



Rue de l'hôpital/Gasthuisstraat 31 b2 – 1000 Brussels

Tel.: +32 (0)2 274 22 06

Fax: +32 (0)2 400 71 26

e-mail: ceettar@ceettar.eu

website: www.ceettar.eu

EC Register: 15086733813-03

European Organisation of Agricultural, Rural and Forestry Contractors

Confédération Européenne des Entrepreneurs de Travaux Techniques Agricoles, Ruraux et Forestiers

Europäischer Zentralverband der land- und forstwirtschaftlichen Lohnunternehmer und ländlichen Dienstleistungsunternehmen

(AS\forest\Overview forestry contractors 2017-EN)

The vital role of forestry contractors for the forests of Europe

Forests play an important part in Europe and cover almost 182 million hectares across the 28 EU countries, which is equivalent to approx. 43% of their total area (Eurostat, Agriculture, forestry and fishery statistics, 2016 edition). Wooded areas actually cover a slightly larger area than agricultural land (41%), which included over half the national territory of seven member states in 2015. Just over three quarters of the national territory of Finland and Sweden consist of forests, closely followed by Slovenia (63%). 54-56% of the national territory of four other countries (Estonia, Latvia, Spain and Portugal) consists of forest.

In 2015, the most densely forested European countries were Sweden (30.5 million hectares), followed by Spain (27.6 million hectares), Finland (23 million hectares), France (17.6 million hectares), Germany (11.4 million hectares) and Italy (11.1 million hectares). Wooded areas only cover more than 10% of land in three EU countries: Sweden (16.8% of total area), Spain (15.2%) and Finland (12.7%).

An interesting factor, when considering forests and wooded areas, is that not all the relevant information is available, including who actually owns them. According to Eurostat, an average of 60.3% of European forests were privately owned in 2010. This percentage is above the European average in eleven member states, while the highest proportion was in Portugal, where 97% were privately owned. In contrast, the proportion of private forests is lower in Poland (20%) and Bulgaria (which has the lowest proportion of private forests with only 12.1% of all wooded areas).

Ten countries under the spotlight

In spring 2017, the CEETAR Standing Committee on Forestry conducted a study focusing on ten countries (Belgium, Bulgaria, Denmark, Finland, France, Spain, Sweden, the Netherlands, Portugal and Latvia), in order to find out more about forest contractors in these countries, as well as their roles and current concerns.

Private and public forests

In terms of ownership and different types of forest, the responses from CEETAR members confirm and complement the findings made by Eurostat. The proportion of private and public forest is roughly the same in three countries: Belgium, the Netherlands and Latvia. Denmark has 0.6 million hectares of

forest, most of which is privately owned (68% of the total area), while the state owns 19% of the public forests and the local authorities 8%. Private forests also predominate in France (11.8 million hectares, compared to 1.4 million hectares owned by the state and 2.4 million hectares owned by local authorities), Spain

(19.98 million hectares are privately owned, compared to the 1.5 million hectares owned by the state and 6.19 million hectares owned by local authorities), Finland (75% of forests are private, which is equivalent to 15.2 million hectares, while 25% are state-owned, amounting to 5.07 million hectares) and Sweden (50% of private forests are in the hands of small landowners and the rest are owned by 25 companies). Bulgaria remains the only country where public forests predominate (according to the Bulprofor organisation, 75% of forests are owned by the state, 15% by local authorities and 10% are in private hands).

The CEETAR survey also provides additional information concerning the proportion of protected forest areas in some countries (the latter represent 60% of forests in Bulgaria, 15.1 million hectares in Spain and 44% of land in the north of Finland), as well as the distribution of tree species. While a certain balance exists between hardwood and softwood species in some countries (Belgium, Denmark, the Netherlands, Latvia), softwood trees clearly predominate in the forests of Finland (89% of the total) and Sweden (80% of the total in 2013).

The most diverse forests seem to be in Bulgaria (70% hardwood and 30% softwood), France (9.2 Mha hardwood, 3.1 Mha softwood, 2.0 Mha mixed) and Spain (15.13 Mha hardwood, 10.42 Mha softwood and 2.12 Mha mixed).

