

EN

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Answer given by Mr Breton
on behalf of the European Commission
(20.9.2021)

The Commission is monitoring the impact of COVID-19 and the current supply chain disruption. It is aware of the risk to sawmills and of the potential consequences for the timber sector. The current demand-supply imbalance is due to various factors, including an initial major drop in demand as a result of the COVID-19 crisis, followed by unequal levels of economic recovery across the globe.

The Commission has developed tools to assess and monitor the criticality of raw materials¹, supply bottlenecks, future needs² and strategic EU dependencies for raw materials³. These tools are used for the assessment of the evolving situation in the global value chains of the construction sector (accounting for the largest use of timber).

The EU COVID-19 recovery plan 2020⁴, including the Recovery and Resilience Facility, together with the EU action plan on critical raw materials and the updated industrial strategy aim at fostering the green and digital transitions. This will involve developing resilient value chains; improving circularity and resource efficiency and strengthening sustainable and responsible sourcing and processing, including from third countries (strategic partnerships on raw materials recently launched with Canada and Ukraine). Forthcoming transition pathways for industrial ecosystems, announced in the 2021 Industrial Strategy update, will address supply chain resilience and sustainability.

It is important to maintain undistorted trade in timber and wood products for the EU market to function properly. The Commission pursues this agenda in the World Trade Organization (WTO) and other international fora, and does not hesitate to challenge export restrictions by third countries affecting EU access to raw materials.

¹ Final report: Study on the EU's list of critical raw materials:

<https://ec.europa.eu/docsroom/documents/42883/attachments/1/translations/en/renditions/native>

² Critical Raw Materials for Strategic Technologies and Sectors in the EU - A Foresight Study

<https://ec.europa.eu/docsroom/documents/42882>

³ SWD(2021) 352 final. Strategic dependencies and capacities:

<https://ec.europa.eu/info/sites/default/files/strategic-dependencies-capacities.pdf>

⁴ COM (2020) 456 final