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Steel trade and trade policy developments (Jan. – Jun. 2023)

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Note by all the European Union Member States of the OECD and the European Union

The Republic of Cyprus is recognised by all members of the United Nations with the exception of Türkiye. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.

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Steel trade and trade policy developments (Jan. – Jun. 2023)

Gianpiero Mattera, Pieter Parmentier, Rodrigo Pazos, Christian Steidl

The global steel trade continues its downward trajectory, marked by a substantial 25.5% decline in volume since 2016. This is attributable to certain countries' growing reliance on domestic production, accelerated capacity investments to mitigate dependency on steel imports, surge in steel-related products and evolving international trade policies. Despite China's noteworthy 18% export surge in 2023, the global steel exports declined due to reduced shipments from India, Russia, and Türkiye. Conversely, ASEAN nations sustained their robust steel import activities. Economic challenges, including persistent inflation and elevated interest rates, act as impediments to steel demand recovery in 2023. While 2024 holds optimistic prospects for Europe and ASEAN, the anticipation of stagnant steel demand in China poses considerable challenges to steel trade. Trade remedy investigations initiated since 2019 indicate a decline in new actions compared to 2020, partly due to the recent downturn in steel trade.

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Executive summary

Steel trade continues to decline. From 2016 to date, steel trade has declined by 25.5% in volume terms. As demand has continued to rise, although at smaller pace in most recent years, this decline in steel trade can be attributed to:

- The **growing reliance on domestic production**: certain countries are increasingly relying on their domestic steel production, reducing the need for international trade.
- **Accelerated capacity investments to substitute imports**: to mitigate dependency on steel imports, countries are ramping up their investments in domestic steelmaking capacity.
- In certain economies, steel products serve as an input for downstream production, resulting in steel being traded through indirect channels. **Over the past five years, there has been a notable surge in the exports of goods reliant on steel, with People's Republic of China (hereafter China) nearly doubling its indirect steel exports in comparison to direct ones.**
- **Implementation of trade policy instruments**: many economies have introduced trade policy measures aimed at addressing unfair imports, further impacting the global steel trade dynamics.

Main findings

- **In the first quarter of 2023, steel exports declined 2.5% compared to the previous year**, despite the significant surge in exports (+18%) from China. The observed decline in steel exports is largely driven by the reduction in outbound shipments from India, Russian Federation (hereafter Russia) and Türkiye.
- On the import side, **shipments towards ASEAN countries remain elevated**: ASEAN countries as a group were the largest importer of steel globally.
- The contraction in steel exports indicates that projections for steel demand in 2023 were too high. **Factors such as persistent high inflation and elevated interest rates are expected to exert constraints on steel demand recovery throughout the year**.
- **The projected slight increase in steel demand in 2024 is underpinned by positive economic prospects in both European and ASEAN countries**, but China's anticipated stagnation in steel demand will weigh on the recovery.
- New work in trade remedy instruments, notably antidumping (AD) and countervailing duties (CVD) applied to steel products allows to better track the history of these measures through their lifespan. Overall, **the number of new remedy investigations is decreasing from 2020 levels, which can be partly explained by the recent decline in steel trade**. An analysis conducted on all measures initiated from 2019 to date reveals that China is by far the most targeted country by these instruments, with a total of 24 AD measures in the period considered.
- New analysis shows that **MFN average duties on steel products from 2015 to 2022 have been reduced from 4.7 to 4.1% globally, although regional disparities remain high**. New tariff developments include an increase in Türkiye's import duties on flat products. On the non-tariff side, South Africa extended its ban on steel scrap which was first introduced in November 2022.
- **Additional steel trade sanctions have been introduced against Russia.** Amongst the most recent developments, the European Union (hereafter EU) introduced new sanction packages that oblige exporters of steel products to prove that the inputs obtained to produce their products do not come from sanctioned economies, while the United States (hereafter US) increased

tariffs against imports of steel from Russia from 35% to 70%. The G7 has established an Enforcement Coordination Mechanism to tackle potential circumvention via third-country trade routes.

1 Introduction[1]

This report aims to deliver current and comprehensive insights into the steel trade and trade policy advancements over the period January to June 2023. The report is structured as follows: Section 2 provides a brief overview of recent developments in global merchandise trade; Section 3 presents the latest updates in steel trade, with a particular focus on providing a detailed breakdown of trade at the product level. Consistent with previous editions of this paper series, Section 4 offers a comprehensive overview of the most notable trade policy actions implemented during the first half of the year. These actions include trade remedy measures, tariff and non-tariff policies, as well as sanctions.

The current paper presents several novel contributions that enhance the understanding of steel trade dynamics. **First**, it introduces a new approach by placing greater emphasis on product-level trade analysis, moving beyond traditional aggregate data (see Box 1). By scrutinising trade patterns at the granular level, the paper unveils hidden insights into specific steel products, offering policymakers a more detailed perspective on trade flows. **Second**, the paper presents an analysis on updated and comprehensive data on antidumping (AD) and countervailing duty (CVD) measures, which builds upon data produced by the Japanese Iron and Steel Federation (JISF).[2] This new dataset will be continuously updated by the Secretariat in order to provide the most up-to-date information on these measures (geographical scope, significant updates, product dimension) and their evolution over time.

Box 1. Beyond the surface: a new trade data infrastructure to better inform policymaking.

The data section of this trade policy paper's edition builds upon a newly developed data infrastructure that aims to boost the ability of the Secretariat to inform delegations with up-to-date granular trade data. The new data infrastructure is built upon detailed trade data at (steel) product level (HS6), which are retrieved from the International Steel Statistical Bureau (ISSB) and UN COMTRADE and processed by the Secretariat on a monthly basis to serve all Steel Committee trade-related work. This comes from the fact that trade developments across steel products are increasingly varied and a more granular approach to trade statistics would help to dive deeper in order to understand the exact dynamics underlying steel trade. Given the importance of improving the timely delivery of trade-related analysis to the Steel Committee, an effort is made to ensure that data are the most updated and precise possible and correctly harmonised across jurisdictions. The objectives of this new data work are manifold:

- A greater focus on product level data permits the elaboration of more detailed analysis, such as exports or imports figures at economy/product level, bilateral analysis at product level, etc.
- Such a level of granularity enables a more precise matching with relevant trade actions affecting steel products. For example, such data can be easily matched with information on an export restriction on specific products, which helps track the evolution of the bilateral trade flow concerned (before and after to the enaction of the measure) and assess the impact of the restriction on trade.

- More granular product level trade data allows a better matching with other important data that are instrumental for a more solid trade policy analysis. For example, trade data at product level can be more easily matched with production and demand data.
- More detailed trade data can help address specific requests from members of the Steel Committee regarding steel trade.

Efforts are also underway to develop a visual platform that will display information from the data infrastructure, along with other relevant statistics. It will be accessible through a link and updated on a quarterly basis so that the Steel Committee members are provided with the most up-to-date information at the time.

This platform is intended to be an interactive tool, in which the user will be able to modify the data filters as desired to produce standardised graphs and tables, including those contained in this document. All the information may be also downloaded in worksheet format to be used as input in related works.

2 Recent trends in global trade

After experiencing a decline over two consecutive quarters, **global merchandise trade** witnessed a significant rebound in the first quarter of 2023, marking a 2% increase compared to the fourth quarter of 2022 (UNCTAD, 2023[1]). This growth was primarily driven by a revival of economic activity in China and a surge in the trade of road vehicles and pharmaceuticals. However, the current projection for the second quarter of 2023 suggests a slowdown in global trade expansion. Recent downward revisions in global economic forecasts, coupled with persisting inflation, financial vulnerabilities, and ongoing conflicts like Russia's war against Ukraine, as well as geopolitical tensions, will pose substantial challenges to international trade in the second part of the year (WTO, 2023[2]).

3 Steel trade developments across products and geographies

Steel trade has been on a persistent downward trajectory, with a notable 25.5% decline in volume since 2016 (Figure 1). Despite this decline, steel demand, measured as apparent steel use (ASU), has continued to rise, albeit at a slower pace in recent years.

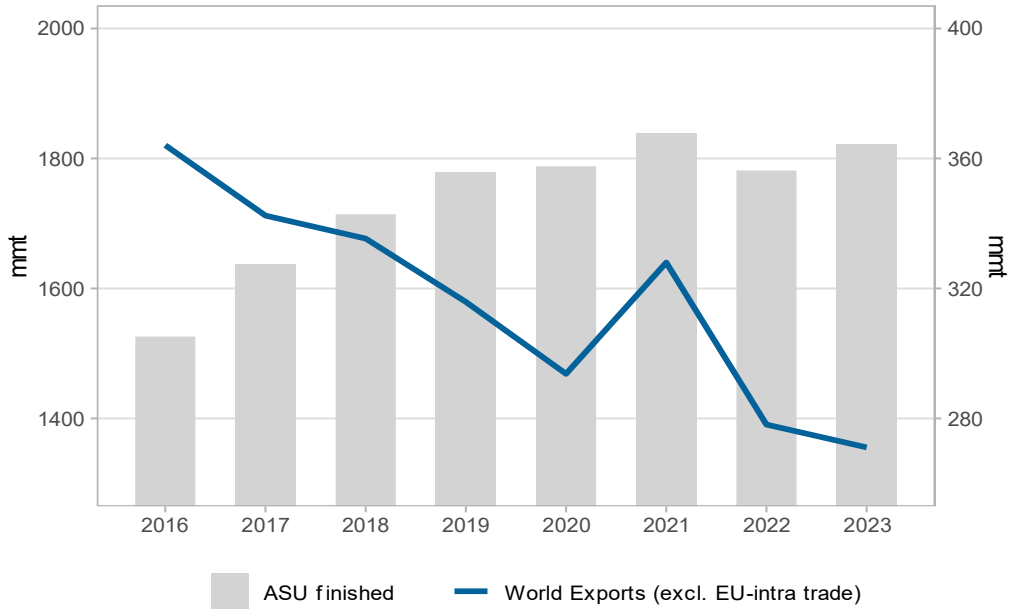
During the first quarter of 2023, there was a decline in steel exports in comparison to the previous year. Total steel exports, excluding intra-EU trade, reached 67.7 million metric tons (mmt), indicating a decrease of 2.5% compared to the 2022 figures. However, when taking into account EU intra-trade, the overall global exports saw a minor reduction of only 0.3%. This suggests a noteworthy recovery in EU domestic trade, which stands in contrast to the trends observed in previous years (Table 1).

The current weakness in exports seems to run counter to the positive steel demand projections for 2023 – see Figure 1. According to worldsteel, there is a projected increase of approximately 1.8% this year, bringing the total steel demand to 1,814.5 mmt. However, factors such as persistent high inflation and elevated interest rates are expected to exert constraints on steel demand recovery throughout year, despite encouraging developments such as Europe's resilience amid the energy crisis, and the easing of supply chain bottlenecks (worldsteel, 2023[3]).

Worldsteel demand projections for 2024 shows a more promising outlook, anticipating a growth of approximately 1.9%. This increase is largely driven by the positive economic prospects in both European and ASEAN countries (respectively 5.8% and 5.2%) whereas China’s anticipated 0% steel demand growth is expected to limit recovery. China’s weak prospects on residential construction will significantly weigh on steel demand recovery in the short and medium term.

In the medium term, regions that are actively pursuing decarbonisation in their economies are expected to experience a further surge in steel demand as steel holds a strategic position as a vital material in facilitating the transition towards a greener economy (see also (EUROFER, 2023[4])).

