
EU measures curbing steel imports concern auto industry

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The European Automobile Manufacturers' Association (ACEA) strongly regrets the introduction of provisional measures to curb steel imports into the EU, approved by the European Commission today.

In March, the Commission initiated a safeguard investigation in response to US restrictions on steel and aluminium. The provisional outcome of this procedure, announced today, is the introduction of 'tariff-rate quotas'.

Essentially these are quotas calculated based on the average imports of different types of steel over the past three years. A 25% tariff will be applied to all imports that go beyond these quotas.

"Car makers source 94% of automotive steel in Europe, so the EU steel industry is a vital partner for us," stated ACEA Secretary General, Erik Jonnaert. "However, these measures will be damaging to our competitiveness, as they will lead to steel price increases in the EU market - where prices are already very high."

ACEA also regrets the Commission has not taken into account that demand for steel is increasing across many sectors, including automotive.

Furthermore, the EU steel industry's capacity utilisation for automotive grades of steel is already very high. Auto manufacturers are consequently suffering from long lead times due to this lack of capacity.

The provisional measures will last for 200 days, by when the Commission must take a decision on definitive measures.