Executive summary

The opening speech of the meeting was made by the chair, Mr Peltomäki, Deputy Director General of DG GROW, who presented the topics to be debated during the meeting: energy prices and costs and trade relations with China.

Concerning the first topic, two presentations were delivered.

In the first presentation, Mechthild Wörsdörfer, Director of DG ENER, outlined preliminary results from the upcoming Report on Energy Cost and Prices. According to these results, despite the fact that wholesale prices went down, retail prices were reported not follow the same trend in the period considered. Furthermore, concerning electricity prices, significant differences persist between small and large industrial consumers and also between MS. Concerning energy costs, results show that the share of energy-related costs in total production values account for about 2% for all business in the EU, but in the Energy-intensive industries the impact is more significant.

In the second presentation, Céline Gauer, Director of DG COMP, touched upon the impact of taxes and levies in the determination of electricity prices. Finally, she recalled the possibilities offered under the state aids guidelines of 2008 for the reduction of environmental taxes, the 2012 ETS State Aid Guidelines for the compensation of indirect CO2 costs and the Guidelines on Environmental and Energy aid of 2014 for the reduction from levies for energy intensive users.

During the debate, several members underlined the importance of industry for EU and the need to maintain the target of 20% of EU GDP coming from industry (AT, RO). In this context, not only energy prices, but the overall competitiveness of EU industry should be assessed. Therefore, all EU policy measures which have an impact on competitiveness, including regulatory, environmental and ETS costs, should be taken into consideration (EUROFER, EUROMETAUX, CEFIC, Fuels Europe, AT, CZ, SK). It is essential that such measures are predictable (EUROMETAUX, FR). In any case, energy prices are still high and they negatively affect the competitiveness of EU industry (CEMBUREAU, EUROFER, IndustriAll), due to taxes and levies (CEFIC, DE). Many members considered that distortions of competition also exists in the internal market between MS, since there is no harmonized system for the compensation of indirect ETS (EUROFER, Glass Alliance for Europe, ES, IT). Distortions might occur, in the internal market, also among sectors (PL), due to the differences between lists of sectors that are eligible for state aids (CEMBUREAU, Cerame-Unie). Especially when topics like this one are discussed, downstream users should also be included in the HLG (IT).

Concerning the second topic, Mr Fabrice D'Aprile, Deputy Head of Unit, DG TRADE, presented possible changes in the methodology to establish dumping in trade defence investigations concerning the People's Republic of China in view of expiry of certain provisions of the Protocol on China accession to WTO. He explained options which had been examined under the Commission's impact assessment, informed about the state of play and next steps in the process.
The debate which followed conveyed clear messages: while recalling the importance of free trade (NL) and the need to have a broader view on trade relations with China (CEFIC), vast majority of the members recalled that China does not respect conditions to be recognized as a market economy. In this context, industry and MS were very vocal in their requirement to maintain strong and effective trade defence measures against dumped Chinese imports (EUROFER, IndustriAll, EUROMETAUX, CerameUnie, Fertilizers Europe, CEFIC, BE, ES, FR, DE, SK). It was pointed out that any solution should not be based on Chinese (distorted) prices and should take into account the issue of burden of proof, that should not be put on industry (AEGIS on behalf of Fertilizers Europe, EUROMETAUX, EUROFER, Cerame-Unie, Glass Alliance Europe, ESTA, Euroalliages, Euromines). In this context, some members emphasized the importance to swiftly adopt the trade defence instruments modernization package, which could help to improve effectiveness of existing TDIs (AEGIS, IndustriAll, CEFIC, BE). Many members also recalled the huge Chinese overcapacities in several sectors, which are (or might be in the future) at the root of dumped imports (EUROMETAUX, Fertilizers Europe, BE, FR) and risk of retaliation from the Chinese side (EUROFER, IT).

In its reply, Mr D'Aprile recalled the status of the file on modernization of TDIs, stressing the efforts of the Commission to make it move forward. He also underlined that no decision on MES has been taken yet.

In the closing speech, Commissioner Bieńkowska recalled the Communication of March 2016 for the steel sector and the solutions it may provide not only for steel but also for other sectors facing similar challenges.
Opening remarks: Antti Peltomäki, Deputy Director General, DG GROW

Antti Peltomäki recalled that the Commission has created this group to receive advice and assistance in the preparation of its policy initiatives relevant for energy intensive industries.

