

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

SLOVENIA

Country Market Statement 2018

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 2018. Institute of Macroeconomic Analysis and Development (IMAD), 2018.

Economic growth is expected to total 4.4% this year and remain at relatively high levels in the next two (3.7% and 3.4% respectively). Further growth in private and government consumption will contribute more to economic growth than last year. Growth will continue to be underpinned by private sector and government investment, which will increase only slightly less than last year. Export growth will also remain strong, yet somewhat lower than last year, consistent with more moderate growth in foreign demand. The lower growth rates of investment and exports will thus be the main reasons for lower economic growth than last year (4.9%) and than in our Spring Forecast for this year (5.1%). In the next two years economic growth will slow further, not only due to the gradually weaker growth in foreign demand, but increasingly as a consequence of demographic factors, i.e. a decrease in the working age population.

Export growth is expected to be somewhat more moderate this year and in the next two, yet still strong. Economic growth in Slovenia's trading partners will ease somewhat this year according to the latest forecasts by international institutions. After last year's extraordinary high rates, Slovenian exports will see more moderate growth this year. This is associated with slower growth in foreign demand and the absence of one-off factors in the automotive industry, which significantly increased exports particularly in 2017, but also in 2018. Since at the same time the moderation of growth will also be affected by gradually higher growth in labour costs, we expect no further improvement in export competitiveness in the coming years. Amid the continuation of relatively strong growth in domestic consumption, the growth of imports will ease off more slowly than the growth of exports. The contribution of external trade to GDP growth will therefore be smaller, yet still positive.

Investment growth will remain high in 2018–2020; private consumption will also make a significant contribution to growth. Growth is expected for all segments of investment activity, not only in construction (housing and infrastructure investments), but also in investment in machinery and equipment; amid rising demand, this will continue to be boosted by high capacity utilisation and good business performance. The growth of private consumption will strengthen this year under the impact of favourable labour market conditions and moderate optimism among consumers, then fall slightly in the next two, for the most part owing to slower growth in employment. Growth in government consumption is also expected to strengthen somewhat this year amid growth in employment in the general government sector, and then ease gradually in the following years.

2. Policy measures

The *Act on additional measures for reparation of the consequences of damage due to excessive proliferation of the bark beetle population* was adopted this year in response to the excessive proliferation of bark beetles in the last three years, which is the consequence of increasingly frequent natural disasters, record-breaking summer temperatures and dry summer weather. The Act foresees additional measures for the reparation of the consequences of damage due to excessive proliferation of bark beetles in the form of support for affected forest owners. The *Decree on the procedure and detailed conditions for the selection of centres for the collection and processing of infected wood subject to the administrative enforcement of a decision on sanitary felling, on the minimum price for timber assortments and on the process of the sale of timber assortments*, published in the Official Gazette of the RS this year (No. 15/17, 43/17 and 17/18), defines the minimal prices for forest wood assortments and a more detailed sale procedure for forest wood assortments.

In August 2017, the government of the Republic of Slovenia adopted the *Operational Programme for the National Forest Programme 2017–2021* (OP NGP), prepared by the Ministry of Agriculture,

Forestry and Food. Sustainable forestry in Slovenia is based on multi-purpose sustainable and uniform forest system management following the principles of care summarised in the *National Forest Programme* (NGP) and several operational documents and programmes aimed at forests and forestry. The OP NGP links the basic strategic document to the documents defining the foundations for planning, executing and monitoring of forestry policy measures at lower levels. In consideration of the framework operational level detailed in the scheme of priorities, measures and tasks, and subject to the objectives and guidelines of NGP, the OP NGP links the contents of valid operational documents and programmes in a transparent manner and upgrades them in accordance with the above-mentioned scheme where required. The OP NGP defines current priorities in the field of forests and forestry, and these priorities form the basis for measures and forestry policy tasks.

These priorities are:

- a) Conservation of forest landscape, ecosystem, species and genetic biodiversity, and monitoring forest health and vitality.
- b) Ensuring the sustainability of forest yield and implementing all its functions.
- c) Optimisation of forest management from an organisational and financial aspect.
- d) Encouraging coordination and communication between all stakeholders involved in national and foreign forest and forestry projects.

