

# American Hardwood Export Council Europe Market Report

September 2024



Vert at Chelsea College of Arts, Photography by Petr Krejci

## MARKET UPDATE



**The EC has proposed a one-year delay to the implementation of the EUDR**

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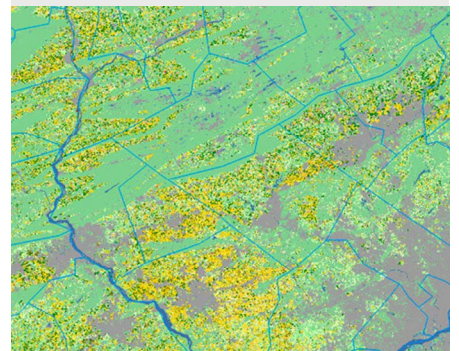
## ACTIVITIES



**American hardwoods take centre stage at London Design Festival**

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## NEWS



**Update on the Sustainable Hardwood Coalition website**

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# MARKET UPDATE

## The EC has proposed a one-year delay to the implementation of the EUDR

In breaking news, the European Commission (EC) announced on 2 October 2024 that, in response to pressures from international partners, the full implementation of the EUDR could be delayed by a year. The EC states this is to “give concerned parties additional time to prepare”. This proposal will still have to be approved by the European Parliament and the Council and, if passed, it would mean that the law would be applicable on 30 December 2025 for large companies and, on 30 June 2024 for SMEs. The commission has also been clear in its announcement that **“The extension proposal in no way puts into question the objectives or the substance of the law, as agreed by the EU co-legislators.”**



The EC states that the proposed delay will “give concerned parties additional time to prepare”.

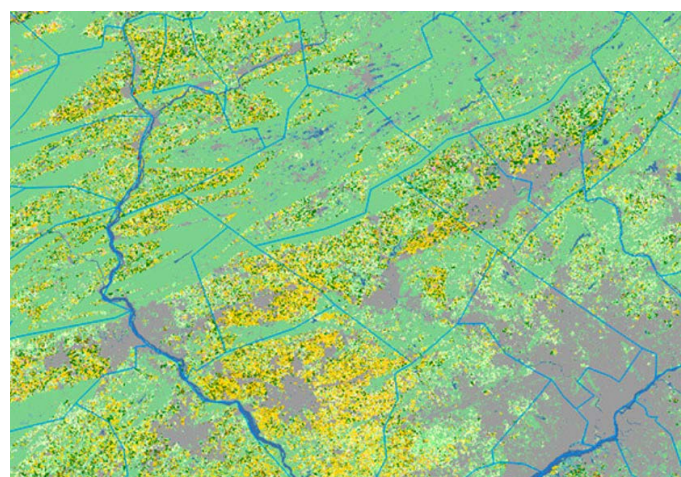
This is of course good news for the U.S. hardwood industry, as it will provide more time for preparation and implementation of the SHC deforestation-free framework being developed by AHEC. It will also provide more time to develop an accompanying chain of custody standard and continue to lobby for a jurisdictional approach to the provision of geolocation rather than individual plots of land. However, this will not change the timeline AHEC has set, we still plan to deliver a first version of

the platform and framework by the end of this year. The delay will enable the system to be fully trialed from the beginning of 2025, to allow users to become familiar with the interface and for AHEC to communicate its availability more effectively to global markets.



The delay will provide more time for preparation and implementation of the SHC, but will not alter the timeline AHEC has set.

The commission has also published the principles of the methodology to the EUDR benchmarking exercise for assessing risk. The EC has confirmed that following this methodology **“a large majority of countries worldwide will be classified as ‘low risk’**. This will give the opportunity to focus collective efforts where deforestation challenges are more acute”. This statement implies that low-risk supplies such as U.S. hardwoods will be subject to lower levels of scrutiny, but it does not alter the need to provide geolocation data.



It has been implied that U.S. hardwoods will be subject to lower levels of scrutiny, but will still require geolocation data to conform with the EUDR.





Finally, the EC has also issued an extensive new set of FAQs and EUDR guidance, but without detailed analysis, it is not yet possible to say whether this will fundamentally change any aspects of the law or how it's implemented as far as American hardwoods are concerned. We will be examining this document in the coming weeks and report our findings next month.

### U.S. hardwood lumber exports to Europe keep pace with last year

According to the latest USDA statistics for January to July (see graph [here](#)), exports of American hardwood lumber to Europe (EU 27 + UK) were virtually level with the same period last year at 189,934m<sup>3</sup> (up 1%). Closer analysis reveals that shipments to the UK are the main reason for the little change in overall exports. All the major markets in the EU have seen a fall in exports for this period, while the UK was up 26% in volume to 76,964m<sup>3</sup> that's an additional 15,782m<sup>3</sup>, all of which was white oak. This contrasts with Italy at 21,193m<sup>3</sup> (-7%), Germany at 19,385m<sup>3</sup> (-15%), Spain at 17,761m<sup>3</sup> (-27%) and Portugal at 9,116m<sup>3</sup> (-17%).



