



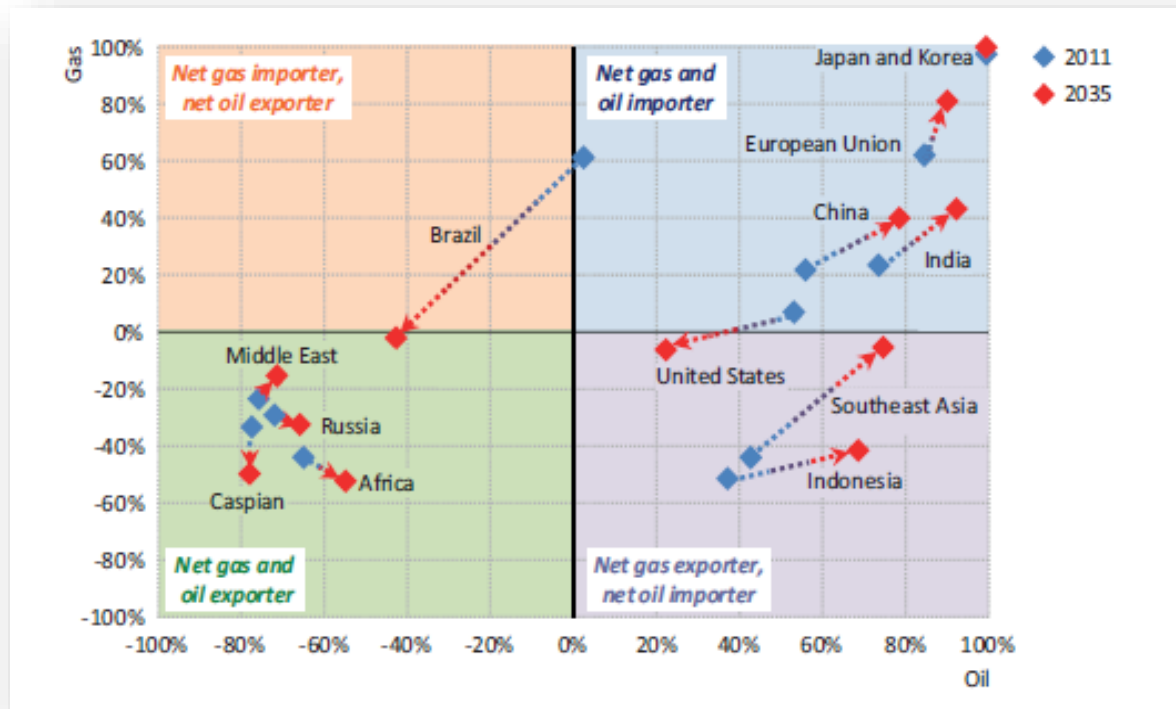
ENERGY DRIVING INDUSTRIAL COMPETITIVENESS

International Symposium « The Future of
Industries », November 27th, 2014

Michel Matheu, Head of EU Strategy

