*United Nations – Economic Commission for Europe*
*Committee on Forests and the Forest Industry*

# SLOVENIA

# Country Market Statement 2020

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## *1. General economic trends*

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The COVID-19 pandemic, in combination with strict health protection and containment measures, has represented a significant negative shock for economic activity, which was almost 8% lower year on year in Slovenia in the first half of 2020. It declined most significantly in the second quarter, when GDP was down 13% year on year. The autumn forecast, issued by the Institute of Macroeconomic Analysis and Development of the Republic of Slovenia, predicts a 6.7% decline in GDP for this year, followed by a recovery in the next two years, but economic activity will not reach the preepidemic level until 2022. With the virus still present and the number of cases again rising in the beginning of September, the situation remains uncertain and further fluctuations in economic activity can be expected. This year, a fall in the value added will be seen in most sectors and a sharp fall in the value added in manufacturing and construction. Main reasons for this are the decline in orders and the interrupted or hampered supply chains over the duration of the stringent containment measures. The forecasts for Slovenia's main trading partners for this year have improved somewhat in the last month due to the recovery of economic activity and particularly due to the agreement at the EU level on the financial package for faster recovery of the EU economy. This year a substantial decline in international trade and investment is expected. Private consumption is also projected to fall further this year. With increased uncertainty and a drop in production in the first half of the year, which is also reflected in low capacity utilisation, business investment will be scaled back or postponed. With the aggravated conditions in the international environment, particularly businesses in the tradable sector will significantly reduce investment in machinery and equipment this year. Imports and exports will be severely affected mainly by a fall in global trade, international trade barriers and strict containment measures in EU countries. The recovery of goods trade, having already begun in May and June, is expected to continue throughout the rest of the year, supported by a rebound of activity in Slovenia's trading partners, growth in world trade and a gradual recovery of the domestic economy. Government consumption will strengthen temporarily under the impact of measures adopted in the crisis conditions.

In the next two years, all GDP aggregates on the expenditure side are expected to recover to preepidemic levels, while growth in government consumption will moderate. Investment, imports, exports and private consumption are set to rebound to pre-crisis levels in the next two years. Growth in domestic activity and foreign demand will be supported by measures for the recovery of the economy at both the national and EU levels, relatively favourable financing conditions, and looser monetary policy. Private consumption will rise amid growth in disposable income, while the saving rate will decline slightly, but remain higher than before the coronavirus crisis due to general uncertainty. Investment activity is also expected to grow. The increase in investment from this year's low level will reflect the recovery in the international environment, which will contribute to the strengthening of private investment. Growth in government investment will continue. Investment growth will also be positively affected by the additional EU funds from the Recovery and Resilience Facility. Growth in exports and imports will continue. Trade in goods will be recovering faster, while trade in services, particularly those related to travel, transport and leisure, will not normalise until the spread of the virus is effectively contained. Growth in government consumption will ease in the next two years.

## *2. Policy measures*

In 2020, the forestry and wood processing sector has been marked by the epidemic of infectious disease caused by SARS-CoV-2. In the beginning of April the Act Determining the Intervention Measures to Contain the COVID-19 Epidemic and Mitigate its Consequences for Citizens and the Economy (Official Gazette of the Republic of Slovenia Nos 49/20 and 61/20) was adopted by the National Assembly of the Republic of Slovenia. Based on the mentioned Act the Government of the Republic of Slovenia then issued the Ordinance on compensation for loss of income in forest sector due to the COVID-19 Epidemic (Official Gazette of the Republic of Slovenia No 61/20). This ordinance specifies in detail the manner of determining the loss of income in the forestry sector, beneficiaries, conditions, entry ceiling, amount and the process of granting the compensation for loss of income in the forestry sector due to the COVID-19 epidemic, which is the consequence of incapacity to sell stock in particular, as well as the decrease of processing and selling volumes. Granting of compensation to forest owners that are natural persons lasted until the revocation of the epidemic, which was published with the Ordinance on the revocation of the COVID-19 epidemic in the Official Gazette of the Republic of Slovenia on 14 May 2020.

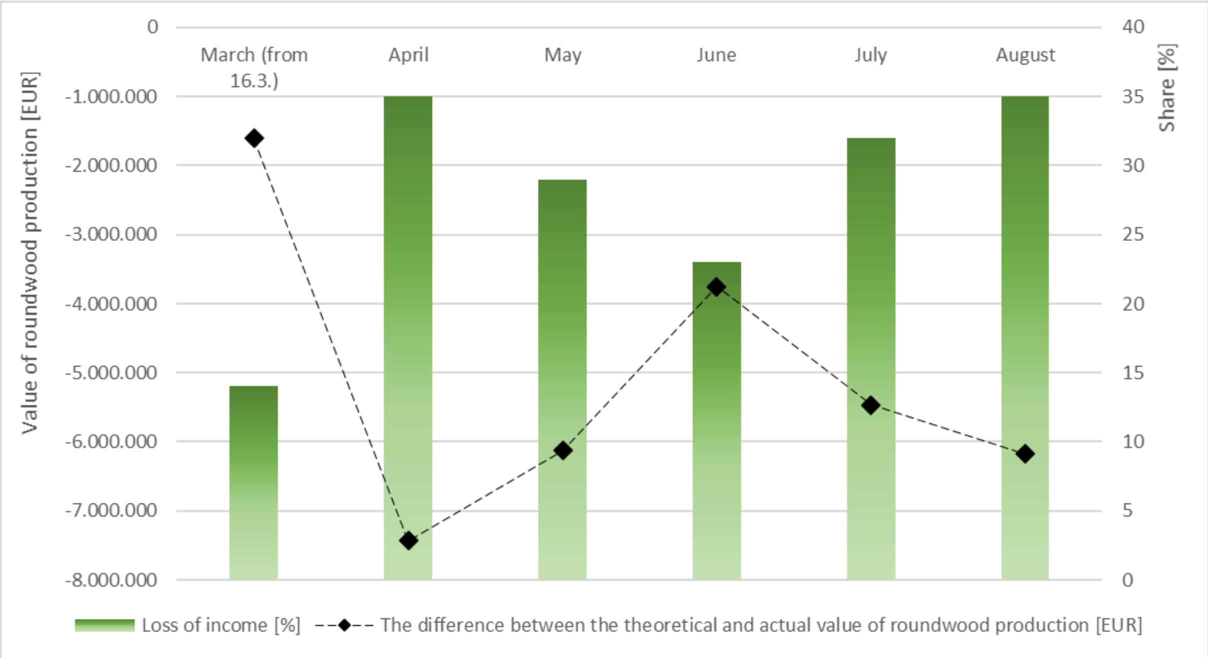


Image 1: Differences between theoretical (compared to 2019) and actual (in 2020) value of production of forest wood assortments (primary y-axis) and the calculated loss of income (secondary y-axis) in the forestry sector for the period March to August 2020 (note: for March calculation were prepared for the second half only)

At the end of April 2020 the National Assembly of the Republic of Slovenia also adopted the Act Amending the Act Regulating Additional Measures for Remedying Damage due to the Overpopulation of Bark Beetles (Official Gazette of the Republic of Slovenia No 65/20), which aims to ensure an even faster and more efficient implementation of sanitary felling and preventive protective measures of elimination and prevention of the spread of bark beetles in forests, to simplify some procedures as well as to ensure the preservation and strengthening of the biotic balance in forests.

Despite the fact that the overpopulation of bark beetles in 2019 and during 2020 was not as extensive as in 2018, the Government of the Republic of Slovenia declared a natural disaster according to the Act Regulating Additional Measures for Remedying Damage due to the Overpopulation of Bark Beetles (Official Gazette of the Republic of Slovenia Nos 14/18 and 65/20) in both years. The overpopulation of bark beetles, according to this Act, is a situation, where more than 400,000 $m^3$ trees have to be cut down in a single calendar year because of a bark beetle attack and the estimated damage is the same as or greater than the threshold, defined for a natural disaster by regulations, which regulate natural disasters.

Also in 2019 and 2020, Slovenian government adopted and also amended the Decree on measures for the rehabilitation and restoration of forests after windstorm natural disaster pursuant to the RDP 2014-2020 (Official Gazette of the Republic of Slovenia Nos 10/19, 47/19 and 82/20) and the Decree on measures for the rehabilitation and restoration of forests after the ice storm natural disaster between 30 January and 10 February 2014 pursuant to the RDP 2014-2020 (Official Gazette of the Republic of Slovenia Nos 3/16, 63/17, 71/18, 47/19 and 82/20). All mentioned measures were directed at the rehabilitation and restoration of forests after natural disasters.

In 2018 Slovenia prepared the National forestry accounting plan for emissions and sinks of greenhouse gases (NFAP) with reference values from forest management and submitted it in accordance with the Regulation on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry (LULUCF) (Official Gazette of the Republic of Slovenia No 156/18). An important objective of the Regulation is that the stated sector in the period from 2021 to 2025 and from 2026 to 2030 produces no net emissions, i.e. that emissions do not exceed sinks. In 2019 the European Commission departments performed an evaluation of drafts and presented comments. NFAP was additionally updated and amended according to the amendments and comments from the Commission, and the prepared NFAP will presumably be officially confirmed by the European Commission by the end of October 2020.

As a party to the Paris Agreement, Slovenia will prepare a long-term climate strategy according to the climate goals of the Paris Agreement. The Ministry of the Environment and Spatial Planning has in the proposal for Law on climate policy (which is currently in the intersectoral examination) set the goal of achieving carbon neutrality, i.e. net-zero greenhouse gas emissions by 2050. The vision of the strategy is that by 2050 Slovenia will be a climate-neutral and climate-resilient society based on a sustainable development. It will be efficient in the management of energy in natural resources and will at the same time maintain a high level of competitiveness of the economy. Society will be based on the preserved nature, circular economy, renewable and low-carbon energy sources, sustainable mobility and locally grown healthy food. Draft of the long-term climate strategy, prepared by the Ministry of the Environment and Spatial Planning in cooperation with the Jožef Stefan Institute, Energy Efficiency Centre, Agricultural Institute of Slovenia, Slovenian Forestry Institute and the company PNZ svetovanje projektiranje d.o.o., is currently in public hearing.

