



Global Steel Trade Monitor

Steel Imports Report: Poland

May 2018

Background

Poland is the world's twelfth-largest steel importer. In 2017, Poland imported 10.7 million metric tons of steel, a 6 percent increase from 10.1 million metric tons in 2016. Poland's imports represented about 3 percent of all steel imported globally in 2016, based on available data. The volume of Poland's 2017 steel imports was roughly a third the size of the world's largest importer, the United States. In value terms, steel represented just 4 percent of the total goods imported into Poland in 2017.

Poland imports steel from over 60 countries and territories. The seven countries highlighted in the map below represent the top import sources for Poland's imports of steel, with each sending more than 400 thousand metric tons to Poland and together accounting for 67 percent of Poland's steel imports in 2017.

Poland's Imports of Steel Mill Products - 2017



Data Source: Global Trade Atlas; Copyright © IHS Global, Ltd., 2018. All rights reserved.

Quick Facts:

- World's twelfth-largest steel importer: 10.7 million metric tons (2017)
- 98% growth in steel imports since 2009
- Year-on-year import volume up 6% while import value up 27%
- Import penetration at 71% in 2017
- Top three import sources: Germany, Slovakia, Czech Republic
- Largest producers: ArcelorMittal, Celsa Group, CMC, Cognor SA
- 36 European Union trade remedies in effect against imports of steel mill products

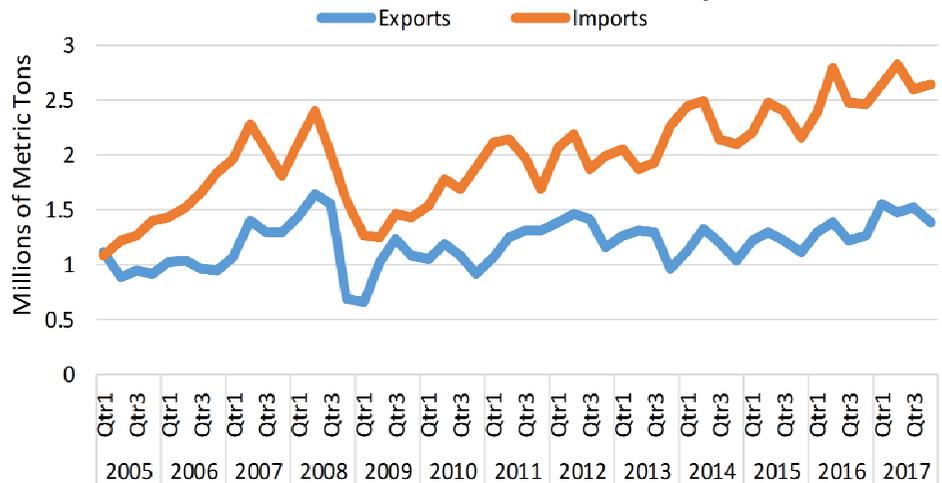
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Steel Trade Balance

Since Q2 2005, Poland has maintained a growing trade deficit in steel products. During the global recession in 2008, imports and exports both dropped before eventually recovering. Since their lowest levels in 2009, imports grew 98 percent by 2017, while exports grew 49 percent.

As imports grew faster than exports, Poland's steel trade deficit grew 347 percent between 2005 and 2016. In 2017, the trade deficit amounted to -4.8 million metric tons — shrinking from -4.95 million metric tons in 2016.

