

EUROPEAN FURNITURE INDUSTRIES CONFEDERATION

2021 ANNUAL REPORT OF ACTIVITIES AND ADVOCACY



E F IC

European Furniture Industries Confederation

© EFIC.
All rights reserved. Any
reproduction in full
or in part must mention the
title and credit
EFIC as the copyright owner.

WHO WE ARE

EFIC is the voice of the furniture industries in Europe. Founded in 2006, EFIC now represents more than the 70% of the total turnover of the industry. Our members come from national federations, single companies and clusters. We collaborate with many partners.

EFIC members strongly support the European project and values. We believe in the importance of working united for promoting a Furniture Growth Agenda. Most of the companies we represent are small, but with a big vision. We support a well-functioning EU Single Market, improved trade opportunities and sustainable & circular business models.

EU furniture industry in a snapshot



1 MILLION
EMPLOYEES



120 THOUSAND
ENTERPRISES
MAINLY SMEs



100 BILLION
TURNOVER



25% OF WORLD
FURNITURE
PRODUCTION



40% OF TOTAL
WORLD TRADE



25% OF WORLD
FURNITURE
CONSUMPTION

FORWARD FROM THE CHAIRMAN



I had the pleasure to be elected EFIC President in March 2021, taking over the position from Mr Markus Wiesner. I wanted to give my contribution to the entire European industry via our confederation in Brussels and I am fully convinced of joining forces and speaking with one voice.

The year 2021 was marked by the difficulties brought about by the coronavirus pandemic. The industry faced an uncoordinated response of Member States to the pandemic, shortages and price increases of the majority of raw materials used in furniture production, as well as logistics bottlenecks and difficulties with securing sufficient workforce, all hampering the production

capacity of the industry and leading to delays to final customers. Many of these difficulties persist, although on the bright side, the industry saw an increase in demand in many segments over 2021, which allowed a recovery compared to 2020. The pandemic also brought a focus on housing, an important element for our sector.

We also saw a growing European policy agenda, with many initiatives expected which are aimed at making industries more circular and more digitalised, among others. Important dossiers which will have a profound impact on the future of the industry. The furniture industry is well suited for a transition to a more circular economy, especially looking at one of main raw materials used in the industry, which is climate neutral: wood.

I would like to warmly thank the EFIC members, EFIC staff and our partners for the excellent collaboration over 2021 and I look forward to our collaboration in the years to come.

Edi Snaidero
EFIC President

FORWARD THE SECRETARY GENERAL



Throughout the coronavirus pandemic, there has been a general sense of uncertainty in the industry and quite a few challenges: the reduced availability of materials, meeting customer demands on time, the reduced availability of labour and the obstacles to the free movement of goods. I was pleased to see the spirit of togetherness and cooperation in the association. EFIC members always stood closely together during these challenging times.

In order to reap the full potential of the opportunities that the green and digital transitions will bring, it will be important to find solutions to the disruptions brought by crisis situations and to empower the sector, which is committed to actively delivering to the goals of the European Green Deal.

Manufacturers should keep an eye on the developments at European and national level via both EFIC and the national federations that are members of EFIC, to be able to adapt their product design and business models as needed for a transition to a circular economy and other upcoming legislation. Collaboration across the industry and the value chain will be important.

In this annual report you will find a non-exhaustive overview of EFIC advocacy activities over 2021. Thank you to EFIC members for their continuous efforts and to all EFIC partners. Looking forward to continued progress and collaboration in the years to come.

Gabriella Kemendi
EFIC Secretary General

COVID-19



FURNITURE INDUSTRY FACED RAW MATERIALS SHORTAGES AND OTHER DIFFICULTIES

The furniture industry closely monitored and evaluated the evolution of the coronavirus pandemic throughout 2021, which brought many difficulties to the entire society. The furniture industries faced reduced availability and price increases of raw materials, logistics bottlenecks, reduced availability of workforce and increased energy prices, among others.

As such, EFIC called on suppliers to do the necessary to not incur in unnecessary extra costs for the supply of raw materials, which met the furniture industry in a difficult point in time, where the industry was trying to recover from the impact of the coronavirus crisis. In another statement, the furniture industry asked partners for understanding, flexibility and solidarity in view of delays of furniture deliveries to final customers.

EUROPEAN FURNITURE SECTOR UNDER PRESSURE CALLS ON EU INSTITUTIONS AND MEMBER STATES FOR COORDINATED RESPONSE ACROSS EUROPE

The unharmonized responses of the EU Member States in terms of lockdowns, border closures and slow vaccination programmes exacerbated the complications in the process

of production and delivery, but also of furniture sales.

In April 2021, EFIC issued a joint statement with the European Bedding Industries Association (EBIA), the European Federation of Office Furniture (FEMB) and the European Federation for Furniture Retailers (FENA) calling on the EU institutions and national authorities to take a harmonised response across the EU to the coronavirus pandemic, stressing the importance of a coordinated approach and a level playing field.

The letter pointed at the complex value chain of the furniture and bedding industries and the high interdependency of the different players, from suppliers, to producers, to retailers. It also emphasised the need for a swift recovery from the coronavirus pandemic for the industry to reap the full potential of the green and digital transitions.

The disruptions brought about by the raw material shortages and price increases, including in the wood value chain, were also brought forward regularly throughout the year in the European Commission's Forest-based expert group which EFIC is part of. In general, uncertainty is reported about the future availability of wood products, which impacts the ability of companies to plan production ahead.

EFIC internal organisation, new members and committees

NEW MEMBERS

In May 2021 EFIC welcomed CENFIM-Furnishings Cluster in its membership as an associated member. CENFIM is a cluster founded in 2006 as a non-profit entity, with headquarters in Spain and over 140 associated members. CENFIM's mission is to promote the competitiveness of furniture and interior products companies through innovation. CENFIM assists EFIC in detecting innovation trends/topics in the furniture sector and financing programmes.

