

Leave wire rod out of safeguard investigation, EUNIRPA says

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Wire rod processors have called for the removal of the material from the list of products targeted by the safeguard investigation opened by the European Commission (EC) into imports of steel from non-EU origins.

“The imposition of safeguard measures on imports of this product would only serve to exacerbate the persistent shortages in the market, which we highlighted to the Commission two years ago,” Kris Van Ginderdeuren, president of the European Non-Integrated Wire Rod Processors Association (Eunirpa), said on Wednesday May 9.

The EC launched a safeguard investigation on March 26 into 26 steel product types in an attempt to prevent the redirection of steel in the global export markets away from the United States and into the EU market.

“The European market continues to remain extremely tight, with high prices and low margins for the independent processors represented by Eunirpa,” Van Ginderdeuren added.

The average of Metal Bulletin’s weekly domestic price assessments for mesh-quality wire rod in Northern Europe so far in 2018 is €546-559 per tonne delivered, compared year-on-year with €487-501 per tonne in 2017.

Metal Bulletin’s current weekly domestic price assessment for mesh-quality wire rod in Northern Europe was unchanged over the week at €535-550 (\$636-654) per tonne delivered on May 9, amid low market activity.

The EC’s concerns - that the import tariffs imposed by the administration of US President Donald Trump could divert steel products to the EU - do not apply to wire rod, Eunirpa said.

Measures taken in conjunction with the EU’s own safeguard case against a number of imported steel products will have a negative effect on Europe’s independent distributors, sources told Metal Bulletin in late March.

The volumes of Turkey-origin wire rod imported into the EU amounted to 431,000 tonnes in 2017, up sharply from 207,000 tonnes in 2016, according to official EU trade statistics. Wire rod imports from Russia totaled 338,000 tonnes in 2017, up from 307,000 tonnes in 2016.

Italian producer CB Trafilati Acciai and Hy-Ten of the UK have joined Eunirpa, bringing the association’s membership to 14.

Eunirpa was formed in July 2016 after rumors emerged in April that year that the European steel association, Eurofer, had started to collect evidence about alleged dumping of wire rod from Belarus, Russia, Turkey and Ukraine, and was considering whether to file a complaint with the EC.