

After the European elections: the EU's changing landscape – impact on the wood sector


FEFPEB Congress, Ostend, Belgium, 27 September 2024

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Group	↕ Seats ↕	+/- ↕	
European People's Party Group	188	+1	
Progressive Alliance of Socialists and Democrats	136	-12	
Patriots for Europe	84	+8	
European Conservatives and Reformists	78	+16	
Renew Europe	77	-20	
Greens–European Free Alliance	53	-14	
The Left in the European Parliament – GUE/NGL	46	+6	
Europe of Sovereign Nations	25	New	
Non-Inscrits	33	-24	
Total	720	+15^[w]	
Source: Elections official website (as of 11 July, 8:54 GMT+2) ^[197]			

KEY COMMITTEES AND THEIR CHAIRS

Environment



Antonio Decaro
Italy – S&D

Agriculture



Veronika Vrecionová
Czech - ECR

ITRE



Borys Budka
Poland - EPP

“Europe faces a housing crisis, with people of all ages and families of all sizes affected. Prices and rents are soaring. People are struggling to find affordable homes. This is why, for the first time, I will appoint a Commissioner with direct responsibility for housing”.

Ursula von der Leyen
EU Commission President
July 2024



New UK government to build 1.5 million homes





New Commission = new language

OUT

‘New green jobs’

‘Tackle climate change’

IN

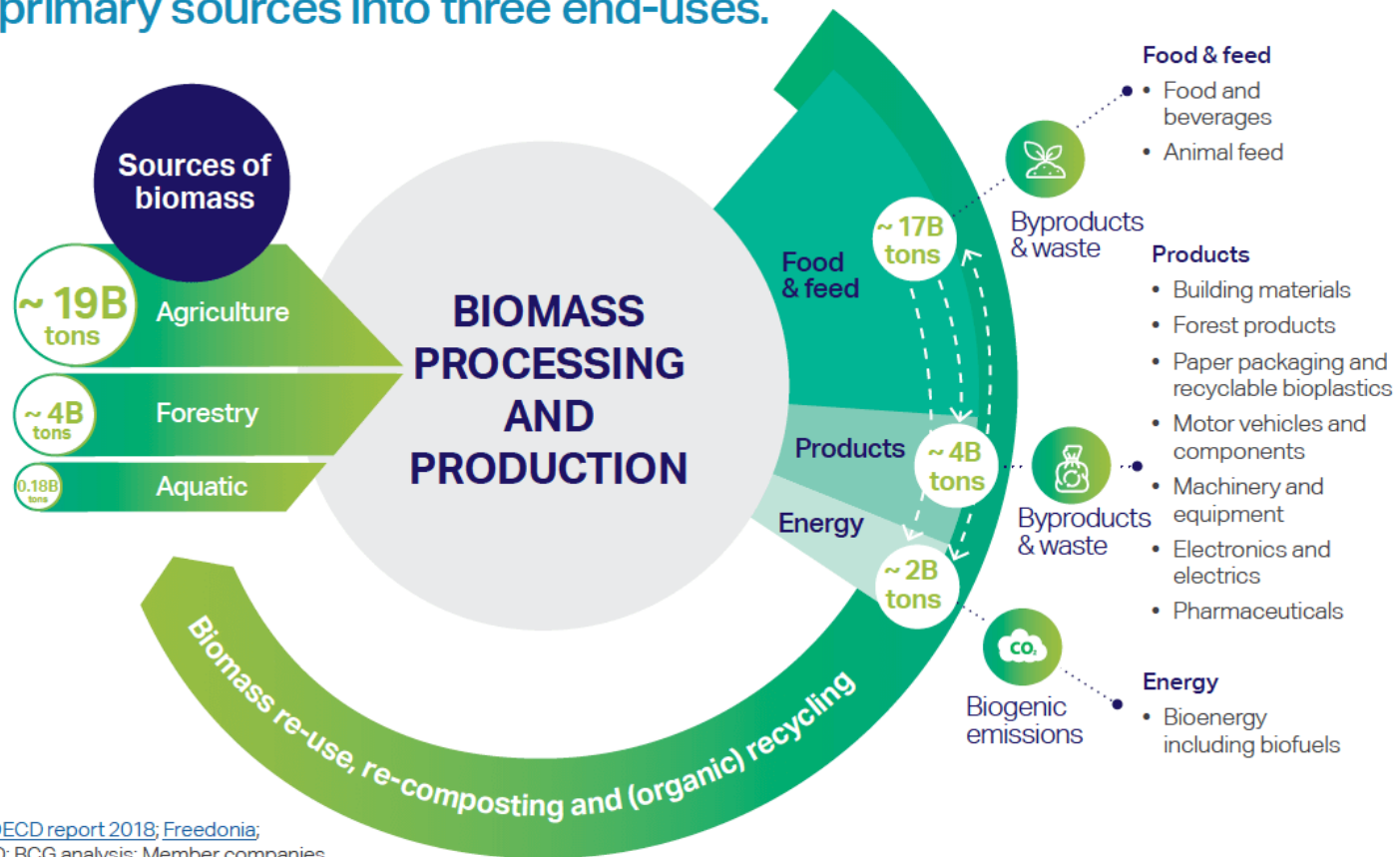
‘Decarbonisation as a source of growth’

