73rd International
SOFTWOOD CONFERENCE
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ANOTHER CHALLENGING YEAR FOR THE EUROPEAN SOFTWOOD INDUSTRY BUT THERE IS RENEWED HOPE FOR 2026

On October 22/23 the 73rd edition of the International Softwood Conference was held in the Norwegian capital. The Conference was hosted by the Treindustrien, which co-organized the event with the two usual partners: the European Organization of the Sawmill Industry (EOS) and the European Timber Trade Federation (ETTF).

Oslo (Norway), 23 October – The event drew over 260 participants from around the world. On Wednesday, 22 October, participants took part in field trips that included a visit to Mjøstårnet, located about 150 km north of Oslo. The event was opened with an economic overview of the sector delivered by Johan Freij, who stressed the exceptional uncertainty facing the world today. There are many trends pointing to structural inflation affecting economies for the years to come. On the brighter side, injections of cash into the European economy could revive the European outlook. In our sector, while there could be challenges in terms of log supply, there are promising signs, including the potential to improve log yields. Overall, the sector should be bolder in communicating the benefits of using wood to tackle climate change, not only in terms of storage but also as a substitute for more carbon-intensive materials. Many speakers argued that, given the likely long-term decline in spruce availability, the sector as a whole should promote the use of pine for a broader range of applications.

Tommi Sneck, President of EOS, and Morten Bergsten, Vice-President and Softwood Chairman of ETTF, delivered similar messages from their respective vantage points as producer and user. After peaking in 2021, EOS member countries' softwood production has fallen over the last few years (by about 10%) to adjust to weaker demand. If forecasts for 2025 are confirmed, production across Europe will have stabilized over the past couple of years. Early projections for 2026 also point to stable production across Europe. Mr. Sneck noted that raw material prices have increased across Europe, denting profitability in the industry. He also stressed that there are significant differences across Europe in terms of profitability. High log prices amid subdued demand for sawnwood worldwide pose a question mark for the industry: when demand resumes, there is a risk of log prices being too elevated.

On the brighter side, both Mr. Sneck and Mr. Bergsten stressed that there are timid signs of recovery in the construction sector. Considering that Europe (and also the United States and China) have underbuilt for about 20 years and that inflation has come down, 2026 could be the year of recovery in the construction markets. Mr. Bergsten also stressed that regulation and bureaucratic burdens in the sector have risen sharply over the last few years. This should stop or, ideally, reverse, for the sector to thrive in the future.

As usual, the conference featured many presentations focused on the main overseas markets and areas of interest for the European softwood sector. Stephen Sabine of JAM Timber Consulting stressed that the UK market is expected to remain stable, with imports slightly lower in 2025 than in 2024. A recovery could be on the cards for 2026. Paul Jannke of Forest Economic Advisors delivered an insightful presentation on North American markets. While there is pent-up demand in the US housing market due to favourable demographics and underbuilding for more than a decade, other factors contribute to keeping housing starts at relatively subdued levels—such as an uncertain economic outlook and high mortgage rates.

Mr. Jannke and other speakers stressed the impact that US tariffs and general geopolitical instability are having and will increasingly have on global softwood trade flows. While European producers are subject to a 10% tariff, overall rates on Canadian sawn softwood are much higher, putting European exporters in a position of comparative advantage. Canadian exporters are looking with interest at diversifying their export markets. Russia's presence in China is becoming stronger, where it increasingly dictates market prices — one of the key insights provided by Olle Berg of Setra Group, who delivered the presentation on the Chinese market. Mr. Berg also stressed that consumption of softwood lumber in China is a shadow of its former self due to the ongoing crisis in its construction market. The outlook for the Chinese market remains fragile, with cautious optimism after 2026. Fredrik Westling of Forssell Timber gave a comprehensive overview of the Japanese market, stating that the situation is quite challenging due to the weak yen and a declining number of housing starts. At the same time, policymakers want to increase wood usage in non-residential buildings, which could compensate for the negative factors hampering sawnwood consumption. The MENA market remains an important outlet for many Nordic sawmills, argued Erik Eliasson of Norra Timber, in particular for lower-grade pine. The outlook for sawn softwood consumption in that region is relatively positive over the next couple of years.

A common theme in the conference was that, in the long term, log supply across Europe and the world is expected to flatten and, in some regions, decline, as persuasively shown by Sami Pastila of AFRY Management. According to speakers such as Christian Nielsen of the Swedish Food and Forest Industries, who delivered an insightful presentation on Nordic markets, the industry will have to process smaller-diameter roundwood, switch to more pine for construction purposes, and pursue a whole-value-chain effort to ensure that construction becomes more efficient. These were among the solutions identified to counter potential supply challenges. Mr. Välja of the Estonian Forest, Wood and Industries Association gave an interesting presentation on the Baltic markets, highlighting the challenges and opportunities in a region that punches above its weight in the softwood industry.

The final session provided attendees with ideas regarding market opportunities. Paul Brannen of EOS and CEI Bois gave a comprehensive presentation on housing policy in the UK and the EU, while Mona Ørbekk of RVT showed the potential of renovation and rooftop construction as promising outlets for sawn softwood consumption. Frode Henning Killi of Moelven showcased the company's inspiring commitment to rebuilding Ukraine.

The conference concluded with industry representatives reiterating that the sector continues to face a serious lack of clarity and legal certainty regarding the EU Deforestation Regulation (EUDR). Participants underscored the need for genuine simplification measures to ensure that the EUDR Regulation becomes practical, workable, and proportionate for all operators across the value chain.

The next edition of the International Softwood Conference will take place in Dublin, Ireland, on 28–29 October 2026. More information will follow in due course. For more information on the 2025 edition, please visit the website https://www.iscevent2025.com.