



European
Parquet
Federation



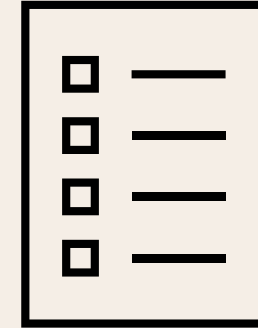
International Hardwood Conference

Lyon – 28 October 2022

Lorenzo Onofri, FEP Chairman

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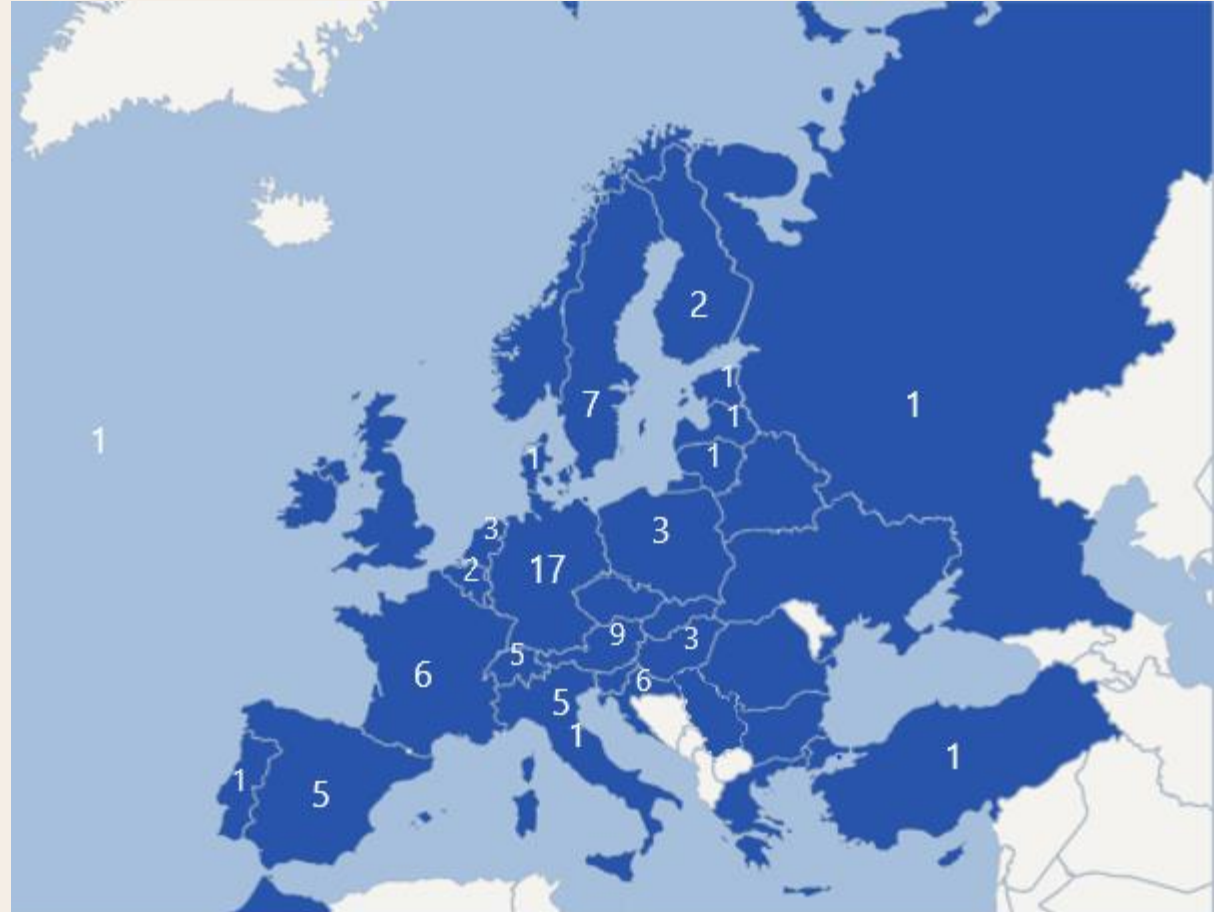
What's FEP

