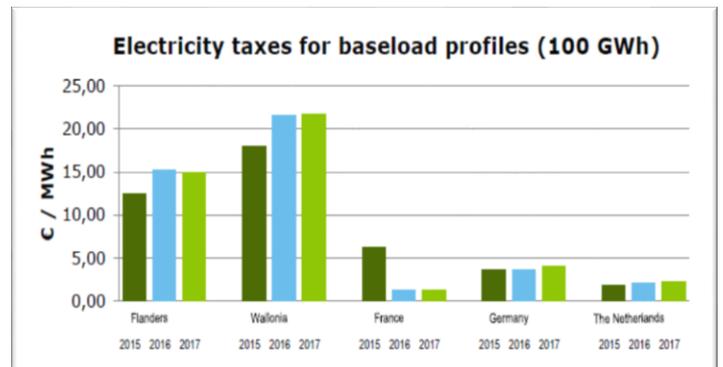
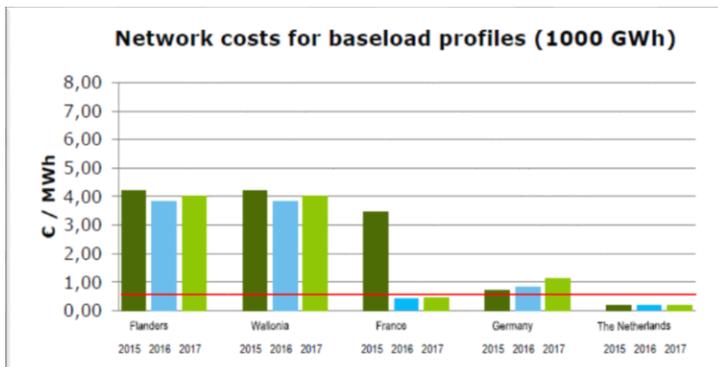


PRESS RELEASE

Belgian industry again loses competitiveness due to high electricity prices
Disadvantage amounts to hundreds of millions of euros

Brussels, 24 April 2017 – For the fifth time Deloitte compared, at Febeliec’s request, the electricity prices for industrial consumers in Belgium and in the three neighbouring countries. The figures confirm the handicap of the previous years: each year, industrial consumers with a stable profile pay 10 to 40% more than the average price in neighbouring countries, with a peak of more than 70% in 2015 in Wallonia. High time for the authorities to take action and to introduce an energy norm!

Belgian industrial electricity consumers with a stable offtake profile also this year pay a significantly higher price (+11 to 33%) than their competitors in the Netherlands, Germany and France. For companies with a more volatile profile, the disadvantage is smaller (9% or less). The improved availability of the Belgian (nuclear) plants even allowed the electricity price to slightly fall. But the disadvantage compared to the Netherlands and (especially) Germany remains substantial. (Transmission) grid costs are still much higher, because all our neighbour countries allow tariff reductions for industrial consumers. In Belgium, this is not the case. Moreover, government seizure in electricity prices is still much higher than in our neighbour countries.



This disadvantage leads to an extra-cost for the Belgian industry of several hundreds of millions of euros. Febeliec and other organisations have therefore been pleading for several years in favour of the introduction of an energy norm in order to make sure our industry and its thousands of jobs stay in Belgium. This proposal is taken up in the Flemish and federal government agreements and in the Walloon Marshall plan, but no concrete steps have been taken so far to introduce an energy norm. This is highly worrying and, more than ever, urgent action is needed.

The Deloitte analysis broadly confirms the conclusions of the study by PwC for the CREG on electricity and gas prices for industrial consumers. We welcome the fact that a broad consensus seems to have grown on the need for urgent measures. For Febeliec, these measures need to take account (as is the case in neighbouring countries) of the characteristics of local industry and be based on specific criteria such as the share of energy in production costs, consumption size and the exposure to international competition. Febeliec continues to plead in favour of the introduction of an energy norm in order to measure the competitive disadvantage of our industry compared to its global competitors, and to underline the need for measures to restore competitiveness. To this purpose, Febeliec offers its expertise to authorities, regulators and other stakeholders in order to look together for effective solutions.

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