

Port Alice, Canada, from a consortium of investors led by Wellspring Capital Management and GSC Group. Fulida is one of the leading producers of rayon in the world with several awards to its credit within the Chinese textile industry.

Graphic Packaging International, Inc.

announced plans to close its Jacksonville, Ark., multiwall bag facility - business and equipment will transfer to other U.S. locations.

The Australian Federal Government granted the final environmental approvals for **Gunns'** proposed Bell Bay pulp mill. The company said that the planned mill now had all approvals necessary for construction and operation.

Holmen Paper will shut down PM61, the smaller of two PMs at its Madrid mill. PM61 has a capacity of 170,000tpy LWC, equivalent to around 10% of the company's total capacity.

Ilim Group has obtained government approval to build a 720,000tpy bleached softwood pulp mill at Bratsk in the Irkutsk Region of Russia. The mill is expected to produce market pulp, mainly for China. Completion is scheduled for H2 2012.

International Paper has agreed to purchase 53.5% of the outstanding shares of **Andhra Pradesh Paper Mills Limited**. APPM is one of India's leading integrated manufacturers, running two mills with combined capacity of 250,000tpy of uncoated freesheet.

Running tests on mechanics of a new PM, the first to make LWC in Russia, which is under construction at the LLC "PPM Kama" facility (part of **Investlesprom Group**, Krasnokamsk city, Permskiy krai), have begun. Production is scheduled to start in Q2 2011.

M-real has revealed plans to invest €30M in its Äänekoski and Kyröskoski mills to increase its annual folding boxboard capacity by about 70,000 tonnes.

Mayr-Melnhof Karton will rebuild BM3 at the Kolicveo mill in Slovenia. The machine has an installed capacity of 200,000tpy of GD board and liner, and is to become a swing machine which will also produce GC II board from January 2012. The company said the rebuild reflected increased demand for virgin fibre board.

This year marks the 50th anniversary of the **Metsä Tissue Corp.** Serla brand, which was launched after Finland's first modern TM was installed at the Mänttä mill in 1961.

The EBRD is providing an €11M loan to **Natron Hayat**, a pulp and paper mill located in Maglaj in central Bosnia and Herzegovina, to support the company's further growth and development in line with EU standards. The company produces various paper and cardboard products.

The **Norske Skog** mill at Saugbrugs was affected by fire on the morning of 2 February, which damaged part of the TMP plant. Although it was quickly brought under control, it caused significant damage to the electrical cabling. Normal production has subsequently been started at one machine (PM4). The company anticipates PM5 and PM6 will re-start around the end of June.

Ox Paperboard is poised to upgrade West Virginia's oldest continuous manufacturing site. It plans to upgrade and rebuild PM1 as well as close the loop on its effluent water discharge. The project upgrades are expected to be completed

before August 2011.

Papeterie de Saint-Michel has found a buyer: the packaging firm **JTH Groupe Thiollet**. The mill will continue to produce around 80,000tpy of recycled corrugating medium and testliner on two machines.

Newsprint manufacturer **Papeterie de Turckheim** has passed into liquidation with immediate effect - as yet it is unclear whether production will cease permanently.

Papeterie de Veuze announced closure of its testliner mill in Magnac-sur-Touvre, France, after **Open Gate Capital** withdrew from purchasing the mill. A final decision on its future is still to be made.

Sappi is considering closure of its Biberist Mill in Switzerland which produces 435kT coated paper and 65kT uncoated fine paper.

Sappi and The European Federation of Magazine Publishers (FAEP) announced a strategic partnership that will bring the entire paper chain - from production to consumption - closer together.

The Swedish Environmental Court Miljöödomstolen has given **SCA** the go-ahead to increase production output at its Östrand pulp mill to 660,000tpy. Previously the mill was licensed to produce 420,000tpy of kraft pulp and 90,000tpy of CTMP. The new revised permit allows figures of 550,000tpy and 110,000tpy respectively.

