

EFIBCA is the voice of the European FIBC industry.
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EFIBCA NEWS

New EFIBCA Member Brochure

In time for the interpack trade fair EFIBCA published a new brochure entitled "Association and Members." The booklet showcases each of EFIBCA's Members and highlights recent activities and projects at EFIBCA. In the foreword association President Roelof Veld emphasizes



EFIBCA's history of championing the customer requirement for qualified information and the practical tools it provides, such as the EFIBCA Q&A booklet "Questions and Answers Concerning the Use of Flexible Bulk Containers (FIBC), and the detailed handbook, the "FIBC

User Guide: Guide for the Safe Use of Flexible Intermediate Bulk Containers."

The EFIBCA Association and Members brochure and the EFIBCA Q&A booklet can be downloaded on the EFIBCA website www.efibca.com. The EFIBCA User Guide is available in print and can be obtained only through EFIBCA members. ab

LEGISLATION, STANDARDS & TECHNOLOGY

EU Regulation Sharpens Demands on Corporate Social Responsibility

EFIBCA Code of Conduct prepares Members to meet demands

By Ulf Kelterborn and Allison Bouchat

In 2014, the European Union adopted the Directive 2014/ 95/EU (the so called CSR Directive), which regulates the obligations of large companies to disclose non-financial information. The basic objective of this directive is to promote a sustainable global economy. It requires that certain non-financial and diversity-related information, such as social and environmental factors, must be disclosed by certain companies in the future. This is intended to encourage companies to become more engaged with sustainable development and thus win the trust of investors and consumers. In the process the overall objective to increase the competitiveness of the European Economic Area is served.

The EU Member States have had a period of 2 years to transpose the directive into national law and companies are required to include non-financial statements in their annual reports from 2018 onwards. In Germany, for example, the CSR report has been adopted by the government and has been in force since April 2017. France passed a law this year requiring companies to do due diligence on the human rights and environmental record of their entire supply chain.

The regulation applies to companies with more than 500 employees and sales of more than EUR 40 million in addition to "public interest entities" such as capital-

market-oriented companies, banks, insurance companies and funds. To this extent, this CSR Directive concerns only a limited number of firms. However, the estimated 6,000 companies are also responsible for their supply chains, so upstream suppliers from the SME sector are also impacted, whereby it is understood that the reporting obligations of SMEs are relative to size and should focus on the core and essential information.

Against this background, suppliers to large European companies should expect mounting requests for CSR data. While a specific format for the reporting is not required, the European Commission announced guidelines last month to help companies to disclose relevant non-financial information (to download the guidelines see https://ec.europa.eu/info/publications/170626-non-financial-reporting-guidelines_en). The directive merely requires that a report is available and does not foresee an examination of its contents. In the event of non-compliance, however, fines of up to EUR 10 million may be imposed.

The CSR reporting obligations of Directive 2014/95EU give a clear indication that Europe is heading in the direction of sustainable industrial development. It will not pass unnoticed even by smaller companies. In particular, it is to be expected that larger companies will consult their suppliers more frequently on these issues. Therefore it is advisable also for SMEs to become familiar with the directive's requirements.

In 2014 EFIBCA launched a branch codex, the EFIBCA Code of Conduct, through which members choose to commit to globally recognized ethical standards as well as competition and anti-trust law. The EFIBCA Code of Conduct is a meaningful way of building trust in customer relations and demonstrating commitment to accepted standards of corporate social responsibility. Further information on the EFIBCA Code of Conduct as well as subscribing companies is available at www.efibca.com.



Ulf Kelterborn is General Manager and legal advisor at IK Industrievereinigung Kunststoffverpackung, the German Plastics Packaging and Films Association.

CONFERENCES AND FAIRS

EFIBCA Dinner Reception

EFIBCA kicked off the interpack trade fair with its second Dinner Reception on 03 May 2017 at the Hyatt Regency Hotel in Düsseldorf, Germany. Over 80 delegates from around the world capitalized on the opportunity to reconnect, and establish new business contacts at this networking event the evening before the interpack, the world's largest packaging trade fair. EFIBCA was very pleased with the turnout and feedback. Owing to great interest the event generated, EFIBCA will host it again in 3 years before the next interpack.



