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Central Europe Steel Panel at the EEC Katowice

May 20, 2016 saw a Central Europe Steel Panel organised by HIPH during the European Economic Congress. Opening the panel, President Stefan Dzienniak presented the developments of the steel industry in Poland against the background of the steel sector in Europe and in the world, the risks and challenges facing the steel sector in the 21st century. The presentation by the President of HIPH provided the backdrop to the discussions attended by MEP Jadwiga Wisniewska, Jan Staniłko - Deputy Director of the Department of Innovation at Ministry Development, Tomasz Ślęzak - Member of the Board of AMP SA, Jerzy Kozicz - CEO of CMC Poland Sp. o.o., Jerzy Podsiadło - former CEO of Węglkokoks SA, Tadeusz Wenecki CEO of Polski Koks SA. The conclusion of the panel was the statement that too expensive electricity for the steel industry in Poland hinders its competitiveness on the open market.

HIPH Council Session

May 23, 2016 saw the meeting of the HIPH Council convened the headquarters of HIPH in Katowice. Before the Council proper started, the presentations were delivered by: Intensiv Filter and Process-Electronics.

The Council Members were updated about the steel, coke and refractory markets after 4 months of 2016. The status of the HIPH and law firms Coalition proceedings was summarized relating to: AD proceedings for steel imports from Belarus, and The Plan for Metallurgy. The Session adopted resolutions in subject matters adopting: the Management Report, Council Report, the financial statements for 2015, Association Activities Plan and the expenditure estimates for 2016, amendments to the Rules of Proceedings of the Polish Steel Association in 2016.

Meeting with the Ministry of Development

May 25, 2016 the Ministry of Development arranging a meeting of steel representatives with Minister Jadwiga Emilewicz and Minister Tadeusz Kościński. The meeting was devoted to the challenges facing the metallurgical industry in Poland. During the meeting, the scale of external factors was highlighted, primarily: extremely high cost of electricity in Poland (twice as high as in European competitors), current detrimental design of the climate policy and commercial and economic policies in both the EU and third countries. The attention was guided to the fact that in the parliamentary proceedings were on the parliamentary draft no 476 which, through an amendment to the Act of 29 June 2007 on the rules of covering producers' costs in connection with the early termination of long-term contracts for sale of capacity and electricity (OJ Dz. U. No 130, Item 905, as amended) would lead once approved - to a significant increase in energy costs for the steel mills starting as of coming year. According to the RDS (Social Dialogue Council) Resolution the postulate was that the legislative process in question resulted in the change having the most energy-intensive operators in Poland, including steel mills, subject to the preferential rate of a transitional fee.

Commercial Directors Forum

On June 2 to 3, 2016 at Ustroń, the Commercial Directors Forum was held. The meeting discussed the issues concerning the steel, coke and refractory materials markets, steel trade in EU and third countries, TTIP, trade defence modernisation instruments for the EU market and the current anti-dumping and anti-subsidy proceedings in international trade in steel products and raw materials for the steel industry.

Information was shared about the possible consequences of granting the Republic of China the market economy status (MES), poor effectiveness of market protection instruments currently used by the EC and the legal possibilities of limiting the increasing imports of steel products dumped by third countries. The participants also had the opportunity to learn products offered by Procom-System S.A.

Annual General Assembly of HIPH

June 6, 2016 saw HIPH holding the 30th Annual General Assembly of the Polish Steel Association. The AGM was of reporting and election nature. In a secret ballot Stefan Dzienniak was unanimously elected Management Board Chairman for the 12th term. The 9-strong Council remained unchanged for the next term. AGM participants agreed that, through its activities, HIPH is the undisputed representative of the metallurgical community both on a regional and national level.

Letter to the Prime Minister

This June 10, a letter was sent to the Prime Minister Beata Szydło about draft bills prepared by the Ministry of Environment, including the draft Water Law, draft Water Management Plans update (PGW), draft Regulation of the Minister of Environment of 25 February 2016 on the classification of the status of single surface water parts and environmental quality standards for priority substances.

