Textiles

French eco-levy stirs strong emotions

At present, the used clothing market appears to offer one of the few - if not the only - route to profitable operation for the vast majority of textiles recyclers. However, there is concern within Europe that France's eco-levy system may undermine even this area of activity. Last month's BIR Textiles Round-Table in Amsterdam focused on this topic, as well as on issues and market conditions in the USA.

The emerging eco-levy system in France has energised debate within the international textiles recycling community. And its ability to stimulate discussion was once more in evidence at the latest BIR Textiles Round-Table in Amsterdam.

Under the system, distributors and other companies responsible for putting new clothing and shoes on the market are required to pay a levy designed to more



BIR Textiles Division President Olaf Rintsch of Germany-based Textil Recycling K&A Wenkhaus.



Alexander Gläser of the German Fachverband Textil-Recycling (left) and Klaus Löwer of Hans Löwer Recycling in Germany.



Hans Brak of Handelsonderneming Brak in the Netherlands (left) and Martijn van Leeuwen, Secretary of the Dutch textile recycling association

than double sorted volumes. Delegates learned from Mehdi Zerroug of France-based Framimex that the first of the levy funds were transferred in July of this year, and that the first agreements between Eco Tlc and sorting companies were signed early in October.

Reading out a statement on behalf of Boer Group Holding, Rainer Binger of FWS in Germany said this 'subsidy programme to stimulate the collection of textiles' could potentially deprive 'healthy sorting companies with strong traditional grading' of their established markets, leading to 'serious' job losses among people who will be left with 'little or no chance of finding other employment'.

Mr Binger added: 'The French need to reconsider this subsidy scheme. Government money and our knowledge should be used for real recycling purposes; we should not waste it on collecting original material and merely sending nearly unsorted merchandise around the world, thus disturbing the only profitable parts of textile recycling - the used clothing markets.'

A similarly strong opinion was voiced by Pol T'Jollyn of Recutex NV in Belgium who warned that the eco-levy system in France could divert the focus from quality and encourage 'rough' grading. 'Our business is still an art and we want to keep it like that,' he insisted.

## Fears not realised

To date, 2009 has not hit the textiles recycling sector 'as hard as we feared it would' despite high energy costs and payment problems for a number of African customers, delegates were told by BIR Textiles Division President Olaf Rintsch of Germany-based Textil Recycling K&A Wenkhaus GmbH. However, market reports delivered in Amsterdam highlighted some adverse effects: for example, Sauro Ballerini of Italy pointed to a drop in wiping cloth demand resulting from reduced industrial activity while Mr Zerroug revealed that collection container yields have been 16% lower in France when compared to last year.

Providing a perspective on the US market, Eric Stubin of textile recycling association SMART reported a decline of around 10% in rag prices over the previous two to three months as well as 'softening' demand from the export market. Larry Groipen of ERC Wiping Products Inc. in the USA then warned of potential disruption to used clothing and footwear exports as a result of efforts to develop new standards within the International Organization for Standarization (ISO).

## National waste plan

According to Hans Brak of Handelsonderneming Brak BV in the Netherlands, the Dutch government has introduced a National Waste Plan which seeks to intensify the collection of used textiles. Fearing this might lead to serious problems such as a major increase in lower-grade volumes, domestic association Vereniging Herwinning Textiel (VHT) - of which Mr Brak is Chairman has brought together all interested parties within the textiles chain to discuss the issues raised.

VHT's Secretary Martijn van Leeuwen outlined several possible options for helping to secure the industry's future, including finding new applications for the lower grades of used textiles and arriving at more efficient processing methods for these same materials. The speaker acknowledged that consideration may also be given to some form of producer responsibility; experience gained with the eco-levy system in France - both positive and negative - will be evaluated, he added.

The guest presentation from lawyer Dr Oliver Bertram of Germany-based Kleiner Rechtsanwälte looked at the potential for minimum wage legislation to impact on the recycling sector, with particular reference to developments in his home country and several other European nations. Referring to earlier discussion of the link between recycling and waste legislation, he concluded: 'So long as your primary business is waste, you will not be able to escape this minimum wage.'