

## Export tariffs threaten EU circularity: EU aluminium recyclers oppose restrictions, urge value chain cooperation

**EuRIC**, the voice of European recyclers, strongly opposes the potential introduction of export tariffs on recycled aluminium, which is frequently mischaracterised as “scrap.” Contrary to concerns raised by aluminium producers about excessive exports, official data shows a **year-on-year decline** in export volumes, with shipments to the United States accounting for just **0.4%** of total EU recycled aluminium exports.

Any calls for restrictive trade measures risk **undermining Europe’s advanced aluminium recycling industry**, distorting market dynamics, and weakening the EU’s circular economy and climate objectives.

EuRIC calls for **swift cooperation to strengthen the EU’s aluminium sector** during this period of uncertainty, and urges EU policymakers to adopt **collaborative, evidence-based policies** that support the **entire aluminium value chain** — from recyclers to manufacturers — ensuring the **resilience, competitiveness, and sustainability** of the European aluminium industry.

In this position paper, EuRIC sets the record straight on recycled aluminium exports and outlines the real challenges facing Europe’s aluminium recycling industry:

### **1 80 % of recycled aluminium stays in the EU - exports are declining**

Each year, approximately **6.2 million tonnes** of recycled aluminium are produced and processed within the EU. Of this, around **1.2 million tonnes** are exported, meaning **80% of aluminium recycled in Europe, stays within the continent** to be used by European smelters in the production of new aluminium. Meanwhile, **more than 650,000 tonnes** of recycled

aluminium are imported annually by EU aluminium producers. Balancing import and export figures give us a **net export rate of just 10% of all recycled aluminium**.

Export flows reflect a **lack of domestic demand** for certain grades of recycled aluminium, and more recently, the effects of **economic slowdown** in major sectors such as **construction and automotive**, both of which are key aluminium consumers, and have not been performing at full capacity.

While Europe has historically been and remains a minor exporter of its recycled aluminium, **there is no evidence of an export “surge.”** On the contrary, **Eurostat data** shows that between the first half of 2024 and the first half of 2025:

- Exports of recycled aluminium **decreased by 4%** (from 663,612 tonnes to 637,581 tonnes).
- During the same period, imports **increased by 3.5%** (from 308,265 tonnes to 318,935 tonnes).

These data points clearly debunk the narratives of aluminium ‘scrap’ leakage and consequently the argument that exports are harming the EU’s aluminium availability.

## **2 The US market accounts for only 0.4% of EU recycled aluminium production – a minor market**

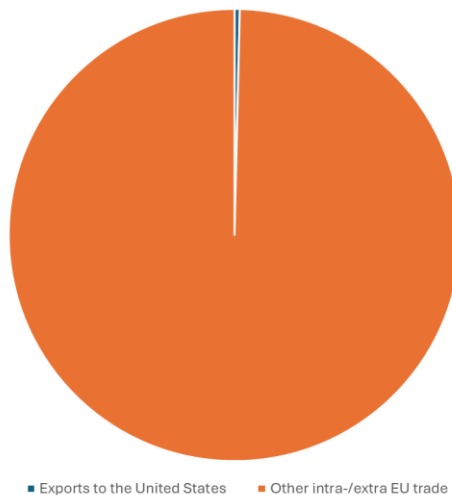
Recent market interventions - notably the **US-imposed tariffs** on aluminium products — do not benefit **European recyclers**. In fact, tariffs tend to discourage exports, create market uncertainty, and undermine the competitiveness of EU recyclers.

In terms of volume, exports to the United States remain **negligible**, representing only **0.4% of total EU recycled aluminium output** in the first half of 2025.<sup>1</sup>

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<sup>1</sup> Based on the following numbers: an estimated 3 million tonnes of recycled aluminium produced in the first half of 2025; around 11 156 tonnes of recycled aluminium exported to the US (according to Eurostat data)

EU recycled aluminium trade in tonnes



### 3 Export tariffs threaten EU recycling & circularity: Trade measures should strengthen, not weaken, EU industry

Most countries impose import restrictions, not export controls, on recycled materials. The few nations that did restrict exports tend to have **emerging recycling sectors**, which is far from comparable to the **EU's mature and strategic recycling industry**, which generates **€100 billion in turnover** and supports **1 million direct jobs**. The call from primary aluminium producers for **erga omnes** export tariffs - applying to all non-EU destinations - is both **legally questionable and economically harmful**. Restricting recyclers' market access will directly **undermine profitability** and damage the value chain as a whole.