On the first topic, energy prices and costs, two main challenges with the way the system works today were highlighted: first, there are no proper price signals in today's markets (both short-term electricity prices and ETS allowance prices are presently depressed and do not steer investments as we would like them to); second, EU regulation and policy-making is still based on national interests and a purely national perspective: as a result, there is a patchwork of policy interventions and poor market integration. He explained that interventions of DG ENER and DG COMP will show how the situation looks today in terms of energy prices and possibilities for energy-intensive sectors to be either exempted or compensated for parts of these costs.

Antti Peltomäki also stressed that the industry itself must adapt and constantly improve energy efficiency: in this respect, the investments in energy efficiency technologies is a long-term challenge but also a solution for the industry. In this context, support can be provided through the European Fund for Strategic Investments and also Cohesion Fund or European Energy Efficiency Fund.

Concerning the second topic, trade relations with China, he recalled that the Commission has carried out a full impact assessment and that an in-depth economic analysis will be at the core of that assessment. In this context, this meeting of the HLG serves to enhance the Commission's understanding of all the implications of the decision the Commission will have to make. He also recalled that China is the European Union's second largest exporting market: 3 million jobs in Europe depend on our sales of goods and services in the Chinese market; at the same time, the EU is China's largest trading partner and export destination, with over 300 billion in exports in 2014 and the EU is also a fast growing destination for China's foreign direct investment: therefore, the issues at stake are of the utmost importance. Nevertheless, he also stressed that the nature of China's economic model causes problems for European firms (i.e. issue of overcapacity) and distortions in the Chinese economic governance model are numerous and widespread; anyway, it was stressed that on this issue the Commission has not made any decision yet.

2nd Energy Prices and Costs report – Ms Mechthild Wörsdörfer, Director, DG ENER

Mechthild Wörsdörfer presented preliminary results from the upcoming Report on Energy Costs and Prices. The main features were the recent data on gas, electricity, oil (petroleum products) wholesale and retail prices for (disaggregated) industry and household consumers, and taxes and Levies divided into 10 sub-components and Network tariffs.

She reported that oil price development influenced gas and electricity prices, thus positively affecting the European energy import bill, as well as the situation of households, contributing to an increase of GDP by 0.05% in 2015.

International wholesale prices comparing the EU, US and Japan were presented focusing on:

- Electricity prices: they were the lowest in the last twelve years for EU, closer to Japan and the US. The reasons are lower energy demand, partly due to the crisis, falling fossil fuels prices, increasing shares of renewables and progress on market de-coupling.
Gas prices: they were the lowest in the last ten years, close to Japan prices that came back to pre-Fukushima level and reduced gap with the US.

Despite the fact that wholesale prices went down, retail prices were reported to not follow the same trend. In fact, electricity prices have increased and gas prices slightly decreased.

Electricity prices for industrial consumers were reported to have increased due to increased network tariffs, taxes and levies, in contrast with decreased energy price.

More in detail, for the electricity prices, significant differences persist between small and large industrial consumers and also between MS, mostly driven through lower network costs and taxes and levies exemptions. Normally, larger consumers pay less for the energy component but also for levies and taxes and network components. Also at this stage huge differences emerged across MS.

She also provided a comparison with the biggest international competitors. This highlighted the complexity, the problems linked to availability of data for countries such as Russia, China and Brazil and the exchange rate factor. It showed that the average energy cost in EU is lower than in Japan but higher than in the US and Russia.

Energy costs for industry were also presented. The share of energy-related costs in total production values account for about 2% for all business in the EU, but in the Energy-intensive industries the impact was reported as much more significant. The 14 industry sectors analyzed presented shares highly different among them but, overall, the trend energy cost is decreasing. Energy costs for sectors were also compared to costs for trading partners and - over all EU - costs were reported lower than US and higher than Japan, but still with differences between sectors. Two particular sectors were analyzed in depth: steel and iron industry and aluminum industry. In conclusion, the report presented decreased prices given to a decreased energy demand, partly due to a slow recovery from the economic crisis but also due to energy efficiency improvements. On the retail side, prices increased due to higher taxes and levies as well as higher network costs. However, at present the total retail prices are slowing down and are lower than most of Asia.

These results should be published in the report to be adopted end of this year.

**The State Aid regime for Energy and the Environment – Ms Céline Gauer, Director, DG COMP**

Céline Gauer recalled the role of antitrust, which is to ensure a proper functioning of the market, preventing abuses and cartels leading to higher energy prices. She recalled the case of the wholesale electricity market in Germany (where companies where keeping prices artificially high) as well as the investigation taking place in relation to gas prices in Central and Eastern Europe, where there is a clear relation between decrease of competition and increase of prices. Concerning mergers, she recalled that the goal is to prevent further concentration of the market structure.

