

ALUMINA

Objectives

- To reaffirm the UAE as a key market for Australian alumina.
- To reiterate Australia's position as the world's largest and most efficient supplier of alumina and our interest in further expanding our trade relationship with the UAE as their capacity expands.

Key Issues

Australia is the major supplier of alumina to the UAE's Dubai aluminium smelter, which currently has a capacity of around 400,000 tonnes of **aluminium** per year with a requirement of around 770,000 tonnes of **alumina**

- Further export opportunities for alumina into the UAE would be in line with any future expansion in UAE smelting capacity.

Background

Australia is the world's largest alumina producer and exporter. In the 1997/98 fiscal year Australia produced around 13.5 million tonnes of alumina with exports of around 10.5 million tonnes valued at around A\$2.9 billion.

Australian alumina production is increasing, with expansions at Worsley and Wagerup refineries in WA already underway. Australia is well positioned to supply additional world demand for alumina well into the 21st Century.

Australia is the major supplier of alumina to the UAE's aluminium smelter at Jebel Ali, Dubai and Australia values this business highly. It represents supply of alumina from the world's lowest cost and efficient refineries in WA located right next to vast bauxite supplies shipping to one of the world's most modern and efficient aluminium producers which has the benefit of very low energy costs, a major input into aluminium production.

The trade has been running smoothly and we are not aware of any problems to date. We are interested in UAE perceptions of the trade.

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