



International Workshop on Global Green Supply Chain of Forest Products

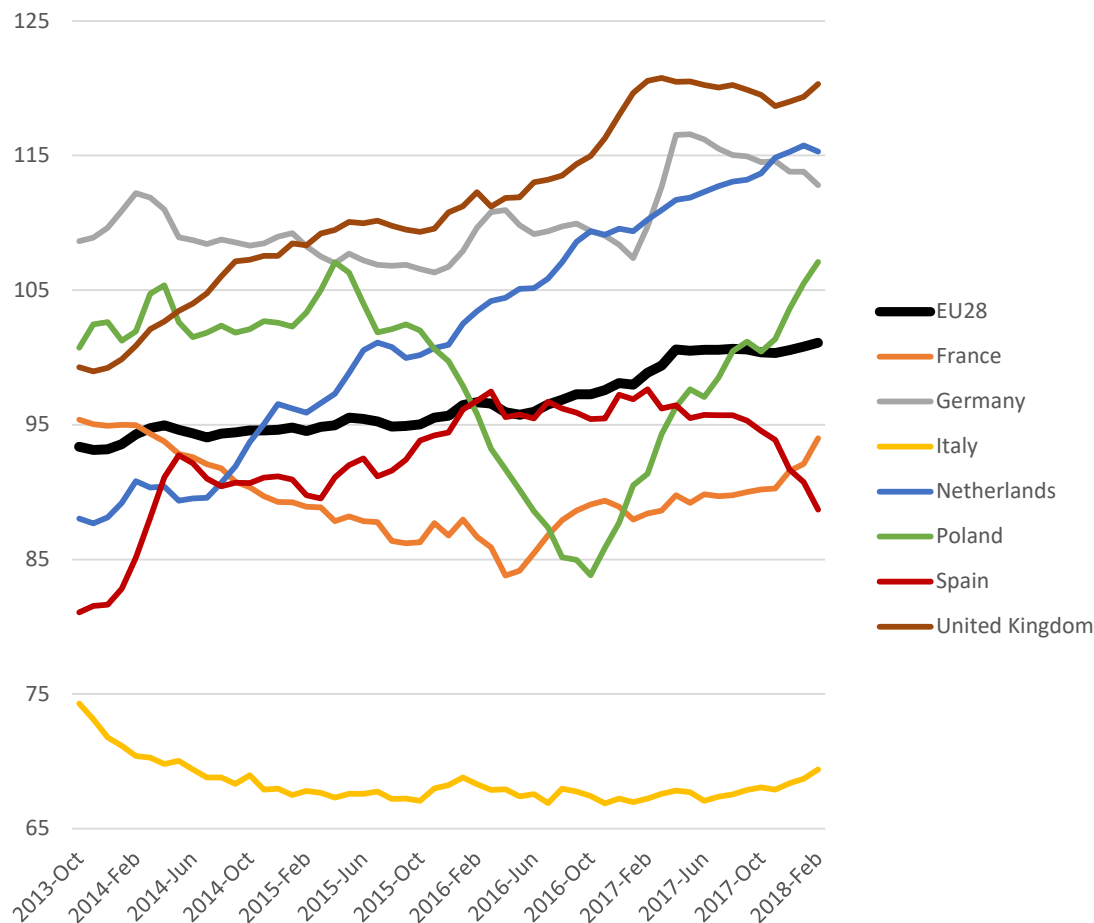
21/22 June 2018 - Beijing (China)

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Eurostat construction production index for the EU Member States

Volume of seasonally and calendar adjusted production output (2010 = 100)
Monthly for the period October 2013 to February 2018

Construction production VOLUME index for EU member states (run.av. 3 months)



