

European Pallet Association e. V. (EPAL)

PRESS RELEASE

EPAL: War in Ukraine impacts the pallet market

The war in Ukraine and EU sanctions against Russia and Belarus will have a long-term impact on the European pallet market.

Düsseldorf, 08 March 2022 – EPAL stands with the people of Ukraine. They have our sympathy, our concern, and our solidarity. EPAL is receiving regular updates from its licensees in Ukraine on the need for aid and will actively support the people of Ukraine.

The war in Ukraine and EU sanctions against Russia and Belarus will have a significant impact on the European pallet market. EPAL supports the EU sanctions with the hope that they will contribute to bringing a rapid end to the war, the violence and the displacement of people.

The production of EPAL Euro pallets is currently suspended in many factories in Ukraine due to the war. Also, wood for packaging and pallets is almost currently not being exported from Ukraine to Europe. The sanctions against Russia and Belarus also mean that wood imported from these countries into all the European wood processing industries in recent years will no longer be available. There are also no lorry drivers from Ukraine, Russia and Belarus which means potential delays in the transportation of materials and pallets.

Robert Holliger, President of EPAL: “War and sanctions will also impact the production of EPAL Euro pallets in EU countries. In this situation, the use of exchange pallets such as EPAL Euro pallets, which has been in place for many years, helps to avoid or reduce pallet shortfalls as has always been the case when there has been a shortage of wood or the price of wood has risen. We therefore anticipate a significant increase in the demand for new EPAL Euro pallets.” It is already foreseeable that there will be shortfalls and delays in deliveries in supplying users with new EPAL Euro pallets. At the same time, there will also be a significant increase in the demand for used and repaired EPAL Euro pallets in every quality class.

Dirk Hoferer, Vice President of EPAL: “We recommend all EPAL Euro pallet users and their suppliers start planning their pallet usage for the whole of 2022 now and order EPAL Euro pallets early. In this difficult situation, which will probably exceed the shortfalls of 2021, long-term and trusted delivery agreements between users and suppliers of EPAL Euro pallets will prove their worth.” This was how significant disruptions to pallet and transport logistics were avoided during the wood shortage of 2021,

The anticipated shortfalls in the supply of wood and the increasing energy, transport and raw material prices will also have an impact on the price of pallet timber and EPAL Euro pallets. However, as wooden EPAL Euro pallets can be used for many years and repaired economically, higher procurement prices can be offset by reuse, exchange and selling on as well as the fact that they can be repaired. EPAL licensees and the open EPAL Euro pallet exchange pool service providers will support users in this respect.

About EPAL:

As an international association, the European Pallet Association e.V. (EPAL) is responsible for organising the EPAL Euro pallet exchange pool. The EPAL Euro pallet pool is the largest open pallet exchange pool in the world and currently has over 600 million EPAL Euro pallets and approximately 20 million EPAL Box pallets in circulation. Founded in 1991 as an international association for exchangeable Euro pallets, EPAL is now active in more than 30 countries through national associations and representatives. More than 1,500 EPAL licensees produce and repair EPAL Euro pallets and other EPAL load carriers throughout the world. EPAL does not pursue a policy of economic gain. The central focus of EPAL's activities is the quality assurance of the production and repair of EPAL Euro pallets and Box pallets as well as supporting the many users of the EPAL Euro pallet exchange pool. The EPAL Euro pallet exchange pool has been an archetype of a sustainable circular economy for over 30 years. The reuse, exchange, repair, and recycling of EPAL Euro pallets demonstrates a responsible approach to the environment and resources. Wooden EPAL Euro pallets make an important contribution to protecting the climate by averting CO2 emissions. All over the world, the EPAL brand stands for quality, safety, and sustainability in logistics.

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