



Wood Raw Materials - short-term analysis and forecasts

Introduction

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Expert presentation
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The framework (1/2)

- Environmental, social and economic interests, expressed by a variety of stakeholders, are competing with each other
- Public attention is drawn increasingly to sustainable development of forest resources
- Constraints for timber utilisation, additional economic pressure on forestry enterprises



The framework (2/2)

- Economic viability of forestry is weak in Western Europe, with the possible exception being the Nordic countries
- Forestry is partly linked to significant state subsidies (e.g. EU-CAP)
- Prosperity of the forest sector in Eastern Europe, (e.g. Russia) partly linked to illegal activities
- Damages from forest fires, insects, storms influence forest resources and forestry



Highlights of draft Forest Products Market Analysis 2002-2004 (1/3)

- Total removals of roundwood in the UNECE region were close to record levels in 2002.
- Slightly stronger demand within the CIS and Other Europe, as well as from export markets in Asia and elsewhere, has substantially increased removals in the two subregions.
- Roundwood exports from the Russian Federation were 14% higher in 2002 than the previous year.

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Highlights of draft Forest Products Market Analysis 2002-2004 (2/3)

- Raw material costs for sawmills and pulpmills fell in many regions for two main reasons: oversupply of roundwood and wood chips, and lower market prices for manufactured forest products.
- The trade surplus for roundwood in North America declined for the fifth consecutive year, due to both declining exports and increasing imports.

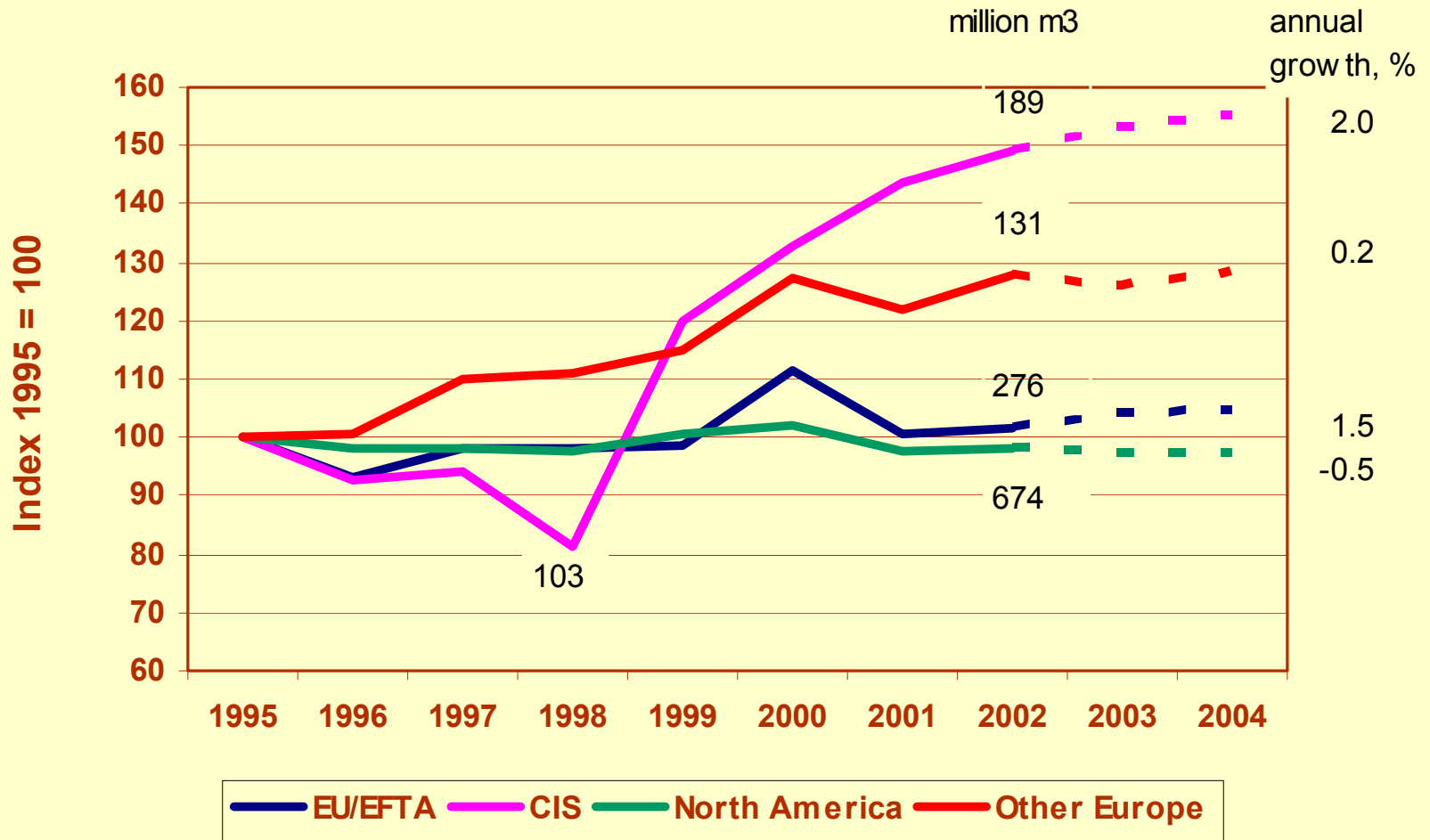


Highlights of draft Forest Products Market Analysis 2002-2004 (3/3)

- Although wood chip imports to the EU/EFTA region fell almost 11% in 2002, the region continues to be a large importer of wood chips.
- Almost 15% of the total roundwood removals in the UNECE were used as fuelwood in 2002, mostly in North America.



