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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Steel and Metals Action Plan: emergency measures in support of decarbonisation and prosperity - Presentation (14 November 2025)



Steel and Metals Action Plan: emergency measures in support of decarbonisation and prosperity



Steel and Metals Action Plan

- Steel and metals sectors are **vital for the EU's economic security and social stability**; the Competitiveness Compass identified steel and metals as a key area for action.
- These sectors all share major **common challenges** for their competitiveness: high energy costs, exposure to an unlevel playing field in the international competition, decarbonisation investment needs and regulatory burden.
- It follows **the Clean Industrial Deal** and **the Action Plan for Affordable Energy**, adopted on 26 February, which announced horizontal measures to support competitiveness and reduce energy prices.
- The Clean Industrial Deal is Europe's overall agenda for decarbonisation and competitiveness, but it needs to be complemented with more **sector-specific measures**, especially for the sectors that need it the most, such as automotive (action plan adopted 4 March) and steel and metals (action plan adopted 19 March).
- The Commission received numerous inputs and also consulted other metals industry stakeholders. On 4 March, President Von der Leyen held a **Steel Dialogue**, with representatives of the different parts of the steel value chain (steelmakers, recyclers, off takers, workers and civil society).



Steel and Metals Action Plan – Scope and Key Pillars

- The **scope** of the Steel and Metals Action Plan include **steel, aluminium, copper, nickel** and **ferro-alloys**.
- Steel and Metals Action Plan is structured around six main pillars:
 1. ensuring clean availability and affordable **energy**;
 2. preventing **carbon leakage**;
 3. promoting and protecting European **industrial capacity**;
 4. promoting the **circularity of metals**;
 5. defending quality **industrial jobs**; and
 6. de-risking investments through **lead markets** and **support to investments**.



Steel and Metals Action Plan – Key actions

Ensuring availability and affordability of clean energy

- The Clean Industrial State Aid Framework (CISAF), adopted in June, enables price support for electro-intensive industries and supports the deployment of renewables. Guidance on Contracts for Difference will allow clean electricity to be supplied at predictable cost through Power Purchase Agreements (PPAs). The European Grids Package will accelerate grid access, ensuring secure and efficient energy infrastructure. On hydrogen, the delegated act on low-carbon hydrogen adopted on 8 July 2025 provides regulatory clarity and investment certainty.
- The Commission will also work towards ensuring adequate measures for indirect ETS cost compensation post-2030.

Preventing carbon leakage

- The Omnibus I Regulation simplified CBAM rules with a de minimis threshold.
- The Commission is preparing a legislative proposal to address export-related carbon leakage in CBAM sectors and will present a comprehensive review in Q4 2025, including an anti-circumvention strategy and possible scope extension.



Steel and Metals Action Plan – Key actions

Promoting and protecting European industrial capacities

- The Commission proposed on 7 October 2025 a new long-term trade instrument to succeed the current steel safeguard, introducing 47 % lower quotas and a 50 % out-of-quota duty to ensure effective protection against global overcapacity.
- The proposal integrates a “melted and poured” rule to prevent circumvention and includes the possible review of the lesser-duty rule to reinforce trade-defence effectiveness.

Promoting circularity for metals

- The Commission activated customs surveillance for metal-scrap exports (steel, aluminium, copper) and will continue to monitor trade flows and assess further measures if needed.
- Work is ongoing on recycled-content requirements and the forthcoming Circular Economy Act, aiming to strengthen EU recycling capacity and reduce dependence on primary imports.



Steel and Metals Action Plan – Key actions

Defending quality industrial jobs

- The Action Plan prioritises social fairness through quality industrial jobs, with support from the European Globalisation Adjustment Fund, ESF+, and the Pact for Skills to up- and re-skill workers.
- The European Fair Transition Observatory will monitor impacts on workers and regions; the Commission ensures social partners remain systematically involved in transition policies.

De-risking through lead markets and support to investments

- A 2025 pilot auction under the Innovation Fund will pave the way for the Industrial Decarbonisation Bank, channelling ETS and Innovation Fund resources to steel and metals projects.
- The forthcoming Industrial Accelerator Act will promote “Made in Europe” criteria in public procurement to build lead markets for clean, low-carbon, and resilient industrial products.