

World Council of Recycling Associations: World joins in welcoming “United Nations of Recycling”

Recent BIR World Recycling Convention (Round-Table Sessions) in Amsterdam (24-25 October 2016)

From around the globe, recycling industry leaders converged on Amsterdam to be present at the inaugural meeting of the World Council of Recycling Associations on October 24. This BIR-led initiative is intended to take participants to “the next level of sustained co-operation and support for the industry”, attendees in the Dutch capital learned from BIR President Ranjit Baxi of UK-based J&H Sales International.

The World Council, also dubbed “the United Nations of Recycling” by Mr Baxi, has been created to give a unified voice to the international recycling industries in their bid to develop awareness among policy-makers, legislators and the general public of the economic, social and environmental contribution of the recycling industry. The Council will also help promote “best sustainable practices” around the world - particularly in developing countries, he added. “It will work as a thread to help them build on their recycling programmes.”

Worldwide, the recycling industry is responsible for creating millions of jobs as well as a cleaner, healthier and more sustainable planet, Mr Baxi explained. The World Council will therefore spearhead the drive for further academic studies and research that will provide factual and statistical confirmation of the recycling industry’s contributions to, for example, GDP, employment and landfill reduction. A recently-updated, BIR-commissioned study had revealed that the work of the recycling industry prevents some 700 million tonnes of carbon emissions annually, and Mr Baxi added: “More such reports are necessary. We need to quantify these benefits.”

In addition, the World Council will promote free trade in recyclables as well as the environmentally sound management and use of recycled materials, while encourag-

ing manufacturers to design their products with a heightened focus on recycling. It will also co-ordinate actions in defending the interests of the industry as a whole.

With a membership comprising 800 member companies and 35 national recycling federations, the BIR is the ideal organisation to lead such an initiative, it was agreed in Amsterdam. Mark Lewon, Chair of the US Institute of Scrap Recycling Industries, said the increased level of co-ordination delivered by the World Council “will make the position of the industry much stronger”. According to Salam Sharif, President of the Bureau of Middle East Recycling, a unified approach is the only way to convey the industry’s positive messages in a world moving from a linear to a circular model. The World Council is “very necessary” and has a particularly important educational role to play, stated Sanjay Mehta, President of the Metal Recycling Association of India. And Dominique Maguin, President of the European Recycling Industries’ Confederation, underlined the importance of “sharing our views and defending the interests of the industry we represent”.

Messages of support for the World Council were also delivered first-hand in Amsterdam by recycling industry leaders from China, Canada, Spain, the UK and Romania.

Also under the World Council umbrella, Mr Baxi highlighted progress towards his stated goal of creating a Global Recycling

Day. This initiative is intended to increase the profile and awareness of recycling worldwide while underlining the contribution of the recycling industry towards safeguarding “the future of our planet”. While it had been hoped to launch this annual “celebration” of recycling in 2017, the process of establishing such an event is highly complex and is therefore likely to take a little longer than originally targeted, Mr Baxi confirmed.

Non-Ferrous Metals Division: “Resilient” recyclers can “reinvent” themselves

Falling commodity prices, reduced scrap availability, uneven manufacturing growth, high regulatory costs and reduced overseas demand are just some of the challenges that have forced a restructuring of the scrap industry in the USA, pointed out Mark Lewon, President of Utah Metal Works and Chair of the US Institute of Scrap Recycling Industries, at the BIR Non-Ferrous Metals Division meeting in Amsterdam on October 24.

After three difficult trading years in a row, Mr Lewon said the industry is unlikely to return to its previous state - “but we can reinvent ourselves”, he insisted, because “recyclers are resilient”. He urged companies in the sector to focus increasingly on safety, operational efficiency, quality and product diversification.

As part of a guest presentation and subsequent panel discussion, the latter being moderated by Jurgen van Gorp of Metallo-Chimique NV, Belgium, Mr Lewon also insisted that free trade in recyclables “is absolutely a necessity for our industry”.

While China is still driving global commodity markets, Mr Lewon alluded to “a real narrowing” of the types of scrap in which the Chinese are interested. Fellow guest speaker and aluminium specialist Holger Ellmann, founding partner of Argentum Metal Management, contended that Chinese producers have been exercising greater discipline - particularly when prices collapsed in late 2015/early 2016 - and have been quick to implement changes with their “swing capacities”, helping to create “a more balanced market situation”. However, idled capacities - “mainly in China” - will ensure “a natural limit on the potential of more significant price rallies”. Mr Ellmann also argued that current LME prices and reduced premium levels will continue to put high-cost aluminium



smelter operations in the USA and Europe “at high risk”.

In other developments relating to China, Alexandra Weibel-Natan of Manco in France highlighted the Chinese government’s apparent desire to open up the pre-shipment inspection market to competition in a move which should reduce costs and therefore bring “benefits for raw

material suppliers”. On the downside, her review of global non-ferrous markets also spoke of “challenging” conditions worldwide and the re-emergence of payment delays as a significant issue.

The scale of the development and modernisation of the London Metal Exchange over the course of many years was outlined by the BIR Non-Ferrous Metals Division’s

final guest speaker Christian Schirmeister, who is senior member of the Client Liaison team of Amalgamated Metal Trading in the UK. He concluded his presentation by observing that the Brexit vote and the upcoming elections in the USA and Germany have combined to create a “wait-and-see” situation in the markets that is “the worst for all of us”.