Whilst all major markets in the EU have seen a fall in exports, the 26% increase in exports to the UK keeps overall stats level with last year's.

The picture for other markets was mixed with Ireland +8% to 8,081m<sup>3</sup>, Belgium +4% to 6,552m<sup>3</sup> and Sweden +29% to 6,265m<sup>3</sup>, driven by significant increases for white and red oak. Exports to Greece dropped 17% to 3,764m<sup>3</sup>, Estonia was down 37% to 2,815m<sup>3</sup> and shipments to France halved at 1,926m<sup>3</sup>, compared to the same period last year. Whereas the Netherlands (3,581m<sup>3</sup>) and Finland (2,888m<sup>3</sup>) saw exports jump by 52% and 32% respectively, mainly due to an increase

in white oak shipments. One other statistic of note is the 200% increase in direct shipments to Poland to 1,297m<sup>3</sup>.

There is no sign that Europe has lost its appetite for white oak lumber. Between January and July this year, 88,738m<sup>3</sup> were shipped, an increase of 12% compared to the same seven months in 2023, that's nearly half of all shipments for this period. Tulipwood exports dropped a little to 33,115m<sup>3</sup> (-5%) and red oak, now firmly established in the European market, saw shipments up 5% to 27,389m<sup>3</sup>.



Up 12%, white oak accounts for nearly half of all exports.

### No change in U.S. hardwood veneer exports

In the first seven months of this year, the volume of American hardwood veneer exports was unchanged at 26.5million m<sup>2</sup>. Germany and Spain are the most important destinations, each accounting for around 23% of total shipments. Spain has a significant plywood and panel industry, and Germany is a key stocking hub for veneer distribution to panel and furniture manufacturers throughout Europe, so is Belgium but to a lesser extent. The other markets of note are Italy and Portugal, both with sizeable furniture and door industries. Looking at overall shipments for this period, both white and red oak saw increases, although as with lumber, white oak is by far the most important, accounting for 42% of the total. After white oak, the next most important species is walnut and, although exports are down slightly in volume so far this year (-4%), they still account for nearly a quarter of the total.





Germany and Spain account for the most veneer shipments.

### Underlying concerns for EU economy

At first sight, the EU seems to have managed a soft landing this year after the COVID-driven boom and bust cycle that characterised the previous three years. The latest data from Eurostat indicates that seasonally adjusted GDP in the EU in the second quarter of 2024 was up 0.3% compared to the previous quarter. This followed an equivalent 0.3% increase in the first quarter of the year. Two consecutive quarters of solid, if unexciting, growth is a relief after more than a year of stagnation.

There is also good news on employment, which is growing, albeit more slowly than before. Wage growth is outpacing inflation, too, leading to rising living standards. Notwithstanding continuing concerns around inflation, the European Central Bank felt confident enough to cut interest rates in June and is expected to do so again in September.

However, other aspects of the EU economy are more problematic. A recent article in *The Economist* notes that growth in incomes is not boosting consumption as much as expected, noting that “households are mostly putting the additional money from higher pay into their savings accounts”, a sign of low consumer confidence. Eurostat data confirms this. Following a dramatic fall in summer 2022, economic sentiment in the EU has been flatlining for the last two years.

Following heavy expenditure on COVID recovery measures between 2020 and 2023, European Governments now have little room to support

demand with extra spending of their own. They are now more inclined to cut expenditure to balance the books and meet EC requirements to reduce deficits.

Much concern around the EU economy is now focused on one country, Germany, traditionally the region’s industrial powerhouse. Germany’s GDP declined by 0.1% in the second quarter this year after achieving only 0.2% growth in the first quarter. In fact, the German economy has barely grown since 2019. Industrial production in the EU was sliding in May and June, with Germany the principal source of weakness.



The weakness of the EU construction sector is a particular concern for the EU’s timber industry.

The weakness of the EU construction sector is a particular concern for the EU’s timber industry. Although Eurostat data shows that the seasonally adjusted value of construction activity in the EU increased by 1.1% in June, this followed a long decline. Construction activity in May was at the lowest level since December 2022.

## ACTIVITIES

### American hardwoods take centre stage at London Design Festival

From September 16 to 24, 2024, the London Design Festival (LDF) brought together designers, architects, and industry leaders from around the world to celebrate innovation and creativity in design. As one of the most significant events on the global design calendar, LDF provided a platform for showcasing cutting-edge ideas and materials. This year, AHEC





played a key role by participating with an innovative landmark project, *Vert*, alongside two additional initiatives, each highlighting the versatility and beauty of American hardwoods.

### The success of Vert: pioneering red oak glulam

*Vert* was one of the headline projects at LDF 2024, placing American red oak at the forefront of the festival's conversation about sustainable design. Through this experimental structure, AHEC demonstrated the great potential of red oak glulam beams, a high-performing and aesthetically pleasing engineered timber product that can be readily used for commercial projects, as well as thermally modified red oak. AHEC believes this project will open new opportunities for red oak in the European market and beyond, offering a valuable material option for timber architecture.



