

A Presidential Policy Brief

Aluminum is Critical to U.S. Economic and National Security.

In his first term, President Trump was a strong supporter of the U.S. aluminum industry and early to recognize its critical importance to domestic economic and national security. Since then, the industry has invested billions to further grow its footprint in the United States. To strengthen the domestic aluminum supply base and support these investments, the United States must **develop a national strategy** to prioritize, produce and defend critical materials like aluminum.

Working together, we can **grow American jobs, protect domestic production from non-market economy countries and ensure access to critical materials that promote investment in domestic capacity.**

The U.S. aluminum industry is poised for growth. According to the [International Aluminium Institute](#), demand for aluminum is expected to grow 80% globally through 2050. The United States is uniquely positioned to capture a significant portion of this demand as a global leader in aluminum production, recycling and innovation.

To strengthen the U.S. aluminum industry, we must:

- **Pursue strong, targeted trade enforcement** to defend American aluminum manufacturers from Chinese and other non-market actors while leveraging trade with our national security partners.
- **Collect and keep more aluminum for America** by strengthening recycling infrastructure and pursuing policies that grow scrap retention, collection and sortation.
- **Recognize aluminum as critical for economic and national security** through a national strategy that will secure aluminum supply chains; ensure access to efficient, reliable, affordable energy; and eliminate reliance on materials from non-market or adversarial countries.
- **Invest in America by investing in aluminum** with common-sense tax policies that open the door to even greater private investment by aluminum companies.

Aluminum at a Glance

JOBS U.S. ALUMINUM INDUSTRY SUPPORTS



ECONOMIC OUTPUT



ALUMINUM IS GROWING

thanks to increased demand for sustainable packaging, safe and efficient vehicles, greener buildings and vital infrastructure. Domestic aluminum demand was **up 5.2% year-over-year in North America** (U.S. and Canada) through the first half of 2024.

COMPANIES ARE INVESTING

The U.S. aluminum industry has invested **more than \$10 billion** in mid-and downstream processing and recycling capacity over the last decade, while U.S. primary aluminum production continues to decline.

The biggest threat to U.S. aluminum manufacturing is unfair trade practices by China.

Domestic aluminum manufacturers need **strong trade remedies and enforcement** to compete with government-subsidized production that is deliberately oversupplying the marketplace. China has supported its domestic aluminum industry with more than \$60 billion in government subsidies in recent years, according to [analysis](#) by the Organisation for Economic Cooperation and Development (OECD). But trade **enforcement must be targeted**. Today, the U.S. aluminum industry can only supply about one-third of the primary aluminum it needs to meet demand. That means we must rely on imports of primary aluminum from Canada and other market economies.

U.S. aluminum manufacturers support:

- **Enforce:** Use the full scope of strong, targeted trade enforcement mechanisms to block the import of aluminum and aluminum products from non-market, anti-competitive markets like China. Strengthen a unified position with our closest trading partners against unfair trade practices that will protect manufacturing, jobs and trade in North America.
- **Maintain:** Reinforce the partnerships and supply chains to ensure America's aluminum manufacturing dominance, starting with vital partners like Canada. In his first term, President Trump successfully negotiated a Section 232 tariff exemption for Canada that currently provides ~2/3 of the primary aluminum used by U.S. manufacturers. Continue to monitor trade flow and harmonize tariff regimes in North America. Close loopholes that encourage imports of unfairly traded aluminum that disrupt the domestic market.
- **Defend:** Ensure the availability of scrap aluminum for U.S. producers, particularly as significant new production capacity comes online in the coming years. Modernize how aluminum scrap is categorized for imports/exports. Invest in the U.S. Census Bureau's data collection to help track and report aluminum material flows.

Increasing material availability encourages and supports domestic investment.

The U.S. aluminum industry has invested more than \$10 billion into domestic capacity over the last decade. This added capacity creates jobs, increases economic circularity and helps meet increased aluminum demand. However, as these investments begin to come online, the **industry needs a reliable supply of input material**. Aluminum can be infinitely recycled. In fact, recycled aluminum makes up [more than 80%](#) of U.S. production and [75% of all the aluminum ever produced](#) is still in use today.

To meet input material needs by aluminum manufacturers, the U.S. must **collect, sort and melt** more recyclable aluminum at the end-of-life.

