UK metals COUNCIL

STATE OF THE METALS INDUSTRY IN THE UK

2026/2027

Foreword

Welcome to the UK Metal Council's fourth State of the UK Metals Industry report.

The message from our largest survey to date is clear: the sector continues to feel the impact of global uncertainty and political instability. These pressures are compounded by rising regulatory burdens, uncompetitive energy costs, an ageing workforce, and an apprenticeship system still in need of urgent reform.

Home to more than 24,000 steel and metal manufacturing businesses, the UK metals sector employs around one million people across a diverse range of industries. Metal products are essential to everyday life, supporting everything from medical technology and greener transport to construction, energy generation, and the growing adoption of AI technologies.

This report provides our most comprehensive analysis yet, drawing exclusively on feedback from businesses across the manufacturing supply chain. That includes SMEs, OEMs, and prime contractors throughout the UK. We believe this perspective matters because it reflects what is happening on the factory floor—where investment decisions are made and where policy impacts are ultimately felt.

Such depth of insight is only possible because of the continued support of our 12 Trade Associations. Through their engagement with members, we are able to capture the most up-to-date picture of the challenges and opportunities facing our industry.

Reindustrialisation
The publication of the UK's new Steel Strategy, alongside the wider Industrial Strategy launched in June 2025, has the potential to be transformative for metal manufacturers.

The Government's long-term commitment to reindustrialising Britain through innovation places the resilience and capability of metal manufacturing at the centre of future economic growth.

With steel now recognised as a critical foundation industry, we urge Prime Minister Andy Burnham to translate positive rhetoric into practical action that strengthens domestic manufacturing supply chains where it matters most: on the factory floor.

For that transformation to be realised, manufacturers need confidence that the Industrial and Steel Strategies will deliver meaningful change through competitive energy prices, access to skills, proportionate regulation, and a planning system that supports investment and growth.

UK manufacturers remain resilient, innovative, and ready to invest. However, SMEs in particular need a fair and competitive environment in which they can grow, create jobs, and expand exports. This year's findings show that many companies are successfully diversifying, with construction and energy joining automotive as the three most significant sectors served by the industry.

Commitment
The report has informed the UK Metals Council's key areas of focus for 2026/27:
- Securing competitive energy
- Maximising the value of UK scrap and the circular economy
- Protecting and growing the UK's supply and value-added chain.
- Addressing the skills challenge
- Strengthening procurement

We remain committed to helping businesses navigate an increasingly complex regulatory environment, particularly as the Carbon Border Adjustment Mechanism (CBAM) comes fully into effect over the next year.

There is also an urgent need to provide guidance and support to help manufacturers manage the costs associated with Net Zero and the transition to a genuine circular economy. While this presents challenges, it also creates significant opportunities for innovation, investment, and growth across the UK metals sector.

The launch of this report at UK Metals Expo marks an appropriate time for me to hand over the role of Chair of the UK Metal Council. It has been a privilege to spend the past four years championing an industry that is vital to the UK's present and future prosperity.

I am delighted to pass the baton to Dr Pam Murrell, a passionate advocate for the metals sector and a highly respected industry leader. Many of you will know her through her work as CEO of the Cast Metals Federation, Vice President of the Institute of Cast Metal Engineers, and Chair of the Industry Committee of the Worshipful Company of Founders.

The UK Metal Council will continue to engage policymakers, partners, and industry leaders in building the evidence needed to strengthen UK manufacturing. Together, we can ensure that our metals sector leads the world in innovation, sustainability, and industrial strength.

I look forward to meeting you at UK Metals Expo 2026.

Thank you.
Rachel Eade MBE
Chairperson
UK Metals Council

The UK Metals Council and This Report

The UK Metals Council (UKMC) comprises business leaders from throughout the full metals supply chain, from primary manufacturing to recycling.

Its primary goal is to promote and enhance the profile of the UK metals sector. Our vision is for a modern, sustainable and progressive UK metals industry to supply high-quality, innovative and competitive products to British manufacturing and infrastructure projects, as an integral element of the circular economy for metals.

Crucial to the achievement of this vision is our relationship with the UK Government, UKMC is recognised as a key Sector Council and is a member of the Steel Council. Representing co-ordinated policy responses from across the entire metals supply chain. This enables the UK Government to speak to and hear from over 11,500 companies represented by the UKMC.

This, the fourth UKMC State of the Metals Industry survey, attracted our largest response. The report is drawn from that survey and provides a unique cross sectoral analysis of the challenges and opportunities faced by the UK metals industry. Crucially, it identifies what needs to happen to ensure its future growth and sustainability.

The surveys wide-reaching collective approach enables this report to describe meaningful trends and highlight key issues as well as growth opportunities for the industry. Survey responses have been aggregated and anonymised to ensure participant confidentiality and encourage widespread participation.

UKMC and its Trade Associations and partners will use the report's findings to support its work with the UK Government to develop policies that protect the industry from the challenges it faces but also enables the industry to take advantage of growth opportunities.

https://ukmetalscouncil.org/

Greenfields Energy Group

Helping manufacturers manage energy risk with confidence

Energy isn't just a cost.

It's a business risk.

Most manufacturers are locked into contracts that don't reflect how their business actually operates.

We take a different approach.

Greenfields Energy works as your long-term energy partner, not a broker.

- Clear, commercially grounded advice
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- Procurement aligned to your operations
- Risk actively managed, not ignored

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If your energy strategy isn't giving you all three, we should talk.

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07570539251

Liam Conway
Co-Founder & Managing Director

Proud sponsor of the UK Metals Council State of the Metals Industry in the UK 2026/27

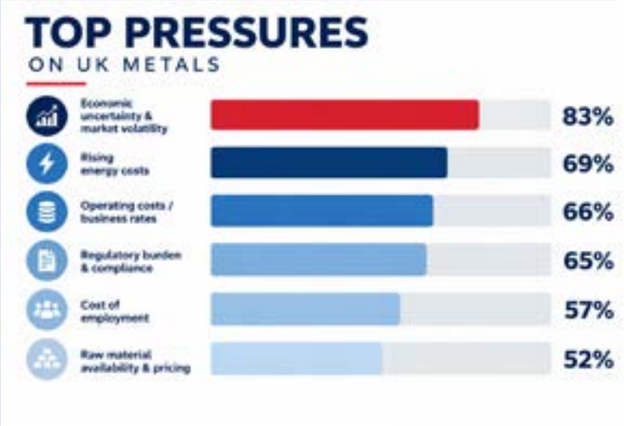
Who Completed the Survey

The 2026/2027 survey critically captures views from senior decision-makers across the metals supply chain. Ninety-four percent of respondents are owners or senior managers, board or executive leaders, heads of department, managers or specialists. This is almost identical to the seniority profile highlighted in the 2025 report and means the findings reflect the views of those directly responsible for investment, employment and operational decisions across the sector. This leads greater weight to the challenges and priorities identified throughout this report.

The survey is particularly reflective of SMEs. **83% employ no more than 250 people**. Geographically, the West Midlands remains the largest concentration of responses, followed by Yorkshire and the Humber, the East Midlands and the Northwest, while the survey reaches all major industrial regions of the UK.

Additional questions around work-force provide an important perspective. **Fifty-eight percent of organisations report an average workforce age between 41 and 66,** with **only 2% reporting an average age between 16 and 25**. The separate gender breakdown indicates an estimated workforce profile of **75% male and 25% female.** Together these figures reinforce the scale of the **long-term recruitment and diversity challenge** facing the sector. With experienced employees approaching the later stages of their careers and relatively few younger people entering the workforce, attracting new talent and developing critical technical skills to the next generation will be essential to ensuring the sector's capability and competitiveness.

Overall Outlook and Key Challenges



Confidence across the UK metals industry has significantly weakened as businesses face economic uncertainty, persistently high operating costs and growing regulatory pressures.

Only **14% of respondents describe their confidence for the next 12 months as high**, with no respondents selecting very high. Additionally **44% report low or very low confidence,** whilst 42% remain neutral.

The balance has shifted firmly towards caution, suggesting that the resilience previously demonstrated by the sector is coming under increasing pressure.

Economic uncertainty and market volatility are the most significant concerns. The message is clear: UK metals businesses are being squeezed simultaneously by the cost of producing, employing, complying and investing.

Raw material availability and pricing also remain significant, rated as a high challenge by **52%.** Alongside these pressures, businesses are managing increased competition and regulation, skills shortages along with the demands of digital transformation, Net Zero and the circular economy.

Workforce demographics add to the longer-term concern about the future of the industry. New questions introduced for the 2026/2027 survey show that 58% of respondents report an average workforce age of 41–66, compared with around 40% between 26 and 40 years of age, while fewer than 2% report an average workforce age of 16–25.

These findings add a new dimension to the skills challenge identified in the 2025 report. Although the proportion reporting a limited pool of qualified candidates has improved from 81% in 2025 to 75% in 2026/2027, the proportion incorporating apprenticeships as part of their long-term workforce strategy has fallen from 68% to 57%. Against the backdrop of an ageing workforce and very limited representation of younger workers, this reinforces the need to strengthen recruitment, access to apprenticeships, technical pathways and succession planning if the sector is to secure the skills it needs for the future.

Despite this difficult backdrop, businesses continue to adapt. More than half are adjusting supply chains or sourcing alternatives, while companies continue to seek new markets, invest in technology and engage with trade associations and Government.

However, much of this activity appears driven by pressure rather than business growth. **60% cite supply shortages or rising costs, 56% increased bureaucracy and administrative burden, and 42% geopolitical instability** as factors affecting confidence and decision-making.

UK metals businesses have demonstrated their ability to innovate, diversify and respond to changing markets. While they cannot indefinitely absorb the structural disadvantages that make manufacturing in Britain more expensive and complex than in competing economies.

The findings provide a clear case for competitive industrial energy costs, predictable regulation, an effective skills system, easier trading conditions and a stable long-term industrial strategy that enables resilience to translate into investment and growth.

> **We can compete on quality, capability and service, but we cannot keep absorbing higher energy, employment and regulatory costs than our overseas competitors.**

Trade, Raw Materials and Market Access

The 2026/2027 results show **trade friction moving from an administrative concern to a direct competitiveness issue. Seventy-nine percent of respondents say current UK trade policy does not support the competitiveness of their business.** This is the clearest message from the entire survey and is now treated as a central lobbying point.

