

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## **Estonia**

**Post:** Warsaw

### **Estonian Forestry Situation**

**Report Categories:**

Wood Products

Agriculture in the Economy

**Approved By:**

**Prepared By:**

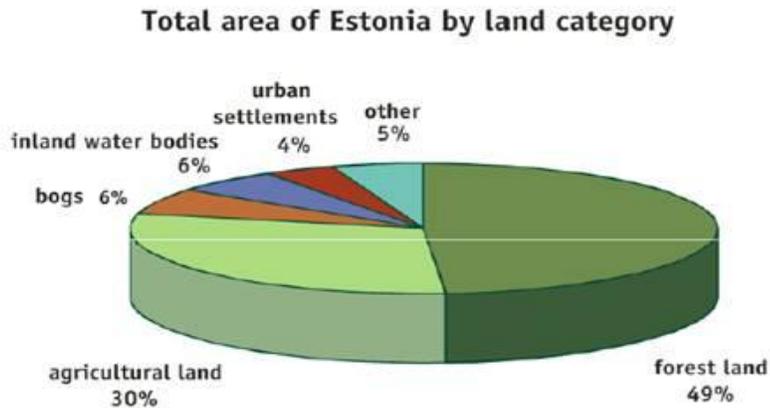
Agata Kingsbury

**Report Highlights:**

Estonia is one of the most forest-rich countries in the world and its forests are being harvested intensively. However a balance between a range of interests and the capacity to meet new environmental and economical challenges are of critical importance in the good governance of these forests. Estonia's logging volume in 2011 is expected to be around 10 million cubic meters.

## General Information:

Estonia is one of the most forest-rich countries in the world and its forests are being used intensively. According to Ministry of Environment there are over 2 million hectares (Ha) of forests in Estonia (49 percent of the country's territory). In 2010 approximately 964,000 Ha (43 percent) has been classified as primary forest.



Source: Private Forest Centre based on Ministry of Environment presentation

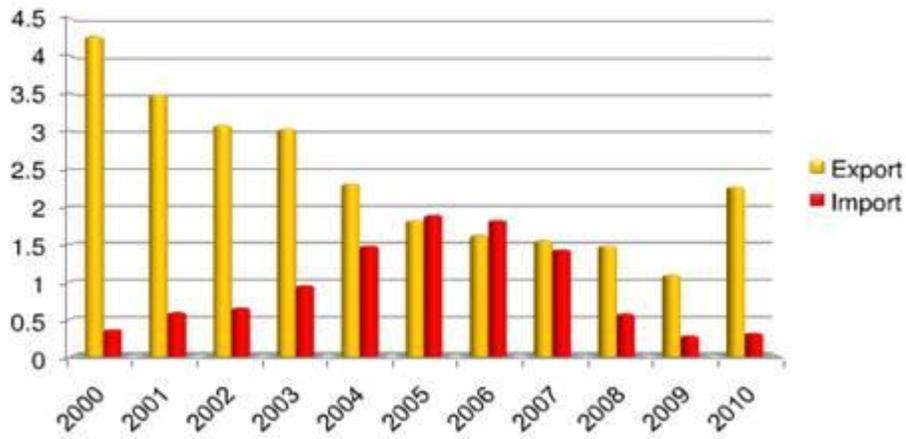
According to Estonian Society of Foresters, approximately 39 percent of forests are publicly owned [*State forests* are managed by The State Forest Management Center (RMK)], 44 percent belong to private owners (individuals, business entities and institutions). *Ownership is unidentified* for 17 percent of forests, which are subject to privatization and are either added to the State forest or are sold via public auctions.

Primary designated functions of Estonian forests are production (66 percent), environmental protection, and biodiversity conservation (21 percent).

In 2011, forest total growing stock is estimated at 455 million cubic meters (m<sup>3</sup>), including over 250 million m<sup>3</sup> of coniferous. Estonia's forests contain 165 million metric tons of carbon in living forest biomass.

