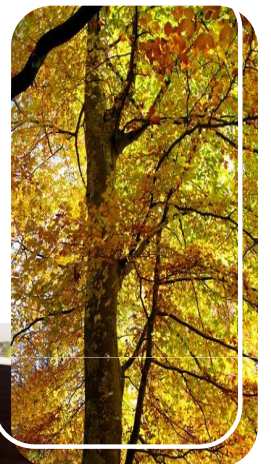
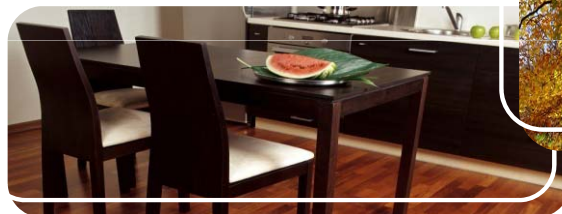


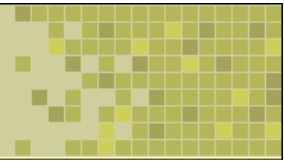


CEI-Bois Memorandum

to

the European Institutions





How wood products can help Europe achieve its political objectives while ensuring competitiveness and profitability

CEI-Bois Memorandum to the European Institutions
Brussels, September 2009

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How wood products can help Europe achieve its political objectives while ensuring competitiveness and profitability

CEI-Bois Memorandum to the European Institutions – September 2009

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Message from the CEI-Bois Chairman, Mr Mikael Eliasson

Dear Reader,



The publication of a “Memorandum of the woodworking industries to the European institutions” has become a tradition associated with the elections for the European Parliament and the appointment of a new European Commission.

With this memorandum, CEI-Bois seeks to demonstrate the contribution the European wood industry and products can make to Europe achieving its political goals and to draw attention to key policy areas which have an impact on its industries. The memorandum raises concerns over various topics with which the European institutions are involved and puts forward specific proposals for legislation.

While preparing this edition, it became clear that several of the issues raised in the 2004 document are still highly topical and continue to deserve the attention of both industry and policy-makers; on the other hand, the framework conditions have changed drastically.

Currently the woodworking industries are experiencing the full impact of the financial and economic crisis, as a result of the contraction of the construction sector, one of the key markets for wood products, both for structural and non-structural applications. The declining markets both within and outside the EU have forced companies to take measures to safeguard competitiveness and profitability. Regrettably, company closures and subsequent losses of employment can not be excluded.

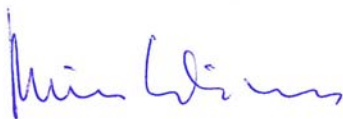
Although recent forecasts from the European Commission and the IMF suggest that the recovery is unlikely to begin before 2010, with many tough months still lying ahead, we are confident that Europe’s woodworking sector has a very positive future. This belief is fuelled in particular by the fact that:

- The existing low market share for wood products provides room for increases;
- The overall (political) framework conditions are believed to provide positive incentives, e.g. linked to the role wood and wood products play in the fight against climate change;
- New consumption patterns based on a sustainable economy will lead to a stronger focus on wood products.

The woodworking industries are a key employer within the European Union, often providing jobs in rural areas; and they use the most sustainable and naturally renewable resource: wood, which, as a natural carbon store, provides the best solution to climate change.

We hope this memorandum will increase understanding of the woodworking sector in Europe and lead to a more intensive co-operation with the European institutions. In this context we would very much value your reaction and comments.

Tackle climate change: Use wood!



Mikael Eliasson
Chairman

Executive summary

CEI-Bois represents the interests of the European woodworking industries: over 380,000 companies with a turnover of around 269 billion euros in the EU27 and more than 2.7 million employees. One of the key missions of CEI-Bois is to safeguard competitiveness of the sector and its future role in the European economy based on the principles of sustainability.

Our main requests to the European institutions are the following:

Prior to new or revised regulations or measures being introduced, authorities should carry out impact assessments to make sure no additional unwarranted burden is placed on companies.

With regard to climate change and the COP15 discussions taking place at the end of 2009, authorities are requested to:

- Recognise harvested wood products as carbon stores in a post 2012 Kyoto agreement
- Promote an increase in the use of wood and wood-based products
- Promote the substitution of non-renewable materials by wood and wood-based products
- Create innovative applications, opening up new markets
- Research new products and materials from wood raw material

The Commission services should prioritise the implementation of the action plan included in its “Communication on innovative and sustainable forest-based industries in the EU”, as announced at the meeting of the Advisory Committee on Forestry and Forestry-Based Industries on 23 April 2009.

