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Answer given by Executive Vice-President Séjourné
on behalf of the European Commission
(31.7.2025)

The decline in industrial production capacities for the steel industry stems from several economic and geopolitical factors, particularly the energy price crisis, exacerbated by the war in Ukraine, global non-market overcapacity, and unfair global competition. To address these factors, the EU is taking several measures. Since 2018, EU steel safeguards measures have been in place to prevent or remedy serious injury to the EU's steel industry. In March 2025, the Commission adopted the Steel and Metals Action Plan¹, announcing a tightening of the safeguard and the introducing of new trade measures to replace it after 2026. The Affordable Energy Action Plan² adopted in February 2025 sets out measures to reduce energy prices. The proposal for an Industrial Decarbonisation Accelerator Act³, due in 2025, will aim to address further industry challenges, including the creation of lead markets.

The Commission, as reiterated in the Clean Industrial Deal⁴, is committed to maintaining industrial production in the EU while making decarbonisation a growth engine. It recognises that energy-intensive industries as central to critical value chains and aims to reduce strategic dependencies across key sectors. The European steel industry's supplies essential sectors such as automotive, clean tech, and defence.

The Commission will carry out a comprehensive review of the Emissions Trading System by mid-2026. The review will focus both on specific review clauses and on a framework for the trading period post-2030, that will contribute to the EU's overall climate target in an economically responsible way for all sectors concerned. The impacts on the steel sector will be duly taken into consideration, as has been the case in all previous reviews.

¹ https://single-market-economy.ec.europa.eu/publications/european-steel-and-metals-action-plan_en.

² https://energy.ec.europa.eu/publications/action-plan-affordable-energy-unlocking-true-value-our-energy-union-secure-affordable-efficient-and_en.

³ https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14505-Industrial-Decarbonisation-Accelerator-Act-speeding-up-decarbonisation_en.

⁴ https://ec.europa.eu/commission/presscorner/detail/en/ip_25_550.