ALFED
ALUMINIUM FEDERATION

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The Voice of the UK Aluminium Industry

INDUSTRY REVIEW 2026

FROM RECOGNITION TO RESULTS

A YEAR OF INFLUENCE. A CLEARER INDUSTRIAL CASE.
A STRONGER VOICE FOR MEMBERS.







A year in one message

In 2026, ALFED moved the conversation beyond recognition of aluminium as a strategic material towards the practical decisions that determine whether UK businesses can compete, invest and grow. Our year culminated in the November publication of Reindustrialising UK Aluminium and the launch of Make More of UK Aluminium: a joined-up Government and member campaign for practical industrial delivery.

The story we are telling

Recognition → representation → policy progress → industrial delivery.

The expansion of British Industrial Competitiveness Scheme (BICS) eligibility was a tangible policy win. The November white paper and Make More of UK Aluminium campaign now turn a year of evidence and engagement into a sustained programme of Government asks, member action and measurable outcomes.

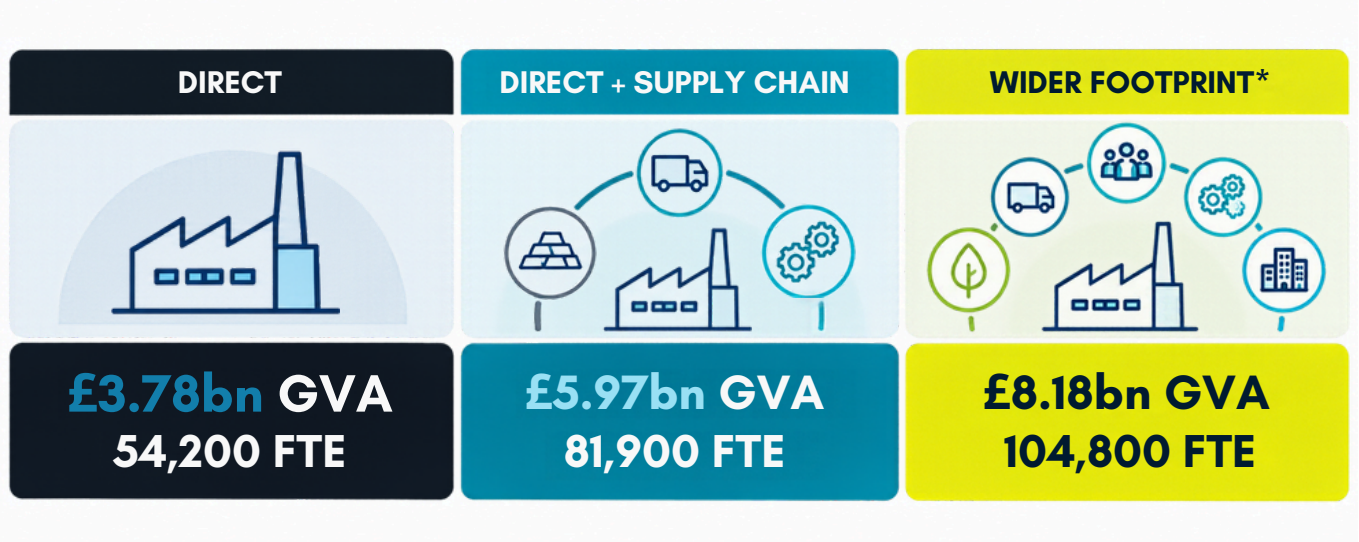
MAKE MORE OF UK ALUMINIUM

WHY OUR VOICE MATTERS

A substantial industry. A challenging operating environment.

Aluminium is foundational to UK automotive, aerospace, defence, construction, clean energy, packaging, infrastructure and advanced manufacturing. ALFED's refreshed 2026 economic model gives Government a clearer picture of the scale of the existing UK ecosystem.

The industrial contribution



** These are nested measures of economic footprint, not figures to add together. The wider estimate is an ALFED Type II extension.*

What members told us — and how we responded

ALFED Industry Pulse 2026 found energy costs (27%) and weak market demand (24%) were the most frequently selected immediate challenges. International trade and tariffs (16%) and skills/workforce (16%) followed. The findings reinforced our priorities: industrial electricity competitiveness, trade and carbon-policy alignment, stronger domestic capability and the workforce pipeline.

