European Domestic Glass Industry: A Strategic Industrial and Cultural Asset at High Risk of Deindustrialization in the EU

A call for EU and national policymakers to strengthen the competitiveness of European domestic glass manufacturing and ensure a level playing field for European producers.



The European Domestic Glass industry represents **one of Europe's oldest manufacturing** traditions, combining centuries of craftsmanship, artistic excellence, technological know-how and industrial innovation. Beyond its cultural significance, the sector remains a vital contributor to Europe's economy, providing employment to **more than 20,000 direct workers** across the European Union and supporting numerous local communities and supply chains, even in regions economically deprived.

Today, however, this strategic industry **faces challenges** that threatening not only its competitiveness, but also viability of European manufacturing, due to:

- persistently high energy costs
- tensions in critical raw material supply chain (especially rare earths)
- high export barriers imposed by foreign governments
- accelerating imports from Asia and North Africa often under uneven competitive conditions

Glass production remains highly **energy-intensive** with furnaces that must operate continuously by nature, making it particularly vulnerable to sustained increases in natural gas and electricity prices. European producers have invested and are investing heavily in decarbonization, but significantly high energy costs are rendering such investments ineffective in relation to production costs. European Domestic glass manufacturers **fully support the objectives of decarbonization** and environmental sustainability. However, the pace of regulatory requirements often exceeds the availability of economically viable technologies capable of delivering deep emissions reductions in our energy-intensive industry. Without adequate safeguards, carbon leakage and industrial relocation will become a certainty.

At the same time, the sector is experiencing extremely growing pressure from **imports,** often under uneven competitive conditions, particularly from third countries where manufacturers benefit from lower energy prices, reduced labor costs, less stringent environmental requirements and potential extensive government support. This trend has become especially evident in the Domestic Glass segment in the last 3 years.

European Domestic Glass production levels have fallen sharply, declining by more than 30% in the last 3 years.

An additional worrying development is the emergence of major manufacturing hubs in North Africa, where significant investments by international producers are creating export-oriented production which enjoy high favorable conditions, are designed to target the European market and are accelerating the displacement of traditional European production.The gradual erosion of Europe's Domestic Glass industry is driving EU into the loss of highly skilled employment, centuries of industrial know-how, and an important component of Europe's

manufacturing heritage. Once production capacity is permanently closed, rebuilding it becomes extremely difficult due to the significant investment required and the loss of specialized skills.

Europe therefore needs a **balanced industrial policy** that simultaneously pursues climate objectives while preserving strategic manufacturing capacity in the EU.To ensure the future of the Domestic Glass industry in Europe, we respectfully and urgently call on European and national policymakers to ensure trade defense while maintaining a level playing field for European producers:

- Strengthen **trade defense instruments** against unfair competition and market distortions.
- Support access to **competitively priced energy** for energy-intensive industries.
- Develop industrial policies that facilitate **investment in decarbonization technologies** while preserving competitiveness and employment. Recognize and support the huge investment costs on decarbonization of the glass melting and of the specific domestic glass production processes.
- Maintain carbon leakage protection through **ETS free allowances**, ensuring that any reduction takes into account the availability of commercially viable decarbonisation technologies. Removing the investment conditionality of free allocations and developing a sectorial benchmark for domestic glass.
- Introduce stronger **"Made in Europe"** principles in public procurement schemes.

Europe's Domestic Glass industry is not asking for protection from fair competition. It is asking for fair market conditions that allow European companies to compete on the basis of their established strengths in innovation, quality and sustainability. **The decisions taken today will determine whether a sector which embodies centuries of European history, culture and industrial excellence will continue to manufacture in Europe, or whether its production will gradually be relocated elsewhere**.

We remain available to contribute constructively to this dialogue and to support the development of policies that safeguard both Europe's climate ambitions and its manufacturing base.

