



EUROPEAN COMMISSION
ENTERPRISE AND INDUSTRY DIRECTORATE-GENERAL

Resources Based, Manufacturing and Consumer Goods Industries
Raw materials, Metals, Minerals and Forest-based industries

Brussels, 19/11/2014
ENTR.F.3

1st meeting of the Expert Group on Forest-based Industries (F-BI) and Sectorally Related Issues:

**21st November 2014, 9:30 – 16:30 hr.s,
Room 12A, 45, Ave. Auderghem; 1040; Brussels**

MINUTES

The list of members that attended the meeting is provided in the annex.

1. Welcome and introductory remarks

Carlo Pettinelli, Director of the future Directorate G in DG GROWTH, opened the meeting and explained the structure of the new Commission. He emphasised the good fit of the former unit ENTR.F.3 "Raw Materials, Metals, Minerals and Forest-based industries" in the new Directorate as it now covers the complete value chain from input materials to end products. He further introduced the new Expert Group (EG) on Forest-based Industries and Sectorally Related Issues (F-BI), the successor of the former Advisory Committee on Forest-based Industries, that plays a vital role in providing professional sectoral advice to the Commission Services. For its part, DG ENTR/GROWTH pursues EU Industrial Policy, including to help industry reach the 2020 aspirational goal of raising manufacturing's share of GDP to 20 per cent.

Mattia Pellegrini, Head of Unit ENTR.F.3, referred to the great potential for the group to help implement the F-BI Blueprint and its Work Programme. He updated on the Juncker Plan and invited Group Members to share ideas for its implementation with DG ENTR, soon to be DG GROWTH. Likewise, he called upon Members to provide advice on how to implement the European Council Conclusions of 4-5th December and invited them to contribute to the cumulative cost assessment (CCA) study for the forest-based industries, which the Commission will undertake in 2015 to evaluate the additional cost of the regulatory burden of specified EU policies on the sector. He stressed that all company cost information provided will be treated confidentially, with only aggregated costs being published. Similarly, workshops to involve Member States and industry will be organised to gain input for a study on the cascading use of wood, which DG ENTR will also launch early in 2015.

Maria de las Flores Diaz Pulido, Deputy Head of Unit ENTR.F.3, explained the purpose of the meeting: to re-establish and confirm sectoral priorities. Moreover, she stressed that the implementation of the Blueprint is not only the Commission's responsibility but also that of Member States and the industry. Thus, she expressed her hope that Members of the EG will be very active.

2. Adoption of the agenda

The agenda, as well as the Expert Group's rules of procedure, were adopted. Moreover, consensus was reached on English as the working language (i.e. no interpretation).

3. Tour de table

The introduction on behalf of DG ENTR was followed by a "tour de table" during which all EG Members briefly introduced themselves and their organisation.

4. Presentation of the draft F-BI Work Programme and discussion of priorities for 2014-2016

4. a. Discussion on the priorities in the F-BI Work Programme for 2014-2016 by activity leader (EC, F-BI, MS), taking into account Juncker's EU investment plan

Ewa Oney and Jeremy Wall (ENTR F.3) presented the EC-led activities of the Work Programme derived from the Blueprint, using a table listing these activities which had been circulated prior to the meeting (see document "F-BI Work Programme 2014-2016"). The main points were:

- Sustainable wood mobilisation
- Study on cascading use of wood (to be launched early in 2015)
- Post-2020 energy and climate framework
- Furniture study (published on 19/11/2014¹)
- Resource and energy efficient measures for wood-processing
- Improvement of forest inventory information on wood availability
- Study on Cumulative Cost Assessment for F-BI (to be launched early in 2015)
- SMEs & micro-enterprises: access to funding
- Sustainability criteria for forest management
- EU Timber Regulation (EU TR)
- Sustainability criteria for subsequent life-cycle phases of wood-based products