- European Parquet Federation
- Created in 1956
- Main body representing and defending the interests of the European parquet industry at all relevant levels
 - To strengthen and improve the position of wood flooring
 - To enhance growth, prosperity and stature of European parquet manufacturers
- The activities of FEP are situated in the areas of raw material supply, production, market and internal affairs



What's FEP

- 82 members
 - 51 manufacturers
 - 8 national federations
 - 23 suppliers
- In 22 countries



European parquet market

- Results 2021
- First trends for 2022 & beyond



Results 2021

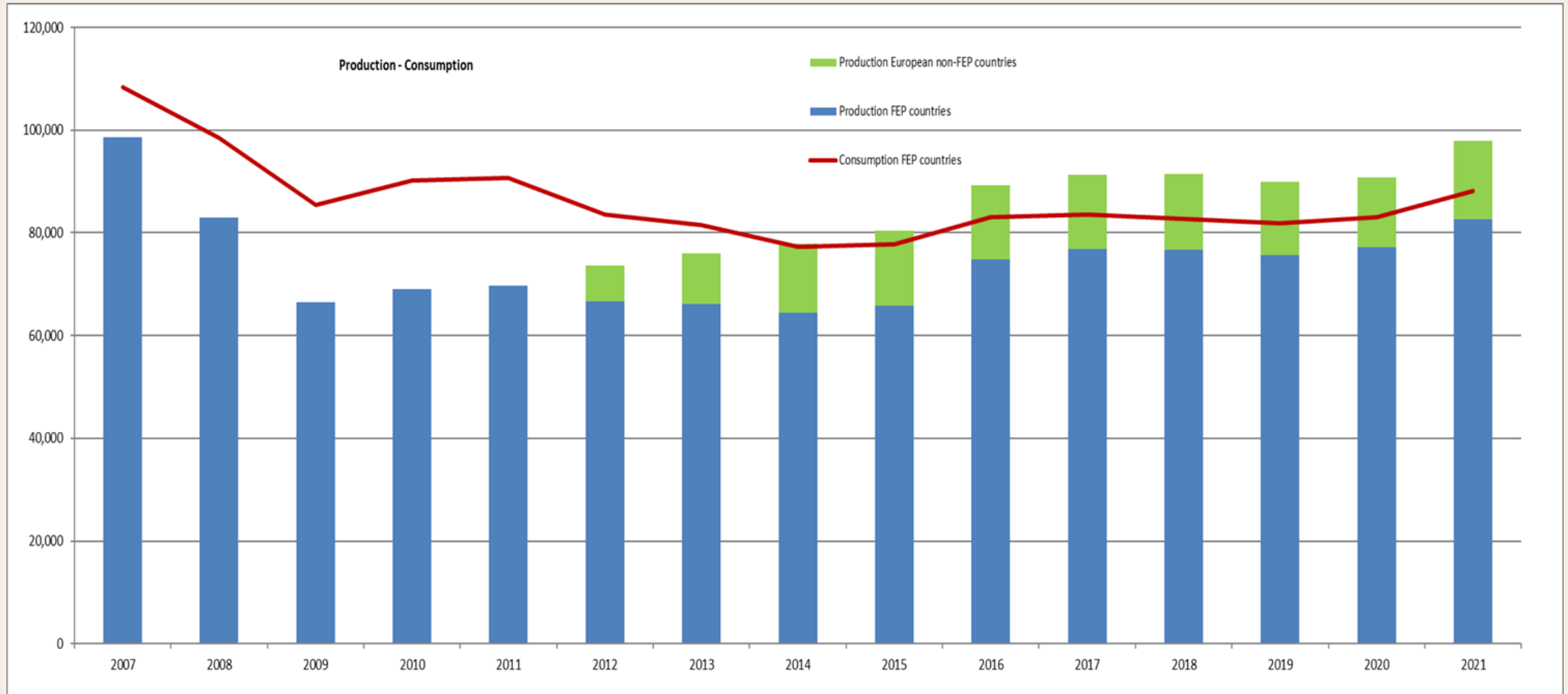
Production 2021 → level not seen since the start of the financial crisis

- FEP 82.624.000 m² (+6.9%)
- Non-FEP countries in Europe 15.300.000 m²
- Total 97.924.000 m² (+7.9%)

