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SUMMER REPORT

26 August 2025

OVERVIEW

This report summarises the results of the EURATEX Energy Survey, providing insights into the current energy situation of the textile industry in Europe.

It is designed to support advocacy efforts and highlight key areas for action.

SUMMARY

- **Total respondents: 89** companies from Austria, Belgium, Germany, Greece, Italy, Portugal, and Spain.
- **Almost half of respondents** were from Germany (48%), followed by Spain (15%), and Italy (14%).
- The most **represented production activities** among responding companies are finishing of textiles (e.g. coating, heat setting, washing, dyeing, printing), weaving of textiles, preparation and spinning of textile fibres, and manufacturing of other technical and industrial textiles.
- **German companies** offer varied activities: knitting of Socks, friction linings, production of foam mold for car seats, bed linen, and industrial fabrics.

SUMMARY

- **The elements of energy costs** perceived as the heaviest burden are grid costs, followed by taxes, levies, and energy prices.
- Some countries have shown **similar costs concerns** coming to the Single Market such as transportation, spot price, and Co2 costs.
- **German companies** are affected by energy tax and Co2 tax, which are perceived as high-cost burdens.
- **Smaller companies** face over 30% energy costs as part of the total production, demonstrating that energy costs share is higher as the company size decreases.
- Among all companies the **average energy source** used is electricity (52,1%), followed by natural gas (37,9%).
- **Renewables investments** are quite low with an average percentage of 7,2%.

SUMMARY

- **Among other energy sources used for production there are:** Diesel, external heating, Nitrogen, heat and power plant, district heating, and oil.
- The majority of respondents perceived an increase of energy prices following greenhouse gas emission (“indirect emission costs”).
- 65% of respondents did not receive any financial support to offset electricity price increase linked to CO₂ costs.
 - Among the 18% companies which received financial support those are from IT, ES, DE, BE, AT, and EL. No Portuguese firms included.
 - Among the 10% companies which declared to not know whether they received any financial supports, the majority are specialised firms with only one production activity in place.

SUMMARY

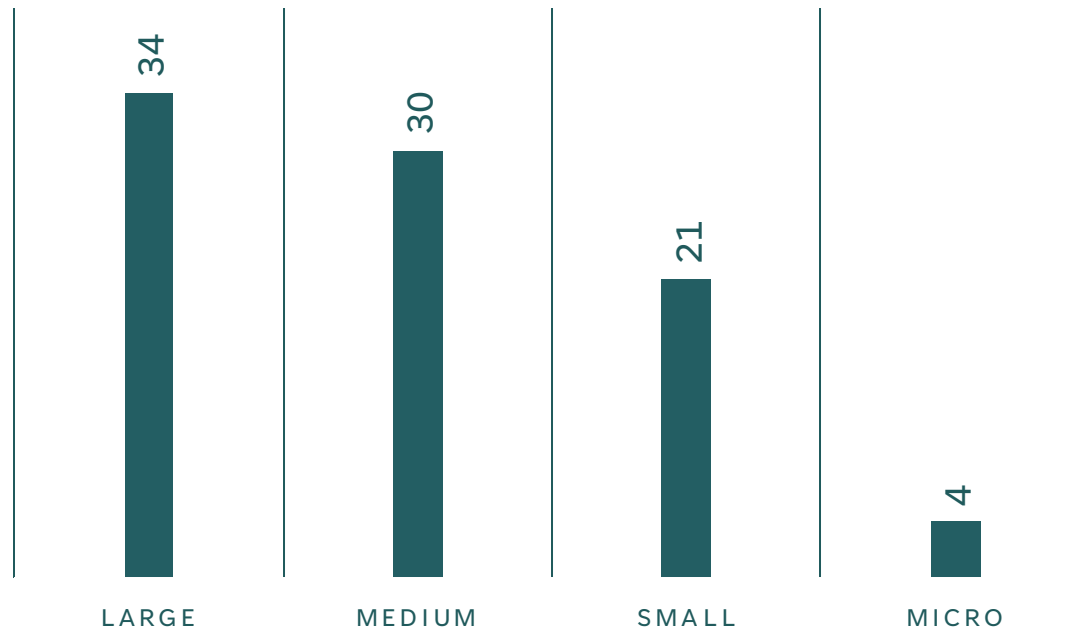
- **Only 7 out of 89 companies are subject to the Emission Trading System (ETS)** under combustion of fuels in installations with a total rated thermal input exceeding 20 MW.
 - Challenges faced for complying with the ETS system include administrative burden, monitoring and reporting, and decreasing of free allowances.
 - Only 2 out of 7 companies did not buy additional certificate to comply with the system in 2024.
 - Most of the firms are large-sized companies, only one is a small firm from Spain which activities include weaving of textiles and manufacture of other technical and industrial textiles.

