

VGP acquires majority shares in Schoepe Display

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Belgian folding box producer Van Genechten Packaging (VGP) has acquired 70 per cent of the shares in German packaging and display producer Schoepe Display GmbH. The remaining 30 per cent will remain with Andreas Grathwohl, managing director of the company.

The transaction cements the cooperation alliance between VGP and Schoepe which began in 2022, the companies said in early December. In summer 2022, the companies had announced that they would forge a strategic partnership to reinforce their expertise in Point-of-Sale (POS) placement. In the context of the current share acquisition, Van Genechten Packaging announced that it would set up a VGP Design & Innovation Centre in 2025 at the premises in Berlin.

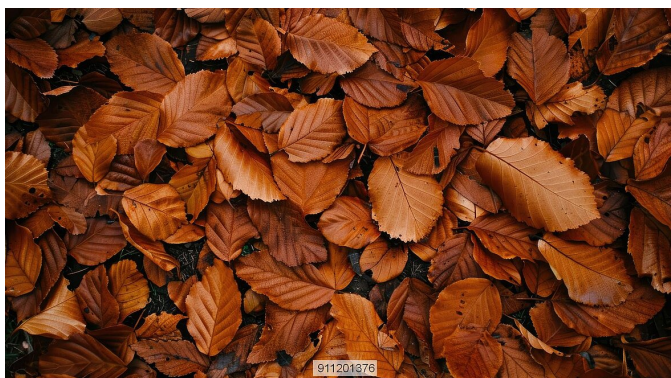
Schoepe Display is an owner-managed medium-sized producer with a spectrum of offerings around development, production and logistics for premium displays. The company runs one plant in Dahme and one innovation site in Dahlewitz, both located south of Berlin.

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Releaf Paper starts plant in Paris to produce pulp from fallen leaves

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Ever so often, efforts are undertaken to find alternative raw materials to produce pulp and paper. Releaf Paper, a company originally from Ukraine, launched a project in 2021 to produce pulp from fallen leaves. After securing funding from the EU about two years back, the company now opened a production plant in Les Mureaux near Paris, which commenced operation on 14 November.

Talking to EUWID, Releaf's CEO Alexander Sobolenko informed that the new plant can produce 10,000 tpy of pulp from leaves gathered in the Paris region. The alternative pulp can be used to produce up to 30,000 tpy of paper, he said. Applications for this product include paper bags, corrugated boxes, e-commerce mailers or wrapping paper.

Releaf Paper does not itself produce any paper but plans to collaborate with paper producers. The company is reportedly looking for partners and is currently considering to enter partnerships in France and Germany. In the last years, the company already carried out production tests at several paper mills in Ukraine and sold some Releaf products such as paper bags and wrapping paper on the market. The company operated one pilot plant in Ukraine. However, the plant was stopped after Russia invaded the country.

Plans to scale up capacity to 100,000 tpy

The Paris plant is currently Releaf Paper's only one in operation. The company, however, plans to expand and wants to start a second plant in 2025 either in Germany or the Netherlands. A business plan will be drawn up as soon as the supplier for leaves has been determined, Mr Sobolenko said.

The company intends to set up at least five plants to produce pulp from fallen leaves in Europe by 2031. Thereafter, it envisages expanding its operations to the USA, Canada and Southeast Asia. The company plans to scale up capacity from currently 10,000 to 100,000 tpy of pulp in 2031.

Pulp from 100 per cent leaves to be achieved in 2027

Mr Sobolenko explained that the pulp currently produced by Releaf Paper typically comprises 30 per cent leaves and 70 per cent recovered paper. This type of pulp is already produced industrially and sold as Releaf Paper Natural Kraft, the CEO said. A version of the pulp made from 100 per cent leaf-fibre is undergoing trials and scheduled to be launched in the market in 2027.

According to Mr Sobolenko the pulp made from 100 per cent leaves has the same mechanical properties as hardwood pulp. Releaf Paper's product that is currently on the market still does not have the same mechanical properties and has a lower strength due to its recovered paper content, the CEO explained. Also with respect to colour, the company currently faces certain limitations because the pulp is not bleached.

Another peculiarity of the innovative product is that it must be produced where the leaves fall. To produce large quantities, several small plants must be built near the raw material source in different cities and countries, Mr Sobolenko explained.

Ahlstrom takes over filter specialist ErtelAlsop

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Fiber-based materials producer Ahlstrom has acquired ErtelAlsop, a US manufacturer of high-performance depth filter media for liquids. ErtelAlsop's serves end markets in the pharmaceutical, food and beverage, flavour and fragrance and chemical industries. The acquisition strengthens its position in the life science filtration market and enables it to enter the depth filtration sector, explains Ahlstrom.

ErtelAlsop will become part of Ahlstrom's Filtration & Life Science division. The acquired company will play a key role in the growth strategy in the field of laboratory and life science filtration, Ahlstrom says, and the acquisition brings with it extensive manufacturing and engineering capabilities to fulfil a wide range of demanding product specifications.

