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Prices were inconsistent also in the niche segment of semi-chemical fluting. Reports partly indicated price cuts of around €20/t, with stable prices in other cases.

## British recycling industry is facing a challenging new year

With Paul Sanderson at the helm, TRA is repositioning itself

Very soon, Paul Sanderson will have finalised his first year in office as Chief Executive of leading The Recycling Association (TRA) in the UK. "It has been a memorable year of change, both for the association as well as for the recycling industry," Mr Sanderson said speaking to EUWID.

Internally, one of the first things to happen once Mr Sanderson joined TRA was the development of a new strategy for The Recycling Association put together by himself and a governing Council. As part of this strategy, TRA unveiled a new logo and the slogan "The voice of the UK recycling industry" to highlight the fact that the association represents waste and recycling companies, paper and cardboard recyclers, plastics recyclers, metal recyclers, glass recyclers, service and equipment providers and others.

The association also has members based in Ireland and other EU countries who work with the UK companies. "We welcome this diversity of experience and knowledge as we seek to encourage further trade between our friends and colleagues," Mr Sanderson explained.

The reorganisation has led to a decision to move from the TRA's office in Daventry to Manchester. "Being in a major city means we can expand our influence and services to our members and better engage with our industry. We've also modernised our internal processes, upgrading our technology and making us fit for the future," said Mr Sanderson.

Order inflow at the start of the year was not bad, producers agree. Their optimism is, however, lined with caution in view of unfavourable consumption forecasts.

The consumer climate in Germany for February

2024 has deteriorated month-on-month to the second lowest level since last March 2023. Monitoring agency GfK adds that consumer sentiment is low also because the urge to save has palpably increased since the beginning of the year. □

timing will have an impact on whether some policy might not go ahead at all, Mr Sanderson said.

### Focus on end of waste criteria and EU waste shipping regulation

Despite Brexit, new regulations in the EU will also have an impact on the recycling industry in the UK. "I'm trying to understand how proposed European rules (especially waste shipment regulations) will have an impact on Great Britain but especially Northern Ireland," explained Mr Sanderson.

A key objective this year is the introduction of end-of-waste criteria for paper and cardboard in the UK. "Improving quality continues to be a priority for us and our members, which is why we are working with our partners at the Environmental Services Association on End-of-Waste criteria for paper and cardboard. We are seeking to convince our regulators of the need for this to enable friction-free trade of a product for the circular economy," Mr Sanderson said.

At a time of increasing export restrictions, new post-Brexit customs rules and development of technological solutions, the (TRA-developed) Traqa solution continues to grow and is helping companies smooth the difficulties associated with green and amber list exports, said Mr Sanderson.

He added, "What I know is that the UK recycling industry is taking all of this change in its stride, being resilient and keeping material moving. Inevitably, there will be a lot to deal with in 2024 to help our members and their businesses. The team at The Recycling Association will work in the interests of our industry with the UK Government and devolved Governments, our partners across the world and regulators." □

### Red Sea crisis and new upcoming legislation

The current year already promises to be just as challenging as 2023. "There will be a lot to do, not least if unexpected events occur, as we saw with the crisis in the Red Sea over the Christmas period and afterwards," said Mr Sanderson. The association has supported its members during this crisis and has kept the public informed about the situation.

The Chief Executive is also dealing with legislative challenges, above all the current introduction of extended producer responsibility for packaging (EPR) in the UK. Associated with that is Simpler Recycling (commingled collections of dry recycling material) in England and slightly different schemes for Scotland, Wales and Northern Ireland. This subject alone has taken up quite a bit of Mr Sanderson's time in the past year, he said.

Another challenge has been the upcoming reform of the waste permit/exemption system in England, and the possible consequences particularly for smaller recycling businesses that previously operated on exemptions. One goal therefore is to ensure reforms of waste permits do not harm the association's members that previously operated on exemptions.

Another important subject is the upcoming 2024 General Election in the UK, the date of which Prime Minister Rishi Sunak has not yet set. The

## Container prices rise sharply in January

Container prices and leasing rates in the global sea trade have soared because of the challenging situation in the Red Sea. And market players do expect another hike in the run-up to Chinese New Year, which will happen on 10 February this year. However, prices are expected to recede again after the festivities since demand is leveling off. Container shortages were palpable at the moment, but a downright scarcity of containers and cargo space had so far been avoided. One factor here was that additional capacity had been installed in recent years.

The Container Price Sentiment Index (XCPSI), a barometer developed by the online container

logistics platform Container Xchange, registered a significant increase in container trading prices in January 2024. The average transport price for a 40-foot container leapt by up to 60 per cent in January after costs for journeys between Europe and Asia largely hovered below the €2,000 mark last year. This reportedly reflected the widespread assumption that container prices would continue to climb because of the ongoing crisis in the region. "Adapting to the new normal will involve holding increased inventory, accounting for extended transit times, and acknowledging higher container rates as integral components of the evolving landscape," commented Christian Roeloffs, the

co-founder and CEO of Container Xchange.

Leasing rates from China have soared by more than 300 per cent. For instance, rates from Qingdao to Hamburg surged from \$260 on 1 January 2024 to \$1,060 by 30 January 2024. Similarly, rates from Shenzhen to Hamburg leapt from \$500 on 1 January 2024 to \$750 by 30 January 2024.

Container Xchange anticipates that the situation will decelerate and ease up after the Chinese New Year festivities as demand slows because carriers will be able to reconfigure their networks. Moreover, they will be able to adjust to longer transit times around the Cape of Good Hope. A structural balance between supply and demand with a significant supply overhang was on the cards, Mr Roeloffs added. □