

PUBLIC PROCUREMENT ACT FOR A COMPETITIVE AND RESILIENT EUROPEAN ALUMINIUM INDUSTRY

EUROPEAN ALUMINIUM'S RECOMMENDATIONS

Brussels, November 2026

Position Paper on the Public Procurement Act

European Aluminium, the association representing the full aluminium value chain in Europe, **welcomes the European Commission's proposal for a Public Procurement Act (PPA)**. Simplifying and modernising the EU procurement framework can create more consistent rules across Member States. Using public procurement more effectively can support strategic investment and Europe's industrial competitiveness.

Aluminium is recognised for its **strategic importance** and indispensable role to Europe's sustainability and decarbonisation goals. It is a material 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, infrastructure, 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 equipment[1].

The Public Procurement Act should therefore create the conditions for public demand to **reward low-carbon, circular and responsibly produced aluminium in Europe.** It must enable public buyers to **reward long-term value, rather than relying predominantly on the lowest initial price.** This means giving meaningful weight to low-carbon and circular performance, robust social and labour standards, innovation, security of supply and resilience. In turn, this will create long-term socio-economic benefits for Europe.

European Aluminium calls for action in five priority areas:

1. **European preference:** Support Europe's industrial competitiveness by highlighting the overall positive socio-economic impact for local economies;
2. **Security and resilience**: Strengthen supply security and the resilience of European value chains;
3. **Green procurement:** Establish clear minimum requirements for green and circular purchasing;
4. **Social procurement**: Embed robust social and labour standards throughout tendering and contract performance;
5. **Innovation procurement:** Promote and scale innovative solutions;

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

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1. European preference: Support Europe's industrial competitiveness by highlighting the overall positive socio-economic impact for local economies

European Aluminium calls for clear, legally robust provisions on European preference and third-country access. Public procurement should support the retention and development of strategic production, processing and recycling capacity within Europe. To do so, an effective European preference for the European aluminium value chain should only include content originating in the EU-27, EEA, Switzerland and the UK. The European aluminium sector is deeply interconnected across the European continent with companies operating seamlessly across jurisdictions through highly integrated production networks and long-standing industrial partnerships. This geographical scope would therefore prevent diluting the framework by creating an extensive pool of eligible products from third countries while reflecting the highly integrated nature of the aluminium value chain in Europe.

While narrowly defined derogations from European Preference requirements may be warranted in specific circumstances, the current reference to "disproportionate costs" is overly broad and risks creating legal uncertainty and inconsistent implementation across Member States. The PPA should therefore establish clear and objective criteria for granting exemptions, ensuring that derogations remain exceptional and do not weaken the effectiveness of European Preference provisions in supporting Europe's industrial resilience and strategic autonomy.

For contracts involving strategic infrastructure, critical technologies or security-sensitive supply chains, **public buyers should be able to give preference to aluminium produced, recycled and transformed in Europe**. This should help address harmful dependencies, strengthen security of supply and ensure fair competition, particularly in sectors critical to the energy transition, such as power grids and cables, where Europe has a strong industrial base and significant investment needs.

These provisions should be developed in close coordination with the Industrial Accelerator Act, which is expected to establish material-specific conditions for strategic industrial value chains. The Public Procurement Act should provide the horizontal framework, while remaining coherent with future aluminium-specific requirements.

A **clear European-preference approach** would help ensure that public spending supports resilient European aluminium value chains, including primary production, processing and recycling, while safeguarding Europe's strategic autonomy and economic security. By doing so, the economic value generated in Europe, can be redistributed back and create long-term socio-economic benefits.

2. Security and resilience: Strengthen supply security and the resilience of European value chains

The Public Procurement Act should give public buyers **practical, legally certain tools to address resilience, security of supply, supply-chain diversification and harmful dependencies** when designing tenders and managing contracts.

This is particularly relevant for aluminium, a strategic material essential to Europe's strategic autonomy, used in critical infrastructure, electricity grids, renewable-energy technologies, transport, construction and defence. Europe's capacity to produce, process and recycle aluminium is therefore directly linked to industrial competitiveness, the clean-energy transition and economic security.

Public buyers should be able to take resilience and security-of-supply considerations into account alongside price, quality, environmental performance and innovation. They need practical methodologies and reliable data to assess, where

relevant, dependency on single sources, the availability of European production and recycling capacity, the use of secondary raw materials, logistics risks, responsible sourcing and suppliers' ability to maintain delivery during disruptions.

These criteria should be objective, proportionate and clearly linked to the subject matter and risk profile of the contract. This would help public procurement support resilient European industrial ecosystems while continuing to deliver value for public money.

As such, the PPA should create a **coherent link with the strategic technologies highlighted within the Critical Raw Materials Act (CRMA) and the Net-Zero Industry Act (NZIA).**

3. Green procurement: Establish clear minimum requirements for green and circular purchasing

The Public Procurement Act should enable public buyers to **assess the full life-cycle value of tenders rather than focusing principally on the initial purchase price.** This is particularly important for aluminium-containing products, components and infrastructure, where durability, lightweighting, circularity, recyclability can deliver substantial environmental and economic benefits. These are benefits derived from the long-standing ambition of the EU to promote sustainable development and robust environmental legislation. To ensure their effective and consistent application, they should be underpinned by clear definitions, harmonised methodologies and robust life-cycle assessments (LCAs) that capture a product's environmental impacts across its entire life cycle, from raw material extraction to end-of-life. This requires the development of so-called product environmental footprint category rules (PEFCRs) across product categories.

