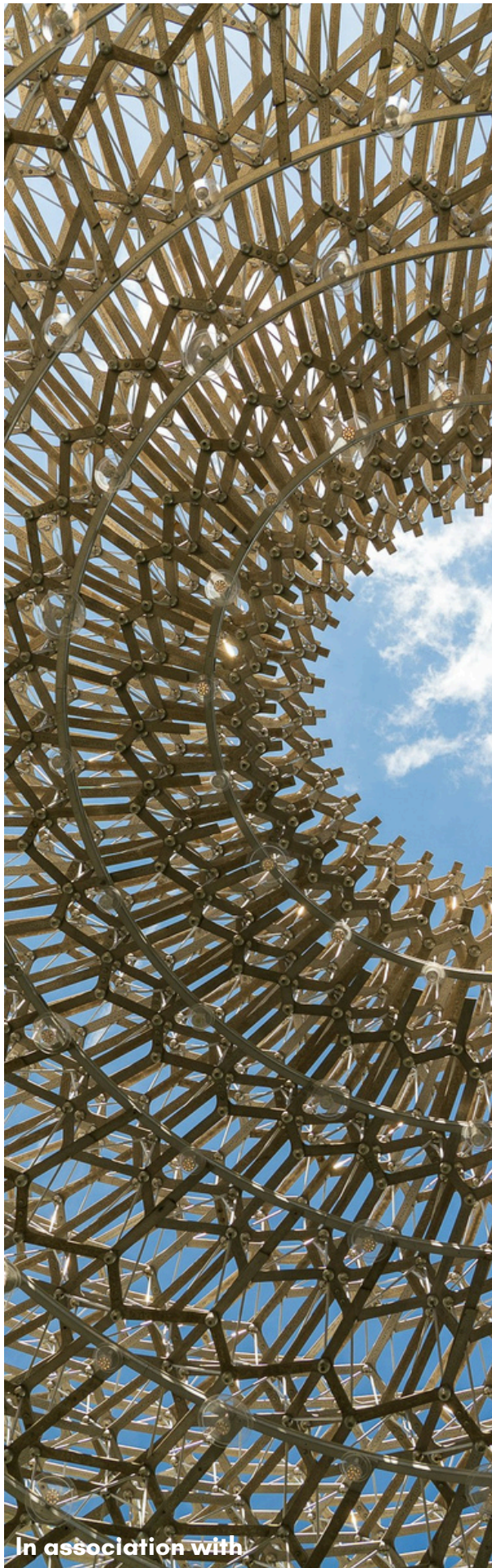




UK Aluminium Alliance Report

Building a Resilient, Competitive and
Circular Aluminium Future for the UK



In association with

CONETZ

ALFED
ALUMINIUM FEDERATION

CONTENTS

About UKAA	1
Why the UKAA Matters	2
How the Programme has Been Developed	3
How the Framework Works	4
The UKAA Framework	5-6
UKAA Call to Industry	7-9
Priority Deliverables & Strategic Actions	10

“Recognition is important. Delivery is critical. The UK Aluminium Alliance gives industry a voice and a framework to ensure aluminium’s economic value is understood, invested in and protected.”

– Nadine Bloxsome, CEO, ALFED

About UKAA

Over the last 12 months, The Aluminium Federation (ALFED) and Connecting for Net Zero (CONETZ) have led the development of the UK Aluminium Alliance (UKAA) - a collaborative, evidence-based programme designed to secure a more competitive, circular and strategically resilient UK aluminium system. This work has focused on industry-led solutions to barriers around energy costs, materials security, recycling capability, carbon standards, new product market leverage and policy alignment.

Through the UKAA, ALFED members gain direct visibility into Government strategy development, access to critical policy conversations, and early influence over decisions on scrap retention, energy pricing, certification and strategic investment.

The programme initiated in late 2024, has led to collaboration and deep engagement across aluminium producers, recyclers, fabricators, distributors, OEMs, researchers and policymakers. ALFED and CONETZ have successfully built a national UKAA framework over 2025, and as a result of strong cross sector participation and growing policy interest, ALFED can now independently drive and deliver this framework from 2026 onwards.

