



Brussels 10th June 2025

Ms. Teresa Ribera
Executive Vice President
Clean, Just and Competitive Transition

Re: For A State Aid Framework that Fits our Clean Industry Ambitions

Dear Executive Vice President, Ms. Teresa Ribera,

We, the undersigned Members of the European Parliament, write to you at a moment of deep geopolitical and economic transformation. While divergences within our Union persist, it is increasingly evident that Europe's major strategic challenges originate from outside our borders. A rapidly evolving global order — marked by intensifying competition, industrial policy shifts, and growing protectionism — demands that the European Union act with greater resolve, vision and unity.

We applaud the European Commission for pursuing an ambitious agenda with the Clean Industrial Deal, marrying competitiveness imperatives with climate ambitions, placing clean technologies at the heart of it. They represent the nexus of climate ambition, competitiveness, energy security and economic resilience. Europe has proven to be a cradle for breakthrough innovations in this space, but struggles in scaling these technologies into globally competitive industrial ecosystems. This is not due to a lack of entrepreneurial spirit, talent, or ideas—but rather the absence of a fully integrated Single Market and adequate, agile and strategic support mechanisms.

Against this backdrop, in anticipation of the next EU Multiannual Financial Framework, the need for a revised EU State Aid framework enabling Member States to take decisive action in the near future could not be more urgent. The current proposal under the Clean Industrial State Aid Framework (CISAF) can benefit from further improvements and bold action. We must move beyond a framework designed primarily to manage competition within the Single Market and adopt one that allows Europe to compete effectively on a global scale—particularly in the strategic arena of cleantech manufacturing. It is in this light that we urge the Commission to take bold and decisive steps.

Ensure Simplicity to integrate SMEs and Scale-ups in the State Aid framework: Start-ups and Scale-ups are a powerful driver of competitiveness but have fewer resources than industrial incumbents to navigate the complexity of the rules. Targeted public support could help



significantly, but the current system is too complex and opaque, deterring smaller, innovative companies. The system of State Aid rules needs to become much simpler and more predictable.

Develop support mechanism that speak to private capital: Under the current lengthy, highly uncertain project-by-project approach, State Aid is too unpredictable to act as leverage to mobilize private capital for SMEs. Member States should be allowed to design transparent, predictable production-based schemes for cleantech manufacturing in sectors of strategic importance and common European interest, starting with those most at risk.

Unlike project-based aid based on the arbitrary funding gap concept, which is often too slow, unpredictable, and difficult to access for smaller companies, upfront production-based support rewards delivery, lowers marginal costs, and offers the predictability investors need. A coordinated European approach through the Competitiveness Coordination Tool can help maximize the impact and coherence of national efforts.

Transition towards the next EU Budget: Considering ongoing geopolitical and economic uncertainties, as we await future coordinated EU action under the next MFF, Member States should have the flexibility to experiment with support mechanisms that are most likely to benefit innovative companies at the technological frontier while speaking to private capital.

We firmly believe that this moment calls for strategic clarity and political courage as you no doubt will agree. Europe has the talent, the ambition and the technological foundations to lead in the industries of tomorrow. What we require now are the tools and the political will to ensure that leadership materialises on our own soil, under a renewed “Made in Europe” industrial vision. This moment demands evolution — in our policies, in our institutions, and in how we act collectively.

The path to sustainable prosperity lies in our shared ability to scale up Europe’s industrial leadership. We stand ready to work in partnership with you to translate this ambition into action.

Yours sincerely,

Lídia Pereira, EPP Group, Co-Chair of the Cleantech Friendship Group
Thomas Pellerin-Carlin, S&D Group, Co-Chair of the Cleantech Friendship Group
Pascal Canfin, Renew Group
Annalisa Corrado, S&D Group
Paulo Cunha, EPP Group
Martin Hojsík, Renew Group
Radan Kanev, EPP Group
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