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A WORD FROM THE PRESIDENT



2011:

- The year in which the world realised that you cannot keep borrowing money forever. Someday, you must pay it back!
- The year in which a massive earthquake and tsunami hit Japan with disastrous consequences.
- The year in which people in a number of North African and Middle Eastern countries stood up for democracy and for human rights.

BJÖRN GRUFMAN, BIR WORLD PRESIDENT

Clearly, 2011 was a year in which many momentous events occurred around the globe. And for the recycling industry, it was the year in which, after decades of lobbying, we were finally given the possibility within Europe of extracting ourselves from the waste regime. End-of-waste criteria have already been introduced for iron, steel and aluminium scrap, and the industry's efforts to secure a similar result for copper and recovered paper are well advanced at the time of writing. In the future, we might see similar legislative developments in other BIR member countries and regions of the world.

I am very proud of having been elected President of BIR in Singapore last May. I have had the privilege of holding representative positions within BIR for many years, and also of being its Treasurer between 2008 and 2011. That experience has given me an extensive knowledge of our organisation, and I believe that I understand what is expected by our members. With great humility, and together with members of the Executive Committee and the rest of BIR's leadership, I am dedicating myself to furthering the development of our organisation. BIR is *the* world organisation for the recycling industry. I believe that we have a very important task in continuing the good work, mainly through our secretariat in Brussels, to secure recognition from global society for our role as the organisation representing "the future leading raw material suppliers".

BIR has many important member organisations in many countries throughout the world that are actively contributing to making BIR *the* voice of the global recycling industry.

BIR was formed more than 60 years ago and, over the intervening decades,

"BIR is *the* world organisation for the recycling industry. I believe that we have a very important task in continuing the good work, mainly through our secretariat in Brussels, to secure recognition from global society for our role as the organisation representing 'the future leading raw material suppliers'."



has been developed by a host of highlytalented recycling industry representatives. As President, I recognise that I have the responsibility to ensure the continuation of that development: for example, we need to increase our membership; we need to expand that membership to other parts of the world; and we need to ensure BIR's leadership ranks contain representatives from as many different regions of the world as possible.

The global recycling industry must be allowed the scope to develop – and with a healthy measure of profitability – in order to continue to make its important contribution to the sustainable society of the future. If the leaders of the world are provided with information that underlines the importance of our industry and therefore appreciate the need to encourage its development, our vital role in this sustainable society of the future will be assured.

We shall make BIR *the* natural voice of the industry. We shall continue to develop our conventions as the best networking opportunities available to the industry. We shall provide our membership with accurate and highly useful information. And above all, we shall continue to support our members wherever our help is needed.

BIR'S FINANCIAL SITUATION



BIR's 2011 finances were quite healthy, with overall receipts exceeding annual expenditure.

RANJIT BAXI, BIR TREASURER

This was due in particular to an increase in the number of individual company members and to exceptional attendance figures at our spring and autumn conventions. Our financial investments were also handled with care, thus leading to a satisfactory return here too.

As a result, and despite higher expenses resulting from additional programmes and services to our members, our organisation has continued to increase its statutory funds in accordance with BIR's objective to constitute enough reserves in order either to develop new programmes to promote our industry worldwide or simply to be able potentially to address any financial difficulties.

BIR's two-year statutory reserves are far from being reached but, with the help of all our membership, this aim should be achieved before the end of the decade. The 2012 annual budget, which will be proposed for the approval of the General Assembly in Rome this May, once again takes this objective into consideration.

DIRECTOR GENERAL'S REPORT



2011 was a year of commercial uncertainty for many BIR member companies and recyclers around the globe. Although there was generally a reasonable world demand for our members' commodities, this demand was seriously disturbed by the financial crisis which affected major economic areas, particularly the Euro-zone where sovereign states' debts did cause dramatic liquidity problems for many banks...

FRANCIS VEYS, BIR DIRECTOR GENERAL

...This financial crisis, coupled with an acceleration of the de-industrialisation in some important Western World countries which can be easily explained by the continuous industrial development in emerging countries, particularly in Asia, has not restored the market confidence which any commercial operator and entrepreneur would normally expect.

The progressive shift of the economy and of the financial power from the traditional industrialised countries and regions (the EU, North America and Japan) to the "new world" had already begun ten years ago, and all social and economic indicators confirm that this trend will irreversibly continue.

Whether it is "sustainable" or not, it is clear that every family in these emerging countries would like to improve its standards of living and to equip itself at the cheapest cost with all those consumer goods which have become part of a Western citizen's daily life. Of course, this trend could slow down before the end of the decade if these "hungry" countries become self-sufficient in raw materials.

As suppliers of "green" raw materials which are desperately needed to feed the basic industrial and production sectors of this new world, BIR members and all the world's recyclers are already playing a prominent role.

However, international operators in the recycling industry are currently facing, and will continue to face, a growing number of tariffs or non-tariff barriers which some short-sighted authorities or declining sectors are arrogantly promoting, using the fallacious "shortage" or "environmental" arguments to facilitate cheaper access to our materials for which they unfortunately do not always have the necessary capacities or can't afford the world market prices.

In this economic context, 2011 was another very active year for our organisation and for the BIR Secretariat. With a continuously growing membership – BIR is currently represented in over 70 countries by more than 800 commercial firms and 38 national associations – we had to address an increasing number of requests and inquiries which made our Brussels-based headquarters extremely busy.

If BIR members traditionally use our organisation to extend their commercial networks, they also want to hear about the latest – and possibly future – market developments for their commodities, to learn about the latest legislation – including tariff and non-tariffs barriers – which could impact their businesses, and to be informed about the most recent technologies and environmentally sound techniques which can contribute to the quality of their recycled materials.

Overall in 2011, 2300 businesspeople met at our half-yearly conventions, to exchange information about the market and to debate new strategies for the world recycling industry, taking into consideration the ever-changing reality of the world markets.

Our very successful spring convention in Singapore will certainly remain in our members' memory not only because of the exceptional business opportunities which this Asian destination offered them but also because of the quality of the meeting programmes and guest speakers. "When one contributes to satisfying over 50% of the world's raw materials needs for steel, non-ferrous metals, papermaking, etc., one must ignore frontiers."

Five months later, delegates gathered in Munich for our traditional Autumn Round-Table Sessions and were offered an ideal forum for contacts as well as very valuable market information.

To make all this happen, BIR could count on a very dedicated team of leaders who assisted newly-elected BIR President Björn Grufman and BIR Treasurer Ranjit Baxi in providing our membership with most informative divisional and committee meetings.

Throughout the year and in addition to our regular "World Mirrors" on the BIR commodities markets, BIR published a survey on the "World Market for Recovered and Recycled Commodities" under the leadership of Prof. Philippe Chalmin from the Paris Dauphine University, as well as a special brochure on "World Steel Recycling" under the auspices of the Ferrous Division. A survey on the 2010 world paper recycling market and the main flows of recycled paper was posted on our website.

These publications, which show the global importance of recyclables in the world economy and their major flows, demonstrate once again that recyclables cannot be regulated by the self-sufficiency and proximity principles which some ill-informed public authorities or protectionist industry lobbies would like to impose upon our commodities.

As a responsible international trade organisation, we have continued to explain the importance of free and fair trade, as well as our recyclers' global contribution, to the governmental authorities at national and international levels. We undertook successful actions with national authorities in India, Russia, China, Turkey, the Middle East, and North and South Africa, and also with supranational authorities at the OECD and UN, to oppose measures which would have prevented steel mills, foundries, smelters and paper mills from being properly supplied.

More importantly, and in order to fulfil its "educational" role, BIR published "Tools for Quality Management" in 2011. Two years earlier, we prepared "Tools for Environmentally Sound Management", which is now also widely circulated in Chinese with the help of the governmental authorities. These tools should assist all operators around the globe, whether they are large companies or SMEs, to comply with the quality requirements increasingly imposed by the environmental authorities anywhere in the world. They will also assist EU recyclers who want their recyclables to achieve end-of-waste status in accordance with the criteria which have been adopted recently by the EU, in particular for iron and steel, aluminium and, hopefully soon, for copper and paper.

