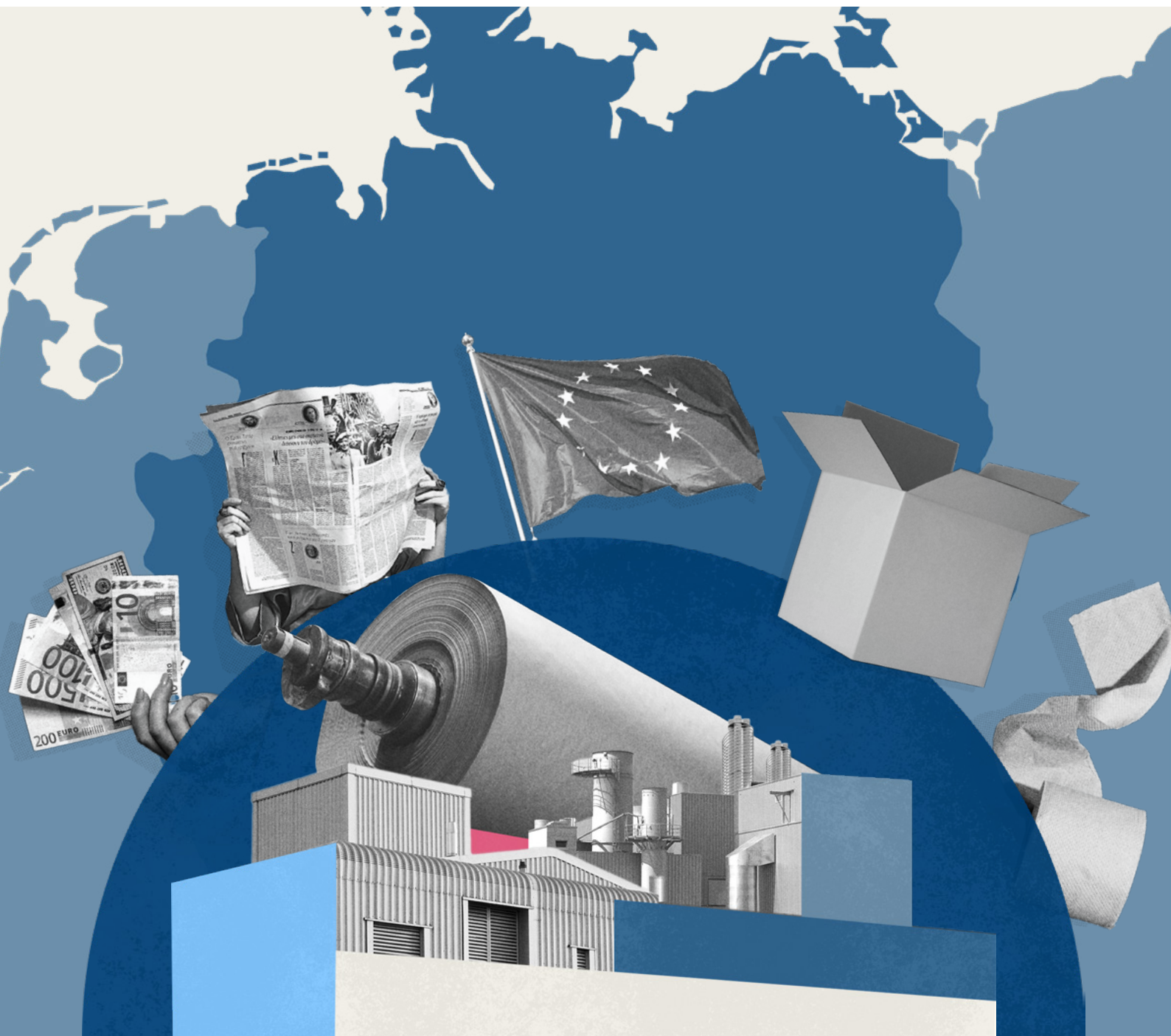


PULP AND PAPER VISION 2030

UNIFYING COMPETITIVENESS AND
TRANSFORMATIVE CAPABILITY



OUR CALL TO THE NEXT EUROPEAN COMMISSION

From toilet paper and newsprint to fibre-based packaging solutions for the products of tomorrow, paper plays a key role in our daily lives. Our reliance on paper is constant. As the largest producer of pulp and paper on the continent, Germany's pulp and paper industry produces goods that are simply indispensable. Key parts of our industrial and commercial value chains are a perfect example of lived circular economy.

