

# Recovered plastics demand to scale 'incredible' heights

Global consumption of recovered plastics has almost trebled over the last six years and will probably double again by the year 2020, researchers believe. 'A big business indeed,' BIR Plastics Committee chairman Surendra Borad told the meeting in Shanghai with his trademark enthusiasm.

## BIR Plastics Committee



## Europe edges closer to 100% tyre collection rate

Europe has achieved an all-time-high tyre recovery rate of 98%, it was revealed at the BIR Tyres Committee meeting in Shanghai by its chairman Barend Ten Bruggencate of VACO in the Netherlands. This figure compares to the 75% recorded as recently as 2004 and reflects a massive reduction in the landfilling of used tyres.

He also noted that used tyre retreading in Europe dropped sharply with the onset of the economic crisis in 2008 and subsequently recovered almost to 2007 levels before reaching a plateau.

Pang Shuhua, vice president and secretary general of the China Tyre Retreading, Repairing and Recycling Association, drew a sharp distinction between 'used' and 'waste' tyres: with the former, only the surface has been damaged such that the core is still suitable for retreading; with the latter, however, the damage extends to the core and retreading is not permitted on safety grounds. China does not allow 'waste' tyres to be imported and their prices domestically are perhaps the highest in the world, he told delegates.

The speaker also highlighted environmental problems in China caused by the widespread practice of using 'backward' technologies to extract fuel oil from spent tyres.

**A**lready on a sharp upward curve, worldwide demand for recovered plastics will gallop to an 'incredible' total by the end of this decade, delegates to the BIR Plastics Committee meeting in Shanghai were informed by chairman Surendra Borad of Gemini Corporation in Belgium.

From a level of 15m tonnes as recently as 2007, leading industry consultant Poyry expects annual global consumption to soar to 45 million tonnes by 2015, and then on to 85 million tonnes by 2020, Borad explained. And Chinese demand alone could reach 29 million tonnes per annum in a couple of years from now, he noted from CBI China projections. China (including Hong Kong) is currently importing 8-9 million tonnes of plastics scrap each year while domestic collection is around 13 million tonnes, Borad pointed out.

Widening the scope of his presentation to cover the entire global waste and recycling industry, Borad reminded delegates of his suggestion a couple of years ago that this was worth US\$ 500 billion a year. 'I was wrong,' he confessed in Shanghai. 'It is worth US\$ 1000 billion - a trillion.' And the volume of business is growing by more than US\$ 200 million per day, he added.

Borad's updated figures, based on a Bank of America Merrill Lynch Global Research report entitled 'No time to waste', illustrate that 'you and me are in a very good business - the business of the 21st century', he told delegates.

## Not as much as perceived

Turning to international movements of material, Borad confirmed that he had recently urged the European Commission to make a clearer distinction between 'illegal shipments' and 'shipments in violation of the EU regulation'; those in the latter category 'may be due to missing papers or incomplete or inaccurate paperwork or administrative mistakes' rather than to a deliberate attempt to mis-

lead. The volume of illegal shipments from Europe 'may not be as much as it is perceived to be', he contended.

In the review of the Dutch and German markets submitted by Peter Daalder of Daly Plastics in the Netherlands, he highlighted the reduction in exported volumes as a result of China's stricter import procedures. The report from Michael Schipper of International Alloys noted a plas-

*'You and me are in a very good business - the business of the 21st century'*

tics scrap oversupply in the USA owing to China's 'Green Fence' policy and a subsequent price reduction of 15% in some instances.

Renwu Cai, general manager of Guangzhou GISE-MBA New Plastics Technology, said that 'Green Fence' was designed to 'crack down on illegal enterprises' but that even law-abiding companies have been hit by customs clearance delays and thus additional costs. And Dr Steve Wong, managing director of China's Fukutomi Co., said 'Green Fence' has forced many domestic consumers to pay more for their scrap, harming their competitiveness.

Gregory Cardot of Veolia Propreté spoke of the increasing number of French plastics recyclers and converters which are 'in receivership or bankrupt'. He said: 'Payment terms are not respected and delays are increasing.' In contrast, the Indian market is 'doing rather well' and providing 'reasonable demand', said Borad. □



Barend Ten Bruggencate told delegates that Europe's tyre recovery rate grew from 75% in 2004 to 98% last year.



The entire global waste and recycling industry is worth around US\$1 trillion, reported Surendra Borad.