

PRESS RELEASE

FOR IMMEDIATE RELEASE

Brussels, 4 June 2010

BIR World Recycling Convention & Exhibition Istanbul, 31 May - 2 June 2010

Ferrous Division: Turkey's steel production to climb further

Turkey's crude steel production can be expected to climb by around 15% this year while capacity increases are likely to be "EAF-driven", leading to higher scrap consumption in the future, the BIR Ferrous Division meeting, which was chaired by divisional President Christian Rubach, was assured by Dr Veysel Yayan, Secretary General of the Turkish Iron & Steel Producers' Association.

"Despite stable growth in domestic scrap collection, Turkey's need for imported scrap is expected to rise significantly in the medium term," he told delegates. According to his forecast, the country's scrap consumption would jump from 21.4m tonnes in 2009 to around 30m tonnes by 2012, of which around 75% will be imported. Ugur Dalbeler, General Manager of Çolakoğlu Metalurji in Turkey, underlined: "We can only generate 25% of our scrap needs."

On another positive note, the Worldsteel Association's latest global outlook suggests apparent steel use will increase 10.7% to 1.241bn tonnes in 2010 after contracting 6.7% last year. But apparent steel use in the EU slumped 35.2% last year and demand in 2010 is set to remain below 2007 levels in the major developed economies, it was reported by divisional Vice President Ruggero Alocci of Italy-based Alocci Rappresentanze Ind. The EU's steel production is predicted to jump 20% this year to 167m tonnes - well short of the peak of 210m tonnes recorded in 2007 and even the year 2000 total of 193m tonnes. The first-quarter improvement in EU steel production reflected "progressive restocking" rather than demand growth, he added.

Blake Kelley of Sims Group Global Trade Corporation noted that steel prices in the USA have been generally steady or increasing, thanks in part to improved demand from the automotive and oil industries. Order files for the US construction steels sector have also recorded notable gains while plate mills are reporting full order books for the next 60 days. Overall, he was optimistic about US steel demand remaining consistent for the summer.

Mr Kelley added that scrap buyers in China are maintaining a cautious approach because of concerns over the possibility that their government will restrict residential construction and economic growth.

Andrey Moiseenko of MAIR in Russia predicted that domestic scrap collections will be "significantly higher" this year but that volumes available for export will remain "quite limited". A consumption increase by mills in the Ukraine, meanwhile, led to a shortage of scrap on the domestic market by the end of April, he added.

BIR's Ambassador for the Indian Sub-continent Ikbāl Nathani of the Nathani Group of Companies was anticipating an 8% increase in India's crude steel production this year to 65m tonnes, with significant capacity expansions expected to come on stream between 2012 and 2014 to raise annual capabilities to around 110m tonnes.

The meeting in Istanbul featured two more guest presentations: President of the Japan Iron & Steel Recycling

Institute Tsunefumi Nakatsuji said this his country holds more than 1.3bn tons of scrap reserves which grow a further 15 million tons every year; and the LME's Chief Executive Martin Abbott explained to delegates how scrap is envisaged as one of the beneficiaries of the exchange's increasingly-popular steel billet contract launched two years ago.

Also at the meeting, Rolf Willeke of Germany stepped down after many years as the Ferrous Division's General Delegate. He was presented with the BIR's Certificate of Merit in acknowledgement of his reliability, efficiency and "excellent organisational abilities".

In the subsequent Shredder Committee meeting chaired by Jens Hempel-Hansen of H.J. Hansen Recycling Industry of Denmark, a panel discussion moderated by Manfred Beck of industry magazine Recycling International focused on deriving maximum value from shredder residues and on processing innovations in this field.

For example, Managing Director of France's MTB Recycling Jean-Philippe Fusier outlined the development of MagPro - a new type of eddy current separator working on a vertical axis which is capable of sorting pieces of non-ferrous metal measuring less than 10mm from fine automotive shredder residue (ASR). Mike Dines, Director of Operations at Chinook Sciences Group in the UK, described his company's RODECS system as "the only commercially-proven gasification technology available that can ensure complete gasification of virtually any feedstock, irrespective of heterogeneity".

Pierre-François Bareel of Belgium-based Groupe Comet talked of a project designed to prove that an integrated, low-temperature and low-emission process can help to push the recovery rate for an end-of-life vehicle beyond 95% - the EU legislation target figure for 2015. Mr Beck had earlier asserted: "Getting to that 95% is impossible without treating the shredder residue."

Shredder Committee delegates in Istanbul also heard from Ferdinand Kleppmann, President of the Confederation of European Waste-to-Energy Plants (CEWEP), who argued that viable and environmentally sound treatment of the shredder light fraction could be enhanced in such plants through further

lowering of the pollutant content and enhanced materials recycling in reprocessing facilities.

ends