# CONTENTS

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preface</td>
<td></td>
<td>vii</td>
</tr>
<tr>
<td>Acknowledgements</td>
<td>viii</td>
<td></td>
</tr>
<tr>
<td>Contributors to the publication</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Statistical correspondents</td>
<td>xii</td>
<td></td>
</tr>
<tr>
<td>Data sources</td>
<td>xiv</td>
<td></td>
</tr>
<tr>
<td>Explanatory notes</td>
<td>xv</td>
<td></td>
</tr>
<tr>
<td>Symbols and abbreviations used</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Chapter 1**

Forest products markets climb to new records in the UNECE region: Overview of markets and policies... 1

1.1 Forest products market developments, 2003 to 2004 2
1.2 Developments by product market sector 4
1.3 Special market topics 6
1.4 Policies affecting forest products markets 7
1.5 References 10

**Chapter 2**

Policy issues related to forest products markets in 2003 and 2004 11

2.1 Chapter overview 12
2.2 Forest law enforcement, governance and trade 12
2.3 Forest certification 13
2.4 Policies promoting the sound use of wood 13
2.5 Research and development policies 14
2.6 Industry competitiveness and investment policy 15
2.7 Climate change policy 15
2.8 Wood energy promotion policies 16
2.9 Trade policy and tariff and non-tariff barriers 16
2.10 Phytosanitary measures 17
2.11 Russia: developing a new forest code 17
2.12 References 18

**Chapter 3**

Continued strength in United States housing and growing strength in eastern European construction:

Economic developments influencing forest products markets in 2003 and 2004 19

3.1 Economic developments in 2003 20
3.2 Construction sector developments 24

**Chapter 4**

Roundwood consumption increases with higher wood products production: Wood raw material markets, 2003-2004 27

4.1 Introduction 28
4.2 EU/EFTA subregion 28
4.3 Other Europe subregion 29
4.4 CIS subregion 30
4.5 North America subregion 30
4.6 Raw material costs 31
4.7 References 32

**Chapter 5**

Riding the crest of the wave: Sawn softwood markets in 2003-2004 33

5.1 Introduction 34
5.2 EU/EFTA subregion 35
5.3 Other Europe subregion 36
5.4 CIS subregion 37
5.5 North America subregion 38
5.6 Outlook for 2004 and 2005 38
5.7 References 39
Chapter 6  Sawn hardwood markets show signs of recovery in 2003 and 2004 .................................................................41
  Introduction .........................................................................................................................................................42
  6.1 EU/EFTA subregion ........................................................................................................................................42
  6.2 Other Europe subregion ................................................................................................................................44
  6.3 CIS subregion ................................................................................................................................................44
  6.4 North America subregion ...............................................................................................................................45
  6.5 References ...................................................................................................................................................46

Chapter 7  2003 was the turning point in wood-based panel industries: Wood-based panels markets, 2003-2004 ..........47
  Introduction .........................................................................................................................................................48
  7.1 EU/EFTA subregion ........................................................................................................................................48
  7.2 Other Europe subregion ................................................................................................................................49
  7.3 CIS subregion ................................................................................................................................................50
  7.4 North America subregion ...............................................................................................................................50
  7.5 References ...................................................................................................................................................52

Chapter 8  Consumption climbs in central and eastern countries, stagnates in the west: Markets for paper, paperboard and woodpulp, 2003-2004 .................................................................53
  Introduction .........................................................................................................................................................54
  8.1 Global and regional trends ...............................................................................................................................54
  8.2 EU/EFTA subregion ........................................................................................................................................55
  8.3 Other Europe subregion ................................................................................................................................56
  8.4 CIS subregion ................................................................................................................................................57
  8.5 North America subregion ...............................................................................................................................58
  8.6 Trade barriers still exist ..................................................................................................................................59
  8.7 References ...................................................................................................................................................60

Chapter 9  Public procurement policies boost demand: Certified forest products markets, 2003-2004 .........................61
  Introduction .........................................................................................................................................................62
  9.1 Introduction ...................................................................................................................................................62
  9.2 Supply of CFPs ..............................................................................................................................................62
  9.3 Demand for CFPs ........................................................................................................................................64
  9.4 Policy issues ................................................................................................................................................66
  9.5 References ...................................................................................................................................................66

