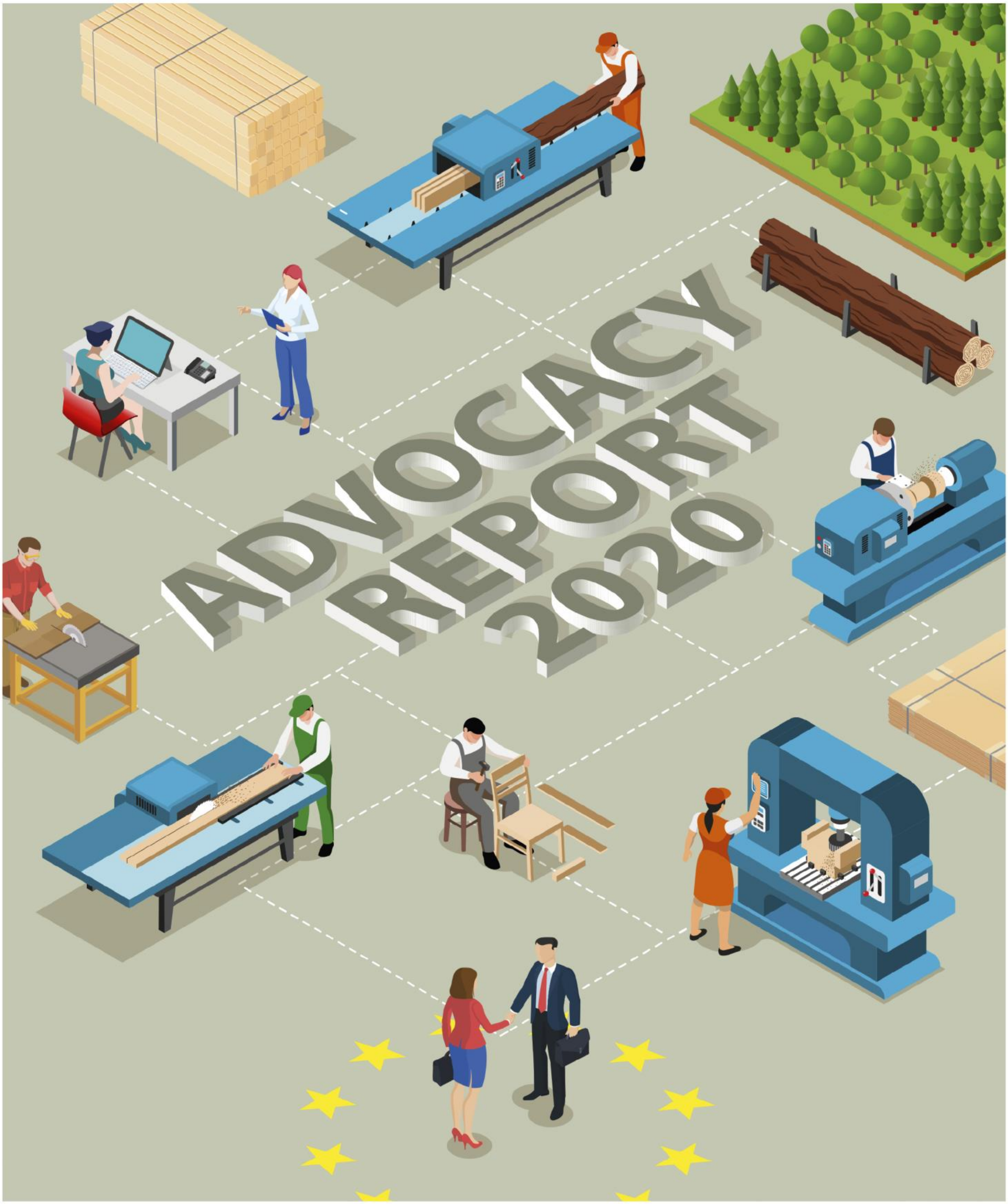

CEI-Bois

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This Advocacy report was delivered on the occasion of the CEI-Bois winter General Assembly.
9 December 2020

FOREWORD

This year, our lives, business and markets have been dramatically disrupted due to the global coronavirus outbreak. According to World Bank forecasts, the global economy will shrink by 5.2% by the end of 2020. This will represent the deepest recession since the Second World War, with the majority of economies experiencing the biggest declines in per capita output since 1870 (World Bank - Global Economic Prospects). Indeed, in general Covid-19 has upended economic and social life at unprecedented speed and several trends that became apparent during the spring lockdown might well persist in the future.

Let us look at the wood market. As consumers are spending more and more time at home and buying online, we have seen that the DIY sector has had an excellent year. Packaging is also taking advantage of this trend. Moreover, if people start leaving cities and moving to the countryside, this can also have a positive effect on the DIY sector. This latter trend might also point to a relatively strong single-family house sector (which comparatively uses more wood) than the multi-family sector. Subdued economies might also foster risk aversion, which might be a trend that favours home renovation rather than the new build sector. Homes have also been serving as makeshift workplaces, schools and gyms. This also represents an opportunity for wood because this material can contribute to healthier and happier living spaces. Research has shown that reducing the amount of man-made materials and introducing natural alternatives, such as wood, lowers stress and anxiety levels at home. Marjut Wallenius, a doctor of psychology at the University of Tampere (Finland), declared: “Wood has psychological effects on people and a similar stress-reducing effect to nature”.

As our cities shut down and people engaged in social distancing, our tech has become essential to connect with others at a time of isolation. This new trend might be long-lasting. Indeed, it is likely that more people will work from home and companies might invest less in office space and office furniture. Due to the COVID pandemic, face-to-face meetings have been swiftly replaced by remote, online connections.

COVID-19 has brought great changes, but it has also provided us with the opportunity to rethink our society and further commit to a climate-neutral economy and to contribute to building more resilient societies. Countries around the world are still waging a battle on two fronts. First to contain the damage of Covid-19 by stopping the spread of the virus and to minimise fatalities. Secondly strugglingly to save their economies. The EU Commission has called on Members States to use this crisis by turning it into an opportunity to focus on a green recovery, reconciling economic growth with lower emissions. Member states are tasked with shaping their green national recovery plans according to a “do no harm” environmental principle.

Without any doubt I can say that the European Wood Industries are the backbone of the green recovery. Timber is a fantastic building material and, if sustainably sourced, a vital tool in combating the climate crisis. Building in wood from sustainably managed forests contributes to reducing CO2 levels in the atmosphere in three ways:

- by carbon capture in the growing forest carbon sink;
- by carbon capture in the increasing carbon store of wood products;
- and by substitution for other more CO2-intensive materials such as steel and concrete.

2020 will be also remembered by our Confederation as the year we took a new path for enhancing our participation in the political decision-making process. Respectively in September and in November 2020, CEI-Bois and the European Organization of Sawmills (EOS) appointed a joint Secretary General and a joint Public Affairs Director. Given the unprecedented general expansion of lobbying in Brussels and the complex nature of European public policy making, as a Confederation we find ourselves faced with the pressing need to deliver to the policy makers one single message supported by the entire value chain. This decision will lead our sector to create clearer and more ambitious advocacy goals and, most of all, it will improve our position and power of influence amongst European policy makers.

Finally, I would like to conclude this message by expressing my deepest gratitude to the CEI-Bois Members, for their dedication, passion and contribution to our association's activities and working groups. Every single result is the fruit of your commitment to CEI-Bois.

Yours Sincerely,

CEI-Bois

Joint Press Release

Brussels, 14 September 2020

Enhanced cooperation between CEI-Bois and EOS will strengthen the voice of the European Wood Working Industries

CEI-Bois and EOS are engaged in advocating for the interests of the European Wood Industries as well as promoting the use of wood towards the European Union institutions. CEI-Bois is the umbrella advocacy organization for the European Wood Working Industry, while EOS specifically represents the sawmill industry.

Already today, the two organisations have a close relationship. They share resources and have a wide cooperation both in the field of technical specifications and common advocacy actions towards the European Union institutions.

CEI-Bois and EOS have, in their respective General Assemblies, decided to deepen this cooperation further, with the aim to:

- Creating the indispensable bridge linking the Wood Industry value chain with the European policy makers;
- Advocating for the use of legally harvested wood as strategic solution to climate change challenges;
- Creating favourable legislatives and policy conditions for enhancing the use of wood in construction and wood consumption within and outside the EU borders.

CEI-Bois and EOS have decided to operate through a Joint Secretary General for the two organisations. Furthermore, a new position as Director of Public Affairs is created that will entirely focus upon pro-active advocacy.

Silvia Melegari is from Sept 14 appointed Joint Secretary General for CEI-Bois and EOS.

The process to recruit the Director of Public Affairs for CEI-Bois and EOS jointly is ongoing.

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Brussels, 29 October 2020

European Woodworking Industries appoint former MEP to new role of Director of Public Affairs

CEI-Bois and EOS have appointed Paul Brannen, former UK Member of the European Parliament, to the newly created role of Director of Public Affairs. Paul Brannen will start his mandate on the 1st of November 2020.

CEI-Bois, which represents the European Woodworking Industries, and the European Organisation of the Sawmill Industry (EOS) have created this role with the intention of boosting their advocacy activities towards the European Commission and the European Parliament.

Commenting on the move CEI-Bois Chair Anders Ek said: "*The time has come for us to make a much stronger case to European decision makers that wood-based products are a part of the solution to mitigate the climate crisis. Paul Brannen established a strong reputation during his time as a MEP as an advocate for increased timber use to help create a more sustainable society hence we are very pleased to have secured him as a member of our team*".

Sampsa Auvinen, EOS President, added: "*We were delighted to see the President of the Commission, Ursula von der Leyen, specifically reference the important contribution building in wood can make to tackling climate change in her recent speech to the European Parliament. We are hoping the appointment of former MEP Brannen to this new advocacy role can help turn our collective aspirations into the legislative and policy changes that will deliver a significant increase in timber use especially in the construction industry to the benefit of the climate*".

Paul Brannen commented: "*As a MEP I served on both the Parliament's environment and agriculture committees and was rapporteur on the last forest strategy and also on the LULUCF legislation. I'm convinced, in part as a result of visiting some of the world's largest timber buildings, that the sequestration of carbon in long life timber products is one of the most significant ways in which we can tackle climate change*".

Notes to editors

Paul Brannen was a MEP 2014-2019 representing the North East of England. He was a member of the S&D Group and a Vice-Chair of the Parliament's Canada delegation and of the Club de Bois.

This appointment follows the recent decision to merge the general secretary roles of both CEI-Bois and EOS, a role taken by Silvia Melegari who since 2015 is the Secretary General of EOS.

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GENERAL INFORMATION

Founded in 1952, CEI-Bois is the European Confederation of the Woodworking Industries; it is a non-profit-making Organisation, legally registered as an AISBL under the Belgian law.

The Confederation is based in Brussels and numbers 16 National Organisations, 4 European Sector Federations as well as 1 commercial public establishment.

The primary goal of CEI-Bois is to promote the interests of the European wood sector and to this end to contribute to the EU policy-making process. It is the main body representing the European Woodworking Industries at European and International level.

CEI-Bois mission is to:

- promote the Sector and the use of wood in its numerous forms and applications
- represent and safeguard the European Woodworking Industries interests
- highlight the natural sustainability of wood and wood-based products

The day-to-day management of CEI-Bois is performed by the secretariat in Brussels, supported by 5 working groups dealing with Sustainability, Social Affairs, Construction, Innovation and Trade issues. Additional ad hoc task forces are established when needed; the most recent addition is the Task Force dealing with issues related to Deforestation and Illegal Logging.

INSIDE OUR WORKING GROUPS

CEI-Bois expresses gratitude to the Chairpersons of its Working Groups for their support, time and dedication.

1. CEI-Bois' Construction Working Group

Timber products and a large variety of wood-based materials are increasingly being used in carbon and energy efficient construction. The overall aim of the working group is to strengthen this position in European policies, regulatory affairs, standardization and Research & Innovation. The working group works on developing initiatives in accordance with the following guiding objectives.

Building with wood:

- Advocacy of the use of wood in construction and renovation, including prefabricated houses
- Advocacy of the environmental and energy efficiency performance of wood in a life cycle approach framework
- Active support for innovative wood-based materials and building concepts

Indoor air quality:

- Wood-based products as an attractive choice for indoor use
- Avoidance of restrictive emission limits for wood-based construction materials

Technical basis of wood construction:

- State of the art technical research & standardization work in support of timber structure design, sustainability of wood in construction works and the indoor air performance of wood-based materials

- The strategic Construction WG operates with the support of ad hoc Task Forces, namely TIMBIM, CLT, Life Cycle Assessment and Fire.

2. CEI-Bois Sustainability Working Group

The main aim of the Sustainability WG is to promote the inherent advantages of using wood. Wood is renewable, sustainable and can be used, re-used and re-cycled. It is a model product for Europe's transition towards a Circular Economy intended to boost global competitiveness, foster sustainable economic growth and generate new jobs.

The woodworking industries are committed to source wood from sustainable managed forests and comply with the EU Timber Regulation. They are also tackling climate change by storing carbon in Harvested Wood Products and substituting other materials. Not only is the production and processing of wood highly energy-efficient giving wood products an ultra-low carbon footprint but wood can often be used to substitute materials which require large amounts of energy to be produced and suffer higher carbon intensity.

For the monitoring of the LCA/standardization-related issues, a task force within the WG is in place. The TF provides the proper orientations to ensure the woodworking industries are duly represented within the competent standardization committees. In November 2020, a Task force has been created to work on all issues related to deforestation, illegal logging and traceability of wood flows.
The Sustainability WG is involved in crucial dossiers among which the sustainability of bio-energy, the LULUCF Regulation, the Circular Economy Package and the Resource Efficiency issue, including the development of guidelines for the Cascading Use of Wood.

3. CEI-Bois Social Affairs Working Group

Within all companies, maintaining and improving the quality of the relations between employers and workers is a sine qua non condition to guarantee the company growth; both actors target the common objective of a sound company development.

More largely but similarly, at European level, the Social Dialogue represents the way to improve the European governance through the involvement of the social partners in decision-making and in the implementation process.

The EU Wood Sector Social Dialogue brings together the Wood Industry workers and employers from the EU member States, respectively represented by the European Federation of Building & Woodworkers (EFBWW) and CEI-Bois.

Recently, the Sector Trade Unions, The European Furniture Industries Confederation (EFIC) and CEI-Bois decided to organize common meetings under a Joint Sector Social Dialogue framework for debating common issues and addressing the EU Institutions common messages.

According to the above, the CEI-Bois Social Affairs WG aims to:

- Identify common areas of cooperation with the Trade Unions
- Promote and manage investigation and communication projects
- Contribute to the definition of the European Sector Social Dialogue Agenda
- Social Affairs WG is redoubling its efforts, to monitor relevant industrial relations-related issues and to focus on concrete initiatives to improve the Woodworking sector image in the eyes of the young generations.

4. CEI-Bois Trade Working Group

The main aim of the Trade WG is to ensure a level-playing field for the Woodworking Industries both for their wood raw material procurement and their sales of semi-finished and finished wood-based products. This means promoting the Free But Fair Trade principle. Furthermore, both on the internal and the external EU market, the WG intends to maintain and improve standards while lowering operating costs and increasing efficiency.
Besides addressing any emerging trade issue, including Non-Tariff Barriers, this WG also tries to define a long-term trade strategy for CEI-Bois.

5. CEI-Bois Research, Development and Innovation Working Group

The working group contributes to strengthening the wood industry's position in public funding programs for innovation research at European, transnational and national/regional level. It aims at defining the strategic research questions for the wood industry as an entire part of the forest-based bioeconomy and collect proposals to make them tangible.
Connection with all relevant partner organisations and with the Forest-based Technology Platform (FTP) is essential.

The working group is internally linked to the Task Force on Construction Research & Standardization (Construction WG).
The CEI-Bois members and network are engaged and integrated into the activities of the RD&I WG. The working group is communicating clearly about research for innovation and interacting with the competent EC interlocutors.

The Woodworking Industry in numbers

CEI-Bois expresses gratitude to EPF, EOS and FEP for having shared the information included in this chapter.

The woodworking industries in the European Union (EU-28)

Introduction

Since 1990, NACE (Nomenclature of Economic Activities in the European Community) provides a harmonised statistical classification of economic activities in the EU. Contrary to the Combined Nomenclature (CN) and the Harmonised System (HS), providing a classification according to trade, the NACE system classifies economic activities in terms of production corresponding to the nature of goods and services produced or by the nature of the production process used. Several small modifications to the classification system were carried out since 1990. However, in 2007, the system was submitted to radical changes.

Table 1: The NACE classification system

NACE Code (new)			Definition	Former NACE code
16			Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	20
	16.10		Sawmilling and planing of wood	20.1
	16.2		Manufacture of products of wood, cork, straw and plaiting materials	20.2 -20.5
		16.21	Manufacture of veneer sheets and wood-based panels	20.2
		16.22	Manufacture of assembled parquet floors	20.3
		16.23	Manufacture of other builders' carpentry and joinery	20.3
		16.24	Manufacture of wooden containers	20.4
		16.29	Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	20.5
31			Manufacture of furniture	36.1
	31.01		Manufacture of shop- and office furniture	36.12
	31.02		Manufacture of kitchen furniture	36.13
	31.03		Manufacture of mattresses	36.15
	31.09		Manufacture of other furniture	36.11 and 36.14

It is important to note that the NACE category for wood and products of wood and cork (NACE 16) consists of two categories: one for sawmilling and planing of wood (NACE 16.1) and one for the remaining wood products (NACE 16.2). Within this last category, the sub-category "Manufacture of veneer sheets and wood-based panels" (NACE 16.21) consists of:

- veneer sheets thin enough to be used for veneering, making plywood or other purposes: smoothed, dyed, coated, impregnated, reinforced (with paper or fabric backing) or made in the form of motifs;
- plywood, veneer panels and similar laminated wood boards and sheets;
- OSB and other particleboard;
- MDF and other fibreboard;
- densified wood;
- glue laminated wood, laminated veneer wood.

Unfortunately, Eurostat fails to provide up-to-date information on the activities within the woodworking and the furniture industries in many countries on 3-digit level.

When analysing the figures, one should keep in mind that most national statistical systems tend to underestimate the figures for small and medium-sized industrial sectors. This is clearly the case for the woodworking industries. The underestimation is particularly important for the employment figures, since the official statistics often only cover enterprises with at least 20 persons employed whereas the woodworking industries is a typical SME sector.

A last comment relates to the production data of the furniture industry as declared by Eurostat and the data published in chapter 4.2 as reported by CSIL. Since CSIL only takes into account the furniture industry stricto-sensu, several products like mattresses, seats for automobiles and aircrafts are not included in its overview, which results in a much lower figure. In addition, the CSIL production data are not only based on official statistics, but also on several other sources such as international trade associations and internal databases.

Production

The total production value of the woodworking industries in the European Union (EU) peaked in 2007 at 237 billion EUR before falling under 190 billion EUR in 2008 and 2009 as a result of the global economic crisis. The following years were characterised by ups and downs until 2014 when production value started to grow every year. After reaching almost 230 billion EUR in 2017, the production value was close to 240 billion EUR in 2018.

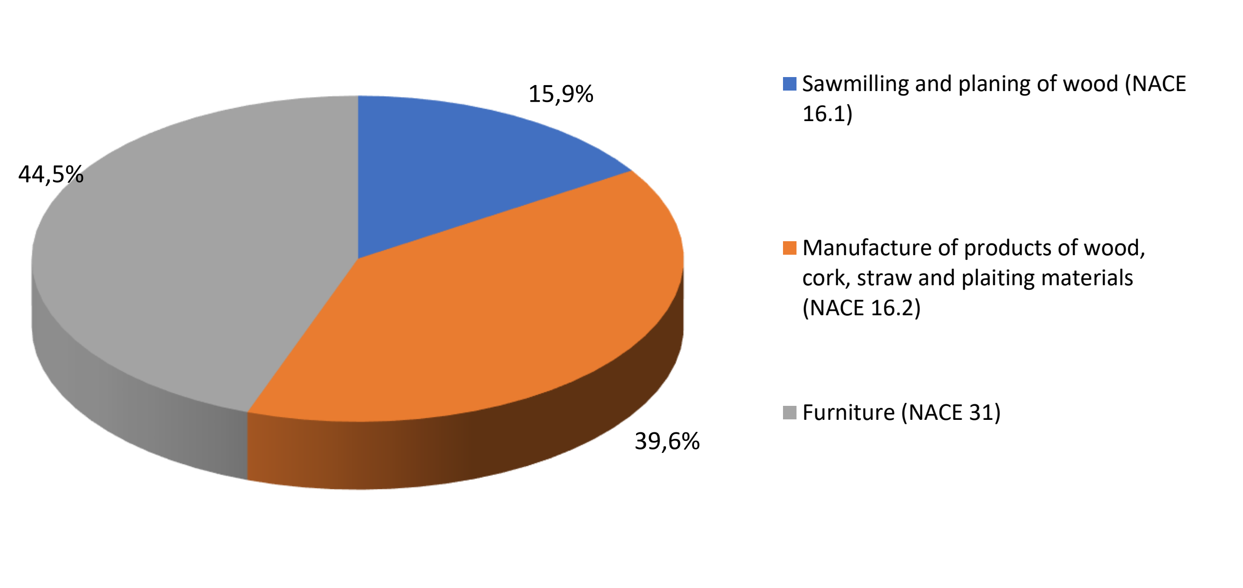
Table 2: Production in the woodworking industries in million EUR, 2014-2018 (NACE 16 & 31)

NACE code	2014	2015	2016	2017	2018	*18/14*	*18/17*
16.1	33,368	33,879	33,727	34,529	35,885	*7.5%*	*3.9%*
16.2	82,754	86,776	86,355	89,933	95,438	*15.3%*	*6.1%*
Subtotal 16	116,122	120,655	120,082	124,462	131,323	*13.1%*	*5.5%*
31	91,937	99,347	103,497	106,372	110,142	*19.8%*	*3.5%*
Total 16 + 31	**208,059**	**220,002**	**223,579**	**230,834**	**241,465**	***16.1%***	***4.6%***

Source: Eurostat

In 2018, the production value of sawmill products (NACE 16.1) increased by 3.7%. The value of other woodworking products (NACE 16.2) increased instead by 5.4%. Consequently, the value of the woodworking industries stricto-sensu (NACE 16) rose by 4.9%. The production value in the furniture sector (NACE 31) also increased by 3.4%. Over a 5-year period (2014-2018) all of the three subcategories recorded a good growth, ranging from 7.8% for sawmill products and 15.8% in the furniture sectors.

Figure 3: Production 2018 – Relative importance of the sub-sectors

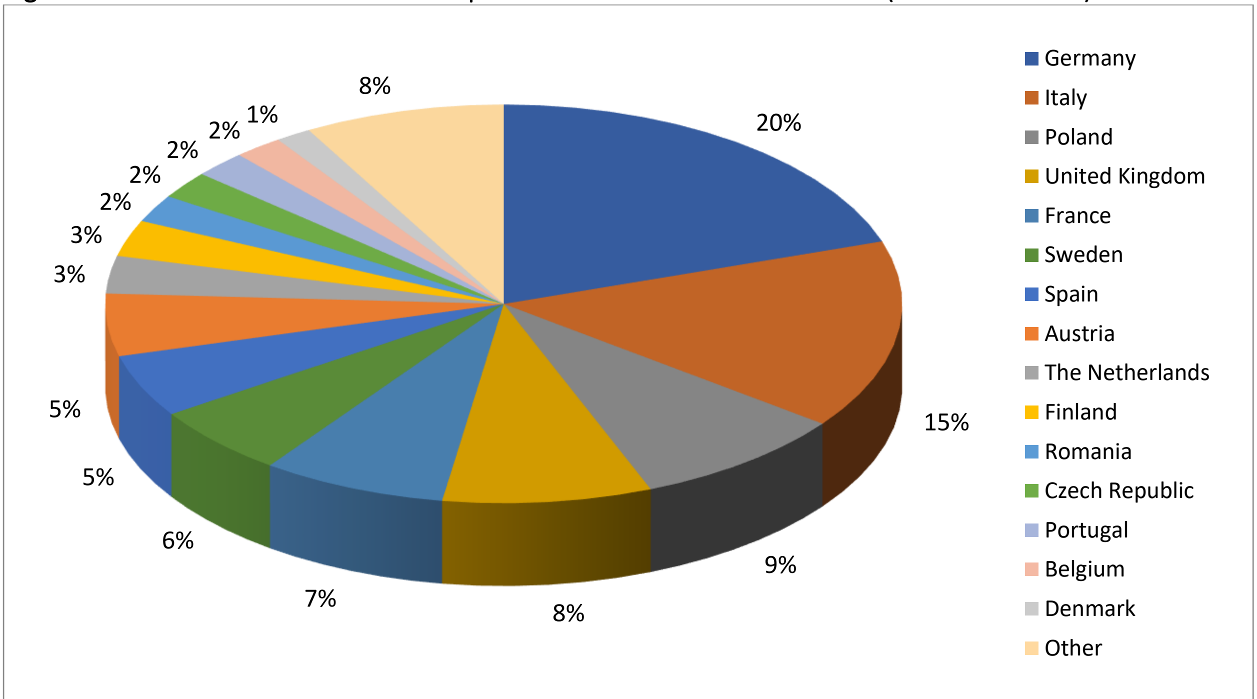


Source: Eurostat

The share of the furniture sector (NACE 31) was 44.5% while other woodworking industries (NACE 16.2) represented 39.6% of the production and the sawmilling and planing of wood (NACE 16.1) 15.9%.

Production per Country

Figure 4: Production 2018 – Relative importance of the EU Member States (NACE 16 and 31)



Source: Eurostat

Within the overall woodworking industries, Germany confirms its leading position thanks to a constantly increasing production value (+3.2% vs 2017), which exceeded 47 billion EUR in 2018. Italy also did well with a growth of 2.7%, exceeding the 36 billion EUR threshold in 2018. Poland keeps outgrowing all of the big producing countries, having grown by 12.3% in 2018 to 20.9 billion EUR – remarkably it grew by more than 30% in the five years to 2018. The fourth largest producing country is

the UK with a production value of 20.3 billion EUR (+6.5% vs 2017), followed by France with 17.9 billion EUR (-1.6%).
Sweden (+11.2% to 13.7 billion EUR), Spain (+1.1% to 12.2 billion EUR) and Austria (+6.2% to 12.1 billion EUR) are also large producing countries.

Table 5: Production value per EU Member State in million EUR, 2014-2018

Production (excl VAT)	2014	2015	2016	2017	2018	*18/14*	*18/17*
Austria	10,299	10,623	10,956	11,413	12,125	*17.7%*	*6.2%*
Belgium	5,291	5,354	5,296	5,607	4,737	*-10.5%*	*-15.5%*
Bulgaria	898	963	987	1,050	1,186	*32.1%*	*12.9%*
Croatia	1,011	1,086	1,245	1,421	1,548	*53.1%*	*9.0%*
Cyprus	129	128	139	166	194	*51.0%*	*16.9%*
Czech Republic	4,293	4,538	4,756	5,034	5,341	*24.4%*	*6.1%*
Denmark	3,214	3,324	3,438	3,491	3,468	*7.9%*	*-0.7%*
Estonia	2,198	2,359	2,472	2,702	2,706	*23.1%*	*0.2%*
Finland	6,392	6,258	6,554	6,994	7,063	*10.5%*	*1.0%*
France	18,556	18,062	17,818	18,260	17,969	*-3.2%*	*-1.6%*
Germany	43,824	45,778	46,620	46,271	47,738	*8.9%*	*3.2%*
Greece	701	716	758	785	867	*23.7%*	*10.4%*
Hungary	1,327	1,475	1,549	1,686	1,773	*33.6%*	*5.2%*
Ireland	1,464	1,503	1,487	1,702	1,688	*15.3%*	*-0.8%*
Italy	33,093	33,702	34,973	35,795	36,747	*11.0%*	*2.7%*
Latvia	2,198	2,196	2,311	2,470	2,805	*27.6%*	*13.6%*
Lithuania	2,446	2,527	2,618	2,825	2,952	*20.7%*	*4.5%*
Luxembourg	207	214	216	225	228	*9.9%*	*1.2%*
Malta	56	62	63	71	77	*36.5%*	*7.8%*
Poland	15,938	17,064	17,017	18,635	20,936	*31.4%*	*12.3%*
Portugal	4,081	4,380	4,408	4,757	5,124	*25.6%*	*7.7%*
Romania	4,730	4,879	4,890	5,027	5,349	*13.1%*	*6.4%*
Slovakia	1,955	2,084	1,851	2,039	2,220	*13.6%*	*8.9%*
Slovenia	997	1,049	1,102	1,186	1,288	*29.1%*	*8.6%*
Spain	9,857	10,631	10,995	12,070	12,197	*23.7%*	*1.1%*
Sweden	11,783	11,548	11,572	12,312	13,690	*16.2%*	*11.2%*
The Netherlands	5,319	5,803	6,254	6,861	7,298	*37.2%*	*6.4%*
United Kingdom	18,330	21,200	19,642	19,061	20,308	*10.8%*	*6.5%*
EU 28	**210,587**	**219,504**	**221,988**	**229,916**	**239,622**	***13.8%***	***4.2%***

Source: Eurostat

With the exception of Belgium, no country recorded a negative growth rate with double-digit growth. In the five years to 2018 every EU country have seen their production value grow except Belgium (-10.5%) and France (-3.2%).