‘Clean, just and competitive transition’

Context

THE CIRCULAR BIOECONOMY

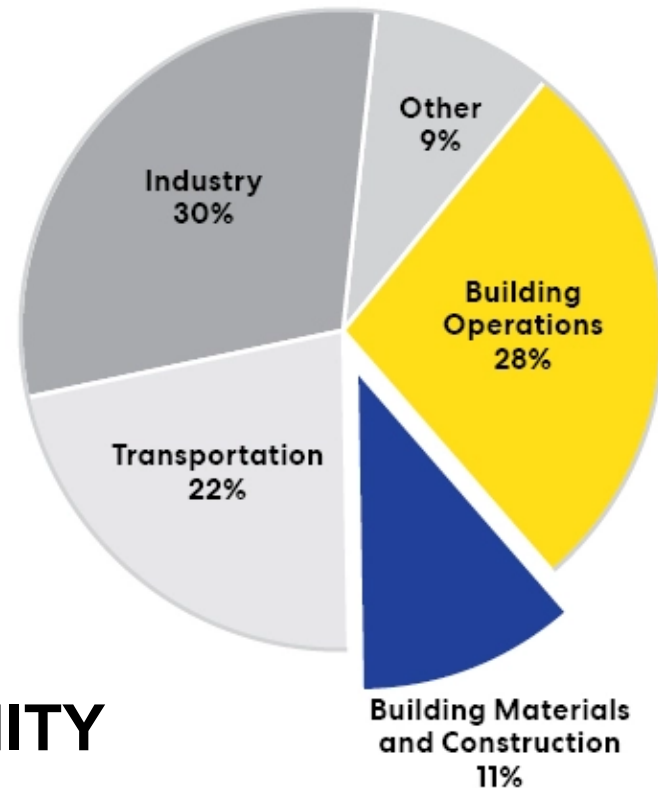
Biomass, the foundation of the bioeconomy, flows from three primary sources into three end-uses.



Source: Eurostat; OECD report 2018; Freedonia;
WU Vienna; WBCSD; BCG analysis; Member companies.

THIS IS THE PROBLEM

Global CO₂ Emissions by Sector:
Image adapted from Architecture 2030



THIS IS ALSO THE OPPORTUNITY

Context cont.

- **Positive - following Paris the Net Zero 2050 target**
- **Positive - there will be a new 2040 sub target of 90%**
- **Positive - renovation target 1.9 million buildings**
- **Positive - lower carbon footprint for new buildings**
- **Positive - continuation of the New European Bauhaus**
- **Problem - European Deforestation Regulation**
- **Problem - ‘Keep the trees in the forest’ voices**
- **Challenge - ‘Is there enough sustainable wood?’**

Context cont.

- **Positive - following Paris the Net Zero 2050 target**



Context cont.

- **Positive - there will be a new 2040 sub target of 90%**



The screenshot shows the European Commission website. The top navigation bar includes the European Commission logo, a language selector set to 'EN', and a search bar. Below this is a blue header for 'Climate Action' with a menu containing 'Home', 'About us', 'Climate change', 'EU Action', 'Citizens', 'News & Your Voice', and 'Funding opportunities'. The breadcrumb trail reads: Home > EU Action > Climate strategies & targets > 2040 climate target.

2040 climate target

Reducing net emissions by 90% by 2040

PAGE CONTENTS

- Next steps
- Documents

In February 2024, the European Commission presented its assessment for a 2040 climate target for the EU. The Commission recommended reducing the EU's net greenhouse gas emissions by 90% by 2040 relative to 1990.

The 2040 climate target will reaffirm the EU's determination to tackle climate change and will shape our path after 2030, to ensure the EU reaches climate neutrality by 2050. The climate neutrality objective is at the heart of the [European Green Deal](#), and is a legally binding objective set out in the [European Climate Law](#).