Guests were greeted by the EFIBCA President Mr Roelof Veld and EFIBCA General Secretary Dr Isabell Schmidt, who highlighted the important work EFIBCA is doing to promote knowledge and awareness about FIBCs, quality and ethics. The recently published EFIBCA FIBC User Guide was presented along with EFIBCA's quality and ethics initiatives for members, namely the EFIBCA-Q Quality Pledge and the EFIBCA Code of Conduct. All attendees received a printed copy of the EFIBCA User Guide and a day ticket to visit the interpack trade fair.

Guest speaker, Daniel Stricker, Head of Market Research and Editor-in-chief of KI (Kunststoff Information) presented on the development of the PP market in his presentation „Polypropylene on the way to autonomy“, explaining the evolution of the primary material used in the production of FIBC from its birth from refinery remains to recent turmoil in supply and demand. Further he explained why, for the mid-term at least, propylene will be abundant rather than in tight supply.

Pictures of the event can be viewed on www.efibca.com ab

Interpack 2017

Only occurring every three years, the interpack trade fair opened its doors to over 170,000 visitors from 4th – 10th May in Düsseldorf. With 2,865 exhibitors from all aspects of the packaging industry, this year's interpack trade fair is being widely acclaimed as a success. EFIBCA was represented at a stand with the German Plastics Packaging Association (IK), and registered a strong interest in both the association and its members. "We observed representatives from all aspects of the industry coming by to find out more about our members or how to become a member. Almost a quarter of EFIBCA



members had a stand at the fair, and some that didn't used ours to meet with customers and contacts," reported EFIBCA General

Secretary Dr Isabell Schmidt. EFIBCA Members exhibiting at the interpack reported an excellent atmosphere and high-quality customer discussions. EFIBCA Council Member and exhibitor, Oliver Grüters from Boxon GmbH confirmed, "it was the best interpack ever." ab

INTERNAL NEWS

New EFIBCA members

EFIBCA warmly welcomes 5 new members:

Bulkcorp International Pvt Ltd. (January 2017) is a manufacturer and exporter of food grade FIBC, big bags and container liners, in the clean room environment based in Ahmedabad, India.

Bang Polypacks, (January 2017) is a producer of FIBC, jumbo bags, PP woven bags, and PP woven fabric rolls headquartered in Mumbai, India with production facilities in Solapur, India.

Nordfolien specializes in premium quality industrial packaging including inliners. Based in Steinfeld, Germany, Nordfolien joined EFIBCA as an associate member in April, 2017.

Nuriel Cohen M&D Ltd (June 2017) is an Israel-based trader of big bags, polypropylene sacks and other packaging.

Zibo Xinli Plastics Weave Co., Ltd (July 2017) is manufacturer of big bags based in Zibo City, Shandong Province, China.

EFIBCA 2017 Annual General Meeting to be held in Mallorca, Spain



Following this year's successful open meeting, the EFIBCA Dinner Reception in Düsseldorf, EFIBCA will host its Annual General Meeting (AGM) for Members on 5th – 6th October, 2017 in Mallorca, Spain. Held every fall, the AGM is a time for the Secretariat to report on the year's activities and for members to gather and discuss new initiatives and the direction of the association. The highlight of this year's meeting will be the election of the EFIBCA President and appointment of the EFIBCA Council. ab

MARKET NEWS

Imports of FIBC to the EU on expansion course in 2016

In 2016 FIBC imports to Europe showed strong growth in terms of volume of 9.2%, which represents 187.5 thousand tonnes of FIBC. Compared to the growth rate in 2015 of 5.7%, these results demonstrate strong demand in Europe and a rapidly growing market.

The difference between the euro and kilo growth figures stands out however. Growth in terms of value measured a mere 0.4% (€437.5 Mio), which is both a far behind the volume figures and a dramatic drop from the 2015 mark of 8.7% growth.

