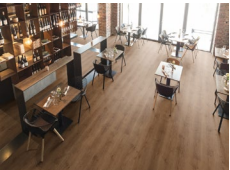




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## UNECE FORESTA 2023

### European wood-based panels markets

**Orifjon Abidov – EPF Economic Adviser**  
**21 November 2023, San Marino**

# Agenda

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- 1. 2022 Wood-Based Panel Industry Results**
- 2. End-use market development in 2023**
- 3. Latest regulatory framework**
- 4. Coalitions**

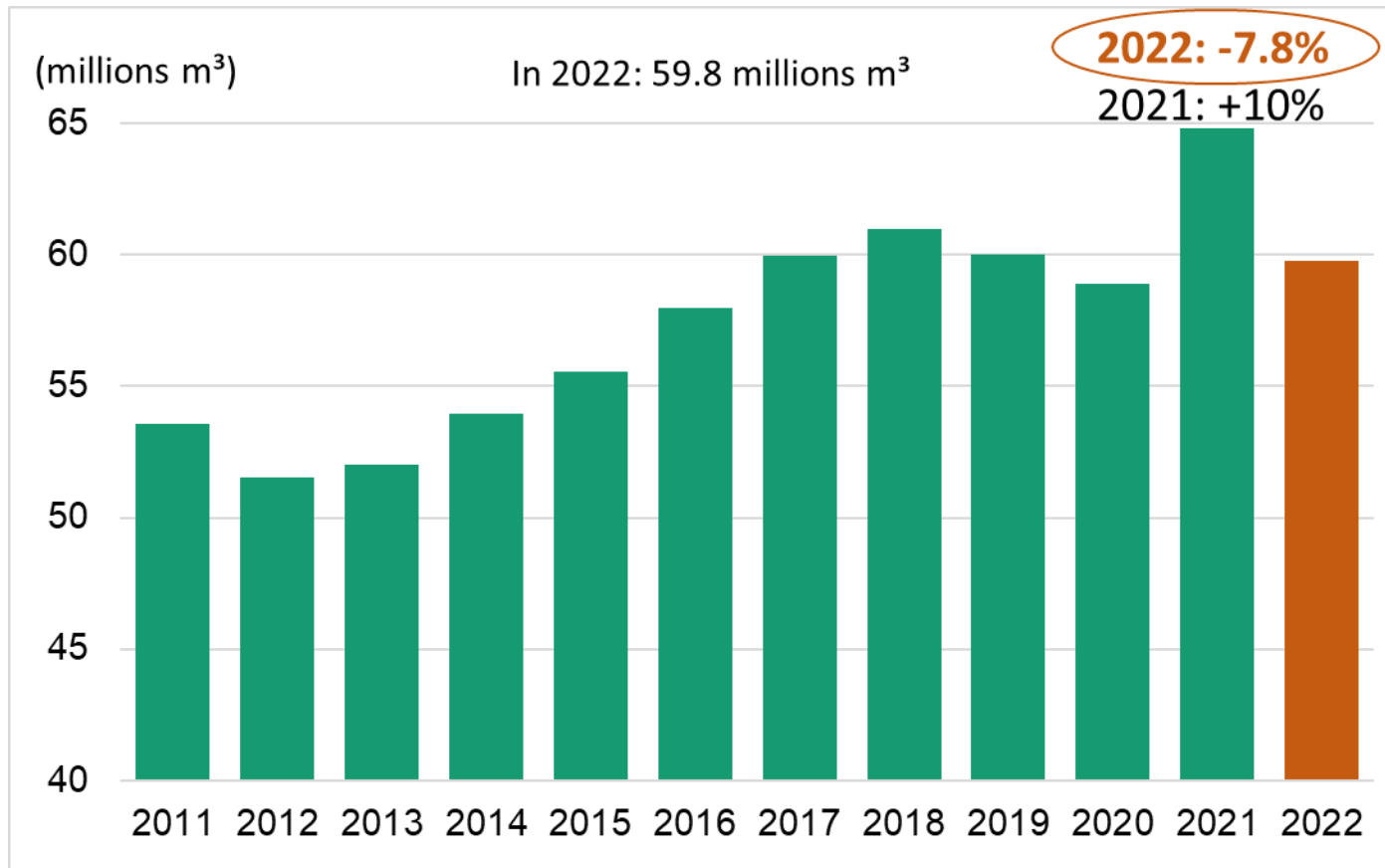


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# 2022 Full Year Statistics



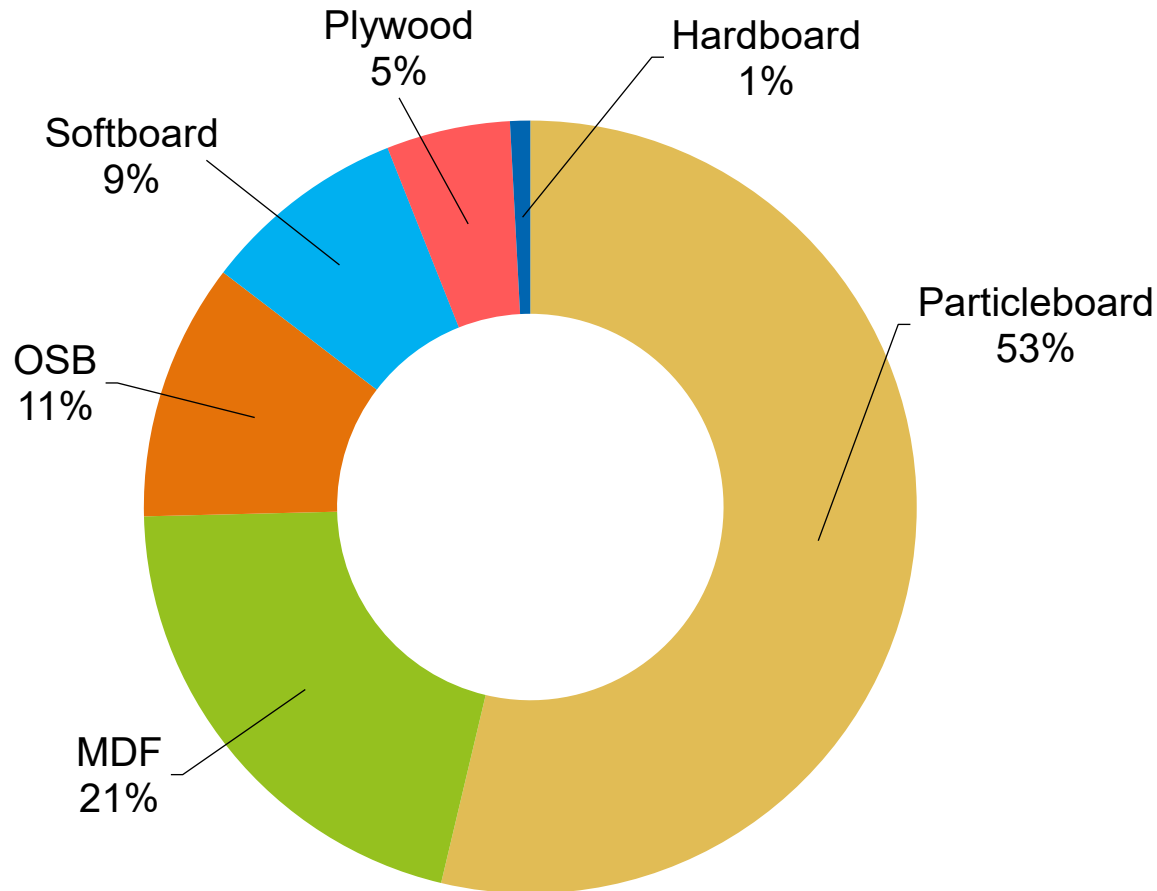
# 2022 WBP Production in EPF Countries down -7.8% towards pre-pandemic levels



- Output was affected by the energy crisis in H2 2022
- A slight decline in production in H1 2022 (-3%, year-on-year) accelerated to -14% in H2 2022



