



**European Panel  
Federation**

**viewpoint on sustainable wood energy  
policies**

# European Panel Federation



Members in 23 countries

Particleboard 32.1 million  
m<sup>3</sup>

MDF 10.5 million m<sup>3</sup>

OSB 2.1 million m<sup>3</sup>



# Wood-Based Panel Industry

Pioneer in sustainable use of resources

- Process heating (up to 91% needs) and CHP with wood biomass unsuitable for recycling
- Supporting sustainable forest management

• Continuously improving recycling rates



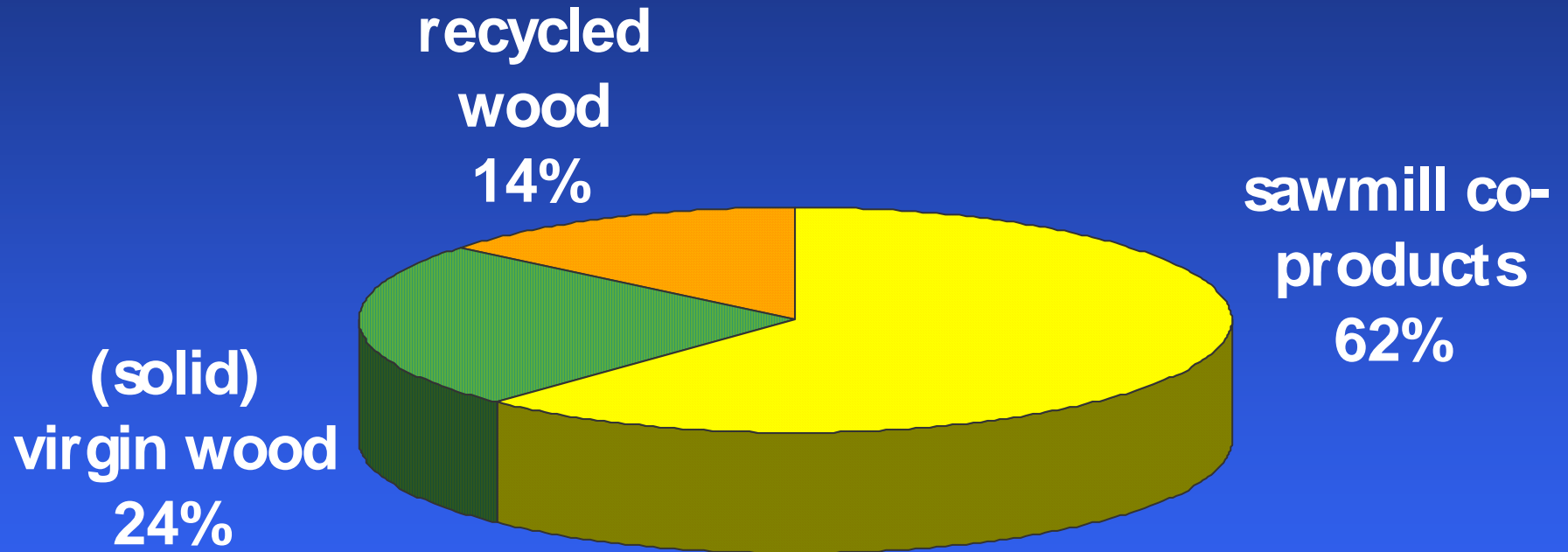
# Sustainable resource management and respect for the carbon cycle

