Report on past seasons' activities and prospects for the future 2017/2018

Austria

The Weather condition in autumn was positive for the sale in 2017. Followed by a hard winter with a lot of snow, freezing temperatures and rain. A few areas in the south of Austria got damaged by snow or wind. A few northern parts are damaged by bark beetles. The spring 2018 was quite short and intensive. But the weather changed quickly to warmer temperatures in April. This warmer period was followed by a good rain period in May.
The subsidies from EU are still working in Austria and influenced the demand on higher priced species. We recognized a light demand on specific tree species. The demand of Picea abies stagnated based on the number from 2017. Species like Larix decidua and Pseudotsuga men. was again on a high level. The number of Abies alba stagnated. There was also again a higher demand on species like Pinus nigra and Pinus sylvestris. The sales of Broadleaves were stable. Juglans nigra, Juglans regia, Castanea sativa and Robinia were little bit less than last year. The demand on Quercus was higher compared to last year's results.

The expectations for the next autumn seasons plant market is positive, because customers which canceled the spring transplantations want to plant in autumn.

Belgium

The Belgian nurseries are satisfied.
The business is going better due to better prices.
<u>How come: 3 reasons:</u>

1) For 2 years there is less seed on the market.
   That brings less supply and some better prices.
2) The other reason why there was less supply was the frost begin spring. Because of the frost there was a higher cost of labour for good grading, more scrap than other years, less good quality plants.
3) The last reason was the very warm summer in June and July. Because of the hot summer, we had to irrigate our production and lost plants because of the heat. The work and cost for irrigation, the loss of the heat and the work for the grading has raised the prices.

But the big mystery is, that there were not more demands for plants than 10 years ago.
But the market always makes his prices by supply and demand. In Belgium there was less production and it brought better prices.
What will the next season bring?
The trees are full of seeds…

Belgium forest nursery stock statistic 2016 – 2017

2016	2017
Production area: 629 ha Production value: 40 000 000 euro Export value: 15 000 000 euro Import value: 6 845 000 euro Trade saldo: + 8 399 000 euro	Production area: 530 ha Production value: / Export value: 14 348 000 euro Import value: 5 041 000 euro Trade saldo: + 9 307 000 euro

Czech Republic

Actual situation in Czech forestry
Forestry has a lot of problems. Initialization of these complication has been a shortage of rains in 2015 and drought is still actual big problem. Trees are not vital a they are easily attacked by pests. In August 2017, October 2017 and March 2018 storms damaged a lot of forest stands. From total annual timber harvest is almost 70 % salvage cutting. Half of it is a salvage cutting of spruces, which were destructed by bark beetle. Demand for forest seedlings and plants was decreasing up to 2017.

Situation in Czech forest nurseries
Demand for forest seedlings and plants has changed a lot. Norway spruce used to be main product of Czech nurseries but demand for spruces dropped rapidly. Interest of forest owners is focused on broadleaves recently. Especially for beech and oaks. For planting season 2017/2018 was prepared enough of trees in nurseries. Autumn season was long and good. Weather through the winter was unusual – very mild and without snow. Winter frosts came in the end of March therefore spring planting season started very late, in April. Hot April without rains resulted in cancellation of many planned reforestation works and orders. Spring season was short, and many plants stayed in nurseries. Only positive thing was that the prices for broadleaves were increased a little due to shortage of broadleaves on market in spring time.

Future prospects
We hope that the demand for seedlings and plants will go up after processing of bark beetle calamity. We know that a part of spruce production will be unsold. The market with broadleaves will be much better. We expect that more and more reforestation works will be shifted to autumn planting season. We expect good harvest of forest seed, but the drought can change it.
We need a stable plan and long-term prospects what forest owners will use for reforestation. The situation is solved on meetings with representatives of Ministry of Agriculture and state forests but because of political and personal changes the situation is not better.

Denmark

The growing season 2017 was so rain full of summer until early spring this year.
Therefore, at that reason many plants are not making new roots and makes problems this spring with hot weather from day one in the spring
We have had the shortest spring season in history. 7 weeks ago, we had snow and frost and now we have beach weather and no rain whole May and the highest temperature in history. Therefore, we have been much challenged that everything was growing before we get started. In addition, a lot plants have problem with survival in the dry conditions.

During spring the overall demand for conifers (except Pine) and broadleaves was ok and more or less the same as last year and the prices are still the main problems.

The range of Nordmann plants is still too high and prices here are not exist. The range for next year will also be large.

Finland

France

Germany

The fall 2017 was extremely wet, which caused an expensive shipment. In the south it was rather quiet, in that region a lot was shifted to the spring.

The weather conditions in January were mild, the beginning of February was too mild! In March the winter came with partially strong frost, so that damages in the crops emerged. The spring 2018 was quite cool for a long time, so that during this time period a good shipment was possible.

Keeping that in mind, the season 2017 / 2018 was a rather bad year with increased costs for clearing and with an outage due to bad weather conditions for 4 weeks.

That the situation was not then previous years, was mainly because of the insufficient time for planning, because of always later requests and orders. And in addition, due to the very tense price level, that could not recover even though the quantities in the production were adjusted.