Roundwood Removals in UNECE region

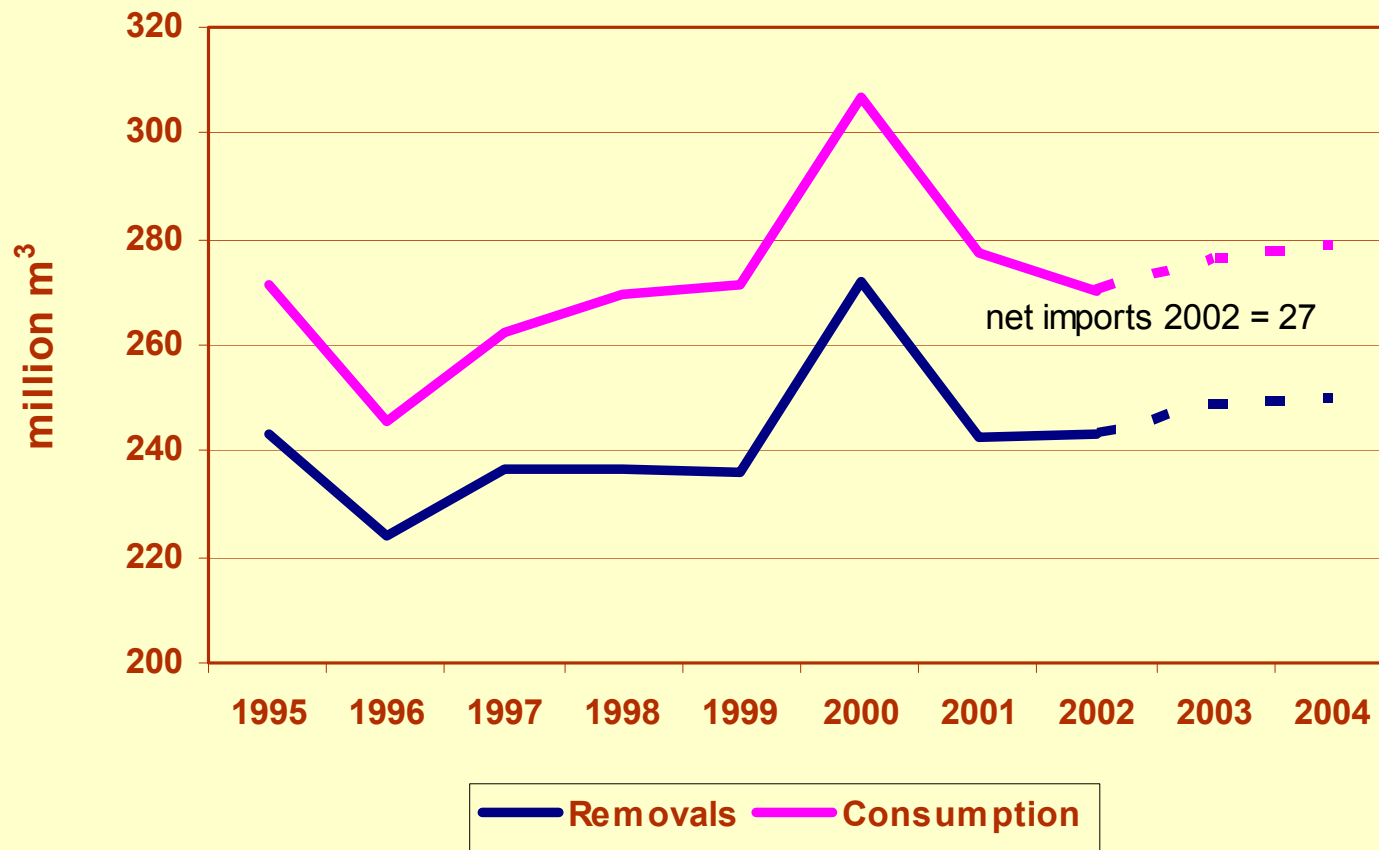


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EU/EFTA: Industrial Roundwood

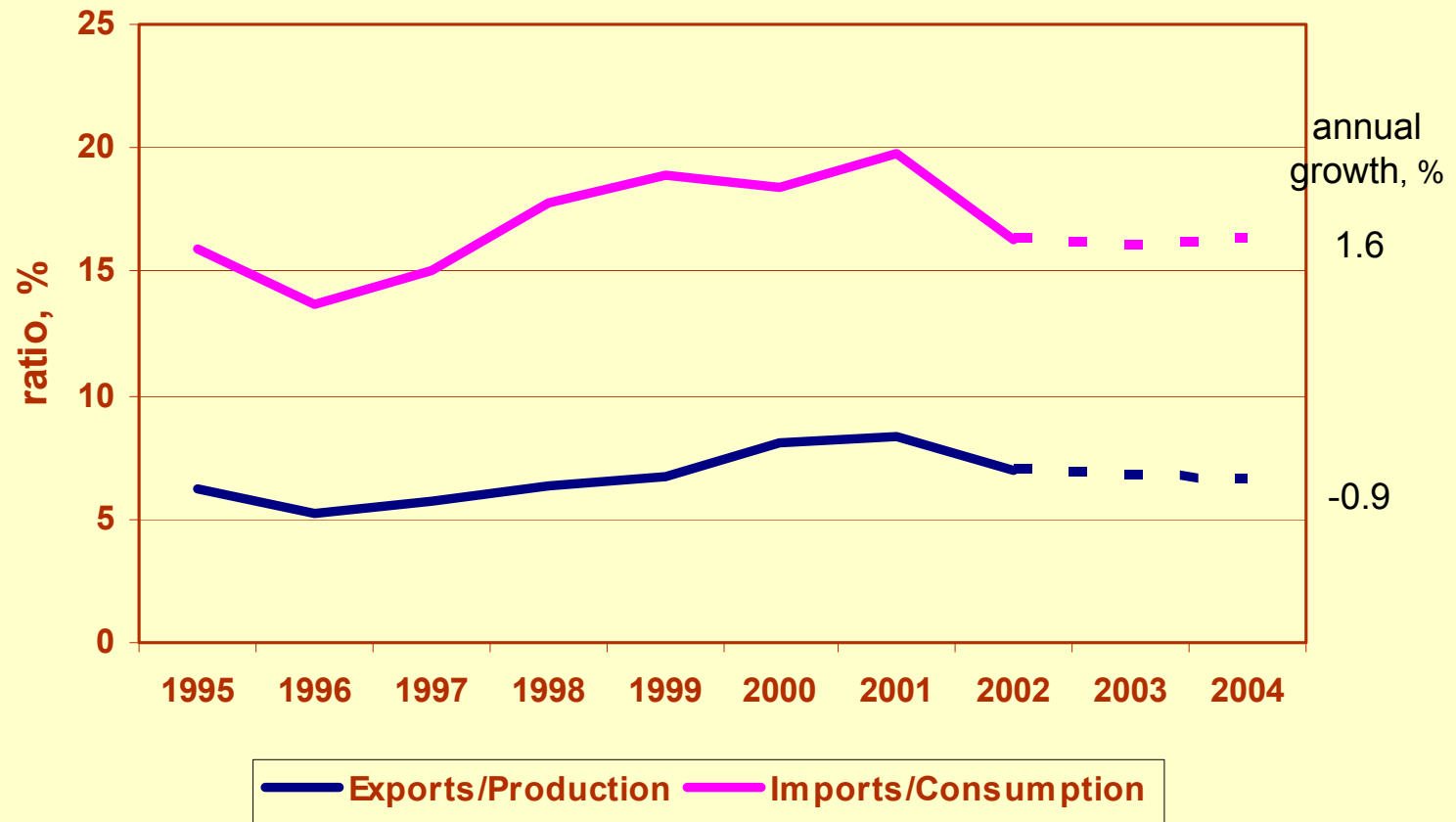


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EU/EFTA: Industrial Roundwood