On strategic recognition, just 7% said Government clearly sees aluminium as strategically important; 49% said "partly", 13% "mostly" and 31% "no". ALFED has made the case that recognition must translate into decisions on energy, investment, procurement and market access.



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MAY–JUNE | BUILDING A UNIFIED INDUSTRIAL VOICE

21 May — UK Aluminium Alliance report released

After more than 12 months of collaborative work with Connecting for Net Zero (CONETZ), ALFED distributed the UK Aluminium Alliance report to participating members, OEMs and industry partners. The framework connected recyclers, remelters, processors, distributors, manufacturers, researchers and policymakers around a shared agenda for competitiveness, circularity, processing capability and resilience.

The practical next steps identified included a supply-chain and scrap-flow map, buyer and OEM roundtables, recycled-alloy requalification, investment and infrastructure mapping and a Secondary Aluminium Handbook. These are delivery workstreams, not completed industrial outcomes.

2 June — Strategic Priorities Framework launched at the House of Lords

At a reception hosted by Lord John Horam and attended by more than 80 members, parliamentarians and industry representatives, ALFED formally launched its Positions & Strategic Priorities Framework 2026–2027. Minister for Industry Chris McDonald MP and Antonia Bance MP joined the discussion.

The framework united six priorities: energy competitiveness; circularity and material value; domestic processing; trade and carbon alignment; supply-chain resilience and defence; and stronger evidence-led member forums. It gave Government a clear, member-informed route into the whole aluminium value chain.

23 June — £50m critical-minerals investment announcement

Government announced a £50 million package for critical-minerals supply chains, including processing and recycling. ALFED welcomed the direction and highlighted the need for aluminium and secondary raw materials to benefit from practical delivery.






ALFED ALUMINIUM FEDERATION

OUR SIX STRATEGIC PRIORITIES

A COMPETITIVE, SUSTAINABLE AND GROWING UK ALUMINIUM INDUSTRY

1 COMPETITIVENESS AND GROWTH

Create the conditions for investment, innovation and a stronger UK aluminium industry.

2 CIRCULARITY AND RESOURCES

Maximise the value of aluminium resources and support a more circular, lower carbon industry.

3 TRADE AND FAIR MARKETS

Ensure a level playing field and open markets for UK aluminium businesses and their customers.

4 INNOVATION AND TECHNOLOGY

Support investment in innovation, advanced manufacturing and low-carbon technologies.

5 PEOPLE, SKILLS & COMMUNITIES

Build a skilled, diverse workforce and support regional growth and local communities.

6 RESILIENT SUPPLY CHAINS

Strengthen UK capability and improve supply-chain resilience across the aluminium value chain.

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JULY–AUGUST | FROM REPRESENTATION TO POLICY ACTION

13 July — a tangible win on industrial electricity costs

Following sustained engagement by ALFED, members and the Cast Metals Federation, Government expanded BICS eligibility to four additional SIC codes: 2453 casting of light metals; 2454 casting of other non-ferrous metals; 2550 forging, pressing, stamping and roll-forming of metal and powder metallurgy; and 2561 treatment and coating of metals.

This was a meaningful policy win: more activities across the aluminium and cast-metals value chain were recognised in eligibility for industrial electricity-cost support. Implementation details and the practical value to individual businesses remained subject to Government guidance and scheme rules.