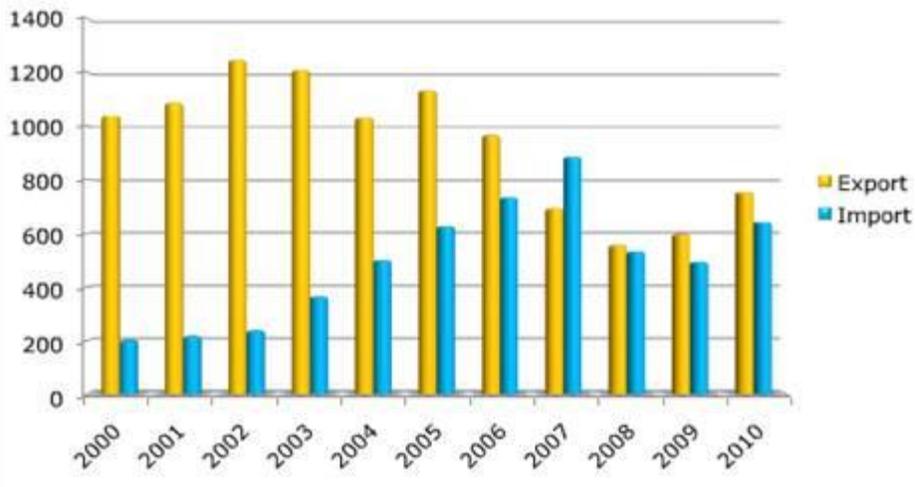
At the outset of 2011 experts expected Estonian wood industry to increase production by 10 percent. Projections are based on a Baltic Course News report that demand for unprocessed wood would grow to reach 8.5 million cubic meters, which would mean that overall logging volume in 2011 would be around 10 million cubic meters. At the same time Estonian timber product export sector is experiencing in 2011 a large increase in sales. Figures from the Environmental Information Centre and the Estonian Woodhouse Association highlight the current strength of the Baltic timber industry. The export value of wooden buildings is estimated at €89.8million for the first six months of 2011, an increase of nearly 42 percent in comparison to the same period in 2010.

### Export and import of roundwood in Estonia, million cbm



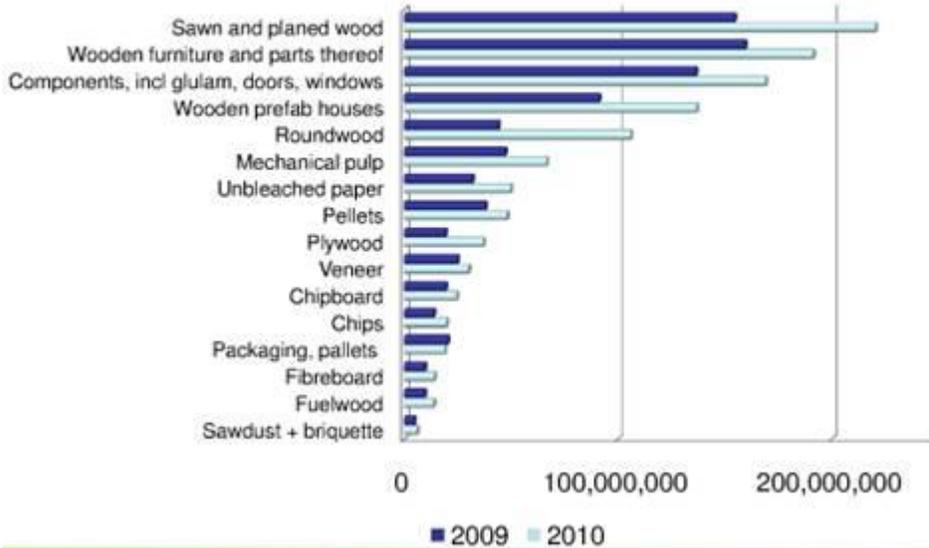
Source: Estonian Forest and Wood Industries Association

