







Press release

For immediate release

Global Aluminium Associations Welcome New Analysis from International Organisations on Trade Distorting and Environmentally Damaging Subsidies

(Washington DC, Brussels Belgium, Montreal Canada, Tokyo Japan — 27 April 2022)

The aluminium associations of the United States, Europe, Canada, and Japan welcome the new report by the International Monetary Fund (IMF), Organisation for Economic Cooperation and Development (OECD), World Bank Group (WBG), and World Trade Organisation (WTO), <u>Subsidies</u>, <u>Trade</u>, <u>and International Cooperation</u>.

This joint report highlights, "With the frequency and complexity of distortive subsidies increasing, even as the need grows for active policies to address climate, health, food, and other emergencies, subsidies and the subsidies debate have brought significant discord to the trading system. The issue demands global attention and cooperation."

In welcoming the report, Charles Johnson, President & CEO of The Aluminum Association, Paul Voss, Director General of European Aluminium, Jean Simard, President & CEO of the Aluminium Association of Canada, and Yasushi Noto, Executive Director of the Japan Aluminium Association said:

"This latest analysis by the world's preeminent international organisations draws attention, yet again, to the prevalence of trade distorting and environmentally damaging subsidies provided both by and to state enterprises across the entire aluminium value chain."

"High levels of support are displacing production from unsubsidized firms unable to compete with the deep pockets of the state and driving out resilient supply chains in strategic sectors across the US, Europe, Canada, and Japan. Nearly 2 million direct and indirect jobs are at risk.

These same subsidies increase output in high GHG emitting production systems, resulting in a much higher carbon footprint globally. By reducing growth opportunities in unsubsidized production systems, subsidies also discourage private investment and innovation in initiatives to decarbonize the sector."

"Our member companies are committed to producing aluminium responsibly but doing so is being hindered by state capitalism on the scale we are witnessing across the aluminium value chain today. Action is urgently needed to build a global level playing field, open to fair competition and free of subsidies that favor just a few firms at the expense of many. We actively support updated WTO rules and plurilateral initiatives to discipline harmful industrial subsidies and are ready to work together with international organisations and with governments to achieve this."









About The Aluminum Association

The Aluminum Association represents aluminum production and jobs in the United States, ranging from primary production to value added products to recycling, as well as suppliers to the industry. The association is the industry's leading voice, representing companies that make 70 percent of the aluminum and aluminum products shipped in North America. The association develops global standards, business intelligence, sustainability research and industry expertise for member companies, policymakers and the general public. The aluminum industry helps manufacturers produce sustainable and innovative products, including more fuel-efficient vehicles, recyclable packaging, greener buildings and modern electronics. In the US, the aluminum industry supports \$172 billion in economic activity and nearly 660,000 jobs. For more information visit https://www.aluminum.org or find us on Twitter, LinkedIn, Facebook or Instagram.

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 95+ 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. For more information visit www.european-aluminium.eu.

About the Aluminium Association of Canada (www.aluminum.ca/en)

The Aluminium Association of Canada (AAC) is a non-profit organization representing three Canadian world-class aluminium producers: Alcoa, Alouette, and Rio Tinto operating nine smelters in Canada, eight of which are in Quebec, and employing over 8,800 workers and generating over 5.5 billion US\$ in annual deliveries. For more information, visit http://www.aluminium.ca or Twitter @AAC_aluminium.

About Japan Aluminium Association

Japan Aluminium Association (JAA) was established in 1947 (the former names were the Light Metal Rolling Association and Light Metal Smelting Association of Japan). Now, around 140 companies join in JAA, their business fields are various from aluminium fabrication, aluminium remelting and trading, etc. JAA represents Japanese aluminium industry and plays very important role for such as in public relations (including conveying industry voices to the government), research & development, energy & environment, safety & health and so on. Through these activities, JAA tries to enhance values and sustainability of aluminium. For more information visit http://www.aluminum.or.jp/english/.

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