Focus on: Circular Aluminium Action Plan

Nadine Bloxsome* spoke to Coline Lavorel, Director of Public Affairs and Communications at European Aluminium, about the plans to achieve aluminium circularity by 2030.

Why did European Aluminium develop the Circular Aluminium Action Plan?

Circularity is a strong component of the EU Commission's proposed European Green Deal, and its ambitions to mitigate climate change and avoid CO_2 emissions. The aluminium industry is committed to helping to deliver the European Green Deal, building on its longstanding commitment to sustainability.

Our goal is to achieve the full potential of aluminium circularity by 2030. We developed the Circular Aluminium Action Plan to provide European policy makers with a roadmap to help the industry make this ambition a reality, from a legislative point of view but also to prioritise investments in waste collection and sorting centres and separation technologies to recycle more and better. In addition, the COVID-19 crisis makes it even more important to have a clear strategy for our sector. Europe is over-dependent on imports of essential materials, that are so necessary for the twin digital and green transition such as aluminium. The World Bank has recently concluded that the world's production of 13 strategic metals – including aluminium - will need to increase by up to 500% by 2050 to meet the growing demand for clean energy technologies.

What are the different scenarios for aluminium recycling by 2030 and 2050?

In the action plan, we set out different scenarios based on a "business as usual" model and a "high recycling" model in which we have the right policy framework in place to enable more recycling, both from a quantity and quality perspective.

In the "high recycling" scenario, the amount of post-consumer aluminium available for recycling will multiply by almost three by 2050, from 3.6 million tonnes per year in 2019 to 8.6 million tonnes by 2050. This means half of Europe's demand for aluminium could be supplied through post-consumer recycling by mid-century.

Increasing the share of recycled aluminium instead of relying on carbon-intensive primary imports makes sense from an economic and environmental perspective. Aluminium recycling could reduce CO_2 emissions by up to 39 million tonnes per year by 2050 compared to today, which corresponds to a reduction of 46 percent of CO_2 per year in 2050. This is a very concrete contribution of our sector to the European Green Deal.

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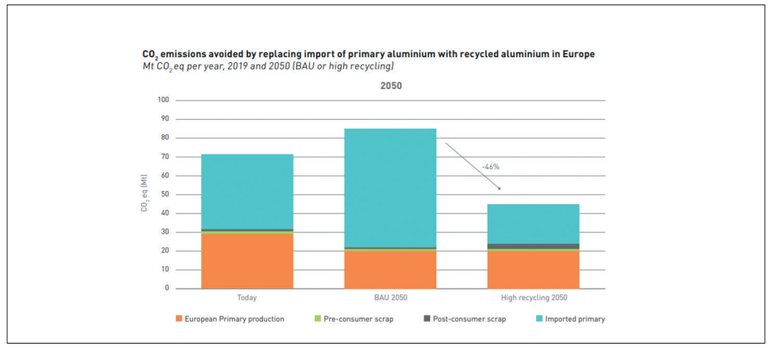

What can policy makers do to increase recycling rates?

While the previous "Waste Package" in 2015 was very much about waste management, the European Commission's new Circular Economy Action Plan presented in March this year has a stronger focus on sustainable consumption and production, product design and consumer awareness. This is a good signal because it shows that the political framework is also ready to embrace a shift from a linear to circular ecosystems and business models. The aluminium industry did not wait for the legislation to be circular and should benefit from this evolution. To stimulate investment in collection and sorting and foster innovation of production processes, however, we need a fair market and predictable regulatory framework. Europe is facing today an influx of artificially cheap imports from China, which distorts the global market. The risk is that European investments in recycling become uneconomic, meaning Europe currently loses many of the advantages that increased recycling could bring.

Besides, more attention should be given to keeping scrap in Europe. Around 1 million tonnes of aluminium scrap per year are exported to non-European regions and 4 millions of end-of-life-vehicles disappear off the European market without a trace. This represents around 600,000 tones of aluminium. Illegal scrap exports must be stopped and scrap export to third countries should only be allowed if proven a recycling facility complies with similar Environment, Health and Safety (EHS) standards as we have here in Europe.

What can the aluminium industry and its customers do to increase recycling rates?

Innovation and collaboration within the value chain are key. We need to understand better how customers are using our metal and design products for recycling to make traceability, disassembly and recycling easier and more cost-efficient.

We also need significant research efforts and investments in new melt purification technologies and advanced shredding and sorting technologies to unlock the full potential of aluminium recycling.

Finally, the industry and its customers should continue to promote the responsible consumption of aluminium and support behaviour awareness programmes that stimulate the public to recycle.

What are the consequences of the COVID-19 crisis on the overall supply of materials to Europe?

China has chosen aluminium as a strategic material and, through subsidisation and state intervention, has built up excess capacity, both for primary and semi-fabricated products. This creates distortions globally and negatively affects European producers.

Achieving aluminium's full circularity in Europe is part of the solution to reinforce Europe's strategic autonomy, create jobs and avoid CO_2 emissions. Recently, 65 Members of the European Parliament published a letter calling upon the EU Commission to deliver a bold agenda for all the raw materials needed for achieving climate-neutrality and the digital transition.

Aluminium is not considered today as "critical" raw material, but there is a real risk it becomes critical if all production is left to China like is already the case for magnesium.

Europe should better incentivise circularity potential and prioritise funding of the circular economy in the Recovery Plan to ensure Europe has an increased capacity and a reliable supply of recycled materials. In particular, the Recovery and Resilience facility, InvestEU and the Just Transition Fund should give priority to investments in modern collection and sorting infrastructure and technologies if Europe wants to achieve its ambition of the Circular Economy Action Plan.

The full Circular Aluminium Action Plan and executive summary are available for download on European Aluminium's website.