The production value of the woodworking industries stricto-sensu for the 28 countries of the EU rose by 4.9% in 2018 to 133 billion EUR. The largest producer remains Germany with a production value of 24.9 billion EUR (+3.3% vs 2017), followed by Italy, which recorded a production value of 13.6 billion EUR (+1.9% vs 2017) and France (production value of 11.3 billion EUR, +1.7% vs 2017). The UK and

Sweden both achieved a production value of 10.9 and 10.6 billion EUR respectively, with parallel trends of around +10%. Overall the top five countries account for 53.7% of EU production. With the exception of Belgium and, to a lesser extent, Ireland, production value grew in all countries.

Table 6: Production value per EU Member State in million EUR – wood industries stricto-sensu, 2014-2018

Production (excl VAT)	2014	2015	2016	2017	2018	*18/14*	*18/17*
Austria	7,454	7,756	7,962	8,335	8,896	*19.3%*	*6.7%*
Belgium	3,101	3,165	3,191	3,610	3,059	*-1.3%*	*-15.3%*
Bulgaria	440	480	475	511	527	*19.8%*	*3.1%*
Croatia	677	714	794	944	1,027	*51.8%*	*8.8%*
Cyprus	86	88	95	115	135	*57.7%*	*17.4%*
Czech Republic	3,043	3,204	3,313	3,480	3,753	*23.3%*	*7.8%*
Denmark	1,471	1,483	1,488	1,522	1,583	*7.6%*	*4.0%*
Estonia	1,765	1,867	1,950	2,166	2,170	*23.0%*	*0.2%*
Finland	5,386	5,258	5,520	5,890	5,890	*9.4%*	*0.0%*
France	11,462	11,059	11,261	11,110	11,300	*-1.4%*	*1.7%*
Germany	24,158	25,116	24,064	24,137	24,924	*3.2%*	*3.3%*
Greece	317	311	321	343	368	*16.1%*	*7.3%*
Hungary	752	826	872	976	1,032	*37.3%*	*5.8%*
Ireland	852	903	887	1,102	1,088	*27.7%*	*-1.3%*
Italy	12,993	12,713	12,969	13,343	13,595	*4.6%*	*1.9%*
Latvia	1,964	1,957	2,067	2,210	2,517	*28.1%*	*13.9%*
Lithuania	1,070	1,114	1,152	1,183	1,299	*21.4%*	*9.8%*
Luxembourg	190	197	200	209	210	*0.0%*	*0.0%*
Malta	13	13	17	15	17	*36.0%*	*10.4%*
Poland	7,687	8,055	7,616	8,492	9,386	*22.1%*	*10.5%*
Portugal	2,681	2,854	2,819	3,009	3,298	*23.0%*	*9.6%*
Romania	2,945	2,980	2,857	2,939	3,195	*8.5%*	*8.7%*
Slovakia	1,150	1,218	1,022	1,135	1,263	*9.8%*	*11.3%*
Slovenia	646	693	720	766	838	*29.7%*	*9.4%*
Spain	5,288	5,887	5,982	6,738	6,776	*28.1%*	*0.6%*
Sweden	9,164	8,931	8,933	9,586	10,628	*16.0%*	*10.9%*
The Netherlands	2,341	2,587	2,798	2,982	3,282	*40.2%*	*10.1%*
United Kingdom	9,405	10,760	10,191	9,989	10,957	*16.5%*	*9.7%*
EU 28	**118,497**	**122,188**	**121,534**	**126,837**	**133,013**	***12.2%***	***4.9%***

Source: Eurostat

The European furniture industry realised a total production value of almost 107 billion EUR in 2018 (+3.4% vs 2017). Despite this further increase in production, the level was still below the 2007 and 2008 peaks which exceeded 110 billion EUR. Italy and Germany remain by far the two largest producers in the furniture industry. The former recorded a production value of 23.2 billion EUR (+3.1% vs 2017), while the latter of 22.8 billion EUR (+3.1% vs 2017). Together they account for 43.1% of total EU furniture production. Poland has now clearly established itself as the third largest producer in the furniture industry with a production value of 11.6 billion EUR (+13.9% vs 2017). The UK production upturned by 3.1% to 9.4 billion EUR. Belgium, France and Denmark are the only countries recording a negative growth rate.

Table 7 Production value per EU Member State in million EUR – furniture industry, 2014-2018

Production (excl VAT)	2014	2015	2016	2017	2018	*18/14*	*18/17*
Austria	2,845	2,867	2,994	3,078	3,229	*13.5%*	*4.9%*
Belgium	2,190	2,189	2,106	1,997	1,678	*-23.4%*	*-16.0%*
Bulgaria	458	483	512	539	659	*43.9%*	*22.2%*
Croatia	334	373	451	477	521	*55.9%*	*9.2%*
Cyprus	43	40	44	51	59	*37.5%*	*15.7%*
Czech Republic	1,250	1,334	1,443	1,554	1,588	*27.1%*	*2.2%*
Denmark	1,744	1,841	1,950	1,969	1,885	*8.1%*	*-4.3%*
Estonia	434	492	522	536	536	*23.6%*	*0.0%*
Finland	1,006	1,000	1,034	1,104	1,173	*16.6%*	*6.3%*
France	7,094	7,003	6,556	7,150	6,669	*-6.0%*	*-6.7%*
Germany	19,666	20,662	22,556	22,134	22,814	*16.0%*	*3.1%*
Greece	384	406	437	442	499	*29.9%*	*12.9%*
Hungary	575	648	677	710	741	*28.9%*	*4.4%*
Ireland	612	600	600	600	600	*-2.0%*	*0.0%*
Italy	20,101	20,989	22,004	22,452	23,152	*15.2%*	*3.1%*
Latvia	233	239	244	260	288	*23.4%*	*10.8%*
Lithuania	1,377	1,413	1,467	1,642	1,653	*20.1%*	*0.7%*
Luxembourg	18	17	16	16	18	*1.7%*	*13.9%*
Malta	44	48	46	56	60	*36.7%*	*7.1%*
Poland	8,251	9,009	9,401	10,143	11,550	*40.0%*	*13.9%*
Portugal	1,400	1,527	1,590	1,748	1,826	*30.4%*	*4.5%*
Romania	1,785	1,900	2,033	2,088	2,154	*20.7%*	*3.2%*
Slovakia	805	866	829	904	957	*18.9%*	*5.8%*
Slovenia	351	355	383	420	450	*28.1%*	*7.1%*
Spain	4,569	4,743	5,014	5,332	5,421	*18.7%*	*1.7%*
Sweden	2,619	2,617	2,639	2,726	3,062	*16.9%*	*12.3%*
The Netherlands	2,978	3,216	3,457	3,879	4,016	*34.8%*	*3.5%*
United Kingdom	8,925	10,440	9,451	9,072	9,351	*4.8%*	*3.1%*
EU 28	92,090	97,317	100,454	103,079	106,609	*15.8%*	*3.4%*

Source: Eurostat

Extra-EU Imports

This chapter monitors the trade flows of the 28 Member States of the EU. Only extra-EU trade is taken into account due to a lack of reliable figures for trade between the 28 members of the EU, although these flows are most important in absolute terms.

The total EU-28 imports of woodworking products exceeded 37 billion EUR in 2018, reflecting an increase of 3.1% compared to 2017. Both the sawmill industry and the other woodworking products stricto-sensu experienced large increases of imports (+11.0% and +7.0% respectively), while the furniture industry rose by 1.3% only.

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Table 8: Extra-EU imports in million EUR, 2014-2018

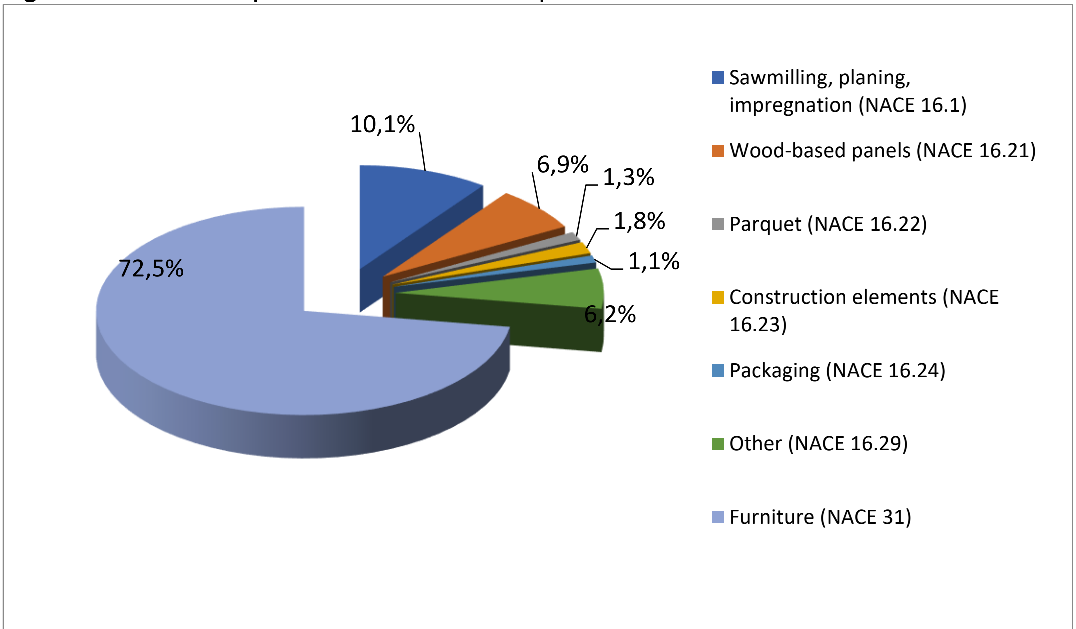
NACE code	2014	2015	2016	2017	2018	*18/14*	*18/17*
16.1	3,156	3,429	3,506	3,399	3,774	*19.6%*	*11.0%*
16.2	5,030	5,691	5,725	6,060	6,486	*28.9%*	*7.0%*
16.21	1,830	2,017	2,035	2,277	2,573	*40.6%*	*13.0%*
16.22	422	451	422	456	490	*16.1%*	*7.5%*
16.23	522	638	660	662	674	*29.1%*	*1.8%*
16.24	269	361	351	385	421	*56.5%*	*9.4%*
16.29	1,987	2,224	2,257	2,280	2,328	*17.2%*	*2.1%*
Subtotal 16	8,186	9,120	9,231	9,459	10,260	*25.3%*	*8.5%*
31	20,962	24,363	25,226	26,772	27,111	*29.3%*	*1.3%*
Total 16 + 31	**29,148**	**33,483**	**34,457**	**36,231**	**37,371**	***28.2%***	***3.1%***

Source: Eurostat

Imports of other woodworking industries stricto-sensu (NACE 16.2) rose further in 2018 (+7.0%) and all sub-sectors were concerned by these positive developments. The main increases of imports are observed for veneer sheets and wood-based panels (NACE 16.21, +13.0%), packaging (NACE 16.24, +9.4%) and wood flooring (NACE 16.22, +7.5%).

Furniture (NACE 31) accounted for 72.5% of the extra-EU imports of woodworking products in 2018. Sawmilling products (NACE 16.1) accounted for 10.1% of imports and other wood products (NACE 16.2) for 17.4%.

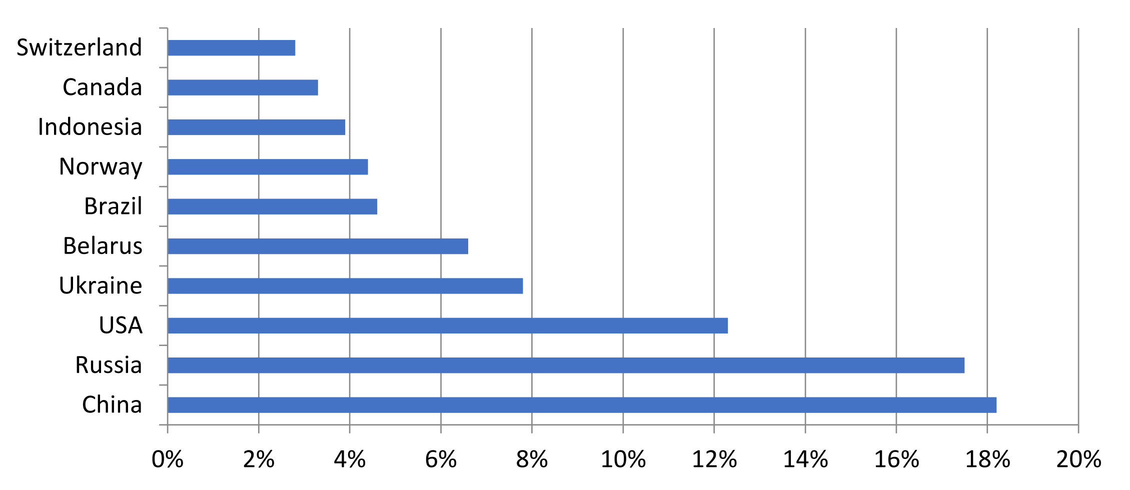
Figure 9: Extra-EU Imports 2018 – Relative importance of the NACE sub-sectors



Source: Eurostat

In 2018, China and Russia continued to be the largest Extra-EU suppliers of wood products to the EU, with market shares of 18.2% and 17.5% respectively. The United States were the third largest trading partner with a market share of 12.3%. Imports from American countries such as Brazil and Canada amounted together to approximately 7.9% of the market while 7.2% of imports came from Norway and Switzerland together. 7.8% came from Ukraine and 6.6% from Belarus. Finally, Indonesia accounted for 3.9% of EU imports.

Figure 10: Extra-EU imports 2018 - Relative importance of main countries of origin



Source: Eurostat

Extra-EU Exports

Table 11: Extra-EU exports in million EUR, 2014-2018

NACE code	2014	2015	2016	2017	2018	*18/14*	*18/17*
16.1	5,140	5,053	4,974	5,627	5,997	*16.7%*	*6.6%*
16.2	5,421	5,600	5,709	6,207	5,953	*9.8%*	*-4.1%*
16.21	2,624	2,641	2,674	2,948	2,774	*5.7%*	*-5.9%*
16.22	448	460	498	533	515	*15.0%*	*-3.4%*
16.23	1,376	1,424	1,434	1,536	1,446	*5.1%*	*-5.9%*
16.24	524	553	568	650	676	*29.0%*	*4.0%*
16.29	449	522	535	540	542	*20.7%*	*0.4%*
Subtotal 16	**10,561**	**10,653**	**10,683**	**11,834**	**11,950**	***13.2%***	***1.0%***
31	21,115	22,333	22,183	23,479	23,578	*11.7%*	*0.4%*
Total 16 + 31	**31,676**	**32,986**	**32,866**	**35,313**	**35,528**	***12.2%***	***0.6%***

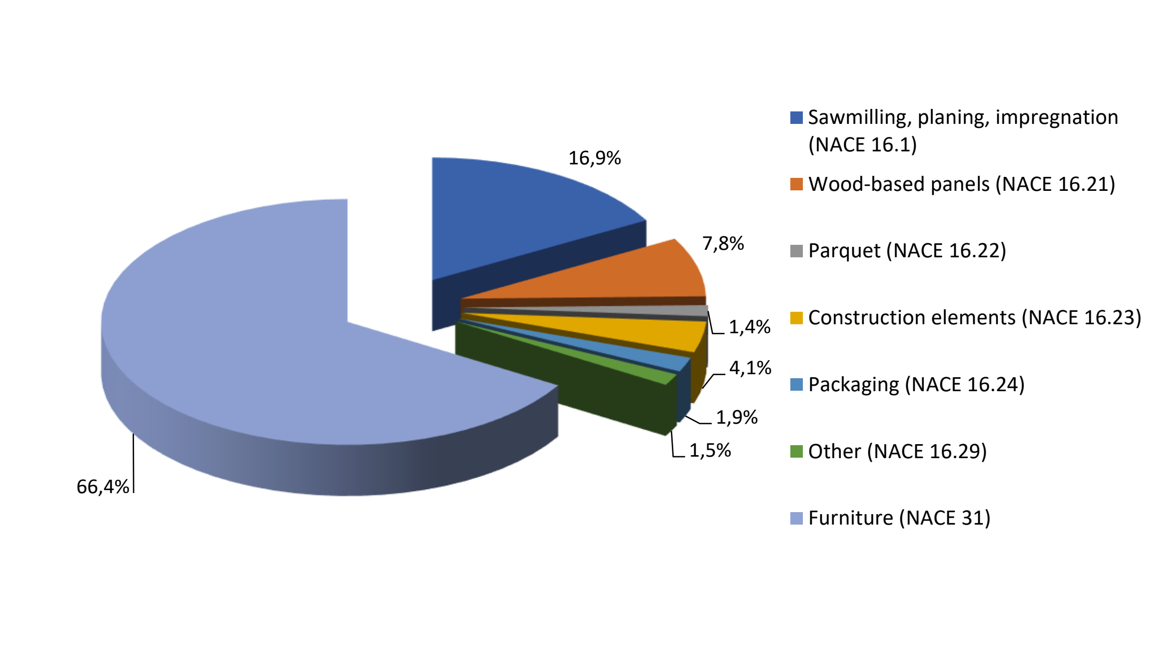
Source: Eurostat

The overall value of EU-28 exports of woodworking products exceeded 35.5 billion EUR in 2018 which is relatively stable compared to 2017 (+0.6%). On the contrary, exports of woodworking products stricto-sensu downturned by 4.1% in 2018, reflecting decreases by 5.9% of exports of veneer and wood-based panels (NACE 16.21) and of other builders' carpentry and joinery (NACE 16.23).

Exports of the furniture industry remained stable (+0.4%) while those of sawmilling, planing and impregnation grew by 6.6%.

Furniture (NACE 31) accounted for 66.4% of the extra-EU exports of woodworking products in 2018. Sawmilling products (NACE 16.1) accounted for a share of 16.9% of exports and other wood products (NACE 16.2) for a share of 16.7%.

Figure 12: Extra-EU exports 2018 - Relative importance of the NACE sub-sectors



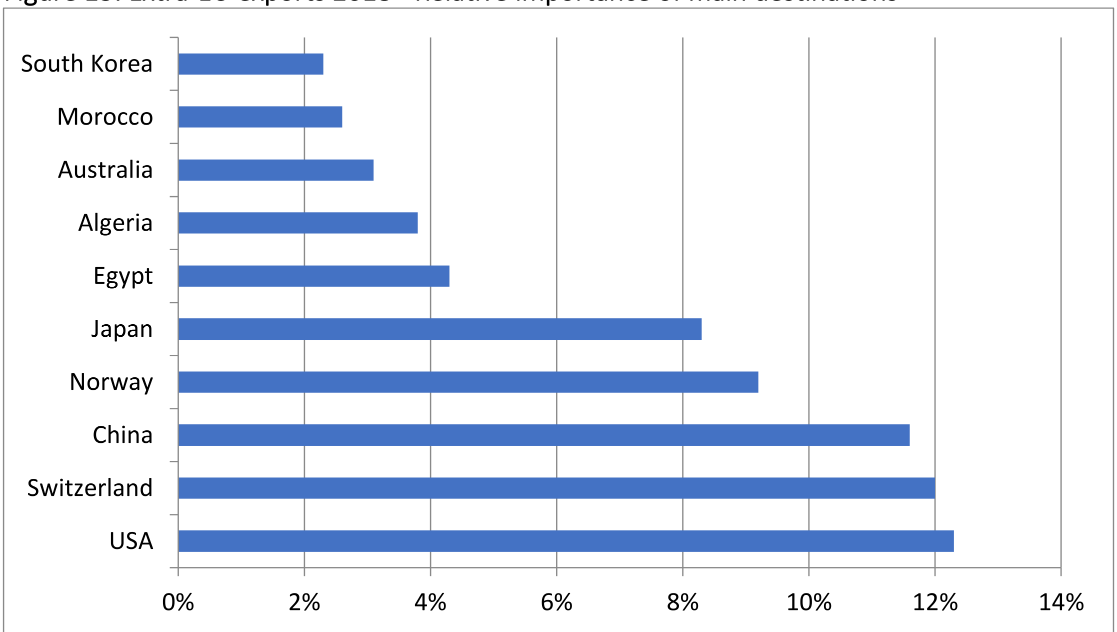
Source: Eurostat

Transit trade not taken into consideration, the 28 Member States exports outside the EU amounted to 14.8% of their overall production in 2018. The woodworking industries stricto-sensu exported about 9% while the furniture sector sold 22.1% of its production outside the EU.

Destination of Exports

In 2018, the EU woodworking industries exported primarily to the USA, Switzerland, China, Norway and Japan which accounted for shares of 12.3%, 12.0%, 11.6%, 9.2% and 8.3% of extra-EU exports respectively. Egypt followed with 4.3% of the extra-EU exports. Algeria, Australia, Morocco and South Korea accounted for more than 2% each and completed the top ten destinations of extra-EU exports.

Figure 13: Extra-EU exports 2018 - Relative importance of main destinations



Source: Eurostat

Trade Balance

The trade balance for the woodworking industries is different according to the products. In total, the EU trade balance decreased from -918 billion EUR in 2017 to -1.843 billion EUR in 2018. The woodworking industries stricto-sensu (NACE 16) ended 2018 with a surplus of 1.7 billion EUR while the furniture industry (NACE 31) registered a negative balance of 3.5 billion EUR. In 2018, all sub-sectors of the woodworking industries stricto-sensu have positive trade balances except other woodworking products (NACE 16.29) whose balance remained, as usual, negative.

Table 14: Trade balance in million EUR, 2014-2018

NACE code	2014	2015	2016	2017	2018
16.1	1,984	1,624	1,468	2,228	2,223
16.2	391	-91	-16	147	-533
16.21	*794*	*624*	*639*	*671*	*201*
16.22	*26*	*9*	*76*	*77*	*25*
16.23	*854*	*786*	*774*	*874*	*772*
16.24	*255*	*192*	*217*	*265*	*255*
16.29	*-1,538*	*-1,702*	*-1,722*	*-1,740*	*-1,786*
Subtotal 16	2,375	1,533	1,452	2,375	1,690
31	153	-2,030	-3,043	-3,293	-3,533
Total 16 + 31	**2,528**	**-497**	**-1,591**	**-918**	**-1,843**

Source: Eurostat

Apparent Consumption

Apparent consumption of wood products grew further by 4.6% in 2018 compared to 2017 and exceeded 241 billion EUR. The consumption of products from the woodworking industries stricto-sensu increased by 5.5%, while the apparent consumption of furniture rose by 3.5%. The other woodworking products (NACE 16.2) improved by 6.1% in 2018 while the sawmill, planing and impregnation products (NACE 16.1) sector rose by 3.9%.

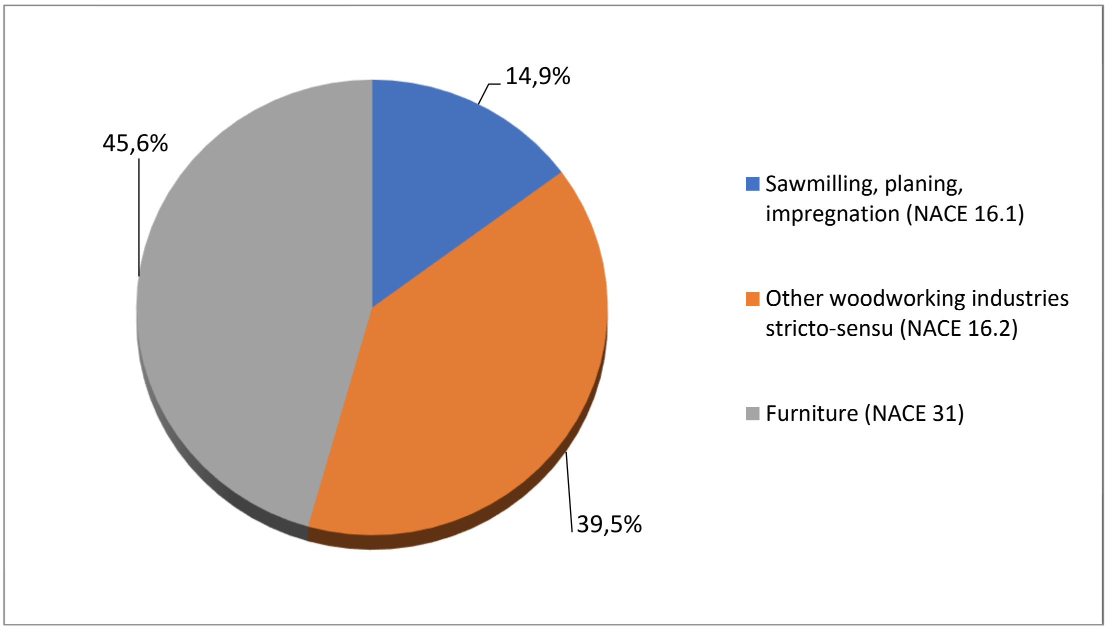
Table 15: Apparent consumption per sub-sector in million EUR, 2014-2018

NACE code	2014	2015	2016	2017	2018	*18/14*	*18/17*
16.1	33,368	33,879	33,727	34,529	35,885	*7.5%*	*3.9%*
16.2	82,754	86,776	86,355	89,933	95,438	*15.3%*	*6.1%*
Subtotal 16	116,122	120,655	120,082	124,462	131,323	*13.1%*	*5.5%*
31	91,937	99,347	103,497	106,372	110,142	*19.8%*	*3.5%*
Total 16 + 31	**208,059**	**220,002**	**223,579**	**230,834**	**241,465**	***16.1%***	***4.6%***

Source: Eurostat

In this analysis, the consumption of sawmill products (NACE 16.1) amounted to 35.9 billion EUR and accounted for 14.9% of the total consumption of wood products in 2018. The consumption of other woodworking products (NACE 16.2) exceeded 95 billion EUR and represented 39.5% of the total consumption of wood products while the consumption of furniture (NACE 31) exceeded 110 billion EUR, meaning a relative consumption of 45.6%.

Figure 16: Apparent consumption 2018 - Breakdown per NACE sub-sector



Source: Eurostat

Employment

The figures on employment in the woodworking sector provide an indication of the overall employment, although it should be borne in mind that some countries do not take into account firms with less than 20 employees. Thus, the global figures tend to substantially underestimate the employment in small and medium-sized industrial sectors. Given the SME structure of the woodworking industries, the actual total number of employees in the EU-28 wood industries should be estimated at substantially more than 2.1 million in 2018.

Table 17: Employment in the EU woodworking industries, 2014-2018

NACE code	2014	2015	2016	2017	2018	*18/14*	*18/17*
16.1	249,390	248,063	244,526	238,979	246,940	*-1.0%*	*3.3%*
16.2	732,291	726,810	726,997	733,889	762,096	*4.1%*	*3.8%*
Subtotal 16	**981,681**	**974,873**	**971,523**	**972,868**	**1,009,036**	***2.8%***	***3.7%***
31	958,126	974,931	1,006,406	1,014,675	1,043,841	*8.9%*	*2.9%*
Total 16 & 31	**1,939,807**	**1,949,804**	**1,977,929**	**1,987,543**	**2,052,877**	***5.8%***	***3.3%***

Source: Eurostat

According to the Eurostat data, employment in the woodworking industries rose by 3.3% in 2018 and exceeded the 2 million threshold. Employment increased both in the woodworking industries stricto-sensu (+3.7%) and in the furniture sector (+3.3%). Within the woodworking industries stricto-sensu, employment upturned in the sawmill sector (+.3.3%) while it continued to increase by 3.8% in the other woodworking industries.

Table 18: Employment in the EU woodworking and furniture industries per EU Member State, 2014-2018

number of employees	2014	2015	2016	2017	2018	*18/14*	*18/17*
Austria	61,013	60,433	59,997	60,507	61,422	*0.7%*	*1.5%*
Belgium	25,002	23,785	23,492	23,889	23,812	*-4.8%*	*-0.3%*
Bulgaria	38,787	39,041	39,347	39,503	40,110	*3.4%*	*1.5%*
Croatia	26,121	26,486	27,750	28,833	29,150	*11.6%*	*1.1%*
Cyprus	2,690	2,619	2,715	2,956	3,129	*16.3%*	*5.9%*
Czech Republic	80,338	80,431	80,469	79,522	78,884	*-1.8%*	*-0.8%*
Denmark	20,298	20,476	17,505	17,637	17,651	*- 13.0%*	*0.1%*
Estonia	24,290	25,126	25,373	25,794	25,798	*6.2%*	*0.0%*
Finland	28,776	27,957	27,838	25,859	29,565	*2.7%*	*14.3%*
France	116,883	109,228	104,758	107,117	109,734	*-6.1%*	*2.4%*
Germany	274,914	282,699	278,867	276,190	278,023	*1.1%*	*0.7%*
Greece	19,017	15,669	18,026	17,026	17,542	*-7.8%*	*3.0%*
Hungary	34,024	35,899	36,745	37,124	35,819	*5.3%*	*-3.5%*
Ireland	8,644	8,984	9,465	9,943	9,907	*14.6%*	*-0.4%*
Italy	249,913	239,251	237,872	237,428	240,401	*-3.8%*	*1.3%*
Latvia	32,390	32,113	32,225	31,726	31,719	*-2.1%*	*0.0%*
Lithuania	49,856	50,610	51,485	50,821	50,793	*1.9%*	*-0.1%*
Luxembourg	159	163	166	171	181	*13.8%*	*5.8%*
Malta	1,277	1,314	1,282	1,195	1,357	*6.3%*	*13.6%*
Poland	282,015	297,638	310,779	317,788	345,502	*22.5%*	*8.7%*
Portugal	57,140	58,476	59,985	61,497	63,031	*10.3%*	*2.5%*
Romania	118,471	120,613	120,606	116,545	113,433	*-4.3%*	*-2.7%*
Slovakia	37,659	39,122	35,835	37,963	39,078	*3.8%*	*2.9%*
Slovenia	14,262	14,259	14,541	14,739	15,121	*6.0%*	*2.6%*
Spain	102,839	102,491	105,724	112,208	115,386	*12.2%*	*2.8%*
Sweden	47,390	49,078	48,257	49,549	54,441	*14.9%*	*9.9%*
The Netherlands	35,828	36,540	38,057	39,789	40,516	*13.1%*	*1.8%*
United Kingdom	149,811	149,303	168,768	164,224	181,372	*21.1%*	*10.4%*
EU 28	**1,939,807**	**1,949,804**	**1,977,929**	**1,987,543**	**2,052,877**	***5.8%***	***3.3%***

Source: Eurostat

Among the 28 Member States, and thanks to a further and significant increase of 8.7%, Poland consolidated its leading position in the employment ranking in the woodworking industries (NACE 16 + 31). Poland almost reached the 350,000 jobs threshold in 2018. Finland (+14.6%), Malta (+13.6%), UK (+10.4%) and Sweden (+9.9%) showed the most significant increases while no marked decreases in employment were reported in 2018.

