Pulp and Paper Markets

Timber Committee forecasts by
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Expert presentation by
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Discussion
Highlights of draft Forest Products Market Analysis 2002-2004 (1-3)

- 2002 was a year of recovery for paper in EU/EFTA countries as production rose to near record levels after the 2001 downturn, as output and demand levels increased.
- Although an upturn was under way in 2002 and into 2003, signs of market weakness reappeared in the second quarter of 2003, with faltering momentum in prices.
- The rise of the euro in relation to the dollar and other currencies changed the relative competitive position of major producers on world markets.
Highlights of draft Forest Products Market Analysis 2002-2004 (4-6)

• In the Other Europe subregion, woodpulp production declined in 2002, although paper and paperboard output and consumption increased.

• The Other Europe subregion remains a net importer of paper and paperboard, although exports have been increasing, particularly for packaging paper.

• In the Commonwealth of Independent States (CIS) subregion, Russia continued to experience stable and relatively robust growth in 2002, with pulp production up by 4.3%, and total paper and paperboard up by 5.2%.
Highlights of draft Forest Products Market Analysis 2002-2004 (7-9)

- Along with continued growth in Russia, there was continued restructuring and realignment of the industry, by ownership and by product specialty.
- With United States industrial production still well below peak levels, North American paper and paperboard demand remains relatively soft.
- The gradual market upturn that was evident through 2002 yielded to persistent weakness and uncertainty in the first half of 2003.
Highlights of draft Forest Products Market Analysis 2002-2004 (10-11)

- Forest policies related to pulpwood supply are more of an immediate concern in Europe than in North America, where pulpwood markets show a contemporary surplus of fibre supply.
- Consumption of paper and paperboard grew strongly in Russia and steadily in the CEEC, while in EU/EFTA and North America it stagnated or declined.
Europe: Wood pulp

Production
Consumption

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Europe: Wood pulp

![Graph showing wood pulp imports and exports from 1995 to 2004. The graph shows a steady increase in imports and a slight increase in exports over the years.]
North America: Wood pulp

Production and Consumption of Wood Pulp in North America

Years: 1995 to 2004

- Production
- Consumption
North America: Wood pulp

The graph shows the trend of imports and exports of wood pulp in North America from 1995 to 2004. Imports have increased gradually over the years, while exports have remained relatively stable. The graph indicates a slight increase in both imports and exports towards the end of the period, particularly in 2004.
Russian Federation: Wood pulp

![Graph showing wood pulp production and consumption from 1995 to 2004. The graph indicates an increase in both production and consumption over the years.](image-url)
Russian Federation: Wood pulp

![Graph showing wood pulp imports and exports from 1995 to 2004. The graph indicates a general increase in exports over the years, with a peak in 2002.](image)
Europe: Paper and paperboard
North America: Paper and paperboard

![Graph showing production and consumption of paper and paperboard from 1995 to 2004.]

- Production and consumption in the years 1995 to 2004.
- The graph shows a general trend of increasing production and consumption from 1995 to 2000, with a slight decline in 2001 and a more pronounced decline in 2004.

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North America: Paper and paperboard

![Graph showing imports and exports of paper and paperboard in North America from 1995 to 2004. The graph displays two lines: one for imports and one for exports. Imports start around 10,000 mt in 1995 and increase to around 25,000 mt in 2003, with some fluctuations. Exports start around 10,000 mt in 1995 and remain relatively stable around 15,000 mt throughout the period.](image-url)
Russian Federation: Paper and paperboard

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Russian Federation: Paper and paperboard

![Graph showing imports and exports of paper and paperboard from 1995 to 2004.](graph.png)
Russia's Trade Balance on Paper and Paperboard, 2000-2002 (million USD)

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Concluding remarks

• Implementation of the energetic biofuel programme in Europe allows us to take a new view of the prospects for development of the Russia’s Forest Sector with expanding exports of integrated in-depth wood processing products.

• The Russia’s negative trade balance on paper and paperboard coupled with the stable domestic market development raises a problem of increasing output of the most science-intensive paper grades (of higher added value).
Next presentation

Mr. Bernard de Galembert, Forest Director, CEPI