

More criticism of third country recycler certification

(EU) – A policy mooted by the EU Commission under which exports of secondary raw materials from the EU to third countries would be permitted only where receiving recyclers participate in an EU certification scheme drew sharp criticism at the Bureau of International Recycling's (BIR) spring convention of the held in late May in Shanghai. Christian Rubach, chairman of the steel scrap section of BIR fears that a regulation requiring certification might severely impact the recycling market.

The idea sounds good at first blush: European secondary raw materials would not be sent to any country where environmental, health or working conditions fail to meet the European standard. But this was nothing but protectionism, Mr Rubach said. Requiring certification would harm industry and create export barriers, causing steel scrap prices to drop by 30, 40 or even 50 per cent, he argued. Furthermore, non-EU countries would retaliate, he warned. The low prices would lead to a drop in recycling activity in the EU. The result would be a trade war in which everyone stood to lose.

The European Commission commissioned a study on introducing certification standards in 2011. The final report, "The Feasibility of Introducing a Certification Scheme/Standard for Recycling Treatment Facilities", was submitted in November 2012. BDSV, Federation of German Steel Recyclers and Waste Management Companies as well as the European Federation of waste management (FEAD) had already responded to the study in March and April and had also voiced their unequivocal objection to certification for recycling facilities in non-EU countries as a precondition for exports.

Used textile market experts report shortage of original stock around the world

Bin thefts also a problem in France / Wave of insolvencies in the UK

(WW) – The price of original collected stock has reached its zenith, Olaf Rintsch, the president of the Bureau of International Recycling's Textiles division, said at the organisation's spring convention which was held at the end of May in Shanghai. Warehouses of sorted goods were reportedly now filling up in sales markets, with insiders in a few markets already saying that they did not want to sell textiles at the current price as sales were poor.

Mr Rintsch also reported dwindling demand for shoes, while eiderdown was still selling well. Wiper rags were also sought-after. However, recycling grades were still far from covering costs.

With regard to German local authorities controlling increasing amounts of collected stock, Mr Rintsch questioned of what would happen when the market collapses or even just returns to a "normal" level. Local authorities and waste management firms would not know the market, he said. Until now, the existence of the private textile recyclers had always kept the taxpayer from paying disposal costs for material that would not sell. Private recyclers should be left space to live and should not be cut off from their means of accessing original collected stock. Mr Rintsch argued for more cooperation between charitable, private and public or semi-public bodies.

Mehdi Zerroug from Framimex SA in France reported sustained weakness in original collected stock volumes. He also noted that there had been more thefts from containers and warehouses and more diversion of material put out for collections. Even whole containers had been stolen. Another problem was the illegal placement of containers without the consent of the property owners.

Mr Zerroug said that French arisings of original collected stock from containers had fallen by 10 to 15 per cent between 2011 and 2012. Low volumes in the first few months of this year had persisted. At the same time, costs had risen again. However, higher sales prices for original collected stock offset increased collection costs.

In the UK, a few companies had encountered financial difficulties in the wake of high purchasing prices, according to Alan Wheeler from the Textile Recycling Association. It had become clear in January that six established companies were no longer active on the market. The association lost more than ten per cent of its membership last year. The insolvency wave was followed by a temporary glut of material of material in January. As a result, prices for all grades tumbled by around \$80 per tonne and have since remained stable at this level.

Despite this slump, used clothing remained a high-value raw material and the target of criminal activity. Mr Wheeler therefore welcomed HM Revenues and Customs' announcement that it was creating a special task force to look into the tax affairs of some purported textiles recycling companies. At the same time, the police and National Fraud Intelligence Bureau were working to find out more.

Global demand for second-hand clothing is still higher than collection volumes, noted Klaus Löwer, the honorary president of BIR's textiles division. The resulting battle for collected stock was driving price increases for second-hand clothing that outstripped the rate of growth in disposable income in many countries. Mr Löwer saw no end in sight to the strong demand for unsorted waste textiles, meaning that margins were under substantial pressure. As a result, more companies were expected to go out of business. Mr Löwer reported that a shortage of original collected stock is still being complained about in Japan as well. Arisings had reportedly dropped by 20 per cent between last September and April 2013.