Table 19: Employment in the EU woodworking and furniture industries per EU Member State, 2018

number of employees	16	16.1	16.2	31	16 + 31
Austria	34,026	11,064	22,962	27,396	61,422
Belgium	11,928	1,509	10,419	11,884	23,812
Bulgaria	16,420	6,243	10,177	23,690	40,110
Croatia	17,934	7,832	10,102	11,216	29,150
Cyprus	2,121	14	2,107	1,008	3,129
Czech Republic	54,171	7,537	46,634	24,983	79,154
Denmark	8,325	1,026	7,299	9,326	17,651
Estonia	17,985	5,421	12,564	7,813	25,798
Finland	22,506	6,134	16,372	7,059	29,565
France	63,247	18,063	45,184	46,487	109,734
Germany	134,205	25,001	109,204	143,818	278,023
Greece	6,615	1,154	5,461	10,927	17,542
Hungary	17,612	4,211	13,401	18,036	35,648
Ireland	5,549	1,101	4,448	4,358	9,907
Italy	102,958	13,182	89,776	137,443	240,401
Latvia	24,824	12,835	11,989	6,895	31,719
Lithuania	20,809	6,990	13,819	29,984	50,793
Luxembourg	0	0	0	181	181
Malta	173	0	173	1,184	1,357
Poland	139,625	41,530	98,095	205,877	345,502
Portugal	29,505	4,968	24,537	33,526	63,031
Romania	49,799	25,030	24,769	64,997	114,796
Slovakia	24,585	10,027	14,558	14,493	39,078
Slovenia	8,861	2,540	6,321	6,260	15,121
Spain	53,757	6,957	46,800	61,629	115,386
Sweden	37,702	14,645	23,057	15,277	52,979
The Netherlands	14,805	1,549	13,256	25,711	40,516
United Kingdom	88,989	10,377	78,612	92,383	181,372
EU 28	**1,009,036**	**246,940**	**762,096**	**1,043,841**	**2,052,877**

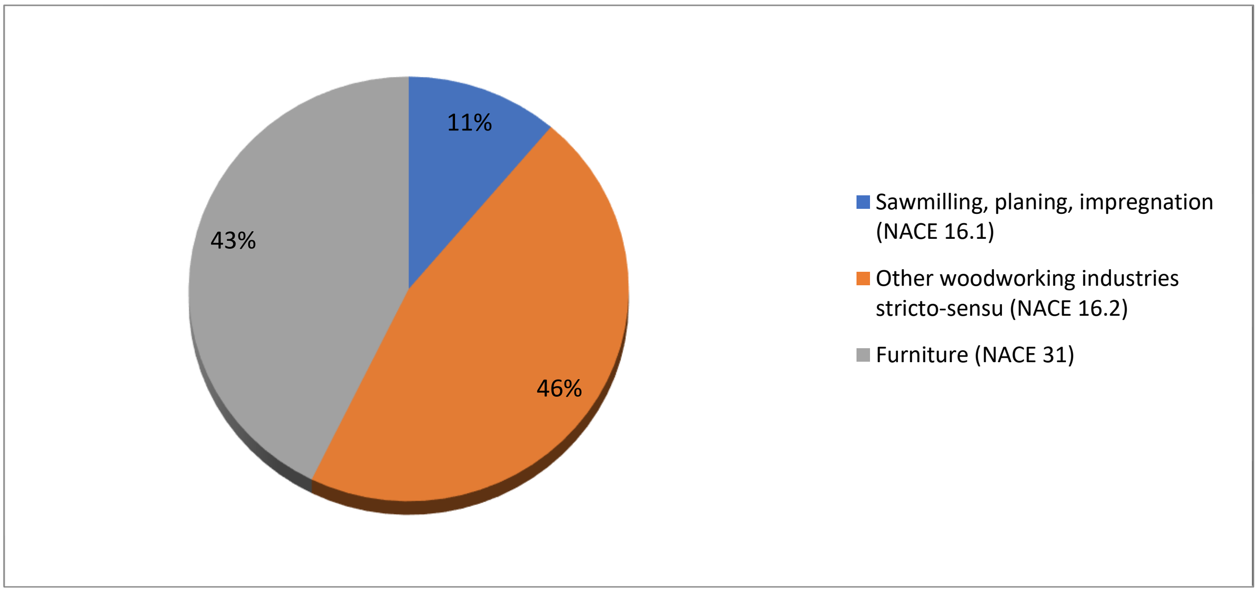
Source: Eurostat

In terms of employment, the furniture industry represented half of the jobs (51%), the sawmill industry accounted for 12% of the employment while the other sub-sectors accounted for 37%. Again this year, in the sawmill industry (NACE 16.1) and the furniture sector (NACE 31), most people were employed in Poland. Germany continues to dominate the other sub-sectors (NACE 16.2).

Number of Enterprises

According to Eurostat, the woodworking industries counted around 301,337 companies in 2018, this number remains stable compared to 2017 (300,567 companies). Among these 301,337 companies, almost 129,000 were active in the furniture business (NACE 31) while the sawmill industry (NACE 16.1) and the other sub-sectors of woodworking products (NACE 16.2) accounted for roughly 33,715 and 138,861 companies respectively. These figures remain underestimations since small companies are not necessarily taken into account given the Member States' reporting. In the furniture and the construction elements sectors, the number of small companies is considerable and therefore, the real number of firms could be estimated at more than 350,000 companies.

Figure 20: Number of enterprises 2018 - Breakdown per NACE sub-sector



Source: Eurostat

2020: CEI-Bois's Main Advocacy Actions

It is estimated that more than 80% of national legislation comes from Brussels, and this why CEI-Bois aims at shaping the EU legislations which can have a direct or indirect impact on the woodworking industries.

CEI-Bois works on a daily basis to create an European policy framework which can favour the development of the wood value chain and enhance the use of wood as construction and/or everyday product.

EXTRACT FROM THE COMMISSION WORK PROGRAMME 2021 "A UNION OF VITALITY IN A WORLD OF FRAGILITY"

Less than one year ago, this European Commission took office after being elected on an agenda to drive Europe's biggest transformation in more than a generation. The Commission work programme for 2020 reflected this mandate and the ambition first outlined in President von der Leyen's Political Guidelines. It mapped out our vision of building a fairer, healthier, greener and more digital society. While many things have changed in the last year, that ambition remains our driving force for the year ahead.

In the last year, the Commission has set about laying the foundations for the systemic change Europe needs, even more so now that all our economies are deeply affected by a global health crisis. In the first 100 days, we presented the European Green Deal, set out our plans for Europe's digital future, adopted our roadmap for a strong social Europe with a view to implementing the European Pillar of Social Rights and issued our gender equality strategy.

But for very different reasons, 2020 will simultaneously be a year to instantly forget and forever remember. The global pandemic that blindsided Europe and the world and the lockdowns of our societies and economies that ensued will be far more than painful memories for millions of Europeans who lost loved ones, fell ill or are going through a period of profound anxiety about their livelihood or wellbeing. None of us is likely to forget the fragility nor uncertainty that we still feel all around us. The recent resurgence in the virus in Europe shows that we must continue to manage the virus with care, caution and coordination.

In the future, this year can also be remembered for the great acceleration of change it kickstarted and the great opportunity it paradoxically presented. Changes in climate, digital technologies and geopolitics were already profoundly affecting our society and driving our agenda. However, the pandemic has sharpened the need for Europe to lead the twin green and digital transitions and make its societies and economies more resilient. This creates an unparalleled opportunity to move out of the fragility of the crisis by creating a new vitality for our Union.

Against this backdrop, the Commission's focus in the year ahead will be twofold. It will first continue to put all of its efforts into managing the crisis and start drawing the lessons from it. This will notably be done by continuing our efforts to find, finance and secure a safe and accessible vaccine for all in Europe *and around the world. In parallel, this work programme sets out how Europe can seize the opportunity ahead of us to deliver on its ambitions and lead the great acceleration.*

Our action will remain guided by the 2030 Agenda and its Sustainable Development Goals both internally and externally as well as by the Paris Agreement.

The Work 2021 programs presents delivery on six headline ambitions
- *The European Green Deal*
- *A Europe fit for the digital age*
- *An economy that works for people*
- *A stronger Europe in the world*
- *Promoting our European way of life*
- *A new push for European democracy*

The 2021 Commission work programme was published on 19 October 2020 and sets out its key initiatives for the year ahead. The Work programme confirms the main Commission's priorities to lead the twin green and digital transition, to move out of the fragility of the crisis caused by COVID and finally create a new vitality for the Union.

As presented by the EU Commission in its press release, the focus of the work programme is twofold: put efforts into managing the crisis – the ongoing resurgence of the virus shows that we are not out of the woods yet, and therefore, EU action and EU coordination will be required, among other things to make sure that the current health and economic crisis does not turn into a social one ; draw all necessary lessons from this crisis – the pandemic has sharpened the need to boost Europe's long-term resilience and therefore, the Commission will make sure to use this unparalleled opportunity, which the pandemic has paradoxically presented.

Overall, the 2021 working programme remains guided by the 2030 Agenda and its Sustainable Development Goals both internally and externally as well as by the Paris Agreement.

On the European Green Deal, the Commission’s focus will be overhauling our relevant climate and energy legislation to align with the newly proposed target to reduce emissions by at least 55% by 2030, as compared to 1990 levels. This will be brought together in a so called “Fit for 55 Package” which will cover everything from renewables to energy efficiency first, buildings, as well as land use, energy taxation, effort sharing and emissions trading and a wide range of other pieces of legislation.

In its Working programme, the Commission announces that it will follow up to the EU biodiversity strategy for 2030 and farm to fork strategy, notably to boost organic production, restore degraded ecosystems, protect our oceans and coastal regions, protect, restore and sustainably manage forests, and to reduce the risk of products associated with deforestation on the EU market.

1. CLUB DU BOIS NETWORKING COCKTAIL AT THE EUROPEAN PARLIAMENT

On 8 January 2020, the 8th edition of the ***Club du Bois*** was organised under the chairwomanship of MEP Mrs Maria Noichl, at the Brussels premises of the European Parliament. The event is a joint initiative of the three Brussels based organisations: the European Confederation of Woodworking Industries (**CEI-Bois**), the European Organisation of the Sawmill Industry (**EOS**) and the European Panel Federation (**EPF**).

The 8th edition of the Club du Bois focused on the priorities of the wood-working industries for the period 2019-2024 and on the role of wood products in achieving several of the climate mitigation objectives recently proposed in the EU Green Deal.

The event gathered an important number of MEPs, industrialists and experts from the wood manufacturing and forest-based family. In particular the organizers extended their gratitude for the presence and active participation in the debate of the following Members of the Parliament:

Mrs Maria Noichl, Germany, Group of the Progressive Alliance of Socialists and Democrats;
Mrs Simona Bonafè, Italy, Group of the Progressive Alliance of Socialists and Democrats;
Mr Michal Wiezik, Slovakia, Group of the European People's Party (Christian Democrats);
Mrs Delara Burkhardt, Germany, Group of the Progressive Alliance of Socialists and Democrats;
Mrs Maria Soraya Rodriguez Ramos, Spain, Renew Europe Group;
Mr Pietro Fiocchi, Italy, European Conservatives and Reformists Group;
Mr Mauri Pekkarinen, Finland, Renew Europe Group;
Mr Petri Sarvamaa, Finland, Group of the European People's Party (Christian Democrats);
Mr Seb Dance, UK, Group of the Progressive Alliance of Socialists and Democrats;
Mr Eero Heinäluoma, Finland, Group of the Progressive Alliance of Socialists and Democrats;
Mr Carlos Zorrinho, Portugal, Group of the Progressive Alliance of Socialists and Democrats;
Mr Alvaro Amaro, Portugal, Group of the European People's Party (Christian Democrats);
Mrs Patrizia Toia, Italy, Group of the Progressive Alliance of Socialists and Democrats;
Mr Christian Allard, UK, Group of the Greens/European Free Alliance;
Mrs Elena Lizzi, Italy, Identity and Democracy Group (represented by her assistant).

Additionally, the former Member of the European Parliament, **Mr Paul Brannen** (UK) attended the Club du Bois meeting confirming his dedication to the cause of using wood as an environmentally friendly construction material.

The evening was opened by the Club du Bois Chairwoman, MEP Mrs Maria Noichl. "*Without doubt, wood is one of the most versatile renewable resources used in material applications. Using wood is a climate friendly solution for Europe*", Mrs Noichl emphasised. She recalled as well that wood products store carbon during their life cycle. Recycling wood products allows them to continue to store carbon indefinitely. This regenerative use of wood extends the carbon cycle which has great advantages to society, especially in the mitigation of climate change. When wood cannot be re-used or recycled, it can still produce green energy through combustion.

Mrs Noichl welcomed first time attendees at this cross-party, cross-national, cross-committee contact group between Parliament and the Woodworking Industries.

In particular, a special thanks was given to the Italian MEP Mrs Simona Bonafè who has kindly agreed to become the new Chairwoman of this discussion forum, and took up this role at the end of the meeting. Mrs Noichl concluded her welcome speeches introducing the three key speakers of the evening, and expressing gratitude to the hosts and organisers of Club du Bois for their engagement on behalf of the European woodworking industries.

- **Presentation by EPF Chairman, Dr Paolo Fantoni on "Wood-based Panels: An innovative industry turns a traditional material into a model of the circular economy, and a climate champion", with special focus on Extended Producer Responsibility (EPR) and developing work with wood education with universities.**

Introducing the market development of European wood-based panels (WBP), Dr Fantoni explained that EPF, the European Panel Federation, represents the manufacturers of particleboard, MDF, OSB, hardboard, softboard and plywood in more than 25 countries. The European wood-based panels industry has an annual turnover of about 22 billion euros, creates over 100,000 jobs directly and counts more than 5,000 enterprises in Europe.

Regarding the year 2018, the sector (WBP) had a production of 59.3 millions m^3 being the seventh consecutive year of growth. However, in year 2019, production is expected to have declined slightly due to the general economic situation and production is estimated to have been 57.6 millions m^3. Significantly, average annual WBP growth in the period 2013-2018 was 2.4%, compared to a European GDP increase of 1.8%. In a very simplistic but important way, this shows that wood-based panels have gained market share in Europe during recent years.

Dr Fantoni explained that the production of wood-based panels incorporates almost all industrial circularity concepts. Although the sector is currently still using some virgin wood material, the production of wood panels is based on a circular process now using recovered wood and industrial by-products for approximately 50% of its resource need. In particleboard, this figure rises to 66% with

40% coming purely from wood waste. Innovation has been at the heart of this and the panel sector, as recalled by Mr Fantoni, is a pioneer and great advocate of the cascading approach through the use of post-consumer waste wood and industrial wood residues.

Wood and wood-based products have huge potential across a range of sectors, and they are a key contributor for reducing carbon emission particularly in the construction sectors. The use of wood-based panels in construction, for both new and refurbishing buildings is without doubt an environmentally friendly choice.

Regretfully, Mr Fantoni underlined that some barriers (mostly legislative ones) still persist in the internal market thus hampering the full potential of the sector.

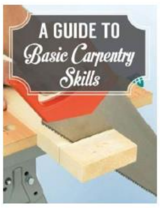
For this reason, Mr Fantoni stressed the need for:

- <u>EU Harmonisation, not Regionalism</u>
    - EPF supports One Europe, not different rules and regulations in every country
    - Recent developments, especially challenges to Construction Products Regulation in Germany, threaten this
- <u>Level Playing Field, especially for Raw Materials</u>
    - Wood for industry is scarce, and could become more so (pressure on plantations and biodiversity requirements)
    - Need Parliament to make sure that any subsidies for Bioenergy (burning wood) do not create market distortions

Mr Fantoni closed his intervention with three calls for action on behalf of the Federation he represents:

Extended Producer Responsibility
The next step towards the Circular Economy;
Panels and furniture should be returned to the value chain.

"Renovation wave" should be integrated in the EU Green Deal
Panels can be structural, decorative, or can insulate;
Local supply using local material – "Made in the EU";
Panels are a sustainable, resource efficient and have natural carbon storage.



Investing in Skills and Education
EPF is committed to the next generation of woodworkers;
Currently creating a network of University specialists;
Intention is to motivate the EU Commission to support and to develop this together.

In conclusion Dr Fantoni urged MEPs to support the use of wood-based panels be it in construction, in furniture, in packaging or in other applications. Panels can be a model for both the Circular Economy and the European Green deal. Wood-based panels show the way ahead in how we can offer industrial growth *with* environmental and climate benefits, and not at their expense.

- **Presentation by EOS Chairman, Mr Sampsa Auvinen on "Overview of the economic and politic dynamics that characterise the European sawmill industries including considerations on raw material supply and forest diseases".**

Mr Auvinen, recalled that the European sawmill industry consists of about 35,000 sawmills scattered around Europe. European sawmills are chiefly microenterprises (more than 29,000) with strong connections to the rural areas and local communities where they are located. They account for a yearly production value of over EUR 36 billion and employ about 250,000 people across Europe. The European sawmill industry is responsible for a production of around 112 million m3 (data from 2018, including production of both sawn softwood and hardwood) and, depending on the year, around 25-28% of the European sawnwood production is exported to non-European countries, making the European sawmill industry a fully globalized industry. The largest overseas markets of the sector include China, Japan, the United States, and Middle East and North African countries.
Looking at the non-EU Market, Mr Auvinen made three recommendations:

1. The EU Commission should be vigilant that trade agreements are correctly implemented and enforced, and the use of the dispute settlement systems simplified and accelerated.

2. Looking at trade relations, the EU Commission should reinforce its trade promotion activities in key markets having a focus on the manufacturing industries and enforcing coordination with Industry Organisations, the various Chambers of Commerce and EU delegation in Third Countries.

3. The manufacturing sectors -including SMEs- should be assisted to open trade opportunities in growing non- EU markets.

Mr Auvinen stressed that over 90% of logs used come from European Forests. While you may not connect healthy forests with selling wood, they are actually intimately connected providing income (*2/3 of the forest owner revenues sawmill represents +2/3 of the forest owners incomes*) to pay ongoing costs for forest management activities.

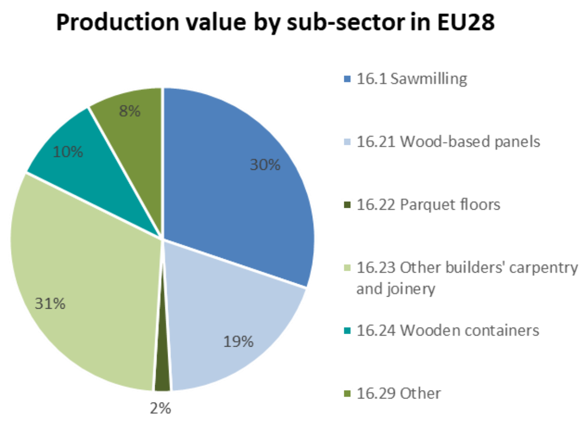
Furthermore, Mr Auvinen, presented the dramatic situation that forests are facing due to climate change and the increase of forest disturbances such as pest diseases, fire and drought. Only in 2018, damaged wood estimated was estimated 112 million sm^3. Securing raw material supply at affordable price and in a predictable way is a key factor for maintaining the competitiveness of the European manufacturing industries.

Raw material supply is one of the most important issues affecting the development of the mechanical wood industries. Therefore, demand projections should be made, and these projections should be revised on a yearly basis in order to provide the sector with a sustainable growth through accurate planning.

- Presentation by CEI-Bois Board of Directors Member Keith Fryer on "European Woodworking Industries priorities for the EU Term 2019-2024"

The European woodwoorking industry consists of around 170.000 companies generating an annual turnover of 133 billion EUR and employing more than 1 million workers in the EU (2017), as Mr Fryer explained.

Furthermore, Mr Fryer presented the European Woodworking Industries' manifesto for the EU term 2019-2024, which illustrates how the European Woodworking Industry can help the EU to reach its key goals, such as the reduction of GHG emissions in line with the Paris Agreement and the deployment of an EU circular Bioeconomy, while ensuring jobs creation and employment stability.



On behalf of CEI-Bois, Mr Fryer presented the 6 priority actions of the Confederation:

1. Wood availability and sustainability: Ensuring the legality of timber and timber products produced in the EU and imported from third countries is also a key aspect of sustainability at global scale. For this reason, environmental loopholes in the EU Timber Regulation should be avoided by extending its scope to all wood products and ensuring a consistent implementation among Member States.
2. Circular Bioeconomy: call for taking into account the carbon storage and material substitution effects of wood products. The EU should further promote the development of the circular bioeconomy and make sure that the other policies are consistent with this objective. EU policies should also take into account the carbon storage and material substitution effects of harvested wood products in the framework of the EU 2050 Long-term Strategy.
3. Competitiveness of Wood in Construction: Timber construction has the potential to offer sustainable solutions to the housing challenges in the EU. Building with the renewable material wood is particularly well fit for new construction and renovation in dense urban areas, answering the requirements and dynamics of climate change resilience and environmental performance of 21st century city development.
4. Free but Fair Trade policies: The success of the woodworking industry requires free and fair trade, while maintaining or improving standards and lowering operating costs.
5. Research and Innovation: the woodworking industry, together with the other stakeholders of the Forest-Based Sector Technology Platform, developed a Vision to 2040, that includes 10 ambitious targets for enhancing the potential of the sector.
6. Social Affairs and Industrial Relations: through the active and proactive involvement of the European Social Affairs dialogue, the Confederation contributes dynamically, including through agreements and projects management & implementation, to the designing of the European social and employment policy.

After a dynamic exchange of views with the participants, the Club du Bois meeting was ended by a closing remark of the new Club du Bois Chairwoman, Mrs Bonafè. Mrs Bonafè expressed her willingness to collaborate with the wood-working sector in the new legislative period 2019-2024 and beyond, to enhance its competitiveness, and to increase its prominence in our day lives.

Brussels, 8 January 2020

PRESS RELEASE

Club du Bois organisers call European policy makers to explore the full potential of one of the most climate positive EU manufacturing sectors:
the Woodworking Industry

The European Confederation of Woodworking Industries (CEI-Bois), the European Organisation of the Sawmill Industry (EOS) and the European Panel Federation (EPF), organised the 8th edition of the *Club du Bois*, under the chairwomanship of MEP Mrs Maria Noichl, on 8 January 2020, at the Brussels premises of the European Parliament.

The event gathered an important number of MEPs, industrialists and experts from the wood manufacturing and forest-based family, offering them the opportunity to learn about the priorities of the European Woodworking Industries for the term 2019-2024. The evening was opened by a welcoming speech from MEP Mrs Maria Noichl and followed by three presentations from EPF Chairman, Dr Paolo Fantoni, EOS Chairman, Mr Sampsa Auvinen and by CEI-Bois Board of Directors Member, Mr Keith Fryer.

The Woodworking Industry lies at the heart of the circular bioeconomy providing a sustainable and carbon neutral product to be used in the construction sector and as everyday material. By using wood, legally harvested from sustainably managed forests, Europe can achieve several of the objectives presented in the recently adopted ¨The European Green Deal¨ and become the world's first climate neutral continent by 2050.

Dr Paolo Fantoni highlighted the role that wood-based panels can play in the ¨renovation wave¨, reminding of their sustainability, resource efficiency and natural carbon storage properties. Panels are a model example of the Circular Economy thanks to the industry's innovative approach of turning one industry's waste into another sector's product, with 40% of typical particleboard today coming from recovered (recycled) waste wood. EPF is excited to work with universities and the EU institutions to ensure that future generations are trained and skilled in working with wood. Given their proprieties and characteristics, wood-based panels are model examples of both the Circular Economy and the Green Deal. ¨*Panels can break the old model of economic progress or environmental protection. Instead we can offer new industrial growth with environmental (and climate) benefits*¨ commented Dr Fantoni.

Mr Sampsa Auvinen described the raw material supply question as the most important issue affecting the development of the primary mechanical wood industry. Securing raw material supply at affordable prices and in a predictable way is a key factor to maintain competitiveness of the European sawmill industry. Mr Auvinen called for an EU resource management system aiming to establish a harmonised knowledge-based information on European forests resources, material flows and stock. The system should also take into consideration frequency of natural disturbances and the impact on wood supply. Mr Auvinen recalled the central role of the European sawmill industry in the forest industry: making up two thirds of the forest owners' incomes, the sawmill industry plays a key role in motivating forest owners to sustainably manage their forests and supply wood raw material to the forest industry. ¨*A healthy sawmill industry is thus vital for the forest industry and the forest-based industries alike*¨ he added.

Mr Keith Fryer presented the European Woodworking Industries' manifesto for the EU term 2019-2024, which illustrates how the European Woodworking Industry can help the EU to reach its key goals, such as the reduction of GHG emissions in line with the Paris Agreement and the deployment of an EU circular Bioeconomy, while ensuring jobs creation and employment stability. The manifesto focuses on 6 priorities - *Wood Availability and Sustainability,* Circular Bioeconomy*, Competitiveness of Wood in Construction, Free but Fair Trade, Research & Innovation* and *Industrial Relations & Social Affairs* - and gives an overview of the potential and needs of the sector. ¨*The European Woodworking sector sits at the heart of the European circular Bioeconomy and is a key driver for jobs and growth*¨ Mr Fryer concluded.

The European Woodworking Industry can successfully achieve socially fair economic growth while reducing pollution and harm to the environment. This is why the European policies, such as the forthcoming Industrial Strategy and new Circular Economy Action Plan, to name a few, should explore the full potential of one of the most climate positive European manufacturing sectors.

The meeting ended with a Q&A session and the formal handover of the *Club du Bois Chairwomanship* from MEP Mrs Maria Noichl to MEP Mrs Simona Bonafè.

CEI-Bois

EUROPEAN PANEL FEDERATION
WOOD-BASED PANELS

2. EU FORESTRY RELATED POLICIES AT THE HEART OF THE 2020 CEI-BOIS ACTIVITIES

2.1 Stakeholders' meeting on Forests and Forestry

On 21 January 2020, CEI-Bois met MEP Mauri Pekkarinen at the Stakeholders' meeting on Forests and forestry together with other forest-based sector organisations in the midst of the preparation of the new Forest Strategy.

The aim of this meeting was to hear views both on the upcoming Forest Strategy and the EU Communication against global deforestation. On that occasion, CEI-Bois reiterated the call for a new Strategy that puts sustainable and active forest management at its heart.

During this meeting CEI-Bois expressed the following points:

1. Active and sustainable forest management is a key to keeping the European forests healthy. The multifunctional management of European forests is essential, and the focus should not be shifted too narrowly on a single function.
2. The EU's sustainably managed forests produce today an overall climate mitigation impact amounting to 13% of European total GHG emissions. This includes the carbon sink, carbon stock, and the substitution effect of forest products. This latter element is sometimes overlooked but it is strongly linked to the development of the bioeconomy and the possibility to decarbonise other sectors such as construction.
3. CEI-Bois supports the full implementation of existing instruments (EU Timber Regulation and FLEGT) while also strengthening the cooperation with timber producer countries to promote sustainable forest management. This can actively develop markets for the resulting wood, and ensure that local communities see the forest as a source of income, ultimately incentivising forest maintenance.
4. We recommend extending the scope of the EU Timber Regulation to include all wood products, printed products and furniture products currently outside the scope.
5. We recommend increasing the support to and awareness about FLEGT licensing system to improve forest governance in tropical countries and encourage the consumption of verified legal tropical timber, for example through national procurement policies.

As the the European Commission prepared to publish the updated document with the aim of setting a new policy framework valid until 2030 and possibly beyond, CEI-Bois's Sustainability working group has developed and published a position on the matter.

CEI-Bois

We are a responsible Industry

Towards a new EU Forest Strategy: position of the European Woodworking Industry

20 February 2020

CEI-Bois, the European Confederation of the Woodworking Industries, welcomed the adoption of the Forest Strategy in 2013[1] and supports today the preparation of a new Strategy, announced in the European Green Deal.
A new Strategy at EU level is needed to provide a **coherent framework** for all the initiatives planned under the European Green Deal that bear an impact on European forests, ranging from climate and environmental policy to agricultural development and circular bioeconomy, just to name a few.
The new Strategy should also continue to be a tool for stimulating EU Countries to cooperate and for ensuring the timely engagement of relevant stakeholders in forest-related initiatives.
Finally, the new Strategy should keep the holistic approach to sustainable forest management at its heart, as defined in the 1993 Helsinki resolution of FOREST EUROPE:

"the stewardship and use of forests and forest lands in a way, and at a rate, that maintains their biodiversity, productivity, regeneration capacity, vitality and their potential to fulfill, now and in the future, relevant ecological, economic and social functions, at local, national, and global levels, and that does not cause damage to other ecosystems".

