

ANNUAL REPORT 2018



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WORDS FROM THE **PRESIDENT**

“In the current climate of trade wars, unilateral controls and tougher inspection regimes, it is even more important for BIR to be the world leader, sharing this message with all globally-trading communities and countries.”



Ranjit Singh Baxi
J&H Sales International Ltd (GBR)
BIR President

Our past year was one which brought some notable successes but, of course, the challenges remain. As I have noted elsewhere, I fear only lip-service is being paid to the ever-increasing problem of how we treat end-of-life products, and unless and until there is co-ordination between producers and recyclers, we will not master these challenges.

One of the highlights of the year was the signing of a joint declaration with the United Nations Industrial Development Organization (UNIDO) on June 12 2018 in Vienna, Austria. Together with UNIDO, we have established a close co-operation supporting sustainable recycling practices and better use of resources. BIR and UNIDO are committed to **raising awareness** of the importance of the recycling industries, the **Circular Economy, inclusive sustainable growth** and **potential job creation**.

UNIDO also supported our very successful launch of the Global Recycling Day (GRD) which reached millions of people, including **10.5 million on social media alone**. At the time of writing, we are looking forward to celebrating our second GRD on March 18 this year with our global community across every continent. This initiative has been applauded around the world and we must endeavour to capitalise on the interest it has received not just at government level but right across communities, including among schoolchildren – surely our most important target audience.

Another first in 2018 was the launch of the Global Recycling Foundation in October, born out of the success of that initial GRD. Our mission is to support educational and awareness programmes which focus on the sustainable and inclusive development of recycling around the world.

BIR held two successful Conventions in 2018 in Barcelona and London, celebrating our 70th anniversary at the first of these. I am delighted to say this is **an organisation that continues to grow** as we welcome new members and associations to help us pursue our mission to promote recycling globally.

But, as I have suggested, challenges remain – not least, as I mentioned last year, the difficulties of unilateral regulatory controls and revised quality requirements on imports of recyclables. **The need for free and fair trade of recyclables remains a priority.** In the current climate of trade wars, unilateral controls and tougher inspection regimes, it is even more important for BIR to be the world leader, sharing this message with all globally-trading communities and countries.

This is the last year for which I will be reporting as your President and so I would like to extend **my personal thanks to you all for your support, help, advice and, above all, the friendship** that I have enjoyed so much during my four-year term in office. I will treasure this as my biggest gift from you all.

I would like to end by thanking the Secretariat in Brussels for its most valuable support and excellent contributions that I have enjoyed over the last four years. I wish the team every success in the future.



Tom Bird
Chiho Environmental Group (CHN)
BIR Treasurer

BIR'S FINANCIAL SITUATION

Over recent times, we have grown accustomed to using adjectives such as “difficult” and “challenging” to describe the operating conditions of the previous year. Unfortunately, this trend was to remain unbroken for 2018.

The global economic environment continued to be unstable and, within our own domain, BIR had opted for its **traditionally conservative budget** that nevertheless preserved necessary investments. In the end, thankfully, the year turned out more positively than we had anticipated from a financial perspective thanks to successful Conventions and to membership growth. As a result, we ended our financial year with **a welcome surplus** rather than the budgeted loss.

The state of our finances allows us to continue to offer **our wide range of valuable services** to members – not least through our biannual Conventions. To mark BIR's 70th anniversary, we organised a highly successful Convention in Barcelona and followed this up with another well-attended event in London. The healthy numbers of registered delegates in 2018 confirmed that BIR Conventions remain in a league of their own as meeting points for key decision-makers from the recycling industry worldwide.

BIR maintains sufficient reserves to negotiate all possible headwinds while investing in ambitious projects that are essential if we are to deliver **a truly effective response to all the challenges that the future holds:** a new CRM system, a strong Global Recycling Day campaign, new communications tools. The budget for 2019 takes into account these continuous investments as well as new ones such as a revamp of our BIR website, the window of our association.



“ A requalification of our operations under the Basel Convention would have disastrous effects on our ability to drive our businesses and would result in adverse regulatory burdens. BIR is very active in this domain, together with its national association members.”

DIRECTOR GENERAL'S REPORT



Arnaud Brunet
BIR Director General

Will we ever enjoy a relaxing and smooth year? Have we ever? The life of recycling entrepreneurs and traders is not a cruise and 2018 was a rocky journey, as expected. But at the end of the day, was it so bad?

We must recognise 2018 as the dawn of a new era for the recycling industry with the entry into force in January of China's new import rules previously notified in July 2017, and in March of the country's new quality standards. **These drastic, long-term changes in the scrap import policies of the government of China have had a global impact and have destabilised our world.** The biggest scrap market in the world not only has steadily closed its doors to imports, but also has initiated a deep restructuring of its domestic recycling industry, aiming at concentrating it, at building up the necessary infrastructures with a view to stopping all scrap imports by 2020, and at becoming, in the longer term, self-sufficient and even, someday, a global exporter.

While nearby countries in South East Asia have rapidly become alternative destinations and opportunities for business, they have been quickly overwhelmed by the quantities involved and, in turn, have started to close their doors. In recent months, the situation has become even worse with the effects of the **US/China trade war** and its direct or collateral damage on our industries.

Our markets, our industries, our companies have been heavily impacted. But I must say that I have been impressed by their **incredible resilience and capacity to react and to reorganise.** They have overcome these challenges and are prepared for future ones. And we all agree that “quality” is the way forward and the future for our businesses.

Related to the Chinese ban, plastic has been the centre of attention in the media, with confusion between plastic pollution and trade in recycled plastics. Many media outlets have turned to BIR, its members, experts and Secretariat, and we have spent a lot of our time explaining, educating and demonstrating that recycling of plastic is a solution to a global environmental problem.

Behind the curtains, and far from the media, many other battles have kept the Secretariat busy. All are vital for the future of our industry, such as the ones that are taking place at **OECD and UNEP** level. As an example, one of the major threats we face is the answer to a simple question: “**Who is a recycler?**”

A requalification of our operations under the Basel Convention would have disastrous effects on our ability to drive our businesses and would result in adverse regulatory burdens. BIR is very active in this domain, together with its national association members.

In troubled periods, our members feel the need to meet, not only to enjoy friendly networking but also to understand the trends in our markets and industries. More than ever, in an uncertain and fast-changing economic environment for our industries, **BIR Conventions remain the place to meet**, do business, understand the situation and find solutions.

At our May Convention in Barcelona, we enjoyed an amazing time and event. With an impressive attendance, our industry was able to meet and greet, and all together celebrate **a wonderful 70th BIR anniversary**. The Barcelona Convention was a huge success with more than **900 participants from 62 countries**, as well as 40 speakers and 26 exhibitors.

We also had a very good London Convention in terms of attendance and content, and we were delighted to welcome almost 900 participants from 54 countries, representing 419 companies. In 11 plenary sessions, presentations and panel discussions focused on issues such as **Brexit, the situation in China, the informal recycling sector, trade tariffs** and much more. And at the time of writing this report, we are already preparing for what we expect to be a successful Singapore Convention in May 2019.

Despite the troubled times, BIR is doing well. In 2018, the positive trend seen at the end of 2017 was confirmed. We have stopped the erosion of membership and, when looking at the same situation a year ago, we have gained **more corporate members and two national association members**. At the end of the year, BIR had 764 members, comprising 730 member companies and 34 member associations. We welcomed 93 new members and, despite the departure of some others, we closed the year with a net gain of 33 members.

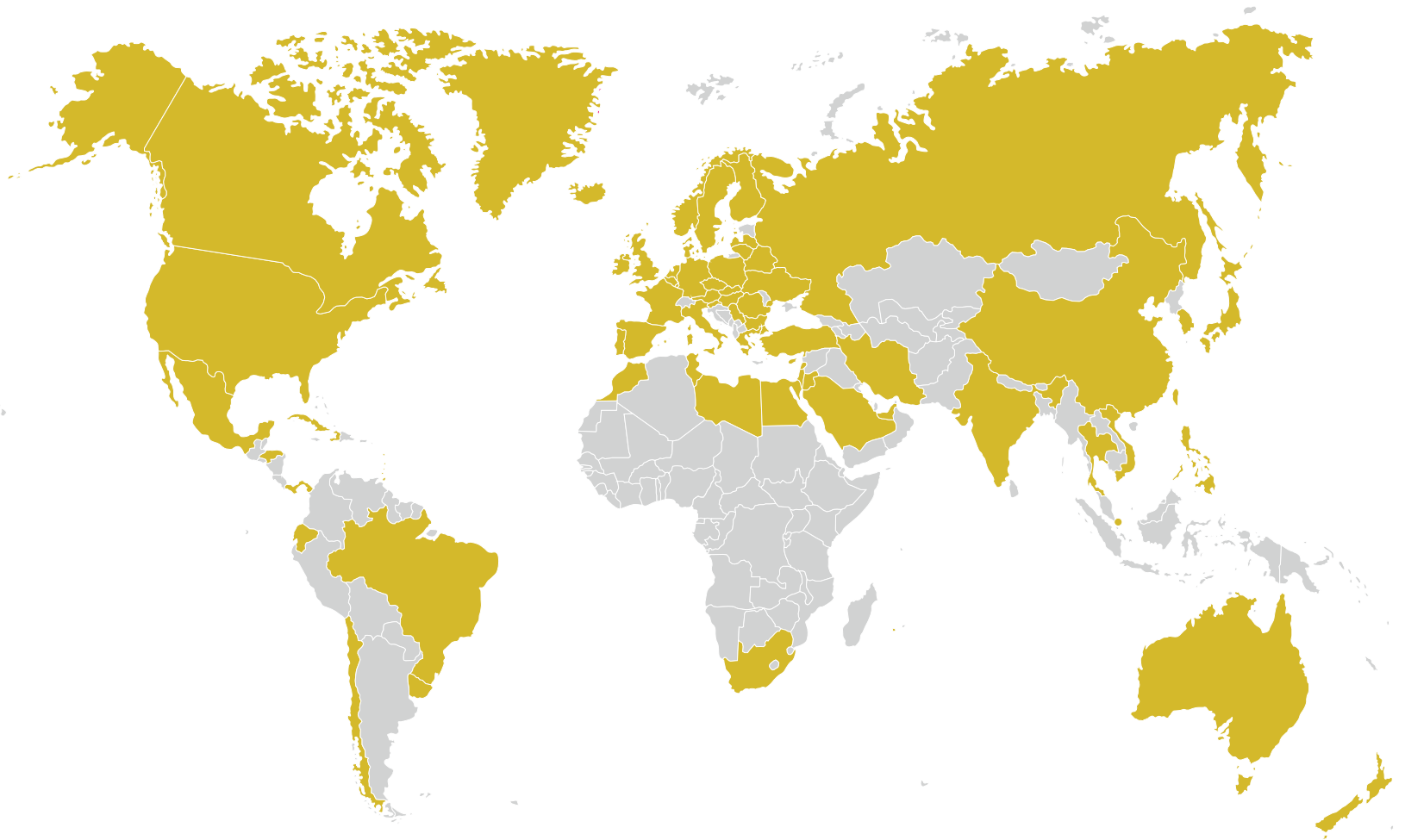
Also, thanks to a shorter payment deadline, most membership dues have been settled much sooner; consequently, the number of pending payments has been cut in half year to year and represents less than 7% of the total.

