



BIR

Bureau of International
Recycling

BIR is the international trade association of the recycling industries. Around 60 countries are represented through their national trade associations and individual companies which are involved in recycling. BIR comprises four commodity divisions: iron and steel, non ferrous metals, paper and textiles, and has committees dealing with stainless steel and special alloys, plastics and rubber. BIR's primary goals are to promote recycling and recyclability, thereby conserving natural resources, protecting the environment and facilitating free trade of secondary raw materials.

PRESS RELEASE

FOR IMMEDIATE RELEASE

Brussels, 6th November 2006

BIR Autumn Round-Table Sessions Brussels, Belgium 30-31 October 2006

Ferrous Division/Shredder Committee: Scrap has not gone out of style

There were some fears for the future of ferrous scrap when, two years ago, China was investing heavily in gigantic blast furnace-based steel production. However, with substantial new electric arc furnace capacity being added or proposed in Turkey and a number of other countries, it was clear that "scrap has not gone out of style", declared BIR Ferrous Division board member John Neu of US-based Sims Hugo Neu in his summary of current market conditions.

International consumption of scrap remains at a high level and Mr Neu harboured "an optimistic view of where scrap prices are going" between now and the next BIR Convention in May 2007. "Scrap prices will probably increase in December and certainly in January when consumers replenish for the winter ahead," he observed to the Ferrous Round-Table in Brussels.

In his European report, divisional Vice-President Anton van Genuchten of TSR GmbH & Co. KG in Germany also suggested that prices would remain at least stable until the end of this year, with some grades likely to have upward potential due to short-term local shortages. Europe's crude steel production had increased 4% to 100.7

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million tonnes in the first half of this year while scrap consumption was estimated to have risen 5% over the same period to 53 million tonnes and could well reach 106 million tonnes for the year as a whole. "This would be a new record level," he pointed out.

EU-25 exports of ferrous scrap to Turkey had soared 124.1% in the first half of 2006 to 2.378 million tonnes, according to Mr van Genuchten. However, when compared to January-June 2005, EU shipments to India had slumped more than 78% to 288,000 tonnes.

Russia has recorded a sharp upturn in domestic scrap consumption following the addition of significant electric arc furnace capacity. As a result, the country's scrap exports are expected to fall to "no more than 2 million tonnes" by 2008, according to divisional Vice-President Denis Ilatovskiy of Mair Joint Stock Company in Russia. Domestic collection volumes were also falling because of a dwindling supply of easily obtainable scrap, he went on to say.

BIR Ferrous Division President Colin Iles of EMR in the UK noted the "fundamental shift" in scrap flows and suggested a reduction in exports from Russia and the Ukraine would boost scrap sales into Turkey by EU and US East Coast exporters. He also contended that, as the world steel industry moved increasingly towards consolidation, "it will quite naturally try to control its supply chain".

Mr Iles had earlier announced that, owing to business commitments, he would be relinquishing his presidency immediately after the Round-Table in Brussels. He has been succeeded by Christian Rubach of Interseroh Hansa Recycling GmbH of Germany, who is also President of the European Ferrous Recovery & Recycling Federation (EFR).

Guest speaker at the Ferrous Round-Table in Brussels was Neeraj Kumar Gupta, Addl. Director General of Foreign Trade within the Indian government's Ministry of Commerce & Industry. Given that the presence of munitions in scrap imports had led to explosions and loss of life, unshredded ferrous and non-ferrous scrap would be permitted only from registered overseas suppliers with effect from April 1 2007, he explained. Imports would be channelled through 26 ports deemed "better equipped".

Those companies wishing to register were being asked to provide proof of their financial and business standing, including details of membership of major recycling organisations such as BIR. Having explained that exporters who had yet to apply would be given an opportunity so to do, Mr Gupta insisted: "We don't want to reduce the number of suppliers to India."

And he also underlined to delegates: "Shredded scrap will continue to be free of restriction."

At the subsequent meeting of the **Shredder Committee**, Copper content of shredded scrap formed the major theme of a guest presentation from two representatives of Arcelor-Mittal

Purchasing in France, namely Patricia Ayed and Michel Faral. They underlined the importance of minimising “quality irregularities” in scrap supplies and, more specifically, of striving to keep copper levels below the specification threshold of 0.25%. Through in-house trials using a small shredder, Arcelor has been able to combine a number of processing options - including hand-picking, pre-dismantling and grid-hole size reduction - to achieve acceptable levels of copper. Training and technical exchanges conducted with scrap operators had contributed to a significant reduction in copper content averages over the last two years - “but we must continue the efforts”, insisted Ms Ayed.

European Shredder Group Chairman Anthony Bird of the UK-based Bird Group of Companies Ltd pointed out that the shredder industry had already achieved results similar to those described by the guest speakers through, for example, double shredding. However, such steps would entail additional cost to the customer, he said.

Mr Bird went on to say that the shredder industry was “very keen” to develop post-shredder technologies as a means of maximising earnings from residues or reducing volumes required to be landfilled. Noting the decision by ARN in the Netherlands to construct a plant using the VW-SiCon process to derive secondary raw materials and fuel from residues, he said that the technology was the best available at present although no guaranteed market existed for any of the products.

At least 13 new shredders have come on stream since the BIR Spring Convention in May this year. And the fact that five of them are of 6000 HP or above illustrates the continuing trend towards larger machines, the BIR Shredder Round-Table in Brussels was told by Jim Schwartz of US-based Metso Texas Shredder. Other units were due to start up over the coming months “and most of them are large shredders”, he added.

The speaker ascribed this trend in part to the desire among operators to shred more types of scrap given the high level of competition for traditional grades.

As for other developments, Mr Schwartz said that traditional de-dusting equipment was “losing its appeal all over the world” as computer-controlled water injection systems offered users cleaner operation and energy savings. Meanwhile, gamma ray technology to help in the detection of copper levels was proving increasingly popular among shredder operators, with new installations reported recently in the UK, the Netherlands and the USA.

Also in Brussels, Jens Hempel-Hansen of H.J. Hansen Recycling Industry of Denmark was re-elected Chairman of the BIR Shredder Committee for a further two years.

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