Nanterre mill of **Smurfit Kappa Group**, which has been idle since April 2009, is facing permanent closure in June.

Södra Interiör is to buy **UAB Aldrea** in Panevezys, Lithuania, which processes MDF panels to make interior

products, including boards, panels, levelling pieces, corrugating and kitchen hatches.

Solaris Paper, an Australian provider of high quality tissue paper products, has been denied the opportunity to negotiate for the assets of **Tantanoola's** Millicent Pulp Mill, which closed recently.

The Commerce Commission has granted clearance for **Sonoco New Zealand Limited** to acquire the business assets of **T.T.L. Pacific Limited** - both manufacturers of cylindrical cardboard cores and tubes.

Sonoco has reached an agreement with the **Composite Can and Tube Institute** to make the Company's patented Radial Crush Tester for spiral-wound paperboard tubes and cores available to the industry.

Two years after carton-board producer **Stromsdal Oy** went bankrupt, a new investor is expected to take over the idle production site in the town of Juankoski, Finland. Re-start of the 70,000tpy GC board machine is planned for May this year.

Tembec announced the permanent closure of its Taschereau sawmill, which has been idle since October 2009. The closure is necessitated by the realisation that there is insufficient sustainable timber supply to operate all of Tembec's sawmills in the Abitibi-Témiscamingue region.

ENERGY / RESOURCES

APP marked World Water Day by becoming the first Indonesian pulp and paper company to commit to the United Nations Global Compact CEO Water Mandate. Seven pulp and paper mills within APP Group signed the UN CEO Water Mandate, including *inter*

alia PT. Indah Kiat Pulp & Paper Tbk (Perawang, Serang and Tangerang mills), PT. Pindo Deli Pulp and Paper Mills, PT. Pabrik Kertas Tjiwi Kimia Tbk, PT. Lontar Papyrus Pulp & Paper Industries and PT. Ekamas Fortuna.

APP also announced its first major new initiative in support of its water mandate pledge – it is teaming-up with **Nalco** on a series of joint initiatives, which will map the company's overall water footprint across all aspects of its Indonesia and China operations. The two companies will also look at potential opportunities to work together to create programmes which provide healthier clean water to local Indonesian communities.

Catalyst Paper has received \$4.7M in Federal funding for a capital upgrade at its Port Alberni mill, to improve the efficiency and reliability of biomass-based energy generation. The project involves three upgrades to the main power boiler (PB4): a new secondary air system, a larger "economizer" or heat-exchange system, and a new gas monitoring system.

The Minister of State for the Economic Development Agency of Canada for the Regions of Quebec announced an important investment at **Fibrex** mill in Saint-Félicien, Quebec, to install five electrical motors that will increase its green energy production capacity by approximately 6MW. It is expected this project will also help save enough energy to power over 1,700 homes.

Metsä-Botnia, part of **Metsäliitto Group**, is to invest in a gasification plant at the Joutseno mill, which will replace fossil fuel with biofuel manufactured from bark. The mill will become a carbon dioxide neutral plant – indeed, the energy self-sufficiency is quoted as 170%.

Metsä Tissue recently celebrated the extension of its local electricity distribution system in Slovakia. The connection from the VVB Žilina dam hydropower plant and associated high-voltage transformers was installed successfully to provide a source of renewable electricity for the company's adjacent tissue paper mill in Žilina, Slovakia. Electricity produced with hydropower will account for 70% of the mill's total consumption.

M-real has now signed the UN Global Compact's CEO Water Mandate that encourages companies to pay attention to sustainable water usage. The Mandate was launched in 2007 and supports companies in the development, implementation and disclosure of water sustainability policies and practices.

Smurfit-Stone Corporation's mill in La Tuque, Quebec, will receive \$24M under the Pulp and Paper Green Transformation Program to find new and more efficient ways of using wood, wood fibre and its by-products. The project announced today will reduce greenhouse gas emissions by close to 80,000tpy.