SUMMARY

- ETS influenced investment decisions towards the following **emission-reducing technologies**:
 - 1) Energy monitoring systems or smart meters to track and reduce consumption.
 - 2) Energy-efficient machinery (e.g. low-consumption dyeing or spinning equipment)
 - 3) Process optimization to reduce energy waste (e.g. batch planning, heat integration)
- Cost savings after implementing those technologies vary between 20 and 30% for small firms, while large firms mentioned costs increase.
- The **Carbon Border Adjustment Mechanism (CBAM)** is perceived by 41% of respondents as a system which can help them to compete against products not paying carbon allowances.
- However, 39% of companies do not know whether CBAM can be effective.

TOTAL RESPONDENTS BY COMPANY SIZE AND COUNTRY

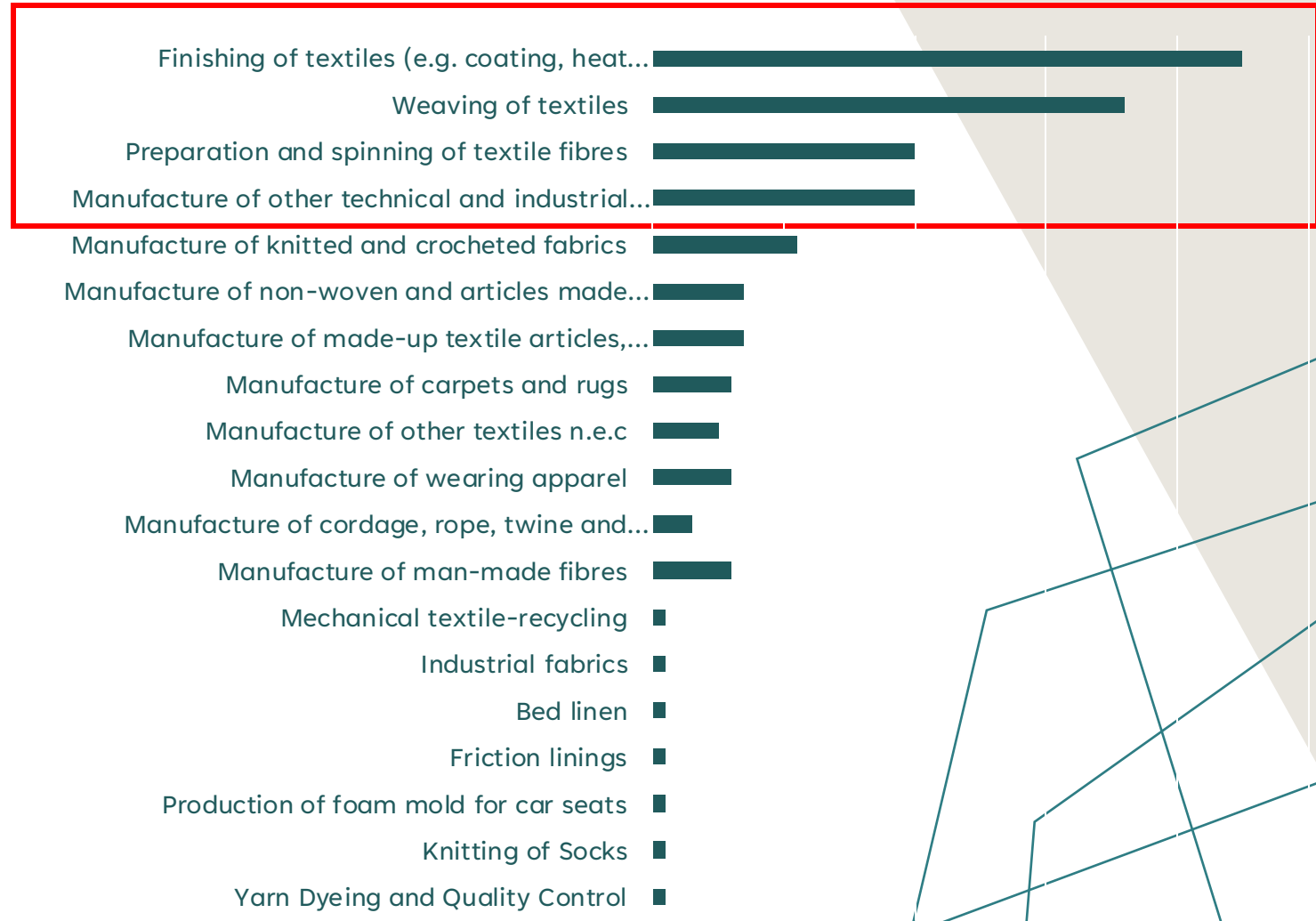
- **Total respondents: 89:** Germany (48%), followed by Spain (15%), Italy (14%), Portugal (4%), Greece (4%), and Austria (3%)
- The highest number of companies are **Small and Medium enterprises** which account for 55% of the total.



