INTERNATIONAL TRADE ADMINISTRATION

Global Steel Trade Monitor

Steel Imports Report: **Poland**

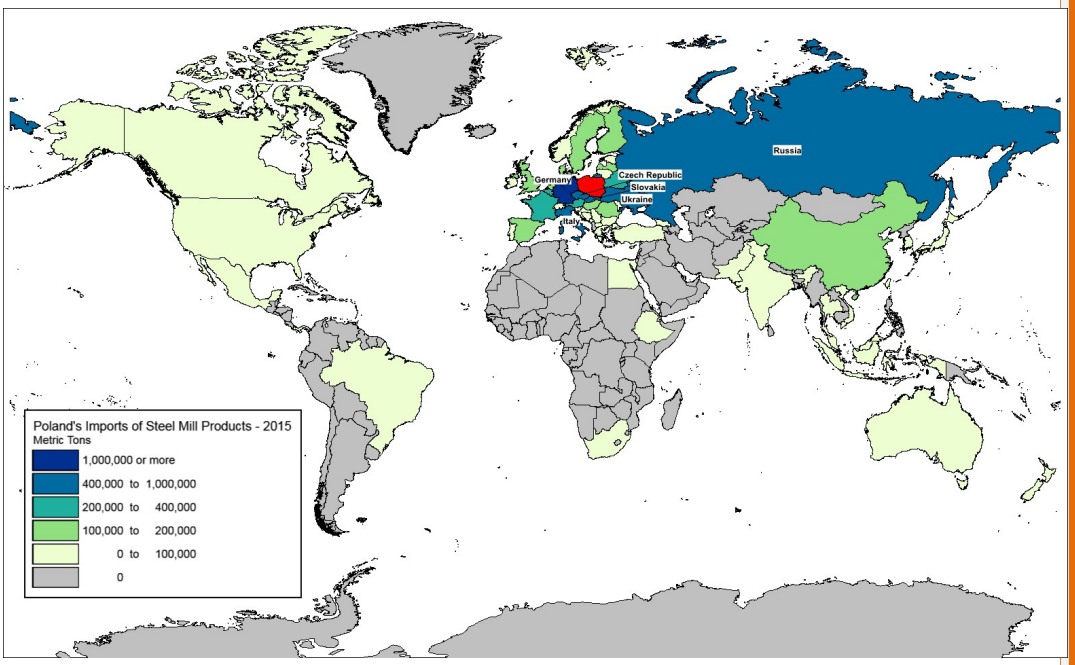
November 2016

Background

Poland was the world's thirteenth-largest steel importer in 2015. In year to date 2016 (through June), Poland imported 5.1 million metric tons of steel, a 9.9 percent increase from 4.7 million metric tons in YTD 2015. Poland's imports represented about 2 percent of all steel imported globally in 2015. The volume of Poland's 2015 steel imports was slightly more than a third of the world's second-largest importer, Germany. In value terms, steel represented just 3.7 percent of the total goods imported into Poland in 2015.

Poland imports steel from over 90 countries and territories. The six countries labeled 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 64 percent of Poland's steel imports in 2015.

Poland's Imports of Steel Mill Products - 2015



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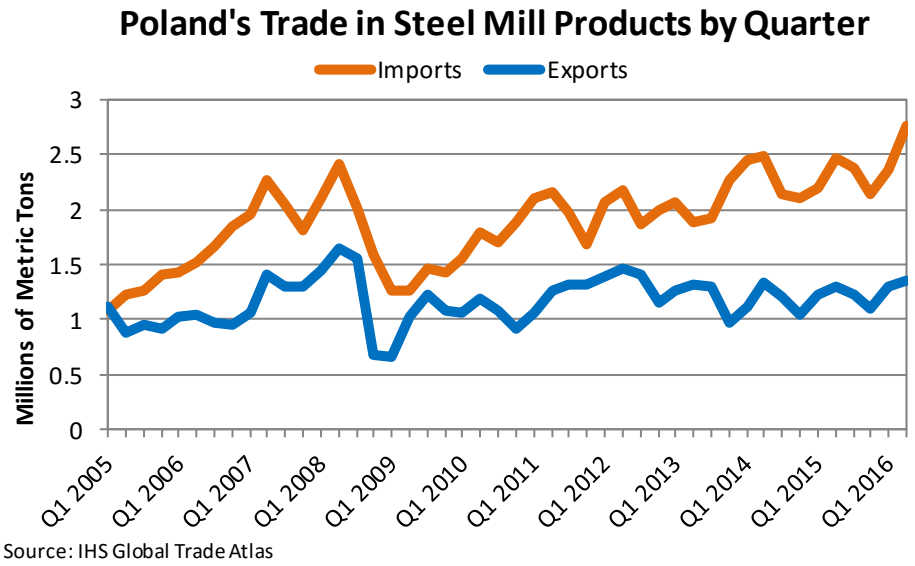
Quick Facts:

