



EUROPEAN PARLIAMENT

2014 - 2019

Plenary sitting

15.12.2014

B8-0352/2014 }
B8-0356/2014 } RC1

JOINT MOTION FOR A RESOLUTION

pursuant to Rule 123(2) and (4) of the Rules of Procedure

replacing the motions by the following groups:

S&D (B8-0352/2014)

PPE (B8-0356/2014)

on the steel sector in the EU: protecting workers and industries
(2014/2976(RSP))

**Antonio Tajani, Siegfried Mureşan, Anne Sander, Françoise Grossetête,
Claude Rolin, Pilar del Castillo Vera, Ivo Belet, Massimiliano Salini,
András Gyürk, Angélique Delahaye, Paul Rübig, Philippe Juvin, Tokia Saïfi,
Esther de Lange, Angelika Niebler, Andor Deli, Raffaele Fitto, Lorenzo Cesa,
Giovanni Toti, Jerzy Buzek, Franck Proust, Markus Pieper,
Annie Schreijer-Pierik, Nadine Morano, Elisabetta Gardini,
Lambert van Nistelrooij**

on behalf of the PPE Group

**Dan Nica, Bernd Lange, Patrizia Toia, Edouard Martin, Theresa Griffin,
Miroslav Poche, Martina Werner, Simona Bonafè, Jens Geier,
Soledad Cabezón Ruiz, Jude Kirton-Darling,**

**Inmaculada Rodríguez Piñero Fernández, Flavio Zanonato, Adam Gierek,
Krystyna Lybacka, Sorin Moisă, José Blanco López, Caterina Chinnici,
Jutta Steinruck, Evelyn Regner, Brando Benifei, Pina Picierno, Maria Arena,
Alessandra Moretti, Elly Schlein, Clare Moody**

on behalf of the S&D Group

Reinhard Bütikofer, Monika Vana

on behalf of the Verts/ALE Group

RC\1043951EN.doc

PE545.601v01-00 }
PE545.605v01-00 } RC1

EN

United in diversity

EN

**European Parliament resolution on the steel sector in the EU: protecting workers and industries
(2014/2976(RSP))**

The European Parliament,

- having regard to the Treaty establishing the European Coal and Steel Community, which is the root of the Treaty on European Union,
- having regard to the Commission communication of 14 October 2011 entitled ‘Industrial policy: reinforcing competitiveness’ (COM(2011)0642),
- having regard to the Commission communication of 10 October 2012 entitled ‘A stronger European industry for growth and economic recovery – Industrial policy communication update’ (COM(2012)0582),
- having regard to the Commission communication of 11 June 2013 entitled ‘Action Plan for a competitive and sustainable steel industry in Europe’ (COM(2013)0407),
- having regard to its resolution of 4 February 2014 on the Action Plan for a competitive and sustainable steel industry in Europe¹,
- having regard to its previous resolutions on the steel industry, and on the restructuring, transfer and closure of companies in the EU,
- having regard to its resolution of 25 November 2014 on the employment and social aspects of the Europe 2020 strategy²,
- having regard to its resolution of 15 January 2013 with recommendations to the Commission on information and consultation of workers, anticipation and management of restructuring³,
- having regard to the question to the Commission on the steel plant Acciai Speciali Terni (AST) in Italy (O-000087/2014),
- having regard to Rule 123(2) and (4) of its Rules of Procedure,

General challenges

- A. whereas the European steel sector has played a historically significant role in the European integration process and forms the basis for the generation of European industrial added value;
- B. whereas the steel sector plays an essential role in Europe’s economy and industry and is currently suffering from a substantial drop in demand, leading to a continuous loss of jobs and competitiveness which does not bode well for the necessary recovery of the European economy;

¹ Texts adopted, P7_TA(2014)0069.

² Texts adopted, P8_TA(2014)0060.

³ Texts adopted, P7_TA(2013)0005.

