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QUESTIONS AND ANSWERS | Jun 30, 2026 | Brussels | 6 min read

Questions and answers on implementing the EU's Steel Regulation: the tariff quota distribution for steel imports

What quotas have been put in place on steel imports into the EU and whom do they concern?

The EU's steel measure, which enters into application on 1 July 2026, reduces duty-free imports of 26 categories of steel products into the EU by an average of 47% as compared with the quotas under steel safeguard. As of 1 July 2026, a total of 18.3 million tonnes of steel will be allowed to enter the EU duty-free each year. Today's implementing regulation sets out the fair and objective methodology under which that quota will be distributed among the EU's trading partners. Out-of-quota imports will be subject to a tariff of 50%.

What kind of methodology did the Commission use to determine the distribution of the steel quota?

The EU's steel quota has been divided amongst the EU's trading partners using a fair and objective methodology in line with criteria laid down in the Steel Regulation. This methodology is in line with WTO rules and acknowledges any agreements in principle reached between the EU and a trading partner at the WTO (under Article XXVIII GATT negotiations). It also distinguishes between FTA and non-FTA partners, ensuring that FTA partners get better treatment in the form of higher quota volume. Finally, the methodology is mindful of diversification and security of supply issues.

How specifically was the quota divided between individual trading partners?

Half of the EU's annual import quota of 18.3 million tonnes – so 9.15 million tonnes – has been distributed exclusively to partners with free trade agreements (FTAs) with the EU, with the remaining half available to all trading partners (including FTA partners) without discrimination.

Of the part available exclusively to FTAs, a larger share are country-specific allocations. These are granted to countries which have historically held at least 5% share of import volumes (based on an average share of imports in the years 2022-2024). The remaining volumes are available for exports from all FTA partners on a competitive basis.

What special considerations have been given to the EU's FTA partners?

The tariff quota distribution aims to minimise the impact of the EU's steel measure on its FTA partners within the limits of the Steel Regulation and without compromising the measure's effectiveness.

Half of the EU's annual import quota has been reserved exclusively for preferential trading (FTA) partners, with the remaining half available to all trading partners – including FTA partners – without discrimination. Moreover, many FTA partners will receive secure country-specific quotas proportionate to their historic import volumes.

Most of the EU's FTA partners will therefore see a market access reduction significantly lower than the average reduction of 47% foreseen by the Steel Regulation.

How are the EU's new steel measure and the specific tariff quota distribution WTO-compatible?

Article 28 of the General Agreement on Tariffs and Trade (GATT) allows a WTO member to modify or withdraw its bound tariff rates. To do so legally, the country must enter negotiations with affected trading partners to offer compensatory adjustments to maintain the overall balance of trade concessions.

Since proposing its steel measure in October 2025, the EU has engaged in constructive Article 28 negotiations with more than twenty trading partners (mostly FTA partners) at the WTO. Based on these discussions, the Commission has sought to cater for FTA partners' main concerns to minimise the impact of the steel measure on them without undermining the measure's effectiveness. A significant number of partners provisionally agreed to their allocated quotas as a result.

Why have the EU's EEA trading partners been excluded from the steel measure?

EEA countries are not subject to tariff quotas or duties under the steel measure. Such a differentiated approach is justified due to their very close and unique level of integration in the EU's internal market.

EEA countries were already excluded from the steel safeguard on the same grounds. Their levels of exports remained stable (and rather limited in volumes) over 8 years. Therefore, the combination of their unique status vis-a-vis the EU, which no other FTA has, and their limited volumes of exports warrant such treatment.

However, to avoid that third country producers attempt to use this exclusion as a loophole in the future, importers of covered steel products from the EEA will need to fulfil melt and pour evidence requirements just as all others concerned.

How does the measure relate to the Windsor Framework solution as regards Northern Ireland?

The Windsor Framework includes a solution for steel of UK origin moving from Great Britain to Northern Ireland, consisting of specific TRQs, for the benefit of the economy of

Northern Ireland.

The Implementing Regulation provides the same TRQs volumes for these movements, in full respect of the commitments under the Windsor Framework.

Won't third countries retaliate against the EU's measure or specific quota distributions?

The EU's steel measure has been prepared in line with WTO rules, and the EU has actively engaged in Article XXVIII GATT discussions with its trading partners in Geneva to ensure that preferential partners could maintain their overall level of concessions. As a result, a significant number of the EU's FTA partners have agreed in principle to their tariff quota allocation.

Ultimately, the only way to avoid this proliferation of unilateral measures is to address the root of overcapacity collectively. The EU remains fully committed to advancing on that objective together with like-minded partners, both bilaterally and collectively in the context of the Global Forum on Steel Excess Capacity (GFSEC).

How will the new quotas interact with existing/future trade defence (TDI) measures on various steel products?

TDI measures such as anti-dumping and countervailing duties apply from the first ton imported. There are several product categories under the scope of the proposal subject to TDI measures. This means that such imports will pay the duties in place under TDI measures and, if they exhaust the tariff quota under the measure, an additional 50% duty would apply.

Why has the EU introduced a measure on steel?

Global overcapacity, often driven by non-market policies and practices, keeps growing relentlessly, and is already at unsustainable levels - currently over 620 million tonnes, estimated to reach 721 million tonnes – more than 5 times the EU's annual steel consumption.

In parallel, a growing number of third countries are closing their markets to imports, often in the form of tariffs. This creates a very big risk of trade diversion into the EU market, in a situation where import penetration in terms of imports' market share remains at historically high levels.

The steel measure entered into force on 1 July 2026 and thus ensures a continued and highly effective level of protection for the EU steel sector following the expiry of the EU's steel safeguard on 30 June 2026.

It is very important to preserve a strong steel industry, securing investments for its successful decarbonisation, and to avoid undermining our strategic autonomy in this key sector.

The Commission remains fully committed to finding a collective solution to the problem of global overcapacity. However, until that materialises, the EU needs to take firm action and with this proposal, it is doing so.

For more information

[Implementing act distributing tariff quotas](#)

[Press release](#)

[Questions and answers on the Commission's plan to protect the EU's steel industry from global overcapacity](#)

Factsheet on steel tariff quota distribution

Steel Regulation

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