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AHEC's partner Neue Holzbau, who manufactured the red oak glulam beams for *Vert*, expressed their enthusiasm during the press event, stating they were absolutely thrilled with the results of the project and prior testing. They confirmed that they now have a product ready for commercial use. Having observed the great benefits of working with red oak in this project, they have become strong ambassadors for the species' use in glulam manufacturing, and their firsthand experience positions them as valuable advocates for this timber solution moving forward.

AHEC is now applying for additional funding to tour the structure in other European cities, enabling more decision-makers to experience this innovative material firsthand and positioning it as a valuable and sustainable option for timber in construction.

View the recently launched project [film](#) to learn more about *Vert*.

### Engaging with industry and media: AHEC events at LDF

AHEC hosted and participated in a range of events at LDF, focusing on the projects and promoting the benefits of maple and red oak glulam. We hosted a group of over 20 international press from various European countries, offering them an exclusive opportunity to experience the projects firsthand. Additionally, AHEC organised a press preview for UK media and a separate press view for international journalists, results of which can be found later in this report.



During LDF, AHEC hosted a group of over 20 international press.

AHEC also held an industry event, inviting key architects, designers, and professionals from the construction sector to learn more about the structural and environmental advantages of red oak and the potential of red oak glulam. These events provided invaluable opportunities for direct engagement with thought leaders and industry influencers, reinforcing AHEC's message on the sustainability and properties of American hardwoods.





AHEC also held an industry event, inviting key architects, designers, and professionals from the construction sector to learn more about red oak and the potential of red oak glulam.

### A celebration of American maple

In addition to *Vert*, two initiatives that AHEC presented earlier this year at Milan Design Week were also showcased at LDF, both celebrating the beauty and versatility of American maple. *Communion* by Giles Tettey Nartey was displayed at the Victoria & Albert Museum in London; and *Pirouette* by architectural studio Parti was presented at the Material Matters fair.



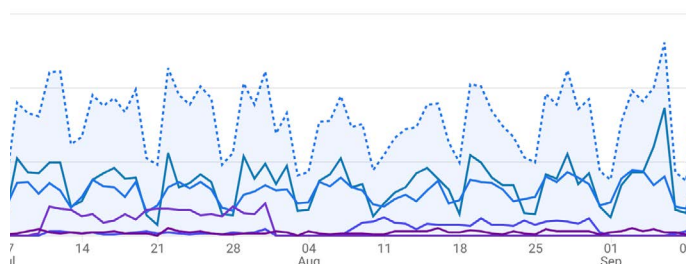
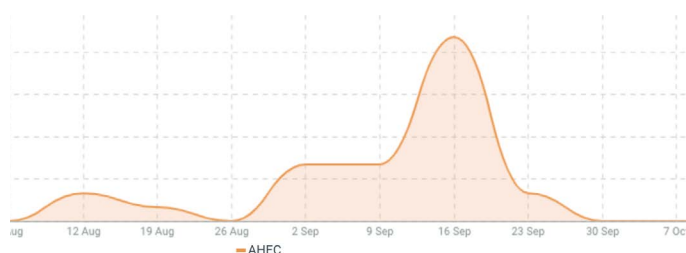
AHEC presented two initiatives celebrating American maple at London Design Festival.

Both projects received great feedback and continued the conversation initiated in Milan about the remarkable

properties of this underused U.S. hardwood. American maple's fine grain, light colour, and strength were highlighted in these pieces, further emphasising its potential in contemporary design and architecture.

### Impact and reach

The London Design Festival 2024 is estimated to have attracted over 100,000 visitors, including designers, architects, and industry leaders, reinforcing its status as one of the most influential design events globally. Among the highlights was AHEC's *Vert* installation, which garnered widespread media attention and captivated an estimated 10,000 visitors, becoming a centrepiece of the festival.



*Vert* boosted traffic to the americanhardwood.org site during LDF; generating 129 online reports to date and reaching a potential audience of 28.9 million.

*Vert* received exceptional press coverage, with leading outlets like Dezeen, The Times, and Reuters describing it as the “showstopper” and a “must-see” installation. The use of red oak glulam sparked significant interest, with coverage spanning articles, films, and social media and with explicit mentions of red oak glulam and AHEC. To date, *Vert* has generated an impressive **129** online reports, reaching a potential audience of **28.9 million**.

In addition to *Vert*, both *Communion* and *Pirouette* also attracted substantial press coverage during LDF. This builds on the momentum from their debut at the *Class of '24* exhibition in Milan earlier this year, continuing to hold the media's interest in the pieces and the narrative surrounding the use of American maple.



See [here](#) a summary of some of the top press and social media coverage.