In August 2018, the Ministry of Infrastructure proposed that the *Resolution on the National Energy Concept* be reconsidered to achieve compliance with the *Energy Act* (EZ-1) This is a strategic document incorporating a wide range of factors – active participants in the energy industry, or industrial or private consumers. The document defines guidelines and ambitious objectives in various areas of the energy policy until 2030 or 2050. It does not mention individual projects, but rather defines strategic orientations and a political framework within which it encourages free business incentives by companies and individuals.

In December 2017, the *National Energy Efficiency Action Plan 2017–2020* (AN-URE 2020) was adopted. In accordance with the requirements set out in Directive 2012/27/EU on energy efficiency, Slovenia sets its national target to improve energy efficiency by 20% by 2020. Slovenia has set a target of limiting primary energy consumption to no more than 7,125 Mtoe in 2020, which means that the consumption of primary energy cannot increase by more than 2% with regard to the reference year 2012. The existing building stock is a sector with the largest potential to achieve the defined energy savings. To reach this target, one quarter of the existing building block shall require an energy adaptation by 2020 – this amounts to approximately 22 million m² of building surfaces. The consumption of energy in buildings shall consequently decrease by almost 10%. The measures defined within the plan are set out for individual sectors: households, public sector, economy and transport.

Successful implementation of AN URE 2020 is of key importance also in regard to achieving the targets set out for the reduction in greenhouse gas emissions and the 25% target share of renewable energy sources in the gross final consumption of energy by 2020, as energy efficiency is one of the most cost-efficient measures for achieving these targets. It is also an important contributor to the targets set out for air quality.

The *Rural Development Programme 2014-2020* enables the implementation of measures supporting the development of wood industry and forestry, for example:

- Sub-measure M6.4 – Support for investments in the establishment and development of non-agricultural activities, where priority will be given also to non-agricultural activities related to heat and power generation from renewable energy sources, such as wood biomass, biomass, manure, liquid manure, water, wind and sun. There are several possibilities for financing biomass investments, depending on whether the subject is a natural person or a legal person.
- Sub-measure M8.6 – Investments in pre-industrial processing of wood. The subject of the public tender are investments in pre-industrial processing of roundwood and activities of primary small-scale wood processing, which diversify the production of beneficiaries. This sub-measure supports investments in forestry technologies and in processing, mobilisation and marketing of forest products. This sub-measure also supports investments in production of

pellets and wood chips as a supplementary sawmills activity. Public support is granted in the form of non-refundable and refundable financial aid. Co-financing is limited to the following beneficiaries: companies, cooperatives, sole traders and farms with a registered subsidiary on-farm activity.

- Sub-measure 9.1 – Setting up producers' groups and organisations in the agricultural and forestry sector. This sub-measure encourages the setting up and operation of producers' groups in the agricultural and forestry sector, where these groups are set up for the purpose of joint action on the market. Beneficiaries are: producer groups which are legal entities and fulfil the conditions for micro-, small and medium-sized enterprises. Support is granted in the form of a flat payment, paid in annual instalments in the first five years after the date the producers' group was verified.

The public tender for co-financing of district heating systems based on energy from renewable sources for 2017–2020 enables financial incentives for investments into new district heating systems based on energy from renewable sources (DH RES) and DH RES micro systems. Investors who are broadening existing DH RES systems or installing new boilers run on wood biomass as an energy source for the existing DH system (hereafter: operations) are also entitled to financial incentives within the following context:

- Installation of DH RES systems with boiler capacity up to 10 MW or installation of DH RES micro systems with boiler capacity up to 1 MW;
- Expansion of existing DH RES system network with or without the installation of additional boilers run on wood biomass;
- If the use of solar energy as an additional energy source contributes to improved economy of the whole DH RES system, the solar system for sanitary hot water can also be included in the operations.

In July 2017, both *Action plans SRIP* (Strategic Research & Innovation Partnerships) have been confirmed. They are directly connected with the forest-wood value chains:

- Action plan SRIP Smart buildings and homes, and
- Action plan SRIP Networks for the transition into circular economy.

