

Big changes ahead for ESTAL

Aluminium International Today talks to **Ivo Vermeeren***, the Belgian president of ESTAL, the European Association for Surface Treatment on Aluminium, about the future of the surface treatment industry in Europe.

How is business in Belgium?

The situation here is pretty tough, but if you compare it to other markets like Spain, Italy and France we are hanging in there. Our main challenge is that we are facing competition from companies in Poland, Turkey, Spain and even Lithuania.

Just as an example: it is very weird, to say the least, that all aluminium for a new big Flemish football stadium is being manufactured and painted in Poland. And it's the same story for most of the big building projects in Belgium. The main contractor is Belgian, but he sub-contracts abroad. It is all a matter of making margins. This is a very unhealthy situation and it is not likely to go away soon.

How can the situation be rectified?

As a Belgian entrepreneur I would say we need to be more patriotic, something the Belgians have too little of compared to some of our neighboring countries. We should promote 'buildings made in Belgium'. But again, this is wishful thinking as long as imported products and services are way cheaper compared to those in the domestic market. In the end it is a European issue.

As president of ESTAL you probably have a view on the broader picture. What happens in Europe and do you expect any changes soon?

I am not optimistic. Just to give you a few figures: recent stats predict a real GDP growth on a global level of +2.6% in 2013 and +3.2% in 2014. It will not surprise you to learn that best in class are Latin America and Asia Pacific.

Europe with -0.4% and +0.9% respectively is at the other end of the scale. For the European construction sector 2013 will yield a -1.6% with a minus for residential, non-residential and civil engineering as well. In all segments there will be a negative evolution both for renovation and new projects. I do not



expect recovery soon. Moreover it will differ strongly from one country to another, although in general high unemployment rates, stagnant or shrinking local economies and a very strained public sector are not helping a smooth recovery on a European level.

Being armed with such a view, how does that affect your strategy as a powder coater?

That's a tough one. In our plant we operate four production lines: one vertical, two horizontal lines and one for accessories. We employ just under 100 people and make a turnover of about €10 million. To keep this show on the road we have diversified into other metals and markets and are offering additional services with relatively high added value. One thing is for sure: we keep as far away as possible from the big projects, as long as we do not need the volume, as they no longer bring any margin.

Coming back to ESTAL, there have been a lot of changes since the start of your presidency in 2012.

Yes. We no longer solely focus on anodising and coating, but are also

interested in other forms of surface treatment on aluminium. Estal is also looking further than the building industry and has contacts with associations in other parts of the world, like the USA, the Middle East and Japan.

Estal is heavily engaged in lobbying on a European level and has created working groups to tackle specific hot items like data management and statistics, LCA, carbon footprint, sustainability and so on. Suppliers, who are now part of the European association, also participate in the working groups and thus help the association progress and find solutions for the surface treatment industry.

So Estal is growing fast?

Indeed we are. These changes have brought us 10 new members in only 10 months and more are bound to join before the end of this year. By becoming part of the association a continuously developing global network opens up.

Our members can communicate on specific areas they want Estal to defend on a European level, can suggest subjects for – and participate in – working groups or simply learn from each other through information exchange and discussion.

The added value of the association increases every time a new member joins. As a logical consequence of all these changes we updated the logo, created new statutes and developed a brand new website.

Estal lobbying on a European level – how does that work?

Within ESTAL we have a so-called joint technical committee (JTC) in which Estal members participate, as well as delegates from several quality labels. All the issues that we feel deserve to be defended on a European political level are discussed and it is our committee delegate, the joint technical co-ordinator, who takes the subjects to the European level.

*Ivo Vermeeren is also co-owner and general manager of Colors NV, a leading player in the Belgian job coating market.



European association for Surface Treatment on Aluminium

So ESTAL had an active part in the lobbying for Chromium VI?

Yes, although this was a rather complicated issue. There are many good alternative pre-treatment systems available, but we have factual reasons to believe that the industry still needs some time in order to get to the level of Chromium VI. We have, therefore, always supported the alternatives but have been striving to postpone the sunset date of Chromium VI. So we like to believe that Estal had something to do with the sunset date being moved from 2014 to 2016 and now finally being fixed in 2017.

Do you see other important issues coming up for your JTC?

Nanotechnology is bound to give us an administrative headache. Our industry is still struggling with the implications of Reach, but now Europe wants to set up the same

kind of registration system for nano-materials. Without going into details let me just say that a nano-particle compares to the size of a football, like the ball does to the entire globe.

In a cm^3 of air there are at least 5,000 nano-particles. Tests have shown a coated aluminium surface of 1cm^3 might release just under 10. All powder coatings will be classified as nano-materials and, although their effects on the environment and human health have been known for decades, the current idea, on a European level, is that in future all products that contain nano-materials will have to be registered.

To be honest I am not entirely convinced of the logic and the feasibility behind this new administrative path we are taking.

This year there is an ESTAL congress in Krakow (September 25-27). What can one expect there?

The congress takes place in the Krakow Sheraton in Poland and will bring the audience up to speed not only with developments in our business in Europe, but also in other key areas of the world. We will not limit ourselves to the building industry, but also offer a look into other industries where surface treatment of aluminium is crucial.

A special leisure and partner programme is organised and we will end the congress with a superb gala dinner in the world famous Wieliczka salt mine. ■

Where can people find some more information on the congress?

There is a special website for the congress: www.estalcongress2013.org and for more info on ESTAL take a look at www.estal.org

Contact
www.estal.org