The average annual growth of wood in government-owned forests for the period was 6.75 CUM per ha, but the growth rate for the last five years averaged slightly higher, 7.50 CUM per ha. The increase in wood resources is attributed to improved forestry management, including improved harvesting and reforestation. Wood growth outpaced cuttings by 44 percent during this 20-year period.

In 2004, timber production was 33 million CUM, a 7 percent increase from 2003 and was produced from 30 million CUM of logs and about 3 million CUM of wind fallen and broken trees and deadwood. Timber production in government forests was 28.7 million CUM, of which 74 percent was softwood and 26 percent hardwood.



More dead trees are harvested from Polish forests than from forests in other European countries. Poland's harvest of dead trees alone exceeds the total harvest of all trees in many countries in the region, thereby making Poland a major timber producer in Central Europe.

The average prices per CUM of timber and pulpwood in 2004 were as follows:

Softwood saw timber – PLN 174 (up 6.4 percent) – ($49.72)
Hardwood saw timber – PLN 199 (up 10,1 percent) – ($56.86)
Softwood pulpwood – PLN 89 (up 9.5 percent) – ($25.43)
Hardwood pulpwood – PLN 80 (up 11 percent) – ($22.86)

The average exchange rate $1=PLN 3.5

The Chamber of Wood Industry, an association of wood processing companies, is complaining that local supply is insufficient to cover local demand, so some quantities of wood must be imported, mostly from neighboring countries, especially the Ukraine, Russia and Belarus. As

[1] According to the "Report on the Situation of Forests in Poland – 2004" prepared by the General Directorate of State Forests, Poland's wood resources were about 1,825 million CUM as of January 1, 2004.

an alternative to imports, industry representatives have requested that the GOP increase the size of annual permitted cuts in government forests. Also, the system of purchasing wood from the GOP is not acceptable to small sawmill owners. Currently, only large companies are permitted to sign long-term contracts with the GOP. Small mills are limited to one-year contracts. Consequently, small mills face higher prices because they are limited to purchasing smaller quantities. The new government, elected in late 2005, has promised to look into this issue.

The Chamber also wants a special institution to be created to oversee the activities of the GDSF. The Chamber has also complained about the lack of regulations governing what kind of wood can be used for different purposes. Currently, good quality timber is used for production of pallets and wood for processing is sometimes burned.

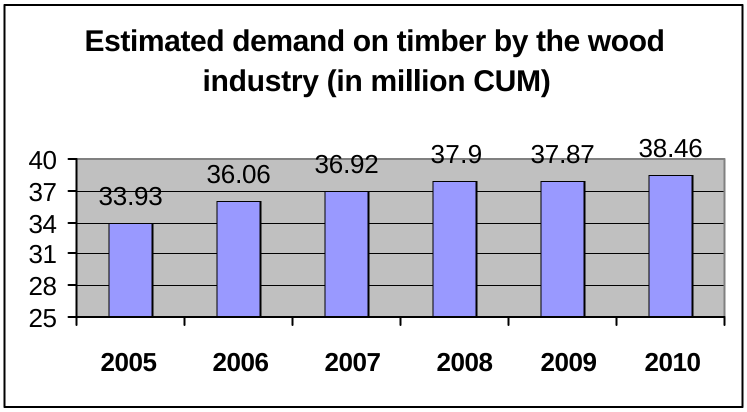
The Chamber also demands that the GOP support the creation of energy plantations on which wood, such as willow, ash, acacia and pine, would be grown for use in producing energy. Farmers would supply energy producers with wood from their plantations on the basis of annual contracts. It is not clear, however, if there is enough farmer support for such an idea, since EU subsidies for wood energy resources are limited to thorn-less rose and willows trees only. In 2005, the European Commission approved subsidies of Euro 55,000 for these species.

