This report provides an update of the targets and indicators set in the 2003 CEPI Sustainability Report, and is based on data and information from 2003 and 2004.

Data was collected mainly through National Associations. Due to improved data collection and expanded CEPI membership, the samples in different indicators sometimes vary from those in the previous sustainability report. This means that the two reports are not directly comparable. Other figures, such as the recycling figures, come from studies conducted by independent organisations. Figures on competitiveness and jobs are part of benchmarking performed by Jaakko Pöyry Consulting (JPC). The annual monitoring of the recycling target is carried out by JPC.

The study on other recovery options was carried out by Intecus, Germany. CEPI members are 19 National Associations. They represent the scope of this report. However, since they cover a total of 900 companies and 1300 mills, in some cases extrapolations have been made. Whenever the 19 members are not all included in a particular indicator, those members are mentioned.

The development of this report was coordinated by the CEPI Sustainability Steering Group, chaired by one member of the Board. Other members of the group are representatives of National Associations, of paper companies and of the CEPI secretariat. The final report was approved by CEPI Board of Directors.

Contact persons
Teresa Presas, Managing Director CEPI
Eleanor McFadden, Communications Manager CEPI
mail@cepi.org
## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>03</td>
</tr>
<tr>
<td>Vision and Strategy</td>
<td>04</td>
</tr>
<tr>
<td>Organisation</td>
<td>06</td>
</tr>
<tr>
<td>Governance</td>
<td>07</td>
</tr>
<tr>
<td>Key Challenges for the Industry</td>
<td>08</td>
</tr>
<tr>
<td>Stakeholder Consultation</td>
<td>11</td>
</tr>
<tr>
<td>Performance Indicators</td>
<td>14</td>
</tr>
<tr>
<td>Economic Perspective</td>
<td>14</td>
</tr>
<tr>
<td>Social Contribution</td>
<td>18</td>
</tr>
<tr>
<td>Environmental Performance</td>
<td>23</td>
</tr>
<tr>
<td>Indicator’s Index Table</td>
<td>32</td>
</tr>
<tr>
<td>Development of this report</td>
<td>33</td>
</tr>
<tr>
<td>List of Stakeholders</td>
<td>34</td>
</tr>
</tbody>
</table>
The Papermaking Process
Introduction from Chairman and MD

The paper industry is keen to be among the best performers in terms of sustainability. We recognise that the only way to gauge progress and drive continuous improvement is through measurement and action.

That is why CEPI launched its first sustainability report in 2003, and why this second report is so important. Here, we not only highlight some of the pulp and paper industry’s many achievements, but we also determine where we can deliver an even better performance in the future.

The development of the first report enabled CEPI to integrate members’ achievements and initiatives, and open new internal and external communication paths. The process of developing a consistent report also helped to clarify many of the issues surrounding sustainability and allowed CEPI to position its contribution to society in the public debate.

This report is a first step in following the Global Reporting Initiative (GRI) guidelines. We have followed the informal application of guidelines, by improving the structure and coverage of our report and by further addressing some of its principles, such as transparency, and clarity.

We sought the views of a representative set of stakeholders in the industry and across the CEPI universe. The impact the pulp and paper industry has on several areas, from forestry and environment to technology and society, means that developing stakeholder dialogue is key to securing increased understanding of the industry and its improved working practices. The indicators used enable the industry’s progress to be monitored and any shortcomings in data collection to be identified.

By listening to the groups that are involved in the processes of our industry, we learned where we should focus. We have tried to respond to their concerns and address their expectations. Because we aim to reach a broader audience, we have adopted a more descriptive approach and made concerted efforts to report in a way that balances the three dimensions of sustainability – environmental, economic and social.

This report is a collective initiative and reflects the consensus of all our member associations and their respective members.

We hope that the CEPI sustainability report will become a benchmark of our progress for years to come.

Carl Björnberg
Chairman

Teresa Presas
Managing Director
Vision and Strategy

The European paper industry is a responsible business partner providing society with high-quality, safe and recyclable products made from renewable resources, which contribute to wealth through innovation, efficiency, responsible use of resources and a sound environmental approach. The industry is committed to further improve its sustainability record through the continuous development of its economic, social and environmental performance.¹

As an industry, we are aware that sustainability is a journey rather than a destination. We believe that to undertake successfully that journey, an industry has to be competitive. Therefore, our vision is for the pulp and paper industry to be seen as an example of how competitiveness and sustainability can be compatible.

On our path towards sustainability, we are aware that we have to make additional efforts to measure our performance at European level. As an association providing services to the industry, we have to contribute to defining industry standards. We also need to communicate more effectively with our different stakeholders, to respond to their concerns and to meet their expectations. By recognising that not all stakeholders share our perception of the industry and its practices, we acknowledge the value of this dialogue and its role in indicating how best the industry can contribute towards society’s needs.

By placing sustainability at the heart of our work we are encouraging an open and transparent dialogue with our stakeholders, which will help us to focus on the main problems and challenges facing the European paper industry.

¹ CEPI Sustainability Report 2003
Continuous improvements

The industry’s environmental performance has improved considerably in the last 10 years. However, continuous improvement cannot be maintained at the same level indefinitely. As we move forward, performance improvements will become more difficult to achieve, and they will necessarily take different directions. Innovation and R&D will be key determinants in the development of our industry in all areas, including environmental performance. By setting targets, following up with indicators and adopting an inclusive approach, this reporting exercise will support our commitment to continuous improvement. Financial health and competitiveness remain the basis for this improvement.

With this report, we aim to provide a framework for our members to take similar approaches. Many individual companies report on sustainability on a regular basis, and more recently national associations have undertaken country specific reports. Austropapier, the Austrian national association, published its second sustainability report in April 2005 - so far the only one published in Austria by an industry sector. The Spanish association, ASPAPEL, launched its sustainability report in March 2005, creating the first sectoral report in Spain. The Swedish Forest Industries Federation followed up with its own report in April 2005. In 2003, the Finnish Forest Industries Federation published a book on the forest industry and sustainable development. The French national association, Copacel, has undertaken a stakeholders dialogue following which it formally framed its activities within the concept of sustainability, in particular the development of sustainability indicators for the industry.

“By setting targets, following up with indicators and adopting an inclusive approach, this reporting exercise will support our commitment to continuous improvement. Financial health and competitiveness remain the basis for this improvement.”
Our Organisation

The Confederation of European Paper Industries (CEPI) represents manufacturers of all types of pulp, paper and board. Our members are national paper associations from 19 European countries. The companies they represent range from family owned SMEs, medium size companies operating in more than one European country, to large multinationals with global reach.