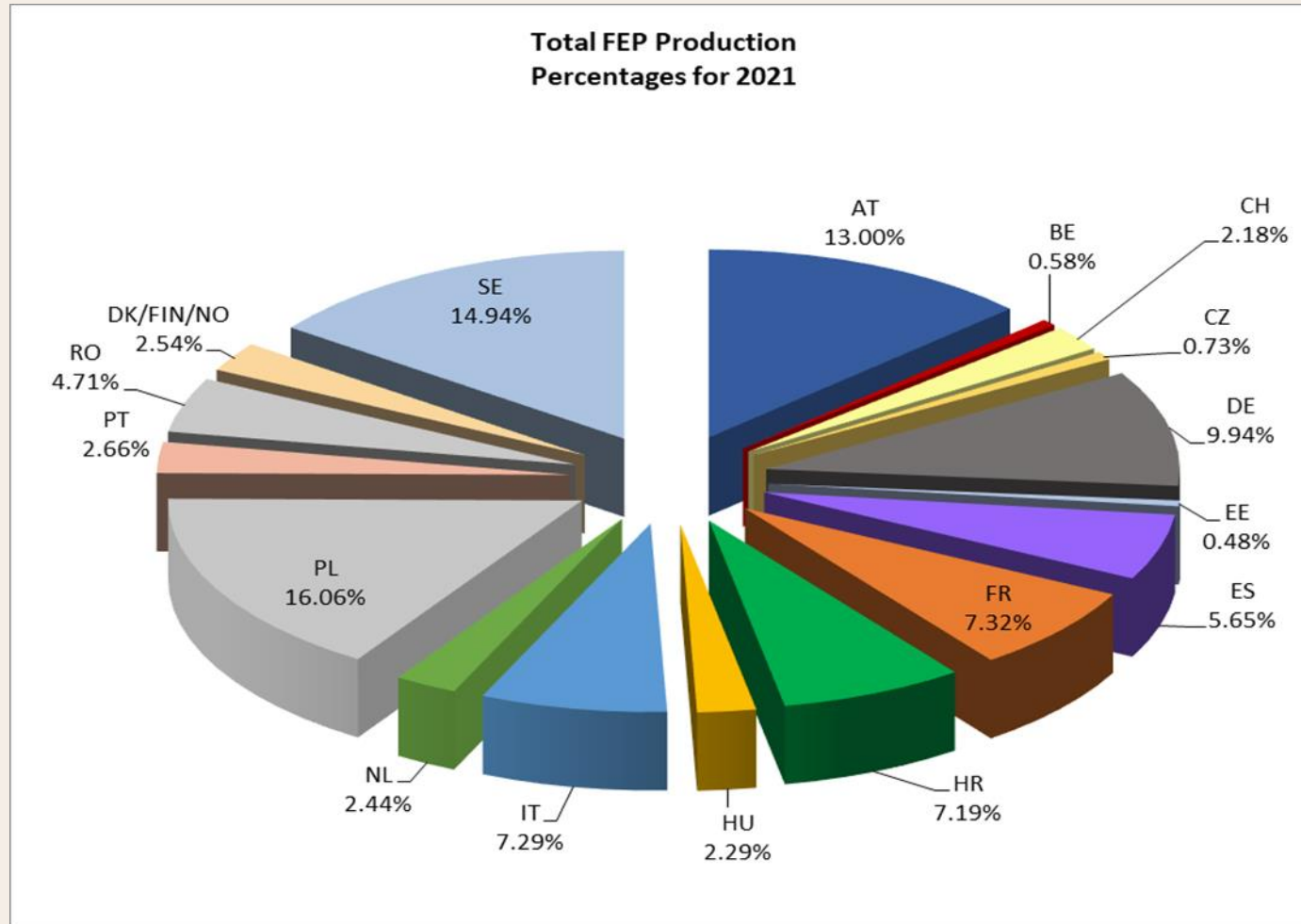
Consumption 2021 → level not seen for 10 years

- FEP 88.155.000 m² (+6.2%)

