United Nations – Economic Commission for Europe
Committee on Forests and the Forest Industry

SLOVENIA
Country Market Statement 2016

Ministry of Agriculture, Forestry and Food

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1. General economic trends

This Chapter is reproduced from the publication: Autumn forecast of economic trends 2016. Institute of Macroeconomic Analysis and Development (IMAD), 2016.

The autumn forecast for GDP growth in 2016 and the two years that follow envisages a continuation of favourable economic trends; GDP growth dynamics will be marked primarily by government investment related to the absorption of EU funds. The forecasts for GDP growth are 2.3% in 2016, 2.9% in 2017 and 2.6% in 2018. Exports will remain the key driver of economic activity over the entire forecasting period. They will continue to be fuelled by not only the expected growth in foreign demand but also competitiveness gains in the tradable sector. Economic growth is becoming broad-based as the contribution of domestic consumption gradually rises. Household consumption is therefore expected to increase significantly in 2016, with a marked improvement in labour market conditions and a high level of consumer confidence, and these positive trends will also continue in 2017 and 2018. From 2017 onwards, higher growth will also be recorded for government investment co-financed by EU funds, where delays and a lower absorption rate than planned continue to be seen this year. This will have a pivotal influence on the growth of total investment. Throughout the period, we also expect further growth in investment in machinery and equipment and a gradual rebound in housing investment growth owing to the continued recovery of the real estate market. The reasons for this increase in private investment, which is now financed by internal and other non-banking sources to a greater extent than in the past, will be similar to those in the last two years. With high capacity utilisation, the growth in private investment primarily reflects the favourable and more stable expectations of businesses, the persistence of low interest rates, strong business performance and the improving ratio of profit to debt. Government consumption will also continue to increase this year and next, chiefly on account of public sector pay rises, a larger number of employees and an increase in some other forms of expenditure, particularly health care.

2. Policy measures

The Framework Programme for the Transition to a Green Economy together with the Action plan for 2015–2016 (www.vlada.si/zeleno) is a document encouraging a structural and systematic process of knowledge integration and realization of the agreement that green economy is a long-term strategic guideline of Slovenia. Green economy is an opportunity for the development of new green technologies, creation of new green jobs, more efficient management of natural resources, promotion and development of Slovenian know-how. The goals for the transition to a green economy (OPZG, the Ministry of the Environment and Spatial Planning, 2015) are the following:

- Ensuring economic competitiveness;
- Products and services with added value;
- Increased self-sufficiency in energy;
- Conservation and efficient management of natural resources;
- Ensuring quality living and working environment;
- Development and marketing of local know-how and services;
- Green jobs.

The action lines for the transition to a green economy are the following:

- Sustainable management of resources;
- Green economy growth;
- New green jobs;
- Encouraging the demand for green products and services;
- Green budget reform;
- Sustainable urban development;
- Public sector green practices;
- Education and training for green economy;
- Green practices in agriculture;
- Data infrastructure.

The **Smart Specialisation Strategy** (S4) of the Republic of Slovenia, adopted in September 2015, is a strategy aiming to:
a) Strengthen the competitiveness of the economy by enhancing its innovation capacity;
b) Diversify existing industries and service activities; and
c) Boost growth of new and fast-growing industries and enterprises.
The priority areas S4, which are directly connected with the forest-wood value chains, are the following:

• Natural and traditional resources for the future: the objective pursued here within the field of application „Networks for the transition to circular economy“ is connecting stakeholders (business entities, educational and research system, non-governmental organisations, the state and individuals) into value chains according to the principle „economy of closed material cycles“ and the development of new business models for the transition to circular economy.

• Healthy working and living environment: the objective pursued here within the field of application „Smart buildings and homes, including wood chain“ is inter-sectoral networking and integration of the wood chain in the design of homes and working environment of the future by also promoting research and innovation deriving from traditional knowledge and skills of the use of wood and wood-compatible natural materials.

Innovative and green public procurements are defined within the „Developmental State“ package of measures. The aim is to decrease the negative effects on the environment by public procurement of goods, services and construction works which are easier on the environment and which adhere to regulations regarding (fundamental) environmental requirements and additional requirements, which are applied at the sole discretion of the customer.

