



EUROPEAN COMMISSION
DG Employment, Social Affairs and Inclusion

Employment and Social Governance
Social dialogue

EXTRACTIVE INDUSTRIES SECTORAL SOCIAL DIALOGUE COMMITTEE

Plenary Meeting

15 November 2018

DRAFT MINUTES

Participants:

Employer representatives

Mr Vladimir Budinsky EURACOAL, CZ (in the chair)
Ms Magdalena Chawula-Kosuri, EURACOAL, Belgium
Mr Mike Bostan, EURACOAL, Belgium
Ms Kasia Palaczanis, Euromines, Belgium
Ms Mirona Coropciuc, Euromines, Belgium
Ms Beata Staszko, Euromines Poland
Mr Dirk Fincke, UEPG, Belgium
Ms Miette Dechelle, UEPG, Belgium
Ms Florence Lumen, IMA Europe, Belgium
Mr Akos Zoltay, Euromines, Hungarian Mining Association
Mr Alexander Auer, GPA Austria
Mr Luis Rodriguez Camino, APEP Spain

Employee representatives

Ms Corinna Zierold, industriAll, Belgium
Mr Jean-Pierre Damm, FNEM FO, France
Mr Luis Angel Colunga, industriAll, Belgium
Mr Ferencz Rabi, BDSZ, Hungary
Mr Károly Stanitz, BDSZ, Hungary
Mr Vladimir Topalov, Podkrepa SMF, Bulgaria
Ms Desislava Kancheva, Podkrepa SMF, Bulgaria
Mr Victor José Fernandez Vazquez, FITAG-UGT, Spain
Mr Crespo Torres, CCOO de Industria, Spain
Mr Alberto Simoes, SIMA, Portugal
Mr Bernhard Rothleitner, PRO-GE, Austria

EESC

Ms Eisenvortova

European Commission

Mr Pérez Caldentey, DG ENER
Mr Vermeeren, DG CLIMA
Mr Pinto Antunes, DG CLIMA
Ms Alves Dias, JRC Petten
Mr Strohbach, DG EMPL

1. Adoption of the agenda and the draft minutes of the previous meeting

The meeting was chaired by Mr Budinsky. The draft agenda was slightly adapted. The minutes of the SSDC meeting on 20 June 2018 were approved.

2. Energy Policy

a) Clean Energy for All Europeans: state of play, including Energy Efficiency Directive

Mr Pérez Caldentey (DG ENER) informed social partners that on 13 November the EP endorsed the provisional agreement which was reached with the Council in June 2018 and which covers energy efficiency, renewables and the governance of the Energy Union. The final adoption by the Council is expected still this year. These directives (the whole package includes 8 different legislative proposals) will provide the necessary legislative framework for the creation of the Energy Union, thus delivering on the EU's Paris Agreement commitments. This policy framework ensures regulatory certainty, in particular through the introduction of the first national energy and climate plans (each Member State (MS) must present a ten-year integrated national energy and climate plan with national targets, contributions, policies and measures by 31 December 2019) and will encourage essential investments in the energy sector.

Mr Pérez Caldentey explained that the new directives establish binding 2030 targets. By 2030, energy efficiency in the EU has to have improved by 32.5%, whereas the share of energy from renewables should reach at least 32% of the EU's gross final consumption. Both targets are to be reviewed by 2023. These targets can only be raised, not lowered. These ambitious targets should stimulate Europe's industrial competitiveness, boost growth and jobs, reduce energy bills, help tackle energy poverty and improve air quality.

With regard to the remaining 4 legislative proposals (electricity regulation, electricity directive, risk preparedness, ACER) Mr Pérez Caldentey mentioned that the EU Inter-institutional negotiations are still ongoing.

