



# Competitiveness Compass and Clean Industrial Deal

Overview and implementation steps

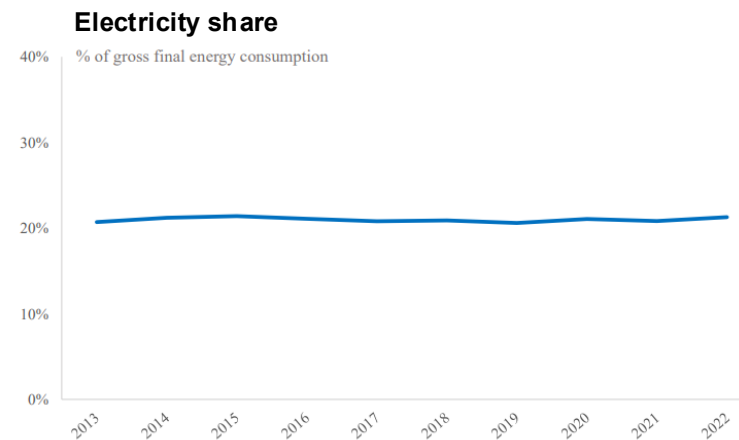
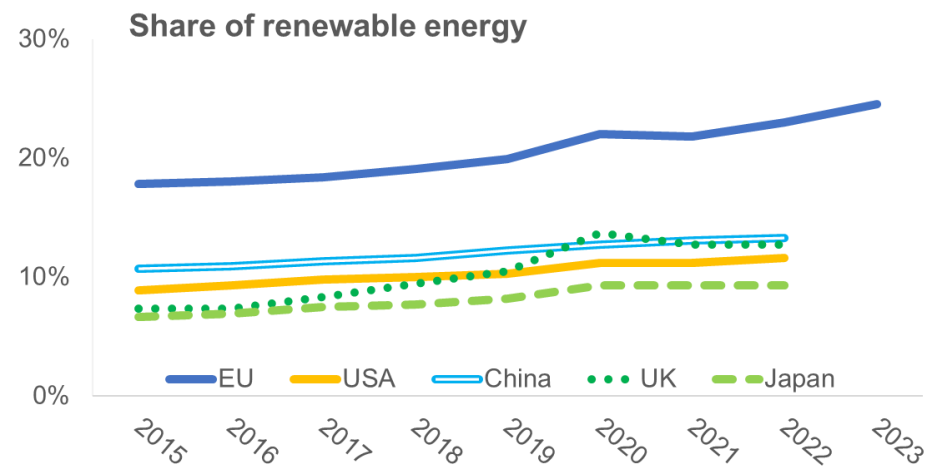
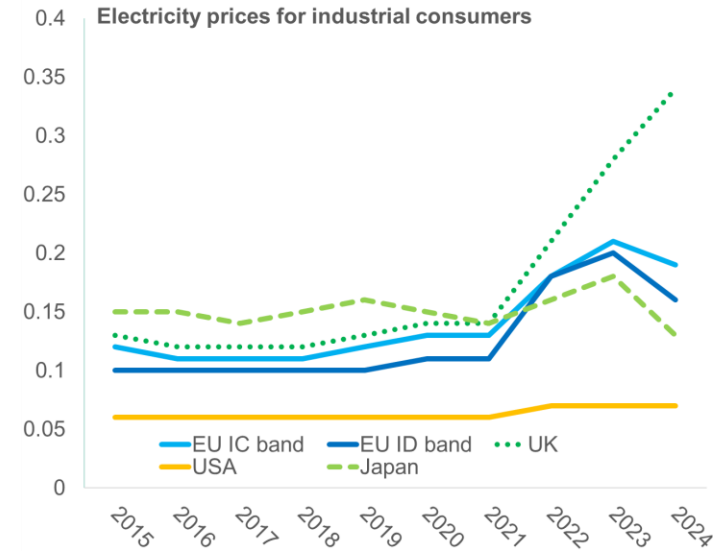
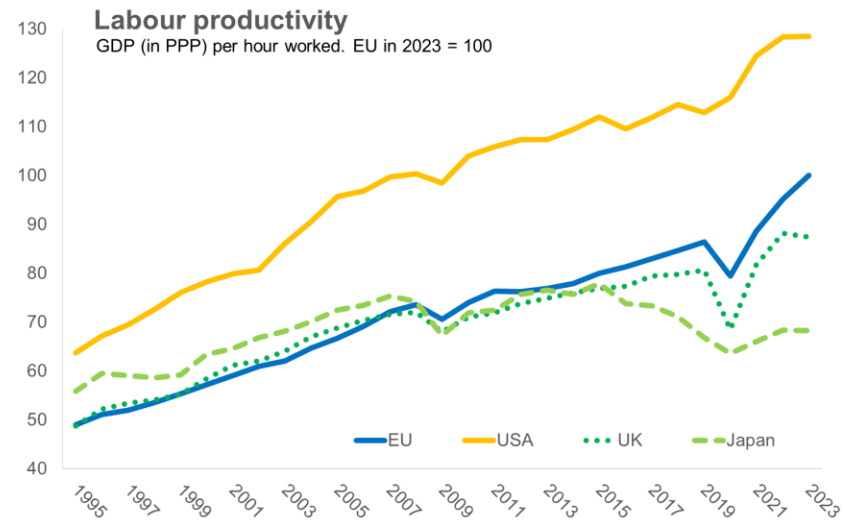
EBO Worldwide Network Annual Meeting, 3 June 2025

