

**“Forest Products Marketing - from principles to practice”  
a training workshop for the Balkans and South-East Europe  
3 – 6 April 2006, Novi Sad, Serbia & Montenegro**

**Conclusions and Recommendations of the Workshop**

**Introduction**

The Training Workshop on “Forest Products Marketing—from Principles to Practice”, held on 3-6 April 2006 in Novi Sad, Serbia and Montenegro, brought together participants from the following Balkan countries: Albania, Bosnia and Herzegovina, Croatia, Romania, Serbia and Montenegro and The former Yugoslav Republic of Macedonia. They represented forest owners associations, governments, industry and universities. The workshop began with an introduction to the principles of forest products marketing, followed by an overview of forest products markets in each country, the Balkan region and the UNECE region. Expert speakers from Europe and the United States presented tools for marketing. The final session examined marketing needs and opportunities for the countries in southeast Europe. Group discussions identified the issues and opportunities for building forest products marketing capacity. At the close of the workshop participants reached the following conclusions and drew up five recommendations.

**Conclusions of the workshop**

- Our countries have a significant and valuable
  - forest resource
  - skilled workforce
  - wood processing industry (though much of it would benefit from investment in improved technology).
- Per capita consumption is rising, although the UNECE/FAO European Forest Sector Outlook Study projects that this region will lag behind other parts of Europe and the CIS.
- Before the break-up of the former Yugoslavia, our region benefited from harmonized legislation. . If this could be re-established through cooperation between the states, for example, in enacting harmonious, enforceable legislation to prevent illegal logging and trade of illegally derived forest products, it would help greatly to strengthen the sector throughout the entire region.
- Certification of sustainable forest management could lend the region a competitive advantage: Croatia’s experience could be helpful in this respect.
- The adoption of modern marketing techniques, including for example, eBusiness would also be of benefit in enhancing the region’s competitiveness.
- Barriers to trade exist between countries in the region: one approach to overcome them would be harmonization of legislation and another would be the establishment of a free trade area.
- Private forestland owners will increase in importance, and they need empowering for development of the forest sector, for example through associations which provide marketing information.
- Attracting foreign investment will require close regional cooperation: presenting the region’s combined resources and strengths will assist with this.
- Competition between the countries within the region does not reduce the threats from imports from China nor exports of low-cost roundwood to the region’s traditional markets in the Middle East from CIS suppliers.
- Formerly centralized planning produced large scale, often uneconomic industries, however nowadays, industry fragmentation constrains sector development.

- Stronger action is needed to integrate Albania because of poor transport links and a different language.
- The development by our countries of common quality standards for wood and non-wood products would facilitate trade and improve industry efficiency.
- The setting up of an overall forest sector government council would be immensely helpful to the forest and forest products sectors to implement common approaches to resource management, certification, market information, promotion, fundraising and modernization.

**Recommendations** (not prioritized)

- A. Establish a common marketing information system covering all the countries in the region, with different levels for government, education, private forest owners and the wood processing industry.
- B. Initiate a coordinated, region-wide promotional campaign, targeted at improving the image and sound use of wood, including its environmental advantages, for the economic benefit of the entire region including, ideally, Romania and Bulgaria.
- C. Set up strong industry associations. (Currently there is no legal provision to allow such associations to be registered.)
- D. Conduct a follow-up marketing workshop on practical principles and tools to train-the-trainers. Some topics to include long-term assistance, strategy development, new market penetration and emerging competition.
- E. Develop markets for non-wood forest products and services, including recreation and ecotourism.