

Minutes of meeting 19 October 2021 between the Cabinet of Commissioner Wojciechowski and EUROFER and HIPH (the Hutnicza Chamber of Commerce and Industry, which represents the steel industry in Poland)

We met with representatives of EUROFER and the Hutnicza Chamber of Commerce and Industry (HIPH), which represents the steel industry in Poland - see list below.

The steel industry representatives conveyed their concerns as regards the revision of the guidelines on State aid for environmental protection and energy objectives (CEEAG). In Poland, they estimate that electricity consumption will increase from 6 TWh to 28 TWh. Such increase in energy costs will have a significant impact on the cost competitiveness of the steel sector and its share of the global market.

Specifically, they conveyed that

- a new framework should include effective carbon leakage measures and international level playing field against unfair competition, support for investment in innovation and roll-out, availability of low carbon energy sources (esp. electricity and hydrogen) at competitive prices and creation of markets for green materials.

On the revision of the Guidelines on State aid for environmental protection and energy objectives (CEEAG), they noted that:

- as regards levy reductions in favour of Energy Intensive Users (EIUs): current rules for eligibility and allowed aid intensity should be maintained, while the novelties proposed should be removed (e.g. environmental conditionalities and minimum level of levy); the reductions to additional electricity price components should also be extended
- as regards aid to industrial decarbonisation: granting of state aid to cover full difference in production cost between low-carbon and conventional steel should be allowed; as well as state aid for dismantling CO₂ intensive production sites, allowing state aid for long term PPAs and for industrial self-production of energy when RES generating unit is located elsewhere than energy consumption unit.

We informed about the EEAG revision process, e.g. the public consultation on the draft revised CEEAG was launched on 07/06/2021 until 02/08/2021, and that we aim is to have the revised Guidelines adopted before the end of 2021.

Polish Steel Association:

- [REDACTED],
- [REDACTED],
- [REDACTED].

EUROFER:

- [REDACTED],

CAB Wojciechowski:

- J. Pinto Antunes
- [REDACTED]