

BIR CONF: Indian recycling industry 'should learn from China'

May 28, 2013 - 04:13 GMT Location: Shanghai

BY FLEUR RITZEMA

India's recycling industry should try to mirror some of the positive aspects of the Chinese industry, according to Dhawal Shah, director of Metco India and a board member of the Bureau of International Recycling (BIR).

Unlike China, India's recycling sector does not have industry status, meaning that development and recognition from the government is limited, Shah told Metal Bulletin on the sidelines of the ongoing BIR conference in Shanghai.

"Over the last 30 years, India has progressed well, creating huge demand for recycled aluminium, copper and copper-based alloys, lead and lead alloys. It has positioned itself as a critical raw material supplier to core industries like automotive and construction," he said.

India has no formal recycling industry but produces close to 1 million tonnes of secondary aluminium per year, which is approximately equal to the amount of primary aluminium produced in the country. Shah estimates that around 15-20% is generated from domestic scrap.

It is estimated that India produces over 150,000 tonnes of secondary lead but a lack of industry status and recognition is limiting growth.

"There is no formal disposal, and/or collection policy for metal scraps. As far as household waste is concerned, it is a myriad of [small-scale] collectors in micro locations, who network to receive and sell goods to larger yards. There is no organised industry at work. As for industrial waste, more effort is being made to re-use scrap at source or to sell to established recycling facilities," he explained.

There are no formal figures on the country's scrap generation.

"We need something that can motivate the government. We need to show the size of the industry; then we can move. We need formal research in terms of what is happening. All we have is import volumes. We don't have local generation numbers. To form a policy, you need to know what is happening in the trade," he argued.

In China, despite occasional debates over taxation and inspection procedures, they have industry status, he pointed. This enables the country's secondary industry to grow.

"They have industry status. Recycling activity has been identified as an area of special focus in their government's successive five-year plan. This means the government gives it special attention to encourage the industry," he argued.

Operation Green Fence, a crackdown by Chinese customs authorities on imports of low grades of scrap, has been an issue of discussion in China.

"It does not take the focus away from recycling. It is just cleansing to ensure that China does not become a dumping ground. I would applaud that movement. It might be hitting the importers, in terms of restrictive controls but once it's cleaned up, it will be an efficient industry," he said.

"At the same time, in China, the establishment of several recycling parks shows their resolve towards creating a long-term, sustainable and eco-friendly business model," he argued.

The Indian secondary metals industry is calling for formal policies like those in China.

"We need collection centres, at both factory level and household level. We also must look at creating special zones for recycling activity in India. Awareness should be there. There should be an established, functioning availability showing what happens next. Scrap has to be collected at the right point. Then value addition has to take place," he said.

Like in China, he hopes trade of recycled materials is facilitated in India.

"It's time we look at creating infrastructure and mechanisms that are friendly towards free movement of scrap— domestic and imported. This will help the industry grow enormously," he said.

<http://www.metalbulletin.com/Article/3210940/Non-Ferrous/CORRECTED-BIR-CONF-Indian-recycling-industry-should-learn-from-China.html>