

PRESS RELEASE

Recent BIR World Recycling Convention & Exhibition in Shanghai (27-29 May 2013)

Non Ferrous Metals Division: President laments “obstacles to the natural flow of metals”

Brussels, 3 June 2013

Government “meddling” in the form of bans and other restrictions on non-ferrous scrap exports reflected the influence of consumers “who falsely believe that scrap processed within their borders by us is inherently theirs to consume, regardless of its origin”, BIR Non-Ferrous Metals Division President Robert Stein of Alter Trading in the USA told the divisional meeting in Shanghai on May 27.

His comments came at the end of a month in which the Indian government had raised the basic customs duty on aluminium scrap imports from 0% to 2.5% and had re-imposed the 4% special additional duty of customs on brass scrap imports - moves he described as “yet another obstacle to the natural flow of metals around the world”. Mr Stein continued: “The markets are the best at determining where our scrap is shipped; the more barriers to free trade, the higher the costs to the processing community who will seek alternative markets.”

In his summary of world markets based on reports submitted to the most recent BIR Non-Ferrous Metals World Mirror, Paul Coyte of Hayes Metals in New Zealand expressed his confusion as to why the Indian government had chosen to make such changes at a time of global uncertainty when, five years earlier, it had done “the polar opposite”.

Mr Stein also listed a number of the other intractable problems currently confronting the non-ferrous sector, including “difficult margins”, “scrap that is expensive for us to obtain” and thefts of metal from containers. He welcomed BIR’s decision to join forces with the International Maritime Bureau (IMB) - a crime-fighting unit of the International Chamber of Commerce - in order to help it to build a more comprehensive database that could better apprise BIR members of theft and fraud risks around the world.

The Chairman of BIR’s International Trade Council, Robert Voss of UK-based Voss International, urged members to contact the IMB with details of any theft or fraud. The more information contributed by members on a strictly confidential basis, “the more we are protected as an industry”, he insisted.

BIR – REPRESENTING THE FUTURE LEADING RAW MATERIAL SUPPLIERS

One of two guest speakers at the BIR Non-Ferrous Metals Division meeting in Shanghai, C. S. Huang - the Chairman and CEO of Ye Chiu Taicang (Aluminium) in China - argued that huge demand from the automotive sector was likely to encourage further development of the aluminium alloy industry in his country. He also suggested that the “Green Fence” policy implemented by China in February this year had deprived many factories in Guangdong of sufficient secondary raw materials to meet their production requirements.

Fellow guest speaker Xun Min Guo, Executive Vice-President of major China-based scrap importer Dongying Fangyuan (Copper), described scientific innovation as the “lifeblood” of his smelting operation. Award-winning oxygen bottom blowing technology had delivered better recovery rates as well as low operating costs and a one-third reduction in energy usage, he said.

Also in Shanghai, it was noted that the BIR Non-Ferrous Metals Division had established an Electronic Scrap Committee under the leadership of Phär Oscár of Stena Metall, Sweden.

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