"Bullish demand for original collected stock is not a healthy trend for textiles recycling, either for collectors, or for sorters," said Mr Löwer. Traditional textiles recyclers would face a substantial drop in capacity if this market climate were to persist for a long time for original collected stock.

People

Alexandre Delacoux, the current general manager of the Bureau of International Recycling (BIR), will assume the role of the Director General as of 1 September, the organisation announced. Mr Delacoux joined the trade association's Brussels headquarters in October of last year and "has gradually been taking over more and more responsibilities", said BIR. Before moving to BIR, Mr Delacoux served as the Executive Director of European Biopharmaceutical Enterprises (EBE), the industry body representing Europe's biopharmaceutical concerns. He has also worked as Secretary General of Micropower Europe, to raise the profile of the renewable energies sector. In addition, he brings nearly a decade of experience at Du Pont de Nemour. According to BIR, Mr Delacoux works in French, English and German, but is fluent in Greek as well. He studied at the Graduate Institute for International Studies (IUHEI) at the University of Geneva and holds a degree in International Relations and International Economics. The new Director General will succeed the retiring Francis Veys, who, BIR said, would continue to serve the organisation in an advisory capacity.

The members of the Recovered Paper Division in the Bureau of International Recycling waste paper (BIR) elected Reinhold Schmidt to be division president at the organisation's annual meeting in Shanghai, China in late May. The vice president of the German bvse (Federal Association for Secondary Raw Materials and Disposal), Mr Schmidt succeeds Ranjit Singh Baxi, who as the new treasurer for the world association, did not stand for re-election as head of the paper division, according to the bvse. Mr Schmidt is the managing partner of the medium-sized waste disposal company RKS Recycling Karla Schmidt, which is based in Haren / Ems in Lower Saxony. In addition to his role as Vice President of the bvse he also chairs the German association's paper recycling division. Mr Schmidt is a long-time member of the BIR for the last seven years served as the vice president for Germany in the BIR's recovered paper division. Mr Schmidt confirmed Thomas Braun as General Delegate of the paper division, a position he has held since 2002. Mr Braun is managing director of the bvse. In addition to his functions in the BIR and the bvse Mr Braun represents the interests of German recovered paper sector on the board of the European Recovered Paper Association (ERPA) in Brussels.

Olaf Rintsch, CEO of Hamburg textile recycling K. & A. Wenkhaus GmbH, was also elected division president at the BIR meeting in Shanghai and will continue to lead the organisation's textile division. Mr Rintsch has held the office for six years, according to the bvse. Until autumn 2011, he was also a member of the board of the Association Textile Recycling (FTR), a position he held for six years.

Green Fence could drive structural changes in plastics recycling

(PRC) – The enforcement of quality standards for plastic scrap imports as part of Operation Green Fence, which has been under way in China since February, might bring about fundamental changes to the country's plastics recycling sector. Steve C. K. Wong expressed this view at the Bureau of International Recycling's Spring Convention, which was held in Shanghai at the end of May. Mr Wong is managing director of Fukutomi Company Limited and is president of the Chinese Plastics Recycling Association.

In addition to banning imports of certain types of plastic scrap, such as big bags, mixed household plastics, LDPE film, and PET and HDPE bottles, as well as of metal-containing scrap electrical appliances and polycarbonate from CDs and DVDs, the initiative included series of measures geared towards altering market structures within China. For instance, trading in import licences is now banned, and imported plastic scrap must be delivered directly to the plant that is permitted to import it according to the import licence.