	Count of Country
Germany	42
Spain	14
Italy	12
Belgium	10
Portugal	4
Greece	4
Austria	3
Grand Total	89

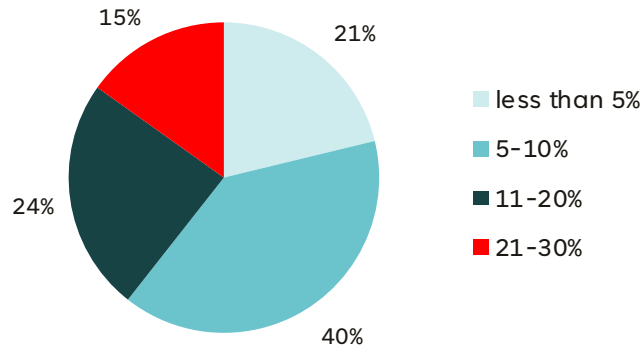
WHAT TYPE OF TEXTILE PRODUCTION ACTIVITIES DOES YOUR COMPANY CARRY OUT?

- The most **popular production activities:** finishing of textiles, weaving of textiles, preparation and spinning of textile fibres, and manufacturing of other technical and industrial textiles.
- Almost half of the companies are specialised carrying out only one single production activity (49%).

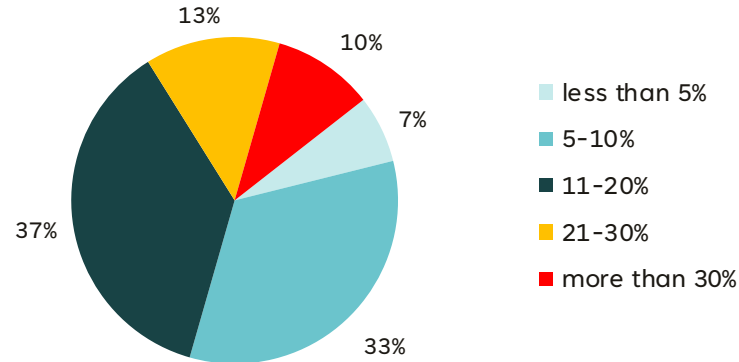


WHAT IS THE APPROXIMATE SHARE OF YOUR COMPANY'S ENERGY COSTS IN YOUR TOTAL PRODUCTION COSTS?

