

WHAT IS THE SITUATION IN CENTRAL EUROPEAN FORESTS AND FOREST BASED INDUSTRIES?

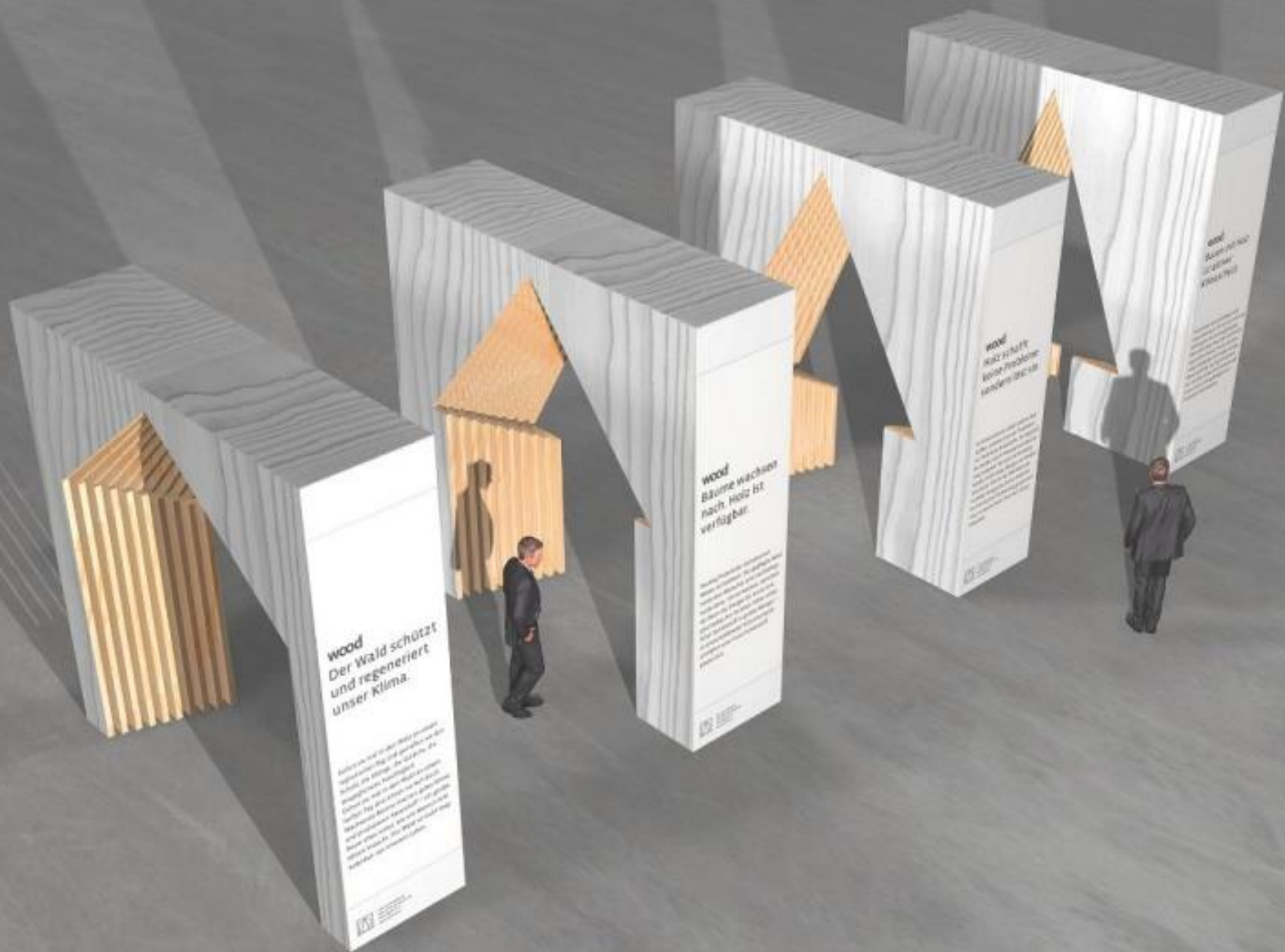