Chapter 10 European industry tackles policy issues to remain competitive: Value-added wood products markets, 2003-2004 .................................................................67
  Introduction .........................................................................................................................................................68
  10.1 Imports of value-added wood products in 2001 and 2002 ............................................................................68
  10.2 North American engineered wood products markets ................................................................................68
  10.3 European woodworking industry policies to enhance competitiveness ......................................................71
  10.4 References ................................................................................................................................................73

Chapter 11 Markets rise in the East: Tropical timber market trends, 2002-2003 .............................................................75
  Introduction .........................................................................................................................................................76
  11.1 Introduction ................................................................................................................................................76
  11.2 Export trends ..............................................................................................................................................76
  11.3 Import trends ..............................................................................................................................................78
  11.4 Tropical timber prices .................................................................................................................................80
  11.5 The illegal logging issue .............................................................................................................................81
  11.6 References ................................................................................................................................................81

Annexes .....................................................................................................................................................................83
LIST OF TABLES

1.1.1 Apparent consumption of sawnwood, wood-based panels and paper and paperboard in the UNECE region, 1999-2003 ................................................................. 3
1.3.1 Annual per capita wood products consumption, EU15 vs. Newest “EU10”, 2003 ................................................................. 7
3.1.1 Changes in real GDP in the developed market economies, 2002-2004 ................................................................. 21
3.1.2 Changes in real GDP in eastern Europe and the CIS, 2002-2004 ................................................................. 22
3.2.1 Value of installed US construction, 2002-2003 ................................................................. 25
4.2.1 Roundwood balance in EU/EFTA, 2002-2003 ................................................................. 29
4.3.1 Roundwood balance in other Europe, 2002-2003 ................................................................. 30
4.4.1 Roundwood balance in the Russian Federation, 2002-2003 ................................................................. 30
4.5.1 Roundwood balance in North America, 2002-2003 ................................................................. 31
5.2.1 Sawn softwood balance in EU/EFTA, 2002-2003 ................................................................. 36
5.3.1 Sawn softwood balance in other Europe, 2002-2003 ................................................................. 37
5.4.1 Sawn softwood balance in the Russian Federation, 2002-2003 ................................................................. 37
5.5.1 Sawn softwood balance in North America, 2002-2003 ................................................................. 38
6.2.1 Sawn hardwood balance in EU/EFTA, 2002-2003 ................................................................. 42
6.3.1 Sawn hardwood balance in other Europe, 2002-2003 ................................................................. 44
6.4.1 Sawn hardwood balance in the Russian Federation, 2002-2003 ................................................................. 44
6.5.1 Sawn hardwood balance in North America, 2002-2003 ................................................................. 45
7.1.1 Wood-based panels balance in EU/EFTA, 2002-2003 ................................................................. 48
7.2.1 Wood-based panels balance in other Europe, 2002-2003 ................................................................. 50
7.3.1 Wood-based panels balance in the Russian Federation, 2002-2003 ................................................................. 50
7.4.1 Wood-based panels balance in North America, 2002-2003 ................................................................. 51
8.2.1 Pulp, paper and paperboard balance in EU/EFTA, 2002-2003 ................................................................. 55
8.3.1 Pulp, paper and paperboard balance in other Europe, 2002-2003 ................................................................. 56
8.4.1 Pulp, paper and paperboard balance in the Russian Federation, 2002-2003 ................................................................. 57
8.4.2 Value of Russian paper and paperboard trade, 2000-2003 ................................................................. 58
8.5.1 Pulp, paper and paperboard balance in North America, 2002-2003 ................................................................. 59
10.1.1 Regions of origin of furniture imports for five top importing countries, 2001-2002 ................................................................. 69
10.1.2 Regions of origin of BJC imports for five top importing countries, 2001-2002 ................................................................. 70
10.1.3 Regions of origin of profiled wood imports for five top importing countries, 2001-2002 ................................................................. 71
11.1.1 Production and trade of primary tropical timber products, 2002-2003 ................................................................. 76

