

Brussels, 10 November 2015

T&D Europe Press Release

On the European Commission anti-dumping proceeding concerning the imports of grain-oriented flat-rolled products of electrical steel (GOES) originating in the People's Republic of China, Japan, the Republic of Korea, Russian Federation and the United States of America (AD 608)

Based on the

Commission Implementing Regulation (EU) 2015/1953 of 29 October 2015

T&D Europe is disappointed by the final outcome of this antidumping case, since it does not represent a fair and balanced outcome in T&D's opinion. Taking into account the current market situation and forecasted developments, there is no need for any anti-dumping measures and the introduction of minimum import prices will only create an unnecessary market distortion, to the detriment of the EU transformer industry.

T&D Europe has provided ample evidence of a growing shortage for high grade GOES and a dramatic price increase on GOES products overall, eliminating any injury and resulting in substantial profit margins for the European steel industry now and in the foreseeable future. The transformer industry on the other hand is suffering from continuously decreasing margins, resulting in factory closures and relocations all over Europe.

Gerhard Seyrling, President of T&D Europe, said: *"We fear that, given these high price levels, exacerbated by the minimum import prices levels imposed by the Commission, a large part of the European transformer manufacturers (most of which are SMEs), currently employing around 30,000 people, might be forced to relocate or shut down their operations. In addition, the international competitiveness of the European transformer industry, with its high-level technology and know-how, is at stake"*.

T&D Europe has provided ample evidence that the European steel industry cannot deliver the high quality GOES in the quantities needed by the European transformer industry. Our industry is dependent on suppliers from all over the world to produce the best possible transformers and to comply with the EU Eco-Design regulation.

In view of the above, T&D Europe reiterates that the final measures are not in line with the overall policies of the European Union as regards the competitiveness of the EU industry, integration of European businesses in global supply chains, industrial policy, employment and energy policy objectives.

Nevertheless, T&D Europe would like to offer its thanks the Commission, in particular the DG TRADE case team, for listening to the concerns of the transformer industry and conducting an open dialogue with the industry representatives during several hearings and on-site visits to transformer factories all across Europe.

T&D Europe would also like to thank numerous stakeholders, including Members of the European Parliament and National Parliaments, Member State officials, national and local administrations, trade unions and industry representatives, for supporting the European transformer industry in this case. T&D Europe notes that many Member States share the concerns of the transformer industry, which was demonstrated by the negative opinion of the Trade Defence Instruments Committee on the Provisional Regulation, and very limited support for the Commission's final measures in the vote of 8 October.

T&D Europe will monitor the effects of the definitive measures on the EU transformer industry and inform all stakeholders of significant developments.

In conclusion, T&D Europe notes that the state of the European steel industry is subject to on-going discussion within the Commission and Members States. T&D Europe would welcome that any support to the European steel industry would include measures to improve the availability and performance of European high grade GOES.

T&D Europe remains at the disposal of the European Commission and the Member States for further dialogue.

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