

Advocacy Report

2022 - 2023

www.cei-bois.org



Advocacy Report



2022 - 2023



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Chapter 1

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1. Foreword

This year it has been difficult to tell if the glass is half empty or half full. On the down side the war in Ukraine has entered a second year with no resolution in sight.

Timber from Russia rightly remains boycotted but this has had a negative ramification for our members and has reduced supply just as we are increasingly winning the argument for building more with wood.

The wider economic situation remains bleak with high interest rates drastically reducing both actual house building and future starts. We have also seen the regulatory burden imposed by Brussels increasing with the Deforestation Regulation being the most recent and most problematic.

Conversely wood is increasingly acknowledged as climate friendly replacement for concrete and steel, brick and block where its lower level of embodied energy and its ability to store carbon are seen both within the construction industry and without as crucial attributes in helping the built environment to achieve net zero. When the economic pendulum swings back we will be well placed to benefit from timber's sustainable green credentials.

An improved economic environment will coincide with a new political landscape in Brussels following the June 2024 European election. The election will deliver a significant number of new Members of the Parliament and, depending on the result, changes amongst the Commissioners including potentially a change of Commission President.

It is worth placing on record that the support of the current President Ursula von der Leyen for an increased use of sustainable wood in the built environment, specifically via her New European Bauhaus initiative, has been highly significant and most welcome. We continue to maximise our engagement with the New European Bauhaus via our central role within the Wood4Bauhaus Alliance. This engagement has been acknowledged by the President herself who has on more than one occasion publicly acknowledged the good work of Wood4Bauhaus.



The nexus where the Commission's commitment to deliver The Green Deal and its 2050 net zero target intersect with the aspirations of the European woodworking industries is fertile ground. It is an intersection where we can find much in common with most MEPs who, when informed of wood's climate benefits, will in the main be supportive of our work.

So while the current economic period has its challenges we need to be prepared to exploit the recovery - when it comes – to ensure a distinct shift to building more family homes with timber frames, especially in those parts of Europe where this has not been the norm. At the same time a visible increase in the number of larger buildings being constructed with engineered timber is equally important to achieve, as is a significant increase in the use of wood fibre insulation.

These three areas of expansion will open a fourth which we have seen distinct movement towards this year – the recognition of wood's ability to safely store carbon in the built environment on a colossal scale. The Parliament's endorsement of the Commission's proposal to recognise wood's ability to store carbon is possibly the most significant development of the last year. While there is a long way to go the legislation on the certification framework for carbon removals has cleared the way for the development of methodologies that ultimately have the potential to monetise the storage of carbon in timber products in the built environment. This could include the generation of carbon credits/offsets that can help the construction sector drive down its own hard to abate GHG emissions and potentially sell any surplus credits into the fast-developing wider carbon offsets market. We will continue to be at the centre of these debates in Brussels and beyond in part via our membership of the Commission's expert group on carbon removals, a key meeting place for developing the wider EU framework in which future methodologies will hopefully operate, given the market is at present a voluntary one.

The cumulative impact of all the benefits of using more wood in the built environment is difficult to quantify but what is clear is that we are looking at our sector being able to deliver a significant contribution to tackling climate breakdown and assisting in delivering net zero by 2050. This opportunity, especially if seized by the politicians, should deliver strong future growth for our members and guarantee a growth in good quality green jobs across Europe in the wood industries. Which is why, on balance, I am of the view the glass is currently at least half full and stands ready to be topped up.



Sampsa AUVINEN
Chairman of CEI-Bois



Chapter 2

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2. In the Spot Light: Into the Woods

C EI-Bois was invited to attend the “New European Bauhaus goes INTO THE WOODS” event held in Finland on 24 November 2022 and organised by the Government of Finland in collaboration with the European Commission, the Government of Estonia and the Government of Sweden. As part of the New European Bauhaus initiative, high-level decision-makers discussed and explored which solutions forests and wood products can offer in the pursuit of good living environments and sustainable construction.



In her remarks the **EU Commission President von der Leyen** stated “...Today, we are lucky, because we have a whole generation of young architects, designers and engineers that want to redefine our way of building and living. They are rediscovering natural materials such as timber. And they have understood how smart nature is to find solutions and they try to understand these nature-based solutions and to transform them into our world of construction for example. ***We all know that today building with timber could save up to 40% of carbon emissions in comparison to concrete. That is a huge figure. By keeping the carbon inside the wood, one day timber could turn our homes and even entire cities into carbon sinks.*** To some of you, this may sound like a dream. But in Finland, as well as in Estonia and Sweden, you are already showing Europe how this works, how this is possible and doable. You have centuries of experience in building out of wood. We need your experience, now more than ever, to encourage sustainable forestry and lead the next revolution in architecture. The New European Bauhaus aims to be a movement that brings together like-minded people, to generate new collaborations and new ideas, and bring to a wider public the many wonderful things that are being done by pioneers like you... .”

The Minister of Agriculture and Forestry of Finland Antti Kurvinen highlighted that "... the construction sector has plenty of opportunities to mitigate climate change. Emissions from construction can be easily reduced by using renewable materials, such as wood. I am therefore pleased to see that so much progress has already been made in wood construction."

"In recent years, it has been a great pleasure to visit several daycare centres and schools that are successful examples of wooden buildings in public use. Feedback from children and teachers is often very positive as wooden buildings have good indoor air and acoustics.

The construction sector has shown that the transition towards low-carbon building and housing is possible. However, the share of renewable materials can be increased further and on the other hand, improving cost-effectiveness is still important. In Finland, the discussion on increasing the use of wood in construction often focuses on public construction and multi-storey buildings. This is understandable, because they have the greatest potential if we look at the construction volumes. However, I am pleased to let you know, that in my own ministry, we are also actively seeking opportunities to increase the use of wood in transport infrastructure, such as bridges. Correspondingly, we are carrying out development work on wooden farm structures. From this perspective, increasing the use of wood in construction is linked to the vitality of rural areas. Furthermore, we are making efforts to increase the amount of expertise in the sector by producing learning materials on wood structures and wood products.

In short, while promoting wood products and wood construction, we are also discovering cost-competitive material solutions that leverage the natural properties of wood... "



Chapter 3

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3. About CEI-BOIS: General Information

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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 18 national organisations and four European Sector Federations.

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 interests of European Woodworking Industries
- 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 five working groups dealing with Sustainability, Social Affairs, Construction, Innovation and Trade issues.

Additional ad hoc task forces are established when needed; currently there are four task forces on the topics of Life-Cycle Assessment, Fire, Deforestation and Volatile Organic Compound (VOC).



In the Spotlight!

Currently CEI-Bois is a member of the following official working groups/platforms run by the EU Commission:

- Expert group on carbon removals
- Expert Group/Multi-Stakeholder Platform On Deforestation And Forest Degradation

- Expert Group/Multi-Stakeholder Platform on Protecting and Restoring the World's Forests, including the EU Timber Regulation and the FLEGT Regulation
- Forest-based Industries Expert Group
- Social Dialogue
- Expert Group on Forest and Forestry Stakeholder Platform

On a broader level, CEI-Bois is also a Member of:

- UNECE FAO
- ACFI (FAO) steering committee
- Forest Europe

Inside our Working Groups

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



The European CLT Hub was initiated at a meeting on April 1st 2019 in Vienna with and unanimous support in order to streamline the information and cooperate as well as interaction at a European level.

In 2020 the hub led by a group of company experts, began to define a common approach and identifying the issues that should/could be tackled. In July 2021, it was decided and requested to open up the hub to further interested companies and associations in order to broaden it. Interested companies and associations are requested to contact us.

Indoor air quality:

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

Volatile Organic Compounds Task Force

Since July 2022, the Task Force on Volatile Organic Compounds (VOC) has been active withing the CEI-Bois Construction Working Group. The VOC Task Force seeks to discuss issues related to emissions to indoor air and to coordinate on potential advocacy activities. The task force is open to all the CEI-Bois Members, who are invited to contact us if interested in taking part in the upcoming meetings.

TIMBIM Task Force

The TIMBIM project aims at helping manufacturers to digitise their data and make it available in a machine-readable and standardised format. TIMBIM creates a common data dictionary and common data templates that are based on relevant harmonised product and test standards and are applied across all European countries.

“Product information is essential for smooth processes throughout all planning stages. Products are the variables in the gigantic interrelated systems that we call buildings. Products make up the different components, which in turn comprise the building. If we as an industry want to transform digitally, we need to start with the smallest elements of the system. We need to digitise product information in a way that allows algorithms to recognise and access those variables. We should also be able to provide and exchange this information across the entire industry. This is a prerequisite for the adoption of new digital technologies, processes and business models within the sector “, *explains Dr Hansueli, Chair of the TIMBim Task force.*

Finally, it should be highlighted that the Construction Working Group is involved in crucial dossiers including the Revision of the Energy Performance of Buildings Directive (recast), the Revision of the Construction Products Regulation, the Taxonomy Environmental Delegated Act and the EU Whole Life Carbon Roadmap for 2050.

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 that aims to boost global competitiveness, foster sustainable economic growth and generate new jobs.

The Woodworking Industries are committed to sourcing wood from sustainably managed forests and complying with the EU Timber Regulation. They are also tackling climate change by storing carbon in long-life 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 that require large amounts of energy to be produced leading to a higher carbon intensity.

For the monitoring of the LCA/standardisation-related issues, a task force within the Sustainability Working Group is in place. The task force provides the proper orientations to ensure the Woodworking Industries are duly represented within the competent standardisation committees.

The Sustainability Working Group is involved in crucial dossiers among which the New EU Forest Strategy, the LULUCF Regulation on emissions and removals from the land sector, the Deforestation-free Products Regulation, Sustainable Carbon Cycles and the Certification Framework for carbon removals, the Nature Restoration Regulation, the Directive on Corporate Sustainability Due Diligence, the Sustainable Products Initiative, etc.

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 company growth; both actors need to 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.

In 2022, the European Commission granted the CEI-Bois led social dialogue project application **RESILIENTWOOD**. The project is co-funded by the European Union and is granted under the Social Prerogative and Specific Competencies Lines (SOCPL) funding. The CEI-Bois led project, together with EFBWW, Woodwise and FCBA will aim to offer recommendations to tackle specific challenges in the Woodworking Industries through strengthened social dialogue. The project focuses on the adaptation of the industry and its outlook after the Covid-19 crisis, including the adaptation needs linked to expected technological changes and the need to increase the attractiveness of the sector for skills attraction and retention, with special attention given to gender balance in the WI.

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 AND 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.



Chapter 4

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4. The European Woodworking Industries

After the temporary decrease in 2020, roundwood production increased by 3.8 % in 2021 and stabilized in 2022 (0.04 % increase). In 2022, it reached an estimated 510 million m³. This is 26 % more than at the beginning of the millennium. With the exception of four Member States where roundwood production decreased and further four Member States where data are unavailable, all EU countries recorded an increase in roundwood production in the period of 2000–2022. The largest relative increase during the two decades in the amount of harvested wood took place in the Netherlands (190 %), Czechia (126 %), Slovenia and Poland (85 and 76 % respectively). Just as last year, in 2022 Germany was still the largest producer of roundwood in the European Union (79 million m³), followed by Sweden and Finland (each producing between ca 66 and 77 million m³) (Table 1 and Figure 1).

Change in roundwood production in the EU and EFTA countries, 2000–2022 (%)

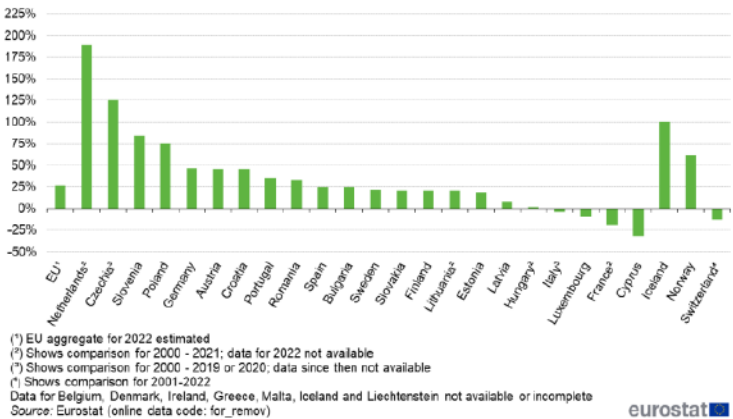


Figure 1: Change in roundwood production in the EU, 2000–2022 (%)
Source: Eurostat

	Roundwood production		
	Total	Fuelwood	Industrial roundwood
	(1 000 m³ under bark)		
EU (*)	509 286	124 951	384 350
Austria	19 358	5 424	13 934
Belgium	:	:	:
Bulgaria	5 978	2 662	3 316
Croatia	5 343	2 604	2 739
Cyprus	14	11	3
Czechia ²	32 586	5 922	26 664
Denmark	:	:	:
Estonia	10 541	4 066	6 474
Finland	65 637	9 386	56 251
France ⁴	53 139	26 950	26 189
Germany	78 872	22 338	56 534
Greece	:	:	:
Hungary ⁴	5 985	2 860	3 125
Ireland	:	:	:
Italy ³	8 923	3 921	5 002
Latvia	15 427	2 936	12 491
Lithuania ⁴	6 614	1 885	4 729
Luxembourg	233	41	193
Malta	:	:	:
Netherlands ⁴	3 010	2 363	648
Poland	45 693	6 958	38 735
Portugal	14 619	2 383	12 235
Romania	17 476	6 574	10 903
Slovakia	7 435	609	6 827
Slovenia	4 157	1 150	3 007
Spain	17 921	3 555	14 366
Sweden	77 200	6 000	71 200
Iceland	4	1	3
Liechtenstein ⁴	6	3	3
Norway	13 222	1 705	11 517
Switzerland	4 945	1 805	3 006

(:) not available
(*) EU estimate produced using latest available data if a country did not report for 2022
(²) data for 2019 (³) data for 2020 (⁴) data for 2021


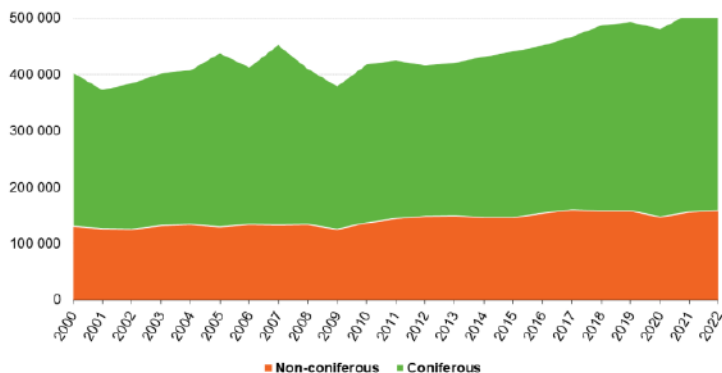
Source : Eurostat (online data codes: for_remove) 

Table 1: Roundwood production 2022
Source: Eurostat

Traditionally, the output of roundwood in the EU has been dominated by coniferous trees. Their share in 2022 accounted for 69 % of all roundwood harvested in the forests of EU countries. Although the output of coniferous roundwood shows minor fluctuations, the output of non-coniferous roundwood has been steady over the past 20 years. Overall, the share of coniferous roundwood has remained stable during the period 2000–2022 (Figure 2).

Annual production of roundwood, EU, 2000–2022
(1000 m³)



Note: EU estimate produced using latest available data if a country did not report for 2022
Source: Eurostat (online data code: for_remove)

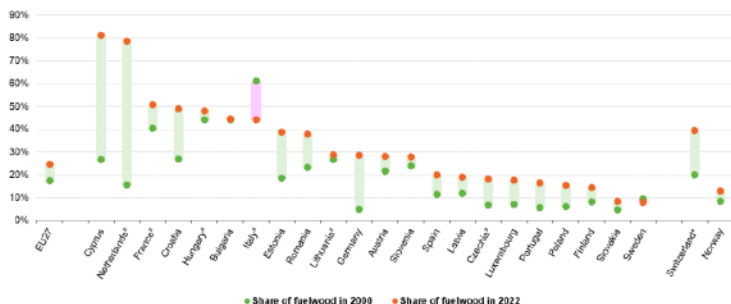
eurostat

Figure 2: Annual production of roundwood, EU, 2000–2022
(1 000 m³)
Source: Eurostat

Primary wood products

Wood has been increasingly used as a source of renewable energy. Almost a quarter (24 %) of the EU's roundwood production in 2022 was used as fuelwood, while the remainder was industrial roundwood mostly used for sawn wood and veneers or for pulp and paper production. Fuelwood production has slightly increased in 2022 (3.6 %), and industrial roundwood production has decreased by 1%. Their ratio has been stable around 24:76. This represents an increase of 7 percentage points (pp) compared with

Change in the share of fuelwood in total roundwood production in the EU and EFTA,
2000–2022 (%)



(*) Data for the EU aggregate for 2022 were estimated
(*) Shares comparison for 2000–2021; data for 2022 not available
(*) Data for the latest years not available
(*) Shares comparison for 2001–2022
Data for Belgium, Denmark, Ireland, Greece, Malta, Liechtenstein and Iceland not available
Source: Eurostat (online data code: for_remove)

eurostat

Figure 3: Change in the share of fuelwood in total roundwood production in the EU,
2000–2022 (%)
Source: Eurostat

2000, when fuelwood accounted for 17 % of the total roundwood production. In some EU Member States, specifically Cyprus, fuelwood represented the majority of roundwood production (more than 80 %) in 2022. On the other hand, Slovakia and Sweden reported that over 90 % of their total roundwood production was industrial roundwood (Table 1). While the share of fuelwood in roundwood production differs across EU countries, most Member States reported its increase since 2000. The largest increase was recorded for the Netherlands and Cyprus (63 % and 55 % respectively) as shown in Figure 3.

In 2022 Germany and Sweden were the EU's leading sawnwood producers, accounting for approximately 24 % and 18 % of the EU total sawnwood output, respectively (Figure 4). For both countries, their share has increased during last year by 1 %.

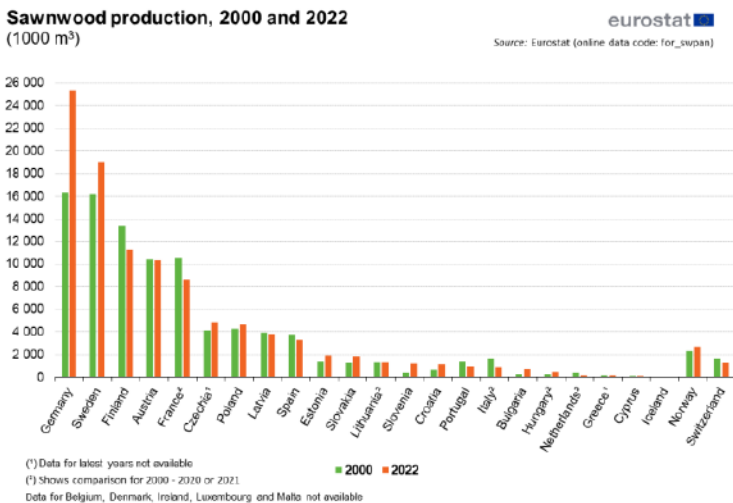
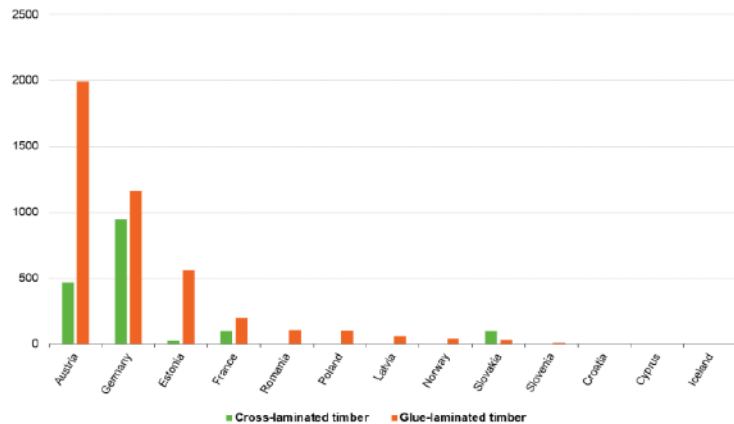


Figure 4: Sawnwood production, 2000 and 2022
(1 000 m3)
Source: Eurostat

Secondary wood products

Secondary products include further processed wood and paper products (e.g. further processed sawnwood, wooden wrapping and packaging material, wooden furniture, etc.). As a new item, Eurostat and its partner institutions have started to collect data on the production of glue-laminated timber, cross-laminated timber and I-beam. Only 13 countries reported provisional production data for 2022. Austria and Germany are the main producers of these two items in Europe, reaching a total of 2.5 and 2.1 million m³ in 2022.