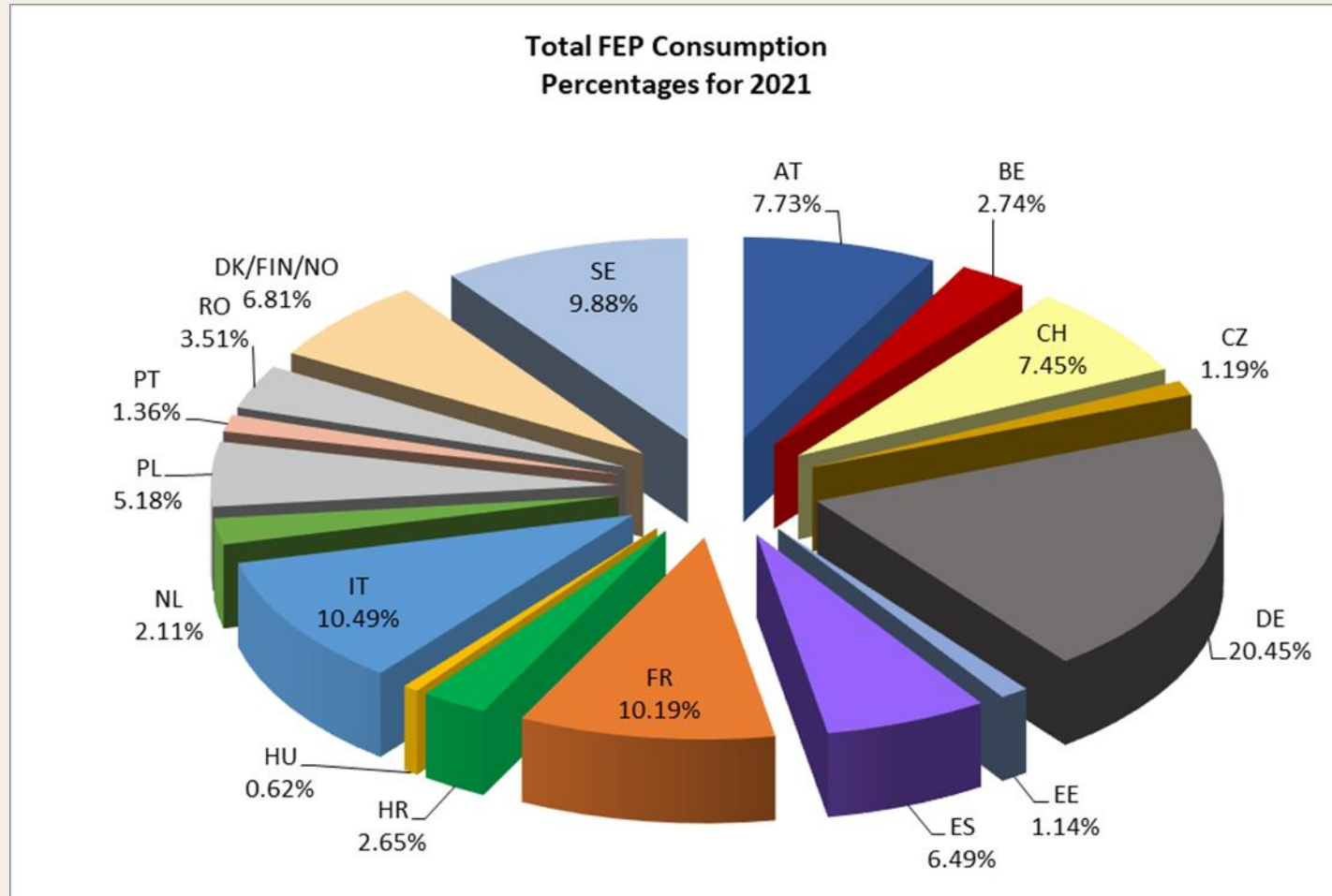
Results 2021



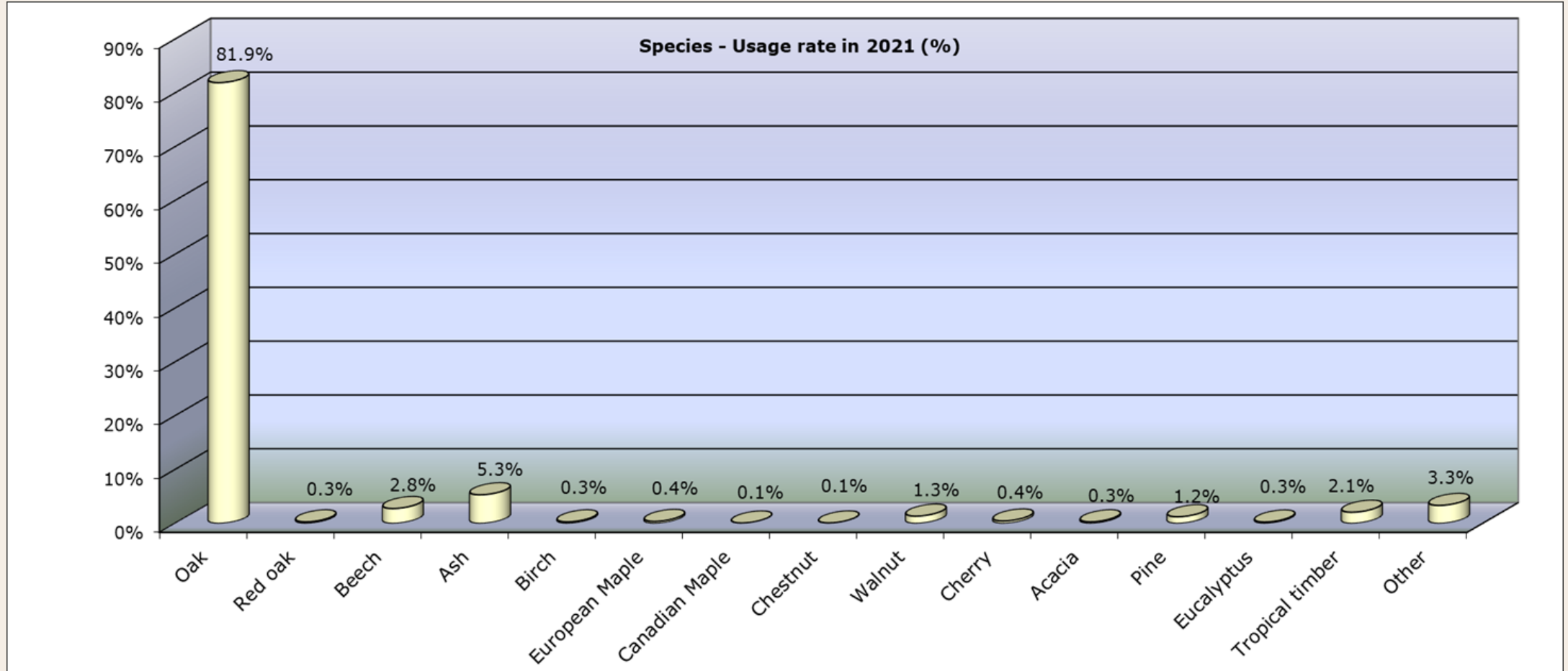
Results 2021



Results 2021

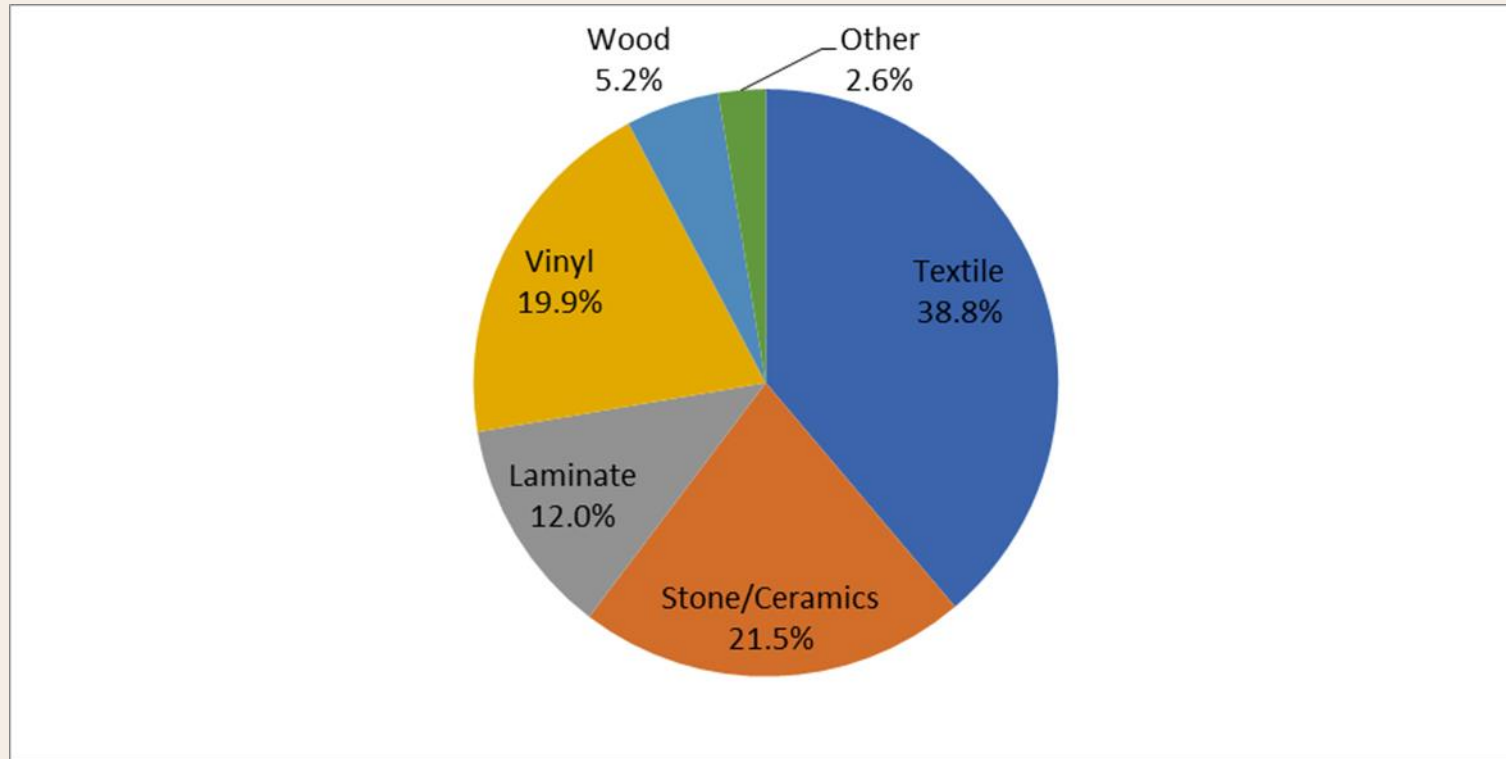


Results 2021



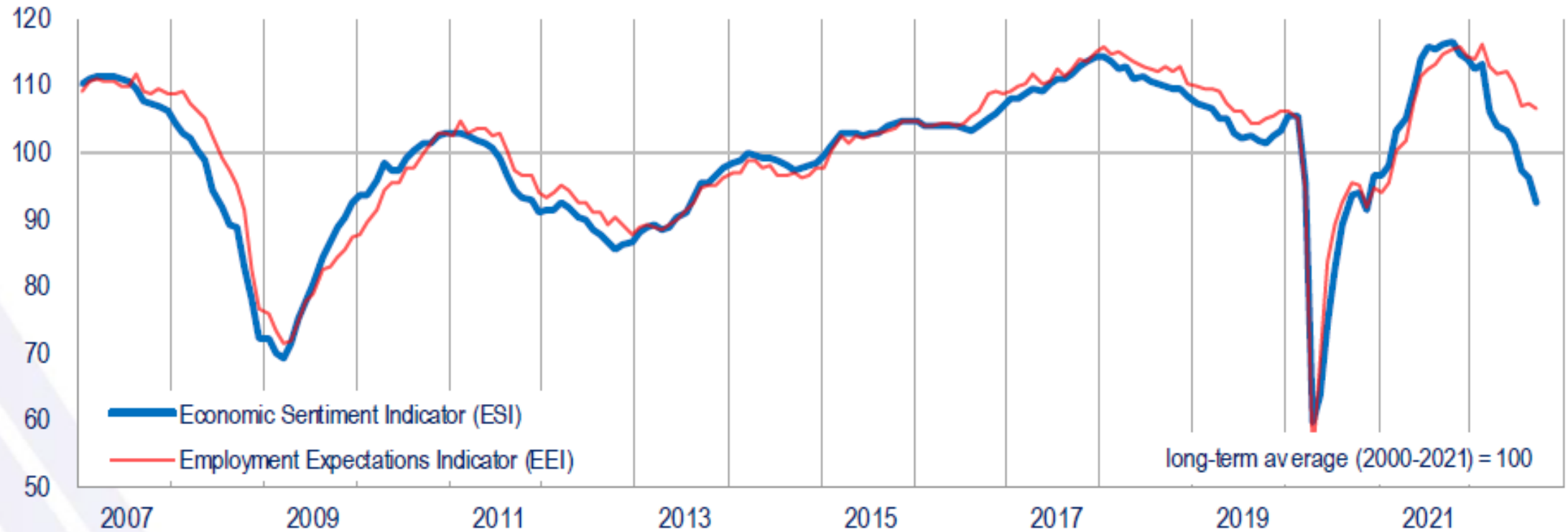
Results 2021

- Flooring products - Market shares 2021



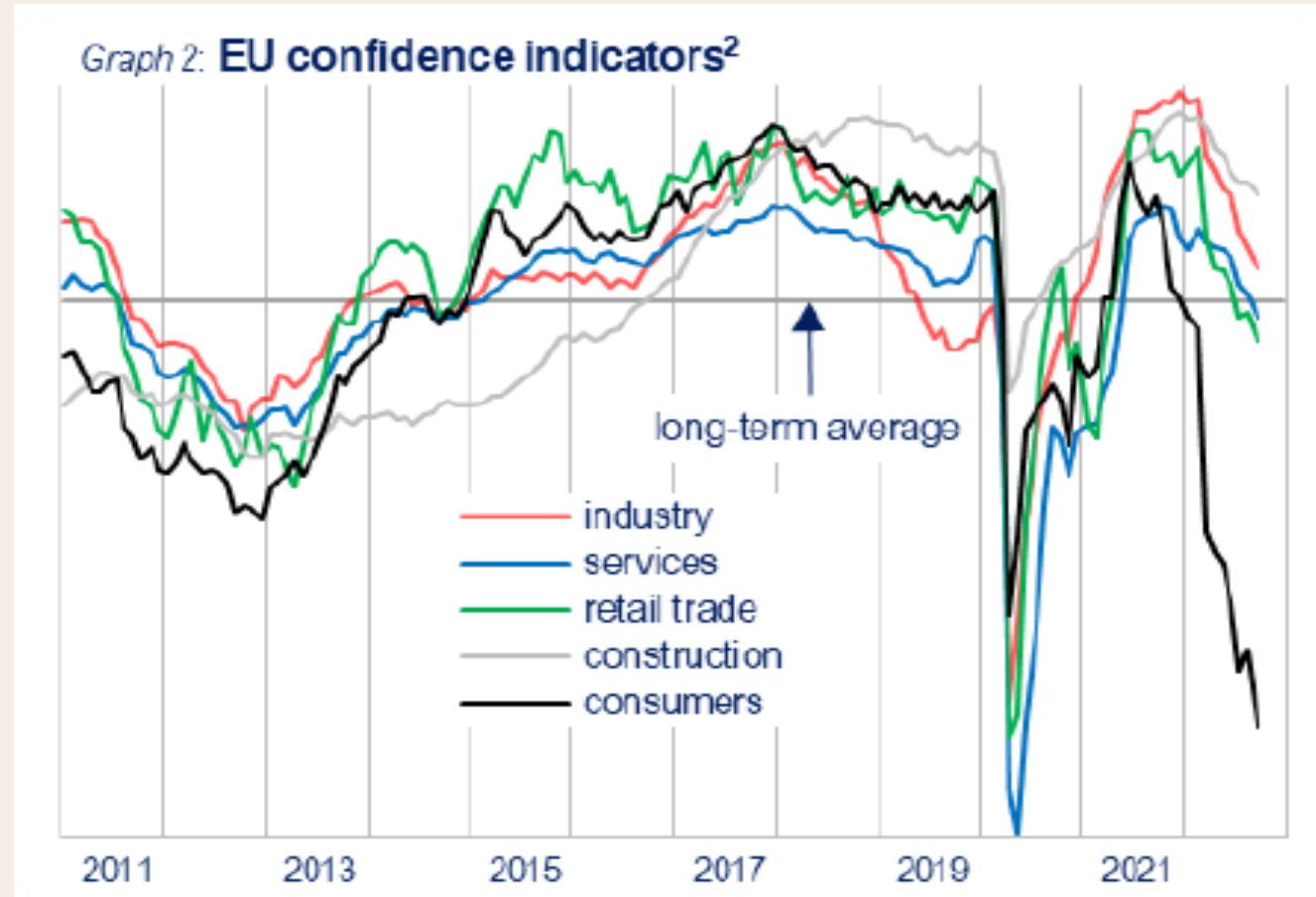
First trends for 2022 & beyond

Graph 1: EU Economic sentiment & Employment expectations (s.a.)



source: European Commission services

First trends for 2022 & beyond



Source: EC

First trends for 2022 & beyond

- Demand for parquet has generally decreased during the 1st half 2022, especially during the 2nd quarter
- Consumption is expected to decline further until the end of 2022 and maybe beyond...
 - Declining investments in housing, significant reduction/cancellations of building permits
 - Renovation works started during covid time are reaching an end