In March 2020, Ordinance on the Climate Change Funding Programme for 2020 entered into force, after being proposed by Ministry of the Environment and Spatial Planning. Ordinance on the Climate Change Funding Programme for the period 2020-2023 includes purposes and measures also in the forestry and wood industry, such as:

- Continuation of co-financing of citizen investments through the Eco Fund public call for the replacement of old wood burning appliances with new burning appliances run on wood biomass or with heat pumps;
- Continuation of measures supporting the economy - measures „Financial incentives for companies for investments in sustainable mobility“; „Subsidies for domestic or foreign initial investments in activities, important for the transition into low-carbon, circular and climate-resilient economy“; „Support for the transition into circular, low-carbon and climate-resilient economy“ as well as a new measure „Green jobs“ (programme of green public works and promotion of green employment);
- Continuation of measure „Sustainable wood construction“, which will also include the promotion of planning and construction of new dwellings, thereby achieving broader goals of sustainable development;
- Adapting to climate change - performing measures of preserving biodiversity; co-financing programmes of remedying damage due to natural disasters and the continuation of the measure of construction and reconstruction of multi-purpose accumulations;
- Climate change research, development and innovations.

In July 2019, the Act Amending the Energy Act entered into force (Official Gazette of the Republic of Slovenia No 43/19), which regulates in Article 24 the preparation of the action strategy paper „Comprehensive National Climate and Energy Plan (NEPN)“ by the Ministry responsible for energy. In August 2019, the amended draft of the action strategy paper was prepared. For the period until the year 2030 (with an outlook until the year 2040), NEPN specifies objectives, policies and measures in five dimensions of energy union, i.e.: 1) decarbonisation (GHG and RES emissions); 2) energy efficiency; 3) energy security; 4) internal market, and 5) research, innovation and competitiveness. NEPN is an important document, as it also foresees an increase in the use of wood for energy purposes.

In July 2020, European Commission confirmed a change in the Rural Development Programme (RDP) for the period 2014-2020 (RDP 2014-2020), which provides a strong response to the COVID-19 crisis and enables the start of a strong investment cycle. A key innovation in the areas of forestry and wood industry is in the Sub-measure 8.6 - Support for investments in forestry technologies and in processing, mobilisation and marketing of forest products, i.e. the introduction of collective investments in forestry and in the area of wood processing. The advantage of collective investments over individual investments is that it is significantly easier for a group to carry out a demanding investment, as the financial burden of such an investment can be divided among group members. In July and August 2020 five public tenders for financial incentives were published in the area of forestry and wood industry: (1) public tender for the operation of investment in the purchase of new mechanisation, and logging and harvesting equipment pursuant to the RDP 2014-2020 for 2020, (2) public tender for the operation of investment in operations prior to industrial processing pursuant to the RDP 2014-2020 for 2020, (3) 3rd public tender for the operation of arrangement of forest tracks, needed for the execution of forest rehabilitation pursuant to the RDP 2014-2020, (4) 4th public tender for the activity works for remedying damage and restoration of forests pursuant to the RDP 2014-2020, and (5) public tender for the operation of arrangement of forest infrastructure pursuant to the RDP 2014-2020 for 2020.

At the end of September 2019, the Ministry of Infrastructure published the public tender for co-financing of district heating systems based on energy from renewable sources for 2019-2022, which enables financial incentives for investments into new district heating systems based on energy from renewable sources (DH RES) and DH RES micro systems. Investors who are broadening existing DH RES systems or installing new boilers run on wood biomass as an energy source for the existing DH system are also entitled to financial incentives within the following context:

- Installation of DH RES systems with boiler capacity up to 10 MW or installation of DH RES micro systems with boiler capacity up to 1 MW;
- Expansion of existing DH RES system network with or without the installation of additional boilers run on wood biomass;
- If the use of solar energy as an additional energy source contributes to improved economy of the whole DH RES system, the solar system for sanitary hot water can also be included in the operations.

Smart Buildings and Home including Wood Chain (SRIP PSiDL) is taking part in the revision of Slovenia’s Smart Specialisation Strategy (S4), as part of Slovenia’s preparatory efforts for the new European cohesion policy in the programming period 2021-2027. At the same time, SRIP PSiDL has revised its own action plan for the period 2020-2022. The revised action plan for 2020-2022 is based on the experience gained in SRIP’s three years of operation and represents an evolution of the SRIP PSiDL operation as it was initially devised in SRIP’s basic action plan for the period 2017-2019. The need to revise the plan arose as a consequence of increasing digitalisation and the intertwining of solutions for smart and sustainable buildings and their integration into the smart communities of the future, against the increasingly diverse demands and needs of users. The draft of the revised Action Plan SRIP PSiDL for the period 2020-2022 is now under discussion, its content being harmonised by the key ministries before it enters the next round of the „entrepreneurial discovery“ process in S4’s revision. It is expected that the revision will be completed by the end of 2020.

In 2020, Ministry of Economic Development and Technology has, in cooperation with several organisations, prepared a draft of the national industrial strategy called „Slovenian industrial strategy 2021-2030“. Strategy represent an upgrade in accordance with the current European and domestic strategy documents and guidelines under the common denominator: Development that is „Green. Creative. Smart.“ Purpose of the Slovenian industrial strategy is to set up guidelines for the further development of the Slovenian industry in a broader sense (including the services connected to the industry) for the period 2021-2030. Industry based on wood and other natural renewable materials was also newly added to the content of the strategy.

## *3. Consequences of the epidemic of infectious disease caused by SARS-CoV-2 in the forestry and wood processing sector*

Because of a rising number of infections with SARS-CoV-2, Slovenia declared an epidemic in mid-March. To contain the spread of the virus, Slovenian Government adopted a number of measures to mitigate the negative consequences of the epidemic for the population and the economy and assist the latter's faster recovery. In the beginning of April, Act Determining the Intervention Measures to Contain the COVID-19 Epidemic and Mitigate its Consequences for Citizens and the Economy (Official Gazette of the Republic of Slovenia Nos 49/20 and 61/20) was adopted, which determined provisional measures also in the forestry sector. In the second half of March, the consequences of measures for the mitigation of the epidemic started to show also in the market of forest wood assortments in the country and in the operation of the wood processing sector. The biggest problems for companies during the epidemic were the interrupted or hampered raw material supply chains and consequently the decreased product manufacture, less customer orders as well as problems with the sale of finished and intermediate products. In the second half of March the sale of forest wood assortments also stopped for a while, and in the months that followed sale was down by up to 50%.

For the purpose of the monthly reporting on the loss of income in the forestry sector and to provide a better insight into the situation on the market of forest wood assortments during the epidemic the Slovenian Forestry Institute (SFI) started to monitor the situation at some of the biggest and most important roundwood market stakeholders in Slovenia and broader in Europe. For instance, SFI started to perform a monthly - extraordinary collection of purchase prices of forest wood assortments on the truck roads from private forests. The ordinary survey questionnaire was slightly adapted for these purposes with the added question on the change of the volume of roundwood acquisitions from private forests.

The gathered information show that the acquisitions of wood from private forests started to decrease in the second half of March; purchasers reported a decrease in acquisitions of 44% on average in April and an even greater fall in acquisitions of more than 50% on average in May. In June, the roundwood acquisitions decreased still, with no less than 22% of companies reporting that acquisitions have stopped and more than 45% of companies reporting that acquisitions have halved. In July and August, the trend of acquisitions from private forests remained essentially the same as in the previous months, as the companies reported a decrease in acquisitions. In August 2020, a decreasing trend was noticed in the companies that reported a fall in acquisitions in companies of all size categories by annual acquisition amounts. Nonetheless, the greatest positive trend was seen in smaller companies, as in July more than 75% reported a decrease in acquisitions, whereas in August this share was under one half already.

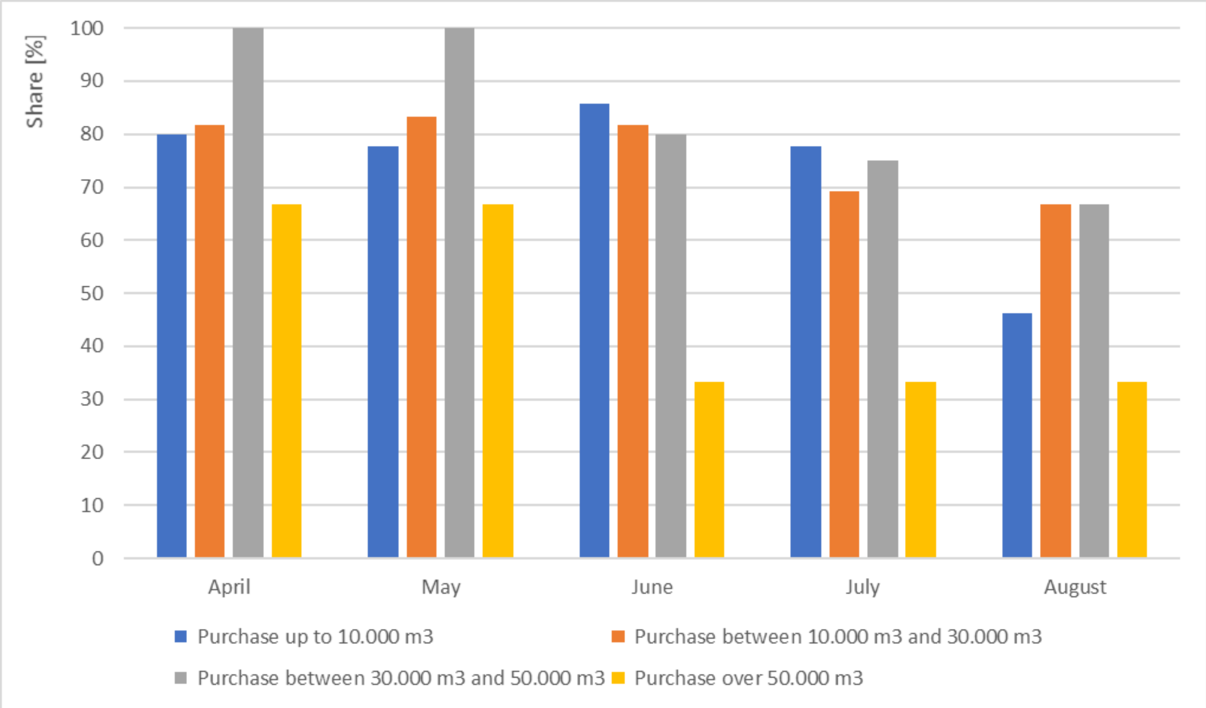


Image 2: The share of companies that reported a loss or decrease of acquisitions of roundwood from private forests compared to the reported volume of annual acquisitions in the period from April to August 2020 (N=159, data source: Slovenian Forestry Institute)

Comparison of prices in the observed period shows that prices of forest wood assortments on the Slovenia market have not yet returned to the preepidemic levels (February-March 2020). The prices were lowest for coniferous trees in June and for non-coniferous trees in April. In coniferous sawlogs prices were 8% lower in August than they were at the beginning of the epidemic, while coniferous lower quality wood showed an even greater difference with 10%. The greatest difference in prices remains in beech sawlogs, where prices were still 13% lower in August than they were at the beginning of the epidemic. The smallest difference is in the prices of non-coniferous lower quality wood (prices were only 6% lower in August).

