

EMF WORK PROGRAMME 2007-2011

(Adopted by the 3rd EMF Congress – Lisbon, 6th & 7th June 2007)

Steel

Foreword

97) The European steel industry is undergoing continuous structural changes with an important acceleration of the process in this last period. The European steel sector has in fact undergone some sea-changes since the EMF Congress in Prague (2003):

- Confirmation of the booming trends of steel production in the BRIC countries, particularly in China, which has recently become a net exporter of steel;
- Enlargement of the EU to 27 Member States and the almost complete privatisation of their steel industries of Eastern Europe, which entailed very substantial job losses;
- The take-over of some of the main European steel companies (Arcelor, Lucchini, Corus) by groups or owners based in or coming from third countries (Mittal, Severstal, Tata Steel).
- The generalised and still lasting good economic results of the European steel industry.

98) The resulting new scenario of the steel industry in Europe considerably changes the basis of future industrial relations and social dialogue within the sector. A European industrial policy in a sector where the main strategic choices are decided elsewhere could be a difficult exercise for all the interested parties. On the other hand, maintaining the European Social Model might need a new strategy for trade unions that are used to dealing with mainly Europe-based steel companies.

Social Dialogue

99) The continuous variable geometry of the steel sector induces the need for continuous changes in the bodies dedicated to social dialogue at company, national and European (and international) level. The recently-established European Social Dialogue Committee of the steel industry is the body where social partners will address issues concerning health and safety, training and lifelong learning, structural changes and common position concerning sectoral industrial policy. An important condition for the success of social dialogue is a real commitment to take part in it by the EMF organisations concerned.

Industrial policy

100) The communications, sector screening exercise and public consultations produced by the European Commission since 2003 have put the industrial policy issue again at the centre of the European policy initiative enhancing the competitiveness of the manufacturing sectors in general and of the steel industry in particular. The EMF Steel Committee, in strict coordination with the EMF Industrial Policy Committee (IPC), will continue to produce political positions to be submitted and discussed both with the employers' association and the European institutions.

101) A sector-related initiative (such as CARS21 or LeaderSHIP) is needed also for the steel sector in order to provide all the interested stakeholders with an appropriate forum to discuss the main challenges related to the sector.

Key Companies

102) Considering the progressive trends towards concentration through mergers and acquisitions, key companies in the steel sector will influence the European context and industrial policy in the sector more and more. The analysis of key companies based both inside and outside the European Union can be useful to identify the main trends in the steel sector in order to anticipate change and manage the consequences for workers and communities. On the other hand, contrary to the recent past, the national dimension should be less and less important. The EMF Platform on Arcelor Mittal could be used as a guideline.

Horizontal topics with the Industrial Policy Committee

103) The EU-based steel companies are competing in the global market with other companies based outside Europe that are not subject to the same constraints, i.e. environmental constraints (Kyoto Protocol). The European steel industry shows high import needs for raw materials and a high consumption of energy, whose dependence on imports will rise even more significantly in the future. External challenges concerning the security of future supply are clearly underestimated. Sustainable development, the environmental impact of steel production technologies and products and the emission trading scheme are other horizontal topics to be discussed in strict cooperation with the EMF IPC.

Cooperation with Eurometaux

104) Following the cooperation agreement with Eurometaux (the European association of the non-ferrous metals industry), an ad hoc working party will be established, within the EMF Steel Committee, to deal with issues related to the non-ferrous metal sector. The main task of the new body will be the drafting of a strategy position on the sector referring

to the same working areas already listed for the steel sector and specific topics such as:

- Energy policy and its impact on the non-ferrous metal sub sectors
- A closer look at the criteria for future sector screening and impact assessment
- Observation of the bilateral consultations between the EU and China as well as with Russia
- The impact of environmental regulations on the non-ferrous metals industry
- Working on partner structures in the new and future Member States
- Quantitative and qualitative aspects of employment

Tasks and projects for the EMF Steel Committee

Nr. ⁽¹⁾	Issue related to the EMF work programme	Task / Projects	Responsibility ⁽²⁾	When?
97	The steel sector has undergone continues changes (i.e. booming production in BRIC countries, take-over of some of the main European steel companies)	Information about a study project by Eurofer on subsidisation, environmental and social conditions in China.		
98	Main strategic choices are more and more decided outside of Europe => the European Social Model might need a new strategy for trade unions	Internal discussion on how to deal with the employers' side/Eurofer within the European SD. Are they still representative?		
99	Re-establishment of the Social Dialogue. Within the SD the social partners will address issues concerning health and safety, training and lifelong learning, structural changes and common position concerning sectoral industrial policy.	→ The steel industry is facing even more consolidation and restructuring which would surely cause further job losses. This does not make the industry attractive for young people. => Discussion on the negative effects of restructuring and on image → Possible topics for discussion to develop joint policy positions: energy, access to raw material, world trade (WTO) and environmental protection / emission trading.		
100	Producing political positions in strict coordination with the IPC to be submitted & discussed both with the employers' side and the EU institutions	The EMF secretariat monitors all developments within the Commission and informs the Steel Committee, from whom there should be reaction.		
101	A sector-related initiative (such as CAR21 or LeaderSHIP 2015) is needed also for the steel sector	At the beginning of 2007, the EMF met representatives from DG EMPL to discuss the establishment of a high level group dealing with sector-related topics such as an initiative for the steel sector. We should involve Eurofer in this discussion and to promote the establishment of such a high level group.		
102	Analysing key companies to identify the main trends in the sector in order to anticipate change & manage the consequences i.e. for workers. The EMF Platform on ArcelorMittal could be used as a guideline.			
103	The steel industry shows high import needs for raw materials and a high consumption of energy. Sustainable development, the environmental impact of steel production technologies and products and the emission trading scheme are other horizontal topics to be discussed in strict cooperation with the IPC	There is increasing pressure on companies concerning environmental issues. Their activities therefore will be mainly focused out of Europe. => The SSDC should list best practice examples of structural change to develop an action plan.		
104	Following the cooperation agreement with Eurometaux, an ad hoc working party will be established within the Steel Committee, to deal with issues related to the non-ferrous metal sector. → See SD Non-ferrous sector!	→ Responsible: René JOHANSEN → 12 th October: Technical seminar on SD in the non-ferrous metal sector (EMF, DG ENTR, DG EMPL, CEEMET, EUROMETAUX)		

⁽¹⁾ Refers to the paragraph no. in the work programme; ⁽²⁾ Who is primarily responsible