“

We welcome our new colleagues in EFIC and look forward to working with CENFIM to increase the competitiveness of the industry through innovation, as well as to address together challenges and opportunities for the industry, including the green and digital transition, vocational training and skills needs and common projects'

Edi Snaidero, EFIC President

“

'We are thrilled to become part of EFIC and to give our contribution in support of the European furniture industry. We already have partnership agreements in place with several organizations (knowledge centres, associations, clusters, media outlets, etc.), giving us the chance to share and learn together, and we welcome our new partnership with EFIC, the main association representing the voice of the furniture industry at European level'

Joaquim Solana, Executive Director at CENFIM

NEW MEMBERSHIP POSSIBILITIES



In 2021, EFIC started discussing the creation of a European cluster of clusters under the EFIC umbrella. The cluster of clusters is open to European clusters or active in the furniture sector with the mission to increase companies' competitiveness and/or innovation wishing to expand their network and knowledge sharing.

In EFIC clusters have an associated membership status and benefit by gaining visibility, having a network of contacts at European level, receiving fresh information on EFIC activities and developments at EU level, receiving first-hand information on projects and creating cross-country collaborations.

COLLABORATION WITH EUIPO



In December 2020, EFIC entered a formal collaboration with EUIPO, the European Union Intellectual Property Office responsible for managing the EU trademark and the registered Community design. EUIPO promote, throughout the Union, a harmonious development of economic activities. EUIPO is also entrusted with tasks aimed at supporting by various means the activities of national authorities, the private sector and EU institutions in the fight against infringements of intellectual property rights.

As part of its strategic plan 2025, EUIPO set up a dedicated SME Programme with the aim of empowering EU SMEs and start-ups to protect and enforce their competitive advantage. It is in this context that the cooperation agreement between EFIC and EUIPO started. EFIC acts as a bridge between EUIPO and EFIC members, to introduce member organizations to the different tools offered by EUIPO.

The EFIC September Board meeting in Milan featured special guest Mr. Andrea Di Carlo, Deputy Executive Director at EUIPO. Mr. Andrea Di Carlo spoke about the EUIPO Strategic Plan 2020-2025, initiatives in support of SMEs and measures for the protection of furniture design, including the revision of the EU's legislation on design protection.

EFIC members stressed the need to protect furniture products from counterfeiting and the industry from unfair competition.

NEW COMMITTEES

In July 2021, **EFIC established a steering committee composed by industrialists**, a group of industry representatives who will bring to the EFIC Board valuable first-hand insights from the industry and help further shape the EFIC priorities agenda.

The scope of this committee is to increase the visibility of EFIC and upcoming legislation at European level with companies, help EFIC to make results as tangible as possible for companies and have industry experts' views on policy issues & needs of the industry more generally speaking.

EFIC also established a **steering committee on innovation** which will track opportunities to drive innovation in the sector and share project ideas.

THE EFIC BOARD CONVENED IN MILAN ON THE OCCASION OF THE SUPERSALONE IN SEPTEMBER 2021, THE FIRST PHYSICAL MEETING IN SOME TIME

On 7 September 2021 EFIC Board members convened in Milan for a meeting hosted by EFIC Italian member FederlegnoArredo on the occasion of the SuperSalone, a flagship event for the furniture industry which made a special restart after the 2020 edition was cancelled due to coronavirus pandemic.

The EFIC membership debated key topics such as the situation of the furniture industries in different Member States in relation to raw materials availability, as well as actions at EU level that can alleviate the negative impact on the industry. The discussion followed on priority files at European level, including circular economy initiatives such as the Sustainable Products Initiative - which is expected to have a large impact on how furniture will be produced, consumed and discarded in the future - and initiatives related to taxonomy, among others.



“

We are honored to be FederlegnoArredo's guests in Milan on the occasion of the Salone del Mobile and to receive a warm welcome from Maria Porro, President of Assarredo and of Salone del Mobile. We are also pleased to have Mr. Andrea Di Carlo, Deputy Executive Director of EUIPO, as a special guest, to explore collaboration opportunities in relation to EUIPO's Strategic Plan 2020-2025 and measures for design protection. Design is a key aspect of our industry, and the protection of intangible contents remains a priority in order to ensure the competitiveness of the industry.

Edi Snaidero, EFIC President

EUROPEAN GREEN DEAL & CIRCULAR ECONOMY ACTION PLAN

The European furniture industry welcomes the ambitions of the European Green Deal and supports the transition to a circular economy and the initiatives to make sustainable products the norm in Europe stemming from the New Circular Economy Action Plan of March 2020, which identifies furniture as one of the priority products groups to address.

There is a large potential to drive circular economy further in the industry and furniture is well suited for a circular economy. The transition from a linear to a circular economy will be the main contribution of the industry to climate neutrality objectives and is seen as a business opportunity. However, the industry, largely composed by SMEs and microenterprises, will need to be accompanied in the transition.



1. SUSTAINABLE PRODUCTS INITIATIVE (SPI)

As part of the EU's ambitions on circular economy, the Sustainable Products Initiative is one of the most important policy initiatives at European level for the furniture industry, expected to have a large impact on the industry and on how products are produced, consumed, and discarded of in the future. Over the year, EFIC contributed to several consultations by the European Commission and external consultants, providing recommendations from the industry's perspective.

In June 2021, [EFIC issued a comprehensive position paper](#) in view of the European Commission's SPI. It gives recommendations on how the industry views the widening of the current Ecodesign Directive which is expected to also cover products such as furniture in the future.

