

Joint Statement on the impact of the energy crisis on the EU pulp and paper sector

The pulp and paper sector keeps leading the low-carbon circular and bioeconomy transition. From forest fibre technology to advanced materials, wood-based industries represent 20% of manufacturing enterprises across the European Union. This creates €143 billion a year of added value to the European economy. The European paper sector currently accounts for 22% of world production with an annual investment of over €5 billion in Europe. Our sector directly employs over 180,000 people, while the European forest-based value chain provides employment to 4 million workers. It is of vital importance to maintain the European industry's competitiveness to continuously provide growth and jobs in Europe.

The European social partners in the pulp and paper sector fully support the EU objective to reach climate neutrality by 2050 and the increased 2030 ambition. Wood-based products store CO₂ and substitute fossil-based and fossil-intensive materials and energy. The twin green and digital transitions have never been more challenging, and additional investment and support will be needed to ensure that these transitions are a success with no worker or region being left behind.

Since early 2022, due to high energy costs, pulp and paper mills take difficult decisions to temporarily stop or reduce production across Europe. Reducing activity in the sector is a real world threat to jobs and competitiveness in the global market. Furthermore, workers and citizens across Europe are suffering with inflation and high energy bills. The energy and cost of living crises mean that strong social dialogue and collective bargaining, as well as support at national and European level, are more important than ever to negotiate sound conditions for workers, safeguard the sector and protect jobs.

The European social partners, the Confederation of European Paper Industries, Cepi, and industriAll European Trade Union (industriAll Europe), call for urgent action to safeguard the European pulp and paper sector and protect jobs in Europe, while also working towards climate neutrality and an internationally competitive pulp and paper industry.

European Social Partners:

1. Agree to fully respect social dialogue at all levels, in line with national or European legislation.
2. Commend companies for continuing investments in both their plants and their people, and call on public authorities to swiftly support industrial decarbonisation projects and the related energy infrastructure.
3. Urge for the unlocking of financing instruments to implement energy efficiency programmes and switching to renewable and low-carbon energy sources to reduce Europe's dependency on fossil fuels.
4. Insist on a design for Europe's electricity market that is fit to support the transition to net zero, reinforces solidarity between Member States, ensures the secure and affordable supply of low-carbon electricity for industry and households, and preserves and creates high-quality industrial jobs in Europe.
5. Ask to mobilise available resources to provide financial stress relief for industry in need, facing the energy price crisis, such as a SURE-like EU solidarity mechanism and/or remaining funds from the NEXT Generation EU recovery package, with strong social conditionalities in place.
6. Call on all stakeholders to work together to ensure a Just Transition for any paper worker or region impacted by the green or digital transition.
7. Hope that the Green Deal Industrial Plan can steward European industry through these turbulent times and recall that public support must be linked to social conditions to guarantee

fair transition with worker participation and collective bargaining, fair pay, quality jobs and high social standards.

The European social partners will continue to work together and with national and European policy makers to ensure the sustainable future of the European pulp and paper sector and its workforce.