

Meeting Memo

Technical Working Group Innovation and Research of Wood Policy Platform (WoodPoP) Europe

1st of April 2025, 08.00 – 18.30 CEST, Zurich/Switzerland

Co-Chair: Mr. Alfred W. Kammerhofer (AT), Mr. Ralf Koehler (LUX)

At total 47 participants, 35 in-person and 12 online; from different governments, institutions and organisations attended the meeting:

Countries (16): Austria, Czech Republic, Finland, France, Germany, Hungary, Ireland, Italy, Latvia, Lithuania, Norway, Slovakia, Slovenia, Spain, Sweden, Switzerland.

International, regional, and stakeholder organisations (28): Association of Wood Processing Companies of the Slovak Republic, EBP Schweiz AG, Berne University of Applied Sciences (BFH-AHB) Switzerland, Cluster forestry-wood Bavaria, European Confederation of Woodworking Industries (CEI-Bois), European Organisation of the Sawmill Industry (EOS), European Forest Institute – Forest Policy Research Network (EFI-FPRN), European Panel Federation (EPF), European Parquet Federation (EPF), CBRE S. A. Real Estate Luxembourg, FederlegnoArredo, Forest Research Institute Baden-Württemberg, Forest Science and Technology of Catalonia (CTFC), FV Holzindustrie, Holzforschung Austria, High Level Groups EU, HOMO SILVESTRIS EUROPAE, InnoRenew CoE, InnovaWood, Luxinnovation GIE, Thünen-Institut, Timber Finance, Swiss Wood Innovation Network (S-WIN), University of Natural Resources and Life Sciences Vienna (BOKU), University of Padova, University of Tuscia, WOOD.BE, Zurich University of Applied Sciences (ZHAW) – School of Management, Swiss Federal Office for the Environment (FOEN).

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1. Notes of the Meeting

Brief reproduction of the contents of the presentations. The presentations can be downloaded under this link: <https://cloud.woodpop.eu/index.php/s/sR9dp9PLEFccsQ5>

1.1 Short introduction of the Host EBP Switzerland

Luca Bronzini und Isabel O'Connor, EBP Schweiz AG

EBP comes from the engineering side and assumes a consulting role. They are in Zürich with additional offices around the world. They expanded to places, where big challenges are ahead and their work can therefore have a big potential. Their services include the topics forests, urban forests, energetic use of biomass, alternative materials and more.

Different projects were presented:

- [CO₂ Modeling for forest regions](#): One was done in the canton of Aargau. They created a model for calculating carbon fluxes and storage (C storage in the forest, C storage in the wood, CO₂ reduction through substitution). The model should not be perfect but simplified and therefore understandable. They calculated 3 scenarios for the future -> business as usual, mainly energetic use, CO₂ optimized. C sinks and reduction scenarios showed their biggest changes in the wood compartment of the system.
- [Trend Analysis for the Future Forest and Wood System of Switzerland](#): This project was a scenario analysis. This time more qualitative future scenarios for forest and wood. This should help authorities to develop strategies.
- They have a consulting function regarding EUTR and EUDR and collaborate with partners to provide customers with best possible guidance.
- [EBP Academy](#): EBP engages in education. One successful approach is the Blended Learning Approach: With this EBP brings together [stakeholders e.g. of the forest and wood sector](#), and helps to build up a network. The aim is to produce content during such events that can be shared afterwards and multiplies effects.

1.2 Opening and welcome

Michael Reinhard, Head of Forest at Federal Office for the Environment FOEN, Switzerland

Michael Reinhard welcomes the participants on behalf of the Swiss Federal Office for the Environment FOEN, for the woodPoP conference of the Technical Working Group Innovation & Research and the Expert Group Meeting here in Zurich. It is a pleasure and honor that Experts for 16 European countries come to Switzerland to work together on important topics with the aim of developing approaches to enable the European wood industry to make an important contribution to the transformation of society and the economy in Europe.