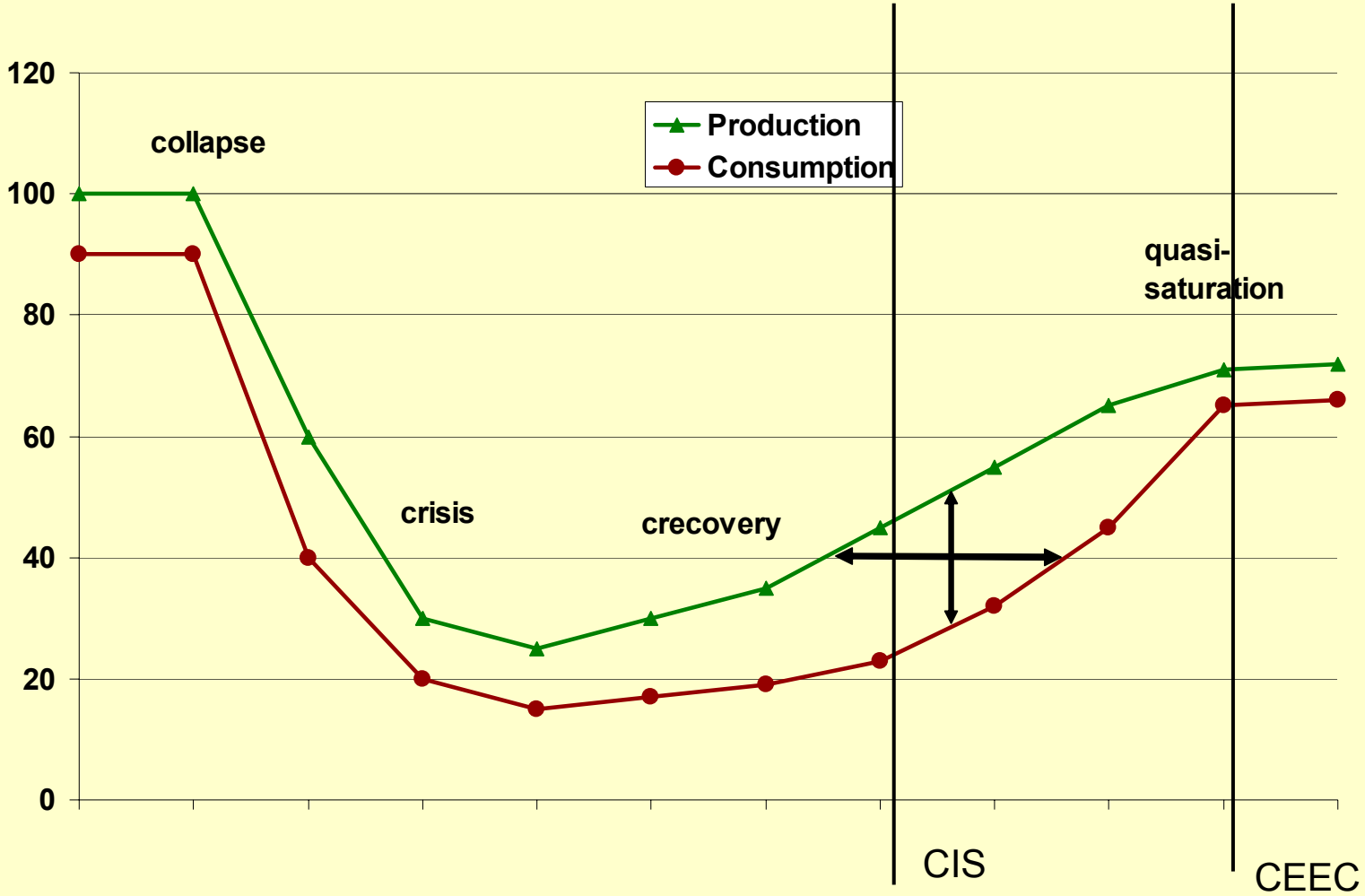


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Theory to be applied for transition countries

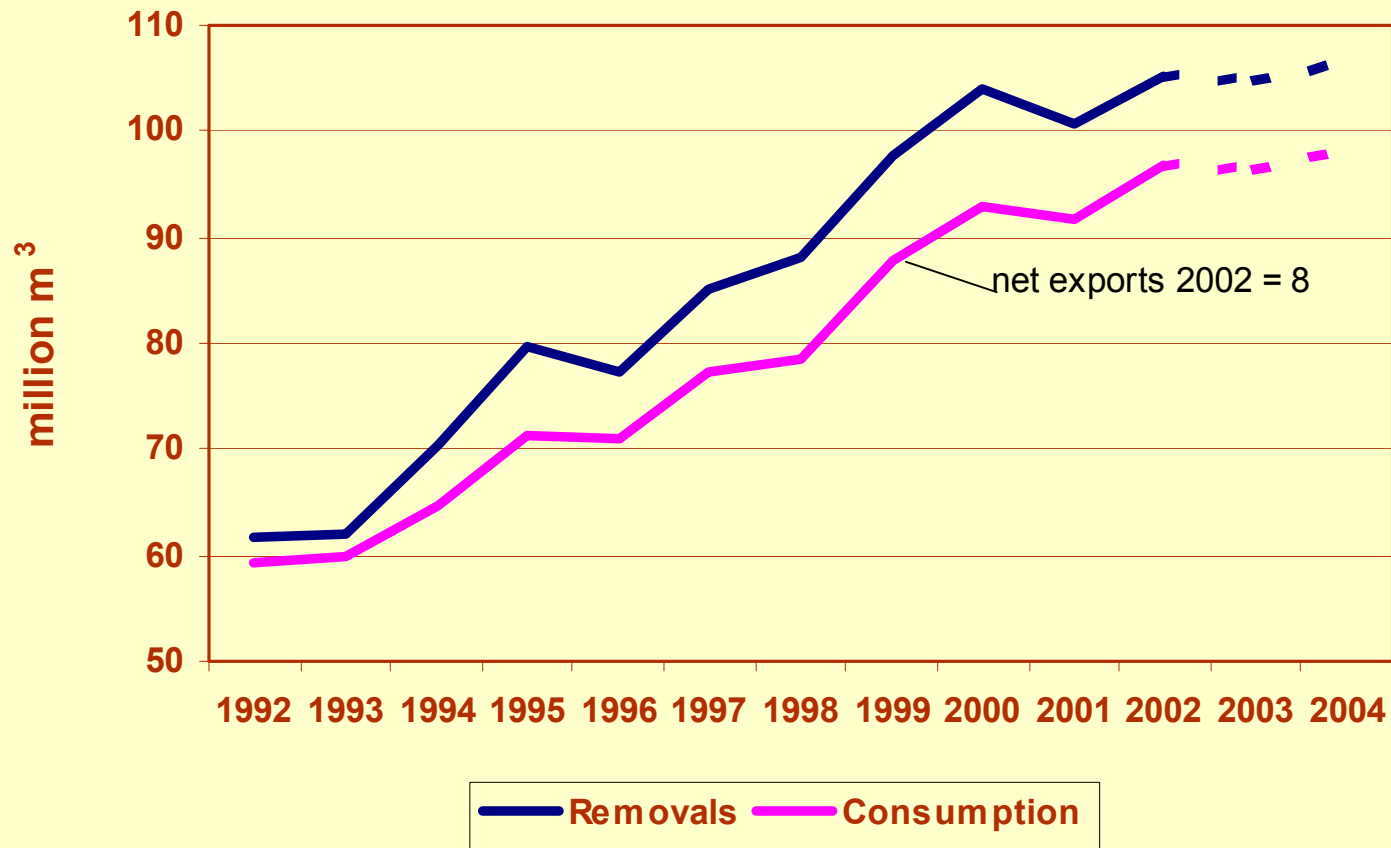


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Other Europe: Industrial Roundwood