Stabilizing trend of recovery in construction

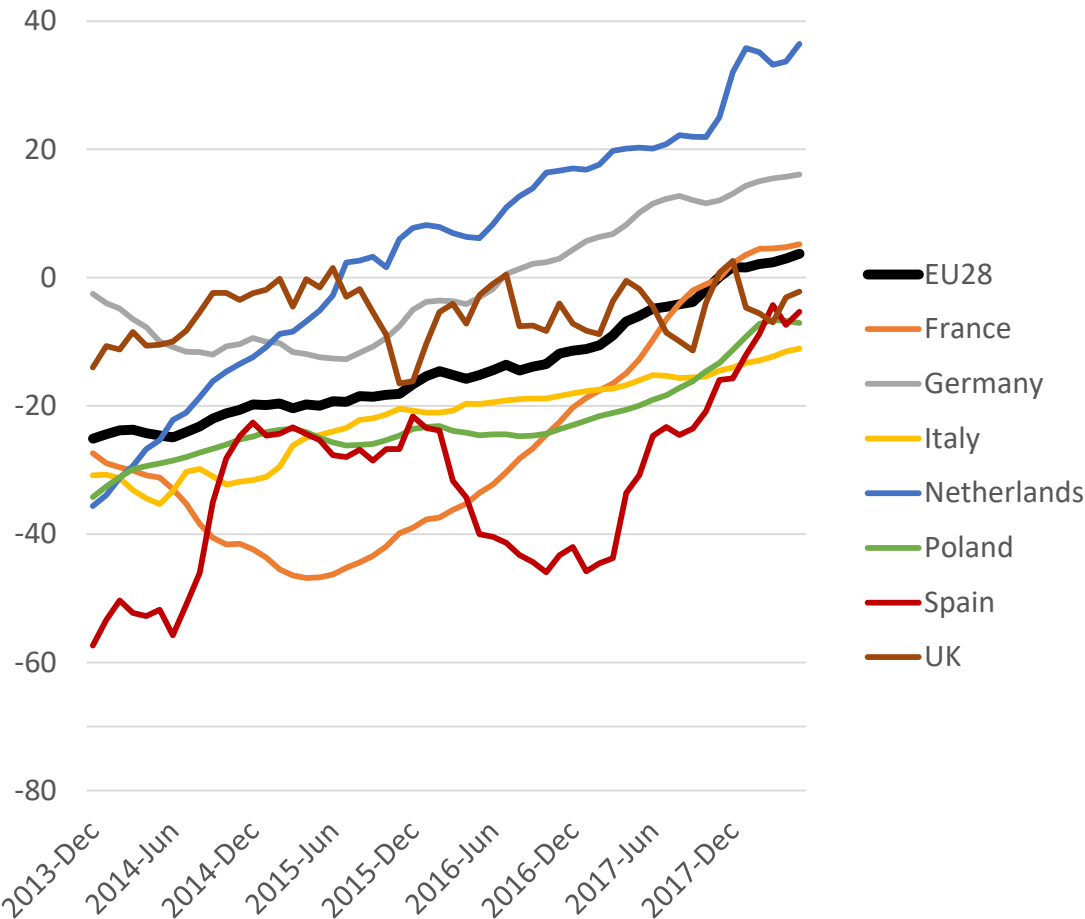
- Total volume of EU construction in February 2018 is 1.1% higher than in 2010.
- EU construction activity stabilized in 2017
- Construction activity Poland still recovering after dip in 2016
- High construction activity in UK, the Netherlands and Germany, downward trend in Germany
- Slight increase activity France and Italy
- Construction activity Spain decreased in 2017

Eurostat construction confidence index for the EU Member States

Seasonally adjusted data

Monthly, for the period December 2013 to May 2018

Construction confidence index for EU member states
(run.av.3months)

