

New ETTF President takes role at time of challenge and opportunity

Ad Wesselink, Managing Director of Wijma Kampen BV, was elected as new President of the ETTF at its General Assembly in October 2019.

He succeeds Andreas von Möller, who has held the presidency highly successfully for more than 10 years (see p10)

Morten Bergsten of Bergsten Timber International was also elected to the board as representative for the softwood sector (see p2).

"The ETTF is now well positioned with a new President and its general secretariat based in Berlin," said Federation Secretary General Thomas Goebel. "Furthermore, with its membership of the European Woodworking Industries Confederation (CEI-Bois), it also has a direct line to the European Commission in Brussels."

The general market situation for ETTF members was reported as 'satisfactory to good'. At the same time, it was acknowledged, the sector faces some issues, particularly in the

sawn timber market due to the impact of spruce bark beetle infestation, which is particularly severe in Central Europe.

On the ETTF agenda for the coming months will be EU Timber Regulation due diligence issues, given the continuing variation in standards applied in the various Member States and the range of opinion on due diligence performance.

The Myanmar Supply Chain Project, funded by a group of importers to facilitate legal and sustainable procurement from Myanmar, was also presented at the General Assembly. However, it was reported, that the European Commission is

not yet convinced of its effectiveness.

"Other possibilities may have to be explored via Member States' EUTR Competent Authorities and with the support of the International Tropical Timber Organisation," said Mr Goebel.

The next ETTF General Assembly will take place in Lyon on June 12 2020.



Left to right:
Andreas von Möller,
Ad Wesselink,
Morten Bergsten,
Thomas Goebel

Make the natural choice, campaign urges Dutch consumers

Netherlands timber market development body Centrum Hout has launched a new consumer campaign highlighting the multiple benefits of wood that make it 'Today's Natural Choice'.

The focus of 'Hout. Natuurlijk van nu' is living and building with wood. It bills timber not just as the construction material for helping mitigate climate change, due to its sustainability and capacity to absorb and store CO₂, but also as having health and feelgood benefits. Wellness is a key focus of the English-subtitled campaign video, with its claims that living with wood can reduce stress, aid recovery and feelings of wellbeing in health care facilities, and improve children's concentration in schools.

The emphasis is also on the technical and maintenance performance of today's timber construction products delivered by new processing technology and modern timber treatment processes.

The website www.houtnatuurlijkvannu.nl features timber building case studies, media downloads and a map locating visitors' nearest supplier, searchable by timber and product type. There is also a section on wood building and associated news.

The campaign has gone on air too with BNR News Radio and used social media to drive traffic to the website.

Visitors to the latter are also invited to sign the **campaign manifesto**, urging still greater use of timber and wood products in the built environment. Thanks to sustainably managed forests, wood is the only material that never runs out. Wood is good for humans, animals and the entire planet,' it states.

Centrum Hout Managing Director Paul van den Heuvel said the campaign is designed to inspire and educate. "It shows it is possible to build while complying with all environmental and climate demands by using wood. 'Hout. Natuurlijk van nu', reinforces this promise with objective facts and information."

Mr van den Heuvel said the campaign has had a positive response 'with lots of media attention'.

"All interactions via social media and traffic to our platforms have increased significantly," he said.

The conclusion of the campaign video is that wood is the prime construction material for the modern era. The sign off is 'Welkom in de nieuwe houten eeuw' – 'Welcome to the new wood age'.

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**HOOT.
NATUURLIJK
VAN NU.**

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Keeping softwood on the political agenda

Morten Bergsten has succeeded Andreas von Möller as softwood importers representative on the ETTF board and says one of his main aims is to ensure European decision makers continue to take account of the sector's interests and potential.

Mr Bergsten started his career as a timber merchant trainee in 1983, before moving to DLH A/S where he spent 23 years.

He launched Koege, Denmark-based Bergsten Timber A/S in 2009 following the closure of DLH's softwood.

"I saw a gap in the market coming up, so started BT," he said.

Today the company, owned by Mr Bergsten and a partner, has a team of 11. It sources mainly in Sweden, Finland and the Baltics, but Germany and Poland too, and sells in Denmark, the Faroe Islands and Iceland.

In 2011 the company launched Bergsten Timber Internationa in Archangel, Russia. This supplies mainly EU importers, but also North African and Chinese customers.

Mr Bergsten became a board member of the Danish Timber Trade Federation in 1999 and attended its first Softwood Conference the year before.

In his new role, his focus will be on helping maximise opportunities for wood and wood businesses.

"It's a priority to keep wood on top of the European political agenda, and to ensure cross-industry cooperation," he said.

He acknowledged that the European

softwood sector faces challenging market conditions, with the current added issue of spruce bark beetle infestation.

"But I can't remember a year when we haven't had some kind of challenge. That's the softwood business and actually the exciting part of it," he said. "But, of course, when we suddenly have challenges created by nature, we need to join forces to mitigate and hopefully solve the problem."

His expectations for 2020 are for business to show a moderate positive trend.

Mr Bergsten also sees considerable opportunities for the softwood sector to develop its market long term.

"During my time in the trade we have developed and optimized the business from forest to market, but the opportunities we have right now, notably in construction and especially with the whole climate discussion, we must grab and ensure wood is recognised as the world's best building material.

"It's happening already in a few EU countries. We must make sure more follow. There are major construction projects around Europe where wood and engineered wood are the main building materials. We can use these to positive effect in growing the market."



Andreas von Möller
and Morten Bergsten

Mr Bergsten also acknowledged the contribution to the industry and the ETTF of his predecessor Mr von Möller.

"Andreas has always been dedicated to the industry and professional and has made a major contribution to the success of the ETTF, both as softwood representative and President," he said. "Being made Honorary President is well deserved."

More oxygen for Belgian wood promotion



Fedustria has relaunched the website of its 'Wood gives Oxygen' promotional campaign, www.houtgeeftzuurstof.be / www.leboisoxygene.be

Wood gives Oxygen was launched in 2012 to promote the all-round benefits of using wood. Its inspiration is timber's role in the carbon cycle, absorbing CO₂ as it grows and releasing oxygen into the atmosphere. But besides the importance of the forest to humankind's future, the emphasis is also the inspirational oxygen wood uniquely gives to architects, designers, builders and manufacturers, driving their inventiveness and creativity.

"The aim of the website is to inspire people about the values and wide range of possibilities of using wood," said Fedustria. "There's also a CO₂-calculator for measuring the amount stored in a wood project."

Fedustria members, it adds, are urged to support the campaign by using the logo and other promotional materials.

Trade consulted on deforestation free import strategy

Le Commerce du Bois is undertaking a survey of members to get their input on development of France's National Strategy to Combat Imported Deforestation (SNDI).

The results of the online questionnaire will be communicated to the French government to help shape policy.

"As representative of the wood import and distribution sector, it's our duty to participate in definition of government roadmaps," stated LCB.

The survey will also inform initiatives, planned by LCB over the next 18 months, to promote procurement of sustainable tropical timber, which are being funded by the Sustainable Tropical Timber Coalition and IDH, the Sustainable Trade Initiative.

"The aim is to assess the potential impact of these actions by taking stock of the market and to facilitate their evaluation following implementation," said the LCB.

The SNDI aims to eliminate any link with deforestation in France's imports of the range of forest-derived commodities.





The fifteenth Branchentag Holz trade fair, organised by GD Holz, attracted 2500 visitors from 28 countries over its two days.



GD Holz Board members visit the stand of Grauthoff Türengruppe. L-r: Thomas Goebel, Kai Cording, Wolfgang Grauthoff, Philipp Zumsteg, Jens Blume

Exports underpin Belgian furniture

Belgian furniture manufacturing has faced challenging conditions in its domestic market, but the industry continues to develop its export base, according to the latest report from industry federation Fedustria.

After contracting 1.4% in 2018, the sector's turnover fell a further 3.5% in the first half of 2019 to €1.05 billion. At the same time investment declined 15.7% to €44.1 million, with capacity utilization at 80%.

According to Fedustria, the root cause of contraction was Belgian consumer confidence, which it describes as on a downward slide since the beginning of 2018, trending below the European average and hitting a new low in September 2019.

"Consumers are deferring non-priority purchases due to political uncertainty, including the imminence of Brexit and [at the same time] there is increased competition from second hand purchases and other expenses in the household budget," states the report. "Although the signals from kitchen companies are generally positive, the kitchen and

The November 2019 event also drew 169 exhibitors representing 18 different countries.

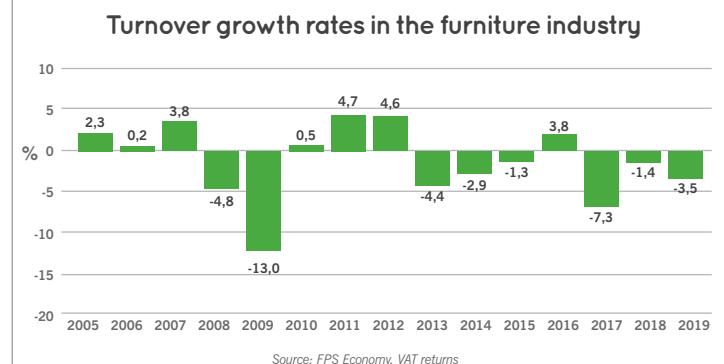
The full range of timber and wood products was on show; interior construction products and doors, garden items, sawn and planed timber and wood-based panels.

Exhibitors also included IT service providers and timber sector vocational training institutes.

Branchentag Holz takes place in Cologne every two years, with the mission of 'strengthening the trade distribution channel'.

It is becoming increasingly international, appealing to exhibitors and visitors from both German and English-speaking areas.

Hall 8 of the Koelhmesse is already booked for the sixteenth Branchentag Holz on November 9 and 10 2021, where GD Holz expects still greater interest from exhibitors and visitors from across Europe and beyond.



bathroom sector also experienced a difficult first half of 2019, possibly as a result of lower construction."

While trade was tough domestically, however, Belgian furniture exports in the first six months of 2019 rose 7.1% to €782 million. Robust performance was reported within the EU in particular. Export sales to Germany in the first half were ahead 27%, to Italy 26%, and the Netherlands 7.7%. In France, Belgium's biggest export market, accounting for 38% of its total, sales were ahead 1%.

Belgian furniture imports rose by 6.9% in the period, with European producers accounting for 69.6% (€875 million). But China's Belgian import share rose 15.2% to

Consultation marks 20 years of PEFC France

PEFC France is marking its 20th anniversary with an event to gauge timber sector stakeholders' views on its future development and strategy.