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*Unit GROW.A4 – Strategy: Single Market and Industrial Policy*

### COMPETITIVENESS COMPASS



# Analytical context: 2025 Annual Single Market and Competitiveness Report



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**

**Lead Markets**

**Financing**

**Circularity and Access to Materials**

**Global Markets and International Partnerships**

**Skills Enhancement**

**+ Horizontal enablers,  
such as simplification**



## Affordable Energy



- Action Plan for Affordable Energy to lower energy costs
- Recommendation to Member States to lower taxation on electricity and reduce network charges
- Uptake of **Power Purchase Agreements**: EIB counter-guarantees: € 500 million pilot + € 1.5 billion for EIB Grids manufacturing package (Q1 2026)
- **Accelerating the roll-out of renewables and clean tech:**
  - Clean Industrial Deal State aid framework (Q2 2025)
  - Industrial Decarbonisation Accelerator Act: Speed up permitting for industrial access to energy & decarbonisation (Q4 2025)
  - European Grid Package (Q1 2026)

KPI → Increase economy-wide electrification rate from 21.3% today to 32% in 2030

KPI → Install 100 GW of renewable electricity capacity every year until 2030



## Lead Markets



- **Foster demand for clean products by strengthening non-price criteria: sustainability, resilience & Made in EU content requirements:**
  - Industrial Decarbonisation Accelerator Act (Q4 2025)
  - Public Procurement Framework (Q4 2026)
- **Use of non-price and Made in EU criteria** in EU budget, national support programmes, as well as public and private procurement
- **Product labels/standards** on carbon intensity to allow business to reap a “green premium” and inform consumers: Accelerator Act (steel), CPR (cement)
- **Stronger hydrogen business case:** clearer rules on low carbon hydrogen (Q1 2025); Hydrogen Mechanism to facilitate demand aggregation by industrial users (Q2 2025)

KPI → Reach 40% of domestically produced key components of clean tech products on the EU market

KPI → Decrease external vulnerabilities for Clean industrial Deal products as measured by the External Vulnerability Index (EXVI) from 0.19 today