On the promotion of renewable energy sources and biomass:

- Member States should evaluate in their national RES action plans the amount of woody biomass that is nationally/regionally available and to what extent the woodworking industry already uses it as a raw material before implementing measures to promote the use of renewable energy sources;
- Subsidies in the field of renewable energy, in particular for burning wood, are to be avoided since they have a severe impact on market mechanisms for wood raw material and strongly disadvantage traditional users, providing no net environmental benefit whatsoever;
- The recycling of biomass, particularly timber, should always take precedence over its use for energy production;
- Measures for increased wood mobilisation are to be promoted based on the report from the Standing Committee on Forestry on wood mobilisation.

Measures envisaged to be introduced to support the fight against illegal logging have to be:

- Transparent and comprehensible;
- Practicable, avoiding any additional economic burden on the operators involved, which would jeopardise their competitiveness; they must not lead to excessive costs or administration.
- With regard to the US Lacey Act, CEI-Bois requests that the matter be monitored continuously by the EC services, in co-operation with the industry sectors targeted by the measure, to ensure it does not develop into a non-tariff barrier.

The “Industrial Emissions Directive” should:

- Maintain the scope of the IPPC Directive of 1996, including large combustion plants from at least 50 MW;
- Raise the threshold value for production capacity of industrial installations of wood-based panels, with the exception of plywood, to 1000 m³/day;
- Maintain the level of application for wood preservation at 75 m³/day.

CEI-Bois requests that no decisions with regard to occupational exposure levels are taken until two best practice projects, in the context of the European Social Dialogue and pending discussions on possible European social agreements between the respective social partners, have been completed.

Continued support from the EU for the goals set by the Forest-based sector technology platform is to be ensured, as this work may promote the use of wood and wood products and contribute strongly to fighting climate change. Strategic priority areas identified by industry are to be considered in future support programmes.

Concerning access to wood raw materials, CEI-Bois requests the following:

- Ensure access to primary wood raw materials by combating trade restrictions that seriously undermine the competitiveness of the woodworking industry, and to continue opposing Russian export taxes;
- Take measures to avoid trade barriers and ensure access to wood raw materials on world markets in undistorted conditions;
- Carefully consider the possible impact of EU forest protection plans on future wood availability.

CEI-Bois does not support any proposals for a sectoral agreement covering all forest products in the context of the WTO and requests the European Commission not to accede to requests for one from trade partners so long as there is no broad consensus or commitment from all partners.

Protectionist initiatives that reduce the export opportunities for European producers are to be opposed strongly. The Commission services are also requested to monitor developments regarding illegal State Aid and subventions and to take appropriate action whenever required.

The services of the European Commission should support the EU parquet manufacturers in their discussions with US customs on the classification of parquet panels.

The European woodworking sector

Key facts about the European woodworking industries

A driving force of the global economy

The woodworking industry is a major employer in many of the Member States of the European Union and features among the top 3 industries in Austria, Finland, Latvia, Portugal and Sweden.

A provider of welfare in Europe

The woodworking industry provides jobs for nearly 3 million people in the EU27. Like all traditional industries, it plays an important part in achieving the Lisbon goal of becoming the world's most competitive region.

A contributor to rural development

Firms are often located in remote, less industrialised or developed areas, making an important contribution to the rural economy.

A diversified industry

The industry covers a wide range of activities, from sawmilling, planing and pressure treating to the production of wood-based panels, veneer and boards; from construction products to joinery; from pallets and packaging to furniture.

An industry of Small and Medium Sized Enterprises (SME)

The companies within the woodworking industries are mostly SMEs, with only a few large groups, typically in the softwood sawmill, panel and parquet sectors, operating on a European or global scale.

The total number of businesses in the EU27 wood industry is estimated at 380,000, of which 150,000 are in the furniture industry.

Key figures in brief:

