

2010 Annual Review Paper: The Good News Story

The Confederation of Paper Industries (CPI) has today released its 2010 Annual Review.

The *2010 Annual Review* emphasises the positive aspects of the UK Paper Industry's performance over the last decade, including;

- significant improvements in energy efficiency and carbon reduction
- a recycling rate for paper and board that has risen to a level which means that it is the highest recycling rate of all materials
- an impressive health and safety record, with a significant reduction in accidents

2010 was a year of retrenchment for the UK Paper Industry, with most key indices showing some positive growth compared to the 2009 recessionary year. 2010 saw a modest return to growth for paper and board consumption as a whole with demand rising by 1.2% to 10.6 million tonnes compared to 10.4 million in 2009, but well below the 11.4 million tonnes consumed in 2008.

Domestic usage of recovered paper fell in 2010 by a further 1.5% or a further 55,000 tonnes to 3.762 million tonnes, but not so significant a fall as in the previous year. Throughout 2010, the UK continued to rely heavily on export markets, particularly the Far East, for paper and board recycling.

2010 saw 54% of used paper and board collected in the UK sent overseas for recycling, with 77% of exports sent to the Far East, including 61% to China alone. This though, is significantly down on the 2009 numbers which saw 85% of exports go to the Far East, including 62% to China. This change is a result of increased European demand for UK recovered paper and board with Europe increasing its imports from 14% in 2009 to 22% for 2010.

Throughout 2010, CPI continued its communication with Government and other key stakeholders in order to create a level playing field for manufacturing industries. This has proven particularly crucial today as the UK economy struggles through a turbulent period of deficit reduction, while engaged in energy market reform and facing even tighter environmental tolerances.

In particular, CPI has been working closely with the Carbon Trust to develop an understanding of the opportunities for further carbon saving, through improved awareness of energy use in papermaking. CPI also continued to actively lobby the Department of Energy and Climate Change (DECC) for the extension of Climate Change Agreements (CCAs), through which sector wide energy efficiency targets were agreed, and an 80% discount to the Climate Change Levy (CCL) tax is applied upon achievement of the targets. Without this discount, energy intensive paper mills would be uncompetitive in the global marketplace for paper and board.

The *2010 Annual Review* offers a wealth of market data and a full list of CPI Members. Key Industry Facts, located at the back of the Review, provides statistics relevant to all four Sectors of CPI's Membership, including:

- UK paper and board consumption;
- paper and board woodpulp usage;
- paper and board mills and employees;
- recovered paper markets;
- production of corrugated boxes.

CPI's *2010 Annual Review* can be viewed online, at: www.paper.org.uk.

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For further information please contact Emma Punchard, Head of Communications, on 01793 889609 or by emailing epunchard@paper.org.uk.

Notes to Editors

- CPI is the voice and face of the UK Paper Industry, representing papermakers, tissue manufacturers, corrugated packaging producers and recovered paper merchants.
- CPI represents 72 Member Companies, with a combined annual turnover of £4 billion and 19,600 personnel.
- For additional information on the UK Paper Industry, in the first instance, please contact Annabel Acton, Communications Coordinator, on 01793 889612 or email aacton@paper.org.uk. Alternatively, please visit: <http://www.paper.org.uk>