

(English version)

**Question for written answer E-001037/25
to the Commission**

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(11 March 2025)

Subject: Impact of tariffs and quota systems on downstream steel manufacturing in the EU

The downstream steel manufacturing sector in the EU is facing critical challenges, exacerbated by the existing tariffs and quota systems on raw material imports. While intended to protect local industries, these measures are inadvertently placing enormous financial burdens on European manufacturers who rely on competitively priced raw materials.

Domestic downstream steel manufacturers frequently grapple with rising costs due to tariffs ranging from 25% to 35% on essential materials such as hot rolled and alloy steels, making it increasingly difficult to maintain their market position. Alongside this constraint, imported steel products and derivative steel articles, often produced with subsidised steel, circumvent anti-dumping tariffs and countervailing duties through origin misrepresentation and exports routed via warehouses based in non-EU countries. This situation allows these products to enter the EU market at lower prices, thereby avoiding the application of tariffs.

In the light of these circumstances:

1. What measures does the Commission intend to implement to safeguard downstream industries from unfair competition posed by imported products, particularly those made from subsidised steel coils?
2. Will the Commission consider revising the current tariff structures to impose them on finished goods in proportion to the raw materials used in production, thereby levelling the playing field for EU manufacturers?

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Answer given by Mr Šefčovič on behalf of the European Commission
(15 May 2025)

The steel industry is the sector most protected by trade defence instruments with over 70 trade defence measures including a safeguard.

Before imposing measures, the Commission conducts an EU interest test where it examines if the overall EU interest justifies the imposition of measures. It examines the interests of importers, users and consumers in that context. Users are encouraged to cooperate in investigations so their concerns can be taken into account when deciding to impose measures.

Once measures are imposed, if there is evidence that they are being evaded, the Commission imposes anti-circumvention measures to stamp out such practices — now almost a quarter of all measures address circumvention.

Furthermore, in the European Steel and Metals Action Plan ⁽¹⁾ the Commission announced it would assess the introduction of the rule of ‘melted and poured’ which would allow action against the country where the metal was originally melted, regardless of the place of subsequent transformation. In addition, by the third quarter of 2025 at the latest, the Commission will propose a long-term measure providing a highly effective level of protection to the EU’s steel sector. It will take into account changes in EU demand as well as security and resilience considerations, while preserving a certain level of openness in the EU market.

Industry harmed by unfair competition from imports should contact the Complaints Office ⁽²⁾ of the Directorate-General for Trade and Economic Security for information on the options available.

⁽¹⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52025DC0125>.

⁽²⁾ trade-defence-complaints@ec.europa.eu.