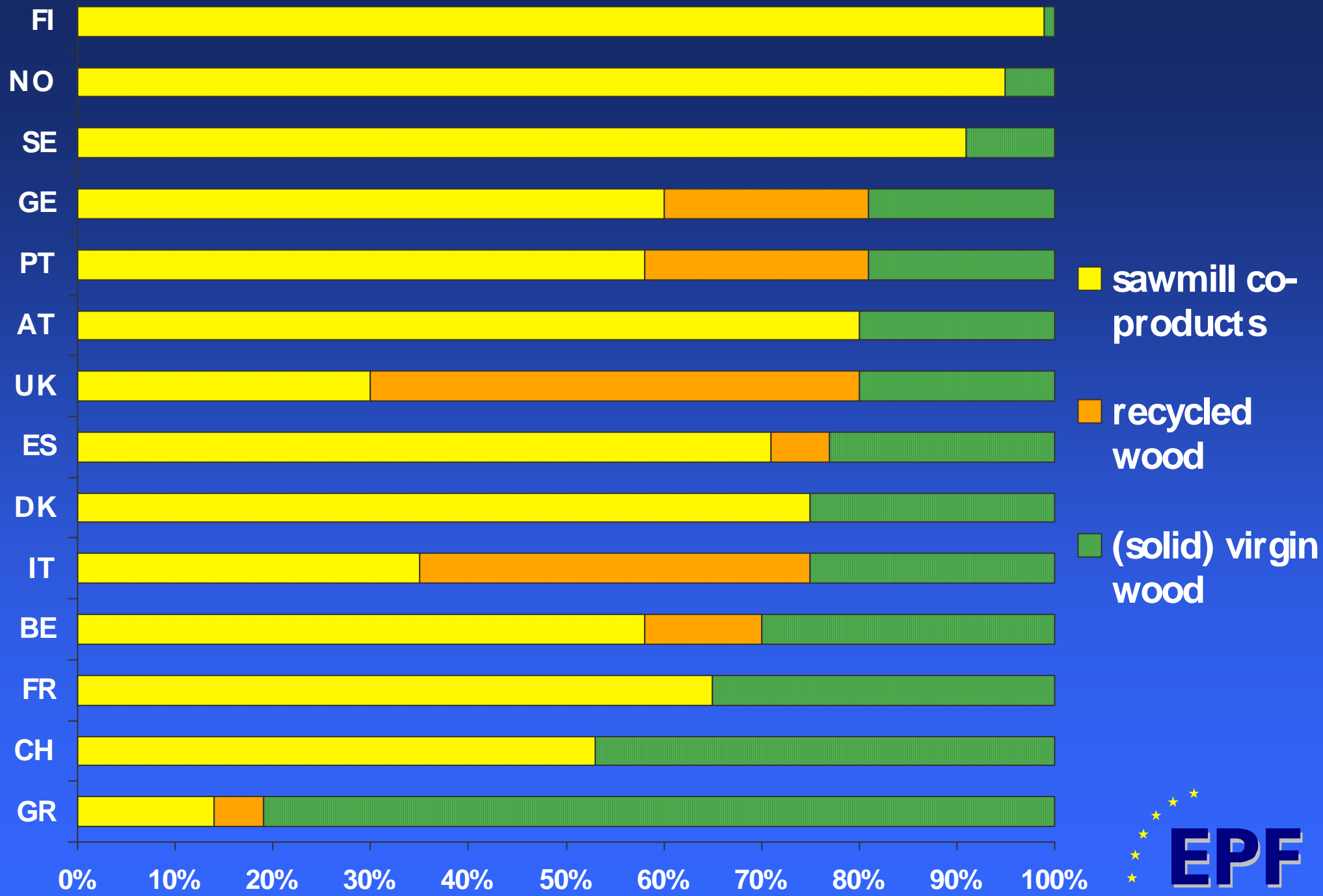
- Thanks to sustainable Forest Management, the wood-based panel industry has not been detrimental to the forest resource:

European (EU-15) forests grow by 4m<sup>3</sup>/sec

- Using wood extracted from the forest for manufacturing products contributes to sustainable development:
  - Wood products are carbon sinks
  - Wood products require little energy for manufacturing
  - Wood products are an energy source at their end of

# Raw wood consumption of the European particleboard industry during 2002





# Wood products vs Biomass energy

- Increasing use of wood for energy production
- Governments in Europe are granting subsidies for building and operating biomass power plants as well as to the marketing of the so-called “green energy”
- Simultaneously, the taxes on the use of fossil fuels increase
- This leads to increasing costs for wood products, making our companies less competitive
- Several production lines/mills for wood-based panels have already closed, others may follow!

