



Decorative Hardwoods Association®

42777 Trade West Drive, Sterling, VA 20166
Phone: (703) 435-2900

March 7, 2025

The Honorable Scott Bessent
Secretary
Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

Dear Secretary Bessent:

The Decorative Hardwoods Association (DHA) supports efforts by the Trump Administration to negotiate an end to the war in Ukraine. To the extent that the Administration believes that further economic pressure on Russia will help achieve this goal, we suggest that banning Russian wood and products from Russia and from third countries that utilize Russian wood remains an important opportunity to ratchet up sanctions on a key Russian industry supporting the war.

Significant tariffs were previously placed on imports of Russian wood products. While this slowed the import of goods directly from Russia, significant volumes of Russian wood continues to enter the United States incorporated into other products. For example, in 2024, the United States imported nearly \$65 million of birch plywood from Russia. However, these direct imports from Russia pale in comparison to the nearly \$200 million of birch plywood imported from Vietnam and the nearly \$160 million imported from Indonesia. These imports face low or no tariffs despite the fact that they are made with Russian-origin birch. All plywood made with Russian-origin wood and wood inputs, whether imported directly from Russia or from a third country after further processing, helps support the Russian war effort. Further, because the European Union and the United Kingdom have banned the importation of Russian wood, both directly and indirectly, the United States has become an even greater target for these goods.

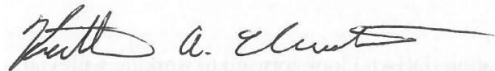
Sanctions on Russian wood product and third country products that contain Russian wood would not only eliminate an important source of Russian war funding, it would also help eliminate an important source of unfair trade. A fundamental problem we see is that U.S. manufacturers of hardwood plywood, hardwood veneer, and engineered wood floors are forced to compete against imports made with unsustainably and illegally harvested wood. This wood raw material represents a major portion of total cost in the U.S. But imports are often sold at prices that are at or below U.S. manufacturer raw material cost in part because of access to these wood sources.

Russia is the source for nearly all the birch used in manufacturing birch plywood from China, Vietnam and Indonesia. For example, over 90% of hardwood plywood imported from Vietnam

is birch. Vietnam imports logs directly from Russia and imports birch veneers from China produced from Russian logs. In Russia the wood is harvested from state owned forests in unsustainable methods and at dumped prices. All plywood made with Russian-origin wood and wood inputs, whether imported directly from Russia or from a third country after further processing, harms U.S. manufacturers and supports the Russian war effort. Accordingly, DHA recommends that the administration consider banning or increasing tariffs on Russian wood products and products from third countries made with Russian wood. This should include sanctions on all goods containing Russian wood under Harmonized Tariff Schedule codes 44 (timber), 47 (pulp), 48 (paper), 9401 (seats) and 9403 (furniture).

Thank you for your consideration and your strong support of U.S. manufacturing. The DHA looks forward to working with the Trump Administration on growing U.S. manufacturing of decorative hardwood products and trust that you will consider banning Russian wood, which contributes significantly to war funding and damages U.S. manufacturing through artificially low priced source of wood to China and other Asian allies.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith A. Christman". The signature is fluid and cursive, with a long horizontal stroke at the end.

Keith A. Christman
President
Decorative Hardwoods Association

KChristman@decorativehardwoods.org