

## EUNIRPA to push for review of EU wire rod safeguard quotas

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European wire rod producers are to call on the European Union to review its import safeguard quota for non-alloy and alloy wire rod products, they said this week. “Since the imposition of safeguard measures by the European Commission (EC), non-integrated wire rod processors have seen certain quotas vanish at an unprecedented pace,” the European Non-Integrated Wire Rod Processors Association (Eunirpa) said on Monday May 6.

On February 2, [the EC imposed definitive safeguard measures on a list of imported steel products](#), in the form of tariff rates and quotas that are partly annual and country-specific and partly quarterly and global.

Additional EC steel import quotas for ‘other countries’ became accessible to all countries on April 1. This meant that the unused portion of the other-countries allocation for the period between February 2 and March 31 became accessible to all countries, including those which had used up their country-specific quotas for the period, such as Turkey.

The ‘other-countries’ quota for April 1-June 30, was [set at 74,518 tonnes for non-alloy wire rod](#), but this was fully exhausted by April 2.

“The possibility to import excess country-specific tonnage, ie, by using third country quotas, only provided temporary relief since this quota ran out in two days, leaving a lot of independent processors struggling to find a reliable source of supply,” Eunirpa said. “A considerably higher quota for wire rod is the only fair decision for the European Commission to take,” the association added.

The new EU annual import quota period begins on July 1 and lasts until June 30, 2020, with Turkey-origin non-alloy wire rod - the most popular import source for buyers - holding [an allocation of 312,081 tonnes](#) for the annual period.

However, market participants expect [enough imported wire rod has already been bought to exhaust the entire Turkish quota in the first few days of July](#).

Eunirpa has [frequently raised complaints with the EC](#) over its safeguard measures, and the margin squeeze felt by independent processors when competing against integrated steelmakers, which process wire rod internally to make finished mesh products. Bekaert, the second biggest independent non-integrated wire rod user in the EU, and Spain’s Bianchini Ingegnerio joined Eunirpa in the past two months, the association said.

Fastmarkets’ [weekly domestic price assessment for mesh-quality wire rod in Northern Europe](#) was €525-550 (\$588-616) per tonne delivered on May 1, down from €530-550 per tonne on April 24.

Fastmarkets’ [weekly import price assessment for mesh-quality wire rod for Northern Europe](#) was €500-510 per tonne cfr main ports on May 1, unchanged week on week.