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EU clears takeover of Nordic Paper by SVP

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The EU Commission has cleared the way for a possible takeover of Norwegian paper manufacturer Nordic Paper by US investment company Strategic Value Partners (SVP), stating that it had no objections to the planned transaction, which was notified to it on 11 November this year.

In October, SVP submitted a takeover bid for Nordic Paper, which the main shareholder Shanying International Holding recommended to accept. Nordic Paper's board of directors, however, is of the opinion that the offer price does not correspond to the value of the company and therefore recommend not accepting the offer, although it welcomes SVP as a new main shareholder in principle.

The acceptance period for the takeover offer ended on 11 December 2024.

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Metsä Board finalises change negotiations

 **EUWID +** 11 December 2024 |  ~ 1 min

Metsä Board has successfully concluded change negotiations with employee representatives. The negotiations have resulted in a maximum of 90 days of possible layoffs, to be implemented in several phases during 2025.

Metsä Board stated that decisions on length, amounts and timing of the possible layoffs will be made separately.

The negotiations commenced on 28 October 2024 and impacted a total of 1,100 employees across the Äänekoski, Joutseno, Kaskinen, Kemi, Kyrö, Simpele and Kaskinen mills. Their objective was to prepare for potential temporary adjustments to production in line with anticipated low delivery volumes in 2025, should the demand situation for paperboard not improve, according to Metsä Board's statement.

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Van Genechten closes deal for takeover of Dot2Dot

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Belgian folding carton producer Van Genechten Packaging has completed the acquisition of Polish packaging manufacturer Dot2Dot on 29 November. The transaction was announced last July. The two companies did not disclose the purchase price.

Dot2Dot employs 350 people at two folding box facilities in Gdańsk and Warsaw and generates annual sales revenues exceeding €50m. The company produces and markets packaging products for food and non-food applications, including beauty and personal care industry. In its present form, Dot2Dot was formed by the merger of three Polish packaging businesses, i. e. Graf-Poz, Druk Markuszewscy and Drukpol, and was lastly owned by Polish investment firm Abris Capital Partners.

Van Genechten Packaging produces folding cartons for the consumer goods industry and offset laminated corrugated board at twelve plants in nine countries and runs one extrusion site as well as one rigid box design and production centre. Most recently the Belgian company, which employs around 1,800 people, was reported to generate annual revenues of about €450m.

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New power plant at PdC scheduled to start in Q1 2025

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Papeteries de Clairefontaine (PdC) is making progress with construction of its new power plant. Commissioning is scheduled for the end of the first quarter of 2025. Despite a year of extreme rainfall, the company says it has succeeded in finally making the biomass project building waterfree. The next issue on the agenda is to link the machines to each other, and to secure and regulate power supply, according to PdC. The company launched its construction project in the beginning of 2023 with a biomass steam boiler powered with woodchips. At its site in Étival-Clairefontaine the company produces 170,000 tpy of woodfree uncoated paper on two paper machines.

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Changes at the Valmet management in North America

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Jukka Tiitinen, area president (North America) of Finnish engineering company **Valmet** will retire from the company on 31 December 2024. From January 2025, Mr Tiitinen will hand over his responsibilities to an interim head for North America, Valmet added. The company will start looking for a successor for Mr Tiitinen from next year.

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Changes at Ahlstroms Executive Leadership Team

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Sophie Haan, EVP, Protective Materials division and member of the Executive Leadership Team has decided to leave **Ahlstrom** to pursue a career opportunity outside the company. She will stay in her current position until the end of January 2025. The process of finding a successor for her will start with immediate effect.

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Ongoing price pressure in German brown kraftliner market

Graphic industry dissatisfied with current business levels

 **EUWID +** 11 December 2024 |  ~ 6 min

On the fine paper market in Germany, players continue to complain about lacklustre business. Both paper mills and printing companies are dissatisfied with their recent order volumes. The supply overhang is putting pressure on paper sellers.

Despite a balanced market, prices for brown kraftliner in Germany declined in November, following the downward price trend seen for recycled corrugated case material. Players on the market for semi-chemical fluting say prices are unchanged for now. This segment is feeling the impact of temporarily reduced supply owing to a stoppage at one mill.

Tepid demand for fine paper

On the market for woodfree uncoated and uncoated paper in Germany, paper mills and printing companies have widely differing views about the current business situation. In some cases, players report their order books improved in early December and in the fourth quarter as a whole. However, as industry experts note, this year's figures are being compared to a very bad business in the same period of 2023. In general, capacity utilisation rates are lacklustre. "Companies simply cannot be satisfied with their recent order volumes," market watchers say. Compared to the installed capacity, the order books are still too thin, they explain.

Against this backdrop, market experts say the competitive environment is tense. Paper mills, merchants and printing companies are often competing on price to win contracts. While industry representatives repeatedly stress "the overall stable price trend for fine paper," slight mark-downs are apparent in some deals with woodfree coated paper, offset paper and especially copy paper, EUWID respondents agree. They confirm a slight downward trend has been seen on the German market since summer 2024. However, players say they are taking a case-by-case approach. From month to month, sometimes marginal and occasionally noticeable concessions were granted to some customers. Not all deals are affected, but a change of between €5-30/t has been definitely observed since September across all prices for reels, sheets and especially copy paper, EUWID was told.