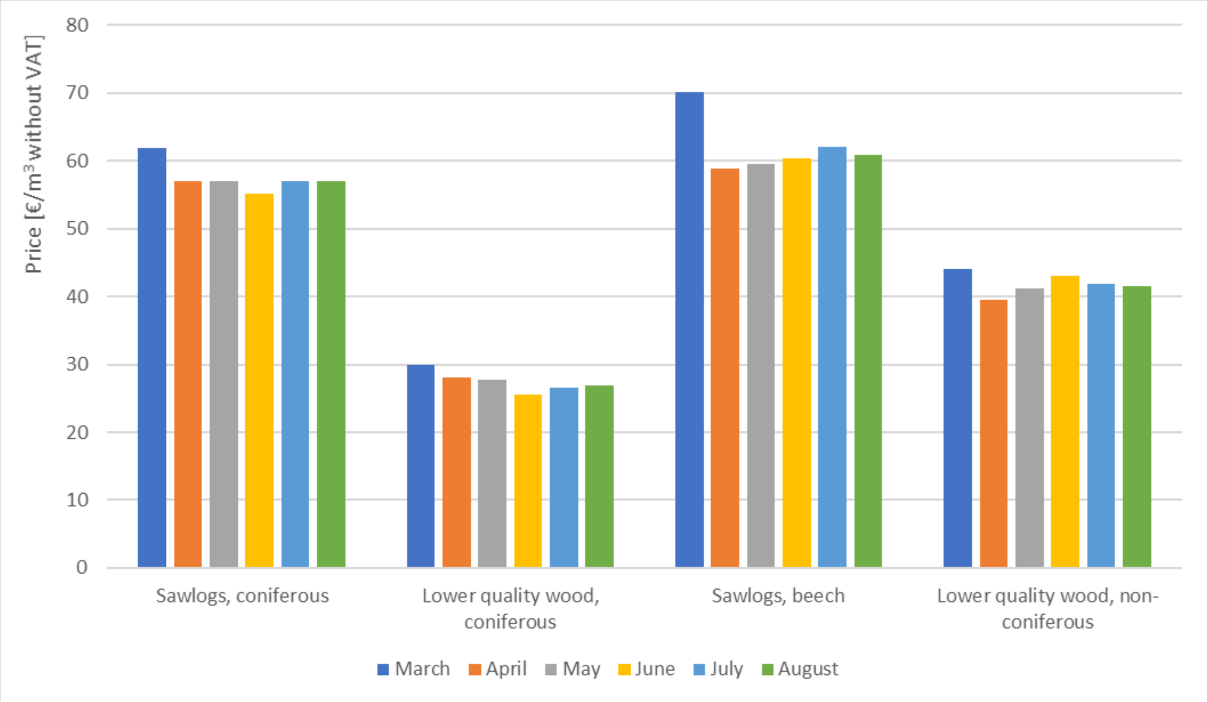


Image 3:Comparison of actual purchase prices by aggregated categories of forest wood assortments in the period from April to August 2020 (data source: Slovenian Forestry Institute)

However, the price of roundwood depends not only on market conditions but also on the season, in which the wood was felled. For instance, coniferous logs reach the highest prices in fall and winter, while prices are lower in spring and summer. Similarly, non-coniferous logs reach lowest prices in the time of summer felling compared to the winter period. Comparison of the same two months, i.e. July 2019 and July 2020, shows that in 2020 prices are lower in most forest wood assortments. In logs, the price in July 2020 was on average 10 EUR/m$^3$ (without VAT) lower than in July 2019, which is 9%, while the price of lower quality wood was on average 4 EUR/m$^3$ (without VAT) or 11% lower.

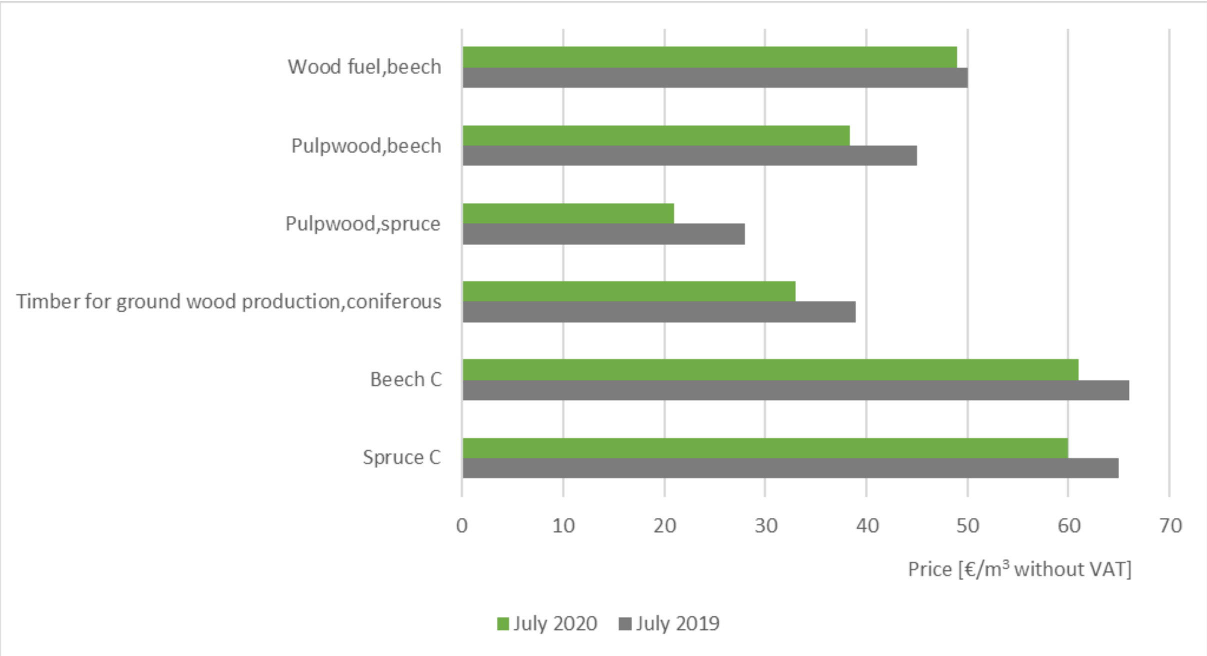


Image 4: Comparison of mean values of purchase prices of selected categories of wood assortments for the month of July in the years 2019 and 2020 (source: Slovenian Forestry Institute)

**Estimated loss of income in the forestry sector due to the COVID-19 epidemic**

In accordance with the methodology from Annex 1 of the Ordinance on compensation for loss of income in forest sector due to the COVID-19 Epidemic, Slovenian Forestry Institute has calculated the loss of income in the forestry sector for the period from 16 March to 31 August 2020. The calculated loss of income in the forestry sector was 14% in the second half of March and has exceeded 20% in the period from April to July with 35% in April, 29% in May, 23% in June and 32% in July. In August, the loss of income in the forestry sector was slightly higher with 35%. However, a great part of the difference in the calculated income for July and August can be attributed to a smaller sanitation felling of coniferous trees and not just to the consequences of the market conditions.

Estimated loss of income due to the COVID-19 epidemic is calculated based on the data on theoretical value of production and actual value of production. It is presumed that production costs have not changed and that they remain comparable in the mentioned period.

A summary of all presented calculations and estimations is given in Table 1, which also shows the final estimated loss of income in the forestry sector.

Table 1: Estimated loss of income in the forestry sector during the COVID-19 epidemic and in the months thereafter (calculation: Slovenian Forestry Institute)

| | March (from March 16th) | April | May | June | July | August |
|---|---|---|---|---|---|---|
| **Theoretical value of production of forest wood assortments** | 11,496,201 | 21,132,008 | 21,066,296 | 16,239,766 | 17,129,869 | 17,563,397 |
| **Actual value of production of forest wood assortments** | 9,893,045 | 13,702,522 | 14,936,660 | 12,486,450 | 11,664,353 | 11,391,091 |
| **Difference between theoretical and actual value** | -1,603,156 | -7,429,486 | -6,129,636 | -3,753,316 | -5,465,516 | -6,172,306 |
| **Loss of income** | 14% | 35% | 29% | 23% | 32% | 35% |

In August, the estimated loss of income in forestry was at the same level as in April, when strict quarantine was imposed, and country borders were closed. However, it is estimated that main causes for such a high loss of income in the compared months are vastly different. In April, the main reason were the decreased acquisitions and decreased wood processing in Slovenia as well as in neighbouring countries, while in August the main reason is extremely low felling. According to the data of the Slovenian Forest Service, felling of coniferous trees was reduced by more than a half in August.

