Fastmarkets

July 10, 2025 | Vol. 40 | No. 27

PPI Europe

PAPER, PACKAGING AND FIBER MARKET NEWS AND PRICES FOR EUROPE, THE MIDDLE EAST AND AFRICA

European BEK, NBSK pulp prices decline due to oversupply

Market pulp prices decreased again in Europe at the turn of the month. Pulp supply continued to outstrip demand, activity was up in the spot market, and lower pulp prices in China remained a factor for European buyers to leverage.

Market participants discussed price drops of $40-80 per tonne for bleached eucalyptus kraft (BEK) pulp. In the end, most contacts reported settling business with a decrease of $60 per tonne, taking the June price down to $1,060 per tonne.

"We knew there would be a pressure coming from China, where prices have been running in the low $500s. Europe's previous [gross] price of $1,120 per tonne was still far from China on a net basis," a seller said.

For northern bleached softwood kraft (NBSK) pulp, a lot of negotiations were still ongoing this week. Buyers were generally targeting $1,500 per tonne, while many sellers were insisting on $1,520 per tonne.

››› *continued on page 3*

European P&P industry grapples with tariff uncertainty

The European pulp and paper market was thrown into further uncertainty this week after US President Donald Trump delayed the deadline for reaching trade deals with international partners until August 1.

At the start of the week, there were hopes of a deal between the EU and the US ahead of the original deadline of July 9, which would have avoided hefty tariffs of up to 50% on imports of EU goods to the US. There were reports that the US had offered a baseline tariff of 10% with some caveats, and that the EU might be willing to accept this.

"Last week in particular Trade Commissioner Maroš Šefčovič was in DC and substantial progress was made towards an agreement in principle," trade spokesman Olof Gill told a press briefing on Monday July 7.

This progress was discussed last Friday with member states. "Since then, we have been continuing political and technical level contact with the US on substance. Our aim remains to find an agreement by July 9," he said.

››› *continued on page 4*

In this issue:

PRICE WATCH: United Kingdom

£ per tonne (unless otherwise noted). Graphic paper and packaging prices are free delivered, buyer's facility. Kraftliner prices are CIF.

	Most recent prices			Year-to-year	
GRAPHIC PAPER	**Jul. 2025**	**Euro**	**Jun. 2025**	**Jul. 2024**	**% chg.**
Newsprint					
45-g	445 - 495	518 - 576	460 - 505	460 - 505	-2.6
42.5-g	455 - 505	530 - 588	470 - 515	470 - 515	-2.5
40-g	465 - 515	541 - 600	485 - 530	485 - 530	-3.4
52-g Improved (68 ISO)	490 - 540	571 - 629	505 - 550	505 - 550	-2.4
Uncoated mechanical					
SC offset reels, 56-g	610 - 710	710 - 827	635 - 735	635 - 735	-3.6
SC offset reels, 52-g	615 - 735	716 - 856	640 - 760	640 - 760	-3.6
Coated mechanical					
LWC offset reels, 60-g	670 - 750	780 - 873	690 - 770	725 - 810	-7.5
Uncoated woodfree					
A4 copy (B grade), 80-g	1,000 - 1,040	1,164 - 1211	1,010 - 1,050	1,030 - 1,080	-3.3
A4 copy (C grade), 80-g	960 - 1,010	1,118 - 1176	970 - 1,020	990 - 1,050	-3.4
Offset reels, 80-g	960 - 1,015	1,118 - 1182	980 - 1,035	1,025 - 1,050	-4.8
Offset sheets, 80-g	985 - 1,065	1,147 - 1240	1,005 - 1,085	1,050 - 1,100	-4.7
Coated woodfree [1]					
Reels, 100-g	875 - 900	1,019 - 1048	890 - 925	900 - 960	-4.6
Sheets, 115-g	1,005 - 1,040	1,170 - 1211	1,020 - 1,050	1,030 - 1,085	-3.3
PACKAGING P&B					
Virgin fiber containerboard [2]					
Unbleached kraftliner, 175-g+	700 - 785	815 - 914	700 - 785	670 - 750	4.6
Unbleached kraftliner, 150-g	720 - 800	838 - 932	720 - 800	690 - 765	4.5
Unbleached kraftliner, 125-g	725 - 815	844 - 949	725 - 815	695 - 780	4.4
White-top kraftliner, 140-g+	855 - 870 *	996 - 1013	855 - 860	825 - 880	1.2
Recycled containerboard					
Testliner 2, 140-g	645 - 670	751 - 780	645 - 670	635 - 660	1.5
Testliner 3, 140-g	625 - 650	728 - 757	625 - 650	615 - 640	1.6
Fluting, 100-g+	625 - 650	728 - 757	625 - 650	615 - 640	1.6
Fluting, 90-g	645 - 665	751 - 774	645 - 665	635 - 655	1.6
White-top testliner, 140-g [3]	770 - 810 *	897 - 943	770 - 790	730 - 790	3.9
Cartonboard					
Coated duplex (GC2), 270-280-g	1,005 - 1,190 **	1,170 - 1,386	1,005 - 1,210	960 - 1,210	1.2
White-lined chipboard (GD2), 300-g	705 - 765 ***	821 - 891	705 - 785	665 - 765	2.8

NOTES 1. Price range reflects standard double-coated grades. 2. Prices are CIF for European and American imports. 3. Prices are for uncoated board with a brightness of ISO≥70. *Increases in the assessments reflect some late-reported changes that took place over Q2. **Some sources reported reductions in pricing for Q3. ***Some sources reported increases implemented in Q2 had been rolled back.