# Share of production per type in EU27+UK+EFTA, 2022



# Summary 2022

Production (million m <sup>3</sup> )	Countries	2022	2021	22/21	22/19
Particleboard	EU27+UK+EFTA	32.1	34.5	-6.9%	0.0%
MDF	EU27+UK+EFTA	12.5	13.8	-9.3%	-3.6%
OSB	EU27+UK+EFTA	6.4	7.2	-10.7%	-4.5%
Hardboard	EU27+EFTA	0.5	0.5	-4.4%	-2.2%
Softboard	EU27+EFTA	5.1	5.6	-8.9%	8.4%
Plywood	EU27	3.1	3.2	-2.5%	4.1%
<b>Total Wood-Based Panels</b>		<b>59.8</b>	<b>64.8</b>	<b>-7.8%</b>	<b>-0.4%</b>

Output dropped close to pre-pandemic levels in 2022

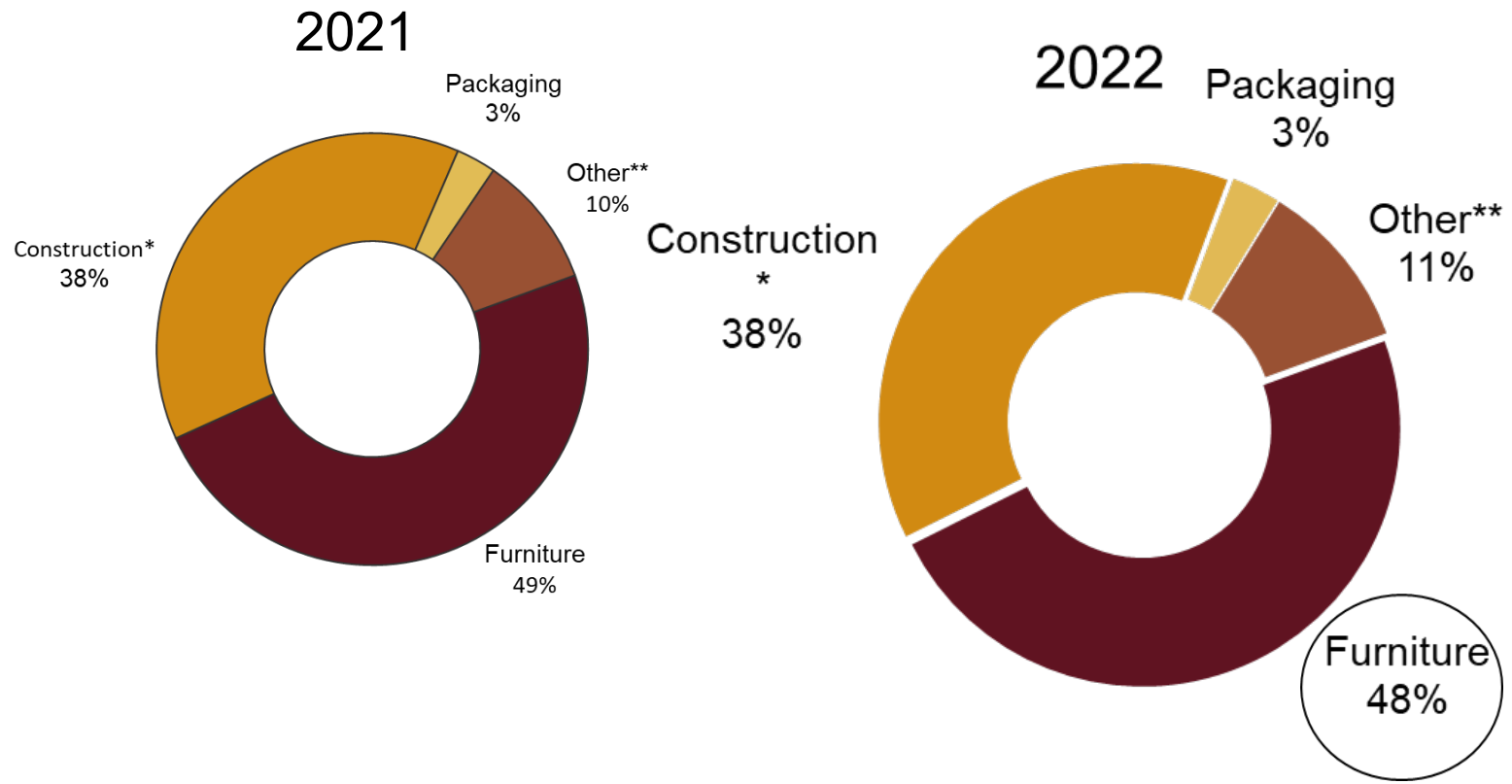




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# Latest end-user market developments of wood-based panels

