THE SWEDISH
FOREST INDUSTRIES

Facts and Figures
2013

THE FOREST INDUSTRY – Facts and Figures Industry statistics 2013

This facts and figures brochure includes a summary of statistics for the forest industry for 2013. With the help of this publication we hope that you will be able to follow the forest industry in Sweden and also be able to view it from an international perspective. The forest industry employs close to 60,000 people and exports were valued at SEK 120 billion in 2013.

If you are interested in gaining access to the material in these facts and figures, you will find diagrams in PowerPoint format for downloading at our website, www.forestindustries.se/statistics. The website gives you additional information about the areas that are featured in these facts and figures.

The information that is reported refers to 2013 unless otherwise stated.

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The Forest Industry in Brief

The forest industry is a cornerstone of the Swedish economy and one of Sweden's most important base industries that creates employment throughout the country. With its renewable resources, the forest industry also has a key role in the development towards a sustainable, bio-based society. The forest industry[1] includes companies within the pulp and paper industry as well as the wood-mechanical industry.

Forest resources

In climatic terms, forest resources are of great value: growing forests bind carbon dioxide, and wood-based products continue to store carbon dioxide for the whole of their lifespan. The forest industry's products can replace fossil-based materials. Wood products, paper, packaging materials and hygiene paper are traditional products but the forest industry is also the largest producer and user of biofuel in Sweden. The industry produces electricity from biofuels and delivers district heating to the municipal networks. A number of forest industry companies have invested in wind power plants.

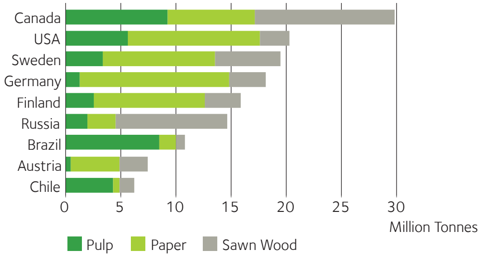
The importance of the forest industry to the Swedish economy

The forest industry plays a major role in the Swedish economy. The forest industry accounts for between 9 and 12 per cent of Swedish industry's total employment, exports, sales and refinement value. It is heavily export oriented and as the raw material is mostly domestic, and imports of forest industry products are relatively small, this means the forest industry makes a significant contribution to Sweden's trade balance. Of the pulp and paper production, close to 90 per cent is exported, and the corresponding figure for sawn wood products is almost 75 per cent.

Sweden – a major forest industry power

Sweden is the world's third largest combined exporter of paper, pulp and sawn wood products. In Europe, the Swedish pulp and paper industry and the sawmill industry are the biggest producers after Germany. As much as a quarter of all consumption of paper pulp in Europe is manufactured in Sweden. Of the EU countries' consumption of sawn wood products, 15 per cent is produced in Sweden, and the corresponding figure for paper is ten per cent. Of Sweden's exports, 20 per cent of pulp and paper and 35 per cent of sawn timber went to countries outside the EU in 2013.

World Leading Exporters 2012
Pulp, Paper and Sawn Timber



Source: Swedish Forest Industries Federation, CEPI, PPI, FAO, National Associations

Employment

The forest industry[2] cluster has been identified as particularly strong in Sweden. It involves cooperation with suppliers in the machine and chemical industries, the transport sector, IT, construction and many more. Research and education are also important elements in the cluster. Through this cooperation, employment is generated along with the development of knowledge and competence. The forest industry provides direct employment to almost 60,000 people in Sweden. Together with its sub-contractors, the forest industry creates upwards of 200,000 jobs. In several counties the forest industry accounts for 20 per cent or more of industrial employment.

[1] The forest industry includes the pulp and paper industry, sawmill industry, wood board industry, production of packaging from wood, paper and board, as well as the carpentry industry and the manufacture of refined wood fuel. The single largest sector is the paper industry.
[2] Forest cluster is defind here as forestry and forest production industry.

Technology, knowledge and investments

The forest industry is technology and know-how intensive with high-tech processes and products with a high knowledge content. The forest industry, particularly the pulp and paper industry is capital intensive and investments in new pulp lines or paper machines total several billion kronor.

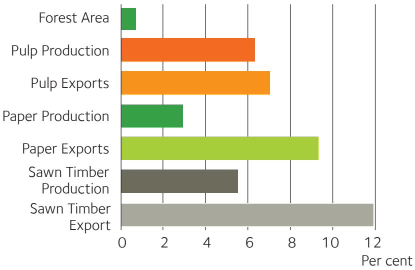
On average, the forest industry's share of total industrial investments is between 15 and 20 per cent. A large proportion of the investment in the forest industry is environmental and energy-related. Making manufacturing more efficient, increasing forest growth, and developing new products with a high refinement value are prioritised areas for research and development.

The forest industry – the engine for a sustainable bioeconomy

Growth in the forest must increase, while at the same time we protect biodiversity. This is one of the prerequisites for the transition to a sustainable bioeconomy.

Based on an industry-wide vision, the Swedish Forest Industries Federation has produced a sustainability report that, in addition to following-up sustainability goals, is aimed at describing how the forest industry can lead Sweden towards a bio-based economy in a relatively short period of time – with the forest industry as the engine.

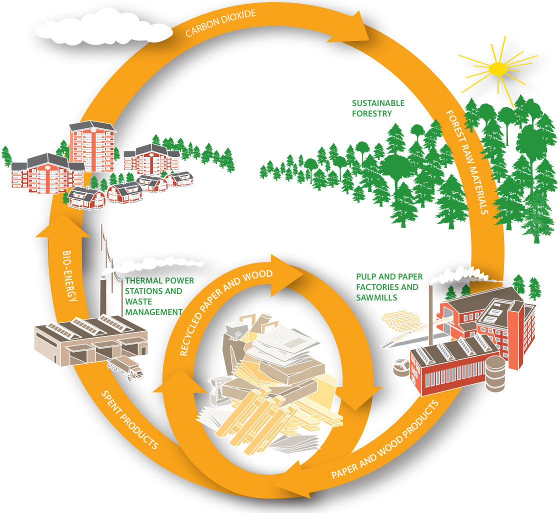
Sweden´s Share of the World´s:



Source: Swedish Forest Industries Federation, Swedish Forest Agency, PPI, FAO

The forest industry's vision of the bio-based social economy is aimed at the year 2035. In just two decades, we can be there, in a society where renewable resources dominate. And create growth and jobs in the country along the way.

The Federation's sustainability report is available for download and ordering at www.skogsindustrierna.org.

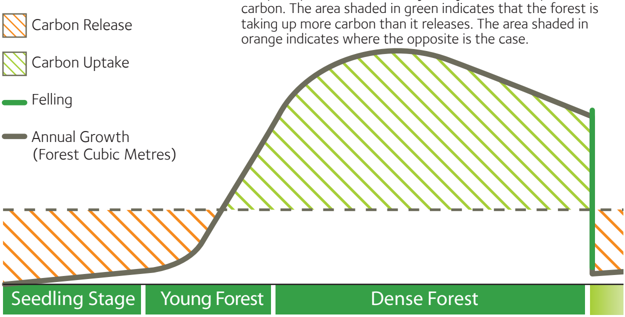


The forest is crucial for the carbon dioxide balance

Carbon is present in all living matter. Through photosynthesis, solar energy, carbon dioxide and water are converted into carbohydrates which are the building blocks for the growth of trees. The carbon dioxide in the air will then be stored as carbon compounds in trees and the woodland. The carbon dioxide is then stored in products made from forest raw materials such as wood, cardboard and paper. Forests and their products are thereby helping to counteract the greenhouse effect. A large proportion of forest industry products are recycled and/or reused. When the spent products are used as fuel or for compost, carbon dioxide is released. The equivalent amount of carbon dioxide is absorbed by the growing trees. The circle is thereby closed and a new cycle can begin.

Carbon Absorbed and Released by the Forest Over the Lifecycle

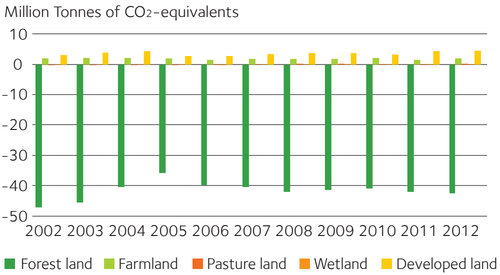
The principle of how a forestry ecosystem takes up and releases carbon. The area shaded in green indicates that the forest is taking up more carbon than it releases. The area shaded in orange indicates where the opposite is the case.



