



Press release

For immediate release

Aluminium Associations in the US, Europe, Canada and Japan Urge G7 Governments to Take Concrete Steps to Deliver More Free, Fair and Open Trade

Global Aluminium Associations Welcome New OECD Report Highlighting the Extent of the Role of Below-Market Finance in Distorted International Markets

(Washington DC, Brussels Belgium, Montreal Canada, Tokyo Japan — May 12, 2021) The aluminium associations of the United States, Europe, Canada and Japan call on G7 governments to provide leadership in support of ambitious multilateral and plurilateral negotiations to discipline trade distorting government support and state ownership in industrial sectors. There is clear and compelling evidence today that existing multilateral subsidy rules are inadequate to remedy the scale and scope of state intervention in aluminium markets.

The just released report of the Organisation for Economic Cooperation and Development (OECD), "*Measuring distortions in international markets: Below-market finance*", OECD Trade Policy Papers, No. 247, OECD Publishing, Paris, provides new insights across more than 300 firms in 13 industrial sectors. OECD analysis included 32 aluminium companies with a combined 70% share of the global market. Over the past decade governments provided considerable support in the form of below market borrowings, the vast majority of which went to Chinese firms. The report estimates the value of China's support to have ranged between 4% and 7% of the annual revenue of these firms; this is in stark contrast to other firms in the sample which received support in the vicinity of 0.2% of their annual revenue. Over the same period, China has accounted for most of the increase in global production capacity.

In a joint statement Tom Dobbins, President & CEO of The Aluminum Association, Gerd Götz, Director General of European Aluminium, Jean Simard, President & CEO of the Aluminium Association of Canada and Yoshihisa Tabata, Executive Director of the Japan Aluminium Association said:

"The scale and duration of state support is resulting in output growth in excess of normal market demand, in turn depressing global prices and threatening the viability of un-subsidized firms. Energy efficient production and recycling systems in the US, Europe, Canada and Japan can make a major contribution to sustaining good jobs in rural areas, ensuring reliable supplies of strategically important materials, and realizing a low carbon economy – but only if international markets along the aluminium value chain are free, fair and open.

On behalf of our member companies, and the more than 2 million direct and indirect jobs that they support, we are committed to work with governments and international organizations to contribute to modernizing trade rules that will enable all producers and traders to compete under conditions that are transparent, predictable, and fair."



Aluminium
Association
of Canada



About The Aluminum Association

The Aluminum Association represents aluminum production and jobs in the United States, ranging from primary production to value added products to recycling, as well as suppliers to the industry. The association is the industry's leading voice, representing *companies that make 70 percent of the aluminum and aluminum products shipped in North America*. The association develops global standards, business intelligence, sustainability research and industry expertise for member companies, policymakers and the general public. The aluminum industry helps manufacturers produce sustainable and innovative products, including more fuel-efficient vehicles, recyclable packaging, greener buildings and modern electronics. In the US, the aluminum industry supports \$172 billion in economic activity and nearly 660,000 jobs. For more information visit <https://www.aluminum.org> or find us on [Twitter](#), [LinkedIn](#), [Facebook](#) or [Instagram](#).

About European Aluminium

European Aluminium, founded in 1981 and based in Brussels, is the voice 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 material with permanent properties 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. Our 80+ members include primary aluminium producers; downstream manufacturers of extruded, rolled and cast aluminium; producers of recycled aluminium and national aluminium associations are representing more than 600 plants in 30 European countries. Aluminium products are used in a wide range of markets, including automotive, transport, high-tech engineering, building, construction and packaging. For more information visit www.european-aluminium.eu.

About the Aluminium Association of Canada (www.aluminum.ca/en)

The Aluminium Association of Canada (AAC) is a non-profit organization representing three Canadian world-class aluminium producers: Alcoa, Alouette, and Rio Tinto operating nine smelters in Canada, eight of which are in Quebec, and employing over 8,800 workers and generating over 5.5 billion US\$ in annual deliveries. For more information, visit <http://www.aluminium.ca> or Twitter @AAC_aluminium.

About Japan Aluminium Association

Japan Aluminium Association (JAA) was established in 1947 (the former names were the Light Metal Rolling Association and Light Metal Smelting Association of Japan). Now, around 140 companies join in JAA, their business fields are various from aluminium fabrication, aluminium remelting and trading, etc. JAA represents Japanese aluminium industry and plays very important role for such as in public relations (including conveying industry voices to the government), research & development, energy & environment, safety & health and so on. Through these activities, JAA tries to enhance values and sustainability of aluminium. For more information visit <http://www.aluminum.or.jp/english/>.

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