

# Aluminium Stewardship Initiative - Overview of progress and plans

Dr Fiona Solomon, ASI Executive Director  
Ingolstadt, Germany – Tuesday 26 April 2016

# Aluminium Stewardship Initiative (ASI)

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ASI is working with stakeholders to develop an independent third party certification program for the aluminium value chain.



# ASI – a brief history

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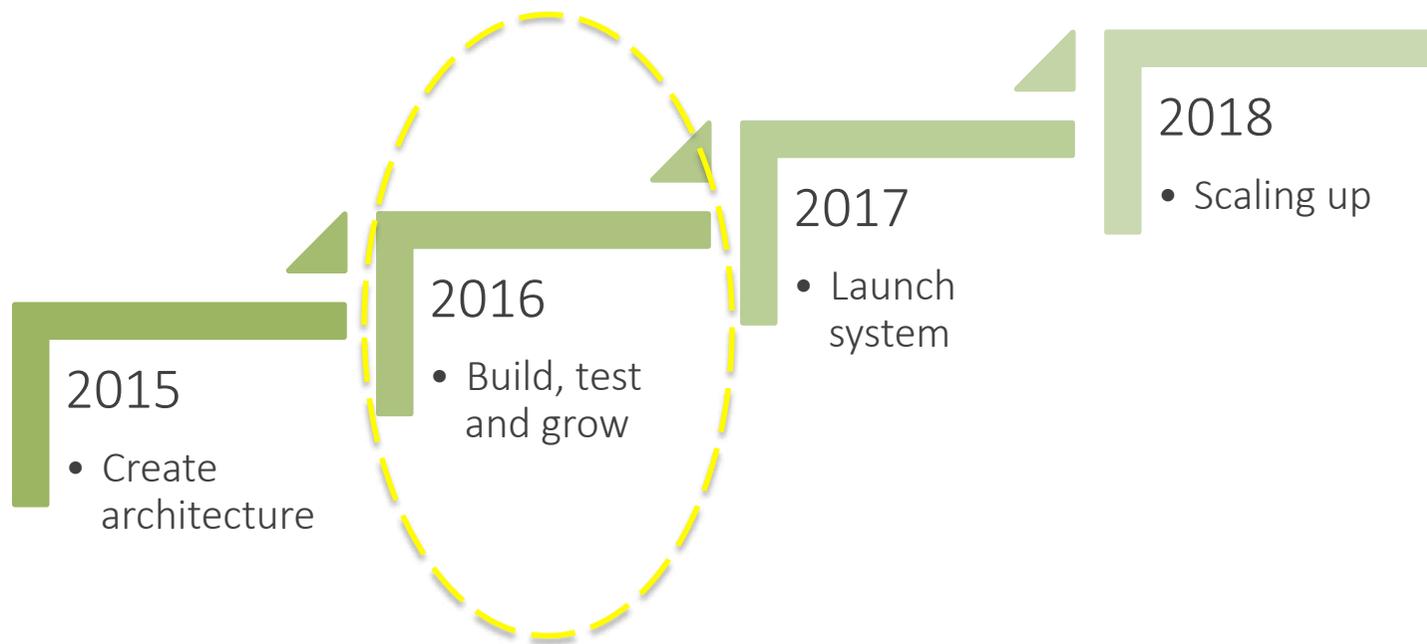
- 2009** Multi-stakeholder group on ‘responsible aluminium’
- 2010** Report from Track Record recommending third-party certification system
- 2011** Agreement to develop ASI work program
- 2012** IUCN appointed as coordinator for ASI multi-stakeholder standards-setting process
- 2014** ASI Performance Standard launched
- 2015** ASI incorporated and governance models developed
- 2016** First Annual General Meeting today



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# ASI – four year plan

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# ASI members

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## Production and Transformation

- Alcoa
- Aleris
- AMAG/Constantia Flexibles
- Ball Corporation
- Constellium
- Norsk Hydro
- Novelis
- Rexam
- Rio Tinto Aluminium Division
- Tetra Pak
- UC RUSAL