Source: SLU (The Swedish University of Agricultural Sciences)

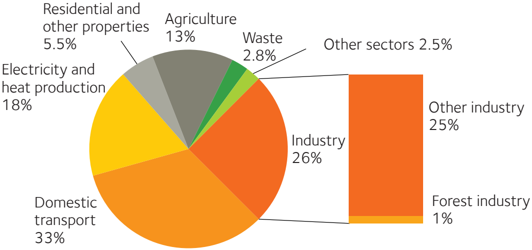
Emissions and Removals of Greenhouse Gases from Land Use,

Land Use Change and Forestry in Sweden (Minus=carbon sink)



Source: Swedish Environmental Protection Agency

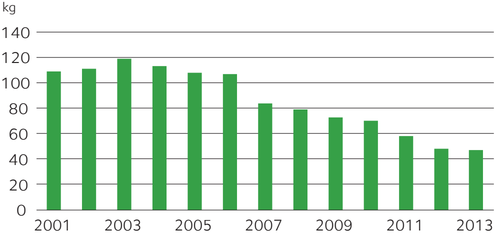
Sweden's Emission of Greenhouse Gases 2012
per Sector



57.6 Million Tonnes CO_2-equivalents

Source: National Environmental Protection Agency, Statistics Swe

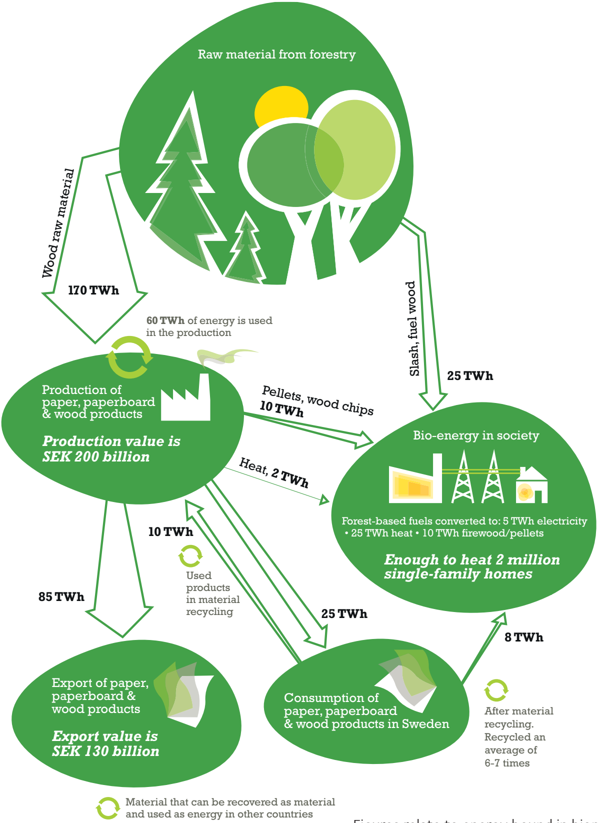
Carbon Dioxide – Emissions (CO_2),*
per Tonne of Market Pulp and Paper



* Based on fuel consumption

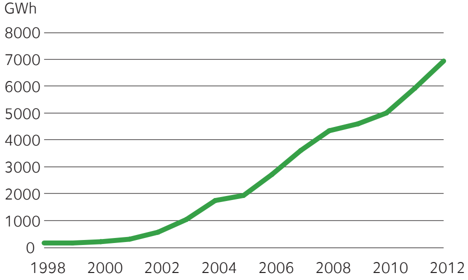
Source: Statistics Sweden

Bioenergy in the Forest Industry



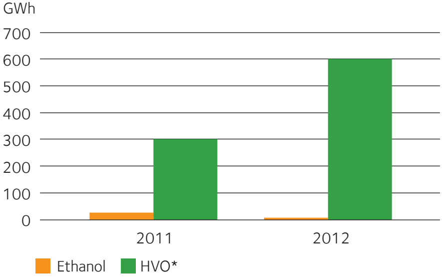
Figures relate to energy bound in biomass.

Biofuels in the Transport Sector



Source: The Swedish Energy Agency

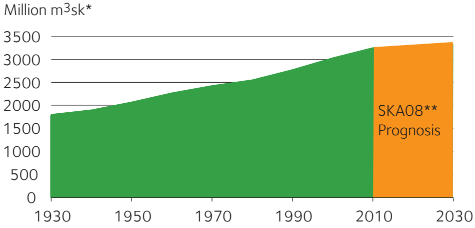
Biofuel Production from Forest Biomass



* HVO – Hydrogenated Vegetable Oil

Source: The Swedish Energy Agency

Development of the Swedish Standing Stock of Timber



*) m3sk = Forest cubic Meters

**) SKA 08 = a national forest prognosis project

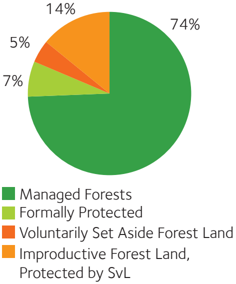
Source: Swedish Forest Agency

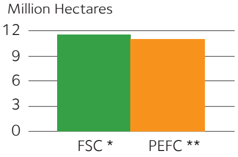
Growth is Larger than Fellings 2012

*) m3sk = Forest Cubic Meters

Source: Swedish National Forest Inventory

Forest Land, Environmental Protection Areas and Certified Forest Land



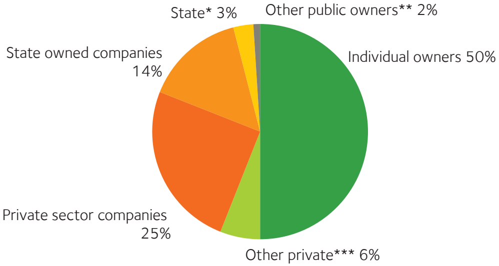


*Forest Stewardship Council
**Programme for the Endorsement of Forest Certification schemes

Note that part of the forest area is certified both through FSC and PEFC

Source: Swedish Forest Agency & Swedish National Forest Inventory

Ownership of Forest Land 2012

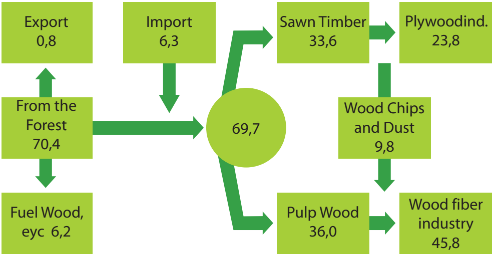


*State funds, Foundations etc.
**Municipalities, Country Councils, Foundations, Funds, etc
***Common Lands, Forest Commons, the Church of Sweden.

Source: Swedish Forest Agency

Wood Flow for the Forest Industries 2012

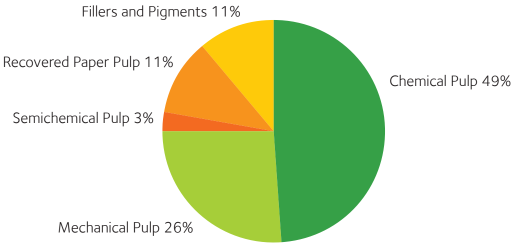
Million m³fub *



* Cubic meters under bark

Source: SDC

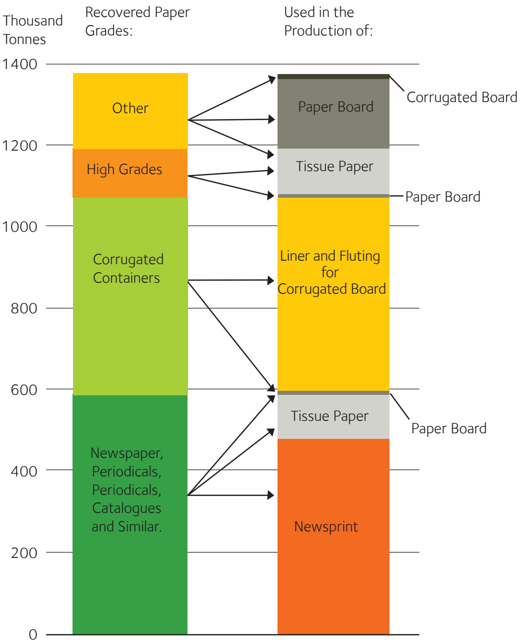
Raw Materials Used in Paper Production



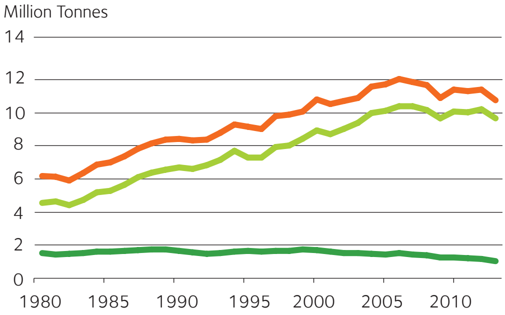
Total Paper Production: 10.8 Million Tonnes (2012: 11.4 Million Tonnes)