# Wood-Based Panels (PB/MDF/OSB/HSB/PLY) End-Uses in EPF countries



- Furniture output in the EU-27: +4% in H1-2022, -5% in H2-2022
- Construction production : -3% on a real terms versus 2021

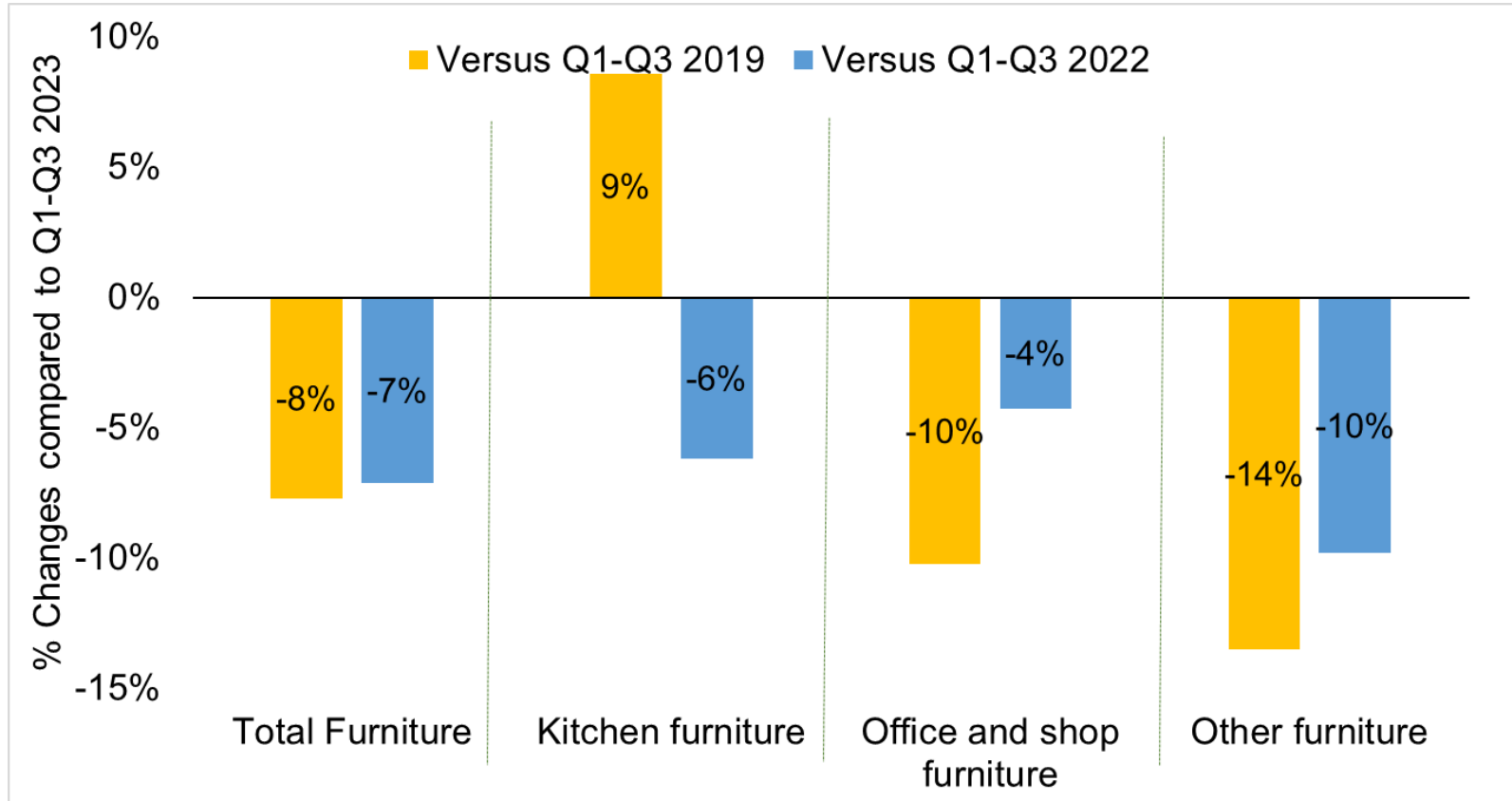


\* Includes doors and flooring  
 \*\* DIY, extra-EU exports, not specified, mouldings, other end-uses



