

RUSSIA FINDS PROMISE IN THE MIDDLE EAST

For the first time, Russian timber companies were represented under a Russian pavilion at the Dubai WoodShow. Victor Evtukhov, State Secretary, Deputy Minister of Trade and Industry of the Russian Federation, talks about the promise of the Middle East.





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Russian wood products are in high demand in the Middle East, a region that is experiencing expansion across industries such as energy, construction, infrastructure and telecommunications. It is considered a market of infinite potential, which is why Russian timber companies participated in the Dubai WoodShow in March to reach out to the market.

Victor Evtukhov, State Secretary, Deputy Minister of Trade and Industry of the Russian Federation, said the region is “very promising,” and that there are plans to expand existing partnerships and to conclude new ones.

One of the strategies to advance in this market is to participate in international exhibitions such as the Dubai WoodShow.

“It was quite rewarding for us since we managed to demonstrate our wood processing advantages and find new partners this region and elsewhere,” Evtukhov said.

The United Russian stand received over 1,000 visitors from 30 countries and all showed interest in wood-based products such as plywood, particleboard, OSB, MDF, glulam, LVL, wall panels, furniture boards and sawn timber. Over 150 negotiations were conducted, one of which is the agreement with Utralam to supply scaffold planks to Kuwait, a deal worth US\$500,000.

“The relatively close proximity between Russia and Middle East makes doing business with Russia a good choice for Middle Eastern companies that want to buy high quality wooden materials at a low price,” Evtukhov remarked. Furthermore, the low cost of domestic wood and high manufacturing standards



Victor Evtukhov,
State Secretary, Deputy Minister of Trade and Industry
of the Russian Federation

give Russia an advantage, and is in high demand around the world, not just the Middle East.

“Russian companies have experience in international partnership and the necessary flexibility to agree on mutually beneficial terms of cooperation,” Evtukhov added.

INCREASED TRADE INTEREST

In fact, Russia has been supplying wood-based products to Saudi Arabia, Lebanon and Oman for many years and trade interest is growing. Saudi Arabia, for instance, is interested to import more Russian wood products. It is also investing in Russia’s wood processing sector. Last year, the Business Partners Association for Cooperation with the Kingdom of Saudi Arabia (RUSA) signed an MOU which will see Russia supplying wooden products to partners in Saudi Arabia.



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Multiple agreements have also been reached with large wood companies in Russia: Demidovo Plywood Mill and Syktyvkar Wood Industry Complex have clinched deals to export their products to Saudi Arabia.

SVEZA company has also supplied birch plywood for construction projects in Abu-Dhabi, for the Park Hyatt hotel, Rosewood Abu Dhabi hotel, Al Bahar Tower office building and new airport terminal. Some of these products were on show in Dubai, including the SVEZA Laser, a slab form plywood that complies with

industrial standards of manufacturers of flat cutting dice and other goods using laser cutting.

INCREASING MARKET SHARE

As Russia targets to increase its export share of value-added goods, the ministry is also studying global demand and manufacturing goods that will be in high demand in future. For example, Russia has increased its production capacity of OSB and LVL in the last few years.

Another area of growth is wood construction. "While wood construction

is often associated with country homes, modern technology is showing us that multi-storey buildings are possible in wood as well," Evtukhov said.

Already, construction of modern eco-blocks in Moscow and around have been developed. For instance, the Wood City residential block, a project in Moscow that covers the territories where old prefab concrete five-storey buildings are currently located. Some parts of these houses will be modernised using technologies for wooden building construction. In other words, the buildings will be a combination of stone and wood.

Another project is the Sokol Town residential block in Moscow region, located near the natural forest. The priorities of the project are to make it affordable for the middle class as well as to have the block blend into the existing landscape. For the construction, the wood-framed panel technology will be used along with three types of finishing for the exterior: brick, metal and wooden. A school and a kindergarten are also planned to be constructed within the block. | WIA