



### NPA meeting in Madrid confirms challenges for converters



On 21 September 2010, 22 National plastics converters associations met in Madrid for the bi-annual **EuPC** meeting. The major issues affecting the European plastics converters were discussed and comparisons were made between the different EU Countries.

These issues are the following: a shortage of raw materials due to *force majeure* in the raw material suppliers sector; a lack of qualified workforce in sectors such as technical parts; and the ongoing dismal situation in the B&C Markets in many countries.

**EuPC** announced its support for the creation of ECP4 a new European platform for innovation in composites and plastics which will be based in Brussels. **EuPC** is currently involved in several EU funded projects and wants to promote more R&D and Innovation projects at the EU level amongst the SMEs in plastics converting.

A new group of PET converters will be set up in order to follow the specific issues of this growing industry. The issues facing the PET converting sector in Europe are trade, recyclability and innovation.



During the meeting **EuPC** presented its new offices at Avenue de Cortenbergh 71 which are in the EU district within walking distance of the European parliament, the Council of Ministers and the EU Commission.

### Marine litter

Since over a year **EuPC** has been very active on the issue of Marine litter. **EuPC** believes that the issue needs to be taken care of in a pro-active way and that more research is needed. **EuPC**, in collaboration with Federplast, initiated the launch of the Microplastics study of the University of Ghent. Several **EuPC** members as well as PlasticsEurope are supporting this research work which will present an interim report early 2011. A follow up committee composed of NGOs, MEPs and the EU Commission as well as independent scientists will have the possibility to review the work of Prof. Colin Jansen and his team.

Over the summer **EuPC** worked intensively with some of its members to set up a Life+ project with EU Funding called Waste Free Oceans. This project aims at raising awareness among all stakeholders involved in marine litter issues. These may include, fishermen, industry, portual waste facilities, authorities (local, national and EU), boating sector, leisure, hotel, etc...

**EuPC** wants to support the work of the Fishing for litter programme and

believes that more initiatives as these should be promoted in Europe in order to reduce the floating debris issue in the EU coastlines. Nevertheless the educational part is vital for the future conservation of our oceans and it is of high importance that more effort is put into educating the consumer on recycling more waste and stop littering.

PlasticsEurope and **EuPC** are coordinating a set of nine Work Packages on how to address all the issues of Marine litter. These nine WP are being coordinated by a steering group composed of Geert Scheys, Jean-Pierre Degréve, Jan-Erik Johansson, and Alexandre Dangis. The next meeting of the Steering group will be mid October and several WP leaders have been volunteering to contribute in drafting solutions to this growing problem.

For more information on this issue please contact Alexandre Dangis.

### IN BRIEF ...

#### **EuPC welcomes Plastics Ireland as a new member**



On 14<sup>th</sup> September 2010 the **EuPC** Steering Committee met a delegation of the Irish plastics converters association "Plastics Ireland" in Dublin for dinner and networking.

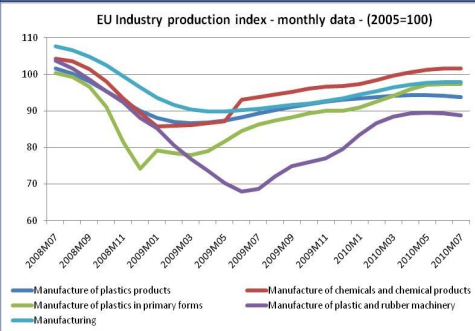
The Irish association decided in June to join **EuPC** and start building up alliances within the network. Plastics Ireland is very keen on working with **EuPC** on the new innovation platform and all matters related to Reach and recycling.

Several company experts from the Irish industry will be nominated to sit on the different divisions of the **EuPC** organization.

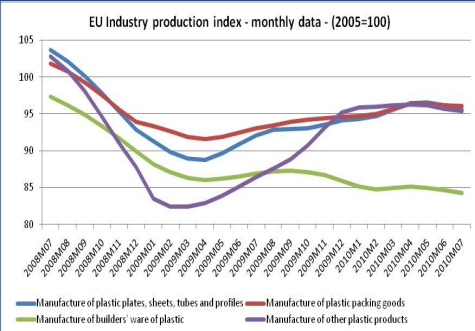
## UPDATE ON ECONOMIC SITUATION

### Stabilisations of the Economic Recovery

The global manufacturing industry has shown an important increase of production during the first three quarters of 2010. However, during the last quarter the plastics products industry's production has decreased to the level of the beginning of the year. Additionally, the plastics and rubber machinery manufactures have faced a strong fall in their production.



In general, plastics products have grown to levels seen at the end of 2008. Except for the builders' ware the three other markets seem to have stabilised. Nevertheless, the construction sector has not recovered and is still decreasing.



For more information please contact Antonino Furfari.

### EU late payments review edging close to deal

Public bodies and private companies will be obliged to stick to deadlines in paying their creditors to avoid high interest rates on their debt, according to a draft deal between the EU Institutions on the recast of the Late Payments Directive.

"We have already sorted out quite a lot of problems and not many are left on the table," the European Parliament's (EP) rapporteur on late payments, Barbara Weiler (S&D, DE), told at the end of the first triologue meeting between the EU institutions aimed at finding a final compromise on a delicate legislative text for the entire EU economy. The main achievement of the meeting was widening the scope of the revised rules. According to the draft deal, business-to-business payments will fall under the new directive, while the original proposal from the European Commission (EC) was limited to payments made by public bodies. This increases the certainty of payments and is expected to have a highly positive impact on the entire EU economy. Indeed, many sound companies are often financially strangled by delayed payments from their debtors, which in some countries takes years to pay for services received.

According to the initial but not definitive text, the EP has agreed to set a 60-day cap on business-to-business payments. In case of delays, an interest rate should be charged to the offender. In the negotiations between the EP, the EC and the Council, the parties also agreed to scrap an initial proposal to impose sanctions other than interest rates on the sums to be paid. They instead agreed to impose a minimum of €40 compensation in addition to the interest rates in case of delays. The entire effort of making the

rules more stringent to prevent late payments could, however, be seriously hindered by a number of exemptions which member states insisted on adding to the revised legislative text.

The most controversial exemption concerns the application of the 60-day deadline for business-to-business payments. These payments shall not exceed 60 days "unless otherwise expressly agreed between the debtor and the creditor, and provided it is not grossly unfair to the creditor". With this exemption in place, small companies run the risk of being forced by big contractors to accept the non-application of the deadline, with a manifest circumvention of the logic behind the new rules.

Another, but less controversial exemption, concerns the application of extended deadlines to specific sectors, notably the healthcare industry, which has more significant debt loads and payment delays than other sectors. The EP is pushing to maintain the original deadline for payments of public bodies proposed by the EC. It should be set at 30 days, with a possible extension to 60 days for specific sectors, such as healthcare. "The Council finds difficult to accept" the 60-day deadline for public bodies. The legal setting of public undertakings is also subject to debate. It remains unclear if they will be subjected to rules for public bodies or to those for private business.

Moreover, the parties are still debating the interest rates to be paid should the deadline be breached. The EC and the Council have agreed on 7%, while the EP is pushing for 9%.

The deadline for the final vote in the EP is the second half of October.

For more information please contact Paolo Bochicchio.

## EuPC Upcoming events

15 October 2010  
30 November 2010  
30 November  
01 December 2010  
01 December 2010

Raw Materials Committee  
Cocktail inauguration of EuPC new offices  
Packaging Excom  
B&C Excom  
Steering Committee

Brussels, EuPC Offices  
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