- World's thirteenth-largest steel importer: 5.1 million metric tons (YTD 2016)
- 117% growth in steel imports since Q1 2009
- YTD import volume up 9.9% while import value down 3.5%
- Import penetration at 75.2% in YTD 2016
- Top three import sources: Germany, Ukraine, Czech Republic
- Largest producers: ArcelorMittal, Celsa Group, CMC, Cognor SA
- 20 European Union trade remedies in effect against imports of steel mill products

Steel Imports Report: **Poland**

Steel Trade Balance

Since 2005, Poland has maintained a steady trade deficit in steel products. Both imports and exports fell in the wake of the 2008 global recession. Since their lowest levels in Q1 2009, imports grew 117 percent and exports grew 105 percent by Q2 2016.

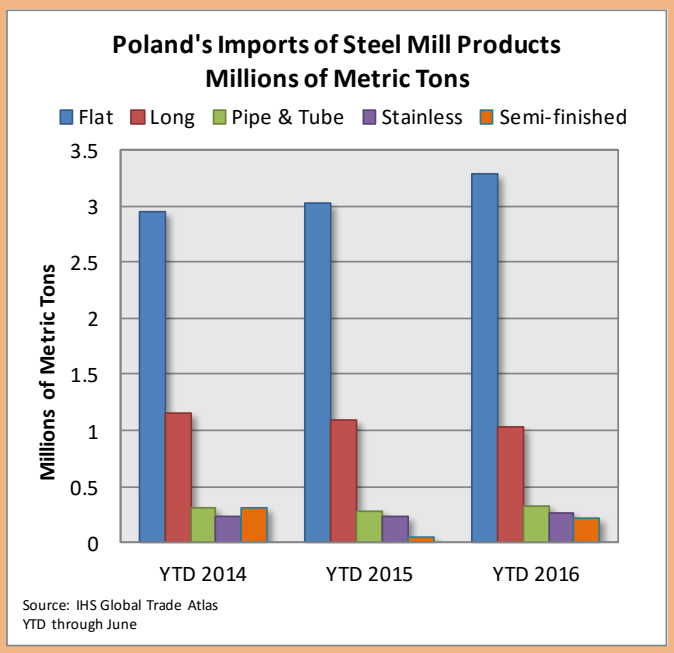


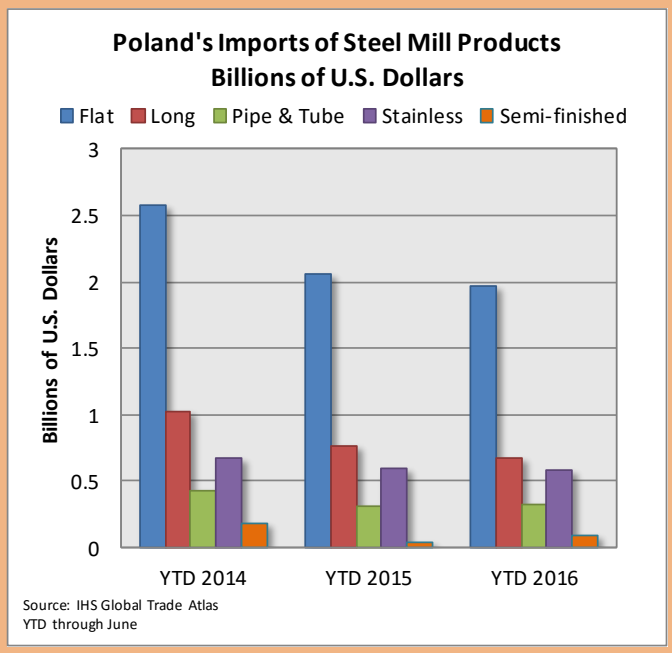
Between 2010 and 2015, Poland's steel trade surplus widened from -2.7 million metric tons to -4.3 million metric tons. In YTD 2016, the trade deficit totaled -2.5 million metric tons, up 15 percent from -2.1 million metric tons in YTD 2015.

