EUROFER

European Confederation of Iron and Steel Industries

Annual Report 2007

Annual Report 2007

Steel is one of the most attractive, most robust and most sustainable materials in the world. More than 2000 different types of steel facilitate and improve our daily life in innumerable applications. Steel sets trends in lifestyle: it is the material of design and innovation in many aspects of our life, as for example in vehicles, building constructions, medical devices or household equipment. But steel does much more than that. Steel is 100 % recyclable and therefore contributes extensively to the protection of the fundamental resources for following generations.

EUROFER, the European Confederation of Iron and Steel Industries, founded in 1976, and located in Brussels, represents 100 % of steel production in the European Union. Its members are steel companies and national steel federations throughout the EU. The major steel companies and national steel federations in Switzerland and Turkey are associate members.

The objectives of EUROFER are the co-operation amongst the national federations and companies in all matters that contribute to the development of the European steel industry, and the representation of the common interests of its members vis-à-vis third parties, notably the European institutions and other international organisations.

The European steel industry is the world leader in its sector with a turnover of EUR 140 billion and direct employment of 370 thousand people, producing more than 200 million tons of steel per year.

For more information please consult our website:

www.eurofer.eu

Contents

Introduction

Philippe Varin
President

Gordon Moffat
Director General

The steel industry's performance in 2007 was again outstanding. Above-average growth in the global economy, for the fourth year in a row, fed through to robust order books for both us and our customers. From an historic perspective 2007, together with 2006, was a period of exceptional end-user strength in Europe.

Globally, growth was again led by the emerging economies. In contrast, the US economy, as the housing crisis and credit crunch began to bite, saw a severe slow down as the year progressed. The relatively limited impact this had on the steel sector in Europe showed the extent to which the world economy has begun to rebalance. The USA is still a major market for Europe but the demand now coming from the emerging economies has helped to offset the impact of a downturn in the US market which previously would have had severe knock-on effects on Europe.

The steel industry in Europe and worldwide is also now able to capitalise on the consolidation in the sector, which continued last year with the acquisition of Corus by Tata. The ability of the industry in Europe to cope with the stocks correction which began in the second half of the year was due in large part to the consolidation of the sector and the willingness of companies to adjust their production to market conditions rather than, as in the past, simply follow the market down. With underlying demand remaining sound, the reduction in stocks which took place in the second half of 2007 really set the conditions for a further robust improvement in price conditions which we have seen at the start of this year.

That a stock adjustment was necessary at all was due to the huge development of imports which was a feature of 2007. Much of this came from China which exported close to 10 Mio tonnes of finished products to Europe – a doubling of the tonnage of the previous year, which itself had seen a doubling of volumes over those of 2005. This situation became untenable and forced us to take trade action towards the end of the year. We could not, reasonably, as an industry, do otherwise in the face of such a huge penetration of our markets of material which was both dumped and subsidised. Hopefully, the opening of these cases will be taken by China as a signal that the activities of their industry must be brought under control. It also provides further evidence – if more were needed – of the absolute necessity for strong functional trade defence instruments in Europe – there is nothing else available to defend us against predatory actions of certain third countries.

Climate change is the greatest challenge facing the steel industry at this time. It is a core activity of EUROFER which is engaged with the European Commission in the definition of the EU policy approach for the post-Kyoto period. At the beginning of 2007 EUROFER put forward its industry approach for a performance-based system – baseline and credit – focussed on improving plant efficiency and reducing carbon emissions per tonne of steel produced. Our objective was to deliver a system which could give real results in terms of emission reduction, rather than just a cap on production levels. Our focus also was on convincing the European authorities that the approach eventually adopted had to preserve the competitiveness of the sector in Europe while encouraging the development of a global solution on a sectoral level to what is after all a global problem. The debate reached a climax at the beginning of this year with the publication of the Commission proposals for the post-2012 period. These did contain some provisions recognising our needs as an energy-intensive sector. The priority for 2008 will be to build on these proposals, improve them and provide a truly global solution which will provide the basis for the steel industry to continue to grow in Europe in a sustainable way.

Philippe Varin **Gordon Moffat**

General Economic Development

In 2007, the global economy registered its fourth successive year of above-average growth. World GDP growth amounted to 3.7 % (4.8 % in 2000 PPP[1]), just below the 3.9 % registered in 2006.

However, during the year increasing risks and uncertainties started casting a shadow over the global economy as the housing sector correction in the United States developed into a global financial market crisis with adverse effects on international liquidity, stock markets and confidence in the remainder of the year. In addition, inflationary pressures were fuelled by rising prices for energy, food and other commodities.

The US economy, following its initial slowdown in the first half of 2007 experienced even stronger headwinds in the second half of the year as the direct and indirect effects of the housing sector correction and international credit crisis strengthened. The economy ended the year on a very weak note, reducing its overall growth rate over 2007 to 2.2 %.

Having been affected only modestly by the US slowdown, the developing countries, with Southeast Asia in pole position, provided the main boost to global growth in 2007 on the back of buoyant domestic demand - driven by expanding employment, solid wage growth and rapidly expanding investment - and growing exports. China registered 11.4 % growth, surpassing its 2006 economic performance, whereas in India growth remained just below 9 %.

Also the Middle East, Latin America, Eastern Europe and the CIS countries showed resilience owing to the much improved economic fundamentals

1 Purchasing Power Parity

– resulting in easier access to capital - and rising commodity prices boosting revenues in many countries in these regions.

Equally for the European Union, 2007 has been another year of above-trend growth. The overall GDP growth rate is estimated to have amounted to 2.7 %, only marginally below the bumper year 2006 in which 2.9 % economic growth had been achieved. Germany continued its role as growth engine in the EU, while the other EU economies – particularly those in Central Europe – performed relatively strongly as well. On a par with the trend seen in 2006, investment and trade made the strongest contributions to growth in Europe. Growth in consumer spending was supported by the falling trend in unemployment across Europe although the rise in the value-added tax in Germany had a negative effect on overall private consumption growth in early 2007.

In 2007, iron ore suppliers imposed an increase in prices of 9.5 %, leading to a total rise of 190% since 2003. For 2008, a new increase of 65 % is scheduled. Mining giants Vale, BHP Billiton and Rio Tinto, represent a worrying 73 % of the world trade. EUROFER opposes the proposed merger of BHP Billiton and Rio Tinto for obvious reasons: an over-concentration will most likely lead to further increasing prices for the EU steelmakers' raw materials.

Prices for coke have also risen significantly, essentially due to the rise in demand in China (Chinese coke export price: +120 % in 2007) and worldwide.

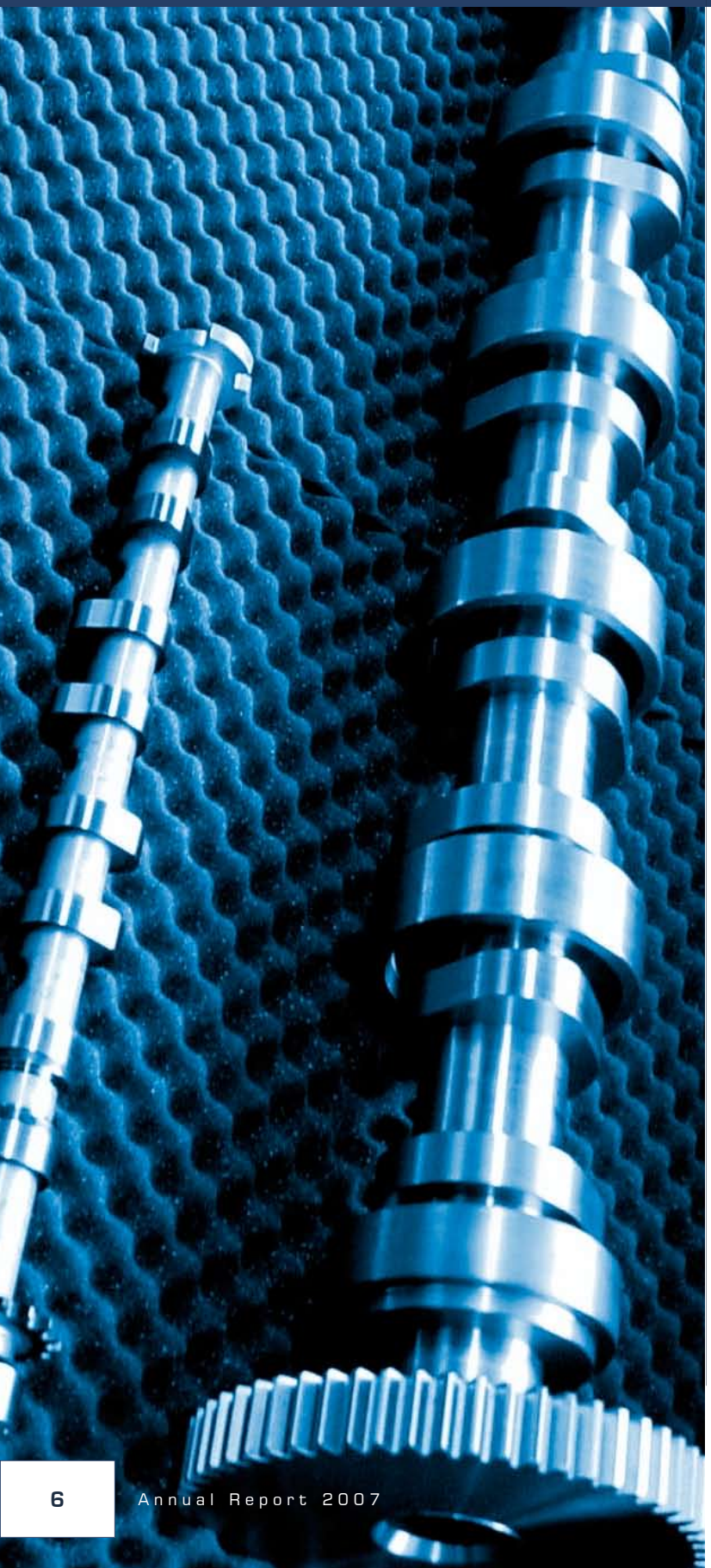
The US slowdown and in its trail the financial market turmoil resulted in a significant appreciation of the Euro versus the US dollar during 2007. In the face of rising global risks and uncertainties, EU economic confidence gradually declined since summer 2007, however without having a significant effect on the actual economic performance of the EU.