LIST OF GRAPHS

1.1.1 Apparent consumption of forest products by UNECE subregion, 1999-2003 ................................................................. 2
1.1.2 Exports of primary-processed wood products by UNECE subregion, 1999-2003 ................................................................. 4
2.5.1 United States Industrial wood productivity, 1990-2050 ................................................................. 14
3.1.1 Quarterly changes in real GDP, 2002-2004 ................................................................. 20
3.1.2 Exchange rate of the euro, January 2000-april 2004 ................................................................. 23
3.1.3 Real effective exchange rates of selected currencies, 2000-2004 ................................................................. 23
3.2.1 United States housing starts, 2001-2004 ................................................................. 24
3.2.2 United States housing floor area, 1986 and 2003 ................................................................. 24
3.2.3 European GDP vs. construction sector output,1999-2006 ................................................................. 25
3.2.4 European construction sector developments, 1999-2005 ................................................................. 26
3.2.5 Central and eastern European construction sector’s developments, 1999-2005 ................................................................. 26
4.1.1 Consumption of softwood roundwood in the UNECE region, 1999-2003 ................................................................. 28
4.1.2 Consumption of hardwood roundwood in the UNECE region, 1999-2003 ................................................................. 28
4.2.1 Industrial roundwood trade flows in the UNECE region, 1998-2002 ................................................................. 29
4.6.1 Delivered softwood sawlog prices in Europe, 1999-2003 ................................................................. 31
4.6.2 Delivered softwood sawlog prices in North America, 1999-2003 ................................................................. 31
4.6.3 Delivered hardwood sawlog prices, 1999-2003 ................................................................. 32
4.6.4 Delivered hardwood sawlog prices in Europe, 1999-2003 ................................................................. 32
4.6.5 Delivered softwood pulplog prices in North America, 1999-2003 ................................................................. 32
LIST OF FIGURES

10.2.1 Market expansion for EWPs depends on developing innovative uses.................................................. 72
10.2.2 I-beams hold a 45% share of the North American single-family housing market.................................. 72
PREFACE

Sustainable forest management has three components: environmental, social and economic. The economic component is closely dependent on forest products markets that must be economically viable if the sector is to be truly sustainable for the long term. Accurate, independent, reliable and timely information on, and analysis of, international trends, are vital for governments and other stakeholders in this sector to make their operational decisions and to formulate their policies. From their beginnings in the late 1940s, the UNECE Timber Committee and the FAO European Forestry Commission have placed high priority on monitoring and analysing forest products markets on the basis of statistics supplied by each member country.

The Forest Products Annual Market Review is the annual flagship publication of the UNECE/FAO integrated programme in the field of timber and forests, serving the Timber Committee and the European Forestry Commission. It analyses forest products market developments in the context of the surrounding political and economic environment within the UNECE region. It provides readers with the earliest comprehensive analysis on recent developments in the forest and forest product sector in the UNECE region and among its trading partners. This publication should be of use to experts and market actors as well as those responsible for policy formulation in the forest and forest industries sector.

Commensurate with both organizations’ priorities, UNECE and FAO are working to make the analyses they produce more relevant to policy makers and attempting to ensure that they are a stimulus and support to meaningful policy discussion in international fora. Current policy issues, many of a cross-sectoral nature, discussed in the chapter on “Policy issues related to forest products markets in 2003 and 2004” include:

- Forest law enforcement, governance and trade;
- Forest certification;
- Policies promoting the sound use of wood;
- Research and development related policies;
- Industry competitiveness and investment policy;
- Climate change policy;
- Wood energy promotion policy;
- Trade policy and tariff and non-tariff barriers;
- Phytosanitary measures; and,
- Russia – developing a new forest code.

This ability of UNECE and its partners to produce independent and policy-relevant analysis in the areas identified as priorities by member states and considered vital for the sustainable development of all countries in the region, demonstrates once again its continuing central position for international cooperation in the region. This year the policy analysis spans the entire forest and forest industries sector in preparation for the joint session of the Timber Committee, with its market orientation, and the European Forestry Commission, with its forest orientation. The annual Timber Committee Market Discussions on 5 October 2004 have the theme of “links between forest policy and market policy”, and this publication provides background for this forum.

