



Brussels, 28th of May 2015

Margrethe Vestager
Commissioner
European Commission

Dear Commissioner,

The competitiveness of the European non-ferrous metals industry, represented by Eurometaux, is very fragile and threatened by forthcoming policy orientations currently being debated by the European Commission; namely the post-2020 Emissions Trading System reform and redesign of the EU electricity market.

Our particular concern relates to the compensation mechanism for the CO₂ costs passed on in European electricity prices (indirect CO₂ cost compensation). We are in a specific situation in terms of exposure to global competition and the impossibility of passing on those additional regulatory costs down the value chain, as our product prices are set via global pricing mechanisms, such as London Metals Exchange.

In order to contribute proactively to EU discussions on this subject, Eurometaux has taken the initiative and – with the support of Dutch consultancy Ecofys - analysed the current situation for compensation of indirect CO₂ costs (State aid (national) models).

This has enabled us to develop an alternative proposal for establishing an EU-wide compensation system, which would avoid internal market distortions and at the same time increase the competitive position of European electro-intensive industries.

I would therefore like to ask you if Members of your cabinet would be available in the coming days to meet with a representative of Eurometaux to elaborate further on the study and other relevant aspect of the EU ETS post 2020 reform and future EU electricity market design.

Yours sincerely

Guy Thiran, Director General

Al Cu Ni Pb Sn Zn Au Ag Pt Sb W Be Si Cr Co Mo Ge V Mn Ir Ru Rh