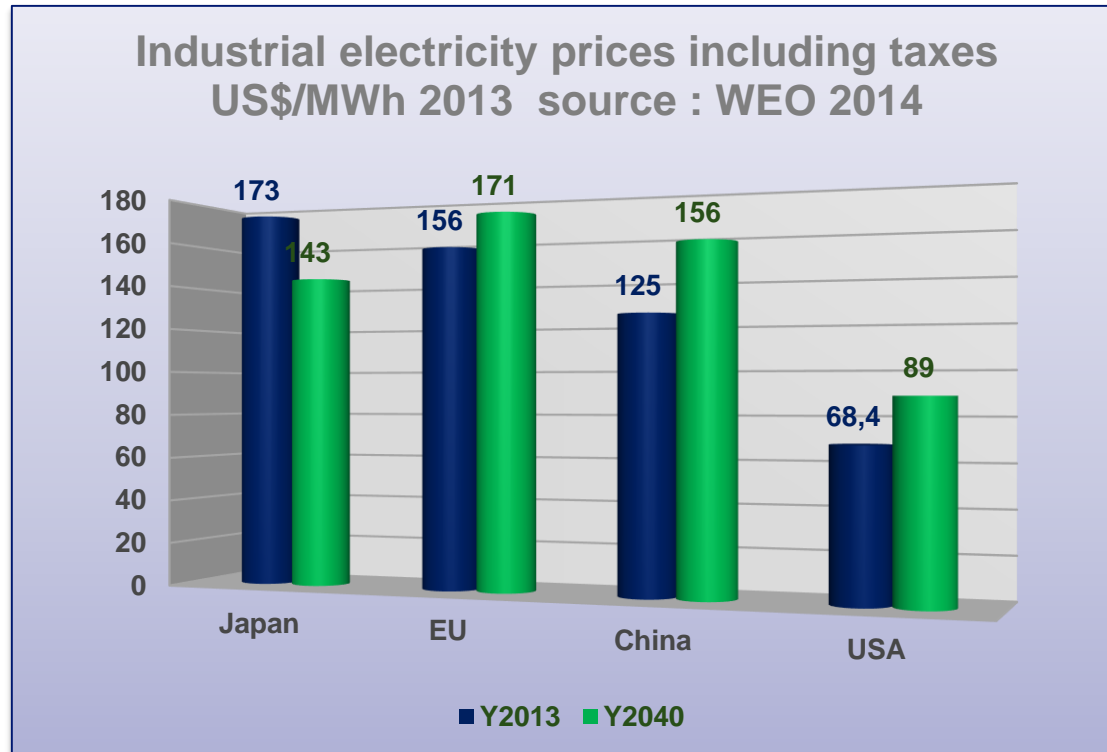


EXPOSURE TO FUEL RISKS IS GOING TO DIVERGE



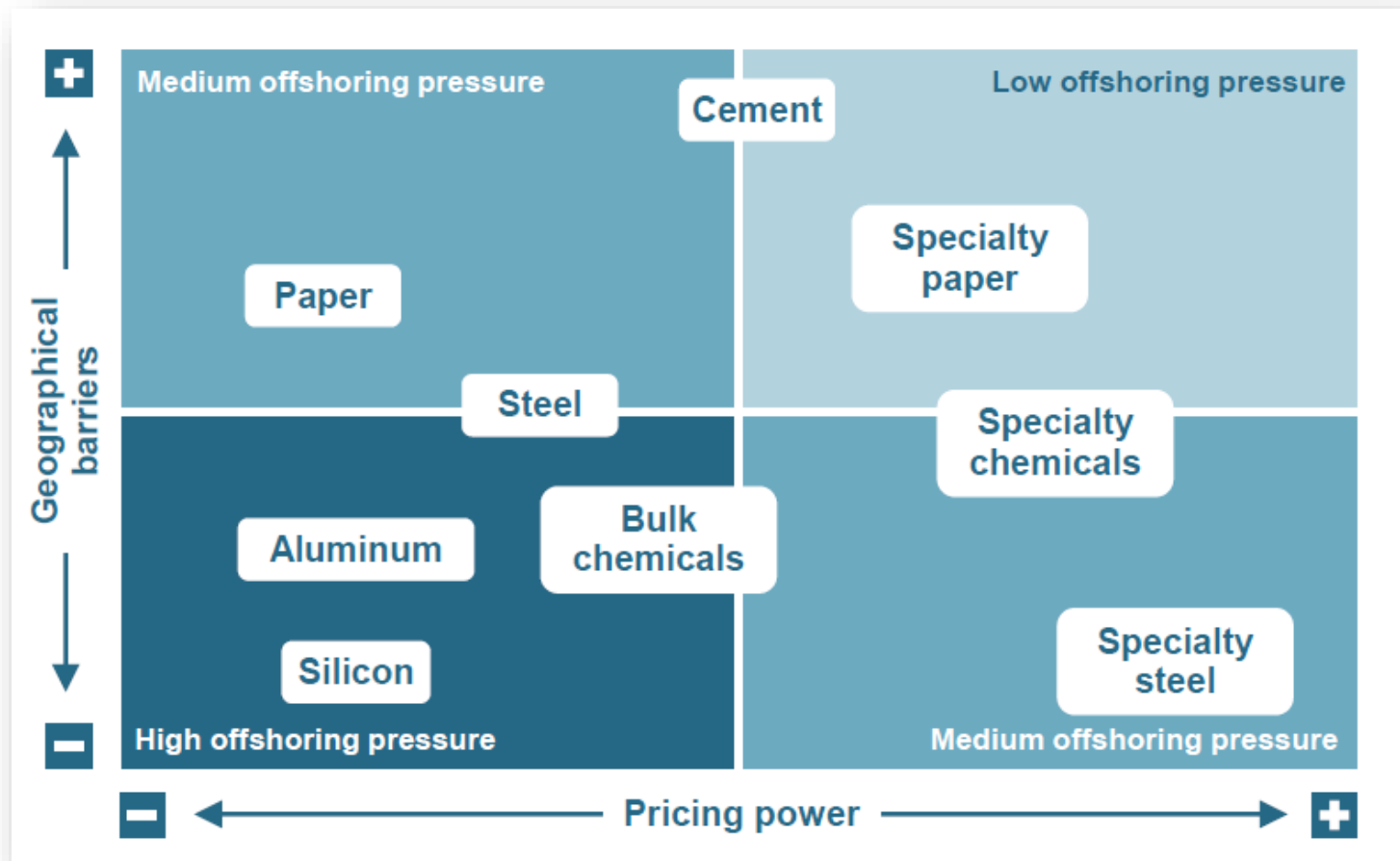
Dependency from fuel imports is likely to hamper European and Asian growth