A key development document in the field of energetics is in the process of being drafted—the Slovenian Energy Concept (SEC). Together with the Energy Act (EZ-1) it shall provide, on the basis of adopted international obligations, long-term goals for reliable, sustainable and competitive energy supply for the period leading up to 2035 and 2055. The two umbrella goals of the SEC are:

- Reducing greenhouse gas emissions connected with the use of energy for at least 40% until 2035 compared to 1990 levels;
- Reducing greenhouse gas emissions connected with the use of energy for at least 80% until 2055 compared to 1990 levels.

The **Eco Fund**’s subsidies have had a positive effect on tax revenues, diminishing of grey economy, new green jobs, sustainable development of the construction planning and business, as well as the development of the use of strategic resources, such as wood. The Eco Fund plays a positive role in the development of a greener society. The Eco Fund continually implements the following financial programmes:

• Loans to legal entities (municipalities and/or providers of public utility services, enterprises and other legal entities) and sole traders for investments in environmental infrastructure, environmentally sound technologies and products, energy efficiency, energy saving investments, and use of renewable energy sources;

• Loans to individuals (households) for conversion from fossil fuels to renewable energy sources, energy saving investments, investments in water consumption reduction, connections to sewage system, small waste water treatment plants, replacement of asbestos roofs;

• Grants to individuals (households) for investments in electric cars and for investments in residential buildings (energy efficiency and use of renewable energy sources);

• Grants to legal entities (municipalities and/or providers of public utility services, enterprises and other legal entities) for investments in electric cars and buses for public transport on compressed natural gas or biogas;

• Grants to municipalities for investments in buildings where public education takes place (schools, kindergartens, libraries etc.), newly constructed as low energy and passive buildings or renovated in passive standard.

The 20-year concessions, awarded to most state-owned forests, expired on 30 June 2016. **The Act on the Management of Forests Owned by Republic of Slovenia** was adopted this year. Based on this Act, a new corporate entity, Slovenski državni gozdovi d.o.o. (SiDG; www.sidg.si), was established under the sole ownership of the RS, and the entity may not allocate or transfer its share in this company to another entity. The goal of this company is the management of forests owned by the RS in accordance with the principles of transparency, efficiency and responsibility while managing state-owned assets, and in accordance with the objectives of the National Forest Programme, applicable legislation and forest management plans.

3. Market factors

Data sources: IMAD, SORS and SFI

In the first half of 2016, GDP was up 2.5% year-on-year, while the available indicators of activities and confidence foresee similar trends also in the second half of the year. Exports remain the main driver of this year's economic recovery, and in light of improving conditions within other segments of the economy in the last quarters, the base for economic recovery is widening (IMAD 2016).
Following the increase in gross domestic product (GDP), private consumption of durable goods is also improving, and this is positively effecting furniture sales and sales of wood construction materials. IMAD foresees a notable strengthening of household consumption in 2016, a considerable improvement in labour market conditions and a high consumer confidence factor, plus the continuation of positive trends in the following two years.
With 2015, the option for the absorption of EU funds from the previous financial perspective, which importantly encouraged the growth of state investment during 2014 and 2015, expired. The transition to a new financial perspective caused a significant drop in the absorption of EU funds, which is related to markedly lower investment activities of the government in 2016. In view of the national budget outturn, the investment expenditures in 2016 shall decrease by more than half a billion EUR or by more than 40%, which crucially influences the decrease in construction investments in 2016 (IMAD: Autumn Forecast of Economic Trends 2016).
The positive lever in the use of wood products in construction are Eco Fund grants and credits for efficient energy consumption (construction of low energy buildings, energy adaptation and renovation of buildings, builders' joinery, insulation of buildings...). In accordance with green public procurement policies, the construction of public wood buildings is being promoted.
Due to bark beetles gradation, a large offering of conifer wood is available on the market exceeding domestic demand, which translates to favourable prices of raw material input for the industry. The trends are therefore favourable this year in the wood processing industry (NACE C16), as the scope of production increased by 5.0% in the first six months. The furniture industry (C31) is also recording a recovery trend (+ 4.0%).