# Manufacture of Furniture in EU-27

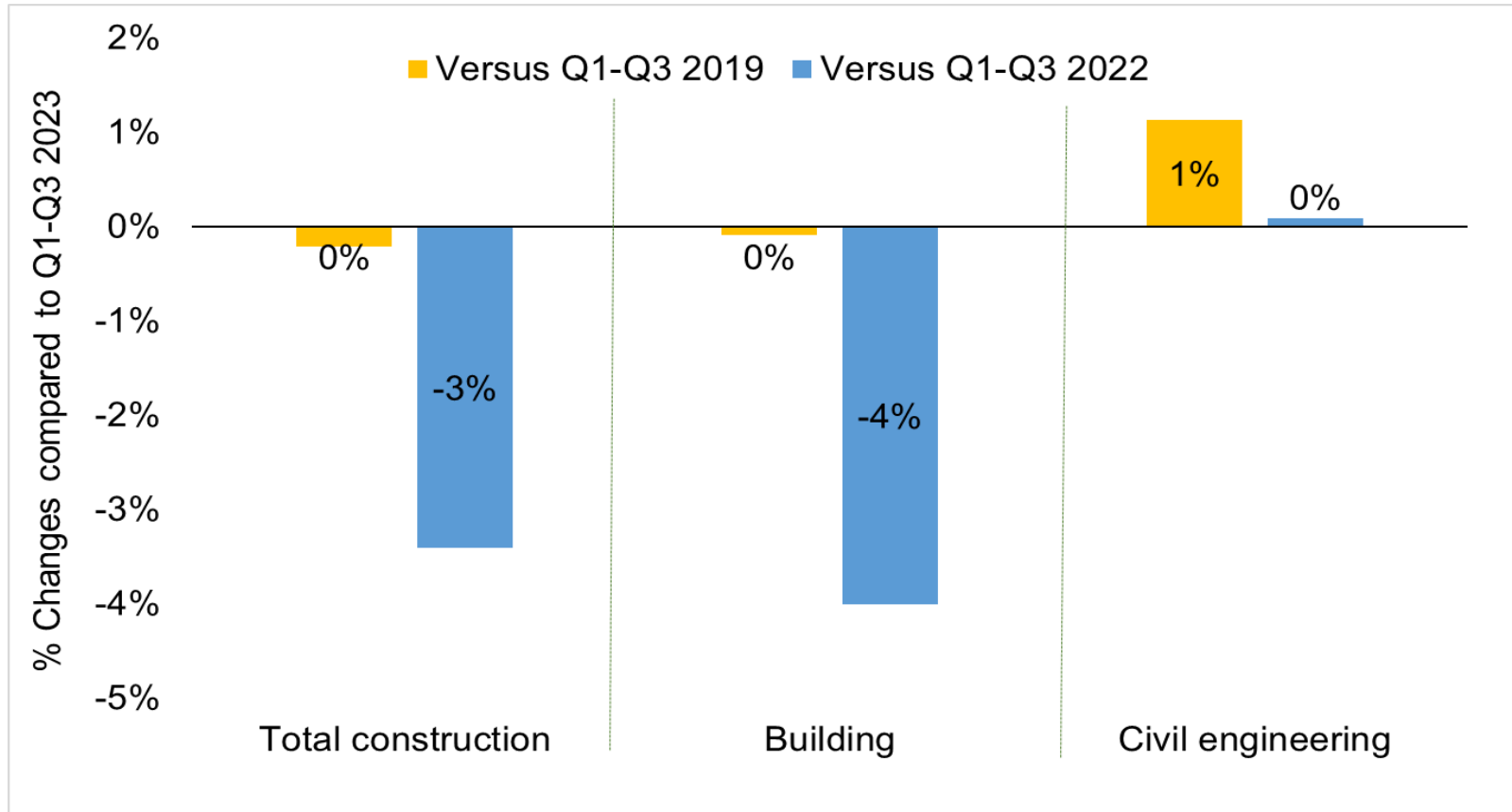
## Volume of production in Q1-Q3 2023



- Kitchen furniture output remains above pre-pandemic levels
- Further contraction is foreseen in Q4-2023 and 2024