The current pressures on the EU aluminium industry are not caused by recyclers but rather by **external trade measures**, such as the recent **US tariffs on aluminium products**. If the EU seeks to respond and actually support European aluminium smelters, any trade action must be **reciprocal and targeted to remain legally proportionate**.

There is no causal link, no proportionality, and no objective justifications – given current export flows – that could justify the move from tariffs imposed by one trade partner of the EU on aluminium products to export tariffs imposed by the EU on all third countries.

Introducing an *erga omnes* export restriction on the most circular and sustainable part of the value chain cannot be the solution.

## 4 False scarcities: shifting the debate from availability to price raises red flags

The EU's aluminium smelting sector remains highly consolidated, whereas the recycling sector is dominated by family-owned SMEs investing and employing locally across Europe. The EU's Steel and Metals Action Plan (**SMAP**) rightly acknowledges that export restrictions should only be considered to ensure **sufficient availability** and in **strictly reciprocal contexts**. However, there is **no structural shortage** of recycled aluminium in the EU. The 20% of total exports (and definitely not the majority of all recycled aluminium produced) largely comprises **grades with limited or no domestic demand**. Therefore, these grades are not exported due to more attractive prices outside the EU, contrary to common claims. The argument that recyclers are exporting to achieve better prices lacks supporting evidence. Instead, the **shift from availability concerns to price manipulation** raises serious **competition policy issues**, especially since aluminium producers operate in a far more oligopolistic market. Imposing tariffs on their own suppliers and thus, granting major producers undue influence over pricing through trade restrictions would risk **market distortion**, harm SMEs and undermining the internal market.

## 5 Protecting the EU's recycling industry and circular value chains

*Erga omnes* export tariffs would have devastating impacts on the EU's aluminium recycling industry. Recyclers collect and process waste from various sources. To keep this business model and environmental service running, it is crucial that recyclers are able to cover their costs. **Export tariffs would depress domestic prices, undermining the economic viability of**

**recycling.** If recyclers have to slow down or in the worst case halt the processing of nonferrous metallic waste, this will inevitably put pressure on the entire waste management system. Moreover, it would result in resource loss, going directly against the EU's environmental, circular economy and strategic autonomy objectives.

Additionally, the domino effect would harm not just recyclers but also their suppliers, including public authorities, industries and EPR schemes. Any export tariff must therefore undergo a proper impact assessment that considers fair competition across the value chain.

## **6 Cooperation across the aluminium value chain instead of one-sided measures**

European recyclers have a key role to play in strengthening industrial sovereignty and supporting energy-intensive industries in their transition towards more circular and low-carbon value chains. To sustain this role, recyclers stress the need for a **truly circular value chain approach**, rather than one-sided trade measures.

**It is urgent to address the real causes of carbon leakage**, linked to high energy prices and possibly balance current measures in place. Particularly, the Carbon Border Adjustment Mechanism (CBAM) must thus be futureproofed to ensure it supports the whole EU aluminium value chain.

Lastly, **European recyclers call for strong incentives to promote the use of recycled materials across value chains to secure stable demand**, which, as underlined by the Draghi report, is crucial to support the competitiveness of the European Single Market. Efficient incentives are a pre-requisite to boost investments into high quality recycling in strategic value chains such as automotive, electronics or aerospace.

Introducing export tariffs on recycled aluminium will jeopardise the EU's circular economy, harm EU recyclers and destabilise the entire value chain. **With no evidence of export surges or scarcity, such measures risk market distortion and weaken Europe's green transition. EuRIC calls for cooperative, evidence-based policies that support all actors in the aluminium value chain,** ensuring a resilient, competitive, and circular future for Europe's aluminium industry.