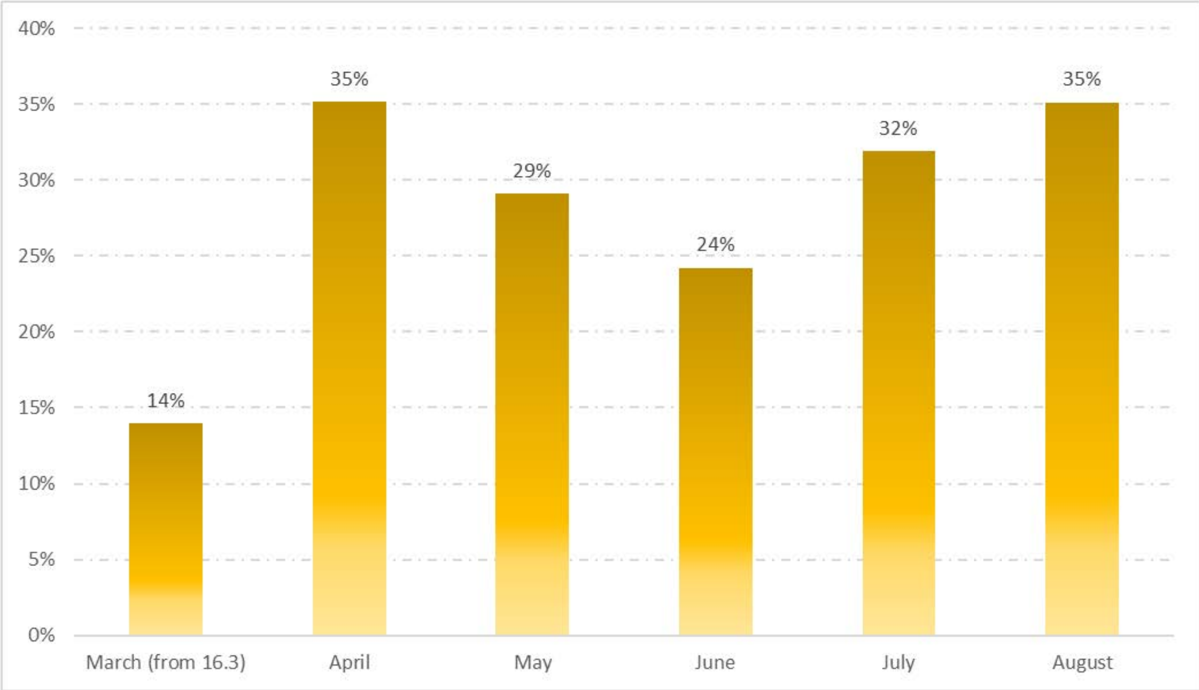


Image 5: Estimated loss of income in the forestry sector in the months from the beginning of the epidemic until August 2020 (calculation: Slovenian Forestry Institute)

The presented loss of income is estimated at the national level and is based only on an estimation of actual and theoretical forest production. The primary processing of roundwood is not included in the analysis. Preliminary data from the survey, performed among sawmills by the Slovenian Forestry Institute in the period from June to September 2020, show that this part of the forest-wood sector has also been affected, as the sawn softwood production decreased on average by 13% and the sawn hardwood production decreased on average by 23% due to the epidemic.

## *4. Market factors*

*Data sources: IMAD, SURS, SFS and SFI*

The spread of the COVID-19 epidemic since March and urgent measures to protect health significantly affected economic activity already in March and consequently in the first quarter as a whole. The decline in short-term indicators of economic activity in March was pronounced. Real GDP was down 2.5% year on year in the first quarter of the year. Because of increased uncertainty and the closure of all non-essential service activities, in March activity fell sharply in some sectors, which was reflected in a fall in private consumption in the first quarter. The value of output also declined in construction, albeit less than in other activities. At the beginning of the year, construction investment was otherwise still rising due to high activity in this sector, while investment in machinery and equipment, having already been lower year on year in the last quarter of 2019 due to the moderation of international activity, dropped sharply. This year, it fell further, given the worsening of external conditions caused by measures to contain the coronavirus spread and with high uncertainty affecting investment decisions. Strict containment measures in other EU countries significantly affected demand for Slovenian goods and services and thus external trade movements. Exports and imports dropped sharply. Production volume in manufacturing also fell in March, except in the pharmaceutical and food-processing industries. Among consumption aggregates, in the first quarter only final government consumption strengthened year on year. In the second quarter, the decline in economic activity deepened, as expected, although activity started to recover slowly after the largest fall in April. Real GDP fell sharply year on year, by 13%. After the sharp fall in April, service activities started to recover with the release of containment measures, but as certain restrictions will be retained, the recovery will be slow. As a result of quarantine and the closure of all non-essential services and shops, coupled with increased uncertainty and precautionary saving, household consumption also fell notably. The value of construction output and construction investment declined as well, while the fall in investment in machinery and equipment deepened. Stringent containment measures were also reflected in a further decline in exports and imports. After April's sharp decline, goods trade otherwise started to grow at the monthly level in May and continued to rise in June, partly also due to faster recovery in some main trading partners. Trade in services did not yet see any visible recovery in this period. Although enterprises in industry were not ordered to close down in Slovenia, some of them did while others curtailed their operations, this mainly to ensure the necessary distance between workers or because of a shortage in production materials due to interrupted supply chains and a fall in orders due to lower foreign demand. This led to a sharp fall in value added in manufacturing, where the largest decline was recorded by activities related to the car industry. Only pharmaceutical production increased year on year. Manufacturing activities also started recovering gradually after the sharp decline in April.

Although in 2019 no greater natural disaster occurred in Slovenian forests, sanitation felling for safety reasons nonetheless amounted to 40% of the whole felling in this year. Cause for such a volume were predominantly damaged trees due to bark beetles, which have been causing great damage in Slovenian forests especially from 2015 onwards. In the beginning of February 2020 strong winds damaged 140,000 $m^3$ of forests in Slovenia, mostly spruce. Half of the damaged forests were in the Gorenjska region. So far in 2020, in addition to the windstorm more than 440,000 $m^3$ of area was felled due to bark beetles. The estimated damage in the forests is EUR 6.6 million and refers to the loss of wood value due to the damages, resulting from the windstorms between 5-6 February 2020 and 10-11 February as well as the overpopulation of bark beetles in the period from 1 January to 23 June 2020. Due to the increasingly frequent and extensive natural disasters in forests, for the past seven consecutive years, the rehabilitation of damaged forests has been the priority activity of SFS, forestry sector, forest owners and the contractors for forestry works.

The factors, which affected the market in the first half of 2019, still included Croatia's measure in June 2017 to limit (prohibit) the export of unprocessed oak wood for two years (until June 2019). Prohibition was a result of an adopted regulation on phytosanitary measures to prevent the spread of the oak lace bug *Corythucha arcuata* (Say, 1832), which was published on 1 June 2017. The measure intervened in the oak wood market and has affected the business of Slovenian companies, which import oak wood from Croatia (round wood, lower quality wood, wood chips, etc.) and/or perform services of wood processing for customers, who buy the wood in Croatia. In July 2019, the unprocessed oak wood market was released again.

In the wood processing industry (NACE C16), positive trend was interrupted for the first time since 2014 in the current year 2020, as the production index decreased by 5.4% in the first seven months compared to the same period in the previous year. Sales revenues decreased by 4.3% in the first seven months compared to the same period in the previous year: 5.4% on the domestic market and 3.6% in export.

The government has made efforts for growth and development of the wood processing industry and the use of wood products in construction as well as for increasing competitiveness of the wood and furniture industry with various promotional activities, calls for grants from the cohesion fund and reimbursable grants in cooperation with Slovene Enterprise Fund and SID Bank, while the offer of Eco Fund is available to self-builders. In future, funds from the Climate Change Fund will also be dedicated to promoting sustainable construction with wood. Also important for the wood construction of public buildings is the Decree on green public procurement (Official Gazette of the Republic of Slovenia Nos 51/17 and 64/19), which specifies that the share of wood or wood-based materials in buildings, covered by the decree, be at least 30% of the volume of installed materials. The European Green Deal also represents an opportunity to increase the construction of wood objects, as it foresees the establishment of a sustainable European economy without net emissions of greenhouse gases by 2050.

## *5. Developments in the wood products market*

*Data sources: SURS, IMAD, CCIS: Wood Processing and Furniture Association, CCIS: Paper and Paper Converting Industry, SFI; recalculations, analysis and interpretation of SFI*

### *a) Roundwood*

**2019**

In 2019 the volume of production of forest wood assortments has decreased compared to the previous year (-8 %), the reason being mainly the lower volume of sanitation felling due to natural disturbances in forests. Even though the production of forest wood assortments in 2019 was lower than in 2018, the production of deciduous assortments was 15% higher than in 2018 and is comparable to years 2015 and 2016.

The production of forest wood assortments amounted to 4.7 million $m^3$ net in 2019. The scope of conifer roundwood amounted to 2.8 million $m^3$ (-19%), and that of deciduous trees to 1.9 million $m^3$ (+15%). Acquisition amounts of forest wood assortments from private forests have decreased in industrial coniferous roundwood by 10% compared to 2018, on the other hand, acquisitions of industrial non-coniferous roundwood have increased by 4%. Acquisition of firewood (coniferous and non-coniferous) increased by 4% compared to the year before. The value of acquisition amounts of industrial coniferous roundwood decreased by 15%, whereas it increased by 10% for deciduous trees. Roundwood export in 2019 decreased by 28% compared to 2018 and amounted to1.9 million $m^3$, whereas roundwood import exceeded 0.61 million $m^3$ in 2019, which is a record amount over the last 18 years. The foreign trade surplus of roundwood has consequently fallen (1.3 million $m^3$) by as much as 39% compared to 2018. The largest surplus was recorded in the category of conifer sawlogs and veneer logs, i.e. 0.66 million $m^3$, which is 53% less compared to 2018. The foreign trade surplus in the category of industrial non-coniferous roundwood, however, increased by as much as 77% in 2019 compared to 2018.

**2020**

This year the production of forest wood assortments was not significantly affected by the sanitation of damage due to natural disturbances in forests. According to the data of the Slovenian Forest Service, 23% less woody mass was felled in the period from 1 January 2020 to 10 September 2020 compared to the same period last year. Felling of coniferous trees was predominant with 65%, which is a few percent less compared to the same period in 2019 and is greater than for deciduous trees. Due to the lower felling of coniferous trees, which is a consequence of smaller damage caused by bark beetles as well as lower prices of higher and medium quality logs, there was a lack of coniferous logs in the Slovenian sawmills in 2020. As a result, import of conifer logs has risen, especially from the Czech Republic and Italy. Surpluses of supply as well as a decrease in prices were observed in lower quality industrial roundwood from Slovenian forests, mainly caused by the crisis in Italy due to the COVID-19 epidemic. Italy, in addition to Austria, is the largest import market for split and round pulpwood from Slovenia.

Within a week after the Government of the Republic of Slovenia declared an epidemic, the consequences of stringent measures for the containment of the epidemic caused by SARS-CoV-2 started to show along the forest-wood chains in Slovenia, primarily on the market of forest wood assortments. Sale of forest wood assortments has stopped almost completely after 23 March 2020, when acquisition was stopped by the biggest producers of wood-based composite panels in Northern Italy as well as most of the sawmills in Austrian Styria and Carinthia. In Slovenia, one of the biggest buyers of lower quality wood and producers of wood-based composite panels in the country also stopped acquisition and production in the last week of March. For a certain period, a company, engaged in wood processing and production of various extracts from wood, also stopped the acquisition of lower quality wood and production. Two Slovenian mechanical pulp industries, however, continued with the acquisition of wood and production for the entire duration of the epidemic, one without disturbances and the other with slightly degraded operation given the available capacity. During the duration of the epidemic caused by SARS-CoV-2, two thirds of the sawmill and furniture industry also continued acquisitions of roundwood and production.