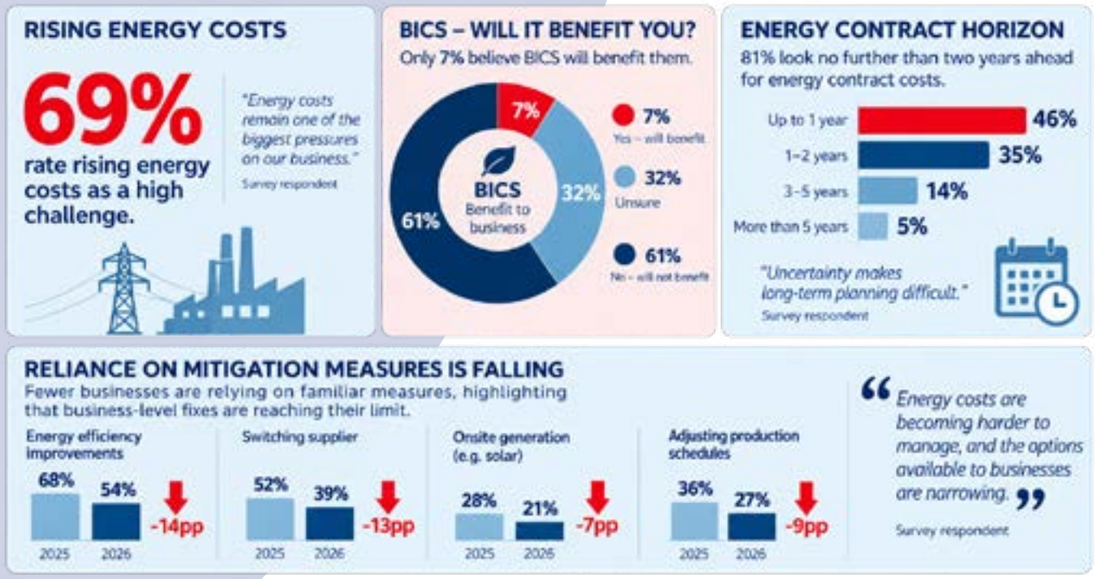
Raw material access is being shaped by both price and regulation. **Eighty-nine percent respondents, rate price and cost pressures as highly important and 86% give the same rating to tariffs and trade barriers.** Availability itself is also important, with 65% rating it high. This combination of results gives a supply chain that is expected to absorb global volatility and domestic policy costs simultaneously.

Businesses are responding. **Two-thirds have adjusted supply-chain strategies and are sourcing alternatives,** 45% are collaborating with industry trade associations or Government agencies, 35% are seeking new international markets or partnerships, and 28% are investing in automation to improve productivity and processes. Around a quarter are diversifying sectors and exploring opportunities arising from new trade agreements.

However, **adaptation cannot substitute indefinitely for a competitive trading framework that is uncompetitive.** Fifty-seven percent want stronger collaboration and coordination between Government and industry. **52% want support to navigate trade barriers and customs procedures, and the same proportion want a revised trading relationship with the EU and USA**. Forty-one percent request stronger Government support for skills and training and 39% want financial incentives or grants to help businesses adapt to regulatory and technology changes.

The sector is not asking Government to shield it from competition. **It is asking for a trading environment in which UK companies are not at a structural disadvantage** by avoidable friction, duplicated administration or policies that increases the cost of inputs and exports.

Energy Costs and Industrial Competitiveness



Energy remains one of the defining competitiveness issues for UK metals. Sixty-nine percent of respondents rate rising energy costs as a high-level organisational challenge. In the detailed energy questions, **54% identify high energy consumption leading to increased costs as a major challenge**, 51% point to fluctuating market conditions and 48% to global disruption, regulatory or policy constraints. More than a third say the difficulty of forecasting energy costs is itself a major problem.

The 2025 report showed companies investing heavily in efficiency, improved contracts, process changes and renewable energy. This year the response is more fragmented. Renewable investment is the most frequently selected action, but at only 24%. Improved energy contracts are cited by 18%, energy-efficient equipment by 15% and process modification by 14%. **The 2026/2027 pattern suggests that companies are continuing to act, but there is no single mitigation capable of offsetting the structural disadvantage of UK energy costs.**

The new questions add further weight to that conclusion. **Only 7% believe the British Industrial Competitiveness Scheme will benefit them**, while 32% say it will not and 61% do not know. If a flagship competitiveness intervention is not clearly understood by the businesses it is intended to help, or is perceived as irrelevant to them, its impact will inevitably be limited.

Planning horizons are limited. **Fifty-three percent typically look only one to two years ahead for energy contract costs and 28% look less than a year ahead. Just 19% look beyond two years.** That is a poor foundation for capital-intensive manufacturing investment, where equipment, electrification and de carbonisation decisions are made over much longer periods.

Respondents remain divided on specific policy mechanisms. Tax incentives for energy-efficient technology receive the strongest support at 20%, closely followed by renewable energy subsidies and improved grid infrastructure at 19% each. **Forty-four percent support a unified energy pricing mechanism across foundation industries, but 51% are unsure**. This uncertainty reinforces the need for Government to set out a simple, credible and inclusive route to industrial energy parity.

The core message is unchanged from 2025 but more urgent: individual businesses can improve efficiency, renegotiate contracts and invest in renewable s, but they cannot solve a national energy-cost disadvantage on their own.

Energy Under Pressure: An Industry Perspective

Liam Conway, Greenfields Energy Group Limited, reviews the 2026/2027 energy findings

Liam Conway Co-Founder and Managering Director of Greenfields Energy Group Limited

Which energy policy do you favour the most for reducing energy costs and promoting sustainability? confirms what we hear daily: around half of manufacturers are battling both high energy consumption costs and volatile markets. These are not isolated pressures—they are now structural barriers to competitiveness. The question is no longer whether energy deserves board-level attention, but whether businesses have the strategy and visibility to take control.

Would you support a unified energy pricing mechanism across UK foundation industries (e.g. similar to UK Steel's energy parity proposal)? raises a more challenging point. Just 18% looked to improve energy contracts as a response. Have businesses genuinely exhausted the opportunity—or simply accepted that "it is what it is"? In our experience, contract structure, timing, risk appetite and market strategy can still unlock significant value. Procurement should not be treated as a periodic renewal exercise.

Will the Business Industrial Competitiveness Scheme (BICS) benefit you? is the real warning sign: **93% said BICS would not benefit them or they simply did not know.** With potentially material savings at stake, that level of uncertainty is unacceptable. We believe the market has an information gap—not an opportunity gap.

At Greenfields, we do more than procure energy. We challenge assumptions, expose missed value and turn complex policy and market movements into clear commercial action. Whether the opportunity sits in contract strategy, BICS eligibility, efficiency or long-term risk management, our role is to make sure manufacturers stop accepting energy costs as unavoidable—and start treating energy as a controllable driver of competitiveness.

Employment, Skills and Apprenticeships

> Taking on an apprentice is about more than funding. Businesses also need the internal capacity to provide the supervision, mentoring and support needed to help that apprentice develop and succeed.

The metals sector continues to face a serious people and skills challenges. **Seventy-five percent of respondents report a limited pool of qualified candidates** and almost half struggle to attract candidates with specialised skills or expertise. Limited budgets and resources are a recruitment constraint for 39%, while more than a quarter face intense competition from other employers for talent, compounded with the new additional costs of employment.

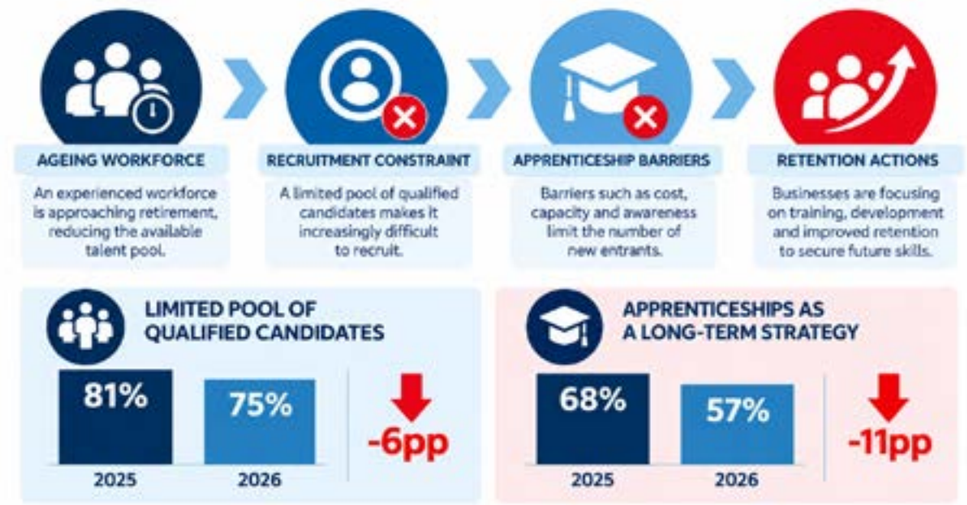
There are some signs of improvement from the exceptionally difficult position recorded in 2025, when 81% reported a limited candidate pool and close to 70% struggled with specialised skills. However, the underlying challenge remains severe and is compounded by the age profile of the workforce: **58% of organisations report an average workforce age between 41 and 66, while only 2% report an average age between 16 and 25.**

Companies are responding by investing in their existing people. **Training and development is the most common retention action, selected by 72%,** followed by employee engagement and recognition at 66%, flexible working and well-being at 62%, competitive benefits at 54% and career progression at 53%. Diversity and inclusion is identified by 35%, an area with particular relevance given the estimated 75% male workforce profile.

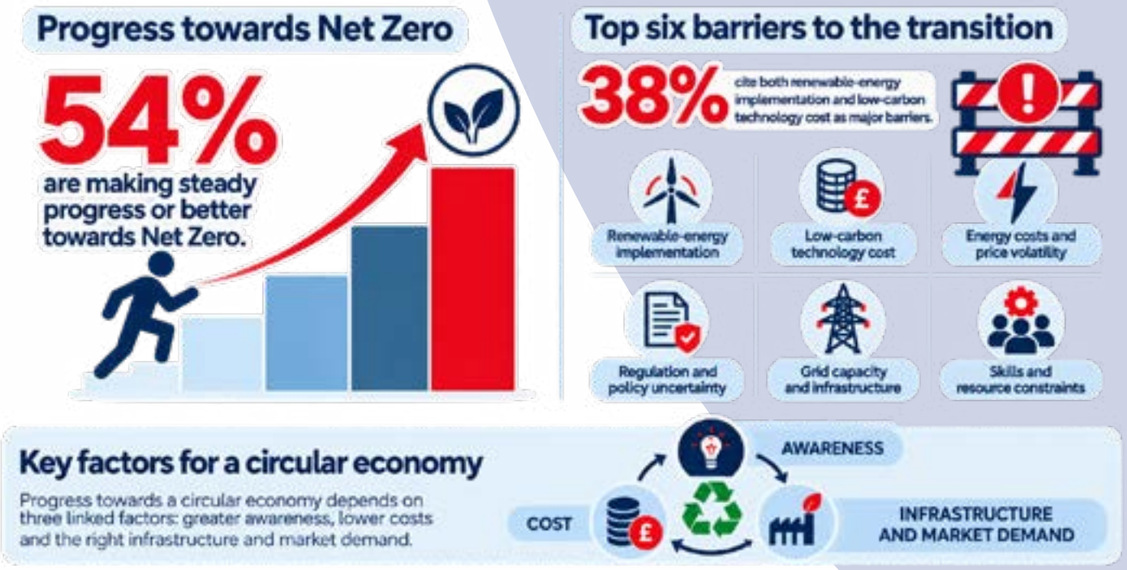
Apprenticeships remain important, but confidence in this route has weakened. Half of respondents currently employ apprentices and **57% see them as part of their long-term workforce strategy, compared with 68% in the 2025 report**. The principal barrier remains finding quality candidates, cited by 63%. New questions show that internal resource and mentoring capacity is a barrier for 42%, uncertainty about long-term return on investment for 41%, administrative burden for 31% and lack of suitable providers for 25%.

