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**Chinese Steel Industry To Contest Eurofer's Claim Of Dumping** 10 January 2012 BEIJING (Dow Jones)--China will contest the claim by the European steel association, or Eurofer that Chinese steel makers are dumping subsidized steel into the European market, industry officials said Tuesday. Eurofer late last week lodged an anti-subsidy complaint with the European Commission citing "overwhelming evidence (to show) that the surge in EU steel imports of Chinese organic coated sheet are the result of massive subsidization." This marks the second complaint filed by the association against Chinese exporters in the past six weeks. It filed an anti-dumping case on the same products in November, which resulted in an investigation being launched by the Commission. When contacted, Anshan Iron & Steel Group Corp., China's third-largest steelmaker by output, said some of Anshan's steel products could be affected by a potential investigation. "Anshan Iron will, with CISA, actively appeal the case," a company spokesman said. Earlier in the day, China Iron & Steel Association Deputy Secretary General Li Xinchuang said Chinese steel mills should contest the claim by European producers. "Chinese steel makers shouldn't give up without a fight," he said. Organic coated steel consists of pre-painted sheet and plastic coated sheet steel products used in construction for roofs and cladding. "China actually is not a large exporter of such products," Li said. "We need to know more on what they have got. So far it's hard to say how much chance Chinese steel makers have to win the appeal," he said. Eurofer, which represents European steel makers such as the world's largest steelmaker ArcelorMittal (MT) and Germany's ThyssenKrupp AG (TKA.XE), said the Chinese government provides support programs covering all aspects of the steel and organic coated sheet industry, including investment in excess production capacity, production, and sales and exports of the product through preferential loans and interest rates, equity programs, income and other tax arrangements. The Commission will have 45 days to decide whether to investigate Eurofer's latest complaint. If it does go ahead, it will then have 13 months to arrive at a ruling and provide any counteractive measures. The commission typically has 15 months to reach a similar ruling on anti-dumping cases, a Eurofer spokesman said.

**WTO Next Stop for ETS Dispute?** By Lisa Ray Published on ATWOnline (<http://atwonline.com>) 11 January 2012 Trade experts are warning that regardless of the legal merits of last month's ruling to include aviation in the Emissions Trading Scheme (ETS) by the Court of Justice of the European Union (CJEU), a trade war looms between the rest of the world and Europe. Marc Busch, the Karl F. Landegger Professor of International Business Diplomacy at Edmund A. Walsh School of Foreign Service and Professor of Government at Georgetown University, told the Montreal Gazette "while (Europe) may be frustrated with (Montreal's) ICAO, most of its trade partners probably see the underlying spirit as protectionist." No matter how laudable Europe's goals may be, Busch said, developing countries like India and China will paint the ruling as "typical of Europe's race to the top on standards," it is an elitist and protectionist measure that will harm their developing economies. Busch said the dispute might now be referred to the World Trade Organization. "For India to be threatening unknown retaliation, for the Chinese to be holding up Airbus purchases and for the US to be entertaining laws that would prohibit US airlines [from complying with the ETS] is really quite politically charged," Busch said. "And if this case gets to the WTO, the sheer number of participants in the litigation would likely lead to a most awkward ruling. I'd rather this go to the WTO than have India, China and the US all offer retaliatory gestures that could blossom into a broader trade war. "This is really a hot topic. In a nutshell, it touches so much that makes globalization challenging right now—institutions with overlapping jurisdictions, the European Union pursuing a lofty ambitious goal, and yet moving unilaterally despite the fact that we have an institution [ICAO] that is trying to make progress," Busch said.