The 2013 Strategy was built on 8 different priority areas that addressed all three pillars of sustainability (environmental, economic and social) in a balanced way, an approach that should be maintained also in the new Strategy.

CEI-Bois wishes to stress the need for a strong Forest Strategy which:

- Recognises the whole forest value chain from forestry to the forest-based industries such as the woodworking industry as key ally in climate change mitigation through carbon sink, storage and substitution;

- Acknowledges that sustainable and active forest management is an effective way to prevent forest damages (pests, storms, fires) and reminds that in addition to economic losses damaged forests lose their biodiversity value and role as carbon sinks;

- Recognises the role of the forest-based circular bioeconomy in the creation of additional green jobs and growth in rural and urban areas;

- Is based on a strong knowledge base;

- Fully respects Member States subsidiarity on forest policy and recognizes the characteristics such as different economic value of forests in Member States and rural areas.

[1] COM(2013)659.

The way forward

Healthy, multifunctional forests and competitive forest-based value chains are crucial for reaching the objectives of the Green Deal and turn Europe into a prosperous and fair climate-neutral economy. **Sustainable and active forest management** is needed to meet the manifold societal expectations. To name a few:

Climate benefits

- The full climate mitigation potential of the forest sector is best achieved when forests are growing fast through active and sustainable forest management and renewable and recyclable wood-based products replace products made of fossil-based raw materials. Thanks to its properties of absorbing CO_2 and storing carbon in wood, trees and timber play an important role in **mitigating climate change** and in decarbonising key economic sectors such as construction[2]. Today **around 65% of the net annual increment in forests available for wood supply is harvested**[3], leaving a continued level of carbon sequestration. The carbon stored during the tree's growth phase is also stored in wood products throughout their life cycle, including re-use and recycling. Overall, the EU's sustainably managed forests produce today a climate mitigation impact amounting to 13% of European total greenhouse gas emissions. This includes both the action of forests and harvested wood products as a **carbon sink** and **carbon stock**, and the **substitution effect** of forest products for functionally equivalent materials and products[4].

- At the same time, changing climatic conditions cause serious and increasing threats to forests, such as droughts and heat waves, floods, pests and diseases, erosion and forest fires. These natural disturbances cause severe damage to forest ecosystems, human well-being and the provision of ecosystem services, including suitable raw materials for downstream forest industries. Sustainable and active forest management is an effective way to prevent forest damages.

Circular Bioeconomy development

- The new Strategy should further promote the transition to a **circular bioeconomy**. The wood value chain offers an excellent example: it begins with sustainably sourced raw materials (originating for the most part from EU sources[5]), followed by highly resource efficient processing providing wood product for numerous applications. Such development has the potential to decarbonise key sectors of the European economy and reduce dependence on fossil sources. Carbon saving figures for the use of wood in construction can be substantial: for instance, in the Netherlands it was calculated that scaling up the building sector with 10.000 timber houses could alleviate 10-42% of the total CO_2 emissions produced by the building sector[6].

-At the same time, optimising forest biomass growth while answering to other societal expectations and the impacts of climate change requires more insights and knowledge on future supply potential in connection with future demand, as well support to forest owners' capacity building. **Knowledge gaps** should be filled to keep the industry competitive. For example, as the composition of forests will

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[2] Building with 1ton of wood instead of 1 ton of concrete leads to an average saving of 2.1 tons of carbon dioxide over the lifecycle. Source: European Commission, Updated Bioeconomy Strategy 2018.

[3] Source: Joint Research Centre 2018, Biomass production, supply, uses and flows in the EU.

[4] G.-J. Nabuurs, P. Delacote, D. Ellison, M. Hanewinkel, M. Lindner, M. Nesbit, M. Ollikainen and A. Savaresi. 2015. A new role for forests and the forest sector in the EU post-2020 climate targets. From Science to Policy 2. European Forest Institute.

[5] Import reliance for industrial roundwood has been below 10% for the past 15 years. Source: European Commission, EIP on Raw Materials, Raw Materials Scoreboard 2018

[6] https://www.w-e.nl/portfolio-item/200-000-ton-minder-co2-uitstoot-meer-houten-woningen

change, the woodworking Industries also need to adapt to a decline of softwood species and a higher share of hardwood species in the raw material supply, depending on the area. Evaluation and assessment of changes in forest tree species composition taking into consideration both the market's demand and the effects of climate change is key in this regard.

Biodiversity

- EU hosts a broad variety of forest ecosystem types, each with their respective challenges including a growing intensity of climate-change induced threats. Around 25% of the total forest area in EU28 is protected under the Natura 2000 scheme, and forest ecosystems make up 50% of the entire Natura2000 network[7]. Successful enhancement of biodiversity in European forests depends on some factors. For example, before any addition of protected areas or new legislation are considered, better implementation of existing nature legislation is needed on already designated sites, based on participatory planning and management, and on appropriate financing. In general, targets in the upcoming Biodiversity Strategy have to stay within realistic limits and based on best available scientific knowledge, also respecting local specificities and Member State subsidiarity on forest policy.

Social sustainability

- Too narrow policy would hinder the sectors possibilities to contribute to the European Green Deal, sustainable development and a shift from fossil-based economy to circular bioeconomy. EU forests are also an essential contributor to **rural development**: multifunctional European forests give their owners income that is necessary to keep the forests sustainably managed. 170.000 companies in the EU belong to the woodworking industry, which represents an important link between urban, peri-urban and rural areas, giving jobs to 1 million workers and adding 133 billion euros to the economy. The forest-based sector as a whole represents around 420.000 enterprises for a total turnover of over 520 billion euros and around 3,5 million workers.

CEI-Bois, the European Confederation of the Woodworking Industries, numbers 18 national organizations, 4 European Sector Federations as well as 1 Private Industrial Group. It is the Organization backing the interests of the whole industrial European wood sector: around 180.000 companies generating an annual turnover of about 144 billion euros and employing 1 million workers in the EU.

2.2. Workshop “Seeing the Forest through the trees”

Early 2020 CEI-Bois also attended the workshop “Seeing the Forest through the trees” organised by European forest owners (CEPF, EUSTAFOR), COPA-COGECA and ELO, on the 21 of January 2020 in the European Parliament.

[7] Metodi Sotirov (ed.) 2017, Natura 2000 and forests: Assessing the state of implementation and effectiveness. What Science can tell us 7, European Forest Institute.

The event was organised around the concept of multifunctional sustainable forest management and was hosted by MEP Petri Sarvaama (EPP, Finland), the Rapporteur in AGRI for the Forest Strategy file.

The workshop aimed at showcasing concrete examples of multifunctional forest management in different European regions and discussing the benefits and challenges of such approach in view of the upcoming new Forest Strategy.

On the 28 of September 2020, the European Forestry value chain, including the two certification bodies, FSC and PEFC, have issued a joint letter to the Members of the European Parliament to support the Report on "The European Forest Strategy - The Way Forward" by MEP Petri Sarvamaa, which at the time was expected to be voted on the 6 October 2020 on occasion of the EP Plenary Session.

Brussels, 28 September 2020

JOINT STATEMENT

The New EU Forest Strategy: 3 reasons to endorse the committee report

Ahead of the European Parliament's vote on the report "*The European Forest Strategy – The way forward*" planned for next week, the EU forest and forest-based sector would like to share three reasons why the report voted in the AGRI committee should be supported. In our opinion, the report provides the upcoming EU Forest Strategy with all the essential ingredients to allow forests and the forest-based sector to play their central roles in achieving the objectives of the European Green Deal, including climate neutrality by 2050.

1) All forest functions count

The report builds on sustainability principles which foster the environmental, economic and social benefits of forests and forest management in a balanced manner. It strives to find an equilibrium between biodiversity preservation, climate protection and economic output, in which no function dominates the others. This is well-summarised in the report which points out *"the need to develop a coherent approach to bring together biodiversity protection and climate protection in a thriving forest-*

based sector and bio-economy". Regarding climate change, the report reiterates the necessity to strengthen the overall climate benefits stemming from forests and the forest-based value chain, namely fostering CO2 sequestration and carbon storage in forests and wood products as well as substituting for fossil-based materials and energy. The report also makes clear that only resilient and healthy forests can continue to deliver these multiple ecosystem services.
This holistic "field reality" approach, based on sustainable forest management, is what the forest and forest-based sector needs from the future EU Forest Strategy in order to continue to fulfil the increasing expectations of the wider society.

2) People, jobs and rural areas count
The report puts human aspects into focus by referring, in particular, to people who work and make their living directly or indirectly from forests and the forest-based sector, but also to citizens who enjoy the multiple benefits forests provide on a daily basis.
The positive role that forests and the forest-based sector play in terms of employment and safe jobs is also pointed out and supported by the report. The value chains of the forest and forest-based sector provide nearly 4 million green European jobs, mostly located in rural areas. The report rightly mentions the importance of preventing a rural exodus by attracting industries to invest in Europe and by investing in ecosystems. In this period of economic, climatic and health crises, it is important to endorse the support the report provides to the forest and forest-based sector in the latter's role as job providers. This support is key for the sector to continue rolling out viable solutions which can contribute to a sustainable and green economic recovery in a sustainable and resource-efficient way.

3) Coherence, coordination and teamwork count

The report calls for an ambitious, independent and self-standing EU Forest Strategy post-2020 and highlights the need for it to be coordinated and better integrated with relevant EU legislations. It also stresses the important role Member States and stakeholders need to take in this process. The future EU Forest Strategy should be a reference tool which provides guidance, expertise and examples of good practices necessary to develop and implement other EU forest-related policies. The Strategy's role is also to ensure that all these policies work together towards the overall international (UN SDGs) and EU goals to be achieved during the next decades. Over the last years, a growing number of EU policies stemming from various sectors, including provisions for forests and the forest-based sector, have been agreed. This has led to a fragmented and complex policy framework. In this context, coherence and teamwork are even more relevant and important and the role of consistency in the future EU Forest Strategy, as described in the report, should be supported.

For all the reasons provided above, we are calling on the European Parliament to endorse and confirm the report "*The European Forest Strategy – The way forward*" when it comes to the plenary vote

Following the adoption initiative report "The European Forest Strategy – The way forward", on occasion of the of the European Parliament Plenary session, on 7 October 2020, the European Woodworking Industries issued a joint position paper endorsing the adopted report.

3 KEY ELEMENTS OF THE EP REPORT

The EP Report stresses the need to promote the use of wood as a sustainable construction material as it enables us to move towards a more sustainable economy; encourages the Commission to explore different market-based mechanisms in order to incentivise substitution of fossil fuels by renewable raw materials which offer climate benefits. Moreover, it stresses the crucial role of wood-based materials in substituting fossil-based alternatives and alternatives with a higher environmental footprint in industries such as construction, textiles, chemicals and packaging, and the need to fully take into account the climate and environmental benefits of this material substitution;

It considers that the EU should encourage the use of timber, harvested wood products or forest biomass in order to stimulate sustainable production and jobs;

It points out that achieving the EU's goals for environment, climate and biodiversity will never be possible without forests that are multifunctional, healthy and sustainably managed applying a long-term perspective, together with viable forest-based industries; stresses that under some circumstances there are trade-offs between protecting the climate and protecting biodiversity in the bio-economy sector and particularly in forestry, which plays a central role in the transition towards a climate-neutral economy.

The Woodworking Industry position paper stresses the need for a balanced, independent and self-standing EU Forest Strategy for the post-2020 period, built on a comprehensive understanding of Sustainable Forest Management. This approach is the way forward to enable the European forests and forest-based Industries to tap into their potential of climate change mitigation and sustainable job creation, in line with the 2050 climate-neutrality objective of the EU.

Brussels, 8 October 2020

JOINT PRESS RELEASE

THE EUROPEAN WOODWORKING INDUSTRIES WELCOME THE PARLIAMENT REPORT ON THE FUTURE OF THE EU FOREST STRATEGY

On 7 October 2020 the European Parliament, gathered in Plenary session, adopted the own initiative report "The European Forest Strategy – The way forward", led by the Rapporteur Petri Sarvamaa (Finland, EPP Group).

The European Woodworking Industries endorse the adopted report, which stresses the need for a balanced, independent and self-standing EU Forest Strategy for the post-2020 period, built on a comprehensive understanding of Sustainable Forest Management. This approach is the way forward to enable the European forests and forest-based Industries to tap into their potential of climate change mitigation and sustainable job creation, in line with the 2050 climate-neutrality objective of the EU. As the report rightly acknowledges, "*stepping up the circular bio-economy is an essential approach to achieving a low-carbon society in the implementation of the Green Deal*", and the European Woodworking Industries play an essential role in that transition.

The sector also offers an example of a circular bio-based industrial ecosystem, where materials, by-products and residues are supplied across the various parts of the value chain to make the most efficient use of resources, including through re-use and recycling.

Promoting the use of wood-based products also provides a robust and immediate solution for reaching a carbon-neutral EU economy, thanks to the effects of carbon storage in wood and substitution of fossil-based materials. This offers the potential to decarbonise the building sector, both in sustainable new construction and in the energy efficient renovation of the existing building stock: wood products used in renovation provide excellent insulation properties and require less energy in manufacturing and transport, thereby reducing the final embodied energy in the building.

The Forest-based bioeconomy brings jobs and growth mainly in rural areas: the number of employees in the Woodworking Industries alone should be estimated at substantially more than 2.1 million, for a total number of 180.000 companies and a production value of €240 billion in 2018. The European Woodworking Industries are committed to the legal and sustainable sourcing of raw materials. The provision of wood is one of the many key functions of sustainably managed forests, and one that provides the income to be reinvested in climate change mitigation and adaptation measures, to preserve the health and resilience of European forests against the increasing threats of disturbances and diseases.

THE EUROPEAN WOODWORKING INDUSTRIES

The European Woodworking Industries drive the development of a sustainable European bioeconomy and are key contributors to jobs and growth. In 2018 the production value of the sector reached closed to 240 billion EUR. The sector counts almost 180.000 companies in Europe, most of which are small and medium sized. Given the SME structure of the industry (it should be borne in mind that some countries do not take into account firms with less than 20 employees, thus the global figures tend to substantially underestimate the employment in small and medium-sized industrial sectors) the actual total number of employees in the EU-28 wood industries should be estimated at substantially more than 2.1 million in 2018.

Signatories:

CEI-Bois is the European Confederation of the Woodworking Industries*. It represents 21 European and National organisations from 15 countries and is the body backing the interests of the whole industrial European wood sector. www.cei-bois.org*

The ***European Panel Federation (EPF)*** *represents the manufacturers of wood-based panels being particleboard, dry process fibreboard (MDF), oriented strand board (OSB), hardboard, softboard and plywood. EPF has members in 32 European countries. The EU wood panel industry creates over 100,000 jobs directly and counts more than 5,000 enterprises in Europe. Annual turnover is approximately €22 billion. www.europanels.org*

The ***European Federation of the Parquet industry (FEP)*** *reunites more than 80 members in 20 countries: European parquet manufacturers, national parquet associations and suppliers to the industry. The primary goal of FEP is to strengthen and improve the position of wood flooring as a sustainable floor covering solution. www.parquet.net*

The ***European Organisation of the Sawmill Industry (EOS)*** *represents some 35,000 sawmills manufacturing sawn boards, timber frames, glulam, decking, flooring, joinery, fencing and several other wood products. EOS represents around 80% of the total European sawn wood output in a sector that has a turnover of around 35 billion EUR and employs about 250,000 people. www.eos-oes.eu*

One of the many actions planned under the Green Deal is the New EU Forest Strategy, a non-legislative initiative which the Commission was expected to prepare by the end of 2020. At today's date, the Forest Strategy delayed to Q1 2021, appears to be further postponed to Summer 2021.

For this reason, on 20th November, the European Forest and Forest-Based Sector, represented by the private and public forest owners and managers, forest-based industries as well as the representatives of workers, contractors and professionals, published a joint letter calling on the European Commission to make swift progress with the **Forest Strategy post-2020**.

The letter was addressed to the President of the European Commission, Mrs Ursula von der Leyen and it is signed by the CEI-Bois President, Mr. Anders Ek. Copy of the joint letter is in the following page.

Previously on 16th November, the EU Council expressed its recommendations on the post 2020 Forest Strategy. In its conclusions, the Council invited the EU Commission to enhance "*the forests' and forest-based sector's contribution to the EU-wide bio- and circular economy, leading to more green economic infrastructure, innovative products and technologies, forest-based livelihoods, decent green jobs and viable rural areas as well as to enhanced mitigation of climate change through the use of wood from sustainable and renewable sources*".

Ms Ursula von der Leyen
President of the European Commission
European Commission
Rue de la Loi 200
BE-1049 Brussels

Brussels, 20th November 2020

Re: Delay in the publication of the EU Forest Strategy

Dear President of the European Commission,

The European forest and forest-based sector, represented by the private and public forest owners and managers, forest-based industries as well as the representatives of workers, contractors and professionals, are very much concerned about the delay of the publication of the Communication on the new EU Forest Strategy. As mentioned in the Commission work programme for 2020, the new EU Forest Strategy, originally expected to be published in 2020, was already postponed until Q1 2021. Recently we heard in one of the Commission working group meetings that its publication could be postponed once again, for summer 2021.

As representatives of the entire forest value chain, we do not understand why the EU Forest Strategy post-2020 is not a higher priority for the Commission, considering forests' and the forest-based sector's potential for tackling the ongoing climate and health crises. Also, increasing natural disturbances such as bark beetles and forest fires pose a threat to these vital resources and require long-term commitment as well as timely and well-coordinated action from the EU and its Member States. We welcome the publication of the Roadmap, but looking at the delay with which it was launched, we are still concerned about a possible further delay that could have a negative impact on achieving the key objective to continue the transition to a greener and more sustainable economy.

The European forest and forest-based sector calls on the European Commission to make swift progress with the Forest Strategy post-2020, taking into account the recommendations given by the Member States in the Council Conclusions of 11 November 2020[8] and the EP Resolution of 8 October 2020[9].

The EU Forest Strategy is the main policy instrument for integrating European forests and the forest-based sector into other EU policy areas relevant to the sector. The upcoming strategy should provide a cross-cutting, holistic, multi-dimensional and inclusive framework, with sustainable forest management principles at its core. It should ensure an effective, well-coordinated and balanced further development of the EU instruments related to forests and the forest-based sector. A swiftly delivered robust EU Forest Strategy is crucial to unlocking the full potential of sustainably managed and multifunctional forests, and their products and services, in order to reach the objectives of the EU Green Deal and contribute to the EU's recovery from COVID-19 as well as the UN Sustainable Development Goals.

We therefore kindly ask you to consider the steps necessary to ensure that the Commission and Member States, supported by relevant stakeholders, reach an agreement on the new EU Forest Strategy post-2020 within the deadline included in the Commission work programme for this year. We remain at your disposal and available for continued collaboration with your services with a view to defending the importance of this strategy for the sector and for achieving the objectives of the European Green Deal.

Yours faithfully,

Hannes Tuohiniitty, President of BIOENERGY EUROPE	Klaus Pentzlin, President of CEETAR	Anders Ek, President of CEI-BOIS
Hubert de Schorlemer, President of CEPF	Ignazio Capuano, President of CEPI	Ramón Armengol, President of COGECA
Christiane Lambert, President of COPA	Pierre-Olivier Drège, President of ELO	Sampsa Auvinen, President of EOS
Reinhardt Neft, President of EUSTAFOR	Pierre Grandadam, President of FECOF	Lars Gunnar Andersen, President of FEP
Johan Elvnert, Managing Director of FTP	Michael Diemer, President of UEF	Leire Salaberria, Managing Director of USSE

[8] https://data.consilium.europa.eu/doc/document/ST-12695-2020-REV-1/en/pdf
[9] https://www.europarl.europa.eu/doceo/document/TA-9-2020-0257_EN.

2.3 “Stepping up EU action to protect and restore the world’s forests”

On 23 July 2019, the European Commission adopted an EU Communication on Stepping up EU Action to Protect and Restore the World’s Forests. According to the this document and correlated annexes, around 80% of global deforestation, the second major cause of climate change after the burning of fossil fuels, is driven by agriculture. According to a commission study, between 1990 and 2008, the EU consumed one third of the agricultural products associated with deforestation such as palm oil, soya and beef.

The Communication has the objective of protecting and improving the health of existing forests, especially primary forests, and significantly increasing sustainable, biodiverse forest coverage worldwide.

It sets out five priorities:

- Reduce the footprint of EU consumption on land and encourage the consumption of products from deforestation-free supply chains in the EU;
- Work in partnership with producer countries to reduce pressures on forests and to “deforest-proof” EU development cooperation;
- Strengthen international cooperation to halt deforestation and forest degradation, and encourage forest restoration;
- Redirect finance to support more sustainable land-use practices;
- Support the availability and quality of information on forests and commodity supply chains, the access to that information, and support research and innovation.

Following the Communication, the EU executive called for evidence to assess options in preparation for a new initiative to “minimise the EU’s contribution to deforestation and forest degradation worldwide and promote the consumption of products from deforestation-free supply chains in the EU”. The new a legislative initiative is expected in 2021.

CEI-Bois closely followed the development of this dossier. As important action , CEI-Bois met Mr Hugo Schally, Head of Unit for Multilateral environmental co-operation in DG Environment on the 16 of January 2020. The aim of the meeting was to discuss CEI-Bois’ position on the issue of global deforestation and receive an update on the implementation of the Communication issued in July on the same topic.

According to the information received, it was anticipated that during 2020 a ‘Fitness Check’ of the EU Timber Regulation was expected to be performed by the Commission. This will be preliminary to any possible revision of the scope and will focus on the overall effectiveness of the Regulation. In parallel, they will launch an Impact Assessment on additional demand-side measures for promoting ‘deforestation-free’ value chains. This in principle could involve agricultural commodities and not just timber.

- Additionally, CEI-Bois successfully applied to be one of the **expert in the Stakeholder Platform on Deforestation**.

THE EUROPEAN PARLIAMENT POSITION

Later in the year, on the 28 September 2020 the Members of the Environment Committee of the European Parliament voted on the draft Report on an EU legal framework to halt deforestation by MEP Delara Burkhardt (S&D, Germany).

The Environment, Public Health and Food Safety Committee adopted a report today with 45 votes to 11 and 25 abstentions calling on the Commission to present an EU legal framework to halt and reverse EU-driven global deforestation. This is the first time the committee will make use of the possibility in the Treaty for Parliament to ask the Commission to come forward with binding legislation.

The report proposes to establish a mandatory due diligence system for all commodities related to deforestation and forest degradation, such as agricultural products, and paves the way for a possible future inclusion of timber products in this new framework. It was voted in Plenary on the 19 October 2020.

Ahead of the vote, CEI-Bois published a statement on Deforestation and coordinated action to reiterate the message that timber and timber products from sustainably managed forests are not linked to global deforestation.

CEI-Bois

We are a responsible Industry

Statement on the EU Communication on Stepping up EU Action to Protect and Restore the World's Forests

CEI-Bois welcomes the EU Communication on "Stepping up EU action to protect and restore the world's forests" and supports the objective of the EU to prevent deforestation and forest degradation at global level. The European woodworking industry considers the priorities outlined in the Communication to be the right way forward. The EU woodworking industry agrees on the need to carefully assess the potential for further regulatory and non-regulatory actions and the impacts of possible new measures. The assessments should also take into account strengthening the enforcement of existing legislation and tools.

Preventing deforestation and promoting sustainable forestry is not a matter for the EU alone, and therefore a partnership approach is important.

The EU Communication acknowledges that the main direct driver of deforestation worldwide is land use change caused by agricultural expansion (accounting for 80% of total deforestation), with weak governance, illegal activities and lack of investment in sustainable forest management also playing a role. Lack of sustainable forest management and natural disturbances such as pests and fires are also factors causing forest degradation.

The Woodworking industry is committed to sustainable forest management and over 90% of the roundwood used by the EU wood-processing industries is harvested in Europe[10], where adequate legislation against deforestation and forest degradation is already in place. Moreover, CEI-Bois fully supports already existing EU initiatives such as FLEGT (EU Forest Law Enforcement, Governance and Trade Action Plan) and the EU Timber Regulation (Reg. EU 995/2010), that aim to improve forest governance in third countries and to prevent wood and wood-based products that derive from illegally logged forests to enter the European market.

Therefore, CEI-Bois takes the opportunity of the launch of the new Strategy to express the following recommendations:

- Extend the scope of the EU Timber Regulation to include all wood products, printed products and furniture products currently outside the scope, except for recycled materials and wood packaging for transport. This would avoid loopholes in the environmental policy framework and would ensure a level playing field between competitors inside and outside of the EU. Ensuring a consistent implementation and enforcement of the EU Timber Regulation by Member States is also of key importance.

[10] European Commission, Raw Materials Scoreboard 2018

- Increase the support to and awareness about FLEGT licensing system to improve forest governance in tropical countries and encourage the consumption of verified legal tropical timber. Today 15 tropical countries are negotiating or implementing FLEGT agreements with the EU, accounting for 80% of global tropical timber trade[11]. In 2016, Indonesia become the first country to issue FLEGT licenses to timber products exported to the EU. A study[12] reveals that misconceptions about tropical timber persist in public procurement bodies and that the understanding of the benefits of Voluntary Partnership Agreements (VPAs) and FLEGT is still limited. Increasing the recognition of FLEGT licensed timber in national Public Procurement policies as a mean of verification of compliance with legality requirements would send a positive signal to countries engaged in VPA processes.

- EU Forests are increasingly exposed to the effects of climate change, which directly and indirectly affect their growth and productivity through changes in temperature, rainfall, weather and other factors such as the increased number and intensity of fires[13] or pest outbreaks. Active and sustainable forest management is a key to keeping the European forests healthy. Healthy and multifunctional European forests are essential to reach the environmental objectives of the EU and to meet the manifold societal expectations on climate change mitigation, protection against natural hazards, recreational space, development of the bioeconomy and biodiversity conservation, just to name a few.

- CEI-Bois emphasizes that the European forests and the forest-based sector should be integrated into the new European Green Deal through a robust EU Forest Strategy post-2020, that would provide a framework for a consistent and well-coordinated action at EU level. Thanks to its properties of absorbing CO2 and storing carbon in wood, trees and timber play an important role in the fight against climate change and in decarbonising key economic sectors such as construction. The carbon stored during the tree's growth phase is also stored in wood products throughout their life cycle, including re-use and recycling.

- CEI-Bois fully supports the role of EU Trade Agreements as a leverage to promote sustainable forest management and halt deforestation worldwide. Sustainable development chapters of FTAs are of paramount importance

On 2 October 2020, CEI-Bois attended the first meeting of the Multi-Stakeholder Platform on Protecting and Restoring the World's Forests organised by the EU Commission.

The meeting focused on the implementation of the EU 2019 Strategy against deforestation and on the discussion of possible additional EU demand-side measures to prevent the import of commodities linked to deforestation and forest degradation.

[11] See http://www.euflegt.efi.int for more information.
[12] International Tropical Timber Organisation / FLEGT Independent Market Monitor (IMM), A study of EU public timber procurement policies, related guidance and reference to FLEGT, May 2019
[13] https://ec.europa.eu/jrc/en/news/more-countries-ever-hit-forest-fires-2018

Reported below, a summary of the **most important information delivered during this meeting**.

Forests cover 30% of the Earth's land area and host 80% of its biodiversity. They provide subsistence and income to about 25% of the world's population. They provide important ecosystem services to society, such as clean air, water flow regulation, carbon sequestration, soil protection from water and wind erosion, habitats for animals and plants, restoration of degraded land, and resilience to disasters and to climate change. Through these functions, they can mitigate the risk of regional conflicts, reduce migration flows, and increase the output of agricultural activities and the well-being of local communities.

The world's forests are in serious danger through deforestation and forest degradation with a forest area of 1.3 million square kilometres lost between 1990 and 2016. Approximately 80% of global deforestation is caused by the expansion of land used for agriculture. Urban expansion, infrastructure development and mining are also factors driving deforestation.

The European Commission has launched a study on the role of third-party certification schemes in the framework of the EU Timber Regulation. The lead consultant is NEPCon and the study will be completed early 2021. The main output of the study is a framework to assess how different certification schemes are working for the requirements of the EU TR, and how those can apply to other products (*for more information on this point, the Members are invited to contact the CEI-Bois secretariat*).

The EC is launching "EU Forest Partnerships" with producer countries. Mr. Moussy (DG DEVCO) explains that the initiative is developed in the spirit of FLEGT, that is, a partnership approach that also aims to engage and include in the debate the civil society of the target countries. The goals of such partnership are reforestation and afforestation, sustainable job creation, forest conservation, improved governance and increased imports of deforestation-free products. The EC is now in programming phase: EU Delegation abroad are starting a debate with countries to identify possible actions to be initiated in the light of the targets, and to define 7-years programmes; the process will go on until Spring and may result in joint ministerial declarations. In parallel DG TRADE is working on strengthening Sustainable Forest Management requirements in Free Trade Agreement negotiations. Full presentation here.