Only 14% of respondents say they pay into the Apprenticeship Levy, reflecting the SME-heavy sample. Among those who do not pay the levy, 21% say they access shared or Government-supported apprenticeship funding, but half do not and 30% are unsure.
That level of uncertainty suggests that existing support is not sufficiently visible, simple or accessible and impacts on the recruitment of the younger workforce 16-25.

Government reform should therefore focus on both supply and accessibility: **including stronger STEM and technical pathways into manufacturing. Improved promotion of manufacturing and metals careers, along with flexible apprenticeships and modular training provision. Simpler access to skills funding and support for the mentoring role required within SMEs. UKMC are working in collaboration with Enginuity to develop a coherent evidence based approach to skills policy for the UK, whilst ensuring the employers voice is heard.**



Net Zero and Circular Economy



The sector remains engaged with the transition to Net Zero, but this year's results emphasise the practical difficulty of converting awareness into consistent action. **Eighty-three percent of respondents are very or somewhat familiar with Net Zero and its implications for their business. Fifty-four percent say they are making steady progress**, while 24% are at the beginning and 21% have not started.

The barriers are broad rather than dominated by a single issue. **Identifying and implementing suitable renewable energy sources and balancing the investment cost of low-carbon technology are each cited by 38% of respondents.** Reducing greenhouse gas emissions across operations and supply chains is identified by 36%, access to reliable carbon data by 30%, regulatory barriers by 26% and adapting infrastructure and processes by 25%.

The circular economy results show a similar mix of cost, capability and market barriers. **Lack of awareness, either internally or among customers, is the most frequently identified challenge at 38%, closely followed by high implementation costs at 36%**. Limited recycling or waste-management infrastructure, regulatory inconsistency and limited demand for recycled products are each cited by 23%.

Compared with the 2025 report, which highlighted very high-cost concerns and growing difficulty in sourcing suitable renewable energy, the 2026 responses are more dispersed across several barriers. **This should not be interpreted as the problem disappearing, but It suggests that the transition is becoming more complex requiring innovate approaches** as businesses move from broad commitments to delivery, data, infrastructure and customer acceptance.

Government policy must recognise that de carbonisation and industrial competitiveness are interdependent. The strongest route to faster progress is not additional administrative burden, but **affordable energy, stable policy, accessible investment support, practical standards, better infrastructure, and markets that reward lower-carbon and recycled materials.**

> Cost remains one of the biggest barriers. With running costs and employment costs continuing to rise, businesses are finding it increasingly difficult to justify the additional investment and practical burden required to make the transition.

Carbon Border Adjustment Mechanism: Awareness and Readiness

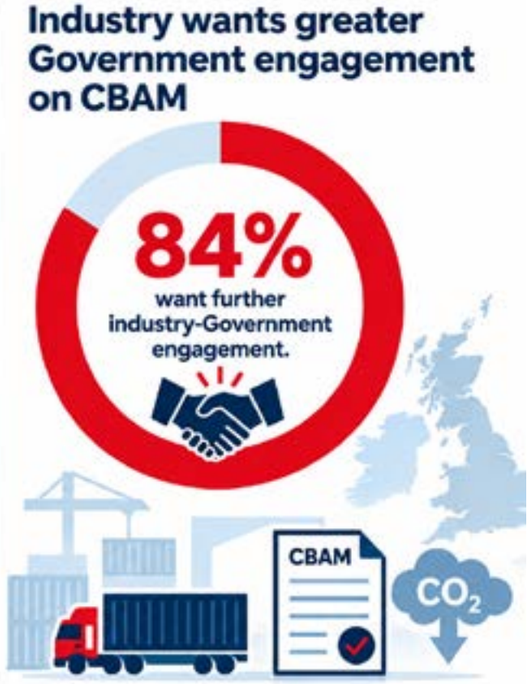
CBAM remains one of the most consequential regulatory changes facing the metals supply chain in a generation, but the 2026 survey shows a **clear gap between awareness and readiness. Three-quarters of respondents say they are aware of CBAM and how it may affect their business.** At the same time, **68% believe CBAM or tariffs on imports and exports pose a exponential threat to their competitiveness,** while a further 25% are unsure.

The new preparedness question is particularly important as the UK implementation date approaches. **Only 9% say they are fully prepared**. Thirty-four percent are taking measures now and 15% are planning or starting to get ready. However, **26% know about CBAM but have taken no action and 16% selected 'What is CBAM?'. In other words, more than four in ten respondents are either inactive or still lack basic understanding.**

There is strong support for a collaborative approach. **Eighty-four percent want further industry engagement to ensure fair and balanced implementation and request support from Government to get ready for CBAM.** That is higher than the three-quarters recorded in the 2025 report and reflects the growing urgency as CBAM moves from concept to operational reality.

For Government, implementation must **protect against carbon leakage and unfair competition without introducing disproportionate cost and administration into downstream supply chains.** The industry needs clear guidance, practical transition support, alignment wherever possible with major trading partners and sufficient time for businesses to understand and implement new reporting and purchasing requirements.

The risk is not only in non-compliance. Poorly designed and unsupported implementation could constrain material choice, increase costs, disrupt established supply chains and **weaken the competitiveness of the very manufacturers the mechanism is intended to support.**



Competition, Productivity and the Cost of Doing Business

New questions in the 2026/2027 survey expose the competitive pressure facing UK metals companies in particularly direct terms.

Price is overwhelmingly the central battleground. Eighty-three percent identify price competition as a major challenge, 68% point to increased costs due to tariffs and 44% to the overall cost of doing business. Regulatory and legal barriers are cited by 32%. By contrast, only 6% identify product quality and innovation as a competitive challenge, suggesting that businesses remain confident in the quality and capability of their processes. The implication is important: **the principal competitive pressure is not the ability of UK metals businesses to produce high-quality products, but the cost environment in which they are being asked to compete.**

Industry's consistantly looks to improve productivity. **Forty-four percent say process optimisation and automation are the best way to address competitive challenges.** Fifteen percent point to enhanced product quality and innovation. More concerningly, **18% identify relocation of production or operations to countries with lower costs as a route forward.**

These findings should command Government attention as they drive reindustrialisation across the UK. A country seeking stronger domestic manufacturing should not accept a policy environment in which **moving production overseas is seen as a opportunity by more businesses than repatriation of work to the UK.** The answer is not to weaken standards, but to **reduce avoidable structural costs and create conditions in which productivity investment can create jobs and deliver a return to made in the UK.**

> **Recent steel safeguard quotas need to be reassessed.** Many stainless-steel products simply cannot be sourced in the UK, so there is no domestic production to protect. Instead, **these measures are increasing costs and restricting the export potential and competitiveness of UK manufacturers.**

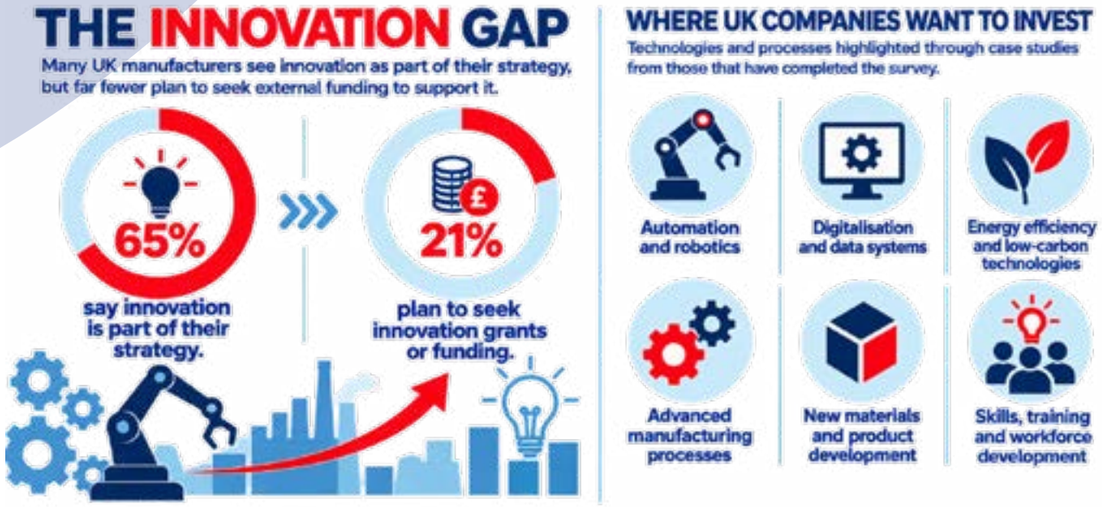
Innovation and Access to Investment

Innovation is clearly embedded in the strategy of the UK metals sector. Sixty-five percent of respondents say it forms part of their business strategy.

However, the new funding question reveals a **significant disconnect**. Among respondents answering whether they plan to seek innovation grants or funding, **only 21% say yes and 79% say no**. This is not evidence of a sector lacking ideas. When read alongside the strong interest in process optimisation and automation, it suggests that existing funding routes may be too difficult to access, insufficiently relevant, poorly understood or mismatched to the investment cycles of metals businesses.

For a sector facing high energy costs, labour shortages, tariffs and global price competition, **innovation is not an optional extra. It is one of the principal routes to higher productivity, lower energy intensity, more efficient use of materials and stronger domestic supply chains**. The policy challenge is therefore to **convert stated innovation intent into projects on factory floors.**

Government should review the **availiablilty and accessibility of innovation and capital support for metals SMEs,** including application complexity, match-funding requirements, timescales and the suitability of programmes for incremental process innovation as well as major research projects. Support should also recognise the role of **automation, digitalisation, new materials, energy efficiency and circular manufacturing** in improving national productivity and resilience.