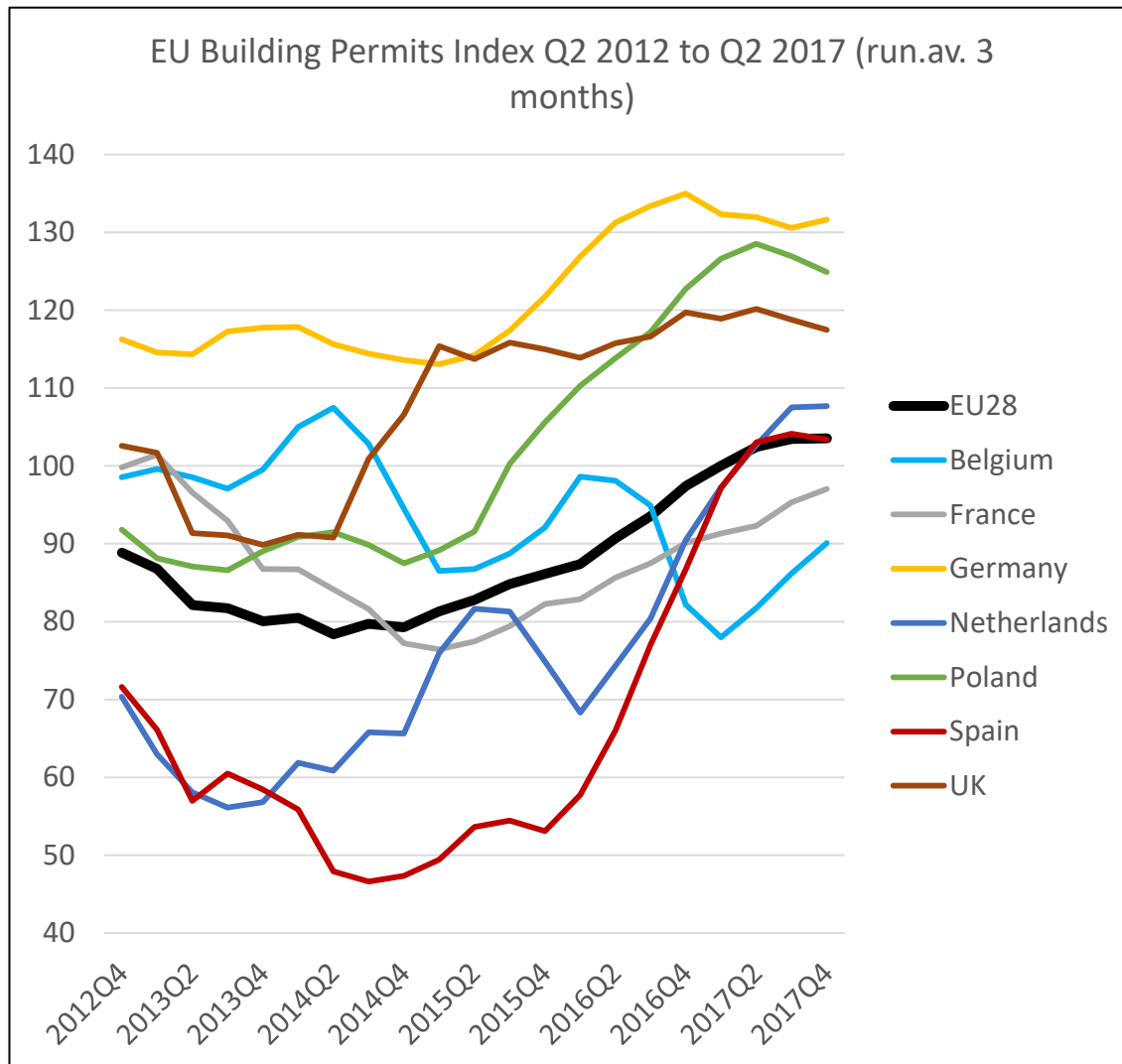


Confidence EU generally rising

- The Netherlands, Germany and Italy still increasing
- Increase France and Poland levels off
- Confidence UK still fluctuating
- Confidence Spain recovering strongly in 2017, but levels off