The EU's [2030 climate target](#) is to reduce net greenhouse gas emissions by at least 55% relative to 1990. The 2040 climate target is our next intermediate step on the path to climate neutrality.

Context cont.

- **Positive - renovation target 1.9 million buildings**



Context cont.

- **Positive - lower carbon footprint for new buildings**

BRIEFING

EU Legislation in Progress



Revision of the Energy Performance of Buildings Directive

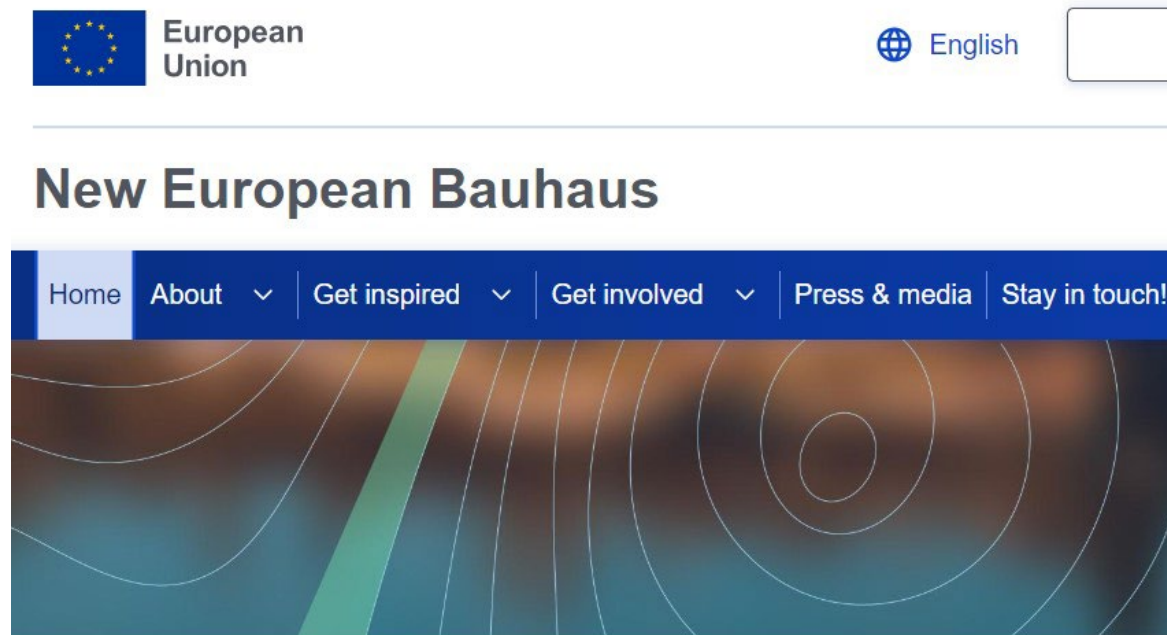
OVERVIEW

On 15 December 2021, the European Commission proposed a major revision (recast) of the Energy Performance of Buildings Directive (EPBD), as part of the 'fit for 55' package. The proposal aimed to accelerate building renovation rates, reduce GHG emissions and energy consumption, and promote the uptake of renewable energy in buildings.

In the Parliament, the file was referred to the Committee on Industry, Research and Energy (ITRE), which appointed Ciarán Cuffe (Greens/EFA, Ireland) as its rapporteur. The Parliament adopted its position, based on the ITRE committee's report, at its plenary session on 14 March 2023. The Council had agreed on its general approach (negotiating position) on 25 October 2022. Parliament and Council reached a provisional agreement on 7 December 2023. The final act was signed on 24 April and published in the *Official Journal of the EU* on 8 May 2024. It entered into force on 28 May 2024.

Context cont.

- **Positive - continuation of the New European Bauhaus**



beautiful | sustainable | together

Context cont.

- **Problem - European Deforestation Regulation (EUDR)**



Context cont.

- **Problem – ‘Keep the trees in the forest’ voices**







Context cont.

