Producers try to increase prices in many segments of the German market

Recycled graphic paper manufacturers enjoying more stable business

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Germany's fine paper business is off to a less-than-satisfactory start to the second quarter. There is a persistent trend towards weaker order intake, and rumours of ongoing industry consolidation continue to circulate. Buyers and sellers are still discussing mark-ups announced for April. Instituting these higher prices is proving tricky despite high costs hitting companies hard because of the surplus supply situation. Indeed, a large number of companies has already agreed to leave prices untouched.

Following last month's increase in brown kraftliner prices, it became clear that white-top kraftliner in Germany has become more expensive in April, too. This upward trajectory in prices might continue to gain momentum in the near term.

Fine paper market facing renewed turmoil

At the start of the second quarter, the German woodfree uncoated and coated paper market is shaped by paper mills' efforts to stabilise the market situation. The continued trend towards weaker business in the fine paper sector has induced suppliers to reduce capacity and supply, as was recently illustrated by TNC's decision to convert production at its mill in Setubal. There is no end in sight to rumours of ongoing consolidation at other companies and locations, too.

Experts pointed out that the structural downturn in demand, hefty costs and pressure on prices are having a severe impact. The fine paper business remains less than satisfactory for producers, merchants and printers. A raft of buyers are reporting relatively slow order intake, with a growing number of orders placed at very short notice. Several printers in Germany that enjoyed decent workloads in the first three months of 2025 are expressing cautious optimism about what the next few weeks might have in store. Industry experts said that all stakeholders within the supply chain are disappointed with the recovery that they had hoped for.

Fine paper manufacturers had unveiled plans to charge more in April due to the mounting cost burden and selective price cuts. These hikes are still under discussion in many cases as this issue went to press. However, it is not unusual for companies to have agreed to leave March's prices untouched (for now) at the start of April. In this vein, paper industry sources highlight the urgent need to increase paper prices. Experts point out that low prices recently granted in a few sectors were temporary in nature and not a lasting solution. However, markets players agree that buyers have so far had opportunities to move their orders elsewhere as soon as paper suppliers insisted on higher prices. What's more, larger orders were proving contested, especially for copy paper, in the recent past.

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Nonetheless, paper industry insiders anticipate that buyers have been and will be able to thwart another downward trend in paper prices, which have been highly volatile so far this year. The pressure from energy and raw material costs was too tremendous. Experts felt the continuing structural slump in demand was making a deep imprint. Insiders reported that this surplus supply was coinciding with fierce and mounting competition. Sources said that mills were operating at inadequate capacity utilisation levels, which was making it hard to turn a profit. This was playing just as much of a role as competition among wholesalers, which was encouraging market players to enter into special deals.

Additionally, imports from Asia, for instance, are leaving their mark in Germany and other European countries. Experts anticipate that the situation will escalate further given the tariff war triggered by actions by the US Government.

Supply of woodfree paper is expected to grow in Germany and Europe as a whole, given the anticipated shifts in global trade. Paper manufacturers who believe that the announced and implemented tariffs will make it more difficult to do business with the US are currently developing new supply routes and markets. These global ramifications might hit the European paper industry hard.

Experts are already seeing signs of a growing level of predatory competition, which is keeping German paper mills, wholesalers and printers on tenterhooks. Additional turmoil is expected in connection with the tariff dispute, which would accelerate consolidation.

The creditworthiness of printers is another hot topic, according to experts. The lack of financial liquidity in many quarters was a cause for concern, insiders said, adding that business in the paper industry was becoming increasingly complex and risk was mounting.

EUWID sources singled out developments in the digital printing business as one welcome factor. Experts noted that interest in HSI was intensifying, and investments in digital printing were growing in what was a challenging market on the whole. The industry was developing very favourably, contacts stated.

Experts pointed out that growth was occurring at the expense of offset and coated woodfree paper. The digital printing segment was said to be competing with this paper. However, innovative solutions were being developed to present printed items as affordable and keep customers with print, observers told EUWID.

White-top kraftliner prices edging higher in April

Brown kraftliner prices climbed by €60/t across the board in Germany in March, but raising prices for white containerboard grades was proving more difficult. Some EUWID sources said that they were still in conversations about charging €40-60/t more. Several converters forecast that white-top kraftliner prices would remain unchanged in April. As the second week in April continued, though, it became clear that more and more deals featured mark-ups of €40.

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As additional efforts to charge more for recycled corrugated case material continue, the possibility of fresh hikes for kraftliner grades is also looming large amidst the recent steady climb in pulp prices. One major supplier has reportedly already informed customers of its intention to invoice more in May. However, pulp prices no longer seem to be flying high, so paper buyers expect prices to remain stable for the time being.

Paper machine utilisation rates in the fresh fibre segment are still better than for recycled containerboard grades. Observers think that market conditions are balanced, with the number of suppliers and competition much lower.

Prices for the niche product of semi-chemical fluting did not alter in April, either.

Sheet feeders in Germany appear to have been operating at slightly better capacity utilisation in recent weeks. That being said, there was still plenty of room for improvement, sources said. The main problem was that prices could not keep pace with costs. Sources told EUWID that the price hikes needed to meet costs could still not be implemented in the short term. And raising prices in rapid succession for corrugated case material did not make matters any easier, in particular in the light of existing shortfalls.

Most recycled graphic paper prices still stable in Germany

Manufacturers of graphic paper made out of 100 per cent recycled fibre that are active in Germany are largely reporting stable business in a challenging market. Order books are reportedly very full in some cases. That being said, paper mills are facing mounting pressure despite the continued trend towards stronger demand for recycled paper. Experts told EUWID that hefty energy and raw material costs were having a greater and greater impact on companies. Since business had hardly been sparkling over the past few months, companies found that they were only able to pass higher production costs on to customers in rare cases. Sources said that it was of little comfort that the graphic recycled paper segment's share of the printing and writing paper market was growing in percentage terms.

In fact, insiders noted that many recycled paper manufacturers were encountering fierce (price-based) competition from primary-fibre paper. This was true of coated grades and, in particular, of uncoated grades.

Talking about woodfree grades, one expert pointed out that "pressure is coming from primary-fibre paper whose prices have fallen in recent months, sometimes significantly so." Large gaps between recycled and primary-fibre paper prices might encourage paper buyers to switch, at least in the case of copy paper. Its use, in particular, is being affected by companies and authorities alike going digital. On the other hand, a raft of market players report that buyers are deliberately deciding to use recycled paper grades in a wide variety of printing applications.

Recycled paper manufacturers have so far been able to maintain their prices. Manufacturers are reportedly attempting to raise their prices for recycled LWC, albeit from a relatively low level. Sources said that a much-needed price hike for all types of

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recycled graphic paper was out of the question owing to market conditions, despite higher prices being “urgently needed” by paper mills. Developments related to the price and future availability of recovered paper were cause for concern.

Observers are now reporting that paper mills are operating at deteriorating capacity utilisation as they look ahead to the next few months. In many cases, paper producers’ order books were only allowing for short-term production planning, sources said. EUWID sources added that the trend was still showing that paper mills were working towards offering the widest variety of grades possible. A broad portfolio was helping to keep paper machines busy.

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Demand for envelopes plunges, prices mostly stable for envelope and shipping bag paper in Q1

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EUWID Price Watch Germany Envelope and Shipping Bag Paper
Firm quotes 2025

Prices in € per tonne	First quarter 2025	Fourth quarter 2024	First quarter 2024
White woodfree envelope paper, 80 g	1,780 - 2,020	1,780 - 2,020	1,760 - 2,020
Recycled envelope paper, 80 g	1,320 - 1,470	1,320 - 1,470	1,320 - 1,470
Shipping bag paper VKP 3	1,370 - 1,560	1,350 - 1,560	1,350 - 1,500
Shipping bag paper VP 4	1,300 - 1,450	1,300 - 1,450	1,300 - 1,450

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On the German market for envelope paper, producers and converters say the first quarter of 2025 was unusually weak. In January, envelope makers reported good to very good activity levels as they experienced a temporary bump in demand due to the snap federal election. From February onwards, however, order intake and capacity utilisation flattened noticeably on both sides of the market. Industry insiders describe a real “collapse” starting in February – for both white woodfree and recycled envelope paper grades.

