

## Asia's demand for recycled PE puts U.K. in short supply

Contributed by Administrator  
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GREENOCK, SCOTLAND (April 10, 2007) -- The export of huge amounts of British plastics packaging waste to Asia, particularly China, is leading to a growing shortage of polyethylene scrap available for recyclers in the United Kingdom.

Unlike other European Union countries, Britain allows exported plastic scrap as well as material reprocessed nationally, to count towards its quota under the EU's Packaging Waste Directive legislation. As a result, U.K. recyclers are having a hard time competing for a share of the recycling stream.

They warn that the problem is leading to a serious reduction in Britain's recycling capacity.

In January, British Polythene Industries plc, Europe's top PE film producer and a leading waste recycler in Britain, closed plants in England and Scotland and stopped making some products that rely on recycled feedstock.

Greenock-based BPI cut almost 30 jobs with the closing of its Stockton on Tees, England, plant. That facility made plastic sacks using recycled content.

A BPI film recycling facility in Greenock employing about 20 closed in February.

"Our number of accredited recycling sites has been reduced from seven [in 1998] to only three now," pointed out BPI Chairman Cameron McLatchie in his annual review for 2006.

"This is distinctly unfavorable when compared with schemes operating in other countries within the [European Community], which have been devised to promote the recycling of scrap locally," he said. Systems elsewhere have led to a "thriving" recycling sector in Europe.

McLatchie pointed out how the picture has changed in recent years. In 2001, United Kingdom recyclers handled around three quarters of Britain's plastics waste. Last year, more than two thirds of the waste was exported to Asia, he said.

"The United Kingdom government would do well to re-examine the U.K. system and modify it to promote increased recycling of waste within the U.K.," he said.

Meanwhile, BPI also has closed a film extrusion plant in Scunthorpe, England, with a loss of nearly 40 jobs. That plant made film for produce and deep-freeze packaging. Only last year, the plant added an advanced three-layer coextrusion line. At the time, BPI said the machine was essential to meet increasing demand.

Company officials declined comment.