**Cross-laminated and glue-laminated timber production in 2022
(1000m3)**



Source: Eurostat (online data code: for_secwpp)

eurostat

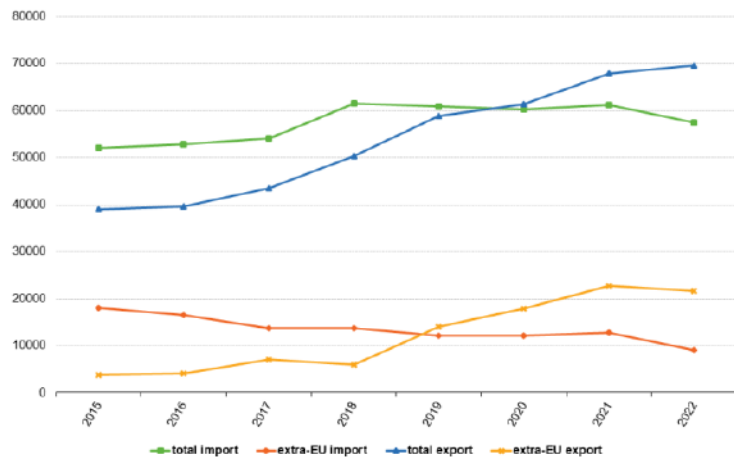
Figure 5: Cross-laminated and glue-laminated timber production in 2022
(1 000 m3)

Source: Eurostat

Trade in roundwood and fuelwood

Trade of roundwood presents for the EU in 2022 a net balance of 12 billion m³ (Figure 6). Total exports have steadily increased since 2015 by 77% over the seven years,

Trade in roundwood 2015-2022 (1000m3)



Source: Eurostat (online data code: for_basic)

eurostat

Figure 6: Trade in roundwood 2015-2022
(1 000 m3)

Source: Eurostat

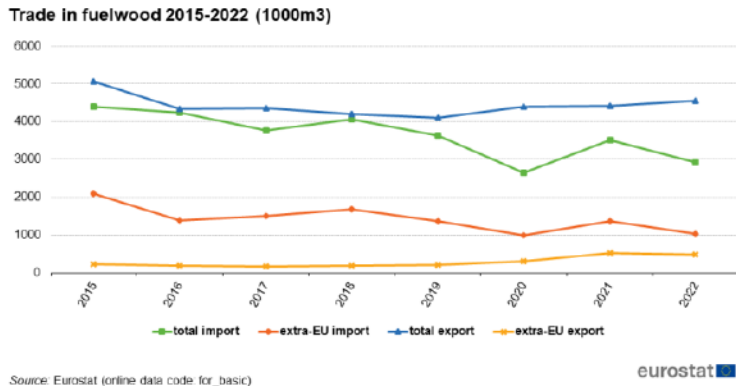


Figure 7: Trade in fuelwood 2015-2022
(1 000 m3)
Source: Eurostat

while total imports have declined since 2018 by 7.4%. The net balance is driven by the extra-EU trade of roundwood and represents 12.5 million m³. 31% of all roundwood exports go outside the EU, whereas 16% of roundwood imports come from outside the EU.

Trade of fuelwood shows a different picture (see Figure 7). Total imports have been declining since 2015 reaching 2.9 million m³ in 2022, whereas imports coming from non-EU states reached slightly more than 1 million m³. The rise in fuelwood export however is mild over the past three years, still not reaching the 2015 level. In 2022, exports of fuelwood account for 4.6 million m³ including exports to non-EU countries of 481 thousand m³. During the past 7 years the EU imported more fuelwood from non-EU states than exported outside the EU. The trade balance has been narrowing, but imports are still twice as high as exports.

Wood-based industries

The EU's wood-based industries cover a range of downstream activities, including wood-working industries, large parts of the furniture industry, pulp and paper manufacturing and converting industries and the printing industry. Together, some 393 000 enterprises were active in wood-based industries across the EU in 2020; they represented one in five (19 %) manufacturing enterprises across the EU, highlighting that - with the exception of pulp and paper manufacturing that is characterised by economies of scale - many wood-based industries had a relatively high number of small or medium-sized enterprises.

The economic importance of an industry can be measured by the share of its gross value added (GVA) in the economy. In 2020, the GVA of wood-based industries in the EU was €136 billion or 7.2 % of the total manufacturing industry. The distribution of GVA across each of the four wood-based activities in 2020 is presented in Table 2. Within the EU's wood-based industries, the largest GVA was recorded for pulp, paper and paper products manufacturing (34 % or €46 billion). With regard to the other three sectors,



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printing and service activities related to printing amounted to 16 % of the GVA of wood based industries, while the manufacture of furniture and manufacturing of wood and wood products each made up between 23 % and 27 %.

Main economic indicators for wood-based industries, EU, 2020

Activity (NACE Rev. 2)	Number of enterprises (1 000)	Gross value added at factor cost (billion EUR)	Number of persons employed (1 000)
	2020	2020	2020
Manufacturing (NACE C)	2 063	1 881	29 401
Wood-based industries (NACE C 16+17+18.1+31)	393	136	3 093
Manufacture of wood and wood products (16)	157 du	37	912
Manufacture of pulp, paper and paper products (17)	18	46 e	620 e
Printing and service activities related to printing (18.1)	98 e	22	555
Manufacture of furniture (31)	120 u	31 e	920 e

'd' : definition differs, see metadata.

'e': estimated

'u' : low reliability.

Source: Eurostat (online data code: sbs_na_ind_r2)

Table 2: Main economic indicators for wood-based industries, EU, 2020

Source: Eurostat

The wood-based industries employed 3.1 million persons across the EU in 2020 or 10.5 % of the manufacturing total. There were more than 900 000 persons employed within both the manufacture of wood and wood products and the manufacture of furniture, whereas an employment of 555 000 persons was recorded for printing and service activities related to printing, representing the lowest employment of the four activities (Table 2).

Chapter 5

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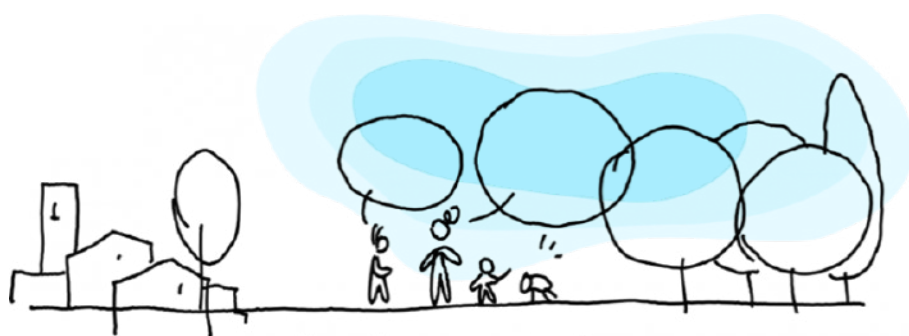
5. Overview of CEI-Bois' Main Advocacy Actions

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5.1. Wood promotion

5.1.1 The Woodworking Industries and the New European Bauhaus

The New European Bauhaus is a creative and interdisciplinary initiative, convening a space of encounter to design future ways of living, situated at the crossroads between art, culture, social inclusion, science and technology. It brings the Green Deal to our living places and calls for a collective effort to imagine and build a future that is sustainable, inclusive and beautiful for our minds and for our souls.



New European Bauhaus
beautiful | sustainable | together

The European wood-based sector warmly welcomed the launch of the design phase of The New European Bauhaus initiative and launched the Wood Sector Alliance for the New European Bauhaus (www.wood4bauhaus.eu) to establish an open platform of stakeholders.

This sectoral alliance has been initiated by several umbrella organisations: the InnoWood EU network for wood research, innovation and education, the European Wood-Based Panel Federation (EPF), the European Confederation of the Woodworking Industries (CEI-Bois), the European Federation of Building and Woodworkers (EFBWW) and the European Organisation of the Sawmill Industry (EOS). It has also the support of the Horizon 2020 project consortia BASAJAUN and WoodCircus.

The WOOD4BAUHAUS alliance was confirmed by the European Commission as an official partner of the New European Bauhaus on 30 March 2021.

In view of the EU Council Research Working Party meeting on 12 September 2023, the Wood4Bauhaus Alliance and its partners wanted to show their support to the EU Commission's proposal to establish a sixth European Mission dedicated to the New European Bauhaus (NEB). In particular, with their letter, they advocated for establishing the NEB Mission as a horizontal, mutually benefitting interface between the EU's R&I community and the society, directed at Communicating science and its impacts towards citizens in a much more direct way. This is expected to enlarge the reach of the EU Missions substantially and can support and guide the main, overarching and interconnected transformational change needed to address the biggest challenge of our times: to rethink and redesign the built environment in a sustainable, circular model in response to the climate crisis.

Hereunder, a copy of the letter:



Brussels, 11 September 2023

**Open letter to the
Permanent Representations of the EU countries to the EU**

**EU Mission on the New European Bauhaus (NEB):
the role for a green transition of the built environment**

The Wood4Bauhaus Alliance represents the European industry, research and innovation ecosystem around wood-based materials and engineered products for construction. With this letter we wish to support to the EU Commission's proposal to establish a new European Mission dedicated to the New European Bauhaus (NEB).

The systemic, transdisciplinary and co-creative approach initiated by the NEB movement, of which our Alliance has been an early supporter, is an essential driver to speed up and upscale the twin digital and green transformation notably of the built environment

as well as the circular bioeconomy at large. Europe's forest-based sector is a leading processing and manufacturing sector established across all EU countries, and a main employer in both urban and rural areas (3.5 million jobs in 400k companies, 7% of EU manufacturing GDP). Nature based materials like wood play a key role for the transformation of the construction sector: forests/trees sequester carbon into durable material, which is engineered into long-lived products and then stored in buildings for decades up to centuries. Digitalisation (prefab, BIM, design) and circularity (reuse, remanufacture, recycling) are leading drivers for cutting-edge research and innovation in the wood sector, to achieve higher resource efficiency, upscale biobased circular solutions and generate growth of the resilient SME-led sector. Buildings with timber can save up to 40% of carbon emissions in comparison to energy-intensive, carbon positive building materials. A higher use of sustainable wood and wood-based products will be decisive for decarbonising the built environment. The sector is therefore a key player in the green transformation of cities into carbon sinks. In view of the EU Council Research Working Party meeting on 12 Sep 2023, the Alliance partners wish to underline three main points in favour of a new NEB Mission:

1. **The NEB Mission can become the main FACILITATOR between the EU Missions and Europe's citizens, regions, economic and social actors on the ground. The NEB Mission should not become a new pillar alongside the other Missions, but a cross-cutting horizontal activity aimed to identify and develop synergies for more systemic research and innovation between domains, and engage all stakeholders in regional ecosystems, communities and the public.** Communicating science and its impacts towards citizens in a much more direct way, and better connecting the research to people's needs in all their roles as consumers, citizens, local/regional decision-makers, innovators, agents of change, can become a decisive strength and advantage of Europe's Horizon and other funding programmes. The NEB can be the Mission's suitable vehicle to organise and cluster the various stakeholder target groups across domains, e.g. through knowledge hubs, living labs, urban demonstrators, open platforms, academies, codesign competitions, citizen science etc, so that the Missions' funded projects can dock on more easily and be communicated, disseminated and exploited with much larger impact. This will foster higher awareness, adoption and broader uptake of all EU-funded programmes results and outcomes. NEB Hubs driven bottom-up by local actors would also help to break up silos of national funded research communities and innovations of SMEs, which persist largely due to language barriers and lack of mobility.
2. **The NEB Mission should focus to become the HUMAN-CENTERED DRIVER of the transition of the built environment towards a sustainable, inclusive model as part of the Green Deal. Closely related to the Cities Mission, it would enable to address the key issues of energy consumption, embodied emissions, material waste, health and carbon storage in a systemic, people-centred manner.** The long-neglected sustainability issue of buildings needs to be addressed through more R&I on decarbonisation connecting all related domains and disciplines in the built environment, e.g. urban planning, architecture, civil engineering, construction,

material sciences, nature-based solutions, bioeconomy, digitalisation, social sciences, cultural heritage, among others. The NEB Mission can support the other EU Missions to define the objectives, measurable outcomes, and the impact investing into R&I, market uptake and societal transition. This transdisciplinary alignment of Missions can become Europe's powerful political statement for the adaption, mitigation and even reversal of climate change (biobased solutions allow to reach negative emissions) and how this can lead to the unique position of Europe and Member states in guiding the climate crisis and transformation beyond Europe.

3. **The NEB Mission can support FOUR MODES of inquiry and experimentation to be deployed simultaneously and in synergy with the other Missions (based on the independent expert Horizon Europe-NEB NEXUS report).**

These four levels embrace the systemic, collaborative nature of the NEB approach:

- **FUNDAMENTAL**: Conducting basic research including systems modelling and analysis, experimentation and testing by both established research institutions and community-based organisations. The sponsorship of open-source networks with curated exchanges among knowledge generators and research will compound discovery, promote dissemination, and accelerate innovation.
- **APPLIED**: Promoting the rapid utilisation of fundamental research through technological development and the prototyping and testing of processes and assemblies. Active exchange in a Creative Commons multiplies sites of implementation and fosters the potentially creative discovery of 'unintended outcomes', 'creative misapprehensions' and 'innovative hybrids'.
- **DEMONSTRATIVE**: Encouraging the general dissemination of findings and the exhibition and critique of innovation. In addition to promoting both Horizon Europe/NEB objectives and solutions, the demonstrative mode of the NEB projects serves as a feedback mechanism for participants and recipients. Failure is valued as fundamental to innovation.
- **EDUCATIONAL**: Broadening the means to transfer knowledge and actionable information on the objectives, underlying principles, and specific findings and innovations sponsored by the New European Bauhaus. This mode of activity serves to empower a future generation of informed producers and consumers, critical decision-makers, and participants not typically served by traditional educational formats.

To conclude, the Wood4Bauhaus Alliance members advocate for establishing the NEB Mission as a horizontal, mutually benefitting interface between the EU's R&I community and the society. We are convinced that this can enlarge the reach of the EU Missions substantially and can support and guide the main, overarching and interconnected transformational change needed to address the biggest challenge of our times: to re-think and redesign the built environment in a sustainable, circular model in response to the climate crisis.

1. *Schellnhuber Hans Joachim, Widera Barbara, Kutnar Andreja, Organschi Allen, Hafner Annette, Hillebrandt A, Murphy O, Nakicenovic N, 2022. Horizon Europe-New European Bauhaus Nexus report. EC DG R&I & JRC. 60 pages. data.europa.eu/doi/10.2777/49925*



Signatories | W4B Alliance Members

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5.1.2 Conference on wooden construction for CO₂ reduction in the building sector

The European Economic and Social Committee (EESC) has looked into the advantages of modern industrial wooden construction at the request of the Swedish Presidency of the Council of the European Union. The EESC adopted an exploratory opinion focusing on how EU proposals such as sustainable carbon cycles, the bioeconomy strategy and the New European Bauhaus can be used to drastically reduce the huge amounts of construction-related CO₂ emissions, store CO₂ and make construction more efficient.

A conference was organised in the framework of the Swedish Presidency of the Council of the EU, with the participation as speaker of CEI-Bois Board Member and Trade WG Chair Mr Keith Fryer.

This conference aimed at presenting the main conclusions of the EESC's exploratory opinion and further discussing



the potential of timber construction in line with EU's goal of climate neutrality with local experts, representatives of the wooden construction sector and civil society organisations.

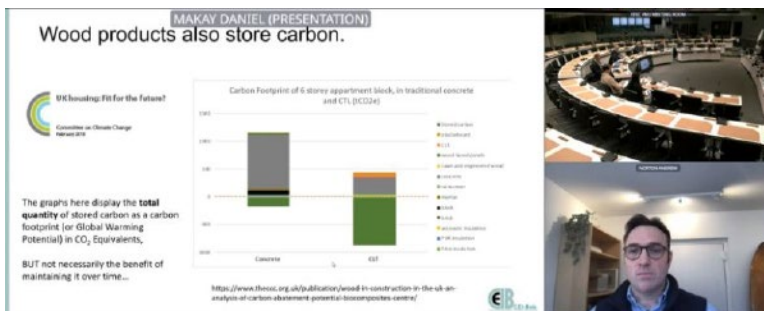
The conference was organised in the framework of the Swedish Presidency of the Council of the EU, with the participation of the following guest speakers:

- Annika Wäppling-Korzinek, Head of Representation of the European Commission in Sweden
- Helene Holstein, Deputy Director General, Ministry of Rural Affairs and Infrastructure
- Susanne Rudenstam, Director for Construction at Swedish Wood
- Peter Holmgren, CEO of Future Vistas
- Jesper Lindholm, Swedish Building Workers' Trade Union (Sweden), Chair of the Europe Regional Committee
- Bernhard Egert, UBM Development, Spokesperson of the Austrian Timber Construction Platform
- Keith Fryer, Board Member of CEI-Bois

Key conclusions and recommendations of the conference:

- While wood is not going to solve all of our climate change issues, it already makes a huge contribution. If we can unleash wood by increasing demand for it within the built environment and through an acknowledgment by the wider community, where there's currently uncertainty around forestry, the wood industry at all levels can do the rest and exponentially increase the use of wood. It's a virtuous circle.
- We see innovative, bio-based and sustainable construction materials, made using low-carbon procedures as an important engine to drive the green transition. We must promote the share of wood in construction to reduce carbon emissions through active and sustainable forest management in the EU. This should not be hampered by policy constraints.
- The contribution of forests and forestry should be recognised both in climate change mitigation and design policy accordingly. Real-world developments in European forests over many years illustrate that an increasing carbon stock can be combined with simultaneously increasing harvests of wood and, if well managed, at the same time reducing the risks of naturally caused damages.
- Most importantly, there should be recognition that it is the harvested wood that carries the climate value as
 - a) it gives economic value to the forest, leading to investments for long-term sustainable management of it,
 - b) it provides vast opportunities for reducing fossil dependency in other sectors by using wood-based products and
 - c) it stimulates innovation and technological development for more advanced products with even greater climate benefits.
- The tradition of timber construction is rooted in a centuries-old history of innovation. Among other things, the use of sustainable materials has been included in the thinking behind the New European Bauhaus (NEB). Wooden buildings, with their embodied carbon, will give us the opportunity to provide communities with high standards of housing that affordably incorporates great design and a beautiful living environment.

- Member States should increase the use of wood in public buildings, which is below the overall average. We believe that the public sector has a leading role to play in harnessing the potential of timber construction to achieve climate change objectives.
- Quality-based procurement procedures, including sustainability and lifecycle criteria, as well as the choice of appropriate procurement procedures that allow innovative solutions, are a prerequisite for achieving climate objectives and promoting timber construction. We call for both a stronger legal obligation with respect to quality-based competition and climate-friendly public procurement as well as for measures to train contracting authorities accordingly.
- Easily accessible support measures to help SMEs research, develop and innovate on alternative building materials are an important means of exploiting the potential of timber construction.
- It is suggested that barriers to timber construction arising from formal, legal and technical requirements should be scrutinised in terms of their necessity with respect to planning quality, and note that innovations must be able to comply with the state of the art not only by meeting standards, but also through the use of “equivalent alternative solutions”.
- As different building regulations also create barriers to the use of renewable building materials, we call for harmonisation measures and see the NEB as an important driver in this connection.
- The consistent use of lifecycle assessments is recommended for expert sustainability assessments over the whole lifecycle of buildings and when comparing environmental impacts.
- The importance of minimum standards for lifecycle carbon emissions from buildings and for the corresponding carbon reporting requirement across the construction sector is stressed
- The Energy Performance of Buildings Directive (EPBD) is the main policy tool for setting requirements to reduce carbon emissions over the full lifecycle of buildings. We call on the European Commission to develop a carbon certification scheme that takes full account of the role that wood products play in offsetting emissions.
- Technological and material changes in timber construction will change the organisation of work and the skills required. This creates overlaps between the construction and timber sectors and between traditional occupations in these two sectors. Adjustments to the existing curricula for individual occupations, or even redesigning



occupations, are a must in this regard and should be coordinated at European level. The objective of attractive occupations with a wide range of tasks and corresponding organisation of the work will also help to make the construction and timber sectors more attractive.

- We consider it essential to transfer know-how, as envisaged in the NEB Academy, and to provide appropriate training and development at national level. Training and development on the use of new sustainable construction methods and materials is needed for all those involved in the construction process: planners, architects, engineers, technicians, IT specialists and construction workers.
- The EESC calls on the Member States to participate in the Austrian and Finnish Governments' Wood POP initiative, which aims to mobilise public and private players in the timber sector at national and regional level and to support the reorientation of investments towards sustainable bio-based solutions and timber-based value chains.

Previously, CEI-Bois & EOS LCA expert, Dr Andrew Norton was invited to attend as speaker the online public hearing in the context of this exploratory opinion "Wooden construction for CO₂ reduction in building sector".

5.1.3 Brussels event on "Sustainable building with wood"

On 23 March 2023, CEI-Bois was invited to be part of the event "Sustainable building with wood" hosted by the Saxony regional representation.

The EU's new sustainability framework has a major impact on the construction industry. It is already now foreseeable that wood as a sustainable building material will play a major role in this. Various initiatives accompany the increase of timber construction quota in the European regions. With our event at the Saxony Liaison Office Brussels, we wanted to enable targeted networking and exchange with stakeholders and politics. The aim was to present the tasks and measures of different regional initiatives. As a Saxon example, the Wood Construction Competence Center presented its activities and network with the international initiatives. Austria reported on successful initiatives in the field of timber construction. During the event, the "Woodcluster Styria" reported on the lively timber construction culture in Austria and the existing cooperation between Saxony and Styria.

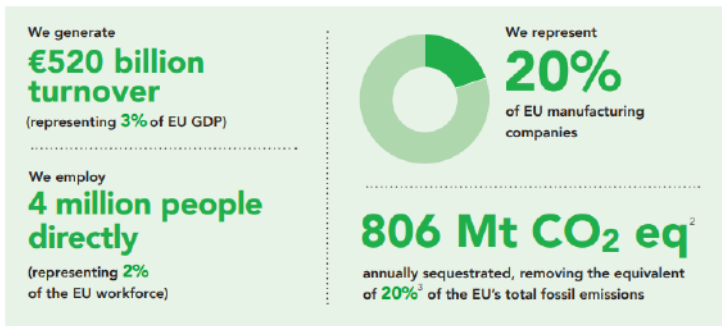
On this occasion, CEI-Bois gave a presentation on the EU policies affecting the use of wood on the occasion of the "Sustainable building with wood" networking event at the Saxony Liaison Office Brussels. Using wood reduces the carbon footprint of the construction industry when evaluating the entire life-cycle of wood from the raw-material through manufacturing, use and recycling.



Wood promotion is one of the focus areas of the European Confederation of the Wood-working Industries that actually counts 3 Task forces and 1 Working Group dedicated to the analysis of legislations affecting the use of wood as construction material.