Poland's Trade in Steel Mill Products by Quarter



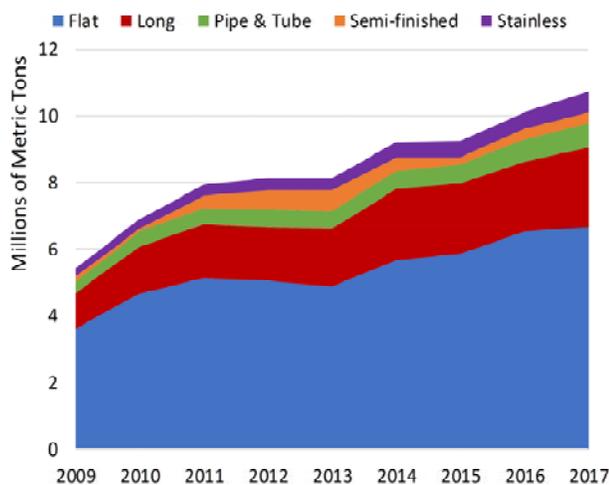
Source: IHS Markit Global Trade Atlas

Import Volume, Value, and Product

Poland's volume of steel imports has increased every year since 2009. Imports in 2017 increased to 10.7 million metric tons, a 6 percent increase from 10.1 million metric tons in 2016. Import values have displayed a different trend — decreasing for the majority of years between 2011 and 2015. The value of Poland's 2017 steel imports increased by 27 percent to \$9.3 billion from \$7.3 billion in 2016.

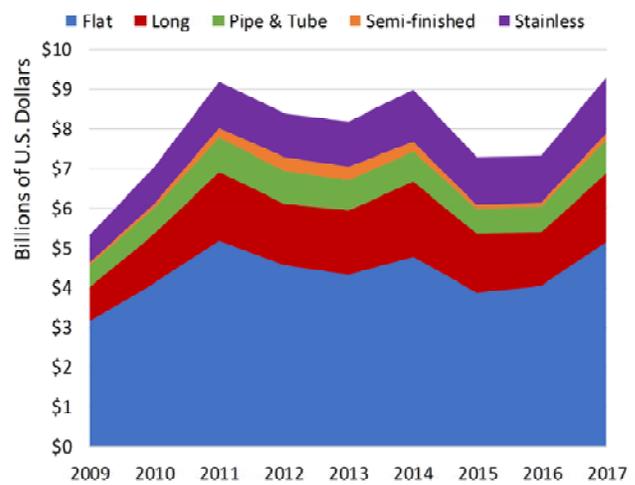
Flat products accounted for 62 percent of Poland's steel imports by volume in 2017, a total of 6.7 million metric tons. Long products accounted for 22 percent of Poland's imports (2.4 million metric tons), followed by pipe and tube products at 7 percent (756 thousand metric tons), stainless products at 6 percent (601 thousand metric tons), and semi-finished steel at 3 percent (333 thousand metric tons).

Poland's Imports of Steel Mill Products
Millions of Metric Tons



Source: IHS Markit Global Trade Atlas

Poland's Imports of Steel Mill Products
Billions of U.S. Dollars



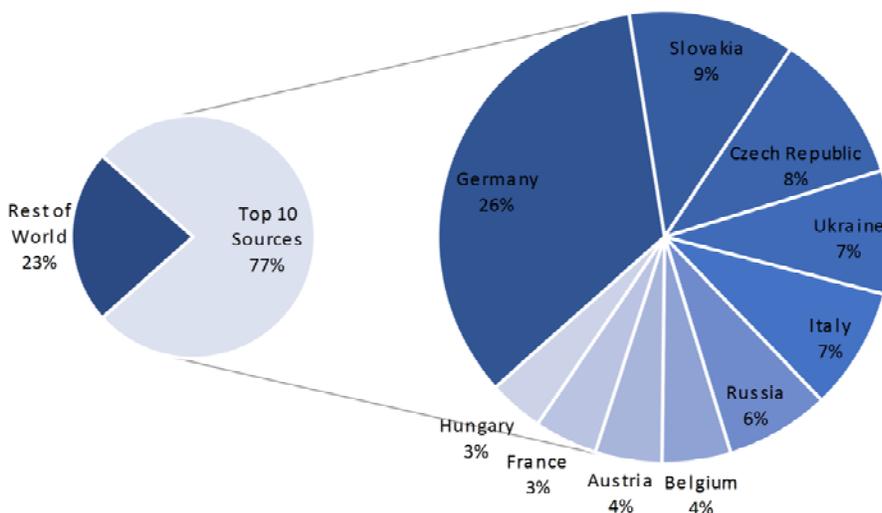
Source: IHS Markit Global Trade Atlas

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Imports by Top Source

The top 10 source countries for Poland's steel imports represented 77 percent of the total steel import volume in 2017 at 8.2 million metric tons (mmt). Germany accounted for the largest share of Poland's imports by source country at 26 percent (2.8 mmt), followed by Slovakia at 9 percent (1 mmt), the Czech Republic at 8 percent (0.9 mmt), Ukraine at 7 percent (0.73 mmt), and Italy at 7 percent (0.72 mmt).