On balance, economic momentum in the region has been holding up surprisingly well. All in all, this provides a solid base for 2008.

Despite some deceleration in output growth, 2007 has been a very strong year in terms of output growth in the EU steel using sectors. Particularly in the Central European countries the gains in output across the steel using industries have been impressive with double-digit growth in most large countries in this EU region.

On balance, overall 2007 output growth in the EU steel-using industries amounted to 5.5 %, from an historic perspective a very healthy growth for EU industry.

Steel Market



Crude steel production

In 2007, crude steel production in the EU rose by 1.3 % to 209.4 million tonnes. EU production accounted for a 15.8 % share in total global crude steel production, which was 5.8 % up on 2006, mainly driven by the continued crude steel capacity expansion in Asia and particularly in China.

EU27 Crude steel production (million tonnes)
Source: EUROFER

	2005	2006	2007
Austria	7,0	7,1	7,6
Belgium	10,4	11,6	10,7
Bulgaria	1,9	2,1	1,9
Czech Republic	6,2	6,9	7,1
Finland	4,7	5,1	4,4
France	19,5	19,9	19,2
Germany	44,5	47,2	48,6
Greece	2,3	2,4	2,6
Hungary	2,0	2,1	2,2
Italy	29,3	31,6	31,5
Latvia	0,6	0,5	0,5
Luxembourg	2,2	2,8	2,9
Netherlands	6,9	6,4	7,4
Poland	8,4	10,0	10,6
Portugal	1,4	1,4	1,4
Romania	6,2	6,2	6,1
Slovenia	0,6	0,6	0,6
Slovakia	4,5	5,1	5,1
Spain	17,8	18,4	19,0
Sweden	5,7	5,4	5,6
United Kingdom	13,2	13,9	14,3
EU 27	**195,4**	**206,7**	**209,4**

Supply-demand balance

2007 in conjunction with 2006 has been a period of exceptional strength in end-use steel demand. Especially in the construction sector and related industries such as structural steelworks and metal goods, but also in the mechanical engineering and the automotive industry output grew robustly. Driven by this strong activity in the EU steel using sectors, real steel consumption grew 5.2 % in 2007. End-user activity gradually losing some momentum since Q1'07, resulted in mildly slowing year-on-year real consumption growth rates in the remaining quarters of last year.

As far as the supply side of the EU steel market is concerned, following the significant rise in apparent consumption in the first half of 2007 – which was mainly the result of the dramatic increase in third country imports - the second half of the year was characterised by a gradual weakening in apparent consumption.

As mid-year stock levels for most product groups had risen to too high levels, EU mills were confronted with their customers in Europe - particularly those active in the steel distribution chain such as steel service centres (SSC's), merchants and stockholders - trying to reduce stocks and consequently, with falling order intakes since the 3rd quarter of last year. Meanwhile, imports – having peaked in the 2nd quarter - remained at a relatively high level in this period.

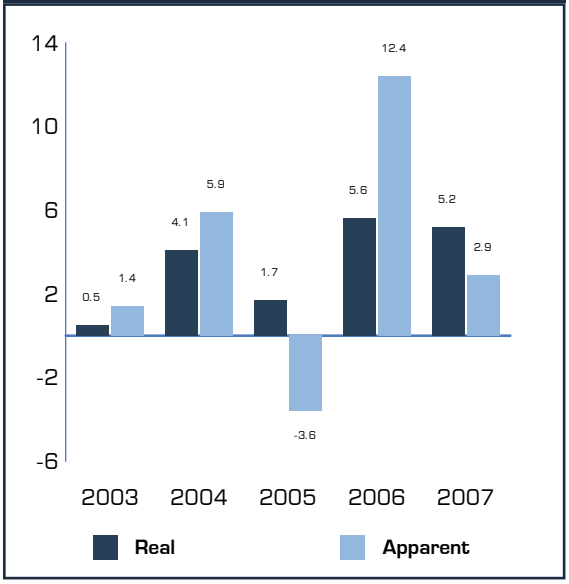
Supported by continued strength in demand, an inventory correction got underway in Q3 and intensified significantly towards the end of last year. On balance, apparent steel consumption increased by 2.9 % in the whole of 2007.

Trade

Customs figures for the EU show that total steel imports from third countries into the EU27 increased by 22 % in 2007. In absolute levels, imports peaked in the second quarter, resulting in a rise of almost 48 % year-on-year in the first half of 2007.

Steel Market

Real and Apparent Consumption: Yearly Variation (in %)
Source: EUROFER



The increase in imports started to ease somewhat in Q3'07 while remaining at a high level. As signalled by the declining trend in import licenses in the second half of last year, EU27 imports fell sharply in the 4th quarter of last year.

As in 2006, China was the main exporter to the EU27, taking an overall share of 30 % in total steel product imports from third countries; in some product groups, such as hot-dipped metal coated sheet, quarto plate and wire rod, this share was significantly higher.

EU exports improved only very modestly in the second half of 2007 following the overall weak first half of the year. On balance, total exports declined by around 3 % in the whole of 2007.

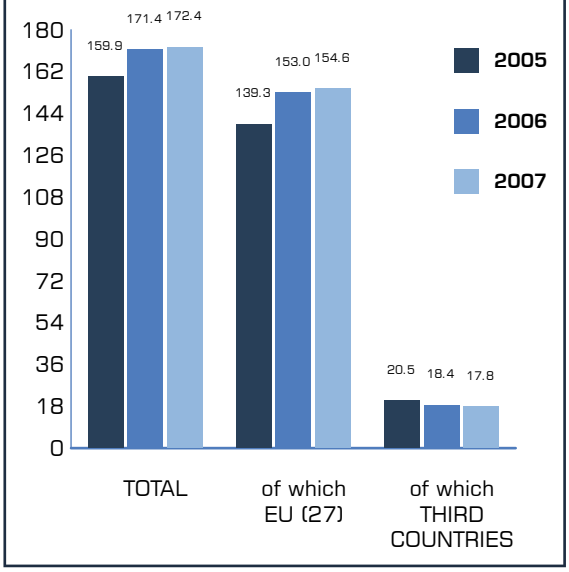
For the second year in a row, the EU showed a significant negative net trade balance of almost 11.5 million tonnes.

Deliveries of Steel (all qualities except stainless steel)

Despite the strength of the domestic steel market, total deliveries of the EU steel producers into the home market increased by only 1 % to 172.4 million tonnes. The main reason for deliveries remaining virtually unchanged despite high demand was the continued surge in imports and the resulting loss in market share for EU mills. The second factor was the decrease in exports. This is reflected by the quarterly development of deliveries during 2007: following an increase of almost 6 % year-on-year in the first quarter, it reversed into accelerating year-on-year declines in the remaining quarters

Total Steel Deliveries	**+0.6 %**
of which to the EU27 market	+1.0 %
of which to export markets	-3.3 %

Carbon Steel: Total Deliveries (million tonnes)
Source: EUROFER



The breakdown into the main product categories shows diverging trends for flat and long products.

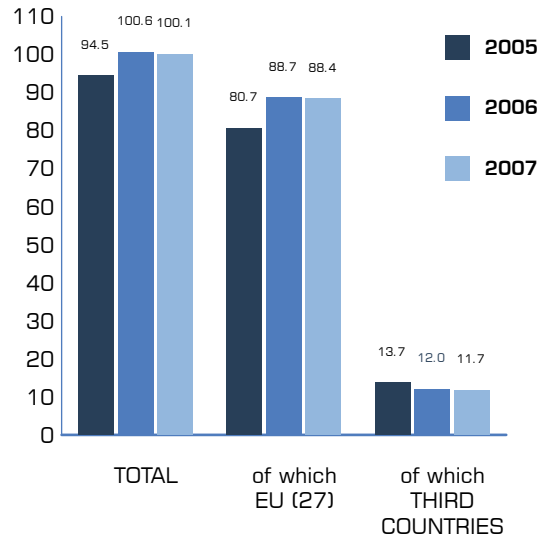
As far as flat products are concerned, the total 2007 deliveries declined by 0.5 %. While deliveries by EU producers on the domestic market stabilised close to the year-earlier level (-0.3 %), export deliveries fell by 2.5 %.

