

Why exporting recycled metal is essential to the UK metals recycling industry



Image courtesy of
Javelin Global Commodities

British Metals Recycling Association



The UK metals recycling industry plays a crucial role in both the economy and the environment. It processes over **11.5 million tonnes of ferrous and non-ferrous metals** each year – everything from old vehicles and fridges to construction waste. These materials are transformed into valuable raw resources and re-enter the supply chain, helping to build a circular economy.

However, the future of the industry is under threat due to government discussions around **restricting metal exports**. Such restrictions could have **catastrophic economic consequences**

for the metals recycling industry.

The British Metals Recycling Association (BMRA) is the only trade association in the UK representing all metal recyclers.



Image: A4 Metal Recycling

A vital industry under pressure

The UK metals recycling industry is a major contributor to the economy:

- It supports **over 2,000 businesses**.
- It **directly employs 15,000 people**, with thousands more jobs in related industries.
- It contributes **£9 billion in gross value added (GVA)** each year.

Despite this, the industry has limited domestic demand. UK steel production has declined, and current domestic metal producers cannot absorb all the recycled metal generated in the UK. As a result, the industry **exports 70–80% of what it processes**, making exports absolutely essential for survival.



Image: FJ Church



Image: Wye Valley Metals



Image: Global Ardour Recycling

The risks of export restrictions

Recent research by **Sheffield Hallam University*** has shown that any restriction on exports – such as quotas or bans – would severely damage the industry. The study modelled several possible government policy scenarios, all of which showed major negative impacts.

Here's what could happen over just five years:

Scenario	GVA loss	Job losses
10% export quota	£880 million	2,835 jobs
Ban to Türkiye	£2.16 billion	6,834 jobs
30% export quota	£2.54 billion	8,846 jobs
Ban to non-OECD countries	£4.9 billion	20,317 jobs
50% export quota	£4.08 billion	23,206 jobs



Image: John Lawrie Metals

Even in an extremely unlikely scenario where 90% of export value is domestically recovered, the industry would still fail to fully offset the loss. Any such policies would reduce the overall value of the industry, make many businesses unviable, and disrupt the UK's recycling ecosystem.

* Source: *Assessing the impact of potential restrictions on UK recycled metals exports 2025*
www.recyclemetals.org/export-report-2025

Why domestic demand can't fill the gap

UK recyclers say they would prefer to sell to UK customers, but several challenges make this unrealistic:

- **Too little demand for steel:** In 2023, UK demand for recycled steel was only **2.6 million tonnes**, and it has dropped further due to closures and reduced activity at plants like Tata Steel and British Steel.
- **Lack of infrastructure for other metals:** There is only one major aluminium smelter, and there are no major copper or brass producers.
- **Poor payment terms:** UK buyers often take up to **90 days to pay**, unlike on the day or prior to loading for many overseas markets.
- **Limited credit insurance:** Financial support for domestic sales is harder to secure.

Even if new Electric Arc Furnace (EAF) plants are built in the UK, like those planned for Port Talbot and Scunthorpe, there will still be a **surplus of at least 4 million tonnes** of recycled metal per year. That metal **must be exported** to avoid waste and keep recyclers in business.



Why the industry is more exposed now than ever before

Sheffield Hallam University's research shows the industry is more vulnerable to export disruption now than it was 20 years ago:

- The **global value of recycled metal has risen**, meaning even small drops in export volumes from the UK now cause large financial losses.
- The UK has become increasingly **reliant on key export markets**, like Türkiye, where 88% of steel is made using Electric Arc Furnaces (EAFs) — which rely heavily on scrap metal.

- Global demand for recycled steel is set to rise **dramatically**, it is expected to exceed **1 billion tonnes by 2050**. Cutting the UK off from this demand would be short-sighted.



What businesses are saying

In interviews with 27 UK metals recycling companies:

- The **median export percentage (as a proportion of turnover) was 85%**.
- **60% of firms relied on exports for over 75%** of their revenue.
- All businesses agreed that export restrictions would be **damaging**, with many saying a full ban would be **fatal**.

Even companies that don't export directly would be affected, as they often sell to exporters. Without a healthy export market, the entire **supply chain** is at risk.



Image: R Davies and Sons



Image: BMRA Archive



Image: BMRA Archive

Wider impacts: Waste management and the environment



Without exports:

- **Less metal would be collected and recycled.**
- There would likely be more **fly-tipping and vehicle abandonment.**
- SMEs would **lose income.**
- **Landfill and storage pressures** would increase, as we simply couldn't manage the volume of waste being generated.

Environmentally, restricting exports is counterproductive. Recycled metal is a **powerful tool in the fight against climate change:**

- Using one tonne of recycled steel **avoids 1.5 tonnes of CO₂ emissions.**
- Recycled aluminium saves **14,000 kWh** of energy per tonne – enough to power a UK home for more than a year.
- UK metal recyclers support global green production in places like **Morocco**, where steel is made with EAFs predominantly powered by **renewable energy.**

Calls for smarter policy, not blanket bans

The industry supports **quality improvements** and better regulation. Many recyclers welcome export standards that ensure high-quality metal leaves the UK. But they also warn of an **uneven playing field**:

- Some operators **don't comply with regulations** but are still able to trade.
- Enforcement is often **weak or inconsistent**.
- Without fair competition, responsible businesses **struggle to compete**.

Any new controls must be:

- **Clear and enforceable**.
- Introduced with enough **lead time** for businesses to adapt.
- Supported by Government investment in **waste management capacity** to handle additional waste.



Energy-from-waste facility
Image: Belish/Bigstock

Exports are the lifeblood of the UK metals recycling industry

Restricting exports might seem like a way to strengthen UK manufacturing, but it could actually destroy the very industry needed to support a green, circular economy.

The UK metals recycling industry:

- Creates jobs.
- Delivers environmental benefits.
- Supports international low-carbon steelmaking.
- Is ready to supply UK steelmakers as they transition to greener production.

But it **must be allowed to export** its surplus to survive. Without that, many businesses will fail; and with them, the UK's ability to meet its net zero goals could be seriously compromised.



Image: MAGNIFIER/Bigstock

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