The day-long dialogue takes place at the Pavillon Chesnaie du Roy on April 23. PEFC France describes it as a 'moment of dialogue and an opportunity for

reflection' to inform the next revisions of its rules for forest management.

"At a time when forests are facing numerous challenges, it is necessary to question our notions of sustainability in a free and open forum," said PEFC France President Christine de Neuville.

Le Commerce du Bois is encouraging members to take part in the PEFC's consultation on the themes of the anniversary event.

"The idea is for everyone to be able to give their input into the format of this reflection on the sustainable future of our forests, taking into account economic, ecological and societal dimensions," said LCB.



Belgian furniture exports grow

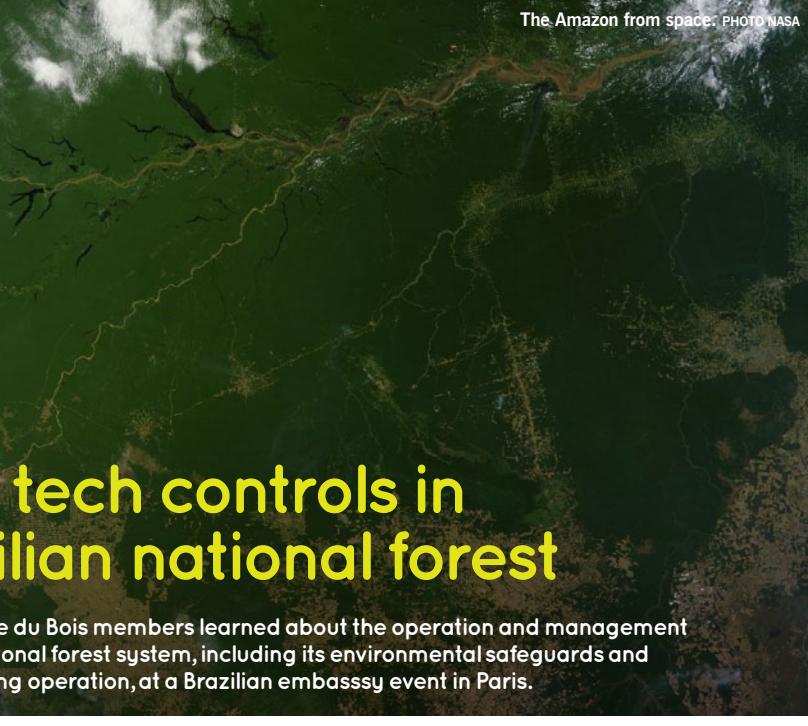
18.8% and Turkey's by 3.5% to 34%. Imports from Vietnam and Indonesia also increased.

Looking forward, Fedustria says that a less favourable international trading climate is expected to depress Belgian furniture export growth to 2.8% for 2019 and 1.6% in 2020. However, private consumption in Belgium is forecast to grow 1.2% in 2020. At the same time public investment is predicted to grow 5.2%.

"Neither the Belgian furniture sector or furniture market are expected to see a significant uptick in the near future," concludes Fedustria. "Nonetheless, businesses remain positive and continue to invest in innovation, product development and in opening up new markets."



Cristina Galvão Alves



High tech controls in Brazilian national forest

Le Commerce du Bois members learned about the operation and management of Brazil's national forest system, including its environmental safeguards and timber tracking operation, at a Brazilian embassy event in Paris.

Around 20 members attended the November presentation, co-organised by LCB and the embassy.

The speaker was forest engineer Cristina Galvão Alves of the Brazilian Forest Service (BFS), part of the Ministry of Agriculture, Livestock and Supply.

She explained that Brazil's first federal forest concession contract was signed in 2008.

"There are now 18 covering 1.05 million ha in six National Forests in the states of Pará and Rondônia," she said. "To date these have produced 906,000 m³ of logs. Royalties generated are \$16.4 million, which has been distributed to BFS, two federated states and ten municipalities, the National Fund for Forest Development and the Chico Mendes Institute for

Conservation of Biodiversity."

The BFS oversees management of the concessions, with concessionaires extracting 21-30m³ of logs per ha on a 25-30-year cycle.

Concession contracts are only awarded after establishment of an annual plan and technical evaluation of economic feasibility.

Logging licences are issued annually, and concessions audited by the National Institute of the Environment and Natural Renewable Resources (IBAMA) to ensure compliance with technical and legal requirements.

Continuous monitoring is carried out using satellite and radar imaging and the BFS' chain of custody system uses QR codes on each bundle of timber to track material from forest, through processing.

"Thanks to this system, the importer can certify to consumers the legality of the timber," said Mrs Galvão Alves.

With the Brazilian National Space Research Institute, the BSF has also developed the DETEX 'forest exploitation detection system', which uses satellite imaging to monitor road construction and canopy openings on the lookout for irregular logging activity.

LIDAR radar also provides topographic and vegetation information, allowing BFS to map the terrain under the trees, as well as their height and canopy structure.

"This enables us to generate high precision data for the scientific community in their development of new methodologies and to broaden knowledge on forest management under federal concession," said Ms Galvão Alves.

Brazilian imports still need exemplary due diligence

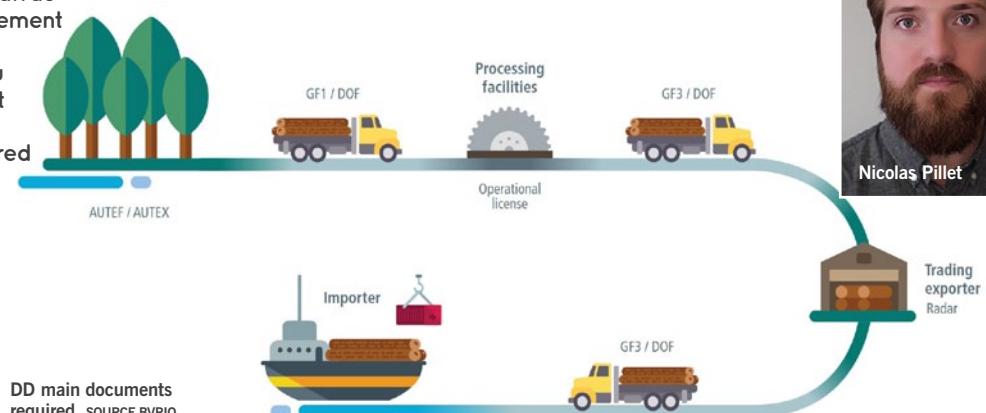
Following the presentation by Mrs Cristina Galvão Alves of the Brazilian Forest Service on management and timber tracking in the country's federal forest concessions (above), Le Commerce du Bois CSR and Legality Manager Nicolas Pillet told LCB members that thorough EU Timber Regulation (EUTR) due diligence is still required on imports from Brazil.

Considerable risks of illegal logging in the country remain, he said, demanding 'pragmatic and honest assessment of an operator's supply chain'.

Besides obtaining legality documentation from the authorities and suppliers, importers must consider the prevalence of illegal logging in the supply area, the presence of armed conflict and the complexity of the supply chain and its potential for laundering unauthorized material.

"This requires an evolution of the due diligence system provided by LCB to members," said Mr Pillet.

Despite advances in forest sector management and monitoring by the Brazilian administration, he said, European operators 'still have a lot of work to do to achieve a negligible level of risk'. Sourcing products from sustainably managed and certified forests and undertaking field audits to verify compliance with national legislation remain among the most effective methods of ensuring compliance with the EUTR, he concluded.



Fedecomlegno backs Italian Climate Decree

Italy's timber and wood products sector has pledged its support for the country's new Climate Decree.

The Decree, unveiled last October, is for a national strategic programme to combat climate change and improve air quality, in line with European Directive 2008/50/EC.

This includes allocation of €15 million in 2020 and 2021 to support afforestation of metropolitan cities.

Special environmental economic zones will also be established in national parks to support existing and new businesses focused on low environmental impact development and investment.

Wood and furniture umbrella organisation FederlegnoArredo, which includes ETTF member Fedecomlegno, backs the Decree and said it would support national park development by identifying certified timber suppliers.

Architect's impression
of the Paris Olympics
athletes' village.
PHOTO: LEGENDRE

Wood building core to delivering carbon neutral Paris Olympics



The French timber is lobbying strongly for use of wood in construction of buildings for the 2024 Paris Olympic and Paralympic Games.

The industry is liaising closely with the Games delivery authority Solideo via its specially created body France Bois 2024. The latter is backed by wood building association Adiwois and funded by pan-sector organisation France-Bois Forêt and Codifab, the committee of wood furniture and furnishings professionals.

Solideo is responsible for the construction of 40 new buildings for the games, including the 314,000 m² of apartments and other developments for the athletes village and 1,300 dwellings for the 3,300 journalists who will be reporting on the Games.

The organisers are aiming for a carbon neutral Olympics and France Bois 2024 says this makes timber the prime construction material.

"In its bid for the Olympics, France committed to a low-carbon trajectory, with construction a key component in achieving

this through use of wood and other bio-based materials," stated France Bois 2024.

The organisation said that the Olympics would also be a shop window for France's capabilities in low-environmental impact construction and development.

"It can demonstrate to the world that France is joining the leading group of wood-building countries committed to low-energy construction," it said.

Deputy mayor of Paris Jean-Louis Missika described the Games' environmental ambition as 'major', with the focus on 'making room for bio-based materials'. "The objective is for the Olympics to represent a step forward for the French wood sector, for wood building to be the norm rather than the exception," he said. "The aim is 100% wood for construction under eight storeys, and



Prime material for Paris 2024 developments

mixed solutions for buildings above this."

Games developments would also have a legacy, he added, with the athletes' and media villages, for instance, converted to homes, shops and offices after the event.

France Bois 2024 is acting as a networking organisation, linking Games developers, designers, construction companies and businesses across the timber sector. It is also providing wood building training tools and materials, plus relevant technical, regulatory and market information via its website, www.francebois2024.com.

Among the projects already decided is Lot C of the athletes village, which will be developed by real-estate operation Pichet-Legendre. This will comprise 15 buildings covering 47,000m², with half entirely in timber.

Green building also takes centre stage at Byggeri

Sustainable and environmentally friendly construction and building materials will be a main theme at the biennial BYGGERI Danish construction sector trade fair.

