



Towards a Growing, Innovative and Resource-efficient Europe: Unlocking the aluminium industry's potential

Roeland Baan, Chairman,
European Aluminium Association

18 November 2014, Rome

A key player and value chain for Europe

€36.8

billion
Annual turnover

255,000

Employed directly by the
aluminium industry in Europe

1 million +

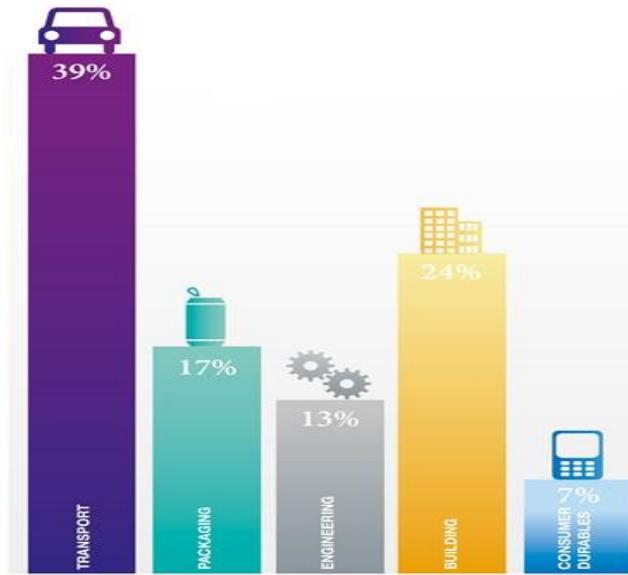
Indirect jobs across
Europe's value chain

**Europe produces
16%**

of worldwide
aluminium, **half of which**
from recycled sources



Main end-uses for aluminium products in Europe



Aluminium
is a young material and
the most widely used
non-ferrous metal

8%

of the earth crust

**Endlessly
recyclable**

75%

of the aluminium
ever produced is
still in use

A dynamic and innovative industry

Jaguar sets new standard with 'most sustainable' car

"We expect the bullish trend in aluminium to continue in 2015 and probably beyond" Dr. Frank R. Fere

www.alcircle.com

Unibody Aluminium Design and Much More



AEROBAL Presents World Aluminium Aerosol Can Award 2014 Winners

September 29, 2014 5:30 pm

Aluminium threatens steel's dominance of the car industry

By Robert Wright in Calvert, Alabama



spokesman says. "The steel folks are certainly investing a lot of money and they're certainly a formidable competitor. But at the end of the day they can't change the density of the material they're working with."

You can call me Al One of the founding visionaries behind the critical and commercial success of Apple products, Steve Jobs used polished metal to bring geek chic to a global clique

Steve Jobs – the man who made aluminium sexy

BY ANDREW RITTER
Steve Jobs' list of achievements is long, and one of them includes being the man who made aluminium sexy.

Most of us recall the buzz surrounding the original iPhone, an Apple product, with queries around the block, for what are probably the most recognizable and highly desired items in the mobile consumer marketplace.

So it's not with surprise

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co-founder, who died of cancer in 2011, was a fan of the metal.

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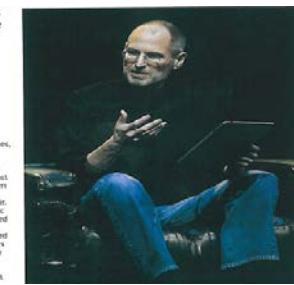
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The iPad features a recyclable magnesium alloy, a 9.7-inch display and an HD camera