General recommendations to policymakers

- 1 Take a **holistic approach** in the development of new legislation, avoid addressing the same issues with several initiatives and contradictions between existing and upcoming legislation and tools. It is important that legislators work with a clear scope and **do not 'reinvent the wheel'**.
- 2 Establish **harmonised legislation at EU level**, with harmonised definitions and ways of reporting (e.g., harmonised rules are needed at EU level for recycling symbols and sorting instructions). **Avoid that Member States adopt differing legislation** on the circular economy. As an example, uniform Extended Producer Responsibility schemes are needed in the Member States, as differing schemes would lead to unnecessary additional administrative and logistical expenses, but also to costs that do not add any value to the Circular Economy.
- 3 Involve and **consult standardisation bodies** in the process, as well as **the industry** for sector-related expertise and recommendations. Work on circular economy is ongoing both at CEN (CEN TC 207 - Furniture) and at ISO (ISO / TC 323) level and best practices exist in the industry. Technical specifications and how these should be verified should be set in standards. The standardisation work is well established within the EU and must continue playing an important role in the implementation of future legislation.
- 4 Consider a **value chain and ecosystem approach**. The success of the furniture industry in transitioning to a more circular economy also depends on suppliers of components and materials, on consumer mindsets and behaviour, as well as on players involved in distribution and waste management, including new service providers that will appear on the market.
- 5 Consider the **complexity** of not only the **furniture value chain**, but also of the **product itself**. The furniture product range is very varied, ranging from chairs and seats, cabinets, kitchens, bedding, office furniture, project furniture, etc., and many different materials are used in furniture production (e.g. wood, plastics, textile, steel, glass, composites, foam).
- 6 With this complexity in mind, consider that **only general design principles should be established** as part of 'effect goals'¹⁾ at EU level, instead of binding rules. The technical solutions should be entrusted to the industry in collaboration with relevant stakeholders. Setting binding rules at EU level per product, detailing what rules producers are obliged to follow and requirements for technology development will be to the detriment of the industry.
- 7 Consider the **two different distribution systems** in the furniture market (**B2B and B2C**), where the B2C distribution system has by far the larger market share in terms of turnover and quantity of furniture in the total market. The B2C means that the end customer has a contractual relationship with the furniture retailer and not with the furniture manufacturer, therefore the furniture manufacturer usually does not have direct contact to the customer. Companies in B2B operate under completely different conditions than those under B2C, both in terms of possible (circular) business models and competitive conditions. These complexities of the furniture industry (in addition to the

complexity of the product range and materials) must be considered when setting rules in many areas (e.g. warranties, take-back systems, or reverse logistics specialized in furniture, a necessary system capability to enable processes in the context of refurbishment and remanufacturing).

- 8 With this complexity in mind, **allow companies to adopt the circular business models that work best for them**, as this is mainly market driven. SPI and circularity policies should only set the overall goals and consider that some business models will not work for certain product groups.
- 9 Consider the **complexity of value chains and of the sector when developing the product passports**. Although these tools have a large potential to drive circularity, they should be based on existing legislation and schemes and must not become an administrative burden. Product passports should have a pragmatic approach and only provide information that is important and useful for the intended receiver or target operation. Consider making a differentiation between compulsory and voluntary information.
- 10 Grant **flexibility** to the sector's companies to adapt to new requirements during a **reasonable transition period**, as well as to find the technical solutions for established policy goals and their own way to contribute to circularity. There is no one-size-fits-all solution. Ensure that **no additional and unreasonable administrative burden** is placed on the industry, which is mainly composed of SMEs and microenterprises. Companies' sustainability agendas are largely market-driven and not primarily by legislation, therefore legislation should be applied with caution and only in the case of market failures. The desire to operate in a responsible way is a main driver, too.
- 11 Apart from granting a reasonable transition period to the industry, **incentivize demand for circular products**, both from public institutions and consumers, and reward companies that invest in circularity. Price remains a main driver for consumer choice. As such, pricing differences between products should be levelled.
- 12 Put in place **research and innovation funds** to drive a systemic shift toward a circular economy. **Large-scale studies**, supported by the European institutions, would support the purpose of building more knowledge on the circular economy.
- 13 Ensure that **products imported from third countries comply with the same rules** that are applicable to EU manufacturers and put in place adequate market surveillance and enforcement efforts. Products produced in the EU are regularly more expensive and it is difficult to compete against countries with lower labour costs.
- 14 **Labels and green claims should be voluntary**. Avoid putting additional labels on the market and consider that labels are primarily used at the purchasing time, therefore they are not a tool for long-lasting information relevant for the purposes of the circular economy. We urge policymakers to adopt a constructive approach towards developing an EU methodology to quantify environmental impacts, where the industry is involved in the development of a sector-specific solution for the furniture sector.
- 15 Consider the **global aspect** when creating and implementing circular economy rules, and the fact that the furniture industry is highly export oriented.

¹⁾EFIC position paper welcoming the Circular Economy Action Plan of March 2020

²⁾EFIC position paper to roadmap consultation on the SPI

³⁾Examples: reduced greenhouse gas emissions, more efficient resource utilization and reduced waste generation, lifetime-extending exchangeability of functional fittings and particularly loaded components, separability of materials critical for recycling (e.g. wood and metal)



2. TAXONOMY AND SUSTAINABLE FINANCE

The EU Taxonomy is a classification system establishing a list of environmentally sustainable economic activities. Under the Taxonomy Regulation, the European Commission is developing a list of environmentally sustainable activities by defining technical screening criteria for each environmental objective established by the Regulation through delegated acts. One of the environmental objectives is a more circular economy.

The European furniture sector welcomed the goals of EU Taxonomy in driving circular economy forward. In September 2021, EFIC contributed to a call for feedback on Preliminary recommendations for technical screening criteria for the EU Taxonomy by the Platform on Sustainable Finance. The recommendations are considered by the European Commission when developing delegated acts, including the one which will cover circular economy.

In its input, EFIC provided recommendations to policymakers and urged, among others, to align existing legislation and tools with upcoming initiatives to avoid a contradictory policy framework and to ensure a harmonised legislation and a level playing field, in order to drive companies forward in the transition to circularity.

