



Bureau of International Recycling

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Annual Report

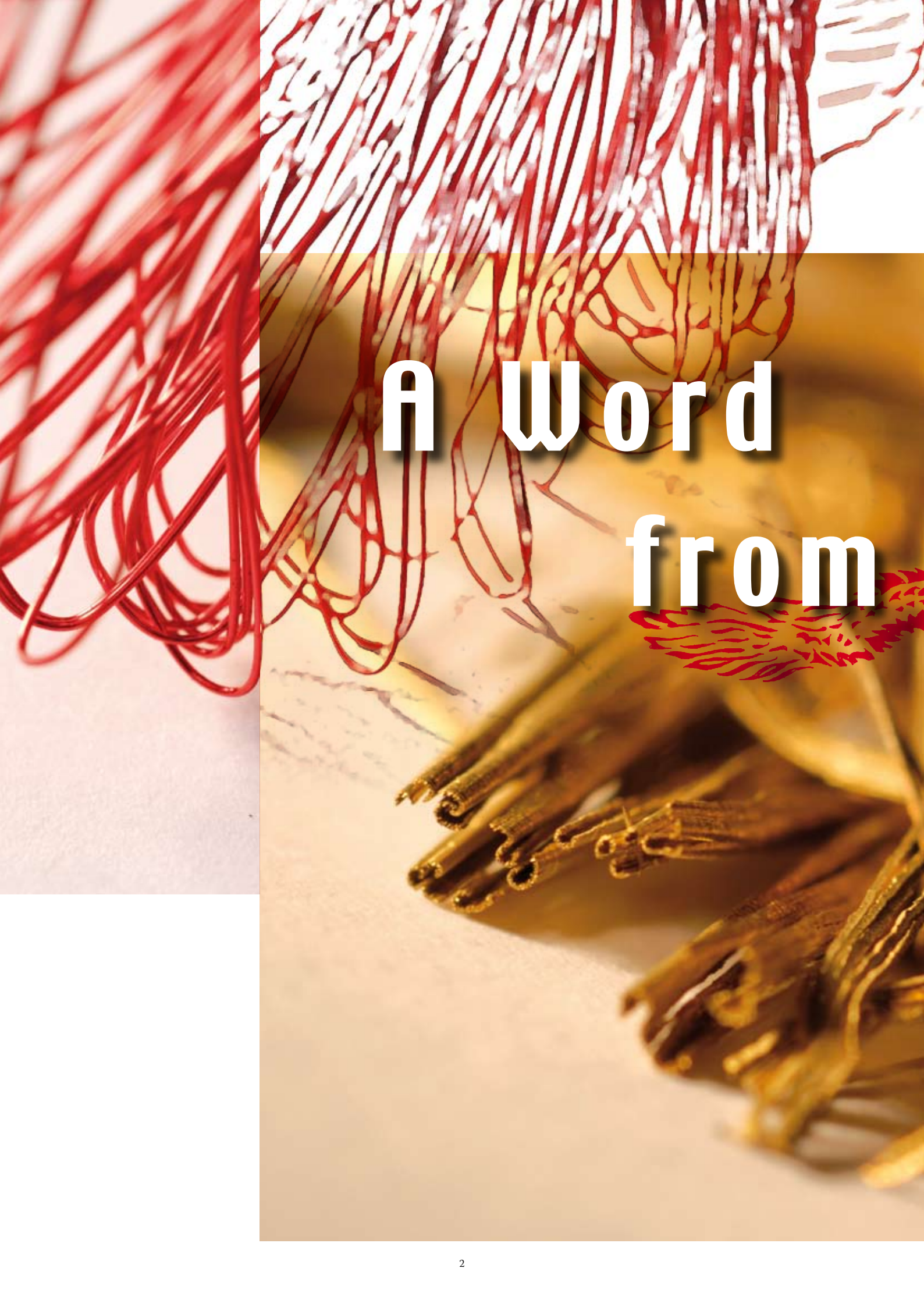
2006





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A Word from



the President

«I am proud
to have served BIR
as President.»

Ladies and Gentlemen,

I am writing this Annual Report, it being the final one of my second mandate as President of this exclusive worldwide organisation, to tell you very honestly that I have enjoyed every minute of these last four consecutive years of my presidency. I end my term as your President with a great feeling of joy because I will have the pleasure of continuing to greet each one of you at our forthcoming conventions in the same spirit with which I have met you during the course of these last four years.

During these years, we have all experienced extraordinary conventions which were held in a host of major cities, including the capitals of Europe as well as the exotic city of Beijing. As the great majority of older BIR members would agree, the Beijing Convention can be considered one of the best ever organised by BIR since its creation nearly 60 years ago. Our next visit will be to Athens, a vivacious European capital endowed with thousands of years of history and offering a multi-cultural mix of eastern and western accents. And above all, it has the Acropolis - one of the world's most famous landmarks.

My first wish is to thank you all for the close co-operation you were so kind as to give me during my time as your President. All you members have offered me and BIR enormous support during this period. Above all, you have supported our association which continues to acquire a healthy number of new members, including associations from emerging countries and also from those countries that have recently joined the European Union and helped BIR to spread into new areas of the globe.

With your help, our association has acquired further prestige throughout the world and strengthened its position as the leading world organisation in the field and business of recycling.

BIR has had four wonderful years on the financial side and I am pleased to say that the credit for this also goes to all its members for the strong support they have continuously given to enable our association to establish an excellent financial standing. It is not my role to inform you of the details of our financial success as I will leave this privilege to our Treasurer, who will report on the excellent job he has done for BIR. Once again, words of thanks and praise go to both our members and to our Director General and all his staff in Brussels for this wonderful success. I am thoroughly pleased to end my presidency with such positive results.

The large attendances at our conventions are a strong indication that the locations have been greatly appreciated by the majority of members, guests and observers. These locations are carefully chosen by our Convention Committee in close co-operation with our Membership Committee. Before confirming a location, a complete study and subsequent visits are undertaken to enable our Director General, together with our Convention Chairman, to ensure the chosen venue and the hotels are suitable and comfortable for our guests. Our association relies on the participation of delegates from all over the world in order to promote business and trade internationally. This creates an understanding amongst countrymen and colleagues from different parts of the world, leading to long-standing relationships and promoting transactions across the continents which establish free and fair trade between nations.

The world trade situation continues to change constantly, with China and India obviously the main runners as well as the focus of major business opportunities. However, European and other Far Eastern countries are keeping pace with these two giants. European exports of non-ferrous metal scrap to these two countries seem to be more regulated and are continuing in a more orderly manner, with regular buying patterns not causing the same market upheaval as happened in the past. However, new regulations have been applied by the Indian authorities for exporting to their country.

A most successful initiative of which I will always be proud is the developing role of the members of our Young Traders Group (YTG). All that we could do for this group of youngsters has been done, and they have successfully accomplished all that was asked of them. They now form a well co-ordinated group of members, with one of their number sitting on each divisional board and committee. They participate in all our meetings and make contributions and proposals relating to the work carried out by his or her colleagues in the group.

I am proud to say that, at the Beijing Convention, membership of the YTG exceeded the 100 mark. Owing to this success, more and more young traders want to join BIR. I personally believe that these young people should not only sit on our committees but also share in our work and round-tables on a day-to-day basis. Alternatively, we could ask them to organise a half or full day of events at one of our future three-day Spring Conventions, choosing the subjects for round-tables and the guests they want to invite. It would be an experience for them, and I am sure it would be a positive and successful event.

Our association has also been committed to realising certain other objectives, such as working on the registration of the BIR logo which will be considered as an exclusive trademark once the long and costly research has been completed.

Following our convention in Barcelona, we started a sponsorship programme which has proved very successful. It has been operating at all our recent conventions and has been useful in raising funds for our association. We are now investigating the possibility of hiring a professional fund-raiser to search out new sponsorship deals with non-member firms willing to advertise their companies at our conventions in a manner totally different to what has been done until now.

Environmental legislation requires continuous and careful monitoring and our Brussels office has been particularly active at the European Union level, as well as with the United Nations and the OECD. BIR has been using both a consultant as well as a law firm to draft and propose legal communications and action plans. The costs of these consultations are shared by our two daughter federations EFR and Eurometrec which, as you well know, inform and update their European members on legislative and environmental matters.

Back in 2004, 10 new countries joined the established 15 members of the EU. Through its connections, BIR has attracted two new countries as members of our three federations. This year, two new countries have become members and one of them has already joined two of the three federations. They are also part of BIR, so we are quite happy about this. In fact, our Autumn Convention this year will be held in one of these new countries: Poland.

Waste and non-waste legislation is still a major issue. Our consuming industries consider scrap as a special and indispensable raw material used in melting processes and subsequently transformed into new products in which the scrap undergoes only physical changes while maintaining its original composition and characteristics and not suffering any chemical change. This confirms our conviction that we require the raw materials employed and melted by our industries to be considered as primary feed for their furnaces and therefore should be classified as secondary raw materials.

Ladies and gentlemen, I have come to the conclusion of my four-year mandate as your President and, before ending my Annual Report, I would first like to express my heartfelt thanks to all those members of our organisation who have given me their help and support throughout this period. I started with BIR in 1972 and have since met a lot of people in our trade. Now that I have had the pleasure and honour of serving our recycling industry, and after having participated for such a long time in the life of BIR, I wish to express my warmest thanks and deepest appreciation to all those people indirectly involved with BIR and with whom I have had working contacts in relation to our association.

My special thanks also go to all the members of my Executive Committee and guests with whom I accomplished interesting projects relating to our organisation, and to all the members of the Advisory Council for their support and participation which have led to the great worldwide success of the Bureau of International Recycling. Last but not least, special and extraordinary praise first goes to our Director General for his dedication, generous contributions and special friendship; and second, to every member of the highly-skilled staff at our Brussels secretariat for their assistance, enormous help and the high quality of the work they perform to the satisfaction of all the members of our association.

This year's BIR Spring Convention will be in Athens and I started my BIR career in Venice. Let me tell you a little more about this coincidence: my grandmother was born in Venice and my mother was born in Greece. I started with BIR where my grandmother was born and I will end my presidency where my mother was born!

I am proud to have humbly served BIR during these four years as your President!