When an economic upswing in Germany failed to materialise after the summer, some paper suppliers were forced to enter into special deals. According to Euro-Graph, European demand for woodfree coated paper amounted to 1.655 million t (+8 per cent) over the January-September period. However, this uptick in deliveries could not erase the supply overhang, which is intensified in some segments as a result of imports from overseas. Because of insufficient utilisation of paper machines and printing facilities, price competition remains fierce, according to industry representatives. Consequently, players are not necessarily

consoled by the positive delivery statistics, EUWID was told. And the outlook for the contract volumes and margins in the next year is also no cause for euphoria.

European demand for woodfree uncoated paper increased over the first nine months of the year by 12 per cent to 3.414 million t, according to Euro-Graph. Despite this increase, however, there are still massive problems in this segment, experts say. In 2024, European suppliers have struggled not only with structurally shrinking demand but also with increased import volumes from Southeast Asia. According to the statistics, there was a bump in the volumes sent from Indonesia directly to Germany.

In this environment, the fine paper market remains dynamic and intense, and paper mills are worried about their margins. Producers have so far been unsuccessful at raising prices, which they have been trying to do since spring 2024. And, according to numerous market experts, there are no indications that producers will be able to implement mark-ups at the turn of the year. Instead, suppliers of coated and uncoated fine paper will be hard pressed to resist price pressure from buyers.

Industry representatives dismiss the recent concerns about whether there will be sufficient paper available for the snap German election in February, saying this was only a hot topic in the media. Regulations stipulate that recycled paper must be used for the election ballots and envelopes, while certain paper characteristics such as whiteness and opacity are desired. Therefore, not all (German) paper mills are potential suppliers. Nevertheless, there are several paper producers with sufficient capacity to supply the necessary volumes in a short period of time, EUWID was told. The same is true for election posters and other advertising, although this will definitely create demand for woodfree coated paper. All in all, the early federal election will not pose a major challenge for the paper industry, even if it does temporarily boost activity levels.

For woodfree uncoated paper, Euro-Graph reported deliveries of 363,000 t by European paper mills in September, representing a decrease of 2 per cent compared to September last year. Exports to outside Europe declined by 7 per cent to 60,000 t, while the volumes remaining on the European domestic market held steady at 303,000 t. In the first nine months of the year, deliveries were up by 11 per cent to 3.571 million t and the volumes shipped within the EU were 11 per cent higher at 2.964 million t.

For woodfree coated paper, Euro-Graph reported a 4 per cent increase in total deliveries to 216,000 t during September. Exports rose by 79 per cent to 42,000 t, while deliveries within Europe declined by 5 per cent to 174,000 t. In the first nine months of 2024, total deliveries climbed by 10 per cent to 1.942 million t. Volumes within Europe increased by 6 per cent, reaching 1.568 million t.

Kraftliner prices now sliding as well

Prices for brown kraftliner in Germany also declined in November, following the downward trend for recycled corrugated case material. Quotes for the latter had fallen in October by €40/t and by another €20 in November. Market watchers were surprised by the €20/t price cut for kraftliner, explaining this was unexpected in light of the balanced market. Moreover, producers had

been arguing that wood costs were high. But buyers had become increasingly vocal with their demands for price reductions. It appears that, given the wide price gap to recycled grades, fears of increasing substitution gained the upper hand. However, availability has also recently improved significantly now that the impact of the autumn downtimes has faded.

In December, prices are ticking lower again. As market players noted at the beginning of the month, the majority of quotes for brown grades are poised to fall in two steps of €20 each in December and January, resulting in a total decrease of €40.

There is a mixed picture in the market for white-top kraftliner. In most cases, players are discussing a price reduction of €20/t, effective as of December in some cases, or only as of January in others. In a few instances, buyers are calling for a reduction of as much as €40.

Buyers, who often have weak activity levels, are planning extended downtime over the year-end holidays in some cases. "Nobody is desperate for paper," EUWID respondents comment. Nevertheless, kraftliner producers are reporting decently full order books and say their machines are utilised until the end of the year.

It is unclear what the market will look like in January. Respondents see little chance of a surge in consumer spending to drive higher demand for packaging and packaging paper. On the other hand, it is expected that maintenance downtime will be scheduled to regulate supply.

The idling of the Kuopio mill could lead to some tightening in the semi-chemical fluting segment. Reduced supply is noticeable in the market, but no significant shortages are expected, EUWID was told. Prices have remained unchanged so far.

Tissue output higher but shipments slightly lower in 2024

Statistical snapshot Germany

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German paper industry association Die Papierindustrie says that the country's pulp and paper industry is in a difficult economic situation. Year-on-year output of sanitary and household paper increased significantly in the first half-year but is seen to recede towards the end of the year. Latest statistics of the association for the year until September show a 0.4 per cent increase in tissue output to 1.04 (Jan-Sept 2023: 1.03) million t, indicating a slower increase compared with July when the industry saw growth of 0.6 per cent. Total deliveries from German tissue mills until September 2024 receded by 0.2 per cent compared last year's corresponding period to 1.07 (1.07) million t. Overseas deliveries, which represent only a small portion of total shipments, eased by 0.3 per cent.

