

GROWTH POTENTIAL: PAPER, PULP, AND FORESTRY PRODUCTS



Key circular economy strategies

- Source renewable materials from regenerative sources
- Keep materials in use by reusing and recycling paper, pulp, and wood through cascades of use, before safely returning them to the biosphere

Drivers of circular economy growth potential

- **High** potential for growth in the short-medium term
- **Increasing** potential for growth in the short-medium term
- **Emerging or limited** potential for growth in the short-medium term

Innovation and corporate action

Established circular practices	<ul style="list-style-type: none"> • Recycling rates already fairly high, e.g. ~85% recycling rates of paper and board packaging in Europe in 2018²⁸³
Demand for alternative materials	<ul style="list-style-type: none"> • Plastic packaging disruption offers opportunities for alternative materials such as paper and cardboard (the shift away from plastic packaging is estimated to create an extra USD 700 million in demand for corrugated cardboard in Europe and the US between 2018 and 2022, equal to 0.4% per annum of incremental growth)²⁸⁴

Policies and regulation

Increased policies and regulation	<ul style="list-style-type: none"> • China's National Sword policy banning import of waste in 2018, including plastic, paper, and metal, has increased global waste disposal costs and driven down recycled paper input costs (China took ~70% of the world's waste exports in 2017) • National recycling targets (e.g. EU targets for paper and wood)
--	--

Customer preferences and macrotrends

Changing preferences and behaviour	<ul style="list-style-type: none"> • Increasing customer pressure and changing behaviour for packaging solutions ('BBC's <i>Blue Planet II</i> effect')
---	--

Types of circular economy opportunity areas



Circular design and innovation



Circular business models



Reuse, repurpose, and redistribute



Repair, remanufacture, and refurbish



Collect, sort, and recycle



Regenerative and renewable practices and materials



Enabling digital technologies

Current circular economy opportunity areas



Use of high-quality recycled content to replace virgin input



Use of paper or cardboard to replace plastics in packaging



Automated sorting technologies

Examples: Large corporates

DS Smith

a global packaging company and a net positive recycler, committed to manufacture 100% reusable or recyclable packaging by 2025

Smurfit Kappa

has a Better Planet Packaging innovation initiative to design alternatives to problematic packaging formats

International Paper

is targeting circular solutions throughout their value chain and is one of the largest users of recovered fibre globally

Stora Enso

design for circularity and have a value chain Circular Packaging Programme for driving collection and recycling of paperboard packaging

Examples: Innovators

The Loop Factory

has developed a manufacturing technology for dry moulded cellulose-based packaging from pulp, named Yangi, which is renewable and recyclable

Spinnova

turns wood and cellulose waste streams into textile fibre

Sulapac

produces packaging from renewable materials, including by-products from wood processing

Noble Environmental Technologies

have developed ECOR, a composite panel made from recycled waste fibres, using only water and heat

Paptic

has produced a bio-based, recyclable, reusable packaging material made from wood fibres

**READ MORE
ABOUT THIS
IN OUR REPORT**



Financing the circular economy

Capturing the opportunity