Import Volume, Value, and Product

In 2015, the volume of Poland's steel imports remained the same as in 2014 at 9.2 million metric tons. In YTD 2016, imports totaled 5.1 million metric tons — a 9.9 percent increase from 4.7 million metric tons in YTD 2015. By contrast, the value of Poland's YTD 2016 steel imports has decreased by 3.5 percent to $3.6 billion from $3.8 billion in YTD 2015.

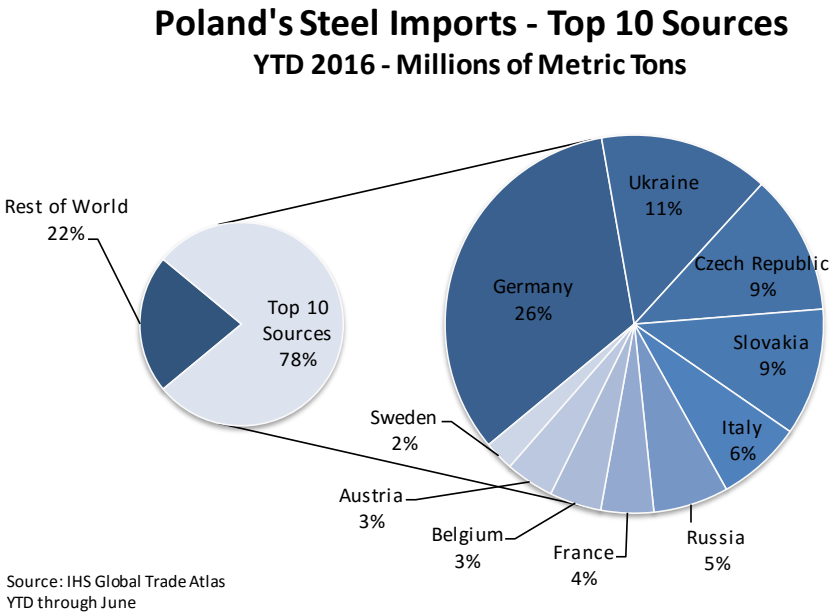
Flat products accounted for 64 percent of Poland's steel imports by volume in YTD 2016, a total of 3.3 million metric tons. Long products accounted for 20 percent of Poland's imports (1 million metric tons), followed by pipe and tube at 6 percent (326 thousand metric tons), stainless products at 5 percent (264 thousand metric tons), and semi-finished products at 4 percent (214 thousand metric tons).





Imports by Top Source

The top 10 source countries for Poland's steel imports represented 78 percent of the total steel import volume in YTD 2016 at 4 million metric tons (mmt). Germany accounted for the largest share of Poland's imports by source country at 26 percent (1.3 mmt), followed by Ukraine at 11 percent (0.6 mmt), the Czech Republic at 9 percent (0.5 mmt), Slovakia at 8 percent (0.4 mmt), and Italy at 6 percent (0.3 mmt) among the top 5 major import sources.

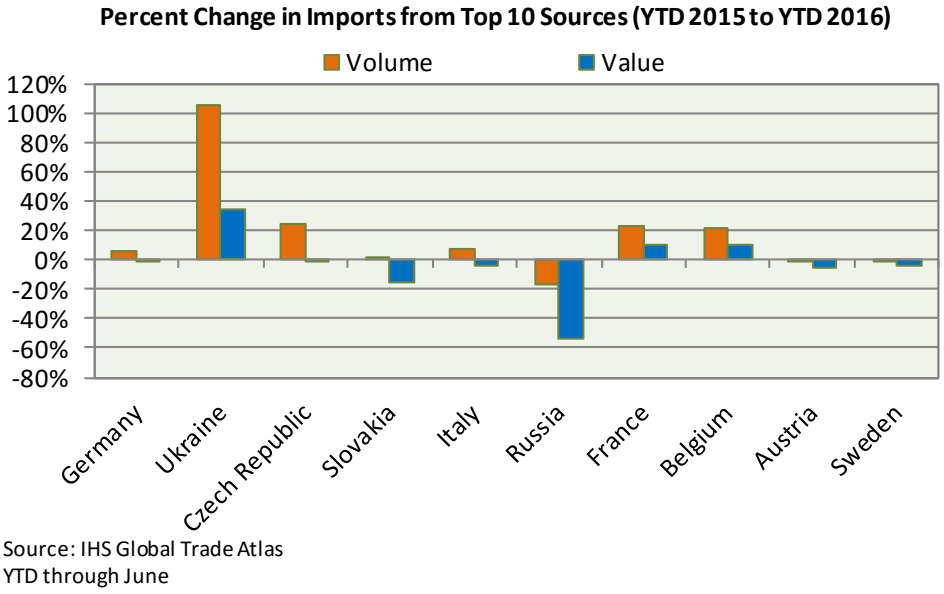


The United States ranked 39th as source for Poland's imports of steel in YTD 2016 at 1.4 thousand metric tons.