Finances are good. The expenditures remain very much under control and we expect to generate a welcome surplus whereas our original budget anticipated a loss. The main investment in communications has been the Global Recycling Day (GRD), and the **newly-formed Global Recycling Foundation** will now take on the second edition of the GRD together with BIR. We very much expect a fruitful co-operation with the Foundation regarding the GRD and future exciting projects and studies.

2018 also saw the finalisation of the long-awaited CRM system. The launch took place smoothly in the early days of 2019, and we are now working with the new system to get the best out of it for our members. We are also working hard on the new website, and it's a task we want to take very seriously to achieve a high quality of communication.

We are starting 2019 with a consistent ambition: **doing more and better for our members**. The BIR Secretariat is fully aligned to reach that objective. In my New Year's message, I stressed that the only certainty about 2019 was that it would be, well, unpredictable. But actually, I can predict one thing: you can count on us.

MEMBERSHIP SPREAD 2018



 Countries in which BIR is represented

MEMBERSHIP HIGHLIGHTS

More than **760** BIR Members
all over the World!

50% Increase
within 10 years!

93 New Members in **2018**

34 National
Federations

70 Countries

More than **40%** of members
outside the European Continent

Western Europe

Austria
Belgium
Cyprus
Denmark
Finland
France
Germany
Greece
Italy
Luxembourg
Netherlands
Norway
Portugal
Spain
Sweden
Switzerland
United Kingdom

Russia & Eastern Europe

Belarus
Bulgaria
Czech Republic
Hungary
Latvia
Lithuania
Poland
Romania
Russia
Serbia
Slovak Republic
Slovenia
Ukraine

Asia

Bangladesh
China
India
Iran
Japan
Malaysia
Pakistan
Philippines
Republic of Korea
Singapore
Taiwan (China)
Thailand
Vietnam

Central & South America

Brazil
Chile
Cuba
Ecuador
Haiti
Honduras
Mexico
Trinidad and Tobago
Uruguay

Turkey & Middle East

Bahrain
Israel
Jordan
Lebanon
Libya
Saudi Arabia
Turkey
United Arab Emirates

North America

Canada
Panama
USA

Australia & Pacific Rim

Australia
New Zealand

Africa

Egypt
Morocco
Reunion Island
South Africa
Tunisia

LIST OF BIR **MEMBER FEDERATIONS**

AUSTRIA

Austria Recycling

BELGIUM

COBEREC Textiles

BULGARIA

ARTSHC – Association of Recyclers
and Traders of Second Hand Clothes

BRAZIL

INESFA – Brazilian Association of Iron
and Steel Scrap Companies

CANADA

Canadian Association of Recycling
Industries (CARI)

CHILE

Asociación Nacional de la Industria
del Reciclaje AG (ANIR)

CHINA

China Association of Metal Scrap
Utilization (CAMU)

China Nonferrous Metals Industry
Association Recycling Metal Branch
(CMRA)

China Scrap Plastics Association
(CSPA)

CUBA

Unión de Empresas de Recuperación
de Materias Primas

EUROPE

EUROPEAN RECYCLING
INDUSTRIES' CONFEDERATION
(EuRIC)

FRANCE

Fédération des Entreprises du
Recyclage (FEDEREC)

GERMANY

Bundesvereinigung
Deutscher Stahlrecycling- und
Entsorgungsunternehmen e.V. (BDSV)

Bundesverband Sekundärrohstoffe
und Entsorgung e.V. (BVSE)

Verband Deutscher Metallhändler e.V.
(VDM)

HUNGARY

Hungarian Waste Management
Federation (HOSZ)

INDIA

Electronic Recyclers Association

Inland Importers & Consumers
Association (IICA)

Material Recycling Association of
India (MRAI)

JAPAN

Japan Iron & Steel Recycling Institute
(JISRI)

THE NETHERLANDS

Dutch Waste Management Association (DWMA)

POLAND

Economic Chamber of Non-Ferrous Metals and Recycling (IGMNiR)

Scrap Economy Chamber of Industry and Commerce (IPHGZ)

ROMANIA

Organizația Patronală Și Profesională „REMAT”

SOUTH AFRICA

Metal Recyclers Association 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

TÜDAM Değerlendirilebilir Atık Malzemeler Sanayicileri Derneği

UNITED ARAB EMIRATES

Bureau of Middle East Recycling Inc. (BMR)

UNITED KINGDOM

British Metals Recycling Association (BMRA)

The Recycling Association

Textile Recycling Association

UNITED STATES

Institute of Scrap Recycling Industries, Inc. (ISRI)







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

DIVISIONS AND COMMITTEES



Tom Bird
Chiho Environmental Group (CHN)
Interim President Ferrous Division

Ever-higher levels of steel production around the world created growing demand for our material in 2018, prices of which remained relatively strong throughout the year. However, the year also provided multiple causes for concern in the form of: trade wars; import restrictions and bans; financial woes in key markets such as Turkey; and the fathomless implications of Brexit.

Let's start with the pluses. Last year ended on a largely positive note for our industry in most parts of the world. In Europe, for example, mills' order books were generally strong and scrap prices remained healthy. As the year-end approached, world crude steel production was running 4.7% ahead of that for 2017, with the big hitters of China, the USA and India all recording sharp upturns in output of, respectively, 6.7%, 5.7% and 4.9%. In effect, 2018 was on course to register **another all-time high in global steel output**.

At the same time, many of the world's growth areas for steel production – including the Indian Sub-Continent – were increasingly establishing themselves as go-to destinations for scrap exporters.

Meanwhile, data for the first half of 2018 indicated a 41% surge in steel scrap usage for crude steel production in China. This development was as a direct consequence of the **government's bid to establish stricter pollutant emission controls**, underlining once again the ecological soundness of choosing scrap over alternative sources of raw material. In effect, use of scrap is becoming ever more imprinted on the Chinese steel industry's DNA: the country's basic oxygen furnace mills have upped their scrap ratios to, typically, 20-25% while, at the same time, many new electric arc furnaces have been installed or are in the pipeline, leading to further investments in steel scrap processing machinery such as shredders.

“BIR has waved the flag for free and fair trade throughout its 70-year history, but 2018 was to be a year in which that principle would be challenged on many fronts.”

All this is good news for our industry, but there has been disappointment too in the form of recent confirmation by China that various forms of iron and steel scrap would be **switched from non-restricted to restricted status** for the purposes of imports with effect from July this year. BIR has waved the flag for free and fair trade throughout its 70-year history, but 2018 was to be a year in which that principle would be challenged on many fronts. The current phase of protectionist activity – involving the USA, China and Turkey, among others – impacted the scrap markets by altering flows of material, thus underlining once again **the ability of our scrap industry to adapt to ever-changing circumstances** beyond its control.

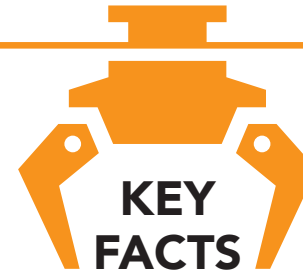
It has become something of a truism to state that our industry’s course through any new year is **difficult to predict because of too many unknowns**. For 2019, these include: the softness or hardness of Brexit and the nature of the relationship that will exist between the UK and EU member states from late-March onwards; the US/China trading relationship, which has recently shown signs of improvement but which still has the potential to undermine our markets; and the US

Federal “shutdown” and other political unknowns that all conspire to create an unsettling environment for businesses.

Discussion of tariffs and other such tools dominated the debate at our two meetings in 2018.

In London last October, Fastmarkets metals analyst Lee Allen argued that the positive steel pricing environment in the USA would persist so long as tariff structures remained in place and that protectionist measures could encourage mills to invest in more modern technology.

Earlier in Barcelona, Jason Schenker of Prestige Economics also reminded us of the need, despite an uncertain economic climate, for **the recycling industry to take full account of technological changes**. He predicted a significant increase in automation within scrap operations, potentially including driverless trucks and scrap-carrying drones. While this may sound fanciful to some, he provided us with a timely reminder that, throughout the course of recent decades, the lion’s share of the recycling industry spoils has invariably been captured by the most agile businesses that were prepared to push innovation to the limit.



According to *worldsteel*, global crude steel production in 2018:

+4.6%
to **1.8086 billion tonnes**

For the first nine months of 2018, steel scrap usage in key countries and regions of the world totalled

345 million tonnes

and equated to

31.2%
of crude steel production





David Chiao
Uni-All Group Ltd (USA)
President Non-Ferrous
Metals Division

We have grown so accustomed to a volatile business environment over recent times that the greater surprise would be to report a year of relative calm. In the event, 2018 followed the pattern of many of its immediate predecessors in giving us choppy market conditions, characterised by generally declining prices and a simultaneous downward drift in trading volumes.