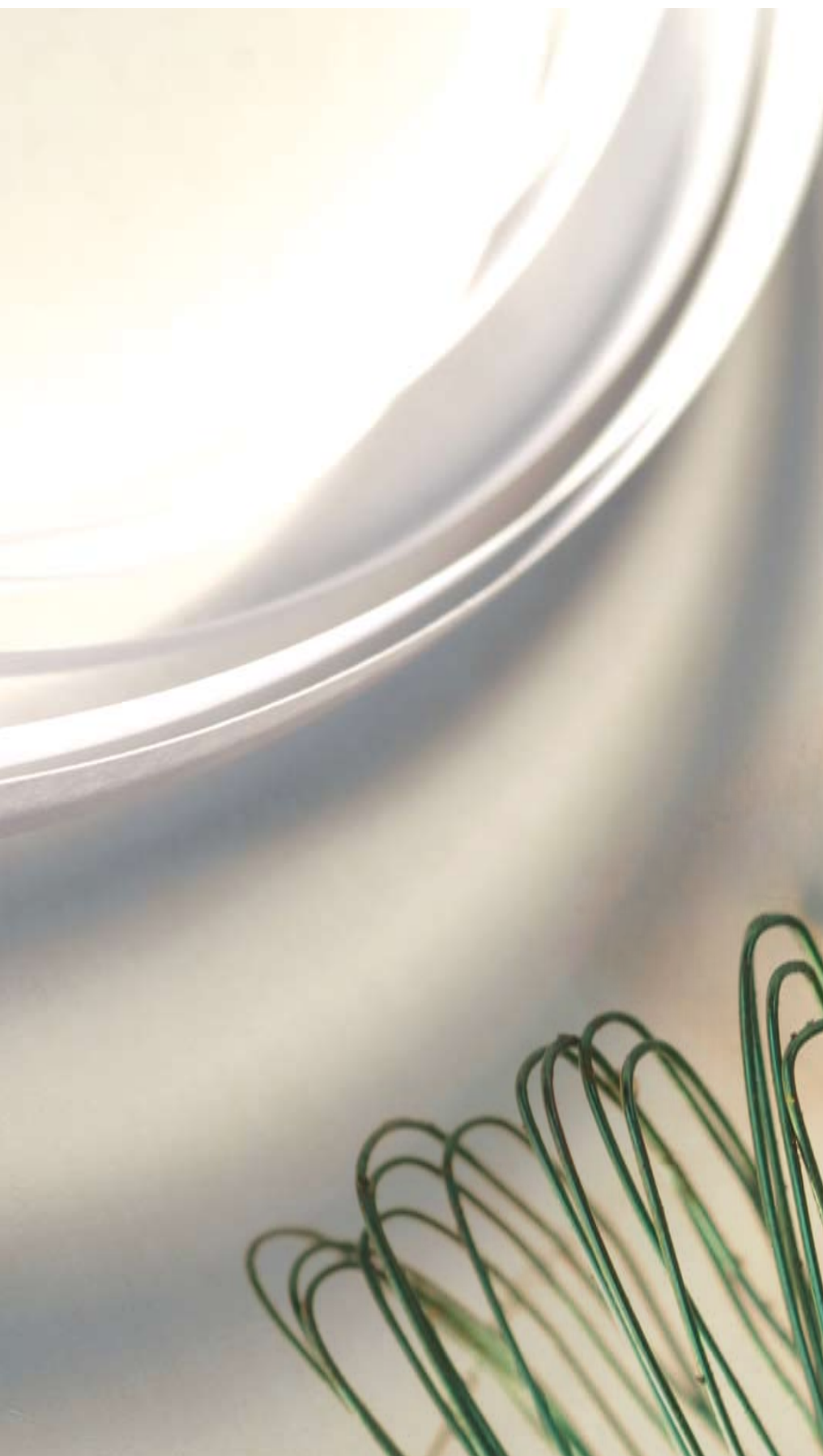


Fernando Duranti

BIR President

Director General's Report

«BIR will always defend
«sustainable»
international free trade.»



2006 confirmed the industrial growth of the last three years. The fast pace of consumption and investment in those nations which are either newly industrialised or find themselves on the verge of becoming industrialised led to increased demand for those products necessary to their development: steel, non-ferrous metals, paper, wood, textiles, plastics, etc. As a result of this trend, the raw materials required to meet these production needs reached price levels that, in some case, had never been achieved before.

Our commodities - such as ferrous and non-ferrous scrap, recovered paper and textiles - followed this strong pace and, as a result, forced economic operators in all countries to increase collection and to process huge amounts of production scrap and end-of-life products for supply to production plants throughout the world. Access to these materials was not always easy and fast, but the attractive market prices on offer ensured that all those looking for material actually secured what they needed.

Once again, China, India and other economies within Asia demonstrated that, unless something goes very wrong, they will remain highly influential until the end of this decade and beyond. These excellent conditions for industry – which continue despite the gloomy forecasts of the service sector – should benefit the recycling and recovery industries.

Sunny days are ahead for our professionals if the political and economic decision-makers in the developed world choose a progressive industrial strategy which is open to these emerging countries that currently provide the true driving force behind our own development. But make no mistake, the old demon of protectionism is sleeping with only one eye closed and, soon enough, we will hear excuses aimed at slowing down the growth of those who are undoubtedly our major partners of tomorrow. Let's avoid animosity and rearguard battles. Everybody should appreciate each other's qualities and make the best out of them in this increasingly globalised commercial arena.

BIR will always defend "sustainable" international free trade in its quest for a fine balance between economic, social and environmental considerations.

In its capacity as a world organisation of repute, BIR does not aim for quantity but for quality when it comes to choosing its members. With this in mind, we published in 2006 a manual destined for all operators within the sector - whether they are members of our organisation or not - so that they can respond to the new OECD requirements for environmentally sound management of recyclables. It is our objective to encourage all recyclers and recovery operators throughout the world to join us in our defence of these quality criteria.

In parallel, BIR has maintained its co-operation with Chinese and Indian officials within, respectively, AQSIQ and DGFT in order to help ensure that they implement certification and licensing systems that respond to commercial realities so as to ensure ecologically responsible behaviour among those engaged in importing or exporting recyclables.





Francis Veys

BIR Director General

2006 was a very good year for our world organisation, membership of which has increased by 15% in only a few months. Around 1500 businesspeople came to our conventions in Beijing and Brussels, two venues that had been particularly well chosen four years earlier. On Tuesday May 30 2006, over 1200 delegates and guests attended the exceptional Imperial Evening staged in the main courtyard of the Ancestral Temple within the Forbidden City - an event in a magical and symbolic setting that no-one will ever forget.


Our organisation was founded in 1948 - in the wake of the Second World War - by a handful of industry and trade people who were looking to facilitate the reconstruction of old Europe across the seas. Today, over 65 countries have come aboard this ship that inevitably will sail towards new horizons, carrying the heirs of tomorrow's civilisation. It is still up to us to increase awareness of our industry, which is indispensable to global development.

As a consequence, we will continue with our active participation in the work of supranational organisations such as the United Nations, the OECD, the World Trade Organization and the EU, in which forums we will raise our voice and defend the values of our members.

We will continue to inform and educate the media and (why not?) the public at large so that they understand our message and avoid forming a distorted image of this important economic sector that has so much to offer to our little blue planet. During our conventions in Athens in May and Warsaw in October this year, and with the ceaseless efforts of our secretariat in Brussels, we shall continue relentlessly to pursue this aim.



Ferrous Division



«The impact
of production
control measures
in China
will be a key point
of focus for 2007.»

Towards the end of 2005, we had feared that a flood of Chinese steel exports would inundate the world markets and trigger a price slump - not only for steel but also for scrap. In the event, scrap processors in most parts of the world can look back on a financially healthy 2006 characterised by strong demand for their product.

The international scrap market was firm, not least because new steel-making capacity was adding to total demand. Although China's scrap imports fell sharply in 2006, there was solid support from other major consuming areas of the world. Indeed, Peter Hickson of UBS Investment Bank, who was guest speaker at our Spring Convention in Beijing, indicated that a great period of growth for recycling would be underpinned by high energy costs, gathering support for environmental issues around the globe, and a "systemic shortage" of raw materials.

The speaker pointed to sound reasons for expecting steel and scrap prices to continue at elevated levels although he also emphasised that future prospects depended to a large extent on steel consumption developments in China. Having recorded consumption growth of around 20% per annum over recent years, the Asian giant was expected to register slightly less dramatic - but still impressive - increases of 13% and 10% for, respectively, 2006 and 2007. Undoubtedly, the impact of production control measures in China will be a key point of focus for us all in 2007.

World steel production is thought to have risen to 1.24 billion tonnes last year and is widely expected to grow by a further 5-6% in 2007. China's steel output is expected to climb from around 420 million tonnes in 2006 to 460 million tonnes this year. Although China's crude steel production increased from 129 million tonnes in 2000 to 356 million tonnes in 2005, steel scrap consumption per tonne of crude steel produced decreased from 229 to 178 kg per tonne over the same period. This compares to a world average of 400-450 kg per tonne. However, with improving domestic scrap collection and electricity supply conditions in China, domestic EAF steel production can also be expected to rise and to push up demand for scrap, according to the China Association of Metal Scrap Utilization (CAMU).

Meanwhile, scrap supply from some traditional sources will prove less forthcoming in future. For example, Russia may halve its overseas shipments of ferrous scrap in 2007 if domestic demand continues to grow, the Russian Council for the scrap processing industry (KSLP) has warned. Domestic scrap demand has increased by 30% over the last two years to 1.8 million tonnes per month as more EAF steelmaking capacity has been commissioned, and this figure could rise to 1.9-2 million tonnes in 2007. KSLP forecasts that Russian scrap demand may grow more than 20% this year. At the same time, Ukrainian scrap exports fell heavily in 2005 and declined by more than 4% last year to 800,000 tonnes.

Major restructuring within the world steel industry continued apace during 2006. The merger of Mittal and Arcelor has created an entity whose total production capacity equates to a third of that of the 30 next largest steel producers combined. There are already strong indications that 2007 will bring yet more consolidation within the world steelmaking sector.


On the legislative front, the Indian government has introduced a registration system for overseas suppliers of all grades of ferrous scrap, with the exception of shredded material. This was a focus of attention at our Round-Table meeting in October last year where guest speaker Neeraj Kumar Gupta from India's Directorate General of Foreign Trade sought to reassure us that this was not an attempt to restrict the vital flow of scrap to his country. We will monitor the progress of this scheme with great interest.



Colin D. Iles

President
of the Ferrous Division





And I should also make our annual reference to the debate surrounding the recycling industry's somewhat tortured relationship with the word "waste". With the European Waste Framework Directive undergoing significant change, the German steel recycling industry federation (BDSV) was among those to repeat a call for directly usable scrap grades to be no longer considered as waste since these constituted non-hazardous raw materials used in the production of steel in the same way as pig iron. As BDSV pointed out, ferrous scrap is essential from an environmental and economic point of view, particularly in times of increasing raw material scarcity. Given that over 54% of Europe's steel output in 2005 was made from ferrous scrap, our industry clearly deserves special attention.

Under the chairmanship of Jens Hempel-Hansen, the BIR Shredder Committee continues to attract high levels of interest as well as high-quality speakers to its meetings. Last year's gatherings in Beijing and Brussels charted the continuing rise of the mega-shredder and also the potential role of post-shredder technologies in reaping more value from residues and in reducing volumes consigned to landfill.

At the Autumn Round-Table in Brussels, guest speakers from Arcelor called on the shredder sector to pay particular attention to the liberation of copper and other deleterious metals such as tin from the material they supply to their steelmaking customers. Encouragingly, the guest speakers also identified the shredder as the "best tool" to achieve this objective if quality inconsistencies could be rectified.

As confirmed at our 2006 Autumn Convention in Brussels, I am stepping down as President of the BIR Ferrous Division owing to business commitments. Although my time in office has been relatively short, I have enjoyed working with other members of the Ferrous Division during what has been an interesting period for our industry. I am delighted that Christian Rubach has agreed to be my successor and wish him every success in his new role.



non -



Ferrous metals Division

«The strength of the
red metal's upward
progress took
everyone's breath
away.»



Marc Natan

President of the
Non-Ferrous Metals
Division

At an international gathering in April last year, a non-ferrous market analyst predicted - somewhat nervously - that the fundamentals would support a copper price above US\$ 3 per lb over the coming months. In the event, the strength of the red metal's upward progress took everyone's breath away: the LME price began 2006 well below US\$ 5000 per tonne but was pushing towards US\$ 8000 by the middle of the year before succumbing to a final-quarter decline.