Sustainability is ingrained in the very essence of the pulp and paper sector. Our products are made from renewable materials and designed for circularity. Our producers are constantly working to improve production methods, rendering them more environmentally friendly and introducing innovative products to the market, advancing an enduring, progressive, and future-proof industry. By producing essential products in Europe, we are contributing to both its economic resilience and the green transition.

We believe that the EU's climate neutrality and sustainability goals are vital for a prosperous future. In order to reach these goals, there is an urgent need for clarity, predictability and confidence in Europe and its industrial policy. Our industry is needed for its innovative capacity to come up with tomorrow's climate solutions. That is why Europe should not only be a continent of industrial innovation but should also remain a continent of industrial production.

Currently the German and European pulp and paper industries are facing significant challenges: Rising energy costs and overregulation are imposing a substantial burden on manufacturers. Facilities are slated for closure; paper machines have been decommissioned; energy prices remain excessively high. These challenges can only be overcome if Europe once more becomes competitive on a global scale. Thus, it is key that the practical implementation of the Green Deal ensures that Europe remains competitive in the global pursuit of green future technologies.



Hans-Christoph Gallenkamp
President



Alexander von Reibnitz
CEO

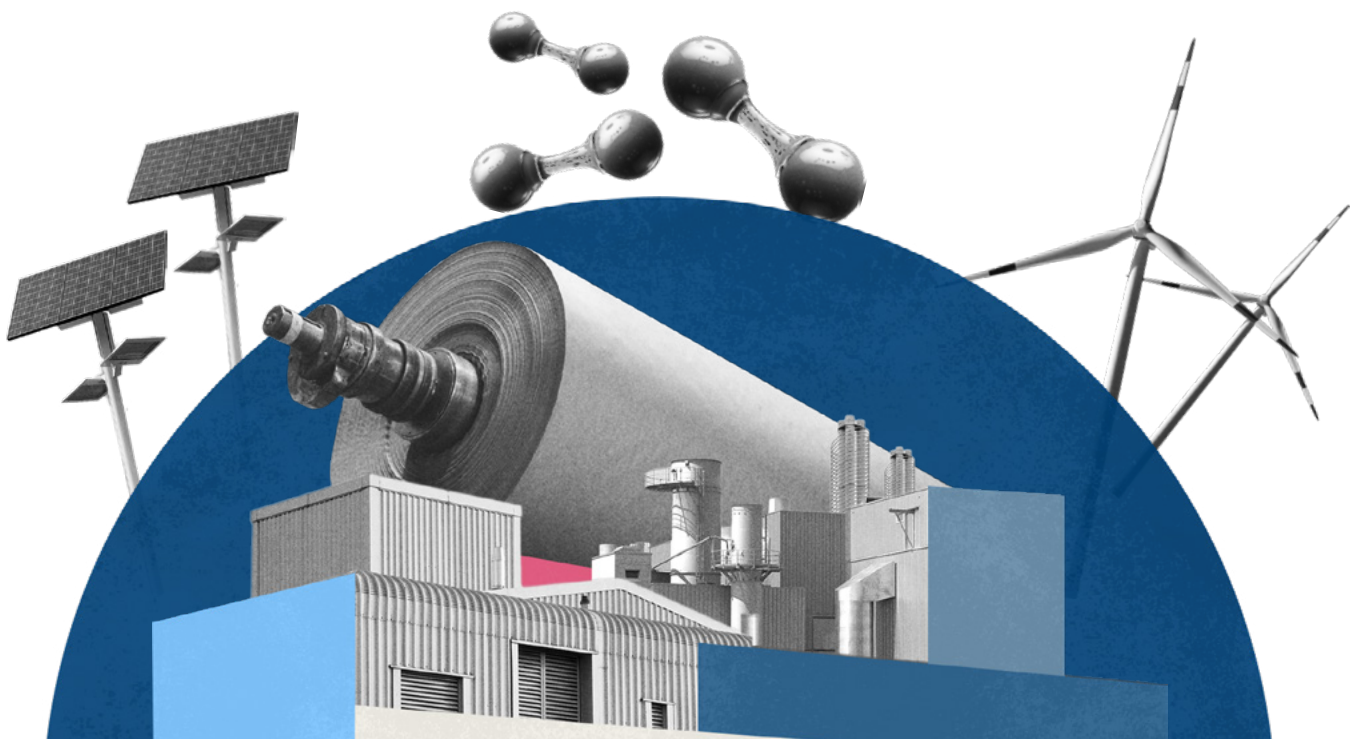
OUR CONTRIBUTION TO A SUSTAINABLE INDUSTRY TRANSFORMATION

Our industry has consistently reduced its emissions. We are committed to a **climate-neutral future** in which paper is about to play an essential part. As our climate study demonstrated, the German pulp and paper industry has not only already begun working towards Net Zero ([Klimastudie DPI: 2023](#)), but can even serve as a carbon sink. With the right political framework, the pulp and paper industry is an enabler for the transformation.