## Industrial Users

- Audi
- BMW Group
- Jaguar Land Rover
- Lavít
- Nestlé Nespresso SA
- Schüco

## Downstream Supporters

- Coca-Cola Enterprises

## Associations

- Aluminium Association of Canada
- A|U|F e.v.
- Council for Aluminium in Building
- Gulf Aluminium Council
- IGORA Cooperative for Aluminium Recycling
- The Aluminum Association

## Civil Society

- Chimbo Foundation
- IUCN
- WWF

## General Supporters

- Regain Materials

# This presentation

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- Why is sustainability important for supply chains
  - What are the key challenges
  - How can voluntary standards help
- ASI plans and progress
  - Formalising governance
  - Developing certification program
- How you can get involved

# Why is sustainability important

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- Increasing focus for governments, leading companies, NGOs, affected communities and consumers
- Relevant throughout the aluminium value chain – from mining through to consumer/commercial products – for:
  - Operational performance
  - Regulatory compliance
  - Commercial relationships
  - Corporate reputation
- Most companies already addressing sustainability in some way in their businesses and/or supply chains, drawing on mix of:
  - Company policies and strategies
  - Regulatory requirements
  - Voluntary standards and frameworks

# Key sustainability issues for ASI

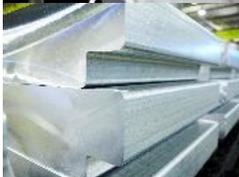
Bauxite mining



Alumina production



Aluminium production



Semi-fabrication



Product manufacture and use



Recycling



Biodiversity management

Indigenous Peoples rights

Greenhouse gas emissions  
for refining and smelting

Bauxite residue, spent pot  
lining and dross

Material stewardship

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# Role of voluntary standards

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Increasingly prevalent in wide range of sectors and issues:

- **Agriculture:** eg forestry, fisheries, tea/coffee/cocoa
- **Mining:** eg EITI, Voluntary Principles, Global Reporting Initiative
- **Gold:** eg Responsible Jewellery Council, Fairmined, OECD Due Diligence Guidance

What standards and certification programs can do:

- Help companies attain their social and environmental objectives
- Build multi-stakeholder consensus on what are responsible practices
- Provide independent assurance of systems and performance
- Support relevant regulatory and compliance requirements
- Reduce duplication of effort and costs through standardisation
- Support responsible sourcing and help to “de-risk” supply chains

