

Industrial Decarbonisation and Competitiveness

Brief description and main aims:

More frequent and severe extreme weather events are among the most pressing challenges of our time and a global threat. Climate risks threaten energy and food security, ecosystems, infrastructure, water resources, financial stability and human health across the EU. Many of these risks have already reached critical levels and could become catastrophic if urgent and decisive action is not taken.

In 2019, the European Commission launched its sustainable growth strategy, the *European Green Deal*, with the aim of putting Europe on a path to climate neutrality by 2050 and transforming it into a circular economy. However, during the previous mandate, it became clear that such a strategy would not materialise without paying attention to the competitiveness of the continent's industrial backbone, including SMEs. Therefore, a *Clean Industrial Deal* was adopted early in 2025, guiding EU policymaking during the new mandate. The scheduled legislative proposal about an *Industrial Accelerator Act* (IAA) was announced as part of this new growth strategy. It will address industrial decarbonisation and access to energy, with the goal of supporting the creation of lead markets for the development of European clean and resilient industrial technologies and products. A focus will be on the decarbonisation of energy-intensive industries to reach climate neutrality by 2050. Today, emission reductions are too often the result of reduced production output rather than increased efficiency and decarbonised manufacturing processes. To overcome this, the IAA aims to address the lack of demand for clean industrial products at current prices, compared to their conventional alternatives.

Why FIEC is dealing with this topic:

Of particular importance to the European construction industry is the aim of the European Commission to develop “green” product labels for industrial materials, accompanied by incentive schemes. Among the tools of the *Industrial Accelerator Act* (IAA), it is planned to develop a framework for voluntary labels on the carbon intensity content of industrial products like steel and cement. Those “green” labels might be linked to private and public procurement as mandatory non-price criteria.

Construction sector emissions are estimated at 5-12% of total national emissions, and the vast majority of those are primarily linked to material extraction and production. Reducing the carbon footprint of construction products is therefore essential. The built environment is considered among the sectors of application because it absorbs high volumes of carbon-intensive materials. However, contractors are already sourcing low-carbon alternatives (e.g. rebar and wire rod produced mainly through the steel secondary route), which also offer clear advantages in terms of circularity.

The overall goal of the construction industry is to buy materials with the lowest carbon footprint at the most competitive price, always on the basis of important technical characteristics. FIEC is therefore concerned about potentially biased or inconsistent labelling initiatives and broadly supports the use of established regulatory tools under the Construction Products Regulation (CPR) and standard EN15804. Any future labelling scheme shall be legally compatible with existing legislation.

Actions and key dates:

- 11/12/2019** → European Commission publishes *European Green Deal*
- 20/02/2024** → [FIEC co-signs](#) *Antwerp Declaration for a European Industrial Deal*, among many other business and industry federations
- 26/02/2025** → Clean Industrial Deal communication published by the European Commission
- 04/03/2025** → FIEC President Piero Petrucco attends the *Strategic Dialogue on the Future of the Steel Sector* with Commission President Ursula von der Leyen
- 11/07/2025** → [FIEC Position Paper](#) titled “*Industrial Decarbonisation: Lead Markets and Labels for Low-Carbon Industrial Products in Construction*” published
- Q4/2025** → European Commission scheduled to publish a legislative proposal on an *Industrial Accelerator Act* (IAA)
- Q2/2026** → European Commission scheduled to publish a proposal for a revision of the *Public Procurement Directives* (PPD)