3. Market factors

Data sources: IMAD, SORS and SFI

Economic growth (4.9%), which accelerated last year, was somewhat more moderate in the first half of the year. Real GDP growth remained broad-base. The robust growth of domestic consumption continued, driven particularly by significantly higher gross fixed capital formation. The growth of gross fixed capital formation remained high, primarily as a result of continued growth momentum in construction investment, while the growth of investment in machinery and equipment eased somewhat despite the continuation of favourable conditions. Domestic consumption was also boosted by stronger government consumption supported by, among other things, relatively strong growth in employment. Private consumption growth remained moderate, in spite of the continuation of favourable labour market developments and high consumer confidence. Exports continued to expand in the first half of the year, but made a slightly smaller contribution to GDP growth than their last year's accelerated growth. Reflecting these movements, real GDP growth in the first half of the year (4.2%) was slightly lower than last year (4.9%), but still significantly above the long-term average and the average in the EU (both around 2.3%). The gradual decline in the high values of confidence indicators seen from the beginning of the year has continued in the last few months, indicating a further moderation of positive developments (IMAD 2018).

In the middle of December 2017, one fifth of Slovenian forests were damaged by strong winds. According to recent estimates, 2.7 million m³ of trees, mainly conifers (90%), were affected. Similarly

to its actions following natural disasters in forests in the past, the Slovenia Forest Service (SFS) provided for fast and efficient restoration of damaged forests by adjusting its operations and implementing several emergency measures, including the issuing of adapted decrees for harvesting damaged trees. 5,450 ha of damaged forests are planned to be restored. The total value of planned restoration works is estimated at EUR 7 million. The coordination group established on the basis of an incentive issued by the Ministry of Agriculture, Forestry and Food started the renovation processes, provided on-the-spot solutions and tried to minimise the bottlenecks in the forest-wood chain in order to enable fast and efficient restoration following wind damage. Consulting activities and education in the field were strengthened along with connecting the owners of damaged forests – all with the aim to enable joint execution of works in forests using qualified contractors. Following the restoration of wind damage, a large offering of conifer wood was available on the market exceeding domestic demand.

Croatia's measure to limit (prohibit) the export of unprocessed oak wood continues to prejudice the oak wood market and adversely affect the business of Slovenian companies importing oak wood from Croatia (logs, lower quality wood, wood chips) and/or process wood for customers who buy wood in Croatia. The prohibition is a result of the adopted regulation on phytosanitary measures for preventing the spread of the oak lace bug *Corythucha arcuata* (Say, 1832), published on 1 June 2017.

The wood processing industry (NACE C16) is continuing its favourable trends this year, and the production index increased by 9.8% in the first seven months. Sales revenues increased by 9.7% in the first seven months compared to the same period in the previous year: 10.6% on the domestic market and 79.2% in export.

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, etc.), and green public procurements, which continuously promote the construction of public wood buildings.

4. Developments in the wood products market

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

a) Roundwood

2017

Following a record in 2016, the production of forest wood assortments somewhat leveled-off in 2017 (-16%). Lower production was recorded for all forest wood assortments. Production dynamic was still under the influence of sanitation harvesting, which was a consequence of the damage caused by bark beetles.

The scope of forest wood assortments amounted to 4.5 million m³ (without bark) last year. Last year, the scope of conifer roundwood amounted to 2.9 million m³ (-17%), and that of deciduous trees to 1.6 million m³ (-15%). The scope of acquisitions from forest wood assortments from private forests in 2017 was lower in conifers (-24%), while acquisitions of deciduous trees increased (+11%). The acquisition of deciduous tree logs increased (+44%), especially that of beech and oak. Total roundwood exports decreased to 2.6 million m³ in 2017, and the foreign trade surplus for all forest wood assortments consequently lowered by 18% (2.1 million m³). The largest surplus was recorded in conifer logs (1.5 million m³).

2018

The scope of forest wood assortments has been influenced notably by the restoration of damage caused by strong winds. In the middle of December 2017, one fifth of Slovenian forests were damaged by strong winds – 2.7 million m³ of trees, mainly conifers (spruces and firs), were affected. This priority restoration of trees damaged by strong winds resulted in a lower number of felled deciduous trees, which in turn resulted in a deficit of beech logs in Slovenian sawmills. Additionally, the demand for deciduous wood of lower quality expressed by fibreboard manufacturers in Slovenia and neighboring countries remains high.