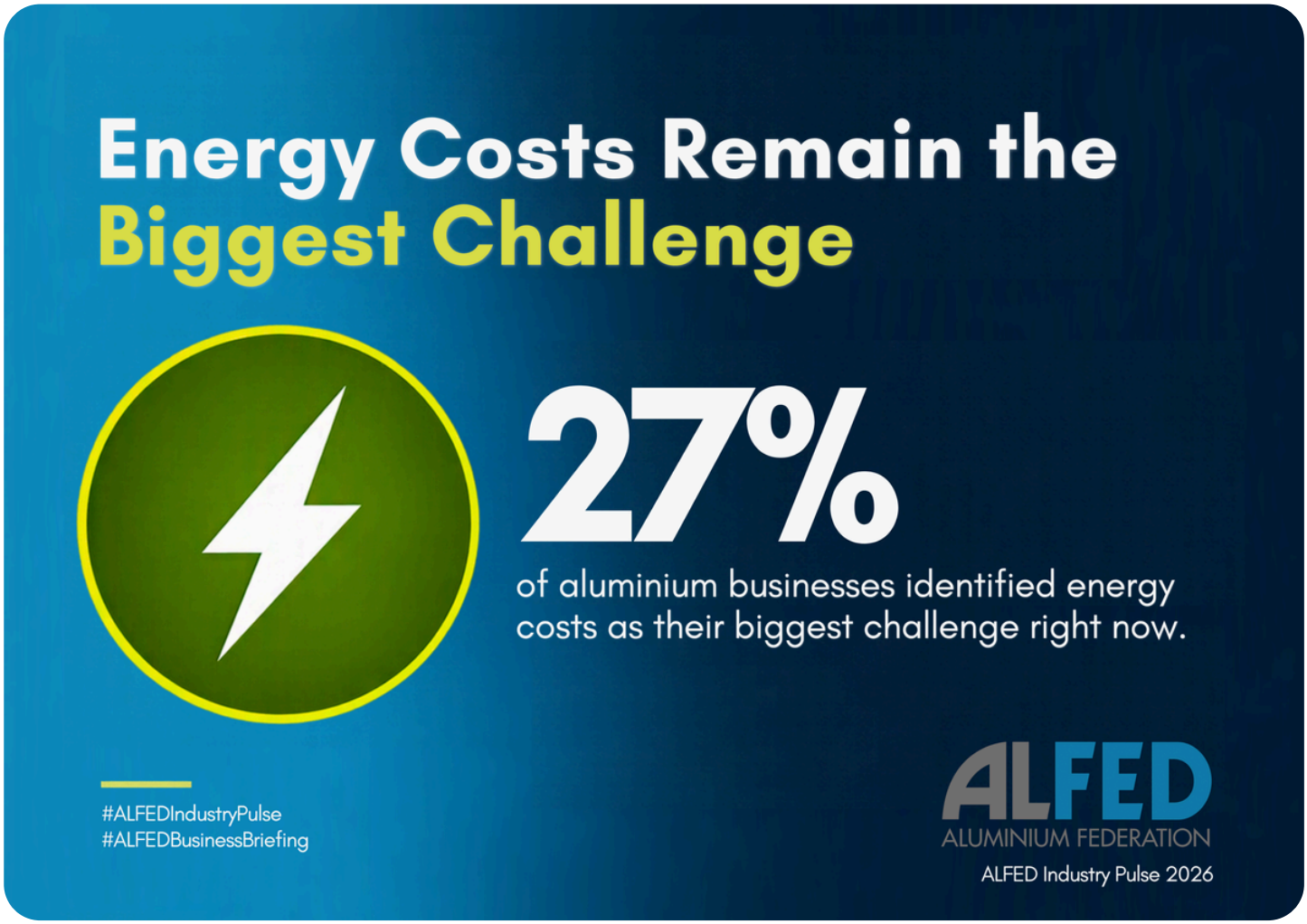
24 August — UK CBAM: members' concerns taken to Government

As the 1 January 2027 UK CBAM start approached, ALFED shared an urgent industry briefing with Government. Member intelligence raised questions on default emissions values, accredited verification, carbon costs paid overseas, technical guidance, implementation readiness and the relationship with UK-EU ETS discussions.

ALFED's position was clear: a workable CBAM should help prevent carbon leakage without introducing avoidable uncertainty, administrative burdens or competitive disadvantages for UK manufacturing.

Why this mattered

Energy costs and international trade pressures were not abstract policy issues: they were among the leading concerns identified in the Industry Pulse. ALFED translated those concerns into consultation responses, direct engagement and technical requests.



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SEPTEMBER | MAKING THE CASE FOR REINDUSTRIALISATION

14 September – Trade Committee sets the agenda

ALFED launched its Reindustrialising UK Aluminium briefing, developed through the Trade Committee. The central argument: UK trade policy must consider the full ecosystem - primary and recycled metal, scrap, processing, manufacturing, stockholding and distribution - and align trade, CBAM, energy and industrial policy before decisions are fixed.

