

EU rod processors speak out on US rod case

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The European Non-Integrated Wire Rod Processors Association (EUNIRPA) has “expressed concern” about a US trade case against wire rod from ten countries.

In a June 8 statement released during a meeting in Lisbon, Portugal, the wire producers group said that US “non-integrated wire rod processors are threatened by this proceeding, because just like in Europe, the majority of [US rod] producers are also vertically integrated”.

US steelmakers filed a wire rod case against ten countries in late March. Three European countries - Italy, Spain and the United Kingdom - were targeted in the case.

Founded in July 2016, EUNIRPA represents independent European wire rod processors who are not affiliated with rod mills.

It has protested EU trade cases in the past, seeking to prevent EU anti-dumping cases against wire rod from Belarus, Russia, Turkey and Ukraine. This is the first time EUNIRPA has commented on an international case.

Belarus, Russia, Turkey and Ukraine are also named in the US trade case. Preliminary dumping margins are due in September.

“The European wire rod market continues to be dominated by a handful of integrated producers which are increasingly aiming at fully controlling the downstream market,” EUNIRPA said in its statement. “As a result, EUNIRPA members are frequently suffering margin squeezes, which are exacerbated by ever increasing imports of finished products from non-European countries.”

US wire rod buyers, especially those not affiliated with US rod mills, have also criticised cheap finished wire imports, and the negative downstream effects of US rod duties. Import market share for wire and wire products has jumped from 33.50% to 70% in recent years, according to industry representatives.

North American rod mills with downstream wire operations include Nucor Corp, Gerdau Long Steel NA, Keystone Consolidated Industries Inc, Charter Manufacturing Co Inc and ArcelorMittal Long Products Canada.

The American Wire Producers Association (AWPA) also opposes the US wire rod case. Four AWPA members and major US rod buyers, who represented more than 1 million tpy of wire rod purchases, testified against rod duties at an April 2017 hearing.

EUNIRPA consists of twelve member companies across seven countries, representing more than 3.8 million tons of wire rod processing capacity.

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