

BIR: scrap consumption in India to gain 75% over next few years

Global / Scrap

While in most regions scrap usage as a percentage of crude steel production diminishes, India is one of the few places where it shows substantial growth. In the light of the current complicated situation, such changes could not remain unnoticed during the Bureau of International Recycling (BIR) conference held in the Czech Republic on October 25-27.

Although the situation in India is far from ideal, first signs of economic revival are becoming apparent already. Most are quietly optimistic that the worst is behind since the Central Bank of India has managed to take inflation under control and to cut interest rates several times. Improving economic situation lends support to the steelmaking industry too – crude steel output has increased in India, as well as scrap imports. In his speech, Rolf Willeke, who represented Belgium's BIR, noted: "India was the world's second largest steel scrap importer in the first half of 2015 behind Turkey." Scrap imports to India are forecast to keep rising over the next few years. Sunil Barthwal, Joint Secretary of India's Ministry of Steel, and Shailendra Krishna Tripathi, Chairman of major trader MSTC, confirmed that. During the Q&A session, they talked about the Indian scrap consumption forecasts. Specifically, annual scrap imports are projected to double to 10 million t by 2020. Besides, India's steel industry is expected to boost its scrap consumption from 32 million t per annum to around 56 million t.

Nowadays, many scrap collectors consider India a promising scrap outlet on the back of declining sales to Turkey. "One door is closed but at least another one is open," a major trader commented in a private conversation with Metal Expert.

Largest scrap importing countries, million t

Country	6 months '14	6 months '15	Y-o-y, %
Turkey	9.729	8.472	-12.9
India	2.438	3.168	29.9
South Korea	4.308	2.778	-35.5
Taiwan	2.196	2.301	+4.8
USA	2.109	1.856	-12
EU	1.605	1.414	-11.9
China	1.305	1.274	-2.4
Belarus	0.420	0.646	+53.8
Mexico	0.458	0.608	+32.8
Indonesia	1.126	0.523	-53.6
Canada	0.674	0.516	-23.5

Source: BIR.

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