Recovered Paper as Raw Material in the Paper Industry

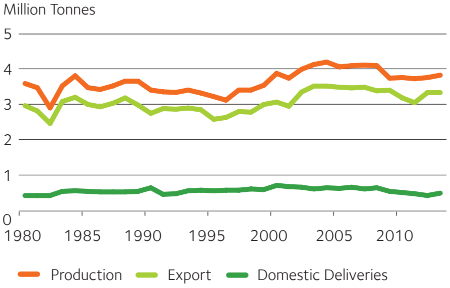
Grades Recovered and Grades Produced



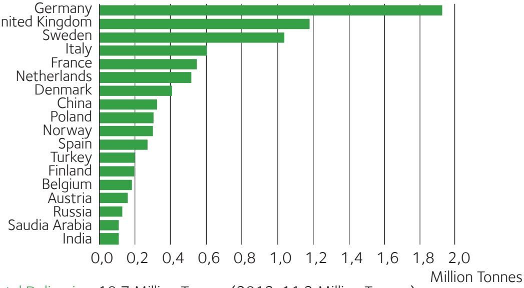
Paper Production and Deliveries



Market Pulp Production and Deliveries

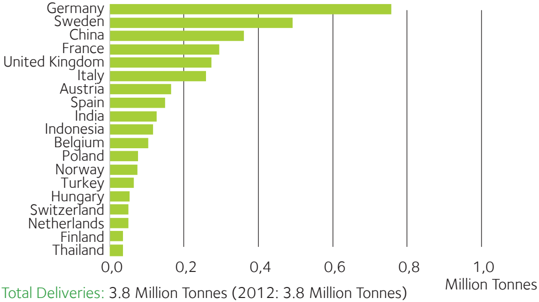


Deliveries of Paper, by Market



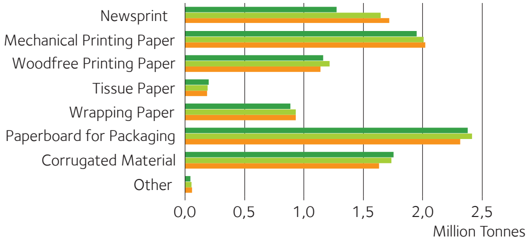
Total Deliveries: 10.7 Million Tonnes (2012: 11.3 Million Tonnes)
Total Exports: 9.7 Million Tonnes (2012: 10.2 Million Tonnes)
Exports to the EU: 6.7 Million Tonnes (2012: 7.0 Million Tonnes)

Deliveries of Pulp, by Market



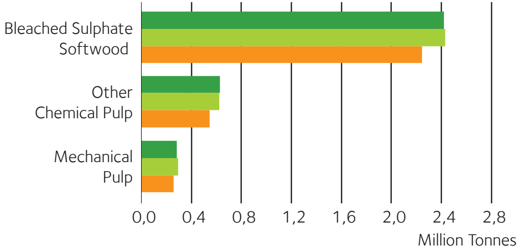
Total Deliveries: 3.8 Million Tonnes (2012: 3.8 Million Tonnes)
Total Exports: 3.3 Million Tonnes (2012: 3.3 Million Tonnes)
Exports to the EU: 2.3 Million Tonnes (2012: 2.2 Million Tonnes)

Exports of Paper, by Grade



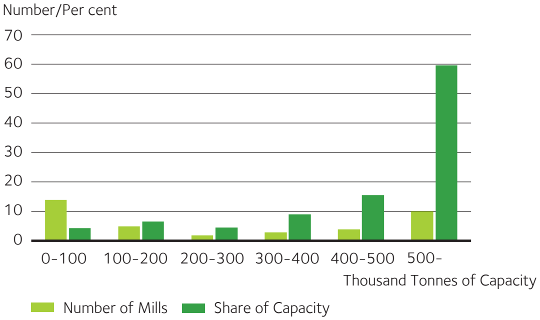
Total Exports: 9.7 Million Tonnes 2013
10.2 Million Tonnes 2012
10.0 Million Tonnes 2011

Exports of Pulp, by Grade

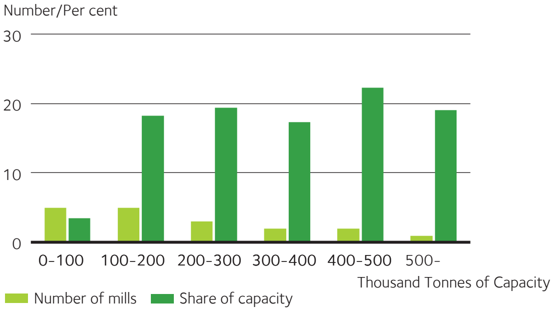


Total Exports: 3.3 Million Tonnes 2013
3.3 Million Tonnes 2012
3.1 Million Tonnes 2011

Structure of Paper Production



Structure of market pulp production



Paper Production

Thousand Tonnes	2011	2012	**2013**	Change in % 13/12
Newsprint	2,120	2,013	**1,558**	-22.6
Mechanical Printing Paper	2,088	2,057	**1,975**	-4.0
Woodfree Printing Paper	1,281	1,377	**1,303**	-5.4
Tissue Paper	352	361	**353**	-2.2
Wrappning Paper	1,013	1,006	**972**	-3.4
Corrugated Material	1,833	1,914	**1,933**	1.0
Paperboard for Packaging	2,569	2,630	**2,636**	0.2
Other Paper and Paperboard	64	59	**52**	-12.2
Total Paper and Paperboard	11,321	11,417	**10,782**	-5.6

Pulp Production

	Total				For the Market			
1,000 Tonnes	2011	2012	**2013**	Change in % 13/12	2011	2012	**2013**	Change. in % 13/12
Mechanical and Semi-Chemical	3,847	3,845	**3,518**	-8.5	329	337	**338**	0.3
Bleached Sulphate Softwood	3,846	3,886	**3,907**	0.5	2,649	2,634	**2,696**	2.3
Other Chemical Pulp	4,166	4,304	**4,296**	-0.2	750	787	**793**	0.8
Other Pulp	11,859	12,035	**11,721**	-2.6	3,728	3,758	**3,827**	1.8

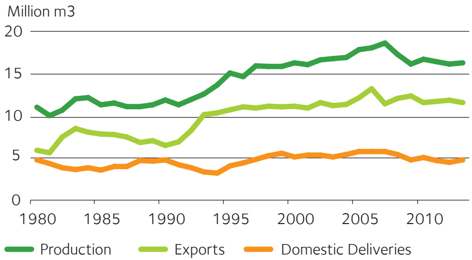
Paper

	1980	1990	2000	2010	2013
Number of mills	62	51	48	40	38
Total capacity, Million Tonnes	7,2	9,5	11,1	12,1	11,4
Capacity per mill, 1,000 Tonnes	115	185	232	295	299
Production, Million Tonnes	6,2	8,4	10,8	11,4	10,8
Exports, Million Tonnes	4,5	6,7	8,9	10,1	9,7
Export value, SEK Billion	11	33	57	70	65
Main markets, 1,000 Tonnes					
Germany	800	1 300	1 785	2 025	1 920
Great Britain	750	1 400	1 530	1 322	1 178
Italy	234	454	564	654	602
France	500	650	758	543	546

Pulp

	1980	1990	2000	2010	2013
Number of mills	72	48	45	41	41
Total capacity, Million Tonnes	10,5	10,9	11,7	13,1	12,6
Capacity per mill, 1,000 Tonnes	145	225	253	320	307
Production, Million Tonnes	8,7	9,9	11,5	11,9	11,7
Exports, Million Tonnes	3,0	2,7	3,1	3,2	3,3
Export value, SEK Billion	6	12	17	17	17
Main markets, 1,000 Tonnes					
Germany	600	900	946	899	757
Italy	300	300	312	308	274
France	400	300	350	235	294
China	24	11	40	197	361

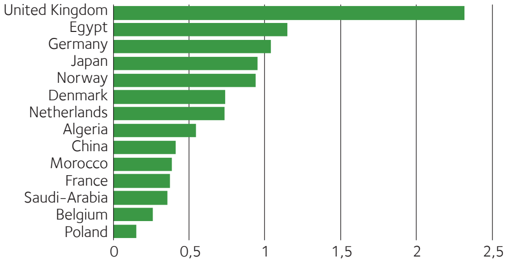
Sawn Softwood
Production and Deliveries



Production: 16.2 Million m^3 (2012: 16.1 Million m^3)
Exports: 11.6 Million m^3 (2012: 11.8 Million m^3)

Source: Statistics Sweden, Swedish Forest Industries Federation

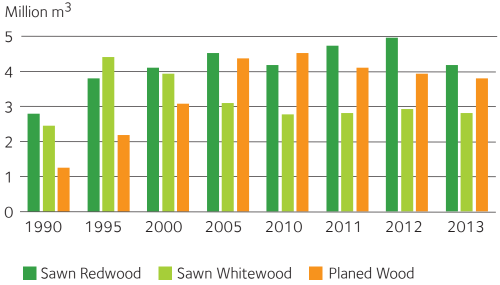
Swedish Exports of Sawn Softwood
to the Major Markets



