



EUROPEAN UNION

DELEGATION OF THE EUROPEAN UNION TO AUSTRALIA

Trade and Economic Affairs Section

Canberra, 29 May 2026

Productivity Commission

Email: safeguards@pc.gov.au

Subject: Structural steel safeguards – additional submission by the European Commission following public hearing

We would like to thank the Australian authorities for the opportunity to present the comments with regard to the initiation of the public inquiry into safeguard measures for fabricated structural steel at public hearings on 14 May 2026.

The European Commission (the Commission) has taken on notice the following questions:

1. What is an appropriate period of investigation for this inquiry?
2. What would count as a sufficiently recent, sudden, sharp and significant import increase in the context of this inquiry?
3. Do you have any comments on the scope of the product under investigation, noting in particular that some 10-digit codes in 730890 are not part of this investigation?
4. Do you have any further comments on relevant EU steel trade measures, including whether those measures could be considered unforeseen developments contributing to increased imports into Australia?
5. To what extent have measures in the EU (either direct trade measures or other import, quality assurance or other measures) affected fabricated steel exports to the EU, particularly in light of comments in the submission from Steel Builder Australia?
6. Would you like to share any analysis of the price impacts of the EU's safeguard measures?
7. What matters should the Productivity Commission consider when deciding whether safeguard measures would be in the public interest? How has the European Commission approached similar questions in the past?

The Commission would like to submit the following answers:

1. Normally, an investigation period should cover 3 to 5 years and should end as close as possible to the date of initiation of the investigation. Furthermore, the analysis of import data and serious injury should cover the same period, in order to show that indeed the imports are the cause of the serious injury and not other factors. However, in the current case, the situation of the industry from 2022 to 2024 is stable and rather comfortable with profits increasing significantly (doubling in 2023). A decreasing trend is observed only in 2025, but no import data has been provided for 2025, which strongly points to lack of a causal link.
2. Art 2 of the WTO SFG Agreement provides: “[...] *that such product is being imported into its territory in such increased quantities, absolute or relative to domestic production, and under such conditions as to cause or threaten to cause serious injury*”. In light of this provision, each case has to be analysed on its merits, e.g. in a certain situation a relatively modest increase of imports can cause serious injury, whereas in another situation, a higher increase of imports may not cause serious injury, depending on market dynamics such as e.g. development in demand, level of technological development of the industry, etc.
3. The product scope should normally cover all products and product types, for which, taken as a whole, the criteria are fulfilled (i.e. an increase in imports which is causing serious injury).
4. No further comments.
5. No information available at this point.
6. No information available at this point.
7. When designing a safeguard measure, particular attention should be paid to the impact of any measure on the downstream users of the product concerned. A delicate balanced should be achieved between protecting the domestic industry, while not putting any undue burden on the downstream industry. Such balance can in many cases best be achieved with a tariff rate quota.

Please confirm receipt of this correspondence and advise of any additional procedural requirements necessary to complete the Commission’s submission to the transcript.

e-signed

Joanna Pochtowska

Head of Section - Trade and Economic Affairs