

Global Steel Trade Monitor

Steel Imports Report: Netherlands

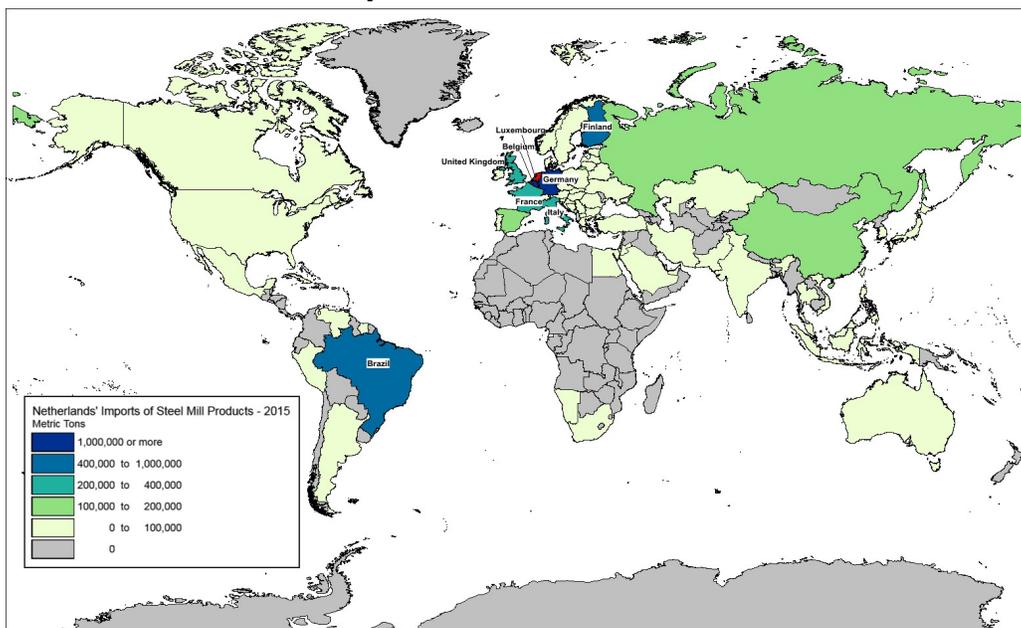
February 2017

Background

The Netherlands was the world's seventeenth-largest steel importer in 2015. In year to date 2016 (through September), further referred to as YTD 2016, the Netherlands imported 6.9 million metric tons of steel, a 14 percent increase from 6 million metric tons in YTD 2015. The Netherlands' imports represented about 2.1 percent of all steel imported globally in 2015. The volume of the Netherlands' 2015 steel imports was roughly one-fifth the size of the world's largest importer, the United States. In value terms, steel represented just 1.4 percent of the total goods imported into the Netherlands in 2015.

The Netherlands imports steel from over 120 countries and territories. The eight countries labeled in the map below represent the top import sources for the Netherlands' imports of steel, with the Netherlands receiving more than 200 thousand metric tons from each and together accounting for 82 percent of the Netherlands' steel imports in 2015.

Netherlands' Imports of Steel Mill Products - 2015



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

Quick Facts:

- World's 17th-largest steel importer: 6.9 million metric tons (YTD 2016)
- 46% steel import growth since Q1 2009
- YTD import volume up 14% while import value down 4%
- Import penetration down from 198.1% in YTD 2015 to 169.3% in YTD 2016
- Top three import sources: Germany, Belgium, Luxembourg
- Largest producers: Tata Steel, Nedstaal
- 20 European Union trade remedies in effect against imports of steel mill products

