

ASSOPANNELLI: BIOMASS, VAT RATES AND PAYMENTS...

The wood industry is facing specific issues which call for clarity within the shortest time possible. Some of these were discussed in Pordenone.



Paolo Fantoni.

Last 20 October, Sicam hosted the meeting "**Action day 2011: European commitment for greater wood mobility**", organized by **Assopannelli** and supported by the **European Panel Federation**. The goal was clear: cast spotlights on the necessity to make a sensible use of wood biomass, currently litigated between the use for energy production and the use for panel production.

"A clear example of what is happening – said **Paolo Fantoni**, president of Assopannelli, whom we met after the press conference – comes from the **Tilbury power station in Great Britain**, which was converted from coal to wood. According to forecasts, every year 4.6 million cubic meters of wood must be harvested from the forests of **British Columbia**, on the US West coast, to be dried in **Florida** and shipped to **London** to be burnt. Such quan-

ty would be enough to produce all the particleboard absorbed by the Italian market in one year. But I'll tell you more: in England alone, 1.8 million cubic meters of wood are burnt in biomass power stations currently in operation, but 8 more are required to fuel newly approved stations, and 21 million cubic meters is the estimated consumption of planned power stations... that's more than 30 million cubic meters literally burnt, it's the entire consumption of the European particleboard industry!". And Fantoni adds: "In 2020 we will have a deficit of raw material wood estimated in the range of 280 million cubic meters. We must act all together to find new answers within short time, to stand up against decisions that are penalizing us. We must obtain new regulations that support a better management of mountain woods, and most of all, we

must collaborate with farmers to experiment on the reconversion of cultivations, at least those that are not so "interesting" or that are penalized".

The industry is working at four tables, under the "supervision" of the Italian Ministry of Agricultural and Forest Policy; such meetings are yielding initial results, a set of "wishes" that will be the starting point for law-making decisions to reorganize and homogenize the activities of the entire forest-wood-energy-industry system.

During the meeting, other industry issues were discussed, such as the French government's decision to apply a lower Vat rate (5 percent) on "fixed furniture", i.e. cabinets, wardrobes, kitchen and the likes that, once dismantled, could not be moved to a new house. "We ask that also Italy – commented Fantoni – adopts this approach and implements a regulation that is already applied at European level".

The third topic on the agenda was the issue of **payments**, with deadlines extended beyond any reasonable measure, often causing serious troubles to company.

"We call for strong actions by the competent authorities to implement harmonized or mandatory payment deadlines also in Italy, just like the rest of the European Union, in compliance with the new European directive 2011/7/EU."

The position represented by Fantoni in Pordenone was quite clear: the European standard 2000/35/EC, implemented in Italy by the law decree 231/2002, applies to business transactions between companies and between companies and public administration. Such directive, however, does not prescribe harmonized or mandatory payment deadlines within the European Community, although it has introduced the creditor's right to increased interest rates in case of delayed payments, with no need for solicitation.

The new European directive (2011/7/UE) introduced on 16 February 2011 increased the protections for companies against delayed payments in business transactions. New dispositions include the obligation for public administration and companies within the Eu to pay within a maximum deadline of 60 days. Unfortunately, in business transactions between private companies, the new directive repeats the prescriptions of directive 2000/35/Ce, without defining a harmonized payment term and leaving it up to each state to define such terms.

"A law proposal – added Fantoni – was present-

BIOMASS FROM AGROFORESTRY

In our country in 2010, **biomass from agroforestry** have ensured a total energy production of 5.6 Mtep, equal to 2.9 percent of the total national requirement (amounting to 7.6 billion kWh), accounting for over 30 percent of electric energy production from renewable sources. Compared to 2009, the contribution of agroforestry biomass to primary energy production increased by 7 percent. International statistics (Fao) show that Italy is the **world's first importer of firewood** and the fourth for chips and wood wastes: in 2009, 0.95 million cubic meters of firewood and wood coal were imported (plus 22 percent from the previous year) and 1.4 million cubic meters of chips and wood wastes. Such quantities are also used for the production of particleboard, fiber panels and - to a lower extent - for paper pastes.

The reasons for strong import increase at the turn of the Nineties were growing demand from the industry (for instance, growing demand of Mdf panels), and most of all the increasing use of wood for energy purposes; the latter factor had an impact on the requirements of the Italian panel industry, that had to face a lack of raw materials.

European Community and national policies have largely encouraged the use of renewable energy sources, also through more or less significant economic benefits, thus forcing the panel industry to pay raw materials more than they would in a more regulated market.

And don't forget that selling wastes is a significant source of revenues for Italian sawmills. So many critical issues, however, may turn into an opportunity for all involved parties. "The strong increase in the volume of wood burnt in biomass power stations in Europe – said **Paolo Fantoni** – is turning out as a great opportunity for the valorization of Italian forests, as well as for the agricultural world, that can invest again in poplar or fast-growing wood cultivations to meet the increasing demand of the panel industry and power stations. This is an essential factor because, as the European Union is cutting subsidies to agriculture, farming companies must absolutely re-direct their activity towards more profitable products, and poplar cultivation is an interesting option".

ed to the Italian Parliament at the end of 2008, obtaining the support of 80 representatives. Such proposal was designed to put a limit to payment delays in business transactions, with the expressed goal of enforcing the Eu regulations in advance. The principle supported by our association today is that, at national level, when the new directive is enforced, there is an explicit reference to the definition of payment terms also in transactions between private companies, as stated in this law proposal". ■