

ITC Extends the Suspension Agreement on Hot-Rolled, Flat-Rolled Steel Products from Russia

May 19, 2011

On May 18, 2011, the United States International Trade Commission (ITC) unanimously voted to extend the antidumping duty suspension agreement covering hot-rolled, flat-rolled steel from Russia for an additional five years. The ITC made its decision in the second "sunset review" covering these products. In such reviews, which are held every five years, the ITC determines whether or not the termination of antidumping and countervailing orders would likely lead to the continuation or recurrence of material injury to the domestic industry. After conducting a full investigation into the orders on hot-rolled, flat-rolled steel products from Brazil, Japan and Russia, the ITC determined that revocation of the Russian suspension agreement would likely result in injury, but voted to remove the orders on Brazil and Japan.

Alan Price, head of Wiley Rein's International Trade practice and counsel to Nucor Corporation, stated that, "We are gratified and pleased by the Commission's unanimous determination to continue the Russian suspension agreement. At the same time, we believe that the revocation of the Brazilian and Japanese orders was in error, and will be appealed." He went on to state that, "The Commission's determination not to continue those orders is troubling, given that the domestic industry is still reeling from the effects of one of the worst economic crises in history and, as such, remains highly vulnerable to the adverse affects of dumped and subsidized import competition."

Prior to today's vote, the U.S. Department of Commerce determined in a separate proceeding that producers in Brazil, Japan and Russia would resume selling merchandise at less than its fair value and with the benefit of subsidies if the orders and agreement were revoked. The ITC found, however, that only Russian exports were likely to injure

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U.S. steel producers. By voting to extend the unfair trade relief covering hot-rolled steel from Russia, the Commission will help prevent unlawfully priced Russian imports from entering the U.S. market, and further injuring an already vulnerable industry.