Mr Wong believes that plastics recycling is becoming increasingly standardised in China and that it will be subject to certification. The importance of conversion post-consumer plastic scrap might lose ground and sourcing plastic scrap might become increasingly difficult. Overseas suppliers were already looking around for alternative markets, and considering countries such as Malaysia, Vietnam, Indochina and Taiwan. They had started recycling post-consumer plastic scrap into secondary commodities on-site in order to keep afloat, said Mr Wong. In addition to imports of scrap processed abroad, imports of post-production scrap and technical plastics wastes might become more important in China.

Chinese converters are facing higher material costs as a result of the new government policy, according to Mr Wong. For instance, China had imported mixed plastic scrap for RMB2,800 per tonne (ca. €360) until now, Mr Wong claimed. Sorting, washing and grinding had reportedly cost another RMB1,000 (ca. €130). Regrind, on the other hand, cost businesses RMB5,300 (ca. €680), a jump of almost 40 per cent. Higher raw materials costs had made Chinese firms less competitive on the export market. Mr Wong felt that some merchants might not be able to stay in the plastics business. Only recyclers selling finished products would manage, he believed.

Mr Wong saw Operation Green Fence and its import restrictions as linked to the costs of the rapidly deteriorating environment caused by strong economic growth. Mr Wong felt that another reason for Operation Green Fence lay in the brisk development of China's processing industry and in the mining of ferrous and other metals from China's natural raw material reserves.

China's import controls lead to renewed calls for end of waste criteria for recovered paper

Daniel Guillanton: "Processed recovered paper should not be seen as waste"

(WW) – The recycling sector still wants to see recovered paper removed from the waste regime at an early stage, according to Ross Bartley, Environmental and Technical Director of the Bureau of International Recycling (BIR). Speaking at the industry organisation's spring convention in Shanghai in late May, Mr Bartley said that even if the European Commission's proposal did not seem perfect, creating an EU-wide end of waste (eow) regulation for recovered paper was desirable. He said he had been told by the EU Commission that the draft would be sent on to the Council in the coming weeks.

Last summer, the end of waste Regulation failed to gain the qualified majority necessary for adoption by the Technical Adaptation Committee (TAC) responsible for adapting EU waste law to technical and scientific progress. A main reason why the eow Regulation for recovered paper failed to draw enough support was its inclusion of beverage cartons in the list of grades eligible for early exclusion from the scope of waste legislation which drew strong criticism from several member states' environment ministries, among them Germany. The Commission can now pursue the proposal's adoption by submitting it to the Council, and has announced several times that it would take this step "within the next few weeks".

Concerns about China's stepped-up inspections under the "Operation Green Fence" initiative have brought renewed urgency to calls that product status to be granted to recovered paper that has undergone initial processing and meets certain technical and environmental criteria. In February, Chinese officials began enforcing strict adherence to the existing quality regulations for secondary raw materials and taking action against illegal waste imports. The measures are being carried out by the Chinese customs authority GACC (General Administration of China Customs).

According to Ranjit Baxi, former president of BIR's recovered paper division, the quality regulations that China is now enforcing are not new. In 2008, the environmental protection agency (NEPA) published a list of materials that were not permitted in recovered paper, which included old wallpaper, wax paper, carbon paper and self-adhesive paper.

Daniel Guillanton from the French company Sita Négoce said in Shanghai that he had initially not considered the issue of end-of-waste status for recovered paper to be particularly important. However, he had since changed his mind, especially given to the way the authorities viewed the material. Furthermore, the end-of-waste criteria would also have repercussions for the procurement of recovered paper. At the moment, there was no legal differentiation between unprocessed recovered paper unsuitable for direct use in paper production and processed paper that meets certain specifications, he noted. Processed recovered paper should no longer be seen as waste, Mr Guillanton said. Thomas Braun, delegate general of the BIR Paper Division and managing director of the German waste management and recycling association bvse (Bundesverband Sekundärrohstoffe und Entsorgung), underlined the importance of the recovered paper companies within the paper chain.