3. COMMISSION PROPOSAL FOR A REGULATION ON DEFORESTATION-FREE PRODUCTS (REPEALING EUTR)

At the beginning of 2021, EFIC contributed to the evaluation of the Timber Regulation (EUTR). EFIC recalled the importance of having harmonised rules at EU level -such as the Timber Regulation- that are applied in the same way by all Member States, to prevent time and resource intensive administrative burdens for companies.

In November 2021, the Commission proposed new rules to curb EU-driven deforestation, a Regulation that will repeal the EUTR. The proposed Regulation sets mandatory due diligence rules for operators which place specific commodities on the EU market that are associated with deforestation and forest degradation. Its purpose is to ensure that only deforestation-free and legal products (according to the laws of the country of origin) are allowed on the EU market. The Commission proposes a benchmarking system to assess countries and their level of risk of deforestation and forest degradation driven by the commodities in the scope of the Regulation.

Late 2021, EFIC started analysing the proposal together with other partners from the forest-based industries.

4. Packaging and sorting instructions – notifications of draft legislation by the Member States

Throughout 2021, EFIC kept track and made comments to draft legislation announced by several Member States on packaging and sorting instructions which had the potential to bring barriers to the single market.

PORTUGAL DRAFT DECREE-LAW

In May 2021, EFIC issued a [position paper](#) on the Draft Decree-Law notified by the Portuguese authorities in the European Commission's TRIS database 2021/118/P on 23 February 2021. This Decree-Law would introduce market specific packaging rules, hindering the possibility to circulate the same packaging in Portugal and in other European countries.

The European furniture industries encouraged the European Commission to present a detailed opinion in response to this and Portugal to work towards a European approach as opposed to national rules which will bring barriers to the Single Market for the collection, reuse, recovery and recycling of packaging waste.

DRAFT FRENCH DECREE ON PACKAGING REUSE

In October 2021, EFIC submitted a position on the draft French decree on packaging reuse, notified to the European Commission in July 2021. The Decree defines for the years 2022 to 2027 the minimum proportion of reused packaging to be placed on the market annually in France. It specifies the producers concerned and provides for the possibility for these producers to form a collective structure or to rely on their eco-organisation to fulfil their reused packaging obligation.

EFIC supports joint work aimed at standardization of re-usable secondary packaging (e.g., trays or boxes for e-commerce) and a common EU-return system for implementing these solutions. However, EFIC stressed that the proposed regulatory approach could lead to packaging solutions that are less sustainable and that can have a negative impact on the environment, contrary to the good intention of the legislation.

EFIC also recommended to the French authorities to adapt the text to follow the revision of the Packaging and Packaging Waste Directive at EU level, where the feasibility of creating a re-use system is being assessed. A European approach, accompanied by an impact assessment considering overall economic and environmental impacts, is a more suitable and less trade restrictive option.

JOINT INDUSTRY POSITION PAPER ON CONSUMER SORTING INSTRUCTIONS

In December 2021, EFIC co-signed a [joint industry paper](#) calling for an EU approach to packaging waste labelling together with EUROPEAN - the European Organization for Packaging and the Environment - and other organisations in Brussels sharing the same views, with the aim to ensure harmonisation across the single market.



4.

EFIC COLLECTION OF BEST PRACTICES

Collaboration among the value chain players will be needed in the transition to a circular economy, as well as sharing best practices that can serve as inspiration to other furniture manufacturers or that can be the building blocks of future legislation.

The growing EFIC collection of best practices shows successful examples of applying circular economy principles. Best practices feature products that have created value from waste and which have been designed for disassembly, allowing reuse, refurbishing and recycling and thus prolonging product lifetime.

1



Product: Revor Circular mattress

Producer: Revor Bedding

Why it is a success: Revor Circular is a mattress made of two main materials: Polyester and Metal. Both materials can be separated at end-of-life and recycled into new raw materials, out of which new mattresses can be made. Revor Circular offers the same comfort level as traditional foam mattresses.

More information: www.revor.be

2



Product: Kata chair

Producer: Arper

Why it is a success: The Kata chair is designed with circular sustainability at its core, lightweight in form and environmental footprint. The chair is manufactured using innovative 3D knit technology that reduces overall material waste.

More information: www.arper.com

3



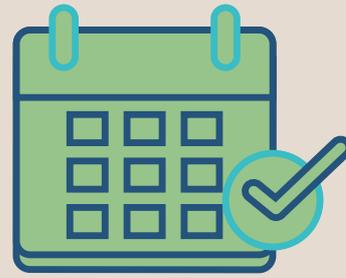
Product: RH New Logic chair

Producer: Flokk

Why it is a success: It is largely composed of post-consumer recycled (PCR) plastics and of fabrics made of 100% recycled PET. Seat and back cushions can easily be clicked on and off, enabling changeable parts and prolonging product lifetime. Through patented 'drawstring spindle' there is no need for glue or staples either. RH New Logic is prepared for a long lifespan and thanks to modular design, it is possible to upgrade, repair and remanufacture it in an easy manner.

