

Australian eucalyptus growers could be heading for a windfall

Conference updates north Asian pulpmill woodchip demand

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CHANGING dynamics are working strongly in favour of Australian eucalyptus forest owners and woodchip suppliers.

The eucalyptus plantation sector has experienced some serious volatility in demand and pricing over the last decade – indeed since the first MIS scheme company failed in 2009.

The next five years was a very disruptive period for plantation owners as several went into receivership, with buyers able to fill most of their order books under a ‘distressed vessel category’ and at discounted price.

Recently, however, the sector has re-consolidated into a smaller number of very large and well capitalised companies, which have been



Blue gums (*E. globulus*)... dynamic changes.

able to increase (mostly) woodchips to north Asia; some have also increased volumes of eucalyptus veneer logs being shipped to China (and from 2018 to Malaysia).

Woodchip exports have

increased from 5 million bone dry metric tonnes (BDMT) in 2015, to 6.6 million BDMT in 2017 (+26%). This was a far cry from only 3.2 million BDMT in 2012. In fact, the export volume has doubled in the last five years. [A BDMT

is about 0.53 green tonnes].

Sessions at a DANA conference and field trip in Launceston in October will closely focus on how these dynamics strongly

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“EXPORT VOLUME HAS DOUBLED IN LAST 5 YEARS”



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