Poland's Steel Imports - Top 10 Sources
2017 - Percent of Volume



The United States ranked 34th as source for Poland's imports of steel in 2017 at just 0.1 percent (12.6 thousand metric tons). Source: IHS Markit Global Trade Atlas

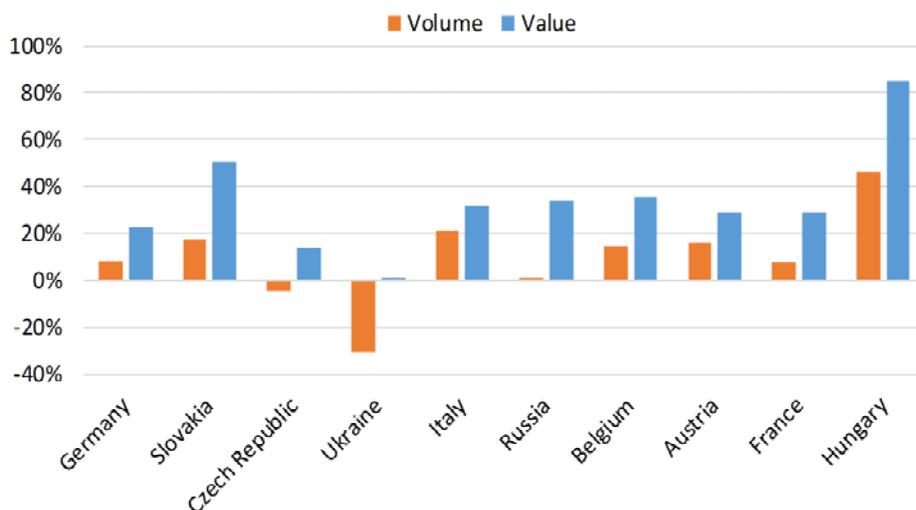
Trends in Imports from Top Sources

While the volume of Poland's steel imports increased from eight out of its top ten steel import sources between 2016 and 2017, the overall value of Poland's imports increased from all of the top ten.

Considerable increases in Poland's steel import volume between 2016 and 2017 included Poland's imports from Hungary (up 46%), Italy (up 21%), Slovakia (up 17%), Austria (up 16%), and Belgium (up 14%). Imports from Ukraine and the Czech Republic showed the only decreases in 2017, down 31 percent and 4 percent, respectively.

Poland's imports from Hungary also showed the largest increase in value, up 85 percent, followed by Slovakia (up 50%), Belgium (up 35%), Russia (up 34%), Italy (up 32%), Austria (up 29%), France (up 29%), Germany (up 23%), and the Czech Republic (up 14%).

Percent Change in Imports from Top 10 Sources (2016 to 2017)



Outside of the top 10 sources, other significant volume changes in 2017 included Poland's imports from 15th-ranked India (up 179%), 19th-ranked China (down 38%), and 20th-ranked Turkey (up 172%). Source: IHS Markit Global Trade Atlas