Over the coming years, BIR will continue to fulfil its role and be the voice of the recycling industry worldwide for the commodities it represents.

Having this objective in mind, our organisation will meet in Shanghai in Spring 2013 and in Warsaw in Autumn 2013. Central and South America will be our main targets when we convene in Miami in 2014, while India is also on our agenda as a future convention destination.

2011 REVIEW CALENDAR

Casting a backward glance at 2011, here are some of the BIR news items, as well as trade press headlines and quotations, which reflected another stand-out year for the global recycling industry.

JANUARY

BIR launches new *membership service* BIR introduces its on-line payment system for annual

"Gaining momentum"

FFBRUARY

Third monitoring report from BCIT

Bryan Cave International Trade (BCIT), the customs and trade consultancy commissioned by BIR to produce regular reports on legal and regulatory developments in India and China, publishes its third monitoring report.

Concern over Russian export freedom

BIR and the European ferrous recycling federation EFR express their deep concern over reports that the **Russian Federal Customs** Service intends to reduce the number of checkpoints for exports of ferrous and steel scrap from Russia and to restrict shipments from St Petersburg harbour.

MARCH

"A war on raw materials is

"Nickel on its way to US\$ 30 000?" The same magazine emphasises steep early-year progress in the price of a metal crucial to the fortunes of the stainless steel scrap

APRIL

BIR unveils "Tools for **Quality Management**"

Launched by BIR, "Tools for Quality Management" becomes the first Quality Management System to incorporate end-of-waste procedures complementary to the Council of the European Union's Regulation (EU) No 333/2011.

Top speaker secured for Singapore convention

In a joint sponsorship effort, several members of the BIR Ferrous Division board succeed in persuading Jim Rogers - one of the world's most famous raw materials visionaries and a highly successful businessman to speak at its spring convention meeting in May.

BIR welcomes marine *pollution project*

BIR voices its support for a European plastics industry bid to achieve joint action on the problem of the pollution of marine life through plastics litter. BIR had previously sponsored the Project Kaisei scheme in 2009 aimed at detecting and finding solutions for the marine debris accumulating in the North Pacific Gyre.

MAY

Sweet success in Singapore

Papyrus win

The BIR Non-Ferrous Metals Division publishes its 100th World Mirror – a

"Mission accomplished" for Dominique Maguin As his presidency of the BIR draws to a close, Dominique

JUNE

"Another jewel in the BIR crown"

The success of BIR's Singapore convention attracts widespread positive coverage in the trade press.

"Records and roller-coaster rides"

A Recycling International summary of the first half of the year for the stainless steel sector, based on presentations to the BIR spring convention in Singapore.

JULY

"China doubles rare earths export quota"

Metal Bulletin flags up an issue that is a talking point throughout 2011.

SEPTEMBER

"Zero tolerance of clothing theft"

A UK government minister supports a crackdown on organised crime's incursion into the sphere of charity textiles collections.

"Multi-billion reasons to laud US recycling industry"

A study commissioned by the US Institute of Scrap **Recycling Industries reveals** that, in 2011, the scrap industry's worth to the US economy is likely to have exceeded US\$ 90bn.

"End-of-waste will increase competitiveness (and) open new markets"

lan Hetherington, Director General of the British Metals Recycling Association. reckons the end-of-waste criteria taking effect within the EU in October will be a force for good in the recycling arena.

OCTOBER

Giving the recycling youth

Market uncertainty mulled in Munich More than 1200 participants from 51 countries attend the BIR autumn convention held in the German city of Munich, at which countless speakers highlight the unclear outlook for the rooveling markets

Professor Chalmin's commodity update "World Markets for Recovered and Recycled Commodities" is launched at the BIR autumn convention in Munich. Commissioned by the BIR and authored by Professor Philippe Chalmin of Paris-Dauphine University, it emphasises growing market volatility and risks to global commodity trading.

Collection conundrum for

BIR posters boost radiation

status of recycling The Basel Convention's 10th Conference of the Parties (COP) in Colombia signals "a true paradigm shift"

NOVEMBER

"The curse of theft and fraud"

A trade press headline reflects one of the main items on the agenda at the **BIR Non-Ferrous Metals** Round-Table in Munich.

"Recycling – a US\$ 500 billion industry?"

The question is posed in the trade press following a presentation made to the **BIR Plastics Round-Table** in Munich by its Chairman Surendra Borad which suggests the recycling industry as a whole is turning over perhaps half a trillion dollars per year while employing as many as 20m people.

"Le moteur chinois décélère" (The Chinese motor slows down)

French magazine Recyclage Récupération highlights a distinct slow-down in demand for imported recovered fibre from leading consumer China.

BIR and CMRA build on close ties

The BIR Non-Ferrous Metals Division signs a memorandum of cooperation with the China Non-Ferrous Metals Industry Association Recycling Metal Branch to encourage the development of the secondary nonferrous metals industry, with a special focus on strengthening information exchange, delegations and convention/exhibition services and on facilitating contacts with governmental authorities.

DECEMBER

The monitoring

MEMBERSHIP SPREAD







LIST OF BIR MEMBER FEDERATIONS

AUSTRIA

— Austria Recycling (AREC)

BELGIUM

 Confédération belge de la Récupération / Confederatie van de Belgische Recuperatie (COBEREC)

BULGARIA

— Bulgarian Association of Recycling (BAR)

CANADA

 Canadian Association of Recycling Industries (CARI)

CHINA

- China Association of Metal Scrap Utilization (CAMU)
- China Nonferrous Metals Industry Association Recycling Metal Branch (CMRA)

CUBA

 Union de Empresas de Recuperacion de Materias Primas (UERMP)

CZECH REPUBLIC

 Svaz Průmyslu Druhotných Surovin (SPDS-APOREKO)

FRANCE

 Fédération des Entreprises du Recyclage (FEDEREC)

FYRO MACEDONIA

 Zaednica Makedonska Sekundarna Surovina (ZMSS)

GERMANY

- Bundesvereinigung Deutscher Stahlrecyclingund Entsorgungsunternehmen e.V. (BDSV)
- Bundesverband Sekundärrohstoffe und Entsorgung e.V. (BVSE)
- Fachverband Textil-Recycling e.V. (FTR)
- Verband Deutscher Metallhändler e.V. (VDM)

HUNGARY

 Hulladékhasznosítók Országos Egyesülete (HOE)

ITALY

- Associazione Industriale Riciclatori Auto (AIRA)
- ASSOFERMET
- Associazione Nazionale Imprese Recupero (FISE – UNIRE)

JAPAN

- Japan Iron & Steel Recycling Institute (JISRI)
- Japan Recovered Paper Association (JRPA)

THE NETHERLANDS

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

POLAND

 Izba Gospodarcza Metali Nieżelaznych i Recyklingu (IGMNiR)

PORTUGAL

 Associação Nacional dos Recuperadores de Produtos Recicláceis (ANAREPRE)

ROMANIA

 Organizaţia Patronală Şi Profesională "REMAT"

SOUTH AFRICA

— Metal Recyclers of South Africa (MRA)

SPAIN

- Federación Española de la Recuperación (FER)
- Gremi de Recuperació de Catalunya
- Asociación Española de Recuperadores de Papel y Cartón (REPACAR)

TURKEY

 Dönülšebilen Ambalaj Malzemeleri Toplayıcı ve Ayırıcıları Derneği (TÜDAM)

UNITED KINGDOM

- British Metals Recycling Association (BMRA)
- Confederation of Paper Industries Recovered Paper Sector (CPI)
- The Recycling Association
- Textile Recycling Association & Recyclatex (TRA)

UNITED STATES

 Institute of Scrap Recycling Industries, Inc. (ISRI)



DIVISIONS & COMMITTEES

Each Commodity Division and Committee represents a specific material. They are headed by an elected board and a president/chairman. Two additional BIR committees cover cross-commodity issues pertaining to trade and environmental matters: the International Environment Council and the International Trade Council.