Group Members were then invited to flag their most important topics, so as to indicate that those identified in the F-BI Blueprint are still relevant. Wood mobilisation was of high importance to many, both industry representatives (CEPI, EOS, CEPF, EFI, EPF, AEBIOM) and Member States (Finland, Lithuania, Germany). The planned CCA was welcomed, particularly by representatives of the paper and printing industries, the wood-based panels and furniture industries and the forest owners, as well as Germany and Spain. Access to finance for SMEs was of particular interest to the furniture, sawmilling and printing industries, as well as Sweden and Spain. The review of the EU Timber Regulation was marked as a priority by various industry representatives (furniture, sawmilling, paper and printing, forest owners and contractors) as well as Germany with regard to different implementation across the MS. The furniture industry as well as Lithuania emphasised the need to develop next steps after the furniture study, published by the EC on 19/11/2014. The forest owners and EFI emphasised the need for improved forest inventory information and stronger harmonisation.

1

http://ec.europa.eu/enterprise/newsroom/cf/itemdetail.cfm?item_id=7918&lang=en&tpa_id=158&title=Study%2Don%2Dthe%2DEU%2Dfurniture%2Dmarket%2Dsituation%2Dand%2Da%2Dpossible%2Dfurniture%2Dproducts%2Dinitiative%2D

Forest owners also supported Portugal's proposal to distinguish cork more distinctly from wood when further refining the Work Programme². Other topics that were mentioned by the industry representatives as priorities included: the Circular Economy and waste legislation (CEPI); construction and building products (EOS); international relations and particularly relations with China (EOS); education and skills (EFIC, Spain); resource efficiency in wood-processing (Spain); the Climate and Energy framework (EPF; Spain). The cascading use of wood was supported by different F-BI sub-sectors (CEI-Bois, EPF, CEPI and EFIC), as well as Lithuania and Spain. Forest owners, Sweden and Finland drew attention to the additional regulatory burden of potential rules regarding the cascading use of wood. Similar concerns, potentially discriminating wood against other materials, were expressed by industry (CEPI, EPF) and Germany as concerns developing sustainability criteria for subsequent life-cycle phases of wood-based products.

Subsequently, **industry-led activities** were discussed, referring to the list of activities derived from the Blueprint (see document "F-BI Work Programme 2014-2016"). The most important topics were: education, skills and training (IndustriALL, EPF, EFI, INTERGRAF, CEETAR). In the same context, social dialogue and socially responsible restructuring, notably in the graphic paper sector (IndustriALL, CEPI, EPF) were named as priorities. Improving the availability of information on energy and wood prices (CEPI, EPF), as well as seizing the opportunities for the F-BI of the bio-economy were further identified as essential to the sector (IndustriALL, CEPI, Copa-Cogeca). Moreover, trade agreements and trade barriers were debated (CEPI, EPF, CEETAR, EOS, EPF). Other points raised included: sustainable construction and use of wood in buildings (CEI-Bois, EOS), new markets for hardwoods (CEPF), the monitoring of carbon neutrality of biomass (CEPI, EOS), raising awareness and the image of the sector (EPF, Intergraf, CEETAR) and financing sources (FTP).

Moreover, EG members expressed uncertainty on how to use structural **funds** or other European funds for innovation and thus identified the need for further discussion. They also asked for the presentation of the relevant European Innovation Partnerships at the next plenary meeting.

DG ENTR opened the discussion on **Member State-led activities**, with reference to a table listing activities likely to be led by the Member States (see document "F-BI Work Programme 2014-2016"). Various Member States presented their recent activities.

- UK: investment incentives for the construction sector and a policy for the use of more wood in construction were under development. Other items identified were: a need for skills and education as a result of demographic changes; post-consumer recovery of wood-based products; developing forest infrastructures; the use of European Structural and Investment Funds (EISF) for innovation, and analysis of the carbon value of products.
- DE: identified three strategic documents: National Forest Strategy 2020, Action Plan Material Use of Renewable Resources, Policy Strategy for the Bio-Economy. In addition, a market analysis on the use of wood in construction had just been finished;
- LT: investment promotion strategy 2014-2020 - action plan under development; structural funds programme to support industrial symbiosis (recycling of wood) and facilitate sector restructuring; development of regions and SME instruments.