What We Ask From Government

For the first time, the 2026/2027 survey asked respondents to rank their top asks of Government. The results provide a clear hierarchy for UK Metals Council and its twelve member trade associations lobbying and reinforce the priorities that will shape our work during 2027.

Simplify regulation and administration

Support and reduce duplication and administrative burden across CBAM, imports, exports and wider manufacturing regulation. Apply a manufacturing and SME impact test to new requirements, publish practical guidance early and provide realistic implementation periods.

Deliver competitive and predictable industrial energy

Create a clear route to internationally competitive industrial energy prices across the full metals supply chain, not only to a narrow group of energy-intensive users. Improve grid access and capacity, make support schemes understandable, accessible and provide the long-term certainty businesses need to invest.

Build the skills pipeline for UK metals

Address the persistent shortage of qualified candidates to avoid skills erosion inherent with a ageing workforce, through stronger technical and vocational pathways into metals manufacturing. Reform apprenticeship and training support so SMEs can access funding more easily, giving employers greater flexibility, and support businesses with the practical cost and capacity required to train the next generation.

Unlock the circular economy and secure UK scrap resources

Recognise scrap as a valuable domestic resource and support greater retention, recovery and productive reuse of critical materials within the UK. Avoiding unnessasary export of UK scrap metals will signifantly improve our circular economy. Address barriers around recycling infrastructure, implementation costs, regulation and market demand, while creating the conditions for greater investment in circular manufacturing and lower-carbon materials.

Use procurement to strengthen UK metals supply chains

Use public procurement, infrastructure, defence and clean-energy programmes to create long-term demand and investment opportunities throughout the UK metals sector. Procurement policy should recognise the wider economic and strategic value created through UK manufacturing and encourage investment in domestic capability.

Secure competitive trade and resilient value-added supply chains

Reduce unnecessary customs, quotas and trade friction, ensure steel safeguards and other trade measures reflect the needs of downstream manufacturers. Implement UK CBAM in a way that protects against unfair competition without creating new barriers. Policy should support access to essential raw materials while enabling UK businesses to manufacture, add value and export competitively.

Turn innovation ambition into productive UK investment

Make innovation grants and capital finance easier for metals businesses, particularly SMEs, to access. Support should recognise investment in automation, process optimisation, digitalisation, energy efficiency, new materials and circular manufacturing as important routes to improving productivity and **keeping more manufacturing and value creation within the UK.**

Stronger Manufacturing Leadership

Underpinning all seven priorities is the need for strong manufacturing leadership from all Government departments. A dedicated Minister for Manufacturing could provide greater coordination across energy, skills, trade, procurement, environment and the Treasury. For the metals sector, these issues cannot be addressed in isolation. Decisions in one area directly affect investment, competitiveness and resilience throughout the supply and value-added chain.

The findings leave little doubt about where action is needed. They provide a compelling evidence base for **the UK Metals Council's 2027 priorities: securing competitive energy, maximising the value of UK scrap and the circular economy, addressing the skills challenge, strengthening procurement, and protecting and growing the UK's supply and value-added chain.**

UK metals COUNCIL

MEMBER ORGANISATIONS

Delivering a Strategic Future for Aluminium in Challenging Times

By the Aluminium Federation (ALFED)

From Strategy to Action

As the UK metals sector gathers for UK Metals Expo 2026, the operating environment for manufacturers remains exceptionally challenging. Recent industry surveys have highlighted growing concerns around industrial energy costs, international competitiveness, investment confidence and the risk of wider deindustrialisation across key sectors of the UK economy.

Against this backdrop, the Aluminium Federation (ALFED) has remained focused on a clear objective: ensuring aluminium is recognised not only as a foundation material for net zero and advanced manufacturing, but as a strategic industry that deserves a central place within the UK's industrial future.

The past year has been one of delivery rather than discussion. Building on the foundations laid through the UK Aluminium Alliance and National Aluminium Action Plan, ALFED has focused on translating industry priorities into practical policy engagement, strategic partnerships and industry-led action.

Launching ALFED's Strategic Priorities Framework

One of the most significant developments during 2026 has been the launch of ALFED's Strategic Priorities Framework.

Developed in consultation with members across the aluminium value chain, the framework establishes a clear roadmap for ALFED's activities and engagement with Government. It focuses on the issues that matter most to industry:

• Industrial competitiveness and energy costs

• Circular economy and recycling policy

• Trade and market access

• Skills and workforce development

• Innovation and investment

• Sustainability and decarbonisation

• Supply chain resilience and critical materials

The framework provides a structured approach to ensuring that ALFED's policy work, sector groups and external engagement are aligned around delivering measurable outcomes for members and the wider industry.

Championing Industry Through Trade and Industrial Policy

Throughout the year, ALFED has continued to play a leading role in representing the interests of the aluminium sector through a series of major Government consultations and policy developments.

This has included detailed engagement on the UK's Carbon Border Adjustment Mechanism (CBAM), where ALFED has worked extensively with members, Government officials and wider stakeholders to ensure the specific characteristics of aluminium supply chains are properly understood.

Through its Trade Committee and dedicated CBAM Working Group activity, ALFED has submitted evidence on emissions reporting, administrative burdens, indirect emissions, UK-EU alignment, recycled content considerations and the competitiveness implications for UK manufacturers.

ALFED has also contributed to discussions surrounding the British Industry Supercharger, industrial energy pricing, trade remedies, Free Trade Agreements and wider industrial strategy development, consistently highlighting the need for a level playing field for UK aluminium producers and processors.

At a time when manufacturers continue to face significantly higher energy costs than many international competitors, these discussions remain critical to the future competitiveness of the sector.

Supporting Government's New Metals Circularity Group

A major area of focus during 2026 has been ALFED's engagement with the Department for Business and Trade's newly established Metals Circularity Group.

Recognising aluminium's unique ability to be recycled repeatedly without loss of performance, ALFED has worked closely with members and Government officials to help shape discussions around resource efficiency, material security and circular economy policy.

ALFED has coordinated industry input into the Group's work, drawing on expertise from recyclers, remelters, processors and manufacturers across the value chain. Key areas of focus have included:

• Scrap classification and traceability reform

• Material flow mapping and data transparency

• Domestic recycling and remelting capacity

• Circular business models and value retention

• Investment priorities for UK metals recycling infrastructure

To support this work, ALFED has also transformed its Recycling Sector Group into a more action-oriented forum, bringing together industry experts to develop practical recommendations that can directly inform Government policy.

Strengthening Industry-Government Engagement

ALFED's commitment to constructive engagement with policymakers has continued throughout the year.

The Federation has expanded its engagement with the Department for Business and Trade, the Trade Remedies Authority, parliamentarians and wider Government stakeholders to ensure that aluminium remains visible within discussions on industrial strategy, trade, critical materials and manufacturing competitiveness.

This has included ongoing work through the Manufacturing Trade Remedies Alliance, responses to Government consultations, participation in strategic policy forums and regular engagement with Ministers, MPs and officials.

The objective remains simple: ensuring that decisions affecting the aluminium sector are informed by real-world industry experience and evidence.

Recognising Aluminium's Strategic Importance

A particular highlight this year was ALFED's inclusion within the official Monarchy & Democracy publication, commemorating 100 years of leadership, industry and national progress.

The publication provided an important opportunity to showcase the contribution of the aluminium sector to the UK's economic development, industrial capability and transition to a lower-carbon economy.

For an industry that often operates behind the scenes, inclusion within such a significant national publication was an important recognition of aluminium's growing strategic importance to the UK's future prosperity.

Building Stronger Industry Networks

Alongside policy engagement, ALFED has continued to strengthen collaboration across the sector.

Through its Trade, Recycling, Extrusion, Finishing, Health & Safety and Distribution Sector Groups, the Federation has created opportunities for businesses to

share intelligence, address common challenges and develop collective positions on key industry issues.

The growth of these forums reflects an increasing recognition that many of the challenges facing the industry – from energy costs and international competition to skills shortages and circularity – require coordinated solutions and a stronger collective voice.

Continuing to Make the Case for UK Manufacturing

Recent warnings regarding the risks of deindustrialisation highlight the importance of maintaining a strong and competitive domestic manufacturing base.

Aluminium sits at the heart of many of the sectors identified as critical to the UK's future, including defence, aerospace, construction, transport, renewable energy, packaging and advanced manufacturing.

The sector contributes billions of pounds to the economy, supports thousands of skilled jobs and plays a crucial role in enabling decarbonisation across wider industrial supply chains.

Yet the challenges facing manufacturers remain significant. High energy costs, global market distortions, investment uncertainty and increasing international competition continue to place pressure on UK producers.

ALFED will continue to champion the industry's interests, advocate for practical policy solutions and work with Government to ensure that aluminium is recognised as both a critical material and a strategic industrial asset.

Looking Ahead

The theme of ALFED's activities throughout 2026 has been clear: making things happen.

Whether through influencing policy, strengthening industry collaboration, supporting Government initiatives such as the Metals Circularity Group, responding to major consultations or developing practical recommendations for the future, the Federation has focused on turning industry priorities into tangible action.

As the UK continues to define its industrial future, aluminium will play an increasingly important role in delivering economic growth, resilience, circularity and net zero ambitions.

ALFED remains committed to ensuring that the sector not only has a seat at the table, but a strong and influential voice in shaping the decisions that will define the future of UK manufacturing.

For further information on ALFED, please visit www.alfed.org.uk or contact alfed@alfed.org.uk.

THE ALUMINIUM PACKAGING RECYCLING ORGANISATION

Who are Alupro?

For over 30 years, Alupro has been the voice of the aluminium packaging value chain in the UK.

A membership organisation representing aluminium producers, packaging manufacturers, FMCG brands and recyclers, Alupro's purpose is to help the industry meet its recycling targets and put the spotlight on the merits of aluminium packaging.

Our work revolves around three pillars.

1. Innovation and Representation

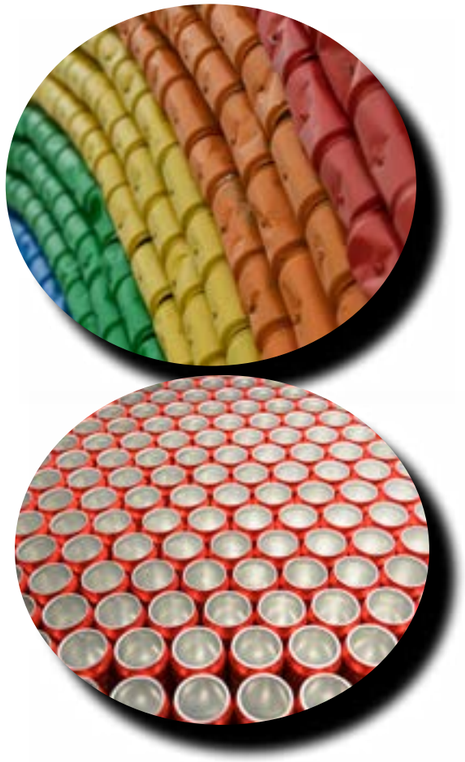
We carry out research into consumer behaviour, recycling infrastructure and packaging design for recyclability, working in collaboration with partners and governments to stimulate recycling.

