



Textile Division

Limited optimism among textile recyclers

A less than bullish Textiles Division meeting was convened in Monte-Carlo. Principal concerns surrounded diminishing volumes, higher buying prices and an uncertain demand outlook. Insurance-related problems were also highlighted.

The apparent proliferation of collection containers was just one of many worries aired at the Textiles Division meeting in Monte-Carlo.

Seddik Zerroug of France said containers were spreading as new collectors put their units on the same sites as those of more established operators. As was noted by both Mr Zerroug and Textiles Division President Frithjof Schepke of Germany, this has led almost inevitably to a decline in the average weight collected from each container.

unable to afford cover and others having cover removed altogether,' he said. 'These problems, together with higher council taxes and EU employment regulations to name but two, can only have detrimental effects on an already shaky industry.'

Worse than a decade ago

Mr Schepke complained that 'the public is not handing in old clothes any more' and that there has been a downturn in the quality of materials found in collection containers over recent months. Klaus Löwer, also of Germany, believed that demand for all recycling qualities 'is worse than it was a decade ago'. Charities and municipalities have been gaining market share because they are favoured in many instances by subsidies, he suggested.

Taking up Mr Löwer's point, Mr Schepke contended: 'We need to talk to the charities and tell them they should not simply be looking for the highest price available today. They need to have a longer-term perspective because sorters' costs are rising all the time.' He also agreed with earlier comments that 'insurance premiums are virtually throttling us'.

Hans Brak of The Netherlands emphasised that sorting plants are under severe pressure given an 'overflow' of supply of lower-quality material. 'Margins are harder and that is the biggest threat to the textiles recycling industry in Europe,' he maintained.

Mr Brak added that Dutch exporters are facing stiff competition in West Africa from Japan and Australia, whose assortments are gener-



The Grand Prix of Monaco in the square in front of the Casino.

ally of a more attractive composition. In the increasingly important Asian market, meanwhile, Mr Schepke pointed to strong competition from Korea and other South East Asian countries.

Stefaan Rubbens of Belgium spoke of a 'strong reduction' in volumes since the beginning of the year, leading to a rise in purchase prices. Many sorting company in his home country have been forced to cut back on their activities while the general downturn in industrial activity has reduced the consumption of wipers. 'Low-priced wipers are gradually disappearing and it is not worth the effort to cut them,' he said.

The U.S. market situation, described at the meeting by Mr Rubbens, has also been dominated by poor profitability in the sorting sector. 'People are shipping goods even though it is not always financially sustainable,' delegates were informed. 'If the situation lasts or worsens, many sorting companies may face closure or bankruptcy.' Wiping cloth prices in the U.S. remain low and there is no immediate sign of any improvement, he added.

Overall, reported Mr Rubbens, the U.S. textile sector anticipates a worsening of market conditions in June.

Tracking documents worry

Textiles Division guest speaker Wolfgang Goldbach of Germany elaborated a stout argument against the classification of used textiles as waste. The senior civil servant within the Environment Ministry of Lower-Saxony argued that people who made the effort to put old clothes in a collection bank were doing so because they intended the goods to be used again. As a result, he said, legislators are wrong to consider such materials as 'waste'.

BIR's own legislative expert, Environmental and Technical Director Ross Bartley, confirmed to the Textiles Division that their materials were indeed still to be found on the Basel 'waste' lists. He also noted a worrying proposal to create 'tracking documents' for materials designated as wastes, to include not only names of the shipper, importer and final recipient, but also a copy of the contract. The possibility of such information becoming accessible on the Internet is 'disgraceful', according to Mr Bartley.

In closing the meeting, Mr Schepke praised the professionalism of the BIR staff and urged delegates to 'get involved' with the new website, for instance, as a means of 'making headway in your own business'. □



Textiles Division President Frithjof W. Schepke of Germany

Elliot Cohen of TRA, U.K., took the issue further by complaining about 'a number of bogus collectors and textile bank operators forcing their way into our industry'. Other pressures on the sector at present include massive increases in insurance premiums, with 'some companies

By Ian Martin