FERROUS DIVISION



BIR has always campaigned – and will continue to do so – for universal adherence to the principle of free and fair trade. But this position became increasingly embattled last year as vested interests around the world looked to protect their domestic industries through the restriction or even downright elimination of exporting opportunities...

CHRISTIAN RUBACH, PRESIDENT OF THE FERROUS DIVISION

...Bans, quotas, duties and taxes are the most overt methods of limiting exports, but our sector has also been affected by subtler forms of control such as licensing requirements and restriction of customs clearance points. The indispensable secondary raw materials produced and supplied by our industry can become so enmeshed in rules and regulations of this nature that we sometimes wonder how we find the time to actually conduct the business which sustains our companies, our substantial workforces and our massive environmental contribution.

Despite being a net importer of raw materials for its industries, the EU does not appear immune to this rush towards export restrictions. The chorus of voices within the EU calling for export blocks or controls on ferrous and non-ferrous scrap has been growing louder in recent times - even though this would make no sense either commercially or environmentally. Implementation of export restrictions strikes at the very heart of what should be an inalienable principle – that of free and fair trade. And so moves in this direction would place the EU authorities in the indefensible moral position of controlling its own exports while demanding that third countries should remove their own scrap export barriers.

The EU-27 enjoys an estimated scrap surplus of 20m tonnes per annum; and so if the EU authorities were to slam shut the export door, availability in Europe would soar and prices would immediately slump, leading shortly afterwards to a drop-off in recycling rates and therefore an adverse environmental impact. Furthermore, such moves would deny secondary raw materials to countries in other parts of the world where they are required to sustain industrial growth.

If the lobby in favour of export restrictions is growing louder, we must ensure that we raise our own voices on this issue at every opportunity.

"Implementation of export restrictions strikes at the very heart of what should be an inalienable principle – that of free and fair trade."

Last year should also be remembered for the culmination of another campaign, and one which has occupied our industry for two decades. With the EU Council Regulation adopting end-of-waste criteria finally going live in October, we were able at last to say what we have always known – that our industry transforms "waste" into product.

It seems that the end-of-waste status for which the recycling industry has fought for so long will not extend to all forms of ferrous scrap; indeed, the majority of scrap qualities will most probably not qualify for product status. And so while this recognition for the industry is most welcome, the final outcome is perhaps tinged with disappointment.





As a footnote, I would like to add that the BIR Ferrous Division's regular statistical reports have quickly endeared themselves to our membership and to others seeking information about our sector. In his latest update covering the first nine months of 2011 – a year in which, incidentally, world crude steel production exceeded 1.5bn tonnes for the first time ever – our Statistics Advisor Rolf Willeke highlighted the fact that steel scrap usage in the EU-27, the USA and Turkey was greater than respective upturns in crude steel production.

Such statistical certainty adds to the understanding of our industry while underlining its crucial role in terms of raw material provision at a time when the global steel industry is producing more than ever before.



KEY FACTS

World crude steel production in 2011: +6.8% at 1.527bn tonnes

Increases in ferrous scrap usage (January - September 2011 versus January - September 2010):

- EU-27: +5.7% to 76.8m tonnes
- The USA: +10.3% to 41.6m tonnes
- Turkey: +22.7% to 22.2m tonnes
- China: +9.6% to 72.9m tonnes



NON-FERROUS METALS DIVISION



There is one thing to say about a settled market these days: blink and you will probably miss it...

ROBERT STEIN, PRESIDENT OF THE NON-FERROUS METALS DIVISION

...A German businessman, sitting atop a multi-million international enterprise, was quoted several months ago as saying that demand "was not as bad as many people are making out". But he also acknowledged that his business strategy was predicated upon caution "because there are too many factors affecting the company over which I have no control". Many of us would echo these sentiments. Our business has not dried up; our returns are satisfactory; and the consensus is that, long term, our industry is one that will flourish. And yet we are often tempted to adopt a cautious approach in anticipation of the next financial or economic disaster that will buffet our sector.

"Our business has not dried up; our returns are satisfactory; and the consensus is that, long term, our industry is one that will flourish."

We can either accept our role as hostages to the whims of macro-economic fortune, or we can do what the recycling industry normally does: uses its knowledge and expertise to adapt and to play to its strengths. In the simplest of terms, we can deliver good service, streamline our costs wherever this makes solid commercial sense, and select our business partners carefully. In waving our goodbyes to a turbulent 2011, we should acknowledge at least that the year was an auspicious one for the Non-Ferrous Metals Division. We broadened the geographic base of our board, a move which also extended to our pioneering World Mirror whose coverage touches on all six continents; if you ever doubted how global our business has become, this single document – published every month – provides ample proof.

Although the BIR may have started out all those decades ago as a largely Euro-centric entity, its membership and reach is now truly global. Not only does it attract membership and participation from around the globe, but also its views are eagerly sought: in 2011, for example, members of our board made presentations in Canada, the USA, Russia and Brazil, to name but a few.

The year was also notable for two highly successful BIR conventions – in Munich and, perhaps most significantly from the divisional perspective, in Singapore. This trading crossroads and meeting point of the northern and southern hemispheres provided the setting for our hugely wellreceived symposium entitled "Copper – the next gold?" at which a panel of august industry experts offered their insights into the red metal market.

Among the many encouraging conclusions drawn at the symposium was that "copper prices will not collapse", not least because consumption in China is still growing. Indeed, the strength of demand from this



World refined copper production climbed **3%** in the first 10 months of 2011.

Asian giant will help to dictate the course of the markets for many of our non-ferrous scrap grades. So while much of the talk is of a cooling-down in China's economy, we should extract maximum comfort from the fact that its GDP growth is projected to hit 8% in 2012 – a below-average rate for the nation itself but a performance that would be regarded as stellar in virtually any other country on earth.

Of course, the BIR has long nurtured strong links with China, and these were further cemented in 2011 with the signing of an historic memorandum of co-operation by the Non-Ferrous Metals Division and our friends at the China Non-Ferrous Metals Industry Association Recycling Metal Branch (CMRA). This not only recognises the excellent relationship we have built together over the years but also promotes information exchange and the development of contacts with governmental authorities – a "win, win" for everyone involved, I'm sure you would agree.



KEY FACTS

World refined copper production climbed 3% in the first 10 months of 2011, with primary production rising 1.6% and secondary production from scrap 10.5%.

Source: International Copper Study Group

TEXTILES DIVISION



In general terms, 2011 proved to be a year of healthy demand for our sector's products. Over recent years, we have relied heavily on the financial returns from our sales of sorted clothing in order to prop up other parts of the business. But at least wipers, feathers and recycling grades attracted decent orders last year – even if not always at prices as high as we would have liked...

OLAF RINTSCH, PRESIDENT OF THE TEXTILES DIVISION

...The economic downturn and also rising food prices have diminished the purchasing power of some of the leading importers of sorted clothing, notably in Africa. At the same time, social unrest in key markets – for example, Egypt and Tunisia – adversely affected import order levels in 2011.

Overall, however, it would be fair to say that our major concern last year was not so much demand, but rather supply. Prices for originals spiralled to very high levels – in many countries partly because of a decline in collection volumes. In Europe, for example, many sorters struggled to maintain supplies at sufficiently high levels to enable them to operate at 100% capacity and therefore to take full advantage of the generally positive demand.