4. Developments in the wood products market

Data sources: SORS, IMAD, CCIS Wood Processing and Furniture Association, SFI; recalculations, analysis and interpretation of SFI

a) Roundwood

2015

The production of forest wood assortments again exceeded 5.1 million m^3 (without bark) last year, which was due to the restoration following the damage caused by bark beetles and ice. Last year, the scope of conifer roundwood exceeded 3 million m^3 (+ 11%), and that of deciduous trees 2 million m^3 (- 15%). Production structure reflects a large portion of trees attacked by bark beetles, as 1.8 million „gross" m^3 of conifer trees were felled in 2015. Bark beetles gradation was expected due to the consequences of ice damage, and the scope of damage was further increased by long periods of warm and dry weather. The scope of the damage caused by bark beetles is the largest recorded in the history of Slovenia. The increased conifer trees felling amounts were also apparent in the larger quantity of wood acquisitions from private forests, monitored by the Statistical Office of the Republic of Slovenia. Conifer wood acquisition further increased (+ 23%), and the highest increase was recorded for conifer logs (+ 36%). In deciduous tree acquisitions, an increase in oak logs acquisition (+ 30%) was most prominent.

Last year, roundwood exports amounted to 2.7 million cubic metres (+ 13%). The increase was most prominent in the export of conifer logs (+36 %). The main export markets were traditional last year: lower quality wood was exported to Italy, and logs (mainly that of conifers) were exported to Austria. The ratios shifted somewhat during the last two years due to a marked increase in wood quantities. In 2013, 90% of exported conifer logs were exported to Austria, however in 2015 the Austrian market share dropped to 81%, and exports to Italy increased (from 8% in 2013 to 12% in 2015), and two new markets emerged: Romania and Croatia. Romania receives exported conifer logs and Croatia exported beech logs. Import remained at about the same level as in 2015. An increase was recorded for the acquisition of coniferous pulpwood (+ 21%), and a decrease was recorded for the acquisition of deciduous roundwood (- 10%). Due to the restoration following the damage caused by bark beetles, Slovenia further increased its roundwood foreign trade surplus, which exceeded two million cubic metres last year. The largest surplus was recorded in conifer logs (1.3 million m^3).

2016

This year, the restoration following the damage caused by bark beetles continues. According to the Slovenia Forest Service, a total of 1.1 million „gross“ m^3 of conifer trees were felled during the first eight months due to damage caused by bark beetles. Due to continued bark beetles gradation, conifer trees felling shall remain at a high level also this year.
Wood acquisitions from private forests increased by 35% in the conifer tree segment and decreased by 24% in the deciduous tree segment during the first seven months compared to the same period in the previous year. In the deciduous tree segment, the acquisition of lower quality deciduous tree wood has decreased (- 34%). Oak logs acquisition is increasing (+ 28%).
In the first half of 2016, export was higher compared to the previous year and amounted to 1.5 million m^3, of which 0.8 million m^3 amounted to conifer logs. Import is at a lower level compared to the previous year (- 4%).

b) Wood biomass for energy

Renewable energy sources supply (excluding hydro energy) amounted to 29,354 TJ in 2015, which is 3% more compared to 2014. The structure of supply with renewable energy sources and non-renewable industrial waste is predominated by wood and other solid biomass. This is followed by geothermal energy, non-renewable industrial waste, solar energy, other biogases and other renewable energy sources (biogasoline, landfill gas, sewage sludge gas and wind energy). The largest amount of energy from renewable sources is acquired from wood and wood biomass.

The largest consumer of wood fuels are households with a total consumption of 1.6 tons (+ 12%) of wood fuels recorded for last year. The largest single consumer of wood for energy purposes remains the district heating system in Ljubljana with an installed capacity of 152 MW, however this system utilizes the co-incineration of coal and wood. The thermal power plant and the district heating plant recorded a 21% increase in their consumption of wood fuels (chips) in 2015. Other energy production systems and CHP plants recorded a 27% increase last year. In the industry, the consumption of wood and wood waste for energy purposes remained at a level similar to that in 2015.

Despite an increase in the domestic production of pellets, Slovenia remains a net importer of pellets. The main consumers of wood pellets are households, followed by larger public buildings and other users. The trend of increasing domestic demand is continuing (+ 6%). Last year, the production of pellets recorded a 10% increase to 110,000 tons. Among Slovenian pellet manufacturers, smaller manufacturers with a yearly production of under 10,000 t hold the greatest share. Export of pellets increased by 10% last year. Last year, the production of pellets recorded a 10% increase to

110,000 tons. Italy remains the key export market (over 95 % of quantities). Last year, the import of pellets dropped to 152,000 tons (- 4%). Romania is the dominant importer of pellets (47%). The consumption of pellets in Slovenia stabilized after fast growth during 2011–2013. The increasing trend of domestic pellet manufacturing is expected to continue in this year and the next.

