EUROMETAUX
EUROPEAN ASSOCIATION OF METALS

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PRESS RELEASE

Decision of the EP on Backloading – 16 April 2013

Eurometaux: Backloading will threaten international competitiveness & jobs in the non-ferrous metals industry

The President of Eurometaux, Oliver Bell, voiced a high level of concern regarding the decision which will be put to the vote of the European Parliament on 16 April 2013. The decision would allow the "Backloading" of emission allowances from the emissions trading system (ETS), i.e. the removal of certificates at the start of the 3rd trading period and their introduction shortly before 2020. "This proposal and other short-term measures will have detrimental effects on the global competitiveness of the European Industry," states Bell.

"The non-ferrous metals industry in Europe supports the majorities in the European Parliament who oppose the backloading proposal. The latter will undermine the Commission's aim of increasing industry's share in the EU GDP to 20% by 2020, and will relocate investment decisions by the non-ferrous metals industry to locations outside Europe" adds Bell.

Due to the tightening of the rules at the beginning of the trading period, the industry expects altogether higher carbon prices and additional burdens on the non-ferrous metals sector. If one intervention is permitted, further interventions in the system will follow. Interference will create further uncertainties for the planning of industrial investments. The true objective of emissions trading supported by the industry - i.e. to reduce CO2 emissions in a cost-efficient manner and thereby to make significant contributions to climate protection – will be countered.

According to the Eurometaux President, "maintaining the industry in Europe offers the highest potential for saving emissions while at the same time protecting expertise and jobs. Climate protection and industrial competitiveness cannot be viewed separately. They work together, and for this reason, climate and industrial policies must go hand in hand. Unfortunately, this fact is not taken into consideration in the Commission's proposals."

"The ETS is functioning as it should. It will deliver the objective for which it was introduced: reducing greenhouse gas emissions at the lowest possible cost. The ETS does not need to be rescued, but the economy does", Bell concluded.

Eurometaux is the Brussels-based association of the non-ferrous metals industry, representing the main EU and international metals producers, EU and international metal commodity groups and national metal federations. The industry covers base metals (Al, Cu, Pb, Ni, Zn, Sn), precious metals (Au, Ag, PGMs) and technical metals (e.g. Co, W, Cr, Mo, Mn), manufactured from both virgin and recycled raw materials.

For further information, please contact:

Guy THIRAN
Director-General
EUROMETAUX – European Association of Metals *E-mail : thiran@eurometaux.be*

Jernej VERNIK
Energy & Climate Change Policy Manager
EUROMETAUX – European Association of Metals *E-mail: vernik@eurometaux.be*