

Scrap and secondary

Licence concerns Scrap exporters await news on their renewal applications

BIR airs concern over China scrap licence delay

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The Bureau of International Recycling (BIR), the Brussels-based scrap industry trade group, has written to the Delegation of the European Commission to China expressing concerns over the delay to renewals of Chinese scrap export licences.

About 2,000 scrap exporters globally are still waiting to hear whether their renewal applications to China's General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) have been accepted.

"The situation is still very unclear and this is why we're extremely concerned," said Francis Veys, BIR director general, adding that the BIR raised concerns over the

timeframe for renewals at a meeting with officials from AQSIQ and the European Commission in March last year.

"There are still around 2,000 companies that are waiting to hear from AQSIQ as to whether their renewal applications have been accepted or simply that the applications are being processed," Veys said.

AQSIQ is backlogged because of the large number of applications it received and a longer-than-expected processing time.

AQSIQ issued more than 3,000 licences to scrap companies globally when the programme was introduced at the beginning of 2005. Those licences expired at the end of December and traders said that some companies are now unable to ship material to China

because cargoes might not be covered by the old licence when they arrive at port.

"It's a real concern for some companies because they can't do business with their Chinese customers and ship material until they receive notification that their renewal has been accepted," one trader said.

"If you put a cargo on a vessel now without your renewal it could be rejected when it arrives in China. Demand from Chinese customers has been very strong ahead of the country's [Lunar] New Year" in early February.

But some traders still plan to ship scrap to China using the licence number issued to the broker or trading company that booked the order, or the smelter or steel mill the scrap is destined for.