

PRESS RELEASE - FOR IMMEDIATE RELEASE

Woodstock Consortium Welcomes Commission's Anti-circumvention Investigation on Illegal Russian Plywood

Brussels, 22 August 2023, 11.00. The Woodstock Consortium welcomes the European Commission's formal investigation of likely circumvention by Russian Producers and Importers of existing EU antidumping measures against imports of birch plywood from Russia. In its first move, the Commission is investigating if imports from Kazakhstan and Türkiye originate in these two countries or not.

The Consortium welcomes that as from today <u>all</u> imports of such plywood will need to be registered on crossing EU borders. This registration will allow the Commission <u>retroactively</u> to apply extended antidumping duties to those found to be going around EU duties imposed on Russian imports.

Today's move takes place following a formal Request filed with the EU in July this year by Woodstock providing it with *prima-facie* evidence, and numerous examples, of attempts to go around duties and sanctions imposed by the EU.

By taking this action, the EU is sending a strong signal to <u>all</u> stakeholders of its will to enforce the duties it imposes and its determination to act against those found to be going around its decisions. A Woodstock Consortium Spokesperson added today that

"It should be understood that Kazakhstan and Türkiye may only be the first of a string of countries the Commission might look into."

Two years ago, after a thorough anti-dumping investigation, also originally requested by the Woodstock Consortium, the EU imposed duties of up to 15.8% to protect European markets from imports of cheap Russian birch plywood that had been proven to have serious negative effects on EU industry. Evidence now shows that these anti-dumping measures are simply being circumvented through various schemes, with the involvement of Russian operations, via Kazakhstan and Türkiye.

The fact is that neither of the two investigated countries was ever known as a significant birch plywood producer and until recently imported little to no birch plywood to the EU at all. Yet, following the imposition of the 2021 duties against Russian producers, and the 2022 entry into force of import-related sanctions against Russian producers, imports from Türkiye massively and demonstrably surged. Similarly, Kazakhstan went from zero to tens of thousands of cubic meters.

"With the circumvention of the anti-dumping duties, meaning an illegal flow into the EU of Russian birch plywood at dumped prices, the Woodstock Consortium and its supporters find the level playing field once more disrupted simply because the remedial effects of the original anti-dumping duties are undermined," a spokesperson for the Consortium said.

Furthermore, the spokesperson pointed out that by channelling its exports of birch plywood through Kazakhstan and Türkiye, Russia has one more way of financing its ongoing war of aggression against Ukraine in violation of the applicable EU restrictions and sanctions.

The Woodstock Consortium and its supporters, who include the original Complainants (Paged-Pisz from Poland's Paged Group and Latvijas Finieris from Latvia) as well as several leading EU Associations and companies such as Finnish UPM Plywood, will fully cooperate with the Commission in the framework of this investigation and will provide its further comments in due course.

"In the face of overwhelming evidence of circumvention, the Woodstock Consortium is confident that the investigation will confirm the illegal and circumvention practices and that the EU will extend its anti-dumping duties on Russia to illegal imports of birch plywood consigned from other countries starting with Kazakhstan and Türkiye," the spokesperson concluded.



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The Woodstock Consortium unites a group of EU producers that stands for, and promotes, free and fair trading conditions in the birch plywood industry.

For further information please visit $\underline{www.woodstockconsortium.eu}$