
EXECUTIVE SUMMARY

COMPLAINT REQUESTING INITIATION OF AN ANTI-DUMPING INVESTIGATION CONCERNING IMPORTS OF

SOFTWOOD PLYWOOD

ORIGINATING IN BRAZIL

SUBMITTED BY THE SOFTWOOD PLYWOOD CONSORTIUM

1. PRODUCT CONCERNED

The product concerned by the present complaint is plywood made, in a general sense, from any type of softwood, or coniferous wood species. This product is commonly referred to as “*softwood plywood*”. Softwood plywood is a wood-based panel comprised of several veneers that are glued together. The main characteristic defining the softwood plywood is that both of its outer plies are made of coniferous species.

Specifically, the Complaint defines the product concerned in the following way:

Plywood consisting solely of sheets of wood (other than bamboo), each ply not exceeding 6 mm thickness, with both outer plies of coniferous wood, whether or not coated or surface-covered, currently falling under CN code 4412 39, hereinafter referred to as “softwood plywood” or “product concerned”.

Plywood made out of bamboo is expressly excluded from this product definition.

2. PRODUCTION PROCESS

The main raw materials for the production of softwood plywood are logs and veneers of coniferous, or softwood species. The production process of softwood plywood can be summed up as follows: logs are peeled into veneers, the veneers are lathered in glue, laid up, pressed together, and finished. The scheme of production of softwood plywood and the machinery used for its production is the same irrespective of the softwood species used (*i.e.*, spruce or pine).

3. SOFTWOOD PLYWOOD PRODUCED IN BRAZIL AND THE EU ARE LIKE PRODUCTS

There are no differences with respect to physical, technical, chemical, or any other characteristics between softwood plywood produced and sold in the EU and softwood plywood produced in Brazil and subsequently exported to the EU. Both products are fully interchangeable because at the end of the production process, the differences between properties, perception by operators, or uses in the market are absent or insignificant.

4. INVESTIGATION PERIOD AND PERIOD CONSIDERED

The investigation period (“*IP*”) used in the Complaint comprises 1 July 2023 – 30 June 2024. The period under consideration to assess injury runs from 2021 to the IP.

5. USE OF THE PRODUCT CONCERNED

Softwood plywood is a multifunctional end-product which is used in the construction, furniture manufacturing, transport and packaging industries, as well as in other segments.

6. COUNTRY CONCERNED: BRAZIL

The country concerned by the present complaint is Brazil.

Brazil is the fourth largest global manufacturer of coniferous plywood as well as the largest exporter, accounting for 27% of the global volume of exports and 4% of global production shares in 2021. In 2024, production of all types of plywood in Brazil was expected to reach approximately 3.6 million m³, of which approximately 2.6 million m³ is destined for export.

The production of softwood plywood is concentrated in the southern states of Paraná, Santa Catarina, and Rio Grande do Sul. Most of the softwood plywood produced in Brazil is destined for exports, making the country the largest exporter of this product worldwide.

7. CASE SUMMARY

7.1 Applicant and standing

The Complaint is submitted by European Union producers of softwood plywood, collectively called the Softwood Plywood Consortium.

The Complainants account for well above 25% of the total production in the EU of softwood plywood during the IP. The Complainants are therefore acting on behalf of the Union softwood plywood industry and meet the representativity requirements in accordance with Articles 4(1) and 5(4) of BADR.

7.2 Evidence of dumping

Calculations of the dumping margin provided in the Complaint show that softwood plywood from Brazil is being dumped in the EU, with substantial dumping margins.

Dumping was established by calculating the difference between the normal value (net ex-factory) and the export prices (net ex-factory) and expressed as a percentage of CIF export price. The normal value was established on the basis of the actual prices of Brazilian producers of softwood plywood in the domestic market in Brazil. The export price was established on the basis of Eurostat as well as Tropical Timber Market Report published by ITTO.

7.3 Evidence of material injury

The Complaint provides clear evidence that the EU industry of softwood plywood is suffering material injury.

In relation to imports of the product concerned from Brazil, such import volumes increased both in absolute (volume) and relative (market share) terms between 2021 and the IP. Such imports, which were made at decreasing prices throughout the period considered, undercut and undersold the Union industry's prices by notable margins.

Injury indicators of the EU producers –Complainants – show a clear worsening trend during the period considered, including significant fall in production and installed capacity, sales (in absolute and relative terms), employment, investments and profitability. As far as profitability is concerned, the Union industry has been pressured by the dumped imports from Brazil, as it has been unable to raise prices to the same extent as the costs because of the price suppression by dumped imports from Brazil. If not for the low-priced imports from Brazil, the Union producers would normally have been able to increase their prices in a context of increasing raw material and other fixed costs. This price pressure of the dumped imports from Brazil has resulted in significant losses for the Union industry in general and the Complainants in particular during the IP.

