

End-of-waste 'disappointment' gives way to determination

Paper

Industry representatives will continue to press for end-of-waste status for paper despite the rejection late last year of the proposal put before the European Parliament.

This setback had been 'a big surprise and disappointment', acknowledged European Recovered Paper Association (ERPA) president Merja Helander of Lassila & Tikanoja in Finland, but the organisation 'will definitely do its utmost to start the process again'. And she insisted: 'End-of-waste is far too important to our industry; we must not give up but find new ways to solve the problems.'

As to the suggestion that stakeholders 'should find a new beginning and understanding about end-of-waste and come up with a binding solution', Helander left delegates in no doubt that this process would take more time - possibly 'a couple of years'.

In Miami, BIR Paper Division president Reinhold Schmidt of Germany-based Recycling Karla Schmidt expressed frustration over regulatory developments in his own country where the circular economy law of 2012 was deemed to be endangering the traditional paper recycling branch and weakening the domestic recycling



Merja Helander: 'We must not give up.'



George Chen: China's inspections becoming even tougher.



Otavio Pontes: virgin pulp becoming 'very competitive'.

structure. 'We don't expect any privileges, but we want at least to be able to work in fair competition with public powers,' he said. Policy-makers should give greater consideration to the jobs created and taxes paid by the companies in this branch, he added.

According to Schmidt, other dominant issues since last October's divisional meeting in Warsaw had included: over-regulation; lower margins; higher energy and logistics costs; widespread overcapacity, particularly for graphic papers; and the slowing of economic growth in the key recovered fibre market of China. He also pointed to increasing quality demands by fibre buyers.

'Quality is the king'

Schmidt's comments dovetailed neatly with the observations made by Ranjit Baxi of UK-based J&H Sales International in his Asian market report in which he noted that, amid all the focus on China's Green Fence import quality regime, other key importing countries such as India and Indonesia had also introduced controls of their own. 'What is very clear going forward is that quality is the driver, quality is the king,' he told delegates. 'Those who understand and make their systems work to produce quality will be the ones who succeed in this business.'

Baxi went on to highlight a sharp drop in Europe's recovered fibre shipments

to China from 2.11 million tonnes in the first quarter of 2013 to 1.897 million tonnes in January-March this year. US shipments to the same destination were broadly unchanged whereas deliveries to China from other Asian countries - including the Middle East - soared from 318 000 tonnes to 727 000 tonnes. China's total imports from all sources were fractionally higher in this year's first quarter at 7.2 million tonnes.

'Flat' prices

China's inspection procedures for imported fibre would become ever tougher at a time when the country would be bringing through more tonnage from domestic collections, concluded George Chen, president of US company G&T Trading International Corporation. China would still be the leading outlet for recovered paper but other countries - Chen mentioned India and Vietnam in particular - would continue to emerge as 'very important markets'.

The same speaker predicted 'steady' and 'flat' prices for recovered fibre going forward while the guest presentation from Otavio Pontes, vice president of business development at Stora Enso Biomaterials in Brazil, suggested virgin pulp was 'becoming very competitive with recycled fibre' because new pulp mills were generally more efficient in cost terms than their predecessors. □

From left to right: Ranjit Baxi, Björn Grufman, Reinhold Schmidt.



Prize goes to Papyrus pioneer

The BIR Paper Division took the decision in 2008 to honour the 'champions' of the paper recycling sector with a new award that became known as the Papyrus prize. And now the architect of that award - former divisional president Ranjit Baxi - has become its latest recipient following a ceremony in Miami. His successor as Paper Division president, Reinhold Schmidt, described Baxi as 'an exceptional personality' and one of Europe's leading recovered fibre exporters, with an in-depth knowledge of the Asian market. The award also celebrated his success at drawing attention to the massive environmental and social contribution of the paper recycling industry around the world. His achievements in this regard have included not only the Papyrus prize but also the authoring of a book entitled 'Recycling our Future' which provides an insight into the practicalities of recycling and its positive impact. The book was launched in Miami and will be reviewed in a subsequent issue of Recycling International. Baxi, who was also confirmed as an honorary president of the BIR Paper Division in Miami, described the award of the Papyrus prize as 'very humbling'.