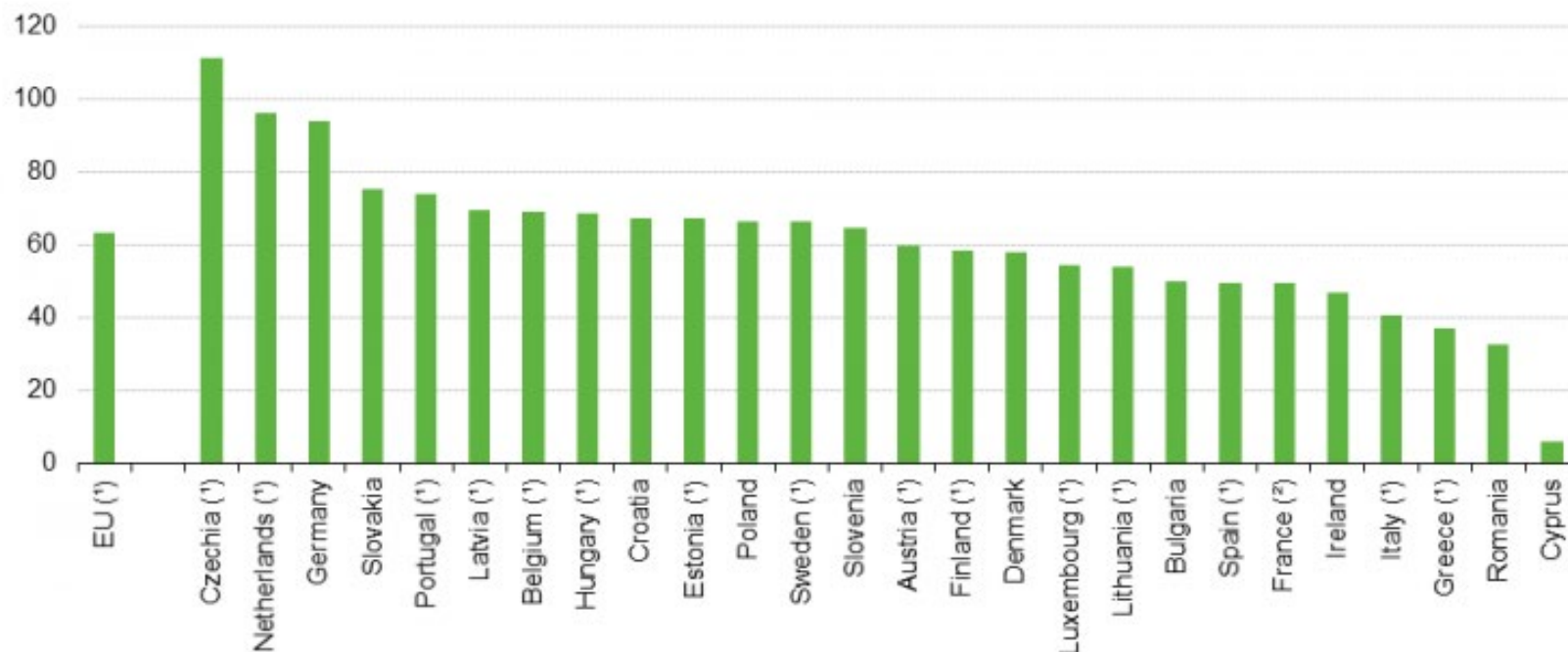
- **Challenge – ‘Is there enough sustainable wood?’**

Yes, but it is a long explanation!

Deep breath ...

Share of removals to net increment in EU forests, 2019

(%)