# The Problems

Different approaches by the Member States:

- Guaranteed prices for green electricity
- Fines to energy producers that fail to meet their RES targets
- Increasing taxes on non-RES fuels

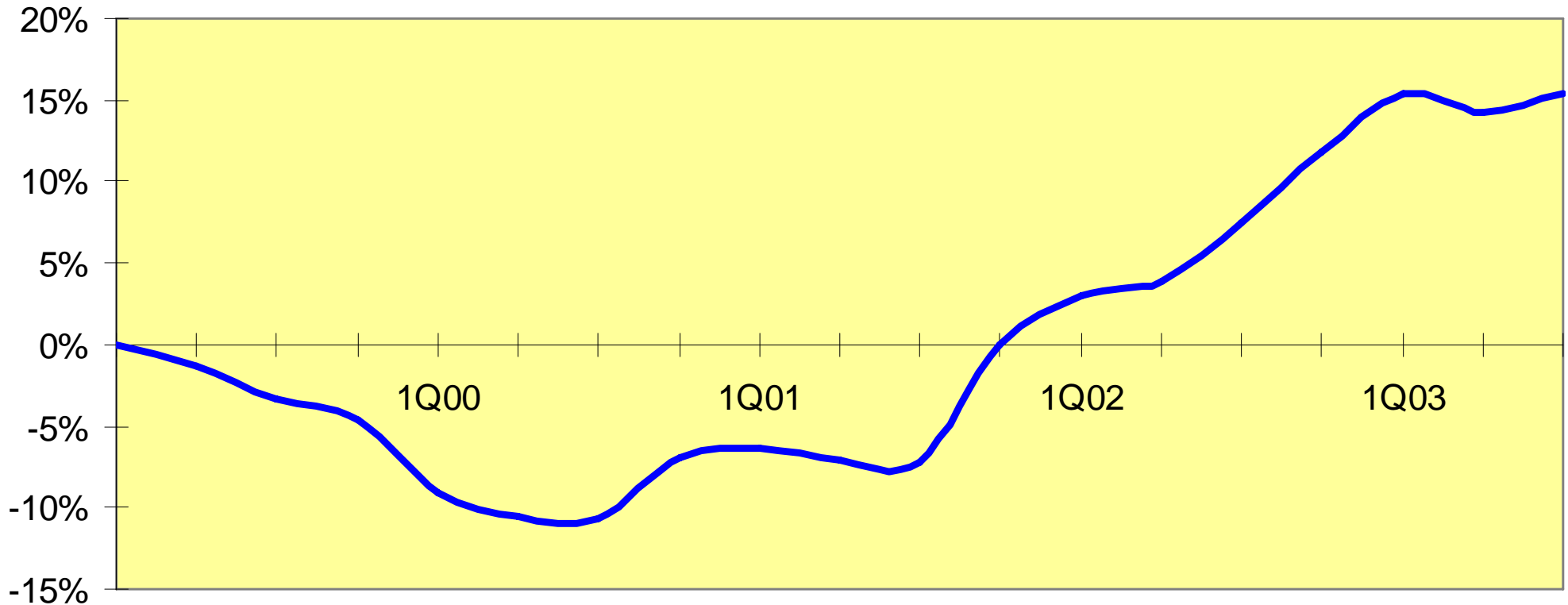


# The main problem

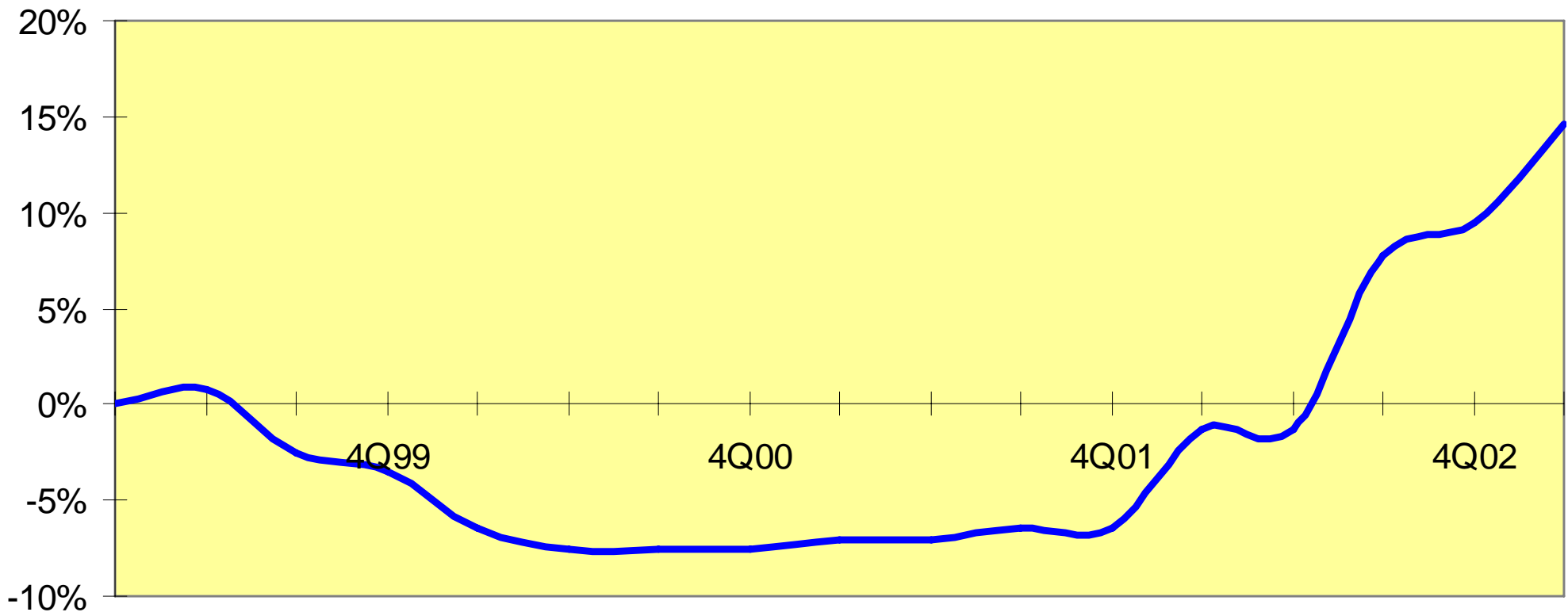
**BIOMASS = WOOD**

- All national RES support schemes start by focusing on the most obvious biomass fuel:  
**wood**
- The effects on the wood supply to the wood-based panels industries are significant

## Evolution of wood prices in EPF member countries 1999 to September 2003



## Evolution of wood prices in Scandinavian countries (DK, FI, NO, SE) 1999 to March 2003



**Is this the most eco-efficient use of  
wood?**



# Using wood to tackle climate change

*The European Commission writes:*

Wood plays a major role in combating climate change

Greater use of wood products will

- stimulate the expansion of Europe's forests and
- reduce greenhouse gas emissions
- by substituting for fossil fuel intensive products