30.11.2020

Dr. Jürgen Bauer

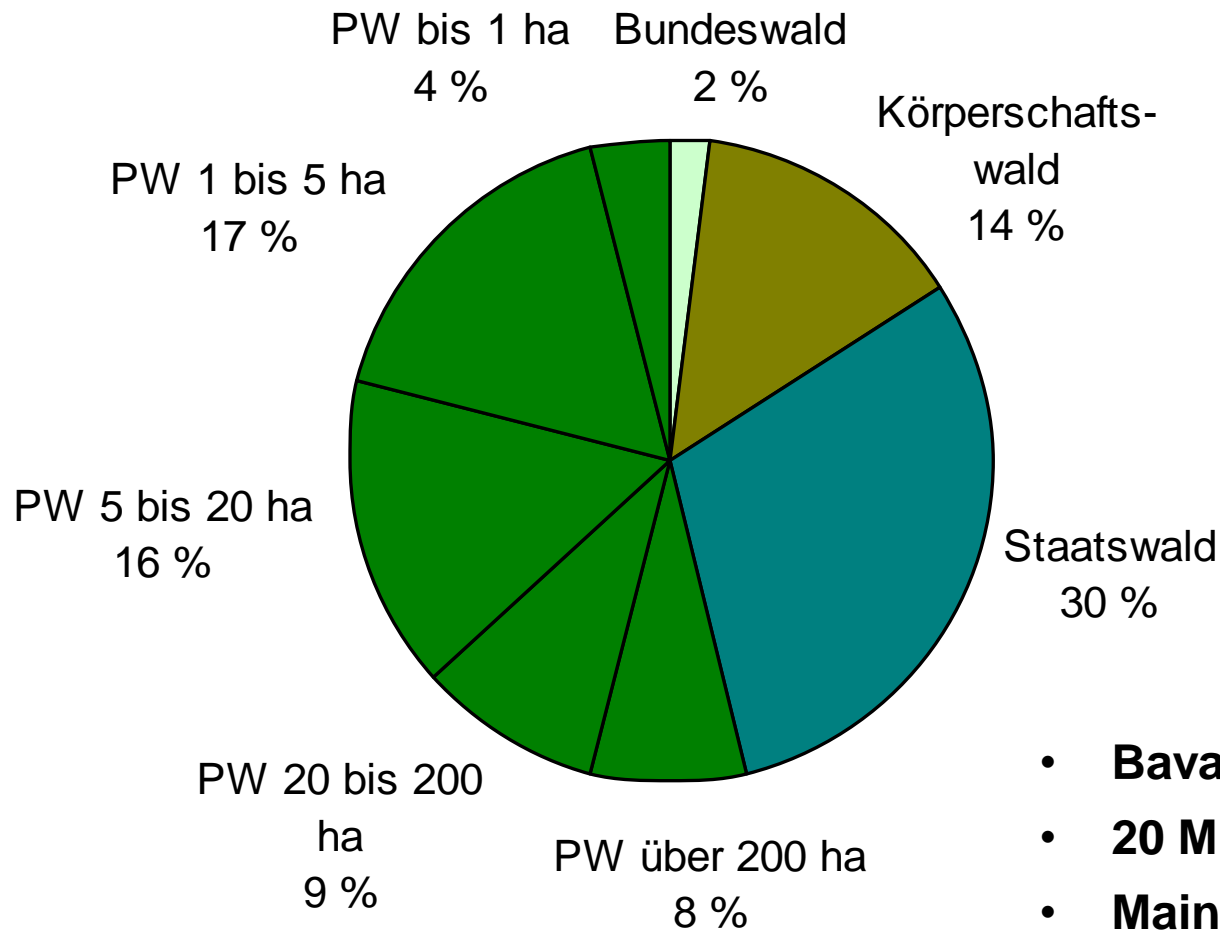
Cluster – Innovation, knowledge transfer and communication



