

Steel Sectoral Social Dialogue Committee Meeting

Draft minutes¹

24 October 2014

09h30: Pre- meetings industriAll / EUROFER

10h30: Working Group Meeting

Structural change

1. The chairman (Enrico Gibellieri - industriAll) welcomed the participants
2. Approval draft agenda: the committee approved the agenda of the meeting
3. The draft minutes were approved from last meeting (27 June 2014) with a small amendment proposed by EUROFER.
4. **2030 Climate and Energy Framework:** the Council's conclusions (23-24 October) as well as the EU Social Partners' respective position was briefly outlined as follows:
 - a. **industriAll Europe**, Mischa Terzyk, presented industriAll position on climate and energy, which was still in the phase of draft. IndustriAll Europe generally agreed with the goals to combat climate change but was concerned about the lack of binding national targets. It welcomed the fact that the free allocation of allowances to companies which are highly exposed to global competition in the emissions trading system (ETS) would be continued beyond 2020. However, this may not be sufficient to prevent carbon leakage and a global agreement, which would create a level playing field between the industries in the EU and elsewhere would be needed urgently. Investments in innovative energy technologies to uphold the competitiveness of Europe's industry, safeguard industrial employment and create new jobs were essential. Once finalised, this position would be distributed to the committee. See attached for further information.
 - b. **EUROFER** Director General (acting), Axel Eggert, summarised the results of the European Council meeting, in which the EU Heads of State and governments agreed on the 2030 climate and energy policy framework for the EU. The clear commitment by the heads of state to set safeguard

¹ Minutes drafted by Nathalie Darge (EUROFER)

measures at the level of the most efficient installations was seen as a positive signal for industrial investment, growth and jobs in Europe. However, The European institutions should now rapidly put into legislation the conclusions of the European Council and the resolution of the Parliament with the following provisions:

- i. Deletion of the correction factor which started in 2013 to phase out free allocation for sectors at risk of carbon leakage;
- ii. Extension of carbon leakage provisions beyond 2020 as long as no comparable efforts are undertaken in other major economies (100% free allocation at the level of the 10% most efficient installations);
- iii. A system that fully off-sets indirect costs (CO₂ cost-pass through in electricity prices) in all member states;
- iv. Technically and economically achievable benchmarks for free allocation
- v. Allocation for sectors at risk of carbon leakage based on recent production instead of historic production levels in order to better align with changing production levels.

In addition, it was crucial to urge the EU institutions to discuss and decide on the Market Stability Reserve simultaneously with above measures to prevent carbon leakage. The Impact Assessment of the EU ETS Review on the EU Steel sector including key recommendations were also presented. See presentation attached.

- c. A discussion between EUROFER and industriAll than took place on the need to have a clear view on the impact of the Council Conclusions for the steel sector. A joint analysis / common views could be shared in the next meeting of the Social Dialogue Committee (11 December)

5. Future activities of the Sectoral Social Dialogue Committee:

- a. **Steel Action Plan:** With the new Commission taking office, the committee recommended to send a EUROFER-industriAll letter to Commissioner Bienkowska and Thyssen on the follow up of the Steel Action Plan and the organisation of the High Level Group as soon as possible.
- b. **Research Fund for Coal and Steel (RFCS):** the chairman informed the committee about the new evaluation process of the RFCS which was creating conflict of interest from the Commission. Indeed, the Commission was currently changing the rules regarding both the evaluation and criteria to use the fund. A EUROFER letter was currently being drafted and industriAll proposed to look into the possibility to co-sign it as well.

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- c. EUROFER and industriAll Secretariats would organise bilateral meetings on issues of common interests based on the on-going discussions for the next Work Programme 2015-16, in view of the Plenary Meeting.
 - d. To comply with the Commission's rules, a **new chairman of the Sectoral Social Dialogue Committee** (from the employers' side) should be nominated at the Plenary meeting by the Committee for two years, succeeding to Mr Enrico Gibellieri (steel expert for industriAll).

14h00: Afternoon session

Dealing with demographic change in the European Steel Industry (Steel Action Plan) and youth employment

1. Mr Peter Limberger (ThyssenKrupp Steel Europe AG) made a presentation about Management of demographic change at the ThyssenKrupp Steel Europe AG – the HR program ProZukunft. A series of interesting practices were being undertaken by the company in Germany to deal with demographic change, including measures to retain employees, improve health and safety performance, to develop competencies, etc... See presentation attached.
2. Mr Norbert Schoebel (DG EAC, Unit B2) informed the committee about the new “European Alliance for Apprenticeships”(EAfA). In a nutshell, the EAfA aims to bring together public authorities, businesses, social partners, VET providers and other key actors in order to promote apprenticeship schemes and initiatives across Europe. He invited the SD Committee to reflect on a pledge to contribute to strengthening the supply, quality and/or attractiveness of apprenticeships², to be discussed by the committee in 2015 – see presentation attached
3. Mr Georg Grundei (GPA-djp) from the Austrian Trade Union gave an overview on the System of Apprenticeship Training in Austria (the Dual System). See link to access the English presentation.
4. David Rozenblum (GSV - the Belgian Steel Federation) provided a comprehensive state of play of the Belgian steel sector (key facts and figures), related to the issue of demographic change and youth employment. See presentation attached
5. **Next steps:** A steering WG comprising members from both EUROFER and industriAll would be organised in 2015 (January – February) to discuss more in depth about these issues and perhaps come up with a recommendation to the committee.

²See an example of pledge released by [FoodDrinkEurope](#)