CEPI’s goal is to ensure that the competitiveness and the expected development of the European pulp and paper industry are taken into consideration in policy making at EU level. In delivering its messages CEPI believes its approach must be European in perspective and not just the sum of national approaches. It must offer something more holistic, providing an integrated, coherent, long-term strategic perspective that makes a real contribution at a European level.

CEPI is situated in the Paper Centre, where it shares common interests with 9 associations that are related to the paper industry and with whom CEPI has particular relationships, communication links and synergies to explore.

ACE: Paperboard and beverage carton manufacturers
CEPI Cartonboard: Cartonboard producers
CEPIFINE: Fine paper producers
CEPIPRINT: Newsprint and magazine paper producers
CITPA: Paper & Board Converters
ECO: Containerboard producers
FEFCO: Corrugated board manufacturers
PAPERPLUS: Specialty papers for flexible packaging, labelling and self-adhesive laminates
PRO CARTON: Carton and Cartonboard producers

1Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Hungary, Ireland, Italy, the Netherlands, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, the United Kingdom.
CEPI's role is reinforced by its operational structure. National Associations and senior members, mainly chief executives of the twelve largest paper companies in Europe, participate at Board and Executive level. This direct involvement ensures not only that industry endorses CEPI strategies and targets, but that it is also involved in helping to shape them.

The interface between the CEPI Secretariat and the various committees ensures a broad consultation process that is ultimately validated and approved by the Board. Committee chairpersons are responsible for achieving common perspectives. From the committees emanate a number of working groups and task forces composed of experts on specific issues.

CEPI is a signatory to the Code of Conduct of the Society of European Affairs Practitioners, an association recognised by the Commission, which commits signatories of the code to act in an honest, transparent and confidential way, while maintaining the highest standards of professionalism and ethics in conducting their work with EU Institutions.
Key Challenges for the Pulp & Paper Industry

The paper industry faces some key challenges; those identified in this CEPI report are critical to fully realising sustainability in the sector. Those presented represent the results of analysis undertaken by CEPI and the outcome of the stakeholder consultations.

Competitiveness

The European paper industry is a technological leader that has maintained its competitiveness vis-à-vis other regions of the world, despite high production costs and the expense of compliance with environmental legislation. Further increases in the costs of production and raw materials and the emergence of paper industries in parts of Asia and Latin America, mean that the picture for the future is less clear. Further tariff liberalisation is an important issue in opening up new markets for the European industry.

Competition between different materials in the packaging and tissue areas is fierce, while electronic media provides the major competition to the graphic papers side of the industry. Both these areas are tightly linked to overall economic development.

Innovation

The way forward for our industry is to enhance its sustainable competitiveness in relation to major new players. The focus on R&D should result in technologies that sustain growth while protecting the environment.

To ensure that the industry’s approach to innovation is addressed in a structured way that allows and promotes creative synergies, the forest-based sector has launched a Technology Platform, under the auspices of the European Commission.

Energy

The competitive supply of energy to energy intensive industries is hampered by the partial implementation of the Directive on the liberalisation of energy markets.

Today’s pulp and paper industry is the biggest user and producer of renewable energy sources. However, Renewable Energy Policies also represent a challenge, as they are being implemented through national subsidies for renewable energy sources. This puts the paper industry at a further price disadvantage in the procurement of wood and recovered paper for papermaking.

The pulp and paper industry is one of the largest users of co-generation technologies (CHP) which enables paper mills to save between 30-35% of energy when compared with conventional technologies and contributes to a reduction of greenhouse gas (GHG) emissions. Despite these savings, the increased use of CHP increases mills’ individual emissions, because it replaces electricity bought from the grid. Therefore, CHP requires special attention in policy measures, including emissions trading.
Climate Change and Emissions Trading

In order to avoid a negative impact on industry’s competitiveness, European action to reduce climate change should be part of a concerted international effort.

The pulp and paper industry represents less than 1% of total CO₂ emissions in the EU. It is nevertheless covered by the Emissions Trading Directive (ETS), which aims to cap and reduce CO₂ emissions. The industry’s past efforts in substantially reducing those emissions - the use of renewable energy, Combined Heat & Power installations and the high recycling rates achieved – were not taken into consideration in the implementation of this Directive. In addition, significant increases in electricity prices, resulting indirectly from the Emissions Trading System are seriously hindering energy intensive industries.

Sustainable Forest Management

Illegal logging and forest certification are two separate issues, but the debate around them is fuelling confusion between legality and sustainability, while affecting the image of the paper industry.

Certification of Sustainable Forest Management is designed to ensure that wood comes from well-managed forests. Although its use is increasing across Europe, the debate on the credibility of the various systems undermines the industry’s efforts in this area.

The European Forest Law Enforcement, Governance and Trade (FLEGT) Process, proposes a regulation to negotiate bilateral Forest Partnerships with timber exporting countries and to establish a licensing system to facilitate verification of the origin and the legality of wood shipments entering the European market. This approach fails to address the underlying causes of the problem, while increasing the bureaucratic burden for industry.

Recovered Paper

For public authorities, paper recycling is part of the waste management problem; for policy makers, it is integrated in the waste management policy; and for industry, paper recycling is raw material procurement. This diversity of perspectives hinders progress in paper recycling, which has become more of an issue of collection, recovered paper quality and knowledge of paper flows, than processing. However, its development is still slowed by EU policies, which introduce obstacles to higher paper recycling rates.

Collection of recovered paper is not usually one of the industry’s functions, so to achieve its recycling goals CEPI needs the contribution of other stakeholders such as recovered paper collectors and waste managers, as well as publishers and packaging manufacturers.
Key Challenges for the Pulp & Paper Industry

Chemicals Use
There is a risk that cellulose fibre will be subject to the information requirements under the proposed Regulation on the Registration, Evaluation and Authorisation of Chemicals (REACH).

Because the current REACH proposal does not accept concentration limits for substances found in articles (e.g. impurities in paper), all paper will have to be analysed in terms of volume and frequency. This would have a strong negative impact on the industry’s competitiveness with no benefits to the environment or human health.

Food Contact
Paper and board are widely used for the packaging of foodstuffs. It is therefore essential that the industry’s products conform to the highest standards of purity and cleanliness. However, developments in control methodology need to be proportionate to potential risk. Current legislative trends focus on control methodology rather than risk exposure when considering safety. If this trend continues, a point will be reached where the additional costs passed on to the packaging will outweigh the benefits it provides.