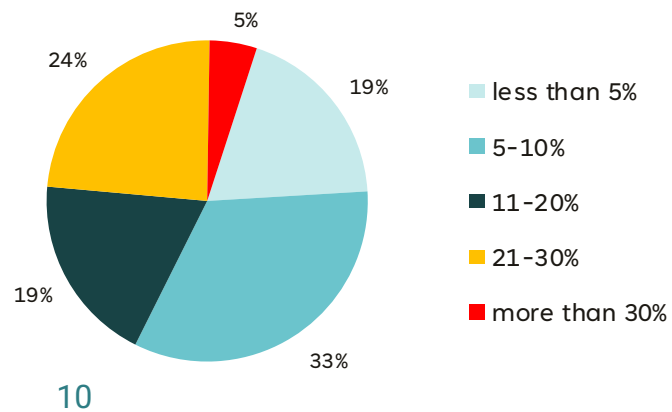
Large companies



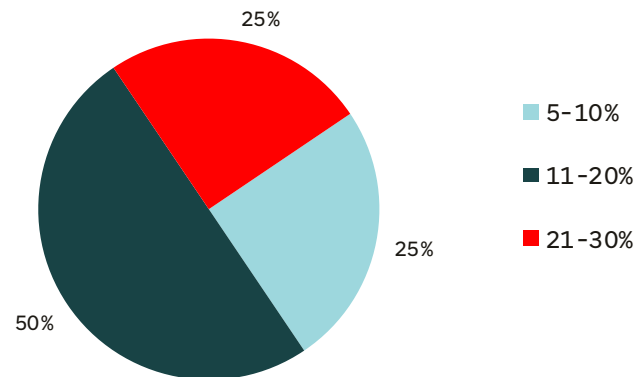
Medium companies



Small companies



Micro companies



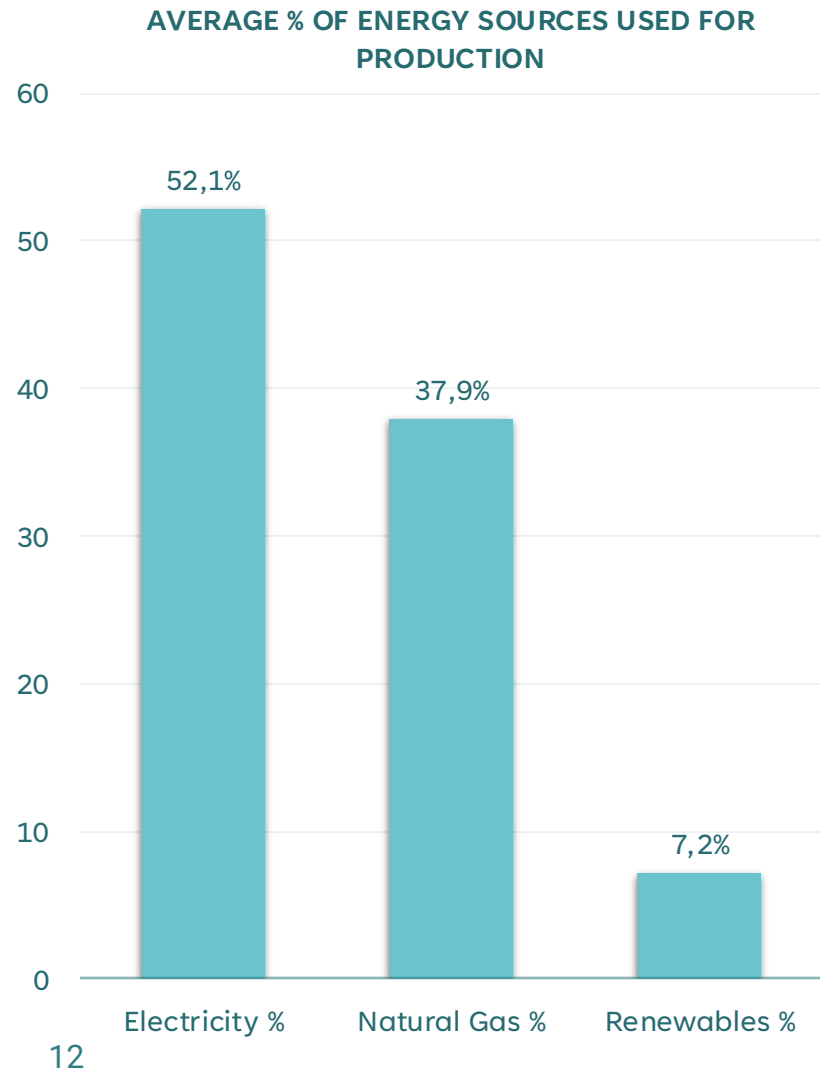
- The average energy costs is between 5 and 20% for most companies.
- The smaller the company, the higher is the share of energy cost.

WHICH ELEMENTS OF THE ENERGY COSTS ARE THE HEAVIEST BURDEN FOR YOUR COMPANY?

- The energy elements perceived as the heaviest costs are **Grid costs (42%)**, followed by **Taxes and Levies (42%)**, and **Price of energy per se (17%)**.
- Some countries mentioned additional costs. Some of them face similar barriers, see table below:

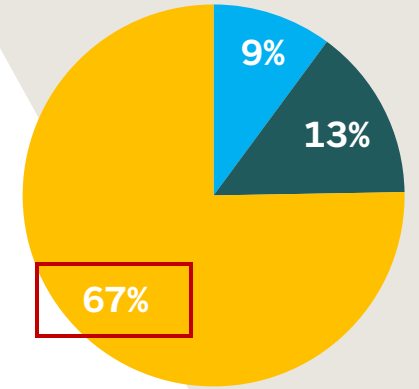
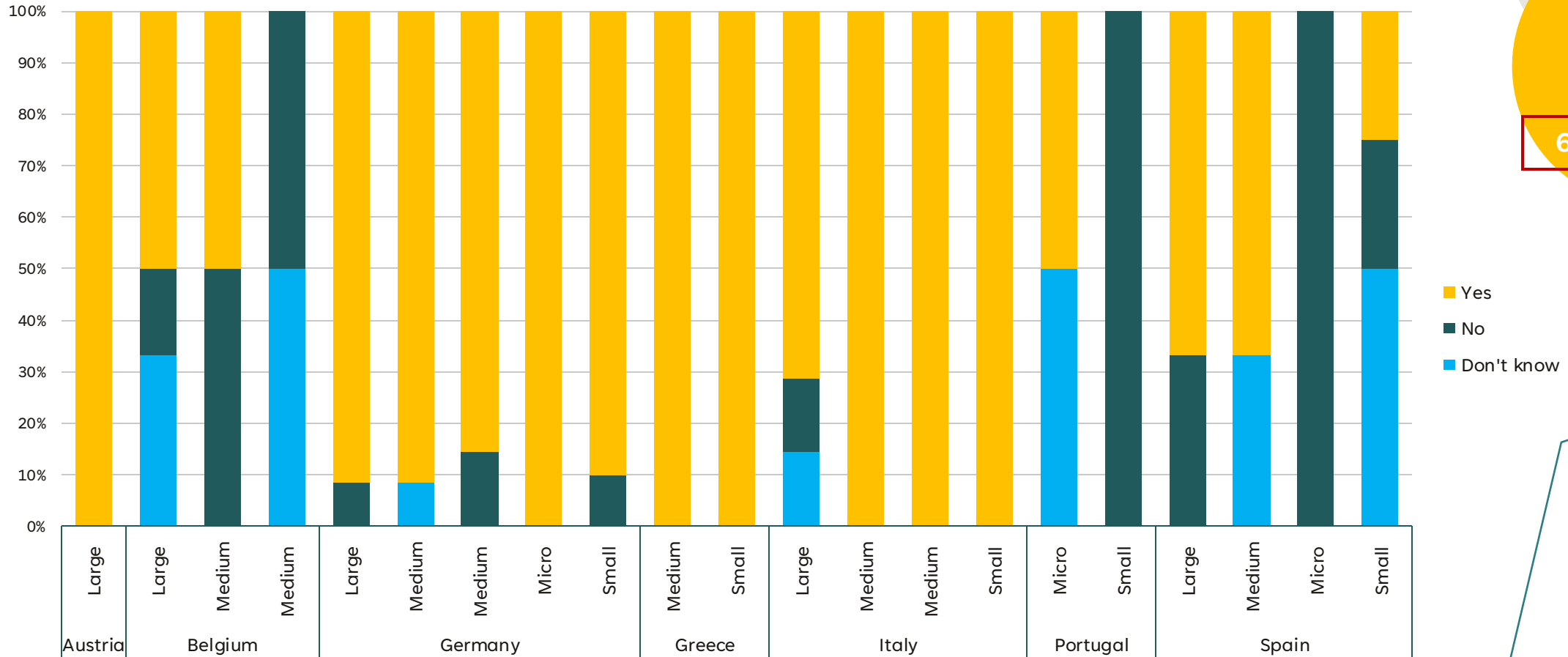
	Belgium	Germany	Italy	Greece	Spain	Austria
Commodity price		Electricity costs	Energy for raw materials	Upleafts	Adjustement service	Consumption
Market dynamics		Electrical power	Transportation	Spot Price	Spot Price	
Non market costs		Energy tax		Labour	Electricity tax	
Total costs compared to Turkey & Asia		Co2 costs		Co2 costs	Trasportation	
		Carbon tax				

HOW ARE YOUR COMPANY'S ENERGY COSTS DISTRIBUTED ACROSS DIFFERENT ENERGY SOURCES (IN %)?



