

# WHITEPAPER EU-TARIFFS

replacing the old safeguards



# EU-TARIFFS

planned changes

## Context and goals

- EU trade tariffs for the steel industry
- main goals:
  - regulate / reduce imports into the EU
  - protect EU steel mills against serious damage by global overcapacity and price dumping
  - limit market distortions and trade diversions

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## What are safeguards measures?

- quantity-based import quotas per product group and country of origin
- exceeding the quota leads to tariffs
- previous tariff: 25 %
- temporary measures with regular review

## Planned replacement by EU-tariffs

- replacement of current measures planned
- expected effective date: **July 1<sup>st</sup>, 2026 (earlier enactment in discussion)**
- key elements:
  - reduction of import quotas by approx. ~50 % for most stainless steel product groups seamless and welded tubes, sheets, bars etc.
  - increase tariffs from 25 % to 50 %

## General impact on (stainless) steel imports and market

- significantly lower import volumes and thereby less availability and increased project costs
- massive impact on end users (higher costs, lower security of supply chain)
- competitive disadvantage for the mechanical and plant engineering sector in the EU (engineering companies and contractors from outside of EU could purchase outside EU, i.e. in Asia and build skids that can be imported to EU without safeguard quota and tariffs)
- Thereby risk of mechanical engineering companies relocating from inside to outside of EU
- long-term risk due to lack of regulation of semi-finished and finished products (fittings, skids, equipment)

## Impact on NEUMO's markets and customers

- situation requires a strong cooperation and project planning  
(Note: contact us in time for consulting and to secure your project supply chain and timeline)
- all ASME-BPE tube so Id inside the EU is actually imported from Asia and the US and thereby will be affected from quota system as well from higher tariff
- consequently prices for imported tube is going to increase within the next months
- contractors, OEMs and end users to consider the situation closely and react in time to secure their project timeline and budget
- as sheet material will also show substantial price increase there will also be a cost impact on DIN11866 tubes, DIN11865 fittings and related European standards

## Summary

The planned new EU-tariffs represent a massive tightening of existing trade defense measures and will cause lasting change to the European steel and stainless steel market. While European steel manufacturers will benefit in the short term from reduced imports and higher prices, downstream industries will come under increasing cost and competitive pressure. Without more comprehensive regulation that also covers semi-finished products and steel-containing end products, there is a risk that the measures will besides limiting imports may in the long term further weaken industrial value creation in Europe and promote deindustrialization.