

Global Steel Trade Monitor

Steel Imports Report: Belgium

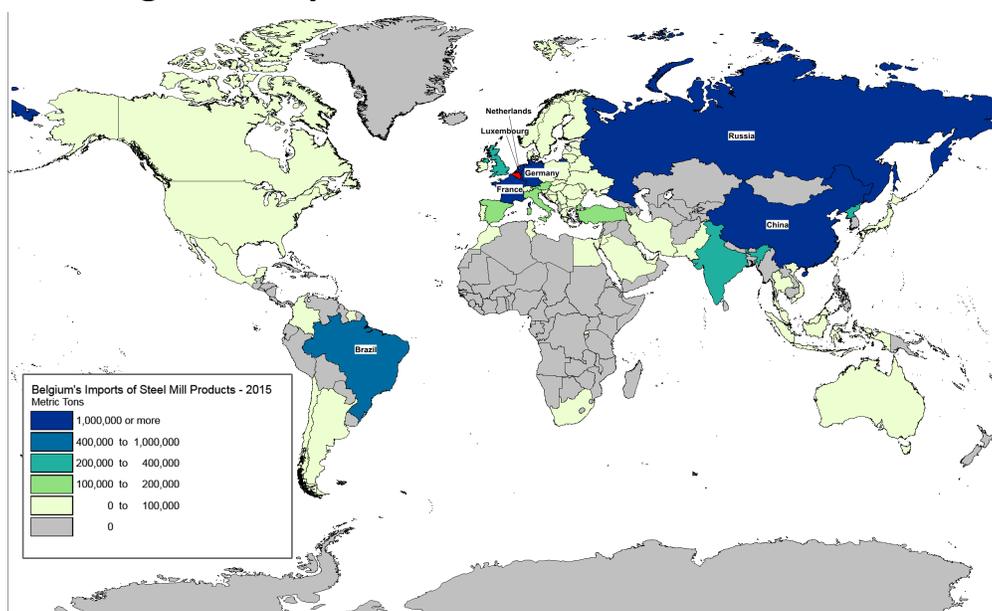
September 2016

Background

Belgium is the world's tenth largest steel importer. In the first half of 2016 (through June), further referred to as YTD 2016, Belgium imported 3.6 million metric tons of steel, an 8 percent decline from 3.9 million metric tons in YTD 2015. Belgium's imports represented about 3 percent of all steel imported globally in 2015. The volume of Belgium's 2015 steel imports was less than half that of the European Union's largest importer and the world's second-largest importer, Germany. In value terms, steel represented just 2 percent of the total goods imported into Belgium in 2015.

Belgium imports steel from over 100 countries and territories. The seven countries labeled in the map below represent the top sources for Belgium's imports of steel, with each sending more than 400 thousand metric tons to Belgium and together accounting for 83 percent of Belgium's steel imports in 2015.

Belgium's Imports of Steel Mill Products - 2015



Data Source: Global Trade Atlas; Copyright © IHS Global Inc. 2016. All rights reserved.

Quick Facts:

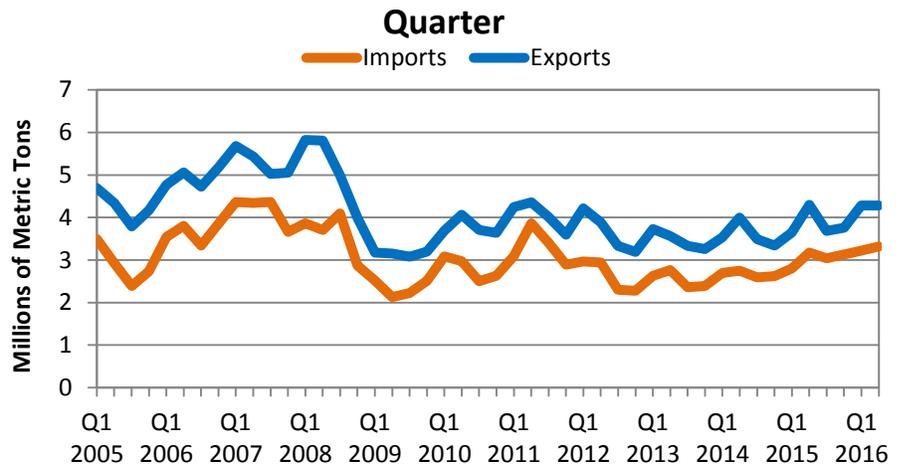
- World's tenth largest steel importer: 12.2 million metric tons (2015)
- 20% steel import growth since 2013
- YTD Year-on-year import volume up 9% while import value down 8%
- Import penetration up from 315.5% in YTD 2015 to 352.7% in YTD 2016
- Top three import sources: France, Russia, and China
- Largest producers: ArcelorMittal, NLMK, and Aperam
- 20 European Union trade remedies in effect against imports of steel mill products

