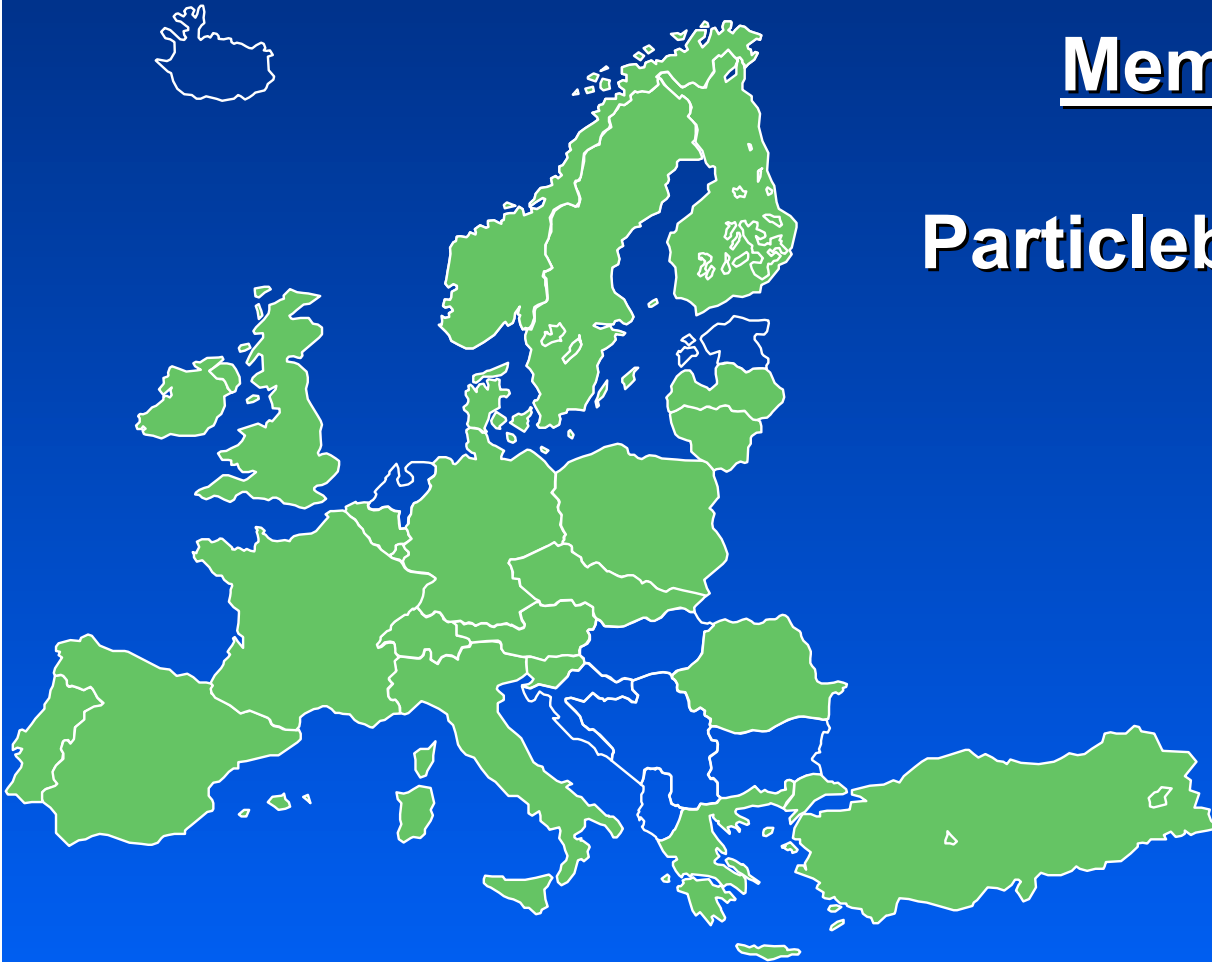




European Panel Federation viewpoint on wood energy policies

Eva Janssens (Economic Adviser)