If we take aluminium as an example, the light metal started 2018 above US\$ 2200 per tonne on the LME and climbed to just short of US\$ 2600 by mid-April before leaking value throughout the rest of the year to end at its lowest point below US\$ 1870. **The trajectory for copper was similarly dramatic:** the red metal's LME price oscillated between US\$ 6500 and US\$ 7260 per tonne before nosediving from this high point to below US\$ 6000 in a matter of six weeks during the middle of the year, ultimately dipping as low as US\$ 5822 before closing out 2018 at around US\$ 6000 once again.

To add a further element of disturbance to these **turbulent market conditions**, the non-ferrous scrap sector – like many others – was forced to grapple with the consequences of the US/China trade war, which has had a destabilising effect on all markets while at the same time undermining business confidence around the world.

Of a more direct impact, the Chinese government continued to drive home its policy of tightening scrap import controls. Indeed, one of its final acts of 2018 was to switch eight types of waste and scrap – including copper and aluminium – from its “non-restricted” to its “restricted” list for the purposes of importation. I would stress that **BIR continues to work with China in support of the interests of its membership**, liaising with the CMRA and with the Chinese authorities in a bid to achieve non-ferrous metal category definitions that allow trading paths to remain open wherever possible for our secondary raw materials.

With China seemingly determined to close its borders to most forms of mixed non-ferrous scrap, we must necessarily devote more attention to locating and supporting alternative destination countries.

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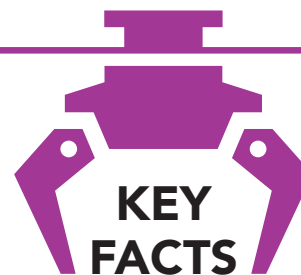
India is often mentioned as a massive market with huge potential to use imported materials but, in 2018, its government limited such opportunities by tightening business lending. Meanwhile, **several countries in South East Asia provided useful homes for some of our materials.** However, we remain mindful of two factors: firstly, none of these nations will ever come close to matching China in terms of the volumes they are capable of consuming; and secondly, many of their governments are following the lead of China by introducing stricter import controls. As I wrote in our Non-Ferrous Metals World Mirror back in May last year: “How many more years will these new markets last before they follow in China’s footsteps if we don’t pay attention to our quality and environmental consciousness?”

These issues were considered in depth during our meeting in Barcelona last May, not only by our guest speakers Josep Berdejo of the La Farga metallurgical group in Spain and Ion Olaeta, President of Spanish recycling association FER, but also during an excellent panel debate in which it was noted that, for example, Thailand had already imposed import bans on certain forms of electronic/plastics scrap and that regulatory changes could be expected elsewhere too.

Another panel debate at our London meeting carried forward this discussion of the Chinese market and potential alternatives. The gathering also provided an opportunity **to assess the market roller-coaster ride triggered by the US-China trade war;** our eminent guest speaker, Edward Meir of Commodity Research Group, dismissed the use of tariffs by both sides as “a very blunt instrument” prone to delivering unintended consequences, such as “chilling” business investment and cancellation of projects.

BIR remains fundamentally opposed to tariffs and similar instruments that stand in the way of **our long-cherished principle of free and fair trade.** Unfortunately, however, they have become an increasingly strong presence in today’s international trading environment.

Indeed, our trade will face ever stronger headwinds in 2019 if the dispute between the USA and China either remains unresolved or, worse still, deepens. The latter weeks of 2018 and early weeks of 2019 have brought a more conciliatory tone to discussions between the two nations, so let us hope a solution can be found that serves all our interests.



LME highs and lows in 2018 (US\$ per tonne)

Aluminium	2597.50	1868
Copper	7261.50	5822
Lead	2682.50	1866.50
Zinc	3617	2285





Mehdi Zerroug
Framimex (FRA)
President Textiles Division

In 2017, the focal point for our Division was that the six countries making up the East African Community were considering an outright ban on imports of used clothes, shoes and other leather products. In 2018, there was a fresh challenge as the Bulgarian Ministry of the Environment & Water proposed a tax or fee on imported second-hand clothing. BIR responded by organising a workshop at our London Convention last October that highlighted the dangers of such a move, including the potential closure of sorting companies in Bulgaria owing to the impact of the associated direct costs on their businesses' already-fragile margins.

Subsequently, BIR Trade & Environment Director Ross Bartley attended a meeting in Sofia to argue that **a tax or fee of this nature would harm domestic consumers**. At the same time, he said, the Bulgarian government would not meet the recycling targets for textiles set down in the revised Waste Framework Directive and damage would be done to the Circular Economy in other EU Member States.

These events clearly illustrate the diligence and flexibility required by BIR to monitor and respond to the broad range of issues emerging around the world that have the potential to affect our day-to-day business activities. As we have learned from experience, **flawed ideas will often spread unless detailed counter-arguments are mounted** by experts in the field. And in the case of textiles recycling, that means us.

Such challenges add to that of running a successful business in often difficult conditions. As we learned in London, much of 2018 was characterised by an excess supply of originals in Western Europe and by an inability among collectors to place all their goods – especially those of lower quality – at sustainable prices. The export market offered some respite but, here too, problems were not hard to find with some of the established African markets, for example, increasingly vulnerable to China's influence.

Despite its importance in social, economic and environmental terms, **our trade cannot escape the impact of macro-economic developments;**

“As we have learned from experience, flawed ideas will often spread unless detailed counter-arguments are mounted by experts in the field. And in the case of textiles recycling, that means us.”

in 2019, therefore, we can expect as yet unknowable repercussions from Brexit. Already, UK collection and sorting companies are struggling to recruit adequate numbers of migrant workers who have helped form the bedrock of the country's textiles recycling sector. Many UK businesses have already halted sorting operations in favour of collecting and exporting unsorted clothing, much of it ending up in Continental Europe.

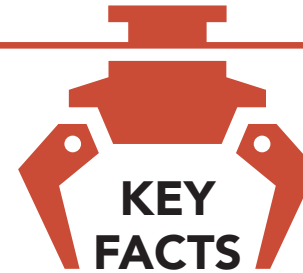
A theme running through all the discussions at our London and Barcelona Conventions last year was **the pre-eminent need to safeguard the quality of collected textiles** so as to protect the hierarchy of material treatment that places reuse firmly at the top. Only in this way can our sector maximise its economic and environmental contribution. At the same time, of course, we must also look for the best ways to derive maximum value from the material for which reuse is not possible.

In this context, our meetings last year provided reassurance that **some excellent research minds are devoting their blue-sky thinking to potential means of boosting textiles recycling**. In Barcelona, Valérie Boiten and Dimitris Moutousidis provided

delegates with an insight into the Resyntex project using industrial symbiosis to produce secondary raw materials from unwearable textile waste.

And in London, David Watson of Denmark-based PlanMiljø APS highlighted research showing that costs can be substantially reduced by combining collections of textiles with those of other dry streams such as paper. He also made another extremely important point: that targeted communication with the public yields better collection results. For example, the Swedish city of Gothenburg undertook well-publicised collections in multi-apartment waste areas with an emphasis on worn-out textiles, leading to a twofold increase in collection rates.

As an industry, **direct communication with members of the public is absolutely essential** if we are to drive home the message that all used textiles – irrespective of wear or quality – can be deposited into a collection system. Such communication is also vital for reinforcing our credentials as the public's expert ally in the push for a sustainable solution to used textiles.



Reuse accounts for
60% of collected
volumes of textiles



scan for more information



Jean-Luc Petithuguenin
Paprec Recyclage (FRA)
President Paper Division

Wouldn't it be so much more convenient if a year in business were as simple as a TV programme or a film script in which all of the threads and issues raised at the start were fully resolved by the time the end was reached? Unfortunately, many of the complex problems that were bedeviling our sector at the dawn of 2018 were still with us as the year drew to a close – with a few more challenges added on top for good measure.

Among many clouds darkening our skies, **China is no longer the massive go-to market for many exporters** following the government's adoption of a far more restrictive import control system. Our panel debate during the BIR Convention in London last October underlined how many details of China's approach remain unclear; at the same time, however, we would be unwise to dismiss the advice of Keith Trower of Viridor Resource Management, who urged us all to "start planning" for the prospect of a Chinese ban on imports of all solid waste by 2020.

Those plans will naturally involve seeking out other potential markets for the material which, in the not-too-distant past, we would have shipped to China with barely a second thought. However, our panel in London also warned that **other Asian countries could not be expected to fill the void left by China** – either individually or collectively. What's more, the scope to expand exports to Asia will be limited by countries adopting fibre import policies similar to those deployed in China. Another key market, Indonesia, has already imposed 100% inspections and other countries have been introducing new controls of their own.

Of course, exporters' plans could also involve ensuring the trading lane with China remains open by **embracing new methods of operation that ensure conformity with the Chinese authorities' exacting requirements**. Taking the UK as an example, a quality control scheme jointly developed by The Recycling Association and CCIC London implements an additional inspection

“Such innovation underlines once again the resilient and proactive nature of the recycling industry, and also its flexibility in the face of constantly changing circumstances.”

regime at depot level, as well as blockchain technology that will be used to provide transparency to all those who need to see the inspection data and export paperwork.

Such innovation underlines once again the resilient and proactive nature of the recycling industry, and also its flexibility in the face of constantly changing circumstances.

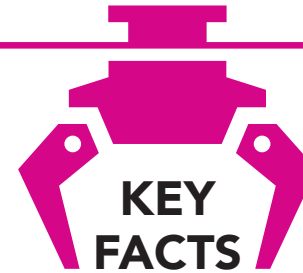
As a side note, it will be interesting to see how 2018 recycling rates around the world will have been affected by developments involving China. For Europe, the European Paper Recycling Council revealed a recycling figure of 72.3% in 2017 versus 72% in 2016. “The Chinese waste import restrictions have had an impact on markets, and **Chinese imports of European paper for recycling have started to decline,**” it stated. But it also added: “This decline is gradually being balanced by **a stronger use of paper for recycling in Europe,** and other countries, due to investments in additional paper recycling capacities.”

At our divisional meeting in Barcelona last May, guest speakers Guillermo Vallés Albar of SAICA and Emiliano Guainella of EMEA Containerboard at International Paper in Spain provided

a timely reminder that quality is not merely an issue for customers in Asia, with the latter identifying fibre purchases as the largest cost for mills and lamenting the proportions of unwanted material despite improvements having been made.