Damage caused by bark beetles is lower this year. In the first nine months, the amount of conifer trees felled due to damage caused by bark beetles compared to the same period in the previous year was lower by 65%. This indicates a reduction in bark beetle gradation, which was a consequence of the ice damage in 2014.

Wood acquisitions from private forests increased by 5% in the conifer tree segment and decreased by 9% 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 wood remained at a similar level compared to the previous year (-2%), however the acquisition of logs decreased significantly (-21%).

In the first half of 2018, export of conifers has increased and export of deciduous trees decreased (including fuel wood). Import is at a similar level compared to the previous year.

b) Wood biomass for energy

The largest consumer of wood fuels are households using predominantly firewood, which they acquire from their own forests or the market. Households consume 1.6 million of wood fuels, predominantly firewood. 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 use more than 100,000 tons of wood chips per year.

The price of firewood with humidity levels of approx. 20% and lengths between 25 and 33 cm amounted to EUR 151 per ton at the end of the heating season 2017/2018, which is 8% more compared to the beginning of the heating season. The Slovenian Forestry Institute monitors wood fuel prices and regularly publishes them at <http://wcm.gozdis.si/cene-lesnih-goriv>.

The wood pellets market changed dramatically compared to 2016, as exports have exceeded imports. Slovenia was a net exporter of wood pellets in 2017. The main consumers of wood pellets are households, followed by larger public buildings and other users. The most recent collection of data on pellet production in Slovenia (concluded by SFI in June 2018) shows that there are currently 20 producers of pellets in Slovenia – only one of them has a yearly production of above 50,000 tons, and only one of them has a yearly production of between 15,000 and 50,000 tons. The production of pellets in Slovenia amounted to 115,000 tons in 2017. The production in the last three years has been relatively constant and dependent mostly on available raw materials.

The predominant part of Slovenian pellet production is exported to Italy. Compared to 2016, the export of wood pellets increased by almost 50,000 tons (36%) in 2017, and amounts to just over 190,000 tons. The import of wood pellets decreased by almost 20,000 tons (almost 10%) compared to the previous year. Most pellets are imported from Romania (40%), Austria (15%) and Bosnia and Herzegovina (14%).

Pellets as the most expensive form of wood biomass are 35% cheaper (EUR 57/MWh) than heating oil, whose price fluctuated around EUR 87/MWh in the first half of 2018. The difference between the prices of heating oil and pellets increased by 2% in comparison with the previous year. A ton of

pellets, packed in 15 kg bags, cost EUR 269 on average after the end of the heating season 2017/2018. In comparison with the same period in the previous year, prices have increased by 6%.

The quality of wood pellets, available on the Slovenian market, improved in comparison with the previous year – this is evident from an independent analysis of pellet quality on the Slovenian market, and the share of pellets classified as A1 (68%). Three years ago, pellet samples belonging to the A1 quality class only amounted to 27%, however in 2017, this percentage increased to 60%.

Wood chips are predominantly used for energy purposes, and the Thermal Power Plant Ljubljana is by far the largest consumer with an annual consumption of over 100,000 tons. The consumption of wood chips in the production of wood products (fibreboards, pulp, chemicals) amounts to less than 10% of the total consumption in Slovenia. Wood chip manufacturers are technologically well equipped. There were more than 200 wood chippers in Slovenia in the first half of 2018. There are over 50 wood chippers in Slovenia that can achieve a production capacity of at least 100 nm³/h. Yearly production scope remains at a high level due to restoration following the damage caused by bark beetles gradation, and this year's wind damage. 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 (80–90%), and in export, conifer wood chips hold the greatest share (70–80%). Last year, wood chips export exceeded 350,000 tons (+44%), and import increased by 10%. Wood chips are predominantly imported from Croatia and exported to Austria and Italy.

The price for best-selling wood chips (humidity of approx. 30% and particle size of approx. 31 mm) averaged at EUR 77/t at the end of the heating season 2017/2018, which is approximately 4% more compared to the same period in the previous year.

c) Certified wood products

265,000 ha of forests are certified by the FSC system, which represents more than 20% of the total forest area in Slovenia, where these are predominantly national forests (90%).