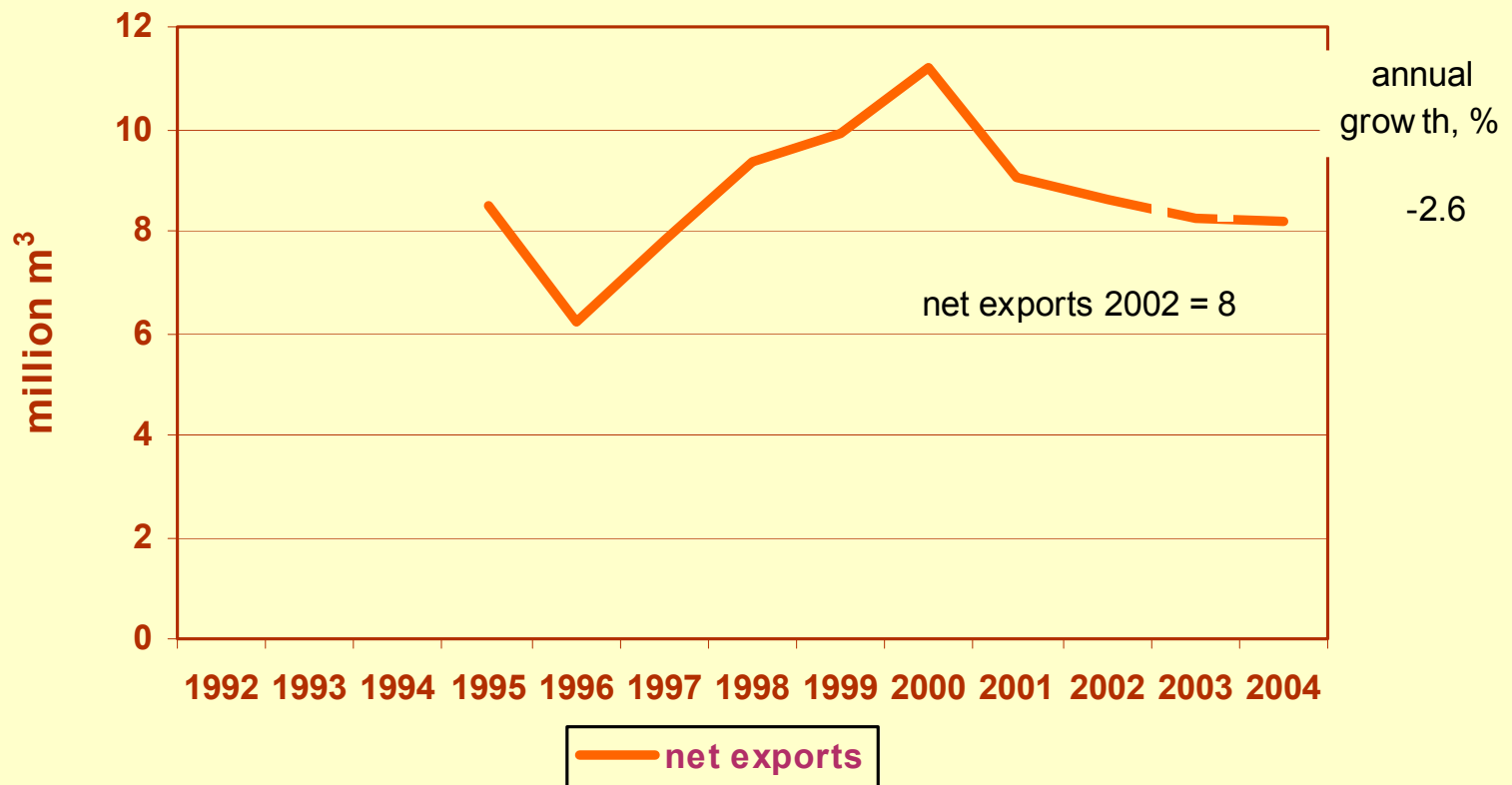


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Other Europe: Industrial Roundwood



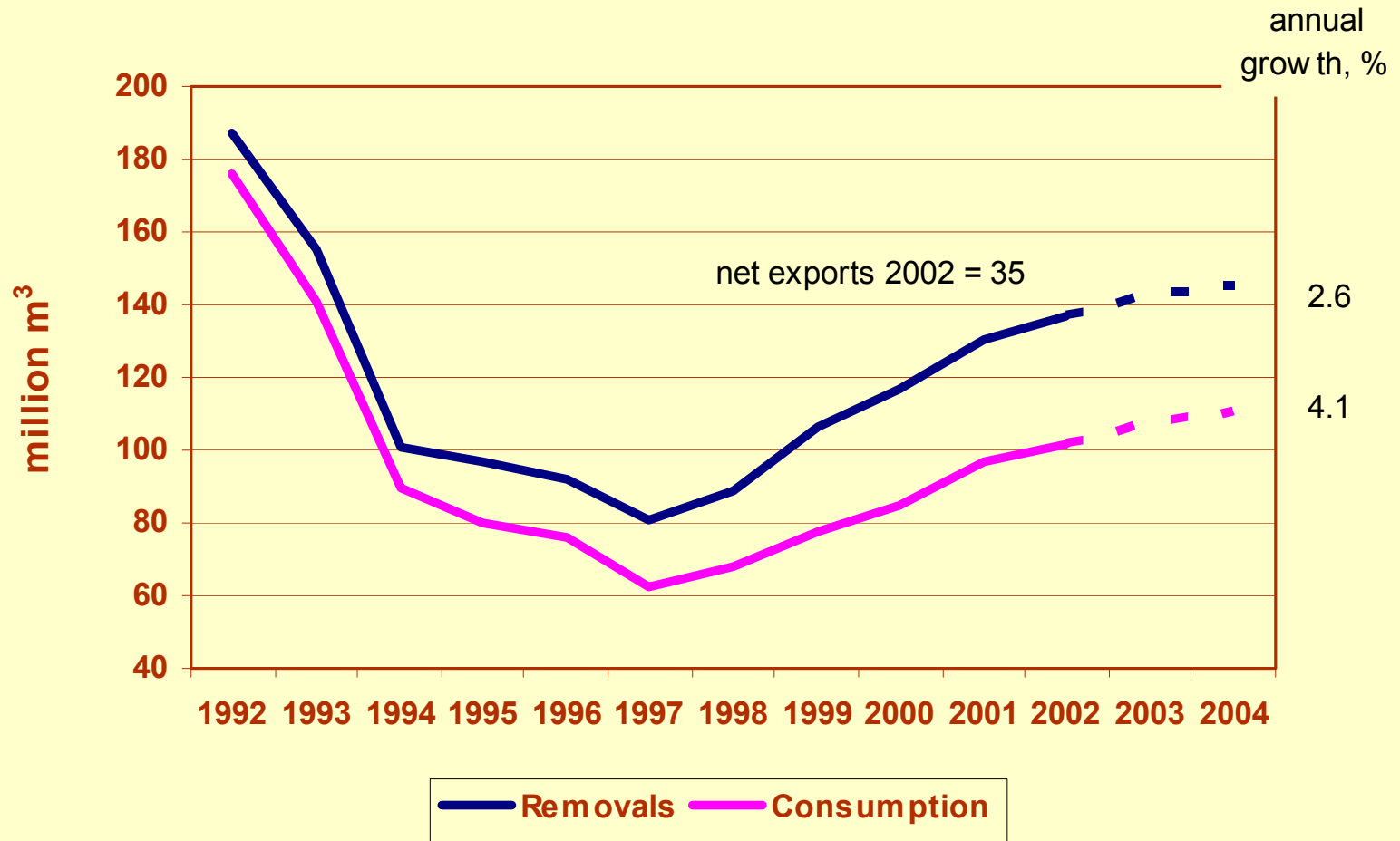
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CIS: Industrial Roundwood

