

# Sylvamo's European business remains in the red

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US printing and writing paper manufacturer Sylvamo reports that it was able to increase deliveries in the third quarter 2025 by 7 per cent compared to the second quarter, and that results in the third quarter were also better quarter-on-quarter. Compared to the previous year, however, earnings figures were lower both for the quarter and for the first nine months. Sylvamo reported third-quarter sales of \$846m (Q3 2024: \$965m), Ebitda of \$151m (\$193m), an operating profit of \$98m (\$150m) and profit after tax of \$57m (\$95m).

Results varied greatly from region to region: while Europe posted negative figures for both Ebitda and operating profit, Latin America and North America were in the black. The Europe division posted an operating loss of \$21m, North America an operating profit of \$84m and Latin America \$35m.

According to Sylvamo, the improvement in earnings from the second to the third quarter was due to higher sales volumes and, above all, lower costs for planned shutdowns. However, lower sales prices for paper and pulp, especially in Europe, had a negative impact on profits. Sylvamo also expects sales to decline by \$20-25m in the fourth quarter compared to the third quarter due to falling paper prices in Europe.

Sylvamo, which specialises in the production of woodfree uncoated paper, has two plants in Europe, in Saillat, France, and Nymölla, Sweden.

Meanwhile, energy company Verso Energy has confirmed that plans to build a large-scale plant for the production of sustainable aviation fuel from biogenic carbon dioxide at the Saillat paper and pulp mill are going ahead. A feasibility study is currently underway, and according to previous information, a plant could be completed by 2029.

| Sylvamo results             |                  |      |                     |       |
|-----------------------------|------------------|------|---------------------|-------|
| million \$                  | July - September |      | January - September |       |
|                             | 2025             | 2024 | 2025                | 2024  |
| <b>Key figures</b>          |                  |      |                     |       |
| Sales                       | 846              | 965  | 2,461               | 2,803 |
| Adjusted EBITDA             | 151              | 193  | 323                 | 475   |
| Operating profit            | 98               | 150  | 172                 | 344   |
| Net result                  | 57               | 95   | 99                  | 221   |
| <b>Business area review</b> |                  |      |                     |       |
| <b>Europe</b>               |                  |      |                     |       |
| Sales                       | 184              | 194  | 555                 | 607   |
| Adjusted EBITDA             | -11              | 11   | -56                 | 33    |
| Operating result            | -21              | 3    | -83                 | 7     |
| <b>Latin America</b>        |                  |      |                     |       |
| Sales                       | 228              | 247  | 634                 | 708   |
| Comparable EBITDA           | 61               | 69   | 134                 | 158   |
| Operating result            | 35               | 49   | 63                  | 100   |
| <b>North America</b>        |                  |      |                     |       |
| Sales                       | 450              | 532  | 1,307               | 1,515 |
| Comparable EBITDA           | 101              | 113  | 245                 | 284   |
| Operating result            | 84               | 98   | 192                 | 237   |
| Source: Sylvamo             |                  |      |                     |       |

# Arctic Paper's Paper division performs better than pulp

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In the third quarter 2025 Arctic Paper faced the same difficult market conditions as in previous quarters and ended the financial period with a decline in sales and profits.

Market conditions in Arctic Paper's paper business segment remained largely unchanged, with demand remaining weak in all sub-segments due to the ongoing economic stagnation in Europe. This was compounded by trade policy changes in the US and increased subsidised imports from China, which intensified price pressure and competition. Arctic Paper responded with "agile pricing" and cost-cutting measures. The latter were initiated in the second quarter and are currently being implemented, the company reports. Annual savings of PLN45-50m and cash flow improvements of PLN35m are expected, mainly in the next year.

Arctic Paper increased its paper deliveries in the third quarter to 129,000 t compared to 112,000 t in the previous year. Ebitda in the paper segment fell to PLN38.5m (Q3 2024: PLN46.3m), but increased compared to the previous quarter.

Arctic Paper describes the third quarter as challenging for its pulp segment. The company reports that the continuing weak market conditions had a negative impact on the results of its subsidiary Rottneros, as they did on the entire European pulp industry. Net sales fell to SEK574m (SEK686m), while Ebitda turned from a SEK70m profit in Q3 2024 into a loss of SEK21m in the same stretch this year, mainly due to lower prices and volumes as well as currency effects. Arctic Paper reports that wood prices remain high and supply pressure on the pulp market is increasing.

The company does not expect a recovery in Europe this year and is focusing on cost efficiency, financial strength and customer benefits to secure its returns in the current market environment.

Arctic Paper recently completed its refinancing process. The company signed a term and revolving facilities agreement with a consortium of banks including BNP Paribas Bank Polska, Santander Bank Polska and Bank Polska Kasa Opieki. The agreement comprises an investment term facility for a total amount of €20m a revolving facility for a total amount of €60m.

| Arctic Paper Group results  |                  |       |                     |         |
|-----------------------------|------------------|-------|---------------------|---------|
| million PLN                 | July - September |       | January - September |         |
|                             | 2025             | 2024  | 2024                | 2023    |
| <b>Key figures</b>          |                  |       |                     |         |
| Sales                       | 796.2            | 819.3 | 2,452.4             | 2,623.9 |
| EBITDA                      | 38.9             | 77.3  | 61.8                | 259.8   |
| Operating result            | 4.5              | 47.5  | -93.0               | 173.0   |
| Net result                  | -1.2             | 36.6  | -100.0              | 142.3   |
| <b>Business area review</b> |                  |       |                     |         |
| <b>Paper</b>                |                  |       |                     |         |
| Sales                       | 576.2            | 562.4 | 1706.5              | 1837.3  |
| EBITDA                      | 38.5             | 46.3  | 77.0                | 196.0   |
| Operating result            | 15.9             | 25.2  | 11.9                | 138.7   |
| Net result                  | 11.7             | 24.2  | -7.1                | 133.3   |
| Source: Arctic Paper Group  |                  |       |                     |         |

# International Paper holds consultations about closures in Europe

## EMEA performance fell short of expectations in the third quarter

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A weak market environment and uncertainty in North America and, above all, in Europe weighed on International Paper's results in the third quarter of 2025. The Memphis, Tennessee-based company has consequently lowered its outlook and announced plans to accelerate the rollout of its "Lighthouse 80/20" strategy in Europe.

According to CEO Andrew Silvernail, several sites in Europe are currently not cost-effective and need further optimisation. The company was currently holding consultations on closures at undisclosed sites in Italy, Northern and Eastern Europe, Silvernail said when presenting the quarterly results.

IP has already launched its first Lighthouse pilot projects in Spain and the United Kingdom, following the model already introduced in the United States. "This is just the beginning," Mr Silvernail said. "We are reviewing all sites, with plans to expand the programme across the EMEA region next year." In a statement issued in September, IP's European company DS Smith announced its intention to discontinue recycled containerboard production at its Belišće mill in Croatia.

In the EMEA region, deliveries, sales (\$2.3bn) and operating profit (-\$58m) fell short of company expectations in the third quarter of 2025. IP attributed this to weak demand and declining prices but expects a modest market recovery, seasonal volume increases and higher packaging prices in the coming months.

"Obviously, EMEA is not in the position we expected this year. While we have significantly improved our strategic positioning and competitive strength, market softness and negative price movements have made the start to the DS Smith acquisition challenging," Mr Silvernail commented.

### Costs for mill closures weigh on results in North America

In Packaging Solutions North America, IP has made considerably more progress in implementing its Lighthouse strategy. As part of this, the company has increased volumes again after exiting low-margin business in the previous months.

Sales of the Packaging Solutions North America division rose to \$3.9bn in the third quarter of 2025. Adjusted Ebitda increased by 40 per cent year on year to \$655m. Higher energy costs and expenses related to the closures of the Savannah, Riceboro and Red

River mills, however, pushed divisional operating profit down to -\$166m.

At group level, International Paper generated sales of \$6.2bn in the third quarter of 2025 (Q3 2024: \$4.0bn). Adjusted Ebitda from continuing operations increased from \$366m a year earlier to \$859m. Costs associated with mill closures and divestments, the rollout of the Lighthouse programme and accelerated depreciation weighed on the bottom line, resulting in a net loss of -\$1.1bn.

Given the ongoing challenging environment, IP has revised its 2025 guidance downward. The company now expects sales of around \$24bn and adjusted Ebitda of roughly \$3bn. The original Ebitda target of \$5bn, initially planned for 2026, is now expected to be reached a year later, in 2027. Market weakness and pricing pressure have so far reduced earnings by about \$500m, according to the company.

Despite near-term headwinds, International Paper considers itself on track and intends to fully execute its transformation plan.