However, the current legislation is burdening our industry with tremendous costs, and this at a time when we are suffering from **high energy prices**. The shortage of CO2 certificates in the ETS implemented as part of the Green Deal and the reduction in free allocation are a toxic mix for international competitiveness. The prospect that CBAM, which is expected to be ineffective, will take over the Carbon Leakage protection further increases insecurity.

By pursuing a strategy of energy and resource efficiency, the industry is working to stand its ground in a highly competitive **global market environment**. However, the pulp and paper industry cannot overcome the challenge of switching to alternative energy sources by acting alone. We need substantial political support to achieve the 2050 climate neutrality targets.

- The German pulp and paper industry calls for an adequate and **effective protection against carbon leakage**. This includes sufficient free allocation and an assessment of the CBAM before the expansion to other sectors. The effectiveness of the protection must be ensured, particularly with regard to the export-oriented part of our industry.
- The competitiveness of our sector depends on a safe and **secure access to affordable energy sources**. The German pulp and paper industry advocates for building up sustainable base load capacities for power generation and the securing of competitive industrial electricity prices all over Europe. We are already contributing to sustainable transformation with our own CHP installations, which permit flexible adaptation to wind and solar power, with hydrogen poised as the fuel of the future.
- The green transition requires major investments, for which sufficient funding must be available. **Simplified state aid guidelines** are necessary to realise the full potential and enable effective funding programmes on the national and EU level.



