

V

(Announcements)

PROCEDURES RELATING TO THE IMPLEMENTATION OF THE COMMON
COMMERCIAL POLICY

EUROPEAN COMMISSION

Notice of initiation of a safeguard investigation concerning imports of steel products

(2018/C 111/10)

The information currently available to the European Commission ('the Commission'), including the surveillance measures in place ⁽¹⁾, has revealed that imports of certain steel products have recently increased sharply, showing that there is sufficient evidence that these trends in imports appear to call for safeguards measures. The Commission has therefore decided to initiate *ex officio* a safeguard investigation, pursuant to Article 5 of Regulation (EU) 2015/478 of the European Parliament and of the Council ⁽²⁾ and Article 3 of Regulation (EU) 2015/755 of the European Parliament and of the Council ⁽³⁾.

1. PRODUCTS UNDER INVESTIGATION

The products subject to this investigation are certain steel products (the 'products concerned'). The products concerned, together with the CN codes within which they are currently classified, are listed in Annex I to this Notice. Those CN codes are given for information purposes only.

2. INCREASE IN IMPORTS AND INJURY

The information currently available to the Commission indicates that total imports of the products concerned increased from 17,8 million tonnes to 29,3 million tonnes in the period 2013-2017. Imports of the products concerned increased by around 65 % between 2013 and 2016. The main increases took place in 2015 and especially in 2016, when they reached 28,6 million tonnes. Imports of the products concerned have remained at a significant level thereafter. In addition, there have been sudden, recent, significant and sharp increases in imports of each of the products concerned in absolute terms. In addition, the Commission also notes that total imports of the products concerned increased in relative terms as well, i.e. from 7,3 % to 11,6 % in terms of production and from 12,2 % to 17,6 % in terms of consumption. In both instances, the increases manifested themselves during the period 2014-2016 after which imports remained at a relatively high level. The increase in imports appear to be the result of unforeseen developments such as the global overcapacity in steel making and trade measures adopted by a series of third countries during the last years in the context of that global overcapacity.

There is also sufficient evidence showing that the volume and the prices of these imports have caused or are threatening to cause significant overall impairment of the position of the Union industry, based on the economic indicators specified in Article 9 of Regulation (EU) 2015/478 and Article 6 of Regulation (EU) 2015/755. In particular, this evidence shows that imports of the products concerned have had, for some categories of products, among other consequences, a negative impact on the market shares of the Union producers. In addition, the import prices were throughout the period lower than the Union industry's sales prices. This has put significant pressure on the Union industry's sales prices resulting in a negative or a low level of profit. For some of the products concerned, even though the financial situation appears to have improved in 2017, they are still in a fragile situation and vulnerable to a further increase in imports, which is likely to be imminent given the context of an overall steel overcapacity, the increasing number of trade defence measures taken by third countries on steel products and the recent Section 232 measures by the United States of America. The investigation will examine the situation of the products concerned, including the situation of each of the product categories individually, also based on the most recent developments, such as any trade diversion resulting from the US measures.

⁽¹⁾ Commission Implementing Regulation (EU) 2016/670 of 28 April 2016 introducing prior Union surveillance of imports of certain iron and steel products originating in certain third countries (OJ L 115, 29.4.2016, p. 37).

⁽²⁾ Regulation (EU) 2015/478 of the European Parliament and of the Council of 11 March 2015 on common rules for imports (OJ L 83, 27.3.2015, p. 16).

⁽³⁾ Regulation (EU) 2015/755 of the European Parliament and of the Council of 29 April 2015 on common rules for imports from certain third countries (OJ L 123, 19.5.2015, p. 33).

3. PROCEDURE

Having determined, after informing the Member States, that there is sufficient evidence to justify the initiation of an investigation, the Commission hereby initiates an investigation pursuant to Article 5 of Regulation (EU) 2015/478 and Article 3 of Regulation (EU) 2015/755.

The investigation will determine whether, as a result of unforeseen developments, the products concerned are being imported into the Union in such greatly increased quantities and/or on such terms or conditions as to cause, or threaten to cause, serious injury to the Union producers of like or directly competing products.

3.1. Written submissions, questionnaire replies and correspondence

In order to obtain the information it deems necessary for its investigation, the Commission will send questionnaires to the known producers of the like or directly competing products and to any known associations of producers, in the Union. The completed questionnaires must reach the Commission within 21 days from the date on which they are sent.