5.1.4 The Circular Choices Coalition: choosing green growth

CEI-Bois is part of the cross-sectoral Coalition for Circular Choices for the EU's Bio-economy. The Coalition offers biobased, renewable and carbon-neutral products and solutions that contribute to European resilience and enable the transition towards a circular bioeconomy. From the logs, wood products and renewable energy, to our key role in the construction and furniture sectors, to the innovations we are driving in the pulp, packaging, board, tissue, and printing sectors, we are committed to the sustainable management of our forests, the delivery of sustainable products, the transition to net zero and the creation of long-term jobs.



This is the broadest coalition yet representing these value chains. Jointly, its members represent 3% of the EU's GDP, €520 billion in turnover, and 20% of its manufacturing companies. They are an integrated part of the EU bioeconomy, using local renewably-sourced materials, made and recycled in Europe, and using European technology. But their contribution could go much further. They hope to work with the EU institutions towards creating an enabling policy environment for their sectors to collectively reach climate change mitigation equivalent to 30% of EU annual CO₂ emissions. In 2019, this figure stood at 20%. The coalition's ambition will require consolidating the EU's global leadership as a provider of sustainable and competitive alternative solutions for today, and innovative opportunities for tomorrow.

Europe's wood and fibre-based value chains are widely considered a laboratory for the future circular bioeconomy. In order to be climate neutral by 2050, the EU needs to work with the coalition to accelerate the uptake of bio-products, encourage investments in green technologies for production processes and supply chains, and support a shift towards sustainable consumption while putting in place policies to boost the competitiveness of sustainable manufacturing industries.

OUR CONTRIBUTIONS TO SOCIETY

In order to achieve our goals and simultaneously contribute to EU priorities, we are:

- Driving the EU away from fossil raw materials through sequestration, storage and substitution
- Making sustainable and climate-friendly products the norm by providing renewable, carbon-neutral and recyclable alternatives to fossil-based materials
- Meeting the increasing demand for raw materials by maximising new secondary streams
- Maintaining and developing healthy, resilient and productive forest ecosystems, thus strengthening the environmental and climate benefits of EU forests
- Protecting and advancing consumer health and safety thereby contributing to societal well-being

We also contribute to EU strategic autonomy, as shown by the adaptability of our sector during recent crises. We play a key role in providing essential products and services to society, helping to build European resilience, while playing our part in the green and net zero transition.

The competitiveness of the overall European industry has been impacted by the energy crunch and issues related to the supply of strategic raw materials. Wood-based products, fibre-based paper and board products and packaging, and renewable energy solutions, offer resilience and ensure European strategic autonomy and competitiveness via the sustainable management of sources of valuable raw materials, and secondary raw materials and related technology.

In the framework of the Circular Choices coalition, several important meetings were organised in order to present the strategic document to the EU policy-makers.



In the photo: meeting with DG ENV on 12 April 2023. As already highlighted by the Executive Vice-President Timmermans “the demand for sustainable wood from EU forests can encourage long-term investments in enhanced sustainable forest management, increase carbon sequestration in forests and wood-based products”. The forestry value chain is fully committed to contributing to biodiversity preservation and, at the same time, supporting the transition to a circular bioeconomy using renewable, carbon neutral and sustainably sourced wood & fiber products.

On 26 September, the Circular Choices coalition led by CEPI, organised an event in conjunction with the Spanish EU Presidency. This event launched a debate on how a circular bioeconomy could enable a more competitive Europe, while at the same time helping the EU navigate through global challenges including climate change and a move away from fossils. Opening the floor at the Coalition's launch event, Alberto Ruiz, Counsellor for Industry at the Permanent Representation of Spain to the EU, highlighted industrial competitiveness and innovation as the priorities of the Spanish EU Presidency. Mr Ruiz also identified the often-overlooked role bioeconomy and circularity actors already play in delivering on these priorities.

Several of the most innovative companies from across Europe representing providers of high-quality wood-based products, paper and board products and packaging, and renewable energy solutions, were invited to present real-life examples of how the use of renewable bio-based resources already supports the EU's green growth engine, and the objective of reaching carbon neutrality by 2050.

Ilkka Härmälä, CEPI chairman and CEO of Metsä Group, stated: "I am proud of what the Circular Choices Coalition represents, we are a coalition of believers bringing together 20 EU trade associations to develop an open cross-sectoral cooperation. Our promise is for our sectors to mitigate carbon emissions in the EU to the equivalent of at least 30% of EU fossil emissions by 2030, if EU policy decisions are made to support this direction.' Härmälä underlined that to achieve the industry's targets, "attention to legislative coherence across the different policy areas as well as to the cumulative impacts of EU regulations is key."

Speakers and the audience took stock of the status of the EU bioeconomy sector, and gaps to be addressed in view of the 2024-2029 legislative cycle, where expectations are high for bioeconomy actors to help turn the radical transformation EU Green Deal's legislative package into action. A lively panel discussion touched upon current drivers and barriers for a green industrialisation, future trends and opportunities, and long-term actions to ensure a globally competitive and resilient EU bioeconomy sector.

The EU bioeconomy transformative potential will need the right regulatory environment to scale up: "If we want the EU to lead on circular bioeconomy, we need to start working now for the creation of the right market conditions in the EU's single



As best practice of circularity and engagement of SMEs in making the circular economy a reality, CEI-Bois invited as speaker, Mr Massimiliano Spallanzani - Sales Manager, ECObLOCKS, Italy.

market, as well as globally” said Alberto Ruiz, Counsellor for Industry, Permanent Representation of Spain to the EU.

Hans Ingels, Head of Bioeconomy Unit in DG GROW concluded: “The EU Bioeconomy Strategy is key in achieving the EU Green Deal’s objectives. It is important that we work together with the industry to deliver to the next generations a new societal and economic model that is based on the circular use of bio-based and renewable resources.”

Another panellist, Spanish Confederation of Business Organisations (CEOE) Head of EU Affairs, Isabel Yglesias, stated: “We need to ensure that we make the right regulatory and financing choices to enable that European industries that are front runners in sustainability are able to keep investing in Europe and to compete globally, making the EU more resilient to future shocks. For this, ensuring the skilling and upskilling of our workforce is equally central.”

5.1.5 WOODRISE 2023 BORDEAUX

The WoodRise Alliance is a collection of organizations whose objective is to form a global network on innovation and research and development to improve and promote mid-rise and high-rise wooden buildings.

CEI-Bois is a long-time advocate for the use of wood in construction and renovation and supporter of innovative wood-based materials and building concepts. Timber products and a large variety of wood-based materials are increasingly being used in carbon and energy efficient construction.

In becoming part of the WOODRISE Alliance, CEI-Bois looks forward to partnering with other important actors across Europe in order to strengthen this important network on innovation and development and contribute to the promotion and development of low-carbon construction and timber buildings.

WOODRISE participates in urban transformation and in the ecological transition of construction, restauration and development:

- By uniting all stakeholders of the wood sector around tomorrow’s climate, energy and environmental challenges,
- By highlighting innovation and technology, education and information, people and society,
- By increasing awareness among professionals and the general public about wood resource management, essential in today’s and tomorrow’s world.

The fourth international WoodRise congress took place in Bordeaux, France, on 17 and 18 October 2023. Conceived as a trade and consumer fair, a workshop and an international meeting point, WoodRise has developed into a unique forum for sharing and comparing developments in the promotion of wood in construction. The congress occurs every second year and is hosted in turn by France, Japan and Canada. This 4th edition brought together 3000 participants from 20 different countries.



Through plenary sessions and workshops, around fifty international speakers presented the different global challenges of mid and high-rise wood construction and its integration in the concept of sustainable cities.

The range of speakers was impressive. They collectively conveyed a strong impression of gathering momentum in the world of wood construction, particularly in relation to mid and high rise builds. Amongst the various prominent speakers Mr Brannen, Public Affairs Director of CEI-Bois and EOS, represented the European Timber industry. The congress threw up many informative nuggets of mainly positive information including the following:

Canada

The province of British Columbia (BC) has an office of Mass Timber Promotion with cross cutting powers across other government functions. Building codes have been changed to enable a level playing field to exist between wood and other building materials. As a result BC has more mass timber buildings than any other Canadian province and more than the whole of the USA (although the US is catching up). BC is aiming for ten mass timber production facilities, a move being copied by other provinces and the USA. Vancouver is starting to register buildings with a 70% lower level of embodied carbon if the structure is made from timber and the insulation is wood based. Also in Vancouver, if a building is demolished/dismantled, then any material that is reused is considered as carbon neutral.

USA

Building codes were restraining building big with timber in the USA, but state by state, since 2021, codes are being revised in part due to sustainability rising up the agenda. Denver, Colorado now has a 12-storey tall timber build under construction. Advanced occupation rates are high, a reflection of customers being attracted by the exposed wooden surfaces. Such developments are occurring against a US forest that covers a third of the landmass and has been stable in size for 100 years and where stocks are growing.

Australia

In Melbourne, the world's tallest timber vertical extension involving CLT is underway. An existing seven storey concrete building is having an additional ten storeys added. If the extension had been in concrete and steel, then 'only' six additional storeys would have been possible. The 'extra' four storeys have boosted the calculations around additional income for the hotel that will be created in the extension. During the 'build-on-top' process, the existing tenants can remain in situ due to wood construction being a quieter than a traditional build. Such builds are raising awareness that to reach net zero by 2050 Australia will need to shift to 30% of their big builds being in timber.

Michael Green

One of the big names in the building in wood called for a greater harmonisation of thinking at a global level, especially around building codes including on fire risk. Yes, we are building more in wood but not fast enough, given the existential threat we face from climate breakdown. We need to remain vigilant around the sourcing of the wood we use citing modern day slavery in the production of Russian wood. An LCA on one of their recent timber builds revealed a much higher level of embodied carbon than they were expecting, which was traced back to the energy source of the mill they had used to source the timber. The source of mill energy can decrease or increase embodied carbon levels by a factor of eight. The easy big win on embodied carbon is to get rid of the cement basement in a build as this can account for up to half the carbon footprint of the build. We need to remember that 100 years ago we were building ten storey timber framed buildings and then cladding them in stone.

New European Bauhaus

The NEB was presented to the congress by Ruth Reichstein from the European Commission. The NEB is helping to deliver a climate neutral continent rooted in a recognition of the climate impact of the built environment. By using nature-based materials and less concrete and steel, emissions can be reduced. By working through the Wood4Bauhaus alliance the wood industry can be seen to be speaking with one voice.

CEI-Bois/EOS

Paul Brannen from CEI-Bois & EOS presented examples from Europe and beyond of wood's ability to decarbonise the built environment and assist in delivering net zero. His examples included the use of timber frames in the erratic but growing market of modular off-site construction, building-on-top, hybrid builds such as in Milwaukee with a concrete lower section and a timber top section, the huge opportunity to store more

carbon in the built environment presented by nature-based insulations, such as wood fibre and the emerging market for carbon offsets/credits generated by carbon stored in wood products in the built environment.

In addition to the speakers, approximately one hundred trade stalls and exhibitions were also part of the Congress.



Also a delegation of the European wood policy platform (woodPoP) took part at the Woodrise International congress together with representatives of the timber value chain!

The next WoodRise congress will be held in Vancouver, Canada, in 2025.

5.1.6 European Wood Policy Platform - WOODPOP

The WoodPoP (European Wood Policy Platform) has been initiated by Finland and Austria, as part of the Austrian Wood initiative of the Austrian forest fund. This platform serves to promote wood-based policy dialogue.



High-level experts from politics, administration, economy and research discussed current and future challenges for material and energetic use of wood.

CEI-Bois is an active Member of the WoodPop platform and it participates in the correlated technical Working groups and in the High level meetings.

The 2nd High Level Meeting of the European Wood Policy Platform took place on 3 and 4 October 2023 at the Ministry of Environment, 'Pankkisasi', Aleksanterinkatu 7, Helsinki, Finland Helsinki (and online).

The meeting was co-chaired by Mr Teppo Lehtinen, Director General and Petri Heino, Director of the Wood Building Programme, Department of the Built Environment at the Ministry of Environment of Finland and Mr Georg Rappold, Head of Division Wood-based Value Chain, Ministry of Agriculture, Forestry, Regions and Water Management of Austria.

80 participants from the following countries and organisations attended the meeting: Countries (19): Austria, Canada (British Columbia), Czech Republic, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Latvia, Lithuania, Luxemburg, Norway, Slovak Republic, Slovenia, Sweden, Switzerland, Türkiye

Extract of the conclusions:

"The exchange of views provided an excellent overview on the wealth of initiatives to support the sustainable use of wood and the wood-based value chain in the pan-European region as well as in British Columbia. Building on these synergies, country representatives expressed their interest in the huge potential of woodPoP as a cross-sectorial platform to support the transition towards a carbon neutral circular bioeconomy and bio-based solutions. Stakeholder representatives highlighted the timeliness of the initiative and the importance to focus on implementation of research outcomes and innovations.

The importance to decouple economic growth from emission and the potential of wood-based solutions was highlighted. In this regard, the important role of the wood industry and forest owners, and the need for support across the entire value chain were underlined. Long-term policy and legislative frameworks are central in view of facilitating a transition towards a wood-based bioeconomy. Furthermore, the attractiveness of the sector for youth was identified as an area for action. Assuring supply of sustainable wood in the light of increased demand was also addressed by participants. Successful national best practices on wood construction can help gain public attention and raise awareness. Best-practices from other regions and international experiences should also be integrated.

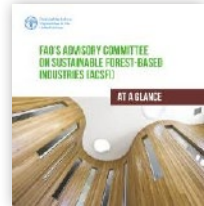
The following topics were specifically highlighted by participants: fire regulations, circular economy, public procurement, enabling frameworks for wood construction, carbon accounting, mass timber, reuse of wood, mid and high rise building, research and innovation, financial transition.

The Second High Level Meeting encouraged the development of policy solutions, measures and recommendations to strengthen the wood-based circular bioeconomy. Five Technical Working Groups are now fully operational³: Governance led by Austria, Buildings co-led by Finland and Germany, Innovation and Research led by Switzerland, Education and Vocational Training led by Slovenia as well as Communication and Information led by the Czech Republic. Within the groups, priority topics will be identified as action areas and targeted initiatives will be developed over the coming months. The Guidelines that have been developed over the last months in a collaborative process serve as a living document and provide a clear and transparent working environment for the platform."

5.1.7 ACSFI - Advisory Committee on Sustainable Forest-based Industries

→ Since February 2023, **CEI-Bois is a Member of the FAO - Advisory Committee on Sustainable Forest-based Industries.**

Established in 1960, ACSFI is a FAO statutory body composed of senior executives from the private industry sector worldwide, it meets yearly with the main objective of providing guidance on activities and programme of work of the FAO Forestry Department on issues relevant to the paper and forest products industry, in support of member countries efforts to progress towards sustainable development.



The ACSFI has the broad mandate to:

- provide guidance to FAO on concepts, fundraising opportunities and relevant policy and regulatory matters in the field of sustainable production and consumption of forest products;
- advise on required support to FAO member countries and the incorporation of private sector perspectives into FAO's Programme of Work and Budget;
- identify key emerging issues from across forest product value chains and review studies and statistical data compiled by FAO on forest products and forest industries;
- propose new activities for implementation by FAO, including international meetings, events and initiatives
- jointly organized with the Committee and other partners;
- maximize the potential for the forest based industries to benefit from innovations and efficiency improvements; and
- improve communication, knowledge and information exchange and training on good practices between members, the private sector and FAO.

The Committee normally defines working priorities for a two-year period coinciding with the FAO biennium and the term of the chairpersons. In recent years, the Committee has produced a number of scoping studies and working papers for members.



5.2 Sustainability and Forests Related Issues

5.2.1 CEI-Bois' advocacy activity regarding the proposed Deforestation-free Products Regulation

Since the very beginning of the legislative iter of the Regulation (EU) 2023/1115 on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation (EU) No 995/2010, CEI-Bois was very active engaging with the policy-makers in order to inform about the challenges and concerns of the timber industries in the implementation of the new rules.

The Regulation was published in the Official Journal of the European Union on 9 June 2023 and entered into force on 29 June 2023. From 30 December 2024, the EU Deforestation Regulation (EUDR) will replace the EU Timber Regulation (EUTR) and it will oblige operators and traders of seven specific commodities, including timber, to apply a due diligence system prior to importing, exporting and/or placing these commodities on the EU Market.

Operators must have documentation to prove the deforestation-free wood has been legally harvested before entering the EU market. Timber must come from plots of land where no deforestation or forest degradation has occurred. Information as tree species, country of harvest, geo-coordinates of all plots of land where the wood was harvested, date or time range of harvest and evidence that the deforestation-free wood was legally harvested will be provided by operators and traders.

Ensuring the truthfulness and precision of geolocation information is a crucial aspect of the responsibilities that operators and traders must fulfil. Providing incorrect geolocation details would constitute a breach of the obligations under the Regulation.

CEI-Bois is a Member of the Commission expert Group on Protecting and Restoring the World's forests with a focus on Deforestation and forest degradation. This exper group aims at providing advice and assistance to the Commis-sion in the preparation of

legislative proposals and policy initiatives, the preparation of delegated acts and the implementation of Union legislation, programmes and policies in relation to the protection and the restoration of World's forests, including illegal logging, as well as coordination and cooperation with Member States and stakeholders in that regard.



The EU Deforestation Regulation in a nutshell:

On 9 June 2023, Regulation (EU) 2023/1115 concerning the making available on the EU market and the export from the EU of certain commodities and products associated with deforestation and forest degradation ("Deforestation Regulation") was published on the EU official Journal and entered into force on 29 June 2023. Annex 1 of the Regulation defines the covered products related to the seven commodities in the scope of the Regulation thus cattle, cocoa, coffee, oil palm, soya, rubber and wood (furniture, printed paper and plywood are also "covered products").

From 30 December 2024 (or 30 June 2025 for micro or small businesses), it will be **prohibited to place relevant products on the EU market**, or export them from the EU, unless they are:

- 'deforestation-free' ((produced on land that has not been subject to deforestation (and forest degradation) after 31 december 2020
- produced in accordance with the relevant legislation of the country of production; and
- covered by a due diligence statement indicating no more than a **negligible risk** of non-compliance.

The Deforestation Regulation sets prohibitions and obligations for:

- Operators, defined as any natural or legal person who, in the course of a commercial activity, places relevant products on the EU market or exports them from the EU market; and
- Traders, defined as any person in the supply chain other than the operator who, in the course of a commercial activity, makes available on the EU market relevant products.

Traders that qualify as small- and medium-sized enterprises would only be required to collect and keep information relating to the identity of their supplier or clients as well as the reference numbers of the due diligence statements associated to those products. This means they would be required neither to submit a due diligence statement nor to carry out a comprehensive due diligence process.

According to the level of risk assigned to each Country, operators and traders will have to put in place one or 3 steps of due diligence:

- STEP 1 (As per Article 9 - Simplified due diligence - involving only information gathering element – it applies in relation to products produced in countries or parts thereof that have been classified by the Commission as being of "low-risk"). Collect (and retain for 5 years) information relating to: (i) the description of the covered products; (ii) their quantity; (iii) (parts of) the country of production; (iv) geo-localisation coordinates; (v) the name and contact details of their relevant suppliers and customers; and (vi) adequately conclusive and verifiable data that the covered products are deforestation-free and have been produced in accordance with the relevant legislation of the country of production.
- STEP 2 (As per Article 10) Operators must assess the risk of the products being non-compliant with the EUDR. Only if the risk assessment identifies no or only a negligible risk, may the product be placed (including imported) on the EU market or

exported from the European Union. That risk assessment must be annually reviewed.

- Risk assessment. STEP 3 If no or non-negligible risk is found → adequate and proportionate risk mitigation measures must be taken before the products may be placed (including imported) on the EU market or exported from the EU. Available risk mitigation measures include implementing model risk management practices, reporting, and independent audits as well as appointing a compliance officer at management.

The geo-localisation requirement.

The geographical location of a plot of land described by means of latitude and longitude coordinates corresponding to at least one latitude and one longitude point and using at least six decimal digits. The format of the geolocalisation information provided can differ according to the size of plots:

- For plots below 4 hectares, it is sufficient to provide one latitude and one longitude point,
- For plots above 4 hectares the geolocalisation information shall refer to the perimeter polygon identified by sufficient latitude and longitude points.

The due diligence statements will be accessible to authorities, traders, and to a more limited extent the general public. Companies who place relevant product on the market also have an obligation to communicate the reference numbers of due diligence statements down the supply chain, all information necessary to demonstrate that due diligence was performed, and that no more than a negligible risk was identified.

The Regulation provides for an extensive framework relating to the enforcement of the prohibitions and requirements it foresees, which would be carried out by the competent authorities of the Member States. Furthermore, it requires that competent authorities perform examination of due diligence systems, documents examinations and spot checks in or outside the European Union and rely on technical or scientific means and expertise. Competent Authorities are also demanded to provide for in-depth cooperation between the competent authorities of the different Member States, the customs authorities of the different Member States and the Commission in order to guarantee compliance with the Regulation. Moreover, the Regulation establishes a mechanism through which natural or legal persons may submit “substantiated concerns” thus duly reasoned claim based on objective and verifiable information regarding non-compliance with the Regulation, to the competent authorities of the Member States when they consider that one or more operators or traders are not complying with the Regulation.

Clarification on the Due Diligence obligations for sawmills classified as SMEs

Clarification provided by the EU Commission on the application of the Regulation (EU) 2023/1115.

CN Code 4403 and 4407 are included in Annex I of EUDR and thus both logs and sawn-products are in the scope of the Regulation. The transformation of logs into-sawn

products would qualify the small sawmill as an operator but, **given its SME status and given that the logs are already accompanied by a DDS, they would not be obliged to submit a new DDS in the Information System pursuant to Art. 4(8). Nevertheless, they should keep the reference number of the logs' DDS and provide it to Competent Authorities upon request.**

Small and medium-sized enterprises (SMEs) are defined in the EU recommendation 2003/361

In short, the main factors determining whether an enterprise is an SME are:

- 1. staff headcount
- 2. either turnover or balance sheet total

Company category	Staff headcount	Turnover	or	Balance sheet total
Medium-sized	< 250	≤ € 50 m		≤ € 43 m
Small	< 50	≤ € 10 m		≤ € 10 m
Micro	< 10	≤ € 2 m		≤ € 2 m

These ceilings apply to the figures for individual firms only. A firm that is part of a larger group may need to include staff headcount/turnover/balance sheet data from that group too.

