

23 June 2020

Economic Accounts for Forestry

2018

In 2018, the GVA of forestry decreased by 2.1% in volume and increased by 5.3% in value.

In 2019, the trade balance of forest products remained at 2.6 billion Euros.

In 2018, Gross Value Added (GVA) of Forestry decreased 2.1% in volume and increased 5.3% in value, influenced by a significant increase in Intermediate Consumption (IC), in volume and value (+10.1% and 15.7%, respectively). There was a nominal increase in Forestry Production (+8.3%), mainly due to Cork (+25.1%) and Forestry Services (+21.7%), which more than compensated the decrease in wood production (-3.1%), after the high supply of wood observed in the previous year, following the major forest fires in June and October 2017. The large increase in IC was mainly determined by forestry services (namely cleaning and forest felling operations, leftovers removals and construction of fire breaks paths).

Statistics Portugal presents the Economic Accounts for Forestry (EAF) for the year 2018 as well as a new series for the period 1986-2017 according to the new benchmark year 2016 of the Portuguese National Accounts.

The results for 2018 are provisional, in accordance with the Portuguese National Accounts calendar, with information available up to June 14th, 2020.

In the Statistics Portugal website, in the area of dissemination of the National Accounts ([section of National Accounts](#)), tables with detailed information are available.

The information of EAF presents a set of variables and economic aggregates that characterize the activities of Forestry and logging, not covering the industrial

transformation of wood, cork and other products of forest origin.

In the context of these accounts, forestry activity includes the production of goods and services such as timber, cork, forest plantations and forestry services, in particular services related with forest and logging.

In this press release, the main headings of EAF analyzed in 2018 are: Production, GVA, Aids paid to the forestry activity and Gross fixed capital formation (GFCF).

1. Main results for 2018

In the year after the major forest fires in June and October 2017, with a large supply of wood, the forestry activity in 2018 was characterized by lower volumes of

wood removals for pulp and pellets industries and by a large increase of Forestry services production and Intermediate Consumption, in which, during this period, cleaning and forest felling operations, leftovers removals and construction of fire breaks paths stand out. Cork production, which was not influenced by the fires, registered a significant increase in 2018.

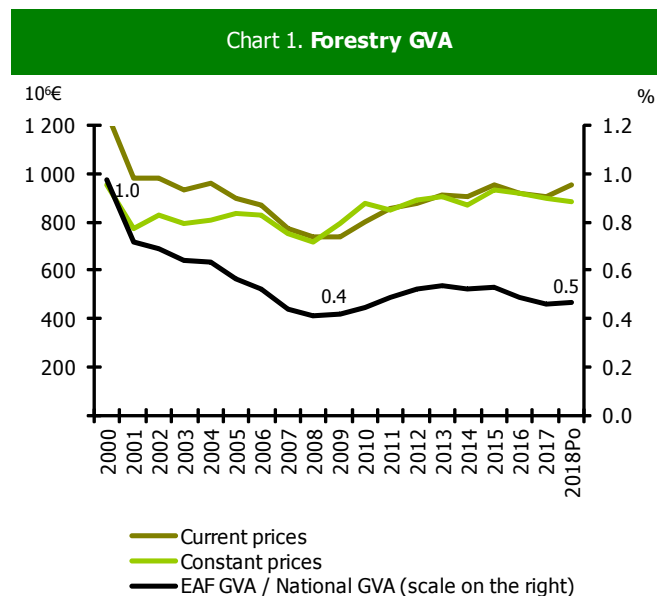
1.1 Forestry GVA decreased in volume (-2.1%) and increased in value (+5.3%)

In 2018, forestry GVA decreased 2.1% in volume and increased 5.3% in value, compared to the previous year.

The nominal increase of Production (+8.3%) was partially compensated by the increase in the IC (+15.7%), where forestry services are of great importance, resulting in a nominal increase in GVA of 5.3%.

However, in real terms GVA decreased by 2.1% as a result of a higher increase in IC (+10.1%) than in Production (+1.4%).

The relative weight of Forestry in the national economy remained at around 0.5%.