Pellets as the most expensive form of wood biomass are 22% cheaper (EUR 54/MWh) than heating oil, whose price fluctuated around EUR 70/MWh in the first half of 2016. The highest difference between the prices of pellets and heating oil was recorded in the second half of 2012, when pellets were almost 50% cheaper than heating oil. Currently, a sharp trend in the decrease of the price difference has been recorded, mainly due to the declines in the heating oil prices. A ton of pellets, packed in 15 kg bags, cost EUR 254 on average after the end of the heating season 2015/2016, which is approximately three percent less than prior to the start of the heating season (autumn 2015).

Wood chips manufacturers are technologically well equipped. There are over 20 wood chippers in Slovenia that can achieve a production capacity of at least 100 nm^3/h. Last year, the yearly production remained at a high level due to the continued restoration following ice damage and damage caused by bark beetles gradation. This year, a wood chips production scope similar to the previous two years is expected, approx. 1.5 million nm^3. Slovenia is a net exporter of conifer wood chips and a net importer of deciduous wood chips. In wood chips import, deciduous wood chips prevail (a share of 80–90%), and in export, conifer wood chips hold the greatest share (70–80%). Last year, wood chips export amounted to 237,000 t and import remained the same as the previous year, at 135,000 t. Last year, wood chips exports amounted to 214,000 t and imports to 135,000 t. Wood chips are chiefly imported from Croatia and exported to Austria and Italy.

The price for best-selling wood chips (moisture content approx. 30% and particle size of approx. 36 mm) averaged at EUR 67/t during the heating season 2015/2016, which is approximately 3% more compared to the second half of 2015.

c) Certified wood products

260,000 ha of forests are certified by the FSC system, which presents a good fifth of the complete forest area in Slovenia, where these are predominantly national forests (235,000 ha). The area according to the national certification scheme PEFC for forests is gradually increasing and now encompasses 42,000 ha of privately owned forests.

Companies with CoC certificates are dispersed over the whole wood supply chain, from forests to final products. Companies use the FSC and PEFC certificates for tracking wood predominantly as a marketing mechanism for export markets and compliance with green public procurement policies. The number of companies with the FSC or PEFC certificate for tracking certified wood (CoC) continues to increase and has already exceeded 300 companies. Among these, over 90% have the FSC CoC certificates. Marketing channels for the PEFC certified products are also gaining strength (41 companies), which has caused an increased interest in the PECF CoC certificate.

d) Value-added wood products

The Slovenian furniture industry produced total net sales revenues of EUR 285 million in 2015, which is 7% more compared to 2014. The furniture industry sector ended the fiscal year with a net profit for the first time since 2007. The share in the net sales revenues structure in foreign markets for the furniture industry NACE C31 amounted to 46 % last year. Foreign market sales recorded an increase of 5.6% last year. The most intensive destinations for furniture exports were Germany, Italy and Austria.

The scope of the furniture industry production (the entire furniture industry in NACE C31), which also includes the production of wooden furniture, increased by 4% in the first seven months of this year compared to the same period in the previous year. The net sales revenues within the comparative periods increased by 3.5%, and a 16.5% increase in net sales revenues in the domestic market is most encouraging. In the foreign market, the net sales revenues decreased by 1.6%, however the euro area recorded an 8.8% increase in net sales revenues.

Slovenian manufacturers of prefabricated wooden buildings (Section of Slovene Manufacturers of Prefabricated Houses (SSPMH) within CCIS) produced 8.1% square meters more compared to the previous year. Two thirds of the production is exported to European markets. The market share of prefabricated wooden buildings in the domestic market is 8%. Last year, export increased by 48% in value. The most important export in 2014 was aimed at Germany, Austria, Switzerland and Italy. We estimate that the trend of increased export values of prefabricated wooden buildings shall continue this year and also the following year.

e) Sawn softwood

Foreign trade trends show an increased activity of Slovenian sawmills, which is a consequence of increased log quantities in the market due to restoration following ice damage, damage caused by bark beetles gradation, market surpluses and lower log prices. The sawn softwood industry in Slovenia is hindered by the unfavourable structure of sawmills—size, technological equipment, and lack of foreign investments into modern larger sawmills.

