



EUROPEAN COMMISSION  
DG Employment, Social Affairs, Skills and Labour Mobility

Employment and Social Legislation, Social Dialogue  
**Social dialogue, Industrial Relations**

## **STEEL SECTORAL SOCIAL DIALOGUE COMMITTEE**

### **PLENARY MEETING**

**ALBERT BORSCHETTE CONFERENCE CENTRE  
11 DECEMBER 2014**

### **MINUTES**

#### **1. Welcome by chairman and change of chairmanship.**

Mr Gibellieri (industriAll), the chair, opened the meeting. He announced that Mr Robert Joos (GSV – Belgian Steel Federation) was nominated to be the next chairmen of the committee for the period of two years starting from the beginning of 2015. Mr Joos accepted the nomination.

#### **2. Update on the “economic and steel market situation & outlook”.**

##### **a. Presentation by Mr Jeroen Vermeij (EUROFER)**

Mr Vermeij held a presentation on the macroeconomic situation in Europe with the particular emphasis on the steel market. He underlined that the recovery is fragile but it is expected to continue. Steel-using sectors such as construction or the automotive sector are also projected to grow at a modest pace which should lead to a higher demand for steel in Europe.

##### **b. Presentation by Mr Marcel Spatari (Syndex)**

Mr Spatari dedicated his presentation to the development of margins and prices in the European steel market. He emphasised that the EU used to be a major net exporter of steel but this may change soon due to the rapidly growing Chinese export. The global steel production reached its peak in 2014. The margins for the European producers dropped; steel prices in Europe are very low and soon can be the lowest in the world. Mr Spatari noted that further investments in European steel-producing companies are necessary.

##### **c. Trade and MES (Market Economy Status) China – Mr Jean-Louis Moray (EUROFER)**

Mr Moray reported on the development of trade in steel and steel trade policies. The global excess steel capacity encouraged many countries to introduce protectionist measures to protect their domestic producers. The EU prioritizes free trade agreements and takes actions against unfair imports. Mr Moray underlined that granting China "market economy status" (MES) would undermine the EU's capacity to protect its market against unfair competition of subsidized Chinese producers.

Ms Barthes (industriAll) expressed her concern that the EU prefers to promote free trade instead of protecting its own producers. She informed the participants that industriAll sent a letter to DG TRADE highlighting the impact on employment of the dramatic rise of stainless steel imports from China. She noted that the social partners should raise the political awareness on the trade situation.

Mr Eggert (EUROFER) stated that EUROFER decided to increase its activities in trade policy. He expressed his willingness to cooperate with unions on this subject. In addition, there were other industrial sectors faced by unfair competition. It will be thus essential to inform the European Parliament, European Commission from different DGs and other stakeholders about this situation in Europe.

### **3. Activities of the Social Dialogue Committee Working groups**

#### **a. Structural Change WG**

##### **i. Action Plan for a Competitive and Sustainable Steel Industry in Europe**

###### **1. A new industrial policy for Europe: state of art and perspectives for the steel sector - Mattia Pellegrini (DG GROW - EU Commission)**

Mr Pellegrini (Head of Unit G4, Raw materials, Metals, Minerals and Forest-based industries, DG GROW) recalled that among 10 political priorities of the Juncker Commission there is the 20% target of manufacturing in GDP by 2020. The March European Council asked the Commission to prepare the industrial policy roadmap and this document should be published in the following week. Smart and clean industries will be the main focus thereof. However, it remains crucial how smart and clean industries will be defined. Mr Pellegrini informed the participants about the newly created European Fund for Strategic Investments (EFSI) which is meant to stimulate investments and growth in Europe by supporting projects which are perceived as too risky to finance by the European Investment Bank (EIB). Individual Member States can also contribute to the Fund and such contribution will not be taken into account in the assessment of the compliance of national budgets with the Growth and Stability Pact.

The list of potential projects which could be financed by EFSI was submitted to the ECFIN Council in December. Some Member States, among others Italy and Poland, proposed projects in the steel sector. The legal bases for the Fund will be drafted in January and the Fund should start to be operational in June. The Juncker Plan should be perceived as a positive change: fiscal consolidation and structural reforms will be accompanied by targeted investments. Mr Pellegrini invited the participants to look further into EFSI. He announced as well that Commissioner Bienkowska intends to continue the work of the High Level Expert Group on Steel (HLG). He advised the EU Social partners to come up with a joint analysis on the Council Conclusions on the 2030 Climate and Energy.

EUROFER and industriAll informed that a joint letter to reactivate the HLG had been sent to both Commissioner Bienkowska and Commissioner Thyssen on 26<sup>th</sup> November.

