

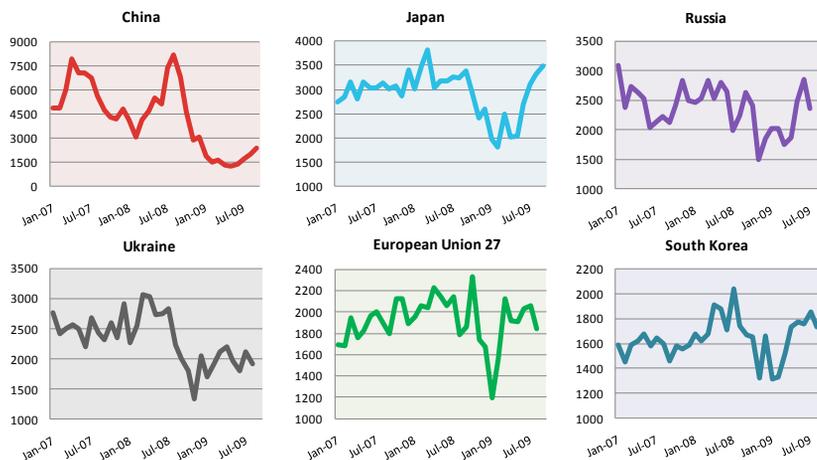


Recent trends in steel trade & related policy measures

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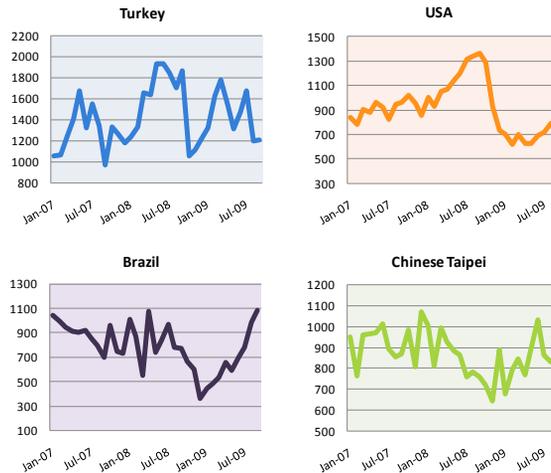
Exports on steel

- Some major steel producers have seen exports recover.
- China and United States have seen shipments stagnate at the low levels of end-2008.



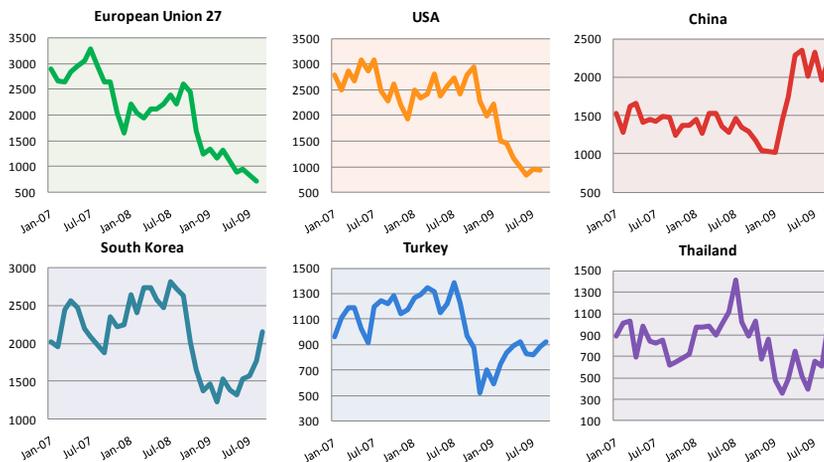


Exports on steel



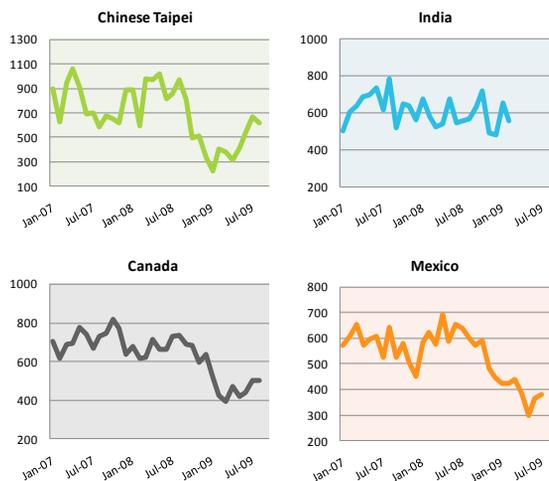
Imports on steel

- EU and North America are experiencing sharp declines in imports.
- Imports are recovering mainly in Asian countries. Chinese imports recently have more than doubled compared to the end of 2008.





Imports on steel



Tariff increases

- Tariff increases have been observed mainly in emerging economies, where steel imports increased rapidly until the first half of 2008 in response to strong demand.