Of course, copper was not alone in recording substantial price gains last year. Brass, lead and zinc powered to new highs while nickel confounded constant predictions of an imminent price correction and ended 2006 at around US\$ 33,000 per tonne. In effect, its price had more than doubled over the course of the year.


If 2006 taught us anything, it is that the party is not over til it's over.

Rapid increases in primary non-ferrous metals prices were mirrored in the scrap sector. Of course, the implications of high prices are not always positive: for example, there has been a significant upturn in the number of metal thefts, credit insurance levels have sky-rocketed, and scrap processors have often been forced to wait too long for payment. And there is also the risk that a rapidly rising price for any particular metal will prompt customers to seek alternatives.

These were not the only problems confronting our sector in 2006. As in previous years, we had to contend with prohibitive customs restrictions and unfair taxes. As the world recycling body, we continue to press home the message with legislators around the world - and particularly in rapidly emerging nations - that such restrictions and taxes are potentially highly damaging in that they can prevent the free and transparent movement of products.

And if 2004 and 2005 were the years of AQSIQ, then 2006 was the year of DGFT as India followed China in creating a registration scheme for overseas suppliers of scrap metal, with the exception of shredded material. We were fortunate in being able to welcome Neeraj Kumar Gupta from India's Directorate General of Foreign Trade to our Round-Table in Brussels last October. He comforted us with the observation that the new registration system was not intended to stifle imports of metallic scrap into India given that his country has an obvious need of such material. We must hope that the scheme, due to enter full effect on October 1, 2007, will not disrupt unnecessarily those shipments of non-ferrous scrap from bona fide exporters. Of course, BIR will monitor developments with its members' interests in mind and stands ready to offer the Indian authorities all necessary assistance to ensure that the registration system functions smoothly and does not disrupt material flows.

Last year's BIR Spring Convention in Beijing, meanwhile, emphasised two points above all: that China is a marvellous country rich in culture; and that the future direction of all our markets depends to a large extent on the Asian giant's consumption trends. Ma Hongchang, Vice-General Secretary of the China Non-Ferrous Metals Industry Association Recycling Metal Branch (CMRA), indicated to our meeting that his country's imports of non-ferrous scrap could be expected to double between 2005 and 2010. At the same gathering, President of US-based Commodity Metals Management Company Jim Southwood contended that growth in Chinese demand for aluminium was outstripping growth in supply and that, as a result, the country could expect to suffer a "chronic under-supply" of scrap for many years to come.



In this context, I can only reiterate the thought I shared with you in the December 2006 issue of our highly successful BIR Non-Ferrous Mirror - the 55th we have produced. The Chinese government has clearly expressed its intention to control investments, production and imports in relation to, among other materials, non-ferrous metals. If this policy is carried through, we will doubtless feel the impact. I also noted that many analysts are predicting price increases for 2008, thereby implying that 2007 is a critical year which we must approach with care.

But no matter what the future holds, BIR and its daughter organisation EUROMETREC will continue to deploy all the resources at its command to ensure that the interests of its members are understood and respected.

So what are the analysts predicting for 2007? Well, those who base their careers on offering price forecasts have wildly differing opinions. As for the rest of us who know our markets but are not expected to guesstimate future prices, now is perhaps a good time to keep our own counsel. The secondary raw materials sector has become expert at coping with whatever the markets throw our way and I am sure this will hold true in 2007.

Chinese demand should remain firm despite government attempts to slow down the economy. India, with an anticipated growth rate of 8% and an industry in full swing, will follow closely behind China. Other nations - such as Argentina, Brazil and Russia - are also developing at a rapid pace. Demand for secondary raw materials is unlikely to weaken in 2007 and a probable shortage of new and old production scrap will keep everybody happy, including the USA and the European Union. If availability drops, products will become expensive irrespective of official reference quotations and market volatility.

I will finish my report on a personal note since it will be my last contribution to the BIR Annual Report after six years as President of the Non-Ferrous Metals Division. I would like to thank the whole team at our Brussels secretariat and our Director General for their accessibility, their professionalism and their kindness which help BIR to offer continuous and coherent services to its members and to win the respect of the whole recycling industry and of government authorities. I have truly appreciated working with a Non-Ferrous Metals Board in which each member has contributed their own talent and enthusiasm to the work we have undertaken. Many of you have attended our plenary meetings and contributed to our workshop discussions - something for which I am also very grateful.

I would ask you to give some of your time to serving our international organisation by becoming a divisional member or sharing your expertise within the various committees.

The background of the slide is a collage of two textile images. The top half features a dark brown, ribbed fabric, possibly a cable-knit sweater, with a subtle sheen. The bottom half features a bright yellow, textured fabric, possibly a terry cloth or a similar soft material. The text 'Textiles Divis' is overlaid on the right side of the image, with the 'T' and 'D' being significantly larger than the other letters.

Textiles Divis



ion

«The textiles
recycling sector
has been providing
an environmental service
free of charge
for many decades.»



Frithjof Schepke

President
of the Textiles Division


Last year saw a continuation of the tentative improvement in market conditions noted in my annual report for 2005. But although demand for used clothing remained reasonably strong last year, our sector struggled to increase its selling prices to offset the significantly elevated costs associated with purchasing our raw material. In addition, higher transport and energy bills, exchange rate fluctuations and problems in securing payment contributed towards another complicated and pressure-filled year for our sector.

High overheads have driven an increasing number of Western World sorters to consider relocating operations to lower-wage countries, notably in Asia. Obviously, a continuation of this shift will have serious implications for employment levels in traditional sorting countries of the West.

In May last year, our Spring Convention was held in China - the workbench of many European clothing manufacturers. With cheap new clothes from China flooding world markets, many sorters of used clothing have been forced into closure and/or bankruptcy.

And once again, we returned to the question of whether textiles recycling deserved financial support for its environmental/employment contribution or whether its future should be thrown to the dubious mercy of market forces. The textiles recycling sector has been providing an environmental service free of charge for many decades; however, it is generally agreed that some form of payment is required to bring about a financial re-balancing of those operations which have become commercially unviable. At the same time, we should not forget the employment and social benefits created in importing countries by the international second-hand clothing trade.





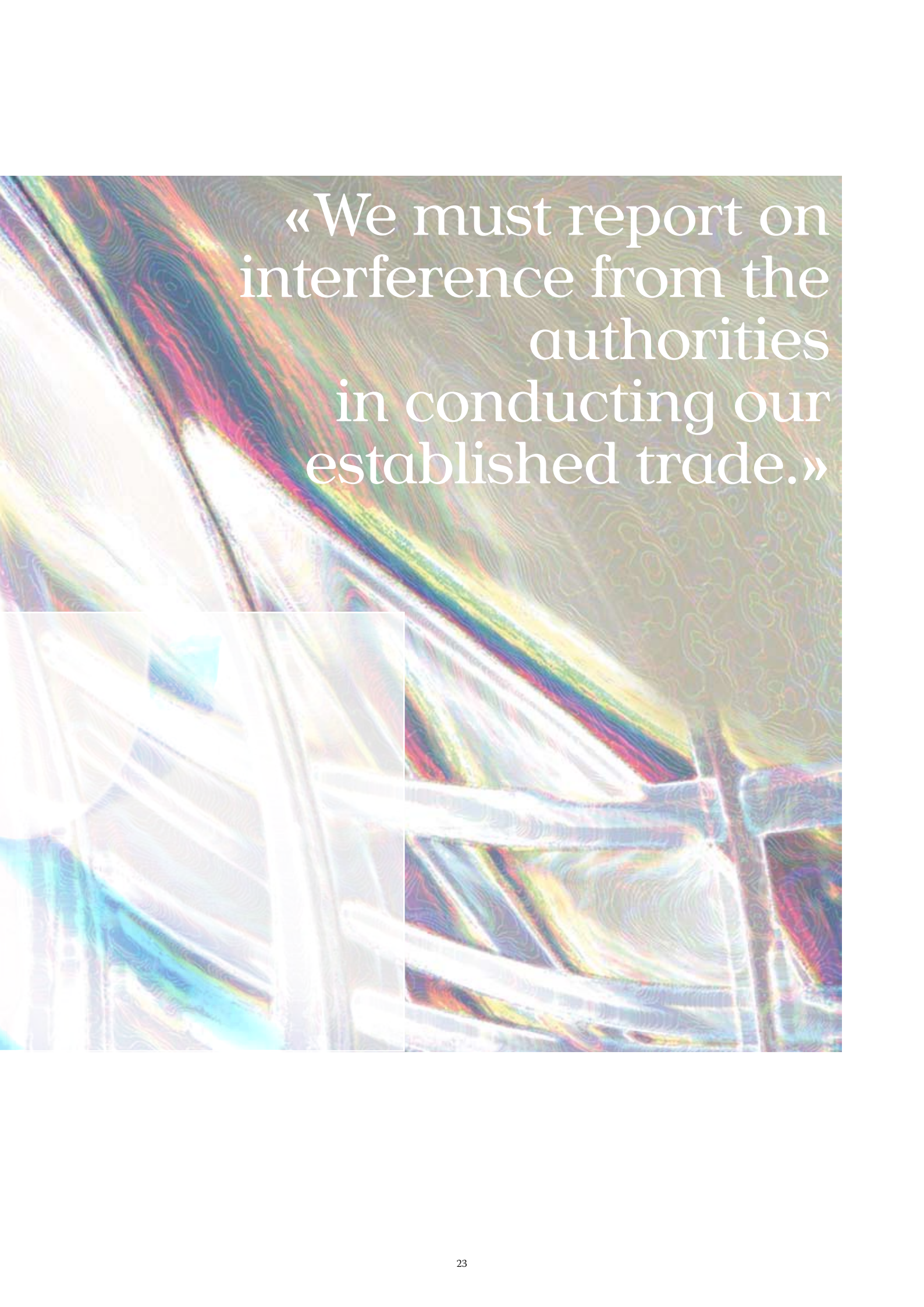
At our subsequent Round-Table gathering in Brussels last October, an example of the closer links being forged between commercial textiles companies, charity organisations and socio-economic groups provoked an animated debate. The focus of attention was a proposal in France to introduce an eco-tax for producers and importers of new clothing, footwear and household textiles in order to help support recycling activities; contributions would be directed through an environmental body in which textiles recycling companies would take up an advisory role. However, fears were expressed that the scheme would strengthen the role of socio-economic groups at the expense of traditional textiles recyclers.

For a number of years, we have recognised that radical solutions and changes in attitude may be required to ensure the enduring health of the textiles recycling sector. Therefore, we must be prepared to work together in a spirit of mutual understanding so as to arrive at the best solution all round. Sensible co-operation is a phrase which, I suspect, will inform many of our discussions during the course of 2007.

Having been President of the BIR Textiles Division for a number of years, I cannot emphasise too strongly the importance of the work carried out on our behalf by the world recycling body. In particular, Director General Francis Veys and Environmental & Technical Director Ross Bartley have continued to offer immense support. For our part, we must ensure that the Textiles Division remains a vibrant component of the BIR community for years to come by encouraging younger members of the textiles recycling business to become involved in our divisional activities.

Paper Division





«We must report on
interference from the
authorities
in conducting our
established trade.»

Yet again in 2006, paper recyclers had to stand by and marvel as other sectors of the international recycling industry experienced rapid price increases for their secondary raw materials. Frustratingly, recovered paper prices generally fluctuated within their well-established ranges and showed no signs of breaking free on to higher ground. As a result, our sector's highly professional paper recycling companies are struggling to recover higher costs and to find the money required to invest in the future of their businesses.

