

1985. The pulp and paper products component of this figure amounted to only 3.2 per cent.

A radical change in the structure of timber exports is being proposed. This will be achieved by drastically curtailing exports of unconverted roundwood and greatly increasing exports of pulp and paper products, lumber, plywood, furniture and other products.

According to estimates, earnings of currency from exports of pulp and paper products should more than triple by 2005 in comparison with the present level. This must be facilitated by establishing production capacities that are based on international collaboration, chiefly on the development of those of its forms such as joint enterprises, compensatory agreements and industrial cooperation.

### Capital Construction

The realization of the measures being proposed for development of the timber industry during the period up to 2005 will call for heavy investments, both in the establishment of new production capacities and in the rebuilding, expansion and reequipping of currently operating mills. In the 13th Five-Year Plan for the sector it is already becoming necessary to approximately double them in comparison with the current FYP, with about 42 per cent of the funds directed into the development of the pulp and paper industry. In the process, the investment potentialities of the sector, operating under conditions of full profit-and-loss accounting, self-financing and paying its own way, will be capable of substantial growth through the