

**JISRI (Japan Iron & Steel Recycling Institute)  
GENERAL ASSEMBLY AND NATIONAL CONFERENCE  
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Thank you and Good afternoon.

I would like to begin by thanking the Japan Iron & Steel Recycling Institute for the invitation to speak with you today. It is a pleasure to be here and I appreciate the opportunity to introduce you to the Institute of Scrap Recycling Industries, also known as ISRI, and also share with you some information about the US based ferrous scrap recycling industry.

ISRI is the trade association based in Washington DC representing the scrap recycling industry in North America. We represent more than 1,550 private, for-profit companies in 39 countries throughout the globe that process, broker and industrially consume scrap commodities, including scrap metal, paper, plastics, glass, textiles, rubber, and electronics. ISRI's membership also includes suppliers of equipment and services to the recycling industry. Our members employ more than 85,000 individuals in the U.S. and operate at approximately 7,000 facilities worldwide.

ISRI's mission is to provide education, advocacy, and compliance assistance to its members; and to promote public awareness of the vital role recycling plays in the US economy, global trade, the environment and sustainable development.

The US based scrap recycling industry processes between 125 and 150 million metric tons of recyclables each year in the US - destined for both domestic use and export markets. This figure includes up to 85 million tons of ferrous scrap.

While the focus of this conference is on ferrous scrap, ISRI members also handled millions of tons of other commodities shown on the screen above. The value of these commodities reached an all-time high in 2008 of 86 billion US dollars annually and fell to 54 billion US dollars in 2009. The broad spread between those two numbers is due to the severe drop in commodity prices that occurred in 2009 as compared to 2008, combined with the worldwide recession. During that same period, exports of ferrous scrap from the US to Japan dropped from \$139 million in 2008 to \$5.4 million in 2009.

The US scrap recycling industry places a high value on the relationships it has with its trading partners throughout the world as the export trade is an integral part of

the US scrap marketplace. It is estimated that between 33 and 40 percent of the scrap processed in the US annually is destined for export. Nearly \$29 billion of scrap (or 44 million tons) was exported from the US to 153 different countries worldwide in 2008. With regard to ferrous scrap specifically, the US exported nearly 20 million tons of iron and steel scrap last year alone, to approximately 90 different countries.

Today, annual processing capacity for ferrous scrap within the US is conservatively estimated to exceed 150 million tons – nearly double the current volumes being processed in the United States for domestic consumption and export. Further, recent independent research found that the size of the US obsolete ferrous scrap reservoir to be 1.1 billion tons . . . definitely more than enough scrap to meet the needs of both US domestic and international customers for ferrous scrap for the foreseeable future.

Despite the high volume of scrap availability, it is important to know that the US scrap industry is committed to not just delivering plentiful volumes of scrap, but delivering high quality scrap. Technological advances in the US scrap processing industry have resulted in significant gains in scrap quality over the last 10-15 years. Advances in eddy current, heavy media, and other separation processes, as

well as greater attention to preprocessing all have contributed to continuous quality improvements.

ISRI itself is dedicated to do what we can to promote the worldwide quality of scrap. Several years ago ISRI developed something we call RIOS – the Recycling Industry Operating Standard - an integrated management system designed specifically for the recycling industry, incorporating the best aspects of ISO 9001 for quality, ISO 14001 for environmental and OHSAS 18001 for health and safety.

More than 30 years before the introduction of RIOS, ISRI began aggressively advocating the concept of Design for Recycling,<sup>®</sup> the goal of which is to encourage manufacturers to eliminate, to the extent possible, hazardous and nonrecyclable materials from their production processes in order to promote safe and efficient recycling.

Another tool used by ISRI and its members to help ensure the delivery of consistently high quality scrap is ISRI's Scrap Specifications Circular.

For more than 85 years, ISRI and its predecessor organizations have developed and maintained the Specifications to aid scrap buyer and sellers in ensuring consistent

quality standards in the delivery of ferrous and other scrap commodities to our consumers.

I hope that in this short time I have had to speak with you, that it is clear that ISRI and our members are committed to working with our counterparts here in Japan and throughout Asia to ensure the continued trade of high quality scrap metal between our countries, conducted in an environmentally and economically responsible manner. I am truly honored that you invited me to speak to you today and look forward to learning more about the scrap recycling industry in Japan and how we might work together to build an even stronger relationship into the future.

To that end, I would like to congratulate JISRI on a very successful International Ferrous Recycling Forum held yesterday, that I hope will be the beginning of a very productive and fruitful dialogue between our associations.

Thank you...