



GENERAL ASSEMBLY

Barcelona

September 14th, 2018



Welcome and Apologies



Agenda of the meeting

- 1 INTRODUCTION (Chairman)**
 - 1.1 Welcome
 - 1.2 Safety
 - 1.3 Legal guidelines for attending UTIPULP meetings
 - 1.4 Approval of the minutes of the last meeting (Vienna, April 20th, 2018)
- 2 SPECIAL SUBJECT DOSSIERS (trade)**
 - 2.1 Procedure followed by DG Competition to assess mergers (P.A. Lacour /All)
 - 2.2 Mergers file (P.A. Lacour/All)
- 3 PRESENTATION OF “TRADE TREE ONLINE” (Fraser Hart / Brian McClay&Associates)**
- 4 PRESENTATION OF THE MERGER BY SUZANO (Mr Rafique Bachour, partner with Freshfield)**
- 5 SPECIAL SUBJECT DOSSIERS**
 - 5.1 Bales safety (V. Kamm)
 - 5.2 EU Timber regulation (P.A. Lacour/All)
 - 5.3 FSC/PEFC /ISO (P.A. Lacour)

Barcelona, September 14th, 2018



Agenda of the meeting

6 Measurement of Moisture content

- 6.1 Reports on the topic (J. Dittombee, C. Viejo Chaves)
- 6.2 Next steps (All)

7 ASSOCIATION TOPICS

- 7.1 Finance / new rule for sponsoring the Seminar (Chairman, P.A. Lacour)
- 7.2 Excom members (Chairman, P.A. Lacour)
- 7.3 Statistics (P.A. Lacour)
- 7.4 Member countries: special items

8 Any other business

9 CLOSE OUT (Chairman)

- 9.1 New date & location
- 9.2 Close



Welcome

- ❑ The chairman welcomes the delegates, and particularly Mr Jacek Los (Arctic Paper), representing the Polish Paper Association, and Mr Martin Werner (Felix Schoeller Group) from VDP.

Safety

- ❑ The chairman indicates the safety measures to follow, particularly in case of fire.

Legal guidelines

- ❑ The chairman presents the main requirements of the guidelines. Guidelines are available at any time during the meeting.



Approval of the minutes of the last meeting

Barcelona, September 16th, 2016

The previous meeting was held in Vienna
on April 20th, 2018 :

[Minutes](#)

Barcelona, September 14th, 2018



SPECIAL SUBJECT DOSSIERS

(Trade)



Reminder of the previous steps regarding the merger between Suzano and Fibria

- ❑ During the General Assembly that took place in Vienna (20th April 2018) all the National Association gave a positive answer to the following question :
“Do you think that UTIPULP should alert the European Commission on the potential negative effects of the merger between Suzano and Fibria?”



Reminder of the previous steps regarding the merger between Suzano and Fibria

□ Consequently, it was agreed during this meeting that:

- UTIPULP will send a letter alerting the DG Competition of the European Commission on the risks resulting from the merger between Suzano and Fibria,
- This letter will stress that (i) the Eucalyptus pulp market is the relevant market (ii) the increases of the Eucalyptus pulp prices will affect the prices of many grades of paper, and then ultimately the European consumers,
- This letter will be prepared jointly with a lawyer in order to present the arguments in the proper way,
- The General Assembly gives mandate to the EXCOM to approve the letter,
- A delegation of UTIPULP representatives will present the letter during a meeting if there is a request of the European Commission,
- Any other action of UTIPULP will be subject to a new decision of the General Assembly.



- ❑ As a consequence of these decisions, the Secretariat contacted a lawyer and prepared a draft letter.
- ❑ This letter has been approved by the Excom and sent on 8 June to DG competition.
[Letter DG Competiton](#)
- ❑ On 26 June, the Excom members took part to a phone conference in order to take stock of the various actions undertaken by Suzano.
- ❑ In July/end of August, the Secretariat had e-mails and phone contacts with DG competition in order to follow the process (especially in order to know if DG competition has been notified by the parties).
- ❑ During these contacts, DG competition mentioned that it was willing to receive a list of companies interested in receiving the questionnaire under preparation.



- ☐ This request was forwarded to the members. So far, 12 companies have expressed their interest to receive the questionnaire, and 2 have writtenly mentioned that they do not wish so.
- ☐ Since early June, Suzano has been active in contacting companies, and even the UTIPULP Secretariat (with the wish to “delete all misunderstanding on the consequences of the merger”).
- ☐ During the past months, several antitrust authorities have cleared the merger. [Article Valor](#)
- ☐ Following a request from Suzano, the Excom has accepted to give the floor during the General Assembly to a lawyer speaking on behalf of Suzano, Mr Rafique Bachour, partner with Freshfields. Mr Bachour is the lawyer coordinating the antitrust approvals globally for Suzano.