She also underlined that a large share of prices of energy depends also on taxes and levies. Many MS finance more and more energy policies through levies on electricity prices. For many energy intensive consumers this decision of national governments has dramatic impact but – she stressed – competition rules keep the cost of these policies in check, limiting this impact. For example, since 2014, MS have tenders to support renewables: results reportedly show a big decrease of the costs for financing renewables in these cases.

She also stressed the need to have common rules to minimize distortions and avoid subsidy race, to ensure a sufficient financing base (since everything which will not be paid by energy users will be paid by citizens
otherwise), to promote ambitious environmental taxes and to avoid carbon leakage. All these aims are addressed by the state aids rules.

She recalled that three types of interventions are allowed under these rules:

- Reduction of environmental taxes. They are allowed by the state aids guidelines of 2008; under the General Block Exemption Regulation, reductions on environmental taxes respecting the minimum levels of taxations set by the Taxation Directive are possible; under the Environmental and Energy State Aid Guidelines, further reductions are possible if pass on to consumers is not possible.

- Compensation for indirect CO2 costs. The 2012 ETS State Aid Guidelines allow for compensation for indirect CO2 costs but they had limited practical relevance so far due to low carbon price; their application is simple and straightforward.

- Reduction from levies: the Guidelines on Environmental and Energy aid of 2014 allow a reduction of the contribution that energy intensive users are making to the finance of renewables; the focus is on companies exposed to carbon leakage; more than 60 sectors can benefit from this.

In conclusion, competition enforcement contributes to keeping all components of energy prices in check; at the same time, the state aid framework has evolved to find the right balance between ambitious environmental objectives and competitiveness.

Discussion

CEMBUREAU stressed that investment costs and labor costs should also be considered in the analysis for a complete assessment of international competition; pointed out that energy costs in EU are quite high while investment costs and labor costs are low in Asia; suggested it should be paid attention to the preservation of competitiveness measures on distortions between sectors that are eligible and not eligible for compensation. On the Guidelines on State aid for environmental protection and energy, they stressed that their trade intensity has increased; therefore, they called for stronger alignment between what is happening in EU ETS and what is happening in relation to the Guidelines to ensure that there is no distortion between the sectors that are eligible (or not) for compensation and that are often active in the same downstream markets.

CEFIC underlined that electricity market design is one of the pivot tool within the Energy Union Package: for them, the key question is how to reduce the levies level on electricity retail prices; stated that a better coordination among member states is necessary to avoid, for example, what has happened when Germany "phased out" from nuclear energy.

EUROFER recalled that the level of production is still far below the pre-crisis level and there are anyway lower prices of energy in many 3rd Countries; pointed out that energy efficiency of EU producers is at the top but this cannot "compensate" with other factors such as labor costs; underlined that EU still needs to focus on regulatory costs, taxes and levies: ETS, in particular, should not discourage investments in the EU. They requested for a clear commitment of all Member States to grant compensation of ETS indirect costs.

Glass Alliance for Europe proposed that the glass industry should be granted compensation for indirect costs in a uniform manner in the EU so they called for a reassessment of how the list is calculated using for example regional emissions for electricity production.

Cerame-Unie called for a coherent approach between ETS, carbon leakage and state-aid guidelines, since they have some processes that are much more electro-intensive than others. They proposed to pay attention on the
criteria: in some countries, like DE or DK the state aid guidelines have contributed to create a level playing field whilst in some other countries, such as UK, they can have even stricter criteria, creating competition problems.

Céline Gauer replied that the list of sectors that are allowed for support has been the result of a long debate; every MS has to make a choice; the guidelines provide a framework to make this choice with criteria that must be objective: trade intensity and energy intensity. The stricter national criteria have to be transparent and not discriminatory. This debate is similar to the one on ETS, where some said that MS should be obliged to provide compensation to indirect costs, but some MS think that this is not the best way to use the revenues. Referring to the 75% as of 2019, she underlined that it is necessary to have a minimum contribution of the industry to incentivize reduction of the emission, for that reason is not possible to have 100% compensation.