Against this backdrop, players in the supply chain express some concern about the spring and summer months. Demand in the market for envelopes is usually seasonally slower in Q2 and Q3. This year, though, it looks like the softening could be more pronounced than usual, say market experts.

Paper industry representatives also report weak bookings that are still insufficient to fully utilise paper machines. In early April, the market is still oversupplied, with short delivery times for both envelope paper grades tracked by EUWID. Buyers therefore say supply volumes are more than sufficient.

Mixed outlook for the e-commerce and shipping bag paper segments

The picture in the e-commerce segment, on the other hand, is somewhat brighter. Players in this market describe the situation as relatively stable, although demand has not yet rebounded to hoped-for levels. The German e-commerce and distance selling trade association bevh reports a slight growth trend for the first quarter: Total revenues from goods sold online rose by 3.2 per cent (not adjusted for inflation) compared with the same quarter of the prior year.

Some converters of shipping bag paper say activity levels are currently good. Yet, there are also reports from the market about sluggish call-offs from buyers of e-commerce packaging, so packaging producers are seeing their warehouses get noticeably fuller.

Paper mills apparently have stable activity, al-though there is still “much room for improvement.” Shipping bag kraft paper (VP 4) is readily available and lead times are within the normal range, according to market participants.

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In terms of prices, it appears that quotes for white woodfree envelope paper and recycled envelope paper rolled over in the first quarter, after sliding again at the end of 2024. Players say prices for shipping bag paper (VKP 3) and shipping bag kraft paper (VP 4) were broadly stable at the beginning of the year. For the latter grade, there were occasional remarks about certain concessions granted for individual contracts.

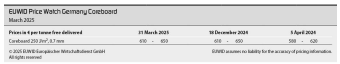
Looking ahead to the second quarter, buyers of white woodfree envelope paper expect to be confronted again with demands for price increases in the wake of rising pulp prices. The first paper mills had already announced mark-ups as of April. Buyers take a critical view of these plans, pointing to the excess capacities and weak demand. However, at the time of the EUWID market survey in early April, there was not yet clarity about the success of these pricing plans.

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Price increases for coreboard coming into effect on German market in April due to high RCP costs

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EUWID Price Watch Germany Coreboard
March 2025

Prices in € per tonne free delivered	31 March 2025	18 December 2024	1 April 2024
Coreboard 250 g/m², 0.7 mm	650 - 659	650 - 650	588 - 620

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Prices for coreboard remained unchanged in Germany in the first quarter of 2025 compared to the fourth quarter of 2024. At the start of theyear, buyers often still had the notion they might be able to achieve some concessions by applying more pressure. But the situation changed rapidly and in early to mid-February, the first hike announcements were already on the table, primarily from Italian producers. They argued hikes were necessary due to the rise in recovered paper prices.

Some German coreboard producers viewed this advance by Italian board mills as an attempt to prompt other companies to make a similar move.However, given their past experiences, some companies expressed reluctance to commit to this approach, fearing only to be underbid by Italian suppliers when announcing hikes.

Therefore, the calls by Italian companies did not translate into any announcements in the German market in the first quarter. Quotes in the coreboard market were almost uniformly moving sideways during the first quarter, according to insiders.

Only in March – and in the wake of the upward trend for corrugated case material – did more coreboard producers join in the attempt to raise prices. These sellers were targeting €60/t, effective as of 7 April or from the middle of the month. At the beginning of April, it became apparent that some of the announcements would be implemented this month. Producers say the step achieved is roughly half the size they envisaged, adding this is far too small given the actual cost increases. Therefore, another step should occur soon, in order to fully implement the original demand, the companies told EUWID. The deciding factor will be how the pre-Easter rally in recovered paper prices continues.

Producers of coreboard report their activity levels improved somewhat over the course of the first quarter. When asked, they say the improvement has been driven not so much by the German market but rather more by demand from elsewhere in Europe. One contributing factor is that cores producers from Italy are purchasing a higher-than-usual volume of board in Germany.

By contrast, cores manufacturers do not export their products and are primarily dependent on demand from the German market. For months now, some companies have generally described a sideways demand trend, with occasional upticks in activity, yet others say the first quarter of 2025 was their worst quarter in ages.

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The only reason why the winding cores market was also moving sideways was that cores for use in industry were not facing the strong price pressure seen in other areas of the paper industry, insiders explain. The lack of demand from the paper industry was especially noticeable, EUWID was told. Although new capacities are coming, the closures that have taken place in the recent past are having a stronger effect than the new paper machines.

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New coalition agreement opposes EUDR implementation in Germany

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Germany's conservative CDU/CSU and centre-left SPD parties released their coalition agreement around six weeks after Germany held national elections. The document sets out an "immediate national action programme for the reduction of bureaucracy," which the new government intends to introduce to "abolish obligations to appoint company representatives and reduce the amount of work involved in training, continuing education and documentation," especially for small and medium-sized companies.

The coalition partners are planning to abolish Germany's Supply Chain Due Diligence Act. This act would be replaced with a law on international corporate responsibility that transposes the EU Corporate Sustainability Due Diligence Directive (CSDDD) in a manner that is low in bureaucracy and easy to enforce. According to the coalition agreement, reporting requirements under the German Supply Chain Due Diligence Act will be immediately abolished and will no longer apply.

EUDR: Targeted measures to relieve the burden on Germany's forestry industry

The EU Deforestation Regulation (EUDR) will also be part of efforts to reduce bureaucracy. The parties note that "unnecessary burdens at the European level should be avoided." To this end, the new coalition aims to make sure that the EUDR is not implemented in Germany by introducing a "zero-risk option". The coalition explicitly states that Germany's forestry industry should receive "immediate relief" from the application of the EUDR.

AGDW – Die Waldeigentümer, an association representing the interests of forest owners, welcomed the proposals as "reasonable guidelines." At the same time, the association called for the plans to be followed by actions in Brussels as quickly as possible.

Friedrich Merz called for changes to EUDR during election campaign

During the election campaign in January 2025, the CDU/CSU's candidate for chancellor, Friedrich Merz, explained that "Postponing the EUDR is not enough. The goal of halting global deforestation is a good one, but it makes no sense to subject forest owners, farmers, manufacturers, retailers and authorities to additional red tape in places where there is no deforestation."

Responding to a request from EUWID, the CDU once stated that it would raise the topic of the proposed amendments adopted by the European Parliament in late 2024 but rejected by the European Council. A party spokesperson noted in late January that

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“if there is no reasonable solution for our companies, then we will work towards the abolition of the regulation.”

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Despite growth France's paper industry sees itself in a fragile market environment

2024 cannot quite make up for previous year's slump

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Last year, France's paper industry recorded stronger demand than in the weak previous year and increased its production, but was unable to compensate for the market slump of 2023. At the sametime, the French paper industry is facing difficulties in its market environment that are weakening its activities.

Copacel, the French paper industry association, says there are several obstacles that are slowing down the sector's development, citing rising production taxation in France, changes in the energy supply regulation that threatens to make energy more expensive from the beginning of next year, overly complex framework conditions, a worsening labour shortage and, last but not least, the threat of a trade war with the USA.

Speaking at the association's annual press conference, Copacel President Christian Ribeyrolle explained that France's economy is growing at a lower rate than the EU average and at a much slower rate than the USA, while the onset of the trade war is threatening to slow down economic activity. Against this backdrop, the French paper industry expects the public sector to tackle the four problem areas of rising tax burdens, energy costs, the complication of entrepreneurial activity and the attractiveness of industrial professions.

Markets have recovered in 2024, but remain well below pre-crisis levels

France's paper production rose by 6.3 per cent to around 6.5 million tonnes last year, which was more than the EU average (+5.2 per cent). Therewas growth in product families that tend to grow (packaging paper and board, tissue paper) but also in the printing and writing paper sector, which has been subject to a structural decline for around 20 years. The background to this is the extraordinarily sharp decline in production in 2023 (-13.5 per cent), triggered by inflation-induced consumer restraint and the recourse to extensive inventories built up in 2022 throughout the supply chain.

Consumption of all grades of paper and board in France also increased (+2.3 per cent). Total sales revenues in the sector rose as well, but only by 1 per cent to €5.7bn due to somewhat lower prices. Around 59 per cent of French paper and board production is exported, but the country still has a negative trade balance of 0.8m tonnes.

