

BLUEPRINT 2016-2019

DRIVERS OF CHANGE



EUROPEAN ALUMINIUM

European Aluminium Blueprint 2016-2019



WHY NOW?

Europe aims high.

The EU wants to shape the global agenda in key policies such as trade, energy, innovation and social rights. This ambition is embedded in our continent and is necessary for the world. Still, public policy is critical to achieve these goals. Leading will require the right incentives, better regulation and the engagement of all the relevant players in our society.

The European Aluminium Blueprint

is about our engagement with long-term policy. It features a comprehensive set of strategic policy recommendations per policy (drivers of change) and introduces our voluntary initiatives (sustainability and innovation hub) in a friendly format.

CONNECTING DOTS: DRIVERS OF CHANGE

Sustainability & Innovation



TRADE



ENERGY



**CIRCULAR
ECONOMY**



ABOUT

Our strategic policy proposals in one document



HANDY

Learn what is important in 5 minutes



FACTUAL

Know the relevant facts and figures

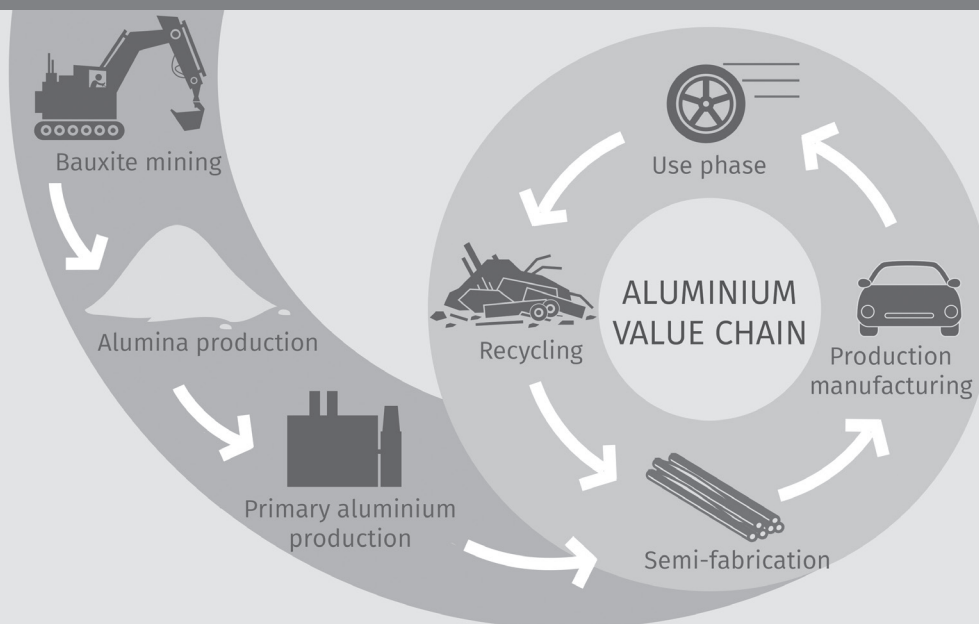


PROACTIVE

Discover our initiatives: Sustainability and Innovation Hub

Industry Overview

European Aluminium at a glance



1 million +

Direct and indirect jobs
across the EU



600 plants

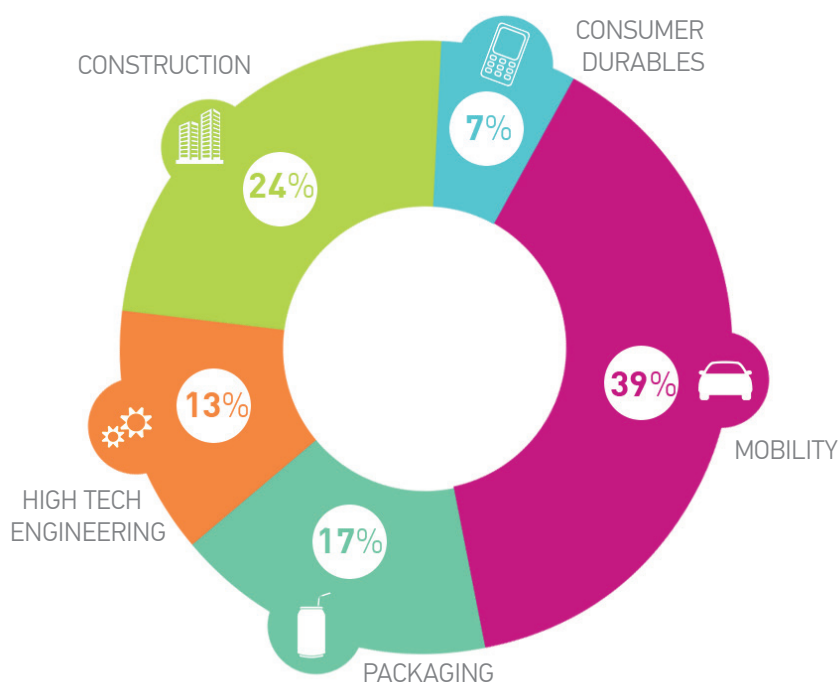
in 30 European countries
(EU 28, EFTA and Turkey)



€38 Billion

annual turnover

MAIN END-USES FOR ALUMINIUM PRODUCTS IN EUROPE IN 2015



Source: European Aluminium data 2016

Driver of Change #1

Trade: Enforcing free and fair global rules



Trade has been a historical source of growth and innovation for Europe. The condition to implement a successful trade policy today is to align environmental, health and social rules into a unique and enforceable global legal framework. Equipping Europe with modern trade instruments is also vital. European Aluminium fully supports fair trade and is ready to promote a sustainable, efficient and responsible industry worldwide provided that a robust EU trade regime is defined in line with WTO rules.