ESTA Trade Directors Meet

On 16 and 17 June at Stresa (Italy) a general meeting and a meeting of the Committee of Directors of the European Steel Tube Association (ESTA CDD) were held. The meeting elected the new secretary-general on account of the retirement of Patrick Martinache who was performing this function until this time. Dominique Richardot became the new secretary ESTA. Activities report of the Association and a draft budget for the following year were presented. Also, the status of the economies of individual member countries of ESTA was presented. The production of pipes in 2015 amounted to 11.4 million metric tonnes, down 8.8% as compared to 2014, of which 3.4 million tonnes of seamless pipes (down 21.7%), 1.0 million tonnes of welded pipes above 406.4 mm (down 10%) and 6.9 million tonnes of welded tubes below 406.4 mm (down 8.92%). Information was provided about the progress of the case concerning imports of pipes manufactured by Hubei and their exclusion from AD duties.

Letter to the Minister of Energy

This June 28 saw a letter to the Secretary of State in the Ministry of Energy, A Piotrowski, and to the Chairmen of the Provincial Social Dialogue Councils wherein thanks were given for their commitment to the work on the amendment to the energy efficiency law and our willingness was expressed to engage in a constant, ongoing cooperation to improve the condition of Polish steel sector and to strengthen the international competitive position of the industry in Poland, the steel industry being one of its pillars.

Our voice in the media

- The European Commission has initiated anti-dumping measures against Belarus - *Magazyn Hutniczy* (12.04.2016);
- Threats to the steel industry in Poland and the European Union.

Conference in Ostrowiec Świętokrzyski - *Magazyn Hutniczy* (12.04.2016);

- More effective AD initiatives *Konstrukcje Stalowe* (29.04.2016);
- The decline in demand, 30% of the excess production capacity, a slowdown in China and the EU climate policy an issue for the industry - *Puls Biznesu* (3-5.06.2016);
- Growing Polish steel consumption - mills count on robust demand and higher prices - *PAP* (04.06.2016);
- As from June 1, NCBiR accepts applications under the sectoral scheme INNOSTAL - *Magazyn Hutniczy* (24-31.05.2016);
- Recovery symptoms and new threats to the steel industry. The ECG coverage. *Steel Panel - Magazyn Hutniczy* (24.31.05.2016);
- Brexit not to hurt steel producers, and may even help along - *Nowy Przemysł* (28.06.2016).

Events attended:

- meeting of steel representatives with PSE, Warsaw (5.05.2016)
- Steel Makers Day celebration and conference at AGH: Innovations in Metallurgy and Materials Science, AGH Krakow (6.05.2016)
- 40th Anniversary of the Start of Production at Huta Katowice Conference, Ustroń (12.05.2016);
- Steel Makers Day Celebrations at CMC Poland and Celsa Huta Ostrowiec (13.05.2016), at Huta Łabędy SA (20.05.2016) and at AMP Dąbrowa Górnicza (04.06.2016);
- meeting with PKN Polish Standardisation Committee in the context of the ongoing technological development and Polish market condition, Warsaw (24.05.2016);
- meeting with MinDev about the promotion of Polish steel products in public procurement, Warsaw (24.05.2016);
- meeting with MinDev Minister T Kościński and Minister J Emilewicz about efforts to maintain and strengthen the competitiveness of the steel industry in Poland (25.05.2016);
- Corporate Responsibility Council meeting, AMP Dąbrowa Górnicza (01.06.2016);
- meeting of the Task Force of WRDS (Provincial Social Dialogue Council) for the Contract for Silesia, HQ of Silesia-Dąbrowa NSZZ Solidarność, Katowice (2.06.2016);
- meeting with the Minister of Energy which saw a proposal presented for an amendment to the draft law on renewable energy sources and a legal opinion concerning the lack of any notification requirement to change the parameters in terms of preferential transition fee along with the position in terms of the state budget cost impact of the transition fee, Warsaw (14.06.2016);
- meeting of the Committee on the Protection of National Heritage Steel Sites at SITPH, Katowice (15.06.2016);
- meeting with the Department of Excise Tax at the Ministry of Finance in response to a joint letter by HIPH and IGMNiR in the context of amendments to the excise duty law amendment re the exemption of electricity consumed in metallurgical processes, Warsaw (17.06.2016);
- Ordinary General Assembly of ZPPH, Katowice (21.06.2016);
- meeting of the Task Force of WRDS (Provincial Social Dialogue Council) for the Contract for Silesia, Silesia Marshall Office, Katowice (23.06.2016);
- briefing at NCBiR on the sectoral scheme INNOSTAL, Warsaw (28.06.2016);
- telephone conferences and numerous meetings with EY in the framework of the Steering Committee and coalitions formed for the competitiveness of the Polish metals industry and teleconferences organised by FOEEiG Forum of Energy-Intensive Industries.