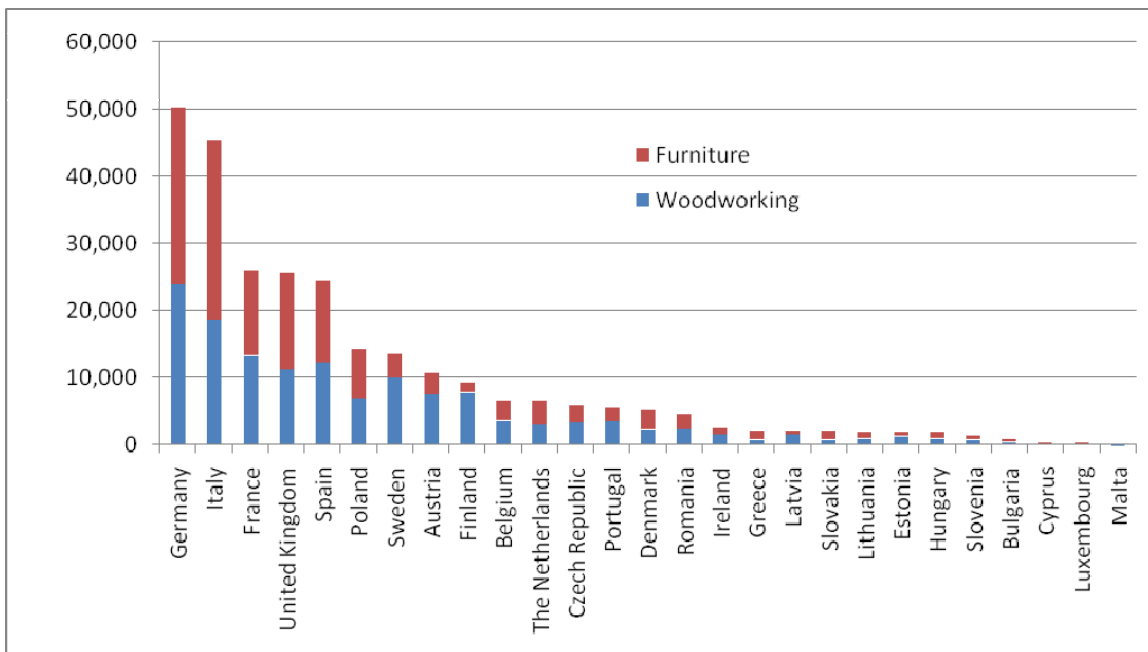
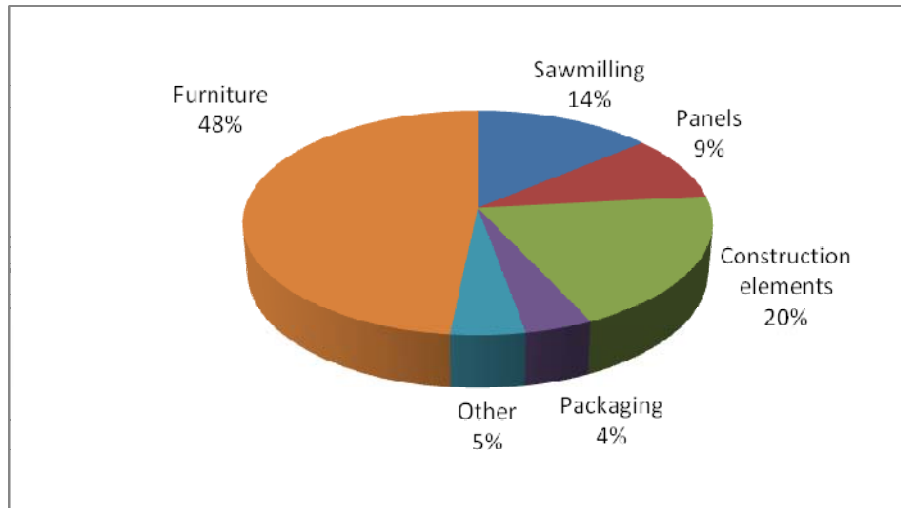
- Production value EU27 in 2007: 269 billion euros
- Employment: > 2.7 million workers
- Number of companies: > 380,000

Table: Production in the woodworking and furniture industry in million EUR, 2003-2007

Production (excl VAT)	2003	2004	2005	2006	2007	07/03	07/06
Sawmilling and planing	27,550	29,173	30,600	34,200	37,522	36.2%	9.7%
Wood-based panels	19,085	21,000	22,000	23,732	25,168	31.9%	6.1%
Construction elements	41,813	45,140	44,529	47,500	53,050	26.9%	11.7%
Packaging	8,114	8,396	9,000	9,967	10,995	35.5%	10.3%
Other	12,219	12,043	11,600	11,386	12,142	-0.6%	6.6%
Wood products	108,778	115,487	117,446	126,831	138,876	27.7%	9.5%
Furniture	106,852	114,157	116,087	121,091	130,024	21.7%	7.4%
Overall total	215,630	229,644	233,533	247,922	268,900	24.7%	8.5%

(source: Eurostat)

Relative importance of the subsectors and the EU27 countries



As a consequence of the financial and economic crisis that began to emerge in 2008, the results for 2009 are expected to be well below the strong performance of 2007. It is being expected that volume production will decline by 25 to 35% on average.

The impact on companies' balance sheets, however, is likely to be even more serious, given input costs (such as wood) remain at a fairly high level, and sales prices have fallen. In the current situation, company managers are extremely concerned about any additional (financial) burden that might be imposed, e.g. through new regulations.

CEI-Bois, therefore requests that, prior to new or revised regulations or measures being introduced, authorities carry out impact assessments to ensure no additional unwarranted burden is placed on companies.

The role of wood and wood products in the climate change debate

Requests for COP15

Climate change is one of the biggest challenges that mankind faces today. The fourth assessment report of the Intergovernmental Panel on Climate Change warns of an irrefutable change in our climate, most likely to be caused by the effects of human activities.

The calls for action to tackle climate change have primarily been aimed at cutting CO₂ emissions.

Using wood (products) not only cuts CO₂ emissions, but also stores carbon during their whole life-cycle and during the recycling phase. At the end of their life-cycle they can be used to replace fossil energy for energy and heat production.

