

To:
Ursula von der Leyen
President of the European Commission,
Rue de la Loi, 175/200, Brussels

CC:
Executive Vice President Teresa Ribera
Executive Vice President Stéphane Séjourné
Commissioner Daniel Jorgensen
Commissioner Wopke Hoekstra
Commissioner Valdis Dombrovskis

Subject: Review of the ETS Fallback Benchmarks for 2026-2030

Brussels, 14/04/2026

Dear President von der Leyen,

The undersigned companies both individually and through their representing associations have consistently raised concerns regarding the dramatic increase in CO₂-related costs. While we acknowledge the Commission's efforts to address short-term pressures, including recent discussions on the Market Stability Reserve, these measures remain insufficient to offset the impact of the proposed benchmark tightening.

The foreseen tightening of the fallback benchmarks appears increasingly difficult to match with operational¹ and economic realities and undermines the ambition of reducing costs for industry and district heating operators and stimulating production in Europe, particularly in a context of continued energy price volatility and uncertainty².

The proposed benchmark update leads to a fundamentally unbalanced outcome. While presented as a 12% overall reduction, around 7 percentage points — nearly 60% of the total effort — are in practice borne by the fallback benchmarks for heat and fuel. This results in a disproportionate burden on sectors relying on these benchmarks³.

¹ In case of copper, identified as critical and strategic raw material, the use of biomass in the production process is technically not feasible, thus reduction in fallback benchmarks will result in European copper producers losing free emission allowances worth tens of millions of euros, undermining competitiveness, and leading to a further decline in production capacity within the EU.

² For example: should the tightening happen as foreseen, potash mining for fertilizers would see additional costs of 30Mio € until 2030, the production of refractories – an indispensable element of metal production and recycling processes – would even see an additional cost burden of >100Mio€.



³ For example, in the sugar, ceramics and other sectors represented in this letter, this translates into a markedly higher effective cut in free allocation, despite well-documented constraints such as limited and uneven biomass availability and the absence of scalable alternative technologies.

These additional costs would more than neutralize any potential mitigating impact of state aid measures, be it indirect cost compensation or CISA. The burden relief on one side is compensated by an increased cost burden on the other side, incentivizing closures rather than decarbonization efforts.

This approach goes against not only the declared ambition of the Commission to increase the competitiveness of industry and increase the share of industrial production to 20% of EU GDP in addition to fostering industrial resilience, our strategic autonomy and defense capacities – it also fails to reflect the ETS Directive’s requirements under 10a(1) that benchmarks shall be designed “...to ensure that allocation **takes place in a manner that provides incentives for reductions in greenhouse gas emissions and energy efficient techniques by taking account of the most efficient techniques, substitutes, alternative production processes, high efficiency cogeneration, efficient energy recovery of waste gases, use of biomass and capture and storage of CO₂, where such facilities are available**”.

The undersigned companies have demonstrated multiple times that the technologies or the energy carriers are not available nor deployable to comply with these benchmarks. The benchmarks should represent incentives for reducing emissions and not function as a punitive instrument for industries without the technical and economic means to meet them.

Following your letter, President von der Leyen, to Member States ahead of the European Council on 19 March stating that the Commission will update the benchmarks while taking industry’s concerns into account – a message reiterated during the press conference after the summit – we call again to genuinely take our concerns into consideration and instead of tightening the Fallback Benchmarks, keep them at the level of 2025 or only apply the minimum update rate, as defined in the EU ETS Directive.

Companies		Name	Role
	ALRO	Marian Nastase	Chairman Board of Directors
	Alimentos Españoles ALSAT, S.L.	Miguel Ángel Martín Antequera	CEO



Atlantic Copper

Macarena Gutierrez

CEO



Aurubis AG

Dr. Toralf Haag

CEO



Boliden Group

Mikael Staffas

President and
CEO



BUNGE

Francis Mardon

SVP Global
Softseeds
Value Chain
and Complex
Leader



CONESA Group

Manuel Vázquez
Calleja

CEO



Cosun Beet

Maikel van Bakel

CEO



Conservas El
Cidacos S.A.

Pablo Losa

CEO



Crespe Deiters

Philipp Deiters

CEO



Cristal Union

Xavier Astolfi

Directeur
général

	<p>GENTEC CHP s.r.o.</p>	<p>Vaclav Klein</p>	<p>Managing Director</p>
	<p>Glencore Nordenham</p>	<p>Christoph Zschiesche</p>	<p>CTO</p>
	<p>Grecian Magnesite</p>	<p>Dimitris Portolos</p>	<p>CEO</p>
	<p>GSES</p>	<p>Johann-Christian Schmiereck</p>	<p>Managing Director</p>
	<p>K+S AG</p>	<p>Dr. Christian H. Meyer</p>	<p>CEO</p>
	<p>KGHM</p>	<p>Piotr Krzyżewski</p>	<p>CFO</p>
	<p>Kröner Stärke</p>	<p>Dr. Götz Kröner</p>	<p>CEO</p>
	<p>MAGES</p>	<p>Pedro Mora Peris</p>	<p>CEO</p>
	<p>Metlen</p>	<p>Evangelos Mytilineos</p>	<p>Executive Chairman</p>
	<p>Magnesitas de Rubián, S. A</p>	<p>Eduardo Jiménez Aguirre</p>	<p>Managing Director</p>



Nordzucker AG

Lars Gorissen

CEO



Norsk Hydro

Eivind Kallevik

*President and
CEO*



Pfeifer & Langen

Pfeifer & Langen
IHKG

Michael Schaupp

Managing
Director



PGE Polska Grupa
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Marcin Laskowski

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Management
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Primigea

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PRONAT

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RHI MAGNESITA

RHI Magnesita

Stefan Borgas

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Thierry Fournier

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Royal Cosun

Hans Meeuwis

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Sacchetto

Federico Sacchetto

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Marie Saglio

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Javier Creixell Catalan

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Transa

Rafael Carranza Erquicia

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Name

Role



Aminer

Enrique Delgado Palomo

Director General



Bundesverband Deutsche Gießerei-Industrie

Dr Martin Theuringer

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Marie-Christine Ribera

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COGEN Europe

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