



**Joint UNECE Timber Committee and International
Softwood Conference Market Discussions**

8 – 9 October 2007, Geneva, Switzerland





*Welcome
International Softwood Conference
and
UNECE Timber Committee
Delegates*

By Ed Pepke
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Themes:

1. Softwood markets in the UNECE region
2. Wood energy and wood mobilization



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Today's topics

1. Forest products market and policy developments
2. Softwood markets
 - Market forecasts
 - North America from 2 viewpoints
 - Europe from 2 viewpoints
 - Russia
 - Asia



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Tomorrow's topics

- CE marking and stress grading of softwoods
- Public procurement policies & market effects
- Green building policies
- Best practices in wood promotion
- Economic background for market developments
- Wood raw materials markets & forecasts



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Tomorrow's topics (continued)

- Wood energy markets & policies
- Modified softwood markets
- Certification impacts on softwood markets
- Panel markets & forecasts in relation to softwood
- Sawn hardwood markets & forecasts
- Tropical softwood markets
- Pulp & paper markets



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Joint TC & ISC Market Discussions

- Topics chosen by joint steering committee
 - Respect for each other's interests
 - Maintaining identity of TC & ISC
- Discussion time
 - Approximately 30%



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Info sources

- Joint forecasts for 2007 & 2008
- Country market statements
- Experts' presentations
- Delegates' interventions
- UNECE/FAO *Forest Products Annual Market Review, 2006-2007*

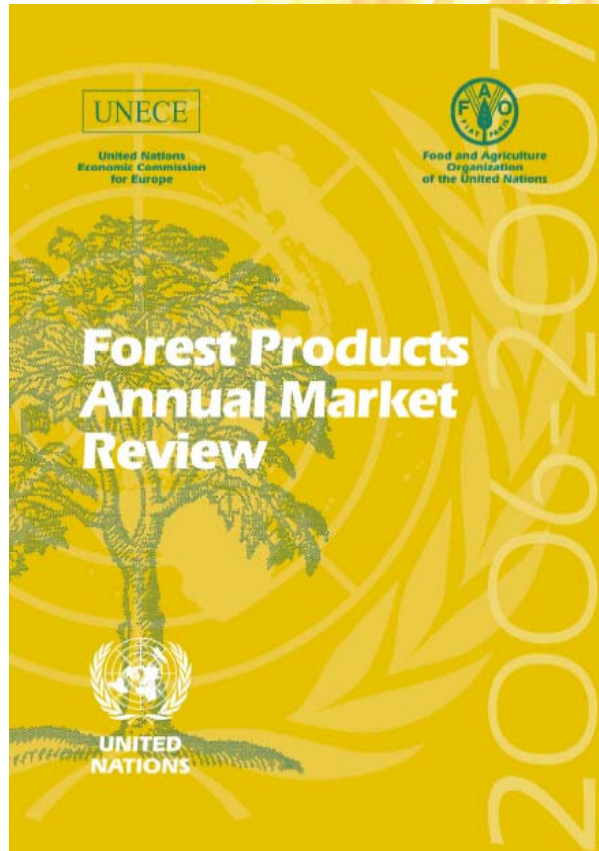


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UNECE/FAO *Forest Products Annual Market Review, 2006-2007*



- Produced summer 2007
- On website in July
- Printed on 4 September
- Earliest ever!
- Russian & French coming
- Executive summaries available in E, F & R



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Thanks to the Geneva Review Team !

- Olli Kaukonen & Leila Räsänen – Assistants
- Tech reviews: Douglas Clark, Sebastian Hetsch, Jan Eirik Kjeldsen
- Alex McCusker – Statistics
- Matt Fonseca – Layout
- Lindsey Farquharsen – Proofreading
- Sefora Kifle – Prices
- Cynthia de Castro – Administration



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And thanks to all contributors

- Kit Prins & Arvydas Lebedas – Technical reviews
- Authors from Team of Specialists on FP Markets
- Christina O'Shaughnessy – Editing
- National statistical correspondents
- Contributors of information
- 53 people worked directly on the *Review*
- Plus translators, printers, distribution, sales



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Thanks for joint market discussions to:

- ISC organizers & steering committee
- European Softwood Association (UCBR)
- Belgium Timber Importers Federation
- European Organization of Sawmilling Industry
- European Confederation of Woodworking Industries (CEI-Bois)
- TC and ISC delegates
- Timber Section support staff
- Schenker support



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Joint country market statements

- National policy measures affecting forests and forest products markets
- Developments in forest products markets sectors (major emphasis)
- Market drivers
- Economic trends affecting the forest and forest industries sector
- Tables of forecasts and economic info
- Paper copies & on web
- 25



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Joint country forecasts for 2007 & 2008

- Roundwood
 - sawlogs, pulpwood, residues, woodfuel
 - Production, consumption, trade
- Sawnwood (softwood & hardwood)
- Panels
- Paper, paperboard, pulp
- Tables in your folders, will be on web
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Outcomes of the market discussions

- TC Market Statement
- Market press release (TC, ISC separately)
- Information to joint TC and European Forestry Commission website
 - Forecasts
 - Presentations
- Theme for 2008



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TC & ISC are invited to:

- Discuss softwood market & policy developments
- Discuss wood energy markets, policies, & more wood mobilization
- Draft a market statement
- Comment on *Forest Products Annual Market Review, 2006-2007*



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Highlights of the *Review*

- “Wood energy policies and markets reshaping entire forest sector” – main title
- UNECE region consumption of wood and paper products at record volumes in 2006
- US housing construction decline drags down North American forest products markets
- Stronger European and CIS markets



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Highlights of the *Review* (continued)

- Government policies accelerate wood energy
- Industry demand for wood increasing
- Mobilization of more wood affects entire sector
 - Short-term consequences
 - Long-term opportunities
- Focus of Wednesday's Policy Forum too