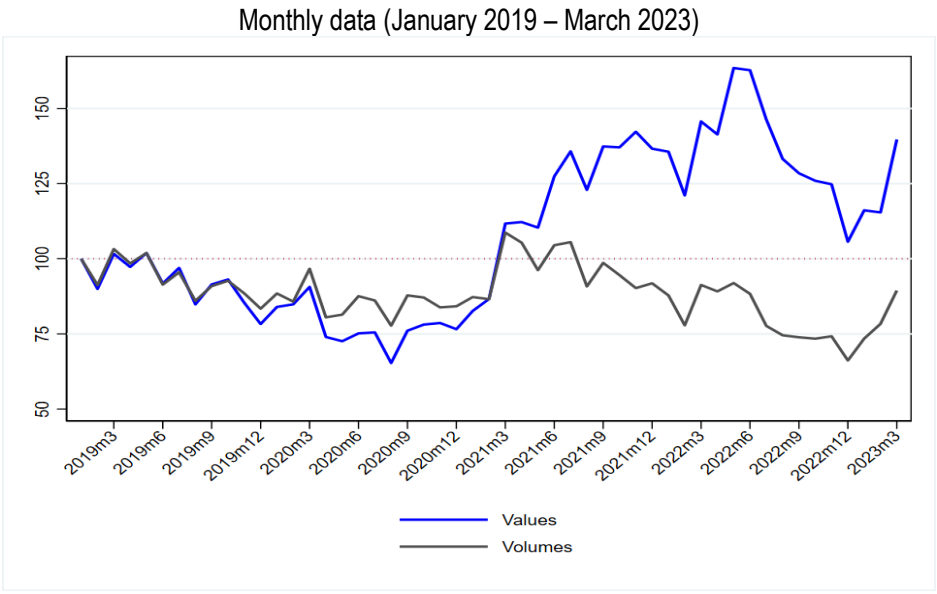
Figure 1. Global steel trade and demand



Note: Blue line (right axis) represents global exports of steel products (including finished and semi-finished products). Gray bars show the evolution of global ASU (left axis). Data in volumes (mmt). World export data for 2023 are annualised figures based on the first quarter of the year.
Source: OECD calculations based on ISSB and worldsteel data.

Inflation, which plagued steel trade during 2021, was somewhat lower in the second half of 2022 and beginning of 2023 when unit prices (ratio between trade values and volumes measured in Euros) have decreased quite substantially (Figure 2). In 2023, both values and volumes started to increase again, with a substantial increase in unit prices observed in March 2023.

Figure 2. Steel trade growth (volumes and values)



Note: Note: this chart reports global steel trade growth in volumes and values. The reference time period is January 2019 = 100. A value of these indexes equal to 150 would indicate that values or volumes have grown by 50% when compared to Jan. 2019 figures.
Source: OECD calculations based on ISSB data.

Geographical trade patterns

Aggregate figures mask mixed performances for the main steelmaking economies. While exports in 2023-Q1 are shown to grow in China, the EU, US, Korea and Brazil, they are shrinking in India, Russia, Türkiye and Chinese Taipei (see Table 1).

East and Southeast Asian economies

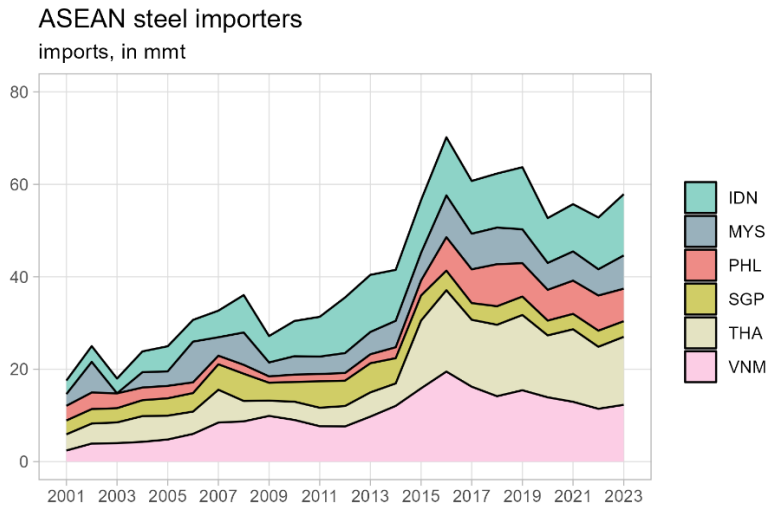
China, the world's largest steel producer, has seen its trade balance in steel products widen significantly so far in the first quarter of the year. Exports are at their highest level since 2016, amounting to 79 mmt in annualised terms (+20% vs 2022), while imports plummeted to 10 mmt from 17 mmt in 2022 (-40%) (see Table 2). Low domestic demand in the construction sector, coupled with a weak RMB, helped to keep down prices of Chinese steel products, which found place in foreign markets, in particular ASEAN countries, that have experienced an increase in steel demand in the first quarter of 2023 (Figure 4)

Looking at the breakdown at product level, the increase in foreign sales is driven mostly by shipments of flat products to Viet Nam, Korea and Thailand, and long products to Korea (Table 11). On the other hand, the contraction in imports is explained by lower inbound shipments of flats from Japan and semi-finished material from Indonesia and Russia. Overall, looking at trade patterns over the period 2020-23, the Chinese trade balance in steel keeps widening from the lows observed in the mid-2020 (see Figure 5).

Japanese exports of steel have remained stable so far this year, while a modest growth in imports has been recorded despite weak demand. A strong decrease in exports of flat products to China (-32% ann. vs 2022) was compensated by higher exports of these products to Korea (+30.7%) and, to a lesser extent, Türkiye (+5.5%) (Table 14).

ASEAN imports of steel remained elevated in 2023. Figure 3 plots the evolution of steel imports (removing intra-trade volumes) for six largest ASEAN steelmaking economies from 2001 to date. After the 2009 financial crisis, ASEAN imports have kept increasing up to reach almost 70 mmt in 2016, with a significant surge attributed to the sharp increase in shipments to Viet Nam and Thailand. Currently, ASEAN imports stand at about 50 mmt in 2023 annualised figures, which means that ASEAN economies as a group are the first importer of steel globally (Figure 4, right panel). Looking at the country breakdown, to the largest importers are Thailand, Viet Nam and Indonesia (14.7, 12.3, and 13.3 mmt respectively).

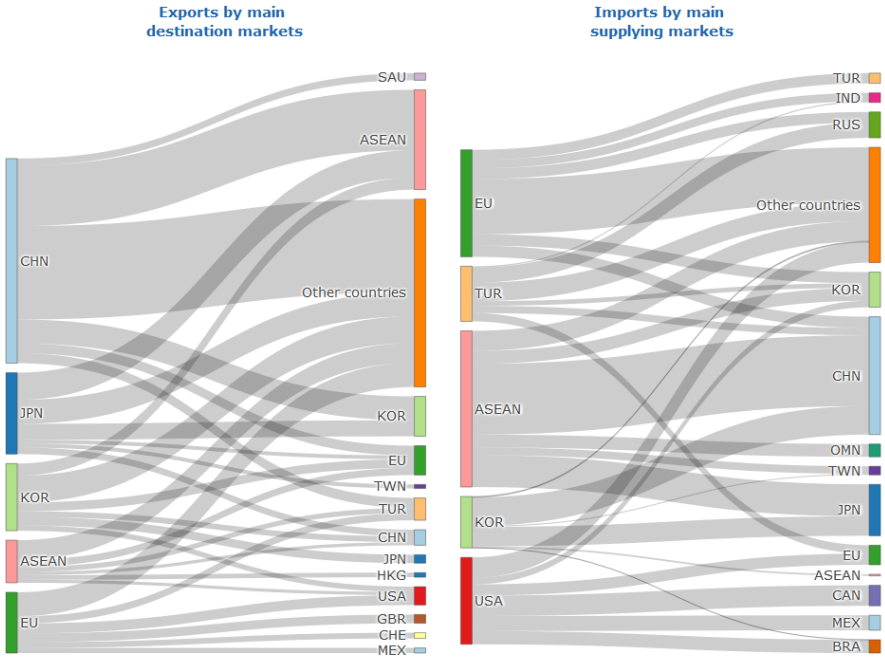
Figure 3. Evolution of steel imports, ASEAN countries



Note: The chart reports imports in volumes (mmt) for selected ASEAN countries. Figures for Viet Nam are obtained as mirror dimension from partner economies.

Figure 4, left panel plots bilateral steel trade volumes for the top five exporters in 2023 Q1 (top exporters are identified on the left of chart – e.g. the first flow identifies Chinese steel exports to Saudi Arabia).[3] A large share of Chinese exports, the largest globally, reaches ASEAN countries. Other top export destination of Chinese steel products are Korea, the EU and Türkiye. A significant share of Chinese exports is shipped to countries not belonging to the major importing economies, which implies that Chinese exports supply a large number of countries. Japan and Korea are respectively the second and the third exporters of steel in 2023 Q1. Both countries export to ASEAN countries and the EU, but they also share significant bilateral trade positions among them: Japanese annualised exports to Korea amount to circa 6 mmt, whereas Japanese imports from Korea amounts to circa 3.3 mmt.

Figure 4. Bilateral steel trade in 2023



Note: Sankey diagrams show the total annualised flows for 2023 of exports (left panel) and imports (right panel) for the top five exporting and importing economies, as appropriate. Flow width corresponds to the annualised tonnage traded between the countries on the left of each panel (reporting economies) and those on the right (destination or supplying markets).
For more detailed information on trade in steel products, see Figure 6.
Source: OECD calculations based on ISSB data.

Europe

In the EU, the steel trade dynamics have seen notable improvements in the first quarter of the year. The growth in steel exports (+3% ann. vs 2022) combined with a substantial contraction in imports (-20%) has resulted in a significant reduction of the steel trade deficit (-10.5 mmt ann. vs. -19.3 mmt in 2022) (see also Figure 5). In the context of a weaker domestic steel demand expected for this year, an important increase of shipments of steel tubes, mostly to Mexico and the US, and semi-finished material to Mexico is evidenced (Table 12). This was compensated by decreased exports of long and flat products to the US and Türkiye. As for imports, there has been a considerable contraction, particularly from Türkiye and Russia, focusing on finished products.

Americas

The US steel market showed a growth in exports (+7.3% ann. vs 2022) combined with a fall in imports (-3% ann.). In a year in which a slight rise in domestic steel demand is expected, foreign sales are growing, mostly to Mexico and Canada, in particular for flat products. The fall in imports was mainly explained by a reduction in inbound shipments of finished products (longs and flats) from the EU27, Mexico and Korea.

For Canada, the steel trade balance is also improving driven by a growth in exports, (mostly driven by an increase in shipments of tubes to the US); and a stronger reduction in imports of finished products from Türkiye, Korea, and EU; and semi-finished materials from South America.

Other major steelmaking economies: India, Russia, Brazil and Türkiye

India has experienced a significant growth in imports, mainly driven by higher inbound shipments of flat products from ASEAN economies and Japan. On the other hand, Indian exports remain low as a result of the export duties on steel products enacted in 2022. Most of the reduction in steel exports is due to the contraction in exports towards EU and Viet Nam.

In Russia, based on mirror information from its trading partners since the country does not publish international trade data, both exports and imports are decreasing markedly. However, a significant growth in sales to Egypt of finished and semi-finished products; and to a lesser extent, Indonesia and Brazil (semi-finished products) is observed.

In the first quarter of 2023, Brazil's exports of steel have seen a notable increase, primarily driven by higher shipments of semi-finished products to the US. Simultaneously, imports have also witnessed growth, with an upswing in purchases of semis from Russia and long products from the EU and China.

In the first quarter of 2023, Türkiye experienced a notable decline in its steel exports compared to the figures in 2022. This reduction has been observed across all major export markets, particularly in the EU, Israel, and Canada. As for imports, the country is substituting shipments of semi-finished goods from Russia and Ukraine with increased shipments from Algeria and Oman.

