

**03•2018**

July'2018 - October'2018

w numerze:

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**The HIPH Board has issued a number of letters concerning many important and priority matters regarding the activities of the Association's member companies including to:**

- Ministry of Environment, Mr M Kurtyka, Secretary of State in the Ministry of Environment, Commissioner of the Internal Market, Industry, Entrepreneurship and SMEs, Ms E Bieńkowska, Permanent Representation of the Republic of Poland to the EU, regarding the post-2020 free allocation rules for emission allowances which are an important element of the entire regulations preventing the carbon leakage and maintaining the competitiveness of the steel sector – 12.07.2018;
- Energy Regulatory Office URE, with a request for providing public information regarding the public aid scheme specified in the Act of 29.06.2007 on principles of covering costs incurred by power generators in connection with the early termination of long-term power and electricity sales contracts (LTC Act) – 07.08.2018, to Zarządca Rozliczeń S.A. – 10.08.2018, to PSE S.A. – 23.08.2018;
- Minister of Environment, regarding the draft regulation on the rates of securing waste claims – 16.08.2018;
- Ministry of Energy, Mr G Tobiszowski, Secretary of State in the MoE, with comments on the draft Act amending the Energy Law Act and certain other acts – 17.08.2018;
- Minister of Environment, HIPH together with IGMNiR and IPHGZ, with an appeal for the amendment of the Waste Act – 29.08. 2018;
- Minister of Finance, with a request for disclosure of public information regarding the indication of circumvention of anti-dumping measures imposed by the EC on imported steel products (corrosion-resistant steel products) – 04.09.2018;
- Prime Minister of the Polish Government, Mr Mateusz Morawiecki, regarding the Baltic Pipe project – 10.09.2018;

- Minister of Entrepreneurship and Technology, Ms J Emilewicz, Eurofer's letter addressed to the Head of the European Commission, Jean-Claude Juncker, on the free allocation rules with a request to support the steel industry's arguments – 13.09.2018;

- Ministry of Interior and Administration, Director of the Department of Civil Protection and Crisis Management, in connection with the commencement of work on the Ministry of Interior and Administration's regulation regarding fire protection of buildings, other building structures and areas, with a request to include the steel sector in draft legislation works – 20.09.2018;

- Ministry of Environment, steel sector's comments to the draft Regulation on visual control system for waste storage and containment sites – 20.09.2018;

- Ministry of Environment, HIPH together with IPHGZ and IGMNiR, regarding the amendment to the Act of 20 July 2018 on the amendment of the Waste Act and other acts – 21.09, 26.09, 28.09.2018;

- Vice President of the Council of Ministers, Minister of Science and Higher Education, Minister of Entrepreneurship and Technology, Minister of Investment and Development, Minister of Environment, on a joint initiative on low carbon steel aimed at transforming the EU into a low-carbon, circular and competitive economy. Request to support the EC's activities in establishing a European partnership for low-carbon steel within the framework of the Horizon Europe program – 2.10.2018;

- Ministry of Enterprise and Technology, Ministry of Energy and Ministry of Environment, providing a cross-sectional paper on the contribution of the European energy-intensive industry to the EU strategy for the long-term reduction of greenhouse gas emissions in connection with the planned meeting of the High Level Group on Energy-Intensive Industries on October 9 this year – 5.10.2018

### HIPH Council Session

24.09.2018 saw a meeting of the HIPH Council held at the premises of the Polish Steel Association. At the meeting, the Supervisory Board members were updated on the current steel, coke and refractory market performances as well as topics related to trade defense instruments (TDI), ongoing safeguard proceedings and applicable AD/AS duties. There was also a discussion about the ongoing "trade war" after the US decision to impose a 25% duty on steel imports and the introduction by the EU of provisional tariff rate quotas (for 200 days) for steel imports. The Council also became acquainted with the plan of activities undertaken by the Polish Steel Association within the framework of the formed coalitions: Working Group for Energy-Intensive Industries, issues covered by the cooperation with EY, and with FOEEiG and CO2 Forum.

### Information meeting HIPH

July 9, 2018 saw at the premises of HIPH, the Board having organised together with the Ministerial Unit EU Proceedings and Trade Defence Measures in the Department of International Cooperation at the Ministry of Enterprise and Technology, an information meeting on the implementation of measures to protect the Polish steel market following the introduction of steel tariffs by the United States (Section 232).

## HIPH conference

On September 13-14, 2018 a conference of HIPH Member Companies was held at Ustroń. During the meeting, the following issues were discussed: steel, coke and refractory markets performances, EU steel trade with third countries. The current state of safeguard and ongoing trade defence measures in international trade in steel products and raw materials for metallurgy was presented. Current topics were also discussed, of importance to steel producers in Poland and in the EU.

