

**THE NETHERLANDS
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Netherlands' Timber Trade Association, Royal VVNH
Ministry of Economic Affairs
Ministry of Infrastructure and the Environment

1. General economic trends affecting the forest industries sector

Dutch economy recovering

The Dutch economy is slowly recovering from the economic crisis. In 2014 GDP grew by 1.0%. According to calculations by Statistics Netherlands (CBS), the Dutch economy has grown by 0.6% in the first quarter of 2015 and 0.2% in the second quarter. The first is a result of the partial shift from production of natural gas to import, which is caused by the restriction imposed on natural gas production in the Netherlands¹. Compared to the year before the growth in the second quarter of 2015 was 1.8%. CPB (Netherlands Bureau for Economic Policy Analysis) forecasts the Dutch economy to grow by 2.0% in 2015 and 2.4% in 2016². The Dutch economy is finally recovering strongly from the economic crisis. This positive picture is in line with other EU countries, of which the Netherlands is in the forefront.

Export, domestic consumption and corporate investments contribute to growth

The cautious recovery of 2014 was mainly export driven with a growth of 4.0%. Exports are expected to increase by 3.7% and 5.1% in 2015 and 2016 respectively. Domestic industrial production increased by 1.9% in 2014 and is expected to pick up further in 2015 (2.9%) and 2016 (3.0%). In 2014 consumption of Dutch households remained at the same level as in 2013. Corporate investments (excluding housing) increased by 4.4%, which is an enormous difference to the decline of -2.9% in 2013. Both consumption and investments are expected to contribute to economic growth the coming years. Consumption of private households is expected to finally increase again, by 1.6% in 2015 and 1.9% in 2016 and investments are expected to increase by 6.7% in both years.

Unemployment remains high

Unemployment rates remain a point of concern. The number of unemployed persons increased to 660,000, which is 7.4% of the total labour force³. This percentage is expected to decrease to 6.7% in 2016. It should be noted however, that the total labour force will grow as a result of people entering the labour market that previously withdrew themselves because chances for obtaining a job were slim. Purchasing power increased by 1.4% in 2014 and is expected to increase by 1.0% in 2015. In 2016 however, expectations are negative with a decrease in purchasing power of -0.3%. After several years of high inflation (harmonised index of consumer prices), a sharp decrease is noted for 2014. Inflation dropped from 2.6% in 2013 to 0.3% in 2014. In 2015 and 2016 the inflation is expected to increase again to respectively 0.5% and 1.1%.

Housing market

After the sharp decline in completed house-buildings of approximately 40% from 2008 to 2012, in recent years the situation has stabilized. This is mainly the result of stimulating measures by the Dutch government and the low mortgage rates. The number of newly built houses completed in the first eight months of 2015 is 6% higher

¹ CBS, 2015. Economy grows despite shrinking production of natural gas. Press Release, 14 August 2015.

² CPB, 2015. Main Economic Indicators: most recent forecasts 2013-2016 (MEV, 15 September 2015). CPB, The Hague

³ Corrected in line with the international definition. The unemployment rate was 8.9% and 9.0% in respectively 2013 and 2014, according to the national definition.

than in the same period in 2014, but 1% lower than in 2013. Based on the figures of the first half of 2015, the total number of newly built houses this year will be just over 50,000. This is in line with the expectations of the EIB (Economic Institute for the Construction Sector). The EIB expects this production to keep increasing by 10% in 2016 and onwards. The number of house building permits granted in the first seven months of 2015 however, is 78% higher than in the same period in 2014. Resulting in a total number of 70,000 granted permits in 2015. In 2016 the number of building permits is expected to remain stable. Of course this doesn't mean that the housebuilding activities will increase by the same percentages, but it shows that the housebuilding sector is finally recovering. In addition, Statistics Netherlands reported the largest growth for the Dutch building industry in ten years for the first half of 2015. Turnover in the building industry increased by 25% in June 2015 compared to the year before.

2. Policy measures influencing timber trade and marketing

Sustainable procurement policy

In the view of the Dutch government, public procurement of sustainably produced timber is very important to give timber producing countries a clear signal regarding consumers' willingness to purchase sustainably produced products at reasonable prices and thus increase such purchases. It also sets an example for semi-governmental organisations and the private sector to introduce sustainably produced timber in their procurement criteria.