On 30 October 2023, a dedicated task force meeting was co-organised by CEI-Bois and EOS in order to discuss with the Members about:

- Information System Pilot testing
- Team Europe Initiative on Deforestation-free Value Chains
- Definition of next advocacy action - identifying critical aspects where there is still room for action



As follow-up action of the TF meeting, CEI-Bois and EOS prepared a letter on “European woodworking sector solutions for effective and efficient EUDR implementation” to be shared with policy-makers at National and EU level.

5.2.2 CEI-Bois' advocacy activity regarding the certification framework for carbon removals (CRCF)

On 30 November 2022, the European Commission adopted a proposal for a first EU-wide voluntary framework to reliably certify high-quality carbon removals. The proposal establishes rules for the independent verification of carbon removals, as well as rules to recognise certification schemes that can be used to demonstrate compliance with the

EU framework, to ensure the transparency and credibility of the certification process. To be certified, carbon removals must be verified by an independent certification body and meet all four Q.U.A.L.I.T.Y criteria:

- Quantification: carbon removal activities must be measured accurately and provide unambiguous benefits for the climate;
- Additionality: carbon removal activities must go above existing practices and what is required by law;
- Long-term storage: to ensure permanent storage, certificates are linked to the duration of carbon storage;
- Sustainability: carbon removal activities must preserve or contribute to sustainability objectives such as climate change adaptation, circular economy, water and marine resources, and biodiversity.

The vote in the Environment Committee on the Certification Framework for Carbon Removals (CFCR) occurred on 24 October. The vote had been delayed by a couple of weeks to give the main political groups additional time to successfully reach an agreement. This was reflected in the vote which saw the agreement passed decisively by 59 votes to 17 with 9 abstentions.

Following the vote in the Environment Committee the full parliament will vote on the CFCR at the November Strasbourg session (20-23 November). It is highly likely to pass as it is currently written given the large majority of support it received in the Environment Committee. As a result there should just be enough time for the Council/Parliament/Commission trilogue to occur in December, in the final month of the Spanish Presidency with whom we will engage. The process will then be complete.

The MEPs in the Environment Committee, like the Commission who initiated the CFCR legislation, were keen to stress that reducing greenhouse emissions (GHGs) must remain the top priority for the EU in the fight against climate change. However the removal of GHGs from the atmosphere is also needed.

The rapporteur for the CFCR, Lídia Pereira, MEP from the centre-right European People's Party (EPP), said that the Parliament wanted to ensure high-quality carbon removals and to "regulate a market that has been plagued by greenwashing, lack of clarity and distrust". That said, the proposal is for a voluntary framework.

The good news from the perspective of CEI-Bois and EOS is that the legislation does include the recognition of long-term carbon storage in products and wood is specifically named in this context. (Wood was not actually named in the Commission's original proposal although they talked about wood when they presented the proposal). The storing of carbon in wood products would need to be for a minimum period of five decades - a time scale that will include virtually all wood in construction as most buildings do last for more than 50 years.

The Environment Committee is yet to publish the final text of what was passed but the key sentence from our perspective reads:

“carbon storage in products’ means an activity consisting of one or more practices or processes carried out by an operator which ensures long-term storage of atmospheric and biogenic carbon in long-lasting harvested wood products or materials for at least five decades in a manner consistent with other Union environmental objectives ...”

Carbon farming is also included with a minimum requirement of removing carbon for at least five years. Also included, and gaining the majority of the media coverage, is Direct Air Capture (DAC), Carbon Capture and Storage (CCS) and Bio Energy Carbon Capture and Storage (BECCS), all technologies that are in their infancy.

Following the vote in the Envi Committee, the Carbon Removals Expert Group met in Brussels on 25 and 26 October, a meeting attended by Dr Andrew Norton on behalf of CEI-Bois and EOS. Here there was the sense that the green NGOs have abandoned their opposition to the long-term storage of carbon in products, such as wood. Instead, their focus has shifted to some of the other removals being proposed such as those professed by the cement sector, which they are (rightly) dubious about. Also, some NGOs were even supportive of incentivising wood in construction in order to promote the cascading of biomass resources.

However, the question of how much better this use of resources is, has still not been answered and the gap in scientific knowledge is becoming more apparent as more questions are raised as to the best use of timber resources - such as the need for more detailed reporting on carbon pools than is currently required by the IPCC life span assumptions.

5.2.2 CEI-Bois' advocacy activity regarding the proposed Ecodesign for Sustainable Products Regulation

In March 2022, the European Commission published its proposal for a new Ecodesign for Sustainable Products Regulation (ESPR, which is the cornerstone of the Commission's approach to more environmentally sustainable and circular products. The proposal builds on the existing Ecodesign Directive, which currently only covers energy-related products. The ESPR intends to establish a framework to set eco-design requirements for specific product groups to significantly improve their circularity, energy performance and other environmental sustainability aspects. It will enable the setting of performance and information requirements for almost all categories of physical goods placed on the EU market. For groups of products that share sufficient common characteristics, the framework will also allow to set horizontal rules. The eco-design requirements include product durability, reusability, upgradability and reparability; presence of substances that inhibit circularity; energy and resource efficiency; recycled content; remanufacturing and recycling; carbon and environmental footprints; information requirements, including a Digital Product Passport.

In January 2023¹, the Commission confirmed previous indications that, at this stage, the ESPR would not include under its scope timber as intermediary product or wooden

1 In January 2023, the Commission launched its Call for Evidence for an Initiative on “New product priorities for Ecodesign for Sustainable Products”, where a number of new products (including 12 end-use and 7 intermediary products) and horizontal measures were identified as potentially suitable for first action under the ESPR.

construction products as end-use products (covered instead by the scope of the revised Construction Products Regulation). However, furniture is expected to fall under the ESPR's scope, which is why CEI-Bois has provided support to the European Furniture Industries Federation (EFIC) on several occasions during the latter's advocacy leadership on this dossier. Since November 2022, CEI-Bois has co-signed together with other sectoral associations more than 5 EFIC-led advocacy documents aimed at the European institutions, making recommendations which would also safeguard the interests of the woodworking industries in any future event. These interests have also been accounted for given that CEI-Bois and CEFIC share several Members. One such example is the March 2023 **Considerations of the European furniture, bedding, woodworking, wood-based panels and PU foam industries considerations concerning the tabled amendments in the European Parliament ENVI committee on the Commission proposal for an Ecodesign for Sustainable Products Regulation**. Among others, the document proposed supporting several amendments, including the introduction of renewable content as an Ecodesign criterion, the specification that that other scientifically validated methods (other than the Product Environmental Footprint method) should be taken into account, the call to protect know-how and sensitive business information, and the call for stakeholder involvement and consultations.



European furniture, bedding, woodworking, wood-based panels and PU foam industries considerations concerning the tabled amendments in the European Parliament ENVI committee on the Commission proposal for an Ecodesign for Sustainable Products Regulation

March 2023

The European furniture, bedding, woodworking, wood-based panels and PU foam blocks industries welcome the ESPR, a key proposal to promote circularity. Our products are well suited for a circular economy. We would hereby like to share some recommendations on some of the amendments to the Ecodesign for Sustainable Products Regulation (ESPR) tabled by the ENVI committee.

Legislative work on the ESPR has reached the level of interinstitutional negotiations (trilogue) between the European Parliament and the Council, and the trilogue is still ongoing.

5.2.3 CEI-Bois' advocacy activity on the proposed Packaging and Packaging Waste Regulation

In November 2022, the European Commission proposed to revise and strengthen the Packaging and Packaging Waste Directive (PPWD), by tabling the new Packaging and Packaging Waste Regulation (PPWR) with the idea of reducing the negative environmental impacts of packaging and packaging waste, while improving the functioning of the internal market. The revision aims to prevent the generation of packaging waste, reduce its quantity, and promote reuse and refill. It also aims to ensure that all packaging on the EU market will be recyclable in an economically viable way by 2030, while increasing the use of recycled plastics in packaging. Key measures include proposing

targets for packaging waste reduction at the Member State level, and mandatory reuse targets for economic operators for selected packaging groups.

While the proposed PPWR is expected to impact the entire timber value chain, it will specifically affect the wooden packaging and pallet sector. As a consequence, CEI-Bois joined the European Federation of Wooden Pallet and Packaging Manufacturers (FEFPEB), its sectoral Member, in seeking to influence the EU policy-makers in order to ensure that the PPWR will recognise the environmental benefits associated with wooden packaging and avoid any unnecessary administrative and financial burden, thereby impeding the sector's positive contribution to a sustainable packaging Single Market. The cornerstone of this common undertaking has been **the Joint Consideration on the Draft Packaging and Packaging Waste Regulation**, co-signed together with the European Organisation of the Sawmill Industries (EOS) and the European Panel Federation (EPF), and shared with the National Permanent Representations to the European Union of the Member States and the Members of the European Parliament in April 2023. Additionally, CEI-Bois has supported FEFPEB on this dossier by providing timely intelligence and by remaining available for any further joint advocacy activity.



Brussels, 27 April 2023

JOINT CONSIDERATION ON THE DRAFT PACKAGING AND PACKAGING WASTE REGULATION (PPWR) COM(2022)0677

Our Industries, represented by the European Confederation of Woodworking Industries (CEI-Bois), the European Federation of Wooden Pallet and Packaging Manufacturers (FEFPEB), the European Organisation of the Sawmill Industries (EOS) and the European Panel Federation (EPF), welcome the general approach taken by the Commission in order to ensure that all packaging types on the EU market are reusable or recyclable in an economically viable way by 2030. Hence the commission's proposal should also consider that recyclability and re-use of packaging are seen as complementary solutions and that the operators have the possibility to choose the best packaging solution from environmental, end-use and context point of view. We believe that this new proposal should be a tool for creating a harmonised legislative framework to boost the use of sustainable materials in packaging, while ensuring the integrity and smooth functioning of the EU Single Market.

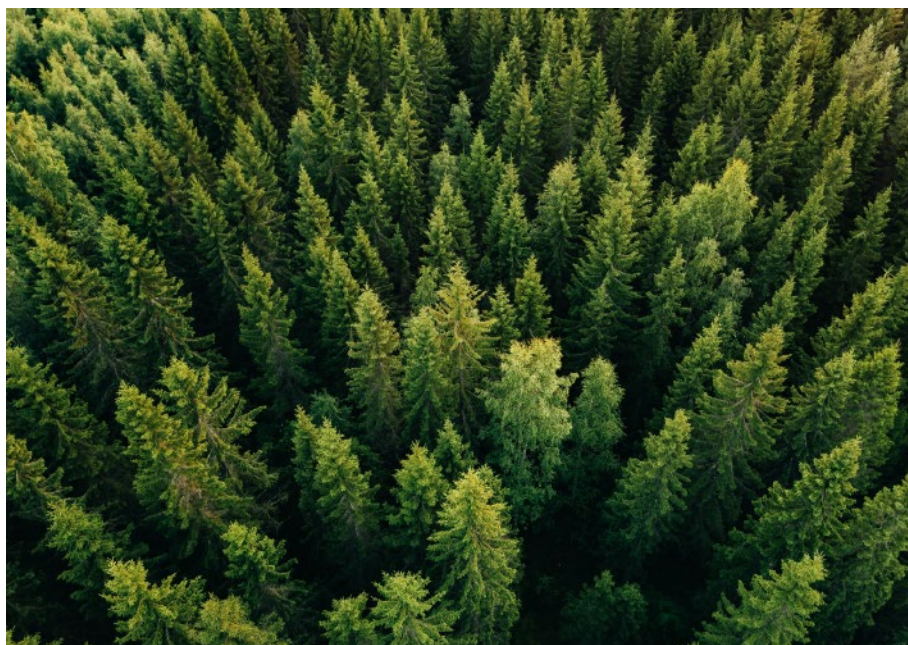
Wooden packaging and pallets are essential to supply chains as they provide optimum space utilisation, are suitably robust, and enable the economy to move the full range of products that people and industry continuously require to ensure their daily needs and requirements are achievable. Wooden packaging solutions are not only less expensive than alternatives, but they are a more sustainable¹ choice, too. Each time wooden pallets are chosen over another material, such as plastic, less carbon is emitted into the atmosphere². Wooden packaging and pallets are a mobile carbon storage system for climate-friendly logistics. Wood stores carbon as it grows and is stored in manufactured packaging and pallets – supporting climate-friendly logistics.

The PPWR is now under the scrutiny of the European Parliament, which would be followed by the trilogue if the Parliament successfully adopts its position.

5.2.4 Other CEI-Bois actions on forest related issues: 1st meeting of the Forest and Forestry Stakeholder Platform

Following its successful application in March 2023, CEI-Bois was accepted as a Member of the newly formed Expert Group on Forest and Forestry Stakeholder Platform (Forest and Forestry Platform), which held its first meeting on the 11 September 2023. The platform is co-led by the Commission's Directorate General for Agriculture and Rural Development (DG AGRI) and the Directorate General for Environment (DG ENV), while its mission covers all matters related to forests and forestry, in particular as regards the implementation of the New EU Forest Strategy for 2030, preparation of policy initiatives in this field, exchange of experience and good practice, including in the field of Sustainable Forest Management and monitoring of policy developments. The Forest and Forestry Platform is replacing the previous Civil Dialogue Group on Forestry and Cork, which had also enjoyed CEI-Bois' active contribution for many years. In the 1st meeting, the platform addressed a wide variety of topics, including:

- Proposal for a Directive on Soil Monitoring and Resilience
- Report on the state of play of the implementation of forestry measures under the CAP Rural Development Programmes 2014-2022
- Forests and forestry interventions in the new CAP Strategic Plans 2023 –2027
- Commission Guidance on the development of Public and Private Payment Schemes for Forest Ecosystem Services
- Commission Guidelines on: a) Primary and Old Growth Forests, b) Biodiversity friendly afforestation, reforestation and tree planting, c) Closer-to-nature forest management
- Proposal for a Forest Monitoring Law



5.3 Wood in construction

5.3.1 CEI-Bois Feedback to the proposed revision of the Energy Performance of Buildings Directive

On the 15 December 2021, the European Commission published its proposal for the revision of the Energy Performance of Buildings Directive (recast) (EPBD recast). The proposal is part of the “Fit for 55” package, setting the vision for achieving a zero-emission building stock by 2050. It aims to accelerate building renovation rates, reduce GHG emissions and energy consumption, and promote the uptake of renewable energy in buildings. It also follows up on key components of the three focus areas of the Renovation Wave Strategy, specifically tackling energy poverty and worst-performing buildings, making sure public buildings and social infrastructure lead the way, and decarbonising heating and cooling, while including the intention to propose mandatory minimum energy performance standards.

Following a series of advocacy activities throughout 2022, CEI-Bois continued its involvement on the EPBD recast also throughout 2023. For example, in February 2023, it co-signed as part of coalition of 35 built environment stakeholder groups an open letter addressed to the Members of the European Parliament Committee on Industry, Research and Energy ahead of the committee's vote, in which it asked to:

1. Accelerate building renovation and address energy use and efficiency via the introduction of Minimum Energy Performance Standards and harmonisation of Energy Performance Certificates.
2. Address total lifecycle emissions of buildings, including both operational and embodied emissions by supporting provisions regarding Whole Life Carbon reporting, targets, and thresholds.

The full document is available on the CEI-Bois website page:

https://www.cei-bois.org/_files/ugd/5b1bdc_4279befebae54ea7b020d07542e646da.pdf

Also, in March 2023, CEI-Bois co-signed as part of a coalition of 38 built environment stakeholder groups an open letter addressed to all the Members of the European Parliament ahead of the plenary vote, in which it asked to adopt the cross-party compromise on the EPBD recast achieved by the European People's Party, Socialists & Democrats, Renew Europe, European Green Party and the Left. Among others, the compromise agreement had the opportunity to:

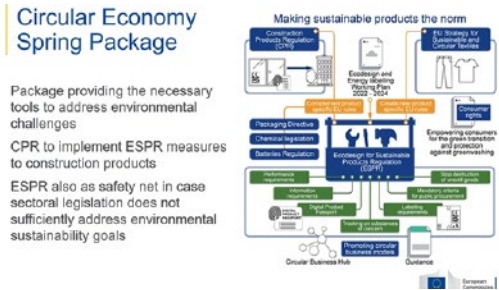
- Tackle climate change and ensure that EU citizens enjoy better-quality buildings
- Create 3.3 million high-quality green jobs in the EU each year
- Decrease dependence on Russian gas and bolster energy security
- Bring 35 million EU citizens out of energy poverty

The full document is available on the CEI-Bois website page:
https://www.cei-bois.org/_files/ugd/5b1bdc_df43ea90305b47dcb398018984691809.pdf

Indeed, the compromise was eventually adopted by the Parliament with some amendments, and the dossier is now at the trilogue stage.

5.3.2 The revision of the Construction Products Regulation

On the 30 March 2022, the European Commission (EC) released a package of European Green Deal proposals to make sustainable products the norm in the EU, to boost circular business models, and to empower consumers for the green transition (so-called “Circular Economy Spring Package”). As previously announced in the Circular Economy Action Plan (itself adopted in March 2020), the Commission proposed new rules to make almost all physical goods on the EU market more friendly to the environment, circular, and energy efficient throughout their whole lifecycle from the design phase through to daily use, repurposing, and end-of-life.



A very important part of the package was the proposal to revise the Construction Products Regulation (CPR revision), which aimed to boost the internal market for construction products and to ensure that the regulatory framework in place was fit for making the built environment deliver on sustainability and climate objectives.

Following up on the actions undertaken in the first part of 2022, CEI-Bois was very engaged in the CPR revision also throughout the second part of the year, as well as in 2023. For example, in October 2022, CEI-Bois submitted its Comments to the ENVI draft Opinion on the proposed revision of the Construction Products Regulation and in view of the upcoming committee activities.

Vision of the new CPR

Functioning of Single Market <ul style="list-style-type: none">• unlock the construction sector's growth and jobs potential• improve the competitiveness of the sector• digital transition of the construction ecosystem 	Environmental Sustainability <ul style="list-style-type: none">• green transition of the manufacturing processes• overall sustainability of the built environment• efficient use of natural resources by facilitating reuse and recycling 
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European Commission

The text put forward seven suggestions aimed, as outlined below, to:

1. Keep the ISO and CEN standardisation process as the primary route for setting technical specifications for the manufacturing of construction products, including environmental requirements and mandatory thresholds;
2. Recognise renewable bio-based materials alongside recycled and recyclable materials, including with regard to minimum content obligations;
3. Specify the decoupling of changes in the values of essential characteristics related to LCA from CE markings affixation;

4. Keep the essential characteristic of capability to temporarily bind carbon and of other carbon removals;
5. Align the Product Environmental Footprint method for the life cycle assessment of construction products with Environmental Product Declarations;
6. Remove the wording “to avoid mixed, blended or intricate materials”;
7. Remove sustainability labelling requirements, including scoring system or “traffic-light labelling”;
8. Remove packaging from the scope of the revised CPR.



We are a responsible Industry

CEI-Bois Comments to the ENVI draft Opinion on the proposed revision of the Construction Products Regulation and in view of the upcoming committee activities

Brussels, 20 October 2022

The European Confederation of Woodworking Industries (CEI-Bois) supports the revision of the Construction Products Regulation (CPR) as a legal framework whose overarching goal is to remove any remaining obstacles to trade in construction products across the European Union by harmonising the conditions for the marketing of such products.

At the same time, we support the introduction of sustainability considerations in the manufacturing of construction products, in alignment with the Circular Economy Action Plan and Ecodesign for Sustainable Products Regulation (ESPR), while welcoming the crucial role that the Committee on the Environment, Public Health and Food Safety (ENVI) will play in the matter.

Other advocacy actions on this dossier include the December 2022 **CEI-Bois Recommendations following the publication of the IMCO draft Report on the proposed revision of the Construction Products Regulation and in view of the publication of the IMCO amendments**, and, most recently, the August 2023 **CEI-Bois comments on the CPR revision in view of the Trilogue**.



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We are a responsible Industry

CEI-Bois Recommendations following the publication of the IMCO draft Report on the proposed revision of the Construction Products Regulation and in view of the publication of the IMCO amendments

5 December 2022

The European Confederation of Woodworking Industries (CEI-Bois) welcomes the publication of the draft Report on the Commission's proposal for a revised Construction Products Regulation by the Rapporteur, MEP Christian Doleschal, on behalf of the European Parliament's Committee on Internal Market and Consumer Protection (IMCO).

Overall, the woodworking industries have received the draft Report and the Rapporteur's intentions in a positive manner. In essence, the draft Report shows understanding for the need to have an effective and efficient harmonised set of rules aimed at removing any remaining barriers to the marketing of construction products at EU level. In this sense, CEI-Bois urges the IMCO Members to significantly limit the administrative and financial burdens that an unnecessarily oversized CPR would entail; the revised CPR should be clear, lean, predictable, and easily applicable by the industry in order to foster investment and innovation, thereby enabling the construction ecosystem's transition to a green, resilient, and digital future. It is therefore first and foremost crucial to have a clear and precise definition of "construction products", able to cover newly manufactured, recycled, reused, repaired, and remanufactured construction products under its scope, while not being too wide.



We are a responsible Industry

Brussels, 9 August 2023

CEI-Bois comments on the CPR revision in view of the Trilogue

In view of the Trilogue negotiations on the proposed revision of the Construction Products Regulation (CPR), the European Confederation of Woodworking Industries (CEI-Bois) would like to share several comments.

It is important to note that both the European Parliament and the European Council have significantly improved the Commission's initial proposal by streamlining provisions and reducing some of the administrative and financial burdens while maintaining an ambitious environmental sustainability approach. It is very important for the construction ecosystem that the CPR remain an effective and implementable legal framework aimed primarily at facilitating the free circulation of construction products on the European Single Market.