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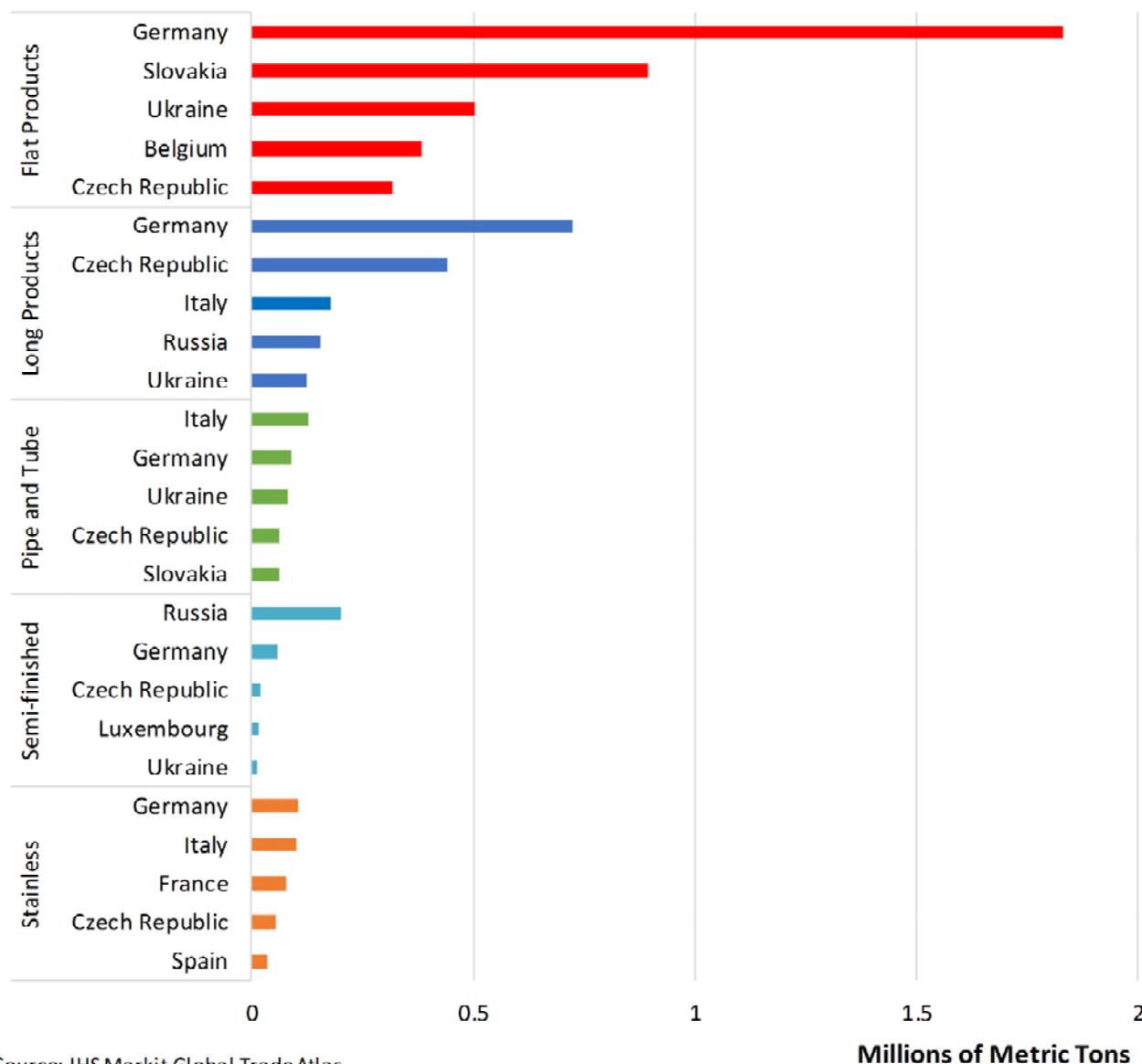
Top Sources by Steel Product Category

The top source countries for Poland's imports by volume vary across types of steel products, though Germany accounted for the first or second source in each category. Germany accounted for the largest share of Poland's imports of flat, long, and stainless steel products in 2017 at 27 percent (1.8 million metric tons), 31 percent (722 thousand metric tons), and 17 percent (104 thousand metric tons), respectively.

In 2017, Italy represented the largest share of Poland's imports of pipe and tube products at 17 percent (127 thousand metric tons), followed by Germany at 12 percent (89 thousand metric tons), Russia accounted for the largest share of semi-finished steel imports at 60 percent (201 thousand metric tons).

The United States was not a top import source in any product category in 2017.

Poland's Top 5 Import Sources by Product - 2017



Source: IHS Markit Global TradeAtlas

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Poland's Export Market Share from Top Source Countries

In 2017, the share of steel exports sent to Poland increased from six of its top 10 sources. In 2017, the share of the Hungary's steel exports to Poland showed the largest increase (up 1.3 percentage points). Increases in the share of exports to Poland in Germany, Slovakia, Italy, Belgium, and Austria increased by less than one percentage point each. The share of Ukraine's steel exports to Poland showed the largest decrease (down 1 percentage point). The share of exports to Poland in the Czech Republic, Russia, and France decreased by less than one percentage point, each.