Table 1. Steel exports, yearly data

2017-23, major steelmaking economies

	2017	2018	2019	2020	2021	2022	2023 (Jan-Mar)	2023 (ann.)	Change 2022-23 (%)
CHN	74,489	68,378	63,295	52,707	65,817	67,580	19,928	79,711	17.95%
EU27	34,490	33,121	33,149	25,384	25,755	22,785	5,916	23,664	3.86%
IND	15,993	10,728	13,032	17,102	19,927	11,614	2,685	10,739	-7.54%
JPN	37,424	35,792	33,080	31,039	33,730	31,707	7,926	31,705	-0.01%
USA	10,133	8,534	7,195	6,536	8,080	8,248	2,213	8,851	7.31%
RUS	31,151	33,333	29,453	28,652	32,546	17,832	3,384	13,535	-24.10%
KOR	31,276	29,977	29,911	28,514	26,700	25,391	6,538	26,150	2.99%
TUR	16,272	19,759	19,618	18,563	21,921	17,418	2,670	10,682	-38.67%
BRA	15,305	13,906	12,719	10,704	11,480	12,095	3,310	13,241	9.47%
TWN	12,117	12,285	11,234	10,558	10,796	9,874	2,316	9,264	-6.18%
MEX	5,121	5,773	5,096	5,143	5,882	6,505	742	2,969	-54.35%
IDN	2,420	3,784	4,231	5,793	9,837	9,191	2,081	8,324	-9.43%
CAN	6,482	6,435	5,686	5,141	7,539	6,587	1,713	6,851	4.00%

MYS	1,709	1,679	5,147	8,474	8,297	7,113	1,667	6,669	-6.24%
EGY	1,476	1,453	1,162	2,009	1,990	1,287	404	1,617	25.70%
SAU	1,137	3,115	2,493	1,302	1,522	1,083	198	794	-26.70%
UKR	15,221	15,079	15,555	15,205	15,699	4,785	508	2,030	-57.57%
GBR	4,687	4,588	4,085	4,399	3,427	3,370	817	3,267	-3.06%
WLD	**449,778**	**443,832**	**418,715**	**385,436**	**434,471**	**376,662**	**93,864**	**375,457**	**-0.32%**
WLD_EIT	**342,416**	**335,342**	**315,861**	**293,737**	**327,975**	**278,122**	**67,777**	**271,109**	**-2.52%**

Notes: All values are expressed in thousands of metric tonnes. The column labelled "2023 (Jan-Mar)" presents actual trade data for the period spanning from January to March 2023. The column labelled "2023 (Ann)" features annualised trade data for the year 2023, enabling comparisons with data from previous years. Notably, "EU27 data" specifically pertains to external trade.
The annualisation applied to the 2023 data is an approximation achieved by multiplying the January to March figures by 12/3. This method aims to facilitate year-to-year comparisons. However, it is important to acknowledge that import and export numbers often exhibit monthly variations and seasonal patterns. Consequently, annualised Jan.-Mar. 2023 data may not accurately represent the entirety of 2023.
Source: OECD calculations based on ISSB data.

Table 2. Steel imports, yearly data

2017-23, major steelmaking economies

	2017	2018	2019	2020	2021	2022	2023 (Jan-Mar)	2023 (ann.)	Change 2022-23 (%)
CHN	13,816	14,244	15,405	38,623	27,738	16,969	2,529	10,117	-40.38%
EU	42,415	46,654	41,442	34,481	45,676	42,122	8,545	34,182	-18.85%
IND	8,850	8,974	8,879	5,283	5,847	6,850	2,100	8,398	22.60%
JPN	6,190	5,997	6,415	5,174	5,427	5,287	1,367	5,467	3.41%
USA	35,146	31,506	26,906	19,972	29,319	28,653	6,943	27,773	-3.07%
RUS	6,466	6,339	6,782	4,998	4,924	1,198	258	1,033	-13.79%
KOR	19,249	14,857	16,282	11,913	13,989	13,593	4,109	16,437	20.92%
TUR	15,799	14,034	12,344	12,940	16,136	15,815	4,401	17,605	11.32%
BRA	2,282	2,346	2,306	1,995	4,885	3,269	1,017	4,069	24.48%
TWN	7,425	7,694	7,303	7,405	9,551	7,099	1,684	6,736	-5.11%
MEX	11,495	10,902	11,453	9,905	14,492	10,778	3,870	15,480	43.63%
IDN	11,411	11,691	13,432	9,703	10,227	11,198	3,314	13,257	18.39%
CAN	8,809	9,110	7,249	6,932	9,866	9,404	1,874	7,495	-20.30%
MYS	7,713	7,922	7,339	5,818	6,319	5,679	1,799	7,197	26.72%
EGY	1,638	420	591	192	1,238	2,841	498	1,990	-29.95%
SAU	4,599	5,319	7,918	7,025	3,863	4,909	1,275	5,099	3.87%
UKR	1,399	1,578	1,532	1,313	1,260	664	187	750	12.95%
PAK	3,365	3,577	2,684	2,624	3,393	2,314	374	1,498	-35.28%
GBR	7,583	7,803	7,031	4,938	6,397	5,504	1,194	4,776	-13.23%
WLD	**381,613**	**377,979**	**362,041**	**332,570**	**384,353**	**342,380**	**84,375**	**337,499**	**-1.43%**
WLD_EIT	**276,843**	**270,563**	**259,074**	**240,499**	**277,312**	**243,899**	**59,447**	**237,787**	**-2.51%**

Note: All values are expressed in thousands of metric tonnes. The column labeled "2023 (Jan-Mar)" presents actual trade data for the period spanning from January to March 2023. The column labeled "2023 (Ann)" features annualised trade data for the year 2023, enabling comparisons with data from previous years. Notably, "EU27 data" specifically pertains to external trade.

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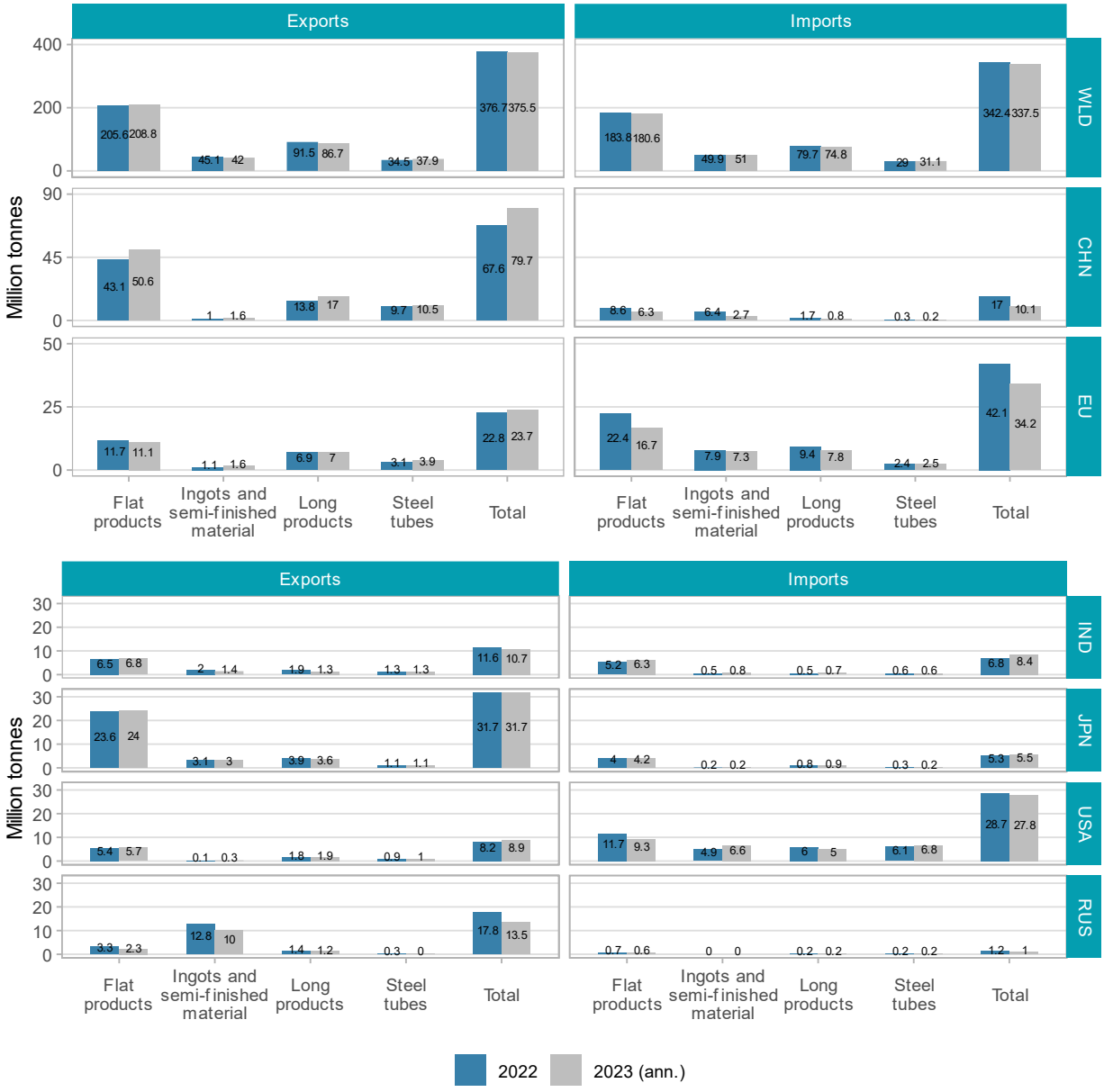
Source: OECD calculations based on ISSB data.

Figure 5. Steel trade balances

Notes: Volumes (mmt) grouped at quarter level. EU27 data refer to external trade.
Source: Data obtained from ISSB. OECD calculations.

Figure 6. Steel exports and imports by product categories



Note: Data for 2023 (ann,) includes 2023 annualised trade data to make comparison with other years feasible. EU27 data refer to external trade.
Source: Data obtained from ISSB. OECD calculations.

Indirect steel trade

While an analysis of trade in steel products is insightful, it does not account for another interesting dimension of steel trade. Industrial steel is mostly used as an input either for infrastructure or for other tradable products. When products that contain a significant amount of steel are imported or exported, we can consider this as "indirect" steel trade. Indirect steel trade might have significant impacts on domestic market outcomes: for example upward shifts in exports of steel-intensive products are likely to bolster the domestic demand for steel, while imports of steel-intensive products may concurrently diminish the demand for domestically manufactured steel. This is an important dimension in the global discussion on

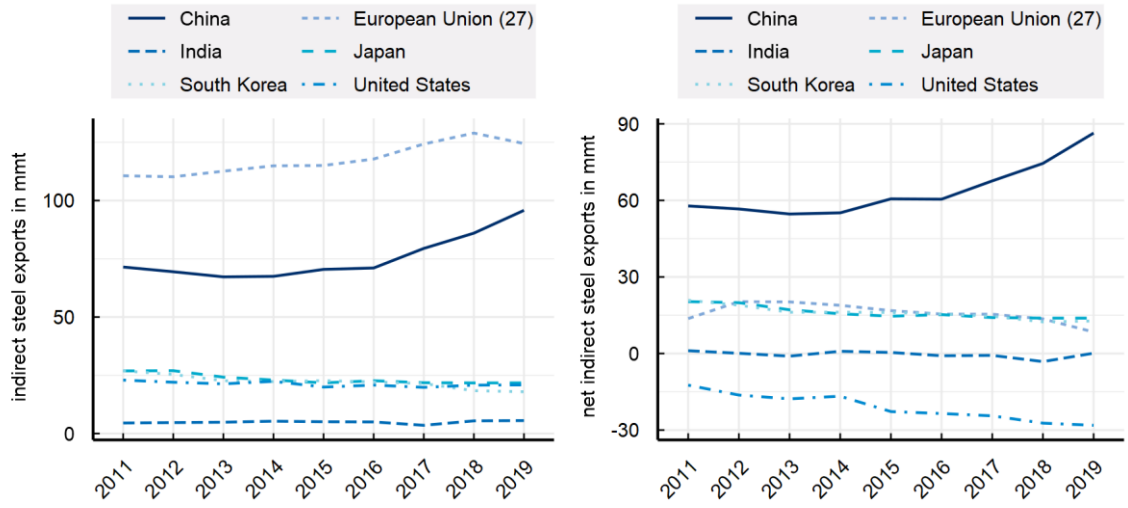
excess steelmaking capacity since it is conceivable that the resulting excess production may not only be exported in the form of steel but also in steel intensive products. Relatedly, the question might arise whether domestic overcapacity in steel making could constitute indirect support to domestic producers of steel-intensive goods.

