

CLIMATE, ENERGY TRANSITION, AND COMPETITIVENESS: THE CLEAN INDUSTRIAL DEAL

Brussels, 4 February 2026

THE CONTEST

THE ENERGY LANDSCAPE OF THE EUROPEAN UNION

The EU urgently needs to address **three issues simultaneously**: climate change, competitiveness and dependence on critical raw materials.



Strategy for a European industry that combines action for **climate**, **circularity** and **competitiveness** in a global **growth** strategy.



THE CLEAN INDUSTRY PACT

This is an operational plan that **makes decarbonisation an achievable and profitable target for European companies.**

The focus

- the **energy-intensive industries**
- the **clean technology** sector

The pact assigns a **priority role to circularity.**

DRIVING FACTORS

NEW INDUSTRIAL ECOSYSTEM COVERING THE ENTIRE VALUE CHAIN



Affordable energy



**Lead markets:
promoting clean
supply and
demand**



**Public
and private
investment**



**Circular
economy:
secure access
to materials and
resources**



**Global markets
and international
partnerships**



Support to skills

HORIZONTAL INTERVENTIONS

THE ACTIONS OF THE EUROPEAN COMMISSION



- Reduce bureaucracy
- Take full advantage of the possibilities offered by the single market
- Promote digitisation
- Accelerate the diffusion of innovation
- Promote quality jobs
- Improve policy coordination at national and EU level



The Commission will closely monitor progress towards decarbonisation and competitiveness objectives, reporting on this in the **Annual Single Market Competitiveness Report** and gradually adding new key performance indicators (KPIs).

SECTORAL PLANS

STRATEGIES FOR EUROPEAN INDUSTRY SECTORS

The Clean Industry Pact will serve as a framework to initiate a dialogue with industries, with a special focus on SMEs, in order to develop sectoral transition pathways.

Several sectoral plans are being developed to adapt action to the specific needs of individual sectors, to be followed by others as appropriate.



The industrial action plan for the automotive sector (adopted on 5 March 2025)



The steel and metal action plan (launched on 4 March 2025)



A package for the chemical industry (presented by the Commission in July 2025, includes several actions)



An investment plan for sustainable transport (adopted in November 2025 to accelerate the energy transition of transport, especially aviation and maritime transport, it includes actions on hydrogen)



A strategy for the bioeconomy (The Commission adopted in November 2025 a new strategic framework for a competitive and sustainable EU bioeconomy).

CLEAN INDUSTRIAL DEAL, IMPACTS FOR ITALY

AFFORDABLE ACCESS TO INFRASTRUCTURE AND ENERGY



GOALS

Ensuring affordable energy for the competitiveness of industry, especially for energy-intensive sectors

- Diminish energy bills
- Accelerating clean energy implementation and electrification, with completed interconnections and networks, and clean product manufacturing (Energy Union)
- Guarantee effective gas markets functioning

KPI - Increase the electrification rate in all economic sectors from 21.3%* to 32% by 2030

KPI - Install 100 GW of electricity capacity from renewable sources each year until 2030**

*Eurostat data, presented in SWD (2025) 11 final

**Eurostat: https://ec.europa.eu/eurostat/databrowser/view/nrg_inf_epc___custom_15272393/default/table?lang=en;

CLEAN INDUSTRIAL DEAL, IMPACTS FOR ITALY

AFFORDABLE ACCESS TO INFRASTRUCTURE AND ENERGY

Flagship Actions

Calendar

Action plan for affordable energy	Q1 2025
EIB pilot program offering financial guarantees to buyers in electricity purchase agreements, particularly to SMEs and energy-intensive industries	Q2 2025
Legislative proposal on the extension of the gas storage regulation	Q1 2025
State-aid guidelines under the clean industry pact	Q2 2025
Recommendation on network charges	Q2 2025
Legislative act on accelerating industrial decarbonisation: speeding up licensing for industry access to energy and industrial decarbonisation	Q4 2025
Recommendation on energy taxation	Q4 2025
Guidelines on the design of contracts for difference, including on the combination of contracts for difference and power purchase agreements	Q4 2025
Guidelines on the promotion of flexibility remuneration in retail contracts	Q4 2025
European networks package	Q1 2026

CLEAN INDUSTRIAL DEAL, IMPACTS FOR ITALY

LEAD MARKETS: PROMOTING CLEAN SUPPLY AND DEMAND



GOALS

Promoting supply and demand for decarbonised products

- Introduce criteria other than price in public procurement and incentives for private procurement
- Industrial Decarbonisation Accelerator Act
- Implementation of the Industrial Carbon Management Strategy
- Create a market for captured carbon
- ETS Revision
- Promote the uptake of renewable and low-carbon hydrogen
- Support the acceleration of SMR development and implementation

KPI - Achieving 40 per cent domestic production of key components for clean technology products in the EU market*

KPI - Decrease external vulnerabilities for CID products as measured by the External Vulnerability Index (EXVI)
** from the current value of 0.19.

