ESSA midterm

Axel Eggert, EUROFER

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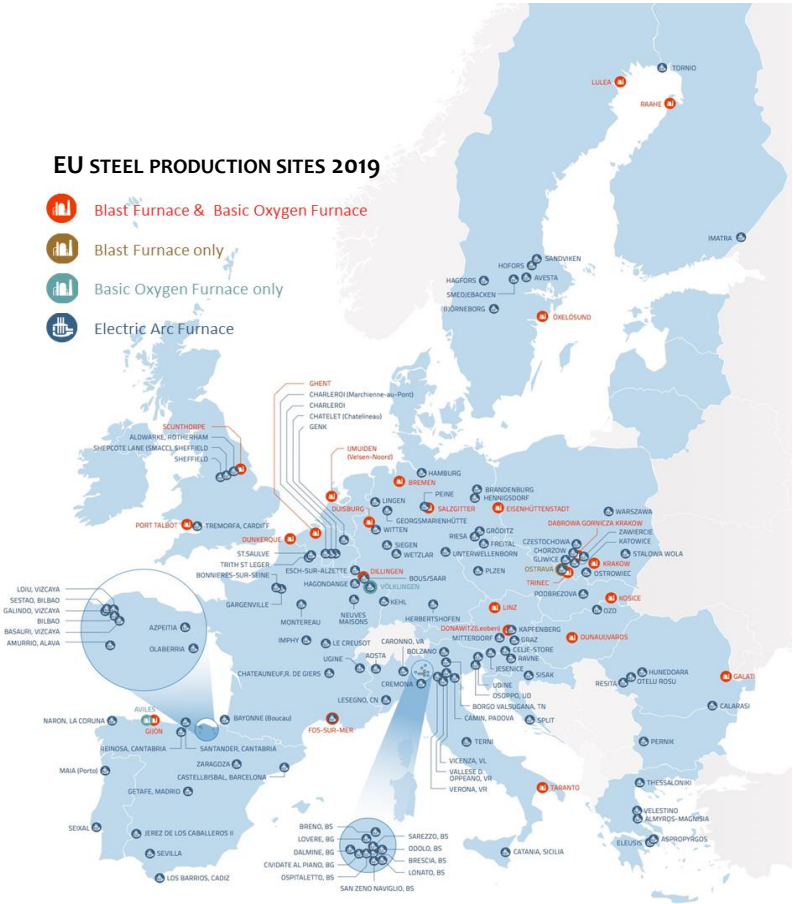
THE EUROPEAN STEEL ASSOCIATION

The EU steel industry



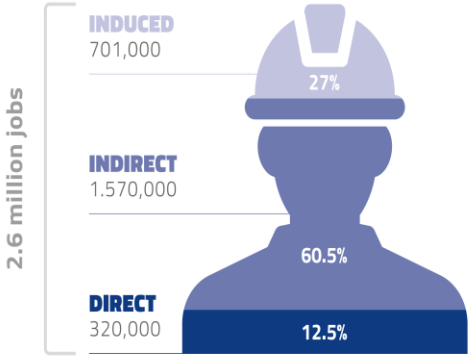
EU steel key figures 2019

EU steel consumption:	158 Mt (million tonnes)
EU steel production:	157 Mt
EU Blast Oxygen Furnace (BOF) route[14]:	92 Mt (59%)
EU Electric Arc Furnace (EAF) route[15]:	65 Mt (41%)
EU steel scrap use in EAF/BOF:	88 Mt (56%)
EU steel exports:	20 Mt (finished steel)
EU steel imports:	25 Mt (finished steel)
EU steel scrap exports:	22 Mt
EU steel scrap imports:	3 Mt

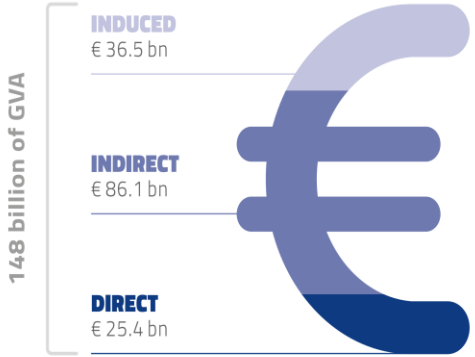
SOURCE: EUROFER, EUROPEAN STEEL IN FIGURES (2020)