EU Building Permits Index

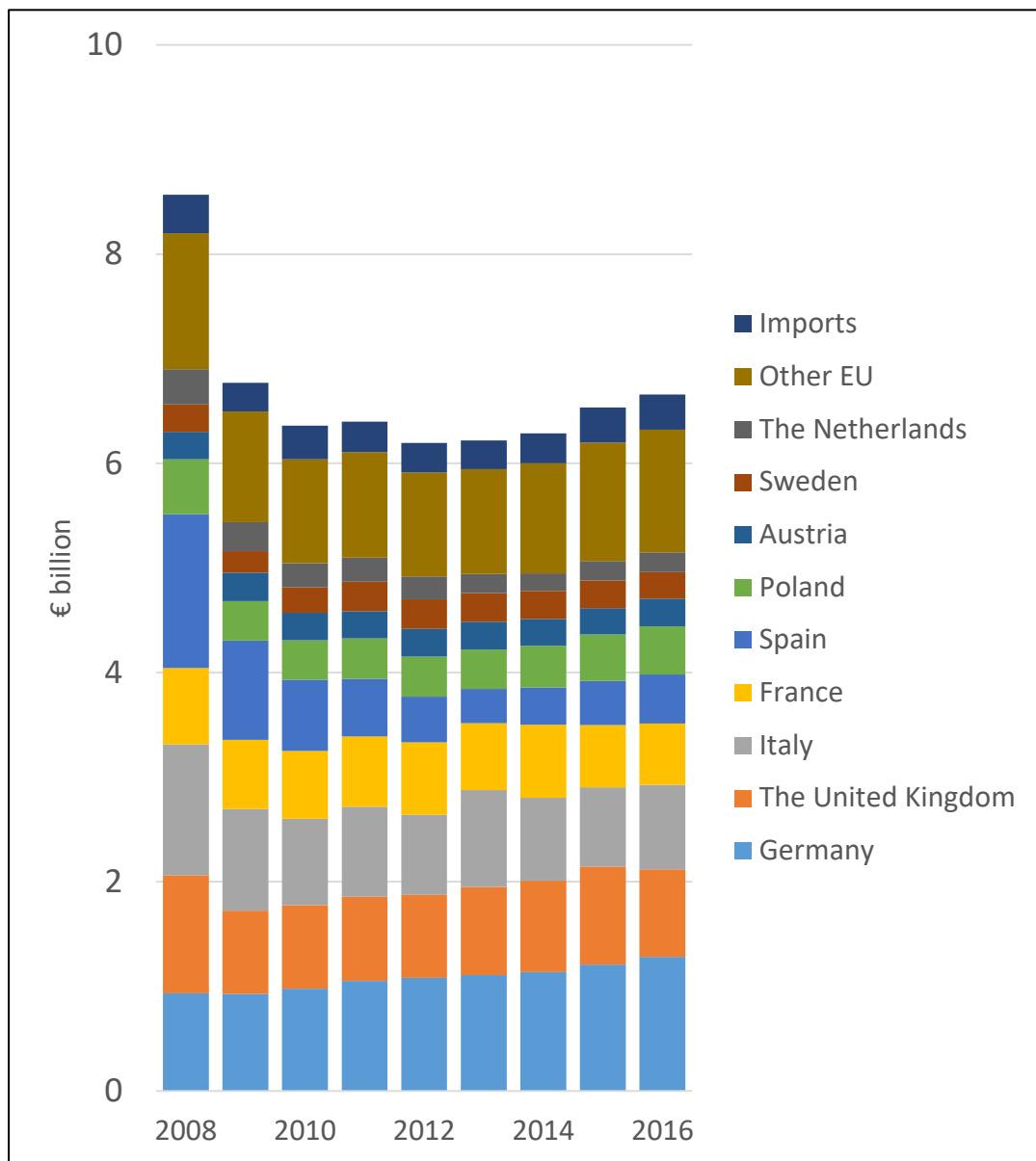
Quarterly, for the period Q4 2010 to Q4 2017 (2010 = 100)
Seasonally and calendar adjusted data.



Building Permits EU recovered to index level 2010.