DISCLAIMER While the information contained in this report has been obtained from sources believed to be reliable, Fastmarkets RISI does not warrant or guarantee the accuracy and completeness of the information. All prices are best estimates of prices, and are composite prices as opposed to median or average prices. Actual transaction prices may vary.

Paper for recycling: Europe

€/tonne (unless otherwise noted). Prices for paper for recycling are delivered, buyer's warehouse.

	Weekly Prices			Monthly Average Prices		
WEEKLY	**Jul 8, 2025**	**Jul 1, 2025**	**Jun 24, 2025**	**Jun 2025**	**May 2025**	**% chg.**
Pan European						
PIX OCC 1.04 dd	151.95	158.97	161.08	169.65	172.47	-1.6
PIX ONP/OMG 1.11 dd	196.22	196.16	196.23	195.93	192.76	1.6

	Monthly Prices		
MONTHLY	**Jun 2025**	**May 2025**	**% chg.**
Pan European			
PIX SOP	213.21	213.63	-0.2
PIX Multiprint	231.08	232.31	-0.5
Germany			
PIX RCP Mixed 1.02 GER	160.65	169.82	-5.4
PIX OCC 1.04 GER	168.27	188.99	-11.0
PIX ONP/OMG 1.11 GER	196.03	194.68	0.7

NOTES The monthly prices of the Pan European PIX OCC 1.04 dd and PIX ONP/OMG 1.11 dd are averages of the weekly indices published during the month, released on the last Tuesday of the month. The Pan European PIX SOP and PIX Multiprint and PIX Germany are published on the second Tuesday of the following month. For details, see the PIX methodology and grade specifications.

DISCLAIMER While the information contained in this report has been obtained from sources believed to be reliable, Fastmarkets does not warrant or guarantee the accuracy and completeness of the information. Actual transaction prices may vary.

Softer demand, low China prices lead pulp prices lower; cheap spot deals arising

››› *continued from page 1*

By Wednesday July 9, some contacts reported settling June prices in the range of $1,500-1,520 per tonne. This is down from the May price of $1,550-1,560 per tonne.

"There's not enough demand for pulp, especially softwood pulp, and Chinese softwood pulp prices are very weak," a buyer said. "This pulls prices down. And sellers feel the pressure to sell. I'm sure pulp has gathered in the stocks."

In China, prices for imported NBSK from North America and the Nordic countries declined by $25 per tonne to $690 per tonne net in late June, according to Fastmarkets' assessment. This follows a drop of $82.50 per tonne in May.

Prices for BEK pulp imported into China have remained stable at $500-510 per tonne net throughout June, after falling by $80-90 per tonne in May.

Spot market heated: Contacts reported a good deal of spot market activity in Europe in June, just like in late May. Some of this, sources said, was due to June closing the second quarter.

"In both hardwood and softwood, I see quite a lot of offers and open deals. We have done quite a lot at the end of June to buy some stock," a second buyer said.

"June was a bit special, the end of the second quarter, so some producers who wanted to show nice figures tried to get rid of stocks that they had at the mill. They were giving good prices, and some customers could not resist," a trader said.

Contacts mostly put BEK spot prices in the range of $500-520 per tonne net in June. There were also some reports of deals heard at $480-490 per tonne, although no one confirmed having concluded business at that level.

For NBSK, spot deals were also reported, but usually in quite a wide price range.

"It's very concerning. The lower the spot price, the more uncompetitive our contracted customers become," one BEK seller said. "The difference between contract prices and spot prices can become so big that [buyers] prefer to lose the [performance] rebate, [...] step out of the contract and go net."

Statistical ups and downs: Looking at the data, European pulp port stocks and pulp consumption have been zigzagging in recent months.

Woodpulp inventories at European ports rose by 7.6% month on month in March, then fell by 12.8% in April before increasing again by 13.3% in May, according to Europulp.

European pulp consumption rose by 10.1% month on month in March, dropped by 9.5% in April and rebounded by 7.9% in May, according to Utipulp.

Despite the increase in the May consumption figures, multiple sources reported more moderate demand in the second quarter compared to the first, some attributing this to the overall uncertainty for the economy created by the unclear US tariff situation.

