

- Intergraf urgently calls on European and national authorities to **secure the supply of synthetic ethanol alcohol and isopropanol for the continuous production of food packaging**
- Intergraf **calls for print to be considered as an essential service to secure the continuous production of critical products** like food and pharmaceutical packaging
- Intergraf calls on European authorities to **ensure that any controls at borders will not disrupt deliveries and the supply chain**

IMPACT OF COVID-19 ON THE PRINTING INDUSTRY

The spread of COVID-19 is of critical global concern, impacting almost every aspect of life. Like all sectors, the crisis is also having a profound impact on printers. Intergraf calls on European and national governments to support the printing industry.

As the number of global COVID-19 cases continues to rise, countries across Europe and the world are introducing varying levels of restrictions on social and economic activities to curb the spread of the virus. These measures, as well as the virus itself, are either already having, or are likely to soon have, wide-ranging impacts on the European printing industry.

As a supplier to many other sectors, any changes in customer demand will logically have an impact on print. With the cancellation of many events and trade fairs (including in our own industry, such as Drupa), some printers are seeing large parts of their business cancelled at the last moment. Moreover, store closures and the general reduction of the European economy, will have an impact on printed advertising, because these costs tend to be cut first. Advertising makes up some 40%

of all printed products in Europe, so such a reduction will deeply affect many printing companies - regardless of their specialisation. And even for products that are still printed, there are concerns about impacts on transport as a result of re-introduced or enhanced border controls. Some areas of the sector, however, are experiencing higher demand: printers of food or pharmaceutical packaging, for example.

But printers do not only supply, they consume, and many crucial supply chains may also be affected by anti-COVID-19 measures. For instance, there are concerns about possible shortages and/or delays in the supply of paper, although firms are not yet signalling that this is happening. In addition to this, both China and Italy are significant suppliers of foils and films used in packaging printing, so there are concerns that these supply



chains may yet be affected.

Packaging printers are also facing the more immediate threat of a lack of supply of solvents used for printing inks and essential cleaning, such as isopropanol and synthetic ethanol. Dramatic shortages of these solvents are already being reported by some packaging printers. The reason for such a shortage is that these solvents are also used in disinfectants (e.g. hand sanitiser), for which there is now very high demand. Disinfectants are clearly extremely important in the current situation, but it is also crucial that decision-makers safeguard access to these solvents for other essential industries, such as companies producing food or pharmaceutical packaging.

All companies also face similar challenges at employee level. For instance, enforced limits on person-to-person contact may potentially affect staffing and some operations or processes. Plus, employers fear a lack of workforce due to increasing employee absences as a result of country-wide lock-downs, travel restrictions, mandatory quarantine, sickness, or staff having to stay at home with children following school and nursery closures.

As the virus spreads and more-and-more restrictions are ushered in across Europe, the full impact of COVID-19 on the European printing industry and its supply chain are not yet known. However, it is clear that there is - and will continue to be for the foreseeable future - major disruption. Should this situation continue for a prolonged amount of time, which now appears to be almost certain, the sector may begin to see layoffs and/or company closures as a result. Indeed, certain companies have already been forced to let go of some of their employees.

Some of the negative effects of COVID-19 for businesses will be offset by the supportive actions of governments - in particular support for SMEs, which make up approx. 95% of the European printing industry. Such supportive actions will be vital for many

“We call on political decision-makers to consider other sources of ethanol and isopropanol in order to cover the increased demand for these solvents as disinfectants, and to safeguard the supply of these solvents for the manufacture of printing inks for food and pharmaceutical packaging.”

EuPIA, the European
Printing Ink Association

printers to help them weather this storm during the months ahead. Types of governmental support and actions vary, and may also change as the situation progresses, but we can already see support being offered to ease issues relating to borders and mobility, as well as the increased

flexibility of state aid. Broad stimulus packages are also being introduced all over Europe to support the economy. Including, for example, wage subsidies, the deferral or suspension of payments of corporate tax, VAT or social contributions, more flexible sick leave, or changes to the normal regulations or procedures for SME financing.