Merger Control Procedures [Merger control procedures](#)

Presentation by Mr Bachour



Next steps for UTIPULP

- ☐ The role of UTIPULP could be to send a complementary list of companies interested in receiving the questionnaire from DG competition (ii) informs the members on the developments of the case.
- ☐ In addition to this, during its meeting on 13 Septembre, the Excom considered that a new position could be envisages.
- ☐ Associations are asked to vote on the following proposal : **“Do National Associations agree that UTIPULP sends a letter to DG competition stating that, based on new facts (approval by other competition authorities, risk of purchase in case of remedies), UTIPULP, as an Association, has a neutral position regarding the merger?”**



Presentation of “Trade Tree Online”

Fraser Hart / Brian McClay&Associates



UTIPULP

The Group of European Market wood pulp users

SPECIAL SUBJECT DOSSIERS



Bales safety

- ☐ Feed-back on this issue will be done by members.

EU Timber Regulation

- ☐ Feed-back from the members on difficulties with this regulation regarding pulp imports?
- ☐ One aspect to considered will be the consequences of the Brexit. If, after the deal, UK is not considered as part of the EU market, then importing forest based products from UK means “placing these products” on the EU market and will then be considered (regarding due diligence etc.) like importing from US, Brazil etc.

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FSC/PEFC/ISO

- ❑ It's important for pulp buying companies selling "FSC mix" papers to be able to purchase FSC Controlled Wood Pulp (FSC mix is a mixture of "100 % FSC" and FSC Controlled Wood Pulp)
- ❑ Within FSC, there is a push a various stakeholders to phase out FSC CW.
- ❑ In order to have the view of the stakeholders, FSC opened a public consultation (deadline 17 September).
- ❑ CEPI prepared a consultation advocating that FSC CW must be maintained as a part of the FSC system [FSC controlled wood](#)
- ❑ National associations and companies are invited to answer to the consultation with a similar message

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FSC/PEFC/ISO

- ❑ ISO PC 287 has finalized the Standard ISO 38200 “Chain of custody of wood and wood-based products”
[ISO Chain of custody](#)
- ❑ This Standard describes how a CoC has to be put in place by a company
- ❑ Reminder: this type of requirement is already given by certification systems (PEFC, FSC,...).
- ❑ The advantage of the Standard for our industry (if any) is to enable a company to provide a guarantee on another feature that forest certification (eg: geographical origin, tree species,...)
- ❑ Standardization organizations members of ISO are formally voting (3rd August/28 September)



Reports on moisture content

- ☐ Feed-back on this issue will be done by members.



ASSOCIATION TOPICS



Budget 2018 / Estimated Accounts 2018



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UTIPULP - 2018 BUDGET /2018 ACCOUNTS ESTIMATED

DEBIT	2018 BUDGET	2018 ACCOUNTS	DIFFERENCE Euros	DIFFERENCE %
MEETING EXPENSES	11 400,00	10 690,00	-710,00	-6,6%
- Meeting room, accomodation	9 000,00	9 000,00	-	-
- Invitation of an expert	900,00	0,00	-	-
- Extra costs Barcelona Seminar	1 500,00	1 690,00		
SECRETARIAT	20 400,00	20 200,00	-200,00	-1,0%
Salaries	15 500,00	15 500,00	-	-
Extra cost salaries (merger file)	3 000,00	2 800,00		
Stationery	200,00	200,00	-	-
Accounting	1 700,00	1 700,00	0,00	0,0%
LEGAL ADVICE	3 000,00	3 800,00	-	-
WEBSITE	0,00	0,00	-	-
New WEBSITE	0,00	0,00	-	-
Monitor Belge - New President	0,00	200,00	-	-
TRANSACTION EXPENSES	130,00	130,00	0,00	0,0%
TOTAL	34 930,00	34 820,00	-110,00	-0,3%

CREDIT	2017 BUDGET	2018 BUDGET	DIFFERENCE Euros	DIFFERENCE %
CONTRIBUTIONS	27 560,00	27 560,00	0,00	0,0%
INTEREST	0,00	0,00		-
TOTAL	27 560,00	27 560,00	0,00	0,0%

