

Roundwood Trade in Sweden

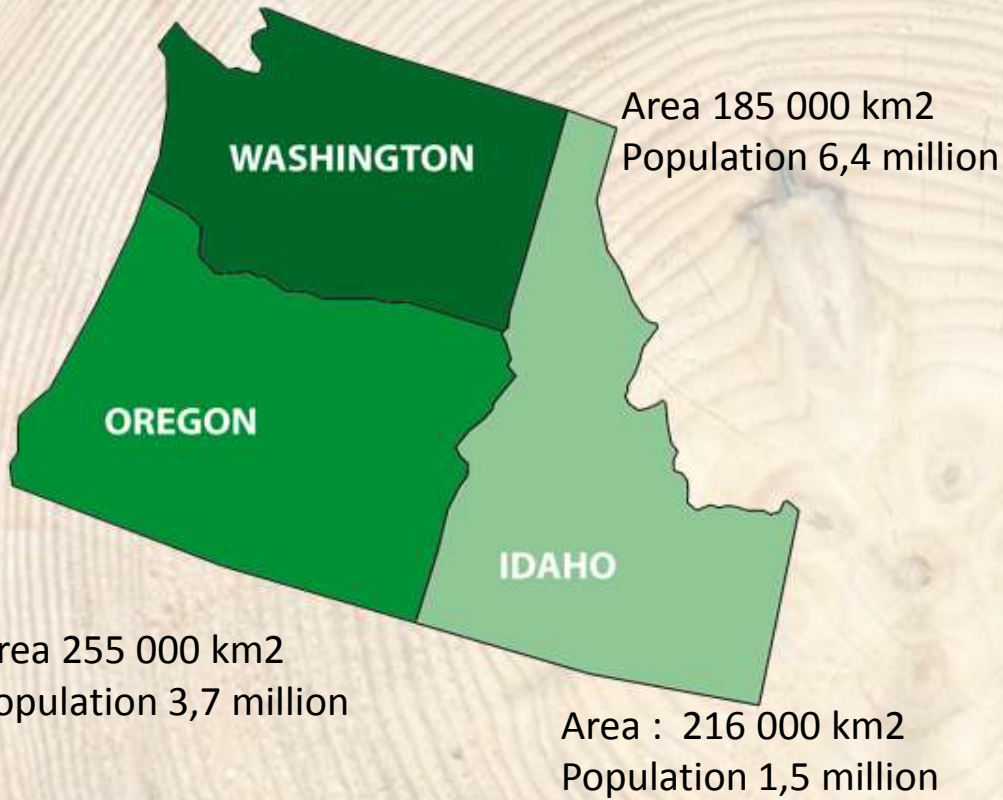
**TIMBER MEASUREMENTS SOCIETY, CENTRAL MEETING
APRIL 11-13, 2012, COEUR D'ALENE RESORT,
COEUR D'ALENE, IDAHO**

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IDAHO

SWEDEN





Area 450 000 km²
Population 9,4 million

Sweden - 2/3 of Washington, Oregon and Idaho

The forest

- 28 million ha (56 million acres) is forest land
- Standing stock is 3 000 million m³ ,
- Growth is 120 million m³
- Annual felling is 80 million m³

- The ownership
 - 50% own by private individuals
 - 25% by companies, SCA, Holmen, Bergvik Skog etc.
 - 15% State- owned limited companies
 - 10% Church, universities, counties, cities etc.

The forest

- Of the standing volume , 39 % is Scots pine, 42 % Norway spruce and 12 % birch.
- Average standing volume per hectare is 131 cubic metres.
- The total standing volume of Swedish forests has increased by over 80 % since the 1920s.

