

#### Scrap round table at BIR

The European Union is preparing a blueprint of how to make restrictions on the export of scrap look ecological and environmental: this is the "populist" and "easy" solution the EU is taking to address the miserable situation of the steel industries, said Christian Rubach, the president of the ferrous division, at the Bureau of International Recycling (BIR)'s conference in Warsaw this week, commenting on the EU Steel Action Plan related to scrap.

"We will see in the next months and the future a lot of activity in the EU which, under the umbrella of being environmental, seek nothing else than to forbid the export of steel scrap and other recyclable materials," Rubach warned. He gave the example of the enforced monitoring of excessive export of scrap proposed by the EU. "I wonder how it will be possible to monitor all the export points, all the market," Marcel Genet of Laplace Conseil pondered.

The EU policy makers are said to be discussing the mandatory certification required from non-EU steelmakers. In such a case, shipping waste material including scrap would be possible only to these counterparties which are certified under the EU standards. Two thirds of the EU steel scrap exports are sent to the Mediterranean area (58% to Turkey). "If you look at the mills in Turkey they have the highest technology... To say to Turkish steelmakers that your standards don't comply with the EU is a complete insult and it's not true," said Tom Bird, director at scrap company Van Dalen UK.

Another danger is the EU discussion about how to declare more scrap as hazardous, Rubach pointed out. "I think they will change the definition of hazardous waste and they will enforce the waste shipping directive in a much stronger way," he added.

– *Wojtek Laskowski*

#### Russian scrap exports seen falling 25-30% - Wednesday, 30th October 2013

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##### Russian scrap exports at BIR

Ferrous scrap export volumes from Russia are expected to be 25-30% lower than last year due to reduced collection as a result of low price levels and high volatility of international markets, that sometimes negatively affect margins, Andrey Moiseenko, a board member of the ferrous division of the Bureau of International Recycling said during the BIR conference in Warsaw this week.

Russia is gradually lowering its scrap export duty to reach 5% within the next few years as required by the WTO. The most recent 2.5% decrease came into force on September 10. "It was quite confusing for exporters, because Russian Customs confirmed the date of application of new duty [Sept 10] only on October 3. So exporters got an extra bonus from the government more or less \$7 per ton," Moiseenko noted.

He also said "there is not even a draft of decision yet" regarding the widely speculated new ecological tax on scrap exports studied by the Russian government, allegedly aimed to compensate the dwindling export duty. Yet, he added, "if the government decreases export duty with back date it can also put new taxes back date as well."

Moiseenko noted that in the recent period the scrap collection in Russia remains "on the reasonable level" but still the yearly figure should be 10-15% lower than last year. "It looks like, the biggest players have managed to collect winter stock already. So, we do not expect any increase of demand for scrap in coming months," he added. "In general prices were kept on same level for last couple of months," he concluded.

-- *Wojtek Laskowski*