

The multiplier effect of the sector through the paper value chain

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THE circular bio-industry of pulp and paper has an important multiplier effect on the economy as the driving force of a powerful value chain, whose overall contribution to the economy accounts for 4.5% of GDP and generates one in every fifty jobs in Spain, according to a recent study by CEPREDE for the organisations in the chain. Likewise, four out of every fifty euros invoiced by the industry and one out of every fifty euros collected by the State through taxation or social security contributions in Spain are linked to the business activities of this value chain.

The pulp, paper and board value chain - as defined in that study - begins in nature with wood for paper

plantations from which the natural and renewable raw material is obtained that the paper industry uses to produce pulp and paper. In the next link, converting companies take that paper and use it to produce a very broad range of paper and board products, such as packaging of all kinds (boxes, bags...), stationery (envelopes, notebooks, folders...) and tissue products (toilet paper, handkerchiefs, kitchen towels...). The value chain continues through the printing, reproduction and finishing services sector, advertising and direct publicity firms, and through the publishing industry with books, newspapers and magazines. This powerful chain that creates employment and wealth also encompasses postal and mail businesses

dedicated to sending letters and parcels. And finally, the chain closes with the waste recovery sector that collects and treats used paper so that it can be returned to the paper mills.

Made up of 17,377 companies with paid workforces, the pulp, paper and board value chain provides direct employment to 182,370 people. Direct turnover stands at 23.094 billion Euros. The paper and board value chain has a very significant effect on the Spanish economy, not just directly but also an indirect or induced effect that has to be reckoned in its entirety.

Overall turnover accounts for 4.5% of Spanish GDP. In terms of labour, the global contribution of the chain represents 18.5% of industrial employment and 2% of total employment. With 8.8% of industrial output, it generates 13.2% of industry's added value. It also contributes 1.8% of the country's tax revenue through corporate tax, S.S. contributions, income tax and VAT.

The total contribution (direct, indirect and induced) of the pulp, paper and board value chain to the entire national economy translates into 369,036 jobs and a payroll bill of 12.536 billion Euros. Overall turnover stands at 48.471 billion Euro and added value amounts to 18.378 billion. Therefore, total contribution to the State coffers via taxation and social security contributions is 7.424 billion Euros.

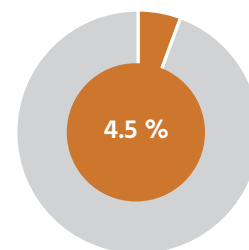
SOCIO-ECONOMIC SIGNIFICANCE OF THE PULP, PAPER AND BOARD VALUE CHAIN 2015 | MILLION EUROS

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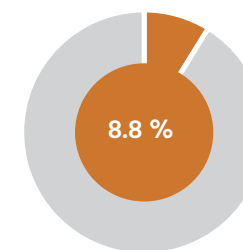
	Direct contribution	Total contribution (direct+indirect+induced)
Turnover	23,094	48,471
Added value	8,528	18,378
Employment	182,370	369,036
Payroll	6,090	12,536
Gross surplus	2,566	6,055
Taxation	3,529	7,424

TOTAL CONTRIBUTION OF PULP, PAPER AND BOARD VALUE CHAIN 2015 (direct+indirect+induced) | MILLION EUROS

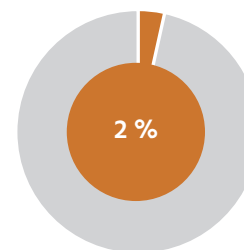
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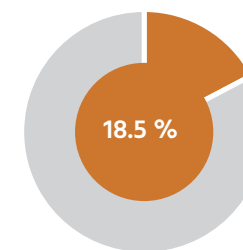
Of Spanish GDP



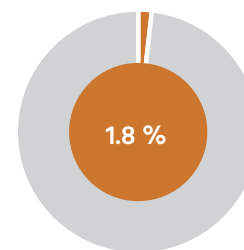
Of industry turnover



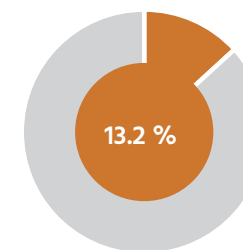
Of total employment in Spain



Of employment in industry



Of tax revenues in Spain



Of industry added value