

The Paper Division session at BIR's convention reviewed headline situations around the world, from the outlook on China, to a rejection of guidelines that CEPI wants the RP industry to adopt.

CHINA REACTS TO ILLEGAL SHIPMENTS AND GERMANY HITS COLLECTION LIMIT

By Ian Martin – Industrial journalist and specialist in recycling, Edinburgh

THE highly-publicised illegal traffic of household waste now appeared to have been halted – but at a price, the BIR Paper Division was told in Berlin by **Maarten Kleiweg de Zwaan**, President of the European Recovered Paper Association (ERPA).

He said that some European merchants had been buying co-mingled paper from the UK and Ireland, shipping it as recovered paper to India and the Far East. Noting that some companies had been forced to return the material, he stated: “A result of these illegal activities has been that licenses will be needed to ship recovered paper to China.”

He also reported that final drafts of recovered paper quality control guidelines had recently been approved by ERPA and the Confederation of European Paper Industries (CEPI). The confederation had also come up with two additional sets of guidelines covering the control of moisture content and of unusable material content in recovered paper, but ERPA had declined to endorse them.

A step too far

Maarten Kleiweg de Zwaan also highlighted another draft guideline document from CEPI relating to responsible sourcing of recovered paper; this covered a host of issues including collection, sorting, transportation, management systems and qualified suppliers.

“The ERPA board has decided that the above issues are matters which should not be regulated by the mills/CEPI, but by our industry,” he said. Noting that ERPA would come up with its own guidelines by October, he insisted: “We, as the recovered paper industry, should keep the initiative and not be told by the mills how to run our business.”

Watching China...

Unsurprisingly, China once again emerged as a dominant theme at the Paper Division meeting, not least because of the announcement of a new registration system to be introduced by China's General Administration of Quality Supervision, Inspection and

Quarantine (AQSIQ) for overseas suppliers of recyclables.

Francis Veys, BIR Director General, said attempts were being made to convince the Chinese authorities to postpone the registration deadline of 1 July, 2004, although he urged members to lodge their applications as soon as possible. *[The deadline later was allowed to keep slipping forward.]*

The increase in China's recovered paper imports was likely to prove sustainable based on the fundamentals of consumption and demographics, according to **Dominique Maguin**, President of

BIR (Bureau of International Recycling) is a trade federation representing the world's recycling industry, covering in particular ferrous and non-ferrous metals, paper and textiles. Plastics, rubber and tires are also studied and traded by some BIR members.

Some 550 companies and national federations from more than 55 countries are affiliated. BIR, which has its secretariat in Brussels, holds bi-annual conventions; the first 2004 meeting was in Berlin at the end of May, and the second convention will be in London, 28-29 October.

Website: www.bir.org

BIR Paper Division. The country had maintained an overall growth rate of around 8% for some 20 years, and had provided the engine for global commodity consumption growth.

However, he expressed concern that the price of recovered fiber “has not followed other raw material trends,” and that recyclers were “not entirely at ease with the value of these materials.”

Difficult conditions

According to divisional Vice-President **Ranjit Baxi** (of J&H Sales International Ltd, UK), China was responsible for importing more than 7

million metric tons of recovered fiber each year. But its failure to continue with strong buying patterns following the Chinese New Year holidays was one reason behind the “difficult” trading conditions endured since the previous BIR convention (Vienna – October, 2003).

Other dampening factors had included fluctuations in the dollar/Euro exchange rate, increases in sea freight rates, and “sizeable” exports by Japan “to meet some of the Asian demand.”

US market

Michael Moulton (of Koch Pulp and Paper Trading LLC), reported on the USA market. He said that conditions were “fairly stable” but that a resumption of stronger Asian buying could result in demand outstripping supply and in price volatility “to the upside.” USA mills were “running pretty hard” at around 94-96% of capacity.

According to guest speaker **Hubert Neuhaus** (of SITA Böhm GmbH, Germany), consumption of recovered paper was on course to move ahead of collection in 2006. Collection had been “stagnating” at between 13 and 14 million metric tons for a number of years, and was expected to remain within this band at least until 2010. “It is not possible to collect more material in Germany,” he maintained.

• This article is an edited version of a report published by Recycling International, the monthly English language magazine, published and edited by Manfred Beck, from Arnhem, the Netherlands.

Website: www.recyclinginternational.com
E-mail: recycling.int@worldonline.nl

The author is an experienced commentator on the recycling industry, with a special interest in the recovered paper sector. He spent several years during the 1990s as the editor of MRW (Materials Recycling Week), the UK's leading recycling magazine.

He regularly writes for more than a dozen trade magazines, including Recycling International for which he is editorial consultant.