Another cloud on the recovered paper horizon relates to Brexit and the still-distinct possibility at the time of writing of no deal being agreed prior to the target date of March 29 this year. At our London meeting, Deborah Sacks of the UK’s Department for International Trade spoke of the government’s huge will to ensure the continued flow of goods after March 29 but acknowledged the possibility of more delays and increased costs for those looking to move material after that date. Experts from our own industry used the occasion to voice their own concerns over **possible truck delays and documentary headaches in the immediate post-Brexit era.**

Once again, we have to hope that recycling professionals will show their customary flexibility in making trade as easy as possible despite the odds.



In 2018, utilisation of paper for recycling by the 18 member countries of the Confederation of European Paper Industries

+0.4%
to **48.5 million tonnes**



BIR delivers on President Baxi's **Global Recycling Day** vision

In 2015, at our World Recycling Convention in Dubai, BIR President Ranjit Baxi revealed his vision for a Global Recycling Day. After several years of meticulous planning, this great initiative was formally launched to coincide with our world recycling association's 70th birthday on March 18 2018.

The reaction to Mr Baxi's initiative has been truly astonishing. Never before over the course of its illustrious history has BIR thrust itself so boldly into the spotlight and captured so many headlines in its pursuit of proper recognition for the environmental contribution of recycling and the recycling industry.

More than 13 million people around the world actively participated in Global Recycling Day.

National events were staged in nine countries from Brazil to Mongolia and from Nepal to South Africa, while some of the world's biggest cities also marked the day with high-profile, pro-recycling initiatives. In addition, Global Recycling Day attracted **10.5 million impressions on social media** as well as heartfelt messages of support for its aims from 10 world leaders.

In our Annual Report two years ago, Mr Baxi explained that Global Recycling Day would be intended to serve as an annual celebration of all the good things that recycling and the recycling industry do for our planet, raising their profile and inspiring people around the world either to embark on new recycling-related projects or to redouble their existing recycling efforts. The first-ever Global Recycling Day succeeded in these goals while simultaneously imprinting in the minds of millions the notion of recyclables as the world's Seventh Resource alongside water, air, coal, oil, natural gas and minerals.

The success of the initial Global Recycling Day was underlined late in 2018 when it was named Educational Initiative of the Year by Waste Dive, a leading global industry news publisher. These

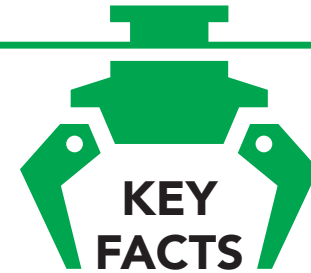
awards recognise top "disruptors and innovators" responsible for transformational initiatives that shape our future.

Also in that 2016 Annual Report, it was underlined that a true, long-lasting understanding of our industry's social, economic and environmental contribution would be achieved only when a **profoundly positive image of recycling was created in the minds of the younger generation** given that they would be the ones to mould future attitudes and policies. For this reason, it was decided that the second Global Recycling Day – to be held on March 18 2019 – would be themed "Recycling into the Future" and would focus on the impact that today's young people can have on recycling.

But of course, positive messages merit constant repetition. To this end, BIR used 2018 to lay the groundwork for future Global Recycling Days stretching far into the future. Mr Baxi, for example, initiated the **launch of the Global Recycling Foundation** during the BIR Convention in London last October to attract funds from donors and partners across the globe to foster educational campaigns in support of recycling.

It has often been said that every major journey starts with a single, small step. In launching the first-ever Global Recycling Day, BIR believes it has taken a significant stride forward in its remit to communicate the true value of recycling – not just environmentally, but also socially and economically – to the world at large.

“BIR believes it has taken a significant stride forward in its remit to communicate the value of recycling – not just environmentally, but also socially and economically.”



The first Global Recycling Day attracted:

The active participation of more than
13 million people worldwide

10.5 million impressions on social media

24 official events

Testimonials from
10 world leaders



scan for more information



Joost van Kleef
ORYX Stainless BV (NLD)
Chairman Stainless Steel & Special
Alloys Committee

Despite all of the conflicts and uncertainties gripping our world, a host of market forces – including global expansion of the middle class – has combined to create the conditions for healthy growth in stainless steel demand. For stainless steel scrap market participants, relatively positive global macro-economic indicators must be weighed against commodity price volatility and shifting supply/demand fundamentals.

Against this backdrop, the world's stainless steel industry was yet again on course to post **record production last year**, following on from 5.8% growth to 48.1 million tonnes in 2017. According to the latest figures available from the International Stainless Steel Forum, melt shop production increased by a staggering 10% year on year to 39.1 million tonnes in the first three quarters of 2018, thanks in no small measure to huge growth from a relatively low level in Indonesia and to a further 8.5% hike in China's output to reinforce its position as the world's leading producer.

The continuing emergence of **Indonesia as a major player on the world stage** was perhaps the standout development in 2018. Its market-altering impact was discussed in detail at our meeting in London last October where Jim Lennon of Macquarie Capital (Europe) Ltd said Indonesia could well absorb around a quarter of global nickel supply in 2018 and had been a massive contributor to stainless steel production growth over the previous 12 months as a result of ongoing capacity extensions by China-based Tsingshan.

This company has established itself as the lowest-cost stainless steel producer by some distance, leading to fears that it might undermine the market as a whole by flooding it with cheap material. Encouragingly, many experts – including Mr Lennon – have indicated Tsingshan's strategy could be more fundamental: **to use lower prices to stimulate additional demand for stainless** at the expense of, perhaps, carbon steel. Clearly this is not welcome news for our friends in the steel sector but, nevertheless, it will be interesting to see whether this scenario plays out to any significant extent in 2019 and beyond.

“There is no denying that markets around the world have been ruffled by developments in Indonesia.”

Despite this benign assessment of Tsingshan’s possible intentions, there is no denying that **markets around the world have been ruffled by developments in Indonesia**. At our meeting in Barcelona last May, guest speaker Olivier Masson of Roskill Information Services alerted our industry that newly-developed 300 series stainless steel production in Indonesia could severely alter material flows, potentially reopening markets in the EU and the USA that were no longer available to exports from China as a consequence of trade measures such as tariffs.

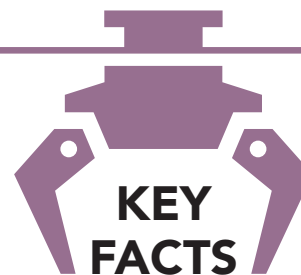
This was certainly a factor in the noticeable thinning of European producers’ order books after a strong start to 2018 in terms of both volumes and margins. Other parts of the world felt the same pressure as **Indonesian production sought new outlets** at a time when US duties imposed on stainless steel imports as a result of the Section 232 investigation kept material out of a booming American market.

So what did all this mean for our stainless steel scrap fraternity? For one, **scrap prices were subject to significant swings** throughout the year without ever matching the levels

of volatility witnessed by nickel. On the LME, nickel started out in 2018 at US\$ 12,680 per tonne and peaked at US\$ 15,745 in June but then subsequent weakness, due in part to the trade war between the USA and China, pushed down the metal’s value to US\$ 10,590 by year-end.

The nickel price has been drawing underlying strength from a supply deficit and, according to latest forecasts from the International Nickel Study Group, **another supportive shortfall can be expected for 2019**, albeit of a lesser scale than in 2018. However, it would be fanciful to believe that price volatility is unrelated to global financial market jitters, or to believe that it will not be a major factor in all our working lives throughout this year.

It would be equally unrealistic to dismiss the ongoing impact of the tariff culture that emerged during 2018. If protectionism endures, we were warned last May by Jason Schenker of Prestige Economics, then a more challenging period potentially beckons for the scrap and wider stainless steel sector.



Stainless steel melt shop production soared **10%** year on year in the first three quarters of 2018, with China producing **more than half** of the total.

Since 2009, CAGR for stainless steel production:

China = **12.8%**

Rest of world = **3.9%**

Source: Roskill Information Services





Surendra Borad Patawari
Gemini Corporation NV (BEL)
Chairman Plastics Committee

Overall, 2018 was a very challenging year for exporters of plastics scrap as their market options continued to recede.

Following China's regulatory moves to slash its imports, other countries in the region have also taken steps to limit the volumes they are prepared to absorb. Vietnam closed its doors to plastics scrap at the end of June last year and exports to Thailand have also been ruled out.

Also in 2018, Malaysia placed a moratorium on issuing new import permits; although environmental authorities issued a new advance permit at the beginning of 2019 for some shipments going to Malaysia, the process is time-consuming and not easy.

Late-2018 import licence renewals in India provided some comfort but this market is vanishingly small compared to the 7 million tons-plus of plastics scrap that was exported to China as recently as 2016.

Up to the point when China's policy shift began to bite, **around 60% of the plastics scrap traded internationally ended up in the Far East** as a whole, and so business was always going to be heavily influenced by any political and regulatory decisions taken in the region.

With the welcome mat so widely withdrawn, many exporters struggled to find homes for their material in 2018; as a result, full-year shipment statistics are likely to make for uncomfortable reading. As a consequence, **prices have remained under pressure with no immediate solution in sight**; indeed, many waste management companies decided against segregating some waste streams as these were proving unviable to recycle even after sorting. As an example, mixed-colour LDPE film saw its value drop into negative numbers last year; after having commanded ex-works prices of Euro 100-150 per tonne during the course of 2017, these fell as low as minus Euro 20-30 per tonne in 2018.

In business, however, the closing of one door often leads to the opening of another. The aforementioned problems in exporting to traditional markets has resulted in **a significant increase in capacity investments** within established supplier countries and regions. In Europe, this trend was most pronounced in the east of the continent where labour costs are generally more attractive than in the west. Among the new business lanes to be developed has been **shipment of recycled pellets to Asia**.

“With the welcome mat so widely withdrawn, many exporters struggled to find homes for their material in 2018.”