The exhibition, organised by ETTF member Danske Byggecentre and the largest in Denmark, takes place in Messe C at Fredericia from March 10-13. It is expected to attract up to 30,000 visitors.

The focus on environmental issues is further highlighted by the climate awards Danske Byggecentre presents at the event. These are for achievement in the areas of Climate, Energy, Environment and Working Environment

"The awards are given to recognise companies that have initiated a climate, energy and/or environmental strategy and to promote development of construction products which have improved energy and environmental characteristics," stated Danske Byggecentre.



New Danish Housing Minister Kaare Dybvad wants the country's construction sector to follow the examples of counterparts elsewhere in Scandinavia and build more and higher in wood.

Mr Dybvad, who took on his role in June 2019, says the government is working on a sustainable construction plan and he clearly sees wood building as a core component.

"Timber-based housing is built up to 10-12 storeys in Norway and Sweden, so it's government's job to make that possible and to get more wood construction generally in Denmark," he said. "In replacing other building materials, such as concrete we can reduce our CO₂ emissions."

Mr Dybvad said his ministry's sustainability strategy is also focused on building renovation and on building materials recycling."

Denmark's new government, elected last summer, has an ambitious climate law, with the goal of reducing greenhouse gas emissions by 70% by 2030. All sectors must contribute, notably construction.

The government is currently examining legislation with a view to removing constraints on using more sustainable building materials.

Scientists, architects, and experts from the Danish timber industry have been invited to share their ideas with the government housing and construction committee.

"The political climate in Denmark is changing and wood is being recognized for its potential, which will hopefully lead to a greener, more sustainable building industry," said Danish Timber Trade Federation Director Jakob Rygg Klaumann.



Ursula von
der Leyen



New Club du Bois chair Simona Bonafè
and Patrizio Antonicoli

Club du Bois urges Green Deal focus on wood

The core focus of the latest Club du Bois was the potential contribution of the European wood sector to the EU's new Green Deal environmental strategy.

President Ursula von der Leyen unveiled the EU's new Green Deal in December, describing it as its 'man on the moon moment', such was its significance.

The goal is to make Europe carbon neutral by 2050, with an initial target of a 50-55% cut in CO₂ output over 1990 levels by 2030. To achieve this it proposes extensive revision of legislation in all sectors of the economy, including transport, energy, agriculture and construction.

The focus is also on growth, with curbs on emissions not only intended to improve industries' environmental performance, but also make them more economically efficient. A 'just transition fund' is proposed to enable

business to adapt – and the aim over 10 years is to build a €1 trillion war chest of public and private investment to implement the Deal. At the same time development of new green industries is envisaged.

At the Club du Bois meeting, which was attended by 14 MEPs, including outgoing and incoming Club chairs Maria Noichi and Simona Bonafè, speakers described how wood can be central to development of a circular bioeconomy. The industry, they said, not only provides a uniquely sustainable, low carbon construction and manufacturing material, but also has major potential for growth, creating jobs and increasing its contribution to EU GDP.

The meeting was co-organised by the

European Confederation of Woodworking Industries (CEI-Bois), the European Organisation of the Sawmill Industry (EOS) and the European Panel Federation (EPF).

EPF chair, Dr Paolo Fantoni, said that the European panel sector was already a bioeconomic model, with producers averaging 40% recycled content in products and working with researchers to achieve more. "The panel sector can break the old model of economic progress or environmental protection," he said. "We can offer industrial growth with environmental and climate benefits."

EOS President Sampsu Auvinen highlighted the importance of achieving continuity of supply to Europe's sawmills, describing them as vital for motivating owners to sustainably manage their forests.

Representing CEI-Bois, former UK Timber Trade Federation President Keith Fryer, said its 2019-24 manifesto illustrated how the sector can contribute to the EU's goals. "The woodworking industry sits at the heart of the European circular bioeconomy and is a key driver for jobs and growth," he said.



Timber teams with cork to net Wood Awards Gold

A private house making structural use of cork, plus cross laminated and modified timber, won the prestigious Gold prize in the 2019 UK Wood Awards competition.

Cork House, designed by MPH Architects, features load-bearing use of expanded cork for the roof structure. A total of 1,268 blocks of the material were CNC-machined, then assembled on site without mortar or glue.

The building sits on a CLT floor platform, finished with oak boards, and this rests on beams in modified Accoya supported on steel screw piles. Accoya is also used for doors, windows and external steps, with Western red cedar weatherboarding used on the roof and rear façade.

Another category winner was the Cambridge Central Mosque by Marks Barfield Architects which took the Education and Public Sector prize. Its expressed vaulted structure is glulam, while walls and roof structure are in CLT. Three-dimensional fan vaulting consists of 2746 separate elements. They sit on 30 structural wood columns and, wherever possible metal connectors are replaced with half lap joints for continuity of timber grain.

The Interiors award went to Battersea Arts Centre. Architect Haworth Tompkins



was tasked with restoring the building after fire destroyed the original plaster barrel ceiling. It designed an arching lattice, which comprises three layers of 18mm thick birch-faced plywood.



A new booklet highlighting wood's potential contribution to development of a circular bioeconomy and in climate change mitigation has been produced by the European Confederation of Woodworking Industries – CEI-Bois.

Wood. Building the Bioeconomy is available for download from the CEI-Bois website.

The 56-page publication is targeted in particular at EU and European government decision makers as a lobbying tool and features a foreword from Italian MEP Simona Bonafé, member of the European Parliament Committee on the Environment, Public Health and Food Safety. But it is also designed to reach out to a wider audience so timber federations and businesses can distribute it to specifiers and customers.

It addresses the urgency of tackling climate change and focuses on the role forestry and timber can play in absorbing the principal green house gas, CO₂, and storing it in the form of wood products, potentially for generations.

It describes the critical role of Europe's expanding forests and timber in the carbon cycle and wood's capacity for substituting energy-intensive materials based on finite resources, notably steel, concrete and plastic.

Another key topic is the ability of timber and wood products to be recovered and recycled through a 'cascade' of different uses; from solid construction and manufacturing materials and components, through wood-based panels, insulation, and an increasingly highly specified range of woodfibre-based textiles and biofuels.

Wood. Building the Bioeconomy underlines the economic value of the timber and forestry sectors to Europe too and that they have major potential for development, creating more jobs and increasing their contribution to European GDP. It estimates that, through product substitution in global construction, textile and plastics markets, they could generate a further €60 billion in revenue.

Also a core focus is building with wood. The book highlights that architects are not only drawn to timber as a low carbon construction material, which delivers energy efficient structures, but also increasingly by the technical performance of new

Wood as bioeconomy building block

generation engineered wood products.

"If we are to restore balance in the atmosphere, we need to reduce emissions in the first place, while also increasing the capacity of the global carbon sink" said Patrizio Antonicoli, Secretary General of CEI-Bois. "Forests and timber are part of both solutions, absorbing carbon from the atmosphere and storing it as wood. Timber harvested from the forests can be turned into high-value products using only a fraction of the energy and carbon that other materials would need. And the more governments support and invest in wood, the more valuable they can become."

"The European woodworking industries are a building block of the European circular bioeconomy," said Ms Bonafé.

So far 1800 hard copies of the booklet have also been produced, and it may also be published in Dutch, French and Italian.

Italian EUTR training project nears conclusion

Fedecomlegno's two-year training project, 'Your federation helps you with EUTR', is set to conclude in the first half of this year.

The initiative, funded by parent federation FederlegnoArredo and developed with consultancy Studio Clerici-Gallozzi, explains the due diligence process and documentation required to meet Regulation requirements.

"Since EUTR came into force, we wanted to provide an operational tool to support operators in the complex phases of information access and risk assessment," said Fedecomlegno President, Alessandro Calcaterra. "One of the most challenging components of the project was to transfer the idea that assured legality can deliver economic value for the timber industry."

The Fedecomlegno and Studio Clerici-Gallozzi team with sample due diligence documentation



The programme produced a list of required documentation, including specimen paperwork, issued by the authorities of each of the major producer countries exporting to Italy.

"Of course, we're aware this process

is only a support for operators, who are ultimately the ones who must decide on the boundaries of 'negligible risk,'" said Mr Calcaterra. "But we hope these lists help in the collation of documents in support of their due diligence."

One-stop environmental documentation shop

Danish builders merchants are experiencing increasing demand for materials environmental verification documentation and data, so Danske Byggecentre has set up a dedicated website to provide it.

"We know from members that it can be very time consuming for building professionals to find the necessary environmental certificates and other documentation on product sustainability," said Danske Byggecentre. "Our new data base, www.BygDok.dk, provides all available documentation on any given material they sell, creating a resource for the construction sector that's quick and easy to use. It's also regularly updated and free. All visitors need do is create an account."

The launch of BygDok.dk, is also described as a statement on behalf of the building sector, underlining its commitment to improve overall environmental performance.

"The building sector accounts for about 40% of EU CO₂ emissions, so it's very important that it innovates its way out of the current situation, before politicians

make the decisions for it," said Danske Byggecentre.

Next year, the Danish government is set to decide on its 'climate action plan' for reducing Denmark's CO₂ emissions and Danske Byggecentre says it is committed to ensuring that timber in construction forms a central component.

"We will do this by explaining the embodied energy in timber and how end users and specifiers should look at the bigger picture when it comes to measuring a building's sustainability and price by using such disciplines as Life Cycle Assessment (LCA) and Life Cycle Costing (LCC)," said Danske Byggecentre. "We expect that sustainable building and environmentally friendly building materials



will assume still greater importance in the construction sector this year. We will work hard to ensure that wood is seen as part of the solution."



Low carbon in focus at forum

The inaugural Wood Forum Italy highlighted timber's potential contribution to a low carbon, sustainable economic future.

Over 400 delegates attended the November 2019 event in Riva del Garda. The international speaker line-up tackled topics from architecture in the circular economy, to achieving sustainability and transparency along the timber supply chain.

"It was very important to have the wood and furniture world, from forest to finished product, united at the first national Forum. Together we were able to build a vision for development over the next five years," said FederlegnoArredo President,

Emanuele Orsini . "On the building sector, it was highlighted that Italian construction turnover grew 5% to €720 million in 2018 and that 7% of new building was in wood. Timber-based construction is an expanding growing niche, with forecasts of 25% growth in the next five years."

Professor Stefano Mancuso, director of the International Laboratory of Plant Neurobiology at the University of Florence, said that greater use of wood, notably in construction, could be central to combating global warming. "It has a superior carbon dioxide balance to other materials," he said. "The more we use, the greater the amount of carbon dioxide stored."