In practice, the UKAA Framework operates as a shared reference point for conversations with members, government and partners.

It explains why energy, data, skills, perception, supply, processing, demand and policy must be addressed together, and it provides a structure for sequencing action: starting with near-term steps that are achievable with current resources, and building towards long-term outcomes that will define the strength of UK aluminium for the next decade and beyond.



Why the UKAA Matters

The UKAA was established in 2024 to address a strategic gap that had long existed across UK industry: the absence of a coordinated voice for aluminium in national policy, industrial strategy, and future economic planning. Our purpose from day one has been to demonstrate that aluminium is fundamental to the UK's industrial resilience, decarbonisation pathway, and long-term economic competitiveness.

This strategic case is now formally recognised in national policy. In November 2025 Government published the Vision 2035 Critical Minerals Strategy, identifying aluminium as both a Critical and Strategic Growth Mineral. This development validates the position we have been leading since launch - that the UK cannot deliver defence, advanced manufacturing, infrastructure modernisation, packaging circularity, or the energy transition without a secure and competitive domestic aluminium value chain.

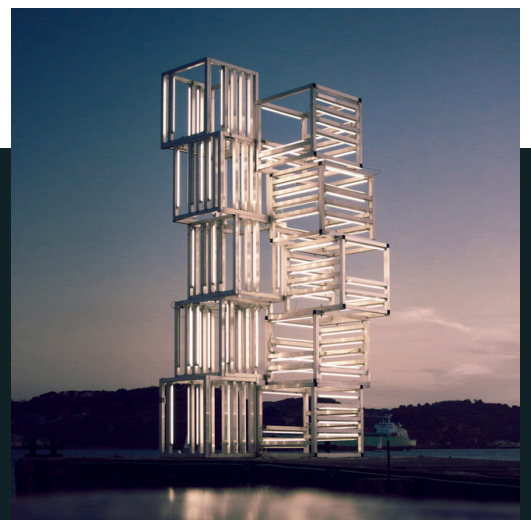
The Alliance therefore did not begin in response to policy recognition; rather, government recognition is now following the direction that the Alliance and its members have already set.

The Framework will be shared with the Department for Business and Trade (DBT), and will form part of a direct dialogue with defence, energy and industrial policy officials. UK Government departments have asked for our evidence base to support future policy design in critical materials, recycling and strategic industry measures.

ALFED stands ready to work directly with DBT and cross-government teams to co-develop policy options, evidence submissions and industrial pathways derived from this framework.

“The Alliance has created a unified blueprint that other materials sectors are now asking how to replicate. Aluminium is leading the way.”

- Dr Mark Jones, Director, CONETZ



How the Programme has Been Developed

The UKAA has created the first industry-wide Framework for UK Aluminium's future, designed by CONETZ and ALFED and validated by key stakeholders. This process was driven by industry, shaped by data, and focussed on achievable, shared solutions.

The programme has:

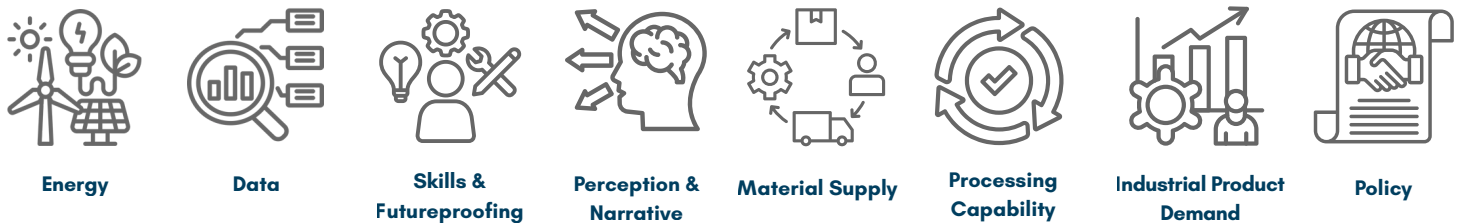
- Brought together stakeholders across the value chain (producers, recyclers, processors, OEMs, fabricators, and downstream manufacturers).
- Identified obstacles limiting investment, stability, and growth across the UK.
- Established a cross-sector dataset project to understand the real value and flows of UK aluminium scrap (led by ALFED's Industry & Skills Development Manager, Rachel Wiffen).
- Positioned ALFED as a key industrial partner in the UK Government's Vision 2035 work through:
 - DBT consultation input,
 - Direct engagement with defence, energy and industrial strategy advisers,
 - Presentation of the UKAA Framework directly to Minister McDonald and the Department for Business & Trade.