DEPENDENCY WILL NOT ONLY TRANSLATE INTO HIGH FUEL PRICES BUT ALSO IMPACT POWER



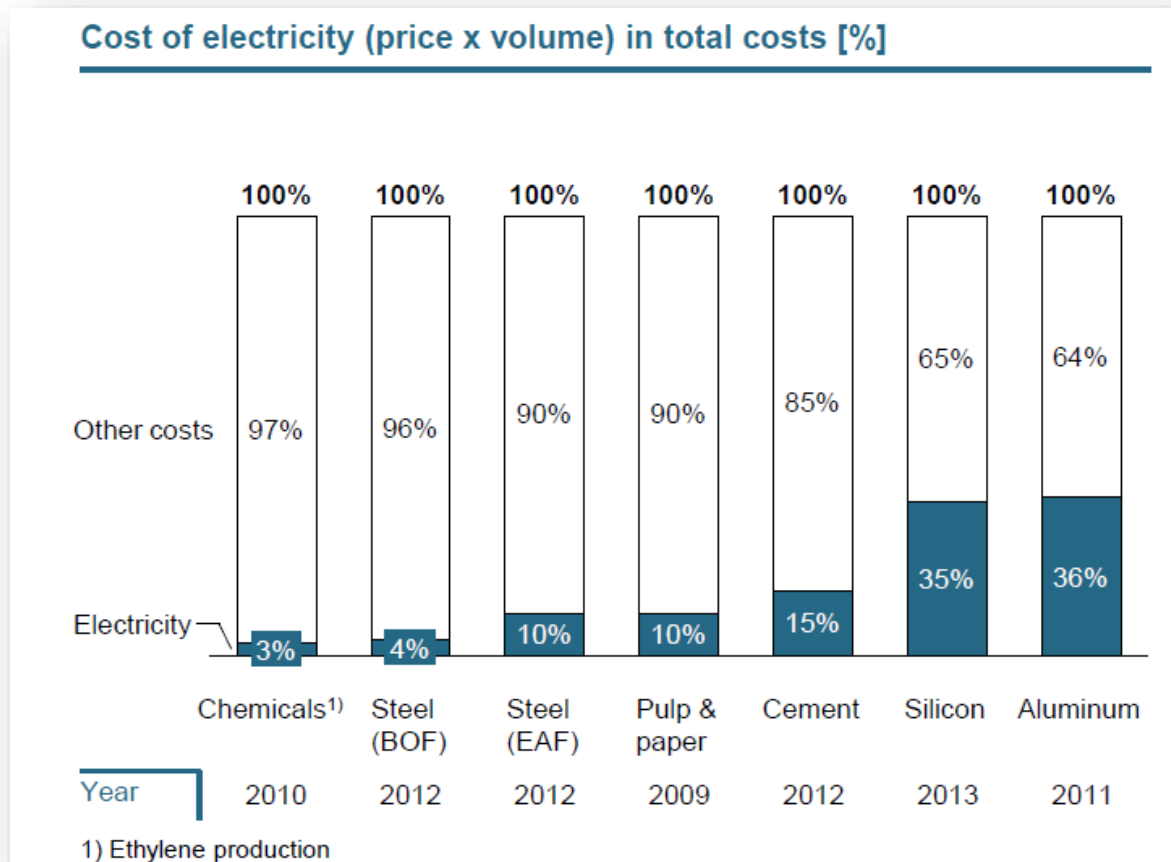
North America is likely to keep a significant competitive advantage

