

PRESS RELEASE

Recent BIR World Recycling Convention in Paris (27-28 October 2014)

Non-Ferrous Metals Division:

Members urged to share container theft details

Brussels, 30 October 2014

Those making decisions with important repercussions for recycling are often ignorant of the environmental and economic benefits accrued from scrap, argued Robert Stein of US-based Alter Trading in his final address after more than seven years as President of the BIR Non-Ferrous Metals Division. "Governments too easily are swayed by political concerns when establishing policies that are often poorly thought out or are influenced by groups that are more interested in their own agenda," he declared in Paris on October 28.

In its role as an educator of governments and others as to the value of non-ferrous scrap, he said the Division would shortly publish another study into movements of copper and aluminium scrap around the world, compiled by the World Bureau of Metal Statistics.

As regards latest market conditions, most scrap processing companies were complaining of a lack of material available to them and of "compression of margins", according to Mr Stein. And in her summary of reports to the latest BIR Non-Ferrous Metals World Mirror, divisional board member Alexandra Weibel-Natan of France-based Manco also acknowledged a "tightening" market as well as "more and more challenging" trading conditions. The US market represented one of the few positives, with "robust" demand for most scrap grades, whereas China had significantly reduced its copper and aluminium scrap imports over the past year.

Robert Voss CBE of Voss International, Chairman of BIR's International Trade Council, described theft of scrap from containers as "more organised" than ever and "the only area of business that seems to be doing very well".

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On this same theme, Mr Stein underlined the importance of sharing details of container security violations with BIR and with the crime-fighting International Maritime Bureau, which maintains a huge database relating to trading problems and issues. Noting reluctance among many to divulge such information despite assurances over confidentiality, he said: “It is urgent that our members freely report such thefts so that we can work with international police agencies, transport companies and others so that our products can be protected.”

BIR is planning another survey of members regarding their scrap theft problems and Mr Voss urged everyone to participate so as “to get as thorough statistics as we can”.

The meeting in Paris also featured a panel of experts from industry, finance and academia debating the theme “Europe in a state of agitation”. Moderated by Philippe Chalmin, who is Professor of Economic History at Paris-Dauphine University and founder of Circle Cyclope, contributions also came from Alessandro Giraudo, World Group Chief Economist of the international Group Tradition-Viel and from Patrick Vershelde, President and CEO of recycling specialist METALLUM Group Holding.

In identifying “a lack of clear governance” as a key problem for Europe, Professor Chalmin forecast that the Eurozone would record GDP growth of perhaps 0.5% for 2014/15, with Germany registering an “utterly disappointing” upturn of 1.2%. And in this context, Mr Vershelde said there was a need for Europe to redesign its model based on “very little growth”. Specifically regarding copper, he noted predictions that the market would return to deficit in 2018 and that the red metal’s price would climb 8% by that year.

For his part, Mr Giraudo forecast possible further weakness in the Euro and ruled out the possibility of another banking collapse.

In stepping down from the top post within the BIR Non-Ferrous Metals Division, Mr Stein was hailed as an “outstandingly good” divisional President who had “led from the front”. David Chiao of Uni-All Group has become Interim President for the period running up to the world body’s Dubai Convention next May.

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