



# “The Benefits of Recycling Are still Under-Acknowledged”

Bureau of International Recycling (BIR) World President Ranjit Baxi is tireless in explaining the environmental benefits and huge potential of recycling. He underlined the importance of recycling in the fight against climate change also in the margins of the COP21 meetings in Paris.

In his speech during an event organized by the French recycling association Federec Mr Baxi explained that the early results of BIR's updated report on “Environmental Benefits of Recycling” allow the conclusion that the CO<sub>2</sub> savings achieved through recycling are on the rise: For aluminium, savings amount to 92 percent compared to primary production, for copper 65 percent and for ferrous 58 percent. The first BIR report on “Environmental Benefits of Recycling” (published in 2008) showed a substantial 500 million tons of CO<sub>2</sub> emission savings through recycling, which is the equivalent of the total annual carbon dioxide emissions of the global aviation industry. He also stressed that the figures in the study were rather conservative and that not all commodities had been taken into account. “My personal evaluation is that the recycling industry saves up to 700 million tons of CO<sub>2</sub> per year, which adds up to several billion tons over past decades,” he said according to BIR, the global recycling industry association representing

around 800 companies and 34 affiliated national recycling federations from 70 different countries.

“Global Recycling” has asked Ranjit Baxi, how recycling – as part of the climate change discussions – can be further promoted.

*Recycling prevents CO<sub>2</sub>-emissions, saves energy, protects natural resources and contributes to a sustainable economy, that has already been proven by numerous studies. This raises the question of why the importance of recycling and secondary raw materials for the climate has not been detected earlier. From your point of view, what could be the reasons for this?*

The energy savings from using recycled raw materials instead of primary raw materials has been well recognized for decades, but more so from the 1990s when Life Cycle Analysis became a popular tool collating data for many materials. Translating energy savings into CO<sub>2</sub> savings was

a simple step. The benefits of recycling in terms of CO<sub>2</sub> savings and so climate change mitigation is still under-acknowledged, so continuous publicity is needed in all the concerned fora towards all stakeholders. This was one of the reasons why BIR commissioned its first official study on the benefits of environmental recycling in 2008, mainly to get official data to substantiate our claim that recycling was saving enormous amounts of CO<sub>2</sub> emissions. We are currently in the process of publishing an update of this study in order to maintain the momentum of the importance of recycling for environmental protection. By publicizing this new study we further endeavor to spread the message that recycling is vital for the future of our planet.

***The recycling economy is considered to be the ideal solution regarding the sustainable handling of the earth's reserves of raw material. According to the prevailing opinion, this cannot be put into execution without recycling and neither without properly functioning markets. For which raw materials is the international sale secured?***

Before recycling, for sustainable materials management, increasing the lifetime of products in service by their repair, refurbishment and upgrading to extend their reuse is a recognized policy goal. However, there is a disturbing trend of more and more countries seeking to restrict imports of second-hand goods, ranging from second-hand cars to second hand clothing. Against best advice, some countries are openly denying imports of second-hand products in order to supposedly enable their national manufacture of new products. Apart from the reuse of products, well functioning markets are needed for recycled raw materials too. In order to get the maximum benefit from recycling in terms of climate change mitigation, the use of recycled raw materials needs to be optimized. Whilst countries may be most efficient in collecting what will become recycled raw materials, this does not automatically mean that the industrial demand for those recycled raw materials is located in the same country. This is why trade in recycled raw materials is necessary, a premise that BIR has been claiming since its inception in 1948.

***How could markets for not yet or rarely used secondary raw materials be created within an international market-driven circular economy?***

The economics have to be right for consuming industries when choosing between recycled raw materials and primary raw materials, in order to choose recycled raw materials. To give recycled raw materials at least a fair market BIR advocates that all disincentives to using recycled raw materials be removed such as eliminating import tariffs and taxes, and that all incentives to use primary raw materials such as subsidies and tax benefits be removed.

***Secondary raw materials cannot be traded without further ado. The product status is supposed to change that, especially since defined quality and facilitations are connected with it in the international trade. Which secondary raw materials can already be traded as a product?***

The status of a recycled raw material as a product is currently possible through national instruments such as protocols and laws; through bilateral agreements between countries that mutually recognize a particular recycled

raw material as a product; and in the case of the EU embedded in regulations for iron & steel, for aluminium and aluminium alloys, for copper and for glass.

***In your experience as international salesman of secondary raw materials, does it have any advantages that the materials stay within the waste regime, when the quality set by the trading partners is right?***

When there is minimal risk in the classification of any recycled raw materials as product and so protection of human health and the environment is maintained there is surely no justification to continue to apply the waste laws. Indeed national consuming industries are commonly seen to promote the unnecessary continuation of waste laws in order to suppress the prices of recycled raw materials and curtail their trade with other countries for their own commercial and economic benefit. Unfortunately, both suppressing prices of recycled raw materials and curtailing trade harms national collection efficiencies and economics; and in hindering the possibility of optimizing recycling ultimately protectionist trade policies reduce the possibilities of climate change mitigation.

