JUST BURNING WOOD FOR ENERGY IS A WASTE, SAYS PAPER INDUSTRY
WOOD FOR PAPER FIRST ADDS VALUE and RETAINS JOBS

The European paper industry today publishes an independent study showing that using wood as a resource for paper products first, and only using it as a source of energy at the end of the product life cycle adds four times more added value to the economy and retains six times more jobs than simply burning wood for energy. The findings help support the European paper industry’s stance that it can be part of the bio-solution to climate change.

The European paper industry is already Europe’s single largest industrial producer and consumer of energy from renewable sources. 50% of the industry’s total primary annual energy consumption is biomass-based. And the industry is committed to building on this. In fact, its R&D commitments, through the Forest–based Sector Technology Platform, look towards a key role in a future sustainable Europe and focus strongly on bio refinery and the production of bio fuels.

The study’s figures relate to the core business for the paper and energy sector, if the model is extended to the wider chain for both industries, the value added for paper rises to eight times more and the number of jobs retained is 13 times more.

Teresa Presas, Managing Director of the Confederation of European Paper Industries commented,

“In the battle to mitigate climate change, we must make the most sustainable use of our resources if we are to find sustainable solutions. One of the paper industry’s main raw materials, wood, is biomass, so we can optimise its use in the production process and then go on to generate renewable energy. This has helped make us the single biggest industrial user and producer of renewable energy in Europe today and we have the potential to do even more in the future. We have the experience, technology and supply chain to be part of the renewable energy solution.”

As a result of sustainable forest management, Europe’s forests are increasing at an area of more than 4000 football pitches a day. However the increasing competition between wood for bio-energy and for the paper industry presents a new challenge. A recent European Environment Agency Report, “How much bioenergy can Europe produce without harming the Environment?” only forecasts an annual additional potential of 200 million m³ of biomass in Europe’s forests. CEPI wonders how more ambitious targets on wood for bio energy can be met without risking the overall sustainability of Europe’s forest and agricultural resources as well as the competitiveness of the sector. This becomes particularly relevant in light of the new EU targets for energy from renewable sources, to be fulfilled by 2020.

Today’s published study (www.cepi.org) is the first of a number of major projects that CEPI is currently undertaking to provide the Commission with data on the future fibre availability in Europe and the paper industry’s potential to help provide the bio-solution to climate change issues.
Notes to Editor:

• The European Paper industry’s total primary annual energy consumption is 1.295,000 TJ.

• Value added generation, wealth and employment in a situation where the pulp & paper and energy sectors use the same raw material as a starting point:

Value added

Looking only at the ‘core’ of the pulp and paper industry, the value added when using wood as a raw material first and energy last is estimated at €27.5 Billion. The comparable core sector of energy conversion creates €6.3 Billion in value added. The wealth creation in the pulp and paper industry is more than four times that of the energy alternative.

When we look at the wider effects of the industry (e.g. upstream suppliers, downstream producers and the multiplier effect), the comparison is even more favourable for the pulp and paper industry. The pulp and paper industry creates €263 Billion in value added while the energy alternative creates €33.8 Billion. In this wider scenario the wealth creation in the pulp and paper industry was eight times that of the energy alternative.

Employment generation

When we look at employment generation, the Pulp and Paper industry alternative creates six jobs for every job created by the energy alternative. If we look once more at the wider picture of total employment creation, the ratio is 13:1 in favour of the Pulp and paper industry.

• In absolute terms the pulp and paper industry creates, at core level, 264,000 jobs while the energy sector would create 46,500 jobs. When total employment figures are analysed, the comparable numbers are 2,950,000 for the pulp and paper industry and 229,000 for the energy alternative.

• CEPI aisbl - The Confederation of European Paper Industries

The European paper industry is one of the most competitive and sustainable in Europe producing 100 million tonnes of paper and board and 40 million tonnes of pulp annually. It provides directly 230,000 jobs and indirectly 2,950,000 jobs along the forest and paper chain. The paper sector makes a vital contribution to the quality of every day life, and through its commitment to research and innovation, to that of tomorrow. CEPI champions the interests of the pulp and paper industry in Europe, representing those interests towards the European Institutions. It monitors, analyses and acts upon EU legislation and initiatives relevant to industry, communicating on the industry’s achievements and the benefits of its products. Through CEPI, the paper industry makes expert and constructive contributions to the official European consultation process with industry. CEPI directly represents the National Associations of the paper industry in 17 member countries across Europe.

CEPI's collective expertise provides a unique source of information both for and on the industry. It coordinates essential exchanges of experience and knowledge among its members, has the ability to provide technical assistance to legislators and mobilizes the industry to joint initiatives.

Through its 17 member countries* CEPI represents 830 pulp, paper and board producing companies across Europe, ranging from small and medium sized companies to multi-nationals, and 1220 paper mills. Together they represent 28% of world production.

(17 European Union members incl. Norway and Switzerland)*