17 September – reframing aluminium scrap as a strategic resource

Two ALFED-published pieces sharpened the case for seeing recovered aluminium as a strategic secondary raw material, not merely waste. They argued for commercially attractive UK sorting, alloying, remelting and processing, rather than blanket export restrictions. Different grades and specifications matter: retaining more tonnes is not the same as retaining more value.

One piece was originally published in the July/August edition of Aluminium International Today; both appeared on the ALFED website on 17 September.

28 September – aluminium in the ministerial reindustrialisation conversation

Alongside Alupro and Make UK, ALFED convened an industry roundtable ahead of Labour Party Conference with Minister for Reindustrialisation Blair McDougall MP and other parliamentarians.

Discussions addressed industrial energy, capability at risk, circularity, decarbonisation and investment. The meeting operated under Chatham House Rule: no individual views should be attributed.

The emphasis moved from managing decline to identifying the practical conditions for competitive UK production and processing.



RETAIN MORE VALUE, NOT JUST MORE TONNES

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OCTOBER | TURNING TECHNICAL CONCERNS INTO GOVERNMENT EVIDENCE

23 October — Formal UK CBAM representation to HM Treasury and HMRC

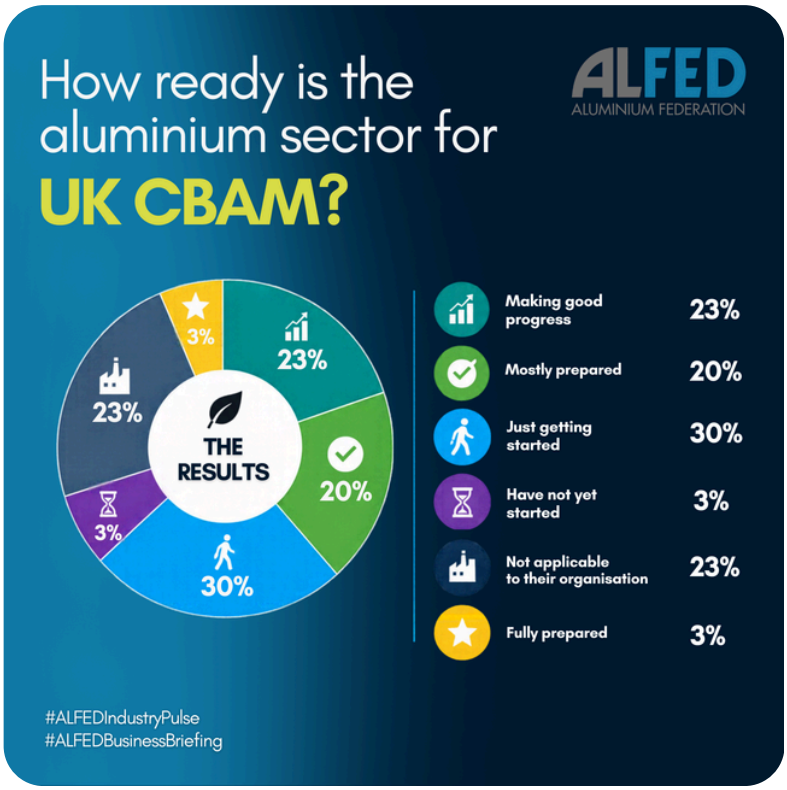
After publication of UK CBAM aluminium default values and guidance, ALFED consolidated member concerns and raised them formally with HM Treasury and HMRC. It requested greater transparency on default-value calculations; incentives for verified lower-carbon production; verification capacity; treatment of downstream processes; UK-EU differences; implementation and transitional arrangements; and progress towards UK-EU ETS linkage.

ALFED also requested a technical discussion, written clarification and worked examples.

Members' concerns shaped the detail

The Industry Pulse showed that UK CBAM readiness was uneven: 30% said they were just getting started, 20% mostly prepared, 23% making good progress, 3% fully prepared, 3% had not started and 23% said CBAM was not applicable. Survey figures are rounded and may not total exactly 100%.

ALFED's response combined policy representation with continued requests for practical examples from importers, processors and other affected businesses – including commodity codes, verification difficulties and additional reporting costs.



