

Tuesday, 10 December 2019

Ms Kadri Simson
Commissioner for Energy
European Commission

Request for a meeting with the [REDACTED] EU steel industry

Dear Ms Simson,

On behalf of the European steel industry, I would like to congratulate you on your appointment as *Commissioner for Energy*. We wish to support the new Commission's priorities and political guidelines and are looking forward to a fruitful co-operation with you on the policy areas under your portfolio which are of vital relevance for our sector.

Our industry has been, is and must remain, at the heart of Europe. It is the foundation 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 EU steel industry has been brought low by the extremely challenging economic situation and global trade distortions. Our present circumstances are the result of other regions' state support to trade, export-oriented overcapacity build up, and low environmental ambitions. EU steel imports are at record levels – about 30 million tonnes of 'finished' products – and this is a direct consequence of these unfair practices abroad. Moreover, these imports, on average, have a much higher CO₂ footprint – in certain cases even five times higher – than steel produced in the EU.

The guidelines for the new Commission give us hope that we will be able to emerge strongly from the current steel crisis. We support the initiatives for a *European Green Deal*, for a *new Sustainable Europe Investment Plan* and a *stronger Europe in the world*. Working together, we could transform the challenges into opportunities for our industry, and for Europe, to lead the way.

With the right conditions in place, notably including a supportive regulatory framework and a reliable supply of CO₂-lean and CO₂-neutral energy and infrastructure available at affordable rates, the European steel industry would be empowered to contributing to the achievement of the EU's climate objectives. We would be able to develop, upscale and roll-out technologies that could reduce our sector's CO₂ emissions by at least 80-95% by 2050. To make this happen, we need a **European Green Deal on Steel** that establishes a just transition and the right conditions, such that CO₂-lean and CO₂-neutral steel can find its place in the market despite the higher capital investment and operational costs. If the EU demonstrates that the decarbonisation of the sector is possible without risking its competitiveness or market share as a result of CO₂ abatement costs, other regions of the world will follow our path.

We would like to take this opportunity to propose a meeting between you and the CEOs of the European steel industry at your earliest convenience to present our *proposal for a regulatory framework for Co₂-lean steel produced in Europe* and further discuss *how to meet the demand of industry for affordable, secure, reliable and clean energy*, ensure that the *missing infrastructure for new technologies is in place at the right moment during the transition*, but also proposals such as the new *Carbon Border Tax* and the new *Just Transition Fund* to support industrial and energy intensive regions.

We thank you for your consideration of our meeting request and remain at your disposal for any further information you may require.

Yours sincerely,

