Action Guide on Formaldehyde Implementation

EU Social Dialogue Wood Seminar in Porto
7 December 2017
Kris Wijnendaele

EPF
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• Wood-Based Panels Industry and EPF
• EU regulatory processes on formaldehyde
• Action guide provides a good solution
• Wood-based panel products are environment and climate friendly
• Using wood-based panels paves the way for a truly sustainable bioeconomy based on naturally renewable resources
European Panel Federation

- Members in more than 25 countries
- All wood-based panels (PB, MDF, OSB, H/SB, PLY)
- 100,000 jobs
- 5,000 companies
- €22 billion turnover
<table>
<thead>
<tr>
<th>Direct Members</th>
<th>Association Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>Akritas</td>
<td>Austria – Fachverband der Holzindustrie Österreichs</td>
</tr>
<tr>
<td>Dyas</td>
<td>Belgium - Fedustria</td>
</tr>
<tr>
<td>EGGER</td>
<td>France - UIPC</td>
</tr>
<tr>
<td>Fantoni SpA</td>
<td>France - UIPP</td>
</tr>
<tr>
<td>Finnish Fibreboard</td>
<td>Germany - VHD</td>
</tr>
<tr>
<td>FINSA Portugal</td>
<td>Germany - VHI</td>
</tr>
<tr>
<td>Grigeo Baltwood</td>
<td>Italy – Assopanelli/FederlegnoArredo</td>
</tr>
<tr>
<td>Gruppo Frati Luigi</td>
<td>Norway - BNL</td>
</tr>
<tr>
<td>Gruppo Mauro Saviola</td>
<td>Spain - AEFCON</td>
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<td>Hess &amp; Co AG</td>
<td>Spain - ANFTA</td>
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<tr>
<td>Hunton Fiber</td>
<td>Sweden - TMF</td>
</tr>
<tr>
<td>IKEA Industry</td>
<td>UK &amp; Ireland - WPIF</td>
</tr>
<tr>
<td>Koskisen Oy</td>
<td></td>
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<tr>
<td>Kronospan</td>
<td></td>
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<tr>
<td>Latvijas Finieris</td>
<td></td>
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<tr>
<td>Maderas de Llodio</td>
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<tr>
<td>Mourikis</td>
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<tr>
<td>Pfleiderer Grajewo</td>
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<td>Repo Vabrikud</td>
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<td>Skano</td>
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<tr>
<td>Sonae Arauco</td>
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<tr>
<td>Swiss Krono Group</td>
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<tr>
<td>Tarnaise des Panneaux</td>
<td></td>
</tr>
<tr>
<td>Vyatsky Plywood Mill</td>
<td></td>
</tr>
</tbody>
</table>

24 Direct Members  
12 National Associations  
Plus 50+ Associate Members
PARTICLEBOARDS IN EU28+EFTA

2016: 30.25 million m³

2015: +2.0%
2016: +0.8%
SHARE OF PARTICLEBOARD PRODUCTION BY COUNTRY, 2016

- Germany: 18%
- France: 12%
- Poland: 9%
- Italy: 9%
- Austria: 8%
- United Kingdom: 6%
- Spain: 6%
- Romania: 6%
- Czech Republic: 4%
- Slovakia: 3%
- Lithuania: 2%
- Portugal: 3%
- Belgium: 3%
- Others: 11%
PARTICLEBOARD END-USES 2016

- Furniture: 66%
- Construction incl. doors and flooring applications: 22%
- Other including packaging: 12%

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MDF PRODUCTION IN EU28+EFTA

(2016: 12.06 million m³)

2015: +2.7%
2016: +2.0%

2016: 12.06 million m³
SHARE OF MDF PRODUCTION BY COUNTRY, 2016

- Germany: 30%
- Poland: 20%
- Italy: 8%
- France: 7%
- UK: 6%
- Spain: 5%
- Austria: 4%
- Belgium: 3%
- Romania: 3%
- Ireland: 3%
- Portugal: 2%
- Switzerland: 2%
- Luxembourg: 2%
- Hungary: 2%
- Slovenia: 1%
- Czech Rep: 1%
- Greece: 1%
- Portugal: 2%
- Switzerland: 2%
- Luxembourg: 2%
- Hungary: 2%
- Slovenia: 1%
- Czech Rep: 1%
- Greece: 1%
- Belgium: 3%
- Romania: 3%
- Ireland: 3%
- Austria: 4%
- Spain: 5%
- UK: 6%
- France: 7%
- Italy: 8%
- Poland: 20%
- Germany: 30%
MDF END-USES 2016

