(English version)

Priority question for written answer P-002868/24
to the Commission
Wouter Beke (PPE)
(11 December 2024)

Subject: Effectiveness of the steel safeguard measure

The European steel sector is suffering from a growing influx of low-priced imports, exacerbated by global overcapacity and weak existing trade protections in the EU. The Commission implemented a provisional safeguard measure for imports of certain steel products in July 2018, later extending it until June 2026. However, given the current market conditions — characterised by reduced demand, declining EU consumption and rising imports — the effectiveness of the steel safeguard measure has come under scrutiny.

1. What is the Commission's position on the effectiveness of the safeguard measure in protecting EU steel producers in the current market reality?

2. Is the Commission considering adjustments to the current steel safeguard mechanism, such as revising tariff rate quotas, increasing tariff rates, or other measures, to better align with the current market conditions?

3. What structural solutions or long-term trade protections does the Commission plan to adopt to address global overcapacity and ensure fair competition after the safeguard measures expire in 2026?

Submitted: 11.12.2024

Answer given by Mr Šefčovič on behalf of the European Commission
(10 February 2025)

The Commission recognises that the EU steel sector is currently facing a challenging situation, given the contraction in EU demand for steel and growing global overcapacity.

Against this background, the Commission has initiated a review of the EU steel safeguard measure on 17 December 2024, following a request from 13 Member States.

The investigation will assess whether adjustments to the safeguard would be appropriate to bring short-term relief to EU steel industry in the current market reality. Any decision resulting from this investigation may become applicable as of 1 April 2025, at the start of a new quota quarter.

The Commission will indeed consider various options for adjusting the measure. The precise adjustments that would be most effective in addressing specific challenges will be determined during the investigation.

The steel safeguards will expire in mid-2026. The Commission is reflecting, together with stakeholders, on a follow-up solution to provide the necessary protection to the EU's steel industry.

As announced in the political guidelines 2024-2029 ([1]) and in the Competitiveness Compass ([2]), the Commission will adopt a Steel and Metals Action Plan, outlining actions on several policy areas, including trade related, which would also help improve the competitiveness of the EU steel industry.

([1]) https://commission.europa.eu/document/e6cd4328-673c-4e7a-8683-f63ffb2cf648_en
([2]) https://commission.europa.eu/document/download/10017eb1-4722-4333-add2-e0ed18105a34_en