3) Mr. De Santi (JRC) presents the work on an EU Observatory on Deforestation, Forest Degradation, Changes in the World's Forest Cover, and Associated Drivers. This will build on existing monitoring systems, such as the satellite Copernicus, to provide a platform for analysis, not just on forests in Europe but worldwide. It will monitor changes in forest cover and forest degradation, consumption of commodities associated to deforestation and forest degradation, as well as trade flows of selected commodities. The Observatory will also provide an "early-warning" system on changes in forest cover related to consumption of commodities and ecosystem threats. Monitoring of moist tropical forest will also be included; the first result will be available end of 2020.

Finally, on the 24 November CEI-Bois replied to the public consultation on the EU Timber Regulation and FLEGT Fitness Check and the consultation on a new legislative framework to halt deforestation and forest degradation. It put forward the following recommendations on a new initiative to establish demand-side measures to halt deforestation:

1) Definitions: The new framework requires a clear and implementable definition of deforestation. Internationally accepted definitions should be used. FAO defines deforestation as "the conversion of forest to another land use or the long-term reduction of tree canopy cover below the 10% threshold".

2) Scope of the new framework: according to FAO (State of the World's Forest 2020), 40% of deforestation in tropical areas in is driven by large-scale commercial agriculture (cattle ranching,

cultivation of soya bean and palm oil). Local subsistence agriculture also plays a role (33%), followed by urban expansion, infrastructure and mining. EU action should be cost-effective and focus on the main traded commodities driving deforestation. Moreover, the legality of harvesting and trading forest products is currently covered by the EU Timber Regulation, and double regulation in the future EU legal framework should be avoided. Therefore, there is no need for the adoption of additional EU legislation for what concerns wood forest products. Instead, the existing legislative framework on timber products should be better implemented and enforced, subject to the evaluation exercise currently undertaken by the European Commission.

3) Recommendations on improving Due Diligence for timber products:
The EU Timber Regulation is a valuable instrument in the fight against illegal logging worldwide, as it obliges operators to put in place a due diligence system on timber that is placed on the EU market for the first time. To be effective, the Regulation must ensure a real level playing field between operators and countries and minimize the risk of loopholes. Due diligence is also an evolving process. Recommendations:

- Extend the scope of the EU Timber Regulation to include all wood products, printed products and furniture products currently outside the scope, except for recycled materials and wood packaging for transport. This would increase the coverage of imports of "high-risk" wood by almost 30%3 and would deliver the highest environmental benefit4. This measure has been called for by the entire European Forest-based sector in an open letter signed on July 2018.
- Ensure a consistent enforcement by EU Member States. Different levels of stringency of the controls performed by Competent Authorities lead to an uneven playing field and ultimately undermine the goal of the Regulation. For example, improved communication between Customs and Competent Authorities is needed to ensure that companies that custom clear goods in a different European country than their registered country are checked. This currently happens in some European countries but not all.
- Improved communication to operators, e.g. through guidelines, can be helpful to improve due diligence systems. More inspections increase the effectiveness of the instrument, but only at the condition that it is clear what is expected from the operators in terms of documents and risk mitigation measures to adopted, depending on the species or origin country of the wood. The expectation on "legal compliance" can also be understood very differently among different stakeholders, from producers, government and NGOs in the country of production to companies and enforcement bodies in the EU. There need to be platforms for dialogue to calibrate understanding and practices between businesses, NGOs and enforcement bodies in order to allow continuous improvement on due diligence implementation.
- To enhance obligations on traders to gather and maintain key product information such as species and country of harvest. This information is crucial in demonstrating the achievement of due diligence to the conscious end-consumers, i.e. the improved supply chain transparency. Unfortunately, this information is often lost in the supply chain after operators. To enhance industry confidence on the EUTR, key product information needs to be passed along and maintained throughout the supply chain.
- The role for third-party certification as a risk mitigation tool should be further clarified and equally recognised by all Competent Authorities in Europe.
- Finally, CEI-Bois fully supports the role of EU Trade Agreements as a leverage to promote sustainable forest management through a partnership approach and halt deforestation worldwide. Sustainable development chapters of FTAs are of paramount importance and their implementation and enforcement should be duly monitored by the EU.
- Continuous engagement is also needed with other currently non-regulatory consumer countries such as China and India to adopt similar mechanism on tackling illegal logging and deforestation.

2.4. Forests for Biodiversity and Climate

European Commission's DG ENV organised a high-level international conference on forests for biodiversity and climate on the 4 and 5 of February 2020 in Brussels.

The approach of the event was to debate on forests from a biodiversity and climate change point of views and to address global deforestation and forest degradation. The general message was that protecting forests means protecting biodiversity and working for a climate neutral and climate resilient land.

CEI-Bois attended the two-days event, opened by Vice-Chair Timmermans who stressed the urgency for species extinction but at the same time recognised the potential of wood construction for climate - ¨Forests can do many things at one time, but we need to create best synergies for all interests¨.

The main messages the conference provided for are:

- the biodiversity crisis should have the same level of urgency as climate crisis

- the Sustainable Forest Management as a balance between economy, society and environment is questioned; it is missing out on the environmental side (notably biodiversity)

- old-growth, mature forests are better not only for biodiversity but also for climate, as they have better capacity to absorb carbon, therefore need to increase protected areas

- big request to increase payments for ecosystem services

- European forest carbon sink is decreasing, we need to harvest less

- we need to reduce wood consumption (specific message from FERN)

On the 20 of May 2020 the European Commission published the [Biodiversity Strategy 2030](#).

The Strategy announces a new EU Nature Restoration Plan, aimed at conserving biodiversity and improving the resilience of natural ecosystems. It sets the bold target to increase the protected surface area to least 30% of the land from the current 26%, also setting a sub-target of 10% of areas covered by strict protection, with a special focus on primary and old-growth forests. The Strategy aims to put Europe's biodiversity on a path to recovery by 2030 with benefits for people, the climate and the planet. It is also the proposal for the EU contribution to the upcoming international negotiations on the global post-2020 biodiversity framework.

According to the EU Commission, in the post-COVID context, the Biodiversity Strategy aims to build our societies' resilience to future threats such as climate change impacts, forest fires, food insecurity or disease outbreaks, including by protecting wildlife and fighting illegal wildlife trade.

The Strategy contains specific commitments and actions to be delivered by 2030, including:

1. Establishing a larger EU-wide network of protected areas on land and at sea, building upon existing Natura 2000 areas, with strict protection for areas of very high biodiversity and climate value.
2. An EU Nature Restoration Plan - a series of concrete commitments and actions to restore degraded ecosystems across the EU by 2030, and manage them sustainably, addressing the key drivers of biodiversity loss.
3. A set of measures to enable the necessary transformative change: setting in motion a new, strengthened governance framework to ensure better implementation and track progress, improving knowledge, financing and investments and better respecting nature in public and business decision-making.
4. Measures to tackle the global biodiversity challenge, demonstrating that the EU is ready to lead by example towards the successful adoption of an ambitious global biodiversity framework under the Convention on Biological Diversity.

While supporting the general goal, CEI-Bois considers that some elements are underdeveloped or missing in the Strategy, which fails to account for the role of sustainable forest management in Europe. CEI-Bois issued a press release on the day of the strategy publication to provide the industry's point of view on the matter.

CEI-Bois

We are a responsible Industry

Brussels, 20 May 2020

PRESS RELEASE: Wood Industry reaction on the EU Biodiversity Strategy 2030

Today the European Commission published the new EU Biodiversity Strategy 2030, which sets up a new EU Nature Restoration Plan, aimed at conserving biodiversity and improving the resilience of natural ecosystems. It sets the target to increase the protected surface area to least 30% of the land from the current 26%, also setting a sub-target of 10% of areas covered by strict protection, with a special focus on primary and old-growth forests.

The Strategy also states that "in addition to strictly protecting all remaining EU primary and old-growth forests, the EU must increase the quantity, quality and resilience of its forests, notably against fires, droughts, pests, diseases and other threats likely to increase with climate change" and that "more resilient forests can support a more resilient economy. They also play an important role in providing materials, products and services, which are key for the circular bio-economy".

"*We agree on the need to improve the resilience of European forests against the challenges of climate change, and we consider that sustainable and active forest management is an effective way to prevent forest damages; this should have been better acknowledged in the Strategy*" commented Mr. Antonicoli, Secretary-General of CEI-Bois, also reminding that in addition to economic losses damaged forests lose their biodiversity values and role as carbon sinks.

Sustainable Forest Management, as defined by the Forest Europe process and its criteria and indicators, ensures that the conservation of biodiversity is encompassed within management activities, without the need to impose new protected areas: today around 25% of the total forest area in EU28 is protected under the Natura 2000 scheme, and forest ecosystems make up 50% of the entire network (EFI 2017, *Natura 2000 and Forests*). Therefore, before any addition of protected forest areas or new legislation are considered, better implementation of existing nature legislation is needed on already designated sites, based on participatory planning and management, and on appropriate financing.

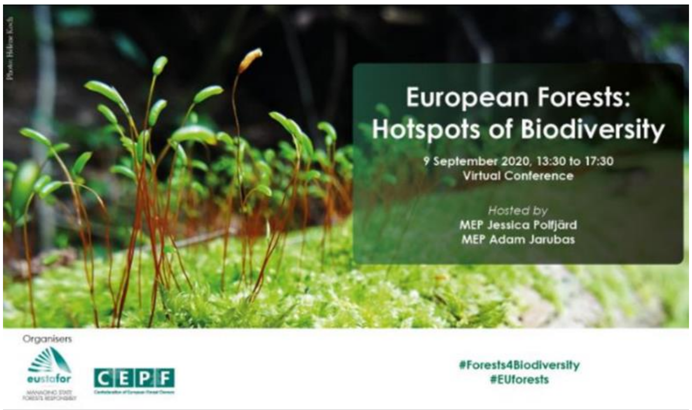
Finally, to ensure a good balance between all services of the European forests, including social and economic ones, the forthcoming EU Forest Strategy should provide a coherent policy framework based on Sustainable Forest Management. "*A too narrow focus on strict protection could hamper the provision of raw materials for the industry, ultimately undermining its contribution to the objective of a circular and climate-neutral economy*" added Mr. Antonicoli. For instance, timber buildings are key allies in decarbonising construction: 1 m3 of wood stores almost 0.9 ton of CO_2 and allows to save on average another 1ton of CO_2 compared to functionally equivalent materials.

In fact, it is of the utmost importance that the new Forest Strategy recognizes the whole forest value chain from forestry to the forest industry and forest-based products as a key ally in climate change mitigation, including the effect of carbon sink, storage and substitution of fossil-based raw materials.

CEI-Bois represents 23 European and National organisations from 15 countries and is the body backing the interests of the whole industrial European wood sector: more than 180.000 companies generating an annual turnover of 142 billion euros and employing 1 million workers in the EU.

Later on, CEI-Bois participated in the virtual conference titled "European Forests: Hotspots of Biodiversity", co-organised by the European State Forest Association (EUSTAFOR) and the Confederation of European Forest Owners (CEPF) on the 9 of September 2020.

The event was co-hosted by MEPs Jessica Polfjärd and Adam Jarubas of the European Parliament's Committee on Environment, and offered insights into sustainable forest management practices, which includes environmental conservation, and how they support achieving the goals of the Biodiversity Strategy for 2030. As it was recalled on this occasion, daily operations of sustainable forest management aim to ensure that our forests maintain their biodiversity, remain resilient and continue to serve society's multiple environmental, economic and socio-cultural expectations.



The event gathered high-level speakers, ranging from EU officials to forest owners and managers and researchers, together with 255 participants from all corners of the forest-based sector and beyond.

As a follow up activity on the Biodiversity dossier CEI-Bois together with other Forest-Based organisations launched the media campaign "Forests for Biodiversity" to increase the awareness of the role of forest management in protecting biodiversity.

The launch of the official video and the dedicated landing page www.forestbiodiversity.eu of the joint Forest Biodiversity campaign took place on 12 October 2020.

As the debate around the biodiversity and forest strategies has never been so high on the agenda, this joint initiative gives the floor to European forest owners and managers through a series of videos available on the dedicated platform www.forestbiodiversity.eu.

The interviews concretely show that behind the concept of sustainable forest management, special attention is given to biodiversity preservation and climate adaptation - two essential objectives for the forest owners and managers when managing forests.

CEI-Bois together with the partner organisations issued a joint press release to promote the launching of the media campaign.

Press release

#ForestBiodiversity - A new platform to show how sustainable forest management supports biodiversity preservation

Brussels, 12 October 2020

"Listen to EU forest stewards, understand their actions on the ground, learn from their experience, and go beyond the clichés!" In a few words, this is the message of the new awareness campaign #ForestBiodiversity launched today in Brussels by 6 associations representing the European Forest-based Sector.

As the debate around the biodiversity and forest strategies has never been so high on the agenda, this joint initiative gives the floor to European forest owners and managers through a series of videos available on the dedicated platform forestbiodiversity.eu. The interviews concretely show that behind the concept of sustainable forest management, special attention is given to biodiversity preservation and climate adaptation- two essential objectives for the forest owners and managers when managing forests.

Sustainable Forest Management provides a balance between biodiversity preservation, climate protection and socio-economic viability that local players, forest owners and managers, ensure on a daily basis. This multidimensionality in forest management is sometimes misunderstood.

Well managed forests have the capacity to remain a home for biodiversity in times of natural disturbances and changing climate. Well managed forests have the capacity to foster a greater amount of CO_2 and increase carbon storage in forests and wood products as well as substituting for fossil-based materials and energy. Well managed forests have the capacity to be the first link in a value chain that provides nearly 4 million green European jobs while also offering preserved spaces for all. Only resilient and healthy forests can continue to deliver multiple ecosystem services, including biodiversity preservation.

Conservation and enhancement of biodiversity are at the heart of Sustainable Forest Management.

3. CEI-BOIS ACTIONS FOR A SUSTAINABLE, CIRCULAR INDUSTRIAL GROWTH

3.1 F-Bi Vision 2050 -High level meeting with Commissioner Janusz Wojciechowski

In 2018, the European Commission presented its "A Clean Planet for All" vision, a long-term strategy for a prosperous, modern, competitive and climate-neutral economy by 2050. In 2019, President-elect Von der Leyen proposed to put forward the European Green Deal, set to become the first European Climate Law to enshrine the 2050 climate-neutrality target into legislation.

In response to this ambitious agenda, CEI-Bois and CEPI, the Confederation of European Paper Industries, launched the Forest-based Industries 2050 vision, showing their essential role in contributing to the carbon neutrality target. The vision was developed in the course of 2019 in cooperation with the European Panel Federation (EPF), the European Furniture Industries Confederation (EFIC), Bioenergy Europe and the Forest-based Sector Technology Platform (FTP), and is supported by organisations within the forest-based sector (CEPF, CEETTAR, COPA-COGECA, EUSTAFOR, FEP, INTERGRAF, ETTF).

The vision spans the entire EU-wide value chain of forest-based products, from forest owners and managers to transformation industries, academia as well as research and development. It focuses on forest-based solutions and how they help meet the emerging expectations of Europe's citizens, setting five ambitious targets and identifying pathways to achieve them.

The document was officially presented on the occasion of the Raw Material week, organised by the European Commission on the 18 of November 2019, in Brussels, during a session devoted to the future of the Forest-based Industries.

The launch stirred positive feedback from the audience and follow-up is being planned by CEI-Bois, to ensure that the Vision contributes to the upcoming EU political agenda.

The full FBI 2050 Vision and its executive summary document can be found on http://www.cei-bois.org/press-publications/publications/.

In 2020 a meeting between EC Agriculture Commissioner Janusz Wojciechowski and a CEI-Bois/CEPI delegation took place on Thursday 5 of March 2020. On behalf of CEI-Bois, our Chairman, Mr Anders Ek, and the Board Member Mr Jari Suominen, attended the meeting . The scope of the meeting was to present to the Commissioner the recently issued F-BI Vision 2050 and pave the road to an increased dialogue and cooperation with DG Agri for consolidating the key role of the F-BI in providing suitable response to climate change and concrete contribution to the European Industry decarbonisation process.

A tight relationship was rapidly established with vice HoC, Catherine Geslain-Laneelle who clearly emphasized DG AGRI willingness to take the lead on Forest-related policies and confirmed there will be, in addition to the "nature component", also an "industrial component" in the forest strategy, which is what we have been seeing as missing from the Industrial Strategy.

Mrs Geslain-Laneelle also highlighted that the EU Green Deal was still "in the making", therefore still open to necessary adjustments that she would be available to lift up - if properly informed and oriented (including amendments for the taxonomy criteria on forestry).

3.2 New Circular Economy Action plan as a key pillar of the EU Green Deal.

On 11 March 2020, the European Commission has adopted a new Circular Economy Action Plan - one of the main blocks of the European Green Deal, Europe's new agenda for sustainable growth.

The new Action Plan announces initiatives along the entire life cycle of products, targeting for example their design, promoting circular economy processes, fostering sustainable consumption, and aiming to ensure that the resources used are kept in the EU economy for as long as possible.

It introduces legislative and non-legislative measures targeting areas where action at the EU level brings real added value. The new Circular Economy Action presents measures to:

1. Make sustainable products the norm in the EU;
2. Empower consumers and public buyers;
3. Focus on the sectors that use most resources and where the potential for circularity is high such as: electronics and ICT; batteries and vehicles; packaging; plastics; textiles; construction and buildings; food; water and nutrients;
4. Ensure less waste;
5. Make circularity work for people, regions and cities,
6. Lead global efforts on circular economy.

The strategy aims at ensuring the sustainable use of resources in EU economy, starting from priority sectors: textiles, construction, electronics and plastics. Among other things, the Plan announces a future "Strategy for a sustainable built environment" to be ready in 2021.

This will address the sustainability performance of construction products by revising the Construction Product Regulation, including the possible introduction of recycled content requirements for certain construction product. It will also strengthen the role of Level(s) reporting framework to integrate LCA in public procurement and in the EU taxonomy. It will also explore the appropriateness of setting of carbon reduction targets and the potential of carbon storage.

The strategy will also consider the revision of material recovery targets for construction and demolition waste and its material-specific fractions.

The Action plan also recognises the role of long-term carbon storage in wood construction and announces the possible development of a regulatory framework for certification of carbon removals in 2023.

In the framework of advocacy actions addressed to the EU Parliament, CEI-Bois, together with EOS, EPF and FEP coordinated actions in order to advocate for the adoptions of the amendments valuable for the Timber Industry such as the amendments related to the bioeconomy. Joint draft opinion proposals were sent to the Committee Environment, Public Health and Food Safety, Committee on Industry, Research and Energy and Committee on Agriculture and Rural Development.

EPF, EOS, FEP & CEI-Bois proposals for the Draft Opinion on the New Circular Economy Action Plan (2020/2077(INI)) of the Committee on Industry, Research and Energy

EPF, EOS, FEP & CEI-Bois warmly welcome the publication of the draft ITRE Opinion on the New Circular Economy Action Plan and congratulate Ms Toia and the shadow rapporteurs for their excellent in preparing this document. The report addresses accurately many of the main concerns for the elaboration and establishment of a transition towards a sustainable, resilient and circular economy in the Union. We, the undersigned, would like to present some proposals that would improve the document:

Amendment 1

Paragraph 1a (new)

Draft Report	*Amendment*
	1a. Welcomes in this respect the support of the sustainable and circular bio-based sector through the implementation of the Bioeconomy Action Plan to enhance circularity;

Justification

As stated in the New Circular Economy Action Plan, circularity in production processes is an essential part of a wider transformation of industry towards climate-neutrality and long-term competitiveness. In synergy with the Industrial Strategy, the Circular Economy Action Plan committed to implement the Bioeconomy Action Plan. According to the 2018 updated Bioeconomy Strategy, Bioeconomy represents up to 18 million jobs and about EUR 2.3 trillion turnover yearly. Bioeconomy has indeed proven potential to foster the economic recovery of the EU in line with the principles of circularity and the objectives of climate change mitigation.

Amendment 2

Paragraph 8 (new)

Draft Report	*Amendment*
	8. ***Asks the Commission to help foster the use of sustainable circular bio-based products and systems to fight climate change, especially in construction and renovation, through the development of a regulatory framework for recognition of carbon removals and the elaboration of Green Public***

	Procurement rules to enable users to choose sustainable and climate friendly materials;

Justification

The upcoming Renovation Wave and the Sustainable Built Environment Initiatives will play a key role in the recovery and in achieving the new climate targets for 2030. Fostering the use of the climate benefits of sustainably sourced materials like wood for construction and renovation could help turn the built environment from a carbon source into a carbon sink. These two initiatives should optimise the climate benefits of the CO_2 sequestration, storage and substitution potential through the development of a regulatory framework for recognition of carbon removals and the elaboration of Green Public Procurement rules to enable users to choose sustainable and climate friendly materials.

Yours sincerely,

European Panel Federation (EPF)
European Organisation of the Sawmill Industry (EOS)
European Federation of the Parquet Industry (FEP)
European Confederation of Woodworking Industries (CEI-BOIS)

*The **European Panel Federation (EPF)** has members in 25 Member States and represents the manufacturers of particleboard, MDF, OSB, hardboard, softboard and plywood. The EU wood panel industry has an annual turnover of about 22 billion EUR, creates over 100,000 jobs directly and counts more than 5,000 enterprises in Europe. www.europanels.org*

*Through its member federations and associated members, the **European Organisation of the Sawmill Industry (EOS)** represents some 35,000 sawmills manufacturing sawn boards, timber frames, glulam, decking, flooring, joinery, fencing and several other wood products. Together they represent around 80% of the total European sawn wood output in a sector that has a turnover of around 35 billion EUR and employs about 250,000 people in the EU. www.eos-oes.eu*

*The **European Federation of the Parquet Industry (FEP)** reunites more than 50 European parquet manufacturers, 8 national parquet associations and around 20 suppliers to the industry. It is the main body representing and defending the interests of the European parquet industries at all relevant levels. www.parquet.net*

*The **European Confederation of Woodworking Industries (CEI-Bois)** represents 21 European and National organisations from 15 countries and is the body backing the interests of the whole industrial European wood sector: more than 180.000 companies generating an annual turnover of 133 billion EUR and employing 1 million workers in the EU. www.cei-bois.org*

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Feedback to the Sustainable Products Initiative Inception Impact Assessment

16 November 2020

CEI-Bois, the umbrella Confederation representing the European Woodworking Industry, wishes to submit its comments on the Inception Impact Assessment of the Sustainable Products Initiative. The European Woodworking industry is aligned with the objective of the initiative, that is to reduce the overall life-cycle climate and environmental footprint of the products placed on the EU market.

The sustainable use of natural resources, including forests and forest products, is a key tenet of the 2030 Agenda for Sustainable Development. The 2015 Paris Agreement also highlights the contribution of forests to climate change mitigation and adaptation. Technical and methodological progress has facilitated better monitoring of the life cycle of harvested wood products. This gives them a key role in strategies for transitioning to low-carbon economies.

A natural, renewable material, wood has a uniquely low impact and resource-efficient production and processing cycle, which has numerous applications in construction, furniture products and interiors, packaging and more, contributing to develop a sustainable green economy:

- The European timber industry is committed to sourcing only **legally and sustainably harvested raw material**.
- European timber processing and wood products manufacturing also generates **low to zero** waste, as resulting by-products and residues can be used as raw material for other wood-based products and renewable energy source.
- The service life of wood structures and products can be increased through **improved building design** and also **maintenance, repair and renovation** of existing materials and structures.
- Timber products are not only long-lasting, but can be easily repaired, re-purposed or recycled. Even when the useful life of a timber product has ended, it can still be burned in order to generate heat (as excellent alternative to fossil fuels) and/or can be shredded or cut for a range of sustainable uses, including products such as insulation and animal bedding.
- The **wood pallet and packaging sectors** are now among the most highly geared industries to **recovery, repair and reuse**. A whole business has developed to give used pallets a new lease of life several times over through replacement of worn and damaged sections with new timber and blockboard.
- **Wood is a natural insulator**. Wood is a natural insulator due to air pockets within its cellular structure. As an insulator wood is 15 times better than masonry, 400 times better than steel, and 1,770 times better than aluminium.
- **Wood products store carbon** and, at the end of multiple lifecycles, can be used as a carbon neutral energy source.
- Finally, since the beginning of the COVID-19 pandemic, people are spending more time in their home than ever before. Homes have been serving as makeshift workplaces, schools and gyms. Wood can contribute to **happier living spaces**. Research has shown that reducing the amount of man-made materials and introducing natural alternatives, such as wood, lowers stress and anxiety levels at home. Marjut Wallenius, a doctor of psychology at the University of Tampere (Finland), declared: “Wood has psychological effects on people and a similar stress-reducing effect to nature”.

To accelerate the transition to a sustainable, circular economy, the upcoming Sustainable Products Initiative should incorporate the following measures:

- **Life-cycle assessment of the environmental impact of products** should be the guiding principle of the initiative. Where already available, the use of harmonised standards to perform LCA should be supported. This is the case of construction products: standards developed by CEN/TC 350, and in particular the standard EN15804, offer a harmonised methodology already in place to transfer environmental information about a product along the value chain. EN15804 provides a platform for presenting the environmental impact of construction products for whole building assessments, especially through the use of machine readable EPDs and Building Information Modelling (BIM). This allows professionals to assess environmental impacts as well as the benefits from all stages of construction activities, from design and planning to demolition.

- The uptake of **climate-friendly materials** should be incentivised. To that aim, criteria for a robust and transparent carbon accounting method to monitor and verify the emissions associated with the manufacture of the materials and their subsequent use for instance in construction, including benefits associated with **carbon storage**, should be developed at EU level. This is preliminary to designing effective incentives for increasing the share of low-carbon construction and renovation, for example in **Green Public Procurement** criteria.

- Measures to facilitate recycled content or remanufacturing in products are welcome; however, product-specific targets for minimum recycled content in construction products should be carefully assessed and imposed only when technically applicable and economically feasible. For example, the usage of recovered wood has reached on average 40% of raw material needs in the European particleboard industry, with some countries using recovered wood for up to 90% of their wood procurement. However, this is not technically feasible for, e.g., solid lumber beams. Market factors driving demand for recycled wood also play an important role and vary across Europe. Furthermore, it should be noted that the “recyclability” and “reusability” factors depend very much on the global market. Any mandatory demand in relation to these two concepts would be highly problematic.

- Finally, the Initiative should be developed in synergy with the updated 2018 Bioeconomy strategy: the special role and importance of **renewable materials in the circular bio-economy** should be taken into account, and support should be given to the development of innovative biobased products through Research, Innovation and Development funding.

3.3 Bioeconomy

The Joint Research Centre of the European Commission held an online workshop on the future of the EU Bioeconomy, as part of a foresight exercise aimed at exploring future transitions and develop mid- to long-term scenarios for a bioeconomy. CEI-Bois attended both workshops.

Since 2012, when the first Bioeconomy Strategy was published, the policy framework has changed as the numerous challenges that the EU and the world face have progressed and taken on even greater urgency.

The 2018 EU Bioeconomy Strategy aims to develop a circular, sustainable bioeconomy for Europe, strengthening the connection between economy, society, and environment. It addresses global challenges such as meeting the Sustainable Development Goals (SDGs) set by the United Nations and the climate objectives of the Paris Agreement. A circular, sustainable bioeconomy can be a core instrument for the Green Deal in the post-COVID-19 era, making the EU more sustainable and competitive.

The aim of the this workshop held on the 23rd and 24th of June 2020 was to identify the main drivers of change of the EU bioeconomy, while a second one held on the 17 and 18 of September 2020 was devoted collecting inputs from stakeholders and academia to the forward-looking analysis developed by a team of experts on possible scenarios towards a sustainable and resource-efficient bioeconomy.

In preparing for a post-COVID-19 era, the bioeconomy should be a priority for the European economic recovery support: promoting short domestic sustainable bioeconomic supply chains brings resources back to the real economy, creates (rural) employment and favours CO2-neutral development, e.g. through biorefineries and land-based Carbon (C) sequestration with respective agricultural and forestry investments.

According to the experts, in the scenario of the implementation of a sustainable, circular EU bioeconomy, bioenergy would become less relevant until 2050, while biomaterials and ecosystem services will gain significantly, strengthening the EU competitiveness and creating employment. Moreover, the EU has the potential to provide enough sustainable biomass to contribute to all sectors by 2030, and probably beyond, as well as to bring organic carbon back to soil.

The discussions from the first seminar served as input to the JRC final report which has been made available in July 2020. A background document was provided, synthetizing the state of the art of research around EU Bioeconomy was also presented during the first workshop.

<u>Key points from the background document:</u>

- The background document provides an analysis of the trade-offs of increasing the use of wood in construction (p. 19). On the one hand, its climate change mitigation potential is recognised; on the other, it is stated that “a significant expansion in requirements for woody biomass in the EU will be challenging to meet entirely through domestic production. A very large increase in harvesting in EU forests will lead to negative impacts on forest carbon stocks and the forest carbon sink (as defined earlier in Equation 1) and potentially in the longer term, which could undermine efforts to meet climate change mitigation targets. (...) annual wood production in the EU must not rise above 560 Mm3 in 2050, if accounted net emissions from forests in the EU (under the LULUCF Regulation) are to be avoided”.

- During the discussion the possibility was mentioned to update the 2018 Bioeconomy strategy and to add targets to 2050 (although more details were not given). The idea of using the concept of “transformation” of the economy instead of “substitution” of fossil-based materials was also discussed; as well as a reframing of the concept of sustainability (understanding it as the ecological planet boundaries of the earth, in which the limits of economic and social sustainability are included, instead of having three separate pillars).