National actions are also being supplemented at European level. The European Commission is as far as possible coordinating a common European economic and fiscal response to the COVID-19 outbreak, although public health is a competence of Member States. As well as ensuring regular funding streams and structural funds are of maximum use, the Commission has set up a EUR 37 billion Coronavirus Response Investment Initiative to provide liquidity to small businesses and the healthcare sector. EUR 1 billion will also be redirected from the EU budget as a guarantee to the European Investment Fund in order to incentivise banks to provide liquidity to SMEs. A Temporary Framework has also been adopted to enable Member States to be more flexible with state aid to support the economy during and after this crisis. Since the COVID-19 pandemic qualifies as “unusual events outside of the control of governments”, exceptional spending is allowed to help contain the outbreak and provide targeted relief measures for both firms and workers.

The COVID-19 crisis and its effects in Europe are set to develop over the next months, with more-and-more countries progressively introducing more restrictive measures. Follow Intergraf’s website (primarily [latest news](#) and [press releases](#)) and company [LinkedIn](#) page to remain informed about COVID-19’s effects on the European printing industry. ■

CV-19: THREAT TO SUPPLY OF SOLVENTS

Packaging printers are facing a possible shortage of synthetic ethanol and isopropanol, due to a spike in demand for such solvents, which are also used in disinfectants.

Synthetic ethanol alcohol and isopropanol are used in the production of printing inks and in cleaning processes for packaging printers. Some companies have reported remaining stocks of no more than 1 week's supply of such solvents.

While the supply of synthetic ethanol alcohol and isopropanol

needs to be secured for sanitary purposes - in particular medical environments - its supply for the continuous production of food and pharmaceutical packaging must also be safeguarded.

Without packaging, food and pharmaceuticals - two essential products - cannot reach the final consumer. Packaging provides

crucial product information, as well as helping to protect the packed item against external influences and maximising shelf-life. Intergraf and FTA Europe [urgently call](#) on European and national authorities to secure the supply of all necessary solvents for the continuous production of food packaging. ■

CV-19: PRINT IS AN ESSENTIAL SERVICE

Printed products are essential - from packaging for food and pharmaceuticals, to public health notices and newspapers. It is crucial that European and national policymakers protect our industry from COVID-19 restrictions.

Amid the spread of COVID-19, governments are taking decisions to define the essential services that must be maintained during a lock-down in order to keep society functioning while curtailing the spread of the virus. Intergraf calls on authorities at national level to recognise the printing industry as an essential service when defining these sectors. Without this, there is a high risk that essential products will not reach consumers.

Printers of food packaging are more crucial than ever as supermarkets are pressured to make sure shelves are kept full for consumers. Pharmacies must also

be guaranteed an uninterrupted supply of medicine, the packaging of which is also printed by our industry. And the communication of vital public health information should not face any restrictions. EU guidelines on free movement [already recognise](#) food and medical supply chains as essential. National governments must follow suit and specifically protect print.

Similarly, concerned citizens rely on daily news to keep themselves informed about the virus. According to Eurostat, 10% of individuals in Europe do not have access to the internet in their households (rising as high

as 25% in certain countries), rendering them unable to access news online. This is to a large extent older people, one of the most important cohorts of people to remain informed in this crisis, given that they are in a high risk category. Moreover, according to a Eurobarometer survey on fake news and online disinformation, traditional print media, TV, and radio continue to be the most trustworthy sources of news. Fake news about COVID-19 is dangerous, threatening real people's lives. At a time of widespread uncertainty and concern, the printing of newspapers must continue. ■

CV-19: PAPER RECYCLING MUST CONTINUE

Paper and board recycling collections are limited in several countries because of COVID-19. This could start to affect paper and packaging manufacturers who rely on recycled fibres to operate.