To make matters worse, the high value of originals has led to a proliferation of what can be summarised as "unfair competition": unauthorised collection containers have been absorbing a significant proportion of the volumes that might otherwise have helped sustain those businesses which have gained the necessary approvals and paid the necessary dues. Reputable, established companies in our sector have also suffered the

Second-hand clothing is worn by some **70%** of the world's population.

double-whammy of higher collection container site rental costs at a time when volumes derived from those containers have been falling. It does not take an eminent economist to work out the detrimental impact of this equation on the bottom lines of our businesses.

And that's not the end of it: we have also witnessed an explosion in cases not only of thefts from containers but also of bogus collections of originals. The authorities need to understand that some of these less scrupulous container operators are damaging the reputation of decent commercial and charity operations, while also undermining their businesses. And having fully recognised the problem, those same authorities must be prepared to take action. In this regard, it is encouraging that some countries have done just that: in the UK, for example, police operations during the course of 2011 led to arrests and the closing down of several illegal ventures.





---- "The high value of originals has led to a proliferation of what can be summarised as 'unfair competition'."

Last year also brought further discussion of a now-familiar topic – the end of "waste". While criteria were finally introduced in the EU to define when iron, steel and aluminium scrap ceases to be waste and becomes instead a product, we learned that a hold had been put on the process to devise similar criteria for used textiles. This debate clearly inflames the passions, and we all certainly understand the argument that the public donates an item of clothing or shoes on the specific understanding that they will be used again and will not be treated as waste. For my own part, I will repeat what I said at our meeting in Munich last October: it is difficult to regard second-hand clothing as "waste" when it is worn by some 70% of the world's population.

KEY FACTS

Japan: 10% drop-off in collection volumes.

The USA: prices of originals climb between 10% and 25% depending on the region.

An estimated 70% of the world's population wears second-hand clothing.

PAPER DIVISION



A little over three years ago, arch-pessimists were pointing to huge piles of seemingly unwanted recovered fibre and pronouncing the imminent death of our beloved paper recycling industry...

RANJIT BAXI, PRESIDENT OF THE PAPER DIVISION

...Subsequent events proved their comments to have been nothing short of scaremongering; normal flows resumed after only a short hiatus and our products continue to move around the globe to help sustain the growth of paper and board production industries in both the developed and the developing world. The role of recycled fibre is not only acknowledged but also firmly established.

But while the long-term prospects for our sector remain positive, the recent past and the short-term future have set us more of a challenge. The Euro-zone's well-publicised woes, America's sluggish recovery and China's tighter monetary policies conspired in the second half of 2011 to undermine economic growth – and with it demand for our products.

For the exporters of the world, the most pronounced symptom of this renewed economic malaise was a decline in fibre shipments to Asia, from where mills were reporting weakening demand for their board and packaging paper products. Given the pressure they exerted to keep raw material prices to a minimum, exported recovered fibre values remained relatively strong throughout most of 2011 – with the exception of a sharp downward adjustment around the start of the fourth quarter. As has been the case for some time, prospects for our sector in 2012 will be inextricably entwined with the growth performance of the developing economies – particularly those in Asia, and most specifically China; in this regard, we should take encouragement from GDP growth forecasts for China this year of typically 8%.

"While the long-term prospects for our sector remain positive, the recent past and the short-term future have set us more of a challenge."

We should also draw comfort from a Pöyry Management Consulting prediction that, despite boosting its domestic collections, China is likely to increase its recovered fibre import requirements by a further 50% to around 39m tonnes per annum by the end of the current decade. However, as I have said on many occasions, the ability of individual exporters to maintain or build their volumes in China will depend on strict adherence to delivering good quality. The latest European Declaration on Paper Recycling set a lofty target recycling rate of **70%** by 2015.

Within the BIR, of course, we have recognised for some time the fundamental shift in market emphasis from West to East. Following on from our convention in Beijing several years ago, 2011 saw us return eastwards for a flagship convention in Singapore. The importance that we as a division attach to the pivotal Asian market is further reflected in the fact that we have added eminent industry experts from Indonesia, India and Singapore to our board, namely: Susanna Agus of Indah Kiat Pulp & Paper; Jogarao Bhamidipati of ITC Ltd; and Iris Tan of Likok Paper Trading.

Back in the West, further work was undertaken in 2011 towards the goal of revising the EN643 standard list of European recovered paper and board grades, while the latest European Declaration on Paper Recycling set a lofty target recycling rate of 70% by 2015. And in 2012, there is the distinct possibility that, after much discussion, "end-of-waste" criteria will be set in Europe for recovered fibre, thus marking out a clearly defined route for turning material entering processing facilities from a "waste" into a "product". When this happens, it will be a truly special day in the history of our sector since it will go some way towards recognising the supreme environmental contribution made by the paper recycling industry.



KEY FACTS

Chinese recovered fibre imports: projected to grow a further 50% to around 39m tonnes per annum by 2020.

Recovered paper's share of world total fibre consumption: 53%

VISIONARY SPEAKERS

One of the arts to organising any congress is to enlist guest speakers whose renown is such that people will travel long distances to hear what they have to say...

...Over the years, the BIR has built a reputation for attracting indisputably "top drawer" presentations of direct relevance to a recycling industry audience: some deal with the practicalities of recycling and some with the detail of latest and potential market developments; and then there are those that examine the wider picture, putting the recycling industry in context for the world of today and tomorrow.

Never was this more evident than at the BIR's 2011 spring convention in Singapore when **Jim Rogers** accepted an invitation to address the Ferrous Division meeting. In financial circles, Mr Rogers is an undoubted legend: an investor, commentator, author and commodities visionary, he was co-founder along with George Soros of the Quantum Fund.

His presentation provided not only positive predictions for the future of the recycling industry but also a whistle-stop tour of potential mega-trends for the coming years. With the supply of all raw materials in decline at a time when 3bn of the world's population is significantly increasing its consumption, logic suggests that commodity prices will be trending upwards. And given their pivotal role in the resource cycle, recyclers will benefit from this trend through being "in the right place at the right time", he said.

But Mr Rogers also warned that "setbacks" would be encountered along the way and that recyclers should remain alert for signs of change in the marketplace. He also offered the following markers for the future: India will struggle to grow in a dynamic manner, not least because of its high level of bureaucracy; South America and South Africa will enjoy

healthy medium-term futures owing to their wealth of natural resources; energy prices will become generally much higher; and currency "turmoil" will become ever greater.

Also at the Singapore convention, the BIR General Assembly was illuminated by the insights of **Haiyan Wang**, Adjunct Professor of Strategy at INSEAD and Managing Partner of the China India Institute. She contended that the world's leading emerging economies are "gathering bulk" and that the next decade will bring more structural change on a global level than in any similar period over the previous two centuries.

Her presentation was punctuated with a succession of thought-provoking projections: by 2025, she suggested, the Asia-Pacific region is likely to be responsible for around 40% of world GDP, adding that China's GDP alone could be equal to that of the USA by that same year – and potentially twice its size by the year 2050. She also expressed the view that China should shift more of its emphasis to domestic consumption because the 25% annual growth in its exports over the last 10 years is unsustainable politically and economically.



But in addition to covering broad-brush trends, the speaker had some specific advice for her recycling audience, arguing that business success in either China or India depended on adopting a customerfocused approach rather than simply on chasing market share. Top firms had already committed themselves to this process, she added, by basing some of their leading decision-making executives in these countries.

Such speeches reflect the BIR's understanding of the value of a vibrant and varied speaker programme, and it will continue to endeavour – in 2012 and beyond – to schedule presentations that are not only of supreme interest to recyclers but also help them in the effective running of their businesses.







JIM ROGERS

"The BIR has built a reputation for attracting indisputably 'top drawer' presentations of direct relevance to a recycling industry audience."

STAINLESS STEEL & SPECIAL ALLOYS COMMITTEE



In most parts of the world, 2011 turned out to be a year of largely unfulfilled promise for the stainless steel industry. Towards the end of its first half, experts were forecasting substantially higher world crude production for the year as a whole following strong activity in the early months...