## NEWS

### **Update on the Sustainable Hardwood Coalition website**

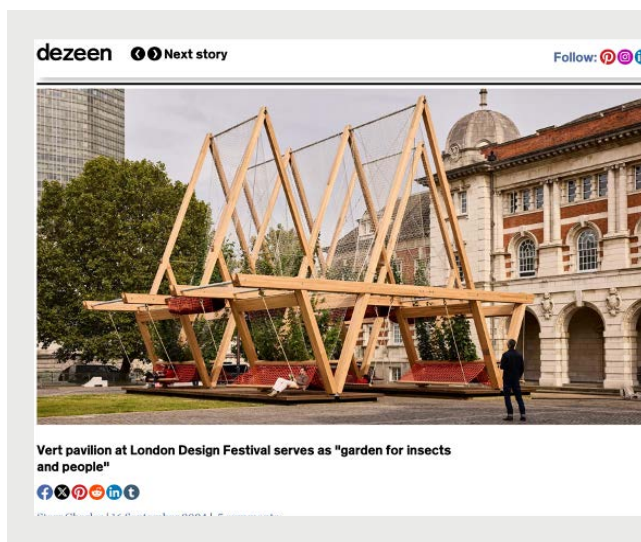
The AHEC team has been working on an update of the Sustainable Hardwood Coalition website, which now includes expanded information and reflects the latest developments. The updated site can be accessed [here](#). If you haven't done so already, you can sign SHC's statement of support [here](#).





# PRESS HIGHLIGHTS

## London Design Festival round-up



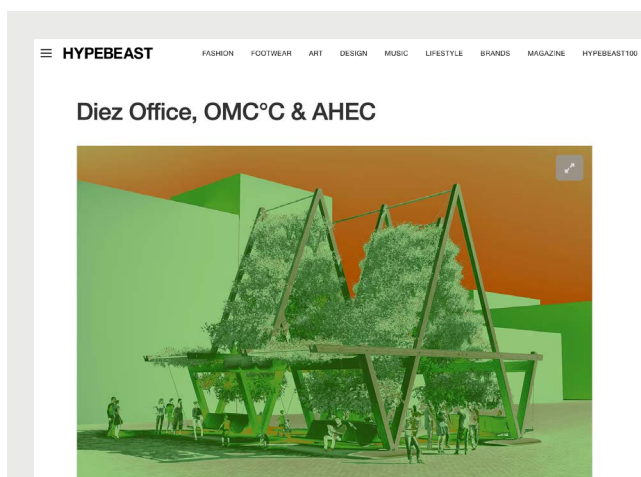
### DEZEEN

#### "Vert pavilion at London Design Festival serves as 'garden for insects and people'"

With guidance from American Hardwood Export Council (AHEC), Diez Office and OMCC chose red oak for the pavilion due to its 'structural performance and ecological credentials'."

Read the full article [here](#)

**2.1M MONTHLY UNIQUE USERS**



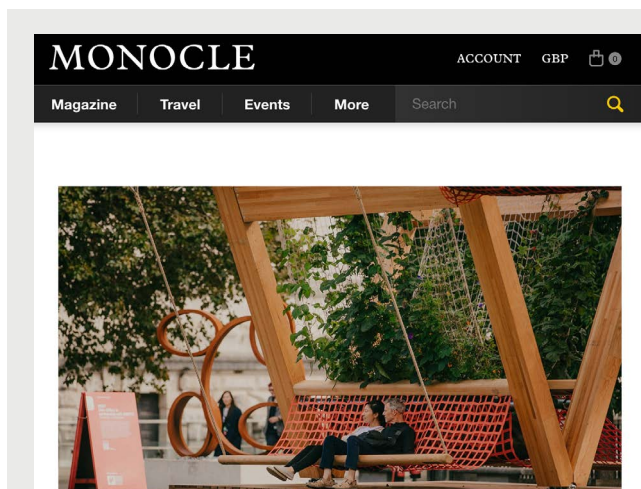
### HYPEBEAST

#### "What to See at London Design Festival 2024"

It wouldn't be LDF without a showstopper commission, and this year - the honor was given to Diez Office. In collaboration with OMC°C & AHEC, the studio has created "Vert" - a structure-cum-living ecosystem created from red-oak glulam filled with around 20 plant species."

Read the full article [here](#)

**17.8M MONTHLY UNIQUE USERS**



### MONOCLE

#### "Power of London | Net Result"

The three-way collaboration between Munich-based design studio Diez Office, the American Hardwood Export Council and city-greening specialists OMC°C is a biodiversity project, intended to point out the ease with which such structures can positively impact the urban landscape"

Read the full article [here](#)

**120K MONTHLY UNIQUE USERS**







How vertical greening can tackle 'heat islands' in cities | REUTERS

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## REUTERS

### "How vertical greening can tackle 'heat islands' in cities

A newly designed structure on display for the London Design Festival uses fast-growing climbing plants to create shade, boost biodiversity and cool down what are known as 'urban heat islands'."