**Geithner Presses China on Currency, Iran** Jan. 10 (Bloomberg) -- .U.S. Treasury Secretary Timothy F. Geithner will urge Asia's two biggest economies to cut Iranian oil imports and seek to narrow differences with China on trade and currency disputes on a visit to Beijing and Tokyo this week. Geithner, who today holds talks with Premier Wen Jiabao, Vice President Xi Jinping and Vice Premier Li Keqiang, arrived in Beijing yesterday and met Chinese Vice Premier Wang Qishan. In Japan, he is due to meet with Prime Minister Yoshihiko Noda and Finance Minister Jun Azumi tomorrow. "On economic growth, financial stability around the world, on nonproliferation, we have what we view as a very strong cooperative relationship with the government and we are looking forward to building on that," Geithner said at the start of his meeting with Xi. Wang, appearing with Geithner yesterday, said the two countries "have a lot of issues to talk about in the areas of economy, finance, trade and investment." "Apart from the bilateral aspect, we are also having important cooperation in the multilateral and global arena in the areas of economy, finance, trade policies and also G-20 related affairs," Wang said

**Brazil Studies Ways To Curb Chinese Cellphone Imports -Source** 10 January 2012 By Gerald Jeffris Of DOW JONES NEWSWIRES BRASILIA (Dow Jones)--Brazil's government is studying ways to curb a growing flood of cheap cellphone equipment from China that enters the country well below local manufacturing costs, a local industry official told Dow Jones Newswires. The official said the Brazilian electronics manufacturers association, Abinee, submitted a request for actions against cheap cellphone imports to Brazil's trade ministry three months ago and is awaiting action on the matter. "If it's proved that the value of the imports is below costs, the government can take action to balance the situation, such as charging higher taxes or requiring minimum prices for the imported items," the official said. A spokesman for the trade ministry said the government hadn't yet reached a decision, but could have an announcement "soon" regarding the matter. Brazilian manufacturers have complained that low-end cellphones from China have been entering the country at around \$12 each, less than a third of the cost of similar models produced in Brazil. According to Abinee, more than one-third of the 57 million cellphones sold in Brazil in 2011 were Chinese imports. In the low-end cellphone market, meanwhile, Chinese imports

jumped from 50% of the total in 2009 to more than 85% last year. The industry official estimated damage from the alleged dumping could be up to \$200 million annually, but said the real cost for the country would be in jobs lost.

**Ukraine mulling revision of tariffs for some goods with WTO** Kyiv, January 10 (Interfax-Ukraine) – The Ukrainian government is deciding whether to initiate talks with the WTO on increasing rates of duty on goods imported to Ukraine from a list formed according to proposals from Ukrainian business, Government Commissioner for Ukraine's European Integration Valeriy Piatnytsky has said. "A list of the goods has been created, and it includes cars, sugar and certain types of meat," he said at a press conference at Interfax-Ukraine on January 6, 2012. Piatnytsky said that the government is also studying the application of other measures to protect national goods producers, as the option of the revision of tariffs with the WTO could be ineffective. He said that most cars imported to Ukraine come from Russia, with which Kyiv has an agreement on free trade, and via the European Union, with which a free trade agreement has been prepared for signing. He added that Ukraine has launched an investigation into imports of the two most popular types of cars – cars with engines up to 1,600 cubic centimeters and with engines up to 2,200 cubic centimeters. "If the restrictive measures were not approved after investigations, what need would we have for talks [with the WTO countries]?" he said. He added that a 50% duty is in effect for imported sugar, and the revision of the tariff quota of over 260,000 tonnes or 10-15% of annual consumption is unlikely. Piatnytsky said that other WTO countries would demand something from Ukraine for agreement to increase imported duties if the tariffs were revised. Commenting on disputes with the Customs Union states over some types of goods, he said that the active position of Ukraine and other countries in working groups on Kazakhstan and Belarus' joining the WTO could partially resolve the problem, as the Customs Union foresees the implementation of all agreements reached at national levels. He said that the average tariff rates in the Customs Union when all of the three countries join the WTO could be even lower than Ukraine has now.

**Foreign Trade Ministry Releases Report On Results of WTO Ministerial Conference** Jan 10, 2012 (Egypt State Information Service/All Africa Global Media via COMTEX) -- Ministry of Industry and Foreign Trade released a report on Friday 06/01/2012 on the results of the Eighth Ministerial Conference of the WTO, which was held recently in Geneva, Switzerland. The report covered the decisions, discussions and issues tackled by the conference. The ministry has circulated the report to all export councils to survey opinions of members of those councils on the impact of such decisions on the Egyptian exports negatively and positively. Head of the trade agreements sector in the Ministry of Industry and Foreign Trade Abdullah Saeed said that the conference was held amid an economic crisis battering the world and increasing calls for the application of protectionist policies, which led the WTO Director General Pascal Lamy to warn against dangers of such policies while stressing the importance of continuing policies and efforts of liberalization of world trade. Saeed stressed that the multilateral trading system based on transparency is part of mechanisms to face the economic crisis. He added that the conference has issued a number of decisions in favor of exports and international trade. The ministry's report also tackled Egypt's efforts in the conference through participation of the Minister of Industry and Foreign Trade Dr. Mahoud Eissa in the conference.

