Report on past seasons’ activities and prospects for the future 2021/2022

Austria

Belgium

General market situation

• NATIONAL MARKET retail, garden centers, Summer 2021 to spring 2022: strong internal market, prices went up and all retail customers kept on buying. o Forecast for the next season: we expect a decrease due to economic situation in Belgium (higher prices for energy and basic food) and we fear, spendings will go less to the garden. The sales of the garden centers have meanwhile decreased.

• NATIONAL MARKET public and private landscaping, Summer 2021 to spring 2022: very high spendings by government for last year and coming years. Landscape market increased a lot, also prices went up due to the high demand. o Forecast for next season: Very difficult to predict how the internal market will evolve. We hope this market remains stable.

• EXPORT MARKET Summer 2021 to spring 2022: strong export market due to high demand and difficult supply of some items. The ‘climate trees’ are very high in demand. The production of these plants is very low due to a lack of seed supplies. General export was good, also to the UK which is very important for Belgium. There is pressure on the export due the war in Ukraine. o Forecast for next season: the export market will be strong although it is very difficult to predict what the outcome will be concerning the war in Ukraine and the economic situation of the surrounding countries. We expect some decrease in the coming season.

Market situation forest nursery trees the selling season (autumn 2021) started very quickly because the year before we had a lot of shortages. So, everybody was aware to order soon at the beginning of the selling season. All forest nurseries sold well and there was a positive vibe. The garden centers, landscapers and garden contractors bought a lot of plants. Also, on the international market there was a high demand. Beginning of the selling season: prices went up, some species were not available, due to high demand and less availability. End of the selling season: some species were not sold, and prices of some species went down. Main reasons: early start of spring (high temperatures already beginning of march) and the war in Ukraine that started at the end of February. Due to cancellations of orders destined for Eastern Europe, this offer came onto the market. The market of the garden-centers is very calm now. No extra orders. The consumer is afraid of the high prices for energy, food, … We also suspect that the consumer prefers to keep their budget for holidays after two years of lock-down due to Corona.

Weather conditions Production last year suffered a lot from dry weather during springtime. The weather conditions during the summer were very wet with normal temperatures. Growth was normal but mechanical weed control and disease control were more difficult due to these weather conditions. In the end, all plants were up to size. During the marketing season, the harvesting of the trees usually took place in wet conditions. There were no periods of frost so that the deliveries could continue. 2 / 2 It has rained very little since the end of February until recently. Spring temperatures were also very high with lots of sunshine. At the moment the weather conditions have normalized with some local rainfall and normal temperatures for the time of year.

Seeds Due to the exceptionally dry and hot summers of recent years, there are structurally fewer seeds available. The wet weather conditions of last summer have not led to an improvement of this situation. Due to lack of seeds and seedlings, production values were smaller. There are still shortages of seed and seedlings.

Employees Due to the rapidly rising standard of living in Poland, there are clearly fewer seasonal workers available from this country. Seasonal workers are still available from Romania and Bulgaria. There have been an increasing number of seasonal workers from Ukraine working in our sector in recent years, but this has decreased due to the war in that country. We also carry out specific actions to motivate Belgian young people to work in the tree nursery sector.

Belgium forest nursery stock statistic 2020 2021

Production area 575 ha (2020)

Forest tree nurseries 68 (2020)

Production value 47.000.000-euro (2020)

Export value 15 878 000 euro Import value 11 883 000 euro

Trade saldo 3 995 000 euro

Czech Republic

Denmark

The growing conditions for 2021 was very fin for production of forest plants and a very new situation was coming up there was NOT too many plants for the marked.

It is many years ago the winter have been that nice. The pickup season and delivery started in end August and has just stop now in beginning of June, so a very long season. In some areas the weather conditions get to dry, and the planting stop too early in middle May.

However, the winter and spring weather was extremely fine, just February was to wet, and this year spring season has been without ant frost damage.

Now we hope the conditions with no (or to less) seed can help us to raise the prices

A few species have not been sold out (Abies grandis and Pseudotsuga menz.).

The range of Nordmann plants (most Danish origin) is now at a good level and the prices is increase and the same with the prices for trees.

France

The 2021/2022 season has been a good season for a lot of nurseries because of good weather conditions and good prices.

Growing season has been very good, despite germination 2021which was very low and erratic .

The market on main forest species was good because of the lack of quantities of forest plants, with good prices. Both for conifer and hardwood.

Market was also good on landscape species.

Working conditions during autumn 2021 and spring 2022 have been acceptable, with reasonable rain fall all autumn long, and dry spring, which allowed good lifting conditions.

Overall, the early warm season shorted the sales season

Last point : cancellations, which were higher than normal, due to overbooking earlier in autumn and decrease of restocking

Next season’s perspectives :

Forestry market will be again quite active as the planting of forests which have been damaged by bark beetles .