Polish mills produce sawn wood (hard and soft), wood panels (fiberboard and particle board) and construction materials such as windows, doorframes and flooring. In response to increasing demand, total Polish plywood production, including soft plywood, increased 22 percent during the first eleven months of 2005, compared with the same period the previous year, and totaled 93,848 CUM. In 2004, plywood production totaled 83,300 CUM, up 2 percent from 2003. According to the Institute of Technology, 40 percent of plywood production is softwood and 60 percent is hardwood.

Solid Wood Products Situation & Outlook

Furniture manufacturing is exhibiting dynamic development in Poland. The cellulose and paper industry is also a major customer of wood harvested from government forests. It accounts for some 50 percent of the pulpwood harvested in government forests.

In spite of Poland’s vast wood resources, local demand is greater than local supply by about 3-5 million CUM annually. According to the Chamber of Wood Industry, the shortfall in local supply is explained in part by the long-term forest management plans of the Ministry of Environment. The Chamber claims that the ecological management plan for government forests is too restrictive and causes reduced supply and higher prices which impact small buyers the most. Buyers cannot count on private forests since they do not produce much wood. The average private owner has about 1 hectare of forest area.



Source: GDSF report on forests 2005

Trade

Most processed wood is exported. Exports of wood and wood products, excluding furniture, were 28 percent higher in 2004 than in 2003, and reached US$ 2.3 billion. In the first three quarters of 2005, the value of exported wood and wood products increased 14 percent to US$ 2 billion, compared with the same period in 2004. The increase reflects not only larger volumes, but also the impact of a stronger Polish zloty versus the US dollar. The main export markets for Polish processed wood remain other EU countries, as well as the Ukraine, Russia and Belarus.

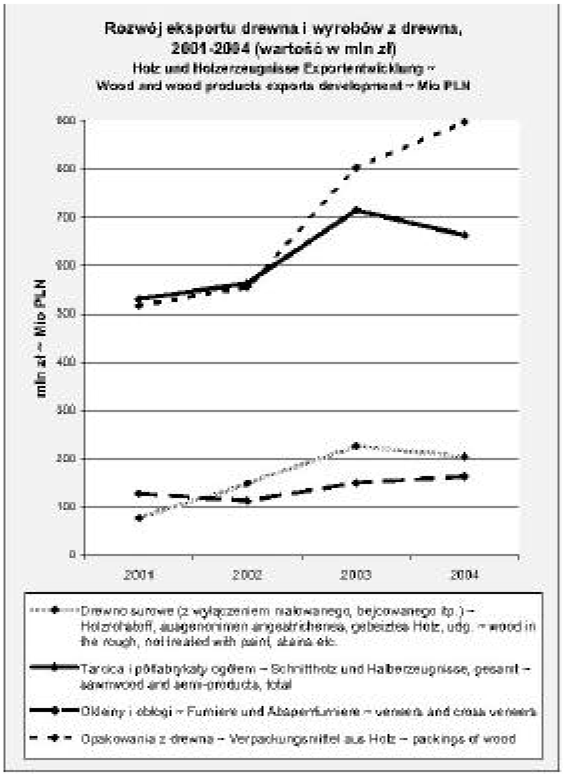
Exports of hardwood timber reached US$ 199 million in 2004 and US$ 152 million during the first three quarters of 2005, including almost US$ 84,000 to the United States. The main markets for Polish hardwood timber are other EU countries, Japan, Malaysia, Russia, and China.