2. Consumer Education & Engagement

Our branded programmes, including Every Can Counts and MetalMatters, engage the public wherever they consume metal packaging to encourage them to always recycle and have a demonstrable success rate at increasing recycling yields.

3. Schools Programme

Our dedicated programmes for children aged 7 to 16, deliver practical tools for teachers that engage and entertain children whilst they learn the basics of recycling.



Aluminium Packaging & Recycling in the UK

The aluminium packaging market in the UK is the largest in Europe. Every year, the UK public consume over twelve billion aluminium drinks cans, billions of foil trays and screw-tops, millions of aerosols and many other types besides.

Aluminium is the material of choice for many packaging designers due to its unique characteristics, including its amazing recyclability. In a world increasingly focused on achieving a sustainable future, aluminium packaging is well placed to deliver a circular economy.

The success of this industry, growing by double-digit percentage points over the last decade, supports tens of thousands of jobs across the UK value chain.

Challenges

Like all responsible industries, ours is committed to improving sustainability still further and maximising the availability of recycled material for use in new products. Alupro's members are facing challenges to achieving these goals.Recycling aluminium, although much less energy-intensive than creating primary aluminium, uses a lot of thermal energy (usually natural gas) to power the process. To decarbonise, the industry is looking to alternatives like hydrogen and although this is a work-in-progress for the UK, we would encourage the government to prioritise this in its net-zero commitments.

Aluminium is the ultimate packaging material for the UK. It's popular with household names who trust it to protect their products and enhance their brands, as well as with the public who appreciate the look and convenience of aluminium-packaged products.

The material's best feature though is its circularity potential; the UK wants to embrace a circular economy and aluminium can be recycled again and again without losing all the features that make it such a great packaging material. Indeed, all this means that aluminium packaging is a real UK success story; the market has grown by almost 50% in the last 10 years, supporting thousands of UK manufacturing jobs.

However, the industry is facing challenges. It strives to decarbonise, comply with an ever-increasing list of regulations whilst tackling growing costs that challenge competitiveness. A critical solution to these challenges is to secure the supply of raw materials, in our case used aluminium packaging generated in the UK which can be utilised over and over again to make new products. Harnessing the circularity of aluminium is essential to ensuring the sustainability of this economic success story, and the industry needs support to make this happen.

Opportunities

However, the future could be really bright for our industry. Demand is growing for sustainable packaging; brands recognise that recyclability is critical to delivering their own sustainability commitments to their customers. Our members focus is on maximising the end-of-life recycling rate of aluminium packaging, as it is the key lever to deliver fully circular packaging.

DRS and EPR reforms could deliver good environmental outcomes for aluminium packaging, building on the good foundations we have already achieved, so long as those systems are well-designed in a way that doesn't create unintended consequences and ensures that more valuable aluminium scrap is driven back into the UK aluminium packaging system.

Our "Aluminium Manifesto: Shaping the future of aluminium packaging recycling." lays out our industry vision for just such a future.

For more information, please visit: www.alupro.org.uk

THE ALUMINIUM PACKAGING RECYCLING ORGANISATION

The British Constructional Steelwork Association (BCSA) has been representing the UK and Irish constructional steelwork sector for over a century. It is a focal point at a local, national and international level for the steel construction industry, acting as its representative body with Government, engineers, specifiers and clients.

The Constructional Steelwork Industry in numbers

The Constructional steelwork market is worth approx. **£1.6 BILLION** per year	Around **60,000 PEOPLE** are employed in the sector	The UK consumes **9+ MILLION** tonnes of steel each year, with construction the largest user

The main objectives of the BCSA are to:

- Promote the use of structural steelwork in the UK and Ireland as the material of choice
- Represent the members' and industry's interests to influence Government and the wider construction sector
- Develop technical and sustainability guidance on structural steelwork for both members and the wider construction sector
- Raise health and safety, competency and quality standards in structural steelwork throughout the membership and industry as a whole

The BCSA supports members with professional services and advice, offers industry-specific courses and training, as well as providing seminars on various topics, regional meetings and working groups for members to attend, to discuss matters of common interest.

This world-class constructional steelwork industry is based on its quality of work, competency of individuals, teams and organisations plus a trust that builds with BCSA members as part of any project supply chain.

The BCSA maintains that competence proven by 3rd party assessment is a vital component in today's construction industry. To improve quality standards in the fabrication of structural steel, BCSA promotes and maintains the Register of Qualified Steelwork Contractors (RQSC).

Tel: +44 (0) 20 7839 8566
Email: marketing@bcsa.org.uk
Web: www.bcsa.org.uk

Scan to find out more

A sector at a crossroads: Growth, risk and opportunity in the UK metals recycling industry

Long recognised as a cornerstone of the circular economy, the UK metals recycling industry now sits at the intersection of industrial strategy, trade policy, and the transition to net zero.

In the last year, the British Metals Recycling Association (BMRA) has released two pieces of work — one on the potential impact of export restrictions, and one outlining a roadmap to net zero — that demonstrate both the scale of opportunity and the magnitude of risk facing the sector.

Economic contribution and strategic importance

The industry is a major economic contributor, generating approximately £9 billion in gross value added (GVA) annually and directly employing over 15,000 people, while supporting many thousands more jobs across its supply chain.

As well as performing a critical role converting end of life materials into high quality secondary raw materials, it underpins steelmaking, automotive production, infrastructure development, and the wider circular economy.

Recognition of this role is now becoming more explicit in policy. For the first time in decades, the UK Government has developed a long-term industrial approach, namely the UK Steel Strategy, that identifies scrap metal as a strategic resource rather than a waste stream. This shift is significant: it reflects a growing understanding that metals recycling is not peripheral to industrial success, but integral to it.

Trade, exports, and market realities

A defining characteristic of the UK metals recycling sector is its deep integration into global markets. Approximately 80% of UK scrap is exported, reflecting both the scale of domestic arisings and international demand for recycled material. This export driven model is not a weakness; it is fundamental to the sector's economic viability.

The Sheffield Hallam University report, *Assessing the impact of potential restrictions on UK recycled metals exports*, commissioned by BMRA, provides robust evidence of what is at stake should this model be disrupted. The report concludes that restrictions on scrap exports, particularly to non OECD countries, would result in nearly £5 billion in lost GVA and the loss of over 20,000 direct and indirect jobs.

Such an outcome would be devastating not only for metal recyclers but for the broader economy. The sector supports a complex ecosystem of businesses, from logistics providers and equipment manufacturers to downstream processors and service firms. A contraction of this scale would therefore trigger significant ripple effects, particularly in regions where recycling activity is concentrated.

Crucially, the report also dispels the notion that export restrictions are necessary to secure domestic supply. Even under a scenario in which all UK steel production transitions to electric arc furnaces (EAFs) using 100% scrap feedstock, only around two thirds of the UK's scrap supply would be required domestically. This means that a substantial export market would still be needed to maintain balance and economic sustainability.

Exports are therefore not incidental; they are the 'lifeblood' of the sector, enabling competitive pricing, operational efficiency, and continued investment.

The Steel Strategy and policy engagement

At the time of writing, BMRA continues to engage closely with Government on the development and implementation of its Steel Strategy. The inclusion of the scrap supply chain in these discussions marks an important evolution in policymaking.

BMRA's participation in the Government's Steel Council over the past 15 months has ensured that the perspective of recyclers has been represented at the highest level. This sustained engagement has helped to shape a more balanced policy environment — one that recognises both the needs of domestic steel producers and the realities of global scrap markets.

The decision not to impose blanket export restrictions is therefore a welcome outcome. It reflects an understanding that market mechanisms, rather than material retention policies, are the most effective way to ensure supply security and competitiveness.

Equally positive is the commitment to establish a cross government working group — the Metals Circularity Group — on scrap supply for steel, aluminium, and critical raw materials. This has the potential to improve coordination across departments and ensure that future policy is informed by evidence rather than short term pressures. However, its success will depend on a clear recognition that the sector's health relies on open, functioning markets.

Net zero and environmental leadership

Alongside trade and industrial policy, decarbonisation represents the other major axis of transformation for the sector.

BMRA's *Roadmap to Net Zero*, based on a comprehensive carbon footprint assessment conducted by Tunley Environmental, provides the first industry wide evidence base for emissions reduction. The findings are striking. The assessment concludes that Scope 1 and Scope 2 emissions from UK metals recycling could fall by 93% by 2050.

In addition, the transition to steel produced via EAFs, using recycled scrap, could reduce the industry's emissions footprint by 38%. Overall, total emissions across the value chain (including Scope 3) could fall by as much as 70%.

These findings reinforce the sector's already strong environmental credentials. Metals recycling is inherently sustainable: it reduces the need for primary extraction, lowers energy consumption, and supports circular resource use. However, the roadmap demonstrates that the industry can go significantly further.

As James Kelly, CEO of BMRA, has noted, this trajectory positions the UK to become the first country in the world to produce net zero recycled metal, an ambition that aligns directly with national climate targets.

The role of Electric Arc Furnaces (EAFs)

The transition to EAF based steelmaking is central to both industrial strategy and decarbonisation. Unlike traditional blast furnaces, EAFs can operate using up to 100% scrap metal, making them inherently compatible with circular economy principles.

This shift places unprecedented importance on the availability, quality, and efficient processing of scrap. Demand for high quality recycled material is expected to increase significantly, potentially by a factor of seven to eight over the coming decades.

This presents a clear opportunity for the recycling sector. Increased demand supports investment in collection systems, advanced processing technologies, and quality improvements. It also strengthens the long term business case for the industry.

However, it also introduces risk. Without appropriate policy frameworks, there is a danger that interventions designed to support domestic steelmaking could inadvertently undermine the recycling sector by distorting markets or restricting trade.

Policy requirements for sustainable growth

The evidence produced through the *Roadmap to Net Zero* highlights several areas where government policy will be critical in unlocking the sector's potential.

BMRA has identified five key policy asks:

- ensuring eligibility for industrial competitiveness schemes
- supporting the adoption of low carbon fuels such as hydrotreated vegetable oil (HVO)
- facilitating access to affordable financing for infrastructure and grid upgrades
- embedding recyclability and recycled content into regulatory frameworks
- adopting science based carbon standards that do not penalise recycled materials.

These measures are not simply environmental in nature; they are economic enablers. They will help reduce operational costs, improve competitiveness, and accelerate the transition to sustainable processes.