In June 2008 the Dutch government established its sustainable procurement policy. By implementing this policy the government intended to increase the use of sustainably produced products. Therefore all governmental organizations must use sustainability as an important criterion when purchasing goods. This way the Dutch government intends to stimulate the market for sustainable products and promote innovation within companies. Clear goals were set. As from 2010 the Dutch government has the ambition that all timber procured by central government should come from a sustainable source. Municipalities and provinces are aiming respectively at 100% of their purchases being sustainably produced by 2015.

Part of the sustainable procurement policy is a set of criteria for sustainably produced timber, the Dutch Procurement Criteria for Timber. Based on these criteria the government can assess whether the offered timber is produced sustainably. The Timber Procurement Assessment Committee (TPAC) was established at the end of 2007 by the Stichting Milieukeur (SMK) commissioned by the Ministry of Infrastructure and Environment (I&M). TPAC is responsible for the assessment of certification systems for sustainable forest management according to the Timber Procurement Assessment System (TPAS). The Procurement Criteria are structured into 3 categories: Sustainable Forest Management (SFM), Chain-of-Custody and Logo Use (CoC) and Development, Application and Management of certification systems (DAM). In addition, TPAC has developed a matrix for so-called meta-systems: Procedure on Acceptance of Certification Systems by a meta-system (PAC) like PEFC international.

Currently the Dutch government accepts FSC International and PEFC International as proof of sustainably sourced timber. Since June 2014 the MTCS forest certification system, which is part of PEFC International, has been temporarily accepted for a period of 2 years.

The Dutch State Secretary for Infrastructure and the Environment will decide whether MTCS-certified timber will be accepted permanently under the Dutch sustainable procurement policy before June 2016.

The website www.inkoopduurzaamhout.nl has been set up to support procurers and suppliers in their efforts to procure or supply sustainably produced timber.

EU Timber Regulation

More than two and a half years have passed since on March 3rd 2013 the EU Timber Regulation entered into force. In spring 2015 a biennial report was submitted to the European Commission on the application of this Regulation in the Netherlands during the previous two years. This report contained, amongst other things, information on

enforcement. Until February 2015 98 checks on operators had been undertaken by the Dutch Competent Authority, the NVWA. In 24 cases written warnings were issued for not having an adequate due diligence system. During re-inspections these systems proved to be adapted to meet the requirements of the EUTR. No penalties have been issued.

In September a consultation meeting was organised in the framework of the evaluation of the FLEGT action plan and the EU Timber Regulation. All stakeholders present, including the timber sector, supported the action plan and the EU Timber Regulation. NGO's as Greenpeace regularly reported to the NVWA about Dutch operators trading in suspicious timber. Last September a report was released on illegal timber from Cameroon. The NVWA will investigate the allegations.

Sustainable Energy Agreement

The Dutch Ministry of Economic Affairs agreed with key stakeholders like energy producing companies, environmental groups on promoting sustainable energy so that by 2020 the share of sustainable energy should reach 14% of the total domestic energy consumption. As energy from wind and sun are not able to meet this share a significant part must come from solid biomass, among which timber. The timber must originate from FSC certified forests or equivalent. This requirement is at the moment subject of discussion. A study on the impact of using wood for energy on sustainable forest management has been carried out in the framework of this agreement⁴.

In 2007 the Ministry of Economic Affairs has made an agreement with different branches in the agricultural industry to realize the production of 200 PJ sustainable energy in 2020. As part of this agreement the Dutch forest industry together with the ministry is planning all kinds of actions to stimulate the input of biomass from forestry, landscape plantations and from nature conservation areas. In 2009 the national government and the sector for nature, forest and landscape management and wood production (NBLH) have agreed to commit to work towards the availability of an amount of biomass which produces 32 petajoules (PJ) from this sector in 2020. An important part of this energy production is expected to come from woody biomass.