- Cluster gGmbH is part of the Bavarian cluster policy
- offices in Munich/Freising
- Team of 6 and budget of 1 Mio. €/a
- Innovation projects, wood events, exhibitions, image work with communal-architectural clients, campaigns
- Latest development wood passage with Prof. Herrmann Kaufmann – Technical university Munich



Forestry structure in Bavaria: 2,5 Mio. ha in total



- **Bavaria: 1 Billion wood stock**
- **20 Mio. m³ harvesting/a**
- **Main species spruce, pine, beech, oak**

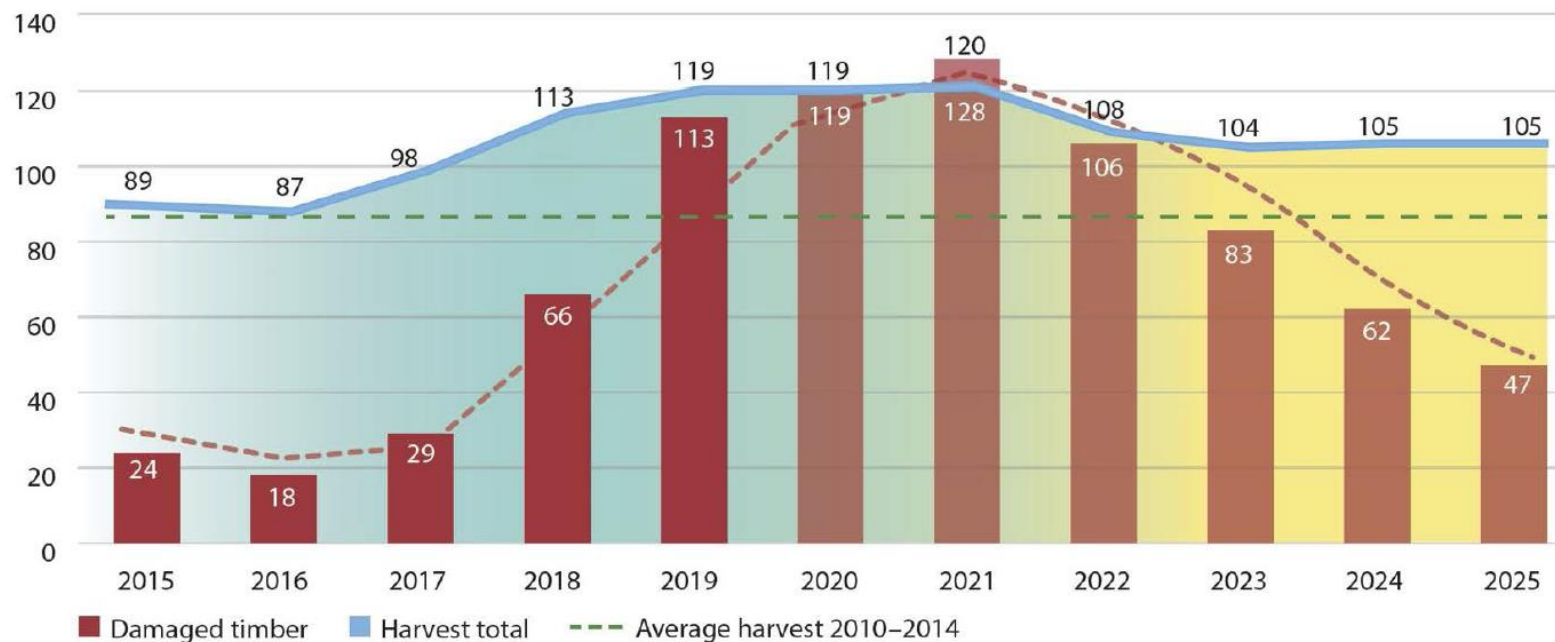
Situation in Forestry



- Dry summers especially in 2017 and 2018 (partly 2019)
- Massive problems with drought especially in Czekia, western and eastern part of Germany
- Since 2019 bark beetle problems
- Wood price situation disastrous – slowly getting better in the south