BMRA is pleased that it has already been announced that metal recyclers will be included in the Government's

British Industrial Competitiveness Scheme (BICS), following sustained lobbying efforts by its Secretariat.

Under the scheme, metal recyclers will benefit from exemptions on indirect electricity costs, specifically those associated with the Renewables Obligation (RO), Feed in Tariffs (FIT), and Capacity Market (CM) levies. This is expected to deliver savings of approximately £35–£40 per MWh, providing meaningful relief at a time of high energy costs.

This inclusion represents recognition of the metals recycling industry's critical role in the UK economy and its contribution to achieving net zero targets.

Risks and opportunities ahead

Looking forward, the UK metals recycling sector faces a combination of structural opportunities and policy risks.

Opportunities include:

- growing global demand for recycled metals
- increased domestic demand driven by EAF steelmaking
- strong alignment with net zero and circular economy objectives
- recognition within national industrial strategy.

Risks include:

- potential future trade restrictions or market interventions
- rising operational costs, particularly energy
- infrastructure constraints, including grid connectivity
- policy uncertainty during the transition period.

A central contributor

The UK metals recycling industry is at a pivotal moment. It is no longer a background player in the industrial system, but a central contributor to economic growth, environmental sustainability, and industrial resilience.

The evidence is clear: restricting exports would undermine the sector's economic foundation, risking billions in lost value and tens of thousands of jobs. Conversely, maintaining open markets and supporting investment will enable the industry to capitalise on growing demand and deliver substantial benefits.

At the same time, the pathway to net zero presents a transformative opportunity. With the right policy support, the sector can dramatically reduce emissions and position the UK as a global leader in low carbon recycled metals.

The challenge for policymakers is therefore one of alignment: ensuring that trade, industrial, and environmental policies work in conjunction rather than at cross purposes.

If this alignment is achieved, the UK metals recycling sector is well placed not only to adapt to the changes ahead, but to lead them.

United for 25 years

2026 also marks a year of celebration for BMRA. It is 25 years since it was formed in 2001 through the unification of the British Secondary Metals Association and the British Metals Federation (previously known as the British Scrap Federation). This brought together two well established associations to better serve the needs of the British metals recycling industry with a united voice.

www.recyclemetals.org

BRITISH STAINLESS STEEL ASSOCIATION

The British Stainless Steel Association is a member funded trade association, representing businesses and stakeholders involved in the stainless steel industry from raw material extraction, manufacture, distribution, fabrication, surface treatments, installation, to end of life recycling.

The BSSA is located in the heart of Sheffield, Steel City and the birth place of stainless steel in 1913.

Our objectives are:

To bring together businesses producing, trading and working with stainless steel, and affiliated businesses offering products or services of interest to the stainless steel industry.

Enhance the profile of stainless steel in our sustainable future by promoting and undertaking activities in the interest of our members. These include seminars, conferences, Expo's and webinars.

Provide technical support, business information, training and education. Our technical support is offered free at point of use for members and non-members alike.

To be THE voice of our industry to policy makers.

We have over 170 members ranging from SME's through to multinational companies, involved in many different markets including:

Construction and Architecture

Food and Beverage

Chemical Industry

Pharmaceutical and Medical Industry

Energy, including Hydrogen

Transport, including Automotive, Rail, Aerospace, Sea and Bulk

What are stainless steels?

Stainless steels are a small but critical part of the wider steel family. Stainless steels are steels that contain a minimum of 10.5% chromium and have a maximum carbon content of 1.2%. It is the chromium that make stainless steels special. The addition of this alloying element gives stainless steels superior corrosion resistance over many other products. Corrosion resistance is the main reason to use stainless steels, but they have other benefits that influence why they are selected. These include its aesthetic appearance, the ability to withstand temperatures ranging from cryogenic up to service temperatures in excess of 1000°C, the hygienic properties and the longevity of correctly selected materials in many environments. Over 200 commercially available stainless steels are obtainable in many different product forms that can assist industries to overcome problems in a sustainable and effective way.

Stainless steels are 100% recyclable and indeed their high value encourages recycling. This, in turn, lessens the environmental impact of stainless steels by reducing both the need for new raw materials and the energy that their production uses.

Why is stainless steel so important to the UK economy?

The UK is the birthplace of stainless steels and is proud to continue the tradition of making stainless steels. Marcegaglia Stainless, the UK's premier melt shop, has invested £50million in a new Electric Arc Furnace (EAF). Installed in 2026, this replaces the EAF originally installed in 1977 at the Marcegaglia site in Sheffield. The new 'state of the art' EAF will increase annual plant productivity to over 500,000 tonnes of stainless steel products, bringing efficiency and environmental improvements, and creating 50 new jobs.

In the UK we use approximately 250,000 tonnes per year of stainless steels in many different product forms. This is approximately 3% of the total consumption of all steels used here. Therefore, stainless steels are a relatively small, but critical contributor to UK industry. Stainless steels are used in food and beverage preparation, chemical and pharmaceuical industries, medical applications, and renewable energies to name a few. Without stainless steels many of our industries would not exist, and certainly would not be as safe, long lasting or sustainable as they are today.

Stainless steels are critical in our transition to Net Zero. Without the physical and mechanical properties of stainless steels many new green industries and technical advancements would not be possible. Stainless steels are paramount in hydrogen production and storage, carbon capture and tidal power generation to give some examples of new industry applications. Stainless steels are essential for the nuclear industry, whether that is development of Small Modular Reactors (SMR's) or in the decommissioning of aging nuclear power stations and storage of radioactive waste.

Stainless steels are the "safe" choice of material for medical applications and for our food and beverage industries. Stainless steels are easy to keep clean for all critical applications as they have a high resistance to cleaning agents, disinfectants and sterilising agents. In the food and beverage industry stainless steel plays a vital role in the production and processing of many of our food cupboard staples. For over 70 years stainless steels have been used in the preparation, processing and transport of food products to ensure a high standard of quality. They do not affect the taste or smell of food and drink. In the medical industry we use stainless steels throughout hospitals and even as a material for medical implants.

Without stainless steels it would be impossible to develop many of the industries that the UK needs for our Net Zero ambitions whilst safeguarding our food and beverage production and protecting our health.

The UK needs to support our stainless steel production and to ensure we have a robust supply chain. We have to develop career programmes that encourage talented individuals to join and remain within our industry and to increase the understanding of correct material selection for the application. The BSSA is committed to the development of our industry, the training of our people, promoting the benefits of this incredible material and ensuring the voice of our industry is heard.

For further information on the BSSA, our training and development programmes, or the stainless steel industry please contact us via the following link: https://bssa.org.uk/

STEVE MORLEY
President

GERALDINE BOLTON
Chief Executive

Powering the metalforming sector

Despite continued economic uncertainty, geopolitical disruption and unprecedented pressures on manufacturing supply chains, the UK's metalforming sector continues to demonstrate remarkable resilience, delivering the critical components that support healthcare, transport, energy generation and advanced manufacturing.

Representing this vital sector is the Confederation of British Metalforming (CBM), the recognised voice of a membership which is responsible for approximately 70,000 jobs and £27bn of turnover.

Based at the National Metalforming Centre in West Bromwich, the CBM has spent the last year strengthening its influence across government, industry, national and international trade organisations, ensuring that the interests of downstream metals manufacturers remain firmly on the political agenda.

Geraldine Bolton, CEO of the CBM, explained:
"Our members range from major OEMs, Tier 1 suppliers and corporate organisations through to highly skilled SMEs operating in sheet metal, forging, cold forming, fasteners and precision engineering. These companies make products that keep our economy growing and their concerns deserve to be heard at the highest levels."

Building Stronger Industry Influence
Over the last twelve months, the CBM has continued to strengthen relationships with key industry organisations, creating a more unified voice for UK manufacturing when the issues are common to all.

The organisation has also maintained close collaboration with specialist advisers and partners, including Crowe UK, NatWest Bank and others while also continuing to represent the UK on the international and European stage through its active involvement with EIFI, Euroforge and ICOSPA.

This growing network has provided CBM members with access to critical intelligence, policy insight and international best practice during a period of significant change for global manufacturing.

Leading the Fight on Steel Safeguards
One of the defining issues of the year has been the ongoing debate surrounding steel safeguards and quota allocations.

The CBM has been at the forefront of lobbying efforts on behalf of its sector, ensuring policymakers understand the potentially damaging impact that poorly designed safeguard measures could have on the UK's downstream metals manufacturing sector.

Stephen Morley, President of the CBM, commented:
"Our work on steel safeguards has demonstrated exactly why organisations like the CBM matter. We have consistently highlighted the consequences that restrictive quotas could have for manufacturers further down the supply chain and have worked tirelessly to ensure those concerns are understood by Government."

The campaign attracted widespread support from both members and non-members alike, reinforcing the CBM's position as a leading advocate for downstream manufacturers.

Importantly, the organisation's work on this issue has helped establish a stronger foundation for future policy discussions, ensuring that the interests of component manufacturers are properly represented alongside all those in the supply chain.

Supporting Members Through Industry Disruption
The CBM's value was further demonstrated during the disruption caused by the cyber-attack affecting JLR and its supply chain.
Recognising the potential impact across multiple tiers of manufacturing, the CBM quickly engaged with members at every level, gathering intelligence, communicating concerns and ensuring that the voices of smaller suppliers were heard alongside larger organisations.

The CBM also escalated members' concerns directly to senior leadership at JLR and continues to maintain a close working relationship with the company to support supply chain resilience and future collaboration.
This proactive approach was widely welcomed by members, many of whom relied on the organisation for timely information and representation during a period of significant uncertainty.

Growth Through Representation
The strength of the CBM's campaigning and advocacy work has translated directly into growth.

Over recent years, the organisation has attracted new members, reflecting increasing recognition of the value of strong industry representation during challenging times.

This growth has been driven by the CBM's commitment to practical support, effective lobbying and the delivery of clear, informed guidance on the issues that matter most to manufacturers.
From steel safeguards and CBAM discussions through to energy costs, skills, sustainability and international trade, the organisation continues to provide members with a trusted voice and direct access to decision-makers.

A Strong Team Delivering Results
Behind these achievements is a dedicated team of sector specialists whose expertise continues to deliver tangible benefits for members.

Special recognition has been given to Policy Adviser Phil Matten, who retired in April after making a significant contribution to the organisation and the wider industry.

The continued development of the CBM team has enabled the organisation to respond effectively to an increasingly complex policy landscape while maintaining the high levels of support expected by members.