KEY POLICY AREAS



EU Anti-Dumping Regulation Review



"Trade for All" Communication by DG Trade



OUR STRATEGIC ASKS

TRADE INSTRUMENTS

Modernise EU trade defence instruments to ensure a fair global playing field vis-à-vis major trading partners.

EHS & TRADE

Integrate energy, climate and health standards in EU Trade policy and agreements.

MARKET ECONOMY STATUS

Refrain from granting Market Economy Status to economies that are not fulfilling the current EU criteria.

KNOW THE FACTS

46%

Net imports of aluminium into the EU (vs 35% in 2000)

54%

China's worldwide primary production (vs 11% in 2000)

LME

Aluminium price is globally set by the London Metal Exchange

CHALLENGES AHEAD



Increasing global overcapacity



Unlevel playing field on GHG emissions



Mislabelling of custom codes

Driver of Change #2

Energy:

Aluminium's lifeblood



The 2030 EU Climate and Energy Package and the Energy Union are two major policy initiatives to address Europe's industrial future. The challenges: decouple production from GHG emissions, improve energy efficiency rates and promote sustainable products across the value chains. European Aluminium can play a pivotal role in the making of a new industrial green base in Europe.

KEY POLICY AREAS



ETS Reform 2020-2030: A strong carbon signal with balanced rules for industry exposed to carbon and investment leakage



Electricity Market Reform: A liquid and integrated market for energy-intensive industries



OUR STRATEGIC ASKS



Implement measures that ensure effective compensation for direct and indirect carbon costs. The new scheme should be based on actual production, realistic benchmarks and award best performing smelters.



Promote voluntary long-term electricity contracts at a competitive price as this represents a win-win situation for the power generators and large scale electricity consumers.

KNOW THE FACTS

40%

of Europe's overall primary production cost is electricity (vs 32% global)

-53%

of GHG emissions reduced since 1997

60%

of primary production in Europe comes from renewable energy sources

SERVING GROWING EU MARKETS



Transport



Buildings



Electronics



Power

Driver of Change #3

Circular Economy: Aluminium as the front-runner



The new Circular Economy Package represents a unique opportunity to move to a real resource-efficient economy. It is about collecting more secondary raw material and ensuring it is properly and efficiently sorted and treated so that it can be re-used endlessly in new products. Enhancing recycling in Europe will contribute to reduce the dependency on imports, save on energy and resources in general.

KEY POLICY AREAS



Revised EU waste legislation proposal to boost recycling and prevent the production of waste



Closing the loop - An EU action plan for the Circular Economy



OUR STRATEGIC ASKS

COLLECTION & SORTING

Maximise the collection of available aluminium and phase out landfilling of recyclable materials.

INNOVATION

Stimulate innovation and investment in more efficient collection, sorting and treatment technologies.

EHS STANDARDS

Minimise leakage of aluminium scrap out of Europe, and ensure a level playing field with equivalent EHS standards.

KNOW THE FACTS

95%

recycling aluminium saves energy compared to primary production

75%

thanks to its endless recyclability, 75% of all aluminium ever produced is still in use today

1 million tonnes

aluminium scrap exported to non-European countries in 2014

RECYCLING ALUMINIUM MATTERS



over 220 recycling plants and 25,000 indirect jobs



10.5 million tonnes of recycled aluminium in 2015



High end of life recycling rates:
> 90% in construction and automotive and 60% in packaging

Initiatives for Change **Sustainability Roadmap and Innovation Hub**



A strong commitment to sustainable business

Launched in 2015, the Sustainability Roadmap is a voluntary initiative to deal with sustainability challenges that go beyond legislative frameworks

Creating a real “Innovation Hub”

One single place where our innovation leaders engage in EU research opportunities together with strategic partners

A CLEAR VISION FOR 2025



Responsible production

for environmental protection



Innovative applications

for sustainable lifestyles



Socio-economic contribution

for a sustainable society

2015

Setting adequate policy framework

Reconciling
sustainability and
competitiveness

Monitoring our performance

30+ Sustainable
Development
Indicators (SDIs)
monitored
since 1997

Innovating on processes and products

SPIRE – sustainable
process
Factories of the Future
Energy Efficient
Buildings
Low Carbon Mobility

Engaging with our stakeholders

Advisory Board and
stakeholders workshops

Transparent reporting

Sustainability report
and mid-term evaluation

2025

ABOUT EUROPEAN ALUMINIUM

European Aluminium, founded in 1981 and based in Brussels, is the voice of the aluminium industry in Europe. We actively engage with decision makers and the wider stakeholder community to promote the outstanding properties of aluminium, secure growth and optimise the contribution our metal can make to meeting Europe's sustainability challenges. Through environmental and technical expertise, economic and statistical analysis, scientific research, education and sharing of best practices, public affairs and communication activities, European Aluminium promotes the use of aluminium as a material with permanent properties that is part of the solution to achieving sustainable goals, while maintaining and improving the image of the industry, of the material and of its applications among their stakeholders. Our 80+ members include primary aluminium producers; downstream manufacturers of extruded, rolled and cast aluminium; producers of recycled aluminium and national aluminium associations are representing more than 600 plants in 30 European countries. Aluminium products are used in a wide range of markets, including automotive, transport, high-tech engineering, building, construction and packaging.

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