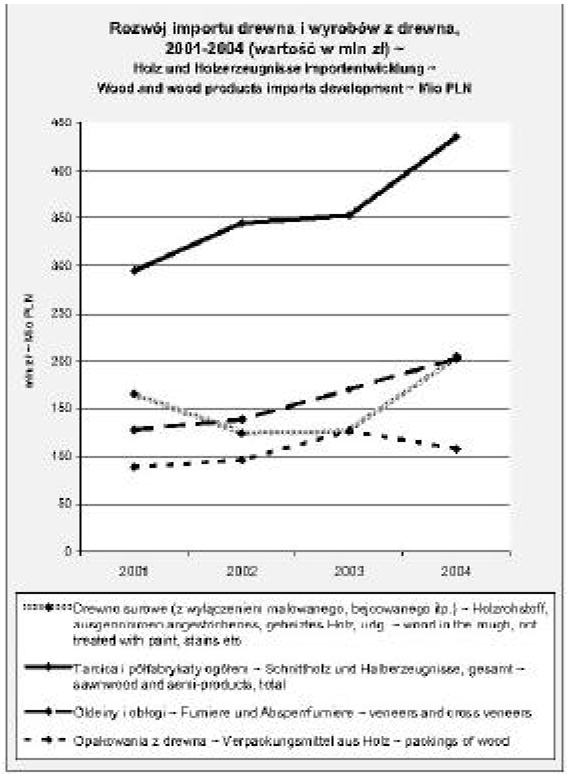
Other important types of wood products exported in 2004 by Poland included: builder's joinery and carpentry wood (US$ 419 million), fiberboard (US$ 304 million), packing cases and pallets (US$ 275 million), particleboard (US$ 203 million), and plywood (US$ 122 million, of which US$ 5 million went to the United States).

Imports of all wood and wood products in 2004 were 40 percent higher than in 2003 and reached US$ 805 million. During the first three quarters of 2005, imports increased by 30 percent compared with the same period in 2004 and reached US$ 746 million.
The major wood products imported into Poland include: timber (US$ 126 million), veneer sheets (US$ 59 million), particleboard (US$ 154 million) and fiberboard (US$ 160 million). Most imports originate in other EU countries.

Poland enjoys a surplus in wood trade with the United States. Polish wood exports to the United States almost doubled in 2004, reaching US$ 21 million, while imports from the United States decreased from US$ 5.4 million in 2003 to US$ 4.6 million in 2004. The reasons behind the decrease in imports from the United States include: low Polish demand for wood, more competitive suppliers closer to Poland and quality standard differences.

In 2004 Polish wood exports to the U.S. consisted of plywood (US$ 4.6 million), builders joinery and carpentry (US$ 5.3 million), fiberboard (US$ 2.3 million), other wood-continuously shaped, etc- (US$ 2.1 million), wooden frames (US$ 1.5 million) and veneer (US$ 1 million).





Source: "Rynek Drzewny", May 2005

Policy

Thanks to controlled harvests and implementation of the National Program of Forestation, there has been a significant increase in the size of Poland's forest area. During the years 2002-2004, forest area increased annually by about 17,000 hectares, and the volume of standing timber by about 18 million CUM.

As a result of Poland's accession to the EU in May 2004, Euro 5.0 million in EU funding for forestation of former arable lands became available for the period 2004-2006. There are several requirements governing the use of this funding. One is that only local species of trees and bushes qualify for this program.

Marketing

The use of wood products in Poland is very low. One reason for this situation is a lack of organized promotion of wood use. At the end of 2004, the Foundation "Now Wood" was created by the representatives of the wood industry with the aim of promoting wood in the local market and increasing the sales of wood for housing construction. Research done by the Foundation shows that the annual consumption of wood in Poland is only 0.1 CUM per person, while in Germany and Austria it is 0.25 CUM, Estonia 0.44 CUM and Finland 1.00 CUM per person.