More information: www.flokk.com

6. Events



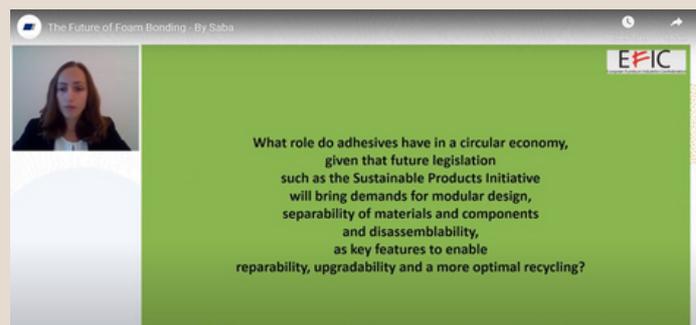
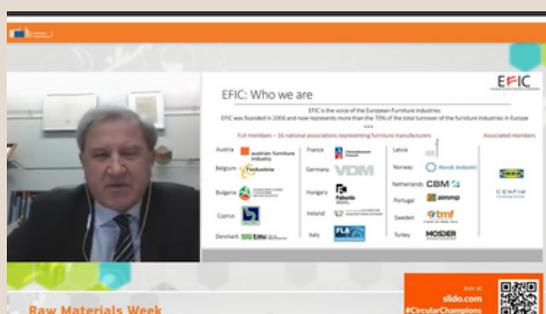
JUN 21 In June 2021, on the occasion of the Slovenian Woodworking Day, EFIC was invited by the Wood Industry Cluster (Lesarski Grozd) to give a presentation on the key circular economy initiatives that will impact the furniture sector in the coming years.

OCT 21 In October, EFIC Secretary General Gabriella Kemendi gave a presentation for the SABA adhesives & sealants event "The Future of Foam Bonding" on circularity, automation, material use, and trends and developments.

Gabriella Kemendi intervened on the views of the industry on circular economy initiatives and in particular on the role of adhesives in a circular economy. Among others, EFIC Secretary General stressed that future legislation such as the Sustainable Products Initiative will bring demands for modular design, separability of materials and components and disassemblability, as key features to enable reparability, upgradability and a more optimal recycling.

Adhesives can lead to climate and carbon dioxide emissions when they are used to replace certain materials. However, some of the top challenges for manufacturers will be to be able to separate materials and meet upcoming demands (modular design and separability), as well as to be able to recycle composite materials. In this context, strong innovation will be needed.

NOV 21 On 16 November 2021 EFIC President Edi Snaidero intervened at the European Commission's yearly event 'the Raw Materials Week'. Mr Snaidero addressed the benefits of wood and wood-based products in the transition to a more circular economy and the role of the upcoming product passport in the furniture industry. Product passports have the potential to drive circular economy forward if they are designed correctly. However, a number of recommendations are put forward by the industry in view of the future legislation covering product passports. See our position on the Sustainable Products Initiative.





GENERAL PRODUCT SAFETY

GENERAL PRODUCT SAFETY DIRECTIVE

In October 2021 EFIC submitted input on the European Commission proposal for a General Product Safety Regulation. The proposal for a Regulation will replace the Directive 2001/95/EC on general product safety ('GPSD').

The GPSD is being revised to:

- respond to issues related to new technologies and online sales,
- ensure better enforcement of the rules and more efficient and even market surveillance,
- simplify the standardisation process,
- improve the recall of dangerous products in the hands of consumers.

The proposed General Product Safety Regulation introduced new requirements compared to the current legislation, which may be positive for a clear overview of responsibilities. However, many of the proposed requirements will be associated with additional administrative procedures and costs, therefore it is important to assess the feasibility and added value of the proposed requirements, to ensure that the competitiveness of the furniture industry is preserved.

In its paper, EFIC recommended, among others:

- That economic operators who bring products back in the market after repair, refurbishment and remanufacturing should have same responsibilities and obligations as the original manufacturer and first distributor of the product
- To further fine-tune the definitions of "safe product" and 'substantial modification'
- To consider that the requirement for the manufacturer to report an accident or a safety problem within two days of becoming aware of the accident seems unfeasible
- To consider that right to remedy is not a subject of product safety per se, therefore the application of existing standards of product liability law should suffice

LIGHTING

ECODESIGN AND ENERGY LABELLING FOR LIGHTING AND CONTROL GEARS

In March 2021, the European Commission published the revised Ecodesign Regulation for light sources and separate control gears and Energy Labelling Regulations for light sources. EFIC liaised with the Commission, DG ENERGY, to ask for a clarification on the legal interpretation of the Regulations, in view of a guidance for the industry that was being developed by EFIC German member VDM in collaboration with EFIC. In this occasion EFIC underlined that furniture with light sources are always a containing product.

ROHS EXEMPTIONS FOR GENERAL LIGHTING

In July 2021, EFIC submitted input on a consultation on a draft Directive for RoHS exemptions for general lighting. EFIC welcomes the transformation of the economy in terms of sustainability, the responsible use of resources and the reduction of pollutants and proactively accompanies the transformation both when it comes to products and production.

In companies in the furniture sector, the conversion from fluorescent tube technology to LED technology is already underway and will continue to be implemented step by step.

EFIC noted, however, that energetically sensible replacement with the latter units is much more complex and therefore also more time-consuming and costly, both because the current lamps last many more hours than the standard versions and because the so-called "plug & play replacement tubes with LED technology" are by far not as energy-efficient as suitably matched complete LED systems.

In this regard, EFIC called on the EU Commission to provide sufficiently practical timeframes in which this conversion is possible both from an organizational (> in many cases the conversion is only possible during a shutdown) and economic (> volume of investment) point of view.

Similarly, EFIC fought for the phase-out scenarios for specific UV lamps used for coating curing to be extended once again to allow the industry the necessary time to make the switch.



MACHINERY DIRECTIVE AND STANDARDISATION

REVISION OF MACHINERY DIRECTIVE

In April 2021, the European Commission put forward a proposal for a new Regulation on Machinery Products, as part of a wider 'Artificial Intelligence package'. The European Commission realised that the current Machinery Directive needs updating to improve safety levels further and take account of the latest IT innovations. As such, the Commission proposed to convert it to a Regulation that would align the Directive with EU harmonised legislation on product health and safety and tackle the challenges that may arise from technical progress in digitisation.

In October 2021 EFIC co-signed a [joint industry statement](#) on priorities for the Machinery Products Regulation. The statement points to the importance that the legislative framework retains a balance between safety and innovation whilst offering the necessary consistency for manufacturers and users alike.