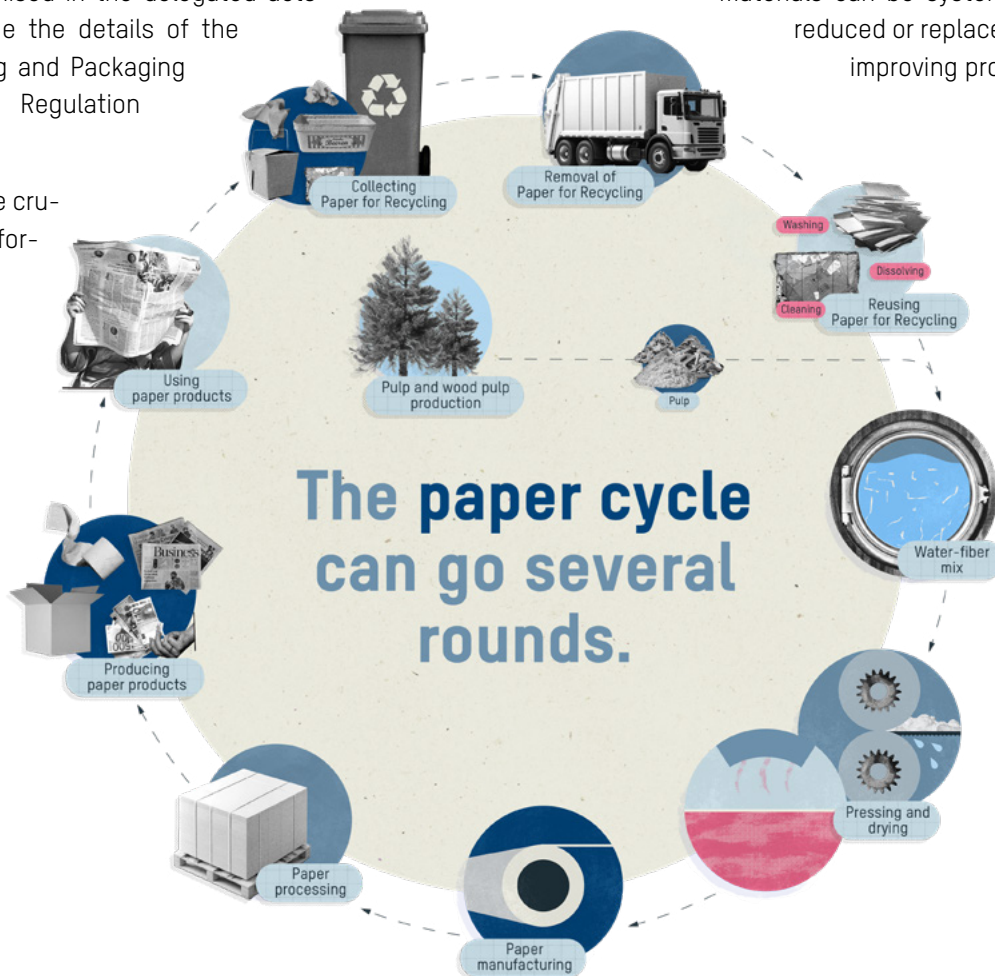
OUR CONTRIBUTION TO EUROPE'S CIRCULAR ECONOMY

REUSE AND REFIBRE AS COMPLEMENTARY SOLUTIONS

Germany's paper and pulp industry is a **best practice** for the circular economy. One tonne of paper contains, on average, 790 kilograms of paper for recycling, equivalent to a recovered paper input rate of 79 percent. This makes the German pulp and paper industry an exemplary industry of the circular economy, a sustainable economic system focused on the responsible reuse and regeneration of materials. Paper fibres can be reused up to approximately 25 times. To 'refibre' is just as impactful as to 'reuse'. This principle needs to be recognised in the delegated acts that refine the details of the Packaging and Packaging Waste Regulation (PPWR).

During the crucial transfor-

mation phase initiated by the Green Deal, Europe and Germany should embrace **packaging** made from **renewable** and **sustainably managed raw materials**, and stop relying on fossil and environmentally harmful resources such as mineral oil. Paper, cardboard and cartonboard are key materials for this strive to protect our resources and can make essential contributions to this transformation. In the course of this transformation, however, we also need composite packaging products in which the environmentally harmful proportion of fossil raw materials can be systematically further reduced or replaced by constantly improving product design.



BETTER ACCESS TO PAPER FOR RECYCLING

For our product to be an even stronger contributor to the circular economy, we must secure better access to paper for recycling. The amount, quality and circulation of such paper for recycling must be improved throughout the European Union.

The **separate collection of paper for recycling** is a crucial step to this end. It is currently not unified around Europe, needlessly reducing the quality and quantity of accessible paper.



- The German pulp and paper industry strongly advocates for the harmonisation of **separate collection systems** across the EU. Currently, the system is not harmonised, sometimes not even within the same country. This leads to a large amount of unnecessary waste. Collecting paper, lightweight packaging, organic waste and domestic waste separately in all Member States would drastically increase the amount of paper for recycling available while simultaneously reducing the amount of waste that isn't recycled or reused, thus benefiting the environment immensely. For paper, a single collection stream, only with used paper in a standard paper mill, is needed.
- The German pulp and paper industry calls for ensuring a functional **internal market for secondary raw materials**. We strongly advocate for the free circulation of paper for recycling, fostering seamless and efficient cross-border movement within the European recycling framework.

OUR CONTRIBUTION TO EUROPE'S BIOECONOMY

The German pulp and paper industry is a forward looking and constantly advancing industry. We are working towards a **green transition** by innovating and striving to meet the growing demands of an environmentally conscious world. Through continuous research and development, the industry is exploring novel applications for **pulp-derived materials**, unlocking a myriad of possibilities in textile manufacturing and other sectors. The development of biorefineries enables the production of a diverse range of **biobased products**, contributing to the transition towards a more sustainable bioeconomy.

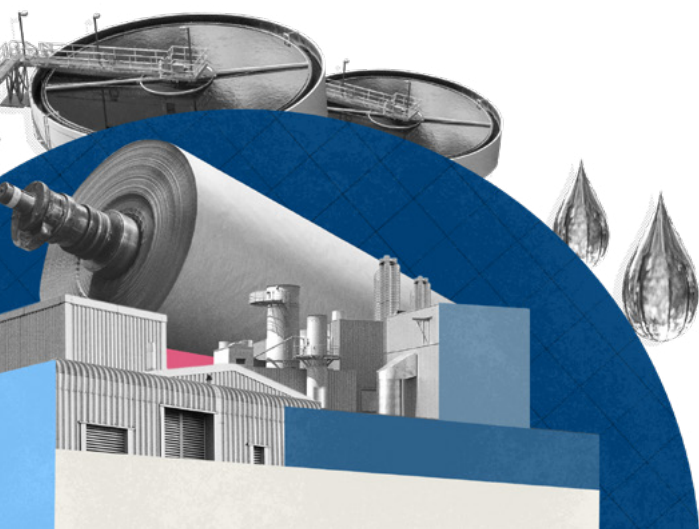
To ensure the continuity of these innovative processes, the German pulp and paper industry calls for the EU to:

- Continue public-private partnerships (PPP), such as the Circular Bio-Based Europe (CBE), in the next framework programme;
- Finance more piloting, demonstration projects and up-scaling, which are the most expensive and risky phases of innovations in our industry.

