

## **PRESS RELEASE**

**Brussels, 9th November 2006**

### **BIR Autumn Round-Table Sessions Brussels, Belgium 30-31 October 2006**

#### ***Paper Division:***

#### ***Recovered paper imports on course to increase in China***

China's recovered paper imports are on course to increase by upwards of 2 million tonnes this year to just below 19 million tonnes, according to figures presented to the BIR Paper Round-Table in Brussels.

Divisional Vice-President Ranjit Baxi of UK-based J&H Sales International indicated that European shipments to China were likely to rise 12% in 2006 to 5.124 million tonnes while the USA was set to supply the Asian giant with around 9.11 million tonnes of recovered paper this year - equivalent to an increase of 15% over 2005. While China would remain the main export destination for recovered fibre in Asia, many of the continent's other countries - including India, Indonesia, Thailand, Vietnam, Malaysia and South Korea - had emerged as significant importers.

Mr Baxi warned that increases in shipment volumes from Europe had tended to run hand-in-hand with poorer quality. "We must not forget quality demands imposed upon us to ensure that Europe can continue to maintain its market share of exports to Asia," he concluded.

In reviewing recovered paper market conditions in Europe itself, BIR divisional Vice-President Merja Helander of Paperinkera Oy of Finland pointed to “deep concern” at paper and board industry over-capacity, and to the likelihood of “more mill closures to come and less news of new investment”. Prices of recovered paper had been quite stable over recent months, she added. The speaker also acknowledged a lack of transport capacity in many countries and severe pressure for freight rate increases.

According to BIR divisional Vice-President Michael Moulton of Koch Pulp and Paper Trading LLC, North America was witnessing “a pretty bearish market” that would probably persist for a number of months to come. Negative factors included consuming mills’ high stocks of OCC 11 and ONP 8 at a time of diminished domestic demand for finished products. The North American market had also seen a significant reduction in testliner capacity, he noted.

In his final submission to a BIR meeting as President of the European Recovered Paper Association (ERPA), Dr Maarten Kleiweg de Zwaan of FNOI in the Netherlands noted that a new European Declaration had set an “ambitious” 66% recycling rate target for 2010. Speaking of the revision of EN 643, he said ERPA had established a working group comprised of representatives from various associations whose task was to come up with proposals. “We are dealing with a global commodity and thus it would be worthwhile to see if we can learn anything from the US scrap specifications as they are far more comprehensive than our current EN 643,” he added.

Key findings of the “World Waste Survey 2006”, which was compiled by CycloPe of France in association with Veolia, were presented to the Paper Round-Table by Professor Philippe Chalmin. The speaker, who is President of CycloPe, said an estimated 2.5 to 4 billion tonnes of waste was collected worldwide each year. Of the estimated 1.2 billion tonnes of municipal waste collected on an annual basis, the OECD’s 30 industrialised nations accounted for around half, he revealed.

Turning to the size of world secondary material markets, the survey suggests a recovered fibre (paper) total of 170 million tonnes per annum. The research also concluded that, overall, around 600 million tonnes of material is recycled each year - equivalent to at least a quarter of “world economic waste”, said Professor Chalmin. And he underlined: “Recycling will be one of the key industries and activities in the 21<sup>st</sup> century.”

Also a guest speaker at the Paper Round-Table in Brussels, Dr Thomas Probst of BVSE in Germany spoke of the potential impact on paper recycling of the EU’s REACH chemicals directive. His view was that the proposed legislation would have “a very limited effect” on recovered paper as long as it remained in the “waste” arena rather than moving under the “product” banner.

ends

*For further information please contact:*

*Elisabeth Christ*

*BIR Communications Director*

*Tel: + 32 2 627 57 70*

*e-mail: [bir@bir.org](mailto:bir@bir.org)*

BIR

Avenue Franklin Roosevelt 24, B-1050 Brussels (Belgium)

Tel: + 32 2 627 57 70 - Fax: + 32 2 627 57 73 - E-mail: [bir@bir.org](mailto:bir@bir.org) -

<http://www.bir.org>