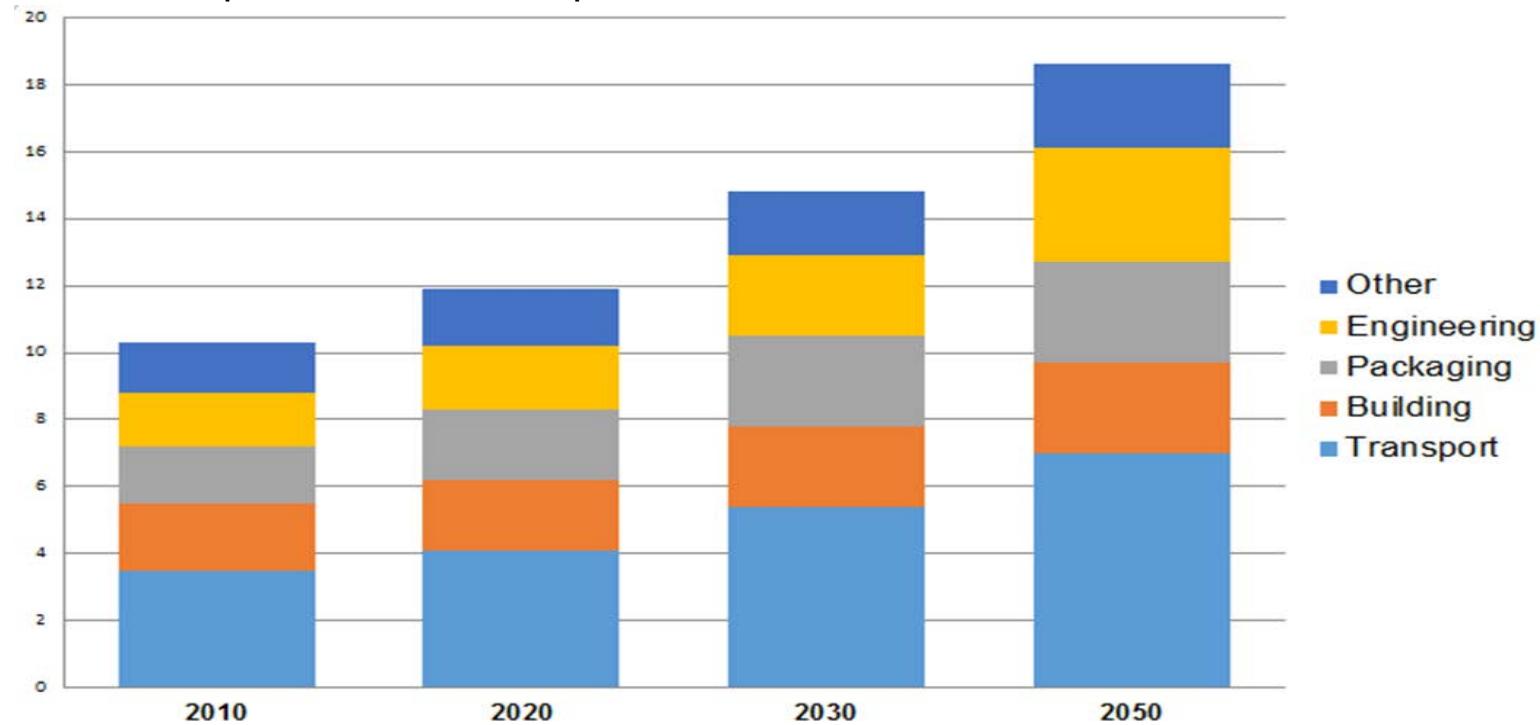
The building block of modern society



A strategic value chain serving key EU markets

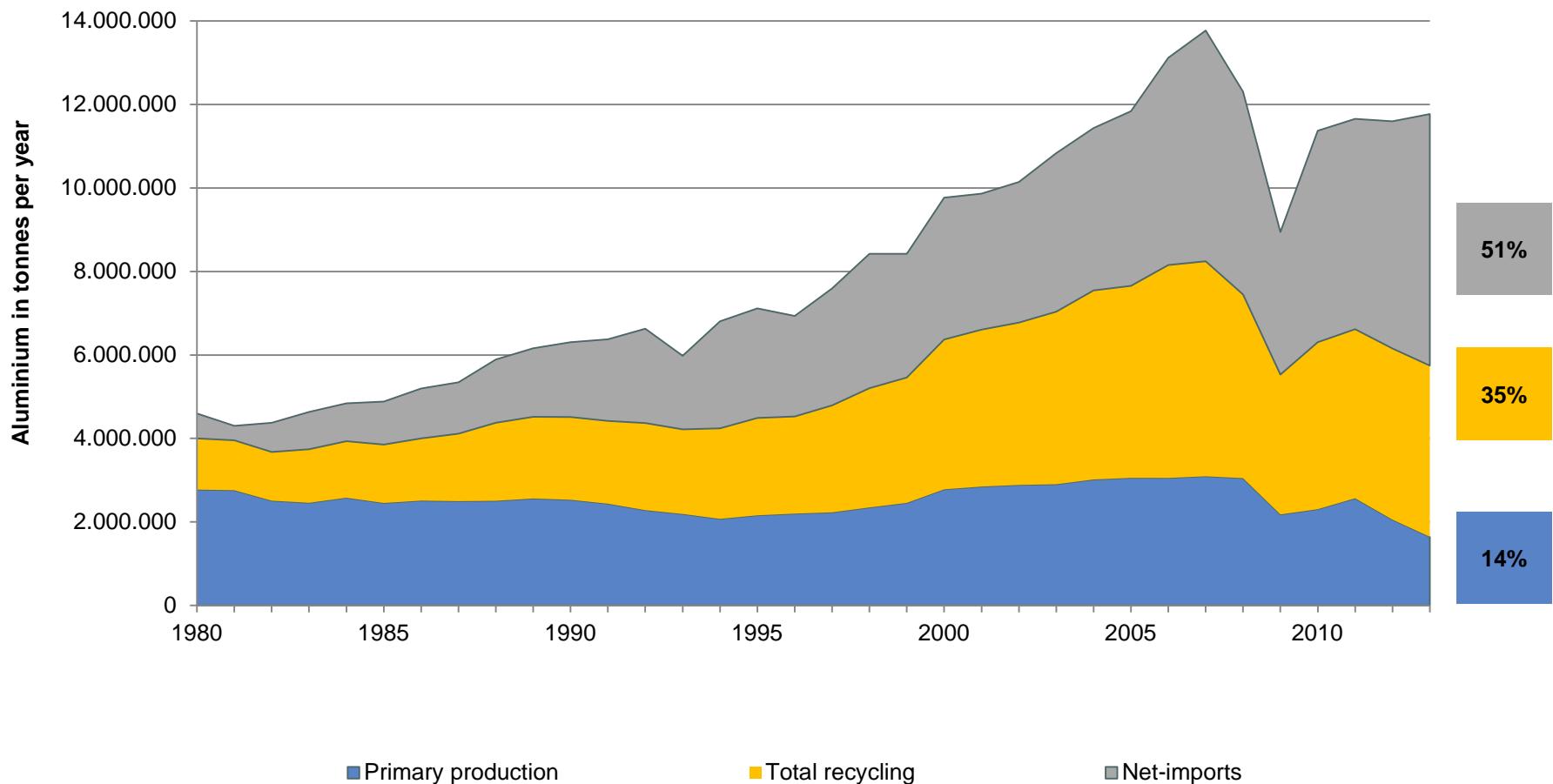


The European End-Use Markets Perspectives



Growing demand but declining production triggers dependency

Europe's fast-growing metal imports dependency



Standing Up for a Competitive and Sustainable EU

EAA's Agenda for Action

- **Secure competitive energy prices through sound industrial, climate and energy policies**
- **Safeguard scrap availability, further unlock the recycling potential and foster Europe's circular economy**
- **Boost demand for resource-efficient solutions, support innovation and aluminium value chain clusters in Europe**



Concrete measures to boost competitiveness

2030 Climate and Energy Strategy

- **Fundamental reform of the EU ETS** to address its critical impacts on energy-intensive industries
 - **Free allocation to the most ETS exposed sectors** must be “re-set” beyond 2020
 - **European mechanism for full compensation of ETS indirect costs in all Member States**



Concrete measures to boost competitiveness

Towards a zero waste programme for Europe

- Ambitious - but realistic - **recycling targets**
- **Better and harmonised recycling definitions**
- **Ban on landfill** of recyclable waste
- **“Equivalent environmental conditions”** for waste exports
- **Eco-design requirements** to refer to resource efficiency, recyclability and durability



Conclusions

The retention of the industry's value chain in Europe offers the biggest potential in terms of growth, employment along with climate and environmental objectives