Strong declines were registered for hot-rolled narrow strip, cold-rolled sheet, hot-dipped metal

coated and organic coated sheet, whereas the other flat product groups generally registered year-on-year increases in deliveries.

Total Flat Product Deliveries	**-0.5 %**
of which to the EU27 market	-0.3 %
of which to export markets	-2.5 %

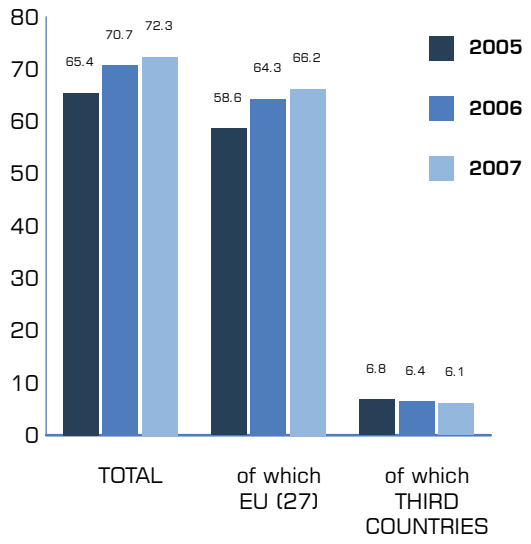
Carbon Steels: Flat Products Deliveries
(million tonnes)
Source: EUROFER



Long product deliveries performed slightly better those of flat products: total deliveries grew by 2.3 % compared to 2006, with domestic deliveries 3 % up and export deliveries almost 5 % down on the preceding year. The construction sector is the key market for long products; not only in Europe but also in Asia, Eastern Europe and the Middle East activity in this sector grew vigorously in 2007. This offered exporters in third countries interesting alternative outlets for their deliveries and, while helping to keep imports into the EU to some extent at bay, it resulted in a marked fall in export deliveries.

Total Long Product Deliveries	**+2.3 %**
of which to the EU27 market	+3.0 %
of which to export markets	-4.7 %

Carbon Steels: Long Products Deliveries
(million tonnes)
Source: EUROFER



Stainless Steels

The increasing flood of imports from Asia, which had started during the 4th quarter 2006, coupled with greater availability of domestic material, was the main factor that led to a strong over-supply of the EU market, an accumulation of stocks and the disruption of the EU stainless steel market balance in the 1st half-year 2007.

At the same time, the relentless alloy cost increases - especially of nickel - brought European transaction prices to record levels towards the beginning of the 3rd quarter.

Although underlying consumer demand continued to be propelled by robust economic growth, the price situation discouraged large forward orders and started to cause widespread uncertainty in the marketplace.

As summer started with LME nickel prices sliding as much as 30 % from their May 2007 peak, with stainless steel prices set to fall distributors were keen to run down their inventories as quickly as possible and consumers to buy on a very short term basis. Consequently, the EU stainless steel

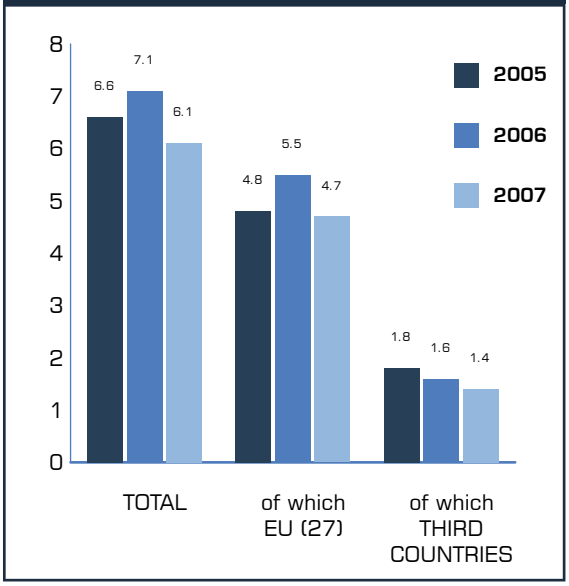
Steel Market

market in the 2nd half-year 2007 was considerably weaker in comparison to the

situation earlier in the year. Whilst, at the halfway stage, the EU stainless crude steel production was only 4.4 % down on the figure in the same period of 2006, producers were obliged to make substantial cuts to output in the 2nd half-year which saw a decrease by 23 % compared to July-December 2006. Year-on-year, the EU stainless steel production was reduced by 1.26 million tonnes.

Order bookings improved towards the end of the 4th quarter 2007. However, future market trends must be viewed with extreme caution because inventories remain high relative to consumption, all the more so as the leading economic indicators and the credit turmoil point at a decelerating growth of end-use demand at the start of 2008.

Stainless Steels: Development of Deliveries
(million tonnes)
Source: EUROFER



Alloy Special Steels (other than stainless)

Very much in line with the general economic and industrial performance, 2007 was another year of positive evolution for the EU producers of alloy special steels other than stainless steels.

Deliveries on the Community market increased by 11 % and exports outside the EU grew by 5 %.

Imports from third countries soared by 48 % year-on-year, pushing the EU market supply further up by 15 % over the previous year.

Demand for alloy engineering steel long products benefited from a continuous growth in the major consumer sectors throughout the year: in addition to a very high activity and demand in the energy markets, the mechanical engineering industry was the main engine of growth, being fuelled by the strong export demand for investment goods. The automotive sector recorded an unexpected further growth of production as well, which was supported by strong passenger car export business, buoyant demand in Central Europe and booming sales in the trucks, earth moving and commercial vehicles market segments. This positive trend was mirrored by sustained demand and robust activity prospects in subcontracting sectors of the automotive industry such as the ball-bearing, forgings and spring manufacturing industries.

On a less positive side, the inventories held by stockholders appeared to be excessive, being largely built-up with material imported from third countries.

The EU producers' total shipments of tool and high speed steels increased by 8 % in 2007, a growth that was driven by better demand on the Community market whereas exports outside Europe remained at the same level as in 2006. EU imports of tool steels increased dramatically in 2007 (+ 65 %) subsequent to the continued strengthening of the Euro versus the US$ and the sharp rise of Chinese and Russian exports to the Community market.

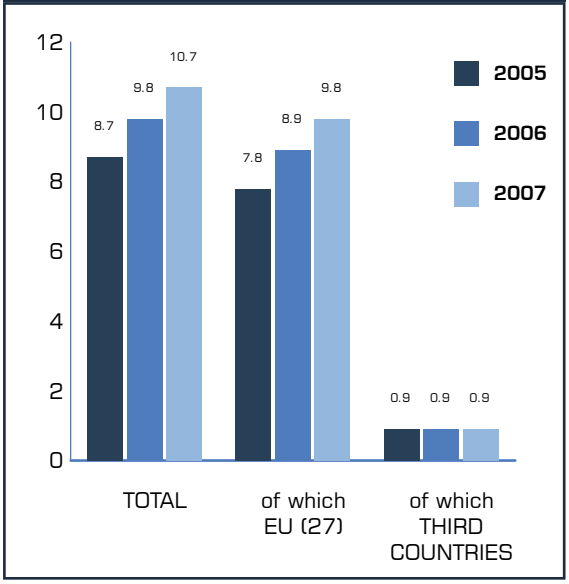
At the start of 2008, the market conditions remained generally well-oriented for the EU alloy special steels producers who were enjoying high order bookings, long delivery lead times for most products and good capacity loading.

Throughout 2007, important cost increases (iron ore, energy, alloys) were reflected in a gradual sales price recuperation.

Other Special Steels: Development of Deliveries

(million tonnes)

Source: EUROFER



Trade Policy

EU Trade Cases

EUROFER filed two anti-dumping complaints against imports of Stainless Steel Cold-rolled Flat Products (SSCR) from China, South Korea and Taiwan and imports of Hot-dipped Metallic Coated Sheets and Strip (HDMC) from China (October 2007). The Commission has opened investigations in December 2007 (HDMC) and February 2008 (SSCR).

In the anti-dumping cases on certain ferro-alloys, initiated in 2006, the Commission did not apply measures for Ferro-silico-manganese in response to EUROFER's common user defence.

Third Country Trade Cases against the EU

Commission's Public Consultation on European Trade Defence Instruments (TDI)

In December 2006, the Commission launched a public consultation (Green Paper) on the European Union's Trade Defence Instruments (EU TDI) to ensure that these instruments work well and be adapted to a globalizing world economy.

In its response for the European steel industry, EUROFER stressed the critical role of TDI being an essential, legitimate tool to combat injurious unfair trade practices typical to market-distorting shifts in steel trade flows. Globalization, intensifying trade between the regions, makes effective TDI even more relevant: it is the only recourse that EU manufacturers have against competitors in third countries who under-cut them, not on the basis of genuine comparative advantages, but because they benefit from governmental support and policies that effectively insulates them from market competition.

Because of deep divisions between member states on TDI reform proposals, the Commission has suspended the decision-making process on these proposals for indefinite time.

