

# **STATUS AND TRENDS IN PRODUCTION AND TRADE IN FOREST PRODUCTS IN THE RUSSIAN FEDERATION**

## Economic Situation

In 2001 the process of stabilization of economic situation and growth of industrial output continued in the country as a whole as well as in the forest and forest products sector.

In 2001 the growth of gross domestic product in the Russian Federation accounted for 5% against 2000, industrial output increased by 5%. Investment in fixed capital increased as well.

In the first half of 2002 the gross domestic product increased by 3.7%, industrial output – by 4.4%, investment in fixed capital – by 2.1%.

On the whole the forest and forest products sector was developing dynamically as well.

According to the data of Goskomstat wood removals declined by 2.1% in 2001 against 2000, production of sawnwood increased by 2.5%, production of plywood – 7.1%, particle board –6.3%, fiberboard – 1.5%, paper and paperboard – 5.3%.

In the first half of 2002 the growth rates of forest industry production slowed down slightly. The volume of wood removals reduced by 4.1%, production of sawnwood – by 4.5%, particle board – by 3%. As regards all other types of forest products the growth of production was achieved: plywood – 11.8%, fiberboard – 9.1%, pulp – 5.8%, paper – 3.6%, paperboard – 11.3%.

## Export of Roundwood

Roundwood occupies a leading position in the forest export of Russia. In 2001 its share in the total currency earnings from forest products export accounted for 31.9%.

In 2001 export of roundwood amounted to 31.9 mln m<sup>3</sup>.

Sawnwood accounts for 32% of the exported roundwood, pulpwood – 65%, other wood – 3%. The share of coniferous and non-coniferous pulpwood in the total volume of pulpwood export is 58% and 42% respectively.

In the first half of 2002 export of roundwood accounted for 19.3 mln m<sup>3</sup> which is 18.2% more as compared with the level of 2001. The major countries importing Russian roundwood are: Finland, Japan and China, the share of these countries in total roundwood export is over 60%.

### Export of Sawnwood

Sawn softwood is mainly exported. In 2001 the total volume of sawnwood export accounted for 7.7 mln m<sup>3</sup>

In the first half of 2002 export of sawnwood amounted to 4.5 mln m<sup>3</sup>, which is more as compared with the same period of 2001.

The major countries importing sawn softwood from Russia are: Japan, Egypt, Italy, Germany, Great Britain, Netherlands, France, China, Baltic countries.

### Export of Plywood

In recent years plywood export from Russia has been stable: in 1999 – 913 ths m<sup>3</sup>, in 2000 – 974 ths m<sup>3</sup>, in 2001 – 1020 ths m<sup>3</sup>.

In the first half of 2002 export of plywood accounted for 555 ths m<sup>3</sup>.

### Export of Wood-Based Panels

Export of wood-based panels from Russia is insignificant, as the major share of this produce is consumed within the country. In 2001 export of particle board accounted for 150 ths m<sup>3</sup>, export of fiberboard – 256 ths m<sup>3</sup>. The major countries importing wood-based panels from Russia are CIS countries, Turkey, Egypt, Syria, Morocco, Italy.

## Export of Pulp, Paper and Paperboard

Over three recent years (1999-2001) pulp and paper industry was developing in the most dynamic way as compared with all other branches of the forest sector of the Russian Federation. In this period production and export of pulp, paper and paperboard were characterized by high indices, which is clear from Table 1.

Table 1

### Production and export of pulp, paper and paperboard

	1999	2000	2001
Production			
Pulp, ths t	4225	4960	5272
Paper and paperboard, ths t	4535	5312	5596
Export			
Pulp, ths t	1373	1660	1753
Paper and paperboard, ths t	2048	2299	2350

## Forecast of Production and Export of Forest Products in 2001 – 2003.

Taking into account the total economic situation in the country and the Programme documents on development of forest industry for prospective period of 2002- 2003, adopted by the Government of the Russian Federation, further growth of output and export of forest and paper products is expected.

General figures on production and export of forest products in the Russian Federation are given in Table 2.