The area of forests included in the national certification scheme PEFC has increased significantly in 2017, as the SiDG company (Slovenski državni gozdovi, d. o. o.) entered the regional PEFC certification scheme with its total area of 231,500 ha of certified forests in November 2017. In Slovenia, a total of 286,000 ha of forests are certified according to the PEFC system.

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. Among these, the FSC CoC certificates hold the predominant share (>200). Despite this, interest in PEFC CoC certificates (>50) and certified products is increasing, mostly due to exports to Austria.

d) Value-added wood products

The Slovenian furniture industry produced total net sales revenues of EUR 346 million in 2017, which is 10% more compared to 2016. The share in the net sales revenues structure in foreign markets for the furniture industry NACE C31 amounted to 44% last year. Foreign market sales recorded an increase of 7.3% last year. The most intensive destinations for furniture exports remain Germany, Italy and Austria.

The furniture industry production index (the entire furniture industry in NACE C31), which also includes the production of wooden furniture, increased by 4.3% 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 4.3%. A 13.5% increase was recorded in the domestic market, and a 5% decrease in the foreign markets compared to the same period last year.

e) Sawn softwood

Slovenian sawmills continue to maintain a high level of wood processing activities, 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 still hindered by the unfavourable structure of sawmills (size and technological equipment), however investments have been secured for a new larger plant as well as for upgrades, technological modernisation and an increase of capacities of existing Slovenian sawmills, indicating significant structural changes in the future.

f) Sawn hardwood (temperate and tropical)

Sawn hardwood production is under strong influence of positive trends in Europe and difficulties in the supply of logs. The export and import of sawn hardwood were at similar levels in 2017 compared to the previous year. A similar production scope is estimated for this year. Owing to favourable market trends in sawn beech and oak wood, next year could see an increase in both production and exports.

The quantities and values recorded in the production, and the import and export of sawn wood from tropical tree species are negligible. A similar low level of sawn wood from tropical trees foreign trade is also foreseen for this year.

g) Wood-based panels (including veneer)

The production and consumption of all types of wood-based panels remains at a relatively high level, which indicates a continuation of the positive trend in the construction of buildings and the whole construction sector. A similar high level of production and consumption is foreseen for 2018 and 2019.

In 2017, 173,000 m³ of particle boards (including OBS boards) were used in the manufacture of furniture and in construction, which is at a similar level compared to the previous year. A slight increase in the consumption of particle boards is expected in 2018 and 2019 mainly due to an increased use of OSB boards. Particle boards originate entirely from imports, as the last remaining manufacturer of particle boards in Slovenia filed for bankruptcy at the end of 2015. A new investor is expected to restore the production in 2020.

The consumption of fiberboards has been stable during the last several years at 40,000 m³. The best part of sliced veneer manufacture is performed as a service for customers within the EU.

Plywood panel production is dominated by tri-layer shuttering composite conifer panels. The majority of manufactured products is exported. We estimate that favourable manufacture and export results, which are a result of positive trends in the European construction sector, will continue also in 2017.

h) Pulp and paper

The scope of mechanical pulp production increased by 9% in 2017. 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 2.4%, and it is expected to increase by 2% this year.

According to CCIS data, manufacturers of paper and paper products produced 0.75 million tons of products in 2017, and exports also increased. In the first seven months of 2018, the industry recorded a 3.2% increase in the industrial production index compared to the same period in 2017. Sales revenues in C 17 increased by 2.8% in the first seven months of 2017.

i) Innovative wood products

The TIGR4smart project (Sustainable and Innovative construction of smart buildings), ongoing until February 2019, will focus on the development of products and technologies for the creation of healthy living and working internal environments by combining the research and development potential of enterprises and research organizations. A part of the results of this project is the development of new wood protection systems based on wax, the production of wooden large-dimension windows spanning two levels, and the development of a glass insulation element for near-zero energy buildings with an extremely low heat transfer.