# Construction sector in EU-27

## Output in nominal terms in Q1-Q3 2023



- Construction output contracted sharply in real terms
- High interest rates affect the construction sector in 2024



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# Regulatory environment

## 3 positive changes in RED III

- 1) Cascade in legislation for the first time** - woody biomass to be used according to its highest economic and environmental added value (according to previous EC guidelines on good practice)
  - 2) Subsidies restricted** - Financial support will be banned for energy produced through the use of saw logs, veneer logs, industrial grade roundwood, and stumps and roots
  - 3) Sustainability criteria increased** – will apply to smaller installations (equal or above 7.5 MW) rather than the 20 MW threshold under the current directive
- Breakthrough for wood-based panels (cascade use)**

# EUDR EU Deforestation Regulation - Tsunami

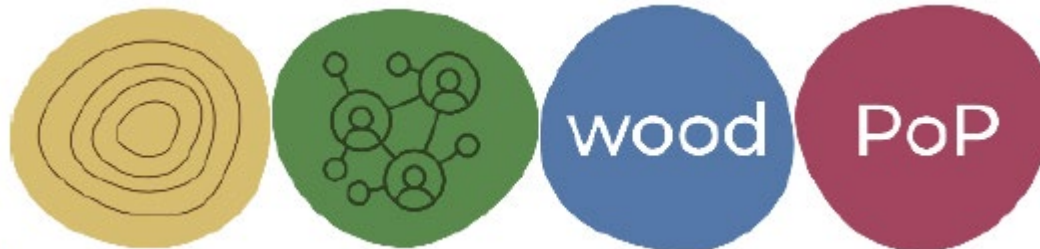
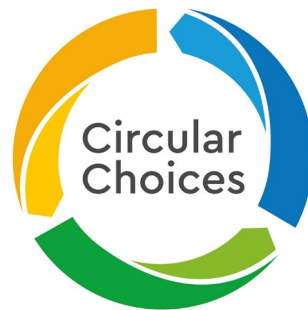
- **Current state of play**
  - **EUTR** (current) focuses on **extra EU trade only**. “Operator” alone carried due-diligence responsibility. TPCs (PEFC, FSC) used and recognised.
  - **EUDR** (from 1.1.2025) applies to **intra and extra EU trade**. Each link in supply chain responsible for DD down to geolocation of raw material required. TPCs sidelined. All information to be upload centrally.
- **Next steps currently underway**
  - Compliance will require **huge time commitment** (FTEs, data transfer etc)
  - Non-compliance (e.g. China ply) offers “**opportunity**” if **enough controls**
  - Questions to and bilateral discussions with DG ENVI
  - EPF (member of EUTR EG) has applied to join EUDR EG (decision Nov.)
  - 100 companies to take part in pilot testing phase (EGGER applied via AT)

→ **Significant burden for all players**



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# Coalition to increase the profile of wood-based panels





# European Wood Policy Platform



CONNECT – COLLABORATE – EXCHANGE

**527 bn euros**

direct gross value added

**3.34 %**

direct share of total economic output

**1,114 bn euros**

total gross value added (direct, indirect, and induced)

**7.06 %**

total share of overall economic output



**1 in 16 euros**

is generated directly or indirectly by the forestry and wood industry

**7.9 million**

direct jobs

**17.5 million**

total jobs



**1 in 16 jobs**

is generated directly or indirectly by the forestry and wood industry

## Geographic scope:

the study spans a total of 30 European states (EU-27, Norway, Switzerland, United Kingdom)



- Member States led, sectors supported
- Governance
- Building
- Innovation & Research
- Education and vocational training
- Communication and information





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Thank you for your  
attention!

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