All interested parties including exporting producers, importers and users of the products concerned and their associations are invited to make known their views in writing, submit information and to provide supporting evidence. Representations in a free format should be submitted within 21 days of the date of publication of this Notice in the *Official Journal of the European Union*. Interested parties may make themselves known by contacting the Commission, preferably by email, immediately but no later than 15 days after the publication of this Notice in the *Official Journal of the European Union*, and request a questionnaire. The completed questionnaire should be submitted within 21 days from the date on which they are sent.

Any submission of views and information after the above deadlines may be disregarded.

3.2. Instructions for making written submissions and sending completed questionnaires and correspondence

Information submitted to the Commission shall be free from copyrights. Interested parties, before submitting to the Commission information and/or data which is subject to third party copyrights, must request specific permission to the copyright holder explicitly allowing a) the Commission to use the information and data for the purpose of this trade defence proceeding and b) to provide the information and/or data to interested parties to this investigation in a form that allows them to exercise their rights of defence.

All written submissions, including the information requested in this Notice, completed questionnaires and correspondence provided by interested parties for which confidential treatment is requested shall be labelled 'Limited' ⁽¹⁾. Parties submitting information in the course of this investigation are invited to reason their request for confidential treatment.

In order to ensure adequate right of defence to all interested parties during the investigation, parties providing 'Limited' information are required to furnish non-confidential summaries of it, which will be labelled 'For inspection by interested parties'. These summaries should be sufficiently detailed to permit a reasonable understanding of the substance of the information submitted in confidence. If a party providing confidential information fails to show good cause for a confidential treatment request or does not furnish a non-confidential summary of it in the requested format and quality, such information may be disregarded.

Interested parties are invited to make all submissions and requests by email including scanned powers of attorney and certification sheets, with the exception of voluminous replies which shall be submitted on a CD-ROM or DVD by hand or by registered mail.

By using email, interested parties express their agreement with the rules applicable to electronic submissions contained in the document '**CORRESPONDENCE WITH THE EUROPEAN COMMISSION IN TRADE DEFENCE CASES**' published on the website of the Directorate-General for Trade:

http://trade.ec.europa.eu/doclib/docs/2011/june/tradoc_148003.pdf

⁽¹⁾ A 'Limited' document is a document which is considered confidential pursuant to Article 8 of Regulation (EU) 2015/478, Article 5 of Regulation (EU) 2015/755 and Article 3.2 of the WTO Agreement on Safeguards. It is also a document protected pursuant to Article 4 of Regulation (EC) No 1049/2001 of the European Parliament and of the Council (OJ L 145, 31.5.2001, p. 43).

The interested parties must indicate their name, address, telephone and a valid email address and they should ensure that the provided email address is a functioning official business email which is checked on a daily basis. Once contact details are provided, the Commission will communicate with interested parties by email only, unless they explicitly request to receive all documents from the Commission by another means of communication or unless the nature of the document to be sent requires the use of a registered mail. For further rules and information concerning correspondence with the Commission including principles that apply to submissions by email, interested parties should consult the communication instructions with interested parties referred to above.

Commission address for correspondence:

European Commission
Directorate-General for Trade
Directorate H, Unit H5
Office: CHAR 03/66
1049 Bruxelles/Brussel
BELGIQUE/BELGIË

Email address: TRADE-SAFEGUARD-STEEL@ec.europa.eu

3.3. Hearings

Pursuant to Article 5 of Regulation (EU) 2015/478 and Article 3 of Regulation (EU) 2015/755, all interested parties may also apply to be heard by the Commission within 21 days of the date of publication of this Notice in the *Official Journal of the European Union*.

4. INSPECTION OF INFORMATION

Interested parties who have made known their views or submitted information or requested to be heard in accordance with Article 5 of Regulation (EU) 2015/478 and Article 3 of Regulation (EU) 2015/755, and representatives of the exporting countries, may, upon written request, inspect all information made available to the Commission in connection with the investigation other than internal documents prepared by the authorities of the Union or its Member States, provided that that information is relevant to the presentation of their case and not confidential within the meaning of Article 8 of Regulation (EU) 2015/478 or Article 5 of Regulation (EU) 2015/755, and that it is used by the Commission in the investigation. Interested parties which have come forward may communicate their views on the information in question to the Commission and those views may be taken into consideration where they are supported by sufficient evidence.

