



Timber Committee
Economic Commission for Europe

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Sawn Hardwood markets

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History:

until 1995: strong domestic hardwood markets in the traditional hardwood producing countries of Europe, such as France, Belgium, Germany, Switzerland and Austria.

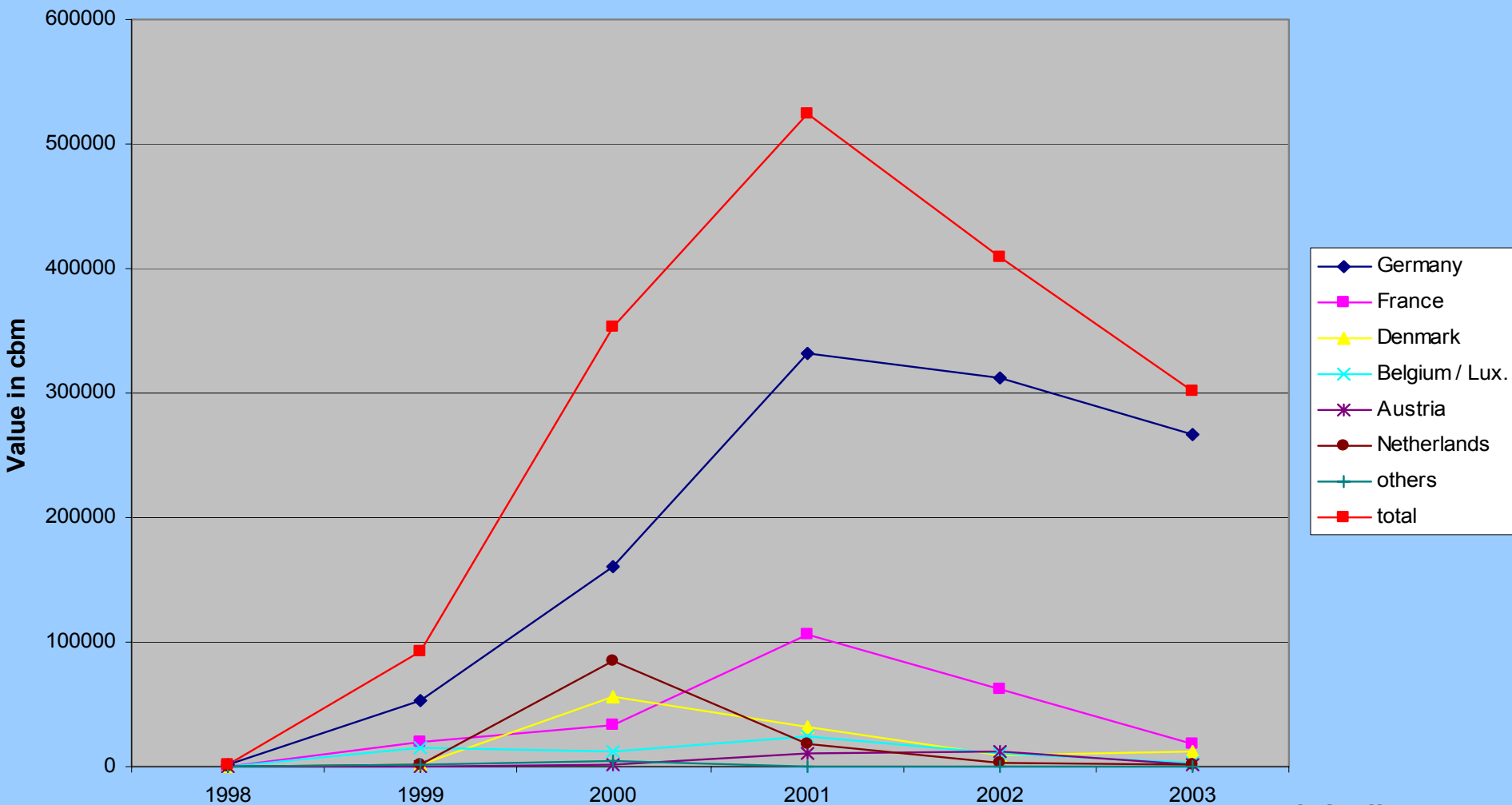
1995-2000: Export-sales of sawn European beechwood and high quality logs increase to Asia in huge quantities. Since 1996 high subsidized hardwood sawmills in East-Germany and Austria with capacities of 100.000 – 400.000 cbm per year were realized.

Dec. 1999: Storm „Lothar“ causes 100 thousands of cubic meters hardwood-logs (mainly beech) in France and South-Germany.
Exports of sawlog-quality in big quantities from France, Belgium, Netherlands and Germany to China.
Production-capacity of hardwood-lumber grows up to a high level.