IndustriAll remarked that there is still an important disadvantage for EU industry related to energy prices. 1.1 million jobs already lost in EII in the last 8 years and 6.5 million are at stake. They proposed: to monitor energy prices as a basis for further action; an EU support scheme for ETS-related increase of energy prices without leaving this to the diversity of MS; a better coordination regarding renewables; further diversification of Energy supply sources.

Fertilizers Europe underlined that their sector is the biggest users of gas in Europe (about 10%); they supported single market for gas even there is still work to be done; for them the biggest competitors in gas prices are North Africa and Russia, which were not included in the presentation.

Fuels Europe, as Fertilizers Europe, remarked that they have others competitors not included in the presentation, which are those for which gas costs are low: US, Russia and the Middle East; stated that ETS is affecting competitiveness of EU industry; consequences have been an increase of imports, closure of plants and investment leakage. In terms of indirect costs of ETS, they underlined that there should be a coordination and not Member States individual actions.

Climate Action Network Europe; highlighted some missing aspects about fossil fuels subsidies: the cost for society of using these sources should have also been mentioned since it's been calculated that their use cost to the society B300€/year; therefore they claim this element should also be considered when discussing cost of energy.

EUROMETAUX confirmed that the cost of energy, in particularly electricity, is decreasing but pointed out that it is going along with the slow-down of the economy; they claimed the analysis should look at all the costs, not only at energy costs but also for example environmental cost. For their sector the potential for investment is directly related to the fact that they are price taker, so investment potential is only related to the margin so when you see how much regulatory costs have increased it is easy to understand how this can affect the potential for new investments. They also drew attention on the need to ensure predictability (ETS, long term contracts).

European Environmental Bureau highlighted that energy prices should be considered not only in relation to product costs but also to Real Unit Energy Costs (RUECs), where the EU is more competitive. They proposed to consider other social issues promoting jobs and employment and climate change; on this, they stated that energy efficiency is the weakest dimension of energy and climate policy and that needs to be changed onwards; energy taxes are important for climate change objectives and for fostering resource efficiency and innovation: therefore they claim that taxes should be shifted from labor towards energy resources; they recalled the need to respect the polluter-pays principle: as long as it is not respected – they claimed – it is necessary to support renewable energy sources.
Austria stressed out the importance of keeping industry in Europe; they insisted that the target of 20% of EU GDP coming from industry should be maintained; they remarked that the State-aid framework is working well but there is a problem of cumulation of regulations; therefore, they invited the Commission to look into this accumulation (also in view of the upcoming regulation, such as the renewable energy directive and the energy efficiency directive) as well as at the bureaucracy generated by this legislation, which also represents additional costs for companies. They proposed to discuss energy efficiency and RES, as it has been done with ETS, on the basis of impact assessment.

Spain pointed out that the 100% offset of indirect costs with national budget is not possible for all MS and this has a negative impact on competition; they recalled the case of a steel plant in North Spain which had to shut down despite the fact that it had the best technology and very low CO2 emissions; they proposed a common fund for compensations.

France reported the current situation of energy prices as unsustainable and warned about future increase of energy prices, therefore concluding that EU has to be ready to protect its consumers that use a lot of energy against future rises. They underlined two aspects: first, there is a lack long term visibility so company can continue to function but not to invest; a solution to this should be provided but discussion hasn't started yet – this might be a topic for the upcoming meetings; secondly: concerning comparison between world regions, in many of them (i.e. Middle-East, Russia) access to energy is supported (i.e. gas for free): the proposed this issue to be investigated further as well as the necessity to gather data from regions outside EU to show how companies outside EU can benefit from low prices of energy that allow them to invest in new capacity even in areas where there is overcapacity.

Romania affirmed that target of 20% of EU GDP coming from industry should be maintained; they reported that energy prices decreased at national level but this was not reflected in the bill; according to them, 2nd report should provide a more detailed analysis about the subcomponents related to transmission, and also assess predictability of electricity prices. They suggested that some measures aiming at ensuring a fair competition in the internal market should be considered, i.e. the creation of a unitary framework for a transparent integration of the energy costs in the bill (consumers should be able to understand composition of costs); they reported that Romania has enforced since 2015 the state aid scheme to support EIIs.

Italy agreed with what has been said by Spain and France. They asked for further information about the progresses on application of guidelines of Member states. They also reminded their request to include downstream users stakeholders in the membership of the group.

Poland supported the intervention of Fertilizers Europe when they mentioned aggregated costs compared to other Countries and Regions in the world, stressing the importance to look into the specific sectors and to consider the share of cost of energy in their production and then think of the solution for the industry, since the sectors really differ. They added that, should somebody have to pay for the greening of our economy, there is nevertheless the need to ensure a level playing field for the different source of energy and technologies, renewables and not.