A significant employer with large value added and vital impact on value chains and ecosystems

The EU steel industry supports nearly 2.6 million jobs



The EU steel industry creates around €148 billion of Gross Value Added



	'Type I' multiplier	'Type II' multiplier
Multiplier for GVA	4.4	5.8
Multiplier for jobs	5.8	7.9

The 'type I' multiplier is the ratio of direct plus indirect activity to direct activity.
The 'type II' multiplier is the ratio of total activity to direct activity.

Oxford Economics:

"The four major steel customer sectors are the manufacture of fabricated metal products, mechanical machinery, and motor vehicles, together with construction. Across these four industries combined, total direct GVA amounted to €1.35 trillion in 2017, supporting more than 24 million jobs and generating just over €500 billion of tax revenues.

Taking the indirect and induced impacts into account too, they contributed almost €3.4 trillion to EU GVA in total, supporting 62 million jobs and €1.35 billion of tax revenues.

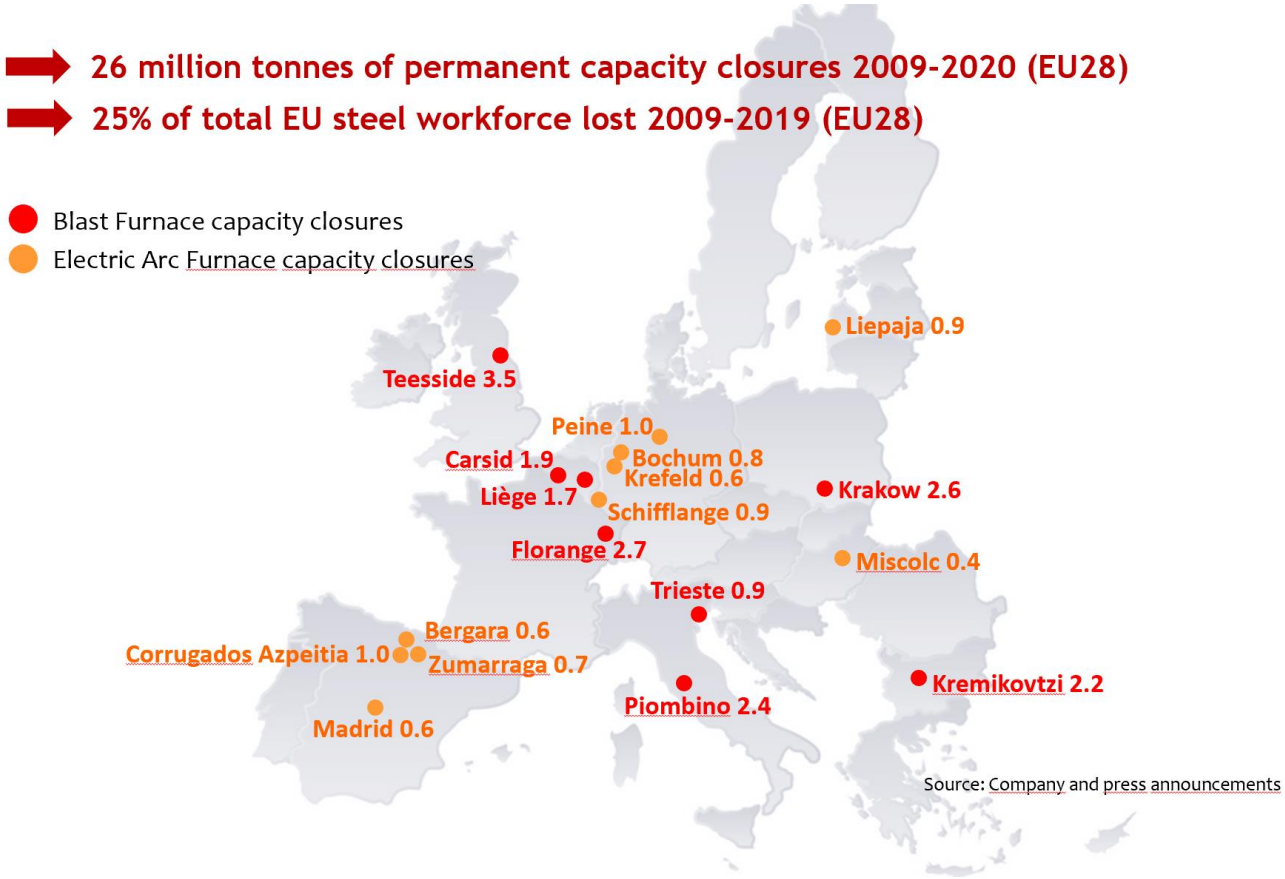
Across all four sectors combined, almost one-third of their additional economic impacts could be thought of as being 'enabled' by EU steel. So in 2017, that value would have been €1.1 trillion in terms of GVA, associated with 19 million jobs and €430 billion of tax revenues."

