GREENHOUSE GASES EMISSIONS FROM ALUMINIUM PRODUCTION

-INDUSTRY REDUCTION EFFORTS AND THE ROLE OF VOLUNTARY AGREEMENTS IN EMISSION REDUCTIONS

By EIRIK NORDHEIM, EUROPEAN ALUMINIUM ASSOCIATION



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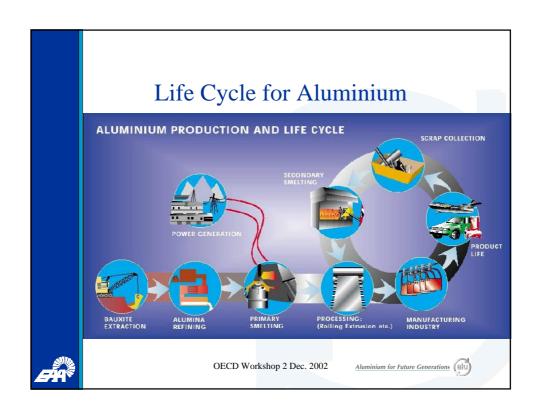
Presentation Outline

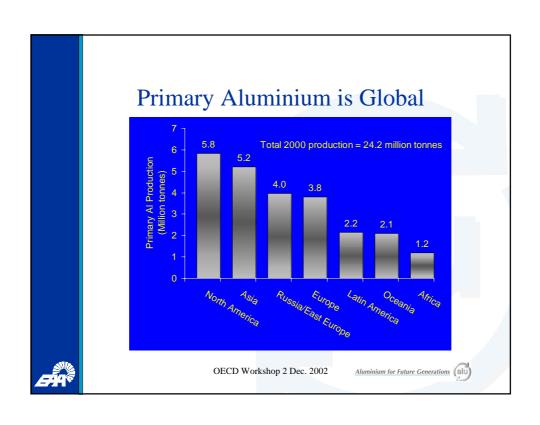
- The aluminium industry and climate change
- Industry's response to the challenge
- The results to date
- Voluntary agreements
- Current industry actions
- Conclusions

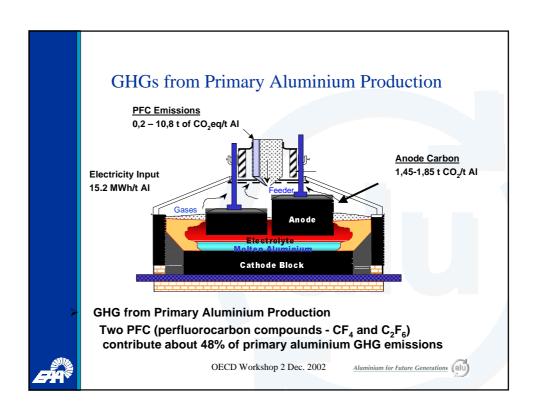


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How to decrease GHG Emissions?

- Increase the recycling rate
- Increase the electrical conversion efficiency and reduce electricity consumption
- Reduce anode effects that produce PFCs
- Change the reduction technology to eliminate carbon



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Increase recycling rate

Aluminium Recycling

- Aluminium is not consumed but is used through multiple product life cycles
- "Cradle to next product" Instead of

"cradle to grave"

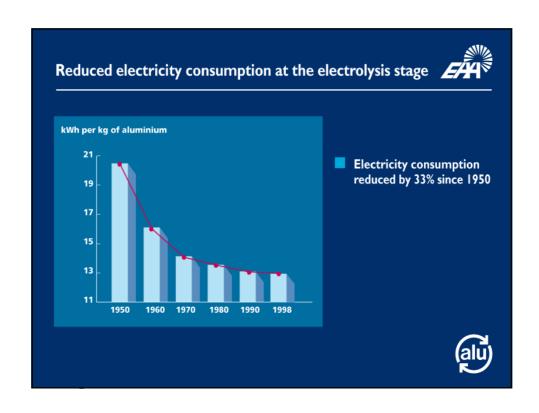
- · Aluminium maintains its value in recycling
- ➤ There is an in-use inventory of aluminium products eventually to be recycled of 400 to 600 million tonnes



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Numinium for Future Generations





Understanding PFC emissions

- PFCs result from anode effects
 - Anode effects result from temporary imbalances in the raw material feed rate with aluminium production rate
- The amount of PFCs produced from anode effects is a function of:
 - ➤ Anode effect frequency
 - Duration of anode effects
 - ➤ Cell amperage
 - ➤ Anode effect voltage

EH.