## International Paper results

| million US\$                             | July - September |       | January - September |        |
|------------------------------------------|------------------|-------|---------------------|--------|
|                                          | 2025             | 2024  | 2025                | 2024   |
| <b>Key data</b>                          |                  |       |                     |        |
| Sales                                    | 6,222            | 3,979 | 17,628              | 11,913 |
| Adjusted EBITDA*                         | 859              | 366   | n.a.                | n.a.   |
| Adjusted operating result*               | -675             | 5     | -714                | 256    |
| Net result                               | -1,102           | 150   | -1,132              | 704    |
| <b>Business area review</b>              |                  |       |                     |        |
| <b>Packaging Solutions North America</b> |                  |       |                     |        |
| Sales                                    | 3,898            | 3,640 | 11,460              | 10,754 |
| Adjusted EBITDA                          | 655              | 378   | 1,720               | 1,230  |
| Operating result                         | -166             | 190   | 253                 | 663    |
| Deliveries, 1,000 t                      |                  |       |                     |        |
| Corrugated packaging                     | 2,051            | 1,988 | 6,035               | 6,058  |
| Containerboard                           | 696              | 700   | 2,132               | 2,088  |
| Recycling                                | 441              | 483   | 1,351               | 1,505  |
| Saturated kraft                          | 13               | 46    | 76                  | 133    |
| Gypsum/Release kraft                     | 51               | 52    | 149                 | 165    |
| <b>Packaging Solutions EMEA</b>          |                  |       |                     |        |
| Sales                                    | 2,310            | 322   | 6,151               | 998    |
| Adjusted EBITDA                          | 209              | 23    | n.a.                | n.a.   |
| Operating result                         | -58              | 7     | -13                 | 41     |
| Deliveries, 1,000 t                      |                  |       |                     |        |
| Corrugated packaging                     | 1,275            | 226   | 3,564               | 717    |
| Containerboard                           | 342              | 54    | 972                 | 165    |

\*from continuing operations

Source: International Paper

# SCA's Q3 results reflect weaker markets for pulp and kraftliner

 **EUWID** + 12 November 2025 |  ~ 2 min | [Published in issue 46/2025](#)

Swedish forest products group SCA was strongly impacted by the challenging global market conditions for softwood pulp in the third quarter of 2025. SCA's pulp division recorded an 80 per cent year-on-year drop in operating profit during the reporting quarter. The company noted that weak demand in Europe and the USA, rising producer inventories, higher wood raw material costs and negative currency effects contributed to the downward earnings trend. In addition to the developments in the pulp business, SCA's packaging paper operations were also affected by scheduled maintenance downtime and an overall modest market environment.

According to SCA, the "uncertain market situation characterised by a weak economic environment, trade barriers, and currency fluctuations" continues to shape market conditions. Underlying demand is soft in many product areas, it says.

## **Weak demand and higher costs weigh on SCA's pulp business**

In the pulp segment, average sales prices in the third quarter were significantly lower year-on-year and slightly below those of the second quarter 2025. Prices for NBSK remained stable at low levels in Europe and China, but declined in the USA. SCA reported slightly stronger demand in China, while markets in Europe and the USA stayed weak. Delivery volumes were down quarter-on-quarter and year-on-year, while global producer inventories increased. In addition, the company's results were negatively affected by higher wood fibre costs and the scheduled maintenance downtime at the Östrand mill.

Over the first nine months of the year, SCA experienced negative currency effects, higher costs and lower sales volumes compared with the previous year.

## **Soft demand and downtime weigh on SCA's containerboard results**

In the containerboard business, third quarter average sale prices were higher than in the corresponding period last year, but were slightly below those of the second quarter 2025, SCA wrote. Production was at a "favourable level" during the third quarter, but was restricted due to planned maintenance downtimes at the Obbola and Munksund kraftliner mills.

"Demand for packaging paper was soft in the quarter, mainly driven by weak industrial production among customers, which was partly offset by stronger demand in e-commerce and consumables," the company wrote. Deliveries were below the level of the

second quarter, but higher than the prior-year level, while inventories held by European producers continued to increase.

For the Q1-3 period, SCA highlighted higher sales prices and deliveries, but results were adversely affected by increased raw material costs, unfavourable currency effects and maintenance.

| SCA results                      |                  |       |                     |        |
|----------------------------------|------------------|-------|---------------------|--------|
| million SEK                      | July - September |       | January - September |        |
|                                  | 2025             | 2024  | 2025                | 2024   |
| <b>Key figures</b>               |                  |       |                     |        |
| Sales                            | 4,993            | 5,248 | 15,534              | 15,097 |
| EBITDA                           | 1,644            | 2,010 | 5,328               | 5,494  |
| Operating result                 | 1,112            | 1,476 | 3,735               | 3,914  |
| Net result                       | 832              | 1,070 | 2,720               | 2,819  |
| <b>Business area review</b>      |                  |       |                     |        |
| <b>Forest</b>                    |                  |       |                     |        |
| Sales                            | 2,39             | 2,099 | 7,418               | 6,507  |
| EBITDA                           | 912              | 777   | 2,861               | 2,630  |
| Operating result                 | 841              | 714   | 2,662               | 2,445  |
| <b>Wood</b>                      |                  |       |                     |        |
| Sales                            | 1,544            | 1,524 | 4,775               | 4,123  |
| EBITDA                           | 232              | 288   | 778                 | 693    |
| Operating result                 | 159              | 215   | 561                 | 481    |
| Deliveries, 1,000 m <sup>3</sup> | 532              | 533   | 1,624               | 1,452  |
| <b>Pulp</b>                      |                  |       |                     |        |
| Sales                            | 1,651            | 2,085 | 5,385               | 6,006  |
| EBITDA                           | 242              | 562   | 823                 | 1,394  |
| Operating result                 | 78               | 391   | 321                 | 886    |
| Deliveries, 1,000 t              | 223              | 240   | 722                 | 731    |
| <b>Containerboard</b>            |                  |       |                     |        |
| Sales                            | 1,755            | 1,597 | 5,248               | 4,816  |
| EBITDA                           | 194              | 318   | 884                 | 690    |
| Operating result                 | -4               | 117   | 290                 | 96     |
| Deliveries kraftliner, 1,000 t   | 230              | 208   | 702                 | 684    |
| <b>Renewable Energy</b>          |                  |       |                     |        |
| Sales                            | 377              | 435   | 1,474               | 1,519  |
| EBITDA                           | 79               | 99    | 300                 | 361    |
| Operating result                 | 61               | 81    | 246                 | 306    |
| Deliveries own wind power, GWh   | 12               | 32    | 78                  | 108    |
| Source: SCA                      |                  |       |                     |        |

# Lower pulp and energy prices weigh on Ence's Q3 results

 **EUWID** + 12 November 2025 | ⌚ ~ 3 min | [Published in issue 46/2025](#)

Spanish pulp and energy producer Ence (Ence Energía y Celulosa) has gone through a difficult third quarter. Low selling prices for pulp and persistently high costs, combined with a weak US dollar, had a negative impact on the group's financial performance. Although Ence sold almost 30,000 t or 13 per cent) more pulp in the third quarter year-on-year, the positive effects were largely offset by the unfavourable price-cost situation.

In the third quarter, the average listed selling price for bleached hardwood kraft pulp (BHKP) was 25 per cent lower in US dollars and 30 per cent lower in euros compared with the previous year. The average net selling price for BHKP fell even further, coming in 33 per cent lower at €452/t. By contrast, cash costs decreased by only 6 per cent to €459/t.

Revenue in the pulp division fell by 23 per cent to €132m, and Ebitda shrank by 90 per cent to €4m. After depreciation, amortisation, interests and taxes, Ence recorded an operating loss of €12m in the pulp business, along with a net loss of €13m. In the third quarter of the previous year, these figures had still shown profits of €25m and €15m respectively.

A similar, albeit less dramatic, development occurred in Ence's renewable energy business. A 2 per cent increase in sales volume was offset by a 4 per cent drop in prices. Quarterly revenue remained almost unchanged at around €50m, but Ebitda fell by 11 per cent to €8m, and the net loss of the renewables division doubled to €4m.

Group sales therefore fell by 18 per cent in the third quarter to €181m, and Ebitda dropped by 75 per cent to €13m. Following an operating profit of €26m and a net profit of €13m in the previous year, the third quarter of this year brought an operating loss of €11m and a net loss of €16m.

The weak third quarter followed an equally weak second quarter and has deepened the losses accumulated so far this year.

However, Ence also sees many positive aspects in the current and future economic and operational development. Firstly, cash costs fell in the third quarter compared with the previous quarter, thanks to lower wood costs and higher revenue from the sale of surplus energy at pulp mills. Secondly, the decline in pulp market prices came to a halt at the end of the third quarter, and prices have started rising at the beginning of the fourth quarter – by around US\$30/t net in China and US\$60/t gross in Europe.

