

# EU proposes 50% steel import tariff

The European Union plans to hike tariffs on its steel imports to 50 per cent, according to a draft proposal seen by *Bloomberg*. The move will align the bloc's rate with the US, which has sought to push back against overcapacity from China.

The EU currently has a temporary mechanism in place to safeguard its steel industry, which imposes a 25 per cent duty on most imports once quotas are exhausted. That mechanism expires in June and the EU has been working to replace it with a more permanent regulation, which it plans to unveil next week.

The European Commission, which handles trade matters for the EU, plans to boost the tariff rate to 50 per cent "to minimise the risk of trade diversion," as per the draft. The higher rate would apply to imports once a certain quota is reached.

The plans outline quotas for specific product types based on historical averages. The commission is seeking powers to set out country-specific quotas for the various thresholds. The measures would be reviewed every five years from July 2031.

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