



TO: President of the European Commission Ursula Von der Leyen,
President of the European Parliament Roberta Metsola,
President of the European Council Charles Michel
CC: Executive Vice President Frans Timmermans,
Executive Vice President Margrethe Vestager,
Executive Vice President Valdis Dombrovskis,
Commissioner Thierry Breton,
Commissioner Paolo Gentiloni,
Commissioner Kadri Simson,
Ambassador Edita Hrdá

23 November 2022

Re: Europe's industrial base is dying

Dear Presidents,
Dear Commissioners,
Dear Ambassador,

AEGIS Europe is an alliance of associations representing the whole EU industrial value chain from commodities to consumer goods.

Our members are suffering what trade statistics clearly demonstrate. They are losing their domestic markets to imports, often at dumping and subsidised prices, and not compensating with exports. Our factories are shutting down, skilled jobs are being lost, and Europe is losing the very innovative and dynamic enterprises necessary for achieving the Green Deal.

Imports of manufactured goods have surged by 30.3% but exports have not kept pace increasing by 14.9% only. This is a net loss to EU manufacturers of 15.4 percentage points or €300 billion in sales. The EU has become a net importer of goods according to data comparing figures from August 2021 to figures from August 2022.¹ The situation is going to worsen if no emergency brake is envisaged.

Emergency action is necessary, particularly since a recession is expected in the coming months.²

While the energy crisis is a global phenomenon, European producers have been hit much harder than their global competitors, in addition to unprecedented pressure deriving from the current geopolitical situation and the new macroeconomic conditions. Energy costs for European producers have increased by over 300% since last summer. As a result, many of our

¹ See Eurostat data comparing figures from August 2021 to figures from August 2022 [here](#) and [here](#).

² See European Commission economic forecast [here](#).

companies have been forced to scale back operations by up to 70% or shut down production completely, leading to significant job losses with irreversible consequences.

The energy prices have rendered the EU industry vulnerable to the evident intensification of predatory strategies based on unfair trade practices which are happening in conjunction with the energy crisis. Foreign producers are gaining market shares and these market shares will never be recovered.

We call on EU decision makers to recognise the crisis in EU manufacturing and to come up with solutions such as strengthening and accelerating the Trade Defence Instruments process,³ ensuring the availability of energy at competitive prices, incentivising the procurement of European-produced goods, and the independence of supply chains.

Our Alliance has strongly supported and contributed to the EU's open strategic autonomy policy and the climate neutrality objective of the Green Deal but is extremely concerned about the deindustrialisation of the European continent.

We welcome the opportunity to meet with you and discuss emergency measures. Our industries and workers are counting on your support to survive the upcoming months and to make sure that a strong industrial base is kept in Europe.

Sincerely,



Inès Van Lierde
Chair of AEGIS Europe



³ As a prerequisite for a successful energy transition without total deindustrialisation in the European Union, our membership asks that the non-incurred environmental costs are factored in in the calculation of the dumping margin for products originating in countries with commitments under the Paris Agreement.