Södra has opened six wind farms producing an estimated annual production of 32GWh, enough electricity for around 6,000 households, at its industrial site outside Mönsterås. The company also opened four wind farms which it owns together with **Statkraft**, situated just north of Södra's industrial site in Mönsterås. Södra and Statkraft are planning a major joint initiative to include 30 or so projects at various locations in Sweden, with a total output of around 600MW.

UPM in cooperation with **TuuliSaimaa Oy** has established a wind power development company **VentusVis Oy**. Initially operations will focus on developing land areas, which are leased from UPM, for wind power production.

SUPPLIERS

BASF is to close its production facility for the manufacture of basazol dyes at Ludwigshafen (Germany). In future, paper dyes in Europe will be served completely from the two global production sites in Ankleshwar (India) and Altamira (Mexico). This change completes BASF's restructuring

of its global paper dye business.

Metso Paper Ltd, St-Laurent, Quebec and **Usinage Bertrem**, QC have signed an agreement naming Usinage Bertrem as an authorized Canadian service centre for roll repairs.

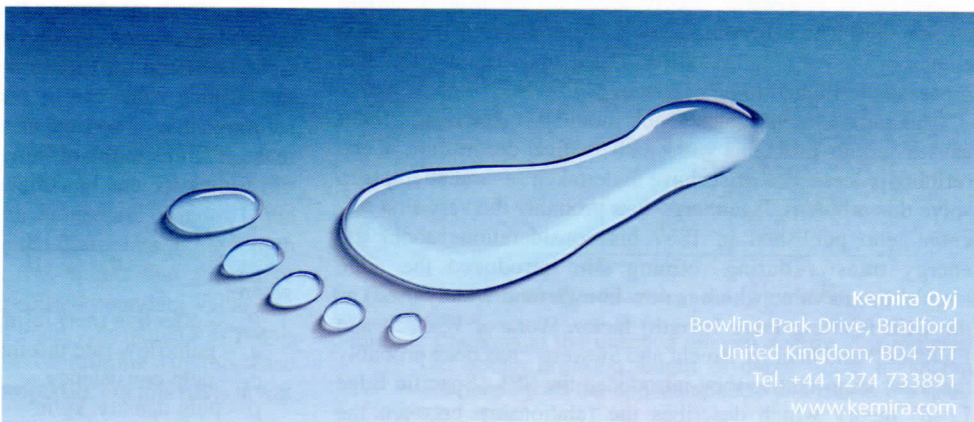
Clariant AG is planning the acquisition of a controlling majority in **Süd-Chemie AG**.

AND FINALLY

Politics and the Paper Industry are set for an interesting clash in America, where an Arkansas paper mill owned by **Koch Industries**, which is run by the Koch brothers - conservative activists who bankroll the right wing Tea Party and advocate against government regulation (including environmental legislation) – is being sued over claims it is polluting local waterways which include a designated Natural and Scenic River. According to an enforcement complaint filed by Public Employees for Environmental Responsibility and the Ouachita Riverkeeper, the mill pumps out massive amounts of pollution in violation of the Clean Water Act.

Water is the connection

Kemira is a global two billion euro chemicals company that is focused on serving customers in water-intensive industries. The company offers water quality and quantity management that improves customers' energy, water, and raw material efficiency. Kemira's goal is to be a leading water chemistry company.



Kemira Oy
Bowling Park Drive, Bradford
United Kingdom, BD4 7TT
Tel. +44 1274 733891
www.kemira.com

Södra has opened six wind farms producing an estimated annual production of 32GWh, enough electricity for around 6,000 households, at its industrial site outside Mönsterås. The company also opened four wind farms which it owns together with **Statkraft**, situated just north of Södra's industrial site in Mönsterås. Södra and Statkraft are planning a major joint initiative to include 30 or so projects at various locations in Sweden, with a total output of around 600MW.