

# Environmental Concerns Become Priority for Netherlands

By Marcel Pinckaers

The Netherlands currently imports 94 percent of its forest product needs, which totaled \$2.92 billion in 2001. With output from its national forests declining yearly, domestic wood industries are becoming more dependent on imports.

Besides decreasing domestic resources, government initiatives and pending legislation will bring significant changes to Dutch production of wood products.

## Environmental Requirements More Stringent

As a part of its commitment to the Kyoto Protocol to the U.N. (United Nations) Framework Convention on Climate Change, the Netherlands has taken steps to significantly reduce its carbon dioxide emissions. Promoting the use of natural products—part of the Dutch strategy to achieve this goal—is increasing demand for wood products.

Other government initiatives are also having a direct effect on future imports. Under the 20 Percent More Wood in the Construction Industry Program, launched two years prior to the Kyoto Protocol, the Netherlands pledged to use wood only from forests under responsible, long-term management programs. This initiative disadvantaged some tropical hardwoods.

In 2000, the Dutch government further enhanced its promotion of sustainable wood products with the Use Durable Produced Wood 2000-2004 Program.

Ironically, this initiative has produced



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a quandary for the country's wood industry. Since imports of tropical hardwoods are limited, softwood has been used to fill the durable wood gap. Lacking the natural weathering characteristics of tropical products, softwood used in place of tropical hardwoods has been chemically treated with CCA (copper chromium arsenic) preservative. There has been controversy surrounding the use of treated wood products, and attempts to ban or restrict usage.

## What Sells Now

Exports of U.S. forest products to the Netherlands—mostly white oak, other tempered hardwoods and softwood plywood—amounted to \$38.7 million in 2001.

More than three-quarters of the wood products imported into the Netherlands is from fellow members of the EU (European Union), mainly Sweden, Finland and Germany. North America has a 20-percent share; about 5 percent is imported from tropical countries.

Though the domestic market is larger by far, some of the imports are re-exported as semi-manufactured products or finished products to neighboring countries. These exports were worth \$129 million in 2000.

## Flooring Leads U.S. Product Sales

**Flooring** is the main market for U.S. hardwoods. Demand is good for wide board solid flooring, with white oak a leading variety. Cherry and hard maple are also popular. In the parquetry market, demand for U.S. red oak is increasing, as is demand for ponderosa and white pines in the boarded floor market. Increasing competition for U.S. hardwoods is expected from European hardwoods.

Though the **housing** industry has been in the doldrums due to an economic slowdown, construction is expected to increase again between 2003 and 2007, driven by renovation and maintenance activities.

The most popular U.S. wood in Dutch construction is Western red cedar,

mainly for exterior wall paneling and window framing. Opportunities also exist for this product as roofing shingles. Douglas fir and California redwood are being used increasingly in home construction.

Of note to U.S. exporters—the EU recently passed a new EU fire classification system for wood, which will probably prohibit use of Western red cedar untreated for fire retardation in home construction. In addition, this past January the Netherlands renewed its own fire prevention requirements, which prohibit use of untreated Western red cedar in public buildings and gables.

Fir is the most common wood used in Dutch home construction, though it has to be treated for durability for outside use. The use of U.S. oak is small but increasing. So far, it is used mainly for stairs and platforms.

Investments in **commercial buildings** for offices and hotel and catering businesses are increasing, as are school building and public health sector projects.

Several large **transportation** and **infrastructure** projects are underway in the Netherlands—a high-speed train track to Belgium, improved freight links to cities in Germany and other countries, plus upgrades for light or commuter rail systems. Also, the Dutch telecommunications sector is being revamped. Timber is an essential component of these projects.

Project Wood, an effort to boost the use of wood products in the road construction and hydraulic sectors, is underway. Wooden sheet-pile walls account for a 28-percent share of the wood used in road construction.

U.S. sales to the **furniture** industry are expected to level off in the next few years because of increasing competition



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from East European countries, China and Indonesia. European oak is in vogue, while darker wood varieties are slowly becoming more accepted.

Of the light woods, white oak, beech, cherry, alder and birch are used the most in furniture. Darker varieties like walnut and dark oak, however, are becoming more popular. Imports of U.S. temperate hardwood veneer are displacing those of solid wood, because of short supplies.

Sales in the Dutch **interior** products industry are increasing. Manufacturers of yacht and store interiors prefer wood veneers to synthetics, with oak, ash, walnut and beech being the most sought-after.

Although sales for Dutch **garden** wood products had leveled off, they are expected to have increased in 2002. Preserved softwood and tropical hardwood are used the most in garden applications. Potential restrictions on use of CCA will impact this sector until a substitute is approved.

Softwood is replacing hardwood for pallets, crates and other uses because of the increasing expense of hardwood. Most-used species for **packaging** include

pine, poplar and beech. Wooden sheet materials for construction include chipboard, hardboard and plywood.

Interim measures to prevent spread of the pinewood nematode require that U.S. wood used for pallets be fumigated, chemically impregnated or heat-treated before use. These measures will be valid until new standards are finalized under the U.N. International Plant Protection Convention.

### Labeling To Include Environmental Concerns

The Dutch government supports “green” labeling of wood, and the Dutch Ministry of Agriculture is developing a new internal system for wood certification. Under this system, wood that meets certain requirements will receive a quality mark and be given a green label.

So far, U.S. wood products marketed as sustainably harvested have been doing well in this market. With labeling requirements imminent, U.S. producers who supply home improvement businesses might consider certification by a recognized certification body. ■

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