Resolution on the EU steel industry

2012/2833(RSP) - 13/12/2012 - Text adopted by Parliament, single reading

The European Parliament adopted by 351 votes to 125 with 34 abstentions a resolution on the EU steel industry.

The resolution was tabled by the EPP and S&D groups. It notes that the European steel industry is suffering from a **substantial drop in demand**, strong competition from imports from third countries with different regulations and standards, difficult access to raw materials, and higher costs which have led to restructuring, industrial mergers and job losses. Employment in the steel sector has **contracted from 1 million jobs in 1970 to around 369 000 in 2012**, and the number of workers in downstream industries is in the range of millions.

However, the steel industry is of **strategic importance for the EU economy**, and Members state that it is in the interest of the whole European Union to preserve the activities that make up its industrial fabric and to ensure security of supply through domestic production. They request that the Commission provide, in the short term, a **clear picture of the situation as regards the major changes occurring in the steel industry in Europe**, stressing that it is important for the Commission to monitor ongoing developments carefully in order to safeguard Europe's industrial heritage and the workforce involved. Parliament recalls that according to data published by the Commission, EU steel exports in 2010 reached 33.7 million tonnes (EUR 32 billion), the biggest markets for EU steel exports being Turkey, the USA, Algeria, Switzerland, Russia and India, while EU steel imports in 2010 reached 26.8 million tonnes (EUR 18 billion), the biggest import sources being Russia, Ukraine, China, Turkey, South Korea, Switzerland and Serbia

It welcomes the Commission's initiative of developing a European Action Plan for the steel sector by June 2013, but stresses the need to have it presented as soon as possible. Members call on the Commission to **reconsider its decision not extend beyond 31 December 2012 the prior surveillance system for imports of steel products and steel pipes**, as established by Commission Regulation (EU) No 1241/2009 (2), and to include that system in the Action Plan. They urge the Commission to include in its Action Plan the mobilisation of all available EU tools, such as:

- increased R&D&I, in particular in the areas of energy efficiency and resource efficiency,
- targeted investment by the European Investment Bank,
- an active policy for skills, requalification and retraining of workers,
- the potential use of EU financial instruments such as the European Social Fund and the European Globalisation Adjustment Fund where necessary, and
- other incentives to help the industry invest and modernise.

Furthermore, **an Action Plan should also consider ways of addressing and mitigating the high costs of energy and raw materials**, which are a threat to the steel industry's competitiveness. Whilst welcoming the European public-private partnership SPIRE, Parliament urges the Commission and the steel sector itself to continue to examine the opportunities available, to encourage the establishment of business consortia and to promote a closed-loop production system aimed at recovery and re-use of scrap, given the present and future limitation of raw material supply. It also urges the Commission to **take the steel industry into account in its ongoing review of existing state aid rules, and to assess the feasibility of introducing quality certification for steel-related products**.

The Commission is also asked to do the following:

- establish a tripartite body (trade unions, industry and the Commission) to work towards further development of the European steel industry, to ensure anticipation, consultation and the provision of information to workers and to secure full compliance with the legal requirements of the European Works Council Directive;
- monitor restructuring or relocation activities and ensure, on a case-by-case basis, that they are carried out in strict compliance with Union competition law, and monitor potential abuses of dominant market position;
- monitor closely future developments in the establishments located in Florange, Liège, Terni, Galai, Schifflange, Piombino, Câmpia Turzii, Rodange, Oelu Rou, Trieste, Silesia, Reia, Targoviste, Clrai, Hunedoara, Buzu, Braila, Borlänge, Luleå, Oxelösund and elsewhere, whose integrity is at risk, in order to be sure that the competitiveness of the European steel sector and its importance as a sector of employment are not threatened.