



EU TRADE AGENDA

POLICY BRIEF - METALS

The future of Europe's raw materials value chains is dependent on free, fair & rules-based trade. We are threatened by global distortions from countries who've put their materials producers at the heart of industrial growth strategies, but in circumvention of trade rules.

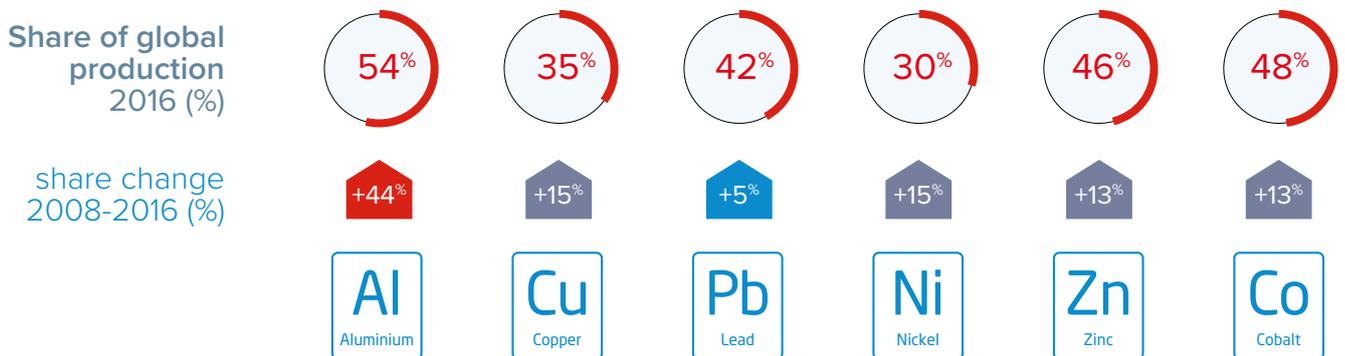
Several metals sectors have been disrupted by government subsidies and overcapacities, which prevent fair international competition. Our manufacturing base is now impeded by artificially depressed global prices and rising imports from China and other areas of the world.

How the EU can help: Secure the modernisation of global trade rules to guarantee fair competition, while using its trade policy to encourage high sustainability standards

1. Push for an ambitious reform of the World Trade Organisation

The World Trade Organisation is in need of urgent reform, to tackle the growing issues of state intervention and excess capacities. We urge the EU to push for improvements to the updated rules-based multilateral trade system, including reform of the dispute settlement system. Collective action will be essential to rebalancing the rapidly changing global market.

KEY FACT: Growth of China's global market share for primary metals



2. Take action to strengthen EU trade mechanisms

The EU must combine global action with a strengthening of its own trade mechanisms. Short-term improvements are needed to create a level playing field for Europe's manufacturing base. We recommend that the EU uses its existing trade tools more assertively & delivers new initiatives on sanctions, trade defence, public procurement, competition & foreign investment.

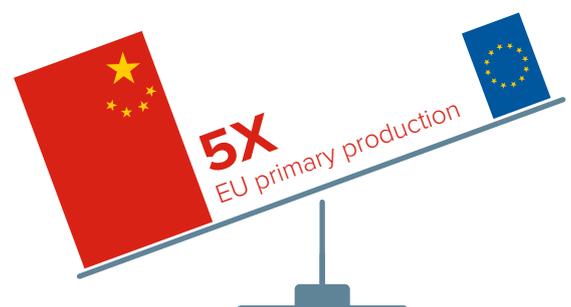
KEY FACT: China subsidies and overcapacity for aluminium

Subsidies:

\$700 Billion
Worldwide



Overcapacity:



3. Work with industry to guarantee responsible sourcing

It's essential that the raw materials Europe imports from other areas of the world are produced ethically and sustainably. We're working hard to establish OECD-compliant schemes for validating our sourcing for individual metals. The EU should build on our industrial best-practice when reviewing its conflict minerals legislation in 2023, and consider how to tackle materials in imported downstream products.

KEY FACT: Industry-led due diligence schemes available for European smelters

Al Aluminium		Sn Tin		
Cu Copper		Au Gold	Ag Silver	
Co Cobalt		W Tungsten	Ta Tantalum	

4. Maximise the effectiveness of Free Trade Agreements

Europe's ambitious agenda of free trade agreements is an opportunity to improve market access and promote high standards of sustainability worldwide. We urge the EU to use the mechanism of rules of origin to manage goods flowing from non-partner countries through countries with an EU FTA. We also encourage the EU to implement environmental & social standards into its free trade agreements.

KEY FACT: EU primary raw materials imports already covered by Free Trade Agreements

	Chile	77% Lithium	26% Copper	6% Lead		
	Mercosur	30% Silver	20% Copper	12% Bauxite		
	Peru	59% Silver	24% Tin	23% Copper	23% Zinc	15% Lead
	West Africa	80% Bauxite				
	South Africa	79% Gold	31% PGM			
	Canada	10% Zinc	7% Nickel	6% Copper		