Phase	Status	Duration	Key Task	Output
Diagnostic Phase	Completed	Q1-Q2 2025	Interviews, surveys, industry mapping, benchmarking	Identification of barriers around cost, data, policy and supply chain gaps
Stakeholder Workshops & Manufacturer Engagement	Completed	Q2-Q4 2025	Regional workshops, OEM engagement, recycling & trade alignment	Consensus on strategic UKAA Framework
UKAA Framework Finalisation & Launch Preparation	Completed	Q3-Q4 2025	Agreement on deliverables, data model, policy narrative	Framework presented to DBT, OEMs and policy teams
Critical Minerals Recognition	Completed	Nov 2025	Industry input supported influence on recognition & circularity measures	Aluminium named Growth & Critical Mineral by DBT

How the Framework Works

The UKAA Framework identifies eight interconnected foundations that collectively determine whether the UK can move from today's fragmented aluminium system to a competitive, circular and strategically resilient future. Each element reflects current challenges, specifies short-term actions, and sets a long-term direction.

The framework therefore provides the structural basis for decision-making, collaboration and investment, across government, industry, skills, research and policy.



The UKAA Framework is intended to be a practical, working tool rather than a static diagram. It describes how the UK aluminium system can move from today's position – characterised by high energy costs, patchy data, skills gaps, fragmented processing and undervalued secondary material – towards a fully circular, competitive and strategically secure future. Each of the eight elements sets out an honest view of the “as-is” position, the short-term actions that are realistically achievable, and a longer-term “to-be” state that the Alliance is working towards.

The framework should be read as a single system rather than eight separate workstreams. It couples supply-side interventions (such as investment in remelt, extrusion, casting and rolling) with demand-side actions (such as engaging OEMs, infrastructure clients and strategic sectors to create new product applications and procurement signals).

Policy runs through all of this as an enabling – or constraining – force. Engagement with DBT, DEFRA, DSIT and other departments is not an isolated activity; it is the mechanism through which energy pricing, materials security, recycling standards, CBAM, skills and R&D funding can be aligned to the realities of the aluminium value chain. In the long term, the framework aims to ensure that industrial strategy, critical minerals policy, net zero commitments and circular economy measures all recognise aluminium's role and provide a stable environment for investment.

The UKAA Framework

Topic	As - Is	Short-Term Direction	Long-Term Outcome
Energy	UK energy pricing remains significantly above European competitors and is frequently cited by producers and recyclers as the primary barrier to investment and expansion.	Secure a competitive industrial energy model through the British Industrial Competitiveness Scheme and wider industrial pricing reform.	A government-aligned energy strategy that enables low-carbon aluminium production, supports recycling growth and is increasingly powered by renewable sources.
Data	There is limited verified national visibility of scrap flows, processing capacity and industrial demand. Commodity codes still mask metallurgical value.	ALFED to lead a national data programme validated by DBT and built around iterative collection, scrap classification, and supply chain mapping.	A complete national aluminium dataset enabling investment decisions, policy design, and measurable progress toward a fully circular system.
Skills & Futureproofing	A shortage of qualified technical skills limits UK industrial capacity, while older terminology and sector language reduce young-person attraction to industrial roles.	Education, apprenticeships and outreach programmes aligned to circular manufacturing and advanced processing roles.	A sustainable talent pipeline across design, processing, metallurgical engineering and circular manufacturing – future-proofing UK industrial capability.
Perception & Narrative	Public, media and sometimes policy narrative still views recycled aluminium as “scrap”, rather than a premium industrial material enabling decarbonisation and circularity.	Modernise terminology and narrative including public-facing communications and industry-wide messaging.	A national shift in perception toward fully circular aluminium, aligned with other strategic materials and critical-mineral frameworks.

