

BIR is the international trade association of the recycling industries. Around 70 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 three commodity 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

## Recent BIR World Recycling Convention & Exhibition in Singapore (23-25 May 2011)

Plastics Committee: China opens doors to PET bottle imports

Brussels, 31 May 2011

An insightful overview of the Chinese plastics scrap market formed one of the cornerstones of the latest BIR Plastics Committee meeting, held on 25 May 2011 at the Shangri-La Hotel in Singapore.

Candy Chen of Veolia Propreté spoke of the "strong intent" in Chinese policy circles to "develop the domestic plastic reprocessing business to a higher international level". Some smaller processing lines will be lost in the short term but the larger and better-qualified plants "will stay in the market". In the longer term, she insisted, "the recycling system in China will improve" and "prices will be strong".

While LDPE has dominated Chinese imports, AQSIQ has recently issued import licences for PET bottles to four of the country's recycling facilities. Having noted the opening of this "gate", Ms Chen expressed her belief that imports of other pre-processed materials could follow.

However, the same speaker also observed that Chinese imports of plastics scrap struggled to 1.8m tonnes in the first quarter of 2011 after having totalled 9.4m tonnes in 2010 as a whole (total world trade in plastics scrap is estimated at around 14m tonnes per annum). China's plastics recycling rate reached 25% last year - equivalent to more than 17m tonnes - and is predicted to climb to 30% by 2015, she added.

Adding to the strong focus on Asia at the Singapore meeting, guest speaker Kian Seah examined plastics recycling developments in Malaysia. The founder of Heng Hiap Industries Sdn Bhd



explained that the lack of communication between the various parties involved in this industry was making it "difficult to elevate the quality along the chain". To this end, his own company has developed an integrated supply chain, he told delegates.

BIR Plastics Committee Chairman Surendra Borad of Belgium-based Gemini Corporation NV noted that plastics scrap prices in Europe had fallen recently "because of less demand from China and India". The decision by the Delhi government to ban thin plastic bags had sparked controversy and a drop in Indian plastics consumption, he added. Meanwhile in the EU, the Italian authorities have prohibited "one-time-usable" plastic carrier bags despite a legal challenge from the country's plastics processors association.

On occasions in the French market, recycled PET has been "quoted and sold at a higher price than prime quality", it was reported by Jacques Musa of Veolia Propreté. Spain has seen "very strong" activity of late - and also higher prices - for plastics scrap, commented Marc Figueras of Peninplastic.

As for developments at the EU-wide level, Mr Borad drew attention to the agreement of end-of-waste criteria for iron, steel and aluminium scrap, adding that plastics scrap is in line for similar consideration. He expressed the hope that, in perhaps a year or so from now, plastics scrap satisfying stipulated criteria could be deemed to be a raw material rather than a waste. "This would be a very important step," he insisted to delegates.

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