SOME INDUSTRIAL SECTORS ARE MORE SENSITIVE THAN OTHERS



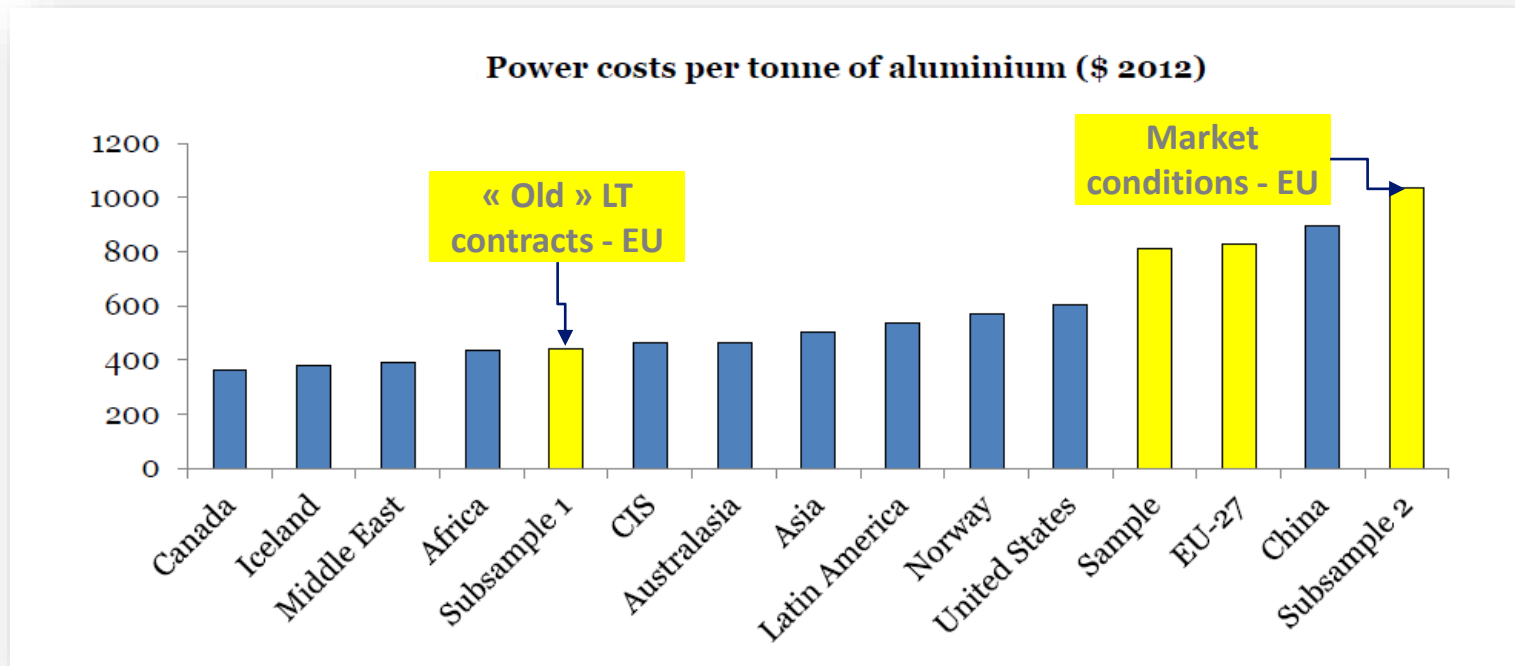
Low transport costs and competitive retail markets expose to offshoring risk