Of course, we acknowledge that many of our mill customers are experiencing heavy competitive and financial pressures, and that these have led to consolidation and capacity losses in some sectors. Indeed, many of our larger customers have embarked on restructuring programmes which, in turn, have prompted mill closures. For example, the closure of eight mills wiped an estimated 600,000 tonnes from the UK's production capacity last year and yet domestic collections of recovered paper continued on their upward course. This meant another sizeable upturn in overseas recovered paper shipments from Europe's leading exporter of recovered paper: the UK exported some 3.95 million tonnes last year compared to 3.286m tonnes in 2005, with shipments to China jumping from 1.527m tonnes to just short of 1.95m tonnes. With the possibility of further capacity closures this year, UK exports will almost certainly exceed domestic consumption for the first time.

The monumental growth taking place within the paper industries of China and other Asian countries has brought about a fundamental shift in global recovered paper flows. At our meeting in Beijing last May, Zhang Cheng Fei of Chinese paper giant Nine Dragons confirmed company plans to increase annual capacity from 3.3 million tonnes to 5.3 million tonnes by 2007, adding that resources were already in place to boost annual capacity to 9 million tonnes. Nine Dragons' major fibre supplier America Chung Nam suggested that China's imports would surge from 17.9 million tonnes in 2006 to 19.4 million tonnes this year. In the event, these figures appear to have been somewhat conservative: at our Round-Table meeting in Brussels last October, our good friend and divisional Vice-President Ranjit Baxi indicated that Chinese imports of recovered paper and board were on course to climb almost 2 million tonnes last year to just short of 19 million tonnes. In so doing, he issued a timely reminder that overseas suppliers should respect Asia's quality demands if they want to remain part of this growth extravaganza.


Not for the first time in a BIR Annual Report, we must report on interference from the authorities in conducting our established trade. For example, our members in Italy suffered severe disruption to their exports to Asia owing to a customs' interpretation of rules governing materials designated as "waste". Such distractions seem out of kilter with the demands placed on our industry to achieve ever-higher recycling rates. For example, having achieved a European Declaration recycling target of 56% for the period 2000-2005, we have willingly subscribed to the ambitious goal of 66% recycling by 2010.

Our Autumn Round-Table was offered some encouraging news by Professor Philippe Chalmin of CycLOpe in France. From compiling his "World Waste Survey 2006", he believed that recycling would be one of the key industries and activities of the 21st century. Of course, we were providing an invaluable ecological service long before environmental issues reached the top of the public agenda. Let us hope that 2007 will bring more recognition of our contribution and long overdue financial rewards for our efforts.



Dominique Maguin

**President
of the Paper Division**



In closing, I must recognise the efforts made by Dr Maarten Kleiweg de Zwaan on behalf of the international paper recycling community. He informed us in Brussels last October that he planned to step down as President of the European Recovered Paper Association (ERPA) and as Chairman of the Dutch federation FNOI. He has made an outstanding contribution to our industry over more than three decades and we wish him all the very best for the future.

Also on a personal note, I would like to mark the passing of BIR Past President Jean-Pierre Lehoux, who was not only a driving force behind the restructuring of our world recycling body but also a huge and popular presence within our Paper Division over many years.

The paper and board market could be very lively this year. Demand is at a high level and our customers have full order books for several weeks ahead. World consumption of paper continues to increase year after year - even though our customers pretend not to notice this. Paper production is shifting increasingly towards Asia but per capita consumption in America and Europe is certainly not in decline.

Prices for our materials have improved slowly since the beginning of 2007 and this trend should gather momentum during the coming months. Paper, the weak link in our raw material markets over recent years, could surprise everybody by the strength of its recovery.

Stainless Alloys





Steel & Special Committee

«The Asian market
will be a major driver
of global stainless
steel production
growth over
the next decade.»



Michael G. Wright

**Chairman
of the Stainless Steel
& Special Alloys Committee**

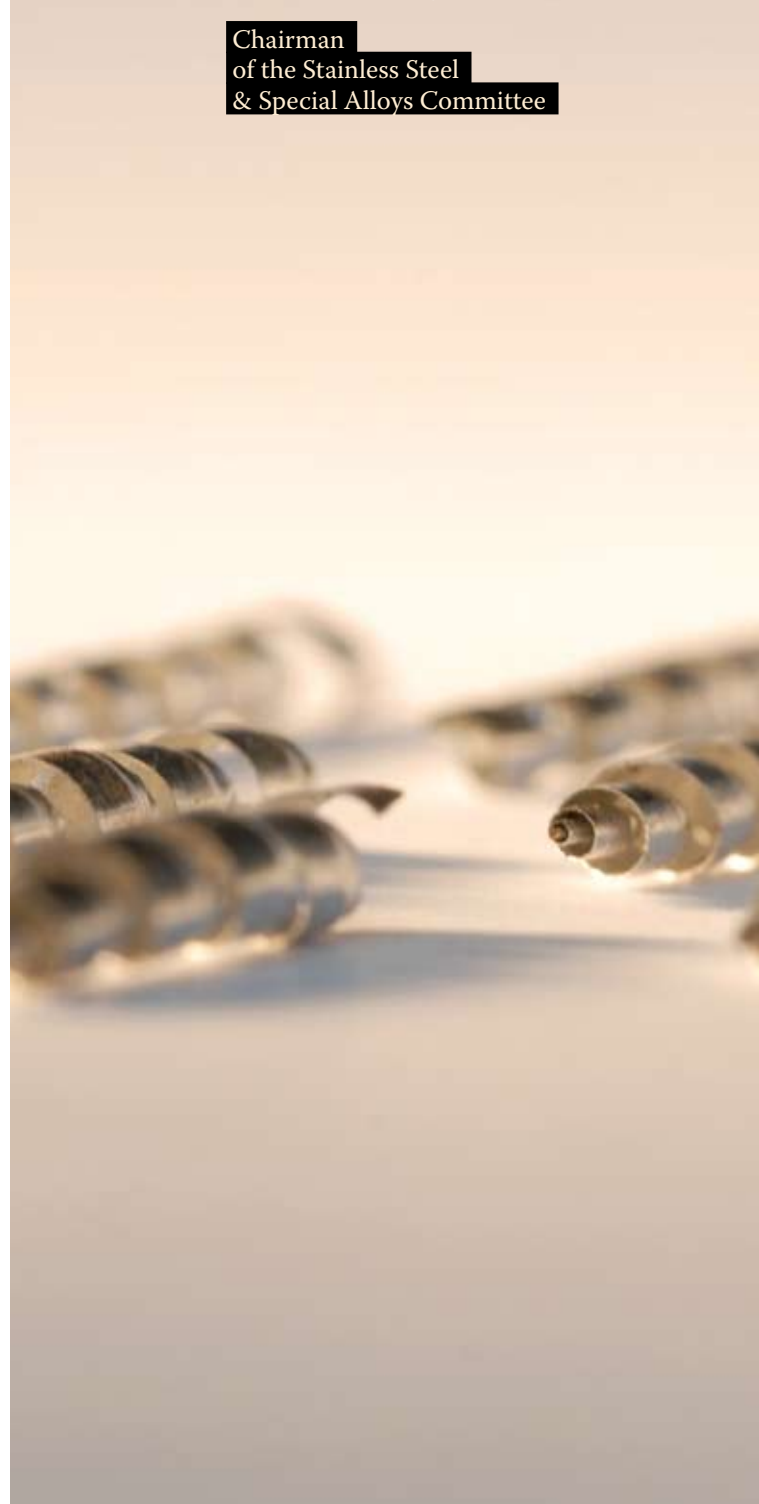
After relatively slow overall growth in 2005, global stainless steel production played out “a game of two halves” last year. World output remained virtually unaltered in the first quarter of 2006 before increasing 5% in the second quarter. However, the third quarter proved pivotal as production jumped 20% compared to the same period in 2005. Many producers curtailed their summer holidays in order to take advantage of a surge in demand, with some introducing tonnage allocations for customers placing new orders.


With a further double-digit percentage improvement posted in the final quarter of last year, global stainless steel production is thought to have climbed almost 12% in 2006 to more than 28 million tonnes. Thanks in no small part to a leap in Chinese production of approaching 30%, Asia accounted for more than half of global stainless steel output although significant gains were also recorded in the more traditional production strongholds of Western Europe and the USA.

Whereas stuttering stainless steel demand in 2005 had helped create a 36,000-tonne nickel surplus, last year witnessed a decisive step towards market deficit and a marked drop in LME stocks. And so while many experts had expected the momentum to evaporate from the nickel market, the LME price actually doubled during the course of 2006 to end the year at around US\$ 33,000 per tonne. Naturally, this sparked an upturn in both the price and availability of stainless steel scrap.

This dramatic increase in the nickel price was caused not only by increased demand from the stainless steel sector but also by heavy speculative purchasing. Experts were predicting a significant price correction once investors switched their interest to other commodities but, with the exception of a brief period around May last year, nickel spent 2006 climbing from one record to another. As we have mentioned on many occasions at our meetings, high prices do not come without risk and some consumers are pursuing substitutes for those grades of stainless steel containing higher levels of nickel.

Without doubt, the Asian market will be a major driver of global stainless steel production growth over the next decade. For example, Chinese production is expected to jump from approaching 4 million tonnes last year to nearer 4.8 million tonnes in 2007 while stainless steel production in India is expected to soar as much as 25% this year alone. China's role as an engine room of world production and consumption was highlighted at our ground-breaking 2006 Spring Convention in Beijing. Our guest speaker - Markus Moll of Steel & Metals Market Research - pointed to a rapid increase in China's appetite for stainless steel and a substantial jump in the Asian giant's domestic production capacity. He also acknowledged a fall in the 300 series' share of the global stainless steel market as a result of high nickel prices. Mr Moll went on to warn us that the worldwide share of scrap in stainless steel production could decline from 34.8% in 2004 to nearer 32% by 2010, adding that a number of leading stainless steel producers - notably in Asia - were already looking at new production techniques which would result in reduced scrap requirements.





Guest speaker at our Autumn Round-Table in Brussels was Peter Cutler of the Nickel Institute. Having described stainless steel as “the fastest growing metallic material” of the last 25 years, he reminded us that nickel was not “consumed” but rather recycled and made available for reuse - even though many of the products containing stainless steel and nickel would take many decades to reach obsolescence. The challenge, he said, was to ensure that all end-of-life products containing nickel re-entered the production loop.

Special alloys benefited from a high level of investment within the military and commercial aerospace sectors. Molybdenum grades attracted good demand from the stainless steel industry, while strong order books were reported as the year progressed for high-speed and tool steels.

Based on all of the above, I am expecting to report next year that 2007 brought us continuing strong demand for stainless steel. But given that this is my first annual report since becoming Chairman of the BIR Stainless Steel & Special Alloys Committee, I would like to close by thanking my predecessor Sandro Giuliani for his massive contribution to our work during his four years in the post, as well as for his enthusiasm and good humour.

Looking forward into 2007, we can expect a further increase in stainless steel production to over 31 million tonnes, which will once again increase demand for both primary nickel and stainless steel scrap. However, the current, highly speculative nickel price of US\$ 50,000 per tonne is a major risk for the stainless steel industry. Experience tells us that stainless steel users and service centres will react quickly and either cancel or delay new orders when nickel prices begin to decline. With a further 60% increase in the nickel price during the first quarter of 2007, we may well have to face this market reaction sooner rather than later.

