

July 18<sup>th</sup>, 2025

**Joint declaration by Austria, Czechia, France, Greece, Hungary, Italy, Luxembourg, Poland, Slovakia, and Spain under the Ministerial Alliance for Energy-Intensive Industries.**

***Strengthening Europe's energy-intensive industries and securing our industrial future***

Europe's industrial foundation, long a cornerstone of our Union's success and economic security, faces **numerous challenges**. The industries that constitute the basis of European value chains – steel and non-ferrous metals, chemicals, cement, non-metallic minerals, and other energy intensive sectors - have to cope with high energy costs and fierce global competition.

Due to these factors, the European production capacity utilisation in these sectors has dropped. Moreover, global overcapacities and current trade tensions create a risk of trade diversion towards the internal market that could affect even further European production.

**The persistence of these difficulties threatens the long-term viability of these industries**, in a context where huge investments are required to transition the European production towards decarbonisation and more sustainable technologies towards net-zero by 2050, which constitutes an important element of the EU's economic security.

**The need for urgent intervention could not be clearer. As Ministers responsible for the economic future of Europe, we join our efforts, through an Alliance for the future of European energy-intensive industries.**

**There is a path forward: an ambitious implementation of the Clean Industrial Deal.**

Taking note of the Joint declaration of *Belgium, Spain, Italy, France, Luxembourg, Romania, and Slovakia* on an action plan for the European Steel Industry on February 27<sup>th</sup>, and the Information by *Spain, France, Hungary, Italy, the Netherlands, the Czech Republic, Romania, and Slovakia* on the situation of the European chemicals industry at the Competitiveness Council of March 12<sup>th</sup>, we want to underline the following priorities:

- **There is a need for improving the functioning of European carbon markets to ensure stability of the ETS carbon price and the Carbon Border Adjustment Mechanism (CBAM).** With regard to CBAM, the substantial review envisaged by the EU Commission that will be undertaken in 2025 will have to effectively address loopholes and provide concrete solutions, to prevent downstream and export carbon leakage, and to discourage resource shuffling practices.
- **Decarbonisation needs to be supported with competitive energy prices.** In this regard, the framework to compensate for the indirect costs of ETS emissions must thus be extended beyond 2030; furthermore, additional sectors that are both energy intensive and exposed to international trade should be able to benefit for indirect ETS cost compensation. Meeting the

needs of industrial decarbonisation requires a balanced approach that supports the use of technologies/solutions that bring us closer to climate neutrality, taking into account economic, environmental and social factors.

- **We insist on the importance of building a genuine Energy Union before 2030 as it will be instrumental to ensure the EU's competitiveness taking into account all clean solutions.** The issue of the competitive disadvantage linked to energy prices for our industry has to stay on the European agenda. We welcome the action plan on Affordable Energy as well as all other guidance aiming at reducing energy prices, in particular on decreasing the costs of electricity, while also advancing the reforms needed to ensure an efficient, stable and future-proof energy system. Additional measures to achieve this goal should also be considered.
- **The risks of trade diversion from other regions towards the internal market, following trade policy measures implemented by third countries must be reduced** by close monitoring of imports of products from third countries into the internal market, and to adopt appropriate measures where needed.
- **Promoting a level-playing field** through continued vigilance and action are necessary to acknowledge and mitigate, through appropriate policies, the competitive disadvantage faced by our industry in relation to other major producers.
- **Appropriate use of the EU toolbox in certain markets to guarantee level playing field and combat unfair trade practices and global industrial overcapacities**, including through a reform of the current toolbox announced by the Commission. We are looking forward to appropriate and effective protective measures for the European steel industry beyond 30 June 2026, as announced by the Commission in its Steel and Metals Action Plan in March.
- **Lead markets play a key role to de-risk first of a kind decarbonisation investments and reward first movers in Europe and should be implemented shortly.** The *Industrial Decarbonisation Accelerator Act* should include lead markets that provide clear market perspectives for first movers in deep decarbonisation. In case of a fragmented market creation for low-carbon and renewable technologies and green products that are made in the EU, a demand-driven approach from the EU can help.
- In this context, **the inclusion of European sustainable, resilience and preference criteria in EU public procurement must be pursued**, also in view of the planned revision of the procurement framework scheduled for 2026. Public procurement policies are a powerful tool, so as to help overcome barriers to market entry and to support sustainable and resilient industrial ecosystems, jobs and value creation in the EU. EU engagement on this is necessary, subject to prior impact analysis for businesses, citizens, market forces and government.
- **Investment is the cornerstone of Europe's industrial renewal.** Investments are necessary, to accelerate innovation and its market uptake and to enable the development of new decarbonised production capacity and the modernization of existing capacity, and enable more collaborative and targeted approaches at the EU level. Having regard to the challenges to the EU's competitiveness, it is of paramount importance to create truly integrated and deeper European capital markets, by achieving the Capital Markets Union as a matter of urgency and completing the Banking Union. Furthermore, we support the Commission in presenting measures

to ensure that foreign investments in the EU better contribute to the long-term competitiveness of EU industry, its technological edge and economic resilience, as well as the creation of quality jobs in the EU.

- The overall investment climate for energy-intensive industries must also be made more favourable by **removing unjustified barriers to the internal market** and by simplifying the regulatory and administrative framework, including reporting obligations and permits, while upholding high environmental and social standards.
- **The creation of quality jobs and a workforce that is equipped with the right skills is essential** for the EU's future long-term competitiveness.
- **Circularity must become a strategic pillar of European industrial policy** to avoid depriving this sector of critical resources, promoting resource efficiency and reducing waste, ultimately fostering sustainable market creation and long-term economic growth. Recycling is a strategic source of raw materials for the EU's energy-intensive industries and recycled materials, including metal scraps, should be treated accordingly.

**The members of the Alliance reassert their intention to work together to present common perspectives on these priorities to accelerate European initiatives in the context of the European Clean Industrial Deal and the Industrial Decarbonisation Accelerator Act. Collaboration across Member States and their regions, across industrial ecosystem will be key for our future competitiveness. We will also continue our close exchange on trade policy developments and measures in the existing relevant fora.** Together through this new Alliance, we can safeguard Europe's industrial future, ensure a just transition to a decarbonised and sustainable economy, and position ourselves as leaders in the global industrial renaissance.