- C. whereas the EU should promote a policy of developing industrial production in all the Member States in order to safeguard jobs within the EU and should strive towards its indicative objective of raising the share of GDP coming from industry to 20 % by 2020;
- D. whereas one of the EU's objectives is to support the steel industry, to remove obstacles and threats to its competitiveness and to make it responsive to changing European and non-European market conditions;
- E. whereas in recent years the steel industry has faced severe challenges in terms of restructuring and industrial mergers, with corresponding social costs, and also in terms of new requirements to meet the EU's climate targets;
- F. whereas a number of large steelmakers, in particular, have been pursuing strategies focusing on short-term financial returns to the detriment of innovation, investments in R&D, employment and skill renewal;
- G. whereas the European steel industry is facing an investment crisis which is endangering its own future, while at the same time steel materials are expected to play a crucial role in providing sustainable industrial solutions for urbanisation, mobility and demographic change;
- H. whereas a limited increase in demand will see Europe shift from being a net exporter to a net importer of steel, especially flat products and high-added-value products;
- I. whereas according to the Commission plant closures have led to 60 000 job losses since 2007, and production dropped from 210 million tonnes in 2007 to 166 million tonnes in 2013¹;

Competitiveness and trade

- J. whereas reconciling the need for high environmental performance with increased global competitiveness while alleviating carbon leakage concerns and improving access to raw materials remain fundamental challenges for the steel sector, taking into account the fact that different competitors are bound by differing standards;
- K. whereas energy costs have to be taken into account in a global approach to the steel industry, and whereas energy prices for industrial consumers in the EU could have a direct impact on competitiveness;
- L. whereas further improvements in energy and resource efficiency could equate to further cost savings and emission reductions for the industry;

Social aspects

- M. whereas high unemployment rates in the EU correlate with its shrinking industrial and manufacturing production base, and whereas the current crisis has generated deep social hardship for the workers and regions affected;

¹ Commission staff working document entitled 'State of play on implementation of the Commission Communication Action Plan for a competitive and sustainable steel industry in Europe of 11 June 2013 (COM(2013)0407)' (SWD(2014)0215).

- N. whereas the EU steel industry is a major employer, accounting for more than 350 000 direct jobs and several million more in related industries, including the recycling supply chain;
- O. whereas the situation of some steel plants in Europe is causing serious concern to workers and to national and local authorities;
- P. whereas companies involved in restructuring should act in a socially responsible manner, experience having shown that socially and economically sustainable restructuring requires sufficient social dialogue, with a special focus on informing and consulting workers, as outlined in Parliament's aforementioned resolution of 15 January 2013;
- Q. whereas comprehensive involvement of the social partners at all levels and the strengthening of social dialogue at EU level are crucial in order to safeguard the interests of both steel companies and their employees;
- R. whereas numerous plants, representing 20 million tonnes of capacity, have been temporarily idled for more than three years; whereas, at the same time, the workforces of many plants in Europe are characterised by ageing skilled workers who have nearly reached retirement;

R&D / technology

- S. whereas high-technology industries – for instance in the steel sector – have been used as a model of technological know-how that must be protected, and whereas immediate action is necessary to avoid these industries being outsourced outside the EU;
- T. whereas R&D is strategic for an industry which must find a way to reduce its emissions, especially (but not exclusively) of CO₂;

Challenges

1. Stresses that European economic recovery is highly dependent on a strong manufacturing industry, with the steel industry playing a key role, and that manufacturing depends on domestic demand and growth;
2. Urges the Commission to speed up its preparation of the industrial policy roadmap announced for the first part of 2015 in order to revive European industry vis-à-vis the global market with a view to guaranteeing an effective level playing field while ensuring high social and environmental standards in the EU and working towards reciprocity in third countries;
3. Considers an ambitious approach to reindustrialisation in the context of the mid-term review of the Europe 2020 strategy to be of paramount importance for achieving a genuine EU industrial policy and relaunching the EU's industrial competitiveness at the global level;
4. Calls on the Commission to study the European steel industry's strategic position in the world, steelmaking being considered to be strategic in a large number of countries, and to specifically develop a clear roadmap for the medium- and long-term initiatives it intends to propose to support the steel industry in Europe; emphasises that such a roadmap must entail the comprehensive and early involvement of the social partners at all levels;
5. Asks the Commission to establish an in-depth steel market analysis instrument which could

provide precise information on the European and global steel supply-demand balance, distinguishing between structural and cyclical components of the development of this market; believes that monitoring the steel market could contribute significantly to the transparency of steel and scrap markets and provide valuable inputs to corrective and proactive measures, which are inevitable given the cyclical nature of the steel industry; asks the Commission to use this market analysis instrument to anticipate risks and to investigate how plant closures are affecting the sector's recovery;

