

EUROPEAN COMMISSION Employment, Social Affairs and Inclusion DG

Employment and Social Governance **Social dialogue**

SECTORAL SOCIAL DIALOGUE COMMITTEE CHEMICAL INDUSTRY

Working Group Competitiveness, Employment and Industrial Policy

Meeting 24 February 2017

Draft minutes

Chairs: Koen LAENENS (ECEG) and Alfons De Potter (industriAll Europe)

1. Opening and approval of the draft agenda

Mr Koen Laenens (KL) welcomed all participants and thanked Mr Jean Pelin (JP) - the head of UIC, French chemical employers' association - for his outstanding support of the European Sectoral Social Dialogue across the years. JP was attending the Committee meeting for the last time before his retirement,

Mr Alfons De Potter (AP) joined Mr Laenens in bidding farewell to Mr Pelin and underlined the importance of continuing working together in the current European context which proves that Europe makes sense and should keep progressing.

The draft agenda was approved.

2. Roadmap 2015 – 2020 – current state of play

KL recalled the objectives of the project which were two-fold: (1) follow up on a former European framework agreement on Competence Profiles and (2) assess 10 years of social dialogue at EU level as well as define a framework of actions for the period 2015-2020. Ms Silke Voigt (SV) summarised the progress made so far for each of the 5 pillars of the joint Roadmap project (see presentation in annex). One of the objectives of the pillars was to activate cooperation with pharmaceutical, plastic and rubber industries. She highlighted that a cooperation agreement with VinylPlus (plastic converters) is foreseen to be signed during today's meeting and that negotiations are ongoing for a Memorandum of Understanding (MoU) with European Federation of Pharmaceutical Industries and Associations (EFPIA). Moreover, a framework agreement on "sustainable employment and career development" is being finalised and should be signed at the final conference on 13-14 June.

Mr Sylvain Lefebvre (SL) confirmed the active work done jointly through this project and pointed out that the coming two years will be equally important to ensure the proper implementation of signed texts. SL also added a point on social partners' (SPs) willingness to reinforce their involvement in the European Alliance for Apprenticeship which suffered from a lack of resources.

Responding to delegates questions on key messages to take back to affiliates, it was highlighted that innovation is a key issue for the competitiveness of the sector and therefore for employment. It should be the main focus of next discussions which could lead to a common declaration on innovation for the chemical sector. Everyone agreed on the importance of this topic which should have a central place in June conference.

3. "Capacity to Negotiate" report: first findings

Mr Chrisitan Welz (CW) reminded that the mandate and capacity to negotiate is the main element that distinguishes social partners from business associations. The change in ECEG's statutes and thus the mandate in 2016 was therefore a very important step.

The key questions raised were to (1) assess whether EU level social partners have the capacity to negotiate; and (2) see where it is documented. Key conclusions were that only 24 out of 87 sectoral social partners have a statutory (the case of ECEG and industriAll) or non-statutory mandate, 47 have an ad-hoc mandate and 16 have nothing. CW highlighted that only 5 sectors are considered to have organisations with "clear" mandates and the chemical sector is part of them. He also highlighted that very few organisations (13) have foreseen ratification procedures in case of negotiated agreements.

Conclusions were that there is a room for increased transparency, more and clearer mandates and the inclusion of ratification procedures (see presentation in annex).

KL gave some insight on the different articles changed in the ECEG mandate and mentioned that the modifications to the statutory mandate were just approved by the Ministry of Justice (see presentation in annex).

SL underlined that a mandate to negotiate agreements is an important responsibility of SPs. He also highlighted that SPs' common positions result from negotiations and should be important elements in the design of policies from the beginning of the process. Ms Emma Argutyan (EA) added that both organisations have a tentative agreement to explore a possibility to negotiate an agreement and subject is being discussed.

Social partners decided to better communicate what is done at European level to the citizens. SL underlined that any declaration signed jointly is a tool to communicate to affiliates and their own members, to EU institutions and to other stakeholders. He also explained that capacity building remains an ongoing objective.

4. The British exit of the EU - Post referendum: the challenges for chemical industry

Mr Simon Marsh (SM) presented the general context which led to the results of the UK referendum (see presentation in annex). Although companies from the chemical industry overwhelmingly showed support to remain in the EU, the sector now needs to work with the government to face challenges ahead.

Furthermore, he explained that as 75% of raw materials come from the EU and 60% are exported to the EU, there are a lot of incoming questions. UK chemical industry's wish is to be able to keep things unchanged for the industry, such as free trade (with a FTA) and standards (REACH).

SL understands the industry' wish to see things unchanged but highlights that the reality will most probably be different. Otherwise why stay/leave the Union. The EU is a whole and cannot be separated from the freedom of movement of the people. IndustriAll has set up a working group and aims to issue a declaration on Brexit beginning of June at the Executive Committee meeting in London. AP also expressed his concerns for the social dimension in the UK.

Uncertainty is considered difficult to face and participants turned to the Commission for some insight. Ms Isabelle Laurent (IL) explained that it was premature for the Commission to make any statement on the situation as Article 50, which will launch formal negotiations, was not triggered yet.

5. Cooperation agreement of the social partners of the European Chemical SSDC and VinylPlus on the European PVC industry

Ms Brigitte Dero (BD) presented the association VinylPlus: the voluntary sustainable development programme of the European PVC industry, which aims at creating a long-term sustainability framework for the entire PVC value chain. She confirmed association's willingness to intensify their cooperation with EU social partners.