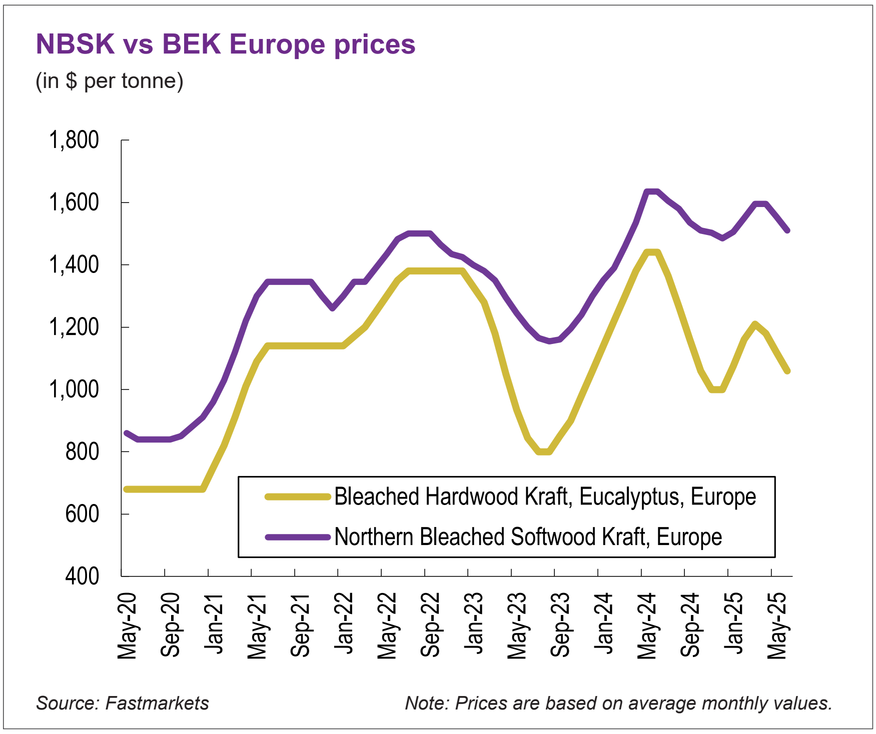
PRICE WATCH: Market Pulp

US$ per tonne (unless otherwise noted). CIF to European ports.

	Most recent prices*			Year-to-year	
	Jun. 2025	May. 2025	Apr. 2025	Jun. 2024	% chg.
Bleached softwood kraft					
NBSK	1,500 - 1,520	1,550 - 1,560	1,590 - 1,600	1,620 - 1,650	-7.6
Southern pine	1,460 - 1,480	1,510 - 1,520	1,550 - 1,560	1,580 - 1,610	-7.8
Bleached hardwood kraft					
Birch	1,060 - 1,060	1,120 - 1,120	1,180 - 1,180	1,440 - 1,440	-26.4
Eucalyptus	1,060 - 1,060	1,120 - 1,120	1,180 - 1,180	1,440 - 1,440	-26.4
Northern mixed	1,020 - 1,020	1,080 - 1,080	1,140 - 1,140	1,400 - 1,400	-27.1
Southern mixed	1,010 - 1,010	1,070 - 1,070	1,130 - 1,130	1,390 - 1,390	-27.3
Other					
Fluff	2,005 - 2,005	2,045 - 2,045	2,050 - 2,050	1,890 - 1,890	6.1

NOTES

Prices before regular volume and customer discounts. Prices do not reflect existing contract discounts off list prices, typically in the range 43-49%. Discounts outside this range may also be in effect.
As of January 2019, price asessments for BCTMP (Aspen) delivered Europe were discontinued and price assessments for fluff pulp were formally tied to the price of US fluff pulp published in PPI Pulp & Paper Week. As of May 2019 spot pulp price assessments were discontinued. *Negotiations are still ongoing for much of June NBSK pricing.



Overall, contacts said the printing and writing paper segment was faring the worst, but they also noted issues in parts of the packaging and specialty paper segments. Tissue was mostly considered stable.

Downtime in the books: In response, several companies in Europe are taking downtime, including Rottneros at its 165,000-tonne-per-year (tpy) chemi-thermomechanical pulp (CTMP) mill in Sweden and Svilosa at its 150,000-tpy bleached hardwood kraft pulp mill in Bulgaria.

But Metsä Fibre is garnering the most attention. The company recently completed five weeks of maintenance downtime at its 1.5 million tpy Kemi mill in Finland, which primarily produces NBSK. The company also started market-related downtime at its 690,000 tpy Joutseno NBSK mill on June 9, saying this would go on "until further notice."

Metsä Fibre has carried out change negotiations at its Joutseno and Rauma pulp mills, both in Finland. As a result, the company may implement temporary layoffs of up to 90 days for staff at the facilities in the second half of this year.

Given these negotiations, some contacts expected Metsä Fibre to curtail its 650,000 tpy Rauma NBSK mill as well, but the company has yet to make any such announcement. It did not respond to a request for comment on the matter either.

Its parent company Metsä Group issued a profit warning on Monday July 7, projecting a €35 million ($41 million) operating loss for the second quarter of 2025. The company said it was facing production cuts due to weak Chinese and European pulp demand, along with uncertainty over trade with the US.

Stability or declines ahead?
Several contacts expected July and August to bring muted pulp demand in Europe. As for pricing, opinions were mixed. Producers generally thought prices would flatten out, while some buyers still saw room for price decreases, at least for BEK pulp.

"The main impact will be the China development. So far, the information is not very positive for producers," one buyer said, adding: "Considering the discounts we achieve in Europe and the net price in China, it's very probable we go down to $1,000 [per tonne for BEK pulp]."

A second BEK seller countered: "We are seeing buyers trying to buy more volume. That means they think we're at the bottom or close to it. [...] Based on today's sentiment, I think it's unlikely we'll discuss another decrease next month."

On the NBSK market, contacts have been pointing to high production costs as a limiting factor for how much prices could go down.

"My reading is if the market would settle around $1,500 [per tonne] in broad terms, we've seen the bottom," an NBSK seller said.