The world's nations will decide upon a new global climate agreement at the COP15 climate conference in Copenhagen in December 2009. In light of this event, CEI-Bois calls for an acknowledgment of the climate benefits of sustainable wood products and an inclusion of Harvested Wood Products (HWP) in the next global climate agreement.

Basic arguments

- Using wood reduces CO₂ sources and increases carbon sinks.
- Wood products from sustainable forests are 'carbon negative', as the small amount of energy required for their production and transport is more than offset by the carbon sink effect of the forest (Wood has the lowest embodied energy of any building material).
- Substituting a cubic metre of wood for other (building) materials, leads to a saving of between 0,7 and 1,1 tonne CO₂. Furthermore, wood continues to save CO₂ throughout a building's life, because its natural thermal efficiency saves energy.
- Europe's stock of wood products stores an estimated 220 million tonnes CO₂.
- Each year the stock increases, storing a further 20 million tonnes CO₂.
- Europe's forests provide a carbon store of 150-200 billion tonnes CO₂.
- They are growing by 661,000 ha a year and sink a further 0.5 billion tonne CO₂ annually.

Prof. Dr Arno Frühwald, Hamburg University:

"The combined effect of carbon storage and substitution means that a cubic metre of wood stores 0.9 tonne CO₂ and substitutes 1.1 tonne – a total of 2.0 tonnes CO₂".

"12-30 tonnes of carbon can be stored in the fabric and content of an average timber house".

CEI-Bois asks for:

- Harvested wood products to be recognised as carbon stores in a post-2012 Kyoto agreement
- The promotion of an increased use of wood and wood-based products
- The promotion of the substitution of non-renewable materials by wood and wood-based products
- The creation of innovative applications, opening up new markets
- Research into new products and materials to be made from wood raw material



The EC Communication on “Sustainable and innovative forest-based industries in the EU”

In February 2008, CEI-Bois welcomed the adoption by the European Commission of a 19-point plan to address the challenges facing forest-based industries, on the basis of its “Communication to the Council and the European Parliament on innovative and sustainable forest-based industries in the EU - A contribution to the EU's Growth and Jobs Strategy” (COM(2008) 113 final).

CEI-Bois was particularly pleased to note that, in its communication and subsequent action plan proposals, the European Commission drew special attention to:

- The need to **secure access to its basic raw material**: wood, pointing not only to the need for recycling but, more importantly, to a sustainable supply to the industry within the context of the recently presented energy policy;
- The **carbon storage by wood products** and the positive contribution these can deliver to limiting the effects of climate change, e.g. by stating that “... wood products provide additional storage for the carbon removed by forests and increased (...) recycling (...) prolongs the capacity of wood products to retain carbon” and “carbon storage in harvested wood products can extend the carbon sequestration benefits provided by forests”;
- The **need for afforestation and wood mobilisation** measures;
- The role that can be played by wood products in the context of **public procurement** policies;
- The requirements in the field of **R&D and education and training**;
- A **fair trade** in wood and wood products;
- The need to improve **information**, to both professionals and consumers, on the forest-based industries, forest products and the characteristics of wood as a renewable and climate-friendly raw material.

CEI-Bois regrets, however, that the implementation of the action plan has not yet fully begun, despite the time that has elapsed since its publication. It welcomes, on the other hand, the initiatives announced at a recent meeting of the Advisory Committee on Forestry and Forest-Based Industries and confirms its intention to co-operate with the European Commission services and other policy-makers in the implementation phase.

CEI-Bois thus requests that the Commission services prioritise the implementation of the action plan, as announced at the meeting of the Advisory committee on forestry and forestry-based industries on 23 April 2009.

Topical dossiers

Raw material supply / Wood availability

RES / Biomass

The woodworking industries are very concerned about the impact the Commission's Climate Change and Energy package - in particular the proposal for a Directive on Renewable Energy Sources (RES) and the revision of the greenhouse gas Emission allowance Trading System (ETS) - will have on the overall availability of the industry's core raw material: wood. CEI-Bois insists that suitable timber should always be used in the first place for making wood products. This delivers better environmental results than using it immediately for energy purposes (as biomass) or as a basic material for producing biofuels.

Processing wood into products furthermore creates 25 times more employment and 10 times more added value than direct wood use for energy. There should thus be no subsidies that favour using raw wood material in energy generation in order to avoid conflicts between the processing industry and the energy sector, and the better use of wood and forest residues should be promoted.

Wood availability is limited. In order to facilitate a thorough analysis of the use of biomass and to get the complete picture, CEI-Bois requests examining the total use of biomass, not only by the energy sector, but also by the woodworking industries for the production of wood-based products. In order to exploit the full potential of biomass, the Member States and the EU should ensure greater use of existing timber reserves and the development of new forestry systems. In all member countries, the taxation system for forest owners should be reassessed to provide greater incentives for them to be economically active when the stands are at the rotation age, as well as to support them by reducing the taxation burden for sustainably and well managed young stands.

