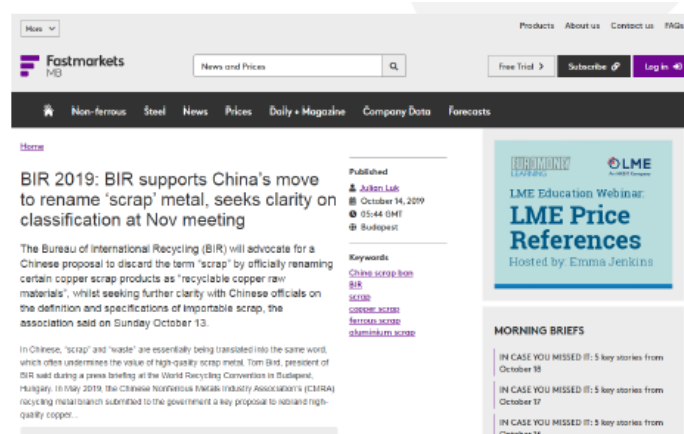


BIR 2019: BIR supports China's move to rename 'scrap' metal, seeks clarity on classification at Nov meeting

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The Bureau of International Recycling (BIR) will advocate for a Chinese proposal to discard the term "scrap" by officially renaming certain copper scrap products as "recyclable copper raw materials", whilst seeking further clarity with Chinese officials on the definition and specifications of importable scrap, the association said on Sunday October 13. In Chinese, "scrap" and "waste" are essentially being translated into the same word, which often undermines the value of high-quality scrap metal, Tom Bird, president of BIR said during a press briefing at the World Recycling Convention in Budapest, Hungary. In May 2019, the Chinese Nonferrous Metals Industry Association's (CMRA) recycling metal branch submitted to the government a key proposal to rebrand high-quality copper scrap, which Fastmarkets exclusively reported.

The BIR, representing over 800 companies in the recycling industry, will meet with the CMRA at the end of November to find out the progress of the renaming project and what possible support BIR could provide to facilitate the move, BIR's director general Arnaud Brunet said at the briefing.

It is a critical move for the industry to save huge scrap flows from a potential outright ban in China by 2021.

While there has not been any update on the CMRA proposal since May, industry participants have expressed concern over what scrap is eligible for renaming because the business revenue is significant to the sector with China importing 2.6 million tonnes of copper scrap last year.

The association will seek more regulatory clarity from Chinese government over the line between "scrap" and "raw materials", it said.

Bird cited the instance of automotive metal scrap, which is at times regarded by Chinese officials as "scrap", and other times as raw materials in auto manufacturing.

Over the past two years, China has implemented certain import barriers for scrap, including a series of tariffs on United States-origin scrap, a ban of low-quality category 7 copper scrap, as well as the introduction of a quota system, leading to drastic fluctuations in scrap prices.

Prior to the launch of the quota system in July of this year, the No 2 copper scrap discount on a cif China basis had widened to 37-42 cents per lb in April, the widest in three years, according to Fastmarkets' assessment.

- <https://www.metalbulletin.com/Article/3898638/BIR-2019-BIR-supports-Chinas-move-to-rename-scrap-metal-seeks-clarity-on-classification-at-Nov.html>