European Panel Federation



Members in 23 countries

Particleboard 32.1 million m³

MDF 10.5 million m³

OSB 2.1 million m³



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

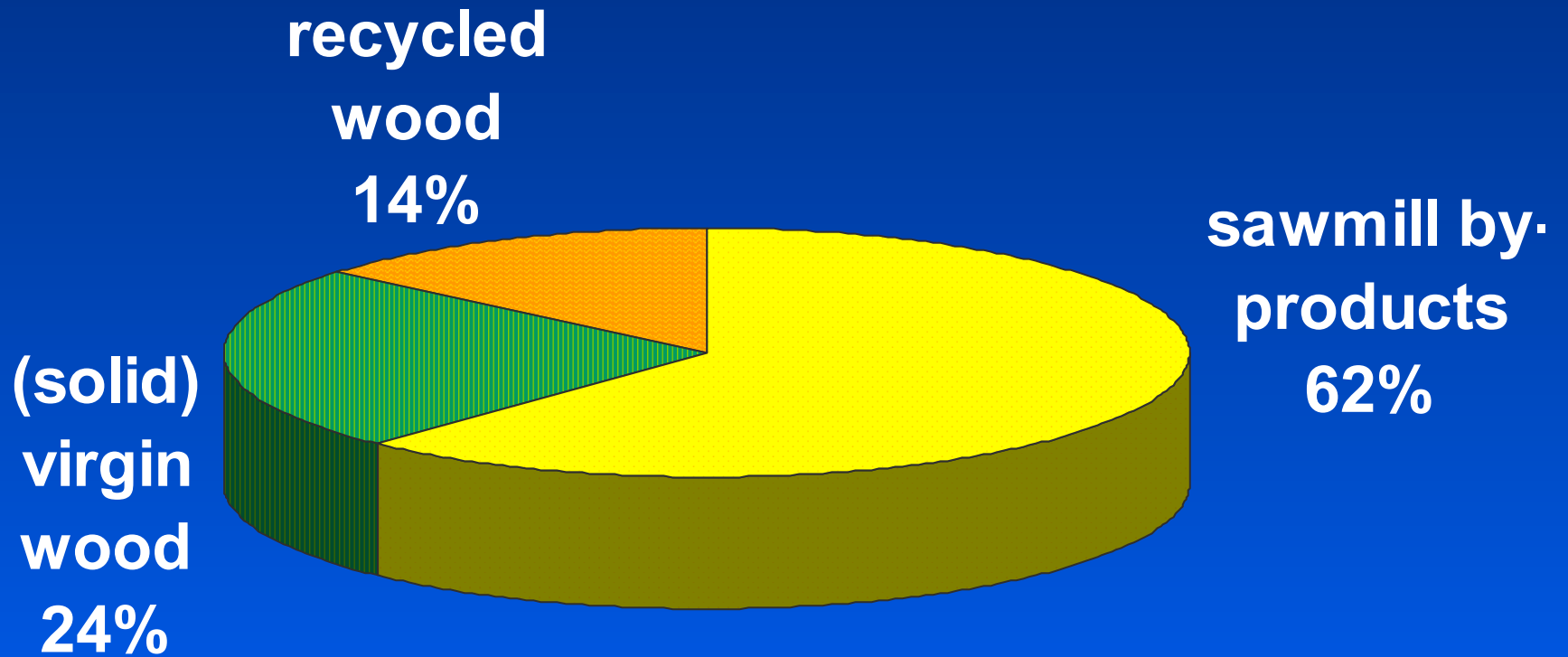
Sustainable resource management and respect for the carbon cycle