This Review is the result of contributions by more than 40 experts and authors and their organizations, including sector experts, national correspondents, colleagues in partner organizations and members of the secretariats in Geneva and Rome. I offer my appreciation to all those who have contributed, directly or indirectly, to preparing this Forest Products Annual Market Review.

Brigita Schmögnerová
Executive Secretary
UN Economic Commission for Europe
ACKNOWLEDGEMENTS

The most enjoyable part of producing this Forest Products Annual Market Review, 2003-2004, is thanking the many people who directly or indirectly contributed to its production. While we mention some people below, we simultaneously acknowledge others working with them, or companies or institutions that made their time and travel funds available. The majority of the contributions for the Review were donated, although a few authors’ direct expenses were compensated.

In addition to those named below, numerous other experts helped on specific parts of the Review and their names are included in the following list of contributors. The analysis is based on statistics received from official country correspondents, who are also listed. For some data in the chapter on certified forest products, the UNECE Timber Committee and FAO European Forestry Commission established a network of officially nominated country correspondents on certified forest products markets and certification of sustainable forest management. Our sincere appreciation goes to these people without whose efforts we would not have been able to produce the Review.

In order of chapter number, we first acknowledge the external authors, then all those who helped from the secretariat.

The policy chapter was written by Jim Bowyer, Professor, Department of Bio-based Products, University of Minnesota, USA, and Ewald Rametsteiner, also a forest-sector policy expert, Institute of Forest, Environment and Natural Resources Policy, University of Natural Resources and Applied Life Sciences, Vienna, Austria. It was a pleasure to work together with them to analyse the current policies affecting today’s forest products markets. Dr. Rametsteiner is also a member of the UNECE&FAO Team of Specialists on Forest Products Markets and Marketing.

Our thanks also to Dieter Hesse, Chief, Macroeconomics and Structural Studies Section, UNECE Economics Analysis Division, who reviewed the economic overview chapter. The construction section of the economic background chapter was written by Al Schuler, Research Economist, Northeast Forest Experiment Station, USDA Forest Service, Princeton, West Virginia and Craig Adair, Director, Market Research, APA-The Engineered Wood Association, Tacoma, Washington. Dr. Schuler also is a member of the UNECE&FAO Team of Specialists on Forest Products Markets and Marketing. They again wrote the section on engineered wood products markets in the value-added wood products chapter. The first part of the value-added products chapter was written by Jukka Tissari, Director, Division of Forest Industries and Markets, Indufor Oy, Helsinki, Finland. We complement the analysis of primary-processed products with indications of demand from secondary-processed products through the valuable work of these authors.

Håkan Ekström, President, Wood Resources International, wrote the wood raw materials chapter analysis. He is Editor-in-Chief of Wood Resource Quarterly and the North American Wood Fiber Review, two publications tracking worldwide wood fibre markets, including prices. He, in turn, worked with collaborators, who are also included in the contributors list. We thank all of them.

Our appreciation for the sawn softwood analysis goes to Henry Spelter, Research Forester, Timber Demand and Technology Assessment Research Work Unit, Forest Products Laboratory of the USDA Forest Service, Robert Kozak, Associate Professor, Department of Wood Science, University of British Columbia, Canada, and Nikolai Burdin, General Director, NIPIEIlesprom, Russian Federation, and former Chairman of the UNECE Timber Committee. We thank all of them for their insight into sawn softwood markets.

We thank Roderick Wiles, Broadleaf Consulting, United Kingdom, who wrote the sawn hardwood analysis. We sincerely appreciate support from the American Hardwood Export Council through David Venables, European Director, who also reviewed the chapter. Rupert Oliver, Editor, hardwoodmarkets.com, also contributed to the sawn hardwood chapter. Filip de Jaeger, Secretary General, CEI-Bois and European Federation of the Parquet Industry, was also a key contributor. We thank them all.

Eva Janssens, Economic Advisor, European Panel Federation, produced the wood-based panel chapter. She used the Federation’s recent Annual Report 2004 as a basis, as well as input on the Russian market from Dr. Burdin, who is also thanked above for his sawnwood contribution. Ms. Janssens is a member of the UNECE&FAO Team of Specialists on Forest Products Markets and Marketing. Jorge Nájera, Economic Affairs Officer, UNECE/FAO Timber Branch, also contributed to the analysis. We thank all these authors.