MICHAEL G. WRIGHT, CHAIRMAN OF THE STAINLESS STEEL & SPECIAL ALLOYS COMMITTEE

...But in the end, the final total of 33m tonnes represented an increase over 2010 of approximately 4%, with austenitic grades increasing their share of the stainless market to 60%.

It is still well worth remembering that, a decade earlier, world stainless steel production was still below 19m tonnes.

The growth in stainless production last year was far from global, with most of the increase coming courtesy of a prodigious 15% hike in China's output, meaning that the Asian giant was responsible for around half of the planet's stainless steel production. Equally impressive was the fact that China produced last year some 220,000 tonnes of nickel pig iron (NPI), its preferred source of nickel units for the production of stainless. Only six years earlier in 2005, the same country had yet to develop a single tonne of NPI production. In that relatively short period of time, NPI has become a major factor in the global market and one which must be monitored carefully as variations in its production patterns can have a significant impact on scrap demand and movements.

---- "The growth in stainless production last year was far from global, with most of the increase coming courtesy of a prodigious 15% hike in China's output."

For the global stainless steel industry, the more difficult second half to 2011 did not come as a surprise to analysts; even at the year's mid-point, and with world economic worries intensifying, talk was already turning to disappointing forward order books for producers and a consequent short-termist approach to buying scrap. The pick-up



Scrap accounted for approximately 42% of the nickel used in global stainless production last year.

in demand anticipated for stainless steel products following the conclusion of summer holidays in the West fell short of expectations, prompting mills to indulge in yet more "handto-mouth" buying and to look to minimise their inventories before the year-end.

Mill purchasing departments carried this same short-term buying approach into 2012, with the result that volatility and unpredictability attended scrap demand patterns. Nevertheless, we entered this year with high hopes for the first quarter at least.

It goes almost without saying that volatility again engulfed nickel prices last year, its LME value peaking in the first quarter at around US\$ 28,000 per tonne before closing out 2011 on US\$ 18,000. On entering 2012, there was nothing to suggest that this year would bring any fewer spikes and troughs on the nickel price charts.

Scrap accounted for approximately 42% of the nickel used in global stainless production last year. According to Heinz H. Pariser Alloy Metals & Steel Market Research, stainless scrap availability increased by an estimated 3.7% last year to 8.2m tonnes and could conceivably climb 7.5% to almost 8.8m tonnes in 2012. Scrap usage, meanwhile, is expected to approach 9m tonnes this year.

And of course, I cannot conclude without mentioning that, whatever 2012 brings in business terms, it will still be a stand-out

year for the stainless steel industry, marking as it does exactly 100 years since this revolutionary corrosion-resistant material was first created, patented and produced. With its low carbon footprint and its 100% recyclability, a product whose origins can be traced back to the early 20th century remains crucial to so many aspects of life in the 21st century.

KEY FACTS

Estimated world stainless scrap availability in 2011: +3.7% to 8.2m tonnes.

Global stainless steel production in 2011: +4% at 33m tonnes.

PLASTICS COMMITTEE



I have never made any secret of the fact that I am an unashamed fan of the recycling industry – and not just because of the environmental boost it brings to our planet and the people living on it...

SURENDRA BORAD, CHAIRMAN OF THE PLASTICS COMMITTEE

... Our industry also has a hugely beneficial economic and social impact which we should celebrate at every opportunity.

Earlier this year, our friends at the Institute of Scrap Recycling Industries in the USA commissioned research aimed at highlighting these other less-publicised pluses derived from having a burgeoning recycling industry. This concluded that, in America alone, the economic contribution of the scrap industry in 2011 would fall not far short of US\$ 100bn.

This is an impressive figure in its own right, but it set me thinking about the economic impact of the recycling industry at a global level. I suggested at the BIR autumn convention in Munich that the figure must be approaching US\$ 500bn – or, in effect, half a trillion dollars per year. I also calculated that as many as 20m people worldwide devote their working lives to the recycling industry.

The more I think about both these estimates, the more I believe them to be conservative. But no matter what the actual figures, we can say with well-merited pride and absolute certainty that the recycling industry makes an enormous contribution to global wellbeing. And the wider understanding of our invaluable role grows with every year: there is now tremendous awareness among the general public about the need for plastics recycling as opposed to landfilling. Turning to developments within our markets during the course of 2011, we witnessed generally stable prices for scrap despite large fluctuations in prime plastics values, thus illustrating that demand is inelastic to price in the short term. There was increasing trade in regrind and reprocessed plastics materials, and it was also a year for which we can say that converters demonstrated once again how accustomed they have become to scrap input.

As with any vibrant industry, plastic recycling is undergoing constant evolution as, for example, scrap emerges from new sources such as waste electrical and electronic equipment, or WEEE. This is one of the reasons why the BIR Plastics Committee took the decision to devote a large proportion of its plenary meeting in Munich last October to a discussion of WEEE.

As many as **20m** people worldwide work in the recycling industry. ---- "There is now tremendous awareness among the general public about the need for plastics recycling as opposed to landfilling."

But even as sources of plastics scrap continue to multiply, it should also be noted that the availability for trade grows ever scarcer as recycling becomes an increasingly localised business. International trade in plastics scrap continues to be hampered by illogicality among law-makers; India, for example, does not encourage imports of plastics scrap while some elements within Europe would prefer to restrict exports – even though the continent's processing capacity is well short of that required to recycle the total generated within its borders.

The honourable cause of international trade would be defended at least in part if EU end-of-waste criteria – already agreed for iron, steel and aluminium scrap, and well advanced for copper and recovered paper – were to be devised too for plastics scrap. If goods satisfying stipulated criteria were deemed to be raw materials rather than waste, shipments to some of our key export markets could then be completed

without notification. Such a move towards end-of-waste would not only improve trading opportunities but also enhance – and deservedly so – the reputation of our industry.

KEY FACTS

China's plastics scrap imports: 9.4m tonnes in 2010 from a total of 113 countries/zones.

14m tonnes of plastics scrap traded worldwide on an annual basis.

TYRES COMMITTEE



In less than two decades, tyre recycling in Europe has undergone an almost unbelievable transformation, with 78% of recovered tyres now put to good use either in new products or as fuel...

BAREND TEN BRUGGENCATE, CHAIRMAN OF THE TYRES COMMITTEE

... Taken from the 2011 edition of the European Tyre & Rubber Manufacturers' Association (ETRMA) statistical review, the headline figures say it all: back in 1994, a mere 17% of Europe's end-of-life tyres (ELTs) were subjected to either material or energy recovery while 62% ended up in landfills. In the intervening years, the tables have been completely turned: material and energy recovery accounted for, respectively, 40% and 38% of used tyres in 2010 while the proportion dumped in landfills - or whose final destination was termed "unknown" dwindled to 4%. In market percentage terms, retreading has decreased over these same years while reuse and export of part-worn tyres have remained virtually unchanged.

As recently as 2004, just 28% of ELTs in Europe were sent for materials recovery and 31% for energy recovery; this means that, over the ensuing six years, there was a spectacular increase of almost 40% in the actual volumes of ELTs that were entrusted to either material or energy recovery operations. The ETRMA review also reveals that, in the EU-27 plus Norway and Switzerland, the ELT recovery rate in 2010 matched the 2009 performance of 95%. But in 2010, it should be noted, recovered volumes increased to keep pace with higher arisings. So while arisings were climbing from 2.621m tonnes in 2009 to 2.699m tonnes the following year, recovered ELTs jumped to 2.563m tonnes in 2010 from 2.494m tonnes in the previous 12 months.

The overall recovery rate for Europe continues to compare favourably with those achieved in other developed regions of the world. For example, the most recent figures for the USA and Japan are around the 90% mark in both cases.