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

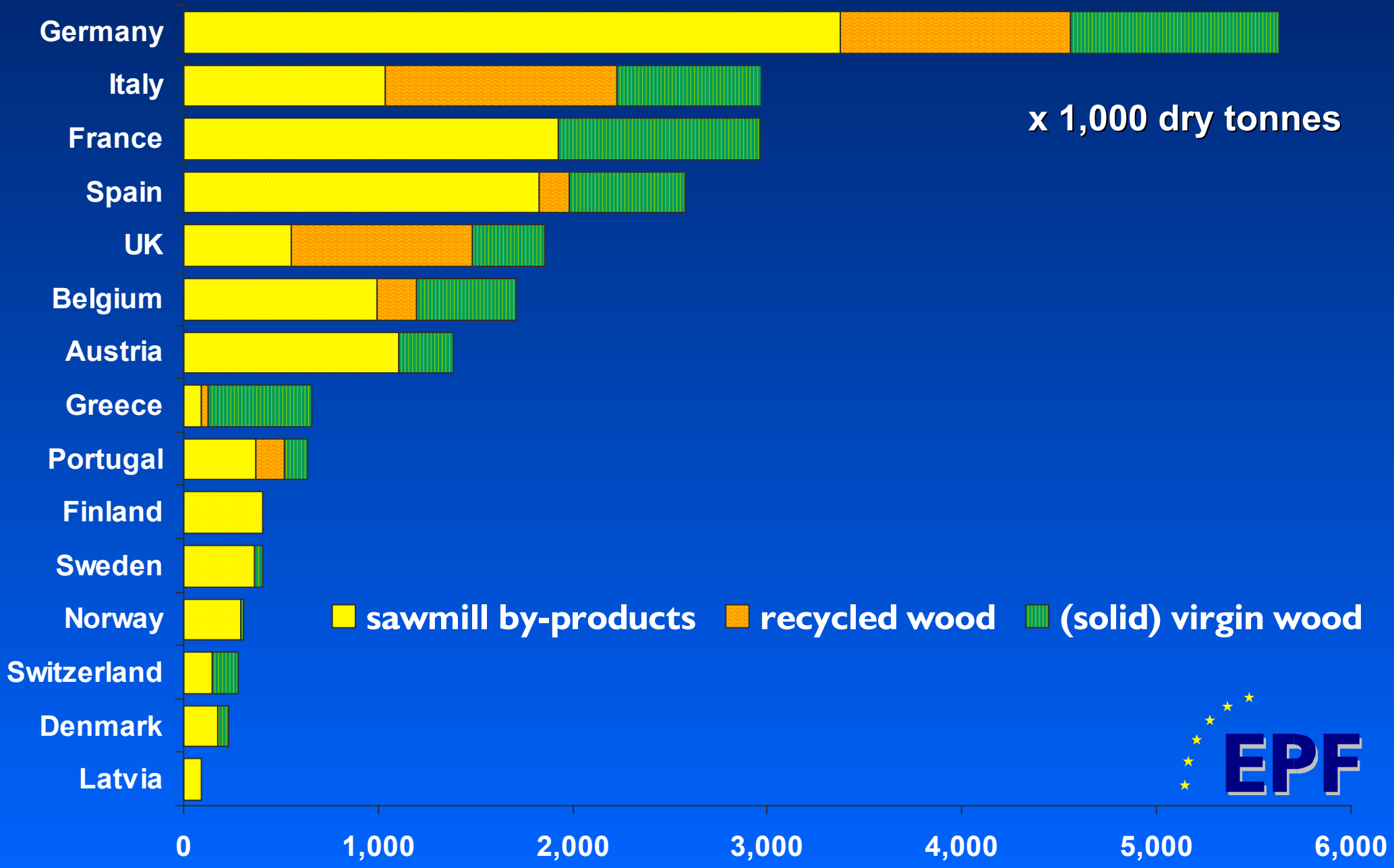
European (EU-15) forests grow by 4 m³/sec