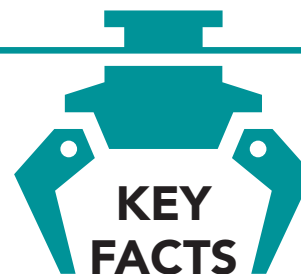
Last year will also be remembered for the bad publicity attracted to plastics, notably surrounding the large volumes ending up in the world’s oceans. At many conferences around the globe, the **emphasis was placed on extended producer responsibility** or other means of applying pressure on primary producers to consider the recycling of their products at their end-of-life stage.

Speaking at our meeting in London last October, Keith Freegard of Axion Polymers and the British Plastics Federation’s Recyclers Group pointed to research showing that **88-95% of land-to-sea plastics debris emanates from just 10 rivers** – eight in Asia and two in Africa. At the same event, Dr Steve Wong of the China Scrap Plastics Association identified the need for more recycling at source, as well as for appropriate systems and regulations to boost recycling rates, particularly in developing countries of the world. At our earlier meeting in Barcelona, it was difficult to disagree with guest speaker Vincente Olmos of Sintac Recycling & Sintac Recycling Systems and Compounds of Spain when he declared that **plastics had arrived at “a big moment of change”**, with the focus now falling

more on local recycling rather than on shipping large volumes to far-away destinations.

Given such comments and the well-documented events of 2018, however, it is worth reiterating **BIR’s support for free and fair trade** in secondary raw materials. Whereas some regions of the world may have a surplus of plastics scrap, such as Europe and the USA, others – particularly in the developing world – may need to import in order to ensure that their growing plastics production capacities have sufficient vital raw materials available to them.

It also bears constant repetition that, despite the recent negative publicity engulfing plastics, **the prospects for the recycling industry remain bright**, with a host of leading researchers forecasting healthy growth rates for the years ahead. As said in London, there are few if any better business propositions than plastics recycling given the abundant availability of scrap as input and of “green” funds for investment, alongside rising governmental and public awareness of the need to find sustainable environmental solutions for plastics.



For the global plastics recycling market, various studies project a compound annual growth rate over the next five years of **6.5% to 7%**

Year-on-year US plastics scrap exports to China fell **92%** in January-June 2018





Barend Ten Bruggencate
Recyberm BV (NLD)
Chairman Tyres & Rubber Committee

For many years, we have marvelled at the progress made around the world in collecting end-of-life tyres (ELTs) and putting them to further good use. Latest figures confirm tyre recovery rates of 92% in Japan and around 80% in the USA, but Europe continues to lead the way on 93%.

Latest data from the European Tyre and Rubber Manufacturers' Association (ETRMA) indicate that granulation activity in the EU-28 plus Norway, Serbia, Switzerland and Turkey surged a further 9.3% in 2016 to reinforce its dominant position in Europe's treatment of used tyres, accounting for around 75% of the ELTs destined for material recovery.

But when these figures are updated at some point in 2019, they may well tell the beginnings of a different story. A general decline in retreading activity has led to an increased flow of available casings and **a subsequent saturation of the granulation marketplace**. Alongside this trend, the last two or three years have brought an explosion in **negative publicity within Europe and America surrounding the use of ELT-derived rubber granulate** as infill for playgrounds and sports pitches – undoubtedly the major outlet for operators of granulation equipment.

Over this period in the USA, indeed, it has been estimated that demand for this form of rubber infill has slumped around 30%. States and municipalities in the USA have continued to propose bans or other sanctions on the use of crumb rubber in playgrounds and sports pitches.

As reiterated at both of our Tyres & Rubber Committee meetings in 2018, **such actions by municipalities and other authorities fail to reflect latest scientific thinking**: around 100 separate studies have reached the conclusion that use of crumb rubber in the aforementioned applications carries no risk to humans or to the environment.

The problem for the sector lies in the fact that, despite the prodigious weight of evidence, many of those responsible for purchasing decisions are still turning their

“With the granulate market thus stressed both by saturation and vilification, and with regulatory scrutiny of this sector likely to increase rather than diminish, it is essential that other applications for ELTs are considered, developed or expanded.”

back on granulate derived from used tyres. Experts at our meetings have suggested that buyer confidence is likely to be restored only when a highly-respected, multi-agency research team comes forward with a definitive, plain-language vindication of this versatile product.

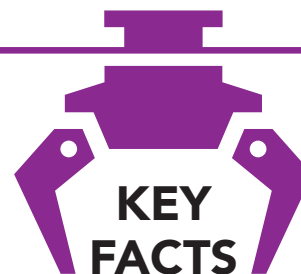
Such studies are being undertaken and there is reason to hope **2019 may provide the authoritative certainty craved by the crumb rubber sector.** For example, industry itself is working to assess exposure and potential risks to human health associated with the use of ELT recycled rubber crumb in synthetic turf fields.

Meanwhile, the European Chemicals Agency (ECHA)/EU Commission will continue to look into possible health impacts of other substances contained in granulate derived from ELTs and there could be further investigations into environmental effects. In addition, **BIR has called on the ECHA to introduce a harmonised system of judgements for rubber granules.** The agency’s opinion is expected by September this year at the earliest.

Throughout the coming period, the recycling industry must continue to promote the positive messages surrounding this product.

But with the granulate market thus stressed both by saturation and vilification, and with regulatory scrutiny of this sector likely to increase rather than diminish, it is essential that other applications for ELTs are considered, developed or expanded. At our meeting in London last October, Fazilet Cinaralp of the ETRMA identified **asphalt rubber as the outlet with the most potential for growth** given its proven benefits, including noise and other environmental advantages. And in Barcelona several months earlier, Alicia Garcia-Franco of the Spanish recycling federation FER argued that green public procurement had a potentially huge role to play in the development of outlets for ELT-derived products.

And so we begin a new year at something of a turning point for the scrap tyre sector. Huge progress has been made from the dark days of the 1990s when the volumes of ELTs going for material or energy recovery were outweighed by the quantities consigned to landfill. Now **the challenge is to find a new balance within the market** to ensure that sustainable end uses can be found for ELTs long into the future.

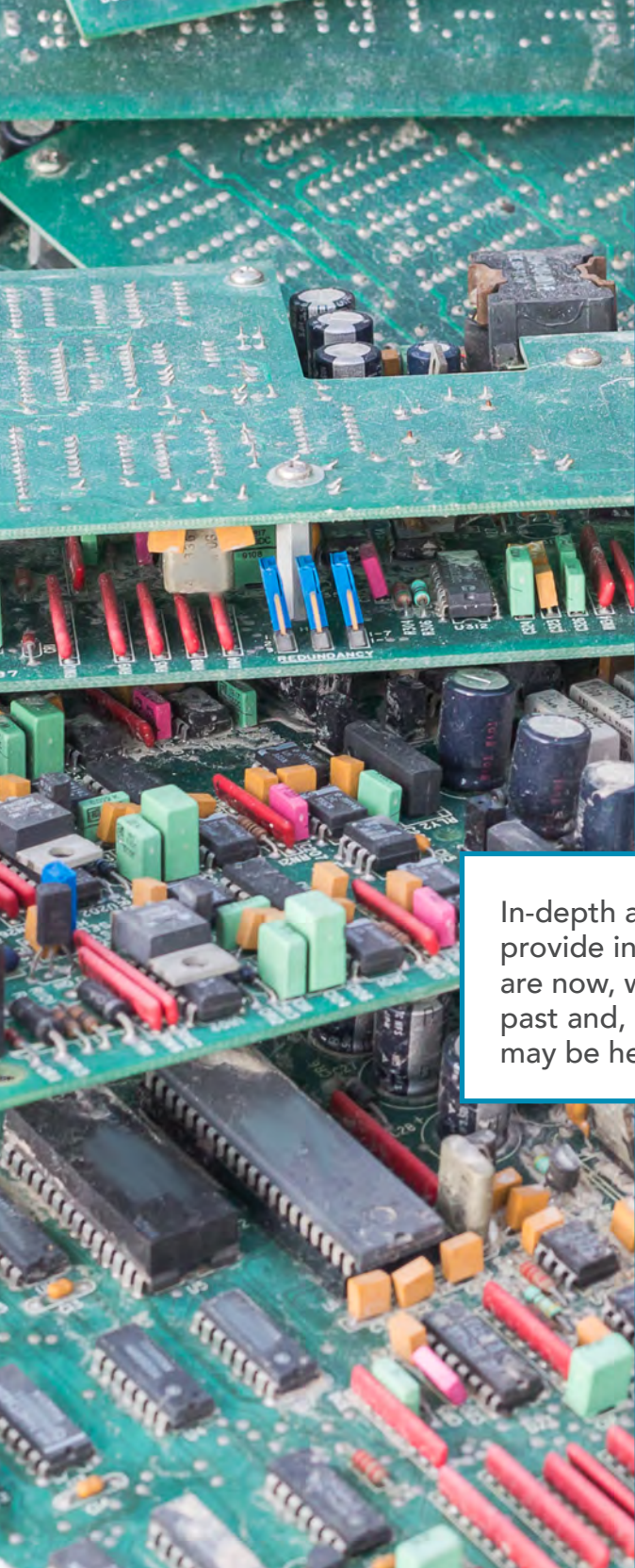


End-of-life tyre recovery rates:

Europe	93%
Japan	92%
South Korea	82%
USA	79%



scan for more information



Thomas Papageorgiou
Anamet Recycling Industry SA (GRC)
Chairman E-Scrap Committee

In-depth analyses of an industry sector provide invaluable markers as to where we are now, where we have been in the recent past and, perhaps most crucially, where we may be heading in the years to come.

For this reason, 2018 was truly a landmark year for our Committee and for the sector we represent in that it brought the release at the BIR's Barcelona Convention of **"Statistics on the national arisings of e-scrap and the movement of e-scrap between countries"**. Commissioned by the BIR E-Scrap Committee and undertaken by Harokopio University of Athens in Greece, this study provided **statistical proof that e-scrap has come to represent one of the world's fastest-growing waste streams** and that the volumes will continue to increase at a significant rate over the next few years.

Putting our name to such studies enhances our reputation as the experts within our industry and enables us to speak with greater authority when addressing decision- and policy-makers, governments and supranational bodies on issues relating to what we do on a day-to-day basis. Hopefully, this will be the first of many studies that will not only provide the industry with useful information but also boost the BIR E-Scrap Committee's status as the voice of the global industry.