b) Emissions Trading System (ETS) directive and progress

Mr Vermeeren (DG CLIMA) reminded social partners that the revised ETS Directive (EU) 2018/410 came into force on 14 March 2018. The idea of ETS (which was launched in the year 2000 and became operational as of 2005) is to create a market for greenhouse gas emission allowances across the EU and to finally reduce emissions. The revised directive covers the period 2021-2030 (phase 4). The EU's 2030 target is being broken down into a share of 30% in emission reduction from sectors outside the EU ETS and a 43% reduction from sectors covered by the EU ETS. The new ETS Directive will strengthen the Market Stability Reserve (MSR) and allows the EU to meet the Paris commitments and the 2030 climate and energy targets. The EC is convinced that ETS will deliver at least 43% of emission reductions. Mr Vermeeren underlined that ETS will continue ensuring free allocation to those sectors (energy-intensive industries) who need it in order to preserve their competitiveness. Currently the EC works on a delegated act on free allocation rules, carbon leakage and benchmarks as well as on a proposal for an implementing act on low-carbon funding mechanisms. In addition he mentioned the two new funding instruments (innovation fund, modernisation fund [for 10 MS with a lower GDP; which will be available as of 2021]). Mr Vermeeren underlined that it was up to the national authorities to decide as to how the transition will be implemented. However, the EC promotes the measures of the Energy Union in the MS and the EC is prepared to assist MS to make the transition as smooth as possible. In this context he mentioned the platform for coal regions in transition as an example.

Social partners, in particular trade unionists from Spain, Bulgaria and France underlined the importance of ensuring energy security in the EU. In several MS electricity is produced to a large extent by coal power plants. Closing the coalmines will lead to an increased price for power/electricity in the EU. As the EU is responsible for only 10% of the global CO2 emissions it is not understandable why the competitiveness of the European industry is weakened by these measures. Hungarian trade unionists pointed out that coal mining/coal power plants are not the main reasons for climate change. There are others sectors (e.g. transport, agriculture, chemicals) which are even worse.

Social partners welcomed the financial support for the people and the regions affected by the transition. However, some funding like the modernisation fund will be available as of 2021 only. The support for those living in areas where the coalmines were closed is needed now. People on site need to see concrete action which shows that the transition will offer them a real perspective. Focussing on achieving the objectives only, regardless of the consequences, does not create an added value with regard to social acceptance and a sustainable European energy policy.

In addition, social partners highlighted that MS are facing different challenges in view of the transition towards a low carbon economy. The EC approach of one-model fits all does not really match the reality. The EC should not place the entire responsibility for the transition on the MS. Therefore social partners requested better support from the European institutions.

c) COP24: Update on EU priorities

Mr Pinto Antunes (DG CLIMA) pointed out that from 2 to 14 December the 2018 UN climate change conference (COP24) will be held in Katowice. The EU and its MS will take part as parties to the UN climate change convention. In December 2015, Parties to the Paris Agreement agreed to finalise a detailed set of rules and guidelines for implementing the accord by the end of 2018. Adopting a clear and comprehensive work programme consistent with what was agreed in Paris is necessary for putting the Agreement into practice and defines the main objective of COP 24.

Ahead of COP24, the EC presented a strategic vision on how the EU could achieve climate neutrality – i.e. become a net zero emission economy – by 2050. The EU decided to assume leadership and is prepared to continue this approach.

In addition Mr Pinto Antunes highlighted 2 other aims of COP24. It is important to keep up the political momentum for continued climate actions and to increase the climate commitment of all partners. To do so the EU leads by example. So far, the EU has already reached massive GHG reductions while there has still been significant economic growth.

In 2015, countries agreed to set up an enhanced transparency framework for action and support to build mutual trust and confidence and to promote effective implementation of the Paris commitments. The key task is to make this framework a reality by adopting a strong set of detailed rules.

Social partners underlined that climate/energy policy has to be realistic and feasible. People will not understand a policy if they lose their jobs and have to pay higher energy bills while other countries in the world (e.g. China, India, USA) do not follow the EU's

policy approach in terms of energy and climate. Given the fact that the EU is responsible for 10% only of the global CO2 emissions people will otherwise find this even more difficult.

Social partners emphasised again that the EU energy and climate policy can only become a success if the EU ensures sufficient time, guarantees real social acceptance and provides the leadership in implementing these policies. European industry should be treated in a fair way and its position in the international competition should not be harmed.

3. Update on H&S issues

- a) Discussion on DG Employment's management of the Standing Working Party for the mining and other Extractive Industries (SWPEI)

Ms Palaczanis (Euromines) explained that the mandate will be discussed in the next advisory meeting of the SWPEI on 27/28 November 2018.