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Tissue mills in Germany report satisfactory capacity utilisation

Cartel Office launches probe into potential price and volume fixing

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German tissue paper mills responding to EUWID's year-end survey report largely satisfactory capacity utilisation. While the German paper industry is on the whole confronted by protracted consumer restraint, the situation on the market for sanitary and household papers appears to be decoupled to some extent.

The tissue market is not subject to the same volatility in demand as for instance packaging paper, industry experts explained to EUWID. Business with toilet paper and kitchen rolls is largely steady except for seasonal fluctuations. At the beginning of winter, producers sense a noticeable uptick in the pocket tissue segment among others. Demand also increases for kitchen rolls, which EUWID respondents attribute to increased baking and cooking activities ahead of Christmas.

Operating loads on tissue paper machines are described as healthy. Many machines are reportedly fully booked with some paper mills facing year-end demand which is greater than their capacities. Official statistics of the paper industry for October and November are not yet available.

Industry experts also see positive effects from receding pulp prices, unlike in June when they had peaked. Recovered paper prices also burdened the industry since there are efforts to progressively increase the recycled fibre content in tissue production.

EUWID respondents described the sharp increase in raw material prices over several months as well as the high energy prices as a significant burden on the tissue industry. While cost pressure due to high prices of pulp and recovered paper has eased in recent months, uncertainty on commodity markets remains unchanged.

A much-discussed topic among German sanitary and household paper producers is the antitrust probe launched by the German Federal Cartel Office to investigate possible collusion under competition law in the German market for tissue paper. On 26 November, the competition authority carried out inspections at nine locations in Germany, targeting seven tissue manufacturers, looking for evidence for possible price and volume agreements among the companies.

New capacities being planned and installed across Europe with strong focus on UK

There is currently some activity in the European tissue industry, with several companies planning to increase their capacities. Italy's tissue paper and products company **Industrie Cartarie Tronchetti (ICT)** will commission a new tissue machine at its Pannes mill in France early next year, the company announced last November. The new machine will increase production capacity of ICT's French subsidiary ICT France by up to 70,000 tpy, effectively doubling its output.

ICT is also planning to reinforce its market position of its UK-subsiary by building a new integrated tissue mill in Deeside in northwestern Wales. The company furthermore has plans to add new production lines and an automated warehouse at its Italian mill in Piano di Coreglia near Lucca, for which it has earmarked an investment of €50m. The local municipal council has already given the green light to the project.

French company **MPH 1865**, formerly MP Hygiène, has already commissioned a new TM which adds 38,000 tpy to market capacity. Italian engineering company Toscotec reported start-up of the new PM 2 at the paper mill in Annonay at the end of September.

Turkish group **Eren Holding** is planning to build a tissue mill in Shotton, northern Wales, with an initial capacity of 67,000 tpy. In the long term, capacity at the Shotton site may be increased to 210,000 tpy, according to the planning application. The construction permit for the new TM has been issued, but no start-up date has been provided so far.

Metsä Tissue, a subsidiary of Finnish forest products company Metsä Group, is also planning to massively expand its tissue capacities in the coming years. The company plans to build an integrated tissue paper and products facility in Goole, England. The mill is said to have a total capacity of 240,000 tpy of tissue paper and will be built in several phases over the next decade.

Greek tissue company **Intertrade Hellas** will grow its tissue paper business by installing a new tissue machine at its site in Oinofyta near Athens. The company has commissioned Italian engineering company Toscotec to deliver the new 80,000 tpy TM, which is scheduled to start up in 2026.

Capacity expansion is also on the agenda for Italy's tissue paper and products company **Paperdi**. The company runs one tissue machine with a capacity of 34,000 tpy at the Cartiera di Pietramelara mill in the Campania region. Last July, Paperdi was given the go-ahead to install a second tissue machine at the site and double the mill's capacity. The start-up date of the new tissue machine is not yet known.

Pulp consumption in October matches prior-year level, European port stocks remain high

