



**To: Members of the Expert Group on Climate Change Policy,  
European Commission, DG CLIMA B.2**

**Subject: Feedback on Free Allocation Rules for cement**

Dear Members of the Expert Group on Climate Change Policy,  
Dear European Commission,

As the [Alliance for Low-Carbon Cement and Concrete](#) (ALCCC), we are committed to bring European cements within planetary boundaries, targeting a net zero value chain by 2040. Clinker is the main cause of cement emissions as it is the product's most carbon intensive component, accounting for over 90% of the industry's carbon footprint. The share of clinker in cement remained high and stable in Europe over the last decade (c. 75%), sitting well above the global average (c. 63%). **As safe, scalable, and cost-effective low clinker cements exist today, policies urgently need to start incentivising low carbon substitute technologies which replace and reduce the volume of clinker in cement.**

The ongoing review of the allocation rules of free emissions under the ETS is a key step in driving this change. **As ALCCC we fully subscribe to the assessment of the European Commission which points out that the current clinker benchmark does not incentivise clinker substitution.** Therefore, we are pleased to see that several options are proposed in the concept paper to solve this longstanding issue.

In our view, **options A and D should be abandoned**, as A maintains the status-quo, and D is overly complex to implement as it requires defining a fast-expanding set of clinker substitutes. **Options B and C are the most promising in terms of decarbonisation potential.** Moving forward, both options should be assessed in greater depth, considering the following parameters:

**Mitigation potential:** to bring European cements within planetary boundaries, preference should be given to the option with the greatest mitigation potential. An important factor to consider is the ease of implementation.

**Level playing field for clean technologies:** different technologies exist today to produce low carbon cements, including both clinker-lowering technologies (i.e. reducing the level of clinker in cement via supplementary cementitious materials), and alternative binder technologies (i.e. relying on non-clinker-based chemistries). In line with the ETS Directive, it is important that the new benchmark is both process and feedstock neutral, as such putting the right incentives in place for types of technologies.

Representing leading innovators in the European cement, concrete and construction value chain, we are confident that with your support we can make Europe's most consumed material greener.