
PRESS RELEASE

FOR IMMEDIATE RELEASE

Monday, 8 June 2009

BIR World Recycling Convention 25-27 May 2009, Dubai *Press Releases on Plenary Meetings*

Textiles Division: Live and let live

Compared to previous downturns, the latest global economic crisis has had a less harsh impact on many parts of the textiles recycling industry, according to the European market report delivered in Dubai by BIR Textiles Division President Olaf Rintsch of Textil Recycling K&A Wenkhaus GmbH in Germany. "However," he added, "collectors must ensure that they do not put too much pressure on sorters. There is a need to live and let live."

While the used clothing market in Europe has been faring relatively well, wiping cloths and the recycling grades have been hit harder by the crisis, with bed feathers becoming "a shadow of their former selves", according to Mr Rintsch, who has agreed to continue as divisional President.

And in his review of the wider markets, BIR Textiles Division Honorary President Klaus Löwer of Germany-based Hans Löwer Recycling GmbH drew attention to a 90% drop in wiping cloth prices in the USA. "The global crisis has not spared textiles recyclers but this is not a reason to be pessimistic," he went on to say. "We must plan for the recovery period."

Mr Löwer also highlighted two concerns relating specifically to the European market: cross-border trading difficulties as a result of "waste" legislation; and the potential for France's eco-levy on new clothes and shoes to "distort competition". A subsidy of up

to Euro 119 per tonne “is an amount that will cause us a considerable headache”, he emphasised.

Textiles Division Vice President Mehdi Zerroug of Framimex in France confirmed that some of the details of the eco-levy system are still to be finalised. Operational aspects still to be set include collection of funds from clothing/footwear producers and the distribution of those funds to sorters. Under consideration at present is the information to be provided by sorters, he pointed out.

According to Terry Ralph of TRA in the UK, the economic downturn has led consumers with a reduced disposable income to increase their purchases of second-hand clothing from charity shops, “thus resulting in a product for the sorter of textiles that is lower in quality and smaller in quantity”. He went on to report that some of the traditional buyers of used clothing in Africa are struggling to secure sales and also foreign currency exchange.

Turning to legislative matters, the Textiles Division’s General Delegate Alexander Gläser of Fachverband Textil-Recycling e.V. in Germany questioned whether used clothing should ever have been considered to be “waste”. The decisive factor should be the “subjective will” of the person consigning an item to a collection bank; this individual “does not want to throw away the garment - he cares about what happens to it”, he contended.

Also at the BIR Textiles Division meeting in Dubai, a market update from Pakistan was presented by guest speaker Muhammed Hanif of Muzammil Enterprises. He noted that the value of Pakistan’s imports of used clothing had soared from US\$ 13.619m in 2005/06 to US\$ 53.248m in 2007/08. Expectations are of a further increase for the current financial year, he added.

- ends -