



Enterprise

maintaining the infrastructure of the UK

*Recycling in an economic
downturn*

A presentation by Enterprise





- Price of recovered paper has fallen 48% since summer 2008
- 50% of UK recovered paper is sent to export
- Recovered steel price has fallen 87% since summer 2008.
- Corus reporting they will not buy any recovered steel in 2009
- Aluminium down by over 50% in same period

Now the Good News;

- WRAP report flickering of demand
 - Recovered cardboard price rose 43% in January 2009 to £50 per tonne



Recycling Collections– What is the Point?



- Responding to resident demands
 - Householders want to be seen to be “doing their bit”
- Responding to Statute?
- More cost effective collection services
 - Improved round productivity levels due to lower volumes in residual waste
 - Better resource utilisation within the collection service – double shifting, shared collection resources
- Landfill costs set to rise and capacity issues



Shouldn't be considered in simple market terms alone

Factors Determining Price?



- Price takers not price makers
 - Small recycling volumes dictate a price taker rather than price maker
 - Poor quality recycle
 - Geography and location to reprocessing facilities (correlation between transport distance of recyclates and price per tonne)
 - Quality of infrastructure (MRFs have often been developed for waste weight reduction and not to recover higher value commodities)
 - Volume



Competing in Low Demand Market



- Aggregate recycle volume with other authorities
- Invest in MRFs which focus on quality material recovery and outcomes.
- Alternative processing arrangements
 - Home Composting
 - Bring to bank rather than bring to kerbside
 - Producer / retailer return schemes
- Local material reuse schemes
 - Bulky waste rehabilitation and reuse using local community projects.
 - Material recovery from bulky waste using local community projects
- Develop local markets
- Think strategically and long term – the markets will recover





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