Key demands of the woodworking industries:

- Before implementing measures to promote the use of renewable energy sources, Member States should evaluate in their national RES action plans the amount of woody biomass that is nationally/regionally available and to what extent the woodworking industry already uses it as a raw material;
- Avoid subsidies in the field of renewable energy, in particular subsidies for burning wood, since they severely impact market mechanisms for raw wood material and strongly disadvantage traditional users, providing no net environmental benefit whatsoever;
- The recycling of biomass, particularly timber, should always take precedence over its use for energy production;
- Support measures for increased wood mobilisation based on the report from the Standing Committee on Forestry on wood mobilisation.

Due diligence / illegal logging / Lacey Act

The “Proposal for a regulation of the European Parliament and of the Council laying down the obligations of operators who place timber and timber products on the market” and the ongoing discussions within the European Parliament and Council of the European Union on this matter have been engaging the full attention of the European woodworking industries.

CEI-Bois and its members condemn illegal logging and support the European Union in its fight against this deplorable activity. Illegal logging damages initiatives to promote legal and sustainable forest practice and hurts the image of wood as an environmentally positive material. It also harms the people whose livelihoods depend upon forests. The problem, however, primarily affects regions outside the European Union.

The discussion on “illegal logging” has become, over the years, a rather emotional one. CEI-Bois asks for rationalism in the debate to ensure that decisions are not taken on the basis of emotions or beliefs, but on reliable facts and figures. Although a certain percentage of imports into the EU are allegedly from illegal sources, it should be pointed out that the vast majority of wood used and consumed in the European Union comes from sustainably managed European forests, which are increasing from year to year in area as well as standing volume.

Important aspects to be considered in the current discussions relate to:

- “Placing on the market”. The due diligence requirement should reside with the person or company putting the product on the market for the first time only;
- The definition of “legality vs. sustainability”. These are two separate issues, and should not be confused or conflated;
- “Applicable legislation”. The basis for any judgment should be the legislation in the country of origin;
- “Risk assessment”. Existing due diligence systems operated by trade associations, with a high degree of expertise, should be accepted;
- Additional labelling requirements cannot be accepted;
- Corrective measures and penalties should be settled at a European level in order to ensure a level playing field throughout the EU.

In short, CEI-Bois demands that actions fighting illegal logging are:

- Transparent and comprehensible;
- Practicable and not placing an additional economic burden on the operators involved, jeopardising their competitiveness;
- Not leading to excessive costs or administration.

With regard to the Lacey Act, introduced by the United States, CEI-Bois welcomes the actions taken by the services of the European Commission to render the implementation more transparent and logical.

However, the fear remains that the measure will lead to a hidden trade barrier.

CEI-Bois therefore requests that the matter be monitored continuously by the EC services, in co-operation with the industry sectors targeted by the measure.

Production phase

- Industrial emissions directive

The proposal for a revision of the IPPC Directive of 21 December 2007 extends the range of large combustion plants (LCP) that will have to comply with the IPPC Directive from installations above 50 MW to those above 20 MW. CEI-Bois proposes to maintain the scope of the IPPC Directive of 1996, including large combustion plants from at least 50 MW, and not to extend the scope to a large number of smaller combustion installations. CEI-Bois believes that keeping the limit at 50 MW corresponds much better with the essential goal of IPPC to regulate large industrial installations.

In this respect, CEI-Bois also requests that the Commission would not give in to demands for lowering the threshold for industrial wood preservation to under 75 m³/day, and requests that the threshold for panel production be raised to 1000 m³/day, which would be more in line with the operational conditions.

In summary, the key demands of the woodworking industries are to:

- Maintain the scope of the IPPC Directive of 1996, including large combustion plants from at least 50 MW;
- Raise the threshold value for production capacity of industrial installations of wood-based panels, with the exception of plywood, to 1,000 m³/day;
- Maintain the level of application for wood preservation at 75 m³/day.

- Biocidal products directive

CEI-Bois welcomes the envisaged revision of the biocidal products directive into a regulation. It wants to point out, however, that a number of issues over the implementation of the current provisions still remain to be resolved.

For the wood industries, the discussions over wood preservatives, one of the prioritised products groups, have been most important. Whereas the immediate effect has been to reduce the wood preservative chemicals on the market, the (long) debates on the approval (or not) of some of the key chemicals being used by the sector is creating a lot of nervousness among wood preservation companies and their customers. In particular, the attempts by certain member states to exclude an increasing number of chemicals from the European market for mainly political reasons, cannot be accepted, and CEI-Bois pleads for rationalism and economic impact assessments.

Furthermore, the issue of treated materials imported from non EU Member States still requires a clear solution.

