

- ❑ **Mandate:** *The task of the HLG is to advise and assist the Commission in the preparation of possible future policy initiatives relating to or affecting energy-intensive industries by identifying challenges and strategic priorities of these industries. The HLG will develop an operational Master Plan for the implementation of the energy-intensive industries' transition towards a climate-neutral and circular economy. This should indicate the main short- and long-term actions required from industrial value chains and the relevant enabling framework at the European and Member State levels. It should identify concrete areas and large-scale investment cases requiring R&I and investment and inform national energy and climate plans.*
- ❑ **Objective:** support the COM in the development of the long term industrial strategy requested by the European Council (together with IPCEI, 2030 industrial strategy, sustainable financing, etc.)
- ❑ **Composition of the HLG:** EEIs associations, member states, COM, trade unions, NGOs and think tanks

- ❑ sub-group 1: Creation of markets for climate-neutral, circular economy products
  - ❑ Product and market related policies
  - ❑ Long-term carbon pricing issues
- ❑ sub-group 2: Developing climate-neutral solutions and financing their uptake
  - ❑ Research and Innovation
  - ❑ Investment challenges
  - ❑ Taxation and fiscal incentives
- ❑ subgroup 3: Resources and deployment
  - ❑ Access to key energy and non-energy inputs: low-carbon electricity, gas, biomass, hydrogen, carbon capture, other raw materials
  - ❑ Infrastructure
  - ❑ Regional aspects
- ❑ First draft papers to be circulated to the HLG members by beginning June
- ❑ Discussion in sub-groups on 24/25 June
- ❑ Second draft papers in September to be finalised and adopted by the HLG in October

- ❑ Targeted consultation to 35 sectors (by 9 April)
  - ❑ (trade intensity x indirect emissions intensity >0.15)
  - ❑ Balancing 3 elements: risk of carbon leakage; distortion of intra-EU competition; incentives to energy efficiency
    - ❑ Market characteristics of the sector
    - ❑ Profit margins of EU undertakings active in the sector
    - ❑ Scope for energy efficiency investments in the sector
    - ❑ Inter- and intra-sectors competition
    - ❑ Diversity of production processes
  - ❑ EUROFER replies (and NERA report) submitted on 9 April
  - ❑ Possibility of bilateral interviews with sector (if requested by DG COMP)

- Public consultation by 16 May
  - Eligibility
  - Aid intensity and digressivity
  - Emission factor
  - Update benchmarks & production levels
- Targeted consultation to member states in parallel
- EUROFER position paper
  - Eligibility of the sector (and related sectors like industrial gases, iron ores and pipes)
  - Aid intensity & digressivity (for the sector and for the individual companies/routes)
  - Update of the parameters (in particular, emissions factor)
- Autumn 2019: DG COMP will have a meeting with member states to discuss the first draft guidelines
- Adoption of the final guidelines is scheduled for 2020