Depending on which jurisdiction is considered, indirect steel trade can be sizeable. For example, in 2019 China exported about 63 mmt of steel products (see previous section), but around 96 mmt of steel embodied in steel intensive products, according to worldsteel (2022[5])[4]. The EU exported more indirect steel with 125 mmt, but this is because intra-regional trade is included in this data. When considering net exports, i.e., the difference between exports and imports, China exported almost 90 mmt of indirect steel (compared to about 48 mmt in direct steel exports). This number has been increasing steadily for China in the second half of the last decade, while it remained stable for other major steel-making economies such as India, Japan, and the EU, while decreasing for Korea and the US (Figure 7 left).

Interestingly, Chinese indirect steel exports started to increase rapidly in 2017, when Chinese steel direct exports reduced quite significantly. This suggests that a substitution effect along the Chinese steel value chain might have taken place, with lower value added steel products that have progressively entered domestic downstream industries as inputs and then exported as final (high) value-added products.

Figure 7. Indirect steel exports from selected economies

Left: Indirect steel exports from selected economies
Right: Net indirect steel exports from selected economies



Note: worldsteel considers the following categories to contain steel intensive products, which are then used to calculate indirect steel trade: Metal products, mechanical machinery, electrical equipment, domestic appliances, automotive and other transport (worldsteel, 2021[6]). Numbers for EU include intra-regional trade.
Source: (Indirect) net steel exports from worldsteel.

Since information on indirect steel trade is not available from customs data, one is required to use data on trade in steel intensive products and estimate the amount (in tons) of steel necessary to produce one ton of steel intensive product (worldsteel, 2012[7]).[5] While steel is used in many product categories in one way or another, there are some that can be considered as especially steel intensive. Worldsteel has outlined several categories in that regard, which could roughly be mapped to HS chapters as follows: vehicles (87), other transport (86, 88, 89), mechanical machinery (84), electrical equipment (85), domestic appliances (82), other metal products (83, parts of 73) (2011[8]; 2015[9]).

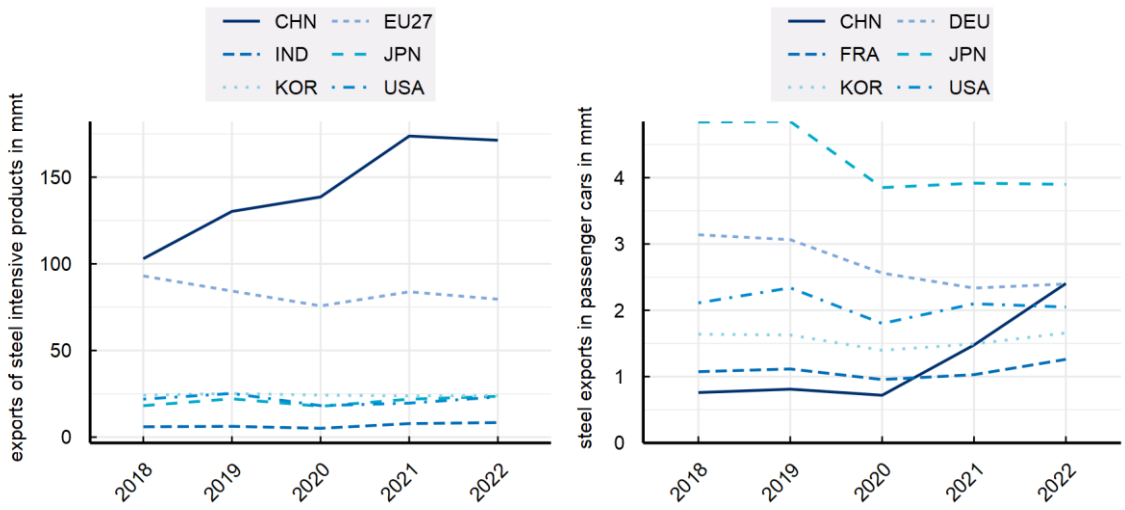
Analysing recent trade data shows that China's exports of those steel intensive products increased significantly in volume terms over the last five years, while it decreased for the EU (in contrast to above measured without intra-regional trade) (Figure 8, left).[6]

In order to illustrate this on a specific product category, one can for instance focus on car exports. China has recently made headlines as its exports of passenger vehicles have increased significantly to around 2.5 million in 2022[7] and are poised to rise further in 2023. Together with the information from worldsteel that around 900 kg of steel are required for every car, this represents exports of an equivalent of approximately 2.25 mmt of steel embodied in cars. Alternatively, using the weight of exported passenger cars and assuming 80% steel content gives a slightly higher estimate.[8] Regardless of the precise method used, however, China seems to have overtaken many other major car producers in terms of steel content exported (Figure 8, right).

Despite the mentioned uncertainty of the final estimates of indirect steel trade, an analysis of steel intensive products can be very insightful. At the very least, a supply chain perspective can provide a more holistic picture of steel use and trade of steel intensive products, and might be informative to the respective (downstream) industries.

Figure 8. Examples of steel intensive product exports

Left: Exports of steel intensive products from selected economies
Right: Steel trade embodied in passenger vehicles exported from selected economies



Note: The following HS chapters have been used for the rough categories displayed: vehicles (87), other transport (86, 88, 89), mechanical machinery (84), electrical equipment (85), domestic appliances (82), other metal products (83). This categorisation tries to follow the worldsteel labels used in the "Indirect trade in steel" REFERENCE. Passenger cars in the right hand graph refers to HS codes 8703, without 870310. Calculation of steel content is done by multiplying exported units with 0.9 tons/unit.
Source: UN COMTRADE, OECD calculations.

4 Steel trade-related policy actions

This section presents a comprehensive overview of recent trade policy measures impacting the steel industry and its related products. These include an assessment of recent trade remedy actions, namely AD, CVD, and safeguards (SG), an update of newly installed tariff and non-tariff measures, and the latest steel-related sanctions installed vis-à-vis imports from Russia.

Many recent developments in the context of trade policy revolve on issues such as carbon taxation and finding effective strategies to handle imports with high carbon footprints from nations with less stringent carbon-related policies in place. As these policies often entail the risk of carbon leakage, Box 2 provides a summary of the most recent initiatives that certain governments have undertaken to counter this risk.

Box 2. Initiatives aimed at countering the risk of carbon leakage

Countries possess a range of initiatives at their disposal to fulfil their commitments under the Paris Agreement (2015). While carefully considering their options, many countries are apprehensive that implementing more stringent domestic measures to address greenhouse gas (GHG) emissions might lead to the relocation of industrial activities to countries with less stringent climate change regulations. Consequently, the intended reduction of GHG emissions envisioned by domestic legislation could be undermined by a net loss in domestic industrial production and an increase in emissions elsewhere in the world.

These concerns are particularly relevant for the steel sector, provided that the sector remains responsible for 7-8% of the world's energy sector carbon emissions, 14.7% of crude steel is traded, and because of the lessons from past examples about the social and economic impact of industrial restructurings on local communities following the relocation of industrial activities. Therefore, countries will need to balance their climate commitments with other policy objectives such as supporting a level playing field and addressing trade distortions.

Many countries are considering which climate policies could be most effective at countering carbon leakage. Despite some progress, current climate policies fall short of meeting the Paris Agreement goals, and variation in policy approaches across countries hinder policy assessment and comparison. These gaps across policies can amplify concerns over competitiveness losses and/or carbon leakage undermining trust and raising the risks of implementation slippage and free-riding (OECD/IMF, 2022[10]).

An example of initiatives proposed over the last decade, are border carbon adjustment (BCA) measures. BCA measures are policy instruments that can potentially reduce carbon leakage while promoting greener production, improve international competition and enable fairer trade (OECD, 2020[11]). The most common BCA instruments levy a tax, or require an equivalent purchase of carbon emission allowances, on the import of carbon intensive products. While BCAs have been discussed for several decades, their relevance significantly increased in recent years, particularly in light of the EU's Carbon Border Adjustment Mechanism (CBAM) (European Commission, 2023[12]). Many other

jurisdictions such as Australia, Canada, and the United Kingdom are equally considering adopting a carbon border mechanism.

The EU's CBAM was formally adopted in May 2023[9] and is part of the EU's 'Fit for 55' package to reduce its 1990 levels of emissions by 2030 by 55%.[10] The measure aims to extend the carbon price that European producers must pay in the context of the European Emission Trading Scheme (ETS) to third nations. The CBAM applies to a limited subset of sectors and/or products, of which the steel sector[11] represents the highest overall share of GHG emissions.

Looking more broadly at the design of BCAs, a recent IMF-OECD report reviews different types of BCAs and concludes that the implementation of BCAs involves trade-offs between effectiveness at addressing competitiveness and leakage, administrative complexity, and potential legal risks. However, BCAs seem more promising to meet ambitious climate goals as "commonly implemented tools – such as free allocation of permits in emissions trading systems – may imply a lower level of domestic climate ambition and are often incompatible with ambitious long-term climate objectives" (IMF/OECD, 2021[13]).

While the EU CBAM seeks to address carbon leakage through border measures, the US Inflation Reduction Act (hereafter IRA) adopted in August 2022 seeks to achieve climate goals, including reducing greenhouse gas emissions, by incentivising clean energy technologies and climate solutions such as clean vehicles through certain tax credits. Since adoption, the US Government has worked intensively to implement these incentives, including by issuing requests for public comments and guidance documents. More broadly, IRA is a complex package that includes measures on a variety of topics, such as inflation, climate, healthcare, and taxes (US Congress, 2022[14]). The OECD, through the establishment of the Inclusive Forum on Carbon Mitigation Approaches (IFCMA), is committed to supporting governments to better coordinate emission reduction efforts through better data and information sharing, evidence-based mutual learning and inclusive multilateral dialogue including by mapping mitigation policies aimed at reducing carbon leakage and other risks (OECD, 2023[15]).

Trade remedy actions

The most recent report from the WTO on trade remedies shows that the total number of new trade remedy cases that initiated by G20 economies across sectors significantly decreased from 172 in 2021 to 100 in 2022 (42% decrease). The total number of measures that were actually applied by these economies in 2022 even declined by 63%, compared to 2021.[12] This section narrows down the analysis to the steel sector and provides insights about the latest updates on AD, CVD and safeguard measures.

Antidumping and countervailing duties

Anti-dumping and countervailing duties are frequently deployed in the steel sector. According to the WTO, the basic metals (which include the steel sector) represented 40% of the AD measures that entered into force since 2020, followed by the chemical industry (19%) and plastics and rubbers (11%). For countervailing duties, the basic metals even accounted for half of the measures that entered into force since 2020, followed by chemicals (13%), and plastics and rubbers (7%).

Unlike previous editions, this paper draws on the rich database compiled by the Japan Iron and Steel Federation (JISF), which offers recent information on trade remedy actions involving steel products. This dataset has undergone meticulous processing and cleaning by the Secretariat, resulting in a comprehensive and clear understanding of the AD/CVD actions affecting the steel sector. Notably, JISF tracks AD/CVD measures throughout their entire life span, allowing the newly acquired dataset to provide delegates of the Steel Committee with a more accurate and up-to-date portrayal of the measures that are

currently in effect. Subsequently, this dataset enables the Steel Committee to get a wider perspective on AD and CVD measures.

The Annex D lists a sample of the most recent updates (either new initiations or significant decision taken in the context of measures initiated earlier) observed in the first semester of 2023.[13] The intention is to illustrate how the future tracking of AD and CVD measures could look like.

The current version of the paper elaborates on the countries that adopted a comparatively higher number of AD and CVD measures, as well as the jurisdictions that are often targeted in such procedures. In addition, the paper provides more information at the product level of the types of steel products that are covered in AD and CVD procedures.

