Eunirpa warns against restrictions on EU rod supply

21/10/2016 - Platts

EUNIRPA warns against restrictions on EU rod supply

The incorrect use of trade barriers could jeopardise the survival of EU steel processors, the newly established European Non-Integrated Wire Rod Processors Association (EUNIRPA), said on Wednesday. In its second meeting, the association expressed its concern about the continued shortage of commercially viable quantities of mesh-grade wire rod in Europe.

As reported, the European Commission has urged member states to strengthen the region's trade defence system to counter the growing threat of unfairly traded imports of steel and other products.

In response, EUNIRPA is calling on governments to take into consideration European non-integrated steel companies, particularly non-integrated wire rod processors, as the misapplication of trade barriers could lead to a small number of rod producers dominating the market, it said.

"Securing sufficient volumes of feedstock from a variety of sources at competitive prices is an essential condition to allow this user industry to survive in this highly competitive market," said Kris Van Ginderdeuren, president of EUNIRPA.

"EUNIRPA is highly concerned about the adverse consequences that a misuse of trade policies could bring to the non-integrated steel industries, and in particular non-integrated wire rod processors, because this could lead to the supplies of raw material being limited to a handful of oligarchic EU producers," he added.

EUNIRPA represents over 50% of European non-integrated wire rod processing companies, covering ten EU member states.

-- Erica Sesay