The predominant part of sawn softwood export comes from Austria and is exported through the Port of Koper. Following the 19% drop recorded in 2014, import increased by 3% last year in volume, however another drop up to 10% is expected for 2016. Sawn softwood export dropped by 7% last year, and another decrease up to 10% is expected for 2016.

Sawn softwood export into neighboring countries (Croatia, Italy and Austria) increased by 13% in 2015 and amounted to 200,000 m^3, and another increase up to 20% is expected for 2016. In the Italian market, sawn softwood export exceeded 100,000 m^3 (+ 18%) last year, and a further significant increase in export volume is expected in 2016.

f) Sawn hardwood (temperate and tropical)

Sawn hardwood production is moderately increasing and amounts to approximately 100,000 m^3/year. Sawn hardwood export in 2015 increased by 18% in volume, and import also followed this trend (+ 17%). It is estimated that in 2016, both the export and import shall further increase in volume. The foreign trade deficit in sawn hardwood is markedly decreasing in the last years. Sawn oak wood exports are increasing, last year by 47%, with an additional increase being expected also this year. Austria is the main export market for sawn oak wood. Sawn beech wood in Slovenia is used in the production of laminated boards from solid wood, beech wood dowels and furniture. Italy is the main export market for sawn beech wood.

The quantities and values recorded in the production and the import and export of sawn wood from tropical tree species are negligible. The import of sawn wood from tropical trees in 2015 amounted to 1,500 m^3, and export to 200 m^3. A similar scope of sawn wood from tropical trees foreign trade is foreseen for 2016.

g) Wood-based panels (including veneer)

The consumption of all types of wood-based panels increased by 6% in 2015, which shows a recovery of the furniture industry and a slowing down of the decreasing trend in the construction of residential buildings. An increase in the consumption of panels is foreseen for 2016 and 2017 (5% per year).

In 2015, 150,000 m^3 of particle boards (excluding OSB boards) were used in the manufacture of furniture and in construction, which amounts to a 3% increase compared to the previous year. A slight increase in the consumption of particle boards is expected in 2016 mainly due to the recovery of the furniture industry. The consumption of OSB boards originating entirely from imports increased by 20% last year, and an increased consumption scope is also foreseen for 2016 and 2017. This year, the last remaining manufacturer of particle boards in Slovenia filed for bankruptcy.

The consumption of fiberboards stabilised at 40,000 m^3 (+ 11%) in 2015. Last year, export increased by 3.1% in volume and 4.6% in value. Following a drop in 2014 (- 20%), import increased by 20% in volume and 18% in value in 2015. A 5–10% increase in the consumption of fiberboards and a 10% increase in imports are foreseen for 2016.

The best part of sliced veneer manufacture is performed as a service for customers within the EU. 2016 and 2017 forecasts remain unpredictable. The second largest Slovenian manufacturer of veneer recorded a revival in its production in the last quarter of 2015 following a partnership with a Croatian company, however it ceased production in the middle of 2016.

Plywood panel production is dominated by three-layer shuttering composite conifer panels. The manufacturers of three-layer shuttering panels and trusses recorded an 11–24% increase in value in their sales. The majority of manufactured products are exported. The export of three-layer shuttering panels amounted to EUR 26 million (+ 18%) last year. Export is expected to further increase by 20% this year.

h) Pulp and paper

The scope of mechanical pulp production increased by 9% in 2015. Production is expected to remain at the same level this year and next. Pulp export is negligible as the production in Slovenia is entirely integrated. Last year, pulp import decreased by 3.7%, however it is expected to increase by 10% this year.