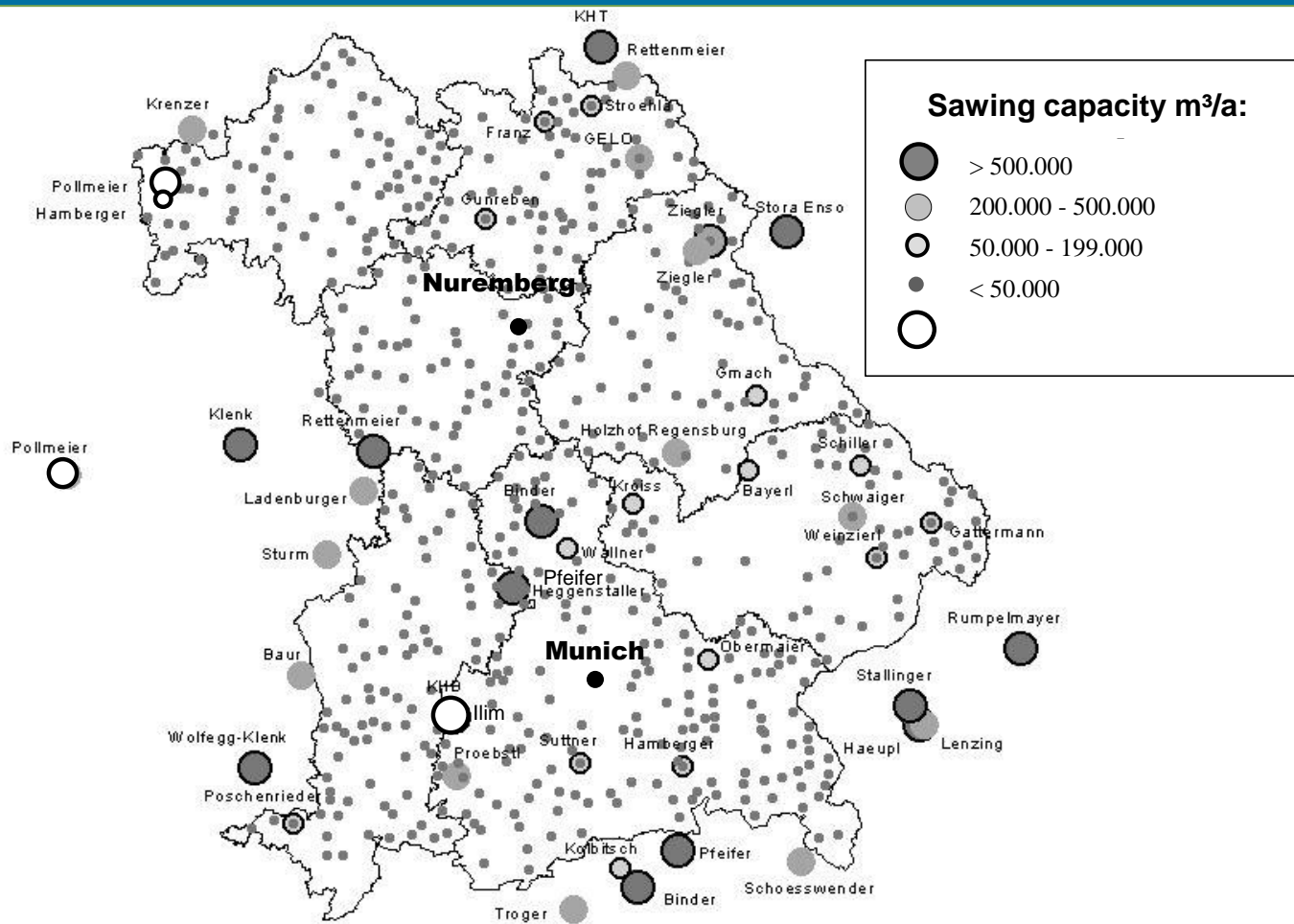
Balance sheet of damaged timber in Central Europe

in million m³ (hard- and softwood)