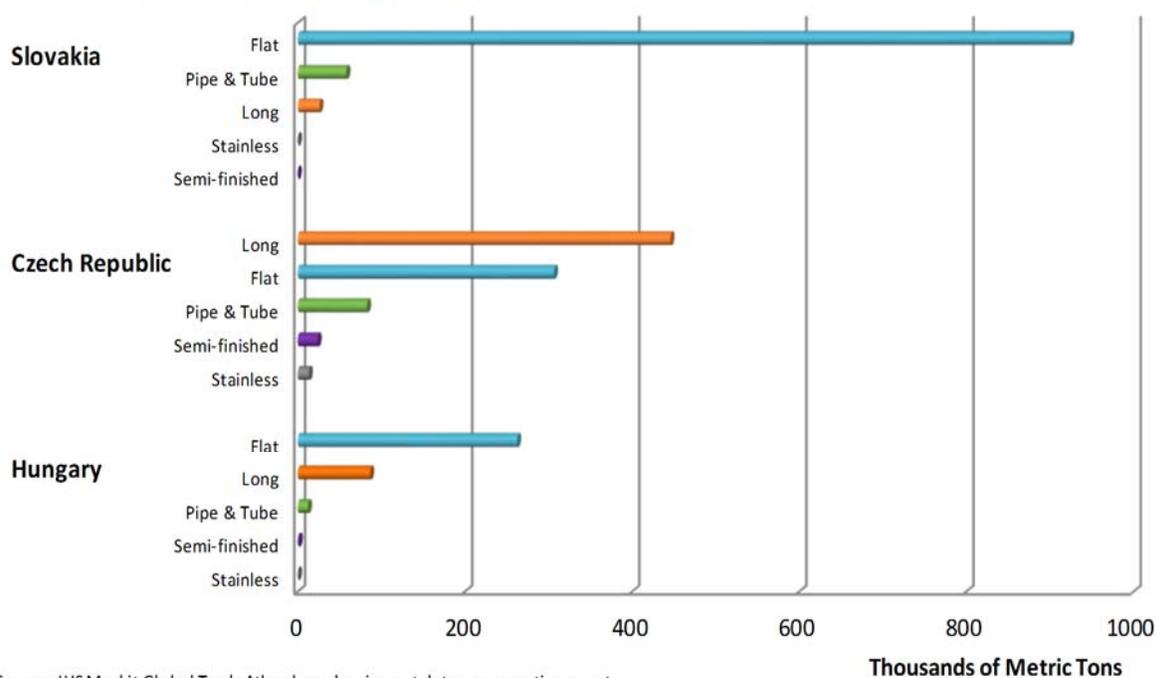
Among Poland's top import sources, Slovakia, the Czech Republic, and Hungary sent the largest shares of their total steel exports to Poland in 2017. Flat products accounted

for the largest share of steel exports to Poland from Slovakia and Hungary at 92 percent (924 thousand metric tons) and 72 percent (263 thousand metric tons), respectively, while long products held the largest share of the Czech Republic's exports to Poland at 51 percent (446 thousand metric tons).

Poland's Steel Export Market Share				
Top 10 Import Sources	Share of Exports to Poland - 2016	Poland's Rank in 2016	Share of Exports to Poland - 2017	Poland's Rank in 2017
Germany	9.8%	2	10.1%	2
Slovakia	19.1%	2	19.8%	1
Czech Republic	19.5%	2	19.4%	2
Ukraine	5.8%	5	4.8%	6
Italy	4.2%	6	4.6%	5
Russia	1.6%	16	1.2%	19
Belgium	2.3%	7	2.5%	7
Austria	4.8%	4	5.1%	4
France	2.3%	10	2.2%	9
Hungary	18.1%	2	19.5%	2