Watch the full video [here](#)

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Vert at London Design Festival 2024

### A 'Greening Machine' Made from Red Oak

John Hill

20. September 2024



## WORLD ARCHITECTS

### "A 'Greening Machine' Made from Red Oak

AHEC, a trade association for the American hardwood industry, is no stranger to the London Design Festival, having installed ambitious and innovative timber structures as part of it for years... Made from red oak glulam (glue-laminated timber), Vert consists of triangular structures suspending biodegradable nets that are the framework for climbing plants rooted in textile planters. Also suspended are mesh benches positioned in the shade of the "sails" greened by around twenty species of plants."

Read the full article [here](#)

**225K MONTHLY UNIQUE USERS**

THE TIMES

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CGI of Vert, a green shelter by Diez Office

#### 21. Vert

A green space in the city is just what the wellness guru ordered. Head to the relaxing, refreshing shelter of Vert, where about 20 plant species nestle in a bower of biodegradable net. Created in association with the American

## THE TIMES

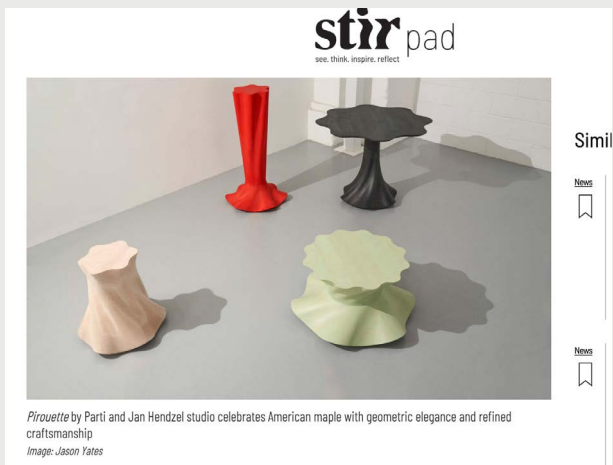
### "24 Must-see shows at London Design Festival

A green space in the city is just what the wellness guru ordered. Head to the relaxing, refreshing shelter of Vert, where about 20 plant species nestle in a bower of biodegradable net. Created in association with the American Hardwood Export Council and designed by Diez Office, the installation at the Chelsea College of Arts will be here for a month after the festival."

Read the full article [here](#)

**15.4M MONTHLY UNIQUE USERS**





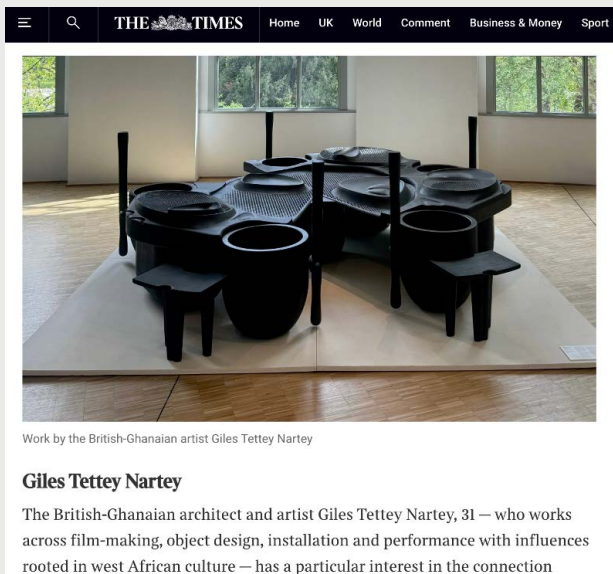
## STIRPAD

### "Material Matters 2024 charts the future of sustainable craft and revolutionary design"

The American Hardwood Export Council (AHEC) will spotlight American maple, an underused hardwood through Pirouette, a furniture collection by design studio Parti and Jan Hendzel Studio. The exhibit explores geometric forms and craftsmanship, offering a new perspective on this sustainable material."

Read the full article [here](#)

**3.2M MONTHLY UNIQUE USERS**



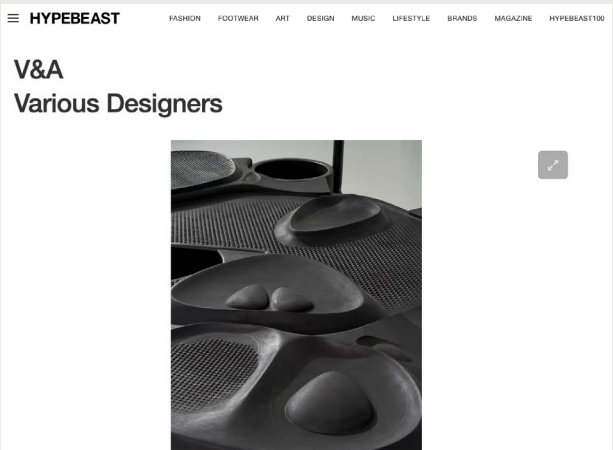
## THE TIMES

### "Meet the rising star of the London Design Festival 2024"

For LDF, he's presenting Communion at the V&A, a reimagining of the Ghanaian practice of making fufu, a food staple created by pounding cassava and plantain. The installation, set at a communal pounding table (designed by Tettey Nartey and made by Jan Hendel with AHEC) shows the dance-like choreography of one person pounding, the other turning the mixture, capturing the ritual in sounds and movement."