**EU insists on government supply contracts** Amiti Sen 11 January 2012 The Economic Times NEW DELHI: The European Union (EU) has indicated that if India keeps government supply contracts out of the bilateral trade and investment agreement, it could affect flow of business to Indian joint ventures and subsidiaries established in the region. The Indian government makes purchases from other countries but has not made any commitment to continue doing so. The EU, which is negotiating the terms of the agreement with India, is keen on making it binding on India to do so. At a recent official-level meeting in Brussels, EU officials claimed that EU's purchases from non-EU sources was about 16% of total government sourcing done in the region, and not below 1% as claimed by research bodies in India and some other countries. "EU officials say that all firms in Europe that have investments from a foreign country are also to be considered as non-EU sources. By including government contracts going to such firms, the EU claims that foreign sourcing increases to 16%," an Indian official told ET. If India does not get into a bilateral government procurement agreement (GPA) with the EU, then Indian companies, including subsidiaries and joint ventures established in the 27 EU countries, could be deprived of the current business they are getting, the EU officials warned. Since India is not a part of the GPA of the WTO, the EU could ban government sourcing from Indian companies, if it likes. The EU's annual procurement is estimated at \$277 billion, against the global government sourcing valued at \$1.3 trillion and India's \$1.5 billion.

**US-India trade policy forum postponed till later this year** From Lalit K Jha Washington, January 10, 2012 (PTI) US Trade Representatives Ron Kirk has postponed his scheduled trip to India this week for the crucial eighth round of the US-India Trade Policy Forum (TPF) in New Delhi. "While considerable progress on developing the agenda for the TPF has been made, in view of the amount of preparatory work that remains to be done, the US and India have decided to postpone the TPF until later this year," an official statement issued by USTR said. "The additional time will allow us to further develop the TPF agenda and related activities. We look forward to a highly productive Trade Policy Forum in 2012," USTR said. While no specific reasons were given for the sudden decision by Kirk to cancel the TPF trip, it is understood that the top American trade official was not satisfied by the steps being taken by India on liberalization of its economy.

**Germany benefits from Korea-EU FTA** Yoav Cerralbo(yoav@heraldm.com) 10 January 2012 The Korea Herald Chamber advises SMEs to enter Korean market Germany is benefiting from the Korea-EU FTA that went into effect in July as its exports to Korea are increasing, a top German chamber official said. "We have already seen some positive effects but not as spectacular as some people might have thought," said Korean-German Chamber of Commerce and Industry Secretary General Jurgen Wohler. One reason for the not-so-spectacular expectations is the European debt crisis, which is hampering Korean exports to the 27-member block. On the other side, European exports to Korea are up with German exports occupying the bulk of the trade. "German exports are doing particular well because we are supplying primarily components to the Korean export industry," he noted.

**G20's FSB targets insurers, domestic banks** By Katie Reid and Huw Jones BASEL, Switzerland/LONDON, Jan 10 (Reuters) - Global regulators said on Tuesday they would complete work on a tougher supervisory framework for big insurers and systemically important domestic banks by the end of the year. The Financial Stability Board (FSB) also said its work on rules for the "shadow banking" sector, such as private equity groups, hedge funds and money market funds, continued with further review in March. FSB Chairman Mark Carney said it would be surprising if there would be a single approach across the shadow banking system. "The insurance discussion is much more mature than the shadow banks discussion," Carney told a news conference. Insurers argue strongly they were not a cause of the financial crisis and should not be saddled with capital surcharges like the biggest cross-border lenders will be. Carney said there are no plans for now to publish the names of insurers that will undergo more intense supervision. (END)