What success will look like

A predictable and proportionate UK CBAM, credible verification pathways, clear treatment of aluminium products and a practical approach to UK-EU carbon and trade alignment.



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NOVEMBER | REINDUSTRIALISING UK ALUMINIUM LAUNCH

Reindustrialising UK Aluminium – the evidence behind Make More of UK Aluminium

In November 2026, ALFED published 'Reindustrialising UK Aluminium', the evidence-led white paper underpinning its new Make More of UK Aluminium Government and member campaign. Building on the year's economic modelling, Trade Committee intelligence and industrial analysis, it makes the case for strengthening an existing UK industry, not recreating every historical process. The aim is to improve competitiveness, connect recovered resources with commercially viable processing and manufacturing, and retain more value in Britain.

The report sets out five connected priorities: competitive industrial energy; higher-value circularity and material intelligence; investable processing and manufacturing capability; joined-up trade and carbon policy; and strategic resilience, procurement and demand visibility. It proposes a product-level capability baseline and confidential Aluminium Investment Pipeline to help identify credible projects and the barriers holding them back.

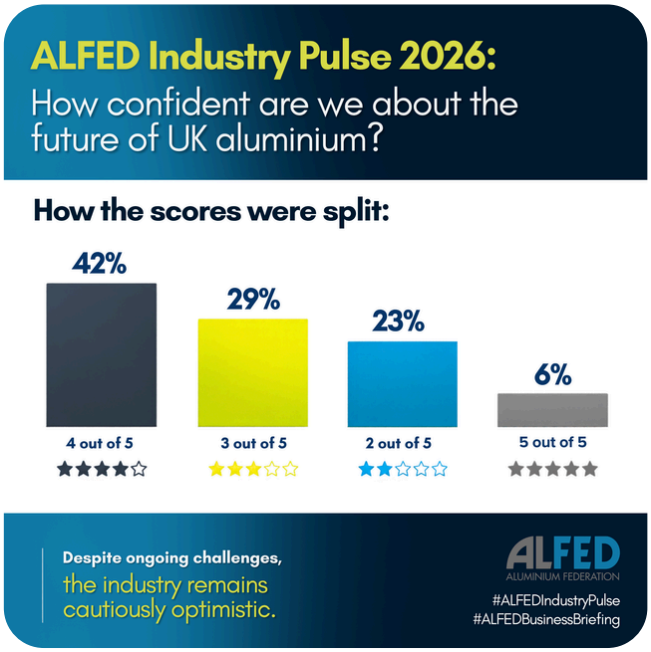
The Government campaign – turning evidence into decisions

Through a short Government briefing, ministerial and cross-departmental engagement, ALFED is asking for a named senior sponsor, an initial meeting and a 90-day joint work programme.

The proposed Aluminium Growth and Resilience Forum would maintain an action log with owners and deadlines, with progress measured in investment barriers addressed, viable projects advanced and stronger UK capability.

The member campaign – making industry experience count

Make More of UK Aluminium will invite members across the full value chain to contribute evidence, approved site and investment case studies, policy examples and regional skills stories. ALFED plans sector-group briefings, a member toolkit, website and press launch, social content and follow-up engagement. The Industry Pulse found 42% rated confidence at 4/5, 29% at 3/5, 23% at 2/5 and 6% at 5/5: cautious optimism that needs practical delivery.





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2027 | DELIVERING THE MAKE MORE OF UK ALUMINIUM CAMPAIGN

From the November launch to measurable Government and member action

The November white paper and Make More of UK Aluminium campaign are the culmination of ALFED's 2026 advocacy: a unified strategic framework, ministerial engagement, stronger economic evidence, a concrete BICS eligibility win and detailed representation on CBAM, trade and industrial capability. The next step is a sustained partnership that turns recognition into decisions, competitive investment, productive capacity and skilled jobs.



Members at the centre of Make More of UK Aluminium

The Industry Pulse found that 52% identified attracting young people into manufacturing as the biggest future workforce challenge, while 66% cited perceptions as the main barrier to young people choosing manufacturing. Alongside policy engagement, the member campaign will showcase career pathways, innovation and real UK aluminium businesses, with members' permission and verified claims.

Scan the QR code to download and read the full whitepaper:

GET INVOLVED

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