- Finally, in the discussion about drivers of change the following evaluations were made: consumption patterns will be a driver both relevant and uncertain, followed by the impact of climate change on primary production of biomass. Other important drivers are the model of economic development, a well as the effects of the EU Green deal.

4. TRADE

4.1 Indonesia: the national timber legality assurance system

At the beginning of 2020 the Indonesian government proposed a modification of its SVLK system, the national timber legality assurance system. Such system is the precondition for issuing FLEGT licenses under the Voluntary Partnership Agreement reached with the EU.

This move eventually violate Indonesia's guarantee to keep standards in place which effectively prevent stolen wood out of the country's supply chains. According to the specialised press, the Indonesian Government argued that the abolition of a V-legal requirement is a necessity to increase economic competitiveness and further mitigate anticipated negative impacts of the ongoing global coronavirus pandemic.

According to the new proposal for a Regulation (n.15/2020), Verified-Legal requirements for the export of forest products would be eliminated, except for shipments to the EU. V-Legal certification is one of the key requirements needed to export forest products from Indonesia. The certificate confirms that exported timber products have met timber legality standards, in alignment with government regulations. The proposal for a dilution of the requirements is not endorsed by the Indonesian Ministry of Environment and Forest, and it may potentially undermine the entire FLEGT system, as the EU Commission has to assess whether to revoke the agreement.

On the 30 of April 2020, the Indonesian Environment Minister Siti Nurbaya stated that the new trade ministry regulation would be suspended and that adherence to the country's SVLK timber legality assurance system would continue to be mandatory for exporting all forestry industry products. She also announced new funding to support the SVLK certification process at micro, small and medium-sized enterprises (MSMEs). "The main thing is Indonesia still wants to maintain SVLK as one of our major investments for the long-term interests of sustainable forestry businesses, especially MSMEs, as well as for the benefit of our forests," Minister Nurbaya said.

- Indonesian products that are SVLK-licensed or certified provided the biggest profit in the import of EU tropical wood products in 2019 and saw Indonesia ranked first in the European Union. FLEGT Independent Market Monitoring (FLEGTIMM) data for 2019 can be downloaded at the link https://www.flegtimm.eu/index.php/eu-market-oveview

CEI-Bois addressed relevant European and Indonesian authorities to express its concern regarding the recent decision of the Indonesian Minister for Trade to relax the SVLK verification system of timber exports in April 2020 and issued a official statement at the beginning of May 2020, publicly supporting the FLEGT system.

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Statement on the Indonesian SVLK system

11 May 2020

CEI-Bois, the European Confederation of the Woodworking Industries, is following closely the developments around the Indonesian timber legality assurance system (SVLK).
Such system is the precondition for issuing FLEGT licenses under the Voluntary Partnership Agreement signed with the EU in 2013. As reported by news agencies, according to the new proposal for a Regulation (n.15/2020) of the Ministry of Trade, Verified-Legal requirements for the export of forest products would be eliminated, except for shipments to the EU. V-Legal certification is one of the key requirements needed to export forest products from Indonesia; the certificate confirms that exported timber products have met timber legality standards, in alignment with government regulations.

CEI-Bois is a supporter of the FLEGT licensing system, as expressed on many occasions (e.g. Statement on Deforestation), as a strong incentive to improve forest governance at global level and encourage the consumption of verified legal timber in the EU. The start of FLEGT licensing in Indonesia in 2016 constituted a landmark moment for the FLEGT-VPA process. In 2017 imports from Indonesia represented 14% of the total imports of tropical timber in the EU and 18% of imports from FLEGT-VPAs Countries, with marked increases in certain Countries since the licensing began.

The option to drop the requirements of SVLK 'Verified-Legal' documentation would weaken the credibility of the system and put EU trade partners in a difficult position. If the change proposed by the Regulation would be confirmed, it might regrettably result in a damage to bilateral trade, as the overall image of Indonesian commitment to fight illegal logging would be tarnished. This could also put the European Woodworking Industries on a competitive disadvantage in the non-EU markets.

At the same time, is understood that inter-ministerial consultations are taking place and that revisions to the proposed Regulation 15/2020 are discussed, including a possible revocation proposed by the Indonesian Ministry of Environment and Forestry.

CEI-Bois welcomes this news a positive sign in the good direction and hopes that, as a final result of such discussions, the current SVLK will continue to be applied as a mandatory condition for exporting forestry industry products, both to EU and non-EU destinations, in order to keep the FLEGT system in place.

Soon after in the month of May, the confirmation was published that the Regulation amending the SVLK system, initially proposed by the Trade ministry, has been revoked. This has also been confirmed to national Competent Authorities by the European Commission which is a very positive news that confirms the commitment of Indonesia authorities against illegal logging and responds to the concerns of both civil society organisations and industry.

4.2 Seminar on the Indian Market

CEI-Bois organised a Webinar on: The EU Woodworking Industry and India: perspectives on enhanced trade cooperation on the 20 of October 2020

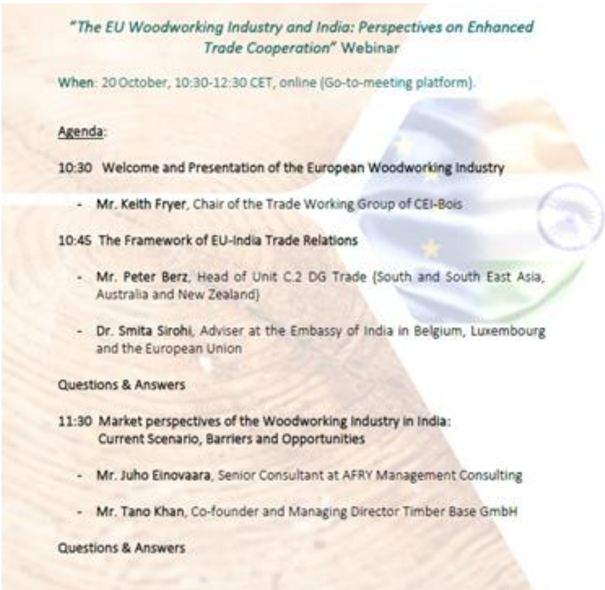
This webinar was organised in the framework of the CEI-Bois Trade Working Group and gathered a good number of participants from various backgrounds (industry, India officials, EU officials, CEI-Bois members, companies etc…).

Background information

In July 2020, the Central Public Works Department ended a ban in place since 1993 on the use of timber in its construction projects, saying that the Union Ministry of Environment, Forest and Climate Change (MoEFCC) had asked for the ban to be lifted in order to boost the economy, generate jobs and encourage farmers to plant more trees.

Capture and storage of atmospheric carbon in growing forests and timber would help in addressing climate change, the CPWD said, adding that India was committed to the target of creating an additional carbon sink equivalent to 2.5-3 billion tonnes of carbon dioxide by 2030 and raising the demand for forest products was needed for that.

The webinar was opened by CEI-Bois Trade WG Chairman Mr Keith Fryer. He presented the EU Woodworking Sector and its weight in the European economy, employment sector, trade but also its importance as a solution to achieving the EU Green Deal targets.



"The EU Woodworking Industry and India: Perspectives on Enhanced Trade Cooperation" Webinar

When: 20 October, 10:30-12:30 CET, online (Go-to-meeting platform).

Agenda:

10:30 Welcome and Presentation of the European Woodworking Industry

- Mr. Keith Fryer, Chair of the Trade Working Group of CEI-Bois

10:45 The Framework of EU-India Trade Relations

- Mr. Peter Berz, Head of Unit C.2 DG Trade (South and South East Asia, Australia and New Zealand)
- Dr. Smita Sirohi, Adviser at the Embassy of India in Belgium, Luxembourg and the European Union

Questions & Answers

11:30 Market perspectives of the Woodworking Industry in India: Current Scenario, Barriers and Opportunities

- Mr. Juho Einovaara, Senior Consultant at AFRY Management Consulting
- Mr. Tano Khan, Co-founder and Managing Director Timber Base GmbH

Questions & Answers

The first intervention was given by Mr. Peter Berz, Official of the European Commission Head of Unit C.2 DG Trade, who informed that the relationship between EU and India is healthy, although the trade volumes are not as big as the EU would like them to be. The Indian economy is quite big and attractive but remains closed on itself.

The second presentation offered a huge amount of information from the Indian side on the current market situation. It was presented by Dr. Smita Sirohi, Adviser at the Embassy of India in Belgium, Luxembourg and the European Union. She explained that India is a net importer of wood and wood products.

The Indian real estate sector will be the prime user for wood and wood products, residential property demand is expected to double, the Government is launching many initiatives regarding housing and promoting the real-estate sector (Smart cities projects etc…). She also informed that recently the ban of wood and wood products in construction has been lifted in line with the Green economy commitments of India.

In the third intervention Mr. Juho Einovaara, Senior Consultant, AFRY Management Consulting presented the EU-India trade opportunities in the woodworking sector and provided a snapshot on the Indian woodworking sector. Overall, there is a positive trend and increase in the use of wood and wood-based products

The webinar ended with a presentation of Mr. Tano Khan, Co-Founder and Managing Director of Timber Base GmbH in Berlin - the Digital Timber Marketplace of their business model of the first global digital marketplace for India which provides the infrastructure for trade.

4.3 BREXIT Workshop on Supply the UK Timber Industry after January 2021

The UK formally left the EU on 31 January 2020, and has entered a 'transition period' – an 11-month period ending on the 31 December 2020. During the transition period the two sides will negotiate a new free trade agreement. If an agreement cannot be agreed in time, then the UK faces the prospect of having to trade with 'no deal' in place.

CEI-Bois attended an event organised on the 25 of November 2020 by its UK member the Timber Trade Federation on ¨Supplying the UK Timber Industry¨.

The webinar's aim was to shape understanding of the flow of timber between the UK and the EU, as well as the regulatory, operational and market impact of Brexit as well as to explain the practical steps of how the movement of timber will change from a regulatory point of view from 1 January 2021.

The speakers provided a broad brush perspective of the changes, including issues which may arise next year to do with CE marking, before narrowing in on what UK companies may ask for from a due diligence perspective, supported by case studies from both the UK and the EU on how they are preparing for this change. The webinar covered the following topics:

- Border controls;
- Tariffs;
- Plant health requirements;
- VAT;
- Single market arrangements (e.g. CE mark and standardisation of construction products);
- EU Timber Regulation/ UK Timber Regulation and FLEGT;
- General expectations and preparedness of the EU supply industry.

The recording of the event and the powerpoint presentations are available here: https://ttf.co.uk/webinars/supplying-the-uk-timber-industry-webinar-november-2020

5. WOOD PROMOTION

On the 16 of September 2020 the European Commission President Ursula von der Leyen delivered her State of the Union speech at the European Parliament Plenary Session stated "Our buildings generate 40% of our emissions. They need to become less wasteful, less expensive and more sustainable. And we know that the construction sector can even be turned from a carbon source into a carbon sink, if organic building materials like wood and smart technologies like AI are applied"

5.1 Wood for carbon sink buildings

In her speech President von der Leyen unveiled the "Commission's plans for the year ahead" and announced the preparation of a new Communication on updating the new industrial strategy for Europe foreseen for the first half of 2021.

Additionally, Von der Leyen also addressed climate issues and the European Green Deal, underlining that "at the heart of it is our mission to become the first climate-neutral continent in 2050." "But we will not get there with the status quo," she stressed, calling for faster and better action. In that spirit, von der Leyen proposed to increase the 2030 target for emission reduction to at least 55%, which would put Europe on track for its climate neutrality goal and help it meet its Paris Agreement obligation.

CEI-Bois had issued already in March 2020 its position supporting the European Green Deal objectives and goals.

Position of the Woodworking Industry on the EU Green Deal (March 2020)

The European woodworking industry is fully behind the objectives of the European Green Deal. This is clearly displayed in our Forest-based Industries 2050 Vision, in which we commit to climate neutrality, circular bioeconomy, resource efficiency, economic growth and employment creation, and we lay out pathways to reach those goals in our sector.

The momentum is high for our industry to help the EU to achieve these goals. The Green Deal Communication mostly mentions forests with a strong emphasis on preservation and restoration but does not elaborate on the opportunities that forests and the forest-based sector can offer. These are summarised in the concept of circular bioeconomy.

The full climate mitigation potential of the forest sector is best achieved by taking into account both the action of forests and harvested wood products as a carbon sink and carbon stock, and the substitution effect of wood products. Timber buildings are key allies in decarbonising construction: 1 m3 of wood stores almost 0.9 ton of CO_2 and allows to save on average another 1ton of CO_2 compared to functionally equivalent materials.

Forest bioeconomy and circularity are closely linked. Wood is a renewable resource. It is processed efficiently, as by-products and residues can be used for raw materials of other wood-based products or energy. It is reusable and recyclable: for example, in the wood packaging sector recovery, repair and reuse of wooden pallets are already standard industrial practices.

Bioeconomy brings jobs and growth in rural, peri-urban and urban areas: 170.000 companies in the EU belong to the woodworking industry, which gives jobs to 1 million workers and adds 133 billion euros to the economy.
The forest-based sector as a whole represents around 420.000 enterprises for a total turnover of over 520 billion euros and around 3,5 million workers.

Dialogue between social partners and with education providers is key to retain skills and attract new ones.

In light of the above, the woodworking industry is already a strategic value chain in virtue of its climate mitigation potential and contribution to growth, and its competitiveness should be ensured in the context of the new EU Industrial Strategy.

For what concerns construction, the new Circular Economy Action plan should stimulate a transition towards whole-life carbon assessment of products, with a focus on construction products and buildings, as it would allow to get a true picture of a buildings' energy and carbon impact, including embodied carbon. The specific methods and tools chosen for LCA of construction products should rely on the standardisation work carried out in the CEN Technical Committee 350, and in particular on the EN15804 standard. This also provides the best platform for calculations in the standard at building level and potentially machine readable EPDs and Building Information Modelling (BIM).

In order to fully exploit the potential of bioeconomy, while at the same time preventing the ever-increasing forest damages related to climate change disturbances (pests, storms, fires) the new Forest Strategy should keep sustainable and active forest management at its heart.

On the same line of reasoning, before any addition of protected forest areas or new legislation are considered, better implementation of existing nature legislation is needed on already designated sites, based on participatory planning and management, and on appropriate financing. In general, targets in the upcoming Biodiversity Strategy should stay within realistic limits and based on best available scientific knowledge, also respecting local specificities and Member State subsidiarity on forest policy.

Following the above announcement CEI-Bois together with other Wood Industry Brussels based partners issued a joint paper stating the European Woodworking Industry's commitment to match the EU increased ambition towards the 2030 Climate targets.

17 September 2020

JOINT PRESS RELEASE

The European Woodworking Industries are ready to match the EU increased ambition towards the 2030 Climate targets

Today the European Commission announced the plan to start an upward revision of the 2030 EU climate targets in order to achieve carbon neutrality by 2050. According to the communication, all sectors of the EU economy will have to step up their efforts to reduce greenhouse gases emissions by 55% by the end of the current decade.

The European Woodworking Industries play a fundamental role in the transition to a sustainable, green, and carbon-neutral Europe. As an early supporter of the EU Green Deal objectives, the Woodworking Industries stress the importance of upholding climate ambitions in synergy with the efforts sustained by the EU, Member States and companies alike to recover from the economic and social blow inflicted by the still ongoing Covid-19 pandemic.

In that context, investing in the decarbonisation of the building sector through renovation and sustainable new construction gains strategic importance. "*We know that the construction sector can even be turned from a carbon source into a carbon sink if organic building materials like wood and smart technologies as Artificial Intelligence are being used*", said President Von der Leyen in her 2020 State of the Union address to the Parliament.

Integrating green materials, such as wood products, into building projects can help reducing the environmental impacts associated with the construction sector. Timber buildings are globally recognised as key allies in climate change mitigation strategies: they represent an immediate way to achieve long-term carbon storage in products - as mentioned in the 2020 Circular Economy Action Plan - and they allow to reduce the use of energy-intensive materials, which could lead to 100 Mt CO_2 savings in Europe, according to a recent European Forest Institute study.

Wood applications also have a role in increasing the renovation rate of the existing building stock: as an inherent insulant, wood is the ideal material for energy-efficient construction; moreover, it requires less energy in manufacturing and transport, thereby reducing the final embodied energy in the building.

The Woodworking Industries look forward to engage in a dialogue with policy makers on the best way to capture such potential by way of already established carbon metrics and tools, and without imposing additional administrative or economic burden on the final consumer or Small and Medium Enterprises.

THE EUROPEAN WOODWORKING INDUSTRIES

The European Woodworking Industries drive the development of a sustainable European bioeconomy and are key contributors to jobs and growth. In 2018 the production value of the sector reached closed to 240 billion EUR. The sector counts almost 180.000 companies in Europe, most of which are small and medium sized. Given the SME structure of the industry (it should be borne in mind that some countries do not take into account firms with less than 20 employees, thus the global figures tend to substantially underestimate the employment in small and medium-sized industrial sectors) the actual total number of employees in the EU-28 wood industries should be estimated at substantially more than 2.1 million in 2018.

Signatories:

CEI-Bois is the European Confederation of the Woodworking Industries*. It represents 21 European and National organisations from 15 countries and is the body backing the interests of the whole industrial European wood sector.* [*www.cei-bois.org*](http://www.cei-bois.org)

The ***European Panel Federation (EPF)*** *represents the manufacturers of wood-based panels being particleboard, dry process fibreboard (MDF), oriented strand board (OSB), hardboard, softboard and plywood. EPF has members in 32 European countries. The EU wood panel industry creates over 100,000 jobs directly and counts more than 5,000 enterprises in Europe.* [*www.europanels.org*](http://www.europanels.org)

The ***European Federation of the Parquet industry (FEP)*** *reunites more than 80 members in 20 countries: European parquet manufacturers, national parquet associations and suppliers to the industry. The primary goal of FEP is to strengthen and improve the position of wood flooring as a sustainable floor covering solution.* [*www.parquet.net*](http://www.parquet.net)

The ***European Organisation of the Sawmill Industry (EOS)*** *represents some 35,000 sawmills manufacturing sawn boards, timber frames, glulam, decking, flooring, joinery, fencing and several other wood products. EOS represents around 80% of the total European sawn wood output in a sector that has a turnover of around 35 billion EUR and employs about 250,000 people.* [*www.eos-oes.eu*](http://www.eos-oes.eu)

5.2 "Renovation Wave strategy"

The European Commission presented the "Renovation Wave strategy" aiming for more and deeper renovation in Europe on the 14 October 2020. With this Strategy, the Commissions' target is to at least double this rate by 2030, while increase the average gains in term of energy efficiency. This could lead to renovate 35 million buildings in the coming decade.

As recognised by the EU Commission, delivering the depth and volume of renovation Europe needs, ultimately requires a strong and competitive construction sector, embracing innovation and sustainability to increase quality and reduce cost. In this respect "**the Commission promotes environmental sustainability of building solutions and materials, INCLUDING WOOD and bio-based materials, nature-based solutions and recycled materials on the basis of a comprehensive life-cycle assessment approach**. It will address the sustainability performance of construction products in the context of its revision of the Construction Product Regulation and **it will develop by 2023 a roadmap**

leading up to 2050 for reducing whole life-cycle carbon emissions in buildings. The Commission will also accelerate work with standardisation organisations on climate resilience standards for buildings."

In the framework of this initiative, more information was also provided on the New European Bauhaus. This will be an interdisciplinary project, co-steered by an advisory board of external experts including scientists, architects, designers, artists, planners and civil society that will create experimental spaces where art, culture, science and technology can imagine, test and demonstrate new solutions.

- **The NEW EUROPEAN BAUHAUS is expected to promote sustainable design and nature-based materials.**

The Commission will launch calls for proposals under the next Multi-Annual Framework in all relevant programmes. The "delivery" of the first European Bauhaus' construction or transformation will start in the second half of 2021. From now until summer 2021 the Commission will conduct a broad participatory co-creation process; followed by the setting up of a network of five founding Bauhaus in 2022.

KEY INFORMATION ABOUT THE RENOVATION WAVE.

1. The strategy aims to double the rate of energy renovations by 2030, from 1% of the EU's stock a year to 2%. Central to that aim will be revising the Energy Performance of Buildings Directive next year to introduce mandatory minimum energy performance standards for existing buildings, possibly introduce a 'deep renovation' standard and revise rules for energy performance certificates (EPCs).

2. Amongst the different areas of intervention and lead actions critical to enable a step-change in the depth and scale of renovations, the EU Commission has identified:
    - Making the construction ecosystem fit to deliver sustainable renovation, based on circular solutions, use and reuse of sustainable materials, and the integration of nature-based solutions. The Commission proposes to promote the development of standardised sustainable industrial solutions and the reuse of waste material. It will develop a 2050 roadmap for reducing whole life-cycle carbon emissions in buildings, **including through the use of biobased products**, and review material recovery targets.
        - To boost know-how and workers' skills in the renovation sector the Commission will work with Member States through the Skills Agenda and its upcoming Pact for Skills and through Cohesion policy funds and the Just Transition Fund to finance training and re-training initiatives, in close cooperation with social partners.
    - Promoting comprehensive and integrated renovation interventions for smart buildings, integration of renewable energy and enabling to measure actual energy consumption. **In the framework of the ongoing Construction Products Regulation revision the Commission will consider how sustainability criteria could support the uptake of more sustainable construction products** in construction works and foster the uptake of the latest technologies.

3. By the end of 2024, **the Commission will review the material recovery targets set in EU legislation for construction and demolition waste**. The Commission will put in place measures to increase reuse and recycling platforms and support a well-functioning internal market for secondary raw materials. Level(s), the Circular Economy principles for buildings design and the

EU Construction and Demolition Waste management protocol guide the user to apply these principles in renovation projects.

4. The Commission will aim to use the power of public procurement for building renovation, also via green public procurement criteria related to lifecycle carbon emissions and climate resilience. As part of the review of the Energy Efficiency Directive, the Commission will examine by June 2021 the need to extend the scope of the renovation requirements to all public administration levels and to increase the annual renovation obligation. The Commission will also develop comprehensive guidance on sustainable public investment through procurement.

5. KEY PRINCIPLES FOR BUILDING RENOVATION TOWARDS 2030 AND 2050: The EU must adopt an encompassing and integrated strategy involving a wide range of sectors and actors on the basis of the following key principles:
    - 'Energy efficiency first' as a horizontal guiding principle of European climate and energy governance and beyond, as outlined in the European Green Deal and the EU strategy on Energy System Integration, to make sure we only produce the energy we really need;
    - Affordability, making energy-performing and sustainable buildings widely available, in particular for medium and lower-income households and vulnerable people and areas;
    - Decarbonisation and integration of renewables. Building renovation should speed up the integration of renewables in particular from local sources, and promote broader use of waste heat. It should integrate energy systems at local and regional levels helping to decarbonise transport as well as heating and cooling;
    - Life-cycle thinking and circularity. Minimising the footprint of buildings requires resource efficiency and circularity combined with turning parts of the construction sector into a carbon sink, for example through the promotion of green infrastructure and the use of organic building materials that can store carbon, such as sustainably-sourced wood;
    - High health and environmental standards. Ensuring high air quality, good water management, disaster prevention and protection against climate-related hazards, removal of and protection against harmful substances such as asbestos and radon, fire and seismic safety. Furthermore, accessibility should be ensured to achieve equal access for Europe's population, including persons with disabilities and senior citizens.
    - Tackling the twin challenges of the green and digital transitions together. Smart buildings can enable efficient production and use of renewables at house, district or city level. Combined with smart energy distribution systems, they will enable highly efficient and zero-emission buildings.
    - Respect for aesthetics and architectural quality. Renovation must respect design, craftsmanship, heritage and public space conservation principles.

<u>To be noted:</u> The Staff Working Document acknowledges that "*the use of prefabricated systems for the energy-efficient building renovation allows the reduction of on-site works, minimising the consumption of raw materials and increasing the energy and resource efficiency in the construction sector. H2020 projects funded under EeB PPP reached very good results through industrialisation of deep renovation with low intrusiveness, reduced time by 30%, return on investment <10 years and cost reduction > 15 %. For example, the project BERTIM developed timber prefabricated modules and holistic methodologies for the deep renovation. It also developed computer based tool (RenoBIM), which enables reduction of renovation operation time and make more efficient the renovation process, through the customization of the mass production, from data gathering, designing, manufacturing and installation*."

6. The Renovation Wave will use regulation, funding and technical assistance across the whole renovation value chain to meet its targets.

A detailed list of actions and the planned timeline for their implementation are included in the annex to the Communication and here reported:

- 2021. Revising the climate-proofing guidelines for projects supported by the EU 2021;
- 2021: Revising the RED and the EED and considering strengthening the renewable heating and cooling target and introducing a requirement for minimum proportions of renewable energy in buildings. Also facilitating access of waste and renewable heat and cool into energy systems;
- 2021: Assessing the extension of the use of emission trading to emissions from buildings;
- 2022: Based on Level(s), developing green public procurement criteria related to life cycle and climate resilience for certain public buildings;
- 2023: Developing a 2050 whole life-cycle performance roadmap to reduce carbon emissions form buildings and advancing national benchmarking with Member States;
- 2024: Reviewing material recovery targets and supporting the internal market for secondary raw materials.

The European Woodworking Industries welcomed the Renovation wave Strategy issuing a joint statement.

Brussels, 3 November 2020

Joint Position Paper on the Renovation Wave Strategy

We, the undersigned, warmly welcome the publication on 14 October 2020 of the Renovation Wave Strategy: "A Renovation Wave for Europe - greening our buildings, creating jobs, improving lives". The Woodworking Industries believe that a refurbished and energy efficient EU building stock has a key role to play in the post covid-19 recovery and "new normal" by creating green jobs, revitalising regenerative growth and paving the way for the decarbonisation of one of the largest energy consumer sectors in Europe responsible for more than one third of the EU's greenhouse gas emissions. Wood-based solutions offer a green construction material that is renewable, recyclable and has a low fossil carbon footprint and benefits from better environmental performances in life cycle assessments than other conventional materials. Wood prefabricated solutions also offer modular possibilities to redesign and modernise buildings in a non-invasive way, for example through additional storeys or roof extensions.

In line with the objectives of the European Green Deal of climate neutrality by 2050, sustainable circular economy and energy efficiency, the Renovation Wave Strategy holds the unique potential of turning the EU built environment into a carbon sink. In this respect we particularly welcome:

- The proposal to establish a New European Bauhaus in which **nature-based materials such as wood** can play a crucial role underlining their **double benefit of carbon storage in EU building stock and energy-intensive material substitution**;
- The ambition to create up to **160.000 additional decent green jobs** by 2030 and upskilling workers to at least double, better triple the renovation rate;
- The role of **the social partners**, including workers' and employers' representatives of the construction and woodworking sectors at national and European level, who have solid expertise in upskilling workers, attracting new talent and promoting an inclusive working environment and who should be involved in the design and implementation of measures to achieve these goals;
- The use of renovation as a lever to address **energy poverty** and access to healthy housing for all households;
- The inclusion of **lifecycle thinking and circularity** as key principles through the promotion of green infrastructure and the use of organic **carbon storing building materials** such as sustainably sourced wood;
- The establishment of lead actions based on **circular use and reuse of sustainable materials** and the **full integration of innovative and climate-friendly nature-based solutions**;
- The elaboration of a **2050 roadmap for reducing whole life-cycle carbon emissions in buildings through the use of biobased products**, and review material recovery targets;
- The promotion of the **environmental sustainability of building solutions and materials**, **including wood and bio-based materials, nature-based solutions and recycled materials on the basis of a comprehensive life-cycle assessment approach**;
- The concept of a **whole building assessment such as Level(s),** the European Framework for Sustainable Buildings, to improve the sustainability of buildings throughout their lifecycle **where carbon storage benefits can be accounted for**;
- The revision of the Construction Product Regulation in line with the **sustainability performance of construction products**;
- The possible development of **green public procurement criteria** for public buildings related to lifecycle and climate resilience;
- The establishment of measures to increase reuse and recycling platforms and support a **well-functioning internal market for secondary raw materials**;
- The prioritisation of building renovation in the national recovery plans under the **European Flagship 'Renovate'**.
- The possibility to introduce a **'deep renovation' standard** to enhance private financing for genuine green investments.

Those renovation principles should be now implemented through the National Energy & Climate Plans and Long-Term Renovation Strategies to take an important leap forward in the achievement of the objectives of the European Green Deal.

EUROPEAN PANEL FEDERATION WOOD-BASED PANELS · EOS European Organisation of the Sawmill Industry · European Federation of Building and Woodworkers EFBWW · CEI-Bois · FEP

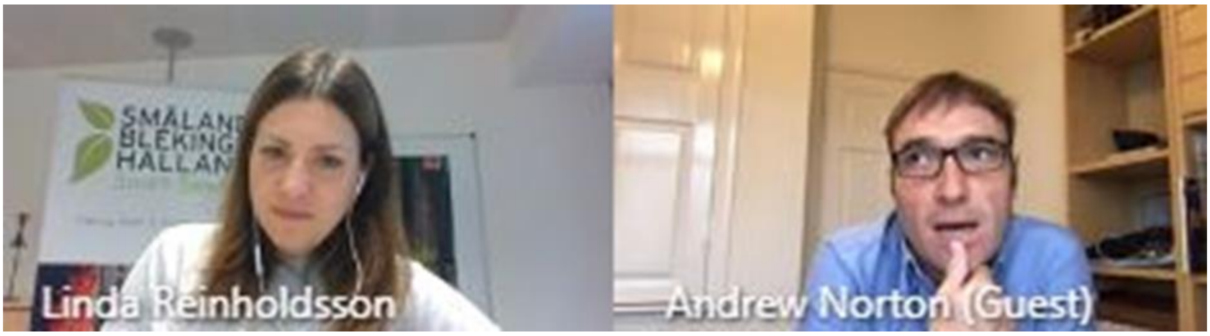
5.3 Webinar "Showcasing best climate practices in agriculture, forestry, food systems and the bioeconomy"

The European goal has been set: becoming the first climate-neutral Continent by 2050. However, to achieve climate neutrality and comply with the ambitious Paris Agreement target, all economic and business players should take a step further in their commitment to a greener society and economy.