Delay in US trade deal deadline adds to uncertainty in the market

››› *continued from page 1*

While Gill declined to comment in detail on the ongoing talks, he did say the EU remained "fully committed to finding a deal that benefits EU businesses, consumers and the overall global economy."

"From the get-go the EU has been completely unflinching and unchanging in its position. We want to reach a deal with the US. We want to avoid tariffs. We believe they cause pain. We want to achieve win-win outcomes, not lose-lose outcomes," he said.

But later the same day, President Trump said the deadline had been pushed to August 1 to allow more time for talks.

The extension should perhaps be a relief, but pulp and paper industry sources said it could just mean more uncertainty in the short term. External market reaction also suggested people were losing patience with Trump and the constant changes in trade policy, which have earned him the nickname TACO – Trump Always Chickens Out.

Nancy Qian, professor at Northwestern University's Kellogg School of Management, recently highlighted the core challenge facing businesses.

"Uncertainty is the biggest problem of Trump tariffs in more ways than one. It is possible for America to win a trade war because being the world's largest economy gives it a lot of leverage," she said. "But uncertainty about what the US wants and how long before US policy changes again is getting in the way."

The US and the EU are major partners in the pulp and paper trade. The EU exports a lot of paper and board to the US, about 1,600,000 tonnes per year, and a lesser amount of pulp, around 350,000 tpy.

On the flipside, the EU imports around 900,000 tpy of pulp from the US, mostly fluff pulp, and approximately 600,000 tpy of paper and board.

Sources in the European cartonboard market told Fastmarkets that the tariff uncertainty was starting to have an impact on trade flows, with more material meant for the US remaining in Europe, and an increase in cheap Asian virgin cartonboard imports competing with locally produced virgin and recycled board.

On July 7, Finnish major Metsä Group issued a profit warning for the second quarter, blaming poor pulp demand in Europe and China and the tariff threat. It also said it would be cutting production at its paperboard mills by more than the planned amounts because of the impact of tariffs.

"Uncertainty caused by US import duties has had a negative impact on the purchasing behaviour of paperboard customers in particular," Metsä Group said.

"Therefore, the Group company Metsä Board had to adjust its paperboard production more strongly than previously planned."

The pulp market meanwhile appeared ready to accept the 10% tariff as long as they had some certainty that whatever agreement was made would remain in place for some time.

"Everybody seems to be able to live with the 10% in place right now. I take that as a minimum compromise, but it would be good for momentum and predictability if there would be a firm number carved in stone – if one can carve anything in stone with Trump – for the next 24 months, so people can make their plans around it," a seller said.

"A lot of business is not conducted as people don't know if it will remain at 10% or move elsewhere," the seller added.

"It's unfortunate that you cannot plan and that creates problems for everybody. Potentially, we'll see more than 10% and that can create a lot of trouble. I don't think anyone believes it could go above 10% for pulp, but the problem is that you cannot plan," a second pulp seller said.

Meanwhile, some Canadian competitors are making the most of the higher tariff on European pulp imports to the US to gain market share. On a recent earnings call for the first quarter, Mercer International Chief Executive Officer Juan Carlos Bueno said: "When you look at the European pulp that flows into the US, well, that is now taxed or tariffed, excuse me. So that opens an opportunity for us from Canada to become more competitive than the Europeans, which is something that obviously we are going to take advantage of because that allows us to ship products down south rather than across the ocean into China."

As a result, Mercer was already "moving our pieces" to ensure a bigger flow of pulp into the US than they normally have, he continued.

Containerboard market sources seemed the most relaxed in the current situation. "No one knows what's going to happen, but suppliers and buyers have more or less agreed on splitting whatever the cost is going to be," one source told Fastmarkets.

In the graphic paper market, sources presented a similar picture: "We've always had a big position in the US. The situation is stable, because at the moment tariffs are at 10% only. We take part of it, the customer takes part of it, the agent takes part of it," one producer said. "But if they jumped to 20%, or even more, we'd have to stop supply and you would see a shift," they added.

Aside from the possible impact on tariffs on pulp and paper trade flows, the EU economy is already feeling the effects of the trade war, which is also having an impact on demand for pulp and paper, market sources have told Fastmarkets.

This has led to a rather more disappointing second quarter in most sectors than had been anticipated going into the year.

General News

Metsä Group issues profit warning for Q2 amid slowdown in global pulp markets

The Metsä Group, Finland's major forest industry cooperative, issued a profit warning on Monday July 7 and is projecting a €35 million ($41 million) operating loss for the second quarter of 2025.

Metsä Group said it was facing production cuts due to weak Chinese and European demand for pulp, along with uncertainty over trade with the US.

Metsä Group reported operating profits of €81 million for the first quarter of 2025.

The revised forecast for the second quarter represents a swing of €116 million compared to the first quarter and is significantly below the company's previous guidance of a modest quarter-on-quarter decline.

Weak demand across key markets drives decline: The profit warning highlights the broader challenges facing the global pulp industry in 2025.

China is the largest consumer of market pulp, accounting for more of the global market pulp demand than Europe, North America and Latin America combined, making conditions in the Chinese market critical for Finnish producers.

The company specifically blamed "weak demand for market pulp in Europe and China" as the primary drivers of its negative outlook for the quarter, mirroring the broader industry trend - with the cost to produce hardwood pulp in China now above imported bleached hardwood kraft (BHK) pulp prices and reducing demand for market pulp to the benefit of Chinese integrated producers.

