

Paper

'Marvellous' collection achievement in Europe

Europe produced a stunning performance last year by increasing the recovered paper collection rate at a time of falling paper and board consumption, according to figures provided at BIR's Paper Round-Table in Brussels. The meeting was followed by a special symposium entitled 'Spotlight on paper collection and recycling', which was sponsored by CEPI, FEFCO and ERPA. A report on this event will feature in next month's edition of Recycling International.

By Ian Martin

Statistics from the Confederation of European Paper Industries (CEPI) reveal that collection improved from 43.9 million tonnes in the year 2000 to 44.7 million tonnes last year, and that the collection rate jumped from 52.3% to 55.4% over the same period. Meanwhile, paper and board consumption fell to 80.7 million tonnes last year after reaching 84 million tonnes in 2000. Speaking in Brussels, CEPI's Recycling Director Esa Hyvarinen of Finland described the figures as a 'marvellous achievement'. The CEPI spokesman acknowledged that recovered paper utilisation rates were 'very high' in a number of sectors - notably packaging - but insisted that further scope for its use existed most particularly in graphic paper. He noted that 'decided and planned' paper and board capacity increases in CEPI countries amounted to 6.5 million tonnes and that these would entail growth of 4.8 million tonnes in recovered paper utilisation. 'Business and industry sources of recovered paper are already well covered and so collections from households will become more important,' he observed. 'More sorting as a result of the changes in structures of recovered paper utilisation and sources will be needed.'

Turning to the U.S., Mr Hyvarinen pointed to a paper consumption decline to 97.9 million tonnes last year while the recovered paper collection rate improved to 48.3%. U.S. exports increased from 8.5 million tonnes in 1999 to 10.4 million tonnes last year,

comprising 2.9 million tonnes of OCC, 1.8 million tonnes of ONP and 4.5 million tonnes of printings and writings.

Describing the Chinese as a 'big factor' in the global recovered paper market, Mr Hyvarinen expected the country's paper production capacity to grow by some 14 million tonnes by 2005, of which 'about half' would be based on recovered paper. Chinese imports of recovered paper increased from 2.5 million tonnes in 1999 to 6.4 million tonnes last year, including 2.2 million tonnes of OCC and 2.9 million tonnes of ONP. The U.S. accounted for some 4.1 million tonnes of the total. Given a domestic collection rate of just 20% at present, CEPI's Recycling Director noted that Chinese imports were predicted to reach 15 million tonnes by 2006.

Volatile prices

Reporting on the Italian market at the BIR Paper Round-Table, Giuseppe Masotina of Masotina SPA said the last few months had proved 'not exactly euphoric' for the recovered paper sector. The 20-25% fall in lower-grade prices would have been more emphatic but for the saving grace of exports to Turkey and the Far East. Middle-grade prices had dropped by a similar proportion. 'We are in the throes of a crisis,' he declared, adding that he foresaw little change for the remainder of the year.

The French, meanwhile, were anticipating a record export total for October as well as firmer prices on the back of a strong resumption in Far East purchasing. Interest among Far East buyers had diminished in June owing to excessively high Western European prices, the Paper-Round Table was informed.



Brussel's most famous boy - the Manneken Pis (Little Boy Peeing).



BIR's Paper Division President Dominique Maguin of France (left) and ERPA President Maarten Kleiweg de Zwaan of The Netherlands.

Alfred Hirt of SKP Sanne, Kruse + Pape GmbH in Germany spoke of an 'upside down year' in his domestic market, with reductions in raw material prices in March followed by 'dramatic' increases during the summer and subsequent heavy falls. The dockworkers' strike on the US West Coast had led Asian buyers to increase their purchases in Europe, although this situation was likely to be 'temporary' given the lower freight rates available from the U.S.

Maarten Kleiweg de Zwaan of FNOI in The Netherlands expressed concern over a 10-15% fall in recovered paper collections over the past two months. Recovered paper stocks remained low and a significant upturn in orders from the Far East might well produce shortages. Dutch mills were



Marja Herlander of Paperinkerays Oy, Finland, and Jan Bruzelius of IL Recycling Returpapper AB, Sweden.

prepared to pay premiums for recovered paper in certain instances, he pointed out.

Nordic countries

Merja Helander of Finland's Paperinkerays Oy reported healthy demand from domestic newsprint, coreboard and tissue mills, but voiced concern over slower-than-anticipated growth in recovered paper collection rates, with OCC and news & pams managing only a slight increase over last year's levels.

Reasonable conditions in Sweden's kraft and tissue sectors were being offset by weakness in the newsprint industry, according to Jan Bruzelius of Stockholm-based IL Recycling Returpapper AB. He expected that OCC and woodfree deinking grades would become 'hard to find' in the coming years.

In a brief review of the Baltic and Russian markets, Gaius Gyllenbogel of Cleanaway Sekto AS in Estonia suggested the market in his own country, as well as in Latvia and Lithuania, would be affected if these nations were successful in their bid to join the European Union. For the moment, the recovered paper outlook in the Baltics remained 'promising'.

Mr Gyllenbogel also pointed to proposals for a new 500 000 tonnes per annum pulp mill in Latvia, as well as to an improvement in recovered paper collection and utilisation figures in Russia. □



Guest Speaker CEPI's Recycling Director Esa Hyvarinen of Finland.



Edmundo Gutierrez of Recapar reported on the paper situation in Spain.