Based on real data and on an extrapolation of figures from some 180 countries around the world, the expert team of researchers concluded that annual arisings of e-scrap would soar more than 30% in less than a decade – from 41.2 million tonnes in 2016 to 53.9 million tonnes by the year 2025. It was also no great surprise to learn that **the steepest growth is anticipated for the Asia-Pacific region** where generation of e-scrap

“Such studies enhance our reputation as the experts within our industry and enable us to speak with greater authority when addressing decision- and policy-makers, governments and supranational bodies on issues relating to what we do on a day-to-day basis.”

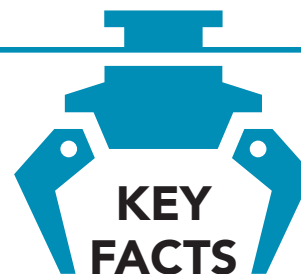
is expected to leap from 3.6 kg per inhabitant to 5 kg over the same nine-year period, thanks in no small measure to more affordable electronics. Growth in the more established consumer markets is expected to be relatively muted, with per capita generation forecast to climb from 21.9 kg in 2016 to 24.1 kg in 2025 within the USA & Canada, for example.

As well as offering statistical support for what we might have already suspected to be true, such a comprehensive analysis also has the power to alter entrenched perspectives. Within the document, for instance, it was noted that a two-year study of Nigeria’s two main ports had revealed 81% of imported electronic devices to be functioning, thus shaking the widely-held belief that African countries are simply a dumping ground for the developed world’s “waste”.

As stated at its launch in May, the E-Scrap Committee’s report provides a baseline for the recycling industry and policy-makers to plan **effective actions to capture the e-scrap potential for contributing to Circular Economy goals**. It also highlights the need

for standardised methods and techniques to facilitate realistic and reliable measurement of the volumes of e-waste generated across the different regions of the world.

Standardisation was also a key theme at our meeting in London last October, at which guest speaker Federico Magalini reviewed the findings of a European Electronics Recyclers Association study into the impact of “scavenging” and of avoiding certain compliance requirements in Europe’s e-scrap sector. It was found that, for example, avoiding some quality and service requirements – such as reporting to authorities/compliance schemes, waste characterisation and audits – could cut operational costs by around 20% in the case of cooling & freezing equipment and CRTs. Clearly, such margins are substantial enough to skew competitive fairness, thus bolstering the argument in favour of standardisation for processing as a tool for calculating the costs of responsible recycling and establishing a level playing field for all industry players.



Between 2016 and 2025, global generation of e-scrap is forecast to climb **20%**

from **5.6 kg** per person per year to **6.7 kg**

Annual arisings of e-scrap: **41.2 million tonnes** in 2016

53.9 million tonnes forecast for 2025

Source: BIR E-Scrap Committee's "Statistics on the national arisings of e-scrap and the movement of e-scrap between countries".





Olivier François
Galloo Group (FRA/BEL)
 Chairman International Environment
 Council

Never in recent memory has there been a year in which globalisation, and specifically free trade, came under such sustained attack. In 2018, multi-nationalism and internationalism receded somewhat under the pressure of protectionist measures as governments around the world responded to the growing anger of their citizens by introducing tariffs, quotas and various forms of subsidies in their local policies.

Perhaps now is the time to exchange the ethos of free trade for that of fair trade. We need to **dismiss the notion of a world in which the only goal is the lowest production cost possible**, irrespective of the social and environmental cost. In its place, we need to promote a world in which human beings and their planet are put at the centre of all concerns. We must take care of people and of the environment by aspiring to a more fundamental form of protectionism – one which means shelter for all rather than safeguarding the interests of the few.

This is more or less the message from Christine Lagarde, head of the International Monetary Fund, who stated in November 2018: “The essential thing is that globalisation must evolve in a different way, with a better respect for the rules of the game, as well as the environment, and a deliberate concern for the inclusion of citizens.”

Once again in 2018, our International Environment Council meetings provided **updates on crucial regulatory developments** and reflected the vast range of subjects that BIR must monitor on behalf of the recycling industry. In London last October, for example, guest speaker Dr Anne Scheinberg of Springloop Cooperatie UA in the Netherlands focused on **the important social and environmental role of the informal recycling sector** in the Circular Economy era, while Hilary Stone of Imperial College London’s Centre for Environmental Control & Waste Management provided a timely reminder of the perils of a no-deal Brexit – a situation that has still to be resolved at the time of writing.

Earlier in the year in Barcelona, Dr Alvaro Rodríguez de Sanabria of Arka Consulting in Spain shone the spotlight on radioactivity in scrap while **the pre-eminent need for many recycling-related issues to be tackled at the product design stage** was emphasised by Emmanuel Katrakis of the European Recycling Industries’ Confederation.

“Once again in 2018, our International Environment Council meetings provided updates on crucial regulatory developments and reflected the vast range of subjects that BIR must monitor on behalf of the recycling industry.”

Regarding the latter, latest ecotoxicology research has revealed a stark and worrying truth: that many of the substances used to produce a wide range of products over many decades – such as additives in polymers like plastics or rubber – are effectively hazardous to human health. For example, the chemicals used can include endocrine disruptors which are linked to cancerous tumours, birth defects and other developmental disorders.

Clearly, removal of such substances prior to safe recycling would represent a huge if not insurmountable technical challenge. Far better, therefore, would be for the world to consider a fresh approach and fresh ideas; for example, Mr Katrakis talked in Barcelona of a rating system – similar to that used for energy efficiency – that would **enable the public to recognise the recyclability of individual products.**

But if we are truly to embrace the concept of a Circular Economy, perhaps it is time for the world’s product producers to consider nothing short of **a full redesign of manufacturing** that serves to bring about a “non-toxic” way of life while simultaneously ending the “throw-away” society which has formed the bedrock of human existence in the developed world since the 1960s. With a rapidly growing world population and the continuing creep of consumerism, we must truly prioritise **the protection of our peoples and of our shared planet.**





Michael Lion

*Everwell Resources Ltd (CHN)
Chairman International Trade Council*

The year gone by once again mirrored many of its predecessors in underlining the extent to which the recycling industry can be buffeted both by the headwinds of wider geopolitical developments and by the swirl of legislative change.

Even after the BIR Convention in London last October, 2018 continued to throw challenges into the path of the recycling industry. For example, Malaysia announced **a permanent ban on the importation of plastic waste** at around the same time that BIR was reiterating its **opposition to a Bulgarian government proposal to impose a tax or fee on second-hand clothing**. Shortly afterwards, BIR was attending a special event in Vienna as part of its bid to persuade member states of the United Nations Industrial Development Organization (UNIDO) to minimise barriers for the recycling industries and to seek out innovative approaches to overcome these.

Even this necessarily shortened list illustrates the breadth of BIR's remit, its wide range of activities on a large number of fronts and the heavy burden of responsibility that it shoulders on behalf of recyclers around the world. Also illustrated is the need for BIR to remain flexible in responding to so many calls on its time and resources. This would not be possible without the unrelenting diligence of the BIR team, particularly its Trade & Environment Director Ross Bartley.

Inevitably, our world recycling federation invested the most significant proportion of its time last year in **monitoring developments in China** – for many years the leading world market by far for recyclable commodities but now in a transition phase that will see its imports of secondary raw materials fall away substantially. Indeed, as 2018 was drawing to a close, China announced that eight more types of waste and scrap imports would be moved from its non-restricted to its restricted list with effect from July 1 2019.

This transition formed the basis of discussions at the International Trade Council meeting in Barcelona last May. Our panel debate underlined that China's regulatory changes are not the manifestation of some vendetta against foreign businesses but rather the building blocks of a well-publicised government policy shift towards increased domestic recycling and elimination of those solid waste imports that have attracted intense criticism within China.

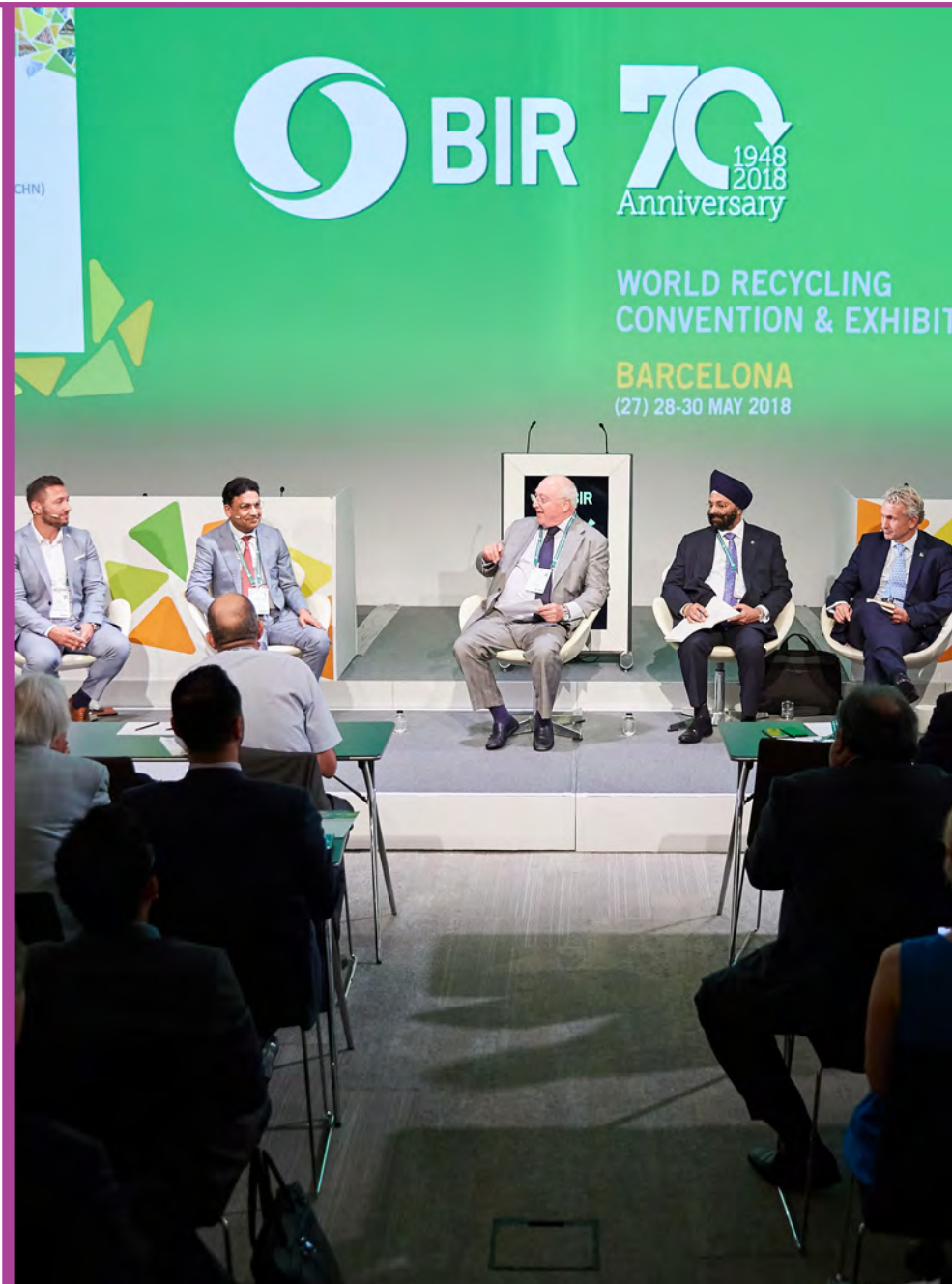
“China’s regulatory changes are not the manifestation of some vendetta against foreign businesses but rather the building blocks of a well-publicised government policy shift.”