- Safety & Health

In order to maintain a high level of protection of its workforce, CEI-Bois has, in the context of the European social dialogue and in co-operation with the European wood industry trade unions, proposed two best practice studies concerning formaldehyde and wood dust exposure at the work place.

CEI-Bois requests that no decisions on occupational exposure levels are taken until these projects and forthcoming discussions on possible European social agreements between the respective social partners have been completed.

Use phase

- Green Public Procurement

On 16 July 2008, the Commission adopted its Communication on Public Procurement for a better Environment (COM (2008) 400). This Communication provides for a process of cooperation between Member States aimed at setting criteria for use in Green Public Procurement (GPP) for a series of identified priority sectors. Three of these sectors are relevant to the woodworking industries: construction, furniture and energy.

CEI-Bois supports the Commission in its efforts to harmonise, as far as possible, the different national rules for public procurement and asks to work out criteria that are transparent, objective and verifiable.

- Eco-labelling

The work on an eco-label for wooden furniture started in 2000 but is still not finished.

The large number of criteria proposed in the last version in order to arrive at the eco-label for wooden furniture will require a large number of documents, imposing a heavy administrative and financial burden on furniture manufacturers. As a result, smaller producers and especially SMEs are likely to opt for other, less eco-friendly, materials and refrain from attaining an eco-label for their products.

To make sure that the Eco-label for wooden furniture is a success, it is essential that awareness is raised among producers and consumers. Therefore, we believe that obtaining an eco-label should be feasible for small and medium-sized companies.

The following criteria are important and need careful consideration:

- Definition of wooden furniture;
- Requirements for certified wood;
- Formaldehyde;
- Maintenance;
- Durability & safety

- Construction Products Regulation

Many products from the woodworking industries are used in construction and are covered by the provisions of the current Construction Products Directive.

Though, for a variety of reasons, CE-marking is not yet possible for all products, a proposal has been made by the Commission services for a revision of the Directive in the form of a regulation. CEI-Bois welcomes the overall approach being followed to come to a regulation, as this should lead to a uniform implementation of the provisions throughout the EU and to a mandatory CE-marking of construction products in all EU Member States, which is not the case at present but has long been advocated by the woodworking sector.

It also welcomes a range of clarifications introduced in the proposal, in particular related to the role and obligations of the operators (manufacturers, importers and distributors), and the common technical language.

Considering the high number of SMEs and micro-enterprises within the European woodworking industries, the special attention given to these is also appreciated.

In spite of this, CEI-Bois believes that many aspects related to the proposal either require additional clarification or need modification, and has made these known to the Commission services and other interested parties.

With regard to “horizontal” standardization activities in the context of CEN/TC 350 “Sustainability of construction works” and CEN/TC 351 “Release of dangerous substances”, CEI-Bois wants to draw the attention to the following:

- The work of CEN/TC 350 seems to have been affected significantly by recent political measures, which have also led to a change in the original scope of the work. This may cause delay.
- In the context of the work in CEN/TC 351, the concern remains that the technical committee might interfere with the work done on emissions by other technical committees, such as CEN/TC 112 for wood-based panels. CEI-Bois retains its position that the TC should limit itself to its original scope, being to consider regulated dangerous substances only, and not aim at introducing new general test methods or procedures.

- Research and Development

CEI-Bois is one of the founders of the Forest-based sector technology platform and shareholder of the FTP sprl created to carry out the work in practice.

Through this platform, an active co-operation between forest owners, pulp and paper and woodworking, it has been possible to open up opportunities for focused research and development activities for the woodworking sector. It is clear that much of the responsibility for such work lies with the industry directly, but that the right framework conditions can be of considerable help.

CEI-Bois therefore requests the continued support from the EU for the goals set in the context of the FTP, given these may promote the use of wood and wood products which, as described previously, contributes significantly to fighting climate change.

CEI-Bois is working on an update of the strategic research agenda for wood products, defining the priority areas and issues that should be addressed in order to allow for a further positive development of the sector in line with the main goals set by the European Union. These priorities will be channelled through the FTP and national programmes.

CEI-Bois asks that due attention is paid to these strategic priority areas and topics in future support programmes both at European and national level.

- Promotion

It is commonly agreed that wood and wood-based products derived from sustainably managed forests provide an optimum solution for fighting the effects of climate change.

Not only do these products prolong the carbon cycle by storing the carbon up to the end of their life-cycle, they also provide a good alternative to products made from carbon intensive materials and requiring considerable energy in their production.

In line with initiatives already taken in a number of Member States, the EU should actively support the increased use of wood and wood-based products and co-operate with the existing wood promotion organisations to inform the consumer about the benefits offered.

Trade related issues

EU's trade policy on raw materials

Over the past years, the woodworking industries have been continuously increasing their market share, but access to raw material and a fair competitive market remain crucial for the sector to maintain its competitiveness and market share within the European economy.

