

*BIR meets in Dubai*

# Breaking new ground

Despite largely inauspicious market conditions, the latest BIR world convention was a landmark event in that it provided an unequivocal affirmation of the organisation's global outlook through significant new appointments to two of its leading posts. In a series of reports, Recycling International brings you the highlights from a convention that attracted some 800 participants from 57 countries.



**I** am proud to be the first Indian to be president of BIR,' declared Ranjit Singh Baxi shortly after his elevation to the world recycling association's top post. 'My appointment goes a long way towards proving to the world that BIR is a truly global organisation that is there for everyone.' The same message was conveyed by David Chiao's election as president of the BIR non-ferrous metals division, thus making him the first person of Chinese origin to become a divisional head.

Baxi is founder and chairman of J&H Sales International, a UK company with a strong background in exporting recyclables to, notably, Asia. His company received a Queen's Award for Enterprise (International Trade) in 2001 while Baxi himself was named 'Asian of the Year' in

2008. Within BIR, he was president of the paper division from 2007 to 2013 and has been the world organisation's treasurer since 2011.

Baxi instantly identified a 'three-point action plan' for his time in office, including doing his 'utmost' to introduce an International Day of Recycling. There were already several regional and national initiatives of this kind which a global body such as BIR 'could well bring together under one umbrella', he suggested in Dubai.

## Claim the credit

Through this and other initiatives, Baxi wants BIR to focus more on spreading the good news about recycling. 'Keep in mind that, thanks to recycling, some 10 billion tonnes of carbon dioxide emissions are saved every year,' he said. 'However, we seem to fail to tell that story to the world. We should do more of this and claim the credit for all the good our industry is doing for the global environment. And we should be conveying this message at every climate change conference anywhere in the world.'

The new president is also aiming to focus on education and stimulating global know-how. 'I don't intend to reinvent recycling, but it is important to work on global connectivity and use social media platforms in order to get con-

nected with the youth,' he stated. 'The youth of today are the recyclers of tomorrow.'

At the same time, Baxi wants BIR to continue with its mission to 'reduce trade barriers and limit overregulation, which is causing enormous damage to recyclers and traders'.

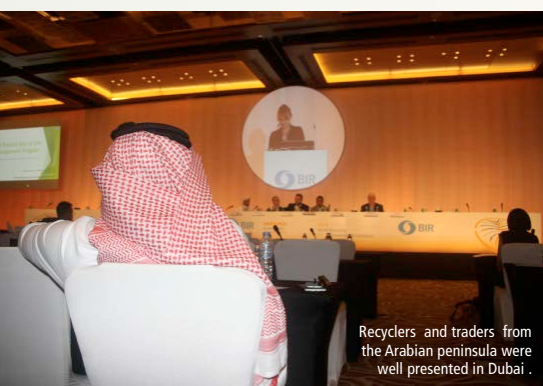


Ross Bartley: 'Most people would say used and functioning electronics are not waste.'

## Aim to become better

Currently facing a 'tough' battle with overcapacity, it will take some more years for Europe's metal recycling industry to get 'back in balance', predicted departing BIR world president Björn Grufman of MV Metallvärden AB in Sweden. The 'struggle to survive' was proving particularly acute for smaller and medium-sized businesses and 'many will probably leave the industry', he suggested.

But in his presidential swansong at the BIR general assembly in Dubai, Grufman accentuated the positive in urging recyclers to continue along the path of innovation. 'We have already developed so much over many years



Recyclers and traders from the Arabian peninsula were well presented in Dubai.

Ranjit Baxi being showered with congratulations after he has been elected BIR's new frontman.



## India reveals new pre-shipment inspection rules

The organisers of any convention always aim to provide delegates with the very latest information of relevance to their businesses. But the news revealed at the BIR's international trade council (ITC) meeting in Dubai could barely have been hotter off the press because, only hours beforehand, India's directorate general of foreign trade (DGFT) had confirmed revised pre-shipment inspection (PSI) procedures for metal scrap. According to Ikbal Nathani, president of the Metal Recycling Association of India (MRAI), the Indian government had been 'crystal clear' in its desire to stamp out explosives and radiation entering the country in scrap. Furthermore, it wanted to eliminate 'bogus' PSI agencies and the issuing of PSI certificates without any inspection having taken place. However, an earlier DGFT notice to this end - issued in April but subsequently postponed - had

sent shock waves through the trade by stipulating onerous PSI demands, such as video evidence of the inspection, stuffing and sealing process. As a result, 'shipments started slowing down to India', Nathani pointed out.

The new notice issued on May 18, details of which were discussed at the ITC meeting the following morning, offers the option welcomed by the trade of providing the DGFT with either video or photographic evidence of the PSI agency inspector at the place of inspection, of the testing instrument(s), of the stuffing of each container including the container number, and of its sealing. The visual evidence and certificate, authenticated with a PSI agency's unique hologram, is then to be uploaded on to the DGFT's website. The new rules enter force on July 1 and current PSI certificates can be used until June 30.

At the ITC meeting, it was argued that most large shredders had the capability to affirm the quality and safety of their own shredded scrap and so could be either exempted from PSI certification or recognised at some future point for self-inspection.

The DGFT has also insisted that existing and prospective PSI agencies should apply for recognition by an inter-ministerial committee. And in what Nathani described as 'a concession', an approved PSI agency will also be allowed to conduct inspections in countries where it does not have a full-time, equipped branch office on condition that the DGFT is informed in advance by email. In Dubai, Nathani praised the efforts of, among others, the MRAI, the BIR, the US Institute of Scrap Recycling Industries and the Bureau of Middle East Recycling in helping to convince the DGFT to review its approach.

and today's recycling facilities are more industrialised and high-tech than many of their primary material counterparts,' he said. 'But we must aim to become even better. With fewer impurities and with less energy consumption, we must be able to process our recycled raw material to a point that is as good as, or even better than, primary material. Buyers must be given good reason to choose our recycled raw materials over primary raw materials.'