Indeed, this policy shift is inward-looking as well as outward-looking. Companies within China are also coming under heavy pressure to comply with ever-stricter environmental standards, with many of them going – or being put – out of business as a result. While some of our panellists in Barcelona suggested the Chinese government might need to adopt a more pragmatic regulatory approach at some point given the gap still to be bridged in order to achieve resource self-sufficiency, the inescapable truth is that **China will not deviate from its mission to impose stricter environmental regulation.**

At the same time, the changes in China are sending shock waves around the region and the world as a whole. Many countries in South East Asia (such as Malaysia, as mentioned above) have been imposing **new regulations to limit or halt the inflow of lower-quality streams** displaced from the Chinese market. New proposals and strictures are appearing all the time across a wide number of countries and we would urge recyclers to continue to provide BIR with feedback on its experiences to assist in formulating the most appropriate reaction aimed at safeguarding vital export markets.

Any review of trade developments in 2018 would be incomplete without mention of the US/China trade war, which has highlighted the damaging effects of retaliatory tariff actions not only on trade but also on international relations and global business confidence. As we heard in Barcelona, the import tariffs imposed by the US President made it harder to schedule important discussions with the Chinese authorities about keeping lines of trade open wherever possible.

It is to be hoped that the more positive conversations between the USA and China in late 2018 and early 2019 will translate into a more constructive relationship going forward, something which would be of immense benefit to the world markets and to our trade.







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

SPECIAL COMMITTEES



Murat Bayram
European Metal Recycling Ltd (GBR)
Chairman Convention Committee

When I am searching for an address, I simply take out my mobile and type the location into Google Maps. It shows me within a very short time exactly where that location is and how I can reach it, either by walking or by car. The complex programmed algorithm and support from innumerable IT people mean that the map shows us what we are searching for and nothing else. Behind every Google Map, in other words, there is a much more complex structure hidden from our view.

There is a similarity between Google Maps and BIR Conventions. From the outside, use of the Maps is simple – and the same applies to our Conventions. Both are easy to find and both are always targeting the satisfaction of customers – or, in our case, of the BIR members within our recycling family. When I took over the chair of the Convention Committee from Mark Sellier (who had done an unbelievable job), **I wasn't aware of the immense work done behind the scenes by our great team in Brussels.** Just imagine: twice a year, members from 70 countries need a place which is reachable without taking too many flights and big enough to bring together more than 1000 people without overlapping any religious, cultural and national holidays and while considering very different food requirements. No matter how stressful the meetings are for us as recyclers, you can trust me that the stress on the BIR team is much greater, making them deserving of our total respect.

The BIR Conventions bring together the experts from our industry to discuss the current global scenario and future growth prospects for the recycling market. Many people try to calculate the size of our markets by using smart computer programs which evaluate studies and data from multiple sources. **But numbers are cold and don't share opinions, feelings and estimations.** Furthermore, we are seeing a trend towards new companies trying to digitalise our recycling business – but still the best business ideas and new contacts are realised by travelling and meeting people face to face. There's no way to do this on a computer screen, and no effective way of doing it on Facebook or via other forms of social media.

I was allowed to chair the Convention Committee on the occasion of our 70th birthday in Barcelona: a great location and a great event at which **life was breathed into the above-mentioned cold theoretical data** by more than 900 participants from 60-plus countries. I am sure that we will all remember years from now the outstanding dinner and

“The best business ideas and new contacts are realised by travelling and meeting people face to face.”

the speech by our President, Ranjit Singh Baxi. Our October Convention in London was also a big success, attracting nearly 900 participants from 53 countries as it was organised for the weekend immediately prior to LME Week.

There are a number of purposes for any meeting but the key to a BIR Convention is, has been and will always be to **bring the people of our industry together to exchange recycling-related information**. BIR provides us with an excellent platform to share the results of new studies and to keep all professionals within our industry updated. We want to improve further in our upcoming Conventions by offering **more panel discussions** and also **more technical solutions** to enable speakers' messages from every session to be carried to all participants so that even those members who were not in the meeting hall can become a kind of indirect audience for the important announcements made.

The Brussels team is unbelievably professional and I would like to say thank you to every single one of them in our head office for withstanding 12 months of pressure and still keeping a smile on their faces, no matter what problem came up. I wouldn't be able to do this job without their help. Let me say a special thank you to Cristina Munteanu and Antoine Breysens for the extraordinary support they have given me personally.





“Ultimately, it’s you, our members, who decide how efficiently we are communicating with you and on your behalf. Let us know what we are doing well and what we could do better.”

Mark Sellier
Global Metals Network Limited (CHN)
Chairman Communications Committee

2018 was a year full of great PR and communications initiatives.

As you will have read throughout this year’s Annual Report, the first-ever Global Recycling Day certainly attracted everybody’s attention and offered a host of opportunities to convince the world that the global recycling industry is a key player in the protection of the environment. If BIR as a trade organisation has always put its major focus on facilitating its members’ business, there was an increasing **need to reach out to the wider public to set some records straight** about the crucial role our industry has been playing for decades, and even centuries. A very elaborate social media strategy and press outreach, together with impressive in-country activities and the laudable involvement of our members and national associations, led to a campaign that truly encompassed the globe.

While President Ranjit Singh Baxi masterminded the initiative, supported by the BIR leadership and the Communications Committee, a huge part of the success is owed to the great expertise and tireless efforts of Sophy Norris and her team at Flagship Consulting, the agency BIR had entrusted with the organisation of edition 1 of Global Recycling Day. **This has shown how much can be achieved if a clear vision, a realistic budget and some great professionals are combined in a good cause.**

A second and no less important event put the spotlight on BIR and its members: the organisation’s 70th anniversary. **All eyes were turned to Barcelona where this milestone was to be celebrated.** Together with the Convention Committee, our efforts were put into preparing an outstanding Convention that would live up to such an important occasion, and the aim was to put together an array of speakers, programmes and social gatherings that would create unforgettable moments for all attendees. We developed a special 70th anniversary logo that appeared on all BIR visuals throughout the year and, of course, on the bespoke Convention branding developed for Barcelona. To create a testimony of the organisation’s past, present and future, a two-minute video of exceptional quality was projected at the beginning of the festive gala evening in the beautiful setting of Barcelona’s former casino. This video consists of four parts that can be used separately, depending on the focus that needs to be given, or as one film that shows the evolution and future roadmap of BIR.

Both events, together with the Chinese import restrictions, created **exceptional media opportunities throughout the year.** We received around 40 interview requests from prestigious publications such as the Financial Times, the Wall Street Journal, The



Economist, the Huffington Post, Thomson Reuters, Bloomberg, Time Magazine, Financial Times Bangkok, The Times of London and the Los Angeles Times, to name just a few. These interviews resulted in numerous articles and news items, as well as radio and TV broadcasts. On top of this, we issued a total of 44 press releases and sent out a staggering 120 news items, Convention newsletters and eBriefs.

But while the traditional media, both general and specialised, are vital for conveying the positive image of our industry and of BIR, **social media have taken centre stage** when it comes to spreading messages to a maximum number of people in a minimum amount of time. The campaign surrounding Global Recycling Day focused mainly on Twitter, Instagram and Facebook. Used as key elements in a bespoke PR strategy, and in combination with the necessary financial resources, they yielded an impressive amount of action around the globe. **It is our intention to critically review the way BIR uses these important tools** – in the framework, of course, of an overall fine-tuned and re-defined communications strategy. During the most recent meeting of the Communications Committee, we analysed the flow chart of BIR's overall communications work, which revealed the incredible complexity of elements that comprise our current activities. Having defined BIR's website as the most visible and urgent of these elements, we are putting our current focus on its redesign, which should be completed during the course of 2019.

Throughout the year, we maintained our regular flow of market information in the form of our **World Mirrors**, we published the 9th edition of our ferrous statistics **World Steel Recycling in Figures**, and we issued **nine eBriefs** that contained updates on BIR's government relations, international legislation and membership initiatives.

Ultimately, it's you, our members, who decide how efficiently we are communicating with you and on your behalf. Let us know what we are doing well and what we could do better.

Having completed my first year as Chairman of the Communications Committee, I would like to take this opportunity to thank Communications Director Elisabeth Christ and the whole team in Brussels for always going the extra mile. I cannot speak too highly of their hard work, dedication and loyalty.



Fadi Shahrouh
Sharmetal Trading CO. SARL (LBN)
Chairman Membership Committee

A group of scrap processors from the Benelux countries gathered in a hotel in Amsterdam in 1948 and called for a dedicated federation within their region. This federation grew and became the Bureau of International Recycling, covering today 70 countries and more than 750 members.

