

PRESS RELEASE

10/03/22

SHORTAGE OF PAPER CAUSES CHAOS AMONG PRINTERS AND THEIR CUSTOMERS

Intergraf warns that the current paper crisis will be further aggravated with severe repercussions in the supply of print products for all economic markets. This constitutes a threat not only to the graphic industry but endangers its support function for all sectors and the much needed rebound of the European economy.

The graphic industry experiences a paper supply shortage it has never experienced before. The print industry with its manifold products serves citizens and businesses throughout Europe every day. We produce schoolbooks, labels for food or pharmaceutical products, advertising, packaging of all kinds as well as printed media such as books, magazines and newspapers. The continuous supply of these products is in real danger.

For over 6 months, the sector is experiencing an unprecedented crisis. Paper prices have been registered a growth rate of 45% on average in the last 6 months, even up to 80% for newsprint paper used to produce newspapers. These **soaring prices**, mainly due to increasing energy costs, are now accompanied by a **major shortage of paper and board** across Europe. The lack of paper and board will shortly have major implication for the European economy as vital products like food, medicines but also newspapers and schoolbooks face supply chain disruptions.

The recent and still **ongoing strike** in Nordic paper mills – now set to last until the end of March or even April- aggravates the situation for the supply of paper and board in Europe in the very short term. The stocks of printing companies will not last until the strike has been settled.

The current **war in the Ukraine** will have impacts not only on the energy prices, but also on the supply of wood and pulp for European paper makers. This will further tighten supplies in the middle to long term, which are a major concern for the future of our industry.

The combined effects of **a reduction in graphic paper capacities** in Europe (in the last 5 years (2016-2021), a total of 25.8% of European graphic paper capacity closed), the reduced **availability of recovered paper** and the increased **competition for wood fibres** from several other sectors like construction, textile, or energy, are creating **uncertainty** for the **continuous supply of wood fibres for European sectors**.

While the European printing industry acknowledges that we all have little influence on several of these factors, there are some concrete actions that can be taken by involved economic operators and authorities. We therefore call for:

- > **an immediate stop or a significant reduction of exports of pulp and paper to third countries to safeguard the autonomy of Europe's printing and publishing industries.**

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- > **in the short term, that both sides involved in ongoing strike in Nordic paper mills find a common path towards a solution to guarantee the availability of necessary paper and board on the European market.**
- > **in the longer term, securing of a European autonomy on wood, pulp and paper supplies for all economic sectors, by ensuring a sufficient supply of raw material and production capacity in Europe.**

- ENDS -

The European printing industry supports all economic activities with their products, be it for information, news, entertainment, education, advertising or packaging. Print plays a huge role in everyday life – so much so that it is frequently overlooked. Our sector supplies the packaging for goods at the supermarket, the books, newspapers and magazines we read as well as the boxes our digitally ordered food, clothing, gadgets and much more are packaged in. These products are produced by 112,000 printing companies all over Europe that employ 640,000 people and generate a turnover of 82 billion EUR (EU27 + UK, Switzerland, and Norway). The industry throughout Europe consists mainly of small enterprises, as 90% of them employ fewer than 20 persons.

Intergraf (www.intergraf.eu) is the European printing industry association, representing employers in this sector. We are a Brussels-based umbrella organisation with 20 members from 19 countries.

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