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Summit on the future of the European steel industry

France, Italy, Spain, together with other Member States call upon the European Union to take action for the European Steel Industry

The European steel industry is a strategic sector for the EU's **economy**, providing critical inputs to many sectors, including automotive, construction, and defense. **We cannot have a clean and digital transition without steel, which is at the foundation of many industrial value chains.** Steel plants also sustain many regional economies, underlining their socio-economic and political weight. However, the steel industry currently faces significant challenges. Production costs have increased due to rising energy and carbon costs, while at the same time prices have dropped due to increasing global overcapacities, unfair competition from third countries and decreased demand. Consequently, EU production has shrunk, and current capacity utilisation is below profitable levels. This undermines decarbonization, as several companies have halted investments in green steel projects.

Italy, France and Spain, together with Belgium, Luxembourg, Romania and Slovakia, have reflected on the challenges faced by the steel industry, and the urgent measures needed to ensure its competitiveness and safeguard its industrial footprint in Europe.

During a summit hosted at the French Ministry of the Economy, Finance and Industrial and Digital Sovereignty, they have shared their

proposals with the EU industry stakeholders, the Commission and other Member States. They welcome the European Commission's initiative to launch a strategic dialogue with the steel industry and the ambition to work together to craft a dedicated « Steel and Metals Action Plan ». The European Commission's communication on a Clean Industrial Deal highlights that we need an ambitious roadmap for developing clean industry in Europe, attracting investments and safeguarding the presence of energy-intensive industries on our territory. Regarding the economic, ecological and social challenges, the need for such a deal for the steel industry is urgent.

They have worked together to set forward proposals in anticipation of this collective European work and believe urgent measures are needed to reinforce trade defense instruments, such as:

- **The full and accelerated mobilization of anti-dumping** and anti-subsidy instruments as soon as necessary, including based on threat of injury;
- **The quick improvement of the safeguard measure** currently in force, including quota levels that are more adaptive to European demand;
- **The presentation by the Commission as soon as possible of measures to effectively protect the European steel industry against unfair competition and global overcapacity** after the expiration of the current safeguards mid-2026. It appears necessary that a new defense mechanism for steel industry takes over from the current safeguard measures, in particular by addressing the shortcomings of the current safeguard, tackling overcapacity and taking into account changes in demand within the EU.

The transition to clean steel production is a necessity for the EU steel industry to remain competitive. Structural measures are needed to give steelmakers clarity and foster decarbonization, such as:

- **Improving the Carbon Border Adjustment Measure (CBAM)** : further work is needed between now and 2026 to tackle the anticipated risks, particularly as regards the risks of carbon leakage, on both the downstream and export sides. In particular, to avoid resource shuffling, default emission values for steel products could be applied as soon as possible.;
- **Ensuring a competitive cost of energy at EU level** for companies in energy-intensive sectors exposed to international competition;
- **Secure access to raw materials** while retaining steel scrap within the EU;
- **Create a framework for the growth of lead markets for green products**, particularly through the demand side, for instance through public procurement, where local content requirements could be analyzed.

As key investments in ambitious decarbonization projects have to be confirmed this year in Europe, thus the signatories Belgium, Luxembourg, Romania, Slovakia, Italy, France and Spain call upon the European Commission to consider their attached proposals.

[Link to the join declaration](#)

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