Against this backdrop, for the Trilogue negotiations, CEI-Bois generally supports the Council's wording as per its "Mandate for negotiations with the European Parliament" (dated 23.06.2023), with some caveats, where the wording of the Parliament reflects a position that is even more in tune with the necessities of the construction sector. These caveats are outlined below in the hope that the negotiating teams will take them into consideration when reaching an agreement.

In addition to its own sector-specific advocacy initiatives, CEI-Bois has cooperated closely with Construction Products Europe, one of the EU's most important players in the construction industry, supporting the latter's more general efforts to ensure an effective CPR revision, irrespective of the construction material.

5.3.4 CEI-Bois' advocacy work related to amendment of Decision 2006/213/EC on reaction-to-fire performance for wood panelling and cladding

The CPR contains an empowerment of the Commission to adopt delegated acts to establish classes of performance in relation to the essential characteristics of construction products. It also provides that the manufacturers of construction products should not be subjected to unnecessary administrative burdens or costs. Therefore, when the performance of certain construction products has already been sufficiently demonstrated by stable test results or other existing data, their manufacturers should be permitted, under conditions to be specified, to declare a certain class of performance without testing or further testing these products.

Commission Decision 2006/213/EC already established classes of the reaction to fire performance for solid wood panelling and cladding. Specifically, Table 2 of Annex to that Decision presented the necessary conditions for classification without need for further testing for these products. According to the Commission, the experience and expertise, as well as expert group consultations carried out, have confirmed that, under the set conditions, solid wood panelling and cladding has a stable and predictable performance concerning reaction to fire only when the solid wood pieces are untreated. Therefore, for the sake of legal certainty and uniform application of law, the Commission intends to explicitly specify that condition by amending Table 2 in Decision 2006/213/EC.

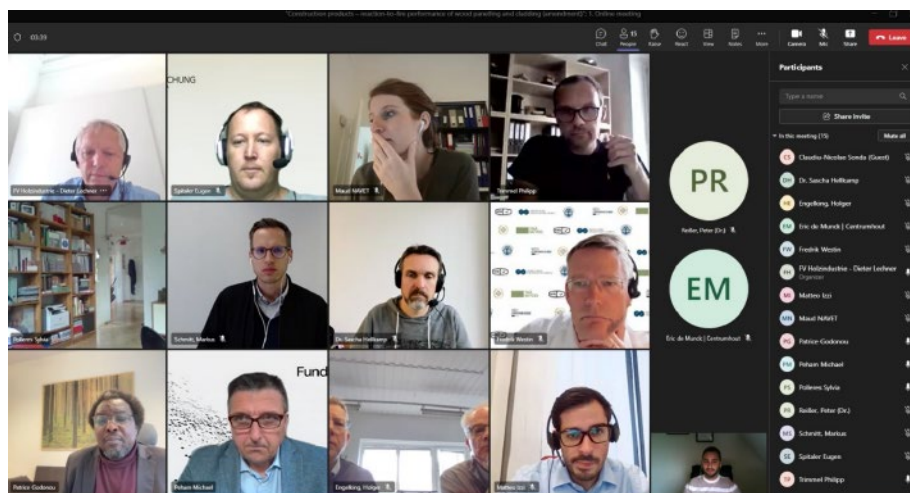
The proposed changes are very concerning with massive impact on the wood industry, as all products and products combinations would now have to be classified according to EN 13501-1, which requires enormous financial and time-consuming efforts. Also, limited test capacities in Europe would lead to a mismatch between demand and available products with certified reaction to fire; this can be seen as trade barrier. In order to communicate its strong concern, in May 2023, CEI-Bois submitted its **Feedback to the European Commission's public consultation on the draft text**, making several requests:

1. Please clarify that delegated regulation only covers solid wood panelling and cladding according to harmonized standard EN 14915.
2. Differentiation should be made regarding the treatment of wood. Only treatment processes that significantly affect the reaction to fire of solid wood panelling and cladding should be subject to review.
3. If a treatment does not result in an addition of more than 2 mass percent of organic substances in the analysis zone of the treated wood in the dry state, the fire behaviour classification indicated in the corresponding product standard for the untreated product shall apply. This provides legal certainty for manufacturers in case of residues from production process.

- 

Brussels, 22 May 2022

Also, at the initiative of CEI-Bois' Austrian Member, the first online meeting to clarify the activities in the sector and to analyse possible common steps regarding the implementation of the amended decision took place in October 2023, with further meetings taking place in subsequent months. One of the most important agreements reached during the first meeting was to set in motion the preparation of an expert-led industry action plan in order to coordinate possible next steps.



5.3.5 CEI-Bois' advocacy actions supporting the renewal of the approval of Propiconazole

Propiconazole is an approved Active Substance heavily used by the Woodworking Industries for wood preservation, thereby extending lifespan and increasing the durability of wood-based products. While Propiconazole is approved as Active Substance in Film Preservatives (Product Type 7) at least until 30 November 2026, its approval period for Wood Preservatives (Product Type 8) has been up for renewal since 31 December 2022, with very promising results being currently finalised. Alongside EuroWindow (representing the interests of the European window, door, and facade sector) and Small Business Standards (SBS, representing small and medium-sized enterprises' interests in the standardisation process at European and international levels), CEI-Bois has sought to influence the renewal process already since 2021. Most recently, following the publication of the Commission's draft Implementing Regulation to renew the approval of Propiconazole, CEI-Bois and EuroWindow co-signed a letter addressed to the Commission's Directorate-General for Health and Food Safety (DG SANTE), in which they proposed the adjustment of the draft text's scope towards a more scientifically accurate and applicable direction. CEI-Bois specifically recommended the modification of the Annex to the Implementing Regulation and advised for the application of the derogation from a ban on Propiconazole to both Industrial and Professional uses from Use Class 2 to Use Class 4.

[On behalf of EuroWindow and CEI-Bois]

Dear Mr. Berend,

Following the recent [TBT notification](#) of the draft Implementing Regulation to renew the approval of Propiconazole, our association would like to use this short period of time to highlight a critical challenge for our sector.

After a consultation of our national EuroWindow members it appears that in several EU Member States joinery products like wooden windows and doors are required – for multiple applications – to live up to Use Class 3.2 for the durability of wooden frames.

Those applications might be related to specific locations (e.g. close to seaside, in mountain regions), specific installations (e.g. ground floor doorsteps) or specific product categories (e.g. rooflights and other flat roof installations).

In this context, the draft implementing decision of Propiconazole's renewal setting a limit to Use Class 3.1 is de facto excluding some important applications for joineries which might be no longer compatible with wooden windows and doors.

→ **We recommend clarifying the Annex to the Implementing Regulation by providing examples for Joineries “e.g. windows, doors, rooflights etc.” and expand the derogation to Use Class 3.2 applications for industrial uses.**

In addition, the European confederation of woodworking industries CEI Bois has brought to our attention that the broader woodwork sector is going to face severe challenges due to the limited scope of the derogation.

The vast majority of wood used in the construction and landscaping sectors relates to applications such as cladding, fencing, decking, poles or similar uses – in addition to load-bearing applications such as walls or carpentry work. Most of those applications require a range of durability for the wood between Use Class 2 and Use Class 4.

Besides, due to the fragmented nature of the woodworking sector, the impregnation of wooden products can be done either by professionals or through industrial processes.

→ **CEI Bois recommends the modification of the Annex to the Implementing Regulation and advises to apply the derogation to both Industrial and Professional uses from Use Class 2 to Use Class 4.**

Should you need further explanations regarding this proposal of scope adjustment, we remain available for an online exchange before the next Standing Committee meeting.

Yours sincerely,
EuroWindow and CEI-Bois

Further revisions of the Commission's draft Implementing Regulation have partly adopted the CEI-Bois and EuroWindoor recommendations, in particular the extension of the derogation from a ban on Propiconazole use for Industrial Use in Classes 2 and 3. The process of the renewal of Propiconazole has reached its final stages, with Member States making the concluding deliberations before an official approval within the workings of the Standing Committee on Biocidal Products.

5.3.4 Other CEI-Bois activities

DG GROW workshops on the bio-based sector

During 2023, The European Commission's Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROW) has shown an increasing openness towards the bio-based sector and an interest in supporting the industries with the implementation of the multiple Green Deal policies. The main tool has so far been the organising of dedicated workshops that saw the participation of a variety relevant stakeholders, including CEI-Bois. The first of such workshops, attended also by CEI-Bois and dedicated to opportunities for acceleration of the biobased industries and biomaterials, took place in May. Following the event, CEI-Bois submitted written replies on behalf of the entire European timber sector to the questions raised during the workshop, seeking to outline a common sectoral position. The second workshop, also attended by CEI-Bois and dedicated to standardisation of bio-based materials and products as one of the main tools for a larger market access, took place in September. Following this workshop, CEI-Bois also submitted a common European position on the subject, covering essential topics such as:

- The revision of the Construction Products Regulation and the related CPR Acquis process
- Environmental sustainability standards
- Recognition and certification of carbon stored in wooden construction products



We are a responsible Industry

Brussels, 13 October 2023

CEI-Bois comments following the DG GROW workshop on standards and NACE codes for bio-based materials and products

On the 29th of September 2023, the European Commission's Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROW) hosted a workshop on "Standards and NACE codes for bio-based materials and products: what next?"

The European Confederation of Woodworking Industries (CEI-Bois) and several of its member associations attended the informative and goal-setting workshop. As a follow up to the event, DG GROW has contacted the attendees, including CEI-Bois, to submit its comments on the topics addressed during the event in writing, which is the purpose of this document.

The EU Taxonomy Environmental Delegated Act

The EU taxonomy for sustainable activities is a classification system that defines criteria for economic activities that are aligned with a net zero trajectory by 2050 and the broader environmental goals other than climate. It aims to help direct investments to the economic activities most needed for the transition, in line with the European Green Deal objectives. Its cornerstone is the Taxonomy Regulation, which entered into force on 12 July 2020, and which established 2 climate and 4 environmental objectives:

- Climate change mitigation;
- Climate change adaptation;
- The sustainable use and protection of water and marine resources;
- Pollution prevention and control;
- The protection and restoration of biodiversity and ecosystems.

The Taxonomy Regulation also stipulates that economic activities can reach these objectives if they satisfy 4 cumulative conditions:

- Make a substantial contribution to at least one objectives above;
- Do no significant harm to any of the other 5 objectives;
- Comply with the minimum safeguards;
- Comply with the technical screening criteria (also known as the performance criteria).

Moreover, the Taxonomy Regulation also allowed the Commission to establish the actual list of environmentally sustainable activities by defining technical screening criteria for each environmental objective through delegated and implementing acts.

Over the years, the Commission has adopted several Taxonomy-related delegated acts covering the 2 climate objectives, and, in June 2023, it also proposed the so-called Environmental Delegated Act. This delegated act established the technical screening criteria for the remaining 4 environmental objectives in relation to a number of economic activities.

CEI-Bois took particular interest in the technical screening criteria aimed at reaching the environmental objective “Substantial contribution to the transition to a circular economy” in relation to the economic activities “construction of new buildings” and “renovation of existing buildings”. More specifically, the technical screening criteria establishing requirements regarding the disclosure of life cycle Global Warming Potential (GWP), and the use of primary raw material. During the feedback period, CEI-Bois submitted its comments to the Commission in April 2023, highlighting among others that, for the Taxonomy Environmental Delegated Act to deliver on its objective, it is absolutely necessary that the technical screening criteria be based on realistic and transparent thresholds, as well as recognise and reflect the sectoral particularities.



We are a responsible Industry

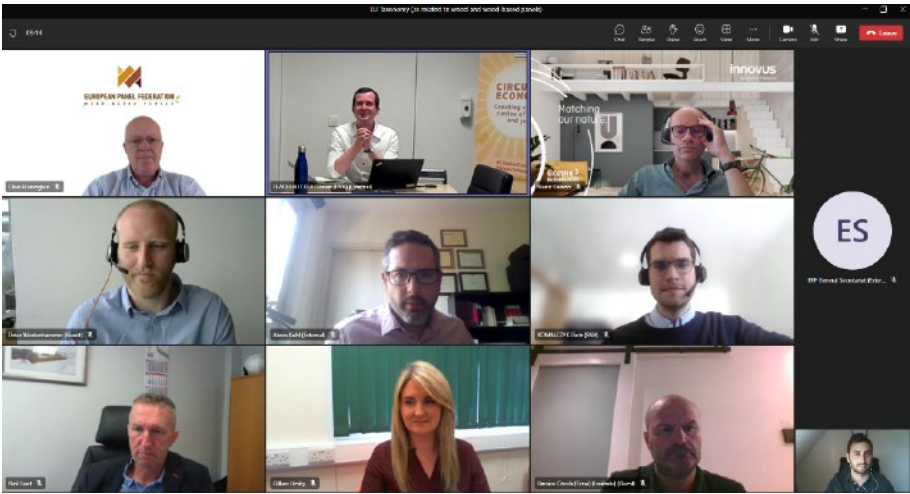
Brussels, 28 April 2023

Comments to the European Commission’s draft Taxonomy Environmental Delegated Act

The European Confederation of Woodworking Industries (CEI-Bois) recognises the crucial role that the EU Taxonomy for Sustainable Activities (EU Taxonomy) plays in helping meet the EU’s climate and energy targets for 2030 and reach the objectives of the European Green Deal by directing the necessary investments towards sustainable projects and activities. Moreover, in principle, the woodworking industries welcome the publication of the European Commission’s draft Taxonomy Environmental Delegated Act, which could enable the sector to contribute to the transition to a low-carbon, resource-efficient, and circular EU economy. For the Taxonomy Environmental Delegated Act to deliver on its objective, it is absolutely necessary that the technical screening criteria be based on realistic and transparent thresholds, as well as recognise and reflect the sectoral particularities.

In its comments to the Taxonomy Environmental Delegated Act, CEI-Bois will focus on technical screening criteria aimed at reaching the environmental objective “Substantial contribution to the transition to a circular economy” in relation to the economic activities “construction of new buildings” and “renovation of existing buildings”. More specifically, the technical screening criteria establishing requirements regarding the disclosure of life cycle Global Warming Potential (GWP), and the use of primary raw material. Finally, a reference will be made to the technical screening criteria aimed at not doing any significant harm (DNSH) to the environmental objective pollution prevention and control, again in relation to the economic activities “construction of new buildings” and “renovation of existing buildings”.

Also, in July 2023, CEI-Bois participated in a meeting on the EU Taxonomy hosted by the European Panel Federation (EPF), which also saw the participation of the Commission’s Directorate-General for Environment (DG ENV). The purpose of the informal gathering was to obtain additional clarification from DG GROW regarding the goal of the EU Taxonomy and the ensuing delegated acts, their scope, and the possible implications for wood and wooden panel value chains. While welcoming the



EU Taxonomy overall, CEI-Bois noted among others the very high level of ambition pursued by the technical screening criteria linked to construction and renovation (in particular as regards the target for the use of secondary raw materials), which risks leaving even the most pioneering market actors out the scope, the possible conflict with one of the goals of the proposed certification of carbon removals, namely to boost carbon-storing timber construction, and the indirect mandatory character that the EU Taxonomy can have on supply chains.

Currently, the Taxonomy Environmental Delegated Act is expected to enter into force at the start of 2024, mostly in the form initially proposed by the Commission, as the European Parliament and the Council have not raised any official objections.

EU Whole Life Carbon Roadmap for 2050

As set out in the Renovation Wave, the European Commission intends to develop a roadmap for the reduction of whole life carbon (WLC) in the building sector. WLC refers to in-use emissions caused by the operation of buildings and embodied emissions related to the production, construction, renovation and deconstruction of buildings, including the materials used for these processes. The intention is to provide an overview of the importance of life cycle thinking in addressing building emissions and to set out the need for targeted building-related measures to reduce these emissions. While a smaller set of EU Member States has gathered data and set out national roadmaps and strategies, an EU-wide roadmap for the reduction of whole life cycle emissions of buildings has not yet been developed.

In its preparation of the WLC Roadmap, the Commission is relying both on the assistance of consultants and of a Working Group on EU Whole Life Carbon Roadmap (of which the CEI-Bois Technical Advisor, Dr Andrew Norton, is a member). The consultants' deliverables include an 18-month support study (concluded in March 2023), which formed the basis for a technical report, the drafting of which is still ongoing – including with input of the Working Group, which is expected to hold further meetings in the coming months. Eventually, the technical report will inform the drafting of the Commission's official roadmap, which is expected to be ready for publication in the spring of 2024.

In addition to the involvement of CEI-Bois' Technical Advisor in the dedicated Working Group, CEI-Bois has also been directly active on this dossier during the public consultation phase related to the 1st draft of the mentioned technical report. In September 2023, CEI-Bois co-signed an open letter to EU policy-makers as part of a collation of 41 stakeholder groups representing the building value chain, including product manufacturers, consulting engineers, developers, architects and civil society, and called for an ambitious WLC roadmap for buildings. In particular, it was recommended that the roadmap should include key milestones for the introduction of national WLC targets and limit values, following the introduction of mandatory WLC assessment for all new buildings and major renovations, according to a methodology which should be harmonised among Member States, such as the Level(s) Framework and EN 15978. It was also noted that the ongoing recast of the Energy Performance of Buildings Directive

should serve as a crucial first step in establishing a timeline for WLC assessment and the introduction of limit values.



To: DG CLIMA, DG ENER, DG ENV and DG GROW

EU policymakers must deliver an ambitious WLC roadmap for buildings

Dear Colleagues in the European Commission,

We hope that this letter finds you well. We - a coalition of 41 stakeholder groups representing the building value chain, including product manufacturers, consulting engineers, developers, architects and civil society from over 5,000 organisations across Europe - are writing to call for ambitious leadership as the European Commission develops its own Whole Life Carbon (WLC) Roadmap for buildings.

The WLC of buildings accounts for 41% of total EU carbon emissions¹ and the development of this roadmap represents an essential milestone in EU building policy's trajectory towards a decarbonised Europe, and in providing the market with clear signals enabling them to scale up innovations and solutions.

As leaders within the built environment sector, we have consistently called for a robust policy framework that tackles emissions via WLC reductions. This framework should incorporate the energy efficiency first principle while also addressing other holistic sustainability priorities such as waste and circularity, procurement and finance to deliver a totally decarbonised, circular and resilient built environment that facilitates a high quality of life.

The Roadmap should offer a clear decarbonisation pathway

This roadmap offers the opportunity to set out a strategic pathway to systematically address WLC emissions and promote sustainable building practices, thereby contributing to the EU's broader climate and environmental goals.

Therefore the roadmap must set out a clear trajectory for EU policy on the journey to full decarbonisation by 2050, with intermediary decarbonisation milestones at regular intervals to this date, including for 2030. As part of this, the roadmap should demonstrate how policymakers and industry can work together to achieve the emissions reduction scenarios for the sector as outlined in [Ramboll's accompanying technical report](#).

Clear policy interventions are needed on Whole Life Carbon

¹ Ramboll, 2023, [Supporting The Development of a Roadmap for the Reduction Of Whole Life Carbon of Buildings](#)





The roadmap should outline clear policy interventions at the EU level reflecting a holistic approach for the sector, which cuts across products and building regulations, procurement and finance, and covers waste and circularity alongside WLC impacts.

In particular, the roadmap should include key milestones for the introduction of national WLC targets and limit values, following the introduction of mandatory WLC assessment for all new buildings and major renovations, according to a methodology which should be harmonised among Member States, such as the Level(s) Framework and EN 15978. The ongoing revision of the Energy Performance of Buildings Directive should serve as a crucial first step in establishing a timeline for WLC assessment and the introduction of limit values.

For a detailed set of EU policy recommendations for building decarbonisation that our coalition has previously supported, please see the [EU Policy Whole Life Carbon Roadmap](#) that was released in 2022 as part of WorldGBC's #BuildingLife project.

Strong industry support for an ambitious roadmap

Alongside the WorldGBC's EU Policy Whole Life Carbon Roadmap, Green Building Councils across Europe have convened over 600 industry and government stakeholders across ten European countries to develop national WLC Roadmaps².

Furthermore, the introduction of WLC policy measures in countries such as [France](#), [the Netherlands](#), [Denmark](#), [Finland](#) and [Sweden](#) offers useful learnings and insights.

The Commission's own roadmap should mirror the overwhelming support from the European construction industry and leading Member States on WLC.

WorldGBC and the 40 organisations below support the development and implementation of the European Commission's Whole Life Carbon roadmap for buildings. The development of this roadmap aligns with our shared vision of a sustainable, decarbonised built environment, and we are eager to collaborate closely with the European Commission to turn this vision into reality.

² Green Building Councils in Croatia, Finland, France, Germany, Ireland, Italy, Netherlands, Poland, Spain and UK, 2020-22, [National WLC Roadmaps](#)





5.4 Social Affairs

The European Commission has released the report “Labour Market and Wage Developments in Europe 2022” which highlights how the labour market is responding to the energy crisis and the consequences of the Russian invasion of Ukraine.

The report finds that Russia's invasion of Ukraine has not had noticeable negative effects on the EU labour market so far. In the second quarter of 2022, the number of employed persons increased as a result of the strong post-pandemic recovery following the full reopening of economic activities after the vaccination rollout.

In the third quarter of 2022, the effect of reopening faded away and the impact of higher energy prices started to be felt on the labour market, with employment growth declining on a yearly basis but remaining relatively resilient on a quarter-on-quarter basis.

Rising energy prices have started to trigger a decline in production primarily affecting energy-intensive manufacturing sectors such as food, metals, paper and fertilisers, which account for 5% of total EU employment.

This also affects industries that rely on inputs from these more energy-intensive industries, such as motor vehicles or hospitality. Labour demand is likely to decline first in these sectors. The effect on services might be delayed, but may involve a large number of workers.