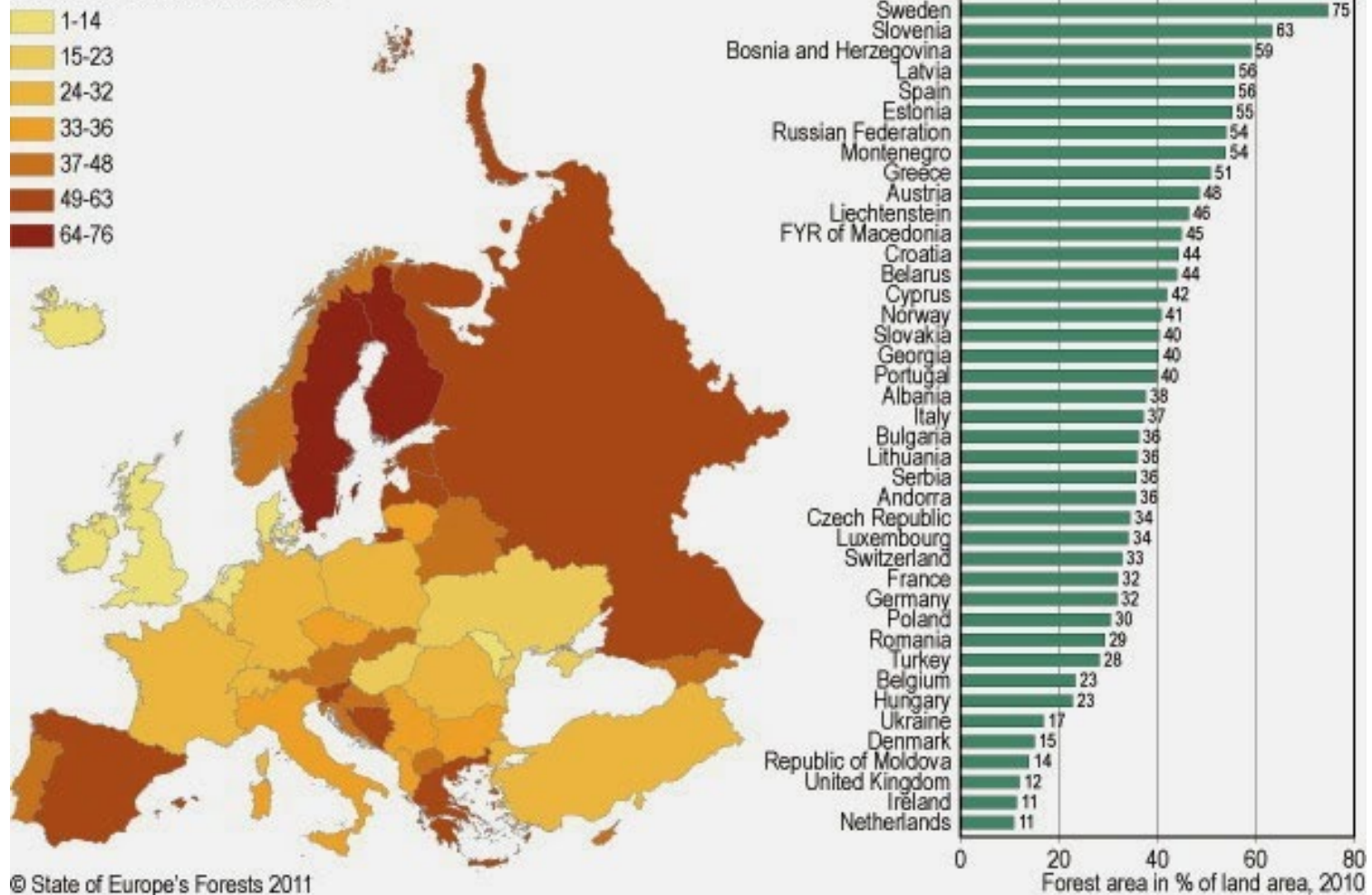
(*) Data are estimates.