Sweden pointed out that investments are influenced by an efficient, competitive and liquid market rather than special long term contracts between producers and consumers. They also suggested to clarify better by whom the state should be represented for the upcoming meetings.

Germany underlined that industrial policy is very important in Germany, which is investing a lot, therefore energy prices are charged by several taxes, so guidelines interfere with the domestic rules; they insisted that it would be important to dig into the issue related to taxes and levies.
**Czech Republic** pointed out that the cost effective assessment of all the measures in the EU policies is crucial; need to reduce regulatory and EU ETS costs; on state aid, the renewable support mechanism could lead to uneven conditions for EIIs since there is no similar approach to the support schemes; there are barriers to the use of long-term contracts such as the current electricity market distortions.

**Slovakia** reminded that is important to pay attention on negative impacts of further measures for climate change objectives. They underlined that high prices are a big burden for their industries so price and cost of development are important to consider.

**Mechthild Wörsdörfer** replied that the volatility of prices is to be kept in mind. The Commission tried to be as transparent as possible with data, especially when they lack. The gap with competitors remains and the economy is still in a difficult situation. The issues are quite complex to be analyzed in details. It is true that it is not only a matter of energy cost but also labor costs and the different contexts of Member States. They are preparing the impact assessments of the regulations and directives mentioned for summer. Same set of data are used in coordination with other DGs. It is a long term, objective are set by 2030. All MS have to come up with energy and climate plans (up to 2030 before 2020) and most of the MS have a plan for 2020 but for 2030 several still have not them so there will be a governance proposal for giving more predictability and increase certainty for investments. There were public consultations for electricity market design issues. For the long term contracts, energy market has changed enormously also for renewables energies and also a more flexible demand and supply. About subsidies, it is the right timing now with lower fossil fuels prices so in the G20 the phasing out of subsidies will be also reconfirmed. About coordination, according to the treaty there should be promotion of internal energy market, renewables efficiency but MS are in charge of their national energy mix so nuclear decision must be taken at national level. Moreover coordination has been intensified by coordination groups on electricity, gas and oil.

**Possible changes in the methodology to establish dumping in trade defence investigations concerning the People’s Republic of China – State of play: Mr Fabrice D'Aprile, Deputy Head of Unit, DG TRADE**

The presentation focused on possible changes in the methodology to establish dumping in trade defense investigations concerning the People's Republic of China (CHN) in view of expiry of certain provisions of the Protocol on CHN Accession to the World Trade Organization (WTO). He explained options which had been examined under COM's Impact Assessment covering legal, political, economic and social impacts and informed about the state of play and next steps in the process. The public consultation was closed and the Commission is finalizing the Impact Assessment which will be subject to an Orientation Debate on 20 July. It was explained that the decision on whether a legislative proposal will be issued had not yet been taken and that the course of action will be decided by the College of Commissioners on 20 July. The priority aim of a solution proposed was to maintain the effectiveness of Trade Defense Instruments (TDI) vis-à-vis China.

**Discussion**

On behalf of several industrial sectors, the industry alliance **AEGIS** stated that any new methodology to establish dumping in trade defense investigations should not be based on Chinese distorted prices or costs and that the burden of proof should not be put on industry's side; they expressed concerns on Chinese overcapacities and supported swift adoption of the EU TDI modernization package.

**EUROFER** supported AEGIS; they highlighted the non-respect by China of basic WTO rules regarding market prices, state-owned enterprises and subsidies and thus questioned the fact that Chinese retaliation could be a threat for Europe; stated that the EU should act strongly to protect its producers against dumped imports from China.
IndustriALL recalled that a number of jobs are threatened by unfair competition from China and the need to act strongly against unfair competition; highlighted the importance of social aspects and the lack of ratification of important labor conventions by China; they called for strengthening the existing TDI and for seeking effective methods to reveal the true level of dumping.

Eurometaux raised concerns about the high level of overcapacities in China caused by subsidization, e.g. in aluminum sector where primary production exceeds 2.5 times EU production and recalled similar trends for consumption and at the level of fabrication; they supported AEGIS and underlined the need to maintain strong and efficient protection against dumped Chinese imports; asked about the timelines in case of adoption of legislative proposal.