Member States have taken various measures to address the immediate consequences of higher energy prices, but a more targeted policy response is needed to support particularly affected workers and businesses and to preserve incentives to save energy. Short-time work schemes could play an important role, in order to preserve employment and accompany potential restructuring processes.

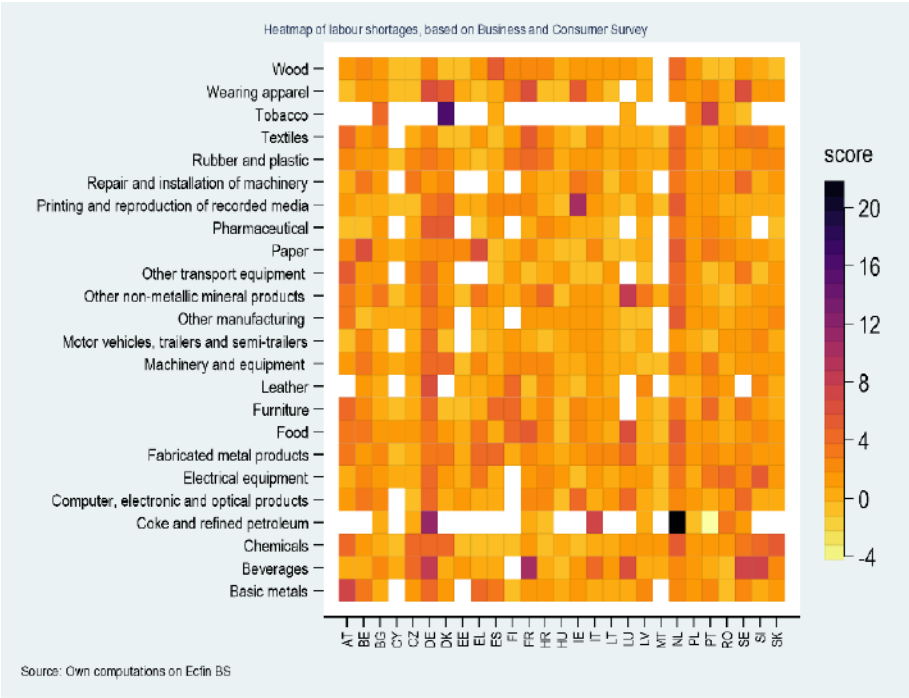
In the first three quarters of 2022, wages increased below inflation, leading to purchasing power losses, especially for low wage earners. Looking ahead, there is some room to increase low wages without triggering inflationary pressures. In some services sectors, where low wage earners are relatively more represented, firms may have more room for increasing wages than in manufacturing sectors more exposed to cost pressures.

Future wage developments will need to strike a balance between mitigating losses in workers' purchasing power and preserving employment. Minimum wages and collective bargaining have an important role to play in this respect. In addition, temporary budgetary support targeted to low wage earners can help alleviate the loss of purchasing power.

The report finds that by the end of 2021, labour shortages reached or exceeded pre-pandemic levels in several EU countries. In 2022, shortages in the European economy kept rising, especially in services, with some signs of lessening in manufacturing. While this

increase has been mainly driven by the economic business cycle, shortages also have some structural drivers, most importantly, ageing.

Policies focused on increasing labour force participation and mobility, on equipping people with the job skills needed for a fair and green transition as well as on improving working conditions, which are needed to address the structural drivers of labour and skill shortages. This can ensure that in the medium to long run these shortages do not constrain Europe's economic potential and the twin transition.



5.4.1 CEI-Bois' Social Affairs WG and Sector Social Dialogue Activities

A. European Year of Skills 2023

The 2023 European Year of Skills, announced by President von der Leyen in her State of the European Union Address on the 14 September 2022, represents a unique opportunity to support European companies, and especially small and medium-sized enterprises, “grappling with a shortage of staff” by putting “more focus in our investment on professional education and upskilling”, by ensuring “better cooperation with companies”, by matching companies’ needs “with people’s aspirations” of both low and high skilled, and by speeding up and facilitating the “recognition of qualifications also of third country nationals”.



"We need much more focus in our investment on professional education and upskilling. We need better cooperation with companies, because they know best what they need. And we need to match these needs with people's aspirations. But we also have to attract the right skills to our continent, skills that help companies and strengthen Europe's growth."

Ursula von der Leyen, President of the European Commission

INVESTING IN PEOPLE THE WOODWORKING AND FURNITURE SOCIAL PARTNERS COMMITMENT

The European social partners from the woodworking and furniture industries, represented by CEI-Bois and EFIC, jointly with their European trade union representatives, EFBWW, welcomed the Commission decision to declare the year 2023 as "European Year of Skills".

In line with the statement made by President Von der Leyen during her State of the Union, our sectors strongly agree in the need to tackle the shortage of skills in Europe by putting an emphasis on new qualifications, investment on professional education, upskilling and attracting the right skills to help companies and strengthen Europe's growth.

In this respect, the woodworking and furniture European social partners plan to engage in the "2023 European Year for skills" by holding a dedicated expert meeting in the framework of their joint woodworking and furniture Sector Social Dialogue and producing a European best practices brochure to celebrate the commitment of our industries on skills, while inspiring new initiatives and commitments by our industries for the next working generations.

The joint expert meeting took place on the 13 February 2023 in Brussels, in a hybrid format. It aimed to tackle common challenges in terms of skills, identifying a way forward for cooperation and constitute the basis for fostering and developing mobility for apprenticeships in our sectors and across Europe. This, in turn, should contribute to reducing the skills and qualifications gaps for our industries, provide new opportunities of employment and support the European green and digital transitions.

The woodworking and furniture sectors in Europe employ over 2 million people in more than 300 000 companies, most of them small or medium-sized enterprises, encompass a wide range of professions and are marked by innovation processes on different qualities. Our industries help maintaining employment in Europe while boosting excellence in the European manufacturing ecosystem and export the best of the Made in Europe through our sustainable, beautiful and design products.

In addition, the woodworking and furniture industries contribute to a low-carbon bioeconomy and circular economy, as wood is a natural renewable bio-based resource with carbon storage properties. Wood is one of the main raw materials in the furniture industry

and wood-based products play a key role in achieving the EU Green Deal ambitions and the transition to a sustainable, green, and carbon-neutral Europe.

All the above-mentioned traits constitute a good reason for our companies to continue to invest in skilled and qualified employees all over the processing chain. A highly qualified workforce, able to innovatively integrate new skills and competences - especially needed for the digital and ecological transition - into their traditional work processes, able to work with different materials, making intelligent use of the possibility of new combinations, is vital for a competitive woodworking and furniture sectors, competing on an increasingly international market.

The woodworking and furniture social partners are investing in new solutions for increasing productivity, enhancing job quality, and to climate neutrality and circular economy objectives.





European Federation
of Building
and Woodworkers



PRESS RELEASE:

European Year of Skills: The European woodworking and furniture social partners address in a high-level meeting with EU institutions and experts the common challenge of staff shortages, as well as skills and training needs in both sectors to support the green and digital transition

Brussels, 14 February 2023

In the context of the European Year of Skills¹, on 13 February, the Woodworking and Furniture European Social Partners, CEI-Bois, EFBWW and EFIC organised a dedicated expert meeting on challenges and perspectives for skills and training in both sectors. The event was moderated by Mrs Dijan from the Croatian Wood Cluster and high-level speakers investigated cross border collaboration between training institutes, companies and trade unions and explored the question of the future of work, in a context where shortages of staff and boosting the attractiveness of both industries are a common challenge and where new skills needs are emerging due to the green and digital transitions.

Combined, both industries employ in the EU over 2 million people in over 300.000 companies, mostly SMEs. The woodworking and furniture industries maintain employment in Europe, boost excellence in the European manufacturing ecosystem, contributing to a low-carbon bioeconomy and circular economy through, e.g. the use of wood as a material.

The keynote speaker, Felix Rohn from DG Employment (European Commission) underlined the direct contribution of the woodworking and furniture sectors in reaching the Green Deal goals and highlighted the importance of addressing the variety of skills needed in today's Europe, which must consider technological developments and the digital and green transition, as well as global and demographic challenges. In this context, one of the Commission's main goals is to monitor supply and demand for skills, to assure that workers adapt to digital and green skills requirements and that they acquire transferable skills. According to the Commission's projections, climate policies will create 1 million jobs by 2023 and 2 million by 2050. Several European initiatives for skills such as the European Year of Skills, the Erasmus+ programme, the Pact for Skills, the Green Deal Industrial Plan with the creation of net zero industry academies, and the upcoming wood Bauhaus academy were also mentioned. Finally, he also raised the importance of continuing work on the recognition of qualifications, mobility and internationalisation of VET, as well as of acquiring soft skills.

In the first half of the meeting representatives from the woodworking and furniture industries, trade union and VET, discussed how to set up effective and meaningful cross-border cooperation in the sectors aiming at contributing to the social right of vocational education and adapting training schedules and curricula to future skills needs. The prospect of creating special courses on innovative aspects that are changing in economic processes and company functions as for example circular economy, sustainability, and applications of climate-friendly material such as wood were also raised. Promoting cross-border exchange has the potential to increase the attractiveness of the sectors and improve the industries' image. At the same time, it benefits the learners by providing them with an opportunity to study abroad, gain experiences, learn other technics, and work organisations and improve their language skills. The panellists also addressed the legal and organisational prerequisites for the cross-border exchange of apprentices and the need to align Member State schemes. They

¹ https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/europe-fit-digital-age/european-year-skills-2023_en

committed themselves to fostering related structures on sectorial level and to supporting companies in their practical implementation. All panellists agreed that cross-border training and education opportunities must be of high quality and with financial support for the individual.

The second session was opened by the intervention of Iraklis Pliakis, expert on qualifications and credentials, European Centre for the Development of Vocational Training (CEDEFOP), who gave an overview of CEDEFOP activities and research priorities, focused on the EU framework, e.g. on the Recommendations on Vocational Education and Training and the Osnabrück Declaration, on the dual transition and transferability of qualifications and on the EU Qualifications Framework and micro-credentials. Speaking about the future of VET, he called for considering the role of VET in the overall education system, which cannot be seen in isolation and must also take into consideration the social economic and labour market perspective.

Furthermore, the panellists discussed the problem of a relatively low attractiveness of traditional handicrafts in our societies. The influence of technological developments on the skills required for the sectors was emphasised and panellists discussed the expected effects on the furniture and woodworking industries and the training for related professions. During the panel discussion specific examples, ongoing projects and national initiatives were shared.

The European woodworking and furniture social partners reconfirmed their commitment to keeping up their joint efforts in addressing the above-mentioned challenges and opportunities with the aim of helping to make both industries more attractive to the workforce.

[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 152 billion euros and employing 1 million workers in the EU

[The European Federation of Building and Woodworkers \(EFBWW\)](#) is the European Trade Union Federation grouping 76 national free trade unions from 34 countries with members in the building, building materials, woodworking, forestry and allied industries and trades.

[The European Furniture Industries Confederation \(EFIC\)](#) represents over 70% of the total turnover of the European Furniture Industries, a sector employing 1 million people in about 120.000 enterprises across the EU and generating a turnover of 100 billion Euros. The EFIC membership is composed of 17 national associations, one individual company member and several clusters.

B. The European Woodworking and Furniture Social Partners welcome the new EU forest strategy passed by the European Parliament on 13 September 2022: A new EU Forest Strategy for 2030 - Sustainable Forest Management in Europe **ADD ANNEX 2 SOCIAL Chapter**



European Federation
of Building
and Woodworkers



JOINT STATEMENT

Brussels, 08 February 2023

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The European Woodworking and Furniture Social Partners welcome the new EU forest strategy passed by the European Parliament on 13 September 2022: A new EU Forest Strategy for 2030 – Sustainable Forest Management in Europe

The woodworking and furniture industries are a labour-intensive and dynamic sectors that employ over 2 million people in more than 300 thousand companies, most of them small and medium-sized enterprises (SMEs) and micro firms. They are committed to continuing to create attractive, healthy, and competitive working places and decent jobs, while positioning sustainability at the heart of companies' activities.

The European Confederation of the Woodworking Industries (CEI-Bois), the European Federation of Building and Woodworkers (EFBWW) and the European Furniture Industries Confederation (EFIC) welcome the following statements made by the Members of the EU Parliament in the new EU Forest Strategy:

- **In order to achieve the optimal contribution to the circular economy and climate-neutrality, a strong link between the Strategy and the Bioeconomy Action Plan is required. The sector requires a competitive environment and strong incentives to innovate in the fields of bio-based materials that replace fossil-based ones.**
 - The woodworking and furniture industries consider materials beyond their end-of-life. Our industries play an important role in shifting to more enduring, sustainable design & products, for this reason, as highlighted by the EU Parliament we call for a predictable regulatory environment that nourishes entrepreneurial activities.
- **Proposals to promote the establishment of a skills partnership under the Pact for Skills and make use of the European Social Fund Plus to work together to increase the number of upskilling opportunities in forestry, but also in the woodworking and furniture sectors in order to create quality jobs and provide workers with opportunities and adequate working conditions for boosting the wood-based bioeconomy and making it a more attractive career choice.**
- **Highlights the important role that forests play in the creation of green jobs in rural and mountainous areas.**
 - The woodworking and furniture Social Partners support the European Parliament call on the Commission and the Member States to monitor and assess the effects of a

shift in the balance of forest functions on the overall employment situation and profitability of the local timber sector, especially in rural and mountainous areas, as well as in downstream parts of the wood-processing industries. In addition, the European woodworking and furniture Social Partners are pleased to see the importance given by the strategy to improve the attractiveness of employment in the sector especially in the context of the digital and green transitions of forest-based activities by attracting young people and female entrepreneurs to the sector and finding investments opportunities for the sector and throughout the value chain.

- How the wood sectors are specifically shaped, and the surrounding cluster looks like varies from one to another country in the EU. The actual implementation of the Forest Strategy must build on these conditions and should therefore look at local impacts too and not just the national or European level picture. In this sense, we support the EU Parliament in calling on the Commission to provide a comprehensive impact assessment of the strategy to identify the implications for market conditions, rural areas and the various funding needs.
- **Recognises the key role of forests and the entire forest-based value chain in protecting the climate and biodiversity, and in mitigating climate change to contribute to the achievement, by 2050 of a sustainable and climate-neutral economy.**
 - The Strategy correctly emphasised the essential role of forests in carbon sequestration, carbon storage and the sustainable substitution of wood and wood products for fossil fuels, fossil-based products, materials, energy sources and other products with high environmental and carbon footprints. It further accentuates that wood is the most significant natural renewable resource that has the potential to partly replace some very energy-intensive materials, such as cement and plastics, and will be in greater demand in the future.
- **Recognises the role of wood in construction as a key solution to the climate change.**
 - It is to be recalled the building sector today accounts for some 40% of energy consumed and for about 40% of CO₂ emissions and the European woodworking and furniture Social Partners have highlighted on multiple occasions the benefits of wood-based products to decarbonize key sectors of the economy, such as construction and renovation by providing a natural and green construction material that is renewable, recyclable and has a low fossil carbon footprint.
- **Recognises the importance of sustainably managing multifunctional forests.**
 - The EU Forest Strategy for 2030 – Sustainable Forest Management in Europe has the ambition to increase the balanced contribution of multifunctional forests to the targets of the Green Deal. To this end competitive woodworking and furniture industries and sustainably managed forests are heavily interlinked as both are required to maximise the contribution of the sector towards climate neutrality by 2050.
 - In this regard, voluntary existing certification schemes for sustainable forest management exist and certification schemes are an essential tool to comply with the EU Timber Regulation and due diligence requirements of the new Deforestation-free products Regulation.

The European Social Partners commit themselves to implement the various aspects of the Forest Strategy by informing their national members; by supporting concrete measures on regional or even company level and by its implementation via national agreements.

We stress the importance of strengthening cooperation as regards implementing the new EU Forest Strategy for 2030 and hope the European Commission will take into account all stakeholders in its development.

Background information:

[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 152 billion euros and employing 1 million workers in the EU.

[The European Federation of Building and Woodworkers](#) (EFBWW) is the European Trade Union Federation grouping 76 national free trade unions from 34 countries with members in the building, building materials, woodworking, forestry and allied industries and trades.

[European Furniture Industries Confederation](#) (EFIC) EFIC is the European Furniture Industries Confederation, representing over 70% of the total turnover of the European Furniture Industries, a sector employing 1 million people in about 120.000 enterprises across the EU and generating a turnover of over 100 billion Euros. The EFIC membership is composed of 17 national associations, one individual company member and several clusters.

C. RESILIENTWOOD project funded by the European Union

The European Commission has given green light to the CEI-Bois led social dialogue project application RESILIENTWOOD 101051974 in the second half of 2022. The project is co-funded by the European Union and is granted under the Social Prerogative and Specific Competencies Lines (SOCPL) funding.



The CEI-Bois led project, together with EFBWW, Woodwize and FCBA will aim to offer recommendations to tackle specific challenges in the Woodworking Industries through strengthened social dialogue. The project will focus on the adaptation of the industry and its outlook after the Covid-19 crisis, including the adaptation needs linked to expected technological changes and the need to increase the attractiveness of the sector for skills attraction and retention, with special attention given to gender balance in the WI. Possible solutions to these challenges will be investigated through a cooperation involving social partners and VET providers.



The project builds on a strong transnational dimension. To implement it, the partners will conduct research and collect data from 5 countries (BE, FR, HR, IT, SE) and the European Sawmill sector, identify key findings, share best practices and propose strategies on how to tackle the above-mentioned social challenges of the WI in Europe.

The project is further supported and implemented by EOS, the Croatian Wood Cluster, FILCA-CISL and the Union of Forestry, wood and graphical workers.

RESILIENTWOOD Mid-term conference: Outlook of the Woodworking Industry and adaptation needs to make it future-proof

The highly anticipated mid-term conference of the two-year European Woodworking social partners' RESILIENTWOOD project took place both in person, in Zagreb, Croatia and online on the 7 September 2023.

The RESILIENTWOOD project, co-funded by the European Union, has embarked on a journey to address some of the most pressing challenges facing the woodworking sector in Europe. The conference showcased initial findings of the project aimed at providing social partners with an overview of the latest developments of the woodworking sector in Europe.

Woodworking companies have undergone significant transformations, driven by technological advancements and evolving organisational structures. Attendees had the opportunity to delve into the latest developments and trends shaping the future of the sector. The mid-term conference also shed light on innovative approaches and best practices employed by the industry to bolster resilience and adaptability in the face of the twin and digital transitions and to address the need for training, and skills development of the existing and future workforce.

The conference was opened by Mr Ivan Vidiš, State Secretary at the Ministry of Labour, Pension System, Family, and Social Policy of the Croatian government. His opening remarks emphasized the vital importance of the RESILIENTWOOD project and its potential to drive positive change within the woodworking sector, not only in Croatia but throughout Europe. He stressed the need of having sector specific actions in place in order to maintain the high-quality work and long lasting competitiveness of the wood-working sector.

He was followed by a keynote from Mrs Kristine Krivmane, Team Leader – European Year of Skills, DG EMPL, European Commission, who welcomed the initiative and stressed the important role of the European sector social dialogue partners in bringing about knowledge and spreading awareness through joint actions on key issues such as those addressed in the project.



The RESILIENTWOOD project remains steadfast in its commitment to shaping a more resilient, adaptive, and equitable future for the woodworking sector in Europe. The mid-term conference was a resounding success, offering a glimpse into the project's remarkable journey towards achieving these objectives.

The project runs for 24 months and aims to achieve the following objectives within the given timeframe:

- Provide social partners with an overview of the latest developments of the wood-working sector in Europe, including the economic impact of the Covid-19 pandemic, as well as expected technological and organisational changes within woodworking companies.
- Stimulate the joint social partners' discussion on 4 specific issues through dedicated workshops (Adaptation of the industry and outlook after the Covid-19 pandemic and crisis, gender equality in the industry, expected technological changes in the industry and adaptation needs, increasing the attractiveness of the sector through education).
- Develop recommendations and guidelines for companies, VET and public authorities to overcome the above-mentioned challenges, to be presented in the final report and final conference of the project.
- Disseminate results within and outside the membership base of the European social partners of the woodworking sector through newsletter, social media and meetings.





Circularity is our business model

Timber is a natural raw material and therefore follows the biological cycle, with the possibility of recycling as it can be seen in the pictogram. Residues, by-products and post consumers wood can find numerous additional applications as they can be used for the production of other fiber-based materials, such as pulp and paper, oriented strand boards, a number of engineered wood products, and more recently polymers filled /reinforced with wood and other natural fibers.

Overall, wood products and wood applications can foster a green and sustainable growth while playing a key role in decarbonising energy- and emission-intensive sectors, such as construction, plastics, and textiles. The diagram in the picture highlights the well know cycle of uses for wood, developed by all the wood industries.



Contributing to a carbon neutral economy



THE EUROPEAN UNION HAS CLOSE TO 160 MILLION HECTARES OF FORESTS COVERING 39% OF ITS LAND AREA¹ AND THESE FOREST AREAS ARE ONE OF EUROPE'S MOST IMPORTANT RENEWABLE RESOURCES.

Wood has grown in Europe over the last decade. EU forests are exceptionally diverse, with a large variety of forest types and wood species, characteristics and ownership structures. They provide multiple benefits for society and the economy whilst being a major source of biodiversity. The forest-based industries are a crucial part of Europe's modern industrial fabric and play an integral role in greening many of the 14 industrial ecosystems included in the updated EU Industrial

Strategy. The wood industry is comprised of companies that work with wood as the main material. The industry consists of the entire value chain for lumber – from growing in the forest, being processed and manufactured for its final use, without forgetting re-use. A major advantage of wood and wood-based materials lies in its potential use for substitution of fossil-based materials in various industries, including energy, construction, packaging, or textiles.

1. Sources for 2020 by Eurostat



Forests are more than carbon sinks. They are a vital source of raw material –
WOOD!



