



Environmental Challenges Facing the P&P Industry



Celso Foelkel

www.abtcp.org.br

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Cleaner Technologies & Best Practices Business Policy & People Behavior



Appita 2007

The world is becoming very very very complex...



Very competitive business arena...



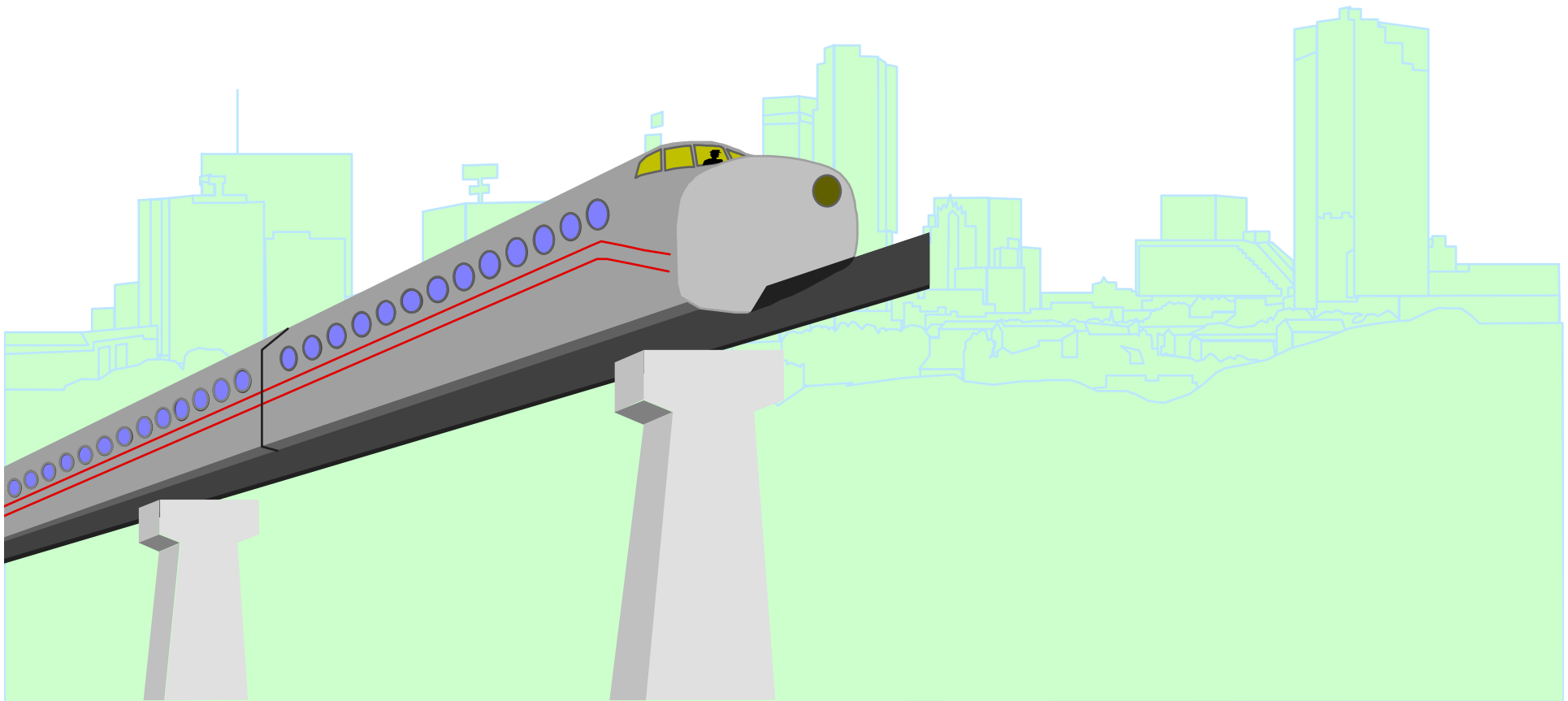
Quick and sharp changes in all areas...

Pressures coming from everywhere...

