

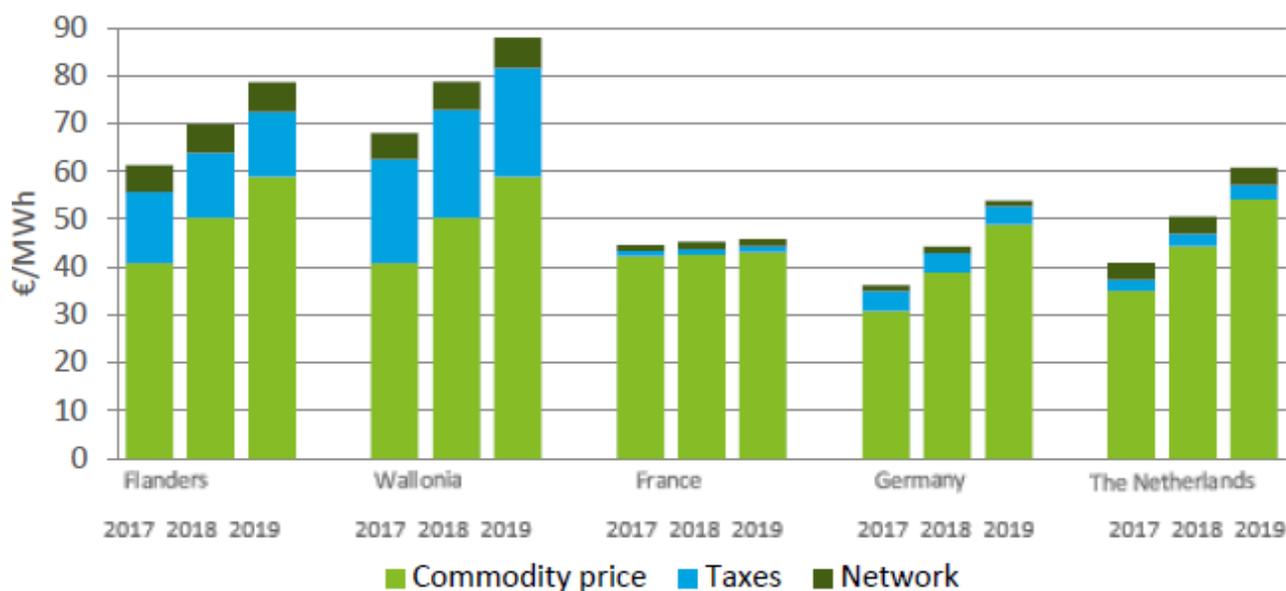
PRESS RELEASE

Belgian industry still facing high electricity prices

Brussels, March 26, 2019 – Ever since 2013, Deloitte analyses at the request of Febeliec, the federation of industrial energy consumers, the electricity prices and their components paid by the Belgian industry in order to compare them with those in the neighbour countries. For the seventh year in a row, the analysis shows that our industrial companies have to pay higher electricity prices. This way they have to face up to a significant competitive disadvantage. This situation causes our country to lose substantial investments and jobs...

The most recent study of Deloitte for Febeliec's account shows Belgian industrial consumers pay in 2019 between 15 and 34% more than the average of the 4 countries analysed. Belgium's results are poor in all components of the electricity price: the commodity price is higher, taxes are substantially higher than in the neighbouring countries and finally also the grid tariffs (transmission) are significantly higher for companies with a stable or predictable consumption profile. For the largest consumers the disadvantage amounts up to millions of euros. As the KULeuven/VIVES¹ study shows, the impact on our economy can be estimated at a loss of millions of euros of investments and tens of thousands of jobs.

All-in electricity prices for baseload profiles (100 GWh)



Febeliec and its members regret that the different governments in this country have not succeeded in introducing an energy norm which was, however, included in their government agreements. In order to preserve the competitive position of our industry and to support its future development, we need a clear framework closely monitoring the energy prices and proposing corrective measures whenever a handicap is registered, compared to our neighbour countries. This is even more necessary in view of the additional challenges and costs linked to the energy transition and other expensive measures such as the planned capacity remuneration mechanism (CRM).

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¹ "The impact of electricity prices on jobs and investment in the Belgian manufacturing industry", see <http://www.febeliec.be/data/1522308702Impact%20Electricity%20Price%20v20180323.pdf>.

Febeliec represents industrial energy consumers in Belgium. It strives for competitive prices for electricity and natural gas for industrial activities in Belgium, and for an increased security of energy supply. Febeliec has as members 6 business associations (Chemistry and life sciences, Glass, pulp & paper and cardboard, Mining, Textiles and wood processing, Brick, Construction materials) and 28 companies (Air Liquide, Air Products, Aperam, ArcelorMittal, Aurubis Belgium, BASF Antwerpen, Bayer Agriculture, Bekaert, Borealis, Covestro, Dow Belgium, Evonik Antwerpen, Glaxosmithkline Biologicals, Google, Ineos, Infrabel, Inovyn Belgium, Kaneka Belgium, Lanxess, Nippon Gases Belgium, NLMK Belgium, Nyrstar Belgium, Oleon, Sol, Tessenderlo Group, Thy-Marcinelle, Total Petrochemicals & Refining, Umicore, Unilin, Vynova and Yara). Together they represent over 80% of industrial electricity and natural gas consumption in Belgium and some 230.000 industrial jobs.