

IN 1995 THE CHINA PAPER 95 TECHNICAL PROGRAM AND EXHIBIT CAME OF AGE

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China Paper 95 was held at the China International Exhibition Center, Beijing, on November 7–11. The technical conference topic was “environmental trends and treatment.” More than 10,000 visitors attended the biennial event, which showcased technology and processes presented by 175 exhibitors from 24 nations. This represents a 40% increase over China Paper 93.

The conference and trade fair are supported by a broad range of organizations from the People's Republic of China and international organizations including TAPPI, China Technical Association of the Paper Industry (CTAPI), China Paper Association (CPA), China Packaging Technology Association, China Council for the Promotion of International Trade (CCPIT), the China Ministry of Forestry, China National Council of Light Industry, and E. J. Krause and Associates, as well as several of China's major paper and paper-related companies.



The exhibit and program were opened with a formal ribbon cutting ceremony.

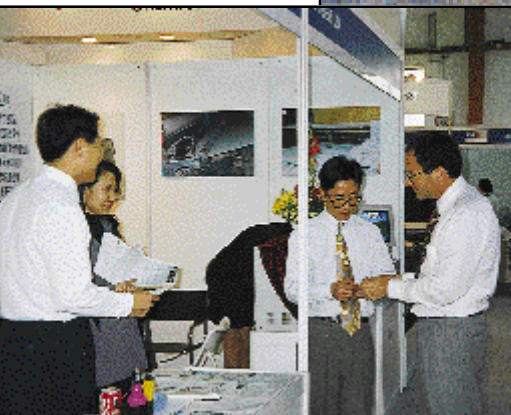
Officials from the Chinese industry and E. J. Krause addressed the attendees.



A military band, typical of China's unexpected pleasures, provided musical background for the opening.



The majority of the attendees came from the many small to medium size Chinese paper mills.



For most of the exhibitors, such as NDC shown here, the key to the exhibit was the number of attendees from the over 7000 Chinese paper mills which came to learn about the latest in production technology.

featuring renowned speakers from North America and Europe: Allan Springer (Miami University), Doug Reeve (University of Toronto), Kenneth Hood (Simpson Paper), and Jörg Willems (Valmet Automation). The program was designed to lead the audience from a large picture of worldwide supply vs. demand and the effect on the environment of types of pollution prevention and environmental treatments used by state-of-the-art mills. Specific topics covered included global trends of market pulp and major paper grades; environmental paradigms; bleaching (chlorine, ECF, oxygen-based); primary, high rate, and high load treatments.

The Chinese audience of approximately 350 rated the program highly and were keenly inquisitive. During the sometimes lively discussions, current issues surrounding China's booming industry came forth. In sorting out audience opinion, it seemed that the views of the Chinese scientists and engineers dealing with the

TECHNICAL CONFERENCE

TAPPI and CTAPI sponsored a technical conference entitled "Environmental Trends and Treatment." The conference was a two-day program

environment tend to fall along generational lines. In this way, they are similar to the environmental issue perceptions in the West: the younger the scientist, the greater the educational background (and perhaps concern) in environmental issues.

Other hot topics of discussion among the audience and speakers included bleaching technologies as applied to nonwood fiber sources and environmental management issues in recycling. These areas are of particular import to Chinese papermakers, who are heavily reliant on nonwood fibers and old newspapers (ONP) as raw materials. These two subjects pose potential opportunities for China to make contributions to the technical community, given Chinese papermakers' experience with nontraditional raw materials.

The development of the program for China Paper 95 involved the efforts of CTAPI's leadership, TAPPI staff, and Dr. Ho Min Chang of TAPPI's International Committee. Armed with a broad understanding of the issues interesting to a Chinese audience, the selected speakers then conferred to outline a program based on the big picture down to the little picture concept. This marked a growth in TAPPI's international programming planning which, in the past, has often taken a broader "shotgun" approach to topics for developing regions. Visitor response to this new approach was very enthusiastic, as many visitors commended TAPPI for the depth and quality of the conference presentations. It appears now that most every region of the world is sufficiently developed to demand more thorough information focused on a particular issue concerning industry.