Bilateral Agreements with Russia, the Ukraine and Kazakhstan

Current bilateral agreements have installed EU import quotas by 2.9 million tonnes (Russia), 1.3 million tonnes (Ukraine), and 250,000 tonnes through autonomous measures (Kazakhstan), for 2007, with a 2.5 % increase for 2008. The new quotas take into account the impact of EU enlargement (Bulgaria and Romania) and additional tonnages for captive supply to Russian producer-owned distribution activities in the EU. WTO accession by these EU trading partners would terminate the bilateral agreements including the voluntary agreed quota.

Turkey

Upon repeatedly delayed submission by Turkey of its national steel restructuring plan (October 2006), the assessment of the Commission confirmed that the plan would miss the transparency necessary to evaluate its compatibility in the field of subsidization and steel capacities in the framework of the EU – Turkey Free Trade Agreement on Steel. Concerned about risks of increasing trade-distorting imbalances between Turkish steel demand and supply resulting from unrealistic domestic consumption growth estimations, EUROFER continues to closely follow up on this process by communicating its views on the evolution of the market and industry to the Commission and Member States.

Raw Materials

Iron Ore

In 2006, iron ore suppliers imposed an increase in prices of 19.6 %. There was a new jump upwards of 9.5 % in 2007, a total rise of 190% since 2003.

This situation reflected the tight supply-demand balance driven by the emergence of Asia, and especially of China, onto world raw materials market. For 2008, a new increase of 65 % is scheduled.

2007 saw a new record for seaborne traded iron ore which rose to 800 Mio t. All of this increase was due to China which imported 385 Mio t, up from 325 Mio t in the previous year (+18 %). An increase of 40 Mio t requirements is expected in 2008. The domestic iron ore production in China amounted to 610 Mio t in 2007, compared to 570 Mio t in 2006 (+7 %).

China now accounts for 48 % of world seaborne trade in iron ore: the three main suppliers, Vale (ex CVRD), BHP Billiton and Rio Tinto, represent 73 % of the world trade. In November, BHP Billiton made an offer to acquire Rio Tinto. EUROFER opposes the merger of the two mining companies, because it would over-concentrate supply of key steelmaking raw materials in the global market and lead to higher prices for EU steelmakers.

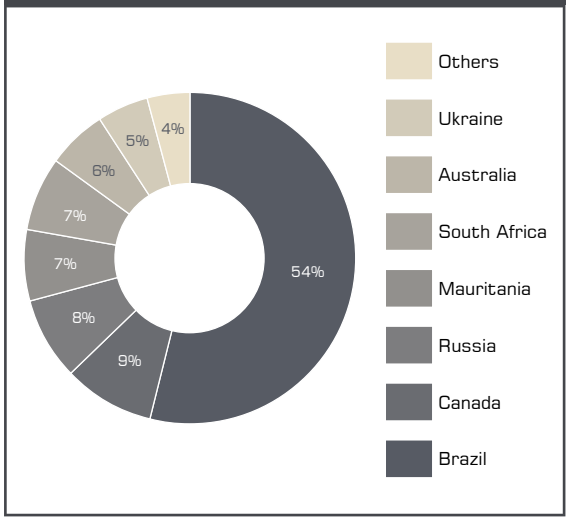
There are many projects aimed at increasing supply, led by projects aimed at increasing existing capacities but also at developing new capacities, in Brazil (expansion of capacity of Carajas), in Australia (Hopes Downs project), in Guinea (Simandou project), in Liberia (Nimba County project).

Nevertheless, supply has been hampered in 2007 by infrastructure bottlenecks in ports, particularly in Australia.

Pig iron production (EUROFER members) amounted to 107.7 Mio t in 2007 (total production in EU27 was 116.7 Mio t), 1.7 % up from the 105.9 Mio t of the previous year. Iron ore imports increased by 6 Mio t to 141 Mio t, plus 17.8 Mio t from Sweden.

The import share in 2007 of fines (60 %) is similar to 2006, while lumps decreased from 15 % to 12 % and pellets increased from 25 % to 28 %.

EU27 Receipts of Imported Iron Ore
Source: EUROFER



Coal and Coke

Metallurgical coal prices surged in 2007, on the back of a large supply deficit. Australian miners sell about 67 % of the world's seaborne hard coking coal market (134 Mio t in 2007) but expansions among Australian producers have been hit by port and rail problems.

Metallurgical coal demand will continue to follow steel production growth. With little supply to come on stream and a strong demand outlook, metallurgical coal prices should increase significantly in 2008.

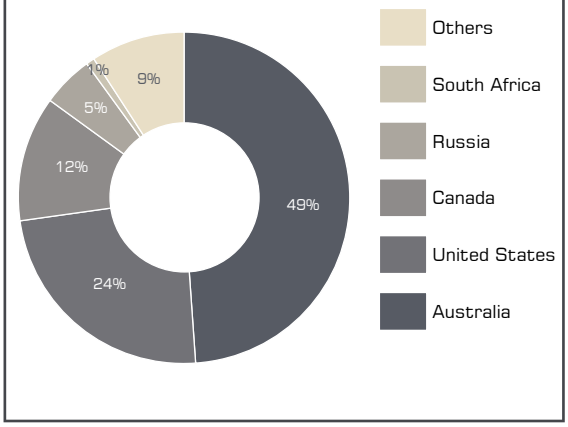
Prices for coke have risen also significantly, essentially due to the rise in demand in China (Chinese coke export price: +120 % in 2007) and worldwide.

Imports of coal in 2007 (EUROFER members) amounted to 53.2 Mio t, 3.9 Mio t above the 2006 data, of which 40.1 Mio t of coking coal and 13.1 Mio t of pulverised coal for injection (122 kg pci/t pig iron).

The pattern of imports into EU 27 was unchanged in 2007 compared to 2006. Australia (49 %), the United States (24 %) and Canada (12 %) together represent 85 % of the imports into the EU27.

In 2007, coking coal consumption in the EU 27 (EUROFER members) amounted to 54.3 Mio t, an increase of 8 % compared to 2006 in the same perimeter.

EU27 Receipts of Imported Coking Coal
Source: EUROFER



Scrap

The volatility of scrap prices remained evident again in the course of the year 2007, which saw a substantial rise of 11 % on average compared to the previous year.

The volumes of scrap being exported from markets on the Black Sea continued to decline due to rising domestic demand in Eastern Europe and

Raw Materials

the CIS. Pressure on supplies and high prices are therefore likely to remain a feature of the scrap market worldwide for some time to come.

On the other hand, scrap availability and deliveries in EU27 were good in the course of the year, as were stock levels.

In 2007, scrap demand in the EU27 remained at very high level, scrap consumption was 117.8 Mio t, an increase of 2.6 % year on year, while crude steel production amounted to 209.7 Mio t (+1.4 %). The share of electric arc furnace route in steel production rose from 40 % in 2006 to 41 % in 2007.

The scrap recycling rate was 56 %, the same as in 2006.

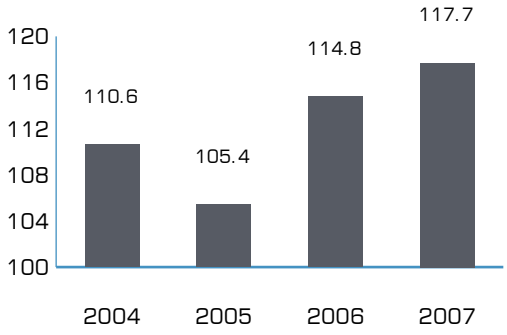
The import of scrap into EU27 was 5.8 Mio t, 17 % below the 7 Mio t of the previous year. The main suppliers remain yet Russia (2.2 Mio t, but -36 % compared to 2006), Switzerland (0.6 Mio t) and The United States (0.7 Mio t).

In EU 27, scrap exportations decreased from 11.7 Mio t to 10.8 Mio t, with -32 % year-on-year from UK. Exports to Asia increased by 14 %, from 2.1 Mio t to 2.4 Mio t, while those to Turkey remained stable to 6 Mio t per year. Europe therefore was clearly a net exporter of scrap with the gap between imports and exports growing.

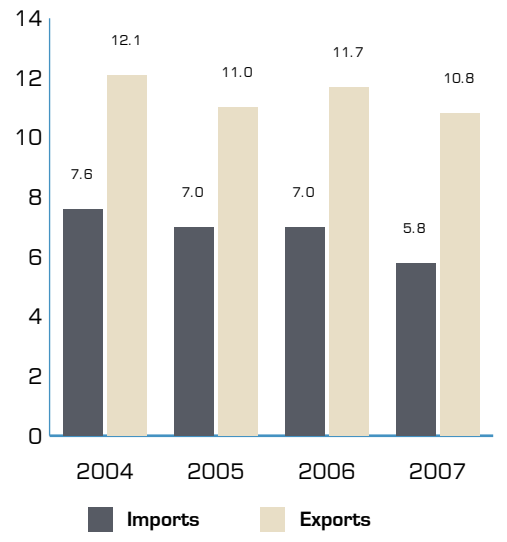
The tonnage of scrap traded on the internal EU27 market amounted to 30.2 Mio t in 2007, similar to 2006.

At the same time, there was an increase of the apparent domestic supply in EU 27 (=consumption – imports + exports) of 3 %, to reach 123 Mio t of scrap.