Energy cost issue becomes more urgent

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In addition to high taxation (production tax, environmental taxes), the association is currently particularly concerned about the issue of energy costs. The French paper industry is a major energy consumer; Copacel puts its annual electricity requirements at around 5 TWh, which is roughly half of the electricity produced by a nuclear power plant (1,300 MWh). Demand for heat and steam is equally high, with 10 TWh produced from biomass and around 6 TWh from gas. Energy accounts for 10-30 per cent of total costs in paper production, explains the association, depending on the mill and the grade.

Following the recommissioning of numerous nuclear power plants in France after technical shutdowns, the price of electricity has fallen again and, with an average price of €58/MWh, is at a low level compared to Germany (€79/MWh), explains the association. However, the French pa-per industry is concerned about the cancellationof the ARENH mechanism at the end of 2025, which gives industrial consumers some access to relatively cheap nuclear power. Last year, the ARENH electricity price was €42/MWh. The paper industry can cover around 60-70 per cent of its electricity requirements at favourable ARENH conditions and thus buffer volatile market prices.

The association criticises the fact that no successor regulation has yet been agreed for the expiring mechanism. In November 2023, an agreement had already been reached on a new regulation of the price of nuclear power for the period after the end of the ARENH mechanism, explains the association. In accordance with the principles of this agreement, the state-owned energy company EDF had undertaken to implement the commercialisation of long-term electricity contracts that meet the needs of industrial customers in France. To date, EDF has not signed a long-term contract with the industry, as the clauses do not meet the interests of the industry, the association criticises. Copacel is in favour of the introduction of agreed prices and volumes and decoupling from the European market, which would allow paper manufacturers to benefit from the existence of nuclear power plants in France.

Tense waste paper market

Recovered paper is accounting for 68 per cent of the fibre source for the French paper industry and demand increased in France last year (+6.2 per cent). New production capacities for paper have started up in France and throughout Europe and more are on the way, which will increase the demand for recovered paper in France and throughout Europe. France has been a net exporter of recovered paper in recent years. The current development raises fears that the country will become a net importer, the association points out. Prices for packaging and deinking recovered paper grades rose in the first half of last year and fell again in the second half.

The threat of a trade war is a problem

Copacel notes that companies in France had to pay around €27bn more in taxes last year than in the previous year and is calling for relief. The rates for water abstraction have also been increased by up to 300 per cent in some cases, which has particularly affected the paper industry. In addition to this national tax burden, the threat of a tariff trade war with the USA and

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its possible consequences are now emerging. The various announcements by the US President might also drastically increase the tariffs on pulp, paper and board from Europe. This is a radical change compared to the previous situation, which did not provide for any tariffs between the European Union and the USA as part of the OECD agreements from 1994. Copacel says that France would only be directly exposed to high US tariffs to a limited extent, as paper and board exports to the USA only account for around 1 per cent of the total national production volume. However, the indirect effects must be taken into account: Weakening of the economic cycle in general, loss of sales in customer sectors of the paper industry (example wines and spirits), shifting of US imports in favour of other countries such as Brazil or Canada and also the threat of increased competition within the EU.

France: pulp and paper production

January - December 2024

1,000 t	December			Jan - Dec	
	2024	2023	%	2024	%
Total paper and board	**499.9**	**486.4**	**+ 2.8**	**6,532.8**	**+ 6.3**
thereof:					
Graphic paper	66.6	62.2	+ 7.0	788.1	+ 3.5
thereof uncoated woodfree	37.1	34.4	+ 7.9	439.1	+ 7.1
Packaging paper and board	344.8	343.0	+ 0.5	4,570.9	+ 6.5
Corrugated case material	308.2	302.8	+ 1.8	3,865.8	+ 6.1
Paper for flexible packaging	15.2	13.8	+ 10.1	219.7	+ 24.3
Cartonboard	21.4	26.4	- 19.0	485.4	+ 2.9
Sanitary paper	66.4	58.7	+ 13.0	826.7	+ 5.5
Total Pulp	**122.7**	**112.9**	**+ 8.7**	**1,414.1**	**+ 12.0**
Recovered paper consumption	**389.3**	**381.7**	**+ 2.0**	**5,011.6**	**+ 6.2**

Source: COPACEL

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Ahlstrom to establish Performance Materials cluster and buys Pixelle's Stevens Point facility

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Ahlstrom has announced a reorganisation of its operations with the creation of a new Performance Materials cluster, which will be implemented on 1 May 2025. The move is part of the company's broader strategy to streamline its portfolio and sharpen its strategic focus across specialty materials segments.

The new cluster will consist of four business units: Release Liners, Precision Coating, Beverage & Casing, and Abrasives. Ahlstrom says the reorganisation is intended to improve operational efficiency, clarify business focus, and accelerate growth opportunities in these areas.

Wolfgang Laures, currently Chief Operating Officer, will lead the new cluster as Executive Vice President, Performance Materials.

Ahlstrom stated that there will be no disruption in service levels or product quality during the transition.

The restructuring is expected to benefit Ahlstrom's three existing divisions – Food & Consumer Packaging, Filtration & Life Sciences, and Protective Materials – by creating a more simplified and focused operating model.

In parallel with the organisational changes, Ahlstrom has signed a binding agreement to acquire the Stevens Point site from Pixelle Specialty Solutions. The Wisconsin-based facility supplies high-end packaging materials for food, consumer packaging, and e-commerce applications.

The transaction includes the transfer of around 260 employees and capabilities such as advanced finishing and coating, which Ahlstrom described as complementary to its existing portfolio. Ahlstrom explained that the acquisition is expected to strengthen the company's position in the North American market, particularly in sustainable packaging solutions.

The deal will be financed through a $600m senior secured financing package. The acquisition remains subject to regulatory approvals and is expected to close in the second quarter of 2025.

Ahlstrom reported net sales of €3.0bn in 2024 and employs approximately 6,800 people worldwide.

Pixelle Specialty Solutions LLC is a leading North American manufacturer of specialty papers. Stevens Point has been part of Pixelle since 2020. After finalising of the sale, the company continues to operate facilities at its headquarters in Spring Grove, Pennsylvania, as well as in Chillicothe and Fremont, both Ohio.

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Graphic Packaging to idle board plant in Middletown

EUWID + 16 April 2025 | ~ 1 min | Published in issue 16/2025

US company Graphic Packaging International has announced the permanent closure of its cartonboard plant in Middletown, Ohio. The closure is planned to take effect on or about 1 June 2025 and will affect approximately 130 employees. The plant manufacturers coated recycled board.

As previously announced, Graphic Packaging is planning to consolidate recycled board production into its Kalamazoo plant in Michigan and its new Waco site in Texas. In Waco, the company is constructing a new cartonboard plant which is scheduled to start operating later this year. According to earlier reports, $1bn will be invested in this project and 230 new jobs will be created. “With Waco moving quickly toward completion and transition inventory in place, this is the right time to further simplify our cartonboard manufacturing footprint,” said Graphic Packaging President and CEO Michael Doss.

Graphic Packaging’s production landscape has been changing recently. Last year, the group sold its Augusta bleached cartonboard plant in Georgia to US tissue and packaging company Clearwater Paper. And the year before, an older board machine was shut down at the Kalamazoo plant following the construction of a new BM at the same site. As reported, a new site in Waco is currently being erected.

Including the Middletown plant, Graphic Packaging currently runs a total of six cartonboard plants in the USA and one in Canada. The group runs a total of 130 locations and employs 23,000 people worldwide.

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ICT France to build biomass heating plant in Pannes

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French tissue producer ICT France plans to build a biomass-powered heating plant at its site in Pannes located south of Paris. According to ICT and energy solutions provider Engie Solutions, the two companies have signed a contract covering the planning, construction, operation, and financing of the heating plant. Construction is scheduled to begin in 2026, with commissioning expected by the end of 2027.

The new biomass heating plant will have a capacity of MWh, the companies say. The project is co-funded by the French government through the agency for environment and energy Ademe to the tune of €4.2m. Once operational, the biomass plant is expected to cover 78 per cent of the tissue mill's steam demand, the two companies said.

