

ENVI Committee compromise on indirect costs raises red flag for aluminium industry

Brussels, 15 December 2016 -- European Aluminium welcomes the European Parliament's intention to improve compensation for indirect carbon costs through a hybrid model in today's ETS vote. However, we regret the decision to further reduce the maximum national compensation levels allowed, since this will seriously threaten the global competitiveness of sustainable smelters in Europe.

Today, the Environment Committee (ENVI) in the European Parliament adopted a compromise text on the Emissions Trading System (ETS). European Aluminium supports the constructive approach by rapporteur MEP Ian Duncan and the creation of a hybrid model to compensate indirect carbon costs across the European Union. This new model aims to move from an unpredictable national-driven compensation system to a more harmonised one. However, we regret the continuous reduction of maximum national aid levels for the next phase (2021-2030).

Gerd Götz, Director General of European Aluminium said, *"While we are conscious of the complexity of this file, this compromise is like taking one step forward and one step back at the same time. Politicians are telling the most sustainable smelters in Europe: a level playing field is on the way but first we will tie the hands of your governments and damage your global competitiveness."*

"Aluminium is an enabler for decarbonisation. Demand is growing in strategic sectors such as transport, packaging and buildings. This is a significant opportunity for Europe's industrial future. Our smelters have reduced direct CO₂ emissions by 12% since 2008, introduced energy efficiency plans and invested in new pilot projects to be the best in class worldwide. We are doing our homework. That is why we would like to call all national governments to comply with October 2014 Council conclusions and ensure best performing installations won't face undue carbon costs – both direct and indirect. Jobs, investment innovation and low carbon growth are all at stake," concluded Mr Götz.

European Aluminium has led the campaign on indirect carbon costs. A hybrid model recently presented by Ecofys shed light on the potential of this new approach to provide adequate levels of compensation. [Read the full report.](#)

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..