Logginig

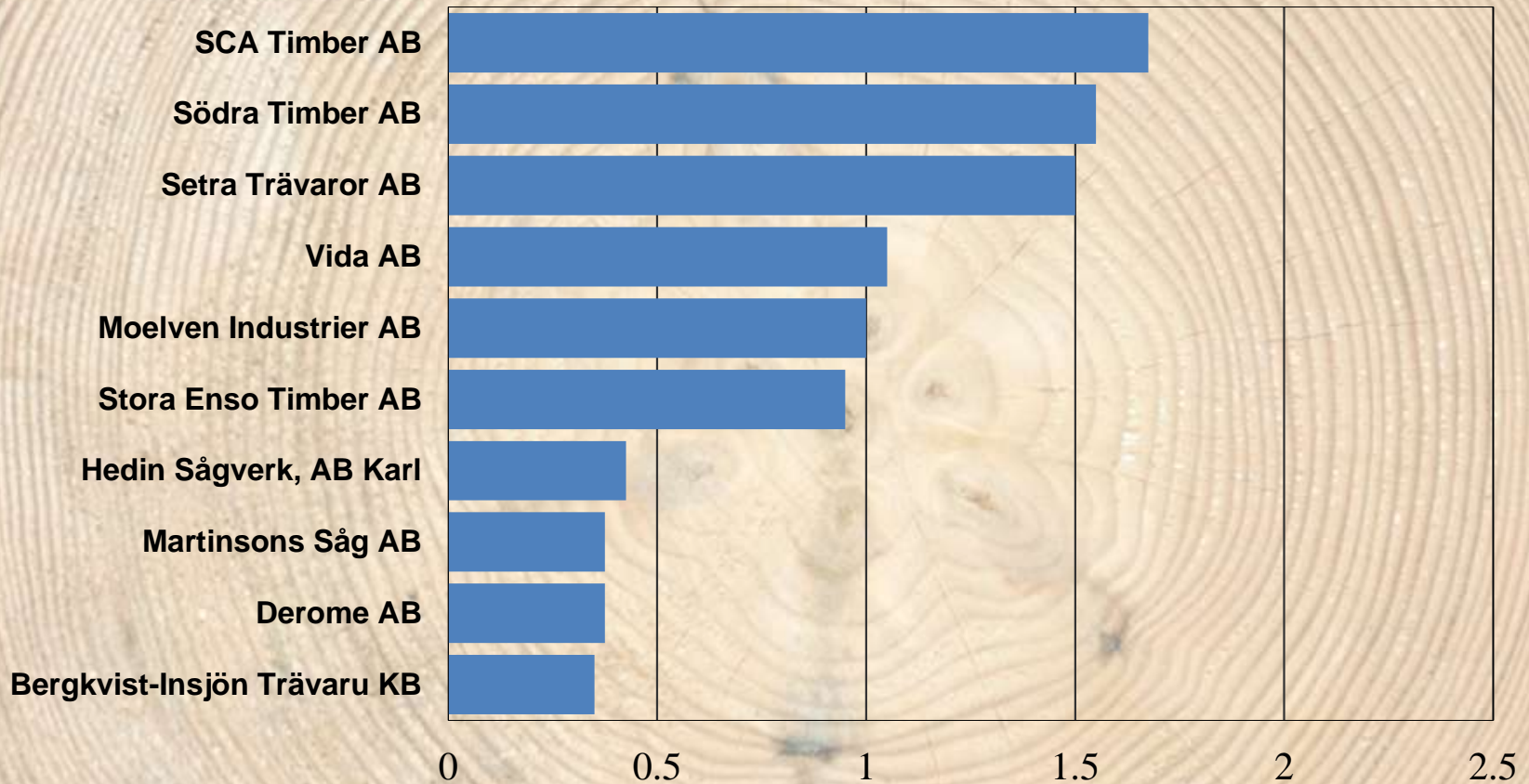
- 942 000 hectares were logged during 2010
- Final fellings were carried out on 200 000 of those hectares
- 433 000 hectares were thinned
- 309 000 hectares were cleared

The sawmill industry

Year	1980	2010
Number of mills over 10 000 m ³	280	150
Average prod. per mill, 1 000 m ³	35	110
Total production million m ³	11,2	17,0

The largest sawmill companies

(Canfor = 8 million m³)