Perhaps most encouraging of all for the sustainability of used tyre recycling in Europe has been the solid - and wide - platform of product development on which this recycling growth has been built. The ETRMA report confirms that, in 2010, 82% of the ELTs subjected to material recovery were reborn in product applications such as: flooring for sports fields and children's play areas; paving blocks; roofing materials; and dock fenders. The remaining 18% was used in civil engineering and public works, serving as road/ rail foundations, embankment stabilisers, draining material and erosion barriers. In all product applications, this amounted to a massive 1.315m tonnes of ELTs.

"The infrastructure built around tyre recycling in Europe grows sturdier with every passing year."

And of the additional 1.248m tonnes utilised in Europe for energy recovery in 2010, 92% was used by cement kilns and the other 8% went into power plants/co-incineration with other waste, according to the ETRMA.

The infrastructure built around tyre recycling in Europe grows sturdier with every passing year as markets continue to be developed and ELT management companies become ever more established. But with recovery rates already nearing 100%, there are still ways to build on what has already been achieved, notably through developing precise quality standards for ELT-derived shred, crumb and powder so that buyers can have confidence in the uniformity of these materials.

40% of Europe's end-of-life tyres were subjected to either material or energy recovery.



KEY FACTS

Tyres recovered in the EU-27 plus Norway and Switzerland: 2.494m tonnes in 2009 and 2.563m tonnes in 2010

Europe's tyre recovery rate in 2010: 95%

Tonnages of ELTs sent either for material or energy recovery in Europe expanded almost 40% between 2004 and 2010

INTERNATIONAL ENVIRONMENT COUNCIL



And so 2011 proved to be the year when, finally, the recycling industry in Europe won formal recognition of the fact that its operations can lead to the transformation of a waste into a product...

OLIVIER FRANÇOIS, CHAIRMAN OF THE INTERNATIONAL ENVIRONMENT COUNCIL

... End-of-waste criteria were agreed in the EU last year for iron/steel and aluminium scrap and, at the time of writing, certain forms of copper scrap, glass cullet and sorted paper appear likely to follow to a successful conclusion at some point during 2012.

This end-of-waste breakthrough is a palpable acknowledgement of the essential link in the resource value chain provided by the scrap industry and it undoubtedly goes a long way towards disposing of the misconception that scrap companies simply take "waste" in and send "waste" out; in other words, scrap companies add value by recycling waste into quality-controlled products. But on a more practical level, it is also envisaged that the introduction of end-of-waste criteria will reduce the financial burden on recyclers.

Implementation of a quality management system is integral to these criteria. In April last year, the BIR published its **"Tools for Quality Management"** – the first system of its type to incorporate end-of-waste procedures complementary to the EU Council Regulation (EU) No 333/2011. Besides the procedures tailored for EU companies, this ground-breaking document provides all the necessary information to help recycling companies globally to implement an ISO Quality Management System.

The annex to this same guide incorporates advice for metals recyclers on radioactivity

monitoring – an issue considered in depth at our meeting last October. In Munich, the focus fell on efforts to create an International Atomic Energy Agency "Code of Conduct on the Transboundary Movement of Scrap Metal and Semi-Finished Products of the Metal Recycling Industries" aimed at: protecting people, property and the environment against ionising radiation arising from radioactive material that may inadvertently be incorporated into scrap and semis; and harmonising the approach of states to the discovery and safe handling of such material.

The BIR has been playing its part in these discussions as it recognises that the recycling industry has a pivotal role in enabling regulators to regain their control over lost, misplaced or stolen radioactive sources that turn up inadvertently in scrap. To raise awareness, the BIR has freely distributed (and made available on its website) educational posters in more than 10 languages giving advice on the visual identification and detection of unwanted radioactive material.

Unfortunately, the authorities have sometimes punished metals recyclers when they have reported an orphan source being discovered at their scrap processing facilities – even though the recycler clearly was not the originator or owner of the radioactive item. That is not a good policy. The preferred approach, surely, is: to prevent exposure

---- "This end-of-waste breakthrough is a palpable acknowledgement of the essential link in the resource value chain provided by the scrap industry."

"Scrap companies add value by recycling waste into quality-controlled products."

of the general public, scrap yard workers and facilities to radiation by ensuring the authorities maintain control over radioactive material so it is not lost, misplaced or stolen in the first instance; and in instances where regulators have lost control or never had control of radioactive material, to encourage reporting by not punishing the finder.

The long-awaited emergence of end-of-waste criteria in Europe also enhances the scrap industry's profile as a solver of environmental problems rather than as a problem in itself. And a further elevation of the status of recyclers and recycling took place in October last year when the UNEP Basel convention acknowledged that some trade in materials designated as "wastes" was indeed legitimate and useful. Previously, the convention's focus had been solely on controlling and inhibiting "waste" transactions. Also at Basel convention level, the Partnership for Action on Computing Equipment gained even more in stature last year as a platform for work on the management of used devices of this nature. Once again, it has been recognised that BIR experts' input is essential for devising practical guidelines when matters directly related to its members' day-to-day activities are under discussion at world level.

INTERNATIONAL TRADE COUNCIL



It's been another busy year for the International Trade Council! As our membership continues to grow in number and variety, so does the work of the ITC in protecting the interests of that increasing membership...

ROBERT VOSS, CHAIRMAN OF THE INTERNATIONAL TRADE COUNCIL

...Protectionist measures in various guises have still been high on the ITC's agenda and it is increasingly necessary to react with speed and accuracy against any proposed controls which could prohibit the free trade of our vital secondary raw materials around the world.

As such, numerous responses have been made to possible implementation of controls and restrictions around the world – for example, in Asia and Africa – while also counteracting the threat in other areas, including Europe and the USA. These measures take various forms and it is our

"It is increasingly necessary to react with speed and accuracy against any proposed controls which could prohibit the free trade of our vital secondary raw materials around the world." duty to ensure duties, tariffs, taxes, bans and other forms of restriction – often disguised as controls against theft or to alleviate environmental concerns – do not adversely affect our members.

Last May's ITC workshop in Singapore on shipping and logistics was well-received, and our three presentations from APL, SGS and Brian Cave gave a good insight into the problems of shipping, inspection and general importation and customs procedures, particularly in Asia.

Once again, in conjunction with other committees, legislation in China, India and other parts of Asia has been continually monitored by Brian Cave International, with whom the ITC maintains a close liaison.

A short workshop on arbitration was held at BIR's autumn convention in Munich last October – a subject which took up a considerable amount of the ITC's time and effort during 2011. I am pleased that we have now cleared the final hurdle, together with lawyers Bird & Bird, to produce for our members an effective, efficient and up-todate arbitration service tailor-made to BIR's requirements – unfortunately so necessary in today's international trading environment.



"We have now cleared the final hurdle, together with lawyers Bird & Bird, to produce for our members an effective, efficient and up-to-date arbitration service tailor-made to BIR's requirements."

The on-going need for updated information and data continues to be of prime Importance. The ITC strives to ensure that the latest information is available to our members to enable us to be as proactive as possible.

The ITC was involved in a number of other issues during 2011, two of which seem to be mentioned on a daily basis in the press around the world – theft and fraud.

These topics will be tackled at our workshop in Rome during the BIR's 2012 spring convention. There have been numerous instances of fraud being perpetrated throughout our industry, often on a very large scale and at considerable cost to a large number of our members. The same could be said of theft, as our members are regularly the innocent victims of a problem which is becoming more organised and serious by the day. The workshop in Rome will look at all aspects of these two issues, the effect on our members and how they might look to protect themselves in the future.

Whilst our work continues to grow day by day, I am delighted to be surrounded by a number of hard-working and effective colleagues on the ITC, and my thanks go to them and particularly to the BIR's Director General and the entire team in Brussels for their continued hard work.

I repeat my summary from previous reports: our aim remains the same – to ensure free and easy flow of our goods worldwide and the best possible trading conditions for all our members in all commodities, all around the world.

AN ARBITRATION SERVICE FOR THE 21st CENTURY

Trade organisations – like the businesses they represent – must move with the times and adapt to ever-changing demands...