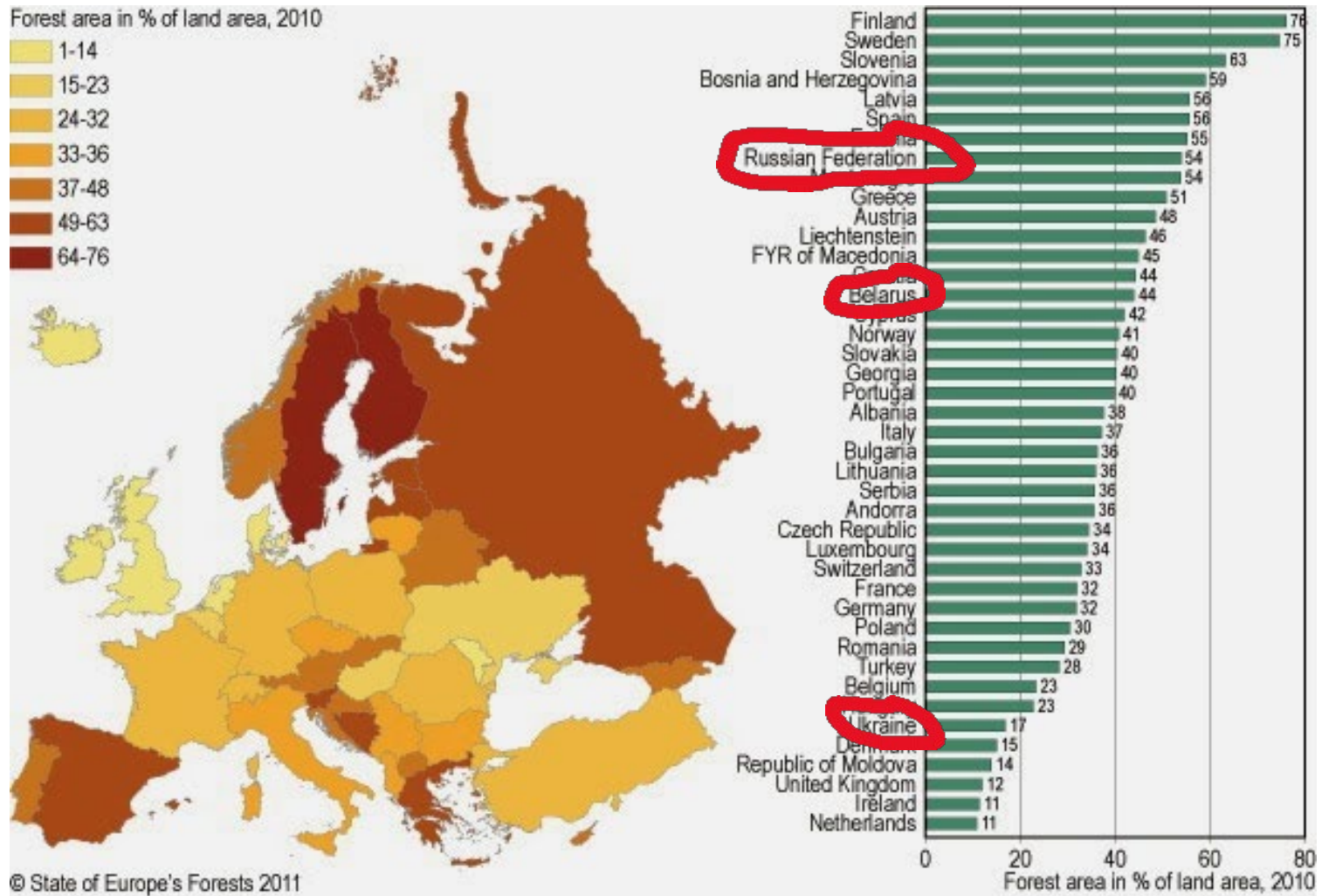
(²) Data refer to metropolitan France and only forest available for wood supply.

Note: Increment refers to the volume of wood grown less average annual mortality. Removals are measured overbark.

Malta: not available.