Total Exports: 11.6 Million m^3 (2012: 11.8 Million m^3)

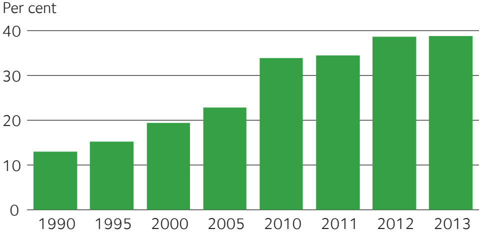
Source: Statistics Sweden

Exports of Sawn Softwood
by Grade



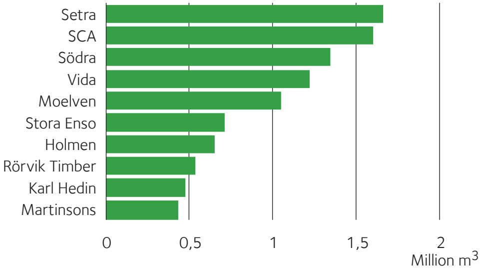
Source: Statistics Sweden

Non-European Markets' Share of Swedish Sawn Softwood Exports



Source: Statistics Sweden

Leading Producers of Sawn Softwood in Sweden, Production 2012



Sawn Softwood

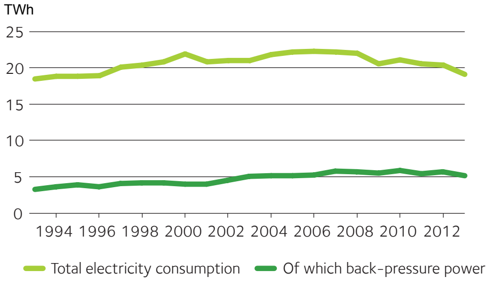
	1980	1990	2000	2010	2013
Number of Sawmills >10,000 m^3/year	283	260	207	150	130
Production per Sawmill, 1,000 m^3 (approx)	40	45	80	110	115
Total Production, Million m^3	11.2	11.7	16.3	17.0	16,2
Exports, Million m^3	5.9	6.5	11.1	11.5	11.6
Export Value, SEK Billion	5.4	11	19.4	24.3	21.8
Main Markets, 1,000 m^3					
United Kingdom	1,000	1,240	2,460	2,390	2,315
Egypt	250	380	640	1,110	1,145
Germany	900	1,220	1,170	1,020	1,037

Structural Changes Board Industry

	1980	1990	2000	2010	2013
Number of Mills	32	18	12	7	5
Production 1,000 m^3					
Particle Board	1,193	843	640	*	*
Plywood, Fibreboard and MDF	433	239	293	*	
Manufactured Boards Total	1,626	1 082	933	702	624
Export Volumes					
Particle Board	463	183	98	*	*
Plywood, Fibreboard and MDF	162	65	122	*	*
Manufactured Boards Total	625	248	220	68	45
Export Value, SEK Million	937	539	622	215	143

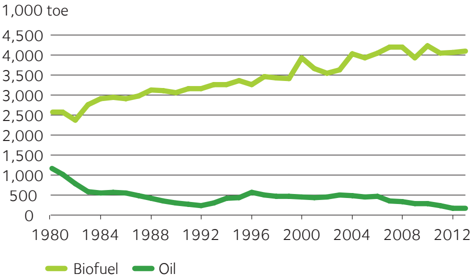
The factor used is 0,80 m^3 = Tonnes for production and exports for 1980 and 1990. Source:TMF
* As of 2010 only values for panel board, plywood, fibreboards and MDF (Medium Density Fiberboard) are shown as total value for manufactured boards. * As of 2011 no production of fibreboards and as of 2012 no production of MDF.

Electricity Consumption
Swedish Pulp and Paper Industry



Source: Statistics Sweden

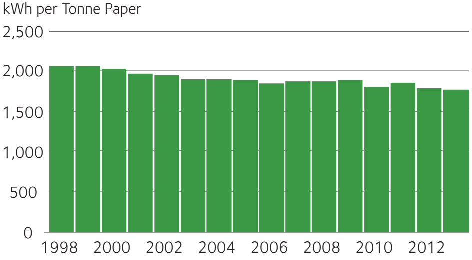
Consumption of Biofuel and Oil
Pulp and Paper Industry



Year 2013 is Based On Three Quarters Reporting.

Source: Statistics Sweden

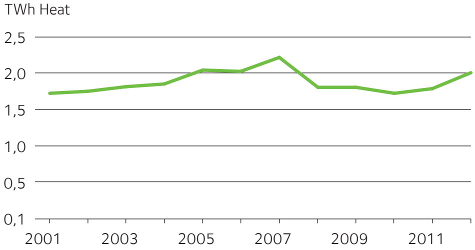
Specific Electricity Consumption



Source: Statistics Sweden

Delivered Heat

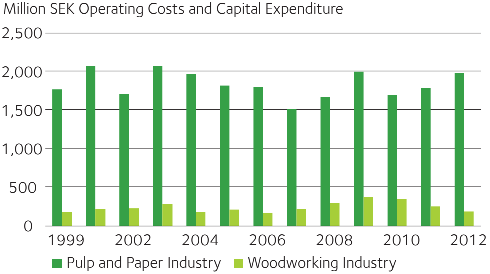
From the Forest Industry to the Community



Source: Swedish Forest Industries´ Federation Environmental Database

Expenditure on Environmental Measures

Swedish Pulp and Paper Industry and Woodworking Industry*

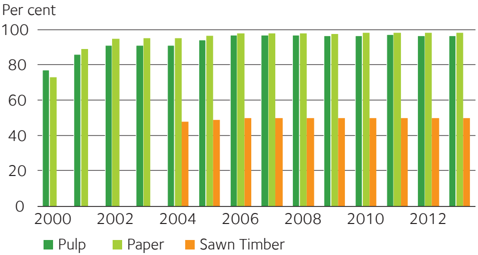


* Sawmills and Other Segments of the Timber Industry

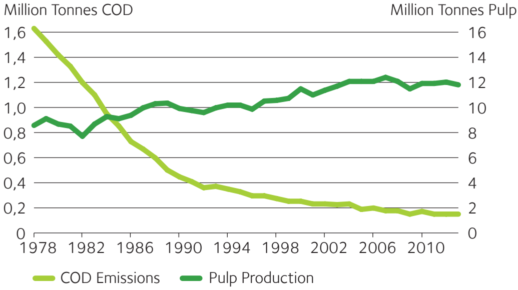
Source: Statistics Sweden

Certified Environmental Management Systems (EMS)

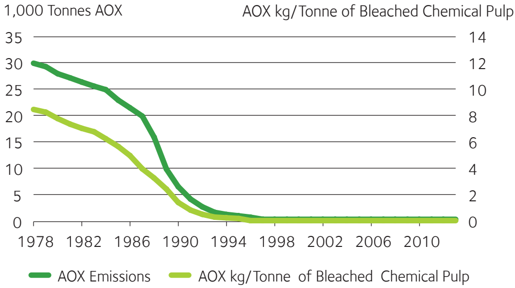
Share of Swedish Pulp, Paper and Sawn Timber Production



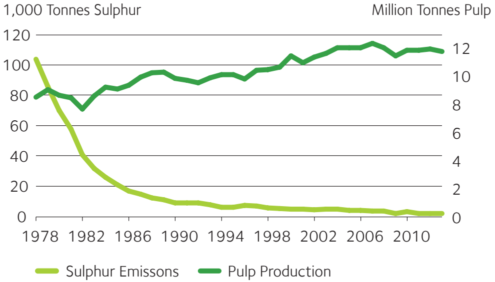
Dissolved Organic Substances (COD)
From Swedish Pulp and Paper Mills



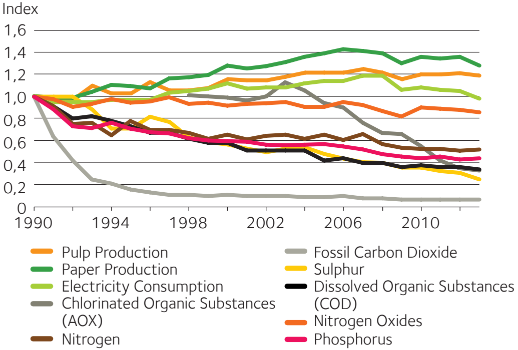
Chlorinated Organic Substances (AOX)
From Swedish Pulp and Paper Mills



