Press Release



ArcelorMittal's acquisition of Ilva approved by European Commission: workers' rights and the defence of the steel sector ignored

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ArcelorMittal's proposal to divest major industrial assets by selling off its plants in Romania (Galati), Czech Republic (Ostrava), Luxembourg (Dudelange), Italy (Piombino), Macedonia (Skopje) and production lines in Belgium (Liège) was accepted by the European Commission on Monday (7 May). This is more than two weeks before the deadline announced by the European Commission. Workers and trade union representatives have been left with no opportunity to have a say in a decision which will have a major impact on ArcelorMittal's industrial capacities, as many as 15,000+ direct jobs and thousands of additional indirect jobs. Trade unions from across Europe denounce the European Commission's and ArcelorMittal's stance and unanimously urge for immediate guarantees to be provided on the future of each site, including each and every job, and for strong and ambitious EU policies to fully support the steel sector.

The European Commission's decision to approve ArcelorMittal's acquisition of Ilva has left trade unions dumbfounded. IndustriAll Europe has been campaigning tirelessly on behalf of workers since extensive remedies were announced on 13 April. The huge "divestment package" shocked workers, who were left in the dark by ArcelorMittal management, who failed to properly and timely inform and consult workers on Ilva's acquisition and the proposal for asset disposals. The European Commission's decision also comes at a time when Ilva's acquisition process is regrettably at a standstill in Italy, despite Italian trade unions' request to urgently resume negotiations on the social framework conditions for Ilva workers to be transferred.

Following ArcelorMittal's shock announcement on 13 April, that included a "divestment package" of five European sites and a production line, industriAll Europe took urgent action on behalf of European workers, also in cooperation with the ETUC. Concerns relating to the omission of workers' rights in the merger investigation were officially raised to the European Commission's case team and to Commission Vestager directly. Urgent concerns were also raised to the Commissioners for Industry and Employment, due to the critical impact that the decision could have both on jobs and the independence of the European steel sector. Most frustratingly, an urgent request to meet with Commission President Juncker, who has always claimed to champion European steel and its workers, has so far, not been granted.

Luis Colunga, Deputy General Secretary, said:

"We simply cannot accept that such a major decision is taken without any proper nor meaningful involvement of trade union and worker representatives. This is unacceptable in any process which requires the identification of potential competition remedies. The European fundamental rights for workers to be informed, consulted and to engage in social dialogue with ArcelorMittal management, has been infringed. We will not let that happen again, certainly not while negotiations to secure the employment conditions of Ilva's workers must immediately resume and discussions on the future of sites targeted for sale will soon start.

"Both ArcelorMittal and the European Commission have failed to respect steel workers. We will continue to call for workers' rights to be upheld and for urgent information and consultation on the continuing process, especially with regards to future buyers, to be shared immediately. The futures of the sites must be quaranteed and workers rights in this process must be respected. We will continue

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to push ArcelorMittal and the European Commission to ensure that steel jobs and communities are protected.

"The EU steel sector and its workers need assurances in today's fierce global market. We have campaigned for tougher anti-dumping methodology and trade defence mechanisms to protect the sector from unfair dumping, but this isn't enough. The European Commission cannot make decisions that negatively affect the integrated system of the sector and moreover open it up to foreign investors. The EU steel sector must be able to remain independent and it urgently needs investment, both from companies and the European Commission, to survive in these challenging times. This decision is unacceptable and European workers deserve better."

European trade unions' demands will continue to be raised to the ArcelorMittal management during high level meetings next week. Under the auspices of industriAll Europe, European trade unions will pursue their transnational coordination and consider further actions.

On 26 April, more than 50 trade union representatives of ArcelorMittal and Ilva workers coming from Belgium, Czech Republic, France, Italy, Luxembourg, Romania and Spain met in Brussels under the auspices of industriAll Europe. European workers continue to demand ArcelorMittal and the European Commission to:

- Commit to the long-term industrial growth, quality employment and viable solutions for all European ArcelorMittal and Ilva sites;
- **Fully involve trade unions and worker representatives** on the potential search for new buyers, if any;
- Provide full transparency on all of the merger control procedure, and immediate
 information disclosure on existing market, industrial, financial, environmental and social
 analyses and forecast.

Download the full declaration of Arcelor Mittal and Ilva's trade unions in <u>English</u> and <u>French</u> (German version to follow shortly).

For further information, please contact:

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IndustriAll European Trade Union represents the voice of 7 million working men and women across supply chains in manufacturing, mining and energy sectors across Europe. We aim to protect and advance the rights of the workers. Our federation has 181 trade union affiliates in 38 European countries. Our objective is to be a powerful player in the European political arena vis-à-vis European companies, European industries, employers' associations and European institutions.

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