Green deal for promoting sustainable forest management

The Dutch Government wants to support and motivate people and organisations to start sustainable projects by means of so called "Green Deals"⁵. Government and industry have pledged to promote the use of sustainably produced timber in the Netherlands. As a part of this intention, the Green Deal for the Promotion of Sustainable Forest Management (Green Deal Bevorderen Duurzaam Bosbeheer) was signed the 20th of June 2013 in The Hague. 27 organisations signed this Green Deal, each with their own commitments. Trade in sustainably produced timber is a tool in conserving the goods and services forests provide. Forests help stabilize the world's climate, provide a habitat for plants and animals, maintain the water cycle, protect against flood, drought, and erosion, provide shelter for people, and are a source for medicines food, and non-timber forest products for many people. In the Green Deal, all parties have documented how they will promote the application of wood from sustainably managed forests in their constituencies. This ranges from awareness

4 http://www.rvo.nl/sites/default/files/2014/08/Analysis%20on%20possible%20IWUC%20effects%20caused%20by%20bio-energy_1.pdf

⁵ Green Deals are formal agreements between the government and other parties. These other parties are companies, civil society organizations, NGO's and other governments. The Green Deal helps to execute sustainable plans by trying to removing bottlenecks. These sustainable plans can for example be executed in the following areas, energy, climate, water, raw materials, biodiversity, mobility, bio-based economy, construction and food.

raising, providing information about practical matters such as certification, to monitoring of concrete results.

The website <http://bewustmethout.nl/green-deal/waarom-deze-green-deal> gives more background information on the Green Deal Promotion of Sustainable Forest Management (Dutch only).

3 Developments in Dutch forest products markets sectors

a) Wood raw materials

Removals from the Dutch forests in 2014 were 1,251,000 m³ under bark in total. This might be a slight underestimation as the removals for fuelwood in the Netherlands are not exactly known. The removals in 2014 were 12.9% higher than in 2013. Consumption of industrial roundwood increased by 14%. This increase is mainly caused by the consumption of pulpwood by producers of wood fibre products like animal bedding and wood pellets. Consumption of coniferous sawlogs in the Netherlands increased by 4% compared to 2013, while consumption of non-coniferous sawlogs decreased by 4%. After a number of years in which the share of export within the total removals from Dutch forests went up, in 2014 this share decreased slightly, to 42%. The export of pulpwood however, increased by 33%.

b) Wood energy

The share of renewable energy in the Netherlands increased from 4.8% in 2013 to 5.6% in 2014⁶. This increase of 0.8 percentage point is mainly (0.5 percentage point) caused by a reduction in the total energy consumption, while the energy from renewable sources remained at the same level. Taking this into account, the production of renewable energy has to increase substantially to reach the objective of 14% renewable energy in 2020⁷.

Total production of energy from biomass decreased by 14% in 2014 compared to 2013. Both wind and biomass had a share of 43% within the total production of renewable energy in 2014. Herewith, biomass is not the most important source of renewable energy in the Netherlands anymore for the first time. Biomass is mainly used in the production of electricity and heat in waste incinerations, co-firing in energy plants, domestic heating and as biofuel for road transport. The reduction in the use of biomass for renewable energy is mainly caused by a decrease in the co-firing of biomass (pellets) in energy plants (-30%).

Biomass fuels for the production of heat and energy can be generally categorized as wood pellets/wood chips, agricultural residues, residuals from the food and snack industry, bio-oil and animal waste. In 2014 approximately 2 million ton (dry matter) of woody biomass was used for the production of energy and heat in the Netherlands. 46% of this volume was produced in the Netherlands. Energy pellets have a share of almost 60% within this woody biomass consumption. The imported woody biomass mainly consists of energy pellets that are imported for co-firing in energy plants.

⁶ CBS, 2015. Renewable Energy in the Netherlands 2014. CBS, Den Haag.

⁷ <http://www.pbl.nl/en/topics/energy-and-climate-change/news/visible-energy-transition-in-the-netherlands>

c) Certified forest products

The market share of certified primary timber products (sawn wood and wood-based panels) on the Dutch market in 2013 was 74%, which corresponds to a volume of 3.77 million m³ roundwood equivalents under bark. This concerns primary timber and timber products (sawnwood and wood based panels) that meet the Dutch Procurement Criteria for Timber. Differences between the product groups are huge. While sawn softwood and wood-based panels both have a market share of respectively 80% and 79.7%, sawn tropical hardwood (40.4%) and sawn temperate hardwood (20.7%) are staying behind⁸. Results from an internal monitoring system of the Netherlands Timber Trade Association indicates a further increase in the market share within all products in the year 2014.

