

PRESS RELEASE

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

Non Ferrous Metals Division: India wants to maintain a liberal import regime

The new import registration scheme developed by India's Directorate General of Foreign Trade (DGFT) was not intended to diminish the flow of scrap into the country or to deter *bona fide* exporters, delegates to the BIR Non-Ferrous Metals Round-Table in Brussels were assured by guest speaker Neeraj Kumar Gupta, Addl. Director General of Foreign Trade within the Indian government's Ministry of Commerce & Industry.

India operated a generally liberal import regime but was implementing the registration system in a bid to prevent arms, ammunition, mines, shells, cartridges or any other explosive material from entering the country in consignments of scrap, he explained. This was the government's response to earlier explosions and loss of life. "We don't want to curb imports of ferrous or non-ferrous scrap because we depend on it, but we can't permit live or spent weapon-grade material," explained Mr Gupta.

With effect from April 1 2007, imports of unshredded metallic scrap into India will be permitted only from registered overseas suppliers and through 26 designated ports. To become registered, suppliers are being required to provide proof of their financial and

business standing, including details of membership of major recycling organisations such as BIR. Information provided by applicants would be used solely for the purpose of registration, insisted Mr Gupta.

Turning to a number of concerns raised by BIR officials in connection with the registration system, Mr Gupta said the Indian government was currently examining: whether a less rigorous regime might be introduced for scrap imports which had been compacted, baled or pelletised by hydraulic pressing; and whether permitting high-seas sales would dilute the control regime. He also suggested that unintentional loading of a small amount of unwanted munitions scrap was “not a crime, but a slip”, and would not lead automatically to disqualification of the exporter. And he reiterated: “We don’t want to close doors to people who can supply us with scrap.”

Fion Liu of CCIC North America Inc. subsequently informed delegates of the introduction of an electronic pre-shipment inspection management system (E-PSI) designed to help streamline and standardise inspection procedures for shippers into China. Through use of electronic data transfer, this web-based system would speed up customs clearance, she explained.

The meeting in Brussels featured a round-table discussion of market conditions which was moderated by Josephine Mason, Deputy Editor (Non-Ferrous) at UK-based Metal Bulletin. During this session, BIR Non-Ferrous Metal Division board member Michael Oppenheimer of Mountstar Metal Corporation in the UK reported “average” stock levels in Europe and a widening of discounts on high grades of copper. For North America, the division’s Senior Vice-President Robert Stein of Alter Trading in the USA identified a surplus in some grades of scrap as well as significant substitution of copper by plastics in certain applications.

According to Ildar Neverov of Scrap Market Ltd in Russia, whose election to the BIR Non-Ferrous Metal Division board was confirmed in Brussels, high customs duties - eg, 50% on both copper and aluminium - were ruling out any possibility of scrap exports from his home country. No changes to these levels were likely to occur in the near future, he said. It was “very possible”, added Mr Neverov, that Russia would import scrap some day to meet the growing requirements of its domestic mills.

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