Steel Imports Report: Belgium

Steel Trade Balance

Over the past decade, Belgium's imports and exports have displayed roughly similar trends: both saw notable increases between 2005 and 2007, declined significantly by 2009, and recovered gradually over the next six years. Both imports and exports increased between YTD 2015 and YTD 2016, and the steel trade surplus amounted to 2 million metric tons.

Belgium's Trade in Steel Mill Products by Quarter



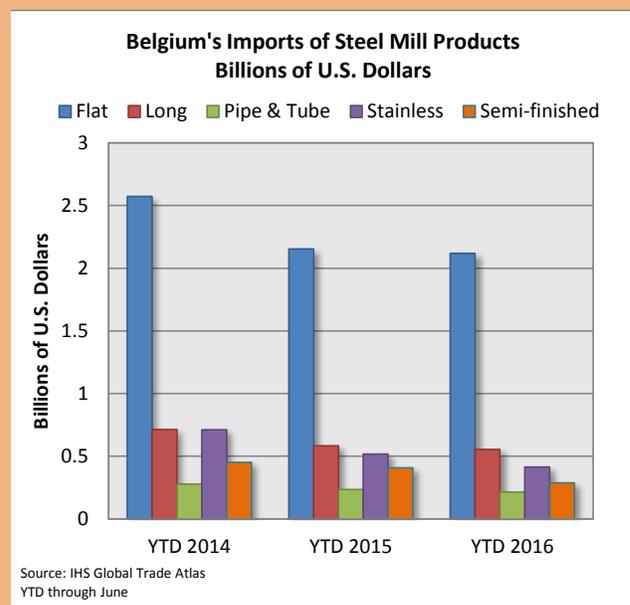
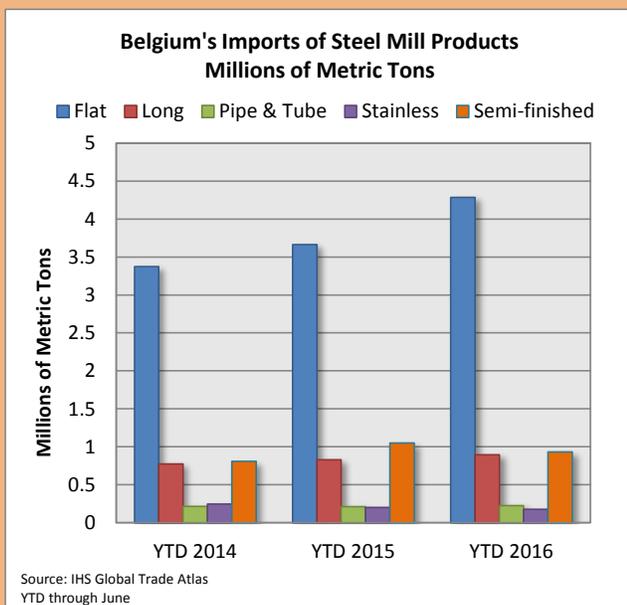
Source: IHS Global Trade Atlas

Belgium is a net exporter of steel and has maintained a continuous trade surplus at an average of 4.2 million metric tons for at least the last ten years.

Import Volume, Value, and Product

Belgium's level steel imports peaked in 2011 before falling in 2012 and 2013. Between 2014 and 2015, steel imports increased by 14 percent. In YTD 2016, the volume of Belgium's steel imports reached 6.5 million metric tons, an increase of 9.3 percent from YTD 2015. By contrast, the value of Belgium's YTD 2016 steel imports decreased by 8 percent to \$3.6 billion from \$3.9 billion in YTD 2015, which can be attributed to a significant drop in global steel prices.