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

Steel Export Composition of Top Market-Share Countries - 2017

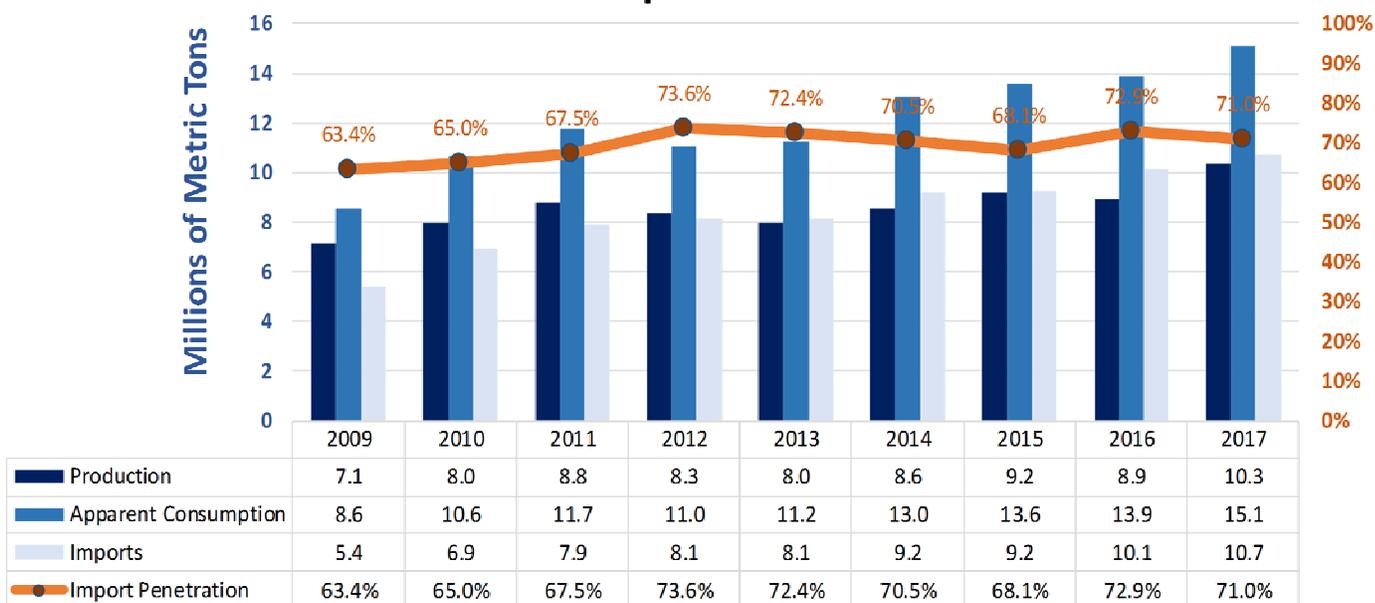


Source: IHS Markit Global Trade Atlas, based on import data per reporting country

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Overall Production and Import Penetration

Poland's Import Penetration



Sources: World Steel Association; IHS Markit Global Trade Atlas

Poland's crude steel production has averaged just over 8 million metric tons since 2009, reaching a peak in 2015 at 9.2 million metric tons. While production in 2016 decreased by 3 percent to 8.9 million metric tons, production in 2017 increased by 16 percent to 10.3 million metric tons, a new peak. Since 2009, apparent consumption (a measure of steel demand) has increasingly exceeded production. Between 2009 and 2017, crude steel production grew by 45 percent while apparent consumption grew nearly twice as much, increasing by 76 percent. Import penetration averaged 68.6 percent between 2009 and 2015 and increased to 72.9 percent in 2016 from 68.1 percent in 2015. Import penetration declined slightly in 2017 to 71 percent.

Top Producers

Poland's steel production is a mix of domestic and foreign-owned companies and is concentrated among a handful of producers, with ArcelorMittal alone accounting for about 70 per cent of Poland's steelmaking capacity. The company is also one of the largest Polish exporters and producers of coke in Europe and in the entire ArcelorMittal group.

Poland's Top Steel Producers in 2017

Rank	Company	Production (mmt)	Main Products
1	ArcelorMittal Poland	7.6	Flat and long products
2	Celsa Group	N/A	Bars, sections, castings
3	CMC Poland	N/A	Billets, bars, wire rod, sections
4	Cognor SA	N/A	Flat and long products, semi-finished steel

Sources: Metal Bulletin, *Iron and Steelworks of the World Directory 2017*; Polish Steel Association (HIPH); 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 Poland, 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	2			2
Brazil	1			1
China	13	2		15
India	1	2		3
Iran	1			1
Japan	1			1
Russia	5		1	6
South Korea	1		1	2
Taiwan	1			1
Ukraine	2			2
United States	1		1	2
TOTAL	29	4	3	36

Source: World Trade Organization, through December 31, 2017

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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