

H&S in the steel industry
MoF about excise tax on gas
HIPH and Mills at the Joint Parliament and Senate Committee
Coaltrans Poland Conference
About Automotive in Silesia Meetings
Proposal for MSEs
Thank you, Prime Minister
Interdisciplinary debate
Changes to HIPH Charter
About urban development policy
HIPH Council

H&S in the steel industry

On March 13 of this year, HIPH attended the "In Any Case ... The Ten Commandments of Safe Work" Conference during the Safety, Occupational Health Safety and Fire Protection 2013 Fair. The conference started with the speech by the District Labour Inspector and presented statistics on industrial accidents. They demonstrate that the human factor prevailed as the major cause of accidents in the last three years. Ten universal principles ('commandments') were discussed the observance of which in any industry would contribute to the improvement of health and safety at work. The conference was held at three concurrent panels: mining, metallurgy and construction. The metallurgical panel called "Human Factor and Development of Safety in the Metals Industry" summarized accident incidence in the Polish metals industry in the years 2007 to 2012. The importance of the human factor was highlighted for the after-accident procedures and prophylactics as was the development of appropriate safety culture and organization of work in gas and explosion hazardous areas.

MoF about excise tax on gas

On March 18, 2013 a consultative conference was held at the Ministry of Finance dedicated to the discussion of the observations raised during the public stakeholder consultation process on the draft law amending the Law of 30 January 2013 on the excise tax on gas. The bill covers not only natural gas but also process gases such as coke oven gas, blast furnace and BOF gases. The Board of HIPH submitted sector's comments to indicate that proposed conversion-based calorific values for process gases (CN code 2705 00 00) far

exceeded their actual calorific values.

Also we appealed for:

- the introduction of flat-rate conversion values at the level of the average real values;
- the adoption of the 'energy-intensive' enterprise declaration in accordance with Article 17 Paragraph 1 Letter a of EU Energy Directive (Council Directive 2003/96/EC of 27.10.2003);
- unpegging the excise duty exemption for process gases from natural gas prices in the stock market.

HIPH and Mills at the Joint Parliament and Senate Committee

In response to the sector's requests for systemic solutions to eliminate VAT fraud practices in steel trade which was furthered to the Administration and the Parliament, Polish Steel Association and representatives of rebars producers were invited to a joint meeting of the National Economy Committee of the Polish Parliament and the Budget and Public Finance Committee of the Senate. The meeting took place on this 19 March. The industry representatives debriefed about the phenomenon of rebars trade VAT fraud, updated parliamentarians about the scale and mechanism of the scheme and its negative consequences for local producers and the state budget. The participants of the meeting (parliamentaries and industry) agreed with the proposal of the Ministry of Finance, that is the introduction of the reverse charge mechanism.

Coaltrans Poland Conference

At the international conference Coaltrans Poland held on 19 March 2013 at the Hotel Angelo in Katowice, the Association's Board presented a paper on Steel - Global and Regional Demand authored by Chairman R. Talarek.

This paper presented the latest data on global and domestic demand for steel and a study of the forecasts for the coming years. The conference was devoted to innovative actions taken by producers of coking coal and coke to improve the efficiency of their sectors.

About Automotive in Silesia

On March 20, 2013 in Katowice, Polish Steel

Association took part in the Prospects for the Development of the Automotive Industry in Silesia Conference. The conference was organized under the Automotive Silesia Region initiative conducted by the Department of Economy, Promotion and International Cooperation of the Marshal Office of Silesia as part of the Human Capital Operational Programme, and focused on the issues of investment attractiveness of the region of Silesia and on the cooperation between science and business in the automotive industry. Particular attention was given to the growth prospects of this sector in the region.

Meeting

Permanent Representation of Latvia to EU

April 9 this year saw a working meeting was held of representatives of the Coalition for the Prevention of Unfair Intra-EU Steel Rebars Trade with the Commercial Attaché from the Permanent Representation of the Republic of Latvia to the European Union, Mr L. Martinsons.