Campaign to stimulate FLEGT Conversation

The UK Timber Trade Federation's FLEGT communication project is planning to take installations featuring FLEGT-licensed timber around the EU in 2020.

The initiative is funded by the UK Department for International Development under its Forest Governance, Markets and Climate programme (FGMC). Last year it promoted FLEGT at the Brussels Furniture Fair and a number of conferences and organised a Tropical Trade Forum at the TTF's London headquarters. It also supported an installation called Momento, designed by students using FLEGT-licensed ballau as part of the London Festival of Architecture.

The 2020 installation will be called Conversations and will feature seating in FLEGT-licensed timber created by craft students and leading designers, intended to stimulate discussion about FLEGT and using legal and sustainable tropical timber. After a pilot in the UK it is intended to set up in prominent locations across the EU.

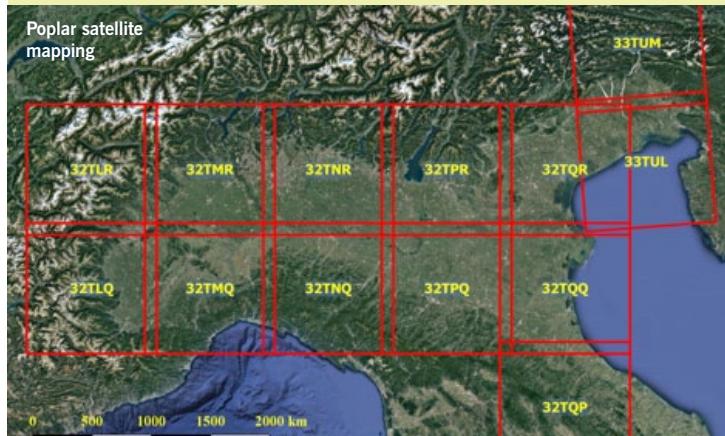
The TTF campaign will run more seminars, develop an e-learning resource for architects and contractors. It is also liaising on FLEGT with Chinese timber trade bodies.

Under the FGMC grant, the Federation is also backing a timber marketing advisory programme being undertaken by the Global Timber Forum in Ghana and Indonesia.

Poplar population monitoring

An inventory of poplar forest in Northern Italy has been compiled using Sentinel-2 satellite imagery.

The project, to facilitate calculation of future supply, including to the Italian plywood sector, was initiated by wood panels association Assopannelli, with backing from agricultural research body CREA and the University of Florence.



Spanish perspectives on tropical trade and FLEGT

The Spanish trade addressed prospects for the tropical timber sector, FLEGT and the market status of legality and sustainability assurance at the EU FLEGT Independent Market Monitor (IMM) trade consultation in Barcelona.

The October event was hosted by the IMM in association with the Spanish trade federation AEIM and the EFI FLEGT facility, taking place in the Sant Pau Art Nouveau complex. It attracted an audience of over 30, including operators, traders, federations and manufacturers.

Presentations delivered tropical timber market analysis, findings of latest IMM reports on timber procurement policy and FLEGT VPA updates. These led into workshops where delegates shared strategies and solutions for the future of the market and FLEGT.

Asked to list EU market challenges for timber from VPA partner countries – to date all tropical – delegates said substitution by alternative materials and products was key. But they rated the EUTR as the biggest obstacle to business with tropical countries. This was followed by substitution, eNGO influence, Chinese competition, the state of the EU economy and wood quality.

The high ranking of the EUTR, said one importer, could be due to a perceived recent step-up in enforcement in Spain, resulting in increased risk aversion.

Delegates also flagged up insufficient marketing of timber generally and timber from VPA partner countries in particular.

Echoing views at previous Trade Consultations, delegates urged creation of branding for FLEGT. Others stressed the importance of communicating the range and availability of product from FLEGT VPA-engaged countries and the wider social, economic and environmental impacts on the ground of the VPA programme.

Concerns were also expressed about ongoing lack of recognition of EU FLEGT licensing on a level with certification in most EU national government timber procurement policy.

Insights from speakers on development of the FLEGT VPA process in African countries



Delegates in discussion at the Spanish IMM Consultation, including first and second left AEIM General Secretary Alberto Romero and President Carles Alberch

sparked discussion on the progress of the initiative overall and, again, the relation of FLEGT with certification.

Chris Beeko of Ghana Forestry Commission said the broader value of FLEGT needed to be recognised by EU member state governments. "Currently FLEGT licences still play 'second fiddle' to certification in most member state procurement policies," he said.

For a full report on the Barcelona meeting go to www.flegtimm.eu. The next IMM Consultation will take place in Italy. Date and venue will be announced on the website shortly.

New Swiss timber build to light way

Timber construction is taking a growing share of the Swiss building market. Now it is set to have an 80-metre, 27-storey high-rise hybrid wood and concrete apartment, which its designer says will act as a 'lighthouse' for further development in the sector.

The 199-apartment, CHF100 million 'Project Pi' in the city of Zug is being built for V-Zug Immobilien AG by contractor Implenia, with Duplex Architekten and Waltgamarini Ingenieure.

The key driver for using engineered wood, says the architect, is sustainability, with the timber storing carbon and acting as an inherent insulant and photovoltaics providing a third of its the building's electricity requirement. Heating and cooling will also be provided by ground-source heat pumps and the nearby Lake Zug.

Every three floors will be built around a piazza to encourage community development and Pi will

also include co-working spaces, a restaurant and child care centre.

The first residents are expected to move in in 2024.

"Wood enjoys a high status among the Swiss population and today nearly one in ten new buildings is in timber," said Michael Widmer, Director of Swiss timber trade federation Holzwerkstoffe Schweiz (HWS). "Discussions on climate change are effectively further promoting its use."

The Swiss government is also pressing ahead with an environment driven building renovation programme, he added.



All-timber neighborhood is on way for Copenhagen

Though Denmark's preferred building materials remain concrete and steel, things are changing, reports the Danish Timber Trade Federation. Timber is becoming increasingly the construction material of choice for architects and now a brand new neighborhood in Copenhagen entirely constructed in wood is planned.

Fælledby, designed by Henning Larsen Architects, will accommodate 7,000 residents, with 40% of the area left to nature. The project is intended to demonstrate how sustainable architecture, driven by environmentalist principles, can meet the needs of people and wildlife alike. The all timber housing will feature birdhouses and other 'animal habitats' integrated into the façades.

The development is also focused on achieving minimal carbon impact. Construction will begin once the site plan has been adopted and approved by planning authorities.



HWS raises its profile

Swiss timber trade association Holzwerkstoffe Schweiz (HWS) is working to raise its profile in and outside the industry.

"We have formed three expert groups to advance new ideas and directions," said Director Michael Widmer. "These are focused on education, business management and technical issues."

For the first time, HWS also took a stand to highlight its role and goals at the five-day Holz trade fair in Basel in October, which drew 360 exhibitors and 35,000 visitors.

"We had a lot of visitors and very interesting discussions," said Mr Widmer.

Presidential perspectives

The ETTF Newsletter interviews the Federation's outgoing and incoming presidents Andreas von Möller and Ad Wesselink on its role, achievements, and future prospects.

Andreas von Möller, ETTF President 2009-2019

ETTF Newsletter: You played a significant part in the formation of the European Timber Trade Federation. What was the thinking behind it?

Andreas von Möller: My first involvement with industry bodies was with the EU softwood federation. Then we had separate organisations for softwood, hardwood, panels and timber wholesale and retail. Our influence was limited by being so fragmented. Coming together as the ETTF, with veneer and wood flooring sectors as associate members, we were able finally to speak with one voice to decision makers and have much more impact.

ETTF: What would you say has been the value of the ETTF to its national federations?

AvM: Besides raising the profile of our industry overall, it also facilitates cross-border communications between members. Before they tended to operate in their own corridor, with little contact with counterparts in other countries. Now we not only meet together twice a year, we all know we can pick up the phone any time to fellow federations, share experience and know-how, discuss questions and issues we have in common. It has created a wider body of knowledge and expertise and means there is less reinventing of wheels and duplication. This gives the industry an advantage that can't be judged highly enough.

ETTF: How would you describe the core roles of the ETTF today?

AvM: First, it is a channel for communicating to member federations what is happening in Brussels – what is the talk in the corridors of the commission. It helps provide advanced notice of developments that will impact the trade, then we can discuss together and respond accordingly.

Then there is its role as information channel between member federations, which is so valuable.

Thirdly it lobbies Brussels on behalf of members, communicating their feedback to the decision makers.

ETTF: Despite modern technology enabling remote communication, the International Softwood and Hardwood Conferences, co-organised by ETTF with the European Organisation of the Sawmill Industry, remain a vital part of its activities. They are still very popular with members. Why would you say that is?

AvM: We've considered the alternatives, Skype conferencing, webinars and so on, but the conclusion is that nothing can yet replace that face-to-face contact and human interaction of the conferences – hence their popularity. They still provide the best forum for networking, building trust and personal relationships, asking questions and discussing issues in an open and frank environment.

ETTF: The ETTF is now also in trial membership of the Confederation of European Woodworking Industries, CEI-Bois, forming the core of its trade working group. What is the rationale for this?

AvM: CEI-Bois invited us to join. It's a very reputable body, with strong connections in Brussels and in Anders Ek it has a highly respected President. It saw ETTF adding a wider international perspective and, of course, its trade know-how. We see this move as potentially further strengthening the voice of the industry, enabling us to speak more widely for wood and learning from one another. We will both evaluate how the relationship works and develops over the three-year trial period.

ETTF: How do you see the European timber industry evolving and the ETTF developing into the future – are you optimistic for the business?

AvM: Of course the sector has its challenges. In softwood, for instance, we've recently seen some price reduction and over-production. The spruce bark beetle has also resulted in over-supply of inferior quality logs, which can't all be pushed into pallets and packaging.

But we will work through these issues and longer term the future for the timber industry is very bright. The growing focus on ecology, carbon, bioeconomy and the wider environment will pay increasing dividends for wood. In the construction sector we are already seeing tremendous developments in timber technology, with landmark high rise buildings such as HoHo in Vienna, Haut in Amsterdam and Mjøstårnet in Brummundal in Norway, highlighting the potential going forward.

We've always known we have a wonderful, sustainable material. Now the wider market is realising it too.