Sulphur Emissions
From Swedish Pulp and Paper Mills

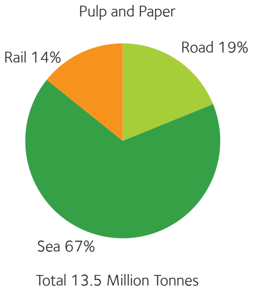


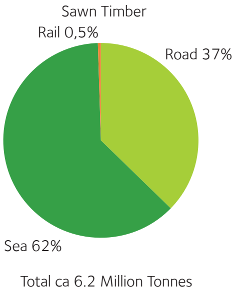
Higher Production and Lower Emission



Transportation for Export 2012

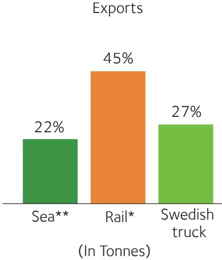
Modes of Transport

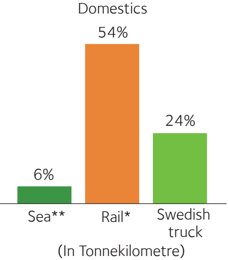




Source: Transport Analysis, Swedish Transport Administration

Share of Industrial Freight Transport Accounted for by Forest Products 2012

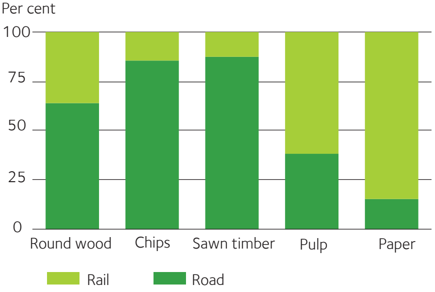




*excluding iron ore to Narvik, **loaded goods

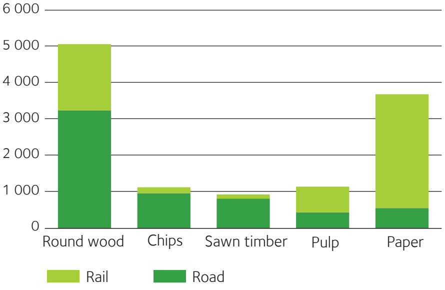
Source: Transport Analysis, Swedish Transport Administration

Land Transportation in Sweden 2012
Modes of Transport (percentage shares)



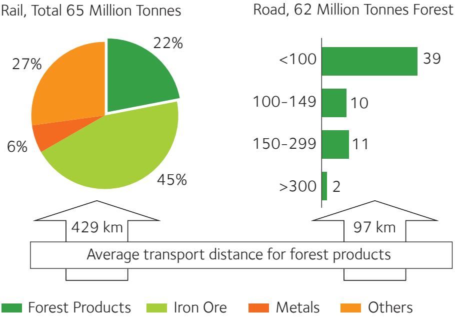
Source: Transport Analysis

Land Transportation in Sweden 2012
Modes of Transport (millions of tonne kilometres)



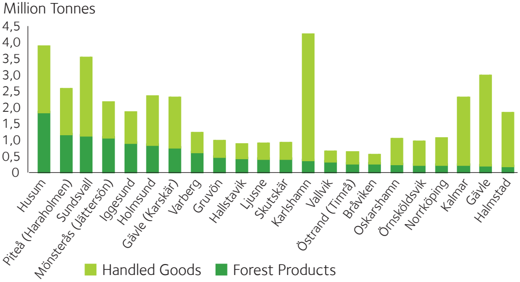
Source: Transport Analysis

Land Transportation 2012



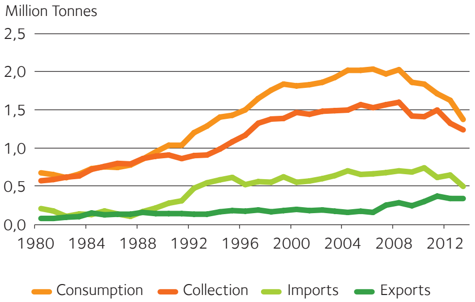
Source: Transport Analysis

Largest Harbours in Sweden from a Forest Product Perspective in 2012, and share of handled goods

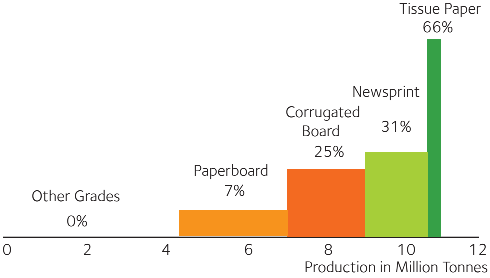


Källa: Swedish Maritime Administration and Association Ports of Sweden

Recovered Paper
Consumption, Collection, Imports and Exports

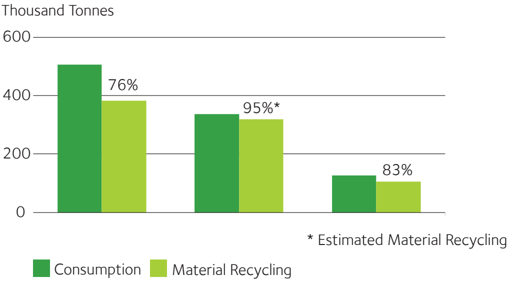


Utilisation Rate for Recovered Paper
Various Paper Grades



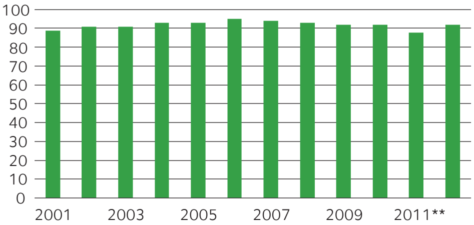
Total Production: 10.8 Million Tonnes

Consumption and Recycling of Paper 2012
and Material Recycling as Per cent of Consumption



Source: Collection Company for Packaging/NewsPams & Swedish Forest Industries Federation

Recovery* of Waste
from Production Processes in Pulp and Paper Mills



*Recovery of material and energy plus other utilisation as percentage of total amount of waste

** 2011 bark not included

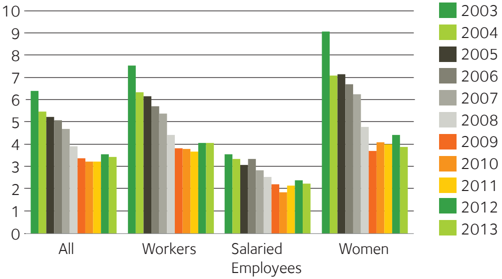
Source: Swedish Forest Industries Federation environmental database

Working Hours
Pulp and Paper Industry

Average actual weekly work excl overtime for full-time employees

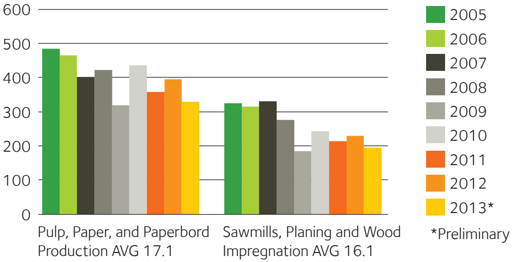
Source: AON Hewitt

Sick Leave in Pulp and Paper Industry
as Per cent of Ordinary Working Hours



Source: AON Hewitt

Work-Related Accidents
with at Least One Day´s Absence

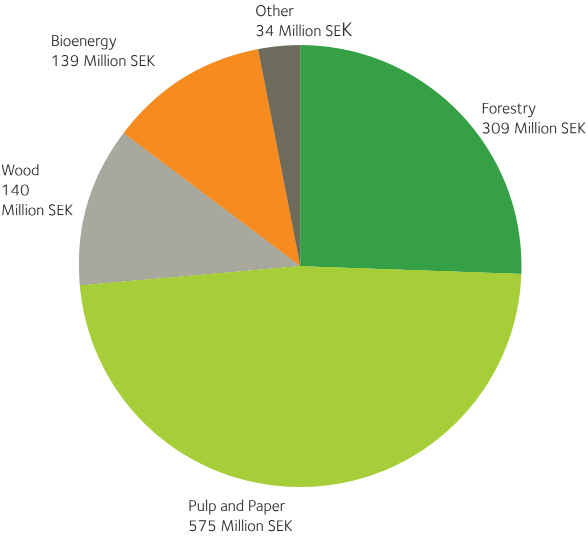


Source: Swedish Work Environment Authority, Statistics Sweden

Work-Related Accidents
with at Least One Day´s Absence, per Thousand Employees

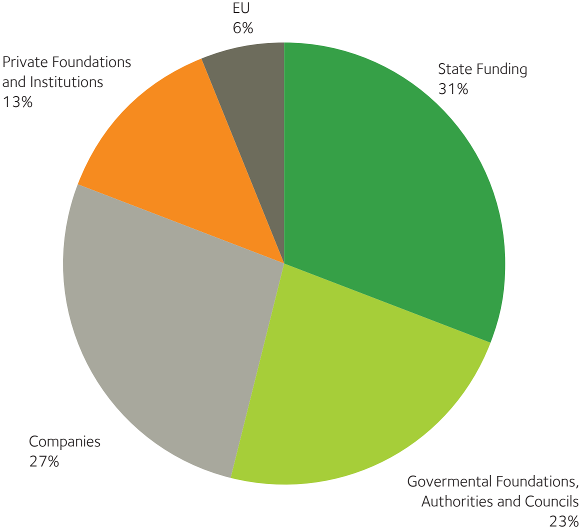
Source: Swedish Work Environment Authority, Statistics Sweden