Market Segment Analysis

Furniture sector

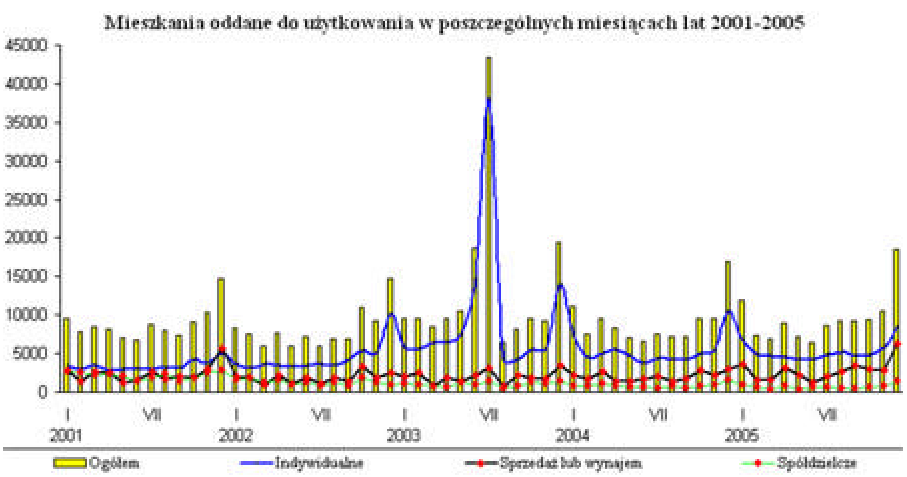
Poland does not import much furniture. In the first half of 2005, imports totaled US$ 458 million, 23 percent higher than in the similar period of 2004. In 2004, furniture imports totaled US$ 771 million, 20 percent up from 2003.

Over 90 percent of all furniture production in Poland is exported annually. According to the Main Statistical Office of Poland (MSO), the value of furniture sales (domestic and export) by medium and large furniture companies in 2004, totaled PLN 19.0 billion (US$ 5.4 billion) of which PLN 17.8 billion (US$ 5.0 billion) was exported. Nearly 90 percent PLN 15.4 billion (US$ 4.4 billion) of all exports went to other EU countries. Furniture exports in the first half of 2005 were 20 percent higher (US$ 2.9 billion) than in the same period in 2004. The poor economic situation in other EU countries has lead EU customers in these countries to turn to less expensive furniture imports from Poland and away from more expensive, locally produced furniture.

Exports sales are expected to remain steady for the next few years and markets in new EU member states and other eastern European countries are expected to grow in importance. The Chamber has started to promote Polish furniture in export markets and has asked the GOP to undertake local promotions. Consumers in the older EU countries spend 20 times more on furniture than their Polish counterparts. Low housing construction and the fact that Polish households do not move as often are the reasons behind lower demand for furniture in Poland.

Construction sector

In 2005, 114,391 apartments were built, nearly 6.0 percent more than in 2004. The graph below represents the trends in finished apartments by month between 2001-2005. The yellow columns represent the total number of finished apartments, blue – individual buyers, black with red dots – apartments built for rent or sale, green with red dots – cooperative buyers.



Source: Main Statistical Office

Non-wood products, such as cement, bricks and stones, are the primary materials used in housing construction in Poland. Wooden homes are not well accepted, in part, because they are considered less durable and are found mainly in poor, rural areas. Insurance for a wooden home is 50-200 more expensive than for a cement home, which is also a barrier to greater wood home construction. A lack of uniformed standards and a certification system for wood construction companies is also a problem. The wood industry, however, hopes that a lack of inexpensive housing, shorter construction times for wooden homes and changes in lending practices will lead to an increase in wood housing construction.

There are about 200 Polish companies that specialize in wood frame construction, but most work outside Poland. It is estimated that some 3,000 homes are build from wood annually in Poland, which represents about 5 percent of all housing construction. Most of the wood used is bought locally, but some is imported, primarily from Germany, Canada and the United States.

Material Handling Industry

It is estimated that about 40-45 million wood pallets are produced in Poland annually. As of May 1, 2004, when Poland joined the EU, the European Pallet Association (EPAL) must approve all wood pallets for use in other EU countries. Prior to EU membership, Polish Railways, the national railroad company, certified wood pallets. Although, the quality of pallets from licensed producers has improved considerably since 2004, fake Euro pallets can still be found in the Polish market. According to EPAL officials, the number of fake Euro pallets in the market is considerable.

The official EPAL sign for the pallets.

