

Clean Industrial Deal

February 2025

The Clean Industrial Deal is our business plan to **accelerate decarbonisation** and **competitiveness** for European industry - by boosting innovation and reinforcing our resilience.



Become **climate neutral** by

2050

The Clean Industrial Deal **focuses on:**



Energy-intensive industries

to safeguard competitiveness from high energy costs and unfair global competition



Clean-tech sector

to allow it to expand in the EU as it is a key enabler of competitiveness and decarbonisation



6 core business drivers:

Affordable Energy



Europe's energy prices are higher than those of trading partners, impacting competitiveness, especially for energy-intensive sectors



- [Affordable Energy Action Plan](#) will lower energy costs for business and citizens
- Tackling volatile prices by making Power Purchase Agreements more attractive for industrial users
- Switch to domestically produced clean energy



- ➔ Increase economy-wide electrification rate from 21.3% to 32% in 2030
- ➔ Install 100 GW of renewable electricity capacity every year until 2030



Lead Markets



Lack of stable and predictable market demand for clean tech products



- Foster demand for clean products made in the EU by introducing sustainability, resilience and European preference criteria in EU public procurement for strategic sectors
- Product label indicating carbon intensity to allow businesses to reap a "green premium" and inform consumers



- ➔ Reach 40% of domestically produced key components of clean tech products on the EU market



Financing



Not enough investments to support decarbonisation, electrification and competitiveness of the industry,



- Increase the firepower of the Innovation Fund by more synergies between existing funding instruments
- Leverage private investment by amending InvestEU
- Simplified State aid rules will give Member States more flexibility to support decarbonisation



- ➔ The Clean Industrial Deal will leverage more than € 100 billion investments supporting the industrial transition



Circularity and Access to Materials



High dependence of EU industry on critical raw materials. Materials are not reused sufficiently, precious materials are being thrown away



- Ensure lower prices and higher availability for critical raw materials by organising joint purchases (through an EU Critical Raw Material Centre)
- The New Circular Economy Act will reduce dependencies on primary materials imports and create business opportunities



→ Increase circular material use rate from 11.8% today to 24% by 2030



Global Markets and International Partnerships



The EU has scarce primary materials needed for the clean transition. There is a global race for access to markets, raw materials and new technologies



- Give European companies better access to third markets and essential inputs via trade agreements and Clean Trade and Investment Partnerships which will diversify sources of supply
- To address global overcapacities being redirected to the EU market, the Commission will intensify international and multilateral cooperation



→ To ensure the largest possible share of the global market for clean technologies worth USD 2 trillion in 2035



Skills Enhancement



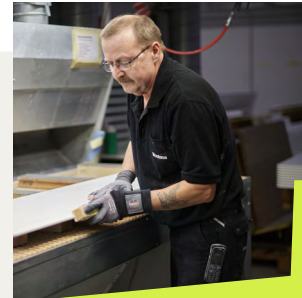
Businesses need access to workers with the right skills. Offer quality jobs and ensure just transition



- A new Union of Skills will ensure a skilled workforce for strategic industries, promote quality jobs and support workers in transition



→ Reduce the number of occupations requiring specific skills or knowledge for the clean transition where at least five Member States reported a shortage. In 2024, in 27 occupations at least 5 Member States reported a shortage



Simplification



Complex regulations and administrative barriers can hinder industrial growth and the implementation of clean technologies



- Streamline regulatory processes to facilitate faster adoption of innovations and reduce bureaucratic hurdles for businesses, including SMEs



→ Speed up permitting for industrial decarbonisation projects
→ Simplify State aid rules by 2025 to accelerate clean energy roll-out and support industrial decarbonisation
→ Enhance coordination between EU and national policies to reduce red tape and leverage the scale of the Single Market