Areas for Forestry and Forest Industry R&D at Universities, Technical Colleges and Research Institutes (UTI) 2010*



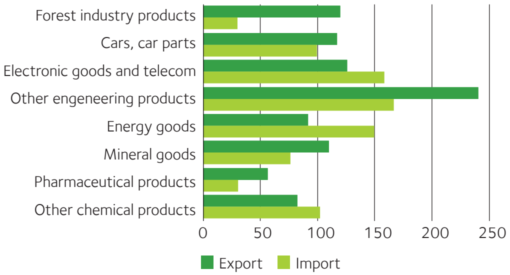
*According to Surveys sent to R&D providers at UTI, total 1,200 Million SEK

Financiers of Forestry and Forest Industry R&D at Universities, Technical Colleges and Research Institutes (UTI) 2010*



* According to Surveys sent to R&D providers at UTI, total 1,200 Million SEK

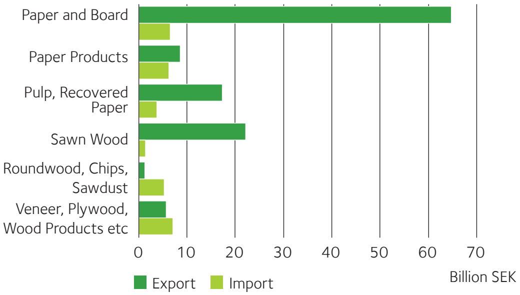
Exports and Imports of some Product Groups



Total Exports: 1,091 Billion SEK (2012: 1,170 Billion SEK)
Total Imports: 1,040 Billion SEK (2012: 1,111 Billion SEK)

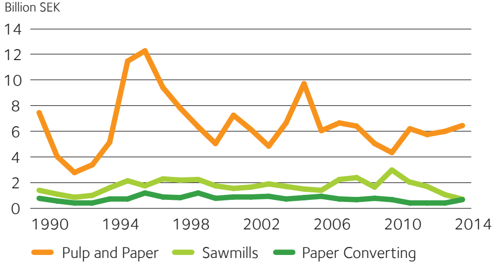
Source: Statistics Sweden

Exports and Imports of Forest industry



Source: Statistics Sweden

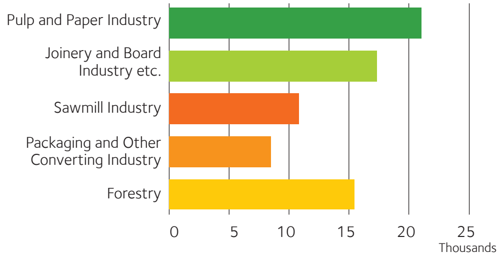
Investments in the Forest Industry
Mills in Sweden



Current Money Values, Forecast Year 2014

Source: Statistics Sweden, October 2013

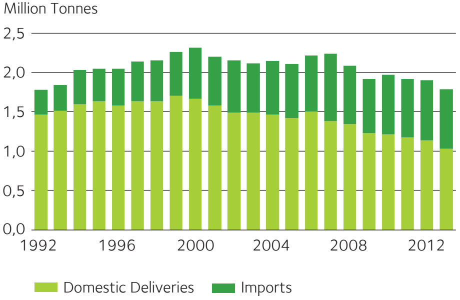
Employment in Forestry and Forest Industry Sector 2012



Total Employees: 73,000

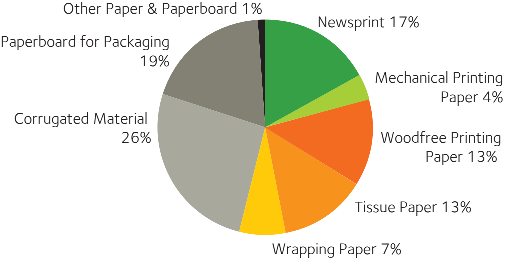
Source: Statistics Sweden, preliminary figures for 2012

Paper Consumption in Sweden



Source: Statistics Sweden, Swedish Forest Industries Federation

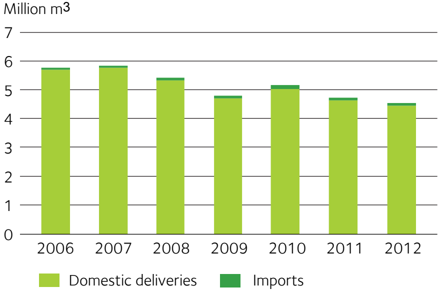
Paper Consumption in Sweden
by Grade



Paper Consumption: 1.8 Million Tonnes (2012: 1.9 Million Tonnes)

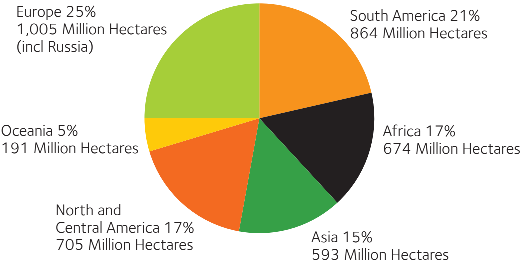
Source: Statistics Sweden, Swedish Forest Industries Federation

Estimated Sawn Softwood Consumption in Sweden



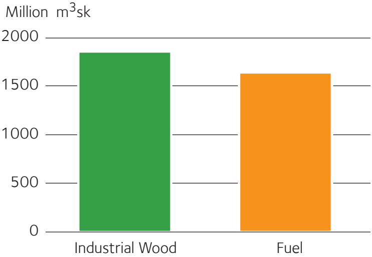
Source: Statistics Sweden, Swedish Forest Industries Federation

Forests of the World: 4 Billion Hectares 2010



Source: FAO

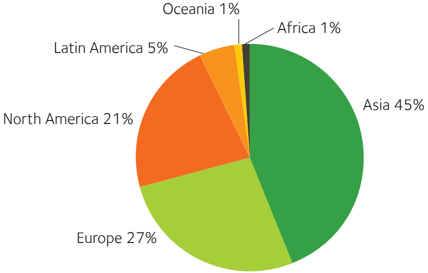
Global Use of Wood 2010



*) m^3sk = Forest Cubic Meters

Source: FAO

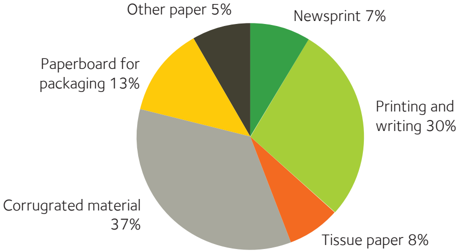
Global Paper Production 2012
by Region



Total production: 400 Million Tonnes (2011: 399 Million Tonnes)

Source: PPI

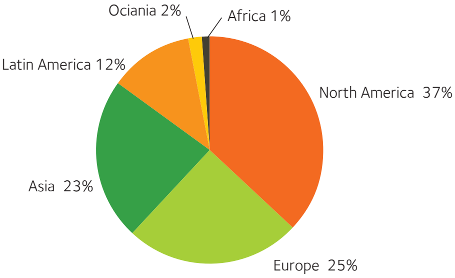
Global paper production 2012
by Grade



Total production: 400 Million Tonnes (2011: 399 Million Tonnes)

Source: PPI

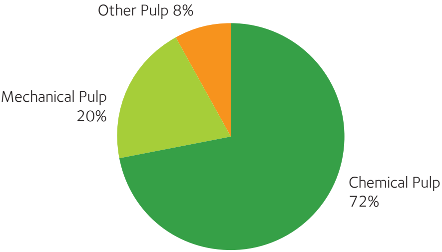
Global Pulp Production 2012
by Region



Total production: 181 Million Tonnes (2011: 184 Million Tonnes)

Source: PPI

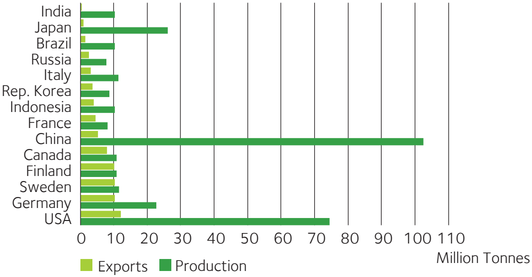
Global Pulp Production 2012
by Quality



Total production: 181 Million Tonnes (2011: 184 Million Tonnes)