With a recycling rate of 71.9% (even 84.6% for packaging), the paper and board value chain depends on paper for recycling. "Separate collection of paper for recycling from households and supermarkets, but also its sorting and transport to paper mills are an essential part of this supply chain" (EPRC). Reductions in refuse collections have been

reported in some Member States, which could cause problems in the future for paper manufacturers and industries which rely on the paper supply chain, like print. Refer to the EPRC for [more info](#). ■

Following the 2019 European elections and start of its new mandate, the European Commission has announced its policy priorities for the coming five years and beyond.

In this article, we will focus on the recently announced **SME Strategy**, **New Circular Economy Action Plan**, and the **European Strategy for Data** – all of which contain the planned legislative and non-legislative actions of the European Commission in these areas. These strategies are also intrinsically linked, with the **Industrial Strategy**, which ties them all together.

The European Commission's stated aim for the EU is a "twin ecological and digital transition". Over the coming years, their actions will be strictly focused on this transition, meaning all new legislation will be proposed against the backdrop of advancing these aims.

As called for in [Intergraf's Industrial Strategy for Europe](#), a strong focus of both the EU's Industrial and SME strategies is to protect and grow small companies through improving their competitiveness; access to skilled labour; and digitisation and data. The need to support industry amid the ecological transition is also emphasised.

Initiatives such as updating the **Skills Agenda for Europe**, launching a **Digital Education Action Plan**, and new **Pact for Skills** all aim to ensure that the skills of existing employees, of small companies in particular, match the skills required. They also aim to ensure that there is an appropriate workforce available when companies look for new staff. The strategies recognise that the skills needed will likely change as companies digitise.

The European Commission will

TWIN TRANSITIONS: PLANS FOR A GREEN AND DIGITAL INDUSTRY

Although COVID-19 has soared to the top of everyone's to-do lists, business-as-usual continues in other areas - including EU policymaking. And many recently published initiatives have a high relevance for the printing industry.

also set up digital crash courses for SME employees to become proficient in areas such as AI, cybersecurity or blockchain. Similarly, a digital volunteers programme will be launched so that young, skilled people and experienced seniors can share their digital knowledge with traditional businesses.

It has been recognised that SMEs will struggle to adapt to the ecological transition as quickly or as easily as large companies. It is undeniable that this transition could be accompanied with high costs, such as investment in machinery, in new work flows, or in different materials.

Proposals such as new sustainability advisors for SMEs, who will work through the Enterprise Europe Network, are certainly welcome. The Commission will also review, with a view to improve, funding possibilities for small companies across Europe. The EU SME Envoy will attempt to reduce regulatory burdens by filtering new initiatives, in collaboration with SME stakeholders, to signal those that merit close attention from an SME perspective.

The ecological transition will be accompanied by new legislation, as set out in the **Circular Economy Action Plan**. Of particular pertinence to printers are the sections on packaging and plastics. The Action Plan builds on the European Strategy for Plastics (2018). The Commission will propose mandatory requirements

for the use of recycled plastics and waste reduction measures. Intentionally added microplastics will also be targeted. The 'essential requirements of packaging', which is part of the Packaging and Packaging Waste Directive, will also be revised.

Substrates currently used and the needs of printers' clients may change in light of these new requirements. Dealing with recycled material also has its problems. As has been proved with recycled paper, it's not always so straight forward. For instance, the challenge of using paper not originally intended for food contact as a new food contact material persists.

Collection and analysis of industrial data are presented in the Industrial and Data strategies as the key to helping SMEs and improving sustainability. As called for in **Intergraf's Industrial Strategy for Europe**, fair data ownership is the only way to empower small companies to develop new products and introduce cost-saving efficiencies. We therefore support the aim of a European single market for data.

Intergraf has contributed to, or was otherwise involved in, many of these current initiatives and will continue to monitor their implementation to ensure the printing industry is always recognised as an essential part of Europe's ecological and digital future. ■



EXTEND TIMBER REGULATION TO PRINT

Intergraf calls for the EU's Timber Regulation to be extended to printed products. This work has been ongoing already for a number of years, but our call remains as important as ever to protect against illegal logging.

