European Panel Federation viewpoint on sustainable wood energy policies
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 4m³/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 life

Raw wood consumption of the European particleboard industry during 2002

- Virgin wood (solid): 24%
- Recycled wood: 14%
- Sawmill co-products: 62%
sawmill co-products
recycled wood
(solid) virgin 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 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 trends.

EPF
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