As for the ETTF, I believe its role and value can only grow. After last October's ISC, we had a very good agm. We decided on a new fairer and more transparent structure for financial contributions and Ad Wesselink, of Wijma, and Morten Bergsten, of Bergsten Timber, were elected as new President and board member representing softwood respectively. They are both existing ETTF



Andreas von Möller

board members and very experienced and respected figures in our trade.

I'm looking forward to seeing how the ETTF continues to develop and am definitely planning to keep in touch, both via my company, Jacob Juergensen, and as Honorary President, a role the agm very generously bestowed on me, for which I was very grateful and touched.

Ad Wesselink, ETTF President 2019-

ETTF Newsletter: How long have you been involved with the ETTF and what would you say you have personally got out being part of it?

Ad Wesselink: I was previously involved with the EU hardwood importers organisation UCBD, serving two terms as president. This joined with bodies representing other sectors of the trade to form the ETTF – a crucial move which has enabled us to present a united front to the EU and other decision makers. I've been on the ETTF board for four years. Personally it has broadened my perspective of the industry and given me access to a huge pool of knowledge, expertise and ideas.

ETTF: What would you say have been the achievements and key areas of activity of the ETTF under the stewardship of outgoing President Andreas von Möller and Secretary General André de Boer ?

AW: Bringing together the ETTF from these different bodies was an important achievement in itself and a demanding process. But instead of each part of the trade focusing on its market niche, this enabled us to speak with one voice to government for the interests of the whole

continued...

Presidential perspectives...continued

industry and, where necessary, to bang our fist on the table! And this has been the key activity – representing the trade in the political field and to the EU in particular, keeping up with developments in Brussels, working together to highlight that we are a large and important sector.

This was especially important on the introduction of the EUTR, with the ETTF representing and supporting member federations throughout its implementation.

ETTF: How would you sell the ETTF to organisations and companies considering joining?

AW: I would say it would link you in to this wider club, a network across the trade and across Europe. It's a melting pot where you can draw on and learn from a range of experience, exchange ideas and solve problems together with colleagues. It can also increase your influence and makes you part of an organisation working for the benefit of the whole timber sector.

IMM: What would you say are challenges for the ETTF today?

AW: Our sector has achieved a great deal in tackling the illegal timber trade and ensuring sustainability, through implementation of the EUTR and certification. But it's been a lot of take, with not enough give. We must press for this achievement to be recognised more widely and in particular to pay off in terms of increased public and private procurement of wood.

We would also like to see other construction and manufacturing materials having to meet as demanding environmental regulatory requirements as the timber sector so that we have a have a level market playing field.

ETTF: How do you see the role of the ETTF and the market for timber developing?

AW: With the ever increasing focus on the environment, climate and carbon, we must highlight timber's status even more strongly as the only renewable and sustainable construction and manufacturing material. We have a huge opportunity, particularly in the building sector, and we must seize it now. We can't afford to miss it, especially with other materials suppliers developing their sustainability stories, such as plastic manufacturers stressing their recycled content.

ETTF: Do you think the industry could do more to market timber?

AW: Yes, and we can do it most effectively if we all sing the same tune.

The new Netherlands timber campaign, 'Wood. Today's Natural Choice' (see p1), shows what can be achieved through trade cooperation.

ETTF: The UK, one of the biggest timber importers, is no longer an ETTF member. Would you like to see them return?



AW: Definitely. The UK TTF is an important voice in the industry and the UK an important trading partner for the rest of the EU, which it will remain after Brexit. We value their input and would welcome them back.

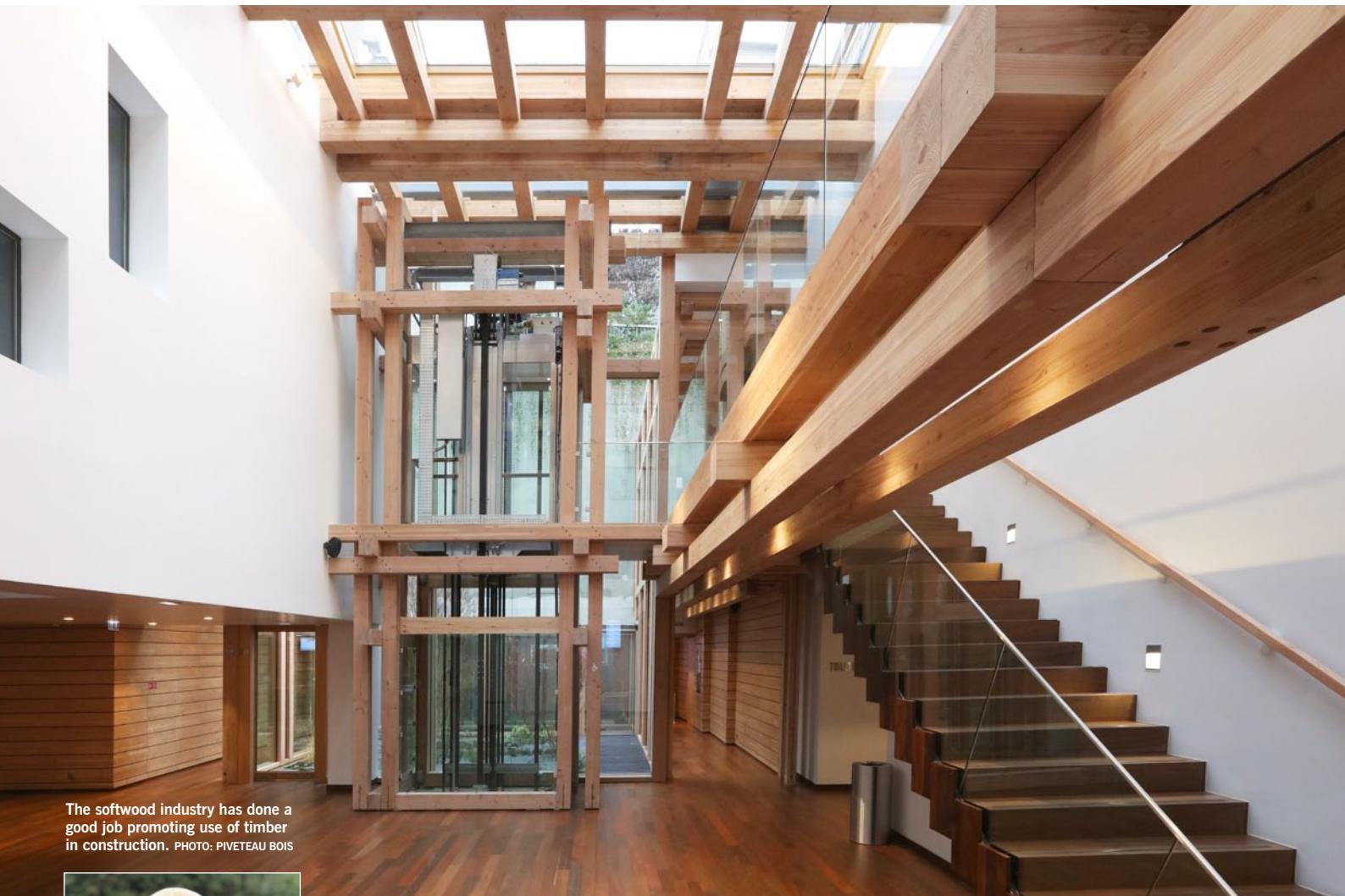
ETTF: In you and Thomas Goebel, the ETTF has both a new President and Secretary General. How do you see your working relationship developing?

AW: It's still early days of course, but we have already had very positive discussions. And of course Andreas von Möller and André de Boer are still around, so we can still call on their experience and expertise.

ETTF: Are you optimistic for the future of the European timber trade and timber generally?

AW: Very much so. The talk is increasingly about developing a circular bioeconomy and, under the EU Green Deal, ensuring zero emissions by 2050. Timber is the prime bio-based material for achieving both. We are already seeing it being used more extensively in construction, notably for large-scale, high rise building, and, as I said, if we really seize the opportunity we can develop that market further. We are also seeing examples of the trade and specifiers and end users cooperating in the application of timber, which could be a model for others to copy. For instance the City of Rotterdam has its own civil engineering company for the Port, which has focused recently particularly once more on wood use and reuse.

If we work together, our industry has a very bright future.



Supply issues, but solid prospects for European softwood

Following on from the 2019 ISC, EOS President **Sampsa Auvinen** says supply-demand balance is key, but Europe's softwood sector has opportunities in building and exports.

During Q4 of 2019 European producers' sawn timber stocks remained high, but many companies announced production curtailments for December and January, notably in Finland and Sweden. I believe a number of companies also took longer Christmas and New Year's production breaks due to the market situation.

A three-day strike in Finland in December, followed by a six-day industry lock down, also affected 50% of Finnish production capacity. Combined with the production curtailments and prolonged holidays, I estimate this represents about 1-2% of Europe's annual sawntimber production. It remains to be seen how this will affect supply-demand balance.

European construction activity has been growing steadily, but is expected to slow overall to between 1.2-1.5% during 2020 and 2021, so the sawmilling industry must continue to be vigilant regarding oversupply.

Oversupply of beetle-affected raw

material in central Europe also continues and preliminary figures indicate the situation worsened during 2019. It's too early to speculate about 2020 but I'm not optimistic the problem will diminish abruptly. Short term, regions affected by the spruce bark beetle face massive log oversupply, although in Germany this comes at a time of reducing production with clean forests in many regions not being harvested due to low raw material prices and poor availability of the "right quality" logs. The true challenge will come once beetle-affected forests have been harvested and we move from raw material over-supply to long-term shortage in the most affected regions.

The German government has allocated about €1 billion of aid to forest owners, but there's unclarity on how this will be distributed.

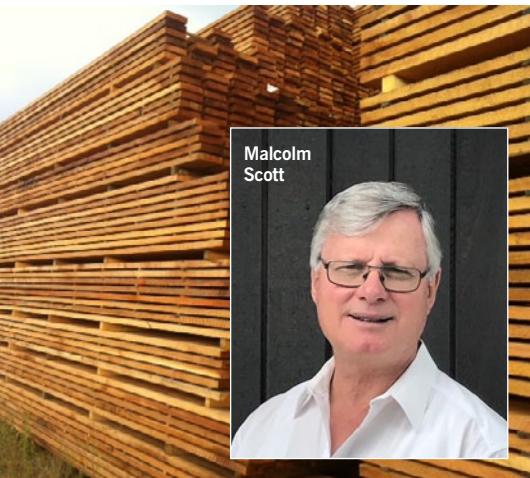
The industry has done a very good job promoting use of wood in construction.

