



A Clean Industrial Deal for competitiveness and decarbonisation in the EU

Brussels, 26 February 2025

Today, the Commission presents the [Clean Industrial Deal](#), a bold business plan to support the competitiveness and resilience of our industry. The Deal will accelerate decarbonisation, while securing the future of manufacturing in Europe.

Faced with high energy costs and fierce and often unfair global competition, our industries need urgent support. This Deal positions decarbonisation as a powerful driver of growth for European industries. This framework can drive competitiveness as it gives certainty and predictability to companies and investors that Europe remains committed to become a decarbonised economy by 2050.

President Ursula **von der Leyen** said: *"Europe is not only a continent of industrial innovation, but also a continent of industrial production. However, the demand for clean products has slowed down, and some investments have moved to other regions. We know that too many obstacles still stand in the way of our European companies from high energy prices to excessive regulatory burden. The Clean Industrial Deal is to cut the ties that still hold our companies back and make a clear business case for Europe."*

The Commission is also taking [actions](#) to make our regulatory environment more efficient while reducing bureaucratic hurdles for businesses. Today's measures are the results of the active engagement with industry leaders, social partners and civil society in the context of the Antwerp Declaration for a European [Industrial Deal](#) and the European Commission's [Clean Transition Dialogues](#).

A business plan to decarbonise, reindustrialise and innovate

The Deal focuses mainly on two closely linked sectors: energy-intensive industries and clean tech.

i) **Energy-intensive industries** as they require urgent support to decarbonise and electrify. The sector faces high energy costs, unfair global competition and complex regulations, harming its competitiveness. ii) **Clean Tech** is at the heart of future competitiveness and growth as well as crucial for industrial transformation. **Circularity** is also a central element of the Deal, as we need to maximise EU's limited resources and reduce overdependencies on third country suppliers for raw materials.

The Deal presents measures strengthening the entire value chain. It serves as a framework to tailor action in specific sectors. The Commission will present an Action Plan for the [automotive industry](#) in March and an Action Plan on [steel and metals](#) in Spring. Other tailored actions are planned for the chemical and clean tech industry.

Today's Communication identifies **business drivers** for industry to succeed in the EU:

- **Lower energy costs**

Affordable energy is the foundation of competitiveness. The Commission therefore adopted today an [Action Plan on Affordable Energy](#) to lower energy bills for industries, businesses and households. The Act will speed up the roll-out of clean energy, accelerate electrification, complete our internal energy market with physical interconnections, and use energy more efficiently and cut dependence on imported fossil fuels.

- **Boosting demand for clean products**

The **Industrial Decarbonisation Accelerator Act** will increase demand for EU-made clean products, by introducing **sustainability, resilience, and made in Europe criteria** in public and

private procurements. With the review of the Public Procurement Framework in 2026, the Commission will introduce sustainability, resilience and **European preference criteria** in public procurement for strategic sectors.

The Industrial Decarbonisation Accelerator Act will also launch **a voluntary carbon intensity label** for industrial products, starting with steel in 2025, followed by cement. The Commission will **simplify and harmonise carbon accounting methodologies**. These labels will inform consumers and allow manufacturers to reap a premium on their decarbonisation efforts.

- **Financing the Clean Transition**

In the short-term, the Clean Industrial Deal will mobilise over **€100 billion** to support EU-made clean manufacturing. This amount includes an additional **€1 billion** guarantees under the current Multiannual Financial Framework.

The Commission will:

- Adopt a new **Clean Industrial Deal State Aid Framework**. It will allow for simplified and quicker approval of State aid measures for the roll-out of renewable energy, deploy industrial decarbonisation and ensure sufficient manufacturing capacity of clean tech.
- Strengthen the **Innovation Fund** and propose an **Industrial Decarbonisation Bank**, aiming for **€100 billion** in funding, based on available funds in the Innovation Fund, additional revenues resulting from parts of the ETS as well as the revision of InvestEU.
- Amend the **InvestEU** Regulation to **increase InvestEU's risk bearing capacity**. This will mobilise up to **€50 billion** in additional private and public investment, including in clean tech, clean mobility and waste reduction.

The **European Investment Bank** (EIB) Group will also launch a series of concrete new financing instruments to support the Clean Industrial Deal. The EIB will launch: i) a 'Grids manufacturing package' to provide counter-guarantees and other de-risking support to manufacturers of grid components; ii) a joint European Commission-EIB pilot programme of counter-guarantees for Power Purchase Agreements (PPAs) undertaken by SMEs and energy intensive industries; and iii) launch a CleanTech guarantee Facility under the Tech EU programme powered by InvestEU.