Source: Statistic Austria, Destatis/BMEL, Czech Forest/LOS VÚLHM; Holzkurier-estimation (2020-2025) | © Holzkurier 2020

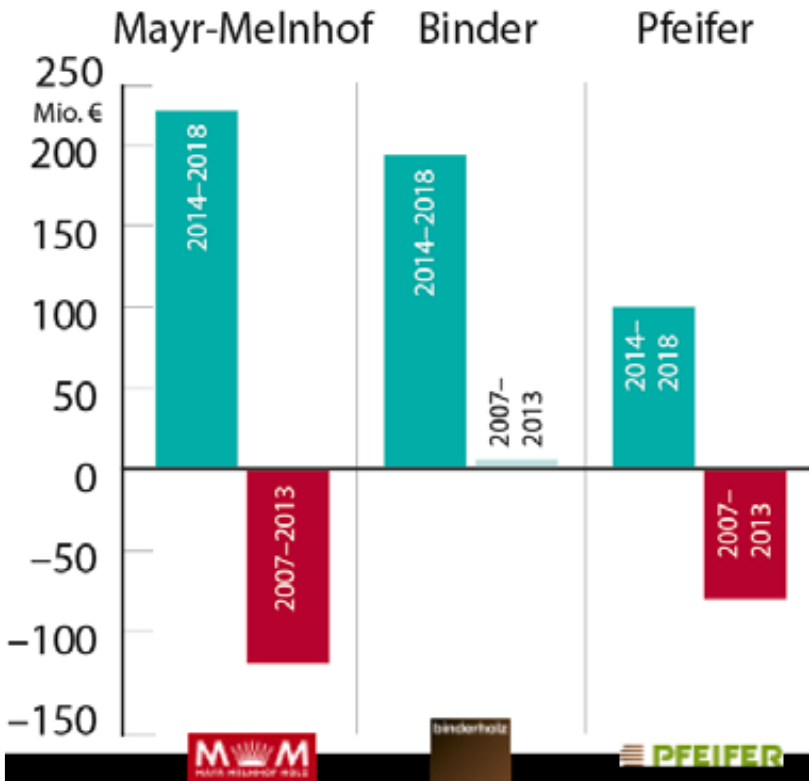
Sawmilling industry Bavaria



Source: Cluster Study 2016

Roundwood demand of Bavarian Sawmilling industry - 10 Mio. cbm/a
5 biggest mills consuming nearly 70 % of total amount

Cummulated wins and losses 2007-2013 and 2014-2018 of exemplary following companies



Source: Holzkurier 2020

- The economic situation has changed to opposite:
- Sawmilling and wood housing companies have high (historic) revenues
- Forestry is suffering since two years
- High roundwood availability
- Trend of sawmilling strategy for long distance roundwood supply
- China is an important outlet for roundwood

Price development of solid structural timber – KVH Sept. 2020



Source: Holzkurier 2020

- Price in Germany-Austria for big sells, average price of different sortiments
- Price 270-340 €/m³
- First time since.... ? that material for our wood building companies is getting scarce
- Increase of Austrian wood industry to China with 85 %

