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important European value chains, providing the foundations of innovation, durability, CO2 reductions and energy savings in Europe and worldwide.

Commission Vice-President Antonio Tajani (EU Commissioner for Industry and Entrepreneurship) emphasised the importance of the steel industry in the future economy of Europe: "without the innovation and the products it provides, many future technologies will quite simply be inaccessible. Contrary to what some people believe, industry - and of course the steel industry - is not the problem; rather, it is a good part of the solution".

Karl-Heinz Florenz, Member of the European Parliament's Environment Committee said that the benchmarks under the EU's Emissions Trading Scheme must be achievable if industry is to stay competitive and that the most efficient installations should not have additional costs as a result of the legislation. If this is not the case he would understand that the steel industry will go to the European Court of Justice.

Günther Apfalter, President Magna Europe, the world's third largest automotive supplier, explained that steel demand in the automotive industry would increase significantly in the future for. Special attention should be given to new technologies availabilities and high consistent quality standards in all regions of the world.

Fabrizio Barbaso, Deputy Director General of the Commission's energy department, mentioned that the Commission was currently developing an external energy policy for the EU. "A clear energy policy framework together with innovation and technology investment by the industry would help Europe make the transition towards a more sustainable and energy efficient industry while maintaining a world class steel industry", he said.

EUROFER president Wolfgang Eder (CEO of voestalpine) stressed the need to find smart solutions to the challenges the EU steel industry will have to face in the future in terms of energy, mobility and the environment.

European Steel Day - 19th May 2011



From left to right: moderator Stephanie Flanders (BBC), Antonio Tajani, Karl-Heinz Florenz, Fabrizio Barbaso, Günther Apfalter, Wolfgang Eder

The European Confederation of Iron and Steel Industries (EUROFER), on the occasion of its 35th anniversary, organised the first European Steel Day on 19th May 2011 in the Square Centre in Brussels.

Approximately 400 participants attended the event, bringing together representatives from the European institutions, EU member states, the EU steel industry, as well as from other sectors.

At a high-level Conference representatives of the European institutions and the steel and automotive industries delivered a clear message: the importance of the steel industry for Europe's future. This message was supported by a movie "Steel - made in Europe", which was delivered at the beginning of the Conference, demonstrating that the European steel industry is an integral part of the most



The European Steel Day was accompanied by the EUROFER General Assembly which adopted changes to EUROFER's statutes, by an exhibition on innovations in steel and ten workshops on various subjects in the fields of sustainability, environment, energy, trade and social affairs.

In the framework of the Steel Day, an open letter had been addressed to the governments of the EU Member States,

stressing the negative consequences the current climate change policy of the European Union may have on the sector and the risk of harming the competitiveness of the European steel industry.

The event was widely seen as a success. EUROFER's president announced that there will be a European Steel Day annually.



Wolfgang Eder, President of EUROFER

Further information, pictures of the event and the steel movie are available for download on EUROFER's extranet.

The movie is also available on our website: www.eurofer.eu

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Report suggests EU harmonised measures for soil

In 2006, the Commission put forward a proposal for a European Soil Framework Directive seeking to harmonise and raise the level of soil protection across the EU. Negotiations were stalled due to the fact no political agreement could be reached among the EU Member States. The Austrian Environment Agency now published report entitled *'Overview of best practices for limiting soil sealing or mitigating its effects in EU-27'*, commissioned by the Commission. The report suggests harmonised measures on European level and blows new life into the debate. EUROFER is of the opinion that legislation on soil falls under *subsidiarity*, meaning into sole responsibility of the member states. The report can be downloaded on <http://ec.europa.eu/environment/soil/sealing.htm>

EUROFER initiates legal action against the Commission decision on steel benchmarks

EUROFER has instructed its lawyers to initiate legal action for the nullification of the Commission decision determining the rules for free allowances as of 2013 under the EU Emissions Trading Scheme (ETS). The decision is supposed to implement one of the most important elements of the ETS - the protection of Europe from relocation of emissions, production and jobs to non-EU countries with lower levels of environmental performance ("carbon leakage"). It sets the benchmarks which determine the level of free allowances for industry.

The Emissions Trading Directive obliges the Commission to set benchmarks "at the average of 10% most efficient installations" (best performers). Sectors determined to be at risk of carbon leakage, such as the steel industry, are eligible of CO2 allowances free of charge at the level of the benchmarks.

Yet, for the steel industry the benchmarks for hot metal and sinter are technically unachievable which means that even the best performers will not obtain their full needs in free allowances. This is a clear infringement of the directive which forces EUROFER to go to the European Court of Justice (General Court of the EU) in order to defend the interests of the steel industry.

The deadline for EUROFER for lodging the application for nullification of the decision is 10th August 2011. The whole procedure until a final decision by the court may take up to two and a half years unless the court decides to go for a fast track decision within one year.

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Environment Council rejects increasing the EU's CO2 target unilaterally beyond 20% by 2020

At its meeting of 21st June 2011, the EU Environment Council reaffirmed the EU objective to reduce its CO2 emissions by 80-95% by 2050 compared to 1990 levels. The Council recognised the milestones for EU domestic emission reductions presented in the Commission's Roadmap 2050 for a low-carbon economy of 40% by 2030, 60% by 2040 and 80% by 2050.