Commission is examining ways to encourage these

# By recognizing the value chains

## DIRECT BURNING OF WOOD

### Value added



€118 /  
dry tonne

### Employment



2 labour hours /  
dry tonne

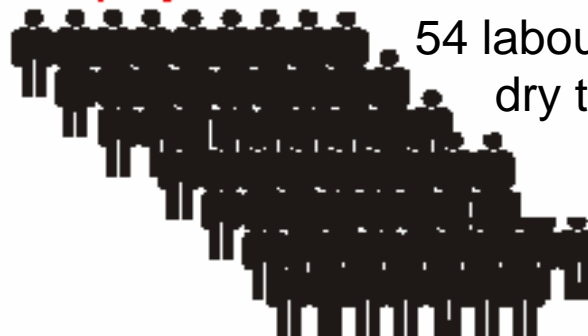
## RESPECTING THE CARBON CYCLE

### Value added



€1044 / dry tonne

### Employment



54 labour hours /  
dry tonne

# Sound Use of Wood



EU Policies should focus on:



- ◆ Greater use of wood products
- ◆ Encouraging afforestation and maximising the output of harvesting operations
- ◆ Considering short rotation forestry as agriculture
- ◆ Encouraging recycling of wood byproducts & residues
  - Support research on sorting & cleaning technologies
  - Improve the waste regulations – Wood residues that comply with quality standards are not waste
- ◆ Developing a definition of and appropriate requirements for (secondary) wood fuels
- ◆ Considering that wood fuels should also stem from sustainably managed forests

# Wood and wood-based panel products: sustainable and renewable