The European Commission's Directorate-General for Climate Action (DG CLIMA) and EASME have organised a series of webinars to showcase successful LIFE and Horizon 2020 projects in the areas of agriculture, food systems, forestry, and the bio-economy. These online events have featured project representatives, experts from the EU Institutions and agencies as well as other key stakeholders. They have discussed best practices, lessons learned, and future policy initiatives.

This web event was connected to several EU initiatives under the European Green Deal: the upcoming review of legislation on land use, land use change and the forestry sector; the upcoming new strategy on climate change adaptation; the recently adopted Farm to Fork Strategy for a fair, healthy and environmentally friendly food system; and the implementation of the Bioeconomy Strategy.

On 9 October, Dr. Andrew Norton, CEI-Bois &EOS Technical Advisor, took part in the panel discussion titled "A discussion about the mitigation potential of wood products" with the following panellists: Eva Ursula Müller, German Ministry of Agriculture, Andrew Waugh, Waugh Thistleton Architects and Hervé Le Bouler, France Nature Environnement.



"*The success of this commitment relies on measuring the climate impact of economic activities. In this respect the European Woodworking Industry believes that it is essential to develop criteria for a robust and transparent carbon accounting method to monitor and verify the emissions associated with materials and construction processes, including the benefits associated with carbon storage*" stated Dr A. Norton, LCA/Technical Expert on behalf of the European Confederation of the Woodworking Industries (CEI-Bois) and the European Organisation of the Sawmill Industry (EOS) during his attendance to two high-level events on the 8 and 9 of October, respectively organised by the European Regions Research and Innovation Network and by DG Climate Action of the European Commission.

Throughout his interventions he focused on the role of wood in delivering the Green Deal objectives, including the climate change mitigation commitment.

Download here all presentations related to the WOOD webinar.

Brussels, 12 October 2020

WOOD PRODUCTS DRIVE THE DECARBONISATION OF THE BUILDING SECTORS IN LINE WITH THE GREEN DEAL CLIMATE MITIGATION OBJECTIVES

The European goal has been set: becoming the first climate-neutral Continent by 2050. However, to achieve climate neutrality and comply with the ambitious Paris Agreement target, all economic and business players should take a step further in their commitment to a greener society and economy.

"*The success of this commitment relies on measuring the climate impact of economic activities. In this respect the European Woodworking Industry believes that it is essential to develop criteria for a robust and transparent carbon accounting method to monitor and verify the emissions associated with materials and construction processes, including the benefits associated with carbon storage*" stated Dr A. Norton, LCA/Technical Expert on behalf of the European Confederation of the Woodworking Industries (CEI-Bois) and the European Organisation of the Sawmill Industry (EOS) during his attendance to two high-level events on the 8 and 9 of October, respectively organised by the European Regions Research and Innovation Network and by DG Climate Action of the European Commission. Throughout his interventions he focused on the role of wood in delivering the Green Deal objectives, including the climate change mitigation commitment.

"European policies aimed at improving the environmental performance of the building sector, such as the forthcoming Renovation Wave Strategy and the Sustainable Built Environment Strategy, should take the reduction of whole-life carbon at their centre", added Dr. Norton.

Research proves that increasing the use of wood in construction and in products such as furniture, cabinets, flooring, doors and window frames offers a significant opportunity to reduce emissions. This answers the need of designers and architects, who are more and more being called upon to balance functionality and cost objectives with reduced environmental impact.

In the production phase, wooden houses require less energy than houses built with functionally equivalent materials. Comparative analysis show that a wood-based construction allows to reduce carbon dioxide emissions by 40-50 %, excluding the carbon storage effect. As for the demolition phase, buildings should be designed to maximize the recovery and reuse of materials and components. In this respect wood gives the opportunity to recover doors, windows, and other elements that can be used again in new construction or remodelling. Reclaimed wood is primarily used in the manufacture of durable goods, and whatever is left over can be transferred to energy or heat generation. Additionally, using wood applications in the renovation of existing buildings can contribute significantly to the sustainable urban redevelopment. The renovation of building covers such as façades and roofs, with highly insulated wooden components, can reduce the transmission heat losses and related heating energy demand of existing buildings significantly.
To learn more about the contribution of wood for a sustainable and circular economy, download our booklet: Wood: Building the Bioeconomy.

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5.4 Technical meeting with DG CLIMA on Updated 2030 Climate Target Plan and study on climate benefits of wood in construction

On 17 September 2020 the European Commission adopted the communication “Stepping up Europe’s 2030 climate ambition - Investing in a climate-neutral future for the benefit of our people”, also commonly known as the 2030 EU Climate target plan. The European Commission propose an updated 2030 emissions reduction target of 55 % compared to 1990 levels, from the current 40%.

On the 5 November 2020 CEI-Bois organised a technical webinar with DG Clima to understand the potential implications of such changes for the woodworking and forest-based industries.
The main points of the presentation of Simon Kay (DG CLIMA) were the following:

• With the EU Climate law proposal the Commission has set the goal of climate neutrality by 2050. This makes it necessary to identify intermiediate milestones (2030) and pathways. The existing 2030 legislative framework is not on the right track for climate-neutral Europe by the mid-century, hence the increased ambition to 2030 (at least -55% GHG emissions compared to 1990, including emissions and removals).
• The 2050 scenario assumes that remaining emissions (mainly non-CO2 gases from agriculture) will be balanced by removals, both land-based and technological (CCS). Removals shown in the graph below the 0 line are net removals and include harvested wood products, although what is not clearly visible in the graph is the benefit of harvested wood products to other sectors of the economy.
• The 2030 Climate target plan builds upon 4 key questions, including how to increase the ambition of the land use/bioeconomy sector, also considering that the sink is currently projected to decrease by 2030. The goal is to have carbon removals to increase to 500 million tons in 2050: when to bring the bioeconomy in to compensate for other sectors? This could happen for example from 2035, when other sectors will have already reduced part of their emissions.
CEI-Bois 2
• Tools to increase the sink may involve carbon farming but also increased use of wood as construction material. Certification of carbon removals in the forest that can count against reduction targets is essential to provide an incentive to farmers and foresters to increase the sink.
This should be compatible with provision of raw materials, also considering that at some point in time the sink in the forest saturates. Certification can also cover the additional impact of carbon storage in the products; the EC is now launching studies to assess different methods and options. First the EC wants to identify the role that this system could play in the climate policy, and then to develop it by 2023.

Following the announcements, DG CLIMA has launched a **study on the evaluation of climate benefits of the use of harvested wood products in the construction sector**. In line with the European Green Deal and the statement of President Von der Leyen in the State of the Union 2020 address, the European Commission is interested in designing policy to support the uptake of sustainably-grown wood-based construction products, based on a robust assessment of their carbon storage benefit.

The study project is led by Trinomics in collaboration with VITO, Wageningen University & Research and Ricardo. The project will run from September 2020 and will finish by August 2021. The study is supported by a series of stakeholder interviews that will enable to better understand the drivers and difficulties encountered by players along the value chain in developing their usage.

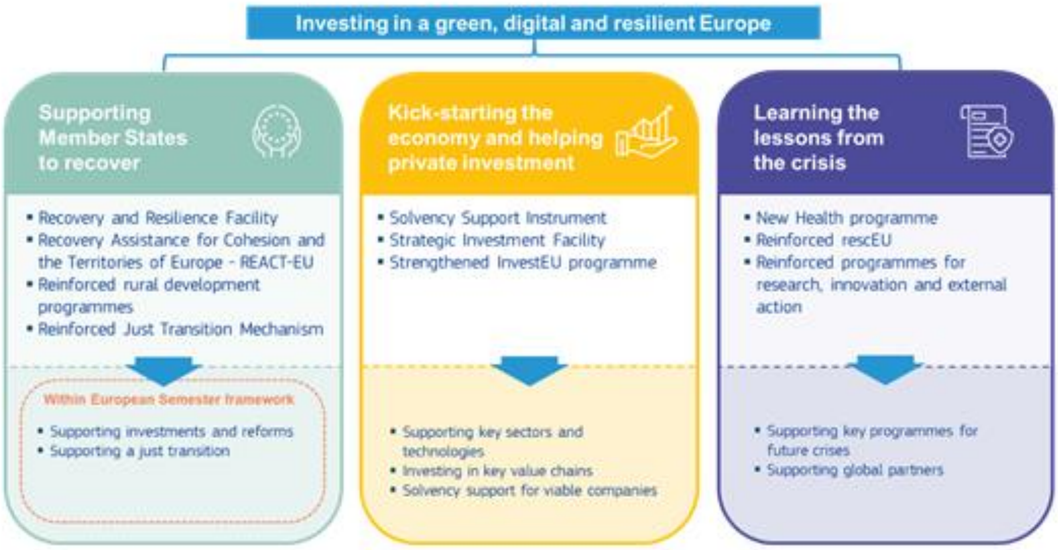
Amongst other organisations, CEI-Bois has been contacted and invited to the interview by Trinomics. The interview will take place in December 2020 and will be attended by members and experts selected within the CEI-Bois network.

6. SOCIAL AFFAIRS

6.1 “Next Generation EU” Covid-19, the Wood Industry and social affairs

On the 27 May 2020 the European Commission presented a €750 billion emergency temporary recovery, called “Next Generation EU”, that along with a revised proposal for the EU's 2021-2027 budget (amounting to €1.1 trillion) should help mitigate the shock from the Covid-19 pandemic and pave the way for a sustainable future by investing in a green, digital, social and more resilient EU.

This proposal builds on the 2018 Commission’s proposal and on the considerable progress that has already been made in the European Parliament and the Council. To ensure an effective implementation of the Recovery Plan, which reaches out to everybody in the EU and to our global partners, the Commission is mobilising a variety of instruments, organised around three pillars:



Under the proposal, the Commission would borrow the money on the financial markets using its high credit rating, which should secure low borrowing costs. A total of €500 billion would be distributed in grants (described by President von der Leyen as “common investments in our future”).

The funds will be used to reach the EU’s objectives of climate neutrality and digital transformation, to offer social and employment support as well as to reinforce the EU’s role as a global player. The Commission’s plan for the recovery fund was introduced during the EP plenary session together with a revised proposal for the EU's 2021-2027 budget amounting to €1.1 trillion. The proposals are subject to negotiations between Parliament and the member states in the Council.

Most MEPs welcomed the Commission’s plans during the plenary debate and underlined that in this critical moment, Europeans look to the EU for solutions.

Following the debate, EP President David Sassoli urged member states to understand the seriousness of the situation and work toward an agreement on the measures.

The Official Woodworking and Furniture Social Partners (CEI-Bois, EFIC and UEA on behalf of employers and EFBWW for the workers side) and other sector stakeholders (EPF and FEP) have issued a joint statement dealing with the pandemic and its effects on workers and companies in our sector.

COVID-19: To fight the Corona pandemic, the European Woodworking and Furniture Industries propose measures to protect workers' health, support economic activity and the sector's recovery

Facing the Covid-19 outbreak, the world is fighting a pandemic of unprecedented proportions in modern times, currently causing a full-blown health emergency.
This is a joint statement of the Social Partners from the two recognized European Social Dialogues for the Woodworking sectors (CEI-Bois and EFBWW) and for the Furniture sectors (EFBWW, EFIC and UEA), and the Social sectorial Federations of the Wood Panel Industry (EPF) and the European Organisation of the Sawmill Industry (EOS).

The undersigned European associations represent the European Woodworking and Furniture Industries, worth 1.7% of the EU GDP and employing more than 2 million Europeans, the 5th largest manufacturing sector in the EU in terms of employment. In light of these difficult times, we wish to reiterate our commitment to supporting public authorities to overcome this crisis.
We underline that the key priority and focus of the national, regional and local social partners of the Woodworking and Furniture Industries be on protecting a safe and healthy work environment for contractors, workers, owners and society. Jointly, we underline the need for a fast economic recovery and for measures to revitalise the sectors after the crisis.

We call national employer and workers organisations of the Woodworking and Furniture Industries to work together with the national, regional and local governments in order to do everything possible:

- To ensure that specific measures are taken to protect all workers in the woodworking and furniture industries against Health and Safety hazards and job or income losses;
- To absorb and curb the negative consequences of this crisis and to keep companies functioning to the extent possible;
- To keep borders open for goods at all times. Checks or health screenings of freight vehicles carrying goods should be thorough and well organized to minimize time losses and the impact on truck drivers. The functioning of the single market, provided it does not endanger public health, should be upheld and enforced. The free movement of workers across national borders should remain possible as long as there are no health threats.

We ask the national social partners of the woodworking and furniture industries and national/regional/local authorities to honour the right to compensation, rehabilitation, and curative services for woodworking and furniture workers infected with COVID-19.

We underline the importance of our industries for the overall economy, for the transition towards a climate-neutral Europe and for rural development, to name some important aspects. In many Member States a de jure or de facto lock down situation has been imposed by national authorities to prevent the further spread of COVID-19. We recognize the responsibility of politicians and the enormous pressure they are currently facing. We are of the opinion that it could be helpful that the national, regional and local authorities find an agreement with the employers and workers organisations of the Woodworking and Furniture Industries to identify essential activities.

This decision process should be done after a careful risk-assessment and with specific preventive measure for contractors, workers and society. We also underline the importance of our sectors for the immediate future after the crisis and for the long-term perspectives of our European Industry and Economy as a whole. Wood and wooden products, as the most appropriate basis for a circular and recycling-oriented economy are absolutely vital for Europe and especially for the Green Deal, the Circular Economy Action Plan and the Renovation Wave. We also underline the importance of our sectors for the immediate future after the crisis and for the long-term perspectives of our European Industry and Economy as a whole. This insight should guide EU and national recovering plans for the period after the crisis and should be reflected in all related programmes, in line with the joint statement of the Members of the European Council on COVID-19 crisis released on 27 March.

For this, we strongly urge the national employer and workers organisations of the Woodworking and Furniture Industries to negotiate jointly with the national/regional/local authorities swift practical solutions to take practical temporary solutions in order to allow woodworking and furniture activity to continue working, in compliance with the national restrictive measures, during the current exceptional circumstances.

We strongly encourage that all public authorities provide financial support for companies in the Woodworking and Furniture Industries that are obliged to stop their commercial activities or suffer from a significant drop in demand due to COVID19 and to:

- Allow an extended recourse to temporary unemployment, without penalising companies and workers, as it has always been the case in some EU countries;

- Provide regular updates on the necessary information and safety equipment in order to continue to work in correct conditions, for those companies who can do it / decide to do it, both now and in the coming months where activity will slowly restart;

- Provide an exceptional legal framework, which enables companies to ensure their economic survival during this exceptional crisis period;

- Ensure that there is no administrative delay and a swift procedure to support companies and workers;

- Promote and implement accessible initiative to reskill and upskill (Council Conclusions from 26 March 2020) workers and promote apprenticeships after the end of the crisis, to support the recovery of the economic sectors;

- Protect companies that experience financial difficulties due to the COVID-19 crisis against their creditors and oblige banks and other financial institutions to support the economy and the woodworking and furniture industries.

In order to facilitate the lifting of confinement measures, we ask that the national social partners of the Woodworking and Furniture Industries to take the following elements into account and that these actions are properly enforced:

- Provide clear Health and Safety information, guidance and training to all workers and all those who are in contact with workers, regardless whether they have COVID-19 disease symptoms or not – according to international, EU and national specific recommendations – and involve workers and their representatives in all planning and execution of related measures at company level;

- Provide all needed Personal Protective Equipment in sufficient quality and quantity;

- Provide all facilities to keep the needed level of hygiene at workplaces;

- Companies to guarantee that all necessary preventive and protective measures are taken to minimise occupational safety and health risks;

- Observe that proper protocols and behaviour is respected at the workplace. The fear of the coronavirus must not lead to discrimination or indecent behaviour.

- Ensure a safe distance between workers at the workplaces, in all facilities and circumstances, in particular as regards posted workers, and this during working time and all breaks;

- Ensure that transportation of all workers is done in compliance with the specific requirements;

- Take appropriate measures to ensure that posted workers are not accommodated in collective spaces where social distancing cannot be respected;

- Where needed ensure, in an open and constructive dialogue, that posted workers can safely return home;

- Guarantee that no worsening of working conditions occurs after temporary unemployment or other forms of work stoppage.

- Ensure a safe restart of furniture and woodworking trades in those countries where trading activities are locked down for safety reasons at the moment. Certainly, the protection of staff and customers comes first, however good examples from the food and non-food sectors show that business operations are possible under strict hygienic rules and with limitations of customers per sales area.

In case economic activities in our sectors are stopped by national decrees of the responsible authorities, we ask that the national social partners of the Woodworking and Furniture Industries seek a common solution with their authorities for the following circumstances:

- Guarantee as much as possible financial stability for workers and companies.

-Evaluating feasible solutions for temporary unemployment in order to prevent negative consequences on income;

- To prevent companies from liquidity problems, adequate funds should be made available, immediately for the current situation and via national programmes for the recovery after the crisis;

- The construction sector, one of the pillars of the economy and a very important partner for the woodworking industries, needs to be supported, too. Public procurement oriented at low-carbon timber construction will play a crucial role for an European green recovery, supporting the market in times of substantial decrease of private demand.

For EFBWW and employer federations in the Woodworking and Furniture Industries the first priority is that work can take place in a safe way. Therefore, we urgently ask all our affiliated organisations to take the current COVID-19 treat very seriously and take all actions needed, which simultaneously guarantees the sustainability and viability of companies, while securing the income, social protection, well-being and health of their workers.

EFBWW and employer federations in the Woodworking and Furniture Industries ask for an open dialogue with the European Institutions to identify and implement the appropriate measures allowing for a quick recovery after the crisis. We invite our national affiliates to do the same at their level. We believe that our industries can play an important role in the achievement of the goals of the Green Deal.

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CEI-Bois represents 21 European and National organisations from 15 countries and is the voice of the European woodworking sector: close to 180.000 companies generating an annual turnover of 144 billion euros and employing 1 million workers.

EFIC is the voice of the Furniture industries in Europe. Founded in 2006, EFIC now represents more than the 70% of the total turnover of the industry and its membership is composed of 16 national associations and 1 individual company *member. The EU Furniture industry employs around 1 million people in about 120 000 enterprises and generates a turnover of 96 billion Euros.*

European Furniture Manufacturers Federation (UEA) is a European-level social partner organisation representing European employers and involves furniture national organisations from 6 countries. UEA supports furniture National associations exchanging information, participating to specific projects and to the work of the European Social Dialogue Committee on Furniture, of which UEA is an official social member. UEA involves: ACN (Czech Republic), APIMA (Portugal), APMR (Romania), CENFIM (Spain), MOBIDER (Turkey) and BFM (UK). It aims to maintain and strengthen the permanent contacts among members and to act as their voice towards other trade organizations, EU authorities and international entities such as WTO, OECD, UNIDO. It aims to establish and represent the general interests of its members while ensuring the greatest possible influence on rules, decisions and directives made or issued by international organizations and authorities

The European Panel Federation has members in 25 countries and represents the manufacturers of particleboard, MDF, OSB, hardboard, softboard and plywood. The EU wood panel industry has an annual turnover of about 22 billion Euros, creates over 100,000 jobs directly and counts more than 5,000 enterprises in Europe.

Through its member federations and associated members, the European Organisation of the Sawmill Industry (EOS) represents some 35,000 sawmills manufacturing sawn boards, timber frames, glulam, decking, flooring, joinery, fencing and several other wood products. Together they represent around 80% of the total European sawn wood output in a sector that has a turnover of around 35 billion EUR and employs about 250,000 people in the EU.

The EFBWW is the European Trade Union Federation grouping 75 national free trade unions from 34 countries, representing members in the Building, Building Materials, Wood, Furniture, Forestry and Allied sectors. The EFBWW is an officially recognised European social partner for the Construction, wood and Furniture sectors, defending workers' rights at EU level.

6.2 Work Programme for the Sectoral European Social Dialogue of the Woodworking Industries

Health and safety, working conditions and promotion of wood products are the three principal strands of social dialogue in the woodworking sector.

The Sectoral Social Dialogue Committee brings together the European Federation of Building and Woodworkers (EFBWW) for the workers, and the European Confederation of Woodworking Industries (CEI-Bois) for the employers.

During the last 2020 Sectoral Social Dialogue Committees for "Woodworking" & "Furniture" Joint Working Group Meeting, CEI-Bois together with the European Federation of Building and Woodworkers adopted their joint 2020-2021 program.

Introduction to the Work Programme for the Sectoral European Social Dialogue of the Woodworking Industries

The European social partners, EFBWW and CEI-Bois confirm the importance of a strong and autonomous European social dialogue for the woodworking sectors in order to develop a sustainable and prospering woodworking industry and will continue to reinforce their collaboration in order to achieve this.

Our social dialogue is acting in an ever more interdependent world on all levels, economic, political, as well as cultural and others. We are convinced that conflict or problem-solving processes are more and more depending on the involvement of all concerned parties into any action and on the recognition of ambiguous interests. For our own field of action this means to recognize the interests of the various types of workers and companies, but also recognizing the true interests of end-users, suppliers and the population.

On the European level and in the framework of their joint initiatives, EFBWW and CEI-Bois will take into account the repartition of responsibilities between the European and National level and will respect the role and autonomy of the national social partners in determining their labour market and terms and conditions of employment by themselves.

This two-year working programme serves as a guideline for the activities of the European social partners of the woodworking sectors for the years 2020-2021. However, EFBWW and CEI-Bois may, according to the developments in the EU agenda decide to tackle other issues than those contained in this programme, amongst others in the framework of the consultations of the social partners that will be launched by the European Commission during this period.

During this period the EFBWW and CEI-Bois will in particular strive to give a stronger visibility and follow-up to their joint actions, statements and projects.

Main priorities for the period 2020-2021

Strengthening industrial relations

Performing industrial relations are a major element of a level playing field for economic activities. Shaping working conditions in all its aspects by joint agreements is a cornerstone in this respect and the best guarantee to avoid and to fight competition by wage dumping or other kind of dumping related to working conditions.
EFBWW and CEI-Bois will therefore pay a particular attention in the strengthening of autonomous industrial relations within the woodworking sectors. They also reaffirm the primary responsibility of the national sectoral social partners, through autonomous industrial relations, for finding a common understanding about the organisation of their national labour market.
CEI-Bois and the EFBWW will continue to support the establishment of autonomous sectoral industrial relation systems for the woodworking sectors in all the Member States and in this respect, they will examine specific needs or demands from national social partners and, where needed, jointly develop specific capacity building initiatives. Furthermore, we intend to foster and support the strengthening of social partner structures in Central and Eastern European countries

Improving the functioning of the labour market

As most industries, the woodworking industries has been hit significantly by the crisis, which is still affecting many Member States. Unfair competition occurs and this is due, amongst others, to a legislative framework that is sometimes unclear, difficult to enforce or signed by difficulties in implementing adequate controls, especially in the case of cross-border operations. Ensuring a level playing field for companies and fighting against social fraud is an aim shared by the social partners. In this respect, we welcome the establishment of the European Labour Authority (ELA). In addition, where appropriate the necessary initiatives should be taken, in a broad partnership with the various actors concerned, i.e. labour inspectorates, national authorities and social funds.

Industrial policies and the Green Deal

Wood is the solution! When talking about a greening economy or a circular economy, the consumption of renewable raw material, energy consumption or the efficient way to use raw material are paramount. In this respect, forestry and the forest-based industries play a significant role, today and in the future. The Communication of the European Union's Green Deal (COM[2019]640) also underlines this prominent role. Beside the task of delivering raw material, our sectors provide new type of material for various sectors and industries, amongst other in the construction industry. The latter is also pointing on the need for a future fruitful collaboration between science, employers, employee representatives and other stakeholders aiming at the creation of innovation clusters.

Changes in the demand due to the “greening” of the economy and jobs represent, on the one hand, a significant opportunity for the woodworking sectors regarding the creation of new jobs. On the other hand, they will also have an impact on the organisation of work (new market opportunities, new skills needed, etc.) and on working conditions (additional/new training, adapted Health and Safety conditions, etc.).

The EFBWW and CEI-Bois are committed to address these issues in the framework of their joint activities and to reflect the voice of workers and companies more closely in the debate on a strengthened competitiveness of the forestry and woodworking sectors at national, European and international level. In this respect, EFBWW and CEI-Bois will explore opportunities related to the expected “Renovation Wave” and the Post 2020 Forestry Strategy. We also pay particular attention to the need for an industry-wide dialogue between employers and workers at every level, as well as to the need for continuous sustainable financial investments and strengthening of lifelong learning.

Demographic changes: taking account of an ageing workforce

The demographic changes and in particular the ageing of the population and the workforce, combined with the difficulties observed in several Member States to attract and maintain young people in the woodworking sectors, are a growing challenge, both for companies and for workers.

The EFBWW and CEI-Bois will address the impact of such demographic developments from the various angles of its components (image of the sector, health and safety, employment issues, etc.) by gathering examples of national best practice and identifying potential topics for action at the EU level.

Initiatives for youth employment and the quality of apprenticeships

The crisis which has hit the EU since 2008 has had and continues to have a significant impact on the levels of employment in most Member States and is particularly affecting young people. Despite the efforts of member countries but also the EU, employment prospects for young people in the EU are bleak. One in five under 25 years old who is looking for work cannot find a job. Approximately 7.5 million young people between 15 and 24 are neither working, nor in education or training.

In addition, in most Member States the woodworking sectors are still suffering from a relatively negative image which affects its attractiveness and which, to some extent, explains the difficulties in hiring and retaining young people as well as skilled workers.

Therefore, improving the attractiveness of the wood industry towards young people can provide an important contribution in fighting against the extremely high levels of youth unemployment that the EU is facing nowadays.

The development of high quality vocational education and training (VET), in particular so-called "dual forms", combining elements of training at the workplace, in training centres and in schools, has been high on the EU agenda for some time and is considered an important mean for facilitating the transition from education and training to work.

EFBWW and CEI-Bois will develop actions aiming at increased attractiveness of our sectors and the promotion of apprenticeships amongst woodworking companies of all sizes both quantitatively and qualitatively, through the creation of strong partnership involving employers, trade unions, paritarian funds, VET institutes as well as local or regional authorities.

Anticipating and influencing the skills needs

In several Member States, independently of whether the forestry and woodworking industries were strongly affected by the crisis or not, there are changes in the use of technology and new work processes, often summarized under the title Digitalisation. In turn companies partly find it difficult to find workers with the appropriate skills.

The so called “skills gap”, i.e. the difference between the skills available and the ones that are effectively needed by the work process is a serious obstacle to economic growth, creation of jobs and competitiveness. In order to reduce this “skills gap” there needs to be on the one hand a better “market intelligence” aiming at better anticipating the changes in technology, tools, material and work processes and the skills needs and, on the other hand, a constant adaptation of the training schemes and the respective work organisation. Addressing the issue of anticipation of skills needs is of significant importance both for the competitiveness of woodworking companies, as well as for employment in the sector.
EFBWW and CEI-Bois would therefore like to gather the experiences of Member States and see how added value can be created by a better coordination at the EU level, in particular as regards mutual learning, creation of synergies and exchange of best practices between national stakeholders. EFBWW and CEI-Bois believes that economic crisis post-COVID-19 and the increased digitalisation of the economy will lead to an increased level of new skills to switch jobs and more general upskilling in a new work environment. For this reason, the Social Partners will engage in the discussions related to the EU Communication “A Pact for Skills” expected in November 2020.
They will also try to set the basis for a more structured cooperation/coordination between national stakeholders (companies and workers, national observatories, public and private research centres, academics, etc.).

Fostering a culture of H&S

Despite the overall reduction in the number of work-related accidents, improving health and safety in the workplace continues to be an important field of action for the woodworking sectors and therefore one of our main priorities. The improvement of health and safety at work very much depends on knowledge and a proper legal framework, also providing a level playing field for companies, but can also be achieved through promoting the development of a real culture of health and safety within each company, with the involvement of all the concerned stakeholders and in particular the workers.
The Social Partners of the woodworking sector are focusing their activities for the next two years especially on:

- Assessment of the EU H&S legislative framework
- Operational action for better working conditions, including joint projects
- Support for companies to implement EU legislation
- Addressing potential new hazards and precautionary prevention strategies
- Collaboration with the OSHA Agency in Bilbao

In order to strengthen and give concrete expression to their cooperation in the above-mentioned areas, EFBWW and CEI-Bois commit to redouble their efforts in designing and implementing joint demonstration projects; such a collaboration will give effective evidence of their capacity to use the Social Dialogue frame as the most operative incubator for the Woodworking sector industrial relations

6.3 ThinkForest event on Public Perception on Forests

CEI-Bois was invited to speaks at the ThinkForest event on Public Perception on Forests and Bioeconomy on 27 October 2020. The event was chaired by Janez Potočnik, ThinkForest President and aimed to understand and discuss the public perceptions of forestry and the forest-based bioeconomy.