Attention was also given the joint EUROFER-industriAll letter on RFCS (Research Fund for Coal and Steel) sent to Commissioner Moedas, Commissioner Thyssen and Commissioner Bienkowska on 11 December 2014. The objective was to raise concerns

with regard to the recent consideration from DG Research & Innovation to reduce the essential role of industry in the management of the **RFCS** programme (a copy had been distributed to the committee). A follow up discussion would take place at the next Social Dialogue Meeting on 18 March.

## **2. IndustriAll and EUROFER views on Climate Change and Energy policies: follow up actions - Summary Secretariats meeting**

### **3. Discussion**

Mr Eggert welcomed the Juncker Plan. He noted that the October European Council conclusions on the 2030 Climate and Energy Policy Framework contained provisions on carbon leakage protection measures which were positively recognised by the industry. However, there was room for interpretation and EUROFER was concerned that the most efficient installations (best performers) in the EU may need to bear additional costs due to the climate policy. This was notably the case regarding the introduction of a Market Stability Reserve (MSR), a Commission's proposal that would artificially increase the carbon price which consequently have an impact on the competitiveness of energy-intensive industries, such as steel.. In this context, Mr Eggert reminded that, since the future of ETS and international competitiveness were closely interconnected, EUROFER believed the MSR proposal should be discussed, in conjunction with a legislative proposal containing truly effective measures against direct and indirect carbon leakage costs, in light of the outcome of the 2015 Climate Conference in Paris.

EUROFER conducted an impact assessment of the MSR on the steel industry, including different scenarios; a suggestion to organise a meeting with the Unions was put forward. Ms Barthes expressed her satisfaction that investments in energy-efficiency are in the Juncker Plan and called on Mr Pellegrini's unit to look more into good practices developed in the steel sector. She suggested cooperating with other energy-intensive industries on a common approach to carbon leakage rules and the MSR. She also added that the coordination of MSR with carbon leakage protection measures was important in order to provide a stable and predictable regulatory framework.

The chair proposed working on a joint position on the Council Conclusions on 2030 Climate & Energy Framework. A meeting with experts from both sides on these issues, notably on the Market Stability Reserve (MSR), could be organised by both Secretariats, to allow an exchange of expertise on this matter.

## **b. Review Work-Programme Sectoral Social Dialogue Committee on Steel 2014-2015: to be approved**

Ms Drage informed the participants that the presented work programme is a draft version and needs to be adopted by the committee. It is suggested that the committee will continue working on the same topics as previously, for instance the follow up of the Steel Action Plan implementation, health and safety and the attractiveness of the sector

It was proposed to organise "steering groups" including experts from both sides, especially regarding both demographic change and the attractiveness of the sector (combined with youth employment). Another group focussing on Health and Safety issues should also be considered. These groups would be organised by both Secretariats. Ms Barthes asked the participants to consider joining the groups for the following year.

#### **4. ESTEP**

##### **a. Update and information about the ESTEP WG activities related to ULCOS, new funding opportunities (ESTEP General Secretary, Jean-Pierre Birat)**

Mr Birat (ESTEP) held a presentation

The presentation was followed by the discussion.

##### **b. Exchange of information on ESTEP WG 5 activities (Chairman, Veit Echterhoff)**

Mr Echterhoff was not able to participate in the meeting. However, a PPT presentation had been prepared and would be distributed to the committee. The Chair proposed inviting him for one of the upcoming meetings of the committee in 2015 (either in March or September 2015).

#### **5. Health and Safety WG**

##### **a. Official partners of the EU –OSHA campaign “Healthy workplaces: Manage stress”: Involvement and future activities industriAll and EUROFER**

Mr Gibellieri informed the participants that EUROFER and industriAll were now official partners of the two-year campaign on stress and occupational health and safety run by the European Agency for Safety and Health at Work. The project materials were provided by the agency and are available in different European languages.

##### **6. DG EMPL activities: Briefing about the Liaison Forum Meeting – 1st December 2014 (DG EMPL)**

Mr Strohbach (European Commission) held a brief presentation on the new Commission and its approach to the social dialogue. Referring to the statements of the President Juncker, Vice President Dombrovskis and Commissioner Thyssen, he noted that the social dialogue received more visibility and that the Commission intends to improve and strengthen the use of existing social dialogue instruments. The Vice President and the Commissioner announced as well a high-level event in spring 2015, gathering leading representatives of the social partners.

#### **7. Calendar of meetings 2015**

Responding to the concerns of the social partners, Mr Strohbach suggested having a meeting on 10<sup>th</sup> December instead of 7<sup>th</sup> December 2015. This proposal was welcomed by the social partners.

##### **8. European Steel Day – 28 May 2015**

Ms Darge briefed the participants about the upcoming European Steel Day, due to take place on **Thursday 28<sup>th</sup> May** in Brussels at the Square Meeting Centre. EUROFER would be pleased to welcome this Social Dialogue Committee, an invitation would follow in due time.

##### **9. A.O.B.**