Other wood industrial markets

Thanks to privatization and considerable foreign investment, the Polish wooden board industry has been able to modernize and increase the variety of products it produces. For many years, Poland has been an important producer and supplier of MDF, OSB, and fiber and particleboards. In fact, Poland is the largest manufacturer of fiberboard and among the 10 leading producers of particleboard in Europe. Most wooden board production is exported or used in the production of furniture, which is later exported. Poland imports some quantities of U.S. veneer, fiberboard and plywood. But, as long as local demand for furniture remains stagnant, so will wood imports.

The EU accession impact

The law on the establishment of the European Union (the Treaties of Rome – 1967 and Maastrich – 1992) did not provide for the establishment of any common forestry policy, as is the case with agriculture. All responsibility for the implementation of multifunctional forest management remains in the hands of individual Member States.
Thus, EU accession did not bring any major changes to forest policy in Poland. Under present EU rules, the fact that most of Poland's forests are government-owned limits the possibilities of co-funding multifunctional and sustainable forest management, other than in situations of crisis or natural disaster.

PSD and Trade Tables

Softwood Logs - PSD

PSD Table

Country Poland

Commodity Softwood Logs

1000 CUBIC METERS

	2004	Revised	2005	Estimate	2006	Forecast	UOM
	USDA Official [	Estimate[NA	Official [	Estimate[NA	Official [	Estimate[New]	
Market Year Begin		01/2004		01/2005		01/2006	MM/YYYY
Production	21000	22348	21000	22500	0	22600	1000 CUBI
Imports	200	432	200	650	0	650	1000 CUBI
TOTAL SUPPLY	21200	22780	21200	23150	0	23250	1000 CUBI
Exports	850	1108	850	1000	0	1100	1000 CUBI
Domestic Consumption	20350	21672	20350	22150	0	22150	1000 CUBI
TOTAL DISTRIBUTION	21200	22780	21200	23150	0	23250	1000 CUBI

Hardwood Logs – PSD

PSD Table

Country	Poland						
Commodity	Temperate Hardwood Logs	1000 CUBIC METERS					
	2004	Revised	2005	Estimate	2006	Forecast	UOM
	USDA Official [	Estimate[NA	Official [	Estimate[NA	Official [	Estimate[New]	
Market Year Begin		01/2004		01/2005		01/2006	MM/YYYY
Production	7900	8079	7900	8100	0	8100	1000 CUBI
Imports	500	561	500	800	0	800	1000 CUBI
TOTAL SUPPLY	8400	8640	8400	8900	0	8900	1000 CUBI
Exports	115	112	115	120	0	120	1000 CUBI
Domestic Consumption	8285	8528	8285	8780	0	8780	1000 CUBI
TOTAL DISTRIBUTION	8400	8640	8400	8900	0	8900	1000 CUBI

Softwood Lumber – PSD

PSD Table

Country Poland

Commodity Softwood Lumber

1000 CUBIC METERS

	2004	Revised	2005	Estimate	2006	Forecast	UOM
	USDA Official [	Estimate[N	USDA Official [	Estimate[N	USDA Official [	Estimate[New]	
Market Year Begin		01/2002		01/2003		01/2004	MM/YYYY
Production	4570	6665	4550	6580	0	6700	1000 CUBI
Imports	450	527	450	520	0	500	1000 CUBI
TOTAL SUPPLY	5020	7192	5000	7100	0	7200	1000 CUBI
Exports	3020	4093	3000	4000	0	4000	1000 CUBI
Domestic Consumption	2000	3099	2000	3100	0	3200	1000 CUBI
TOTAL DISTRIBUTION	5020	7192	5000	7100	0	7200	1000 CUBI

Hardwood Lumber – PSD

PSD Table

Country Poland

Commodity Temperate Hardwood Lumbe 1000 CUBIC METERS

	2004	Revised	2005	Estimate	2006	Forecast	UOM
	USDA Official [	Estimate[N	A Official [	Estimate[N	A Official [	Estimate[New]	
Market Year Begin		01/2004		01/2005		01/2006	MM/YYYY
Production	470	512	490	600	0	600	1000 CUBI
Imports	1602	3282	1600	3000	0	3000	1000 CUBI
TOTAL SUPPLY	2072	3794	2090	3600	0	3600	1000 CUBI
Exports	1100	2919	1200	2700	0	2650	1000 CUBI
Domestic Consumption	972	875	890	900	0	950	1000 CUBI
TOTAL DISTRIBUTION	2072	3794	2090	3600	0	3600	1000 CUBI

