

STATEMENT ON THE EUROPEAN GREEN DEAL

Brussels, 11/12/2019 - The European Green Deal shows great promise and an ambitious vision, especially in terms of addressing some of the environmental challenges the Union is facing. Most of these ambitions will need to translate into concrete actions to support a successful industrial transformation in the coming years.

CEMBUREAU welcomes the recognition that the cement industry is indispensable to Europe's economy, as it supplies several key value chains. As key construction materials for renewable energy equipment, sustainable buildings and mass transit transport, cement and concrete indeed offer the opportunity to accelerate the creation of a carbon-neutral Europe.

The European Commission's strong emphasis on the circular economy is also very positive. The cement industry has a central role to play on this front, through the use of a variety of waste streams as alternative fuel and raw materials in our production processes and down the value chain, where concrete is a fully recyclable product.

The Green Deal also underlines the key role that an effective EU industrial strategy will play in delivering carbon neutrality. We find it is essential that the Green Deal creates a regulatory environment which incentivises investment in low-carbon technologies, provides long-term legal certainty and fosters the industry's global competitiveness.

In this respect, the fact that a carbon border adjustment mechanism is proposed only as an alternative to carbon leakage measures is problematic. Energy-intensive industries such as cement already face a shortfall of allowances under the ETS rules, increasing the production cost and the risk of production being offshored. In this context, the replacement of the existing carbon leakage measures by an untested mechanism would create considerable uncertainty and risks. On the contrary, the EU should look at a design that complements the existing carbon leakage measures, whilst being fair for third country importers and EU producers. We stand ready to support this work.

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