

PRESS RELEASE

Access to Raw Material: BIR and EFR express concern regarding Russia's intention to limit scrap exports

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The Bureau of International Recycling BIR and the European Ferrous Recycling federation EFR are very concerned by a recent development in Russia. BIR has been informed that the Russian Federal Customs Service intends to reduce the number of checkpoints for exports of ferrous and steel scrap from Russia. If this project were to be implemented, the free and fair access to a raw material that is indispensable for steel mills and scrap merchants worldwide would be heavily jeopardized.

The intention of the Russian Customs Service is to limit the number of checkpoints for sea transport to 3, for rail transport to 2 and for road transport to 5, in an effort to slow down scrap shipments outside Russia, thereby favouring the supply of their domestic demand.

The project foresees the suppression of checkpoints at the ports of Rostov-on-Don and St. Petersburg, which would cause serious problems for countries such as Greece, Sweden and Spain to be supplied with Russian scrap. Finland is also facing similar problems due to the potential closure of some railroad checkpoints.

"Russia's technical barriers to scrap trade are not acceptable," states Francis Veys, Director General of BIR and acting Executive Director of EFR. "This will increasingly restrict access

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to important raw materials, which are indispensable for the steel industry and scrap operators in the EU and worldwide.”

In 2007, iron and steel exports from Russia to EU 27 amounted to 2.178 million tonnes, whereas in 2010 exports dropped just under 1 million tonnes. Almost 50% of Russian scrap exports go to the Spanish market.

BIR strongly condemns the increasing trend towards protectionist measures regarding scrap movements, such as duties, taxes, quota and environmental barriers, which also represent a violation of WTO rules.

EUROFER, the European association of the steel industry, has expressed similar concerns and requested DG Trade to urgently address this matter with the Russian authorities.

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International
Recycling