

PRESS RELEASE

EU Member States vote in favour of the Commission's definitive findings in an anti-dumping investigation into imports of Russian birch plywood into the EU

At a meeting of the EU's Trade Defence Committee this month, EU Member States voted in favour of the Commission's definitive findings in an anti-dumping investigation into imports of Russian birch plywood into the EU.

The Commission, after an in-depth investigation, found that Russian producers, who as everyone now agrees control half the EU market or more, won this position in part by taking advantage of a range of state supports that allowed them to sell massive volumes of birch plywood at predatory dumped prices. This undermined EU producers, who were unable to sell their plywood at a price that covered their costs. The Commission further concluded that imposition of relatively modest anti-dumping duties is in Europe's best interest as this will allow European producers to recover and compete on a level playing field once more, safeguarding customer choice.

The result of the vote last week paves the way for definitive anti-dumping duties (14,43% - 15,80% depending on the exporter), effective early December. The Commission also announced that it will reject calls for suspension of the duties even before they are imposed, as some parties had demanded. After a detailed further investigation, the Commission confirmed that market conditions do not justify suspension, even considering the effects of COVID and widespread logistical issues that affect many markets.

Indeed, on close examination of the facts, the Commission concluded that today's slightly firmer prices are transient and have not given European industry the time needed to recover from the injurious dumping practices it faced for so long. In truth, the detrimental conditions continued even as the volume of Russian imports into the EU rose dramatically during the first half of this year. It is still the Russian producers who drive much of the pricing in this market, apparently raising prices in an effort to blame the injurious conditions they themselves create.

The Woodstock Consortium, composed of a majority of EU producers and supported by major long-standing industry and other groups, together representing at least 175 companies of all sizes in a minimum of 15 EU Member States, observed that this has been a detailed, professional, independent and fair investigation by the Commission. That even though based on our in-depth knowledge of the European market, we believe a higher range of duties on imports from Russia would have been merited, given the practices we have seen.

But we acknowledge that the Commission, as the investigating authority, has studied in detail evidence provided from a wide range of stakeholders, including all major Russian and EU producers, importers, industrial customers, and end users. In so doing, it has exposed the magnitude of the negative practices of Russian exporters and the resulting injury to European production. Having carefully assessed the evidence, the

Commission, and the EU the member states, have now concluded that definitive anti-dumping measures against Russia's dumped imports is in the EU interest.

We welcome the conclusions of this investigation and are confident that these modest anti-dumping measures will help eliminate the trade-distorting effects of Russia's injurious dumping, restoring effective and above all fair competition in the EU.