POWER PRICES MAY BE A KEY FACTOR OF COMPETITIVENESS IN SOME SECTORS



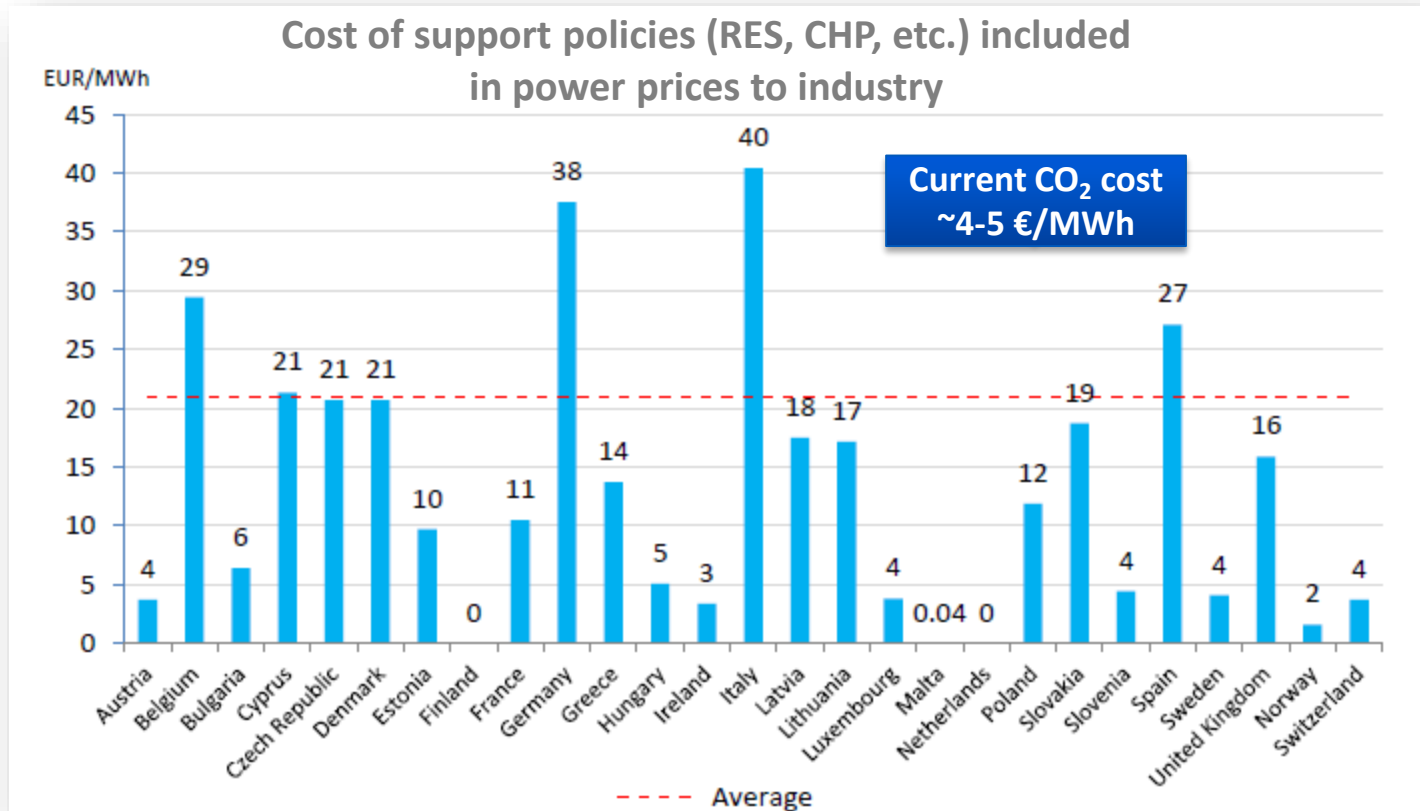
Power costs may be high while other cost reductions are very difficult to achieve

INDUSTRY AND POLICY BATTLES ARE TO BE EXPECTED



Controlling industrial power prices is going to be a major priority and a policy issue

EUROPE FACES A MAJOR POLICY COST ISSUE...



The average European industrial customer incurs significant policy costs

...WHICH INEVITABLY RAISES A REDISTRIBUTION AND INTERNATIONAL TRADE ISSUE



?

- Power prices should remain **affordable** for households and SMEs.
- Efficient electro- and carbon-intensive companies exposed to **extra-European competition** may claim they need an appropriate protection.



THANK YOU