



Aluminium  
Association  
of Canada



November 24, 2015

The Honorable John F. Kerry  
Secretary of State  
U.S. Department of State  
Harry S Truman Building  
2201 C Street, NW  
Washington, D.C., 20037

The Honourable Catherine McKenna  
Minister of Environment and Climate Change  
Parliament of Canada  
Ottawa, Ontario K1A 0A9

Dear Secretary Kerry and Minister McKenna,

We write to you representing aluminum producers in the United States and Canada. We are concerned about China's state-planned and carbon intensive aluminum industry which has amassed considerable overproduction. This not only leads to a distortion of international trade impacting our entire value chain, but also undermines global efforts to decarbonize the economy.

Our respective industries have made consistent improvement in our production processes over the past two decades as measured by primary energy demand and greenhouse gas emissions per ton of product produced. We continue to search for solutions to ongoing challenges through technological progress, improvements in resource use and waste minimization, and increasing incentives for recycling.

We encourage other countries with major production profiles to do the same. With that in mind, we ask for your support to press China to meet its Intended Nationally Determined Contribution (INDC) commitments.

Only ten years ago China supplied 24% of the world's primary aluminum. Today, spurred by energy subsidies, Chinese manufacturers have more than doubled their output and supply 52% of all primary aluminum produced globally. At the same time, this massive increase in production entails a significant environmental consequence.

Aluminum production in China is the most carbon intensive in the world, with its coal-based smelters emitting significantly more greenhouse gases per ton of aluminum than its North American counterparts. In fact, a ton of aluminum produced in China is at least twice as carbon-intensive as that same metal produced in North America. Given the rapid expansion of high-carbon aluminum production in China, many of the efficiency and emission reduction gains made by the global aluminum industry over the last several decades are being offset.

The 21st Session of the Conference of the Parties to the United Nations Framework Convention (UNFCCC) on Climate Change (COP21) represents an historic opportunity for governments to set ambitious, evidence-based commitments to combat climate change. We are encouraged that China's INDC

commits to deeper cuts to carbon dioxide emissions, to a cap on coal consumption, and to accelerating the elimination of outdated production capacity.

We therefore strongly encourage you to seek that China make concrete commitments, including a verification framework, to address the problems of both overproduction and emissions from its domestic primary aluminum production. Such commitments would help China meet its national climate change targets.

Specifically, China should be encouraged to make the following commitments:

- In addition to capping coal consumption, China should set a sub-goal to limit and reduce the overall CO2 emissions by its primary aluminum production.
- China should also commit to setting appropriate standards for aluminum production emissions and coal usage, taking offline production assets that do not meet those standards.

We also strongly believe that international verification and clear reporting to the UNFCC of emissions reductions made by all parties should be enshrined in any future agreement.

The U.S. and Canadian aluminum industry is concerned that overproduction in China will continue unabated and is insufficiently regulated. These commitments represent a critical opportunity for China to advance energy efficiency and emissions reductions targets in support of global commitments to address climate change.

We appreciate your support to help us to reestablish fair trade conditions and to make a significant contribution to advancing a low-carbon global economy.

Signed,



Heidi Brock  
President and CEO  
The Aluminum Association



Jean Simard  
President and CEO  
Aluminium Association of Canada

Cc: Mr. Todd Stern, U.S. Special Envoy for Climate Change, U.S. Department of State  
Mr. Dan McDougall, Chief Negotiator and Ambassador for Climate Change, Canadian Ministry of Environment