

Pulp, Paper & Paperboard

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**UNECE Committee on Forests and the
Forest Industry**

80th session

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INTRODUCTION

- GLOBAL PULP, PAPER & PAPERBOARD MIXED RECOVERY IN 2021
- EUROPE GROWTH WOODPULP PRODUCTION
- NORTH AMERICA DECLINE WOOD PULP PRODUCTION
- EUROPE GROWTH P&W CONSUMPTION
- NORTH AMERICA DECLINE P&W APPARENT CONSUMPTION
- SANITARY & HOUSEHOLD PAPERS PRODUCTION & CONSUMPTION DECLINED MOST UNECE SUB-REGIONS
- PAPERBOARD PRODUCTION & CONSUMPTION GROWTH ON CAPACITY GROWTH AND STRONG DEMAND – E-COMMERCE
- CHINA – ECONOMIC FORCE AND GROWING

EUROPE - 2021

WOODPULP PRODUCTION ROSE 3.5% TO 37.3 MILLION TONNES

CHEMICAL +3.9%

MECHANICAL & SEMI-CHEMICAL +2.1%

MARKET PULP -0.6% (INTEGRATION & UNPLANNED DOWNTIME)

WOODPULP CONSUMPTION +6.5% TO 40.3 MILLION TONNES

DISSOLVING PULP PRICES ROSE STRONG DEMAND & LOWER SUPPLY

GRAPHIC PAPER PRODUCTION + 5.6% TO 25.1 MILLION TONNES

P&W +8.4% (21.3 MILLION T.) & NEWSPRINT -7.4% (3.8 MILLION T.)

GRAPHIC PAPER CONSUMPTION +2.7% TO 19.0 MILLION TONNES

P&W +4.0% (15.6 MILLION T.) & NEWSPRINT -2.7% (3.4 MILLION T.)

EUROPE - 2021

PAPERBOARD

PRODUCTION +7.5% TO 53.5 MILLION T.

CONSUMPTION +8.5% TO 44.9 MILLION T.

SANITARY & HOUSEHOLD PAPERS

PRODUCTION -2.2%

CONSUMPTION -3.0%

RECYCLING

COLLECTIONS +1.7% TO 55.4 MILLION TONNES

UTILISATION +5.8% TO 50.7 MILLION TONNES (50%-55% SHARE – PPBRD)

PRICES ROSE – PULP, PAPER & PAPERBOARD

ON SUPPLY-SIDE SHOCKS – COVID-19 (CLOSURES) DEMAND RECOVERY

E. EUROPE, CAUCASUS & C. ASIA - 2021

WOODPULP

PRODUCTION +3.9% TO 6.9 MILLION T.

CONSUMPTION +2.5% TO 4.5 MILLION T.

PAPER & PAPERBOARD PRODUCTION +2.6% TO 11.7 MILLION TONNES

NEWSPRINT -7.4%

COATED PAPERS +7.5% UNCOATED PAPERS +15.7%

PAPERBOARD + 2.4% TO 7.7 MILLION T. – E-COMMERCE

PAPER & PAPERBOARD CONSUMPTION

NEWSPRINT -8.0% TO 320,000 T.

COATED PAPERS -10.7% UNCOATED PAPERS +10.8% (OFFICES RE-OPEN)

SANITARY & HOUSEHOLD PAPERS CONSUMPTION +2.5%

NORTH AMERICA - 2021

WOODPULP

PRODUCTION -3.0% TO 64.4 MILLION T. (CLOSURES & UNPLANNED DOWNTIME)

CHEMICAL -2.0% TO 52.6 MILLION T.

CHEMICAL CONSUMPTION -4.0% TO 45.1 MILLION T.

CHEMICAL MARKET PULP PRODUCTION -4.1% TO 13.4 MILLION TONNES

DISSOLVING PULP SUPPLY COMES MOSTLY FROM IMPORTS - FINISHED TEXTILES

PAPER

GRAPHIC PRODUCTION -2.7% TO 12.1 MILLION T.

P&W -0.5% TO 9.8 MILLION T. NEWSPRINT -6.7% TO 2.3 MILLION T.

CONSUMPTION +3.0% TO 11.5 MILLION TONNES (IMPORTS FILL GAP)

NORTH AMERICA - 2021

PAPERBOARD PRODUCTION + 3.7% TO 53.7 MILLION TONNES

CONTAINERBOARD

PRODUCTION +5.2% TO 42.5 MILLION T.

CONSUMPTION +2.2% TO 35.8 MILLION T.

EXPORTS +24.0% TO 6.7 MILLION T.

