

Gulf Aluminium Council

## "A forum to develop strategies for common issues"

Mahmood Daylami, General Secretary of the GAC, in a talk with International ALUMINIUM Journal

The aluminium industry in the Gulf has been developing into a substantial hub in global terms. Not only has production capacity been established and expanded in various Gulf countries, but also diverse downstream industries have emerged over the years. Against this background, the GAC (Gulf Aluminium Council) was founded in March 2010 by the six primary aluminium smelters in the region – Alba, Dubal, Emal, Ma'aden, Qatalum and Sohar – to promote the interests of the aluminium industry within the region. Meanwhile, all the major companies engaged in downstream businesses – Alupco, Altaiseer Aluminium, Elite Extrusion, Garmco, Gulf Extrusions, Kalexico, Oman Aluminium Processing Industries – have become members too. At the Aluminium Dubai exhibition in May this year, this journal talked to Mahmood Daylami, general secretary of the GAC.

Asked to outline the Gulf Aluminium Council's objectives, Mr Daylami stressed the specific difference between GAC and other aluminium associations in different parts of the world. "We are not focused on political lobbying. GAC is more business orientated. Our main objective is to provide a forum to develop strategies for common issues related to operations, logistics, environment, human resources or health and safety – and to share best practices so as to improve the efficiency

of our industry all in all," he said. Accordingly, GAC takes care not to get involved in competitive-relevant commercial issues like marketing, production procedures, efficiency improvement or negotiations with suppliers.

As an example of common interest, Mr Daylami pointed to the topic of Spent Pot Lining (SPL). With the anticipated increase in the volume of SPL generation following the start-up of new smelters in the region, a special GAC task force has been formed with the mandate to establish a common approach to this subject. As a result, it was decided to appoint a leading technology supplier to conduct a feasibility study into building a centralised plant for all Gulf smelters to treat SPL materials. Another example of common interest: to reinforce its members' commitments to safety and environment protection, GAC will introduce annual Safety and Environmental Awards – separately for smelters and downstream processes – that will honour best practice initiatives.

GAC has created a Business Development Task Force consisting of senior representatives



Mr Daylami, general secretary of the GAC

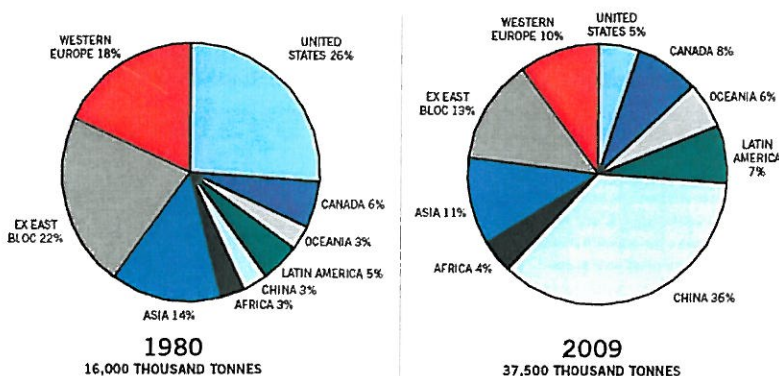
of the six member smelters. "We want to play a catalyst role for companies which have aluminium business interest in the Gulf and to encourage them to establish their base in the region," he said. The aim is to improve the availability of related materials, services, spare parts, expertise and logistics, and to reduce cost and time for all parties. "We are the only body able to bring six CEOs to a common meeting for a technology supplier to present his project. So he doesn't need

to visit them at six places."

GAC is a non-profit organisation financed by its member companies. "We also generate small income by offering training or by organising the Gulf Aluminium Dinner." Over 250 guests attended this event in March this year: senior executives from aluminium companies, technology providers and equipment suppliers, power generation manufacturers, traders, industrial aluminium users, raw material producers, service organisations, banks, suppliers and government officials. "The idea is to have chief executives from different parts of the world to get together in an informal, casual way – and thus to network and strengthen business relationship among one another," he said.

How important is the aluminium industry to the Gulf region, compared with other industrial sectors? "Aluminium is the major non-oil industry in the Gulf", Mr Daylami said. "The total investment is about 40 billion US-dollars. Another 10.5 billion US-dollars will be added by the Ma'aden project. The aluminium industry contributes four to twelve percent to the GDP, depending on the Gulf state. It employs some 11,000 people directly and about 30,000 indirectly. It is creating a lot of other small- and medium-size companies that feed the sector. The aluminium industry is also contributing toward training people in industrial business. We see a new generation of skilled people going into industry. Even women are joining the industry, which is a very positive sign."

PRIMARY PRODUCTION SHIFT BY REGION - 1980 COMPARED TO 2009



SOURCE: IAI, WBMS, RIO TINTO ALCAN ANALYSIS

Diagrams: GAC