² CEPF also pointed out that forest owners should be included with a separate column in the Work Programme table.

- PL: implementing new regulation on municipal waste (paper); issue of subsidies for burning wood.
- FI: strategic forest programme adopted in 2013 with three pillars: contribution from traditional forest industries, bio-economy, wood construction. Furthermore, wood mobilisation is an important issue.
- SE: National Forest Programme; climate innovation (including forestry) is seen as one of the Prime Minister's priorities and a Strategic Innovation Agenda (incl. forestry and chemical industries) was being developed, with EUR 20 million to develop new products; facilitate regulation for the use of wood in construction in municipalities.
- ES: On 11 July 2014, the Council of Ministers of the Spanish Government adopted the "Industrial Policy Agenda for Spain". It defines ten main initiatives to strengthen the industrial sector and improve industrial competitiveness. Many of them give support to the activities from the F-BI Blueprint.
- Member States who have not contributed yet are invited to do so, especially by sending the summary table, which had been circulated before the meeting, duly completed.

4. b. Information on the most critical EU legislation and initiatives to monitor for 2014-16

After discussing the activities from the Work Programme, EG members were asked to flag the **most important pieces of legislation and initiatives from outside DG ENTR's own activities**. In addition to the ones already discussed, special emphasis was put on: public procurement rules and green products; the Digital Agenda; the revision of the VAT regulation and its effect on books; the impact of funding from the ESIF on the relocation of production; the Ecolabel-related printed products; and the Juncker Plan. DG ENTR stressed the need to focus on those topics where the EG can make a contribution and where clear next steps can be derived, as well as the importance of common statements by F-BI stakeholders to gain more leverage. EG members were invited to send ideas on concrete steps in the respective fields to DG ENTR and to signal if there are topics that need to be discussed.

4.c. Selection and set-up of the first set of sub-groups (i.e. ad-hoc working groups)

After the Work Programme and sectoral priorities were discussed, possible **topics for sub-groups** of the EG were brought forward. DG ENTR emphasised that a sub-group needs to tackle a field where interest is broad across the F-BI and contributions to EU policies can be realised. It was recalled that deliverables from the EG would normally be adopted by the plenary, usually in the form of a report. CEPI proposed to use the EG as a platform to build a network of people in charge of trade matters in the Member States. As concerns the bio-economy, the need to avoid duplication and overlaps was stressed, as there are already many fora working on the bio-economy. CEPI proposed to share after the meeting the results of the mapping of existing initiatives in this field with the other EG members and invited them to contribute to it. Proposals for sub-groups will be circulated (see below for further details) and a decision will be taken during the next plenary meeting on the creation of a limited number of sub-groups with clear timelines, work plans and deliverables.

4.d. Conclusions on the draft F-BI Work Programme

In the **conclusions of the discussion on the Work Programme**, DG ENTR summarised the next steps and action areas for the EG. At a future meeting, the European Innovation Partnership on Raw Materials and Horizon 2020, including Societal Challenge 5 that deals with raw materials, will be presented to the Group. Colleagues from DG Environment and DG Trade will be invited to discuss the revision of the EU Timber Regulation and trade issues respectively. As DG ENTR is not "chef de file" for all sector-relevant files, information from the EG will be shared with other DGs. The approach that the EG shall not duplicate the work of different DGs was re-emphasised. Moreover, it was stressed that further information and data sharing is needed. It is agreed to keep the studies on the cascading use of wood and CCA under a future agenda item, so as to de-brief the EG on their new developments. Wood mobilisation, access to finance, and as well as skills, shall also be discussed in the next meetings.

