



STEEL TRADE AND TRADE POLICY DEVELOPMENTS: A CLOSER LOOK AT NTMs

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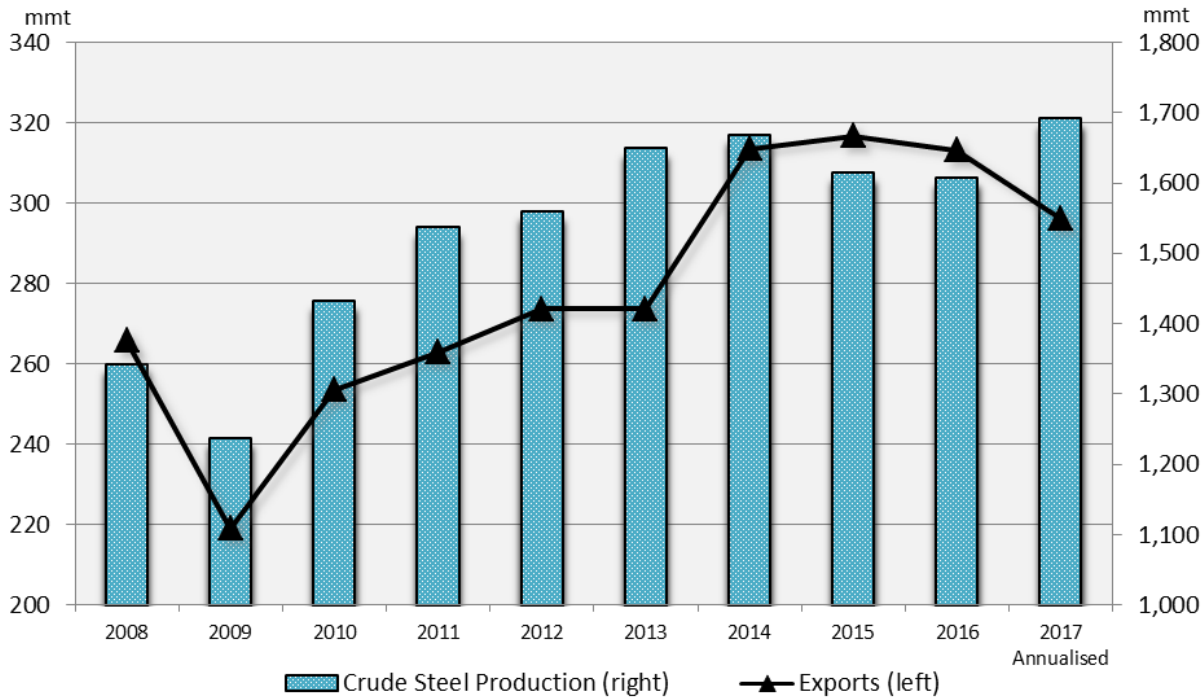


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3. Import tariff measures
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5. Potential trade distortive measures
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1. Steel trade developments: production and exports



- Increased steel production but decreased exports (-14mmt, -6.9%) in 2017 compared to 2016.



1. Steel trade developments: exports by economy (top 5 exporters)

Exporter	2016	2017 Annualised	2016 Jan-Aug(a)	2017 Jan-Aug(b)	Change (b)-(a) Volume	Change (b)-(a) %
China	107,530.7	80,380.2	75,609.2	53,586.8	-22,022.4	-29.1%
(% in world total)	34.2%	27.2%	35.7%	27.2%		
Japan	40,452.0	37,430.7	27,318.0	24,953.8	-2,364.2	-8.7%
(% in world total)	12.9%	12.6%	12.9%	12.6%		
Russia	31,103.7	30,678.4	20,206.6	20,452.3	245.665	1.2%
(% in world total)	9.9%	10.4%	9.5%	10.4%		
Korea	30,504.5	31,769.0	20,065.5	21,179.4	1,113.87	5.6%
(% in world total)	9.7%	10.7%	9.5%	10.7%		
E.U. 28, external trade	29,250.8	29,405.8	19,379.5	19,603.9	224.438	1.2%
(% in world total)	9.3%	9.9%	9.1%	9.9%		
World total	314,312.0	296,021.6	211,951.2	197,347.7	-14,603.5	-6.9%

- Global steel export activity contracted by 6.9% in 2017.