According to the data on acquisitions of roundwood from private forests, prepared on a monthly basis by the Statistical Office of the Republic of Slovenia (SURS), during the roughest state of the market of forest wood assortments due to the epidemic (i.e. in the months of April in May), acquisitions of industrial coniferous roundwood decreased by 17% compared to the same two months in the year before, and for non-coniferous roundwood they have fallen by 27%. In the first seven months of this year acquisitions in the category of industrial coniferous roundwood decreased by 9% compared to the same period last year, of which the biggest decrease was in the category of split and round pulpwood (-16%). In the category of industrial non-coniferous roundwood acquisitions decreased by 4% in the period from January to July 2020, even though in this period beech log acquisitions increased by 11%. Acquisitions of firewood in the first seven months of this year also decreased (-13%) compared to the same period in 2019.

During the COVID-19 epidemic the Slovenian Forestry Institute also monitored the data on purchase prices of forest wood assortments monthly. According to reports from companies, acquisitions of roundwood in April decreased in 65% of the companies, which took part in the survey, on average by 44% compared to March. 15% of the companies saw a complete stop in acquisitions of roundwood and a same percentage of companies acquired unchanged quantities of wood compared to March. In May the share of the decrease in the amount of acquisitions has risen by a few percent compared to April 2020. However, the dynamics of acquisitions of forest wood assortments in the months, when the epidemic was declared, were probably not influenced only by the situation caused by this factor, but by some other factors as well, such as the availability of wood, seasonality etc.

Data for foreign trade of roundwood for the first half of this year shows a decreased export of coniferous trees and deciduous trees in 2020 compared to the previous year. Data on the import of coniferous roundwood in the first half of 2020 shows a significant increase of the import of this wood compared to 2019. Inversely, given the state of the foreign trade in the first half of this year, the forecasts for the import of non-coniferous roundwood in this year show that the import of this wood will significantly decrease compared to 2019.

### *b) Wood biomass for energy*

The largest consumer of wood or wood wastes for energy purposes are households, which use on average approx. 1.5 million ton of wood fuel annually, predominantly logs, followed by pellets, chips and finally briquettes. Firewood represents one of the cheapest heating systems and is at the same time one of the most accessible energy products in Slovenia, whereby the households acquire it from their own forests or the market. The largest single consumer of wood for energy purposes remains the district heating system in Ljubljana with an installed capacity of 152 MW, however this system utilizes the co-incineration of coal and wood. The thermal power plant and the district heating plant use more than 100,000 tons of wood chips per year.

On the Slovenian market, the biggest demand is for beech firewood with humidity levels of approx. 20% (air-dry firewood) and lengths between 25 and 33 cm. The price of such firewood amounted to EUR 159 at the end of the heating season 2019/2020, which is 11 % less compared to the beginning of the heating season. The Slovenian Forestry Institute monitors wood fuel prices and regularly publishes them at http://wcm.gozdis.si/cene-lesnih-goriv.

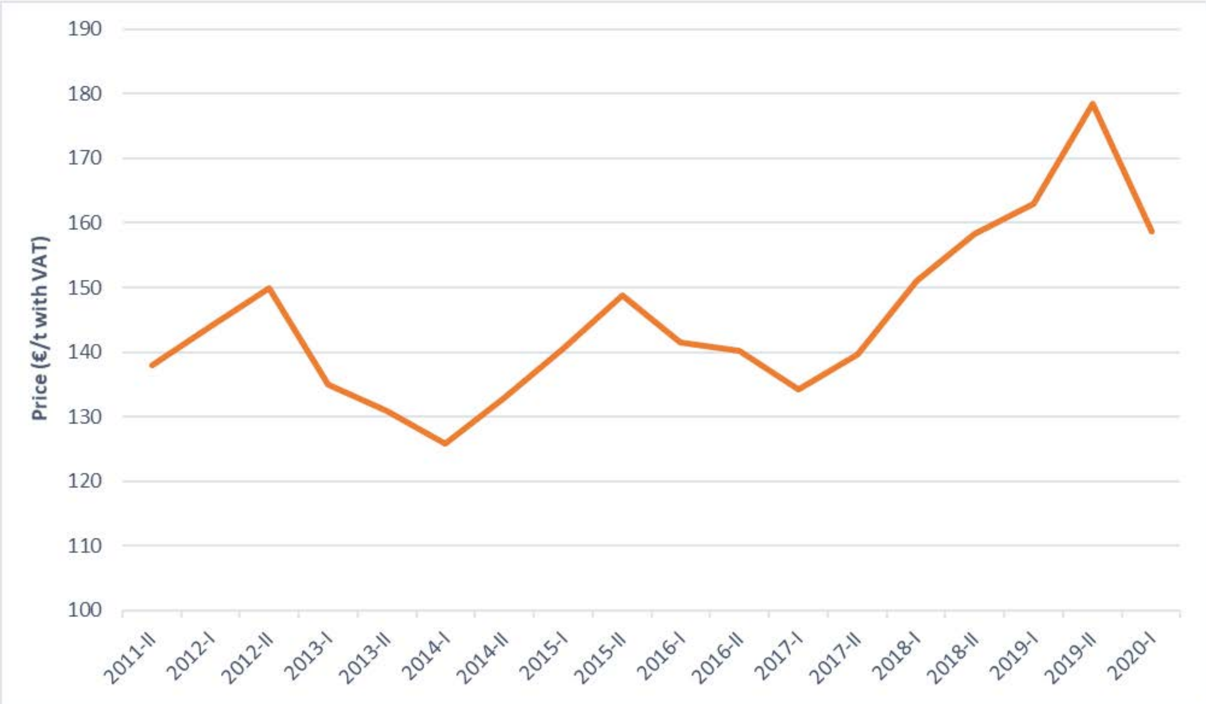


Image 6: The prices of firewood (in €/t with VAT) in the period 2011-2020 (source: Slovenian Forestry Institute)

Similarly to previous years (with the exception of 2017) a foreign trade deficit was recorded on the wood pellet market, which shows that the consumption of pellets was greater than production. The main consumers of wood pellets are households, followed by larger public buildings and other users. According to the last collection of data on the production of pellets in Slovenia, which was conducted by the Slovenian Forestry Institute in May 2020, there are currently 22 producers of pellets in Slovenia. They are predominantly smaller producers, who annually produce up to 10,000 tons of pellets. Only one of the producers produced more than 50,000 tons of pellets and two producers have a production of 15,000-50,000 tons, which is almost 14% more compared to 2018. The largest increase in pellet production in Slovenia over the last 6 years was recorded.

The export of pellets in the period 2010-2019 has, in 2019, for the first time reached a volume above 200,000 tons. The predominant part of Slovenian pellet production is exported to Italy (85%), followed by Austria with 10% and with 4% of volumes exported to the neighbouring Croatia. The volume of pellets imported into Slovenia was somewhat less than 230,000 tons in 2019. Most pellets were imported from Romania (23%), followed by Austria (14%), Ukraine (13%) and Bosnia and Herzegovina (12%).

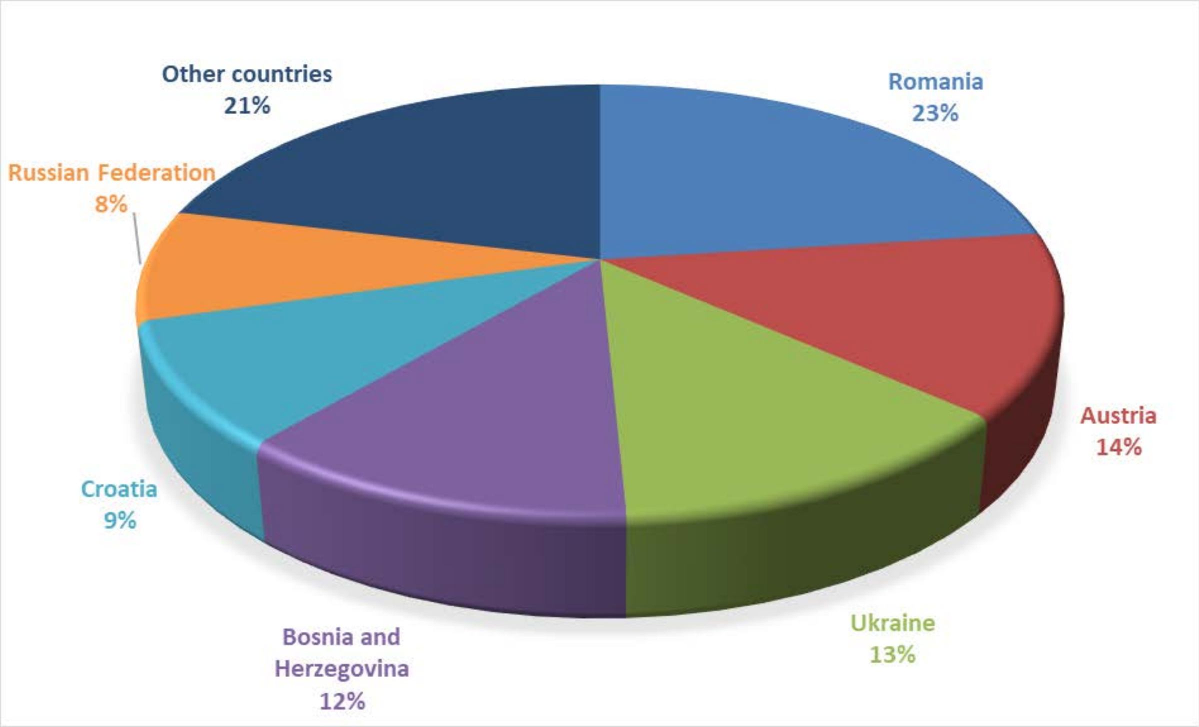


Image 7: The structure of pellet import in 2019 by country (data source: Statistical Office of the Republic of Slovenia)

Pellets as the most expensive form of wood biomass are 18% cheaper than heating oil, whose price fluctuated around EUR 71/MWh in the first half of 2019. Now, the difference between the prices of these two energy products is the smallest recorded since the beginning of price collection in 2011. A ton of pellets, packed in 15 kg bags, cost EUR 275 on average after the end of the heating season 2019/2020. Compared to the same period in the previous year, prices have decreased by two percent.