Contractor profiles – a wide range of activities and professional skills

Out of the ten countries surveyed by CEETAR, two stand out for the large number of forestry contractors declared by their national organisations. Spain came first with 36,150 forestry contractors (72% of which specialise in timber harvesting, 18% in forest management/planning and 8% in the paper industry). France had 7850 forestry contractors, 7000 of which specialised in timber harvesting and 850 in forestry. In terms of this criterion, Sweden came third with a total of 5606 forestry contractors who provide various services: timber harvesting (88%), forestry (39%), forest

In terms of producing timber, Sweden was easily the most important of the group of countries surveyed (86.3 Mm³ of harvested timber were placed on the market in 2013, according to the Swedish organisation SMF, of which 51.3 Mm³ came from privately owned forests, 25.5 Mm³ from forestry companies or similar major forest owners and 9.9 Mm³ were harvested by the state).

Finland came second in terms of its total harvest with 56 Mm³ harvested in 2013 (57 Mm³ in 2014, according to Eurostat), followed by France (approx. 35 Mm³ harvested in 2013, including 21.7 Mm³ from private forests, 8.1 Mm³ from local authorities and 6.2 Mm³ from the state), followed by Spain (13.2 Mm³ harvested in 2010, including 7.05 Mm³ softwood and 6.15 Mm³ hardwood, according to the Asemfo organisation, compared to a total of 16 Mm³ according to Eurostat).

Finally, the CEETAR survey shed light on the proportion of the total harvest placed on the market in 2015 by Bulgaria (7.5 Mm³, of which 4.5 Mm³ was owned by the state, 1 Mm³ by local authorities and approx. 2 Mm³ by forestry companies), Belgium (4.8 Mm³, of which 2.2 Mm³ came from state-owned forests and 2.6 Mm³ from privately owned forests), Denmark (3.91 Mm³, of which 3 Mm³ came from private forests) and the Netherlands (1.2 Mm³).

management/planning (8%) and other activities (8%) (including trailing, fertilisation, timber delivery, arborists, window construction and forest roads). It was followed by Bulgaria, which had a total of 3459 forestry contractors (but this figure also included individual people who are registered and authorised to work in forests without having the legal status of forestry contractor), Finland (with approx. 3000 forestry contractors, including 1500 working in timber harvesting, 200 in forestry, 200 in forest planning/management and 600 in timber transport), followed by Portugal whose 2000

forestry contractors specialise in forest planning/management (80%), forestry (80%) and timber harvesting (70%).

The CEETTAR survey also reveals that approx. 200 forestry contractors exist in the Netherlands (150 of which specialise in timber harvesting, while the other 50 focus equally on forest planning/management and forestry), not to mention approx. 180 forestry contractors in Denmark (unofficial figure). This country stands out due to the presence of three major players in the forest planning/management sector

Forestry contractors as a source of work

In terms of how many people work for forestry contractors, Spain and Portugal dominate the group of countries surveyed by CEETTAR. According to the Portuguese organisation ANEFA, there are 78,000 employees working in the Portuguese forests, compared to the 250,000 manual workers registered three years ago. This manual labour is important for two reasons: not all trees can be cut down with saws and the systematic use of machinery increases the risk of fungi developing (fungal diseases). The Spanish organisation Asemfo stated that a total of 62,610 forestry contracts exist, including just over 36,000 jobs for manual workers, 24,252 planning jobs (project management, firefighters, rangers) and 2234 machinery drivers. Sweden and Finland come next, with a total of 10,000 employees working in the Swedish forests (8000 machinery drivers and approx. 2000 manual workers). The Finnish organisation Koneyrittäjät stated that a total of 8550 employees work for forestry contractors (5500 machinery drivers and 3000 manual workers). The FNEDT stated that 8150 FTEs (full-time equivalent employees) or 14,900 annual contracts exist in France.

The CEETTAR survey also sheds light on some other countries concerning the number of employees working for forestry contractors: Belgium (2464 employees, including manual workers and machinery drivers), Bulgaria (8120 employees, including 7000 manual workers, 1000 machinery drivers and 120 people

(one of which is owned by forest owners) and its production of Christmas trees, which is linked to the agricultural sector. Timber harvesting is also the primary focus of approx. 140 forestry contractors in Denmark, while another 100 specialise in wood energy (wood chip production). Last but not least, it was revealed that there are 600 private companies working in the fields of timber transport and/or felling in Latvia, in addition to approx. 2000 people with different profiles (sawyers, forestry contractors and their employees).

responsible for planning) and Latvia (approx. 2850 employees, including 1500 manual workers, 1300 machinery drivers and 500 people working in planning),

Denmark (600 machinery drivers and 500 manual workers) and the Netherlands (250 machinery drivers, 300 manual workers and 100 people working in planning). Finally, the CEETTAR survey shows the estimated proportion of foreign workers in the total number of jobs in some countries: the figure is 30-35% in Sweden (in forestry, but not transport), approx. 30% in Belgium, approx. 75% working in Christmas tree production in Denmark and less than 5% in Finland and the Netherlands.

