

Utipulp

Group of European Market Wood Pulp Users

GENERAL ASSEMBLY

May 15th, 2025 (8:30 – 12:30)

Westin Hotel

Milan (Italy)

Minutes

Attendees:

Mustapha	ZAUG	PPG (President)
Andrea	BETTIN	BURGO
François	BRUNETAUD	ALLIANCELL
Peter	DONNABAUER	DELFORT
Dieter	DONY	MAGNERA
Martin	DREWS	DIE PAPIERINDUSTRIE
Steve	FREEMAN	CPI
Daniel	GARCAR	MONDI
Ute	GIERDEN	KANZAN SPEZIALPAPIERE
Alberto	GIOVANNELLI	SOFIDEL
Antonio	HITA MARTINEZ	MIQUEL Y COSTAS
Klaus	KRIEG	PAPIERFABRIK AUGUST KOEHLER
Paul-Antoine	LACOUR	UTIPULP
Jacek I.	LOS	ARCTIC PAPER
Gregory	MEZIERE	SWM
Stéphane	MOZDYNIEWICZ	PAPETERIE DE CLAIREFONTAINE
Peter	OFFNER	BRIGL & BERGMEISTER
Lorenzo	PASQUINI	LUCART
Mariusz	RUPIK	VELVET CARE
Christoph	SCHLINKMANN	WEPA
Andrew	SOUTHWELL	HOLMEN
Martin	WERNER	SCHOELLER TECHNOCELL

Guests :

Teresa	GARGIULO	ASSOCARTA
Massimo	RAMUNNI	ASSOCARTA
Alexandre	VIGNON	SAPPI

1. Introduction

1.1 Welcome/new delegates

Mustapha ZAOUG welcomes all the participants, and in particular two new delegates, Dieter DONY (MAGNERA) and Christoph SCHLINKMANN (WEPA). He also welcomes the guests who participate in today's meeting: Teresa GARGIULO and Massimo RAMUNNI (ASSOCARTA) as well as Alexandre VIGNON (SAPPI). He then invites all of them to briefly introduce themselves.

The President then mentions the safety procedure to follow in case of emergency.

1.2 Legal guidelines for attending UTIPULP meetings

The Chairman stresses that the Guidelines pertaining to the competition laws have been sent prior to the meeting, and that participants have strictly to comply with.

1.3. Approval of the minutes of the last meeting (Barcelona, September 12th, 2024)

The minutes are approved without amendments.

2. Market analysis

2.1. Consequences of the tariffs applied by the US

PA LACOUR recalls the past steps as regard the tariffs applied by the US administration. At the present time, pulp and paper products imported by the USA from the EU have a tariff of 10% but, on 9 July (if negotiators have not found a deal by this date) the tariff will become 20%.

On 14 April and 8 May, the European Commission unveiled two lists of goods for potential retaliatory measures (the second list is put to consultation until 10 June).

As these draft lists of US goods include many pulp grades, the delegate debate if UTIPULP should take a position so that some (or all) pulp grades are excluded from the retaliation.

Agreed:

- ***UTIPULP supports the principle that fluff pulp is excluded from the EU retaliation list, as the production of this grade in the EU is far below the demand.***
- ***This request will not apply to other grades, as the EU production of pulp is enough to meet the demand of the European papermakers. Moreover, a too wide scope of “no-retaliation” would weaken the request regarding the fluff pulp.***
- ***This position will be communicated to the European Commission and to CEPI.***

2.2. Synthesis of the questionnaire pertaining to pulp supply

PA LACOUR mentions that 17 answers have been received. In comparison to the last survey (September 2024), delegates consider that the situation of the market pulp as improved. The index is 63, that is above 50 (50 corresponds to “steady”).

Respondents anticipate an improvement of the pulp supply conditions (the index is 78) during the coming months. Reasons for that are the increased production capacity of pulp at global level during the recent years. Moreover, the numerous maintenance shutdowns in South America have ended. This good outlook regarding the market of pulp will also be the consequence of the weak demand across all major regions (and more particularly the strong drop in Chinese demand).

Many respondents also believe that the US tariffs will have a positive effect on pulp supply in Europe (as volumes, particularly Nordic softwood pulp, will remain on the European market). A minority of the answers nonetheless considers that the US tariffs will not dramatically alter the global pulp flows.

2.3. Report from the National Associations delegates

The analysis of the key drivers of pulp and paper demand made by the delegates shows some differences between the grades and the countries in Europe. Nonetheless, most of the delegates express concerns regarding the cost of energy (gas and electricity), that substantially deteriorate the competitiveness of papermaking in Europe. These high costs, combined with a bureaucratic burden, mean an increased risk of losing in Europe markets shares, especially vis-à-vis some Chinese or Asian producers (already aggressive on the market, especially for specialty grades). This risk might be increased if the US tariffs partly redirect some Asian products to Europe.

3. General Trade Rules

PA LACOUR recalls that, during the UTIPULP General Assembly that took place on 13 September 2024, the Secretary General of EPIS, Ana Maija Wessman, announced that this association had decided unilaterally to repeal the GTR (due to an alleged risk regarding the competition regulation).

UTIPULP delegates expressed surprise and dissatisfaction on this decision during the meeting. In October 2024, Ana Maija Wessman contacted UTIPULP to have a discussion on the GTR and an on-line meeting was organized on 31 October between EPIS and the UTIPULP Excom about the GTR.

During, this meeting, EPIS explained that:

- companies selling and buying pulp still have the possibility, if they wish so, to refer to the General Trade Rules (as a whole or partly), according to their individual commercial policy.
- for compliance with the antitrust legislation, EPIS will not discuss in the future the content of this document.