The analysis indicates that a total of 120 measures have been initiated from 2019 to the first half of 2023 (Table 3): 108 AD investigations and 12 CVD. The US is the jurisdiction with the highest number of trade remedy actions initiated over the whole period, with 15 AD and five CVD investigations. Canada and the EU follow with 14 new remedy actions (respectively 13 AD and 1 CVD for Canada and 12 AD and 2 CVD for the EU). The geographical dimension of these actions is quite diverse, with Canada mostly targeting imports from Viet Nam and Türkiye, while the EU started new investigations mostly from China, Indonesia and Türkiye. Thailand and Malaysia are also found being significant users of these instruments with respectively 13 and 12 new AD investigations, targeting imports from China, Korea, Japan and Viet Nam.

Table 3. Trade remedy actions: initiators and targets (2019-22)

AD				CVD			
Initiator	Number	Target	Number	Initiator	Number	Target	Number
USA	15	CHN	24	USA	5	CHN	3
CAN	13	KOR	14	AUS	2	IDN	3
THA	13	VNM	13	EU	2	KOR	2
EU	12	TWN	7	BRA	1	RUS	2
MYS	12	IDN	6	CAN	1	IND	1
IND	7	TUR	6	IND	1	TUR	1
MEX	7	RUS	5				
PAK	6	EUX	4				
AUS	5	DEU	3				
IDN	3	JPN	3				
KOR	3	MYS	3				
TUR	3	SGP	3				
COL	2	CAN	2				
UKR	2	EGY	2				
VNM	2	GBR	2				
EEC	1	ARG	1				
NZL	1	BRA	1				
ZAF	1	CZE	1				
		DZA	1				
		ESP	1				
		IND	1				
		ITA	1				
		MEX	1				
		NLD	1				
		OMN	1				
		UKR	1				
Total			108	Total			12

Note: The table shows the initiators and the targets of AD investigations (left panel) and CVD investigations (right panel) observed in the period 2019-22 sorted by the number of actions they are involved in. The entries are sorted by the frequency of actions each party is involved in. The entries are organised based on the frequency of actions attributed to each economy, considering their involvement in AD/CVD actions pertaining to specific product-target pairings.
Source: OECD calculations based on JISF data.

Interestingly, the count of new AD investigations witnessed a substantial decline, with only four new actions recorded in 2022 and nine in the first half of 2023, in stark contrast to the average of 32 new investigations observed in the 2019-21 period (Table 4). While it is difficult to ascertain the reason behind such observation, it is plausible to consider that the recent decline in steel trade, documented in Section 3, at least partly contributes to such reduction in the application of AD investigations.

Table 4. New AD investigations through the years

Year	New AD investigations
2019	25
2020	45
2021	25
2022	4
2023 (from January to June)	9

Note: The table reports the count number of new AD investigations from 2019 to 2023 (first half).
Source: OECD calculations based on JISF data.

It is interesting to note that Thailand and Malaysia, both representing ASEAN jurisdictions, stand out as prominent instigators of AD investigations during the period considered, introducing a total of 25 new measures. This phenomenon can signify not only a notable influx of potentially unfair imports of steel products from external nations but also underscores the growing global use of these trade policy tools across a diverse spectrum of countries. The countries that are most often targeted in AD and CVD investigations are China, Korea, Viet Nam, Indonesia and Russia (see Table 5).

Table 5. Overview of main countries involved in new AD and CVD investigations between 2019 and 2022

Adopting countries	Ranking of net steel exporter (E) or importer (I)	Most targeted defendant countries	Ranking of net steel exporter (E) or importer (I)	Products involved (HS code)
Canada	15 (I)	Viet Nam	N/A (I)	7210 and 7213
EU	1 (I)	China, Indonesia and Türkiye	1 (E), N/A (I), 8 (E)	7208, 7210, 7219
Malaysia	11 (E)	China, Korea, Japan and Viet Nam	1 (E), 6 (E)	7209, 7210
Thailand	3 (I)	China and Korea	1 (E), 6 (E)	7210
US	2 (I)	Korea and Russia	6 (E), 3 (E)	7304

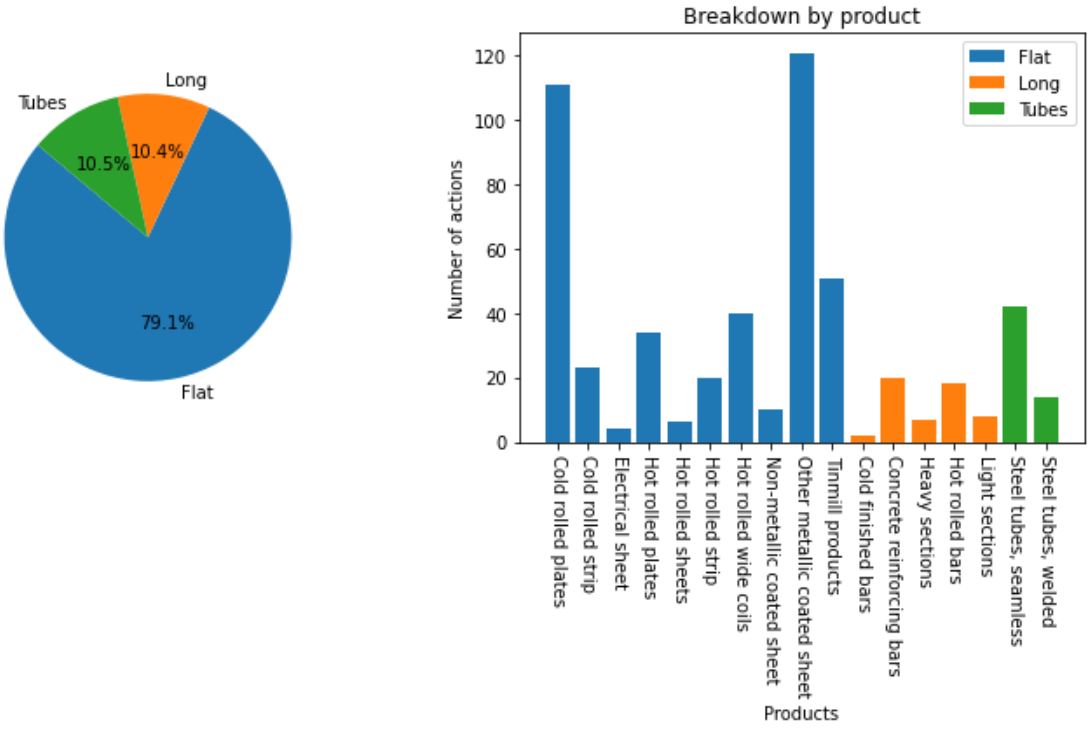
Source: Rankings as steel importer or exporter are based on World Steel in Figures (2022), which refers to data from 2021. The data referring to adopting and defendant countries, as well as the products involved are based on data provided by JISF. The transition reviews that were conducted by the United Kingdom following its decision to leave the EU are excluded from this analysis.

The Steel Committee continuously monitors new capacity developments across the globe and a recent report [DSTI/SC(2023)3] illustrated that a large share of the global excess capacity in the steel sector originated in China. In addition, recent capacity figures indicate that Chinese steel companies are investing heavily in capacity projects overseas. As China is by far the most targeted jurisdiction by AD measures (24 distinct AD investigations have been initiated against imports of steel products from China), highlighting the linkages between excess capacity and unfair trade in steel.

The next question is if there is a difference to be observed in the type of steel products that are subject to AD and/or CVD measures and those that are not. If this is the case and this situation persists over a long period of time, it could be a sign of structural excess capacity in a certain product segment. Figure 9 enumerates the total number of new AD and CVD investigations between 2019 and 2022, split up per broad product category. It is clear that these measures were mostly targeted at flat products (almost 70%), tubes and pipes (almost 20%), as well as long products (almost 14%). Flat rolled steel products are used in a wide range of sectors, including construction, automotive, and transportation. Pipes and tubes are mainly deployed in the construction industry, the oil and gas sector, as well as in shipbuilding. Long steel products are made of blooms and billets (i.e. semi-finished goods) and are employed in. the construction and infrastructure sector, as well as the manufacturing of machinery.

As articulated in section 3 of the paper, flat steel exports constitute the largest share of overall global steel exports (i.e. ca. 56%). Therefore, one could have expected a higher share of AD and CVD measures that would be directed to this product category. Indeed, more than 79% of AD and CVD actions/products initiated in the period from 2019 to June 2023 have targeted flat steel products(mostly cold-rolled plates and metallic coated sheets). It is noted that China is the biggest exporter of flat steel products and is responsible for almost 25% of the global exports in 2023. Conversely, pipes and tubes only account for a small fraction of global steel exports (i.e. 23%). Yet, 10.5% of the AD and CVD measures were directed to this product category, whereas about 10.4% of them targeted long steel products.

Figure 9. AD/CVD investigations by product, 2019-23



Note: The pie chart plots the relative share of the number of AD and CVD investigations measured as single HS-6 digit/action/target country combination between 2019 and 2023. HS-6 digit codes are grouped according to worldsteel classification. The bar chart provides the count of HS-6/action/target country, broken down by product categories at a finer level of aggregation. Sunset reviews are excluded from the graph. The transition reviews that were conducted by the United Kingdom following its decision to leave the EU are excluded from this analysis.
Source: OECD calculations based on data from JISF.

Safeguard measures

A safeguard measure can be adopted in line with the WTO rules to temporarily protect a domestic industry from an unforeseen and sharp rise in imports which may cause damage to the domestic industry. This subsection refers to new or updated safeguard measures in the first semester of 2023.

First of all, the EU conducted a review of its safeguard regulation (i.e. review regulation) to assess whether the expiry date of the review should be shortened, up to 30 June 2023.[14] Initially, the regulation was namely intended to expire by 30 June 2024. The review procedure concluded that the initial date of 30 June 2024 had to be upheld, as there were no justifiable reasons to be found to terminate the regulation earlier.[15] In addition, the review regulation somewhat liberalised the EU tariff rate quotas that are mentioned in the regulation by 4% as of 1 July 2023[16]. Only when the quota is exceeded, a tariff of 25% applies.

To allocate the tariff rate quotas, the safeguard regulation refers to country specific quotas and a residual category that covers all the other countries. There have been a number of updates as regards the product categories that will be added to the tariff rate quotas which are to be allocated to developing countries. These updates are summarised in the Table 6 below.

Table 6. Updates of the product categories and the list of developing countries subject to the EU steel safeguards

Country	Additional product categories subject to the safeguard
All developing nations	4B (metallic coated sheets), 5 (organic coated sheets), 25B (large-welded tubes), and 28 (non-alloy wire)
Brazil	1 (hot-rolled sheets) and 2 (cold-rolled sheets)
China	7 (quarto plates) and 25A (large-welded tubes)
Egypt	13 (rebars) and 16 (wire rod)
India	3B (electrical sheets/other than GOES), 12 (merchant bar and light sections), 16 (wire rod) and 17 (angles, shapes and sections of non-alloy steel)
Indonesia	16 (wire rod)
Malaysia	9 (stainless cold-rolled steel) and 16 (wire rod)
South Africa	4A (metallic coated sheets)
Türkiye	3A (electrical sheets/other than GOES) and 25 (large-welded tubes)
Viet Nam	26 (other welded pipes)

Note: Only importer steel producers and/or steel committee participants are included in the table. The numbers refer to the product categories that are mentioned in the EU safeguard regulation.
Source: table based on the EU steel safeguard regulation

A second measure to report is that the United Kingdom has equally updated its steel safeguard measure following a review procedure. The safeguard continues to apply to all 15 steel categories. However, due to a change in trade patterns, a number of developing countries are no longer classified as exempt from the tariff rate quota system in specific product categories.[17] Table 7 provides more details.

Table 7. Updates of the product categories and the list of developing countries subject to the United Kingdom's steel safeguards

Country	Additional product categories subject to the safeguard
India	1 (hot-rolled steel), 5 (organic coated steel), 13 (rebar), and 17 (angles, shapes and sections of non-alloy steel)
Tunisia	2 (cold -rolled steel)
Türkiye	16 (wire rod)
Viet Nam	5 (organic coated steel)
Ukraine	16 (wire rod)

Source: table based on final determination of the Trade Remedies Authority in the United Kingdom, case SM0016, and Trade Remedies Notice 2023/10.

