Early Warning System

EIB-20240905

TECHEU AMAG ALUMINIUM RDI

Quick Facts

Countries	Austria
Financial Institutions	European Investment Bank (EIB)
Status	Approved
Bank Risk Rating	U
Voting Date	2025-12-10
Borrower	AMAG AUSTRIA METALL AG
Sectors	Energy, Industry and Trade, Mining
Investment Type(s)	Loan
Investment Amount (USD)	$ 87.76 million
Project Cost (USD)	$ 196.59 million

Project Description

According to the EIB, the project will finance the promoter's research and development (R&D;) activities and related direct investments, including digitalisation measures in Austria over the period 2025 - 2028.

The aim is to support the promoter's long-term competitiveness by creating innovative rolled and cast aluminium products that meet customer requirements and key industry trends, while also increasing the productivity of their manufacturing processes.
If successful, the outcome of the R&D, activities will bring positive environmental and climate impacts, such as fossil fuels substitutes and increased circularity.

The Project is aligned with the objectives of the European Critical Raw Materials Act (CRMA) and will contribute to increase the EU's resilience to meet the demand for Aluminium used in Strategic Net-Zero Technologies.

The Project addresses the market failure for RDI, arising from (i) limited access or higher cost of financing as a result of factors such as information asymmetries, uncertainty linked to R&D activities. In addition, it addresses market failures such as (ii) environmental externalities from emissions, pollution and consumption of primary resources. The Project is important to sustain the Promoter's long-term competitiveness. The Project generates positive externalities such as (i) lower emissions deriving from innovative products and processes with a lower environmental footprint, higher resource efficiency or higher energy efficiency from lightweight transport; and (ii) knowledge creation and sharing thanks to the co-development with customers and the collaboration with scientific partners. Finally, the Project supports innovation in the strategic EU metals industry, which is critical to achieve the EU's decarbonisation strategy and transition towards sustainable transport.

Early Warning System Project Analysis

AMAG uses a high percentage of recycled aluminum scrap (75-80%) in its production and sources its primary aluminum from the
Alouette smelter in Canada, in which it holds a 20% stake. In turn, Alouette - 40% owned by Rio Tinto - receives most of its alumina from the Alunorte refinery in Brazil, the world's largest alumina refinery outside China, linked to large-scale environmental disasters which adversely affected the lives of thousands people, including Indigenous groups living in the Amazon forest.

While the operation itself is not linked to adverse E&S impacts, since it consists of financing for R&D activities in Austria, the company's supply chain is linked to companies accused of enviornmental and human rights violations, and to mines where large-scale environmental crimes have taken place.

Investment Description

- European Investment Bank (EIB)

Private Actors Description

As stated by Bloomberg, AMAG Austria Metall AG manufactures metal products. The Company produces coils, sheets, and plates for applications in aviation, transportation, mechanical engineering, packaging, electronics, and consumer goods. AMAG Austria Metall serves clients worldwide.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	AMAG Austria Metall AG	Client	Mining

Contact Information

No project contacts provided at the time of disclosure.

ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.eib.org/en/infocentre/registers/request-form/request-form-default.htm

ACCOUNTABILITY MECHANISM OF EIB

The EIB Complaints Mechanism is designed to facilitate and handle complaints against the EIB by individuals, organizations or corporations affected by EIB activities. When exercising the right to lodge a complaint against the EIB, any member of the public has access to a two-tier procedure, one internal - the Complaints Mechanism Office - and one external - the European Ombudsman. A complaint can be lodged via a written communication addressed to the Secretary General of the EIB, via email to the dedicated email address: complaints@eib.org, by completing the online complaint form available at the following address: http://www.eib.org/complaints/form via fax or delivered directly to the EIB Complaints Mechanism Division, any EIB local representation office or any EIB staff. For further details, check: http://www.eib.org/attachments/strategies/complaints_mechanism_policy_en.pdf

When dissatisfied with a complaint to the EIB Complaints Mechanism, citizens can then turn towards the European Ombudsman. A memorandum of Understanding has been signed between the EIB and the European Ombudsman establishes that citizens (even outside of the EU if the Ombudsman finds their complaint justified) can turn towards the Ombudsman on issues related to 'maladministration' by the EIB. Note that before going to the Ombudsman, an attempt must be made to resolve the case by contacting the EIB. In addition, the complaint must be made within two years of the date when the facts on which your complaint is based became known to you. You can write to the Ombudsman in any of the languages of the European Union. Additional details, including filing requirements and complaint forms, are available at: http://www.ombudsman.europa.eu/atyourservice/interactiveguide.faces

Bank Documents

- Environmental and Social Data Sheet (ESDS)