

An ever-expanding list of concerns

'The economic barometer in many parts of the world is continuing to go down,' BIR Paper Division president Reinhold Schmidt told the body's latest gathering in Paris. At the same time, the paper recycling sector was faced with myriad challenges – not least in terms of rising cost and regulatory pressures, he said. Meanwhile, a guest presentation addressed the issue of how sorting plants would have to adapt to changing market trends.

As a best guesstimate, Chinese imports of recovered fibre will fall by between 2.5 million and 3 million tonnes this year, according to BIR Paper Division honorary president Ranjit Baxi of UK-based J&H Sales International. By annualising figures for the first eight months of this year, the indication is that China's overseas purchases will slide almost 3.7 million tonnes from their record level of 31.65 million tonnes in 2013 to a shade under 28 million tonnes in 2014; however, a traditionally stronger fourth quarter for shipments could well narrow that gap, he told delegates to the latest divisional meeting in Paris.

Meet consumers' needs

Once again, Baxi pointed out, Chinese imports from the USA had fallen only 2% in the opening eight months of 2014 whereas deliveries from Europe had dropped 6% year on year. Earlier, in comparing full-year totals for 2013 with those of 2011, he noted that US fibre

shipments to China had leapt around 25% from just under 13.1 million tonnes to a fraction under 16 million tonnes; at the same time, the increase for Europe had been limited to 9% in reaching 8.97 million tonnes. Having suggested that one possible explanation for this phenomenon could be better quality on offer from the USA, Baxi urged fibre suppliers to tailor their product to meet the needs of consumers 'rather than asking mills to adapt to suit the product we produce'. It should be noted that, while exporters in most of the leading European nations witnessed a drop-off in fibre demand from China in January-August this year, the continent's top shipper in volume terms - the UK - recorded a year-on-year increase of more than 8% to 2.26 million tonnes. The Netherlands remained China's second-largest European supplier but was well back on just over 800 000 tonnes, while Greece's exports to the same destination had almost doubled from 63 750 tonnes to 124 241 tonnes.



Reinhold Schmidt: increased protectionism should be 'combatted with all our force'.



Ranjit Baxi: product should be tailored to meet the needs of consumers.



Dr.-Ing. Christina Dornack: dramatic decline in newsprint consumption.



In his opening comments, BIR Paper Division president Reinhold Schmidt of Recycling Karla Schmidt had mentioned the impact of China's slower economic growth on its fibre imports as one of the 'factors causing concern for us'. Others included: over-regulation of recycling; increased protectionism that hindered free and fair trade and should be 'combatted with all our force'; lower margins; overcapacity, notably in the graphics sector; increasingly strident demands for higher fibre quality; and the likelihood of higher energy and logistics costs. Schmidt added to this already-extensive list the trend towards municipalities offering short-term contracts on recovered paper, something which Thomas Braun of BVSE in Germany described as detrimental to investment planning. Jean-Luc Petithuguenin, a divisional vice president and founder of leading French recycler Paprec, explained that he had always attempted to convince clients - including municipalities - to grant longer contracts in order 'to give us time to invest and to amortise the investment'.

The future of sorting

In the long term, 'business as usual' would not work for most sorting plants, according to BIR Paper Division guest

speaker Dr.-Ing. Christina Dornack, head of the raw materials and recycling department at Papiertechnische Stiftung in Germany.

Seismic shifts

She began by highlighting the seismic shifts for certain forms of paper over recent years, focusing particularly on the dramatic - and ongoing - decline in newsprint consumption and production in the USA and Europe. A decreased consumption of graphic products, and in particular newspapers, would lead to less deinking material in the household collection system and a reduction in the ratio of newspapers to magazines. She envisaged more packaging and cardboard in recovered paper, as well as more paper not yet suitable for recycling, like high wet strength, and more non-paper impurities.

To adapt to these changing circumstances, sorting facilities of the future would 'maximise productivity through extensive automation' and would clean the recovered paper while pursuing 'economically viable ways of dealing with the residue', according to Dornack. In addition, the plants would be able to trace and segregate high-quality packaging material, and produce two or more grades. □