EA confirmed that they will cooperate on a number of defined subjects (health and safety, training and lifelong learning, recycling...) for the coming three years. This cooperation will be subject to annual evaluations (first one at the SSDC plenary meeting in December 2017).

The Cooperation Agreement was signed by all three organisations (see annex).

6. REACH-REFIT evaluation: joint reaction of social partners

Mr Mehdi Hocine (MH) explained the issues that the evaluation aims to address: in terms of effectiveness and efficiency, relevance, coherence and EU added-value (see presentation in annex).

MH explained that an objective of the Commission is to improve the interaction between REACH and the OSH (Occupational Safety and Health) legislations. To this aim the Commission mandated the SCOEL and RAC (Risk Assessment Committee under REACH legislation) to achieve convergence as regards the methodology to derive limit values and have a common opinion on the chemical agent 1-methyl-2-pyrrolidone (NMP). No agreement was achieved on the latter so far. The Commission announced in the recent OSH communication that it will use advice from one or the other committees as it finds most appropriate.

The Commission report is expected to be finalised in June 2017.

Mr Erwin Annys (CEFIC) complemented by providing the view of the industry which they also shared during the public consultation (see presentation in annex). In a nutshell, REACH is seen as important and functioning relatively well with potential for reducing some of the burden for the industry. It should be recalled that it is only ten years old and that implementation started when Europe was severely hit by the crisis. It is therefore still early to assess all elements. He also mentioned that it is important to see how the overall process can be facilitated especially for smaller companies. The question of rules applying to imported goods in terms of ensuring the safety of consumers and fair conditions for the EU industry should be reflected upon.

Mr Roger Pullin (RP) added that the UK chemical industry fully supports REACH which significantly increased protection of workers, environment and consumer safety. Although it is still being implemented, it works as it stands and should not be re-opened as a whole. Commission was asked to be mindful of company resources.

SL confirmed that workers' health benefitted from REACH with more awareness and training related to the risks of specific products. He underlined that any simplification should not be made at the detriment of the safety of workers. He agreed with the comment made on the rules applying outside EU which may impact the competitiveness of the EU industry.

Followed some discussions mainly on the burden for SMEs, MH explained that DG Enterprise is considering simplified procedures in some cases whilst still maintaining the standards for the workers. He also recalled that there are possibilities for MS to support SMEs without infringing competition rules (deminimis rules). He gave an example of French lavender oil supported by the French authorities, in regards to complying with REACH regulation. Furthermore, he also recalled the existence of REACH helpdesks in each Member State.

7. Carcinogens and Mutagens Directive: discussion

Steven van de Broeck (CEFIC) stated that the safe use of chemicals at the workplace is fully supported by companies and that an effective OSH legislation is key. Although the latter is a competence of Member States, there is a need for a harmonised framework. The role of social dialogue is important as it looks at both employers and employees' side and is a transparent process. He presented the state of play of the Carcinogens and Mutagens Directive's review and underlined a risk that the European Parliament (EP) proposes amendments setting unattainable goals. Proposals for amendments should be assessed by SPs (see presentation in annex).

SL highlighted the case of Crystalline Silica on which they worked intensively with European Network for Silica (NEPSI). He agrees that norms are necessary to protect workers' health but they must be applicable. He also insists on the role of social dialogue throughout the process.

EA concluded that the signature of the related joint declaration on the CMD aims notably at convincing the EP to take a balanced approach vis-à-vis the Commission's proposal.

The declaration was signed by all three organisations (see annex). It welcomes the Commission's initiative and calls on the EU Institutions to recognise the expertise of SPs when devising OSH legislation dealing with chemical substances.

<u>Annexes:</u>

- Roadmap 2015 2020 current state of play
- "Capacity to Negotiate" report: first findings (presentation Eurofound and ECEG)
- The British exit of the EU Post referendum: the challenges for chemical industry

- Cooperation agreement of the social partners of the European Chemical SSDC and VinylPlus on the European PVC industry

- REACH-REFIT evaluation (Presentations DG GROW and Cefic)
- Carcinogens and Mutagens Directive (presentation Cefic and Joint Declaration)

Participants

Employer representatives

Ms Emma Argutyan-Kahlmeyer (EU) Ms Silke Voigt (EU) Mr Lutz Muehl (DE) Ms Katharina Göbel (DE) Ms Ruth Steinhoff (DE) Mr Yves Verschueren (BE) Mr Koen Laenens (BE) Mr Simon Marsh (UK) Mr Roger Pullin (UK) Mr Laurent Selles (FR) Mr Jean Pelin (FR) Mr Pawel Kwiecien (PL) Ms Jaana Neuvonen (FI) Ms Alena Krejcova (CZ) Ms Areti Voulomenou (EL) Ms Magdolna Gasparne Biada (Hu) Mr Steven Van den Broek (CEFIC) Mr Erwin Annys (CEFIC) Mr Marco Mensink (CEFIC) Mr William Garcia (CEFIC) Ms Brigitte Dero (Vinylplus) Mr Jean-Pierre De Grève (Vinylplus)

Employee representatives

Mr Sylvain Lefebvre (EU) Ms Taru Reinikainen (FI) Mr Marico Rosquist (FI) Ms Rita Dimech (MT) Mr Alfons De Potter (BE) <u>Mr Thierry Gontier (FR)</u> <u>Mr Tamas Bzekely (HU)</u> Ms Iris Wolf (DE° European Commission

Ms Isabelle Laurent (EMPL) Mr Mehdi Hocine (GROW)

<u>Other participants</u> Mr Christian Welz, (Eurofound)