

P R E S S R E L E A S E

2040 Climate Target: A robust plan needed for securing full EU value chains

Brussels, 6 February 2024: “The European Commission must urgently accompany today’s 2040 Climate Target proposal with a comprehensive EU Industrial Deal for competitiveness and growth. For industry to thrive across the next two decades, we need more carrots and fewer sticks, and a policy framework that creates a real business case across full value chains”, said Guy Thiran, Director General of Eurometaux (Europe’s metals association), after the European Commission published its 2040 Climate Target communication for a 90% reduction in greenhouse gas emissions.

“We as the metals industry are a proud enabler of Europe’s clean tech manufacturing ambition, supplying strategic raw materials for batteries, grids, renewables, hydrogen and more. By 2040, we aim to be a global leader in responsible production, material stewardship, and recycling. We must also undergo a profound transformation in our commitment to 2050 climate-neutrality, investing into new capacity and emissions reduction at an unprecedented speed and scale”.

“More than just ambition, Europe needs a robust plan across all policies for taking us and other industries forwards through 2030 and towards 2040, tackling the near-term deindustrialisation and job losses threat”.

The Critical Raw Materials and Net Zero Industry Acts have set welcome production goals for Europe to grow its metals supply chains in the next six years for clean technologies. But much of the EU’s existing metals capacity has already experienced carbon and investment leakage, including 50% of aluminium, zinc, and silicon capacity curtailing in the last two years. And new raw materials investment has started to redirect to the US, where the Inflation Reduction Act incentives provide the simplicity and certainty that Europe can’t yet equal. Other countries with a higher carbon footprint are ramping-up capacity to meet rising global demand.

Evangelos Mytilineos, Eurometaux’s President, commented: “After four years of unprecedented geopolitical challenges, the path forward is likely to be an equally turbulent one. Securing the raw materials Europe needs will be of ever-growing strategic importance. This means acting now to position resilience and economic security at the centre of 2030 and 2040 climate goals. It’s through thriving European industrial value chains that we’ll deliver, and real incentives that go beyond the approach until now of targets and regulation-driven costs”.

“Every tonne of metal that Europe stops producing at home will be replaced by higher-carbon imports from the capacity ramping up abroad. For security and sustainability, let’s deliver on the EU’s long-term climate ambition through a full value chain approach to building-up our strategic industries, not relinquishing them”.

On top of its rich industrial base, the metals industry has over 90 supply chain projects ready to contribute to the EU’s raw materials resilience goals, with a leading environmental and climate performance. While welcoming the Critical Raw Materials Act’s permitting improvements, the sector has called for a more comprehensive package of enabling EU policies to unlock its full potential and reduce unique policy-driven costs. This includes agile finance for de-risking investment, globally competitive energy prices, regulatory alignment, assertive trade measures, and market incentives – on top of reinforced carbon leakage protection.

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About Eurometaux: Eurometaux, Europe’s metals association, is the united voice of non-ferrous metals mining, processing, and recycling companies in Europe, covering the full scope of the Critical Raw Materials Act and providing 500,000 direct jobs today. It also directly represents industry associations for aluminium, cobalt, copper, nickel, lead, lithium, zinc, precious metals & silicon, among others