Tariff and non-tariff measures

Tariff-related measures

According to the World Trade Organization (WTO), the iron and steel sector accounted for 3.6% of all trade in goods in 2021.[18] Tariffs on steel products have slightly declined over the past decade and follow the average trend line. Taking average MFN ad-valorem duty data from 2015 to 2022 on iron and steel products (HS72), MFN tariffs have for instance been reduced from 4.7 to 4.1%.[19] A regional analysis shows

interesting variations in MFN tariffs. In 2022, Africa, Middle East and Latin America experienced relatively higher average MFN tariffs at 7%, 5.7%, and 4.4% respectively. Amongst the biggest Asian crude steel producers, China and India displayed respectively a 4.5% and 15.2% MFN tariffs in 2022. In contrast, the EU and North American region enjoyed the lowest average MFN tariffs, standing at 0.3% and 2.2%, respectively.

The subsequent paragraphs will provide an update on recent tariff line changes that apply to steel imports. All changes are summarised in Table 8. . The body of the text briefly elaborates on the potential impact of each of the measures.

Table 8. Import and export tariff changes between January and June 2023

Country	Type of tariff change	Month of the change decision	Entry into force of the change	HS code	Product description	Tariff before the change	Tariff after the change	Source
Brazil	Import tariff	May 2023	May 2023	7304.51.19, 7306.50.00	Tubes and pipes	2 pct.	5-18 pct.	https://www.in.gov.br/en/web/dou/-/resolucao-gecex-n-477-de-10-de-maio-de-2023-482442646
Brazil	Import tariff	May 2023	May 2023	7304.31.10, 7306.50.00	Tubes and pipes	5-18 pct.	2 pct.	https://www.in.gov.br/en/web/dou/-/resolucao-gecex-n-477-de-10-de-maio-de-2023-482442646
Türkiye	Import tariff	January 2023	May 2023	7208-7212; 7225-7226	Flat-rolled steel	0-15 pct.	15-20 pct.	https://www.resmigazete.gov.tr/eskiler/2023/01/20230128-22.pdf https://www.resmigazete.gov.tr/eskiler/2023/03/20230331-13.pdf

Source: OECD, based on public information

Brazil created a list of auto parts that are not locally manufactured. The products that appear on that list, are subject to a preferential tariff of 2%. This list is often subject to modifications, once more in May 2023. Some specific tubes and pipe products were added to the list and others were removed. The changes are not expected to have a big practical impact.

In May 2023, Türkiye raised import duties up to 20% on imports of flat rolled products. Türkiye was the 4th largest steel importer in the world in 2022. It mostly imports flat products from Russia, China, India and Korea. Türkiye represented 50.7, 4.6, 11.2, and 4.9% of Russia's, China's, India's and Korea's respective export share for flat products.

In addition to the general changes in tariffs that are mentioned in Table 8. above, it is noteworthy that the US and India stroke a bilateral deal in June 2023 to reduce the US' tariffs on steel products. The US will continue considering requests for an exclusion from the Section 232 duties on steel products, and India will rescind some of its retaliatory tariffs on other products. The deal is part of a larger package which puts an end to six ongoing WTO disputes, including two disputes that specifically relate to steel products.[20]

Trade data show that the US was mostly importing flat and tubes from India in 2017. After the section 232 tariffs entered into force in 2018, steel imports had significantly declined up till 2020 (0.23 mmt) to rebound from 2021 (0.49 mmt). From 2021 onwards, India's steel imports to the US continue increasing, notably of tubes and long products, while imports of flat products declined significantly. In 2022, India represented the US' 11th largest steel import partner.

Non-tariff measures

This section briefly lists non-tariff measures (NTMs) that have been implemented in the steel and steel-related sectors between January and June 2023.[21]

There are two particular non-tariff actions that relate to steel scrap, one by South Africa and one by the EU. It is noted that the EU was the largest exporter of steel scrap in the world in 2022, followed by the US and the United Kingdom. The largest global importers for the same year were Türkiye, India and the US.[22]

Table 9. Overview of non-tariff actions (Jan.-Jun. 2023)

Country	Type of measure	UNCTAD classification
EU	Export formalities	P22 – export monitoring
South Africa	Export ban	P31 – export prohibition
Chinese Taipei	Export license	P33- Export licensing

Note: the measure by the European Commission has not yet entered into force.
Source: classification based on UNCTAD (2019) – International Classification of Non-tariff Measures

First of all, South Africa extended its ban on steel scrap exports, which was introduced on 30 November 2022 and expired on 30 May 2023. Due to its six months extension, the ban is intended to last till 15 December 2023.[23] Stainless steel scrap and scrap that is generated as a by-product of the manufacturing process are exempted from the ban. South Africa mainly exports its steel scrap to India (65%) and Pakistan (15%).

In addition, the Council of the EU adopted its negotiating mandate to start talks with the European Parliament on a proposal to update the Waste Shipment Regulation (WSR) on cross-border waste shipments (Council of the EU, 2023[16])). This couples with the EU Green Deal Initiative.[24] The proposed adjustments could also affect the exports of steel scrap and could enter into force in 2024. The proposal intends to tighten the rules on waste exports (including steel scrap) to non-OECD countries, except when these countries have sound waste management processes into place (European Parliament, 2023[17]). The non-OECD exports represent around 30.7% of the total EU steel scrap exports in 2022. The main importers of steel scrap from the EU are listed in Table 10. This overview shows that Egypt, India and Pakistan could be affected by such a change in legislation. As of yet, the proposed changes have not however been officially endorsed.

Table 10. Major importers of steel scrap from the EU

Data in volumes, '000 of tonnes, 2022

Importer	OECD	Imports
TUR	Yes	10,552.4
EGY	No	1,397
IND	No	1,375.1
PAK	No	773.2
BGD	No	706.3
MAR	No	535.6
CHE	Yes	483.9
NOR	Yes	399.6
USA	Yes	361.7
GBR	Yes	212.4
MKD	No	104.3

Note: the non-OECD countries, which would be affected by the change of legislation, are highlighted in blue.
Source: Data obtained from ISSB.

Chinese Taipei introduced an export license for the exports of certain steel products to the EU in April 2023. The measure mainly affects flat steel products (HS codes 7209-7212, 7219-7221, and 7225-7226), as well as tubes and pipes (7306).[25] The measure was taken in response to the EU's tariff rate quota, which was included in its steel safeguard regulation. The EU imports 9.8% of its flat steel products from Chinese Taipei, and 0.94% of its tubes and pipes. Therefore, the impact of this measure will likely be limited.

Update on steel trade actions in responses to Russia's aggression against Ukraine

Following Russia's war of aggression against Ukraine, many countries introduced sanctions of relevance to the steel sector. This subsection refers to the sanctions covering steel and steel-related products.

An updated overview of the revised sanctioning packages that were taken against Russia and Belarus between February 2022 and June 2023 is included in Annex B depicts that the list of sanctions mostly encompasses export controls and import bans of or high tariffs on specific steel products or raw materials. The G7 countries have by far been the most active in imposing sanctions. Other important exporters or importers of steel that are also OECD countries, however, seem to have taken very limited actions.

Notable developments observed in the recent months are i) an EU sanction package that limits the exports of products that could contribute to enhance Russia's industrial capabilities; ii) the new EU sanction package that now includes measures that obliges exporters of steel products to prove that the inputs obtained to produce their products do not come from sanctioned economies; iii) an increase in the US tariffs against imports of steel from Russia from 35% to 70%.

To ensure the monitoring and enforceability of the sanctions, the G7[26] has established an Enforcement Coordination Mechanism in February 2023. The aim of this new mechanism is to strengthen information sharing to avoid the circumvention of sanctions by third nations and private players.[27] Reports have revealed that some of the sanctions are being circumvented through the use of intermediate third countries, notably in central Asia (e.g. Armenia, Georgia and Kazakhstan).[28]

Annex A. Product definition

The OECD defines steel product according to the following HS 4-digit categories:

7206,7207,7208,7209,7210,7211,7212,7213,7214,7215,7216,7217,7218,7219,7220,7221,7222,7223,7224,7225,7226,7227,7228,7229,7301,7302,7304,7305,7306,7307.

Annex B. Overview of sanctions taken against Russia and Belarus

February 2022 - June 2023, steel and steel-related products

Sanctioning country	Type of measure	Affected country	Affected products	Timing
EU (11th package)	Extension of the import ban on steel products - third importers of steel need to show that the inputs to produce steel did not come from Russia	Russia	Chapter 72-73	June 2023
UK	Extension of import ban to certain steel products processed in third countries	Russia	Chapter 72-73[1]	April 2023
UK	Removal of the import ban on coal[2]	Russia	2701	April 2023
Japan	Export ban on steel	Russia	Chapter 72-73	April 2023
Switzerland	Extension of the export ban to steel products	Russia	7208, 7209-7212, 7219-7220, 7225-7226, 7308	March 2023
Canada	Import ban on steel products	Russia	Chapter 72-73	March 2023
EU (10th package)	Extend the list of restricted exports which could contribute to the enhancement of Russia's industrial capabilities	Russia	7202, 7207, 7210, 7211-7213, 7215, 7216, 7218, 7222, 7224, 7225-7226, 7228-7229, 7301, 7304-7307, 7309	February 2023
USA	New tariff of 35%	Russia	2601	February 2023
USA	Updated tariffs from 35% to 70%	Russia	7201-7205, 7207-7214, 7216-7217, 7222, 7224-7226, 7228, 7304-7308, 7310-7311, 7314, 7318, 7325	February 2023
Chinese Taipei	Export controls on stainless steel plates	Russia	7219	January 2023
EU (9th package) and Switzerland	Extension of import ban to certain steel products processed in third countries	Russia	7207 and 7224[3]	December 2022
EU	Extension of the sanctions to Donetsk, Kherson, Luhansk and Zaporizhzhia	Russia	Chapter 72-73	October 2022
EU (8th package) and Switzerland	Extension of import ban to semi-finished steel products[4]	Russia	7206, 7207, 7218, 7223, 7224, 7229, 7303	October 2022

[2] https://www.legislation.gov.uk/uksi/2019/855/regulation/46Z20/2022-07-21

EU (8th package)	Export ban on coal	Russia	2701-2704	October 2022
UK	Extension of the sanctions to Kherson and Zaporizhzhia	Russia	Chapter 72-73	October 2022
Canada	Extension of the sanctions to Donetsk, Kherson, Luhansk and Zaporizhzhia	Russia	Chapter 72-73	September 2022
Ukraine	Export ban on all steel products	Russia	Chapter 72-73	September 2022
UK	Extension of the Russian import ban on steel products	Belarus	Chapter 72-73	July 2022
UK	Restrictions in the technical assistance, financial services and brokering	Russia	Chapter 72-73	June 2022
Japan	Export restrictions to Russia	Russia	7310	June 2022
UK	List of strategic companies subject to sanctions	Russian companies operating in the steel sector, such as Evraz PLC	Asset freeze	May 2022
EU; Switzerland; UK	Import ban steel and iron	Russia, Belarus	Chapter 72-73	March 2022 (EU and Switzerland); April 2022 and July 2022 (UK)
EU; Switzerland UK; US	Import ban on coals	Russia	2701 (Australia, Switzerland, EU, UK and the US); 7201 (UK)	March 2022 (Australia, US); April (Switzerland, UK); August 2022 (EU)
Australia; UK; US	Increased tariffs	Russia, Belarus	Chapter 72-73	March 2022 (UK); April 2022 (Australia); July 2022 (US)
Australia, Canada, EU, France, Germany, Italy, Japan, UK, US	Revoking MFN status	Russia, Belarus	N/A	March 2022 (Eu, Canada, UK); April (Australia, Japan, US)
Canada, EU, Switzerland, UK, US	List of individuals subject to sanctions	Russian individuals	Asset freeze, travel ban, and/or transport sanctions	Regular updates provided

Note: the sanctions since January 2023 are highlighted in light blue. A removal of a previous sanction is emphasised in red.