Timber market is actually increasing constantly, which is a good sign for the next year’s perspectives.

A national plan for forestry is now active for the next two seasons.

Germany

Dear all, we report our general situation in Germany. Due to the weather conditions, we rate the delivery of the plants in autumn 2021 and spring 2022 very positively. However, due to the increasingly long vegetation periods, we had to wait a very long time until the harvest could begin for some assortments (November/ December). The spring 2022 then brought us a heavy storm in large parts of Germany, so that we were confronted with considerable delays and even cancellations of orders due to clean-up work. The supply situation was tense in some origins due to a lack of seed supply in the past years, but available in good to very good quality. Only the prevailing uncertainty as to which species and assortments will be needed in the future due to the climate change is of great concern to us. Unfortunately, long-term planning is not possible at all. The demand for forest plants varied greatly. In areas affected by storms and drought, the demand was brisk, while in other areas demand was normal. Tree species: The extreme concentration of demand on a few unavailable assortments of a few tree species meant that in the end there were still many plants left over. The funding situation proved to be very unpredictable. For example, applications are rejected without prior notice, because there was not enough money. And that occurred in the middle of this year's season! The whole situation stays challenging. Finally, we wish safety and best health to our members, their families, and employees

Hungary

In 2021 the summer was extremely hot and dry, therefor irrigation became a highly important issue among nurseries.

However, the 2021/22 season in terms of trading was quite all right. The lifting in autumn was delayed, due to the late vegetation, and so the timing became more important. Spring weather started early- and so the vegetation- therefore the spring season was short. We had not had much frost. Sowings started with good conditions, but we had some heavy rains lately in May, which created some damage.

Sales were good, except for Quercus, because acorn yield became endangered by the gradation of the invasive Corythucha arcuata. Acorn prices are increasing in very actively.

Generally, the seed problem will be more and more problem every year.

Ireland

Lifting of bare-root plants began in late November and continued into mid-March. Lifting conditions were very good except for February which saw above long-term average rainfall. Spring was generally dry but in recent weeks the weather is more mixed which is welcomed. However, water tables are generally lower than normal due to the dry winter.

The majority of sowing took place in May this year except for oak which was sow last autumn. Germination across the species range looks promising so far. Oak was the only species where there was a shortage of seed. Thankfully, no spring frosts this year so no damage to nursery or forest crops.

At the start of the planting season demand for plants was in line with recent years with an increase for broadleaves. Planting is still on going and will continue into July weather permitting.

Demand for plants in the private afforestation market remains very poor with a lot of uncertainty around future levels. There is currently a lot of industry and political pressure ongoing in an effort reverse this. Replanting harvested sites by the state forestry company remains strong but is beginning to reduce as planters catch up with harvesting.

As with other industries, nurseries are experiencing significant price pressures across all inputs. There is also ongoing pressure to retain workers particularly as the construction industry can afford to pay more attractive rates coupled with a general shortage of available labour across the country.

Netherlands

The crop for seeds in general was already poor for production season 21/22 and followed by a normal mild start from January, with a heavy frost in February we got into a normal  March.

Only from half April till half May we had rain almost every day, even when there was a day without rain, it was followed the next day by a double amount .

Especially in the North of the Netherlands damage was done to the young seedlings. Also frost in February has reduced some species quite heavily.

After the difficult start we had an average summer and growth was normal. We didn't have any extreme dry periods and irrigation was not really necessary.

The sales started very early. After a season 20/21 where we had shortage for many items, customers were early and more active to cover their needs for the 21/22 season.

The result was that demand and sales started early. On the other hand, a lot of small producers waited for their sales and preferred not to do pre-sales.  They waited till the start of the season and even then.

This was for the wholesale nurseries not an easy position with high demands and a lot of business. Plants were scarce to find on the market and prices came up again.

So, growers were in a perfect position and wholesalers had to put a lot of effort into their business.

Lifting and deliveries came on well and we could send out more plants before Christmas than the previous years again.

Exporting to the UK still requires a lot of paperwork, inspections, and planning. Time consuming and clients have to accept a higher cost to import their goods into the UK.

Overall, it doesn't make it easier for small growers in the business to continue their export to the UK but gives on the other hand opportunities to companies to specialize again.

Deliveries and sales went on until the middle of March and then became quiet suddenly. It stopped radically. Maybe for one part that clients brought in their plants earlier and a lot of items were already sold out.

On the other hand, the hedging business was not that booming as many had expected and especially in Fagus there was until late in the season stock available.

Prices for forestry plants have increased to a good level and growers are happy with their season overall.

Getting the needs in seed was a big challenge again. We can say that there was not a big crop available for sowing in 22/23. Examples like oak and beech were problematic and that is maybe an understatement.

