

KN03 - China's Aluminium Industry – Why It Is in Seriously Bad Health

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Abstract

It is easy to assess the recent history of China's aluminium industry as being a staged growth model. The first three quarters of the last decade were a story of rocketing expansion. Following the introduction of the new regulations calling for Replacement Permits for any new smelter project, the industry seemed to move to a new model of stability. In both phases of that period, the growth of the industry was underpinned by growth in demand. However, although demand did grow strongly, there are some major "inconvenient truths" that the industry has not and will not be able to solve on its own. Any prescription to heal these ailments will cause the industry some serious pain. In my presentation, I will explain what those problems are, the only solutions available and the likely consequences.

Keywords: China aluminium industry, China aluminum exports, China aluminium environment, China aluminium energy.