

# Press release

## Swifter and more effective EU emergency measures needed to address the energy crisis and to preserve the European steel industry

**Brussels, 15 September 2022 – The emergency measures presented yesterday by the European Commission are not ambitious nor swift enough to bring down energy prices and to preserve millions of jobs in industrial sectors such as steel that are exposed to fierce global competition. Emergency situations require emergency measures also for industry, warns the European Steel Association.**

“The Commission proposals show limited ambition and scope, as they will not reduce energy prices and costs for the steel industry towards a sustainable level which would keep the sector competitive. The European market is currently being flooded by cheaper imports from third countries that are subject to only a fraction of the energy costs EU steel producers have to bear”, said Axel Eggert, Director General of the European Steel Association (EUROFER).

Reduction of demand, a temporary revenue cap on ‘inframarginal’ electricity producers as well as a temporary solidarity contribution on excess profits generated from activities in the oil and gas sectors, and the expansion of the Energy Prices Toolbox covering SMEs only, fall short of securing affordable energy supplies to energy intensive industries without delay, thus supporting their viability.

“Unfortunately, these measures are unlikely to stop the current trend of production curtailments and temporary lay-offs. Without swift actions, these could become permanent and the EU would jeopardise the resilience of its domestic steel sector, which is a strategic asset for the EU’s own autonomy on which key downstream sectors such as automotive, construction, mechanical engineering, defence, health, sanitary and renewable energy equipment, depend”, stressed Mr. Eggert.

The European steel sector asks for immediate, more ambitious and more industry-targeted measures to bring down energy prices and costs for industries exposed to fierce global competition. “Emergency situations require emergency measures also for industry to preserve millions of jobs in Europe. We stand ready to discuss with EU policymakers with utmost urgency”, he concluded.

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## Notes for editors

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### About the European Steel Association (EUROFER)

EUROFER AISBL is located in Brussels and was founded in 1976. It represents the entirety of steel production in the European Union. EUROFER members are steel companies and national steel federations throughout the EU. The major steel companies and national steel federations in the United Kingdom and Turkey are associate members.

The European Steel Association is recorded in the EU transparency register: 93038071152-83.

### About the European steel industry

The European steel industry is a world leader in innovation and environmental sustainability. It has a turnover of around €125 billion and directly employs around 310,000 highly-skilled people, producing on average 153 million tonnes of steel per year. More than 500 steel production sites across 22 EU Member States provide direct and indirect employment to millions more European citizens. Closely integrated with Europe's manufacturing and construction industries, steel is the backbone for development, growth and employment in Europe.

Steel is the most versatile industrial material in the world. The thousands of different grades and types of steel developed by the industry make the modern world possible. Steel is 100% recyclable and therefore is a fundamental part of the circular economy. As a basic engineering material, steel is also an essential factor in the development and deployment of innovative, CO2-mitigating technologies, improving resource efficiency and fostering sustainable development in Europe.