The building sector faces huge challenges to become more sustainable and wood is the only carbon neutral construction material. It is now fashionable for the range of modern building and many forward thinking timber companies have developed new technologies and new engineered products, like CLT, to capitalise. These look set to become mainstream building solutions alongside concrete, steel and other materials in hybrid structures. It's a very exciting time for our industry.

The European sawmill industry has also done a good job in broadening export markets and is today a truly global player. A prime example is China, now a key destination for European sawn timber, with annual sales over 6 million m³. Asia generally is also an important market, as is the MENA region, despite political and social uncertainty, while US consumption of

continued...

PHOTO: PIVETEAU BOIS



The New Zealand Imported Timber Trade Group (NZITTG) has a continuing focus on sustainability targets for imported species, as we reported in 2018. At a recent Group council meeting the target was lifted, requiring members to buy on the ratio 85/15 – that is 85% certified sustainable, allowing 15% verified legal.

Both items require each shipment to be certified/verified by accredited third parties. FSC is the most significant third-party sustainability certifier, followed by PEFC approved schemes. Indonesian SVLK has not been approved by the NZITTG and is unlikely to be so as there are sufficient volumes of FSC merbau already approved in Indonesia to satisfy the New Zealand market.

In addition, FSC 100% certified tropical timber from South America and West Africa boost volumes to give New Zealand the variety of tropical hardwood it is used to. Hardwood decking is still the major single tropical item, but flooring products, structural beams, pergola material, cross

Supply issues, but solid prospects for European softwood...continued

European softwood has grown to be stable at about 2 million m³.

The UK imports most of its construction timber from EU producers and BREXIT will not change that. I'm confident that although coming BREXIT negotiations will last several years and cause uncertainty, rationality will prevail and the UK and EU will find mutually acceptable trade agreements.

On the outlook, even if we've managed to increase total European sawn timber

exports from about 32 million m³ in 2010 to nearly 50 million m³ in 2019, at the moment we still have more supply than demand. But global growth looks set to continue, albeit slower, and we should not have any major demand surprises. So, if the sawmilling industry can balance production to demand, we will see improvements in the financial results, particularly in Northern Europe, which collapsed at the end of 2019.



Procurement changes in New Zealand ramp up

International cooperation is needed to promote verified sustainable hardwood and secure its true value in the marketplace, says **Malcolm Scott**, Chairman of the New Zealand Imported Timber Trade Group (NZITTG).

arms, poles and bearers are regularly bought by members to augment Australian class 1 and 2 hardwoods traditionally imported for these end uses.

New Zealand has no indigenous heavy hardwood from its own 'native bush', so the major eucalypt resource of Australia has been an integral part of New Zealand's wharves, railways and buildings since the 1830s.

Laminated New Zealand-grown radiata pine and other composite products challenge the hardwood trade daily, but the unique qualities of hardwood still have the trust and confidence of specifiers.

I recently represented New Zealand at the Berlin Sustainable Tropical Timber Coalition conference in Berlin (see p18). Apart from making valuable connections with other attendees, some excellent technical papers were delivered, with valuable insights into the supply and delivery of tropical and other hardwoods.

New Zealand shares the same dilemmas

as European markets; that homeowners and the construction market put little or no monetary value on certified sustainable timber products. We therefore need to join with European counterparts in developing full and widespread support for the appreciation and necessity of legally certified sustainable hardwoods – whatever their origin.

To achieve this, we must combine the efforts of the timber industry, environmental NGOs, government and specifiers – and demonstrate the vital importance placed on sustainable timber production and paying a fair value to the producers.

The outcomes of fair pricing will also incentivize sustainable timber producers to hang in and hopefully increase sustainably certified production over coming years. Sustainability must be part of our everyday DNA.

The new decade seems a good time to renew our efforts for the betterment of the timber industry and the environment.

Ash remains popular with designers, but die-back is impacting availability.
PHOTO: MADE IN RATIO

Below: Dutch Ministry of Transport's Circular Bio-based Highway blueprint



Highway to hardwood market growth

The 2019 International Hardwood Conference highlighted the value of effective promotion and communication in a competitive marketplace.

If steel and concrete road fixtures, from signposts to safety barriers, were made of wood, and hardwood in particular, it would add up to major timber demand and major CO₂ savings. That's the blueprint the Dutch Ministry of Transport and Waterways has devised, following discussions, among others, with Netherlands timber sector market development organisation, Centrum Hout. It's done the carbon calculations, called the concept the 'circular bio-based highway' and Steffen Meinhardt of Dutch importer Hupkes Houthandel presented it at the 2019 International Hardwood Conference in Berlin.

The hardwood sector may not historically have been known for its marketing prowess, or promoting the performance potential of its products. But the IHC, which attracted a 125-strong audience from 20 countries, showed this is changing.

Mr Meinhardt's presentation was one of several underlining new energy and creativity in hardwood sector communications, with a notable focus, in this environmentally aware age, on its carbon and wider life cycle credentials.

European Director David Venables spoke about the American Hardwood Export Council's (AHEC) promotional and technical initiatives targeting architects and designers and Benoît Jobbé-Duval, Managing Director of the International Tropical Timber Technical Association (ATIBT), described the strategy of its

Fair&Precious verified sustainable tropical timber branding campaign.

The overriding theme of the IHC in November, co-organised by the European Organisation of Sawmill Industries (EOS), the European Timber Trade Federation (ETTF) and German Sawmill and Wood

Industries Association (DeSH), was that the market is increasingly looking for sustainable solutions to meet ever more pressing technical/environmental challenges in manufacturing and construction. As a renewable, carbon storing alternative to energy intensive materials like steel, concrete and plastic – a key building block for bioeconomic development – speakers said hardwood can help provide them and the sector must promote the fact.

A testing market

At the same time they acknowledged that hardwood is facing testing market times. Economic deceleration in Europe and more widely, is making for competitive conditions. The China-US trade dispute and concerns about future US-EU trade relations put another brake on business globally, while Brexit made the outlook still more uncertain.

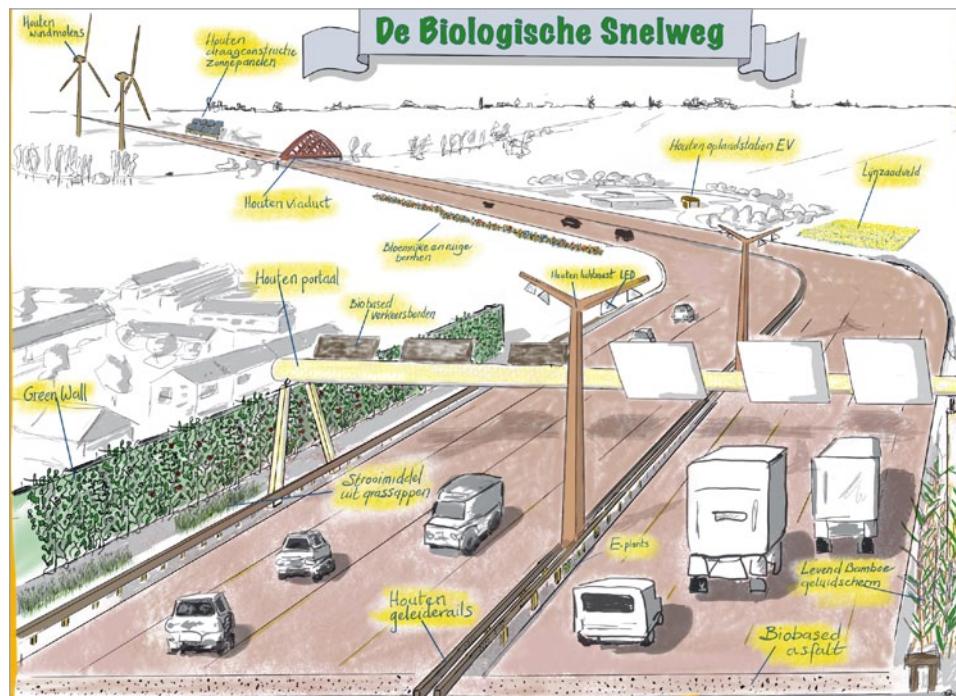
Dr Josef Braml of the German Council on Foreign Relations set the scene with a global geopolitical snapshot. He said US-China trade tension was a symptom of a shift in global power. The rise of Chinese international influence meant the days of 'benign' US liberal economic leadership were numbered and business had to adapt.

"We're in a new era of economic nationalism and increasing trade hardball," he said.

Reflecting mounting international economic uncertainty, with OECD business confidence ratings sharply down, EOS Hardwood Vice President Maria Kiefer-Polz said sawn hardwood consumption in EOS member countries, plus Italy and the UK, was forecast to fall 1.3% in 2019 to 5.7 million m³, after rising 7.2% in 2018. Production was expected to dip 0.7% to 6.07 million m³.

At the same time the European industry had to cope with raw materials issues, notably the impact of ash die-back and drought stress on hardwood more widely. Ms Kiefer-Polz said the industry must both step up hardwood

continued...



Highway to hardwood...continued

marketing on the benefits of 'building and living with wood' and diversify its species mix.

DeSH Vice President Steffen Rathke reinforced the message in his German hardwood sector review. Increased competition from alternative materials, such as wood plastic composites, plus overseas log demand, had resulted in its domestic sawn hardwood consumption falling 50% from 2000 to 2020 to around 800,000m³.

He focused especially on Germany's major beech industry. Its sawn exports were also down 4.78% in 2018, he said, hit by deteriorating market conditions and Chinese log demand. Drought was an added issue, with beech particularly affected.

"Underlining the severity of the situation the German government is allocating the wider forestry sector €1 billion to address this and other climate-related issues, including insect infestation," he said. "The industry must adapt to a changing environment, including by developing more resilient strains of German forest species."

Professor Gert-Jan Nabuurs of Wageningen University agreed that the forest sector must increasingly follow a 'climate-smart' management model. He also urged a new forestry component in the EU Common Agricultural Policy to support the industry.

Legality and sustainability opportunity

Turning to the tropical timber sector, Rupert Oliver said Europe in 15 years had slipped from the first to fourth biggest market, after China, the US and Northeast Asia. While growing consumption elsewhere played a role, part of the reason for tropical timber's European decline, among other factors, was environmental image, compounded by slow tropical uptake of sustainability certification. However, the EU Forest Law Enforcement Governance and Trade Voluntary Partnership Agreement (FLEGT VPA) legality assurance initiative, with which 15 tropical countries were engaged at some stage of the process, was viewed as part of the potential solution, providing a 'baseline for sustainability'. FLEGT could also assume growing importance, said Mr Oliver, with increasing implementation of timber market legality requirements, such as the EUTR, the US Lacey Act and Japan's Clean Wood Act.