Securing Sufficient Skilled Workforce for the Future
Europe’s demographic development raises concerns that the European paper industry may not have enough well-qualified employees in the long-term. The development of the industry will depend on the successful recruitment of such employees. Hence, the industry is taking up the challenge of promoting its sector as an attractive, international, long-term career prospect, while offering sound training.
Stakeholder Consultation

This initial dialogue with stakeholders will continue beyond the development of this report, furthering our ongoing commitment to sustainability.

The process has allowed CEPI to listen to the expectations of its audiences in order to share views on the industry and the way CEPI is representing its interests, and to identify the opportunities and challenges the industry faces in reconciling sustainability and competitiveness.

CEPI held individual meetings with several groups. We attempted to cover the extended value chain, as well as representatives from groups that influence the development of our industry and have an interest in it. We talked with representatives of the financial community, paper research institutes, and industry partners on the supplier and customer sides, social actors, environmental organisations and the EU political system.

Stakeholders were chosen on the basis of their European scope, relevance and connection with the industry. Practical aspects were also a factor, such as convenience and opportunities to organise meetings.

As reflected in this report, different stakeholders have different priorities; however recurring and shared issues do emerge. These include the importance of transparency, communication, working in partnership, the recognition of responsibility and the value of the entire industry chain. The industry will attempt to respond to all relevant input.

The following have been identified as opportunities and areas for improvement.

**Opportunities**

Opportunities exist to improve the sustainable performance of the industry and its license to operate through further development of best practices and the setting of new standards. This would provide a competitive advantage, in relation to other global players, through sustainability.

*“Sustainability and sustainability reporting is the right direction for the industry and a business opportunity in relation to other markets.”*

Mads Asprem, Business Analyst.

The opportunity to participate in the legislative debate exists as a consequence of the information provided in this report.

*“An open dialogue is essential for modern company management and an important factor for survival in a highly competitive market.”*

Harald Ettl (MEP, European Social Democratic Group).
The opportunity exists to enhance the credibility of our industry through its ongoing commitment to continuous improvement, by reporting progress through concrete measurement.

“Where CEPI could add value is in compiling consistent data on clean production, relating to best practices standards established under IPPC, Helcom, etc and report under headings like “air/climate change”, “waste” (...). Reporting on this would provide context and vision in these areas.”

Duncan Pollard, Head of European Forest Program, WWF.

The opportunity exists to increase understanding of the industry by communicating the unique attributes of its products, and by increasing understanding of its audiences by taking into consideration their views on the industry.

“It is important for forest owners that the sustainability indicators used in the report reflect the integrity and the importance of the forest-wood-paper value chain.”

Natalie Hufnagl, Secretary General CEPF (Confederation of European Forest Owners).

Opportunities exist for partnerships with NGOs, thereby improving contentious relationships and enhancing performance.

“Industry needs a license to operate and society needs paper. Partnerships are needed to be developed to achieve a win-win situation for nature and for the economy.”

Tamas Marghescu (IUCN, Director Office for Europe).

“You should make biodiversity the strength of your industry and not a weakness.”

Riitta Myller (MEP, European Social Democratic Group).

Areas for Improvement

More user friendly communication is needed, particularly to paper users, to satisfy stakeholders needs

“CEPI has made huge improvements in the quality of information. However, it still needs to focus more and link statements and facts to policy goals.”

Kevin Bradley, Director General CITPA, the Confederation of Paper Converters.

“The paper industry and their customers have different perspectives on the industry’s issues. The industry needs to be more outwards focused, and needs to involve environmental groups.”

Florian Nehm, Corporate Sustainability Officer, Axel Springer.
The demonstration of responsible sourcing will be essential in ensuring industry credibility with customers and stakeholders alike.

“The forestry issue is one of the most important challenging areas for marketing paper products, and every actor in the chain is looking at the industry for proof of responsible forest management.”

Hubert Duijsters, Secretary General, European Paper Merchants Associations.

Increased transparency on how sustainability reporting is developed as well as in data gathering was identified as desirable, as was the use of third party endorsement.

“The challenge for industry is to prove your social responsibility and give clear signals to countries and companies.”

Christer Larsson, Research Director Sweden, of the EMCEF (European Mine, Chemical and Energy Workers Federation).

The need to talk more openly about the challenges facing the industry was also identified.

“CEPI sustainability report should “aim higher” and outline the challenges in their relations with the paper industries, the key ones being to secure supply chain integrity and linking the forest to the end consumers.”

Sally Cartwright, Publishing Director, from HELLO! Magazine.

CEPI should show more involvement with stakeholders, rather than just consultation. It must also state that it has a certain responsibility in the industry sustainability.”

Jacques Sturm, Directeur Général Centre Technique du Papier.

CEPI will pursue these opportunities and work in the areas for improvement. We will develop ways to evaluate the level of dialogue with stakeholders, and report on actions that have been put in place. This will be included in our activity plan for the next two years. Ensuring that we do not raise expectations that we will not be able to meet will be a further important consideration.
Performance Indicators

The indicators in this report build on previous indicators and on data from our members. Most of them correspond to GRI indicators, and were chosen for different reasons, e.g. relevance to the industry (biomass and CO₂ reporting) and ease of measurability due to existing figures e.g. Environmental Management System (EMS).

“The European paper industry aims to enhance and increase its value and financial position throughout the cycle by improving its competitiveness and innovation.”

For other important measures, such as those related to sustainable forest management, national associations were a source of information. The systems used will be reviewed and strengthened as a result of this collection exercise.

Economic Perspective

CEPI believes that only by ensuring long-term profitability and growth can the industry maintain and develop its competitive edge, thus achieving financial success alongside its responsible environmental programmes and important social contribution. In doing so, it will contribute to Europe’s objective of being the most competitive region in the world.

Paper prices are set at a global level while costs such as energy, employment, compliance with environmental legislation and some raw materials, are often determined locally by EU/regional policies. These increased costs cannot be passed to the industry’s customers. For industry, business impact assessments and cost-efficiency analyses of legislation are important tools that need to be developed in a more systematic way in order to deliver better legislation.

The European paper industry’s production has increased at an average yearly pace of 2-3% and it is expected to continue to do so. The industry is highly capital-intensive, leading to both long-term and variable investment plans, involving increasing cross-border integration.

Industry concentration has increased significantly over the past 10 years, and capacities have grown substantially. The average machine capacity has more than doubled over the last 20 years to over 100,000 tonnes a year.