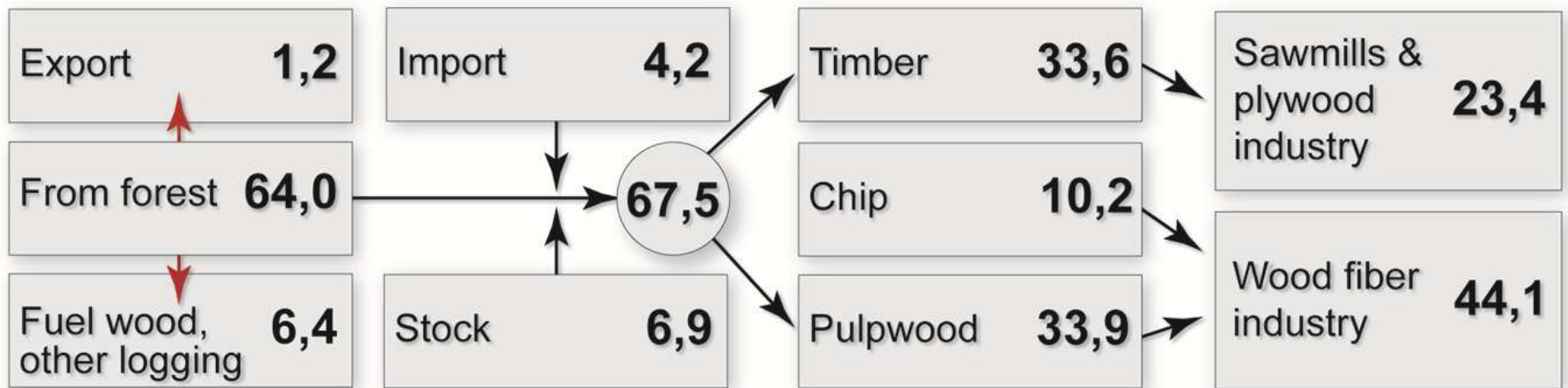


Milj m³ Källa: SCB

Pulp and paper

Year	1980	2011
No of mills	72	41
Cap. Per mill 1000 ton	145	325
Tot cap million ton	10,5	13,3
Tot cap paper million ton	7,2	12,2

Industrial utilization



Million cubic meters, solid under bark

Shortwood



Roundwood assortments



Measurement

Today almost 100 % of the main timber assortments, meaning sawlogs and pulpwood, are measured by the timber measurement associations.

The boards of the timber measurement associations are composed of equal numbers of representatives from sellers and buyers

Log grading



The roundwood market

Forest companies

- Trade with sawmills , saw log/chips and pulpwood relation.
- Exchange of volume.

Private land owners

- Offer to the Industries, open market
- Establish relations
- Forest owner associations

Trade of roundwood

- Around 50% of the roundwood will be in some form of exchange
- Between 60 -70% of the wood goes to industries which are not related to the buyer

Roundwood assortments



Forms of trading

- *Own forest.*
- *Delivery timber.*
- *Standing forest timber.*
- *Felling by purchaser.*
- *Delivery stumpage.*
 - Change of wood
 - Import and export

Own forest

Forest owned by a company, from which timber is taken for its own use.

Forest and industry owners: SCA, Holmen, Bergvik skog (Storaenso, Korsnäs)

Delivery timber.

Timber which the forest owner delivers by truck, with or without the assistance of employees or contractors. In most cases, volume and quality are assessed upon delivery in accordance with the Timber measurement associations. The amount of payment is determined by price lists.

Exampel of a price list

Pine, price in SEK/m³ road side

Quality	Top diameter under bark											
	14-	16-	18-	20-	22-	24-	26-	28-	30-	32-	34-	36+
1	450	475	525	625	675	725	750	775	800	800	800	750
2	450	475	525	525	525	550	575	595	615	625	625	525
3	400	425	475	500	525	550	575	595	615	625	625	525
4	350	350	375	375	375	375	375	400	400	400	400	300

Paid by harvester



Standing forest timber.

Total price is determined prior to felling. The buyer purchases a stand for harvest and transport. The buyer can keep the stand about 2 years without harvest. The buyers use this type of trade to get a certain amount of standing wood in “storage”. Estimated volume is normally done by the buyer.

