



Wood Resources
International

WRI Premium Market Insights 2020

- a subscription service from Wood Resources International

European Softwood Lumber Exports

European lumber exporters have expanded their sales overseas from 30% to 45% over the past ten years, with Asia receiving a fifth of total exports in 2020, reports the Wood Resource Quarterly

Sawmills in several European countries have long been exporting large volumes of softwood lumber outside their domestic markets. Historically, most of the shipments were to neighboring countries on the continent, and only about 20% were shipped overseas to the Middle East/Northern Africa (MENA), the US, and Japan. In 2020, this share had grown to 45%, with shipments to China having expanded the most.

A combination of stagnant wood demand in Europe, readily available log supply in Northern and Central Europe, and a lack of forest resources available to supply domestic lumber manufacturers in major wood-consuming regions worldwide has created opportunities for sawmills in Europe to increase production and export outside Europe.

The four largest producers and exporters of softwood lumber in Europe are Sweden, Finland, Germany, and Austria. Together they produced just over 56% of Europe's total lumber production in 2019, and the international shipments by these "Top 4" accounted for about two-thirds of continent's total export volume. Over the past decade, this group has increased exports by about 20% to an estimated 36 million m³ in 2020, according to the Wood Resource Quarterly. Practically all of the expanded sales have been to overseas markets, predominantly China and the US, but also to several smaller markets in Asia, including India, South Korea, Taiwan, Vietnam, and Australia.

In 2020, over 65% of Finland's lumber exports have gone to markets outside Europe. However, Finland remains the only country in the "Top 4" that has not yet expanded into the massive US lumber market (see chart). Sweden and Germany have shipped about 45% of their lumber exports overseas. Austrian sawmills still predominantly sell to neighboring countries, with Italy, Germany, and Slovenia accounting almost 70% of their total export volumes during the first six months of this year.

China and the US, where about 50% of the world's traded softwood lumber is landing, have become important markets for European lumber producers the past decade. With both countries lacking the forest resources to meet future increases in demand for forest products, it is highly likely that European wood manufacturers will continue to expand their presence in these two enormous markets in coming decade.

*Interested in wood products market information from around the world? The Wood Resource Quarterly (WRQ) is a 70-page report, established in 1988 and has subscribers in over 30 countries. The report tracks **prices for sawlog, pulpwood, lumber & pellets** worldwide and reports on trade and wood market developments in most key regions around the world. For more insights on the latest international forest product market trends, please go to www.WoodPrices.com*

Contact Information

Wood Resources International LLC

Hakan Ekstrom, Seattle, USA

info@WoodPrices.com