



**BIR**

Bureau of International Recycling

BIR is the international trade association of the recycling industries. More than 50 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, 30<sup>th</sup> May 2005**

# **BIR World Recycling Convention & Exhibition Barcelona, 23-25 May 2005**

## ***Ferrous Division:***

### **Commission to consider 'waste stigma'**

The European Commission is to clarify 'when waste ceases to be waste' for a limited number of streams and will begin this exercise with steel scrap, EFR President Christian Rubach of Germany informed the BIR Ferrous Division meeting on Monday, 23<sup>rd</sup> May. Facts and figures, as well as assessments of the financial impact of the 'waste stigma' on the scrap industry, are to be collated by EFR ready for presentation to the Commission and member states on June 8.

It was also announced that Colin Iles of UK-based European Metal Recycling Ltd had been made BIR Ferrous Division President following the resignation of Robert Philip of Hugo Neu Schnitzer Global Trade (HNSGT) in the USA. He said he was 'honoured' to have received the invitation.

In the traditional review of latest world market conditions, Anton Van Genuchten of TSR GmbH & Co. KG in Germany stated that the EU's scrap trade balance had been improved by last year's admission to membership of countries such as Poland, the Czech Republic and Hungary. The EU imported 8.2 million tonnes of ferrous scrap in 2004 while exporting 9.5 million tonnes. While noting that demand for scrap had reversed within recent months, the same speaker contended that 'the current state of panic' in the scrap market was unlikely to last and that prices 'could be bottoming out this summer'.

Reporting on the situation in the USA, John Neu of HNSGT said that collections were beginning to slow and that suppliers were confused how scrap prices could fall so

BIR

Avenue Franklin Roosevelt 24, B-1050 Brussels (Belgium)

Tel: + 32 2 627 57 70 - Fax: + 32 2 627 57 73 - E-mail: [bir.sec@skynet.be](mailto:bir.sec@skynet.be) - <http://www.bir.org>

much 'while steel production and scrap consumption still remain relatively very strong'. But he added: 'At some point, buyer reluctance and reduced collections will cause scrap inventories to reduce further, which will then be accompanied by a greater need to replenish.'

In many regions of Russia, the seasonal increase in scrap collections had begun as late as mid-April this year due to a persistent covering of snow; as a result, collection levels in May were expected to be 10% higher than in the same month last year, according to BIR Ferrous Division Vice-President Denis Ilatovskiy of Mair Joint Stock Company. He added that stable market conditions were likely to lead to 'an intensification of the competitive struggle in the scrap market', a decrease in profitability and a subsequent reduction in the number of market participants. Scrap prices 'haven't yet found the resistance level' in 2005, said Jeremy Sutcliffe of Australia-based Sims Group Ltd in his Pacific Rim and Far East report. He also noted that Chinese steel production had increased by 24% so far this year and yet the country's ferrous scrap imports had dropped by 21%.

Developments in China were also discussed by the Ferrous Division's guest speaker - Josep Giné, General Manager of Spanish steel producer CELSA. Due to its heavy reliance on BOF steel production, 'iron ore is much more strategic to China's steel industry development than scrap', he told delegates. Increases in EAF production would be absorbed by higher domestic scrap recovery, with the result that China's ferrous scrap imports would be around 10 million tonnes in 2010 - the same as in 2004, he argued.

Mr Giné added that energy shortages in both China and India, together with the availability of iron ore, 'will slow down the global trend towards EAF'.

*For further information please contact:  
Elisabeth Christ  
BIR Communications Director  
Tel: + 32 2 627 57 70  
e-mail: [bir@bir.org](mailto:bir@bir.org)*