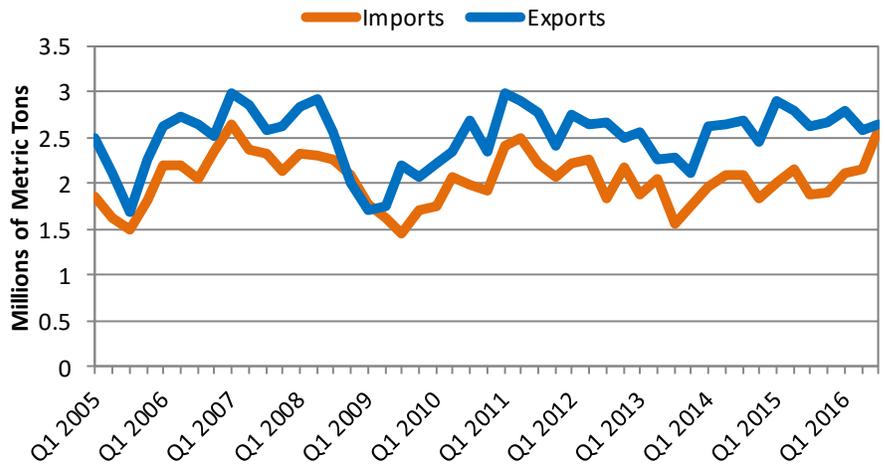
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Steel Trade Balance

The Netherlands has maintained a moderate trade surplus in steel products for most quarters since 2005. Exports fell faster than imports in the wake of the global recession in 2008, leading to a short trade deficit for two quarters in 2008-2009. Between Q1 2009 and Q3 2016, exports grew 55 percent while imports grew at a slightly slower rate of 46 percent.

In YTD 2016, the Netherlands' trade surplus narrowed to 1.2 million metric tons from 2.3 million metric tons in YTD 2015.

Netherlands' Trade in Steel Mill Products by Quarter

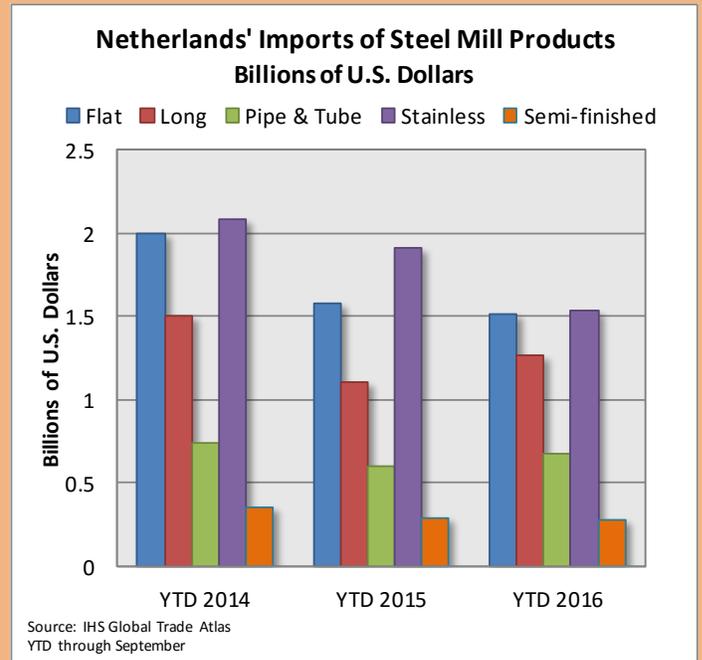
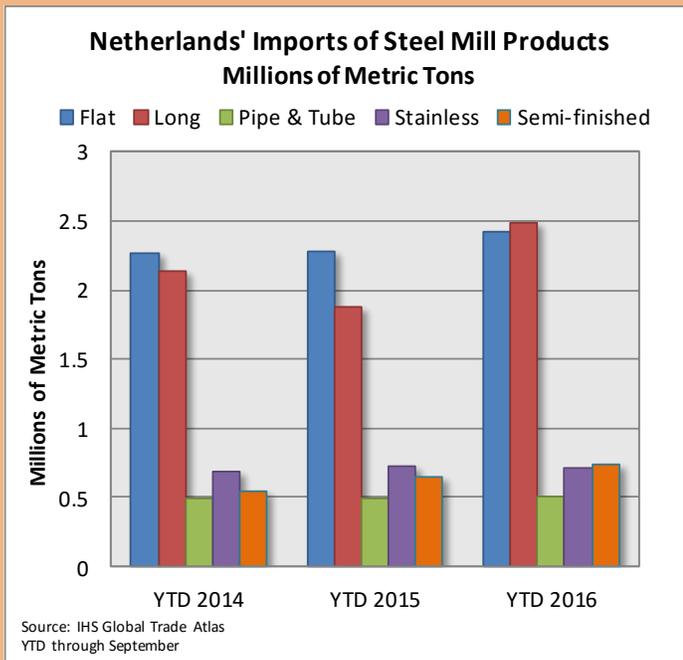