Scrap: EU Consumption (EU27/million tonnes)
Source: Eurostat - EUROFER

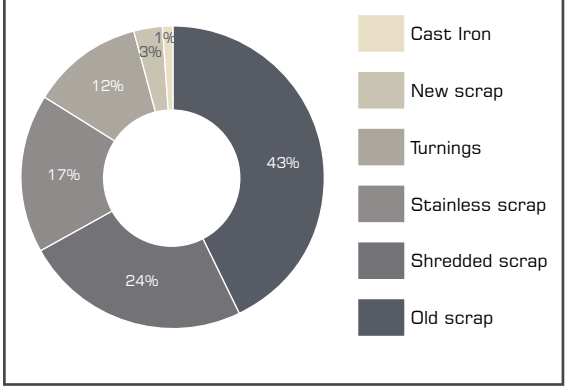


Scrap: Imports and Exports (EU27/million tonnes)
Source: Comext - Eurostat



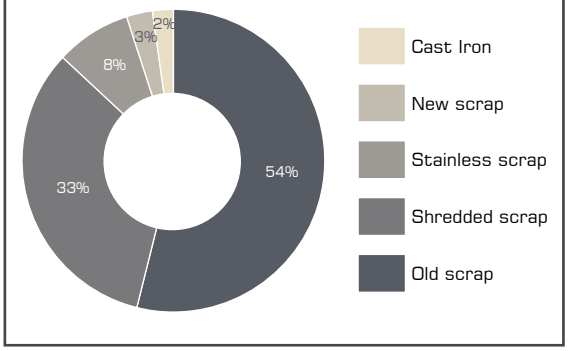
EU27 Imported Scrap by Grade

Source: EUROFER



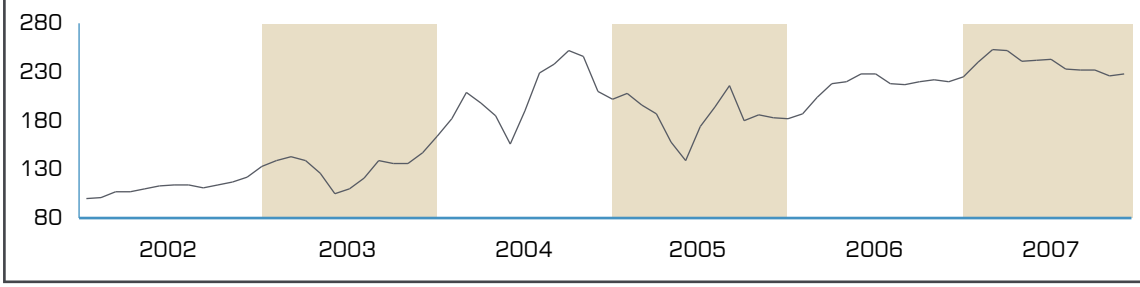
EU27 Exported Scrap by Grade

Source: EUROFER



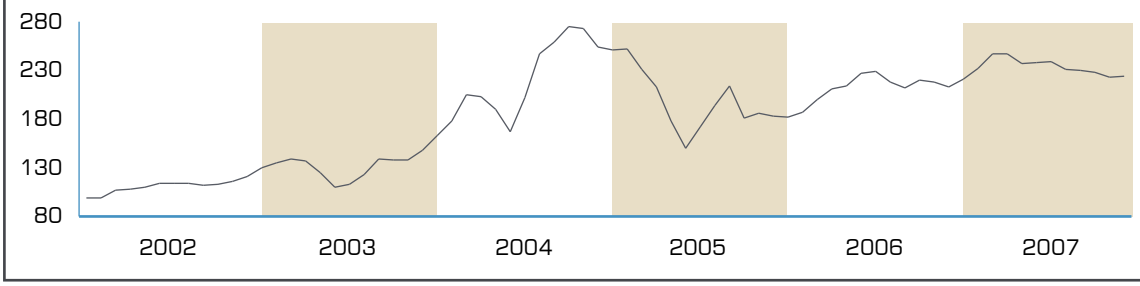
Scrap - Demolition Quality: Price EU Market (€/t)

Source: EUROFER



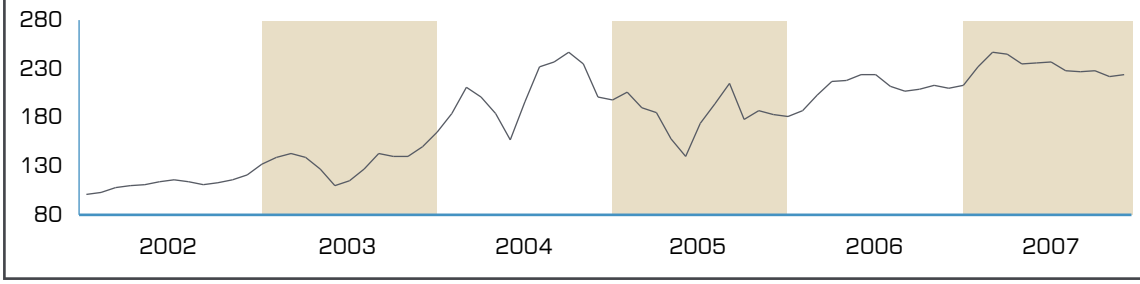
Scrap - New Arisings: Price EU Market (€/t)

Source: EUROFER



Scrap - Shredded: Price EU Market (€/t)

Source: EUROFER



Environment and Technology

Environment

Climate Change

Revision of the EU Emissions Trading System (EU ETS)

The European Commission worked intensively in the course of the year on its Climate Change Package for the 2013-2020 period aimed at adopting it early December, just before the start of the Bali conference on the post-Kyoto negotiations. Climate change therefore, and in particular the preparation of the Commission proposal for the revision of the EU ETS was one of EUROFER's core issues throughout 2007.

In March, EUROFER put forward a proposal for a "Baseline and Credits" model, a performance-based system giving incentives for market-based, technically feasible improvements on an installation level and for the reduction of CO_2 emissions per tonne of steel produced. This approach was an alternative proposal to the existing EU ETS Cap & Trade system and was designed to provide for a level playing field with regard to international competition. A huge coordinated advocacy plan was elaborated and put into action by EUROFER and its members. Two economic impact and validation studies were commissioned by EUROFER from external consultants. Dozens of stakeholder events and meetings were participated in both at the Commission and with the Member States.

Nevertheless, it became clear in the course of the year that EUROFER's baseline and credit proposal would not gain widespread political support. The Commission and Member States were too wedded to a cap and trade system, which had the political

attraction of setting out the reduction target in advance, to consider an alternative which did not have as an integral part a pre-determined cap, even if the proposed system was clearly more efficient in terms of emission reduction and was likely to give concrete results.

At this time, first preparations for an acceptable alternative were made. Of the options available, a benchmark-based system was identified as the most favourable, especially in terms of equal treatment. The advantage of this system is that it could be interlinked with the EU's cap and trade system and therefore may be politically more acceptable. To contribute quickly and effectively to the respective interservice consultations, a 'EUROFER Core Group' was installed. In line with a pan-industry alliance of energy intensive industries the Core Group successfully orchestrated an industry response to the known information on the preparations on the Climate Change Package of the Commission.

Finally, the adoption of the Commission's Climate Change Package was delayed until January 2008: the proposal which finally emerged addressed some of the steel industry's concerns but left many questions on international competitiveness open. The degree of uncertainty created by the failure to define the criteria for free allocations and the measures which would be taken to protect the competitiveness of EU industry, was deeply unattractive. These issues will have to be tackled in 2008. The co-decision procedure between the European Parliament and Council started in February with the intention to reach a political agreement by the end of 2008. The EU ETS will remain a core issue of EUROFER in 2008.

Air Quality

Revision of the Air Quality Directive

The co-decision process between the European Parliament and the Council on the revision of the EU air quality legislation ended in December 2007 with an agreement in second reading. The results of EUROFER's activities to secure a directive with achievable, on scientific evidence based environmental objectives and unbureaucratic provisions were rather positive, with the exception of the failed attempt to ensure that the directive does not impose any conditions that cannot be met by the application of Best Available Techniques (BAT). The annual limit values for fine particulates PM_{10} will remain unchanged (40 $\mu g/m^3$) with a possibility of a 3 year extension of the deadline for compliance. Measures for $PM_{2.5}$ have been introduced with an annual target value of 25 $\mu g/m^3$ for 2010 to be transformed into a limit value for 2015 and an indicative value of 20$\mu g/m^3$ for 2020. In 2013, the Commission will evaluate the indicative value of 20$\mu g/m^3$ on the basis of the latest scientific evidence. In addition, for the achievement of the NO_2 targets there will be a possibility to extend the deadlines with a maximum of 5 years.

The Ambient Air Quality Directive will enter into force in 2010. As part of the Commission's initiative on Better Regulation it will replace the Air Quality Framework Directive (96/62/EC) as well as three daughter directives and a Council Decision.