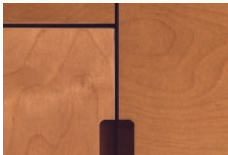
BUILDING A RESILIENT EUROPEAN WOODWORKING INDUSTRY

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The European Woodworking Industries contribute greatly to the EU Green Deal objectives and play a fundamental role in the transition to a sustainable, green, and carbon-neutral Europe.

Through their value chains, the forest-based industries extend upstream into an increasing EU forest resource and downstream into an array of industrial and consumer applications for their products meaning that wood, is having enormous potential to contribute positively to a low-carbon economy, such as to provide a high standard of living from lower levels of energy input and resource consumption.



Investments in the wood-based value chain are important for delivering on the objectives of the European Green Deal and reaching climate neutrality by 2050 as enshrined in the European Climate Law. Greenhouse Gas (GHG) intensive materials and fuels can be replaced by sustainable bio-based alternatives through the application of a cascading principle: long lasting wood-based products can replace GHG intensive construction products such as cement and steel, while wood that is unsuitable for long-lived materials and products, and secondary woody biomass such as sawmill by-products, residues and recycled materials, can be used for short-lived products and also for energy production. This principle is recognised in the Communications on "A sustainable bioeconomy for Europe", "A Clean Planet for All", "Sustainable Carbon Cycles" and in the "New EU Forest Strategy for 2030".

Extract of the Answer given by Executive Vice-President Timmermans on behalf of the European Commission (E-001370/2022)

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The woodworking industry relevance



IN 2021 THERE WERE MORE THAN 900 000 PERSONS EMPLOYED WITHIN THE MANUFACTURE OF WOOD AND WOOD PRODUCTS.

The woodworking sector is derived from NACE 1625, Eurostat, and includes:

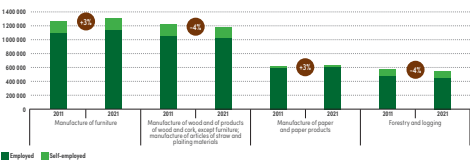
- Primary processing resulting in the production of sawn wood.
- Secondary processing involving wood-based panels, solid-wood products, wooden pallets and other wooden packaging and bioenergy products.
- Tertiary processing to manufacture builder's carpentry and joinery products and wooden flooring or as insulation material

The European Woodworking industries are a complex and labour-intensive sector. They comprise a large number of SMEs, many of which in rural areas.

Woodworking companies are also highly varied, focusing on a wide range of different products, and stages of timber processing along the supply chain. They include sawmills, planing plants, preservative treatment specialists, flooring manufacturers, plywood and other wood-based panel producers, and makers of veneer, joinery, carpentry, construction products, pallets, packaging and more.

Together, some 393 000 enterprises were active in wood-based industries across the EU in 2020; they represented one in five (19%) manufacturing enterprises across the EU. The wood-based industries employed 3.1 million persons across the EU in 2020 or 10.5% of the manufacturing total.

Employment in forestry and wood-based industry in the EU, 2011-2021* (by NACE Rev.2 activities)



393 000 enterprises were active in wood-based industries across the EU in 2020



Expected technological changes



THE WOOD INDUSTRY IS KEY FOR A GREEN AND SUSTAINABLE EUROPEAN GROWTH AND IT ALSO REPRESENT AN IMPORTANT ECONOMIC ACTIVITY IN MANY EUROPEAN COUNTRIES, IN PARTICULAR MANUFACTURED WOOD PRODUCTS FOR CONSTRUCTION HAVE SPECIAL RELEVANCE.

In recent decades, the industry has evolved toward more intensive use of digital technologies. And this has passed from traditional automation to the use of industrial revolution, electronics, automation and CAX (Computer Aided X) technologies. Nowadays, in most European countries basic computer skills are required for all positions. Digitalization enables efficiency throughout the value chain. From forestry and raw material sourcing, forestry practices, through the entire logistical production chain to the end product at retailers with traceability according to the new EUDR Regulation.

For example, although sawmills still turn logs into wood products, modern technology has revolutionized the operations at sawmills. Advanced machinery and a high degree of sophisticated automation are improving overall efficiency at every step of the process. High-speed lumber sorting systems, machine vision, lasers and scanners guide the logs on tracks, and optimise the cutting process, determines the grade and guides to the optimal way to cut the logs, ensuring high resource efficiency.

The development of measuring technology help improving the raw material yields and labour productivity. With new investments into equipment and machinery, the outcome is usually a rise in productivity for both in the raw material use as well as labour.

Additionally, the development in technology can improve the industry capabilities to improve the quality throughout the production process and to continue to deliver smart, environmentally friendly products and services through improved digital manufacturing systems and with an increased resource-efficient way.

>
The woodworking industry needs to invest in higher quality technologies such as automation, sensors, data analytics, and robotics to improve operational efficiency, reduce waste, increase output and improve safety and working conditions.



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Woodworking industry outlook in times of crisis

DIGITALISATION, ROBOTISATION AND GLOBALISATION HAVE TRIGGERED PROFOUND SHIFTS ACROSS EUROPE IN HOW PEOPLE LIVE AND WORK.

The coronavirus pandemic has accelerated these beyond what could have been predicted. Parts of the forest-based industry developed relatively well during the pandemic years, driven by an increased domestic focus. Woodworking manufacturers have largely weathered the COVID-19 storm safely and most quickly returned to full production levels. The immediate effects of the pandemic on the demand for lumber were positive. As a result of the pandemic, consumers all over the world were stuck at home. They were unable to go on holidays or spend money in traditional entertainment venues such as restaurants and cinemas, instead focusing their expenditures on accessible areas like their homes. Central banks put in place very accommodative monetary policies and governments passed huge stimulus programmes. The Do-it-Yourself sector experienced an unprecedented boom that drove up demand and production of sawn wood, wood panels and flooring. Nonetheless the woodworking industry also experienced challenges linked to the pandemic such as limited labour availability and logistics (deliveries were especially difficult and there was a shortage of truck drivers).

After a robust recovery in 2021 and the first half of 2022, EU labour markets faced in 2022 uncertainties related to the impact of Russia's war of aggression against Ukraine and strong inflationary pressures.

For softwood lumber availability in the EU, the impact of the war in terms of imports is significant. The EU in 2021 consumed about

83 million m³ of sawn softwood. Of this, 4.5 million m³ was imported from Russia, 1.1 from Ukraine, 2.6 million m³ from Belarus. Altogether the market share of the three countries at war Russia, Ukraine and Belarus is slightly below 10%. This created a concern about the availability of wood products in Europe as Russia has been the world's largest exporter of wood products.

The war also brought new cost shocks such as rapidly rising energy prices. The increasing energy prices have obviously taken a heavy toll on the European woodworking industry. When it comes to demand, the high energy prices and inflations pushed central banks to sharply increase interest rates on both sides of the Atlantic which in turn caused mortgage rate to rise. This had a depressing effect on demand in the construction markets.

>
Raw material securing and availability remains a challenge in Europe: The industry needs to adapt to a new situation where softwoods will be less abundant in Central Europe and hardwoods, in particular species as of today, underutilized, will be more and more available.

Responsible forestry management, energy efficiency, and waste reduction to meet the growing demand for environmentally friendly products will be key.

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Gender balance in the woodworking sector



GENDER EQUALITY CONTINUES TO IMPROVE WITHIN THE MANUFACTURING AND CONSTRUCTION INDUSTRIES, ALBEIT AT A SLOW PACE.

The woodworking industries, like many other trades, have stereotypically been practiced by men although the share of women employed by the industry is slowly growing.

Some countries have recorded a higher percentage of women workers than others due to various factors such as national policies, cultural norms, and labour market conditions.

In most cases, women are employed mainly in administrative and support functions, while in other cases they work in production jobs for quality management.

There is still a significant gender gap in the woodworking industry, and more efforts need to be made to promote gender equality and diversity in the sector.

There are many challenges to the further integration of women in the sawmill industry, including:

- Perceived gender bias: Women may perceive the industry as being predominantly male dominated, which may discourage them from pursuing a career in the sector.
- A gender pay gap is still a reality and concerns our sector as well.
- Long-working hours: The industry may require long working hours and inflexible schedules, which might not be compatible with family life and other commitments.
- Limited job opportunities: Many women may not be aware of the job opportunities available in the sawmill industry or may not have access to the relevant training and education necessary for these jobs.
- Stigma attached to manual labour: There is still a stigma attached to manual labour jobs, which may discourage women from pursuing careers in industries like the sawmill industry.



In Sweden in the sawmill sector in 2022, the proportion of women was 11.7% and 88.3% men.

In France the proportion of women is estimated around 25%.

In Belgium, the proportion of women in the wood industry is only 9%. In wood education, we see that only 5,30% that starts an education in woodworking, is female. In the total of graduates from woodworking education, only 3% is female.

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Increasing the attractiveness through education and skills development



EUROPE IS UNDERGOING PROFOUND CHANGES WITH THE TWIN DIGITAL AND GREEN TRANSITIONS.

> The advancement of new technology has accelerated the upskilling requirements.

World Economic Forum estimates that, by 2025, 50% of all employees will need upskilling due to adopting new technology. A third of the essential skills in 2025 will consist of technology competencies not yet regarded as crucial to today's job requirements. Adding to that the demographic changes and in particular, the ageing and ever-changing demography of the European population and workforce, also described as labour shortage or tight labour markets, has major consequences for employment, skills, and economies, making it even more difficult because industries in Europe tend to compete amongst each other for the same available workforce.

Upskilling the workforce with green and digital skills is key to successfully navigate labour market changes and ensure the competitiveness of the woodworking sector. Developing new and diverse education programs and promoting innovative curricula should be seen as education's primary goals in order to place on the market skills and knowledge needed for an entrepreneurial culture. On one hand companies will have to increase effort in stimulating the motivation of their workers and providing professional opportunities and invest in training. On the other hand, the workforce will need to adopt a new mindset of continuous learning (lifelong learning).

Life-long learning for all should become a reality. Acknowledging that education and vocational training is an individual right, enabling people to participate actively as a citizen in social life and well trained and as much as possible independently in the economic field, our sector takes its responsibility to provide training opportunities and to increase its related capacities in connection with the related technological evolution.

The advancement of new technology has accelerated the upskilling requirements. This means not only new skills for the future workers but also making sure that the existing workforce is trained and equipped with the necessary knowledge in order to adapt to new arriving technologies and forms of work. It is very important that no one is left behind – new workers and existing ones.



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Training and upskilling are essential steps towards addressing skills needs. However, it is important to acknowledge that the challenge of labour shortage is complex and goes beyond training alone. It is influenced by demographic and technological changes. There are many obstacles when addressing the needs of skills in the woodworking industry such as:

- Attractiveness of the sector
- Working conditions linked to physical and manual labour, occupational health and safety, working time arrangements and pay
- Lack of visibility and understanding of wood-working career opportunities
- Old fashioned image and outdated perceptions

In Sweden the crises did not change anything in the educational elements or the needs. During the pandemic and the energy crisis, investment in training, hot work, sorting training and lifting training was on the rise. **With the pandemic, the industry adapted its needs through an increased use of digital educational efforts.**

In Belgium in 2022, there is only 10% of the labour force (within 20% of the companies in the sector) that has registered any training. More than 33% was older than 45 years. The average duration of a training was 65 hours.

In general terms the image of VET in Europe performs comparatively poor against general education. VET is still seen as a second choice and for second-rate students, although it could be a good opportunity for career reconversion. This coincides with a gradual disregard of traditional craftsmanship in our societies. In consequence,



today's high demands of those professions in terms of knowledge and skills are not realized, youngsters do not see the actual perspectives of these professions and focus on university degrees. This is why more investment in VET is needed. Training providers, companies and trade unions need to work together to develop future-proof curricular. Companies need to provide well-educated trainers and tutors for the apprentices, equipped with sufficient time and resources. Furthermore, the permeability between vocational education and university needs to be fostered, to make craftsmanship again more interesting and to provide career paths during the professional life.

Making VET more attractive to young people in Europe will be key in addressing the skills gaps and meeting the expectations of both the students and employers.

(In Belgium, after some years of light decline of the number of students in woodworking education (-10% over 5 years), we see some progress in the number of students (+2% since 2021).

> In Belgium in 2022, there is only 10% of the labour force (within 20% of the companies in the sector) that has registered any training.

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About the project



RESILIENTWOOD: ANTICIPATE CHANGES, INCREASE ATTRACTIVENESS, BUILD SKILLS AND INCLUSIVENESS IN THE WOODWORKING INDUSTRIES IN TIMES OF CRISIS

The European Confederation of the Woodworking industries (CEI-Bois) led project, together with the European Federation of Building and Woodworkers (EFBW), Woodwize and FCBA aims to offer recommendations to tackle specific challenges in the Woodworking Industries through strengthened social dialogue.

CEI-Bois and EFBW are the official recognised European Social partners for the woodworking sector and as such participate jointly the wood-working dedicated European sector social dialogue committee meeting.

The project builds on a strong transnational dimension. To implement it the partners will conduct research and collect data from 5 countries (Belgium, France, Croatia, Italy, Sweden) and the European Sawmill sector, identify key findings, share best practices and propose strategies on how to tackle the above-mentioned social challenges of the WI in Europe.

The project is further supported and implemented by EOS, the Croatian Wood Cluster, FILCA-CISL and the Union of Forestry, wood and graphical workers.

OBJECTIVES:

- Provide social partners with an overview of the latest developments of the woodworking sector in Europe, including the economic impact of the Covid-19 pandemic, as well as expected technological and organisational changes within woodworking companies.
- Develop recommendations and guidelines for companies, VET and public authorities to overcome the above-mentioned challenges, to be presented in the final report and final conference of the project.

- Stimulate the joint social partners' discussion on 4 specific issues through dedicated workshops (Adaptation of the industry and outlook after the Covid-19 pandemic and crisis, gender equality in the industry, expected technological changes in the industry and adaptation needs, increasing the attractiveness of the sector through education).
- Disseminate results within and outside the membership base of the European social partners of the woodworking sector.

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Consortium partners

The European Confederation of Woodworking Industries (CEI-Bois): 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 152 billion euros and employing 1 million workers in the EU.

The European Federation of Building and Woodworkers (EFBW): The EFBW is a European trade Union Federation with members in the Building, Building Materials, Wood, Furniture, Forestry and allied sectors. The EFBW represents blue and white collar workers from 76 national trade unions in 34 countries.

The Institute of Technology Forêt, cellulose, bois-construction, ameublement (FCBA): As an industrial technical centre, FCBA's mission is to promote technical progress, to participate in the improvement of yield and to guarantee quality in the industry. Its field of action covers the entire forestry-wood and furniture sectors: forestry, logging, sawmills, pulp and paper, wood-based panels, carpentry, structures, furniture, packaging and various products. It also works with various suppliers in these sectors. As a privileged partner of companies, FCBA is attentive to their technical and economic environment, to help them integrate technological innovations and adapt to the rapid evolution of markets.

Woodwize: Woodwize is the paritary sectoral organisation for wood and furniture sector in Belgium. WOODWIZE knows the Belgian timber and woodworking sector inside-out, and we'd love to pass this knowledge on to employers and workers, teachers and students! Our training

courses, information sessions and professional services help to make this sector both sustainable and safe. Looking for someone to show you the ropes? No-one is better able to help than we are! Got any questions about Health & Safety when it comes to woodworking? WOODWIZE is the ideal place to get them answered!

The European Organisation of the Sawmill Industry (EOS): EOS consists of national sawmilling federations and associates members from 11 European countries, representing 80% of the EU sawnwood production.

The Croatian Wood Cluster (Hrvatski Drveni Klaster, CWC): Croatian Wood Cluster is the oldest industrial cluster in Croatia, established in 2003 by following the bottom-up approach. CWC acts on the national level as a triple-helix organization, and has about 60 members from all sectors related to the forest-based industries value chain. Main objectives are enhancing sustainability and competitiveness of the sector, by encouraging innovations, investments, research, knowledge and technology transfer.

Federazione Italiana Lavoratori Costruzioni e Affini (FILCA-CISL): Italian sectoral union representing construction, wood, cement, brick, marble and stone workers. It is affiliated to CISL (Italian Confederation of the Workers' Unions) and represents around 243.000 workers in Italy. It is present in all provinces in Italy.

The Swedish Union of Forestry, wood and graphical workers (Facket för skogs-, trä- och grafisk bransch, GS): GS was established in 2009 and organizes workers in the forestry, woodworking and graphic industries in Sweden.

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D. Ongoing Woodworking and Furniture representativeness studies

Eurofound oversees conducting the representativeness studies for the woodworking sector. The study has started in 2021 and is expected to be published on their website in the first half of 2023. CEI-Bois has been fully collaborating with Eurofound providing them with the necessary information, contact details of its members and answering to the different consultations.

The assessment of the representativeness of CEI-Bois, indicated that it has in 9 Member States the organisation affiliated with the strongest membership domain, and by far the most employers organizations affiliated that are involved in wood sector collective bargaining. CEI-Bois has directly affiliated member organisations in 12 Member States, and in another 7 Member States indirectly affiliated organisations.

➔ *In conclusion the representativeness study finds that, CEI-Bois is the most representative European employers organisation for the woodworking sector.*

5.4.2 EU Action and Developments in the field of Social Affairs & diverse CEI-Bois activities

CEI-Bois is an active member of the European Employers Network (EEN) since re-joining in 2021. The EEN is a voluntary forum/network where all events are coordinated by Business Europe. It provides a forum in which exchanges of views and information on social policy can take place between European employers' organisations in a timely manner and promote the convergence of views and positions on social policy expressed by European employers' organisations on behalf of their affiliates, in order to enhance their ability to make strong representations to the EU Institutions, European Trade Unions and other relevant European stakeholders.

A. Review of the EU sectoral social dialogue

The review of the EU sectoral social dialogue is part of the initiative to support social dialogue at the EU and national level. It was presented in 2022. This was announced in the European Pillar of Social Rights Action Plan, adopted on 4 March 2021.

Leading to the publication of the report, CEI-Bois has remained active both within its Social Affairs working group and the EEN. Indeed, CEI-Bois has provided its written contribution on two separate occasions and participated in all 3 dedicated social partner workshops and later the informal social partner hearings organised by the European Commission in the first half of 2022.

CEI-Bois has remained vocal on the fact that national social dialogue practices across Europe should remain independent. The European Social Dialogue should respect the independence of national social dialogues. It should not in any way disturb or obstruct national social dialogues practises.

In addition, CEI-Bois believes that the European Social Dialogue should not be outcome-oriented. The success of the social dialogue should not be measured by the number



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of agreements, directives, or other binding instruments that the social partners have agreed upon. Given the particularity of the woodworking sector and its variety it is highly important to underline that the national level differs greatly between Member States, both as regards traditions and preconditions.

In June 2022, CEI-Bois joined an initiative led by the EEN, together with the different trade union organisations, in expressing concerns with regard to the European Commission's approach to the review of the European sectoral social dialogue. More precisely on the intention of transferring the organisation of EU sectoral social dialogue committee meetings to social partners.

Vice President Valdis Dombrovskis
Commissioner Nicolas Schmit
European Commission
B- 1049 Brussels

Sent by e-mail

**Open letter from the European Sectoral Social Partners
Review of the rules on the financing of the European Sectoral Social Dialogue Committees**

Brussels, 8 February 2023

Dear Vice- President Dombrovskis,
Dear Commissioner Schmit,

We have read with great interest the *Communication on Strengthening social dialogue in the European Union : harnessing its full potential for managing fair transitions* published by the European Commission on 25 January 2023. If we appreciate the fact that it does take into account some of our concerns expressed during the many hearings and consultations organised by your services throughout 2022, it does not propose any solution as regards the future organisation and financing of Sectoral Social Dialogue Committees (SSDCs).

The Communication is not only recognising that social dialogue is a priority for the EU Commission, it is also stressing that it has never been so crucial in shaping and delivering fair transitions and crisis management. We therefore expect the Commission to maintain both its logistical and financial support for sectoral social dialogue committees and to enhance its political support.

Furthermore, we have serious concerns about alternative approaches on the organisation of Sectoral Social Dialogue Committees, notably the idea of multi-annual “project based” financing, which could endanger both the autonomy of the social partners and their capacity to come up with meaningful outcomes. The lack of security and predictability of financing could also threaten the existence of some SSDCs.

Against this background, with this letter, the undersigned EU sectoral social partners would like to reiterate their views on the future of the European Sectoral Social Dialogue, and more specifically as regards the modalities of the social dialogue committee meetings.

While we understand the existing financial constraints under which the European Commission operates, we strongly urge the Commission to come up with new proposals that fully respect social partners’ autonomy and avoid a severe devaluation of European sectoral social dialogue.

This implies that any proposal should avoid project-based financing as :

- It represents, especially for the smallest organisations, a huge administrative burden, and in the long-run the end of social dialogue. Our social dialogue should focus on the content and not on organisational matters.
- It represents an extremely rigid and uncertain framework (there is only one call for submission per year and it takes six to seven months at least before knowing whether a project has been approved or not), which does not allow the social partners to adapt their initiatives to a fast changing environment and to define an efficient planning of their work programme.
- It could imply an allocation of funds based on the foreseen outcome of the social dialogue leading to less autonomy of the social partners.

In addition, we would like to know whether all the Commission-backed experts' groups are to be subject to the same re-organisation. As social partners, it is reminded that we are deemed experts in our respective sectors. We would therefore find it extremely difficult to understand if a differentiated treatment would apply to these expert groups.

Finally, on various occasions during the informal consultation on the review of social dialogue, the Commission has said that it will keep the responsibility for the logistics and funding of negotiation meetings; we would like the Commission to confirm this.

If social dialogue is a political priority of the European Commission, there is an urgent need to ensure that the necessary financial and political support is made available to the sectoral social partners without increasing the burden on them.

Yours sincerely,

For the European employers' organisations



AMICE
Sarah Goddard
Secretary General



BIPAR
Dominique Sizes
Chair



CEEMET
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For the European trade unions' organisations



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Joost Korte, Director General, DG EMPL
Stephan Olsson, Deputy Director General, DG EMPL
Jorg Tagger, Head of Unit, Social Dialogue, DG EMPL

B. European Works Council

The European Commission launched in April 2023 a first-stage consultation of European social partners on a possible revision of the European Works Council Directive (Directive 2009/38/EC).

