European Furniture Industries Confederation

European furniture industry considerations on the

Canadian International Trade Tribunal safeguard enquiry on certain Wood Goods (Inquiry GC-2026-001) and Canada's Provisional 25% Safeguard Surtax on Wood Goods

Ahead of EU-Canada summit 29-30 October 2026

30 September 2026

Executive summary

The European furniture industry is concerned that Canada's provisional 25% safeguard surtax on certain imports of wood cabinets, vanities and related subassemblies, introduced within the context of the ongoing Canadian International Trade Tribunal (CITT) safeguard enquiry on certain Wood Goods (Inquiry GC-2026-001), imposes an unjustified and disproportionate burden on EU exporters and their Canadian partners, having a negative effect also on Canadian investors, developers, designers, installers, technicians, and consumers.

European furniture exports to Canada primarily serve high-value market segments based on quality, design, innovation and customised solutions. They respond to specific Canadian market demand, complement local manufacturing and support a wider network of Canadian businesses. The surtax risks increasing costs, reducing choice, delaying or cancelling orders and damaging commercial relationships built over decades.

The European furniture industry therefore respectfully asks the European Commission to raise these concerns with the Canadian counterparts during the upcoming EU-Canada summit on 29-30 October, requesting a dedicated evaluation and an exemption for European exports within the CITT Inquiry process. At a time when the EU and Canada are deepening strategic cooperation and reinforcing resilient supply chains under CETA, emergency tariffs risk undermining the spirit of the EU-Canada economic partnership.

Background

The Canadian International Trade Tribunal (CITT) was directed in April 2026 to inquire into and report on the importation of the following three classes of goods: (1) solid and engineered wood cabinets and vanities; (2) solid and engineered hardwood flooring; and (3) engineered-wood storage furniture (Inquiry GC-2026-001 Certain Wood Goods) to determine whether the above-mentioned goods are being imported into Canada in such increased quantities and under such conditions as to be a principal cause of serious injury or threat thereof to Canadian producers of like or directly competitive goods.

On 31 July 2026, Canada introduced a provisional 25% safeguard surtax on certain imports of wood cabinets, vanities and related subassemblies. The measure applies for a period of up to 200 days while the Canadian International Trade Tribunal (CITT) investigates whether increased imports are causing or threatening serious injury to Canadian domestic producers.

European furniture industry considerations & concerns

The European furniture industry supports open, rules-based international trade. However, in an increasingly unstable global trading environment — where European manufacturers face fierce competition from third countries such as China, alongside the accumulation of tariff and non-tariff barriers globally, including the tariffs applicable under the EU-US Agreement — the application of this Canadian provisional surtax presents an unjustified and disproportionate burden on EU exports.

It is considered essential that the specific characteristics of imports into Canada from European countries, their positioning in the Canadian market, and their actual impact on the conditions of the domestic industry are adequately considered in the process.

EU exports to Canada[1]

- The EU furniture exports to Canada under the concerned HS codes (9403.40; 9403.60; 9403.91) amounted in total to 189.4 million euros in 2025, representing an 8% increase compared to 2024 (175.4 million euros), but remaining 15% below the 2022 level (222.3 million euros). The increase recorded in 2025 should therefore be viewed in the context of the longer-term evolution of EU exports, which remain below their 2022 level, rather than considered in isolation as evidence of a sustained increase in imports.

- The largest EU exporter of the concerned products to Canada in 2025 was **Italy** (€80 million in total), followed by **Poland** (€37 million), **Lithuania** (€25.7 million), **Portugal** (€11.8 million) and **Germany** (€11.6 million). Together these countries accounted for **87.7%** of the total EU exports of the concerned products to Canada. The remaining EU exports originated in smaller amounts from Romania (€6.8 millions), France (€2.8 millions), Slovakia (€2.7 millions), Spain (€2 millions), Denmark (€1.8 millions) and others.

- The export figures below provide a more detailed picture of these developments across the three concerned product groups.
    - **9403.40: Wooden furniture of a kind used in kitchens (excluding seats)**
        - Italy: In 2025, exports from Italy reached €30.9 million, a decrease of 15.2% compared to 2024, and remained broadly in line with their 2022 level.
        - Germany: German exports to Canada amounted to around €2.1 million in 2025, down 14% from 2024 and 35% from 2022, continuing the decline observed over previous years.
        - Poland: Exports reached €2.1 million in 2025, representing an increase of 22.5% compared to 2024.
        - Portugal: Exports amounted to €0.5 million in 2025, a decrease of 21.5% compared to 2024.
    - **9403.60: Wooden furniture (excluding that of a kind used in offices, kitchens, or bedrooms, and seats)**

      This product code accounts for the largest share of EU exports among the three HS codes considered.
        - Italy: Exports reached €32 million in 2025, an increase of 7.1% compared to 2024, but remained 21.2% below the 2022 level.