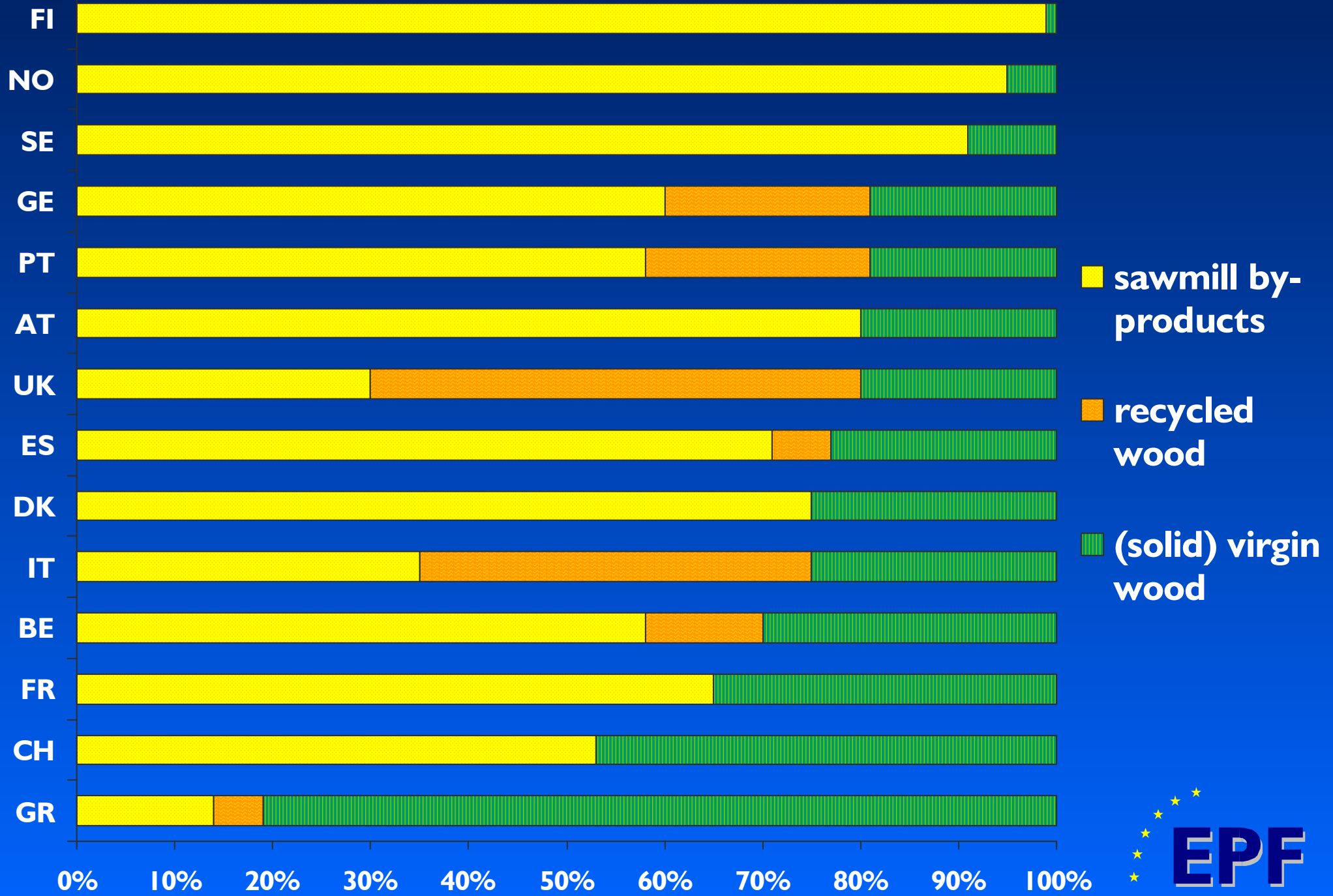
- Using wood extracted from the forest for manufacturing products contributes to sustainable development:
 - Wood products are carbon sinks
 - Wood products require little energy for manufacturing
 - Wood products are an energy source at the end of life

Raw wood consumption of the European particleboard industry



Particleboard wood demand 2003





EU Energy Policy

- **1997** **White Paper on renewable energy**
- **Target WP** **Double the contribution of renewable energy by 2010**

Triple the contribution of biomass - mainly wood -

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 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

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 trends



EPF Position

Let wood products functionally cascade:

- Primary product
- Re-use and/or
- Recycle
- Eventually use wood as an energy source:

AFTER IT HAS BEEN FULLY USED



Sound use of wood

The value chain of the wood resource is at present not respected:

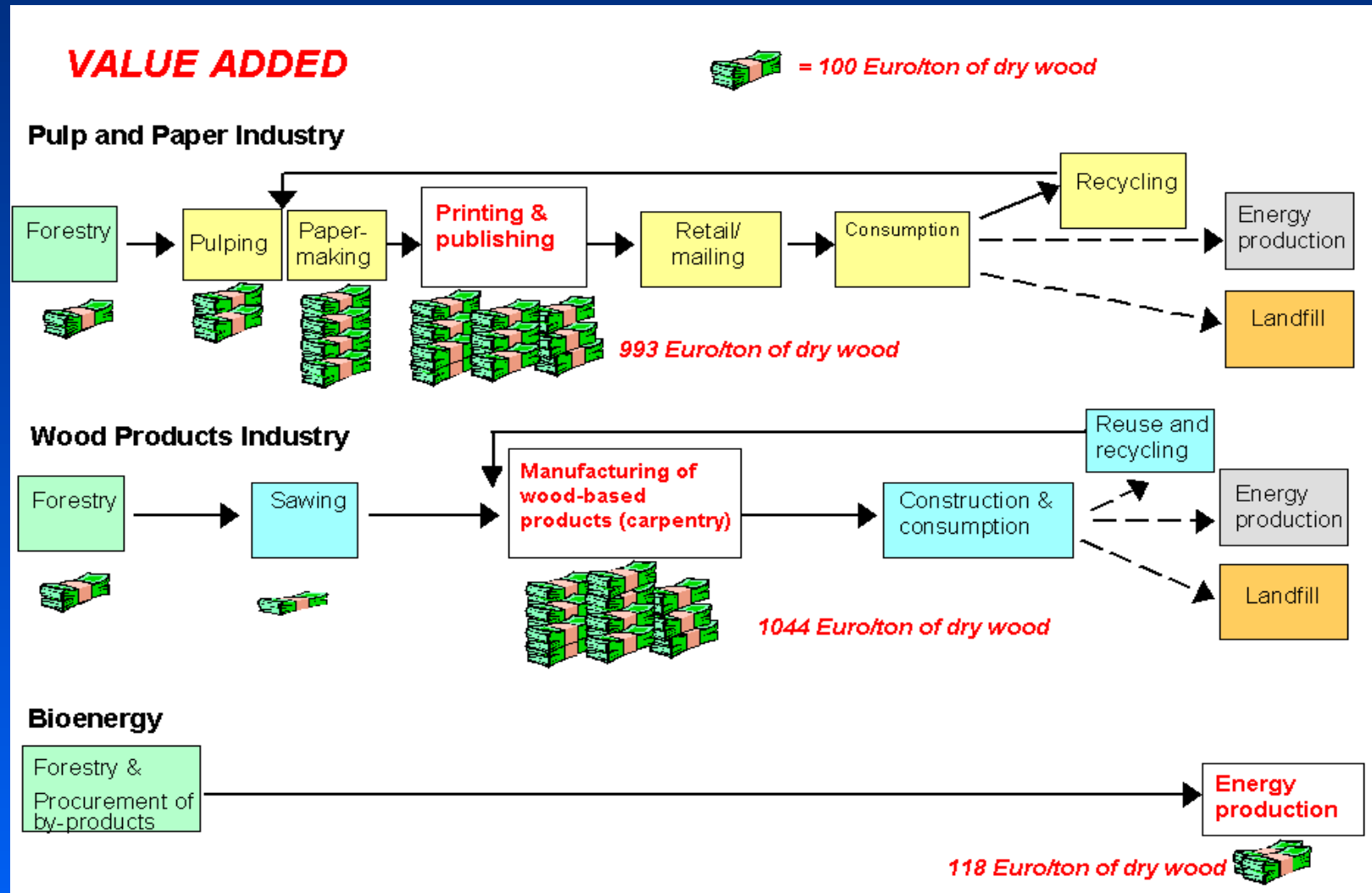
⇒ material suitable for the production of wood-based products, is used directly for energy generation

The energy market is not governed by free market principles:

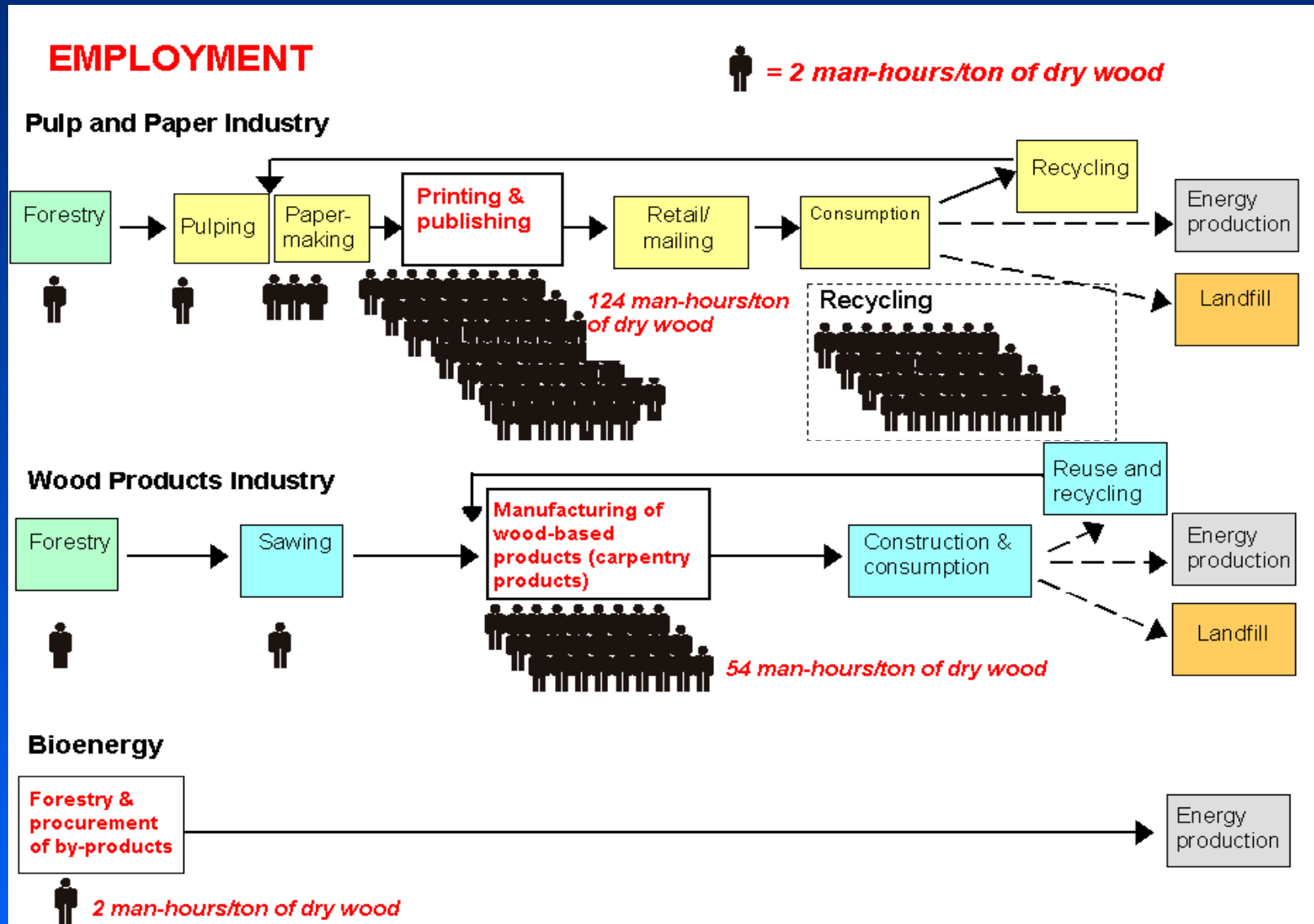
⇒ unbalanced energy subsidies



By recognizing the value chains I



By recognizing the value chains II



In summary

DIRECT BURNING OF WOOD

Value added



€ 118 /
dry ton

Employment



2 labour hours /
dry ton

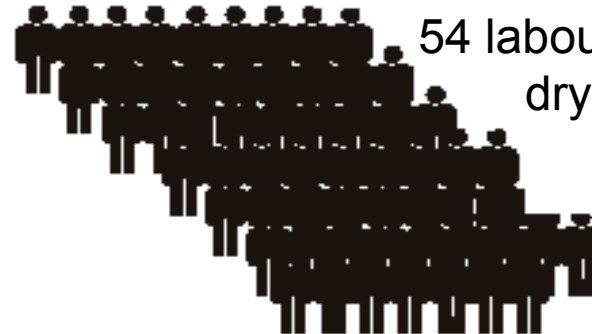
RESPECTING THE CARBON CYCLE

Value added



€ 1044 / dry ton

Employment



54 labour hours /
dry ton

Possible solutions

- Enhanced use of wood products
- Encouraging **recycling** of wood by-products & 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

Possible solutions II

- More intensified usage of **wood residues**, currently left behind in the forests
- Further **improved techniques** for growing forests, resulting in:
 - increased yield per hectare of forest
 - improved quality of harvested wood towards final applications
- **Reforestation** of agricultural land, recurrently becoming available for alternative purposes
- Considering **short rotation forestry** as agriculture

Conclusions and Recommendations

- **Avoid massive burning** of wood for purely energetic reasons
- **Respect the value chain** of wood-based products as long-lasting pools of carbon, substantially contributing to climate change mitigation
- **Do not “subsidise away”** wood as a raw material for durable applications by favouring the firing of trees, unless locally socio-economic and environmental considerations are compelling



Conclusions and Recommendations II

- Fully recognise the superior **eco-efficiency** of wood-based products and their supreme properties in recycling, with minimal energy use, as compared to other materials
- Focus future research policies on **efficient recovery** of forest residues and development of biomass crops specifically grown for energy generation
- Propose a realistic “fuelwood-for-energy” target



**Only burn wood after it has been
fully and soundly used !**

Wood and wood-based panel products: sustainable and renewable

