



EUROPEAN COMMISSION  
DG Employment, Social Affairs and Inclusion

Employment and Social Governance  
**Social dialogue**

## EXTRACTIVE INDUSTRIES SECTORAL SOCIAL DIALOGUE COMMITTEE

**Plenary Meeting**

**7 October 2015**

**MINUTES**

### **Participants:**

#### Employer representatives

Mr Brian Ricketts, EURACOAL, Belgium  
Ms Magdalena Chawula-Kosuri, EURACOAL, Belgium  
Mr Didier Jans, IMA Europe, Belgium  
Ms Florence Lumen, IMA Europe, Belgium  
Mr Manfred Steinhage, EUROMINES, Germany  
Ms Kasia Palaczanis, Euromines, Belgium  
Mr Andrzej Niechwiej, EUROMINES, Poland  
Mr Rafał Szkop, EUROMINES, Poland  
Ms Miette Dechelle, UEPG, Belgium  
Mr Matthias Schrader, APEP, Germany  
Mr Vicente Gutierrez, APEP, Spain  
Ms Cecilia Andersson, SveMin, Sweden  
Mr Akos Zoltay, Euromines, Belgium  
Ms Krisztina Vujkov Tomorne, Hungarian Mining Association

#### Employee representatives

Ms Corinna Zierold, industriAll, Belgium  
Mr Jean-Pierre Damm, FNEM FO, France (in the chair)  
Mr Károly Stanitz, BDSZ, Hungary  
Mr Jose Luis Villares Suarez, ECOO de Industria, Spain  
Mr Victor José Fernandez Vazquez, FITAG-UGT, Spain  
Mr Ferencz Rabi, BDSZ, Hungary  
Ms Kristin Åberg, IFMETALL, Sweden  
Mr Alberto Simoes, SIMA, Portugal  
Ms Wendy van Haut, ABVV/FGTB AC/CG Belgium  
Mr Bernhard Rothleitner, ÖGB PRO-GE Austria  
Ralf Bartels, IG BCE Germany  
Mr Dariusz Potyrala, OPZZ ZZG Miners Poland

#### EESC

Mr Dumitru Fornea

#### European Commission

Mr Linder, CAB ŠEFČOVIČ  
Ms Tomczak, DG ENER  
Ms Lichtenvort, DG CLIMA  
Ms Velkova, DG CLIMA  
Mr Andreas Strohbach, DG EMPL

### 1) Adoption of the draft agenda

The meeting was chaired by Mr Damm.

The agenda was approved. The order of items was adapted.

### 2) Adoption of the draft minutes of last meeting

The draft minutes of the SSDC meeting on 11 June 2015 were adopted with an amendment of Mr Suarez.

### 3) Future role of coal in the Energy Union – DG ENER

Mr Linder presented the position of the COM (CAB ŠEFČOVIČ) in terms of the energy policy and underlined the active involvement of the social partners at sectoral level in the discussion of the Commission's energy union strategy. To discuss the energy union strategy, Vice President ŠEFČOVIČ met social partners at a cross-sectoral level in an event in June 2015. In preparation of the Council in December 2015, another meeting was scheduled for the end of November 2015. The social partners' involvement in the energy union strategy discussion was planned to become an annual exercise.

The reason for an energy union strategy was climate change policies, new technologies as well as geo-strategic challenges. Industries, sectors and regions would be affected differently. However, nobody should be left behind and change should be anticipated and managed well. Therefore social partners had to play an important role in this process.

The energy union strategy covers the challenges “energy security (reducing risk of blackouts), sustainability (climate conference Paris 2015) and energy prices (EU energy prices are higher than in the main competitor countries)” with a view to the next 20 – 30 years. The energy union strategy addresses 5 dimensions which are security of supply, internal market, decarbonisation, energy efficiency and renewables as well as research, innovation and competitiveness.

The energy union strategy was adopted in February 2015 and first measures (ETS, communication electricity market, reform of energy labelling system) were taken in the course of 2015. In November 2015 the energy union report would be issued. Several measures (e.g. gas package, strategy for heating and cooling, energy efficiency) were planned for 2016.

In terms of coal, Mr Linder pointed out that 44% of the coal used in Europe was imported (various suppliers). The trend for coal imports into the EU was increasing because European coal was more expensive. A lot of restructuring of the sector had been carried out in several Member States. The specific support for the coal sector was phasing out due to the general state aid rules. In view of the climate targets the use of coal was predicted to decline to 2 – 12% of the energy mix compared to 17% (current figures). However, coal would still be a part of the energy mix for quite a while. This depended on the Member States because it is them who decide about the energy mix. The situation was a different one at a global stage (India, China) where coal would continue to play an important role. The European technology leadership approach should take this into account. Mr Linder pointed out that the innovation fund should be used for the modernisation of existent (coal) power plants. The future of coal would depend on how CCS would work. Social partners were crucial in accompanying this transition process. He underlined that all Member States had agreed on the EU 2030 climate targets. Coal could have a future in Europe if its exploitation was profitable and in line with the emission limits.