Due to its characteristics, cross-laminated wood is becoming one of the most frequently used materials in the manufacture of construction elements, and is used even in multi-level wooden buildings that must comply with demanding seismic and fire safety conditions. The CBD d. o. o. company developed a cross-laminated ribbed board, whose manufacture requires substantially lower quantities of wood compared to the manufacture of standard boards while preserving or even improving its mechanical characteristics. The company also developed its own innovative manufacturing process – their automated production line can produce both ribbed and standard boards. The price competitiveness of this new product and the production line capacity are a huge opportunity for the Slovenian wood industry to penetrate international markets, and the increased use of laminated wood will help to meet the requirements set out by European Directives for sustainable use of wood in construction.

j) Residential construction and construction

The value of construction increased last year by 23.7%, and the value of construction work on buildings increased by 34.9%, where the increase in value of construction work on residential buildings amounted to 27.0%.

The value of construction was higher by 18.9% in the first seven months of 2018 compared to the same period in the previous year. In construction of buildings, the value of construction increased by 21.4% and the value of civil engineering by 17.4%. Government investments are expected to increase this year, and the revival of housing investments is expected to continue. The decreasing trend in the construction of residential buildings came to an end in 2016 and is now gradually increasing – the number of completed residential buildings increased by 2.3% last year (a 2.1% decrease by surface). Even the construction sector recorded 2.8% more residential buildings compared to the previous year. Positive trends and an increase in construction of residential buildings are expected this year also.



Image 1: Number of dwellings in construction and completed dwellings for 2008–2017 (SORS)

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, etc.) and glued laminated roof trusses and roofing, continued positively also last year. According to CCIS, this segment gained a EUR 17 million net profit in 2016, which exceeded the net profit gained in 2016 by 3.5%. Sales revenues created by companies in this industry on foreign markets decreased by 2.6% compared to 2016 (56.7%), while export revenues increased by 8.3%.

Slovenia is a traditional net exporter of wooden windows and doors. Last year, export of wooden doors increased by 7.5% in volume and 5.0% in value. Following a decreasing trend since 2000, the export of wooden windows stabilised in the last five years.

5. Tables

a) Economic indicators

	2017	Autumn forecast (September 2018)		
		2018	2019	2020
GROSS DOMESTIC PRODUCT				
GDP, real growth (%)	4.9	4.4	3.7	3.4
GDP, nominal growth (%)	6.5	6.4	6.1	6.0
GDP in EUR billion, current prices	43.0	45.7	48.5	51.4
Exports of goods and services, real growth (%)	10.7	8.2	6.6	7.1
Imports of goods and services, real growth (%)	10.3	8.0	7.1	7.3
External balance of goods and services (contribution to growth in pps)	1.3	0.9	0.3	0.5
Private consumption, real growth (%)	1.9	2.7	2.6	2.2
Government consumption, real growth (%)	0.5	2.7	2.0	1.5
Gross fixed capital formation, real growth (%)	10.7	9.0	8.5	7.5
Change in inventories and valuables (contribution to growth in pps)	0.6	-0.1	0.0	0.0
EMPLOYMENT, EARNINGS AND PRODUCTIVITY				
Employment according to the SNA, growth (%)	2.9	2.8	1.5	0.8
Number of registered unemployed, annual average (in '000)	88.6	78.5	73.9	69.3
Registered unemployment rate (%)	9.5	8.2	7.7	7.2
ILO unemployment rate (%)	6.6	5.5	4.9	4.4
Gross earnings per employee, nominal growth (%)	2.7	3.5	4.9	5.0
Gross earnings per employee, real growth (%)	1.3	1.7	2.8	2.6
- private sector	1.5	2.3	2.6	3.0
- public sector	1.5	1.3	2.9	1.8
Labour productivity (GDP per employee), real growth (%)	1.9	1.5	2.1	2.6
BALANCE OF PAYMENTS STATISTICS				
Current account BALANCE (EUR billion)	3.1	3.1	3.1	3.4
- as a % of GDP	7.2	6.8	6.4	6.7
PRICES AND EFFECTIVE EXCHANGE RATE				
Inflation (Dec/Dec, in %)	1.7	2.1	2.3	2.4
Inflation (annual average, %)	1.4	1.8	2.1	2.3
Real effective exchange rate deflated by unit labour costs	-0.7	2.0	1.1	0.7
ASSUMPTIONS				
Foreign demand (imports of trading partners), real growth (%)	6.0	4.7	4.7	4.3
GDP in the euro area, real growth (%)	2.4	2.1	1.9	1.6
Oil price (Brent crude, USD/barrel)	54.3	71.6	72.2	69.3
Non-energy commodity prices (USD), growth (%)	8.0	5.8	2.0	0.0
USD/EUR exchange rate	1.129	1.182	1.150	1.150