ICT said one of its goals is to reduce the environmental impact of its activities and reduce reliance on fossil energies. Captive power generation would reduce energy costs and augment the company's competitivity, it added.

According to ICT France, construction of the heating plant is part of the company's project to double production capacity at the Pannes site. Only recently, the company commissioned a second tissue machine at the site. The new TM can produce up to 70,000 tpy, raising total capacity of the site to as much as 140,000 tpy of tissue.

ICT France is a subsidiary of Italian ICT Group (Industrie Cartarie Tronchetti) and employs around 250 persons.

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SCA signs service contracts with Andritz for Östrand pulp mill

EUWID + 16 April 2025 | ~ 1 min | Published in issue 16/2025

SCA has awarded key service contracts to Austrian technology group **Andritz** for its Östrand pulp mill in northern Sweden. The agreement includes the replacement of an economiser in the recovery boiler and the application of Andritz's Synergy Services concept to the white liquor plant and pulp drying areas. These upgrades are aimed at boosting operational availability and efficiency to support increased pulp production. The Östrand pulp mill has a capacity to produce 900,000 tpy of NBSK and generates 1.0 TWH of green electricity.

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Boardlink files notice of intention to appoint administrators

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British cartonboard and display converter **Boardlink** has filed a Notice of Intention (NoI) to appoint administrators. The Flintshire-based business submitted the filing on 27 March. The company specialises in cartonboard sales, conversion, and lamination, including display boards for point-of-sale and paper plates and catering and janitorial wipes. Boardlink's sheeting capacity is 45,000 tonnes.

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Matthew Miller Appointed Managing Director of Corrboard

EUWID + 16 April 2025 | ~ 1 min | Published in issue 16/2025

British sheet feeder **Corrboard** has named **Matthew Miller** as its new Managing Director. Before, Mr Miller served as Chief Operating Officer at Pelta Medical Papers. Prior to that, he was Managing Director at Union Papertech and Business Director for 3D Products at James Cropper. He succeeds **Rob Burgin**, who has taken on the role of Managing Director UK at Zeus Packaging.

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EU Commission has not lost sight of monitoring BPA in recycled paper

EUWID + 16 April 2025 | ~ 5 min | Published in issue 16/2025

A recent inquiry on the topic of monitoring recycled paper and board submitted to the European Commission shows that the issue has been postponed but not abandoned. A document available to EUWID reveals that bisphenols were once again on the agenda of a committee meeting in Brussels in early February this year. The discussion again dealt with measures for monitoring BPA from incidental sources. A representative of the European Commission confirmed that further progress had been made in the Commission's discussions with the member states, both with regard to the expert working group on pollutants and as far as food contact materials were concerned.

However, there was still a lot to do, the representative said, in order to define which activities the member states were to carry out in cooperation with the industry. He added that he hoped that a draft could be presented to all stakeholders involved in the course of the next few weeks.

Ökotest investigation results turn out to be far worse than expected

According to an investigation by the German magazine Ökotest, which tested both empty pizza boxes and the pizzas themselves for contamination with Bisphenol A (BPA) and Bisphenol S (BPS), BPA contamination was found to be significantly higher than expected. Of the ten empty pizza boxes tested, five were purchased from well-known restaurant chains such as Domino's or Vapiano, while the other five were sourced from (online) wholesalers and then analysed in Ökotest's own laboratory. Of the ten boxes, nine were found to be contaminated with BPA and eight with BPS. The only product that showed no bisphenol contamination was from Pizza Hut, while the box from Call a Pizza was only very slightly contaminated.

Pizza Hut's box supplier is Smurfit Westrock, which, according to Ökotest, already uses primary fibres for the inner and middle layers of the pizza boxes and has started to use primary fibre board for the external layer as well. The supplier of the Call a Pizza boxes was said to have explained that its boxes consisted of 100 per cent primary fibres.

Lower migration into pizzas but no cause for relief

Ökotest also wanted to know whether or not any bisphenol content migrates to the pizzas themselves. To this end, a method was simulated that the German Chemical and Veterinary Investigation Office (CVUA) developed specifically for this purpose.

On balance, the laboratory furnished proof of the fact that the chemical had migrated to the pizzas in four cases, and found eight cases in which BPS had been transferred to the pizzas. The highest amount of BPA released to the simulated pizzas

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exceeded the tolerable daily intake (TDI) of BPA which is still considered safe by the European Food Safety Authority (EFSA) by around 45,000 per cent.

In its re-evaluation of BPA in April 2023, EFSA drastically reduced the TDI value defined in 2015. The Federal Institute for Risk Assessment (BfR) regarded EFSA's value as inappropriate and derived its own TDI, which is 20 times lower. However, even the BfR's value was still exceeded by at least one of the pizza boxes tested by Ökotest.

The research on BPS is even younger and, accordingly, there is less data – and a TDI has yet to be defined. However, reports indicate that the BfR recommends applying the maximum daily intake of BPA also to BPS. With regard to the one pizza box showing very high contamination levels, the BPS content reportedly exceeded the TDI proposed by the BfR by 250 times and the TDI set by EFSA by as much as 250,000 times, said Ökotest.

The testers working with the German trade magazine explicitly welcome the EU-wide ban on the use of BPA, BPS and other bisphenols. However, they underline that the bisphenol content in the pizza boxes tested was a far cry from the maximum content prescribed by the EU in its ban on BPA in food contact materials. Ökotest would therefore even more appreciate the introduction of a current regulation for paper.

Although the BfR Recommendation XXXVI governing contaminants in paper with food contact provides a regulatory reference, even the limit set therein for the maximum migration of BPA or BPS into food was exceeded by the box showing the highest migration in the pizza tests. According to the BfR Recommendation, the guiding value for the release of BPA from paper made using recycled fibres is 0.05 mg/kg of food.

TU Dresden finds BPS was the dominating thermal paper colour developer in 2024

Unlike in the case of other food contact materials – such as tins, for example – bisphenols are not deliberately used in pizza boxes; rather, they enter the box material as a result of the recycled paper used. And they end up in recycled paper when thermal paper has not been properly disposed of, as bisphenols are used as colour developers in the production of thermal paper. A EU-wide ban on BPA in thermal paper took effect in 2020, and this ban has made the BPA content in the paper recycling loop sink.

However, Ökotest reports that a study undertaken by Dresden Technical University (TU Dresden) has revealed that BPA is often replaced with Bisphenol S (BPS) in the production of thermal paper. Referring to data collected by TU Dresden, the magazine writes that with a share of 48 per cent, BPS took the dominant position among colour developers in 2024, replacing BPA in this role. This would explain why the total BPS content found in the pizza boxes were far higher and partly also why BPS was more often found in the simulated pizzas.

Cuboxal denies BPA/BPS migration during its own tests

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Three of the ten pizza boxes tested by Ökotest were produced by Cuboxal, a subsidiary of the Italian Pro-Gest Group. All three boxes were rated by the testers as showing very high bisphenol contamination. Both BPA and BPS were detected in the pizza boxes and in the pizzas themselves.

Cuboxal is a board producer that specialises in the production of pizza boxes, manufacturing between 400 and 500 million units per year. The boxes are exported to over 40 countries. In an interview with EUWID, Cuboxal said that its own tests carried out on food samples had shown no migration of BPA/BPS from the packaging into the food that is to be transported.

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German consumers welcome revival of printed advertisement leaflets

EUWID + 16 April 2025 | ~ 3 min | Published in issue 16/2025

The market for consumer communication in Germany remains dynamic in 2025. Printed advertisement leaflets are widely used even as the number of intensive readers of online leaflets is on the rise. However, the largest user circle of digital advertising is stagnant, concludes this year's retail advertisement monitor published by IFH Medianalytics in Cologne. Virtually all respondents of the annual survey (93 per cent vs. 95 per cent in 2024) reported glancing through printed leaflets occasionally. 78 per cent (79 per cent) of respondents actively read printed leaflets on a weekly basis, writes the market research agency.

Consumers read advertising leaflets mainly to discover attractive offers (print: 64 per cent, online: 52 per cent) and save money (print: 56 per cent, online: 51 per cent). Market research reportedly indicates a change in the way consumers plan their shopping: almost every second respondent uses printed leaflets specifically to plan weekly shopping – a significant increase compared with 2016 (26 per cent). Online leaflets play a less significant role is this regard accounting for just 36 per cent of positive responses, the retail advertisement monitor adds.