Softwood Plywood – PSD

PSD Table

Country	Poland						
Commodity	Softwood Plywood			1000 CUBIC METERS			
	2004	Revised	2005	Estimate	2006	Forecast	UOM
	USDA Official [	Estimate[N	USDA Official [	Estimate[N	USDA Official [	Estimate[New]	
Market Year Begin		01/2004		01/2005		01/2006	MM/YYYY
Production	34	34	34	34	0	34	1000 CUBI
Imports	100	141	100	150	0	150	1000 CUBI
TOTAL SUPPLY	134	175	134	184	0	184	1000 CUBI
Exports	80	85	80	80	0	80	1000 CUBI
Domestic Consumption	54	90	54	104	0	104	1000 CUBI
TOTAL DISTRIBUTION	134	175	134	184	0	184	1000 CUBI

Forest Product Strategic Indicator Tables

FOREST PRODUCT						
STRATEGIC INDICATOR TABLES FOR POLAND						
(Please do not add/delete rows or columns -- note and other info must be added below row 110 -- thank you!)						
CONSTRUCTION MARKET						
Country:	Previous	Current	Following			
Report Year:	CY 2004	CY 2005	CY 2006			
Total Housing Starts (thousand units)	80	81	81			
--of which, wood frame (thousand units)	0	0	0			
--of which, steel, masonry, other materials (thousand units)	80	81	81			
--of total starts, residential (thousand units)	45	47	48			
----of residential, single family (thousand units)	40	43	44			
----of residential, multi-family (thousand units)	5	4	4			
--of total starts, commercial (thousand units)	15	22	22			
Total Value of Commercial Construction Market ($US mil)	8,000	8,000	8,000			
Total Value of Repair and Remodeling Market ($US million)	5,700	6,000	6,000			

FURNITURE & INTERIORS MARKET						
Country:	Previous	Current	Following			
Report Year:	CY 2004	CY 2005	CY 2006			
Total Housing Starts (number of units)	80,000	80,567	81,000			
Total Number of Household, million	14	14	14			
Furniture Production ($US million)	6	7	8			
Total Furniture Imports ($US million)	550	500	500			
Total Furniture Exports ($US million)	4,323	4,500	5,000			
Interiors Market Size ($US million)	1,500	1,500	1,500			
MATERIAL HANDLING MARKET						
Country:	Previous	Current	Following			
Report Year:	CY 2004	CY 2005	CY 2006			
Total Value of Industrial Output ($US million)	180,000	200,000	220,000			
New Pallet Production (million units)	45*	40*	40*			
FOREST AREA						
Country:	Previous	Current	Following			
Report Year:	CY 2004	CY 2005	CY 2006			
Total Land Area (million hectares)	31	31	31			
Total Forest Area (million hectares)	9	9	9			

--of which, Commercial ('000 hectares)	8,800	8,800	8,800			
----of commercial, tropical hardwood ('000 hectares)	0	0	0			
----of commercial, temperate hardwood ('000 hectares)	2,000	2,000	2,000			
----of commercial, softwood ('000 hectares)	6,800	6,800	6,800			
Forest Type	_	_	_			
--of which, virgin ('000 hectares)	162	162	162			
--of which, plantation ('000 hectares)	62	63	64			
--of which, other commercial (regrowth) ('000 hectares)	13	14	15			
Total Volume of Standing Timber (thousand cubic meters)	1,555	1,560	1,600			
--of which, Commercial Timber ('000 cum)	760	770	770			
Annual Timber Removal ('000 cum) 1/	31,500	32,000	32,000			
Annual Timber Growth Rate ('000 cum)	90,000	90,000	90,000			
Annual Allowable Cut ('000 cum)	32,000	32,000	32,000			
1/ If Removals exceeds growth rate, analyze impact in text.						