In an own position paper EFIC raised, among others, the fact that some definitions are missing, especially in the context of the circular economy, leading to open questions such as who will bear the responsibility for the safety of a machine. EFIC also challenged the possibility for the European Commission to adopt technical specifications in the event of stalled standardisation processes.



INTERNATIONAL TRADE AND MARKET ACCESS

Different national regulations, standards, certification schemes and labelling requirements constitute a barrier for EU producers and bring disproportionate costs for companies. EFIC therefore stands for harmonised rules at European level and a level playing field for furniture producers.



1. MARKET ACCESS CASES AND FREE TRADE AGREEMENTS

The European Furniture Industries are export oriented and rely on open and rules-based international trade. A good exchange of information on trade barriers and custom duties imposed by third countries on EU products is therefore key to enable a smooth access to market for EU manufacturers.

EFIC attends every month the European Commission's Market Access Advisory Committee meetings where key market access barriers are discussed. Through this platform, EFIC gave feedback throughout the year to several Technical Barriers to Trade (TBT). Examples of cases tracked over the year are:

EU-US TRADE AND TECHNOLOGY COUNCIL

EFIC issued a [position paper](#) in August 2021, in which the industry stressed the need to increase EU-US cooperation in the area of green/sustainable trade flows.

In EFIC's view, cooperation areas to be prioritised are:

- a) Sustainability and standardisation
- b) Digitalisation
- c) protection of Intellectual Property Rights

CHINESE STANDARDS FOR FURNITURE – VOC CHINA, “LIMIT OF HARMFUL SUBSTANCES OF FURNITURE”

The European Furniture Industries Confederation has been working in close cooperation with the European Commission over the years to suggest ways to improve the original standards notified to the WTO in 2015 (G/TBT/N/CHN/1094, G/TBT/N/CHN/1095 & G/TBT/N/CHN/1096).

A more recently proposed standard by China on “Limit of Harmful Substances of Furniture” failed to bring relevant improvements and presents similar concerns as the original text notified to the WTO in 2015.

The case is still under discussion at WTO level, where the European Commission discusses technical trade barriers in bilateral and plenary meetings with several countries, including China.

EFIC called on the European Commission to ask China for clarifications on the new draft standard and on the challenges that it would bring to the European furniture industry and broadly to furniture trade flows. Furthermore, EFIC called the European Commission to support internationally recognised standards, such as ISO 16000-9, -3, -6.

THE BUY AMERICAN ACT (BAA)

BAA is the core domestic preference statute governing U.S. procurement. It covers several measures, generally termed Buy American restrictions, which apply to government funded purchases and covers a significant proportion of public purchasing in the U.S. BAA provisions are regularly incorporated into various pieces of legislation, notably those related to infrastructure or funding, restricting the possibilities for State and local governments to acquire goods and services from non-U.S. companies, using federal grant money.

On 18 April 2017, the U.S. issued a Presidential Executive Order on Buy American and Hire American which is aimed at maximizing federal, State and local authorities’ purchasing of U.S.-produced goods and services. EFIC contributed an opinion, stating that EU businesses and U.S. businesses should receive equal opportunities in the U.S. public procurement system and that the U.S. federal Government could alleviate the situation by providing positive incentives to the States when funding federal projects.

INTELLECTUAL PROPERTY RIGHTS



REVIEW OF EU RULES ON INDUSTRIAL DESIGN

The European Commission has gathered stakeholder evidence and views to support the review of the Design Directive and the Community Design Regulation to address certain shortcomings in order to modernise the legal framework and make it fit for the digital age.

In July 2021, EFIC submitted its input on the review of EU rules on industrial design protection. Design is an important aspect for the competitiveness of the furniture industries. A legal framework that protects intangible contents such as design is crucial for a general transition to a more sustainable and greener European economy.

The intellectual property right is essential in specific economic sectors such as furniture as well as the textile, and electronics ecosystem that are key for a general transition to a more sustainable and greener European economy. For the aim set out in European Commission's Action Plan on Intellectual Property and the accompanying Roadmap, EFIC supports the modernization of the EU legislation on design.

However, EFIC highlighted the need for a more harmonised framework for the protection of design, to make it more user-friendly, more consistent with current European policies - as the European Green Deal - and more adaptive to the valorisation of the intangible assets given by designs by European entrepreneurs and companies.



SOCIAL DIALOGUE

EFIC participates in the Sectorial Social Dialogue for the Furniture and Woodworking industries at EU level together with the European Federation of Building and Woodworkers (EFBWW) and the European Confederation of Woodworking Industries (CEI-Bois).

Social Partners follow EU initiatives on Industry Policy, Digitalisation, Health & Safety, Circular Economy and Education & Training, among others, and collaborate to address, among others, the challenges and opportunities that the green transition and digitalisation bring to the furniture sector and its workers.

EFIC INPUTS TO PUBLIC CONSULTATIONS

On 16 July 2021, EFIC submitted input on a Social Partners' consultation on the revision of the Social Dialogue. EFIC stated among others that the transition of the furniture industries to new developments (increasing circularity of the industry, digitalisation) constitutes a key challenge that should also be raised at sectorial social dialogue level and the fact that sharing best practices to stimulate member states and drive innovation is key to achieve more impact.

EFIC also submitted in September 2021 inputs to the public consultation on an upcoming proposal for a Council Recommendation on Education for Environmental Sustainability. The proposal aimed to boost policy cooperation and exchange on how education and training can support the move towards a more sustainable and resource-efficient society and economy.