In YTD 2016 flat products accounted for the largest share of Belgium's steel imports at 66 percent, or 4.3 million metric tons. Semi-finished and long products accounted for 14 percent of Belgium's import each, or 937 and 898 thousand metric tons respectively, followed by pipe and tube (4% or 229 thousand metric tons), and stainless products (3% or 183.5 thousand metric tons).

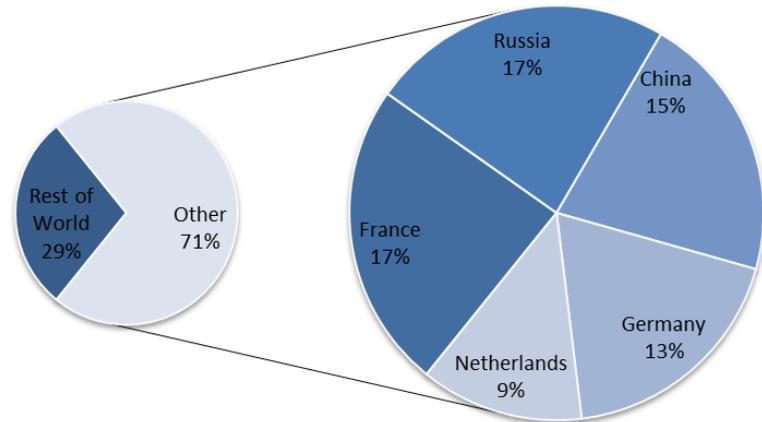


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Imports by Top Source

The top 5 source countries for Belgium's steel imports represented 72 percent of the total steel import volume in YTD 2016 at 4.7 million metric tons (mmt). France and Russia accounted for the largest share of Belgium's imports by source country at 17 percent (1.1 mmt each), followed by China at 15 percent (1 mmt), Germany at 13 percent (0.9 mmt), and the Netherlands at 9 percent (0.6 mmt).

Belgium's Steel Imports - Top 5 Sources
YTD 2016 - Millions of Metric Tons



Source: IHS Global Trade Atlas
YTD through June

The United States ranked 19th as a source for Belgium's steel imports, representing just 0.47 percent of imports (31 thousand metric tons) in YTD 2016.

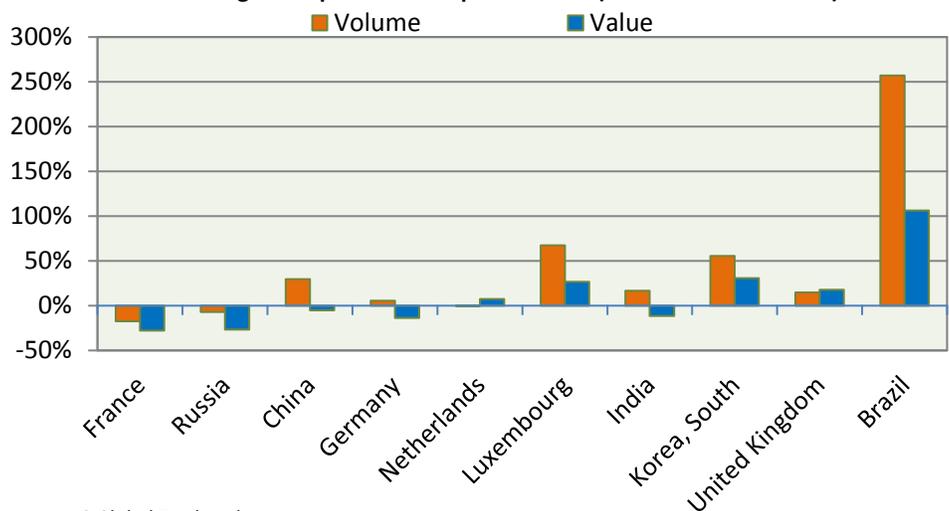
Trends in Imports from Top Sources

While the volume of Belgium's steel imports increased from seven of its top 10 steel import sources between YTD 2015 and YTD 2016, the overall value of Belgium's imports decreased from six of the top ten, reflecting the decline in global steel prices.

Considerable decreases in Belgium's steel value between YTD 2015 and YTD 2016 included Belgium's imports from France (down 27.8%), Russia (down 26.7%), and Germany (down 14%). A large increase in import value occurred from Brazil (up 106.2%). Belgium's imports from Brazil also showed the largest increase in volume, up 257.3 percent from YTD 2015.