Source: OECD, based on official government sources

Annex C. Steel trade by country, product, and main destination markets

Table 11 China

Exports

	2022					2023 (ann.)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	**43,066**	**1,027**	**13,811**	**9,676**	**67,580**	**50,573**	**1,640**	**16,981**	**10,517**	**79,711**	**7,508**	**612**	**3,170**	**840**	**12,131**
KOR	4,118	28	1,748	499	6,393	5,857	29	2,922	480	9,289	1,739	1	1,174	-19	2,896
VNM	4,505		701	234	5,440	6,615		751	226	7,593	2,110		50	-8	2,152
EU	2,069	444	1,283	451	4,246	1,738	315	1,284	459	3,796	-331	-129	2	8	-450
PHL	2,329	156	1,167	410	4,062	2,222	236	1,660	384	4,502	-107	80	493	-26	441
THA	2,630	7	762	448	3,847	3,407	261	767	620	5,056	777	254	5	172	1,208
REST	27,415	393	8,150	7,634	43,591	30,733	798	9,596	8,347	49,475	3,319	405	1,447	713	5,883

Imports

	2022					2023 (ann.)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	**8,590**	**6,404**	**1,697**	**278**	**16,969**	**6,321**	**2,744**	**836**	**216**	**10,117**	**-2,269**	**-3,660**	**-861**	**-62**	**-6,852**
JPN	3,210	259	514	103	4,086	2,022	187	371	80	2,660	-1,189	-72	-143	-23	-1,426
IDN	1,253	1,645	2	0	2,901	1,000	344	2	1	1,347	-253	-1,302	-1	1	-1,554
KOR	2,626	53	180	33	2,892	2,152	95	123	20	2,389	-474	42	-58	-13	-503
RUS	78	2,294	9	0	2,381	89	531	0	2	621	11	-1,763	-8	1	-1,759
OMN		806	1	0	807		1,212	1		1,213		406	0	0	406
REST	1,423	1,347	991	142	3,903	1,058	376	340	112	1,887	-365	-971	-652	-29	-2,016

Note: values expressed in thousands of metric tonnes. Figures for Russia and Ukraine corresponds to mirrored data.
Source: ISSB

Table 12 EU 27

Exports

	2022					2023 (ann)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	**11,664**	**1,135**	**6,878**	**3,108**	**22,785**	**11,080**	**1,612**	**7,040**	**3,931**	**23,664**	**-584**	**477**	**163**	**822**	**879**
USA	1,776	512	780	957	4,025	1,463	548	676	1,194	3,880	-313	35	-104	237	-145
GBR	1,540	128	1,365	239	3,271	1,561	186	1,341	313	3,401	21	59	-24	74	130
TUR	1,983	97	624	208	2,911	1,920	212	516	148	2,797	-62	114	-107	-59	-114
CHE	821	58	1,131	159	2,169	798	53	1,217	152	2,219	-24	-6	86	-7	50
MEX	705	44	270	82	1,100	760	383	460	392	1,995	55	339	190	311	895
REST	4,839	295	2,709	1,464	9,308	4,579	231	2,831	1,730	9,371	-260	-65	122	267	64

Imports

	2022					2023 (ann)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	**22,430**	**7,897**	**9,355**	**2,442**	**42,122**	**16,672**	**7,294**	**7,752**	**2,463**	**34,182**	**-5,757**	**-602**	**-1,603**	**22**	**-7,941**
TUR	2,931	135	1,838	783	5,687	1,077	263	1,129	794	3,264	-1,854	128	-708	11	-2,423
RUS	751	3,792	775	75	5,393	28	3,377	2	0	3,407	-723	-415	-773	-75	-1,986
CHN	2,027	446	1,258	398	4,129	1,517	61	1,545	480	3,603	-510	-385	287	82	-526
IND	2,389	554	528	200	3,671	1,865	320	296	206	2,687	-524	-234	-232	6	-984
KOR	2,880	81	230	29	3,220	2,715	662	154	44	3,577	-165	582	-75	15	357
REST	11,451	2,890	4,725	956	20,023	9,470	2,611	4,625	939	17,645	-1,982	-278	-101	-17	-2,378

Note: values expressed in thousands of metric tonnes. Figures for Russia and Ukraine corresponds to mirrored data.
Source: ISSB

Table 13 India

Exports

	2022					2023 (ann)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	**6,472**	**2,041**	**1,850**	**1,251**	**11,614**	**6,785**	**1,445**	**1,255**	**1,253**	**10,739**	**313**	**-596**	**-595**	**3**	**-875**
EU	1,878	532	451	196	3,057	3,911	543	333	177	4,964	2,033	11	-118	-19	1,907
VNM	1,122	4	11	4	1,142	484	4	7	3	498	-637	-1	-4	-1	-643
NPL	441	435	120	20	1,017	437	285	176	18	916	-4	-150	56	-2	-101
ARE	790	0	92	72	954	595	1	84	142	822	-195	0	-9	71	-133
TUR	726	30	49	7	812	398	237	59	8	700	-328	207	9	1	-112
REST	1,515	1,039	1,127	951	4,632	960	376	598	904	2,838	-555	-663	-529	-47	-1,794

Imports

	2022					2023 (ann)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	**5,247**	**509**	**528**	**567**	**6,850**	**6,256**	**818**	**690**	**634**	**8,398**	**1,009**	**310**	**162**	**68**	**1,548**
KOR	2,262	86	59	28	2,435	2,319	4	51	51	2,425	57	-82	-8	24	-10
CHN	1,024	35	149	350	1,558	955	14	262	377	1,608	-68	-21	113	26	50
JPN	640	0	102	14	756	1,076		137	8	1,221	436	0	35	-5	465
IDN	239	236	2	2	478	27	606	2	0	635	-211	370	0	-1	157
EU	314	23	91	35	464	240	15	99	43	397	-74	-8	8	8	-67
REST	769	128	126	138	1,160	1,639	180	139	155	2,113	871	52	14	17	953

Note: values expressed in thousands of metric tonnes. Figures for Russia and Ukraine corresponds to mirrored data.
Source: ISSB

Table 14 Japan

Exports

	2022					2023 (ann)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	**23,607**	**3,113**	**3,925**	**1,062**	**31,707**	**23,993**	**3,045**	**3,607**	**1,061**	**31,705**	**386**	**-69**	**-318**	**-1**	**-2**
KOR	2,983	1,157	1,166	68	5,375	3,899	1,235	1,016	70	6,220	915	78	-150	2	845
THA	3,676	692	532	51	4,952	3,634	769	449	38	4,890	-42	77	-83	-13	-62
CHN	2,961	242	506	95	3,804	1,946	194	360	76	2,576	-1,015	-48	-147	-19	-1,228
IDN	1,857	102	253	51	2,263	1,799	99	229	47	2,175	-57	-4	-24	-4	-88
VNM	1,715	1	145	21	1,882	1,657	1	145	18	1,820	-59	0	0	-3	-62
REST	10,415	919	1,322	776	13,432	11,058	747	1,408	812	14,025	643	-172	86	36	593

Imports

	2022					2023 (ann)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	**4,002**	**187**	**846**	**252**	**5,287**	**4,163**	**211**	**860**	**233**	**5,467**	**162**	**24**	**14**	**-19**	**180**
KOR	2,504	117	335	113	3,068	2,630	177	388	105	3,299	126	60	53	-7	231
CHN	602	29	283	96	1,010	619	33	295	89	1,035	17	4	12	-8	26
TWN	851	0	40	12	903	880	0	38	10	928	29	0	-2	-1	26
VNM	3	8	136	7	154	4	0	88	7	98	0	-8	-48	0	-56
IDN	1	31	7	3	42	2		4	3	9	1	-31	-3	0	-34
REST	41	3	45	22	111	29	2	48	19	98	-12	-1	3	-2	-13

Note: values expressed in thousands of metric tonnes. Figures for Russia and Ukraine corresponds to mirrored data.
Source: ISSB

Table 15 Russia

Exports

	2022					2023 (ann)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	**3,305**	**12,828**	**1,403**	**296**	**17,832**	**2,293**	**9,972**	**1,222**	**48**	**13,535**	**-1,012**	**-2,856**	**-182**	**-248**	**-4,297**
TUR	1,679	3,466	229	53	5,426	1,685	2,716	436	24	4,861	6	-750	207	-29	-565
EU	751	3,792	775	75	5,393	28	3,377	2	0	3,407	-723	-415	-773	-75	-1,986
CHN	78	2,294	9	0	2,381	89	531	0	2	621	11	-1,763	-8	1	-1,759
TWN	1	1,597	43		1,641		1,500	3		1,503	-1	-97	-40		-138
PHL		622	5	0	627		104	1		106		-517	-4	0	-521
REST	798	1,058	343	168	2,366	492	1,745	779	22	3,037	-306	687	436	-146	672

Imports

	2022					2023 (ann)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	**728**	**2**	**241**	**228**	**1,198**	**645**	**1**	**158**	**229**	**1,033**	**-83**	**-1**	**-83**	**2**	**-165**
CHN	385	0	80	163	628	455		107	197	760	70	0	27	34	132
UKR	135	0	14	2	151	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EU	80	1	31	24	137	38	1	9	9	57	-42	0	-23	-15	-79
BLR	0	0	83	20	104						0	0	-83	-20	-104
KOR	54		3	4	61	31		3	4	38	-23		1	0	-23
REST	73	1	30	14	118	120	0	39	18	177	47	-1	9	4	60

Note: values expressed in thousands of metric tonnes. Figures for Russia and Ukraine corresponds to mirrored data.
Source: ISSB

Table 16 Korea

Exports

	2022					2023 (ann)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	20,008	773	2,633	1,977	25,391	21,118	450	2,517	2,064	26,150	1,110	-323	-115	87	759
EU	2,693	262	183	37	3,175	3,082	84	217	31	3,415	390	-178	34	-6	240
JPN	2,502	123	343	126	3,094	2,614	171	384	105	3,274	112	49	41	-21	180
CHN	2,497	69	164	31	2,762	2,035	49	136	17	2,238	-462	-20	-28	-14	-524
USA	1,107		289	1,077	2,472	781		197	1,095	2,073	-326		-92	18	-399
IND	2,246	121	57	29	2,452	2,284	0	59	35	2,379	38	-121	3	6	-74
REST	8,964	199	1,596	677	11,436	10,322	146	1,523	780	12,772	1,358	-53	-73	103	1,335

Imports

	2022					2023 (ann)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	**7,601**	**1,701**	**3,667**	**624**	**13,593**	**10,034**	**1,403**	**4,391**	**609**	**16,437**	**2,433**	**-298**	**724**	**-15**	**2,843**
CHN	4,051	31	1,803	516	6,401	5,589	56	2,974	504	9,123	1,538	25	1,171	-12	2,721
JPN	3,006	1,127	1,189	68	5,389	3,858	1,234	1,033	72	6,198	852	108	-155	5	809
VNM	59	142	279	6	486	90	0	196	3	289	31	-142	-83	-3	-197
TWN	234	1	100	2	337	261	3	60	1	326	28	1	-40	0	-12
IDN	96	131	57	0	285	106	1	1	0	108	10	-131	-56	0	-177
REST	155	269	238	33	695	129	109	126	28	393	-26	-160	-112	-4	-301

Note: values expressed in thousands of metric tonnes. Figures for Russia and Ukraine corresponds to mirrored data.
Source: ISSB

Table 17 US

Exports

	2022					2023 (ann)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	**5,388**	**121**	**1,826**	**912**	**8,248**	**5,687**	**299**	**1,873**	**991**	**8,851**	**299**	**178**	**47**	**79**	**603**
CAN	2,233	91	1,047	513	3,884	2,347	268	1,074	618	4,307	114	177	27	104	423
MEX	2,897	13	602	224	3,735	3,080	13	623	240	3,956	184	0	21	16	221
EU	44	5	23	44	117	30	5	23	35	93	-14	0	0	-9	-24
CHN	16	2	13	6	37	14	3	11	7	35	-2	1	-2	1	-1
DOM	2	0	28	4	35	3	0	22	2	27	1	0	-6	-2	-8
REST	197	10	113	120	440	213	9	119	90	432	16	-1	7	-31	-8