The Latvian party was debriefed about the role of Latvia in the VAT scam. Mr. L. Martinsons would communicate the information obtained to the Latvian Government.

... and European Commission

On the initiative of the Coalition, on 9 April, a meeting was held between the representatives of the Association, manufacturers and the consulting firm E & Y and representatives of the Office for the Tax Administration and Tax Fraud of the Directorate-General for Taxation and Customs Union (TAXUD) of the European Commission. The talks related to irregularities in the intra-Community rebars trade.

Proposal for MSEs

Consultations and information procedures are an important instrument for enhancing adaptability of Member organisations to dynamically alternating market realities. Those entities which are part of global corporations have the knowledge and instruments needed to respond quickly to market trends and occurrences while small and medium-sized entities often obtain such information through HIPH.

On 05.04.2013 at the Board of the Association consultations were held with the law firm T. Wlostowski about the forms of assistance to small and medium-sized businesses in matters relating to competitiveness.

Thank you, Prime Minister

HIPH sent a thank-you letter to the Prime Minister D. Tusk on account of the adoption by the Government and sending to the European Commission of a derogation request so that Poland could introduce the reverse charge mechanism to rebars trade. The introduction of the "reverse charge" would effectively eliminate VAT fraud in steel trade.

Interdisciplinary debate

Raw materials producers, electricity generators, representatives of selected transport modes and services as well as academic and research institutions participated in the debate

held on 9.04.2013 at HIPH's premises on possibilities of industrial and economic development of the industry and the region in the context of the challenges of low-carbon economy. Current development of the economy and so generated demand for traditional construction materials can be considered, in principle, "as done". Mass-producing or commodity centres moved to Asia. Many indications are that Europe's *raison d'être* will only be in the production of high-end products observing the climate and energy canons. Ensuing challenges, both internally and globally, were covered in the discussions.

Changes to HIPH Charter

The conditions under which economic self-government organizations tend to operate today change dynamically.

Global realities, geographical changes to the production patterns, economic crises and their consequences require a high level of sensitivity of local self-governments to them.

In its hitherto activities, the Association retained its character, but change is inevitable for the future. The Board proposes a revision of the HIPH Charter - currently they are evaluated by the Member Organisations - to at least partially get adjusted to the market

About urban development policy

HIPH participated in the Determinants of Urban Development in the Context of Urban Policy beyond 2013 Conference. It took place on April 10 this year in the Hall of Silesian Parliament. Processes were discussed that affect a comprehensive urban development in the context of the new budget programming period of the EU policy. It obliges Member States to use part of the funds (at least 5% of ERDF) to strengthen the urban capacity potential. A major challenge facing the cities of the region is, in addition to unemployment and improving living standards, the problem of excessive power consumption and seeking innovative solutions to energy-use limitations. Steel as a construction material has its place in the creation of this program.

HIPH Council

HIPH Council met on 16 April, 2013 in Katowice. In the first part of the meeting, the Council was briefed by the Board on the state of the steel market, coke and refractory materials in the first quarter of 2013, took note of the report of the three coalition agreements of the Mills - HIPH - Advisory Firms agreements, namely:

- combating unfair VAT schemes in the intra-Community steel product trade,
- exempting gas fuels (natural gas and process gases) consumed in metallurgy from excise duty,
- Excise and other fiscal costs for electricity.

Possibilities were discussed of further improving the competitiveness of domestic steel mills in times of prolonged crisis in the EE market.

In the second part - concerning statutory and organizational matters the Council listened to the Council's and the Board's statutory and activities reports and the account on financial activities of HIPH for 2012. The Board presented the Council a draft framework activities plan for 2013-2015 and draft amendments to the Charter and the Rules of the General Assembly of HIPH. Resolutions were adopted in all above-mentioned issues by the Council. The Council recommended that the Board convene 27th AGM for June 21, 2013.