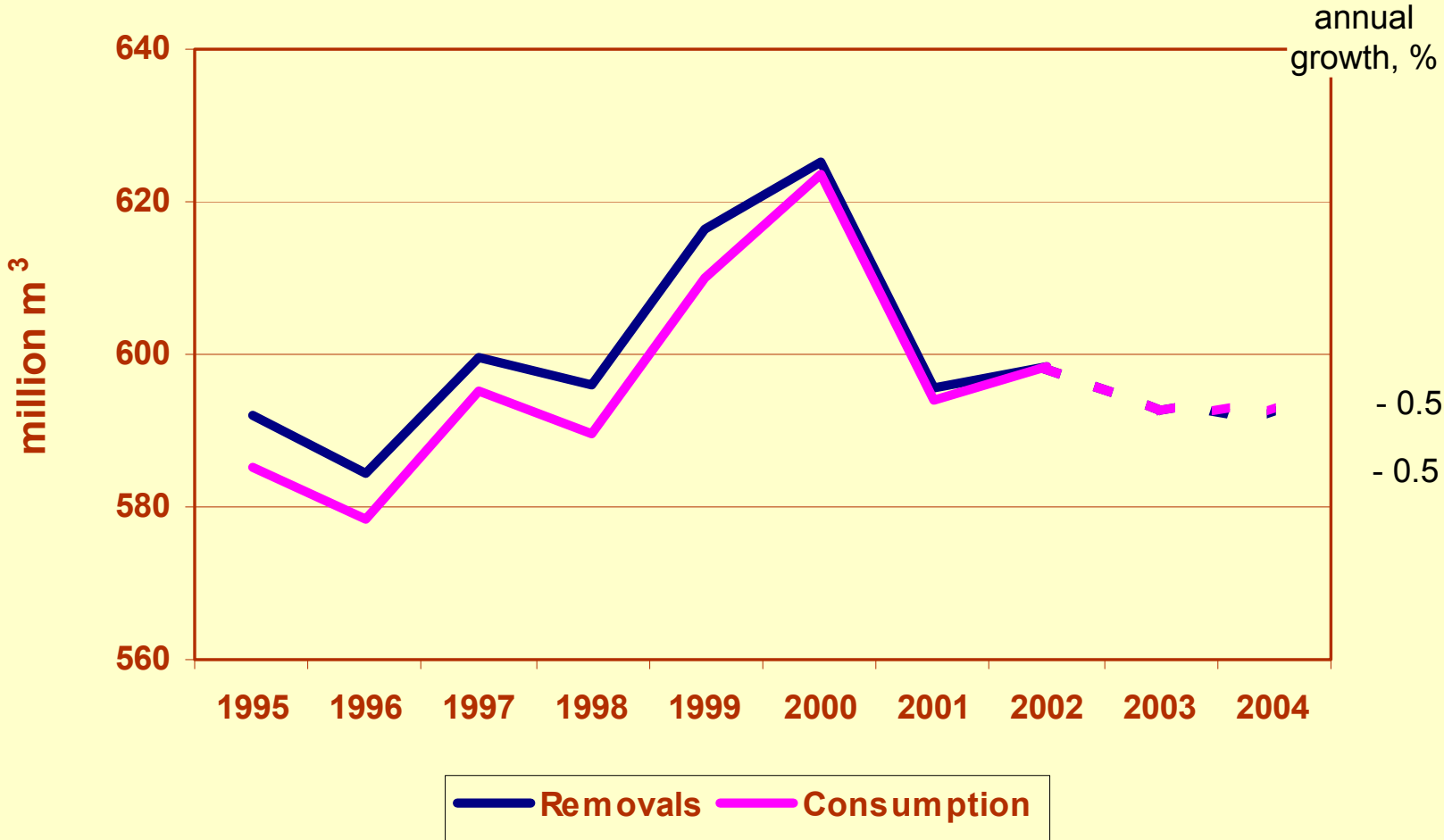


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North America: Industrial Roundwood



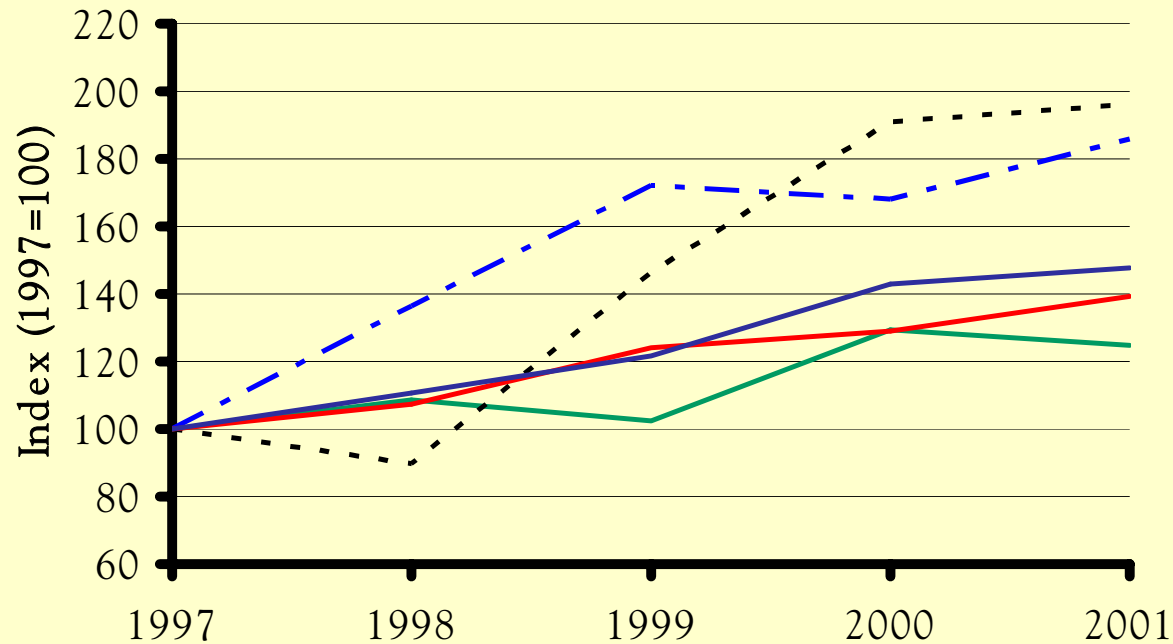
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Industrial Roundwood Trade Flows