Production cuts hit operations: The demand weakness has forced Metsä Group's paperboard subsidiary, Metsä Board, to implement more aggressive production adjustments than originally planned.

"Uncertainty caused by US import duties has had a negative impact on the purchasing behaviour of paperboard customers in particular," the company reported. However, when contacted by Fastmarkets, a company spokesperson declined to disclose details of the production cutbacks.

The scaling back of production reflects the more-challenging global trade environment since Donald Trump's re-election as US president and his implementation of a baseline 10% tariff on goods from all countries, with even higher rates for specific nations, which has created widespread uncertainty among international buyers of forest products.

Metsä Group's parent company Metsäliitto is unique in the forest products sector and is a co-operative owned by more than 90,000 Finnish forest owners - about one in three Finnish forest owners is a member and, combined, they own about half of all private Finnish forests.

Metsäliitto's complete half-year financial report is due to be publshed at midday on July 31 and will provide more details about the factors driving the second-quarter losses and the cooperative's management outlook for the remainder of the year.

UK P&B production falls 2.2% in Jan-Apr; consumption down 3.3%

UK paper and board (P&B) production between January and April fell by 2.2% year on year to 1,084,004 tonnes, according to the latest figures from the Confederation of Paper Industries (CPI).

Corrugated case materials production increased by 0.2% to 470,694 tonnes and

UK P&B production, imports, exports Jan-Apr 2025
(1,000 tonnes)

	Production		Imports		Exports	
	Jan-Apr 2025	% change	Jan-Apr 2025	% change	Jan-Apr 2025	% change
Corrugated case material	470,694.0	0.2	352,081.0	-2.8	41,399.0	-27.1
Parent reels of tissue	234,773.0	-5.6	130,932.0	-4.6	n/a	n/a
Other papers and boards	378,537.0	-2.9	775,063.0	-7.0	203,888.0	-5.6
Total P&B	**1,084,004.0**	**-2.2**	**1,258,076.0**	**-5.6**	**245,287.0**	**-10.1**

UK P&B apparent consumption Jan-Apr 2025 (1,000 tonnes)		
	Apparent consumption	
	Jan-Apr 2025	% change
Corrugated case materials	781,376.0	0.8
Kraftliner and semi-chemical fluting	114,683.0	-8.8
Recycled fluting	275,913.0	0.2
Testliners	390,780.0	4.5
Cartonboard and other board for packaging	313,329.0	2.0
Packaging papers	65,812.0	1.0
Tissue	364,213.0	-5.6
Printing & Writing	385,907.0	-12.2
Uncoated mechanical	56,698.0	-15.6
Uncoated woodfree	160,792.0	-16.7
Coated mechanical	81,692	-4
Coated woodfree	86,726	-7.8
Other P&B	186,156	-4.7
Total P&B	**2,096,793**	**-3.3**

Source: CPI

apparent consumption rose by 0.8% to 781,376 tonnes.

Packaging materials consumption increased by 1.1% year on year to 1,160,517 tonnes while that for graphic papers plummeted by 12.2% to 385,907 tonnes.

Tissue consumption also decreased, falling by 5.6% to 364,213 tonnes.

Total P&B exports dropped by 10.1% year on year while total P&B apparent consumption decreased by 3.3% to 2,096,793 tonnes.

Shipments to the UK dropped by 5.6% to 1,258,076 tonnes.

Sappi Europe considers partial restructure at Alfeld mill in Germany due to weak demand across Europe

Paper and packaging producer Sappi Europe has initiated a consultation process at its Alfeld mill in Germany as part of a proposed partial asset restructure, which includes the closure of two paper machines, an offline coater, as well as sheet finishing equipment, the company said on Tuesday July 8.

The company said that this step is being taken in response to sustained financial challenges and a structural decline in demand across Europe, adding that Sappi Europe is focusing on adapting its business to meet market requirements, ensuring a competitive and resilient future for its operations.

"As we respond to evolving market expectations for lower-carbon, resource-efficient materials and work to ensure a competitive and resilient future for our European operations, these difficult decisions are necessary," Marco Eikelenboom, Sappi Europe's chief executive officer, said.

"By focusing on our most efficient assets, we can strengthen our service offering, enhance sustainability and secure long-term regional viability," Eikelenboom said.

The announced measures may affect up to 200 jobs. Some 750 people work at the mill, which is situated on the river Leine in the heart of the Leinebergland region near Hanover.

"Sappi remains committed to supporting employees throughout this process and will work closely with employee representatives to find appropriate solutions," the company said.

Founded in 1706, the Alfeld mill became part of Sappi in 1992. According to Fastmarkets' Asset Database, the mill has a capacity of 275,000 tonnes per year of packaging and speciality papers.

With an integrated pulp plant, using locally harvested wood, it produces 120,000 tpy of bleached chemical pulp, which it uses internally for paper production.

Packaging

Germany's Nordpack takes over Coburger Kartonagen

The Nordpack Group has taken over the insolvent German packaging company Coburger Kartonagenfabrik with effect from July 1, 2025 and has renamed it Coburger Kartonagen, the company said.

Founded in 1922, Coburger Kartonagen produces packaging made from solid and corrugated board for the food industry, hygiene and cosmetics, pet food and the automotive industry. The Dörfles-Esbach-based company will now operate under new management and will extend its product portfolio to include food-certified greyboard and white flute.