- The European aluminium industry can support higher climate ambitions on the condition that urgent measures to **safeguard the global competitiveness of the most exposed industries**
- **Investment leakage can be stopped** by addressing the adequate mechanisms and enabling policies
- An **ambitious EU waste policy** can support the industry's global recycling leadership



Time for action

*“The Commission will therefore carry out pilot horizontal sectoral fitness checks. The first two of these will look at petroleum refining and the **aluminium** sectors. Both sectors are **critical for the EU's industrial value chain, but urgently require new investment to be made in the face of strong international competition.***

EU Communication «A Stronger European Industry for Growth and Economic Recovery», October 2012

“Restoring the aluminium industry to competitiveness is an urgent issue. We need to carefully consider the effects of all relevant EU policies on this sector. As producers need to be able to source energy at affordable costs, I look forward to addressing the issue of energy costs.”

EU Commission's Vice-President for Industry, Antonio Tajani, November 2013

*“The analyses of energy prices and costs show that there has been little impact on the EU's relative competitiveness which could be directly attributed to higher energy prices and the carbon price under the ETS. **However, this varies from sector to sector and indirect effects such as rises in electricity costs have had an impact on intensive users of electricity such as aluminum producers.**”*

EU Commission's Communication «A policy framework for climate and energy in the period from 2020 to 2030», January 2014



Thank you for your attention

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