



BIR

Bureau of International Recycling

BIR is the international trade association of the recycling industries. More than 50 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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Recovered paper consumption set to sky-rocket

Europe and the Asia/Pacific region would account for almost all of the additional 18 million tonnes of paper recycling capacity scheduled to come on stream between 2003 and 2007, the **BIR Paper Round-Table** was told in London by **guest speaker and sector expert Esko Uutela, Principal of Germany-based EU Consulting.**

Mr Uutela's speech indicated that North American and Japanese capacity would actually fall over the 2003-2007 period whereas capacities in Europe and the Asia/Pacific region could be expected to leap by more than 5 million tonnes and approaching 12 million tonnes respectively. With growth in global recovered paper consumption likely to average 4.3% per annum this decade, Mr Uutela predicted that the world consumption total would leap from 168 million tonnes in 2003 to well over 220 million tonnes by 2010. Given this spiralling demand, **BIR Paper Division President Dominique Maguin of Soulier** in France said it was 'very surprising' that recovered paper prices were not rising rapidly. 'Prices are still under pressure from the mills and are not under the direction of our own producers,' he lamented.

Another major trend identified by Mr Uutela was the UK's emergence as the leading European exporter of recovered fibre in place of Germany. UK exports were forecast to rise from 1.861 million tonnes in 2003 to nearer 2.4 million tonnes this year. 'They could be 3 million tonnes or even more by 2010 because collection and domestic recovery are growing very rapidly,' he indicated.

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According to Mr Uutela's presentation, China's domestic recovery rate was unlikely to breach 40% this decade and so the country would remain dependent on imports of recovered fibre. These could be expected to exceed 12 million tonnes in 2004 and to reach 17 million tonnes by 2010. At present, North America remained its main source of material but Western Europe and Japan were also emerging as major suppliers.

Against this backdrop, a **Researcher within the China Non-Ferrous Metals Industry Association's metal recycling branch in Beijing, Ma Hongchang**, confirmed that the deadline for acceptance of shipment inspection applications from unregistered suppliers of recyclable materials had been extended from November 1 this year to January 1 2005.

In his report on the Asian market, **BIR Paper Division Vice-President Ranjit Baxi of J&H Sales International Ltd** said that the AQSIQ scheme had led to 'a period of uncertainty' but that many recyclers had now secured their registration numbers. However, regular movements in sea freight rates were causing 'on-going problems for all exporters'.

In his US report, **BIR Paper Division Vice-President Michael Moulton of Koch Pulp and Paper Trading LLC** described market conditions as 'generally stable' and suggested prices could rise over the next couple of months on the back of 'firm' Asian demand. **Maarten Kleiweg de Zwaan, President of the European Paper Recovery Association (ERPA)**, said possible price reductions in Europe were 'unnecessary'. He added: 'Merchants are chasing each other's tonnage and this is hitting margins. If it continues, I see businesses going bust or having to join forces.'

Mr Kleiweg de Zwaan confirmed that Recovered Paper Quality Control Guidelines had been approved by ERPA and the Confederation of European Paper Industries (CEPI) since the previous BIR convention in Berlin. Best Practices on Recovered Paper Baling Conditions had also been approved, but Delivery Conditions had been dropped because ERPA had disagreed with the inclusion of place of loading details.

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