The survey further showed that the number of intensive users of online leaflets is on the rise (2025: 66 per cent weekly usage vs. 62 per cent in 2024) amongst others, due to greater popularity of dedicated apps. However, it is also seen that the number of maximal users is stagnant: the total number of occasional users, according to the survey, is virtually unchanged at a high level (2025: 86 per cent vs. 87 per cent in 2024). Sellers' apps (+20 per cent) and websites (+10 per cent) account for the largest growth in online media with hardly any growth (+1 per cent) from social media.

Majority of consumers critical of stopping print advertisement

Roughly 51 per cent of survey respondents (2024: 56 per cent) feel affected by the stop to printed leaflets. Only a quarter (26 per cent) takes a positiveview of the stop to printed leaflets. 62 per cent feel that they receive less information from suppliers and therefore purchase less often (45 per cent) from them. About half of the respondents (49 per cent) read more leaflets of other suppliers if any supplier has stopped printed leaflets. About the same number (45 per cent) tends to reject alternative digital channels because it is perceived to be too complicated to use, the market survey agency wrote in early April.

The revival of printed leaflets resonates positively with 63 per cent of respondents. Around a half of them (47 per cent) reportedly believe that it offers them more opportunities to find attractive offers.

"The results clearly indicate that printed leaflets are and will remain a firm fixture in consumers' daily lives notwithstanding digital euphoria. Their enormous reach enables them to be accepted in virtually every household. We see further that supplier

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apps, which indicate the highest growth among all online media, cannot replace printed leaflets. Most users use them in parallel – such hybrid use will remain the predominant model of consumer communication in the future," observes Andreas Riekötter, director of IFH Analytics, commenting on the findings of this year's retail advertisement monitor.

The market research agency has published the retail advertisement monitor since 2023. For this year's findings, the agency conducted an online survey of around 1,000 consumers in Germany.

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US tariff dispute hitting Europe's paper industry, with exports of 3 million tpy and imports of 2.8 million tpy

EUWID + 16 April 2025 | ~ 2 min | Published in issue 16/2025

US President Trump's shifting announcements about his intentions to impose drastic tariffs on imports from Europe and China are affecting the European pulp and paper industry's foreign trade with the US. According to statistics issued by the American Forest & Paper Association (AF&PA), the US imported approximately 2.2 million t of paper and board last year, along with roughly 500,000 t of woodpulp and about 250,000 t of paper- and board-based products. Exports to Europe reached 1.4 million t of pulp, 300,000 t of recovered paper, close to 1 million t of paper and board and 84,000 t of paper- and board-based products.

Shipments from the EU to the US are currently subject to a 10 per cent tariff after the US Government suspended even higher tariffs for a period of 90 days. A 10 per cent tariff also applies to deliveries from the UK and Norway. The EU had announced plans to suspend planned counter-duties for 90 days, too, in order to hold negotiations with the US.

Printing and writing paper as well as cartonboard are the two largest groups of grades exported from Europe to the US, according to the statistics. Flexible packaging paper and speciality paper make up a large share of the remainder. US cartonboard imports primarily consist of recycled grades, while printing and writing paper deliveries are primarily made up of coated and uncoated woodfree paper grades and wood-containing coated grades.

Cartonboard is the top EU export to the US, followed by coated and uncoated woodfree printing and writing paper. Europe's primary imports from the US are pulp, recovered paper and kraftliner, along with kraft board and wood-containing coated paper.

Statistics from Eurostat show that Finland (738,000 t), Sweden (434,000 t), Germany (320,000 t), Italy (101,000 t), the Netherlands (92,000 t), Portugal (81,000 t), France (62,000 t) and Spain (60.000 t) were the EU's primary exporters of paper and cartonboard to the US in 2024. Finland primarily exports cartonboard to the US, followed by mechanical paper, flexible packaging paper and woodfree coated and uncoated paper. Cartonboard is also Sweden's leading export to the US, along with corrugated case material. Germany predominantly ships coated woodfree paper to the US, followed by cartonboard.

Sweden and Finland were the two leading exporters of pulp to the US, which ships more than twice as much pulp to Europe as it imports from the region. The US delivers pulp to a number of EU member states, led by Germany, Italy, Belgium and the Netherlands.

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Pulp, paper and board imports and exports European Union/USA 2024

Metric tonnes	Other	Packaging paper/ board	Wrappings	Carton-board	CCM	Sanitary / Household	CM paper	UWF paper	UM paper	News-print	CWF paper	Total paper and board
Paper and board exports from Europe to the USA												
European Union	29,064,184	74,264,725	226,168,053	728,519,697	127,989,874	34,972,160	211,581,013	200,622,117	49,731,607	227,540	306,762,271	1,989,903,241
Finland	3,410,519	16	100,364,042	312,069,707	21,793,092	63,640	136,046,697	36,805,535	36,672,626	48	91,460,449	738,686,371
Sweden	684,338	62,472	38,194,633	319,897,999	58,725,557	1,673,572	377,161	2,051,512	12,498,737	22,849	192,250	434,381,080
Germany	7,381,935	463,288	27,933,834	55,646,001	15,777,326	3,171,046	23,506,950	21,500,178	56,678	0	164,752,813	320,190,049
Italy	1,604,088	20,691,583	3,333,496	8,946,130	104,135	18,968,261	10,477,068	6,494,813	30,441	2,246	30,758,875	101,411,136
Netherlands	1,729,350	48,316,009	1,391,905	7,776,317	66,405	239,561	10,574,224	21,074,883	21,709	27	1,196,359	92,386,749
Portugal	13,495	102,801	577,552	929,398	3,210,163	738,370	50	76,382,698	63	0	1	81,954,591
France	8,727,754	2,510,554	37,691,327	2,089,953	4,009,518	3,380,483	313	3,493,033	37,308	36	301,895	62,242,174
Spain	1,963,607	1,451,892	1,372,029	5,989,107	14,209,833	917,257	21,289,246	1,180,257	149	66	11,902,290	60,275,733
Poland	113,956	257,957	8,395,001	3,872,040	7,051,053	432,383	125	108,201	9	0	786,344	21,017,069
Paper and board imports into Europe from USA												
European Union	42,681,923	4,205,887	48,361,721	209,096,675	350,139,606	11,522,895	41,751,415	2,631,332	3,715,384	4,018,011	3,481,533	721,606,382
Italy	13,139,177	83,631	32,148,490	4,026,523	202,022,022	531,052	9,664,969	877,030	71,644	733,652	142,627	263,440,817
Spain	3,070,155	15,267	1,587,499	18,952,277	100,765,771	724,479	30,853,900	21,971	29,180	2,523,440	124,093	158,668,032
Netherlands	8,260,460	238,157	3,036,130	64,157,546	21,619	599,243	6,510	60,793	99,133	35,010	530,466	77,045,067
Belgium (incl. Luxembourg)	211,911	21,339	547,218	65,769,686	1,328,784	388,880	533,267	438,440	1,560,414	92,536	1,331,576	72,224,051
Czechia	541,598	6,129	14,193	33,663,299	7,980	660	4	1,110	6,562	19	109	34,241,663
France	8,118,913	107,664	1,132,294	555,592	6,258,723	234,206	612,561	191,233	1,483,545	605,847	535,083	19,835,661

Metric tonnes	Other Pulp	Sulphate Pulp	Sulphite Pulp	Mechanical & Semi-Chemical Pulp	Total Pulp
Pulp imports into Europe from USA					
European Union	26,805,314	944,118,186	3,622,661	1,638,263	976,184,424
Germany	4,386,555	179,456,793	2,969,363	122,183	186,934,894
Italy	1,004,257	177,490,827	119,700	60,595	178,675,379
Belgium (incl. Luxembourg)	9,263,598	147,175,728	0	54,864	156,494,190
Netherlands	7,268,694	146,034,123	11,987	592,561	153,907,365
Poland	42,377	93,751,491	0	0	93,793,868
France	1,355,958	29,457,960	40	119,127	30,933,085
Czechia	466,980	19,429,673	16,560	38,102	19,951,315
Greece	0	16,877,428	0	0	16,877,428
Denmark	611,039	16,046,527	22,921	177	16,680,664
Pulp exports from Europe to the USA					
European Union	1,850,065	481,280,540	810,523	5,649,620	489,590,748
Sweden	127,280	276,012,067	0	5,078,062	281,217,409
Finland	43	204,087,302	22	35	204,087,402