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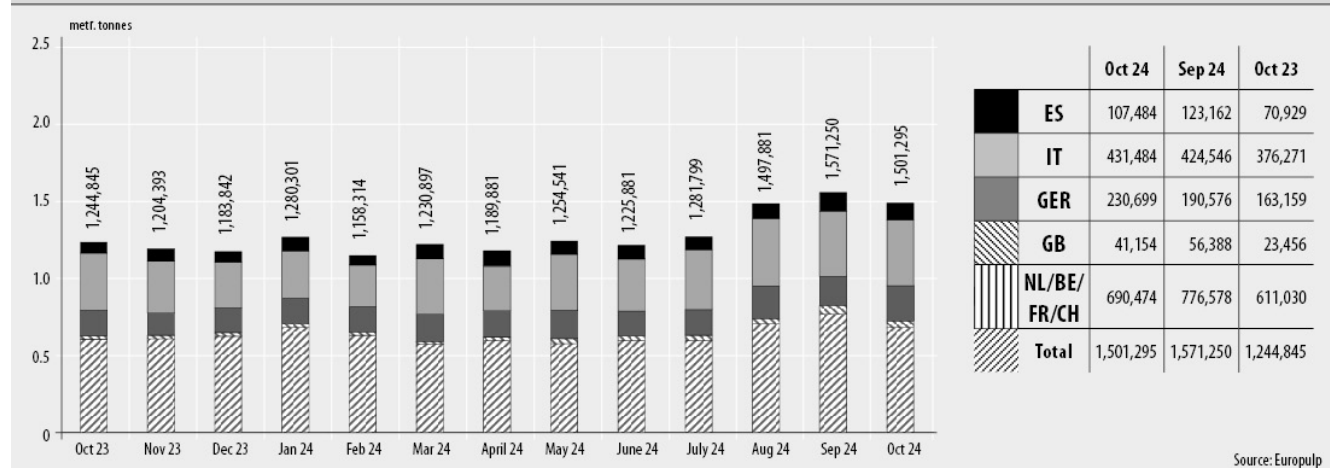
European companies consumed 833,276 t of pulp in October, approximately matching the volume in the preceding month of September and that of October 2023. Consumption of bleached softwood pulp amounted to 251,203 t, down by 1 per cent compared to the previous month and 2 per cent versus the same month of the prior year. According to Utipulp, the European umbrella organisation representing pulp users, consumption of bleached hardwood pulp increased both month-on-month (+2 per cent) as well as year-on-year (+1 per cent).

Total consumption over the 10 months from January to October amounted to 8.34 million t, roughly 8 per cent above the prior-year level. This uptick was driven solely by the trend for hardwood pulp. The companies represented by Utipulp utilised 5.36 million t or 12 per cent more hardwood pulp in the first 10 months of the year compared with the prior-year period. The input volume of softwood pulp was basically unchanged at 2.52 million t.

In October, Utipulp members held pulp stocks totalling 672,678 t. This figure was 8 per cent higher than in the previous month but 8 per cent below the level recorded in October 2023. The month-on-month increase for softwood pulp was 7 per cent to 215,603 t, but compared with one year earlier, inventories were basically unchanged. Stocks of hardwood pulp were up by 9 per cent versus September, while converters had 11 per cent less pulp on hand compared with October of last year.

Stocks of woodpulp in European ports

September 2023 - September 2024



Europulp: Ports stocks at second-highest level since August 2023

Around 1.50 million t of pulp were held at European ports in October. Although stocks were down by around 4 per cent compared to September 2024, they were high compared with October 2023. Inventories were up by 256,450 t or 21 per cent compared to last year's month of October.

There were varying trends in the pulp stocks across Europe. With a total of 690,474 t, pulp stocks held in ports in France, Switzerland, Belgium and the Netherlands were down by 86,104 t or 11 per cent compared to September, whereas the figure was up by 13 per cent or 79,444 t versus October 2023. In Germany, on the other hand, pulp stocks grew month-on-month by 21 per cent (40,123 t) to reach 230,699 t and stood 41 per cent (67,540 t) higher than one year earlier. In Italy, the growth was less pronounced, but stocks did increase by 2 per cent (6,938 t) versus September to reach 431,484 t. Compared with October 2023, however, pulp stocks were down by 15 per cent (55,213 t).

PPPC: Slight increase in pulp deliveries in October

According to the Pulp and Paper Products Council (PPPC), the 4.62 million t of market pulp delivered by 20 supplier countries in October matched the prior-month level and rose by 2 per cent compared with one year earlier. As in October 2023, the ratio of production to deliveries was once again 85 per cent, while this ratio had been 89 per cent in September 2024.

For softwood pulp, PPPC registered a month-on-month uptick of nearly 7 per cent in deliveries to 1.91 million t. The delivered volume of hardwood pulp was down by 4 per cent to 2.58 million t. In October of last year, according to PPPC, 1.90 million t of softwood pulp and 2.47 million t of hardwood pulp were delivered.

The European market also continued to develop positively in October. In Western Europe, PPPC recorded deliveries of 1.01 million t, representing an increase of 1 per cent compared with the previous month and 8 per cent versus October 2023. In the Eastern European market, 146,000 t of pulp were delivered, up 2 per cent compared with September and 7 per cent more than in the same month of the previous year. Since the beginning of the year, pulp deliveries to Western Europe have thus risen by 11 per cent and in Eastern Europe they have increased by 14 per cent compared with the same period of the previous year.

In October, 1.69 million t of market pulp were sent to China, representing an increase of 3 per cent compared with September. Year to date, however, sales to China are still trailing prior-year levels by 12 per cent and stood at 16.74 million t of pulp.

World market pulp statistics October 2024

1,000 t	Oct. 2024	Sep. 2024	Oct. 2023
Shipments	4,623	4,623	4,529
Bleached Softwood	1,906	1,787	1,898
Bleached Hardwood	2,576	2,688	2,473
Unbleached kraft pulp (UKP)	139	145	157
Sulphite	2	2	2
Producer inventories (Days of supply at month-end)	50	51	40
Bleached Softwood	44	49	38
Bleached Hardwood	54	53	41

Compiled data based on a sample of 20 countries (17 current producers and 3 past producers included in the historical data) which together account for 82 per cent of world chemical market pulp capacity.

