

Press statement

EUROFER welcomes the adoption of the Commission proposal on steel safeguards as a guarantor of stability

Brussels, 08 June 2022 – EUROFER welcomes the adoption by Member States of the Commission proposal on the continuation of the safeguard measure, which guarantees the stability of the EU steel market while ensuring smooth supply flows and price levels.

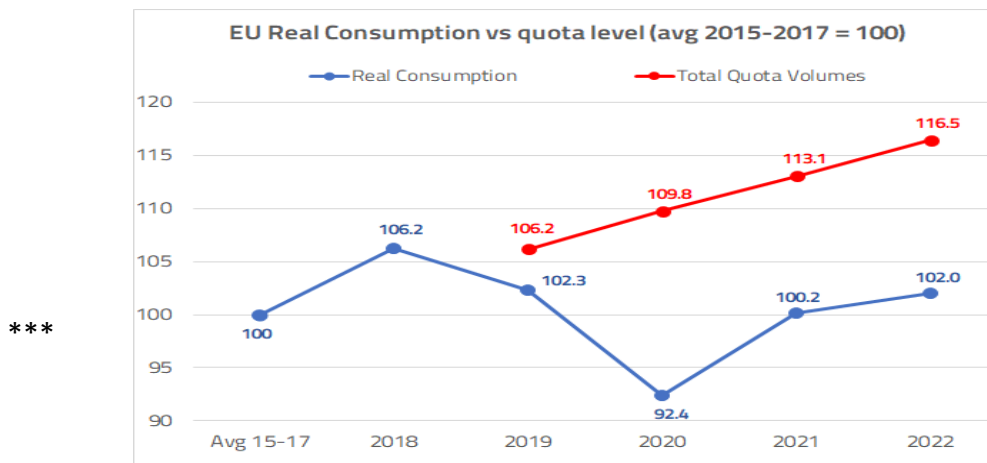
“Today, Member States gave massive support for the continuation of the safeguard action. This decision brings stability to the EU steel market while avoiding excessive, market-disrupting steel imports from third countries which would not have any positive impact on steel prices and supply”, said Axel Eggert, Director General of the European Steel Association (EUROFER).

Following the yearly safeguard review, the Commission proposal includes some changes to the quota allowing for the full use of the tariff-rate quota in light of the impact of the Russian invasion on the Ukrainian steel producing and exporting industry.

Furthermore, the Commission confirmed that the recent change of the U.S. section 232 import tariff (25%) into a tariff-rate quota for the EU has little to no impact on the functioning and rationale of the safeguard measure.

Finally, the increase of the yearly quota volumes has been raised from +3% to +4%. Over the lifetime of the safeguard action, consecutive yearly liberalisation has pushed up quota levels way above the demand situation, which has not recovered yet from the Covid-crisis (see graph below).

“This gap will now be further increased. However, there is no economic need or legal obligation for such an increase”, concluded Mr. Eggert.



Notes for editors

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About the European Steel Association (EUROFER)

EUROFER AISBL is located in Brussels and was founded in 1976. It represents the entirety of steel production in the European Union. EUROFER members are steel companies and national steel federations throughout the EU. The major steel companies and national steel federations in the United Kingdom and Turkey are associate members.

The European Steel Association is recorded in the EU transparency register: 93038071152-83.

About the European steel industry

The European steel industry is a world leader in innovation and environmental sustainability. It has a turnover of around €125 billion and directly employs around 310,000 highly-skilled people, producing on average 153 million tonnes of steel per year. More than 500 steel production sites across 22 EU Member States provide direct and indirect employment to millions more European citizens. Closely integrated with Europe's manufacturing and construction industries, steel is the backbone for development, growth and employment in Europe.

Steel is the most versatile industrial material in the world. The thousands of different grades and types of steel developed by the industry make the modern world possible. Steel is 100% recyclable and therefore is a fundamental part of the circular economy. As a basic engineering material, steel is also an essential factor in the development and deployment of innovative, CO2-mitigating technologies, improving resource efficiency and fostering sustainable development in Europe.