- Strong increase in the Netherlands and Spain, increase too in France
- Strong increase Germany and Poland does not continue in 2017
- Increase UK levels off
- Belgium recovering after dip at the start of 2017

Value of wood doors supplied to the EU market by source



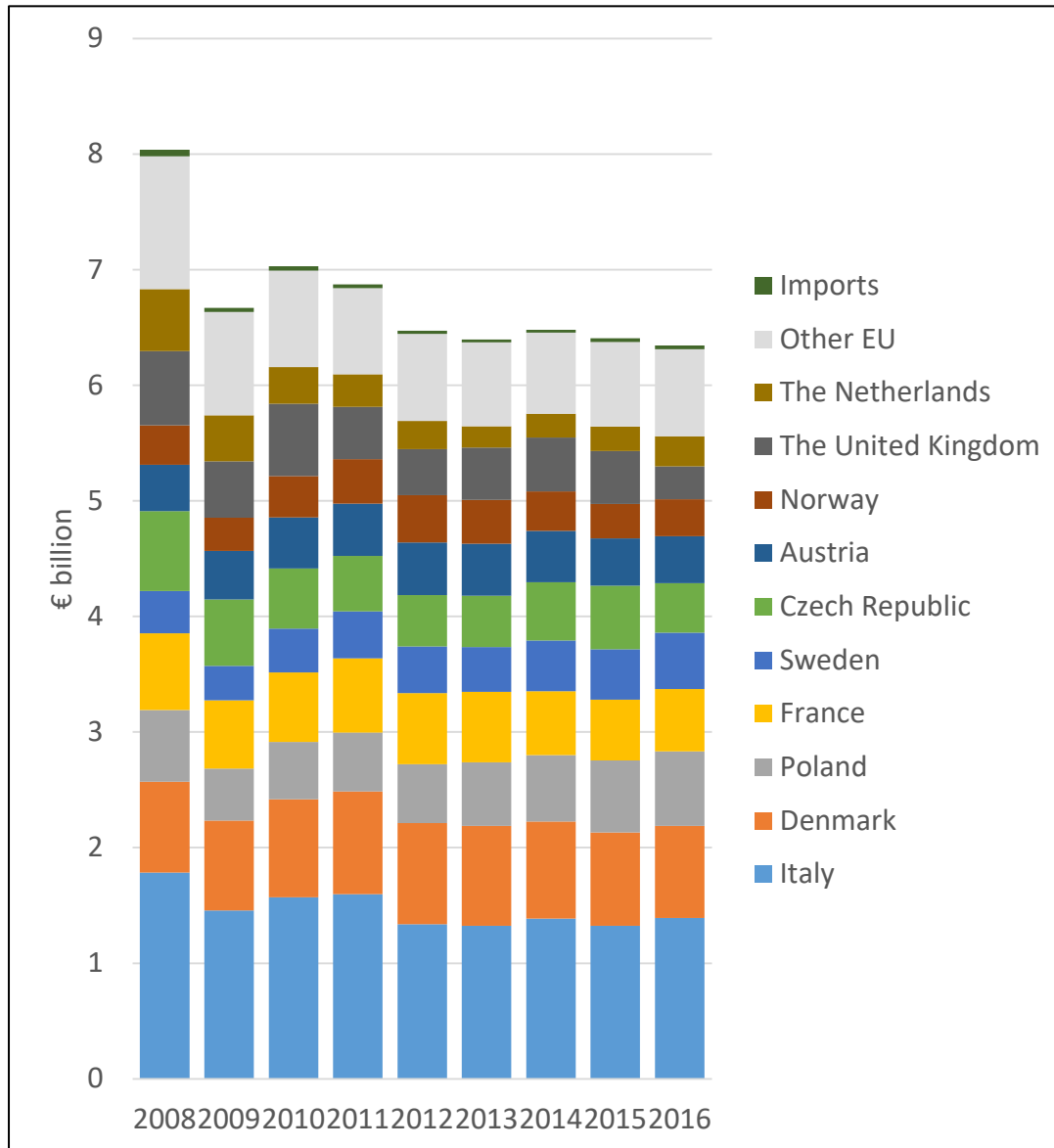
Slow recovery EU wood door sector

- Total value of wood doors supplied to the EU28 increased 1.9% in 2016
- Production value in 2016 :
 - Increased in

Germany	+6.0%
Italy	+6.6%
Spain	+10.4%
Poland	+4.1%
Austria	+5.2%
 - Declined in

The UK	-10.7%
Sweden	-3.7%
 - Remained stable in The Netherlands and France

Value of wood windows supplied to the EU market by source



EU window sector stable, but slight decline in 2016.