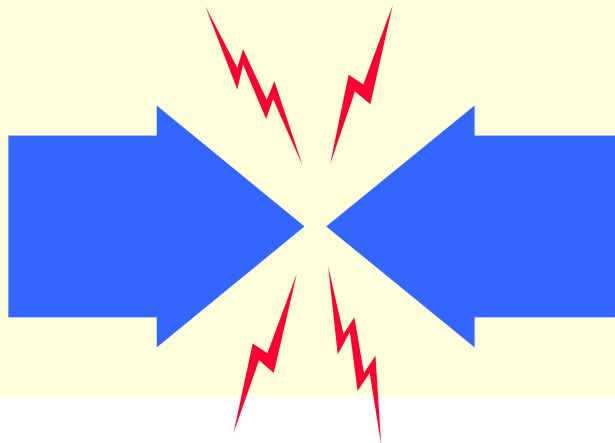
Pulp & Paper industry is slow to change
because it is capital intensive...,
and..., and...



THE DRIVING FORCES (OR PRESSURES) IN ENVIRONMENTAL MANAGEMENT



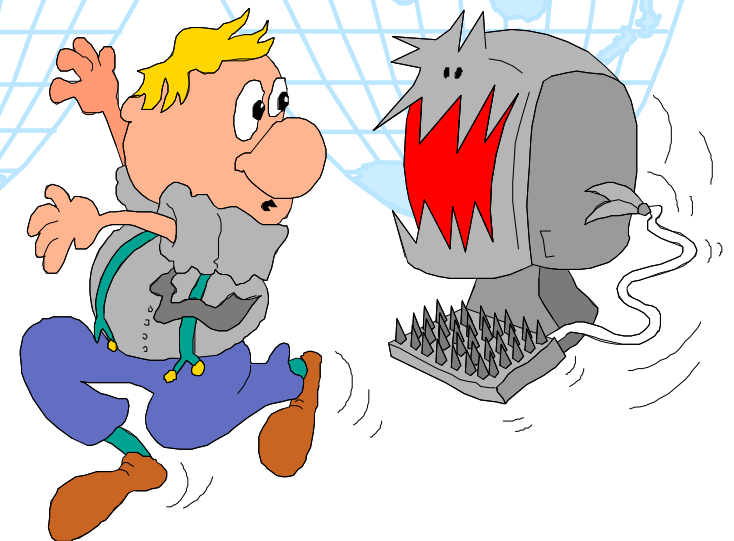
- Legislation
 - Market pressures
- Competition among companies
 - Justice and Public Attorney
 - Media
 - NGOs
- Technological development
 - Corporate responsibility



THE NEW WORLD

Explosion of the Communications and
Information Technology

THE WORLD WIDE WEB



THE NEW WORLD

The new and strong position
of the NGOs & community groups

WRM

TreesNotGuns

Wilderness Society

GREENPEACE

WBCSD

WWF

Nature Conservancy

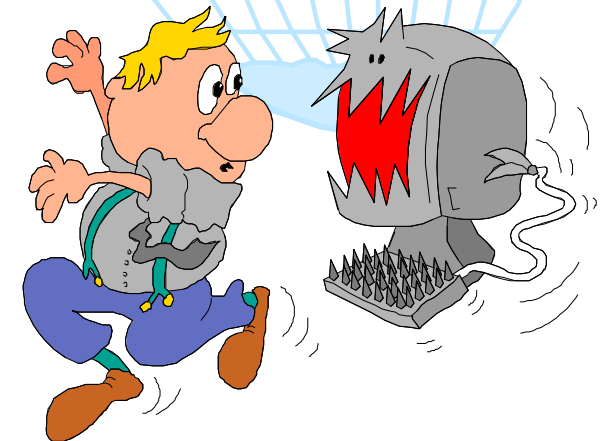
Rede Deserto Verde

Acción por los Cisnes

FSC

Friends of The Earth

Agapan



In a controversy dispute, the truth is, in most of the cases, located somewhere in between the two extreme positions



An agreement between the interested parties is needed, no doubt about...



The Pulp and Paper Segment



The Pulp and Paper Segment

Pulp mills are being ranked by Society in the same level as prisons, sewer treatment facilities and garbage landfills...

People understand they are needed, but nobody wants to live close to one...



The Pulp and Paper Segment

On the other hand, we
have never been so good
as today in terms of
environmental protection
in comparison to the past,
but...

