

Press release

Growing demand for packaging and hygiene papers while COVID 19 impacts overall paper and board consumption

Brussels, 10 February 2021

Despite the slowing down of the European economy and the sanitary restrictions, **most of the mills ran without disruptions in 2020; even if some operated at reduced speed** because of lower levels of demand.

According to [preliminary figures](#), the **demand for packaging paper and board** continued to grow in 2020 especially materials used for **transport packaging and corrugated boxes**, as they benefited from the e-commerce boom related to the sanitary crisis.

The production of packaging grades is estimated to have increased by 2.1% compared to 2019. They are essential to transport and deliver supplies, such as medicines or food. The output of carton board plus other packaging board – mainly used for retail packaging - and the production of wrapping grades – used for paper bag production – remained unchanged.

Domestic demand for hygiene papers has been relatively positive in 2020, despite the COVID-19 restrictions affecting the 'away-from-home' markets. Tissue and hygiene products are of vital importance to citizens and offer the safest option, particularly to implement the recommendations issued by national governments and the World Health Organization (WHO). **Sanitary and household paper manufacturers' output increased by 1.9%** compared to 2019.

“The European pulp and paper industry’s priority in 2020 has been to ensure that EU citizens can access the products they need for hygiene, health and food purposes. We have been relentlessly working with other industries along the value chain to guarantee security of supply to citizens. Our industry data now shows that crisis and the periodical lockdowns have accelerated consumption patterns change and will have a long-lasting impact on markets,” commented Jori Ringman, Cepi Director General.

The overall **paper and board consumption was impacted by the economic recession and decreased by 6.6%**. The European GDP declined by 7.4% in 2020, after +1.6% in 2019. Cepi member countries' **paper and board production decreased by 5.0% in 2020**, compared to the previous year, mainly due to COVID-19 pandemic impacting global demand.

The pandemic has also accelerated the structural **decline of graphic grades. The overall production of graphic grades fell by more than 18.0%**. Newsprint and printing & writing papers decreased by 20.5% and 18.4% respectively. Demand from publishers, offices and commercial printing has declined dramatically. Permanent mill closures or machines conversions have been announced, to adjust to the situation.

The utilisation of paper for recycling by paper companies in the Cepi area decreased by 2.1% compared to the 2019 level. The pandemic impacted the availability and quality of paper for recycling throughout 2020. 96% of European paper for recycling utilisation is supplied domestically. Exports went down by 8.4% according to preliminary statistics.

Note to editor:

For press inquiries, please contact Claire Couet, Public Affairs & Communications Director, at c.couet@cepi.org

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: 92% of our raw materials are sourced in Europe and certified as sustainable, 91% of the water we use is returned to the environment, in good condition. We are the world champion in recycling at the rate of 72%. 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.

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

Through its 18 national associations, Cepi gathers 500 companies operating 895 mills across Europe and directly employing more than 180,000 people.