This industrial sector is a vital part of an important economic cluster – the forest-based industries (F-BI). The F-BI comprises forest owners, wood working and paper converting and printing, in addition to pulp and paper manufacturing. The sector generates a turnover of €375 billion, providing direct and indirect employment to 3.5 million people in Europe.
Investment turnover ratio in the pulp and paper industry, CEPI countries

Trade data: home deliveries, exports (2003 data)

Share of “home deliveries” in the paper & board consumption in the CEPI area*

Home deliveries 94 %
Imports 6%

Share of CEPI exports to the rest of the world*
CEPI exports 5%
Rest of the world 95%

Share of CEPI exports in total production*
Exports 14%
Home deliveries 86%

*Only 6% of the paper & board consumption in the CEPI area is imported

*CEPI exports represent 5% of the rest of the world’s paper & board consumption

*14% of the CEPI countries production is exported; 86% is for the domestic market

Total CEPI production was 95 million tonnes of which 13 million tonnes were exported and 82 million tonnes were delivered inside the CEPI area

Paper consumption per capita: a few examples

Source: Cepi and PPI
Average production cost structure for the European paper industry*  

![Cost Structure Diagram]

*transport costs not included

Competitiveness factors affecting the European paper industry

**STRENGTHS**
- Large regional markets
- Efficiency of production facilities
- Environmental performance
- Health & safety standards
- Skilled personnel and management
- Quality of products and customer service
- European forest cluster

**WEAKNESSES**
- High wood costs
- High and increasing energy costs
- Relatively high labour costs and rigidities in labour markets
- Over-regulation and red tape
- Fragmented structure of the industry
- Management of capacities

**OPPORTUNITIES**
- Increased and better mobilisation of wood
- R&D and other know-how advancement
- Market growth in Eastern Europe, South America, Asia and Russia
- Specialisation
- Consolidation
- Improvement of transport infrastructure
- Ability to develop new value added products

**THREATS**
- Increasing energy and transport
- Increasing wood costs and lower supply
- The promotion of renewable energy sources
- Distortion of the European fibre balance – wood and recovered paper
- Increasing competition from other raw materials
- Less ambitious standards in competing areas
- Declining investments in R&D
- Declining availability of workforce

Source: Jaakko Pöyry Consulting, 2005

Performance Indicators

Capital charges 19%
Fibres 32%
Other manufacturing costs 11%
Personnel 13%
Energy 13%
Chemicals 12%
Other manufacturing costs 11%
Capital charges 19%
Research & Development

In a global market where production costs can be substantially lower than in Europe, innovation is one of the key areas where industry can develop a competitive edge in product development or processes. For the paper industry, reducing energy consumption, improving water use efficiency, minimising air emissions and therefore improving environmental performance, are targets that require further technological development. R&D is therefore a key element of sustainability, which will find new working methods, products and services. It also offers opportunities in jobs and professional training.

Investments in innovation are made in a number of ways: direct industry investment in product development, financial support to research institutions, and the suppliers’ developments in new machines and equipment. Consequently, it is difficult to provide figures in this area. Around 3,500 people within the paper industry contribute to R&D and innovation. In addition, around 1,150 scientists and 550 technical staff in institutes and universities work closely with the paper chain.

The paper industry is also working in partnership with those throughout the forest-based sector chain to launch the Forest-Based Sector Technology Platform. The platform outlines a long-term strategy, based on research and innovation, to drive the sector forward and ensure its future competitiveness and sustainability. A vision document has been published setting out the platform’s goals and vision of the industry for 2030. The next stage will be to set out a Strategic Research Agenda (SRA) through which those goals can be met. National Support Groups in most European countries will provide input to the strategy.
Performance Indicators

Social Contribution

“The European paper industry aims to develop harmonised definitions to better compare health and safety data and to strive towards a zero accidents industry. The industry also seeks to increase the employability of its workforce through increased and continuous training.”

The paper industry makes a social contribution through the products it manufactures. Those products are necessities in everyday life, even though they are often taken for granted. They carry information and make possible a myriad of situations. They protect food and goods, making them available to users; they facilitate good hygiene; they drive education, democracy and overall advancement; they provide quality, convenience, and knowledge.

Without paper some of the greatest literary and artistic works may never have been created or enjoyed by others. Even in today’s electronic age that special relationship between paper and literature stands. This is highlighted by the French paper association, Copacel’s, involvement in ‘Le Forum de L’Écrit’, a bi-annual event organised by the professional federations along the paper, printing and publishing chain to celebrate writing. It brings together a wide range of high profile participants, not only writers but public figures, philosophers, teachers, students and professionals in related industries in a series of debates on a writing related theme. Since it was established four forums have taken place. Participants have included such figures as Umberto Eco.

The paper industry benefits society at large by creating wealth and welfare. It has been closely linked to the development of local communities through the creation of thousands of small and large companies and millions of jobs, primarily in rural areas. Paper consumption mirrors economic growth and human development.

In 2004, the pulp & paper and board industry directly employed 275,000 people in CEPI Countries. 1,800,000 people were indirectly employed in the immediate supply industries and in industrial sub-sectors such as the publishing, printing and converting industries (excluding distribution). 60 % of all direct and indirect employees work in rural areas.

"CEPI sustainability report 2003
Social Affairs

CEPI has a well-defined and limited mandate on Social Affairs, as collective bargaining and the implementation and management of Health and Safety programs are dealt with at national level. Within its overall goal of securing industry competitiveness in EU policy making, CEPI coordinates relevant European initiatives and serves as a platform for exchanging information on best practices in areas of social policy. One of the main challenges facing CEPI, is identifying common social goals in 19 different countries with different social systems and definitions.

Health and Safety

CEPI believes a prevention culture is the core element of a medium to long-term strategy to improve occupational safety and health. In this area, CEPI also acts as a central information platform for safety alerts. Member countries inform CEPI on major Health & Safety incidents in their mills in order to share experiences and learn from each other on how to prevent such accidents.

In 2004, work undertaken by a CEPI expert group resulted in the first collection of data over the past 5-10 years, from a large number of countries, that illustrates accident data trends. The data shows that accident rates in the industry are decreasing.

A common definition of accidents based on the Eurostat definition has been developed. A harmonised approach in this area will provide a tool to more easily measure accident rates and facilitate data comparison.

The industry has specifically committed to making efforts towards zero accidents.

In 2003, accidents resulting in an absence of more than 3 days stood at 37 out of 1000 people employed, down from 42 out of 1000 in 2001.