In addition, in September the US government announced the suspension of all import duties on pulp. Together with the annual maintenance shutdowns announced by the leading Latin American producers – corresponding to an output curtailment of half a million tonnes – this is expected to support the current price dynamics until the end of the year, according to the company.

Ence is also working proactively to improve its cost and market position. The Spanish manufacturer of bleached eucalyptus kraft (BEK) pulp is pushing sales of its „advanced“ BEK pulp grades, which are reportedly also suitable as substitute to softwood pulps. Compared with standard grades, these speciality pulps reportedly offer a better price-cost structure and therefore higher profit margins for the company. Moreover, at the beginning of the fourth quarter, Ence commissioned the first production line for fluff pulp at its Navia site. Together, these two segments – fluff pulp and advanced pulp grades – are expected to account for around 62 per cent of pulp business revenue by 2028.

The group has also launched an efficiency and competitiveness improvement programme for the years 2025-2027 aimed at reducing cash costs by an estimated €22/t. The plan relies on AI-based solutions to optimise processes and streamline operations, while also envisaging a structured reduction in staffing levels. Negotiations with trade union representatives are said to be already underway.

Total cost of implementing the programme is estimated by Ence at €23m.

| Ence results               |                  |         |                     |         |
|----------------------------|------------------|---------|---------------------|---------|
| million €                  | July - September |         | January - September |         |
|                            | 2025             | 2024    | 2025                | 2024    |
| <b>Key figures</b>         |                  |         |                     |         |
| Sales                      | 181              | 220     | 560                 | 668     |
| EBITDA                     | 13               | 52      | 71                  | 153     |
| Operating result           | -11              | 26      | -1                  | 71      |
| Net result                 | -16              | 13      | -29                 | 33      |
| <b>Busines area review</b> |                  |         |                     |         |
| <b>Pulp</b>                |                  |         |                     |         |
| Sales                      | 132              | 172     | 413                 | 531     |
| EBITDA                     | 4                | 42      | 53                  | 132     |
| Operating result           | -12              | 25      | 5                   | 78      |
| Net result                 | -13              | 15      | -11                 | 49      |
| Production, in t           | 239,422          | 248,180 | 710,124             | 741,114 |
| Deliveries, in t           | 263,329          | 233,833 | 722,054             | 732,406 |
| <b>Energy</b>              |                  |         |                     |         |
| Sales                      | 50               | 49      | 149                 | 140     |
| EBITDA                     | 8                | 9       | 18                  | 21      |
| Operating result           | 1                | 0       | -7                  | -8      |
| Net result                 | -4               | -2      | -19                 | -17     |
| Deliveries, GWh            | 315              | 308     | 895                 | 852     |
| Source: Ence               |                  |         |                     |         |

# Wepa produces premium recycled pulp for direct food contact

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Sanitary paper producer Wepa processes, among other materials, the lower recovered paper grades 1.04 and 1.05 into what it calls Premium Recycled Pulp. Up to now, these fibres have been exclusively used in tissue paper production. The company is now making them available to the packaging industry. Wepa's Premium Recycled Pulp is ISEGA-certified and can thus be used in packaging intended for direct contact with dry foods. According to the company, its French mill in Château-Thierry is currently certified for this purpose, with additional sites to follow.

The first products containing recycled fibres from the new process were presented at the Fachpack trade fair as part of a moulded fibre to-go packaging solution. According to the company, the fibres are also suitable for the production of kraft papers used in flexible packaging, liners for corrugated board production, as well as labels and release liners.

In addition, customers are using premium recycled pulp to substitute primary fibres, both bleached and unbleached, in their packaging materials in their efforts to reduce the environmental footprint of their products, says Wepa.

## Environmentally friendly and energy-efficient – also for paper producers

In addition to the recovered paper grades mentioned above, Wepa also processes grades that are considered particularly challenging within the industry, including glassine paper. All grades are treated in a multi-stage recycling process at the company's specialised deinking sites. Alongside the French mill, these include the German locations in Kriebstein, Giershagen and Müschede.

The process, which includes fibre pulping and pre-screening as well as deinking and, where necessary, bleaching, can remove up to 99.7 per cent of non-paper components. It is designed to ensure that the final product meets the strict purity and quality standards required for food-contact applications, Wepa says.

At the same time, the process is both water- and energy-efficient. The Château-Thierry mill has reduced water consumption by 70 per cent and energy use by more than 50 per cent since 1997, according to Wepa. Besides the ecological benefits, the use of the processed fibres also has positive effects in the production of packaging papers and moulded fibre packaging. In many cases, less post-treatment of the pulp is required, saving energy and reducing CO2 emissions at the converting stage.

## Fibres comply with multiple standards and regulations

Premium recycled pulp is certified for contact with dry foods. Packaging for moist and fatty foods can also be produced and certified, provided certain conditions are met.

Premium Recycled Pulp complies with a range of environmental and quality standards, including FSC Recycled and PEFC, and meets the criteria required for the Blue Angel ecolabel. As the material is not produced from primary fibres, it is also exempt from the scope of the EU Deforestation Regulation (EUDR).

# Södra to build carbon capture pilot plant in Värö

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Swedish forestry and pulp company Södra plans to commission a pilot plant to capture biogenic carbon dioxide at its Värö pulp mill in early 2026. The company will use the project to gain experience with the technology and examine possible new business areas based on biogenic carbon dioxide. The plant is part of Södra's long-term strategy to increase the added-value of wood, strengthen competitiveness and open up additional sources of income for forest owners, according to a statement.

Södra's pulp production generates biogenic carbon dioxide, which could be used in various industrial applications in the future. The company mentions potential applications across food, water purification, chemical manufacturing, and e-fuels. The use of this previously untapped raw material stream is expected to unlock new revenue streams and extend the value of forest raw materials without increasing harvesting.

The pilot plant is based on technology from Canadian company Svante Technologies and will be tested under industrial conditions at the Värö site. During a part of the pilot phase, a plant from Swedish RISE research institute will also be deployed to test liquefaction of the captured carbon dioxide. According to Södra, the entire process chain – from capture to liquid carbon dioxide – is being investigated. The project is financed by a funding program.

Södra Cell Värö is one of the world's largest and most modern softwood pulp mills and has an annual capacity of 780,000 t. The site also generates around 1.5 TWh of renewable energy per year, making it one of the group's most important energy producers.



# UPM in talks on more production curtailments and temporary layoffs for pulp mills in Finland

 **EUWID** + 12 November 2025 | [Igor Dugandzic](#) | ⌚ ~ 2 min | [Published in issue 46/2025](#)

**Finnish forest products company UPM has entered into negotiations with employee representatives regarding possible short-time work measures at the Finnish pulp mills in the first half of next year. The negotiations are currently ongoing at the Kaukas, Kymi and Pietarsaari mills, operated by UPM's pulp subsidiary UPM Pulp, as well as the fluff pulp mill UPM Raumacell, which belongs to UPM Fibres.**



*UPM Kaukas pulp mill stood idle between mid-August and mid-October. More commercial downtime is possible in H1 2026.*

UPM is thus preparing for a potentially challenging pulp market environment also in the coming year. Under Finnish law, companies can interrupt production and temporarily lay off employees of the affected mills for up to 90 days within a six-month period amid difficult market conditions.

At the three pulp mills in Kaukas, Kymi and Pietarsaari, UPM has a total production capacity of almost 2.4 million tpy of bleached softwood and hardwood kraft pulp. At the Rauma site, UPM produces fluff pulp with a capacity of around 150,000 jato.

UPM Pulp has already made use of temporary layoffs at different occasions and locations during the current year. In the third quarter, employees at the Kaukas and Kymi sites were affected. The downtime in Kaukas lasted particularly long. A regular maintenance shutdown was extended by several weeks due to weak market conditions and increased wood costs. In total, production at the Kaukas mill stood idle for more than two months, but has been running again since 11 October.

In Pietarsaari, a two-week commercial downtime is currently underway. The plant produces bleached softwood kraft pulp and birch pulp with an annual capacity of 800,000 tpy.

In its third quarter 2025 financial report, UPM signalled its determination to further adjust pulp production in Finland to global market conditions. Additional production curtailments can thus not be ruled out. A company spokesperson emphasised upon request that the market environment is being monitored continuously and that further decisions will be made as needed. Decisions on potential downtime will only be defined after the ongoing negotiations with employee representatives have concluded.

UPM's pulp division also includes the mills in Fray Bentos and Paso de los Toros in Uruguay, which together have a capacity of 3.4 million tpy of bleached eucalyptus kraft pulp. These mills have not been affected by production cuts and are not part of the current short-time work discussions.