Together with South Korea's import legality regulation, these cover over 55% of international tropical timber trade, while

countries engaged in the FLEGT initiative account for 75% of its supply.

Meanwhile, the US industry is also facing challenges, said AHEC Executive Director Mike Snow. From 2009 to 2017, its exports to China had 'exploded', reaching 25% of American grade hardwood output. This left the sector especially vulnerable to the



US-China trade dispute. In fact, since it started, its loss of sales to China had exceeded total US hardwood exports to the rest of Asia and Europe combined.

The solution, said Mr Snow, was primarily resolution of the trade dispute.

"China still has major hardwood growth potential, with development of its western provinces and huge investment in its belt and road programme set to increase its consumption further," he said. "But there's also realisation in the US hardwood sector that it must diversify exports – and grow its domestic market. It can't afford to have all its eggs in the China basket."

Promoting timber's legacy

Mr Venables described the promotional tools and marketing initiatives developed by AHEC to grow US hardwood sales globally. Key targets were architects and designers, 'primary routes for hardwoods to market', with a focus on the technical, environmental and aesthetic potential of US varieties. AHEC has worked with specifiers on hardwood projects, including the world's first cross laminated hardwood building in the UK. Recently it has also concentrated marketing on red oak in Europe. It has worked with leading Polish designer Tomek Rygalik on a red oak furniture collection, and in its 'Legacy' project for the London Design Festival this year, it brought together leading UK cultural 'influencers' and designer-makers to create a range of furniture and other products in the species.

"Red oak not only highly versatile, it's the most abundant US hardwood and there's increasing awareness that, to make sustainable use of the forest, we must capitalise on the range of species it offers," said Mr Venables.

He also described the tools developed to demonstrate US hardwoods' environmental credentials.

One aspect of the Fair & Precious (F&P) tropical timber campaign, said Mr Jobb  -Duval, was also to promote the diversity of species in the forest, and highlight that using lesser known verified sustainable varieties



both reduced supply stress on more popular species and made sustainability certification more economically viable.

"F&P is also now working with the Sustainable Tropical Timber Coalition on our shared goal to develop the European market for verified sustainable tropical wood and, in turn, incentivize uptake of sustainable forest management in tropical countries," said Mr Jobb  -Duval.

Besides the circular bio-based highway concept, Mr Meinhardt, together with Eric de Munck of Centrum Hout, also looked at the Dutch timber sector's increasing use of Life Cycle Analysis (LCA). This fed into development of environmental product declarations for hardwood products and timber promotion more generally. Another project, Hout in de GWW, involving 12 businesses and Centrum Hout, demonstrated tropical hardwoods' superior LCA performance to steel and plastic to grow their use in marine civil engineering.

Wood marketing was also a vital focus of the European Federation of the Parquet Industry (FEP), said Managing Director Isabelle Brose. Its Living on Wood campaign and www.realwood.eu website highlighted environmental and wellness benefits of real wood flooring, while its latest promotional initiative targeted growth in timber's share of European floor covering sales from 5% to 7%.

Moderator Andreas von M  ller, ETTF Honorary President, said the IHC had highlighted areas where the hardwood sector had to front up on tough issues.

"But it also underlined its potential to work together to realise major market opportunities for hardwood," he said. **The next IHC in 2021 will take place in France.**



The International Softwood Conference has a worldwide reputation for delivering objective analysis of the global market and telling it like it is, addressing negatives as well as the positives.

The 67th ISC in Antwerp in October 2019 was no exception. Speakers from around the world acknowledged the softwood sector has challenges. As with other major international industries, trade tensions, notably between the US and China, but also the US and the EU, are impacting customer confidence. Stocks are high, prices down. Uncertainty surrounding Brexit is further destabilizing the market and the spruce bark beetle infestation in central Europe has brought yet more raw material into circulation, adding to deflationary pressure.

At the same time, however, speakers highlighted the historic resilience of the softwood sector and its growing market opportunities. They cited the potential of emerging softwood markets worldwide and global growth in timber-based construction. There were presentations from research and academia on work to increase forests' climate change resilience and mitigation potential. Architects additionally underlined their growing ambition in timber, and particularly engineered softwood construction, which they see as key to meeting the housing needs of a growing, urbanizing global population, while contributing to sustainable development.

The ISC was moderated by former UK TTF president Keith Fryer and jointly organised by the European Organisation of Sawmill Industries (EOS), the ETTF and national hosts,

Present problems, positive prospects



Insect pest, storm damage and over production are impacting the softwood sector, but soaring global housing demand presents exciting opportunities. **Mike Jeffree** reports from the International Softwood Conference 2019.



The ISC drew a capacity audience

Haut, Amsterdam by Team V Architectuur



Moderator Keith Fryer in discussion with Janne Vermeulen of Team V

the Belgian Federation of the textile, wood and furniture industries Fedustria.

In his introductory global economic overview, Hans Bevers, Chief Economist with Bank Degroof Petercam, said there had been a drop in market confidence since the 'synchronised economic recovery' of 2016-18.

"Sentiment indicators point to US growth falling below 2% and the Eurozone nearly in negative territory," he said. "Some now predict a period of sluggish growth internationally and a slowdown or, given increasing protectionism and economic nationalism, reversal in globalization – so-called slowbalisation."

Mr Bevers said he 'could not call outright recession', but that economic risks were to the downside.

Looking at European sawn softwood market developments, ETTF Honorary President Andreas von Möller said the picture varied across the continent, but overall European consumption in 2018 rose by nearly 2 million m³ to 86.45 million m³. Output increased 3.4% to 110 million m³.

"Construction saw a setback in the first

half of 2019, but was still 10.9% ahead of 2015, and, while the Eurostat index shows construction confidence in Germany decreasing lately and fluctuating in the UK, it's high in Spain and the Netherlands and increasing in France and Italy," he said.

However, rising softwood inventories were a cause of concern and the spruce bark beetle crisis may force the industry to 'change its game plan dramatically'. Subsequently its outlook was 'cautiously optimistic', but with the stress on cautious.

EOS President Sampsa Auvinen also highlighted the severity of the bark beetle infestation. Combined with severe storms between 2017 and 2018, it had brought an additional 120 million m³ of softwood into the pipeline, contributing to price depression and rising stocks.

"Summer 2019 saw highest inventories accumulated for 10 years," he said.

Globally, he added, softwood demand was stable, but the industry was over-producing, and consequently prices remained depressed. Mill curtailments were

being implemented on the basis that 'the less you produce, the less money you'll lose'. Then going forward, as excess raw material worked through the system, the concern was that 'raw material availability could be the bottleneck for increased production'.

"However," said Mr Auvinen. "Given the opportunities for softwood, particularly in construction, we must remain positive."

Charles Hopping, chairman of Hoppings Softwood Products and President of the UK TTF, said the UK economy was 'trundling along' with GDP growth forecast at 1.3% in 2019 and 1.2% in 2020. Softwood imports were also steady around the 6.6-6.7 million m³ per year mark. But economic uncertainty, notably around Brexit, was impacting. "Confidence figures are not looking good.

continued...

Present problems, positive... continued

The repair, maintenance and improvement market is suffering and construction activity is falling at its fastest rate since 2009," he said, adding that some predictions were that, short-term, Brexit could cut GDP by 2%, or £40 billion a year.

Lessons from Canada

Looking at the Canadian softwood sector, David Calabriga of Canfor said the British Columbian industry's experience with mountain pine beetle infestation, affecting over 18 million ha of BC forest, could hold lessons for Europe in tackling spruce bark beetle.

"Early intervention and investing in detection systems, such as LIDAR and satellite imaging, are key, as is coordinated government/industry action," he said, adding that Canadian mills had also focused on processing affected timber to maintain commercial value.

Currently the North American industry, like the European, was affected by oversupply and depressed prices. But there were reasons for positivity, particularly again given prospects for timber building. New exemplar projects on the way, such as Google's 'Smart City' in Toronto, Vancouver's 35+ storey Earth Tower, plus China's goal for making 50% of new buildings 'green' by 2050, underlined growing ambition in wood construction.

Mark Brinkmeyer of Idaho Forest Group was also upbeat on softwood's construction prospects in the US, with new capacity set to take annual CLT production to 400,000m³. "New construction codes are also allowing wood buildings up to nine storeys fully exposed, 12 storeys partially exposed, and 18 fully encapsulated," he said.

But to capitalise on market opportunity, he said, it was more critical than ever to focus on forest productivity and the 'health of the timber base'.



Bart Muys



Ulf Gabrielsson of Uni4 Marketing, the Middle East and North Africa sales joint venture between Holmen, SCA, Södra and Martinson, said that, while political stability in the region remained a concern, its market potential was considerable. With a population of 360 million,

half under 24, there was huge latent housing need, while developments like Egypt's \$45 million New Cairo project, signaled a new approach to building on which softwood could capitalise. MENA softwood imports in the first half of 2019, he said, were 6.4 million m³.

According to Sviatoslav Bychkov of Ilim Timber, Russia's log export quota and tariffs, designed to catalyse further processing in the country, were impacting. But sawmill capacity still needed to develop capacity to cope with raw material supply. "However, government funding is being made available for mill modernization, development of greenfield sites and to support logistical development for remote producers."

China today accounts for around 59% of Russian lumber exports, although Mr Bychkov said last year's increase in sales to the market was mainly due to redistribution of exports to other markets.

He also reported that a CLT plant had been built in Moscow, with another planned.

Ricky Zhang, of Zhejiang Materials Industry Senhua Group, said the Chinese market was going through 'painful times' partly due to US-China trade tensions, partly a programme of economic reform. However its softwood imports continued to rise this year and longer term increased domestic consumption, economic development of western provinces and 'third and fourth tier' cities, plus the Belt and Road initiative and major affordable housing programmes, would grow the market.

"This presents big opportunities for European softwood," Ms Zhang concluded.

Addressing the impact of climate change on the timber sector, Bart Muys of Leuven

University said Increasingly dry summers put trees under stress, making them more prone to disease and pests, like bark beetle.

