Open Letter to the European Metals and Electromechanical Supply Chain

Competitiveness, Jobs, and Industrial Future: The Time for Waiting is Over.

By Armando Donazzan, President of Orange1

In recent months, we have witnessed a succession of European decisions that, while declaring the goal of protecting industry and fostering the climate transition, are producing the opposite effect: increasing costs, reducing competitiveness, and putting the entire manufacturing supply chain under pressure.

The measures on steel, the siderurgy industry, and **CBAM** are the most evident examples of this. On one hand, raw materials produced in Europe are being penalized; on the other, equivalent rules are not applied to semi-finished and finished products imported from non-EU countries. The result is a severe and dangerous market distortion. Producing in Europe is becoming more expensive every day. Buying from abroad, instead, is becoming increasingly convenient. A gap that is no longer sustainable. Until a few years ago, the cost differential between **European and Asian products was around 15%. Today we exceed 40% and, with the measures under discussion, we risk surpassing 50%.**

Such figures are not compatible with the survival of an industry that wants to remain competitive. Compounding all this are forecasts of further steel price increases in the coming years, which risk cascading throughout the entire value chain, first hitting margins, then investments, and finally employment.

The risk is clear: making sourcing from outside Europe structural, breaking supply chains built over decades of work, expertise, and industrial relations

The ecological transition cannot become a unilateral penalty for those who produce in Europe.

If the rules are not the same for everyone, we are not talking about a free market, but about distorted competition. In the United States, for example, duties are applied symmetrically to both finished products and components, incentivizing local production throughout the supply chain. In Europe, however, we continue to impose internal constraints without effective tools for external protection.

The result is that the cost of global distortions is being borne almost exclusively by European industry. Faced with this scenario, I believe the time has come to state clearly: verbal protests are no longer enough.

If politicians continue to postpone structural decisions and ignore the alarms coming from the manufacturing world, the reaction must be visible, concrete, and collective.

This is why I am **launching a proposal** that aims to be both provocative and a strong signal: t**he coordinated closure of plants for an entire day, accompanied by a demonstration in front of the institutions, in agreement with the workers.**

Not to create unrest or outcry for its own sake, but **to highlight what we risk losing: industry, jobs, skills, and the future of our regions.**

To face this challenge, we cannot remain divided. Therefore, I invite all companies in the sector to join **ESN - ElectroMechanical Suppliers Network**, **the association founded by Franco Felisa, President of Trancerie Emiliane. ESN was created to provide a single voice for the European electromechanical supply chain, to defend the right to work under**

competitive conditions, and to engage with institutions with strength, credibility, and concrete proposals.

Remaining divided means being ignored one by one. Acting together means truly counting.

The time for waiting is over. **If we don't act now, the loss of competitiveness will become irreversible. And when companies close or relocate, there's no turning back** with promises or plans made after the fact. It's time we make our voices heard. All together.