Rod processors call on EC to be cautious on trade protection

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Eunirpa, the European association of non-integrated wire rod processors, has called on the European Commission to be wary against any abusive use of trade protection measures by producers' group Eurofer.

"While Eunirpa may understand the desire of the EU steel industry to protect itself against sudden and massive increases of low-priced imports from countries with well-known structural overcapacities, it is very concerned that the current wave of anti-dumping proceedings might mislead the Commission into affording protection against imports of steel products that are not in over-supply in the EU or are supplied by only a handful of suppliers in limited quantities", a spokesperson for the association told Platts.

In particular, Eunirpa cautions the Commission against "being unwittingly led into unduly favoring a limited number of EU integrated steel producers at the expense of a very large number of predominantly small and mid-sized – generally family-owned – non-integrated processors spread throughout the EU that can only survive if they are able to continue to have access to imports and suppliers that are not competing with them on their own downstream output".

According to the association, this is particularly the case of the non-integrated wire rod processing industry which is witnessing tight supply situations in the EU and whose survival depends on having access to wire rod at sufficiently competitive prices to be able to continue to face increasing competition