**Society does not
acknowledge as such...
and...**

There is a lot of room for
further improvements



The Pulp and Paper Segment

- Very worried about costs and margins
 - Intense downsizing
- Not very good image as a profitable business
- Very low ability for communicating, both internally and externally (low or “no profile” at all)
 - Good improvements in forestry, solid waste & effluent treatment, air emissions, etc..
- Difficulties to establish a sound relation with the interested parties
 - “Far” from the NGOs exigencies
- Very sensitive to environmental accidents or conflicting social issues

The consequence: Good will, excellent industry improvements; but inappropriate public image

What could be the root causes for this?

In part this is due to our behavior and actions

- CEOs statements in media
- Poor decisions about controversial mill locations
- Lack of a clear, transparent and implemented social & environmental policy
- Lack of dialogue and communication with employees and communities
- Selection for dialogue preferably with the political power and authorities (in many cases, not very reliable to citizens...)
- Inability to establish partnerships with NGOs

What could be the root causes for this?

In part this is due to our behavior and actions

- Inability to use sound arguments in common people's language
- Inability to include our mills and forests in the tourism program of the region (fear of disclosure ?)
- Inability to develop citizen committees for multi-purpose dialogues and to deal compensation measures
- Inability to work together in pre-competitive innovations

What would be the new demands from Society ?

- Better integration between companies and communities
- Clean and no impact mills (effluents, forests, odor, solid wastes, noise)
- Ethic in the business and in the relations with interested parties
 - Social responsibility
 - Mills generating jobs and wealth
 - Transparency and dialogue

What would be the new demands from Society?

- No adverse effects of the mill operation on public health
 - No adverse effects of the mill operation on fish and other aquatic organisms
- To know the true impacts of the mill to the community in the short, medium and long terms
- More integration in the supply chain, adding and keeping more value in the South Hemisphere
 - Change the position of raw material or commodities suppliers to end products exports (Ex: books, magazines and notebooks, instead of market pulp or paper in reams or in reels)

The NEW P&P Mills

Minimum Impact Mills

PREVENTION
RECYCLING
SEGREGATING
CLEANING
OPTIMIZING
CONSCIOUSNESS
TREATING

EFFICIENCY

What technology do we need to have?

- State of the art (oxygen delignification; wash presses; ECF Light bleaching; low odor or odor less boilers; highly efficient power boilers; wood yard and chip preparation areas; wastewater treatment plants; solid waste recycling; low energy consumption equipment; closed cycles in all areas; etc, etc)

VISIT: http://www.eucalyptus.com.br/newseng_mar07.html



What technology do we need to have?

- Best environmental practices (reuse of waters, filtrates and effluents; spill collection and recovery system; recovery of fiber losses; reduction of wastes; reduction of broke generation; better maintenance; good housekeeping; etc)

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The NEW P&P Mills

Minimum Impact Mills

- no odor
- no noise
- no foam
- no dust in the atmosphere
- no smokes, no matter if they are steam (by the way, steam to the atmosphere is a misutilization of energy)
- recycling of solid residues
- recycling of hazardous wastes (ex: lubricants)
 - minimum effluent to the water streams
- minimum consumption of water (are 10 - 15 m³/adt for market pulp feasible?)
- high level of internal recycling by closed cycle concept

The NEW P&P Mills

Minimum Impact Mills

- reduction of toxicity in emissions, no matter of what type
- substantial reductions in energy and steam consumption
 - maximum utilization of biomass as renewable fuel source

The NEW P&P Mills

Social Responsible Companies

- generation of good quality jobs (It is still not clear the impact of job generation of the segment...)
 - generation of public and country wealth
 - integration of the forest based industry to the generation of hundreds of new businesses in the region

The Existing P&P Mills

Minimum Impact Mills

- use any investment in expanding capacity to modernize your mill with regard to environmental issues
- new mill capacities are a good source of new income to support the costs of a mill modernization

Tomorrow's mills will be much better and more sustainable than today's

It is always possible to do anything better and better



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There is a potential wonderful & clean
industrial world,
but it depends on us...

Thanks for your patience...
...and let's work hard for getting
people's admiration to our industry...

Good Luck