There is also a risk of an imminent and further aggravation of injury given the massive spare capacities of the Brazilian industry and the attractiveness and accessibility of the EU market. In this sense, Brazil has massively invested in the expansion of production capacity of softwood plywood in previous years, with the

specific purpose of targeting export markets. The EU is the single most important market left with no relevant barriers for Brazilian imports, making it a naturally attractive destination for Brazil's substantial excess capacity.

7.4 Causal link between dumped imports and material injury

The Complaint shows that dumped imports of softwood plywood from Brazil are the sole reason for the material injury suffered by the EU industry because of the coincidence in time between the material injury and the increase in unfair imports, and no other factors potentially breaking that causal link were identified, including imports from other third countries, consumption in the EU, etc.

8. KNOWN INTERESTED PARTIES

8.1 EU producers

The following EU producers are known to produce softwood plywood (in alphabetical order):

- Garnica Group
- Metsäwood Oy
- Moelven Vänerply AB
- NP Rolpin
- Paged Morag SA
- Sklejka-Eko SA
- Thebault Group
- UPM Plywood Oy
- Wotan Forest SA

8.2 EU producers' associations

- Asociación Española de Fabricantes de Tablero Contrachapado (AEFCON)
- European Panel Federation (EPF)
- Finnish Forest Industry Federation (FFIF)
- Stowarzyszenie Producentów Płyt Drewnopochodnych (SPPDwP)
- Swedish Forest Industries Federation (SFIF)
- Union des Industries du Panneau Contreplaqué (UIPC)

8.3 EU users

- Boardic AB
- BM Byggeindustri
- NEFAB
- Polyfont S.A
- COM40 SP. Z O.O. SP. K.
- Kesko
- KEFLICO
- Gabi Bis
- Margaritelli SPA
- PERI
- POSSLING
- SKALTEX
- Schörghuber

8.4 EU Importers

- Bayou
- Bellimer
- Bester
- Carl Brandt
- Carl Götz GmbH
- CIBM
- Cora Legnami
- Cordes
- DLH A/S
- Florian SpA
- Fokus Premium
- Hartmann
- Hobatex Industrial Partners
- Holz Tusche
- Imola Legno
- ICM
- JAF Frischeis
- Keflico
- Kornix
- Krydsfiner-Handelen
- Lauprecht
- Ljungberg Fritzoe
- Multiplacas
- Nicewood Oy
- Paganoni Legnami
- Optimera AS
- Orlimex
- Oslofiner
- Robert Neudeck GmbH
- Salimer
- STARK Group
- Taasinge Elementer
- Tamalsa
- Thalhofer
- Tomoku Hus AB
- Romax
- Sylvaco
- Weltholz
- Wennerth Wood
- Woodex

8.5 Brazilian exporting producers

The following producers in Brazil are known to be producing and exporting softwood plywood:

- Agil Madeiras
- Argenta e Bonotto & Cia. Ltda (Arbon)
- Brasnile Industrial Ltda
- Compensados Confiança
- Compensados Fcomp Ltda
- Compensados FivePly LTDA
- Compensados Laselva
- Compensados NM
- Compensados Relvaplac Ltda •
- Dalcomad
- Dallo Madeiras LTDA
- F.V. de Araujo S/A
- Faganello Indústria de Compensados Ltda
- Famossul
- Formaplan
- Formato Compensados
- Guaraetá Compensados Ltda
- Guaratu Indústria e Comércio de Madeiras e Compensados LTDA
- Indústria de Compensados Guararapes Ltda
- Indústria de Compensados Sudati Ltda
- Industrial Arbhores Compensados Ltda. Palmas
- Itamarati Industria de Compensados Ltda.
- L.F.R. Carli & Cia Ltda.

- Lavrama s.a.
 - Compensados e Laminados Lavrasul S.A.
 - Madebil Compensados
 - Madeiras Eulide
 - Madeiras Schlindwein
 - Madeireira Belo Horizonte
 - Madeireira EK Ltda
 - Madeireira Rio Claro Ltda
 - Madeireira Rodrigues
 - Madeireira Thomasi S/A
 - Marini Industria de Compensados Ltda. Palmas
 - Miraluz Indústria e Comércio de Madeiras Ltda
 - Ótima Portas e Compensados Ltda
 - Palmasola S.A. Madeiras e Agricultura
 - Placa Comércio de Madeiras e Compensados Ltda. Porto União
 - Randa Indústria e Comércio de Portas e Compensados Ltda
 - Repinho Reflorestadora Madeiras E Compensados LTDA
 - Rioply
 - Rochembach Plywood Ltda
 - Senbra
 - Somapar Sociedade Madeireira Paranaense Ltd. União da Vitória
 - Tableros Industria e Comercio de Panels LTDA
 - Industrial Madeireira S.A (Vimasa)
 - VW Madeiras Coronel Vivida
 - Pinustan Industria e Comercio de Madeiras Ltda
 - Conply Industria de Compensados LTDA
 - Macasil Industria Comercio de Compensados Ltda
 - Industria e Comercio de Compensados Sul Paraná
 - Compensa Industria e Comercio de Compensados Ltda
 - G 13 Madeiras LTDA
 - Compewit
 - Rionile Madeiras Ltda
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