- Construction incl. doors and flooring applications: 16%
- Furniture: 45%
- Laminate flooring: 32%
- Other: 7%
OSB PRODUCTION IN EU28+EFTA

2015: +4%
2016: +6.9%

2016: 5.4 million m³
SHARE OF OSB PRODUCTION CAPACITY BY COUNTRY, 2016

- Germany: 19%
- Romania: 15%
- Poland: 11%
- Czech Republic: 8%
- Latvia: 8%
- Ireland: 8%
- Belgium: 6%
- France: 6%
- Spain: 5%
- UK: 5%
- Bulgaria: 4%
- Luxembourg: 3%
- Italy: 2%
- Hungary: 4%
- Lithuania: 3%
- Hungary: 4%
- Norway: 3%
- Portugal: 3%
- Sweden: 2%
- Switzerland: 2%
- Denmark: 1%
OSB END-USES 2016

- OSB 2
  "structural/non-structural dry"
  10%

- OSB 3
  "structural humid"
  85%

- OSB 4
  "structural heavy duty"
  5%

OSB 2 – General Purpose Panel
OSB 3 & 4 - Construction
HARDBOARD PRODUCTION IN EU28+EFTA

(1,000 m³)

2015: +0.7%
2016: -5.6%

2016: 0.54 million m³
EU-28 Capacity 0.74 million m³ (-7.6%)
HARDBOARD END-USES 2016

- Packaging: 27%
- DIY: 20%
- Furniture: 20%
- Construction: 5%
- Other: 22%
- Automotive: 6%

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ANNUAL REPORT 2016-2017
SOFTBOARD PRODUCTION IN EU28+EFTA

2015: +10%
2016: +4%

2016: 4.6 million m³
Capacity 5.7 million m³ (+12%)
SOFTBOARD END-USES 2016

- Rigid building shell: 31%
- Rigid std. Board: 7%
- Rigid High gr. Bitume: 1%
- Rigid other: 1%
- Flex building shell: 31%
- Rigid underlays: 9%
- Flex other: 6%
- Rigid building shell: 45%
PLYWOOD PRODUCTION IN EU28

2015: +1%
2016: +2.5%

2016: 2.89 million m³
SHARE OF PLYWOOD PRODUCTION BY COUNTRY (EU28 ONLY), 2016

- Finland: 39%
- Spain: 11%
- Baltic States: 12%
- Other (incl. PL, DE, HU, CZ, GR): 16%
- Italy: 10%
- France: 9%
- Others (CZ, DE, GR, HU): 3%
## Summary 2016

<table>
<thead>
<tr>
<th>Production (million m³)</th>
<th>Countries</th>
<th>2016</th>
<th>2015</th>
<th>2016 v 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Particleboard</td>
<td>EU28 + EFTA</td>
<td>30.2</td>
<td>30.0</td>
<td>0.8%</td>
</tr>
<tr>
<td>MDF</td>
<td>EU28 + EFTA</td>
<td>12.0</td>
<td>11.8</td>
<td>2.0%</td>
</tr>
<tr>
<td>OSB</td>
<td>EU28 + EFTA</td>
<td>5.4</td>
<td>5.0</td>
<td>6.9%</td>
</tr>
<tr>
<td>Hardboard</td>
<td>EU28 + EFTA</td>
<td>0.5</td>
<td>0.6</td>
<td>-5.6%</td>
</tr>
<tr>
<td>Softboard</td>
<td>EU28 + EFTA</td>
<td>4.6</td>
<td>4.4</td>
<td>4.0%</td>
</tr>
<tr>
<td>Plywood</td>
<td>EU28</td>
<td>2.9</td>
<td>2.8</td>
<td>2.5%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>Total</td>
<td>55.6</td>
<td>54.6</td>
<td>1.8%</td>
</tr>
</tbody>
</table>
SHARE OF PRODUCTION PER TYPE IN EU28+EFTA, 2016

