**Elżbieta Bieńkowska,** *Member of the Commission***.** – Mr President, as requested, let me make a statement on behalf of the Commission on the subject of the EU steel sector. First, let me say a few words on the trade defence measures for steel. Over the three-year period from 2013-16, the European steel industry suffered truly severe losses. This was due to the trade spillovers from Chinese overcapacity. But our policy response was swift and comprehensive. In March 2016 we issued a communication laying out a number of measures encompassing, crucially, trade policy. Over the years 2014-18, the EU imposed a really unprecedented number – 25 new measures covering steel products. The aim was to remove the injurious effects of dumped and subsidised imports and restore fair trading conditions. These measures significantly reduced dumped and subsidised imports and protected 216 000 jobs.

The EU took a number of steps to better protect the steel industry in the trade defence domain through import surveillance and accelerated investigations. The opening of the investigations was based on threat of injury, where justified, or the application of definite duties retroactively, where audited. These steps had a significant impact. Steel imports of products covered by measures adopted in the years 2014-17 fell by more than 95% on average compared with the volume of imports before the measures were imposed.

Despite signs of recovery for the steel sector, in part due to the imposition of trade defence measures, the EU steel industry continued to be vulnerable, and in 2018 the industry was confronted with yet another important challenge: the risk of injury stemming from the US Section 232 measures on steel products and the risk of trade diversion. The Commission again reacted swiftly to this challenge by opening a safeguard investigation. Earlier this year, the Commission and EU Member States agreed to put in place definitive safeguard measures, considering the risk of redirecting substantial amounts of imports from other countries, previously destined to the US market, into Europe.

When imposing definite measures, the Commission committed to reassess the situation by July 2019. This was to ensure that their functioning remained adapted to steel market developments and to deal with unforeseen circumstances. The measures consist of a tariff rate quota which de facto limits imports from all countries of origin to the average level of the years 2015-2017. A 25% duty is imposed beyond this and this is a lower level than the high 2018. These measures, imposed until July 2021, allow for imports to continue at their non-injurious level and all of those were largely supported by Member States and industries.

The Commission continues to monitor imports and will consider the need for another review in the future, in the case of changed circumstances, for example, Brexit. The Commission is also tackling the root causes of overcapacity by actively participating in the G20 global forum on steel excess capacity.

In addition, the European partnership on clean steel and low carbon steel making has been proposed under Horizon Europe. This will put additional private and public research and innovation investment to support the development of breakthrough technologies for the production of clean steel. The EU is also supporting the development of clean steel technologies with their research fund for coal and steel.

Let me also mention that under the next Multiannual Financial Framework (MFF), we’ll have Horizon Europe and investEU, both new sources for investment and research in the steel sector.

Through the Strategic Forum on important projects for common European interests, the Commission is identifying the business-critical strategic value chains and defining potential actions and investments from industry and public authorities. This strategic forum has prioritised six key strategic value chains, including the strategic value chain on low CO2 emission industries, and the final report has just been finalised on 6 November.

Finally, the Innovation Fund under the Emissions Trading System (ETS) post-2020 will support big demonstration projects employing breakthrough low carbon technologies and it will cover up to 60% of the relevant cost of the projects.

Let me now move to the labour market. The EU legal framework is there also to protect workers in case of industrial change and disruptions. Several EU directives set requirements for informing and consulting workers in cases of restructuring. It is the responsibility, of course, of the Member States’ authorities to ensure that the national legislation transposing EU directives is applied by the employers concerned. While the Commission has no power to interfere in specific company decisions regarding the restructuring plans, it urges companies to follow good practices on restructuring.

EU funding is also available to support workers. Let me mention, of course, the EU Social Fund, which is used to improve employment opportunities, promote education and lifelong learning and develop active inclusion policies. The very important tool that we have is the European Globalisation Adjustment Fund (EGF) – a key instrument providing support to workers made redundant as a result of major structural changes. The first step to mobilise the EGF is for the Member States concerned to submit an application and the EGF regulation provides for a minimum of 500 redundancies in an enterprise as one of the eligibility criteria to trigger the intervention. In the case of the small labour market or in some exceptional circumstances, derogation from this criteria is always possible.

As you can see, the European Commission has, for a long time, taken a very clear stance to support the competitiveness of the EU’s steel sector. We issued a communication dedicated to the EU steel sector, the so-called Steel Action Plan. We took steps to strengthen EU defence against unfair trading practices.

In conclusion, let me underline that in our renewed industrial policy strategy, we stressed that a robust industrial base is essential for Europe’s economic growth, preservation of sustainable jobs and EU competitiveness in the global market.