Source: IHS Global Trade Atlas

Import Volume, Value, and Product

Steel imports into the Netherlands remained relatively unchanged in 2015 at 7.93 million metric tons – down just 0.5 percent from 7.97 million metric tons in 2014. In YTD 2016, steel imports were up 14 percent to 6.9 million metric tons from 6 million metric tons in YTD 2015. By contrast, the value of the Netherlands' steel imports decreased by 4 percent to \$5.3 billion from \$5.5 billion in YTD 2015.

In YTD 2016, flat products accounted for the largest share of the Netherlands' steel imports at 36 percent (2.48 million metric tons), followed closely by long products at 35 percent (2.42 million metric tons). Semi-finished steel accounted for 11 percent of the Netherlands' imports (11% or 738 thousand metric tons), followed by stainless steel (10% or 710 thousand metric tons) and pipe and tube products (7% or 511 thousand metric tons).

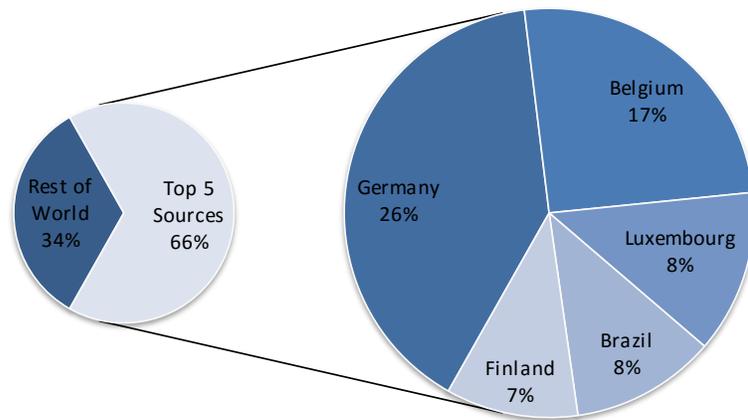


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Imports by Top Source

The top 5 source countries for the Netherlands' steel imports represented 66 percent of the total steel import volume in YTD 2016 at 4.6 million metric tons (mmt). Germany accounted for the largest share of the Netherlands' imports by source country at 26 percent (1.8 mmt), followed by Belgium at 17 percent (1.2 mmt), Luxembourg at 8 percent (0.6 mmt), Brazil at 8 percent (0.5 mmt), and Finland at 7 percent (0.5 mmt).

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



Source: IHS Global Trade Atlas
YTD through September

The United States ranked a distant 40th as a source for the Netherlands' steel imports in YTD 2016, representing just 0.05 percent of imports (3.2 thousand metric tons).

