



**Wirtschaftsverband Stahl-  
und Metallverarbeitung e.V.**

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European Commission  
Directorate-General for Trade  
Ms. Sabine Weyand  
Director-General  
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**Präsident  
Dr. Hubert Schmidt**

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## **Steel Safeguards**

Dear Ms. Weyand,

as the trade association of the steel and metal processing industry we represent several thousand medium-sized companies. Our industry is characterized by a high degree of competition on an international level and heavily depends on the availability of steel at internationally competitive prices.

Our industry is one of the main users of steel, processes several million tons of steel each year and is directly affected by the EU safeguard measures on steel imports which were implemented in 2018. The objective was to give the steel industry a temporary breathing space to make necessary adjustments. The Commission has recently notified the WTO of the result of its latest review of the safeguard system. We have taken note of reports that the measures are to be extended for another year from 01.07.2022 with some adjustments.

An extension to then five years and even more detailed regulations for the various product categories mean that the measures are moving further and further away from their actual purpose. At the same time, the economic conditions have changed significantly since 2018. Not least because of the historically high steel prices and the long-lasting supply problems for steel procurement, our industry is in an extraordinarily difficult situation.

With regard to certain steel products (as mentioned below), our members are currently reporting the following problems caused by the safeguard measures:

- Import quotas for specific countries are insufficient and exhaust quickly.
- Certain qualities are not produced in sufficient quantity by the European steel industry. Although the measures have been in force for several years, EU steel production has not been increased to the level needed by our industries.
- Imports regularly cause a high bureaucratic effort and represent a permanent financial risk. It is often not foreseeable whether a customs duty is payable at the time of the border crossing or not.

Therefore, we urge you to abolish the safeguard measures for the following steel products:

- Flat steel (product categories 1, 2, 4A, 4B, 5, 9)
- Merchant bars (product categories 12, 14)

A termination of the safeguard measures or, at least, a global quota for all products with a significant increase of duty-free volumes is crucial to the competitiveness of our industry and to the protection of many European jobs. Further on, it is essential to meet the ambitious key targets set by the EU for a greener and more energy-efficient economy.

Kind regards,



Dr. Hubert Schmidt

(Präsident)

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