The UKAA Framework

Topic	As - Is	Short-Term Direction	Long-Term Outcome
Material Supply	The UK remains highly dependent on imported primary and semi-fabricated aluminium, with insufficient utilisation of domestic post-consumer scrap.	Increase utilisation of existing domestic scrap and improve system-level incentives for UK remelt and reprocessing.	A secure, circular supply base able to feed strategic sectors including aerospace, defence, transport, infrastructure and net-zero technology.
Processing Capability	Current midstream and downstream capacity (casting, remelt, extrusion, rolling) remains limited compared to industrial competitors.	Map existing processing capability and gaps, develop investment cases, and support increased remelt of post-consumer scrap.	Investment into new and expanded processing assets that could include extrusion, giga-casting, aerospace casting and rolling, recycling processing and sorting.
Industrial Product Demand	Insufficient UK demand utilisation results in value leakage and lost opportunities to apply recycled aluminium in high-value applications.	Develop short-term OEM-led market pathways and early commercial opportunities across automotive, aerospace, EV structures and battery housings.	New UK product platforms and high-value applications using recycled aluminium, supporting industrial growth and circular capability.
Policy	Current policy does not fully reflect aluminium's strategic importance nor support long-term industrial planning or investment confidence.	Engage with DBT, DEFRA and DESNZ on industrial energy, circular materials policy, CBAM, and supply-chain resilience.	Government investment into manufacturing supply chains, strategic R&D, circular infrastructure and industrial decarbonisation - treating aluminium as a national strategic asset.

The UKAA is only as strong as the industry standing behind it. The Framework has been developed with manufacturers, recyclers, processors and OEMs at the table; its success now depends on broad, active participation across the whole value chain. For ALFED members, engaging in this work is not only about supporting the sector, but about shaping the policy, data and commercial environment your business will operate in over the coming decade.

By contributing evidence, experience and insight, members place themselves at the centre of government engagement, energy pricing discussions, circular economy policy and the creation of new high-value aluminium markets.

Over the next 12-18 months, ALFED invites companies and organisations to participate in the UKAA in the following ways. Each activity offers a direct commercial, operational or policy benefit to participating members.

UKAA Call to Industry

1

Commit to the Data and Evidence Programme

2

Support UK Secondary Raw Material and Secondary Aluminium

3

Participate in Sector-Specific Roundtables

4

Help Shape the Energy Agenda

5

Open Your Doors: Sites, Pilots and Case Studies

1

Commit to the Data and Evidence Programme

Accurate, trusted data will determine whether Government backs the sector at the scale it needs, ALFED are asking:

- Producers, remelters and recyclers to share anonymised data on scrap flows, grades, imports/exports, energy use and capacity.
- Fabricators, stockholders and OEMs to share indicative demand data, product specifications and recycled-content ambitions.

ALFED, through the UKAA, is developing a detailed, evidence-based map of UK aluminium scrap (secondary raw material) flows, quantifying where material is generated, how it moves, what is processed domestically, what is exported, and where midstream gaps exist in sorting, remelting, recycling and processing capacity. Company participation will feed directly into the UK Aluminium Supply Chain & Scrap Flow Map and a Secondary Aluminium Handbook, strengthening the evidence base that will inform future policy and investment decisions on scrap retention, processing capacity, energy pricing and critical minerals.

2

Support UK Secondary Raw Material and Secondary Aluminium

The UK has a strong foundation in aluminium circularity; the priority now is to translate this into domestic value creation, sustained investment and long-term industrial resilience. ALFED and the UKAA, will ensure aluminium's proven recycling performance is accurately reflected in policy development. The UK aluminium sector is deeply integrated into global markets, meaning international policy decisions directly impact UK secondary raw material flows.