Timber traders in the Netherlands do however indicate that the fact that the EUTR became into force results in a lower demand for timber from certified sustainably managed forest. The fact that the EUTR assures that no illegal timber enters into the markets is a reason for their clients not to ask for certified sustainably produced timber.

d) Sawn softwood

After a period of decreasing imports and consumption since 2007 (see figure 2), the sawn softwood market in the Netherlands seems to recover in 2014. Both import and export increased, while the production grew slightly (2.5%). Imports of rough sawn softwood timber increased by 7%, while imports of further processed (planed) sawn softwood timber decreased by 1%. Rough sawn softwood has a share of 61% of the total softwood import. Stocks remained at a low level and are expected to stay at this level in the coming years.

Table 1

Key facts of the Dutch sawn softwood market

x 1000 m³

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Domestic Production	176	180	184	159	144	104	169	137	159	163
Net Imports	2,116	2,348	2,351	2,227	1,988	2,145	2,120	1,861	1,779	1789
Stock Change	139	-70	26	-32	-25	-50	0	-50	0	0
Apparent Consumption	2,153	2,598	2,509	2,418	2,157	2,299	2,289	2,048	1,938	1,952

Sources: Statistics Netherlands (CBS) / Netherlands Timber Trade Association (Royal VVNH)/ Probos

⁸ <http://www.probos.nl/images/pdf/bosberichten/bosberichten2015-03English.pdf>

Table 2
Sawn softwood import volumes for the top 10 import countries in 2014 (m³)

Countries	2013				2014				Sawn	Planed	Total
	Sawn	Planed	Total	% of total	Sawn	Planed	Total	% of total			
Sweden	223,110	319,623	542,733	25%	177,744	365,740	543,484	25%	-20%	14%	0%
Germany	205,871	248,126	453,997	21%	254,760	217,060	471,820	21%	24%	-13%	4%
Russia	276,620	9,171	285,791	13%	279,017	25,946	304,963	14%	1%	183%	7%
Finland	156,444	48,115	204,559	10%	171,166	34,397	205,563	9%	9%	-29%	0%
Latvia	131,866	51,717	183,583	9%	120,236	39,271	159,507	7%	-9%	-24%	-13%
Belgium	40,901	110,650	151,551	7%	74,790	82,475	157,265	7%	83%	-25%	4%
Poland	53,811	815	54,626	3%	69,546	1,155	70,701	3%	29%	42%	29%
Belarus	41,742	18,271	60,013	3%	38,623	18,659	57,282	3%	-7%	2%	-5%
Estonia	16,376	31,995	48,371	2%	8,606	23,600	32,206	1%	-47%	-26%	-33%
Lithuania	28,986	3,102	32,088	2%	25,084	2,457	27,541	1%	0%	-21%	-2%
Other(*)	81,838	39,080	120,918	6%	122,251	57,708	179,959	8%	45%	48%	46%
Total	1,257,565	880,664	2,138,229		1,341,823	868,467	2,210,290		7%	-1%	3%

*Other: This group consists of 36 countries with exports to the Netherlands of less than 30,000 m³ (Source: CBS)

The order of the top ten countries for softwood import in the Netherlands hasn't changed much between 2013 and 2014 (table 2). Sweden and Germany remain by far the foremost suppliers of softwood timber to the Netherlands. The total import volume from Sweden stabilized, but the share of rough sawn softwood has increased within the imports from Sweden. The volume from Germany on the contrary increased by 4%. Imports from Belarus increased by more than 25% for the second year in a row. Poland shows a large drop in the imported volume (-33%). The current economic sanctions set by the EU and Russia do not seem to affect the softwood import from this country, as the volume grew again (7%). Latvia and Estonia both show a decrease in import volume of 10% or more for the second consecutive year.

e) Sawn hardwood (temperate and tropical)

The consumption of hardwoods in the Netherlands has shown a gradual decrease from the beginning of the 21st century. In 2014 an other decrease of 8% compared to 2013 was recorded. The decrease is caused by a reduction in the net-imports. The import and consumption of tropical hardwoods in 2014 have both decreased by 10%. In 2015 and 2016 the market is expected to show a slight increase in consumption. The share of further processed/optimized tropical sawnwood is increasing in the Dutch joinery industry resulting in more demand for timber from Asian producing countries.