Imports

	2022					2023 (ann)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	**11,690**	**4,921**	**5,968**	**6,074**	**28,653**	**9,347**	**6,635**	**5,011**	**6,781**	**27,773**	**-2,343**	**1,713**	**-957**	**707**	**-880**
CAN	3,889	465	1,185	739	6,278	3,845	545	1,216	939	6,544	-44	80	31	199	266
MEX	1,455	1,549	1,192	761	4,956	1,273	1,767	952	788	4,780	-181	217	-240	27	-176
EU	1,691	529	805	929	3,955	1,360	397	699	1,119	3,576	-331	-133	-106	190	-380
KOR	1,260		301	1,091	2,651	705	0	226	1,149	2,080	-555	0	-75	58	-571
BRA	204	1,881	140	117	2,343	392	3,713	96	44	4,246	189	1,832	-44	-73	1,903
REST	3,191	497	2,344	2,436	8,469	1,771	214	1,821	2,741	6,546	-1,421	-283	-524	305	-1,922

Note: values expressed in thousands of metric tonnes. Figures for Russia and Ukraine corresponds to mirrored data.
Source: ISSB

Table 18 Canada

Exports

	2022					2023 (ann)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	4,035	493	1,314	745	6,587	3,996	564	1,341	949	6,851	-39	71	28	205	264
USA	3,888	465	1,185	727	6,265	3,843	545	1,216	929	6,533	-45	80	31	201	268
MEX	83	17	112	6	218	76	6	108	10	199	-7	-12	-4	4	-19
BGD	37				37	42				42	6				6
EU	7	2	2	1	12	6	0	1	0	8	-1	-2	-1	-1	-5
IND	2	1	3	3	10	3	1	7	6	17	0	1	4	2	7
REST	19	8	12	7	45	27	12	9	5	53	8	4	-2	-2	7

Imports

	2022					2023 (ann)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WL:D	**3,440**	**831**	**3,251**	**1,882**	**9,404**	**3,118**	**352**	**1,980**	**2,046**	**7,495**	**-322**	**-479**	**-1,271**	**164**	**-1,909**
USA	1,844	84	991	433	3,353	2,274	231	948	554	4,007	430	147	-43	121	654
KOR	294	0	493	171	959	181	0	65	305	551	-113	0	-428	134	-408
EU	309	11	399	155	874	183	0	196	150	529	-125	-11	-203	-6	-345
CHN	204	1	178	432	815	137	0	309	386	832	-67	0	130	-46	17
TUR	123	0	362	108	592	2	0	47	35	84	-121	0	-314	-73	-508
REST	666	735	828	583	2,812	340	120	415	617	1,492	-326	-615	-413	34	-1,320

Note: values expressed in thousands of metric tonnes. Figures for Russia and Ukraine corresponds to mirrored data.
Source: ISSB

Table 19 Türkiye

Exports

	2022					2023 (ann)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	**4,729**	**751**	**9,819**	**2,118**	**17,418**	**2,818**	**131**	**5,898**	**1,835**	**10,682**	**-1,911**	**-620**	**-3,921**	**-283**	**-6,736**
EU	2,219	117	1,740	792	4,869	1,318	115	850	741	3,023	-901	-2	-890	-52	-1,845
ISR	133	0	1,433	130	1,696	61	0	942	76	1,079	-72	0	-491	-54	-617
YEM	7	0	810	16	832	3	0	728	0	731	-3	0	-81	-16	-101
USA	197	0	409	205	811	46	1	239	144	430	-150	0	-171	-61	-381
MAR	87	359	268	34	749	60	0	128	164	352	-27	-359	-140	130	-397
REST	2,087	275	5,158	940	8,461	1,329	16	3,011	710	5,066	-758	-259	-2,147	-230	-3,395

Imports

	2022					2023 (ann)					Difference				
	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total	Flat products	Ingots and semis	Long products	Steel tubes	Total
WLD	**8,745**	**4,992**	**1,481**	**597**	**15,815**	**9,196**	**5,907**	**1,946**	**555**	**17,605**	**451**	**916**	**465**	**-42**	**1,790**
RUS	1,679	3,466	229	53	5,426	1,685	2,716	436	24	4,861	6	-750	207	-29	-565
EU	2,102	110	632	214	3,057	1,788	179	556	142	2,664	-314	69	-76	-72	-393
CHN	1,843	54	160	244	2,301	1,825	2	180	297	2,304	-19	-51	20	53	4
KOR	927	0	120	14	1,060	1,307	20	122	20	1,469	380	20	2	6	409
IND	693	49	51	7	800	209	111	57	5	382	-484	62	6	-2	-418
REST	1,501	1,313	289	66	3,170	2,383	2,879	595	66	5,923	882	1,566	306	0	2,754

Note: values expressed in thousands of metric tonnes. Figures for Russia and Ukraine corresponds to mirrored data.
Source: ISSB

Annex D. Sample of AD and CVD measures (Jan. - Jun. 2023)

Adopting country	Type of product	HS code	Targeted country	Initiation date	Preliminary duty	Definitive duty	Sunset review
EU	Non-alloyed cold steel flats	7216	China and Türkiye	November 2022	July 2023		
EU	Heavy plates	7208	China	February 2016	October 2016	February 2017	July 2023
EU	Seamless tubes and pipes	7307	China and Chinese Taipei	October 2015	N/A	January 2017	March 2023
Malaysia	Cold-rolled steel	72019	Japan	January 2023	May 2023		
Mexico	Coated flat steel	7210	Viet Nam	August 2021	September 2022	February 2023	
South Africa	Flat-rolled coated steel	7210, 7212, 7225, 7226	China	October 2022	March 2023		
United Kingdom	Steel concrete reinforcement bar	7214	China				March 2023
United Kingdom	Heavy steel plate	7208	China				June 2023
US	Tin mill products	7210	Canada, China, Chinese Taipei, Germany, Korea, the Netherlands, Türkiye, and the United Kingdom.	February 2023	June 2023		
US	Tin mill products	7210	Japan				June 2023

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Endnotes

[1] This paper has been co-authored by Gianpiero Mattera, Pieter Parmentier, Rodrigo Pazos and Christian Steidl from the OECD Secretariat. It has benefitted from valuable research assistance from Ayako Yukawa. Christian Steidl and Ayako Yukawa have recently departed from the organisation; however, their invaluable contributions and effort are deeply appreciated and gratefully acknowledged.

[2] JISF collects and maintains a detailed dataset on trade remedy actions affecting the steel sector. Data contains several useful dimensions, including the countries involved (initiators and targeted countries), the products covered in the investigation process, all the dates and details on the investigation process such as the duty imposed and the outcome of the procedure.

[3] Countries not representing top exporters or importers are all considered under the label “Other countries”.

[4] More recent data is unfortunately not available in the worldsteel publication used for this report.

[5] This is different from using data on Trade in Value Added. For instance, the weight of a car is to a large extent determined by the steel embodied therein but the largest contribution to value creation of an automobile is most likely coming from other industries than steel, such as electronics and machinery.

[6] This does not, however, indicate the amount of steel exported, since every product category will have a different steel coefficient. The comparison can thus only serve as a rough guideline of general trends.

[7] China Association of Automobile Manufacturers en.caam.org.cn/Index/show/catid/62/id/1926.html

[8] In an example on France, worldsteel seems to use a coefficient of 0.8 for passenger cars, meaning that 80% of the weight of passenger cars is attributed to indirect trade in steel (worldsteel, 2021[6]). Moreover, worldsteel states that on average 900 kg of steel are used per vehicle https://worldsteel.org/steel-topics/steel-markets/automotive/ . Both numbers likely refer mainly to ICE vehicles (given the publication date of the numbers). Many of Chinese passenger cars exported however are electric vehicles (https://asia.nikkei.com/Business/Automobiles/China-surpasses-Japan-as-world-s-top-auto-exporter). For reasons of range and the weight of the battery, EV manufacturers tended to replace certain steel parts with aluminium. Since aluminium is however more expensive than steel, lower cost vehicles again seem to use a larger amount of steel. Tesla in its Model 3 for instance uses more steel than in its previous premium models (https://www.reuters.com/article/us-autos-metals-electric-vehicles-analys-idUSKBN1H31M7). Similarly, the Nissan Leaf uses more steel than aluminium (http://fingfx.thomsonreuters.com/gfx/rngs/AUTOS-METALS-ELECTRIC-VEHICLES/0100619W2QM/AUTOS-METALS-ELECTRIC-VEHICLES.jpg). For all those reasons and uncertainties, a steel content of 900 kg and a steel coefficient of 0.8 for passenger cars should be considered only as a guidance until more precise data is available that can confirm or adjust those numbers.

[9] https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32023R0956

[10] In terms of implementation, the CBAM allows for a transitional phase between 1 October 2023 and 31 December 2025, so the levy would start to effectively apply from 1 January 2026. During the transitional period, exporters to the EU will need to fill in quarterly reports containing information on the quantity of exported goods, the embedded emissions in these goods, as well as their domestic carbon price.

[11] The CBAM applies to the following sectors: cement, iron and steel, aluminium, fertiliser, electricity and hydrogen. Narrowed down to the steel sector, it includes the following HS codes: chapter 72 (with the exception of ferroalloys and scrap), 7301-7311, 7318, and 7326.

[12] https://www.wto.org/english/news_e/news23_e/trdev_04jul23_wto_report_e.pdf, 26.

[13] The extension of a measure (i.e. sunset review) equally falls out of scope of the Annex D. However, the preliminary duty, definitive duty and extension of a measure are included in the dataset which draws on the JISF data. This dataset is work in progress and will be complemented for subsequent versions of the paper to identify more general tendencies about AD and CVD measures over time.

[14] https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.C_.2022.459.01.0006.01.ENG&toc=OJ%3AC%3A2022%3A459%3ATOC

[15] https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32023R1301

[16] Note that the specific volumes for the period 1 July 2023 – 30 June 2024 (on a quarterly basis) are set out in Annex II of the EU's review regulation of June 2023.

[17] https://www.gov.uk/government/publications/trade-remedies-notices-tariff-rate-quotas-on-steel-goods/trade-remedies-notice-202310-safeguard-measure-tariff-rate-quota-on-steel-goods and https://www.gov.uk/government/news/tra-publishes-findings-on-the-uks-steel-safeguard-tariffs

[18] https://www.wto.org/english/blogs_e/data_blog_e/blog_dta_14jul23_e.htm

[19] Data on MFN tariffs are obtained by the WTO (https://stats.wto.org/). Simple average ad-valorem duty has been considered.

[20] See https://ustr.gov/about-us/policy-offices/press-office/press-releases/2023/june/united-states-announces-major-resolution-key-trade-issues-india.

[21] As in previous editions of this report, the NTMs are classified according to the UNCTAD classification system (UNCTAD, 2019[19]).

[22] South Africa is a small exporter and importer of steel scrap. Yet, the country's measure is included in the paper, as it installed several export restrictions on steel scrap (i.e. export tax, licensing requirement, as well as other export measure).

[23] https://www.gov.za/sites/default/files/gcis_document/202306/48791rg11593gon3552.pdf

[24] https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2019%3A640%3AFIN

[25] https://gazette.nat.gov.tw/EG_FileManager/eguploadpub/eg029062/ch04/type1/gov31/num3/Eg.pdf

[26] For an overview of all G7 sanctions and their impact, see https://www.atlanticcouncil.org/blogs/econographics/russia-sanctions-database/

[27] https://www.whitehouse.gov/briefing-room/statements-releases/2023/05/19/g7-leaders-statement-on-ukraine/; https://home.treasury.gov/news/press-releases/jy1450 and https://ec.europa.eu/commission/presscorner/detail/es/statement_23_1229

[28] For an example, see Corisk Report of May 2023, no.6., Extent of Western sanction circumventions and supplies to Russian war effort in 2022.