Follow-up actions to the meeting were identified as follows:

- For the creation of the sub-groups, non-papers according to the template drafted by DG ENTR (see annex) will be circulated before the next plenary meeting. DG ENTR will provide some proposals, possible topics include: wood mobilisation; the development of new strategies for F-BI recovery, in particular for SMEs; and forest-based carbon. EFIC suggested a proposal for a furniture sub-group, CEPI a sub-group on wood and energy prices and a sub-group on trade, while UEA proposed a sub-group on the EU Timber Regulation.
- MS which have not already done so are strongly encouraged to submit summary tables on their national activities, including, where relevant, national F-BI strategies. (See annex).
- DG ENTR also invites EG Members to send to DG ENTR ideas on how to tackle critical files that were mentioned during the meeting and items for discussion for the next meeting. Moreover, EG Members were asked to identify relevant F-BI regions, which could develop ideas on how to combine regional and R&D funds for industrial matters and contribute to developing a F-BI regional network. Contacts are to be sent to DG ENTR.
- Finally, any additional information discussed during the meeting, e.g. on ongoing studies, such as a JRC study on carbon storage in harvested wood products for the EU 28, can be sent to DG ENTR to compile and distribute to EG Members.
- Finland and the UK will present their national strategies for the competitiveness of the forest-based industries at the next EG meeting (15 minutes).
- CEPI will share their mapping of existing initiatives on the bio-economy.

5. A.O.B.

The next plenary meeting of the EG will be scheduled for the first half 2015. The agenda will be sent out at least four weeks before the meeting, so Member States representatives can discuss topics with the relevant domestic ministries.



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Sectorally Related Issues:**

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DRAFT AGENDA

1. Welcome and introductory remarks
2. Adoption of the agenda
3. Tour de table
4. Presentation of the draft F-BI Work Programme and discussion of priorities for 2014-2016:
 - a. discussion on the priorities in the F-BI Work Programme for 2014-2016 by activity leader (EC, F-BI, MS), taking into account Juncker's EU investment plan;
 - b. information on the most critical EU legislation and initiatives to monitor for 2014-16;
 - c. selection and set-up of the first set of sub-groups (i.e. ad-hoc working groups);
 - d. conclusions on the draft F-BI Work Programme.
5. A.O.B.
6. Closing remarks

The lunch break is foreseen for 13:00-14:30.

Interpretation: EN/FR/DE



LIST OF PARTICIPANTS

First meeting of the Expert Group on Forest-based Industries and Sectorally Related Issues

21st November, 2014 / 9h30 – 16h30

Av. D'Auderghem 45, Brussels / Brey

Member States

1	Michael Wolf	Austria	Attaché, Permanent Rep. of Austria to the EU
2	Martin KARFUS	Czech Republic	Specialist, Ministry of Industry and Trade
3	Jean-Marie LEJEUNE	France	Deputy Head of Office, General Directorate for Agricultural, Agrifood and Regional Policies, Service for Forest, Ministry of Agriculture
4	Dr Matthias DIETER	Germany	Head of Institute, Thünen Institute for International Forestry and Forest Economics
5	Dr Denny OHNESORGE	Germany	Secretary General, German Wood Council
6	Maria J. RODRIGUEZ DE SANCHO	Spain	Adviser, Directorate General Industry and SME, Ministry of Industry, Energy and Tourism
7	Stefania STACCHIOTTI	Italy	Policy for Agroindustry, Ministry of Economic Development
8	Vaidas GRICIUS	Lithuania	Head Industry Policy Division, Industry and Trade Dep. Ministry of Economy
9	Krzysztof ZARĘBA	Poland	Head of Unit, Innovation and Industry Department, Ministry of Economy
10	Andrzej SAMBORSKI	Poland	Expert, Ministry of Economy
11	Ana COSTA PAULA	Portugal	Senior Official, Directorate General of Economic Activities, Ministry of Economy
12	Liviu FETIC	Romania	Public Manager, General Division for Industrial Policies, Competitiveness and European Affairs, Ministry of Economy
13	Miha HUMAR	Slovenia	Head of the Dep. of Wood, Science & Technology, University of Ljubljana
14	Reima SUTINEN	Finland	Ministerial Adviser, Ministry of Employment and the Economy, Strategic Programme for the Forest Sector