## Financing



- **Leverage private investments by amending the InvestEU risk bearing capacity:** mobilising around EUR 50 billion (investment omnibus - Q1 2025)
- **Increase the firepower of the Innovation Fund** - €6 billion in 2025: Industrial Decarbonisation Pilot (€1 billion, 2025), Hydrogen Bank call (€1 billion, 2025), batteries call (2025)
- **Industrial Decarbonisation Bank** (up to €100 billion, Q2 2026)
- **Horizon Europe call** to support fit-for-deployment projects (€600 m, WP26-27)
- **EIB initiatives (powered by InvestEU and ETCI):** e.g. TechEU programme for disruptive innovation & scale-ups, PPA pilot, EIB Cleantech guarantee & EIB Grids
- **National funding:** Simplified Clean Industrial Deal State Aid framework (Q2 2025); IPCEI design support hub in 2025; recommendation for tax incentives to support the Clean Industrial Deal (Q2 2025)



## Circularity and Access to Materials



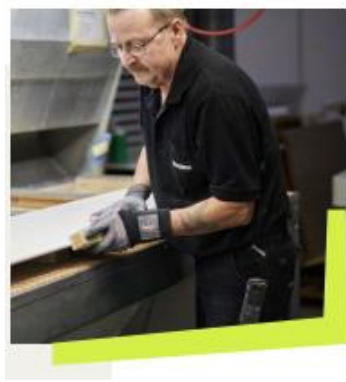
- **Critical Raw Materials Act:** First list of Strategic Projects to step up supply chain resilience (Q1 2025: approved on 25/03)
- **EU Critical Raw Materials Centre** for joint purchases and management of strategic stockpiles (Q4 2026)
- **Ecodesign for Sustainable Product Regulation work plan adoption** (Q2 2025) and **Circular Economy Act** to ensure a true Single Market for waste and for secondary materials (Q4 2026)
- **Specific measures on black mass**
- **Green VAT** initiative to support circularity (Q4 2026)

# Global Markets and International Partnerships



- Better access via **international partnerships and more targeted international cooperation**: launch negotiations for first Clean Trade and Investment Partnership; Trans-Mediterranean Energy and Clean Tech Cooperation initiative (Q4 2025); G7 work
- **Carbon Border Adjustment Mechanism (CBAM)**: Simplify (Q1 2025); review to possibly extend to other ETS & downstream sectors, support exporters, close loopholes (review Q3 2025, legislative proposal Q1 2026)
- **Promote and protect EU industry**:
  - Fast and efficient use of Trade Defence Instruments
  - FDI as policy tool- FDI Screening Regulation review: opportunity to reduce differences in national policies
  - Foreign Subsidies Regulation: guidelines (Q1 2026); ex-officio investigations

# Skills Enhancement



- **Union of Skills** strategy (adopted 05/03/2025) to give people the skills they need and streamline sectoral skill frameworks (€ 90 m Erasmus+)
- **Quality Jobs Roadmap** to support workers in transitions (Q4 2025)
- **European Fair Transition Observatory** to gather evidence (Q1 2026)
- Guidance on **social leasing for clean products** to ensure that all Europeans benefit from the clean transition (2025)
- Assess possible use of **collective bargaining, training and skills conditionalities** for public funding so to support the anticipation and management of change during the industrial transition



## Implementation across sectors

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- The Industrial Action Plan for an Automotive Sector ([26/02/2025](#))
- A steel and metals action plan ([19/03/2025](#))

Forthcoming:

- A Sustainable Transport Investment Plan (Q3 2025)
- A Chemicals Industry Package (Q4 2025)
- A Bioeconomy Strategy (2025/2026)



## Thank you for your attention

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Links:

- [2025 Annual Single Market and Competitiveness Report](#)
- [Competitiveness Compass](#)
- [Clean Industrial Deal](#)
- [Single Market Strategy](#)
- [Letta Report – Much more than a Market](#)
- [Draghi Report - The future of European competitiveness](#)
- [Niinistö Report - Safer together: A path towards a fully prepared Union](#)
- [Antwerp declaration](#)

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