

P R E S S R E L E A S E

Metals industry working to maintain essential operations and withstand the COVID-19 crisis

- **Europe's non-ferrous metals industry is committed to ensure the health and safety of its employees throughout the COVID-19 health crisis, while maintaining essential operations to the extent possible**
- **An early survey of European metals companies reveals that the economic impacts from COVID-19 are already severe, and expected to worsen due to slowdown and closure in major value chains**
- **EU leadership is called for to sustain key materials suppliers like the metals industry, address supply disruptions, and ensure frictionless cross-border transport of key goods**

Brussels, 31 March 2020: "The European non-ferrous metals industry's priority when facing the COVID-19 health crisis is to safeguard its employees and help reduce the spread of the virus, while maintaining its operations to the extent possible for supplying essential value chains. Our companies are already experiencing unprecedented challenges which we expect to grow in the next weeks and months", Guy Thiran, Director General of Eurometaux, said after a survey of the association's membership revealed major growing impacts from the spread of COVID-19.

"Most important, our sector has taken early measures to protect our employees through implementing remote working where feasible plus mandatory hygienic measures and distancing requirements for workers on site. Its attention now turns to maintaining production operations wherever possible to keep supplying essential value chains including medical equipment, food packaging and critical infrastructure; all vital throughout the health crisis".

More widely, between 30 and 70% of each base metal's EU supply (aluminium, copper, nickel, lead, zinc) is directed to the transport and construction value chains. Both sectors are experiencing significant slowdown or complete production stoppage in Europe and globally due to COVID-19. The consequences on European metals producers will be severe, with some companies predicting a demand reduction of over 50% in the coming weeks.

Reduction in the sector's activity and plant closures have been forced, and the economic situation is expected to worsen significantly due to wider Member State lockdowns severely limiting industrial activities. London Metals Exchange global metals prices are already at their lowest level since late 2015.

Eurometaux's early survey of its membership also revealed that most companies are challenged by supply disruptions for primary and secondary raw materials, increased worker absenteeism, and major delays and costs for shipments through Europe. Smelters & refiners face a specific challenge given they operate continuous production processes which cannot be shut down without risk of damage.

Guy Thiran continued: "We call for EU leadership to support Member States in sustaining Europe's production of key materials and preventing irreversible damage to entire value chains. The metals industry's activities should be maintained for supplying medical equipment, food packaging and critical infrastructure. Policymakers can support its operations in the short-term through ensuring state aid, frictionless cross-border transport and a stable supply of essential raw materials. We're committed to keep assisting the European institutions & national governments in their vital work to address both the health & economic impacts of COVID-19".

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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. Our [2050 Blueprint](#) outlines the framework conditions required for transitioning towards climate-neutrality

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Annex: Non-ferrous metals industry and supply to essential EU value chains

The non-ferrous metals industry supplies several essential value chains across the European Union and Member States

- **Supply of materials and products to medical supply chain**
 - Aluminium profiles for field hospitals, respiratory machines and other medical instruments & equipment
 - Aluminium sheet for the packaging of pharmaceutical and medical products
 - Copper rod for use in ventilators and other electromedical appliances
 - Zinc for medical devices including defibrillators, artificial respiration devices, ionisation units, air purifiers, portable oxygen supplies, inhalers and more
 - Nickel in stainless steel for medical instruments and sterilisation equipment (e.g. cannula, hypodermic needles, IV needles and intubation equipment), as well as further up the supply chain in pharmaceutical processing and storage equipment for life-saving drugs.
 - Silver in medical devices including surgical tools, medical implants, electronic devices and for antimicrobial uses, as well as in-vitro devices such as scope and probes for endoscopic procedures
 - Platinum group metals in chemotherapy drugs, brachytherapy, pacemakers and catheters
 - Lead for radiation protection in x-ray machines and laboratories
- **Supply of materials and products to food supply chain**
 - Aluminium can and foil sheet for the packaging of food, drinks, pet food
- **Supply of materials and products to critical infrastructure**
 - Copper rod in energy cables, electric motors & generators for energy transformation/distribution
 - Lead, nickel and other metals in batteries for providing emergency power supply to hospitals
 - Zinc for galvanising steel in transportation, energy and public water infrastructure
 - Nickel in stainless steel for water treatment and water distribution systems
- **Essential function of electricity-intensive metals production in power supply system**
 - Electricity-intensive primary metals production plays an essential role in stabilising the power grid due to its stable base load and ability to defer load (e.g. aluminium and zinc producers across Europe provide demand response services to grid operators)
 - *In addition, metals smelters/refiners operate continuous production processes that cannot be shut down quickly without economic or physical damage (example: a closed aluminium smelter would require between €200 and 400 million to restart).*

Europe's non-ferrous metals industry will also be essential for supplying Europe's climate transition in the post-COVID-19 recovery period. Europe's demand for all metals is projected to increase significantly over the next three decades due to their use in batteries, clean mobility, wind turbines, solar panels and zero-energy buildings.