

Aluminium sees “glass half full” after ETS trilogue compromise

Brussels, 10 November 2017 - EU negotiators yesterday agreed on a package of revised proposals for the Emissions Trading System phase four (2021-2030), including indirect carbon cost compensation. While governments will be allowed to compensate for such costs in a more transparent way, national compensation will ultimately depend on the upcoming revision of the state aid guidelines on CO2 indirect costs compensation.

“If you ask me how our industry sees the glass, I would not hesitate to say half full. European Aluminium compliments the EU institutions on the deal reached yesterday, which addresses some of the challenges our industry faces. However, more has to be done to ensure adequate and predictable levels of indirect carbon compensation for our industry. We look forward to supporting the implementation of the next ETS phase”, commented Gerd Götz, European Aluminium’s Director General.

Since the adoption of the ETS proposal in July 2015, European Aluminium has been the leading voice for an equal treatment between direct and indirect carbon costs in the ETS system. Reliable studies demonstrate that indirect carbon costs are up to seven times higher than direct costs for the aluminium primary industry, hindering the global competitiveness of this sector.

“Striking the balance between sustainability and competitiveness was not easy for both decision makers and industry. Two trilogue meetings ending at 4 AM in the morning confirm the complexity of the dialogue and the many issues at stake. The determination of Rapporteur Girling, ENVI Chairwoman Valean, the Commissioner for Energy Cañete and the Estonian EU Presidency was critical to finally ensure a compromise. While the carbon leakage regime for direct emissions has been improved, we would like to strongly encourage decision-makers to keep working hard and stay coordinated because the next critical battle will start soon with the state aid guidelines revision. The state aid reform for indirect CO2 compensation will determine whether this predictability for CO2 compensation will be secured or undermined”, concluded Götz.

About European Aluminium:

European Aluminium, founded in 1981, is the association that represents the whole value chain 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 permanent material 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.