To properly reflect these benefits in procurement decisions, **public buyers should be able to give meaningful weight to all verifiable environmental criteria.** The high environmental standards already met by European producers should be duly recognised, while products from third countries should be required to demonstrate comparably ambitious environmental performance. This would help ensure a level playing field and fair competition, irrespective of the place of production.

While the proposal introduces minimum quality weightings, contracting authorities retain broad discretion over the choice and relative weighting of environmental, social, innovation, security, resilience and European Preference criteria. The overall quality minimum therefore does not, in itself, guarantee a meaningful weighting for environmental performance. European Preference and other non-sustainability quality considerations should complement, rather than substitute for, environmental performance. **A dedicated minimum weighting for environmental and circularity criteria should therefore be protected within the overall quality component, ensuring that the minimum quality requirement cannot be met solely through other considerations.**

The Act should provide practical guidance and common verification approaches, including taking into account relevant developments in environmental legislation such as the ESPR and the deployment of DPP to disseminate information, so that green criteria can be applied consistently across Member States. In addition, consumer awareness tools such as the EU Ecolabel could be used to validate products, or products containing materials, that comply with Green Public Procurement criteria. Requirements should remain proportionate and technology-neutral, while allowing buyers to reward better environmental performance where relevant.

Voluntary guidance alone is unlikely to create the predictable demand needed to scale low-carbon and circular industrial investment. **The revised framework should establish clear, proportionate and sector-specific minimum requirements** for relevant product groups and infrastructure projects. The Commission should publish an indicative timetable for the

measures establishing these requirements. A sectoral approach would ensure that criteria are technically feasible, reflect market readiness and preserve effective competition.

A predictable approach to green procurement would create stronger demand for low-carbon and circular aluminium solutions in strategic sectors, including electricity networks, renewable energy, clean mobility and construction.

4. Social procurement: Embed robust social and labour standards throughout tendering and contract performance

Public procurement should help uphold **high social standards, including respect for labour rights, occupational health and safety, responsible business conduct and human rights across supply chains.**

The Public Procurement Act should give public buyers clear and workable tools to integrate social considerations into tender specifications, award criteria and contract-performance conditions. Where social and human-rights risks are material, the framework should support proportionate, risk-based due-diligence and monitoring requirements. Where companies already report relevant information under existing EU legislation, including due diligence requirements, contracting authorities should accept and enable the reuse of such information rather than require duplicative disclosures. These measures should be legally certain, enforceable in practice and should not create duplicative reporting obligations for suppliers.

In labour-intensive contracts, public buyers should be supported in using the higher quality weighting to reward responsible employment practices, skills development and safe working conditions.

For the aluminium value chain, **social criteria should support human rights and fair competition by ensuring that suppliers competing for public contracts meet equivalent standards, irrespective of their place of production.** Monitoring should continue throughout contract delivery, particularly when suppliers, subcontractors or material sources change.

Credibility depends on verification and enforcement. Tender documents should state the accepted evidence, verification standard and consequences of misrepresentation in advance. Contracting authorities should be able to rely on recognised third-party certificates, environmental product declarations and interoperable digital product data, while retaining the right to request underlying evidence for high-risk claims.

A consistent approach would help public buyers secure responsible supply chains while supporting high-quality industrial employment in Europe.

5. Innovation procurement: Promote and scale innovative solutions

The Public Procurement Act should **help create demand for innovative aluminium solutions at commercial scale.** This includes low-carbon production technologies, advanced recycling and sorting, circular product design, lightweight materials and high-performance aluminium applications for strategic infrastructure. It should enable public buyers to reward innovative low-carbon and circular solutions, creating lead markets for commercial products developed through European research and innovation.

The PPA should operate alongside the proposed European Innovation Act, which supports innovation at the earlier stages of research, development, testing and scale-up. European Aluminium welcomes measures to:

- develop an EU-wide framework for the valuation of intellectual property, helping innovative start-ups and scale-ups to attract investment and grow;
- establish a digital marketplace for intellectual property, connecting buyers and sellers of intellectual-property assets; and
- introduce a common procedure for R&D procurement, encouraging public buyers to procure research, development and testing of innovative solutions.

Together, these measures can help bring innovative aluminium technologies from laboratories and pilot plants to market. **The Public Procurement Act should provide the commercial-demand complement** by enabling public buyers to procure mature low-carbon and circular solutions through flexible, transparent and innovation-friendly procedures.

The two frameworks should offer a clear and legally certain route from R&D procurement and pilot projects to later commercial tenders. Public buyers should be able to use learning from market consultations, testing and pilot activities when designing those tenders, while preserving transparency and effective competition.

Functional and performance-based requirements should be used where they can encourage innovative solutions and deliver better environmental performance, resilience and long-term value. **Coherence with the Industrial Accelerator Act and the forthcoming Circular Economy Act** will also be important to ensure that public demand supports the scale-up of low-carbon, circular and strategically important aluminium technologies.