

EUNIRPA urges EU to drop rod from safeguard investigation

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The European Non-Integrated Wire Rod Processors Association (Eunirpa) is calling on the European Commission to "immediately remove" wire rod from its safeguard investigation, it said Wednesday.

The association, which is holding its semi-annual conference in Bucharest, told S&P Global Platts that it strongly opposes the inclusion of wire rod in the list of steel products targeted in the safeguard investigation recently initiated by the EC.

The EC announced the investigation in response to US restrictions on steel and aluminum, because it has concerns that the measures imposed by the US could divert steel products to the EU market.

Safeguards are one of trade defense tools recognized as legitimate by the World Trade Organization.

Eunirpa representatives have in recent weeks urged the EC to "proceed cautiously" when it comes to implementing defensive measures that could intensify an ongoing wire rod shortage and exacerbate the margin squeeze that continues to severely affect independent wire rod processors.

"Eunirpa members are unanimously convinced that the risk of diversion of this product is insignificant because of logistics, standards and many other reasons," said Eunirpa President Kris Van Ginderdeuren. "More than ever, Eunirpa advocates a free-trade environment in its industry because it is the only way to maintain value-added downstream processing of wire rod in the EU."

The association argued that, due to ongoing downstream investment in EU mills, there is a limited amount of wire rod available in the European market.

Eunirpa was founded in 2016 in order to give a voice to large rod transformers' issues.