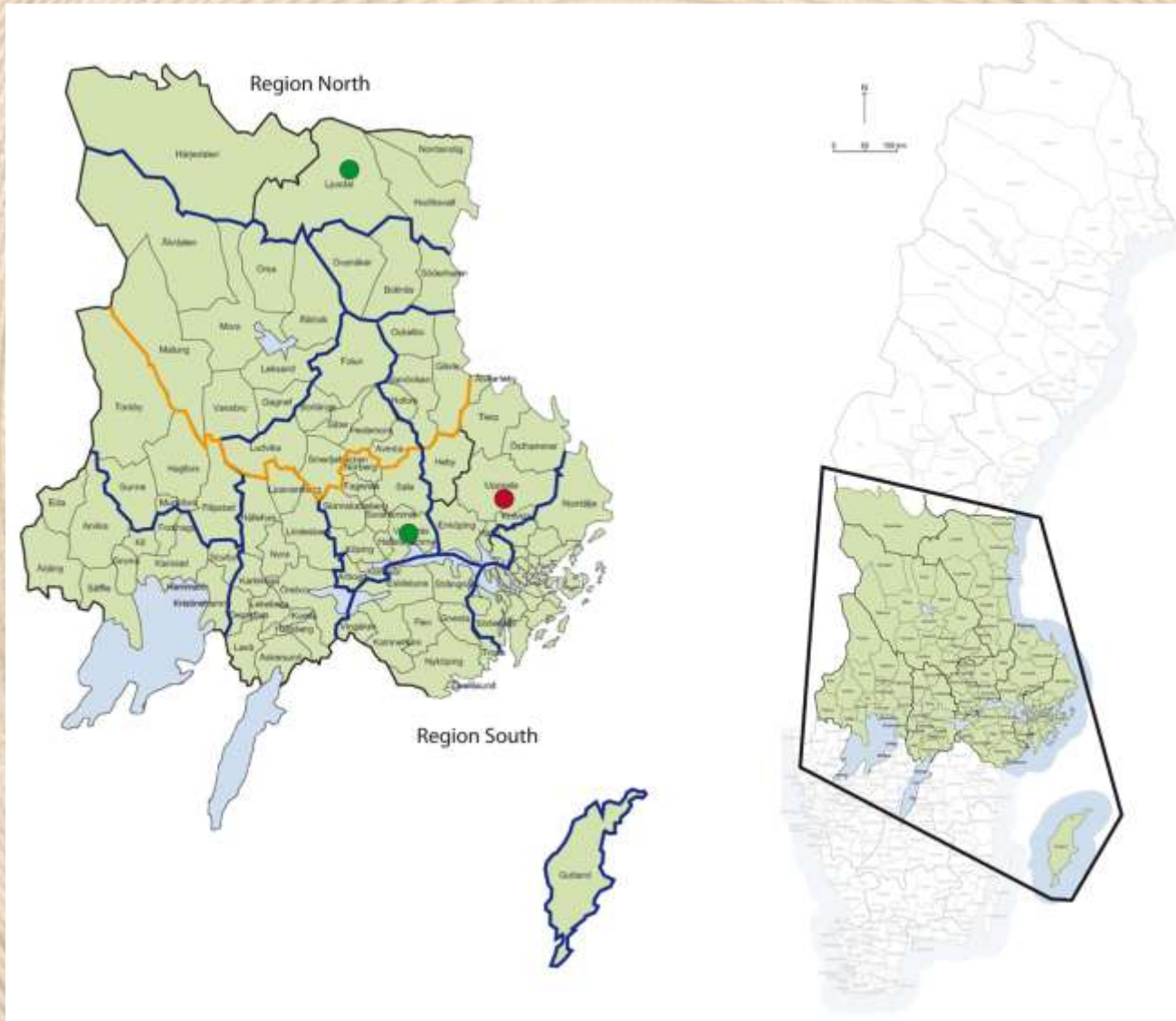
Felling by purchaser

The purchaser carries out the felling. The pricing is carried out in the same manner as delivery timber. The purchaser's felling costs are then deducted from the gross price. The costs may be those actually incurred, or established by agreement in advance.

Delivery stumpage

The trees are sold as standing forest timber, but with a fixed net price per cubic meter of felled timber measured at a scaling station. This eliminates uncertainty about the volume of standing forest timber and costs for timber scaling in the forest. The agreed upon price applies to all assortments and tree species.

The organisation of buyers



Forest residuals



Import



A close-up photograph of a tree trunk cross-section, showing concentric growth rings. The text "Thank you" is overlaid in the center.

Thank you