### **UPM plans to cut seven jobs in Kaukas**

In addition to potential temporary layoffs in the first half of next year, UPM is also negotiating the elimination of seven permanent positions in Kaukas. The company attributes this decision to the current market situation.

UPM Kaukas employs more than 250 people and has a production capacity of 700,000 jato. Unlike Kymi and Pietarsaari, the Kaukas mill exclusively produces softwood kraft pulp.

# Fibre Excellence takes market related downtime at Saint-Gaudens pulp mill amid market pressures

 **EUWID** + 12 November 2025 | [Igor Dugandzic](#) | ⌚ ~ 2 min | [Published in issue 46/2025](#)

**Fibre Excellence is taking a five-week commercial downtime at its Saint-Gaudens pulp mill in France. Operations have been suspended on 17 October and will remain idle until 24 November. The measure is described as a preventive response to weak global market pulp demand and rising production costs. The company says the step aims to safeguard the site's long-term viability.**



The Saint-Gaudens mill has a production capacity of 280,000 tpy of bleached softwood and hardwood kraft pulp and employs 271 people. Sales and deliveries of pulp will continue during the downtime.

Almost all employees are affected by the temporary downtime, except for a small team ensuring site safety and the operation of the wastewater treatment plant, which also serves the town of Saint-Gaudens, a company spokesperson explained. A short-time work scheme was negotiated with employee representatives and approved by the French authorities, and will limit the social impact of the downtime on staff.

The decision for a commercial downtime comes amid a challenging market environment combining weak demand, low pulp prices, and high raw material and energy costs. Fibre Excellence has reportedly invested more than €55m in the Saint-Gaudens facility over the past three years to improve performance and competitiveness. However, rising energy and raw material costs continue to weigh heavily on operations. "Current prices no longer reflect production costs," the company said.

According to Fibre Excellence, European pulp demand fell by more than 20 per cent over the past six months, while input costs have soared. What is more, the price of pulpwood, a key raw material for the Saint-Gaudens mill, has risen by around 50 per cent in France since 2022, it adds.

Another point of concern involves the state-regulated tariff for the renewable electricity generated at the site. This tariff has not been adjusted to reflect the surge in biomass costs since 2022, complains Fibre Excellence. The company is urging the government to revise the energy purchase agreement so that biomass costs are indexed. Such a measure, it argues, is essential to maintaining the site's competitiveness against international producers.

### **Temporary measure, not a closure**

In a response to EUWID, Fibre Excellence dismissed speculation that the shutdown of Saint-Gaudens might signal deeper financial trouble, stressing that the stoppage is temporary and that production is scheduled to resume at the end of November.

Production at the Fibre Excellence Provence pulp mill in Tarascon is not affected and continues as normal. The mill produces unbleached kraft pulp from softwood with a nominal capacity of 220,000 tpy.

# Navigator completes pulp line maintenance at Aveiro mill

 **EUWID +** 12 November 2025 |  ~ 1 min | [Published in issue 46/2025](#)

**Portuguese pulp and paper producer The Navigator Company (TNC) has completed a maintenance downtime of the pulp line at its Aveiro site at the end of October.**



The shutdown between 18 and 29 October withdrew around 15,000 t of hardwood pulp from the market, the company informed in response to a query. Navigator described the measure as an adjustment to persistent weak demand, low pulp prices and high wood costs.

The company said it also used the break to advance preventive maintenance and technical tasks that were originally not scheduled until 2026. Navigator expects that this will shorten the annual shutdown originally planned for the first half of 2026.

At the same time, Portuguese media report that the shutdown also took place against the backdrop of strained wood supply in Portugal. Several media reports refer to structural challenges of the Portuguese timber market. Navigator's own and leased forest areas reportedly covered only around 13 per cent of the group's wood needs last year while legal requirements for the expansion of eucalyptus plantations limit the possibility of using more domestic wood. Under these circumstances, Navigator would have to import more wood from more distant regions. However, increased import costs and current low pulp prices would not balance each other, reports add. Navigator left questions on the topic unanswered.



# Mayr-Melnhof lifts Q1-3 earnings on cost savings as overcapacity and import pressure burden board market

 **EUWID** + 12 November 2025 |  ~ 3 min | [Published in issue 46/2025](#)

Despite continued weak consumer demand and overcapacity in the European market, Austrian board and packaging producer Mayr-Melnhof (MM) reports a substantial increase of its profits in the first nine months of the current financial year.

Overall, the MM Group's sales revenues dropped by 3 per cent to €2.98bn. Net income for the period to 30 September increased by almost 220 per cent to €167m, reflecting proceeds from the divestment of cigarette tipping paper producer Tann Group. Excluding the one-off gain of around €127m from this transaction, net profit still rose by roughly 15 per cent to €112m.

## **MM closes down packaging plant in Turkey and expands plant in Romania**

Commenting on the Packaging Division's performance, MM refers to challenging market conditions. Demand for folding cartons in Europe, "deteriorated noticeably" over the course of the year, affecting MM's Food & Premium Packaging segment, with the market characterised by cut-throat competition and strong cost pressure.

Sales revenues dropped by 6 per cent to €1.19bn, but operating profit rose by 85 per cent to €242m thanks to the sale of Tann. Without the divestment of the cigarette tipping paper business, the division's profits decreased by 6 per cent to €96m year-on-year.

To maintain profitability amid the current market environment and strengthen its market position, MM is implementing a comprehensive programme that includes necessary cost-cutting measures. MM reports that its Romanian site is currently undergoing technological expansion "to enable flexible and highly efficient onboarding of new business." The company has not disclosed any further details to date despite EUWID's request.

In addition, the company has consolidated its packaging production in Turkey at two sites and closed the Karaman plant of its Turkish subsidiary Superpak. The site's operations were transferred to MM's other Turkish facilities.

According to Mayr-Melnhof, Superpak is the market leader in Turkey in offset printing on cartonboard and corrugated board, with sites in Izmir, Karaman and Gaziantep.

In the MM Pharma & Healthcare Packaging division, demand for folding cartons developed more unevenly over the course of the year. While MM recorded growth in the United States, several markets in Western and Central Europe remained weak amid fierce competition and strong margin pressure. Overall, sales held largely steady at €470m, whereas operating profit dropped by more

than half to €12m.

### **Board markets increasingly under pressure due to imports and overcapacity**

MM Board & Paper reports that board markets came under growing pressure after moving sideways until well into the second quarter.

MM Board & Paper reports that board markets came under growing pressure after moving sideways until well into the second quarter. The company notes that additional capacity and rising import pressure from Asia are weighing particularly on primary fibre board, while conditions for recycled board have so far remained “relatively stable.”

By contrast, the market for copying paper has been in sharp decline since the start of the year, MM said. The division generated largely stable sales revenues of €1.48bn. It posted an operating profit of €4m, compared with a loss of €31m in the previous year.

MM attributed the improvement mainly to cost savings.

The average order backlog stood at 157,000 t, down from 182,000 t in the same period of 2024. Total production volumes grew by 1 per cent to 2.37 million t. Of this, board output declined by about 1 per cent to 1.34 million t, while market pulp production rose by 17 per cent to 99,000 t and paper output by 3 per cent to 372,000 t.

### **No easing in sight, focus on enhancing competitiveness**

Looking ahead, Mayr-Melnhof does not expect any easing of market conditions for the remainder of the year. The group is therefore focusing on strengthening its competitiveness and implementing measures to achieve a sustainable improvement in results. MM said its “Fit-for-Future” programme has been successfully ramped up, and that it will report on progress and related earnings effects with its 2025 annual results in mid-March 2026.