Other sources % in total production	Type of source	Country	Company size	Energy costs
39%	District heating	Germany	Small	21-30%
7%	Diesel	Germany	Large	5-10%
22%	Oil	Germany	Large	less than 5%
8%	Diesel	Germany	Large	11-20%
4%	External heat	Germany	Large	11-20%
4%	Heat and power plants	Germany	Large	5-10%
no specified	Nitrogen	Spain	Large	5-10%

IS YOUR COMPANY AFFECTED BY INCREASES IN ELECTRICITY PRICES CAUSED BY THE COST OF GREENHOUSE GAS EMISSIONS (ALSO KNOWN AS 'INDIRECT EMISSION COSTS')?

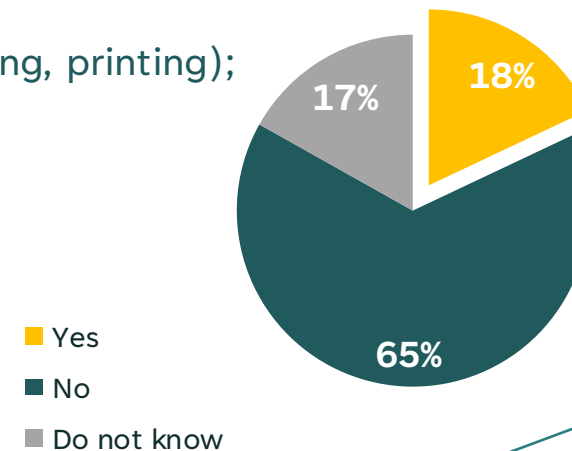


DID YOUR COMPANY RECEIVE ANY FINANCIAL SUPPORT TO OFFSET ELECTRICITY PRICE INCREASES LINKED TO CO₂ COSTS (ALSO KNOWN AS 'INDIRECT EMISSION COST COMPENSATION')? BEFORE THE TEXTILE SECTOR WAS EXCLUDED FROM COMPENSATION SCHEMES IN 2020

Only 18% out of 89 companies **got financial support** to offset electricity prices' increases.

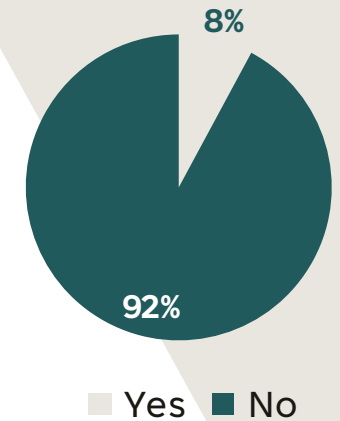
The distribution of financial supports was not influenced by company size or location.

- Among the 13% who received supports, there are diverse company size and localities: Austria, Belgium, Germany, Greece, Italy, and Spain.
- Main production activities:
 - Finishing of textiles (e.g. coating, heat setting, washing, dyeing, printing);
 - Preparation and spinning of textile fibres;
 - Weaving of textiles.



IS YOUR COMPANY COVERED BY THE EU EMISSIONS TRADING SYSTEM (ETS)?

- **Only 7 out of 89 companies** are covered by the EU Emission Trading System (ETS).
- Those companies are **large sized firms** covered mainly by ETS under **Combustion of fuels in installations** with a total rated thermal input exceeding 20 MW.
- Only one company is a small firm from Spain, carrying out the following production activities: weaving of textiles and manufacture of other technical and industrial textiles.
- Major challenges faced for complying with the ETS system are:
 - Administrative burden;
 - Decreasing free allowances;
 - Monitoring and reporting.



OVERVIEW OF FREE ALLOWANCES RECEIVED AND BOUGHT IN 2024

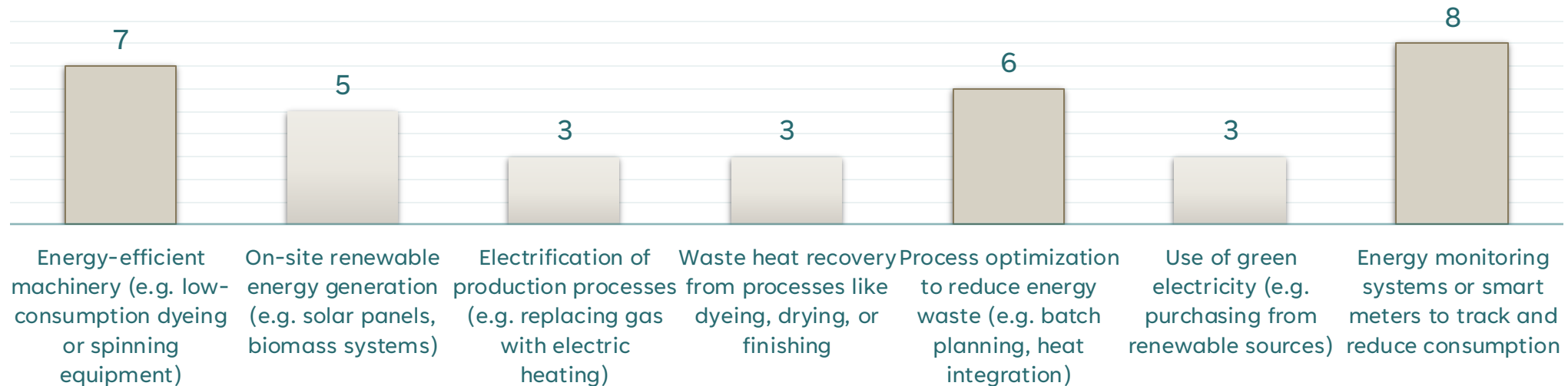
The table below shows the number of certificates bought and free allowance received in 2024 by the 7 companies covered under the ETS system.