1997 – global trade flow volumes – 2001
 96.8 million m³ 119.9 million m³



share of
global
trade

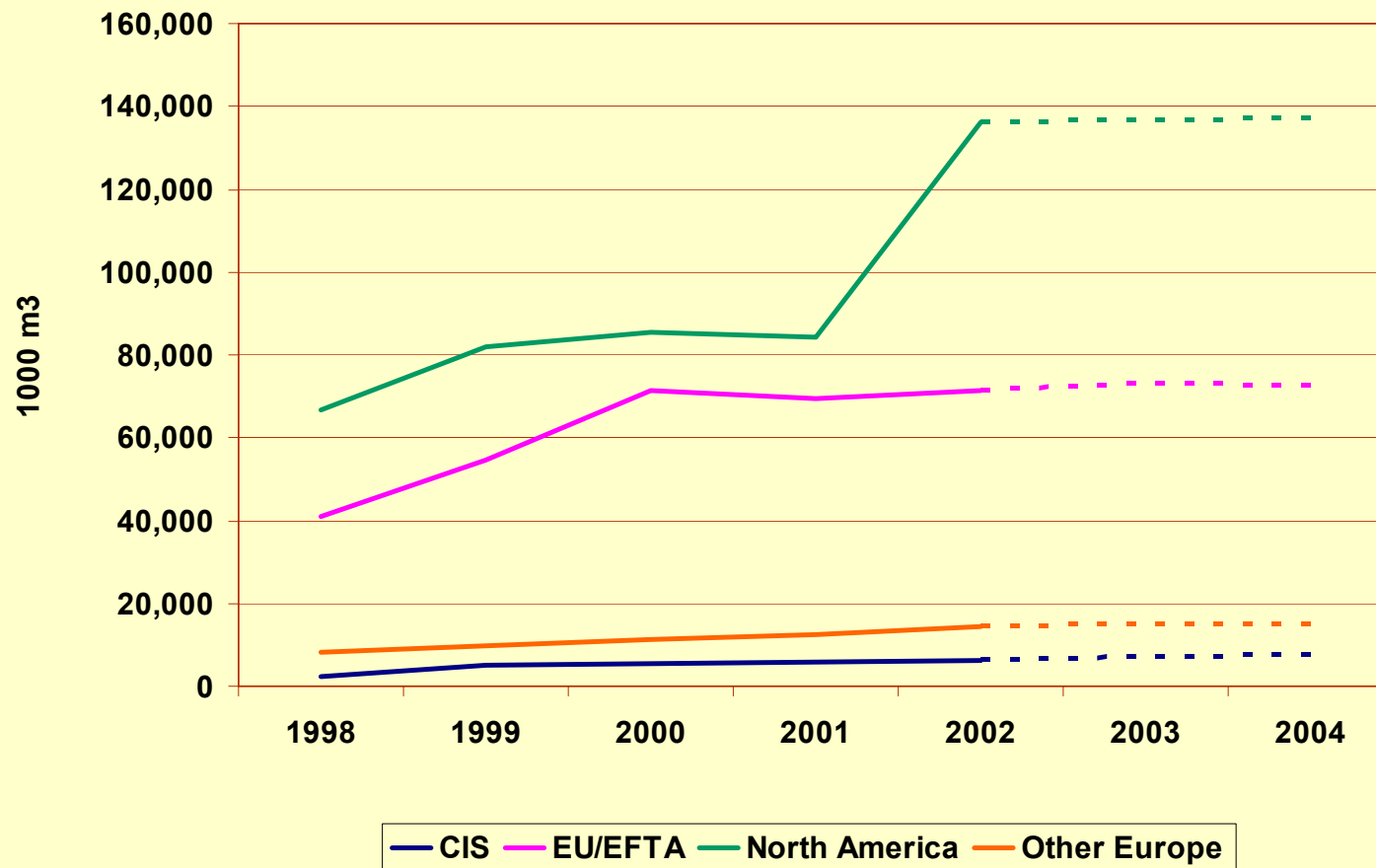
—	15.4 % EU/EFTA to EU/EFTA
- - -	13.5 % CIS to EU/EFTA
. . .	12.4 % CIS to non-ECE
—	12.2 % CEEC to EU/EFTA
—	7.9 % North America to North America