For the paper, paperboard and woodpulp chapter, four authors, representing the different subregions of the UNECE, contributed. First we thank Peter J. Ince, Research Forester, USDA Forest Service, US Forest Products Laboratory, who coordinated the production of the chapter. Dr. Ince was also a principal author for the North American subregional analysis. Subregional analyses came from Professor Eduard L. Akim, PhD, Saint Petersburg State Technological
University of Plant Polymers and the All-Russian Research Institute of Pulp and Paper Industry, Bernard Lombard, Recycling and Economics Manager, Confederation of European Paper Industries (CEPI) with statistical assistance by Eric Kilby, Statistics Manager, CEPI, and by Tomas Parik, Managing Director, Wood and Paper A.S. Both Dr. Ince and Mr. Spelter, sawnwood chapter author, work together in a research unit led by Ken Skog, Timber Demand and Technology Assessment Research Work Unit, Forest Products Laboratory, USDA Forest Service, whom we would also like to thank for enabling this continued cooperation. Both Dr. Ince and Professor Akim are members of the UNECE&FAO Team of Specialists on Forest Products Markets and Marketing.

Florian Kraxner and Ewald Rametsteiner, both from the Institute of Forest, Environment and Natural Resources Policy, University of Natural Resources and Applied Life Sciences, Vienna, Austria who are expert on certified forest products markets, continued analysing this sector. Our thanks go to both of them.

Another tropical timber assessment was made thanks to our colleagues in ITTO, Drs. Steve Johnson, Statistician/Forest Economist, and Michael Adams, Market Information Service Coordinator along with Masaki Miyake, Statistical Assistant. Their analysis is based on their Annual Review and Assessment of the World Timber Situation 2003 and updated with current market developments. Drs. Adams and Johnson are also members of the UNECE&FAO Team of Specialists on Forest Products Markets and Marketing.

A heartfelt thanks to Ulla Kyytäliä and Eliisa Ranta, who were our forest products marketing assistants throughout the summer production. They are both masters students at the University of Helsinki’s Department of Forest Economics. They conducted market research and produced all the graphics. In doing so they revised our Graphics Production System, Review Production Manual, Review Planning System and websites associated with the Review. These assistants are critical to the timely production of the publication and the effort is mutually advantageous. Their internships were facilitated by Heikki Juslin, Professor, and Pasi Paldanius, Assistant, Forest Products Marketing, Department of Forest Economics, University of Helsinki and Raija-Riitta Enroth, Senior Researcher, Finnish Forest Research Institute.


Alex McCusker (UNECE/FAO Timber Branch) validated and produced the statistics collected from the national statistical correspondents. Ronald Jansen, United Nations Statistics Division, provided the latest forest products trade statistics from Comtrade and Bruce Michie, Senior Researcher, EFI, validated the trade data and produced the database upon which we produced trade flow graphs and tables. Thanks to them all for our statistical base.

Matt Fonseca (UNECE/FAO Timber Branch) was responsible for the publication layout. Cynthia de Castro, (UNECE/FAO Timber Branch) performed all administrative duties. Sefora Kifle (UNECE/FAO Timber Branch) prepared price data and supported authors with documents and journals. T. P. Cherman, Consultant, was the principal copy editor. Christina O’Shaughnessy (Editor, Trade Development and Timber Division) and Douglas Clark (UNECE/FAO Timber Branch) also did some copyediting as well as proofreading of most of the publication. Thanks to all of them, and we welcome Mr. Clark to the Timber Branch and Review Team.

Initial technical reviews were done by Ed Pepke and Kit Prins (UNECE/FAO Timber Branch). We appreciate the supplementary reviews from the Forest Products and Economics Division of the FAO Forestry Department by Osamu Hashiramoto and CTS Nair.