- b) Exchange on the updating of the revision of the Carcinogens and Mutagens Directive (CMD)

Ms Palaczanis informed that on 11 October 2018 the EP and the Council came to an agreement on the EC's second wave proposal to revise the Carcinogens Directive (CMD). Eight additional cancer-causing chemicals will fall under the CMD including Diesel engine exhaust emissions (DEEE). The limit value for DEEE was set at 0.05 mg/m³ (measured as elemental carbon) to apply 2 years after the end of the transposition period. However, for underground mining and tunnel construction the limit value shall apply 5 years after the end of the transposition period. Social partners nevertheless still have concerns if the 5 years transitional period will be sufficient for the sector.

4. Extractive Industry and Circular Economy

- a) Mining waste management – overview of ongoing initiatives

Ms Palaczanis informed about several principle documents (Guidelines to Hydraulic Placement of Extractive Wastes, Management of Waste from the Extractive Industries Best Available Techniques, Directive 2006/21/EC) with regard to waste management in the sector.

- b) Update on the review of the EU Water Framework Directive - upcoming stakeholder consultation

Ms Coropciuc (Euromines) informed about the Water Framework Directive 2000/60/EC. This Directive is currently evaluated (REFIT). The evaluation will last until 2019 and aims at assessing the Directive's implementation to ensure that it stays fit for purpose and delivers, at minimum cost, the desired changes and objectives. Euromines has identified some issues of concern. Therefore Ms Coropciuc underlined that it is important for the sector to actively contribute to the EC's public consultation which will last from 17 September 2018 to 4 March 2019.

- c) Contributions of the industrial minerals sector to Circular Economy and in the implementation of the Sustainability Development Goals

Ms Lumen (IMA Europe) informed about 3 new publications (IMA Circular economy Report, IMA SDG report, IMA recycling sheets) of IMA Europe.

- d) Discussion on the possibility to prepare a presentation showcasing overall contribution of Extractive Industry to the Circular Economy

Ms Palaczanis (Euromines) presented the topic circularity and resource efficiency in the extractive industry and pointed out 9 examples of advanced exploration technologies (ad precision geology, rock blasting and crushing optimization, improved extraction with better layout, improved ore sorting and extraction, automated haulage, recycling of process water, recycling of process chemicals, reworking of old mine tailings, rehabilitation of land). These examples should be used as showcase for the sector.

5. Regional Development

- a) EU coal regions: opportunities and challenges ahead

Ms Alves Dias (JRC Petten) presented the “JRS science for policy report 2018”. The objective of the report was to map the existing coal infrastructure in Europe, to identify the regions that rely on coal activities (NUTS-2) and to assess the extent and the timing of probable impacts of the energy transition.

Until now the use of coal has decreased by 42% in the EU during the last 25 years and the role of coal will decrease even further. However, Ms Alves Dias pointed out that there are currently 128 coal mines in 41 regions in 12 Member States and 207 coal power plants in 103 regions in 21 Member States. 15% of the total EU power is still generated by coal. Currently approximately 300,000 people are employed directly in the coal industry. This figure was heavily questioned by the social partners. In addition, Ms Alves Dias explained the possible outcomes for the coal industry (employment, regions) caused by the energy transition until 2030.

- b) Progress report on the German „Growth, Structural Change and Employment“ Commission (Kommission „Wachstum, Strukturwandel und Beschäftigung“)

Ms Zierold provided a presentation received by IG BCE whose president is one of the 28 members of the Commission along with representatives from other trade unions, industry, science and civil society. She underlined that the objective of this Commission is to develop a plan (including a final date) for reducing and phasing out coal based energy/electricity. This plan includes measures to achieve the German 2030 climate goal for the energy sector (reducing GHG-emissions by 61% compared to 1990).

The target should be achieved through several measures taking into account economic development, structural change, social cohesion and climate protection. Future perspectives for the concerned regions should be ensured by structural adaptation accompanied by sound financial support (national, EU).

- c) FITAG UGT and CCOO Industria

Mr Fernandez and Mr Crespo Torres presented the transition process of the Spanish coal mining sector. They explained what had happened to the Spanish coal sector in the last years and pointed out that all non-competitive coal mines have to be closed by the end of 2018 (70% of the coal-mining workforce will be concerned). Thus, only a few

mines will survive for the next years. However, the Spanish government would like to close all coalmines as soon as possible Mr Fernandez and Mr Crespo Torres said. In previous years trade unions were successful by achieving several agreements to support mining regions and the people affected.

