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From:	General Secretariat of the Council
To:	Delegations
Subject:	AOB for the meeting of the Competitiveness Council on 08 December 2025: Strengthening Europe's energy-intensive industries and securing our industrial future <i>- Information from France, Italy, Poland, Slovakia and Spain</i>

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

The **Joint declaration of the Ministerial Alliance for Energy-Intensive Industries**, titled "*Strengthening Europe's energy-intensive industries and securing our industrial future*", signed on 18th July 2025 by ten Member States (Austria, Czech Republic, France, Greece, Hungary, Italy, Luxembourg, Poland, Slovakia, and Spain), **highlights the following priorities regarding:**

- **European carbon markets:** stability of the ETS carbon price and revision of CBAM;
- **Energy:** competitive prices and build a genuine Energy Union;
- **Trade:** risks of trade diversion from other regions towards the internal market, promote a level-playing field, appropriate use of the EU toolbox in certain markets;
- **Decarbonisation efforts:** develop lead markets, sustainable, resilience and preference criteria, notably in EU public procurement and financial support schemes, promote circularity. 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.

- **Investments:** remove barriers to the internal market and create quality jobs.

In these days, the **European Commission is expected to publish several legislations and policies** that represent key steps to relaunch European competitiveness of energy intensive industries and to support a sustainable transition:

- on 3rd December the “Economic Security Package” including the “RESource EU”;
- on 10th December:
 1. the forecasted “Industrial Accelerator Act”,
 2. the two proposals for the CBAM revision, including measures to effectively address loopholes and provide concrete solutions to prevent downstream and export carbon leakage, and to discourage resource shuffling practices.

As regards **critical and strategic raw materials**, RESource EU stands as a flagship initiative for European strategic autonomy in the realm of critical raw materials with the aim of securing access to alternative sources of materials for European industry. Main actions include: (i) speeding up critical material partnerships with countries (Ukraine, Australia, Canada, Kazakhstan, Uzbekistan or Chile), (ii) enhancing Europe’s domestic recycling efforts, (iii) joint purchasing and stockpiling and (iv) boosting investment in strategic projects for production and processing of critical raw materials.

Furthermore, the Commission recently announced the creation of the **Critical Chemical Alliance**, to be convened for the first time in early January 2026. Its mandate will be to develop criteria for identifying key chemical molecules and production sites that are essential for maintaining Europe’s critical industrial capabilities, thereby paving the way for targeted support and safeguard measures, and for the related legislative initiatives. The Commission will draw on the work of the Alliance to outline a complex roadmap for defining new strategic industrial policy directions for a sector facing the challenges of transitioning to more sustainable and technologically advanced productions and molecules, for which the appropriate industrial assets and reference markets need to be developed.

As regards the **steel, aluminium and ferroalloys sectors**, there is the need to ensure a framework of fair conditions in international trade, technological neutrality for the clean transition, competitive energy prices, and a framework that ensures the availability of scrap.

In view of the expiration of the steel safeguard measure in June 2026, the Commission presented in October a new instrument to protect the EU steel sector from unfair impacts of global overcapacity. We underline the importance of completing swiftly the legislative process and setting an appropriate review mechanism, with the aim of ensuring that the Regulation can be in place ahead of June 2026, when the current safeguard measure expires. In addition, we welcome the decision to impose definitive safeguard measures on imports of certain ferroalloys and encourage the European Commission to also consider implementing trade protection on other products, such as silicon, in the coming months.

Scrap also plays a crucial role in reducing dependency on critical raw materials and in supporting the circular economy and decarbonisation, thanks to the significant energy and CO₂ savings enabled by recycling. It is therefore essential to adopt effective measures to address these shortages by recognising the strategic importance of metal scrap, monitoring and addressing exports, and promoting the development and use of high-quality secondary raw materials within the EU.

Finally, protection of EU market from unfair competition goes beyond the steel and aluminium sectors, as now witnessed by the textile and the recycling of plastic sectors. EU's strong focus on product regulation, that will be strengthened by the implementation of the Ecodesign regulation, combined with the lower energy costs and environmental standards in many geographical areas, could result in endangering EU market integrity, competitiveness, consumer's safety and to disrupt recycling industry. Reaching the European goals in this field implies a substantial strengthen of market surveillance, to ensure that all products sold in the EU, included those that are imported, are safe, and sustainable, and compliant with EU requirements. However, a reality check of targets set by relevant EU acts should be run, taking account of current technical and economic capabilities.

The proponents advocate for urgent actions at EU level in all these fields and in particular for measures to protect EU industries from products that do not comply with Union standards, create market distortions and hinder reaching the overall competitiveness targets set by the European Union legislation.