

The Swedish Forest Fund left the spending pants at home last year

JARKKO SIRKIÄ

Silvestica Green Forest funds have approximately 140,000 hectares of forest in Finland, Sweden and the Baltic countries.

“There are investment opportunities in all areas”, says Hannele Arvonen.

PAULA LIESMÄKI

The Swedish Forest funds, Silvestica Green Forest wants to grow in Finland.

The growth target is not defined, but the fund will take advantage of future opportunities, says Finnish Hannele Arvonen, who started as the fund's board chairman in January.

Silvestica Green Forest funds are managed by two actors, which target institutional investors. The investors are pension companies from Sweden and Norway.



“In Finland, Silvestica Green Forest has acquired forest from UPM, private forest owners and municipalities in Kajaland, Ostrobothnia, Lapland and central Finland and wants to grow in Finland”, says Hannele Arvonen. The picture is from the year 2019.

The first fund began operations in 2017 and bought forests in Finland, Sweden and the Baltics for 500 million euros. The Silvestica 2 fund has the same goal: to acquire land in the same countries for 500 million euros.

“There are investment opportunities in all regions”.

The funds now own around 140,000 hectares of forest. Finland has approx. 56,000 hectares and Sweden the same amount. In Latvia, the funds own around 14,000 hectares of forest, and the same in Lithuania.

In Finland, Silvestica Green Forest has acquired forest from UPM, private forest owners and municipalities in Kajaland, Ostrobothnia, Lapland and Central Finland.

According to Arvonen, the fund did not make many new deals in Finland last year. “We closed our first fund and started a new one just a couple of years ago. Prices have been high. It affects our business.”

UPM manages Silvestica's forests in Finland. Silvestica's investments in forest management are not limited to timber production. The company also sells land and invests in energy production.

Arvonen wants to be part of the European debate on how the forests may be used.

ATL says that the fund signed an agreement a year ago with Finnish Air feeder Solar.

Ilmatar leases 450 hectares of Tönnersjö Halland to build the largest solar park in northern Europe. There is also a basic treaty on wind power.

Arvonen has worked in the forest industry for 30 years for various countries and companies, for example as CEO of the Swedish state-owned company Sveaskog and sawmill company Setra. She is a board member of Södra Skogsägarna, Nordic Waterproofing Group, Plantvation, Svensk Husproduktion and A. Ahlström Oy. Arvonen says that she conveys a global picture of the forest's importance to the fund world. She wants to be part of the European debate about how the forest can be used. According to Arvonen, the questions are the same in Finland and Sweden.

“Diversity and climate change are important issues. How do we find balance in what we do?”