Source: PPI

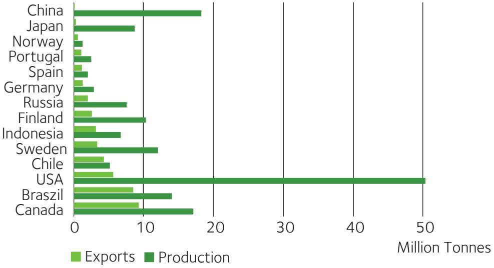
Production and Export of Paper 2012



Total world production: 400 Million Tonnes
Total world exports: 110 Million Tonnes

Source: PPI, CEPI

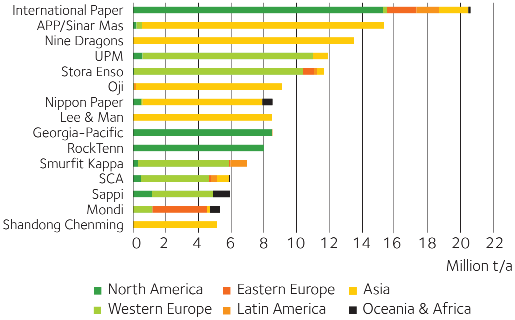
Production and Export of Pulp 2012



Total world production: 181 Million Tonnes (2011: 184 Million Tonnes)
Total world exports: 47 Million Tonnes (2011: 45 Million Tonnes)

Source: PPI, CEPI

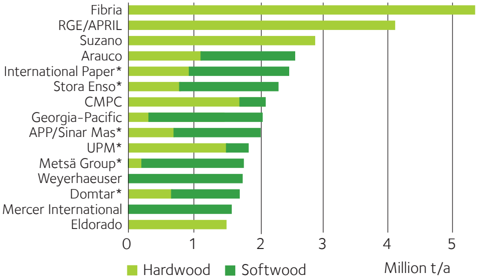
Leading Global Paper and Paperboard Producers



Regional capacity distribution 2014/Q1

Källa: Pöyry

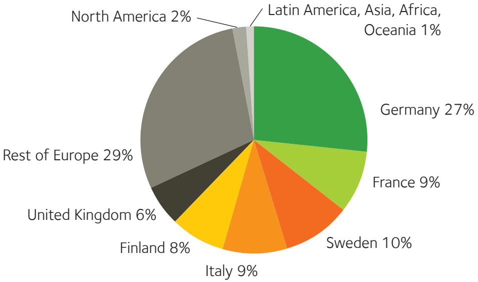
Leading Bleached Kraft Market Pulp Producers



2014/Q1, incl. fluff, excl. dissolving pulp, (incl. export captive)
*These companies have export captive capacity

Källa: Pöyry

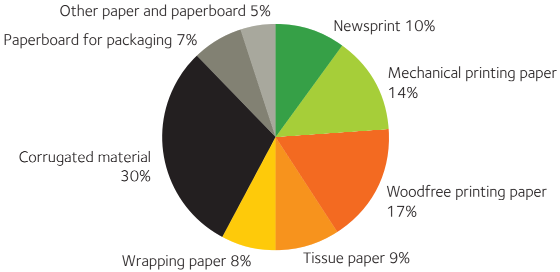
Paper Consumption in Europe 2012
Deliveries from Various Countries and Regions



Total consumption: 77 Million Tonnes (2011: 80 Million Tonnes)

Source: CEPI

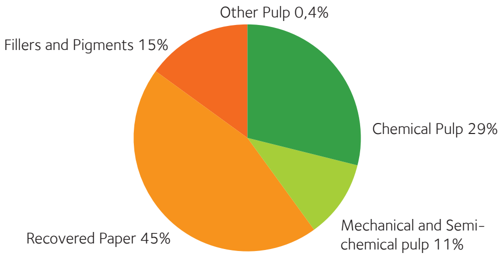
Paper Consumtion in Europa 2012
by Grade



Total consumption: 77 Million Tonnes (2011: 80 Million Tonnes)

Source: CEPI

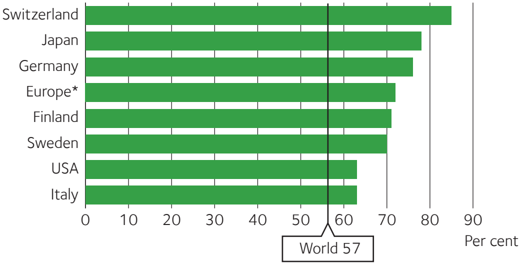
Raw Materials in European Papermaking 2012



Total paper production: 92 Million Tonnes (2011: 94 Million Tonnes)

Source: CEPI

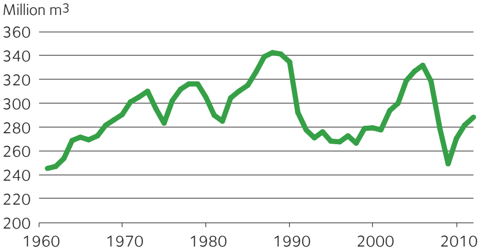
Recovery of Paper Products 2012
per cent of Consumption



*Europe is EU27, Norway and Switzerland

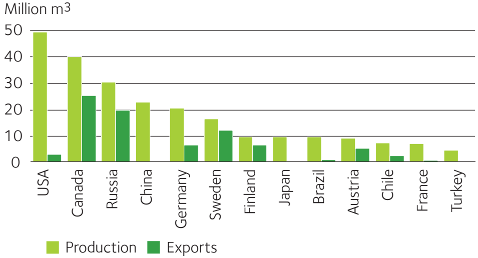
Source: PPI, CEPI

Global Production of Sawn Softwood 2012



Source: FAO

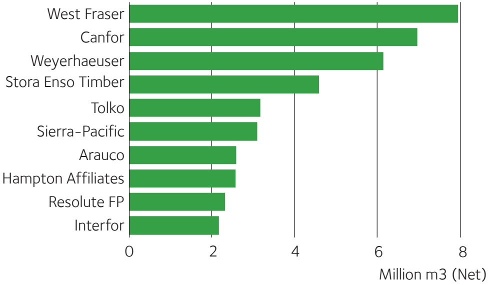
Production and Exports of Sawn Softwood 2012



Total World Production: 288 Million m^3 (2011: 282 Million m^3)
Total World Exports: 99 Million m (2011: 99 Million m^3)

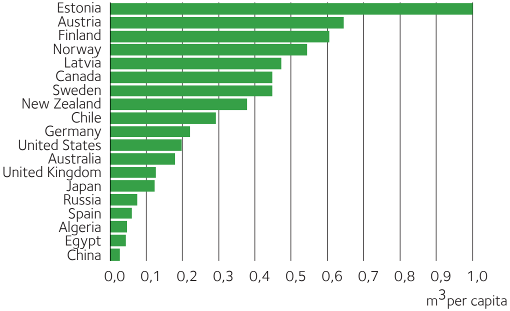
Source: FAO

Top Ten Producers of Sawn Softwood 2012
Production Volume



Source: Wood Markets

Consumption of Sawn Softwood 2012
per Capita



Source: FAO

Trading conditions and market 2013

The world

The global economic recovery remained weak in 2013, but showed a slight improvement in the second half of the year. Inflation was low in the major economies and repo rates were depressed. Global GDP is estimated to have risen by 2.9 per cent. Growth in the USA was relatively strong in the second half of the year and GDP grew by nearly 2 per cent for the full year. In the Euro zone, GDP declined for the second year running, falling by 0.4 per cent. Growth remained weak in the emerging economies, and was 4.7 per cent. In China, GDP rose by 7.7 per cent. Lower global demand was reflected in continued sluggish global trade, which grew by 2.7 per cent.

The Swedish economy

Growth in the Swedish economy strengthened towards the end of the year but was for the whole year subdued at 1,5 per cent, mainly as a result of weak export demand. Goods exports from Sweden declined for the second year running, falling by 7 per cent in 2013 (4 per cent in 2012).

The forest industry

The forest industry was characterized by weak demand in the main market in Europe, making non-European markets important for sales of the forest industry's products. Export volumes of paper and sawn timber declined, while pulp exports remained largely unchanged. Exports improved in the second half of the year, but the value of forest industry exports was still 2 per cent down on the previous year and amounted to SEK 120 billion. The decline in forest industry exports was thus considerably smaller than the fall in total goods exports, which declined by 7 per cent.

Sawn timber

The market for sawn products improved during the second half of the year, having been weak in the early part of the year. Production in Europe is estimated to have increased by two per cent for the year. In Sweden, production rose by one per cent to a little over 16 million m^3. Sales in the Swedish market increased, and exports, too, grew in the second half of the year. However, export volumes for the full year amounted to just 11.6 million m^3, two per cent down on the previous year. Exports to the industry's main market in Europe deteriorated by four per cent, while deliveries to China showed strong growth, rising nearly threefold from a low level, and exports to the USA and Japan also improved.

