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Middle East and Northern Africa imported 10% of internationally traded softwood lumber in 2015; Sweden, Finland and Russia the major suppliers

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Northern Africa and the Middle East have become a major destination for softwood lumber produced in Europe the past ten years. In 2015, the major trade flows were from the Nordic Countries and Russia to Egypt, Saudi Arabia and Algeria, reports the Wood Resource Quarterly in its latest issue.

The countries in the Middle East and Northern Africa, the MENA region, have become a major destination for European softwood lumber since mid-2000. In fact, over ten percent of world trade of softwood lumber in 2015 was destined for the MENA region.

Import volumes to MENA increased virtually every year over the ten-year period leading up to the Egyptian Revolution in 2013, when shipments to Egypt fell by 15%. When the political situation stabilized in Egypt, practically all countries in the region expanded their importation of lumber. From 2013 to 2015, total import volumes to the MENA region were up 26%, reaching over 11 million m³ in 2015, according to the latest issue of the Wood Resource Quarterly (WRQ). Egypt is clearly the dominant destination for softwood lumber, accounting for 45% of the total imports, followed by Algeria and Saudi Arabia. Algeria is the market that has grown the most the past five years with a doubling of its import volume.

Finland, Sweden and Russia are the three dominant supplying countries to the MENA region; together accounting for 73% of all lumber shipped the region in 2015. Other larger suppliers in Europe include Romania and Slovakia, while shipments from North

American and Latin America still account for a very small share.

Prices for lumber exported to Egypt from the two major supplying countries Finland and Sweden have dropped quite substantially the past two years. The average price for Swedish spruce has fallen the most, over 50% since 2014. The increase of lower-cost Russian lumber in the Egyptian market has pushed prices down more in Egypt than in e.g. Algeria and Saudi Arabia where Russian lumber exporters still are not a presence. Read more about prices and imports in the *Special Report* of the latest WRQ

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The fairly new markets for softwood lumber in countries in Northern Africa and the Middle East have grown rapidly the past ten years and this expansion continued in 2015 despite the fall in oil revenue and political instability in the region. Demand for softwood lumber, particularly in Egypt, Algeria and Saudi Arabia, can be expected to continue to grow in the coming years.

*Global lumber, sawlog and pulpwood market reporting is included in the 52-page quarterly publication Wood Resource Quarterly (WRQ). The report, which was established in 1988 and has subscribers in over 30 countries, tracks sawlog, pulpwood, lumber and pellet prices, trade and market developments in most key regions around the world. **To subscribe to the WRQ**, please go to www.woodprices.com*

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