(Oxford Economics, *The Impact of the European Steel Industry on the EU Economy*, 2019)

EU steel capacity closures & job losses

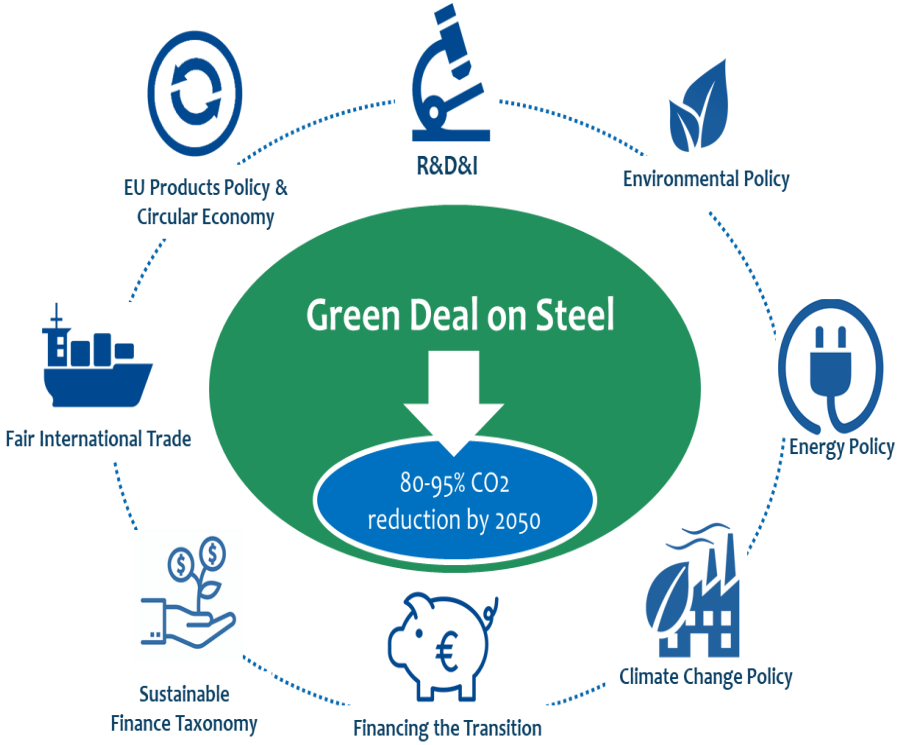
26 million tonnes of permanent capacity closures 2009-2020 (EU28)

25% of total EU steel workforce lost 2009-2019 (EU28)



Source: Company and press announcements

A Green Deal on Steel



Our ambition is to reduce CO_2 emissions from EU steel production by **30% by 2030** compared to 2018 (1.7% of total EU CO_2 emissions), or 55% compared to 1990, and up to **95% by 2050**, ultimately becoming CO_2-neutral.