This change in the position of EPIS has been circulated to UTIPULP members on 6 November 2024.

Agreed:

- *Although UTIPULP does not envisage, at present time, some changes regarding the content of the GTR, the UTIPULP Secretariat will ask a lawyer to analyse the legal opinion of EPIS lawyer.*
- *Indeed, preliminary discussions with a lawyer seem to indicate that this opinion is not substantiated.*
- *If the lawyer mandated by UTIPULP confirms that the two trade associations can engage discussion on an update of the GTR, this legal opinion will be communicated to EPIS (it is the entire liberty of EPIS of not willing to update the GTR, but inadequate reasons cannot be used for that).*

4. Special Subject Dossiers

4.1 UTIPULP request on the standardization of the technical sheets for pulp

PA LACOUR recalls that, following a survey carried out in November 2024, the UTIPULP Secretariat identified the “top 8” parameters to be included in all the Technical Data Sheets (Brightness, Tensile Index, Tear index, Dirt, Fibre length, Drainability/freeness, Bulk, pH).

UTIPULP has sent this list of parameters in November 2024 to EPIS, with the request that, for one given parameter, the units and standards of measurement are the same in all the TDS.

EPIS will consider this request during the meeting taking place on 15 May.

4.2 EPIS request on the standardization of sustainability questionnaires

EPIS had asked UTIPULP in spring 2024 that pulp buyers use as much as possible a “standardized questionnaire”.

This draft questionnaire (prepared by UPM) has been resent in January 2025 to the UTIPULP delegates for comments. 4 answers have been received (1 national association, 3 companies). These comments consider that the general structure and content of the questionnaire is satisfactory, but that some questions are missing.

The delegates then discuss the follow-up that should be given to the EPIS request.

Agreed:

- *Delegates consider that encouraging the use of a “standardized questionnaire” and of more homogeneous technical data sheets are the two sides of the same coin.*
- *The ability of EPIS to encourage its members to release more homogeneous technical data sheets will directly influence the ability of UTIPULP to encourage its members to use a more standardized questionnaire.*
- *Based on the answer made by EPIS, a recommendation will be proposed on this issue during the next general assembly.*

4.3 Extended Producer Responsibility on bales wires

In September 2022, the EPIS Director General intervened during the UTIPULP General Assembly to alert on the future obligations pertaining to the bale wires (the wires are indeed considered as “packaging” according to the Directive 2018/852). Indeed, by 31 December 2024, extended producer responsibility (EPR) schemes will have to be established in all member States, meaning that the companies placing the bales wires on the market could have to pay a fee (depending on the national regulation implementing the Directive).

Following a tour de table, it appears that bales wires are included in such EPR schemes in Italy and Spain (the EPR is under definition in other countries like France).

Delegates are invited to check with their respective national associations the obligations they may have because of this regulation.

5. EUDR Developments

PA LACOUR presents the key simplifications provided by the 4th version of the “Frequently Asked Questions” released in April by the European Commission. The key “novelty” is the clarification of the process that will apply to the downstream operators (= companies buying pulp with already a due diligence reference number).

He also presents the “leaked” information regarding the benchmarking of the countries as regard the risk of deforestation. All EU countries are classified as low risk, whereas Brazil is categorized as “standard” risk. These differences have consequences on how the due diligence will be implemented.

The delegates then discuss on how to secure that all pulp suppliers will be ready to pass the relevant information as of 30 December 2025.

Agreed: UTIPULP will ask EPIS to suggest its members to “go live” as soon as possible regarding the transmission of the information (reference and verification member) requested by the EUDR.

6. Association Topics

6.1 Accounts 2024

The Secretary presents the accounts for 2024. It appears that the expenses amount to 25 868 € and the revenues to 28 313 €. The results are then 2 445 € that is above what had been set in the budget (-2 500 €). The main reason for this difference is the decision of EUROPULP to pay for the participation of the UTIPULP members to the EUROPULP Seminar and dinner that takes place each year in Barcelona.

Agreed: the members approve the executed accounts 2024.

6.2 Budget and contribution from the members for 2025

Regarding the proposed budget for 2025, it shows total expenses amounting to 36 800 €. This higher than usual figure is explained by the meeting expenses in Milan (above the usual costs of the “spring meeting”), as well as by the cost for a legal advice regarding the GTR.

As reserves are at a high level, it is proposed that the members contributions remain at the same level as in the past years and amount to 27 600 €. Considering the foreseen expenses and the same member contributions, UTIPULP loss would amount to 8 500 €.

Agreed:

- ***The members approve the budget for 2025.***
- ***The members approve a total contribution for 2025 of 27 600 € (unchanged with respect to 2024).***

6.3 EXCOM composition

The Chairman proposes that Jacek LOS, representing the Polish Paper association (SPP), joins the EXCOM.

Agreed: the members unanimously approve that Jacek LOS joins the EXCOM.

7. Any other business

Delegates do not raise any other issue.

8. Close out

8.1 Date & location

PA LACOUR recalls that the next meetings will take place in Barcelona, at the following dates :

- Wednesday **17 September 2025**: EXCOM (14:30/15:45)
- Thursday **18 September 2025**: General Assembly (8:30/12:30) followed by a lunch.

Regarding the spring meeting 2026, Die Papierindustrie has kindly proposed to organize the meeting in Germany. The dates for the meetings are:

- Wednesday **15 April 2026**: EXCOM (14:30/15:45)
- Thursday **16 April 2026**: General Assembly (8:30/12:30) followed by a lunch.

The Chairman thanks the participants and closes the meeting.