### Export and import of sawn material in Estonia, thousand cbm



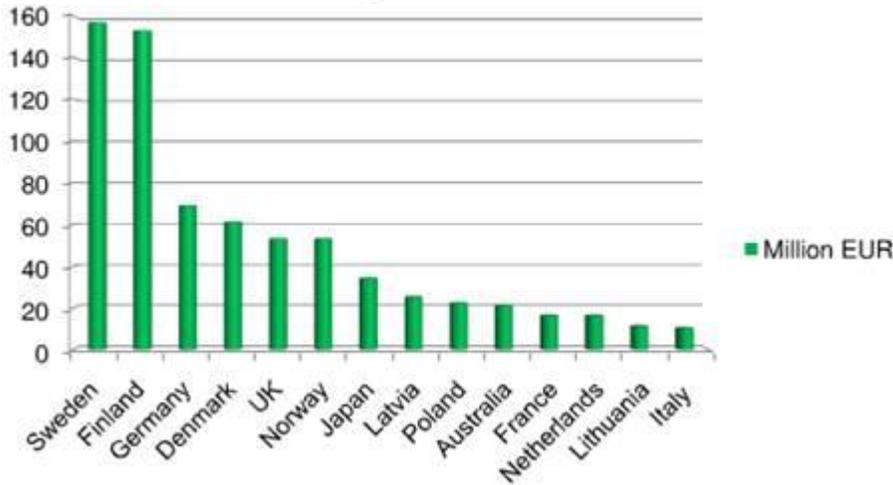
Source: Estonian Forest and Wood Industries Association

### Export of wooden products 2009/2010, bigger groups of goods, EUR



Source: Estonian Forest and Wood Industries Association

### Bigger export destination countries of wood and wood products



Source: Estonian Forest and Wood Industries Association

With Estonian wood export growing, the EXPO Center gathered information about Estonian companies that deal with woodwork and published summary information as follows on its web site:

[www.estonianexpocenter.com](http://www.estonianexpocenter.com):

**Intelli OÜ** has 16 years of experience in selling birch sawn timber to Finnish and Swedish furniture industries. The company produces 500 m<sup>3</sup> of timber each month for furniture industry and firewood. The company participates in Expo Center exhibition to find new customers, importers and resellers both from Estonia and abroad. <http://www.intelli.ee>

**Puumarket** offers the widest variety of wood and other building materials in Estonia from foundation to roof. **Puumarket** is participating on Expo Center exhibition to find new contacts and win over potential customers in Scandinavia. [www.puumarket.ee](http://www.puumarket.ee)

**Z-module** is a company that was created to produce wooden building elements that could be made of timber that has fewer options for use in the timber industry. In making of the module the company uses a combination of traditional dovetail mortise and tendon joints that supports the structure of a building both vertically and horizontally. [www.zmodule.eu](http://www.zmodule.eu)

**Sandla Puit**'s main activity is production of milling garden houses, summer and holiday houses. Sandla Puit is very competitive in other countries besides Estonia like Germany, Norway and Denmark. [www.sandlapuit.ee](http://www.sandlapuit.ee)

**Arctic Finland House LLC** is producing unique high-quality garden-, grill-, summerhouses and saunas. They are looking for partners from already existing and new markets <http://www.arctic.ee/>

### **Estonia Moves Closer to Full Implementation of Timber Certification System**

Estonian Public Broadcasting News reported on November 30, 2011 that Estonia has embraced PEFC (Program for the Endorsement of Forest Certification) chain of custody certification, one part of the international PEFC forest certification system. Forestry leaders hope that it will serve as an incentive for companies that process PEFC-certified wood from Estonian forests to seek certification themselves. On November 24, 2011 the Forest Certification Council decided that Estonia would adopt the supply chain standard; system as a whole should be ready by 2013. The Estonian State Forest Management Centre (RMK) is now PEFC-certified which makes it possible to buy certified timber on the local market today. "The fact that RMK now has a PEFC forest management certificate and it is possible to buy PEC certified cut timber will certainly motivate industrial companies to certify their supply chain" said representative of Association of Estonian Forestry and Timber Companies.