This draft manuscript was completed on 6 August 2004. It is my pleasure to personally thank all members of the Team, and the many other contributors, for their devoted efforts in producing this year’s Forest Products Annual Market Review.
CONTRIBUTORS TO THE PUBLICATION

The secretariat would like to express our sincere appreciation for the information and assistance received from the following people in preparation of the Forest Products Annual Market Review. The base data for the Review were supplied by country statistical correspondents, who are acknowledged in a separate listing. We regret any omissions.

Martti Aarne, Finnish Forest Industries Federation, Finland
Craig Adair, APA – The Wood Engineered Association, United States
Michael Adams, ITTO, Japan
Eduard L. Akim, Saint Petersburg State Technological University, Russian Federation
Florian Borlea, Forest Research and Management Institute, Romania
Jim Bowyer, University of Minnesota, United States
Michael Buckley, World Hardwoods, United Kingdom
Nikolai Burdin, OAO NIPIELlesprom, Russia
Pierre-Marie Desclos, Forest Products Consultant, Italy
Ralf Dümmer, Ernährungswirtschaft, Germany
Dr. Ivan Eastin, Center for International Trade in Forest Products, University of Washington, United States
Håkan Ekström, Wood Resources International, USA
Raija-Riutta Enroth, Finnish Forest Research Institute, Finland
Jean Fayes, retired from Organisation Européenne des Scieries, France
Keith Forsyth, VELUX A/S, United Kingdom
Carl-Éric Guertin, Quebec Wood Export Bureau, Canada
Ben Gunneberg, Pan European Forest Certification Council, Luxembourg
Eric Hansen, Oregon State University, United States
Osamu Hashiramoto, Forestry Department, FAO, Italy
Dieter Hesse, UNECE, Switzerland
Peter Ince, USDA Forest Service, United States
Mr. Filip de Jaeger, CEI-Bois and European Federation of the Parquet Industry, Belgium
Hans Jansen, UNECE, Switzerland
Ronald Jansen, UN Statistics Division, United States
Eva Janssens, European Panel Federation, Belgium
Steve Johnson, ITTO, Japan
Heikki Juslin, University of Helsinki, Finland
Eric Kilby, CEPI, Brussels
Osamu Hashiramoto, Forestry Department, FAO, Italy
Antti Koskinen, Jakko Pöyry Consulting, Finland
Ulla Kyttälä, University of Helsinki, Finland
Robert Kozak, University of British Columbia, Canada
Florian Kraxner, Institute of Forest Sector Policy and Economics, Austria
Jean-Jacques Landrot, International Technical Tropical Timber Association, France
Marcus Larsson, Swedish Energy Agency, Sweden
Arvydas Lebedys, FAO Consultant, Lithuania
Nico Leek, Stichting Bos en Hout, Netherlands
Fengming Lin, Chinese Academy of Forestry, China
Bernard Lombard, CEPI, Brussels
Elina Maki-Simola, Eurostat, Luxembourg
Bruce Michie, European Forest Institute, Finland
Misaki Miyake, ITTO, Japan
Juha Mustonen, University of Helsinki, Finland
CTS Nair, Forestry Department, FAO, Italy
Sten Nilsson, International Institute for Applied Systems Analysis, Austria
Rupert Oliver, hardwoodmarkets.com, United Kingdom
Adele Olson, US Forest Service, United States
Lars Göran Olsson, Swedish Wood Association, Sweden
Heikki Pajuoja, Finnish Forest Research Institute, Finland
Pasi Paldanius, University of Helsinki, Finland
Tomás Parik, Wood and Paper, A.S., Czech Republic
Michael Poku-Marbora, University of Helsinki, Finland
Ewald Rametsteiner, Institute of Forest Sector Policy and Economics, Austria
Eliisa Ranta, University of Helsinki, Finland
Jukka-Pekka Ranta, Finnish Sawmills, Finland
Ryo Sasaki, Japan Wood-Products Information & Research Center, Japan
Volker Sasse, FAO, Hungary
Volker Schade, ZMP, Germany
Al Schuler, USDA Forest Service, United States
Jeff Serveau, Canadian Forest Service, Canada
Ken Skog, USDA Forest Service, United States
Henry Spelter, USDA Forest Service, United States
Russell Taylor, R.E. Taylor & Associates, Ltd., Canada
Jukka Tissari, International Trade Center, Switzerland
David Venables, American Hardwood Export Council, United Kingdom
Roderick Wiles, Broadleaf Consulting, United Kingdom
Nelson Y. S. Wong, International Forest List, Malaysia
Chuan Zhao, Japan Wood-Products Information & Research Center, United States
The national statistical correspondents listed below are the key suppliers of data for this publication. We are grateful for their essential contribution and their significant efforts in collecting and preparing the data. Complete contact information for the correspondents is provided in Forest Products Statistics, 1999-2003.¹

