

ASI - Responsible Production, Sourcing and Stewardship of Aluminium

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Extended Abstract

The Aluminium Stewardship Initiative (ASI) is a global non-profit standards-setting and Certification organisation. We bring together producers, users and stakeholders in the aluminium value chain with a commitment to maximise the contribution of aluminium to a sustainable society.

ASI's mission is to recognise and collaboratively foster responsible production, sourcing and stewardship of aluminium. In December 2017, ASI launched its comprehensive certification program for the aluminium value chain, covering both performance and chain of custody. In August 2021, ASI has grown to more than 190 members, and more than 150 Certifications issued for operations across 39 countries and counting.

ASI aims to provide an international benchmark for performance and procurement that covers a wide range of sustainability issues for the aluminium sector, including Green House Gases (GHG,) biodiversity, human rights and material stewardship. The challenge for all aluminium value chain participants is to tackle impacts and opportunities proactively, so as to maximise the contribution of aluminium to a sustainable society. This keynote presentation will provide an overview of ASI's mission, its outcomes so far, and its forward plans.

ASI's Certification program offers two complementary standards: the ASI Performance Standard and the ASI Chain of Custody Standard (CoC). The ASI Performance Standard sets out practices for sustainability and human rights principles to be applied by companies along the aluminium value chain. The ASI Chain of Custody Standard creates a link from company practices to responsible sourcing of products, by connecting certified suppliers and customers and accounting for material flow. ASI Certification against both the Performance Standard AND Chain of Custody Standard provides recognisable assurance for responsible practices and responsible sourcing for aluminium.

The ASI Chain of Custody program uses a Mass Balance model, which:

- Allows certified and non-certified material (e.g., bauxite, alumina, aluminium) to be mixed, with controls based on a material accounting system
- Enables chain of custody programs to scale up to still achieve impact but with less costs and barriers to participation
- Puts the focus on connecting supply chain practices, not atoms.

ASI is the only responsible sourcing program that addresses practices along the full aluminium chain: from upstream production through to downstream use sectors, such as packaging, transport, construction and engineering. ASI is also unique among responsible sourcing programs to publish CoC mass flow data in the context of global mineral and metal flows. A collaboration with the International Aluminium Institute (IAI) enables ASI CoC data, collected on an annual basis, to be visualised in the context of global supply and demand. Data for the 2019 and 2020 calendar

years have now been published on the ASI website and show a doubling in year-on-year flows [1].

The horizon for responsible production, sourcing and stewardship is much more than ‘green aluminium’. While GHG is a dominant focus for many stakeholders, the sustainability challenges for the industry are much broader. These long-term, structural challenges are the wider horizon in which ASI seeks to drive positive change and transformation.

As we well know, the aluminium value chain is a global and significant sector, reaching into numerous industrial and consumer applications in packaging, infrastructure, transport, energy and consumer durables. Primary aluminium is produced from mined bauxite and secondary aluminium is produced from recyclable scrap and wastes.

Within this diverse and extensive value chain, ASI has identified eight key horizon challenges, many of which are cross-cutting and inter-dependent. These are:

- **Climate action and risks** - with energy intensive-production, aluminium must meet decarbonisation challenges and also be part of the solution in use applications
- **Circular economy** - while the recyclability of aluminium metal is well known, the focus needs to broaden to closing all loops for a range of processing wastes
- **Future metals demand** - a key challenge is reducing aluminium's footprint in the context of growing future demand
- **Environmental, Social, and Governance (ESG) in financing** - sustainability-linked financing will become mainstream, and will rely on standardisation and clarity of ESG metrics
- **Resource pressures** - resource and access constraints are growing and supply chains will be facing increasing customer and regulatory due diligence
- **Sharing impact and benefit** - new models are needed that more equitably share impact and benefit with affected communities, particularly Indigenous Peoples
- **Geopolitics and economic power** - the global trade context is increasingly complex and will require pluralistic approaches to advance sustainability
- **Data and transparency** - these are increasingly guiding decision-making and procurement, so promoting disclosure and generating insights are key.

ASI's strong growth to date, and the scope to continue to scale in future, creates a foundation for sectoral transformation on sustainability challenges. In the long-term, structurally changing a value chain to genuinely take on responsible production, sourcing and stewardship will require a critical mass of stakeholders, representing diverse interests, to convene around a shared vision, priorities, and collective action.

Keywords: Aluminium certification, Responsible aluminium sourcing, Horizon challenges and megatrends.

References

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