6. Requests that the Commission provide in the short term a report on the major challenges facing the steel industry in Europe, including social, economic and environmental aspects; recalls in this connection that, following the expiry of the Treaty establishing the European Coal and Steel Community, the Commission is entitled to address the economic and social impact of developments in the European steel industry; calls on the Commission to take on board positive experience, in particular as regards the tripartite strategic considerations and research;
7. Asks for the urgent relaunching of the High Level Group on Steel in the context of the newly elected College of Commissioners, with the full participation of Parliament, and for the setting-up of a meeting within that framework to inform relevant stakeholders of the progress made in implementing the 40 actions set out in the Commission action plan for steel; calls on the Commission to hold, wherever appropriate or possible, High Level Group meetings at suitable times so that its work can feed into Competitiveness Council discussions;
8. Considers it essential for regional and local authorities and trade unions representing the areas in which steel plants are located to be closely involved, so as to promote cooperation and exchanges of information and best practice among major stakeholders in the Member States;
9. Highlights the need to study how the investment crisis can be addressed in order to transform European industry into a sustainable and profitable industry, bearing in mind that investments in the steel industry are characterised by long-term returns; urges the Commission, therefore, to consider dedicating part of its investment package to viable long-term infrastructure projects, and to innovation in respect of large-scale industrial projects, including energy efficiency and low-carbon projects, which could also give a significant boost to demand for steel in the EU;
10. Encourages, furthermore, the use of other innovative financial instruments such as risk-sharing finance facilities which prioritise steel industries in crisis; calls on the European Investment Bank and the European Bank for Reconstruction and Development to design a long-term financing framework for steel projects;
11. Stresses that support for the steel sector is crucial, including the strategic development of new key steel-using sectors, for instance in the energy sector (generation and distribution of renewable energy), the transport sector and resource-efficient construction projects, thereby creating incentives for efficient production processes, strengthening the internal market and incentivising skills development;
12. Calls for the application of the 'life cycle assessment' approach in order to evaluate environmental impacts and reduced use of resources across all life cycle stages, which include raw material extraction and conversion, followed by manufacture and distribution,

through to use and/or consumption, in order to foster reuse, recycling of materials and energy recovery and to reduce ultimate disposal;

13. Calls on the Commission to check whether the application of competition rules has led to unfair solutions in the European steel market, with potential adverse effects on its efficiency, and, should that be the case, encourages the Commission to present corrective measures and to prevent such situations in the future; stresses that Commission decisions or remedies in the field of competition law should not jeopardise the economic viability of individual steelmaking sites, especially in the context of increased global competition; adds that the Commission should also act to protect key industrial infrastructure and production capacity from asset-stripping ventures;
14. Urges the Commission to ensure that the current scheme of State aid for energy-intensive industries does not generate distortions in the internal market, and thereby to secure a level playing field for companies; takes the view that energy-intensive industries need a stable framework for their investments in order to guarantee a high level of employment;

Trade and competitiveness

15. Encourages the Commission to place greater importance on industrial policy by adopting measures that will enable the revival of the European industry's competitiveness in a global market, and to ensure an effective level playing field for all economic actors;
16. Calls on the Commission to tackle, in a timely and effective manner, steel imports into the EU market which have been illegally subsidised and dumped, and to use, where appropriate, the EU trade remedy instruments in line with existing EU law;
17. Calls on the Commission to ensure that future trade agreements include provisions which significantly improve export opportunities and market access for European steel and steel-based products; stresses the need to enter into negotiations with trading partners which account for particularly significant volumes of imports into the EU, with a view to introducing quantitative restrictions; stresses that fair trade in steel products can only work on the basis of compliance with basic employment rights and environmental standards, and points out that imports at dumping price levels lead to unfair competition, in particular for stainless steel producers in Europe; emphasises the urgent need to modernise the EU's trade defence instruments, and calls on the Commission to encourage the Member States to take concrete action to bring forward this modernisation process, thereby ensuring fair competition and enabling the EU to take swift and proportionate measures in the fight against unfair trading practices;
18. Believes that the positive measures proposed herein would allow the steel industry to become more competitive internationally, showing that EU steel products meet higher social, environmental and economic standards than those from anywhere else, and highlighting the quality of EU steel producers, which would at the same time improve consumer perceptions;
19. Emphasises that high European standards of climate and environmental protection could become worldwide standards, thereby ensuring fair conditions of competition;
20. Notes the difficulties facing the steel sector in many Member States, driven in part by a significant fall in global demand, a rise in energy costs and increasing offshoring of

European manufacturing; calls on the Commission, therefore, to fully implement the Roadmap to a Resource Efficient Europe (COM(2011)0571) and the European Resource Efficiency Platform policy recommendations;