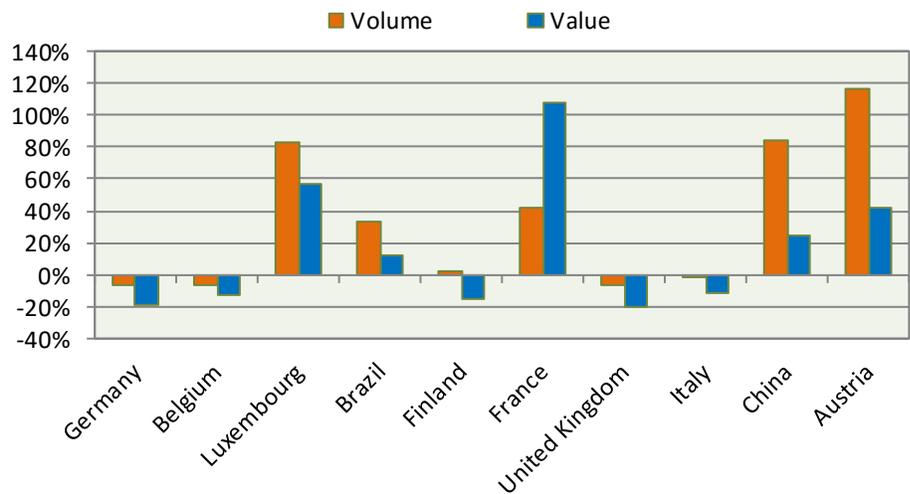
Trends in Imports from Top Sources

Between YTD 2015 and YTD 2016, the volume of steel imports increased from six of the Netherlands' top 10 source countries. Imports from Austria have increased 117.2 percent from YTD 2015, followed by imports from China (up 84.8%), Luxembourg (up 82.7%), France (up 42.2%), and Brazil (up 33.7%). Imports from Belgium showed the largest decrease in volume, down 7 percent from YTD 2015, followed by import volumes from Germany (down 6.2%) and the United Kingdom (down 6.1%).

Those five source countries with the largest growth in import volume in YTD 2016 were the only sources