

# Export and import restrictions on scrap metal around the world: A snapshot

**European Union** 

The EU does not currently restrict the import or export of scrap metal, but the EU is currently considering restricting scrap metal exports to certain countries on environmental grounds. On November 17, 2021, the EU Commission published a proposed regulation under which exports of non-hazardous waste (including scrap metal) to third, non-OECD countries would be allowable only to “those non-OECD countries that explicitly notify the EU of their willingness to receive EU waste exports and demonstrate their ability to treat this waste in an environmentally sustainable manner.” The proposed export prohibition would apply to waste materials that OECD members have designated as “green list” wastes (i.e., those that pose low risks to human health and the environment), including scrap of iron and steel, aluminum, copper, nickel, zinc and cobalt. The proposed regulation is still at a draft stage and has not yet been formally adopted.

**China** 

China currently maintains an export tax of 40% on iron and steel waste and scrap, and export taxes of 15% on aluminum and copper waste and scrap. These measures are believed to have a significant impact on global scrap markets, given that China accounts for a relatively large share of global production of these metals.

China imposed a complete prohibition on imports of solid waste (including scrap metals) as of January 1, 2021, but exempted several key scrap metals that can be recycled, provided that they meet applicable national standards. The scrap metals eligible for this exemption are scrap of iron and steel, brass, copper and cast aluminum alloys. Imports of these materials into China are subject to compulsory inspection at the port of importation.

**Canada** 

Canada restricts the import and export of hazardous waste and hazardous recyclable material. The materials designated as hazardous by the regulations do include some metal products. Otherwise, Canada has largely refrained from imposing taxes or significant restrictions on scrap metal exports and imports.

**Korea** 

Korea has largely refrained from imposing taxes or significant restrictions on scrap metal exports and imports, though there have been some recent calls for restrictions on exports and imports.

**United States** 

The US has largely refrained from imposing taxes or significant restrictions on scrap metal exports and imports.

During the run-up to World War II, a government-sponsored “Scrap for Victory!” movement encouraged an American salvage campaign to support US armed forces, and the US temporarily banned exports of iron and steel scrap. However, currently neither the current Commerce Control List nor the US Munitions List generally requires an exporter of US-origin metal scrap or waste (as opposed to downstream articles manufactured from them) to obtain a license.

**Japan** 

Japan has largely refrained from imposing taxes or significant restrictions on scrap metal exports and imports.

**Mexico** 

Mexico has largely refrained from imposing taxes or significant restrictions on scrap metal exports and imports.

**India** 

India imposes a 15% export tax on various forms of iron and steel waste and scrap.

**Vietnam** 

Vietnam imposes export taxes ranging from 17%-22% on many forms of metal scrap including iron, steel, aluminum, copper, nickel, zinc and tin.

**Argentina** 

Argentina has prohibited exports of iron, steel, copper and aluminum scrap since 2016.

**Australia** 

Australia has largely refrained from imposing taxes or significant restrictions on scrap metal exports and imports. There have been some recent calls to ban the export of unprocessed scrap metal, but currently no such legislation has been enacted.

Source: White & Case