For some years now, several subsectors of the woodworking industries have experienced major difficulties in accessing their prime raw material, i.e. logs. Access to this raw material is further complicated by the entry of new actors on the European market, creating a shortage of logs, with increased prices and negative side-effects. This difficult access to logs, combined with increased imports of finished and semi-finished products from low-cost producers, puts the future of these sectors at risk.

In this context, CEI-Bois is pleased with the Commission's initiative to launch a new integrated strategy which sets targeted measures to secure and improve access to raw materials for EU industry. The woodworking industries also welcome the focus put on the advantages of recycling, since wood and wood-based products provide exemplary opportunities for reuse and recycling.

On the other hand, the woodworking industries request that raw wood materials are fully considered when EU critical needs are being addressed. As the Commission has stated in its communication on the new strategy, raw materials are an essential part of both high tech products and everyday consumer products. The strategy would be incomplete if the approach were to be limited to rare metals for the development of technologically advanced products.

Concerning access to wood raw materials, CEI-Bois demands:

- To ensure access to primary wood raw materials by fighting trade restrictions that seriously undermine the competitiveness of the woodworking industry and to continue opposing Russian export taxes;
- To take measures to avoid trade barriers and ensure access to wood raw materials on world markets in undistorted conditions;
- To consider carefully the possible impact of EU forest protection plans on future wood availability.

Trade liberalisation / WTO

CEI-Bois and its members welcome initiatives under the framework of the WTO that aim at liberalising the global market in forest products and providing similar trade conditions at all levels.

Recent proposals for a sectoral agreement fit within that context.

CEI-Bois considers, however, that such an agreement can only be effective if there is broad consensus and a commitment from all partners.

Such consensus is, unfortunately, not yet evident. Furthermore, import tariffs into the EU are already at a very low level, if they exist at all.

CEI-Bois also pleads to work not just on the issue of tariff barriers, but to step up efforts aiming at bringing down non-tariff barriers or other technical barriers to trade that often have a bigger impact.

In this context, CEI-Bois is not in a position to support any proposals for a sectoral agreement covering all forest products, and asks the European Commission not to accede to requests from trade partners for such an agreement.

With regard to the discussions on a bilateral trade agreement between the EU and Canada, CEI-Bois requests that the EU maintains its customs duties on plywood and LVL, and that these products be included in the EU list of sensitive products.

Our interest in maintaining the status quo for these products in the EU market is much more powerful than our interest in opening up the Canadian market.

Buy American / Buy Chinese

CEI-Bois is concerned about the calls for nationalistic approaches to purchasing. The recent adoption of a law in China requiring domestically produced products to be preferred is a good example of these approaches, which put a further strain on the liberalisation of international trade.

CEI-Bois calls upon the European authorities to oppose any protectionist initiatives that have an adverse impact on the export potential of European producers in the context of a free but fair trade.

Subvention policies

The current economic crisis and the difficult situation encountered by many operators has refuelled demands for direct or indirect aid.

CEI-Bois is strongly committed to a level playing field for all industries throughout the European Union and is concerned that support measures could lead to market distortion and unfair competition.

It therefore asks the Commission services to monitor developments in this context closely and to take appropriate action whenever required.

Classification of parquet panels – Conflict with US customs

Since September 2006 the United States Customs Administration (US Bureau of Customs & Border protection) has been unwilling to implement the decision of the World Customs Organisation on the tariff classification of multi-layer parquet flooring panels.

In that decision, the WCO found that the multi-layer panels are to be classified under HS subheading 4418.30.

The applicable subheading under the US Harmonised Tariff schedule is 4418.30.00 (meanwhile adapted to 4418.72.00), which carries a free rate of duty. Notwithstanding the clear ruling of the WCO in this issue, the US Customs – in a unilateral move – are imposing on EU parquet producers a payment of an 8% import tax.

This action is posing a major concern to all manufacturers, and CEI-Bois therefore strongly objects to this unilateral decision.

CEI-Bois therefore requests the services of the European Commission to support the EU parquet manufacturers by contesting the unilateral action of the US Customs Authorities and taking a firm stand to obtain the reversal of the arbitrary US ruling and contesting the unilateral action of US Customs.

The Roadmap 2010 process



The Roadmap study was launched in 2003 with the aim of:

- Producing an updated analysis on key factors and challenges affecting the European woodworking industries;
- Identifying the opportunities for the sector;
- Describing the ideal position;
- Producing an action programme for the European woodworking industries towards 2010;

... within the general vision of “Wood and wood products to become the leading material in construction and interior solutions by 2010”.

The first phase of the work was completed in March 2004, and the results were distributed widely throughout the woodworking industries. The publication of the results also marked the start of the second phase, with work focusing on the following processes:

- Building with wood;
- Living with wood;
- Wood in packaging and transport;
- Wood in sustainable development.