Table 1 Total FIBC Imports to the EU

	2016	2015	Growth
Imports to the EU28 in m €	437.5	435.8	0.4
Total Imports to EU28 in 1000 kg	187,540	171,673	9.2

Source: EFIBCA 2017 (based on Eurostat)

The dramatic price spike in 2015 for polypropylene, the raw material from which FIBC are woven, due to the shortage in supply certainly played a role in develop-

ments for FIBC, jacking up production costs in 2015. In 2016, PP prices fell off, reducing costs, thus magnifying the drop in euro based growth and making it a poor indicator for FIBC imports in 2016.

As in previous years, India led the pack of leading exporting countries to Europe by a large margin to Turkey (2nd) and Bangladesh (3rd). Together the top three accounted for roughly 83% or 142 thousand tonnes of FIBC imports coming into Europe in 2016. Thailand entered the field of top exporters in terms of volume for the year, replacing Vietnam as number 6 in the list. Alt-

hough Thailand exported only 4 tonnes of FIBC, that constituted a 23% increase over the previous year.

Of the top 6 (see Table 2), only Turkey and China failed to grow their exports to the EU, whereby the rate of decline for Turkey slowed from -10% to -2% (vol.) and accelerated for China from -5% to -14% (vol.). India grew its already large export base of almost 90 K tonnes in 2015 by an impressive 16.7%. That constitutes an increase of almost 15K tonnes of FIBC compared to the 16.5K tonnes of FIBC from Bangladesh for the entire year. Imports from Bangladesh also grew, but with 6.7% at a rate that fell off sharply from the 25% in 2015.

Table 2 Total FIBC Imports from individual countries to the EU28
Top 6 by value (million euro)

Rank	Country	2016		2015	
		FIBC exports to the EU (m €)	Share of total imports to the EU (%)	FIBC exports to the EU (m €)	Growth (%)
1 →	INDIA	207.3	47.4	192.2	4.1
2 →	TURKEY	123.2	28.2	125.4	-1.7
3 →	BANGLADESH	31.8	7.3	32.2	-4.1
4 →	CHINA	19.7	4.5	23.6	-16.6
5 →	SERBIA	15.9	3.6	15.7	1.8
6 →	THAILAND	9.7	2.2	9.3	4.0

Top 6 by quantity (1000 kg)

Rank	Country	2016		2015	
		FIBC exports to the EU (1000 kg)	Share of total imports to the EU (%)	FIBC exports to the EU (1000 kg)	Growth (%)
1 →	INDIA	104,694	55.8	89,739	16.7
2 →	TURKEY	36,157	19.3	36,907	-2.0
3 →	BANGLADESH	16,574	8.8	15,536	6.7
4 →	CHINA	7,303	3.9	8,510	-14.2
5 →	SERBIA	5,909	3.2	5,719	3.3
6 →	THAILAND	4,012	2.1	3,261	23.0

Source: EFIBCA 2017 (based on Eurostat) HY = Half Year

→ no change in rank compared to previous year ↗ up in rank compared to previous year ↘ down in rank compared to previous year

UPCOMING EVENTS

FIBC Calendar

Powtech,
26 – 28 September 2017, Nüremberg, Germany
<https://www.powtech.de/en>

EFIBCA Council Meeting
05 October 2017, Mallorca, Spain
www.efibca.com

EFIBCA Annual General Meeting
05 October 2017, Mallorca, Spain
www.efibca.com

Pack Print Plas
12 -14 October 2017, Manilla, Philippines
<http://www.globallinkmp.com/ppp/>

Intermodal Europe
28 - 30 November, 2017, Amsterdam
<http://www.intermodal-events.com/>

Plast Eurasia
06 - 09 December, 2017, Istanbul, Turkey
<http://plasteurasia.com/en/>

Interplastica
23 - 27 January 2018, Moscow, Russia
<http://www.interplastica.de/>

Orange: EFIBCA meetings

Lilac: external conferences