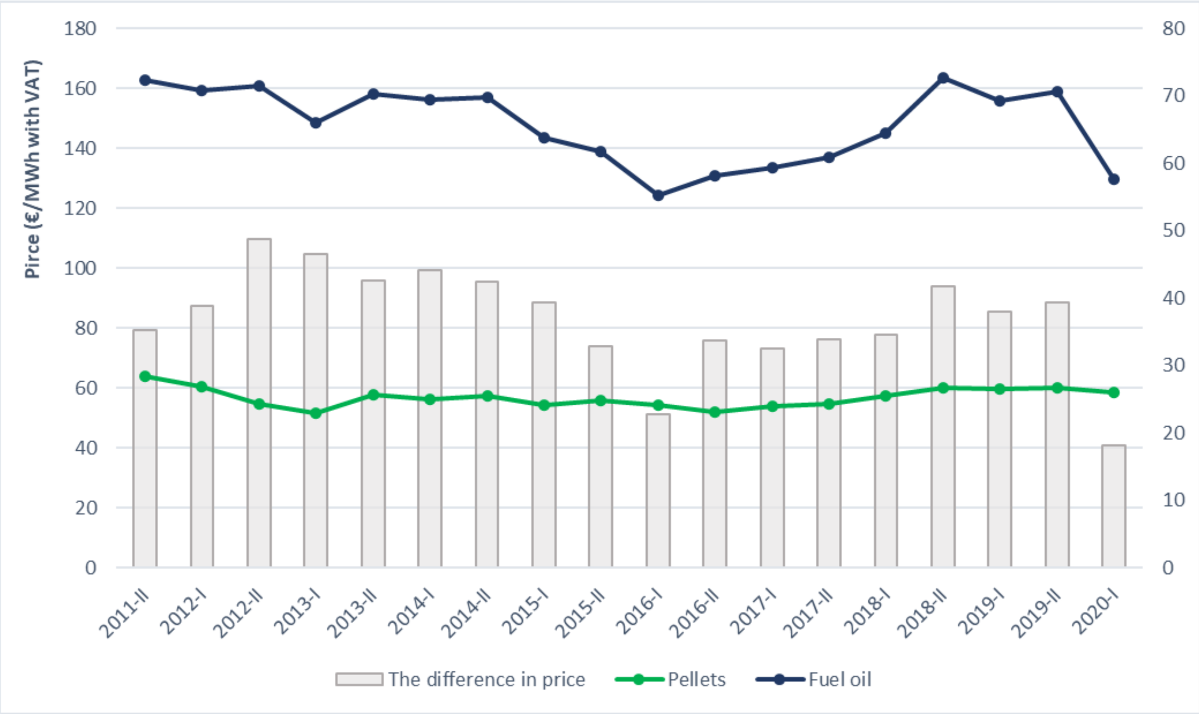


Image 8: Representation of price trends (in €/MWh) and differences between the prices of pellets and heating oil (data source: Slovenian Forestry Institute and European Commission)

Wood chips are predominantly used for energy purposes, and the Thermal Power Plant Ljubljana is by far the largest consumer with an annual consumption of over 100,000 tons. The consumption of wood chips in the production of wood products (fibre boards, pulp, chemicals) amounts to less than 10% of the total consumption in Slovenia. According to data for foreign trade, Slovenia exported 483,000 tons of wood chips in 2019, which is 132% more in volumes compared to wood pellets. More than half (51%) of all exported volumes of wood pellets in 2019 were exported to Austria and 30% were exported to Italy. In 2019, the import volume of wood chips decreased by 28% compared to the year before and was somewhat more than 81,000 tons. The greater part of the volumes (64%) was imported from the neighbouring Croatia.

Wood chips are the cheapest form of wood fuels on the market. The final price of the product is influenced mostly by particle size and water content. The price for best-selling wood chips (humidity approx. 30% and particle size of approx. 31 mm) averaged at EUR 75/t at the end of the heating season 2019/2020, which is approximately 13% less compared to the beginning of the heating season. Chips with lower water content are usually more expensive.

### *c) Certified wood products*

Now, 266,279 ha of forests are certified by the FSC system, which is 1% more compared to the same period last year. This surface represents more than 23% of the complete forest area in Slovenia and these are predominantly national forests (share of 90%).

The area according to the system PEFC for certified forests is increasing slightly and now encompasses 293,000 ha. The greater part of this area is represented by national forests, managed by the company *Slovenski državni gozdovi d.o.o.*

Companies use the FSC and PEFC certificates for tracking wood predominantly as a marketing mechanism for export markets and compliance with green public procurement policies. The number of companies with the FSC certificate for tracking certified wood (CoC) is currently 247 and 4 are provisionally invalid, and the number of companies with the PEFC certificate for tracking certified wood (CoC) is 71.

### *d) Value-added wood products*

The Slovenian furniture industry produced net sales revenues in the amount of EUR 368 million in 2019, which is less than 1% more compared to 2018 and represents 1.2% of net sales revenues in relation to the whole processing industry in the country. The share in the net sales revenues structure in foreign markets for the furniture industry NACE C31 amounted to 43% last year. Foreign market sales recorded an increase of 1.2% last year. In 2019 the added value per employee in manufacturing C31 has increased by 6.4% compared to 2018 and amounted to EUR 33,291.

The furniture industry production index (the entire furniture industry in NACE C31), which also includes the production of wooden furniture, decreased by 9.9% in the first seven months of this year compared to the same period in the previous year. The net sales revenues within the comparative periods decreased by 9.6%, with 3.9% on the domestic and as much as 16.3% on foreign markets compared to the same period in the previous year.

### *e) Sawn softwood*

In 2019 Slovenian sawmills have increased the intensity of processing of coniferous roundwood, which is predominantly a consequence of increased log quantities in the market due to forest rehabilitation following the windstorm in 2018 and bark beetle gradations in 2018 and 2019, which also resulted in lower log prices on the market. Sawn softwood production increased by 19% in 2019 compared to 2018. In 2019, the import of sawn softwood increased by 5% and the export increased by 9% compared to 2018.

In 2020 a slight decline of sawn wood production (coniferous and non-coniferous) is expected due to the impact of the declaration of the epidemic caused by SARS-CoV-2, where most companies in this sector experienced a decrease in production volume.

However, new investments into technological modernisation and the increase of capacity of existing sawmills, as well as investments into new sawmills are foreseen in the coming years.

### *f) Sawn hardwood*

Sawn hardwood production increased by 4% in 2019 compared to the year before. Unlike in 2018, higher volumes of non-coniferous logs were present on the market in 2019, which is also confirmed by the data on higher processing of non-coniferous logs in 2020 compared to the previous year. In the last quarter of this year the companies in the sawmill industry expect a congestion in the supply of beech logs. Sawmills in Germany similarly have too high stocks of beech logs, one of the main reasons presumably being the problem of interrupted export routes into Asia during the COVID-19 epidemic. Due to the fully stocked beech logs for season 2020/2021 smaller demand for this wood is forecast in that country, and at the same time, contractors for forestry works forecast less felling and lower available volumes of this wood for this season. Sawmills across Europe are also seeing sawn hardwood stocks grow, which can be attributed to the dramatically decreased or even halted manufacture of furniture due to the impact of the pandemic.

The import and export of sawn hardwood in 2019 decreased compared to the year before; import decreased by 20% and export by 12%.

The quantities and values recorded in the production, the import and export of sawn wood from tropical tree species are negligible. A similarly low level of sawn wood from tropical trees foreign trade is foreseen for this year.

### *g) Wood-based panels (including veneer)*

The production of all types of wood-based panels (including veneer) increased by 8% in 2019 and their consumption increased by1% on the account of increased import of some types of wood-based panels, which reflects an interruption of a favourable trend in residential buildings construction and construction in general. For 2020 a somewhat decreased volume of production is estimated (approx. -6%) compared to 2019, mainly due to the impact of the COVID-19 epidemic in Europe on some Slovenian producers of wood-based panels. Consumption will decrease on the account of decreased production and decreased import of most types of wood-based panels.

In 2019, 180,000 $m^3$ of particle boards (including OBS boards) were used in the manufacture of furniture and in construction, which amounts to a 2% decrease compared to the previous year. For 2020 a slight weakening of particle board consumption is expected, mostly on the account of a decreased import of this type of wood-based panels. An increase in the consumption of OBS boards is forecast for this year. Particle boards originate entirely from imports, as the last remaining manufacturer of particle boards in Slovenia filed for bankruptcy at the end of 2015. A new investor was expected to re-launch the production in 2021, however this investment has been put to a halt now due to health and economic uncertainty following the worldwide COVID-19 pandemic.

The consumption of fibreboards in Slovenia is the lowest compared to other wood-based panels. In 2019 it decreased by 41% compared to 2018 and is the lowest in the last decade. For 2020, a 10% decrease in production is estimated, while consumption is forecast to increase somewhat again despite a decreased production due to a significant decrease of export amounts.

Production of veneer was a few percent higher in 2019 compared to the previous year, for 2020, however, an approx. 3% decrease in production is forecast, mainly due to the worldwide epidemic caused by SARS-CoV-2. The best part of sliced veneer manufacture is performed as a service for customers within the EU.

Plywood panel production is dominated by tri-layer shuttering composite conifer panels. The greater part of production is exported. In 2019, the production of shuttering panels increased by 16% compared to 2018, which reflects the continuation of favourable manufacture results, which are a result of positive trends in the European construction sector. In 2020, the production of shuttering panels also showed negative impacts of the COVID-19 epidemic, therefore growth in production is not forecast for this year, but rather a similar volume than in 2019. For 2021, we estimate that that the production of this category of wood products shall increase again by approx. 20%.

### *h) Pulp and paper*

The scope of mechanical pulp production in 2019 was the same as in the previous year. In 2019, the import of mechanical pulp represented 5% of the total import of all types of pulp, while the export represented 57%. Pulp export is negligible as the production in Slovenia is entirely integrated.

According to CCIS data, the whole Manufacture of paper and paper products industry (C 17) produced 0.72 million ton of products in 2019, which is a 2% decrease from 2018. For a second year in a row, a decrease in production is recorded, while even lower production is estimated for this year, mainly due to the decreased production of newsprint paper, which is a consequence of a lack of raw materials (waste paper) during the COVID-19 epidemic. In the first seven months of 2020, the C 17 industry recorded a 3.4% decrease in the industrial production index compared to the same period in 2019. Sales revenues in C 17 also decreased by 5.5% in the first seven months of this year.