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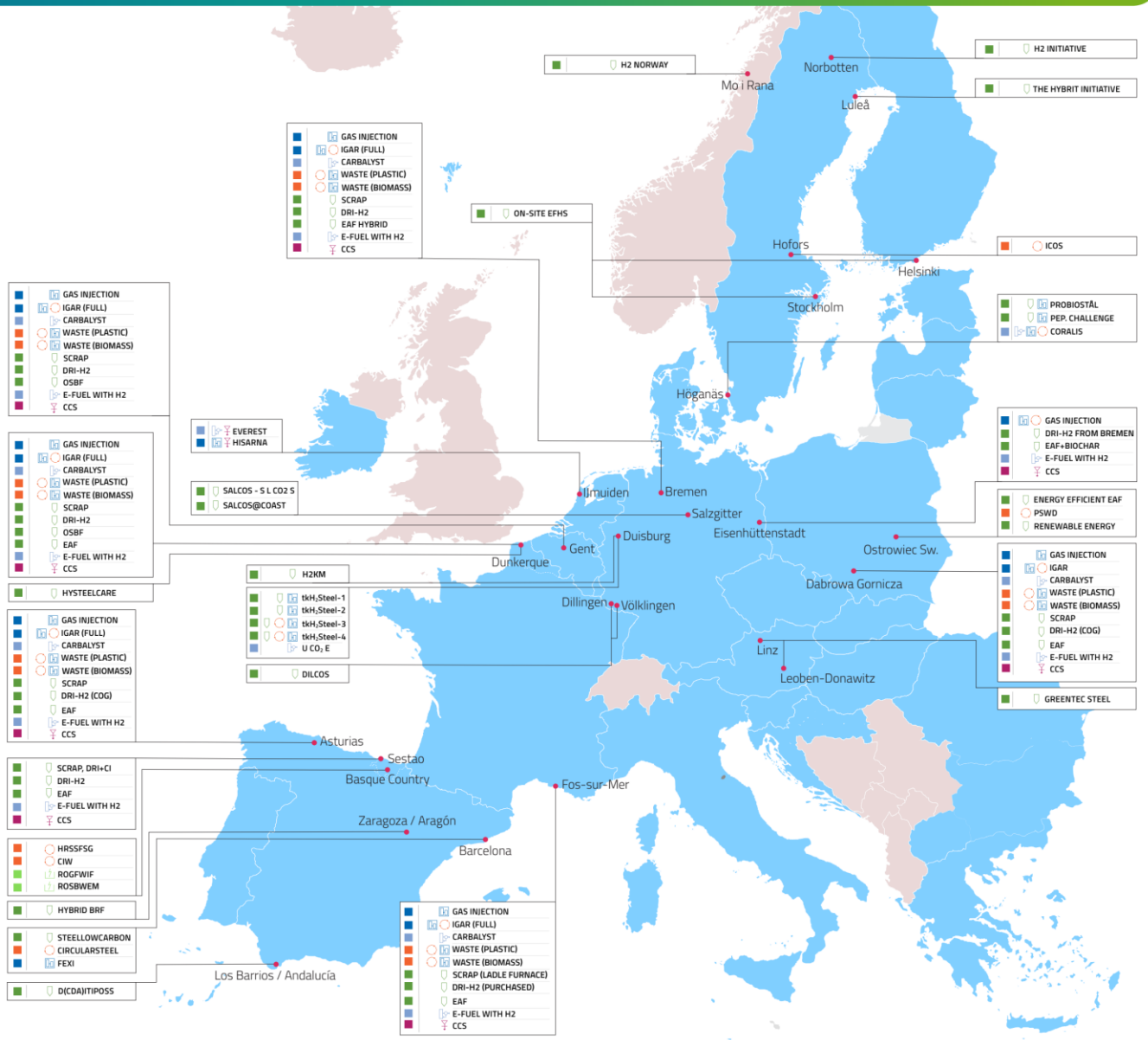
Key steel low-CO_2 projects for the IPCEI Low-CO_2 Emissions Industry

Circular Economy (CE)

Carbon Direct Avoidance (CDA)
- H_2-based metallurgy
- Electricity-based metallurgy

Smart Carbon Usage (SCU)
- Proces Integration
- Carbon Valorisation/CCU

Carbon Capture and Storage CCS²
(not included in SCU, CDA or CE)



Note: this map is a draft. The final version will be delivered by mid-May and frequently be updated

Thank you for your attention

Visit www.eurofer.eu for more information

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