The prospects within the Dutch market for (tropical) hardwoods are a lot better than in the years before. The construction sector is recovering and demand from the DIY sector is picking up too. The market for temperate hardwoods is expected to benefit from the recovery of the construction sector from 2016 and onwards. As interior products and furniture are bought at the end of the construction cycle. According to the business survey of Statistics Netherlands over the first 9 months of 2015 the companies in the Dutch timber industry and the furniture industry reported an increase in the number of received orders of 29% and 32% on average respectively. Based on this they are very positive concerning the general economic condition as well. The companies in the Dutch timber industry report a 25% increase in turn-

over in the second quarter of 2015 and expect a 19% increase in turnover for the third quarter. The furniture industry reports a 19% increase in the turnover in the first quarter, but a stabilization for the third quarter of 2015.

The Dutch traders of (tropical) hardwoods do experience these positive developments within their market segments and as such do expect slight increases in consumption for both 2015 and 2016.

Traders in temperate hardwoods notice that their clients do choose temperate hardwoods instead of tropical hardwoods for flooring and interior design in order to avoid any issues concerning the EUTR.

Table 3

Key facts of the Dutch sawn hardwood market

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Domestic Production	103	86	87	84	66	59	69	53	59	66
of which tropical	19	19	20	18	12	10	11	7	5	11
Net Imports	492	511	492	469	310	321	268	276	231	201
of which tropical	359	381	370	349	239	229	196	194	172	148
Apparent Consumption	595	597	579	553	376	380	337	329	290	267
of which tropical	378	400	390	367	251	239	207	201	177	159

Sources: Probos, Statistics Netherlands (CBS)

f) Wood-based panels (particle board, fibreboard and MDF, OSB, plywood)

The market for wood-based panels seems to have stabilized. The imports of plywood are back on the 2012 level and indicating signs of recovery. The decrease in the consumption of tropical plywood continued in 2014 as in the five years before. Tropical plywood, especially meranti, is increasingly being replaced by non-tropical timber species. As a consequence the demand for tropical plywood by the professional market is stable or slightly decreasing, but the demand from DIY stays the same or even improves.

Imports of particle board further decrease in 2014, but consumption is expected to pick up in 2015. Imports of MDF have stabilised, but consumption of MDF has increased by 4% in 2014

The overall forecast by representatives from the Dutch wood-based panel importers is that 2015 and 2016 will show moderate growth compared to the current situation. In 2015 the demand for plywood in general has increased especially in the first half of the year. For 2016 a slightly lower growth is forecasted. The consumption of particle board is expected to have stabilise or slightly increased in 2015 for 2016 a growth of 10% is expected compared to 2015. The imports as well as consumption of MDF is expected to show 5% growth in both 2015 and 2016. The demand for softboard will stay the same or will slightly increase due to a stable demand for subflooring.

g) Pulp and paper

The production and turnover within the Dutch paper and board industry seem to have stabilized since the economic crises. While total paper production went down 0.6% to 2.77 million m.t. accounting for 95% of the total production capacity, the turnover increased slightly by 0.2% to EUR 1,809 million. The reduction in production lays slightly below the European average, but it should be kept in mind that the Dutch industry was one of the few to show a growth in production between 2012 and 2013. Signs for the near future are positive too. One of the reasons for this is that the paper and board industry in the Netherlands is one of the leading sectors in recycling and energy reduction. This is due to the large collection of waste paper by consumers and the biobased production process. Export

accounted for 80% of the total production. Germany remains to be the most important export country (29%), followed by Belgium (12%), the UK (11%) and France (8%).

Paper and board producing factories in the Netherlands almost solely produce paper and board from recovered paper and/or imported pulp. From the total of 23 factories in the Netherlands there is only one factory that is producing mechanical wood pulp for the production of board for folding boxes. The species used are Poplar and Norway spruce. Next to virgin fibres, this factory also consumes recovered paper.

In 2013 71% of the imported market pulp that was certified sustainably (FSC or PEFC) sourced⁹.