- ALFED have monitored how US trade policy and tariffs have reshaped global scrap markets, affecting the availability and competitiveness of UK secondary aluminium.
- ALFED is liaising with European Aluminium to track and inform members on EU secondary raw material policies, including incentives, restrictions or export bans that could disrupt UK markets.
- Through the Materials Circularity Group, ALFED and UKAA will continue to engage with the UK Government to shape policies influencing secondary aluminium supply, processing capacity and investment. Scrap volatility is recognised as an industrial risk, not merely a market outcome, and that secure aluminium material flows are treated as strategically important.

Industry engagement is critical and ALFED is asking producers, processors and end-users to actively contribute evidence, data and insight to support policy development and ensure the sector speaks with a strong, unified voice.

With coordinated trade awareness, regulatory alignment and domestic policy support, the UK can strengthen its position as a competitive, resilient and sustainable aluminium economy.

3 Participate in Sector-Specific Roundtables

The UKAA will convene targeted roundtables across key application areas (automotive, defence, aerospace, rail, construction, infrastructure and packaging).

These sessions will:

Connect end-users with recyclers, producers and processors.

Identify where UK-sourced recycled aluminium can substitute imports or higher-carbon materials.

Shape procurement and specification pathways that create long-term demand for UK circular aluminium.

We invite OEMs, Tier 1s, major fabricators and service centres to participate and help define real, bankable demand for UK aluminium.

4 Help Shape the Energy Agenda

With energy consistently cited as the largest barrier to competitiveness, the UKAA has submitted a coordinated aluminium sector response to the British Industrial Competitiveness Scheme (BICS) and will continue to engage with Government and related energy policy initiatives as they develop.

We encourage:

- Members to share evidence on energy cost impacts, investment decisions, and site-level risks.
- Companies to engage in consultation workshops so evidence reflects the full spectrum of UK operations, from small recyclers to large, integrated plants.

This is a key opportunity to secure fairer, long-term industrial pricing that underpins recycling and low-carbon manufacturing investment.

5 Open Your Doors: Sites, Pilots and Case Studies

To demonstrate what is already possible in the UK, and where the gaps are, we will be looking for:

- Host sites for Government and OEM visits.
- Pilot projects that test new alloys, higher recycled content or circular business models.
- Case studies that show the commercial and environmental benefits of UK circular aluminium.

These examples will be central to our engagement with DBT, HM Treasury and other Government departments.

Priority Deliverables & Strategic Actions

The framework is built around targeted actions designed to address immediate policy challenges and unlock long-term industrial growth:

- **Secondary Aluminium Handbook:** Establish national guidance on standards, testing, certification and alloy performance to support consistent, future-ready supply chains.
- **UK Supply Chain & Scrap Flow Map:** Provide a clear evidence base for metals security, investment needs and scrap utilisation, including input into HS/EWC code reform.
- **ALFED Scrap Policy Position:** Set out a unified industry position on scrap utilisation and retention, aligned with Vision 2035 and supporting Government decision-making.
- **'SCRAP' Marketing Campaign:** Reframe recycled aluminium as a strategic, circular material to drive domestic demand and shift market perception.
- **CBAM & Circular Trade Working Group:** Address trade definitions, compliance, carbon leakage and circular material competitiveness within evolving global frameworks.
- **Energy & Industrial Policy Engagement:** Secure competitive energy pricing and recognition of aluminium within UK industrial strategy, including through BICS and related consultations.
- **Buyer & OEM Roundtables:** Engage key sectors (defence, aerospace, rail, automotive, infrastructure) to create procurement signals and demand pathways for UK-produced material.
- **Recycled Alloys Requalification Taskforce:** Accelerate certification of secondary alloys for high-value applications, particularly in aerospace and defence.
- **Investment & Infrastructure Mapping:** Identify gaps and opportunities across recycling, remelting and downstream capacity to unlock targeted investment.

This framework positions the UK aluminium sector to move from material exporter to value creator, supporting both economic growth and long-term industrial resilience.

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