... The BIR is no exception to this rule: since its inception in 1948, the world recycling federation has undergone a steady, measured evolution; it has developed its structure and its services to match the needs of an industry that, also, is in a state of constant transformation.

In this context, one of the most recent projects undertaken by the BIR has concerned the upgrading of its arbitration and conciliation service to reflect the sea-change in trading patterns. In recent years, the world organisation has been attracting ever more members, drawn from all four corners of the earth; the result has been increasing volumes of trade involving members.

"The BIR recognised the need for an effective dispute resolution capability tailored to the requirements of the world recycling industry of the 21st century." And yet despite an upturn in the number of requests for arbitration, the BIR had been dealing with a relatively small workload in this regard.

The BIR recognised the need for an effective dispute resolution capability tailored to the requirements of the world recycling industry of the 21st century. The revamp of the BIR arbitration service, conducted with the assistance of international law firm Bird & Bird LLP, was no cosmetic exercise: it involved a considerable collaborative effort as it adopted a top-to-bottom review of the existing set-up and ensured the incorporation of all the vital components of what a modern service should offer. In the past, for example, some parties engaged in a dispute declined to submit to the arbitration process; but, under the new system, it is suggested that parties who are members of BIR should include a clause in their contracts which binds both parties to accept BIR arbitration in the case of a dispute.

A guiding principle of the revamp was to devise a service that enables companies engaged in a dispute to sidestep the generally time-consuming and expensive option of court proceedings in favour of an arbitration service which adheres to strict timelines – in other words, a dispute resolution process that operates "in accordance with the rhythm of business". A speedy outcome can be particularly important in a recycling industry context because, for example, of the extreme volatility of prices in some of its sectors. The tailored nature of the service is reflected also in the fact that arbitrators in a case – of which there can be one or three – will boast substantial practical experience in the relevant recycling industry field. This facet is designed to establish confidence in the process, reflecting the widely-held belief that nobody knows or understands the recycling industry better than those who work within it on a daily basis.

The experts involved in upgrading the arbitration service have also acknowledged the importance attached to confidentiality in dispute resolution and have created appropriate safeguards. The overall result is a service which is both modern and mindful of the specific needs of its prospective users. At the same time, it packs the necessary punch since the award of a tribunal is final and not subject to appeal.

Hopefully, most members will never find themselves in a position to appreciate the efficacy of BIR arbitration at first hand. But if they do find themselves in dispute, they can have confidence that the upgraded service is perfectly attuned to their requirements.





SPECIAL COMMITTEES

The BIR Special Committees deal with organisational and administrative matters concerning the general structure of the organisation.



CONVENTION COMMITTEE



Another year has passed seemingly faster than the previous year. It seems more is being crammed into the same number of seconds, and this is certainly the case when it comes to BIR conventions: the programme is becoming more crowded and the BIR's secretariat, divisions and committees are under increasing pressure as a result...

MARK SELLIER, CHAIRMAN OF THE CONVENTION COMMITTEE

...Many thanks to everyone who played a part in the success of the BIR's 2011 conventions in Singapore and Munich. And to the divisional Presidents and special committee Chairmen, I extend my thanks for your invaluable contributions to the conventions. We have had more presentations, workshops and meetings than ever before as a result of your efforts: the quality of the speakers, as well as the importance and relevance of the subject matter, is unrivalled. The bar has definitely been raised. Despite difficult economic conditions, BIR conventions are still seen as an effective place to advertise and build brand value. Many companies have taken advantage of this and provided generous support through event, room or item sponsorship. We are pleased to have created the "win/ win" scenario whereby they have been able to benefit from considerable exposure and BIR has been able to provide more for its members and convention attendees as a result. We thank you for your support.

 "Despite difficult economic conditions, BIR conventions are still seen as an effective place to advertise and build brand value." What a fantastic destination and convention hotel Singapore and the Shangri-la provided! With a near-record attendance of over 1200 delegates excluding accompanying persons, Singapore is near the top of the list in terms of convention successes.

In October, Munich recorded the highestever number of attendees for an autumn convention with more than 1200 delegates and accompanying persons. In addition, the number of programme items was a record for an autumn convention. Close to 25% of attendees are Young Traders under the age of 35, and the impact of this group's size and needs also adds to the pressure of a crowded convention programme. Where do we put their workshops, plant visits and networking evenings so they don't clash with other items?

Looking ahead, the Convention Committee is considering adding one more day to the spring convention in order to make room for the ever-increasing number of speakers, workshops, networking sessions, etc. As our organisation expands and the world of recycling continues to evolve, the number of issues will undoubtedly increase, giving rise to the need for more time at conventions.

In May, we will meet in Rome while our autumn convention sees us return to Barcelona for the second time in less than 10 years. This is a function of our growth as the number of hotels providing the quality to make a successful convention is increasingly limited.

We will meet in Shanghai in May 2013, and although our previous convention in China was challenging in many organisational elements, the Convention Committee feels that this is an important market across all sectors of recycling. For October 2013, we have booked the Warsaw Marriott Hotel where we met in 2007.

BIR recognises the growing significance of the South American economies and their contribution to all areas of the recycling sector; therefore, the Convention Committee has proposed a convention in Miami for May 2014 with a focus on South America. We will ask all divisions and committees to focus on arranging speakers, topics and workshops specifically on South America.

India is still very much in our plans and we hope to turn those plans into reality by 2015.

Thank you to all delegates that attended last year's conventions. To those of you who did not – you missed out, but we hope to see you in the future!

— "As our organisation expands and the world of recycling continues to evolve, the number of issues will undoubtedly increase, giving rise to the need for more time at conventions."

COMMUNICATIONS COMMITTEE



Last year, Andy Wahl of Newell Recycling USA decided to step down as Chairman of the Communications Committee. When looking back at his term in office, he felt that a lot of things had been achieved, such as the new BIR website, the new branding of the organization and their conventions, improved media work, etc. ...

KAMIEL VAN WIJK, CHAIRMAN OF THE COMMUNICATIONS COMMITTEE

...It goes without saying that Andy has been a great asset to the organization and we are glad he remains active within BIR. But after eight years chairing this committee, he decided it was time for new blood! And that's where I come in....

I work for Uzimet BV in the Netherlands and have been a member of the Young Traders Committee for a few years, becoming its Vice Chairman in 2010. At the same time, I started to represent the Young Traders Group on the Communications Committee. Then, I was asked to become Andy Wahl's successor, a very big honour. I chaired my first meeting in Munich last year. I am 34 years old and the proud father of two kids.

In early 2011, we undertook a Metal Bulletin advertisement campaign to profile BIR as the "truly global recycling network" that offers its members the possibility of finding "reliable business partners", and to promote BIR conventions as the "global recycling business platform". The three ads were run in consecutive editions at the end of March and the beginning of April. The overall design was very similar to create a recognition effect; however, the actual imagery and, more importantly, the individual messages were all different but created a harmonized story-line.

BIR also developed a new concept for its Annual Report by making the key figures of the recycling industry and the organization more visible. Also, new sections were added: membership facts & figures; a calendar summarizing the most important issues and events throughout the year; and two case studies highlighting key BIR innovations and successes.

At the conventions, we had an excellent list of guest speakers, a copper symposium, a special printed version of the 100th edition of the Non-Ferrous Metals World Mirror, a workshop on arbitration, as well as quality management tools and other printed material to help towards the success of these events.

With the help of a PR agency, we are increasing our contacts with the general media in order to promote more widely the image of the international recycling industry. At the same time, we continue to maintain an excellent relationship with the international trade press, which is always present in high numbers during our conventions. In 2011, we issued a total of 35 press releases which were widely published across the globe.

The second edition of our world commodity survey was launched during a special autumn convention press conference by Professor Philippe Chalmin of the Paris-Dauphine University. In "World Markets for Recovered and Recycled Commodities 2011 – the End of the Waste Era", Professor Chalmin highlights the growing volatility of commodity markets, with a special focus on ferrous and nonferrous metals, recovered paper and textiles.