RESULT	-7 370,00	-7 260,00	110,00
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Budget 2018 / Estimated Accounts 2018

- ❑ The estimated accounts are in line with the 2018 Budget, approved in Vienna in April 2018
- ❑ Special points to recall:
 - Meeting expenses increased of 1 690 € [26 x (120-55)] due to the “extra costs” resulting of the new fees’ calculation for Europulp seminar attendance (120 € compared to 55 € in the past years)
 - Secretariat costs increased of 2 800 € due to additional work for the follow up of the “merger file”
 - Legal advice: costs amount to 3 800 € and include lawyer consultations concerning:
 - VAT questions
 - Support for actions concerning the “merger file”
- ❑ As decided in Vienna in April 2018, the amount of member fees remain unchanged and the deficit of about 7 290 € will be covered by the UTIPULP reserves (21 594.38 €).



Executive Committee members

❑ Composition of the Excom (on 13 September 2018)

Bernhard BECK, Chairman	Germany
Steve ABDULLA,	United Kingdom
Paul BARTMANN	Austria
Stéphane MOZDYNIEWICZ	France
Andrea PIAZZOLLA, Vice-chairman	Italy
Norman SNEL	Netherlands

As a reminder: Andrea PAZZOLA will succeed to Bernhard Beck as Chairman of UTIPULP



EEUROPULP/UTIPULP Seminar 2019

- ❑ EEUROPULP might consider in 2019:
 - To organize a panel discussion with some main markets analysts (RISI, Hawkins Wright....),
 - To make it possible for Canadian pulp producers without sales Bureau in Europe to attend the Seminar.

- ❑ EEUROPULP is seeking the views of UTIPULP on these proposals.



Statistics

☐ Statistics

[Statistics](#)

☐ Keypoints

[Keypoints](#)



UTIPULP

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MEMBER COUNTRIES: SPECIAL ITEMS



ANY OTHER BUSINESS

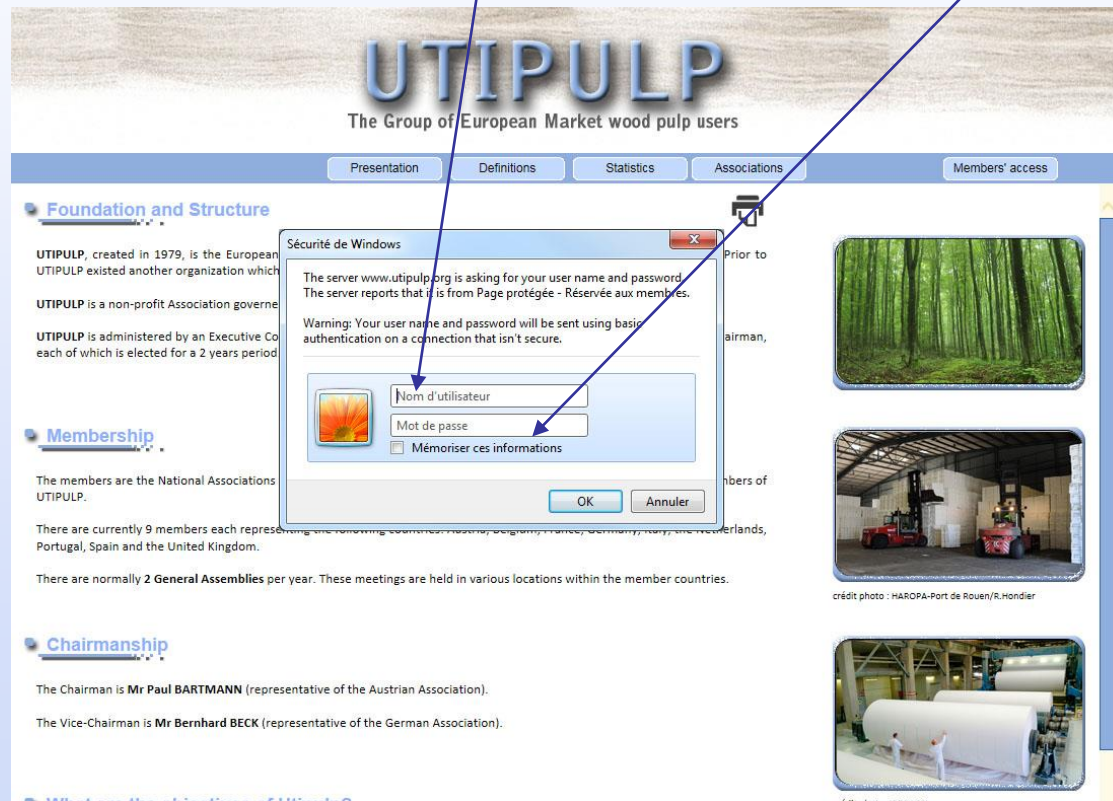
Location of UTIPULP

- ☐ COBELPA informed UTIPULP that it moved in Brussels. UTIPULP now has this new address as a formal postal address.