*Regulation (EU) 2024/1735 Art. 4

**The EXVI will be reported in the annual report on the single market and competitiveness

CLEAN INDUSTRIAL DEAL, IMPACTS FOR ITALY

LEAD MARKETS: PROMOTING CLEAN SUPPLY AND DEMAND

Flagship Actions

Calendar

Delegated act on low-carbon hydrogen, providing regulatory certainty for low-carbon hydrogen producers

Q1 2025

Legislative act on accelerating industrial decarbonisation:

- create a label for low-carbon products
- apply EU sustainability, resilience, and minimum product content requirements in public and private procurement in strategic sectors to ensure lead markets for low-carbon products

Q4 2025

Communication and legislative proposal to make company vehicle fleets more environmentally friendly

2025/2026

Revision of the Public Procurement Directives to integrate the use of criteria other than price

Q4 2026

CLEAN INDUSTRIAL DEAL, IMPACTS FOR ITALY

PUBLIC AND PRIVATE INVESTMENT



GOALS

- The EU needs to increase by €480 billion over the previous decade its annual investment in:
 - Energy
 - Innovation
 - Increased Industrial Production
 - Transportation System
- In order to mobilise private capital, it is necessary to:
 - Long-term regulatory stability
 - Public incentives for decarbonisation
 - Effective Policy Coordination

The Commission will act to:

- strengthen funding at EU level
- mobilise private investment
- improve the effectiveness of both state aid in support of CID objectives and other national support schemes

KPI - Increase total investment volume in support of industrial transition from E€52.7 billion*

€100 billion

to improve the economic sustainability of clean manufacturing in the EU

* current value can be found at the following link https://investeu.europa.eu/investeu-programme/investeufund/investeu-indicators_en#keyindicators-selection

CLEAN INDUSTRIAL DEAL, IMPACTS FOR ITALY

PUBLIC AND PRIVATE INVESTMENT

Flagship Actions

Calendar

Increase the risk capacity of InvestEU	Q1 2025
Hubs supporting the design of IPCEIs	2025
State-aid guidelines under the clean industry pact	Q2 2025
Recommendation to Member States on the adoption of fiscal incentives to support the Clean Industry Pact	Q2 2025
Flagship call under Horizon Europe	Q4 2025
Pilot auction in the context of the Innovation Fund	2025
Industrial Decarbonisation Bank	Q2 2026
TechEU investment programme on expanding enterprises (scale-ups) with the EIB group and the private sector	2026

CLEAN INDUSTRIAL DEAL, IMPACTS FOR ITALY

POWERING THE CIRCULAR ECONOMY: SECURE ACCESS TO MATERIALS AND RESOURCES



GOALS

The CID intends to improve **the sourcing of raw and secondary materials** to reduce exposure to “unreliable suppliers” and possible disruptions in the supply chain.

- Implement the Critical Raw Materials Act
- Create the EU Critical Raw Material Centre
- Adoption of the Circular Economy Act

By 2030, the circularity potential of the European remanufacturing market will increase from its current value of E€31 billion to €100 billion, creating 500,000 new jobs.

EU, world leader in the circular economy by 2030.

KPI - Increase the circular material utilisation rate from 11.8% today to 24% by 2030*.

CLEAN INDUSTRIAL DEAL, IMPACTS FOR ITALY

POWERING THE CIRCULAR ECONOMY: SECURE ACCESS TO MATERIALS AND RESOURCES

Flagship Actions

Calendar

First list of strategic projects under the Critical Materials Regulation	Q1 2025
Adoption of the ecodesign working plan	Q2 2025
EU Critical Raw Materials Centre: joint procurement and strategic stock management	Q4 2026
Circular Economy Act	Q4 2026
“Green VAT” initiative	Q4 2025
Transregional circularity hubs	Q4 2026

CLEAN INDUSTRIAL DEAL, IMPACTS FOR ITALY

GLOBAL MARKETS AND INTERNATIONAL PARTNERSHIPS



GOALS

CID success depends on international action and **global strategic partnerships**.