[1] The EU exports to Canada data analysis provided in this section is based on Eurostat data.

- Poland: Exports amounted to €27.56 million, up 13.6% from 2024, while remaining 25.2% below the 2022 level.
- Lithuania: Exports reached almost €25 million in 2025, representing an increase of 53% compared to the previous year and 20.8% compared to 2022.
- Portugal: Exports reached €9.98 million in 2025, an increase of 15% compared to 2024.
- Germany: Exports amounted to €5.7 million in 2025, down 18% from 2024 and 67.7% from 2022.

Although certain Member States recorded increases in 2025, the figures also show substantial declines compared with 2022, including for Italy, Poland and Germany. The increases recorded in some markets may also reflect the development and strengthening of established trade relations between European suppliers and Canadian partners, including in the context of the CETA agreement.

Maintaining and further strengthening these trade relations represents an important opportunity for the future, particularly in light of the current geopolitical situation and accumulation of tariff and non-tariff barriers globally, as stable partnerships between the EU and Canada can contribute to greater resilience, predictability and mutual economic security.

- **9403.91: Parts of furniture (other than seats), of wood**
  - Italy: Exports exceeded €17 million in 2025, growing by 28.1% compared to 2024, following a decline of 10.2% in 2024 compared to the 2023 annual total.
  - Poland: Exports reached €7.3 million in 2025, an increase of 28% compared to 2024.
  - Germany: Exports amounted to €3.8 million in 2025, down 12.6% from 2024.
  - Portugal: Exports reached €1.3 million in 2025, representing an increase of 6.4% compared to 2024.
  - Lithuania: Exports amounted to €0.6 million in 2025, a significant decrease of 50% compared to 2024.

The developments under this product code also vary considerably between Member States, with increases in some markets and declines in others. Taken together, the figures highlight the importance of assessing the specific contribution of individual countries and product specificities when examining the evolution of EU exports to Canada and their potential impact on the domestic industry.

Characteristics and positioning of European furniture exports

European companies in the furniture sector operate in international markets through a competitive model based on product quality, innovation, design and the ability to offer highly customised solutions.

European furniture exports to Canada are primarily positioned in market segments characterised by high added value and specific demand. European exports broaden and elevate the products available to Canadian consumers and businesses. They complement local manufacturing by diversifying market offerings and sustaining a vital network of Canadian trade partners—including importers, distributors, showrooms, designers, and installation firms—without undermining the sector's competitive balance.

Finally, a significant share of European supplies is destined for mid-to-high-end residential, contract, and hospitality projects, generating positive spillover effects in terms of economic activity, investment, and employment throughout the commercial supply chain.

Impact of the provisional surtax

The sudden imposition of a 25% surtax threatens commercial relationships built over decades. The application of the measure risks leading to increased costs and a reduction in available options, with negative effects for Canadian investors, developers, designers, installers, technicians, and consumers. The measure also risks compromising commercial relationships built over decades, leading to the postponement or cancellation of already scheduled orders, reducing the competitiveness of high value-added products, and generating negative effects not only for European exporters, but also for their Canadian trade partners.

Conclusion

In light of the above, it is essential that the characteristics of the concerned European furniture exports to Canada, their positioning in the Canadian market, and their actual impact on the domestic industry are adequately taken into account.

We therefore respectfully ask the European Commission to relay the considerations and concerns of the European furniture industries to the Canadian counterparts, during the EU-Canada summit on 29-30 October, requesting a dedicated evaluation and an exemption for European exports within the CITT Inquiry process, as a blanket safeguard penalizes high-value European products that fulfil a specific market demand.

At a time when the European Union and Canada are actively deepening strategic cooperation and reinforcing resilient supply chains under CETA, applying emergency tariffs to European goods undermines the spirit of the EU-Canada economic partnership.

The European furniture industry remains at full disposal to provide any further detail or in-depth information needed.

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EFIC represents around 80% of the total turnover of the European Furniture Industries. In the EU, the sector employs 1 million people in about 130.000 enterprises and generates a turnover of over 100 billion Euros. The EFIC membership is composed of 17 national associations, one individual company member and several clusters. Further information can be found on our website: https://www.efic.eu/

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