from which import values also increased. The Netherlands' imports from France showed the largest increase in value, up 108.2 percent, followed by imports from Luxembourg (up 57.2%), Austria (up 41.6%), China (up 24.9%), and Brazil (up 11.6%).

Imports from the United Kingdom decreased the most, down 20.5 percent in YTD 2016, followed by Germany (down 18.6%), Finland (down 16%), and Belgium (down 13.3%).

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



Source: IHS Global Trade Atlas
YTD through September

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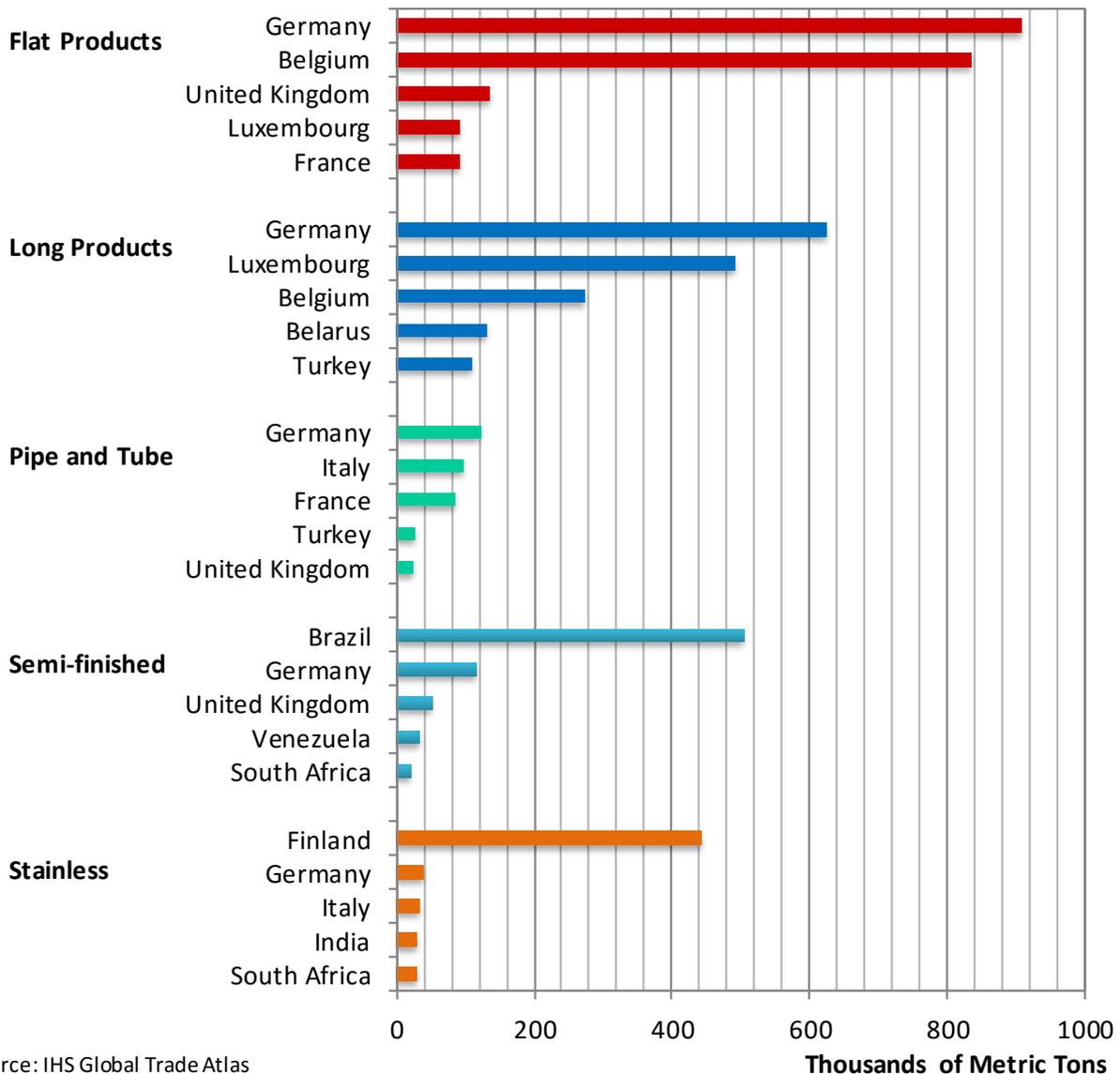
Top Sources by Steel Product Category