The label "Wood & Paper – Opportunities for Generations" is awarded as a mark of quality to youth-related projects, at national or European level, which inform and educate young people on the forest-based industries. By creating greater awareness and understanding of the forest-based and related industries among young people, the sector, supported by the Forest-based Industries Unit in DG Enterprise, hopes to promote it as an attractive potential employer and ensure that the industry can rely on bright new talent and innovative thinkers to maintain and improve its competitiveness. Full details are available on the label’s website, www.f-bi.org.

Performance Indicators

The accident data mentioned in this report is based on the ESAW methodology (European Statistics on Accidents at Work, edition 2001) of accidents.

Accidents at work do not include road accidents from commuting from or to work.

Data covering 11 CEPI countries, representing some 80% of paper production in CEPI countries.
Over the past few years in the UK, relationships between the paper industry association, trade unions, the Health & Safety Executive through the Paper and Board Industry Advisory Committee (PABIAC) have been constructive, transparent and productive. In April 2005, a PABIAC working group launched a handbook on "Transporting Paper Safely", providing practical industry guidance to all those involved in transporting paper and products.

The Portuguese Pulp and Paper Association - CELPA – has developed safety courses for suppliers carrying out maintenance work in the pulp and paper mills. In order to prepare them for the specific risks in paper mills, CELPA annually organises health and safety training which provides them with a safety passport, allowing them to be part of the procurement process. Only workers with this passport are allowed to enter the mills. These courses are free of charge and in 2004, 300 suppliers received such a safety passport.

The industry is also facing an important issue related to ageing population and fitness to work until retirement age. This has been tackled in some countries by a number of programs and other measures, such as offering employees the opportunity to participate in fitness training.

\[ \text{Incidence rate: Number of accidents (fatal and non-fatal) \times 1000/Number of employees (absence of more than 1 day).} \]
Education and Training

Vocational training centres exist in 12 CEPI countries, mostly financed by industry. Academic staff are trained in state universities. Typical professions are papermaker, maintenance worker, industrial mechanic, energy electrician, laboratory technician, mechanical and chemical engineer.

Companies also offer tailor-made training. As a support initiative, the Dutch Paper Training Institute, VAPA, together with the Austrian and German vocational training institutes, has developed a pilot e-learning programme for in-company training. CEPI supports this initiative and acts as a communication interface between other national training institutes and companies wishing to apply this training tool.

Employee Relations

Within the European pulp and paper industry, employee relations are the responsibility of individual companies, in some cases together with the national association. At European level, CEPI meets twice a year with the European Mine, Chemical and Energy Workers Federation (EMCEF), which is a relevant stakeholder in the industry. In those meetings, views are exchanged on the key regulatory issues facing the industry.

During 2005, CEPI participated in a Health & Safety Workshop organised by EMCEF.
“The European paper industry aims to ensure continuous environmental improvement through: the optimised use of resources and materials, whilst reducing as much as possible its environmental impact at local and global level; the implementation of sustainable forest management, environmental management systems, ecodesign and similar schemes; and ensuring products are safe, fit for use and recyclable.”

Environmental performance

During the last 12 years, the European pulp and paper industry has invested an average of €560 million per annum in environmental improvements, corresponding to 7% of its total capital expenditures. The result has been the decoupling of environmental impacts from production growth. In other words, while production and other physical parameters (primary energy consumption, electricity consumption, water consumption) have increased since 1990 (production by 150%, for example) the environmental impact measured in emissions (CO₂, BOD, COD, AOX, SO₂ and NOx) has decreased.

Paper production has decoupled growth levels and environmental impacts.

Index absolute values

![Graph showing decoupling of growth levels and environmental impacts](image_url)
Performance Indicators

Raw Materials

Raw materials, both sourcing and quantities, are key business factors with environmental dimensions. This is a clear example of how the different dimensions interact in sustainability.

Available wood consumption in papermaking in Europe

Availability of Wood from Sustainably Managed Forests

Forest Certification

Paper users and consumers are increasingly seeking assurance regarding the responsible sourcing of wood. Forest certification offers a tool to trace back the origin of the wood to sustainably managed forests. Responding to its stakeholders’ expectations, CEPI seeks to provide transparent information on how forest certification is progressing as well as the increase of traceability systems in pulp and paper mills.

Gathering data on this issue has proved difficult and consequently so has measuring the indicator established in the 2003 report. This is largely due to the fact that pulp and paper companies own less than 5% of the forests from which they source their wood.

The collection of data related to certification of the chain of custody has also proven to be complex: international companies provide aggregated figures which may overlap with those provided by associations at a national level, making extrapolation difficult; EU enlargement has broadened CEPI membership, and the new figures provided in the 2005 report include additional data sources and recalculated variations. Both these factors mean that data samples between the reports are sometimes inconsistent and trends are therefore distorted. Future reporting on these areas will need to be reviewed and would require more detailed data from individual companies.
In 2004, 45.39% of the woody raw material used by pulp mills was certified by one of the credible forest certification schemes operating in Europe (PEFC and FSC).

• 95.68% of the company-owned forests are certified and the goal remains full certification.
• 9.45% of the market pulp imports are certified. This is a result of the slow take-off of certification and certification of the chain of custody in some parts of the world.
• 39% of European pulp production comes from mills whose chain of custody is certified, an increase of 42% in the last 2 years.
• A reduction has been noted in the percentage of paper and board produced by chain-of-custody certified mills, which stands at 13.57%. This is due to inconsistent data collection between 2003 and 2004, as described.

CEPI, together with its National Association’s members, will develop an improved and more consistent reporting mechanism across all CEPI member countries, and thereby address the problems found in collecting data.

Illegal logging

Based on the paper industry’s 2002 commitment to combat illegal logging, CEPI has developed a Framework Code of Conduct on the legal sourcing of wood. This Code of Conduct corresponds to the provision of the EU FLEGT for private sector initiatives. The Code is based on 6 principles related to aspects of legislation and Environmental Management Systems, documentation, cooperation with authorities and training of the staff.

Reporting on implementation of the Code of Conduct and compliance with it is expected at both national and European level.
Biodiversity
Although European forests are mostly managed by individual private forest owners, the European paper industry recognises and places importance on its role in helping to protect biodiversity. As a result, CEPI has begun to map international and European biodiversity-related policies in order to further assess the current and potential role of the industry in this area.

On the basis of this mapping, CEPI plans to identify actions to support and promote the preservation of biological diversity and to work in partnerships with science-based environmental organisations. The International Union for Conservation of Nature (IUCN) has already expressed its willingness to cooperate with CEPI and its members in this respect.