MICROCREDENTIALS CONSULTATION

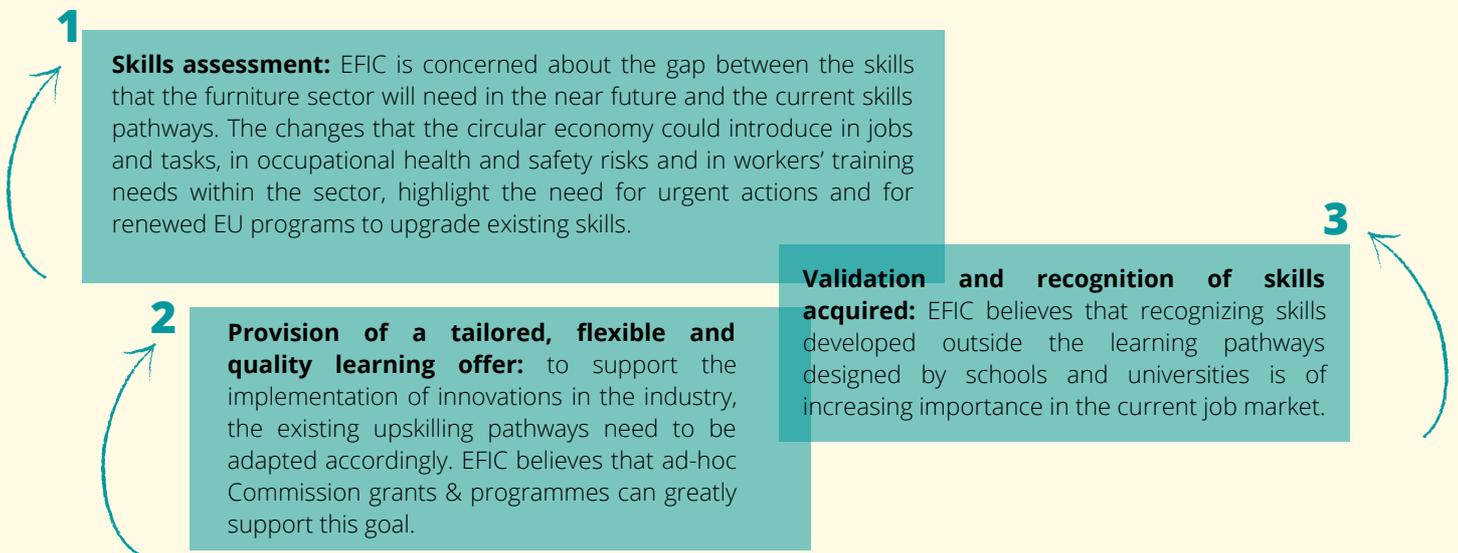
The Commission defines microcredentials as a proof of the learning outcomes that a person has achieved after a short, transparently assessed learning experience. Microcredentials are awarded upon the completion of short stand-alone courses (or modules) done on-site or online (or in a blended format). However, a common definition and a shared approach on microcredentials are lacking.

In March 2021 EFIC contributed to the Roadmap consultation and supported the development of skills prior to the employee's access to the job market and an EU-wide recognition of competences.

ROADMAP ON UPSKILLING PATHWAYS

In January 2021, the European Commission launched a Roadmap consultation on Improving adults' basic skills ("Upskilling pathways recommendation"), with the aim of evaluating the 2016 EU Council Recommendation on Upskilling Pathways. The EU Council Recommendation targets adults with a low level of skills, knowledge and competences and provides them with flexible opportunities to improve their literacy, numeracy and digital skills and the competences to progress towards qualifications relevant for the labour market and for active participation in society.

As stated in the 2016 EU Council Recommendation, the design of the upskilling pathways should be based on three steps: skills assessment; provision of a tailored, flexible and quality learning offer; and validation and recognition of skills acquired. The European Furniture Industries Confederation (EFIC) contributed to the Roadmap with the following inputs:



OCCUPATIONAL SAFETY AND HEALTH STRATEGIC FRAMEWORK

On International Labour Day, EFIC co-signed a joint statement together with the European Federation of Building and Woodworkers (EFBWW) to support the recognition of healthy and safe workplaces as a fundamental right by the International Labour Organization (ILO). A global consensus for such a change encourages the application of good occupational health and safety standards and discourages countries and companies from seeking competitive advantage based on substandard conditions and practices.

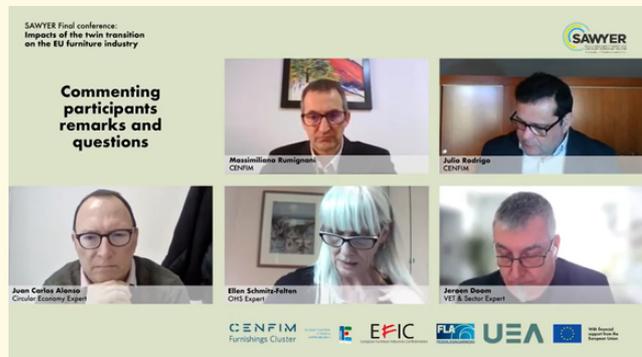
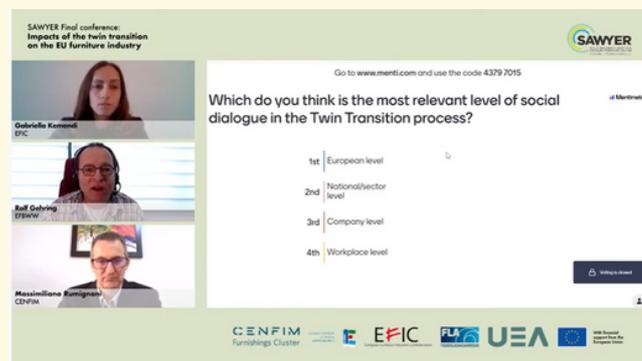
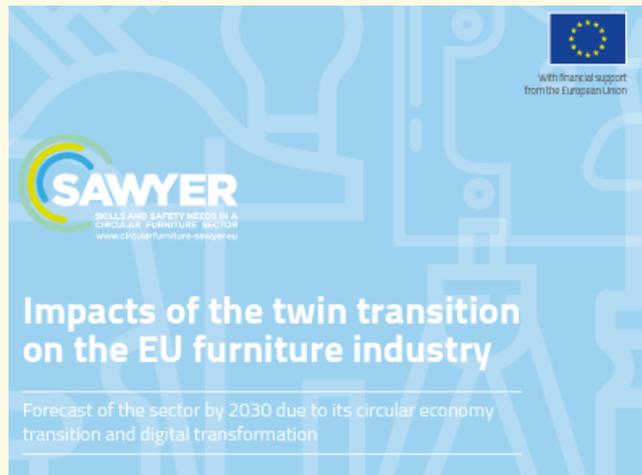
SAWYER PROJECT (CIRCULAR ECONOMY AND SKILLS NEEDS IN THE FURNITURE INDUSTRY)

