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.

PRESS RELEASE

Recent BIR World Recycling Convention in Warsaw (28-29 October 2013)

Non-Ferrous Metals Division:

Award for high-profile recycling industry supporter

Brussels, 31 October 2013

"The world does not need scrap contracts," proclaimed the London Metal Exchange's former Chief Executive Officer Martin Abbott in his address to the latest BIR Non-Ferrous Metals Division meeting, held in Warsaw on 29 October 2013.

He had earlier argued that, for a forward/futures market to work, "it has to solve a problem". Furthermore, there had to be recognition within an industry that "there is a problem to be solved". He indicated that scrap markets were functioning highly effectively without such tools.

Mr Abbott was in Warsaw to receive the BIR Certificate of Merit for his "continuous support and commitment" to the recycling industry. Underlining the "critical role" played by BIR, he said the scrap industry in general boasted a greater concentration of "people trading with their own money and assets", resulting in a "no-nonsense business approach" that was "very, very refreshing". The scrap industry was also the biggest user of sophisticated forward/futures markets and was "utterly conversant with them".

Another person to be honoured in Warsaw was Dr Peter Dahmen of Germany's Metallhandelsgesellschaft Schoof & Haslacher. Attending his final meeting as Senior Vice President, he was presented with a gift to commemorate his many years of service to the BIR Non-Ferrous Metals Division board. He has been succeeded in the role by David Chiao of the Uni-All Group.

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Chairing the Warsaw meeting in the absence of its divisional President Robert Stein of US-based Alter Trading, Mr Dahmen lamented that the economic situation had not really improved since BIR's 2013 Spring Convention and that the non-ferrous markets "are still characterised by low volumes and reduced margins".

Conditions were particularly difficult for aluminium - especially in Europe, according to Mr Dahmen. "Refiners and remelters are competing for the same scrap grades, and remelters aren't able to buy the usual scrap according to the LME discounts they need for profitable production," he explained. "Sourcing of scrap for remelters is getting extremely difficult." He believed supply tightness would increase and strong demand would keep premiums for scrap "at a relatively high level".

Mr Dahmen went on to highlight the recent publication of "Global non-ferrous scrap flows 2000-2011" - a CRU Strategies report prepared for BIR which focuses on aluminium and copper. Among its conclusions, the document suggests that demand growth for the two metals "will abate going forward" but that this would not necessarily mean lower demand for scrap.

The above-mentioned awards to Mr Abbott and Mr Dahmen were made by Robert Voss of UK-based Voss International, who chairs the BIR's International Trade Council and is also President of Eurometrec. It was he who later indicated that BIR was considering another member questionnaire in a bid to update its information on metal thefts from containers and to gauge the scope of this "terrible and growing problem". A similar initiative several years ago had turned up "frightening" results, he added.

In his summary of contributions to the recently-released BIR Non-Ferrous Metals World Mirror, Sidney Lazarus of Non-Ferrous Metal Works in South Africa confirmed that, after his country's Metal Recycling Association had lost a court decision on the day prior to the Warsaw meeting, the government would be implementing "with immediate effect" its regulation whereby South African scrap companies would not be allowed to export material without first offering it to domestic consumers at a 20% discount to the international price.

The Warsaw meeting also featured a guest presentation by Alexey Alipchenko, Head of the Representative Office of CIS, Central Asia and the Baltic Countries at the Trimet Group. He anticipated that Russia's aluminium scrap export tax would be cut from 40% to 10% over the course of five to six years.

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