Integrated Pollution Prevention and Control (IPPC)

Revision of the IPPC Directive

EU common rules on permitting for industrial installations, set out in the IPPC Directive, are aimed at minimising pollution from various stationary sources. Despite the fact that the implementation period for the current IPPC Directive came only to an end on 30 October 2007, the IPPC review process already started back in 2006 with a consultation round in which EUROFER was involved being a member of the Advisory Group as set up by the European Commission. In the period 2006- June 2007, at least 10 studies were commissioned by the European Commission - e.g. on implementation, competitiveness, streamlining etc. - of which the outcome was used as a basis for drafting their proposal for a revision of the IPPC Directive. Via BusinessEurope and the Advisory Group, EUROFER contributed for establishing the content of

these studies. Furthermore - and this in order to defend the common interests of the energy intensive industries on the IPPC file - the IPPC Alliance was formed. From the start, EUROFER took a leading role within the IPPC Alliance and its discussions with the Commission services. The proposal for an 'Industrial Emissions Directive (Integrated Pollution Prevention and Control)' was released on 21 December 2007. It consolidates seven directives into a single text namely IPPC and six sector-specific directives (e.g. waste incineration, large combustion plants, volatile organic compounds). Installations would have to apply BAT described in EU guidance (the so-called Best Available Techniques reference documents or BREFs) and emission limit values set by authorities in permits would in general not be able to exceed levels associated with BAT. EUROFER and the IPPC Alliance continue to support the underlying principles of the current IPPC Directive for permitting: an integrated approach with operating conditions based on BAT, taking environmental objectives, cross-media effects, local conditions and economic aspects into account in a balanced manner. The new proposal will come into force 2012 to 2016 at the earliest.

Information exchange process according to the IPPC Directive

Since November 2005 the review of the Iron and Steel Reference Document on Best Available Techniques (BREF) is under way. In May 2007 the four EUROFER Shadow Working Groups of EUROFER submitted their contributions to the IPPC Bureau (IPPCB) in Seville. In July the contributions of all stakeholders were posted on the homepage of the IPPCB. In October the EUROFER Shadow Working Groups assembled at the EUROFER offices and prepared extensive comments on the contributions from other stakeholder. These were posted on the homepage of the IPPCB.

A Working Group of the Information Exchange Forum (IEF) elaborated a draft on a Guidance Document on Data Quality on which EUROFER provided comments. The planned start of the revision of the Ferrous Metals Processing BREF was postponed to 2008.

Waste

Revision of the Waste Framework Directive

In 2007, the European Parliament and the Council discussed the Commission proposal on the revision of the Waste Framework Directive. EUROFER was very active throughout the year in advocating several steel relevant issues. Steel is for 100% recyclable, a narrow definition of what recycling is, was therefore crucial for us in the negotiations between the EU institutions, as was the inclusion of a definition for by-products as the basis for the recognition that slags from steel making are not to be considered as waste but as products with high environmental and technical standards and market value. The Parliament in its first reading took both issues on board, whereas the Council supported EUROFER's view on by-products but not on a narrow recycling definition. The second reading started in February 2008 and the final adoption of the directive is expected for the second half of 2008.

Water

Directive on Environmental Quality standards for surface waters

The proposal for a "Directive on Environmental Quality Standards (EQS) in the field of water policy" underwent first reading in the EP during 2007 and the common position from the Council was published in December 2007. EUROFER's position during first reading has been that it should be recognised that complete "cessation" of discharges of naturally occurring substances is impossible and that transitional areas of exceedance near the points of discharge are needed. Moreofer, EUROFER stressed that natural backgrounds and bioavailability should to be taken into account when assessing compliance with EQS.

The EP tightened the Commission's proposal by adding a long list of additional substances into the list of priority substances and requiring the phase out of transitional areas of exceedance by 2018 at the latest. Nevertheless, most of the

amendments were not incorporated by the Council in its Common Position given that the Council agreed with the Commission in terms of them being either unnecessary and/or undesirable. The second reading and adoption of the legislation is foreseen for the second half of 2008.

Soil

Directive on Soil Protection

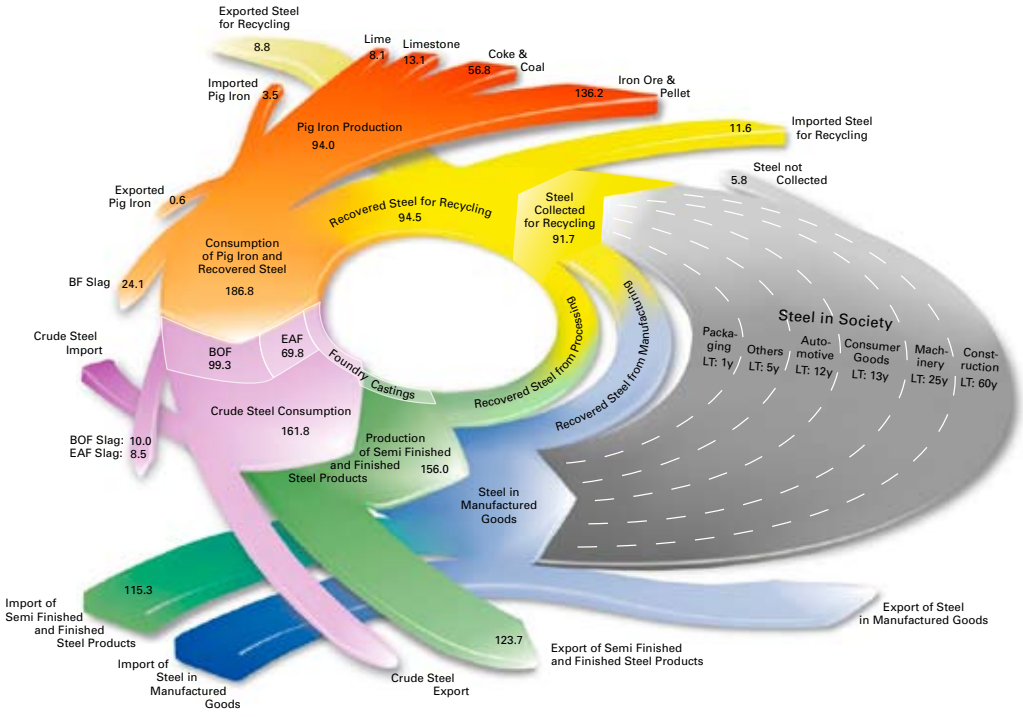
In 2007, the Commission proposal for a Directive establishing a framework for the Protection of Soil was discussed in both the EP and in the Council. EUROFER addressed the general suspicion which the proposal creates against industry by its reference to installations of Annex I of the IPPC-directive as potentially soil polluting or affecting activities. We also criticised that monitoring requirements and soil status reports leading to an unnecessary administrative burden and high costs for both industry and Member States. Moreover, the proposal falls short in acknowledging existing Member States regulations. Inter alia for these reasons the Council so far failed to reach a political agreement on the proposal that was seen as adding unnecessary bureaucracy and violating the subsidiarity principle.

Product Related Environmental Issues

EUROFER IPP project

In response to the European Commission's communication on Integrated Product Policy (IPP), released in June 2003, EUROFER undertook a project to look at the implications of IPP and to contribute to the discussions with the European Commission. EUROFER working groups, inter alia, developed product-specific eco-design packages to be used throughout the supply chain, a steel industry Life Cycle Assessment (LCA) methodology and a material flow analysis (MFA) of steel throughout Europe to expand the level of detailed knowledge within the steel industry (see illustration).

Illustration of Steel Flows in EU 15 (2004)



LT: Lifetime [years]
Values in Million Metric Tons

Data taken from the International Iron and Steel Institute (IISI), Steel Statistical Yearbook 2006, World Steel in Figures 2006, CAEF 2005, European Blast Furnace Committee 2006, Data updated: October 2007

Environment and Technology

Whatever the form that the European Commission implements the requirements of Integrated Product Policy under the remit of Sustainable Consumption and Production (SCP), the IPP project has placed EUROFER in a good position to demonstrate its positive contribution. The European Commission participated in the projects' final workshop in March 2007, and acknowledged the pro-active efforts undertaken by the steel industry as an important contribution to the overall developments within IPP and also to the future of SCP.

The Project has now been finalised with a Final Report which, together with the eco-design packages, can be downloaded from EUROFER's website (www.EUROFER.eu)

Sustainable Consumption and Production

In the summer of 2007, EUROFER participated in a stakeholders' consultation on the background papers of the Commission exploring the topics to be covered by an action plan on Sustainable Consumption and Production (SCP) and an action plan on Sustainable Industrial Policy. The contribution can be found on the EUROFER website (www.EUROFER.eu).

The main points in the EUROFER paper were the lack of the economic and social pillars of sustainability, the difficulty to distinguish green products and the opposition to additional economic instruments.

The two initiatives of the Commission will serve as an umbrella structure for the earlier initiatives Integrated Product Policy, Sustainable Use of Natural resources and all what they comprise. The two action plans are expected to be published in May 2008.

Revision of Annex II of the End of Life Vehicles Directive

The Commission has launched a study and consultation on existing and new requests for exemptions in Annex II of the ELV directive. The entry 1 of the annex is exempting leaded steels and lead in galvanised steel up to 0.35 %. In order to keep this for the steel industry important exemption, EUROFER worked closely together with the consultant carrying out the assessment, providing information and arguments. According to the evidence the consultant has recommended to keep the exemption. The proposal for adaptation of the annex by the Commission is expected during the first half of 2008.

