



# Call for 'mutually beneficial' trade with China

*Market conditions for Europe's textiles recyclers have become increasingly 'untenable', it was suggested at the BIR Textiles Round-Table in Milan. The proportion of good-quality used clothing entering sorting facilities appears to be in long-term decline, making it increasingly difficult for the industry to cover the rising costs associated with handling the remaining fraction.*

By Ian Martin



BIR Textiles Division President Frithjof Schepke.

**T**he competition provided by cheap new clothing from China has been highlighted as a major contributing factor to the recent downturn in the fortunes of Europe's textiles recycling sector. However, a different perspective on the issue was provided at the BIR Textiles Round-Table meeting in Milan by Terry Ralph of UK-based Terimpex Ltd, who urged BIR to seek a lifting of the Chinese import ban on second-hand clothing.

Mr Ralph began by stating that, if Chinese manufacturers wished to continue global sales of clothing, they would almost certainly have to 'improve their qualities to meet Western standards'. And he went on to say: 'A company I was employed by in the 1980s sent thousands of tonnes of clothing into China through a Hong Kong-based exporter. If demand was so buoyant in the 1980s, I fail to see why the free import of second-hand clothing could damage the burgeoning Eastern market.' All trade should be 'mutually beneficial and not one-sided', he argued.

On behalf of his national federation, Mr Ralph then called on BIR officially to ask the Chinese environmental authorities for their reasons for having imposed the import ban

with a view to trying to have it lifted 'in the interests of secondary textile merchants worldwide'.

In an earlier summary of his domestic market, Mr Ralph reported that prices had risen to 'dramatic heights' because 'good-quality originals are being picked up by Eastern European traders taking only the best'. This had led to 'a shortage for traditional sorters and consequent short-time working'.

## 'Untenable situation'

The impact of a general decline in the quality of clothing put into the textiles collection system was underlined by BIR Textiles Division President Frithjof Schepke of Germany-based Schepke Konzepte. Only 40% of collected material could be worn again while 45% went into the recycling stream and the remaining 15% constituted waste. The sector was therefore left in the 'untenable situation', he said, of having to earn sufficient income from the reusable fraction to cover the costs associated with handling the other 60%. Indeed, it was suggested in Milan that the reusable fraction from collection was now as low as 30% in some instances.

Mr Schepke went on to insist: 'We must find a solution as to who is going to pay for our collection, sorting and recycling services.' In this context, Alexander Glaser of Fachverband Textil-Recycling eV in Germany sketched out a potential new approach to this enduring problem. Through its network of collection containers, the textiles recycling sector was effectively taking charge of the reuse, recycling or disposal of items that would otherwise become the responsibility of the municipalities. Thus, he



Only 40% of collected textiles can get a second life as clothing.

argued, the municipalities should be prepared to pay the recycling sector on the basis of the volumes collected and to recoup these costs via a tax on consumers.

It had been calculated that German citizens annually disposed of around 9 kg per head of used clothing. A tax of Euro 0.50 per kg would inject valuable funds into the textile recycling sector while costing members of the public an average of only Euro 4.50 per year - 'the equivalent of a glass of beer', said Mr Glaser. 'Payments would go only to those who sort and recycle. We need to make clear that this will help safeguard jobs.'

## 'Sluggish' demand

In his Italian market report, BIR Textiles Division board member Sauro Ballerini pointed to a surplus of used clothing within the sector both before and after the summer holiday period. African demand had been 'sluggish', the flow of payments had been 'slow', and customers were very conscious of prices, he said.

Mr Schepke had earlier maintained that 'the survival of the textile recycling industry depends on working together'. □



Delegates from the German textile recycling industry discuss problems during lunch.