

## Press release

# In a very difficult context, pulp and paper industry has shown resilience in 2023

Brussels, 9 July 2024

*In an economic context that continues to be exceptionally difficult and marked in 2023 by low consumption linked to massive destocking, many pulp and paper companies have seen a turnover decrease in the past year. A record high annual recycling rate indicates the industry's autonomy and circularity.*

The decrease in paper and board production in 2023 (-13%) resulting from low demand was far more pronounced even than during the Covid-19 crisis (-4.7% in 2020). This is a trend that is not particular only to Europe, but the global slowdown has been **worsened in the EU by comparatively high costs for production inputs, notably energy**. The European economy as a whole has lost momentum, against the background of a high cost of living, monetary tightening, and a weak external demand.

All paper and board grades recorded a sharp decline of production, with a varied situation across grades. The production of **packaging grades** decreased by 11% in 2023 compared to 2022 while **sanitary and household paper** registered a decrease by about 4.0%.

Despite these developments **the pulp and paper industry has shown some surprising signs of robustness in 2023, with an exceptional recycling rate of 79,3%** - or 74,4% on a three-year rolling average. It remains more than ever a "made-in-Europe" industry with 91% of fibres sourced from within the European Union. Adding to this was a positive trade balance for market pulp, produced to be sold on the market rather than used on-site, for the first time since data is collected by Cepi.

**The trade balance for the sector overall remains high, placing it in the top European manufacturing sectors on that metrics**. Still, this second consecutive year of decrease could point towards a loss in global competitiveness for Europe's pulp and paper industry.

In another area of high performance amongst industrial sectors, **the decoupling of pulp and paper production from CO<sub>2</sub> emissions continues on a steady trajectory**, decreasing by 5.8% in 2023. The sector has already achieved over 46% reduction of carbon emissions since 2005. Investments remain proportionally high, despite a continuously difficult context, and will need to accelerate in the coming years to reach the decarbonisation objectives set by the European Commission.

An early sample of company data points towards a **rebound in production and profitability across all European pulp and paper sector segments in 2024**. But the industry's position remains far from what it was before the Covid crisis and war in Ukraine.

Download [Cepi's key statistics report for 2023](#).

### Quote by Jori Ringman, Cepi Director General

*"Considering the context, the pulp and paper industry in Europe can be proud of what it has achieved in terms of climate action and circularity. In a more supportive and predictable regulatory environment, our outlook could be very positive and our contribution to the EU Green Deal even more enhanced."*

### Notes to editor:

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For more information on Industry commitments,  
please consult

[Cepi's Sustainable Product Pledge,](#)

[Cepi's Pledge to support the 3 billion trees initiative.](#)

[The 4evergreen cross-industry alliance.](#)

### About Cepi:

Cepi is the European association representing the paper industry. We offer a wide range of renewable and recyclable wood-based fibre solutions to EU citizens: from packaging to textile, hygiene and tissue products, printing and graphic papers as well as speciality papers, but also bio-chemicals for food and pharmaceuticals, bio-composites and bioenergy.

We are a responsible industry: 91% of our raw materials are sourced in Europe and certified as sustainable, 92% of the water we use is returned in good condition to the environment. . We are the world champion in recycling at the rate of 79.3%. At the forefront of the decarbonisation and industrial transformation of our economy, we embrace digitalisation and bring 20 billion value addition to the European economy and €5.5 billion investments annually. Through its 19 national associations, Cepi gathers 480 companies operating 856 mills across Europe and directly employing more than 175,000 people.

More information about our sustainability performance [here](#).