Although the wood processing industry, with its volume of sales revenue in the Czech manufacturing industry more in keeping with the middle-sized sectors, cannot be compared to sectors such as the engineering, car and electronics industries, it occupies an irreplaceable position owing to its importance in the field of production and employment. At the same time, timber processing, the production of wood products and wicker and straw production in the Czech Republic belong to sectors with a long tradition.

Wood processing industry products are processed and used in all the sectors of the economy. They are used, above all, in the building industry, furniture manufacturing, agriculture, the car industry and the railways, but also in the manufacturing of musical instruments, toys and sporting goods. The indisputable advantage of the sector is the constantly-renewed raw material basis of domestic origin, i.e. wood. We can regard as very positive the fact that the annual increase in the size of the forests is not exploited, which means that the timber reserves have been constantly growing and the Czech Republic is not so dependent on imports of this raw material. The Czech Republic has enough wood and increasing the timber harvest is being considered, at least before 2030, within the required qualities and varieties. The share of the timber industry in the entire manufacturing industry in revenue from the sale of products and services at current prices amounts to 3.1% and, when counting the added value at current prices, amounts to 3.2% and the number of workers to 5.4%.

In the forests of the Czech Republic, the annual volume of timber harvesting amounts to 14.5 million m³ and, in the event of natural disasters, 15 million m³ of raw wood, of which approximately ninety per cent is coniferous. In the Czech Republic, more than 90% of the timber harvested is industrially processed, either as logs for the timber industry and wood pulp, in particular for the cellulose and paper industry. Considering the sufficient supplies of raw timber for this industry and the overall good condition of the sector, with the prospect of continued growth in demand for its products, this industry can be evaluated as promising in the long term. The wood processing industry is a sector whose products are necessary for the whole of society. Yet the economy in the Czech Republic has great reservations about using timber products. This applies mainly to the building industry, which is still dominated by classical silicate products such as bricks and blocks, associated with high demands on energy and water consumption, endangering the environment and creating dust. In contrast, wood products have the corresponding mechanical and physical properties and are harmless from the point of view of health and the environment.

The competitive and promising sectors of the manufacturing industry in the Czech Republic include the cellulose and paper industry. This is based on renewable raw materials of mostly domestic origin - wood and waste paper - and it has been implementing a sustainable development strategy for many years. All the leading producers have implemented environmental management systems. In recent years, the Czech Republic has managed to significantly improve the negative impact of production by constructing modern sewage plants in all the major manufacturing facilities.

Foreign investors have successfully entered the cellulose and paper industry market. The most important include the Swedish multinational company Mondi, which operates in the Czech Republic in the former Sepap factory in Štětí, the Austrian company Duropack, which owns the Duropack Bupak Obaly company in České Budějovice, the Smurfit Kappa firm, which forms part of the multinational company Smurfit Kappa Group, based in Ireland and one of the largest European manufacturers of paper and paper-based packaging, and the Finnish multinational group Huhtamaki, a leading global producer and supplier of packaging for food and the consumer goods industry, which is the only one using the special processing technology of recycled paper from molded cartonnage for the production of packaging in its factory in Czech Republic. The Australian company PaperlinX, a leader in its sector, has become the owner of the largest wholesale paper company.
Despite the dynamic growth of paper and pasteboard consumption, the Czech Republic is still below the level of the advanced countries of the EU. However, we can expect a further rise in this indicator up to an annual consumption of 200 kg per capita. This would correspond to the total consumption of around 2 million tons per year. The optimistic prospects for the sector are also underlined by the fact that, as regards raw material, it is based on permanently renewable resources, using the possibilities of the easy recycling of its products, and it is generally perceived as environmentally friendly.

The Czech Republic holds a strong position in the sector of the development, production and sale of woodworking machines. The companies operating in this field provide expert advice and supplies of complex ensembles, using the quality systems ISO 9001:2000, and the machines are manufactured in accordance with EU standards. Their products, which include different types of saws (ripsaws, sizing saws and cut-off saws), milling cutters, woodworking machines, chucks, machines for manufacturing windows and doors and presses for manufacturing europrismas and others are exported all over the world.

CzechTrade initiated the founding of the Bohemia Line group, which connects four major Czech manufacturers of woodworking machines. Its aim is to supply the customer with complete technology for manufacturing solid wood by means of linking production programme at different bodies.