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Congress played role in ending Russian pact

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NEW YORK — Input from congressional lawmakers may have helped end the duty suspension agreement on imports of Russian hot-rolled steel, according to the American Iron and Steel Institute.

AISI representatives cited an Oct. 8 letter from Congressional Steel Caucus leaders Rep. Tim Murphy (R., Pa.) and Rep. Peter Visclosky (D., Ind.) as an example of congressional interest in the matter. The AISI representatives pointed out, however, that lobbying had been transparent and did not differ significantly from typical congressional lobbying in steel trade cases.

"It's not something that happened overnight. It's actually been a process that's been under way since late July," AISI senior vice president of public policy Kevin M. Dempsey said during a media call Oct. 21. "But obviously there was congressional interest. It's all public data on how large the increases in imports were. . . . There's really nothing secret about the factors that went into the decision."

Rep. Rick Crawford (R., Ark.) also was "very active" in pushing for the end of the suspension agreement, AISI president and chief executive officer Thomas J. Gibson said during the media call.

Russian hot-rolled shipments have caused "economic harm" to the U.S. steel industry and its workers and have undercut U.S. steel prices, Murphy and Visclosky said in their letter to Commerce Secretary Penny Pritzker. "Termination of this outdated and ineffective agreement in favor of an anti-dumping duty order would end the preferential treatment that the Russian steel industry has enjoyed. It would also place Russia on the same footing as our other important trading partners, such as Japan and (South) Korea, which have anti-dumping duty orders on steel products."

Crawford sent a similar letter to Pritzker on Sept. 12, calling the suspension agreement a "concession to Russian steel producers."

"Given the current political environment in Russia, we should no longer provide this concession to Russian steel producers, especially not at the expense of the U.S. steel industry," he said. "The agreement is effectively enriching Russian oligarchs. . . . There is simply no justification—either under our trade laws or in light of the current political environment in Russia—to maintain the suspension agreement one day longer."

Steel market participants have expressed surprise at what some called the abrupt cancellation of the suspension agreement, which Commerce ended in an Oct. 17 letter to Russia's Ministry of Economic Development ([amm.com](#), Oct. 20).

Hot-rolled and plate in coil account for 26 percent of U.S. steel shipments, according to the AISI, which hailed the termination of the agreement as a significant victory. Hot-rolled steel is a "common currency" in the steel market and a precursor product to many downstream products, as well as an input into several cold-rolled and corrosion-resistant steels, AISI representatives said.

There is continued interest in imports and trade action as the domestic industry suffers from an ongoing "assault" of imported steel, Gibson said, adding that year-to-date imports of finished steel products have climbed 29 percent from the same period last year, capturing a 27-percent share of the U.S. steel market vs. 23 percent a year earlier.