Source: Eurostat, CEPI

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US exports and imports of pulp, paper and board in trade with Europe

January - December 2024

1,000 metr. t	Exports		Imports	
	2024	change in % 2024/2023	2024	change in % 2024/2023
Wood Pulp	1,419	+ 8.5	544	+ 28.8
Recovered Paper	316	+ 10.9	1	+ 347.2
Recycled Pulp	3	- 22.2	0	- 7.7
Newsprint	1	+ 75.5	1	+ 163.3
Uncoated Free Sheet	4	- 24.1	194	+ 49.7
Coated Free Sheet	7	- 11.2	327	+ 16.6
Coated Mechanical	199	+ 18.4	265	- 0.6
Uncoated Mechanical	6	+ 10.9	70	+ 17.7
Printing-Writing	216	+ 15.7	856	+ 16.3
Unbleached Kraft	18	- 18.5	35	+ 11.0
Bleached Kraft	7	- 15.3	37	+ 30.5
Other Pkg. Papers	1	- 58.6	157	+ 27.7
Packaging Papers	26	- 21.3	229	+ 25.2
Tissue	4	+ 11.0	67	+ 25.2
Special Industrial & Absorbent	31	- 5.3	200	+ 13.7
Paper	278	+ 8.3	1,353	+ 17.8
Unbleached Kraft Liner	471	+ 20.3	47	+ 27.4
Recycled Liner	0	+ 289.7	33	+ 162.1
Semichemical Medium	0	+ 153.6	22	+ 7.1
Recycled Medium	0	- 91.2	1	- 8.4
Containerboard	472	+ 19.4	102	+ 44.8
Unbleached Kraft Boxboard	181	+ 8.1	217	+ 38.1
Liquid Packaging	4	- 13.9	1	- 35.7
Solid Bleached Folding	17	- 24.3	1	- 44.9
Solid Bleached Other	4	+ 34.0	5	- 51.4
Plate, Dish, Tray & Other Food Svc.	3	- 37.9	6	–
Recycled Boxboard	10	+ 15.6	502	+ 24.3
Boxboard	219	+ 4.0	734	+ 27.0
Paperboard	691	+ 14.1	836	+ 29.0
Paper & Board	968	+ 12.4	2,189	+ 21.8
Converted Paper & Board Products	84	+ 9.7	246	+ 23.3

Source: American Forest & Paper Association, Inc.

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Koehler inaugurates Oberkirch biomass heating plant

EUWID + 16 April 2025 | ~ 1 min | Published in issue 16/2025

In early March this year, Koehler Group celebrated the inauguration of the rebuilt heating plant at its original production site in Oberkirch after two years of construction. The company said that fossil fuel has been replaced with climate-friendly biomass to supply the Oberkirch paper production plant with energy. Koehler reports that the project required an aggregate investment volume of more than €70m.

The rebuilding work included not only the technical conversion of the heating plant to biomass but also the comprehensive modernization of the existing plant technology and infrastructure. Koehler explains that the power plant has now been taken in trial operation until it will obtain certification following the official inspection by the German Technical Inspection Association (TÜV). During this phase, the plant is constantly undergoing fine tuning, says Koehler.

Previously, the Oberkirch plant used around 55,000 t of hard coal and 50,000 t of paper and sewage sludges per year besides fuel surrogates to produce energy. Now chips, green cuttings andsawmill residues are used as fuels. Koehler reports that besides being carbon neutral, biomass also has the advantage that it is readily available. The only wood used in Oberkirch is natural wood that stems from the region where the plant is located and whose material use has come to an end.

Koehler Group intends to generate, on balance, more renewable energy with its own facilities than it needs for its paper production by the end of this decade. As far as direct emissions are concerned, the company plans to save around 80 per cent of the greenhouse gases emitted during production in comparison with 2022. On balance, Koehler Group aims at achieving greenhouse gas neutrality by 2045. The group reports that tailored decarbonization concepts have therefore been developed for each of its production sites.

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Fortissue starts up first fully electric TM in Viana do Castelo

EUWID + 16 April 2025 | ~ 1 min | Published in issue 16/2025

Portuguese tissue producer Fortissue has successfully completed the upgrade of its PM 1 tissue machine, making it the first in the world to operate entirely on electricity at a speed of 2,000 m/min. The conversion was carried out in collaboration with Italian supplier Toscotec at Fortissue's production site in Viana do Castelo.

The energy powering PM 1 now comes entirely from electricity, sourced either from the Portuguese grid or from Fortissue's own renewable infrastructure, which includes solar and wind systems. When using grid electricity, greenhouse gas emissions are reduced by 20 per cent, while net zero emissions are achieved when renewable energies are used exclusively.

The upgrade of the tissue machine, which was originally installed in 2015, included the installation of a fully electric drying system, the TT Hood, and a multi-stage heat recovery setup. Key components such as the TT Swing, TT Turbodryer, and TT SteamBooster were integrated to optimise energy efficiency and increase drying performance without the use of fossil fuels.

Fortissue is a Portuguese hygiene paper manufacturer based in Alvarães. The company produces products such as kitchen and toilet rolls with a capacity of 35,000 tpy.

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Perlen Papier reports increased deliveries

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Switzerland-based newsprint and LWC producer Perlen Papier increased deliveries by 14 per cent in 2024 above the previous year's figure of 371,300 t raising its market share in Western Europe. Annual sales of Perlen Industrieholding AG in 2024 amounted to CHF244m, compared with the previous year's sales of CHF262m against Ebit of CHF31m.

Price pressure caused a temporary loss in 2024 but margins are improving now in 2025, the company says. Perlen expects to post higher year-on-year sales and market share in 2025.

Perlen's outlook for 2025 indicates receding demand for graphic printing paper in Western Europe and more capacity closures in the market. Moreover, the situation on the recovered paper market is still tense.

Perlen Industrieholding says the company owns extensive properties and is free of debt. The aim, therefore, is to tap the utilisation potential of the properties, the company says. As of today, the company has leased out around 70,000 m² out of 410,000 m² of buildable industrial land and 640,000 m² of agricultural land. The company will promote other complementary activities and settle them on its landholdings.

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Klabin opens the most modern corrugated packaging plant in the Americas

EUWID + 16 April 2025 | ~ 1 min | Published in issue 16/2025

In March 2025, **Klabin** officially inaugurated its new industrial unit in Piracicaba in the federal state of São Paulo in Brazil. With an investment of BRL1.56bn and an annual capacity of 240,000 t (equivalent to 321 million m² per year) the “Piracicaba II” plant is now the largest and most advanced corrugated packaging facility in the Americas, according to Klabin. The company operates two 2.8 m wide corrugators with a speed of 450 m/min, nine printers and five flexed folder-gluers. The plant has been operational since April 2024.

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Voith to modernize paper machine at Smurfit Westrock Navarra

EUWID + 16 April 2025 | ~ 1 min | Published in issue 16/2025

German technology group **Voith** has been commissioned to extensively modernize the PM 3 paper machine at **Smurfit Westrock** Navarra in Sangüesa, Spain. The aim is to enhance the quality of MG (machine glazed) paper. The rebuild includes the wire, press, and drying sections, as well as the installation of a new headbox. Production is scheduled to start in the first quarter of 2026. The Sangüesa plant can produce up to 60,000 tpy of MG paper.

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German recovered paper prices rise sharply again

EUWID + 15 April 2025 Tom Wilfer | ~ 5 min | Published in issue 16/2025



Prices for brown RCP grades jumped again on the German market

Prices for the ordinary RCP grades supermarket paper and board (1.04) and mixed paper (1.02) continued to trend sharply higher in April. As in the previous month, many paper mills were scrambling to procure recovered paper ahead of the Easter holidays, fearing logistics bottlenecks.

However, it seems the current price rally may have reached its peak. Experts predict smaller price movements at most during May. The major panic is over for now, many market participants believe.

At the same time, production levels in the paper industry remain moderate, which suggests that the latest price hikes for recovered paper will not prove lasting. Many market participants anticipate a trend reversal by summer.