The price of the deal was not disclosed.

Coburger Kartonagenfabrik filed for provisional insolvency in January this year, citing "cut-throat competition" as well as increases in production costs, energy and raw materials in particular.

Headquartered in Isernhagen near Hanover, Nordpack is a family run packaging business specializing in paper, cartons and corrugated board. It has a turnover of around €40 million ($47 million).

Progroup Ellesmere Port packaging plant 'operating normally' despite insolvency of partner company Krystals

Germany-based containerboard and corrugated board producer Progroup has confirmed that its operations are continuing as normal at its packaging park in Ellesmere Port in the UK, despite the insolvency and cessation of operations of its partner there, pharmaceutical packaging company Krystals.

Progroup commissioned a 200,000 tonne per year corrugating machine on the site in 2019, whose output could be transported directly to Krystals' packaging production site via a transport bridge. The park project was expected to save 1,800 truck shipments per year.

In late May, however, Krystals went into administration and sources told Fastmarkets that it ceased operations at that point, with competitors picking up some of the company's business through June.

The future of the Krystals paper packaging site at Ellesmere Port is uncertain, but Progroup confirmed to Fastmarkets that its plant there continues to operate normally.

"One fundamental criterion in the selection of [each of our] sites is the existence of a broad and stable customer base in the respective country or region," a Progroup spokesperson said.

"This principle also applies to our packaging park sites: while our partners benefit from just-in-time, cost-efficient deliveries, at the same time we consistently serve a broader customer portfolio from each location."

Russia's Ilim Gofra starts testing new die-cutting line at Dmitrov corrugated sheet facility

Russian corrugated packaging producer Ilim Gofra, part of the Ilim Group, has started testing a new die-cutting line that will increase production volumes and improve efficiency at its Dmitrov facility in the Moscow region, the company said on Tuesday July 8.

The new equipment is designed for a monthly production of about 800,000 square meters of corrugated sheets, but the company said it plans to upgrade the line to increase monthly output to 1,600,000 square meters next year.

"We bought a good, licensed Japanese machine, which was assembled in China," Dmitrov facility director Andrey Kotelnikov said, adding that the company's engineers continue to study the line, which is still only working in day shifts.

"It is still in test mode," he said. "Full commissioning will be the second stage – when the peripheral equipment arrives."

The facility in Dmitrov, which employs more than 200 people, produces the full cycle of corrugated packaging and has a design capacity of 150 million square metres of product per year.

Ilim Gofra employs more than 260 people at its Kommunar corrugated packaging plant in the Leningrad region, which has a production capacity of 140 million square metres per year.

Tissue

Operations unaffected after boiler house area incident at Metsä Group's tissue mill in Kreuzau

Steam was released in the boiler house area at Metsä Group's tissue mill in the German town of Kreuzau early on Saturday July 5, but the incident did not affect operations, according to a company statement.

"Thanks to the swift intervention of the Kreuzau fire department, it was ensured that no fire broke out in the boiler house," Metsä Group said. "No individuals were harmed. The situation on site is fully under control. Production operations at the Kreuzau plant remain unaffected by the incident and continue without interruption."

Kreuzau, which supplies customers in Central Europe with fresh fiber tissue paper products, is one of the largest tissue paper mills in Europe and plays a central role within Metsä Group.

According to Fastmarkets' Asset Database, it houses four paper machines with a combined production capacity of 150,000 tonnes per year of tissue paper.

The incident took place a few days after Metsä Group announced it would cut 93 jobs in line with the investment and capacity adjustment plan for the Kreuzau mill, which includes the permanent closure of one paper machine.

Fiber

PIX recovered paper Germany price indices drop in June in declining market

Following a decline in purchase volumes for packaging grades (1.02 and 1.04) in May, the market continued to quieten down in Germany in June.

Fastmarkets' sources reported mostly price declines in a range of €10-20 per tonne for mixed paper and board (1.02) and declines in a wide range of €20-40 per tonne for corrugated paper & board packaging (1.04), but also some higher prices for the June contract business for both grades.

Price data for deinking materials showed a mix of small increases and decreases among largely stable prices.

In the PIX German price averages for June, which were published on Tuesday July 8, PIX RCP Mixed 1.02 GER declined by €9.17, or 5.40%, from May to €160.65 per tonne ($185). PIX OCC 1.04 GER plummeted by €20.72, or 10.96%, to land at €168.27 per tonne. PIX ONP/OMG 1.11 GER moved in opposite direction and edged moderately higher by €1.35, or 0.69%, to €196.03 per tonne.

The OCC market started to calm down in May and purchase volumes fell drastically ahead of planned downtime at some mills. The market remained quiet in June, and prices were under pressure. Later in the month, the weak order situation in recycled fiber-based containerboard (RCCM) added to the decline in OCC purchase volumes.

Material availability was described as good. Inventories were reportedly at high levels while demand was weak and low-priced imported volumes were offered from the neighbouring Benelux and the UK due to continued weak overseas export volumes to the Far East and Turkey.

At the end of June, the OCC and mixed grade order inflow was described as normal. Some downtime was being planned for July and August in RCCM, but there were mills that planned to operate normally through the summer, perhaps closing for just one week in August.