Forest area in % of land area, 2010



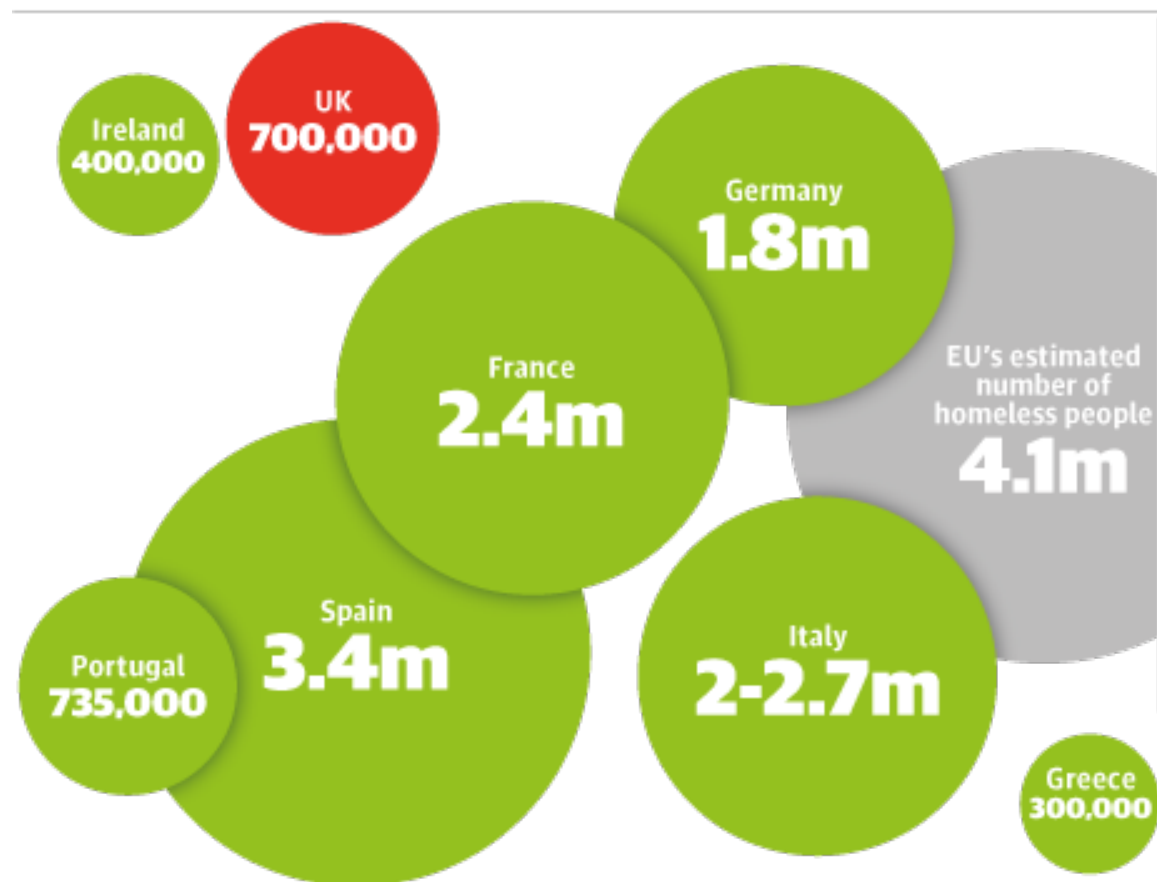




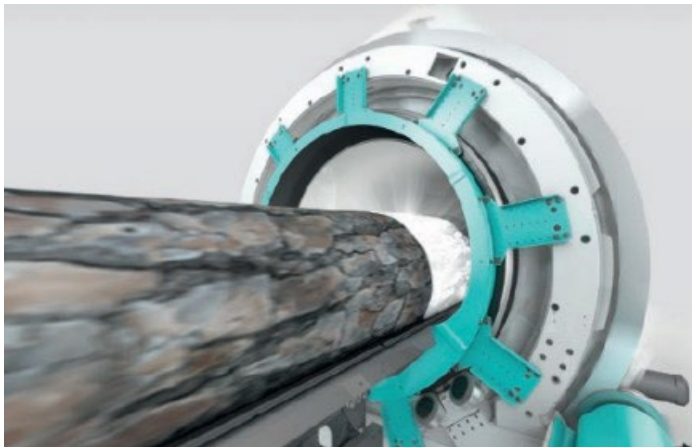
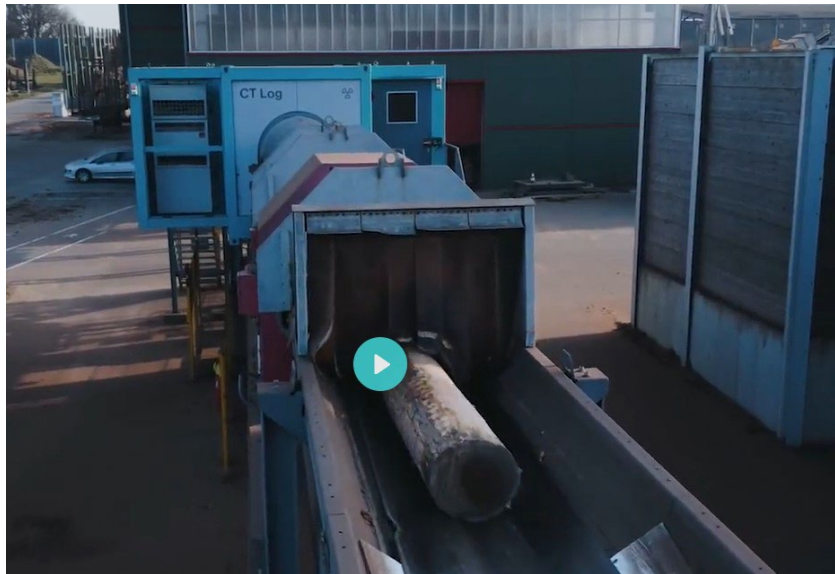




Number of empty properties across Europe



SOURCES: UK: LEA DATA COLLATED BY THE EMPTY HOMES CAMPAIGN. SPAIN: 2011 CENSUS. FRANCE: INSEE GOVERNMENT RESEARCH BUREAU 2012. GERMANY: 2011 CENSUS. ITALY: ITALIAN STATISTIC INSTITUTE ESTIMATED 2.7M IN 2011. UNION CGIL ESTIMATED 2M IN 2012. PORTUGAL: 2011 CENSUS. IRELAND: IRISH NATIONAL INSTITUTE OF REGIONAL AND SPATIAL ANALYSIS (NIRSA) 2012. GREECE: HELLENIC PROPERTY FEDERATION (POMIDA) ESTIMATE 2012









