

There's a Timber Shortage in the UK

There has been a record-high increase in construction activity, leading to warnings of a significant construction material supply shortage.

DRIFFIELD, UNITED KINGDOM, August 25, 2021 /EINPresswire.com/ -- While there has been a record-high increase in construction activity, communications from various authoritative bodies warn of a significant construction material supply shortage. In particular, the Timber Trade Federation (TTF) warn users of a potential timber shortage that could last more than six months.

So, is there a timber shortage in the UK? If so, what's causing it, and what does it mean for DIY projects? Read on



Is there a timber Shortage in the UK?



NLC Timber Shiplap Cladding

Is there a Timber Shortage in the United Kingdom? Why?

Unfortunately, yes, there's a timber shortage in the UK and across much of the world. In a recent report by the Timber Trade Federation, the tightening gap between <u>supply and demand</u> has led to an all-time high timber shortage that will supposedly last through the third quarter of 2021.

The report further adds that Sweden, the biggest timber exporter to the UK, reported record-low timber stock levels in 20 years despite their production levels being at an all-time high, causing what is referred to as a wood crisis. Here are some of the factors causing timber shortage in the UK.

The COVID-19 Pandemic

to find out.

Although most COVID-19 restrictions have been lifted, the negative impact of the pandemic on timber's supply chain is still felt. In Europe, the outbreak saw most sawmills temporarily shut down in compliance with lockdowns and similar restrictions. That meant they had to halt production and use up stocks to meet market demands.

Travel restrictions made things even worse because it meant only a few transport companies were operating. Even then, delivery crews had to adhere to strict regulations such as self-isolation for a few days before entering the UK and timber-exporting countries like Sweden. Zero-production plus a slow supply chain means the timber imported into the country is presold even before it lands.

High Consumer Demand

The pandemic forced most people to rethink and focus on DIY home improvement and gardening projects, fuelling a drastic increase in demand for wood and other building materials.

In 2020, over <u>6.6 million cubic meters</u> of Softwood were imported into the UK alone. As COVID-19 restrictions eased (Q4, 2020), consumer demand for <u>structural wood</u> soared even further as commercial developers took on more construction projects to make up for the lost time. As a result, UK's leading suppliers are selling but have no chance to rebuild their stocks. And with most mills set to close again for summer maintenance between June and July, the current wood crisis might last a little longer than anticipated.

Increased Reliance on European Suppliers

Demand for structural wood is high in other countries as well. For instance, due to the pandemic, massive wildfires, and hurricanes, the USA timber sector reported \$1.1 billion in losses. At the same time, there was increased popularity in home improvement projects causing higher demand for wood than the country's supply chain could handle. As a result, most of Europe's key suppliers began exporting already low stocks to the USA, as well, where prices were higher and profit margins wider.

On the other hand, China, a global force in soft and hardwood logs, was the first country to feel the impact of the COVID-19 pandemic. It crippled not just the timber sector but also the country's entire economy.

Flash floods across its 27 provinces and increasingly stringent forest protection initiatives in the country further worsened the situation meaning China had to turn to Europe to boost its supply.

This, coupled with Russia's proposed ban on log exports, increases reliance on Europe's timber suppliers, who, as mentioned, already have low stocks.

Brexit

Britain's withdrawal from the European Union (EU) early last year means goods (including timber) moved to and from the EU are considered imports and exports. It also means more paperwork and stringent regulations make it challenging to obtain road haulage rights and delay imports from EU countries.

With 80% of Britain's Softwood coming from these countries, it's easy to see why key wood suppliers are now shifting their attention to other G7 countries.

The Green Recovery Effect

As the effects of global warming continue to manifest, the Climate Change Committee is urging construction companies to use wood since it captures and stores carbon emissions. It's also an excellent substitute for carbon-intensive building materials like steel.

Governments are joining in too, and even going to the extent of incentivizing green movements. Add in ongoing bans on log exports in some EU countries, and it's a formula for a timber shortage with the potential to last the next six months.

The Impact of Timber Shortage in the UK

Although it's unknown how long it'll last, the negative impact of the ongoing timber shortage in the UK is already felt. Wood prices are already high and set to increase even more as demand continues to soar.

For instance, imported plywood was 29% more expensive during May 2021 than in May 2020, while planned wood cost 3% more.

Is there cause for concern?

If current conditions and the Timber Trade Federation report are anything to go by, rebuilding timber stocks to a healthy supply and demand level might take a while. When planning a DIY home renovation project or a complete garden makeover, the current wood crisis in the UK shouldn't worry cause too much worry if using a reputable supplier.

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