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EUROPEAN STEEL USERS PROTEST THE NEED FOR EU SAFEGUARDS

A coalition of downstream steel users has called into question the rationale for the European Commission's imposition of definitive steel safeguard measures. The European Commission initiated the safeguard investigation in response to US restrictions on steel and aluminium, with the aim of preventing a surge of steel imports into the EU ('trade deflection'). This procedure has now resulted in the introduction of import tariffs of 25% above the respective Tariff Rate Quotas for the "products concerned". The introduction of these new safeguards will negatively impact Europe's steel-using industries – a major employer within the EU.

The coalition includes the automotive sector, technology industries, home appliance, wind energy and packaging sectors.

With US import data showing a highly limited decrease in imports of roughly 10% for 2018 compared to the same period in 2017, the potential for EU producers to suffer serious injury is minimal. This decrease in US imports amounts to 3 million tonnes of steel, while the EU market is approximately 165 million tonnes in total.

As companies that manufacture in Europe, these steel users fear that any safeguard measures will lead to increased prices and even tighter capacity in the European steel market.

The European Commission has failed to take into account the interest of downstream steel users when it made the proposal to apply definitive measures. Together, the associations represented here employ approximately 20 million people in Europe. The competitiveness of European manufacturing needs to be preserved.

Ends

Orgalime, the European Engineering Industries Association, speaks for 42 trade federations representing the mechanical, electrical, electronic, metalworking & metal articles industries of 23 European countries. The industry employs nearly 11 million people in the EU and in 2016 accounted for some €2,000 billion of output. The industry represents over a quarter of the output of manufactured products and over a third of the manufactured exports of the European Union.

www.orgalime.org

Notes for editors

The signatories to the statement are Orgalime, ACEA, APPLIA, CLEPA, Metal Packaging Europe, and WindEurope.

- Orgalime, the European Technology Industries represents Europe's mechanical, electrical, electronic, metalworking and metal articles industries.
Contact: Eugenia Forcat, Director of Communications eugenia.forcat@orgalime.org. More information: www.orgalime.org | @Orgalime.
- ACEA represents the 15 major Europe-based car, van, truck and bus manufacturers. More information: www.acea.be @ACEA_eu
Contact: Cara McLaughlin, Communications Director cm@acea.be.
- APPLiA is a Brussels-based trade association that represents the home appliance industry in Europe. More information: www.applia-europe.eu | @APPLiA_Europe.
- CLEPA is the European Association of Automotive Suppliers. More information: www.clepa.be | @CLEPA_eu.
- Metal Packaging Europe represents Europe's rigid metal packaging industry.
More information: www.metalpackagingeurope.org | @metal_packaging.
- WindEurope is the voice of the European wind industry. More information: www.windeurope.org | @WindEurope



The European Engineering Industries Association