
Recent BIR World Recycling Convention & Exhibition in Rome (30 May – 1 June 2012)

Plastics Committee:

Relief at Italian decree withdrawal

Brussels, 7 June 2012

Thanks to the intervention of the BIR and other interested parties, an Italian decree which seriously undermined exports of plastics and other forms of scrap had been withdrawn within several weeks of its introduction in early April this year, the Plastics Committee meeting in Rome was informed by its Chairman, Surendra Borad of Belgium-based Gemini Corporation NV.

The law stipulated that, at the point of customs clearance, there must be a declaration from the destination country that it possessed a recycling system with standards similar to those of Europe. As a result, "it became difficult if not impossible to export any kind of scrap out of Italy", said Mr Borad.

According to guest speaker Stefano Fiore, Sales Executive at Italian company Logistics Group Srl, current EU legislation on transboundary movements of waste "is interpreted and applied in Italy differently from the other member countries". Even though the above-mentioned Italian law was swiftly repealed, "many other problems remain", he warned. "Until the difference between waste for disposal and waste for recovery is clarified within the Italian mindset, there is very little possibility that this sector will come into line with the operations of other member countries."

As a forwarding agent, his biggest problem is "the constant feeling of uncertainty caused by the overly free interpretation of the laws in force", he said. "This does not mean we want fewer controls. It doesn't mean making them less stringent either. What it means is to have firm guidelines to refer to."

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Fellow guest speaker Alessandro Danesi, Managing Director of Stena Technoworld in Italy, also highlighted frequent changes to regulation as one of the features of his domestic market. “They are very difficult for us to follow,” he complained. Ending on a note about domestic market conditions, he observed that collections of waste electrical and electronic equipment (WEEE) in Italy fell some 20-25% year on year early in 2012.

In other market reports, Mr Borad noted low demand for plastics scrap from India, not least because of the 10% depreciation of the rupee over the previous two months. At the same time, sharp rather than sustainable increases in sea freight rates had served to undermine some of the credibility of shipping companies in recycling industry circles, he maintained. For US exporters to major Asian ports, he added, freight rate hikes had been less pronounced than in Europe.

The review of conditions in the Dutch and German markets, which was prepared by Peter Daalder of Daly Plastics in the Netherlands and read in his absence by Mr Borad, pointed out that calculation of shipping prices in US dollars made the impact of recent rate increases even more dramatic.

Gregory Cardot of Veolia Propreté spoke of lower collection volumes in France at a time of growing demand from consumers, potentially leading to increased “tensions” on the market. In Asia, he added, prices of secondary plastics are under pressure and could drop further for June and July.

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