UTIPULP website : login and password

- **New password and user name as from May 2nd, 2018:**
- **Identifier or user name:** utipulp **Password:** **nicepulp4u!**



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CLOSE OUT

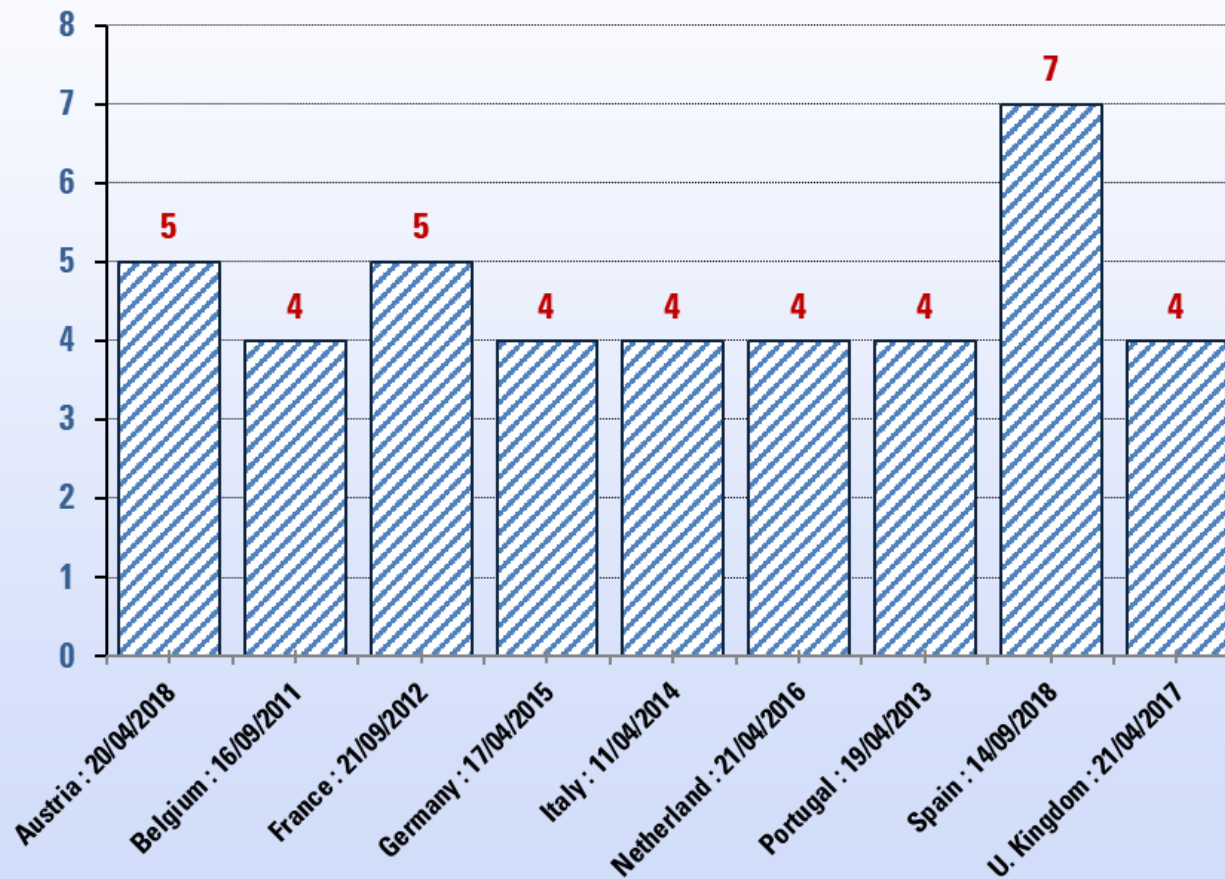


Date and location of the next meeting

- ☐ April 2019: meeting kindly hosted by COBELPA (Belgium). The Excom suggest to have the meeting on **5 or 12 April in Brussels or its surroundings.**
- ☐ Views of the delegates on the date?



Date and location of the previous meetings



Barcelona, September 14th, 2018