Trends in Imports from Top Sources

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

Considerable decreases in Poland's steel import value between YTD 2015 and YTD 2016 included Poland's imports from Russia (down 53.6%) and Slovakia (down 15.4%). A considerable increase in import value occurred from Ukraine (up 34.7%). Poland's imports from Ukraine also showed the largest increase in volume, up 105.6 percent from YTD 2015.



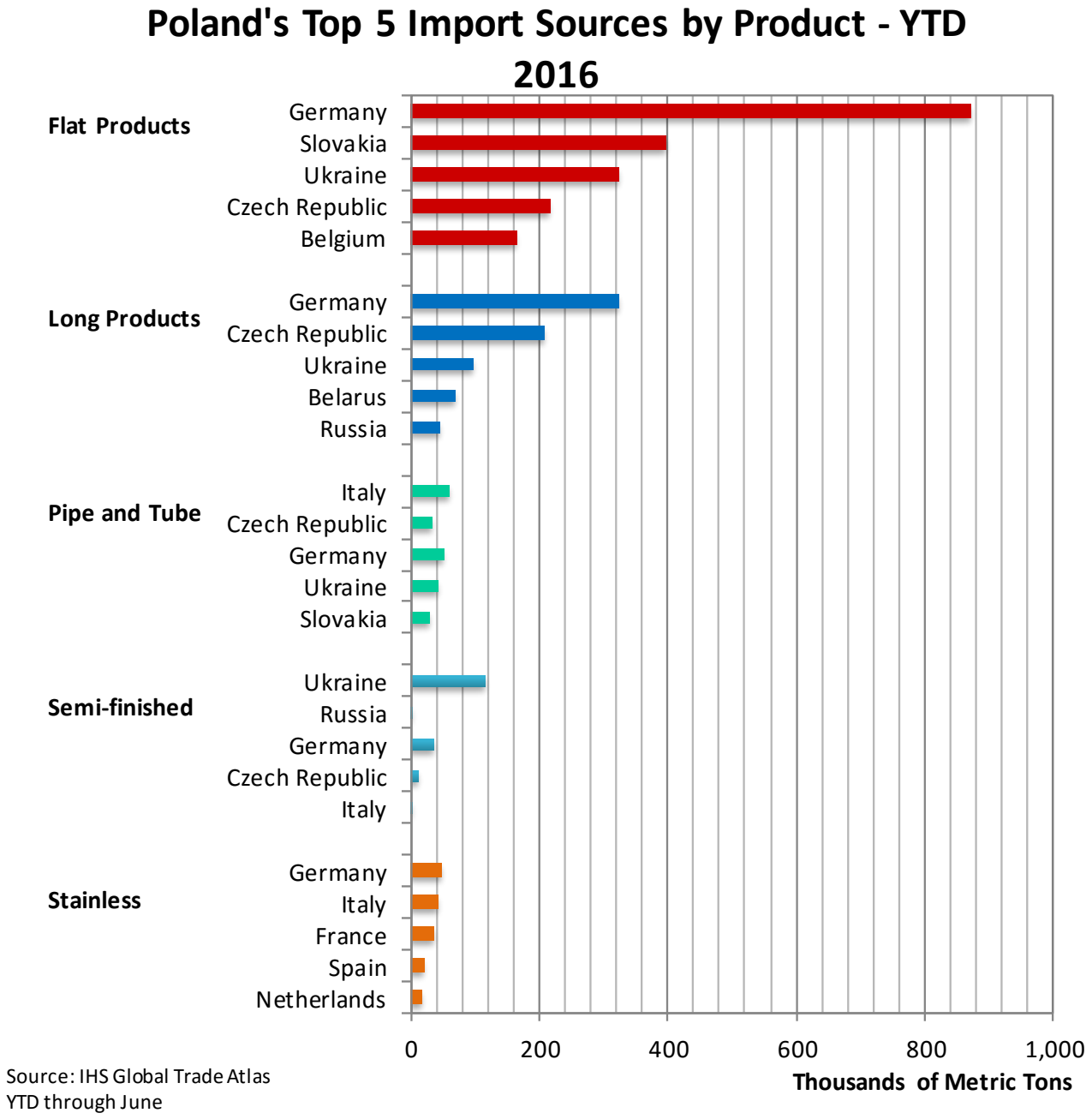
Sizeable increases in Poland's steel import volume also occurred from the Czech Republic (up 25.1%), France (up 23.3%), and Belgium (up 21.4%).