Advanced production techniques and guaranteed quality would provide the engine for the industry's success in the future, he believed. 'Do not think for a moment that the customer who is accepting your goods today will continue to do so in the future,' he warned delegates. 'You must always try to improve the quality and the energy-efficient production of your material.'

### 'Profound implications'

As normal, BIR's trade & environment director Ross Bartley was a busy man at the BIR convention, offering information and observations during a number of the commodity meetings as well as more detailed updates on legislative and policy developments during the international environment council (IEC) and international trade council (ITC) gatherings.

As explained in the box accompanying this article, the ITC meeting proved to be well-timed. And the same could be said of the IEC event as it took place in the immediate aftermath of key Conferences of the Parties (COPs) in Geneva covering the United Nations' Rotterdam, Stockholm and Basel Conventions. The first of these deals with prior informed consent in the movement of chemicals, the second looks to protect human health and the environment

Björn Grufman (left) wishing his successor Ranjit Baxi all the best.



from persistent organic pollutants (POPs), and the third concerns the transboundary movement of hazardous and other waste. In particular, the Stockholm and Basel Conventions 'have potentially profound implications for the recycling industry,' says BIR.

### Electronic notification call

Not for the first time, Bartley expressed concern over the 'creeping scope' of the Basel Convention into areas apparently beyond its original remit. 'Most would say used and functioning electronics are not waste,' he said by way of example in Dubai. And also regarding movements of waste, he called for continued support



A colourful welcome in the lobby of the InterContinental Festival City.





At the booth of Aboura Metals, a true family business.

from all industries for the introduction of electronic notification technology to replace what BIR describes as 'the slow, outdated, paper-focused approach' still in use today. The COPs in Geneva saw the launch of the United Nations Environment Programme's 'Waste crimes, waste risks: gaps and challenges in the waste sector', a report claiming that up to 90% of electronic waste is illegally traded or dumped. Bartley challenged this figure as well as other findings and data contained in the document, telling delegates in Dubai: 'Just because it can't be measured or data is missing doesn't mean it's illegal.' At the ITC meeting, meanwhile, Bartley explained that OECD researchers had carried out extensive studies into export restrictions on recyclables 'and in almost every case, they argue for alternatives to better achieve the stated objective'.



Björn Klaue (left) and Todd Hardwick of analyser technology provider TSI.

#### Forthcoming BIR conventions

##### Prague, the Czech Republic

October (25) 26-27 2015

##### Berlin, Germany

May (29) 30-June 1 2016

##### Amsterdam, the Netherlands

October (23) 24-25 2016

# India's mounting appetite for aluminium scrap

## Non-Ferrous

In choosing Dubai as the venue, the BIR promoted its latest convention as a prime opportunity to explore recycling industry developments and interactions involving two of the fast-emerging parts of the world – the Middle East and India. The non-ferrous metals division meeting featured guest presentations from both.

The rapid emergence of India as a leading importer of aluminium scrap was highlighted in Dubai – and the tonnages are likely to continue to rise as the country is 'a long way from becoming self-sufficient in terms of scrap generation', delegates were told by the BIR non-ferrous metals division's guest speaker Mohan Agarwal. The managing director of Century Metal Recycling,

India's largest manufacturer of aluminium and zinc alloys, reported that high import duties had failed to prevent a jump in the country's aluminium scrap imports from 456 336 tonnes in 2010 to 724 106 tonnes three years later. Of the material arriving in 2013, 32% was provided by European suppliers while almost 35% came from Gulf Cooperation Council countries.

#### Major car producer

The main factor behind this import surge, according to Agarwal, was the ongoing growth of India's automotive sector. Already the world's seventh-largest car producer, the country was expected to move into third place by 2020 with a forecast output of 7 million units annually. For India's automotive sector to achieve its 2020 fuel efficiency and carbon emission targets, 'alu-

minium alloy production must grow threefold from 500 000 tonnes to 1.5 million tonnes', he revealed in his presentation.

Agarwal's fellow countryman Dhawal Shah of Metco Marketing was named as the BIR non-ferrous metals division's senior vice president in Dubai, while David Chiao of Uni-All Group became the first person of Chinese origin to head up a division of the world recycling organisation following his elevation from interim president to president for an initial three-year term.

#### 'Highly competitive'

Nasser Aboura, managing partner of UAE-based Aboura Metals, described the Middle East as 'a major generator of scrap metals', giving rise to a 'highly competitive' environment occupied by 'multiple players'. But while several governments in the region – notably the UAE, Qatar, Jordan and Saudi Arabia – were increasing their support for

a raised awareness of recycling, he identified a number of challenges for the sector, including the fact that an export-oriented scrap sales focus had left the region vulnerable to: global/regional economic changes; oil price fluctuations; regional instabilities; and legislation affecting transboundary movements of scrap.

In summarising the reports to the latest BIR Non-Ferrous Metals World Mirror, Sidney Lazarus of Non-Ferrous Metal Works in South Africa highlighted: the 'bearish' copper market in China owing to the tight credit policy of the banks; secondary smelters struggling with 'weak sales' in the USA; and the need for a review of the current export permit system in his home country. In general, he said, the non-ferrous scrap industry was facing 'many challenges' given that volumes were down and less scrap was being generated, leading to 'more competition and lower margins'.



Sidney Lazarus: secondary smelters struggling with 'weak sales' in the USA.