International Hardwood Conference

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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

Total FEP Production Percentages for 2021

- SE: 14.94%
- PL: 16.06%
- NL: 2.44%
- IT: 7.29%
- RO: 4.71%
- RO: 2.54%
- PT: 2.66%
- DK/FIN/NO: 1.42%

Countries:
- AT: 13.00%
- BE: 0.58%
- CZ: 0.73%
- CH: 2.18%
- DE: 9.94%
- EE: 0.48%
- ES: 5.65%
- FR: 7.32%
- HR: 7.19%
- HU: 2.29%
Results 2021

Total FEP Consumption
Percentages for 2021

- FR: 10.19%
- DE: 20.45%
- NL: 10.49%
- IT: 6.49%
- RO: 3.51%
- PL: 5.18%
- PT: 1.36%
- HU: 0.62%
- HR: 2.65%
- SE: 9.88%
- AT: 7.73%
- BE: 2.74%
- CH: 7.45%
- CZ: 1.19%
Results 2021

Species - Usage rate in 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
Thank you for your attention!

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