Certificates		Belgium	Germany	Italy	Spain
Number of companies		4	1	1	1
Number of certificates	Free	Between 2,000 and 8,000	30,000	17,447	2
	Bought in 2024	Between 2,000 and 5,000 Two did not buy any	100,000	34,874	1
Company size		Large	Large firm specialised man-made fibers	Large	Small

ETS EXPANSION INFLUENCE ON INVESTMENT DECISIONS TOWARDS EMISSION-REDUCING TECHNOLOGIES

Among the type of emission reducing technologies, the most popular are:

- Energy monitoring systems or smart meters to track and reduce consumption.
- Energy-efficient machinery (e.g. low-consumption dyeing or spinning equipment).
- Process optimization to reduce energy waste (e.g. batch planning, heat integration).



** Further comment: Emission reducing technologies reduce energy costs based on production setup*

DO YOU BELIEVE THAT CBAM SYSTEM CAN HELP YOU TO COMPETE AGAINST PRODUCTS NOT PAYING CARBON ALLOWANCES ?

- 41% respondents do not know whether CBAM is the right tool to establish a level playing field for European businesses
- 39% believe it can help to compete with imports which are not complying with EU regulations.
- 20% does not consider CBAM the right tool.

In favour

Could help our companies competing more fairly against products that do not pay carbon allowances and encouraging cleaner production practices abroad.

ETS makes market asymmetrical and CBAM could alleviate the differences in costs.

If it will be supported with real figures from other countries

Not in favour

CBAM does not work for every industrial sector. High temperature steam is needed in our production. Electrical power cannot deliver this.

Carbon leakage may stop production in Europe.

Countries could easily allocate green energy to their textile production, avoiding extra CBAM cost upon import. Vice-versa EU-exporters would have a competitive disadvantage upon export due to EU-CO₂-costs.

Levy possibly not relevant

Countries could possibly cheat European authorities

FINAL COMMENTS

- High temperature steam is needed in our production. Electrical power cannot deliver this.
- We believe that energy costs are too high compared to other countries and that we therefore have a competitive disadvantage.
- The finishing companies urgently need a carbon leakage compensation. At the moment there is no alternative for natural gas in the process heat industry!
- Regulations very rarely meet their goals! Keep it simple. The main problem are the 4.5 bio parcels from China into the EU per year.
- Everything is imported WITHOUT meeting any regulation. The share of German taxes and social security cost in our sale price is around 2/3 of the sale price. Therefore, we need a level playing field.
- EU and Germany is losing its Industrial backbone. Dyeing, Finishing is not anymore possible due to costs and bureaucracy.
- We should have never been excluded from the compensation scheme CO2. We should have been more supported after the increase of the energy cost in 2022 and the simultaneous stop of cheap sources (e.g. lignite) that sent energy bills +200%.
- The green transition exterminated the textile industry in Europe, we believe it should have been delayed.
- Very concerned about the impact of CO2 regulatory change: EU TS2.
- Regulatory changes year by year in energy are so difficult to manage.
- The European production is not competitive because other countries subsidize their production.
- In Greece, energy providers are destroying SMEs in the Textile sector because of high prices, with the direct or indirect support of the government. Their policy shows no concern for preserving small and medium businesses, leaving only the large ones, completely disregarding the social and economic devastation caused. This situation is unacceptable and must be addressed urgently and decisively.



THANK YOU FOR SHARING
YOUR INPUTS WITH US