 - Remaining investments in insulation vs. interior design
 - Showrooms are empty
- Potential reduction of activity (less shifts, temporary unemployment...)
- Wood supply remains an issue which can be critical

Challenges & potential solutions

- Availability & affordability of wood raw material, especially oak and birch plywood
- Availability & affordability of other materials (glues, lacquers, etc.)
 - Covid-related supply chain disruptions
- Energy costs & inflation
- Uncertainties
- Declining demand
- Competition from wood-look, species-look products

Challenges & potential solutions

- Availability & affordability of wood raw material, especially oak and birch plywood
 - Exports of logs out of Europe
 - Ban of imports from Russia & Belarus
 - Difficulties to import from Ukraine
 - Some EU Member States & Western Balkans (Serbia, Bosnia & Herzegovina, North Macedonia, Kosovo) limit wood exports



Challenges & potential solutions

- Request for EU export authorization/ban relating to (oak) logs with EFIC (furniture), EOS (sawmills), EPF (panels), Federlegno (IT WI federation) but we need positive evidences of critical shortages
- Temporary EU safeguarding, mitigation and support measures to the sector
- Reinforcing EUTR implementation to avoid circumvention but EU Member States' responsibility (+ Europol, DG Fisma) and forthcoming Deforestation-free value-chains Regulation
- Coherent EU policies allowing higher mobilization/harvesting of existing European wood resources (Forestry Strategy, Biodiversity Strategy...) as long as principles of Sustainable Forest Management are applied
- A longer-term perspective to explore sustainable (and recyclable) substitutes and alternatives to oak + circularity & cascading use