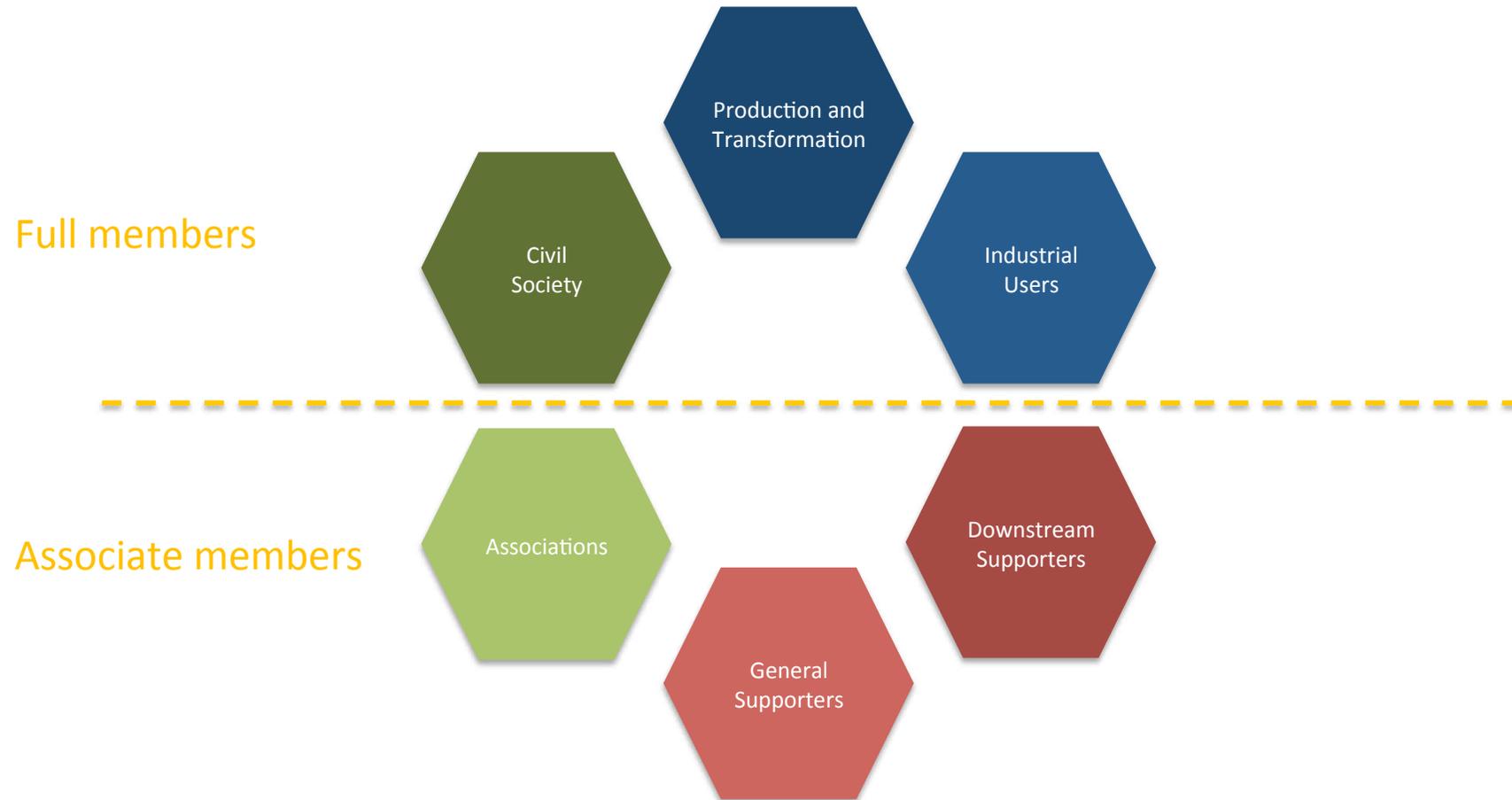
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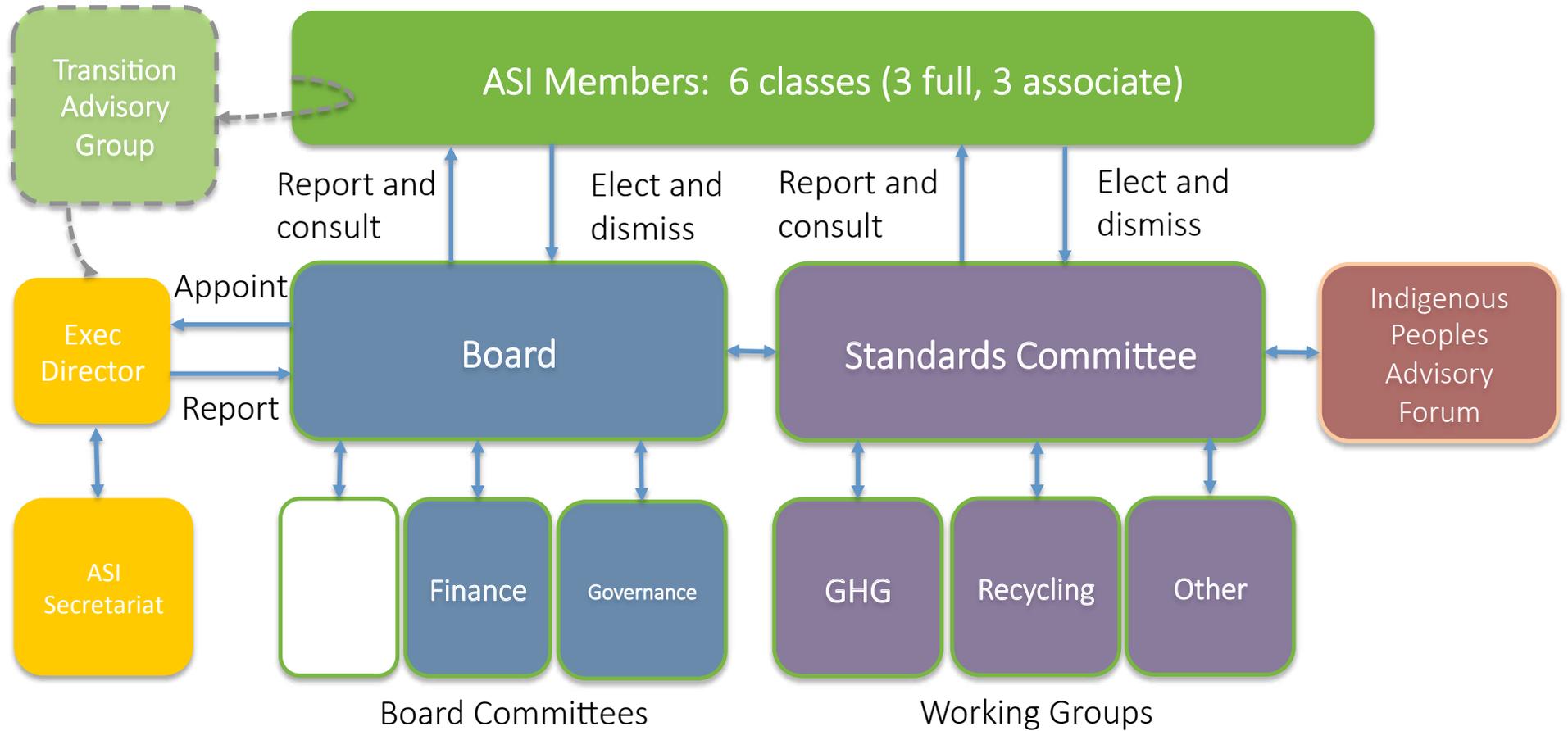
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# ASI Membership classes – full and associate