Source: IMAD (Institute of Macroeconomic Analysis and Development of the Republic of Slovenia), Autumn Forecast of Economic Trends, 2018. Sources: For 2017 SURS, BoS, ECB and EIA; for 2018-2020 IMAD forecasts. The Autumn Forecast of Economic Trends is based on statistical data, information and adopted measures known at the cut-off date of 6 September 2018.

b) Production and foreign trade

Product Code	Product	Unit	Historical data		Revised	Estimate	Forecast
			2016	2017	2017	2018	2019
1.2.1.C	SAWLOGS AND VENEER LOGS, CONIFEROUS						
	Removals	1000 m ³ ub	2.660	2.200	2.200	2.350	2.000
	Imports	1000 m ³ ub	24 #	15 #	15	20	20
	Exports	1000 m ³ ub	1.810 #	1.550 #	1.271	1.400	1.000
	Apparent consumption	1000 m ³ ub	874	665	944	970	1.020
1.2.1.NC	SAWLOGS AND VENEER LOGS, NON-CONIFEROUS						
	Removals	1000 m ³ ub	329	295	295	250	330
	Imports	1000 m ³ ub	52 #	60 #	50	50	50
	Exports	1000 m ³ ub	179 #	200 #	181	125	190
	Apparent consumption	1000 m ³ ub	202	155	164	175	190
1.2.1.NC.T	of which, tropical logs						
	Imports	1000 m ³ ub	1 #	1 #	1	1	1
	Exports	1000 m ³ ub	0 #	0 #	1	1	1
	Net Trade	1000 m ³ ub	1	1	1	1	1
1.2.2.C	PULPWOOD (ROUND AND SPLIT), CONIFEROUS						
	Removals	1000 m ³ ub	578	532	532	540	450
	Imports	1000 m ³ ub	120 #	160 #	180	190	170
	Exports	1000 m ³ ub	418 #	400 #	417	430	320
	Apparent consumption	1000 m ³ ub	280	292	295	300	300
1.2.2.NC	PULPWOOD (ROUND AND SPLIT), NON-CONIFEROUS						
	Removals	1000 m ³ ub	412	376	376	400	400
	Imports	1000 m ³ ub	78 #	90 #	74	70	70
	Exports	1000 m ³ ub	310 #	360 #	310	270	270
	Apparent consumption	1000 m ³ ub	180	106	140	200	200
3	WOOD CHIPS, PARTICLES AND RESIDUES						
	Domestic supply	1000 m ³	1.100 C	1.100 C	1.300	1.300	1.300
	Imports	1000 m ³	332 C	303 C	297	300	300
	Exports	1000 m ³	737 C	791 C	745	750	750
	Apparent consumption	1000 m ³	695	612	852	850	850
1.2.3.C	OTHER INDUSTRIAL ROUNDWOOD, CONIFEROUS						
	Removals	1000 m ³ ub	75	20	20	30	30
1.2.3.NC	OTHER INDUSTRIAL ROUNDWOOD, NON-CONIFEROUS						
	Removals	1000 m ³ ub	56	47	47	50	50
1.1.C	WOOD FUEL, CONIFEROUS						
	Removals	1000 m ³ ub	180	153	153	200	200
1.1.NC	WOOD FUEL, NON-CONIFEROUS						
	Removals	1000 m ³ ub	1.092	886	886	1.100	1.100