You will be working on essential topics for your sector to support a net-zero society and economy in Europe. After lunch, you will all take the bus to one of the many leading timber construction companies in Switzerland. The ERNE-Group – whose production halls with modern robot production you will visit – is building several high-rise residential buildings near Zurich, one of them is a high-rise building in beech wood. It is 24-floors high, and it's built in almost half the construction time of the other buildings made of solid construction materials.

Tomorrow, after the Expert Group Meeting, we would like to conclude by showing you the NEST-building at EMPA in Dübendorf – which is very close to here. This building shows the “construction of tomorrow” with many fascinating details and innovations.

1.3 Opening remarks from the Co-Leaders of the Technical Working Group

Alfred W. Kammerhofer und Ralf Koehler

We have 3 objectives for this morning:

- 1) Is there interest in the EU programs of Horizon Europe?
- 2) Looking for elements for building bridges over the valley of death to bring innovations on the market.
- 3) Finding alternative financing options next to public funding from the state for innovative projects (for materials, products, processes and business models).

The following steps and conceptual works will then be discussed in detail in the monthly online meetings, whose dates we have already scheduled.

Luxemburg: There is a focus on sustainable innovation and transition to more wood and bio-based materials and construction. Place for alternative finances.

1.4 Current information on « Horizon Europe »

Nancy Ramia, Luxinnovation

It is about finding ways to bridge research and innovation. Public funds are seen as accelerators for these bridges. She is a funding advisor and presents some updates from the forest and wood sector.

Horizon Europe: 95.5 billion euros, 2021-2027, EU’s ambitious research and innovation program. All the member states and associated countries to the Horizon Europe Programme have National Contact Points (NCPs), that help to navigate through the funding projects ([List of NCPs](#)). The Pillar two of Horizon Europe, addresses through its different Clusters global challenges, and supports collaborative projects that are open for both the public and private sectors.

Horizon Europe Pillar 2 offers grants targeting the Forestry, Wood, and Bioeconomy sectors under several of its components:

- i) **Horizon Europe Cluster 6** (Food, Bioeconomy, Natural Resources, Environment, Agriculture)
- ii) **Horizon Europe Cluster 5** (Climate, Energy, Mobility)
- iii) **THE UPCOMING New European Bauhaus Facility** (Sustainable built environment).

In addition, the public private partnership Circular Bio-based Joint Undertaking, is a funding programme with pronounced synergies with Cluster 6.

All these programmes are aligned with the political agenda of the EU and address well the needs of the sectors.

The minimum requirement for all the aforementioned programmes is to have a consortium formed by at least three legal entities from three member states or associated countries.

The grant funding rate is 100% for non-profit organizations and varies, according to the type of projects, for all other types of participants (from 60%-70% to 100%).

Regarding the new program New European Bauhaus facility: it aims to revitalize European neighborhoods through sustainable and inclusive design (different kinds of actions that could be funded):

- Fostering community engagement in the green transition
- Delivering solutions for the green transition in built environment
- Exploring novel and competitive business models in construction fostering the NEB values (sustainability, aesthetics, inclusion)

There are different info days coming up:

- **CBE-JU info day on 3rd of April 2025, hybrid format.** The link to the recording and slides: <https://www.cbe.europa.eu/events/cbe-ju-info-day-2025>
- **Conference for Architects and Engineers on 15th of May 2025, hybrid:** <https://my.weezevent.com/architects-engineers-partnership-for-resilient-design>
- **Info day on Cluster 5 on 6th of May, online:** <https://research-innovation-community.ec.europa.eu/events/3Z4CdMQb8ew5smYk55mTsA/overview>
- **Brokerage event on Cluster 5 on the 6th of May 2025:** <https://greenet-brokerage-event-for-he.b2match.io/>
- **Info day on Cluster 6 on 20th – 21st of May 2025, online:** <https://research-innovation-community.ec.europa.eu/events/6lLZRxBTKVsWnjEtjwhVyl/overview>
- Brokerage event on Cluster 6 on the 27th of May 2025: <https://www.b2match.com/e/care4bio-2025>.

