

BIR World Recycling Convention: Delegates discuss global trading landscape

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Bureau of International Recycling president calls on attendees to be nimble and proactive in current market conditions.

Despite the multiple challenges in the recycling industry, there are also many reasons to be optimistic about its prospects. This was the overarching conclusion drawn by contributors to a debate on global trade which kicked off Brussels-based Bureau of International Recycling's (BIR's) World Recycling Convention, held at the Budapest Marriott Hotel from Oct. 14-15.

During a spotlight discussion on global trade, session moderator Michael Lion of Everwell Resources Ltd., Hong Kong, pointed to the destabilizing impact of China's new scrap import controls, the continuing uncertainty surrounding Brexit, worrying developments in Turkey and damaging trade disputes. He insisted that the resulting volatility can offer traders "more opportunities than in a level-playing-field market."

Lion highlighted the "misrepresentation" of the recycling industry in the wider media narrative, despite its "immense" environmental, economic and social contributions. Lion said, "There is no question about our story being the right story. We need to get across that we are the solution."

Murat Bayram of U.K.-based European Metal Recycling Ltd. urged politicians to recognize the climate protection contribution of the recycling industry, suggesting that they should consider "incentives for companies using scrap." Also, Greg Schnitzer of Portland, Oregon-based Schnitzer Steel Industries Inc. said the trading environment would be much improved by the removal of tariffs and quotas.

Doug Kramer of Los Angeles-based Spectrum Alloys LLC called for the word "waste" to be taken out of the debate surrounding the industry because "we are not in the waste business." Robin Wiener, president of Washington-based Institute of Scrap Recycling Industries (ISRI), urged the sector to talk more about "all the positives" achieved through recycling and about what it means to be "a responsible recycler."

According to BIR President Tom Bird, the recycling industry is going to be “even more needed” in the future but is currently facing “many world issues over which we have no control, and that’s always a concern.” Bird called on the industry to respond by being “nimble and proactive.”

Insisting that the recycling industry has entered a period of “great opportunity for those who think strategically,” Graeme Cameron of Rye, New York-based Sims Metal Management welcomed the proposal from Bird that, under his presidency, BIR will be looking to develop its statistical database to support the recycling industry’s claims of its vast environmental contribution.

On the issue of shifting demand patterns, David Chiao of Uni-All Group Ltd., Atlanta, said, “China may be out of the market but not out of the equation.” Chiao urged recyclers not to underestimate the wider positive impact of China’s Belt and Road Initiative.

Guest speaker Philippe Chalmin, author of the long-running Cyclope Report into product/trade cycles and trends, offered delegates a mixed forecast for late 2019 and early 2020. While anticipating no recession and a strong dollar in the United States as well as a “soft landing” for the Chinese economy, he warned of “hard times” in the EU and of an impossibly confused outlook for the U.K.

With the notable exceptions of gold, palladium and nickel, he described nearly all other commodity markets as “gloomy” amid weak demand and strong supply. However, he also suggested that most of the metals “have reached more or less a bottom level.”

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