In early July, some market participants were expecting mixed grade and OCC prices to drop further over the month but not below the export prices, especially in the coastal and northwestern regions in the vicinity of the ports.

OCC and mixed grade collection volumes are typically low in summer.

RCCM prices were under pressure in Germany in June due to declining fiber (OCC) and energy prices, but producers were mainly able to resist declines and maintain the sales prices at May's levels.

The market for sorted graphic paper for deinking was stable in June and generation remained low.

German paper for recycling (PfR) consumption totaled 6.747 million tonnes in the first five months of 2025, down by 1.9% compared to a year earlier, according to industry association Die Papierindustrie.

Total paper production in the first five months fell similarly by 1.9% year on year, while that of packaging paper and board rose by 2.5% in the same period.

Norwegian Environment Agency upholds its rejection of Billerud Viken's BCTMP project

The Norwegian Environment Agency has again rejected Billerud Viken's plans for a 300,000 tonne per year bleached chemi-thermomechanical pulp (BCTMP) facility in Hønefoss in Norway.

The agency already rebuffed the company's project in September last year, citing concerns about water pollution. Billerud Viken appealed that decision in October. In June this year, the agency turned the company down again.

"The Norwegian Environment Agency does not find that the complainant has made any environmental or legal arguments that provide grounds for changing our decision," the agency said in a statement.

The agency believes that the effluents the mill would discharge into the nearby river compromise environmental targets. This would conflict with the EU's Water Framework Directive and Norway's legal obligations as a member of the European Economic Area (EEA) to comply with it.

"Billerud Viken registers the Norwegian Environment Agency's decision, and the appeal will now be finally decided by the Ministry of Climate and Environment," Billerud Viken managing director Kjell-Arve Kure told Fastmarkets.

Billerud Viken is a 50-50 joint venture (JV) between the Swedish packaging company Billerud and the Norwegian forest owner cooperative Viken Skog.

The JV was initially announced in early 2022, when the aim was to invest 600-800 million Norwegian krone ($60-79 million) in a 200,000-tonne-per-year BCTMP line at Viken Skog's Follum mill in Hønefoss.

However, the application under the Pollution Control Act mentions an annual production capacity of 300,000 tonnes of BCTMP and an annual consumption of some 750,000 cubic meters of timber.

Metsä Group to restart Kemi mills in Finland following five-week maintenance downtime

Metsä Group is preparing to restart its Kemi bioproduct and board mills in northern Finland following the completion of annual maintenance, which began on May 28.

Production was set to begin in each department on Friday July 4. The company estimated that the ramp-up would take approximately two days. At the time of publication, no update on the restart was available.

In Kemi, Metsä Fibre operates a mill with a capacity of 1.5 million tonnes per year (tpy) of bleached and unbleached softwood and hardwood kraft pulp. Metsä Board operates a plant at the same site capable of making 465,000 tpy of white-top kraftliner.

Metsä Group has carried out maintenance work at both facilities. The biggest task was to replace some evaporator units that were damaged in a gas explosion at the bioproduct mill last year.

Since the downtime was planned, it should not impact deliveries of pulp or white-top kraftliner to customers, company spokespeople confirmed earlier.

"The annual maintenance shutdown has gone well according to the planned schedule. During it, damaged evaporator units were replaced, and a significant amount of maintenance work was carried out," bioproduct mill manager Pekka Kittilä said in a statement.

He added: "This work creates good conditions for a successful ramp-up and enables stable, even production at the planned capacity."

Tomi Seppä, manager at the board mill, also said that "a large amount of maintenance and upkeep work" had been carried out at that mill and that it too had gone according to plan.

Low water levels in rivers create some challenges for pulp shipments across Europe

Hot and dry weather in Central Europe has led to lower water levels in the region's rivers - including the Rhine and the Danube - posing some challenges for companies using barges to deliver pulp in Europe.

In Germany, water levels continued to fall last week despite some rainfall, according to the German Federal Institute of Hydrology (BfG). This particularly affected the Oder and the Elbe rivers.

On the Rhine in Germany, the shallower section at Kaub is often monitored because a depth of 1.90 meters is required for shipping and water levels were hovering slightly above this in early July, according to data from BfG and the Federal Waterways & Shipping Administration (WSV).

And on the river Mosel in Germany, freight shipping was halted on July 2 after a passenger ship damaged a lock at Sankt Aldegund between Koblenz and Trier.

The WSV said that downstream navigation from Sankt Aldegund was restored on July 5, while upstream navigation resumed on July 8.

Partial impact on pulp deliveries:
European pulp market sources had mixed thoughts on the potential impact of lower water levels on Europe's rivers.

Some said they had completely moved away from transporting pulp on rivers due to earlier issues with low water levels. Others said they still considered barges very useful.

None of the pulp buyers contacted by Fastmarkets reported any direct impact on deliveries so far.

But a couple of them suggested that lower activity at some paper mills in summer, combined with good pulp stocks, might mean the overall impact will be limited.

"I feel safe on availability," one buyer said. "Let's see how it will work in the summertime but having quite a lot of shutdowns and stocks at mills, it might not [have that much of an] impact."

Among the pulp sellers, one source told Fastmarkets the current river levels were "challenging," adding that "over the years, this is becoming more and more critical."

Another seller said their company had experienced "some problems" with the Mosel River - referring both to water levels and the lock accident.