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Understanding PFC Emissions

- The specific PFC emissions (kg CF₄/t Al) is primarily a function of anode effect minutes per cell day
- Emissions per anode effect minute strongly dependent on reduction technology



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Global Warming Potentials (GWP)

GWP for $CF_4 = 6500$ GWP for $C_2F_6 = 9200$

> 5700 Revised values proposed 11900 In 3rd assessment report



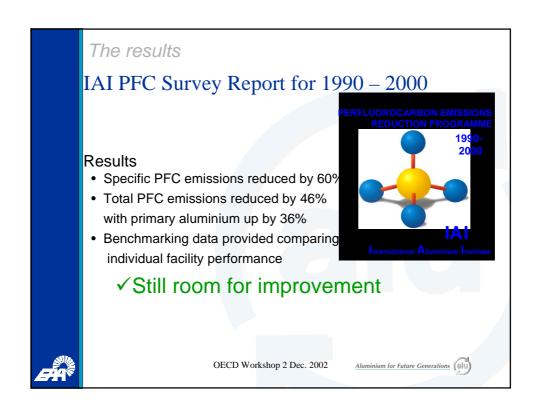
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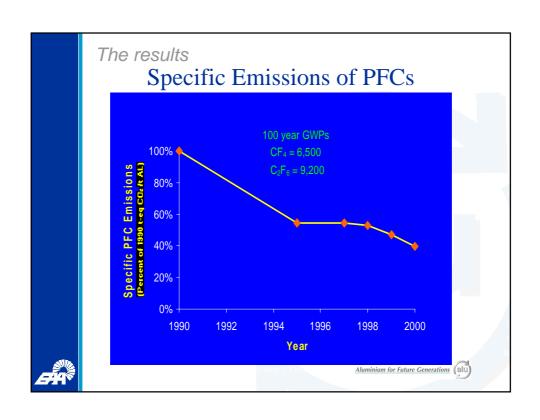
International Aluminium Institute (IAI) sponsored PFC initiatives

- Survey member companies on anode effect data
- Conduct workshops for benchmarking and good practices for reduction of anode effects
- Collaborate with national regulatory agencies, regional aluminium associations and member companies in developing better PFC inventories
- Sponsor fundamental atmospheric research to better understand how PFCs affect climate change
- Sponsor measurements of PFCs in historical air samples to establish the relationship with aluminium production

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Current voluntary agreements

- Several types of agreements
- Vary from industry commitments, through signed agreements to negotiated agreements with benefits and penalties
- Negotiated agreements also have third party verification of emissions



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Countries with voluntary agreements

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Country	Coverage	Start date	End date		
Australia	PFC and CO ₂	1990	2000/-		
Bahrain	PFC	1995	2000		
Brazil	PFC and CO ₂	1994	2000		
Canada	PFC and CO ₂	1990	2007		
France	PFC and CO ₂	1990	2000/-		
Germany	PFC	1990	2005		
New Zealand	PFC and CO ₂	1990	2000		
Norway	PFC and CO ₂	1990	2005		
UK	PFC	1990	2000/2010		
US	PFC	1990	2000/2005		
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Targets for voluntary agreements

- Gases involved and targets vary from country to country
- Starting point and potential reduction depends on the state of the technology
- The achieved results also depends on change in production volume



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Reductions in Annex I countries(2000)

Country	Production	Red Target	Achieved	Gases
Australia	+ 43%	+ 9%	+20%	GHG
Canada	+ 52	Varies	+7	GHG
France	+ 35	- 63	- 73	PFC
Germany	- 11	- 50	- 85	PFC
Norway	+ 18	- 50	- 53	GHG
UK	+ 5	- 89	- 87	PFC
US	- 9	- 45	- 56	PFC

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Reductions achieved

- The specific emissions have in all cases been reduced
- Where total emissions targets have not been achieved this is linked to production increases



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Current IAI Actions

Improve Quality of PFC Inventory

- Conduct annual surveys of member companies
- Working to increase coverage of survey
- Give member companies benchmark data to evaluate performance
- Have developed global standards for inventory methodology building on WBCSD protocols
- Working with IPCC to improve Tier 2 calculation coefficients
- Moving member companies to Tier 3 reporting
- Working with USEPA to establish a standard PFC measurement protocol globally



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Conclusions

- Excellent Progress made by worldwide aluminium industry in reducing greenhouse gas emissions
 - Specific PFC emissions reduced by 50% over the period 1990 – 2000 by worldwide aluminium industry (60% by IAI member companies).
 - Total PFC emissions reduced by 38% by worldwide aluminium industry (46% by IAI member companies) from 1990 to 2000 while primary production increased by 24%.



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Conclusions

- Voluntary programs have been effective in reducing PFC emissions.
- Further reductions in PFC emissions are possible through adoption of best practices, technology improvements and increased recycling.
 - IAI working to facilitate transfer of best practices to reduce the frequency of anode effects and to teach measurement techniques worldwide.

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Conclusions

- Future voluntary programs should be based on:
 - Clearly defined targets and plants/gases included
 - Penalties and benefits several models used
 - Regular reporting and verification of results



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