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Highlights of the *Review* (continued)

- Certified forest area reaches almost 300 million ha
- Most in UNECE region
- Not only forests and wood products certified
 - Wood fuel
 - Non-wood forest products



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Highlights of the *Review* (continued)

- China leads world in roundwood imports
- China leads world in furniture exports
- Stimulates UNECE region trade
 - Export destination
 - Import source, with localized effects



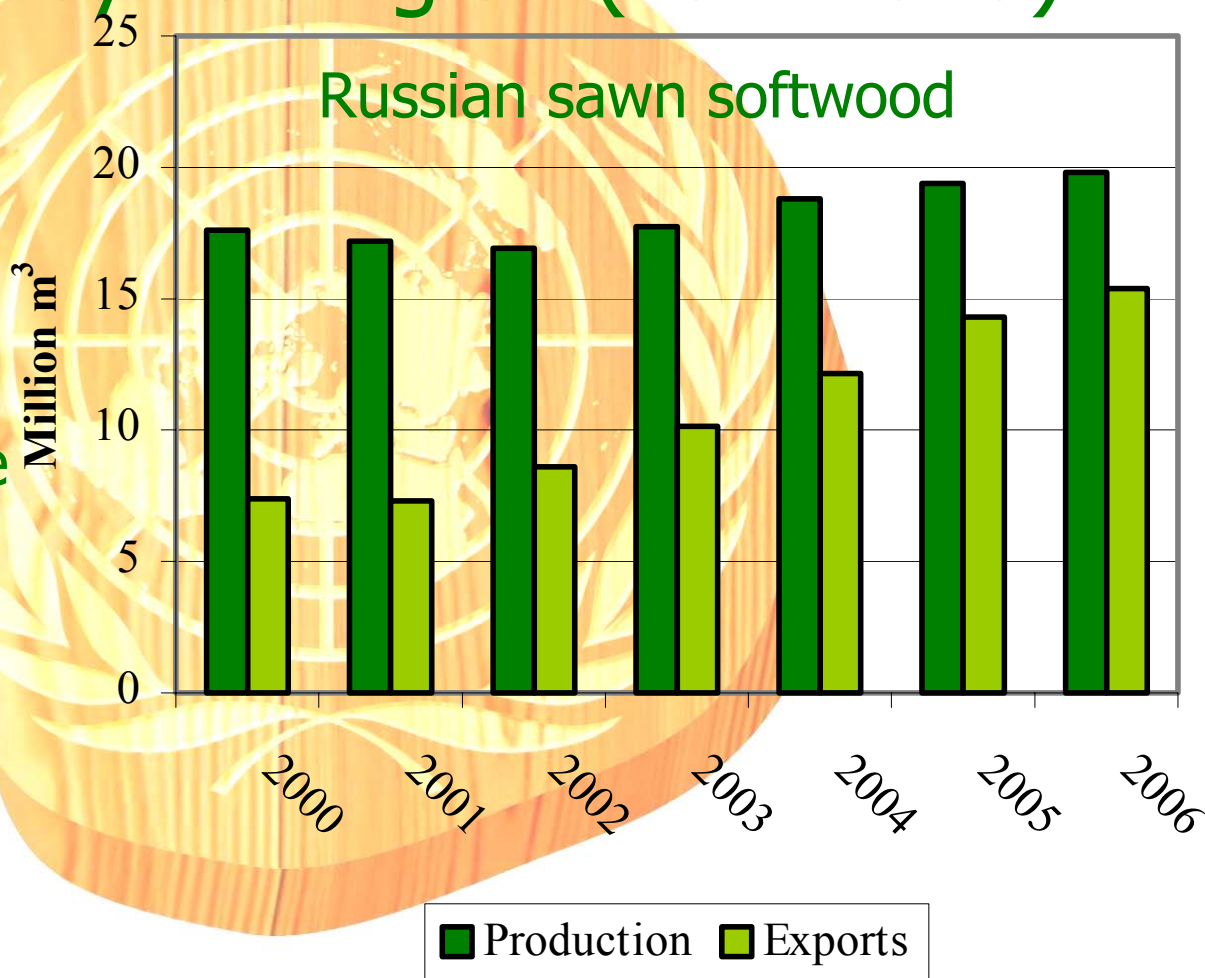
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Highlights by subregion (continued)

- Russia
 - New Forest Code
 - Aims to improve entire Russian forest sector
 - Rising export taxes on roundwood
 - Start-up complications



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Highlights of the *Review* (continued)

- North America
 - Weak production and trade
 - Weak prices
 - Imports decrease
 - Off shore exports increase
 - US-Canada Softwood Lumber Agreement resolved...



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Highlights of the *Review* (final)

- Europe
 - Strong growth in sawn softwood production, consumption
 - Log shortage resolved with higher prices & storm
 - Sawnwood prices escalating
 - Production capacity increases with demand
 - German softwood production up 12% in 2006 and roundwood production up 9%.



Game rules for speakers

- Schedule is tight!
 - Be ready, come to head table ahead
 - Don't exceed allotted time
- Green card = 5 minutes left
- **Yellow warning card = 1 minute left**
- Red card = **STOP !**



From the secretariat and organizers

- Fruitful market discussions
- Excellent networking opportunities
- Pleasant experience at the European UN HQ
- Nice stay in Geneva
- And regular, joint market discussions, as true success will be if we meet again!



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Next speaker

- Dr. Jim Bowyer
- Co-author of *Review* chapter on market & policy developments with Dr. Helmuth Resch and Ms. Franziska Hirsch
- Professor Emeritus, University of Minnesota
- Director, Responsible Materials Program, Dovetail Associates
- Chairman, Tropical Forest Foundation



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