Year	X 1000 m ³ round wood equivalents under bark								
	2006	2007	2008	2009	2010	2011	2012	2013	2014
<i>Round wood</i>	95	99	95	75	49	49	50	50	48
<i>Chips</i>	188	194	261	124	28	44	58	62	66
<i>Market pulp</i>	3,304	3,076	2,456	2,008	2,060	1,884	2,148	2,080	2,233
<i>Recovered paper</i>	7,625	7,498	7,257	6,507	7,170	7,017	6,955	7,170	7,179
Total fibre input	11,212	10,574	9,713	8,515	9,230	8,994	9,211	9,362	9,544

Source: Probos, Royal VNP

In 2014 the total number of employees in the paper and board industry decreased by 2.8% compared to 2013 and reached the number of 3,957 employees. As a result of improving labour productivity in the last decade and closure of mills, the number of employees in the industry in the Netherlands already decreased by almost 31% since 2005. This refers to personnel operating the paper and board producing machinery.

In 2004 the Dutch paper and board industry, together with the Ministry of Economic Affairs, launched the Energy Transition in the Paper Production Chain. The aim of this program is: "To halve the energy consumption per unit end product in the production chain by 2020". This challenge is translated by relating energy savings with reduction of CO₂-emissions, cost efficiency, international competition and re-use of raw materials. In 2009 a new energy agreement has been signed between the paper and board industry and the government. The aim of this agreement is to improve the energy efficiency in production and the value chain. The results for 2011 show that the Dutch paper and board industry has realised a reduction in the energy use within the production chain and -process of 20,2% compared to 2004. Energy reduction in 2013 compared to 2012 was 24%. Indicating that the industry is on schedule to meet the goal of 50% energy reduction in 2020. A book containing the results and lessons learned during the first half of the energy transition can be read through www.vnp.nl. In 2013 the Energy Transition goals were incorporated in the new innovation agenda Creating Sustainable Fibre Solutions 2014-2020 (CSF). The CSF focuses on:

1. Sustainability: The efficient use of energy and raw materials in order to reduce costs and to increase the sustainability of the paper and board industry;
2. Innovative products and services with a high added value: The Dutch paper and board industry can improve its competitiveness and its distinctiveness by striving for innovative products and innovations within the production chain with a high added value.

⁹

http://www.probos.nl/images/pdf/rapporten/Rap2015_Duurzaam_geproduceerd_hout_op_de_Nederlandse_markt_in_2013.pdf

Table 5
Recent developments of the Dutch paper and board industries

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Change in production in %:									
Thermo-mechanical pulp (integrated)	-6	-3	6	-45**	-19	-65	15	3.1	8%
Newsprint	0	0	10	-41**	-11	5	1	-0.4	0%
(Other) graphic papers	+6	-9	-31*	-8	11	-4	-4	0.3	-5%
Case materials	0	-1	-5	-7	16	-2	4	3.5	0%
Wrappings upto 150 gsm	+6	-2	2	-7	15	0	5	3.3	2%
Folding boxboard and other paper & board for packaging	-14	-7	-4	-5	11	-9	0	0.5	1%
Sanitary & household	-13	5	2	3	-2	3	2	0	-6%
Total paper & board	-3	-4	-8	-12	10	-4	1	1.1	-1%
(Turnover [million Euro])	1,998	2,111	1,828	1,493	1,777	1,746	1,813	1,786	1,809
Price change of production of paper and board industries	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Source: Royal VNP

*) Due to closure of 3 mills during 2007 and closure of one machine on another production location.

***) The production of Norske Skog Parenco changed from newsprint to magazine paper grades based solely on recovered paper.

h) Wood pellets

The production of wood pellets has further increased in 2014 and reach a quantity of almost 280,000 m.t. (+22%). More than 70% of this quantity is exported. Especially to Germany. The imports of wood pellets have further reduced to almost 450,000 m.t. in 2014. An enormous decrease compared to the imports in 2010 of 1.6 million m.t. This reduction is mainly driven by a reduction in co-firing by the large utilities. In general, the decreased co-firing of wood pellets is caused by the end of most of the MEP grants in the period 2012-2014¹⁰ and a fire in one of the utilities that co-fired a large quantity of wood pellets. The unfavourable US\$-Euro exchange rate is another reason for a reduction of the imports of wood pellets.