Bangladesh	May. 2009	Impose a 15% value added tax (VAT) on the imports of mild steel wire rods.
Brazil	Jun. 2009	Re-established import taxes on several steel products that have been exempt from tariffs since 2005. (HR&CR flats, Plates, Alloy bars & Re-bars)
Egypt	Feb. 2009	Import tax of 10% with a minimum value, on top of already applicable 5% import duty (CR sheets, galvanized sheets and organic coated sheets). It is reported that it is called a protective tax, or local sales fee, rather than an import duty. (The protective tax was cancelled in Apr 2009.)
India	Nov. 2008	Increase in import duties on a range of iron and steel products from 0 to 5%.
Indonesia	Feb. 2009	Increase of import tariffs on some steel products.
Pakistan	Jul. 2009	Import tariff increase on stainless welded tube from 5 to 15% from July 2009 to June 2010



Tariff increases

Russia	Jan. 2009	Increase of import tariffs on certain steel and steel products for next nine months.
Russia	Jun. 2009	Adding China to a list of importers which are required to pay 8% special duties for exporting large diameter pipes. The duty will be imposed until December 2009.
Turkey	Jan. 2009	Increased import duties by up to 8% on coated and uncoated strip with effect from 1 January 2009 and then reduced on HR coils and CR coils by 4% on 18 September.
UAE	Feb. 2009	The government has reinstated a 5% customs duty on rebar effective from 15 February.
Vietnam	Dec. 2008- Apr. 2009	Increase import tariffs on steel products several times. From 1 Apr, the government imposes 8% import tax on steel billets and CR coils, 13% on metallic and color coated sheets, and 15% on long products. In addition, impose a 10% duty on imports of boron-added long products used for construction purposes.



Non-tariff barriers

- Non-tariff measures have been introduced mainly in Southeast Asian countries, including import licences, pre-shipment inspection and technical regulations.

Argentina	Nov. 2008	Introduction of non-automatic import licensing requirements (affecting only a very narrow product group of steel)
India	Nov. 2008	Introduction of licensing requirements for imports of certain steel products.
India	Feb. 2009	New mandatory product quality certification from the Bureau of Indian Standards for 17 steel imported products. The Government deferred implementation of this regulation by one year on 10 February 2009
Indonesia	Jan. 2009	Introduction of mandatory standards
Indonesia	Jun. 2009	Importers need to apply for certification to bring into the country any of 202 domestically-listed steel items. Prior to importing, importers must file a report to an appointed surveyor with details such as tonnages and the purpose for which the imported steel will be used.



Non-tariff barriers

Israel	Jun. 2009	Introduced \$133/ton “guarantee payment” for rebar imports to the country for a temporary period of 200 days. The deposit is to be paid in case the Ministry of Industry & Trade decides to render the import duty permanent.
Malaysia	Oct. 2009	The government on 13 October reinstated mandatory standards on imports of iron and steel products. The standards will apply to 187 tariff lines.
Philippines	Dec. 2009	The government is all set to implement a pre inspection from the country of origin all bulk and break bulk cargo shipments such as oil, grains and steel among others.
Philippines	Mar. 2010	A mandatory standard, Philippine National Standards (PNS) will be required to import cold rolled sheets. PNS has already been introduced for imported galvanized sheets and bars/wires/sections.
Thailand	Mar. 2009	Introduction of new requirements for approval under domestic product quality standards



Buy local requirements

China	May. 2009	The Chinese government said government procurement must use only Chinese products or services unless they were not available within the country or could not be bought on reasonable commercial or legal terms. The government also said it was launching an investigation in response to complaints from domestic industry associations which accuse local governments of favouring foreign suppliers in procurement related to the country’s stimulus package.
Indonesia	Feb. 2009	Indonesia called for government-financed projects to rely only on locally produced steel products to help boost the domestic steel industry. And private projects are expected to voluntarily choose to buy Indonesian steel as well.
Iran	Mar. 2009	“Buy Iranian steel” government order obliging all Iranian state organizations and companies to buy steel only from domestic producers
United States	Feb. 2009	The American Recovery and Reinvestment Act of 2009 (ARRA) requires the use of US-produced steel, iron and manufactured goods in public works funded by the ARRA, subject to certain exceptions (public interest, non-availability or unreasonable cost). The ARRA requires that this provision be applied in a manner consistent with US obligations under international agreements. Further, Congress has indicated that the “buy American” provision for iron, steel and manufactured goods is not intended to apply to LDCs.



Export-enhancing measures

- India, Saudi Arabia and Vietnam have introduced export-facilitating measures, where export restrictions had been imposed to ease a shortage of steel products before the financial crisis.

India	Nov. 2008	Elimination of export duties on steel products (which were imposed in may 2008)
Saudi Arabia	Jun. 2009	The government has lifted its ban on rebar exports which was imposed in April 2008 in a bid to protect local rebar consumers from rising prices. The government issued a list of guidelines that the mills are required to follow and one of the guidelines is that they should have 10% of their production reserved for the domestic market and the rest they are able to export.
Vietnam	Nov. 2008	The Ministry of Finance has reduced export tax on steel billet stepwise from 20% to 15% and finally to 0 with effect from 7 Nov 2008.



