



**Cement
Business
Research**

PRESS RELEASE

CemBR REPORT: EU ETS & CEMENT – HOW DID WE GET TO THIS POINT?

The European cement industry has failed to match the targets set by the EU ETS on carbon emissions

According to an [extensive report on the history and performance of the European cement sector and CO₂](#) published by CemBR, a research and intelligence provider in the global cement sector, the cement industry has not managed to attain the targets of the European Union Emissions Trading System.

The report analysed all integrated cement plants currently in the system. It also examined and explained all closures between Phase I and currently. The key findings from the report can be summarised as follows:

- The European cement industry has not managed to keep up with the targets set in all phases of the EU ETS
- An overall CO₂ reduction of below 0.4% was achieved by the industry across all EU ETS phases so far
- The variation between countries in the scheme is significant ranging from 750 Kg CO₂ per tonne of clinker to 1,085 Kg of CO₂ per tonne of clinker
- Alternative fuels usage has increased but has failed to dent CO₂ figures due to low levels of biomass
- EU ETS has been generous with carbon allocations for the cement industry, especially during its first two phases, resulting in inconsistent behaviours between the various cement producers. CO₂ per tonne of clinker reductions have not been at the top of corporate agendas.
- Pricing of carbon credits coupled with the first year of deficit in the industry (2018) and the realisation of hitherto poor performance has now elevated this issue in the corporate agenda
- The variation between Northern Europe and Southern Europe is significant. The so called “olive line” separates two very different CO₂ outcomes.
- The financial impact of carbon credits is significant in the industry. Simulations suggest that EBITDA margins vary from 50% to -16% depending on the combination of sales/imports-exports/alternative fuels/actual capacity utilisation.

Numerous other findings can be found in the report, including some thoughts on the forthcoming Phase IV of the System, all backed by up to date, accurate and insightful data, research and analysis.

About the report:

The report provides detailed data and insights on several aspects of the ETS and its impact on the cement industry as follows:

- What are the main sources of CO₂ in the cement process and how they might be mitigated?
- The whole history of the EU ETS and its various phases so far
- Country by country analysis with Phase III data and current year details
- Plant by plant analysis – current year details
- Financial impact of the EU ETS on the European cement sector
- Behaviour of the European cement sector with regards to the EU ETS impact
- Overall conclusions.

The report has 110 pages and examines 31 countries and 210 integrated cement plants.

About CemBR:

CemBR is a research, data and insights provider in the global cement sector. CemBR was set up to provide “value for money” services to companies and institutions interested in accurate and granular intelligence in the global cement sector. The range of CemBR’s services is continually expanding using high-tech internet platforms to deliver its research work.

CemBR’s team is made up of researchers, analysts, consultants and advisors with extensive experience in the global cement sector – they do not work on any other sector. In addition, each report is supported by CemBR’s significant network comprising of cement related professionals with extensive experience and knowledge of cement markets globally. CemBR’s team members have working experience in more than 70 countries, covering all major cement markets in the world.

CemBR is a UK based company. Contact [CemBR](#) for more details.

