



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

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World Recycling Convention Berlin 24-26 May 2004

Non Ferrous Metals Division: Common Position on Free Trade

A common position supporting 'free and uninhibited movement of scrap material throughout the world' was unanimously agreed by the Board of BIR's Non-Ferrous Metal Division in Berlin.

Reading the position statement to the divisional meeting held later that same day, Senior Vice-President Robert Stein of Alter Trading in the USA said scrap material movement should be 'unencumbered by export controls'. He continued: 'In recognition of the social, economic and environmental benefits of recycling, we denounce all attempts by governments, special interest groups or trade organisations to implement export controls for scrap materials.'

And the statement ended: 'We call on importing nations to end import taxes, duties or subsidies that are detrimental to the free and fair trade of our material.'

Reporting on the activities of Eurometrec, Björn Grufman of M.V. Metallvärden AB in Sweden said his own organisation opposed 'any unilateral initiative intending to

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impose arbitrary export controls on non-ferrous metal scrap'. Eurometrec recommended the EU and World Trade Organization (WTO) to take an urgent look at 'the various unfair trade, fiscal and environmental measures which distort the world non-ferrous metals market'.

In his market overview, Non-Ferrous Metal Division President Marc Natan of Malco SA in France spoke of the 'long-forgotten peaks' achieved by ferrous and non-ferrous metal prices in the six months to March this year. Cycles within the non-ferrous market 'were becoming more rapid and inconsistent', he added.

Mr Natan expected three major questions to dominate the non-ferrous metals trade during the remainder of 2004: Would the USA experience a lasting pick-up in employment levels? Would there be an end to the appreciation of the Euro? And would China manage to avoid a 'boom and bust' scenario? Although most of global consumption headlines were currently claimed by China, Mr Natan reminded delegates that India was also a 'real giant' in terms of consumption potential.

The Non-Ferrous Metal Division's General Delegate Hans-Peter Münster of VDM in Germany expected to see 'volatile' market conditions in the weeks following the BIR convention. And with China buying at reduced levels, more material was available in Europe and therefore suppliers had been 're-discovering their traditional customers'. He also noted that discussions between Russia and the EU about the possibility of lifting the former's tariffs on scrap had yet to bear fruit.

Ildar Neverov of Teplovtorresource in Russia said administrative scrap export barriers 'should be removed in order for Russia to enter the WTO'. He highlighted the need for significant improvements in the regulations currently applied to the non-ferrous scrap industry in Russia, which he described as a 'rapidly developing area of the economy'.

The shortage of scrap and current conditions within the European brass industry were the focus of a guest presentation from Lothar Krumbügel of Diehl Metall Stiftung & Co. KG in Germany. He blamed subsidies in China for the creation of a major raw materials shortage among Western European brass mills. The authorities had been asked to take action to safeguard raw material supply in Europe but, if they failed so to do, 'the metal industry will have to find its own way of securing its supply', he warned. 'Bigger companies are perfectly well placed to directly contact the scrap generating industry in order to hold the material under the control of the industry, even if one has to invest in containers, lorries and man-power.'

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