

Mrs Ursula von der Leyen  
President of the European Commission

Friday, 21 February 2020

Dear Commission President, Dear Ms von der Leyen,

Following our letter of 26 September 2019, we would like to renew our meeting request between you and the CEOs of the EU steel industry at your earliest convenience.

Our industry has the ambition to reduce CO<sub>2</sub> emissions by 30% by 2030 and at least by 80 to 95% by 2050, if we are enabled to stay competitive during and beyond the transition towards carbon neutrality. We therefore propose a 'Green Deal on Steel' that would address about 25% of industrial emissions in Europe. Only if the EU is successful in this will other countries around the globe follow.

Steel has been, is, and must remain at the heart of Europe. It is the foundation, and enabler, of many important European value chains and is at the core of the circular economy. Steel is the most recycled material in the world and the thousands of innovations EU steel contributes to are a resource for both current and future generations of European citizens.

The Commission's priorities, notably with regard to a European Green Deal and A stronger Europe in the world, give us hope that we will be able to emerge strongly from the current steel crisis. Your proposals, such as that for a European Climate Bank and for Carbon Border Adjustment as part of a broader improvement of the regulatory framework, receive our support. It is however vital that a carbon border measure is applied - for a transition period - in addition (!) to the existing, limited scope of carbon leakage measures (free allowances/compensation).

Working together, we could transform the climate challenge into an opportunity for industry, and for Europe, to lead the way. With the right conditions in place, notably including a supportive regulatory framework and reliable supply of CO<sub>2</sub>-low and CO<sub>2</sub>-neutral energy at affordable rates, the European steel industry would be empowered and fully committed to contributing to the EU's climate objectives. We have the ambition to implement several industrial-scale demonstrators as soon as possible. To make this happen, we need a Green Deal on Steel that establishes a just transition and the right conditions, such that 'green steel' will find its place in the market despite higher capital investment and operational costs.

We include the European Steel Association's 'A Green Deal on Steel' discussion paper for your information – this paper highlights some of our ambitions and key policy objectives.

We need to meet – and to act – quickly to start delivering already within the term of the new Commission. We thank you for your kind consideration of our meeting request and remain at your disposal for any further information you may require.

Yours sincerely,



The European Steel Association (EUROFER)

Annex: EUROFER's discussion on paper on 'Green Deal on Steel'