The price surge for ordinary grades began last month. The analysis of the prices reported by recovered paper suppliers and converters for March showed an increase of €20.50/t for mixed paper and board (1.02) in March. While supermarket paper and board (1.04) became €23.50/t more expensive, prices of used corrugated kraft II (4.03) also rose by €20.50/t. By contrast, sorted graphic paper for deinking (1.11) was nearly unchanged with a slight uptick of €1.00/t. The price movement reported for the medium and higher grades was also minimal in March. Coloured letters (2.06) sold for €4.50/t less, while multi printing (3.10) cost €2.50/t more. White newsprint/magazine paper (3.14/3.15) became slightly cheaper, falling by €3.00/t. Quotes for white woodfree uncoated shavings (3.18.01) were unchanged compared with February.

Market insiders say the price rally for supermarket paper and board was mainly the result of a few paper mills' panicked reactions. Their purchasing had not been due to increased demand for packaging in Germany but was instead primarily driven by fears of supply shortages, as the upcoming bank holidays in April and May frequently result in logistics bottlenecks. In some cases, paper producers had also slowly drawn down their recovered paper inventories over the past months, and now urgently needed to restock – resulting in upward price pressure.

There are mixed reports about production levels at the mills. Some respondents estimate that capacity utilisation rates, especially at non-integrated producers of corrugated case material, are only around 80 per cent or even lower. This surge in recovered paper prices coincides with a difficult sales environment for finished paper, which leads to growing financial pressure on the mills. Consequently, the first machine downtimes have already been announced, although in some cases, the idling was attributed to problems with supply and transports of recovered paper.

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Yet, other market participants say that despite the weak domestic demand for packaging due to the sluggish economy, there is better machine utilisation at packaging paper producers. This is reportedly due to forward buying and deliveries of paper to other European countries.

Supermarket paper and board remains price driver

Once again, the mark-ups for supermarket paper and board were particularly hefty. Depending on the region, starting level and the amount of inventory held by the customer, prices for grade 1.04 were lifted by between €30-45/t. A handful of respondents reported even higher mark-ups. However, an increase of €50 was "wishful thinking" and could trigger a really painful price collapse, warned one waste management company. For imports, even higher prices were reportedly being paid on the spot market in some cases.

Prices for mixed paper continue to rise on the back of quotes for supermarket paper and board. According to most respondents, the average price bump for grade 1.02 in April was €25-40/t. Higher figures were only mentioned on occasion.

Collection volumes continue to be low and some respondents say they are actually sinking further. At the same time, the high domestic prices mean that barely any volumes are being exported. Asian buyers cannot and do not want to match the rising recovered paper prices. Instead, larger volumes from the UK, which primarily went to Asia in the past, are now being delivered to Germany again, the market survey found. Import volumes from the Benelux region and other neighbouring countries also remain high. A few traders have reportedly held back material, speculating on further price increases.

Mostly unchanged prices for deinking and other grades

The market for grade 1.11, on the other hand, remains weak. Demand and purchasing volumes are said to be low, so prices for sorted graphic paper for deinking were again flat in April. Owing to the sharply rising cost of grade 1.02, the price difference between the two grades has been shrinking rapidly since February – probably by as much as €60/t in total. As a result, sorting the paper collected from households has become less lucrative again, respondents stress.

According to market participants, prices for medium and higher grades are usually holding steady or only rising slightly.

Most market participants reckon that the upward price trend petered out in April. The statutory holidays in May could cause some bumps here and there, but overall, the market is expected to be become calmer. The majority of respondents expect stable prices in May. For the rest of 2025, the pattern seen last year could repeat itself: Following a steep rise in spring, there was a considerable downtrend in prices over the remainder of 2024.

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Currently, the high recovered paper prices are not justifiable given the weak order situation in the paper industry and the difficult sales environment for finished paper, several respondents told EUWID. Macroeconomic conditions also remain challenging. The latest discussions about new tariffs are adding to the sense of uncertainty. The only even somewhat optimistic signs are the rising orders from the defence industry and a possible rebound in the construction sector. But even if the order situation improves, the structural capacity overhang in the packaging paper segment could lead to increasingly cutthroat competition and accelerate the process of consolidation in the industry, insiders fear.

There is no consensus about the timing and scale of a potential price pullback for the packaging grades. While some market participants anticipate considerable reductions and the “bubble" bursting in June or July, others believe there will be a gradual slide in the second half of the year. It is also unclear to what extent falling domestic prices will make the export market more attractive again.

Recovered Paper Germany
March 2025

Monthly changes in €/t	Mar 2025	Feb 2025	Jan 2025	Mar 2024
Mixed paper and board (1.02)	+ 20.50	+ 3.00	± 0.00	+ 12.50
Supermarket corrugated paper and board (1.04)	+ 23.50	+ 8.00	+ 6.50	+ 14.50
Used corrugated kraft II (4.03)	+ 20.50	+ 6.50	+ 8.00	+ 12.50
Sorted graphic paper for deinking (1.11)	+ 1.00	- 7.50	- 5.50	+ 18.50
Coloured letters (2.06)	- 4.50	- 1.50	+ 4.50	+ 5.50
Multi printing (3.10)	+ 2.50	+ 4.00	+ 5.00	+ 3.00
White newsprint/magazine paper (3.14/3.15)	- 3.00	+ 2.00	+ 13.50	+ 3.00
White woodfree uncoated shavings (3.18.01)	± 0.00	- 1.00	- 1.50	- 2.00

Changes based on free delivered prices within Germany.

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German economy lags behind as Eurozone sees growth

EUWID + 15 April 2025 | ~ 5 min | Published in issue 16/2025



Europe and the world are currently grappling with multiple crises. Wars are creating insecurity, the economy is faltering, and US President Donald Trump is causing turmoil worldwide by introducing tariffs on imports, triggering one trade dispute after another. Energy prices are also a recurring issue, especially for energy-intensive industries such as the paper industry. At the International Recovered Paper Conference (Altpapiertag) in Bonn on 1 April, organised by German Bvse trade association for paper recycling, Gabriel Felbermayr, Director of the Austrian Institute for Economic Research (WIFO), presented some of the problems and economic trends of recent years and made forecasts about what we can expect in the coming year.

The global economy is growing. Since 2016, the trajectory has been pointing upwards on the whole despite intermittent slumps, with the Covid pandemic, in particular, having left a deep imprint, Mr Felbermayr showed in his presentation. At the start of this year, both industrial production and the trade in goods were much higher than in 2016 and also higher than before the pandemic in 2019. What is produced is also traded across borders, Mr Felbermayr commented. The consumption of fossil resources and CO2 emissions also rose as a result, albeit at a slower pace.

However, differences are evident from one country to another. Germany, which is often described as the engine driving Europe's economy, has recently lost economic momentum. Real gross domestic product (GDP) stagnated again in 2024, continuing a trend seen in 2023. By contrast, real GDP in Europe grew as a whole. Several Eastern European countries, including Poland and Lithuania, made significant progress last year compared with 2023. Looking at recent years, it is also clear that Italy, for instance, has staged a quicker recovery from the pandemic than Germany and France, although this growth has lost pace since mid-2022. Spain has also recorded consistent growth since reaching rock bottom in 2020. The country had less industry, making it less affected by the industrial crisis, Mr Felbermayr pointed out.

Outside Europe, real GDP has experienced more vigorous growth. India, especially, has rebounded strongly from the low points seen during the pandemic. India was the "rising star" and had now overtaken China in terms of growth momentum, Mr Felbermayr said.

German industry in decline but value creation rising

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Citing Eurostat data, Mr Felbermayr pointed out that the German industry has been in a clear downward trend since 2017. Unlike its neighbours of Austria, Czech Republic and Switzerland, Germany's industrial production has not returned to the pre-pandemic levels recorded in 2019. Austrian and Czech manufacturing used to be closely tied to developments in Germany, but this had not been the case in recent years, the WIFO Director added. The trend in Germany was affecting all sectors in relatively similar ways, including the paper industry.

On the other hand, the gross value added in Germany has risen over the past 22 years. Companies in the country had managed to operate in more value-added niches, thereby increasing their earnings, Mr Felbermayr pointed out.