The event was also organised in order to launch the new EFI study on ‘Public perceptions of forestry and the forest-based bioeconomy in the EU’.

During the event, CEI-Bois and EOS SG Mrs Melegari explained that the forest-based industries are characterized by a wide range of diversity in type, size, raw materials, products, management and market requirements. The Industry is confronted with a constant need for improvement and adaptation to changing patterns in order to establish, maintain an/or increase efficiency and to remain economically competitive. All of this while at the same time making the best use of the forest resources. She explained that there is a need to strengthen information exchange in order to design the best management and evolving utilization strategies to meet the diverse needs of those involved while simultaneously maintaining the environmental integrity of the forest.

According to her, the sector should find the resources to invest in shaping values because, in reality, many people are simply unaware that through the very production of wood products, whose sale provides the vast majority of forest owners' income, forest owners have the resources to ensure the other two functions of sustainably-managed forests (social and environmental).

6.4 Forest sector workforce in the UNECE region: overview of the social and economic trends with impact on the forest sector"

CEI-Bois took part in the UNECE/FAO web-Conference organised to present the key findings of their new study on "Forest sector workforce in the UNECE region: overview of the social and economic trends with impact on the forest sector" on the 14 October 2020.

The seminar provided an overview of the working conditions and occupational safety and health as well as the economic and social contexts that have led to structural changes in the forestry sector.
Today the traditional forest sector workforce in the UNECE region is decreasing in number, employs few women, minorities and is becoming older. However, the public perception of forest jobs does not reflect all merits of the forest sector.

The employment figures do not include an increasing number of professionals working in biodiversity conservation, landscape management, forest education, monitoring, certification, tourism and many others. In some places, forest work is done by workers in informal employment. This includes migrant, student and seasonal workers. Informality is largely invisible to labour statisticians but has been a topic of study of social research and is well documented in some cases. Workers in informal jobs are much more vulnerable to poor working conditions, and risks to health and safety.

In addition, changing attitudes towards the role of forests in society, from largely production focused to providing ecosystem services mean that public forest services and forest management professionals need to be prepared for work in a multidisciplinary, multi-functional forest sector, and engage with a wide range of stakeholders. In general, the evidence portrays a more fragmented but also more diverse forest sector with possibilities for innovation, for adapting to new niches of economic activity, such as biofuel, as well as different ownership structures and forms of worker organizations, like community-owned or worker-owned businesses, and contractor associations.

6.5 Pact for Skills

The European Commission has officially launched the Pact for Skills which is a central element of the European Skills Agenda on the 10 of November 2020 during the 5th European Vocational Skills Week (9-13 November 2020). The fifth edition of the European Vocational Skills Week encourages people of all ages to 'Discover Your Talent' through vocational education and training.

CEI-Bois has prepared a short report of the opening of the "5th European Vocational Skills Week" and "Launching of the Pack for Skills". In a nutshell:

- The Pact for Skills promotes joint action to maximise the impact of investing in improving existing skills (upskilling) and training in new skills (reskilling). It calls on industry, employers, social partners, chambers of commerce, public authorities, education and training providers and employment agencies to work together and make a clear commitment to invest in training for all working age people across the Union.

- Commissioner Schmit and Commissioner Breton have also announced the first European skills partnerships in key industrial ecosystems – automotive, microelectronics, and aerospace and defence industries. In his statement, Commissioner Breton emphasised that "skills are central to our recovery from the coronavirus pandemic and for mastering the digital and green transitions. Businesses, large and small, need skilled people to innovate and grow. Yet, mismatches and shortages in skills are increasing, while a large number of people are at risk of unemployment. Only by joining the forces of all relevant partners can we make substantial progress in meeting Europe's skills needs."

- The Pact for Skills is accompanied by a Charter outlining a shared vision from industry, social partners, vocational education and training (VET) providers, national, regional and local authorities as regards quality training. By joining the Pact, stakeholders will gain access to networking, knowledge and resource hubs.

6.5 Minimum Wages Initiative

The European Commission published the proposal for a new Directive to ensure that the workers in the EU are protected by adequate minimum wages on the 28 October 2020. This comes after two social partners consultations were held in 2020, to which CEI-Bois replied. Currently, 21 countries have statutory minimum wages and in 6 Member States (Denmark, Italy, Cyprus, Austria, Finland and Sweden) minimum wage protection is provided exclusively by collective agreements. According to the Commission, the proposal is in line with the subsidiary principle: it does not oblige Member States to introduce statutory minimum wages, nor does it set a common minimum wage level. The objective is to set a framework for minimum standards to ensure both that minimum wages are set at adequate level and that workers have access to minimum wage protection.

Key points:

- Promotion of collective bargaining: Member States are required to take action to promote the capacity of social partners to engage in collective bargaining on wage setting; States where collective bargaining coverage does not reach at least 70% of the workers are required to establish a framework and an action plan to promote collective bargaining;

- Member States with statutory minimum wages are required to provide for national criteria for statutory minimum wage setting and updating defined in a stable and clear way; regular and timely updates; and the establishment of consultative bodies. National criteria should include at least the purchasing power of minimum wages, the general level of gross wages and their distribution, the growth rate of gross wages, and labour productivity developments.

- Effective and timely involvement of social partners in setting and updating of statutory minimum wages is also required.

- States are required to ensure effective access of workers to minimum wages, by reinforcing the controls and field inspections system, providing guidance for enforcement authorities, and giving workers adequate information on applicable statutory minimum wages.

CEI-Bois response to the first phase consultation of Social Partners under Article 154 TFEU on a possible action addressing the challenges related to fair minimum wages.

Do you consider that the Commission has correctly and sufficiently identified the issues and the possible areas for EU action?

We do not agree with the assessment of the European Commission on the challenges and issues mentioned in the consultation document. We consider that the document lacks both an economic analysis, as well as a legal one.
Economic research as well as practical experience shows that minimum wages can have positive, negative and even neutral impact on parameters such as wage level, employment, apprenticeship, productivity and competition. None of these parameters and consequences have been carefully analysed.
Exististing intelligence (see for example the second evaluation report of the German Minimum Wage Committee, 2018) shows that minimum wages will only be able to reduce social welfare and income support for approximately 3% of employees (mainly full-time employed singles). At the same time, the impact of minimum wages on social security systems (in particular pension systems) needs to be carefully monitored, since the development of pensions usually follows the development of wages.
Moreover, regarding people working exclusively in marginal employment (Minijobs), a decrease in numbers has been detected, after the introduction of minimum wages in Germany 2015. Roughly half of those employees moved into an employment subject to social security contributions, the other half withdrew from the labour market or registered as unemployed. Also effects on the length of working time has been reported.

Finally, an increase of the wage cost and decrease of profit has been reported by companies affected by minimum wages. At the same time an increase of consumer prices in affected industries has taken place.

Neither does the consultation document make an honest effort to assess the legal validity of a possible binding instrument. We must here strongly emphasise that the EU, according article 153 (5) of the Treaty, explicitly, and for good reasons, lacks competence in the area of pay. The consultation document does not consider the reasons for this limitation, and instead follows a constructed line of argument to motivate its competence.

2. Do you consider that EU action is needed to address the identified issues? If so, what should be the scope of that action?

We do not see any need for EU-action.
The Commission states as objectives for an initiative in the area, the promotion of well-being among citizens in Europe; the fight against poverty (in-work); increase of purchasing power of low-wage earners; ensuring a level playing field on the Single Market and to counter “wage dumping”.
Even if these ambitions can be shared as valid ones, the choice of instrument is the wrong one. Wage is remuneration for work, and nothing else. It’s not a tool for politicians, certainly not at EU level, to use for their purposes to achieve their political ambitions. To politicise wages and wage formation is both ineffective and a dangerous way to take.

The challenges and ambitions described in the consultation document should instead be addressed with other tools and processes – and that at national level.
Although the Commission seems to exclude a one-size-fits-all approach, the foreseen initiative, would nevertheless undermine those labour models, where wages and wage floors are negotiated in collective

agreements by autonomous social partners, models which the Commission has identified as the most effective in reducing wage dispersion and generating “a lower proportion of low paid workers”.

The Commission seems to believe that a European initiative on minimum wages would strengthen collective agreements. We disagree. Mandatory rules on the level of wages and coverage will rather weaken collective bargaining systems, not least since the incentives to organise will be weakened, both among employers and workers. An EU initiative on minimum wages will not cure bad working conditions and low wages in some member states. Instead, we fear that the proposed measures will lead to negative side effects for healthy wage setting systems.
As correctly set out by the Commission, nearly all EU Member States do have national legislation, instruments or other kind of institutions and committees already in place to deal with minimum wage setting. Annex I of the consultation document shows the variety of national procedures and proceedings in each and every Member State. Any shortcomings in these national instruments and regulations in place will not be cured by a common instrument. Thus, both for principal and practical reasons there is neither room nor necessity for further regulation at EU level.

3. Would you consider initiating a dialogue under Article 155 TFEU on any of the issues identified in this consultation?
No.

CEI-Bois response to the second phase consultation of the Social Partners under Article 154 TFEU on a possible action addressing the challenges related to fair minimum wages

The EU and its Member States are now facing the deepest economic recession ever. The European Commission, in its 2020 Spring economic forecast, predicts a fall of the total GDP in the EU in 2020 by 7.5%. The impact varies between Member States: -4,2% in Poland, -9.7% in Greece. Unemployment is expected to rise to almost 20% in Greece, 19% in Spain, 12% in Italy and to almost 10% in Sweden.

All over Europe companies are fighting for their economic survival.
Recent statistics from Eurostat show that industrial production in Europe is down by almost 12% in June 2020 compared with June 2019. Worst hit are companies in the areas of capital goods and intermediate goods, with a drop, respectively, by more than 16% and 12%. Durable consumer goods fell by 7.5%
Within the Swedish wood and furniture industry, 70% of the companies predict a reduction of their orders during 2020. 30% report problems with liquidity. Almost one third of the companies count with dismissals. Of these, one out of four plan to reduce the workforce between 20% and 70%[14].

According to a survey by HDH (Hauptverband der Deutschen Holzindustrie), the final decline in turnover in the German woodworking industry could vary between 4 and 20 % in 2020.

In Portugal entrepreneurs estimate that the situation will progressively worsen compared to a reference time of February 2020. Overall, 70% of companies surveyed expect a decrease in turnover of 20% or more by the end of the year[15].

In Belgium, 85% and 90% (respectively in Wallonia and in Flanders) of the furniture and woodworking companies have applied to temporary unemployment schemes in 2020[16].

Given this extraordinary situation implying increased costs on business, any initiative on minimum wages should be halted.

[14] Survey by The Swedish Federation of Wood and Furniture Industry, April 2020
[15] Survey by AIMMP, the Portuguese Association of Woodworking and Furniture Industries, April 2020
[16] Survey by Fedustria, the Belgian Federation of Woodworking, Furniture and Textile industries, April 2020.

The immediate policy focus must be to enable a safe and rapid re-launch of economic activity, with a view to securing sustainable growth and competitiveness, safeguarding employment and creating new job opportunities.

Furthermore, CEI-Bois would like to make the following points on the content and on the specific questions asked by the Commission in the second stage consultation.

- Question 1&2: on the specific objectives and on the possible avenues for EU action

CEI-Bois has already in its response to the first stage consultation stated that it sees no need for EU action on minimum wages.

The Commission states as a policy objective that an initiative should ensure that minimum wages protect all workers.

CEI-Bois re-iterates that wage is contractual-based remuneration for work performed. The paradigm shift associated with the minimum wage debate, i.e. to connect wage policy no longer to productivity but to social need, must be rejected. It is not the task of wage policy to guarantee a minimum level of social security. The former is the task of the parties to collective agreements and social partners, the latter the task of the Member States.

For good reasons, minimum wages cannot replace living wages, which follow different concepts.
In Member States where the social partners are responsible for setting wage floors, the levels of the lowest wages are comparatively high. In Sweden for instance, 0% of all workers earn less than 60% of the national median wage.

Countries where wage floors are defined by sectoral collective bargaining are also among those with the highest rates of collective bargaining coverage.
The Commission estimates that the share of workers who are not formally covered by such agreements is 2% in Austria, around 10% in Sweden and Finland and around 20% in Denmark and Italy.

CEI-Bois would here like to remind that in these countries, a majority of those workers who are not formally covered by minimum wages, are either high paid white-collar workers, well above the collectively agreed wage-floors, or job-students or other young workers entering the labour market. Employers also often apply the sector-based minimum wages to workers who are not formally covered by minimum wages without being obliged to.

Furthermore, a European initiative on minimum wages or more political interference in this area, for instance by promoting directly or indirectly a system of the extension of collective agreements, would gravely weaken the incentives to organise both among employers' and workers' organisations and lead to negative side effects for fully functioning and healthy wage setting systems and ultimately undermine the collective bargaining systems the Commission says it wants to promote.

- Question 3: on the possible legal instrument

As regards the possible legal instrument, CEI-Bois must again emphasise that the EU, according to article 153 (5) of the TFEU, explicitly and for good reasons lacks competence in the area of pay, especially as regards a legally binding instrument. From this follows that the EU social partners also lack mandate to enter negotiations on these topics. The Covid-19 crisis, as terrible as it may be for the workers and businesses of Europe, does not change this fact.

This limitation is valid also as regards an initiative limited to setting criteria for minimum wages at national level. Regulating this issue is exclusively a prerogative for Member States and national social partners, and not for the EU.

Fair minimum wages should be promoted by other means, for instance by support for collective bargaining, in terms of awareness raising, exchange of best practice, identifying opportunities and obstacles, support capacity building and creating incentives.

6.6 The Good Wood Project

CEI-Bois is a partner in the European funded project Good Wood, under the leadership of the Italian Confederation Confapi. The project is carried out between February 2019 and December 2020.

The Good Wood Project, notes for a Green Social Dialogue, funded by the European Union, aims at responding through the strengthening of the social dialogue to a reorganization of production and management in the wood sector, which goes towards a sustainable economy in the labour market. The reinforcement of the social dialogue at a national and EU level will support a positive management in order to merge the flexibility needs to businesses with the security needed by the employees.

The project aims at fostering social dialogue for the sustainable development of the wood sector, by carrying out workshops and study visits involving social partners in the project countries (Italy, Portugal and Bulgaria). In parallel, the project partners carried out a research aimed at identifying experiences of social dialogue on environmental sustainability for the wood sector. The study will be available in December 2020 on the project's official website.

CEI-Bois will host the final Conference of the project in an online format on the 9 of December 2020. The event will be opened by a keynote speech on the social dimension of the EU Green Deal. Following, the first part of the conference will be devoted to the presentation of the result of the project activities, including the research, which will be officially presented at the event.

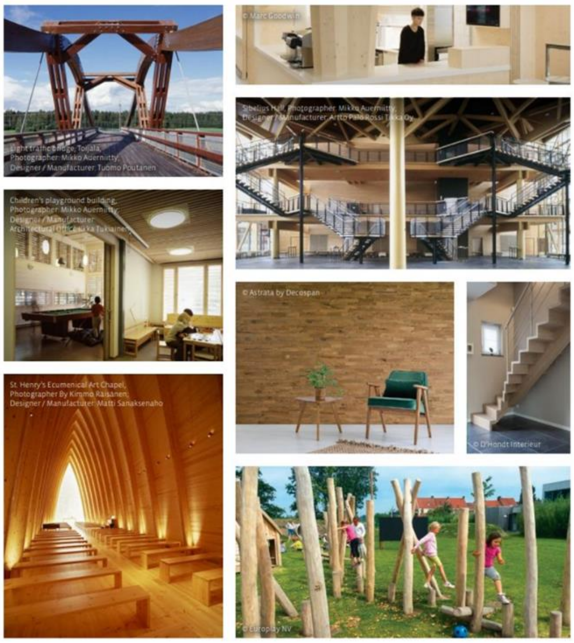
In the second part a panel debate will take place on ¨*How the woodworking and furniture sector contributes to the Green Deal and Green Jobs, and what is the role of social partners in the green deal transition*¨.

For more information please visit the project's dedicated website: www.goodwoodproject.eu

.....LEARN MORE ABOUT WOOD....READING SUGGESTIONS

Wood Building the Bioeconomy

In 2018, the European Commission presented its vision “A clean planet for all”, a long-term strategy for a prosperous, modern, competitive and climate neutral economy by 2050. Timber offers promising prospects for recovery housing challenges in Europe while delivering a unique environmental performance that helps reduce carbon emissions into the atmosphere. In this spirit, aiming to promote wood construction, our Confederation has drawn up the brochure “Wood - Building the Bioeconomy” to show the full potential of natural, renewable and recyclable materials which meet the expectations of European citizens.



Since its publication a Dutch translation has been conducted by Centrum Hout in collaboration with CEI-Bois and following the initial design.

Both the English and Dutch version are available on www.cei-bois.org.
To receive the paper version please contact info@cei-bois.org.

Do you know the difference between PEF and EPD?

CEI-Bois has issued in October 2020 a document that explains the difference between a Product Environmental Footprint (PEF) and an Environmental Product Declaration (EPD).

CEI-Boi

We are a responsible industry

FAQs what is the difference between PEF and EPD?

Prepared by: Dr Andrew Norton

October 2020

European Confederation of Woodworking Industries aisbl

This informative tool has been prepared by our expert Dr Andrew Norton.

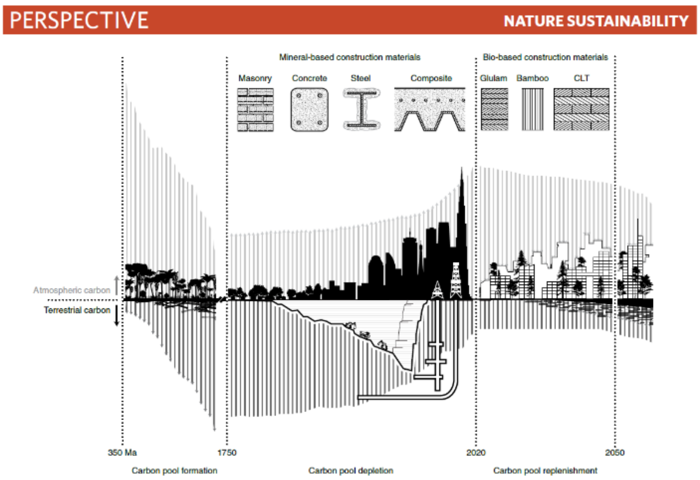
Please notice that this document is intended for all public and provides a highlight of the contrasts between EPD and PEF and the risk and benefits these pose to the Timber Industry.

The document contains:
- A glossary to remind the reader of the main terms used;
- A brief summary of the differences and risks;
- A more detailed discussion of the details of the scheme to provide a more technical background for the reader;
- Presentation of Standards that cover the preparation stages of PEF and EPD.

Interested? Please contact info@cei-bois.org.

Nature sustainability has issued an article on ¨*Buildings as a global carbon sink*¨ on the 27 January 2020

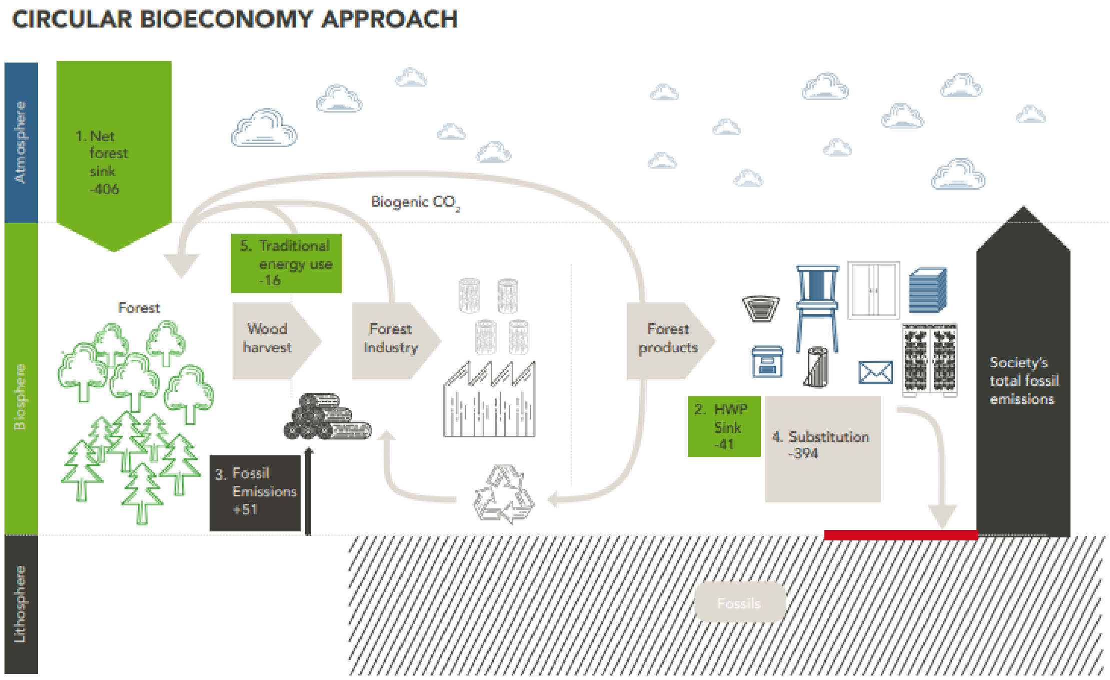
The article shows the benefits of using wood in construction both in replacing other, more energy-intense materials and by acting as a carbon store.
The article can be found at https://www.nature.com/articles/s41893-019-0462-4



Timber as a construction material offers many opportunities for mitigating the impacts of climate change: Callum Hill and Andrew Norton explore the targets and challenge ahead for the construction sector in an article dedicated to timber in Construction: mitigating climate change, in the TRADA Yearbook 2020

Positive climate effect of the forest-based sector in the EU

CEI-Bois has endorsed a study on the Climate effect of the forest sector carried out by independent researcher Peter Holmgren and commissioned by CEPI , the European association representing the paper industry.



The study, titled "Positive climate effect of the forest-based sector in the EU", was launched on the 19 of June during a webinar organised by CEPI. It was conducted by Peter Holmgren, a forestry specialist and former Director General of the Center for International Forestry Research (CIFOR).

The study proposes to estimate the overall climate mitigation effect of the European forests and forest-based industry (taking into account solid wood products, fiber-based products and bioenergy).The overall and positive climate effect is estimated at -806 million tons of carbon dioxide equivalents annually. This corresponds to c. 20% of all fossil emissions in the European Union.

The overall climate effect is calculated as a sum of
• net sink (increased carbon storage) in forests (-406 Mt CO2e/year) and forest products (-41 Mt CO2e/year) for a total of -447 Mt CO2e/yr
• fossil emissions caused in the forest sector value chain: +51 Mt CO2e/year
• prevented fossil emissions by substituting fossil-based materials and fossil energy for a total of -410 Mt CO2e/year

What appears then is that the substitution effect is as relevant as the forest sink in the forest.

To know more about the study, please have a look at https://www.cepi.org/.

As Concerns Over Climate Change Rise, More Developers Turn to Wood by The New York Times - 22 September 2020

¨With environmental benefits and lower labor costs, mass timber has grown into a market that could rival steel and concrete in the construction industry¨ writes journalist Keith Schneider. The article explores the different environment, ecological, climate and also practical benefits of using wood in construction rather than concrete and steel; cross-laminated timber is faster to assemble and is associated with less construction waste.

As Concerns Over Climate Change Rise, More Developers Turn to Wood

With environmental benefits and lower labor costs, mass timber has grown into a market that could rival steel and concrete in the construction industry.

source: www.nytimes.com

The article also counters two main critiques wood is facing: wood safety and material availability. ¨Big wood panels and stout support beams defied fire and performed well in earthquakes¨ - numerous studies in the US show.

The full article can be found here: https://www.nytimes.com/2020/09/22/business/mass-timber-wood-buildings.html

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Orange – Direct representation through CEI-Bois National Federation Members
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National Organisations:

AUSTRIA
Fachverband der Holzindustrie Österreichs
www.holzindustrie.at

BELGIUM
Fédération Belge de l'Industrie Textile, du Bois et de l'Ameublement
www.fedustria.be

CROATIA:
Croatian Wood Cluster
www.drvniklaster.hr

DANEMARK:
Traeets Arbejdsgiverforening - Dansk Industri
www.di.dk

ESTONIA
Estonian Forest and Wood Industries Association
www.empl.ee

FINLAND:
* Finnish Forest Industries Federation
www.forestindustries.fi

* Federation of the Finnish Woodworking Industries
www.puutuoteteollisuus.fi

GERMANY
Der Hauptverband der deutschen Holzindustrie
www.holzindustrie.de

NORWAY
Norwegian Wood Industry Federation
www.treindustrien.no

PORTUGAL:
Associação das Indústrias de Madeira e Mobiliário de Portugal
www.aimmp.pt

SLOVENIA:
Slovenian Wood Processing and Furniture Association
www.gzs.si

SWEDEN:
* Swedish Forest Industries Federation
www.forestindustries.se

* Swedish Federation of Wood and Furniture Industry
www.tmf.se

SWITZERLAND
Holzwirtschaft Schweiz
www.lignum.ch

THE NETHERLANDS:
Nederlandse Bond van Timmerfabrikanten
www.nbvt.nl

UNITED KINGDOM
Timber Trade Federation
www.ttf.co.uk

European Sector Organisations:

European Institute for Wood Preservation
www.wei-ieo.org

European Federation of Wooden Pallet and Packaging Manufacturers
www.fefpeb.org

European Timber Trade Federation
www.ettf.info

European Organisation of the Sawmill Industry
www.eos-oes.eu

Other:

FRANCE
Société Nationale des Chemins de fer Français
www.sncf.com

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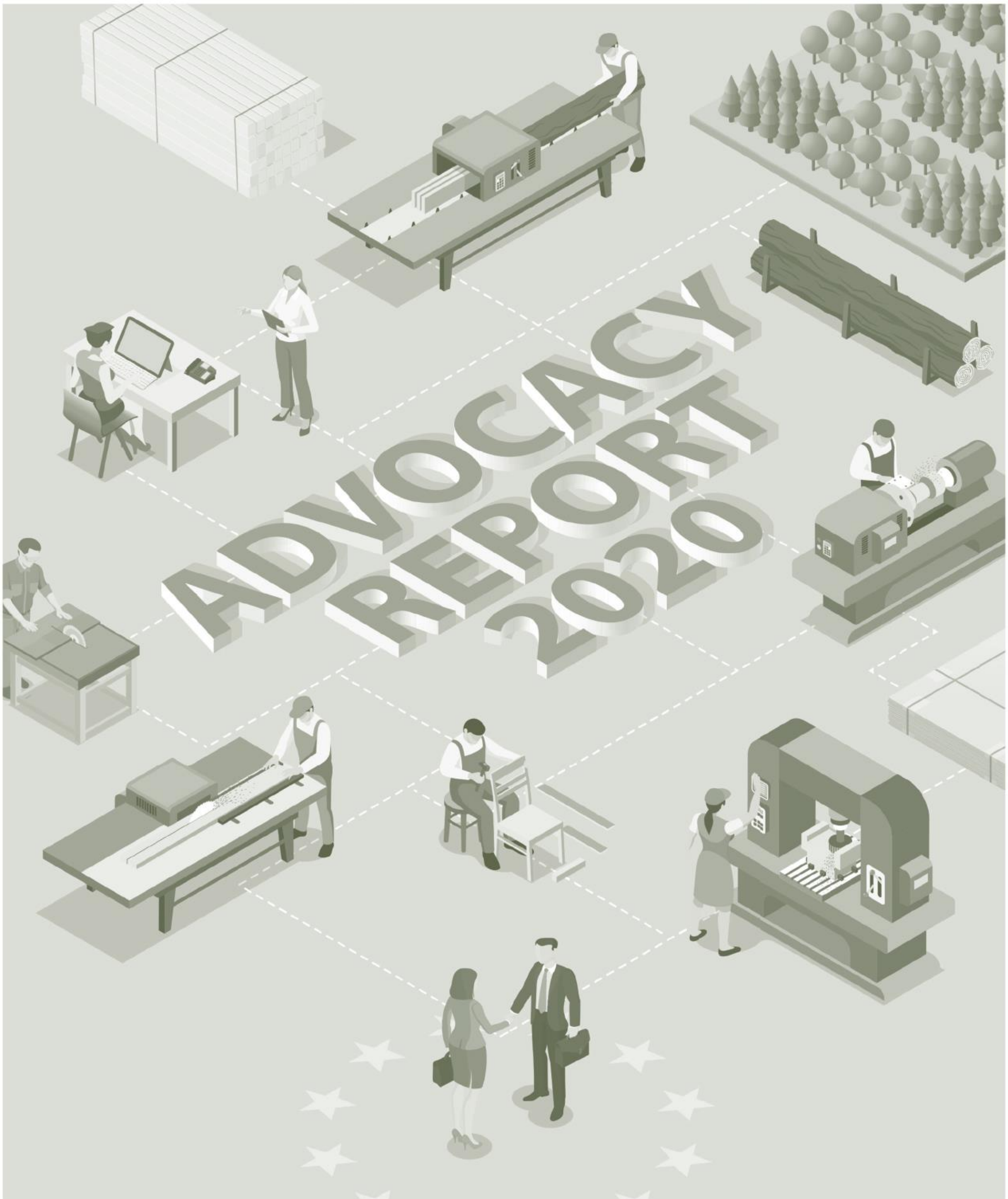

CEI-Bois

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