15	Sergio LOPEZ	Spain	Ministry of Energy
16	Per STAGNELL	Sweden	Head of Section, Ministry of Enterprise, Energy and Communication
17	Andy LEITCH	UK	Timber Development Policy Advisor, FC Scotland

Industry

18	Bert KATTENBROEK	European Confederation of Woodworking Industries (CEI-Bois)	Secretary General
19	Frederic LAUWERT	European Confederation of Woodworking Industries (CEI-Bois)	Legal Adviser
20	Kimmo JÄRVINEN	European Organisation of the Sawmill Industry (EOS-OES)	Secretary General
21	Silvia MELEGARI	European Panel Federation (EPF)	Environment & Research Adviser
22	Ladislaus DOERY	European Panel Federation (EPF)	President
23	Jan KURTH	European Furniture Industries' Confederation (EFIC)	Member of the Board
24	Roberta DESSÌ	European Furniture Industries' Confederation (EFIC)	Secretary General
25	Bart DE TRUCK	European Furniture Manufactures' Federation(UEA)	Secretary General
26	Marco MENSINK (replaced for part of the meeting by Ulrich LEBERLE)	Confederation of European Paper Industries (CEPI)	Director General
27	Bernard LOMBARD	Confederation of European Paper Industries (CEPI)	Industrial Policy Director
28	Krassimira KAZASHKA	International Confederation of paper and Board Converters in Europe (CITPA)	Policy Adviser
29	Maja DRČA	The Alliance for Beverage Cartons and the Environment (ACE AISBL)	Policy and Communication Assistant
30	Beatrice KLOSE	European Federation for Print and Digital Communication (INTERGRAF)	Secretary General

Sectorally related organisations

31	Laura HOULGATTE	Federation of European Publishers (FEP)	Policy Adviser
32	Dr Aljoscha REQUARDT	Confédération Européenne des Propriétaires Forestiers (CEPF)	Secretary - General
33	Piotr BORKOWSKI	European State Forest Association (EUSTAFOR)	Executive Director
34	Eric DRÉSIN	European Organisation of Agricultural and Rural Contractors (CEETAR)	Director
35	Yngve DAOSON	European Federation of Building and Woodworkers (EFBWW)	Political Advisor
36	Björn KARLSSON	Union of European Foresters (UEF)	Treasurer
37	Peter SCHULD	IndustriALL	Vice Chairman of the European Sectoral Social Dialogue Committee Paper
38	Corina ZIEROLD	IndustriALL	Policy Advisor
39	Linde ZUIDEMA	FERN	Bioenergy Policy Officer
40	Jean-Marc JOSSART	European Biomass Association (AEBIOM)	Secretary General
41	Johan ELVNERT	The Forest-based Sector Technology Platform (FTP)	Managing Director of the Forest-based Sector ETP
42	Harald MAUSER	European Forest Institute (EFI)	Liaison Officer

Observers

43	Oana NEAGU	Copa - Cogega	Policy advisor
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Commission

44	Carlo PETTINELLI	Commission	Director, DG Enterprise; Industrial Policy & Economic Analysis
45	Mattia PELLEGRINI	Commission	Head of Unit, DG Enterprise; Raw Materials, Metals, Minerals and

			Forest-based Industries
46	Flor DIAZ PULIDO	Commission	Deputy Head of Unit, DG Enterprise; Raw Materials, Metals, Minerals and Forest-based Industries
47	Ewa ONEY	Commission	Policy Officer, DG Enterprise
48	Michal SPIECHOWICZ	Commission	Policy Officer, DG Enterprise
49	Danny SCHEERLINCK	Commission	Policy Officer, DG Employment
50	Ernst SCHULTE	Commission	Head of Sector, DG Environment
51	Steve SMITH	Commission	Policy Officer, DG Agriculture
52	Stephanie TITZCK	Commission	Trainee, DG Enterprise
53	Pasquale DI RUBBO	Commission	Plant Health Officer, DG Health and Consumers
54	Jeremy WALL	Commission	Policy Officer, DG Enterprise