EU TRADE EXPLORER

Market evolution: Wood pulp and waste paper (CN 47) — 2015–2025

Introduction

This report examines the European Union's trade in wood pulp and recovered paper (CN code 47) with non-EU partners from 2015 to 2025. The category covers seven sub-groups, from mechanical and chemical wood pulps to recovered waste paper. Over the decade, the EU shifted from a substantial net importer to a structural net exporter, driven by booming export values and a stable-to-declining import bill. The data reveal three intertwined dynamics: a remarkable improvement in the trade balance, a profound redirection of trade flows towards Asia, and a series of powerful price shocks that tested the resilience of supply chains. The analysis relies exclusively on the figures provided in the accompanying JSON dataset; all numbers cited can be verified via the linked dashboard sections.

1. From structural deficit to emerging surplus: The EU becomes a net exporter of wood pulp

Export values nearly double while imports contract, flipping the trade balance.

The headline trade balance swung from a deficit of –1 967 million EUR in 2015 to a surplus of 996 million EUR in 2025, a change of 150.6 %. This turnaround was driven by a 76.2 % rise in export value (from 3 332 million EUR to 5 871 million EUR) while imports fell 8.0 % (from 5 299 million EUR to 4 875 million EUR). Export volumes increased 23.9 %, but the unit value of exports jumped 42.2 %, indicating that both higher quantities and strong price tailwinds were at play. On the import side, volumes dropped 9.6 % and unit values were almost flat (+1.8 %), meaning the EU bought less foreign pulp but paid relatively stable prices.

Domestic production expansion underpins self-sufficiency.

The production data show that EU output of wood pulp and related products grew 5.5 % in quantity between 2015 and 2024 (from 17.5 billion to 18.0 billion tonnes), while the value of production surged 61.4 % (from 9 637 million EUR to 12 187 million EUR). The steep price increase in domestic output mirrors the export price dynamic and reflects the global commodity cycle. The combination of rising domestic capacity and robust external demand turned the EU from a highly import-reliant region into a more autonomous supplier.

Export propensity doubles as EU pulp gains global market share.

The export propensity – the share of production sold outside the EU – climbed from 17.9 % in 2015 to 39.5 % in 2024 (a 120.2 % increase). Meanwhile, net import reliance collapsed from 26.6 % to 5.1 % over the same period, even dipping into negative territory (–4.3 %) in 2023. The EU therefore not only met a growing share of its own needs but also became an increasingly important supplier to the rest of the world.

2. Geographic rebalancing: Asia's insatiable demand reshapes trade flows

Emerging Asian economies pull EU exports away from mature markets.

The top export partners illustrate a clear pivot towards Asia. China remained the largest destination, its imports from the EU rising 43.6 % to 2 252 million EUR. However, growth rates elsewhere were even more striking: exports to India surged 229.3 %, to Türkiye 97.7 %, to Vietnam 473.0 %, and to Thailand 268.4 %. Together, these five Asian partners absorbed the bulk of incremental exports. By contrast, sales to the United Kingdom – a historically important market – fell 14.0 %, reflecting both post-Brexit trade friction and the UK's own shifting paper industry dynamics.

Export diversification increases markedly.

The concentration index (HHI) for EU exports dropped 28.0 % (from 2 451 to 1 766), signalling a much more balanced portfolio of destinations. The rapid rise of secondary Asian importers reduced the relative weight of China, even though Chinese purchases continued to grow in absolute terms. This diversification helped cushion the EU against demand shocks in any single market.

Import concentration rises as supply consolidates around a few low-cost producers.

On the import side, the HHI rose 25.5 % (from 2 286 to 2 869), meaning that the EU became more reliant on a narrow group of suppliers. Brazil solidified its position as the top source, with imports increasing 8.8 % to 2 255 million EUR. Uruguay gained 25.3 % and Norway 36.2 %, while shipments from the United States (–12.4 %), Chile (–46.0 %), and the United Kingdom (–35.9 %) contracted sharply. The volatility data confirm that the most stable import relationships are with Brazil (coefficient of variation 0.09) and Uruguay (0.10), whereas flows from Russia (CV 0.66) and Canada (0.48) have been highly erratic.

The Russia disruption and post-Brexit UK decline redraw the import map.

Imports from Russia collapsed from 132 million EUR in 2015 to virtually zero (182 EUR) in 2025, a casualty of sanctions and trade restrictions. The UK's exit from the single market saw its role as a recovered paper supplier shrink substantially, with EU imports down 35.9 %. These two events accelerated the consolidation of import sources around South America and Scandinavia.

3. Commodity cycles and resilience: Price shocks, product specialisation, and volatility

A synchronised price shock in 2021-2022 hits all major trade lanes.

The shock detection analysis identifies a cluster of abrupt price increases centred on 2021-2022. On the import side, US pulp prices jumped 47.1 % above the baseline, Brazilian prices 58.5 %, and Chilean prices 38.8 %. Export prices to several Asian destinations spiked even more dramatically: Vietnam saw a 140.6 % jump, Thailand 113.4 %, Indonesia 42.6 %, and India 76.1 %. These shocks, while disruptive, were largely transitory; by 2025 prices had partially retreated, though they remain above pre-2021 levels for most products.

Divergent volatility: stable bulk pulp imports, but unpredictable export volumes.

The volatility chart reveals a stark contrast between imports and exports. Core import sources like Brazil, the US, and Norway show low quantity volatility (CVs between 0.09 and 0.14). In sharp contrast, exports to emerging markets are highly volatile: Vietnam (CV 0.61), the United States (CV 0.68), and Malaysia (CV 0.88) display wild swings in quantities. This reflects the lumpy, project-based nature of pulp demand in fast-growing economies and the EU's growing role as a swing supplier.

Product mix evolution spotlights the dominance of chemical wood pulp.

The product segment breakdown shows that chemical wood pulp, soda or sulphate (CN 4703) was the overwhelming leader. In 2015 it accounted for about 83 % of imports by value and 45 % of exports; by 2025 its import share had stayed high and its export share reached 69 % (4 053 million EUR). Recovered waste paper (CN 4707) remained the second export pillar, but its relative weight declined as chemical pulp exports boomed.

Dissolving grades (CN 4702) and semi-chemical pulp (CN 4705) played smaller but steady roles, while mechanical wood pulp (CN 4701) and sulphite pulp (CN 4704) remained niche products. The specialisation map further underlines this: in 2025, Finland (RSCA 0.82) and Sweden (0.73) were the most specialised EU exporters, while large pulp consumers like Italy (–0.62) and Germany (–0.29) had negative specialisation, consistent with their roles as net importers or processors rather than primary producers.

Conclusion

The 2015–2025 window witnessed a fundamental transformation of the EU's wood pulp and recovered paper trade. A combination of expanding domestic production, strong global demand led by Asia, and favourable price dynamics turned the EU from a net importer into a net exporter. The impressive growth of exports to India, Türkiye, Vietnam, and Thailand reduced the bloc's dependence on the Chinese market, while import reliance fell to historically low levels. At the same time, the acute price shocks of 2021-2022 exposed vulnerabilities on both the import and export sides, highlighting the need for continued vigilance. The product mix became ever more centred on chemical wood pulp, supported by a highly specialised Nordic production base. Going forward, the EU pulp sector appears well positioned, yet its growing global integration means it will remain sensitive to the commodity cycle and geopolitical shifts that have repeatedly altered trade lanes during this period.

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