Current China’s Policy Regarding the Recycling of Metals

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1. Environmental protection


On 17th August 2018, the Ministry of Ecology and Environment published new standard: HJ-863.4-2018 Technical specification for application and issuance of pollutant permit nonferrous metal metallurgy industry--secondary nonferrous metal, which was full implementation of the pollution discharge permit system for the recycling industry.
China’s policy for nonferrous metal recycling

Nonferrous metal scrap import

On 16th August 2017, the Ministry of Ecology and Environment, Ministry of Commerce, NDRC and General Administration of Customs made joint Announcement (2017 No. 39) for adjustment and revision of “Catalogue of solid waste import management”, and the new catalogue implemented from 31 December 2017. HS code 7404 0000 10 Waste electric motor, scrap of wire and cable, mainly for copper recycling, and 7602 0000 10 Scrap of wire and cable, hardware, electric appliance, mainly for aluminum recycling, both were adjusted to the restricted catalogue.

On 21st December 2018, Ministry of Ecology and Environment, Ministry of Commerce, NDRC and General Administration of Customs made joint Announcement (2018 No. 68) for adjustment and revision of the catalogue again, adjusted Other copper scrap (7404 0000 90) and other aluminum scrap (7602 0000 90) from non-restricted catalogue to restricted catalogue, and the revised catalogue will take effect on 1st July 2019.

National Standard

GB/T13587-2006 Scraps of copper and copper alloy

GB/T13586-2006 Scraps of Aluminium and aluminum alloy
The impact of recent changes on the scrap import

Both copper scrap and aluminum scrap import saw a big decrease in 2018, for copper scrap, the import was 2414 kt (gross weight), down 32.2% year-on-year; and aluminum scrap import was 1565 kt (gross weight), down 27.9% year-on-year.

Zinc scrap and nickel scrap import saw an increase in 2018, zinc scrap import was 160 kt (gross weight), and nickel scrap import was 114 ton (gross weight), witnessed an increase of 14.3% and 17.1% respectively.

Data source: The customs
The impact of recent changes on the scrap import

In January-March 2019, China imported 332.7kt copper scrap, saw a decrease of 39.8%, the quantity of copper scrap continued to decline further, but copper content per ton increased.

During the same period, China imported 330.6kt aluminum scrap, saw a decrease of 32.0%, but it was different from copper scrap, the metal content declined too.

Data source: The customs

Outlook & Summary

A  Supervision conditions

B  Related standard revision
Outlook & Summary

According to the joint announcement (2018 No. 68), copper and aluminum scraps (category 6) have been officially included in the restricted catalogue of solid wastes that can be used as raw materials for import, since July 1, 2019. It is only two months left before the specific rules are officially introduced. These will undoubtedly have a further impact on the import of copper and aluminum scrap in the second half of this year;

In addition, other work is underway. One is to adjust the customs tariff HS codes for copper and aluminum scrap, and the other is to revise two national standards, namely Scraps of copper and copper alloy (GB/T13587-2006), and Scraps of aluminum and aluminum alloy (GB/T13586-2006). The purpose is to make the definition of scrap more scientific and more reasonable;

Affected by the above situation, China's copper scrap and aluminum scrap imports will continue to decline in 2019, especially in the second half of this year. In 2020, China's copper and aluminum scrap imports will be gradually stable and rise again.

Outlook & Summary

In 2018, China's copper and aluminum scrap imports decreased sharply, mainly due to the adjustments of import policy, including adjustment restricted catalogue and prohibited import catalogue, and China increased tariffs on imports of copper and aluminum scrap from the United States.

Restricting or prohibiting the import of copper and aluminum scrap temporarily does not mean that China is not allowed to import metal scraps, but encourage to import higher copper/aluminium content scrap as raw materials, prohibiting garbage from entering into China, and strengthening China's environmental protection.

With the adjustment of customs tariff HS codes, the improvement of the licensing mechanism for copper and aluminum scrap import, and complete revision of the national standards, China will continue to import metal scraps, especially for copper and aluminum scraps in the future, but low-metal-content scraps (aluminum scrap & copper scrap) will no longer imported directly into China.

China is not a abundant country for copper and aluminum resources comparing to the huge domestic demand, secondary copper and aluminum will be an important supplement to raw materials supply.
Thank you for your attention!