## Mayr-Melnhof results

| million € | July - September |      | January - September |      |
|-----------|------------------|------|---------------------|------|
|           | 2025             | 2024 | 2025                | 2024 |

### Key figures\*\*

|                  |     |       |       |       |
|------------------|-----|-------|-------|-------|
| Sales            | 950 | 1,025 | 2,980 | 3,069 |
| Adjusted EBITDA  | 90  | 94    | 320   | 296   |
| Operating result | 24  | 36    | 258   | 126   |
| Net result       | 2   | 15    | 167   | 52    |

### Business area review

#### MM Board & Paper

|                     |     |     |       |       |
|---------------------|-----|-----|-------|-------|
| Sales*              | 480 | 491 | 1,480 | 1,477 |
| Adjusted EBITDA     | 17  | 8   | 87    | 50    |
| Operating result    | -11 | -20 | 4     | -31   |
| Production, 1,000 t | 738 | 747 | 2,370 | 2,354 |
| Cartonboard         | 429 | 431 | 1,337 | 1,346 |
| Paper               | 111 | 118 | 372   | 363   |
| Pulp                | 198 | 198 | 661   | 645   |
| Market pulp         | 32  | 19  | 99    | 84    |

#### MM Food and Premium Packaging\*\*

|                                       |     |     |       |       |
|---------------------------------------|-----|-----|-------|-------|
| Sales*                                | 374 | 432 | 1,188 | 1,268 |
| Adjusted EBITDA                       | 53  | 68  | 173   | 190   |
| Operating result                      | 36  | 48  | 242   | 131   |
| Production, in million m <sup>2</sup> | 561 | 813 | 2,027 | 2,341 |

#### MM Pharma and Healthcare Packaging

|                                       |     |     |     |     |
|---------------------------------------|-----|-----|-----|-----|
| Sales*                                | 149 | 149 | 469 | 470 |
| Adjusted EBITDA                       | 20  | 18  | 61  | 56  |
| Operating result                      | -1  | 8   | 12  | 27  |
| Production, in million m <sup>2</sup> | 225 | 232 | 690 | 710 |

\*including internal sales

\*\*including TANN sale

Source: Mayr-Melnhof

# Metsä Board appoints new CFO

 **EUWID +** 12 November 2025 | ⌚ ~ 1 min | [Published in issue 46/2025](#)

Finnish board manufacturer Metsä Board has appointed **Anssi Tammilehto** as its new CFO. He will take up his new post on 2 February 2026 at the latest and report to CEO Esa Kaikkonen, the company announced. Prior to joining Metsä Board as CFO, Mr Tammilehto worked at Neste Corporation as senior vice-president for Strategy, M&A and Investor Relations. He succeeds **Henri Sederholm**, who is leaving the company. Until he takes office, **Antti Kiljunen** will take charge as interim CFO and member of the executive board.



# Carl Macher appoints new managing director

 **EUWID+** 12 November 2025 |  ~ 1 min | [Published in issue 46/2025](#)

Carl Macher, German manufacturer of coreboard and part of the Kunert group, appointed **Alexander Stern** as its new managing director from 1 November 2025. **Jürgen Schaller**, who has led the company for many years, will gradually withdraw from operational business in the course of 2026, the company announced. Mr Stern will take over the sole management of the company.



# Sappi transfers production of Magno Web papers to Kirkniemi mill

 **EUWID+** 12 November 2025 | ⌚ ~ 1 min | [Published in issue 46/2025](#)

**Sappi Europe** has transferred production of the main grammages of its woodfree coated Magno Web range of papers to the Kirkniemi mill in Lohja, Finland. The grade is mainly used for publishing products, advertising prints and high-quality print applications. The company said that Magno Web will benefit in the future from decarbonised production at the Kirkniemi mill, where Sappi has invested extensively in renewable energies and clean electricity in recent years. As a result, the CO<sub>2</sub> footprint of the product could reportedly be reduced by 58 per cent compared to the previous production site.



# Södra to sell forest land in the Baltics

 **EUWID+** 12 November 2025 | ⌚ ~ 1 min | [Published in issue 46/2025](#)

Swedish forest industry group **Södra** will sell its forest land in Latvia and Estonia to **Ingka Investments**, the investment arm of Ingka Group and largest IKEA retailer, for around €720m. The transaction is subject to antitrust approvals. Södra says it will increase focus on member forests in southern Sweden, while Ingka is expanding its forestry activities to secure raw materials in the long term. When the sale is concluded, Södra's presence in the Baltic countries will be limited to two timber import companies.



# Speciality papers market shows moderate growth amid increasing regulatory pressure

 **EUWID** + 12 November 2025 |  ~ 2 min | [Published in issue 46/2025](#)

The global speciality papers market continues to grow, but is increasingly shaped by regulation and sustainability requirements. According to a new study by UK market research firm Smithers Pira, global consumption is expected to reach around 28.2 million t in 2025 and rise to 31.3 million t by 2030, corresponding to an average annual growth rate of about 2.1 per cent.

By far the largest segment currently consists of speciality papers for flexible packaging, with a volume of almost 6 million t. This is followed by printing papers at just over 4 million t, closely trailed by papers for other applications and label papers. Decor paper, one-side coated packaging paper grades and release liners rank next, while papers for security, filtration and electrical applications remain niche segments.

The study highlights the growing influence of new environmental and product regulations on product design, material selection and recyclability. In the EU, the new Packaging and Packaging Waste Regulation (PPWR) has been in force since 2025, replacing the former Packaging Directive and setting higher targets for recycling rates and recycled content. Similar developments are observed in North America and Asia, where extended producer responsibility (EPR) schemes are being expanded. As a result, non-recyclable multilayer films are increasingly being replaced by paper-based barrier solutions. Manufacturers are investing in new coating technologies to combine functionality with recyclability while also responding to stricter documentation and reporting requirements.

Smithers Pira identifies several technological trends, including the growing use of digital printing for packaging and labels, especially for small and customised production runs. Advances in curtain coating and functional coatings are opening up new applications for speciality papers. Automation and AI-supported process control are also expected to boost efficiency and cost competitiveness.

For European paper and board producers and printers, these developments present both opportunities and challenges. Requirements for higher recycled content and design for recycling are forcing adjustments in formulations and additives, while investment needs for new technologies and compliance systems are rising. Smithers Pira says the most dynamic market segments are labels, flexible packaging and functional papers, which are seen as less easily substitutable.



# Consolidation gathers pace in Europe's packaging market

## PPWR, inflation and cost pressure fuel structural change

 **EUWID +** 12 November 2025 |  ~ 2 min | [Published in issue 46/2025](#)

Europe's packaging industry is undergoing a new wave of consolidation. According to Hamburg-based M&A advisory firm Proventis Partners, four key forces are currently shaping the market: fragmentation, macroeconomic tailwinds, uncertainty, and cost pressure.

Despite the presence of major international players, the European packaging industry remains largely medium-sized and regionally focused, says Dr Christoph Studinka, Partner at Proventis. Many companies are reaching growth limits as customers increasingly demand global reach, reliable delivery, and sustainable solutions. This structure offers ample scope for buy-and-build strategies by private equity investors and selective acquisitions by strategic buyers.

Macroeconomic conditions are providing support: inflation is moving closer to the ECB's target, financing conditions have improved following rates cuts, and both private equity funds and industrial groups hold significant cash reserves. This liquidity is seeking investment opportunities, particularly in premium segments such as pharmaceuticals, cosmetics, and hygiene, which offer stable margins and high entry barriers.

At the same time, geopolitical risks, volatile input costs and the implementation of the EU Packaging and Packaging Waste Regulation (PPWR) are increasing uncertainty – but also fuelling consolidation. The PPWR is raising the need for investment in sustainable and recyclable materials, creating new opportunities for well-capitalised market players. Investors are focusing more selectively on innovative, resilient companies with diversified customer portfolios.

Rising energy and labour costs, combined with the need for technological upgrades, are pushing many mid-sized firms towards mergers, partnerships, or sales. According to Proventis, these moves are increasingly seen as strategic levers for efficiency and growth.

### Investment focus moves eastward

Regionally, activity is shifting towards Eastern and South-Eastern Europe, where competitive cost structures and higher growth rates attract investors. Companies from Western Europe, North America and, increasingly, Turkey are expanding production capacity and adding to existing platforms.

For Europe's mid-sized packaging companies, this trend represents both a challenge and an opportunity. They face growing

pressure from large platforms and sustainability requirements, yet also gain new strategic options, either as niche consolidators, strategic alliance partners or acquisition targets.

With offices in Germany and Switzerland, Proventis Partners is among the largest independent M&A consultancies in the German-speaking region, drawing on more than 20 years of experience.

# German paper industry association warns against weakening of Germany as a business location

 **EUWID+** 12 November 2025 |  ~ 2 min | [Published in issue 46/2025](#)

The German paper industry remains in a tense situation. Plant closures, slowing production and investment backlogs are affecting the industry. At the Paper Summit 2025 held in Berlin, the German pulp and paper industry association (Die Papierindustrie) urged policymakers to take decisive action. Association president Hans-Christoph Gallenkamp warned of a further weakening of Germany's status as a favourable business location and called for energy prices, tax burdens and bureaucracy to be noticeably reduced in order to ensure the competitiveness of the industry on an international scale.

According to the association, the industry is already in its third year of recession. In Germany, 129 paper mills with 218 paper machines are currently in operation, compared with as many as 152 mills and 260 paper machines in 2020. The numbers indicate that 15 per cent of the sites or machines have been shut down within five years.

Production continues to decline, too: in the first half of 2025, paper and board output in Europe fell by 1.3 per cent to 39.6 million t. In Germany, the decline was much more pronounced at 3.2 per cent.

