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### HIPH Council

September 12, 2014 saw another Council HIPH holding its session at the premises of the Polish Steel Association in Katowice. During the meeting there were two presentations: one by Contact Europe Sp. z o.o and another one by EnergyProfil Group Sp. z o.o.

The further session of the Council received information about the steel, coke and refractory materials market performances in 2014, actuals as after 7 months of 2014 and the summary status of implementation of the Coalition proceedings formed with the participation of HIPH and law firms for the purpose of: the EU notification of what is termed 'colour certificates', improving the competitiveness of the steel industry in Poland, the NCBiR (National Research Centre) steel sectoral program.

### Letter by the European Steel Industry

On September 17, 2014 an open letter signed by 60 representatives of the European steel industry (management boards of iron and steel companies from the V-4 Visegrad Group) to the Polish Prime Minister, with a copy to the Minister of Economy, Minister of Finance, Minister of the State Treasury, Ministry of the Environment, Permanent Representation of Poland to the EU about the EU decision on climate and energy targets by 2030.

In the letter, the representatives of the steel industry in Europe remind that the decision on new climate targets will also be one regarding economic growth and reduction of millions of jobs in the EU. The climate policy framework for 2030 may threaten 335 thousand of directly

employed in the metallurgy and 1.5 million employees of businesses working for steel. The letter highlighted that the most efficient metallurgical plants in Europe would become uncompetitive. The emissions trading scheme will cost the metallurgy EUR 70 to 100 billion in 2020 through 2030. These costs may exceed the EBITDA of the entire industry, deprive it of profit margins and investment opportunities. It is therefore necessary for the steel industry to get the correction factor removed.

On October 7 the same letter was published in Rzeczpospolita.

### About Carbon Leakage 2015 through 2019

On September 22, 2014 the Management Board of Polish Steel Association sent to MEPs, Members of the ENVI Committee a request for them to vote against the resolution by MEP Bas Eickhout regarding the rejection by the EP of the draft EC Decision containing a list of sectors exposed to carbon leakage for the years 2015 through 2019.

### Working Group for the Metals Industry

On September 23, 2014 the Management Board of HIPH and of the Chamber of Commerce of Non-Ferrous Metals and Recycling sent to all ministries and trade unions a letter on the draft Cabinet Ordinance on the Metals Industry Working Group requesting a substantive and procedural support for the appointment of such an inter-departmental task force.

On this October 10 a letter of similar content was sent to the President of the National Chamber of Commerce and to the President of the Polish Crafts Association.

### Letter to DPM

On October 8 we submitted a thank-you letter to the Deputy Prime Minister of the Polish Government in which we expressed appreciation for the actions taken by the Polish Government represented by the Ministry

of Economy in the context of the on-going discussions about the future shape of the EU's climate policy.

The letter pointed out that 25 September had seen the last meeting organised by the Directorate General Climate focused on the subject of consultations on the future shape of the carbon leakage provisions that would govern this subject matter beyond 2020.

We presented a summary of what we could have obtained as regards the Commission's response to the position of the Polish Government and expressed our readiness to prepare an in-depth analysis regarding the possibility of an effective response to carbon leakage. We asked also for the introduction of the following statement to the Conclusions, the so-called Summit Conclusions: "At the level of best performers in sectors at risk of carbon leakage there should be there no direct or indirect costs resulting from the 2030 framework".

### European Parliament of Enterprises 2014

On October 16 and 17 we participated in the European Parliament of Enterprises in Brussels. It was now the third edition of the event organised periodically by the European Association of Chambers of Industry and Commerce EUROCHAMBRES at the hemicycle of the European Parliament. It was attended by 750 businessmen representing EU countries and 19 countries outside of the EU.

The idea of the European Parliament of Enterprises rests upon providing European entrepreneurs voting opportunities to enable them - symbolically at the place of EP sessions - a debate on key issues affecting small and medium-sized enterprises operating in the EU, the vote - mirroring the parliamentary model - on the key issues of European entrepreneurs which allows for clear reading of economic policy sentiment.

### Letter to Minister G.Henclewska

On October 17 the Management Board of the Polish Steel Association together with the Chamber of Commerce of Non-Ferrous Metals and Recycling sent a letter to the Undersecretary of State in the Ministry of Economy, Mrs Grazyna Henclewska, in which we expressed our support for the Polish Government aimed at improving the competitiveness of Polish iron and steel industry, in particular for initiatives aimed at the establishment of the Inter-Departmental Metals Industry Working Group.

### Meeting with Minister T.Tomczykiewicz

On 21.10.2014 the steel industry representatives met in Warsaw with Deputy Minister of Economy, Mr Tomasz Tomczykiewicz, on the introduction of the relief for energy-intensive companies from the obligation to redeem 'colour certificates'.

### Our Voice in Media

- about the preparation of a feasibility study for the steel sectoral program announced by the National Centre for Research and Development. The Association as the representative - Magazyn Hutniczy (23-30.09.2014)
- about the establishment of the Inter-Departmental Metals Industry WG - WNP (15.09.2014)
- summary of the steel industry performance after 7 months of 2014 - Tygodnik Slasko-Dabrowski weekly (24.09.2014)
- the answer to the question of whether and how the project of the European Commission's dramatic reduction in CO<sub>2</sub> emissions by 2030 will affect the functioning of Polish steel industry? - for:
  - Trudne Sprawy ('Difficult Cases') TV Katowice broadcast (24.10.2014)
  - Stalowe Forum (No. 4/2014).

### HIPH attended:

- teleconferences with EY and consultation meetings with representatives of NCBiR and EY advisory firm on the preparation of the feasibility study for the steel sectoral program,
- teleconferences with EY under both the Steering Committee and Working Groups operating within the coalitions entered into in the areas of the competitiveness of Polish iron and steel industry (a total of 8 conference calls over two months)
- meetings and teleconferences organised by the Forum of Electricity and Gas Consumers and FORUM CO<sub>2</sub>,
- the 2014 Local Government. Barriers, Challenges and Needed Reforms Conference at Sosnowiec
- Inaugural Session Ceremony of the 4th European Congress of Small and Medium Enterprises, K Bochenek Conference Centre in Katowice
- Creating Jobs in the Industry in the East and the West: What European Industrial Trade Unions Expect from the EU Energy Policy Conference at the premises of the Silesian-D browa Independent Solidarno TU, Katowice
- seminar on electricity prices, climate package costs and the situation in the steel industry, Celsa "Huta Ostrowiec" Sp. z o.o, OstrowiecSwi tokrzyski,
- meeting about the gas market within the Forum of Electricity and Gas Consumers, Warsaw
- plenary session of the Academic and Economic Metallurgical Association, which presented our paper on The Situation in the Steel Industry in 2014, Zakopane
- Rolling 2014. Processes. Tools. Materials Conference where our speech was delivered on The Situation in the Steel Industry in Poland. Opportunities and Threats", Ustro
- Chamber of Scrap Commerce and Economy Conference, during our paper was delivered on The Current Situation and Prospects of the Steel Industry in Poland, Krakow.