- **Circularity and access to materials**

Critical raw materials are key for our industry. The EU therefore has to secure access to such materials and reduce exposure to unreliable suppliers. At the same time, placing circularity at the core of our decarbonisation strategy helps maximising the EU's limited resources. The Commission will therefore:

- Set up a **mechanism enabling European companies to come together and aggregate their demand** for critical raw materials.
- Create an **EU Critical Raw Material Centre** to jointly purchase raw materials on behalf of interested companies. Joint purchases create economies of scale and offer more leverage to negotiate better prices and conditions.
- Adopt a **Circular Economy Act** in 2026 to accelerate the circular transition and ensure that scarce materials are used and reused efficiently, reduce our global dependencies and create high quality jobs. The aim is to have 24% of materials circular by 2030.

- **Acting on a global scale**

The EU needs reliable global partners more than ever. In addition to ongoing and new trade agreements, the Commission will soon launch the first **Clean Trade and Investment Partnerships**, which will diversify supply chains and forge mutually beneficial deals. At the same time, the Commission will act even more decisively to protect our industries from unfair global competition and overcapacities through a range of Trade Defence and other instruments. The Commission will also simplify and strengthen the Carbon Border Adjustment Mechanism (**CBAM**).

- **Ensuring access to a skilled workforce**

The transformation of our industry requires skilled people and top talents. The Commission will establish a **Union of Skills** that invests in workers, develops skills and creates quality jobs. With Up to €90 million from Erasmus+, the Deal will help reinforce sectoral skills for strategic industries linked

to the Clean Industrial Deal. The Deal also supports quality jobs, promote social conditionalities and provide further support to workers in transitions.

Background

In her [political guidelines](#) (2024-2029), President von der Leyen announced to deliver the Clean Industrial Deal within the first 100 days of the Commission's mandate as a priority to ensure competitiveness and prosperity in the EU.

The Clean Industrial Deal builds further on the active engagement from industry leaders, social partners and civil society in the context of the Antwerp Declaration for a European [Industrial](#) Deal and the [Clean Transition Dialogues](#).

For More Information

The [Clean Industrial Deal](#): A joint roadmap for decarbonisation and competitiveness

[Questions & Answers](#) on the Clean Industrial Deal

[Factsheet](#) on the Clean Industrial Deal

[Press release](#) on the Action Plan on Affordable Energy

[Competitiveness - European Commission](#)

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Quote(s):

"Europe is not only a continent of industrial innovation, but also a continent of industrial production. However, the demand for clean products has slowed down, and some investments have moved to other regions. We know that too many obstacles still stand in the way of our European companies from high energy prices to excessive regulatory burden. The Clean Industrial Deal is to cut the ties that still hold our companies back and make a clear business case for Europe."

President Ursula von der Leyen - 26/02/2025

"Today, Europe is making a bold business case for decarbonisation as a driver of prosperity, growth, and resilience. By committing to delivering on the Green Deal climate objectives, we are setting the stage for a sustainable future. Our plan provides the stability and confidence investors need—unlocking capital, expanding clean tech markets, making energy more accessible, and ensuring a fair, competitive landscape where businesses can thrive. But it's also about people. This strategy is designed to create jobs, develop skills, and open opportunities for all Europeans."

Teresa Ribera, Executive Vice-President for Clean, Just and Competitive Transition - 26/02/2025

"Today, Europe accelerates on its twin decarbonisation and reindustrialisation. This pact aims to position Europe as a world leader in clean industries - from boosting our production « made-in-Europe », to beefing up regulatory and financial support to our most strategic industrial supply chains. It also secures our unique European model of setting decarbonisation not only as an environmental goal, but also as our economic growth strategy."

Stéphane Séjourné, Executive Vice-President for Prosperity and Industrial Strategy - 26/02/2025

"Europe needs to be cleaner, more competitive, and self-sufficient. The Clean Industrial Deal is our business plan: a decarbonisation strategy that re-industrialises Europe, driving competitiveness and boosting strategic independence. We've got a plan, and we're putting it into action, starting today, to ensure a prosperous European future."

Wopke Hoekstra, Commissioner for Climate, Net Zero and Clean Growth - 26/02/2025

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[Read-out of the weekly meeting of the von der Leyen Commission by Teresa Ribera Rodríguez, Stéphane Séjourné, Executive Vice-Presidents of the European Commission, and Wopke Hoekstra, European Commissioner, on the Clean Industrial Deal](#)