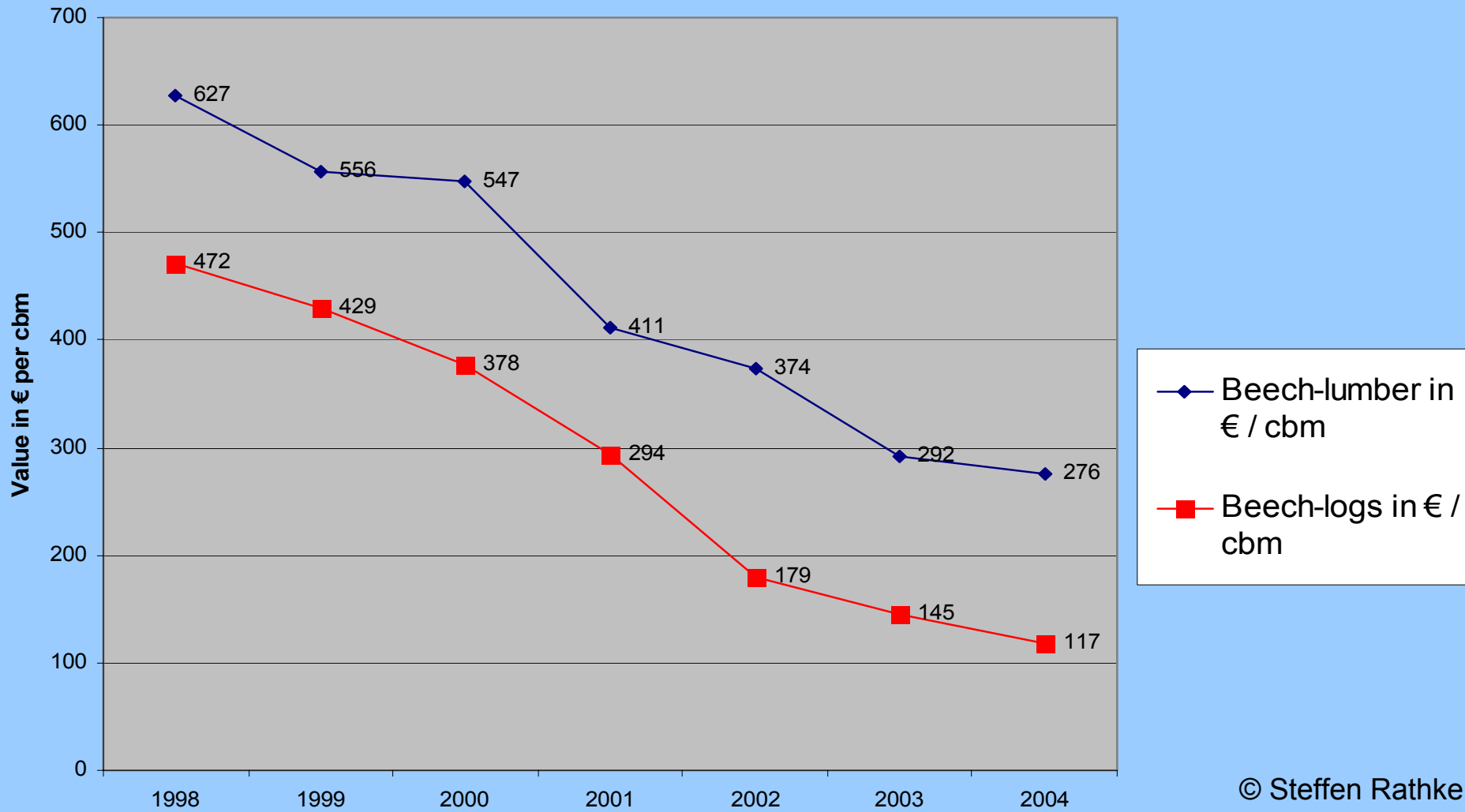
2001 – 2004:

Beech-logs export to China



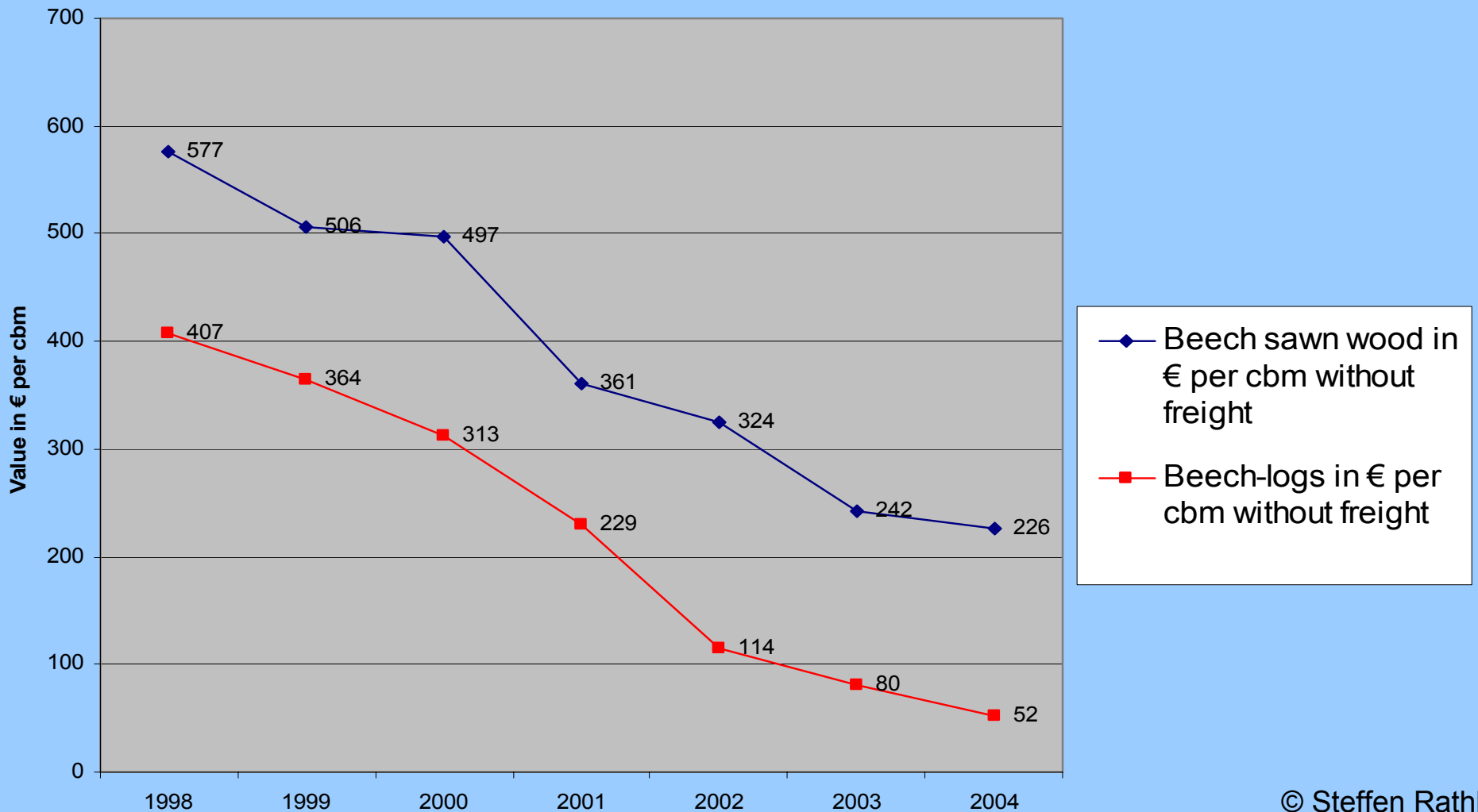


Export-prices of German Beechwood to China incl. freight



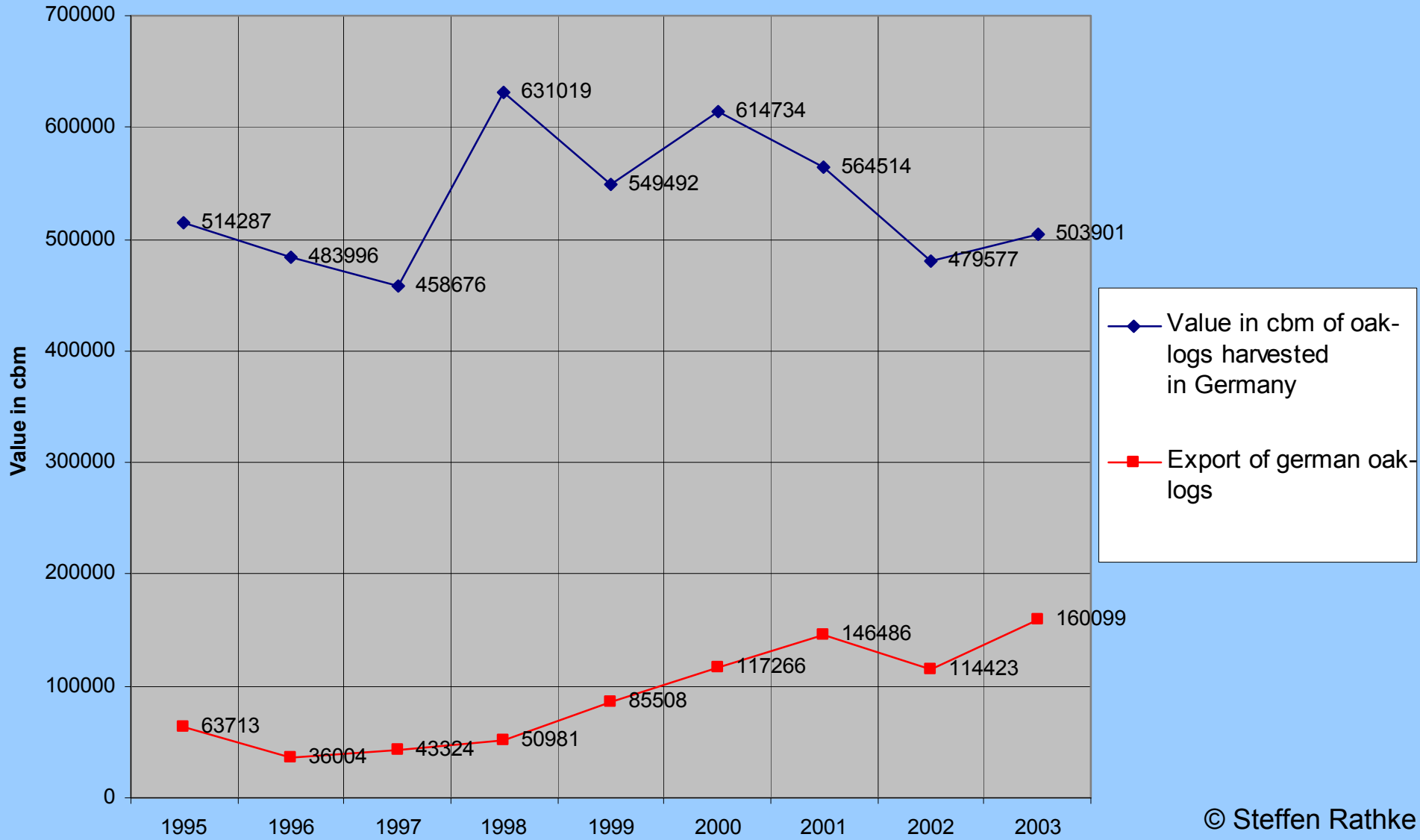


Beech export to China without freight costs





Oak-logs cut in Germany





2000 – 2004: Hardwood-sawmills with a capacity of about 450.000 cbm/year went bankrupt in France, Germany and Austria.

Paralell two big subsidized hardwood-sawmills in East-Germany and Austria are coming into the market with a capacity of about 600.000 cbm/year.

Indirect subsidized of Volume-Hardwood-Sawmills based on log-contracts under market prices.

2005: Short-dated-stop of log exports to China caused by phytosanitary certificate problems with oak-logs.
New phytosanitary specification for hardwood-logs to China:

1. HT 71°C in center of logs within 75 min.
2. 90 days under water
3. Fumigation with Methylpromid
4. Fumigation with Sulfurylfluorid
5. Debarking and inspection certificate against insect holes



In principle log export ban in the next 6 month
to China from

Germany !

France ?

Belgium ?

Netherlands ?

Denmark ?



European Hardwood-Market, today:

- High demand in hardwoods to Poland, CZ, SLO, Baltic States
- Non-EU-countries in East-Europe with rising log-prices in hardwoods and shortage in availability of quantities
- Trend to oak / less demand in beech
- Production-capacity of furniture, stairs and flooring moves from Central-Europe to EU-East-Europe and Non-EU East-Europe
- Some factories even moved to Asia



Summary:

- 1.) Europe-Hardwood-Production-Countries need more cooperation in case of availability, utilization of resources, worth of resources and sales-strategy of european hardwoods worldwide.

- 2.) Stop of high-subsidized sawmills in Europe !
Why build new big sawmills with tax-money and distroy sawmills, which paid the taxes since generations ?

- 3.) 30 years ago Europeans learned the Africans to build sawmills and to export lumber in stead of exporting round logs.
Is Europe (Germany) today the Banana-Republic ?



- 4.) Does Europe need a new view in case of the tax-system to protect itself against the Asian price-offensive in furniture, flooring, wooden products etc., which are imported to the EU ?
How can we pay our social-systems in future without protection ?

- 5.) Europe has big resources of hard- and softwood, certified forests and availability of huge quantities.

Are we able to sell these resources for reasonable prices ?

Thank you for your attention !