Recovered Paper Flows and Use
Increased demand for recovered paper has created increased confidence among suppliers to invest in collection. This virtuous circle has helped paper recycling grow by more than 21% over the past six years.

Raising the level of paper recycling in Europe
In 2000, the European paper industry voluntarily committed to raising the level of paper recycling in Europe to 56% (+/-1.5%) by 2005. The industry reports annually on its progress through the "Special recycling statistics", published in October.

Statistics from 2004 show that the recycling rate was 54.6% and Jaakko Pöyry is forecasting 55.7% in 2005.

CEPI has brought together the whole chain of stakeholders for the drafting of a new Declaration for the period 2006 – 2010. It should set out a variety of measures for improving the collection, management and use of recovered paper as well as recyclability of paper and board products. The chain is working together to achieve more sustainable practices, mainly through prevention of waste and improving quality of recovered paper.

Quantitative targets will include a European collection and recycling rate. It is expected to be published in June 2006.

Improving knowledge on recovered paper flows
Through the "fibre-flow" project, CEPI is committed to better understanding of paper consumption patterns and thereby to better using the potential of paper recycling in Europe.

1European Declaration on Paper Recovery: November 2003, CEPI & ERPA.
CEPI has brought together the whole chain of stakeholders for the drafting of a new Declaration for the period 2006–2010. It should set out a variety of measures for improving the collection, management and use of recovered paper as well as recyclability of paper and board products. The chain is working together to achieve more sustainable practices, mainly through prevention of waste and improving quality of recovered paper.

• “The share of non-collectable and non-recyclable paper products”\(^{12}\), 2003. According to this study, 19% of paper products put on the market cannot be collected and/or recycled after use. For example, papers used in construction materials, sanitary papers, archives, cigarette papers, etc. Consequently the theoretical maximum collection rate would be 81% instead of 100%. In practice, further amounts of paper would not be available for collection, as they are used for other purposes (lighting fires, wrappings, etc), and it would not be economically viable or environmentally sustainable to collect every piece of paper.

• “Trade of converted paper and board products, and paper and board traded together with goods (packaging, manuals, etc.)”\(^{13}\), 2004. The results of this study indicated that exports and imports of converted paper products and paper and board traded with goods, are in balance at CEPI level, and the base for calculating the recycling rate can therefore remain unchanged.

• “The alternative utilisation of used paper outside the paper industry”\(^{14}\), 2005. The result of this study on paper destined for recycling and recovery options other than papermaking and eventually to landfills indicated that 8% of used paper is incinerated and 30% is disposed of in landfills. The amount of paper in composting or other biological recovery is not significant (1%). Other recycling options include construction materials (e.g. insulation, fibreboard) or speciality fibre in farming; these account for about 1% of recovered paper.

With these studies, the knowledge of the fibre flow can be completed to an extent that enables better management of the paperloop and reduces the quantity of paper-based products destined for final disposal.

**Recovered paper quality**

With increasing recycling rates, the question of the quality of recovered paper takes on new relevance. One way of improving the quality of recovered paper is to agree on responsible sourcing guidelines with other stakeholders along the chain, such as recovered paper suppliers. Responsible sourcing has an impact on the overall sustainability of our industry: it improves working conditions and the availability of recovered fibres, and it significantly contributes to environmental performance by reducing the amount of rejects and decreasing unnecessary transportation of (non-recyclable) material.

CEPI, together with the relevant stakeholders and sectors, will work to maintain a comprehensive set of responsible sourcing guidelines and to actively promote their implementation.

Collection and recycling of liners (self adhesive labels): In Italy, practical cooperation between one supplier of paper for self adhesive labels and the end-user, the producer of a particular range of products, has decreased the quantity of waste in landfill. This is a practical illustration of how cooperation between players in the chain can contribute to sustainable development outside of regulation. In this case the end-user collects the labels through separate collection and the paper mill recycles this material. The end-user saves the cost of the landfill; the paper mill pays the transport from the end-user to the paper mill.

\(^{12}\)JPC, 2003  
\(^{13}\)JPC, 2004  
\(^{14}\)INTECUS, 2005
Performance Indicators

Processes
In 2003, the European pulp and paper industry committed to strive towards a situation where all pulp and paper in Europe is produced in mills with an Environmental Management System.

From 2002 to 2004, the percentage of pulp and paper products produced in mills with an Environmental Management System (ISO 14001 or EMAS) increased from 65% to 76%.

Water effluents are very strictly controlled and mills have invested heavily in water treatment facilities; almost all water effluents are treated by primary or secondary treatment methods. Oxygen is vital for the survival of water organisms. Decreasing the oxygen demand of water effluents is therefore important. The biological and chemical oxygen demand has been decreasing considerably in recent years.

The bleaching of pulp with chlorine gas has been substituted with cleaner technologies and consequently the specific discharges of organic chlorine compounds (AOX) have been reduced by more than 90% since 1990.

There is a natural incentive for the industry to minimise the amount of residues generated as this means higher efficiency. Management of residues includes their use as renewable fuels, soil improvers or raw materials for other industries. Further developments in decreasing the amount of residues going to landfills requires technical development as much as improvement of legislation restricting the use of production residues.

<table>
<thead>
<tr>
<th></th>
<th>1990</th>
<th>2002</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOD:</td>
<td>4,7</td>
<td>1,4</td>
<td>1,2</td>
</tr>
<tr>
<td>COD:</td>
<td>25,00</td>
<td>7,7</td>
<td>6,8</td>
</tr>
<tr>
<td>AOX:</td>
<td>0,35</td>
<td>0,03</td>
<td>0,03</td>
</tr>
</tbody>
</table>

Specific amount of residues landfilled:

<table>
<thead>
<tr>
<th></th>
<th>1990</th>
<th>2002</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>62</td>
<td>28</td>
<td>25</td>
</tr>
</tbody>
</table>

Energy
Specific CO₂ emissions from the on-site use of fossil fuels have continued to decrease.

The industry also set a non-quantified target to promote accurate and transparent collection of CO₂ emissions worldwide, with reference to the International Council for Forest and Paper Association (ICFPA) calculation tool. Since the last report, published in November 2003, CEPI has collected CO₂ data in accordance with the guidelines.

Other emissions to air, namely sulphur oxide (SO₂) and nitrogen oxides (NOx), are important due to their acidification and eutrophication impacts. SO₂ has decreased considerably. NOx has remained stable. Nitrogen is naturally present in wood, the industry’s raw material, and fuel, which makes it difficult to further decrease the emissions.

