

Steel: European Commission welcomes ambitious Global Forum agreement to tackle overcapacity

Members of the Global Forum on Steel Excess Capacity agreed today in a meeting in Berlin on an ambitious package of concrete policy solutions to tackle the pressing issue of global overcapacity in the steel sector.

According to the agreed package, Global Forum members must ensure market-based outcomes in the steel industry, refrain from market-distorting subsidies and other government support measures that contribute to overcapacity, provide a level playing field between state-owned and private companies, and enact effective adjustment policies. This agreement spells out the market-distorting practices at the root of overcapacity and is underpinned by a robust monitoring mechanism on capacity and policy developments to track implementation in 2018 and 2019.

Commissioner for Trade Cecilia **Malmström**, present in the meeting, said: *“The problem of excess capacity of steel has real effects on people’s lives – especially those who become unemployed. Today, we have agreed on an important and effective package to tackle the pressing issue of global steel overcapacity. These wide-ranging policy solutions will help create a level playing field and support EU growth and jobs. This is a global challenge, and it has to be dealt with accordingly. In the run-up to the World Trade Organisation’s 11th Ministerial Conference in Buenos Aires, this success underlines the importance of effective multilateral cooperation to solve global problems. Of course, our work is not yet done. Now we need to walk the talk. Our industry, our workforce, our consumers and citizens depend on these commitments being carried out effectively. As co-chair of this Forum during next year, the EU will follow the implementation of these measures closely.”*

The overcapacity issue was raised on several occasions by President Juncker at both bilateral and multilateral level, notably during the last two G20 Summits. Launched in December 2016 after a call by G20 Leaders in the Hangzhou, the Forum was reinforced by the outcomes of the July 2017 G20 Hamburg Summit. The forum is facilitated by the OECD and reports to G20 ministers every year.

As a matter of priority, the Global Forum members should now ensure swift application of the agreed principles and recommendations and share – in the first half of 2018 – the information on the steps taken to eliminate market-distorting subsidies. The Global Forum will continue meeting at least three times per year to monitor the implementation of the today’s commitments.

Background

The steel sector is a vital industry for the European Union’s economy and occupies a central position in global value chains, providing jobs for

hundreds of thousands of European citizens.

The global surplus in steelmaking capacity reached around 737 million metric tonnes in 2016, the highest ever seen. This has driven down steel prices to unsustainable levels in recent years and had a damaging impact on the steel sector, as well as related industries and jobs.

In March 2016 the Commission issued a Communication presenting a series of measures to support competitiveness of the EU steel industry.

The Commission has acted among others through trade defence, imposing antidumping and anti-subsidy duties, to shield the EU's steel industry from the effects of unfair trade. The EU currently has an unprecedented number of trade defence measures in place targeting unfair imports of steel products, with a total of 47 anti-dumping and anti-subsidy measures.

However, trade defence can only address the effects of global overcapacity on trade – not its root causes. To that effect, the EU participated in creation in December 2016 of the Global Forum on Steel Excess Capacity. Bringing together 33 economies – all G20 members plus some other interested OECD countries – it includes all the world's major producers.

Since its creation the participating economies have exchanged data on steel capacity, subsidies and other support measures. This increase in transparency has enabled the Global Forum members to focus on the underlying causes of the problem of overcapacity in steel and agree on concrete steps to address them by enhancing the role of the market and changing the structure of the industry.

For More Information

[Press release](#): Steel industry: Commission takes action to preserve sustainable jobs and growth in Europe

[MEMO](#): Steel: Preserving sustainable jobs and growth in Europe

[Ombudsman welcomes EU decision to pay trainees in EU foreign delegations](#)

The European Ombudsman, **Emily O'Reilly**, welcomes the vote today by the EU to allocate funds to pay trainees in EU foreign delegations, in response to her recommendation.

The Ombudsman's proposal followed a complaint by an Austrian trainee about the European External Action Service's practice of not paying trainees in its delegations.

"I welcome the progressive stance of High Representative Mogherini on this issue, and now the support of the EU budgetary authorities for my recommendation that trainees in EU foreign delegations be paid. These placements, in what is essentially the EU's foreign service, can be an important stepping stone in a young person's career. An allowance will help to cover expenses such as travel, accommodation and insurance and therefore open up these traineeships to more people.

"This sends the message that the EU is committed to the principle of non-discrimination by making traineeships available to at least some of those whose financial resources are less than others," said Ms O'Reilly.

Background

The original complaint to the Ombudsman was filed by an Austrian citizen who had worked as an unpaid trainee in an EU delegation in Asia. The Ombudsman in February 2017 proposed that trainees in EU delegations be an appropriate allowance based on the cost of living in the country where the delegation is located.

The EEAS responded by asking the EU budget authorities for the funds to do this. Ms O'Reilly followed up on her inquiry finding by writing to the Council and the Parliament as well as to the EU Commissioner for Budget to underline the importance of ensuring that such traineeships are open to as wide a pool of people as possible.