The top source countries for the Netherlands' imports by volume vary across types of steel products. The Netherlands imported the largest share of flat products from Germany in YTD 2016 at 38 percent (909.5 thousand metric tons), followed closely by Belgium at 35 percent (836.9 thousand metric tons).

In YTD 2016, Germany also represented the largest shares of both long product imports at 25 percent (627.3 thousand metric tons) and pipe and tube imports at 24 percent (122.2 thousand metric tons). The Netherlands imported over half of semi-finished steel from Brazil in YTD 2016 at 69 percent (506.6 thousand metric tons) and over half of stainless steel from Finland at 62 percent (443.5 thousand metric tons).

The United States was not a top-five import source for any product category.

Netherlands' Top 5 Import Sources by Product - YTD 2016



Source: IHS Global Trade Atlas
YTD through September

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Netherlands' Export Market Share from Top Source Countries

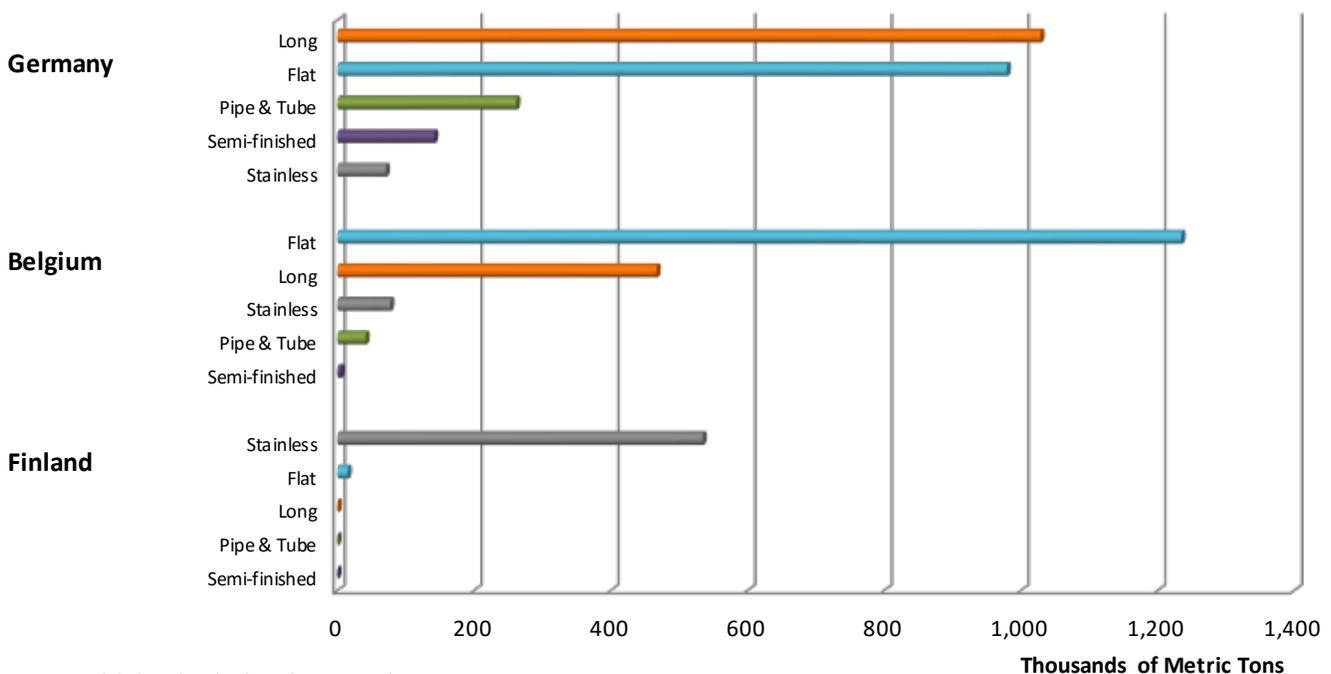
In 2015, the share of steel exports sent to the Netherlands from its top import sources increased or remained unchanged from eight of the top 10 sources. The share of steel exports to the Netherlands from Finland increased the most, up 1.4 percentage points, followed Luxembourg (up 1.2 percentage points). Exports to the Netherlands from Germany, Brazil, the United Kingdom, Italy and Russia increased by less than one percentage point, while export shares to the Netherlands from Belgium and France decreased by 2.3 and 0.3 percentage points, respectively.

Netherlands' Steel Export Market Share				
Top 10 Import Sources (2015)	Share of Exports to Netherlands - 2014	Netherlands' Rank in 2014	Share of Exports to Netherlands - 2015	Netherlands' Rank in 2015
Germany	9.9%	2	10.0%	2
Belgium	14.2%	3	12.0%	3
Finland	28.1%	1	29.5%	1
Brazil	0.2%	37	0.2%	22
Luxembourg	8.3%	4	9.5%	2
United Kingdom	4.7%	6	5.5%	7
France	2.5%	9	2.2%	9
Italy	1.5%	15	1.6%	15
Russia	0.2%	46	0.3%	45
China	0.2%	59	0.2%	65

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

Among the Netherlands' top import sources, Germany, Belgium, and Finland sent the largest share of exports to the Netherlands at 10, 12, and 29.5 percent, respectively. In 2015, long products accounted for the largest share of steel exports to the Netherlands from Germany at 41 percent (1 million metric tons). Flat products accounted for 68 percent of exports to the Netherlands from Belgium (1.2 million metric tons), while stainless steel accounted for 97 percent of exports from Finland (534.5 thousand metric tons).