Outside of the top 10 sources, other significant volume changes included Poland's imports from Belarus (down 50%), Latvia (up 47%), and South Korea (up 50%).

Top Sources by Steel Product Category

The top source countries for Poland's imports by volume vary across types of steel products. Germany accounted for the largest share of Poland's imports of flat, long, and stainless steel products in YTD 2016 at 26 percent (872 thousand metric tons), 31 percent (323 thousand metric tons), and 18 percent (47 thousand metric tons), respectively. In YTD 2016, Italy represented the largest share of Poland's imports of pipe and tube products at 19 percent (61 thousand metric tons), while Ukraine accounted for the largest share of semi-finished steel at 53 percent (115 thousand metric tons).

The United States was not a top import source in any product category in YTD 2016.



Source: IHS Global Trade Atlas
YTD through June

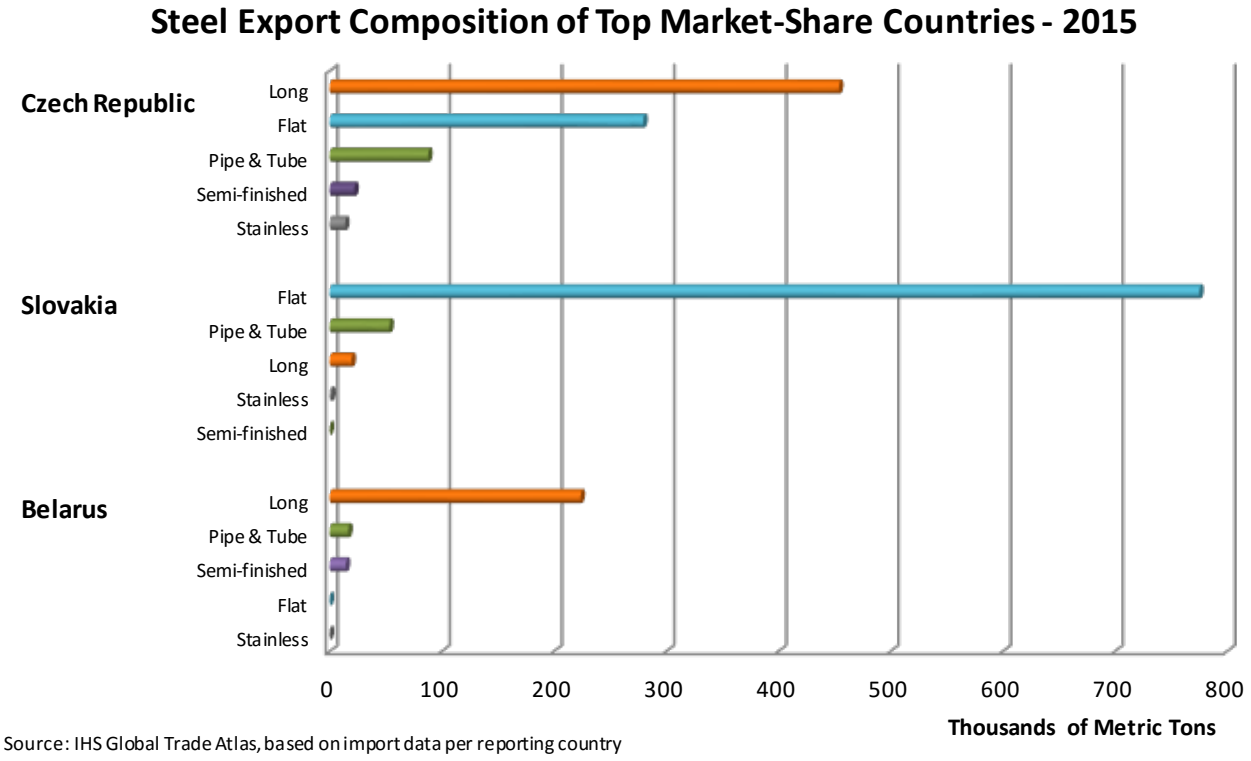
Poland's Export Market Share from Top Source Countries

In 2015, the share of steel exports sent to Poland from its top import sources increased in the majority of sources. In 2015, the share of the Belarus's steel exports to Poland showed the largest increase (up 5.6 percentage points). Increases in the share of exports to Poland in each the Czech Republic, Russia, Italy, Belgium, and France ranged from 0.1 to 0.7 percentage points. In the same year, the share of Slovakia's steel exports to Poland showed the largest decrease (down 1.1 percentage points). The share of exports to Poland in Austria, Ukraine, and Germany decreased by less than one percentage point.

