

Basic information	
2025/0726(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Awaiting committee decision
Negative trade-related effects of global overcapacity on the Union steel market Subject 3.40.02 Iron and steel industry, metallurgical industry 5.03 Global economy and globalisation 6.20 Common commercial policy in general	

Key players				
European Parliament	Committee responsible		Rapporteur	Appointed
	INTA International Trade		KARLSBRO Karin (Renew)	03/11/2025
	Committee for opinion		Rapporteur for opinion	Appointed
	ITRE Industry, Research and Energy		ERIKSSON Sofie (S&D)	05/11/2025
Council of the European Union				
European Commission	Commission DG		Commissioner	
	Trade		ŠEFČOVIČ Maroš	

Key events			
Date	Event	Reference	Summary
07/10/2025	Legislative proposal published	COM(2025)0726 	Summary
12/11/2025	Committee referral announced in Parliament, 1st reading		

Technical information	
Procedure reference	2025/0726(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation

Legislative instrument	Regulation
Stage reached in procedure	Awaiting committee decision
Committee dossier	INTA/10/04155

Documentation gateway			
European Commission			
Document type	Reference	Date	Summary
Legislative proposal	COM(2025)0726 	07/10/2025	Summary
Document attached to the procedure	SWD(2025)0780 	07/10/2025	

Meetings with interest representatives published in line with the Rules of Procedure

Rapporteurs, Shadow Rapporteurs and Committee Chairs

Transparency				
Name	Role	Committee	Date	Interest representatives
KARLSBRO Karin	Rapporteur	INTA	18/11/2025	Permanent representation of Finland to the EU
KARLSBRO Karin	Rapporteur	INTA	17/11/2025	Metal Packaging Europe External Affairs ASBL
KARLSBRO Karin	Rapporteur	INTA	17/11/2025	Orgalim – Europe's Technology Industries
KARLSBRO Karin	Rapporteur	INTA	17/11/2025	Kommerskollegium - National Board of Trade Sweden
KARLSBRO Karin	Rapporteur	INTA	13/11/2025	Mission of Switzerland to the EU
KARLSBRO Karin	Rapporteur	INTA	10/11/2025	Jernkontoret

Other Members

Transparency		
Name	Date	Interest representatives
GORI Giorgio	07/11/2025	Federazione Imprese Siderurgiche Italiane
GEIER Jens	22/10/2025	thyssenkrupp Steel Europe AG

Negative trade-related effects of global overcapacity on the Union steel market

2025/0726(COD) - 07/10/2025 - Legislative proposal

PURPOSE: to address the negative trade-related effects of global overcapacity on the EU's steel market.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure on an equal footing with the Council.

BACKGROUND: **steel is an essential material** for the European Union's economy, including for its green transition. It is also of strategic importance for strengthening the Union's military and defence capabilities. The EU is the **world's third-largest producer**, with approximately 300 000 direct jobs and 2.5 million indirect and induced jobs, spread across more than 20 Member States.

The steel sector faces **serious trade-related challenges**, particularly significant import pressure in terms of both volume and price. This pressure stems from unsustainable levels of global overcapacity, which negatively impacts the economic performance of the EU steel industry. The decline in production undermines the investment capacity of European steelmakers and, consequently, the Union's decarbonisation goals.

Faced with this situation, the European Commission reaffirmed the strategic importance of steel in its communication of 29 January 2025 entitled 'A Competitiveness Compass for the EU' and in the European action plan for steel and metals adopted on 19 March 2025. This action plan sets out interventions in different areas, including trade, and recognises that it is essential to ensure the stability and resilience of supply chains for critical metals, such as steel, for the defence and aerospace sectors.

The current safeguard measure which is protecting the EU steel industry from a flood of imports, will legally expire on 30 June 2026. Yet, the structural global overcapacities and their negative trade-related impact on the EU's steel industry, which necessitated the imposition of the steel safeguard measure, will not disappear on 1 July 2026. On the contrary, the negative trade-related effects suffered by the European steel sector have continued to grow and are likely to be exacerbated, as an increasing number of third countries are adopting measures aimed at limiting imports into their markets, resulting in the EU market becoming the main destination of global excess capacities.

Given these urgent challenges, the Commission has committed to adopting a legislative proposal that would replace the steel safeguard measures and would include a highly effective measure to protect the European steel industry from the negative trade-related effects caused by global overcapacity.

CONTENT: this proposal aims to protect the EU's steel sector against the unfair effects of global overcapacity.

The proposal:

- provides for **the opening of tariff quotas** with regard to imports into the Union and defines the level of duties applicable in the event of exceeding these quotas. Where the relevant tariff quota is exhausted or where imports of the product categories do not benefit from the relevant tariff quota, the imports of the product categories set out in Annex I shall be subject to a custom duty at the rate of **50% ad valorem**.
- establishes **specific requirements for determining the location of 'melting and pouring' operations**, namely the place of origin where raw steel and iron are first produced in liquid form before being cast into their primary solid state. At the moment of importation, importers shall provide appropriate evidence, such as a mill certificate which will prove the country of 'melt and pour' of the steel used in the production of the product. This will prevent steel produced in certain countries contributing to global overcapacity from unduly entering the Union market after being processed in other countries;
- empowers the Commission to adopt **implementing acts** to lay down and adjust the country allocation of tariff quotas;
- provides for the possibility of adopting **bilateral safeguard measures** applicable to imports originating in countries with which the Union has concluded a free trade agreement providing for such possibility;
- empowers the Commission to adopt **delegated acts** modifying the volume of tariff quotas opened by the proposed regulation, taking into account changes in demand, changes in market shares of imports, any significant changes in overcapacity, the evolution and scope of measures taken by third countries which have an impact on steel imports and any potential supply availability problems concerning certain product categories.

Budgetary implications

The proposed measure would allow the continuation of free-of-duty imports of the goods covered by it up to a certain level. If imports exceed that threshold, a 50% duty applies. Depending on the volume of imports that may enter the Union outside the free-of-duty quotas, the EU budget may see an increase of the revenue via the collection of such duties.