OUR CONTRIBUTION TO SUSTAINABLE WATER USAGE

The paper and pulp industry is committed to handling water responsibly and sustainably. Approximately **90% of the water** utilized in paper and pulp production is **discharged back into surface waters** after multiple uses. The remaining 10% is released into the atmosphere as water vapor during the drying process, with the waste heat mostly utilized within the operations and, to some extent, as district or industrial heating. Only a small fraction of water remains in the products.

- Our industry needs a consistent supply of water in both good quality and ample quantity. We advocate for the industrial use of water to **remain accessible even in times of water scarcity in the summer months**, particularly for cooling and direct production processes. Imposing unreasonable criteria, such as discharge temperatures or water extraction volumes, should be avoided.
- Paper products, such as packaging or hygiene papers, serve the population. Therefore, even in regions facing water scarcity, water must remain available to the paper and pulp industry under **economically reasonable** conditions.
- The **Water Framework Directive's** (WFD) goals and measures will change after 2027, but in what way remains unknown. This leads to significant legal uncertainty for authorities and, consequently, for companies in Germany. The industry must be involved in a timely discussion of the follow-up regulations.



UNIFYING COMPETITIVENESS AND TRANSFORMATIVE CAPABILITIES

Its production volume of around 18.6 million tonnes makes the German paper industry number one in Europe. Germany's nearly 150 paper mills ensure value creation, employment for 46,000 people and the security of the continent's paper supply. We are committed to being a reliable partner for European decision-makers. Germany must demonstrate the same level of transparency and reliability in its approach to European politics as it does in its domestic politics. Transparency is particularly vital for the German paper industry to ensure fair and equitable treatment in European policies affecting paper production, trade and environmental regulations. Industry, stakeholders and NGOs require a clear understanding of where, how and why decisions on European matters are made. Institutions must enhance transparency, and Germany must assert itself as a reliable partner. Continuously altering positions on critical issues at the last minute will erode trust among our European partners. Transparency and clarity are key.

By pursuing a strategy of ongoing energy and resource efficiency, the industry is also working to hold its own in a highly competitive global market environment. However, the European industry is in trouble. Rising energy costs and overregulation are imposing substantial burdens on many industries, including our own. We cannot overcome these systemic challenges to become more sustainable and more competitive by acting alone. It is time for the green deal to truly unify competitiveness and transformative capability.



We've signed the Antwerp Declaration.

*The future of Europe is
made with industry*

#IndustrialDeal

antwerp-declaration.eu

KEY PRIORITIES FOR THE 2024-2029 POLITICAL PROGRAMME

The German pulp and paper industry contributes to the green transition through environmentally friendly materials. Our producers are constantly introducing innovative products to the market, advancing an enduring, progressive and future-proof industry. By producing essential products in Europe, we contribute to its economic resilience. To overcome the grave current economic struggles, the German pulp and paper industry wants to work with the new representatives of Europe to contribute to an even greater transition, integrating and unifying competitiveness alongside environmental progress.

- The German pulp and paper industry calls for an adequate and effective **protection** against **carbon leakage**. This includes sufficient free allocation and an assessment of the CBAM before the expansion to other sectors.
- Our industries competitiveness is dependent on **secure access to affordable energy sources**. The German pulp and paper industry advocates for building up sustainable base load capacities for power generation and the securing of competitive industrial electricity prices at the European level.
- The green transition requires major efforts, for which sufficient funding must be available. **Simplified state aid guidelines** are necessary to realise the full potential and enable effective funding programmes on the national and EU level.
- The German pulp and paper industry calls for ensuring a functioning internal market for secondary raw materials. We strongly advocate for the **free circulation of paper for recycling**, fostering seamless and efficient cross-border movement within the European recycling framework.
- The German paper and pulp industry strongly advocates for the **harmonisation of separate collection systems** across the EU. For paper, this means collection through the paper stream or, for composite paper, products in the mixed recyclables stream.
- The **bioeconomy** can be enabled by research and development. The industry is exploring novel applications for **pulp-derived materials**, unlocking a myriad of possibilities in textile manufacturing and other sectors.
- Even in regions facing **water** scarcity, water must remain **available** to the paper and pulp industry under economically reasonable conditions.

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IMPRESSUM

Legal Reliability for Content
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