The background of the slide is a close-up photograph of several large-diameter plastic pipes. Some pipes are orange, while others are grey. The pipes are stacked and cut at various angles, showing their hollow interiors. The lighting is somewhat dramatic, with strong highlights and shadows.

Plastics Committee

«We work
in an increasingly
important sector
of the recycling
industry.»





Surendra Borad

**Chairman of the
Plastics Committee**

We work in an increasingly important sector of the recycling industry and our committee provides a conduit for opinions and ideas to be fed through not only to industry peers but also, potentially, to consumers and law-makers whose actions can heavily influence our business futures. For this reason, we must ensure that our committee remains a vibrant and representative force by attracting participants from as many parts of the world as possible.


Our Round-Table in Brussels last October reflected this global remit in that market information was submitted from India, China, South Africa and Australia, as well as from many of the key countries of Western Europe. The meeting was also my first as Chairman of the BIR Plastics Committee. I must acknowledge our indebtedness to Peter Daalder who stepped down in 2006 after five years as our Chairman: always an enthusiast for the plastics recycling cause, I am delighted that his invaluable input is not being lost to our committee.

The Round-Table served to underline that, despite our undoubted environmental contribution, the activities of the plastics recycling sector are often hampered by fastidious officialdom. For example, we heard from Spain that “immoderate” quality controls imposed by the Chinese inspection and port authorities were proving increasingly difficult to meet; and from Italy that the country’s customs authorities were being punctilious about the description of goods and were treating plastic film as “non-exportable waste”. Clearly, issues of this kind need to be monitored by our committee so that we can help ensure reasonable trade is not unduly hindered.

A humorous as well as highly informative guest presentation from Honoré Paelinck of Belgium-based Port and Transport Consulting focused on growth in demand for containerised shipments. Contending that this would create a need for ever-larger ships, the speaker suggested that such vessels would entail less frequent departures from a more limited number of ports, thus leading to ever greater congestion.

Earlier last year, we had the wonderful opportunity to gather for the first time in China - a country of huge importance to the world markets given its ability to produce and consume in massive volumes. In this context, it should be noted that Chinese import checks on low-grade plastics have become increasingly strict while the rising cost of, for example, labour has served to tighten margins for the country’s operators.





Our guest speaker in Beijing was David Wong of CB Holdings Ltd in Hong Kong. He suggested that China imported more than 8 million tonnes of plastics scrap and recycled plastics in 2005 and that the country's demand for such materials would only increase. At the same time, however, he alluded to serious problems facing traders and merchants because of their responsibilities relating to quality control of imported material. He called on sales contracts to describe the material in as much detail as possible, and for suppliers and importers to organise visits to achieve an understanding of each other's operations. The meeting in Beijing also learned from guest speaker Bertrand Reverdy of an improvement in South Africa's PET recovery rate as a result of the decision to finance collections through a tax on primary material.

2006 was a busy if often challenging year for many of us in the plastics recycling sector. In hoping for a rewarding 2007, I look forward to our gatherings in Athens and Warsaw as opportunities to share information and to address the major issues confronting our industry.

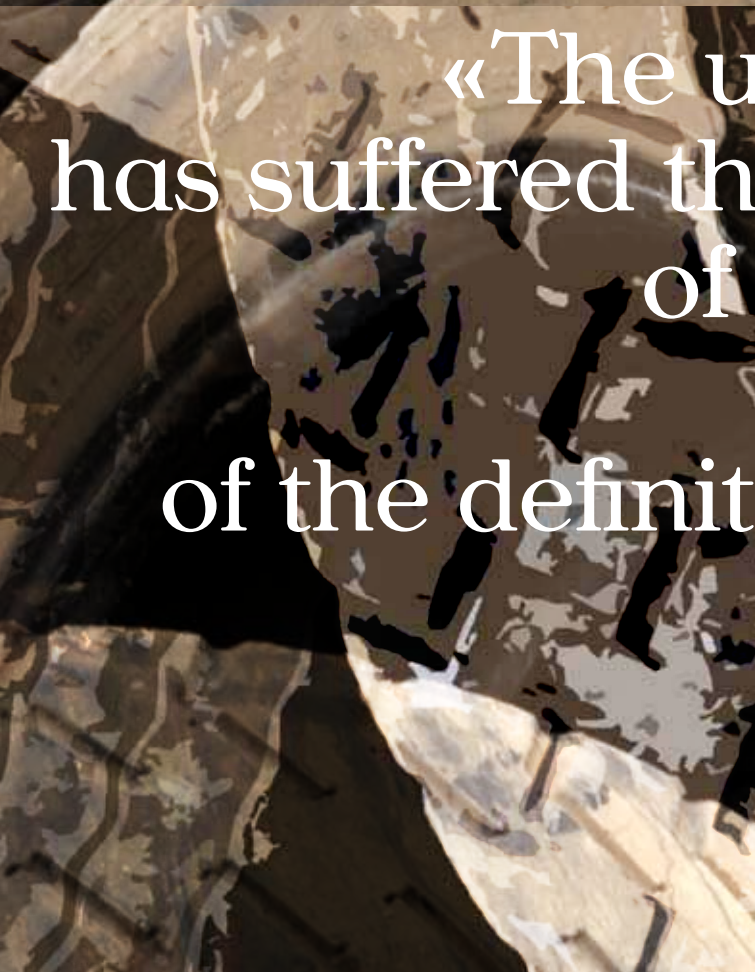
2007 looks set to be a good year in terms of price stability and volume of business. The industry needs to adapt its information system to the requirements of the waste shipment regulations which come into effect on July 12 2007. I expect a long-overdue tightening of enforcement measures for imports of plastics scrap into China.



Tyres Committee



«The used tyres sector has suffered the consequences of widely differing interpretations of the definition of «waste».»





Barend Ten Bruggencate

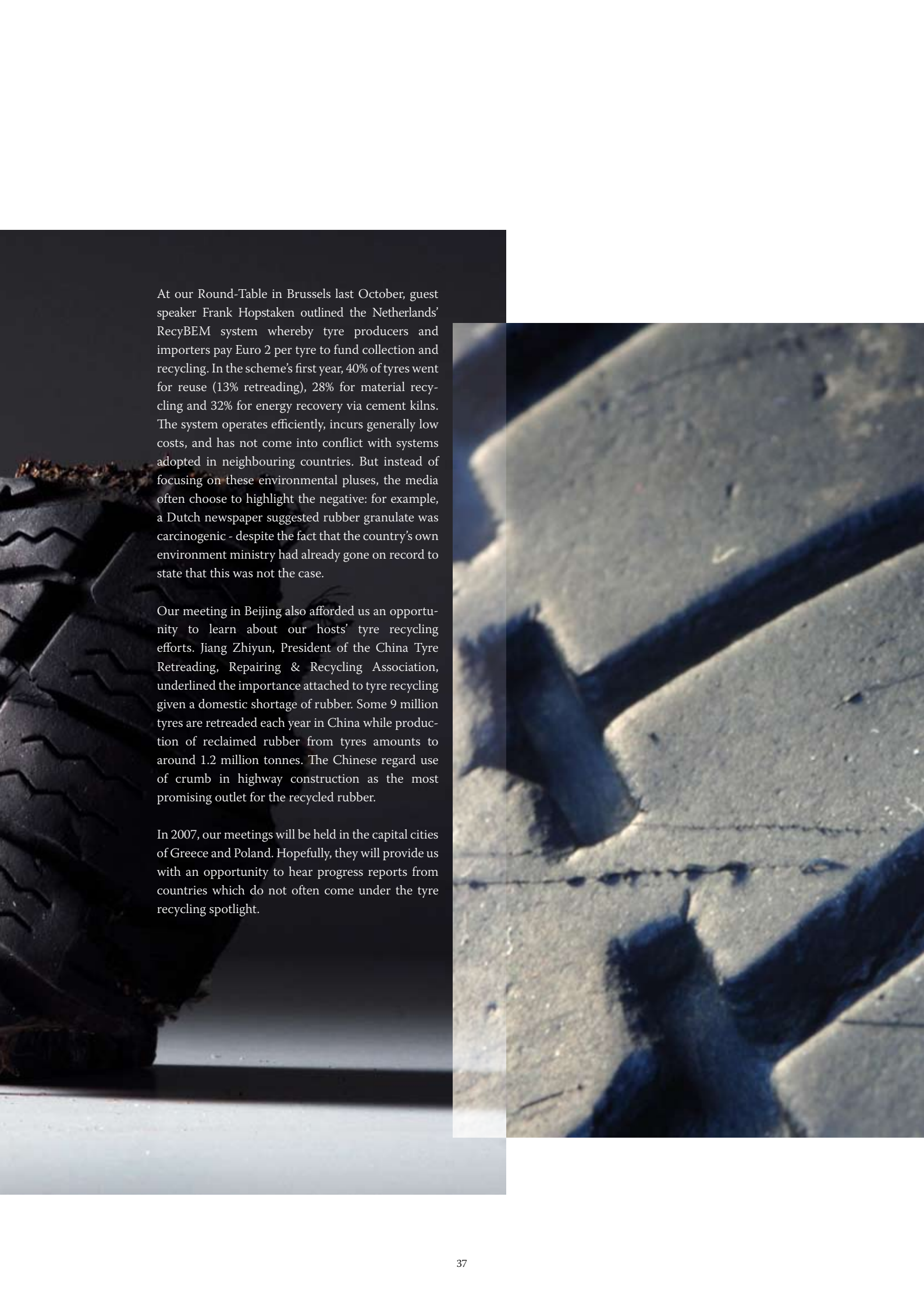
Chairman
of the Tyres Committee

We learned last year that the Environment Committee of the European Parliament had placed used tyres on its list of priority end-of-life streams for study in the context of its wider review of when waste ceases to be waste. As such, we hope used tyres will play an integral part in the evolution and simplification of EU waste policy given that, in common with many other parts of the recycling industry, the used tyres sector has suffered the consequences of widely differing interpretations of the definition of “waste”.

In conducting this review, officials will note that only around a fifth of Europe’s scrap tyres are now ending up in landfill compared to more than 60% in the mid-1990s. The proportion of this tyre “mountain” destined for materials and energy recovery has been rising consistently over the period although performance varies considerably from country to country. Indeed, significant help with used tyre issues will be required by many of the nations which have recently joined the EU. Hopefully, those countries with positive experience in this field will be able to assist with the development of collection and recycling infrastructures in these accession states.

Our sector deserves great credit for becoming ever more innovative in its use and reuse of scrap tyres. As ever, our meetings during last year’s two BIR Conventions reflected this thirst for innovation. At our gathering in Beijing last May, it was underlined that used tyres have a high calorific value and provide a worthy replacement for fossil fuels. It was also emphasised that scrap tyres can be used in civil engineering projects such as coastal protection and erosion barriers, and shredded tyres in road and railway applications. Meanwhile, crumb and powdered rubber derived from tyres are widely and increasingly consumed in the creation of playground and sports surfaces.