Read the full article [here](#)

**15.4M MONTHLY UNIQUE USERS**



## HYPEBEAST

### "What to See at London Design Festival 2024"

Always a landmark stop on any LDF tour, the V&A plays host to a number of exhibitions during the week... the "Communion" pounding table by British-Ghanaian designer Giles Tettey Nartey, which explores the rituals of domestic life in Ghana."

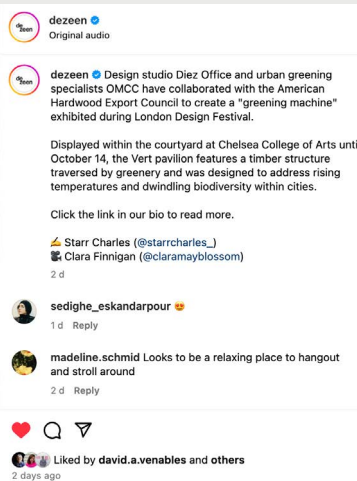
Read the full article [here](#)

**17.8M MONTHLY UNIQUE USERS**



# SOCIAL MEDIA HIGHLIGHTS

## London Design Festival round-up

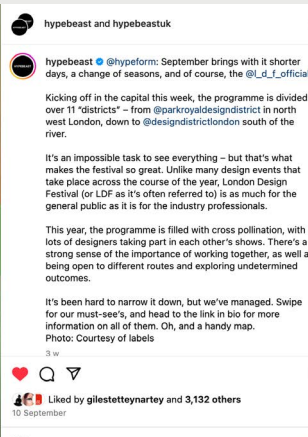


@DEZEEN

"Design studio Diez Office and urban greening specialists OMCC have collaborated with the American Hardwood Export Council to create a "greening machine" exhibited during London Design Festival. The Vert pavilion features a timber structure traversed by greenery and was designed to address rising temperatures and dwindling biodiversity within cities."

View full reel [here](#)

3.4M FOLLOWERS

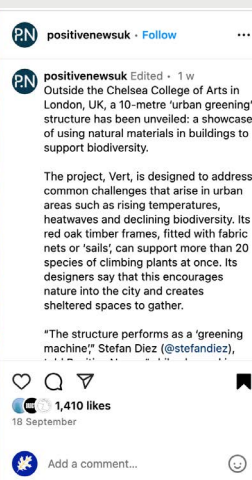


@HYPEBEAST

"This year, the programme is filled with cross pollination, with lots of designers taking part in each other's shows. There's a strong sense of the importance of working together, as well as being open to different routes and exploring undetermined outcomes."

View full post [here](#)

10.7M FOLLOWERS

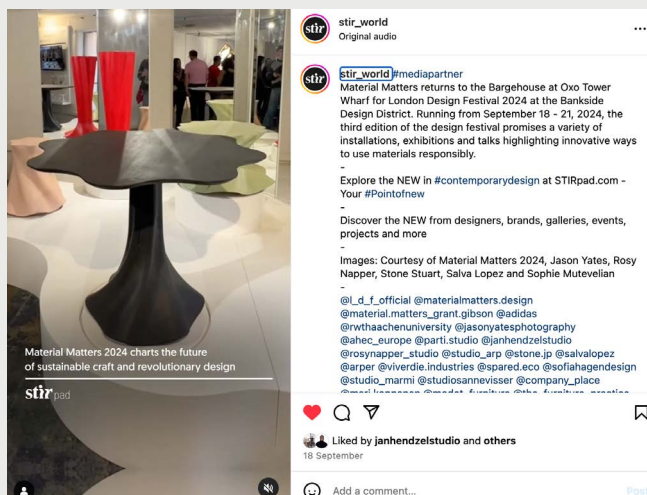


@POSITIVE NEWS

"Outside the Chelsea College of Arts in London, UK, a 10-metre 'urban greening' structure has been unveiled: a showcase of using natural materials in buildings to support biodiversity. The project, Vert, is designed to address common challenges that arise in urban areas such as rising temperatures, heatwaves and declining biodiversity. Its red oak timber frames, fitted with fabric nets or 'sails', can support more than 20 species of climbing plants at once."

