

EU considers tighter steel import curbs over Trump's new tariffs

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The European Commission is investigating whether to tighten its current system of quotas on steel imports to protect EU producers from new tariffs U.S. President Donald Trump plans to impose on incoming steel and aluminium on March 12.

The European Union has safeguards in the form of tariff-free quotas per quarter and country for various categories of steel dating from 2018. They were designed to prevent a flood of metal exports being diverted from the United States to the bloc following Trump's metals tariffs in his first term.

Trump has said the new 25% steel and aluminium tariffs will apply to all countries, cancelling exemptions and duty-free quotas for major suppliers. The previous tariff for aluminium from 2018 was 10%.



A steel worker in heat protection gear takes a sample of raw iron from Europe's largest furnace with its daily raw iron production of 12,000 tons, at the steel plant of ThyssenKrupp in Duisburg, Germany. REUTERS/Wolfgang Rattay

Leopoldo Rubinacci, deputy director-general for trade at the European Commission, told a hearing at the European Parliament that the EU executive had started a review of the safeguard measures and planned to conclude it by the end of March.

"One question that we have... is that because the scope of the measures on steel and the duties on aluminium are increased whether there is a need to have a new safeguard or look at other means of protecting the market," he told lawmakers.

The European Commission has also said it will look into extending the safeguards, or having an alternative mechanism, beyond mid-2026.

Under World Trade Organization rules, safeguards can only be in place for a maximum of eight years, meaning they will run out during Trump's second term in mid-2026.

The European Commission concluded in 2018 that Trump's steel and aluminium tariffs were a "safeguard in disguise", meaning the United States needed to compensate its trading partners.

"By and large, I do believe that the legal analysis that was made at the time still stands," Rubinacci said.

The EU's response in 2018 was counter-tariffs on U.S. exports, including bourbon and motorcycles. These countermeasures are currently suspended until the end of March.



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