

# MPs Briefing

CPI Briefing to MPs on the UK's Paper-based Industries

**cpi** confederation of  
paper industries

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This Briefing informs MPs about the range of issues currently affecting the competitiveness of CPI Members. For further details about CPI or its activities, please visit [www.paper.org.uk](http://www.paper.org.uk).

**As the voice and face of the UK's Paper-based industries, CPI represents the supply chain for paper comprising paper and board manufacturers and converters, corrugated packaging producers, makers of soft tissue papers and collectors of paper for recycling.**

## Brexit

In our last MPs Briefing, CPI gave the strong message that the UK Paper-based Industry supported remaining in the EU. The Referendum result was not one that we sought, but the political landscape has changed and we must now work to ensure that the interests of the UK industry are fully represented in the Brexit negotiations.

This is a most complex situation, and our views will change over time as we know the scope of the discussions and credible options come to the fore. However, two issues are paramount:

The first aspect concerns European supply chains, and European wide sourcing, both of products and the people to produce them. The UK Paper Industry is extensively entwined with the EU and the Customs Union and cannot easily be separated without risking damage to competitiveness on both sides. Pulp and paper are shipped across Europe for further processing and conversion into products close to the marketplace. Moreover, many businesses now operate European wide technical and innovation teams, and need to be able to move skilled employees from one European country to another within hours to manage the complex equipment used to produce today's high quality paper-based products. Any loss of the ability to move people and products in and out of the UK will quickly chill the investment climate.

The second aspect is the short term price of energy. The UK Paper Industry is working closely with BEIS officials on its 2050 Roadmap for long term decarbonisation of the production process. However, this work will not have the chance to come to fruition if the short term effects of energy prices dissuade investments in Energy Intensive Industries in the UK. In the context of Brexit, the UK must continue to pursue affordable and sustainable energy supplies and must ensure that there is no short term disruption to supplies of gas and electricity from EU or EEA countries as a result of tariff and non-tariff barriers emerging in the context of the Brexit negotiations.

## Industrial Strategy

Closely linked to Brexit is the development of an Industrial Strategy for the UK. Again, this is a complex area and CPI is working closely with BEIS Officials and will be developing our policy over the coming weeks.



## New CPI Director General

I am delighted to have joined CPI as its Director General at this crucial time for the UK and its businesses. Throughout my career I have worked in associations supporting UK industries, including steel, construction, industrial cleaning and food manufacturing. I have a passionate commitment to the UK's industrial base.

The Brexit negotiations and the development of a new industrial strategy will have far reaching implications and I am looking forward to working with you to promote the UK Paper-based Industries.

CPI benefits hugely from the impressive team of technical and sector experts who bring many years of experience in their relations with the industry, government, the media and wider stakeholders. I want to continue to grow that expertise and to harness technical and communications work together to provide the best evidence possible to MPs in their future work.

**Andrew Large**



*Paper - the sustainable, renewable choice*

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However, at this first stage it is clear that an industrial strategy must have at its heart clear targets for the growth of manufacturing production and employment in the UK, backed by policies to enable that – especially around energy. The economy will only work for all if there is an increase in manufacturing employment to assist in rebalancing the economy and growing job opportunities outside London and outside the service sector.

### **Join the All Party Parliamentary Group for the Packaging Manufacturing Industry**

The Confederation of Paper Industries is an active supporter of this APPG. It was formed 12 years ago “To create a better understanding of the UK Packaging Manufacturing Industry and its products; to address issues facing the industry from regulation; and to promote the UK as a centre of excellence for packaging manufacture”.

CPI has written to all MPs who have packaging plants in their constituencies with an invitation to become an “Active Member” of this Group (an Active Member is defined as one who has asked to be on the Group’s mailing list).

In addition, we may be able to arrange visits to our Members’ operations so that you can meet your constituents in their workplace and we can brief you on issues affecting our industry as well as informing you of the continued contribution it is making to the UK economy and its positive reaction to the challenges of reducing food waste,

enhancing food security, enabling consumer choice whilst reducing impacts on the environment. As packaging is an important contributor across the UK economy, if you do not have a packaging plant within your constituency but have an interest in the UK’s Paper-based Industries I should also like to invite you to join.

We do hope that you will agree to join the Group and visit us and we look forward to hearing from you in the near future.

### **CPI Presses Chancellor for Energy Efficiency Fund**

The UK Paper-based Industries have been working closely with the Department for Business, Energy and Industrial Strategy (BEIS) to develop a 2050 Roadmap for the decarbonisation of the paper sector. The Roadmap is currently in final draft form and will be agreed in the coming weeks. During the development of the Roadmap, it has become very apparent that there are a number of innovative projects that would improve the energy efficiency of the UK paper sector, but which are not being approved because their returns do not quite meet the required hurdle rate for the investment to be green lit. In the context of European and Global level decision making, it is vital that UK investment decisions can be supported to ensure that they are taking place on a level playing field.

In the run-up to the Autumn Statement, BEIS has made a

submission for the establishment of a £100 million Energy Efficiency Fund linked to those sectors that are participating in the 2050 Roadmap process. That fund would play a key role in supporting the decarbonisation agenda of the UK Paper-based Industries and would unlock significant investment in energy efficient technologies.

We wholeheartedly support the establishment of this Energy Efficiency Fund and believe that it would be a key plank of a new industrial strategy that supports both the growth of UK manufacturing and its decarbonisation at the same time. We urge you to encourage the Chancellor to establish this fund in his Autumn Statement.



**Andrew Large**  
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