

## PRICE WATCH

### Recovered papers: Steadily growing demand from India and China

Since early 2009, Europe has witnessed a corresponding decline in recovered paper demand and collection volumes. In China, meanwhile, imports actually increased from 5.917m tonnes in the first quarter of 2008 to 5.934m tonnes in January-March 2009, noted BIR Paper Division President **Ranjit Baxi** of UK-based J & H Sales International during his market presentation in Dubai.

With China and India anticipating GDP growth of around 7% this year, "steadily growing demand" for recovered paper can be anticipated from these major export markets, he continued. However, Asia's suppliers in Europe face a number of challenges, not least an average shipping freight rate increase of US\$ 400 per 40-foot container in the period from January to May this year. Further increases can be expected for June and beyond, Mr Baxi added.

The divisional President offered delegates three "golden rules" to help guide them through these testing times: "do not panic"; "develop a positive attitude"; and "don't shy away from difficult decisions".

Earlier, a series of reports from around Europe reflected the drop-off in regional demand for recovered paper and also in collection levels. **Roberto Masotina** of Masotina SPA suggested that "a miracle" will be required to prevent the shut-down of more consuming mills in Italy later in the year.

Two leading Asian consumers of recovered paper - Indonesia and India - are currently pondering the detail of changes to import controls, it was pointed out in Dubai. Having met with industry representatives, including Mr Baxi, senior government officials in Indonesia are understood to have signalled their willingness to revisit proposals for 100% pre-shipment inspection by nominated surveyors of all recyclables arriving in the country on or after June 24 this year. Mr **Jogarao Bhamidipati** of leading Indian paper producer ITC became the latest recipient of the BIR Paper Division's Papyrus prize in recognition of his efforts in establishing the Wealth out of Waste (WOW) initiative designed to boost employment and domestic collections of recovered paper so as to reduce India's heavy dependence on imports. In his speech he shed more light on his own government's import certification initiative, insisting that some "relief" from requirements proposed earlier may be forthcoming before the middle of June. At present, he noted, the country buys in 4.3m tonnes of recovered paper each year at a total cost of around US\$ 1.2bn.

Guest speaker **Lina Chaaban**, EnviroCare Manager at UAE-based waste management com-

PLASTIC WASTE MATERIALS			
Coding	Changes 2009	May-09	June-09
Polyethylene			
04-2-40	Shrink & stretch films mixed for washing	30	=
04-2-44	Agricultural films for washing	=	=
04-2-43	Uncolored stretch films for washing	30	=
04-2-41	Colored covering thick for washing	10	=
04-2-42	Uncolored covering thick for washing	10	=
04-2-49	Covering and films from sorted DIB	10	=
04-1-40	LD new colored film wastes	=	=
04-1-41	LD new uncolored film wastes	=	=
04-1	New HD wastes	=	=
Polypropylene			
05-1	Waste for grinding	=	=
05-1-50	Colored printed films	=	=
05-1-52	Uncolored films	=	=
05-1-53	PP / PE	=	=
Polystyrene			
06-1	Waste for grinding	=	=
ABS			
08-1-80	ABS colored	=	=
08-1-81	ABS white	=	=
08-1-82	ABS / PC new wastes	=	=
08-2-80	ABS / PC (DEEE)	=	=
PVC			
03-1-31	PVC flexible	=	=
03-1-37	PVC rigid tube	=	=
03-1-32	PVC colored thermoformed	-20	=
03-1-33	PVC crystal thermoformed	=	=
03-1-34	PVC joinery mixed colors	-30	=
03-1-35	PVC joinery white	-20	=
PET			
01-1-100	A PET thermo crystal	=	-10
01-1-19	A PET colored	-20	-10
01-1-17	PET preformed crystal or brightened	=	=
01-1-16	PETG natural	=	-20
01-1-18	PETG bluish, colored	-20	-20
Technical plastic			
01-9-90	PC	=	=
01-9-91	PMMA	20	=
01-9-92	PA	=	-30
01-9-93	POM	=	=

Source Federec

Price depending on grade. The collection service provision is billed separately by the recycling operator

Valorplast			Change	Change
Coding	Coding	Definition	May-09	June-09
01-2-12	Q0	PET uncolored bottles	=	=
01-2-11	Q6	PET colored bottles	=	=
01-2-13	Q4	PET azure bottles	=	=
01-2-15	Q5	PET bottles all color	=	=
02-2-21		PEHD bottles for washing	=	=

pany Tadweer, outlined moves within Dubai to increase recycling rates. At present, the Emirate conducts virtually no sorting at source but recovers some 7-10% of paper and cardboard from the mixed waste stream.

Another guest presentation from **Atul Kaul**, Director of Pulp and Paper at Arab Paper Manufacturing, confirmed that annual paper-making capacity in Saudi Arabia is set to rise from around 800,000 tonnes to 1m tonnes in the near future. Monthly recovered paper collections amount to some 60,000 tonnes, of which 5000-10,000 tonnes is exported - mainly to India.