While the first three processes aim at setting the right conditions to allow for an increased use and application of wood and wood-based products in the respective market segments, the “wood in sustainable development” process has formed the basis of policy work aimed at recognising the advantages of increased wood use for mankind and the environment.

CEI-Bois and its members have been able to count upon the support of the European Commission services in particular during the first phase of the project and, to some extent, also during the implementation phase. For example, several actions within “Building with wood” have received (financial) support through funding programs set up with European and national resources.

With the processes now approaching the 2010 “deadline”, CEI-Bois would more than welcome the active input from the Commission services and other European Institutions in shaping the next round of activities under the “Roadmap” concept, particularly through the increased promotion of the benefits the use of wood and wood-based products have on mankind and the environment.

CEI-Bois member federations

National federations

Organisation	Address	E-mail
Fachverband der Holzindustrie Österreichs	Schwarzenbergplatz 4, PF 123 AT-1037 Wien	office@holzindustrie.at
Fedustria	Hof-ter-Vleestdreef 5 BE-1070 Brussels	guy.vansteertegem@fedustria.be
Lignum / Holzwirtschaft Schweiz	Falkenstrasse 26 CH-8008 Zürich	starck@lignum.ch
HDH	Flutgraben 2 DE-53604 Bad Honnef	j.kurth@hdh-ev.de
Traeets Arbejdsgiverforening - Dansk Industri	H.C. Andersens Boulevard 18 DK-1787 Copenhagen V	lj@di.dk
Estonian Forest Industries Association	Viljandi mnt 18a EE-11216 Tallinn	ott.otsmann@emtl.ee; info@emtl.ee
Confemadera	Calle Recoletos, 13, 1º 1 ES-28001 Madrid	fpons@confemadera.es; b.castillo@confemadera.es
Finnish Forest Industries Federation	P.O. Box 336 FI-00171 Helsinki	antro.saila@forestindustries.fi
Fédération Nationale du Bois (FNB)	6, rue François Ier FR-75008 Paris	infos@fnbois.com
Union des Industries du Bois – UIB	6, Avenue de Saint Mandé FR-75012 Paris	panneaux@club-internet.fr
FAGOSZ - Hungarian Federation of Forestry and Wood Industries	Kuny Domokos utca 13-15 HU-1012 Budapest	miklos.mocsenyi@fagosz.hu
Federlegno-Arredo	Foro Bonaparte, 65 IT-20121 Milano	fla@federlegno.it
Latvian Forest Industry Federation	Skaistkalnes street 1 LV-1044 Riga	kristaps.klauss@latvianwood.lv
VVNH	Postbus 1380 NL-1300 BJ Almere	a.deboer@vvn.nl
Nederlandse Bond van Timmerfabrikanten	Postbus 24 NL-1400 AA Bussum	j.douma@nbvt.nl
Trelastindustriens Landsforening	P.O. Box 13 Blindern NO-0313 Oslo	knut.fjulsrud@trelast.no; Knut.Einar.Fjulsrud@trelast.no
AIMMP	Rua Álvares Cabral, 281 PT-4050-041 Porto	fernando.rolin@aimmp.pt; filipa.pereira@aimmp.pt
Swedish Federation of Wood and Furniture Industry (TMF)	Box 555 25 SE-102 04 Stockholm	leif.gustafsson@tmf.se
Swedish Forest Industries Federation (Skogsindustrierna)	Box 555 25 SE-102 04 Stockholm	marie.arwidson@forestindustries.se
GZS CCIS-Wood Processing and Furniture Association	Dimiceva 13 SI-1504 Ljubljana	igor.milavec@gzs.si; lesarstvo@gzs.si
ConFor (Confederation of Forest Industries)	59 George Street UK-Edinburgh, EH2 2JG	stuart.goodall@confor.org.uk
Timber Trade Federation (TTF)	The Building Centre; 26 Store Street UK-London WC1E 7BT	jwhite@ttf.co.uk

European Federations

E.O.S. - European Organisation of the Sawmill Industry	Rue Montoyer 24/box 20 BE-1000 Brussels	info@eos-oes.eu
EPF - European Panel Federation	Rue Montoyer 24/box 20 BE-1000 Brussels	info@europanels.org
FEFPEB (Pallets & packaging)	P.O Box 90154 NL-5000 LG Tilburg	FEFPEB@wispa.nl
FEIC - Fédération Européenne de l'industrie du Contreplaqué	Rue Montoyer 24/box 20 BE-1000 Brussels	info@europlywood.org
FEP – European Federation of the Parquet Industry	Rue Montoyer 24/box 20 BE-1000 Brussels	info@parquet.net
FEROPA (Fibreboards)	724 Traverse des Rougons FR-83510 Lorgues	lars.omdahl@wanadoo.fr
WEI - European Institute for Wood Preservation	Rue Montoyer 24/box 20 BE-1000 Brussels	info@wei-ieo.eu

**Memorandum of the woodworking industries
to the European institutions**

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