The Work Programme of the new European Commission and European Parliament creates a new momentum for Intergraf to renew its important call for the extension of the EU Timber Regulation to printed products. This would secure that all printed products, regardless of their origin, are safe from illegal logging.

The European Parliament is currently looking into the future of a European forest strategy. It is also preparing reports on EU

action to protect and restore the world's forests, as well as on an EU legal framework to halt and reverse EU-driven global deforestation. Several Members of the European Parliament had agreed to meet with Intergraf to discuss this topic; however, the meetings were postponed due to COVID-19. They will be rescheduled at a later date.

For more information about the Timber Regulation you can contact [Laetitia Reynaud](#) at Intergraf. ■

WPCF PUBLISHES ECONOMIC REPORT

The World Print & Communication Forum (WPCF) has published its annual economic report for 2020, presenting important information about the economy, print markets and country reports about its members.

The performance and role of the printing industry varies across the world, although there are certain common themes, such as a lack of skilled labour and issues with the image of the sector. It is reported that Australia sees increases in direct mail, targeted catalogues and advertising - unlike in Europe. Direct mail is also the primary product provided by printers in the USA, as well as being a 'hot market', alongside other popular products like packaging,

envelopes and signs. And in China, the industry is changing from high-speed to quality production, with a lot of automation.

The WPCF is the global forum representing the printing industry. In their annual report, country reports are made for Australia, China, Europe (represented by Intergraf), Hong Kong, India, Indonesia, Japan, Korea, Nepal, South Africa, Sri Lanka and the USA. This report is available for Intergraf members. Contact [Alison Grace](#) for a copy. ■





1st:
Bastien Combeau



2nd: Sedef Kasim and
Kevin Gnabry

3rd:
Cédric Dumont

YOUNG TALENT AWARD WINNERS CELEBRATED

Bastien Combeau, engineering student at Grenoble INP – Pagora, France, has been awarded first prize in Intergraf’s Young Talent Award 2020, with his entry entitled: “How to attract young people to the printing industry”.

Intergraf’s Young Talent Award celebrates excellence in print media from young people in the sector. The award amplifies the voices of young people in discussions about the future of the European printing industry. As the sector’s workforce of tomorrow, young people’s views are invaluable in shaping the future of print.

The judges have also given special recognition to two runners up, with second place awarded to the entry from Sedef Kasim and Kevin

Gnabry (Hochschule der Medien – Stuttgart, DE), and third place to Cédric Dumont (Grenoble INP – Pagora, FR).

Mr. Combeau, the winner, was due to present his entry at Intergraf’s Print Matters conference in June, but this event has regrettably been cancelled due to COVID-19. Instead, he is invited to join the High-Level Workshop of Intergraf’s [Print Your Future](#) project in the autumn.

See [our website](#) for more info. ■

EVENTS

- 2 April, Intergraf Steering Committee meeting (phone conference)
- 21 April, Intergraf Board meeting (phone conference)

Intergraf **General Assembly** and **Print Matters for the Future** events cancelled

Due to the exceptional circumstances of COVID-19, and the many restrictions we are all experiencing in our personal and professional lives, we have taken the difficult decision to cancel our 2020 General Assembly and Print Matters for the Future events in Stockholm on 4-5 June 2020. The health and safety of guests at all of our events is paramount, so given the evolving situation we believe the most sensible decision is for these events to not go ahead this year. The events will not be rescheduled, but we look forward to seeing you at our General Assembly and Print Matters for the Future conference in 2021.

Regarding the administrative matters normally dealt with at our General Assembly, we intend to have all of the necessary documentation approved remotely by our members. Information will be communicated to members in due course about the procedures for this.

The Intergraf Newsflash is edited by Alison Grace.
Contact Alison if you have news to share:
agrace@intergraf.eu | +32 (0) 2 230 86 46

