

Secure Future for Industry Needs Action Now

European leaders of the pulp and paper industry today launched its manifesto for competitiveness and employment during a meeting with the European Commissioner for Enterprise and Industry, Günther Verheugen, in Brussels. They sounded a stark warning that, unless solutions are found quickly to respond to the economic crisis and a more rational policy making approach is introduced, the competitive transformation of the industry, and indeed all European industry, will not be sustained.

Following the meeting with Commissioner Verheugen, Magnus Hall, CEO of Holmen and Chairman of the Confederation of European Paper Industries (CEPI), said: "The European Union cannot afford to let the pulp and paper industries and its related value chain slide into crisis. We must work together with the European Commission to identify the causes of the current problems, ensure that nothing is done to make a bad situation worse and build solutions together that deal with the real issues."

Commenting on the manifesto, Teresa Presas, Managing Director of CEPI, said: "We have presented a clear list of areas where we believe the Commission can be forward thinking and provide the stimulus that industry needs. It must walk the talk and be consistent with the goals it has set for Europe".

The key areas in which the industry urges the European Commission to act include:

1. ensuring a better balance in policymaking between advocates of environmental, competitiveness and employment interests;
2. allowing Europe to compete with lower energy cost competitors;
3. creating winners, not victims, in the EU Emissions Trading System;
4. boosting the availability of raw materials and market access;
5. applying flexibility to competition rules to facilitate restructuring;
6. fighting protectionism in competing countries;
7. turning innovation into a reality.

More than ever, Europe needs to reconcile competitiveness and sustainability for its industry to thrive in a global market; for the European pulp and paper industry, competitiveness is reliant on economic factors, and meeting this challenge depends largely on policy-makers.

The pulp and paper industry is an example to others in its response to the current challenges it faces, not least in mitigating climate change. Its success is based on sustainability: it practices sustainable forest management, pursues security of energy supply through renewable energy, and optimises resources through high recycling rates. It is a significant provider of employment, and adds economic value through the constant harnessing and updating of new technologies.

Unless fundamental support in policy-making is forthcoming, the unique achievements made by the industry in both sustainable production and consumption and the full potential to move forward will be lost, and society as a whole will lose.

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Notes to Editors

- For additional information on the UK paper industry, in the first instance, please contact Catherine Waterfield, External Affairs Coordinator, on 01793 889612 or email cwaterfield@paper.org.uk. Alternatively, please visit: <http://www.paper.org.uk>.
- CPI is the voice of the paper industry in the UK, representing papermakers, tissue manufacturers, corrugated packaging producers and recovered paper merchants.
- Through its 18 Member countries (16 European Union members plus Norway and Switzerland) CEPI represents some 800 pulp, paper and board producing companies across Europe, and 1200 paper mills.