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Answer given by Mr Šefčovič
on behalf of the European Commission
(19.1.2026)

Given the upcoming expiry of the steel safeguard on 30 June 2026, conducting a full impact assessment would have seriously risked leaving a gap of protection of the steel sector between the safeguard and the new steel measure. In line with the Better Regulation Guidelines¹, a derogation was granted. Instead, the Commission conducted a public consultation and a call for evidence. In addition, it prepared a detailed analytical document in the form of a Staff Working Document² (SWD), including an economic assessment presenting the evidence behind the proposal and cost estimates. The analysis focuses on the steel sector, including downstream users. The SWD finds limited impacts: the most restrictive scenario shows steel prices rising by 3.25%, downstream output effects remain modest and the increase in household consumption prices is estimated at 0.42%.

The EU will engage with the relevant trade partners as part of Article 28 of the General Agreement on Tariffs and Trade³ process. The SWD's modelling already captures integrated value chains under existing Free Trade Agreements and shows no significant disruption for sectors relying on steel inputs Article 4(1)(c) (in the main document) of the proposal⁴ and, where necessary, also adopt safeguard measures complying with the requirements of the applicable agreement as per Article 4bis of the proposal.

On compensatory concessions, the SWD assesses cross-sector effects of tariff adjustments. The economy-wide impacts are small, with export changes of 0.1 to 0.3 percent point relative to baseline, indicating limited market-access risks for EU industries.

¹ https://commission.europa.eu/law/law-making-process/better-regulation/better-regulation-guidelines-and-toolbox_en.

² [https://ec.europa.eu/transparency/documents-register/detail?ref=SWD\(2025\)780&lang=en](https://ec.europa.eu/transparency/documents-register/detail?ref=SWD(2025)780&lang=en).

³ https://www.wto.org/english/docs_e/legal_e/gatt47_e.htm#art28_bis.

⁴ [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).