### *i) Innovative wood products*

Marles hiše Maribor d.o.o. is recognised in its industry as the leading company in the development of technological solutions for sustainable and energy-efficient construction of modern residential houses and investment facilities. In Slovenia, a project is currently being carried out, called Dom24h, where Marles is the leading partner. Primary goal of the project is to present the development and demonstrate a new concept of domestic living, for a home in use 24 hours a day, as well as to present the development and demonstrate the subsystems and products for smart buildings of the future. The project therefore combines individual newly developed and technologically advanced solutions, which complement each other, into a new conceptual comprehensive solution for construction of and living in a sustainable, smart and interoperable, user-friendly, advanced and healthy living environment. As such the Dom24h project is important not only for project partners, but for the whole industry of prefabricated smart houses and providers of solutions for smart buildings of the future throughout the region and EU.

In 2020, the company MIK Celje d.o.o. received the environmental award Mark of quality in construction for the modern installation of builders' joinery „MIK“ with integrated ventilation system MIKrovent.

In 2019, the 2019 Silver National Innovation Award, awarded each year by the Chamber of Commerce and Industry of Slovenia, was awarded to the company Ledinek Engineering, d.o.o. for their innovation, i.e. a line for the manufacture of cross laminated panels with two presses and application of 2K adhesive. The comprehensive production line for the manufacture of cross laminated panels is set up in Norway by an individual supplier. Production phase of the line started not so long ago and shortly the CLT panels of high quality will be supplied to the domestic market. This is the first CLT line of the Ledinek company, where 2K MUF adhesive is used for face gluing. For unsorted raw material input a scribing station is available, where the marking of defects is performed by hand. The whole operation of the line is connected to an aggregated unit with a monitoring system X-Lam Manager, which enables the simultaneous use of wood of two different qualities. This ensures a greater added value to the final product.

The 2019 Special award for development and innovation cooperation of business and the institutions of knowledge, awarded by the Chamber of Commerce and Industry of Slovenia, was awarded to the company M Sora d.d. for a window assembly with reinforcement elements for the distribution of tension, called FlowCORE. The FlowCORE innovation system of the M Sora d.d. company represents a new approach for reinforced window elements and the possibility to manufacture wooden windows up to the hight of 6 meters and more. Windows without reinforcements bend too much with wind load and are manufactured up to max. 3.5 meters. The FlowCORE innovation has minimal effect on the thermal properties of profiles, does not diminish the window aesthetic, since it is completely invisible, and enables the adaptation to the individual and the architecture. When this innovation is used, the wind load, which is present on the surface of the glass, is redirected to the reinforcement core, through which it „flows“ into to building, which is why it is called FlowCORE. During development, the company cooperated closely with the Faculty of Civil and Geodetic Engineering of University of Ljubljana and the Biotechnical Faculty, Department of Wood Science and Technology, of University of Ljubljana.

### *j) Residential construction and construction*

The increasing trend in the value of construction work in the country has stopped in 2019, as the value decreased by 6% compared to the previous year. Value of construction work has decreased in all construction activity types. The biggest value of construction work, performed in 2019, is represented by new buildings. The value of construction work decreased by 28% in construction of buildings, of which by 20% in construction of residential buildings, compared to 2018. The biggest value of construction work, performed in 2019 in the category of residential buildings, were represented by new buildings with 55%.

The value of construction work, performed in the first seven months of 2020, was 50% lower than the value of construction work, performed in the same period last year, whereby the value of these works in construction of buildings was lower by 6.3% and in civil engineering by 4.5%. This is a consequence of the influence of the coronavirus pandemic, which was especially expressed in this industry in the months from April to June. The decreasing trend in the construction of dwellings came to an end in 2015 and has steadily risen from 2016 onwards. In 2019, 10,554 dwellings were under construction in Slovenia, of which 3,415 were completed by the end of the year, which is 12.4% more than in 2018. In 2019 most of the dwellings were completed in the Osrednjeslovenska statistical region (28% of all), followed by the Podravska statistical region (20%). On the other hand, the fewest dwellings were completed in the Zasavska region (1%). In the first half of 2020, 2,389 building permits were issued, which is 22% fewer than in the first half of 2019. For residential buildings 20% fewer permits were issued and for non-residential buildings 24% fewer. In the first half of 2020, 1,574 dwellings were planned with building permits, which is 6% fewer than in the first half of 2019. The floor area of these dwellings decreased by 13%.

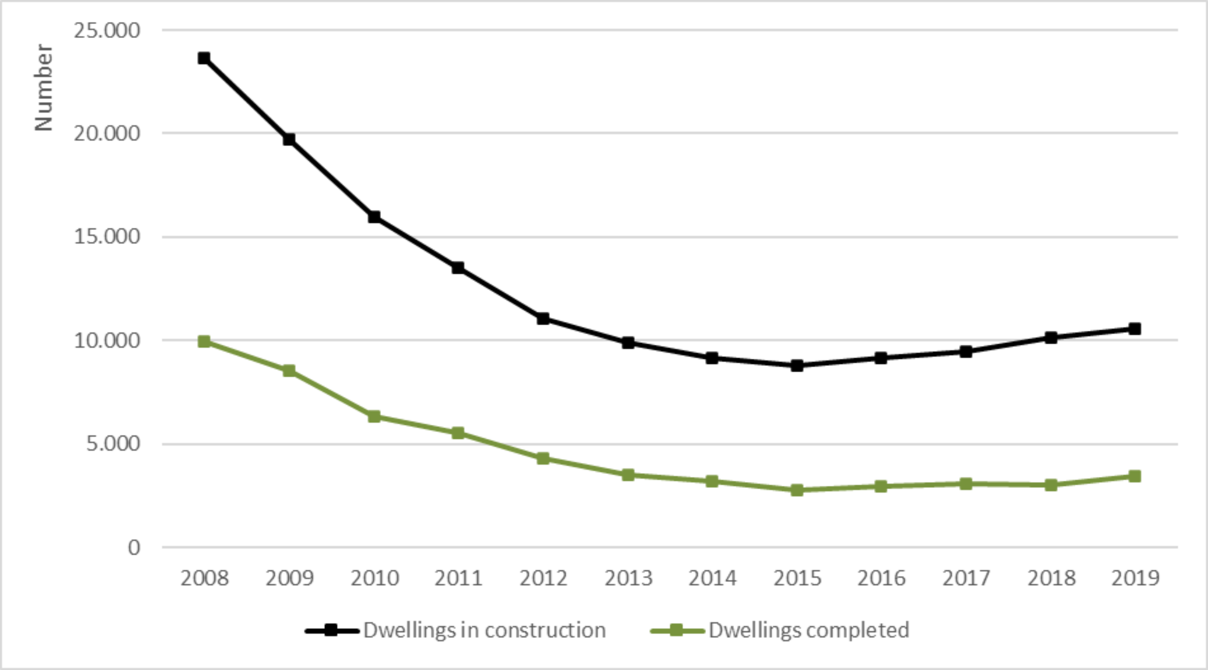


Image 9: The number of dwellings in construction and dwellings completed for the period 2008-2019 (data source: Statistical Office of the Republic of Slovenia)

Company activity within the Manufacture of other builders' carpentry and joinery (NACE: C16.230), which consists of the manufacture of prefabricated wooden buildings, builder’s joinery (windows, doors, stairs…) and glued laminated roof trusses and roofing, was again successful last year, with a reported highest net profit in the wood processing industry. According to CCIS, this segment had a EUR 19 million net profit last year, which was 9.3% lower than net profit in 2018. The growth of sales revenues created by companies in this industry on foreign markets decreased by 2.6% compared to 2018, nonetheless net sales revenues in foreign markets increased by 2.1%.

Slovenia is a traditional net exporter of wooden windows and doors. The export of wooden doors has been decreasing in the last two years; it decreased by 12% last year compared to 2018, while the export of wooden windows decreased by as much as 22% compared to the previous year. The increasing trend in the import of wooden doors is continuing (+7%), whereas the volume of import of wooden windows remains the same as in 2018.

# 6. Tables

## a) Economic indicators

| | 2019 | Autumn forecast (September 2020) 2020 | 2021 | 2022 |
|---|---|---|---|---|
| **GROSS DOMESTIC PRODUCT** | | | | |
| GDP, real growth (%) | 2.4 | **-6.7** | **5.1** | **3.7** |
| GDP, nominal growth (%) | 4.9 | **-4.7** | **6.7** | **5.8** |
| GDP in EUR billion, current prices | 48.0 | **45.8** | **48.8** | **51.6** |
| Exports of goods and services, real growth (%) | 4.4 | **-12.5** | **9.3** | **6.6** |
| Imports of goods and services, real growth (%) | 4.2 | **-12.0** | **9.6** | **6.8** |
| *External balance of goods and services (contribution to growth in pps)* | *0.5* | ***-1.5*** | ***0.5*** | ***0.3*** |
| Private consumption, real growth (%) | 2.7 | **-6.6** | **4.7** | **3.0** |
| Government consumption, real growth (%) | 1.6 | **3.0** | **1.0** | **1.3** |
| Gross fixed capital formation, real growth (%) | 3.2 | **-13.0** | **11.0** | **8.5** |
| *Change in inventories and valuables (contribution to growth in pps)* | *-0.4* | ***0.2*** | ***0.0*** | ***0.0*** |
| **EMPLOYMENT, EARNINGS AND PRODUCTIVITY** | | | | |
| Employment according to the SNA, growth in % | 2.4 | **-1.5** | **0.3** | **1.3** |
| Number of registered unemployed, annual average (in '000) | 74.2 | **87.9** | **92.9** | **83.6** |
| Registered unemployment rate (%) | 7.7 | **9.1** | **9.5** | **8.5** |
| ILO unemployment rate (%) | 4.5 | **5.6** | **5.4** | **4.8** |
| Gross earnings per employee, nominal growth (%) | 4.3 | **3.7*** | **0.9*** | **2.7** |
| Labour productivity (GDP per employee), real growth (%) | 0.1 | **-5.3** | **4.8** | **2.4** |
| **BALANCE OF PAYMENTS STATISTICS** | | | | |
| Current account BALANCE (EUR bn) | 3.2 | **2.8** | **3.1** | **3.2** |
| - as a % of GDP | 6.6 | **6.1** | **6.3** | **6.3** |
| **PRICES AND EFFECTIVE EXCHANGE RATE** | | | | |
| Inflation (Dec/Dec), % | 1.8 | **0.5** | **1.5** | **1.8** |
| Inflation (annual average), % | 1.6 | **0.3** | **1.6** | **1.9** |
| Real effective exchange rate deflated by unit labour costs, growth (%) | 1.2 | | | |
| **ASSUMPTIONS** | | | | |
| Foreign demand (imports of trading partners), real growth (%) | 2.6 | **-10.2** | **7.8** | **4.4** |
| GDP in the euro area, real growth ( %) | 1.3 | **-7.4** | **5.6** | **2.5** |
| Oil price (Brent crude, USD/barrel) | 64.3 | **42.4** | **47.4** | **49.1** |
| Non-energy commodity prices (USD), growth (%) | -3.6 | **-1.5** | **2.0** | **1.0** |
| USD/EUR exchange rate | 1.120 | **1.138** | **1.181** | **1.181** |