- Diversify supplies incl. with tropical wood (between 2 and 5% of top-layer in 2021)

Challenges & potential solutions

- Declining demand
- Competition from wood-look, species-look products



Challenges & potential solutions



→ Real Wood initiative

- To sensitize European consumers to opt for parquet as THE flooring solution by communicating on its inherent advantages, with modern channels
- The campaign consists of
 - A movie in 6-, 36- and 45-seconds versions for different Social Media
 - A calculator giving the number of tons of CO2 saved by installing different surfaces of parquet - from 40 m2 to 1 billion m2. Quantities of CO2 saved are compared to other human activities: transport, heating, food, water use, etc.
 - A website where the (other) advantages of using parquet are briefly explained ([Home - Real Wood](#))
 - Media Plans on specific markets allow the movies to lead (Call To Action) consumers to the calculator and webpages → create awareness



Challenges & potential solutions

- Within the framework of the EC Sustainable Products Package
 - Proposal for a Directive as regards empowering consumers for the green transition through better protection against unfair practices
- Avoid that inappropriate naming guides consumers towards products they do not know the full nature or composition of
 - Products which do not contain wood should not use the term “wood” alone in their product descriptions or labels but the term “wood-style”, “wood-look” or “wood pattern”
 - Products which do not contain specific species should not use a direct reference to wood species such as “oak” or “walnut” in their product descriptions or labels but the term “oak-style”, “oak-look” or “oak-pattern” for instance

Q&A



Thank you for your attention!

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