

(English version)

**Question for written answer E-004313/25
to the Commission**

Julie Rechagneux (Pfe), Marie Dauchy (Pfe), Valérie Deloge (Pfe), Pierre Pimpie (Pfe), Volker Schnurrbusch (ESN), Aleksandar Nikolic (Pfe), Diana Iovanovici Șoșoacă (NI), France Jamet (Pfe), Séverine Werbrouck (Pfe), Anne-Sophie Frigout (Pfe), Pascale Piera (Pfe), Isabella Tovaglieri (Pfe), Marion Maréchal (ECR), Nora Junco García (ECR), Fernand Kartheiser (NI), Mélanie Disdier (Pfe)

(4 November 2025)

Subject: Effects of new EU proposal on steel processing industry

The proposal for a regulation addressing the negative trade-related effects of global overcapacity on the Union steel market (2025/0726 (COD)) combines reduced quotas and increased import duties.

Although the objective of supporting the steel industry is legitimate, these measures — which are focused on raw materials and certain semi-finished products — could be detrimental to the downstream sector, driving up costs and bringing about a shift towards imported finished products that fall outside the scope of the regulation.

Meanwhile, communications entitled ‘Delivering on the Clean Industrial Deal I’ (COM(2025)0378) and ‘A European Steel and Metals Action Plan’ (COM(2025)0125) state that the carbon border adjustment mechanism (CBAM) will be extended to downstream products and that an instrument to address carbon leakage in exports will be introduced.

1. Does the Commission intend to include finished steel products in the 2025/0726 (COD) proposal in order to prevent unfavourable arbitrage between taxed inputs and finished goods that fall outside the scope of the regulation?
2. Will the CBAM’s extension to finished products be accompanied by targeted support for processors so that they remain competitive against imports?
3. Does the Commission plan to bring in measures to stimulate demand in order to better align steel production with processing and prevent weakening of the downstream sector?

Supporters ⁽¹⁾

Submitted: 4.11.2025

**Answer given by Mr Šeřčovič on behalf of the European Commission
(11 February 2026)**

The proposal for a regulation addressing the negative trade-related effects of global overcapacity on the Union steel market ⁽¹⁾ provides explicitly that the Commission should assess the necessity to adjust the scope of products covered by this regulation and, if deemed necessary, it should consider making a legislative proposal to add additional steel products, including products that are made of or contain a significant amount of steel.

This commitment is reflected in the enacting terms of the regulation, namely Article 9(1). The final decision on this aspect of the proposal will depend on the outcome of the ongoing ordinary legislative procedure.

The Carbon Border Adjustment Mechanism’s (CBAM) ⁽²⁾ potential extension to downstream products ⁽³⁾ is guided by criteria including carbon leakage risk. In that context, the cost impact is duly considered. The impact assessment accompanying the proposal has provided additional analysis.

The Commission proposed a temporary measure to address carbon leakage in the context of exports which entered into force on 1 January 2026. This measure is designed to support decarbonisation efforts of certain EU installations producing CBAM goods.

Strengthening demand for low-carbon and high-quality industrial materials is essential for the competitiveness of the EU’s industrial ecosystem.

Work is ongoing to prepare measures under the industrial decarbonisation accelerator act ⁽⁴⁾ that improve market conditions for such materials, including by promoting predictable, transparent and resilient value chains.

¹ This question is supported by Members other than the authors: Jean-Paul Garraud (Pfe), Julien Leonardelli (Pfe).

⁽¹⁾ [https://ec.europa.eu/transparency/documents-register/detail?ref=COM\(2025\)726&lang=en](https://ec.europa.eu/transparency/documents-register/detail?ref=COM(2025)726&lang=en).

⁽²⁾ https://taxation-customs.ec.europa.eu/carbon-border-adjustment-mechanism_en.

⁽³⁾ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — A European Steel and Metals Action Plan, COM(2025)125 final; <https://single-market-economy.ec.europa.eu/publications/european-steel-and-metals-action-plan>.

⁽⁴⁾ https://commission.europa.eu/topics/competitiveness/clean-industrial-deal_en.

These efforts aim to ensure that upstream and downstream segments of the steel value chain remain well aligned, while supporting the EU's broader decarbonisation and competitiveness objectives.
