

## European metals sector a “test case for credibility of EU's climate policies”, industry association says

- **Europe’s non-ferrous metals industry is a frontrunner in several crucial areas for the energy transition, with prospects to cut overall CO2 emissions by 81% in a decarbonised power system**
- **Metals produced in Europe are up to eight times less CO2 intensive than in China; but face unfair competition due to the latter’s state support of its strategic industries vs. unilateral EU regulatory costs**

Brussels, 17 October 2019: “What happens to the European non-ferrous metals sector in the next five years is a test case for the credibility of the EU's climate change policies”, Mikael Staffas, CEO of Boliden and President of Eurometaux said today. Staffas made his comments on the publication day of a [new report](#), “*Metals in a Climate Neutral Europe: A 2050 Blueprint*”, on the sector's contribution to a climate neutral Europe.

“The metals sector will be at the heart of a clean, green economy. Our materials are demanded in exponentially higher quantities for the technologies we will rely on to achieve net zero emissions, such as batteries, electric vehicles, and solar panels. Europe’s big question is whether these materials will be supplied domestically or from elsewhere”.

“In Europe our climate-neutral prospects are bright due to our high levels of electrification & circularity. We have a built-in potential to reduce our CO2 emissions by 81% (vs. 1990 levels) if the power sector continues its path of decarbonisation. A quarter of the world’s recycled metals are also already generated in Europe, and we have defined a set of priority areas for further innovation. But European metals companies must compete against unfairly subsidised Chinese products, which are up to eight times more CO2 intensive due to China’s coal-fired power system”

“Our sector shows the immediate necessity of the EU integrating its work on the Green New Deal and new industrial policy. Europe must deliver affordable carbon-free electricity to its industries, while giving them the platform to compete globally. Otherwise our climate policies will erode the competitiveness of our best-in-class companies while other areas of the world continue to reward pollution”

The new report, written by Vrije Universiteit Brussel, has several striking facts about the European metals sector:

- Demand for non-ferrous materials is forecast to rise due to their use in the low-carbon technologies of tomorrow. The World Bank has projected that 300% more metals will be needed by the world’s wind turbines by 2050, 200% more for solar panels, and 1,000% more for batteries.
- Metals producers are Europe’s frontrunners in industry electrification and circularity. A decarbonised power system would reduce the sector’s carbon footprint by 81% overall compared with 1990 levels. Moving forwards, all energy intensive industries have agreed that the availability of carbon-free electricity will be “the most important enabling condition” to achieve climate-neutrality.
- The European metals industry is ready to compete in the global market but is facing unfair competition from China. For example, a recent OECD report concluded that 85% of subsidies in the aluminium sector went to five Chinese companies from 2013 to 2017, totalling almost €60 billion. A more outward-looking EU competition policy is needed to address the distortions that impact all metals.

The metals sector's message to Frans Timmermans, the designated Commission lead for the Green New Deal, is to think hard about how to support frontrunner industries that are already taking steps towards climate-neutrality and circularity. Meanwhile, the industry urges Vice Presidents in charge of a new industrial strategy to consider tough measures to deal with unfair practices from global challengers. Balancing both will ensure that Europe’s strategic value chains are supplied in large parts by metals that have been produced in Europe with a minimum carbon footprint.

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**About Eurometaux:** Eurometaux is a trade association representing the collective European non-ferrous metals industry, including smelters, refiners, transformers and recyclers of all non-ferrous metals produced industrially in Europe. In total the industry employs 500,000 people across over 900 facilities, with an annual turnover of €120bn.