

LIST OF NON-OECD COUNTRIES AUTHORISED TO IMPORT CERTAIN NON-HAZARDOUS WASTE FROM THE EU

REPLY TO THE CONSULTATION

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Position Paper

Creating a level-playing field for European recyclers of aluminium

Aluminium is a material recognised for its strategic importance and indispensable role to Europe's sustainability and decarbonisation goals. Aluminium is capable of being recycled over-and-over again without losing its original properties, making it a vital resource for a climate neutral and circular economy, being used for applications in key sectors, including transport, construction, packaging, aerospace, renewable energy and digital technologies, as well as recognised by NATO as one of the critical raw materials for the manufacture of advanced defence systems and equipment¹.

European Aluminium, representing the full aluminium value chain in Europe, recognises the potential environmental benefits of the upcoming delegated act under the Waste Shipment Regulation (WSR), notably by helping to ensure that waste exported from the EU is treated according to appropriate environmental standards. We support the initiative as a step towards creating a level-playing field for recyclers of aluminium in the EU and abroad in terms of environmental and social standards.

Creating a level playing field for environmental and social standards is one of the many policy levers that must be activated to address the structural global imbalances and market distortions affecting the aluminium waste and scrap market. We welcome the potential environmental benefits arising from the Waste Shipment Regulation. the European aluminium industry faces a broader challenge: **the continuous leakage of valuable aluminium scrap from Europe as a result of distorted global market conditions.**

A coordinated policy approach is needed to address the continuously worsening challenge posed by growing exports of aluminium scrap. Scrap leakage is not driven by a single factor, but by a combination of structural market imbalances and asymmetric policy frameworks in third countries. These include lower or less effectively enforced environmental and social standards, subsidies and market distortions, domestic measures restricting or prohibiting exports of aluminium scrap, and regulatory and cost differentials that create significant arbitrage opportunities between the EU and third-country markets.

Taken together, these factors undermine the ability of European aluminium recyclers to compete for a strategic secondary raw material on a level playing field, while increasing Europe's dependency on

¹ NATO, "NATO releases list of 12 defence-critical raw materials", 11 December 2024.
https://www.nato.int/cps/en/natohq/news_231765.htm

primary raw materials and weakening the economic case for investment in domestic recycling capacity at a time of rising aluminium demand.

Addressing such a structural imbalance requires an instrument capable of acting across export destinations and avoiding the displacement of trade flows from one third-country market to another.

An erga omnes export fee of at least 30% on aluminium waste and scrap, covering the full CN 7602 heading, would provide such a horizontal instrument. Properly designed, it would help internalise part of the regulatory and environmental asymmetry between the European and competing markets, reduce incentives for environmentally driven scrap leakage, and strengthen the availability of secondary aluminium raw materials for recycling and circular production within Europe.

Such a measure should form part of a broader EU policy framework combining the effective implementation of the Waste Shipment Regulation, stronger enforcement of environmental and social standards in third countries, measures stimulating European demand for recycled aluminium, and policies supporting investment in high-quality recycling and remelting capacity.

The aluminium sector's transition towards climate neutrality is substantially dependent on increasing the use of recycled aluminium. Producing recycled aluminium requires up to 95% less energy than primary production, making recycling indispensable to the EU's climate, circularity and industrial resilience objectives. In 2024 alone, EU aluminium scrap exports exceeded 1.25 million tonnes, around 75% of which were destined for Asia, representing an increase of almost 50% compared with 2019.

Ensuring access to sufficient quantities of aluminium scrap at competitive prices in the EU is therefore not optional: it is a prerequisite for maintaining a resilient and low-carbon European aluminium value chain. Despite the broader economic slowdown and persistently high energy costs in Europe, demand for recycled content from downstream manufacturers remains strong.

European aluminium companies are investing significantly in melting furnaces and advanced sorting technologies, effectively increasing recycling capacity, with 600,000 tonnes added in 2024–2025 through €430 million in investment, and a further €600 million planned for 2026–2028 to add at least another 600,000 tonnes of capacity. However, direct impacts of the absence of a trade measure are already visible on the ground, where a €65 million EUR investment to double secondary aluminium billet capacity in Greece had to be frozen because there is not a sufficient availability of the needed aluminium scrap types in the market. A more recent example is also the German recycling capacity expansion by EGA², which is now in jeopardy because the introduction of an export duty was paused, bringing unpredictability into investments and eroding the business case. If aluminium scrap exports continue to increase, however, even the existing assets will operate far below their potential and planned investments will not be able to materialise.

We invite policymakers to maintain a broad and comprehensive view of the issue and to address all potential implementation gaps and circumvention risks that could undermine the Waste Shipment Regulation from delivering on its core objective: safeguarding human health and the environment by ensuring the environmentally sound management of waste.

Against this background, we reiterate the objectives set out in the European Steel and Metals Action Plan and the RESourceEU Action Plan, which recognise the strategic importance of secondary raw materials for Europe's decarbonisation, circularity and industrial resilience. Given the urgency of the

² AlCircle (2026) [EGA reviews German recycling expansion after EU drops 15% aluminium scrap duty](#)

situation, European Aluminium considers an EU-level trade measure the most effective way to address the underlying market imbalance. The competitive asymmetry between Europe and major third-country markets requires a policy response that addresses all drivers of scrap exports directly.