At our Round-Table in Brussels last October, guest speaker Frank Hopstaken outlined the Netherlands' RecyBEM system whereby tyre producers and importers pay Euro 2 per tyre to fund collection and recycling. In the scheme's first year, 40% of tyres went for reuse (13% retreading), 28% for material recycling and 32% for energy recovery via cement kilns. The system operates efficiently, incurs generally low costs, and has not come into conflict with systems adopted in neighbouring countries. But instead of focusing on these environmental pluses, the media often choose to highlight the negative: for example, a Dutch newspaper suggested rubber granulate was carcinogenic - despite the fact that the country's own environment ministry had already gone on record to state that this was not the case.

Our meeting in Beijing also afforded us an opportunity to learn about our hosts' tyre recycling efforts. Jiang Zhiyun, President of the China Tyre Retreading, Repairing & Recycling Association, underlined the importance attached to tyre recycling given a domestic shortage of rubber. Some 9 million tyres are retreaded each year in China while production of reclaimed rubber from tyres amounts to around 1.2 million tonnes. The Chinese regard use of crumb in highway construction as the most promising outlet for the recycled rubber.

In 2007, our meetings will be held in the capital cities of Greece and Poland. Hopefully, they will provide us with an opportunity to hear progress reports from countries which do not often come under the tyre recycling spotlight.



Alvaro Rodriguez Martinez

Chairman
of the International
Environment Council

The International Environment Council (IEC) meets twice a year at the BIR Spring and Autumn Conventions. While these gatherings provide an excellent opportunity to share latest information, experiences, problems and possible solutions, a lot of the council's most valuable work takes place "behind the scenes". Engaging with legislators at United Nations, OECD, EU and national level, the IEC draws its strength from the timely and informed feedback of members from around the world, most of who deal with national and governmental bodies as part of their professional routine.


Among the highlights of 2006, the IEC chose its meeting in Brussels last October to launch its comprehensive "Tools for Environmentally Sound Management" - a document compiled with expert help to assist recovery and recycling companies in implementing an ISO-compliant Environmental Management System (EMS) that includes recently-developed OECD Core Performance Elements. By implementing this system and gaining the necessary certification, any recovery or recycling company can demonstrate that it is managed in an environmentally sound manner. Available to all companies free of charge via the BIR website, the publication is intended as a template to help recycling firms of all sizes to work methodically towards higher environmental standards by following its easily-understandable format. "Tools for Environmentally Sound Management" is the first document to demonstrate integration of the OECD Core Performance Elements and therefore complements the various national ISO-compliant systems adopted in different countries.

Staying with the positive, last year brought agreement in the USA on the first-ever national mercury switch removal programme, under which the automotive and steel industries pay into a fund from which dismantlers and recyclers receive US\$ 1 for each switch removed from a vehicle. This agreement is due reward for the persuasive arguments of the US Institute of Scrap Recycling Industries.

In last year's Annual Report, we drew attention to the publication in late 2005 of the European Commission's thematic strategy on recycling and the prevention of waste, and particularly its acknowledgement of the need to re-visit the end-of-waste issue. For 2006, we are able to report on the European Parliament's Environment Committee compromise that determines a priority list of wastes where legislative "end-of-waste" proposals should be considered. This list comprises: compost; aggregates; paper; glass; metal; end-of life tyres; and second-hand clothing. While all manufacturing industry has dozens of materials to consider here, the Parliament is listing only some of the materials to be considered for the lengthy legislative proposals. It is possible that this list may disappear as discussions progress in the Council of Ministers after the Parliament's first reading plenary vote, to be replaced by a less prescriptive approach. Meanwhile, recyclers should be happy that their MEPs recognise the major recyclables for which the "end-of-waste" point should be established at an earlier stage than under the present obscure legislation.

International Environment Council



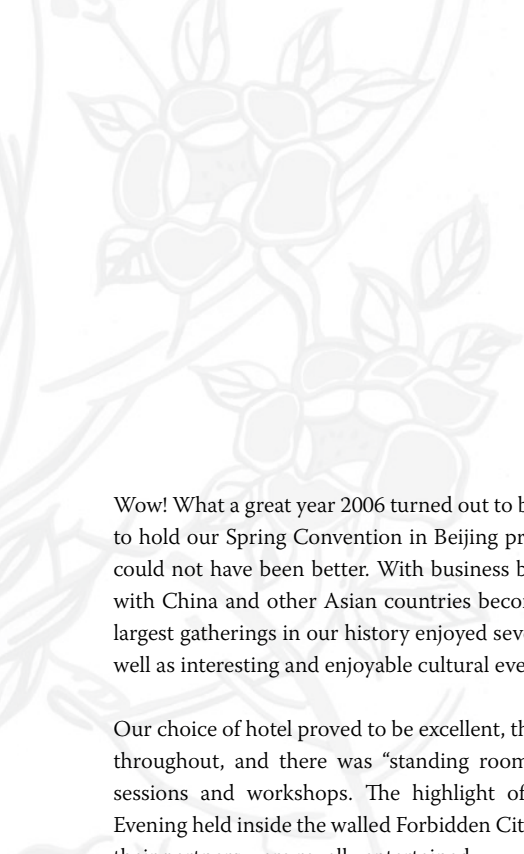


And while BIR and IEC have battled long and hard to drive a clear distinction between “waste” and recyclables, both BIR and its European daughter federations (EFR, EUROMETREC and ERPA) have been engaged more recently in lobbying for secondary raw materials to be left outside the scope of the EU’s new REACH chemicals policy. As argued at BIR’s Brussels meeting last year, ferrous scrap is a substitute for iron ore and yet the latter is neither a waste nor within the scope of REACH. In this example, leaving processed ferrous scrap under waste legislation would disadvantage recycling as much as releasing ferrous scrap from waste legislation but subjecting it to the EU’s REACH regulation. Ores and scrap are, indeed, like materials as they are both of a mixed or variable composition and both are intermediates that are consumed in the metal works of the world. This juxtaposition of waste legislation and product legislation will be a new consideration for the EU authorities as they strive for a “recycling society”.

Our ground-breaking meeting in Beijing last May provided an opportunity for us to learn more about legislative developments in the vast Chinese marketplace. Spokesmen from China’s State Environmental Protection Administration (SEPA) confirmed that recycling and use of renewable resources is a critical issue in their country, and that imports are helping to make up for a shortfall within the country itself. At the same time, however, SEPA underlined its determination to punish - and potentially blacklist - exporters found guilty of contravening China’s import regulations. Encouragingly, delegates learned that AQSIQ would be implementing an e-surveillance system in 2007 to streamline scrap import procedures through central processing and real-time management.

Inevitably, challenges both old and new will face us throughout 2007. For example, having worked on guidelines for the environmentally sound management of mobile phones, the United Nations Environment Programme now turns to a far larger material stream - namely, electronic waste from personal computers in particular. And we can expect further developments resulting from the “note verbale” calling on governments in non-OECD countries to identify what materials they want to import and under what controls. BIR and its European daughter federations have now obtained a simpler EU control system compared to that in place since 1999. Following that much-needed simplification, we have urged consumers of recyclables within those importing countries to tell their governments which materials are vital to their production processes. Clearly, it makes no sense for essential supplies of non-hazardous secondary raw materials to be prevented from reaching hungry consumers.

In all of these subject areas, the sharing of knowledge is indispensable. To this end, it is important that IEC representatives - and also ordinary members of the recycling industry - update fellow BIR members through the convention platform or via e-mail to the BIR secretariat on problems and legislative developments which have the potential to affect their day-to-day operations. In this way, the IEC response can be, at once, rapid and informed.



Robert Voss

Chairman
of the Convention Committee

Wow! What a great year 2006 turned out to be for BIR Conventions. The decision to hold our Spring Convention in Beijing proved totally justified and our timing could not have been better. With business booming for most commodities, and with China and other Asian countries becoming our major markets, one of the largest gatherings in our history enjoyed several days of good business activity as well as interesting and enjoyable cultural events - and even a bit of shopping!

Our choice of hotel proved to be excellent, the large exhibition areas were packed throughout, and there was "standing room only" at many of the commodity sessions and workshops. The highlight of the convention was the Imperial Evening held inside the walled Forbidden City where over 1200 BIR members and their partners were royally entertained.

A word of thanks must go to our many sponsors who ensured that the entire convention was both a financial and commercial success for our members. Sponsorship will continue to play an important role in future BIR Conventions, representing a major benefit for members and sponsors alike. I would like to urge all members to consider sponsorship at a future convention - either directly by their own company or by major service providers such as banks, insurance companies and shipping lines.

After the excitement and novelty of Beijing, we were "back home" in Brussels at the end of October where the two packed days of convention activity proved highly successful for the large attendance of 746.

The 2007 Spring Convention sees us in the historic city of Athens for the first time; three months prior to the event, it is proving so popular that the hotel has already sold out. It looks like records may again be broken. We look forward to continued financial and commercial success in Athens - with numerous sponsors already supporting us - and to learning a little bit about one of the great civilisations in our history.

2007 continues with its exciting locations with our Autumn Convention in Warsaw - a beautiful city that many will not have visited before and that will continue our year of culture! Early indications are of another huge Autumn Convention, with some members already wanting to make reservations.

Plans are well in hand for our Spring Convention and 60th birthday party in Monte-Carlo in 2008. This venue has always proved highly successful and thoroughly enjoyable, and we expect a huge turn-out next year. After Monte-Carlo, we meet in Dusseldorf at the end of October 2008, before heading for pastures new in 2009 when we hold our first convention in the Middle East in one of the world's fastest-growing cities - Dubai. Our preliminary investigations of the facilities and arrangements in Dubai show that this is going to be one of the outstanding conventions in our history.

Convention Committee



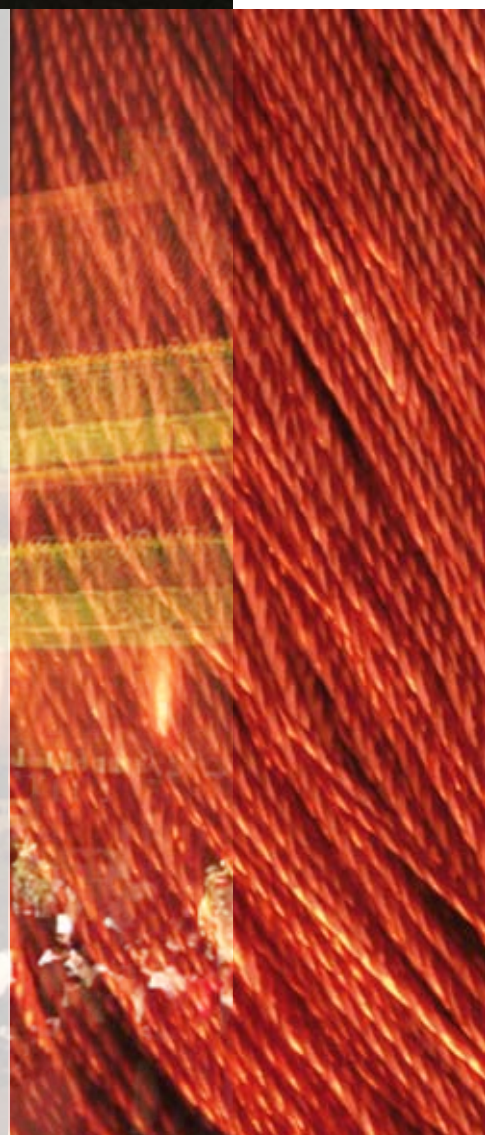


Dubai is well located for our members worldwide - especially those travelling from Asia as well as from Europe and Africa - and is extremely well served by international airlines. The hotels, facilities and infrastructure are outstanding, and we are all very excited about this new venue and possibly a new schedule over five days.