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Chips, particles, residues

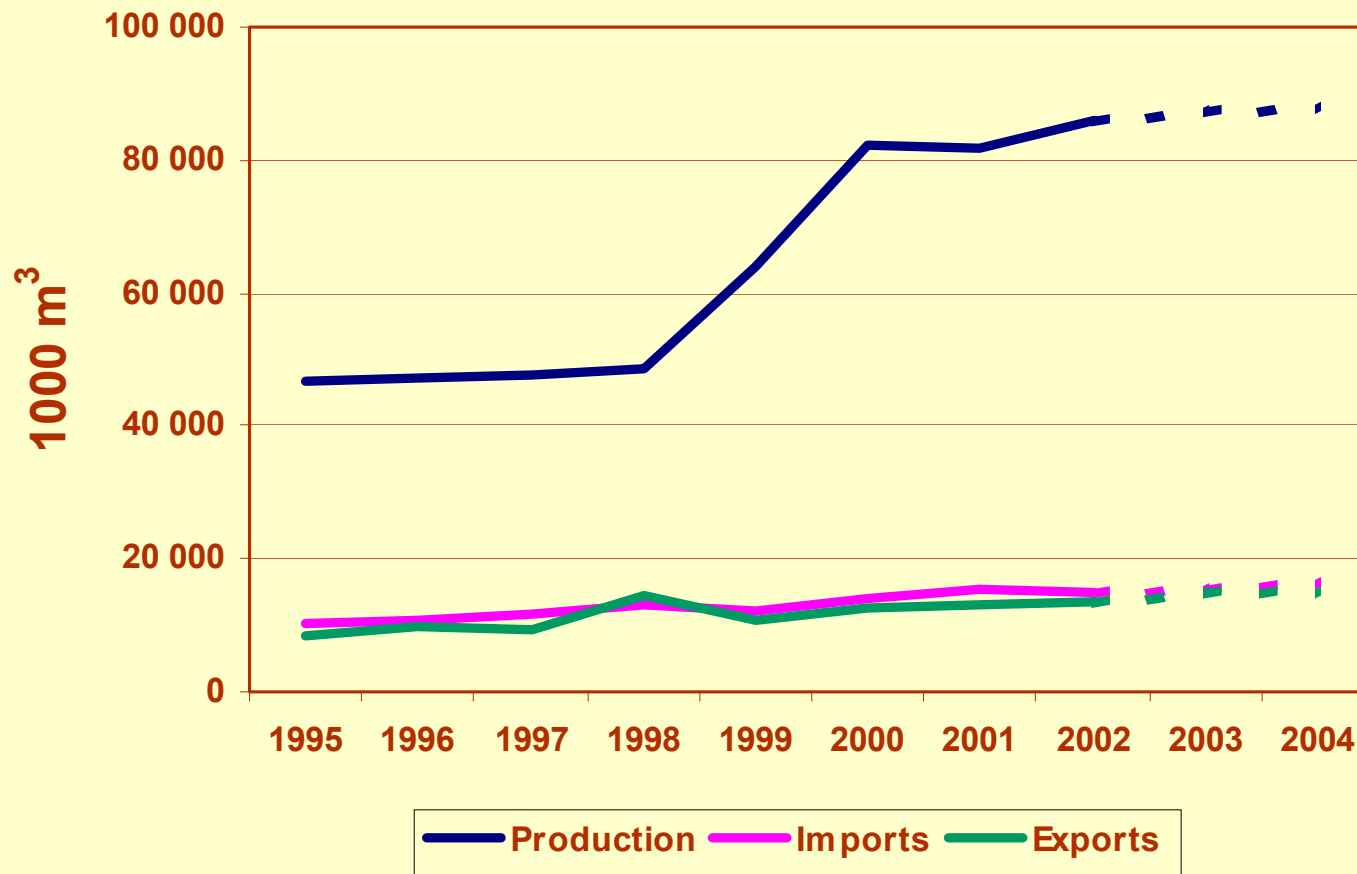


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Europe (EU/EFTA + CEEC): Chips, particles, residues

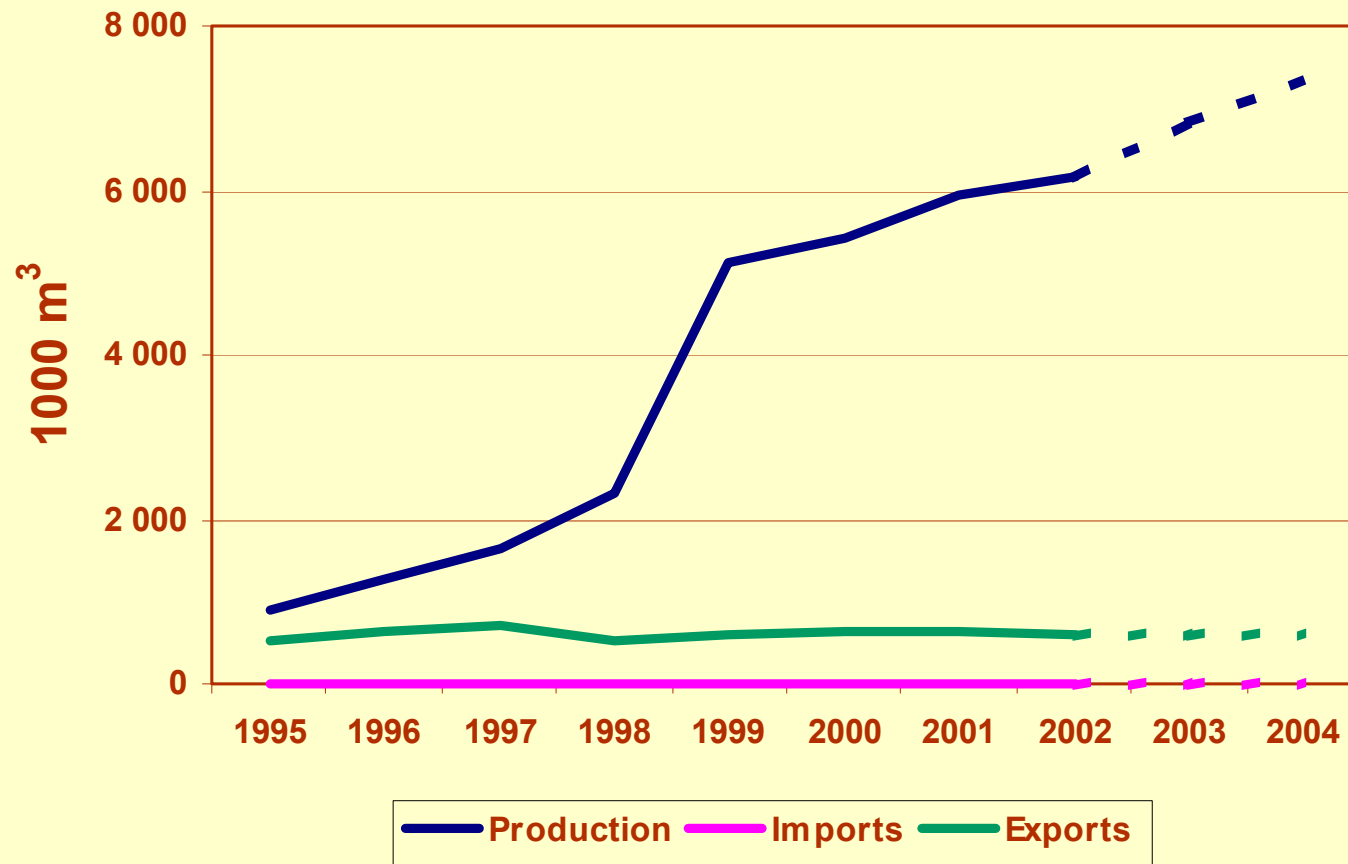


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CIS: Chips, particles, residues

