

## PRESS RELEASE

---

### *Recent BIR World Recycling Convention & Exhibition in Shanghai (27-29 May 2013)*

#### **Plastics Committee: “Incredible” consumption outlook for recovered plastics**

Brussels, 4 June 2013

---

Worldwide demand for recovered plastics is set to triple in the space of eight years, according to BIR Plastics Committee Chairman Surendra Borad of Gemini Corporation NV in Belgium.

Speaking at the Committee's meeting in Shanghai on May 27, he quoted figures from leading industry consultant Poyry which suggest that annual global consumption will leap from 15m tonnes as recently as 2007 to 45m tonnes by 2015. Poyry also believes that recovered plastics demand will surge to 85m tonnes by the year 2020. "It is an incredible amount," enthused Mr Borad.

These figures are backed up by a projection from CBI China that Chinese demand alone for recovered plastics could top 29m tonnes by 2015. China (including Hong Kong) was currently importing 8-9m tonnes of plastics scrap each year while domestic collection was around 13m tonnes, Mr Borad pointed out.

On the issue of international movements of material, Mr 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". The volume of illegal shipments from Europe "may not be as much as it is perceived to be", he contended.

Dr Steve Wong, Managing Director of Fukutomi Company Ltd and President of the China Scrap Plastic Association, said that the country's "Green Fence" import initiative was making life more difficult for those consumers relying on plastics scrap, forcing many to pay more for their raw material and thus impairing their competitiveness. As well as listing the types of post-consumer plastics to which a prohibition applied, the speaker underlined that trading of import licences was forbidden while imported plastics scrap "must be delivered to the factory which is eligible to import, as stated on the import licence".

---

**BIR – REPRESENTING THE FUTURE LEADING RAW MATERIAL SUPPLIERS**

---

According to fellow guest speaker Renwu Cai, General Manager of Guangzhou GISE-MBA New Plastics Technology Co. Ltd, “the vagueness of material type in the import declaration is easily caused”, not least because of the complexity of origins and applications. “Green Fence” was designed to “set up obstacles to illegal enterprises” and to “provide convenience to the law-abiding”, but he acknowledged that even these law-abiding enterprises had been hit by customs clearance delays and thus additional costs.

Among the reports submitted to the Plastics Committee meeting in Shanghai, the review of the Dutch and German markets by Peter Daalder of Daly Plastics in the Netherlands highlighted the reduction in exported volumes as a result of China’s stricter import procedures. Michael Schipper of International Alloys Inc. noted a plastics scrap oversupply in the USA owing to China’s “Green Fence” policy and a subsequent price reduction of 15% in some instances.

Gregory Cardot of Veolia Propreté spoke of the increasing number of French plastics recyclers and converters which were “in receivership or bankrupt”. He added: “Payment terms are not respected and delays are increasing.” In contrast, the Indian market was “doing rather well” and offering “reasonable demand”, said Mr Borad.

ends