Paper

Paper consumption remained depressed, partly as a result of the weak global economy, but global production nevertheless rose by one per cent to around 404 million tonnes, having increased only marginally in 2012. The increase in paper production mainly took place in the emerging economies - countries such as China, India, Indonesia and Brazil. In Europe and the USA, production decreased for the third consecutive year. The fall in Europe was just over one per cent, while in the USA, production declined only marginally. In Canada, paper production rose sharply, up by nearly four per cent, having halved over a period of just over ten years.

The structural decline in consumption of graphic paper continued in 2013 and resulted in the winding down of production capacity, but demand for packaging materials and hygiene paper increased. The trend in the packaging materials sector is towards production of increasingly light materials, but total production of packaging materials has increased nonetheless.

Consumption of paper in Europe is estimated to have declined by just over one per cent. Graphics paper consumption in Europe declined by an average of five per cent, with newsprint, among other things, showing a slightly larger fall. Since peaking in 2007, consumption of newsprint in Europe has slumped by over a quarter.

Paper machine closures and a weak economy were reflected in a 5 per cent decline in Swedish paper production to 10.8 million tonnes. Newsprint accounted for the largest fall. Paper exports deteriorated by five per cent. Exports to the EU showed a slightly smaller decline, around four per cent.

Pulp

There was a good balance between supply and demand for pulp during the year and demand was strong. Global deliveries increased by nearly three per cent as sales to China remained strong. The price was raised several times. Swedish pulp production increased by two per cent, while exports declined slightly. Exports to the EU rose by six per cent.

Investments and structural changes

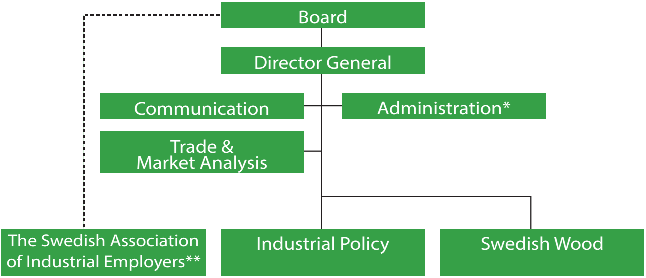
IInvestments in forest industry facilities in Sweden amounted to nearly SEK 9 billion in 2013. Several investments were made to improve resource and energy efficiency and to lower production costs. New sawlines were installed to boost quality and improve utilisation of raw materials, and new dryers were added to increase drying capacity.

During the year, three newsprint plants and one magazine paper plant closed in Sweden. The closures are expected to have a limited impact on demand for wood since the production of these plants was partly based on recycled fibres and because some other plants have slightly increased their production capacity for pulp and paper.

Some graphics paper production plants have begun restructuring or supplementing their product mix to include different types of packaging materials. Demand for packaging is increasing, boosted by increased trade, for instance e-commerce, urbanisation and an increased proportion of small households.

(Comparisons refer to 2012)

The Swedish Forest Industries Federation



The Swedish Association of Industrial Employers
- **Managing Director and secretariat**
- **Negotiations/Agreements**
- **Law/ Work Environment**
- **Competence supply**

Industrial Policy
- **R&D**
- **Environment**
- **Energy**
- **Products**
- **Products – wood**
- **Forest**
- **Transport**

Swedish Wood
- **Swedish promotion**
- **International promotion**
- **European cooperation**
- **R&D**

* Administration is shared by:
- Swedish Forest Industries' Federation
- Swedish Federation of Wood and Furniture
- Federation of Swedish Forestry and Agricultural Employers
- Swedish Graphic Companies' Federation

** Employers' organization for the Mining Industry, the Paper and Pulp Industry, the Steel and Metal Industry, the Saw Mill Industry and the Steel Mechanical Industry (SVEMEK).

The Swedish Forest Industries Federation (Skogsindustrierna) is the trade and employers' organisation for the pulp, paper and wood mechanical industries. Its role is to foster the competitiveness of its members and promote greater use of wood-based products. In association with its member companies, the Federation works on employer issues, Swedish and other European industrial policy, industry analysis and communications. Employer issues are handled together with the mining and metal sectors within the Swedish Association of Industrial Employers organisation (Industriarbetsgivarna). The Swedish Wood (Svenskt Trä) department is part of the Federation and works for the dissemination of knowledge, inspiration and development related to wood, wood products and wood construction.

The Federation represents around 50 pulp and paper manufacturers in a total of 23 groups of companies and around 115 sawmills in a total of 60 groups/companies, as well as a number of companies that have close ties with the production of pulp, paper and wood products.

The Board of the Federation consists of representatives from the member companies, chaired by Ulf Larsson, SCA. Carina Håkansson is the Director General.

Operations are organised into an industrial policy department with six committees, and the Swedish Wood department. Committees for employer issues work within the Swedish Association of Industrial Employers. The chairs of the committees are:

- Agreements – pulp/paper (Swedish Association of Industrial Employers): Mats Nordlander, Stora Enso
- Agreements – sawmills (Swedish Association of Industrial Employers): Lars Martinson, Martinsons Såg
- Competence issues (Swedish Association of Industrial Employers): Maria Magnesjö-Nilsson, Södra Skogsägarna
- Research: Örjan Petterson, SCA
- Environment and Energy: Göran Lindqvist, Arctic Paper
- Products – pulp/paper: Margareta Öhrn, BillerudKorsnäs
- Products – wood: Sven Nilsson, Gällö
- Forest: Johan Lindman, Stora Enso
- Transport: Magnus Svensson, SCA Transforest
- Swedish Wood: Peter Eklund, Bergkvist-Insjön

Collaboration with other organisations

The Swedish Forest Industries Federation works on a number of issues with a large number of other industry associations and business organisations.

CEI-Bois, Confédération Européenne des Industries de Bois, is the European umbrella organisation for sawmills and other woodworking industries.
www.cei-bois.org

CEPI, Confederation of European Paper Industries, represents the European pulp and paper industry in 18 countries (17 EU countries plus Norway).
www.cepi.org, www.paperonline.org

The Swedish Forestry Association (Skogen) is a non-profit association that is working for better forests and more active forest management. Its 8,000 members are forest owners, officers, machine operators and entrepreneurs. The association runs the industry portal skogssverige.se and the national office for the Forest in School programme.
www.skogen.se

The Swedish Graphic Companies Federation, GFF, represents 500 member companies and is the employers' and trade association for companies in the graphic industry, packaging industry and related business sectors..
www.grafiska.se

ICFPA, International Council of Forest and Paper Associations, is a forum for the global forest industry.
www.icfpa.org

The Swedish Association of Industrial Employers is an Employer Organisation formed by the Mining Employers Association, the Swedish Forest Industries Federation (the employer section), the Steel and Metal Employers Organisation and SVEMEK. The Swedish Association of Industrial Employers has a total of 860 member companies, with a combined workforce of around 82,000 people.
www.industriarbetsgivarna.se

The Industrial Council (Industrirådet) consists of senior representatives of employers' and worker organisations in the industrial sector.
www.industriradet.se

The Federation of Swedish Family Forest Owners (LRF Skogsägarna) is a national organisation for the four forestry associations Södra, Mellanskog, Norrskog and Norra Skogsägarna. The forestry associations have a total of 112,000 members who together own 6.1 million hectares of productive forest.
www.lrf.se

The Swedish Shippers' Council (Näringslivets Transportråd) is a forum for shippers where Swedish industry and commerce meet for discussion, talk about developments and exchange knowledge on transportation issues.
www.transportrad.se

SKGS (Forestry, Chemicals, Mines and Steel) is a collaboration on energy issues between four industry associations: Innovation and Chemical Industries in Sweden (IKEM), the Swedish Steel Producers' Association (Jernkontoret), the Swedish Forest Industries Federation and SveMin.
www.skgs.org

SLA, the Forestry and Agricultural Employers Association, represents approximately 4,000 member companies with operations in forestry, agriculture, veterinary care, golf and horticulture. Its mission is to defend the interests of its member companies and employers.
www.sla-arbetsgivarna.org

The Confederation of Swedish Enterprise represents more than 60,000 small, medium-sized and large-scale businesses. The Swedish Forest Industries Federation together with 48 other industry and employers' federations are members of The Confederation of Swedish Enterprise.
www.svensktnaringsliv.se

Trä- och Möbelföretagen – TMF – is the trade and employer's association of the wood processing and furniture industry. It has around 700 member companies, which include companies that produce windows, doors, floors, wooden houses, joinery products, furniture, kitchen cabinetry, carpentry products, stairs and wooden components. This industry generates turnover of SEK 70 billion and employs just under 30,000 people.
www.tmf.se

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