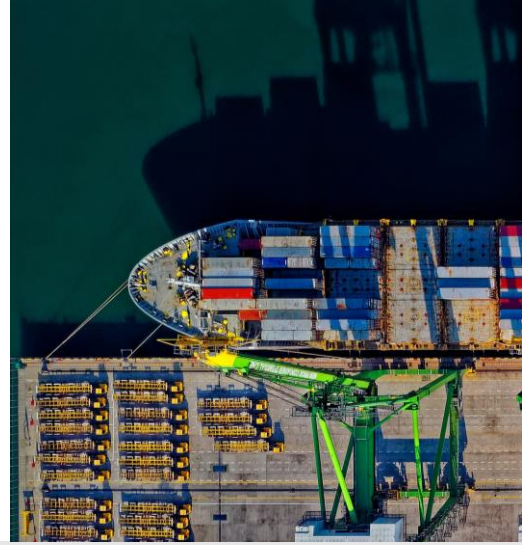


Ukrainian war fallout

Disruptions in global trade of forest products

April 2022



The war in Ukraine is already causing significant disruption to global trade of forest products. Western sanctions against Russia and Belarus block the export of logs, chips, lumber, pulp and paper with dramatic consequences for global markets. Ukraine's forest industry is also impacted by the ongoing war. Russian industry will struggle to source parts, equipment and finance. Even non-sanctioning countries, such as China, will need to adapt. This report investigates the short-term and potential long-term implications of the war and its impact on trade of forest products.

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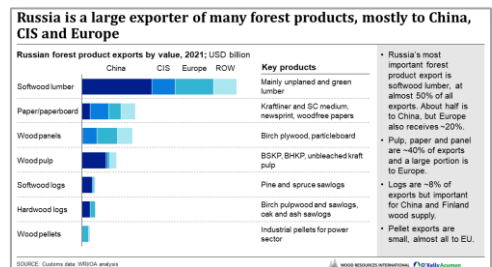
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Example exhibits

Short- and long-term impacts to western and non-sanctioning regions

Trade restrictions will impact all regions, both short and long-term				
Trading partner	Short-term		Mid to Long-term	
"The West" US, EU, Japan, Korea, etc.	Trade sanctions against Russia and Belarus – no export or import of forest products.	Higher costs for energy and wood raw material.	Altered trade flows for forest products.	Reduced investment in Russian forest products industry.
Non-sanctioning countries China, India, etc.	"Conflict timber" status for Russian forest products, e.g. no longer certified by FSC, PEFC, etc.	Financial sanctions impeding international payments with Russia and Belarus.	Lower demand for imported forest products in Russia, Belarus and Ukraine.	Reduction in Ukrainian production and export due to ongoing war in country. Lasting changes to trading patterns (forest products and equipment etc.).

Russian forest product exports by product and destination in 2021



Russia, Belarus and Ukraine exports of softwood lumber in 2021



Questions the report helps answer

- How will the war impact forest product exports from Russia, Belarus and Ukraine?
- What will be the impact on global markets for lumber, pulp and paper/paperboard?
- What are implications for log and chip trade, especially in Finland and Northern Europe?
- How will the war impact investment and growth in the Russian forest products industry?
- What are implications for China and Asia-Pacific?
- What could be possible side-effects, e.g. new trade patterns, investment in other regions, softwood pulp expansion in the US South?

Who the report is most relevant for

- Log and chip buyers in Northern Europe.
- Softwood pulp and paper producers globally.
- Lumber producers and buyers globally.
- Forest owners and investors.
- Wood chip exporters and traders.
- Forest certification bodies, brands and retailers.
- Forest industry machinery suppliers, from logging equipment to pulp and paper mills.
- Analysts, consultants, financial institutions and industry associations.

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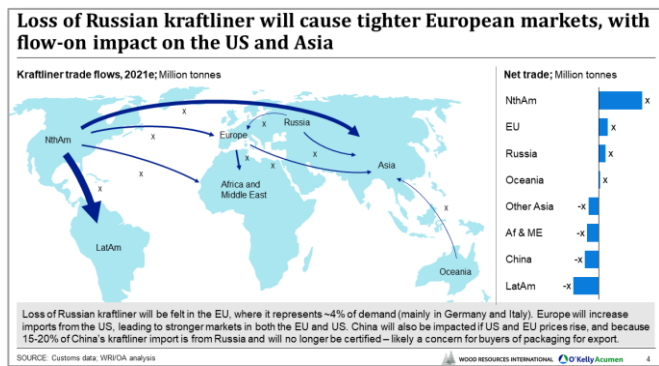
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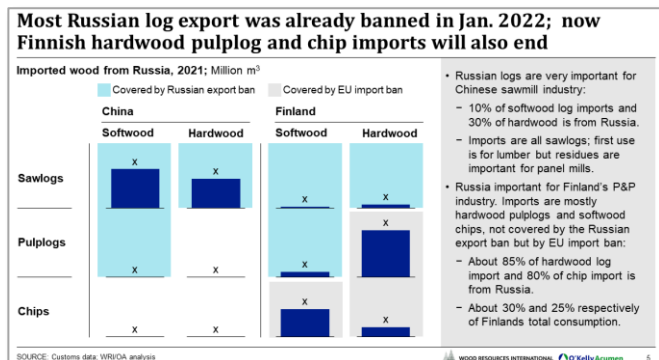
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- One of authors available for 45 min interview
- Access to ppt slides can be discussed

Example exhibits

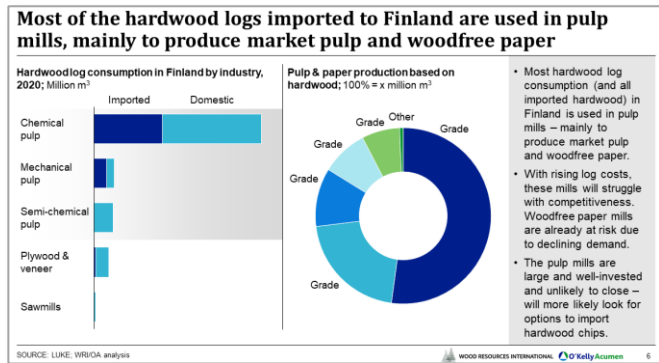
Global kraftliner trade flows and regional balance



China and Finland import of Russian logs and chips



Finnish industry's wood use by source and product



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