

BIR
Bureau of International
Recycling

BIR is the international trade association of the recycling industries. More than 55 countries are represented through their national trade associations and individual companies which are involved in recycling. BIR comprises four commodity divisions: iron and steel, non ferrous metals, paper and textiles, and has committees dealing with stainless steel and special alloys, plastics and rubber. BIR's primary goals are to promote recycling and recyclability, thereby conserving natural resources, protecting the environment and facilitating free trade of secondary raw materials.

PRESS RELEASE

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<u>Textiles Division:</u> <u>Negative impact of China's textile manufacturing</u> <u>sector on energy and water consumption</u>

China should give fresh consideration to textiles recycling and its beneficial impact on resource conservation, it was argued at the BIR Textiles Division meeting in Beijing by Rainer Binger of FWS GmbH & Co. KG, Germany.

The Asian giant appeared to have developed an almost insatiable appetite for all secondary raw materials - with the notable exception of textiles. And yet expansion of the country's textiles manufacturing sector entailed a substantial negative impact on energy and water consumption. Mr Binger told delegates: "China will have to look at textiles recycling and fibre recovery for the manufacture of new clothing if it wishes to maintain its prime position in global trade. We are prepared to help you and to help generate this market in China."

Divisional President Frithjof W. Schepke of Schepke Konzepte, also of Germany, underlined the need for a continuing improvement in the quality of Chinese textiles and for the return - "without protectionist measures" - of used textiles. It was

important, he added, that the Chinese market opened up "for our sorted and unsorted second-hand clothing exports".

In the market report section of the meeting, Terry Ralph of Terimpex Ltd spoke of "unprecedented demand" in the UK. Large volumes picked up by "legal and illegal" collectors were being sold directly and unsorted to new EU countries and other Baltic states. "This is taking goods from the British markets, thus further reducing the quantities sorted in the UK," he said. "The obvious effect ... is to force the price of the raw materials purchased from charities to even higher levels." As a result, sorters' remaining profit margins had been "completely eroded" over recent months.

Companies with heavy commitments to plant and production in the UK were seeing their raw material costs "inflated to unworkable levels by virtual one-man operations with few overheads, turning over material without any sorting at all". At least the "more ethical" charities were declining knowingly to sell goods to direct shippers of original textiles because of the lack of control over disposal of the unsaleable recyclables within the importing countries, he added.

As regards the German market, Gunther Krippendorf of FWS/Alta West reported relatively stable conditions but insisted collectors and sorters were in no position to sustain additional costs. Demand had improved over recent months and yet sorters had been largely unable to win price increases owing to the pressure on purchasers' margins.

Having acknowledged cost pressures and low margins in other leading world markets, Klaus Löwer of Germany-based Hans Löwer Recycling GmbH appealed for research into potential new outlets for used textiles - for example, as combustibles in cement plants. "Textiles are simply too valuable to end up in landfills," he insisted.

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