The EU Chemicals Policy

REACH

EUROFER had originally considered hosting a global Iron & Steel Platform, incorporating consortia for metallic iron and iron oxide. On reflection, it was decided that such a monolithic structure with potentially 200 members or more covering a diverse range of interests many of them outside the steel sector would go beyond the requirements of the European companies represented by EUROFER. It was decided therefore, rather than providing a service on a global level open to all, to proceed with an infrastructure tailored specifically to the needs of its members where European steel producers with similar interests could work together.

The "EUROFER REACH Forum" has therefore been created which, by providing for the possibility of companies with similar interests working together in clusters, gives an approach which is more flexible, adaptive and faster to react. At the same time provision is made to overcome the potential disadvantages of this approach for smaller producers in particular – the lack of coordination, potential for duplication and absence of a focal point for external consortia – by three essential

components of the Forum – the REACH Helpdesk, the Cluster WG and the Implementation WG which will provide guidance and direction for companies, allow discussion of common issues and the development of consensus and the transmission of a common industry position.

Classification and Labelling - Risk Assessment

In June 2007, the European Commission published its proposal for an EU version of the United Nations Global Harmonised System (GHS) for the classification and labelling of chemicals and mixtures. The proposed regulation will replace the existing Dangerous Substances and Dangerous Preparations Directives. Throughout the remainder of the year EUROFER and other industry sectors have prepared their responses to the Commission proposal. It is expected that the Commission proposal will be discussed in the European Parliament and Council during early 2008. A single reading in the European Parliament is envisaged and the Regulation is expected to enter into force in mid-2008.

Zinc

Risk Reduction Strategy

A review of the draft text on the conclusions of the risk assessment on zinc and zinc compounds for inclusion in the Official Journal (OJ) of the EU revealed that it lacked important elements from the overall conclusions of the Risk Assessment Report. Industry responded with view that the full content of the 'Chapter 0' of the risk assessment report must be used to form the Official Journal text. While some minor reformatting may be required, rewording of the assessment's conclusions was not appropriate. This matter was taken up with the Dutch Rapporteur for the zinc risk assessment and with the Commission. Although some progress was made, the matter remained unresolved at the end of 2007.

Nickel

Risk Assessment

The proposal to classify more than 150 Nickel compounds in the 30th and 31st ATPs (Adaptation to Technical Progress) was halted due to a legal challenge by the Nickel Institute. Discussions between interested parties to resolve this matter are ongoing. While the principle of using read-across from one substance to another is accepted by industry for the purpose of hazard classification, a scientifically unsound methodology was used in the case of the nickel compounds. Furthermore, the proposal to introduce this dubious read-across methodology into REACH is a continued cause for grave concern.

Risk Reduction Strategy

Further to the Danish Rapporteur's draft human health risk reduction strategy report, issued in November 2006, there is no progress to report. The Rapporteur's report proposed: (1) a Community binding OEL under the Carcinogens Directive for soluble nickel compounds; (2) an evaluation of welding as a process (including the possibility of an OEL), taking into account the risk assessment reports for nickel, chromium(VI) compounds and zinc; (3) a review of the validity of derogations for the use of nickel sulphate and nickel chloride under the Food Supplements Directive; (4) an exchange of information organized by the Commission to ensure proper guidance to severely nickel sensitized individuals throughout the Community.

Metallic and Trivalent Chromium

Environmental Risk Assessment

On behalf of the ICDA, EURAS and Ecolas conducted a voluntary assessment of the environmental effects of metallic chromium and trivalent chromium compounds. The project Steering Committee queried the conclusion that there is a risk to the sediment compartment, based on the most conservative approach for water, and, as a result, the Contractors undertook a critical

review of the key aquatic eco-toxicological study. The outcome demonstrated the risk assessment process for chromium in soil did not work, because the toxicological reference value was just above or below the background levels. The key issues were identified and this could lead to a specific soil project.

Stainless Steel Producers Group (SSPG)

Construction Products in Contact with Drinking Water (CPDW)

DG Enterprise confirmed that there is no legal basis for the European Acceptance Scheme (EAS) for CPDW as previously proposed. As neither DG Environment nor DG Sanco are prepared to develop a legal basis for the drinking water quality aspects, DG Enterprise has outlined an alternative CPD-EAS limited to the requirements of Construction Products Directive. Although the CPD-EAS would provide harmonized standards for testing CPDW, composition lists and CE Marking of the products, Member States would be free to set their own national acceptance criteria (i.e. no EU-wide acceptance criteria) that may lead to potential barriers to trade. Regrettably, little progress was made during 2007 as detailed proposals are awaited from a group of four Members States (France, Germany, Netherlands and UK).

Toxicity Potential of Stainless Steels

Potential changes in the EU carcinogenicity classification of metallic nickel have prompted the International Stainless Steel Forum to conduct an investigation of the inhalation toxicity potential of nickel-containing stainless steels. After the successful completion of, in vitro toxicological studies on stainless steel powders using lung tissue, a 28-day inhalation study in animals is planned. However, difficulties in locating a suitable test laboratory have delayed the start of this study until 2008.

Life Cycle Inventory (LCI) on Stainless Steel

An update of the existing stainless steel LCI data commenced during 2007 with PE International as the selected contractors. An LCI database will be built for stainless flat and quarto plate products using GaBi software. The process commenced with the development of process models and by determination of the flow list. It is envisaged that data collection will be completed by March 2008.

EIMAG (European Industry Metallic Alloys Group)

Throughout 2007, EIMAG continued development of flowcharts, proposals for grouping of, and exposure scenarios for, special preparations. A draft final Technical Guidance Document was prepared for the Assessment of Preparations and Special Preparations under REACH, which will be made available to the Commission for comments in early 2008.

Research

7th Framework Programme

The first call for proposals of the 7th Framework Programme of the European Community for research, technological development and demonstration activities (2007-2013) was published in December 2006. The deadline for the submission of the proposals was May 2007. Seven proposals were submitted by the ESTEP Working Groups. After the first step of evaluation only one proposal in the field of Environment had a chance for funding ('Pathways for Carbon Transitions'). At the end of 2007 the second call was published.

More information on this is available under: http://cordis.europa.eu/estep/ and http://ec.europa.eu/research/fp7/

Research Fund for Coal and Steel

In 2007, 97 research proposals for steel were submitted to the European Commission to be selected and financed under the Research Fund for Coal and Steel (RFCS). Due to the small number of submitted proposals and the limited budget of about 39.4 million Euro 44.3 % of the submitted proposals could finally be financed. The percentage of funded proposals in accordance to the priority areas was as follows:

Iron and Steelmaking and finishing techniques: 62.8 %
Products and applications: 27.9 %
Factory wide control, social, environment: 9.3 %

The European Commission published in July 2007 the draft for the revision of the Technical Guidelines for RFCS. As the changes in the revised version were essential, SAG members and different Member States expressed their objections. As a consequence the Council could not reach a decision by the end of 2007. The approval by the Council is expected for the first half of 2008.

In December 2007 the updated version of the booklet "Networking in European Steel Research" was finalised and was published on the EUROFER website.

Standards

For 2007 the completion of the revision of the Construction Products Directive (CPD) was scheduled. Due to delays in the legal services of the European Commission this target could not be reached.

After withdrawing EN 10080 "Steel for reinforcement of concrete – weldable reinforcing steel" from the Official Journal (OJ) a process of revision was started. The procedure in the European standards system is very sluggish. EUROFER's view to speedy amendments of standards still has high priority.

Statistics

Throughout 2007, it was a major task for EUROFER to ensure the proper running of its own voluntary system of production and commercial surveys which was set up with member companies and national associations to replace an official system (Prodcom Regulation - annual statistics according to EU Commission Regulation 84/2004) which has largely failed to deliver a timely and good quality feed-back of information to data users in the industry.

A full harmonisation of EUROFER questionnaires formats for country and company data reporting systems was performed for implementation from January 2008 onwards. At the same time, the geographical coverage of EUROFER questionnaires was enlarged to the EU-27 perimeter.

In order to handle data collection and analysis more efficiently, EUROFER devoted time and effort in the 2nd half-year 2007 at setting up a new data base system which is specifically geared at serving members through an Extranet site.

EUROFER Intranet and Extranet sites are planned to be launched during the 2nd quarter 2008.

As regards official trade statistics, during 2007 the focus of the EUROFER Statistics Committee was on proposed amendments in the steel products classifications, both at Community and worldwide levels:

- Proposals to EUROSTAT and the EC DG TAXUD concerning the Combined Nomenclature modernisation project initiated by the European Commission;
- Lobbying of the European Commission, along with other European industrial branch organisations, with respect to the simplification of the Intrastat system contemplated by the EC and Member states;
- Monitoring of the European Commission proposals regarding the revision of the current statistical system on trade with non-EU countries (Extrastat), especially on the possible impact of centralised customs clearance procedures;
- Submission of an exhaustive modernisation proposal on the steel products chapter in the Harmonised System (HS), the goods classification used on a worldwide basis. Although it was lodged in good time at the EC DG TAXUD, this catalogue of suggested changes was not examined by the competent EU bodies in such a way that it would be integrated into the current HS review cycle.