According to CCIS data, the whole Manufacture of paper and paper products industry (C 17) recorded a 5.5% increase in the physical scope of production in 2015. Mills produced 721,350 tons of paper and cardboard, which is 1.4% more compared to the previous year. Last year, the industrial production index of the whole C 17 industry was at 105.1. In the first seven months of 2016, the industry recorded a 1.3% drop in the industrial production index compared to the same period in 2015. Sales revenues decreased by 2.6% in the first seven months of 2016, and the largest drop in sales revenues was recorded in the domestic market (- 5.8%).

i) Innovative wood products

The development of innovative windows resulted in windows made of thermally modified spruce wood, which are treated with wax, have excellent thermal characteristics and a particularly long lifespan. They are dimensionally more durable than classic windows made of spruce wood, and boast an attractive, exotic look due to their colour. The Nature Optimo XLT window (manufactured by M Sora d.d.) is a type of certified passive window, which is both cost-effective and ecologically justified—this was demonstrated at the International Passive House Conference organized by the German Passive House Institute, where M Sora d.d. was awarded 1st prize for the most cost-effective passive timber window in the world.
Research and testing in the field of thermal modification and surface wax treatment of spruce wood continues with the Wintherwax project (EU Horizon 2020, www.wintherwax.si/).

j) Residential construction and construction

The value of construction was lower by 21.6% in the first seven months of 2016 compared to the same period in the previous year. In the area of construction of buildings, the value of construction dropped by 6.0% and the value of civil engineering by 27.1%. In 2015, the absorption of EU funds from the previous financial perspective ended, which further encouraged negative trends within construction due to decreased national investment expenditures.

In the second half of 2015, residential construction increased somewhat, but remained close to last years' lows. During the first seven months of the year, the number of issued building permits for new and adapted residential buildings decreased by 12.1%, and the number of issued building permits for new and adapted flats in residential buildings decreased by 14.6% (12.5% by area surface).

Company activity within the Manufacture of other builders' carpentry and joinery (NACE: C16.230), which consists of the manufacture of prefabricated wooden buildings, builder's joinery (windows, doors, stairs…) and glued laminated roof trusses and roofing, further improved last year. According to CCIS, this segment gained a EUR 12.9 million net profit in 2015, which exceeded the net profit gained in 2014 by 33.3%. Manufacturers in this activity created over half of their sales revenues in foreign markets (56.2%), while export revenues increased by 8.2% year-on-year.

Slovenia is a net exporter of wooden windows and doors. The decreasing trend in the export of wooden windows is continuing, while the export of wooden doors is on the rise. In 2015, wooden windows export recorded a 4.5% drop in value and a 5.9% drop in volume. Wooden doors export recorded a 19.8% increase in value and a 14.4% increase in volume. This year, a continuation of last year's trends is expected—a volume decrease in window export and a continued increase in doors export. In both export and import, the trend of increase in volume in the share of windows and doors made of non-wooden materials (PVC, aluminum) is continuing.

5. Tables

a) Economic indicators

		Autumn Forecast of Economic Trends (September 2016)		
	2015	2016	2017	2018
GROSS DOMESTIC PRODUCT				
GDP, real growth (%)	2.3	2.3	2.9	2.6
GDP in EUR m, current prices	38,570	40,004	41,416	42,885
EMPLOYMENT, EARNINGS AND PRODUCTIVITY				
Employment according to the SNA, growth (%)	1.1	1.9	1.4	1.1
Number of registered unemployed, annual average (in '000)	112.7	103.4	94.5	88.1
Registered unemployment rate (%)	12.3	11.2	10.2	9.5
ILO unemployment rate (%)	9.0	8.2	7.5	6.8
Gross earnings per employee, real growth (%)	1.2	1.8	0.8	0.7
- private sector	1.0	1.4	0.6	0.9
- public sector	1.7	2.6	1.1	0.4
Labour productivity (GDP per employee), real growth (%)	1.2	0.4	1.5	1.5
EXTERNAL TRADE				
Exports of goods and services, real growth (%)	5.6	5.7	5.5	5.0
Exports of goods	5.3	5.9	5.8	5.1
Exports of services	6.5	4.9	4.3	4.4
Imports of goods and services, real growth (%)	4.6	5.3	5.9	5.1
Imports of goods	5.0	5.8	6.2	5.2
Imports of services	2.2	2.8	4.3	4.4
BALANCE OF PAYMENTS STATISTICS				
Current account BALANCE (EUR m)	1,998	2,700	2,326	2,272
- as a % of GDP	5.2	6.7	5.6	5.3
External balance of goods and services, in EUR m	3,517	4,157	3,980	3,981
- as a % of GDP	9.1	10.4	9.6	9.3
DOMESTIC DEMAND				
Domestic consumption, real growth (%)	1.0	2.3	2.0	1.7
of which:				
Private consumption	0.5	2.3	2.2	2.0
Government consumption	2.5	2.0	1.3	0.7
Gross fixed capital formation	1.0	-4.0	6.0	5.0
Change in inventories, contribution to GDP growth, in pps	0.4	0.7	0.1	0.1
EXCHANGE RATES AND PRICES				
USD/EUR exchange rate	1.110	1.116	1.118	1.118
Real effective exchange rate - CPI deflator	-3.8	0.2	-0.3	0.0
Inflation (Dec/Dec)	-0.5	1.1	1.4	1.5
Inflation (annual average)	-0.5	0.1	1.4	1.5
Oil price (Brent crude, USD/barrel)	52.4	42.5	49.0	52.0

