

FACE'S MISSION

Overview

The Federation of Aluminium Consumers in Europe (FACE) was established in 1999 to represent the interests of independent European aluminium transformers, users, and consumers. Based in Brussels, FACE advocates for policies that support the EU's manufacturing base, particularly in the aluminium sector, with a focus on SMEs.

Challenges facing the EU aluminium industry

The EU downstream aluminium sector, comprising 70% of the industry's annual turnover and 92% of its workforce, faces significant challenges:

- The structural decline of domestic aluminium smelting
- Global competition: the EU aluminium industry faces intense and too often unfair competition from extra-EU producers, particularly from Asia, which has captured most of the growth in demand over the past twenty years
- Import tariffs: from 3% to 6% on unwrought aluminium. Originally designed to protect EU primary producers, this tariff structure has become counterproductive, failing to halt the closures of smelters while imposing an annual economic burden exceeding €1 billion on the downstream sector. This tariff creates an artificial premium on all aluminium sold within the EU, reducing competitiveness and hindering growth.
- Energy costs: high energy prices, exacerbated by the Russia-Ukraine conflict, have significantly impacted the industry's competitiveness, affecting the energy-intensive aluminium production
- Cost of labour: labour costs and social norms make the cost of labour more expensive in the EU
- High cost of investments necessary to remain competitive, such as digitalisation and industry 4.0
- Additional costs from binding climate and decarbonisation objectives, such as the Carbon Border Adjustment Mechanism (CBAM)
- The lack of a level playing field: certain countries outside of the EU subsidise their companies, thus creating unfair competition.

By addressing these issues, FACE aims to safeguard the competitiveness of the European aluminium industry, support its role in the green transition, and ensure the sector remains a vital part of Europe's industrial future. We do so through our strategic vision.



Our strategic vision

- Securing long-term, significant quantities of aluminium from diverse sources: this includes domestic production, recycling, and imports. As we do not produce enough raw aluminium and we import over 80% of it, promoting free-trade imports is necessary to secure low carbon raw aluminium at the lowest cost for EU transformers, users and consumers. This includes advocating for the elimination of the EU's 3%-4%-6% import tariff structure on unwrought aluminium, while simultaneously advocating for retaining the 7.5% tariff on semi-finished products to shield the EU industry from external competition. We argue this would enhance the EU's global competitiveness and support the downstream sector's growth potential.
- What companies we meet often lament is the lack of a fair playing field: how certain countries outside of the EU unfairly subsidise their companies. Reciprocity and accountability are needed to sustain an effective multilateral system. FACE supports the WTO as a rules-based system and a permanent forum for negotiations as well as all other formats of effective international cooperation. However, Europe must stand ready to act with allies or alone when necessary. There is no sustainable multilateralism without a fair level playing field across the range.
- Sustainability and climate goals: aluminium stands out as a sustainable and climate-resilient material, thanks to its lightness, endless recyclability, and versatile properties. These characteristics make it an ideal choice to accelerate and support the transition to a green economy. To promote environmentally responsible consumption, FACE proposes the creation of an EU "Green Aluminium" label, enabling consumers to prioritize products with the lowest independently certified carbon footprints and the highest environmental standards across the entire value chain.

These goals can be found in our motto:

Free	Fair	Green
Free trade is a multiplier of growth. FACE supports the liberalisation of raw materials	FACE supports a rules-based and fair international trade system with the WTO at its core	FACE calls for the creation of a green aluminium label

Through strategic advocacy and collaboration, including commissioning research papers, FACE underscores the urgency of revising EU trade policies to secure fair market conditions. It calls on associations, governments, and institutions to prioritize the industry's future, leveraging aluminium's potential as a sustainable, climate-resilient material.

Our policy asks

- Eliminating EU import tariffs on raw aluminium, to support our competitiveness
- Maintaining EU 7.5% import tariffs on products, to protect our manufacturing base
- Avoiding any EU restrictions (sanctions, bans, high tariffs) on aluminium supplies, notably from low carbon sources, as we have an 85% deficit for primary aluminium. Full substitution being impossible, price hikes would be devastating and southern maritime trade routes are under high geopolitical risks, including the Ormuz Strait
- Replacing CBAM with an IRA-style and agile EU instrument which includes stimulus and incentives
- Or CBAM derogation for lowest carbon imports of raw aluminium and products
- Creating a green aluminium label
- Monitoring the new category of unfair green products and enacting quick trade defence instruments
- Supporting nuclear energy innovation in Europe, to help restart aluminium production
- Increasing amounts and improving access of EU R&D funding for SMEs
- Ensuring that all EU policies and initiatives truly take into account the needs of SMEs
- Asking the EU to consider public aid and subsidies on energy, R&D, digitalisation for SMEs
- Making sure EU policies and initiatives go through ex ante and ex post impact assessments to ensure coherence
- Conducting EU trade policy in a way that supports industrial policy and avoids bargains that result in the erosion of the competitiveness of EU manufacturers
- Making sure the matrix of EU public policies delivers productivity gains and enhanced competitiveness as its combined result
- Strengthening the EU strategic autonomy through anti-coercion instruments, geopolitical assertiveness and innovative partnerships with third countries in the Global South
- The reports on the internal market by Enrico Letta and on competitiveness by Mario Draghi should be debated at the national and EU levels, become a politically supported strategic compass for EU policy-making and their recommendations should be implemented urgently and ambitiously

Contact

To fight for your prosperity and green competitiveness, join us!

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