Martti Aarne, Finnish Forest Research Institute, Finland
Ashot Ananyan, National Statistical Service, Armenia
Djanbulat Baijumanovich, National Statistical Committee, Kyrgyzstan
Ramazan Baly, General Directorate of Forestry, Turkey
Anna Margret Björnsdottir, Statistics Iceland, Iceland
Prof. Nikolay Alexeevich Burdin, OAO NIPIEIlesprom, Russian Federation
Josefa Carvalho, Instituto Nacional de Estatistica, Portugal
Lydia Denisova, Information and Computer Center of the Agency on Statistics of the Republic of Kazakhstan
Maxhun Dida, Directorate General for Forestry and Pastures (DGFP), Albania
Elisabeth Draelants, Institut National des Statistiques, Belgium
Simon Gillam, Forestry Commission, United Kingdom
Branko Glavonjic, University of Belgrade, Serbia and Montenegro
Johannes Hangler, Federal Ministry for Agriculture, Forestry, Environment and Water Management, Austria
Eugene Hendrick, COFORD (National Council for Forest R&D), Ireland
Hermann Huckert, Federal Ministry of Consumer Protection, Food and Agriculture, Germany
Aristides Ioannou, Ministry of Agriculture, Natural Resources and Environment, Cyprus
Constanta Istratescu, National Institute of Wood (INL), Romania
Henrik Jorgensen, Ministry of the Environment, Danish Forest and Nature Agency, Denmark
Surendra Joshi, National Board of Forestry, Skogsstyrelsen, Sweden
Astri Kløvstad, Statistics Norway - Statistisk sentralbyrå, Norway
Prof. Andrius Kuliesis, State Forest Survey Service (SFSS), Lithuania
Mikhail V. Kuzmenkov, Committee of Forestry of the Council of Ministers, Republic of Belarus
Nico A. Leek, Probos, Netherlands
Luciano Marletta, Ministero delle Politiche Agricole e Forestali, Italy
Michel Morel, Ministère de l'Agriculture, de l'Alimentation, de la Pêche et des Affaires Rurales, France
Darko Motik, University of Zagreb - Faculty of Forestry, Croatia
Yuri M. Ostapchuk, State Committee on Statistics, Ukraine
Arvids Ozols, Ministry of Agriculture, Latvia
Andras Pluzsik, State Forest Service, Hungary
Tomaz Remic, Ministry of Agriculture, Forestry and Food, Slovenia,
Jeffrey Serveau, Natural Resources Canada, Canada
José María Solano Lopéz, Ministry of Environment, Spain
Václav Stránský, Ministry of Agriculture, Czech Republic
Włodzislaw Strykowski, Wood Technology Institute, Poland
Rafael S. Suleymanov, State Statistical Committee of the Azerbaijan Republic

¹ Forest Products Statistics is available at www.unece.org/trade/timber/mis/fp-stats.htm
Roman Svitok, Forest Research Institute (LVU), Slovakia
Dimitris Vakalis, Ministry of Agriculture, Greece,
Mati Valgepea, Estonian National Centre of Forest Protection and Silviculture, Estonia
David Walker, Swiss Agency for the Environment, Forests and Landscape, Switzerland
Thomas Westcot, U.S. Department of Agriculture, United States
Frank Wolter, Direction des Eaux et Forêts, Luxembourg
Hasan Zolic, Agency for Statistics of Bosnia and Herzegovina, Bosnia and Herzegovina
DATA SOURCES

The data on which the Forest Products Annual Market Review is based are collected from official national correspondents through the FAO/ECE/Eurostat/ITTO Joint Forest Sector Questionnaire, distributed in April 2004. Within the 55-country UNECE region, data for the 19 EU and EFTA countries are collected and validated by Eurostat, and for other UNECE countries by UNECE/FAO Geneva.