1.5 Funding Navigator by Innovawood

Uwe Kies, InnovaWood

IW is a European network of organizations with research or educational background. They have 80 members in 28 countries and are experienced in EU-funded projects.

EU funding landscape is very complex, therefore the Funding Navigator. It gives an overview of upcoming calls and analyses the suitable topics for the InnovaWood members. Focus on Horizon Europe calls, but also other EU programme lines.

Questions/ discussion:

- It is a tool for members. As a non-profit, InnovaWood has some cluster organizations as members, but companies are not.
- Success rate: More and more competitive in the last couple of years. The success rate depends on the calls, as well as on the number of applications per call. It is doable to win funding, when consortia start early and work together with the right people. Every word of the call text needs to be well understood, so collaboration is really needed.
- No limitations for participation of organisations (researchers, companies, public bodies, other) and for several calls at the same time, but double funding must be avoided. It is recommended to focus on one or a few key projects, because EU proposals are time consuming and close contact of partners is essential.

- What are the new calls about? Engage with the Commission directly and inform them about projects that are important, in order to give inputs to the future topics of the new calls. National contact points (NCPs) are delegates of the Commission services that are writing the calls, they are consulted directly so that it aligns with national and sectorial priorities.

1.6 Influence of regulations and standards on innovations in the wood sector

Uwe Kies & Vanesa Bano, InnovaWood

What is innovation? Most of innovations in the wood sector are done in small steps. Innovations happen on the level of **materials** (e.g. hardwoods, salvage timber from disturbance), **products** (e.g. hybrid products with concrete, kits how wood can be more modular and circular), **systems** (e.g. big advantage is the prebuilding), **buildings**, or even on a higher level with all the regional actors together (innovation ecosystem).

A lot happens in research, but often the knowledge is not exploited and does not get transferred to the market. This creates the **valley of death**, which is a big problem, and creative thinking is needed to bridge the valley. Not only companies or researchers, but the whole sector has to work on that. There are different factors to work on:

- (1) technical factors (not the main challenge)
- (2) economic factors (big challenge, sector is full of small companies)
- (3) knowledge factors (good work environment for the future personnel)
- (4) acceptance (knowledge transfer to for example architects and investors)
- (5) finances (investments, scalability, risk/confidence)
- (6) regulatory (this is a main challenge; they give the frame)

It is a cascade of steps from a new idea until implementation on the market. To enter the commercial phase, **standards** have to be fulfilled by an approval of performance/quality. There are **two different pathways** for mature products and innovative products. Harmonized standards to approve these many innovative products are often not ready yet.

A **European knowledge platform** could allow to better share information about innovations, regulations and standards. Initial concepts of a “European Wood Construction Observatory (EWCO)” are being developed in EU projects.

Questions/discussion:

- The **machine manufacturers industry** is a major supplier, but they are often not considered or integrated in innovation projects, although they are important partners, and radical innovation often starts with them
- WoodStock project develops an AI-tool supporting the search of new projects and partners -> more interdisciplinarity in R&I is needed
- Culture of a country has a huge impact on the regulatory challenges -> different ways of dealing with standards

1.7 How to increase the success rate of the wood sector?

Stefan Torno, Cluster forestry-wood Bavaria

Presents the forest area of Bayern: 37% is covered by forest. Most of it is private forest and smaller than 20 ha. This makes the situation complex and challenging. Wood stock is with 472 m³/ha the highest in Europe and the amount of hardwood is increasing.

The forest and wood industry are the fourth largest industrial sector, highlighting its significance. However, when considering the number of companies, it emerges as the largest sector, with an average of 9 employees per company. Despite this, the industry has a low innovation share relative to sales, approximately 1%.