Also at the Munich convention, the first edition of the Young Traders Gazette came out, produced by members of the Young Traders Group and its Chairman Paul Coyte with the support of the Communications Committee. The Gazette gives inside



information about what the Young Traders organization stands for, with current and former members telling their stories. It shows everyone how the younger people in our industry can get involved with the biggest recycling organization in the world.

This report tells just some of what happened in 2011. Changes also occurred within the BIR office as we said goodbye to longstanding PR assistant Ute Fuchs. We wish her all the best for the future. She was replaced by Michèle Noukam who I'm sure will be a big asset to our organization. Together with a great group of committee members, who as volunteers put in hours and hours of their time, I'm sure we will make 2012 a success! ---- "We are increasing our contacts with the general media in order to promote more widely the image of the international recycling industry."



MEMBERSHIP COMMITTEE



The uncertainty of both economic and political conditions regrettably remained on-going, dominant features of 2011; thus, enduring trading party relationships with those able to provide continuity of the raw material supply chain and having fiscal stability were among the highest priorities of our membership...

MICHAEL LION, CHAIRMAN OF THE MEMBERSHIP COMMITTEE

...The Membership Committee always seeks to combine forging new and worldwide additions to its membership roster with rigorously examining each application to ensure such aspirants are wholly committed to adhering to the high standards and ethical requirements that are a key feature of the organization's rules and regulations and membership obligations.



While as exacting as such vetting is, it is neither practical nor realistic to anticipate such measures can ever be an allencompassing guarantee of individual performance, but it is the overwhelming observance and commitment of our members themselves to the highest standards that is one of many reasons why our organization is regarded as the leading voice of international global recycling both by its participants and by governmental, supra- governmental and leading regulatory bodies worldwide.

The membership's truly global composition this year saw 116 new members added to our roster, amounting to a total of 860 with that membership comprised of those from 72 nations around the world. Such statistics emphatically underscore the increasingly worldwide composition of our organization. The growth of our membership footprint from our initial base in Europe in our formative

"It is the overwhelming observance and commitment of our members themselves to the highest standards that is one of many reasons why our organization is regarded as the leading voice of international global recycling."



---- "The growth of our membership footprint from our initial base in Europe in our formative years to the four corners of the globe today has truly underscored our universal membership representation."

years to the four corners of the globe today has truly underscored our universal membership representation, and consequent imprimatur as the global international recycling industry authority.

Maintaining sensitivity to the transformational and evolving nature of our industry and the consequent needs of our membership in this context is a continuous priority of our membership programmes; and while maintaining a constant vigilance in this regard, we recognize the high priority of re-enforcing and invigorating those aspects and features already so highly valued by our members as essential elements.

Among the most highly-prized of those services are: networking opportunities, the most valuable of which are our twice-yearly conventions, located to reflect both the regional relevance and global diversity of our membership; trade and regulatory interaction and engagement; as well as and where required arbitration services and mediation.

It is evident that both the variety and range of our significant membership benefits have enticed the on-going interest of new applicants for BIR membership as well as sustaining our existing roster of members.

The potential for engaging with the leading global players in the international recycling industries, whether it be via our bi-annual meetings that provide truly unrivalled potential encounters and interaction with industry counterparts and consequent international connections; the chance to share new technical research and industry data, and identify the many new international commercial and legislative developments impacting our industry; or ultimately participating in the work of the organizations through divisional and special committee contributions - the opportunities of BIR membership are encouraging a bounty of new companies to join our ranks and expand the truly global reach and constitution of our organization.

A plethora of other programmes, including multi-national company memberships, partner memberships, and the membership Toolkit, continue to provide, along with modifications of these, further new initiatives that are presently emerging for an exciting challenge for the year ahead.

GUEST SPEAKERS AT BIR EVENTS IN 2011

SINGAPORE, 23-25 MAY 2011

Stainless Steel & Special Alloys Committee

- Dmitry Kuznetsov, Chief Analyst of the Market Analysis Department, Norilsk Nickel (Russia)
- Markus A. Moll, Managing Director and Senior Market Analyst, SMR – Steel & Metals Market Research (Austria)

Ferrous Division

 Jim Rogers, Financial Commentator (Singapore)

Shredder Committee

- Olivier François, Galloometal/ AD REM
- Dr Uwe Habich, CTO, STEINERT Elektromagnetbau (Germany)
- Jörg Schunicht, Business Development Manager, TITECH (Germany)

International Trade Council

- **Tony Kerr**, Senior Director, Bryan Cave International Trade (Singapore)
- Caroline Quint, Commercial and Business Development Director, SGS (Switzerland)
- Siew Loong Wong, Vice President, Asia-Europe Trade, APL (Singapore)

BIR Symposium "Copper – the New Gold?

- Glenn Gross, CEO, Wimco Metals (USA)
- Adam Minter, Trade Journalist (China)
- Carlos Risopatron, Head of Environment and Economics, International Copper Study Group (Portugal)
- Christian Schirmeister, Executive Director at JP Morgan, and Chair of the LME
- Copper Committee (Great Britain) — Miguel Garcia, General Manager, La Farga Lacambra (Spain)
- Alejandro Jaramillo, Sales Manager, Recicladora Cachanilla (Mexico)

Annual General Assembly

 Haiyan Wang, Adjunct Professor of Strategy, INSEAD, and Managing Partner, China India Institute (USA)

International Environment Council

- Andrew Tan, CEO, National Environment Agency (Singapore)
- Hongchang Ma, Deputy Secretary General, China Nonferrous Metals Industry Association Recycling Metal Branch (China)

Paper Division

- Jogarao Bhamidipati, Head of Procurement and Logistics, ITC (India)
- Susanna Agus, Purchasing Manager, PT.
 Indah Kiat Pulp & Paper (Indonesia)
- Iris Tan, Director, Likok Group of Companies (Singapore)

Plastics Committee

 Kian Seah, Director, Heng Hiap Industries (Malaysia)

Textiles Division

 — Osamu Shoji, President, Shoji & Co. (Japan)

MUNICH, 24-25 OCTOBER 2011

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- Kilian Hochrein, Environmental Affairs, W.L Gore & Assoc. GmbH (Germany)

Plastics Committee

- Tilman Baehr, Hamburg Ministry of Urban Development and Environment (Germany)
- Dr. Rainer Koehnlechner, Managing Director, Hamos GmbH (Germany)

Non-Ferrous Metals Division

- John Woehlke, General Manager, Evermore Recycling
- Michael J. Jansen, Managing Director and Head of Metals Research, JP Morgan (UK)
- David Wilson, Director Metals Research, Société Générale (UK)

Stainless Steel & Special Alloys Committee

- Sven Tollin, Chief Statistician, INSG

Workshop on Arbitration

 Benoit Van Asbroeck, Attorney at Law, Bird & Bird LLP (Belgium)

International Environment Council

- Dr. Katharina Kummer Peiry, Executive Secretary, UNEP/Secretariat of the Basel convention
- Alvaro Rodriguez de Sanabria, FER

Ferrous Division

- Prof. Dr. Karl-Ulrich Köhler, Tata Steel Europe Ltd (The Netherlands); Vice-President, EUROFER; Member of the Board & CEO, World Steel
- Stefan Schilbe, Chief Economist, HSBC Trinkaus & Burkhardt AG (Germany)

Paper Division

 Dr. Wilhelm Demharter, Head of Environmental Projects, UPM GmbH (Germany)

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BIR – REPRESENTING THE FUTURE LEADING RAW MATERIAL SUPPLIERS

Bureau of International Recycling aisbl Avenue Franklin Roosevelt 24 1050 Brussels Belgium

T. +32 2 627 57 70 F. +32 2 627 57 73

bir@bir.org www.bir.org