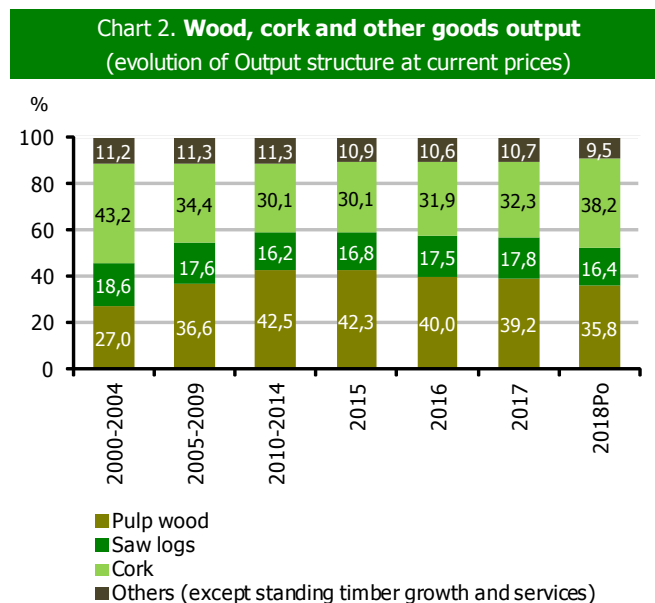


1.2 Forestry production increased in volume (+1.4%) and in value (+8.3%)

The increases, in real and nominal terms, of forestry production in 2018 (+1.4% and 8.3%, respectively, compare to 2017) were determined by the increase in Cork production (+6.0% in volume and +25.1% in value) and forestry services (+12.9% and +21.7%, in real and nominal terms, respectively).

These evolutions more than compensated the decrease in wood production (-2.6% in volume and -3.1% in value).

Over the past years, the structure of national forestry production presented some changes. In 2018, Cork was again the most relevant product (38.2%), a position lost since 2004, for Pulp wood, that reached 42.5% of production in the period 2010-2014.



2. International comparisons¹

In 2017 (last year with information available to the EU) Portugal ranked 11th in terms of the relative weight of GVA for forestry and logging in the GVA of the national economy, compared to the other Member States (MS) (0.5%).

Countries such as France, Italy and Spain, which have a large forestry area, show a relative importance of forestry in the national GVA between 0.1% and 0.2%.

Finland, Latvia and Estonia were the MS with the highest relative weight of forestry in the national economy (between 1.1% and 1.9% of GVA).

Chart 4. Forestry GVA/Forestry area by MS 2015

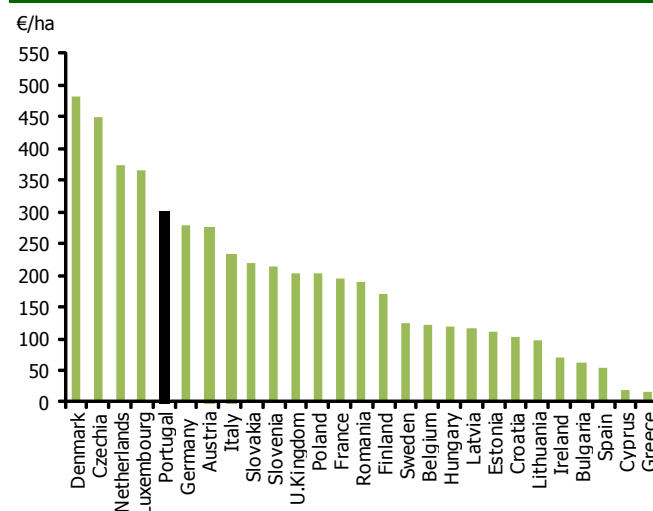
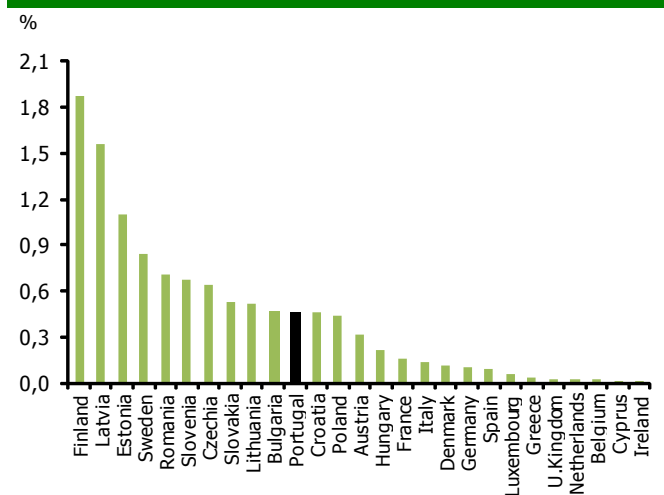


Chart 3. Forestry GVA/national GVA by MS 2017



Comparing forestry GVA with the forest area, in 2015, Portugal was in the 5th position (300 €/ha) with values close to Germany and Austria, and clearly higher than Finland or Sweden, countries that have big forests. Spain, despite having a forest area bigger than Portugal, has considerably lower forestry GVA per hectare.

¹ Data extracted from the Eurostat database on 14th June 2020.
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