Annual Report 2019

ZINC | international zinc association

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IZA Mission

Representing the zinc industry globally, to sustainably grow markets and maintain the industry’s license to operate through effectively managed initiatives in research and development, technology transfer, and communication of the value of zinc.
Chairman’s Letter

2019 was a milestone year for IZA in that it underwent a leadership change for only the second time in the Association’s 28-year history. Stephen Wilkinson stepped down as IZA’s Executive Director in April, following a 15-year tenure where he oversaw the consolidation of the regional zinc associations into a single, global voice. In addition to spearheading an expansion of IZA activities into China and India, Stephen led the launch of our Zinc Saves Kids partnership with UNICEF and a number of high-impact programs such as continuously galvanized rebar. We thank Stephen for his leadership and commitment to the global zinc industry and wish him the best in retirement.

Andrew brings with him a strong background in IZA and the zinc industry and will capably guide the Association into its next decade and beyond. In closing, I would like to note that the success of IZA would not be possible without the ongoing support of its members. Your investment enables IZA to maintain an effective leadership position on behalf of the world’s zinc industry. By combining resources through IZA, the industry can accomplish much more than any single company could on its own.
2019 was another busy and productive year for IZA, with significant progress made on many fronts. As the champion and advocate for the zinc industry, IZA works with its Members, governments, and other stakeholders to provide context, networks, and understanding of the essentiality of zinc to modern society.

In this regard, IZA has been very effective at engaging stakeholders at all levels of the zinc value chain. The Galvanized Autobody Partnership, Steel Utility Pole Coalition, and Zinc Nutrient Initiative are excellent examples where IZA programs with strong market potential have attracted high cost-sharing from customers in the steel, automotive, galvanizing, and fertilizer industries. And because these partners have a stake in the process, the path to policy change or market adoption is greatly accelerated.

Stakeholder engagement also helps establish trust and credibility, making our industry’s corporate social responsibility and sustainability activities even more relevant and impactful. IZA has forged multi-stakeholder partnerships between the zinc industry, governments, and NGOs through its support of health initiatives like Zinc Saves Kids with UNICEF, and the new partnership between IZA and World Bank on zinc in crops. These activities demonstrate a strong commitment to environmental research, sustainable development, and corporate social responsibility. Finding common ground and sharing expertise to solve complex issues has created a relationship of
In 2019, zinc consuming companies, third party contributors, conferences and other revenue contributed 49% of the total IZA funds under management.

transparency and trust, with many of these partners becoming advocates for zinc and the zinc industry.

Regulatory policies will continue to shape markets, but our ability to address them on an industry-wide basis has minimized the adverse business impacts, while at the same time enhancing the reputation of the zinc industry as environmentally responsible.

Looking ahead at our market development efforts, I am reminded that 60% of zinc consumption goes towards protecting steel from corrosion, but that only 6% of the steel in use globally has a protective zinc coating. A single-digit increase in this number represents a profound impact on the zinc market. IZA programs and staff are focused on maximizing value for our Members, through the expansion of zinc markets globally and maintaining the zinc industry’s license to operate. I am confident we will be successful in doing this.
Environment & Regulatory

Regulatory and sustainability issues play an influential role in shaping zinc markets. Despite much progress, the mining and metal industries continue to face scrutiny and challenges from local, national, and international regulatory agencies.

To address these challenges, IZA identifies emerging environmental issues on a regional and global scale and prepares scientifically sound and cost-effective strategies that can be used in advocacy programs in support of zinc products, market access, and granting a license to operate.

This commitment and the quality of the research has earned IZA a global reputation as a reliable source of information for not only IZA Members, but also for regulatory agencies, international organizations, and other industry associations. This standing has allowed the zinc industry to participate in regulatory discussions providing a conduit for industry concerns and ideas to be heard by the regulatory community, ultimately resulting in a more balanced and science-based approach to environmental regulations. It also connotes corporate responsibility and serves to build public trust through the industry’s active participation in sustainability, environment, and health stewardship programs.
IZA efforts on the International Maritime Organization (IMO) rules on the transportation and dumping of hazardous solid materials resulted in savings of $1-2 per tonne of shipped zinc concentrate.

IZA’s coordination of filing for compensation under the European Union CO2 Emission Trading Scheme (ETS) resulted in tens of millions of dollars in compensation to the zinc industry in Europe.

IZA played a key role in preventing the State of California from passing legislation that would ban the use of zinc oxide in tires.

IZA, in its role as REACH Secretariat for Zinc, Cadmium, and Indium, has successfully met all required deadlines for compliance.

IZA played a pivotal role in persuading the EU Commission to not include zinc on the prioritization list of chemicals under the Water Framework Directive, mitigating significant market implications.
IZA has taken a global lead through its Zinc Saves Kids initiative in advocating for programs aimed at addressing zinc deficiency. In 2019, IZA completed another successful partnership with UNICEF in Mexico which raised awareness about the importance of zinc with health care providers in the country.
IZA understands that environment and sustainability programs are integral to the future of the zinc industry and is committed to contributing scientifically sound facts in response to societal concerns and market trends.

Sustainability Recognition of Excellence

Dr. Frank Van Assche retired from his role as IZA’s Director of European Affairs in September of this year.