Source: Pulp and Paper Products Council

Inventories and consumption of pulp consumers in Europe

October 2024

tonnes		UNBLEACHED		BLEACHED / SEMI-BLEACHED			Total	Previous year
		Sulphite & Kraft	Softwood sulphite	Hardwood sulphite	Softwood kraft	Hardwood kraft		
Inventories								
September	2024	7,967	18,094	8,967	202,366	384,030	621,424	722,365
October	2024	8,304	20,888	9,050	215,603	418,833	672,678	729,170
Consumption								
September	2024	6,713	31,978	10,201	253,481	526,146	828,519	827,017
October	2024	8,078	26,008	10,818	251,203	537,169	833,276	836,017

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

Modest demand and abundant supply cause ongoing pressure on pulp prices in Europe

Difficult and intense contract negotiations for 2025

📄 **EUWID +** 11 December 2024 [Igor Dugandzic](#) | ⌚ ~ 5 min | [Published in issue 50/2024](#)



After numerous talks at the industry meetup in London, which gave both sides a chance to sound out their positions, players started negotiations in the second half of November to hammer out the contracts for the coming year. In addition to contract volumes and availability, price discounts were once again a focal point of the talks between producers and converters. It is already clear that rebates on the list prices for pulp will rise again by a few percentage points in the coming year. Producers say this means they will be pursuing higher base prices in 2025.

The European pulp market remains a buyer's market. As the year draws to a close, the downward price pressure continues, resulting in further price cuts in November. EUWID respondents reported falling prices for both hardwood and softwood pulp grades. While the talks for bleached eucalyptus kraft (BEK) pulp were concluded rather quickly, no final price agreement on November deliveries had been reached by early December in many instances for northern bleached softwood kraft (NBSK) pulp.

Compared with the preceding months, the price slide for BEK pulp has slowed somewhat. Instead of the previous monthly drops of \$100/t, prices for November deliveries declined by "only" \$60/t. The current list price is therefore reported at \$1,000/t, which brings the contract prices after rebates and payment discounts roughly within the vicinity of the net prices quoted on the spot market. This has had a decisive impact on the price negotiations in the contract business in Europe because spot market purchases are no longer as advantageous for customers, explains one supplier.

A few EUWID respondents believe BEK prices in Europe have reached the floor after the latest reduction. Despite high inventory levels on the supplier side and the ongoing moderate to weak demand, they predict sales prices for eucalyptus pulp will not tumble any further in the coming months. Certain producers have already gone as low as they can go, EUWID was told. Others are seeing their margins narrow and therefore want to reduce supply via production cutbacks and thus remove some pressure from the market. However, there are doubts about whether such measures will succeed. So far, the supply of eucalyptus pulp has remained high in Europe.

In the softwood pulp segment, prices for November deliveries also remained under pressure. The majority of EUWID respondents mentioned prices of \$1,500/t for NBSK in November, but in various cases, there were reportedly deliveries being agreed or negotiated at prices below the \$1,500 mark. Such deals required a lot of discussion and not all of the talks had concluded by the first week of December, one buyer explained.

Depending on the supplier and the starting price, the price cut for November deliveries of NBSK pulp could be between €10-30/t compared with the previous month. Once again, softwood pulp prices proved to be more steadfast than those of hardwood pulp. However, a few respondents from both sides of the market believe this could change in the coming months. While prices of BEK pulp are likely to remain stable, the downtrend for softwood pulp could continue, they say. The reason for this is the historically large price gap between the two grades, so customers are expecting some corrections at the turn of the year. They point out – and some pulp merchants confirm – that prices for softwood pulp on European spot markets are €100/t lower than the typical contract prices in Euro terms, and the difference can be even larger in some cases. Customers of the pulp industry are keeping a close eye on the market in China, where demand is weak and prices for NBSK pulp remain low and significantly lower than in Europe. As long as there is no lasting improvement in the situation in China, the market in Europe will not notice any changes, one pulp converter asserts.

However, the majority of NBSK pulp producers surveyed by EUWID see the situation somewhat differently. Despite the current weak demand, producers stress the special features of this market and yet again make the arguments of limited availability, increased raw material costs and higher logistics expenses, in order to keep prices in Europe as stable as possible. Besides permanent mill closures, technical problems at some mills in Canada and Finland were another important reason for reduced softwood output, players say. Moreover, short-time work and market-related production downtimes over the past months have additionally reduced the available supplies.

Yet, a few market watchers and participants expect that such interventions will become less frequent, at least in the cold winter months. If this is the case, it remains to be seen whether producers will then be able to stick to their pricing plans.