Sizeable increases in Belgium's steel import volume also occurred from Luxembourg (up 67.3%) South Korea (up 55.3%), and China (up 29.7%).

Percent Change in Imports from Top 10 Sources (YTD 2015 to YTD 2016)



Source: IHS Global Trade Atlas
YTD through June

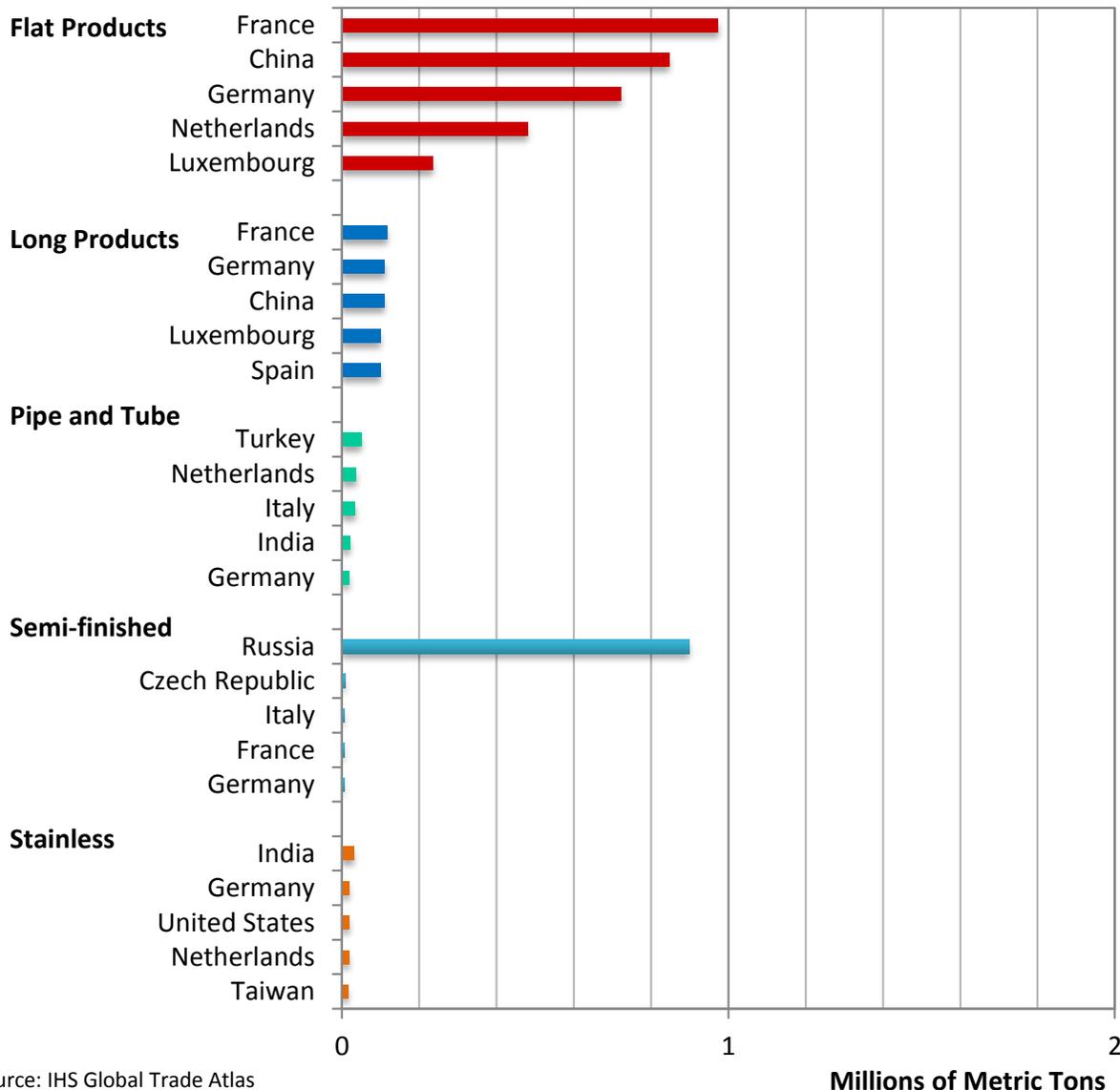
Steel Imports Report: **Belgium**

Top Sources by Steel Product Category

The top source countries for Belgium’s imports by volume vary across types of steel products. France accounted for the largest share of Belgium’s imports of flat and long products in YTD 2016 at 23 percent (973.5 thousand metric tons) and 13 percent (116.9 thousand metric tons), respectively. In YTD 2016, Turkey represented the largest share of Belgium’s pipe and tube imports at 22% (49.6 thousand metric tons). Belgium received the largest share of its semi-finished imports from Russia at 96% (897.8 thousand metric tons) and received its largest share of stainless product imports from India at 17 percent (30.5 thousand metric tons).

