

## Press release

# Press release: EU Commission proposals open new horizons for industries able to combine, circularity, bioeconomy and a phase out of fossils

Brussels, 26 February 2025

*The EU Commission announced today, a package of legislative proposals aiming to restore Europe's competitiveness in a way that is compatible with its ambitious climate objectives. In doing so, the European Union is developing a regulatory environment that is particularly fit for circular bioeconomy industrial players, bioeconomy being identified in the Clean Industrial Deal as one of a few strategic sectors.*

Europe lags behind other global regions in green business growth and loses manufacturing jobs at an accelerated pace. As an answer to this critical situation, the Clean Industrial Deal lists several "business drivers", including clean affordable energy, lead markets, and circularity, closely tracking key features of the **forest-based, circular bioeconomy – representing one in five manufacturing companies in Europe.**

The texts presented however **fail to provide sufficient visibility on 'carbon leakage' protection.** The EU's climate ambitions are already resulting in a mechanical increase of increase of CO2 emissions from competitors in parts of the world where climate legislation is less developed, or 'carbon leakage'.

Another important factor in global competitiveness, European energy prices remain two times higher than before the double crisis of the Covid pandemic and war in Ukraine. The Clean Industrial Deal crucially allows for flexibility in energy sourcing while addressing bottlenecks and **access to fossil-free, European energy.**

**Circularity and forest-based materials are now being looked at by EU legislators from a similar perspective: substituting fossil resources for which the EU is dependent on external providers.** Forests are a renewable resource that enables Europe's sustainable transition beyond fossil-based materials, and as stated in today's communication, can "reduce dependencies on imported raw materials".

The Clean Industrial Deal also offers a recognition of the scale of the challenge for the smallest EU industrial actors, which typically play an important role in the circular bioeconomy. If the EU Commission's plans can be enacted, **SMEs and mid-caps will be able to save billions of euros on regulatory compliance costs without lowering ambition in reducing industrial emissions.**

Putting in motion the proposals of **the Clean Industrial Deal also depends on EU Member States, notably for the deployment of affordable, renewable energy** as fast as possible. By acting now, the EU Council can support an economic model based on renewable materials and energies, and increased circularity.

### Quote by Marco Eikelenboom, Cepi Chairman and CEO Sappi Europe

*"Unlocking the full potential of the bioeconomy is key not only to improving material and energy self-sufficiency but, even more importantly, to effectively replacing fossil-based materials. This strengthens Europe's preparedness for climate change and geopolitical uncertainty."*

### Quote by Jori Ringman, Cepi Director General

*"Europe is a lead market for the circular bioeconomy, and there have been recent signs that other parts of the world are looking at our model, with the ambition to catch up. The circular bioeconomy is a €7.3 trillion opportunity by 2030. Europe is, after today's policy announcements, well positioned to capture a large share of this market."*

## Notes to editor:

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For more information on Industry commitments,  
please consult:

**[Cepi's Sustainable Product Pledge](#)**

**[Cepi's Pledge to support the 3 billion trees initiative](#)**

**[The 4evergreen cross-industry alliance](#)**

## About Cepi:

Cepi is the European association representing the paper industry. We offer a wide range of renewable and recyclable wood-based fibre solutions to EU citizens: from packaging to textile, hygiene and tissue products, printing and graphic papers as well as speciality papers, but also bio-chemicals for food and pharmaceuticals, bio-composites and bioenergy.

We are a responsible industry: 91% of our raw materials are sourced in Europe and certified as sustainable, 92% of the water we use is returned in good condition to the environment. . We are the world champion in recycling at the rate of 79.3%. At the forefront of the decarbonisation and industrial transformation of our economy, we embrace digitalisation and bring 20 billion value addition to the European economy and €5.5 billion investments annually. Through its 19 national associations, Cepi gathers 480 companies operating 856 mills across Europe and directly employing more than 175,000 people.

More information about our sustainability performance [here](#).