

Paper

A proliferation of pressure points



Reinhold Schmidt.



Merja Helander.



Lars-Gunnar Almryd.



Atul Kaul.

For the paper recycling sector, the list of pressures just keeps on lengthening. 'And a lot of challenges lie ahead,' delegates were warned at the BIR paper division meeting in Dubai. For fibre exporters, one of the more worrying forecasts was that Chinese imports would fall again this year following a sharp drop in 2014.

The speeches made in Dubai by the BIR paper division's president Reinhold Schmidt of Recycling Karla Schmidt and by honorary president Ranjit Baxi of J&H Sales International outlined the following challenges facing the sector: an increasing bureaucratic burden; shorter terms for communal tenders; volume losses owing to structural changes, such as in the graphic sector; fresh uncertainty linked to the European List of Standard Grades of Recovered Paper and Board (EN643); stricter quality requirements; currency, freight rate and demand fluctuations; and increasing domestic collection volumes in major importing countries, including China. 'Our companies are under extreme economic pressure, leaving no millimetre of space for a further decline,' Schmidt lamented shortly before his re-election for a second term as divisional president. In her final speech to a BIR convention, European Recovered Paper Association

president Merja Helander of Lassila & Tikanoja Plc in Finland added 'unclear waste legislation and circular economy package' to the 'worries' confronting the recovered paper industry. And she also said: 'Competition is tougher as collection volumes are not increasing year after year as they used to do. Margins are modest and willingness to invest is low.'

Closing the gap

Dwelling briefly on the European List of Standard Grades of Recovered Paper and Board, Schmidt pointed to the absence of recognised methods for measuring non-paper components and moisture content, thus making it difficult to ensure that deliveries were 'in line with the required quality standards'. In order to 'close this gap', he added, a new standard covering measuring methods and technologies would be developed by a European Committee for Standardization working group. In future, according to Schmidt, automatic entry controls and analysis using near-infrared technology would assess moisture and impurity levels. 'The whole procedure will not last longer than two minutes per lorry,' he said. For the recovered paper industry, it was essential that new controls were 'understandable' and 'economically calculable', Schmidt added. 'More sorting depth is only possible if customers will remunerate this one-to-one.'

Losing out rapidly

As part of a review of European markets, Lars-Gunnar Almryd of IL Recycling AB in Sweden noted that, following a recent closure, only one mill in his home country was now using news & pams in newsprint production - and even that was at 50% of its previous capacity, he pointed out. 'Swedish mills' demand for the news grades has decreased significantly in recent years and collection volumes are also dropping sharply as printed media continue to lose out rapidly to digital media,' he explained. According to Ranjit Baxi's report on the Chinese market, the government's 'strict' enforcement of environmental regulations had led to the closure of around 50 mills with a combined annual fibre consumption of some 4 million tonnes. Also of particular concern to overseas suppliers, China's domestic collections of recovered fibre now amounted to more than 50 million tonnes per annum, according to the speaker. As a result, there was now a reduced demand for imports - 'particularly at the low end'. His figures indicated that China's total fibre imports fell from 31.65 million tonnes in 2013 to 27.36 million tonnes last year, with Baxi projecting a further decline to perhaps 26 million tonnes for 2015.

'Really bad effect'

Atul Kaul, director of pulp & paper at Saudi Arabia's WARAQ mill group, used his guest presentation in Dubai to call

Recycling's local heroine

A self-confessed 'environmental activist' was the latest - and local - winner of the BIR paper division's Papyrus prize for services to paper recycling. Habiba Al Mar'ashi is chairperson of the UAE-based Emirates Environmental Group, a non-governmental organisation formed in 1991 which is actively pursuing solutions to environmental issues in the region. And having picked up the award, she affirmed: 'Recycling is the most effective option.' She underlined her support for the 'polluter pays' principle and for the goals enshrined in the UAE's Vision 2021 initiative - that is, to increase waste treatment rates from 32.1% in 2011 to 75% within six years from now.



on the region's governments to protect the local paper industry by 'mitigating the threat' posed by recovered paper exports. In response, BIR's trade & environment director Ross Bartley said all economic advice tended to indicate that export bans had 'a really bad effect' on recycling by, for example, depressing prices and collections. □