However, the Council rejected attempts of several member states to increase the EU's unilateral target of 20% by 2020. Instead, it recalled the conditionality to move to a 30% reduction by 2020 which is that "other developed countries commit themselves to comparable emission reductions and that more advanced developing countries contribute adequately according to their responsibilities and respective capabilities". It stressed that a 25% reduction by 2020 could be achieved if the EU energy efficiency target of 20% by 2020 is met. In contrast to the EU's CO2 and renewables targets, the energy efficiency target is currently not on track.

More information: <http://consilium.europa.eu>

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Commission proposes Energy Efficiency Directive including measures for industry

On 22nd June 2011, the European Commission adopted a proposal for an *Energy Efficiency Directive* repealing the EU on cogeneration (2004) and Energy Services (2006) as these had "failed to fully tap the energy saving potential".

The proposal aims at contributing to the EU's 2020 energy efficiency target of 20% because national measures implemented to date will lead to a saving of only about 10%.

For public buildings the Commission proposes a binding refurbishment target of at least 3% by area each year (the current rate is 1.2% to 1.5%). Public authorities shall purchase only products, services and buildings with high energy efficiency performance. Member states have to ensure that final customers are provided with individual meters making available actual energy consumption. Appropriate information is to be provided with the bill, such as current energy costs, historical consumption, etc.

Energy efficiency obligation schemes have to be set up ensuring that "either all distributors or all retail energy sales companies" achieve annual energy savings equal to 1.5% of their energy sales among final customers.

Mandatory energy audits for large enterprises will be introduced. Energy audits implemented under voluntary agreements concluded between organisations of stakeholders and an appointed body and supervised by the member state or the Commission fulfil the requirements. New thermal electricity generation installations with a total thermal input exceeding 20 MW will have to recover heat with a **high-efficiency cogeneration** unit. If an existing installation is substantially refurbished or its permit is updated, "conversion to allow its operation as a high-efficiency cogeneration installation is set as a condition in the new or updated permit or licence", provided the waste heat can be used by heat demand points. Member states must ensure that **installations generating waste heat** that are built or substantially refurbished capture and make use of their waste heat. The installations have to be connected to district heating and cooling networks unless "a cost-benefit analysis shows that the costs outweigh the benefits in comparison with the full life-cycle costs.

Member states have to draw up an **inventory of data** for all installations undertaking the combustion of fuels with total rated thermal input of 50 MW or more. By April 2014 the Commission will present an assessment of the **energy efficiency levels** of these installations, in the light of the relevant best available techniques (BAT). In case of significant discrepancies with the energy efficiency levels associated with the application of the relevant BAT, the Commission shall propose requirements to improve the energy efficiency levels or that the use of such techniques shall in the future be a condition for the permitting of installations.

The legislative procedure between the Council and the European Parliament could take several years but the institutions are under enormous pressure to adopt the legislation before 2013.

The proposal and accompanying documents can be downloaded on <http://ec.europa.eu>.
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The EUROFER Sustainability for Steel Construction Products Committee (ESSCPC)

The EUROFER Sustainability for Steel Construction Products Committee (ESSCPC) was set up in 2010 with the mission of coordinating and promoting Sustainability and Corporate Responsibility within the Steel Construction sector. It is presently integrated by 44 steel mills in 13 European countries producing roughly 75 % of steel long products for construction in Europe, summing up around 35,000 direct employees. A major project developed by ESSCPC, in conjunction with experts in the field of sustainability, has been the setting up of a specific mark for sustainable manufacturing of steel for construction products. For more information:



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European Metalworkers' Federation elects new leadership / Creation of a European Industrial Trade Union Federation

On June 9 and 10, the European Metalworkers' Federation (EMF) held its 4th congress in Duisburg/Germany and celebrated its 40th anniversary. The Congress elected a new Secretary General, Ulrich Eckelman, Director of the Department of Economic, Technological and Environmental Policy of the German Metalworkers' Union *IG Metal*. Agreement was made towards the creation of a European Industrial Trade Union Federation which will bring together the EMF, the European Mine, Chemical and Energy Workers' Federation (EMCEF), and the European Trade Union Federation - Textiles, Clothing and Leather (ETUF-TCL). This new body should be formally founded by mid-2012.

Further information: www.emf-fem.org

Events

On 15th July 2011, a conference on the joint EMF/EUROFER project "*Towards a European steel council on jobs and skills? Identifying the actors*" will be held in Brussels. The main objective is to present the final report and debate on the merits of a potential European Council on Skills and Jobs for the steel industry. Registration and programme: N.Darge@eurofer.be

Publications

The EUROFER **Annual Report 2010** and **European Steel in Figures 2006-2010** can be downloaded on www.eurofer.eu.

Staff News

In March 2011, Eduardo Limbert has joined EUROFER as independent project manager of EUROFER's Sustainability for Steel Construction Products Committee (ESSCPC).

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