Frank has guided IZA’s European regulatory program since its inception, and the access zinc now holds in the EU marketplace is a testament to his leadership and foresight in setting the direction of IZA’s environment and regulatory activities these past 28 years.

IZA and its members are committed to the principle of sustainability, and this commitment is embedded in our sustainability charter and guiding principles. We believe that protection of the environment, open engagement on sustainability issues, and supporting sustainable development practices not only drive long-term prosperity for the zinc industry; they enable our customers to become more sustainable through the use of zinc products.

IZA launched a new zinc sustainability microsite that covers IZA’s sustainable development activities and the many ways the association and our Members are contributing to the United Nation’s SDGs.

https://sustainability.zinc.org
Zinc Coatings

**DEFEND**
existing applications against competition, particularly in automotive sector.

**EXPAND**
markets in developing regions with low intensity of zinc use.

**CREATE**
programs targeting specific markets like steel utility poles or galvanized rebar.

**ADAPT**
by offering zinc coating solutions based on specific application needs.
Regional Market Development

One focus of IZA’s market development efforts is to provide marketing support and technology transfer to regions currently showing low intensity of zinc use. This involves working with regional galvanizing associations and also interfacing directly with local governments, engineers, and specifiers. In 2019 IZA hosted galvanizing conferences in China and India and regional workshops in Guatemala, Singapore, and Malaysia.

New Applications

Another area of focus is to identify and target specific applications where zinc coatings are a logical fit, but market penetration remains low. In 2019 IZA launched a partnership with the American Galvanizer’s Association (AGA) and the American Iron and Steel Institute aimed at converting wood and concrete utility poles to galvanized steel. IZA also works with the AGA on promoting the use of galvanized rebar in bridge decks and other infrastructure projects through the Galvanized Rebar Focus Group.

IZA has also been very active in promoting the use of Zinc Thermal Spray (ZTS). Following a successful promotion of ZTS to the offshore wind energy industry, IZA has turned its focus to the bridge and shipping markets.

Paint is another important market for zinc and IZA is working to develop a water-based zinc paint formulation to meet more stringent VOC emission requirements and improve convenience of application.

Market Defense

IZA’s Galvanized Autobody Partnership (GAP) is working to ensure steel remains the material of choice in the automotive market. In addition to several processing advancements realized in 2019, GAP efforts promoted greater use of galvanized steel by Chinese and Indian automakers.

Growing Markets

Coatings to protect steel from corrosion represent nearly 60% of the market for zinc, and yet only 6% of steel produced annually is coated. Given the tremendous opportunity to expand zinc consumption in this sector, coatings are the main focus of IZA’s market development activities.
The Zinc Nutrient Initiative (ZNI) was launched to address zinc deficiency in crops and humans by adding zinc-fortified fertilizers to soils. Adding zinc to soils significantly increases crop yield, boosts zinc nutritional value in humans and improves farmer incomes. ZNI works closely with companies, governments and NGOs to address policy issues and to promote the benefits of zinc fertilizers to the farming community. Zinc in fertilizers now accounts for over 2% of the world market for zinc consumption, surpassing 375,000 tonnes in 2019.
A major milestone was reached in 2019 with the official launch of a zinc crops project with The World Bank to increase food security and nutrition.

World Bank is implementing the initiative through it’s ‘Rajasthan Agricultural Competitiveness Project (RACP).’ The program will take place in the Bonli, Sawai Madhopur cluster of Rajasthan, India where, according to the report of the Indian Council of Agricultural Research, Ministry of Agriculture and Farmers Welfare, Government of India, zinc deficiency in area soils can reach as high as 75%. Over 70 farmers are participating, with 50 hectares of land earmarked for the crop trials.
Communications and Technical Services

Print and Digital Documents
IZA produces a variety of print and digital publications that illustrate the versatility of zinc along with reference and technical information covering most zinc applications. IZA also publishes monthly newsletters highlighting current developments in each of the program areas.

Social Media and Outreach
IZA has built a diversified communications network of Government Agencies, NGOs, sector associations and downstream users with shared interests in promoting the benefits and value of zinc. In addition to significantly extending media reach, these partners serve as allies in championing positive zinc messages.

Websites
IZA maintains a public information hub on the web in support of zinc and IZA programs. The flagship site www.zinc.org is aimed at introducing the public to the many uses and benefits of zinc. IZA also maintains a series of technical microsites with specifications and engineering data on galvanized rebar, thermal spray and diecasting, among others.
Conferences
Meetings, seminars and the biennial Zinc College organized or sponsored by IZA contribute to networking opportunities and improved expertise and efficiency in our Members - and often their customers - businesses. IZA’s conferences also generate revenue that is reinvested in programs.

Technical Services
IZA’s GalvInfo Center offers technical advice on the manufacturing, performance, design and use of the zinc-coated steel sheet. GalvInfo Notes have been translated and distributed globally through IZA’s regional network and technical seminars are held annually. IZA provides a similar service for diecasters along with design seminars and a design competition.

Regional Activities
IZA staff and consultants participate in Region-specific activities, including technology transfer and training local suppliers; advocating for harmonized standards and market development programs for specific zinc applications. IZA is active in most regions of the world, including the Americas, Europe, Africa, the Middle East, China, India, and elsewhere in Asia-Pacific.
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