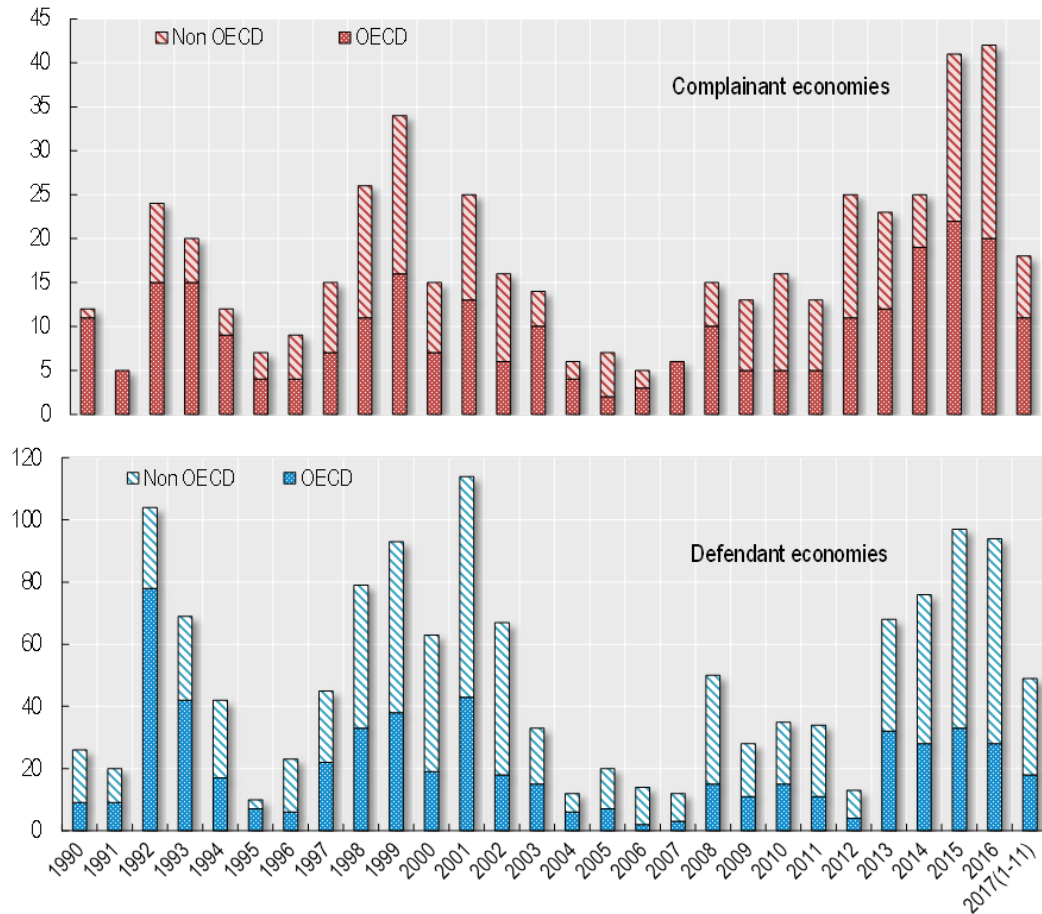
1. Steel trade developments: imports by economy (top 5 importers)

Importer	2016	2017 Annualised	2016 Jan-Aug(a)	2017 Jan-Aug(b)	Change (b)-(a) Volume	Change (b)-(a) %
E.U. 28, external trade	41,008.2	43,294.4	27,000.0	28,862.9	1,862.9	6.9%
(% in world total)	17.2%	18.4%	16.9%	18.4%		
U.S.	29,918.1	35,979.5	19,958.3	23,986.4	4,028.1	20.2%
(% in world total)	12.5%	15.3%	12.5%	15.3%		
Korea	23,168.1	21,060.9	15,881.7	14,040.6	-1,841.1	-11.6%
(% in world total)	9.7%	9.0%	9.9%	9.0%		
Viet Nam	19,500.0	15,585.8	12,277.1	10,390.5	-1,886.6	-15.4%
(% in world total)	8.2%	6.6%	7.7%	6.6%		
Thailand	17,569.2	14,748.0	12,053.6	9,832.0	-2,221.6	-18.4%
(% in world total)	7.4%	6.3%	7.5%	6.3%		
World total	238,540.4	235,153.5	159,680.3	156,769.0	-2,911.3	-1.9%

- World imports slightly decreased by 1.9% in 2017.



2. Trade remedy measures



- Significant decrease in the pace of new trade remedies being introduced in 2017.



3. Import tariff measures

- The report includes an update of recent import tariffs.
- According to WTO Trade Monitoring Database, five measures have been implemented or revised from January to November in 2017.
- Measures differ much from one economy to the other: very broad range of steel products or narrower classification of products.



4. An inventory of non-tariff measures (NTMs)

- The application of non-tariff measures (NTMs) as a means to raise barriers to trade in the steel sector has increased substantially in the last decade.
- Tariff measures are relatively easy to detect and their impacts on trade volumes are quantifiable in a manner which allows comparison.
- NTMs may be more difficult to detect and quantify.