- PB 54%
- MDF 22%
- OSB 10%
- SB 8%
- PLY (EU 28 only) 5%
- HB 1%
- SB (EU 28 only) 5%
EU SOCIAL DIALOGUE WOOD
WHY FORMALDEHYDE FOCUS?
Formaldehyde - Procedures

• **REACH**
  – **Substance Evaluation**
    • *Worker exposure*: Led by FR Competent Authority ANSES
    • *Consumer Exposure*: Led by NL Competent Authority VROM
  – Recently, EC DG ENVI announced intention to launch a **Restriction on formaldehyde in articles**
    • Intention seems to be to harmonise current indoor air regulations in the Member States on the basis of the recent notifications on furniture by Denmark and France

• **Occupational Safety and Health (OSH) – Carcinogens and Mutagens Directive (CMD)**
  – EC DG EMPL is preparing is preparing the inclusion of a binding OEL for formaldehyde

• **EU delegated act on VOC and formaldehyde classification**
  – Procedure by DG GROW postponed until end of January or early February 2018
Formaldehyde - Workplace

• Substance Evaluation – Risk Management Options Analysis (RMOA)
  – ANSES finished its RMOA study before summer:
    • Proposes a BOEL (Binding OEL) for formaldehyde on the basis of the SCOEL recommendation (0.3 ppm)
    • Criticises BOEL via CMD to come into place only in 5-10 years
    • Maintains threat of SVHC to increase pressure on substitution
    • One specific use in hospitals remains at risk – Could lead to Authorisation
  – FR Ministries are still evaluating the ANSES proposals and recently started looking at the self-commitments

• EPF Strategy
  – Strong support to BOEL process to avoid SVHC listing, Authorisation or disproportionate restrictions:
  – Proceed with Self-Commitment and Action Guide
Formaldehyde – EPF Strategy

• SCOEL recommendation provides the scientific levels (0.3 ppm TWA and 0.6 ppm STEL) below which the use of formaldehyde is safe with a safety margin

• Harmonisation at European level to create a level playing field

• Action guide is effective, pragmatic and very precautionary – based on REFWOOD experience
Action Guide – Next Steps

- Steering Group meeting in Porto on 8 December
- Set procedure and timeline for evaluation of comments by EFBWW members
- Prime focus on technical and organisational measures
- Define project to steer implementation throughout Europe
- Present results during 2nd Seminar in Autumn 2018
- Potentially brochure with the results and recommendations and inclusion in Final Conference
CONCLUSION
Finding the optimum balance between consumer protection, regulation and industry on formaldehyde and VOCs – a view from wood-based panels

Extremity A – Market is left to Products from China that are definitely bad for consumers (cfr. Lumber Liquidators)

Extremity B – A world of steel, concrete, brick and plastics (doing nothing for the environment)

Alternative C – A prosperous world full of Wood and Wood-Based Panels creating huge carbon stores and related climate benefits (provided we achieve a reasonable balance between regulator – consumer – worker – industrialist so that this is sustainable)

Choosing wood-based panels allows a wide range of excellent quality and economically and environmentally sustainable solutions for different uses, as the following pictures show...
Photo courtesy of Kaindl

Photo courtesy of Unilin
Photo courtesy of Unilin

Photo courtesy of Kaindl
Photo courtesy of Egger
Photo courtesy of Steico
Photo courtesy of Garnica

Photo courtesy of Garnica
Photo courtesy of SPPD

Photo courtesy of SPPD
Annual Report 2016/2017

SPECIAL TOPICS

- EPF for Africa – Italy, 16th – 23rd October 2016
- The Sawnwood Market
- Wood-Based Panels in Construction
- Anniversary celebration for the European Wood-based Panel Symposium in Hamburg a complete success
- Rilegno: An Italian Success Story - The Circular Economy of Wood
- Sustainable innovative mobilisation of wood – SIMWood
Thank you very much for your attention!