The United States was the third largest import source for stainless product imports in YTD 2016.

Belgium's Top 5 Import Sources by Product - YTD 2016



Source: IHS Global Trade Atlas
YTD through June

Steel Imports Report: Belgium

Belgium's Export Market Share from Top Source Countries

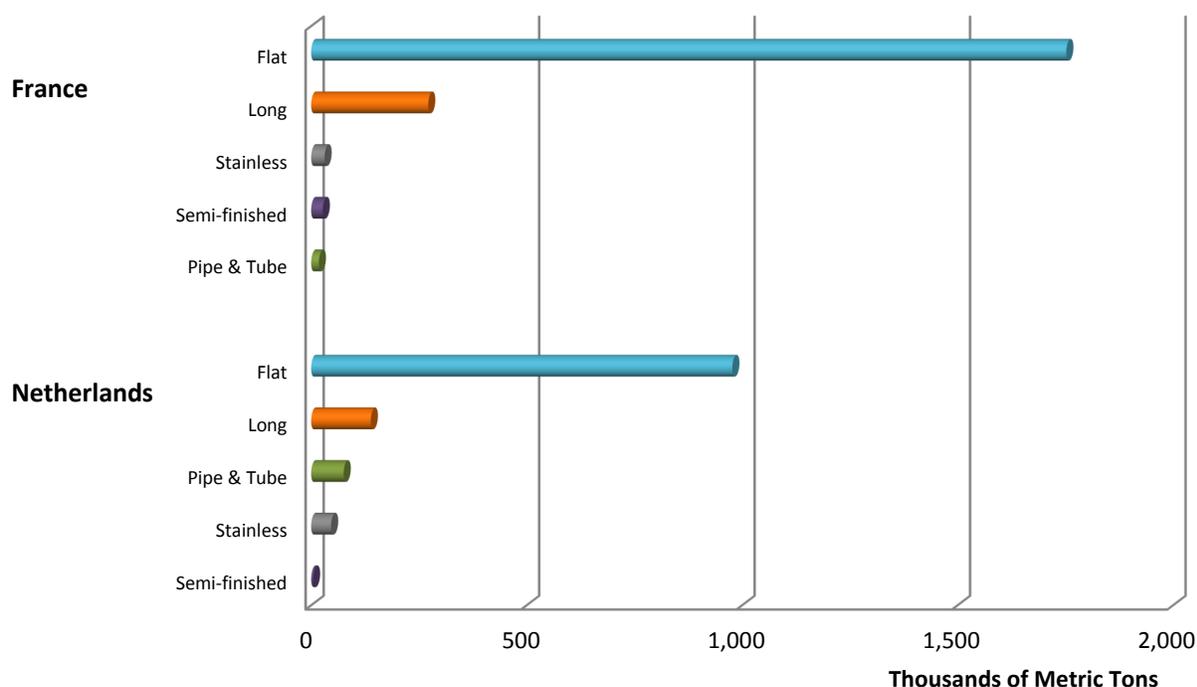
In 2015, the share of steel exports sent to Belgium from its top import sources increased from all of the top 10 sources except the Netherlands. In 2015, the share of Brazil's steel exports to Belgium showed the largest increase (up 2 percentage points from 2014), followed by India (up 1.7 percentage points) and France (up 1.1 percentage points). The Netherlands' share of steel exports to Belgium decreased by 1 percentage points from 2014.