Product Code	Product	Unit	Historical data		Revised	Estimate	Forecast
			2016	2017	2017	2018	2019
6.C	SAWNWOOD, CONIFEROUS						
	Production	1000 m ³	625	625	625	625	650
	Imports	1000 m ³	638	813	526	550	550
	Exports	1000 m ³	776	673	613	630	650
	Apparent consumption	1000 m ³	487	765	538	545	550
6.NC	SAWNWOOD, NON-CONIFEROUS						
	Production	1000 m ³	105	125	120	115	120
	Imports	1000 m ³	106	114	104	100	100
	Exports	1000 m ³	113	128	117	115	120
	Apparent consumption	1000 m ³	98	110	108	100	100
6.NC.T	of which, tropical sawnwood						
	Production	1000 m ³	0	0	0	0	0
	Imports	1000 m ³	2	2	2	2	2
	Exports	1000 m ³	1	1	1	1	1
	Apparent consumption	1000 m ³	1	1	1	1	1
7	VENEER SHEETS						
	Production	1000 m ³	24 C	24 C	22	20	20
	Imports	1000 m ³	12 C	12 C	11	10	10
	Exports	1000 m ³	23 C	22 C	21	20	20
	Apparent consumption	1000 m ³	13	14	12	10	10
7.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	1	1	1	1
8.1	PLYWOOD						
	Production	1000 m ³	86 C	85 C	86	88	90
	Imports	1000 m ³	41 C	46 C	45	45	45
	Exports	1000 m ³	68 C	67 C	66	67	68
	Apparent consumption	1000 m ³	59	64	65	66	67
8.1.NC.T	of which, tropical plywood						
	Production	1000 m ³	0	0	0	0	0
	Imports	1000 m ³	10	13	13	13	13
	Exports	1000 m ³	0	0	0	0	0
	Apparent consumption	1000 m ³	10	13	13	13	13
8.2	PARTICLE BOARD (including OSB)						
	Production	1000 m ³	0	0	0	0	0
	Imports	1000 m ³	183	182	179	182	184
	Exports	1000 m ³	7	6	6	6	6
	Apparent consumption	1000 m ³	176	176	173	176	178
8.2.1	of which, OSB						
	Production	1000 m ³	0	0	0	0	0
	Imports	1000 m ³	34	24	24	27	29
	Exports	1000 m ³	1	1	1	1	1
	Apparent consumption	1000 m ³	33	23	23	26	28
8.3	FIBREBOARD						
	Production	1000 m ³	130 C	120 C	120	130	130
	Imports	1000 m ³	58 C	61 C	60	60	60
	Exports	1000 m ³	148 C	154 C	153	150	150
	Apparent consumption	1000 m ³	40	28	26	40	40
8.3.1	Hardboard						
	Production	1000 m ³	0	0	0	0	0
	Imports	1000 m ³	13	13	13	13	13
	Exports	1000 m ³	12	12	12	12	12
	Apparent consumption	1000 m ³	0	1	1	1	1
8.3.2	MDF/HDF (Medium density/high density)						
	Production	1000 m ³	130	120	120	130	130
	Imports	1000 m ³	45	49	47	47	47
	Exports	1000 m ³	136	142	142	138	138
	Apparent consumption	1000 m ³	39	27	25	39	39
8.3.3	Other fibreboard						
	Production	1000 m ³	0	0	0	0	0
	Imports	1000 m ³	1	0	0	0	0
	Exports	1000 m ³	0	0	0	0	0
	Apparent consumption	1000 m ³	0	0	0	0	0
9	WOOD PULP						
	Production	1000 m.t.	85 C	92 C	95	95	95
	Imports	1000 m.t.	247 C	246 C	241	245	245
	Exports	1000 m.t.	9 C	6 C	6	5	5
	Apparent consumption	1000 m.t.	323	332	330	335	335
12	PAPER & PAPERBOARD						
	Production	1000 m.t.	730 C	730 C	747	750	755
	Imports	1000 m.t.	638 C	636 C	641	640	640
	Exports	1000 m.t.	641 C	651 C	652	650	655
	Apparent consumption	1000 m.t.	727	715	736	740	740
5.1	WOOD PELLETS						
	Production	1000 m.t.	115	115	115	115	120
	Imports	1000 m.t.	205	181	176	175	170
	Exports	1000 m.t.	140	191	178	140	140
	Apparent consumption	1000 m.t.	180	106	113	150	150