Social partners strongly expressed their disappointment about the COM position with respect to the future of coal in the EU. Closing of coal mines in many European countries had led to a lot of unemployed people and hit several regions (examples in Spain, Poland and Hungary were mentioned) without offering an adequate perspective for the future. Although renewables were seen positively, social partners pointed out that European natural resources should be used

(energy security, regional development, employment) and therefore the European (coal) industry should be supported. However, the coal industry was declining in Europe but not everywhere else in the world. That made no sense from a global environmental/climate point of view and from a European (coal) industry perspective. Therefore social partners underlined their demand for a sustainable and fair European energy policy. In addition, social partners demanded that a more positive narrative should be used for the future of coal in Europe and the concerned regions and requested better support from the European institutions for the European (coal) industry, the people employed in the sector and a smooth transition process.

#### 4) EESC Opinion on Coal & Lignite

Mr Fornea presented the European Economic and Social Committee (EESC) opinion on coal. He focused on the social dimension and mentioned the example of Romania where currently only 14,000 people remained in the coal regions, as compared to 200,000 during the nineties. What should happen with the other people of whom the vast majority was low-skilled? 2 options were used: early retirement or compensatory wages. Nonetheless, a lot of the affected people moved to Italy or Spain and other countries to look for a better economic perspective. It could not be considered a solution if economic difficulties of a region/country were exported to another one. Therefore it was crucial to look for a European solution including all regions/countries and to strengthen the industrial base in Europe.

In addition, he pointed out that coal was the energy source for 40% of the electricity production in the world (China was responsible for 50 % of this).

#### 5) New Entrants' Reserve (NER300) programme and revision of the Carbon Capture and Storage (CCS) Directive

Ms Lichtenvort presented the NER 300 programme (set up in 2010) which she described as one of the world's largest programmes for innovative low-carbon first-of-a-kind projects. It was implemented by the EC, MS, EIB and project sponsors and it was funded by the sale of 300 million allowances from the new entrants' reserve (NER) set up for the Emission Trading System (ETS). The programme covered 2 calls for proposals which were awarded in December 2012 and in July 2014. So far, 39 projects (38 renewable energy projects (RES) and 1 CCS) in 20 EU Member States had been supported. Based on the sale of 300 million allowances, €2.1 billion were awarded to the projects. Currently 3 projects (IT, DE, SE) were in operation, 4 had reached a positive final investment decision and another 4 were expected to reach the same status by the end of 2015. Although it was not possible to quantify the impacts on employment, the creation of new, high value-added jobs across the entire value chains could be expected. In addition, the NER 300 programme should strengthen the EU' competitiveness. NER 300 covered projects in the areas of bioenergy, concentrated solar power, geothermal energy, oceans, smart grids, solar photovoltaics, wind as well as carbon capture and storage.

In its proposal for a revised ETS adopted on 15 July 2015, the Commission suggested to renew the existing NER 300 by an Innovation Fund. This Innovation Fund should be endowed with 450 million allowances targeted not only at carbon capture and storage as well as innovative renewable energy, but also at innovative industrial sectors listed in Annex I of the ETS Directive

More information can be found here: <http://ec.europa.eu/clima/ner300>

In line with the roadmap 2050 (COM/2011/112) which focuses on a low carbon economy in the EU Ms Velkova presented the EU Directive 2009/31/EC on the geological storage of CO<sub>2</sub> (CCS Directive) which was adopted in 2009 as part of the climate-energy package. This directive sets environmental rules and liability requirements (storage permits, monitoring and reporting, post-closure obligations and transfer of responsibilities, financial guarantees) for the geological storage of CO<sub>2</sub>. The CCS directive should be seen as a key to achieving the

2050 greenhouse gas (GHG) emission reduction targets via cost effective pathways. The Commission Review Report on the CCS Directive is *forthcoming*.

More information can be found here: <http://ec.europa.eu/clima/policies/lowcarbon/ccs>

Although the importance of an adequate sustainable energy and climate policy in Europe was highlighted, social partners underlined the importance of supporting and not burdening the European (coal) industry in order to remain competitive and to save jobs in Europe.

Social partners asked for the reason why there were so few projects and how NER 300 differed from other funding for renewable energies. The allocated subsidies should be used to their full potential. Social partners pointed out that the EU had put a lot of money for CCS projects. However, the awarding process was long lasting and in addition, needed public/private investment.

The COM emphasised a forward-looking approach to CCS within the industrial sectors, which would be crucial for achieving the 2050 climate objectives in a cost-effective way. This required an enabling policy framework, including a reformed ETS and the new Innovation Fund, to increase business and investor clarity and to further develop new technologies. However, it was up to the Member States to decide about the energy mix.

The COM identified technical and financial issues as the reasons for the few project applications. The renewable energy directive was within the scope of DG ENER. The focus of NER 300 was on innovative first-of-a-kind projects. The COM would award projects only when the CO<sub>2</sub> emissions were reduced. New innovative solutions would generate new job opportunities.

10) Election of Chair 2016

Mr Gutierrez, Euromines was elected and will be chairing the 2016 meetings.

6) Circular economy package and resource efficiency – sector initiatives - presentations by Euromines, IMA, UEPG

7) Report of the discussions in the Standing Working Party - Euromines

a. NO/NO<sub>2</sub>

b. Assessment of OSH directives

8) Information on NEPSI

9) Work Programme 2016

10) Election of Chair 2016

11) AOB

The items 6 – 11 were postponed to the bureau meeting on 26 November 2015 due to time constraints.

The Chair thanked the participants and closed the meeting.