

UTIPULP

Group of European Market Wood Pulp users

General Assembly meeting

July 16th, 2020

9h00 – 11H00

By GoToMeeting

Minutes

Attendees:

Mr	Andrea	PIAZZOLLA (Chairman)	SOFIDEL
Mr	Romain	BALDI	AHLSTROM MUNKSJÖ
Mr	Paul	BARTMANN	MONDI
Mrs	Cinzia	CARADINI	ASSOCARTA
Mr	Peter	DONNABAUER	DELFORT Group
Mrs	Ana	FERNANDES	CELPA
Mr	Steve	FREEMAN	CONFEDERATION OF PAPER INDUSTRIES
Mr	Alessandro	GAIATI	FEDRIGONI Group
Mrs	Ute	GIERDEN	KANZAN SPEZIALPAPIERE GmbH
Mr	Klaus	KRIEG	Papierfabrik August KOEHLER SE
Mr	Peter E.	OFFNER	BRIGL & BERGMEISTER GmbH
Mr	Lorenzo	PASQUINI	LUCART SpA
Mr	Luis Fernando	RUIZ ARRUE	PAPELERA DEL ORIA S A
Mr	Norman	SNEL	SAPPI
Mr	Joep	STEVENS	Inkoop-combinatie “De EENDRAGT” BV
Mr	Mustapha	ZAUG	PPG
Mr	Paul-Antoine	LACOUR	UTIPULP

2. Welcome and apologies

The Chairman welcomes all the participants and in particular Mr Alessandro GAIATI from Fedrigoni Group, who attends for the first time as representative of the Italian delegation.

He reminds the Guidelines pertaining to the competition laws that participants have strictly to comply with.

3. Tour de table / update of the impact of the covid crisis on pulp procurement

The Secretary present the synthesis of the questionnaire that has been sent prior to the meeting, and adds that two additional answers have been received.

The chairman then gives the floor to the delegates, who make a brief on the situation regarding their respective countries (pandemic, measures adopted by the governments to sustain the economy, evolution of the demand for the different paper grades).

In summary, it appears that:

- The covid-19 virus will continue to circulate in Europe and affect consumption. Some delegates are more afraid than others on the likelihood and the magnitude of a second wave. Anyhow, there is general feeling that, in the future, any confinement will be more “selective” than what has been seen in the past.
- As a consequence of this situation, several paper companies maintain restrictions of movements for their employees.
- For some grades (eg: specialty paper) the consumption has been pretty good during the spring, but is now substantially lower, because the inventories are quite high along their respective value chains.
- Consumption has normalized for consumer tissue products, but remains low for AFH (which means that some converters will shift their production).
- Consumption of graphic paper is depressed (particularly fine papers), and some companies put in place time restrictions for workers.
- For packaging grades, the consumption is all in all satisfactory.
- For countries dependent on Paper for Recycling, the availability of the resource has improved, but is not yet “back to normal”.
- The PIX index and the list prices are diverging to a large extent.

In addition to these remarks linked to the market situation, one member draws the attention of the delegates on recent developments of FSC. FSC has indeed released a new Trade Mark Licence Agreement (TLA) without being able to provide the wording of this contract. Delegates were not aware of this new TLA, even if one attendee mentions that CEPI has written to FSC on this topic.

Agreed:

- ***The calculation/relevance of PIX index will be on the agenda of the next meeting. The Chairman will investigate on the opportunity to ask someone from PIX to present the calculation methodology.***
- ***The Secretary will contact CEPI and report on the status of the discussions regarding the new FSC TLA.***

4. Next meeting

The Chairman reminds the participants that EUROPULP:

- decided to cancel the Europul/Utulp seminar in Barcelona at the agreed date (10 September) and organize instead an on-line Seminar on 8 October,
- to maintain the principle of a business week, at a place and a date that will be decided by UTIPULP.

After this introduction, the delegates give their point of view on the options they consider:

- Without making a formal vote, it seems that few delegates plan to attend the London Pulp week.
- The participation in the long-term to this event is questioned by some delegates, even if two business weeks (one to launch the negotiations, and a second to more or less conclude them) seem a good option.

After this exchange of viewpoints, the delegates agree on the following conclusions:

Agreed:

- *pulp buyers who wish so will have the opportunity to meet their suppliers during a business week (5 to 9 October).*
- *UTIPULP will organize its General Assembly “in-person” on 8 October morning (with an Excom on 7 October late afternoon). This General Assembly will be organized in such a way that on-line attendance will be possible.*
- *UTIPULP Secretariat will ask the members to give their preference on the venue, among the four following cities: Geneva, Lyon, Munich, Zurich.*
- *UTIPULP Chairman will contact the EUROPULP Chairman to secure that the place and date enable as many suppliers as possible to come.*
- *The opportunity to maintain an on-line Seminar on 8 October will also be discussed with the EUROPULP Chairman (as this event is “on-line”, its pointless to link it to in-person gatherings).*

5. Any Other Business

The Secretary mentions that one delegate has proposed to modify the monthly statistics report by adding a curve and a bar chart for year n-2 (page 11).

Agreed: this proposal is approved and the next statistics report will be modified accordingly.
