



## Press Release

### As quota dry up, EUNIRPA steps it up.

**Brussels (Belgium), 6 May 2019 – Although EUNIRPA has repeatedly warned that the volumes of the planned quotas for the import of wire rod (Product Category 16) were too limited, the European Commission has taken the decision to impose them anyway, putting non-integrated wire rod processors at an unfair competitive disadvantage as compared to European wire rod producers. *“The future for non-integrated wire rod processors looks very grim,”* says Kris Van Ginderdeuren, President of EUNIRPA. *“The actual safeguard regulation has an unfair discriminatory effect on the non-integrated players. They are now without the proper resources to defend themselves in the market on the merits.”***

Since the imposition of safeguard measures by the European Commission, non-integrated wire rod processors have seen certain quotas vanish at an unprecedented pace. The possibility to import excess country-specific tonnage, i.e. by using 3rd country quotas, only provided temporary relief in the fourth quarter, since this quota ran out in 2 days, leaving a lot of independent processors struggling to find a reliable source of supply.

This new reality has been a wake-up call for a lot of companies who are now looking for support in order to save their businesses. EUNIRPA welcomed two new members, namely Bekaert NV in April 2019 and, last week, Spanish company A. Bianchini Ingenero S.A.

More than ever, EUNIRPA feels the threat of further injury and discrimination, both with respect to the availability of wire rod and to the pressure on margins unduly exerted by vertically-integrated European producers (leading to so-called “margin squeeze”). In the weeks to come, EUNIRPA will fully focus on the possibilities of a review for Product Category 16. A considerably higher quota for wire rod is the only fair decision for the European Commission to take.