Cepi has improved its environmental data collection since its first sustainability report, published in 2003. As a result, the data presented here covers more countries and the figures are not directly comparable.
In 2003, the European pulp and paper industry committed to strive towards a situation where all pulp and paper in Europe is produced in mills with an Environmental Management System.

- **Direct CO₂ emissions:**
  - **Absolute (mega tonnes):**
    - 1990: 33.5
    - 2002: 36.9
    - 2004: 38.1
  - **Specific (CO₂/t of product):**
    - 1990: 25.0
    - 2002: 7.7
    - 2004: 6.8

- **Specific primary energy consumption:**
  - 1990: 11.85
  - 2002: 11.11
  - 2004: 10.89 (T J/kg)
- **Specific electricity consumption:**
  - 1990: 1.1
  - 2002: 3
  - 2004: 1.02 (Mwh/t)

- **Specific SO₂ emissions:**
  - 1990: 1.51
  - 2002: 0.33
  - 2004: 0.25 (kg SO₂/t of product)
- **Specific NOₓ emissions:**
  - 1990: 1.20
  - 2002: 0.84
  - 2004: 0.81 (kg NO₂/t of product)

The European paper industry is the largest single sector using biomass as a fuel. In 2003, through CEPI, the industry committed to further increasing the share of biomass from 49% to 56% on average in its on-site total primary energy consumption, by 2010.

By 2004 that percentage had already reached 52.4%.

Although some 90% of mills’ electricity demand is already generated by CHP technology, there is still further potential to increase it. This is dependent on developments in the energy market (electricity and gas prices), access to the grid for balancing surplus electricity and heat, as well as policy measures and their treatment of CHP (EU Emissions Trading, CHP Directive, etc.).

- **% of electricity produced through CHP compared to total on-site electricity generation:**
  - 2002: 93.76%
  - 2004: 93.49%

“Energy Transition for the Paper Production Chain”, aims to ensure a sustainable and competitive paper and board industry in the Netherlands. Energy is a major cost element of total production costs and one that will continue to grow. The project’s target is to halve the amount of energy consumption per end-product by 2020. It involves companies along the whole production chain. Two top teams, one of consultants and one of scientists, are competing to identify the opportunities for this transition. An official jury will judge their ideas. The most interesting ideas will be taken up by the industry. The Dutch paper and board industry received the award ‘Innovative Team Player in Energy Transition’ for this initiative from the Dutch Minister for Economic Affairs on 13 September 2004.
Performance indicators

Energy in pulp and papermaking

![Energy diagram](image-url)

- **Sources of Energy**: Wood, Recovered paper, Chemicals, Water, Fuels
- **Energy Production**:
  - Biofuels
  - Fossil Fuels
  - Renewable Energy (Suga, waste, hydro)
- **Energy Uses**:
  - Heat (steam)
  - Electricity (production, sale)
- **Production**: Paper, Pulp
- **Purchased Energy**: Electricity from the grid

---

The diagram illustrates the flow of energy and materials in a pulp and papermaking process, highlighting the integration of renewable energy sources with traditional fossil fuels.
Transport

Transport represents a considerable proportion of the environmental impacts of the pulp and paper industry. At the same time, it remains a large part of the industry cost structure, both in relation to raw materials and to finished products.

CEPI has begun to examine the different transport modes used by the industry and agreed to support the concept of sustainable transport, as defined by the United Nations Environment Programme and Environmentally Sustainable Transport (EST):

“Transport is sustainable when it provides for safe, economically viable and socially acceptable access to people, places, goods and services while meeting generally accepted objectives for health and environmental quality, protecting ecosystems and minimising adverse impact on global phenomena such as climate change, stratospheric ozone depletion and the spread of persistent organic pollutants.”

To honour its commitment to gain a better understanding of, and therefore be able to reduce the environmental impact of both its in and outbound transport, CEPI formed a transportation working group in 2004 as a basis for moving forward on this complex issue.

The group brings together relevant experts and will collect and analyse information and data on all transport-related issues; a mapping of all relevant information sources is currently underway. One of the most difficult tasks facing the group is to assess the transport mode split (road, railway and waterway) for the nearly 250 million tonnes of raw materials and finished products concerned.
Indicator's Index Table

**Economic Perspective**

<table>
<thead>
<tr>
<th>Indicators as per last report</th>
<th>Status</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exports/total production</td>
<td>Updated</td>
<td>15</td>
</tr>
<tr>
<td>Exports/rest of world</td>
<td>Updated</td>
<td>15</td>
</tr>
<tr>
<td>Home deliveries /total consumption</td>
<td>Updated</td>
<td>15</td>
</tr>
</tbody>
</table>

**Environmental Performance**

### Raw materials

<table>
<thead>
<tr>
<th>Indicators as per last report</th>
<th>Status</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>42.6% woodpulp</td>
<td>42.8% woodpulp</td>
<td></td>
</tr>
<tr>
<td>41.8% recovered paper</td>
<td>41.1% recovered paper</td>
<td></td>
</tr>
<tr>
<td>14.5% non-fibrous material</td>
<td>15.1% non-fibrous material</td>
<td></td>
</tr>
<tr>
<td>1.1% pulp other than wood</td>
<td>0.8% pulp other than wood</td>
<td></td>
</tr>
<tr>
<td>48% virgin fibre used certified</td>
<td>45.9%</td>
<td></td>
</tr>
<tr>
<td>89% surface of company-owned forests certified</td>
<td>95.68%</td>
<td></td>
</tr>
<tr>
<td>27% pulp production covered by chain of custody</td>
<td>39%</td>
<td></td>
</tr>
<tr>
<td>16% paper production covered by chain of custody</td>
<td>13.57%</td>
<td></td>
</tr>
<tr>
<td>Recycling rate</td>
<td>54.6%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Targets</th>
<th>Status</th>
<th>New</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase % certified wood entering production</td>
<td>% Decrease</td>
<td>Develop improved and more consistent reporting mechanism across CEPI member countries.</td>
<td>25</td>
</tr>
<tr>
<td>Increase % of production covered by chain of custody certificates</td>
<td>% Increase</td>
<td></td>
<td>25</td>
</tr>
<tr>
<td>Raise level of paper recycling to 56% by 2005</td>
<td>54.6% in 2004</td>
<td>New Declaration on Recovered Paper</td>
<td>26</td>
</tr>
<tr>
<td>Improve knowledge on recovered paper flows</td>
<td>Ongoing</td>
<td>Responsible sourcing guidelines promoted</td>
<td>27</td>
</tr>
</tbody>
</table>