China objected to relatively few waste imports in 2012

(PRC) – Currently, shipments of secondary raw materials to China are undergoing strict controls due to the new government's "Green Fence" initiative. In the past three years, however, the share of shipments that reached China and were rejected was quite low. In 2010, this share totalled 0.06 per cent, while in 2012 it came to 0.08 per cent – in absolute figures 159 and 228 shipments, respectively. These figures were presented by Cui Lei, deputy director of the China Certification & Inspection Group (CCIC) at the spring conference held by the Bureau of International Recycling (BIR) in Shanghai at the end of May.

Mr Cui Lei underlined that the import controls China performs for recovered materials are not to be understood as protectionism. According to him, recyclable recovered material is important for the country as it helps to conserve resources.

The CCIC granted 253,671 certificates for exports of secondary raw materials to China in 2010. These certificates covered 1.53 million containers holding 40.99 million tonnes of freight. In 2012, a total of 257,811 certificates were granted for 1.73 million containers with freight of 45.92 million tonnes. These figures do not include material that reached China via Hong Kong.

Recovered paper is the most important secondary raw material imported by China. It accounts for 62 per cent of the CCIC certificates, followed by plastic waste with just under 18 per cent and mixed waste with 9 per cent of CCIC certificates. Non-ferrous metals account for a share of 8 per cent, slag from iron and steel production for 2 per cent, and steel scrap for slightly less than 1 per cent. The share of textile waste totals 0.8 per cent. With regard to recovered paper, the CCIC granted 77,000 certificates for 25.78 million tonnes of material last year that reached China in 1.13 million containers.

More than 50 per cent of the loads that failed to meet the quality requirements concerned plastic waste, followed by non-ferrous waste with 17 per cent, mixed waste with 13 per cent as well as recovered paper with 9 per cent. Reasons for failed inspections included non-compliance with standards in more than 50 per cent of the cases concerned, risks to public health in 20 per cent of the cases, and incorrect documents in 9 per cent of the cases. Further reasons included excess radioactivity (5 per cent), medical waste (4 per cent) and prohibited waste (2 per cent).

Slight decrease in China's Q1 recovered paper imports

(PRC) – China imported 7.19 million tonnes of recovered paper in the first quarter of 2013, down from 7.24 million tonnes in the corresponding period of the previous year, according to Ranjit Baxi, former President of the Paper Division of the Bureau of International Recycling (BIR). 3.59 million tonnes of this total stemmed from North America (2012: 3.39 million tonnes) and 2.11 million tonnes from Europe (2012: 2.39 million tonnes). Japan supplied 0.86 million tonnes (2012: 0.80 million tonnes), while other Asian countries contributed 0.32 million tonnes (2012: 0.43 million tonnes). A total of 0.31 million tonnes (2012: 0.23 million tonnes) originated from Oceania.

With a volume of 0.79 million tonnes (2012: 0.78 million tonnes), the UK is on top of the list of European countries that exported recovered paper to China in the first quarter of 2013, followed by the Netherlands with 0.42 million tonnes (2012: 0.50 million tonnes), Italy with 0.23 million tonnes (2012: 0.29 million tonnes) and Belgium with 0.18 million tonnes (2012: 0.19 million tonnes). Germany exported 0.13 million tonnes (2012: 0.18 million tonnes) and Spain delivered 0.09 million tonnes (2012: 0.14 million tonnes) of recovered paper to China.

In the year 2012 as a whole, China imported 30.08 million tonnes of recovered paper, according to the statistics presented by Mr Baxi, up from 27.28 million tonnes in the year 2011. 14.57 million tonnes stemmed from North America, compared to 13.09 million tonnes one year before. 8.87 million tonnes were supplied from Europe, up from 8.24 million tonnes in the year before, and 3.88 million tonnes originated from Japan (2011: 3.38 million tonnes). The rest of Asia exported 1.61 million tonnes (2011: 1.63 million tonnes) and the Oceania region shipped 1.15 million tonnes (2011: 0.94 million tonnes) of recovered paper to China.