Silvio Schueler of the Austrian forestry institute agreed, adding that, whereas previously incidence of the beetle was linked to storm and snow damage and availability of decaying timber, the two had become decoupled. This was attributed to fewer cold winters which had previously cut beetle numbers.

Mr Schneider and Mr Muys said the industry had to look to climate change strategies. These included developing more resilient forests through tree breeding, migration of new species, mixing species and having 'fewer trees on more space'.

Wood – the new concrete

Meanwhile, architects Piet Kerckhof and Janne Vermeulen said, increasing concern about climate change and construction's wider environmental impacts, was steering their profession to design even more in wood.

Mr Kerckhof of Belgian practice Wood Architects, who described engineered wood as the 'new concrete', said that to accelerate the trend to timber building, the wood industry needed to 'motivate the market' and communicate with construction professionals.

"There also needs to be more focus on wood in architect training," he said. "I had about two hours in five years at university."

Netherlands-based Team V Architectuur, for which Ms Vermeulen works, is the practice behind the 73m, 21-storey Haut timber-concrete hybrid tower being built in Amsterdam. She said it remains challenging to convince clients to build such projects in wood, notably due to concerns over acoustic and particularly fire performance. However the environmental benefits were winning over the market and planners. Architects were also increasingly turning to engineered wood for its other advantages; the fact that it's light, quick and quiet to build with, and delivers flexible, energy efficient structures.

"It's also increasingly shown that building with wood is commercially viable and competitive," she said.



Canada Earth Tower

Coordination critical to tropical timber sustainability



Opinion may still differ on the best tool for the job, but there was clear consensus at the Sustainable Tropical Timber Coalition (STTC) Conference of the need for the trade to work together towards 100% verified sustainable tropical timber sourcing. **Mike Jeffree** reports

There's growing recognition of the urgency of accelerating uptake of sustainable forest management (SFM), especially in the tropics. Global warming and environmental degradation are constant media topics and loss of tropical forest and its invaluable climate and wider environmental benefits is a core theme of coverage.

Timber and forestry industries in turn recognise ever more clearly their responsibility to maintain forest cover as a vital resource for mitigating climate change, sustaining biodiversity and livelihoods, as well as a source of renewable, low carbon construction and manufacturing material. Consequently, there are numerous strategies to drive SFM and the sectors' wider environmental performance. The focus of the 2019 STTC Conference in Berlin in November was on aligning different approaches to achieve shared goals.

Titled 'Exploring pathways to verified sustainable tropical timber', the event highlighted broad agreement on the need for the timber industry to collaborate on environmental issues. Perhaps inevitably, it also underlined some differences of opinion on the way forward, notably around the respective roles and value of the EU Forest Law Enforcement Governance and Trade Voluntary Partnership Agreement (FLEGT VPA) legality assurance programme and third-party certification.

The Conference attracted 113 delegates from across Europe and beyond and was co-hosted by STTC-founder IDH-the Sustainable Trade Initiative, German Timber Trade Federation GD Holz and STTC-member the City of Berlin. The organiser was forest and timber sustainability advisor

Opening the Conference, GD Holz Chief Executive and ETTF Secretary General Thomas Goebel stressed the need for the sector to work together to meet its challenges.

"That's the essential role of the ETTF," he said. "To enable the industry to speak with one voice to decision makers on key economic, trade and other topics, notably the environment."

A joined-up approach was especially critical to ensure verified sustainable tropical timber sourcing.

"At the 2019 ITTO and ATIBT Shanghai conference, Together Towards Global Green Supply Chains, speakers addressed pathways to tropical timber sustainability and the outlook was positive," he said.

"But there are areas where we need to coordinate to achieve greater progress. These include improving tropical suppliers' corruption perceptions index ratings. The ETTF would also like to see the EU FLEGT VPA process accelerate and more supplier countries achieve FLEGT licensing stage. We must collaborate on these and other issues to achieve worldwide free trade in legal, sustainable timber products."

IDH Program Manager Nienke Sleurink said the STTC aimed to facilitate industry-wide coordination in growing the verified sustainable tropical timber market. "Its www.europeansttc.com website pools and shares promotional tools and data," she said.



Above: The conference addressed various routes to verified sustainability.
PHOTO: MARK VAN BENTHEM, PROBOS

Delegate participation was central.
PHOTO: MARISKA MASSOP

and analyst Probos.

Presentations addressed the state of the European market for verified sustainable tropical timber, promotion and various legality and sustainability verification approaches and their potential coordination.

There was also a programme of Conversation sessions. Speakers provided overviews of specific topics as an introduction to delegate discussion and exchange; from the impact of certification on landscapes in Indonesia and Peru, to timber tracking tools, FLEGT outcomes in producer countries and market trends from the perspective of a concession holder (for full Conversation session coverage [click here](#)).

"And it's a living document, designed for the industry to develop."

IDH and STTC also unveiled their new report, *Unlocking Sustainable Tropical Timber Market Growth Through Data*. Co-authored by forest and timber sustainability advisors Probos and the Global Timber Forum, the report's rationale is that accurate data is key to informing market development strategy. It reveals wide variation in market share of verified sustainable tropical timber imports between Europe's seven leading consuming countries; from 67.5% in the Netherlands, to 5% in Spain. The average

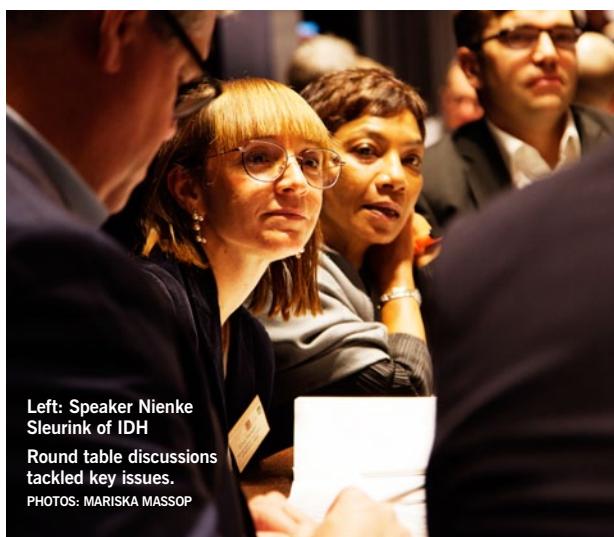
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Coordination critical... continued

is 28.5%, rising to 40% when Indonesian FLEGT-licensed timber is taken into account.

"We also calculate that, if these countries sourced 100% verified sustainable primary tropical timber products, it could positively impact 16 million ha of semi- and natural tropical forests," said Probos's Mark van Benthem, adding that the report identifies potential linkages between FLEGT and certification, with the former acting as a 'stepping stone to sustainability'.

The report concludes by urging all stakeholders to promote use of verified sustainable tropical timber to incentivise SFM uptake. Making market demand for sustainable tropical timber mainstream will take 'intensified European ambition and joint public-private actions', it says, but ultimately can protect tropical forests.



Coordination across forest products

Ms Sleurink focused on coordination on sustainability across wider forest products supply chains, looking at the Produce, Conserve, Include initiative and implementation of Verified Sourcing Areas (VSA) in the state of Mato Grosso, the powerhouse of Brazilian timber, soy, and beef production. "The PCI initiative involves broad stakeholder participation and combines forest protection with support for agriculture, for instance by restoring degraded farmland," said Ms Sleurink.

She added that VSA pilot studies for beef had been carried out and were now being evaluated for timber. She also addressed benchmarking of the Brazilian Sisflora legality and sustainability scheme with the requirements of the EU Timber Regulation (EUTR), FSC and PEFC. This showed that it satisfies many of their criteria.

The theme from David Hopkins, UK Timber Trade Federation Managing Director was FLEGT and Certification – Achieving Mutual Benefit. He said that, with just 6.5% of tropical forest certified, complementary initiatives were needed to drive verified legal and sustainable forest management. FLEGT could one, with its VPA scheme for suppliers meeting many certification criteria.

"FLEGT involves permanent political and legal structural reform, so has a permanence

voluntary certification lacks. It also covers entire countries, raising the baseline for all, on top of which you can add certification," he said. "The key is to get everybody on board the bus for sustainability. We can then improve the bus as we go along."

Jesse Kuijper of the Borneo Initiative took a different view. He maintained that certification, notably FSC, remained the prime engine for driving timber and forest sustainability. "The only bus has left and it's the FSC," he said. "The mandatory approach of FLEGT fails to take into account such aspects as high conservation forests and flora and fauna protection like FSC and it's forcing some companies to leave the forest."

He added that the multi-stakeholder approach of the Borneo Initiative had helped increase FSC certification and controlled wood standard forest coverage in Indonesia to 3 million ha and 2 million ha respectively. The aim was 8 million ha for both by 2030.

Sustainability through procurement

Wilhelm Unnerstall, for the City of Berlin also highlighted the value of the timber sector harnessing specifiers' support in steering the tropical timber market. Berlin used its procurement policy to promote use of verified sustainable timber generally and verified sustainable tropical timber in particular. Its strategy combined ambition

with pragmatism. It had introduced regulations stipulating timber in public projects must be certified under the FSC or PEFC schemes, or their equivalent. "At the same time we worked closely with industry; the certification requirement is for projects of €2000 and above and, if contractors are not certified, they can provide sustainability proof per project," he said. "We also encourage dialogue between actors to develop a long-term cooperative network."

Cooperation was also key to timber sustainability efforts in the Netherlands, said Eric de Munck of timber market development body Centrum Hout. The country's Green Deal initiative had brought together timber suppliers, users, retailers and other stakeholders to make 'sustainable timber the market norm'. More recently, the Hout in de GWW campaign had involved NTTA members in a project with Centrum Hout to increase tropical timber use in civil engineering, promoting its superior LCA performance.

Tropical timber promotion survey

Mr van Benthem also presented a Probos survey of leading European importers to gauge their views on promoting verified sustainable tropical timber.

Conclusions included that each country required a tailored promotion approach. The price differential between certified and uncertified needed tackling too, but the onus was also on the trade to 'take responsibility and insist wood comes from sustainably managed forest'.

Meteorologist Reinier van den Berg of Meteo Group further underlined the urgency of maintaining the tropical forest and its critical role in climate change mitigation. The clock could be turned back, he said, but, in terms of achieving international targets on limiting global warming, it already stood at five past midnight.

Ms Sleurink concluded that the tropical timber sector could rise to the challenges of achieving sustainability. "But we only make the task more complex by sending out divided messages," she said. "Let's make life easier by collaborating."