As none of the utilities have been able to acquire SDE+ grants¹¹ the co-firing of wood pellets is expected to drop to zero in 2015 and 2016. The first wood pellets might be co-fired again at the beginning of 2017. Imports will probably increase from the end of 2016 as the utilities will start to build their stocks and the first grants will come into effect. The reason for this change is the fact that the allocated budget for SDE+ grants will increase from the current budget of 3.5 billion to 8 billion Euro in 2016.

¹⁰ <http://www.bioenergytrade.org/downloads/iea-task-40-country-report-2014-the-netherlands.pdf>

¹¹ With the SDE + subsidy scheme the Ministry of Economic Affairs encourages the development of a sustainable energy supply in the Netherlands. Businesses and (non-profit) institutions who (will) produce renewable energy, can utilize the SDE +.

5. Tables

A. Economic indicators for the Netherlands

Change in %, unless otherwise specified	2012	2013	2014	2015	2016
GDP	-1.6	-0.5	1.0	2.0	2.4
Private consumption	-1.4	-1.4	0	1.7	2.0
Private gross fixed investment (excl. housing)	-5.8	-2.9	4.4	6.7	6.7
Exports of goods	1.8	2.1	4.0	3.7	5.1
Imports of goods	0	0.9	4.0	4.1	5.7
Production, market sector	-1.9	-1.2	1.9	2.9	3.0
Consumer Price Index (inflation)	2.8	2.6	0.3	0.5	1.1
Production, market sector	-1.3	-1.2	1.9	2.9	3.0
Labour share in enterprise income (in level %)	79.5	79.8	79.4	77.3	77.4
Active labour force	0.6	-0.8	-0.6	1.0	1.1
Employment, market sector (labour years)	-0.6	-1.0	0.1	1.0	1.3
Unemployment level, % of labour force ¹	5.8	7.3	7.25	7.25	7.25
EMU-debt level (ultimo year, in % GDP)	66.5	67.6	67.9	67.0	65.3
EMU-balance level (in % GDP)	-4	-2.4	-2.4	-2.1	-1.5

Source: CPB (Netherlands Bureau for Economic Policy Analysis)

¹ According to the international definition

B. Forest products production and trade in 2014, 2014 and 2016

Product Code	Product	Unit	Revised	Estimate	Forecast
			2014	2015	2016
1.2.1.C	SAWLOGS AND VENEER LOGS, CONIFEROUS				
	Removals	1000 m ³	315	320	325
	Imports	1000 m ³	95	91	95
	Exports	1000 m ³	103	90	90
	Apparent consumption	1000 m ³	307	321	330
1.2.1.NC	SAWLOGS AND VENEER LOGS, NON-CONIFEROUS				
	Removals	1000 m ³	91	92	93
	Imports	1000 m ³	59	59	59
	Exports	1000 m ³	39	40	41
	Apparent consumption	1000 m ³	111	111	111
1.2.1.NC.T	of which, tropical logs				
	Imports	1000 m ³	7	7	7
	Exports	1000 m ³	4	4	4
	Net Trade	1000 m ³	3	3	3
1.2.2.C	PULPWOOD (ROUND AND SPLIT), CONIFEROUS				
	Removals	1000 m ³	282	286	332
	Imports	1000 m ³	43	50	50
	Exports	1000 m ³	220	220	220
	Apparent consumption	1000 m ³	105	116	162
1.2.2.NC	PULPWOOD (ROUND AND SPLIT), NON-CONIFEROUS				
	Removals	1000 m ³	192	195	198
	Imports	1000 m ³	12	12	12
	Exports	1000 m ³	104	105	105
	Apparent consumption	1000 m ³	100	102	105
3 + 4	WOOD RESIDUES, CHIPS AND PARTICLES				
	Domestic supply	1000 m ³	908	950	983
	Imports	1000 m ³	240	250	250
	Exports	1000 m ³	492	450	450
	Apparent consumption	1000 m ³	656	750	783
1.2.3.C	OTHER INDUSTRIAL ROUNDWOOD, CONIFEROUS				
	Removals	1000 m ³	7	8	8
1.2.3.NC	OTHER INDUSTRIAL ROUNDWOOD, NON-CONIFEROUS				
	Removals	1000 m ³	7	8	8
1.1.C	WOOD FUEL, CONIFEROUS				
	Removals	1000 m ³	71	71	71
1.1.NC	WOOD FUEL, NON-CONIFEROUS				
	Removals	1000 m ³	286	286	286

