

BIR 2019: Chinese government 'partly approves' proposal to rename copper, aluminium scrap – sources

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The screenshot shows the Fastmarkets MB website interface. At the top, there is a navigation bar with the Fastmarkets MB logo, a search bar labeled 'News and Prices', and buttons for 'Free Trial', 'Subscribe', and 'Log In'. Below the navigation bar is a main menu with links for 'Non-ferrous', 'Steel', 'News', 'Prices', 'Daily + Magazine', 'Company Data', and 'Forecasts'. The main content area features the article title 'BIR 2019: Chinese government 'partly approves' proposal to rename copper, aluminium scrap - sources'. To the right of the title, it says 'Published by Julian Luk on October 16, 2019 at 09:22 GMT from Budapest'. Below the title, there is a short summary of the article. To the right of the article, there is a sidebar with a section titled 'A new era for the hot-rolled coil market' featuring an image of metal coils. Below this, there is a 'MORNING BRIEFS' section with links to 'IN CASE YOU MISSED IT: 5 key stories from October 18' and 'IN CASE YOU MISSED IT: 5 key stories from October 17'.

A proposal by China's metal recycling lobby group to rename copper scrap and aluminium scrap, and set out a new definition for copper recyclable raw materials has been partly approved by two key government departments as of Friday October 11, Fastmarkets understands.

The development could ringfence certain scrap import materials from a potential outright ban by 2021. China's State Council said in June this year it is working toward implementing a complete ban on imports of solid waste, including all metal scrap, by the end of 2020. China imported 2.6 million tonnes of copper scrap last year. In May 2019, Fastmarkets exclusively reported that the Chinese Nonferrous Metals Industry Association's (CMRA) recycling metal branch submitted to the government a key proposal to rebrand high-quality scrap.

The proposal, which has not been publicly disclosed, outlines the specifications of copper alloy scrap - including brass scrap - as well as aluminium scrap eligible to be renamed recyclable raw materials. A consensus has been formed on the above products already, three sources confirmed.

The above definitions have been approved by both China's environmental ministry and CNMSQ, a Chinese government unit that offers guidance for non-ferrous metal standards and qualifications.

Prior to implementation, the definitions will have to be approved by China's Commerce Ministry and customs department.

A consensus is still not formed on what types of copper scrap can be renamed - mainly with a difference in opinion on whether enameled wire should be included, a well-informed source told Fastmarkets on the sidelines of an industry conference in Budapest.

The vast majority of No 1 and No 2 copper scrap of high purity, however, is secure on the list, the source said.

The finalized standards could be announced by CMRA at a conference in China's Ningbo in early November, the source added.

The renaming of copper scrap as a recyclable raw material could mean that its import is no longer confined by the quota system introduced at the beginning of July, which has put a cap on Chinese scrap inflow.

Earlier this week, the Bureau of International Recycling (BIR) said it supports China's industry bodies' 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.

Prior to the launch of the quota system, 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, due to availability of material. Fastmarkets' assessment was most recently at 31-35 cents per lb on September 30.

<https://www.metalbulletin.com/Article/3898870/BIR-2019-Chinese-government-partly-approves-proposal-to-rename-copper-aluminium-scrap-sources.html>