The industry also saw a decline in investments. While more than €288m was spent on asset development in 2024, investments for the year to date only amount to €11m. The weak investment activity is another sign of the difficult economic situation of companies, the association says.

A representative survey of 2,000 consumers commissioned by the association found that 81 per cent favour lower energy prices for energy-intensive industries. 93.5 per cent of consumers also see an important future role for paper and board, especially as sustainable packaging materials.

Gitta Connemann, state secretary at the German Ministry for Economic Affairs and Energy, announced at the summit that she wants to reduce bureaucracy costs for companies by 25 per cent. Faster approval procedures and greater digitisation of the administration are also planned. Die Papierindustrie welcomed the announcements, but warned that concrete improvements must be felt quickly by the industry.



# Europulp reports lower port inventories in September

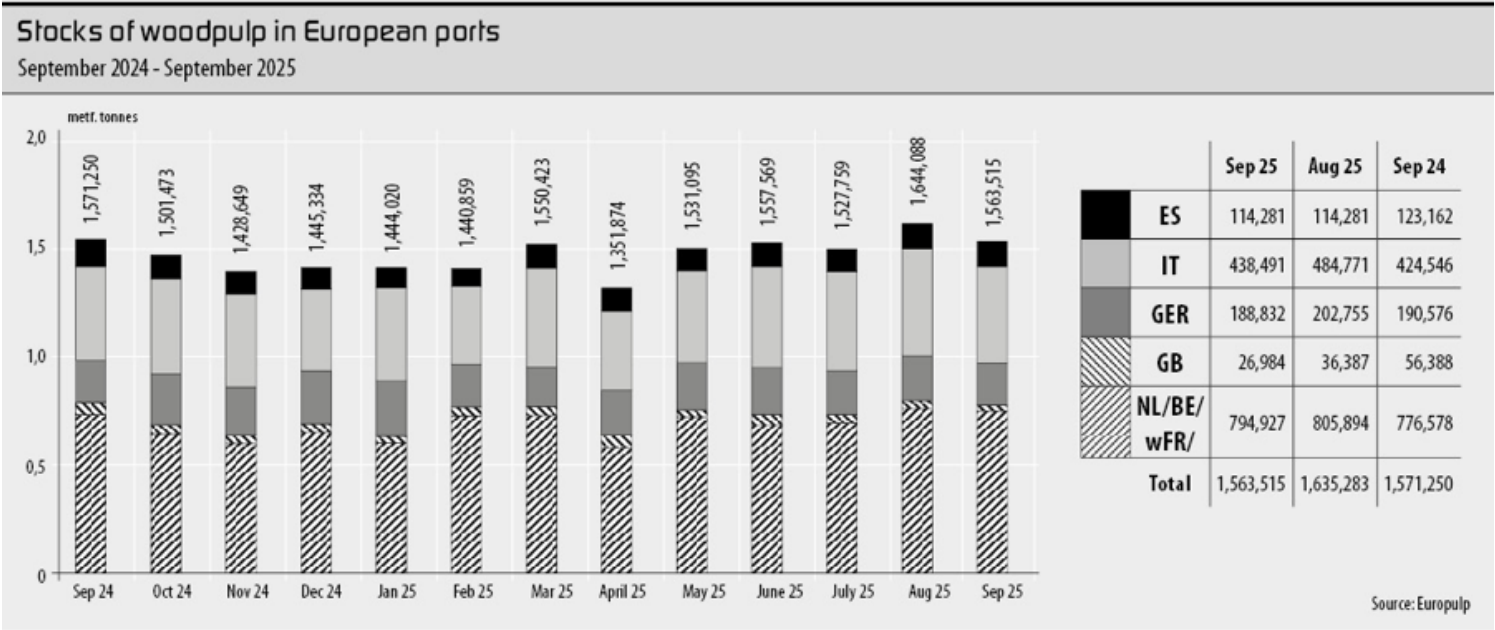
 **EUWID +** 12 November 2025 |  ~ 1 min | [Published in issue 46/2025](#)

Pulp inventories at major European ports dipped slightly in September after the sharp and seasonally usual growth in August. Europulp reported that stocks were around 4 per cent lower than in August at 1.56 million t, but close to levels registered in September last year.

The most dramatic drop occurred in Italy, where port stocks decreased by almost 10 per cent to 438,000 t. Germany also recorded a sharp fall of 7 per cent to 189,000 t. September inventories in the Netherlands, Belgium, France and Switzerland were down 1 per cent year-on-year, while stocks in the UK remained low, reporting a 2 per cent decrease to 27,000 t.

Spain was the only region demonstrating slight growth of 1 per cent to 115,000 t according to Europulp figures for September.

On the whole, though, port inventories remain high, something that comes as no surprise since demand for pulp in Europe remains subdued.





# Uncertainty clouds the pulp market as annual contract talks set to get underway in London

Hardwood pulp has cost more since September / Softwood pulp prices stable

 12 November 2025 | ⌚ ~ 5 min | [Published in issue 46/2025](#)

Sluggish demand, surplus supply and persistent uncertainty continue to weigh on the global pulp market in November. The subdued mood on the international paper markets is having a direct knock-on effect on pulp sales. Sentiment is particularly downbeat in Europe, where surplus capacity across many paper and board grades, weak structural demand and paper mills’ strained finances are shaping the sector. As a result, there is actually little scope for raising pulp prices.

| EUWID Price Watch Pulp Western Europe                                   |                           |                |               |  |
|-------------------------------------------------------------------------|---------------------------|----------------|---------------|--|
| October 2025                                                            |                           |                |               |  |
| CF European ports                                                       | October 2025 <sup>1</sup> | September 2025 | October 2024  |  |
| <b>Bleached softwood pulp</b>                                           |                           |                |               |  |
| Softwood kraft                                                          |                           |                |               |  |
| From Scandinavia and Canada in 401                                      | 1,284 - 1,302             | 1,279 - 1,296  | 1,381 - 1,403 |  |
| From Scandinavia and Canada in 501/5                                    | 1,480 - 1,500             | 1,480 - 1,500  | 1,580 - 1,599 |  |
| Southern softwood from the US in 401                                    | 1,248 - 1,258             | 1,244 - 1,253  | 1,333 - 1,345 |  |
| Southern softwood from the US in 501/5                                  | 1,447 - 1,453             | 1,440 - 1,450  | 1,480 - 1,479 |  |
| <b>Bleached hardwood pulp</b>                                           |                           |                |               |  |
| Black pulp from Scandinavia in 401                                      | 920 - 937                 | 894            | 963           |  |
| <b>Eucalyptus pulp</b>                                                  |                           |                |               |  |
| From Portugal/Spain in 401                                              | 920 - 937                 | 894            | 963           |  |
| From South America in 401                                               | 920 - 937                 | 894            | 963           |  |
| From South America in 501/5                                             | 1,047 - 1,060             | 1,046          | 1,046         |  |
| Southern hardwood in 401                                                | 876 - 902                 | 821 - 833      | 927           |  |
| Southern hardwood in 501/5                                              | 1,011 - 1,040             | 952 - 964      | 1,046         |  |
| <b>Hardwood BK DTP</b>                                                  |                           |                |               |  |
| From Scandinavia and Canada in 401                                      | 487 - 512                 | 450 - 465      | 580 - 612     |  |
| From Scandinavia and Canada in 501/5                                    | 549 - 598                 | 538 - 579      | 625 - 693     |  |
| <sup>1</sup> Exchange rate of 17 November 2025 1USD = 0.8866            |                           |                |               |  |
| © EUWID research and analysis. All rights reserved.                     |                           |                |               |  |
| EUWID research and analysis for the accuracy of the pricing information |                           |                |               |  |

Many paper and board manufacturers are experiencing severe cost pressure and finding it very difficult, if not impossible, to pass higher raw material costs on to their customers. “We’re basically back where we were at the start of the year: demand is weak, and the paper market can’t absorb any additional costs at all,” one longstanding expert remarked.

Business with manufacturers of sanitary and household paper continues to be the most robust, while demand for graphic paper is still falling sharply as machines operate at low capacity utilisation. Nonetheless, even tissue producers are also battling fierce competition from imports from Asia, Brazil and Turkey. Surplus capacity has now become an issue for packaging paper, too, especially in Europe, where sizeable post-pandemic investments are now colliding with a slow economy and lacklustre demand for packaging. EUWID sources painted a mixed picture when it came to speciality paper: While a few niches are still relatively stable, many industry players are also suffering from a downturn in order intake from areas including the label, furniture and automotive industries.