Challenges for Small and Medium-Sized Enterprises (SMEs):

1. **Time Constraints:** Day-to-day business operations leave little time for research and development.
2. **Access to Knowledge:** Limited access to state-of-the-art knowledge.
3. **Funding Awareness:** Insufficient information about available funding options.
4. **Funding Volume:** Low funding volumes for companies, with many needing financial support for infrastructure.
5. **Talent Acquisition:** A need for young talents to drive innovation.
6. **Innovation Barriers:** Innovation is often hindered due to the above challenges.
7. **Disproportionate Relationship:** Imbalance between companies and universities.

Questions/Discussion points:

- 1) **Funding challenges:** The issue is not the availability of money but finding the right funding and executing projects effectively.
- 2) **Support for small companies in Slovenia:** Small companies face similar problems. A tool exists that allows companies to use vouchers for expert services.
- 3) **Cooperation on European Level:** While companies are willing to cooperate, they do so less on a European level. A shift in mindset is needed to motivate them.
- 4) **Awareness of Regional/National EU Funds:** Many funds are available at the regional/national level as part of EU funds, but people are often unaware of them. National-level experts can help assign projects to the appropriate funding sources.

1.8 Timber Startup Incubator

Milena B. Daphinoff, Berne University of Applied Sciences, Biel, [Timber Startup Incubator](#)

The experts from Timber Startup Incubator offers support:

- contact point for students and professors to look at their business ideas
- entice to a network
- help to gain media presence
- give the visibility to get the financial help.

Focused support on where research meets business: get people to the state where they can start with the company. Advance phase is then still a vision.

Other partners are needed with investments.

What makes this incubator special: the only one in Switzerland that focuses only on wood.

Challenges:

- pipeline is too thin – a broader basis would promising more success
- need for more entrepreneurial skills
- changemakers are often already inside companies

- cashflow and Death Valley

Proposed options of possible solutions:

- increase the number of students that stays in this sector after the study
- teach the needed skills and bring it to the new and old generation
- the people in the companies know where the problems are. The incubator pays the company so that people have time to work on new ideas. Need of people and companies to believe in it and provide initial money and support.

After the FOEN, also private sector is needed to invest in it.

Get involved: they are looking for new ideas at the first place. Apply for the Prix Wood Bee as an entry gate. Get a partner and sponsor and mentor that advise/ coach juniors. Join networking events and subscribe for the newsletter. Invest financially.

1.9 Timber Finance

Thomas Fedrizzi, Timber Finance (<https://timberfinance.ch>) Zurich

Bridge the gap between the timber and the finance industry (speaks about the private sector, not funds).

Carbon market grows faster than the finance market. Try to motivate companies to invest in the wood sector (for example UBS that plans a new wooden building). It is important to understand the structures of investments: where the finance is needed and where the finance comes from - > first methodology for investors.

Project 24-storey wooden tower in Zurich for the UBS bank: Completely built with Swiss beech! Beech is beautiful but very complex to manufacture. Project started in 2024, nobody wanted to invest in beech. Distinction between product and, getting the industry involved, funding takes time (you would have the money, but still difficult to find it). Beech is subject to a huge number of prejudices and limitations, but if you want, you can achieve great results. You have to educate people, bring them innovation, develop diversified investment grade timber investment products. Convert illiquid assets into tradable liquid assets. Instruments: financial and carbon markets (need framework conditions).

Funding needs time, the money is there but it is hard to find.

None of these projects would have started without the Swiss government.

Timber Finance Equity Investors: low awareness of mass timber potential.

Carbon removal market is an important market. Storage in timber construction and not in forest, then you get a good price in the voluntary carbon removal market.

1.10 Input from Luxinnovation Wood Cluster

Ralf Koehler, Luxinnovation Wood Cluster

Key question: Domestic Wood Industries & Sustainable Finance - how to integrate green economy into investment decisions?