SANITARY

PRODUCTION -4.4% TO 10.3 MILLION T.

CONSUMPTION -5.9% TO 10.5 MILLION T.

PRICES UP

HIGHER COSTS

STRONGER DEMAND - COVID-19 RECOVERY

CLOSURES & CONVERSIONS

EXTRAREGIONAL INFLUENCES (UNECE) - 2021

CHINA

MARKET PULP IMPORTS -2.7% TO 30.5 MILLION T. (CHEMICAL -6.6% TO 22.1 M. T.)

PAPER PRODUCTION +7.5% TO 121.1 MILLION T.

UCFS -0.6% TO 17.2 MILLION T. COATED PAPERS -0.8% TO 6.4 MILLION T.

PAPER CONSUMPTION +6.9% TO 126.5 MILLION T.

UCFS +0.6% TO 17.9 MILLION T. COATED PAPERS +2.1% TO 5.8 MILLION T.

PAPER & PAPERBOARD IMPORTS – 5.6% TO 10.9 MILLION TONNES

SANITARY & HOUSEHOLD PAPERS

PRODUCTION +2.3% TO 11.1 MILLION T.

CONSUMPTION +5.0% TO 10.5 MILLION T.

EXTRAREGIONAL INFLUENCES (UNECE) - 2021

BRAZIL

WOODPULP PRODUCTION +7.4% TO 22.5 MILLION T.

PAPER & PAPERBOARD PRODUCTION +5.0% TO 10.5 MILLION T.

PULP EXPORTS +0.4% TO 15.7 MILLION T.

CHILE EXPORTS

PULP -7.9% (PORT CONGESTION & LABOUR SHORTAGES)

PAPER & PAPERBOARD -19.5% (SAME AS PULP & INCREASED COMPETITION)

2022 PERSPECTIVES

RISING COMMODITY PRICES FUELLING INFLATION IN THE UNECE
CURRENCY DEVALUATIONS = REAL THREAT

PRICE INCREASES FOR PULP, PAPER & PAPERBOARD

BUYERS LOOK FOR SUBSTITUTES (ELECTRONICS & PLASTICS) & CUT VOLUMES
LEADING TO PULP PRICE CORRECTION IN Q4

E-COMMERCE WEAKENING

P&W DEMAND DESTRUCTION REAL (CLOSURES & CONVERSIONS)

PULP, PAPER & PAPERBOARD PRODUCTION & CONSUMPTION FALL

MERGERS & ACQUISITIONS RISE / INDUSTRY CONSOLIDATION

PRICE CORRECTION FOR PULP SOME PAPERBOARD CATEGORIES

2022 PERSPECTIVES

TRANSPORTATION GRIDLOCK & LOGISTICS ISSUES SUBSIDING

CHINA ZERO-COVID-19 POLICY AFFECTING PULP IMPORTS

DISSOLVING PULP

DEMAND STRONG IN H1 PRICES OFF 15% IN Q4

TEXTILE INDUSTRY (DP) MOVING AWAY FROM CHINA TO OTHER ASIA

SANITARY & HOUSEHOLD PAPERS CONSUMPTION TO REMAIN 'FLAT'

RECOVERED PAPER USAGE DECLINE

P&W DEMAND DESTRUCTION

PAPERBOARD SEGMENT ADJUSTS AFTER HUGE CAPACITY INCREASES

LOWER PRICES IN H2 CAUSING COLLECTORS TO LANDFILL & EVEN BURN

2023 OUTLOOK

PULP, PAPER & PAPERBOARD

PRODUCTION DECLINE (CLOSURES)

CONSUMPTION TO WEAKEN (GRAPHIC PAPERS DEMAND DESTRUCTION)

CHINA

EXPERIENCE LOCKDOWN FATIGUE – H2 RECOVERY

MAJOR INVESTMENTS INTO NEW CAPACITY TO NEGATIVELY IMPACT IMPORTS

MARKET PULP PRODUCTION

RISE IN LOW-COST SOUTH AMERICA

DECLINE IN UNECE

2023 OUTLOOK

FIBRE AVAILABILITY IN NORTH AMERICA CHALLENGING (LUMBER)

HOUSING STARTS SLUMP & RENOVATIONS/REPAIRS EXPENDITURE DECLINE

HABITAT PROTECTION

TO LIMIT RESIDUAL CHIPS & LOGS FOR PULP & PAPER PRODUCTION

EUROPEAN ENERGY SUPPLY CRUNCH

FORCE MILLS TO TAKE DOWNTIME

IMPORTS RISE

STRONGER US DOLLAR TO SHIFT PULP & PAPER TRADE FLOWS

Thank you!



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