## BEK becomes more expensive but NBSK pulp price stays the same

Softwood and hardwood pulp prices are headed in opposite directions this autumn. While bleached eucalyptus kraft (BEK) pulp prices edged higher after mark-ups first in September and again in October, the softwood pulp market has stagnated. The gap between the two grades, nevertheless, remains substantial, narrowing from US\$500 to now roughly US\$400/t gross.

In light of this situation, paper mills continued a longstanding practice of substituting with cheaper options and intensified this practice this year. Interviews conducted by EUWID indicated that the fibre mix was being shifted dramatically to cheaper hardwood pulp wherever technically feasible.

BEK pulp producers initially announced hikes of up to US\$80/t in late summer, but later scaled that back to \$60/t. After hitting a low of US\$1,000/t, the list price in September (for October delivery) rose to US\$1,060/t. In October, a variety of suppliers again sought to charge US\$40–50/t more, although buyers and sellers reported that only about US\$20/t of these mark-ups were implemented on average. This put the October price (for November delivery) mostly between US\$1,060 and US\$1,080/t.

BEK suppliers interviewed by EUWID stated that they are aiming to secure the remaining US\$40/t, or at least a portion of it, on the European market in November, bringing an end to the current round of price adjustments. “At any rate, manufacturers will attempt to secure further price increases. The real deciding factor will be what happens in China, though,” one pulp buyer said. Demand in China remains key to what happens to prices in Europe, too.

Market players reported that Chinese buyers were now resisting additional mark-ups after a short-lived recovery in prices. This year’s autumn peak season has proven to be much quieter than expected, insiders said. A few producers told EUWID that they were fully sold out in China until the end of this year and had backlogs of up to two months. Yet, other sellers described Chinese customers as reluctant to make purchases since surplus capacity and slim margins in paper manufacturing were limiting their appetite for pulp.

What’s more, new integrated capacity in mainland China is steadily reducing the need for imports year after year. China remains the most important sales market for many producers, but the combination of a weak domestic economy, increasing vertical integration in pulp, and political uncertainty (for instance, because of volatility in import tariffs) are making it hard to predict the future development of pulp prices in China.

Even though prices have increased, the hardwood pulp sector also lacks real momentum. In Europe, a variety of paper manufacturers had stocked up on cheap spot lots, sometimes dramatically so, to hedge against anticipated hikes in the second half of the year. The availability of pulp is described as good, with no bottlenecks. Spot lots are available, although the discounts on list prices for hardwood pulp are now smaller than those for softwood pulp. Current quotes for spot lots of BEK pulp start at around US\$535/t in Europe.

### **Higher NBSK prices fail to take hold as structural problems weigh heavy**

The northern bleached sulphate kraft (NBSK) market is performing weaker than its counterpart for hardwood pulp. Price hikes announced for October could not be implemented. “We tried for US\$1,550 but it didn’t stick, so we had to issue credits in some cases,” one softwood pulp producer told EUWID. The list price for NBSK in October (for November delivery) thus remains at US\$1,500 or slightly below. Further price increases this year are considered unlikely.

The NBSK market is facing fundamental challenges: “Softwood pulp has a structural problem today: paper producers like us are constantly optimising costs and cutting back on softwood pulp. This has an impact on the entire market,” one source told EUWID. European pulp producers, especially those in Finland, implemented production cutbacks and longer maintenance stoppages in the second half of the year to counter ongoing price and cost pressures. Despite these actions, sources continue to describe the market as clearly oversupplied. “The situation is tricky for softwood pulp. There’s no growth, no momentum, and most producers can barely cover their ongoing costs at current prices,” one insider commented.

The Pulp Week in London, taking place from 9 to 14 November, traditionally marks the kick-off for annual negotiations between pulp sellers and their customers. It is expected that calls for higher discounts will be a topic of discussion, as they remain one of the central topics for many converters.

“Many customers are already exerting pressure and pushing for additional rebates. Next year, pulp manufacturers will have to raise their gross prices yet again. It’s a ridiculous game,” one market player said, talking about what’s been termed rebate inflation. At the same time, buyers are also saying that they would like to see more stable pulp prices and are hoping for a break from the spiral of ever-rising rebates and nominally higher list prices.

# Utipulp: Consumption up, but inventories remain high

 **EUWID +** 12 November 2025 |  ~ 1 min | [Published in issue 46/2025](#)

It is not unusual for European paper mills to use more pulp in September than they do in August. According to Utipulp, a total of 813,000 t of chemical market pulp was consumed in September, which was 16 per cent more than in August but almost 2 per cent less than in September 2024.

Consumption of bleached hardwood kraft pulp soared by 20 per cent to 537,000 t, while consumption of bleached softwood kraft pulp increased by 15 per cent month-on-month to 226,000 t. The September uptick was not enough to offset the year-on-year decline, with softwood pulp consumption still about 10 per cent lower than last year's level.

Inventories expanded slightly, too. According to Utipulp, European converters had 722,000 t of pulp on stock in September, which was 3 per cent more than in August and 16 per cent more than in September 2024. Bleached hardwood kraft pulp stocks climbed by 3 per cent to 479,000 t, around 25 per cent higher than last year's level. Stocks of bleached softwood kraft pulp were also 3 per cent higher than in August and roughly in line with last year's level.

Stock levels most recently rose to a total of 27 production days, one day more than in August and five days more than in September 2024. Inventories of bleached hardwood kraft pulp reached 28 production days, compared with 26 production days for bleached softwood kraft pulp. In both cases, stocks would last one day more than in August.

| Inventories and consumption of pulp consumers in Europe                                                                                                     |      |                  |                   |                          |                |                |         |               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------------------|-------------------|--------------------------|----------------|----------------|---------|---------------|
| September 2025                                                                                                                                              |      |                  |                   |                          |                |                |         |               |
| tonnes                                                                                                                                                      |      | UNBLEACHED       |                   | BLEACHED / SEMI-BLEACHED |                |                | Total   | Previous year |
|                                                                                                                                                             |      | Sulphite & Kraft | Softwood sulphite | Hardwood sulphite        | Softwood kraft | Hardwood kraft |         |               |
| Inventories                                                                                                                                                 |      |                  |                   |                          |                |                |         |               |
| August                                                                                                                                                      | 2025 | 6,625            | 23,494            | 13,014                   | 194,852        | 462,954        | 700,939 | 635,703       |
| September                                                                                                                                                   | 2025 | 7,365            | 24,710            | 11,257                   | 200,365        | 478,618        | 722,315 | 622,024       |
| Consumption                                                                                                                                                 |      |                  |                   |                          |                |                |         |               |
| August                                                                                                                                                      | 2025 | 6,147            | 32,214            | 14,520                   | 196,940        | 449,449        | 699,270 | 684,679       |
| September                                                                                                                                                   | 2025 | 8,449            | 28,708            | 12,253                   | 226,369        | 537,441        | 813,220 | 826,428       |
| NB: Total and previous year total do not include DIP and CTMP, figures are constantly revised.                                                              |      |                  |                   |                          |                |                |         |               |
| Each national Association has to provide an estimation for 100% of the national volumes out of their samples (from 80% to 100% depending on the countries). |      |                  |                   |                          |                |                |         |               |
| Source: UTIPULP                                                                                                                                             |      |                  |                   |                          |                |                |         |               |



# German fine paper market steadies as LWC producers move to raise prices

## Players expect stable volumes for brown kraftliner in 2026

 **EUWID** + 12 November 2025 | 🕒 ~ 8 min | [Published in issue 46/2025](#)

**In Germany, fine paper demand has picked up somewhat this autumn. Consequently, the price erosion has recently slowed. Observers are pondering where the market will be heading in 2026, but find it difficult to make predictions.**

Business with coated and uncoated magazine paper was also brisker in October and November than in September. Yet the underlying sentiment on the market for LWC and SC paper remains subdued. Meanwhile, the announcement of price hikes for LWC has caused a stir. Following the upward trend over the summer, it appears the pricing situation for brown kraftliner has calmed down in November. The volume trend on the German market is predicted to be more or less flat next year.

### Slowing price erosion on the fine paper market

In Germany, demand for woodfree coated and uncoated paper has picked up in autumn but remained well below the usual seasonal level. Oversupply persists. Printers confirm the order situation has improved, saying order backlogs have grown compared with last year but remain below the levels seen in previous years. Observers note an uptick in inquiries about print jobs with small print runs. The positive development is mainly seen in digital printing, while the offset reel segment is weakish. Print shops report that shifts have been cancelled and they are planning extended downtime over the year-end holidays.

EUWID respondents have the impression that the price erosion on the fine paper market in Germany has slowed recently. It appears that more quarterly contracts are being signed again. During the phase when the price pressure was strongest, buyers were often reluctant to commit to longer-term agreements, but this has now changed in some cases, EUWID was told. However, suppliers are still willing to compromise when it comes to larger orders. And it is still possible to renegotiate deals, EUWID was told.