5.C	SAWNWOOD, CONIFEROUS		2014	2015	2016
	Production	1000 m ³	163	170	175
	Imports	1000 m ³	2,210	2,270	2,340
	Exports	1000 m ³	421	420	420
	Apparent consumption	1000 m ³	1,952	2,020	2,095
5.NC	SAWNWOOD, NON-CONIFEROUS				
	Production	1000 m ³	66	67	70
	Imports	1000 m ³	299	311	332
	Exports	1000 m ³	98	101	105
	Apparent consumption	1000 m ³	267	277	297
5.NC.T	of which, tropical sawnwood				
	Production	1000 m ³	11	11	11
	Imports	1000 m ³	196	206	220
	Exports	1000 m ³	48	51	55
	Apparent consumption	1000 m ³	159	166	176
6.1	VENEER SHEETS				
	Production	1000 m ³	0	0	0
	Imports	1000 m ³	43	40	40
	Exports	1000 m ³	12	12	12
	Apparent consumption	1000 m ³	31	28	28
6.1.NC.T	of which, tropical veneer sheets				
	Production	1000 m ³	0	0	0
	Imports	1000 m ³	5	5	5
	Exports	1000 m ³	0	0	0
	Apparent consumption	1000 m ³	5	5	5
6.2	PLYWOOD				
	Production	1000 m ³	0	0	0
	Imports	1000 m ³	467	514	529
	Exports	1000 m ³	75	75	75
	Apparent consumption	1000 m ³	392	439	454
6.2.NC.T	of which, tropical plywood				
	Production	1000 m ³	0	0	0
	Imports	1000 m ³	132	132	132
	Exports	1000 m ³	28	28	28
	Apparent consumption	1000 m ³	104	104	104
6.3	PARTICLE BOARD (including OSB)				
	Production	1000 m ³	0	0	0
	Imports	1000 m ³	463	480	525
	Exports	1000 m ³	91	91	91
	Apparent consumption	1000 m ³	372	389	434

6.3.1	of which, OSB		2014	2015	2016
	Production	1000 m ³	0	0	0
	Imports	1000 m ³	46	51	53
	Exports	1000 m ³	11	11	11
	Apparent consumption	1000 m ³	35	40	42
6.4	FIBREBOARD				
	Production	1000 m ³	29	30	30
	Imports	1000 m ³	446	447	464
	Exports	1000 m ³	121	120	120
	Apparent consumption	1000 m ³	354	357	374
6.4.1	Hardboard				
	Production	1000 m ³	0	0	0
	Imports	1000 m ³	63	63	63
	Exports	1000 m ³	7	7	7
	Apparent consumption	1000 m ³	56	56	56
6.4.2	MDF (Medium density)				
	Production	1000 m ³	0	0	0
	Imports	1000 m ³	311	326	342
	Exports	1000 m ³	111	111	111
	Apparent consumption	1000 m ³	200	215	231
6.4.3	Other fibreboard				
	Production	1000 m ³	29	30	30
	Imports	1000 m ³	57	58	59
	Exports	1000 m ³	3	2	2
	Apparent consumption	1000 m ³	83	86	87
7	WOOD PULP				
	Production	1000 m.t.	44	46	46
	Imports	1000 m.t.	1,209	1,200	1,200
	Exports	1000 m.t.	631	630	630
	Apparent consumption	1000 m.t.	622	616	616
10	PAPER & PAPERBOARD				
	Production	1000 m.t.	2,767	2,760	2,760
	Imports	1000 m.t.	2,789	2,790	2,790
	Exports	1000 m.t.	2,268	2,270	2,270
	Apparent consumption	1000 m.t.	3,288	3,280	3,380
4.1	WOOD PELLETS				
	Production	1000 m.t.	276	280	290
	Imports	1000 m.t.	449	243	243
	Exports	1000 m.t.	442	443	443
	Apparent consumption	1000 m.t.	283	80	90