

UK Papermakers Continue to Improve their Carbon Efficiency

The European Commission has published a record of 2017 site emissions of fossil carbon for energy and industrial sites across the European Union.

After allowing for changes in production levels, the figures show that the amount of EU ETS-reported carbon dioxide emitted by UK paper mills (per tonne of production) continues to fall – by around a third in just ten years.

Actual emissions show a slight overall increase 1.1%, caused by an increase in production of 4.8% over the same period.

Mills continue to focus on energy efficiency. Making paper is intrinsically energy intensive, and mills must deliver improved efficiency to remain competitive – energy inefficient mills simply cannot compete with more efficient competitors.

All mills have energy managers and initiatives to identify and deliver energy savings through such measures as the use of new pumps, improved lighting, and better process controls. As well as these incremental changes, UK mills are also using highly efficient Combined Heat and Power (CHP) plants, making much of their own electricity, and also making productive use of heat normally wasted in conventional power generation.

Despite this continued progress, mills are increasingly short of allocations, with around half a million (or 28%) more required than supplied free of charge. Allowances are allocated to energy intensive installations to protect their competitive position compared to operators based outside the EU where carbon does not carry the same cost.

CPI Director General, Andrew Large, commented on the newly released figures.

“It’s heartening to see our Members continuing to deliver carbon savings. However, there are real concerns that the Government does not appreciate the competitive damage caused by the recent threefold increases in the cost of carbon emission allowances. The cost of covering the shortfall in allocations will be around £5m this year – up from less than £2m last year. This is money that is no longer available for investment in growth and energy efficiency.

As the Government decides how to manage EU ETS post-Brexit, then protecting the competitive position of UK industry must be at the forefront of their minds. New policies must help industry decarbonise and not lead to increased costs; otherwise future investment will be in jeopardy.”

ENDS

For further information contact Emma Punchard, Director of Communications on 01793 889612 or email epunchard@paper.org.uk

NOTES TO EDITORS

- Paper and pulp mills are required to comply with the rules of the European Union Emissions Trading System (EU ETS), meaning they submit independently verified reports to scheme regulators that detail total site



Andrew Large, Director General, CPI

emissions of fossil carbon. Each tonne of carbon emitted on the site requires the operator to also provide an emissions allowance, either provided free of charge (based on the most efficient installations) or increasingly purchased on the open market.

- The large increase in production of 4.8% is mainly thanks to a return of full production at several sites, with the industry overall also benefitting from the recent depreciation of Sterling.
- The Confederation of Paper Industries (CPI) is the leading trade association representing the UK's Paper-based Industries, comprising paper and board manufacturers and converters, corrugated packaging producers, makers of soft tissue papers, and collectors of paper for recycling.
- CPI represents an industry with an aggregate annual turnover of £11.5 billion, with 56,000 direct and a further 86,000 indirect employees.
- For facts on the UK's Paper-based Industries please visit: www.paper.org.uk