Commission Regulation (EU) No 1241/2009 of 16 December 2009 continuing and updating the scope of prior surveillance of imports of certain iron and steel products originating in certain third countries

COMMISSION REGULATION (EU) No 1241/2009

of 16 December 2009

continuing and updating the scope of prior surveillance of imports of certain iron and steel products originating in certain third countries

THE EUROPEAN COMMISSION,

Having regard to the Treaty on European Union and to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EC) No 260/2009 of 26 February 2009 on common rules for imports[(1)], and in particular Article 11 thereof,

Having regard to Council Regulation (EC) No 625/2009 of 7 July 2009 on common rules for imports from certain third countries[(2)] and in particular Article 9 thereof,

After consultations with the Advisory Committee,

Whereas:

(1) By Regulation (EC) No 76/2002[(3)], the Commission introduced prior Community surveillance of imports of certain iron and steel products originating in third countries.

(2) The Union's external trade statistics are not available within the periods established by Commission Regulation (EC) No 1917/2000[(4)].

(3) Although the situation has changed since the introduction of surveillance in 2002, developments in the world steel market continue to require a reliable and quick information system on the future imports of the Union.

(4) The trends of imports of the products currently under surveillance as well as stainless steel flat products and large welded tubes, currently not under the surveillance system, were examined. It was deemed necessary to examine trends for these additional products given the fact that they represent the most value-added products on the market.

(5) In the last years, imports into the EU of those steel products increased substantially (by 40 %) in absolute terms between 2005 and 2008. Even if imports started to decrease since the end of 2008, imports merely followed the drop in demand and, in terms relative to consumption, they remained significant.

(6) Worldwide steel production capacities have grown in 2006-2008 and are expected to continue to grow until 2010. Two-digit capacity growth in the next 2 years is expected in a variety of regions especially in China, India, Brazil and the Middle East. China, the most important country in terms of increasing capacity, represents today about

40 % of the world crude steel making capacity and about three times the EU's yearly consumption of steel.

(7) Given the fact that the EU is an important market for steel in terms of size and price, especially in the context of a strong currency, it is likely that once the market recovers and the demand on the Union market improves, any excess in steel capacity would be re-directed to the EU. In comparison, access to third country markets has been reduced to a various extent recently as countries in several geographical areas (such as Americas, Asia, Middle East) have taken measures to protect or support their steel industry. These measures took different forms, including tariff increases, licensing requirement, buy local requirements, and concern markets with a significant share of the global consumption.

(8) The production of crude steel and stainless steel flat products in the EU reached the highest level in 2007 and 2006 respectively, and then started decreasing in 2008. During the first semester 2009 there was a contraction of 43,2 % compared to the first semester of 2008 as opposed to a contraction in world steel output of 22,4 % during the same period. The crisis has had an impact on all the largest steel producing countries of the EU, and as a reaction steel producers have reduced the number of days of production, thus increasing the idle capacity.

(9) All producers have significantly reduced employment. In June 2009 around 40 % of the work force in the EU steel sector was affected by the economic crises in the form of permanent or temporary lay-offs and short-time working.

(10) On the basis of recent trends in imports of steel products, of the current vulnerable situation of the EU industry, the continuing weak demand on the EU market and of the likelihood that current and future excess capacity would be re-directed to EU if demand would recover, a threat of injury to Union producers pursuant to Article 11 of Regulation (EC) No 260/2009 can therefore be deemed to exist.

(11) Thus, the Union interest requires that imports of certain steel products should continue to be subject to prior surveillance in order to provide advanced statistical information permitting rapid analysis of import trends. Rapid and anticipated trade data is necessary to deal with the vulnerability of the European steel market to sudden changes on world steel markets. This is particularly important in the present crisis situation marked by uncertainties as to whether the demand will structurally pick up and whether the EU industry will actually benefit from it.

(12) Furthermore, in view of the developments on the market of flat stainless steel products and large welded tubes and the situation of the industries at stake, and given that similar steel import monitoring systems include these products, it is appropriate that the scope of this system includes the products listed in Annex I.

(13) Taking into account the developments mentioned above, and taking into consideration that other major steel producing countries such as Canada and the United States of America have recently decided to extend their similar steel import monitoring systems (extended until 31 August 2011 and 21 March 2013, respectively), it is appropriate that this system should continue until 31 December 2012.

(14) In order to minimise unnecessary constraints and not disturb excessively the activities of companies close to the borders, the net weight of imports that are excluded from the application of this Regulation remains at 2 500 kilograms,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 76/2002 is amended as follows:

1. the scope of the prior surveillance shall be extended to the products listed in Annex I;

2. in Article 6 delete ‘31 December 2009’ and substitute with ‘31 December 2012’;

3. the list of competent national authorities shall be replaced by the list in Annex II.

Article 2

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 16 December 2009.

For the Commission

The President

José Manuel BARROSO

Changes to legislation: *There are currently no known outstanding effects for the Commission Regulation (EU) No 1241/2009. (See end of Document for details)*

ANNEX I

List of products to be added to the list of products subject to prior surveillance

7219 11 00
7219 12 10
7219 12 90
7219 13 10
7219 13 90
7219 14 10
7219 14 90
7219 21 10
7219 21 90
7219 22 10
7219 22 90
7219 23 00
7219 24 00
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 11 00
7220 12 00
7220 20 21
7220 20 29
7220 20 41
7220 20 49
7220 20 81
7220 20 89
7220 90 20
7220 90 80
7228 50 20
Complete CN heading 7305

ANNEX II

LISTA DE LAS AUTORIDADES NACIONALES COMPETENTESСПИСЪК НА КОМПЕТЕНТНИТЕ НАЦИОНАЛНИ ОРГАНИSEZNAM PŘÍSLUŠNÝCH VNITROSTÁTNÍCH ORGÁNŮLISTE OVER KOMPETENTE NATIONALE

***Changes to legislation:** There are currently no known outstanding effects for the Commission Regulation (EU) No 1241/2009. (See end of Document for details)*

MYNDIGHEDERLISTE DER ZUSTÄNDIGEN BEHÖRDEN DER MITGLIEDSTAATENPÄDEVATE RIIKLIKE ASUTUSTE NIMEKIRIΔΙΕΥΘΥΝΣΕΙΣ ΤΩΝ ΑΡΧΩΝ ΕΚΔΟΣΗΣ ΑΔΕΙΩΝ ΤΩΝ ΚΡΑΤΩΝ ΜΕΛΩΝLIST OF THE COMPETENT NATIONAL AUTHORITIESLISTE DES AUTORITÉS NATIONALES COMPÉTENTESELENCO DELLE COMPETENTI AUTORITÀ NAZIONALIVALSTU KOMPETENTO IESTAŽU SARAKSTSATSAKINGŲ NACIONALINIŲ INSTITUCIJŲ SĄRAŠASAZ ILLETÉKES NEMZETI HATÓSÁGOK LISTÁJALISTA TAL-AWTORITAJIET KOMPETENTI NAZZJONALILIJST VAN BEVOEGDE NATIONALE INSTANTIESLISTA WŁAŚCIWYCH ORGANÓW KRAJOWYCHLISTA DAS AUTORIDADES NACIONAIS COMPETENTESLISTA AUTORITĂȚILOR NAȚIONALE COMPETENTEZOZNAM PRÍSLUŠNÝCH ŠTÁTNYCH ORGÁNOVSEZNAM PRISTOJNIH NACIONALNIH ORGANOVLUETTELO TOIMIVALTAISISTA KANSALLISISTA VIRANOMAISISTAFÖRTECKNING ÖVER BEHÖRIGA NATIONELLA MYNDIGHETER

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