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PRESS RELEASE from FACE on the occasion of AluExp.

"It's two to twelve" - Aluminium processing industry under pressure, FACE Secretary General calls to action to save aluminium processing SMEs.

Faced with extremely high energy prices and constrained supply chains, the Federation of Aluminium Consumers in Europe, FACE, warns of the collapse not only of producers but also of the difficulties of the SME downstream sector, which accounts for more than 90 per cent of the European aluminium industry's workforce.

According to FACE, there is an urgent need and an obligation on the part of the European Union institutions for a suspension to 0% on all unwrought non-alloyed aluminium, and also total suspension (0% rate) of the tariff on all unwrought alloyed aluminium¹.

FACE believes that, in view of the conglomeration of various crises such as skyrocketing energy prices, almost ten percent inflation in the euro area, supply insecurity, raw material shortages, a war in Europe, recession risks, a still unchecked Covid 19 pandemic, FACE Secretary General Mario Conserva calls for a decisive and urgent European response to the concerns and hardships of SMEs. "SMEs are the backbone of the European economy, they have the know-how for technological progress, but they are left alone in this crisis. Moreover, businesses not only have to shoulder energy costs, but in parallel finance climate and digitalisation targets and face tough and often unfair international competition." For decades, FACE has been the only association dedicated specifically to defending the EU independent aluminium transformers, and has been campaigning for the interests of European processing SMEs and consumers.

"It is not only the aluminium smelters in Europe that suffer from high energy costs, but more importantly the manufacturing industry that provides the vast majority of jobs in our sector," said Mario Conserva. These small and medium-sized enterprises are the companies that create the real value from our raw materials and that still have a potential for growth".

The national governments and the EU institutions must now urgently ease the burden on aluminium processing companies. According to Mario Conserva, one of the quickest measures that could be implemented immediately is the lifting of import duties on raw aluminium. EU import duties on raw aluminium have cost the aluminium industry more than 20 billion euros in recent decades. They are absurd as the EU has an 80% import dependency to cover its needs of primary aluminium. More precisely, these economically absurd duties represented an extra burden of

¹ To see our joint position paper with the German Federal Association for Economic and Foreign Trade (BWA), the Italian Foundry Suppliers' Association (Amafond), the Italian National Association of Steels, Metals, Scrap and Hardware (Assofermet) and the Italian Foundry Association (Assofond), click here: <https://face-aluminium.com/speeches/joint-position-paper-urgent-need-for-a-total-suspension-of-eu-import-tariffs-on-unwrought-aluminium-face-amafond-assofermet-bwa/>



€17.8 billion between 2000 and 2017, according to the 2019 study by Rome's LUISS University². We estimate that in 2021 this figure likely exceeded 1,8 billion euros of avoidable annual extra cost for our raw material because of the outdated and damaging EU import tariffs on unwrought aluminium.

FACE's call to action is to immediately remove EU import tariffs on raw aluminium and to significantly increase support schemes for SMEs while incentivising the use of lowest carbon aluminium.

Mario Conserva is available to talk to you at AluExpo. Make an appointment for an interview by contacting him through the contact details provided below.

Note of information: FACE has started a digital petition. Click here to know more : <https://www.change.org/p/eu-institutions-must-immediately-remove-billions-of-overcost-on-imports-of-raw-aluminium>

² <https://face-aluminium.com/speeches/2019-luiss-study-executive-summary/>

FEDERATION OF ALUMINIUM CONSUMERS IN EUROPE (FACE)

FACE was founded in 1999 to specifically defend the interests of the EU independent downstream aluminium transformers, users and consumers.

Based in Brussels, FACE advocates for the liberalisation of raw materials, protecting the EU's manufacturing base, supporting a rules-based and fair international system with the WTO at its core, and for the global transformation towards a low-carbon economy with aluminium as the ideal material for attaining sustainability goals. (face-aluminium.com).

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