5. NON-COOPERATION

In cases where any interested party refuses access to or does not provide the necessary information within the time limits, or significantly impedes the investigation, findings may be made on the basis of facts available, in accordance with Article 5 of Regulation (EU) 2015/478 and Article 3 of Regulation (EU) 2015/755. Where it is found that any interested party has supplied false or misleading information, the information may be disregarded and use may be made of facts available.

6. HEARING OFFICER

Interested parties may request the intervention of the Hearing Officer in trade proceedings. The Hearing Officer acts as an interface between the interested parties and the Commission investigation services. The Hearing Officer reviews requests for access to the file, disputes regarding the confidentiality of documents, requests for extension of time limits and requests by third parties to be heard. The Hearing Officer may organise a hearing with an individual interested party and mediate to ensure that the interested parties' rights of defence are being fully exercised.

A request for a hearing with the Hearing Officer should be made in writing and should specify the reasons for the request. For hearings on issues pertaining to the initial stage of the investigation the request must be submitted within 15 days of the date of publication of this Notice in the *Official Journal of the European Union*.

The Hearing Officer will also provide opportunities for a hearing involving parties to take place which would allow different views to be presented and rebuttal arguments offered on issues pertaining to, among other things, the increase of imports, injury, causal link and Union interest.

For further information and contact details interested parties may consult the Hearing Officer's web pages on DG Trade's website: <http://ec.europa.eu/trade/trade-policy-and-you/contacts/hearing-officer/>

7. SCHEDULE OF THE INVESTIGATION

If the Commission determines that measures are necessary, the Commission shall take the necessary decisions in accordance with Chapter V of Regulations (EU) 2015/478 and (EU) 2015/755 respectively, no later than nine months from the date of initiation, unless exceptional circumstances exist, in which case that time limit may be extended by a maximum period of two months. If the time limit is extended, the Commission will publish a *Notice in the Official Journal of the European Union* setting forth the duration of the extension and a summary of the reasons.

8. PROCESSING OF PERSONAL DATA

Any personal data collected in this investigation will be treated in accordance with Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data ⁽¹⁾.

—

⁽¹⁾ OJ L 8, 12.1.2001, p. 1.

ANNEX

Products Concerned

Product number	Product category	CN Codes
1	Non Alloy and Other Alloy Hot Rolled Sheets and Strips	7208 10 00, 7208 25 00, 7208 26 00, 7208 27 00, 7208 36 00, 7208 37 00, 7208 38 00, 7208 39 00, 7208 40 00, 7208 52 99, 7208 53 90, 7208 54 00, 7211 14 00, 7211 19 00, 7212 60 00, 7225 19 10, 7225 30 10, 7225 30 30, 7225 30 90, 7225 40 15, 7225 40 90, 7226 19 10, 7226 91 20, 7226 91 91, 7226 91 99
2	Non Alloy and Other Alloy Cold Rolled Sheets	7209 15 00, 7209 16 90, 7209 17 90, 7209 18 91, 7209 25 00, 7209 26 90, 7209 27 90, 7209 28 90, 7209 90 20, 7209 90 80, 7211 23 20, 7211 23 30, 7211 23 80, 7211 29 00, 7211 90 20, 7211 90 80, 7225 50 20, 7225 50 80, 7226 20 00, 7226 92 00
3	Electrical Sheets (other than GOES)	7209 16 10, 7209 17 10, 7209 18 10, 7209 26 10, 7209 27 10, 7209 28 10, 7225 19 90, 7226 19 80
4	Metallic Coated Sheets	7210 20 00, 7210 30 00, 7210 41 00, 7210 49 00, 7210 61 00, 7210 69 00, 7210 90 80, 7212 20 00, 7212 30 00, 7212 50 20, 7212 50 30, 7212 50 40, 7212 50 61, 7212 50 69, 7212 50 90, 7225 91 00, 7225 92 00, 7226 99 10, 7226 99 30, 7226 99 70
5	Organic Coated Sheets	7210 70 80, 7212 40 80
6	Tin Mill products	7209 18 99, 7210 11 00, 7210 12 20, 7210 12 80, 7210 50 00, 7210 70 10, 7210 90 40, 7212 10 10, 7212 10 90, 7212 40 20
7	Non Alloy and Other Alloy Quarto Plates	7208 51 20, 7208 51 91, 7208 51 98, 7208 52 91, 7208 90 20, 7208 90 80, 7210 90 30, 7225 40 12, 7225 40 40, 7225 40 60, 7225 99 00
8	Stainless Hot Rolled Sheets and Strips	7219 11 00, 7219 12 10, 7219 12 90, 7219 13 10, 7219 13 90, 7219 14 10, 7219 14 90, 7219 22 10, 7219 22 90, 7219 23 00, 7219 24 00, 7220 11 00, 7220 12 00
9	Stainless Cold Rolled Sheets and Strips	7219 31 00, 7219 32 10, 7219 32 90, 7219 33 10, 7219 33 90, 7219 34 10, 7219 34 90, 7219 35 10, 7219 35 90, 7219 90 20, 7219 90 80, 7220 20 21, 7220 20 29, 7220 20 41, 7220 20 49, 7220 20 81, 7220 20 89, 7220 90 20, 7220 90 80