OTHER HIGHLIGHTS

In addition to their environmental efforts, many mill personnel expressed the view that they face a broad range of challenges which must be balanced with environmental priorities: expansion and the need for capital, effective utilization of existing technologies, develop-

ment and importation of new machines and technology, new product development and quality upgrades, raw materials supply and management, and recycling issues.

One of the features of explosive growth in the Chinese paper industry is globalization. China's producers,

large and small, commodity and niche players, are all keenly interested in building international ties. Concrete steps already have been taken in a number of areas, and a great deal is still to be done. Areas of cooperation include direct foreign investment, such as the greenfield

THE PAPER INDUSTRY IN CHINA

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China Paper 95 offered the opportunity to talk with several of the companies who have been doing business for many years with China. I had the opportunity to talk with Ed Siedlak, president of Black Clawson, Leo Allo of Valmet, and Professor Xiangju Zhong about China and the long-term changes and opportunities in the paper industry.

First and foremost, all three agreed that China would continue to grow in paper consumption per capita for the next decade. Even a 1-kg per person per year increase is a 1,200,000 metric tons/year increase in demand in one year. That is roughly the output of five or six modern machines in China. Whether through increase in domestic production or increase in imports, this demand will affect other areas of the world.

China is short of fiber and will have to import fiber to increase production. Whether this will come as wood or as secondary fiber will be determined by the economics of the time, but it will have an impact on the fiber flow and supply in Asia. Increasing the production of pulp from domestic agricultural sources is a possibility, and we can expect to see the Chinese research community

put major efforts into nonwood pulping over the next decade.

The ability of the Chinese economy to acquire major capital goods such as paper machines will be limited by the hard currency gained by exports. The paper industry, while a strong contender for import currency, is still behind other industries in the economy in terms of return on investment. The need for external financing will remain, and exporters to China will need to be aware of all of the constraints that this implies. Many of the current projects underway have external financing. The willingness of the government to work with this is indicative of China's interest in long-term growth in the industrial sector.

The Chinese have been good stewards of their land and the long-term outlook for the Chinese paper industry was seen as excellent. Growth will move toward consumer products eventually, but initially growth will be in the packaging grades and in printing and writing papers.

My thanks to those who gave freely of their knowledge of the Chinese industry and economy for this report.



Ed Siedlak (2nd from left) of Black Clawson spoke on his company's long history of working with China in the paper industry.

Leo Allo (left) of Valmet Corp. led the press tour to Suzhou to visit a new mill under construction.



Suzhou Mill, technology transfers, and supply agreements for ONP and old corrugated containers (OCC).

Indonesian and Korean producers have made significant investments in paper and board production over the last 18 months, and Chinese mill personnel are actively seeking partnerships with other international producers. It is hoped that with these investments, leading edge technology and management will be more quickly implemented in Chinese mills.

Packaging technology and quality upgrades are a key growth area in China. There are many, many small mills in China which supply local markets and seek technologies for new products to introduce to these markets. Packaging for foods and light industry seem to be of particular interest, but many Chinese producers lack information on products, technologies, and opportunities offered abroad.

NEW MILL CONSTRUCTION IN CHINA

A short press tour of China's newest paper mill was arranged for members of the press by Valmet, which is the general contractor for the mill. A complete mill story on this project will be in the upcoming May issue of *TAPPI JOURNAL*. Highlights of the trip were the oppor-

tunities to meet the project team which is constructing the mill, as well as the management team who will run it. Located in Suzhou, west of Shanghai, the mill is located to serve China's growing printing and publishing industry.

FUTURE EVENTS PLANNED FOR ASIA

TAPPI continues to strengthen its participation and activity in the international arena. Upcoming TAPPI programs in Asia are: a plastic laminates symposium, possibly China Paper South 96, presentations in India and Indonesia, and China Paper 97 in Beijing. TAPPI PRESS will publish proceedings from China Paper 95 in English and Chinese. Increased initiatives have begun for increased cooperation between TAPPI and Chinese paper industry leaders. These include TAPPI's publication of Chinese paper industry leaders' research, publication of TAPPI PRESS items in Chinese, and the Chinese language publication of *TAPPI JOURNAL* executive summaries in Spring 1996. **TJ**

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