- Total value of wood windows supplied to the EU28 declined 1.0% in 2016
- Production value in 2016:
 - Increased in

Italy	+5.0%
Poland	+3.8%
France	+2.3%
Sweden	+11.7%
Norway	+5.8%
The Netherlands	+23.2%
 - Declined in

Czech Republic	-22.1%
The UK	-37.1%
 - Remained stable in Denmark and Austria



Factors influencing European Markets

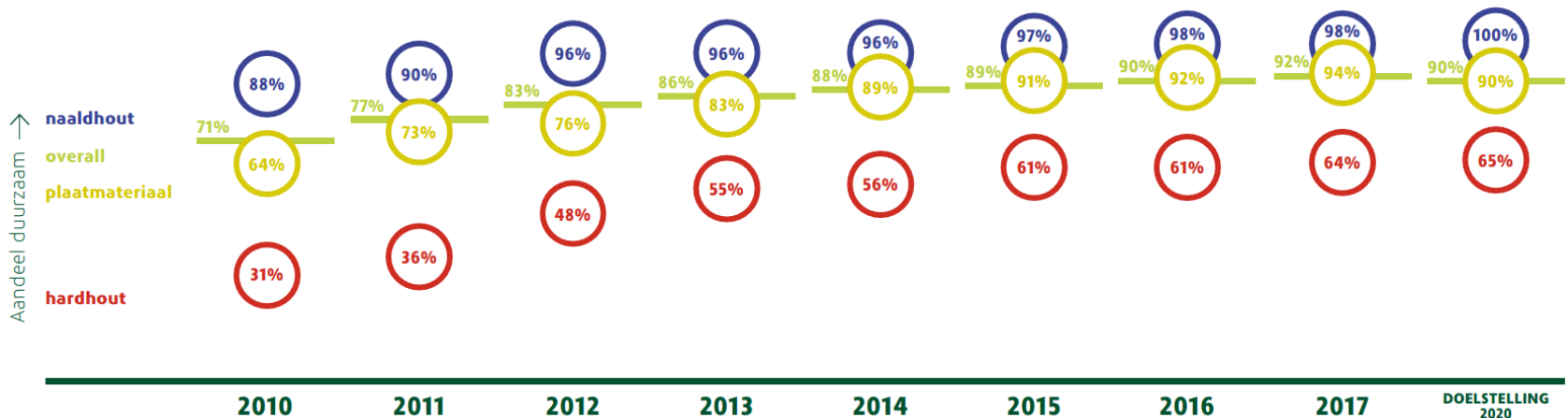


- Green supply and demand
- European Timber Regulation

Green Supply and demand



- Strong in countries like Germany, Denmark, the UK and the Netherlands
- Call for certified timber
- Results in the Netherlands



European Timber Regulation



- Prohibition to import illegally produced timber in the EU
- Obligation on operators/importers to exercise due diligence. Riskassessment and riskmitigation. 3rd party verification on imports from high risk countries



Main countries shipping logs to China

	2017	% change
	mil. cu.m	2016-17
Total	55.43	14
New Zealand	14.36	19
Russia	11.27	1
The US	6.1	15
Australia	4.95	36
Canada	3.37	19
PNG	2.88	-11
Solomon	2.78	21
Equatorial Guinea	1.06	-2
Uruguay	0.84	1131
Congo-Brazzaville	0.78	57

Data source China Customs