Source: IMAD (Institute of Macroeconomic Analysis and Development of the Republic of Slovenia), Autumn Forecast of Economic Trends, September 2016

b) Production and foreign trade

Product Code	Product	Unit	Historical data 2014	2015	Revised 2015	Estimate 2016	Forecast 2017
1.2.1.C	SAWLOGS AND VENEER LOGS, CONIFEROUS						
	Removals	1000 m^3	1,815	2,210	2,210	2,200	2,050
	Imports	1000 m^3	14 #	13 #	13	10	10
	Exports	1000 m^3	923 #	856 #	1,293	1,250	1,100
	Apparent consumption	1000 m^3	906	1,367	930	960	960
1.2.1.NC	SAWLOGS AND VENEER LOGS, NON-CONIFEROUS						
	Removals	1000 m^3	303	321	321	300	300
	Imports	1000 m^3	61 #	40 #	47	52	50
	Exports	1000 m^3	177 #	198 #	199	160	160
	Apparent consumption	1000 m^3	187	163	169	192	190
1.2.1.NC.T	of which, tropical logs						
	Imports	1000 m^3	1 #	1 #	1	1	1
	Exports	1000 m^3	0 #	0 #	0	0	0
	Net Trade	1000 m^3	1	1	1	1	1
1.2.2.C	PULPWOOD (ROUND AND SPLIT), CONIFEROUS						
	Removals	1000 m^3	634	550	550	550	500
	Imports	1000 m^3	138 #	198 #	168	130	140
	Exports	1000 m^3	449 #	345 #	375	375	320
	Apparent consumption	1000 m^3	323	403	343	305	320
1.2.2.NC	PULPWOOD (ROUND AND SPLIT), NON-CONIFEROUS						
	Removals	1000 m^3	546	559	559	500	490
	Imports	1000 m^3	79 #	57 #	65	70	70
	Exports	1000 m^3	424 #	558 #	439	400	390
	Apparent consumption	1000 m^3	201	58	185	170	170
3	WOOD CHIPS, PARTICLES AND RESIDUES						
	Domestic supply	1000 m^3	950 C	950 C	1,100	1,100	1,100
	Imports	1000 m^3	367 C	364 C	364	395	400
	Exports	1000 m^3	647 C	732 C	732	750	740
	Apparent consumption	1000 m^3	670	582	732	745	760
1.2.3.C	OTHER INDUSTRIAL ROUNDWOOD, CONIFEROUS						
	Removals	1000 m^3	114	100	100	100	100
1.2.3.NC	OTHER INDUSTRIAL ROUNDWOOD, NON-CONIFEROUS						
	Removals	1000 m^3	99	72	72	70	70
1.1.C	WOOD FUEL, CONIFEROUS						
	Removals	1000 m^3	202	203	203	200	200
1.1.NC	WOOD FUEL, NON-CONIFEROUS						
	Removals	1000 m^3	1,387	1,040	1,040	1,000	1,000