The EEAS has a network of 139 EU delegations worldwide employing nearly 6 000 people and in 2016 offered approximately 800 unpaid traineeships. Brussels-based EEAS trainees are however paid. Across EU institutions, other than the EEAS, paid traineeships are the norm. The budget for 2018 contains 1.2 million EUR earmarked for paying trainees in delegations.

The Ombudsman investigates complaints about maladministration in the EU institutions, agencies and bodies. Any EU citizen, resident, or an enterprise or association in the EU, can lodge a complaint with the Ombudsman. The Ombudsman's powers include the right to inspect EU documents, call officials to testify, and to open strategic inquiries on her own initiative. For more information: www.ombudsman.europa.eu

For press inquiries: Ms Gundi Gadesmann, Head of Communication, tel.: +32 2 284 26 09, Twitter: [@EUombudsman](https://twitter.com/EUombudsman)

[Background – 34th session of the ACP-](#)

EU Joint Parliamentary Assembly

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Live-in carers face precarious conditions despite shortage of care workers in EU labour market

The EESC goes local to gain a first-hand insight into Europe's live-in care work sector

The European Economic and Social Committee (EESC) held the first of its “going-local” meetings about the future of live-in care work in Europe in London on Wednesday, in a bid to conduct further research into the labour conditions of these workers and shine a spotlight on their precarious situation in labour markets.

Aside from **the United Kingdom**, the EESC will also hold “going-local” meetings in **Germany, Sweden, Italy and Poland**, representing some of the countries of origin and destination of live-in care workers.

The country visits are a follow-up to the EESC's [own-initiative opinion](#) on the rights of live-in care workers, adopted in September 2016 as the **first policy document at European Union level dealing with the sector of live-in care work in Europe**, which has long remained almost invisible to EU and Member State policy makers.

Due to a lack of data, the exact number of live-in care workers is unknown, as is their contribution to the British economy and the economies of other Member States, the participants at the meeting in London confirmed.

According to the International Labour Organisation (ILO), domestic work represented 5-9% of all employment in industrialised countries in 2012. In an ageing Europe plagued by labour shortages in the care sector and a lack of adequate infrastructure for long-term care provision, the number of live-in care workers is expected to grow.

They are among the most mobile parts of the workforce in the EU, with Eastern Europe still supplying many such workers to other EU countries.

However, their employment status is often unregulated, their work undeclared or they find themselves in bogus self-employment and often work in very difficult conditions.

“Care work is highly demanding, both physically and emotionally. The

conditions these people work in may resemble modern slavery as they have to be on standby 24/7, and are not free to move like other workers”, said Member of the European Parliament **Mary Honeyball**.

At the same time, care recipients and their families have no guarantee they will receive quality care as they often recruit care workers through informal networks of family or friends or via the internet.

The EESC is, among other things, proposing that the existence of live-in care workers in the EU labour market be recognised by providing a common occupational definition of their profession as well as their inclusion into the long-term care system, with all the rights arising from relevant EU and Member State employment regulations.

“These workers should have rights to proper remuneration, health and safety protection, social security and the right to freedom of association and collective bargaining,” said the rapporteur of the EESC opinion **Adam Rogalewski** (EESC Workers’ Group).

Furthermore, Member States should provide financial and organisational support for care recipients, who often are not aware that by hiring a live-in care worker, they become real employers, with their fair share of responsibility.

Referring to the situation in the UK, **Mr Rogalewski** said: “We have noticed that the social care sector in the UK has been severely impacted by funding cuts of £6 billion since 2010. These impacts have severely degraded the availability and quality of care. Labour shortages as a result of low pay and poor conditions in the sector have led to a surge in informal care arrangements. Civil society across Europe and especially in the UK has been calling for a reversal of the logic of austerity. There is an urgent need for greater investment into the care sector.”

As for regulation of the sector – which is currently highly fragmented, with lots of agencies offering live-in care workers under conditions that amount to social dumping – opinions diverged. A member of the EESC delegation, **John Walker** (EESC Employers’ Group), warned against any overregulation of this sector because this would increase the costs to the taxpayer. As for **Marina Yannakoudakis** (EESC Various Interests Group), she struck a note of warning about the shadow economy in this sector and defended the professionalisation of the live-in care workers, as well as advocating measures to support their employers, such as tax relief.

Background

The EESC opinion adopted last year presented eight recommendations for Member States and 12 recommendations for EU legislators to improve the overall capacity of the sector to create quality jobs and deliver quality care. They include implementing processes for recognising qualifications and experience acquired by live-in care workers, improving the way they are posted and incorporating their rights into the European semester. A rigorous application of the Victims’ Rights Directive in case of workers who are victims of

exploitation, and the improvement of safeguards in the Employers' Sanctions Directive to protect labour rights of undocumented workers should also be high on the agenda. Collection of adequate data on live-in care workers as well as carrying out research into their working and living conditions is also needed.

The findings of the EESC country visits will be presented in a report which will be published later in 2018.

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