

Presidency Conclusions on the European Steel Industry (29.02.2016)

At the meeting of the Council (Competitiveness), Ministers took stock of the serious challenges faced by the European steel industry and the progress made in addressing these challenges since the extraordinary Council meeting on 9 November 2015, including the outcome of the Conference on Energy-Intensive Industries organised by the Commission on 15 February 2016.

Ministers stated that the situation of the steel industry continues to be a cause for alarm and needs to be addressed urgently to safeguard the industry from further decline, plant closures and job losses. Ministers appealed to the European Institutions to use every possible means to take strong action in response to these challenges, including rapidly implementing the Luxemburg Presidency conclusions released after the extraordinary Council of 9 November 2015.

Ministers welcomed the Commission's measures in support of the long-term viability of Europe's steel industry, including strengthening the ongoing dialogue with third countries (especially on overcapacity), the approved investments in the steel sector through the European Fund for Strategic Investments, the Circular Economy package, the recent proposals of the Energy Union package aimed, inter alia, at lowering energy costs, the resolute implementation of the 2013 Steel Action Plan and the three new anti-dumping investigations relating to steel products initiated on 13 February 2016. Ministers also welcomed the launch of a public consultation, the announcement of a stakeholder consultation and the Impact Assessment on the possible change in the methodology to establish dumping in trade defence investigations concerning China (the so-called Market Economy Status) and stated that implications for the level playing field for the European steel industry and other energy-intensive industries should be duly considered in the Impact Assessment.

Ministers reiterated the need for a balanced and comprehensive approach to assist energy-intensive industries in modernizing, innovating and adjusting to long-term changes in global value-chains and market trends, which should aim at creating a business environment enabling EU industry to compete on global markets, including by measures stimulating innovation and a predictable and consistent regulatory environment without unnecessary costs for industry, whilst at the same time called for a constructive approach by all parties involved to the modernisation of Trade Defense Instruments to ensure free but fair trade. This would require discussion in the Trade Council.

Ministers took note of the key messages from stakeholders voiced at the Conference on Energy-intensive Industries on 15 February, including the need for a more efficient and effective use of Trade Defensive Instruments, reducing regulatory and ETS-related costs on industries facing the strongest international competition, and the need for greater and easier accessible investments in innovation.

Taking into account progress so far and on the basis of the debate of Ministers in the Council (Competitiveness) on 29 February 2016, the Presidency considers that the following should be undertaken without any undue delay:

- The Commission should remain vigilant with regard to unfair trading practices on the steel market and in markets for other energy-intensive industries, and make full and timely use of the full range of the EU's trade policy instruments to address unfair trade and to ensure a global level playing field. The Commission and the Member States are invited to continue to take a pragmatic, result-oriented approach to anti-dumping investigations in order to speed up the anti-dumping procedures by at least

two months whenever feasible, while respecting the principles and proceeding of the EU law, and without jeopardizing the quality.

- The Commission is invited to follow up on the Council conclusions adopted under the Lithuanian Presidency, which called on the Commission to explore the possibility of expanding the investigation of subsidies granted outside the EU and to work together with industry to map out illegal subsidies aiming at enhancing the effectiveness of the EU anti-subsidy instruments.
 - The EU institutions and Member States should actively support the industry's transition towards a low-carbon economy and enable industry to improve its energy efficiency and competitiveness substantially. Industry's access to EU funds for sustainable innovation within energy-intensive industries should be simplified. It is important that these funds are geared towards pilot and demonstration projects and new business models for energy-intensive companies, including steel companies, and support the development of low carbon technologies and processes as well as product innovations. Stakeholders are encouraged to seize the substantial opportunities offered by EU-funds.
 - It is important to reduce regulatory costs that hamper competitiveness and innovation, so as to strengthen the global level playing field for the steel industry and other energy intensive industries.
 - It is of the utmost importance to energy intensive industries including the steel industry that the guidance of the European Council of October 2014 for the 2030 climate and energy framework for the EU will be implemented fully so as to prevent carbon leakage and the relocation of production and jobs outside the EU. The most efficient industrial installations in sectors at risk of carbon leakage should not be subject to undue carbon costs while incentives for industry to innovate should be maintained. It is equally crucial that the COP21 agreement is implemented in such a way as to allow the EU to meet its targets without this negatively impacting on competitiveness and the level playing field for European industry.
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