Poland's Steel Export Market Share				
Top 10 Import Sources	Share of Exports to Poland - 2014	Poland's Rank in 2014	Share of Exports to Poland- 2015	Poland's Rank in 2015
Germany	9.1%	3	9.0%	3
Ukraine	4.8%	6	4.5%	7
Czech Republic	18.2%	2	18.9%	2
Slovakia	19.1%	2	18.0%	2
Russia	1.3%	19	1.9%	13
Italy	3.4%	8	3.9%	7
Austria	5.5%	3	4.9%	4
Belgium	1.9%	8	2.2%	7
Belarus	6.1%	6	11.8%	3
France	1.7%	11	1.8%	10

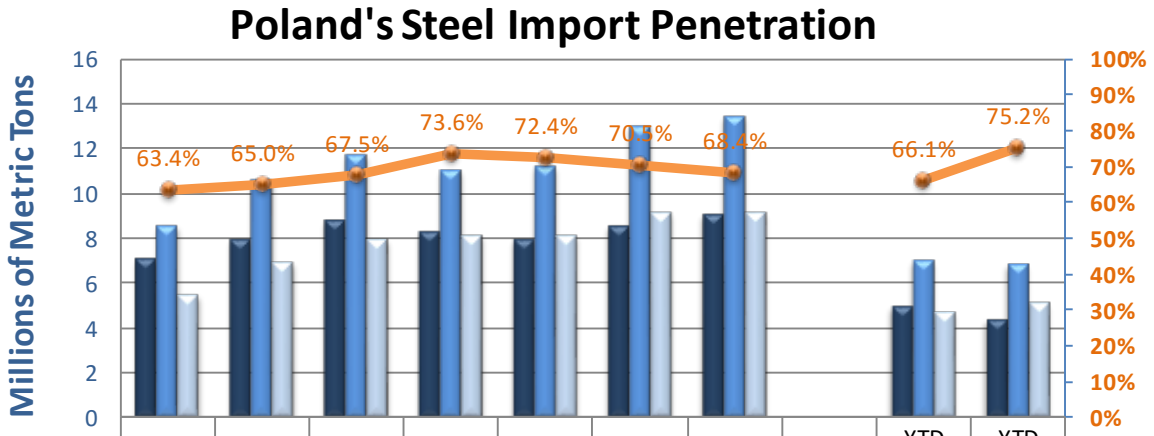
Source: IHS Global Trade Atlas, based on import data per reporting country

Among Poland's top import sources, the Czech Republic, Slovakia, and Belarus sent the largest shares of their total steel exports to Poland in 2015. Long products accounted for the largest share of steel exports to Poland from the Czech Republic and Belarus at 53 percent (454 thousand metric tons) and 88 percent (224 thousand metric tons), respectively, while flat products held the largest share of Slovakia's exports to Poland at 91 percent (775 thousand metric tons).



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

Overall Production and Import Penetration



	2009	2010	2011	2012	2013	2014	2015		YTD 2015	YTD 2016
Production	7.1	8.0	8.8	8.3	8.0	8.6	9.1		4.9	4.4
Apparent Consumption	8.6	10.6	11.7	11.0	11.2	13.0	13.4		7.1	6.8
Imports	5.4	6.9	7.9	8.1	8.1	9.2	9.2		4.7	5.1
Import Penetration	63.4%	65.0%	67.5%	73.6%	72.4%	70.5%	68.4%		66.1%	75.2%

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

Poland's crude steel production increased 6 percent between 2014 and 2015. Production in YTD 2016 has decreased by 11 percent from YTD 2015 to 4.4 million metric tons. Since 2009, apparent consumption (a measure of steel demand) has increasingly outpaced production. Between 2009 and 2015, crude steel production grew by 28 percent while apparent consumption grew twice as much, increasing by 57 percent. Import penetration averaged 68.7 percent between 2009 and 2015 and increased to 75.2 percent in YTD 2016 from 66.1 percent in YTD 2015.

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 2015

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

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	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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