Luxembourg, represented by Luxinnovation GIE (Luxembourg Wood Cluster) presented an overview of domestic wood industries and sustainable finance through real-world examples in Luxembourg. Luxinnovation, as the national innovation agency, supports companies in

advancing innovation in collaboration with research institutions. The presentation highlighted Luxembourg's role in international climate finance, focusing on carbon dioxide removals and the importance of integrating sustainability into corporate investment strategies. **There is a growing need for private finance to close the capital gap and support nature-based solutions and ESG-aligned investments.** Expertise in forestry and wood technologies as well as long-term monitoring of natural assets is essential to ensure sustainable practices and attract financial support. Companies in Luxembourg are increasingly establishing wood-based businesses, relying on sustainable finance for growth and innovation. Transitioning to low-carbon construction using bio-based materials is key to reaching net-zero targets, with domestic supply chains and prefabrication technologies playing a crucial role. **Private capital, venture funding, and public-private partnerships are necessary to scale these innovations.** The Interreg project W.A.V.E. (Wood Added Value Enabler) project, a cross-border initiative with 13 partners, is creating digital solutions and synergies in the Greater Region (metropolitan region around Luxembourg consisting of parts of DE, FR, BE and LU) to strengthen the wood sector. Lastly, an EU-wide study under the W.A.V.E. project is exploring innovative financial and incentive models for a more regional and technology-based wood construction, aiming to inform broader discussions in the WoodPoP initiative.

1.11 Input from CBRE S. A. Real Estate Luxembourg

Solmaz Esmaili, CBRE S. A. Real Estate

EBRS focuses on sustainable property and urban development in Europe. They are the world's largest commercial real estate services and investment company and a market leader in many business and industry sectors. For details, please see the ppt.

2. Results

The results can be summarised as follows - from the perspective of woodPoP's TWG-3:

2.1 Research of Innovation projects:

- Networking of local country contact persons (NCPs) with the intention of launching innovation projects
- Examine and launch project opportunities for a joint innovation project under the lead of industry partners
- Putting together a team that can actively help shape future funding programmes in good time.

2.2 How to bridge the 'valley of death' in innovation projects:

- Thinking from the market perspective and taking standards and norms into account from the very beginning, especially when developing research projects.
- Know the political framework and system boundaries well enough
- For example, analyse 5 successful innovation projects to see what factors made them successful on the market.

2.3 Financing Innovation:

- Collect and share previous findings on financial products and financing programmes
- Use this to develop added value of wood-based innovation projects for financiers
- Develop proposals for recommendations for financing institutions.

2.4 Excursus: Exchange on existing/planned regulations in individual countries:

- Creating a systematic presentation of existing or soon-to-be-introduced regulations on selected topics
- Then discuss these in the circle of ‘ministries and agencies’ in woodPoP and thus promote an exchange of experience.
- Topics could be, for example
 - Circular economy (particularly reuse, de-constructability etc.)
 - Procurement
 - Cascade utilisation, conflicting objectives with energy use of biomass
 - Net Zero Targets
 - Construction products legislation, life cycle assessment requirements (harmonisation efforts)
 - valorisation of HWP / CO2 sink performance of wood
 - BECCS - Bioenergy Carbon Captur Storages.

2.5 Excursus: Use of synergies in research results and minimising duplication

- Testing AI solutions for the networked evaluation of research results in Europe.
- Prüfen von AI-Lösungen zur vernetzen Auswertung von Forschungsergebnissen in Europa.

3. Next steps and further action

There are basically 3 options for the further implementation of the results. Work assignments are formulated for the individual results and then

- (1) either drawn up by members of TWG-3 or
- (2) elaborated with resources that are still to be sourced through external support or
- (3) collected as a work list.

Proposals for the implementation of the results will be prepared by a core group of TWG-3 to be formed and then presented to the members of TWG-3 at the monthly online meeting for discussion and the determination of further processing.
