

Speech by the Chancellor of Germany, Angela Merkel, during a visit to Hydro Aluminium Rolled Products GmbH on May 4, 2017 in Grevenbroich, Germany

Translated from German to English by Hydro

Ladies and gentlemen,
Madam Prime Minister, my dear Erna,
Mr. Brandtzæg,
Mr. Ebbesberg,
Federal Minister and Member of Parliament, Mr. Gröhe,
State Minister, Mr. Groschek,
Mr. Vassiliadis – might I add that I see great symbolism in having a representative from the
IG BCE trade union here with us today –,
Members of the Landtag State Parliament,
employees, and
guests,

The celebration of 100 years of aluminum production in Germany marks the century-long success story of a material. And the best part is that we are still adding new chapters. On this basis, this state-of-the-art production facility is both an anniversary gift and a promise for the future in one. For this, I thank you from the bottom of my heart.

The properties of aluminum make it a highly sought after material. Although it can be used in similar applications to steel, it is so much lighter – a major point in your product presentation too. We can see the benefits of putting aluminum to use whenever a lightweight material is required. The aerospace and automotive industry are two examples where this is obviously the case. In both sectors, the light metal helps to save fuel and in turn reduce greenhouse gas emissions.

Yielding aluminum from the primary raw material bauxite, however, is only possible with a great deal of energy. This is why it is such a huge feat to be able to produce a recycled material without compromising on quality. We can save significant amounts of resources by recycling. After all, the energy required is only a small fraction of that required to create primary aluminum and there is simply no need for fresh bauxite. What's more, carbon dioxide emissions are cut back by some considerable margin.

This is especially important as here in Germany, just like in other countries, we are obliged to do all we can to reduce harmful emissions. In this regard, the Paris Agreement was, and indeed still is, a historic milestone. It sets out a plan to put the world on track to avoid at least the most serious consequences of climate change. To achieve this, we must limit further

global warming to below two degrees – ideally below one and a half degrees – above pre-industrial levels.

The European Union has set some ambitious targets: Emissions are to be reduced by 40% by 2030. One key to achieving this goal is emissions trading, which is an important aspect of the aluminum industry too. We will put into practice our desire to strengthen this central tool within European climate policy. Setting effective incentives is a very valid way of ensuring that we reach our targets, and indeed that we do so in the most cost-effective way possible.

We also need to make sure that we hold on to our economy's competitive edge and work to continually boost it. This includes appropriate forms of compensation to account for the surcharge on the price of electricity that comes with emissions trading. This has been crucial in the past and for you was also at times a factor contributing toward uncertainty. I believe that we have now managed to replace this with an increase in the levels of certainty. The local Member of Parliament has been instrumental in this. I found out that, as a way of remembering his endeavors on behalf of the location, one of the furnaces in Neuss has been given his first name in his honor. All of the furnaces there have names and now one of them is called Hermann.

It goes without saying that energy-intensive industries have to look closely at the cost of a kilowatt hour. The ambitious plans brought about by the energy revolution have caused the prices of electricity in Germany to soar to relatively high levels. But this is exactly why we need exceptions. After all, it would make no sense whatsoever to replace production sites working under excellent technological conditions in Germany with production sites elsewhere in the world that are less environmentally friendly. With this in mind, we are doing everything in our power to stop energy-intensive companies looking to options overseas. In my mind, this opening here today is a sign that this approach is working. This is just the kind of sign for the future that we need because not only do we not want to upset the status quo, we, of course, also want to have investments in the future.

Ladies and Gentlemen, we need energy-intensive industries to join forces with us as our partners to ensure efficient use of resources and climate protection. We need you to be part of the supply chains and the drivers of our prosperity. And we need you to be the pioneers of the products of tomorrow. You can imagine how happy I was, Mr. Brandtzæg, to hear you quote your own mother and give some thought to Mother Nature in your speech.

Ladies and Gentlemen, the opening of the extension today is a wonderful example of everything I just mentioned. Here, special sheets for vehicles will be produced. Cars “made in Germany” have an outstanding reputation the world over. This just goes to show that while aluminum might be a light metal, it is a heavyweight when it comes to its economic significance. This is why I am absolutely thrilled that with this new production facility Hydro is making a clear commitment to Germany.

It is also an expression of the solid economic ties maintained between Norway and our country on the whole. My dear Erna, your being here today only goes to reinforce this point. Although Norway is not a member of the European Union – I would always add “unfortunately” at this point but as the Norwegians aren't so keen on hearing this I'll just mention it as a quiet aside – we do work very closely together within the scope of the European Economic Area. We are joined in many trade collaborations, with one aim being to advocate sustainable economic activity on an international level. However, we are well aware

that Europe is so much more than just a single market. We are a community united in our values, taking responsibility for and on the basis of peace, freedom, and prosperity.

Another symbol of this close partnership is the invitation we have extended to Norway to be a partner country for the G20 Summit we will be hosting here in Germany. We will be holding a bilateral meeting to discuss this further at a later stage. For me, there is huge symbolism in what you say here: "Looking back at a history spanning a century, we are ready for the next 100 years." Now, of course, I hope that these 100 years to come will be historically more plain sailing than those we have just lived through. After all, our bilateral relations, and those spanning Europe in its entirety, have not always been in as good a state as they are today. In fact, where we are right now is the result of a hard struggle on the part of each of the nations internally and with one another. Over the centuries, the relationship between the European states has been defined by an excess of hubris on a national level, an excess of prejudice against others, an excess of confrontation, and, above all, an excess of war.

This background can be seen in Hydro's 100-year history too. In both Germany and Norway, aluminum production began during wartime. For Germany, it was during the First World War that the company Vereinigte Aluminium-Werke AG was established in 1917, with the aim of not being so reliant on imports. The beginnings of your company in Norway date back to the Second World War, when the aluminum industry was set up and developed under German occupation in 1940. Once the war had ended, the Norwegian state then took the facilities on. Back in Germany, aluminum production ground to a halt before picking back up at the start of the 50s. The industry was in government hands here too to begin with. Privatization came later in both countries.

In 2002, Norsk Hydro acquired the German sites. Grevenbroich is the Group's center for rolled products and in turn also the center for strip and foil products. The broad range of possible applications is nothing short of impressive. Whether it is deployed in the packaging industry, in mechanical or electrical engineering, or in car manufacturing, there is no denying that aluminum is a completely versatile metal.

Your motto is "Made in Europe – taking the weight off your shoulders." I wish I could simply take this principle and apply it to politics. But you all know just as well as I do that sometimes it takes a lot of hard work to lift off the weight we bear. I do hope, however, that this extension will make it easy for you all to continue feeling right at home on this site. Don't forget that your work is also closely linked to your happiness when you are able to achieve the results you are aiming for. And on that note, I wish you a joyous anniversary celebration! I would also like to thank all of the employees working here and at your other sites. I wish you all the best in your future endeavors. Thank you very much!