It currently looks like prices will remain largely stable in Germany until the end of the year. Players explain that the rapid price decline seen earlier was caused by oversupply and, in particular, by the behaviour of new suppliers seeking to gain market share. Those players are no longer acting quite as aggressively, as the price war is now taking its toll on all market participants, EUWID was told.

Observers say it is difficult to predict where the market will be heading in 2026. Some expect further price mark-downs, though these are likely to be smaller than in 2025 owing to the weak earnings situation at many mills. But other experts expect rising

prices: Given the poor availability of certain grades, the upward price trend could even accelerate if there are larger capacity closures in the near future, they believe.

Suppliers of uncoated paper are still struggling amidst the ongoing influx of low-priced imports of both cut sizes and folio sheets. The market survey found that 80 g folio sheets are being offered at prices below €800/t, while other suppliers are still charging €900/t or more.

In the woodfree coated segment, price pressure has recently eased somewhat. The majority of sheets are still selling for €900/t or more, although there are also some quotes considerably below this level. Similarly, the negative trend for reels seems to have stalled. For the most part, prices of around €850 and more were mentioned.

Market participants are increasingly concerned about the EU Deforestation Regulation (EUDR). Industry associations have publicly stated it is “unacceptable” that companies must be ready to comply right away with a Regulation that has been “hastily renegotiated only few weeks before entry into application.”

There is currently a noticeable uptick in demand for recycled papers, players say. A number of print orders that were previously printed on woodfree paper have been switched over to recycled grades. And this trend could intensify in response to public pressure, EUWID respondents believe.

### **Players in LWC and SC paper market turn attention to Q1 2026**

The business with coated and uncoated magazine and catalogue paper was better in October than in September. In many cases, November is a comparatively good month, say market participants. Companies in the paper and printing industries say activity levels are okay but lag behind the budgeted ranges.

Although the current situation has improved somewhat, the underlying sentiment is subdued, EUWID was told. All respondents expressed muted expectations for the fourth quarter of 2025. The general downward trend in demand is painful for paper mills, publishers and printing houses alike. Meanwhile, the focus is turning to the first quarter of 2026. Many market participants expect the business climate to remain subdued. The publication paper market continues to contract, EUWID respondents agree. The general uncertainty is also being fuelled by the potential negative impact of the EUDR.

Insiders surveyed in recent weeks forecast that prices for LWC and SC paper in the first quarter of 2026 will probably remain unchanged. Some buyers did note that the combination of excess supply and continuously shrinking demand had recently enabled special deals. Nevertheless, it appears that publishers and printing companies are aware of the challenging – even existential – situation the paper industry is facing, market experts say. The repeated calls for price hikes for LWC and SC paper over the course of 2025 were justified and driven by higher costs, especially for energy and raw materials, they explain. In the price round at the start of the fourth quarter of 2025, this line of argument had also occasionally met with some successes.

Now, expectations of market-wide price increases are being fuelled by Sappi's announcement of mark-ups for LWC and MWC.

Paper industry representatives expect that this supplier-side initiative in a very difficult market environment will launch a trend turnaround. They intend to closely watch the reactions from the buyers' side.

Overall, it appears the paper and printing industries will be facing a similar business situation – and thus similar problems and challenges – in the coming year. The entire industry is awaiting decisive impulses that could set the tone for the months ahead and support the upcoming price negotiations for the first quarter of 2026, say market experts. At the moment, it is difficult to imagine that paper mills will dare to ask for massive price hikes – there is talk that the necessary price increase would be at least €50/t. However, some buyers expressed doubt that calling for hefty mark-downs, which could be on the agenda of some in light of the oversupply, would be a winning strategy in the medium term. This would overwhelm paper mills, they noted.

Experts anticipate that the European paper industry will use temporary and permanent capacity cutbacks to adapt to the new reality. Players are in the midst of a period of change, EUWID was told. The impact of the most recent measures has not yet been fully felt on the market. Sappi and UPM have respectively announced and confirmed PM closures at the Kirkniemi and Kaukas mills. A decision about the Ettringen paper mill has yet to be made. Although the plant is expected to close at the end of this year, the employer and employees are still negotiating before an arbitration board. The resulting decision, expected in December, is unlikely to have a significant effect on the market, since production in Ettringen is already idled, experts note.

With the reduction in paper supply, there will be a corresponding reduction of the range of available paper products, buyers believe. Print customers and buyers should also adapt to the new situation, for example by focusing on certain grammages and paper properties, they say. Standardising the applications of coated and uncoated magazine and catalogue paper would sidestep the problems associated with a limited selection of paper grades. In this context, they also point to the monopoly in the rotogravure LWC segment.

### **Kraftliner prices retreat to spring levels after cuts**

After an upward trend over the summer, prices for brown kraftliner in Germany have returned to the level seen at the beginning of the second quarter. It therefore looks like prices have temporarily stabilised as of November. Only a few sources reported further concessions of €10/t at the beginning of the month. As of early November, however, this does not appear to be a market-wide step. Yet even suppliers of kraftliner do not want to entirely rule out the prospect of another discussion of prices before the end of the year, separately from the annual contracts.

Converters insist there is only one direction in which kraftliner suppliers should be adjusting prices right now – and that is downwards again. The gap between prices of recycled corrugated case material and kraftliner has become too large, they say. One company representative commented that every upward price adjustment would be met with substitution.

Only a handful of segments in Germany still rely on genuine semi-chemical fluting, primarily cold-chain products that must maintain stability in humid environments. All other uses, including those with high strength requirements, can now be covered by high-performance substitutes, EUWID was told.

In the brown kraftliner segment, the switch to recycled grades has been completed wherever possible, according to market insiders. White-top kraftliner also cannot be substituted. This grade, like semi-chemical fluting, saw prices move sideways in November.

Companies in the corrugated case material and corrugated board industry in Germany are budgeting little or no growth for 2026, while countries such as Poland are expected to see good growth rates.

# Sappi seeks higher prices for coated mechanical reels as of January

06 November 2025 | [Igor Dugandzic](#) | 🕒 ~ 1 min | [Published in issue 46/2025](#)

**Sappi Europe is set to hike prices for its coated mechanical paper portfolio as of the start of next year in response to high costs.**



Sappi Europe has announced a price increase initiative for coated mechanical reels (CMR). The price hike of 5-7 per

cent is to be implemented with effect from 1 January 2026. With this Sappi is striving to mitigate the impact of a "continued escalation in key input costs" and ensure the long-term profitability of its assets.

"Despite significant internal efficiency programs and cost-saving initiatives, the industry continues to face a structurally elevated cost environment. Costs related to energy, transport, labour, chemicals, and fibre remain at levels that materially impact production economics," the company announced.

Sappi Europe produces coated mechanical reels at the Kirkniemi mill in Finland. The mill houses three paper machine with a total production capacity of 750,000 tpy of LWC and MWC. However, the company has already decided to permanently shut down the PM 2 at the end of the year, reducing production capacity by 175,000 tpy going forward.

According to Sappi, a significant number of assets in the market for coated mechanical reels are at risk. The price increase will support the company's continued ability to invest in asset reliability, product development, and capacity stability, the company said.

*Correction, 7 November, 3:30 pm CET. An earlier version of this article incorrectly stated that PM 3 at the Kirkniemi mill was being permanently idled. The correct information is that PM 2 is being closed, while PM 1 and PM 3 remain in operation. We apologise for the error.*



# Valmet plans temporary layoffs in Finland

05 November 2025 | [Frauke Schmidt](#) | 🕒 ~ 1 min | [Published in issue 46/2025](#)

**Valmet has announced that it will start change negotiations in Finland concerning temporary layoffs in its Packaging and Paper business area and the Global Supply unit. The company said the measures are intended to adjust capacity and improve cost efficiency in response to the continued weak market environment.**



*Valmet will start negotiations on temporary layoffs on 10 November*

The negotiations, set to begin on 10 November, affect more than 950 employees. The majority of those impacted work at Valmet's Finnish sites in Jyväskylä, Tikkurila (Vantaa) and Raisio.

According to Valmet, the talks cover all employee groups within the Packaging and Paper Machines business unit and the P&P Manufacturing unit's machine workshop and foundry in Jyväskylä. Both units are part of Valmet's Biomaterial Solutions and Services segment.

The company said that the layoffs would be temporary, with the exact timing and scope to be determined during the negotiations. Implementation is planned for the first half of 2026.

Valmet noted that similar measures had already been taken earlier this year and in 2024 to align operations with market demand.

Valmet employs around 19,000 people worldwide, including roughly 6,000 in Finland.