Delivering for our members

Representation on the UK CBAM Joint Industry Working Group
CBM continues to represent the interests of downstream metalforming manufacturers through its seat on the UK CBAM Joint Industry Working Group. This provides members with a direct voice in the development of the UK's Carbon Border Adjustment Mechanism, ensuring that the practical implications for manufacturers are understood by Government. By influencing policy at an early stage, we help shape a framework that protects the competitiveness of UK industry while supporting the transition to a lower-carbon economy.

Representation on the Joint Customs Consultative Committee (JCCC)
CBM continues to represent the downstream metalforming sector through active participation on HMRC's Joint Customs Consultative Committee (JCCC). This provides members with a direct voice in discussions on customs policy, duty liability, customs procedures and the implementation of key legislation, including the UK Carbon Border Adjustment Mechanism (CBAM). Through our specialist representation, we are able to raise the practical challenges faced by manufacturers, influence the development of future customs processes and ensure that the interests of the UK metalforming industry are considered at the highest level. This engagement enables CBM to keep members informed of forthcoming changes, provide expert guidance and help businesses prepare for evolving customs and trade requirements.

Influencing Government through the Energy Select Committee
CBM submitted evidence to the Energy Select Committee, highlighting the significant challenges that energy costs continue to present for UK manufacturers. Our contribution was recognised within the Committee's published report, demonstrating that the experiences and concerns of our members are helping to inform Government thinking and future policy recommendations on industrial energy and competitiveness.

Business and Trade Select Committee Engagement
CBM was invited to participate in the Business and Trade Select Committee roundtable on steel safeguard quotas. This provided an opportunity to present the perspective of downstream manufacturers, ensuring that the wider supply chain was represented alongside steel producers. Our involvement helps influence discussions on trade policy that directly affect material availability, costs and the competitiveness of UK manufacturing.

Supporting Members through Climate Change Agreements (CCA)
CBM continues to support eligible members in accessing Climate Change Levy (CCL) rebates, helping businesses reduce energy costs while meeting agreed energy efficiency targets. With energy remaining one of the sector's biggest challenges, these rebates provide valuable financial savings and improve the competitiveness of UK manufacturers operating in global markets. The CBM's climate change agreement saves its members over £4m per year in climate change levy tax on their gas and electricity bills.

Established ESOS Auditing Service
CBM has successfully supported members through all three phases of the Energy Savings Opportunity Scheme (ESOS), delivering a trusted auditing service that helps businesses meet their legal compliance requirements. Our experienced energy assessors and auditors not only ensure organisations satisfy mandatory regulatory obligations but also identify opportunities to improve energy efficiency, reduce operating costs, and support wider sustainability objectives. We are now in the process of delivering phase 4.

Working with Enginuity to Address the Skills Challenge
Through our strategic partnership with Enginuity, CBM is helping to tackle one of the industry's greatest long-term challenges: attracting, developing and retaining skilled people. By contributing to national skills discussions, supporting apprenticeships and workforce development initiatives, and ensuring employers' needs are represented, we are helping to build a stronger talent pipeline for the future of UK metalforming.

The National Metalforming Centre: A Strategic Asset
The National Metalforming Centre (NMC) is one of CBM's greatest strengths, providing a valuable source of income that is reinvested directly into member services, technical support, industry representation, events and training. This enables CBM to remain a financially strong and sustainable organisation while continuing to deliver excellent value to members. Looking ahead, CBM is committed to further developing the NMC, creating new opportunities to grow this important asset and generate additional income. By investing in the Centre's future, we are strengthening the Association's long-term resilience and ensuring we can continue supporting the UK metalforming industry for many years to come.

Looking Ahead
As manufacturing enters another period of economic and political uncertainty, the challenges facing the metalforming sector are unlikely to diminish.

However, the CBM remains committed to growing its influence, expanding its membership and ensuring that the interests of downstream manufacturers continue to be represented at every level.

The organisation's recent successes demonstrate what can be achieved through informed lobbying, strong industry relationships and a clear understanding of the issues affecting manufacturers on the ground.

Geraldine Bolton concluded:
"Our message to members is simple: we will continue to champion your interests, fight your corner and ensure that the metalforming sector receives the recognition and support it deserves. The challenges may change, but our commitment to the industry remains constant."

Find Out More
To find out more about membership, our services, upcoming events and the work we do on behalf of the UK metalforming industry, visit our website or get in touch with the team.
Website: www.thecbm.co.uk
Email: info@thecbm.co.uk
Telephone: 0121 601 6350

Together, we are strengthening the future of UK metalforming.

CAST METALS FEDERATION

A net zero future for metal castings – precision engineered products to support the UK economy

The UK castings industry underpins the strategic national supply chains needed to support the UK's transition to a lower carbon economy, whilst also playing a key role in the circular economy for metals - the industry routinely uses secondary raw materials to help lower final product carbon footprint.

UK foundries know how to compete internationally and can be part of the solution, delivering lower carbon components (due to the relatively lower embedded carbon derived from the use of secondary raw materials) to strategic supply chains, such as aerospace, automotive, defence, marine, medical and power generation, including components needed for greener technologies.

No modern economy can survive without castings but the UK industry needs support to transition and sustain the industry here.

Support for UK manufacturing is required for the low carbon transition and to avoid carbon leakage.

As the sector seeks to optimise the opportunities to manufacture lower carbon products in the UK, some key challenges for the casting sector include:

- Development of commercially attractive zero-carbon alternatives to the use of fossil gas in aluminium melting, pre-heating ladles for metal holding and transferring, firing of the refractory shells used in investment casting and heat treatment.
- Efficient methods for recovery and re-use of waste heat including heat to generate electricity.
- Digital monitoring and control (optimisation) of energy use
- Cost-effective applications for new energy vectors including plasma and SMRs.
- Sustainability of raw materials and re-use of byproducts

UK Government needs to deliver a stable policy environment with certainty and support in areas including energy pricing and rapid and sustained investment in the UK energy infrastructure for electrification.

The provision of incentives for capital investment in zero carbon furnaces and production equipment that are as accessible for companies of all sizes. Enabling planning reforms would allow sites to invest in new production facilities, to enable companies to optimise and maximise the benefits of on-site energy generation.

UK trade policies should support customer demand for low carbon products for global markets, to prevent substitution by higher carbon, less recyclable alternatives. Making things locally makes economic sense – the sector has the opportunity to grow significantly.

A competitive industry needs skilled employees

The continued competitiveness of our sector requires there to be a skills strategy that enables companies to source relevant training, something that is particularly challenging for niche sectors with specialist skills requirements. We ask for more flexibility around the use of the apprenticeship levy to upskill employees. Providing specialist skills requires specialist equipment and tutors - most providers don't have these, particularly for smaller learner cohorts – this is a real challenge for our industry.

What we make and why we matter

UK foundries specialise in near-net-shape, precision, finished components and assemblies in all sizes, volumes, cast weights, metal alloys & processes, for UK & international markets, with production facilities in the UK, melting metal in furnaces at temperatures ranging from 700-2000C. Most of our foundries already use electricity for melting which, if from sustainable sources, means an even lower carbon footprint for the resulting components. But there is still a requirement for natural gas and the transition to alternative fuels will be challenging with capital investment cycles for foundries typically being relatively long.

A partnership approach with a significant economic and carbon dividend.

By working together, the trend of the industry drifting offshore can be reversed and inward investment encouraged, supporting the transition to a vibrant, net zero foundry sector as part of national industrial decarbonisation.

The industry wants to be **part of the solution** for the UK, making use of recycled metal to produce locally sourced components and leading the way in the supply of lower carbon, cast metal components and finished products.

For more information, please visit: www.castmetalsfederation.com

Galvanizers Association

Solutions for a circular tomorrow

Galvanizers Association represents the hot dip galvanizing industry in the UK and Ireland. As a unique and sustainable coating for steel products, hot dip galvanizing makes a vital contribution to the growth of the economy across the regions, protecting the huge investment in national infrastructure and economic activity provided by industry in a wide range of sectors.

The Association is a leading advocate for circular construction, dedicated to transforming perceptions of galvanized steel and pioneering sustainable materials management. We promote the unique potential of hot dip galvanizing not only as a durable and dependable solution but also as a possible key driver of a sustainable future.

Our mission is to help society transition towards a circular economy, where materials are used efficiently, reused, and recycled to minimize waste and environmental impact.

For almost 80 years, we have supported industry professionals with expert advice on corrosion protection, and we remain committed to this vital work for future generations of designers and builders. We believe that by extending the lifecycle of steel through hot dip galvanizing, we can significantly reduce waste, conserve resources, and lessen the environmental footprint of construction projects worldwide.

Why use Galvanized Steel: A Naturally Circular Material

MAKE

Build to Last
Galvanizing is an efficient dip process – giving the highest level of protection for steel. Galvanizing of steel products maximises their durability, reuse and recycling.

USE

Save carbon
Galvanized steel is completely covered with a durable coating that can last the lifetime of the component – avoiding resource use for replacement or maintenance.

REUSE

Extend material lifestyle
Galvanized steel is robust and easily dismantled for reuse in multiple life cycles. The coating stays with the steel component in its next life cycle.

REMAKE

Regalvanize and readapt
Galvanized steel products can be regalvanized and put back into service – avoiding production of new steel. Repurposing of galvanized steel products is often possible without regalvanizing.

RECYCLE

Reclaim
Steel and zinc are recycled together – without loss of properties – if the long life of galvanized steel eventually ends.

NET ZERO

Businesses within the industry are committed partners in making the transition to a sustainable, net zero, circular economy. Companies are actively engaged in the assessment of their existing carbon footprint, goal setting and planning for reductions in carbon going forward, working with their supply chain partners as necessary.

GOVERNMENT POLICY

The prevailing operating environment will have an impact on the opportunities that emerge allowing industry to meet climate change challenges. In this regard national, regional and global markets, heavily influenced by individual Governmental policies, have a critical role to play in providing the right conditions within which companies can develop and deliver the innovative solutions needed to meet broader long-term national goals. We welcome the UK Government's publication of the 'UK's Modern Industrial Strategy 2025' and the 'UK Infrastructure: A 10 year Strategy' documents, which set out ambitious plans to tackle some of the underlying factors holding back economic growth in the UK. The completion of the associated Sector Plans is welcome.

To maximise the benefits of the use of hot dip galvanized steel in fulfilling the national goal for action on climate change, delivering a positive transition to a more circular, sustainable, net zero economy, and encouraging growth, Government must however successfully implement and deliver on these strategies, taking the benefits beyond the IS-8 sectors, to include the foundational industries upon which all economic activity relies. Consideration must also be given to;

Consistent and stable long-term policy
It is important that businesses have a more stable long term regulatory and economic framework within which companies can plan and execute development and investment initiatives. The political cycle is too short and policy changes too frequent to support adequate long-term planning.

The Employment Rights Act 2025 raises investment costs for businesses and UK Steel Strategy tariffs and quotas (1 July 2026) will adversely affect some downstream steel users.