Pulp producers face difficult negotiating position in 2025 contract talks

EUWID Price Watch Pulp Western Europe			
November 2024			
CIF European ports	November 2024 ¹⁾	October 2024 ²⁾	November 2023
Bleached softwood pulp			
Softwood kraft			
from Scandinavia and Canada in €/t	1,408 - 1,418	1,391 - 1,418	1,114 - 1,123
from Scandinavia and Canada in US\$/t	1,490 - 1,500	1,500 - 1,530	1,200 - 1,210
Southern softwood from the US in €/t	1,371 - 1,380	1,353 - 1,363	1,067 - 1,077
Southern softwood from the US in US\$/t	1,450 - 1,460	1,460 - 1,470	1,150 - 1,160
Bleached hardwood pulp			
Birch pulp from Scandinavia in €/t	945	983	909
Eucalyptus pulp			
from Portugal/Spain in €/t	945	983	909
from South America in €/t	945	983	909
from South America in US\$/t	1,000	1,060	980
Southern hardwood in €/t	898	927	826 - 845
Southern hardwood in US\$/t	950	1,000	890 - 910
Hardwood BCTMP			
from Scandinavia and Canada in €/t	577 - 605	580 - 612	594 - 650
from Scandinavia and Canada in US\$/t	610 - 640	625 - 660	640 - 700
¹⁾ Exchange rate as of 6 December 2024: US\$1 = 40.945. NBSK prices at the lower end of the price bracket were still being negotiated at the end of week 49.			
²⁾ NBSK prices at the higher end of the price bracket were still being negotiated at the end of week 45.			
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Pulp producers are in a tricky situation when it comes to the contract negotiations for the coming year. In the eucalyptus pulp market, the capacity expansion projects of the past year or two will have even more of an impact in 2025 by further increasing supply. At the same time, players expect that demand for market pulp in the first months of 2025 will remain subdued, not least owing to the ongoing weak performance of the largest global market in China. Against this backdrop, producers are

attempting to secure sufficient contract volumes in a timely manner, with some suppliers adopting a rather aggressive approach to achieve this. Producers of softwood pulp are also aiming to secure volumes for the coming year. But the quantities being offered on the market are considerably smaller than those of BEK and production is more expensive not least due to higher fibrewood costs. Therefore, the talks here focus more on the profitability of each individual tonne, according to industry representatives.

The fact that rebates on list prices are poised to rise again in 2025 is not making the situation any easier for the pulp industry. In the view of some producers, this will automatically lead to higher list prices in the coming year. But how these are to be achieved will be decided at a later point in time, EUWID was told.

Wepa applies for new TM at Bridgend site

 **EUWID +** 09 December 2024 [Frauke Schmidt](#) |  ~ 2 min | [Published in issue 50/2024](#)



Wepa's new machine in Bridgend will offer more capacity and a lower carbon footprint.

After the German tissue manufacturer Wepa, Arnsberg, installed a new tissue machine at its plant in Bridgend, Wales, in 2022, the company now also wants to replace the existing older tissue machine with a new one. To this end, the company has applied to the relevant authority for a permit.

The new "Vesta" machine is to replace the existing "Jupiter" machine, which was built in the 1970s, according to the application. Wepa stated that the old machine's water and

energy consumption is now too high, and at the same time, the paper produced on the machine no longer meets market requirements. Therefore, the machine will be decommissioned and dismantled. The building will be used in future as a warehouse for jumbo rolls.

The new "Vesta" machine will be equipped with a 5.5-metre-wide Yankee cylinder and will be able to produce up to 227 tpd of tissue in lower basis weights. At 350 operating days, this corresponds to an annual capacity of around 80,000 t of tissue. In addition, the machine will be able to use more recovered paper as a raw material than was the case with the predecessor machine. At the same time, energy and water consumption will be reduced. In the future, a completely closed water cycle can also be realised, according to Wepa's application.

In the next few months, Wepa will replace the existing combined heat and power (CHP) plant with a new boiler house that will house two steam boilers and auxiliary equipment. The approval for this project has already been granted. Natural gas will be used as the energy source.

Just a few years ago, [Wepa doubled the capacity at the Bridgend site](#) by building a second paper machine, "Neptune", with a capacity of 70,000 tpy of tissue per year. The machine started operation in 2022. In addition, Wepa built a new warehouse for pulp bales, a bale transfer station and a new sludge press.

Wepa is a leading supplier of tissue and hygiene products in Europe, with 22 tissue machines at 13 locations.

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EU Deforestation Regulation postponed by one year following trilogue agreement

06 December 2024 [Konstantin Stoll](#) | 🕒 ~ 2 min [Published in issue 50/2024](#)



The EUDR aims to ensure sustainable forest management.

The way has been paved for the postponement of the application date of the EU Deforestation Regulation (EUDR): In the course of the latest trilogue negotiations on 3 December, the EU Council agreed with the EU Parliament on a postponement of the EUDR's application date for one year.

The EU Council declared in a press release that the agreement reached will not affect the substance of the existing rules, while the EU Parliament still advocated

changes tabled by the European People's Party (EPP) as late as November.

The representatives of the Parliament dropped their demand during the trilogue negotiations, which paved the way for postponing the application date by twelve months. Now the EU Parliament and the EU Council must still formally endorse the targeted change of the deadlines before they can be published in the Official Journal of the EU and take effect.

