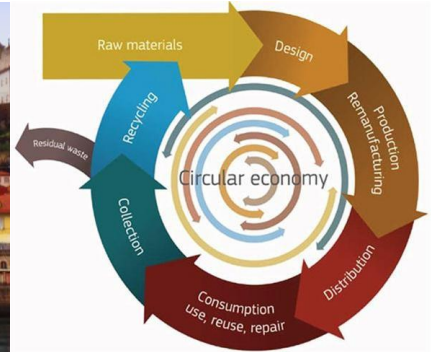


Brussels, 7 July 2017

Press Release:

Cascading Use of Wood is put at the heart of the Circular Economy by Institutions, Industry and ENGOs alike at EPF's 2017 Annual General Meeting in Porto.....



“Last year, the companies represented in this assembly adopted the Venice Declaration, where you included core principles to ensure the transition of the European wood panel and furniture industries towards a more circular model....The transition to a circular economy relies on an increased efficiency in the use of biomass resources. For that, the cascading use of biomass can a very useful tool...”

With these words, Mr Kestutis Sadauskas, Director for Circular Economy & Green Growth at the European Commission greeted the European Panel Federation at their AGM on 30 June 2017 in Porto during a recorded address. He went on to recognise the need to use the planet’s resources efficiently, and confirmed a recommendation of the EC to no longer allow support to electricity only biomass plants, intended to address the existing tensions on the biomass market between energy and material use, and requiring a minimum of efficient use of the valuable natural raw material wood.



This was very well received by the EPF members, who have long called for a fair playing field, free from market distortions and driven by material and energy efficiency.



EC Director Mr Sadauskas also echoed a key message delivered by Dr Paolo Fantoni, EPF Chairman, who noted the ability of the wood-based panels industry to turn what might previously have been considered waste into high quality products. He gave the example of used melamine-faced panels turning again into new melamine-faced panels thanks to advanced technologies. This is a core attribute of the industry and is what makes it a leading performer in the Circular Economy, from which the whole of society can benefit. Dr Fantoni also highlighted the need for greater Extended Producer Responsibility in order to increase the amount and degree of product recovery and to minimise the environmental impact of waste materials. He especially extolled the virtues of the Cascading Use of Wood, yet warned that this could be put under threat by ever higher targets for renewable

energy (20% in 2020, 27% in 2030 and now towards 40%), so long as this continues to come 50% from wood and not from solar or wind.

The need for the Circular Economy and the Renewable Energy Directive to complement one another was an urgent call made by Mrs Sini Eräjää of Environmental NGO Birdlife Europe. She saw them potentially on a collision course, the one calling for a material first approach to wood the other seeming to drive ever more

incineration for energy. Mrs Eräjää highlighted the pitfalls in this approach as developed in the documentary “The Burning Issue”.



Portugal has been in the news recently for the tragic events in Pedrógão Grande whose victims were remembered and honoured with 30 seconds of silence at the start of proceedings. Mr Rui Correia, CEO of host company Sonae Arauco highlighted the carbon storage effects of wood, pointing out how recycling (as already practiced as standard by his company), and greater amounts of wood products in furniture and construction could make a significant contribution to the struggle against climate change. This was supported by Mr Professor João Ferreira do Amaral, Chairman of AIFF, the Portuguese Competitiveness and Technology Centre for Forest Industries, who also called for private owners, who control 98% of Portugal’s forests, to work together in groups to ensure efficient and economic clearing of forests.

Portugal's biomass pellet production has risen to unsustainable levels said Mrs Teresa Presas of Steps International, who illustrated the fallacy of Portugal producing 15 times more pellets per forest hectare than the combined average of Europe and Russia. In questioning this she drew on the EC’s own report on Cascades which concluded that a material scenario for European wood (as opposed to an energetic one) could deliver not just environmental advantages, but also economic and employment benefits too. Such a scenario could create 1 million new jobs by 2030, and that is not to be dismissed lightly.



In his closing remarks Mr Jorge Marques dos Santos, President of IAPMEI, the Portuguese Agency for Competitiveness and Innovation, confirmed that the Circular Economy is a priority for Portugal. He urged EPF to take its positive story to the general public, and especially to educational institutions. This fitted wonderfully with EPF’s intention with its short video entitled “The Wood-Based Panel Industry, Circular by Design”, which was shown as a sneak preview to the audience, welcomed by great applause. It will be released to the public shortly.



Dr Fantoni’s full speech is attached in annex. A more detailed report as well as the full content of Mr Sadauskas’ address and further information on the Open Part of EPF’s 2017 Annual General Meeting is available upon request.

About EPF

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

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