Bureau of International Recycling

BIR is the **international trade association of the recycling industries**. Around **70 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 **three commodity 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.

Recent BIR World Recycling Convention & Exhibition in Rome (30 May – 1 June 2012)

Stainless Steel & Special Alloys Committee:

Stainless scrap availability generally tight

Brussels, 5 June 2012

Despite the current difficulties shared by many heavy industries, the stainless steel sector has a "bright" long-term future, the Stainless Steel & Special Alloys Committee meeting in Rome was assured by its guest speaker.

Pascal Payet-Gaspard, Secretary General of the International Stainless Steel Forum and formerly Chairman and CEO of ArcelorMittal Stainless International, described stainless steel growth potential in emerging countries as "enormous" and underlined the efforts already being made to tackle overcapacity through restructuring measures which he hoped would be replicated elsewhere. However, the significant expansion programmes in China - notably by Baosteel and Shanxi TISCO - would mean that overcapacity remained an issue, he also observed.

The guest speaker also suggested that the emergence of nickel pig iron could be regarded as a force for good as it keeps "a ceiling to the price of nickel" and will therefore help the industry by promoting a reduction in nickel price volatility.

Michael Wright of ELG Haniel in the UK, who was re-elected Chairman of the BIR Stainless Steel & Special Alloys Committee during the Rome Convention, spoke of "good" global demand for stainless scrap in the first five months of 2012 but also of a "slight tail-off" for June. However, any decline in scrap demand had been "more than compensated" by a lack of availability, he insisted.

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Barry Hunter of Hunter Alloys LLC in the USA agreed that scrap flows into domestic wholesalers continued to be "slow". Summarising conditions in Asia, Mark Sellier of OneSteel Recycling also spoke of "tight" scrap availability as well as of the adverse impact on stainless demand of the Euro-zone crisis.

In a report read out by the Stainless Steel & Special Alloys Committee's General Delegate Ian Hetherington of the British Metals Recycling Association, Anand Gupta of Ambica Steels in India suggested that domestic stainless mills are operating at around 70% capacity utilisation and have been buying scrap "on a hand-to-mouth basis". Mr Hetherington also delivered the comments prepared by Ildar Neverov of Russia's Steelway Limited Company which highlighted the probability that the country's stainless steel scrap export duties - currently at 15% - would be progressively lowered starting from August this year.

Reporting for the Middle East, Ahmad Sharif of Sharif Metals Est. confirmed stainless steel was being traded in Jordan at low levels "due to a heavy-handed government policy of imposing US$ 70 per tonne export fees, which is obviously having an impact on stainless steel exports".

Summing up conditions and developments in Europe based on reports from committee board members, Mr Wright indicated that recent market restructuring should lead to AST in Terni becoming "the most important stainless steel scrap purchaser in Europe" while scrap exports from Italy "will become even rarer". As for the UK market, Mr Wright downgraded the 2012 stainless steel production forecast from a repeat of the 310,000 tonnes seen in 2011 to nearer 280,000 tonnes.

In his superalloys report, Phil Rosenberg of Keywell LLC in the USA predicted that titanium prices would be "soft" in the short term but "good" in the long term.

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