21. Believes that waste legislation should be improved to sustain the functioning of the EU steel scrap market, for instance through a revision of the End-of-Life Vehicles Directive; recalls the importance of a well-functioning scrap market, which should be further enhanced and stimulated in the light of the strategy for an EU circular economy, in order to prevent excessive price increases as a result of the presence of non-EU industries in the EU market; calls on the Commission, in this connection, to consider applying export duties on the EU scrap market in order to prevent the environmental dumping that normally occurs;

Social aspects

22. Recalls the need to invest in workers' education and training, and stresses the relevance of careful monitoring by the Commission of ongoing developments in order to safeguard the industrial heritage and the workforce concerned;
23. Asks the Commission to take steps to ensure that Member States are not played off against one another when a large steelmaker running plants in several countries announces restructuring; furthermore, given the importance of coordinating policies to ensure a sustainable, resource-efficient and competitive steel industry which is responsive to changing European and non-European market conditions, calls for a pan-European solution which safeguards and creates good jobs and industrial activity in Europe's regions;
24. Stresses the need for industry, the social partners and local authorities to anticipate the training requirements stemming from a possible reboot of the temporarily idled plants;
25. Advocates the promotion of a know-how transfer programme to allow skilled older workers to transmit their knowledge and skills to newcomers in European steel plants;
26. Stresses that EU standards of corporate social responsibility and employee participation should also be implemented by European companies in third countries;
27. Stresses that involving workers in innovation and restructuring measures is essential in order to drive economic success, and calls on the Commission, therefore, to create a platform including the social partners to advise on, implement and monitor the European steel action plan;
28. Calls on the Commission to streamline relevant EU funds, such as the European Globalisation Adjustment Fund (EGF) and the European Social Fund (ESF), and policy instruments in order to alleviate the social costs of adjustment and ensure that the relevant skills are retained and developed for the future competitiveness of the industry;
29. Believes that future severe changes in the steel and other industrial sectors should be anticipated; considers, in this connection, that the Member States should align education and training policies more closely with labour market needs so as to be able to cope with similar situations and promote the appeal of the technical and scientific fields, in order to ensure that there are specialised professionals in the steel sector to drive innovation;

R&D / technology

30. Recognises the need to develop and disseminate the best available technologies (BATs) across the EU;
31. Stresses the need for investment in research and innovation as crucial aspects for the relaunching and renewal of the European economy in general, and of the steel industry in particular, which is based on long life cycles and great recycling potential; mentions, in this connection, the existing and new hydrogen-base iron-ore reduction technologies, which have the potential to reduce or eliminate large amounts of carbon dioxide emissions; calls for the establishment and promotion of a trademark for fair steel products ‘made in Europe’;
32. Underlines, in this connection, the crucial importance of the Horizon 2020 and Sustainable Process Industry through Resource and Energy Efficiency (SPIRE) programmes, together with the need for European Investment Bank and future NER400 financing of the most risky innovation and research programmes;
33. Calls on the Commission to implement an ambitious innovation policy which clears the way for the development of high-quality, energy-efficient and innovative products and processes enabling the EU to hold its own in the face of ever more severe global competition; emphasises that innovation in new products, such as mass steel products, including high-strength, high-resistance steel sheets for car production as well as high-alloyed steels with different physical and chemical properties, and new production processes, especially hydrogen metallurgy and re-melt metallurgy, hold the key to improving the competitiveness of the European steel industry vis-à-vis third-country suppliers, and that this area should receive particular support;
34. Supports the financing of industrial pilots to reduce CO₂ emissions with a view to meeting the urgent need for a transition to a sustainable, decarbonised economy with energy efficiency, renewables and smart infrastructure forming its backbone, and to transform the ultra-low CO₂ steelmaking (ULCOS) technology into an energy-efficient and environmentally efficient industrial policy tool;
35. Believes that abatement options, in particular for the steel industry sectors, will heavily depend on new technologies, and therefore emphasises the important role that EU-funded research and innovation programmes could play in boosting the European economy through Horizon 2020, as well as their role in ensuring the competitiveness of the European steel sector and the high quality of its production; recalls that research and innovation are important driving forces for economic growth and competitive industry;
36. Calls on the Commission to implement the SustSteel initiative, as proposed in the steel action plan and which is fully supported by Parliament, the Economic and Social Committee and the Committee of the Regions, and to do so as soon as possible;
37. Instructs its President to forward this resolution to the Commission, the Council, and the governments and parliaments of the Member States.