

(English version)

**Question for written answer E-000401/26
to the Commission
Marina Mesure (The Left), Anthony Smith (The Left)
(30 January 2026)**

Subject: ArcelorMittal job relocations to India and import quotas for Indian steel

ArcelorMittal has just announced that over 5 600 of their jobs in Europe will be relocated to India, despite the company having received a significant amount of EU and national state aid in recent years. This decision comes in the wake of the EU announcing that a free trade agreement has been concluded with India which includes import quotas for Indian steel in the EU market amounting to 1.8 million tonnes. This will make up a significant portion of the 18.3 million tonnes exempt from customs duties, in accordance with the tariff measures that the Committee on International Trade has just signed off on to protect the European steel industry.

In view of the above:

1. What is the Commission's assessment of the compatibility of the relocations with the state aid granted to ArcelorMittal, and is it considering conditionality or reimbursement mechanisms if there is a failure to comply with commitments regarding employment?
2. What safeguards does it intend to put in place to prevent import quotas for Indian steel from favouring relocation strategies at the expense of European employment?
3. Will it make trade agreements and state aid more conditional on maintaining jobs and industrial capacity in Europe?

Submitted: 30.1.2026

**Answer given by Executive Vice-President Ribera on behalf of the European Commission
(17 April 2026)**

1. The legal basis for the Commission's control in state aid ⁽¹⁾, as interpreted by the case law of the EU courts, does not allow to make the compatibility of an aid measure with the internal market dependent on conditions that are not laid down in that legal basis. The Commission's powers seek to ensure that state aid does not unduly distort competition in, and not outside of, the internal market. However, Member States granting state aid may decide to impose additional conditionalities on the aid recipient. In such a case, it is for the Member State concerned to ensure compliance with the chosen conditionalities.
2. The Commission's proposal for a measure addressing the negative trade-related effects of global overcapacity on the EU's steel market ⁽²⁾ is critical to ensure the long-term viability of the EU's steel sector amidst the significant challenges posed by increasing global overcapacity and growing protectionist measures in third countries. Like any other third country (with the exception of the European Economic Area) India will be subject to that measure's scope and will be treated in line with its objectives. Therefore, the conclusion of the Free Trade Agreement (FTA) with India does not pose a risk to the effectiveness of that proposed measure.
3. The Commission is not empowered to make its approval of state aid conditional upon compliance with conditions that are not laid down in Article 107(2) or Article 107(3) TFEU. As regards FTAs, reflecting the proposed conditionalities may limit the effectiveness of these agreements as they may result in potential trade barriers, which are normally what FTAs aim at removing.

⁽¹⁾ Article 107 of the Treaty on the Functioning of the EU (TFEU).

⁽²⁾ [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).