

# Face relaunches the battle against the duty

## Face rilancia la battaglia contro il dazio

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Since the Council Regulation suspending in October 2006 the autonomous common customs tariff duty for not-alloyed aluminium (current rate 3%), the situation of the EU downstream aluminium industry continues to worsen. The existence of a 6% duty on alloyed primary aluminium and the artificial differential installed by the 3% partial suspension on not-alloyed primary aluminium amplify the market distortions and the competitive disadvantages from which EU independent aluminium transformers alone suffer. This situation puts at risk the only segment of the EU aluminium industry that could create jobs. It requires the remedy of a total suspension on all headings for primary aluminium, taking into account the new structure of the EU aluminium industry, its foreseeable evolution, the negative effects of the duties still applying on diverse forms of primary aluminium and the threat to the very survival of essential segments of this industry in Europe.

The Rio Tinto/Alcan merger has initiated a new wave of restructurings in the aluminium industry, which is realigning upstream. We see a new scenario based on the interests of mining giants integrating the mining of bauxite, its refining into alumina and the smelting of aluminium. As a consequence, the traditional integrated groups are disinvesting from their downstream businesses. A few years ago, EU independent aluminium transformers represented around 50% of the

### The federation of al consumers urges the total tariff suspension

#### La federazione dei consumatori d'alluminio chiede la sospensione tariffaria totale

workforce of the EU aluminium industry. Today they form around 95% of the EU aluminium industry workforce.

Moreover, the general artificial inclusion of an equivalent to the value of the duties in the sales price for aluminium in the EU, irrespectively of its origin (duty-free/dutiable), costs around 500 million euros more annually to EU aluminium transformers and consumers. This amount is cashed as a «hidden subsidy» essentially by the integrated producers and by smelters based in non-EU countries enjoying duty-free status for primary aluminium. The new structure of the EU aluminium industry and the magnitude of the adverse consequences of the current EU tariffs impose the urgent total suspension (0%) of the 6% duty on alloyed aluminium and of the 3% duty on not-alloyed primary aluminium.

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Da quando il Consiglio europeo nell'ottobre scorso ha sospeso il dazio sull'alluminio primario non legato (oggi al 3%), la situazione dell'industria dell'alluminio a valle in UE continua a peggiorare. L'esistenza di un dazio del 6% sul primario legato e il differenziale artificiale stabilito dalla parziale sospensione del 3% sul primario non legato amplificano le distorsioni del mercato e gli svantaggi competitivi di cui i trasformatori indipendenti dell'alluminio europei sono le vittime. Questa situazione mette a rischio l'unico segmento dell'industria europea dell'alluminio ancora in grado di creare lavoro. La misura necessaria è la sospensione totale del dazio su tutto il primario, tenendo conto in particolare del nuovo assetto che l'industria dell'alluminio ha assunto negli ultimi mesi. La fusione Rio Tinto/Alcan ha iniziato una nuova onda di ristrutturazioni nell'industria dell'alluminio, che sta riorganizzan-

do le attività a monte; emergono forti interessi dei giganti minerari che concentrano attività di estrazione di bauxite, raffinazione di allumina e produzione di primario.

Pochi anni fa in UE i trasformatori indipendenti d'alluminio rappresentavano circa il 50% della forza lavoro dell'industria dell'alluminio. Oggi essi costituiscono circa il 95% della intera forza lavoro dell'industria dell'alluminio UE.

Inoltre, l'aggiunta di un quid pari al valore del dazio al prezzo di vendita dell'alluminio in UE, senza tener conto della sua origine (dutyfree/soggetto a dazio), costa circa 500 milioni di Euro in più all'anno ai trasformatori di alluminio dell'UE e di conseguenza ai consumatori. Una forma di 'sussidio' incassata dai produttori integrati e dagli smelter con sede in Regioni extra-UE che godono dello status di Paesi esenti da dazio per quanto riguarda l'alluminio primario.

La nuova struttura dell'industria europea dell'alluminio e la gravità delle conseguenze delle tariffe attuali rendono urgente la sospensione totale (0%) dei dazi sull'alluminio primario e non legato.

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The **Federation of Aluminium Consumers in Europe** is the first organisation of its kind designed to meet the needs and promote the interests of **aluminium users and final consumers** in the EU.

FACE helps **independent downstream aluminium businesses** throughout the EU that together consume substantial amounts of primary aluminium.

FACE is currently focusing on a main goal:

- the removal of **duties on primary aluminium**.

Complementary objectives include:

- deepening the **dialogue** and co-operation between **independent aluminium producers, independent transformers, independent users and final consumers**.
- promoting the **use of aluminium products and new applications** as well as the reduction of the cost of aluminium as raw material.

Here is the FACE 2008 members list:

- **Salzburger Aluminium**
- **Roger Bertozzi**
- **Aluminium Rheinfelden GmbH**
- **Chem-Trend**
- **Elval S.A. Hellenic Al. Industry**
- **Aluminium Pieve Extrusion Srl**
- **AMS (All Metal Services Srl)**
- **Aro Tubi Trafilerie Spa**
- **Bodega G. & C. Spa**
- **C.E. Giulini & C Srl**
- **Cromodora Wheels**
- **Edimet Spa**
- **Equipe Spa**
- **Estral Spa**
- **Eural Gnutti Spa**
- **Foundry Ecocer**
- **Hayes Lemmerz Spa**
- **Indinvest Spa**
- **LT Alluminio Srl**
- **Lasametalli Srl**
- **Metra Spa**
- **Novellini Industries Srl**
- **OCMA Spa**
- **Pandolfo Alluminio Spa**
- **Profilati Spa**
- **Sepal**
- **Alluminio Sammarinese SA**
- **UC Rusal**
- **Dubai Aluminium Company Ltd.**

The membership of FACE represent around 5,150,000 t of **primary production** (UC Rusal + Dubal); around 1,300,000 t of global **use of aluminium in all forms**; around 1,000,000 t of global **output of extrusions, rolling products and castings**; 800,000 t of global **use of primary aluminium**.

FACE's membership fees are based on a tiered structure. Members may be:

- **Ordinary members:** EU aluminium users and consumers (companies, organisations, associations, etc.), as well as aluminium producers, semi-fabricators and their direct customers.
- **Associate members:** EU companies and organisations interested in aluminium industry issues.
- **Observers:** any non-EU organisation that shares the concerns of the federation.