Skills:
The new Growth and Skills Levy should include sufficient support for the development and delivery of Level II and Level III apprenticeships needed by the metals sector. The Foundation Apprenticeships will allow greater flexibility in the future but without sufficient funding provided to encourage the provider sector to work with industry to deliver this training, the opportunities missed by the Apprenticeship Levy scheme will be repeated.

Energy:
Action on reductions to the very high electricity prices industry currently endures is welcomed, however, wholesale gas markets are too susceptible to geo-political influences, making them very volatile, and therefore the link between the electricity price and the gas wholesale market must be broken and additional support for gas-intensive sectors be brought forward.

Public procurement:
Contracts awarded for projects of public interest should recognize the holistic benefits of local supply and focus much more on inclusion of contributions from manufacturing and construction sourced from within the UK. The recognition of the importance of SMEs in the policy going forward is welcomed, but must be backed up with practical implementation across Government that results in more manufacturing/ construction being awarded to domestic companies and improved monitoring of such so that further action can be taken as necessary.

William J Smith, Director at GA

"We are the leading advocate for adaptive galvanized steel solutions. We offer expert advice and promote collaboration on behalf of the galvanizing industry. Through informing, advising and inspiring, GA aims to support the development of a greener planet, helping to create regenerative spaces and products that support the whole of society"

Find Us at

www.galvanizing.org.uk

Metal Packaging Manufacturers Association

THE VOICE OF UK METAL PACKAGING

The MPMA is the recognised and unified voice of the UK metal packaging industry to government, NGOs and broader stakeholders, bringing influence to achieve favourable policy and activity outcomes for the sector.

Through advocacy and education, our promotional and public relations activities highlight the unique sustainability and performance benefits of metal packaging, ensuring these are widely understood and valued.These benefits are presented across three key promotional platforms: Canned Food UK, Can Makers and Do It With Cans.

CANNED FOOD UK

Can Makers

DO IT WITH CANS

The metal packaging landscape

Across Europe it is estimated some 200 billion cans and closures are produced annually for the beverage, food, health & beauty, household and industrial markets, supporting around 60,000 direct jobs across 650 sites (Source: MPE).

Here in the UK, MPMA represents 33-member metal packaging companies in a UK sector which employs over 4,000 people across 47 factories.

As the lead voice for the metal packaging sector and with direct links to the EU sector, MPMA champions and promotes the unique recycling and economic benefits of metal packaging while demonstrating its role in supporting the circular economy and food security.

Driving the circular economy

From the aluminium beverage can to the steel food can, metal packaging sets a benchmark in recycling performance. In fact, approximately 75% of all aluminium and steel ever produced is still in circulation today while data from Every Can Counts shows the aluminium beverage can is able to be recycled and be back on the shelves within 60 days.

As policymakers and industry drive towards net-zero goals, metal's permanent material status is a key enabler to driving resource efficiency and waste reduction at scale. Metals retain their inherent properties regardless of the number of times they are recycled into new products, making them the perfect materials for a circular economy.

Offering brands a creative and versatile canvas to play with, protecting product integrity and providing versatility in meeting evolving consumer need, metal packaging showcases how innovation and environmental responsibility can go hand in hand.

Supporting food security

Food cans, with their three-to-five-year shelf-life, are essential for food security and minimising food waste across the supply chain.

No other packaging material protects its contents better. Canning food locks in nutrients with little need for preservatives and, as an ambient pack, saves energy too – no refrigeration needed in transit, in store or at home.

Food security and food waste are major global challenges yet metal packaging plays a key role in supporting a more sustainable future.

Metal packaging in numbers

Steel packaging has the highest recycling rate of all packaging materials in the UK at 86.6%. The UK's overall aluminium packaging recycling rate is 68.5%. *(Defra 2024)*

86.6% | 68.5%

Aluminium beverage cans are the most recycled beverage packaging format in the UK, with a recycling rate of 81%. *(Every Can Counts)*

81%

76.3% 84%

Across Europe, 84%* of steel packaging is recycled and 76.3% of aluminium beverage cans are recycled.** *(*SfPE **MPE/EA)*

Steel production with recycled steel produces approximately 78% fewer greenhouse gas emissions than making steel with virgin steel. *(Worldsteel)*

78%

92%

Aluminium recycling in the EU is approximately 92% less carbon intensive than primary aluminium production. *(European Aluminium)*

UK STEEL

Steel Strategy: Turning Government commitments into industrial reality

Key opportunities

- **Deliver the Steel Strategy's ambition to increase UK steel's share of domestic demand to 40-50%**
- **Ensure procurement reforms translate into significantly greater use of UK-made steel in public projects and nationally significant infrastructure**
- **Build on strengthened trade measures to create a stable environment for investment and growth**
- **Retain more high-quality steel scrap within the UK to support the transition to electric arc furnace production**
- **Secure competitive industrial electricity prices to unlock long-term investment**
- **Maintain sovereign steelmaking capability as a cornerstone of economic resilience and national security**

A turning point for UK Steel

The publication of the UK Steel Strategy marks the most significant Government intervention in support of the sector for a generation. After years of declining market share, rising imports and intense international competition, ministers have recognised steel as a strategic national industry essential to defence, infrastructure, energy security and economic resilience.

The challenge now is implementation.

The Strategy contains a series of important commitments on procurement, trade, scrap, investment and industrial policy. Together, these measures have the potential to create a more attractive environment for investment and help reverse decades of industrial decline. However, success will depend on Government delivering practical reforms that translate policy ambition into commercial opportunities for UK steel producers.

Unlocking demand through procurement

The greatest immediate opportunity for UK steel lies in the Government's commitment to increase domestic market share to between 40% and 50%.

The UK faces substantial demand for steel in the years ahead. New housing, grid reinforcement, offshore wind, transport projects, defence programmes, carbon capture infrastructure and civil nuclear developments will require millions of tonnes of steel products.

Recent procurement reforms announced by the Cabinet Office, including the use of national security exemptions and stronger expectations around domestic sourcing, have the potential to transform how public money supports UK industry. Steel has been explicitly identified as a strategically important sector, and Government has increasingly made clear that UK-made steel should be used wherever it is available and competitive.

If implemented effectively, these reforms could unlock billions of pounds of additional opportunities for domestic producers while strengthening supply chain resilience and supporting regional economic growth.

Stronger trade defences

The Government has also taken decisive action to address the impact of global steel overcapacity.

From July 2026, import quotas for steel products made in the UK will be reduced significantly and out-of-quota tariffs increased to 50%. These measures recognise the reality that global steel markets remain heavily distorted by state subsidisation and excess production capacity.

While imports will continue to play an important role in meeting UK demand, stronger trade protections provide domestic producers with greater certainty and create the conditions needed to attract investment, restart underutilised capacity and rebuild market share.

The next challenge will be ensuring that the UK's long-term trade defence framework remains robust as global overcapacity continues to grow.

Energy, scrap and investment

Significant challenges remain.

Industrial electricity prices continue to place UK steelmakers at a competitive disadvantage compared with key European and international competitors. While recent compensation reforms are welcome, further action is required if the UK is to become a genuinely attractive location for steel investment.

At the same time, the Government has rightly recognised the strategic importance of steel scrap. The UK generates large volumes of high-quality scrap steel each year, much of which is exported. Retaining more of this material within the UK will be essential to supporting future electric arc furnace production and strengthening domestic supply chains.

The Steel Strategy's commitment to establish a cross-government scrap working group is therefore a welcome step towards creating a more circular and resilient steel economy.

Securing the future

The steel industry supports tens of thousands of highly skilled jobs, generates billions of pounds in economic activity and remains central to many of the UK's industrial heartlands.

The publication of the Steel Strategy, strengthened trade measures and procurement reforms demonstrate that Government increasingly recognises steel as a strategic national asset. The task now is to ensure these commitments are delivered in practice.

If procurement, trade, energy and investment policy can be aligned behind a common objective, the UK has an opportunity not merely to preserve steelmaking, but to create the conditions for a competitive, resilient and growing industry for decades to come.

UK Steel is the trade association for the UK steel industry and proudly champions the country's steel manufacturers.

For more information, please visit: www.UKsteel.org

The Welding Institute | TWI

TWI is a membership based organisation that supports companies and individuals alike by providing authoritative and impartial expert advice, knowhow and safety assurance through engineering, materials and joining technologies.

Our experts work across industry to help our Members design, create and operate the best products possible.

TWI is descended from the British Welding Research Association (BWRA), but have grown to encompass more than welding, including innovation, knowledge transfer and problem resolution across all aspects of welding, joining, surface engineering, inspection and whole-life integrity management.

We have grown to become one of the world's foremost independent research and technology organisations, delivering engineering consultancy services and knowhow. Because we are independent and impartial, our Members trust us to deliver the best solution

for them on a case-by-case basis, drawing upon our knowledge and expertise from across industry.

Our integrated approach to joining, inspection and material implementation embraces everything from research and development, specification and prototyping, to commissioning, installation and training, with services including:

- Accelerate uptake / de-risk introduction of new technology for products or assets
- Manufacturing process acquisition support programmes
- Access to state-of-the-art welding, joining, coating, additive and inspection systems
- Process technology innovation
- Design and engineering for optimum performance
- Design-material-process review and optimisation
- Standard and bespoke testing facilities – fracture, fatigue, corrosion, analysis and Hydrogen
- Assistance to improve your existing processes and production
- Product and process review, troubleshooting and optimisation
- Auditing and certification
- Establish fitness for service of your structures and assets
- Engineering critical assessment, (risk-based) inspection and condition/structural health monitoring
- Understand causes and mitigate failures
- Rapid failure analysis
- Repair procedure development and application
- Expert witness/litigation support
- Understanding and application of codes and standards
- Expertise in national and international standards
- Presence on code/standard governing bodies
- Staff training and development
- Multiple training programmes and certified courses
- Bespoke training by technology providers
- Professional career progression (via The Welding Institute)

We are proud of our long association with UKMC, and look forward to supporting the strategic ambitions of the UK metals sector, both technically and commercially.

For more information, please visit: www.twi-global.com

UKMC MEMBER ORGANISATIONS

ALFED ALUMINIUM FEDERATION

NMIS National Manufacturing Institute Scotland
Advanced Forming Research Centre
University of Strathclyde

alupro

BCSA

BMRA BRITISH METALS RECYCLING ASSOCIATION

BRITISH STAINLESS STEEL ASSOCIATION

CAST METALS FEDERATION

CBM CONFEDERATION OF BRITISH METALFORMING

Galvanizers Association
Solutions for a circular tomorrow

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UK STEEL Powered by MAKE

UK metals COUNCIL

WWW.ukmetalscouncil.org