

PRESS RELEASE – 20 December 2021

CERAME-UNIE CALLS FOR ACTION OF THE EU LEADERS ON THE ENERGY AND CARBON PRICES INCREASE

The European ceramic industry would like to call for action of EU leaders on the topic of the energy and carbon price crisis. The crisis has hit most of the European countries and consequently most ceramic producers are facing unprecedented increases of their energy bills. Our members have reported an increase beyond 50 per cent in the cost of natural gas within 2021, with figures reaching even 200 per cent in Austria and 300 per cent in Portugal, Italy, Spain and the Netherlands. The increase in the cost of electricity within the last year amounted to around 100 per cent, reaching maximums of 300 per cent in the Netherlands and 400 per cent in Italy and Spain. While demand for European ceramic products is strong, such increase in energy costs threatens the ability of many companies to operate in the short term and will lead to irreversible decisions of relocation.

This situation is clearly unsustainable especially considering the decarbonisation challenges ahead of the industry. The ceramic industry has just launched its new Ceramic Roadmap by 2050 (https://bit.ly/3nq7FJS), which shows the many challenges industry has to face to achieve decarbonisation goals. It also assesses the amounts of different alternative fuels industry will need to use by 2050, highlighting the increased demand, for example, for electricity and the remaining need of natural gas at sustainable prices for the transition period, to allow the necessary investments. The current market situation however does not bring any incentives towards moving to more low carbon fuels and electricity.

"This crisis comes ahead of the discussions on the "Fit for 55" package and so the solutions must be also reflected there. There are many instruments that can be used. Through the reform of the Emissions Trading System (ETS) rules and mechanisms must be put into place to prevent such disconnection of the carbon price from reality and to limit such sudden increases." – said Renaud Batier, Cerame-Unie Director General – "On the other hand on the energy markets – the Gas decarbonisation package comes just in time. Strengthening the provisions on gas storage and allowing for joint procurement of strategic gas stocks should be a step in right direction".

"We need urgent common action from the EU leaders" – said Alain Delcourt, Cerame-Unie President – "The EU leaders must ensure that our decarbonisation goals are met cost effectively, and this will be difficult, if not impossible, at the current level of energy and carbon prices". Urgent temporary measures should be undertaken now, with a view to more long-term solutions on both, the energy and carbon markets.

The European ceramic industry covers a wide range of products including abrasives, bricks & roof tiles, clay pipes, wall & floor tiles, refractories, sanitaryware, table- & ornamentalware, technical ceramics, expanded clay and flower pots. The industry generates over 200,000 direct jobs and a production value of €31 billion in the EU.

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