Germany's exports are also in transition. "Exports to China have fallen drastically since 2019," Mr Felbermayr said. Relying on China was thus a riskier endeavour today. Conversely, the US has gained significant ground as a trading partner and is now much more important than China for the EU, too, he added. A list of the EU's top ten trading partners, presented by the WIFO Director, puts China in fourth place, behind the US, the UK, and Switzerland. The trade war between the US and the EU as well as other trading partners is thus having major ramifications. Trade uncertainty was at a record high, Mr Felbermayr said on 1 April and therefore even before the announcement of more tariffs. He highlighted the importance of focusing not only on confrontation but also on compromises.

Current events are not exactly helping to create a more upbeat mood. Business sentiment was very gloomy in the Eurozone at the start of 2025, especially in Germany. The business climate was somewhat better in France and Spain, Mr Felbermayr stated. He felt that the lack of demand caused by a lack of confidence that is stopping companies from investing was the main barrier facing the industry. A traditional economic stimulus would not help in this scenario. "We have to build confidence," Mr Felbermayr commented.

Slight growth forecast for 2026, with inflation falling

There are no signs of an improvement in the economic climate on the horizon. "Order intake in Germany is not showing signs of any improvement yet," Mr Felbermayr remarked. Real GDP is expected to grow by 0.8 per cent in Germany in 2026, which is 1.5 per cent higher than in 2019, the speaker said. This growth was not significant, but more significant than before, he added. Nevertheless, it was still "just a small breeze". Overall, Germany continues to lag behind other countries. According to the WIFO, a variety of economic forecasts indicate that the Eurozone is projected to grow by 1.3 per cent next year compared to 2025. This figure would be 7.1 per cent higher than in 2019.

The outlook also depended on what happened to inflation, Mr Felbermayr added. The WIFO Director pointed out that inflation had fallen significantly in Germany and the EU as a whole since peaking in 2022. However, core inflation remained high, with the goal of an annual inflation rate of 2 per cent not really within reach, he noted. Inflation is also reportedly much higher in Germany than in the Eurozone as a whole. This meant that interest rates would fall, but not back to levels seen before 2022. At

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the end of March, the key interest rate for the Eurozone stood at 2.5 per cent. The German Government's decision to amend debt borrowing rules is also expected to have an impact on interest rates throughout the Eurozone. The higher supply of government bonds might also send interest rates rising.

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Palm wants to buy IP corrugated box plants

14 April 2025 | ~ 1 minPublished in issue 16/2025

German paper and packaging company Palm has announced plans to take over five International Paper (IP) corrugated box plants.



Palm takes over IP box plants

The plants in question are:

- Corrugated box plant Saint-Amand (north-west of France/Normandy)

- Corrugated box plant Mortagne (north-west of France/Normandy)

- Sheet plant Cabourg (north-west of France/Normandy)

- Corrugated box plant Bilbao (north-west of Spain/Basque region)

- Corrugated box plant Ovar (north of Portugal near Porto)

IP agreed to the divestment of these 5 plants as a condition of the European Commission's clearance of IP's acquisition of DS Smith on 31 January 2025, Palm said.

The acquisition of the five plants is subject to the approval of the European Commission and the French antitrust authorities. Furthermore, the required French works council consultations and employee information processes need to be completed by IP, Palm announced. The company expect the closing by the end of the second quarter of 2025.

With the potential acquisition of the 5 corrugated box plants, Palm can further expand its geographical presence in Normandy, Spain and Portugal.

Palm operates five paper mills and 29 corrugated box plants across Europe, employing over 4,200 people. Sales revenues in 2024 were €2bn.

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Cenpa presents alternative for its financially struggling coreboard plant

EUWID + 14 April 2025 Valeria Buß | ~ 1 min | Published in issue 16/2025

French coreboard producer Cenpa has not yet overcome its difficulties. The company, which was placed in receivership on 2 December last year, confirms that it has not yet found a buyer for its plant in Schweighouse-sur-Moder in eastern France. The latest deadline to make an offer has expired at the end of March, a trade union reprensentative says.



Cenpa's coreboard plant is still in receivership

Although a takeover is still possible in theory, Cenpa is now looking for new alternatives. The company's General Director told EUWID it was considering to shut down one of the site's two machines as no serious takeover offers were on the table. The proposal is to be presented to the commercial court and will be discussed on 17 April.

The Schweighouse-sur-Moder plant's two machines have a combined capacity of 70,000 tpy of coreboard with a ply-bond strength ranging from 200 to 600 J/m². Cenpa is considering shutting down the machine which makes coreboard with higher ply-bond strengths, used to make industrial cores. The machine which produces board for the tissue sector is planned to remain online. This market was less volatile and more stable, the General Director said. He sees a good chance that the court will approve the project and is optimistic about the success of this restructuring.

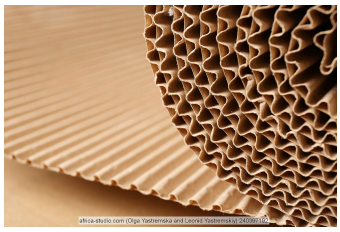
Cenpa is owned by German investment company Acursia Capital, which acquired the French producer in 2021 from German investment company Mutares. Previously, Cenpa was part of Sonoco Group until 2016.

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Saica is starting up its new corrugated packaging plant

EUWID + 11 April 2025 | ~ 1 min | Published in issue 16/2025



Spanish packaging group Saica is in the process of starting up its new corrugated packaging plant in Sant Esteve Sesrovires close to Barcelona in Spain. The new plant will replace the company's two corrugated packaging plants Barcelona and El Prat, both located nearby.

A company spokesperson told EUWID that Saica would gradually transfer production from the two sites and begin operations in Sant Esteve Sesrovires throughout April. The transition is scheduled to be completed by the end of 2025, meaning that the new site will then reach full capacity and operations at the Barcelona and El Prat plants will be closed.

The corrugator and converting machines at the new plant have already been started up and the staff has been trained, according to the spokesperson. "During April, we aim to do the same with the offset [printing] equipment," he adds. The staff relocation is planned for September.

This project is said to increase the current combined output of the Barcelona and El Prat facilities by 45 per cent. According to the Saica spokesperson, the new plant in Sant Esteve Sesrovires will have a capacity of more than 100 million m².

Saica announced the construction of the new plant in December 2023 and earmarked an investment of €100m for it at that time. The spokesperson now said the company expected to complete the relocation within the initially approved budget.

The Barcelona and El Prat plants have a total of around 300 employees, which have been offered the opportunity to transfer. "So far, leavers have been minimal, although a clearer picture will emerge by the end of the year," said the Saica spokesperson.

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Mitsubishi HiTec Paper to cut jobs at Bielefeld site

EUWID + 09 April 2025 Alexander Ungemach | ~ 1 min | Published in issue 16/2025

Mitsubishi HiTec Paper Europe GmbH (MPE) is planning a further restructuring and streamlining of its Bielefeld site in Germany. More than a third of the 430 jobs at the paper mill, which specialises in thermal, carbonless, inkjet, label and barrier paper, are to be cut.



MPE's Bielefeld mill mainly produces thermal paper for POS applications

During a staff meeting, management informed the workforce that the plant is to have only 272 employees in the future. According to the trade union IG BCE, MPE plans to cut up to 162 jobs.

In response to an EUWID enquiry, Mitsubishi HiTec Paper Europe stated that management did not wish to comment at this time. According to reports, company representatives are preparing talks with the workforce about the restructuring.

The union is questioning the actual future concept for the paper mill. For some time now, the Bielefeld mill has been suffering not only from the burden of rising raw material and energy costs, but also from a thinned-out portfolio. The plant has recently focused on the production of thermal papers for the POS sector, which is characterised by a decline in demand and enormous competition.

"We are seriously concerned about jobs and the operation of the paper mill as a whole," Oliver Langkau, the trade union secretary responsible for the district of North Westphalia, emphasised when talking to EUWID. With a 37 per cent reduction in jobs in Bielefeld, production capacity is also in question.

In 2023, the Bielefeld paper mill employed around 430 people after around 50 jobs were cut. Subsequently, the staff number decreased due to fluctuation.

The mill operates two paper machines with a total capacity of 150,000 tpy. Furthermore, there are three coating machines.

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