*Source: IMAD (Institute of Macroeconomic Analysis and Development of the Republic of Slovenia), Autumn Forecast of Economic Trends, September 2020. Year 2019 SURS, BoS, ECB, EIA, 2020–2022 IMAD forecasts.*

*Note: * In the Autumn Forecast, we considered the methodological specifics regarding earning reporting (which do not consider government benefits), which affects earning trends shown by statistics in 2020 and 2021. Therefore, gross earnings forecasts between this forecast and our other forecasts or scenario (except with the Summer Forecast) are not directly comparable.*

## b) Production and foreign trade

| Product | Unit | Revised data | | Estimate | Forecast |
|---|---|---|---|---|---|
| | | 2018 | 2019 | 2020 | 2021 |
| Sawlogs and veneer logs, coniferous | | | | | |
| Production | 1000 $m^3$ | 2,553 | 2,123 | 1,570 | 2,000 |
| Imports | 1000 $m^3$ | 29 | 113 | 300 | 150 |
| Exports | 1000 $m^3$ | 1,436 | 769 | 638 | 700 |
| Apparent consumption | 1000 $m^3$ | 1,146 | 1,467 | 1,232 | 1,450 |
| Sawlogs and veneer logs, non-coniferous | | | | | |
| Production | 1000 $m^3$ | 280 | 352 | 290 | 320 |
| Imports | 1000 $m^3$ | 45 | 30 | 30 | 30 |
| Exports | 1000 $m^3$ | 126 | 147 | 170 | 170 |
| Apparent consumption | 1000 $m^3$ | 199 | 235 | 150 | 180 |
| of which, tropical logs | | | | | |
| Imports | 1000 $m^3$ | 1 | 1 | 1 | 1 |
| Exports | 1000 $m^3$ | 0 | 0 | 0 | 0 |
| Net Trade | 1000 $m^3$ | 1 | 1 | 1 | 1 |
| Pulpwood (round and split), coniferous | | | | | |
| Production | 1000 $m^3$ | 659 | 492 | 444 | 500 |
| Imports | 1000 $m^3$ | 208 | 231 | 250 | 240 |
| Exports | 1000 $m^3$ | 483 | 399 | 342 | 350 |
| Apparent consumption | 1000 $m^3$ | 384 | 324 | 352 | 390 |
| Pulpwood (round and split), non-coniferous | | | | | |
| Production | 1000 $m^3$ | 344 | 470 | 410 | 430 |
| Imports | 1000 $m^3$ | 68 | 82 | 79 | 80 |
| Exports | 1000 $m^3$ | 233 | 399 | 375 | 370 |
| Apparent consumption | 1000 $m^3$ | 179 | 153 | 114 | 140 |
| Wood chips, particles and residues | | | | | |
| Domestic supply | 1000 $m^3$ | 1,300 | 1,330 | 1,200 | 1,200 |
| Imports | 1000 $m^3$ | 248 | 186 | 150 | 150 |
| Exports | 1000 $m^3$ | 836 | 963 | 837 | 837 |
| Apparent consumption | 1000 $m^3$ | 712 | 553 | 513 | 513 |
| Other industrial roundwood, coniferous | | | | | |
| Production | 1000 $m^3$ | 33 | 20 | 18 | 18 |
| Other industrial roundwood, non-coniferous | | | | | |
| Production | 1000 $m^3$ | 52 | 44 | 31 | 31 |
| Wood fuel, coniferous | | | | | |
| Production | 1000 $m^3$ | 198 | 147 | 130 | 135 |
| Wood fuel, non-coniferous | | | | | |
| Production | 1000 $m^3$ | 920 | 970 | 900 | 920 |

| Product | Unit | Revised data | | Estimate | Forecast |
|---|---|---|---|---|---|
| | | 2018 | 2019 | 2020 | 2021 |
| Sawnwood, coniferous | | | | | |
| Production | 1000 $m^3$ | 690 | 819 | 735 | 820 |
| Imports | 1000 $m^3$ | 709 | 745 | 619 | 650 |
| Exports | 1000 $m^3$ | 880 | 962 | 833 | 870 |
| Apparent consumption | 1000 $m^3$ | 518 | 602 | 521 | 600 |
| Sawnwood, non-coniferous | | | | | |
| Production | 1000 $m^3$ | 120 | 125 | 100 | 117 |
| Imports | 1000 $m^3$ | 133 | 106 | 110 | 110 |
| Exports | 1000 $m^3$ | 130 | 115 | 120 | 120 |
| Apparent consumption | 1000 $m^3$ | 123 | 117 | 90 | 107 |
| of which, tropical sawnwood | | | | | |
| Production | 1000 $m^3$ | 0 | 0 | 0 | 0 |
| Imports | 1000 $m^3$ | 2 | 2 | 2 | 2 |
| Exports | 1000 $m^3$ | 1 | 1 | 1 | 1 |
| Apparent consumption | 1000 $m^3$ | 2 | 1 | 1 | 1 |
| Veneer sheets | | | | | |
| Production | 1000 $m^3$ | 18 | 18 | 17 | 16 |
| Imports | 1000 $m^3$ | 12 | 14 | 13 | 13 |
| Exports | 1000 $m^3$ | 22 | 23 | 25 | 23 |
| Apparent consumption | 1000 $m^3$ | 8 | 9 | 5 | 6 |
| of which, tropical veneer sheets | | | | | |
| Production | 1000 $m^3$ | 1 | 1 | 1 | 1 |
| Imports | 1000 $m^3$ | 0 | 0 | 0 | 0 |
| Exports | 1000 $m^3$ | 1 | 1 | 1 | 1 |
| Apparent consumption | 1000 $m^3$ | 0 | 0 | 0 | 0 |
| Plywood | | | | | |
| Production | 1000 $m^3$ | 89 | 103 | 103 | 124 |
| Imports | 1000 $m^3$ | 47 | 47 | 43 | 43 |
| Exports | 1000 $m^3$ | 73 | 73 | 76 | 73 |
| Apparent consumption | 1000 $m^3$ | 63 | 78 | 70 | 94 |
| of which, tropical plywood | | | | | |
| Production | 1000 $m^3$ | 0 | 0 | 0 | 0 |
| Imports | 1000 $m^3$ | 14 | 14 | 14 | 14 |
| Exports | 1000 $m^3$ | 0 | 0 | 0 | 0 |
| Apparent consumption | 1000 $m^3$ | 14 | 13 | 13 | 13 |

| Product | Unit | Revised data | | Estimate | Forecast |
|---|---|---|---|---|---|
| | | **2018** | **2019** | **2020** | **2021** |
| Particle board (including OSB) | | | | | |
| Production | 1000 $m^3$ | 0 | 0 | 0 | 0 |
| Imports | 1000 $m^3$ | 190 | 186 | 176 | 175 |
| Exports | 1000 $m^3$ | 7 | 6 | 5 | 6 |
| Apparent consumption | 1000 $m^3$ | 183 | 180 | 171 | 169 |
| of which, OSB | | | | | |
| Production | 1000 $m^3$ | 0 | 0 | 0 | 0 |
| Imports | 1000 $m^3$ | 27 | 31 | 34 | 33 |
| Exports | 1000 $m^3$ | 2 | 1 | 1 | 1 |
| Apparent consumption | 1000 $m^3$ | 26 | 29 | 33 | 32 |
| Fibreboard | | | | | |
| Production | 1000 $m^3$ | 126 | 130 | 117 | 127 |
| Imports | 1000 $m^3$ | 59 | 53 | 47 | 50 |
| Exports | 1000 $m^3$ | 144 | 159 | 129 | 135 |
| Apparent consumption | 1000 $m^3$ | 41 | 24 | 35 | 42 |
| Hardboard | | | | | |
| Production | 1000 $m^3$ | 0 | 0 | 0 | 0 |
| Imports | 1000 $m^3$ | 10 | 9 | 6 | 6 |
| Exports | 1000 $m^3$ | 11 | 9 | 6 | 6 |
| Apparent consumption | 1000 $m^3$ | 0 | 0 | 0 | 0 |
| MDF/HDF (Medium density/high density) | | | | | |
| Production | 1000 $m^3$ | 126 | 130 | 117 | 127 |
| Imports | 1000 $m^3$ | 39 | 36 | 35 | 37 |
| Exports | 1000 $m^3$ | 131 | 148 | 121 | 127 |
| Apparent consumption | 1000 $m^3$ | 34 | 18 | 31 | 37 |
| Other fibreboard | | | | | |
| Production | 1000 $m^3$ | 0 | 0 | 0 | 0 |
| Imports | 1000 $m^3$ | 10 | 8 | 6 | 7 |
| Exports | 1000 $m^3$ | 2 | 2 | 2 | 2 |
| Apparent consumption | 1000 $m^3$ | 7 | 6 | 4 | 5 |

| Product | Unit | Revised data | | Estimate | Forecast |
|---|---|---|---|---|---|
| | | **2018** | **2019** | **2020** | **2021** |
| Wood pulp | | | | | |
| Production | 1000 m.t. | 92 | 92 | 90 | 98 |
| Imports | 1000 m.t. | 249 | 237 | 250 | 250 |
| Exports | 1000 m.t. | 5 | 8 | 10 | 10 |
| Apparent consumption | 1000 m.t. | 336 | 321 | 330 | 338 |
| Paper & paperboard | | | | | |
| Production | 1000 m.t. | 731 | 719 | 710 | 720 |
| Imports | 1000 m.t. | 687 | 713 | 705 | 710 |
| Exports | 1000 m.t. | 649 | 642 | 620 | 630 |
| Apparent consumption | 1000 m.t. | 769 | 790 | 795 | 800 |
| Wood pellets | | | | | |
| Production | 1000 m.t. | 118 | 134 | 135 | 140 |
| Imports | 1000 m.t. | 228 | 229 | 220 | 220 |
| Exports | 1000 m.t. | 188 | 209 | 167 | 170 |
| Apparent consumption | 1000 m.t. | 157 | 155 | 188 | 190 |