Belgium's Steel Export Market Share				
Top 10 Import Sources	Share of Exports to Belgium - 2014	Belgium's Rank in 2014	Share of Exports to Belgium - 2015	Belgium's Rank in 2015
France	14.1%	2	15.2%	2
Russia	6.3%	6	6.5%	4
China	1.7%	16	1.9%	17
Germany	4.6%	8	5.2%	6
Netherlands	12.4%	2	11.4%	2
Luxembourg	7.0%	5	7.5%	5
Brazil	0.5%	23	2.5%	6
India	2.9%	9	4.5%	7
United Kingdom	3.6%	9	4.3%	8
South Korea	0.8%	23	1.2%	17

Source: IHS Global Trade Atlas, based on import data per reporting country

In 2015, Belgium was the second largest destination for France's steel exports at 15.2 percent and the Netherlands' steel exports at 11.4 percent. Flat products accounted for the largest share of steel exports to Belgium from France at 83 percent (1.8 million metric tons) and the Netherlands at 79 percent (977 thousand metric tons). Long products accounted for the second largest share of steel exports to Belgium from France at 13 percent (272 thousand metric tons) and the Netherlands at 11 percent (138 thousand metric tons).

Steel Export Composition of Top Market-Share Countries - 2015

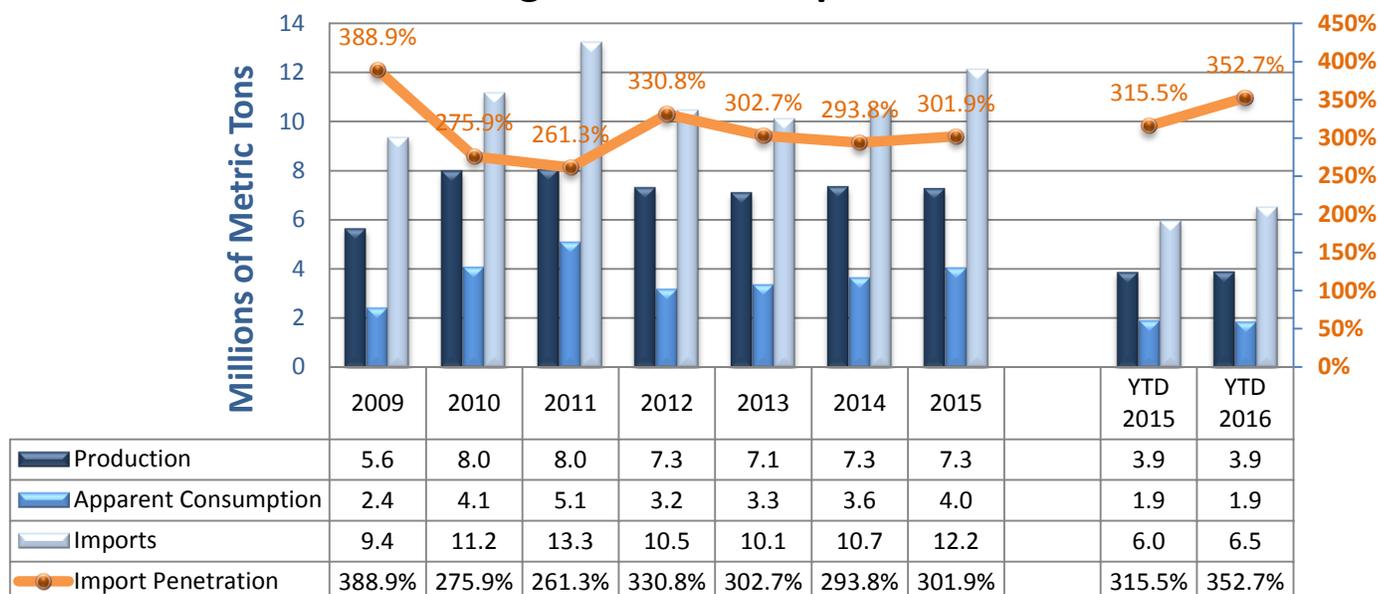


Source: IHS Global Trade Atlas, based on import data per reporting country

Steel Imports Report: Belgium

Overall Production and Import Penetration

Belgium's Steel Import Penetration



Source: World Steel Association; IHS Global Trade Atlas
YTD through June

Since 2012, Belgium's crude steel production has remained almost flat. In YTD 2016, the production level remained the same as in YTD 2015. Between 2009 and 2015, apparent consumption (a measure of steel demand) remained at a level roughly half that of production. Between YTD 2015 and YTD 2016, apparent consumption remained the same and was, similarly, at a level roughly half that of production in YTD 2015 and YTD 2016. Imports far exceeded both production and demand over the period. In YTD 2016, Belgium's level of import penetration climbed to 353 percent, a 12% increase from 315.5 percent in YTD 2015.

