



EUROPEAN COMMISSION

Employment, Social Affairs and Equal Opportunities DG

Social Dialogue, Social Rights, Working Conditions, Adaptation to Change
Social Dialogue, Industrial Relations

Brussels, 24 October 2008

SECTORAL SOCIAL DIALOGUE COMMITTEE "CHEMICAL INDUSTRY"

PLENARY MEETING

held on 29 September 2008 in Brussels

DRAFT MINUTES

Chairpersons: Simon Marsh (ECEG) and Reinhard Reibsch (EMCEF)

Commission representatives: Dirk Hadrich (DG EMPL), Anne Theo Seinen (DG ENV)

1. Welcome by the chairpersons and the European Commission.

The social partners were welcomed by the chairpersons who explained that the issue of climate change would be the top priority of the meeting.

2. Approval of the agenda.

The draft agenda was approved.

3. The EU Emission Trading System and the need for revision

Anne Theo Seinen explained on behalf of DG ENV the main elements of the ETS context. He reminded on the long term perspective, the need for emission reduction, the need for need technologies and the need for cost efficiency. One of important issues currently debated is the way how carbon leakage should be avoided. After evaluation of the expected international agreement carbon leakage risks would be assessed in certain sectors to be defined in 2010.

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http://ec.europa.eu/employment_social/social_dialogue/sectorial37_en.htm

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The social partners discussed a French impact study about the costs of the proposed measures, the feasibility of the benchmarking system for free allocation, the impact on employment and the problems related to essential future investments.

4. Political reactions to the European Commission proposal and current status of decision procedure

MEP Jan Cremers pinpointed on a few social elements of ETS and explained the state of play in the European Parliament (annex 1). He found the installation of a consultative committee of the European social partners a necessary step to involve the social partners in the definition of ambitious targets and objectives in the long-term project of climate change policy. The aim should not be to establish a bureaucratic institution, but to build a (temporary) task-force that fits in the philosophy of social dialogue. One of the central tasks should be to produce clear-cut scenarios on the socio-economic consequences of the climate change package, not only for the industries directly involved, but also for society as a whole.

Sophie Dupressoir presented the ETUC position on the ETS review (annex 2). She found the process of change to a low carbon economy would need to be accompanied by the appropriate involvement of social partners, in particular at sectoral level. She addressed the direct effects on employment and the risks concerning the lack of putting enough efforts into R&D.

Jean-Claude Lahaut presented CEFIC's view on the ETS effects on employment in the chemical industry (annex 3). Endorsing the objectives of the ETS policy, he addressed the exposure to international competition and the margins and ETS costs while calling for a workable and efficient implementation.

5. Reactions from employers and employees from different industrial sectors

Alistair Steele presented EuroChlor's position, message and wishes on ETS (annex 4). He underlined the problems of indirect emitters which would not be included in the proposed directive and could therefore not receive certificates. Trends to move out of Europe were expected.

6. Reactions from national chemical industry Social Partners

Jean Pelin presented the objectives, scope and main findings of a French impact study on the chemical industry in France between 2013 and 2020 (annex 5). He underlined that the expected costs would impact the industry competitiveness by weakening exports and by strengthening the profitability of non EU investments.

Thomas Nieber explained the position of IG BCE pointing to the important role of the chemical sector for innovation. He feared sneaking risks for the chemical sector and a weaker position in Europe. He would appreciate free allocation based on benchmarking.

The Slovak employers explained their national emission registry, their allocation plans and their support for the CEFIC proposals (annex 6).

The Czech workers agreed with the identified risks for the chemical industry.

The British employers underlined the preferred principles of benchmarked allocation and proposed to lobby the involved participants of the decision making process.

7. View of the European Social Partners and presentation of draft joint position paper of EMCEF and ECEG

The Social Partners unanimously adopted and signed the drafted joint statement on the European Union emission trading scheme (EU ETS). The document can be downloaded from the 'database' of the SSDC Chemical Industry:

http://ec.europa.eu/employment_social/social_dialogue/sectoral_en.htm

They decided to disseminate the joint statement together with a press statement and a set of instructions to the national members.

8. AOB

Next meeting:

5 December 2008 (WG)

The annexes can be downloaded from the "library" on the website of the SSDC Chemicals Industry: http://ec.europa.eu/employment_social/social_dialogue/sectorial37_en.htm