Product Code	Product	Unit	Historical data		Revised	Estimate	Forecast
			2014	2015	2015	2016	2017
5.C	SAWNWOOD, CONIFEROUS						
	Production	1000 m^3	610	625	625	645	645
	Imports	1000 m^3	796	820	820	740	750
	Exports	1000 m^3	967	897	897	800	800
	Apparent consumption	1000 m^3	439	548	548	585	595
5.NC	SAWNWOOD, NON-CONIFEROUS						
	Production	1000 m^3	90	95	95	105	105
	Imports	1000 m^3	92	108	108	115	115
	Exports	1000 m^3	83	98	98	125	125
	Apparent consumption	1000 m^3	99	105	105	95	95
5.NC.T	of which, tropical sawnwood						
	Production	1000 m^3	0	0	0	0	0
	Imports	1000 m^3	2	3	3	1	1
	Exports	1000 m^3	1	1	1	0	0
	Apparent consumption	1000 m^3	1	2	2	1	1
6.1	VENEER SHEETS						
	Production	1000 m^3	21 C	20 C	20	23	20
	Imports	1000 m^3	12 C	13 C	13	12	12
	Exports	1000 m^3	18 C	18 C	18	21	18
	Apparent consumption	1000 m^3	14	15	15	14	14
6.1.NC.T	of which, tropical veneer sheets						
	Production	1000 m^3	1	1	1	1	1
	Imports	1000 m^3	0	0	0	0	0
	Exports	1000 m^3	1	1	1	1	1
	Apparent consumption	1000 m^3	0	0	0	0	0
6.2	PLYWOOD						
	Production	1000 m^3	70 C	78 C	78	90	90
	Imports	1000 m^3	30 C	34 C	34	43	45
	Exports	1000 m^3	54 C	59 C	59	70	70
	Apparent consumption	1000 m^3	46	53	53	63	65
6.2.NC.T	of which, tropical plywood						
	Production	1000 m^3	0	0	0	0	0
	Imports	1000 m^3	7	8	8	10	10
	Exports	1000 m^3	0	0	0	0	0
	Apparent consumption	1000 m^3	7	8	8	10	10
6.3	PARTICLE BOARD (including OSB)						
	Production	1000 m^3	75	65	65	0	0
	Imports	1000 m^3	149	159	159	180	185
	Exports	1000 m^3	63	59	59	9	5
	Apparent consumption	1000 m^3	161	166	166	171	180
6.3.1	of which, OSB						
	Production	1000 m^3	0	0	0	0	0
	Imports	1000 m^3	14	18	18	23	25
	Exports	1000 m^3	0	1	1	1	1
	Apparent consumption	1000 m^3	14	17	17	22	24
6.4	FIBREBOARD						
	Production	1000 m^3	130 C	130 C	130	130	130
	Imports	1000 m^3	43 C	51 C	51	58	59
	Exports	1000 m^3	137 C	141 C	141	145	145
	Apparent consumption	1000 m^3	36	40	40	43	44
6.4.1	Hardboard						
	Production	1000 m^3	0	0	0	0	0
	Imports	1000 m^3	9	9	9	11	11
	Exports	1000 m^3	9	10	10	11	11
	Apparent consumption	1000 m^3	0	-1	-1	0	0
6.4.2	MDF/HDF (Medium density/high density)						
	Production	1000 m^3	130	130	130	130	130
	Imports	1000 m^3	32	42	42	46	47
	Exports	1000 m^3	128	131	131	134	134
	Apparent consumption	1000 m^3	34	41	41	42	43
6.4.3	Other fibreboard						
	Production	1000 m^3	0	0	0	0	0
	Imports	1000 m^3	2	0	0	1	1
	Exports	1000 m^3	0	0	0	0	0
	Apparent consumption	1000 m^3	2	0	0	0	0
7	WOOD PULP						
	Production	1000 m.t.	80 C	90 C	90	80	85
	Imports	1000 m.t.	237 C	228 C	228	240	240
	Exports	1000 m.t.	30 C	9 C	9	3	3
	Apparent consumption	1000 m.t.	286	309	309	317	322
10	PAPER & PAPERBOARD						
	Production	1000 m.t.	716 C	716 C	721	730	740
	Imports	1000 m.t.	398 C	479 C	492	520	520
	Exports	1000 m.t.	586 C	608 C	608	635	635
	Apparent consumption	1000 m.t.	528	588	605	615	625
4.1	WOOD PELLETS						
	Production	1000 m.t.	100	110	110	115	120
	Imports	1000 m.t.	158	152	152	180	170
	Exports	1000 m.t.	110	122	122	145	130
	Apparent consumption	1000 m.t.	148	140	140	150	160