In 2018, we celebrated the 70th anniversary of BIR, drawing together recycling industries from around the globe to renew their trust and mandate for our federation to continue its efforts in being the voice of world recycling. BIR members, the leading global players, have maintained the momentum over the years and continue to be staunch advocates and fervent supporters of their unique world organisation.

Throughout, BIR has continued to lobby to overcome trade barriers and facilitate cross-border business and free movement of recyclable materials worldwide. In today's new environment of trade tariffs and protectionism, which is building around the world and disturbing free trade and the movement of scrap, BIR's role was vital again in 2018 and its continued actions are needed more than ever for the benefit of our industry.

The Membership Committee always seeks to preserve the quality of its membership, which is why **any new member application is scrutinised** to ensure applicants are utterly committed to complying with the high standards and ethical requirements that are a key component of the organisation's rules and regulations and its membership obligations. This policy is indispensable to creating a safe network for trade exchanges among members and to maintaining the prestige of BIR, membership of which is considered as an added value across the major recycling industries.

BIR is happy to report that we closed **2018** with a **total of 730 member companies** and **34 national associations** from **70 countries**. In total, **93 new members** joined our ranks, compensating for a number of losses owing to mergers and company closures. These new members come from across the globe; although the largest number still come from the European continent, it is closely followed by Asia (mainly India and Pakistan). Although BIR membership had its roots in Europe, these latest statistics clearly illustrate its evolution and the now global essence of our organisation.

In addition to a monitored membership recruitment policy, the Membership Committee is constantly reviewing existing programmes and services. Indeed, **BIR has invested in a new, simplified membership application procedure** through which interested companies are able to join without any major administrative delay while still undergoing the usual vetting process in accordance with our membership rules and Code of Conduct.

“It seems clear that our membership services and benefits, together with BIR’s reputation as the sole world federation for the recycling industries, continue to play an important role in attracting new members and maintaining the loyalty of existing ones.”

The new interactive webpage provides visitors with a detailed presentation of BIR’s services to members; it better explains BIR membership categories, their specific and exclusive advantages/benefits, the related fees, as well as an FAQ section to answer any query a potential member might have before, during and after the application process.

It seems clear that our membership services and benefits, together with BIR’s reputation as the sole world federation for the recycling industries, continue to play an important role in attracting new members and maintaining the loyalty of existing ones. Moreover, the privilege of participating in the **unique forum offered by our biannual Conventions** provides another major advantage. The close co-operation between the Convention and Membership Committees ensures that ever-improving framework conditions for enhanced business opportunities at our events **provide maximum benefit for all participants**, convincing many one-time observers that they should permanently join our ranks.

To remain in tune with our members’ needs, the membership department worked throughout 2018 on setting up a **new database and customer relationship management tool** (CRM). The Member Portal enables members to access and manage their own details in a much more efficient way than in the past. This tool, which is linked to BIR’s new database and CRM system, offers an easy-to-use update mechanism. Gone are the days when lengthy email exchanges were necessary for our members to access their files, consult their data, add/delete company contacts and handle their Convention registrations. This new system has been carefully developed to ensure **maximum benefit and use for BIR members as from 2019**.

It is with much enthusiasm that we have started 2019, believing that the Membership Committee’s work and programmes will prove to be as successful and even more fruitful, given all that has been put in place. As before, **we remain fully committed to service improvement and benefit-enhancing initiatives**.





“Our Ambassadors speak with one voice in representing the international recycling industry around the world.”

Salam Sharif
 Sharif Metals (UAE)
 Chairman Ambassadors Committee

The year that has just unfolded was one of the most challenging and testing for our industry given the series of economic and political events that erupted across our markets around the world. These events have created an imbalance in supply and demand for our recyclable commodities, causing a serious threat to our industry.

We seem to be moving counter-clockwise – from globalisation and multi-nationalism back to nationalism. The trade war between China and the USA has negatively affected our trade as it stranded thousands of tons of raw materials in traditional supplier countries. While some of this volume is slowly finding alternative homes, some of it has ended up in landfills. Furthermore, China not only revised its quality requirements for recyclables but also stopped imports of many forms of scrap, thus increasing the jeopardy on our industry.

While our recycling industry helps to foster the environmental and economic priorities of the United Nations’ sustainable development goals, economies were hit by a series of shock waves that led to the relocation of Chinese consumers to South East Asia and other overseas markets. BIR has invested tremendous effort – through its President and its secretariat, as well as through collaboration with Chinese industry associations – in **maintaining a close dialogue with the Chinese authorities** in order to receive timely updates and to lobby, albeit in vain thus far, for the adoption of free and fair trade practices. David Chiao, BIR’s Ambassador for China, was instrumental in this dialogue, as were our other Ambassadors in India and in other regions.

BIR has continued in its mission to **transform difficult situations and deadlock into new opportunities** to improve levels of resource efficiency and to build up our business resilience so that we can chart a path not just through the current year but for the long haul.

Our Ambassadors continue to support BIR’s objectives by lobbying for free and fair trade and by driving its awareness campaigns through **participation in local and regional conferences**, seminars and symposia. As part of this mission, they work

closely with decisions-makers and stakeholders in their own regions; they raise awareness of issues and introduce recyclers to BIR, recommending membership for better ways to recycle material back home, proposing new systems, technologies and infrastructures that will enable us to develop our business both profitably and sustainably.

Our Ambassadors speak with one voice in representing the international recycling industry around the world. They explain that BIR provides members with a perfect forum for discussing issues of importance to the international recycling community, and that our industry provides sustainability in applying health & safety and corporate social responsibility principles to the pursuit of zero waste by recycling more material. And they insist that supply and demand cannot be balanced without minimising raw material scarcity by preserving the recyclables we now know as the Earth's Seventh Resource.

The launch of BIR's milestone Global Recycling Day on March 18 last year was promoted by our Ambassadors worldwide and proved to be a great success. We worked diligently towards making the second Global Recycling Day even more successful, and **the Global Recycling Foundation can count on the increased efforts and support of our Ambassadors** in building an ever broader awareness of this landmark event.



SPEAKERS AT BIR EVENTS IN 2018

BARCELONA

28-30 MAY 2018

Paper Division

- GUILLERMO VALLÉS ALBAR, Procurement Director, SAICA (ESP)
- EMILIANO GUAINELLA, General Manager EMEA Containerboard, International Paper (ESP)

Non-Ferrous Metals Division

- JOSEP BERDEJO, Purchasing Director, La Farga Group (ESP)
- ION OLAETA, Director General, Grupo Otua (Spain)

Stainless Steel & Special Alloys Committee

- OLIVIER MASSON, Senior Analyst, Roskill Information Services Ltd (GBR)

E-Scrap Committee

- PROFESSOR KATIA LASARIDI, Vice-Rector of Academic Affairs and International Relations, School of Environment, Geography and Applied Economics, Harokopio University (GRC)

Tyres & Rubber Committee

- CEES LUTTIKHUIZEN, Senior Policy Advisor, Environmental Safety & Risk Management Directorate, Dutch Ministry of Infrastructure and Water Management (NLD)
- ALEX VAN GELDEREN, Recybem (NLD)
- Robin Wiener, President, ISRI (USA)
- ALICIA GARCIA FRANCO, Director, Federación Española de la Recuperación (ESP)

Ferrous Division

- JASON SCHENKER, President, Prestige Economics (USA)

Shredder Committee

- ANDRES ALBUJA, Dirección Técnica Fundidora, ADELCA (ECU)
- CHRIS BEDELL, Senior Vice President, The David J. Joseph Company (USA)
- THOMAS PAPAGEORGIOU, Compliance Director, ANAMET SA (GRC)

World Council of Recycling Associations

- SOPHY NORRIS, Director South West, Flagship Consulting Ltd (GBR)

Keynote Session

- MARK STEVENSON, Founder, The Cultural Change Agency (GBR)

Plastics Committee

- VICENTE OLMOS, CEO, Sintac Recycling & Sintac Recycling Systems and Compounds (ESP)
- MARKUS PANHAUSER, COO, FMS Logistics (DEU)

Textiles Division

- VALÉRIE BOITEN, Researcher and Consultant in Stakeholder Engagement, Prospex Institute vzw (BEL)
- DIMITRIS MOUTOUSIDIS, Chemical Engineer/Senior Researcher, CHIMAR (GRC)

International Environment Council

- ALVARO RODRÍGUEZ DE SANABRIA, Director, Arka Consulting (ESP)
- Emmanuel Katrakis, Secretary General, EuRIC AISBL
- Ross Bartley, Trade & Environment Director, BIR

CALENDAR OF FUTURE BIR CONVENTIONS

LONDON

6-7 OCTOBER 2018

Textiles Division

- EMILE BRULS, Advisor, Rijkswaterstaat Environment Waste Circular (NLD)
- DAVID WATSON, Senior Consultant, PlanMiljø Aps (DNK)

Paper Division

- DEBORAH SACKS, Waste and Resources Specialist – Renewable Energy Team, Department for International Trade (GBR)

Plastics Committee

- KEITH FREEGARD, Associate Consultant, Axion Group (GBR)

Ferrous Division

- LEE ALLEN, Metals Analyst, Fastmarkets (GBR)

International Environment Council

- DR ANNE SCHEINBERG, Global Recycling Specialist, Springloop Cooperatie U.A. (NLD)
- HILARY STONE, Honorary Research Fellow, Centre for Environmental Control & Waste Management, Imperial College London (GBR)
- ROSS BARTLEY, Trade & Environment Director, BIR

Tyres & Rubber Committee

- FAZILET CINARALP, Secretary General, ETRMA – European Tyres & Rubber Manufacturers' Association

Non-Ferrous Metals Division

- EDWARD MEIR, Director, Commodity Research Group (USA)

Stainless Steel & Special Alloys Committee

- JIM LENNON, Senior Consultant – Commodities Strategy, Macquarie Capital (Europe) Limited (GBR)

E-Scrap Committee

- FEDERICO MAGALINI, Managing Director, Sofies UK (GBR)

2019

(19) 20-22 **May**

Singapore

Shangri-La Hotel

(13) 14-15 **October**

Budapest, Hungary

Marriott Hotel



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