

BIR CONVENTION: Requesting an encore

The BIR's Non-Ferrous Division president hopes the second Dubai convention will bring a market rebound, mimicking its 2009 predecessor.

[Brian Taylor](#) May 25, 2015



When scrap recyclers gathered in Dubai for the 2009 World Recycling Convention in May of that year, the scrap market was in a several-months long trough but rebounded soon afterward. David Chiao, newly-elected president of the [Bureau of International Recycling \(BIR\)](#) Non-Ferrous Division, expressed a sentiment that reconvening the BIR Convention in Dubai, United Arab Emirates, in May 2015 will produce a similar result.

Chiao, of Uni-All Group Ltd., Atlanta, had been serving as interim president of the BIR's Non-Ferrous Division but had the "interim" tag removed in Dubai after being elected to a three-year term as division president.

Global market reports presented by Sidney Lazarus of South Africa-based [Non-Ferrous Metal Works](#) pointed to healthy overall demand for aluminum scrap and export markets in Europe that have been bolstered by a decline in the value of the euro.

China's overall demand for imported nonferrous scrap continues to decline, however, with its overall demand for finished copper stagnant as its construction sector scales back from the previous boom years.

Nasser Aboura, chairman of United Arab Emirates-based [Aboura Metals](#), said the nonferrous scrap sector in the Middle East region has grown along with the oil and construction booms that have characterized the region in the past several decades.

The region has exported considerable amounts of scrap to China, but Aboura said India is "the largest trading partner with the Middle East" and that it has "one of the fastest-growing economies in the world today."

"Pre-2010, China was the largest importer of scrap metals from the Middle East," said Aboura. India has subsequently assumed the number one slot, with its annual imports of aluminum scrap far outweighing copper and lead scrap.

Mohan Agarwal of secondary aluminum producer [Century Metal Recycling](#), Palwal, India, foresees Indian demand for aluminum scrap continuing, in part thanks to the seven facilities operated by his company.

Century's seven smelting facilities produce up to 225,000 metric tons per year of secondary aluminum alloys. Two of the plants are joint ventures with Japanese firms (one with Nikkei, the other with Toyotsu).

Demand for aluminum alloys will grow along with India's automotive sector, said Agarwal. India is currently the second largest two-wheel motorized vehicle producer in the world and the seventh-largest automaker. India "is expected to become the world's third-largest auto producer by 2020, with 7 million units annually."

Since 2014 India has been exporting more small cars than Japan, said Agarwal, and it will also continue producing such vehicles for its growing middle class. "More and more car manufacturers are looking at India," said Agarwal, adding that they are locating both assembly plants and research and development facilities in the nation.

To grow along with the auto industry, "aluminum alloy production [in India] must grow three-fold, from 500,000 metric tons to 1.5 million metric tons" of annual production, said Agarwal.

The 2015 BIR World Recycling Convention was May 17-20 at the InterContinental Festival City in Dubai.