The statistics for this Review are from the TIMBER database system. As the database is continually being updated, any one publication’s analysis is only a snapshot of the database at that particular time. The database and questionnaires are in a state of permanent development. Data quality differs between countries, products and years. Improvement of data quality is a continuing task of the secretariat, paying special attention to the CIS and central and eastern European countries. With our partner organizations and national correspondents, we strongly believe that the quality of the international statistical base for analysis of the forest products sector is steadily improving. Our goal is to have a single, complete, current database, validated by national correspondents, with the same figures available from FAO in Rome, Eurostat in Luxembourg, ITTO in Yokohama and UNECE/FAO in Geneva. We are convinced that the data set used in the Review is the best available anywhere as of July 2004. The data appearing in this publication form only a small part of the total data available. Forest Products Statistics will include all of the data available for the years 1999-2003. The TIMBER database is available on the Market Information Service of the joint Timber Committee and European Forestry Commission website at www.unece.org/trade/timber/mis.htm.

The secretariat is grateful that correspondents provided actual statistics for 2003 and, in the absence of formal statistics, their best estimates. Therefore all statistics for 2003 are provisional and subject to confirmation next year. The responsibility for national data lies with the national correspondents. The official data supplied by the correspondents account for the great majority of records. In some cases, where no data were supplied, or when data were confidential, the secretariat has estimated figures to keep region and product aggregations comparable and to maintain comparability over time. Estimations are flagged within this publication, but only for products at the lowest level of aggregation.

In addition to the official statistics received by questionnaire, trade association and government statistics are used to complete the analysis for 2003 and early 2004. Supplementary information came from experts, including national statistical correspondents, trade journals and internet sites. Most of these sources are cited where they occur in the text, at the end of the chapters, on the list of contributors and in the annex reference list.

---

2 Correspondents are listed with their complete contact details in “Forest Products Statistics, 1999-2003”. 
EXPLANATORY NOTES

“Apparent consumption” is calculated by adding a country’s production to imports and subtracting exports. Apparent consumption volumes are not adjusted for levels of stocks because all countries cannot report stocks.

“Net trade” is the balance of exports and imports and is positive for net exports, i.e. when exports exceed imports, and is negative for net imports, i.e. when imports exceed exports. Trade data for fifteen European Union countries include intra-EU trade, which is often estimated by the countries. Export data usually include re-exports. Regional trade aggregates in tables include trade occurring between countries of the region.

The term “central and eastern European countries”, used exclusively for presentational convenience, includes Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Serbia and Montenegro, Slovakia, Slovenia, and The former Yugoslav Republic of Macedonia.

As in last year’s Forest Products Annual Market Analysis, Europe has been split into “EU/EFTA” (19 countries) and “Other Europe” (22 countries). For a breakdown of the regions please see the map in the annex. References to EU refer to the 15 countries in the EU in 2003 and not the 25 countries in 2004, unless specified.

The term “softwood” is used synonymously with “coniferous”. “Hardwood” is used synonymously with “non-coniferous” or “broadleaved”. More definitions appear in the electronic annex.

SYMBOLS AND ABBREVIATIONS USED

(Abbreviations spelled out in the text may not be listed again here.)

- nil or negligible
... not available
$ United States dollar unless otherwise specified
CEECs Central and eastern European countries (listed above in explanatory notes)
CIS Commonwealth of Independent States
CoC chain-of-custody
EFTA European Free Trade Association
EQ equivalent of wood in the rough
EU European Union (15 countries)
EWPs engineered wood products
FOB free on board
GDP gross domestic product
IMF International Monetary Fund
m² square metre
m³ cubic metre (solid volume of roundwood or processed product)
m.t. metric ton
NGO non governmental organization
PoC Taiwan Province of China
PPP purchasing power parities
RWE roundwood equivalent
SAR Hong Kong Special Administrative Region of China
UK United Kingdom
UNECE Economic Commission for Europe
US United States
USDA United States Department of Agriculture
WWF World Wide Fund for Nature
VAWPs Value-added wood products