

PRESS RELEASE

The Clean Industrial Deal State Aid Framework is a missed opportunity

Brussels, 25 June. The adopted Clean Industrial Deal State Aid Framework represents a missed opportunity to restore Europe's industrial competitiveness. While it provides the long-awaited relief from high energy prices or support for consuming clean electricity, the accompanying over-regulations and burdensome conditionalities wipe off the benefits these measures could have brought. More worryingly, it penalises the already flailing industries for their stable and predictable consumption profile by placing on them the costs of subsidising non-fossil flexibility schemes.

Eurometaux President, Evangelos Mytilineos, Chairman and CEO Metlen, stated: "The CISAF released today is intended to deliver the rules and guidance for Member States, to provide much needed and targeted support to their energy intensive industries, to cope with excessive energy costs, which are 3-5 times higher than our global peers and at more than double the levels enjoyed until only a few years ago in the EU. Despite good political intentions, many restrictions and conditionalities have been inserted, compromising the effectiveness and applicability of the concepts continuing an established thinking, which has led to Europe's deindustrialization. with former similar frameworks, which were subsequently improved, we consider this just the beginning, therefore growing pains are predictable. Europe's non-ferrous metals industry expects immediate results, and this is how this Commission's initiatives will be judged".

Eurometaux Director General, James Watson stated: "The European metals sector operates in a highly competitive global market, facing rivals that are unburdened by excessive procedures, rules, or conditions when accessing state support. The Clean Industrial Deal State Aid Framework fails to live up to the Commission's political promises of "prosperity and competitiveness" and does little to simplify the current regulatory landscape. While we welcome the investment support for critical raw material production, it is crucial to ensure that all enabling conditions are in place to support a strong and sustainable metals sector in Europe."

The main challenge the metals industry faces is the cost of energy in Europe – up to 4 times higher than in the United States and twice as high as in China. The key to rebuilding the competitiveness of our Non-Ferrous Metals (NFM) industry lies in securing globally competitive production costs, starting with access to decarbonized energy. Europe's decarbonization will only succeed if paired with robust competitiveness. Without CISAF providing tangible and effective solutions to guarantee competitive energy access, any investment in decarbonization within Europe simply becomes unviable.

On the contrary, a thriving and globally competitive NFM industry would ensure the needed consumption of all power generation to be added to the grid, thus reducing the risk of cannibalization and providing investment certainty for more production capacity. It would also send out a positive signal for electrification of carbon intensive industrial processes.

For more information, please contact: James Watson, Director General, watson@eurometaux.be

About Eurometaux: Eurometaux is the voice of non-ferrous metals producers and recyclers in Europe. We are an umbrella association representing the interests of the combined non-ferrous metals industry towards EU policy makers. In total the industry employs directly 500,000 people and indirectly more than 3 million across over 900 production facilities, with an annual turnover of €120bn.

Eurometaux I European non-ferrous metals association