CerameUnie supported AEGIS and recalled two EU anti-dumping measures applied against imports from China on tableware and ceramic tiles; stated that both direct and indirect employment should be taken into account; informed that anti-dumping measures on ceramic tiles brought the investment back on track and underlined that any decision on TDI concerning CHN should not put ceramic tiles at risk.

Fertilizers Europe supported previous speakers, indicating that China is the biggest exporter of fertilizers with huge overcapacities and underlined the need for ensuring effective TDI; highlighted the imbalance between EU and China in terms of emission standards to be fulfilled by EU producers versus the lack of such standards in China.

CEFIC stressed that the broader context of the EU-China relations should be taken into account in the debate on market economy status (MES), taking into account how EU could have benefited from Chinese growth and thus has expanded its exports to China; refrained from giving an opinion on MES and explained that the impact on industry is differentiated – while some is injured another is benefiting from lower input prices; stressed their support to TDI which protect from unfair trade and warned that the EU debate should not lead to over protectionist reaction and the approach chosen should be balanced to avoid Chinese retaliation; supported non-application of "lesser-duty rule" (LDR) to cases of raw materials’ distortions.

Belgium supported the need for urgent modernization and strengthening of the EU TDI system to deal with unfair competition from China; stated that the steel sector is particularly concerned but also other energy-intensive sectors like e.g. fiber glass, which is obliged to meet climate objectives on the one hand and face low prices coming from China on the other; recalled the results of OECD High-Level Symposium on overcapacity in the steel sector in April 2016 which should lead to concrete steps; draw attention to overcapacities in other countries in addition to huge overcapacities in China; supported AEGIS and IndustriAll.

Spain supported Belgium on the need to make TDI stronger and to pursue fair trade avoiding protectionist approach.

France recalled a joint proposal on TDI modernization prepared together with Germany in the context of a debate on Foreign Affairs Council Trade in May 2016 and highlighted its importance for energy-intensive industries challenged by dumping and overcapacities; underlined the need to maintain strong and effective measures and to address overcapacities causing damage to steel and other industries.

Italy stated that the Chinese threat of retaliation should not influence EU decision on MES; raised the need to distinguish between anti-dumping procedures which apply to China but also to other countries and the necessity to reform the existing procedures to make them simplified, faster, more effective and preventive.
Romania underlined the strategic significance of relations with China, the need to maintain a level playing field for EU companies and fair competition is important for steel but also for other sectors like ceramics, chemicals, solar panels, biocides; stated that sustainable investment development should be encouraged on both sides.

The Netherlands highlighted the importance of fair trade and the need to look to other measures to strengthen the protection by EU TDI system.

Germany stated that at least equal effective protection to EU industry should be maintained after the expiry of some provisions of the Chinese WTO Accession Protocol.

Slovakia drew the attention to the critical situation of EU market caused by dumped imports and supported swift and effective use of existing tools, especially against countries applying distorting government measures; expressed a regret about the deadlock in the discussions on TDI modernization proposal and ensured that as Presidency they will work hard to establish a level playing field and fair competition.

Fabrice D’Aprile took note of all the comments. Regarding the EU TDI modernization proposal, DG TRADE highlighted the importance of the package and clarified that following the submission of COM's proposal 3 years ago, the Parliament and the Council had not yet entered into a trilogue as a compromise in the Council had not been reached. COM had been making efforts to unblock the situation but the efforts must be made also by other parties involved. With respect to MES, there had been no legislative proposal yet and whether such proposal will be issued it will be decided by the Colleague on 20 July. The proposal on partial removal of LDR was indeed included in the TDI modernization package and further efforts in TDI area were indicated in the Steel Communication of March 2016 which also addresses the problem of overcapacities.

In the subsequent discussion it was decided that the next HLG EII will be preceded by a meeting of the Sherpa group.

Concluding remarks: Elżbieta Bieńkowska - Commissioner for Internal Market, Industry, Entrepreneurship and SMEs

The Commissioner stressed that several industrial sectors are suffering: EU has high energy prices and some sectors are also affected by a huge overcapacity in the market. The Communication of March 2016 addresses specifically the situation in the steel sector but many problems – and solutions – are common to other energy-intensive sectors. In this context, she underlined that the Commission is accelerating the adoption of anti-dumping measures; addressing the issue of global overcapacity in several industrial sectors; investing in innovation (EFSI and ESIF funds); acting on skills (New Skills agenda); adopting a number of measures across our environment, energy, competition, and Single Market policies; working on standardization mandates.