### Processes

<table>
<thead>
<tr>
<th>Indicators as per last report</th>
<th>Status</th>
<th>New</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>65% production from mills certified with EMS (2002)</td>
<td>76% production from mills certified with EMS (2004)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Absolute CO2 emissions from on-site consumption of fossil fuels</td>
<td>38.1 mega tonnes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specific CO2 emissions</td>
<td>6.8 CO2/t of product</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary energy consumption by energy carrier</td>
<td>10.89 (t/kg)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specific primary energy consumption, electricity production &amp; consumption in paper industry</td>
<td>0.99 (MWh/t)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ratio of biomass-based energy consumption in total primary energy consumption</td>
<td>52.41%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specific BOD load (kg/ton market product)</td>
<td>1.2 (kg/t of product)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specific COD load (kg/ton market product)</td>
<td>6.8 (kg/t of product)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specific SO2 and NOx emissions (kg/t of product)</td>
<td>0.75 (kg SO2/t of product)</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td>Specific amount of residues landfilled (kg/ton of product)</td>
<td>25 (kg/t of product)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of electricity produced on-site through CHP</td>
<td>93.49%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Targets</th>
<th>Status</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>All production in Europe in mills with EMS (2004)</td>
<td>Increased to 76%</td>
<td>28</td>
</tr>
<tr>
<td>Promote &amp; monitor CO2 emissions worldwide</td>
<td>Ongoing</td>
<td>28</td>
</tr>
<tr>
<td>Increase biomass use in on-site primary energy consumption from 49% to 56% by 2010</td>
<td>52.4% reached in 2004</td>
<td>29</td>
</tr>
<tr>
<td>To gain better understanding of and reduce environmental impact of its transport</td>
<td>Ongoing</td>
<td>31</td>
</tr>
</tbody>
</table>

### Social Contribution

#### Health & Safety

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Status</th>
<th>Page</th>
<th>Targets</th>
<th>Status</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate of accidents in industry: absence &gt; 3 days</td>
<td>37/1000</td>
<td>20</td>
<td>To develop harmonised definitions in H&amp;S</td>
<td>Harmonised definition of accidents developed</td>
<td>20</td>
</tr>
<tr>
<td>Incidence rate</td>
<td>52.9%</td>
<td>21</td>
<td>To strive towards zero accident</td>
<td>Accidents down</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>To increase employability of its workforce through training</td>
<td>Not followed up</td>
<td>22</td>
</tr>
</tbody>
</table>
1. Vision and Strategy

1.1. Statement of the organisation’s vision and strategy regarding its contribution to sustainable development

1.2. Statement from the CEO describing key elements of the report

2. Profile

Operational structure of the organisation
Countries in which the organisation’s operations are located
Nature of ownership; legal form
Scale of the reporting organisation
List of stakeholders, key attributes of each and relationship to the reporting organisation
Contact person(s) for the report, including e-mail and web addresses
Reporting period for the information provided
Date of most recent previous report
Decisions not to apply GRI principles or protocols in the preparation of the report
Policies and internal practices to enhance and provide assurances about the accuracy, completeness and reliability that can be placed on the sustainability report

3. Governance Structure and Management Systems

Governance structures of the organisation, including major committees under the board of directors that are responsible for setting strategy and for oversight of the organisation
Basis for identification and selection of major stakeholders
Type of information generated by stakeholder consultations
Use of information resulting from stakeholder engagements
Externally developed, voluntary economic, environmental, and social charters, sets of principles, or other initiatives to which the organization subscribes
Principal memberships on industry and business associations and/or national/international advocacy organisation

4. Indicator’s Index Table

A table indicating location of specific indicators

5. Performance Indicators

Economic Performance
Key challenges for the pulp & paper industry
Paper production capacity by grade
Contribution to GDP
Investment turnover
Paper consumption per capita
Trade data: home deliveries, exports
Average cost structure for the European paper industry
SWOT factors

Environmental Performance
Direct energy use segmented by primary source
Indirect energy use
Paper production growth versus environmental impact - decoupling
Raw material consumption in papermaking
Recycling rate and recovered paper flows
Best practices for countries
Total water use
Biodiversity related policies
Traceability of wood
Forest certification
Illegal logging
Greenhouse gas emissions
Use and emissions of ozone-depleting substances
NOx, SOx and BOD, COD
Specific amount of residues land filled
Significant discharges by water by type
Certifications

Social Performance
Indirect employment
Social affairs at CEPI and employee relations
Practices on recording and notification of occupational accidents and diseases, and how they relate to the ILO Code of Practice on Recording and Notification of Occupational Accidents and Diseases
Average incident rate
Best practices (examples from countries)
Approach to training and education
Pulp & paper social contribution
Best practices for countries
List of Stakeholders

Financial Community
Mads Asprem, Paper Analyst
Peter Berg, Practice Manager, McKinsey & Company
Sybille Borner, Analyst, Sustainable Asset Management

Research Institutes
KLC: Helena Wessman, Research Coordinator (Sustainability)
STFI / PACKFORSK: Anders Sbrås, Vice President
PTS: Werner Foerster, Senior R&D Manager
CTP / AFOCEL: Jacques Sturm, Délégué Général

Industry Partners
Natalie Hufnagl, Secretary General, CEPF
(Confederation of European Forest Owners)
Kevin Bradley, Director General, CITPA
(Confederation of Paper Converters)
Axel von Abendroth, Director Environment and Sustainability,
FAEP (European Federation of Magazine Publishers)
Florian Nehm, Corporate Sustainability Officer,
Axel Springer, member of FAEP
Sally Cartwright, Publishing Director, HELLO! Magazine,
member of FAEP
Hubert Duijsens, Secretary General, EUGROPA
( European Paper Merchants Association)

Social Actors
Christer Larsson, Research Director, EMCEF
(European Mine, Chemical and Energy Workers’ Federation)

Environmental Organisations
Tamas Marghescu, Director Office for Europe, IUCN
(International Union for Conservation of Nature)
Tim Christophersen, Programme Coordinators IUCN
Duncan Pollard, Head European Forest Program, WWF

Political System
Per-Ove Engelbrechts, Head of Forest-based Industries Unit,
EU Commission, DG Enterprise
Harold Ettl, Member of the European Parliament Austria,
European Social Democratic Group
Riitta Myller, Member of the European Parliament Finland,
European Social Democratic Group.

VISUAL.
DO NOT PRINT, PLEASE REFER TO CEPI SR COVER FIN FOR SPEC