This consultation follows up on the European Parliament's legislative own-initiative resolution of February 2023 calling for the Directive's revision. In line with President von der Leyen's Political Guidelines, the Commission is committed to follow up on such resolutions with a legislative proposal, in full respect of proportionality, subsidiarity and better law-making principles.

CEI-Bois is in favour of an open and transparent sector social dialogue on issues relevant for the woodworking sector.

The European confederation of the woodworking industries agrees that social dialogue at company level and in general is essential to successfully undertake the structural changes brought by the digital and green transitions and address the consequences of the energy crisis.

Nevertheless, it is important to emphasize that social dialogue and national practices differ greatly between Member States, both as regards traditions and preconditions. It is important that the autonomy and independence of the national social partners across the EU is respected and safeguarded.

This would also apply to the European Works Councils (EWC) directive. What could be judged as appropriate means and measures by social partners in one Member State is not necessarily the same or as constructive for social partners in another.

The European commission should recognise that European Works Council practices should remain flexible in order to be applied effectively to different sectors, companies, Member States.

CEI-Bois believes that the European commission should refrain from placing regulatory burdens to those companies who already have opted for the creation of a Work Council and should aim at promoting and simplifying the implementation of the existing directive.

As highlighted by the EC in its 2018 evaluation of the recast Directive, the latter remains relevant. The current legal framework is fit for purpose, so there is no need for a revision or setting up a new legal framework. The direction of action of the European commission, if any, should focus on promotion and raising awareness amongst employee representatives and management of the procedures and benefits of creating EWC's. A revision would only create uncertainty and pressure for companies and employees to change already well-functioning EWCs. A revision could also create uncertainty and lack of respect for the already existing agreements, as they might be considered unsuitable or might require re-negotiation or re-adaptation.

EWCs should be a learning process of cooperation between management and employees. To improve and facilitate the effective application of existing rules, the Commission should focus mainly on:

- Continuing to provide grants to social partners to support the implementation and functioning of EWCs.
- Eventually re-start the process of the creation of a handbook for EWCs' practitioners to help in establishing new EWCs and contributing to a more effective operation of existing ones.
- Continue to ensure the full and correct transposition of the recast Directive by engaging in a structured dialogue with Member States.



In the Spotlight!

In February 2023, CEI-Bois took part at the French speaking event "soirée carrières" having as objective helping students to decide about their professional career. It has been a great pleasure for our Organisation to present to the young generation about the woodworking industries and what CEI-Bois and EOS daily do in order to well inform policy-makers about the great contribution of the timber industries to achieve a green and competitive EU economy!

L'industrie du bois a hâte de rencontrer de jeunes travailleurs dynamiques et motivés!

Chers étudiants, au nom de la Confédération européenne des industries du bois (CEI-Bois) et de l'Organisation européenne des scieries (EOS), je vous remercie chaleureusement pour votre attention !



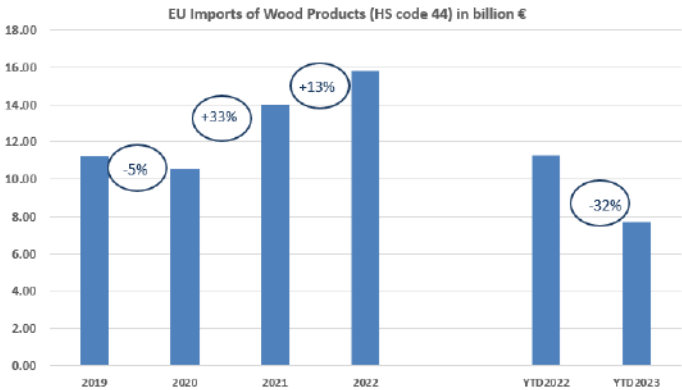
5.5. Trade

5.5.1 CEI-Bois' Trade Working Group activities

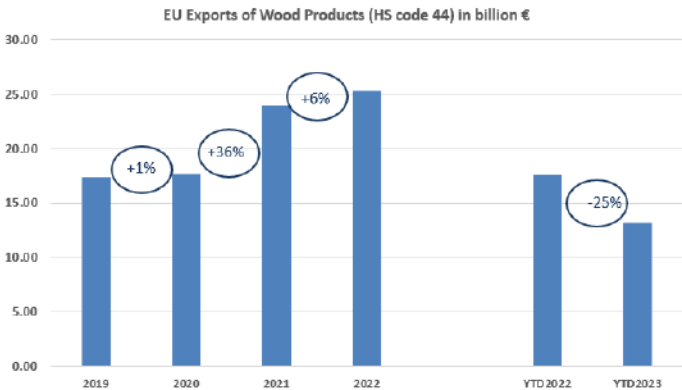
The Trade Working Group of CEI-Bois deals mainly with two sets of activities:

- markets discussions aiming at taking stock of the situation and comparing trends across Europe and beyond
- trade relations with countries outside Europe including challenges and opportunities

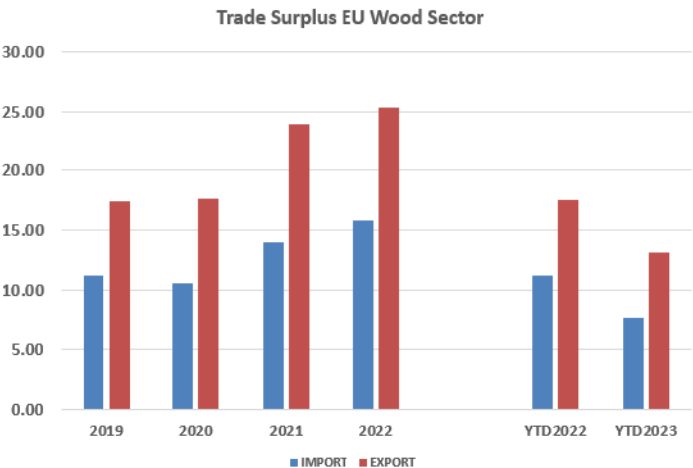
Below, some graphs which report the trade situation in the European Union.



| Source: Eurostat. CEI-Bois re-elaboration and calculations. YTD is Jan-Aug

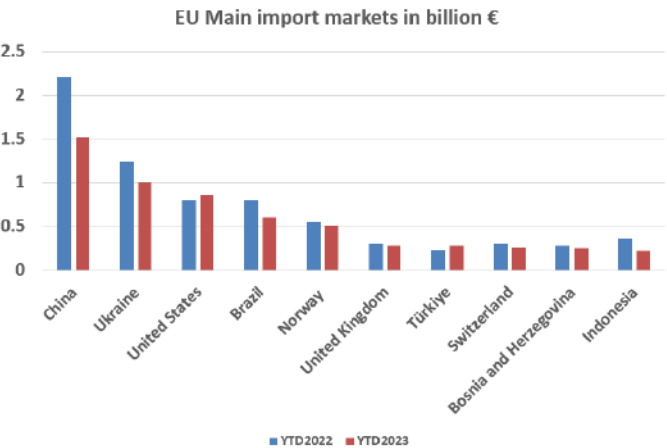


| Source: Eurostat. CEI-Bois re-elaboration and calculations. YTD is Jan-Aug



Source: Eurostat. CEI-Bois re-elaboration and calculations. YTD is Jan-Aug

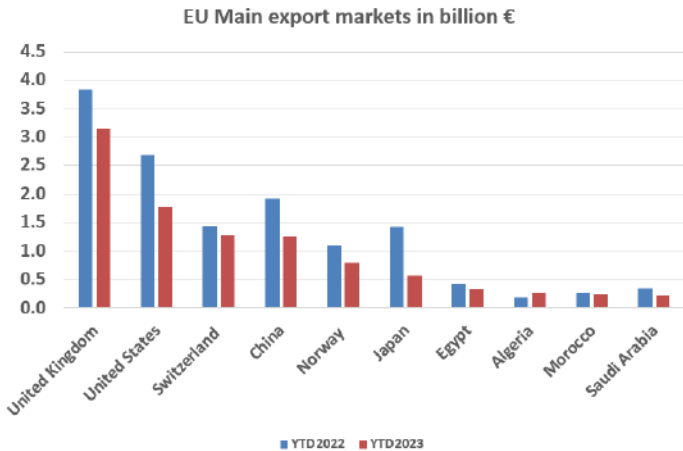
The European wood sector is characterized by a strong trade surplus which keeps increasing. In 2019 exports were 55% higher than imports, in 2022 60%, in YTD 2023 70%.



Source: Eurostat. CEI-Bois re-elaboration and calculations. YTD is Jan-Aug

China (-31% y-o-y) remains the biggest exporter of wood products to the EU, followed by Ukraine (-19%), and the United States (+7%). The market share of China is 20%, of Ukraine is 13%, and of the US is 11%.

The main products imported from Ukraine are sawn wood (pine, oak), fuel wood and pallets. The increase in imports from the US is due to growing imports of wood pellets. Turkey's exports to the EU are increasing due to developing birch plywood imports mainly.



Source: Eurostat. CEI-Bois re-elaboration and calculations. YTD is Jan-Aug

All main markets, in particular China and Japan, are importing from Europe less than in 2022, with the exception of Algeria (main products: sawn softwood, sawn beech). Of all deliveries of European wood abroad, the UK imports about 24%, the US 13%, and Switzerland and China 10%. The main products exported to the UK are sawn softwood (by far), MDF, windows.

5.5.2 EU Commission work programme 2024

Given the European elections in June 2024 and with over 90% of the commitments made in the 2019 Political Guidelines having been delivered, this work programme includes only a limited number of new initiatives on the remaining commitments of this Commission.



Extract of the EC WP 2024 *As a global leader and standard setter, we need to accelerate an open and fair trade agenda geared towards competitiveness, resilience and sustainability. We will continue our work to enhance cooperation and trade relations with partners, and will drive global efforts to reform the World Trade Organization. The reviewed trade strategy of the EU promotes an open, sustainable and assertive policy, which supports the green and digital transformations. Competition remains fair.*

From the Trade Working Group point of view, the most important passages in the EU Commission work programme 2024 is the following:

- We are also seeking to finalise agreements with Australia, Mexico and Mercosur. The Commission will also continue to push forward negotiations with India and Indonesia, as well as the digital trade agreements with Singapore and the Republic of Korea. EU-US relations have also been strengthened through our work in the Trade and Technology Council. Inspired by this, an EU-India Trade and Technology Council has been launched this year. At the same time, we have strengthened our tools against unfair trade practices, and will act to ensure global competition remains fair.

5.5.3 Russian imports of birch plywood

Prior to Russia's invasion of Ukraine in February 2022, the global birch plywood production landscape was dominated by Russia, Belarus, and Ukraine, collectively accounting for approximately 80% of the world's birch plywood output. In the year 2021, Russia alone exported roughly 1.3 million cubic meters of birch plywood to Europe and an additional 0.6 million cubic meters to North America.

However, the situation took a significant turn with the implementation of the fifth round of sanctions against Russia by the European Union in July 2022. These sanctions effectively prohibited the importation of roundwood and wood products, including birch plywood, from Russia into the EU. Nonetheless, it has come to light, through market data and statistics, that illegal Russian birch plywood continues to find its way into Europe via third-party nations.

This illicit birch plywood influx is evident in the heightened importation of birch plywood from countries like Kazakhstan and Turkey. When examining Kazakhstan's production capacity, it becomes evident that the nation lacks the means to legitimately supply the volumes indicated in the statistics.

The illegal importation of Russian birch plywood utilises various methods to circumvent the EU import ban. One tactic involves routing the plywood through a third country to evade the ban effectively. Furthermore, some third-party countries may make superficial alterations to the plywood, subsequently claiming the altered country as the product's place of origin. Another stratagem entails manipulating the tariff classification to exempt the product from sanctions.

The unlawful import of Russian birch plywood not only contravenes EU sanctions and the anti-dumping duties imposed on birch plywood imports in 2021 but also violates the EU Timber Regulation and the protocols of international certification organisations. This is particularly relevant if attempts are made to market birch plywood as a certified product.

The evasion of sanctions and the introduction of illegal birch plywood into the market inflict substantial damage upon the European plywood industry and other lawful entities in the value chain. Such illicit products, being cheaper, undermine fair competition, placing European producers at a disadvantage. This comes at a time when these producers

are already grappling with elevated energy costs and resource scarcities due to a prior export ban imposed by Russia on birch logs and veneer.

The European woodworking industry stands behind the EU sanction regimes and in support of enforcement, stopping of illegal imports and preventing unfair competition throughout the entire value chain.

Within the framework of its Trade WG, CEI-Bois shares the latest information and developments on the sanction regimes, in full compliance with the existing competition law and rules. CEI-Bois does its best to inform and alert its members on possible sanction circumvention methods that could be used and strongly encourages its members to contact their national competent authorities in case they or their member companies receive any dubious offers.

Following a number of alerts on the 22 August 2023, the EU Commission has ordered the opening of an investigation into suspected imports of birch plywood originating in Russia by imports consigned from Turkey and Kazakhstan. All imports of Birch Plywood crossing the EU border and having a declared country of origin of either Turkey or Kazakhstan will require additional registration as part of the customs declaration process.

5.5.4 Japanese Agricultural Standard review

The Japanese Agricultural Standard JAS 0600 standard will be under the regular quinquennial review in 2025. JAS standards are reviewed every 5 years as a legal requirement under the JAS law. According to this, the European industry is requested to collect and submit to the Ministry of Agriculture, Forestry and Fisheries of Japan (MAFF) the strength data for European Norway spruce. The deadline for the data submission is June 2024. European spruce (*Picea abies*) is currently classified under the strong group of spruce-pine-fir (SPF) species. The MAFF objective for the 2025 review is to establish standards / groupings based on the actual strength data. Although the products can be used in Japan without JAS certification, their potential market / certified use in Japanese construction would be reduced.

EOS has established a Working Group with the affected countries by this decision to come up with a solution aiming to produce the required Japanese data. It was hoped for a long time that Japan could be persuaded against the JAS review but now it is clear that this will not happen. The CEI-Bois Working Group is being kept abreast of developments.

5.6 Research, Development and Innovation

The Forest-based Sector Technology Platform (FTP) is a European Technology Platform (ETP) dedicated to the forest-based sector. It is the meeting place for industry, forest owners and public authorities, to discuss and build up a critical mass of knowledge on common research and innovation needs for the sector, and to decide on the best ways to cooperate.



In this way, FTP delivers sound, scientific, strategic and EU-relevant information to public funding providers, thus facilitating opportunities for targeted investments in research, technological developments and innovation (RTDI).

- ➔ The main aim of FTP is to develop, promote and implement a Strategic Research and Innovation Agenda, to advance competitiveness and sustainability of the forest-based sector through innovation.

FTP was founded in 2005 by four forest-based sector associations: CEI-Bois, CEPI, CEPF and EUSTAFOR.

FTP Database

The FTP database is a comprehensive open source data infrastructure that compiles ongoing and concluded research and innovation activities carried out within the European forest-based sector, as well as providing details of relevant funding opportunities. Recently updated, with a more user-friendly interface, it was designed to support the implementation of FTP's Strategic Research and Innovation Agenda. The database collects information on forest-based sector-related research and innovation projects, calls for proposals, research consortia, funding agencies as well as publications and patents. Embodied with a powerful search engine and multiple filters, the tool makes it possible to consult the details of a single project, create customized searches and save reports that provide strategic information about progress within the sector in addressing its RTD&I priorities.



In the Spotlight!

UK rejoins Horizon Europe, Swiss await association: A Tale of EU Research Politics

The recent developments in European research politics have seen the UK's return to the Horizon Europe research program while Switzerland remains on the sidelines. Both countries have faced exclusion from EU research initiatives due to political disagreements, but their paths towards reintegration differ significantly. This development holds positive implications for FTPs stakeholders in the UK and the broader forest-based sector as a whole.

The UK's inclusion in the €95.5 billion Horizon Europe research program as an associate member marks a significant step forward in European scientific collaboration. The UK's return means that scientists in the country can once again access ERC funding without having to relocate abroad. This development is expected to boost competition and the overall value of the ERC. The UK's return was a result of lengthy negotiations that included political disputes, but it's seen as a victory for science. The UK agreed to contribute approximately €2.6 billion per year to participate in Horizon Europe, providing additional funding for ERC applicants.

FTP at the WoodRise Congress

On 16 October, FTP, in collaboration with its French member Xylofutur, organized a whole day Partnering Event in Bordeaux, back-to-back with the WoodRise Congress. The aim was to bring potential partners together to discuss common interests for future EU projects and to help FTP's stakeholders to build competitive consortia, able to take home some of the more than €400 million of EU R&I funding available over the coming 12 months in areas of interest to the forest-based sector.



Different clusters shared insights into their country's research and innovation landscape. We learned for instance, that public bodies manage 80% of Greek forests and that Greece's import of timber is around 5 times greater than the export. In Austria, one quarter of buildings are made of timber, while timber constructions represent 19% of public buildings.

After the presentation of open Horizon Europe calls, thematic working groups were formed on: “Climate-smart Forestry and Carbon Offsetting,” “Wood Construction and Smart Interiors,” “Bioprocesses and Bio-based Products,” and “EU Calls for Clusters.” The groups discussed different ideas for proposals and what kinds of partners and competencies would be essential to prepare successful proposals. The following day, FTP organised its 63rd Advisory Committee meeting, followed by a meeting of the Board of Directors. To wrap up these intensive two days, FTP members visited the experimental forest of the University of Bordeaux, where they saw how researchers study tree physiology and the effects of factors like drought on different parts of trees.



Chapter 6

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6. CEI-Bois Members



We are a responsible Industry

PRESS RELEASE

4 September 2023, Brussels

The Lithuanian Wood Processors Association join The European Confederation of Woodworking Industries

CEI-Bois, representing the European woodworking industries, is delighted to announce our newest member the [Lithuanian Wood Processors Association](#).

CEI-Bois Chair Sampsa Auvinen commenting on the addition of Lithuanian Wood Processors Association to the membership said:

“On behalf of CEI-Bois I would like to welcome as our newest member the Lithuanian Wood Processors Association. Like all organisations lobbying in Brussels the bigger our membership the bigger our potential influence. I am sure our new Lithuanian colleagues will bring an additional and welcome perspective to our collective work, including an understanding of the wood industry from within their own country and from the Baltics more widely, along with their unique European perspective.”

Raimondas Imbrasas, Director, Lithuanian Wood Processors Association commented as follows:
“One of the main reasons why we wanted to join CEI-Bois is because we want to know about upcoming decisions in the EU Parliament. Politicians in Brussels and decision makers at the Commission and Council need to listen more to businesses and society when they make changes in legislation. In addition we think that CEI-Bois have knowledge of lots of practises in the wood industry across Europe that they could usefully share with us. We would also like them to come to visit us in Lithuania and have meetings with institutions and companies.”

The addition of the Lithuanian Wood Processors Association will increase the number of national members of CEI-Bois to 16. It also means that all the Baltic States are now represented within CEI-Bois.

The Baltic States are vital for the European woodworking industry and Lithuania punches above its weight in the wood industry. According to Eurostat, as of 2020, about 20,000 people were employed in Lithuania in the woodworking and sawmill industry. This equates to approximately 9% of the workforce employed in the Lithuanian manufacturing sector (the overall share in the EU is about 3%). In 2020 there were about 3,000 companies active in the woodworking and sawmill industry in Lithuania which equals about 14.5% of companies in the Lithuanian manufacturing sector (the overall share in the EU is about 7.5%).

European Confederation of Woodworking Industries aisbl

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....The next new CEI-Bois Members might be you! Get in contact with the CEI-Bois Secretariat to learn more about our Confederation and how to become a Member!



Blue – Direct representation through CEI-Bois National Federation Members
Green – Indirect representation through CEI-Bois' European Sector Organisation Members

National Organisations:

AUSTRIA

Fachverband der Holzindustrie Österreichs
www.holzindustrie.at

CROATIA

Croatian Wood Cluster
www.drwniklaster.hr

BELGIUM

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

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

ITALY

Assolegno di Federkegnoarredo
www.federlegnoarredo.it

LATVIA

Latvian Forest Industries Federation
www.lvkoksl.lv

NORWAY

Norwegian Wood Industry Federation
www.treindustrien.no

SLOVENIA

Sloles – Slovenian Wood Association
www.sloles.eu

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 Development UK
www.ttf.co.uk

LITHUANIA

Medienos perdirbimo asociacija
www.mpa.lt

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

Chapter 7

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7. 2022 CEI-Bois Board of Directors & Team

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- CEI-Bois President: Sampsa Auvinen (Board Professional, Latvia) – II Mandate
- Michael Pfeifer (FV Holzindustrie, Austria)
- Filip De Jaeger (Fedustria, Belgium)
- Keith Fryer (TTF, United Kingdom)
- Rob van Hoesel (FEFPEB, The Netherlands)
- Denny Ohnesorge (HDH, Germany)
- Antti Koulumies (FFIF & FWIF, Finland)
- Mathias Fridholm (Skogindustrierna & TMF, Sweden)
- Ana Dijan (Croatian Wood Cluster, Croatia)

CEI-Bois Team:

- Secretary General: Silvia Melegari
- Director of Public Affairs: Paul Brannen
- Policy Officer: Teodora Ilieva
- Policy Officer: Claudiu-Nicolae Sonda
- Technical Advisor: Andrew Norton

CEI-Bois Working Group Team:

- Construction Chairman Dieter Lechner (FV Holzindustrie, Austria)
- Sustainability Chairwoman Ingrid Hontis (Fedustria, Belgium)
- Social Affairs Chairman David Johnsson (TMF, Sweden)
- Trade Chairman Keith Fryer (Timber Development UK)
- Research, Development, and Innovation Chairman Johan Elvnert (FTP, Belgium)



European Confederation of Woodworking Industries

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