

BIR CONVENTION: Healthy debate

The changing nature of global recovered fiber flows does not stop one papermaker from requesting a trade barrier.

[Brian Taylor](#) May 26, 2015

The closing of old paper mills and the ramping up of new ones in Europe is changing scrap paper shipping patterns on that continent, according to market reports presented at the Paper Division meeting at the 2015 [Bureau of International Recycling \(BIR\)](#) World Recycling Convention in Dubai, United Arab Emirates (UAE), in May.

Dominique Maguin of France-based La Compagnie des Matières Premières said the closing of the Aylesford Newsprint mill in the United Kingdom can be considered “removal of capacity from this market sector [that] is inevitable in light of the worldwide trend toward a reduction in newsprint consumption.”

Nonetheless, the mill “had been sourcing up to 500,000 metric tons of recovered fiber annually,” said Maguin, and the closing has “made related fiber sales more difficult while prices have suffered too.”

Jaroslav Dobes of [Remat s.r.o.](#) in the Czech Republic said in his nation in 2014, “recovered paper collection volumes recorded their biggest annual growth [ever] of around 100,000 tons, or some 12 percent.”

That fiber has been flowing across international borders within Europe and outside of it, said Dobes. In the near future, Turkish demand for imported recovered fiber is expected to increase. “New capacities are scheduled to come on stream this quarter, including one [paper machine] at [Modern Karton](#),” he commented.

BIR President Ranjit Baxi of London-based [J&H Sales International](#) commented that a combination of currency fluctuations, changing freight rates and disorder at Pacific Coast ports in the United States have caused Europe to gain ground on the U.S.’s supremacy as the leading supplier of recovered fiber to China.

In the first quarter of 2015, Europe exported 2 million metric tons of fiber compared to 3.1 million metric tons coming from the U.S. That compares to 1.9 million metric tons coming from Europe in the first quarter of 2014 and 3.5 million metric tons shipped from the U.S. that quarter.

Both regions are competing for an overall smaller pie, as China’s first quarter imports declined by 6.4 percent compared to the first quarter of 2014. “China’s collection [of domestic recovered fiber] has grown tremendously in the past 15 years,” said Baxi, who pegged its current volume as possibly reaching 50 million tons per year.

The active trade in Europe and around the world did not prevent guest speaker Atul Kaul of Saudi Arabia-based Waraq Arab Paper Manufacturing Co. from advocating for recovered fiber export restrictions in his company’s host nation. “Our paper industry is threatened with the free export of recovered fiber,” he stated.

“About 30,000 tons of old corrugated containers (OCC) leaves Saudi Arabia every month, mostly for India and some for China,” said Kaul, who added that mill buyers within Saudi Arabia “will be competitive on prices” for the material.

Waraq, founded in 1994, now operates three linerboard paper machines serving a Gulf Cooperation Council (GCC) region that Kaul said is experiencing a “rapid increase in industrialization” and has a “need for paper and packaging.”

Also at the Paper Division meeting, Habiba Al Marashi of Dubai-based [Emirates Environmental Group \(EEG\)](#) received the BIR’s Papyrus Award for her commitment to recycling. She also provided an overview of EEG’s efforts to increase recycling collection and awareness in the UAE, including litter removal and recycling education campaigns directed at children.

The Paper Division also bid farewell to long-time Vice President Merja Helander, who is retiring from Finland’s [Lassila & Tikanoja Plc](#). Helander said she had missed only “a handful” of BIR meetings in the previous 30 years, and that she had participated in the recycling industry “with all my heart and my soul.”

The 2015 BIR World Recycling Convention was May 17-20 at the InterContinental Festival City in Dubai.