65.1K FOLLOWERS



**@STIR\_WORLD**

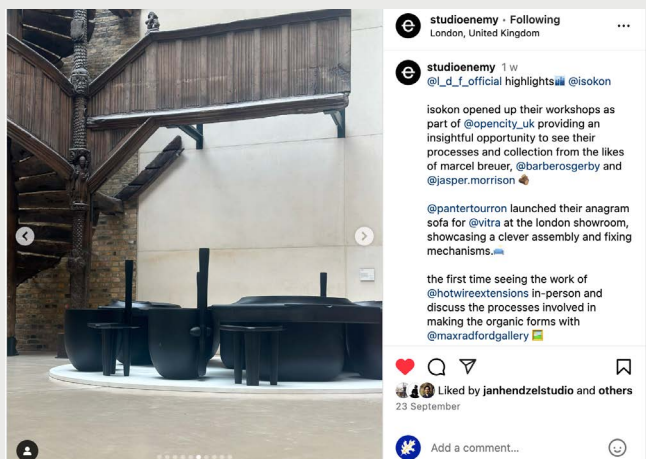
"Material Matters returns to the Bargehouse at Oxo Tower Wharf for London Design Festival 2024 at the Bankside Design District. Running from September 18 - 21, 2024, the third edition of the design festival promises a variety of installations, exhibitions and talks highlighting innovative ways to use materials responsibly."

View full reel [here](#)

**94.6K FOLLOWERS****@HYPEBEAST**

"This year, the programme is filled with cross pollination, with lots of designers taking part in each other's shows. There's a strong sense of the importance of working together, as well as being open to different routes and exploring undetermined outcomes."

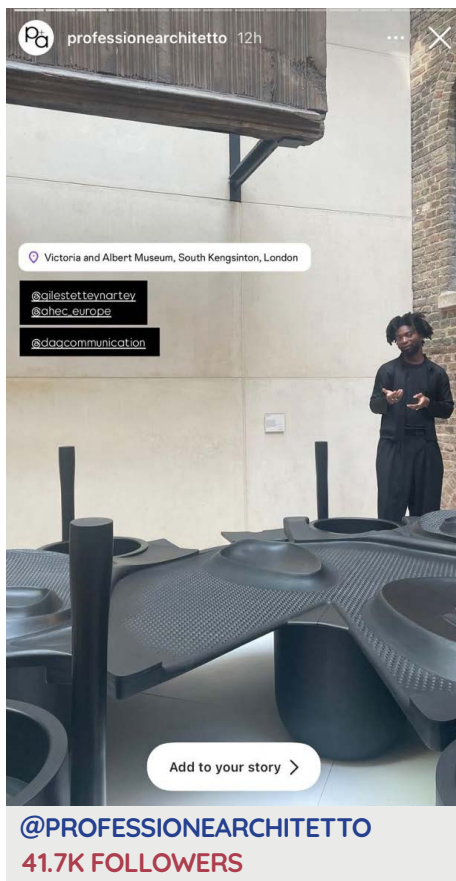
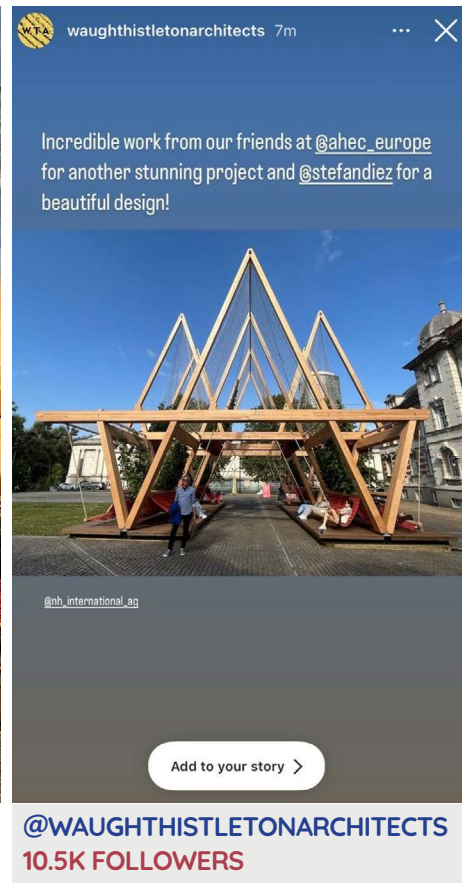
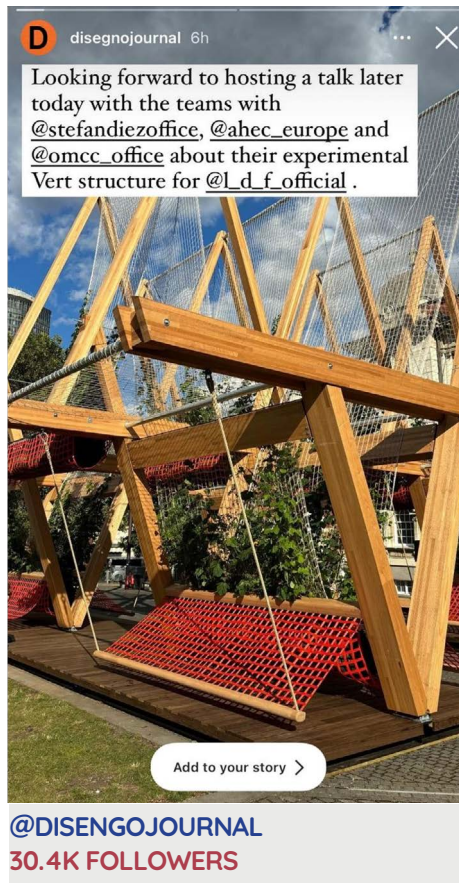
View full post [here](#)