Only in a few assortments we could recognize a real overproduction due to inexplicable and lacking demand.

Also, this year a tendency towards the coniferous assortments is not clearly recognizable. Deciduous are rather declining.

For the last seed-harvest it can be said, that this was difficult at least this year. The forecast was proven true.

And it remains: A general problem is becoming more and more apparent in Germany: The increasing pressure from government Forest Administrations as competitors is again increasing. Not only as a supplier of seeds and plants, but also as owner and monopolist of seed-plantations and harvesting stands, which are at the top of the ranking of our recommendations for origin, without private access to this seed, this state competition makes us very worried.

Hungary

Production:

The season in overall was a medium one. We had a quite long autumn lifting period which helped market activities. The winter was quite long and the last few weeks was cold, when most of the activities in the nurseries were stopped, and it lead to some frost damage in the sowings. The weather was suitable for lifting during spring also, however, it was almost too dry, and irrigation was needed, late frost damage was not so significant than las year, only some of the early comer species had problems.

Domestic market:

There was an overproduction in Poplars (pubescens) during the last season. The reason of this was mostly the waiting position of the forest owners for the forestation founding, and the overproduction in basic species (Quercus etc.) in the state-owned nurseries. State owned forest companies tend to reopen their nurseries lately.

Prices are still low, and VAT is still one of the highest within the EU (27%). There is a potential for export production, however it is difficult to produce on high quality standards on such a low domestic price level. Therefore, if there is a request for partnership please ask for reliable producers at the EESZT office.

Export:

There was a lack on the export market in Alnus glutinosa and Fagus sylvatica. Export was more active to the South and Slovakia. There was almost no export in Salix caprea and Populus tremula, but there seems to be an interest in Sorbus var., Crataegus var., Quercus and virus free fruit stocks.

Ireland

Netherlands

Portugal

Spain

Sweden

(South)

The spring 2017 and the beginning of Summer was warm and dry. From mid-late summer it started to rain, and the rains continued all autumn making lifting for storage very difficult in wet conditions.

So, we were hoping for a long spring to be able to catch up on what was not done in autumn. Things didn´t turn up this way though, and we got almost no spring at all. From frost in the soil in the beginning of April to summer-temperatures in mid-April, things happened extremely fast.

The foresters were also behind with preparing the soils but normally planting continues until mid-June as long as the plants are in cold-store and in good condition. We do need some rain though since it is now very hot and dry and in some areas forest-machines are standing due to risk of forest-fire.

The market was good for Picea abies while some other species were slower. Pinus sylvestris has been in good demand for the last years but decreased this season. There is a lot of activity going on in the forests so hopefully the market will be good also for the coming year.

Protection against Hylobius continues to be an important issue since insecticides are less accepted by many customers and not accepted by some customers. Several non-chemical protections are available on the market and there are more on its way.

(North)

Pretty much the same situation as in South. Enormous amounts of snow covered northern Sweden this winter, so the normally short planting season was additionally two weeks shorter with great challenges of plant distribution. Suddenly the winter was replaced with summer and the risk for forest-fire stopped scarification and direct sowing.

As mentioned in last year's report, the Hylobius is spreading to the north, and customers are asking more and more for protection against it. But with low plant prices, additional cost for protection increases the planting cost with 50-100%, which puts pressure on the market.

For the moment there is all time high in cutting forest, prices are high and the demand for sawn timber and pulp is good. This gives the plant market good prospects for the coming years, but the economic situation can change very quick.

United Kingdom

The growing season in the UK was generally good as most stock made the target height. Harvesting started well, and all English nurseries were progressing well up to Christmas as the dry autumn meant lifting progressed unhindered. North of the border, in Scotland, conditions were as bad as anyone can remember with continual rain. After Christmas conditions deteriorated and made things a struggle to get stock out of the ground.

Demand throughout was strong for all species except for Acer pseudoplatanus which for some reason fell out of favour this year although demand looks strong for this species next year.

All nurseries were happy with the sales season and shortages of stock lines became apparent from an early stage. The UK market continues to demand home grown material and this demand will increase over the next few years, the main question is will UK nurseries expand to satisfy this demand? I doubt it as too many times in the past it is they who have suffered when political change or focus has left them destroying stock.

In Forestry it is the norm for Foresters to specify all stock must be UK grown material and in the last season this is continuing to extend into the Landscape sector. The public sector will now not even consider non-UK grown plant material.

There are serious concerns held by both the authorities and industry as to the environmental impact of Xylella, this is gathering pace and puts the focus on 'Safe Trade'.

With Brexit getting ever closer the focus in the UK has been on designing a new Land use Policy away from the clutches of the CAP. It is certain the focus will be more towards Environmental Stewardship and 'Public money for public good' which hopefully will mean improved planting rates.

Spring production started late as the incessant rain delayed land work, most nurseries were two to three weeks late in transplanting and sowing has also been significantly delayed. Early May saw a change in conditions and most people managed to complete sowing by mid-May. Soil temperatures were still low at the start of May but have now recovered.