Train, truck alternatives:
The benefits of using barges include a low carbon footprint, the ability to ship a lot of pulp at once – because one barge can take 1,000-3,000 tonnes of pulp – and paper mills located at rivers may be well equipped to handle deliveries by water at their own ports.

When river water levels decline, barges need to be loaded with reduced tonnages to continue working and sometimes navigation might not be possible at all, sources said.

If barges take less, that may mean that more barges are needed, thereby increasing competition for the boats, a source said. But several other sources said the other option was to switch to rail or truck delivery - although these methods also come with challenges.

"If you want to shift 2,000 tonnes to trucks, you will need almost 80 trucks, and you might not find those as easy as that," one trader said.

"The train rates have been escalating. Especially Deutsche Bahn is getting more costly," a BEK seller said.

The seller said that river levels in May had already caused them some headaches.

"It was a challenge to find truck drivers in May, which had many holidays, to work on a spot basis. We are seeing the logistic scenario getting more complex in Europe."

Issues are also possible for the mills receiving the pulp.

"A lot of mills have a good capacity to accept barges, but less capacity to accept trucks, [which] can be problematic for certain destinations," an NBSK seller told Fastmarkets.

Printers & Printing

Belgian media houses Rossel, IPM to merge activities

Belgian newspaper publishers Rossel and IPM have announced their intention to merge their activities to ensure the sustainability of independent professional journalism in French-speaking Belgium.

The two companies are market leaders in the Belgian French-speaking media landscape.

In a joint statement issued on June 23, the two companies said their aim is to adapt to "the major challenges of the digital revolution while remaining profitable and therefore independent companies in order to sustainably ensure a key pillar of professional information and democratic citizen debate in Belgium."

Rossel publishes daily newspaper *Le Soir* and *Le Soir Magazine* among other newspapers and magazines, while IPM Presse publishes *La Libre Belgique* and *Paris Match Belgique* among others.

The deal is subject to the approval by Belgium's antitrust authorities.

Consolidation in the European publishing market has been going on for quite some time as a response to increased digitalization, the decline of print and advertising revenues and the need for publishers to reduce production costs as well as to improve their ability to invest in more profitable segments.

CPI Ebner & Spiegel, CPI Ulmer Buch-Service declared insolvent, stop operating

German printers CPI Ebner & Spiegel and CPI Ulmer Buch-Service, part of the CPI Group, were declared insolvent and stopped operating on June 27 and July 1 respectively.

The two companies had entered preliminary insolvency in self-administration proceedings earlier this year.

Despite extensive discussions with potential investors and consultations with shareholder CPI Books, no viable solution for the continuation of the two businesses was found, according to a press release from law firm Anchor Rechtsanwälte.

Insolvency courts appointed Martin Hörmann of Anchor Rechtsanwälte insolvency administrator.

CPI Ebner & Spiegel and CPI Ulmer Buch-Service used to produce books, journals and catalogs, among other products.

The CPI Group is one of Europe's main book printing companies, with facilities in the UK, Germany, France, Spain, Denmark and the Czech Republic. It produces some 450 million books per year.

In recent years, many printers in Germany – and Europe – have gone bankrupt and ended production due to overcapacity in the printing market, high input costs and plummeting demand for magazines and catalogs.

PPI Europe

Editorial Staff
Sharon Levrez, Regional Managing Editor (cartonboard, sack kraft) ....slevrez@fastmarkets.com; +32 2 887 27 26
Jessica Zimbalatti, Senior News Editor (containerboard).............. jessica.zimbalatti@fastmarkets.com; +32 2 536 07 56
Eva Nyman, Senior News Editor (pulp)..eva.nyman@fastmarkets.com; +358 40 828 27 23
Andrea Venturini, News Editor (mechanical and woodfree papers) . andrea.venturini@fastmarkets.com; +39 339 781 1271
Angel Krasimirov, Associate News Editor (central/eastern Europe) ..angel.krasimirov@fastmarkets.com; +359 888 695 510
Tytti Inkinen, Team Leader and Director, PIX Indices.................... tytti.inkinen@fastmarkets.com, +358 40 557 1618
Mariam Icar, Price Reporter (GCC containerboard) ....mariam.icar@fastmarkets.com, +358 40 084 8182
Cat Vitale, Price Reporter (graphic paper) ....cat.vitale@fastmarkets.com; +44 20 8135 5364
Sanjoy Narayan, News and Price Reporter.............................. sanjoy.narayan@fastmarkets.com; +358 41 7006473

Editorial office
Fastmarkets RISI, 231 Avenue Louise, B-1050 Brussels, Belgium.

Subscriptions and customer service
Call +44 (0) 203 855 5581 (EMEA), +1 (708) 329-2641 (Americas) or +65 3163 3458 (Asia);
visit risi.com/catalog (new subscriptions) or risi.com/contact (online customer service);
email client.services@fastmarkets.com; or mail to Fastmarkets RISI, 231 Avenue Louise, B-1050 Brussels, Belgium.
Published 48 times per year on a weekly basis.

Advertising
PPI Europe accepts advertising. For information on pricing and availability, please consult
https://www.risiinfo.com/product/advertising-and-sponsorship/

Executives
Raju Daswani .... Chief Executive Officer
Matt Graves.. Senior Vice President