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# ASI governance model



# ASI Performance Standard (2014)

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- Governance**
  - 1. Business Integrity
  - 2. Policy and Management
  - 3. Transparency
  - 4. Material Stewardship
  
- Environment**
  - 5. Greenhouse Gas Emissions
  - 6. Emissions, Effluents and Waste
  - 7. Water
  - 8. Biodiversity
  
- Social**
  - 9. Human Rights
  - 10. Labour Rights
  - 11. Occupational Health and Safety

# ISEAL Alliance and innovation

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Patrick Mallet, ISEAL Director of Innovations, February 2015:

*“[In future] certification is less about the audit and more about pulling together data from multiple sources*

*to better understand the risks to sustainable practice at an enterprise level,*

*then using that information to focus capacity building interventions and compliance assessments in the areas that matter most.”*



# Assurance model – key objectives

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1. **Costs of certification need to be minimised** to ensure ASI's program is practical and accessible, while still retaining rigour and credibility.
2. **A risk-based or materiality approach** to assurance, both to maximise efficiency and value of the process and tie closely to desired impacts.
3. **Online management of assessment data** aims to centralise process flows and reporting, monitor evolving risks and enable ASI to scale up efficiently.
4. **Harmonisation and cross-recognition** of parallel standards and systems of controls will reduce unnecessary duplication and “audit fatigue”.