4. An inventory of non-tariff measures (NTMs)

- Five types of NTMs are found to be currently in place in the steel industry.
 1. Import licensing procedures
 2. Technical barriers to trade
 3. Quotas and other quantitative restriction measures
 4. Government procurement restrictions
 5. Export restrictions and export-related measures

Type of measure	#
Import licensing	6
TBT	11
Quotas	3
Gov't procurement restric.	4
Export restrictions	5



5. Potential trade distortive measures

- The report contains also information on **salient potentially trade distortive measures** that are under discussion but have not yet been implemented.

Type of measure	#
Import licensing	1
Quota	2
Subsidy	3



6. Issues for discussion

1. What kind of trade policy practices would require more attention from the Committee?
2. What have been the latest trade policy developments, domestic or foreign, affecting the steelmaking industry in your economy?
3. How can the OECD help delegates to collect information and keep track of recently implemented NTMs in the steel sector?
4. In addition to the proposal above, how can the OECD better contribute to ensuring that trade in steel remains as unrestricted and free of distortions as possible?



Annex 1. Steel trade developments: exports by economy (other top 10 producers)

Exporter	2016	2017 Annualised	2016 Jan-Aug(a)	2017 Jan-Aug(b)	Change (b)-(a) Volume	Change (b)-(a) %
India	9,933.1	15,591.3	10,394.2	5,959.3	4,434.9	74.4%
(% in world total)	3.2%	5.3%	5.3%	2.8%		
U.S.	8,920.0	10,193.8	6,795.8	6,009.6	786.3	13.1%
share in world total	2.8%	3.4%	3.4%	2.8%		
Turkey	15,117.3	16,679.0	11,119.4	10,063.0	1,056.34	10.5%
(% in world total)	4.8%	5.6%	5.6%	4.7%		
Brazil	13,378.4	14,713.3	9,808.9	8,687.3	1,121.57	12.9%
share in world total	4.3%	5.0%	5.0%	4.1%		
Ukraine	18,212.5	15,019.8	10,013.2	12,433.8	-2,420.5	-19.5%
(% in world total)	5.8%	5.1%	5.1%	5.9%		
Taiwan, China	12,219.0	11,979.4	7,986.3	5,082.1	2,904.1	57.1%
(% in world total)	3.9%	4.0%	4.0%	2.4%		
World total	314,312.0	296,021.6	197,347.7	211,951.2	-14,603.5	-6.9%



Annex 1. Steel trade developments: imports by economy (other top 10 producers)

Importer	2016	2017 Annualised	2016 Jan-Aug(a)	2017 Jan-Aug(b)	Change (b)-(a) Volume	Change (b)-(a) %
China	13,466.7	13,526.8	9,017.8	8,903.9	114.0	1.3%
(% in world total)	5.6%	5.8%	5.8%	5.6%		
Japan	5,965.3	6,384.4	4,256.3	3,883.0	373.2	8.8%
(% in world total)	2.5%	2.7%	2.7%	2.4%		
India	9,857.0	8,840.3	5,893.5	7,026.6	-1,133.0	-19.2%
(% in world total)	4.1%	3.8%	3.8%	4.4%		
Russia	4,389.2	6,070.1	4,046.8	2,634.0	1,412.7	34.9%
(% in world total)	1.8%	2.6%	2.6%	1.6%		
Turkey	15,344.4	13,057.6	8,705.1	11,025.3	-2,320.2	-21.0%
(% in world total)	6.4%	5.6%	5.6%	6.9%		
Brazil	1,827.4	2,364.3	1,576.2	929.2	647.0	41.0%
(% in world total)	0.8%	1.0%	1.0%	0.6%		
Indonesia	12,546.9	10,938.2	7,292.1	8,195.1	-903.0	-12.4%
(% in world total)	5.3%	4.7%	4.7%	5.1%		
Mexico	9,579.0	11,025.2	7,350.1	6,123.6	1,226.5	16.7%
(% in world total)	4.0%	4.7%	4.7%	3.8%		
Ukraine	1,127.3	1,318.9	879.3	755.6	123.7	14.1%
(% in world total)	0.5%	0.6%	0.6%	0.5%		
World total	238,540.4	235,153.5	156,769.0	159,680.3	-2,911.3	-1.9%



Annex 2. Compiling an inventory of NTMs

- The classification of NTMs follows the UNCTAD taxonomy, which is based on the UNCTAD Coding System (2012).

Inclusions

- Only NTMs that are or are expected to be currently in force.
- Only measures implemented in 2012 or later.
- Only measures that are specific to the steel sector or to some specific steel product or that cover a narrow range of sectors including the steel sector.

Exclusions

- Subsidies or any other government support measures that are likely to distort international trade are not included in the inventory.
- Trade remedies and import tariffs.

Data sources

- WTO, UNCTAD TRAINS, Metal expert, Metal bulletin, Steel Business Briefing.