- Closer to the Net Annual Increment
- Plant more forests
- Russia, Belarus & Ukraine
- Grow trees on farms – agroforestry
- Reduce demolition
- Use empty buildings
- Optimise every log
- Deploy material efficiency
- Recycle more wood
- Increase opportunities to up-cycle
- Build on top – ‘Optoppen’



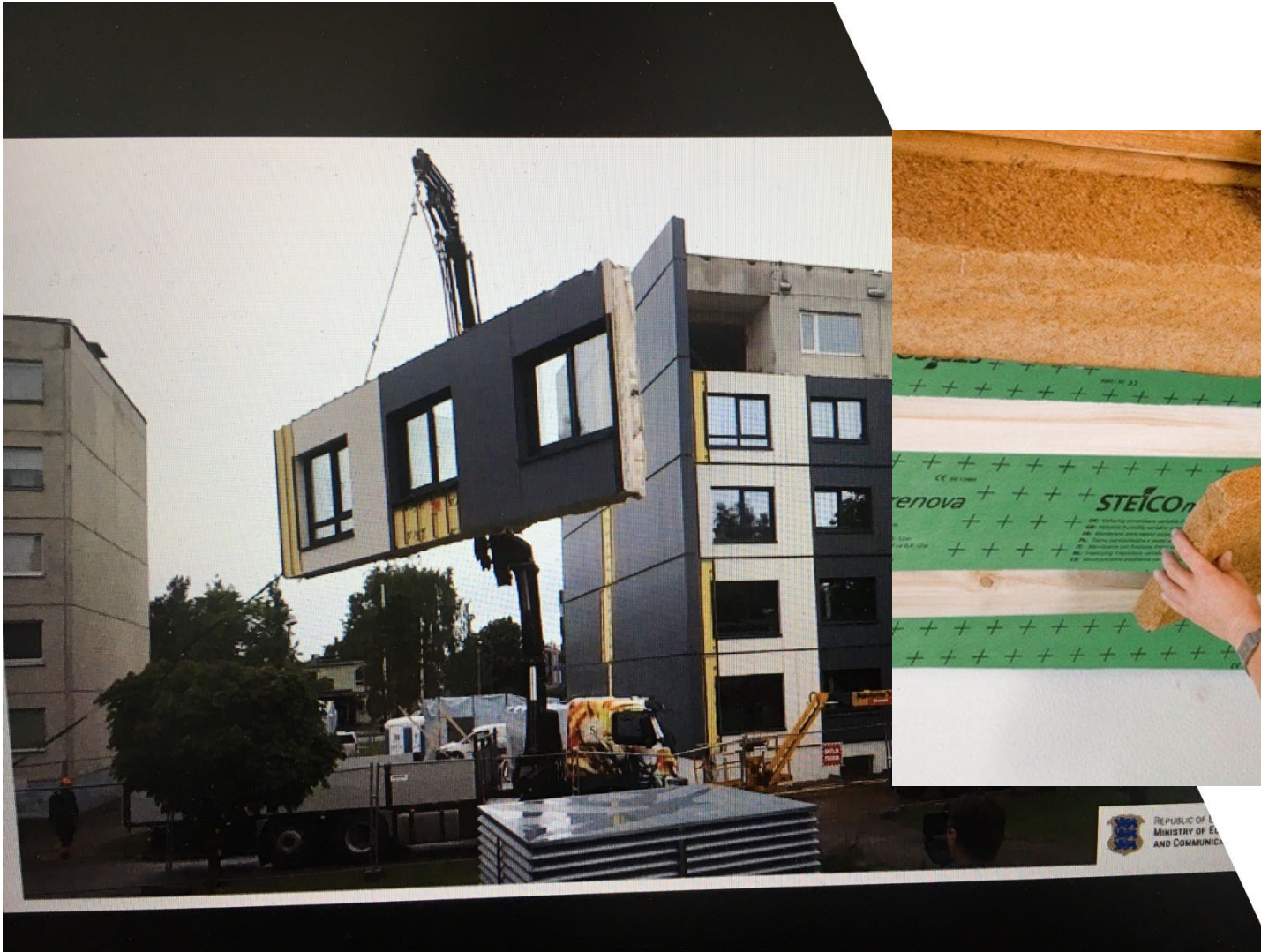












WHICH IS THE BIGGER FUTURE MARKET FOR WOOD?





OPPORTUNITY: STORED CARBON MONETIZATION



Folkhem

Våra bostäder ▾

Bostäder till salu

Genomförda projekt

Att köpa nyproduktion

Skogsvaktaren



Conclusion:

- **Sequestration**
- **Substitution**
- **Storage**