These results from the CEETTAR survey complement the European statistics concerning jobs in forestry and timber transport. According to the European statistics, five countries dominate in these sectors, led by Poland (72,500 people employed in 2013), followed by Romania (53,900), Italy (47,000), Germany (35,300) and France (32,000).

What is the market share of contractors in forestry work? In terms forest planning/management, it ranges from under 5% in Sweden to 100% in Bulgaria and 95% in the Netherlands. The responses from other countries range from less than an estimated 10% in Finland to 15% in Portugal and 20% in Denmark and Latvia, while these activities are state-run in Spain. The estimates are more

consistent for forestry, with a high market share for forestry contractors in this sector, which amounts to 80-100%, depending on the country. In France, forestry contractors are responsible for 70% of forestry work and 80% of

Machinery fleet

The number of machines used in forests varies greatly depending on the country. It goes without saying that the most machines can be found in Finland and Sweden, including 2000 harvesting machines in Finland, an estimated 1500 - 2500 in Sweden and 3800 in Portugal. Sweden and Finland also have the most forwarders (1500 - 2500 in Sweden and 2200 in Finland). In France, the forestry machinery fleet consists of 750 harvesting machines, 1250 forwarders and 1100 skidders. Bulgaria reported that 700 tractors and 350 skidders were being used in its forests, while the

A wide variety of contracts

The CEETTAR survey also provides information concerning types of contract concluded by forestry contractors and their customers. In most of the countries surveyed, 75-100% were written contracts, except in Belgium and Portugal where 50% or less were written contracts. There was also some consistency in terms of the number of main customers. In many of the countries surveyed (Finland, France, Sweden and Portugal), contractors generate 75-100% of their turnover from a single customer. In Bulgaria, forestry contractors earned 50-100% of their turnover from a single main customer, compared to 25-50% of turnover for Belgian and Dutch contractors.

The situation varies greatly when it comes to the duration of work. In many countries (Belgium, Bulgaria, Finland, France and Spain), work usually takes 6 – 12 months. However, long-term contracts are usual in Finland, Sweden and Denmark (including 4-6 year contracts with the state) and this type of long-term contract was recently introduced in

timber harvesting. For the latter criterion, the market share of forestry contractors is generally high at over 80% (100% in Finland and Portugal).

CEETTAR survey also provides information concerning forestry machinery fleets in smaller countries, such as Denmark (140 harvesting machines, 200 forwarders and 100 shredders used to produce wood chips) and the Netherlands (75 harvesting machines, which are also used in neighbouring countries - Germany, Belgium and France – as well as 100 forwarders, 15 skidders, 20 logging trucks, 45 tractors and 75 shredders). Finally, the machinery fleet used in the forests of Latvia consists of 500 forwarders and 300 harvesting machines.

Bulgaria. In Portugal, contracts are generally temporary or last one year.

The situations encountered in the field also vary greatly with regard to the assessment methods used as a basis for payment. Finland differs from the other countries as it assesses harvests according to the number of trees felled (in 75% of cases). In Bulgaria, harvests are assessed according to the number of wood piles (in 90% of cases). In Sweden and Portugal, the weighbridge method is used in 100% of cases. In other countries, such as Belgium and France, a combination of different methods is used to assess harvests, according to the number of trees felled, the number of wood piles, the weighbridge method, the amount of time spent or by the hectare. Finally, the average payment deadline is 30 days (between 2-4 weeks in Finland and up to 60 days for small sawmills in Sweden, as well as in France, and up to 120 days in Portugal). Although penalties exist for late payments in theory, they are not put into practice.

Conclusion

This CEETAR survey sheds light on the highly varied situation concerning European forestry contractors. With their wide range of professional skills and profiles, the latter clearly play a vital role in the use and exploitation of European forests. They are a source of work and investment in efficient machinery, which means that forestry contractors also play an essential part in the European rural economy and timber industry. Nor should we forget the wood energy sector, which is currently booming in Europe (wood pellet production in the 28 EU countries increased by 97% between 2009–2014 and had risen to 13.1 million tonnes in 2014, which made the EU the world's biggest producer of wood pellets – according to Eurostat).