There was no Fagus fresh seed available in the Netherlands but also not in surrounding countries.  Somehow this can help to get the hedging market stable again.

We are worrying about the development of costs, like energy, fertilizers, chemicals, and labor.  Prices should increase this year again to maintain a good position for our nursery sector, if not we are back to produce without benefit.

For the coming season we are very positive again.  Plants will be needed and production overall didn't increase from what we see. In Europe there are big planting challenges to come and programs are made or are in preparation.

It is now, for us as forest nurseries, time to put continuous pressure on the systems so there stays attention to programs of producing plants and contracts given for that.

This in times where the world is changing rapidly, priorities and money are shifting. It is important that we maximize our changes and recover from some years where we could not make any profit.

We are looking forward to the season 2022/2023.

Portugal

Sweden

(South)

The growing season of 2021 was good although it was very warm and dry in June. Autumn was very rainy and with some frost periods and lifting, especially for storage, was challenging. The war in Ukraine lead to difficulties for some planting-companies to recruit planters and still we don´t know if all ordered plants will be planted before the season stops by Midsummer.

From March until the beginning of May the weather was cold, dry, and mostly windy so not ideal for planting but since the last two weeks we have received a lot of rain, so now at the end of May, planting conditions are ideal for plants from cold storage.

There are still some problems with the bark-beetle in eastern parts, so pine and other species are increasing while spruce is going down.

Challenging for the nurseries is the loss of many plant protection products. Since a few years it has also become almost impossible to get an “off-label” approval. Also, the inflation of costs, that we are all aware of, will be a problem if we are not able to raise the prices for plants.

(Middle)

The climate in the middle part of Sweden was more or less the same as in the south during 2021. August of 2021 was colder with more precipitation the normal and this led to that some batches of forest seedlings in some nurseries to become shorter in height then normal but with more the adequate root systems. The dry, cold, and sunny spring of 2022 have been nice for growing inside greenhouses. There have been some problems with growing outside during the spring due to low temperatures. We have seen an overall increase demand of pine compared to spruce. Other species are also increasing but from a starting very small volume. Increasing costs of diesel is a problem for forestry companies increasingly in the middle and north due to distances.

(North)

The growing season of 2021 ended in a nice way and snow was not earlier than usual. Early snow can be a big problem for the logistics inside a forest nursery.

Also, in the north the overall cold, dry and sunny spring of 2022 have been nice for growing in green houses. The cost of heating has increased due to temperature and increased prices for heating. It could have been much worse if forest nurseries were heated by fossil fuel. Today most forest nurseries in Sweden are heated by biofuels like wood pellets or wood chips. In the northern part of Sweden there are a normal high demand for Pine (Pinus Sylvestris).

According to the national statistics for 2021 Sweden surpass 452 million forest seedlings for the year (407 million 2020). Pine (Pinus Sylvestris) is the for the second year in a row the most use species, right before Spruce (Picea abies). These two species accounts for 96% of the total delivered volume. Lodgepole pine 2% and Larch 1% are the runner ups in volume.

United Kingdom

The 21/22 planting season saw very strong demand for trees, as expected, for both broadleaves and conifers. With Covid regulations in place throughout the dispatch season, the labor situation was very difficult. Most nurseries struggled due to a shortage of labor.

Government Planting targets are high in the UK, especially in Scotland, and grant funding is available to support the targets.

There is strong demand for environmental plantings. Carbon offsetting also brings new customers into the tree planting marketplace. The Farm hedging market is also picking up again.

As a result of demand there is very little carryover of stock. Demand for next planting season is expected to be the same.

Biosecurity remains a high priority in the UK and the introduction of the Grown in Britain Plant Healthy accreditation scheme is driving an awareness of plant health and biosecurity within the industry.

Added paperwork and delays for inspections due to Brexit makes the importation of plants both more expensive and complicated, but it is not impossible or too difficult for the experienced operator. It remains impossible for the UK to export many species which still remain on the EU high risk register. The UK are making applications to the EU to enable these species to be exported, but this is a long slow job within the EU.

The increased demand for trees is putting added pressure on the Seed Supply industry. The flowering of many species was not as good as usual in summer 21, and therefore availability of seed for some species has been difficult this spring. Some species will be in very short supply, esp. 1yr Quercus and Prunus avium.

The seed industry, like the nursery sector, has to grow to meet this new demand. We are seeing one or two new nurseries appear, but we are yet to see new seed suppliers. Competition for seed within the UK and the EU is strong, therefore.

A cold spring has seen sowings and early growth being later than expected. Most germinations appear to have been good so far. Although Covid is declining, the labor shortage remains a big problem. Mechanisation and automation is high on everybody’s agenda.