

EXECUTIVE SUMMARY OF THE ANTI-SUBSIDY COMPLAINT CONCERNING IMPORTS OF HOT-ROLLED FLAT STEEL PRODUCTS (“HRFS”) FROM TURKEY

1. PRODUCT CONCERNED

Product subject to the complaint: The product concerned is defined as certain flat-rolled products of iron, non-alloy steel or other alloy steel, whether or not in coils (including ‘cut-to-length’ and ‘narrow strip’ products), not further worked than hot-rolled, not clad, plated or coated originating in Turkey.¹ The product concerned is currently classified within CN codes 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 10, 7208 52 99, 7208 53 10, 7208 53 90, 7208 54 00, 7211 13 00, 7211 14 00, 7211 19 00, ex 7225 19 10 (TARIC code 7225 19 10 90), 7225 30 90, ex 7225 40 60 (TARIC code 7225 40 60 90), 7225 40 90, ex 7226 19 10 (TARIC code 7226 19 10 90), 7226 91 91 and 7226 91 99. This is the same product scope as AD630 and AD635.

2. CASE SUMMARY

Standing: This complaint is brought by the European Steel Association (“EUROFER”) on behalf of the complainant Union producers of HRFS products, which represent the overwhelming majority (over 80%) of EU HRFS production.

Evidence of Subsidies: The complaint presents clear evidence that the Turkish HRFS industry benefits from Turkish Government subsidies; the subsidies include those prohibited under WTO rules (export subsidies), and countervailable (specific) subsidies.

Injury and causation: The Union HRFS Industry is suffering present material injury, which is due to the subsidized subject imports. The injury resulted from a combination of a surge in subject import volumes from Turkey and very low import prices, which undercut EU producers. The pressure by imports from Turkey left EU producers no choice but to also drop their prices so as not to have plants idle and try to stay competitive. As a result, pressure by subsidized imports led to price suppression, which drove the industry into losses in recent financial quarters. EU producers’ production and sales also suffered as roughly 3,000 workers lost their jobs in the period from 2016 to the IP.

Union interest: The complaint demonstrates that non-imposition of measures will hurt the Union industry, which will continue to suffer material injury by reason of the subject imports. The imposition of moderate anti-subsidy measures should not prevent Turkish imports from entering the EU, and will have a minimal impact on downstream users’ costs.

¹ The product concerned does not include: (i) products of stainless steel and grain-oriented silicon electrical steel; (ii) products of tool steel and high-speed steel; (iii) products, not in coils, without patterns in relief, of a thickness exceeding 10 mm and of a width of 600 mm or more; and (iv) products, not in coils, without patterns in relief, of a thickness of 4,75 mm or more but not exceeding 10 mm and of a width of 2 050 mm or more.

3. INTERESTED PARTIES

Complainants: The Complainants are: Salzgitter AG, ThyssenKrupp Steel Europe AG, ThyssenKrupp Hohenlimburg GmbH, ArcelorMittal, Tata Steel Netherlands, Liberty Steel Group, voestalpine Stahl GmbH, United States Steel Kosice, and Acciaieria Arvedi.

Exporting Producers: The Exporting Producers in Turkey are: Erdemir, Isdemir, Tosyalı, Çolakoğlu, Habaş, and MMK.