***The BIR dedicatedly supports free global trade. To what extent are these efforts successful? In which regions are trade restrictions for recycling material still existent?***

More and more countries, contrary to the best economic advice, place taxes, quotas, and other hindrances to the export of recycled raw materials. Furthermore, as already described, more countries prohibit or seek to prohibit second-hand goods. Most of those countries reason (albeit mistakenly in the long term) that these trade barriers are to protect their national industries. BIR carries out its ef-

Photo: BIR



***"The recycling industry has always shown tremendous adaptability and resilience in difficult times," says BIR President Ranjit Baxi***



forts to remove trade barriers at all political levels, either internationally or with specific countries.

***What influence do the ocean freight rates have on the international trading with secondary raw materials?***

Sea freight (logistics) constitutes a major part of the pricing for recyclables. Therefore, any movement of cost has a direct impact on the marketability of recyclables. For scrap processors, dealers and brokers, the price of moving material from point A to point B can be either a profit-maker or a profit-breaker. Therefore, they must develop close relationships with shippers as well as an excellent knowledge of the shipping market. The cost of ocean freight in comparison to inland transport costs will influence the recyclers' choice of customer, near or far, simply on economic grounds. Recycling companies need to be an expert in the interplay between these various modes to ensure they adopt the most viable option for each cargo. Through our world organization's membership of the International Maritime Bureau (IMB), which is the crime-fighting unit of the International Chamber of Commerce, BIR members have access to a colossal IMB database that will allow them to verify the validity and good standing not only of shipping companies but also of prospective new customers. The database can also help recyclers to identify specific ports or regions where theft or other shipping-related problems appear particularly acute, and it can provide updates on any shipping line issues.

***According to the latest projections, the global economy 2016 is expected to grow moderately. How do you assess the market development for secondary raw materials this year?***

The very low commodity prices have depressed collections, some recyclers have gone out of business, whilst others consolidate. Consuming industries have suffered too and so there are fewer customers for recyclers. When we are at a low point we hope the only way is up. The recycling industry has always shown tremendous adaptability and resilience in difficult times and despite difficult market conditions we try to move on. Of course, our ultimate wish is that the use of our recycled raw materials picks up so that we can continue doing our important job for the benefit of the environment.

***As BIR World President you have set yourself the task to bring a "Global Recycling Day" into being, in order to promote the recycling message worldwide. In this regard, are there any concrete plans? When could the first "global recycling day" take place?***

As you know, this is a project that is particularly close to my heart. With reference to your first question I feel that the Global Recycling Day would contribute immensely to raising the profile of recycling and all the industries that are involved in recycling.

We at Bureau of International Recycling have recently created a dedicated task force that will bring this project to the next level. But as you can imagine, such an ambitious plan cannot be achieved overnight. We are currently outlining the scope and looking at possible partners and will make the initiative known to key international bodies. But be assured that we will keep you informed along the process.

***Mr Baxi, thank you very much for the interview!***

## New Project Aims to Reduce Textile Waste

**The European Clothing Action Plan (ECAP), a new project led by UK-based Waste and Resources Action Programme (WRAP), a charity limited company, is about embedding a circular economy approach for the clothing sector. Furthermore, it aims to increase environmental and economic benefits by reducing the carbon, water and waste footprints of clothing in the European Union – and hereafter also in Asia.**

To reduce clothing waste, the 3.6 million Euro EU Life funded pilot project, will work with brands, retailers, manufacturers, reuse and recycling organizations, charities and consumers to:

- design and specify products for longer life and closed loop production
- ensure that less clothing goes to incineration and landfill
- encourage consumers to buy less clothing and use it for longer
- improve innovation in resource-efficient design and service models to encourage business growth in the sector.

As reported, the three year project, which runs until March 2019 involves WRAP working in partnership with



The ECAP project aims to reduce textile waste

Made-By (a Dutch not-for-profit organization, acting to improve environmental and social conditions within the fashion industry), Rijkswaterstaat (part of the Dutch ministry of Infrastructure and the Environment), Dan-

ish Fashion Institute and British LWARB (London Waste & Recycling Board) to divert over 90 thousand tons per year of clothing waste from landfill and incineration across Europe. To achieve this, ECAP, which is based on the principles of WRAP's Sustainable Clothing Action Plan (SCAP) in the UK, will ask signatories to the agreement to measure success against a set of ambitious targets.

The initial countries that ECAP will be active in are Denmark, Finland, Germany, Italy, Netherlands, Norway, Poland, Romania, Spain, Sweden, UK, and there are further plans to expand into other countries in Europe and Asia.

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