Chinese export policies

- The government had lowered steel export rebate rates and increased export tariffs several times in three years before the financial crisis as well as introduced export licence system.
- Since the crisis, export promotion measures has been re-introduced to support the industry affected by the global market downturn.

1-Apr-05	Semi-finished steel export rebate (13%) abolished
1-May-05	Finished steel (excl. pipes) export rebate cut from 13% to 11%
15-Sep-06	Finished steel (excl. pipes and some high valued products) export rebate cut from 11% to 8%
1-Nov-06	10% semi-finished steel export tax imposed
15-Apr-07	Export rebate on many types of finished steel abolished and reduced it from 8% or 11% to 5% for more high valued products
20-May-07	Steel export licenses imposed on 83 steel products
1-Jun-07	Semi-finished steel export tax increased from 10% to 15%; 10% long products export tax imposed; 5% export tax on some low valued flat products imposed
1-Jul-07	Carbon welded pipe (excl. OCTG) tax rebate reduced to 0%; export rebate on some products such as CRC, galvanized sheet and seamless pipes cut from 13% to 5%
1-Jan-08	Export tax increased: some semi-finished steel from 15% to 25%; some narrow steel strips and long products; from 5% or 10% to 15%. In addition, 15% export tax on some welded pipes imposed
1-Dec-08	Export tax on most flat products, heavy sections, alloy steels and welded pipes removed
1-Jan-09	Automatic Export License System for steel products abolished
1-Apr-09	Export rebate for some steel products increased from 5% to 13%
1-Jun-09	Imposition of export rebate on HRC, plate, sections and some stainless and alloy steel products (9%)
1-Jul-09	Reducing the export tax on some light sections from 10-15% to 5%



Trade remedy measures

- Both developed and developing economies have filed several trade remedy cases.
- China has recently been the subject of many AD/CVD investigations involving welded and seamless pipes and tubes.

Argentina	Nov. 2009	Initiation of AD duty investigations on imports of steel tubes from China
Australia	Dec. 2008	Initiation of antidumping and countervailing duties investigations on imports of hollow sections from China and Malaysia
Canada	Oct. 2009	Provisional AD duties on imports of plate from Ukraine
	Nov. 2009	Provisional countervailing and AD duties on Chinese OCTG.
China	Dec. 2009	Provisional AD duties on imports of GO silicon steel from Russia and US (and countervailing duties on silicon steel from US)
EU	Nov. 2008	Initiation of AD duty investigations on imports of hollow sections from Turkey, Ukraine and Belarus
	Dec. 2008	AD duties on imports of welded tubes and pipes from China, Russia and Belarus
	May. 2009	AD duties on imports of PSC wires from China
	Aug. 2009	AD duties on imports of bars and wire rods from China
	Oct. 2009	AD duties on imports of seamless pipes and tubes from China
India	Apr. 2009	Initiation of safeguard investigation on HR flat products.
	Dec. 2009	AD duties on imports of stainless CR flat products from 7 economies
	Nov. 2008	Initiation of AD duty investigations on imports of HR flat products from 15 economies

Note: Measures appearing in shaded areas are new initiations since October 2008. Measures appearing in white areas were initiated earlier, but duties were applied after October 2008.



Trade remedy measures

Indonesia	Nov. 2008	Initiation of AD duty investigations on imports of plates from China, Chinese Taipei and Malaysia
	Apr. 2009	Initiation of AD duty investigations on imports of HR coil from South Korea and Malaysia
	Jun. 2009	Initiation of AD duty investigations on imports of H- and I-beams from China
Israel	Mar. 2009	Initiation of safeguard investigation on re-bars.
Mexico	May. 2009	Provisional AD duties on imports of carbon steel pipe from UK
	Sep. 2009	Initiation of AD duty investigations on imports of seamless pipe from China
Pakistan	Jul. 2009	Provisional AD duties on imports of Secondary Quality Tinplate from 5 economies
	Sep. 2009	Initiation of AD duty investigations on imports of hot rolled coil from 5 economies
Philippines	Sep. 2009	Imposition of safeguard duty on steel angle bars.
Russia	Dec. 2008	Initiation of AD duty investigations on imports of alloy seamless tube from China
	Mar. 2009	Initiation of AD duty investigations on imports of stainless flat products from 5 economies
	Nov. 2009	Safeguard duty on certain tubes made of corrosion-resistant steel. The decision excludes Belarus and other developing countries enjoying the Russia's system of trade preference (but includes China, Hong Kong, Macao, Chinese Taipei, and Brazil)
United States	Dec. 2008	Imposition of countervailing and AD duties on circular welded carbon quality line pipes from China.
	May. 2009	Imposition of countervailing and AD duties on welded stainless steel pressure pipes from China.
	Mar. 2009	Imposition of countervailing and AD duties on welded stainless steel pressure pipes from China.
	Sep./Nov. 2009	Provisional countervailing and AD duties on Chinese OCTG.
	Oct. 2009	Initiation of countervailing and AD duty investigations on Chinese seamless pipe.