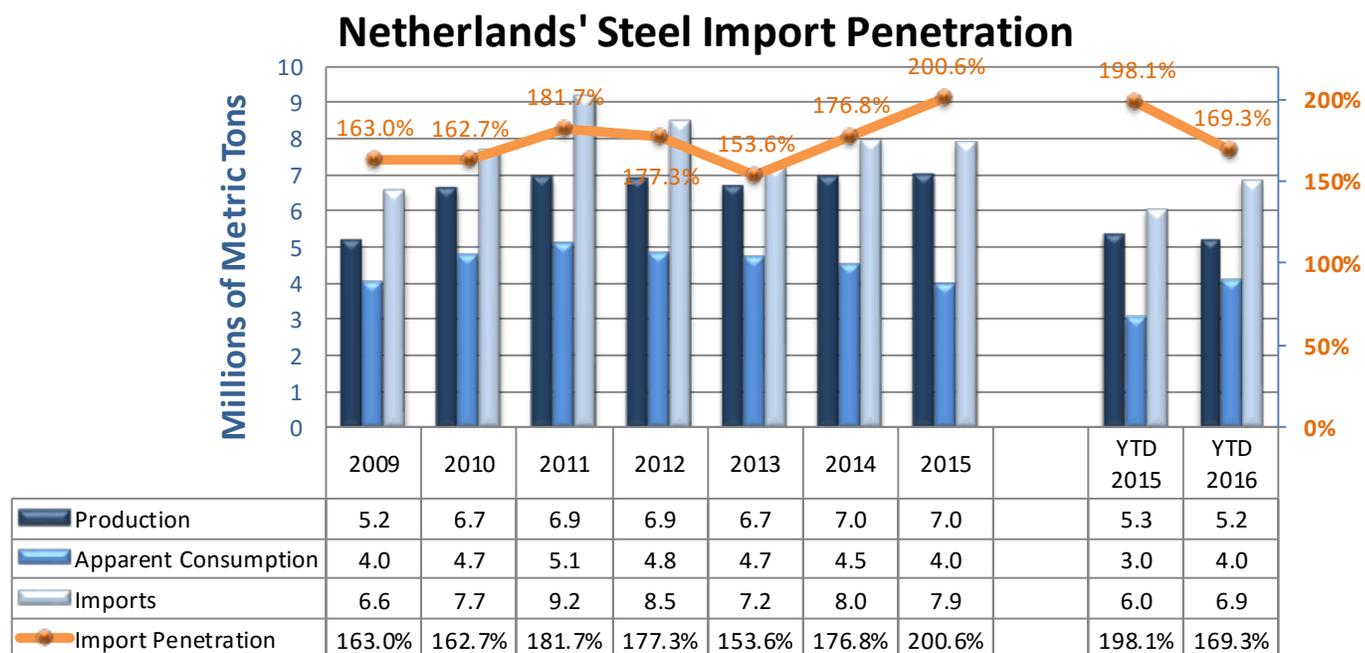
Steel Export Composition of Top Market-Share Countries - 2015



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

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Overall Production and Import Penetration



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

Crude steel production in the Netherlands increased by 34 percent between 2009 and 2011 to 6.9 million metric tons, and between 2011 and 2015, production held steady at an average of 6.9 million metric tons. So far in YTD 2016, production in the Netherlands has decreased by 2 percent to 5.2 million metric tons from 5.3 million metric tons in YTD 2015. Production has consistently outpaced apparent consumption (a measure of steel demand), and the gap between the two more than doubled between 2009 and 2015. Annual import penetration levels averaged 174 percent and peaked at 200.6 percent in 2015. In YTD 2016, import penetration dropped by over 28 percentage points to 169.3 percent from 198.1 percent in YTD 2015.

Top Producers

The Netherlands' has two main companies producing crude steel: foreign-owned Tata Steel and domestically-owned Nedstaal. India's Tata Steel acquired the IJmuiden steelworks (formerly owned by Corus Steel) to become the largest steel producer in the Netherlands with an estimated production capacity of 7 million metric tons.

Netherlands' Steel Producers			
Rank	Company	Capacity (mmt)	Main Products
1	Tata Steel (IJmuiden)	7	Hot-rolled, cold-rolled, coated strip, slab
2	Nedstaal	N/A	Semi-finished

Sources: Metal Bulletin, *Iron and Steelworks of the World Directory* (2014 and 2017 editions); Company websites

Steel Imports Report: **Netherlands**

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 the Netherlands, 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 December 1, 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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