Trends in forest and forest based industries

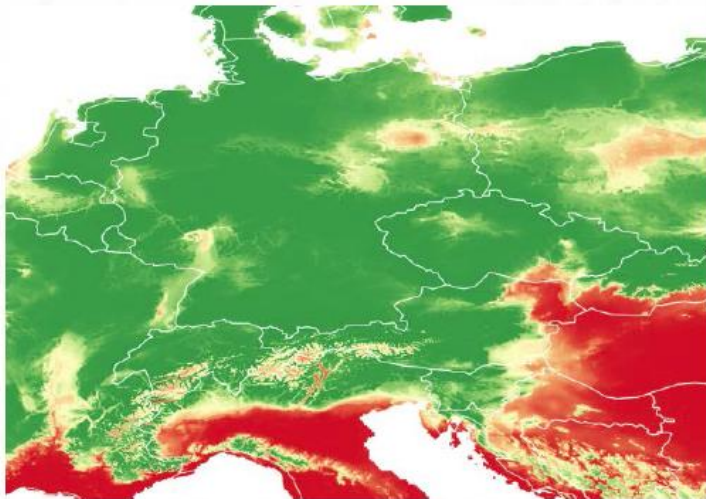


- Corona has not yet drastically decreased building market in Germany
- Domestic building with wood is a key market driver - > 20 % Bavaria; high DIY
- „game changer“ cross laminated timber has gained incredible market proportions, but how about future?
- New Bioeconomy investment of forest industries UPM in Halle
- New investments in sawing industry
- High sawnwood export rates especially to US (US: +55%, CN: +35%) following high prices

Long term trends in forestry and spruce supply

Decline of spruce areas

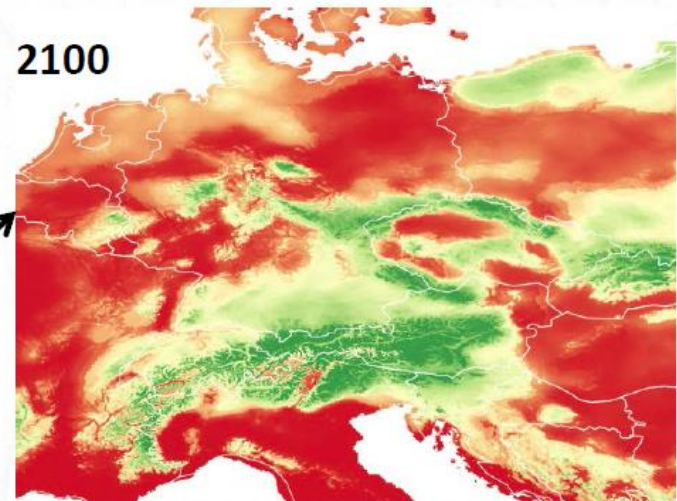
1970-2000



Potential spruce areas

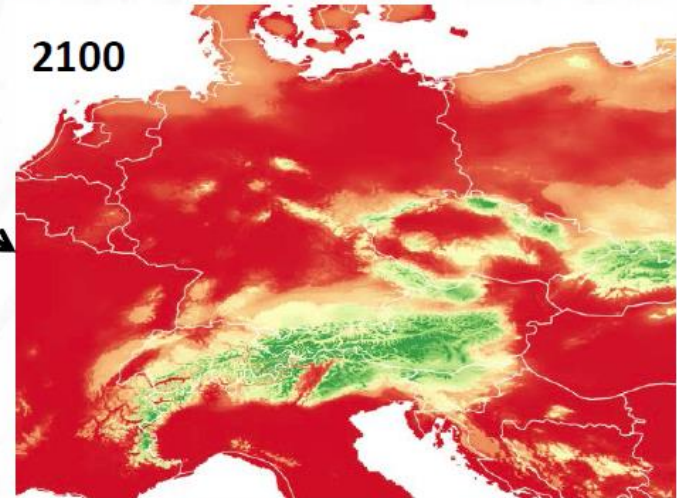
+2°C

2100



+4°C

2100



Quelle: BFW, Schüler/2019

Ausblick - Utsikt

Invitation to our Cluster forum:

- „Holz Kleben“ – 28./29.4.2021 virtuell conference



Source : T.Weohner, Lightwood-Solution GmbH



Source : proHolz Bayern -Götzfried