Product number	Product category	CN Codes
10	Stainless Hot Rolled Quarto Plates	7219 21 10, 7219 21 90
11	Grain-Oriented Electrical Sheet	7225 11 00, 7226 11 00
12	Non Alloy and Other Alloy Merchant Bars and Light Sections	7214 30 00, 7214 91 10, 7214 91 90, 7214 99 31, 7214 99 39, 7214 99 50, 7214 99 71, 7214 99 79, 7214 99 95, 7215 90 00, 7216 10 00, 7216 21 00, 7216 22 00, 7216 40 10, 7216 40 90, 7216 50 10, 7216 50 91, 7216 50 99, 7216 99 00, 7228 10 20, 7228 20 10, 7228 20 91, 7228 30 20, 7228 30 41, 7228 30 49, 7228 30 61, 7228 30 69, 7228 30 70, 7228 30 89, 7228 60 20, 7228 60 80, 7228 70 10, 7228 70 90, 7228 80 00
13	Rebars	7214 20 00, 7214 99 10
14	Stainless Bars and Light Sections	7222 11 11, 7222 11 19, 7222 11 81, 7222 11 89, 7222 19 10, 7222 19 90, 7222 20 11, 7222 20 19, 7222 20 21, 7222 20 29, 7222 20 31, 7222 20 39, 7222 20 81, 7222 20 89, 7222 30 51, 7222 30 91, 7222 30 97, 7222 40 10, 7222 40 50, 7222 40 90
15	Stainless Wire Rod	7221 00 10, 7221 00 90
16	Non Alloy and Other Alloy Wire Rod	7213 10 00, 7213 20 00, 7213 91 10, 7213 91 20, 7213 91 41, 7213 91 49, 7213 91 70, 7213 91 90, 7213 99 10, 7213 99 90, 7227 10 00, 7227 20 00, 7227 90 10, 7227 90 50, 7227 90 95
17	Angles, Shapes and Sections of Iron or Non Alloy Steel	7216 31 10, 7216 31 90, 7216 32 11, 7216 32 19, 7216 32 91, 7216 32 99, 7216 33 10, 7216 33 90
18	Sheet Piling	7301 10 00
19	Railway Material	7302 10 22, 7302 10 28, 7302 10 40, 7302 10 50, 7302 40 00
20	Gas pipes	7306 30 41, 7306 30 49, 7306 30 72, 7306 30 77
21	Hollow sections	7306 61 10, 7306 61 92, 7306 61 99
22	Seamless Stainless Tubes and Pipes	7304 11 00, 7304 22 00, 7304 24 00, 7304 41 00, 7304 49 10, 7304 49 93, 7304 49 95, 7304 49 99

Product number	Product category	CN Codes
23	Bearing Tubes and Pipes	7304 51 12, 7304 51 18, 7304 59 32, 7304 59 38
24	Other Seamless Tubes	7304 19 10, 7304 19 30, 7304 19 90, 7304 23 00, 7304 29 10, 7304 29 30, 7304 29 90, 7304 31 20, 7304 31 80, 7304 39 10, 7304 39 52, 7304 39 58, 7304 39 92, 7304 39 93, 7304 39 98, 7304 51 81, 7304 51 89, 7304 59 10, 7304 59 92, 7304 59 93, 7304 59 99, 7304 90 00,
25	Large welded tubes	7305 11 00, 7305 12 00, 7305 19 00, 7305 20 00, 7305 31 00, 7305 39 00, 7305 90 00
26	Other Welded Pipes	7306 11 10, 7306 11 90, 7306 19 10, 7306 19 90, 7306 21 00, 7306 29 00, 7306 30 11, 7306 30 19, 7306 30 80, 7306 40 20, 7306 40 80, 7306 50 20, 7306 50 80, 7306 69 10, 7306 69 90, 7306 90 00