

## PRESS

# CBAM, THE BOOMERANG EFFECT ON EU INDUSTRY: ASSOPANNELLI AND EPF CALL FOR A STOP. MEETING IN MILAN ON THE URGENCY OF SUSPENSION

**For Assopannelli and the European Panel Federation, costs could rise by up to 12% and there is a risk of loss of competitiveness for the entire European wood-furniture supply chain.**

Assopannelli, the FederlegnoArredo association that brings together panel and semi-finished product manufacturers, and the European Panel Federation (EPF) are sounding the alarm on CBAM, **the Carbon Border Adjustment Mechanism**. This European regulation, designed to protect local producers from non-EU competitors, risks having unexpected effects on the wood panel and furniture industry, increasing production costs with repercussions on the entire European furniture supply chain.

Assopannelli and EPF, meeting today at the FederlegnoArredo headquarters, are calling for the suspension of the CBAM on industrial urea, an essential raw material for adhesives, resins and the **production of wood panels for construction and furniture**. From 1st January 2026, the CBAM will apply a cost to the carbon emissions contained in certain imported goods, including urea. According to Assopannelli estimates, the CBAM could increase the production costs of wood panels by **around 10%/12% in four years**, with an **increase of €40-60** per tonne of urea from 1st January 2026, repeated for four years, with repercussions on the entire European furniture supply chain.

These increases would result in a **loss of competitiveness for European products** compared to finished products imported from non-EU countries, especially given the fact that European urea production currently covers **only 20% of industrial demand**, making imports a structural necessity.

*«The application of CBAM to industrial urea, without adequate corrective measures, risks penalising European companies», said EPF Director Matti Rantanen. «Urea is a substance used both as a fertiliser in agriculture and as a raw material for industrial glues and resins. In November, we asked the European Commission to exclude urea for industrial use, but the proposal was rejected. We are therefore calling for a suspension of the application, in light of its impact on the internal market and downstream supply chains. We also reiterate that the suspension of duties on fertilisers, announced*

FederlegnoArredo

SEDE LEGALE

Foro Buonaparte, 65  
20121 • Milano

Tel +39 02 8060 41  
press@federlegnoarredo.it

C.F. 97228150153  
federlegnoarredo.it



## PRESS

*by the European Commission on 14th January, is not sufficient: the urea imported by our companies comes largely from countries that are already exempt. Today's meeting, which precedes the EPF annual meeting scheduled to take place in Milan from 10th to 12th June at the invitation of FederlegnoArredo, confirms the willingness of EPF and Assopannelli to work together to raise awareness among European institutions and protect the competitiveness of the entire European panel and furniture sector».*

*«It is essential that European policies take into account the specific characteristics of the panel industry, starting with the use of urea for industrial purposes. By transforming wood into semi-finished products, we represent the link between the wood and furniture supply chains», said **Paolo Fantoni, president of FederlegnoArredo's Assopannelli**. «We understand and appreciate the positive steps taken by the government to protect the agricultural sector on the issue of urea, but at the same time we take the concerns expressed by the European Panel Federation very seriously. Furthermore, CBAM applies to raw materials and semi-finished products, but not to finished products: this risks favouring furniture manufactured outside the EU which, although containing urea, enters the European market without additional charges. It is paradoxical that a regulation designed to prevent carbon leakage and protect European production risks having the opposite effect on a sector that is highly sustainable. This is all the more so when we consider that today more than 60% of panels produced in Europe use recycled wood».*

Milano, 23 gennaio 2026

*FederlegnoArredo Press Office*

**Alessia Quiriconi**

Tel. 347 4831339

alessia.quiriconi@federlegnoarredo.it

**Chiara Sirianni**

Tel. 338 5305071

chiara.sirianni@federlegnoarredo.it

FederlegnoArredo

SEDE LEGALE

Foro Buonaparte, 65  
20121 • Milano

Tel +39 02 8060 41  
press@federlegnoarredo.it

C.F. 97228150153  
federlegnoarredo.it