Top Producers

Belgium's steel production is concentrated among a handful of domestic and foreign-owned companies and is dominated by ArcelorMittal, a leading player in the global steel market and the country's largest producer, accounting for 5 million metric tons of crude steel production, based on available data.

Belgium's Top Steel Producers in 2015			
Rank	Company	Production (mmt)	Main Products
1	ArcelorMittal	5	Flat, long, and stainless products
2	NLMK	3.3 (capacity)	Strip products, plate
3	Aperam	1.1	Stainless products

Sources: Company websites

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Trade Remedies in the Steel Sector

Antidumping duties (AD), countervailing duties (CVD), associated suspension agreements, and safeguards are often referred to collectively as trade remedies. These are internationally agreed upon mechanisms to address the market-distorting effects of unfair trade, or serious injury or threat of serious injury caused by a surge in imports. Unlike anti-dumping and countervailing measures, safeguards do not require a finding of an “unfair” practice. Before applying these duties or measures, countries investigate allegations and can remedy or provide relief for the injury caused to a domestic industry. The table below provides statistics on the current number of trade remedies the European Union, which includes Belgium, has against imports of steel mill products from various countries. The European Union has no steel mill safeguards in effect.

European Union Trade Remedies in Effect Against Steel Mill Imports				
Country	AD	CVD	Suspension Agreements and Undertakings	Total
Belarus	1			1
China	7	1		8
India	1	2		3
Japan	1			1
Russia	3			3
South Korea	1			1
Taiwan	1			1
Ukraine	1			1
United States	1			1
TOTAL	17	3	0	20

Source: World Trade Organization, through June 30, 2016

Steel Imports Report: Glossary

Apparent Consumption: Domestic crude steel production plus steel imports minus steel exports. Shipment data are not available for all countries, therefore crude steel production is used as a proxy.

Export Market: Destination of a country's exports.

Flat Products: Produced by rolling semi-finished steel through varying sets of rolls. Includes sheets, strips, and plates. Used most often in the automotive, tubing, appliance, and machinery manufacturing sectors.

Import Penetration: Ratio of imports to apparent consumption.

Import Source: Source of a country's imports.

Long Products: Steel products that fall outside the flat products category. Includes bars, rails, rods, and beams. Used in many sectors but most commonly in construction.

Pipe and Tube Products: Either seamless or welded pipe and tube products. Used in many sectors but most commonly in construction and energy sectors.

Semi-finished Products: The initial, intermediate solid forms of molten steel, to be re-heated and further forged, rolled, shaped, or otherwise worked into finished steel products. Includes blooms, billets, slabs, ingots, and steel for castings.

Stainless Products: Steel products containing at minimum 10.5% chromium (Cr) offering better corrosion resistance than regular steel.

Steel Mill Products: Carbon, alloy, or stainless steel produced by either a basic oxygen furnace or an electric arc furnace. Includes semi-finished steel products and finished steel products. For trade data purposes, steel mill products are defined at the Harmonized System (HS) 6-digit level as: 720610 through 721650, 721699 through 730110, 730210, 730240 through 730290, and 730410 through 730690. The following discontinued HS codes have been included for purposes of reporting historical data (prior to 2007): 722520, 722693, 722694, 722910, 730410, 730421, 730610, 730620, and 730660.

Global Steel Trade Monitor: The monitor provides global import and export trends for the top countries trading in steel products. The current reports expand upon the early release information already provided by the Steel Import Monitoring and Analysis (SIMA) system that collects and publishes data on U.S. imports of steel mill products. Complementing the SIMA data, these reports provide objective and current global steel industry information about the top countries that play an essential role in the global steel trade. Information in these reports includes global exports and import trends, production and consumption data and, where available, information regarding trade remedy actions taken on steel products. The reports will be updated quarterly.

Steel Import Monitoring and Analysis (SIMA) System: The Department of Commerce uses a steel import licensing program to collect and publish aggregate data on near real-time steel mill imports into the United States. SIMA incorporates information collected from steel license applications with publicly released data from the U.S. Census Bureau. By design, this information provides stakeholders with valuable information on the steel trade with the United States. For more information about SIMA, please go to <http://enforcement.trade.gov/steel/license/>.



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