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Contribution to the public consultation on the EU2020 strategy

The European Aluminium Association (EAA), representing Europe's aluminium producers, transformers and recyclers, is committed to ensuring the long term sustainability of aluminium as a key material for millions of consumers world-wide and of the hundreds of – mainly small and medium-sized – aluminium companies and their employees, active on the various European and international markets. In this perspective, we would like to voice the following comments about the EU 2020 Strategy:

About sustaining our social market economy

The key elements of tomorrow's economy must be considered comprehensively.

A “*sustainable social market economy*” cannot be based solely on innovation, knowledge and services: These are crucial, but the actual goods, and the materials of which they are made, are equally important to the everyday life and well being of Europe's population. Therefore, the EAA supports the idea that “*Europe needs a strengthened and competitive industrial base*”: This is indeed the minimum requirement if Europe is to sustain its current quality of life, social welfare and environmental standards while preserving undisturbed supplies of key commodities on which European societies heavily depend. Therefore, the EAA welcomes the proposed “*fresh approach*” calling for “*an integrated industrial policy*”.

About preserving Europe's industrial base

Our industrial base must remain varied, broad based and globally competitive.

Even in the digital age and in the era of knowledge and services, manufacturing industries remain an essential foundation of the economy. Apart from providing a substantial part of Europe's employment and economic output, manufacturing industries are also at the root of the infrastructure and equipment through which knowledge is developed and transferred, services are invented and provided. Industry supplies the essential hardware on which the whole software of the digital economy operates.

Europe's industry is in fierce competition with every other region of the world. Therefore the competitiveness of European industries can only be measured against the benchmark set by their global competitors. In particular, for globally traded commodities such as aluminium, the primacy and even the survival of the European industry will depend on whether or not

European producers will have access to resources (raw materials, energy¹, workforce², capitals) and markets (domestic and foreign) at conditions comparable to those of their international counterparts. Any policy or measures taken by the EU and / or its Member States jeopardizing this access on a level playing field is a direct threat to the survival and integrity of Europe's industrial base. This in turn would threaten Europe's ability to further invest in the development and innovation of its base industries and their downstream products, thus running the risk that the whole continent could become a regional follower instead of a world leader of global trends.

Europe's economy will only manage to be "*connected and greener*" if it can remain "*competitive*" in the first place. Industry is at the core of this competitiveness, and it is the European authorities' full responsibility that it can be preserved. Notably, the commitments endorsed unilaterally by Europe to pursue our environmental objectives must be shared in a fair, transparent and proportionate manner, and each sector in Europe's industry has to bear its fair share of the burden, neither more nor less than what is justified by its own environmental footprint and its contribution to society and the economy.

About using resources more efficiently

Using our resources more efficiently not only requires us to reduce our primary energy and raw material consumption, but also commands us to preserve and transfer as many resources to the next generations as possible.

Decoupling economic growth and consumption is only possible if we move from a system based on "buying, consuming and throwing away" to one of "renting, sharing, using, recycling / reusing". However, this has to go very much further than what is outlined in the consultation document: The concept of material conservation / preservation should play a key role in this decoupling process.

Currently, the emphasis is mostly on the input side of production and consumption (better use of raw material, higher productivity, etc.), while the output side of the products' life cycle (recycling, reuse) remains overlooked, or at least underestimated. For instance as regards recycling, eco-design requirements should much more facilitate end-of-life recycling in order to stimulate the use of the recycled material for the same or other purposes, instead of focusing on maximising the recycled content of goods manufactured today. If the true aim is sustainability, then the properly eco-designed product is the one which, whether itself made of recycled material or not, will also constitute a preserved resource for the future. Very concretely, in the building sector, today's towns should become the "mines of the future" for tomorrow's new buildings, but so far nothing about this approach has appeared in European policies or strategic documents.

Conclusions and recommendations

The EAA supports Europe's ambition to be the global front-runner of sustainable development, but warns that this ambition must be matched by every relevant protection against the competitive disadvantages that Europe could suffer because of back-runners. In

¹ In particular, long term, secure and affordable access to energy, notably base-load electricity, is vital.

² State of the art education, vocational training, research and development are an essential prerequisite to any European ambition of global leadership.

particular, the overall effort sharing between Europe and the rest of the world, as well as within Europe, needs to be fair and equitable. Therefore, the EAA insists that:

- **Europe's raw material strategy must be designed so as to ensure sufficient, secure and affordable access to all critical raw materials at all times, in an environment of growing global competition. This includes not only energy and high added value specialties, but also basic commodities.**
- **The prerequisite to maintaining and further expanding Europe's knowledge-based, competitive, green and connected economy is to preserve the industrial base that provides the physical foundations of such an economy, and actually delivers on Europe's ambitions in research, development and innovation.**
- **Europe's industrial policy has to be developed so as to ensure that Europe's existing industrial base is preserved, modernised, improved and extended, at conditions which allow it to compete effectively and successfully with every competitor worldwide.**
- **The European sustainable production and consumption policy has to be overhauled and improved in order to ensure that the materials and other resources needed for our economy's and society's infrastructure and equipment will also be available through reuse and recycling for the next generations.**