The basic definition of future-proofing is the ability of any one given entity to continue to be of value into the distant future, ensuring that the item does not become obsolete. In the case of pulp and paper mills, this becomes even more complicated, as there are numerous working, moving, and operating components that need to be taken into account.

SPECTRUM recently brought together industry professionals from three of the leading companies in the global industry, Metsä Group, Smurfit Kappa and UPM, to discuss the main issues affecting the industry. Below are excerpts from a lively and enthusiastic discussion held at ANDRITZ offices in Vienna.

FORWARD THINKING

What do our panelists believe about the long-term future for the pulp and paper industries and how are their companies strategizing for the future?

SAMI SAARELA: At UPM, we strongly believe there is a need to replace non-renewable materials with renewable ones such as wood and wood fiber. We believe there is a growing demand for pulp and we would like to share in that growth. We also believe that pulp is a good business which will yield enough profit in the long term to enable us to develop other products from wood, which will make us even more profitable. Our strategy is to be committed to growth and to the development of new products.

ISMO NOUSIAIMEN: At Metsä Group, we face the global megatrends head-on that are impacting on consumption. We work on solutions directly associated with these megatrends: for instance, climate change, population growth, and aging populations. In the case of climate change, for instance, we are examining all our processes and products – looking at ways to replace those made from fossil fuels, in packaging for example. And in our processes we are completely eliminating the use of fossil fuels – as in our latest start-up, our Äänekoski bioproduct mill. Of course, we are also actively looking to make other products out of wood.

MAT MAESSEN: At Smurfit Kappa, our slogan is “Open the Future” and that slogan is based on our firm conviction that for the long-term future wood, paper, and fiber based materials are really the way to go, as they play a central role in the future of this world. We have strong beliefs in recycling, but also in virgin wood, and we have a firm strategy to replace fossil fuel derived products wherever we can. In fact, we have an internal slogan as well, “Sustainability in Every Fiber” and these two slogans really do sum up our ongoing strategy at Smurfit Kappa.

Looking ahead into the future, what are the main challenges our panelists are facing?

MAT MAESSEN: Our challenge is keeping to the idea of the circular economy – we must use raw materials in such a way that there is no waste, low water consumption, and minimal emissions, and to reuse everything we possibly can. To do this, we need the best available technology, for instance in lowering energy use for recycling paper, a major cost in the process. At Smurfit Kappa, we strongly believe in recycling, and ideally we would want to recycle recovered paper even more than the five or six times it is used now, perhaps even up to 10 times?

ISMO NOUSIAIMEN: When you build a pulp mill, you have to look a long way ahead, as much as 40 years into the future – and we have to ask ourselves: how will we be operating then? In fact,
that was always the challenge; however, that is even greater now, as we have to think about other products that go along with the pulp mill as well. So really, the greatest challenge is to be able to have the flexibility at a mill to swap, change, and swing as and when the markets move according to product and consumer demands.

SAMI SAARELA: For us, one of our major challenges is planning and developing long-term projects when it comes to plantations. In Finland, of course, forests are not a problem, but go somewhere else and they could well be a big problem. You have to be sure that the environment is safe, and that the politicians are not going to change their minds, or lose an election, and then have a leader who looks less favorably on our operations.

BJØRN HANSEN: Our main challenge is looking deeply at the trends, and deciding which ones should be pursued and which ones should be ignored. The challenge is to not spend a lot of money and effort on ones that are not a problem, but go somewhere else.

SMERSUS: From our point of view it is the need to be proactive on this. With the opportunities the future holds in one way or another for decades when looking ahead at major expansion plans. With the opportunities the future holds when it comes to growing markets and new products, combined with a cautious, but healthy attitude to the adoption of new, game-changing technology, we can be sure that the future of the pulp and paper industry is in safe hands, from both producer and supplier perspectives.

The SPECTRUM ROUND TABLE on the Future-Proothing of the Pulp and Paper Industries is the first in a series of regular round tables.