

## NEWS IN BRIEF

**The Navigator Company** is to apply an energy surcharge of €105/t on uncoated woodfree paper and packaging products in the EMEA region (Europe, the Middle East and Africa). The increase will be effective until further notice from 1 April, according to a statement. The company said that it would monitor the evolution of energy prices closely, adjusting the surcharge if necessary. A similar surcharge of €120/t on the same products is to be applied in the US.

**Burgo** announced that it would invoice an additional price increase of 15 per cent or more for graphic paper from 1 April. The increase reportedly applies on all markets and for all graphic paper grades. Burgo's specialty paper subsidiary Mosaico wants to hike prices by the same amount from 1 April. Containerboard is to become more expensive, too. The company announced a €150/t hike for all recycled corrugated case material grades for deliveries from 1 April. The price increase will be applied in all markets. Burgo cites the strong increase in production costs in the recent months.

**Leipa** is adjusting its previous price increase announcements for all confirmed orders of graphic papers from 1 April from €100/t to €180/t due to the recent cost increases. The company says it will continue to adjust its pricing on a monthly basis if necessary.

**Lecta** is to apply an additional surcharge of €150/t for all confirmed orders of all paper grades for delivery from 1 April. The surcharge is in addition to previously announced increases and is to be confirmed month by month according to the evolution of the market environment, the company says.

**SCA** is to increase its prices for white and brown kraftliner grades in Europe by €100/t from 1 April. There are increased costs that must be managed in order to safeguard supply of kraftliner, the company explains.

Containerboard and packaging producer **DS Smith** says that it will increase its prices for recycled corrugated case material grades by €150/t due to a "significant increase" in its input costs. Increases are to be applied to all orders across Europe confirmed from 11 March.

Cartonboard producer **Iggesund** has announced a price increase of €120/t or €110/t for all paper-board grades. The increase is effective for deliveries from 1 May 2022. The company cites the ongoing increases of costs as reason for the step.

The US **Institute of Scrap Recycling Industries** (ISRI) has added Silicone Release Liner as a new specialty grade to the guidelines for paper stock contained in the ISRI Scrap Specifications Circular.

## France's paper industry under great energy cost pressure

The paper industry in France is relatively little affected by direct sales or import restrictions due to the war in Ukraine, but like all European companies in the sector it is under pressure from skyrocketing energy costs. As the Secretary General of the French paper industry association Copacel, Paul-Antoine Lacour, explained to EUWID, the association's companies in France are relatively little exposed in terms of sales with their relatively small delivery volumes to Russia and Ukraine. Only about 10,000 t went to Russia and about 5,000 t to Ukraine annually. However, pulp, paper and board producers in France are very concerned about the recent drastic increase in energy prices, which are already at a very high level. The Secretary General said that production cuts and closures were imminent if production no longer covered costs.

The supply of hardwood for pulp production, especially birch wood, will become more difficult after the closure of the borders with Russia, the

association said. In addition, the paper industry in France is complaining about a worsening shortage of truck drivers. Many truck transports are carried out by Eastern European drivers, including some from Ukraine. The latter are increasingly missing because they are being called up for national defence.

One of the biggest concerns for French paper manufacturers, however, continues to be the very high energy prices. Although industrial electricity consumers in France benefit from the ARENH system, which gives them some access to cheap electricity from the state-owned utility EDF, which is responsible for nuclear power generation in France, the price of electricity is still very high. EDF is obliged to sell 100 TWh at a fixed price of €42/MWh to the other energy suppliers in the ARENH system. Pressure from energy costs on paper producers is high, because the extraordinary increase in gas prices is also being transferred to many other sectors, explains Copacel. □

## No FSC material from Russia and Belarus until the invasion ends

Because of the association of the forest sector in Russia and Belarus with armed invasion, no FSC-certified material or controlled wood from these countries will be permitted to be traded.

FSC says it remains deeply concerned about Russia's aggressive invasion of Ukraine and stands in solidarity with all victims of this violence. With full commitment to FSC's mission and standards, and after a thorough analysis of the potential impact of withdrawal of FSC certification, the FSC International Board of Directors has agreed to suspend all trading certificates in Russia and Belarus and to block all controlled wood sourcing from the two countries.

This means that all certificates in Russia and Belarus that allow the sale or promotion of FSC pro-

ducts are suspended. In addition, all sourcing of controlled forest products from the two countries is blocked. This means that once this suspension and blockage becomes effective, wood and other forest products can no longer be sourced as FSC-certified or controlled from Russia and Belarus for their inclusion in FSC products anywhere in the world. The decision will become effective on 8 April 2022.

FSC will continue to closely monitor the situation and is ready to take additional measures to protect the integrity of its system.

To continue to protect forests in Russia, FSC will allow forest management certificate holders in Russia the option of maintaining their FSC certification of forest management, but no permission to trade or sell FSC-certified timber. □

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