

EU wire rod users condemn EU safeguard review

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Independent European wire rod users say they are "extremely disappointed" after reading the final review proposal from the European Commission on safeguard measures regarding wire rod.

"It is incomprehensible that a European institution such as the Commission does not even bother to look into the specific details of mesh grade wire rod," says Kris van Ginderdeuren of Dutch firm Van Merksteijn. He expresses disappointment also on behalf of Eunirpa, the European Non-Integrated Wire Rod Processors Association, over which he presides. The association in July proposed that the quota for product category 16 should represent the yearly average of the volume of imports of wire rod in 2016-2018, rather than 2015-2017, which increased by 20%, rather than 5%.

"It is now crystal clear that the Commission simply has no clue at all about what is happening in our particular wire sector," van Ginderdeuren tells Kallanish. "It seems like the Commission is giving the integrated mills the red-carpet treatment towards full dominance. We can interpret this as a 'license to kill' the non-integrated mesh makers," he says.

In the reinforcing market, buyers can already feel the consequent rising prices, after barely eight weeks into the new yearly quota. The Turkish quota has already slumped over 60% in volume, and domestic prices are too high to produce profitably, he notes.