**10.7M FOLLOWERS****@STUDIOENEMY**

"after seeing communion by @gilestetteynartey at milan design week made it was wonderful to see the piece relocated to the v&a, the scale of the setting itself changed the feel of the piece dramatically; made by @janhendzelstudio supported by @ahec\_europe"

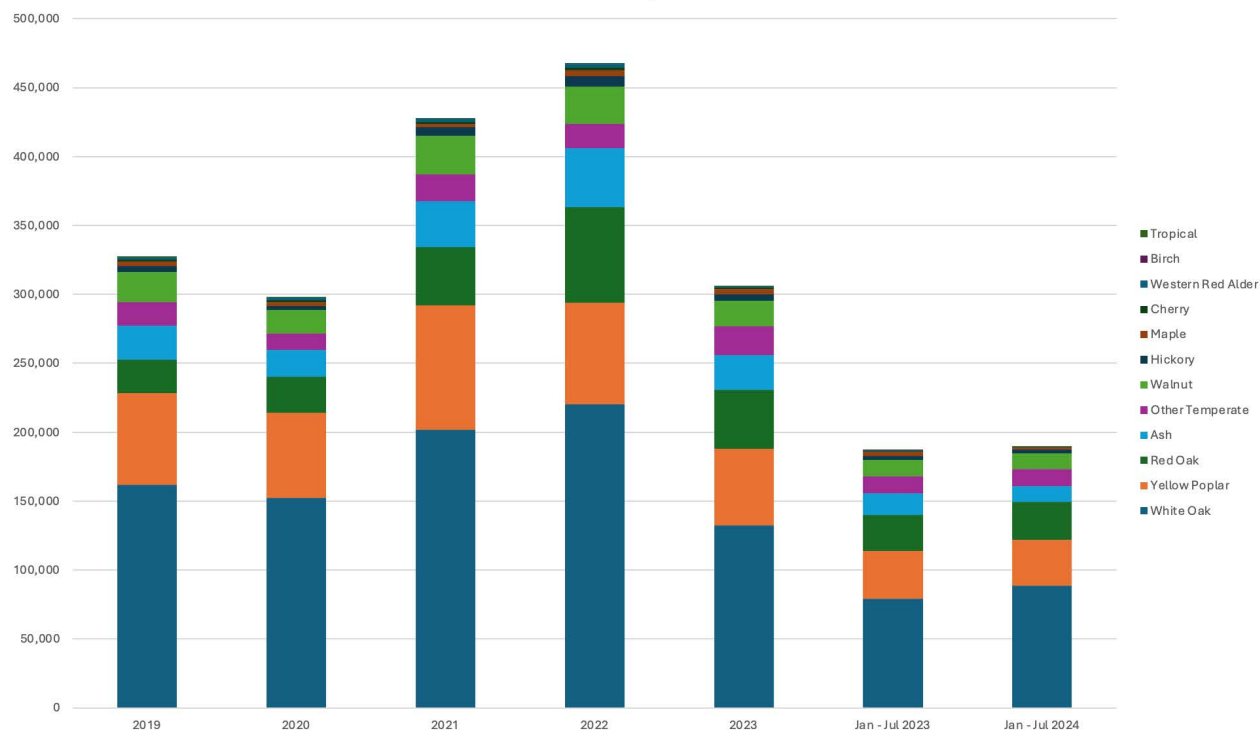
**14.K FOLLOWERS**





# U.S. HARDWOOD LUMBER SPECIES

## Exports to EU 27 + UK





# EXCHANGE RATES

|                      | 31/05/24 | 29/06/24 | 31/08/24 | 30/09/24 |
|----------------------|----------|----------|----------|----------|
| 1 EURO = \$          | 1.08     | 1.07     | 1.11     | 1.12     |
| \$1 = EURO           | 0.92     | 0.93     | 0.90     | 0.90     |
| £1 Sterling = \$     | 1.27     | 1.26     | 1.32     | 1.34     |
| \$1 = Danish DKK     | 6.89     | 6.96     | 6.74     | 6.68     |
| \$1 = Swedish SEK    | 10.63    | 10.59    | 10.25    | 10.09    |
| \$1 = Czech CZK      | 22.87    | 23.35    | 22.62    | 22.49    |
| \$1 = Hungarian HUF  | 359.31   | 368.33   | 354.66   | 355.22   |
| \$1 = Polish Zloty   | 3.96     | 4.02     | 3.87     | 3.83     |
| \$1 = Russian Rouble | 89.77    | 85.74    | 91.08    | 93.82    |
| \$1 = Turkish Lira   | 32.25    | 32.62    | 34.07    | 34.14    |