U.S. aluminum manufacturers support:

- **Collect:** The U.S. sends [\\$1 billion+ worth](#) of aluminum beverage cans to landfills each year. This is wasted metal that could be recycled to make a new product. The United States should invest in recycling infrastructure and support policies, including recycling refund and Extended Producer Responsibility (EPR) systems, to increase consumer recycling. Doing so would support manufacturing jobs, increase U.S. independence in metal supply, save domestic energy and minimize the industry's impact on the environment.
- **Sort:** Once collected, the aluminum industry needs investment in sorting technology and infrastructure to separate waste by material, then by alloy type. This will help us expand what can be recycled, keep more of this critical material onshore and increase the availability of vital input material.
- **Melt:** Recycling aluminum is about [95% less energy intensive](#) than manufacturing new aluminum. But the industry still needs access to affordable and reliable energy at industrial scale. The United States should leverage its extensive natural gas benefit to help meet material demand.

Aluminum is a critical material.

Aluminum is one of only 11 mineral commodities included on every government critical materials list. The Department of Defense recognizes aluminum as essential to the military industrial base; the Department of Energy recognizes aluminum as critical to the U.S. energy supply chain; and the United States Geological Service recognizes aluminum for its integration into the nation's technology and economy. **Critical materials like aluminum are essential to protecting our way of life.**

To strengthen the domestic supply base, the United States **must develop a national strategy** to prioritize, produce and defend critical materials like aluminum. A national strategy will ensure that the United States remains on the cutting edge of material innovation and circularity, while also securing America's future aluminum manufacturing capacity and supply.

U.S. aluminum manufacturers support:

- **Prioritize:** Eliminate U.S. reliance on materials from non-market or adversarial countries by prioritizing critical material production, supply (including alloying materials), recycling and fair trade with allies. Support existing programs that incentivize modern American manufacturing, abundant and affordable energy, and critical materials. Maintain and expand the 45X Advanced Manufacturing tax credit program.
- **Produce:** Increase the production of critical materials like aluminum in the United States for the United States — including primary (first made) and secondary (recycled) aluminum as well as alloyed aluminum products like aluminum sheet, plate, foil, extrusions and wire.
 - **Primary:** Make it easier to bring new, affordable electricity generation online for smelters. Primary aluminum smelting is highly energy-intensive, with electricity estimated to account for up to 40% of production costs. Additionally, support is needed for primary aluminum smelters to upgrade aging facilities.
 - **Secondary:** Increase access to material supply by investing in recycling, sorting and re-melting infrastructure. Support natural gas production and pipeline expansion to take advantage of U.S. energy resources. Explore options for new energy sources that will expand access and lower the carbon footprint of the aluminum industry in the United States.
- **Defend:** Ensure that aluminum scrap collected in the United States is recycled here through supportive trade policies and economic incentives to invest domestically in recycling infrastructure, including state-of-the-art collection and sorting technologies.

Investing in aluminum is investing in America.

Consumer products, industrial supplies and defense equipment are all made of aluminum and aluminum components. Cars and trucks, planes, consumer packaging, powerlines even tanks, fighter jets and body armor all rely on the domestic aluminum industry. We must be able to manufacture the things we use every day to produce the things we hope we never need. Investing in American aluminum creates jobs and opportunities for innovative new products. But more importantly, it ensures that the domestic industry is self-sufficient – or can rely on friends and allies – to make the products that Americans rely upon. The **aluminum industry needs investment and a pro-growth tax policy** to meet our economic and national security demands.

U.S. aluminum manufacturers support:

- **Appropriations:** Invest in the future of U.S. aluminum manufacturing by investing in aluminum recycling infrastructure and innovative production technologies to meet material supply needs. Invest in the U.S. Census Bureau's data collection to help track and report aluminum material flows.
- **Tax:** Support pro-growth tax policy to strengthen aluminum manufacturing and encourage investment. Continue President Trump's Tax Cuts and Jobs Act including the return to full R&D expensing and 100% bonus depreciation. Maintain and expand programs that strengthen critical material supply chains, promote efficient energy and grow modern American manufacturing, like the Advanced Manufacturing Tax Credit (45X).

**Working with the new administration and Congress,
America can win the future of aluminum.**