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Emission Benchmarks

On 2 February 2010, the Management Board of the Polish Steel Association sent to the Economic Development Department of the Ministry of Economy its opinion on emission benchmarks proposed by ECOFYS/EC for: coke, pig iron, crude steel, and highly thermal refractories. The opinion provided as follows:

- CO₂ emission allowances for the production of liquid steel (called upstream phase) and for its processing (called down-stream phase) shall be allocated fully to installations producing these products,
- the entire CO₂ emission connected with the carbon content in waste gases (hereinafter referred to as GO) shall be subject to free allowances,
- the allocation of free allowances shall be done to the benefit of the producer, not the user (GO),
- benchmarks for electrical steel shall be increased at least to the emission level indicated in draft document BREF in 2009,
- emission benchmarks for materials with a high thermal shock resistance are too low.

In our justification we referred to a wide range of materials with a high thermal shock resistance and their burning conditions (14800C - do 17800C).

- benchmarks for coke proposed by ECOFYS (at the level of 90kg of CO₂ per ton of coke) are "in terms of the process and thermodynamics" impossible (according to coke plants). The methodology for their indication shall be clarified.

The HIPH's opinion is concurrent with the opinions of the European steel and coke industry as well as refractories.

Phase III EU ETS

On 27 - 28 January 2010, we took part in two conferences. The first one on "Review of the 3rd Phase of EU ETS" organised by the Ministry of Environment introduced the principles of the future European emission trade system and the rules of 3rd Phase of EU ETS. The conference also presented the orientation policy of the European Union for the needs of the international negotiations on that issue.



The second conference on "The latest dimensions of the climate policy three ideas giving freedom" was held under the patronage of the Ministry of Economy and the Ministry of Environment.

The objective of the conference was to establish platform for the discussion over the grounds for setting out the Polish regulations on counteracting climate change. The conference attendees found the energy and climate policy of Poland to be one of the most important and at the same time most challenging issues. The enforcement of the energy policy shall be started with the implementation of the procedures and provisions compelling the CO₂ reduction.

Meeting of Environmental Protection Team

On 2 February 2009, the Management Board of the Polish Steel Association initiated a meeting of the Environmental Protection Team.

The discussion concerned the work timetable as well as the scope and method of preparation of necessary sector data for elaborating the proposal of

the new NAP 2008-2012.

The Association undertook aggregation of unit data on production and emission prognosis for particular installations under the plan for 2008-2012. The Board prepared the sector's opinion and the macroeconomic information reporting the situation in the industry which is required for the new NAP II. The Association forwarded the information to KASHUE - KOBIZE.

Sectoral Social Dialogue Committee in EC

On 3 February 2010 we took part in a plenary meeting of the Committee for European Social Dialogue in the Steel Sector of the European Commission in Brussels. Meetings of the Committee constitute discussion forum (trilateral team) involving the representatives of:

- European trade unions of metalworkers (EMF European Metalworkers' Federation),
- Employers represented by EUROFER and the national associations,
- European Commission.

The following issues were addressed:

- The current economic situation in the European steel sector and the prognosis for 2010-2011,
- ETS benchmarks and the report from COP-15 from Copenhagen,
- Impact of the crisis on the steel market and the labour market within the sector,
- Draft paper of the EC on the future strategy "UE 2020".

The common standpoint was adopted that the CO₂ emission reduction shall remain at the 20% level for all the EU member countries. The benchmark system proposed for the steel sector by Ecofys was criticized.

According to EUROFER, steel consumption in Europe in 2011 should go back to the level noted before the crisis. EMF informed that as a result of the financial crisis approximately 10% (25,000) of the employees in the steel sector in EU-27 lost their jobs.

Currently, the working group for structural changes deals with the issue of competitiveness of the metal industry while the working group for trainings deals with a new initiative concerning the training strategy for staff working in the steel industry in EU.

Visit at ITS

On 14 February 2010, the President of the Chamber met the Management of the Automotive Technique Institute (ITS) in Warsaw.

The subject of the meeting was related to new structural materials for car production. The monolithic materials such as steel, metals and alloys are facing a strong competition from composite materials reinforced dispersedly such as aluminum, lead, copper and zinc.

20th Anniversary of KIG

On 18 February 2010, the National Chamber of Commerce in Warsaw hosted an occasional conference and a gala on the occasion of 20th Anniversary of KIG's activities.

The conference addressed the role and significance of the chambers of commerce (regional and sectoral) in liaising with the regional and national authorities on the issues related to operations of their members, their needs and importance in creating the economic policy.

On behalf of the companies represented by HIPH, the HIPH's President, R. Talarek conveyed their congratulations and the best jubilee wishes.

HIPH at the Trilateral Team

In response to the invitation of the Chairman of the Trilateral Team, Deputy Minister Rafal Baniak, the President of the Chamber took part in a meeting of this body which was held on 23 February 2010 in Warsaw. During the meeting, the social affairs being very much dependent on the current market situation were the subject of the discussion.

The grounds for the discussion on this issue were provided by presentation on: "The impact of the crisis on the situation in the steel, coke and refractory markets in Poland and worldwide" which was delivered by the President of the Board of the Polish Steel Association.

The President elaborated on the barriers hampering the returns from the crisis by the manufacturers such as high electricity prices discriminating the recipients of the gas purchase contracts with PGNiG, insufficient emission allocations under NAP II, inconsistent tax regulations within EU-27 as well as low emission benchmarks. The potential opportunity for domestic producers is a robust investment programme with the usage of steel. There is a need for making administrative decisions to support the idea "buy domestic products".

The discussion paid a lot of attention to the issue of the employment cuts. The trade unions raised the problem of summarizing and settling the "social packages" which terminated as of the end of 2009.

Polish Steel Industry '2010

We kindly remind about the possibility of placing an advertisement in the publication "Polish Steel Industry '2010" we are pleased to invite all the interested members.