# Key milestones to ASI certification program

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## 2015 – General frameworks

- Incorporate ASI as not-for-profit entity, now registered Charity
- Develop governance and business model
- Stakeholder outreach

## 2016 – Implementation model

- Develop assurance model
- Develop monitoring and evaluation framework
- Develop **chain of custody** standard with stakeholder consultation
- Develop auditor accreditation process

## 2017 – Preparing for operation

- Pilot testing of standards and assurance model
- Finalisation of all normative documents
- **Target end 2017: ASI Certification begins operation**

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# Benefits of participating in ASI

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- Be part of a constructive dialogue about sustainability and responsible sourcing of aluminium
- Contribute to the development of a credible third-party certification program for the aluminium value chain
- Help shape the development of tools and resources that support implementation
- Be recognized as a proactive leader and leverage your good practices and/or advocacy

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# Membership classes and fees

Membership class	Certification required	Membership fees p.a.
Production and Transformation	Yes	Micro: USD200 Small: USD1000 Medium: USD10,000 Large: USD25,000
Industrial Users	Yes	
Downstream Supporters	No	
Civil Society	No	Micro: USD100 Small: USD500 Medium: USD1000 Large: USD5000
Associations	No	
General Supporters	No	Government or commercial: USD5000 Non-profit or academic: USD500

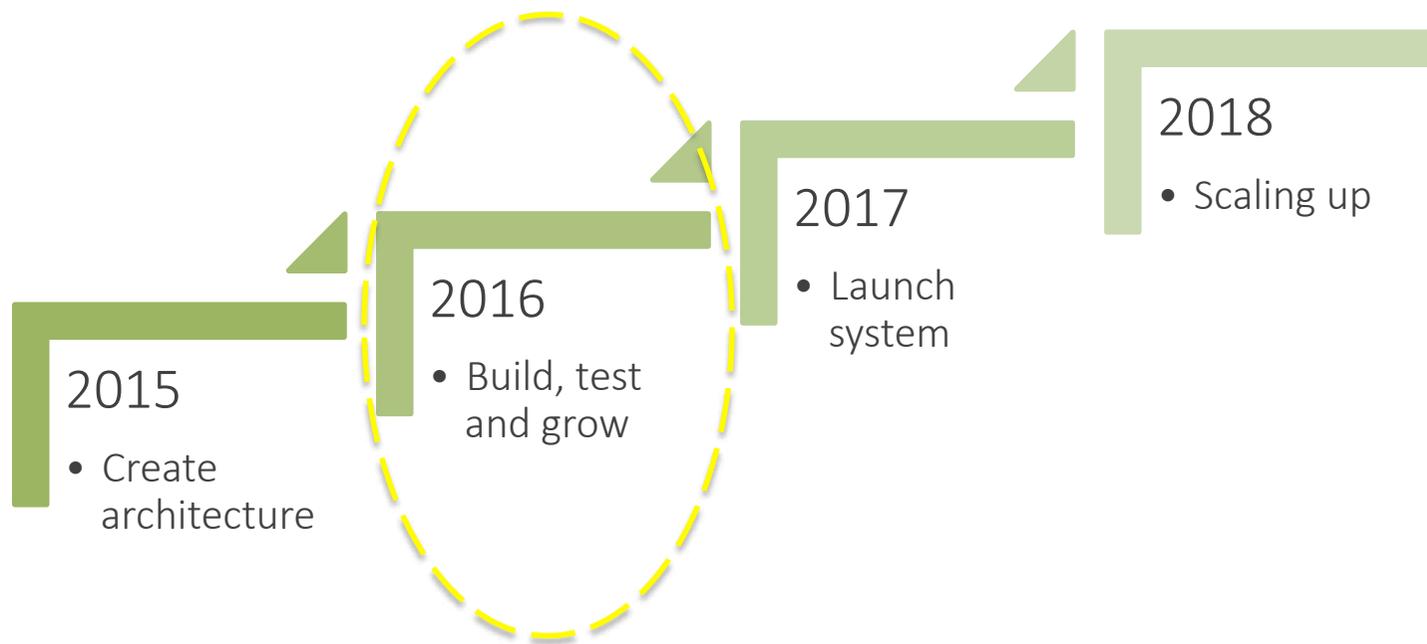
Find more information on ASI membership at:

<http://aluminium-stewardship.org/about-asi/join-asi/>



# ASI – four year plan

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Questions for all  
speakers