WOOD PRODUCTS SUBSIDIES						
Country:	Previous	Current	Following			
Year of Report	CY 2004	CY 2005	CY 2006			
Total Solid Wood Export Subsidy Outlay ($US million)	no	no	no			
Is there a ban on the export of logs, lumber, or veneer? 1/	no	no	no			
Are there export taxes (yes/no)? 2/	no	no	no			
Total Wood Production Subsidy ($US million)	15	15	15			
Scope (thousands of hectares)	20	20	20			
Are there other wood products export expansion activities? 1/	no	no	no			
1/ If yes, describe in report.						
2/ If yes, identify in Tariff and Tax Strategic Indicator Table.						
FOREST PRODUCT TARIFFS AND TAXES (percent)	Tariff	Tariff	Tariff	Other	_	_
Country: Poland (for detailed info see: http://europa.eu.int/eur-lex/lex/JOHtml.do?uri=OJ:L:2005:286:SOM:EN:HTML)	Previous	Currant	Following	Import	Total Cost	*Exp*
Report Year:	Year	Year	Year	Taxes/Fees 2/	of Import	*Ta*
4401	0	0	0	7/22	7 or 22%	*nor*
4403	0	0	0	22	22%	*nor*
4404	0	0	0	22	22%	*nor*
4405	0	0	0	22	22%	*nor*
4406	0	0	0	22	22%	*nor*
4407	0	0 3/	0 3/	22	22%	*nor*
4408	different	different	different	22	22%	*nor*

4409	0	0	0	22	22%	nor
4410	7	7	7	22	29%	nor
4411	7	7	7	22	29%	nor
4412		between 6 and 10	between 6 and 10	22	28-32%	nor
-441219	7	7 (there is imp quota)	7 (there is imp quota)	22	29%	nor
4413	0	0	0	22	22%	nor
4414						
-44140010	5.1	5	5	22	27%	nor
-44140090	0	0	0	22	22%	nor
4415	4 or 3	4 or 3	4 or 3	22	25-26%	nor
4416	0	0	0	22	22%	nor
4417	0	0	0	22	22%	nor
4418						
-441810 (windows)	3	3	3	22	25%	nor
-44182010 (doors from tropical species)	6	6	6	22	28%	nor
-44182050/80 (doors from other species)	0	0	0	22	22%	nor
4419	0 or 3	0 or 3	0 or 3	22	22-25%	nor
4420	4, 6 or 0	4, 6 or 0	4, 6 or 0	22	22-27%	nor
4421	0	0 or 4	0 or 4	22	22%	nor
9401	0	0	0	22	22%	nor
9403.3	0	0	0	22	22%	nor
9493.4	2.7	2.7	2.7	22	25%	nor
9403.5	0	0	0	22	22%	nor
9403.6	0	0	0	22	22%	nor
9403.90.30 (wooden parts for furniture)	2.7	2.7	2.7	22	25%	nor
9406	2.7	2.7	2.7	22	25%	nor
1/ Insert additional lines for Commodity tariff identification should tariffs vary within the four-digit designation						
for major products exported by the U.S. (e.g., 4412.19: softwood plywood 3%, 4412.XX: other plywood, 9%).						
2/ Calculate as tariff plus other import taxes/fees assuming a commodity value of $100.						

*/ there is no exact production data. These are FAS Warsaw estimates based on foreign trade numbers.						
1/ On May 1, 2004, Poland joined the EU and adopted the EU tariff, including a retaliatory tax applicable on U.S. products entering the EU territory.						
2/ According to the new construction regulations, a 22 percent VAT is applicable to all construction products. In 2004, if the materials were used for public construction, the investor could claim the difference between 7 and 22 percent tax. From January 1, 2006 individual investors can also claim the difference between 7 and 22 % VAT on several materials purchased after May 1, 2004.						
3/ Some products made on tropical wood are not duty free.						