

## Intended suspension of anti-dumping duties keeps floodgates for unfair and high-carbon Chinese imports open

Brussels, 10 September 2021 – European Aluminium, the voice of the European aluminium value chain, warns against the Commission's proposed 9-month suspension of the definitive anti-dumping duties on Chinese aluminium flat-rolled products. A key contributor to the European Green Deal, the sector is worried about the block's contradictory trade enforcement actions and sounds the alarm about the suspension's devastating impact on EU industries beyond aluminium.

"On 30 August, the European Commission released its annual report on EU trade defence activity, in which it writes European companies and their workers can continue to rely on robust trade defence instruments that protect them against unfair trade practices. Only two days later, the Commission announced its intention to suspend the definitive anti-dumping duties on aluminium flat-rolled products from China. This news has sent shock waves through the aluminium industry and other industrial sectors. How can European industries trust in the urgently needed trade enforcement measures when the flood gates for high-carbon, dumped Chinese products stay so willingly open?" says Gerd Götz, Director General of European Aluminium.

European Aluminium warns that the impact of a suspension on the European aluminium value chain would be devastating and long-lasting. Tens of thousands of EU jobs and hundreds of millions of euros in decarbonisation and recycling investments are on the line. The EU risks further losing production capacity for a material that is critical to the EU's green transition, compromising Europe's strategic autonomy.

Furthermore, a suspension will boost Chinese imports with a high carbon footprint, endangering the EU's climate ambitions. The carbon footprint of European primary aluminium production is one of the lowest globally: approximately  $7 \log CO_2$  per kg of aluminium compared to the Chinese average of  $20 \log CO_2$  per kg of aluminium.

European Aluminium also points out a suspension signals China's unfair trade practices are tolerated and might set a dangerous precedent for anti-dumping cases in other sectors. A suspension could jeopardise transatlantic relations in the joint fight for free and fair trade on a global scale. Since the U.S. blocked all dumped imports of Chinese aluminium, a suspension of long-overdue anti-dumping duties in the EU could dissuade the U.S. from lifting its Section 232 measures on aluminium and steel. Europe needs the support of its allies to take joint actions against the root cause of the distorted aluminium market: subsidised Chinese excess capacity.<sup>1</sup>

"The European aluminium industry is determined to pursue all avenues to challenge the proposed suspension because it's fundamentally unwarranted and contradictory to the Commission's trade and climate ambitions. We request the Commission not to suspend the definitive measures due for October 2021 and offer our support for an urgently needed in-depth and balanced investigation," concludes Götz.

<sup>&</sup>lt;sup>1</sup> A recent <u>OECD report</u> estimates the value of China's below-market finance support to have ranged between 4% and 7% of the annual revenue of the sampled firms. Non-Chinese firms received support in the vicinity of 0.2% of their annual revenue.

## Press release



## Note to editors:

The European Commission's Definitive Findings in the anti-dumping investigation into certain aluminium flat rolled products (case AD668) confirmed that China practices injurious dumping of aluminium FRPs on the EU market, causing significant injury to EU producers. Definitive duties were set at 14% to 25% to raise China's unfair prices to market conform prices. Nevertheless, after a rushed 30-day suspension investigation, the Commission suddenly announced its intention to suspend the definitive anti-dumping duties for nine months.

The main applications of the products concerned are the building and construction sector, foil sector, technical applications, mobility sector and consumer durables.

## **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 85+ 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.