

Press statement

Following the Commission package on [Net-zero Industry](#), [Critical Raw Materials](#), [Hydrogen Bank](#), [competitiveness](#) and the Council meeting on the revision of the Industrial Emissions Directive, EUROFER has published its [Position Paper on industrial policy](#).

EUROFER asks for an EU industrial policy that provides a strong business case for green investment in Europe

Brussels, 16 March 2023 – A successful EU industrial policy requires a value chain-based approach, with steel as an integral part of the Net-Zero Industry Act. To ensure that the EU remains competitive in the greatest transformation of the industry towards climate-neutrality, it is essential to adopt disruptive thinking and innovative measures to create a more attractive green investment environment whilst securing the EU’s strategic autonomy. The European Steel Association (EUROFER) details its comprehensive vision in a new policy paper covering all industrial policy fields relevant for a green, decarbonised and prospering European manufacturing industry, including energy and climate, environment and circularity, investment, trade, internal market and skills.

Axel Eggert, Director General of EUROFER, released the following statements:

On the Net-zero Industry Act

“Steel is essential for a climate-neutral economy. From renewables to electric vehicles, the clean-tech value chains are dependent on steel: more than 74 million tons of additional steel production will be required just for reaching the EU renewables targets. This is why we ask for a more encompassing EU industrial policy with a stronger value chain-based approach, putting steelmakers in a position of investing in green technologies whilst staying competitive at global level. While this package is a first step for some sectors, more should be done in light of massive global steel overcapacity endangering the EU’s green transition by pushing millions of tons of high CO2 footprint steel on open markets such as the EU. The EU-US Global Arrangement on Sustainable Steel and Aluminium, envisaged by Commission President Ursula von der Leyen and US President Joe Biden is a unique opportunity to enhance the decarbonisation of the global steel industry and push back unsustainable steel capacity built up around the world. The EU must not fail in concluding an effective arrangement with the US meeting the deadline of October 2023”.

On the Critical Raw Materials Package

“The steel sector - which is crucial for green, digital, space and defence applications – already now recycles millions of tonnes of ferrous scrap. With the transition to green steel, our scrap

needs will drastically increase with shortages expected before 2030. This is why also scrap should be included in the list of critical raw materials, as well as all nickel products. Favouring only the nickel battery grade could impact the overall nickel availability, in particular for the stainless steel sector. The inclusion of manganese, on the contrary, is a little step forward”.

On the Hydrogen Bank

“The steel sector alone will need at least 2 million tonnes of hydrogen in the next few years for the transition. It is key that the new Hydrogen Bank prioritises supply and infrastructure development based on sectors’ emissions abatement potential, favouring hard-to-abate industries with the highest impact in reducing CO2 emissions”.

On the Industrial Emissions Directive

“We are disappointed by the fact that in the current Council text no provisions are foreseen for sectors undergoing deep industrial transformation. Moreover, despite the lack of a clear favourable relationship between social benefits and economic costs showed by the Commission assessment, there is only limited improvement in the scope for the processing of ferrous metals”.

Notes for editors

Contact

Lucia Sali, Spokesperson and Head of Communications, +32 2 738 79 35, (l.sali@eurofer.eu)

About the European Steel Association (EUROFER)

EUROFER AISBL is located in Brussels and was founded in 1976. It represents the entirety of steel production in the European Union. EUROFER members are steel companies and national steel federations throughout the EU. The major steel companies and national steel federations in the United Kingdom and Turkey are associate members. The European Steel Association is recorded in the EU transparency register: 93038071152-83.

About the European steel industry

The European steel industry is a world leader in innovation and environmental sustainability. It has a turnover of around €170 billion and directly employs 330,000 highly-skilled people, producing on average 160 million tonnes of steel per year. More than 500 steel production sites across 22 EU Member States provide direct and indirect employment to millions more European citizens. Closely integrated with Europe’s manufacturing and construction industries, steel is the backbone for development, growth and employment in Europe.