

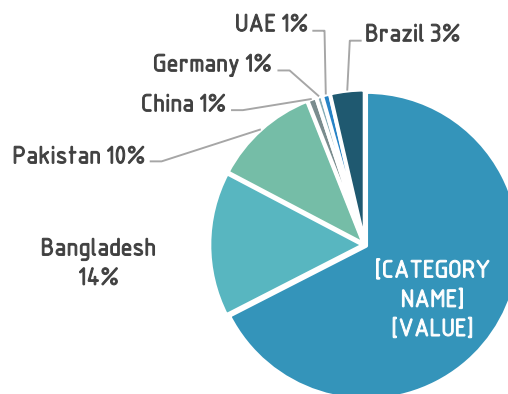
A Green Ship Recycling Facility that will boost international trade for South Africa’s scrap metal industry.

As stricter standards are set in place for the steel production industry, the global demand in scrap metal will increase.

The use of steel scrap has become a significant part of the modern steelmaking industry as stricter environmental standards drive the increased use of recycled materials. This trend is reflected in the world’s largest steel scrap user, China. The Chinese government has established higher pollutant emissions standards for the steel industry, and to meet these new standards without restricting production, the industry has increased its steel scrap input. This trend has manifested globally, as approximately 25% (470 million tonnes) of new steel produced each year, is produced from recycled scrap.

South Africa is a net-exporter of scrap metal with the majority being exported to India, followed by Bangladesh and Pakistan. In 2019, South Africa’s annual exports of ferrous and stainless-steel scrap amounted to almost 525,000t. While non-ferrous annual scrap exports amounted to nearly 71,000t of aluminium scrap and 8,000t of copper, brass, and bronze scrap. With stricter environmental quality standards set for international steel industries, the global demand for scrap metal will continue to increase, creating global and local opportunities in the scrap metal market.

Scrap metal exports by country, South Africa, 2019



A planned ship recycling facility, located along the West coast of South Africa in the Saldanha Bay Industrial Development Zone, will serve as a key opportunity for the South African scrap metal industry. With its commissioning, this facility - **34South** - will maintain international ship breaking standards, thereby participating in the global ship recycling industry, facilitating international exports and serving as an indirect gateway to strengthen South Africa’s scrap metal industry. In maintaining international scrap metal trade links, this facility will boost foreign exchange and economic growth for South Africa as well as creating numerous jobs for the local community.

The 34South planned facility is supported by the Industrial Development Corporation (IDC) of South Africa, as its largest shareholder.