## New Industry Expo Event

On September 27-28, 2018, New Industry Expo event took place in Katowice. On the first day the President of the Board of the Chamber took an active part in the panel discussions on: Energy Market in Poland and Climate Policy - What Will COP24 in Katowice Bring? The President of the Board of the Polish Steel Association appealed to the power industry to take note of how the steel sector, the great consumer of energy, is affected. He stressed that steel making plants are the benchmark facilities and the most modern in the world, and yet the steel industry is losing out in Europe, mainly due to the cost of electricity.

On the second day the steel industry panel was held debating on, among others, the following topics:

- Freedom and Barriers. Transformations in Global Trade vs Steel Trade,
- Decisions of the Donald Trump Administration - Effects on the European Steel Sector,
- Chinese Economy, Expansion and Metallurgical Production as Factors Modelling the Global Economic Situation and Prospects for Steel Production in Europe,
- Main Drivers of Change in Metallurgical Production - Efficiency, Quality, Environment,
- Overview of New Technologies and Solutions to Reduce Costs and Better Use of Resource

## Our Voice in Media:

- Steel Consumption Increased Five Times Faster Than Production, WNP (01.08. 2018)
- The Effects Of The Customs War Are Already Visible In Poland, PAP (21.08.2018)
- Expensive Electricity And CO2 Will Drive Price Spirals, Puls Biznesu (19.09.2018)
- Metallurgical Companies Want To Import Cheaper Electricity To Poland, WNP (27.09.2018)
- The Steel Industry Caught In A Dramatic Situation, WNP (27.09.2018)
- Steel Imports Does Not Flood Europe, Puls Biznesu (01.10.2018)
- Energy-Intensive Industry Is Fighting For Energy Subsidies. "We Are Tottering On The Verge Of Profitability" - Rzeczpospolita (7.10.2018)
- The Budget Smells Of Dioxide, Gielda Parkiet (8.10.2018)
- You May As Well Stop Building Power Units When The Metallurgy Collapses, Magazyn Hutniczy (2-9.10.2018).

## Attended Events:

- meeting of representatives of the steel industry with Minister Marcin Ociepa, Undersecretary of State in the Ministry of Enterprise and Technology, to provide the specific characteristics of the steel industry and the condition of equipment and potential of steel making enterprises, Warsaw (12.07.2018)
- meeting of the Tripartite Team for Social Conditions of Restructuring of Steel Industry, Warsaw (13.07.2018)
- joint meeting of the Senate Committee on National Economy and Innovation and the Environment Committee. The meeting focused on topics related to the competitiveness of the Polish energy-intensive industry, Sejm RP (19.07. 2018)
- workshops at the Ministry of Enterprise and Technology – attended by steel industry delegates and HIPH consultants, Warsaw (20.07.2018)
- meeting with a study tour group from Germany where the President of the Board made a presentation on the current situation of steel making in Silesia and in Poland, Katowice, Park Hotel Diament (9.08.2018)
- meeting with Mr J Stanilko, Director of the Department of Innovation at the Ministry of Enterprise and Technology, and Paweł Różycki, Deputy Director of the Department of Air and Climate Protection in the Ministry of the Environment, including a hand-over, on behalf of the industry building the Coalition (FOEEiG, Forum CO2 and HIPH), of proposals for legislative solutions in the introduction of public aid into the Polish legal framework relating to the transfer of costs of emission allowances to electricity prices, the so-called Indirect Cost Compensation Scheme, Warsaw (17.08.2018)
- workshops at EY on the strategy of introducing in Poland of the Indirect Cost Compensation and reduction of the cost of the capacity fee, EY Warsaw headquarters (29.08.2018)
- gala of the Regional Chamber of Commerce and Industry, Gliwice (1.09.2018)
- meeting of representatives of the steel industry at MEaT on the implementation of the package for small industrial urban centres (including the process of EU notification of the capacity fee relief), Warsaw (21.09.2018)
- inauguration of the Wire Rod Mill modernisation at ArcelorMittal Poland, Sosnowiec (25.09.2018)
- meeting with the Minister of Entrepreneurship and Technology, Ms J.Emilewicz, on solutions aimed at reducing costs that affect energy-intensive industry resulting from the growing costs of electricity (indirect cost compensation, capacity fee relief)
- Dąbrowa Górnicza City Business Council (5.10.2018)
- teleconferences and numerous meetings with EY as part of the Steel Steering Committee
- teleconferences of the Steering Committee, Working Committee and Advisors in the framework of cooperation with the Forum of Electricity and Gas Buyers - on indirect cost compensation scheme of the Package for the Energy-Intensive Industries.