From 2019 to 2021, EFIC was involved in the SAWYER project, an EU funded project under the Social Dialogue, aimed to facilitate the transition of European furniture companies to a more circular economy. The project studied the main legislative and voluntary instruments that can facilitate the circular economy transition and analysed how this transition can affect the European furniture sector in 2030.

SAWYER built up its analysis on the outcomes of the DIGIT-FUR project, which analysed the impact of the digital transformation on the furniture industry and in the sector key occupational profiles. SAWYER integrated these results with the expected impacts of the sector transition toward a more circular economy. The result is a final report containing a detailed analysis of the foreseen changes in eleven key occupational profiles of the sector in 2030.

The Final Report presents the key results of the project, with a detailed description of the impact of the Twin Transition on the furniture sector and on 11 of its occupational profiles in relation to tasks, OHS risks, new and updated needs for skills, knowledge, and competencies.

On 10 March 2021, the Spanish Furnishings cluster (CENFIM), main partner in the project, hosted the final conference of the project, which served as a platform to present the Sawyer final report and have a discussion on its main results. EFIC Secretary General Gabriella Kemendi spoke of the role of Social Dialogue in the transition to a more circular economy, among others, and the importance of preparing the workforce.



THE ALLIANCE FOR FLAME RETARDANT FREE FURNITURE



In 2016 EFIC launched the Alliance for Flame Retardant Free Furniture, which gathers industry representatives, NGOs, health organisations and trade unions that share a common concern towards the use of unwanted flame retardants in furniture. Many fire safety standards exist in the EU Member States/European countries for furniture, as part of more general product safety efforts.

As a result, furniture and bedding manufacturers often need to use materials such as foam or textiles which are treated with (or contain) flame retardants to comply with old fashioned fire safety standards applicable in EU/European countries. As an example, for domestic furniture, the United Kingdom and Ireland have regulations in place requiring compliance with an open flame test. For the contract market (office furniture), a number of different flammability standards apply. This shows that there is no harmonisation of flammability standards at EU/European level.

Many flame retardants have been documented to be harmful for humans (consumers and workers), animals and the environment, as they migrate out of products, endangering people's lives and health and putting both them and firefighters at increased risk of asphyxiation and reduced visibility due to a potential increase in fire toxicity. Toxic flame retardants are also hampering a true circular economy, posing a problem at the end-of-life of products.
<https://www.safefurniture.eu/studies>

In view of the Sustainable Products Initiative, the Alliance issued a joint position welcoming the US law mandating nationwide compliance with California's flammability standard for upholstered furniture and calling for harmonising flammability requirements for furniture in Europe, whenever they exist at national level.

The Alliance for Flame Free Furniture welcomed the 'COVID-19 Regulatory Relief and Work from Home Safety Act' passed by the United States congress and signed into law on December 27, 2020, requiring that all upholstered seating for furniture imported or sold in the US comply with the flammability test specified by the California Technical Bulletin 117-2013 (TB 117 - 2013), a smoulder test.

ALLIANCE STUDIES

The Alliance for the Case for Flame Retardant Free Furniture provides you with an informative newsletter regularly presenting scientific studies and policy changes supporting the case

<https://www.safefurniture.eu/copy-of-press>



EFIC is involved in the workings of different Stakeholder & Expert group

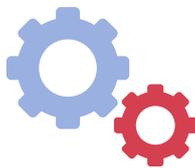
EFIC is also part of several expert groups and advisory committees at European level.



For example, EFIC attends once a month the **Market Access Advisory Committee** meeting of the European Commission's Directorate General for Trade, which tracks (also via stakeholder input) and puts in place measures to tackle market access barriers.



EFIC is also part of the **Forest-based industries expert group** of the European Commission, which meets once or twice a month to discuss topics close to these industries, such as the EU forest strategy, the Sustainable Products Initiative, the Renovation Wave, the New European Bauhaus, among others.



EFIC is also part of the **Machinery Expert Group** of the European Commission's Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROW), which provide advice and expertise to the Commission in the preparation of legislative proposals and policy initiatives in the field of the internal market for machinery within the scope of the Directive 2006/42/EC on Machinery.



The European Commission DG ENV regularly holds the European Union **Ecolabelling Board** meetings for stakeholders to engage in development of product group criteria, as well as to discuss issues relating to the EU Ecolabel.

FOLLOW US ON SOCIAL MEDIA



EFIC is constantly sharing news and insights on furniture industry, sustainability, circular economy and related EU priority files.

Stay updated by following us and don't hesitate to share our posts to direct your network to the most relevant news and events on the furniture industry.

Follow us here on [LinkedIn](#) and [Twitter](#).



EFIC MEMBERS IN 2021



ARE YOU NOT AN EFIC MEMBER YET? JOIN OUR ORGANISATION AND MAKE THE VOICE OF THE EUROPEAN FURNITURE INDUSTRIES EVEN STRONGER!

<https://www.efic.eu/about-our-members>

For further information, please contact: Ms Camilla Smorra, EFIC Communication and Policy Officer (0032 (0)2 287 08 86; info@efic.eu)