It was subsequently reported that the planned postponement was meant to provide a more secure foundation for planning in order to allow businesses, the administration and any third countries concerned to prepare for the implementation of the Regulation and to keep supply chains stable. The EUDR will then be applicable to large companies from 30 December 2025, while small and micro enterprises will have to meet the reporting obligations provided for in the Regulation from 30 June 2026 thanks to the additional phase-in time granted.

In a statement the EU Commission welcomed the provisional agreement, which it said would ensure "proper and effective implementation" of the EUDR, while preserving its "integrity".

EPP urged to do more than just postpone the applicability

The EPP parliamentary group, which, at 188 out of a total of 720 members, is the largest in the EU Parliament, regards the agreement reached among the negotiators of the EU member states and the parliamentary groups as a success: "We successfully postponed the implementation of the Deforestation Law by one year, giving European businesses, foresters, and farmers the planning security they need while protecting them from excessive bureaucracy," said Christine Schneider MEP, the European Parliament's lead negotiator on the Deforestation Law. According to her, the EU Commission has committed itself to updating the Deforestation Law within a year.

"First, data platforms tracking product origins and a risk classification system will be operational at least six months before the law takes effect. Second, from 2028, countries practising sustainable forest management and showing no deforestation will have the opportunity to be exempted from unnecessary red tape," Schneider continued.

According to the EPP, the plenary session of the Parliament will probably confirm the agreement in December.

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Financing for Chapelle Darblay conversion into containerboard mill not yet secured

Rebuild project still needs €43m to proceed

 **EUWID** + 05 December 2024 Valeria Buß | ⌚ ~ 2 min | Published in issue 50/2024



The Chapelle Darblay mill is to produce 400,000 tpy of containerboard in future, but the necessary financing is still pending

The rebuild of the former Chapelle Darblay newsprint mill into a corrugated case material mill is not yet certain. The project was announced more than two years ago by pulp producer Fibre Excellence and waste management company Veolia, but the necessary financing has not yet been secured.

Now, the players are running out of time. According to company sources and local media, the deadline to clarify the financing is 20 December this year. The project reportedly needs €70m from stable resources. Fibre Excellence has contributed €27m so far. The remaining

€43m have not yet been raised, the sources say. The company is now hoping for state aid, as confirmed by trade union CGT, which is calling on the government to support this major project and thus bring back jobs that were lost when the former newsprint mill closed. The total cost of the conversion project is pegged at €245m.

Talks with government representatives are currently underway, according to the reports. Fibre Excellence is aiming for a solution soon, as it has spent a lot of money on plant maintenance, insurance and other expenses and therefore has ongoing costs. Moreover, the lease for the site, which Fibre Excellence signed with Veolia about a year ago, only runs until the end of this year. According to previous announcements, the plan was for the pulp producer to acquire Chapelle Darblay from Veolia once the lease expires, but this will not be possible without financing.

At present, the site is still owned by Veolia, but the environmental services group would like to give up ownership and be involved only as a project partner in future. Last year, the two companies agreed that once the mill starts up, Veolia would supply the plant with recovered paper for an initial period of 10 years.

However, production start-up currently seems a long way off. If the basic financing gets secured, the project must proceed through various stages, including the rebuild of the paper machine. According to the plans, the machine would produce recycled corrugated case material with a capacity of 400,000 tpy.

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Mayr-Melnhof invests in Gernsbach mill and appoints new Managing Director

EUWID + 05 December 2024 Konstantin Stoll | ~ 2 min



The MM Gernsbach mill produces up to 280kt of coated recycled board.

Cartonboard and folding carton manufacturer Mayr-Melnhof (MM) is planning further investments in its German cartonboard mill MM Gernsbach. There will also be personnel changes in the mill's management.

The investments are aimed at upgrading the recovered paper yard and improving the carbon footprint of the recycled cartonboard mill. An MM spokesperson told EUWID that the company plans to build a new roof for the recovered paper yard in the second half of 2025.

The cartonboard producer is also continuing to invest in reducing the carbon footprint of the site. Following the recent installation of a photovoltaic system, the company's plans include the production of biogas as the next step. MM had already announced the first steps towards its own biogas production and an expansion of its own wastewater treatment plant in mid-2023. MM now expects biogas production to start in 2025, the spokesperson added. The company did not disclose the amount of the planned investment.

In Gernsbach, Mayr-Melnhof employs 250 people and operates a board machine with a width of 3,300 mm and a capacity of approximately 280,000 t/y of coated recycled board. The product range includes GD and GT cartonboard in the basis weight range of 250 to 500 gsm.

Kurt Wasinger moves from MM Neuss to MM Gernsbach as Managing Director

The MM spokesperson also confirmed to EUWID the change in management at the Gernsbach plant: Kurt Wasinger has taken over as Managing Director of the mill. Mr Wasinger has been with the MM Group for 20 years in various management positions. Most recently, he was responsible for the MM Neuss cartonboard mill for several years.

Mr Wasinger replaces Mike Petersen in Gernsbach, who took over the position from Thomas Knapp on 1 April. Mr Knapp became mill manager at MM Kwidzyn in Poland on 1 September 2023. In the meantime, Dominik Harter was responsible for the Gernsbach mill on an interim basis.

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