

PRESS RELEASE

Recent BIR World Recycling Convention in Barcelona (29-30 October 2012)

Paper Division:

Quality: Europe needs to “get back to the drawing board”

Brussels, 02 November 2012

The issue of multi-material papers was the main obstacle in the way of an agreement on end-of-waste criteria for recovered paper at the meeting of the European Commission's Technical Adaptation Committee in July this year. But despite this setback, the European Recovered Paper Association's President Merja Helander of Lassila & Tikanoja in Finland is confident that paper - “as a very good and clean raw material” - will achieve end-of-waste status by the beginning of 2014 at the latest, she told delegates to the late-October BIR Paper Round-Table in Barcelona.

Ms Helander also predicted that the revision of the EN643 European list of standard grades of recovered paper and board “will hopefully be in use by the end of 2013”. And in a subsequent question-and-answer session moderated by Recycling International's Editor Manfred Beck, she called for greater encouragement of an increase in fibre collections among those European countries with a recycling rate currently below 60%.

BIR Paper Division President Ranjit Baxi of J&H Sales International in the UK emphasised that the USA has continued to win market share from Europe in the key export outlet of China. According to his figures, US fibre exports to China jumped around 3.3m tonnes - or 66.6% - when comparing January-June 2007 with the first half of 2012. Meanwhile, European shipments to the same market climbed just 1.4m tonnes or 35%, prompting Mr Baxi to suggest that Europe “has to get back to the drawing board” with regard to the quality of the fibre it supplies China and other customers in Asia.

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The issue of quality was also addressed by guest speaker Nuno Messias, Raw Materials Purchasing Manager at Spain-based Europac. He contended that, as a result of every 1kg of non-paper components found in fibre supplies, 4kg of material is rejected and ends up being sent to landfill at a cost. Fellow guest speaker Björn Voigt, Managing Partner at S&P Mergers and Acquisitions GmbH and former Managing Director of German scrap giant TSR Recycling, described mergers and acquisitions as a path to all-important growth. But pitfalls can be encountered if, for example, the companies involved constitute “a poor strategic fit” or if insufficient human resources are devoted to their integration.

In the first of four, third-quarter regional market reviews covering Europe, the BIR Paper Division’s Honorary President Dominique Maguin of France pointed to low stocks of the bulk grades in certain Western European countries. For Eastern Europe, Jaroslav Dobes of Remat SRO in the Czech Republic also identified generally low inventory levels in his own country as well as significant new mill capacities scheduled to come on stream in Turkey over the coming three years, notably relating to fluting and testliner.

“Mill closures are the story of the day,” it was proclaimed in the Northern European report delivered by Lars-Gunnar Almryd of IL Recycling AB in Sweden, while Francisco Donoso of ALBA Servicios Verde in Spain noted that difficult economic conditions in Southern Europe have significantly reduced consumption of paper products.

Also in Barcelona, Jean-Luc Petithuguenin - founder and President of the France-based Paprec group - was named as the latest winner of the BIR Paper Division’s Papyrus prize for services to the sector.

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