

## Panel mills shut down in protest at biomass energy subsidies

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Panel mills across the UK and the rest of Europe staged an unprecedented shutdown on Friday, 29 October, as part of a day of action organised by the European Panels Federation against subsidies granted to the biomass sector.

Wood panel manufacturers have seen wood prices being driven up by competition with the government subsidised biomass sector and are experiencing shortages of their primary raw material.

UK mills operated by [Norbord](#), [Kronospan](#) and [Sonae](#), as well as the [Medite](#) and Smartply mills in Ireland, staged symbolic limited shutdowns, together with most European mills. [Egger](#) organised an event with politicians and forestry officials to highlight the issue.

Kronospan director Mike McKenna said the company's Chirk mill was due to shut its production line for two hours and local MP Susan Jones had been invited to lend her support. He said the temporary closure of 180 European panel mills was a first and showed the strength of feeling on the issue.

Around 150 Kronospan workers went on a demonstration march in Chirk. But all 600 employees backed the protest and took part in some way, including union officials and directors.. The plant came to a complete stop.

Sonae in Knowsley was due to impose a three-hour shutdown.

"Our support and the support of the [Sonae Group](#) is indicative of how strongly we feel about the current legislation and the difficulties it is imposing on our industry," said David Chapman, [Sonae UK](#) sales and marketing director.

He said Sonae customers were taking similar action in support.

The [EPF](#) said the purpose of the protest was to "expose the unintended consequences of subsidies for the energy use of woody biomass, putting the woodbased panel sector and the entire woodworking industries at risk.

"Great progress has been made by the [EU](#)'s efforts to reduce our reliance on fossil fuels as well as the sustainable management of forests, but now we must accept that the raft of policy in these areas has unintentionally created some highly damaging situations" said EPF president Ladislaus Döry. "Our focus has to shift towards a renewable

materials policy that sustainably mobilises increased wood quantities, encourages greater recycling, and ensures the competitiveness of the industry. It is important that policymakers address this oversight today, or risk solid wood biomass becoming the next biofuels debacle.”

The UK [Wood Panel Industries Federation](#) (WPIF) said studies had indicated there could be a shortage of up to 400 million m<sup>3</sup> of wood in Europe by 2020 due to the demands of biomass, mainly in the large power station sector. “Allowing wood to be burnt before the end of its useful life is a waste and risks damaging the environment, as well as displacing a green industry and the many thousands of jobs that rely on it,” said WPIF director-general Alastair Kerr.