Recently an agreement with the Ministry of Ecological Transition in Spain on the just transition of the coal-mining sector and the sustainable development of the mining regions for the period 2019-2027 was signed. This agreement contains a social plan (early retirement, low incentives, measures for the people not covered by the two others) for the affected employees. In addition the agreement covers also measures on training and re-skilling, enabling the people to find new jobs and it also covers H&S aspects. The principle idea of the agreement is to support the people by offering them a real perspective for the future. Mr Fernandez and Mr Crespo Torres underlined that coal still represents 20% of the Spanish energy mix.

d) Feedback from EESC on Round Tables on Coal

Ms Eisenvortová (EESC) presented the results of the first round table discussions of the EESC. These round tables started in 2018 and are organised on site in coal mining regions. They involve the affected stakeholders (regional authorities, municipalities, unions, civil society...). So far, two round tables, in Germany (NRW) and Romania (Jiu Valley) have taken place and another one will be organised in the Czech Republic on 28 November 2018. Concludingly Ms Eisenvortová highlighted that each mining region has its specific features and specific potential. Restructuring solutions therefore have to be tailor-made. However, there are some generally applicable golden rules:

- Cooperation with all stakeholders avoiding dissatisfaction and subsequent criticism
- Ensure public acceptance
- Exploit the potential of the region
- Genuine stakeholder consultation at the planning stage
- Develop a long-term strategy, medium-term strategy, and action plans
- Select the priorities and prepare viable projects
- Mobilise local, regional, national and EU funding and ensure a sufficient budget.

6. Update on NEPSI

Ms Lumen presented developments with regard to the respirable crystalline silica (RCS) agreement (NEPSI). Ms Lumen reminded social partners of the fact that NEPSI and the Good Practice Guides have been recognized (mentioned in Recital 19) as valuable and necessary instruments in the first revision of the Carcinogens and Mutagens Directive (2017/2398) (CMD). On 11 October 2018 the EP and the Council came to an agreement on the EC's second wave proposal to revise the CMD. There was a political agreement between the EP and the Council on inserting a new article that anchors social dialogue agreements in the CMD. In addition it was agreed to make reference to such agreements at the EU OSHA website. Now it has to be discussed as to how the EC will implement it. Therefore a meeting will be held on 18 December to discuss the follow-up of the Article on Social Partners Agreements in the Directive.

In addition Ms Lumen informed about the project application “Measures to develop and extend the Social Dialogue Agreement on Workers’ Health Protection through the Good Handling and Use of Crystalline Silica and Products Containing” under this year’s social dialogue call.

7. Conferences & Events / Up-dates on social partners’ activities

- a) short briefing on the response to the Social Dialogue call for projects

Ms Palaczanis (Euromines) informed about the project application “Development and promotion of soft skills and competences of OSH Management in extractive enterprises – focussing onSMEs” under this year’s social dialogue call.

- b) Industry4Europe – update on the initiative, including latest Manifesto

Ms Dechelle (UEPG) presented the Industry4Europe initiative which covers a coalition of 132 industrial sectors from all branches. Although many jobs have been lost since the crisis in 2008 European industry still provides 52 million jobs. Current challenges arising from the main world competitors make it necessary to put the industry at the very top of the EU agenda (a sustainable EU industrial strategy is needed), in particular in view of the next MFF. Therefore a Joint Industry4Europe Declaration for an ambitious EU Industrial Strategy was published on 20 February 2017. The EC reacted with the Communication on “Investing in a smart, innovative and sustainable industry: A renewed EU Industrial Policy Strategy” on 13 September 2017. Ms Dechelle pointed out that the Austrian EU Presidency, the CoR and the EESC strongly support the Industry4Europe initiative.

So far the Industry4Europe coalition has published several papers (in addition to the Joint Declaration) which are the “Joint Reaction Paper”, “Indicators”, “Governance” and the “Manifesto”. The Industry4Europe Coalition will continue promoting to establish a structure allowing for a permanent dialogue between the industry and policy decision-makers the industrial strategy to be addressed and implemented effectively at highest level.

Ms Zierold pointed out that industriAll Europe has developed an update of its own industrial policy manifesto for the upcoming European Elections 2019.

Both sides of industry agreed to exchange points of views in this regard in order to strengthen a common European industrial position.

8. AOB

As of 2019 industriALL (Mr Damm) will take over the chair of this Committee.

The Chair thanked the participants and closed the meeting.