Autumn 2009 will see us back in Europe as usual, and we are already looking at venues for 2010 and beyond, with some exciting prospects being considered - including Canada, North and South America, Africa and even a return visit to Asia.

Much praise must go to the BIR secretariat and its staff for the continued success of our twice-yearly conventions - not only financially but also in terms of numbers and strong content. They work tirelessly to ensure the smooth running of these enjoyable yet commercially important events with attendances regularly reaching 1000. It is no mean feat to keep everyone happy.

I can assure you that the Convention Committee will continue its efforts not only to find exciting locations but also to devise interesting and informative programmes and workshops for the benefit of our members.





Elisabeth Christ

For the BIR Communications Department, 2006 was very much a “Chinese” year. Ever since BIR took the decision to hold its 2006 Spring Convention in Beijing, all communications activities were aimed towards that event. We achieved an unexpectedly high attendance of almost 1000 - of which we can be truly proud.

When preparing for the event from a communications point of view, we considered it crucial that our members were given the maximum level of information and incentive to travel to such a far-away place, even though this represents the focus of much of our members’ business activities. The venue offered so much scope for promotion that it was a pleasure to dwell on all the photographic and art materials.


Since the main contact and information link with our members and the general public is the Internet, we decided to set up a special Beijing website that was continuously updated, thus constantly providing members with the latest information on the organisation of the convention, speakers, workshops, travel information, visa regulation details, etc.

Furthermore, the communications department created a whole range of brochures and leaflets for the various target groups, including: the provisional programme in three languages for existing and potential members, as well as guests; a shortened version of the programme in Chinese for our local guests; an exhibitors’ manual for machine and equipment manufacturers intending to participate in the exhibition; a sponsorship leaflet with detailed information on our full range of sponsorship opportunities; and various advertisements that were published in the international trade press. Last but not least, BIR decided to create an outstanding promotional video advertising Beijing. The idea for such a video followed a kind offer from our US member association - the Institute of Scrap Recycling Industries (ISRI) - to give us a “promotional slot” during one of the breakfast sessions at its Annual Convention & Exhibition in Las Vegas in April 2006. The challenge was to create a kind of commercial which, in just over a minute, could give a lasting impression of BIR in general and the Beijing Convention in particular by using close-up shots of our commodities as the main footage. And the results were so stunning that we decided to re-edit it slightly and turn it into a general BIR video, which we are proud to present to you together with this Annual Report.

BIR Communications Director
on behalf of Andy Wahl, Chairman
of the Communications Committee



Communications Committee



The concept of sponsorship was introduced in 2005 and really took off in 2006. Again, the Beijing Convention was an event for superlatives: 15 sponsors financially supported the event and contributed to turning it into an unforgettable experience for all those who attended. In return, our sponsors were given excellent exposure to the international recycling community via a multitude of posters, banners, web pages, announcements, brochures and promotional items.

2006 saw the very active participation of BIR representatives in international exhibitions and conferences. In particular, our Ambassadors deserve credit for the increased promotion of BIR activities around the world. Apart from our participation at the ISRI Convention in Las Vegas, where we organised a promotional lunch reception, representatives of BIR attended recycling events throughout the world for which we created brochures, folders and special posters in the respective language, either advertising BIR in general or our forthcoming events in particular. It is our intention to continue participating in as many events as possible because we believe that this will result in increased awareness of the existence of an international recycling federation.

BIR continues to maintain a good relationship with the press. Throughout 2006, over 20 press releases were sent out and were well received by the international trade press. On average, 15 publications send editorial staff at least to our conventions, and the coverage is in general excellent. Throughout the year, the Brussels secretariat receives queries and interview requests, which we either handle ourselves or channel through to the appropriate person within the commodity sector in question.

We also maintain a steady flow of publications: apart from our trilingual publications such as the Annual Report, convention programmes, convention proceedings and newsletters, we are pushing for an increased output of our World Mirrors. In addition, we published a new and very important guidebook last year: "Tools for Environmentally Sound Management" was introduced to our members and the general public at our Autumn Convention in Brussels as part of the BIR Membership Toolkit.

2007 is now well under way and we are continuing to devote relentless effort to not only maintaining but even increasing the quality of what we offer to our members. And since communication is a two-way process, we count on you to comment on what we do, to commend what is good and to condemn what is not.

It is often said that you are judged by the company you keep - if that is so, then BIR members find themselves increasingly among the growing ranks of those companies and associations most universally recognized as being significant and influential in the global raw materials recycling community.

After a headline year for recruitment of new members in 2005, it was challenging to imagine that 2006 could match, let alone exceed that level of success, but as the year closed membership applications to join, BIR had increased by a remarkable twenty percent from the preceding year.

With 44 new membership applications ratified by the time of our Beijing meeting alone, and a further 63 applications received for the balance of that year to be ratified at our Athens General Assembly, the organization consists of 647 members at the time of writing, comprising 594 individual Associate and Supporting members (of which 234 are in the premium Gold category) as well as 43 National association members.

Our membership is drawn from 67 countries around the globe and such diversity surely justifies the organization's acknowledged status as the global voice of the recycling industry.

Membership of BIR provides both an invaluable platform and imprimatur for our members to pursue their international activities and connections, but while it confers on our constituents both status and recognition, it also demands responsibilities to a commitment to maintaining the highest ethical efforts in both commercial and environmental terms for our global industry.

While the Membership Committee and the Brussels secretariat exercise both prudence and diligence in reviewing new membership applications, it must always be recognized that BIR can never act as a specific and qualified guarantor of its members' performance or activities.

That said, the quality and diversity of our membership does provide a unique gateway to global networking, placing our members in contact with commercial peers that respect and understand the obligations and high standards of our industry at the international level.

Drawn from all areas of raw materials recycling, including processors, consumers, traders, marketers and national trade bodies, the degree and depth of experience and expertise of our membership not only provides a unique pool of opportunity for business and cutting edge information exchange, but is consequently also an unrivaled universal recycling resource base.

The combination of such diverse capabilities alongside the core commitment of BIR and its members to upholding best industry practices enables the organization to command the authority, engagement and respect it enjoys in representing the global recycling industry's interests in interaction with government, supra-governmental bodies and NGO's around the world, most especially with regard to the ever-increasing volume and burdens of legislation that so vitally impacts on our members.

The Membership Committee maintains a vigorous determination to identify and pursue new initiatives, as well as to refine those already existing to optimize both the opportunities and quality of the membership experience derived from participating in our organization.




Michael Lion

Chairman
of the Membership Committee



Membership Committee



Many of both our recent as well as long time members have begun to benefit from the greater awareness of the true panoply of opportunities offered by the organization that our recently introduced "Members Toolkit" provides.

The membership benefits and programs are debatably for many of our number best illustrated through participation in BIR's bi-annual marquee spring and fall conventions events. The value and benefits accruing from these congresses represent both an extraordinarily pleasurable and stimulating chance to cement existing and develop new contacts and relationships from around the world.

As the global and multi-continental content of our membership has risen, both the need and justification for a wide range of new and original international venues has expanded.

A current major focus of the Membership Committee is the development of a partnership membership category. This ambitious but important initiative is being undertaken in close coordination with the Treasurer in his noble quest for creative interactive funding of the organization and its fiscal demands.

The program's development is generated and driven by the recognition of the existence of a significant sector of businesses, including finance, transportation, insurance, surveying and many other areas that are interactively engaged in providing ancillary activities and services to our members.

A new and expanded Partners Membership Program for these entities will not only help to build relationships that will be of value to our active industry members, but in the process provide to the BIR a targeted group for sponsorship contributions to the programs we

are building to underwrite, sustain and support our organization and its growing list of benefits, activities and membership services.

Last but not least, the work and achievements of the Membership Committee during the last year, while as always being much indebted to the voluntary time and devotion of its officers, is primarily and overwhelmingly the result of the enormous and enduring contribution of BIR's Brussels secretariat.

Raïssa Wolteche, our Membership Administrator provides us with a highly professional, constantly enthusiastic, and ever cheerfully encouraging coordination of these activities - this year, while the organization has vastly benefited from the spectacular growth in applications, the corresponding burden on the administration and Raïssa in particular has been none the less tirelessly and devotedly pursued - our thanks to her, and at the same time we would equally note our great appreciation for the dedication and persistent devotion of the entire secretariat team and especially our Director General, as well as the contribution of Elisabeth Christ, our Communications Director that have enabled the work and progress of our Membership programs to proceed effectively.

This year, perhaps more than any before, underscores the extent to which your BIR membership indicates that you are keeping good company.

FERROUS DIVISION

- **Peter Hickson**
Managing Director
UBS Investment Bank (United Kingdom)
- **John Johnson**
CRU (United Kingdom/China)
- **Xiao-Ming Lu**
China Metals (China)

STAINLESS STEEL & SPECIAL ALLOYS COMMITTEE

- **Markus Moll**
Managing Director
SMR GmbH (Austria)

MEDIA & METAL SEPARATION COMMITTEE

- **Will Blair & L. Kemink**
General Manager
DMS Powders (South Africa)

JOINT ROUND-TABLE: SHREDDER COMMITTEE, MEDIA & METAL SEPARATION COMMITTEE, TYRES COMMITTEE (WITH THE PARTICIPATION OF THE IEC)

- **Bernard Lanfranchi**
Vice-President Markets and Strategy
Veolia Environmental Services (France)

PLASTICS COMMITTEE

- **Wai Leung «David» Wong**
CB Holdings Ltd (China)

WORKSHOP “SUCCEED IN DOING BUSINESS IN CHINA”

- **Ruth Schäfer**
Consultant
Interkulturelles Training und Beratung (Germany)



Guest Speakers at BIR Events in 2006

BEIJING,
29-31 MAY 2006

NON-FERROUS METALS DIVISION

- **Jim Southwood**
President
Commodity Metals Management Company (United States)
- **Hongchang Ma**
Vice-General Secretary
CMRA (China)

INTERNATIONAL ENVIRONMENT COUNCIL

- **Hongchang Ma**
Vice-General Secretary
CMRA (China)
- **Yilei Hao**
AQSIQ (China)
- **Fei Yu & Zhang Yang**
SEPA (China)

