



Current Status of Fastener Antidumping & Countervailing Investigations & Measures in 2015

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In recent years, many fastener companies from emerging countries with advantages of low-cost labor force, sufficient materials supply, addition of state-of-the-art machines and facilities from other advanced countries, and support of their governments' favorable export policies, are not only able to fully satisfy their domestic industrial demand for fasteners, but are also very active in expanding their businesses to other markets around the world. Advanced countries in Europe and the U.S. are their main targets for marketing. The dumping of low-price fasteners on one hand helped manufacturers from these emerging countries fast gain their presence in advanced markets, but on the other hand it did generate pressure or material injury to certain local manufacturers' operation.

Accordingly, for achieving the sustainability of the local industries and protecting their interests, many countries have already launched antidumping/countervailing investigations or imposed relevant measures against emerging countries (especially Asian countries). The current antidumping and countervailing investigations

and measures against fasteners are mainly related to the EU, USA, Canada, China, Taiwan, Malaysia, India, etc. This March the EU announced to extend its antidumping measure against certain carbon steel fasteners imported from China for 5 more years. And later, Chinese Department of Commerce also determined



to re-launch the antidumping measure expiry review against certain imported carbon steel fasteners from the EU starting from June 29, 2015. During the expiry review, carbon steel fasteners imported from the EU will continue to be subject to antidumping duties according to the official notice (No. 40/2010) of Chinese Department of Commerce. Such a seemingly retaliative reaction and attitude significantly highlight the continuously

increasing trade disputes between the EU and China.

In July 2011, the Dispute Settlement Body of WTO ruled that the antidumping measures the EU imposed against certain fasteners imported from China violated the trade regulations of WTO. Although the EU determined to reduce the antidumping duty for non-cooperating

suppliers from 85% to 74.1% in 2012, most companies in the fastener industry still think that it is too high and is not in correspondence with the actual fact. In 2013, China lodged a complaint to WTO, requesting the EU should completely and immediately adjust its illegal measures, which, as claimed by China, must be canceled.

In 2015 WTO's panel for the same issue reported that the antidumping measure the EU currently imposes against certain carbon steel fasteners from China still violates the trade regulations of WTO. China expressed its welcome to the result, but the EU seemed to have a different thought and once again submitted its appeal to WTO on Sep. 9. It is obvious that the EU's attitude on imposing antidumping measures on Chinese fasteners will not change in the short term. In an email I wrote to EFDA President Dr. Volker Lederer

for inquiring the antidumping issue of Chinese carbon steel fasteners, he clearly said that there is currently no info regarding the cancelation or reduction of the antidumping duties in Europe.

Chinese carbon steel fasteners export has been influenced in Europe as well as in Canada. According to the ruling of Canadian International Trade Tribunal made this January, Canada has extended the antidumping measures against certain carbon steel fasteners imported from China and Taiwan for 5 more years and Chinese carbon steel fasteners will also be subject to countervailing duties.

In addition to advanced countries, some emerging countries have also imposed certain measures (e.g., increasing import taxes for certain products or relaunching sunset reviews) to protect their domestic manufacturing. The sunset review Mexico launched this July against certain carbon steel nuts from China and the still effective protective measure (duty rate at 11.6%) Russia imposes on Chinese carbon steel screws/nuts are both examples.

Tables below show the current status of fastener related antidumping/countervailing measures (updated as of 2015) for reference of the industry.



Effective from	Products	Countries Involved	Description
Mar. 2015 (valid for 5 years)	Carbon steel fasteners	China, Malaysia	Involving carbon steel fasteners imported from China and transhipped via Malaysia. Valid for 5 years. Lower duties for cooperating suppliers and up to 74.1% for others
Feb. 2012	Screws and bolts	India	The EU determined that Indian suppliers did receive subsidies from their governments. The countervailing duty range: 3.2-16.5%. No dumping was found to exist (so the EU terminated the antidumping investigation against Malaysia and India in 2010).
Jul. 2012 (valid for 5 years)	Stainless steel fasteners (excl. bi-metal fasteners)	Taiwan, China	15.8% for cooperating suppliers and up to 23.6% for others. Since 2012, Indonesia, Thailand, Vietnam, Philippines, and Malaysia have been excluded.



Effective from	Products	Countries involved	Description
May 30, 2014	Steel nails	Taiwan, Korea, Malaysia, Oman, and Vietnam	U.S. manufacturers accused Taiwanese suppliers of exporting steel nails to the U.S. at prices lower than the normal price, which, they said, were likely to or had caused material injury to domestic U.S. manufacturers. However, U.S. government determined that Taiwanese suppliers did not receive subsidies from Taiwanese government. In the part of antidumping, Taiwanese suppliers are subject to the lowest duties compared to other suppliers in Vietnam, Korea, Malaysia, and Oman. Vietnam is subject to the highest duty of 323.99%.
Jul. 2014 (valid for 5 years)	Steel bolts	China	Antidumping rate: 47.37-206%



Effective from	Products	Countries involved	Description
Mar. 2014 (valid for 5 years)	Carbon steel fasteners	Taiwan, China	Canadian International Trade Tribunal determined that the dumping of certain carbon steel fasteners from China and Taiwan did cause material injury to domestic Canadian manufacturers. So, the antidumping and countervailing duties have been extended. For non-cooperating suppliers, the rate will be 170%. For cooperating suppliers, the rate will be 17%.

Emerging Countries

Country imposing measures	Effective from	Products	Countries involved	Description
South Africa	May 2011 (valid for 5 years)	Carbon steel bolts and nuts	China	Antidumping rate: 55.4-122.7%.
Russia	Mar. 2011 (valid for 5 years)	Carbon steel screws and nuts	China	Antidumping rate: 11.6%
Turkey	June 2015	All products under HS codes 7318 (screw, bolt, nut, rivet, hook, cotter, pin, washer) of iron and steel (Refer to this link for involved HTS Code: tinyurl.com/o5bs2gf)	All Countries	If the total volume imported into Turkey is over 2 tons, the CIF threshold value for (customs duty and VAT) taxing will be 6,000-6,500 USD/ton.

Most of the fasteners made in Taiwan when exported to the Europe and USA will not be subject to antidumping duties, though stainless steel fasteners exported to the EU (excl. bi-metal fasteners according to the EU's official journal announced in 2014) continue to be subject to a 23.6% antidumping rate for Taiwanese

suppliers (27.4% for Chinese suppliers) and carbon steel fasteners exported to Canada are subject to a 17% antidumping rate. However, it is currently heard that some suppliers have been found by DLAF to transship products via the third country or submit falsified certificates of origins for their products to circumvent

antidumping duties. If it is true, not only the companies found to have transshipped or submitted falsified documents will be subject to a great amount of fines, other companies abiding by the government's regulations may be also forced to be involved. All companies should not ignore the influence it may cause. ■