The EU needs third countries for critical raw materials essential for the green transition.

A rule-based and competitive open trading system is essential.

- Clean Trade and Investment Partnerships (CTIP)
- Carbon Border Adjustment Mechanism (CBAM)
- Protection and promotion of EU Industry

KPI - Ensuring that the Union secures the largest possible share of the clean technologies market

CLEAN INDUSTRIAL DEAL, IMPACTS FOR ITALY

GLOBAL MARKETS AND INTERNATIONAL PARTNERSHIPS

Flagship Actions

Calendar

Launch of negotiations on the first clean trade and investment partnership

Q1 2025

Simplification of the Border Carbon Adjustment Mechanism (CBAM)

Q1 2025

Comprehensive review of the border carbon adjustment mechanism to assess the possibility of extending its scope to other EU ETS sectors at risk of carbon leakage to downstream sectors and indirect emissions, and to provide support to exporters, filling gaps

Q3 2025

Trans-Mediterranean initiative for cooperation on energy and clean technologies

Q4 2025

Legislative proposal on the extension of the carbon adjustment mechanism at borders

Q1 2026

Guidelines on the Foreign Subsidies Regulation

Q1 2026

CLEAN INDUSTRIAL DEAL, IMPACTS FOR ITALY

SKILLS AND QUALITY JOBS FOR SOCIAL EQUITY



GOALS

- To enable as many people, communities, and companies as possible to benefit from the green transition
- Investing in skills development (especially in the fields of clean technologies, digitisation, and entrepreneurship), harmonising the demand for skilled labour by companies and stimulating the labour market.

From 2023 to 2024, the supply of green skills in Europe increased by only 5.6 per cent, while demand grew by 11.6 per cent.

The gap is set to widen in the coming years, with an expected gap of 101.5% by 2050, unless action is taken soon.

KPI - Reduce the number of occupations where specific skills or knowledge are needed for green transition that at least five Member States reported as lacking.

In 2024, there were 27 such occupations.

CLEAN INDUSTRIAL DEAL, IMPACTS FOR ITALY

SKILLS AND QUALITY JOBS FOR SOCIAL EQUITY

Flagship Actions

Calendar

Skills Union	Q1 2025
Roadmap for quality jobs	Q4 2025
Guidelines on social leasing of clean products	2025
European Observatory for fair transition	Q1 2026
Skills Transferability Initiative	2026
Revision of the general blockexemption regulation rules on state aid for social enterprises and the employment of disadvantaged workers	Q4 2027

CLEAN INDUSTRIAL DEAL

THE PLAN IN FIGURES

3

Industrial macro-areas covered by the Plan (energy-intensive industries, clean tech, circularity)

24%

Use rate of circular materials to be achieved by 2030

32%

Electrification rate in all economic sectors to be achieved by 2030

+500 k

New green jobs expected

+100 GW

Electric capacity from renewable sources installed, annually until 2030

+100 billion

Investment mobilised to support clean manufacturing

- Action plan for affordable energy
- Legislative proposal on the extension of the gas storage regulation
- Legislative act on accelerating industrial decarbonisation
- Delegated act on low-carbon hydrogen
- Revision of state-aid guidelines under the clean industry pact
- Revision of the public procurement directives
- Circular Economy Act
- EU Critical Raw Materials Centre
- Strengthening of the Innovation Fund
- InvestEU Review
- Competitive Fund
- TechEU Financing Programme
- Industrial Decarbonisation Bank
- ETS and CBAM audit

KEY MESSAGES

THE OBJECTIVES OF THE EU COMPETITIVENESS AND DECARBONISATION PLAN



Decarbonisation and circularity are the two cornerstones that will enable the EU to compete with other resource-rich countries



Promote supply and demand for decarbonised products



Facilitate investment, accelerate innovation and the development of new technologies



Invest in talent, creating opportunities that can inspire and engage new generations



Adopt a pragmatic approach to the new geopolitical context, without sacrificing the EU's high environmental and social standards



Monitor the progress of the European decarbonisation and competitiveness strategy through the Annual Single Market Competitiveness Report



Involve local authorities and stakeholders in the decision-making process



Identify, in cooperation with Member States, the most urgent decarbonisation priorities as well as the most relevant industrial clusters



Make national and local successes scalable at the European level