GENERAL ASSEMBLY

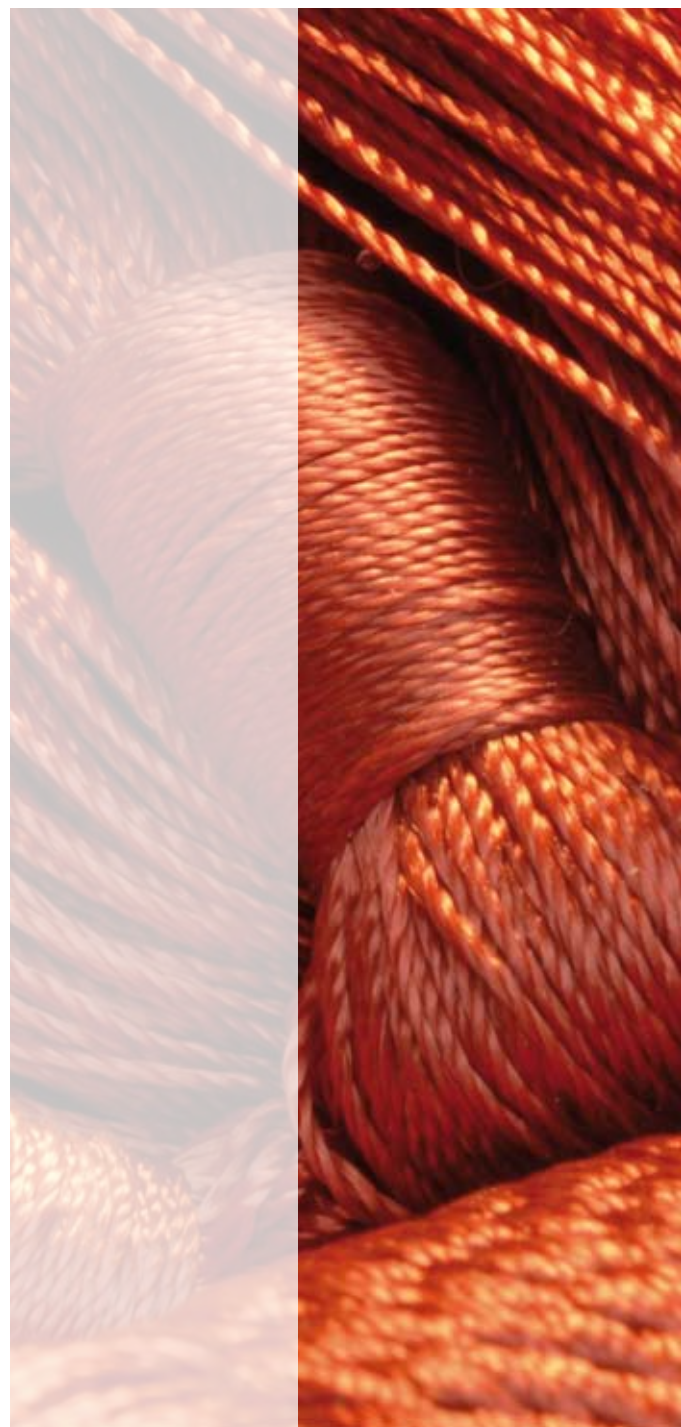
- **Dr Frank-Jürgen Richter**
Former Director of the World Economic Forum in charge
of Asian affairs & President of HORASIS (Switzerland)

PAPER DIVISION

- **Zhang Cheng Fei & Peter Wang**
Nine Dragons/ACN (China)
- **Billy Leung**
Managing Director
Fook Woo Group (China)

TYRES COMMITTEE

- **Zhiyun Jiang**
President
China Tyre Utilization Association (China)



STAINLESS STEEL & SPECIAL ALLOYS COMMITTEE

- **Peter Cutler**
European Director Market Support and Development
Nickel Institute (United Kingdom)

NON-FERROUS METALS DIVISION

- **Neeraj Kumar Gupta**
Addl. Director General of Foreign Trade
DGFT (India)
- **Fion Liu**
CCIC North America Inc. (USA)
- **Josephine Mason** (Moderator)
Deputy Editor - Non-Ferrous
Metal Bulletin (United Kingdom)

INTERNATIONAL ENVIRONMENT COUNCIL

- **Frans Bijlhouwer**
Quality Consultants (The Netherlands)

TYRES COMMITTEE

- **Frans Hopstaken**
FFact Management Consultancy (The Netherlands)

WORKSHOP "HEDGING & SCRAP: HOW AND WHEN?"

- **Pierre Esquerre**
Managing Director
Cegerisk (France)

PLASTICS COMMITTEE

- **Honoré Paelinck**
Managing Director
Port and Transport Consulting (Belgium)



Guest Speakers at BIR Events in 2006

**BRUSSELS,
30-31 October 2006**

FERROUS DIVISION

- **Neeraj Kumar Gupta**
Additional Director General
DGFT (India)

SHREDDER COMMITTEE

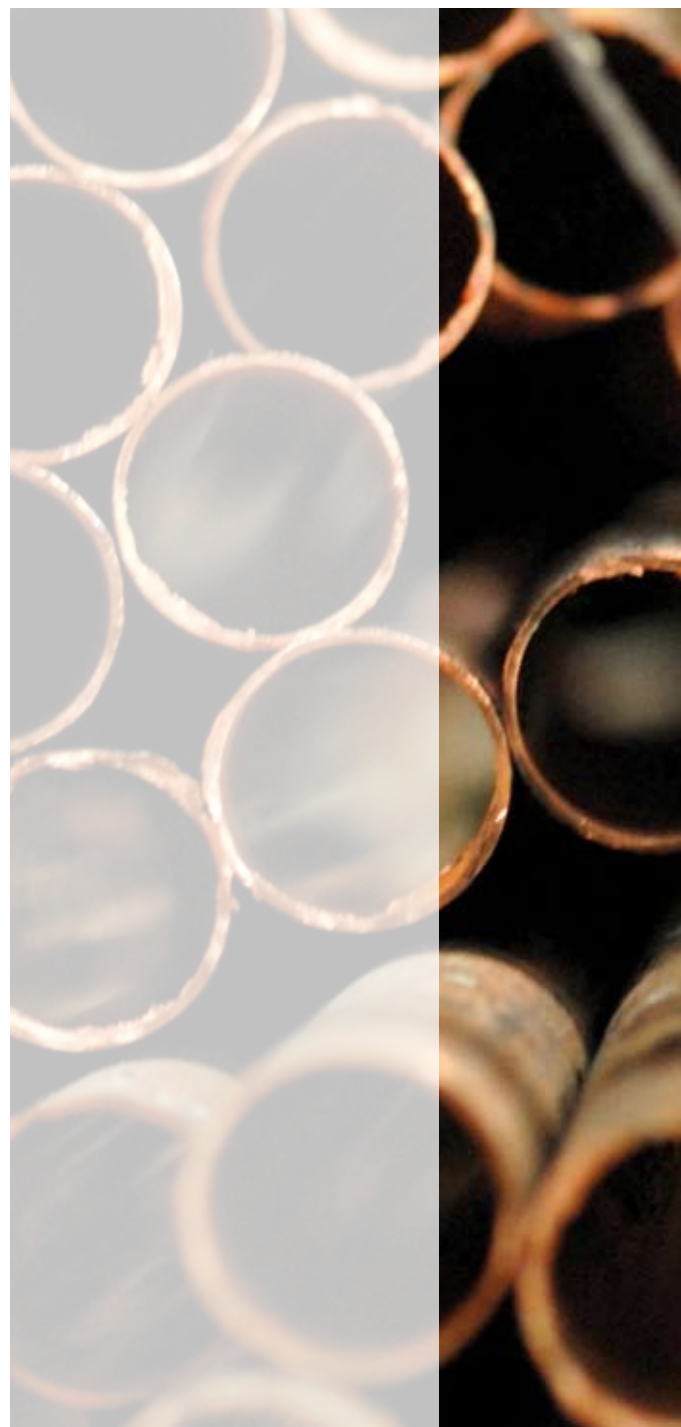
- **Patricia Ayed & Michel Faral**
Arcelor Purchasing/Research(France)

PAPER DIVISION

- **Dr Thomas Probst**
BVSE (Germany)
- **Philippe Chalmin**
Professor at Dauphine University and President of CyclOpe
(France)

TEXTILES DIVISION

- **Mehdi Zerroug**
Framimex (France)



AUSTRIA

- Austria Recycling

BELGIUM

- COBEREC

BRAZIL

- Associacao Nacional dos Aparistas de Papel (ANAP)

BULGARIA

- Bulgarian Association of Recycling (BAR)

CHINA

- China Association of Metal Scrap Utilization (CAMU)
- China Nonferrous Metals Industry Association – Recycling Metal Branch (CMRA)
- The China National Resources Recycling Association (CRRA)

CUBA

- Union de Empresas de Recuperacion de Materias Primas (UERMP)

CZECH REPUBLIC

- Svaz Prumyslu Druhotnych Surovin (SPDS-APOREKO)

FRANCE

- FEDEREC

FYRO MACEDONIA

- Zaednica Makedonska Sekundarna Surovina (ZMSS)

GERMANY

- Bundesvereinigung deutscher Stahlrecycling - und Entsorgungsunternehmen e.V. (BDSV)
- Bundesgütegemeinschaft Recycling-Baustoffe e.V.
- Bundesverband Sekundärrohstoffe und Entsorgung e.V. (BVSE)
- Deutscher Abbruchverband e.V.
- Fachverband Textil-Recycling e.V.
- Verband Deutscher Metallhändler e.V. (VDM)

HUNGARY

- National Association of Recyclers (HOE)

IRELAND

- Metal Recycling Association of Ireland

ITALY

- ASSOFERMET
- ASSORECUPERI
- FISE-UNIRE (Associazione Nazionale Imprese Recupero)
- Consorzio Por Il Riciclaggio Dei Rifiuti Di Beni in Polietilene (POLIECO)



List of BIR Member Federations

JAPAN

- Paper Recycling Promotion Centre

KAZAKHSTAN

- Association of National Metal Recyclers

THE NETHERLANDS

- Federatie Nederlandse Oudpapier Industrie (FNOI)
- Metaal Recycling Federatie (MRF)
- VACO
- Vereniging Herwinning Textiel (VHT)

POLAND

- Scrap Economy Chamber of Industry and Commerce

PORTUGAL

- ANAREPRE - Associacao nacional dos recuperadores de produtos reciclaveis

ROMANIA

- Asociata Nationala a Intreprinzatorilor Dindomeniul Reciclarii (NAPEFERM)
- Organizatia Patronale Si Profesionala (REMAT)

SOUTH AFRICA

- Recycling Association of South Africa (RASA)

SPAIN

- Federación Española de la Recuperación
- Gremi de Recuperacio de Catalunya
- REPACAR

SCANDINAVIA

- Nordic Recycling Federation (NRF)
c/o M.V. Metallvärden AB

UKRAINE

- Ukrainian Metal Scrap Association

UNITED KINGDOM

- British Metals Recycling Association (BMRA)
- Confederation of Paper Industries – Recovered Paper Sector (CPI)
- Independent Waste Paper Processors Association (IWPPA)
- Textile Recycling Association & Recyclatex (TRA)

UNITED STATES

- Institute of Scrap Recycling Industries, Inc. (ISRI)



2007

(20) 21-23 May
Athens, Greece
Hilton Hotel

(21) 22-23 October
Warsaw, Poland
Marriott Hotel

2008

(27) 28-30 May
Monte Carlo, Monaco
The Fairmont Grand Hotel

(29) 30-31 October
Düsseldorf, Germany
Hilton Hotel



Calendar of Future BIR Conventions

Countries, in which BIR is represented

Associations and/or individual member firms:

Australia – Austria – Bahrain – Belgium – Brazil – Bulgaria – Canada – China – Cuba – Cyprus – Czech Republic – Denmark – Egypt – Estonia – Finland – France – French Reunion Island – FYRO Macedonia – Germany – Greece – Haiti – Honduras – Hungary – India – Iran – Ireland – Israel – Italy – Japan – Jordan – Kazakhstan – Kuwait – Latvia – Lebanon – Luxembourg – Malaysia – Mexico – Monaco – Morocco – Netherlands – New Zealand – Norway – Pakistan – Panama – Poland – Portugal – Romania – Russia – Saudi Arabia – Serbia – Singapore – Slovenia – South Africa – South Korea – Spain – Sweden – Switzerland – Taiwan – Thailand – Tunisia – Turkey – Ukraine – United Arab Emirates – United Kingdom – Uruguay – USA – Venezuela



BIR

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