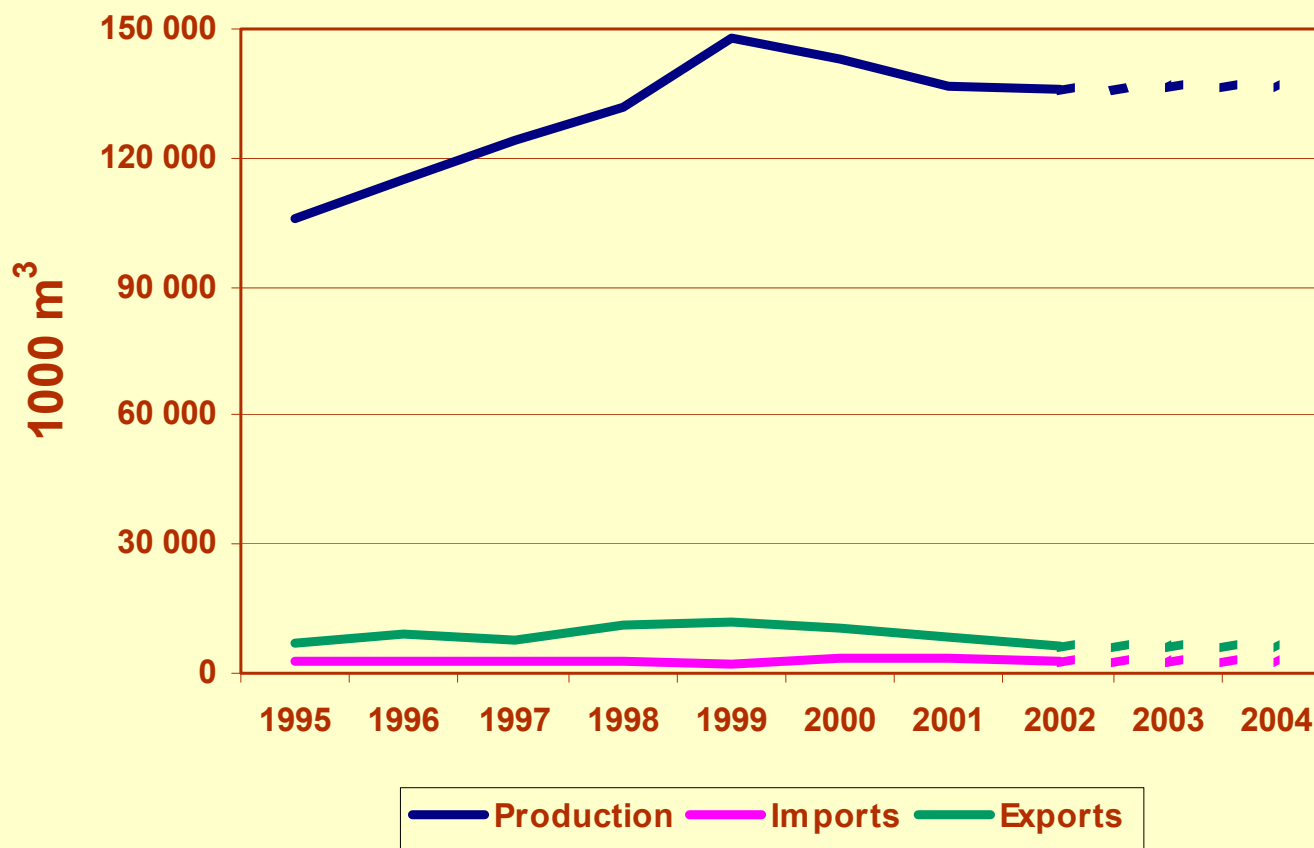


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North America: Chips, particles, residues



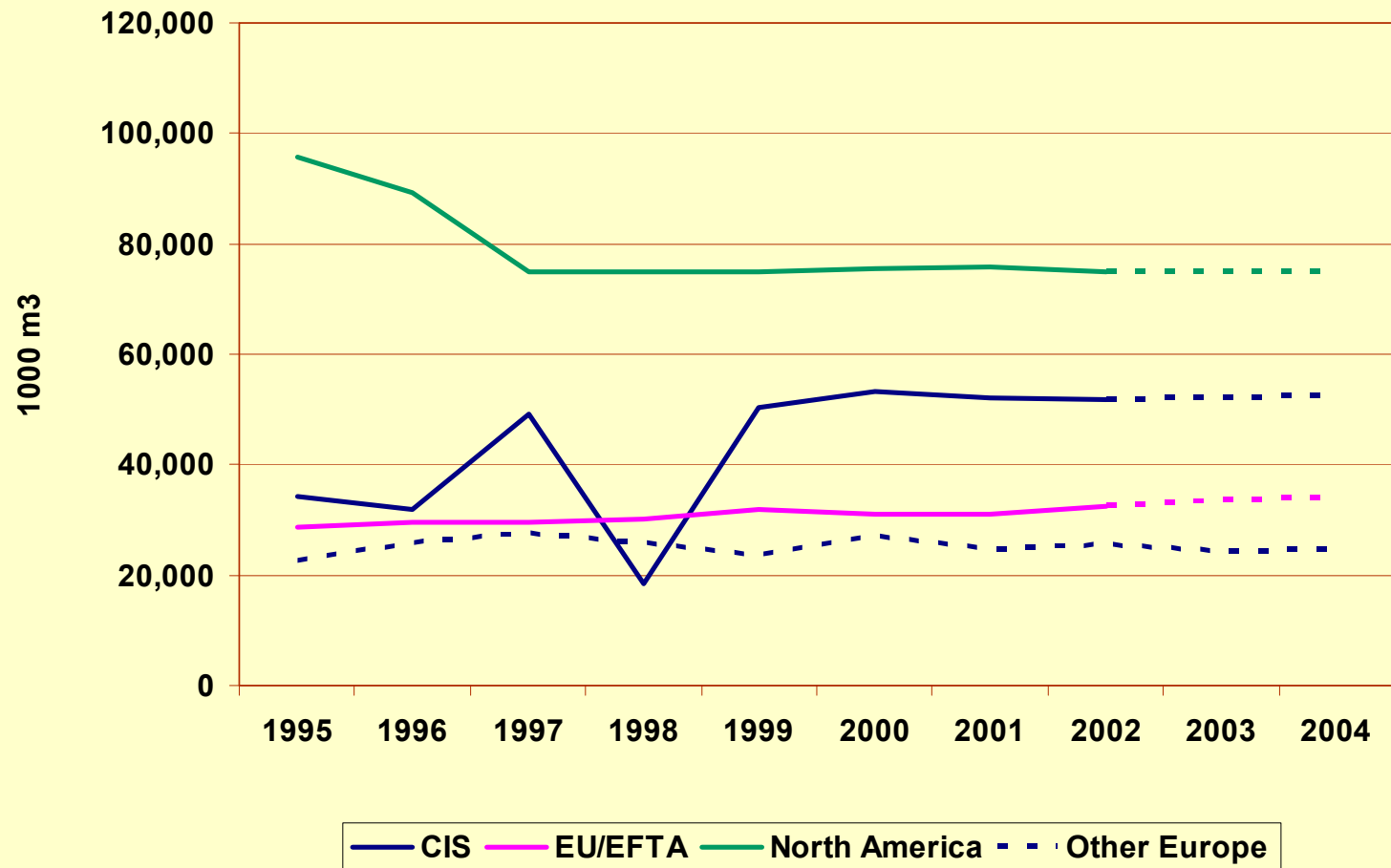
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Wood Fuel Removals



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