

Temporary exemption from US tariffs a positive step but insufficient, says European Aluminium

Brussels, 22 March 2018 – The US announcement to temporarily exempt Europe from the aluminium tariffs is a positive first step but insufficient to dissipate uncertainty and negative impacts in our industry, says European Aluminium, the voice of the entire aluminium value chain. The leading trade association applauds EU Trade Commissioner Cecilia Malmström's efforts to reach a solid deal with the US.

“We really appreciate EU Trade Commissioner Malmström’s hard work vis-à-vis the US Administration to take a very first step in the right direction by temporarily excluding Europe from the 10 per cent tariff on all aluminium products. However, this decision opens the door to uncertainty for our industry,” commented Gerd Götz, Director General of European Aluminium.

“We invite Commissioner and US counterpart to continue the dialogue in order to focus negotiations on the real problem which is how to tackle Chinese overcapacity and confirm that Europe will be permanently excluded from these potential unfair tariffs,” explained Götz.

European Aluminium has already voiced its concerns about the redirection of metal flows from targeted countries, which could see an additional 20 per cent of primary aluminium exports and 35 per cent of semi-fabricated aluminium products ending up in Europe. Despite a permanent exclusion of tariffs, this major challenge will remain.

The European aluminium value chain already faces enormous pressure from unsustainable Chinese primary aluminium overcapacities, which represent five times the total EU production and is continuing to grow. Forecasted production growth has increased from 5 per cent to 13 per cent during 2017 despite the winter stops in several Chinese smelters. In addition, Chinese exports to the EU of semi-fabricated products increased double digits in 2017.

“We encourage Commissioner and the European Council to continue to work hand in hand to deal with the redirection of metals by implementing market surveillance and safeguard measures without delay. These actions should be complimented by a strong push to find a global and long-term solution on Chinese overcapacity based on multilateral rules like a Global Aluminium Forum with G20,” concluded Götz.

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.