Social Affairs

EUROFER – EMF Steel Social Dialogue

The European Metalworkers' Federation (EMF) and the European Confederation of Iron and Steel Industries (EUROFER) have established an autonomous dialogue within the framework of a Sectoral Social Dialogue Committee under the auspices of the Commission. By engaging in a social dialogue at EU level, both organizations want to contribute to the viability and perspectives of the European sector, supporting competitiveness and a high degree of employment with high quality jobs. In this framework, the European social partners in the steel industry have established a working program focusing on:

- Health and Safety: To foster permanent progress, in particular, through the exchange of best practices.
- Training and Life Long Learning: To identify evolutions in training needs in view of demographic changes, in general, and increasing competition for highly skilled workers with other industries, in particular.
- Monitoring and evaluation of the structural changes within the European and global steel industry.
- Development of joint policy statements on key issues impacting the competitiveness of the European steel industry and joint participation in the consultation process on EU regulation concerning the sector.

In 2007, Working Groups were activated and working methodology and objectives were defined in the different action domains.

Transport

The steel industry supports the document circulated by the Community of European Railway and Infrastructure Companies (CER): "Towards a Primary European Rail Freight Network" (PERFN)

EUROFER considers that this document is in line with the Lisbon strategy, which sets ambitious targets for European GDP growth that cannot be considered without a performing and sustainable transport sector. In this context, economic and environmental reality indicated that the expected significant growth in transport demand has to be absorbed, in the first place, by the European railway system. Europe needs a well-functioning rail system, based on a modern and above all, sufficient rail infrastructure.

This paper promotes the concept of a primary European Rail Freight Network, consisting of dedicated lines combined with mixed passenger and freight lines, with enough capacity to accommodate the whole of the demand for rail freight services at any given time and taking into account the different service requirements (e.g. punctuality, speed, timetable) of various customer segments. In any case, such a network should be defined at a European level on the basis of business cases and cost/ benefits analyses.

EUROFER continues to actively participate in the debate promoting the single wagon

This mode of transport is vital for the steel industry, since it represents roughly 50 % of the total freight transported by rail in the sector. The steel industry will continue to actively participate in reflections organised on this matter at European level, aimed at improving the current system of collecting these wagons as well as of promoting the development of short-lines and the installation of networking terminals.

Introduction of longer trains

EUROFER welcomes the recent tests made at the Danish / German border, aiming at increasing the maximum length of freight trains, from 700 meters to 800 meters. Thanks to the introduction of such trains in the future, a better use of the transport rail capacities would be possible on a European rail network, which is currently saturated. It would also allow a fairer competition among transport modes, and especially for the access of seaport hinterlands.

The introduction of the 44 tonnes weight truck in Europe

EUROFER estimates that a general permission of 44 tonnes transport trucks is compatible with the commercial development of the single wagon.

EUROFER strongly recommends a Communication of the European Commission on this matter.

Annexes

Directory

President	Philippe Varin
Board	George F. Babcoke Jiri Cienciala Christophe Cornier Philippe Darmayan Wolfgang Eder Enrique Freire Jean-Yves Gilet Hans Jürgen Kerkhoff Karl-Ulrich Köhler Wolfgang Leese Gregor Münstermann Rafael Naranjo Valeriy Naumenko Elisabeth Nilsson Guiseppe Pasini Claus Raidl Juha Rantanen Gerhard Renz Fabio Riva Ian Rodgers Francisco Rubiralta Salvatore Salerno Juan Sillero Tibor Simonka Sakari Tamminen Yury A. Tarasov Alexandros Tiktopoulos Gonzalo Urquijo Michel Wurth Sergei Zaharjin
Director General	Gordon Moffat

Committees

Climate Change
Commercial Affairs
Economic Studies
Energy
Environment
European Parliament Coordination - EPCC
External Relations
Investments and Capacities
Raw Materials and Scrap
Reach Cluster WG
Reach Implementation WG
Research
Social Affairs
Special Steels
Stainless Steel Producers Group - SSPG
Standards
Statistics
Transport

Annexes

Members

Companies

Alphasteel	http://www.alphasteel.com
ArcelorMittal	http://www.arcelormittal.com
Acciaieria Arvedi	http://www.arvedi.it
Badische Stahlwerke	http://www.bsw-kehl.de
Böhler Uddeholm	http://www.bohler-uddeholm.com
Celsa	http://www.gcelsa.com
Corus	http://www.corusgroup.com
DanSteel	http://www.dansteel.dk
Deutsche Edelstahlwerke	http://www.dew-stahl.com
Dillinger Hütte	http://www.dillinger.de
Duferco	http://www.duferco.com
Evraz Vitkovice Steel	http://www.vitkovicesteel.com
Georgsmarienhütte	http://www.gmh.de
Grupo Alfonso Gallardo	http://www.grupoag.es
Halyvourgiki	http://www.halyvourgiki.com/english/
Helliniki Halyvourgia	
ISD Dunaferr	http://www.dunaferr.hu
JSC Liepâjas Metalurgs	http://www.metalurgs.lv
Lech-Stahlwerke	http://www.lech-stahlwerke.de
Marienhütte	http://www.marienhuette.at
Nedstaal BV	http://www.nedstaal.nl
Riva Group	http://www.rivagroup.com
Saarstahl	http://www.saarstahl.de
Salzgitter	http://www.salzgitter-ag.de
Sidenor	http://www.sidenor.gr
Siderurgia Nacional - Empresa de Produtos Longos SA	
SIJ - Slovenian Steel Group	http://www.sij.si
Štore Steel	http://www.store-steel.si
ThyssenKrupp AG	http://www.thyssenkrupp.com
Trametal	http://www.trametal.it
Trinecké Železárny	http://www.trz.cz
U.S. Steel Kosice	http://www.usske.sk
voestalpine	http://www.voestalpine.com
ŽDB Group	http://www.zdb.cz

National Associations

AUSTRIA	**Fachverband der Bergwerke und Eisen erzeugenden Industrie**
	http://www.wk.or.at/bergbau-stahl
BELGIUM	**Groupement de la Sidérurgie - GSV**
	http://www.steelbel.be
BULGARIA	**Bulgarian Association of the Metallurgical Industry - BAMI**
CZECH REPUBLIC	**Hutnictvi Železa**
	http://www.hz.cz

FINLAND	**Metallinjalostajat**
	http://www.teknologiateollisuus.fi/english
FRANCE	**Fédération Française de l'Acier**
	http://www.ffa.fr
	Chambre Syndicale des Producteurs d'Aciers Fins et Spéciaux
	http://www.spas.fr
GERMANY	**Wirtschaftsvereinigung Stahl**
	http://www.wvstahl.de
	Edelstahl - Vereinigung
	http://www.stahl-online.de/stahl_zentrum/edelstahl_vereinigung_e_v.htm
GREECE	**Hellenic Steelmakers' Union - ENXE**
HUNGARY	**Magyar Vas-és Acélipari Egyesülés**
	http://www.mvae.hu
ITALY	**Federacciai**
	http://www.federacciai.it
POLAND	**Hutnicza Izba Przemysłowo-Handlowa**
	http://www.hiph.com.pl
ROMANIA	**Uniunea Producatorilor de Otel din Romania – UniRomSider**
SPAIN	**Unión de Empresas Siderúrgicas - UNESID**
	http://www.unesid.org
SWEDEN	**Jernkontoret**
	http://www.jernkontoret.se
UNITED KINGDOM	**UK Steel**
	http://www.uksteel.org.uk

Associate Members

Companies

Çolakoglu Metalurji	http://www.colakoglu.com.tr
Diler Demir Çelik Endüstrisi ve Ticaret	http://www.dilerhld.com/diler_demircelik/index.html
Erdemir - Ereğli Demir ve Çelik Fabrikalari	http://www.erdemir.com.tr
HABAŞ - Sinai ve Tibbi Gazlar Istihsal Endüstrisi	http://www.habas.com.tr
Içdas Çelik Enerji - Tersane ve Ulasim Sanayi	http://www.icdas.com.tr
IDÇ - Izmir Demir Çelik Sanayi	http://www.idcsteel.com
Isdemir - Iskenderun Demir ve Çelik Fabrikalari	http://www.isdemir.com.tr
Kremikovtzi	http://www.kremikovtzi.com
Swiss Steel	http://www.swiss-steel.com

National Associations

TURKEY	**Demir Çelik Üreticileri Dernegi – DÇÜ**
	http://www.dcud.org.tr

Annual Report 2007

Published by

EUROFER
European Confederation of Iron and Steel Industries

Designed by

EUROFER (Gautier Hankenne)

Photography by

Cover, page 1, 2, 3 & 36: © AGC Flat Glass Europe

Page 4 to 11, 28 & 29: © ThyssenKrupp AG

Page 12 to 17, 26, 27 & 30 to 35: © voestalpine AG

Page 18 to 25: © NewsCast for Corus

EUROFER
European Confederation of Iron and Steel Industries
ASBL

Avenue Ariane, 5
B-1200 Brussels
Tel: +32 (2) 738 79 20
Fax: +32 (2) 738 79 55
Email: mail@eurofer.be
http://www.eurofer.eu/